

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

L'OCCITANE

EN PROVENCE

L'OCCITANE INTERNATIONAL S.A.

1, rue du Fort Rheinsheim L-2419 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 2013

L'Occitane International S.A. (the "Company") is pleased to present the unaudited 2013/2014 ("FY2014") first quarter trading update of the Company and its subsidiaries (the "Group") for the three months ended 30 June 2013. 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 €220.6 million, recording an increase of 1.9% compared with the three months ended 30 June 2012. Local currency growth was 7.5%
- Growth was primarily driven by China, France, the United States, Hong Kong and Russia. China and Russia remain the fastest growing countries (28% and 16%, respectively)
- Overall Same Store Sales Growth was 0.8% (compared to 0.7% for the same period last year)
- The net own stores openings were 32 over the three months ended 30 June 2013 (compared to 33 stores during the same period last year), excluding the acquisition of distributors

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 2013:

	Sales and % of total sales		30 June 2012	
	30 June 2013	%	30 June 2012	%
	€ '000		€ '000	
Sell-out	163,606	74.2	161,647	74.7
Sell-in	56,968	25.8	54,860	25.3
Total	220,574	100.0	216,507	100.0

	€ '000	% Growth	% Growth ⁽²⁾	% Contribution to Overall Growth ⁽²⁾
Sell-out	1,958	1.2	8.2	81.2
Comparable Stores	-7,342	-5.5	0.8	6.5
Non-comparable Stores	9,432	36.5	45.7	72.5
Other ⁽¹⁾	-132	-4.0	10.9	2.2
Sell-in	2,109	3.8	5.6	18.8
Overall Growth	4,067	1.9	7.5	100.0

⁽¹⁾ Includes mail-order and other sales.

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

Geographic Areas

The following table presents our net sales and net sales growth for the three months ended 30 June 2013 and contribution to overall sales growth (including and excluding foreign currency translation effects as indicated) by geographic area:

€ '000	Sales and % of total sales						% Contribution to Overall Growth ⁽¹⁾	
	30 June 2013		30 June 2012		Growth	% Growth	% Growth ⁽¹⁾	
Japan	38,620	17.5	52,235	24.1	(13,615)	(26.1)	(7.0)	(22.6)
Hong Kong ⁽²⁾	22,581	10.2	20,883	9.6	1,698	8.1	7.4	9.5
China	14,607	6.6	11,319	5.2	3,288	29.0	28.0	19.5
Taiwan	7,293	3.3	6,894	3.2	398	5.8	6.4	2.7
France	20,465	9.3	17,980	8.3	2,485	13.8	13.8	15.3
United Kingdom	11,636	5.3	11,497	5.3	139	1.2	6.4	4.5
United States	27,101	12.3	25,323	11.7	1,778	7.0	9.0	14.0
Brazil	10,565	4.8	10,160	4.7	405	4.0	11.8	7.3
Russia	10,543	4.8	9,420	4.4	1,123	11.9	16.0	9.3
Other Countries ⁽³⁾	57,163	25.9	50,796	23.5	6,368	12.5	13.0	40.5
All countries	220,574	100.0	216,507	100.0	4,067	1.9	7.5	100.0

(1) Excludes the impact of foreign currency translation effects and reflects growth from all business segments, including growth from our 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 three months indicated:

	Own retail stores				% contribution to Overall Growth ^{(1) (2)}			Same Store Sales Growth ⁽²⁾
	30 Jun 2013	Net openings YTD Jun 2013	30 Jun 2012	Net openings YTD Jun 2012	Non-comparable Stores	Comparable Stores	Total Stores	
Japan ⁽³⁾	101	1	99	9	(3.5)	(20.7)	(24.2)	(9.4)
Hong Kong ⁽⁴⁾	31	—	30	1	2.6	4.0	6.6	13.0
China	129	10	95	2	15.0	4.0	19.0	8.1
Taiwan ⁽⁵⁾	61	—	63	1	1.4	1.2	2.6	4.4
France ⁽⁶⁾	72	2	67	1	3.1	2.9	6.0	6.1
United Kingdom ⁽⁷⁾	65	3	58	1	4.3	1.3	5.6	2.5
United States ⁽⁸⁾	188	2	172	2	9.5	4.5	14.0	3.7
Brazil	71	1	64	1	4.3	2.6	6.9	5.6
Russia ⁽⁹⁾	101	2	84	8	5.8	(0.4)	5.4	(1.0)
Other Countries ⁽¹⁰⁾	417	17	354	7	30.1	7.1	37.2	4.0
All countries	1,236	38	1,086	33	72.5	6.5	79.0	0.8

(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 12 Melvita stores as at 30 June 2012 and 30 June 2013 respectively.

