

The image features the L'Occitane logo at the top center, consisting of the brand name in a serif font, followed by 'EN PROVENCE' in a smaller font, and 'L'OCCITANE INTERNATIONAL S.A.' in a bold sans-serif font. The background is a scenic landscape of a yellow flower field under a blue sky with light clouds. In the foreground, several stalks of yellow flowers are in sharp focus, while the rest of the field and the distant mountains are blurred.

**L'OCCITANE**  
EN PROVENCE  
**L'OCCITANE INTERNATIONAL S.A.**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

# Highlights

For the year ended 31 Mar (million €)	2012	2013	Change
<b>Net sales</b>	913.4	<b>1,043.4</b>	<b>+14.2%</b>
<b>Gross profit</b>	755.5	<b>855.5</b>	<b>+13.2%</b>
Gross profit margin	82.7%	82.0%	-0.7 pp
<b>Operating profit</b>	152.3	<b>158.3</b>	<b>+3.9%</b>
Operating profit margin	16.7%	15.2%	-1.5 pp
<b>Profit for the year</b>	124.2	<b>125.6</b>	<b>+1.1%</b>
Net profit margin	13.6%	12.0%	-1.6 pp
<b>Earnings per share (€ per share)</b>	0.082	<b>0.083</b>	<b>+1.6%</b>
<b>Dividend per share (€ per share)*</b>	0.0247	<b>0.0292</b>	<b>+18.3%</b>
<b>Dividend payout ratio*</b>	30%	<b>35%</b>	
<b>Net cash</b>	239.1	<b>237.2</b>	<b>-0.8%</b>

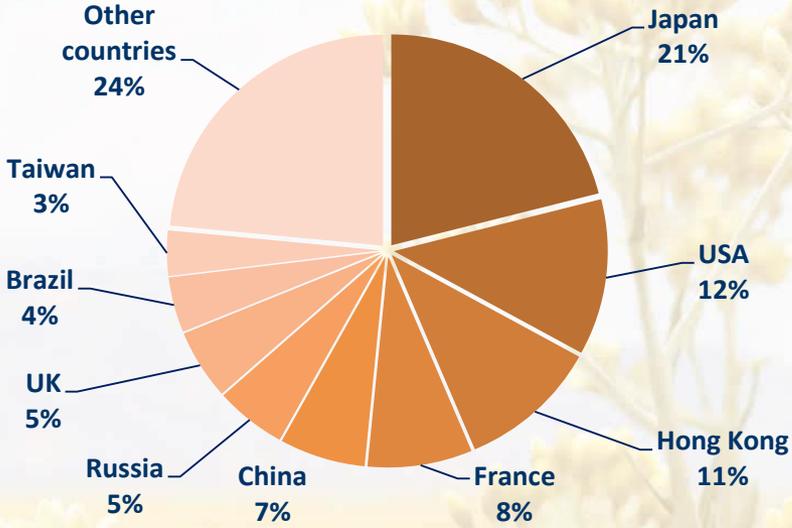
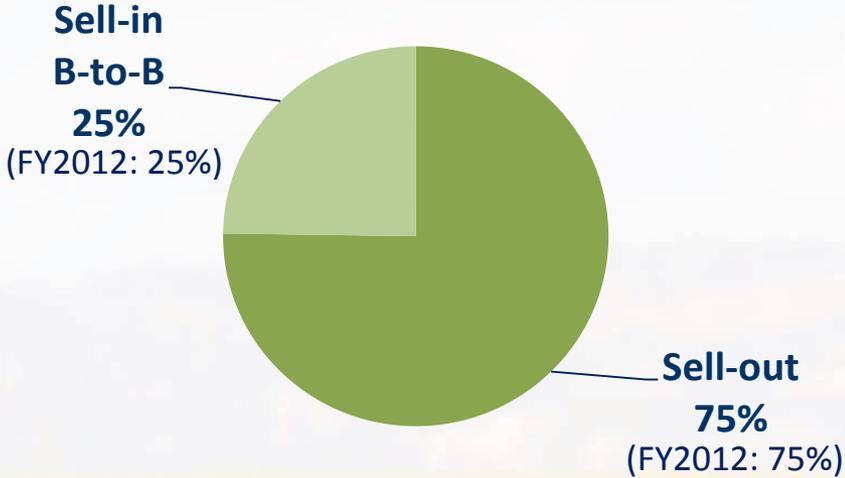
\* The figure illustrates dividends declared for the period indicated, not actual dividends paid during the period indicated. Final dividend proposed for the year ended 2013 was €0.0292 per share, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

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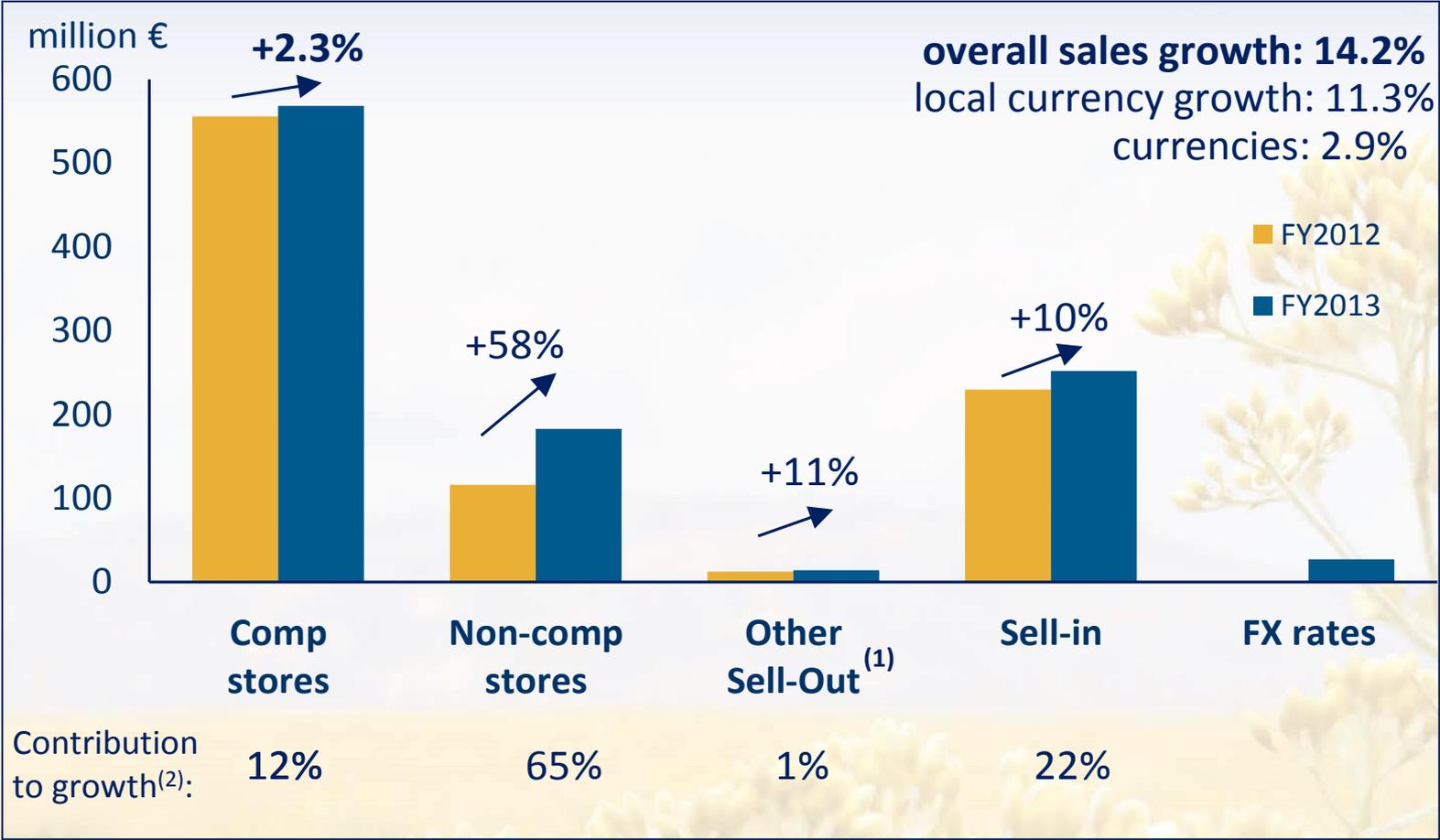
# Net sales breakdown

