

The background of the slide is a photograph of a rural landscape at sunset. In the foreground, there is a field of tall, yellow wildflowers. In the middle ground, a small, rustic distillation apparatus with copper-colored metal and glass components sits on the ground. The background features rolling hills and mountains under a clear blue sky with a few wispy clouds. The sun is low on the horizon, creating a warm, golden glow across the scene.

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

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

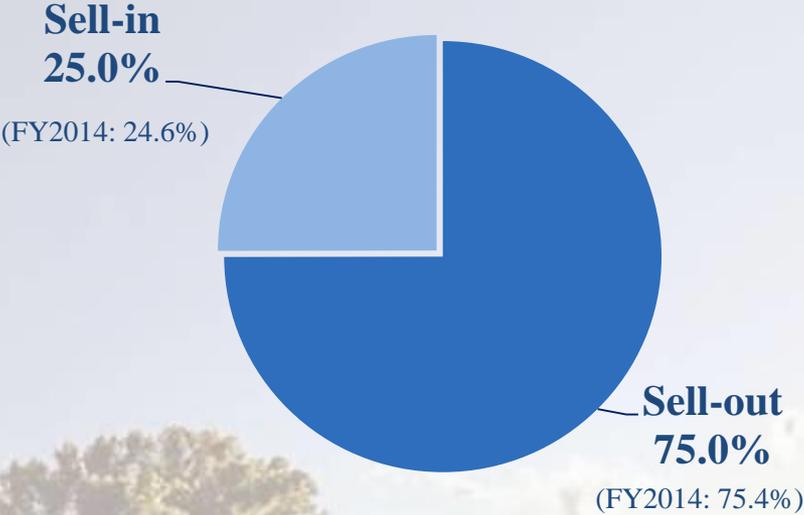
Highlights

For the year ended 31 March (million €)	2014	2015	Change
Net sales	1,054.9	1,177.9	+11.7%
Gross profit	855.6	963.2	+12.6%
<i>Gross profit margin</i>	<i>81.1%</i>	<i>81.8%</i>	<i>+0.7 pp</i>
Operating profit	132.9	164.1	+23.5%
<i>Operating profit margin</i>	<i>12.6%</i>	<i>13.9%</i>	<i>+1.3 pp</i>
Profit for the period	92.5	125.6	+35.7%
<i>Net profit margin</i>	<i>8.8%</i>	<i>10.7%</i>	<i>+1.9 pp</i>
Earnings per share (€ per share)	0.061	0.083	+37.0%
Final div. per share (€ per share)*	0.0213	0.0291	+36.6%
Special div. per share (€ per share)*	-	0.0340	
Dividend payout ratio*	35%	76%	+40.8%
Net cash	239.9	285.0	+18.8%

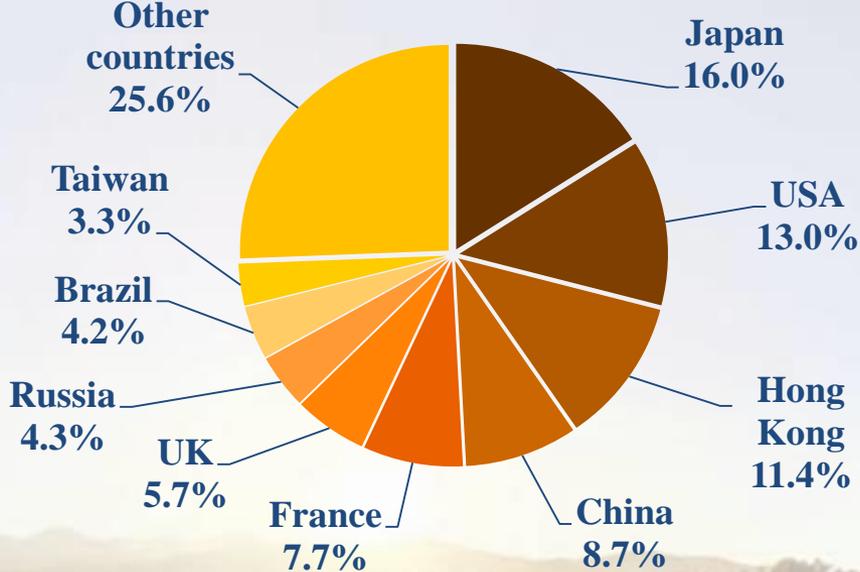
* The figure illustrates dividends declared for the period indicated, not actual dividends paid during the period indicated. The dividends declared for FY2015 assumes the proposed distribution of a gross final dividend of €0.0291 per share and a gross special dividend of €0.034 per share, which are subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

Net Sales Breakdown

Sales by segment

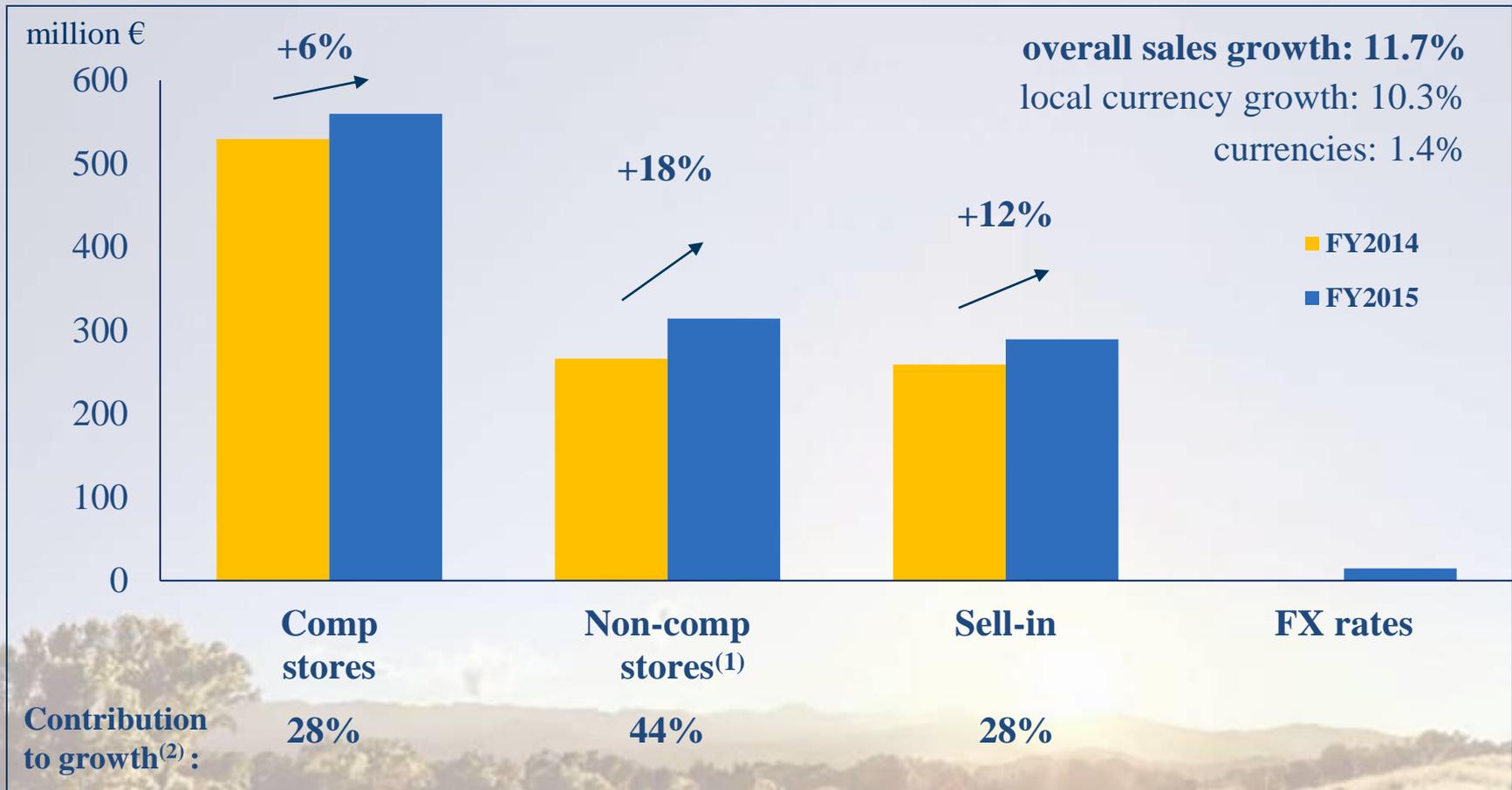


Exposure to growth markets



Net sales up 10.3%

(Local currency growth)

