

Press Release

First Half 2016 results Continued strong profitable growth Full year estimates for 2016 are likely to be ahead of our initial guidance

Nantes, August 2, 2016

- **H1 2016 Customer Sales increased by 28.0% to €389.6 million (like-for-like Customer Sales up 16.6%) vs. H1 2015:**
 - All Group business lines and regions reported growth
 - Successful marketing initiatives, as free delivery in stores and digital developments
 - 13 net openings in H1 2016 of which 8 outside France, slightly ahead of schedule
 - Positive response to our Spring / Summer collection 2016
- **Strong H1 2016 EBITDA growth**
 - EBITDA at €40.3 million, up 53.5% year-on-year
 - EBITDA margin up 1.7 point to 10.3% of Customer Sales
- **H1 2016 net results**
 - The Group posted a first half net loss of €53.9 million after non-recurring IPO expenses and costs incurred on Group's refinancing
 - After adjusting for such non-recurring items, the Group posted first half net income of €8.1 million¹ profit
- **Strengthened financial structure post-IPO:**
 - Net debt leverage of 2.4 x LTM EBITDA² compared to 3.7x at June 30, 2015
- **2016 financial targets are likely to be ahead of our initial guidance**
 - In view of first half 2016 results, the Group is confident it will exceed the initial 2016 financial targets
 - Upgraded guidance for full-year 2016 results will be provided based on the year to date Q3 activity, when Q3 Customer Sales are released on October 27, 2016

Maisons du Monde (the "Group"), a European leader in affordable and inspirational decoration and furniture homeware, today announces its results for the first half ended June 30, 2016.

Gilles Petit, Group CEO, said: *"First half 2016 results reflect our continued strong profitable growth, well balanced between furniture and decoration, stores and online, France and international, confirming the strength of our business model. Thanks to our successful IPO, we now have a more robust balance sheet giving us financial and strategic flexibility to implement our growth plan."*

Continued strong growth

First half 2016 Customer Sales came in at €389.6 million, up 28.0% year-on-year. All business lines contribute to the growth, with a 16.6% increase in like-for-like Customer Sales. The success of Decoration and Furniture collections was confirmed throughout the first half. Furthermore, the Group's Web-to-Store service was successfully launched early 2016 in France

¹ Adjustments detailed in page 2

² Last Twelve Months

and Switzerland. The merchandising initiatives and the Group's store digitalization program, also contributed to the strong like-for-like Customer Sales performance.

Customer sales growth was also fuelled by 13 net store openings during first half 2016 including 8 openings outside France. As of June 30, 2016, the Group operated 275 stores in total, up from 242 as of June 30, 2015 and 262 as of December 31, 2015, slightly ahead of its 2016 store opening schedule.

Strong operational performance increasing the EBITDA margin

First half 2016 EBITDA came in up 53.5% year-on-year at €40.3 million, boosted by growth in like-for-like customer sales with positive operational leverage. As a result, first half EBITDA margin rose 1.7 percentage point to 10.3%.

The Group posted a first half net loss of €53.9 million compared to a H1 2015 net loss of -€22.6 million. The H1 2016 loss was impacted by:

- Non-recurring IPO expenses and cost of the Group's refinancing (€47.5m)
- Fair value adjustments on derivative financial instruments (€11.3m)
- Cost of net debt of the pre-IPO financial structure from January to May (€29.9m)¹

Adjusting for such items, including the cost of net debt of the financial structure post-IPO calculated for the first 5 months of the year (€3m), and with the application of a normative corporate income tax rate of 36%, the Group posted 2016 net profit of €8.1 million.

Improved Leverage ratio post-IPO

At June 30, 2016, net debt stood at €256.5 million. Net debt leverage³ amounted to 2.4x LTM EBITDA² compared to 3.7x at June 30, 2015.

The refinancing at IPO allows the Group to reduce its annual financial charges as of June 1st 2016 from €30 to ca €6/7million.

2016 financial estimates are likely to be ahead of our initial guidance

Taking into account our strong first half 2016 results, the Group is confident that the initial 2016 targets will be exceeded. Consequently, based on the year to date Q3 performance, the Group will raise its 2016 financial targets when third quarter Customer Sales are released on October 27, 2016.

Initial 2016 financial targets:

- Consolidated Customer Sales in the range of €800 to €815 million, compared to €699 million in 2015, driven by mid-single digit like-for-like Customer Sales growth and the full effect of stores opened in 2015;
- A targeted network expansion of 20 net store openings, out of which 2/3 dedicated to international roll-out, compared to 20 net store openings originally reported;
- A Consolidated EBITDA margin above 13% of Consolidated Customer Sales; and
- Net debt leverage equal to or below 2.25x at December 31, 2016.

