

interparfums

2017 sales
Paris, January 30, 2018

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2017
sales

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2017 business highlights

- ✓ Sales of €422m
 - +15.4% at current exchange rates
 - +16.3% at constant exchange rates
- ✓ Continuing development of Montblanc fragrances
- ✓ Very strong growth by Jimmy Choo (+17%) with two important launches
 - *Jimmy Choo L'Eau*
 - *Jimmy Choo Man Ice*
- ✓ Coach fragrances considerably outperformed initial expectations
 - Launch of the men's line, *Coach*
 - Steady performance by the women's line

2017 business highlights

- ✓ A first initiative for the Rochas brand with the *Mademoiselle* line
 - Revenue of approximately €10m
- ✓ Return to growth for Karl Lagerfeld fragrances driven by the fragrance duo, *Les Parfums Matières*
- ✓ 10-year extension of the Jimmy Choo license to December 31, 2031

2017 H1 launches



January
Jimmy Choo L'Eau



February
Jimmy Choo Man Ice



March
Montblanc Lady Emblem L'eau



March
The Boucheron collection



March
Mademoiselle Rochas
Eau de Parfum



January
Repetto Le ballet blanc
Eau de Toilette



April
Collection Extraordinaire
Bois Doré
Van Cleef & Arpels

2017 H2 launches



October
S.T. Dupont *Be Exceptional*
Eau de Toilette



July
Montblanc Legend Night



September
Coach Man
Eau de Toilette



2018 Spring/Summer Collection
Rochas fashion show



August
Les Parfums Matières
Eau de parfum / Eau de toilette



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Montblanc 2017

- ✓ Sales: €112.2m (+2%)
 - A high base effect from the launch of the *Montblanc Legend Spirit* line in 2016 (+€20m)
 - 27% of total Group revenue
- ✓ Continuing growth by the *Montblanc Legend* men's fragrance line
 - +8% (6 six years after the launch)
- ✓ Launch of the men's fragrance line, *Montblanc Legend Night*
 - Between 2017 and 2018
- ✓ The *Montblanc Lady Emblem* women's fragrance lines are gradually building momentum (€10m)



Montblanc 2018

- ✓ Sales(e): €114m (+2%)
 - 27% of total Group revenue
- ✓ A year without major initiatives
- ✓ Continuing rollout of the men's line *Montblanc Legend Night*, particularly in the United States
- ✓ Preparations for the launch of the 3rd men's franchise in 2019



Jimmy Choo 2017

- ✓ Sales: €96.1m (+17%)
 - Strong revenue growth
 - 23% of total Group revenue
- ✓ Successful launches of flanker fragrances
 - *Jimmy Choo L'Eau*
 - *Jimmy Choo Man Ice*
- ✓ Steady performance by the *Signature* line
- ✓ The *Illicit* and *Illicit Flower* lines registered declines in sales (-50%)



Jimmy Choo 2018

- ✓ Sales(e): €100m (+4%)
 - A period of business consolidation after strong growth in 2017
 - 24% of total Group revenue
- ✓ No major launches – Complementary initiatives for the *Signature*, *Man* and *Blossom* lines
- ✓ Preparations for the launch of the 4th women's franchise for 2020



Lanvin 2017

- ✓ Sales: €57.6m (+3%)
 - A return to normal following after slower sales in selected markets in 2016
 - 14% of total Group revenue
- ✓ Resumption in growth by the *Eclat d'Arpège* line
 - +4%
- ✓ A solid performance for the *Modern Princess* line
 - €8m



Lanvin 2018

- ✓ Sales(e): €60m (+4%)
 - Continuing consolidation of the business
 - 14% of total Group revenue
- ✓ No major launches in the year
- ✓ Complementary initiatives for the *Eclat d'Arpège* and *Modern Princess* lines
- ✓ Preparations for the launch of a new women's franchise for 2019



Coach 2017

- ✓ Sales: €50.9m
 - 12% of total Group revenue
- ✓ Continuing rollout of the women's line *Coach* launched in fall 2016
 - +€25m
- ✓ An excellent start for the men's line *Coach*, rolled out in fall 2017
 - +€15m



