



MAISONS
DU MONDE

THIRD-QUARTER 2019 SALES

30 OCTOBER 2019



FORWARD LOOKING STATEMENTS



This presentation contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts.

Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements.

Accordingly, no representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved.

Any forward-looking statements included in this presentation speak only as of the date hereof, and will not give rise to updates or revision. For a more complete list and description of such risks and uncertainties, refer to Maisons du Monde's filings with the French Autorité des marchés financiers.



Agenda

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- 3 2019 outlook
- 4 Q&A
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Julie WALBAUM

CEO

1 Key Highlights

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1 Key highlights

Another quarter of solid sales performance in Q3 2019;
FY 2019 targets updated

- ▶ **Solid sales performance at Maisons du Monde in Q3 2019, despite a soft trading environment in France; 9M 2019 sales up in double-digits**
- ▶ **Continued strong growth in online and international activities, confirming the robustness of our business model and omnichannel strategy**
- ▶ **Acceleration in expansion at Modani, leading to stronger sales than initially planned; profitability impacted by higher ramp-up costs than expected**
- ▶ **FY 2019 targets updated to reflect both the Group's strong sales and store opening momentum and Modani's negative contribution this year**

Continued solid sales growth in Q3 2019

		Q3 2019	
Sales		€283.7m	+9.2%
	Group sales		<i>Year-on-year growth⁽²⁾</i>
		€271.8m	+8.2%
	MDM sales ⁽¹⁾		<i>Year-on-year growth⁽²⁾</i>
		+3.0%	<i>Like-for-like growth</i>
		€11.9m	+37.2%
	Modani sales		<i>Year-on-year growth⁽²⁾</i>

Note: (1) Including Rhinov (sales of €0.5m in Q3 2019)
 (2) At current exchange rates

Successful rollout of our business initiatives in Q3 2019

OFFER AND MERCHANDIZING

- Successful launch of our new **Autumn-Winter Decoration** Collection, with 6 themes
- Initiation of our **in-store merchandizing localization** programme



B2B DEVELOPMENT

- Opening of our **first B2B showroom** in Paris Grands Boulevards flagship store
- Implementation of **key partnerships**:
 - **Hemera** in Bordeaux
 - **Adagio (AccorHotels Group)**



OMNICHANNEL EXPERIENCE

- Strengthened omnichannel experience** through different initiatives:
 - Roll out of **in-store returns** of decoration orders
 - Revamped **salesforce tablet app**
 - Better **delivery information** to customers



CUSTOMER RELATIONSHIPS

- Improved efficiency of our CRM activities**
 - Increased contribution from e-mailing to online: +23% in traffic, +30% in sales
 - Roll out of automated life-moment-based marketing campaigns



BRAND

- Improved **brand awareness** in all countries: +9 points in Italy, +5 points in France and Spain vs. 2018
- Implementation of **brand visibility initiatives**:
 - La Maison France 5 sponsorship
 - Partnership with Pinterest Shopping ads



Continued expansion of our international footprint

Agile development of our MDM store network

- 7 gross openings in Q3 2019 (of which 2 outside France), and 20 in total in 9M 2019 (of which 9 outside France), as planned
- 2 closures for relocation in France in Q3 2019, and 8 in total in 9M 2019 (of which 5 in France), as part of our active store portfolio management



