



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 2019

Net sales up 18.8% at reported rates and 16.2% at constant rates
Sales growth of L'OCCITANE en Provence accelerates further to 4.1%
UK market grew 253.0% driven by ELEMIS and recovery of core brand

(23 July 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 three months ended 30 June 2019.

Net sales for the three months ended 30 June 2019 were €352.5 million, an improvement of 16.2% at constant rates and 18.8% at reported rates compared to the same period last year. ELEMIS became a subsidiary of the Group in March 2019 and its sales have been consolidated since April 2019.

Performance by brand:

€'000	For the three months ended 30 June		% Growth	% Growth ⁽¹⁾
	2019	2018		
L'OCCITANE en Provence	267,397	251,501	6.3	4.1
ELEMIS ⁽²⁾	40,514	-	-	-
LimeLife	20,739	22,925	(9.5)	(14.8)
Others ⁽³⁾	23,842	22,339	6.7	5.4
Total	352,492	296,765	18.8	16.2

Performance by geographical area:

€'000	For the three months ended 30 June		% Growth	% Growth ⁽¹⁾	% SSS Growth ⁽¹⁾
	2019	2018			
Japan	54,228	48,566	11.7	6.0	2.5
Hong Kong	23,861	27,671	(13.8)	(18.8)	(15.0)
China	35,731	33,328	7.2	8.3	(3.2)
Taiwan	7,255	7,123	1.9	0.3	(0.7)
France	23,775	22,963	3.5	3.5	7.4
UK ⁽⁴⁾	35,888	10,281	249.1	253.0	4.9
USA	61,686	53,634	15.0	8.1	(2.6)
Brazil	13,933	12,627	10.3	13.6	5.1
Russia	10,608	8,937	18.7	16.4	4.5
Other Countries	85,527	71,635	19.4	18.7	7.0
Total	352,492	296,765	18.8	16.2	2.0

⁽¹⁾ Excludes foreign currency translation effects.

⁽²⁾ ELEMIS was acquired on 1 March 2019 but its sales and profits have not been consolidated by the Group until April 2019. ELEMIS's sales in March 2019 were then reported together in this quarter.

⁽³⁾ Others include the emerging brands Melvita, Erborian and L'OCCITANE au Brésil.

⁽⁴⁾ Growth in the UK excluding ELEMIS and the impact of foreign currency translation was 9.0%.

During the first three months of FY2020, Sell-out sales accounted for 68.6% of net sales and amounted to €242.0 million, an increase of 7.0% at constant rates as compared to the same period last year. This growth was primarily contributed by marketplaces and stores opened last year. As compared to last year, sales of the Group's Web Sell-out channels (including ELEMIS) grew by 49.9% at constant rates, equivalent to 17.2% of total Sell-out sales. Same store sales growth was 2.0%.

Sell-in sales accounted for 31.4% of the Group's total sales and amounted to €110.5 million, an increase of 43.1% at constant rates as compared to the same period last year. The increase was primarily driven by ELEMIS.

During the first three months of FY2020, the Group's core L'OCCITANE en Provence brand saw growth recover in major markets in Europe and Japan, thanks to successful product launches and seasonal campaigns. The brand's growth accelerated to 4.1% at constant rates, compared with 3.5% in FY2019.

The Group's new brand, ELEMIS continued to expand as planned, with unaudited growth of 9.3% in the first three months of FY2020. It recorded double-digit growth in its core markets, the UK and the USA, which was offset by temporary weakness in the maritime channel due to near-term inventory control measures. Excluding the maritime channel, ELEMIS's growth was 23.8%. However, LimeLife's sales decreased by 14.8%, due to a high base last year when sales were boosted during the rebranding exercise from LimeLight to LimeLife.

In terms of geographic markets, the UK, Other countries, Russia and Brazil all posted encouraging growth, with growth at constant rates of 253.0%, 18.7%, 16.4% and 13.6% respectively. China remained strong with 8.3% growth at constant rates, driven by a successful digital strategy that uses a combination of own e-commerce, marketplace and web partner channels. Meanwhile, Hong Kong saw a marked decline in retail sales as economic and social factors dampened consumer sentiment.

Mr. Reinold Geiger, Chairman and Chief Executive Officer of L'Occitane, said, "We are pleased about the accelerating sales growth of L'OCCITANE en Provence. It is also encouraging to see decent growth in more mature markets, such as Japan and Europe. Our growth in China remained robust despite the prevailing global macroeconomic uncertainties and a high base."

"ELEMIS, our recent acquisition, is already having a pronounced impact on our top-line and will support our profitability in FY2020. We look forward to expanding this brand into new regions such as the Asia-Pacific in the coming months to maximise its potential. We also look forward to announcing new exciting product launches in the near future, which should further strengthen our foothold in the premium 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 six brands – L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone and ELEMIS – the Group offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

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