Coach 2018

- ✓ Sales(e): €56m (+10%)
 - 13% of total Group revenue
- ✓ Continuing rollout of the women's and men's *Coach* lines launched in fall 2016 and 2017
- ✓ Launch of 2 flanker fragrances
 - *Coach Floral* (women's – 2018 1st half)
 - *Coach Platinum* (men's – 2018 2st half)



Rochas Fragrances 2017

- ✓ Sales: €38.5m (+32%)
 - 9% of total Group revenue
- ✓ Solid performance by the *Eau de Rochas* line
 - -7% at the end of October 2017
- ✓ The *Mademoiselle Rochas* line launched in around 15 countries
 - +€10m



Rochas Fragrances 2018

- ✓ Sales(e): €41m (+7%)
 - Continuing development
 - 10% of total Group revenue
- ✓ Eau de parfum *Mademoiselle Rochas* on a full-year basis
- ✓ Launch of the Eau de toilette
- ✓ A complementary initiative for men's fragrances
- ✓ Broadening distribution towards Asia and South America



Rochas Fashion & Accessories 2017

- ✓ Royalties: €2.5m (+19%)
- ✓ Women's ready-to-wear license (Onward)
 - Growth in sales
 - Growing name recognition



Rochas Fashion & Accessories 2018

- ✓ Royalties(e) : €2.5m (stable)
- ✓ Menswear license



Boucheron 2017

- ✓ Sales: €18.4m (+15%)
- ✓ A positive market response to *La Collection blanche* launched in March



Boucheron 2018

- ✓ Sales(e) : €18m (-2%)
- ✓ Consolidation of the business around a new juice built around *La Collection blanche*



Van Cleef & Arpels 2017

- ✓ Sales: €17.2m (-10%)
- ✓ Continuing gains by the *Collection Extraordinaire* line (+17%)



Van Cleef & Arpels 2018

- ✓ Sales(e) : €11m (-36%)
- ✓ Efforts focused on the *First* and *Collection Extraordinaire* lines
- ✓ An intentionally more selective distribution



Karl Lagerfeld 2017

- ✓ Sales: €8.8m (+36%)
- ✓ A return to growth driven by the launch of the first fragrance duo in the *Les Parfums Matières* collection



