

BIMBA Y LOLA

BIMBA Y LOLA KEEPS DOUBLE-DIGIT GROWTH OF NET SALES (+18.5%) AND STRONG DEVELOPMENT OF EBITDA (+53%) IN FINANCIAL YEAR 2017

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BIMBA Y LOLA has kept on growing, across all its markets, one year more. During financial year 2017, finished on 28 February 2017, the company reached total net sales of €180.8 million, representing a year-on-year increase of 18.5%. With this growth, the company achieved a milestone 10 years of uninterrupted growth, further consolidating the project run by María and Uxía Dominguez.

This growth is explained by the positive evolution of the brand in all its main markets. In Spain, growth added up to +18.8%. The company continued to see its vision come true also in international markets, which increased their share up to 26% of total sales. Specifically in Europe, growth in Portugal and France was above +20%. Growth in key Latin American countries included Mexico at +8.3% and Chile at +30%. In Asia, Singapore merits to be highlighted for its +18% sales increase. During last financial year, there was a strong upward trend in the online business, which is currently present in 29 countries.

Regarding like-for-like sales, growth also recorded double-digit figures, totalling +11.3%. Such growth happened across all markets and all sales channels where the company operates (i.e. own stores, corners in department stores, outlet stores, franchises and digital channels).

BIMBA Y LOLA carried on developing its stores network, in accordance with its expansion plan, with 27 new establishments, bringing the overall total to 241 points of sale. Openings took place in Spain (at selected locations and corners of El Corte Inglés), Portugal, France (at selected locations and corners of department stores Printemps and Galeries Lafayette), Mexico (with a combination of stores in shopping malls and corners at Palacio de Hierro department stores) and in Colombia. In 2017, the brand entered a new market —Colombia— and brand stores are now present in 12 countries.

Regarding profits, EBITDA increased to € 33.5 million (18.5% of total sales), with +53% growth due to improved operating margins for the third consecutive year.

Since its foundation in 2005, BIMBA Y LOLA has kept on growing year after year, thus 2017 is the 10th consecutive year of growth. After the brand opened in Spain and Portugal in 2006, an international expansion plan followed, entering France in

2008, Kuwait and Singapore in 2009, Mexico and the United Kingdom in 2011, Chile and Peru in 2013, Belgium and South Korea in 2015, and Colombia this past year of 2017.

The company has kicked off a new strategic business plan this financial year, with the goal to turn BIMBA Y LOLA into global reference brand in its market segment. The plan involves entering some of the world's most attractive markets in 2018, as well as consolidating the brand's presence in its current core markets.

In order to handle growth and to accelerate development of the online channel, the Group will strengthen its logistics facilities and will build its new corporate headquarters this financial year. As of today, the company employs 1,276 people, with +21% headcount year-on-year growth.