

interparfums

2017 Outlook
November 8, 2016

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EXTRAORDINAIRE

Le Nouveau Parfum

2016 nine-month
highlights

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2016 9-month highlights

- ✓ Sales: €273m
 - +11% at current exchange rates
 - +12% at constant exchange rates
- ✓ Solid double digit growth against a continuing backdrop of difficult global economic and geopolitical conditions
- ✓ Very good performances by Montblanc and Jimmy Choo fragrances
- ✓ Successful integration of Rochas fragrances (€20m)
- ✓ A very promising launch of the first Coach fragrance line (€12m in 3 months)

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Q4 2016

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Q4 2016

- ✓ Continuing rollout of the women's line, *Coach*, and preparations for the men's line
- ✓ Finalization of preparations for the launch of the first Rochas women's line
- ✓ Revenue of approximately €80 million expected in the quarter

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2016 & 2017
sales

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Montblanc 2016

- ✓ Sales(e) : €104m (+18%)
- ✓ Successful launch of the Montblanc *Legend Spirit* line
 - €18m ex-factory for 9 months
- ✓ Solid performance by the *Montblanc Legend* line
 - €26m ex-factory for 9 months (+3%)
- ✓ The *Montblanc Lady Emblem* line gradually gaining ground in the Middle East and South America
 - €6m ex-factory for 9 months



