



**STEINHOFF**

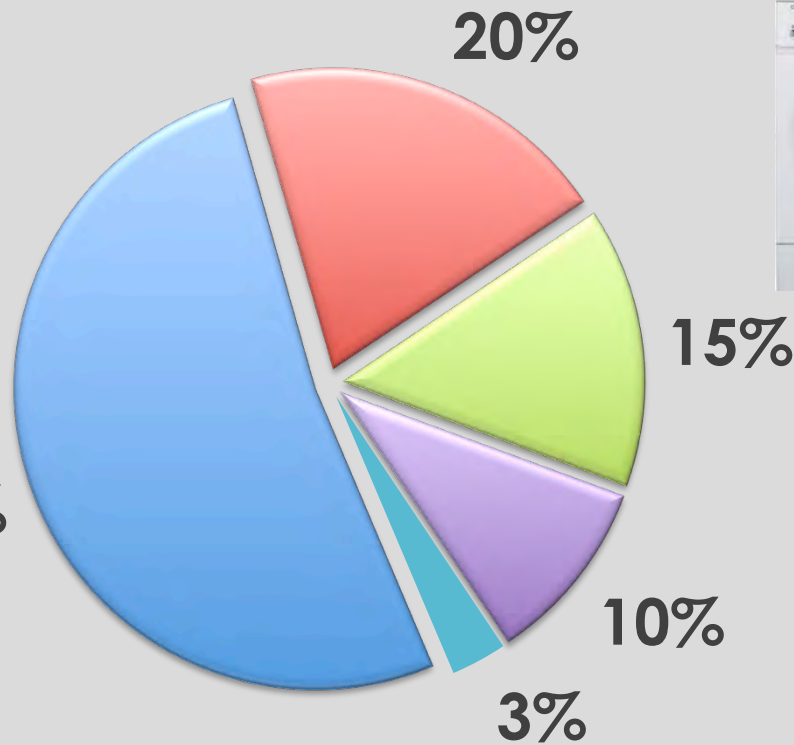
Conforama, Alexandre Nodale




# INVESTOR UPDATE

## Brand DNA & positioning

- Discounter DNA & positioning
- Qualitative and modern product at an unbeatable price
- Multistyle and extended range of product
- Availability of products in categories with immediate renewal needs
- Proximity thanks to multichannel

# A unique concept



-  Furnitures
-  Brown & Grey
-  Others

-  White
-  Home accessories

# A strong European footprint: 283 stores as of today



\*Including 1 in Luxembourg

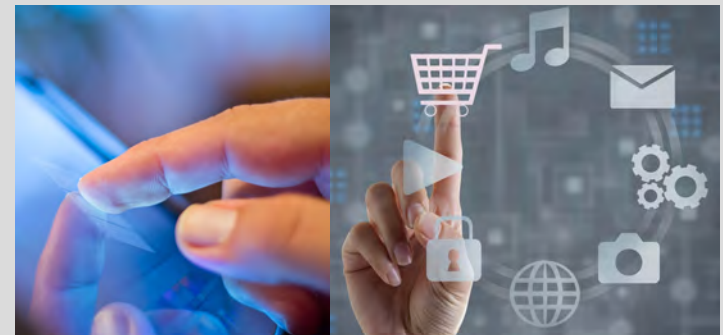
# Conforama snapshot – June 15

- 280 stores in 8 countries
- 1,2 million sqm retail space
- 3.2 bn euros of sales (excl. VAT)
  - France 70% - International 30%
  - Internet sales €190M
- 5.0% operating profit margin
- +/-13 500 employees



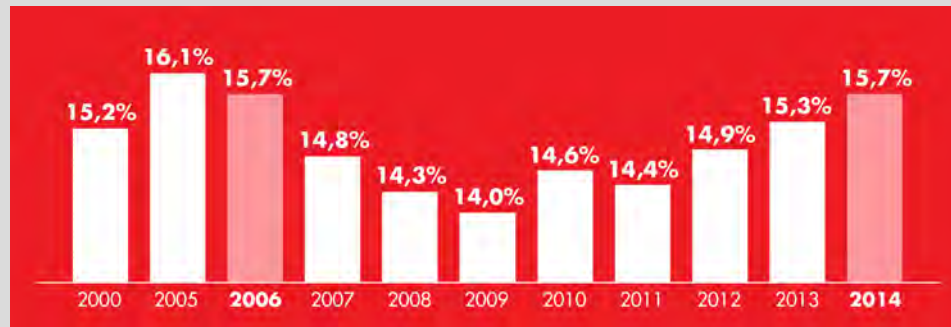
# Strong customer base & market shares

- 84 million of visitors per year in our stores
- 147 million of visits in our websites
- 1 019 millions of pages viewed



# Focus France: market shares

- Furniture 15.7% (Ikea 17.8%)
  - Matrasses 1 out of 3
  - Sofas 1 out of 6
  - Wardrobe 1 out of 4
  - Desk 1 out of 4
  - Kitchen 1 out of 16

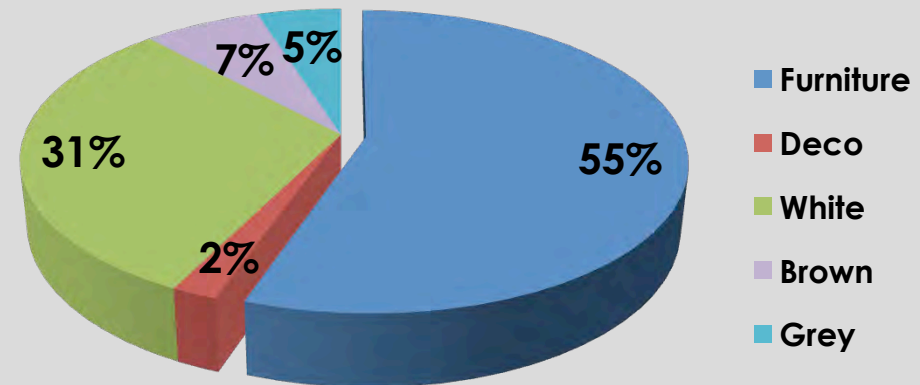


\*Source: IPEA

# Focus France: a powerful multichannel strategy

- >7% of total sales
- 57% store range 43% exclusive range
- >70% click and collect
- 3 400 tablets implemented for our salesmen

