L'OCCITANE INTERNATIONAL S.A.

Interim Results Announcement
For the Six Months Ended 30 September 2013

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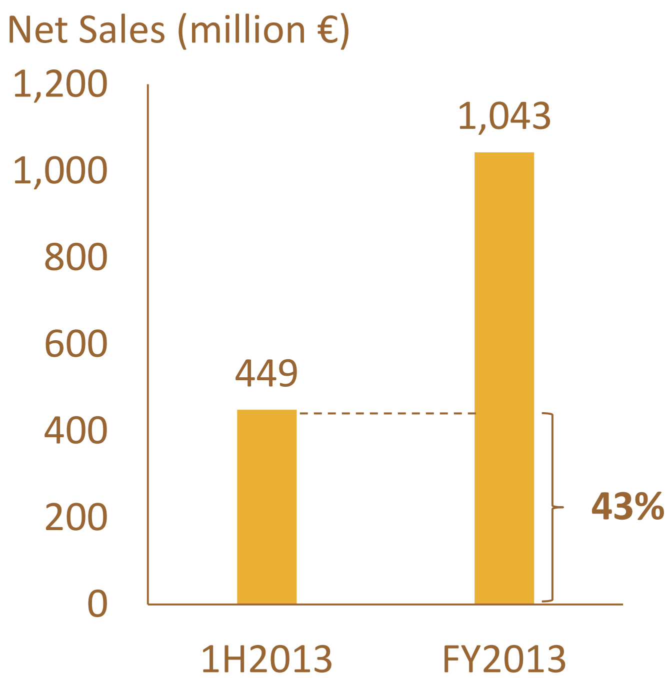
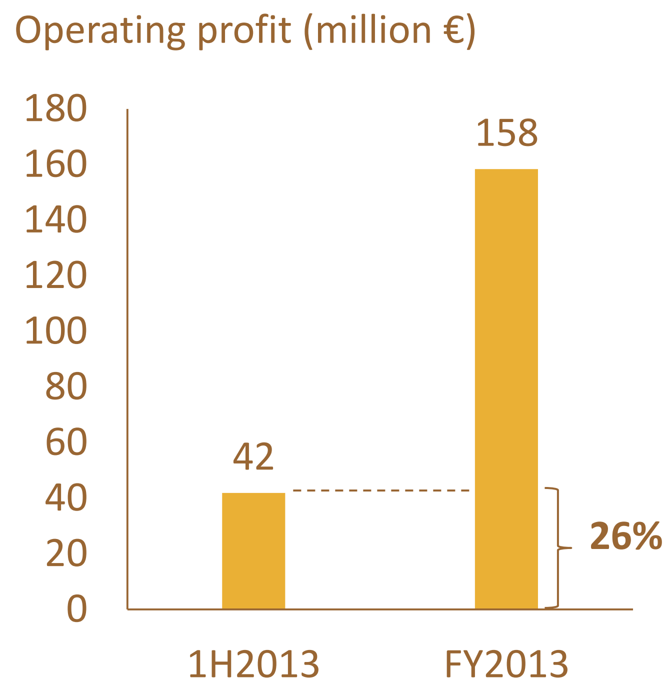
EN PROVENCE

Highlights

For the six months ended 30 Sep (million €)	2012	2013	Change
Net sales	**449.2**	**446.4**	**-0.6%**
Gross profit	**368.8**	**362.5**	**-1.7%**
Gross profit margin	82.1%	81.2%	-0.9 pp
Operating profit	**41.9**	**21.4**	**-48.8%**
Operating profit margin	9.3%	4.8%	-4.5 pp
Profit for the period	**34.5**	**14.5**	**-57.9%**
Net profit margin	7.7%	3.3%	-4.4 pp
Earnings per share (€ per share)	0.023	0.009	-58.6%
Net cash	**199.1**	**198.2**	**-0.4%**

Seasonality: strong contribution from 2nd half





For the first half of last financial year (FY2013):

- net sales accounted for 43% of the full year's sales
- operating profit accounted for 26% of the full year's operating profit

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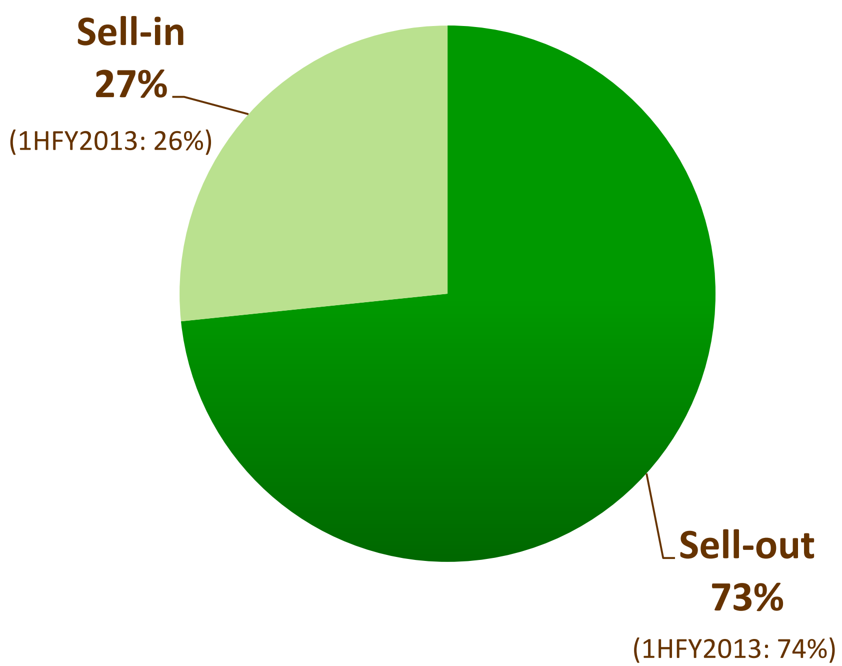
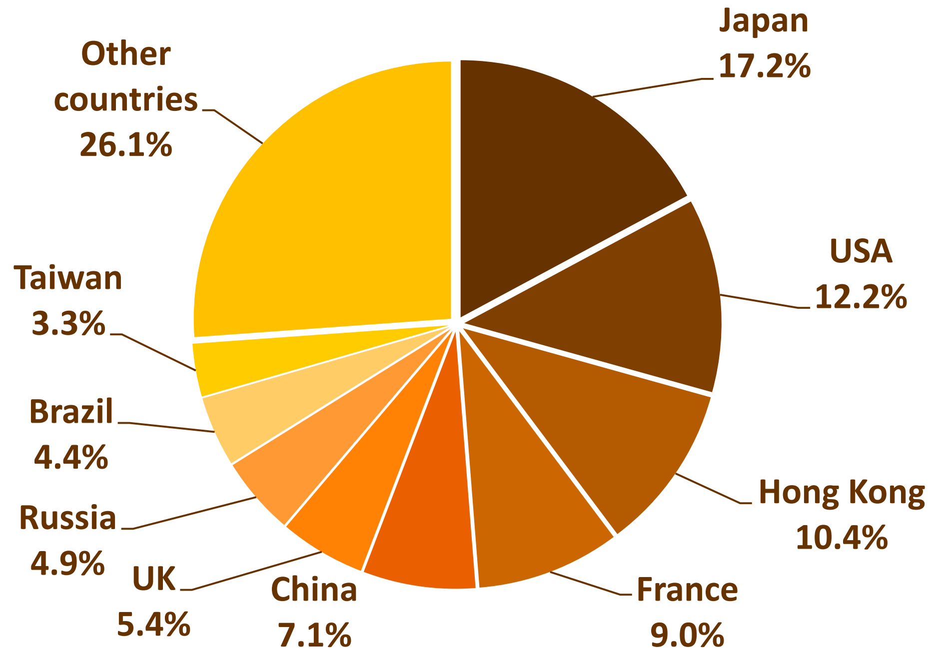
Net Sales Breakdown