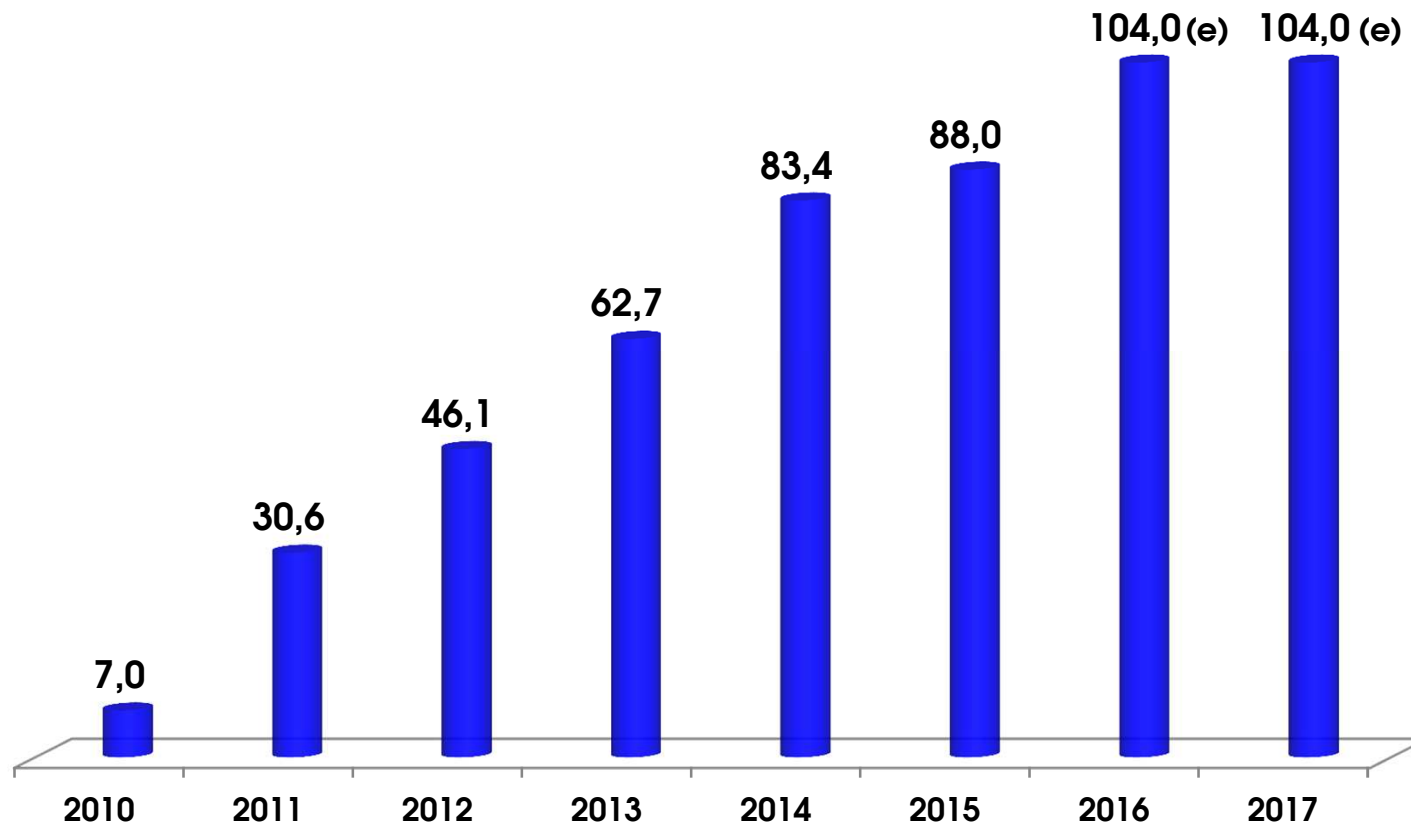
Montblanc 2017

- ✓ Sales(e) : €104m (stable)
- ✓ An unfavorable comparison base reflecting the of *Montblanc Legend Spirit* line's launch in early 2016
- ✓ No major launches
- ✓ Consolidating business for the *Montblanc Legend* and *Montblanc Legend Spirit* lines



Montblanc

Sales trends



(€m)

Jimmy Choo 2016

- ✓ Sales(e) : €80m (-4%)
- ✓ An unfavorable comparison base resulting from launches in 2015 (+40% in relation to 2014)
 - *Jimmy Choo Blossom* at the start of the year
 - *Jimmy Choo Illicit* at the end of the year
- ✓ Sales generated across the *Jimmy Choo Signature*, *Jimmy Choo Man* and *Jimmy Choo Illicit* lines