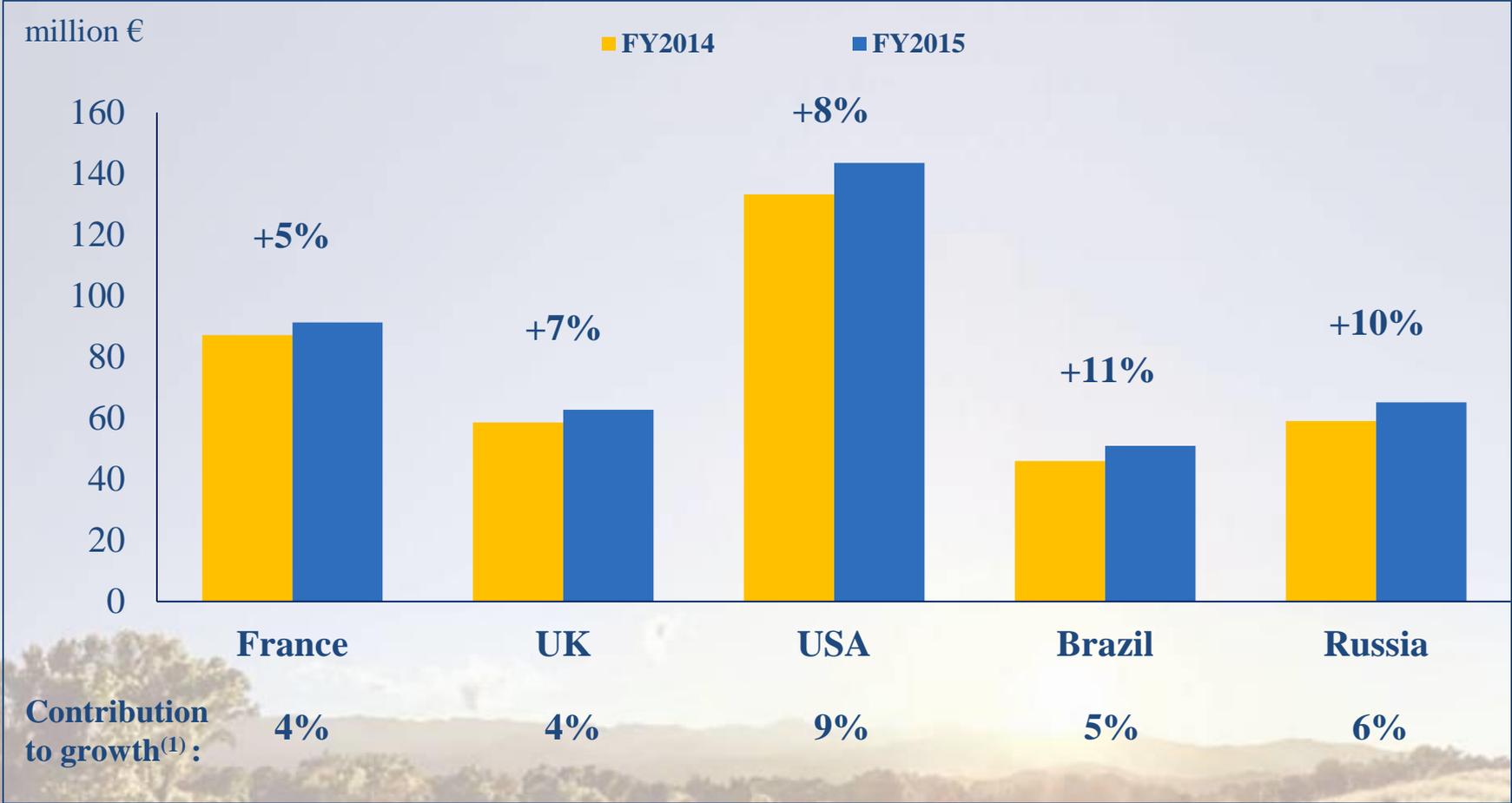


⁽¹⁾ Includes mail-order and other sales

⁽²⁾ Excluding foreign currency translation effects

Sales growth by geography – Americas and Europe

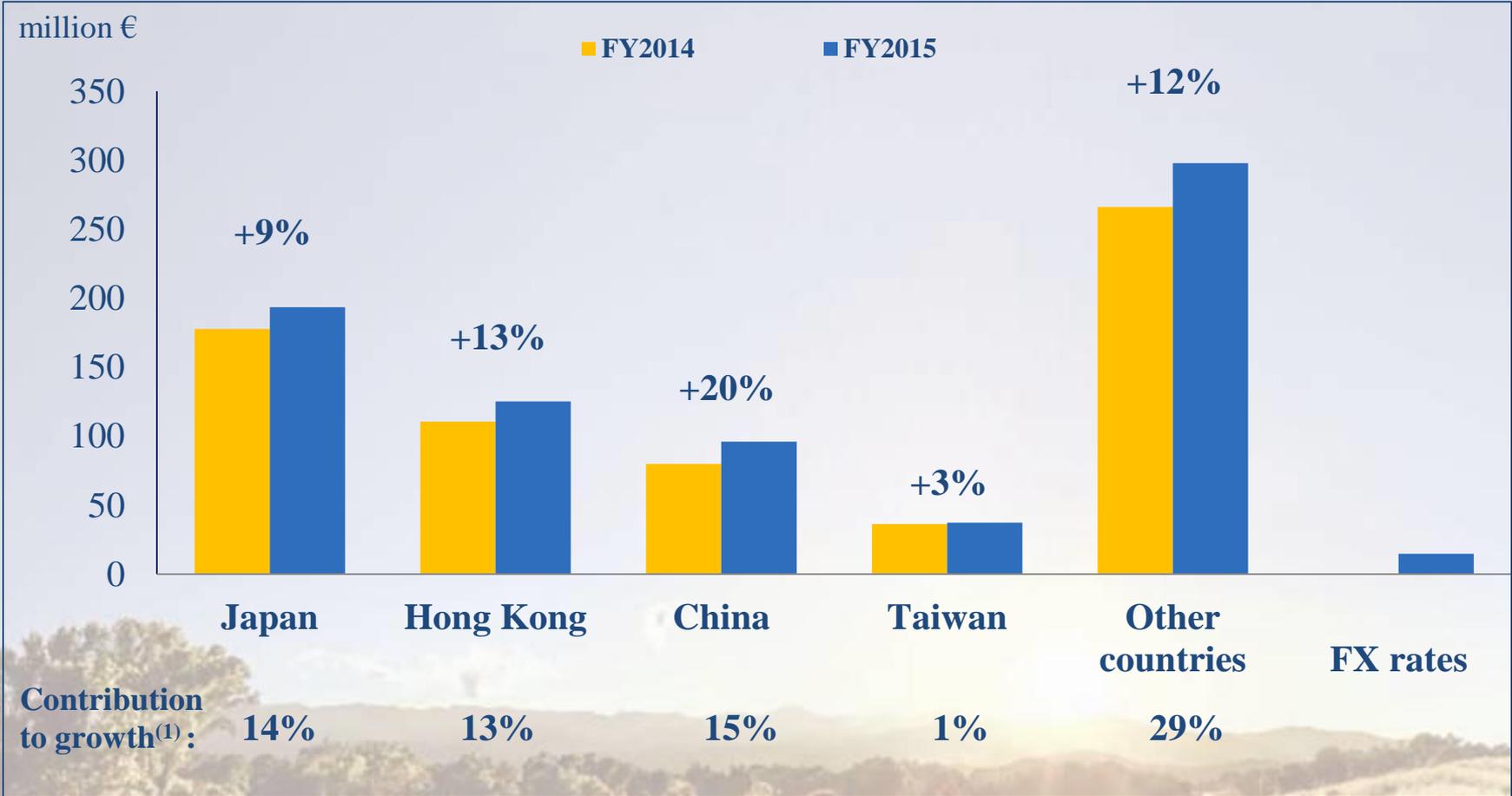
(Local currency growth)