¹ including the interest costs on PECs

² Last Twelve Months

³ Net debt leverage is obtained by dividing net debt (excluding vendor loan) by EBITDA.

2nd Quarter 2016 Customer Sales

	<u>Period ended June 30</u>		
	<u>Q2 2015</u>	<u>Q2 2016</u>	<u>% growth</u>
Customer Sales by region	<i>(€m except percentages)</i>		
France	101.8	126.7	+24.5%
International	53.8	73.6	+36.8%
Total Customer Sales	155.6	200.3	+28.8%
Customer Sales by product category			
Decoration	76.9	100.2	+30.3%
Furniture	78.7	100.1	+27.2%
Total Customer Sales	155.6	200.3	+28.8%
Customer Sales by retail channel			
Stores	126.3	157.1	+24.4%
Online	29.3	43.2	+47.7%
Total Customer Sales	155.6	200.3	+28.8%

First half 2016 results

	<u>Period ended June 30</u>		
	<u>H1 2015</u>	<u>H1 2016</u>	<u>% growth</u>
Customer Sales by region	<i>(€m except percentages)</i>		
France	199.4	250.0	+25.4%
International	104.9	139.6	+33.1%
Total Customer Sales	304.3	389.6	+28.0%
Customer Sales by product category			
Decoration	157.9	202.3	+28.1%
Furniture	146.4	187.3	++28.0%
Total Customer Sales	304.3	389.6	+28.0%
Gross margin	202.3	257.2	+27.2%
Gross margin (%)	66.5%	66.0%	
EBITDA	26.3	40.3	+53.5%
EBITDA margin (%)	8.7%	10.3%	
EBIT	13.9	26.8	+92.1%
EBIT margin (%)	4.6%	6.9%	

Key Operating Metrics

Maisons du Monde's management uses a number of key operating metrics, in addition to IFRS financial measures, to evaluate, monitor and manage its business. The non-GAAP operational and statistical information related to Group's operations included in this report is unaudited and has been derived from internal reporting systems. Although none of these metrics are measures of financial performance under IFRS, the Group believes that these metrics provide important insight into the operations and strength of its business. These metrics may not be comparable to similar terms used by competitors or other companies. These metrics include the following:

Customer Sales: Represents the revenue from sales of decorative products and furniture through stores, mobile applications and websites, delivery charges and charges to

transporters for damaged goods and revenue of Distrimag for logistics services provided to third parties. The Group uses the concept of "Customer Sales", rather than total revenue, for the purpose of calculating like-for-like growth, Gross margin, EBITDA Margin

Like-for-like Customer Sales growth: Represents the percentage change in Customer Sales from the Group's retail stores, online sales platforms and B2B activities, net of returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in Customer Sales attributable to stores that opened or were closed during any of the periods that are being compared. Customer Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.

EBITDA: The Group defines EBITDA as its Current operating profit before other operating income and expenses, excluding (i) depreciation, amortization and allowance for provisions and (ii) the change in fair value of its derivative instruments, as well as (iii) the management fees paid to the controlling shareholders to cover for management and administrative expenses and (iv) store pre-opening expenses which relate to expenses incurred prior to the opening of new stores.

EBIT: is defined as EBITDA after Depreciation and Amortization.

Gross margin: is defined as Customer Sales minus Cost of sales. Gross margin expressed as a percentage of Customer Sales.

Contact

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About Maisons du Monde

Maisons du Monde is a creator of inspirational lifestyle universes in the homeware industry, offering distinctive and affordable decoration and furniture collections that showcase multiple styles. The Group develops its business through an integrated and complementary omnichannel approach, leveraging its international network of stores, websites and catalogs.

The Group was founded in France in 1996 and has profitably expanded across Europe since 2003. The Group reported €699 million of Customer Sales and EBITDA of €95 million for the year ended December 31, 2015. In 2015, the Group operated 262 stores in seven countries including France, Italy, Spain, Belgium, Germany, Switzerland and Luxembourg and earned over 34% of its sales abroad. Additionally, the Group has introduced a complementary and comprehensive online shopping website, sales of which from 2010 to 2015 grew on average at 36% per year. The website is up and running in eleven countries comprising the seven countries where the Group operates stores plus Austria, the Netherlands, Portugal and the United Kingdom. In 2015 the website accounted for 17% of Group consolidated sales.

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