

[For Immediate Release]



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 Nine Months Ended 31 December 2018

Net sales up 10.6% at constant rates
Sales growth in China remained dynamic at 12.7%

(22 January 2019, Hong Kong) L'Occitane International S.A. ("L'Occitane" or the "Group"; SEHK stock code: 973), an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients, today announces the unaudited trading update for the nine months ended 31 December 2018.

Net sales for the nine months ended 31 December 2018 were €1,086.4 million, an improvement of 10.6% at constant rates and 8.5% at actual rates compared to the same period of last year. On a like-for-like basis (excluding LimeLife¹ and Le Couvent des Minimes and at constant rates), the Group's sales improved by 4.4%. Overall same store sales growth remained healthy at 2.0%.

The Group's sales growth was strongest in the U.S. market, followed by China, Russia, Brazil and Hong Kong. Although the contribution from LimeLife drove much of the sales improvement in the U.S., the Group's core L'OCCITANE en Provence brand also grew during the first nine months of FY2019, despite having 14 fewer stores than the same period of last year.

Sales growth in China remained dynamic at 12.7% in local currency terms, supported by the huge success of the Immortelle Reset serum and an innovative marketing campaign. Sales growth in Hong Kong also remained at the double-digit level, albeit at a slower pace than in the first half of FY2019 due to the challenging macroeconomic and retail conditions.

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

€'000	For the nine months ended 31 December		% Growth	% Growth ⁽¹⁾	% SSS Growth ⁽¹⁾
	2018	2017			
Japan	160,274	161,489	(0.8)	(0.3)	0.1
Hong Kong	106,155	97,164	9.3	10.0	0.3
China	127,150	114,057	11.5	12.7	6.8
Taiwan	29,632	30,792	(3.8)	(2.4)	(2.2)
France	81,378	80,761	0.8	0.8	(3.6)
UK	49,155	49,108	0.1	0.5	(0.2)
USA	181,701	121,666	49.3	50.3	2.3
Brazil	46,305	49,798	(7.0)	10.0	5.4
Russia	36,434	36,617	(0.5)	11.7	6.3
Other Countries	268,244	259,442	3.4	4.5	1.7
All Countries	1,086,427	1,000,893	8.5	10.6	2.0

⁽¹⁾Excludes foreign currency translation effects

¹ LimeLife by Alcone ('LimeLife') became a subsidiary of the Group in January 2018 and its sales have been consolidated since.

Meanwhile, sales growth in other countries accelerated from 2.8% in the first half of FY2019 to 4.5% in the first nine months of FY2019, thanks to a turnaround in same store sales growth from -0.6% to 1.7%. In particular, countries in Southeast Asia, as well as Canada, Mexico and Australia posted impressive growth rates of 23.6%, 13.4%, 12.8% and 10.0% respectively. Russia and Brazil also posted double-digit growth of 11.7% and 10.0% respectively.

During the first nine months of FY2019, sell-out sales accounted for 74.9% of the net sales and amounted to €813.8 million, an increase of 11.8% at constant rates as compared to last year. This growth was primarily contributed by other sales, principally LimeLife and marketplaces. As compared to last year, sales of the Group's web sell-out channels (including own E-commerce and marketplaces) grew by 11.1% at constant exchange rates, equivalent to 14.3% of total sell-out sales.

Sell-in sales accounted for 25.1% of the Group's total sales and amounted to €272.7 million, an increase of 6.9% at constant rates as compared to last year. The increase was primarily driven by the dynamic growth in travel retail, web partner and B2B channels of the L'OCCITANE en Provence brand. The Group's Erborian and L'OCCITANE au Brésil brands also expanded their sell-in channels.

For the nine months ended 31 December 2018, the Group's own store network grew to 1,565 locations, a net increase of 10 stores, while a total of 102 stores were refurbished or relocated, compared to 118 stores in the same period of last year.

Mr. Reinold Geiger, Chairman and Chief Executive Officer of L'Occitane, said, "Although macroeconomic uncertainties are reducing consumer confidence in some markets, we managed to maintain solid growth. For the remainder of the fiscal year, we remain optimistic in achieving good sales momentum from targeted marketing investments for our incredibly successful Immortelle Reset serum and attractive product launches."

"I am also extremely excited about the prospects for ELEMIS, our recently announced acquisition, which has enormous growth potential in regions such as the Asia Pacific. We look forward to tapping the new opportunities that will arise from this, as well as from our other current initiatives, to boost our presence in the global beauty market."

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About L'Occitane International S.A.

L'Occitane International S.A. is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. A global leader in the premium beauty market, the Group has more than 3,000 retail outlets, including over 1,500 owned stores, and is present in 90 countries. Through its five brands – L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil and LimeLife by Alcone – the Group offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

Note to the editor: On 13 January 2019, L'Occitane announced its acquisition of ELEMIS, a global distributor and innovator in the fields of beauty and skincare. Upon closing, ELEMIS will become a wholly-owned subsidiary of the Group. For more details, see the press release [here](#) or visit <https://group.loccitane.com/>.

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