Retail led growth from Sell-out

Exposure to growth markets



# Net sales up 14.2%

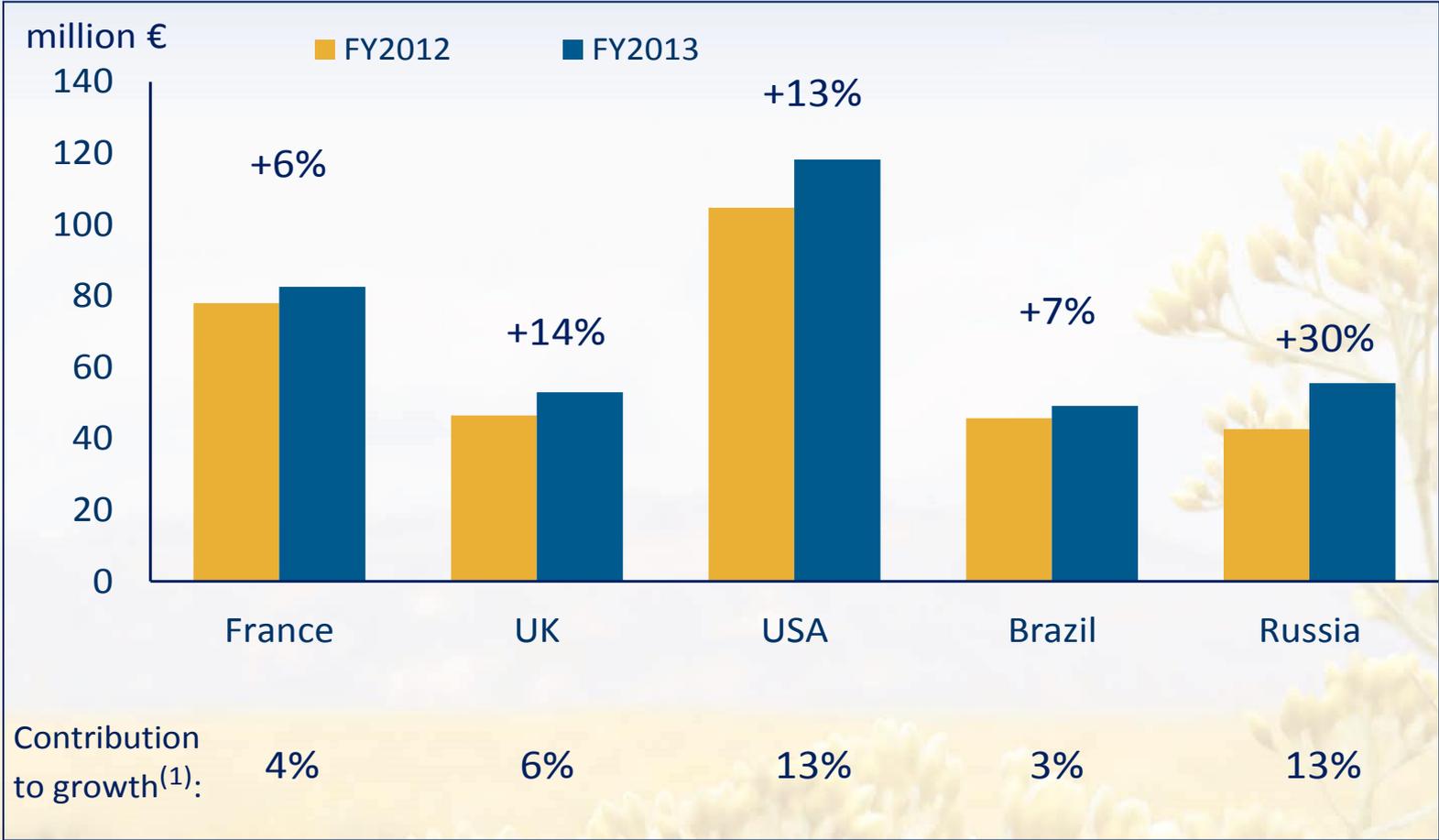


(1) Includes mail-order and other sales

(2) Excluding foreign currency translation effects

# Sales growth by geography – 1

(local currency)



<sup>(1)</sup> Excluding foreign currency translation effects

# Sales growth by geography – 2

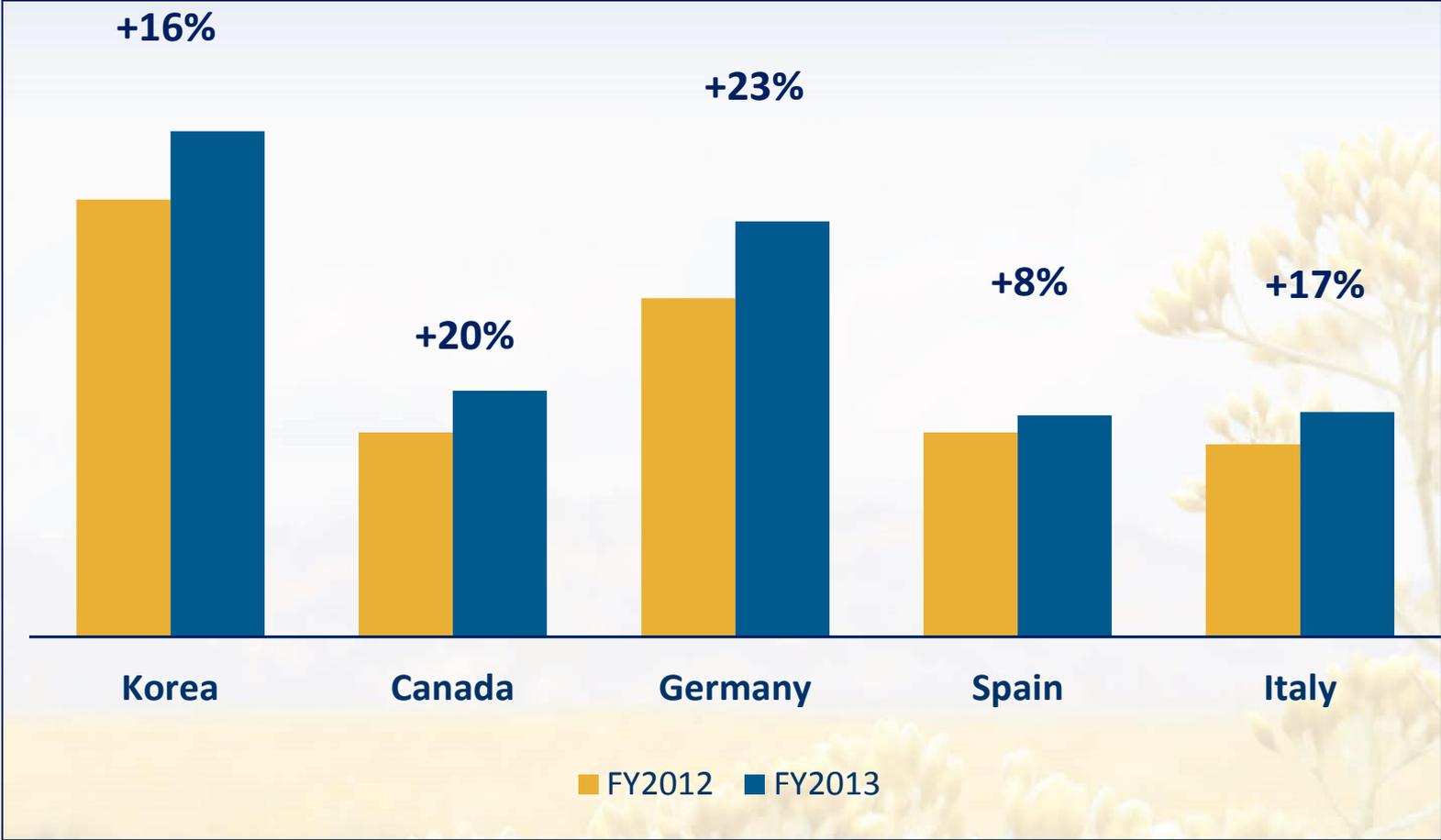
(local currency)



