

ADLPARTNER: 2018 FIRST-QUARTER NET SALES OF €28.2M

The ADLPartner Group is reporting €28.2m of net sales¹ for the first quarter of 2018, down 8.7%, and a gross sales volume² of €63.9m, down 9.9%.

Net sales for the open-ended subscription business are down 12.4% from the first quarter of 2017, penalized by a seasonal effect linked to the deferral of a major partnership-based prospecting campaign which was rolled out in the first quarter of 2017. This shortfall is expected to be partly offset in the second quarter of 2018.

Taking into account their unfavorable outlook, prospecting has been scaled back for the fixed-term subscription offers and the books, merchandise, audio and video products.

For the new markets, net sales are up 23.8% compared with the first quarter of 2017. Growth in sales of marketing services is being driven by the full consolidation of the company Leoo since July 2017, while ADLP Assurances, the specialist direct marketing insurance brokerage subsidiary, is seeing sustained growth in its brokerage fees.

Change in the product mix

At 31 March	2018	2017 restated ¹	Change
Gross sales volume (€m)	63.9	70.9	-9.9%
Open-ended subscriptions	46.2	52.7	-12.4%
Fixed-term subscriptions	8.8	9.7	-9.9%
Books, merchandise, audio and video	3.4	4.0	-14.1%
Other (insurance and marketing services)	5.5	4.5	+23.3%
Net sales (€m)	28.2	30.9	-8.7%
Open-ended subscriptions	16.7	19.2	-12.8%
Fixed-term subscriptions	3.6	4.3	-16.3%
Books, merchandise, audio and video	3.0	3.4	-13.0%
Other (insurance and marketing services)	4.9	3.9	+23.8%

Developments for each region

At 31 March	2018	2017 restated ¹	Change
Active open-ended subscriptions (units)	2,840,530	3,027,095	-6.2%
France	2,785,805	2,956,305	-5.8%
Spain	54,725	70,790	-22.7%
Gross sales volume (€m)	63.9	70.9	-9.9%
France	61.1	68.0	-10.2%
Spain	2.8	2.9	-2.3%
Net sales (€m)	28.2	30.9	-8.7%
France	25.8	28.5	-9.4%
Spain	2.3	2.3	+0.3%

¹ The ADLPartner Group has applied IFRS 15 since 1 January 2018. To present comparable data between financial years, net sales for the first quarter of 2017 have been restated, resulting in a €0.5m reduction. This restatement has not had any other impact on profit and loss for 2017.

Outlook

In 2018, the ADLPartner Group is continuing to roll out its strategy to create value and capitalize on its marketing expertise and solutions in new growth markets.

The continued commercial investments in the open-ended subscription business and the ADLP Assurances subsidiary will enable it to develop its portfolios of contracts generating recurrent revenues.

Alongside this, marketing services will continue to be strengthened, with the company Converteo fully integrated from the second half of 2018, which will have a positive impact on the Group's net sales for the full year.

Next date: general meeting on 15 June 2018

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.