

LIMONEST, 25 APRIL 2019

2018-2019 REVENUES: €507.0M BTOC OPERATIONS RESUME GROWTH IN Q4

LDLC Group CEO Olivier de la Clergerie made the following comments: *“Despite a particularly sluggish market for most of the year, 2018/2019 LDLC Group revenues rose 7.4%. This upbeat performance testifies to our efforts to bolster our BtoC market share and ramp up our chain of stores. Since February 2019 we have noticed that these operations have really turned the corner - online and in-store sales have surged and this trend has continued into the first few weeks of April. This performance is encouraging and should allow the Group to post a slightly positive EBITDA in 2018/2019. We are backed by robust fundamentals that will stand us in good stead to take full advantage of an upswing in the economy that is boosting our BtoC retail operations. From 2019/2020 onwards, we look forward to resuming revenue and earnings growth more in line with our past performance.”*

CONSOLIDATED REVENUES (1 APRIL TO 31 MARCH) – UNAUDITED

Revenues (€m)	2018/2019	2017/2018 ⁽¹⁾	Change (%)
Q1	109.1	100.8	+8.2%
Q2	125.5	114.7	+9.4%
Q3	145.8	141.0	+3.4%
Q4	126.6	115.6	+9.5%
FY (12 months)	507.0	472.1	+7.4%

(1) Reported 2017/2018 data before €6.3m negative impact of IFRS 15

Corporate data: Q4 2018/2019 revenues €109.7m, FY 2018/2019 revenues €436.5m.

Q4 revenues of €126.6m: BtoC operations bounce back to growth

Q4 2018/2019 revenues rose 9.5% (up +11.5% before IFRS 15) year on year, while BtoC operations resumed growth. Mid-February saw a marked turnaround in BtoC operations, hitherto curtailed by a challenging market environment and wait and see consumer attitudes. Accordingly, Q4 BtoC operations turned in revenues up 3.3% at €83.3m. Q4 LDLC store sales soared 32.6% to €16.0m.

Q4 BtoB revenues rose 26.7% to €40.7m. Both BtoB and BtoC were boosted by the successful integration of OLYS. Like-for-like BtoB revenues edged down 2.1% hit by last year’s high demand for graphic cards for cryptocurrency trading.



2018/2019 revenues of €507.0m, up 7.4%

Full year sales came in up 7.4% (up +8.9% before IFRS 15) at €507.0m (2017/2018: €472.1m).

BtoB turned in revenues of €161.9m, up 34.1% boosted by the consolidation of OLYS revenues (up 2.0% at constant consolidation scope).

BtoC posted revenues of €335.7m, including €59.9m (2017/2018: €53.0m) generated by Group stores, which numbered 40 at 31 March 2019. As recently reported, in May this year LDLC will open a second store in Bordeaux, the 41st store in the LDLC.com chain.

Other businesses (excluding Maginea) totalled €7.1m full-year revenues, up from €3.8m in 2017/2018, boosted by growing demand for L'Armoire de Bébé childcare products.

Recent news and outlook

In April 2019, LDLC closed operations at its Maginea activity (2018-19 revenues €2.2 million) after 10 years operating in the online interior design market. This closure reflects the Group's decision to refocus on its specialised retail business, including the flagship high-tech business, and on promising markets such as childcare with L'Armoire de Bébé, where initial results have proved convincing.

In line with management's stated goal to slash debt, in March 2019 the Group signed a letter of intent to sell its Nantes warehouse. The asset sale due to be closed in Q1 2019/2020 is expected to fetch around €11m.

LDLC is entering the 2019/2020 financial year with confidence and determination. Backed by significant achievements over the last 18 months to shore up its fundamentals, the Group plans to take full advantage of the expected economic upturn in the BtoC sector and to leverage synergies with OLYS, consolidated last year, in order to pursue growth in BtoB.

The Group plans to bring to market two new products developed in-house (www.solaari.com and www.nemeio.com) in 2019/2020. The new SOLAARI lightsaber has been greeted with enthusiasm, with nearly 500 items pre-ordered during the "Kickstarter" campaign, while the Nemeio interactive keyboard with screen received an award at the CES trade show in Las Vegas in January 2018. Although it is not possible at the moment to predict the contribution these new products will make, initial reactions augur the emergence of new growth drivers for the Group.

Accordingly, in the medium term, the Group intends to pursue its profitable growth strategy based on an appropriate and relevant product offering and to continue expanding its retail chain in order to combine controlled revenue growth, an improved gross margin and savings generated by Group synergies.

Next release:

20 June 2019 after market close, 2018/2019 earnings

Next meeting:

21 June 2019 at 10 am, Centre de conférences Edouard VII, 23 square Edouard VII, Paris 9th district



GROUP PROFILE

Now a major e-commerce player in the BtoC and BtoB IT and high-tech sectors, the LDLC Group markets its product range through 11 websites, including 6 online stores, and employs over 1,050 people.

Bolstered by numerous awards for quality and customer relations and its integrated logistics platforms' widespread reputation for efficiency, the LDLC Group is constantly expanding its chain of brand stores and franchises.

Read more at www.groupe-ldlc.com

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