



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

FY2018 INTERIM RESULTS ANNOUNCEMENT
For the Six Months Ended 30 September 2017

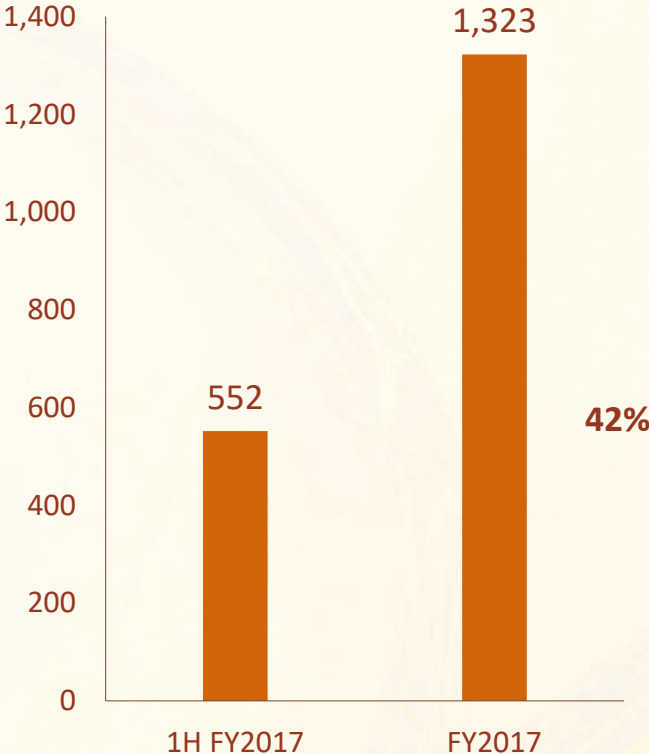


Highlights

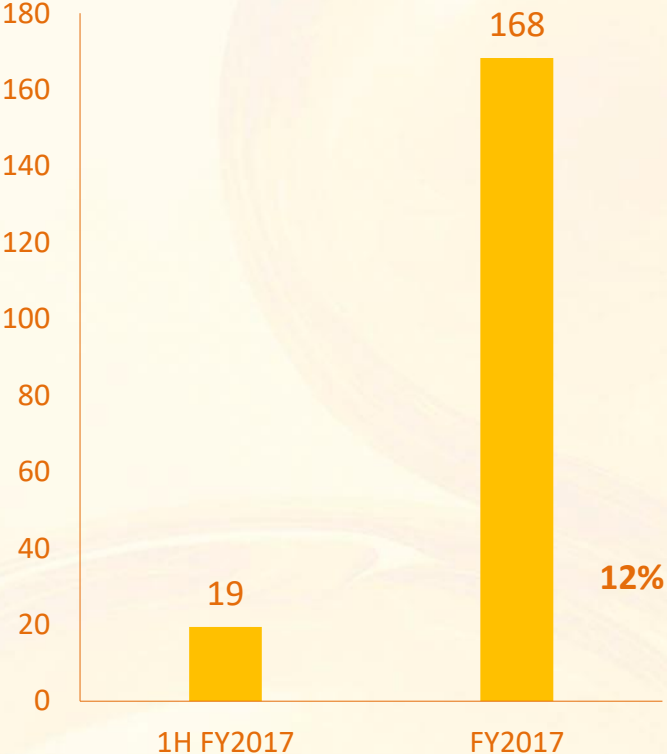
For the six months ended 30 September (million €)	2016	2017	Change
Net sales	551.7	548.2	-0.6%
Gross profit	453.4	453.9	+0.1%
<i>Gross profit margin</i>	82.2%	82.8%	+0.6 pp
Operating profit	19.4	13.8	-28.9%
<i>Operating profit margin</i>	3.5%	2.5%	-1.0 pp
Profit for the period	26.4	10.7	-59.4%
<i>Net profit margin</i>	4.8%	2.0%	-2.8 pp
Earnings per share (€ per share)	0.018	0.008	-55.6%
Net cash	257.3	167.2	-35.0%

Seasonality: lower contribution from first half

Net Sales (million €)

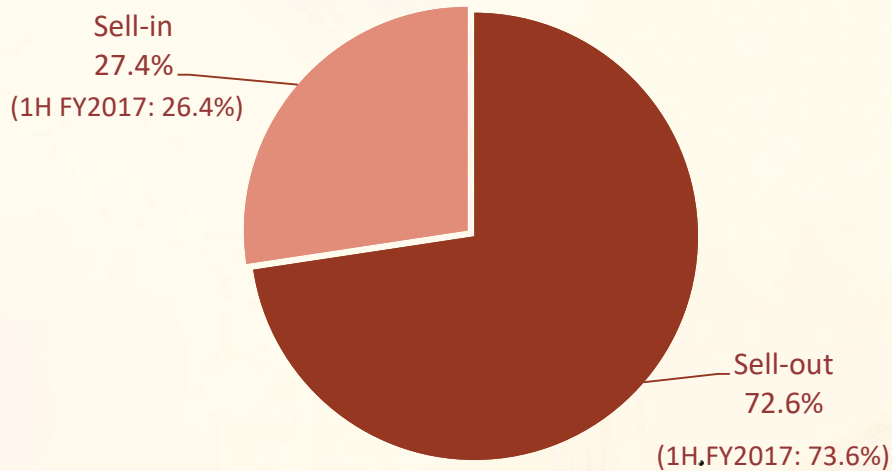


Operating profit (million €)

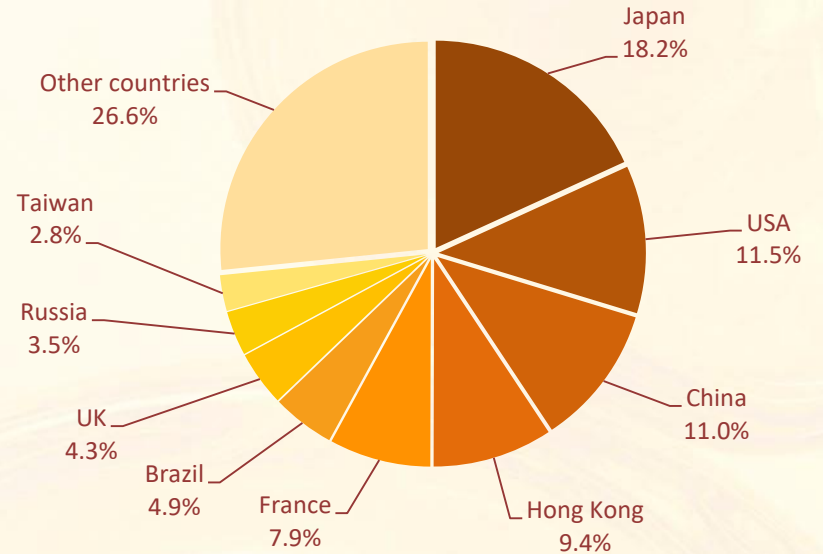


Net Sales Breakdown (like-for-like)