Roma
Italia

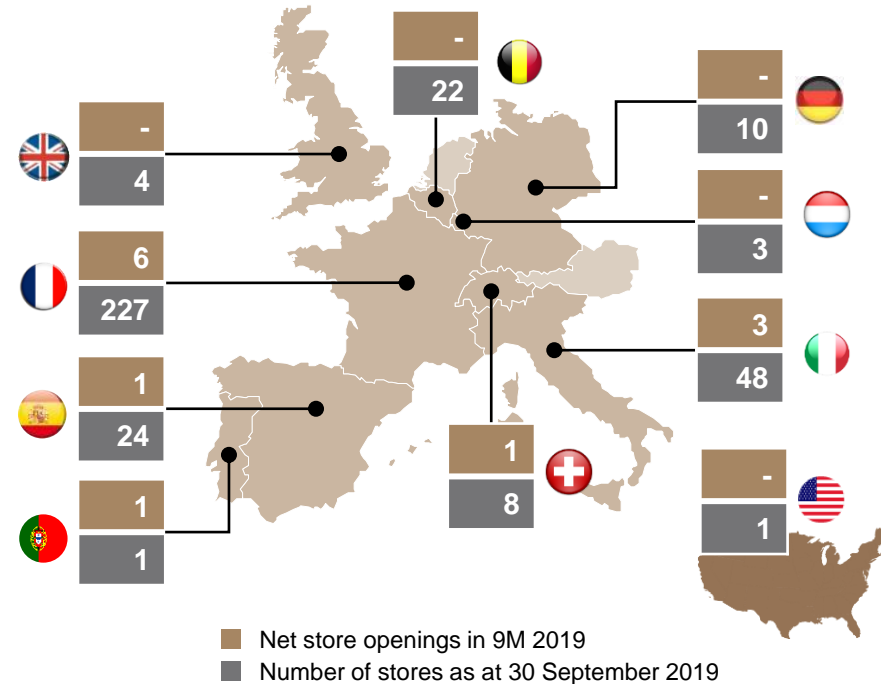


Waterloo
Belgium

Continued expansion of Modani in the USA

- 2 gross openings (San Diego, Tampa) and 1 closure (San Francisco) in Q3 2019; 4 gross openings in total in 9M 2019
- Total of 16 showrooms in the USA as of 30 September 2019

348 MDM stores as at 30 September 2019⁽¹⁾
(in number of stores)





Eric BOSMANS

CFO

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Q3 & 9M 2019
Sales Review

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In €m	Q3 2019	Q3 2018	Change
Sales	283.7	259.8	+9.2%
% change at constant rates			+8.8%
<u>Of which</u> Maisons du Monde ⁽¹⁾	271.8	251.2	+8.2%
% change at constant rates			+8.1%
% like-for-like change	+3.0%	+1.1%	-
Modani	11.9	8.6	+37.2%
% change at constant rates			+31.2%

Solid sales performance in Q3 2019 despite a soft retail environment in France

Sales growth⁽¹⁾ of 9.2% driven by all business lines



Double-digit sales growth in 9M 2019

In €m	9M 2019	9M 2018	Change
Sales	847.7	766.8	+10.5%
% change at constant rates			+10.2%
<u>Of which</u> Maisons du Monde ⁽¹⁾	815.6	752.4	+8.4%
% change at constant rates			+8.2%
% like-for-like change	+3.9%	+3.6%	-
Modani ⁽²⁾	32.1	14.5	n/a
% change at constant rates			n/a

9M 2019 performance reflecting growth in all geographies, channels and categories

