

[For Immediate Release]



## 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)

### L'Occitane Announces Unaudited Trading Update For the Year Ended 31 March 2017

**Net Sales up 1.7% at Constant Rates and 3.2% at Actual Rates  
E-Commerce Expands to 11.0% of retail sales**

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### China Sales Accelerate 11.0% for Full Year, with Strong High-Teens Growth in Q4

(25 Apr 2017, 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 company with origins and true stories from Provence, France and around the world, today announces the unaudited trading update for the year ended 31 March 2017 ("FY2017").

Net sales for FY2017 were €1,323.2 million, an improvement of 1.7% at constant rates and 3.2% at actual rates compared to the same period of last year – with the actual rate continuing to improve compared with the first nine months of FY2017. The improvement in net sales was mostly attributable to the Group's new stores and newly renovated stores, the good performance of its web channels and own e-commerce business, and double-digit growth in the Group's emerging brands.

During FY2017, the Company disposed of its Le Couvent des Minimes brand. Excluding Le Couvent des Minimes, the Group's like-for-like sales growth at constant rates and actual rates were 1.8% and 3.2% respectively for FY2017.

Net sales, net sales growth and Same Store Sales Growth by geographical areas:

€'000	FY2017	FY2016	% Growth	% Growth <sup>(1)</sup>	% SSS Growth <sup>(1)</sup>
Japan	<b>238,795</b>	206,696	15.5	4.1	(0.9)
Hong Kong	<b>124,329</b>	138,566	(10.3)	(11.0)	(13.3)
China	<b>139,012</b>	131,319	5.9	11.0	3.9
Taiwan	<b>41,555</b>	41,460	0.2	(3.3)	(2.1)
France	<b>100,478</b>	101,355	(0.9)	(0.9)	(5.3)
UK	<b>64,816</b>	74,839	(13.4)	0.4	(1.6)
USA	<b>171,198</b>	173,115	(1.1)	(1.8)	(1.4)
Brazil	<b>56,509</b>	43,473	30.0	18.4	7.2
Russia	<b>48,973</b>	44,940	9.0	3.1	(1.6)
Other Countries	<b>337,513</b>	326,912	3.2	3.2	(2.5)
All Countries	<b>1,323,177</b>	1,282,676	3.2	1.7	(1.3)

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

China was a stand out market for the Group, with local currency sales growing 11.0% (5.9% growth at actual rates) over FY2017, thanks to accelerated growth at physical and online stores (such as on TMall) and B2B in the last quarter of FY2017. Same store sales growth in China was 3.9% for the full year, a significant improvement compared to same-store sales growth of 0.6% for the first nine months of FY2017. Sales in China also benefited from successful brand ambassador campaigns.

Other markets that performed well included Brazil and Japan, which were the largest drivers of growth at actual rates, registering growth of 30.0% and 15.5% (due to the stronger Brazilian Real and Japanese Yen) respectively. For FY2017, local currency sales in Brazil grew by 18.4%, which was driven by both sell-in and sell-out channels, as well as the L'Occitane en Provence and L'Occitane au Brésil brands. Sales in Japan benefited from well-received TV advertising campaigns and improving sales growth in the Group's own E-Commerce business and web-partners. In Europe, sales improved in the UK as the result of dynamic growth in e-commerce, TV and wholesale channels.

In FY2017, sell-out sales accounted for 75.0% of net sales and amounted to €992.5 million, an increase of 1.3% and 3.1% at constant rates and actual rates respectively compared to last year. This growth was primarily contributed by new stores and newly renovated stores, marketplaces, café and spa businesses, which together grew 9.0% at constant exchange rates in FY2017. The year-on-year growth of the Group's own E-Commerce business accelerated to 11.8% at constant exchange rates – equivalent to 11.0% of total retail sales.

Overall same-store sales fell 1.3% in FY2017, an improvement on the 1.7% decline reported for the first nine months ended 31 December 2016. The improvement in same-store sales was mostly seen in China, Japan and the UK.

Sell-in sales in FY2017 accounted for 25.0% of the Group's total sales and amounted to €330.7 million, an increase of 3.1% at constant exchange rates compared to last year. The growth was primarily driven by growth in the Group's web partners, wholesale, distribution and B2B channels and in its emerging brands – L'Occitane au Brésil, Melvita and Erborian, in line with its multi-brand strategy.

During the period under review, the Group continued to selectively expand its global retail network as part of its omni-channel expansion strategy, and opened a net 51 stores in FY2017.

Mr. Reinold Geiger, Chairman and Chief Executive Officer of L'Occitane, said, "It is heartening to see continued growth in many parts of our business, particularly in important emerging markets such as China. This result is a testament to the importance of growing the recognition of our key products through the use of creative marketing campaigns and innovative store fronts and online portals."

"Looking forward, we will continue to work hard to maximise the visibility of our 'hero products' – those great products that have proven their appeal to customers through the use of all-natural and proven ingredients and recipes. We will also continue to look for ways to expand our product portfolio to include more segments in the beauty industry."

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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 company with origins and true stories from Provence, France and around the world. A global leader in the premium beauty market, L'Occitane produces and retails best quality products, produced with cutting-edge technology under four brands, including L'Occitane en Provence, Melvita, Erborian and L'Occitane au Brésil. Its products are rich in natural ingredients of traceable origins, while also respecting the environment.

**Media Contact**

**Think Alliance Group**

Mr. Matthew Schultz / Henry Chow

Tel: (852) 3978 5321 / 3978 5323

Email: [loccitane@think-alliance.com](mailto:loccitane@think-alliance.com)

**Analyst Contact**

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

Ms. Olivia Wang

Investor Relations Director

Tel: (852) 2899 4106

Email: [Olivia.WANG@loccitane.com](mailto:Olivia.WANG@loccitane.com)