showroomprive•com

PRESS RELEASE
February 16th 2016

SHOWROOMPRIVÉ'S 2015 ANNUAL RESULTS
STRONG GROWTH IN REVENUES AND PROFITABILITY

La Plaine Saint Denis, 16 February 2016 – Showroomprivé, an innovative European player in the online private sales industry, specialized in fashion, announces its results for the financial year ended 31 December 2015. 2015 was a breakthrough year for Showroomprivé, with the realisation of various projects that drove growth.

Very strong financial performance, in line with the Group's objectives

- **Gross turnover: €605m* (+28%)**
- **Net revenues: €442.8m (+27%)**
- **EBITDA: €23.7m (5.4% of net revenues, +92 basis points)**
- **Significant dynamism in France, with net revenue growth of +28% and an EBITDA margin of 8.1%**

More members, more buyers and more mobile

- **24.6 million members (+4.4 million)**
- **2.9 million buyers in 2015 (+0.5 million)**
- **5% growth in sales per buyer (to €151.1), driven by the growth in the number of orders per buyer (4.1 orders per buyer, a 6% increase)**
- **70% of traffic and 48% of net revenues achieved via mobile**

Dynamism driven by innovative initiatives : "Infinity", "single basket", and "#CollectionIRL"

Priorities for 2016:

- **Enrich our offering**
- **Pursue innovation in order to improve user experience**
- **International: new phase of development, with an organisation closer to local markets**

Confirmation of the guidance at Group level announced in the context of the initial public offering:

Commenting on this results publication, Showroomprivé co-founders and co-CEOs Thierry Petit and David Dayan said: *"2015 was a record year for Showroomprivé with strong growth in both revenues and profitability in spite of a difficult retail environment in the fourth quarter. Our sales grew twice as rapidly as France's e-commerce market as a whole, demonstrating the strong appeal of our offering and the growing notoriety of Showroomprivé. Innovation is key to all the Group's initiatives for the continued improvement of its offering and service quality, which benefits both our members and brand partners. These initiatives enabled us to attract 4.4 million new members in 2015 and more than 750 new brand partners. This very strong performance allows us to confirm our revenue and EBITDA margin guidance at Group level for 2016 and 2018."*

KEY FIGURES FOR 2015

(€ million)	2014	2015	%Growth
Net revenues	**349.8**	**442.8**	***26.6%***
Total Internet revenues	**338.5**	**433.2**	***28.0%***
EBITDA	**15.5**	**23.7**	***52.7%***
EBITDA as % of revenues	4.4%	5.4%	*+92 pts*
Net cash position	**43.1**	**99.1**	**+129.9%**

* Tax-inclusive turnover, including Gross Internet Sales and Non-Internet Revenues

KEY HIGHLIGHTS FROM 2015

2015 was a year of strong and profitable growth

- Showroomprivé continues to pursue strong growth in France, with an increase in net revenues of 29% for online sales. The Group has thus reinforced its position in its principal market and achieved a sharp increase in profitability, with an EBITDA margin of 8.1% in France.
- The Group continues its international development across European markets where there remains considerable scope for development within the e-commerce sector. Showroomprivé continues to grow its member base and traffic thanks to the increasing notoriety of the brand.

This growth has been driven by a constant capacity for innovation

- Showroomprivé has unveiled new features and services, including *Infinity,* an unlimited free delivery service offered on a subscription basis, or the "single basket" which allows customers to assemble purchases from various sales in one basket.
- Showroomprivé has launched for the first time its own brand, #CollectionIRL: a basics collection designed for its core target, the digital woman. The first two sales, held during the fourth quarter, reaped very promising results.
- Finally, Showroomprivé inaugurated in June its innovation hub, Look Forward, which has already welcomed six start-ups, demonstrating the Group's commitment to supporting innovation at the crossroads of fashion and new technologies.

In order to support its growth and reinforce its operations, **Showroomprivé has opened a third sale production centre in Roubaix** (a hub for receiving samples, photo shoots, retouching and online launches).

Showroomprivé also successfully entered onto the stock market on 30 October 2015 with a listing on Euronext Paris, providing the Group with an even greater capacity for pursuing its development.