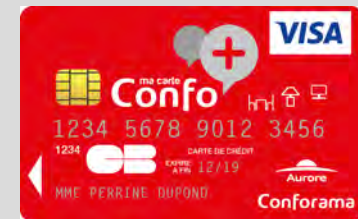
## E-com sales mix





# Growth drivers: continue to increase Ifl sales

- Extend the product ranges to increase average selling prices while keeping unbeatable prices
  - Leather sofas
  - High end mattresses products
- Continuous work on the product mix
  - Develop our market share in pre fitted Kitchen
  - Increase of home accessories sales
  - Slow decrease of Grey and brown products
- Develop customer loyalty programs
- Store relocations



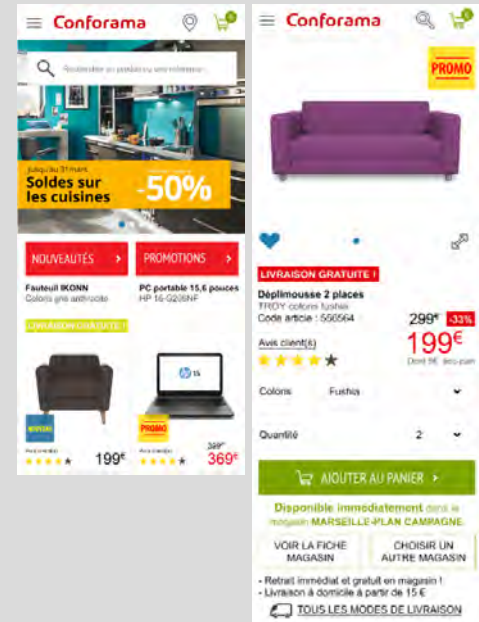
# Growth drivers: store network densification

- France (incl Confo dépôt concept): +20 stores
  - Conforama: increasing density in major cities
  - Continue to expand our outlet concept:
    - Self-service store format
    - Wide range of furniture, household electrical appliances and decorative items at very attractive price
- International: +40 stores
  - Pursue strong development in Spain & Portugal
  - Complete our network in Switzerland
  - Build a store network in Serbia
  - Start to think development in Italy



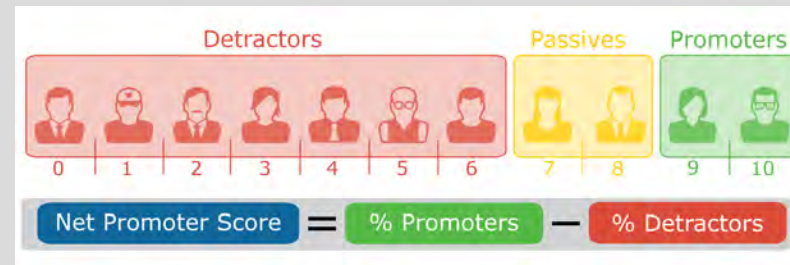
# Growth drivers: growing internet sales

- Continuous increasing weight of e-commerce in every countries fueled by:
  - New refurbished websites in Spain, Portugal and Switzerland based on French know how
  - Redesigning of our m-commerce site in France
  - Growing sales through our 3 400 tablets implemented in our French store
- Strategic initiative: launch of a market place in France (HY1 16)
  - Extracting value from our traffic and customer base
  - Giving access to our customer to a wider range or product



# Growth drivers: concentration & customers

- Being aggressive to continue to act actively to concentrate, in all our countries, the furniture market: for example Atlas, Fly, Moviflor
- Improve customer satisfaction to drive loyalty and word of mouth promotion
  - 3 years plan launch in February 15
  - Ten months later:
    - 8 500 employees trained
    - 1 specific action plan per store
    - Increase of our Net promoter score
    - Launch of the Happy Customer plan outside of France



# Profitability drivers

- **Improve our product mix**

- Growth in furniture on strategic categories: bedding, kitchen and sofas
- Increasing weight of home accessories
- Maintain strong market share in White goods and TV – being opportunistic in new segments

- **A more balancing country mix: increasing investments abroad**

- 30% of Conforama's turnover achieved abroad with a major contribution to Group profitability
- Substantial markets to conquer in furniture and decoration
- Continue to take advantage of the current economic environment to invest at very good conditions with fast ROI

# Profitability drivers



- **Lower the costs of doing business**

- Logistics:

- New central warehouse in Switzerland, investment and operations drove by Globalwarehouse and Steinhoff properties
- New scheme in France under development

- Improve productivity in support functions. Leverage HQ costs through increasing number of stores

- E-procurement (non core purchases)

- **Scale benefits and vertical integration**

- SISL Sourcing organisation (Asia, Poland, Steinhoff Suppliers Fair...)

- Access to in house suppliers when products are competitive (design, quality & price). Eg. Upholstery, Relyon brand

- Under review: a vertical integrated mattresses strategy

## CONCLUSION

**DISCOUNTER DNA**

**MULTICHANNEL LEADERSHIP**

**INTERNATIONAL**

**INVESTMENT IN PEOPLE**

THANK **you**