Sales growth⁽¹⁾ of 10.5% driven by all business lines

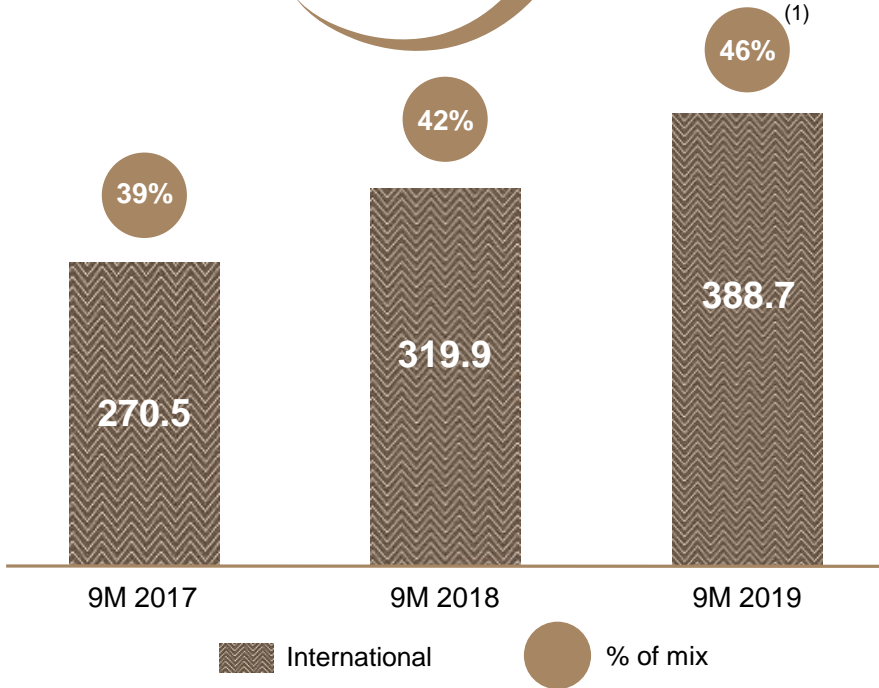


Note: (1) At current exchange rates, including Modani and Rhinov

Continued strong growth in international and online sales

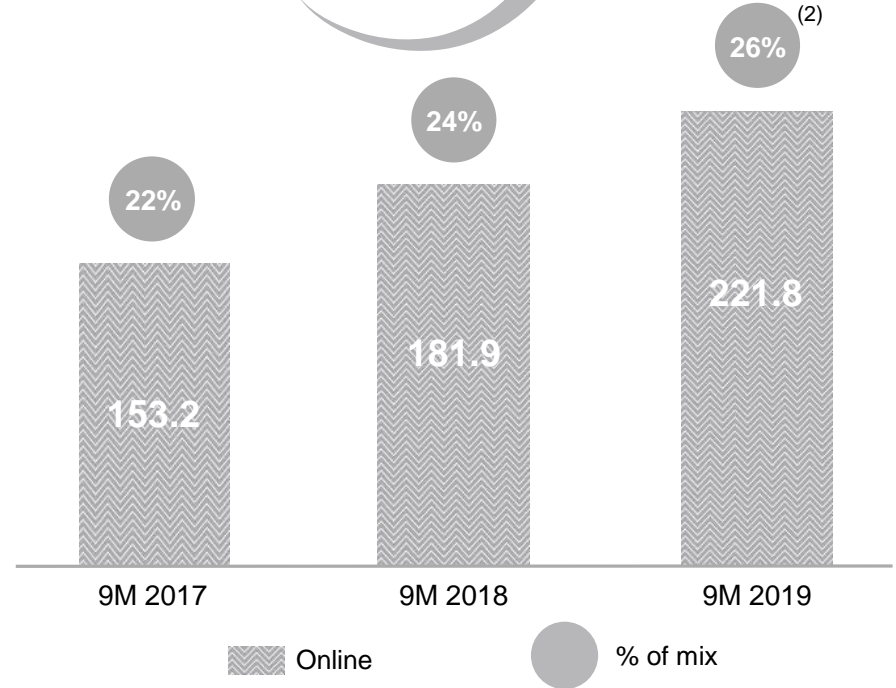
(in €m)

+20%
CAGR



(in €m)

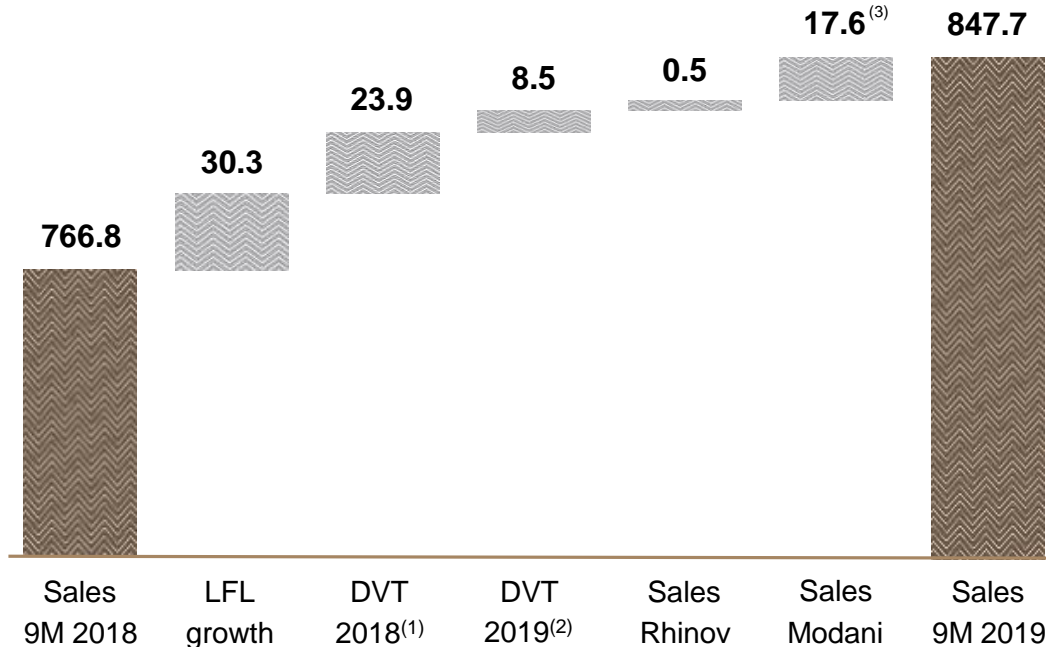
+20%
CAGR



Sales growth driven by LFL, expansion and acquisitions

SALES EVOLUTION

(in €m)



Key highlights

- Contribution from LFL growth reflecting:
 - Continued strong momentum in online sales and international business
 - Soft retail environment in France impacting in-store traffic
- Contribution from 2018 development reflecting the phasing of new store openings, which were weighted towards the year-end
- Contribution from 2019 development reflecting the phasing of new store openings and store closures for relocation, as planned
- Strong performance of Modani, with sales up c.23% at constant rates on a pro forma basis