STRATEGIC FOCUS FOR 2016

In 2016, Showroomprivé will pursue growth by continuing to improve its offering, its customer experience and the quality of the services offered on its site, in order to respond more and more proactively to the expectations of digital women.

This will be achieved by focusing on the following objectives:

- **Reinforce the attractiveness and reach of the offering;**
- **Stimulate member activity and repeat purchase rate, and retain members by innovating more and more** to improve customer experience and service quality;
- **Gain new members** via a marketing strategy centred on return on investment;
- **Further develop the brand portfolio and strengthen partnerships with brands** through the development of innovative features (search engine, "drive-to-store" offer);
- **Boost international presence with a multi-local strategy.** After an initial development period piloted from France, the Group will implement a new approach in the countries where it operates, including the implementation of sourcing structures and teams, and tailoring the offering more specifically to market needs. Showroomprivé will implement innovation on an international scale to strengthen the engagement and loyalty of its members and to accelerate their conversion into buyers.

The implementation of these growth levers enables the Group to confirm its guidance at Group level for 2016 and 2018:

- **Revenues of between €525m and €555m in 2016, to reach €750m in 2018**
- **EBITDA margin at Group level of between 5.8% and 6.2% in 2016, and between 7.5% and 8.0% in 2018**
- **EBITDA margin in France of around 8.5% in 2016 and 9.5% in 2018**
- **Level of operational capex of between 1.3% and 1.5% of revenues**

- **Ratio of cash flow from operational activities before tax and after operational capex to EBITDA higher than 100%**

The Group enters a new phase of its international development with the implementation of a multi-local strategy. It confirms its objective to generate almost a quarter of its revenues in its international markets in 2018, without providing an objective on this ratio in 2016.

DETAILED COMMENTARY FOR EACH TYPE OF INDICATORS

REVENUES

(€ million)	**2014**	**2015**	***%Growth***
Internet revenues			
France	285.8	370.0	*29.4%*
International	52.7	63.2	*20.0%*
Total Internet revenues	**338.5**	**433.2**	***28.0%***
Other revenues	11.3	9.6	*-14.9%*
Net revenues	**349.8**	**442.8**	***26.6%***

(€ million)	**Q4-14**	**Q4-15**	***%Growth***
Net revenues	**125.2**	**154.3**	**23.3%**

The Group's revenues are up 27% at 443 million euros, driven by **France,** where net online revenues have grown by 29%. **International sales are up 20%** over the year, confirming the development of the Showroomprivé brand across its markets.

At the end of the fourth quarter, the Group's revenues stand at 154 million euros, corresponding to growth of 23% in comparison with 2014. These results reaffirm the strong appeal of Showroomprivé and the resilience of its model within a difficult retail environment, which enabled it to achieve in the fourth quarter almost twice the growth of the French e-commerce market (source: Fevad).

KEY PERFORMANCE INDICATORS

	2014	**2015**	***%Growth***
Total Members (in millions)	20.2	24.6	*21.8%*
Cumulative Buyers (in millions)	4.3	5.5	*28.2%*
Buyers (in millions)	2.4	2.9	*21.7%*
Number of Orders (in millions)	9.1	11.7	*29.0%*
Revenue per Buyer	143.7	151.1	*5.2%*
Average Number of Orders per Buyer	*3.9*	*4.1*	*6.0%*
Average Basket Size	*37.2*	*36.9*	*-0.8%*
Share of Revenues from Mobile	43%	48%	*+5 pts*

Revenue growth was driven both by a sharp increase in the number of buyers and by the increase in average revenue per buyer.

The Group gained 4.4 million new members, bringing its total number of members to 24.6 million on 31 December. Thanks to a strong conversion rate, the number of buyers increased by 22% to reach 2.9 million. These new buyers and the increase in the number of orders per buyer (from 3.9 to 4.1) meant a 29% increase in the total number of orders, which reached 11.7 million over the course of the year. Meanwhile, the average revenue per buyer increased by 5% to more than 151 euros, demonstrating the strong appeal of the Group's offering and the growing loyalty of its members.