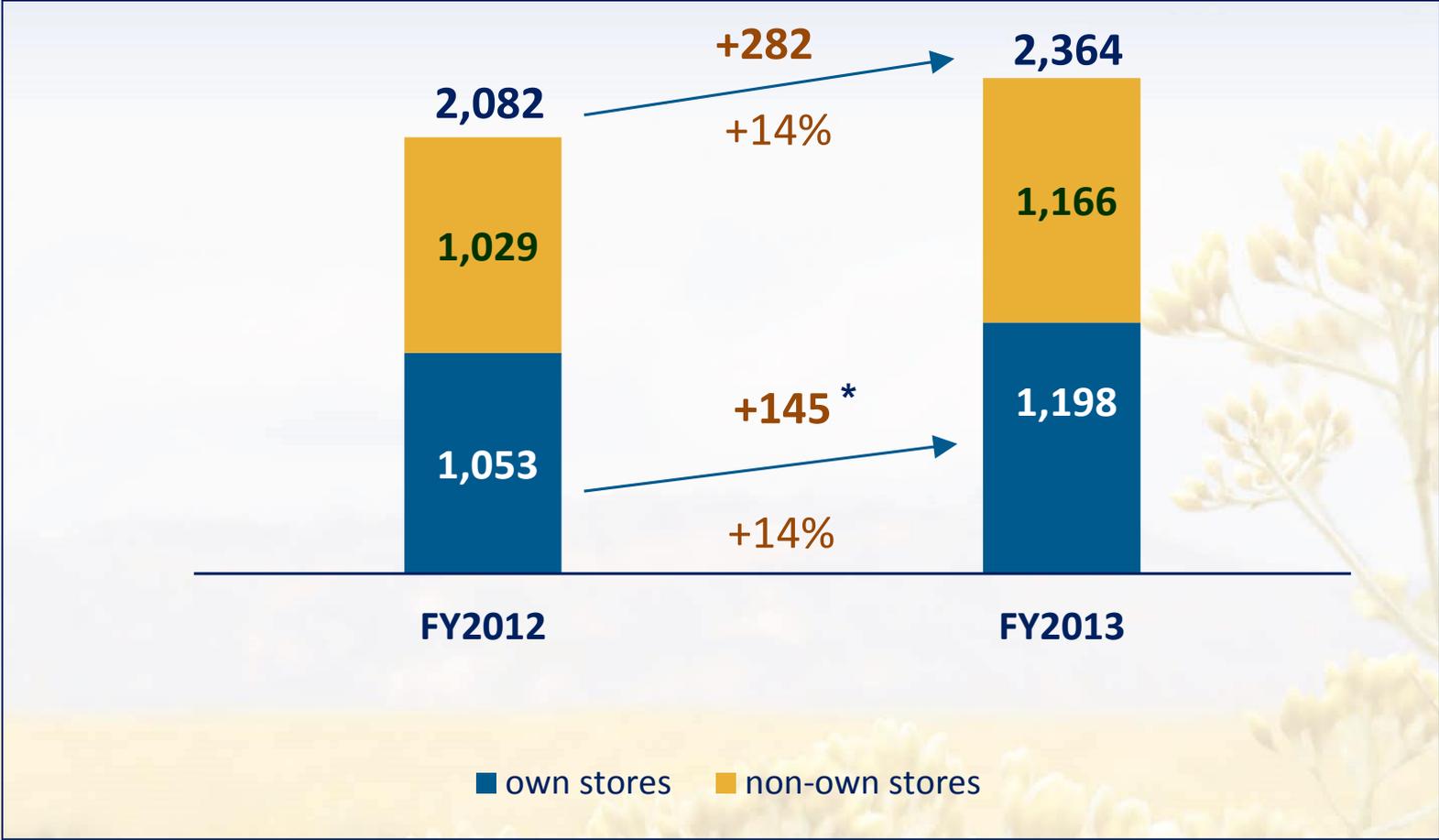
<sup>(1)</sup> Excluding foreign currency translation effects

# Sales growth in other major countries

(local currency)



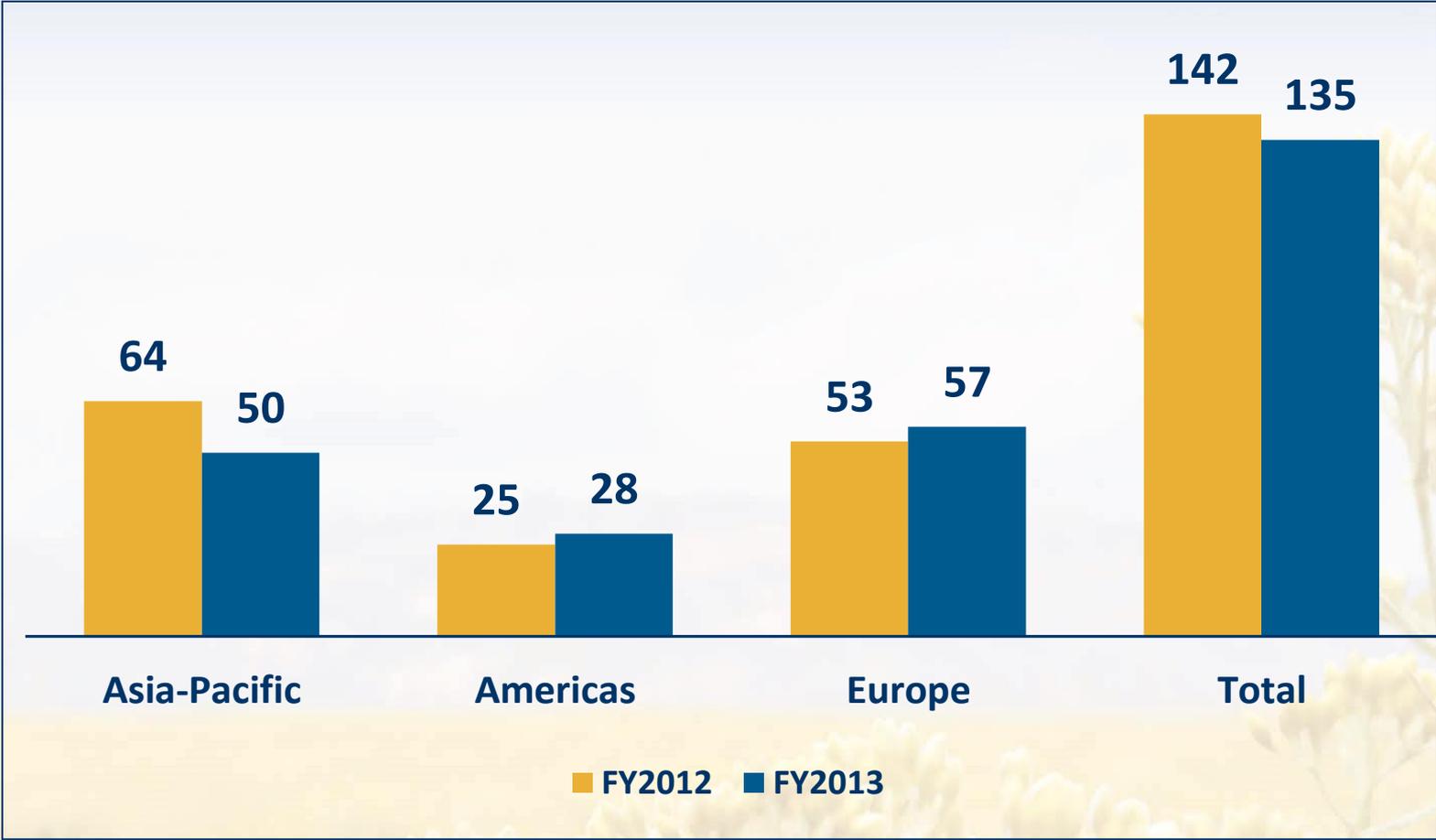
# Stores network: global expansion on track