Sales by segment

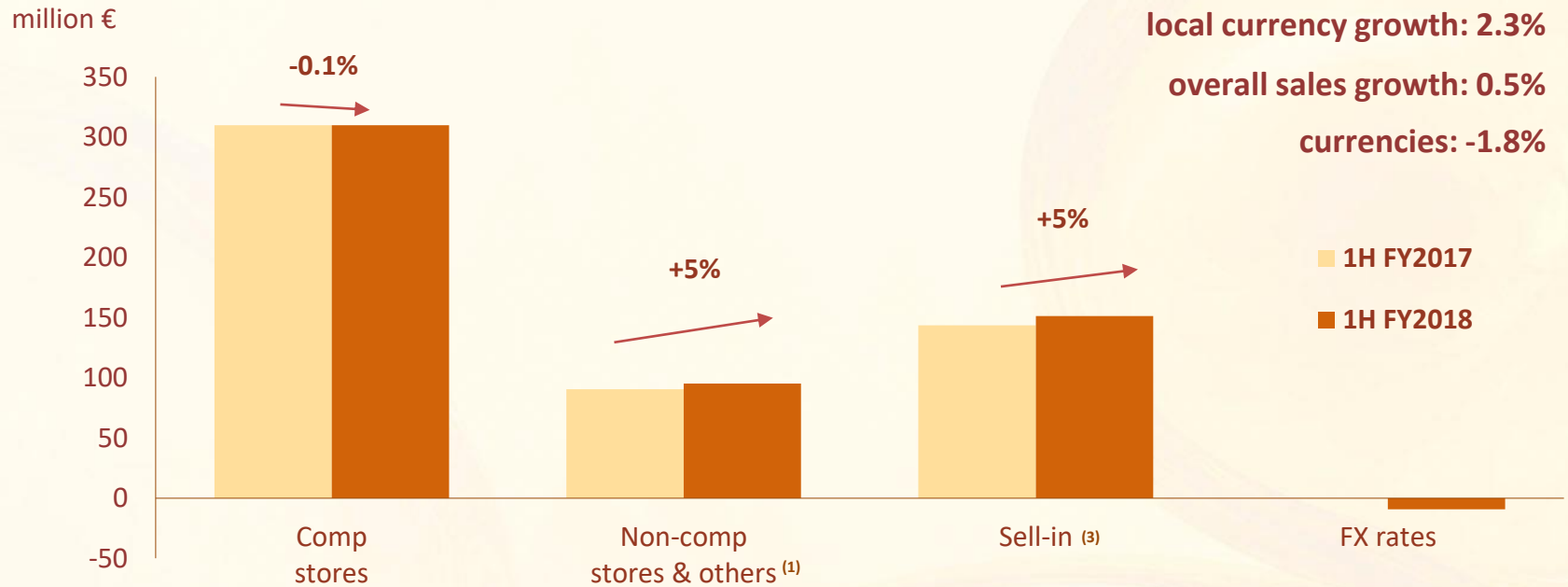


Exposure to growth markets



Net sales up 2.3%

(like-for-like)



Contribution to growth ⁽²⁾:

-2%

38%

63%

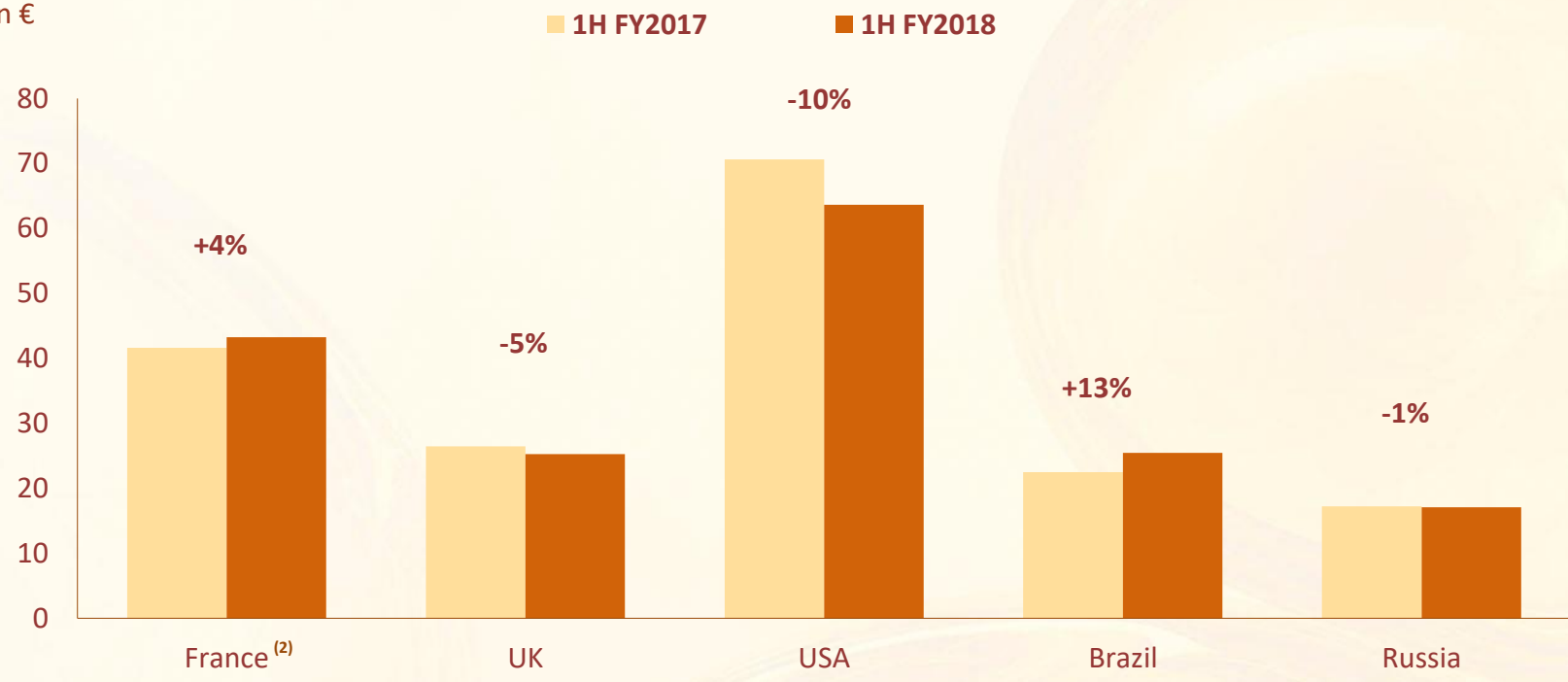
(1) Others include marketplaces, mail-orders and other service sales

