

LIMONEST, 31 JANUARY 2019

Q3 2018-2019 REVENUES

9-MONTH REVENUES UP 6.7% TO €380.4M

CONTINUATION OF THE LONG-TERM GROWTH STRATEGY DESPITE
AN UNFAVOURABLE ECONOMIC ENVIRONMENT

Olivier de La Clergerie, LDLC Group CEO, said: "Third quarter revenues increased 3.4% compared to the same period last year. The period was marked by a particularly complex environment in terms of household consumption, adversely affecting the Group's BtoC activities. However, momentum in the BtoB business was confirmed in the third quarter, driving revenue growth over the period. The group remains focused on its fundamentals: the relevance of its offers, the development of the store network, which currently includes 39 LDLC.com stores in France and 2 in Spain (Madrid and Barcelona), and the continued ramp-up of other activities. We have noted that the Group's strategic growth drivers are well on track, with strong growth in the BtoB division and stores. Buoyed by a business model that has proved its worth, we stand behind our intentions to return to positive EBITDA in the second half, due to the impact of the savings achieved through Group synergies and cost-cutting measures."

9-MONTH CONSOLIDATED REVENUES (1 APRIL TO 31 DECEMBER) – UNAUDITED

€m	2018-2019	2017-2018	Change %
Q1 Revenues	109.1	100.8	+8.2%
Q2 Revenues	125.5	114.7	+9.4%
Q3 Revenues	145.7	141.0	+3.4%
9-month total	380.4	356.5	+6.7%

Corporate data: Q3 2018-2019 revenues amounted to €124.1m and 9-month revenues came to €326.8m.

NB: Before applying IFRS 15, the new standard for the recognition of revenues, Q3 2018-2019 revenues would be up 4.9% and 9-month 2018-2019 revenues would be up 8.0%.

The LDLC Group posted Q3 2018-2019 consolidated revenues of €145.7m, up 3.4% compared to Q3 2017-2018. The contribution of the OLYS Group, consolidated since 1 April 2018, came to €17.9m over the third quarter.

BOOMING BTOB BUSINESS IN Q3

The BtoB business increased 44.4% to €48.9m in Q3 2018-2019, up from €33.9m a year earlier. The OLYS Group accounted for €11.9m of this quarterly increase. At constant consolidation scope, the BtoB business posted strong like-for-like growth of 9.1% in the third quarter, which included the ramp-up of the LDLC.pro business offering. The Gennevilliers warehouse, which will reduce delivery times for BtoB and BtoC customers, will be fully operational in March 2019.



Unlike the strong growth recorded in the BtoB business, the BtoC business decreased 9.3% during the quarter (down 15.0% at constant consolidation scope). The group was operating in a complex market environment at the end of December, marked by the Yellow Vest movement in France, and with no significant carry-over effect from in-store to online purchases.

The store network, with four new stores opened during the third quarter, bringing the total number to 41 by the end of 2018, posted Q3 revenues of €17.3m, up 11.1% compared to the previous year.

Lastly, other businesses posted Q3 revenues of €2.6m, compared to €3.1m for the same period last year, resulting from the strategic streamlining of the Maginéa product catalogue, only retaining high turnover and high margin items. L'Armoire de Bébé maintained strong sales momentum, posting an increase of more than 50% in business during the quarter.

9-MONTH REVENUES UP 6.7% TO €380.4M

Nine-month 2018-2019 consolidated revenues amounted to €380.4m, up 6.7% in total. The OLYS Group contribution over the nine months came to €49.2m.

The BtoC business fell 2.7% (down 10.3% at constant consolidation scope), to €251.9m. It is worth noting the 10.5% increase in store sales in the first nine months, driven by the momentum of new store openings (12 new stores since the beginning of the year).

The BtoB division recorded revenues of €121.2m, posting a sharp increase of 36.9%, up 3.6% at constant consolidation scope.

Other businesses posted total revenues of €7.3m in the third quarter, compared to €9m in Q3 2017-2018.

OPERATIONAL PRIORITIES AND OBJECTIVES

Two years of significant structural initiatives, essential in order to support future growth, has led to higher than expected expenses over the last few months. The Group is now entirely committed to implementing its strategic plan, aiming to consolidate its position among French market leaders and secure a major foothold in the Iberian market.

Despite an unfavourable BtoC market environment, the second half of 2018-2019 and the coming years will benefit from the OLYS Group integration, and should also begin to reap the rewards of major investments made in 2017-2018.

In the medium term, the group intends to pursue a profitable growth strategy based on an appropriate and relevant offer and the roll-out of its distribution networks, in order to combine controlled revenue growth, an improved gross margin and savings generated by Group synergies.

Next release:

25 April 2019 after market close, Q4 2018-2019 revenues



GROUP OVERVIEW

The LDLC Group was one of the first to venture into online sales in 1997. Today, as an e-commerce leader in the IT and high-tech market, the LDLC Group operates via 11 websites, including 6 commercial sites, serving consumers and professionals alike. The Group employs 1 000 people. Winner of a number of customer service awards and widely recognised for the efficiency of its integrated logistics platforms, the LDLC Group is also developing a network of branch stores and franchises.

Read more at www.groupe-ldlc.com

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