⁽¹⁾ Excluding foreign currency translation effects

Sales growth by geography – Asia and Other Countries

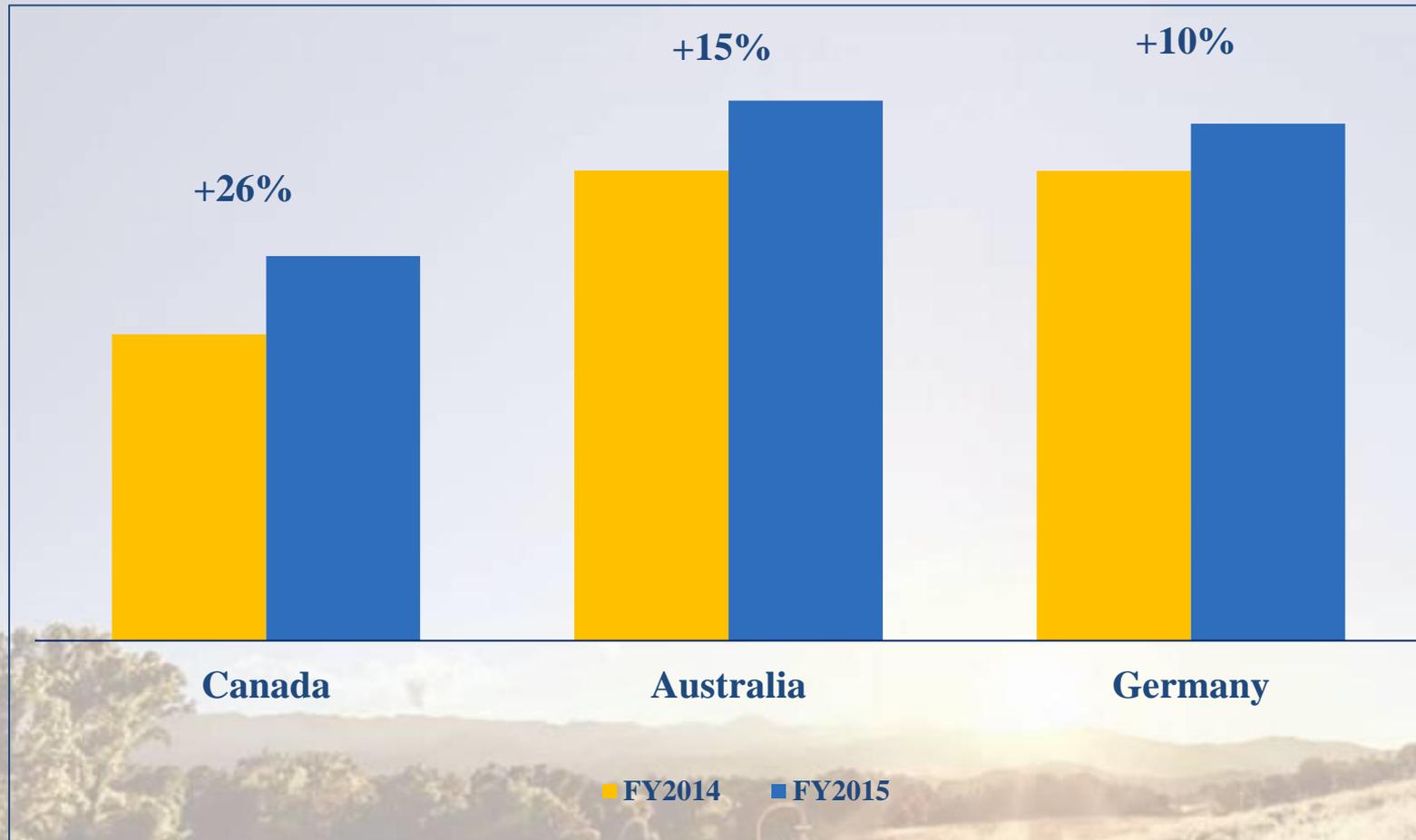
(Local currency growth)



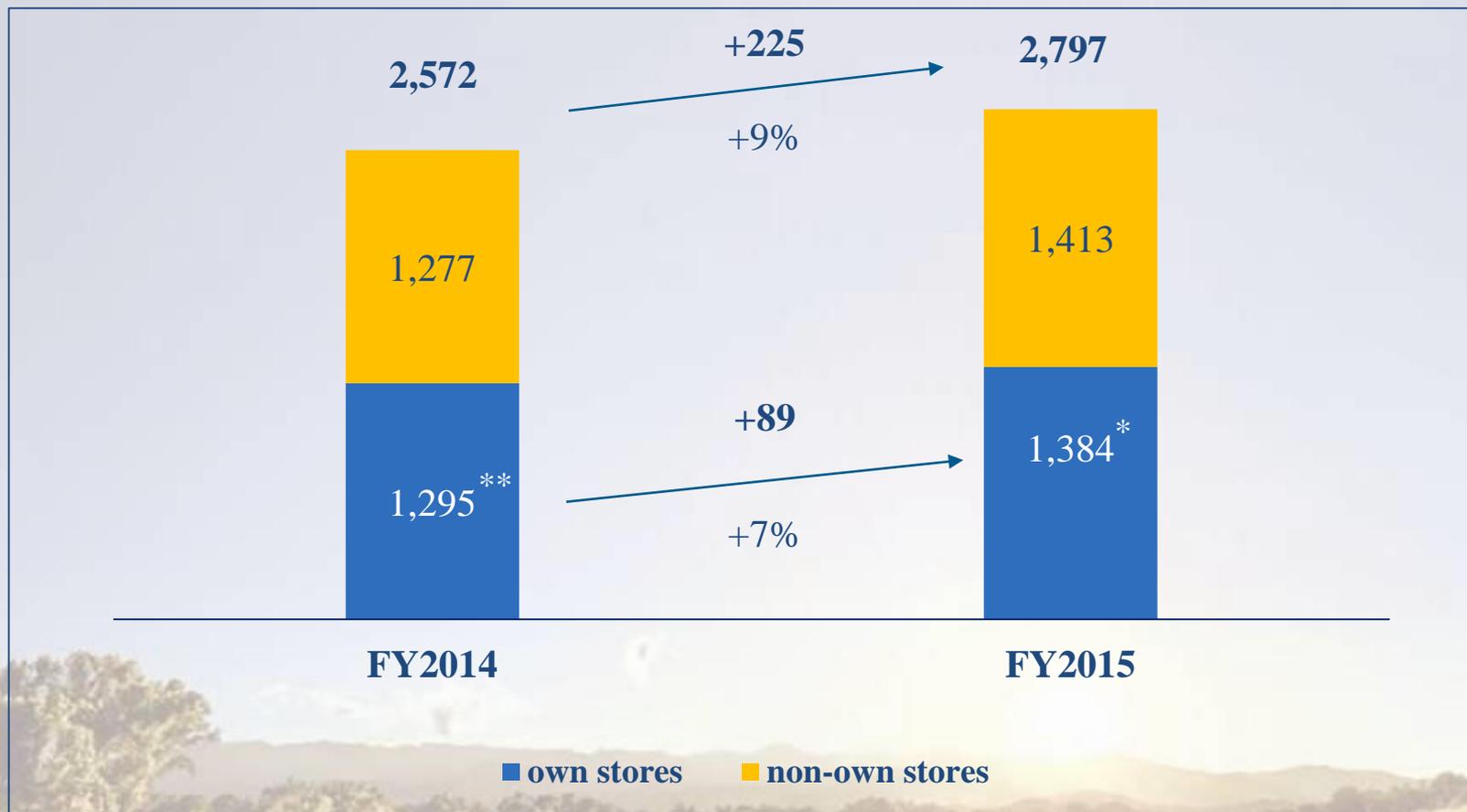
⁽¹⁾ Excluding foreign currency translation effects