The Group's growth has been underpinned by mobile, which generated almost 70% of traffic and 48% of net revenues.

EBITDA

(€ million)	2014	2015	%Growth
France	19.2	30.9	*61.2%*
EBITDA France as % of revenues	*6.4%*	*8.1%*	
International	-3.6	-7.2	*97.7%*
EBITDA International as % of revenues	*-6.9%*	*-11.3%*	
Total EBITDA	**15.5**	**23.7**	***52.7%***
Total EBITDA as % of revenues	*4.4%*	*5.4%*	

EBITDA increased by 53%: almost twice as rapidly as net revenues. It reached 23.7 million euros, with an EBITDA margin of 5.4%, corresponding to an increase of 92 basis points compared to 2014.

This increase in profitability was driven by France, which reported strong growth in its EBITDA margin, reaching 8.1% at the end of the year (against 6.4% in 2014). Internationally, profitability remains negative due to significant investments in marketing, carried out in order to increase Showroomprivé's notoriety in its less developed markets.

The increase in profitability at Group level is carried by a strong growth in sales and the continuation of a high gross margin, coupled with a strong operating leverage enabled by an operating cost structure largely made up of fixed costs.

COST STRUCTURE

(millions €)	2014	2015	%Growth
Net revenues	**349.8**	**442.8**	***26.6%***
Cost of goods sold	-202.9	-263.7	*29.9%*
Gross margin	**146.9**	**179.2**	***22.0%***
Gross margin as % of revenues	*42.0%*	*40.5%*	
Marketing	-21.9	-26.9	*22.7%*
As % of revenues	*6.3%*	*6.1%*	
Logistics & fulfilment	-84.9	-102.7	*20.8%*
As % of revenues	*24.3%*	*23.2%*	
General & administrative expenses	-26.8	-29.9	*11.3%*
As % of revenues	*7.7%*	*6.7%*	
Total Opex	**-133.7**	**-159.4**	***19.3%***
As % of revenues	***38.2%***	***36.0%***	
Current operating profit	**13.2**	**19.7**	***50.1%***

Gross margin reached more than 179 million euros (+22%) and remained stable in terms of percentage of revenues between the first and second half. It represents 40.5% of revenues (against 42.0% in 2014), which can be explained by:

- An increase in the share of consignment sales (from 77% to 81% of gross online sales), at a lower gross margin than that of firm sales;
- The development of new product categories (44% of gross online sales against 40% in 2014) at a lower gross margin than that of fashion items;
- The implementation of a price investment strategy abroad, which ended at the beginning of the fourth quarter.

Since the operating costs involved in consignment sales and new categories are lower than those for firm sales and fashion products, the decrease in gross margin on these items has no significant impact on EBITDA margin.

Operating costs have decreased from 38.2% to 36.0% of net sales, thanks to the strong operating leverage on the Group’s cost structure and an important focus on cost control.

- Marketing expenses decreased slightly in terms of percentage of sales from 6.3% to 6.1%;
- Logistics and fulfilment costs decreased more significantly from 24.3% of revenues to 23.2%;
- Finally, general and administrative expenses fell sharply as a percentage of sales from 7.7% to 6.7%.

OTHER FINANCIAL INFORMATION

(€ million)	**2014**	**2015**	***%Growth***
Current operating profit	**13.2**	**19.7**	***50.1%***
Amortisation of intangible assets recognized upon business reorganisation	-0.8	-0.8	*0.0%*
Other operating income and expenses	-2.4	-8.1	*236.6%*
Operating profit	**10.0**	**10.9**	***8.9%***
Net finance costs	-0.1	-0.1	*-4.9%*
Other financial income and expenses	0.1	-0.1	*-303.8%*
Profit before tax	**9.9**	**10.6**	***7.5%***
Income taxes	-4.0	-5.5	*36.6%*
Net income	**5.9**	**5.1**	***-12.4%***

Other operating income and expenses (€8.1 m) can be broken down as follows:

- 4 million euros in one-off expenses incurred primarily during the preparation of the Group’s initial public offering;
- 4.1 million euros in expenses related to the allocation of a free shares plan, again in the context of the IPO. These charges have no impact on the Group's cash position.