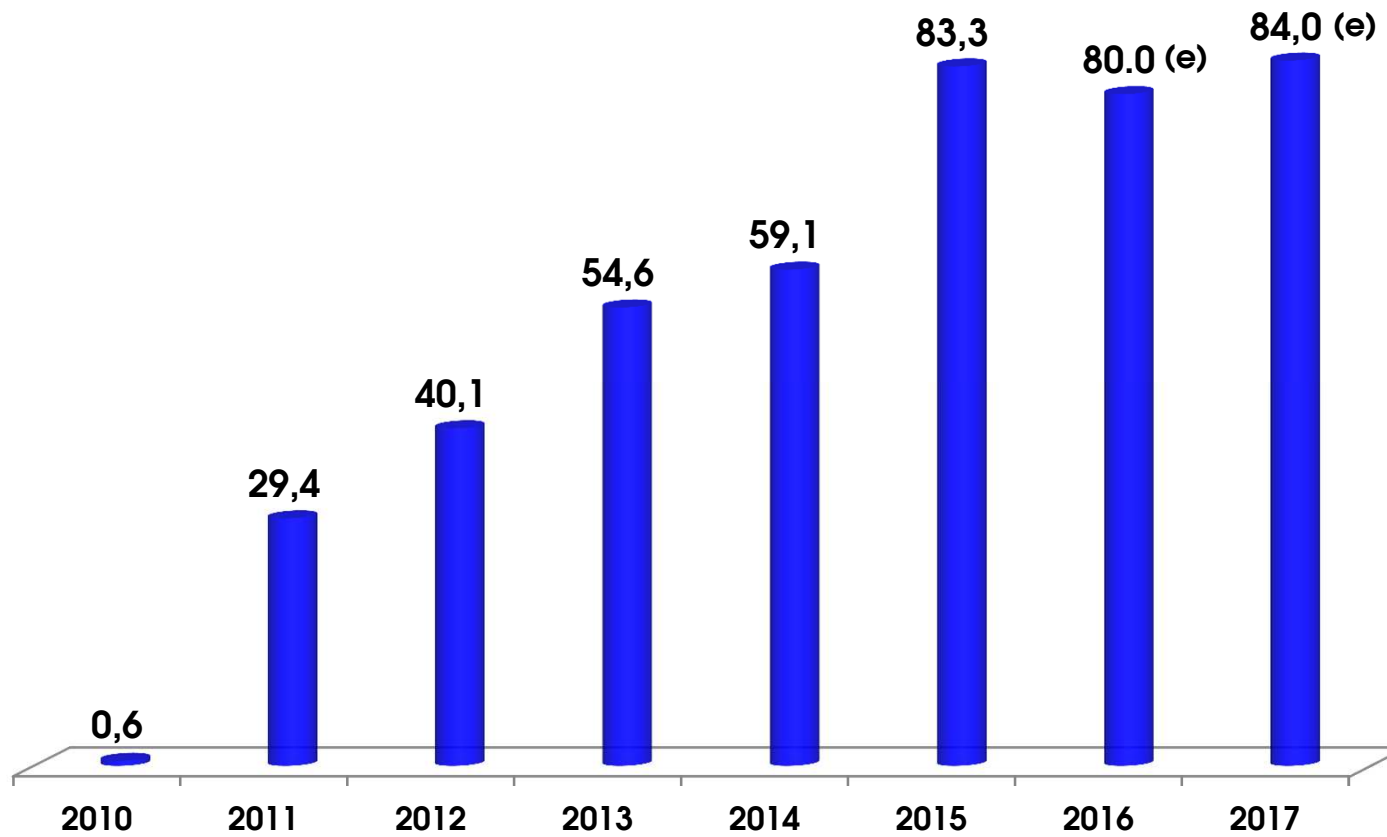
Jimmy Choo 2017

- ✓ Sales(e) : €84m (+5%)
- ✓ Two important initiatives for the *Jimmy Choo Signature* and *Jimmy Choo Man* franchises



Jimmy Choo

Sales



(€m)

Lanvin (2016)

- ✓ Sales(e) : €53m (-17%)
- ✓ Sales impacted by an economic slowdown in the brand's two flagship markets (Russia and China)
- ✓ The historic lines adversely impacted, in particular *Eclat d'Arpège*
- ✓ Launch of the *Modern Princess* line in France, Russia and Japan



Lanvin (2017)

- ✓ Sales(e) : €54m (+2%)
- ✓ The continuing rollout of the *Modern Princess* line in international markets



Rochas fragrances 2016

- ✓ Sales(e) : €27m
- ✓ A successful integration
- ✓ Business centered around 2 lines
 - *Eau de Rochas* (70% of sales in 9 months)
 - *Rochas Man* (18% of sales over 9 months)
- ✓ And in 2 countries
 - Spain (50% of sales over 9 months)
 - France (30% of sales over 9 months)



Rochas fragrances 2017

- ✓ Sales(e) : €32m (+14%)
- ✓ Launch of the first women's line developed by Interparfums in approximately 12 countries
 - Spain
 - France
 - Belgium, Switzerland and Portugal
 - Argentina, Paraguay, Brazil
 - Saudi Arabia Dubai, Kuwait
- ✓ A second launch phase in July



Rochas license 2016

(womenswear, watches, glasses,...)

- ✓ Extension of the womenswear license agreement for two years
- ✓ Total sales of €20m or €2 million in royalties expected
- ✓ A P&L marginally positive



Rochas license 2017

(womenswear, watches, glasses,...)

- ✓ Revenue of approximately €25 million in revenue developed (+25%) or €2.5 million in royalties expected
- ✓ A positive P&L



Rochas in-house business 2016

(menswear)

- ✓ Decision to open a "Menswear" segment
- ✓ Formation of a team of around 10 people
- ✓ An expense of €1.2 million



Rochas in-house business 2017

(menswear)

- ✓ Presentation of collections (January)
- ✓ An expense of €1.7 million - No sales budgeted



Coach 2016

- ✓ Sales(e) : €18m
- ✓ Launch of the first women's line, *Coach*
- ✓ Very promising initial results
 - United States / Macy's : #3 to 6 in September
 - Russia / L'Etoile : Top 4 in September
 - Koweït travel retail : Top 10 in September
 - United Arab Emirates / Debenhams : # 1 mid-Sept.
 - Kuwait / VaVaVoom : # 4 for 2nd half of Sept.
 - Singapore / Sephora : #3 in September



Coach 2017

- ✓ Sales(e) : €32m
- ✓ Continuing rollout of the first women's line, *Coach*
 - Eau de Parfum
 - Eau de Toilette
- ✓ Launch of the men's line, *Coach* in the fall



Van Cleef & Arpels 2016

- ✓ Sales(e) : €18m (+3%)
- ✓ Launch of the *So First* line
- ✓ Continuing strong growth of the *Collection Extraordinaire* line
 - €4.7 million in revenue, +94% in 9 months



Van Cleef & Arpels 2017

- ✓ Sales(e) : €18m (stable)
- ✓ A new juice for the *Collection Extraordinaire* line



Boucheron 2016

- ✓ Sales(e) : €16m (-10%)
- ✓ A base effect from the launch of the *Quatre* line in 2015
- ✓ Steady performance by the *Quatre* line
- ✓ Steady performances by the brand's historic lines



