

ADLPartner: net sales for the first nine months of 2017 up 4.6%

The ADLPartner Group recorded €91.0 million in net sales¹ for the first nine months of 2017, up 4.6% year-on-year. The gross sales volume² came to €204.4 million, up 2.9%.

Quarterly business trends

At 30 September	2017	2016	Change
Gross sales volume (€ million)	204.4	198.5	+2.9%
1st quarter	70.9	68.2	+4.0%
2nd quarter	69.6	67.3	+3.4%
3rd quarter	63.9	63.1	+1.3%
Net sales (€ million)	91.0	87.0	+4.6%
1st quarter	31.3	29.8	+5.3%
2nd quarter	30.8	29.6	+4.2%
3rd quarter	28.9	27.7	+4.3%

The growth achieved reflects i/ the higher gross sales volume of open-ended subscriptions, supported by the increase in commercial investments, ii/ the development of the marketing services business despite a slowdown in the growth of the Spanish subsidiary, and iii/ to a lesser extent, the development of sales for ADLP Assurances, the specialist direct marketing insurance brokerage subsidiary.

Developments for each region

At 30 September	2017	2016	Change
Active open-ended subscriptions (units)	2,892,460	2,967,688	-2.5%
France	2,830,403	2,887,652	-2.0%
Spain	62,057	80,036	-22.5%
Gross sales volume (€ million)	204.4	198.5	+2.9%
France	194.8	188.6	+3.3%
Spain	9.5	10.0	-4.5%
Net sales (€ million)	91.0	87.0	+4.6%
France	83.1	79.1	+5.0%
Spain	7.9	7.9	+0.3%

Change in the product mix

At 30 September	2017	2016	Change
Gross sales volume (€ million)	204.4	198.5	+2.9%
Open-ended subscriptions	152.3	147.2	+3.4%
Fixed-term subscriptions	23.7	25.9	-8.4%
Books, merchandise, audio and video	11.7	13.8	-14.8%
Other (insurance and marketing services)	16.7	11.7	+42.6%
Net sales (€ million)	91.0	87.0	+4.6%
Open-ended subscriptions	56.4	53.9	+4.7%
Fixed-term subscriptions	9.6	10.9	-12.1%
Books, merchandise, audio and video	10.1	11.9	-15.0%
Other (insurance and marketing services)	14.9	10.3	+44.6%

In its longstanding markets, the open-ended subscription business has shown a good level of resilience, with a limited contraction in the portfolio at end-September 2017 and solid progress with sales thanks to ongoing work to optimize its marketing mixes. Prospecting campaigns for the fixed-term subscription portfolio and books, merchandise, audio and video range have been scaled back significantly in view of the unfavorable outlook.

For the new markets, growth in marketing services primarily reflects a positive effect (€2.3 million out of revenues for the first nine months of 2017) linked to the consolidation of Activis since October 2016 and LEOO since July 2017. The development of direct marketing insurance sales is being supported by a high level of commercial investments to develop a portfolio of contracts generating recurrent revenues.

Outlook

ADLPartner is moving forward with its strategy to create value and deploy its marketing expertise in new developing markets with a view to further strengthening its potential for growth and profitability over the medium and long term.

Next date: 2017 full-year net sales on 30 January 2018 (after close of trading)

ADLPartner in brief

With its extensive track record in performance marketing, ADLPartner designs, markets and implements customer relationship management and loyalty services on its own behalf or for its major partners (banks, retailers, services, e-commerce, etc.) across all distribution channels.

ADLPartner is listed on the regulated market Euronext Paris – Compartment C.

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¹ Net sales (determined in line with the French professional status for subscription sales) only include the amount of remuneration paid by magazine publishers; for subscription sales, net sales therefore correspond to a gross margin, deducting the cost of magazines sold from the amount of sales recorded. For acquisition and management commissions linked to sales of insurance policies, net sales comprise current and future commissions issued, acquired by the accounting reporting date, net of cancellations.

² Gross sales volume represents the value of subscriptions and other products sold. It is equal to net sales for the insurance business.