



MAJOR GROWTH OF THE COMPANY-OWNED STORE NETWORK IN THE UNITED STATES:

SIGNING OF A LETTER OF INTENT FOR A TWO-STEP ACQUISITION OF SIX FRANCHISED STORES

Paris, 20th February 2020

Roche Bobois SA (ISIN: FR0013344173 - Ticker symbol: RBO), high-end furniture global market leader and the name behind *French Art de Vivre*, announces the signing of a non-binding letter of intent with its principal US franchisee for the acquisition in 2020 of three franchised Roche Bobois stores on the U.S. West Coast, with a unilateral option to purchase three additional stores between 2021 and 2022.

This transaction is perfectly aligned with the company-owned store network development strategy, particularly in the United States, one of the Group's fastest growing markets.

This acquisition will enable Roche Bobois to significantly enhance its company-owned store network on the U.S. market by incorporating a total of six additional stores, located in San Francisco, Seattle, Portland, Houston, Dallas and Atlanta, **representing cumulative revenues of US\$16.6m in 2019, with a very high EBITDA margin in line with the brand standards in the United States.**

The transaction will be carried out in two stages:

- As an initial step, the Group will complete the acquisition of the three West Coast stores, in San Francisco, Portland and Seattle, which posted 2019 revenues of US\$9.5m. Roche Bobois will take over the entirety of the business, inventories and staff of the above-mentioned stores. It will operate these 3 showrooms with a total surface area of 1,900 m². Roche Bobois will not be the owner of the premises. A Share Purchase Agreement (SPA) is scheduled to be finalised before 31st March 2020.
- As a second step, Roche Bobois will be able to exercise unilaterally a purchase option between 15th March 2021 and 15th September 2022, for the purchase of three stores located in Atlanta, Dallas and Houston. Roche Bobois will take over the entirety of the business, inventories and staff. It will operate these 3 other showrooms with a total surface area of 2,700 m². It should be noted that Roche Bobois will not be the owner of the premises.

With a very high-end or even luxury positioning, the United States/Canada region is currently the second largest market for Roche Bobois in terms of revenues (28.5% of 2019 revenues) and the largest contributor to the Group's EBITDA margin, with extremely high levels around 15% to 16%.

By consolidating its presence through its company-owned showroom network, this area is set to become the 1st market for Roche Bobois both in terms of revenues and EBITDA. This highly accretive acquisition for the Group will automatically have a very positive effect on the growth of the consolidated EBITDA margin.

The Company has already identified the key leverage points required to develop the potential of all six of these stores and further increase their turnover and profitability.

Next update: full-year 2019 earnings - Thursday, 26th March 2020 before start of trading

About Roche Bobois SA

Roche Bobois SA is a French family business founded in 1960. The Group operates in 54 countries and has a network of 331 company-owned stores and franchises (as of 31st December r 2019) through its two brands: Roche Bobois, a high-end furniture brand with a strong international presence, and Cuir Center, positioned in the mid-range market segment with an essentially French customer base. With the Roche Bobois brand, the Group embodies *French Art de Vivre which it promotes worldwide* with original and bold creations from talented designers (Bruno Moinard, Jean Nouvel, Ora Ito, Sacha Lakic, Christophe Delcourt, Stephen Burks, Kenzo Takada, Bina Baitel...) and partnerships with fashion and Haute couture houses. Roche Bobois is also a committed to supporting the world of arts and culture. In 2019, the combined turnover by both brands, including franchises, amounted to €490 million excluding VAT, including €398 million and €92 million for Cuir Center. Roche Bobois SA consolidated revenues came to €274.7 million in 2019.

For more information please visit **www.finance-roche-bobois.com**

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