Karl Lagerfeld 2018

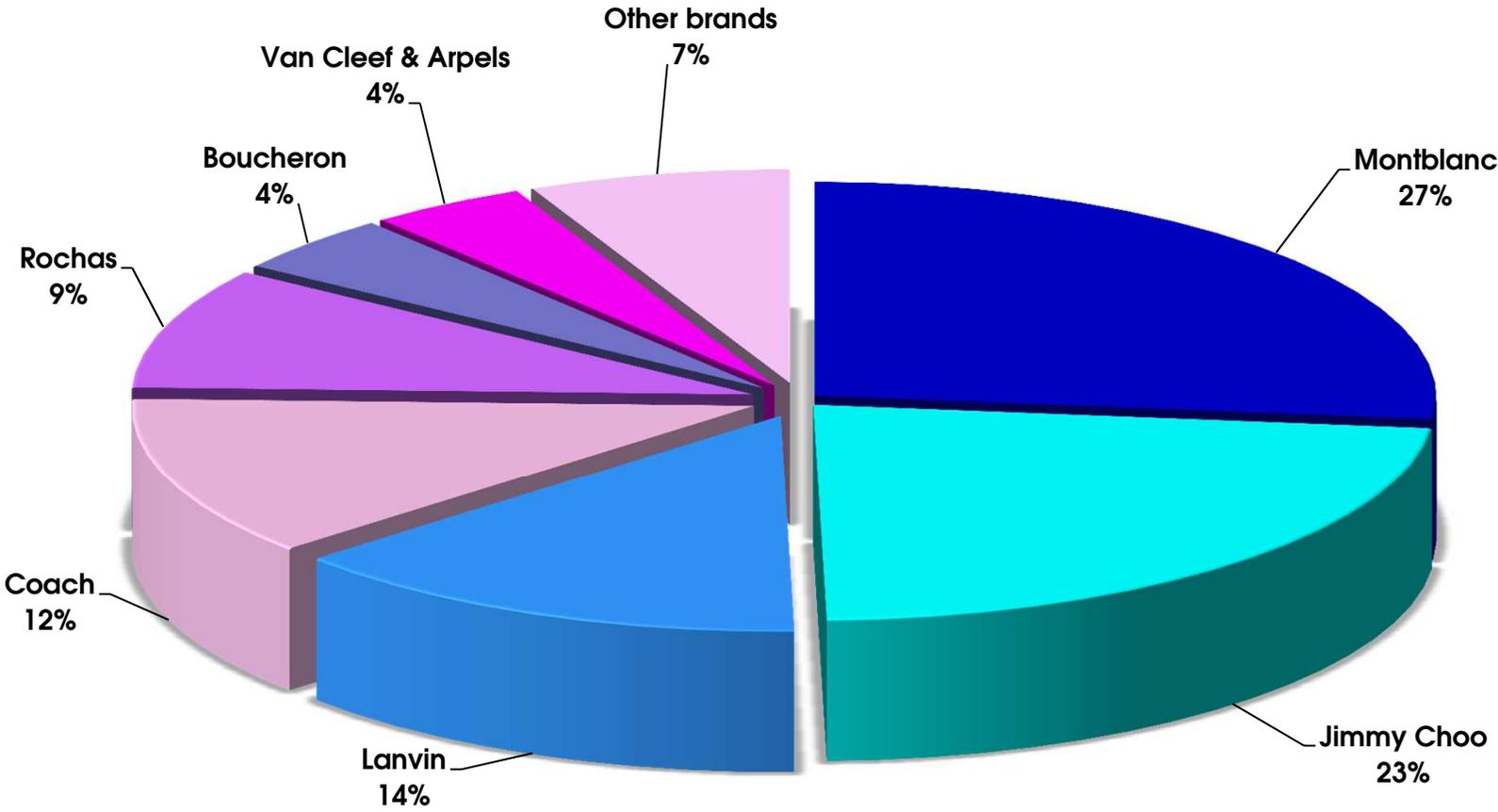
- ✓ Sales(e) : €10m (+13%)
- ✓ Launch of the second duo of the *Les Parfums Matières* collection



2017 sales by brand

(€m)	2016	2017	2017/2016
Montblanc	110.0	112.2	+2%
Jimmy Choo	81.7	96.1	+17%
Lanvin	56.0	57.6	+3%
Coach (6 months in 2016)	20.9	50.9	ns
Rochas	29.2	38.5	+32%
Boucheron	16.0	18.4	+15%
Van Cleef & Arpels	19.1	17.2	-10%
Karl Lagerfeld	6.5	8.8	+36%
Other brands	24.1	19.8	ns
Fragrance sales	363.5	419.5	+15.4%
Rochas patent royalties	2.1	2.5	+19.5%
Total net sales	365.6	422.0	+15.4%

2017 sales by brand





2017
sales

2017 regional
sales highlights

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2017 regional sales highlights

- ✓ Sales growth remaining strong in North America: +21%
 - Sales doubled in three years
 - 28% of total Group revenue
 - Launch in 2017 got off to an excellent start for the men's line *Coach*, strengthening the positions of the women's line launched in 2016
- ✓ More moderate growth in Western Europe : +9%
 - 21% of total Group revenue
 - A high base effect from the launch of the *Montblanc Legend Spirit* line in 2016
- ✓ Renewed growth in the Asia-Pacific region: +12%
 - 14% of total Group revenue
 - Good performances in South Korea, China and Australia

2017 regional sales highlights

- ✓ Sales in France increased marginally: +3% (excluding the sale of Balmain inventory)
 - Against the backdrop of a 2.5%⁽¹⁾ decline in the French fragrance and cosmetics market
 - Solid base for the *Mademoiselle Rochas* line
- ✓ Renewed growth in Eastern Europe: +14%
 - Improved market trends in Russia
 - Good base for the *Mademoiselle Rochas* line