\* includes 10 stores from the acquisition of distributor in Ireland

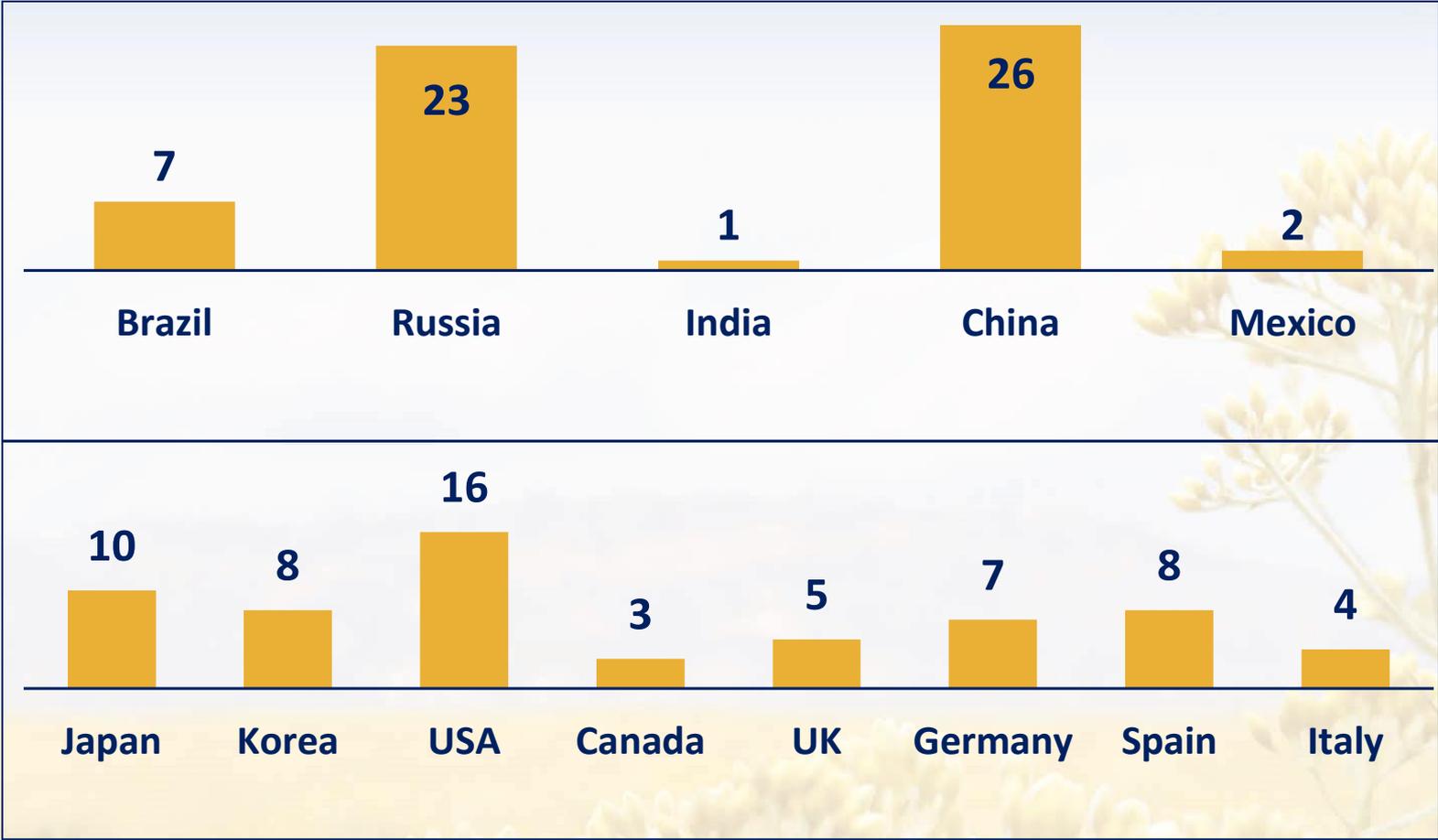
# Net stores openings by region\*

Retail expansion on track, 135 own stores added during FY2013



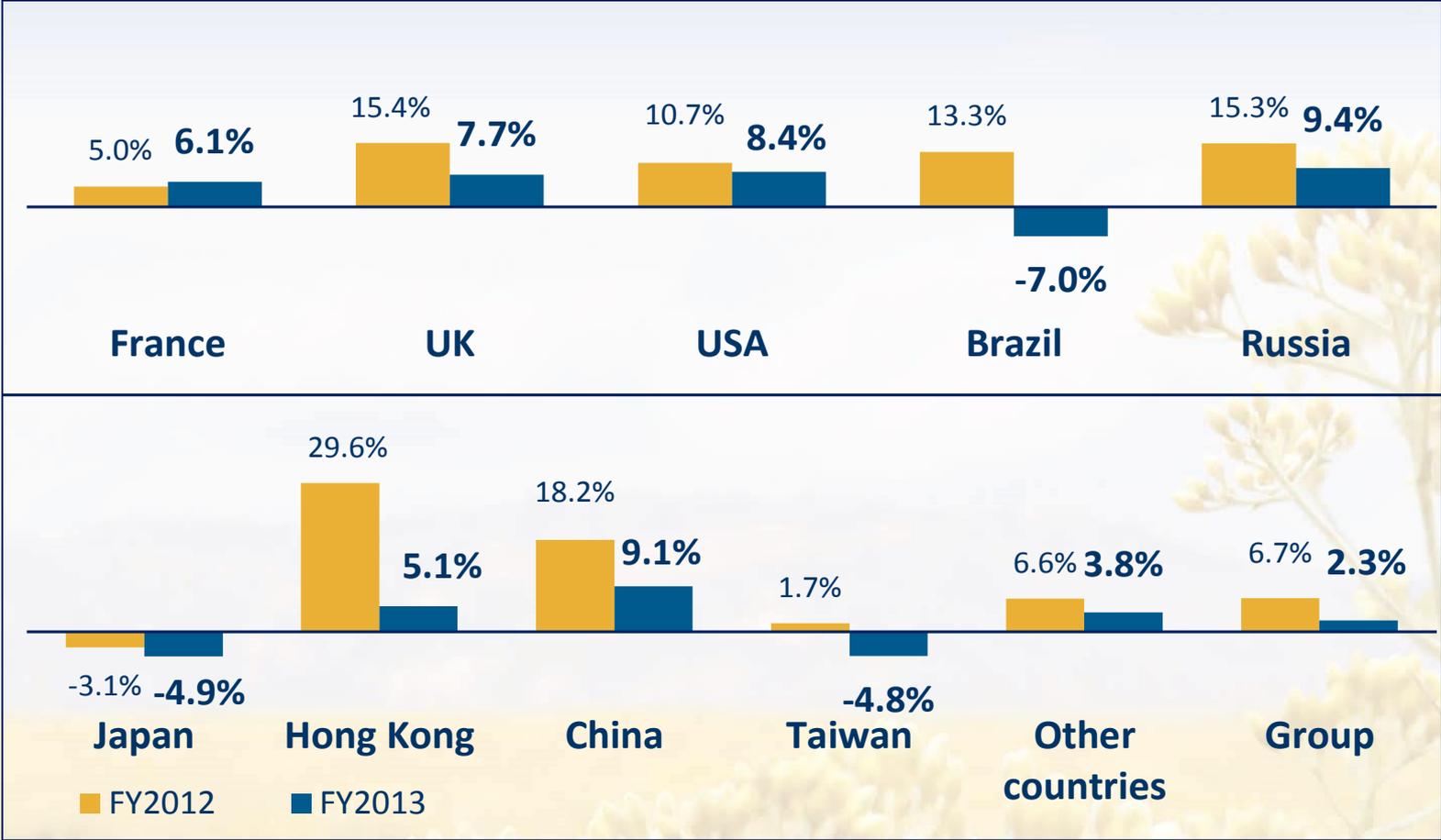
\*Excluding acquisitions, 16 stores from distributor in Malaysia and 10 stores from distributor in Ireland as at 31 March 2012 and 31 March 2013, respectively.