Julie WALBAUM

CEO

3 2019 Outlook

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Maisons du Monde core business continues its profitable growth story

- **Solid sales performance in 9M 2019, in line with FY target, with continued strong growth in online and international activities**
- **FY profitability for the Maisons du Monde business expected to remain at above 13%, as planned, despite a soft retail environment in France**
- **Store expansion in line with roadmap, with FY gross openings expected to be towards the high end of the targeted range, well-balanced between France and International; decision to close the 4 corners at Debenhams in the UK as part of our active store portfolio management**
- **2019 will be another year of profitable growth for Maisons du Monde**

Modani experiences growth challenges amid rapid expansion

- ▶ **Quantum leap in Modani's store expansion** in the past 17 months:
8 gross openings since May 2018 vs. 11 in total between 2007 and April 2018
- ▶ **Successful development strategy** since Modani's acquisition by Maisons du Monde, driving **stronger sales growth than anticipated**
- ▶ **Modani's negative contribution to profitability in 2019** explained by back-end schedule of store openings and progressive ramp-up, higher costs in logistics, greater investments in marketing and support functions than initially planned and a temporary pressure on gross margin due to the new US tariffs policy
- ▶ **These ramp-up costs have a negative impact of c. €7m on Group EBITDA**
- ▶ **Modani's profitability will improve in 2020** thanks to the continuing good sales performance of the newly-opened stores and the normalization of the cost base

3 FY 2019 outlook | Full-year 2019 guidance updated⁽¹⁾

Sales growth of around 10.5%

38-42 gross store openings

13-14 store closures for relocation

EBITDA margin of c. 12.5% of sales



Laying the foundations for our 2020-2024 plan to deliver double-digit annual sales growth, robust profitability and strong cash flow



4 Q&A

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5 Appendix

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Historical sales

(In €m)	FY 17	Q1 18	Q2 18	H1 18	Q3 18	9M 18	4Q 18	H2 18	FY 18	Q1 19	Q2 19	H1 19	Q3 19	9M 19
Sales	1,010.6	255.1	251.9	507.0	259.8	766.8	344.4	604.2	1111.2	280.3	283.7	564.0	283.7	847.7
Change vs. N-1	+14.6%	+11.5%	+10.6%	+11.0%	+8.6%	+10.2%	+9.4%	+9.1%	+10.0%	+9.9%	+12.6%	+11.2%	+9.2%	+10.5%
o/w Maisons du Monde	1,010.6	255.1	246.1	501.2	251.2	752.4	333.0	584.2	1,085.4	271.4	272.4	543.8	271.8	815.6
Change vs. N-1	+14.6%	+11.5%	+8.0%	+9.8%	+5.0%	+8.1%	+5.8%	+5.5%	+7.4%	+6.4%	+10.7%	+8.5%	+8.2%	+8.4%
Like-for-like	+7.4%	+5.1%	+4.2%	+4.8%	+1.1%	+3.6%	+2.1%	+1.7%	+3.1%	+2.4%	+6.5%	+4.4%	+3.0%	+3.9%
o/w Modani	-	-	5.8	5.8	8.6	14.5	11.4	20.0	25.9	8.9	11.4	20.3	11.9	32.1
Sales breakdown	FY 17	Q1 18	Q2 18	H1 18	Q3 18	9M 18	4Q 18	H2 18	FY 18	Q1 19	Q2 19	H1 19	Q3 19	9M 19
France	61.8%	60.7%	57.4%	59.0%	56.8%	58.3%	58.2%	57.6%	58.3%	55.8%	53.3%	54.5%	53.4%	54.2%
International	38.2%	39.3%	42.6%	41.0%	43.2%	41.7%	41.8%	42.4%	41.7%	44.2%	46.7%	45.5%	46.6%	45.8%
Stores	79.2%	76.7%	75.6%	76.2%	76.5%	76.3%	79.7%	78.3%	77.3%	74.2%	73.0%	73.6%	74.3%	73.8%
Online	20.8%	23.3%	24.4%	23.8%	23.5%	23.7%	20.3%	21.7%	22.7%	25.8%	27.0%	26.4%	25.7%	26.2%
Decoration	57.8%	55.5%	48.7%	52.1%	52.2%	52.2%	63.6%	58.7%	55.7%	53.2%	48.1%	50.7%	50.7%	50.7%
Furniture	42.2%	44.5%	51.3%	47.9%	47.8%	47.8%	36.4%	41.3%	44.3%	46.8%	51.9%	49.3%	49.3%	49.3%