Sales growth in other major countries

- Local currency growth



Stores network: global expansion on track

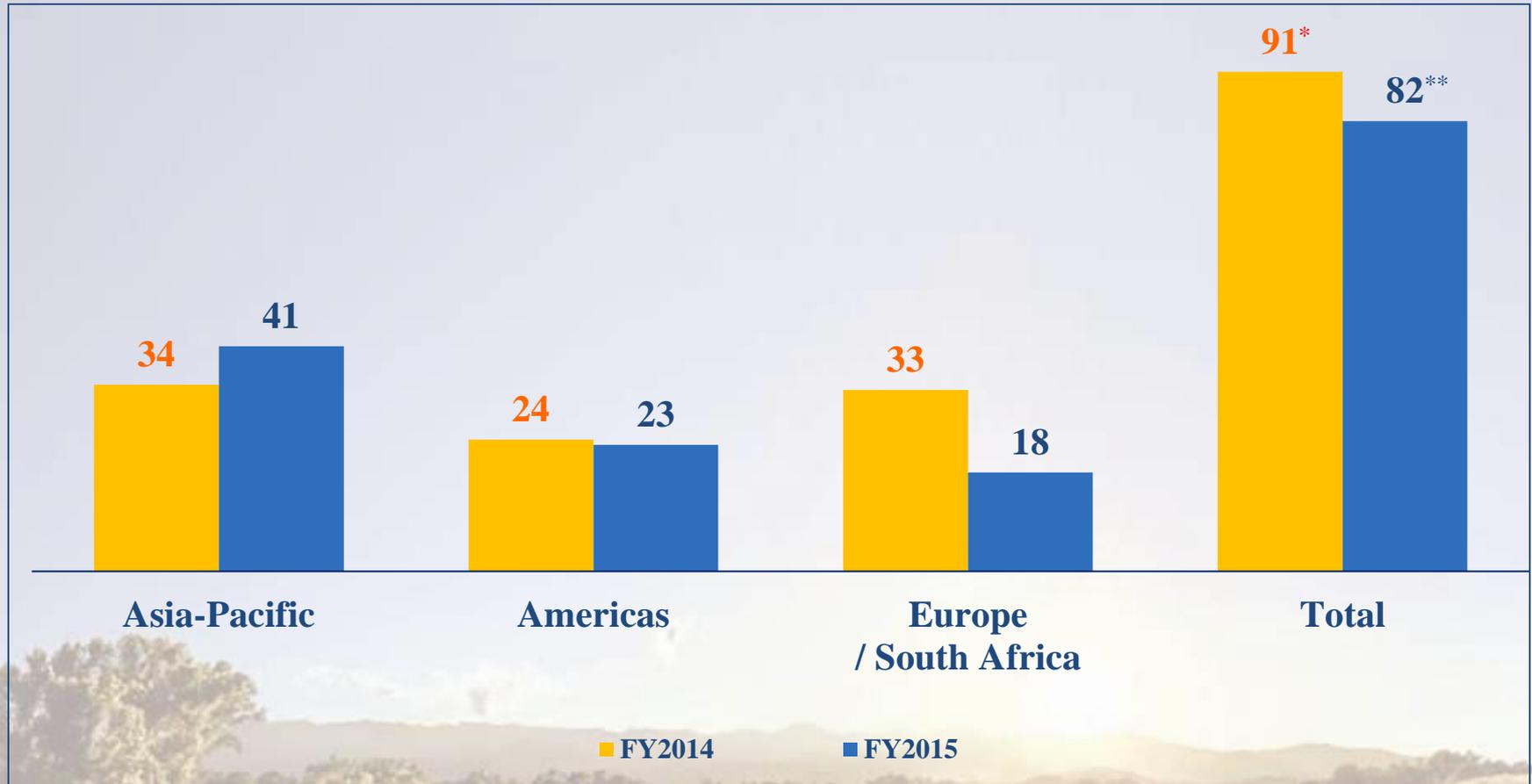


* Includes 7 stores acquired from distributor in Norway in FY2015.

** Includes 6 stores acquired from distributor in South Africa in FY2014.

Net store openings by region:

82 own-stores opened during FY2015 **

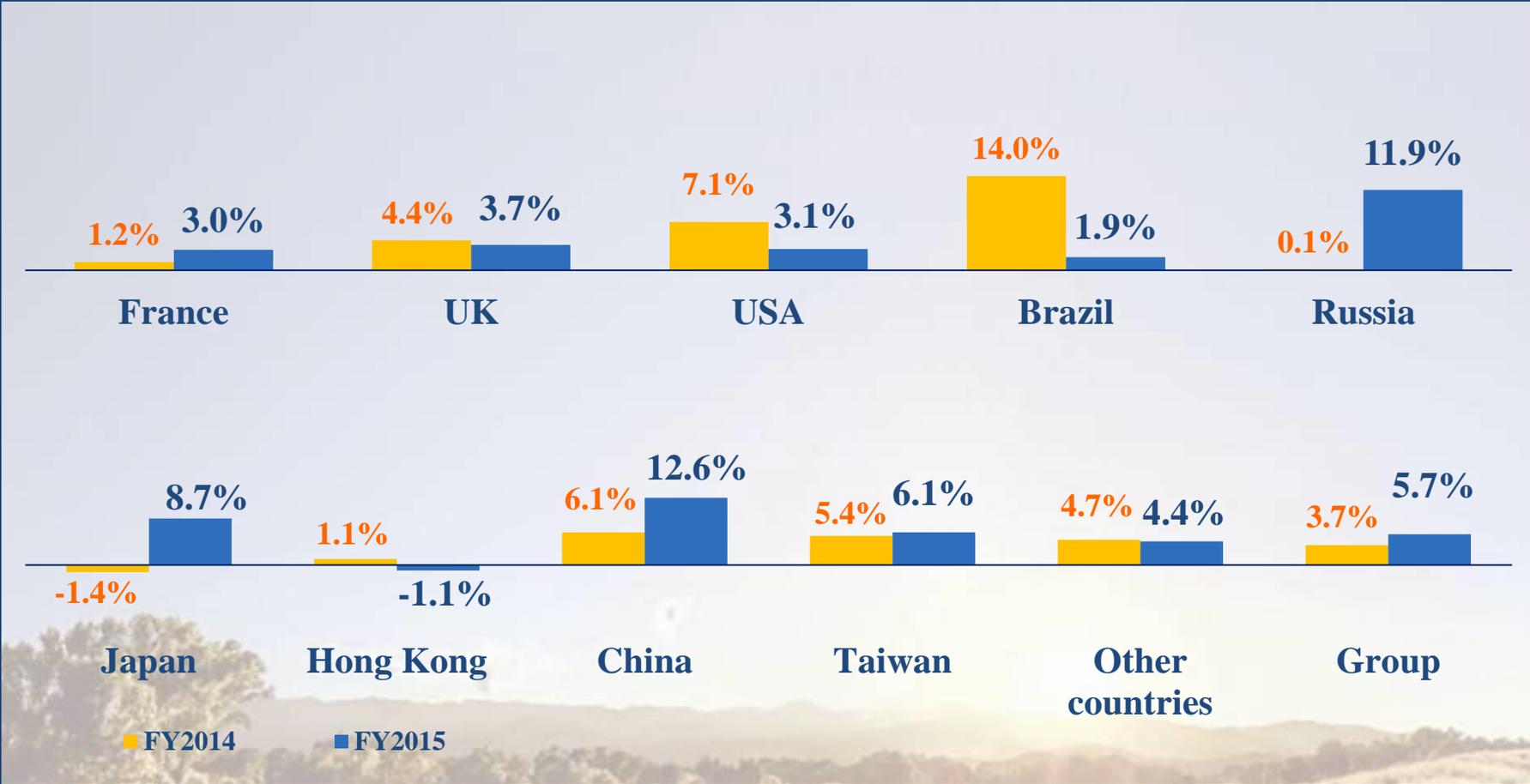


* Excluding 6 stores acquired from distributor in South Africa in June 2013

** Excluding 7 stores acquired from distributor in Norway in August 2014

Same store sales growth profile*

FY2015 as compared to FY2014

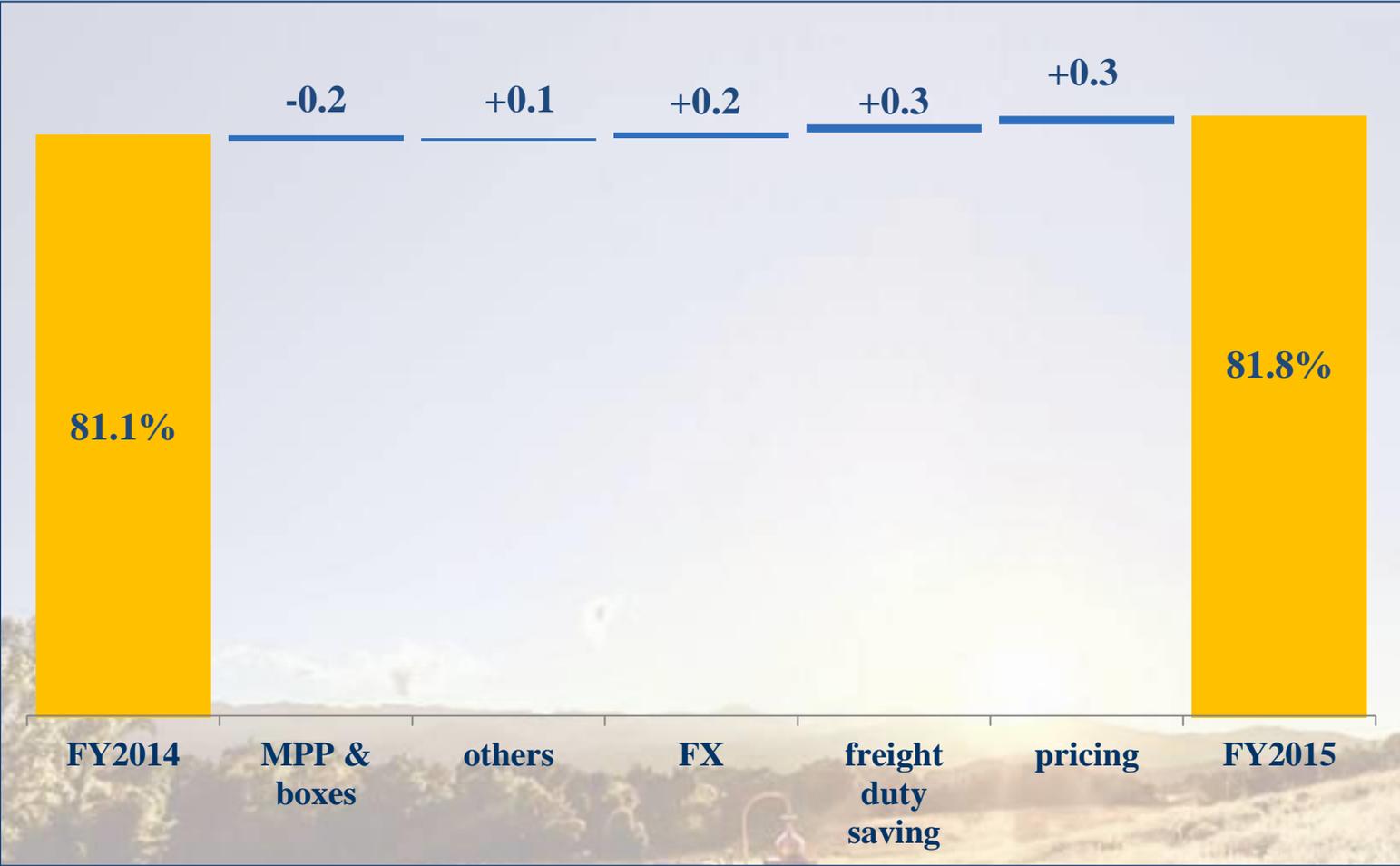


*Including E-commerce and excluding stores closed for renovation

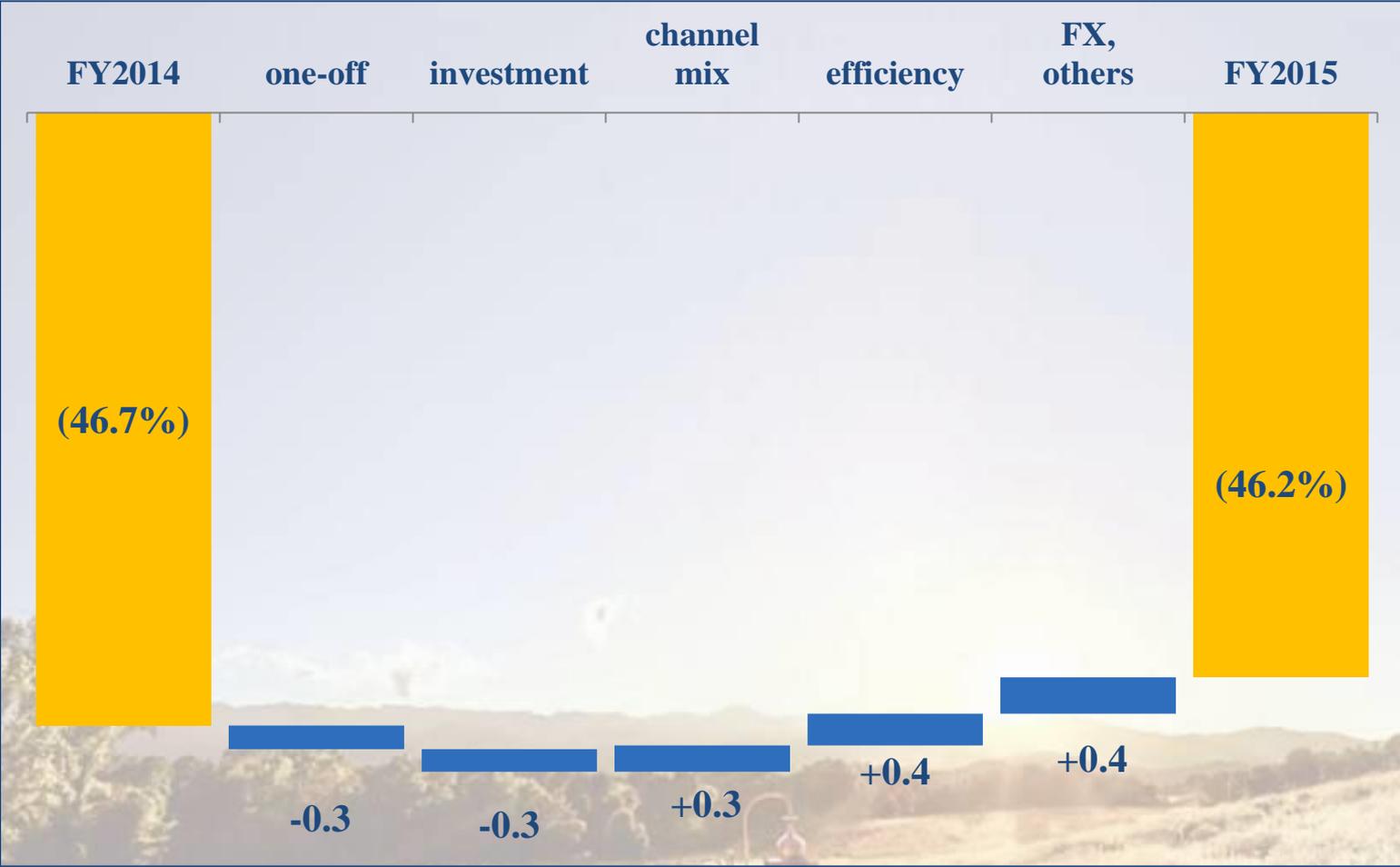
Profitability analysis

For the year ended 31 March	% of net sales		
	2014	2015	Change
Gross profit margin	81.1	81.8	0.7
Distribution expenses	(46.7)	(46.2)	0.5
Marketing expenses	(10.8)	(11.1)	(0.3)
Research & development expenses	(1.0)	(1.1)	(0.1)
General & administrative expenses	(9.9)	(9.4)	0.5
Other (losses) / gains	(0.0)	(0.0)	0.0
Operating profit margin	12.6	13.9	1.3