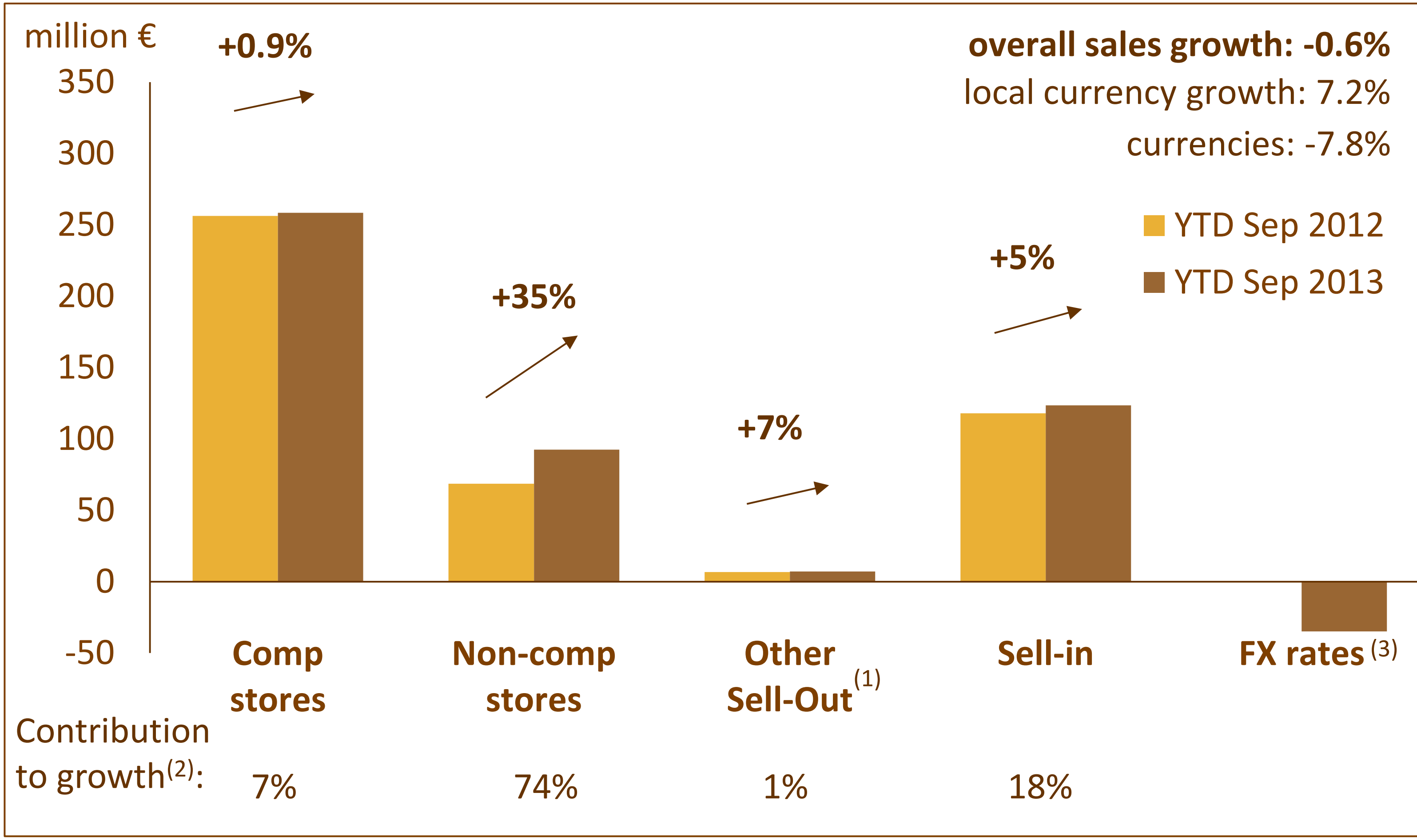
Retail led growth from Sell-out



Exposure to growth markets



Net sales up 7.2%, local currency growth



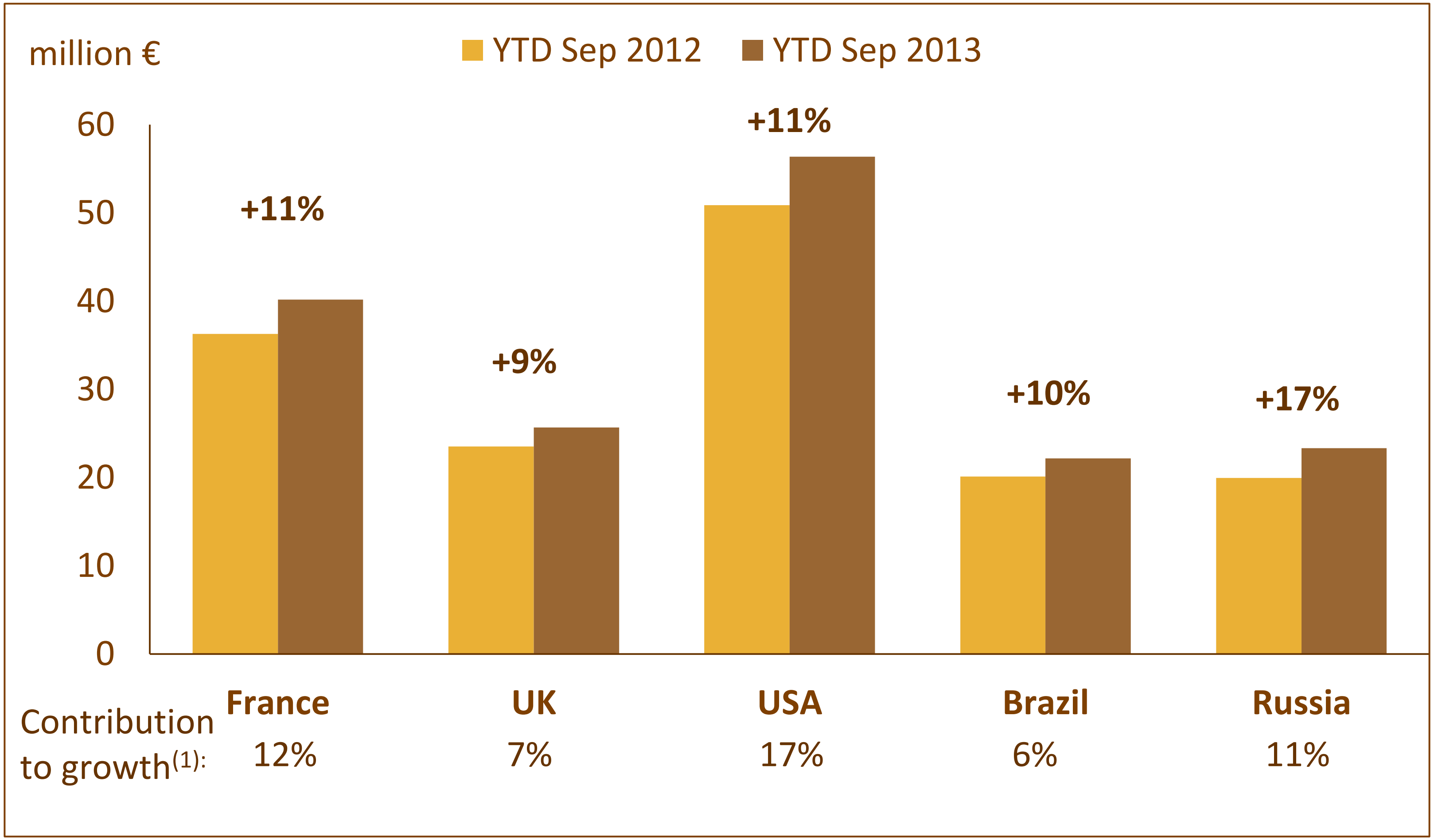
(1) Includes mail-order and other sales

(2) Excluding foreign currency translation effects

(3) The foreign exchange rates impact at 30 September 2013 is negative €35 million as compared to the same period last year at positive €31 million

