

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.

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 SIX MONTHS ENDED 30 SEPTEMBER 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 six months ended 30 September 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 €485.9 million, recording an increase of 8.9% for the first six months of FY2015 (compared to a decline of 0.6% same period last year). Local currency growth was 11.9% (compared to 7.2% for the same period last year)
- Growth was primarily driven by Japan, Hong Kong, the United States and China. Brazil, Hong Kong, China and Russia were among the fastest growing countries (19.5%, 19.5%, 16.6% and 13.4% respectively)
- The online retail channel continued to outperform with a 34.7% growth at constant exchange rates during the first six months of FY2015 as compared to the same period last year
- Japan posted Same Store Sales growth of 10.0% and sales growth of 13.0% at constant exchange rates
- Overall Same Store Sales Growth was 6.1% (compared to 0.9% 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 six months ended 30 September 2014:

| | Sales and % of total sales | | | |
|-----------------------|----------------------------|---------------------|----------------------------|-------------------------------------------------------|
| | 30 Sep 2014 | | 30 Sep 2013 | |
| | € '000 | % | € '000 | % |
| Sell-out | 353,716 | 72.8 | 327,444 | 73.4 |
| Sell-in | <u>132,159</u> | <u>27.2</u> | <u>118,917</u> | <u>26.6</u> |
| Total | <u>485,874</u> | <u>100.0</u> | <u>446,361</u> | <u>100.0</u> |
| | Year-on-year growth | | | |
| | € '000 Growth | % Growth | % Growth ⁽²⁾ | % Contribution to Overall Growth ⁽²⁾ |
| Sell-out | 26,272 | 8.0 | 11.6 | 71.5 |
| Comparable Stores | 6,878 | 2.9 | 6.1 | 27.3 |
| Non-comparable Stores | 18,397 | 22.2 | 26.9 | 41.7 |
| Other ⁽¹⁾ | 998 | 13.7 | 18.1 | 2.5 |
| Sell-in | <u>13,242</u> | <u>11.1</u> | <u>12.8</u> | <u>28.5</u> |
| Overall Growth | <u>39,514</u> | <u>8.9</u> | <u>11.9</u> | <u>100.0</u> |

⁽¹⁾ Includes mail-order and other sales.

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

Geographic Areas

The following table presents the net sales and net sales growth for the six months ended 30 September 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 ⁽¹⁾ | |
|--------------------------------|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------------------------------------|-------------------|
| | 30 September 2014 | 30 September 2013 | 30 September 2014 | 30 September 2013 | 30 September 2014 | 30 September 2013 | 30 September 2014 | 30 September 2013 |
| Japan | 81,024 | 76,579 | 16.7 | 17.2 | 4,445 | 5.8 | 13.0 | 18.7 |
| Hong Kong ⁽²⁾ | 54,505 | 46,562 | 11.2 | 10.4 | 7,942 | 17.1 | 19.5 | 17.0 |
| China | 35,673 | 31,485 | 7.3 | 7.1 | 4,188 | 13.3 | 16.6 | 9.8 |
| Taiwan | 14,747 | 14,857 | 3.0 | 3.3 | (110) | (0.7) | 1.9 | 0.5 |
| France | 40,506 | 40,166 | 8.3 | 9.0 | 340 | 0.8 | 0.8 | 0.6 |
| United Kingdom | 27,016 | 24,106 | 5.6 | 5.4 | 2,910 | 12.1 | 5.7 | 2.6 |
| United States | 59,056 | 54,316 | 12.2 | 12.2 | 4,740 | 8.7 | 11.4 | 11.7 |
| Brazil | 22,050 | 19,678 | 4.5 | 4.4 | 2,372 | 12.1 | 19.5 | 7.2 |
| Russia | 22,006 | 21,936 | 4.5 | 4.9 | 70 | 0.3 | 13.4 | 5.5 |
| Other countries ⁽³⁾ | 129,291 | 116,675 | 26.6 | 26.1 | 12,616 | 10.8 | 12.0 | 26.3 |
| All countries | 485,874 | 446,361 | 100.0 | 100.0 | 39,514 | 8.9 | 11.9 | 100.0 |

