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# L'OCCITANE

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## L'OCCITANE INTERNATIONAL S.A.

49, Boulevard Prince Henri L-1724 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 2014

L'Occitane International S.A. (the "Company") is pleased to present the unaudited 2014/2015 ("FY2015") trading update of the Company and its subsidiaries (the "Group") for the three months ended 30 June 2014. 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 €233.7 million, recording an increase of 6.0% for the three months of FY2015 (compared to 1.9% same period last year). Local currency growth was 11.4% (compared to 7.5% for the same period last year)
- Growth was primarily driven by Japan, the United States, Hong Kong and China. China, the United States, Hong Kong and Japan were among the fastest growing countries (17.8%, 15.3%, 13.5% and 13.3% respectively)
- The online retail channel continued to outperform with a 36.4% growth at constant exchange rates during the first three months of FY2015 as compared to the same period last year
- Japan showed an improvement in sales trend with Same Store Sales growth of 9.5% and sales growth of 13.3% at constant exchange rates
- Overall Same Store Sales Growth increased to 6.2% (compared to 0.8% same period last year)

#### 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 2014:

	Sales and % of total sales			
	30 Jun 2014		30 Jun 2013	
	€ '000	%	€ '000	%
Sell-out	173,166	74.1	163,606	74.2
Sell-in	60,581	25.9	56,968	25.8
<b>Total</b>	<b>233,747</b>	<b>100.0</b>	<b>220,574</b>	<b>100.0</b>
	Year-on-year growth			
	€ '000 Growth	% Growth	% Growth <sup>(2)</sup>	% Contribution to Overall Growth <sup>(2)</sup>
<b>Sell-out</b>	<b>9,561</b>	<b>5.8</b>	<b>12.0</b>	<b>78.1</b>
Comparable Stores	952	0.7	6.2	32.0
Non-comparable Stores	8,806	27.7	36.1	45.8
Other <sup>(1)</sup>	(197)	(6.2)	2.3	0.3
<b>Sell-in</b>	<b>3,612</b>	<b>6.3</b>	<b>9.6</b>	<b>21.9</b>
<b>Overall Growth</b>	<b>13,173</b>	<b>6.0</b>	<b>11.4</b>	<b>100.0</b>

<sup>(1)</sup> Includes mail-order and other sales.

<sup>(2)</sup> Excludes the impact of foreign currency translation effects.

## Geographic Areas

The following table presents the net sales and net sales growth for the three months ended 30 June 2014 and contribution to overall sales growth (including and excluding foreign currency translation effects as indicated) by geographic area:

	Sales and % of total sales				€ '000 Growth	%	%	% Contribution to Overall Growth <sup>(1)</sup>
	30 June 2014	30 June 2013						
Japan	40,341	17.3	38,620	17.5	1,721	4.5	13.3	20.5
Hong Kong <sup>(2)</sup>	24,438	10.5	22,581	10.2	1,857	8.2	13.5	12.2
China	16,187	6.9	14,607	6.6	1,580	10.8	17.8	10.4
Taiwan	6,790	2.9	7,293	3.3	(503)	(6.9)	0.6	0.2
France	20,228	8.7	20,465	9.3	(237)	(1.2)	(1.2)	(0.9)
United Kingdom	13,059	5.6	11,636	5.3	1,423	12.2	7.5	3.5
United States	29,737	12.7	27,101	12.3	2,635	9.7	15.3	16.5
Brazil	10,519	4.5	10,565	4.8	(46)	(0.4)	13.2	5.6
Russia	10,318	4.4	10,543	4.8	(225)	(2.1)	13.3	5.6
Other countries <sup>(3)</sup>	62,131	26.6	57,163	25.9	4,968	8.7	11.7	26.6
<b>All countries</b>	<b>233,747</b>	<b>100.0</b>	<b>220,574</b>	<b>100.0</b>	<b>13,173</b>	<b>6.0</b>	<b>11.4</b>	<b>100.0</b>

<sup>(1)</sup> Excludes the impact of foreign currency translation effects and reflects growth from all business segments, including growth from the own retail store sales.

<sup>(2)</sup> Includes sales in Macau.