# Net store openings profile



# Same Store Sales Growth profile

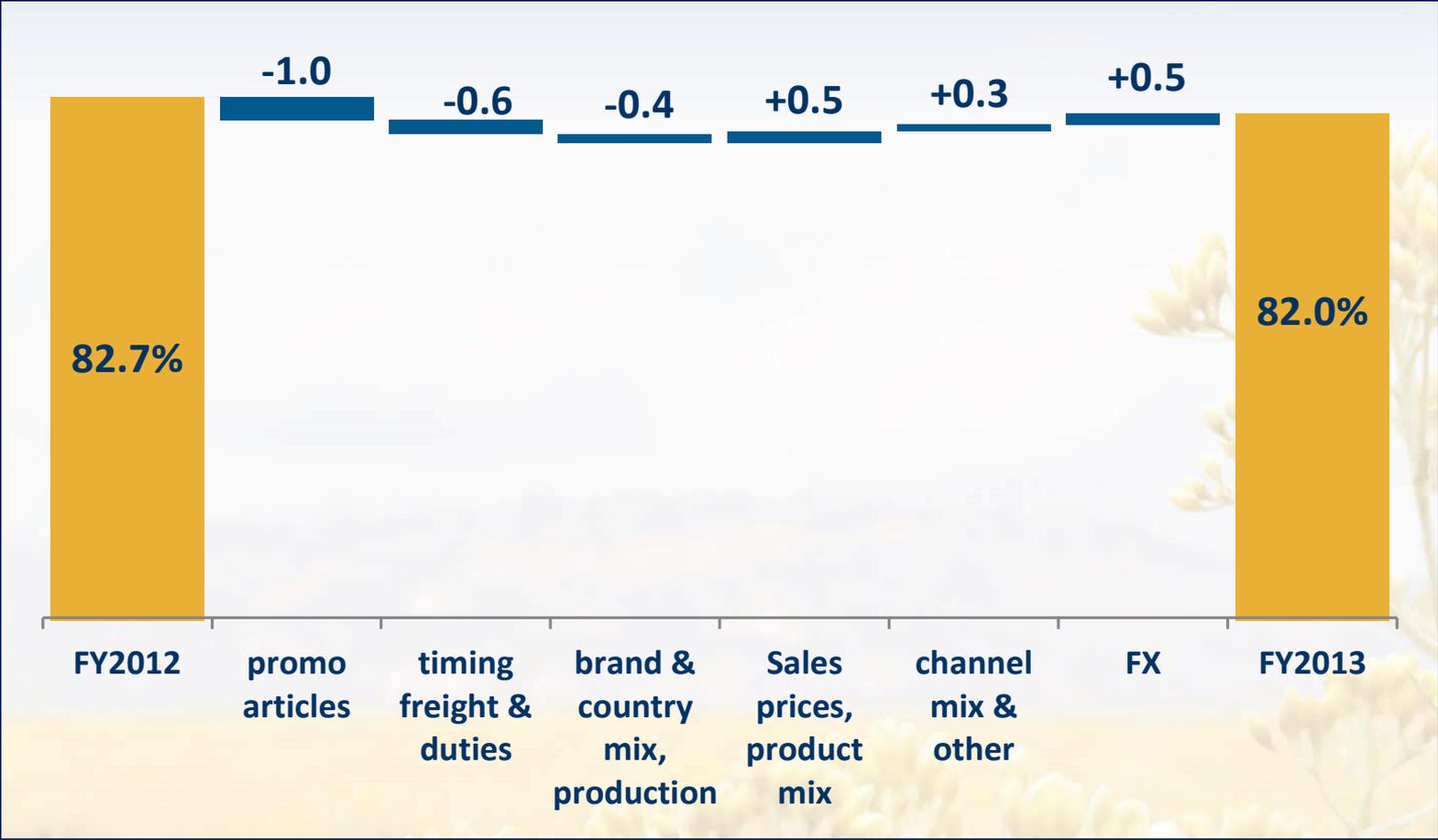
## FY2013 as compared to FY2012



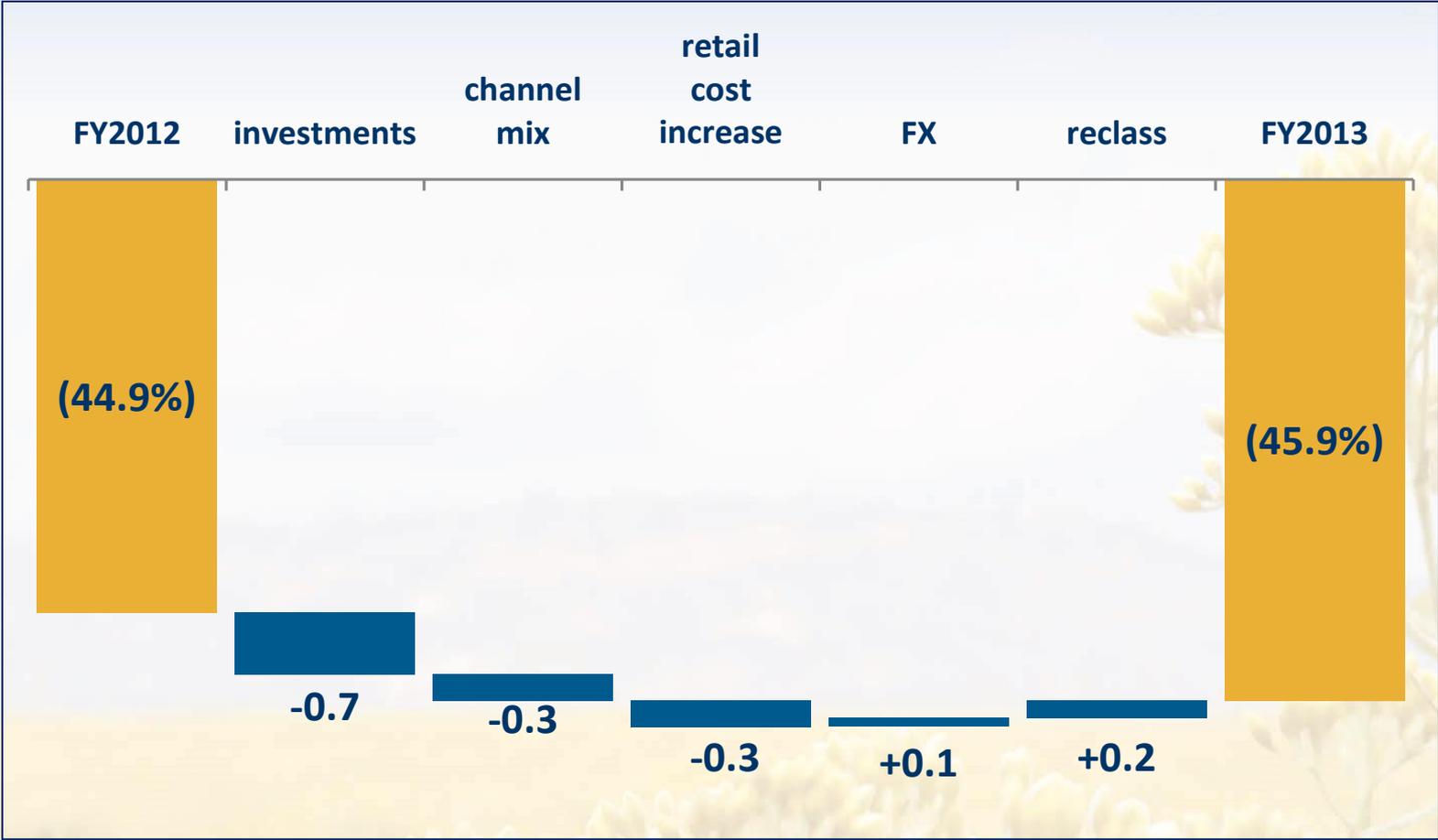
# Profitability analysis

For the year ended 31 Mar	% of net sales		
	2012	2013	Change
<b>Gross profit margin</b>	82.7	82.0	(0.7)
Distribution expenses	(44.9)	(45.9)	(1.0)