Sales growth by geography – Americas and Europe

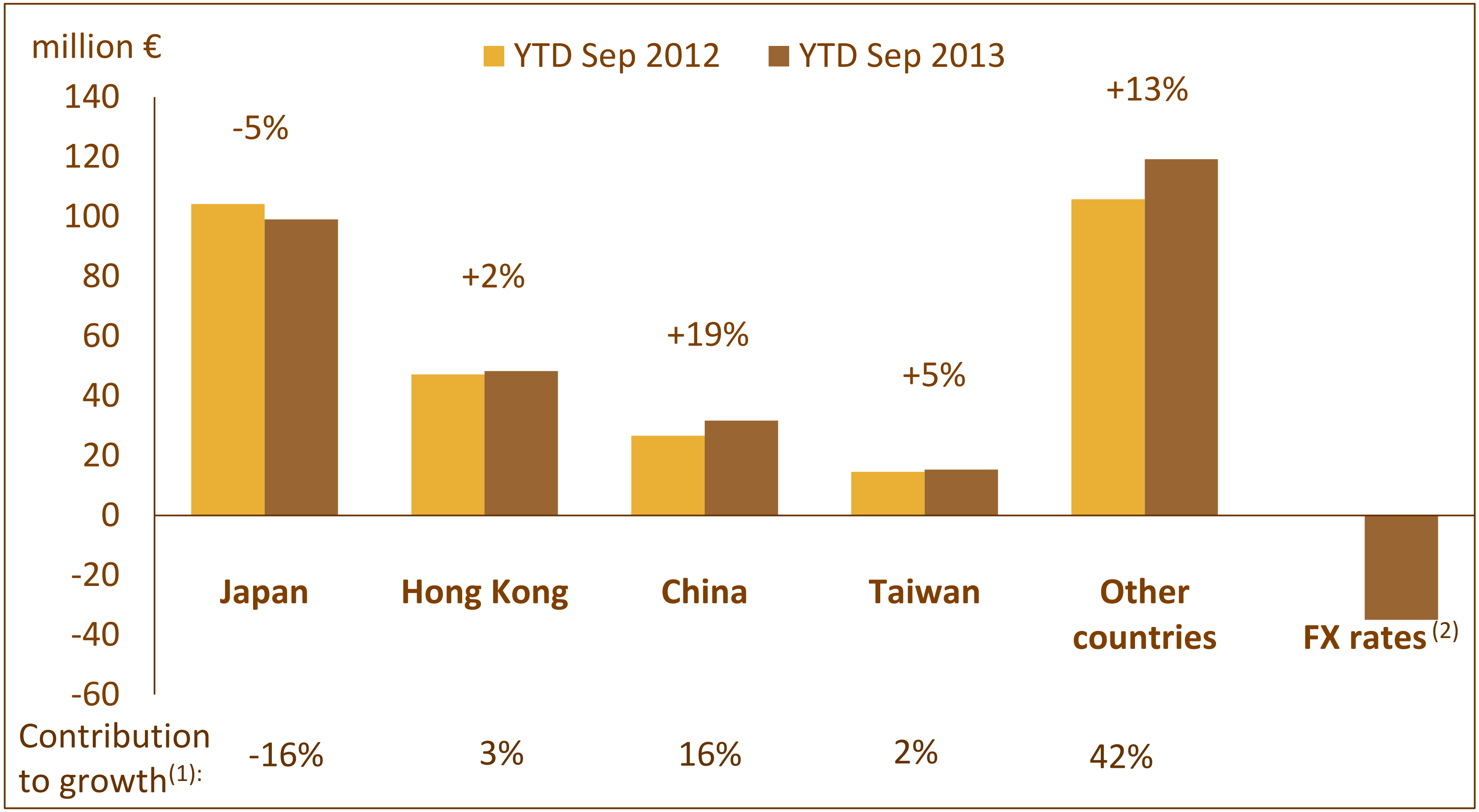
- Local currency growth



(1) Excluding foreign currency translation effects

Sales growth by geography – Asia & Other Countries

- Local currency growth



(1) Excluding foreign currency translation effects

(2) The foreign exchange rates impact at 30 September 2013 is negative €35 million as compared to the same period last year at positive €31 million

