

- **First nine months revenue: €433,6m (-7.6%)**
- **Inflection of third semester trend (-5.6%):**
  - good performance on September and October : -4.5% on the French market down of -7.8% (*source: Institut Français de la mode*)
  - November not representative because of social movements in France
- **Key strategic priorities have been confirmed: inventory reduction policy and a record high recruitment of new Club members.**

## FIRST NINE MONTHS OF 2018-2019 REVENUE (unaudited data)

(March 1, 2018 to November 30, 2018)

IFRS - In €m Unaudited	first 9 months 2017/2018	first 9 months 2018/2019	9 months 2018/2019 vs. 9 months 2017/2018
Branches	251,9	232,4	-7,7%
Commission-affiliation	193,9	176,9	-8,8%
Internet	14,3	15,0	4,5%
Trading & Misc.	9,1	9,4	3,8%
<b>Consolidated revenue</b>	<b>469,1</b>	<b>433,6</b>	<b>-7,6%</b>
of which France	296,5	271,0	-8,6%
of which Belux	59,4	54,3	-8,4%
of which International (excl. Belux)	113,2	108,3	-4,4%

During the first nine months of 2018/2019, i.e. between March 1 and November 30, 2018, the Orchestra-Prémaman Group posted consolidated revenue of €433.6m, down -7.6% relative to the year-earlier period.

This decline in revenues was in step with generally tough economic climate (-8.6% compared with 2017): France witnessed the worst first-half period in terms of consumption in five years (source: Kantar Worldpanel survey H1 2018 - France textiles/shoes/accessories). Top-line performances also suffered considerably from the renegotiation of the Group's debt financing.



# ORCHESTRA®

September decreased by -18.6% in comparison with 2017 due to adverse weather conditions with high temperatures during the back-to-school period which wasn't conducive to consumption. However, the Group recorded a good performance for October mainly thanks to better transformation rates (revenue +13.7% compared with 2017) starting an upward trend combined with a cumulated performance of -4.5% vs 2017 on the first two months of this quarter, validating sales plans developed during summer time. Unfortunately, this trend reversal has been disrupted by social movements in France since November despite the Group achieved around 40% of its revenue abroad (revenue: -8.4% at Group level and -10.2% in France).

Third quarter cumulated revenue was down -5.6% at Group level impacted by the weight of France of which performance declined by -6.1% vs 2017. This trend nevertheless remains higher than the market with a decrease of -7.5% vs 2017 (source: IFM).

Cumulated performance in France at November end was -8.6%:

- The textile business saw a 10.4% slide revenue, reflecting the market trend of the specialist children's clothing chain sector (-7.5%, source: IFM)
- The Childcare Products business continued to chalk up strong momentum, with sales increase +4.8%

In France, social movements did not result in an increase of purchase online as compensation (source: Fevad). Yet, there was a noteworthy performance related to online sales, especially during Black Friday; the online business continued to deliver growth (+4.5%), driven by the marked acceleration in online sales of childcare products (+115.2%) and the development of the following websites: Greek (+58.5%), Swiss (+39.6%) and Belgian (+9.4%).

Trends in Belgium and international (excluding Belgium) markets were similar, ending the period down -8.4% and 4.4%, respectively.

As a mean to secure future sales, the Group aimed to actively recruit new Club members following sales plans developed last summer. At November 30 2018, the Group had a record high 2.1 million Club card-holders, an increase of +14.8% compared with 30 November 2017. Note that around 90% of Group revenue stems from sales to Club card-holders.



## THIRD QUARTER 2018-2019 REVENUE (unaudited data) (September 1<sup>st</sup>, 2018 to November 30<sup>th</sup>, 2018)

IFRS - In €m Unaudited	3rd Quarter 2017/2018	3rd Quarter 2018/2019	Q3 2018/2019 vs. Q3 2017/2018
Branches	87,8	83,0	-5,5%
Commission-affiliation	68,4	63,4	-7,3%
Internet	6,4	6,8	6,4%
Trading & Misc.	1,8	2,0	9,3%
<b>Consolidated revenue</b>	<b>164,4</b>	<b>155,2</b>	<b>-5,6%</b>
of which France	104,5	98,1	-6,1%
of which Belux	19,2	18,3	-4,5%
of which International (excl. Belux)	40,7	38,7	-4,8%

During the third quarter of 2018/2019, i.e. September 1 to November 30 2018, the Orchestra-Prémaman Group posted consolidated sales of €155.2m, down 5.6% relative to year-earlier period on a market with a -8.9% performance.

All effects have been mentioned above which are:

- September impacted by adverse weather conditions with high temperatures leading to a negative effect on back-to-school campaigns
- However, October showed good results mainly thanks to higher transformation rates compared with 2017
- Although 40% of the revenue is made abroad, November suffered from social movements in France



## STORE NETWORK (unaudited data)

Store Network in number and thousands of m <sup>2</sup> unaudited	28/02/2018		30/11/2018		Change 30/11/2018 vs. 28/02/2018	
	Number	Surface area	Number	Surface area	Number	Surface area
Branches	315	196,8	318	201,5	3	4,8
Commission-affiliation	248	115,7	240	117,5	-8	1,8
<b>Total</b>	<b>563</b>	<b>312,5</b>	<b>558</b>	<b>319,0</b>	<b>-5</b>	<b>6,5</b>
Textile	414	138,0	388	129,7	-26	-8,3
Mixed stores and megastores	128	163,9	145	176,6	17	12,7
Outlet Stores	21	10,6	25	12,7	4	2,1
<b>Total</b>	<b>563</b>	<b>312,5</b>	<b>558</b>	<b>319,0</b>	<b>-5</b>	<b>6,5</b>
o.w. France	312	195,3	310	201,2	-2	5,9
o.w. Belux	62	54,2	59	53,2	-3	-1,0
o.w. International (excl. Belux)	189	62,9	189	64,6	0	1,7

The Group pushed ahead with the transformation of its retail network in the first nine months, with:

- A major shift in store format towards mixed stores and megastores,
- The opening of four new clearance stores, reflecting the Group's goal of actively reducing inventory levels.

Large format stores (mixed and megastores) now represent 55.4% of the network's store space and a total of 145 stores.

The Orchestra-Prémaman is committed to a strategy of reducing inventory by developing Large Format stores combining children's clothing, maternity wear and childcare products all under one roof.

### Upcoming events

Fourth quarter revenue of 2018/2019, on April 11 2019 after market close

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