



L'Occitane International S.A.

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(Incorporated under the laws of Luxembourg with limited liability)

L'Occitane Announces Unaudited Trading Update For the Three Months Ended 30 June 2017

Net Sales up 2.7% at Constant Rates and 4.1% at Actual Rates
Web Sell-out channels up 27.3%, contributing 13.2% of total sell-out sales
China sales grow 26.9% and same store sales growth of 14.7%

(25 July 2017, Hong Kong) L'Occitane International S.A. ("L'Occitane" or the "Company", or together with its subsidiaries, the "Group"; SEHK stock code: 973), a global, natural ingredient-based cosmetics and well-being products company with origins and true stories from Provence, France and around the world, today announces the unaudited trading update for the three months ended 30 June 2017.

Net sales for the three months ended 30 June 2017 were €279.5 million, an improvement of 2.7% at constant rates and 4.1% at actual rates compared to the same period of last year. Excluding the contribution from the Le Couvent des Minimes brand, which was disposed of by the Company in FY2017, the Group's sales growth at constant rates and actual rates were 3.2% and 4.6% respectively.

China, Brazil and Japan were among the best performing markets during the period, with local currency sales growing 26.9%, 13.7% and 4.0% respectively (23.9%, 28.1% and 3.4% growth at actual rates). Sales at both physical stores and online marketplaces in China accelerated as the result of a successful brand ambassador campaign featuring Chinese singer Lu Han. Sales at marketplaces in China grew a staggering 250% in the first quarter. Sales in Brazil grew across the board, both within the Group's sell-in and sell-out channels and at the L'Occitane en Provence and L'Occitane au Brésil brands. Sales in Japan continued to be supported by the Group's own E-commerce channel and by a new LINE promotion campaign.

Net sales, net sales growth and Same Store Sales Growth by geographical areas:

€'000	For the three months ended 30 June		% Growth	% Growth ⁽¹⁾	% SSS Growth ⁽¹⁾
	2017	2016			
Japan	53,189	51,419	3.4	4.0	2.4
Hong Kong	24,076	22,847	5.4	2.9	(4.1)
China	29,805	24,060	23.9	26.9	14.7
Taiwan	7,743	7,167	8.0	(2.1)	(3.5)
France	22,902	22,645	1.1	1.1	(7.8)
UK	11,396	13,305	(14.3)	(6.3)	(2.9)
USA	33,573	36,218	(7.3)	(9.7)	(6.9)
Brazil	14,068	10,980	28.1	13.7	2.0
Russia	9,657	8,569	12.7	(4.7)	(6.4)
Other Countries	73,126	71,241	2.6	1.6	(2.8)
All Countries	279,534	268,453	4.1	2.7	(0.6)

⁽¹⁾Excludes foreign currency translation effects

The Group also recorded a return to positive sales growth in Hong Kong, which was mostly due to improved contributions from travel retail and distribution channels.

Sell-out sales accounted for 73.8% of net sales and amounted to €206.4 million, an increase of 1.5% and 3.0% at constant rates and actual rates respectively compared to last year. This growth was primarily contributed by new stores and newly renovated stores, as well as the Group's marketplaces, café and spa businesses, the latter of which together grew 12.7% at constant exchange rates in the three months ended 30 June 2017. The year-on-year growth of the Group's Web Sell-out channels (including Marketplaces and its own E-commerce channels) grew by 27.3% at constant exchange rates, equivalent to 13.2% of total sell-out sales. Same store sales for the three months ended 30 June 2017 fell by 0.6%, an improvement compared to a fall of 1.3% during the same period of last year, thanks to double-digit same store growth in China.

Sell-in sales in the three months ended 30 June 2017 accounted for 26.2% of the Group's total sales and amounted to €73.2 million, an increase of 6.2% at constant exchange rates. The growth was primarily driven by growth in the distribution, travel retail, B2B and web partner channels of the L'Occitane en Provence brand, as well as the Group's emerging brands – L'Occitane au Brésil, Melvita and Erborian, in line with its multi-brand strategy.

During the period under review, the Group continued to selectively expand its global retail network as part of its omni-channel expansion strategy, and opened a net 4 stores in the three months ended 30 June 2017.

Mr. Reinold Geiger, Chairman and Chief Executive Officer of L'Occitane, said, "We are pleased to report a solid start to FY2018, which was supported by good returns from our ongoing marketing activities, particularly in China and Japan. We hope that our new 'Sunshine concept' stores, which will open soon in strategic markets, will further support this momentum."

"We will also invest further in our new product pipeline, including the re-launch of the classic Devine range later this year and the introduction of an all-new hydration range in early 2018. This will enable us to appeal to new and existing customers and increase our visibility in the highly competitive marketplace."

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About L'Occitane International S.A.

L'Occitane International S.A. (the "Company") is a world's leading natural ingredient-based cosmetics and well-being products company with origins and true stories from Provence, France and around the world. A global leader in the premium beauty market, L'Occitane produces and retails best quality products, produced with cutting-edge technology under four brands, including L'Occitane en Provence, Melvita, Erborian and L'Occitane au Brésil. Its products are rich in natural ingredients of traceable origins, while also respecting the environment.

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