Sales Growth in Select Countries

- Local currency growth

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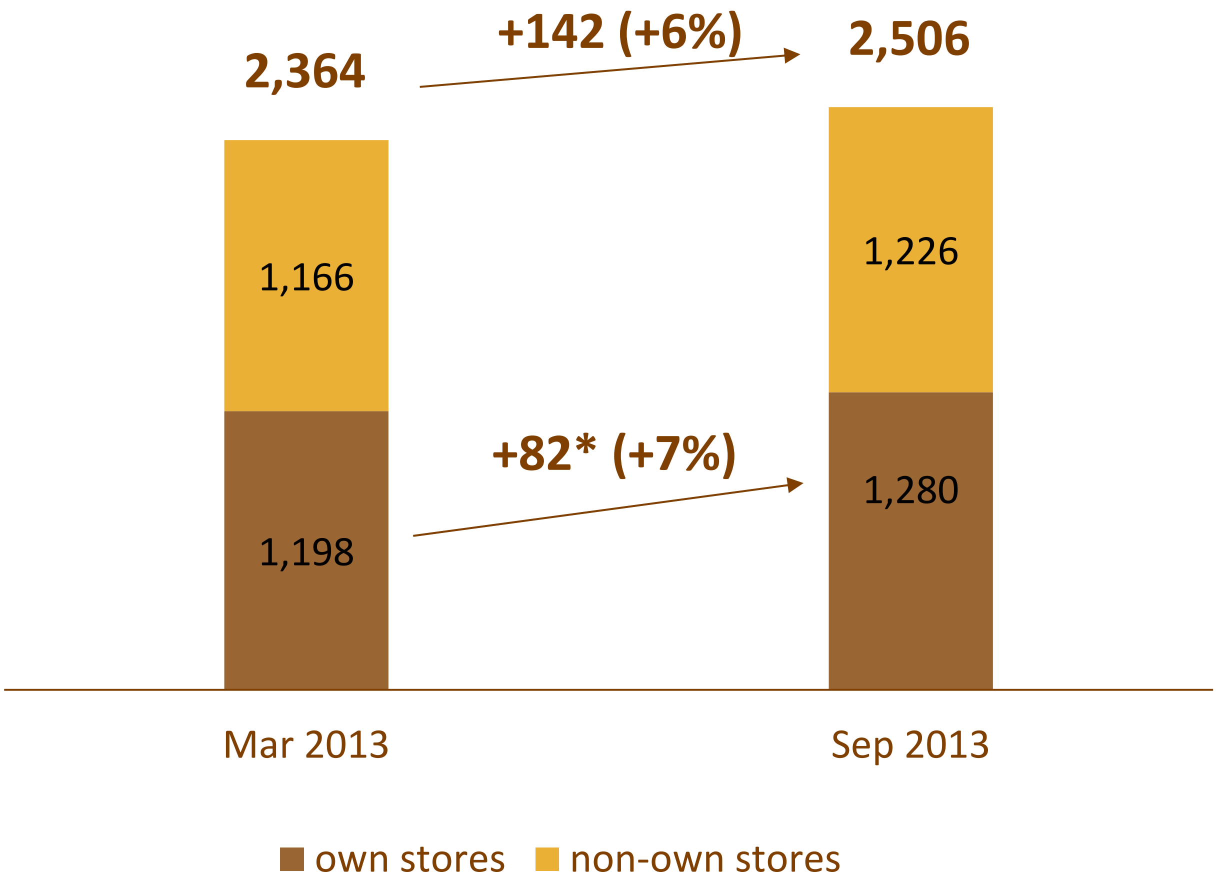
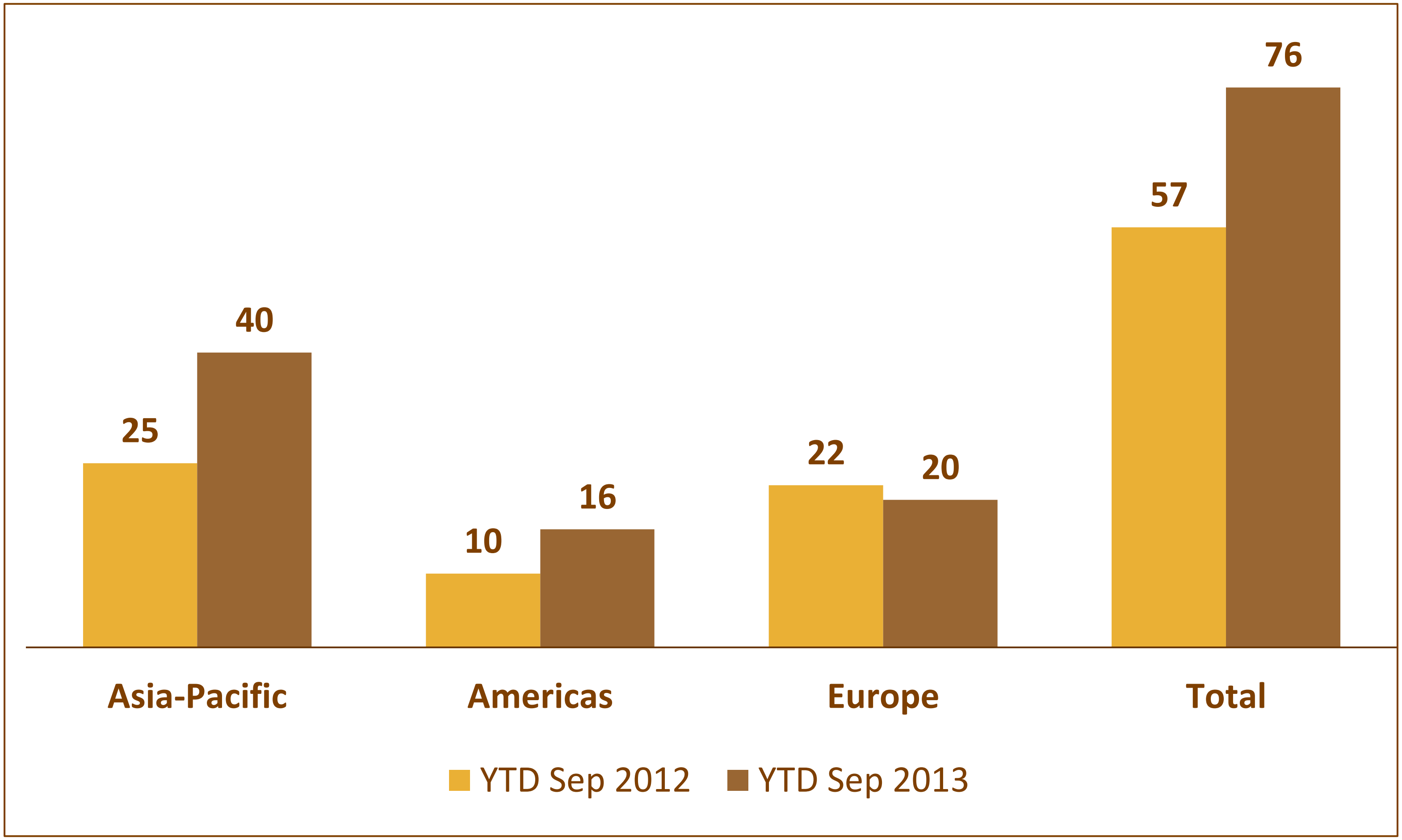
Store network: global expansion on track



* includes 6 stores from the acquisition of distributor in South Africa

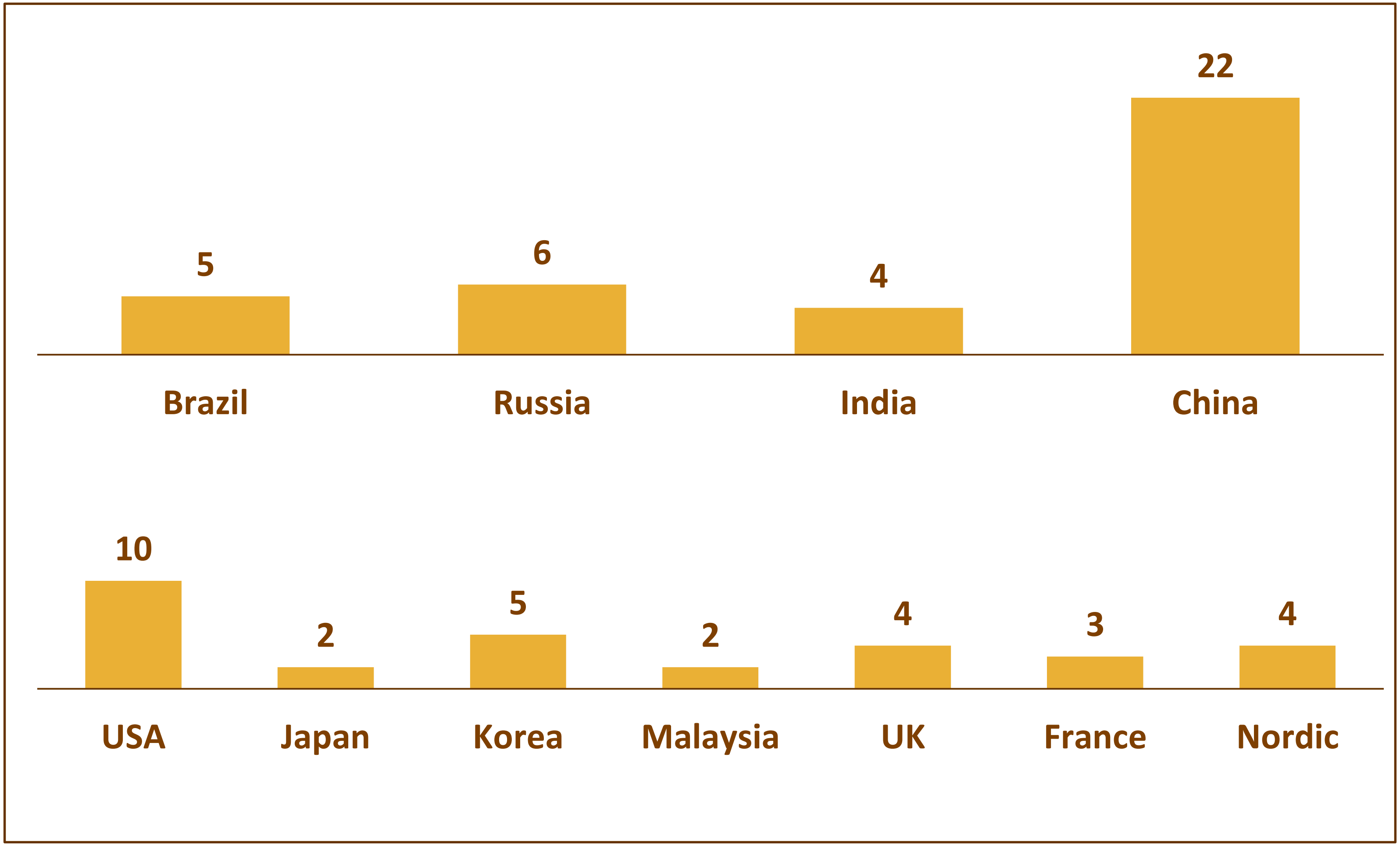
Net store openings by region

- 76 own stores were opened during the 1st half



*Excludes acquisition of 6 stores from distributor in South Africa in YTD Sep 2013 and 10 stores from distributor in Ireland in YTD Sep 2012