The Group's tax expenses increased by 37% to 5.5 million euros.

Accordingly, net income showed a slight decline, amounting to 5.1 million euros at the end of the year.

CASH FLOW ITEMS

(€ million)	2014	2015
Cash flow operating activities	19.9	13.9
Net cash flows from investing activities	-5.1	-6.4
Net cash flows from financing activities	-0.7	47.7
Net change in cash	**14.2**	**55.3**

Net change in cash is up sharply compared with 2014, at more than 55 million euros.

Cash flow from operational activities amounts to 13.9 million euros. Excluding the one-off items below, they amount to 27.3 million euros. The impact on the Group's generation of operational cash flow amounted to 13.4 million euros, including:

- 4 million euros in one-off operational expenses linked to the initial public offering
- 4.2 million euros worth of opportunistic stock purchases at the end of the year which were part of the Group's on-going stock purchases
- 5.2 million euros due to a disparity in the timing of marketing expenditures between this year and last year: this spending was carried out in September and October this year, versus November and December the previous year.

Capital expenditures increased from 5.1 to 6.4 million euros, remaining constant in terms of percentage of sales at 1.4%. Cash flows from investing activities were used by the Group for investment in tangible and intangible assets, in particular on capitalized research and development costs, and computer equipment.

The sharp rise in cash flow from financing activities reflects the sum raised via the capital increase of the company as part of its IPO (49 million euros).

ANALYST AND INVESTOR CONFERENCE (IN ENGLISH)

Speakers:
David Dayan Chief Executive Officer
Thierry Petit, Deputy Chief Executive
Nicolas Woussen, Chief Financial Officer

Date: Tuesday 16 February 2016
18:30 Paris time – 17:30 London time – 12:30 New York time

Journalists will only be able to listen to the conference

Webcast link to listen live and for the replay: https://pgi.webcasts.com/starthere.jsp?ei=1092550

Dial-in to listen to the conference LIVE
From France: +33(0)1 76 77 22 27
From the UK: +44(0)20 3427 1904
From the US: +1 212 444 0412
Access code: 8884604

FORWARD-LOOKING STATEMENTS

This document contains only summary information and does not purport to be comprehensive.

This document may contain forward-looking information and statements about the Group and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “target” or similar expressions. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of the Group’s securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Group, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in filings with the *Autorité des Marchés Financiers* made or to be made by the Group. The Group undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events, or otherwise.

UPCOMING PUBLICATIONS

Revenues for the first quarter 2016: 25th April 2016 (after market close)

ABOUT SHOWROOMPRIVE.COM

Showroomprive.com is an innovative European player in the online private sales industry, specialized in fashion. Showroomprivé offers a daily selection of 1500 brand partners on its mobile app or online. It has over 24 million members in France and in eight of its European country markets. Since its launch in 2006, the company has enjoyed quick and profitable growth.

Showroomprivé listed on the Euronext Paris market since October 2015 (code: SRP), Showroomprivé registered gross turnover of over 600 million euros in 2015, meaning 443 million euros in net sales, up 27% versus the previous year. The company employs more than 800 people.

For more information : http://showroomprivegroup.com

CONTACTS

Showroomprivé

Thomas Kienzi, Head of Investor Relations
+33 1 49 46 05 67
investor.relations@showroomprive.com

Adeline Pastor, Head of Communications
+ 33 1 76 21 19 46
adeline.pastor@showroomprive.com

