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L'OCCITANE

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L'OCCITANE INTERNATIONAL S.A.

49, Boulevard Prince Henri L-1724 Luxembourg

R.C.S. Luxembourg: B80359

(Incorporated under the laws of Luxembourg with limited liability)

(Stock code: 973)

UNAUDITED TRADING UPDATE FOR THE THREE MONTHS ENDED 30 JUNE 2015

L'Occitane International S.A. (the "Company") is pleased to present the unaudited 2015/2016 ("FY2016") trading update of the Company and its subsidiaries (the "Group") for the three months ended 30 June 2015. This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Highlights

- Group's net sales were €274.6 million, recording an increase of 17.5% for the first three months of FY2016. Local currency growth was 7.8%
- With 26.0% growth in local currency, China was the fastest growing country and the primary contributor to the overall growth, followed by Brazil, Russia and France
- Japan posted an overall growth of 7.5% at constant exchange rates with Same Store Sales Growth at 6.2%
- The E-commerce channels continued to outperform with a 21.5% growth at constant exchange rates during the first three months of FY2016
- Sell-in channels in particular the wholesale and distribution channels performed well with 10.3% growth at constant exchange rates
- Overall Same Store Sales Growth was 2.1%

Business Segments

The following tables provide a breakdown of the net sales and year-on-year growth (including and excluding foreign currency translation effects as indicated) by business segment for the three months ended 30 June 2015:

	Sales and % of total sales			
	30 June 2015		30 June 2014	
	€ '000	%	€ '000	%
Sell-out	202,258	73.7	173,166	74.1
Sell-in	72,359	26.3	60,581	25.9
Total	274,618	100.0	233,747	100.0

	Year-on-year growth			
	€ '000 Growth	% Growth	% Growth ⁽²⁾	% Contribution to Overall Growth ⁽²⁾
Sell-out	29,092	16.8	6.9	65.6
Comparable Stores	16,106	11.6	2.1	15.8
Non-comparable Stores and others ⁽¹⁾	12,986	38.1	26.5	49.9
Sell-in	11,779	19.4	10.3	34.4
Overall Growth	40,871	17.5	7.8	100.0

⁽¹⁾ Includes mail-order and other sales.

⁽²⁾ Excludes the impact of foreign currency translation effects.

Geographic Areas

The following table presents the net sales and net sales growth for the three months ended 30 June 2015 and contribution to overall sales growth (including and excluding foreign currency translation effects as indicated) by geographic area:

	30 June 2015		Sales and % of total sales 30 June 2014		Growth	Growth	Growth ⁽¹⁾	Contribution to Overall Growth ⁽¹⁾
	€ '000	%	€ '000	%	€ '000	%	%	%
Japan	45,191	16.5	40,341	17.3	4,850	12.0	7.5	16.7
Hong Kong ⁽²⁾	28,478	10.4	24,438	10.5	4,039	16.5	(6.1)	(8.3)
China	25,407	9.3	16,187	6.9	9,220	57.0	26.0	23.2
Taiwan	8,584	3.1	6,790	2.9	1,794	26.4	4.3	1.6
France	22,742	8.3	20,228	8.7	2,515	12.4	12.4	13.9
United Kingdom	15,012	5.5	13,059	5.6	1,953	15.0	1.8	1.3
United States	36,814	13.4	29,737	12.7	7,077	23.8	(0.3)	(0.5)
Brazil	10,924	4.0	10,519	4.5	405	3.9	15.2	8.8
Russia	9,602	3.5	10,318	4.4	(716)	(6.9)	12.7	7.2
Other countries ⁽³⁾	71,864	26.2	62,131	26.6	9,733	15.7	10.5	36.0
All countries	274,618	100.0	233,747	100.0	40,871	17.5	7.8	100.0

(1) Excludes the impact of foreign currency translation effects and reflects growth from all business segments, including growth from the own retail store sales.

(2) Includes sales in Macau.

(3) Includes sales from Luxembourg.