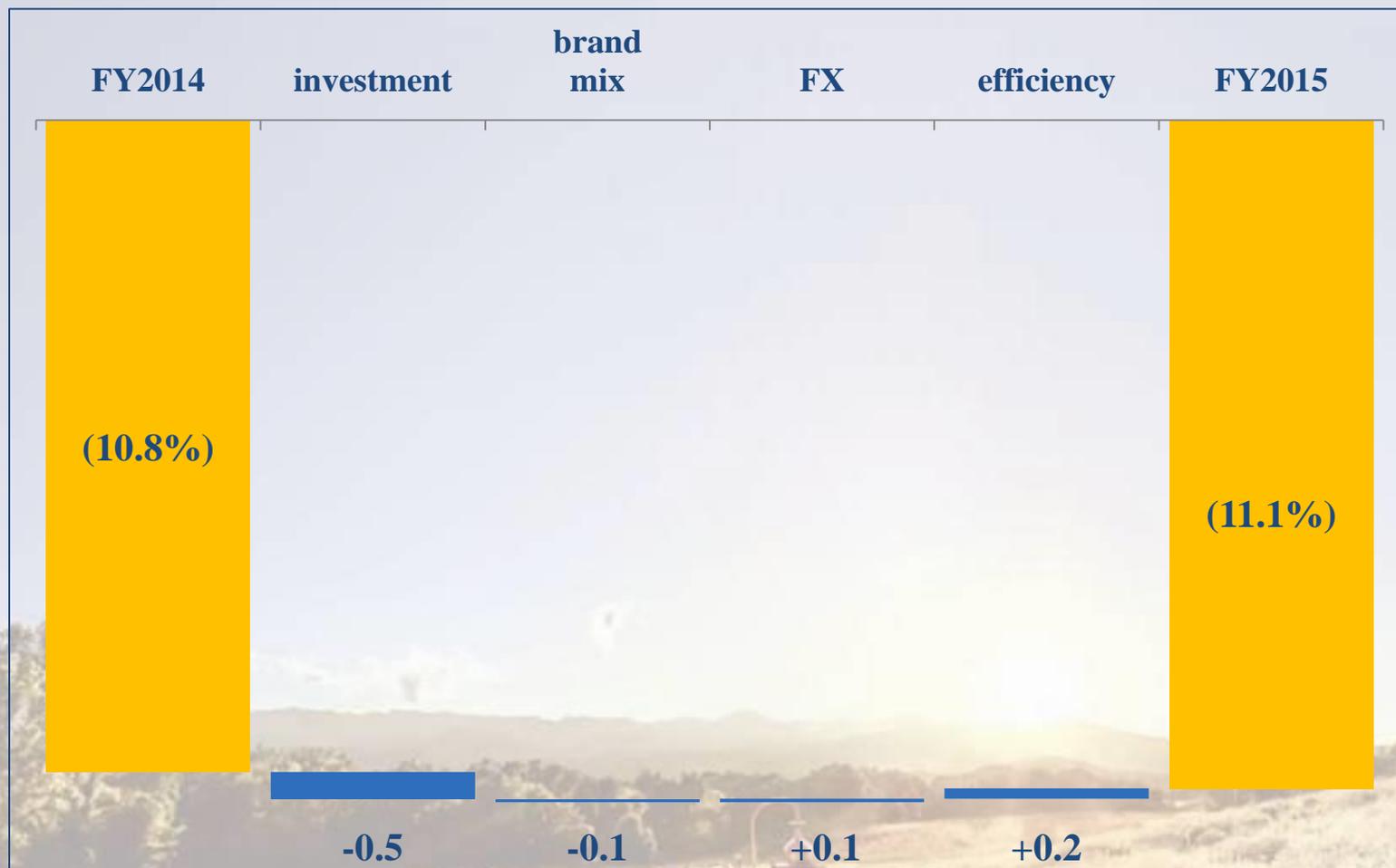
Gross margin



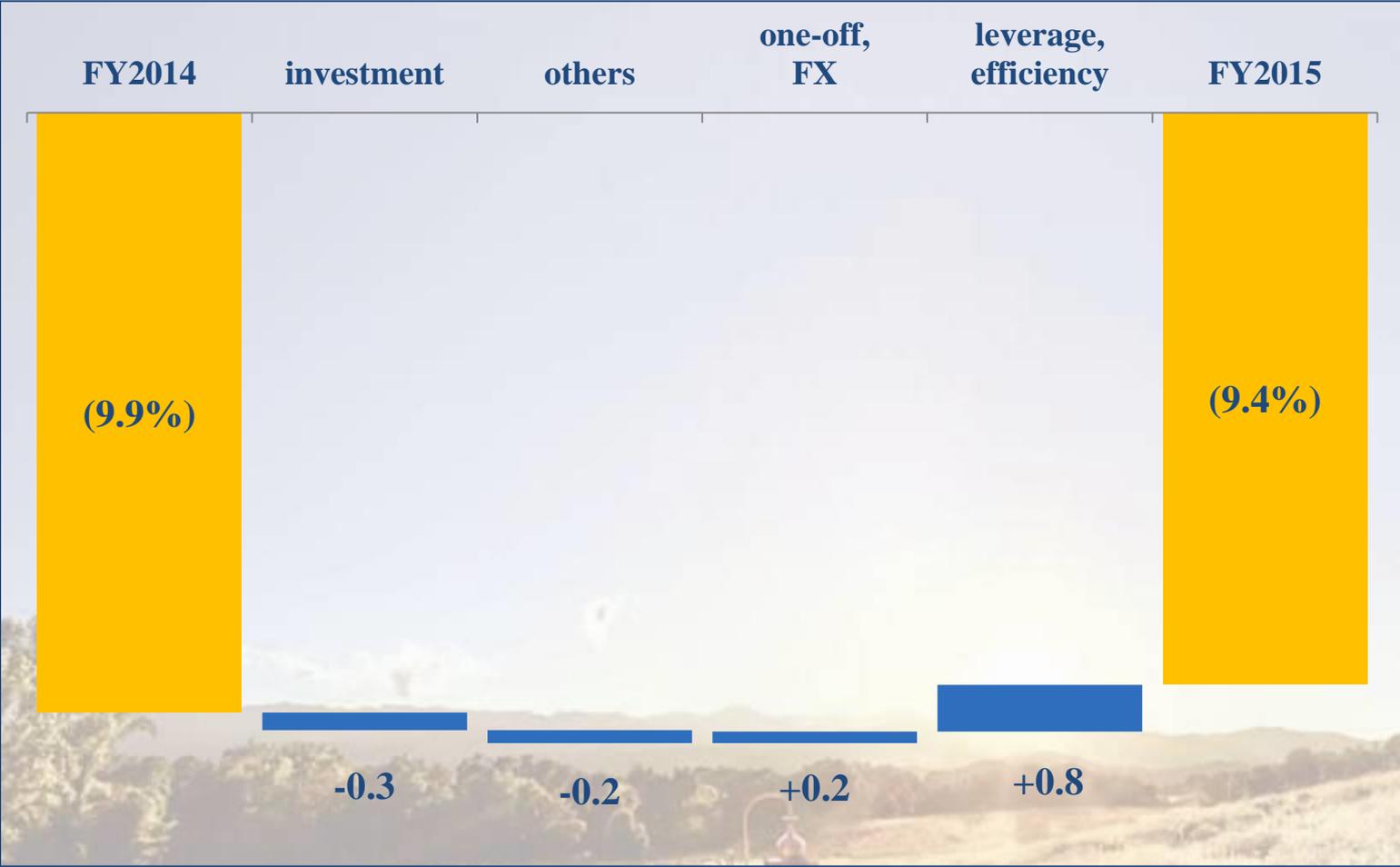
Distribution expenses



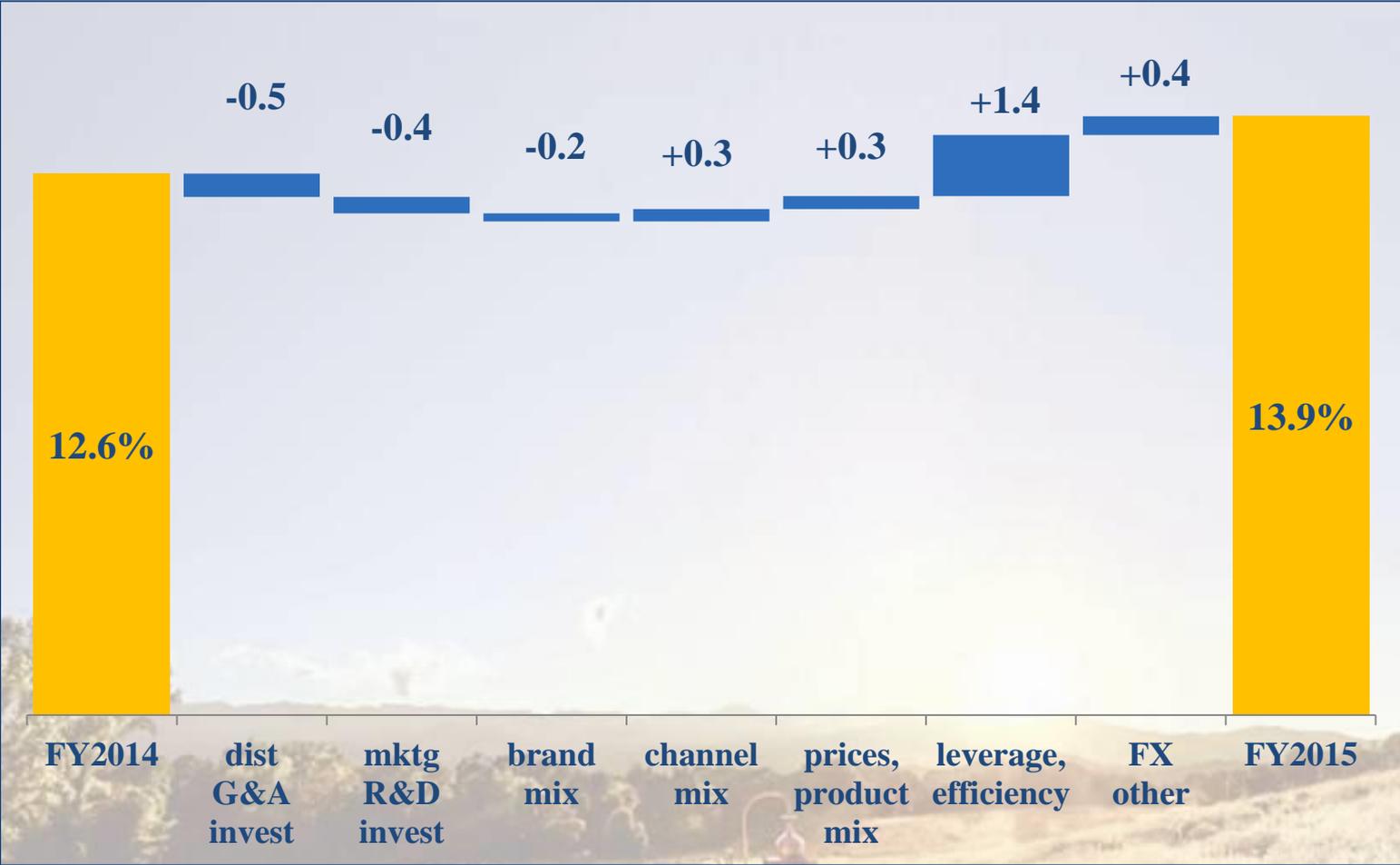