Brunswick

Morgane Le Gall
+33 1 53 96 83 83
showroomprive@brunswickgroup.com

APPENDIX

PROFIT AND LOSS STATEMENT

(milliers €)	2014	2015	%Growth	S2-14	S2-15	%Growth
Net revenues	**349,791**	**442,832**	***26.6%***	**195,960**	**243,414**	***24.2%***
Cost of goods sold	-202,929	-263,679	*29.9%*	-114,345	-145,180	*27.0%*
Gross margin	**146,862**	**179,153**	***22.0%***	**81,615**	**98,234**	***20.4%***
Gross margin as % of revenues	*42.0%*	*40.5%*		*41.6%*	*40.4%*	
Marketing	-21,929	-26,897	*22.7%*	-14,463	-19,099	*32.1%*
As % of revenues	*6.3%*	*6.1%*		*7.4%*	*7.8%*	
Logistics & fulfilment	-84,949	-102,650	*20.8%*	-46,548	-55,545	*19.3%*
As % of revenues	*24.3%*	*23.2%*		*23.8%*	*22.8%*	
General & administrative expenses	-26,828	-29,861	*11.3%*	-14,226	-14,312	*0.6%*
As % of revenues	*7.7%*	*6.7%*		*7.3%*	*5.9%*	
Total Opex	**-133,706**	**-159,408**	***19.2%***	**-75,237**	**-88,956**	***18.2%***
As % of revenues	***38.2%***	***36.0%***		***38.4%***	***36.5%***	
Current operating profit	**13,156**	**19,745**	***50.1%***	**6,378**	**9,278**	***45.5%***
Amortisation of intangible assets Recognized upon business reorganisation	-783	-783	*0%*	-392	-392	*0%*
Other operating income and expenses	-2,408	-8,106	*236.6%*	-2,123	-7,417	*249.4%*
Operating profit	**9,965**	**10,856**	***8.9%***	**3,863**	**1,469**	***-62.0%***
Net finance costs	-144	-137	*-4.9%*	-77	16	*-120.8%*
Other financial income and expenses	52	-106	*-303.8%*	-6	-169	*2716.7%*
Profit before tax	**9,873**	**10,613**	***7.5%***	**3,780**	**1,316**	***-65.2%***
Income taxes	-4,003	-5,470	*36.6%*	-1,336	-1,230	*-7.9%*
Net income	**5,870**	**5,143**	***-12.4%***	**2,444**	**85**	***-96.5%***
Total EBITDA	**15,531**	**23,723**	***52.7%***	**7,746**	**11,412**	***47.3%***
Total EBITDA as % of revenues	*4.4%*	*5.4%*		*4.0%*	*4.7%*	

KEY PERFORMANCE INDICATORS

	2014	2015	%Growth	H2-14	H2-15	%Growth
CUSTOMERS METRICS						
Total Members (in thousands)	20,178	24,568	*21.8%*	20,178	24,568	*21.8%*
France	*13,893*	*16,787*	*20.8%*	*13,893*	16,787	*20.8%*
International	*6,285*	*7,781*	*23.8%*	*6,285*	7,781	*23.8%*
Cumulative Buyers (in thousands)	4,303	5,517	*28.2%*	4,303	5,517	*28.2%*
France	*3,536*	*4,520*	*27.8%*	3,536	*4,520*	*27.8%*
International	*767*	*997*	*30.0%*	767	*997*	*30.0%*
Buyers (in thousands)	2,357	2,867	*21.7%*	1,731	2,119	*22.4%*
France	*1,922*	*2,389*	*24.3%*	*1,424*	*1,805*	*26.8%*
International	*435*	*479*	*10.2%*	*307*	*314*	*2.1%*
Revenue per Buyer (€)	143.7	151.1	*5.2%*	109.5	112.9	*3.1%*
France	*148.7*	*154.9*	*4.2%*	*111.7*	*115.0*	*3.0%*
International	*121.3*	*132.1*	*8.9%*	*100.2*	*100.9*	*0.7%*

ORDERS						
Total orders (in thousands)	9,108	11,748	*29.0%*	5,112	6,489	*27.0%*
France	*7,728*	*10,043*	*29.9%*	*4,297*	*5,649*	*31.5%*
International	*1,380*	*1,705*	*23.5%*	*814*	*841*	*3.2%*
Average Orders per Buyer (in number of orders)	3.9	4.1	*6.0%*	3.0	3.1	*3.7%*
France	*4.0*	*4.2*	*4.6%*	*3.0*	*3.1*	*3.7%*
International	*3.2*	*3.6*	*12.0%*	*2.7*	*2.7*	*1.1%*
Average Basket Size (€)	37.2	36.9	*-0.8%*	37.1	36.9	*-0.6%*
France	37.0	36.8	*-0.4%*	37.0	36.8	*-0.7%*
International	38.2	37.1	*-2.8%*	37.8	37.7	*-0.3%*