(4) Includes 1 L'Occitane store in Macau, and 8 and 9 Melvita stores in Hong Kong as at 30 June 2012 and 30 June 2013 respectively.

(5) Includes 9 Melvita stores as at 30 June 2012 and 30 June 2013.

(6) Includes 5 and 4 Melvita stores as at 30 June 2012 and 30 June 2013 respectively.

(7) Includes 2 and 1 Melvita stores as at 30 June 2012 and 30 June 2013 respectively.

(8) Includes 3 and 1 Melvita stores as at 30 June 2012 and 30 June 2013 respectively.

(9) Includes 7 Melvita stores as at 30 June 2012 and 30 June 2013.

(10) Includes 9 and 7 Melvita stores as at 30 June 2012 and 30 June 2013 respectively.

The net openings include 6 stores from the acquisition of the distributor in South Africa as at 30 June 2013.

As the Group will be accelerating its store renovation policy, the Same Store Sales Growth is now calculated excluding the renovated stores. The table below provides a comparison of the Group's Same Store Sales Growth excluding and including the renovated stores for the period indicated:

	Same Store Sales Growth ⁽¹⁾			
	30 June 2013		30 June 2012	
	excluding renovated stores	including renovated stores	excluding renovated stores	including renovated stores
Japan	(9.4)	(10.1)	(9.0)	(9.0)
Hong Kong	13.0	9.8	12.3	7.5
China	8.1	7.8	7.7	6.8
Taiwan	4.4	2.9	(9.1)	(9.2)
France	6.1	5.7	(0.3)	1.9
United Kingdom	2.5	2.5	11.7	11.7
United States	3.7	3.8	10.9	11.1
Brazil	5.6	4.8	(1.2)	(1.0)
Russia	(1.0)	(0.5)	12.0	11.8
Other countries	4.0	4.3	3.4	3.1
All countries	<u>0.8</u>	<u>0.7</u>	<u>0.7</u>	<u>0.8</u>

⁽¹⁾ Excludes foreign currency translation effects.

The Group continued to face a challenged global operating environment during the first three months ended 30 June 2013. The Group's net sales for the first quarter FY2014 were €220.6 million, an increase of 1.9% as compared to the same period last year. At constant exchange rates, the local currency growth was 7.5%.

During the first quarter of FY2014, the sell-out business segment continued to drive the Group's business and accounted for 81.2% of the Group's overall growth. It accounted for 74.2% of the Group's total sales and amounted to €163.6 million, an increase of 1.2% as compared to the same period last year and an 8.2% increase at constant exchange rates. Non-comparable Stores contributed mainly towards this growth as well as existing Comparable Stores with Same Store Sales Growth for the first quarter at 0.8%.

The Group's online retail sales maintained its momentum with a 22.0% growth in local currency during the first quarter of FY2014 as compared to the same period last year.

The sell-in business recorded growth of 3.8% as compared to the same period last year and a 5.6% increase at constant exchange rates. At constant exchange rates, the growth for the first quarter of FY2014 had been comparable to the same period last year at 6.0%. In terms of performance, the sell-in business has been resilient amid the challenged operating environment and accounted for 18.8% of the Group's overall growth.

Overall, the growth of the business was supported by strong performance in China, France, the United States, Hong Kong and Russia. Japan remained weak and maintained negative Same Store Sales Growth. Both Taiwan and Brazil demonstrated good progress with positive Same Store Sales Growth. Russia posted slight negative Same Store Sales Growth as a result of the growing global economic uncertainty.

The Group maintained its pace of global retail expansion during the first quarter of FY2014 with 32 stores opened, as compared to 33 stores during the same period last year, excluding the acquisition of the distributor in South Africa. The Group continued its retail network upgrade with 28 stores renovated or relocated during the first quarter of FY2014 as compared to 18 stores during the same period last year.

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

Hong Kong, 25 July 2013

As at the date of this announcement, the executive Directors of the Company are Mr. Reinold Geiger (Chairman and Chief Executive Officer), Mr. Emmanuel Laurent Jacques Osti (Managing Director), Mr. André Joseph Hoffmann (Managing Director Asia-Pacific), Mr. Thomas Levilion (Group Deputy General Manager, Finance and Administration) and Mr. Domenico Luigi Trizio (Chief Operating Officer), the non-executive Directors of the Company are Mr. Karl Guénard and Mr. Martial Thierry Lopez and the independent non-executive Directors of the Company are Mrs. Valérie Irène Amélie Monique Bernis, Mr. Charles Mark Broadley, Mr. Pierre Maurice Georges 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.