Marketing expenses	(10.1)	(10.3)	(0.2)
Research & development expenses	(0.7)	(0.9)	(0.2)
General & administrative expenses	(10.2)	(9.7)	0.5
Other (losses) / gains	(0.1)	(0.1)	0.1
<b>Operating profit margin</b>	16.7	15.2	(1.5)

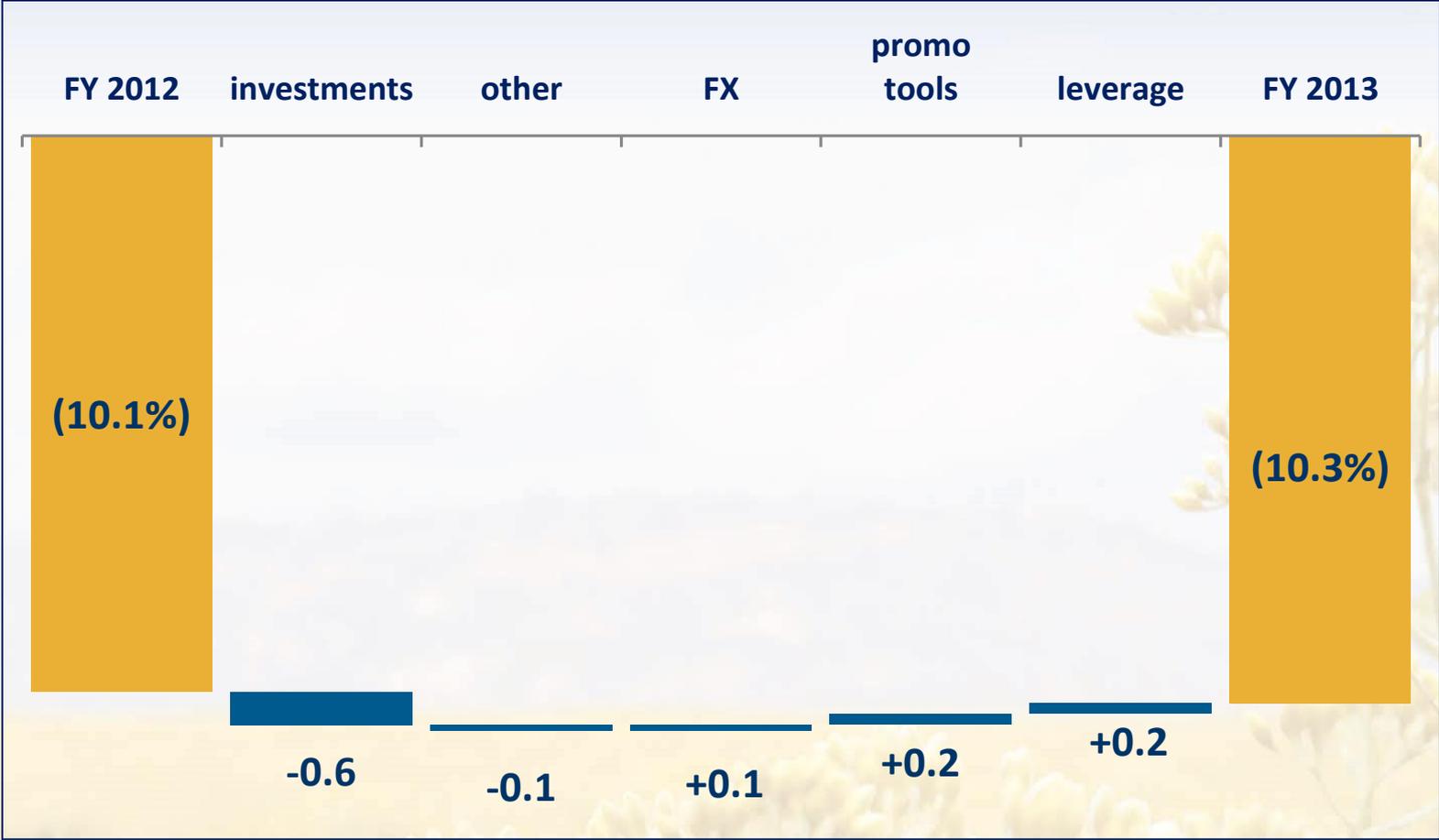
# Gross margin



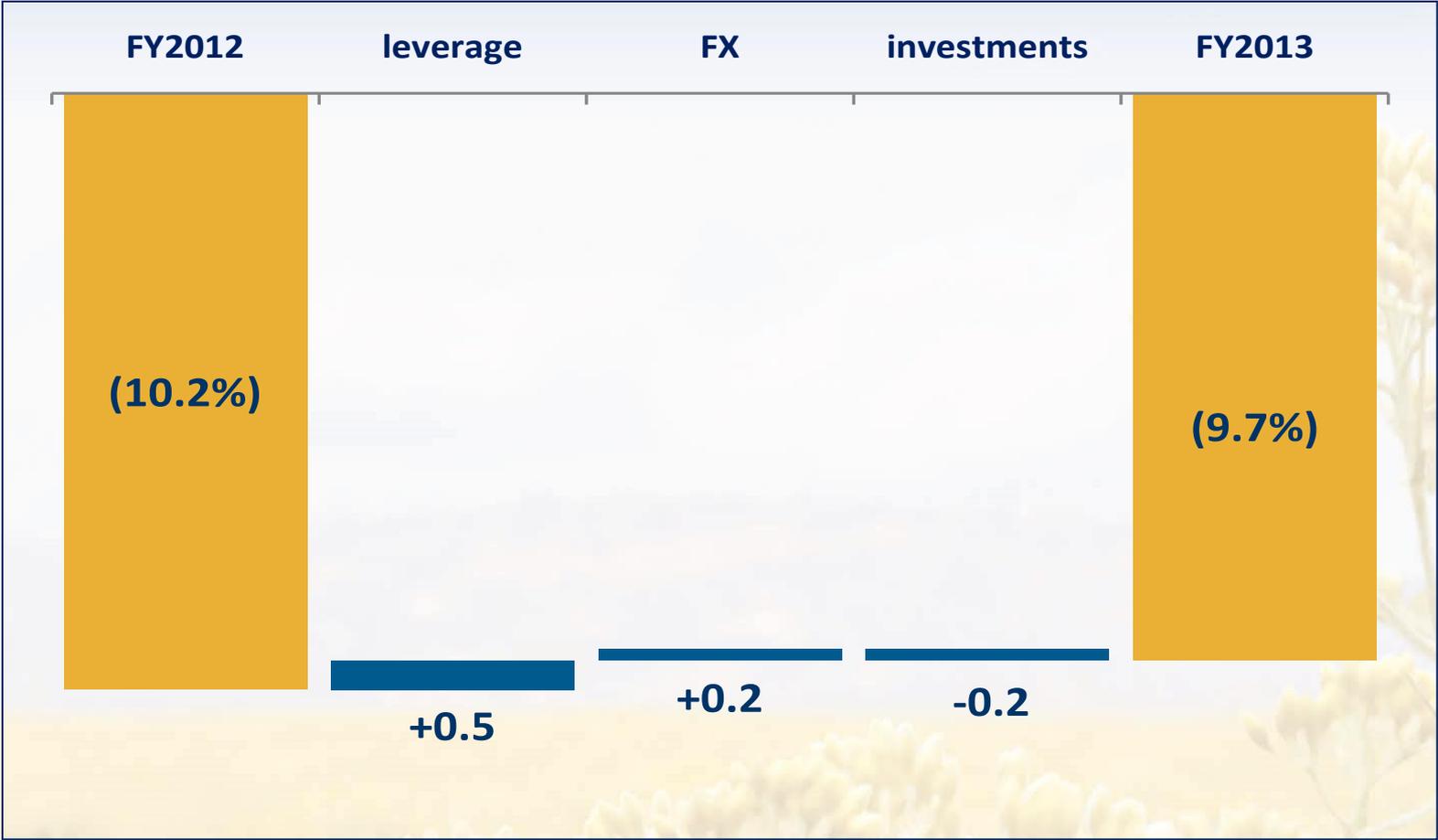
# Distribution expenses (as % of net sales)