(1) Source: NPD France

2017 regional sales highlights

(€m)	2016	2017	2017/2016
Africa	4.1	4.4	+9%
Asia	53.6	59.7	+12%
Eastern Europe	34.5	39.2	+14%
France	35.1	37.5	+7%
Middle East	31.8	39.7	+25%
North America	98.0	118.5	+21%
South America	24.6	31.3	+27%
Western Europe	81.8	89.2	+9%
Fragrance sales	363.5	419.5	+15.4%
Rochas fashion royalties	2.1	2.5	+19.5%
Total net sales	365.6	422.0	+15.4%

2017 sales by region

2017 (2016)

North America

28% (27%)

Western Europe

21% (23%)

France

9% (9%)

Eastern Europe

9% (9%)

Middle East

9% (9%)

Asia

14% (15%)

Africa

1% (1%)

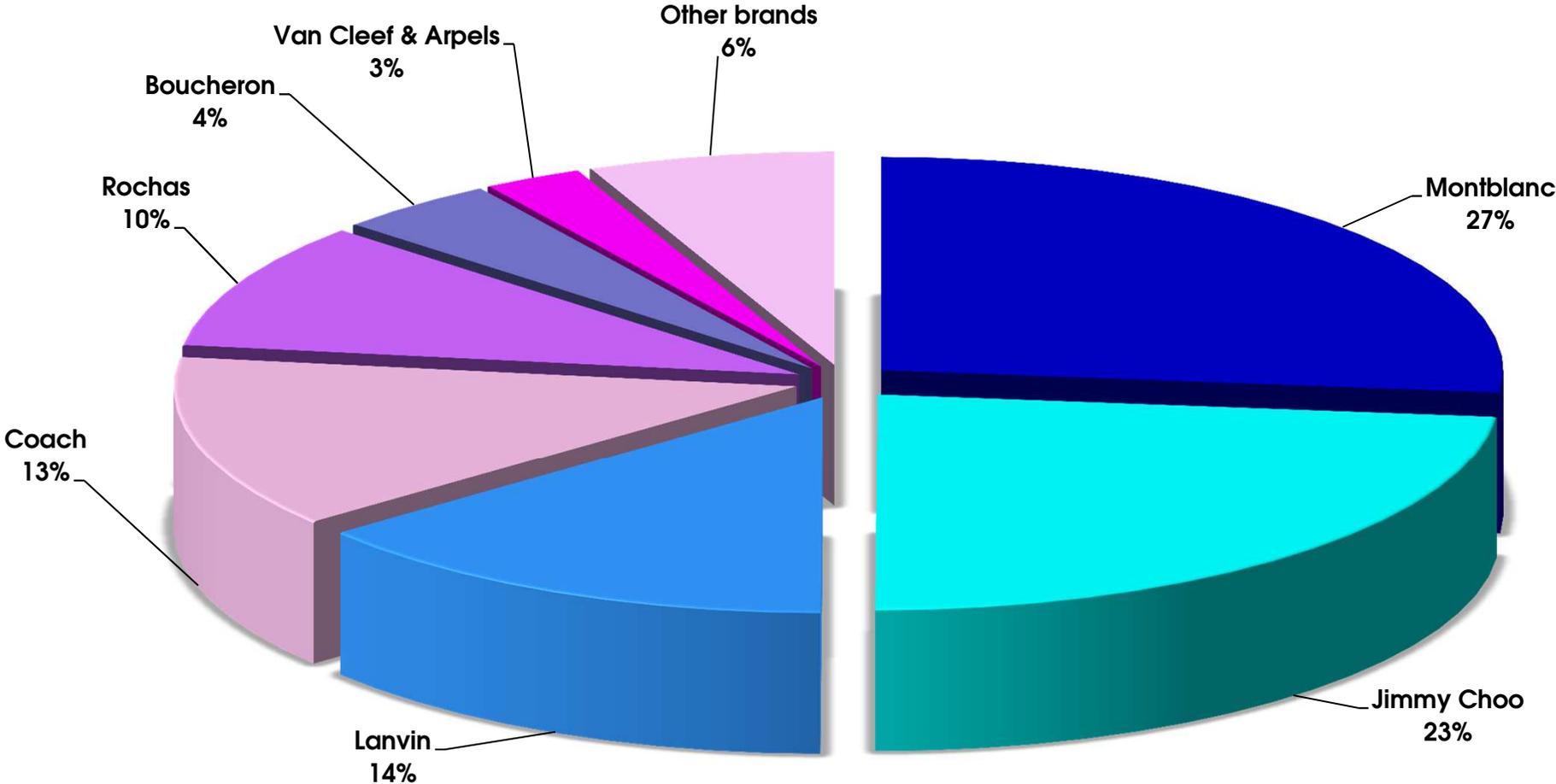
South America

7% (7%)

2018 sales by brand

(€m)	2017	2018(e)	2018/2017
Montblanc	112.2	114.0	+2%
Jimmy Choo	96.1	100.0	+4%
Lanvin	57.6	60.0	+4%
Coach	50.9	56.0	+10%
Rochas	38.5	41.0	+7%
Boucheron	18.4	18.0	-2%
Van Cleef & Arpels	17.2	11.0	-36%
Karl Lagerfeld	8.8	10.0	+13%
Other brands	19.8	17.5	-12%
Fragrance sales	419.5	427.5	+2%
Rochas fashion royalties	2.5	2.5	-
Total net sales	422.0	430.0	+2%