BALANCE SHEET

(€ thousands)	**2014**	**2015**
Non-current assets		
Goodwill	**81,576**	**81,576**
Other intangible assets	27,726	28,861
Tangible assets	14,141	14,833
Other non-current assets	1,256	1,180
Total non-current assets	**124,699**	**126,450**
Current assets		
Inventory	41,691	57,068
Accounts receivable	14,925	24,014
Deferred tax assets	2,744	3,058
Other current assets	19,388	27,952
Cash and cash equivalents	47,730	102,982
Total current assets	**126,478**	**215,074**
Total assets	**251,177**	**341,524**
Long term financial debt	3,625	2,962
Obligations to personnel	89	116
Deferred taxes	9,239	9,883
Total non-current liabilities	12,953	12,961
Short-term financial debt	1,005	916
Accounts payable	75,362	100,108
Other current liabilities	31,141	39,492
Total current liabilities	107,508	140,516
Total liabilities	**120,461**	**153,477**
Total shareholders' equity	**130,716**	**188,047**
Total liabilities and shareholders' equity	**251,177**	**341,524**

CASH FLOW

(€ thousands)	2014	2015	H2-14	H2-15
Net income for the period	5,870	5,143	2,444	85
Adjustments for non-cash items	3,956	8,640	2,338	6,308
Cash flow from operations before finance costs and income tax	**9,826**	**13,783**	**4,782**	**6,393**
Elim of accrued income tax expense	*4,003*	*5,470*	*1,336*	*1,23*
Elim of cost of net financial debt	*144*	*137*	*77*	*-16*
Impact of change in working capital	*13,091*	*-0,303*	*20,034*	*16,864*
Cash flow from operating activities before tax	**27,064**	**19,087**	**26,229**	**24,471**
Income tax paid	*-7,195*	*-5,141*	*-2,567*	*-2,600*
Cash flow operating activities	**19,869**	**13,946**	**23,662**	**21,871**
Acquisitions of property plant & equipment and intangible assets	-4,920	-6,348	-1,323	-4,189
Changes in loans and advances	-217	-79	-399	-4
Disposal of fixed assets	78	19	78	19
Net cash flows from investing activities	**-5,059**	**-6,408**	**-1,644**	**-4,174**
Increase in share capital and share premium reserves		48,888	0	48,888
Issuance of indebtedness	0	0	0	0
Repayment of borrowings	-507	-1,037	-264	-472
Net interest expense	-144	-137	-77	16
Net cash flows from financing activities	**-651**	**47,714**	**-341**	**48,432**

BRIDGE OF TOTAL GROSS INTERNET SALES TO IFRS NET REVENUES

(€ thousand)	2013	2014	2015	H2-14	H2-15
Total gross Internet sales[1]	**327,600**	**458,745**	**591,674**	**257,541**	**329,092**
VAT[2]	-51,056	-72,223	-93,515	-40,449	-55,456
Revenue recognition impacts[3]	-35,053	-51,647	-68,900	-28,998	-36,388
Non-Internet revenue and other[4]	15,368	14,916	13,573	7,866	6,163
Net revenues (IFRS)	**256,859**	**349,791**	**442,832**	**195,960**	**243,411**

(1) Corresponds to the total amount billed to buyers during a given period.
(2) Value added tax is applied on every sale. The applicable value-added tax rate depends on the country where the buyer is located.
(3) Accounting adjustments for revenue recognition as described in Note 1.13 of the Group's annual consolidated financial statements, including: (i) timing differences due to the fact that certain criteria (e.g., delivery) must be fulfilled before recognizing revenue; (ii) the impact of reimbursements granted for cancellations and returns, which are recognized as a reduction of the revenue; and (iii) the effect of presenting certain travel sales on a net basis where the Group acts as an agent.
(4) "Non-internet revenue and other" corresponds primarily to revenues generated from offline sales to wholesalers, including offline re-sales of returned internet sales items.