(2) Excludes the impact of foreign currency translation effects, and on like-for-like basis

(3) Reported growth is 1.0% at constant rates

Sales growth by geography – Americas and Europe (like-for-like)

million €



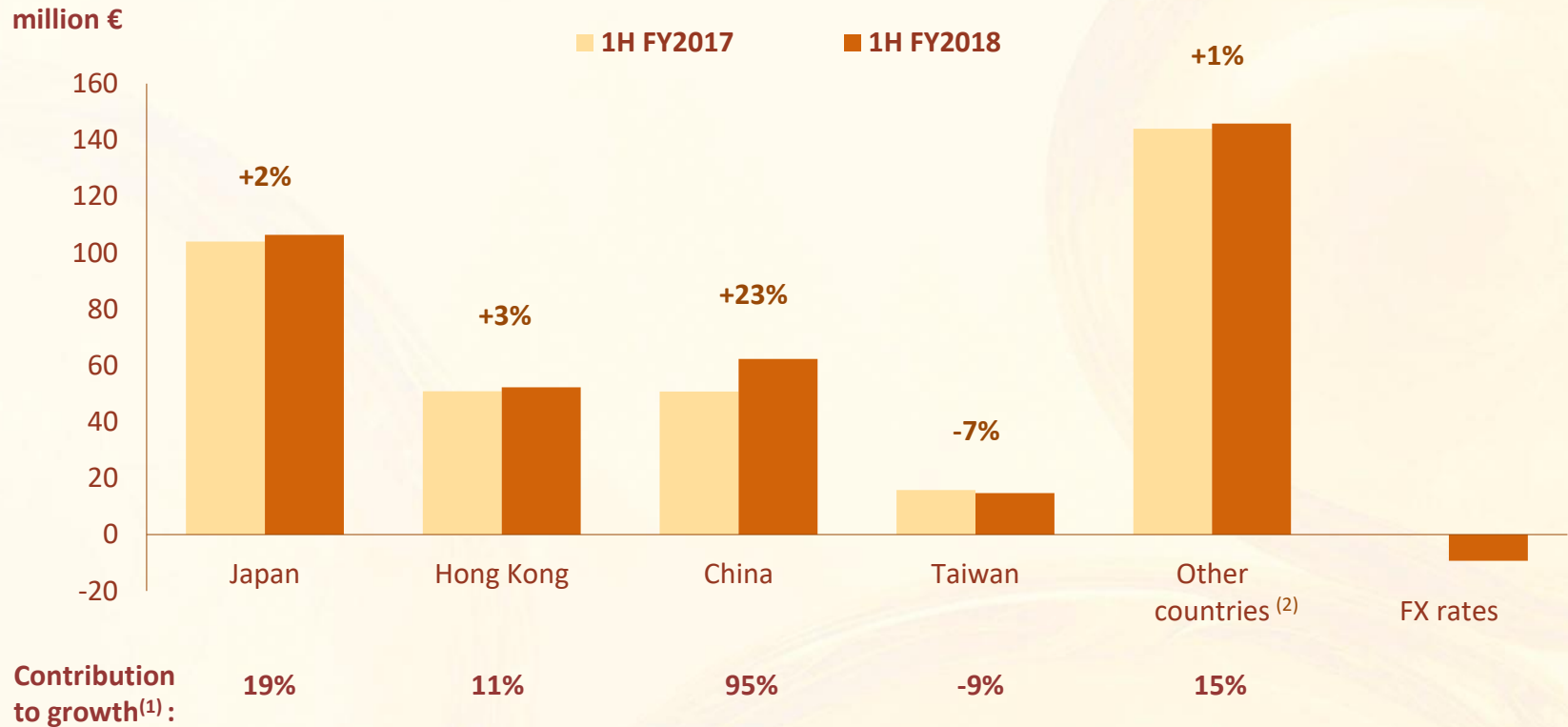
Contribution to growth⁽¹⁾:

France ⁽²⁾	14%	UK	-10%	USA	-57%	Brazil	24%	Russia	-1%
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(1) Excluding foreign currency translation effects, and on like-for-like basis
 (2) Reported growth is 1.9% at constant rates



Sales growth by geography – Asia and Other Countries (like-for-like)