Marketing analysis



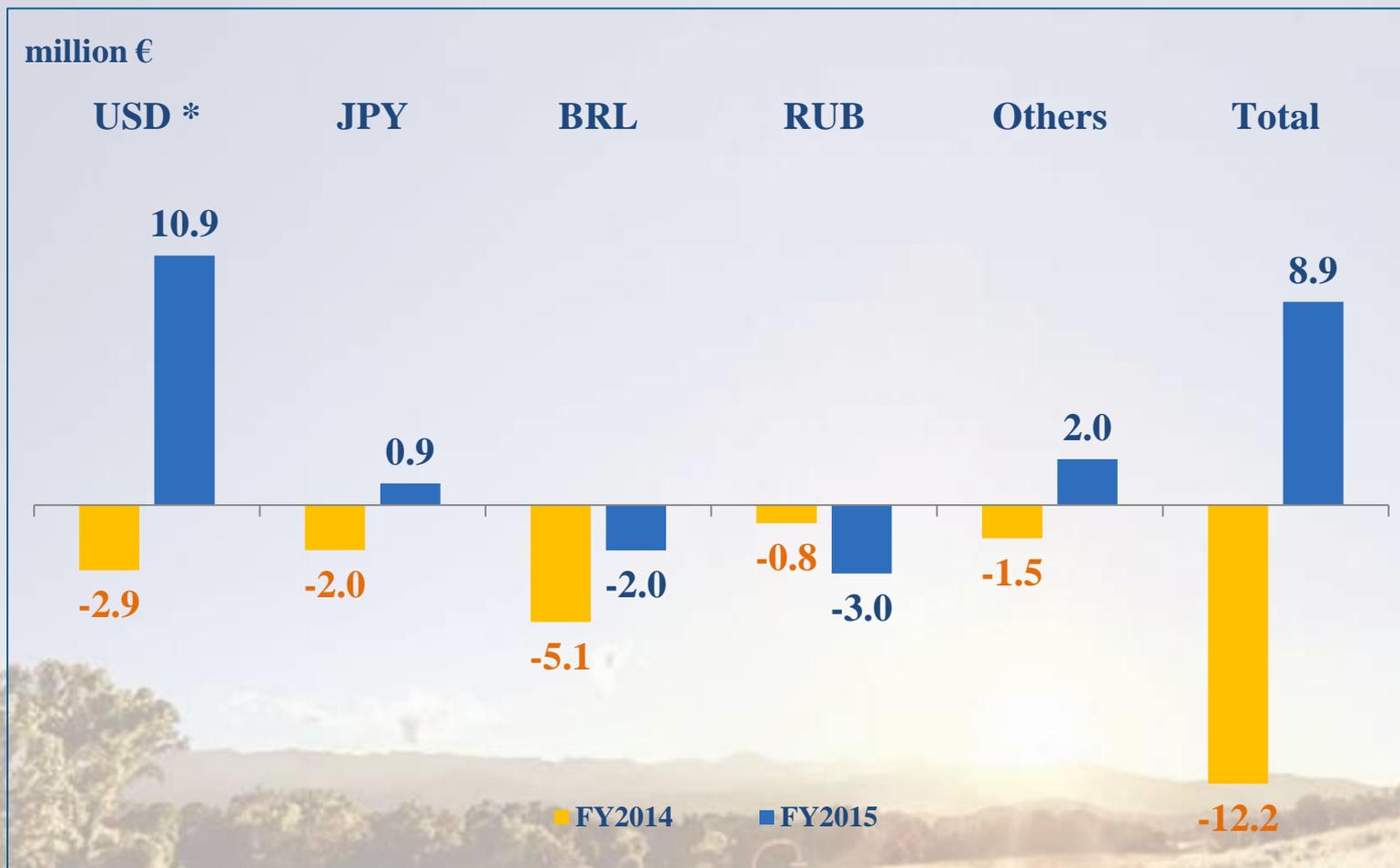
G&A expenses



Operating profit margin



Exchange gains/(losses)



