

APRIL

Sales at 30 September 2019

Solid sales performance and continued refocusing on the Group's core activity

- › Sales up 3.3% like-for-like¹
- › Commissions up 5.3% like-for-like
- › Reclassification of the legal protection business to discontinued operations is the main reason for the decline in Property & Casualty (down 9.7% as reported, up 1.4% like-for-like)

The APRIL Group posted consolidated sales of €762.2m for the first nine months of 2019, up 1.8% as reported compared to the first nine months of 2018. Following this announcement, APRIL CEO Eric Maumy made the following comments:

“At the end of the first nine months, Health & Personal Protection and Property & Casualty commissions posted solid growth at constant consolidation scope and exchange rates, particularly on our key markets: individual health and personal protection, professionals and SMEs, loan insurance, international health and Property & Casualty niches. At the same time, we have continued the Group's refocusing, particularly by entering into exclusive negotiations to sell the legal protection and services businesses. We have stepped up this transformation with the official launch of our Marketplace at the Brokerage Days event on 17 September, which received a warm reception from our brokers and partners.

We will now be able to build on this momentum, which will involve increasing digitalisation in order to remain agile and innovative.”

¹ Proforma or like-for-like (LFL): sales at constant consolidation scope and exchange rates. This figure is adjusted for acquisitions, disposals and changes in consolidation method, as well as exchange rate fluctuations, calculated on the basis of the prior year financial statements converted using the exchange rate for the current year.

<i>Group (IFRS - €m)</i>	9M 2019	9M 2018	Change	Change LFL
Consolidated sales	762.2	748.8	+1.8%	+3.3%
<i>Brokerage commissions and fees</i>	432.2	399.3	+8.2%	+5.3%
<i>Insurance premiums</i>	330.1	349.5	-5.6%	+0.8%

Reported brokerage commissions rose 8.2% compared to the first nine months of 2018. Health & Personal Protection commissions were up 12.3%, driven by the organic growth of brokerage operations and the consolidation of the acquisitions carried out in 2018, with Property & Casualty commissions stable at +0.2%.

Insurance premiums were down 5.6%, reflecting growth in the Health & Personal Protection division (up 4.1%) and a decline in Property & Casualty (down 19.2%), following the refocus on the Group's core businesses.

CONVERSION FROM REPORTED SALES TO LIKE-FOR-LIKE SALES

2018 to 2019 sales progression - €m

Consolidated sales at 30/09/2018	748.8
Impact of exchange rate fluctuations	+0.7
Acquisitions	+20.1
Disposals	-4.2
Reclassification to discontinued operations	-27.7
Like-for-like sales at 30/09/2018	737.8
Growth in brokerage commissions and fees	+21.7
Growth in insurance premiums	+2.7
Consolidated sales at 30/09/2019	762.2

Like-for-like sales include a €0.7m positive impact of exchange rate fluctuations, mainly in Hong Kong for Health & Personal Protection and in the United States and Canada for Property & Casualty.

It also offsets the net change in consolidation scope, which amounted to a €16.0m gain at the end of September 2019. These changes result from the consolidation of Benecaid in Canada (April 2018) and La Centrale de Financement in France (September 2018) in the Health & Personal Protection division. Consolidation changes in Property & Casualty arose mainly from the discontinuation of operations in Romania and Turkey (December 2018) and Colombia (July 2019).

Lastly, in accordance with IFRS 5, like-for-like revenues incorporate the reclassification of the legal protection and services businesses to discontinued operations, leading to a €27.7m reduction, following the 18 September 2019 announcement of the start of exclusive negotiations for their sale.

LIKE-FOR-LIKE SALES BY DIVISION

<i>IFRS – €m</i>	9M 2019	9M 2018	Change	9M 2018 LFL	Change LFL
Health & Personal Protection	502.5	462.3	+8.7%	482.2	+4.2%
<i>Commissions and fees</i>	290.9	259.0	+12.3%	278.5	+4.4%
<i>Insurance premiums</i>	211.6	203.3	+4.1%	203.6	+3.9%
P&C	260.5	288.4	-9.7%	257.0	+1.4%
<i>Commissions and fees</i>	141.9	141.6	+0.2%	133.2	+6.5%
<i>Insurance premiums</i>	118.6	146.8	-19.2%	123.8	-4.2%
Inter-division eliminations	-0.7	-1.8	+61.1%	-1.4	+47.6%
Consolidated sales	762.2	748.8	+1.8%	737.8	+3.3%

Changes in like-for-like sales by type of revenues are as follows:

- › Brokerage commissions in Health & Personal Protection amounted to €290.9m, up 4.4% compared to the first nine months of 2018. Health & Personal Protection, loan insurance and the international health businesses in France and Asia were the main contributors this increase.
- › The increase in Property & Casualty commissions (up 6.5% to €141.9m) was driven by the expansion of wholesale brokerage, particularly in car and two-wheeled insurance and the professional range, and takes into account the decline in property insurance in Canada.
- › Health & Personal Protection insurance premiums posted 3.9% growth to €211.6m, mainly due to growth in individual (seniors and self-employed) Health & Personal Protection portfolios.
- › The decline in insurance premiums in Property & Casualty (down 4.2% to €118.6m) is primarily due to the slowdown in affinity member operations.

OUTLOOK

Overall performance for the first nine months of 2019 is in line with Group forecasts. Accordingly, excluding the potential impact of refocusing, the target of a 6-10% year-on-year increase in current EBIT therefore remains unchanged.

APRIL Group Deputy CEO Emmanuel Maillet will be holding a conference call for financial analysts, investors and the press this evening at 6.00 pm (French time), during which these matters will be discussed in greater detail.

Dial-in details:

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Please dial in a few minutes beforehand, in order to register, and give the following reference number: 2892 258.

As from 1 January 2020, the APRIL Group will no longer publish its first and third quarter sales. To comply with its ongoing information obligations, it will continue to disclose as soon as possible any unpublished information which, if made public, would be liable to have a significant influence on its trading price.

APPENDIX

- › Quarterly sales

UPCOMING RELEASES

- › 2019 full-year results: 18 March 2020, after market close, followed by a conference call with slideshow presentation.
- › Shareholder Annual General Meeting: 6 May 2020, in Lyon

CONTACTS

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About the APRIL Group

Founded in 1988, APRIL is an international insurance services group operating in 28 countries, whose primary goal is to offer its clients a simpler and more accessible insurance experience. Its 3,900 staff members design, distribute and manage specialised insurance solutions (Health & Personal Protection, Property & Casualty, Mobility and Legal Protection) and assistance services for its partners and customers, including private individuals, professionals and businesses. Listed on Euronext Paris (Compartment B), the group posted sales of €997.2m in 2018.

APPENDIX: QUARTERLY SALES

<i>IFRS – €m</i>	2019	2018	Change	2018 LFL	Change LFL
Q1	259.2	240.6	+7.7%	247.6	+4.7%
Q2	267.4	251.4	+6.3%	258.3	+3.5%
Q3	235.7	256.8	-8.2 %	231.9	+1.6%
Q4	-	248.4	-	-	-
Total	-	997.2	-	-	-