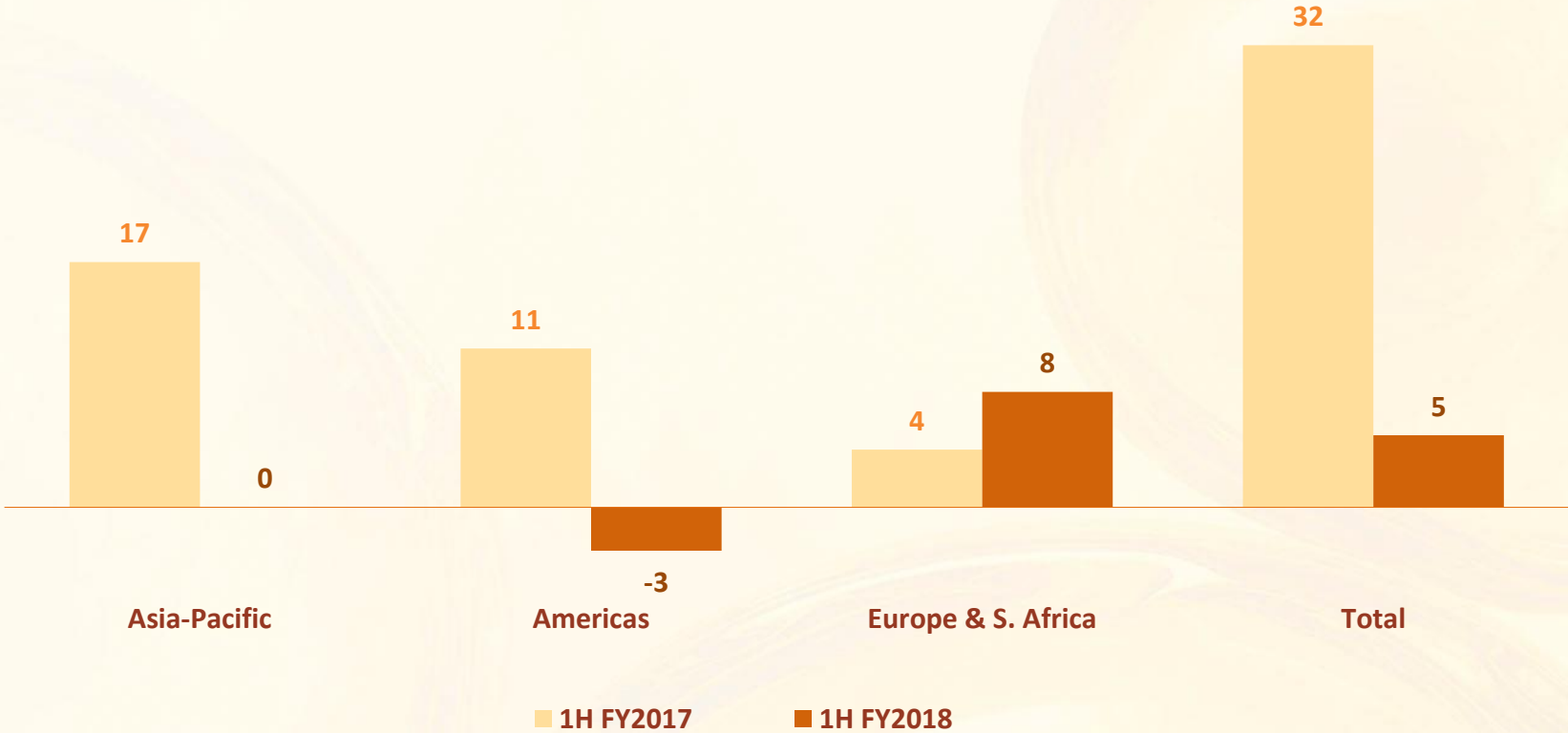


(1) Excluding foreign currency translation effects, and on like-for-like basis

(2) L'Occitane au Brésil one-off deal last year was accounted under Luxembourg subsidiary. Reported growth is -2.0% at constant rates.

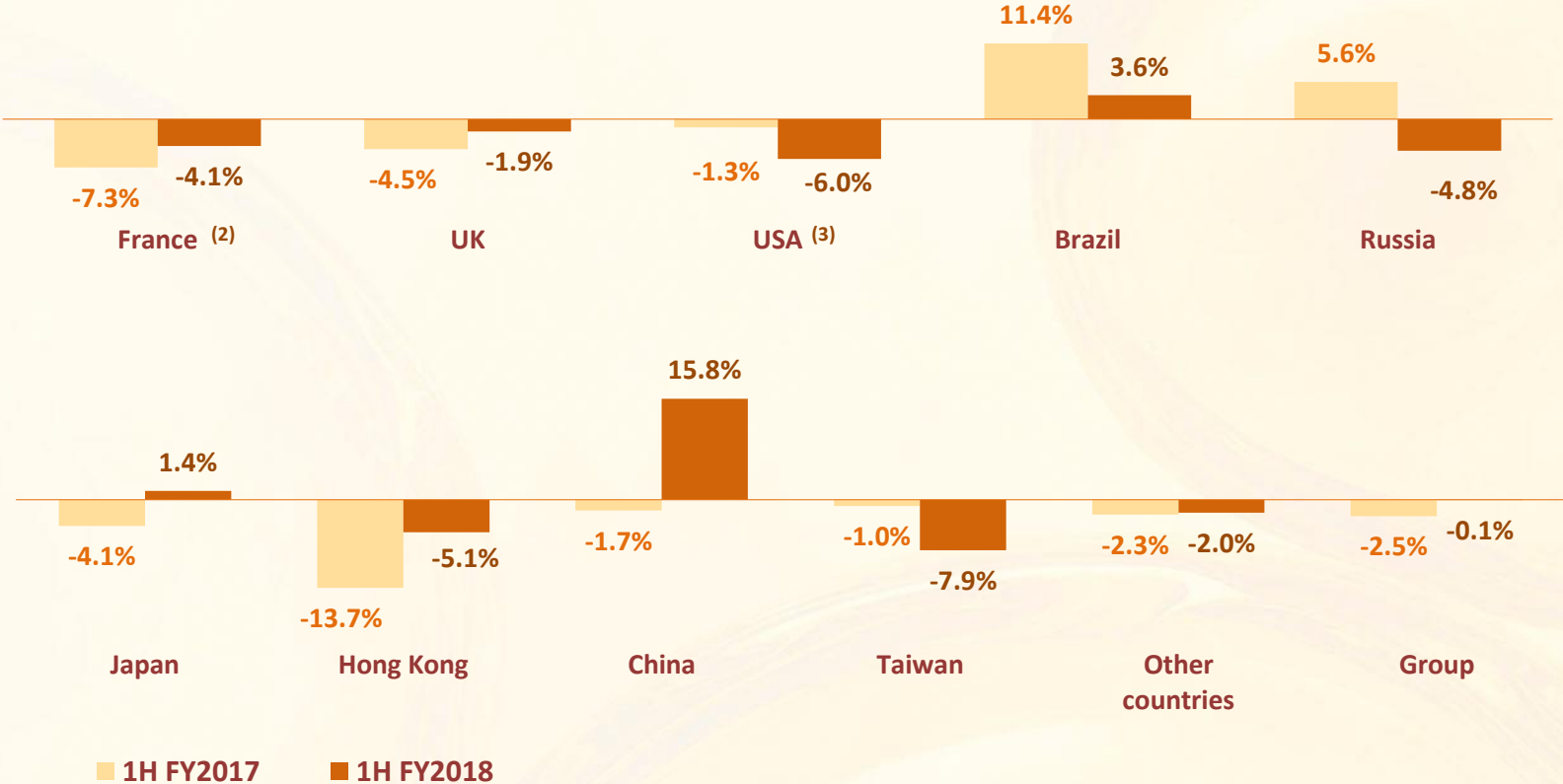
Net store openings by region

5 net own-stores opened



Same store sales growth profile ⁽¹⁾

1H FY2018 compared to 1H FY2017 (like-for-like)