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

period ended 30 September 2014 compared to period ended 30 September 2013

| | Own Retail Stores | | | | % contribution to Overall Growth ^{(1) (2)} | | | ⁽²⁾ Same Store Sales Growth |
|--------------------------------|-------------------|---------------------------|--------------|---------------------------|-----------------------------------------------------|-------------------|--------------|----------------------------------------|
| | 30 Sep 2014 | Net openings YTD Sep 2014 | 30 Sep 2013 | Net openings YTD Sep 2013 | Non-comparable Stores | Comparable stores | Total Stores | |
| Japan ⁽³⁾ | 108 | 2 | 102 | 2 | 8.8 | 8.1 | 17.0 | 10.0 |
| Hong Kong ⁽⁴⁾ | 35 | 3 | 34 | 3 | 4.7 | (0.7) | 4.0 | (4.2) |
| China | 145 | 9 | 141 | 22 | 3.3 | 4.1 | 7.4 | 9.9 |
| Taiwan ⁽⁵⁾ | 55 | 1 | 61 | — | (1.2) | 1.2 | 0.1 | 8.8 |
| France ⁽⁶⁾ | 80 | 5 | 73 | 3 | 2.2 | 0.2 | 2.4 | 0.6 |
| United Kingdom | 72 | 4 | 66 | 4 | 1.0 | 0.6 | 1.7 | 2.8 |
| United States ⁽⁷⁾ | 208 | 11 | 196 | 10 | 4.1 | 3.7 | 7.8 | 4.9 |
| Brazil | 80 | 2 | 75 | 5 | 4.1 | 1.1 | 5.1 | 5.3 |
| Russia ⁽⁸⁾ | 111 | 1 | 105 | 6 | 3.6 | 3.0 | 6.6 | 12.2 |
| Other countries ⁽⁹⁾ | 446 | 7 | 427 | 27 | 11.0 | 5.9 | 16.9 | 5.2 |
| All countries | 1,340 | 45 | 1,280 | 82 | 41.7 | 27.3 | 69.0 | 6.1 |

⁽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 12 and 11 Melvita stores as at 30 September 2013 and 30 September 2014 respectively.

⁽⁴⁾ Includes 2 L'Occitane stores in Macau and 10 Melvita stores in Hong Kong as at 30 September 2013 and 3 L'Occitane stores in Macau and 10 Melvita stores in Hong Kong as at 30 September 2014.

⁽⁵⁾ Includes 7 Melvita stores as at 30 September 2013.

⁽⁶⁾ Includes 4 Melvita stores as at 30 September 2013 and 30 September 2014.

⁽⁷⁾ Includes 1 Melvita stores as at 30 September 2013.

⁽⁸⁾ Includes 7 and 4 Melvita stores as at 30 September 2013 and 30 September 2014 respectively.

⁽⁹⁾ Includes 7 Melvita stores as at 30 September 2013 and 30 September 2014. The net openings include 6 stores from the acquisition of distributor in South Africa as at 30 September 2013 and 7 stores from the acquisition of distributor in Norway as at 30 September 2014.

The Group's net sales for the first six months of FY2015 were €485.9 million, an increase of 8.9% as compared to the same period last year. At constant exchange rates, the Group generated sales growth of 11.9%. The uncertainties of the economic environment and foreign currency effects continued to impact the sales results of the Group.

During the first six months of FY2015, Sell-out sales accounted for 72.8% of net sales and amounted to €353.7 million, an increase of 8.0% (11.6% 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 six months of FY2015 was 6.1%. The Group's online retail channel continued to outperform with a 34.7% growth at constant exchange rates during the first six months of FY2015 as compared to the same period last year.

Sell-in sales accounted for 27.2% of the Group's total sales and amounted to €132.2 million, an increase of 11.1% (12.8% at constant exchange rates) as compared to the same period last year. With a strong contribution from travel retail, the Sell-in business continued to grow in a challenged operating environment and accounted for 28.5% of the Group's overall growth.

In terms of geographical areas, Brazil, Hong Kong, China and Russia were among countries with highest sales growth at constant exchange rates.

Japan showed an improvement in Comparable Store Sales trend for the first six months of FY2015 with Same Store Sales growth at 10.0% and sales growth of 13.0% at constant exchange rates.

Russia, Japan, China and Taiwan were among countries with strong Same Store Sales Growth for the six months ended 30 September 2014.

The Group maintained its selective global retail expansion during the six months ended 30 September 2014 with 38 net stores opened (excluding the acquisition of 7 stores from a distributor in Norway), as compared to 76 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 73 stores renovated or relocated during the first six months of FY2015 (compared to 50 stores during the same period last year).

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

Hong Kong, 23 October 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), Mr. Karl Guénard (Joint Company Secretary) and Mr. Nicolas Veto (Group Human Resources Executive VP), 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.