2018 sales by brand





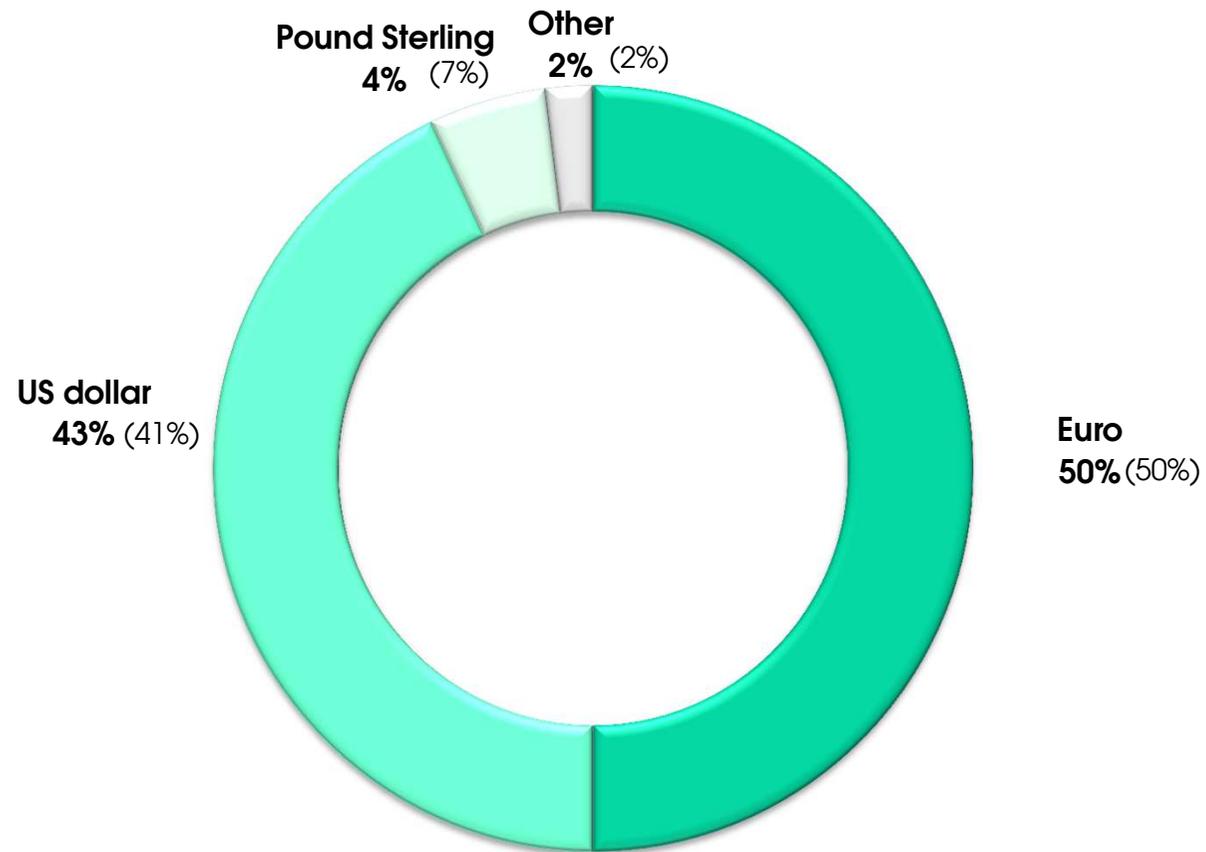
2017
sales

2017 & 2018 results

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Currency effect

Sales by currency (2016)



Currency effect

Impact on 2017 sales

Currency	Av. exch. rates 2016	Av. exch. rates 2017	Currency effect
▪ € / \$	1.1090	1.1205	-€1.9m
▪ € / £	0.8210	0.8777	-€1.6m
▪ € / ¥	122.33	124.62	-€0.1m

- ✓ Total negative currency effect of €3.6m
- ✓ Sales of 16.3% at constant exchange rates in relation to 2016

2017 income statement highlights

- ✓ A marginal increase in the gross margin as a percentage of sales
- ✓ A significant increase in marketing and advertising expenditures to support both launches and established lines
 - Approximately €100m
 - 23% to 24% of sales
 - Growth of 25% over 2016

and, on that basis, the operating margin that should be close to 14%

2017 income statement highlights

- ✓ The 3% French surtax on dividend distributions
 - Tax invalidated by the Constitutional Council
 - A claim filed for non-statute-barred taxation years (2015, 2016, 2017)
 - Repayment accompanied by default interest at the rate of 4.80%
 - Impact on 2017 net income : €1.6m

2017 balance sheet highlights

- ✓ Stable non-current assets
 - Rochas fragrance brands €87m
 - Rochas fashion brands €19m
 - Lanvin fragrance brands €36m
 - No impairment charge is foreseen
- ✓ Accounts receivable consistent with business volume
- ✓ Cash still remaining high
 - Cash and current financial assets: €210-220m
 - Rochas loan €50m

2018 income statement highlights

- ✓ A marginal decrease in the gross margin as a percentage of sales