(1) Including own E-commerce and excluding stores closed for renovation

(2) Reported growth for 1H FY2018 is -4.9% at constant rates

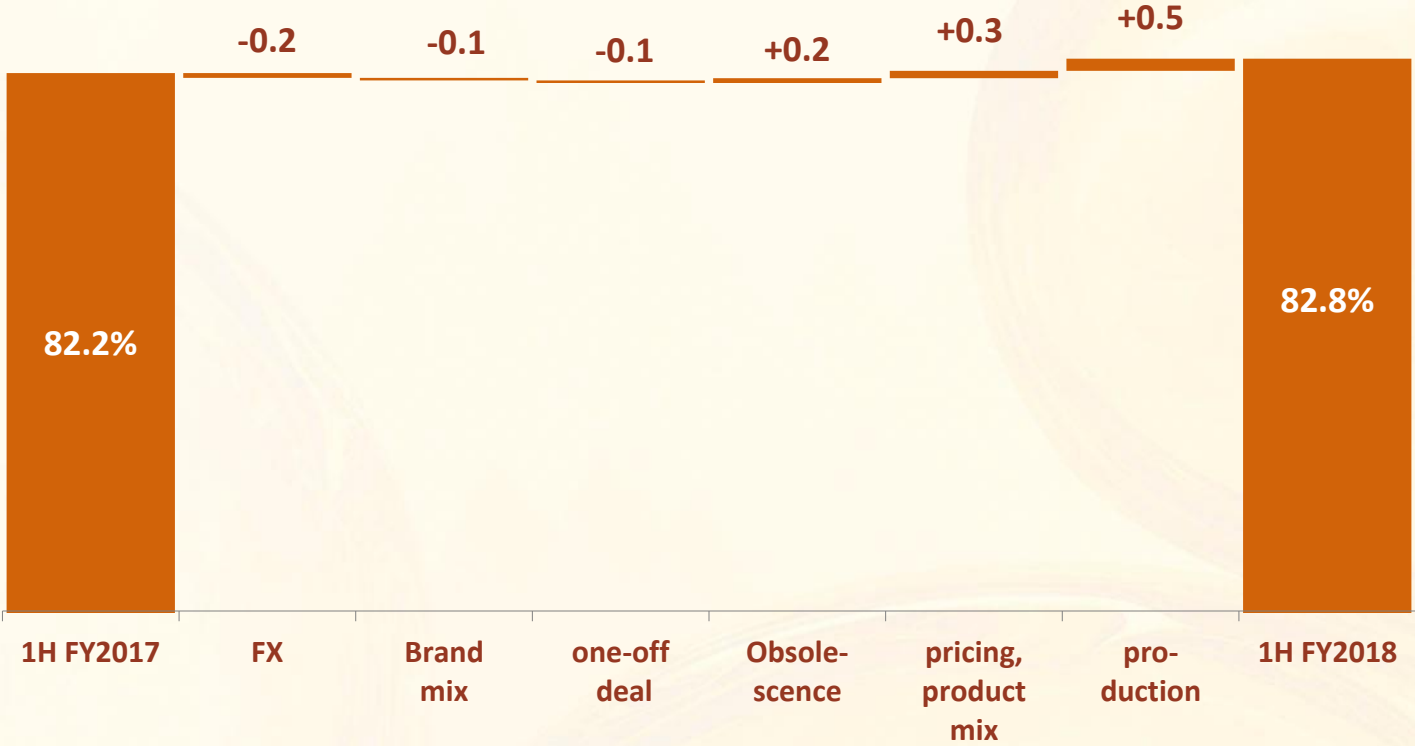
(3) Reported growth for 1H FY2018 is -6.1% at constant rates



