

[For Immediate Release]



## 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 2016

**Sales Growth at 0.5% at Constant Rates on a High Base**  
**Sales in Japan Grew by 14% due to Stronger Yen**  
**Brazil and Russia Growth Remained Robust at 18% and 14%**

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#### E-commerce Upgrades for Future Growth

(19 July 2016, Hong Kong) L'Occitane International S.A. ("L'Occitane" or the "Group"; SEHK stock code: 973), a global, natural ingredient-based cosmetics and well-being products enterprise with origins and true stories from around the world, today announces the unaudited trading update for the three months ended 30 June 2016.

Net sales for the three months ended 30 June 2016 were €268.5 million, an increase of 0.5% at constant rates while a decrease of 2.2% at actual rates due to unfavorable FX impact. Growth was primarily driven by Brazil, Russia and Japan which were also the fastest growing countries, with respective growth of 17.5%, 14.4% and 3.2 % at constant rates. The sales trend in US saw sequential improvement with its growth back into positive territory in local currency, while overall sales in HK were impacted by weak sales at travel retail sector. The Group managed to achieve flattish same store sales performance in China, outperforming the declining retail market there.

The Sell-out sales accounted for 74.7% of net sales and amounted to €200.4 million, an increase of 1.9% at constant rates. The growth of the sell-out segment was primarily driven by store expansions and renovations, marketplaces, cafés and spa businesses, altogether posted a growth of 18.3% at constant rates.

Net sales, net sales growth and same store sales growth by geographical areas:

€'000	For the three months ended 30 June		% Growth	% Growth <sup>(1)</sup>	% SSS Growth <sup>(1)</sup>
	2016	2015			
Japan	<b>51,419</b>	45,191	13.8	3.2	(1.9)
Hong Kong	<b>22,847</b>	28,478	(19.8)	(17.9)	(11.7)
China	<b>24,060</b>	25,407	(5.3)	1.9	(0.4)
Taiwan	<b>7,167</b>	8,584	(16.5)	(10.5)	(8.4)
France	<b>22,645</b>	22,742	(0.4)	(0.4)	(6.6)
United Kingdom	<b>13,305</b>	15,012	(11.4)	(3.3)	(4.8)
United States	<b>36,218</b>	36,814	(1.6)	0.6	0.0
Brazil	<b>10,980</b>	10,924	0.5	17.5	13.2
Russia	<b>8,569</b>	9,602	(10.8)	14.4	9.6
Other Countries	<b>71,241</b>	71,864	(0.9)	3.4	(1.2)
All Countries	<b>268,453</b>	274,618	(2.2)	0.5	(1.3)

<sup>(1)</sup>Excludes foreign currency translation effects

The Sell-in sales accounted for 25.3% of the Group's total sales and amounted to €68.0 million. At constant rates, the business decreased by 3.4% due to weak travel retail performance.

During the period under review, the Group maintained its strategy of expanding its global retail network selectively, with net own-store openings of 23 stores.

As part of the Group's multi-brand strategy to support long-term growth with emerging brands, it inaugurated Erborian's first Taiwan flagship store in Taipei in April 2016, where it continued to capture the rising pursuit of oriental well-being with this premium Franco-Korean brand. As at the end of June 2016, L'Occitane has also opened the 10<sup>th</sup> Melvita store in China, the 21<sup>st</sup> Melvita store in Japan as well as the 15<sup>th</sup> au Brésil store in Brazil.

Mr. Reinold Geiger, Chairman and Chief Executive Officer of L'Occitane, said, "Our stable performance was anchored by solid commitment to a balanced growth strategy with long-term focus, reflected in our retail optimization and expansion, fast-growing emerging brands as well as digital investments and process re-engineering. The continued robust growth in both Brazil and Russia demonstrates our resilience in a challenging environment."

"The volatile macro and political situations at the beginning of the financial year proved the importance of our sustainable approach. While monitoring the uncertainties in US and Europe, maximising operational efficiencies, we will also focus on new products and brand building to further strengthen the positioning of L'Occitane, so as to deliver outperformance in market downturns."

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### **About L'Occitane International S.A.**

L'Occitane International S.A. (the "Company") is a world's leading natural ingredient-based cosmetics and well-being products enterprise with true stories from around the world. The global leader in premium beauty market sells its best quality products, produced with cutting-edge technology under five brands including L'Occitane en Provence, Melvita, Le Couvent des Minimes, Erborian and L'Occitane au Brésil and is committed to developing and retailing high quality products that are rich in natural ingredients of traceable origins and respect the environment.

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