* incl. USD and USD linked currencies

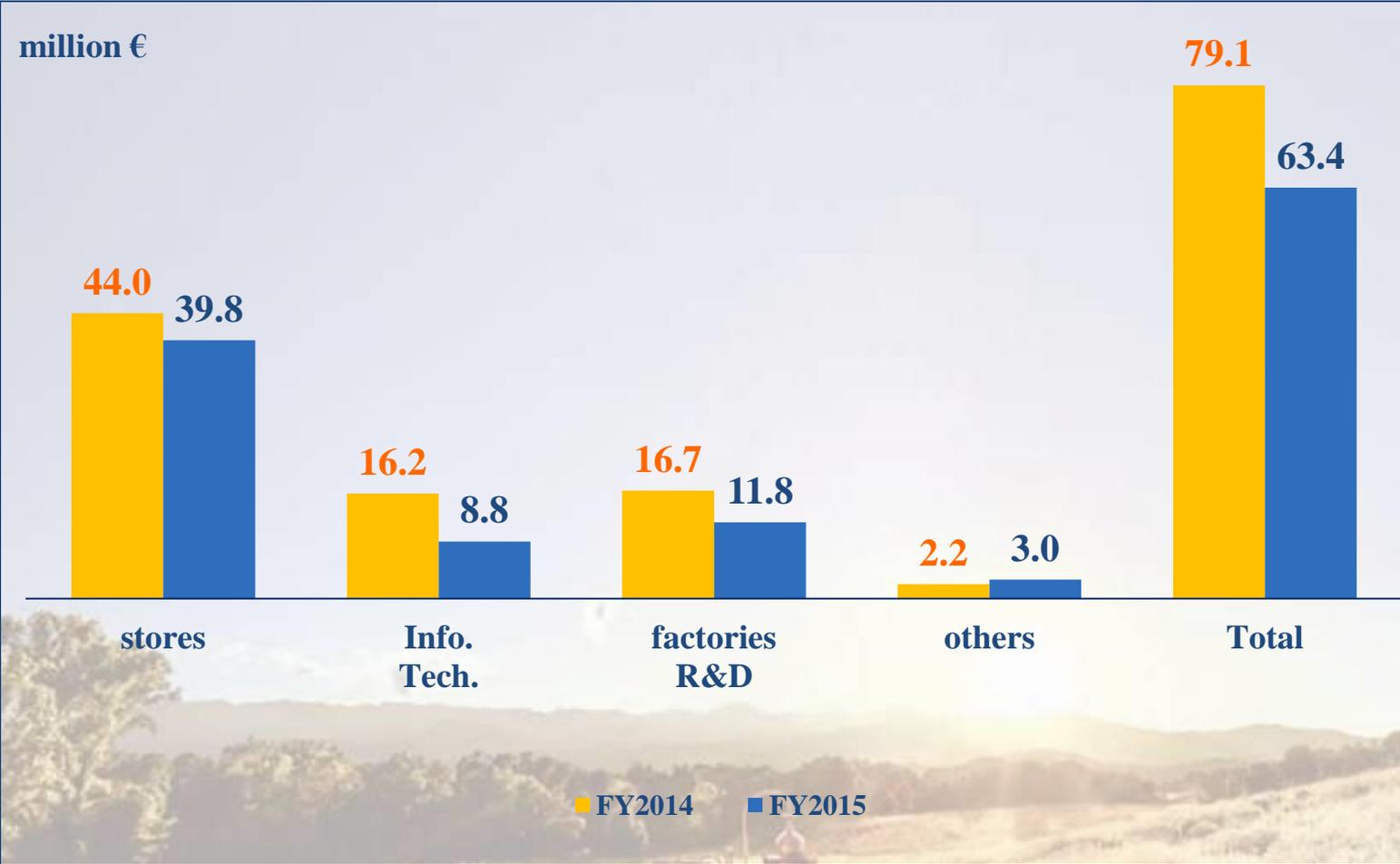
Working capital ratios

as at:	31 Mar 2014	31 Mar 2015	Change
Inventory turnover days (based on cost of sales)	262	262	0
Trade receivables turnover days (based on net sales)	30	30	0
Trade payables turnover days (based on cost of sales)	171	157	-14
Cash Cycle (days of net sales)	47	49	2

Inventory turnover days



Capital expenditures



Cash flow analysis

For the year ended 31 March (million €)	2014	2015	Change
Profit before tax, adj. for non-cash items	174.5	247.6	73.1
Changes in working capital	(16.5)	0.6	17.1
Income tax paid	<u>(38.4)</u>	<u>(42.1)</u>	<u>(3.7)</u>
Net cash flow from operations	119.6	206.1	86.5
Cash outflow from investing	(79.1)	(69.0)	10.1
Cash flow from financing	(49.5)	(45.3)	4.2
Effect of the exchange rate changes	8.4	(15.9)	(24.3)
Net change in cash and cash equivalents	(0.6)	75.9	76.4

Balance sheet ratios

For the year ended 31 March	2014	2015
Profitability		
Return on Capital Employed (ROCE) ⁽¹⁾	16.6%	22.4%
Return on equity (ROE) ⁽²⁾	11.8%	14.3%
Liquidity		
Current ratio (times) ⁽³⁾	2.92	3.55
Quick ratio (times) ⁽⁴⁾	2.21	2.76
Capital adequacy		
Gearing ratio ⁽⁵⁾	7.4%	9.1%
Debt to equity ratio ⁽⁶⁾	net cash	net cash

(1) Net Operating Profit After Tax / Capital Employed #

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

(3) Current assets / current liabilities

(4) Current assets - stocks / current liabilities

(5) Total debt / total assets

(6) 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

* note that the capital employed and ROCE for 31 March 2014 have been restated.

Strategic review

Investments in the business platform and efforts to improve operational efficiency resulted in strong financial and operating performance for FY2015

- Continued investments in strategic areas such as: product innovation, digital and CRM, marketing and sales distribution channels
 - Continued investments in the emerging brands: Melvita, au Brésil & Erborian
 - Upgrading and selective expansion of own retail store network
 - Customer focus: investments in customer analytics and insights to develop and enhance online and offline customer experience and drive sales productivity
- ⇒ **E-commerce now accounts ~ 8.7% of retail sales – L’Occitane’s successful launch on Tmall - expansion in Sell-in segment (wholesale and Travel Retail) – positive turnaround in Japan – acceleration of Melvita - leverage**

Pursued operational excellence

- Further roll-out of SAP + core retail and CRM systems
- Increased production capacity and productivity
- Significant savings in logistics and back-office structures

Outlook



Expand product portfolio in natural space

- In particular, high margin categories such as perfume and face care, new brands



Strengthen worldwide brand positioning

- Grow emerging brands: momentum of Melvita, Erborian retail stores, L'Occitane au Brésil acceleration
- Program to enhance core L'Occitane brand awareness: digital, sampling, store investment in flagships



Drive multi-channel approach

- Online / offline combined experience
- Travel retail
- Leverage wholesale



Pursue sustainable growth with greater efficiency

- Invest in people and systems for operational efficiencies

Outlook remains challenged

(FX , slowdown in economic growth of key countries etc.)

The Group's strategy has proven effective and the management will continue the disciplined pursuit and execution of a uniform strategy – ensuring lasting growth and being a great company

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 financial information and certain other information presented in a number of tables have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

THE END

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