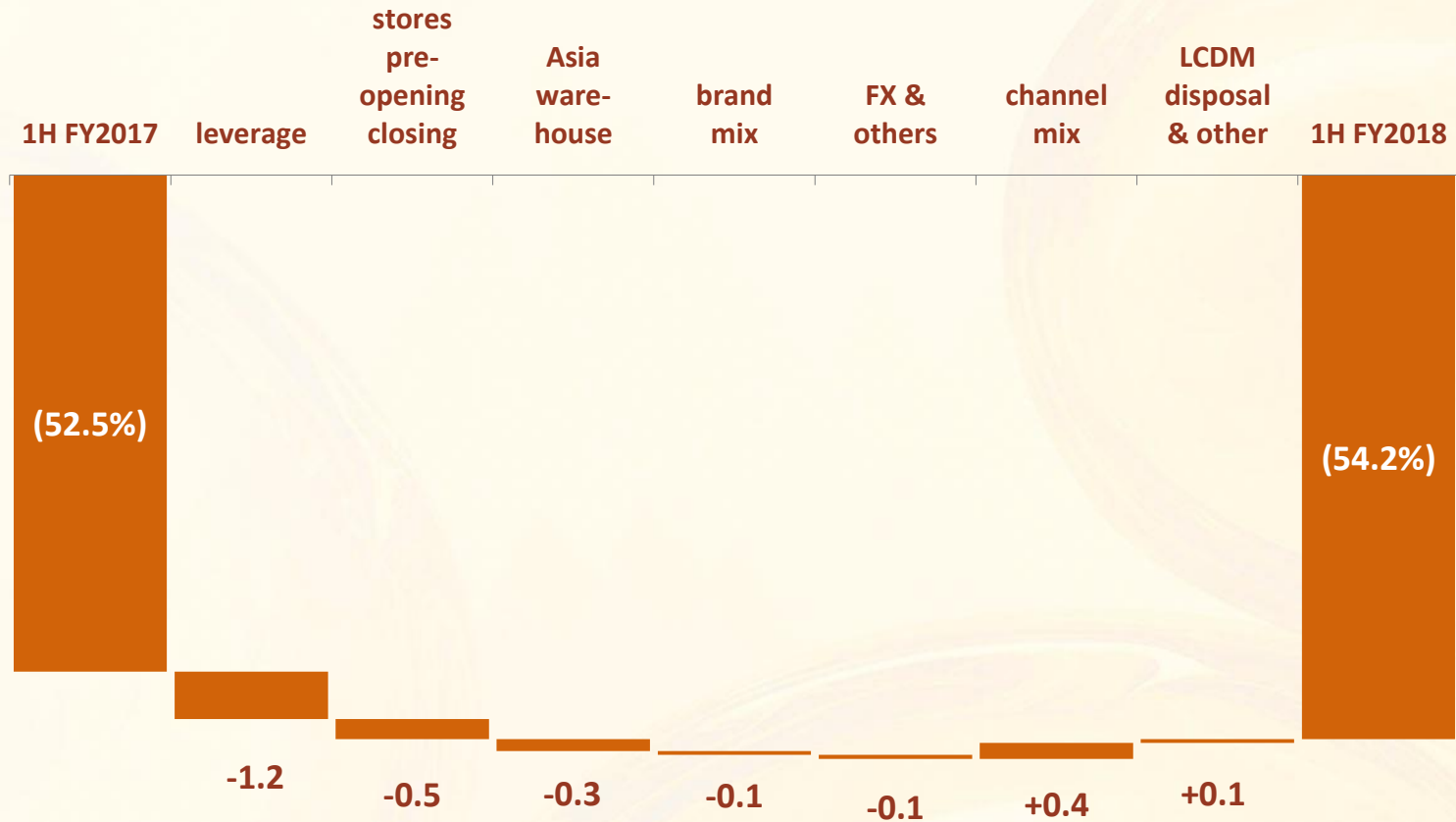
Profitability analysis

For the six months ended 30 September	% of net sales		
	2016	2017	Change
Gross profit margin	82.2	82.8	0.6
Distribution expenses	(52.5)	(54.2)	(1.7)
Marketing expenses	(14.0)	(14.2)	(0.2)
Research & development expenses	(1.4)	(1.4)	0.0
General & administrative expenses	(11.0)	(10.7)	0.3
Other losses & gain from J.V.	0.1	0.2	0.1
Operating profit margin	3.5	2.5	(1.0)

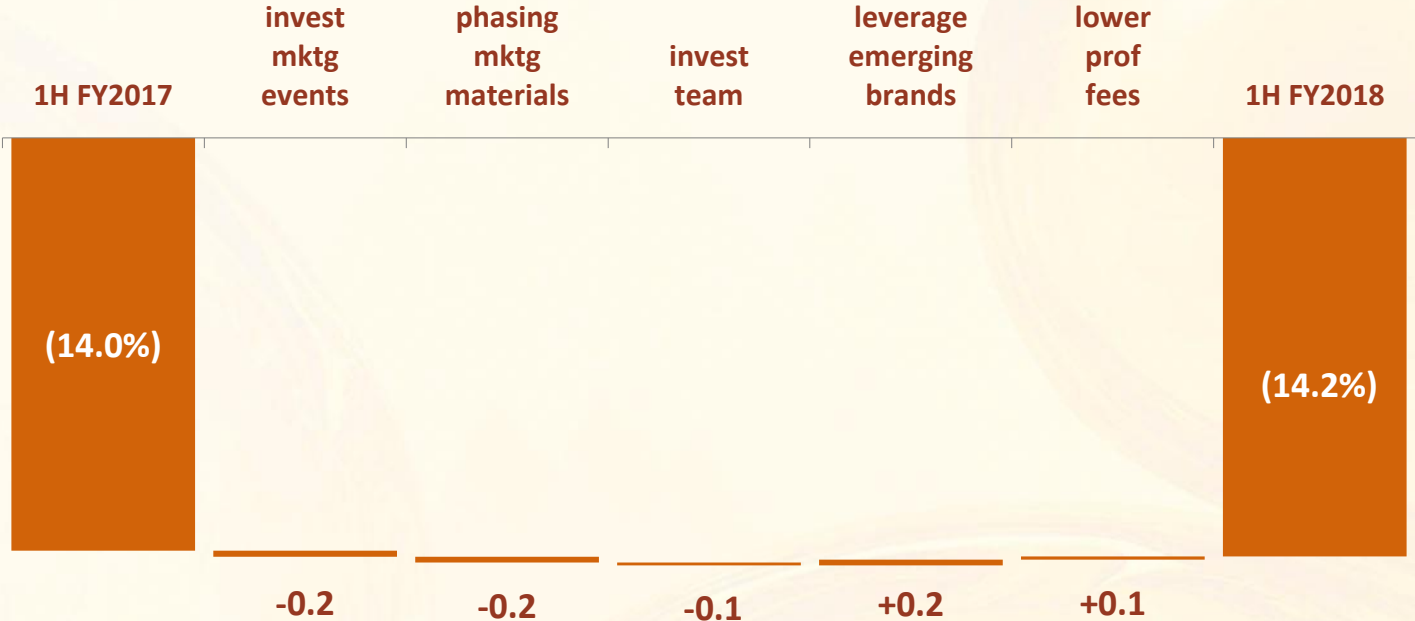
Gross Margin (as % of net sales)