Evolution of the Maisons du Monde store network⁽¹⁾

(In unit)	FY 17	Q1 18	Q2 18	H1 18	Q3 18	9M 18	4Q18	2H 18	FY 18	Q1 19	Q2 19	H1 19	Q3 19	9M 19
France	213	214	217	217	217	217	221	221	221	221	224	224	227	227
Italy	42	42	42	42	45	45	45	45	45	45	47	47	48	48
Spain	20	20	20	20	21	21	23	23	23	23	24	24	24	24
Portugal	-	-	-	-	-	-	-	-	-	-	1	1	1	1
Belgium	22	21	21	21	21	21	22	22	22	21	21	21	22	22
Luxembourg	2	2	3	3	3	3	3	3	3	3	3	3	3	3
Germany	9	9	9	9	9	9	10	10	10	10	10	10	10	10
Switzerland	6	6	6	6	6	6	7	7	7	7	8	8	8	8
United Kingdom	-	-	3	3	4	4	4	4	4	4	4	4	4	4
United States	-	-	-	-	-	-	1	1	1	1	1	1	1	1
# Stores	314	314	321	321	326	326	336	336	336	335	343	343	348	348
o/w France	213	214	217	217	217	217	221	221	221	221	224	224	227	227
o/w International	101	100	104	104	109	109	115	115	115	114	119	119	121	121
# Gross openings	32	4	7	11	7	18	10	17	28	3	10	13	7	20
o/w France	15	4	3	7	2	9	4	6	13	3	3	6	5	11
o/w International	17	0	4	4	5	9	6	11	15	0	7	7	2	9
# Closures	(6)	(4)	0	(4)	(2)	(6)	0	(2)	(6)	(4)	(2)	(6)	(2)	(8)
o/w France	(5)	(3)	0	(3)	(2)	(5)	0	(2)	(5)	(3)	0	(3)	(2)	(5)
o/w International	(1)	(1)	0	(1)	0	(1)	0	0	(1)	(1)	(2)	(3)	0	(3)
# Net openings	26	0	7	7	5	12	10	15	22	(1)	8	7	5	12
o/w France	10	1	3	4	0	4	4	4	8	0	3	3	3	6
o/w International	16	(1)	4	3	5	8	6	11	14	(1)	5	4	2	6
Sales area (K sqm)	363.2	365.6	371.1	371.1	376.7	376.7	387.2	387.2	387.2	386.8	395.4	395.4	402.9	402.9
Change	+36.0	+2.5	+5.5	+8.0	+5.5	+13.5	+10.5	+16.1	+24.0	(0.5)	+8.6	+8.2	+7.5	+15.7

Note: (1) Excluding franchise stores

Evolution of the Modani store network⁽¹⁾

<i>(In unit)</i>	Q2 18	H1 18	Q3 18	9M 18	4Q18	2H 18	FY 18	Q1 19	Q2 19	H1 19	Q3 19	9M 19
Florida	2	2	3	3	4	4	4	4	5	5	6	6
California	2	2	3	3	3	3	3	3	3	3	3	3
Texas	2	2	3	3	3	3	3	3	3	3	3	3
Georgia	1	1	1	1	1	1	1	1	1	1	1	1
Illinois	1	1	1	1	1	1	1	1	1	1	1	1
New York	2	2	2	2	1	1	1	1	1	1	1	1
New Jersey	-	-	-	-	-	-	-	1	1	1	1	1
# Stores	10	10	13	13	13	13	13	14	15	15	16	16
# Net openings	-	-	3	3	0	3	3	1	1	2	1	3
o/w gross openings	-	-	3	3	1	4	4	1	1	2	2	4
o/w closures	-	-	0	0	(1)	(1)	(1)	0	0	0	(1)	(1)

Note: (1) Since the acquisition of Modani by Maisons du Monde in Q2 2018

Sales: Represent the revenue from the sales of decoration items and furniture through the Group's stores, website and B2B business. They mainly exclude i/ customer contribution to delivery costs, ii/ revenue from logistics services provided to third parties, and iii/ franchising revenue.

Sales growth at constant perimeter: Represents the percentage change in sales from the Group's stores, website and B2B business at constant scope of consolidation between one financial period (n) and the comparable preceding financial period (n-1).

Like-for-like sales growth: Represents the percentage change at constant exchange rates in sales from the Group's stores, website and B2B business, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding change in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.

EBITDA: Is defined as current operating profit, excluding i/ depreciation, amortization, and allowance for provisions, ii/ the change in the fair value of derivative financial instruments, and iii/ pre-opening expenses.