<sup>(3)</sup> 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 periods indicated:

### period ended 30 June 2014 compared to period ended 30 June 2013

	Own Retail Stores				% contribution to Overall Growth <sup>(1) (2)</sup>			<sup>(2)</sup> Same Store Sales Growth
	Net openings		Net openings		Non- comparable Stores	Comparable stores	Total	
	30 Jun 2014	YTD Jun 2014	30 Jun 2013	YTD Jun 2013				
Japan <sup>(3)</sup>	107	1	101	1	10.9	9.4	20.3	9.5
Hong Kong <sup>(4)</sup>	34	2	31	—	4.1	(1.5)	2.6	(7.1)
China	140	4	129	10	4.9	4.0	8.9	8.9
Taiwan <sup>(5)</sup>	55	1	61	—	(1.1)	0.9	(0.2)	5.6
France <sup>(6)</sup>	77	2	72	2	2.1	(0.5)	1.7	(1.3)
United Kingdom <sup>(7)</sup>	69	1	65	3	1.6	0.6	2.2	2.1
United States <sup>(8)</sup>	202	5	188	2	4.7	6.6	11.3	7.6
Brazil	78	—	71	1	4.3	0.5	4.8	1.9
Russia <sup>(9)</sup>	110	—	101	2	3.6	3.8	7.4	14.6
Other countries <sup>(10)</sup>	443	4	417	17	10.7	8.1	18.8	6.2
<b>All countries</b>	<b>1,315</b>	<b>20</b>	<b>1,236</b>	<b>38</b>	<b>45.8</b>	<b>32.0</b>	<b>77.8</b>	<b>6.2</b>

<sup>(1)</sup> Represents percentage of overall net sales growth attributable to Non-comparable Stores, Comparable Stores and Total Stores for the geographic area and period indicated.

<sup>(2)</sup> Excludes foreign currency translation effects.

<sup>(3)</sup> Includes 12 and 11 Melvita stores as at 30 June 2013 and 30 June 2014 respectively.

<sup>(4)</sup> Includes 1 L'Occitane store in Macau and 9 Melvita stores in Hong Kong as at 30 June 2013 and 3 L'Occitane stores in Macau and 10 Melvita stores in Hong Kong as at 30 June 2014.

<sup>(5)</sup> Includes 9 Melvita stores as at 30 June 2013.

<sup>(6)</sup> Includes 4 Melvita stores as at 30 June 2013 and 30 June 2014.

<sup>(7)</sup> Includes 1 Melvita store as at 30 June 2013.

<sup>(8)</sup> Includes 1 Melvita store as at 30 June 2013.

<sup>(9)</sup> Includes 7 and 4 Melvita stores as at 30 June 2013 and 30 June 2014 respectively.

<sup>(10)</sup> Includes 7 and 6 Melvita stores as at 30 June 2013 and 30 June 2014 respectively. The net openings include 6 stores from the acquisition of distributor in South Africa as at 30 June 2013.

The Group's net sales for the first three months of FY2015 were €233.7 million, an increase of 6.0% as compared to the same period last year. At constant exchange rates, the Group generated sales growth of 11.4%. The uncertainties of the economic environment and foreign currency effects continued to impact the sales results of the Group, especially in Brazil and Russia during the period under review.

During the first three months of FY2015, Sell-out sales accounted for 74.1% of net sales and amounted to €173.2 million, an increase of 5.8% (12.0% at constant exchange rates) as compared to the same period last year. This growth was contributed by both Comparable Stores and Non-comparable Stores. The Same Store Sales Growth for the first three months of FY2015 was 6.2%. The Group's online retail channel continued to outperform with a 36.4% growth at constant exchange rates during the first three months of FY2015 as compared to the same period last year.

Sell-in sales accounted for 25.9% of the Group's total sales and amounted to €60.6 million, an increase of 6.3% (9.6% at constant exchange rates) as compared to the same period last year. The Sell-in business continued to grow in a challenged operating environment and accounted for 21.9% of the Group's overall growth.

In terms of geographical areas, China, the United States, Hong Kong and Japan were among countries with highest sales growth at constant exchange rates.

Japan continued to show an improvement in sales trend for the first three months of FY2015 with sales growth of 13.3% at constant exchange rate. The growth was contributed by both Comparable Stores and Non-comparable Stores.

Russia, Japan, China and the United States were among countries with strong Same Store Sales Growth for the three months ended 30 June 2014.

The Group maintained its selective global retail expansion during the three months ended 30 June 2014 with 20 net stores opened, as compared to 32 during the same period last year (excluding the acquisition of 6 stores from a distributor in South Africa). The Group continued its retail network upgrade with 26 stores renovated or relocated during the first three months of FY2015 (compared to 28 stores during the same period last year).

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

Hong Kong, 29 July 2014

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