

[FOR IMMEDIATE RELEASE]



## L'Occitane International S.A.

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(Incorporated under the laws of Luxembourg with limited liability)

**L'Occitane announces its first annual results after listing**  
**Profit attributable to equity holders rose 39.8% to €81.6 million**  
**Beating forecast by 10.6%**

### *Financial Highlights*

€ '000	For the year ended 31 March		Change
	2010	2009	
Net sales	<b>612,245</b>	537,335	13.9%
Operating profit	<b>110,193</b>	80,490	36.9%
Profit attributable to equity holders	<b>81,626</b>	58,383	39.8%
Basic EPS (€ cents)	<b>6.4</b>	4.6	39.8%

【24 June 2010, Hong Kong】 L'Occitane International S.A. ("L'Occitane" or the "Company"; SEHK stock code: 973), a global, natural and organic ingredient-based cosmetics and well-being products enterprise with strong regional roots in Provence, France, today announces that its first set of annual results after its successful listing on the main board of The Stock Exchange of Hong Kong on 7 May 2010.

Net sales for the year ended 31 March 2010 ("FY2010") increased 13.9% to €612.2 million from €537.3 million a year ago. Operating profit increased 36.9% to €110.2 million from €80.5 million. Profit attributable to equity holders increased 39.8% to €81.6 million from €58.4 million. This is 10.6% above the profit estimate of €73.8 million when the Group launched its IPO earlier this year.

Mr. Reinold Geiger, Chairman and CEO of L'Occitane, said, that "2009 was a year of ups and downs for the world economy. Despite a challenging business environment, we managed to deliver an encouraging set of results for the first time as a listed company. This demonstrates the Company's strong brand equity and sound planning and execution capability driven by a clear principle for pursuing profitable growth."

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In FY2010, net sales increased by 13.5%, excluding foreign currency translation effects. The Company recorded net sales growth in all business segments and geographic areas, except for the United States. Sales in Japan, Hong Kong, the United Kingdom, Brazil and in Other Countries, including China and Russia, were the driving factors of the net sales growth in FY2010. Net sales growth in Japan, Hong Kong, the United Kingdom and Brazil was 11.6%, 15.2%, 25.1% and 23.0% respectively, while growth in Other Countries, including China and Russia, was 29.8%.

In the Asia-Pacific region where L'Occitane has established a strong presence, the combined sales in Japan, Hong Kong and Taiwan accounted for 36.3% of L'Occitane's total sales in FY2010.

In terms of business segments, net sales contribution from the Sell-out, Sell-in and B-to-B segments amounted to €449.8 million, €141.7 million and €20.7 million respectively. The Sell-out business remained the main sales contributor of the Company, accounting for 73.5% of the total sales in FY2010. The Sell-in business and B-to-B business accounted for 23.1% and 3.4% of total sales in FY2010 respectively.

The Sell-out net sales of the Company increased by 16.4% in FY2010 compared with FY2009, excluding foreign currency translation effects. This increase was due to the addition of stores globally and the acquisition of stores from distributors. Sell-out sales represented 87.1% of overall growth in FY2010 excluding foreign currency translation effects, with Non-comparable Stores and Comparable Stores accounting for 75.8% and 3.9% of growth respectively.

During the period, the Company recorded a same store sales growth of 1.0% for the Sell-out segment, which was driven by an increase in sales transactions from both existing and new customers offsetting a slight decrease in the average prices of L'Occitane's products, as well as the strong development of internet sales.

Excluding foreign currency translation effects, the Company recorded an increase of 6.7% in FY2010 in Sell-in net sales, which represented 12.3% of overall net sales growth. The increase was primarily due to an increase in sales to duty free stores and wholesale customers and department stores. Such increase was partially offset by the decrease in net sales of the Company's distributors in Asia, Europe and the Middle East.

The growth in B-to-B sales in Japan contributed to an increase of 2.0% in B-to-B net sales, which accounted for 0.6% of overall net sales growth in FY2010.

In FY2010, the Company increased the total number of retail locations from 1,271 as at 31 March 2009 to 1,541 as at 31 March 2010. The number of own retail stores also increased to 764 as at 31 March 2010, from 687 as at 31 March 2009. These include 34 additional stores in Asia and 36 in Europe and 7 in the Americas.

Looking forward, L'Occitane will focus on the execution of its expansion plan, taking advantage of its increased financial resources as a result of its successful IPO.

L'Occitane will continue to increase the number of its retail stores internationally, and in particular, in countries where we believe there is likely to be strong growth in demand for our products. These include emerging markets such as China, Brazil, Russia, India and Mexico as well as developed countries where we still have significant potential for opening new stores such as Japan, the US, the UK, Germany and Korea.

Our sales expansion strategy will be supported by further efforts in marketing and R&D. L'Occitane will also execute its plans for extension and improvement of its manufacturing plants in Manosque and in Lagorce, and to build a new central warehouse. The first parts of the new premises in Lagorce and Manosque are planned to start operating at the end of the financial year 2011.

Mr. Geiger said, "We have all the tools in our hands to be even more successful in the future. Today there is no other natural cosmetic company with a worldwide distribution like ours. No competitor commands the same presence as us throughout the developed countries as well as in all the emerging countries. Therefore, we have secured a strategic advantage and we will do everything possible not only to maintain it but also to increase it."

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

L'Occitane is a global, natural and organic ingredient-based cosmetics and well-being products enterprise with strong regional roots in Provence. The Group is committed to developing high quality products that are rich in natural and organic ingredients of traceable origins and respect for the environment. L'Occitane products are currently sold in over 80 countries through over 1,540 retail locations which sell exclusively L'Occitane products and are decorated in a standardized L'Occitane design. The Company also distributes its products via complementary channels such as stores operated and managed by third parties, internet shopping websites, mail-orders, spas, airport and duty free stores and also those intermediaries who provide our products as amenities to their customers (i.e. hotels and airlines).

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