Net store openings profile



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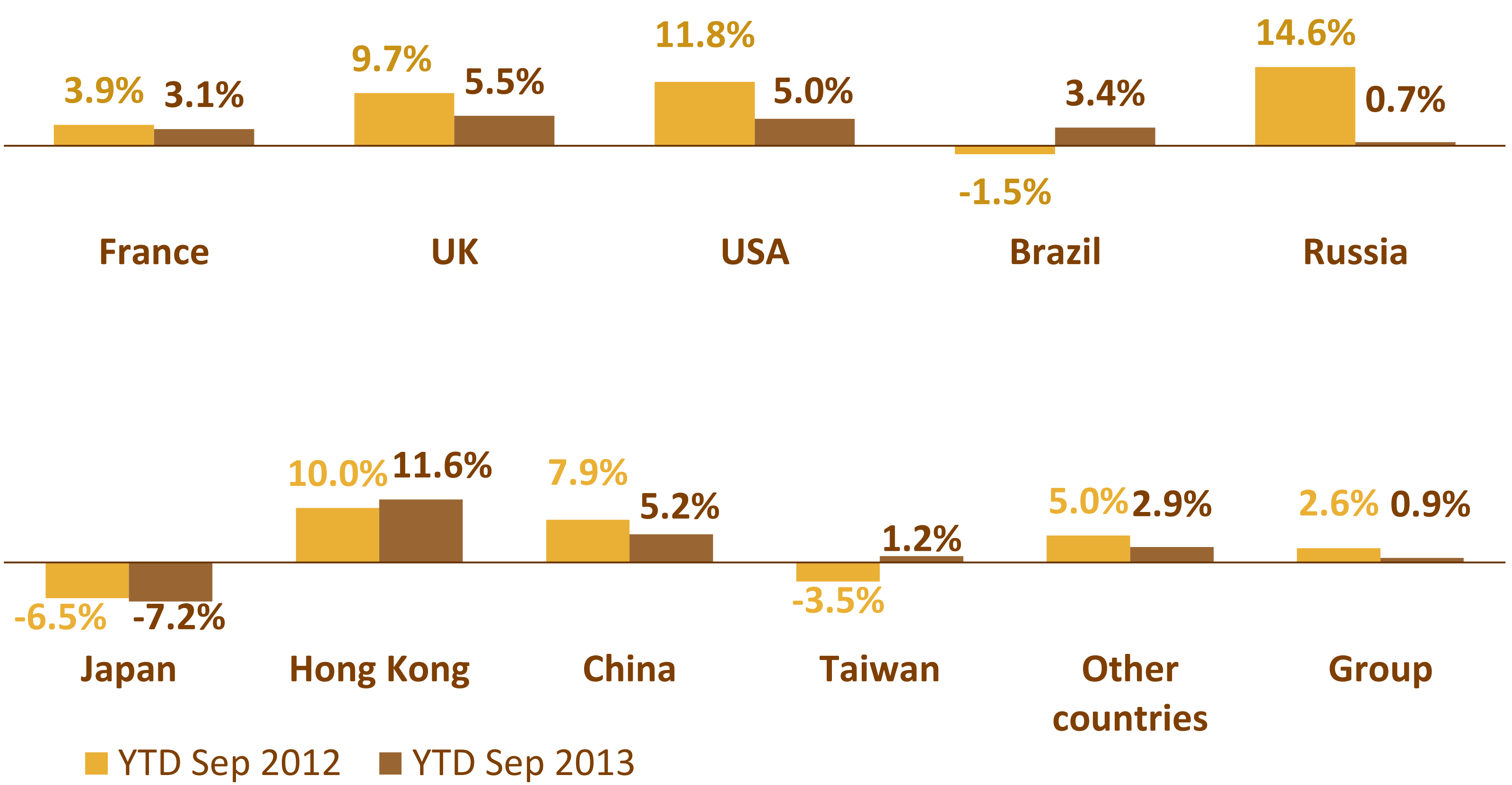
Same store sales growth profile *

- YTD September 2013 as compared to YTD September 2012



*Includes E-commerce and excludes stores closed for renovation.

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Profitability analysis

	% of net sales		
For the six months ended 30 Sep	**2012**	**2013**	**Change**
Gross profit margin	82.1	**81.2**	**(0.9)**
Distribution expenses	(50.2)	**(51.6)**	**(1.4)**
Marketing expenses	(11.2)	**(12.8)**	**(1.6)**
Research & development expenses	(0.8)	**(1.0)**	**(0.3)**
General & administrative expenses	(10.6)	**(10.9)**	**(0.3)**
Other (losses) / gains	(0.0)	**(0.0)**	**(0.0)**
Operating profit margin	9.3	**4.8**	**(4.5)**