The following table provides a breakdown, by geographic area, of the number of own retail stores, their contribution percentage to overall growth and Same Store Sales Growth for the periods indicated:

	Period ended 30 June 2015 compared to period ended 30 June 2014							
	Own Retail Stores				% contribution to Overall Growth ^{(1) (2)}			
	30 Jun 2015	Net openings YTD Jun 2015	30 Jun 2014	Net openings YTD Jun 2014	Non- comparable Stores	Comparable Stores	Total Stores	Same Store Sales Growth % ⁽²⁾
Japan ⁽³⁾	115	4	107	1	7.2	9.2	16.4	6.2
Hong Kong ⁽⁴⁾	35	(1)	34	2	0.3	(5.9)	(5.6)	(15.3)
China ⁽⁵⁾	169	8	140	4	8.0	2.5	10.5	3.7
Taiwan	55	—	55	1	0.3	(1.0)	(0.7)	(3.8)
France ⁽⁶⁾	81	—	77	2	2.7	4.1	6.8	7.5
United Kingdom	73	—	69	1	1.0	1.5	2.5	3.8
United States	214	—	202	5	5.2	(2.0)	3.3	(1.5)
Brazil	83	2	78	—	1.7	2.4	4.1	6.8
Russia ⁽⁷⁾	107	—	110	—	0.2	3.8	4.1	10.0
Other countries ⁽⁸⁾	479	14	443	4	13.1	1.0	14.1	0.5
All countries	1,411	27	1,315	20	39.7	15.8	55.4	2.1

(1) Represents percentage of overall net sales growth attributable to Non-comparable Stores, Comparable Stores and Total Stores for the geographic area and period indicated.

(2) Excludes foreign currency translation effects.

(3) Includes 11 and 15 Melvita stores as at 30 June 2014 and 30 June 2015 respectively.

(4) Includes 3 L'Occitane stores in Macau and 10 Melvita stores in Hong Kong as at 30 June 2014 and 3 L'Occitane stores in Macau and 9 Melvita stores in Hong Kong as at 30 June 2015.

(5) Includes 5 Melvita stores as at 30 June 2015.

(6) Includes 4 Melvita stores as at 30 June 2014 and 5 Melvita stores and 1 Erborian store as at 30 June 2015.

(7) Includes 4 Melvita stores as at 30 June 2014.

(8) Includes 6 and 7 Melvita stores as at 30 June 2014 and 30 June 2015 respectively.

The Group's net sales for the first three months of FY2016 were €274.6 million, an increase of 17.5% as compared to the same period last year. At constant exchange rates, the Group delivered sales growth of 7.8%. The uncertainties of the economic environment continued to impact the sales performance of the Group, while favorable foreign currency effects contributed 9.7% of the growth.

During the first three months of FY2016, Sell-out sales accounted for 73.7% of net sales and amounted to €202.3 million, an increase of 16.8% (6.9% at constant exchange rates) as compared to the same period last year. This growth was mainly contributed by Non-comparable Stores. The Same Store Sales Growth for the first three months of FY2016 was 2.1%. The Group's E-commerce channels continued to outperform with a 21.5% growth at constant exchange rates during the first three months of FY2016 as compared to the same period last year.

Sell-in sales accounted for 26.3% of the Group's total sales and amounted to €72.4 million, an increase of 19.4% (10.3% at constant exchange rates) as compared to the same period last year, with a strong contribution from distribution and wholesale channels.

In terms of geographical areas, China, Brazil, Russia and France were among countries with highest sales growth at constant exchange rates. During the first quarter of FY2016, China had the highest sales growth of the Group at 26.0% in local currency, mainly contributed by the non-comparable new stores opened last year and so far this year. Sales growth in T-mall also accelerated during the quarter.

Hong Kong retail operation was affected by the sluggish retail sentiment. Total retail sales growth in Hong Kong was -5.6%. Hong Kong travel retail business also suffered from the drop in inbound tourists in Korea.

The Group maintained its selective global retail expansion during the three months ended 30 June 2015 with 27 net stores opened, as compared to 20 net stores opened during the same period last year. The Group also continued upgrading its retail network with 32 stores renovated or relocated during the first three months of FY2016 (compared to 26 stores renovated during the same period last year).

By Order of the Board
L'Occitane International S.A.
Reinold Geiger
Chairman

Hong Kong, 21 July 2015

As at the date of this announcement, the executive directors of the Company are Mr. Reinold Geiger (Chairman and Chief Executive Officer), Mr. André Hoffmann (Managing Director Asia-Pacific), Mr. Thomas Levilion (Group Deputy General Manager, Finance and Administration), Mr. Domenico Trizio (Chief Operating Officer), Mr. Karl Guénard (Joint Company Secretary) and Mr. Nicolas Veto (Group Human Resources Executive VP), the non-executive director of the Company is Mr. Martial Lopez and the independent non-executive directors of the Company are Mrs. Valérie Bernis, Mr. Charles Mark Broadley, Mr. Pierre Milet and Mr. Jackson Chik Sum Ng.

Disclaimer

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.