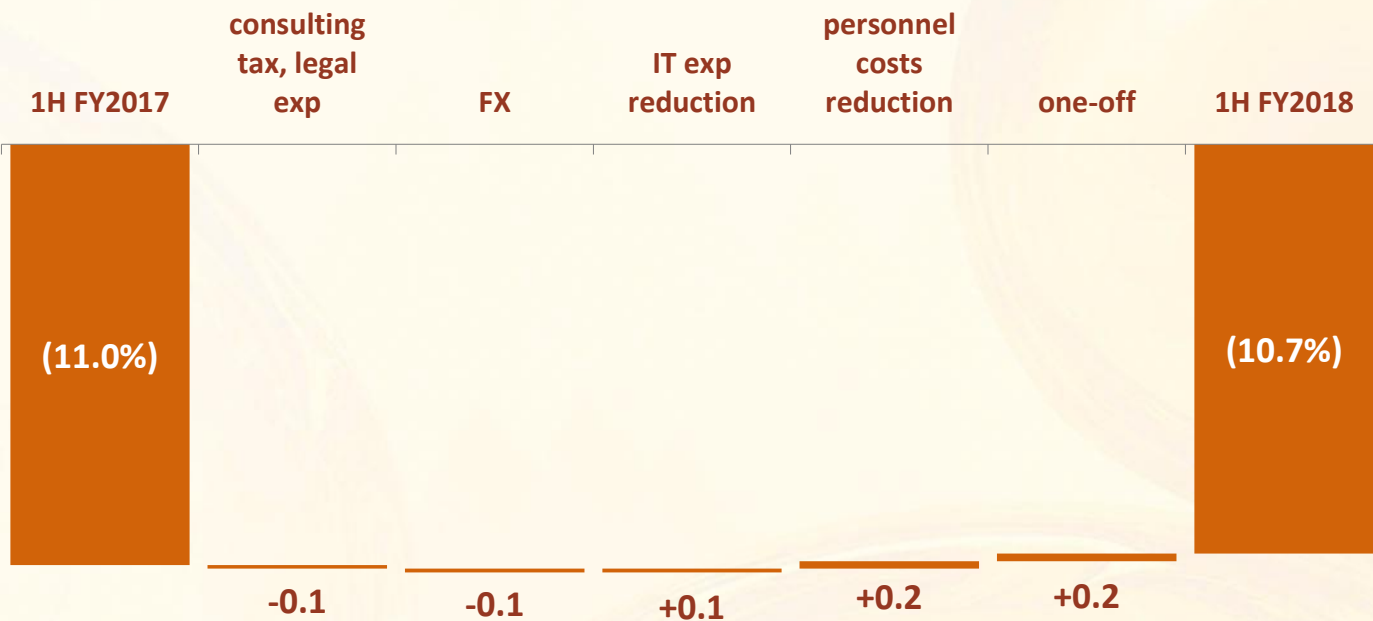
Distribution expenses (as % of net sales)



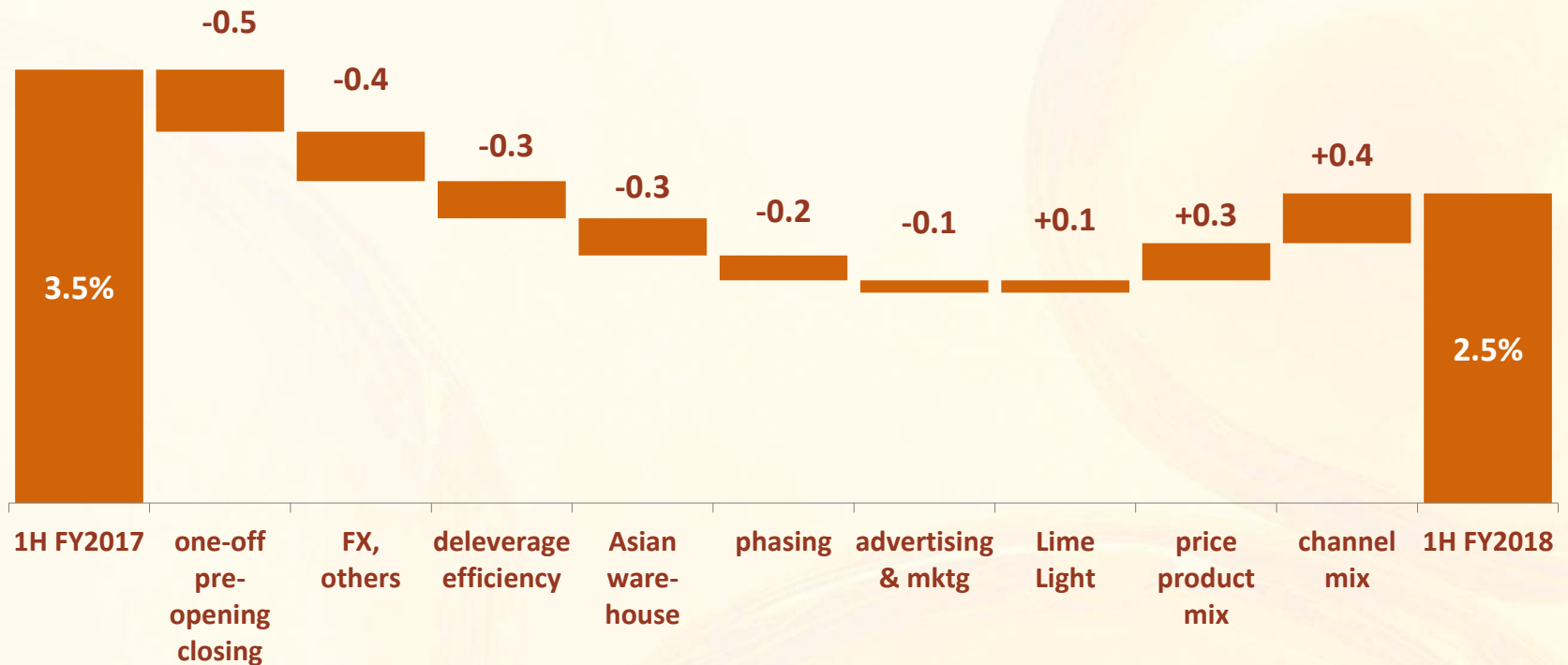
Marketing expenses (as % of net sales)



General & admin expenses (as % of net sales)