# Marketing expenses (as % of net sales)



# G & A expenses (as % of net sales)



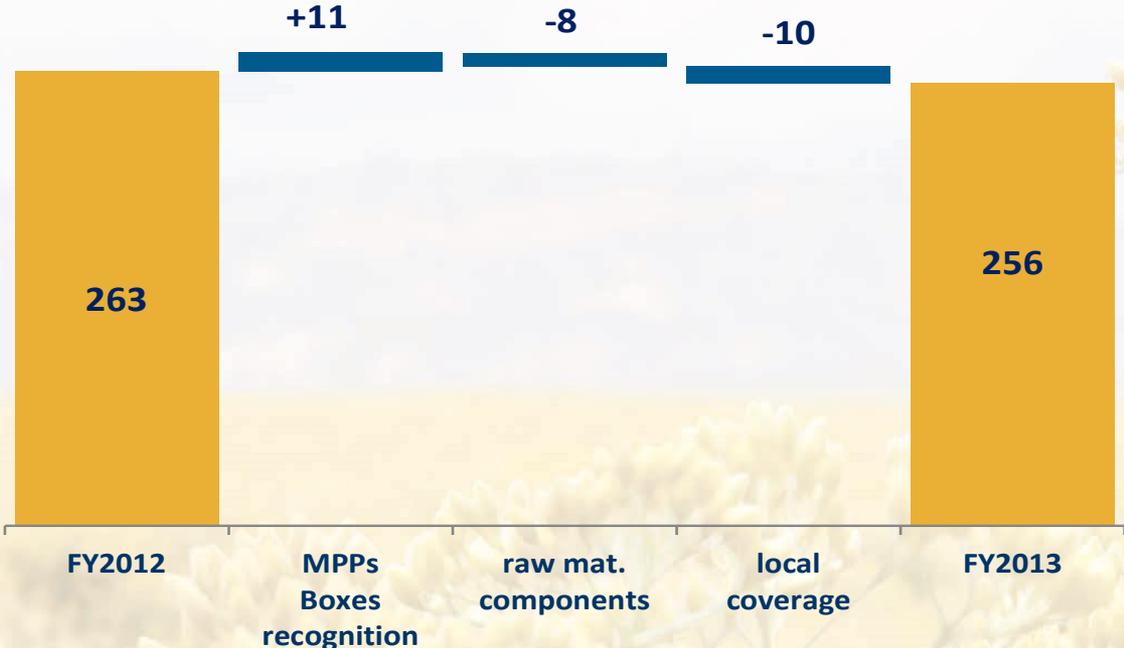
# Operating profit margin



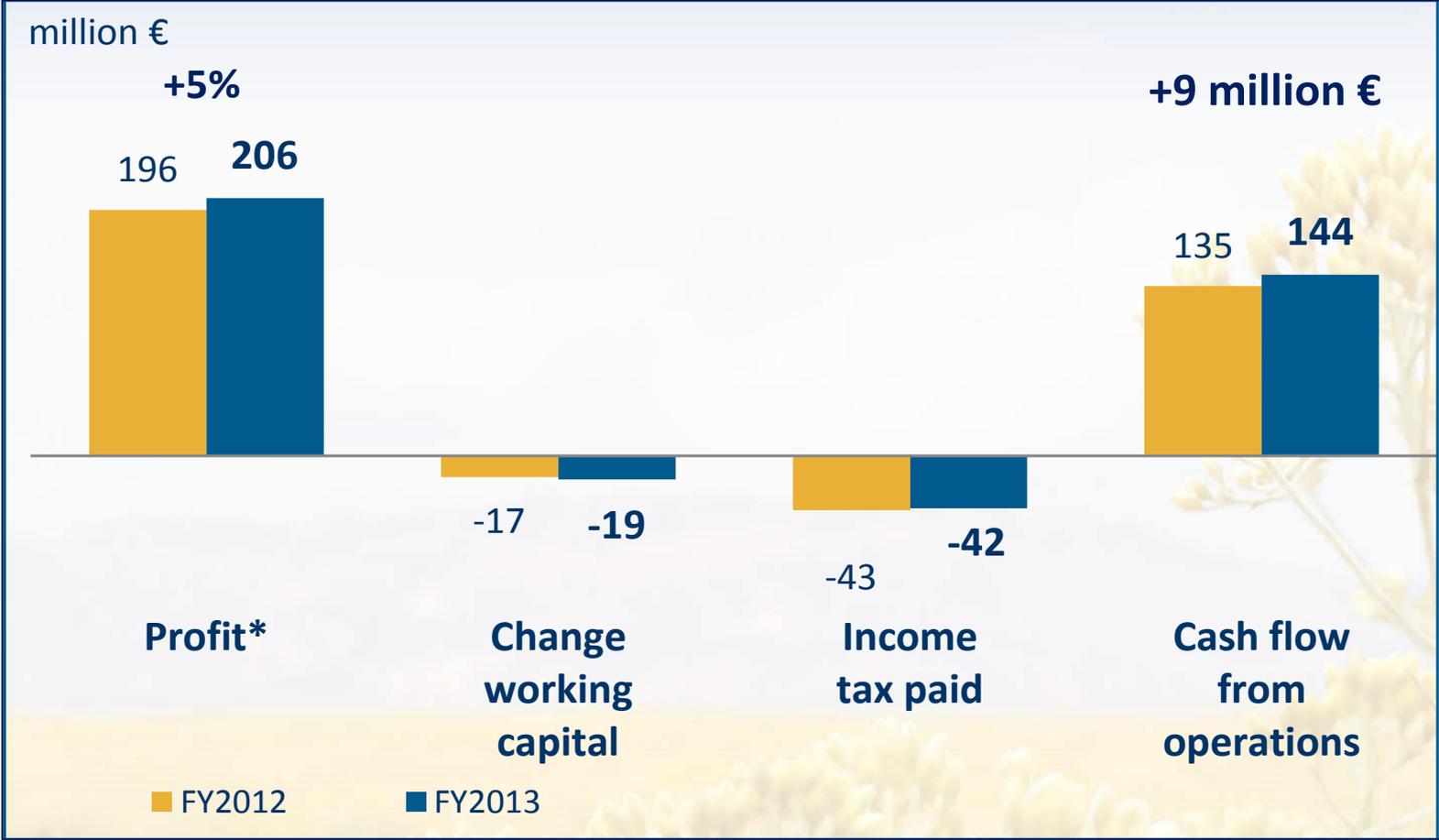
# Working capital ratios

as at:	31 Mar 2012	31 Mar 2013	Change
Inventory turnover days ( based on cost of sales)	263	256	-7
Trade receivables turnover days (based on net sales)	27	29	1
Trade payables turnover days (based on cost of sales)	181	174	-7
Cash cycle (days of net sales)	41	43	2