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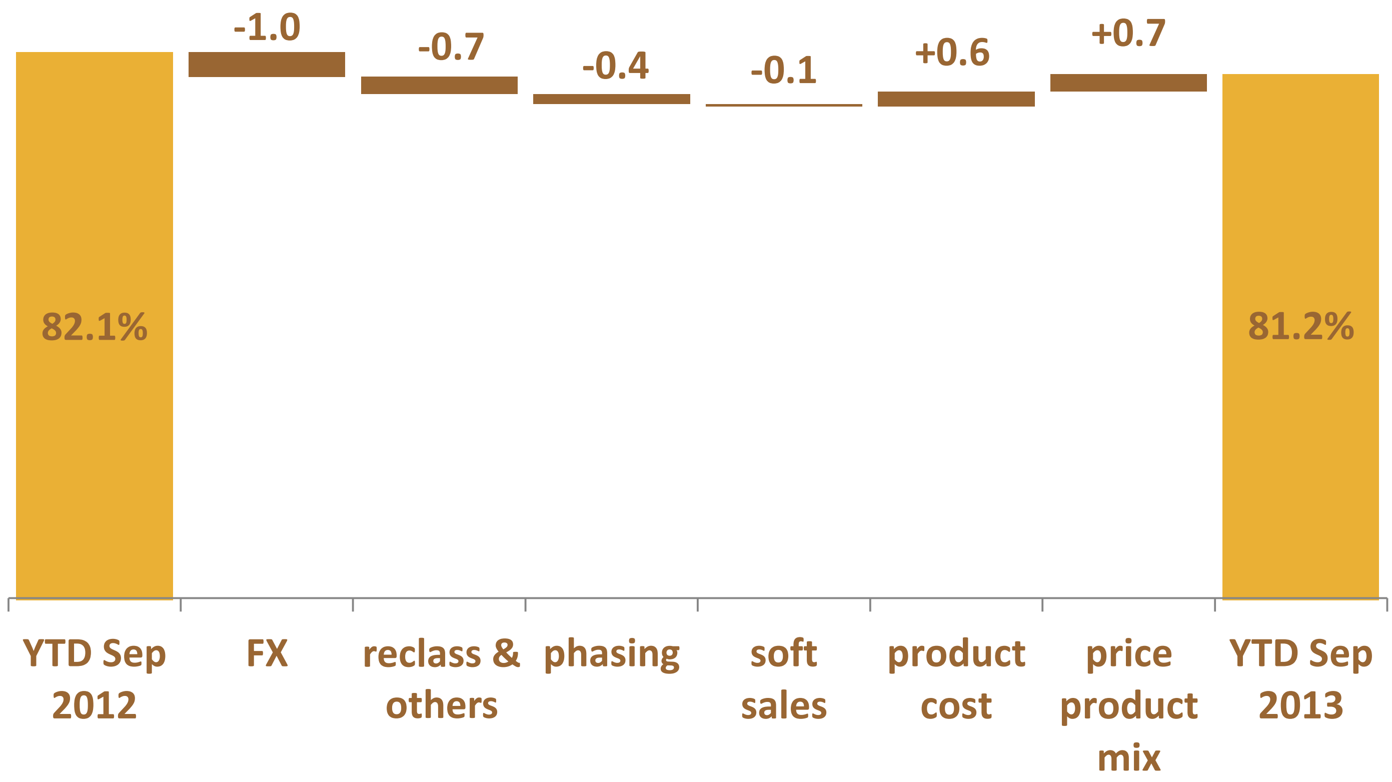
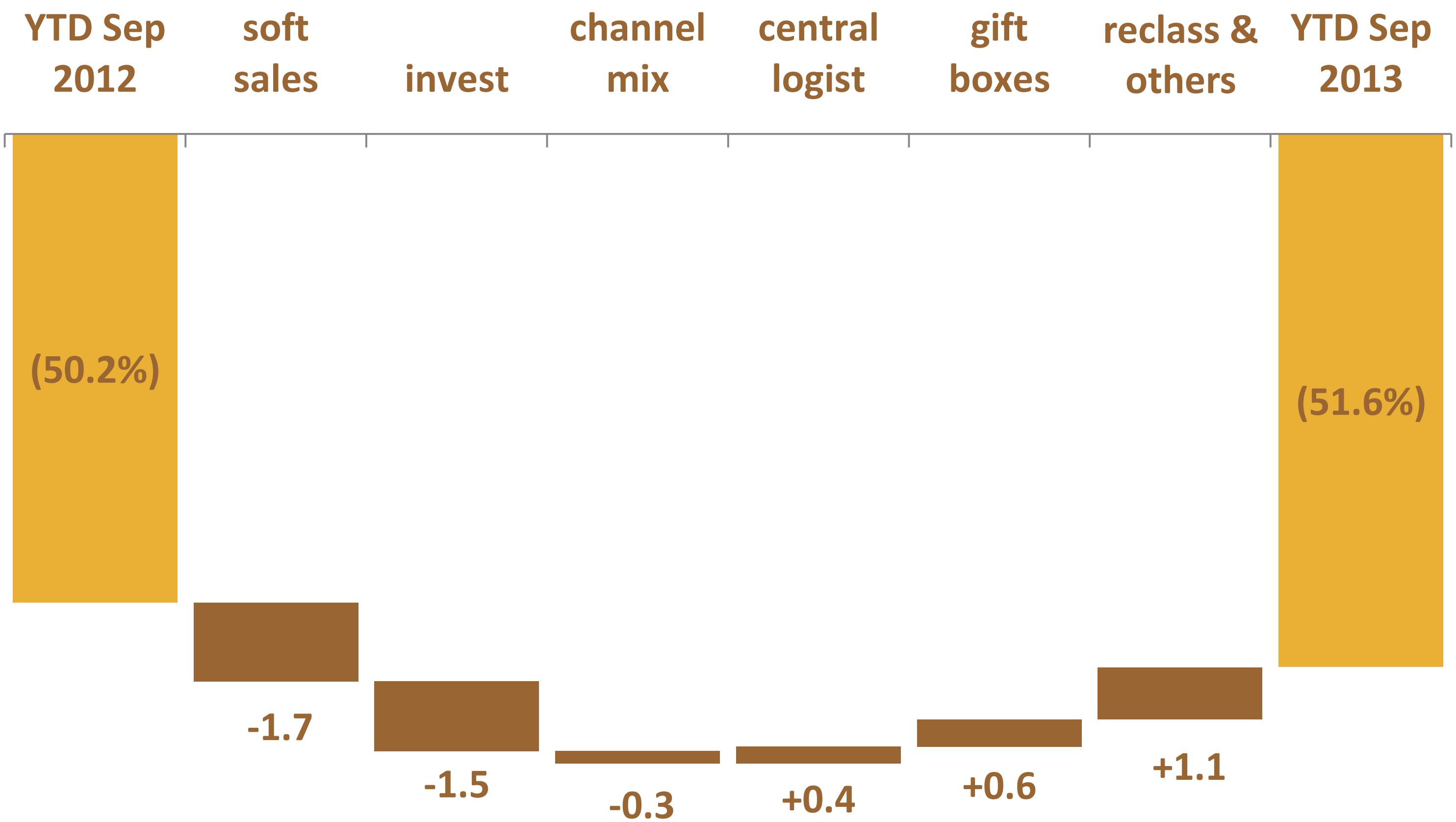
Gross margin



Distribution expenses (as % of net sales)



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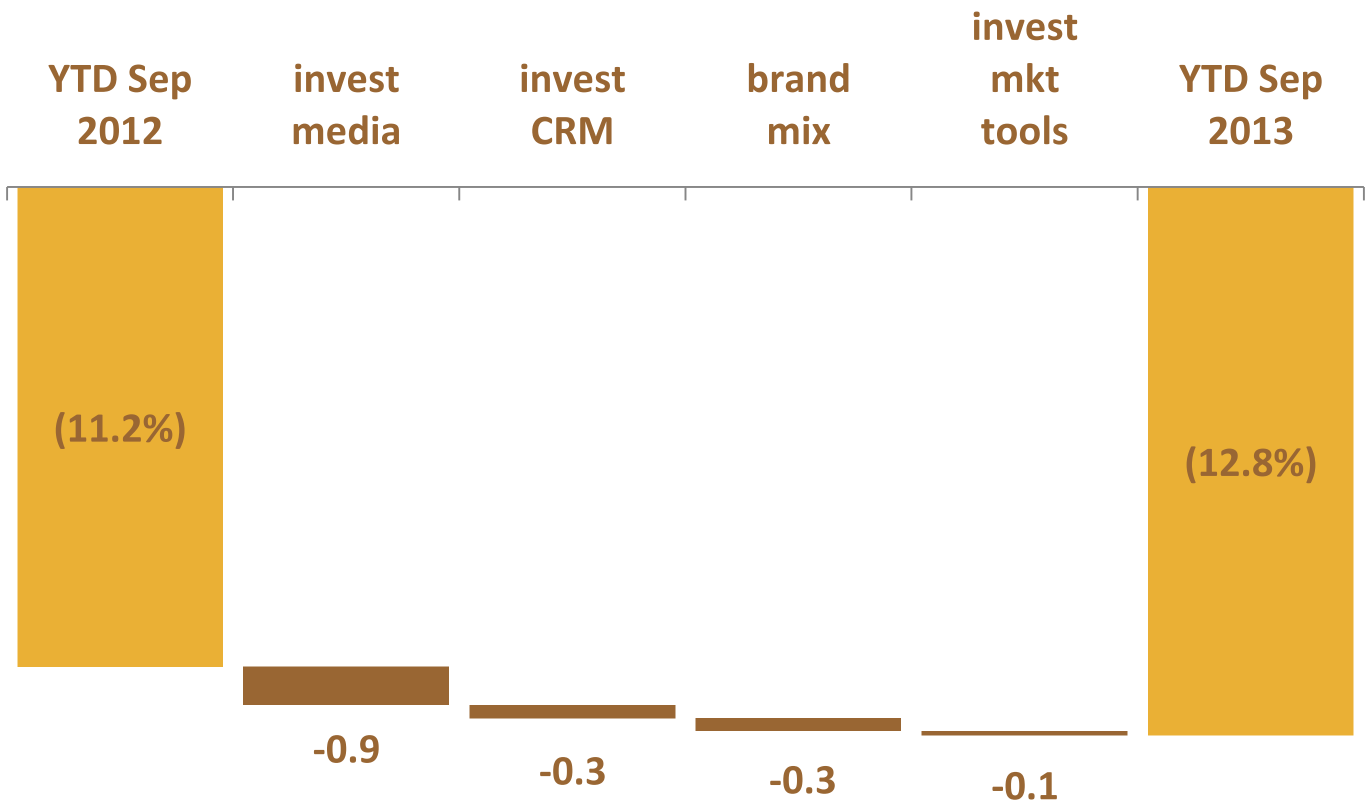
Marketing expenses (as % of net sales)