 - 2017 average exchange rate €/\$ = 1.12
 - 2018 budget exchange rate €/\$ = 1.20
- ✓ Marketing and advertising expenses remaining high
 - Slightly more than €100m
 - 23% to 24% of sales

**The operating margin is expected to remain
at around 13 to 13.5%**

Agenda

- ✓ 2017 results
 - March 14, 2018 (before the opening of Euronext Paris)

- ✓ 2018 first quarter sales
 - April 27, 2018 (before the opening of Euronext Paris)

- ✓ 2018 AGM
 - 27 April, 2018 (14 h – Pavillon d'Armenonville Bois de Boulogne, Paris 16^e)



Sales
2017

Launches
2018

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2018 launches

- ✓ Montblanc
 - Continued roll-out of the men's line *Montblanc Legend Night* the 3rd pillar of the *Montblanc Legend* franchise
- ✓ Jimmy Choo
 - *Signature, Man* and *Blossom* line flankers
- ✓ Lanvin
 - Flankers for women's lines, *Eclat d'Arpège* and *Modern Princess*
- ✓ Coach
 - Flanker for the first women's line, *Coach*
- ✓ Rochas
 - The Eau de toilette *Mademoiselle* after the Eau de parfum
 - A complementary initiative for men's fragrances

2018 launches

- ✓ Van Cleef & Arpels and Boucheron
 - New lines for the collections
- ✓ Repetto
 - New women's line



Sales
2017

Outlook
2019/2020

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2019/2020 outlook

- ✓ Several major initiatives for the portfolio's main brands, and in particular
 - Montblanc (men's fragrance line)
 - Jimmy Choo (women's fragrance line + make-up)
 - Lanvin (women's fragrance line)
 - Coach (women's fragrance line)
 - Rochas (women's fragrance line)

- ✓ Acceleration in growth

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