## Inventory turnover days

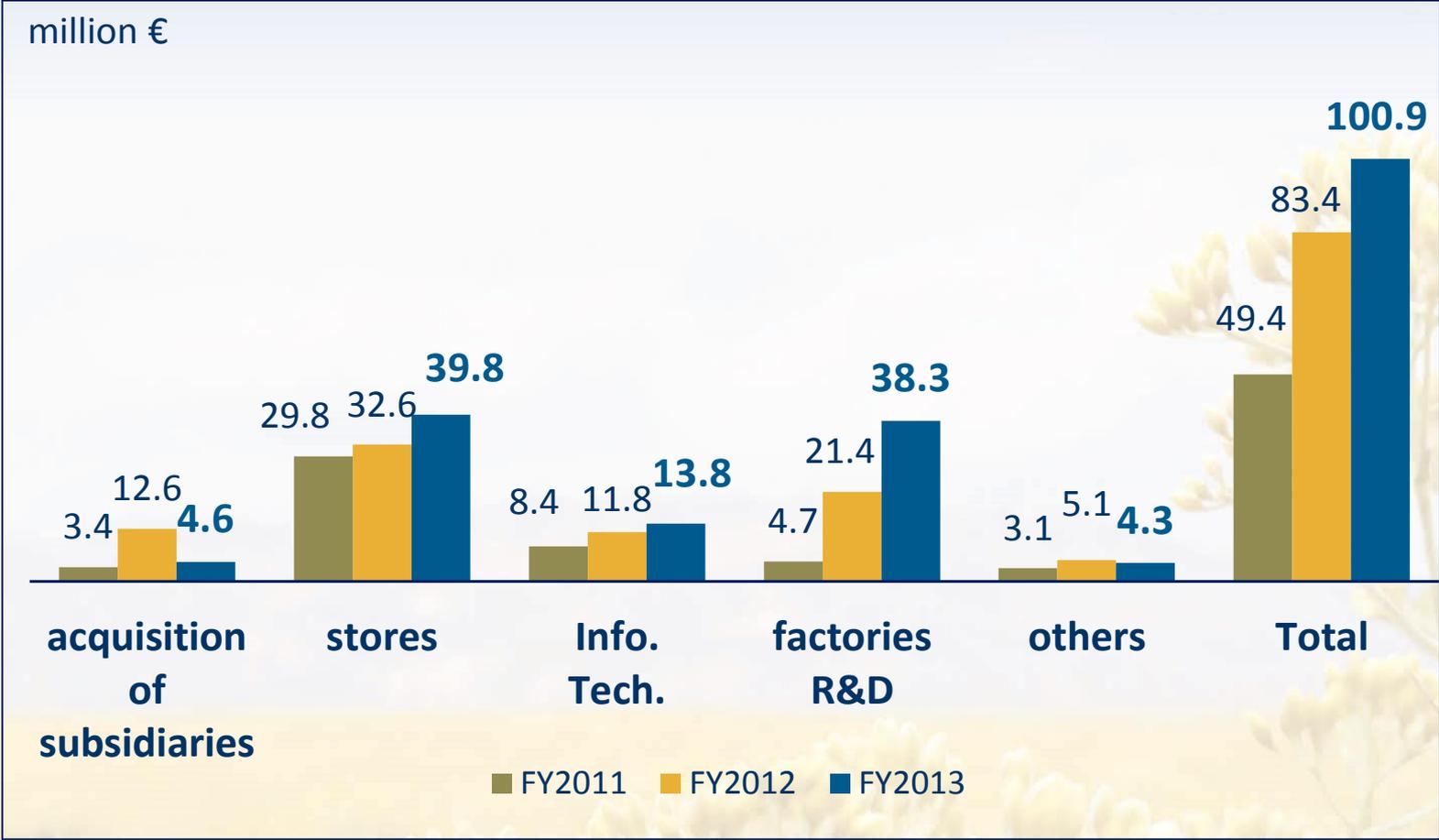


# Cash flow from operations



\* Profit before tax, adjusted from non-cash items

# Capital expenditures



# Cash flow analysis

As at: (million €)	31 Mar 2012	31 Mar 2013	% Change
Profit before tax, adj. for non-cash items	196.2	205.6	4.8%
Changes in working capital	(17.3)	(19.2)	10.9%
Income tax paid	<u>(43.5)</u>	<u>(42.0)</u>	<u>-3.4%</u>
<b>Net cash flow from operations</b>	<b>135.4</b>	<b>144.4</b>	<b>6.6%</b>
Cash outflow from investing	(83.4)	(100.9)	
Cash flow from financing	(37.8)	(28.7)	
Effect of the exchange rate changes	(5.8)	(3.3)	
<b>Net change in cash and cash equivalents</b>	<b>8.4</b>	<b>11.5</b>	

# Balance sheet ratios

For the year ended 31 Mar	2012	2013
<b>Profitability</b>		
Return on Capital Employed (ROCE) <sup>(1)</sup>	29.8%	<b>25.5%</b>
Return on equity (ROE) <sup>(2)</sup>	18.6%	<b>16.8%</b>
<b>Liquidity</b>		
Current ratio (times) <sup>(3)</sup>	3.38	<b>3.41</b>
Quick ratio (times) <sup>(4)</sup>	2.62	<b>2.63</b>
<b>Capital adequacy</b>		
Gearing ratio <sup>(5)</sup>	7.6%	<b>8.0%</b>
Debt to equity ratio <sup>(6)</sup>	Net cash	<b>Net cash</b>

<sup>(1)</sup> Net Operating Profit After Tax / Capital Employed

<sup>(2)</sup> Net profit attributable to equity owners / shareholders' equity excluding minority interest

<sup>(3)</sup> Current assets / current liabilities

<sup>(4)</sup> Current assets - stocks / current liabilities

<sup>(5)</sup> Total debt / total assets

<sup>(6)</sup> Net debt / (total assets - total liabilities) \* 100%

NOPAT = (Operating Profit + foreign currency net gains or losses) x (1 - effective tax rate)

Capital Employed = Non-current assets - (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital

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# Strategic review

## **FY2013 marked a key milestone**

- The Group's net sales surpasses billion euro mark

## **Continued investing for future growth**

- Maintained strong double-digit top-line growth
- Global retail network expansion strategy on track
- Russia and China remained fastest growing countries
- E-commerce - A key growth driver

# Strategic review

## Strong Brand Portfolio

- The Group now has five brands
- Building core brand & broadening depth and accessibility of each brand
  - Extending **L'Occitane** brand – new stores, renovations and digital marketing
  - **L'Occitane au Brésil** – exclusive in Brazil
  - **Melvita** – new management team
  - **Le Couvent des Minimes** – develop wholesale business in the United States and Japan
  - Acquiring **Erborian** – expand current network channels and diversify product categories

## Operational Excellence

- Executing and delivering sustainable profitable growth over the long term
- Operational excellence
  - Expanding manufacturing, logistics and R&D capacity
  - Leveraging the information investment
  - Building customer centricity with digital investments

# Prospects

- Committed to overall corporate strategy

## 1. Extending the Group's top-line growth platform

- Further expansion of stores network
- Two new large format stores in Japan
- Accelerate strong store renovation program
- Further digital initiatives
- Innovation focus to create new textures, new active ingredients and new processes
- Strengthen the respective brand's product portfolio

## 2. Striving at operational and financial excellence

- New Manosque facility fully operational in November  
- major benefits in capacity and quality
- Implementation of SAP - production environment benefit in terms of improved efficiencies
- SAP roll-out - USA and Japan will go live in FY2014 and expect further roll-out in more countries during FY2015
- Global assessment of back-office and indirect structures – to optimize ROI in systems and key human resources

# Disclaimer

This document is for information purposes only without any binding effect; in case of any inaccuracies, incompleteness or inconsistency with other documents, only the Company's latest issued annual or interim report for detailed financials shall prevail and shall be deemed to be the only official document.



*The End*