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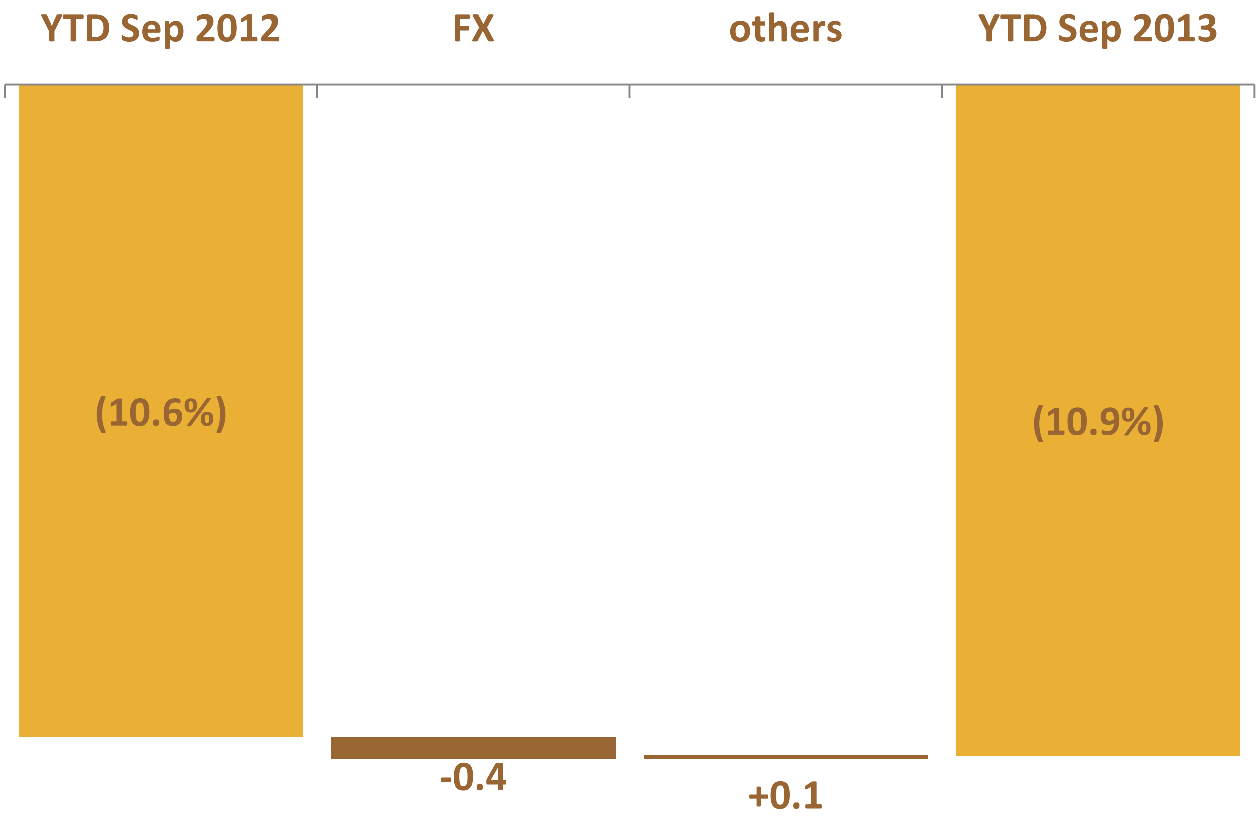
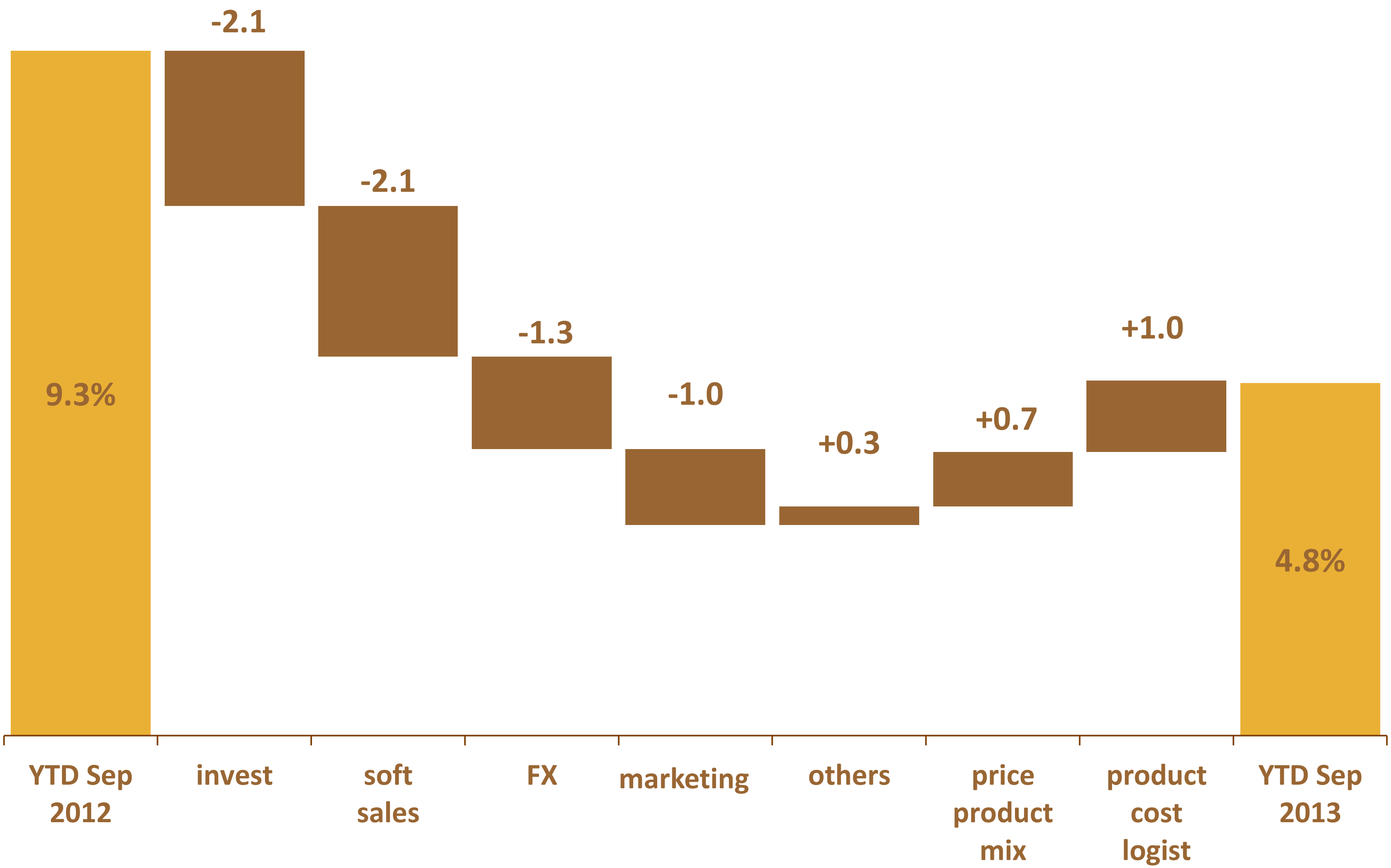
G & A expenses (as % of net sales)