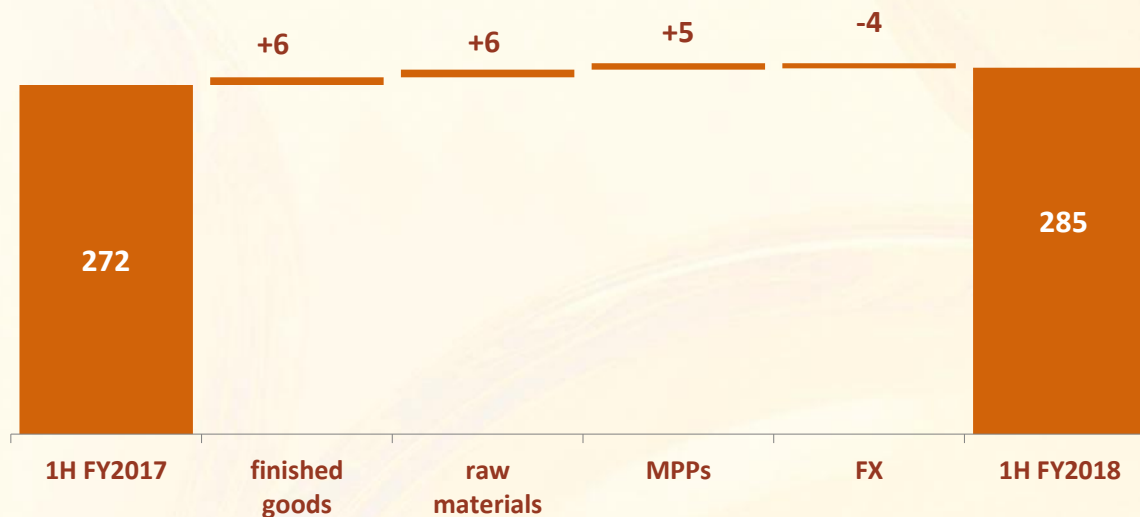
Operating profit margin (as % of net sales)



Working capital ratios

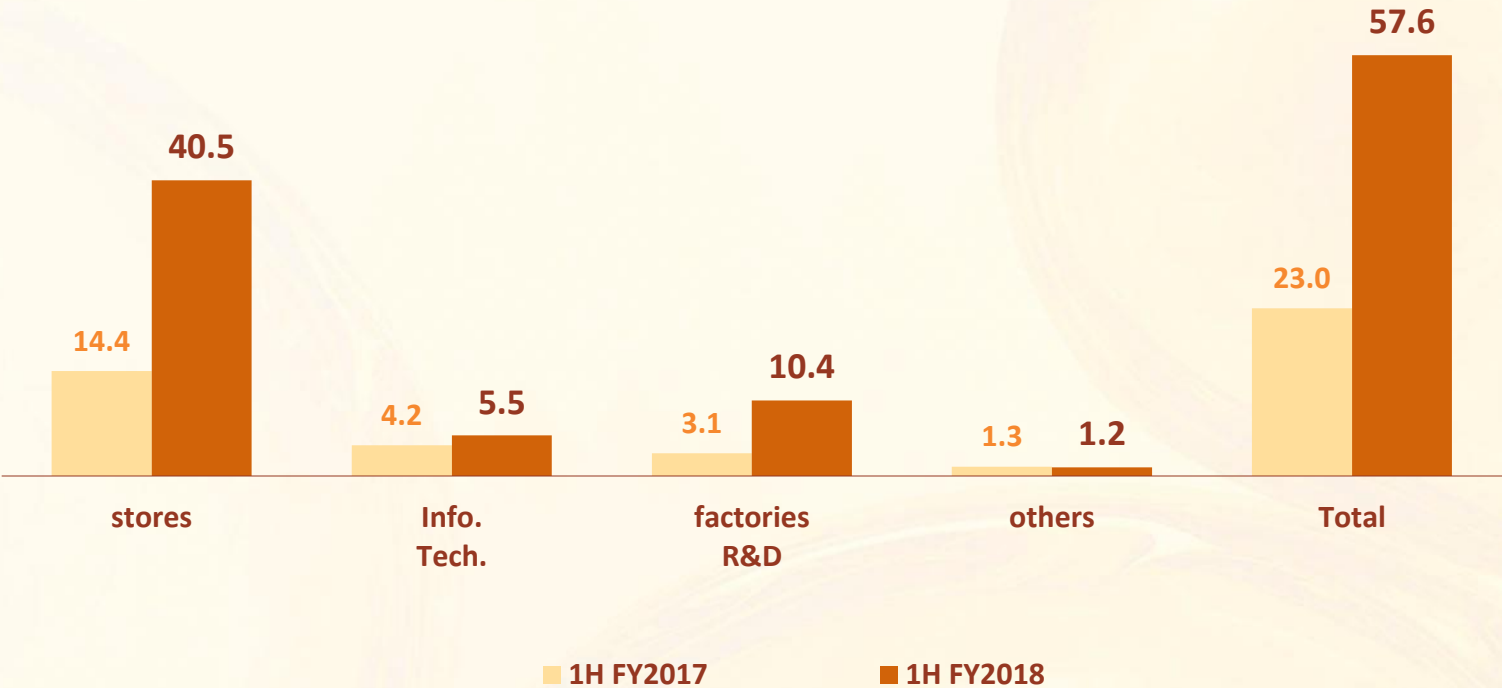
as at:	30 Sep 2016	30 Sep 2017	Change
Inventory turnover days (based on cost of sales)	272	285	13
Trade receivables turnover days (based on net sales)	33	34	1
Trade payables turnover days (based on cost of sales)	165	200	35
Cash Cycle (days of net sales)	52	49	-3

Inventory turnover days



Capital expenditures (excl. acquisitions of subsidiaries and financial investments)

million €



Strategic review



Boost Brand Appeal

- Refine hero product strategy
- Deepen foothold in face care and tap into colour cosmetics



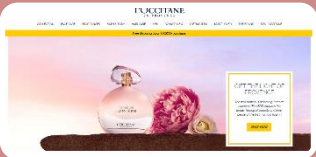
Enchanting Omni-Channel Experiences

- Unified brand experiences from physical stores to online
- Rollout of 'Sunshine concept' stores



Multi-brand Strategy

- Double-digit growth of all emerging brands
- Promising developments with LimeLight by Alcone



E-Commerce & Digital Investment

- Upgraded e-commerce website with improved conversion rates
- Successful campaigns with brand ambassador and influencers



Operational Excellence

- Reorganization set to bring greater efficiencies

Outlook

Become Leader in “Affordable Premium” Natural Beauty

Delight customers through wider product ranges and unforgettable brand experiences, supported by our longstanding entrepreneurship spirit and pragmatic approach

Omni-Channel Expansion and Digital Investment

Complement physical store network with unified digital presence; leverage digital marketing and analytics to reach new generation of consumers

Strengthen Expertise in Face Care, Fragrance and Colour Cosmetics

Build on initial successes of ‘Divine Youth Oil’ and ‘Terre de Lumière’, as well as investment in LimeLight by Alcone

Disclaimer

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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