Operating profit margin



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Working capital ratios

as at:	30 Sep 2012	30 Sep 2013	Change
Inventory turnover days (based on Cost of sales)	312	**324**	12
Trade receivables turnover days (based on net sales)	33	**33**	0
Trade payables turnover days (based on Cost of sales)	208	**201**	-7

Cash cycle – days of Net sales

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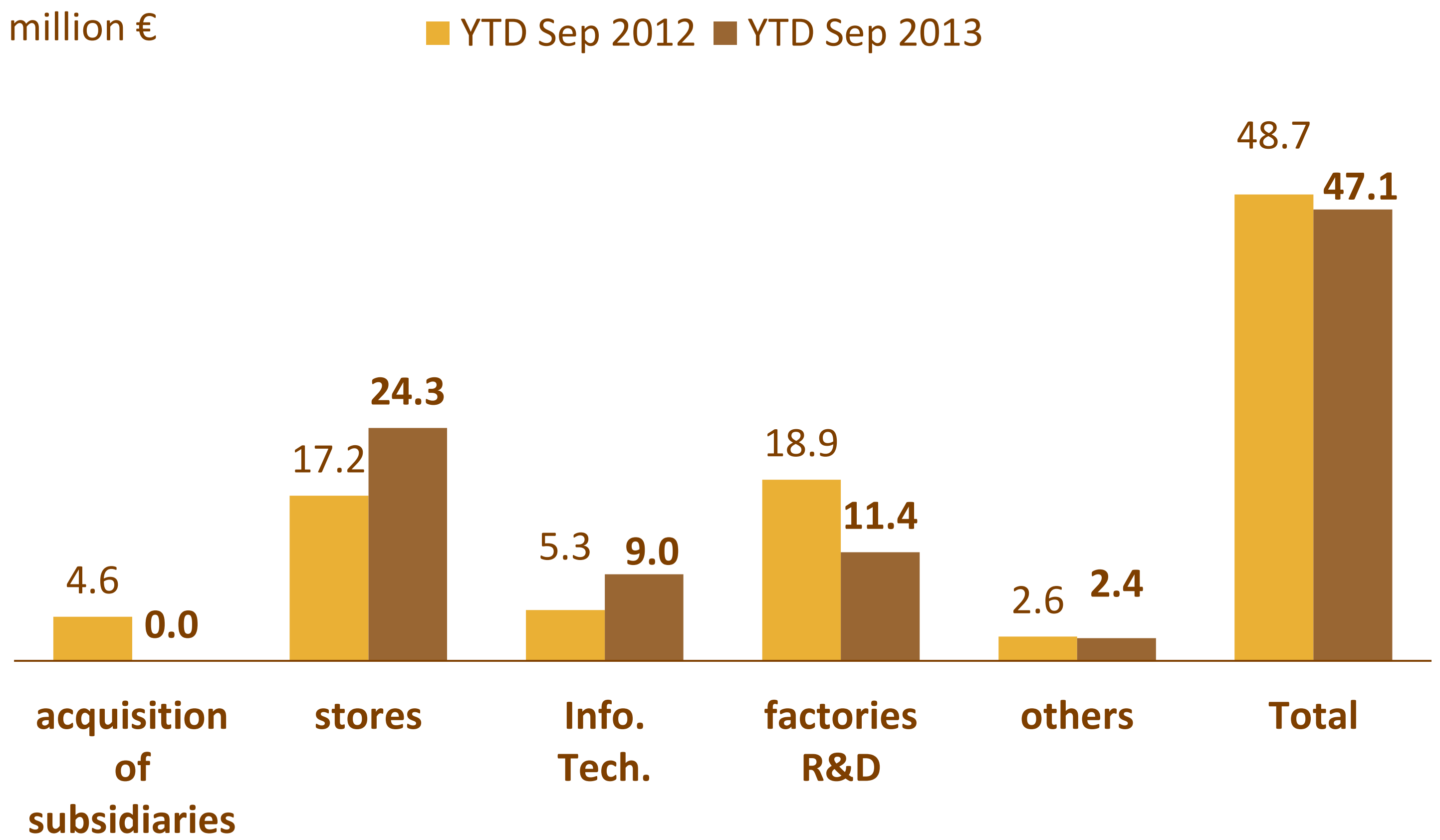
Capital expenditures



Balance sheet ratios

For the six months ended 30 Sep	2012	2013
Profitability		
Return on Capital Employed (ROCE)[(1)]	7.9%	**3.1%**
Return on equity (ROE)[(2)]	5.2%	**2.0%**
Liquidity		
Current ratio (times)[(3)]	2.68	**2.74**
Quick ratio (times)[(4)]	2.01	**1.99**
Capital adequacy		
Gearing ratio[(5)]	9.4%	**8.8%**
Debt to equity ratio[(6)]	net cash	**net cash**

[(1)] Net Operating Profit After Tax / Capital Employed
[(2)] Net profit attributable to equity owners / shareholders' equity excluding minority interest
[(3)] Current assets / current liabilities
[(4)] (Current assets – stocks) / current liabilities
[(5)] Total debt / total assets
[(6)] Net debt / (total assets - total liabilities) * 100%

NOPAT = (Operating Profit + foreign currency net gains or losses) x (1 - effective tax rate)
Capital Employed = Non-current assets - (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital

Strategic review

- Drop in profits in 1H resulted from investments, media spending, softer sales growth and FX impacts
- In this context we consistently pursue our strategy :
  - Invest in new stores and flagships , as well as upgrading of retail network
  - Emphasize R&D and new product development
  - Focus on digital media and e-commerce channel
  - Enhance global infrastructure efficiency to improve productivity and logistics flow and to optimize operating costs and investments

Prospects

- Continue to build for long-term growth and profits

- Growth drivers:
  - brands – continue to expand L'Occitane and further develop our new brands
  - geography – penetrate emerging countries
  - product innovation – ingredients, textures, nature and freshness
  - product categories – face care and fragrances
  - channels – network expansion and upgrade, virtual retail
  - marketing – media and digital communication
  - seasonality – well prepared for the key holiday season

- Strive to improve productivity, efficiency, cost effectiveness and thus profitability in order to create lasting value to our shareholders
  - key in H2: go-live with SAP in the factories, ramp-up production in the new facilities in Manosque, prepare for SAP in China and Brazil

Disclaimer

This document is for information purposes only without any binding effect; in case of any inaccuracies, incompleteness or inconsistency with other documents, only the Company’s latest issued annual or interim report for detailed financials shall prevail and shall be deemed to be the only official document.

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THANK YOU!

La Collection de Grasse
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