Boucheron 2017

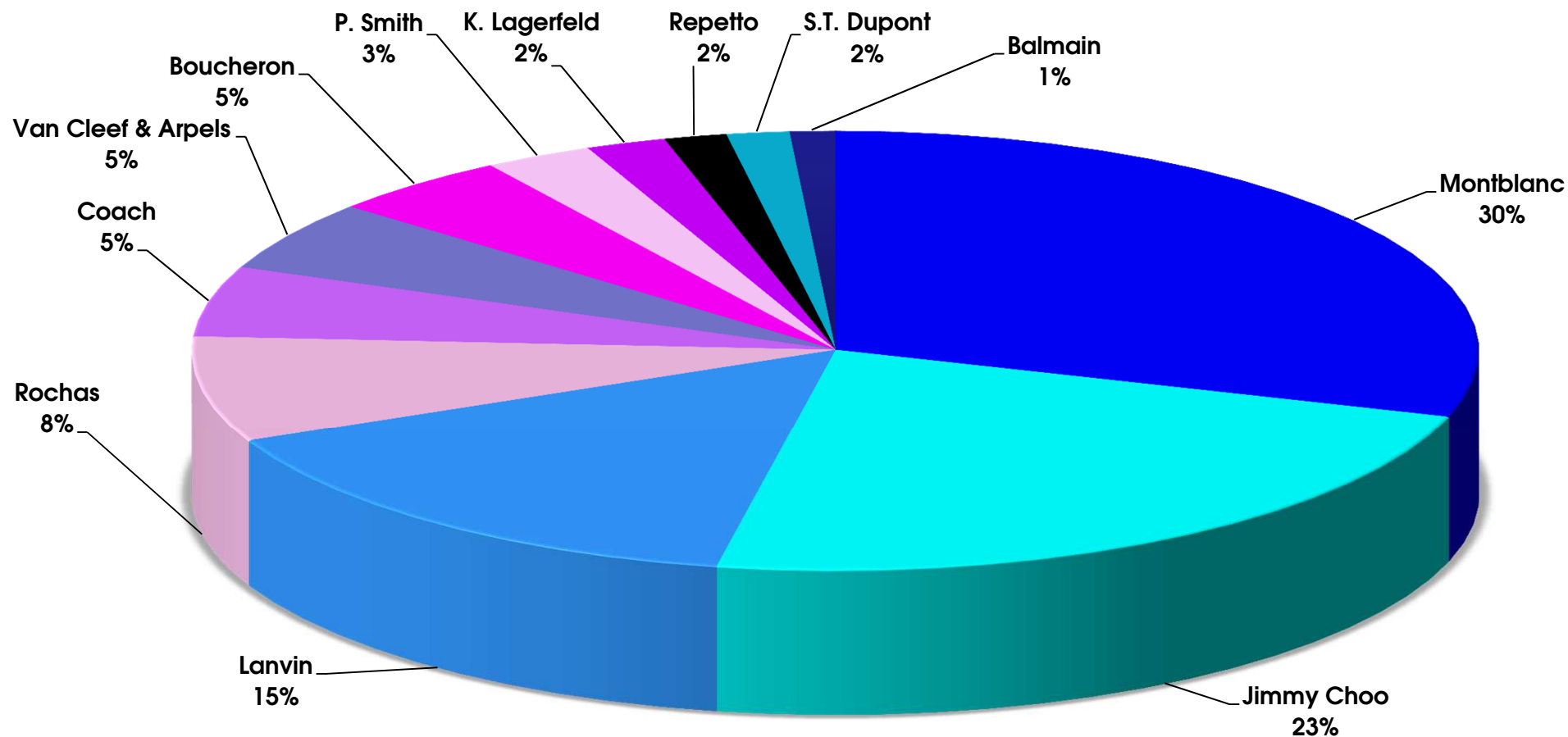
- ✓ Sales(e) : €18m (+12%)
- ✓ Launch of a "collection" comprised of 6 juices



2016 sales

(€m)	2015	2016(e)	2016/2015
Montblanc	88.0	104.0	+18%
Jimmy Choo	83.3	80.0	-4%
Lanvin	64.1	53.0	-17%
Rochas (7 month in 2015)	12.1	27.0	ns
Van Cleef & Arpels	17.5	18.0	+3%
Coach	-	18.0	na
Boucheron	17.8	16.0	-10%
Paul Smith	9.5	9.5	-
Karl Lagerfeld	10.3	7.0	-32%
Repetto	8.0	5.5	-31%
S.T. Dupont	10.4	5.5	-47%
Balmain	4.8	4.0	-16%
Other	0.6	0.5	-7%
Fragrance sales	326.4	348.0	+7%
Rochas fashion royalties	1.0	2.0	ns
Total net sales	327.4	350.0	+7%

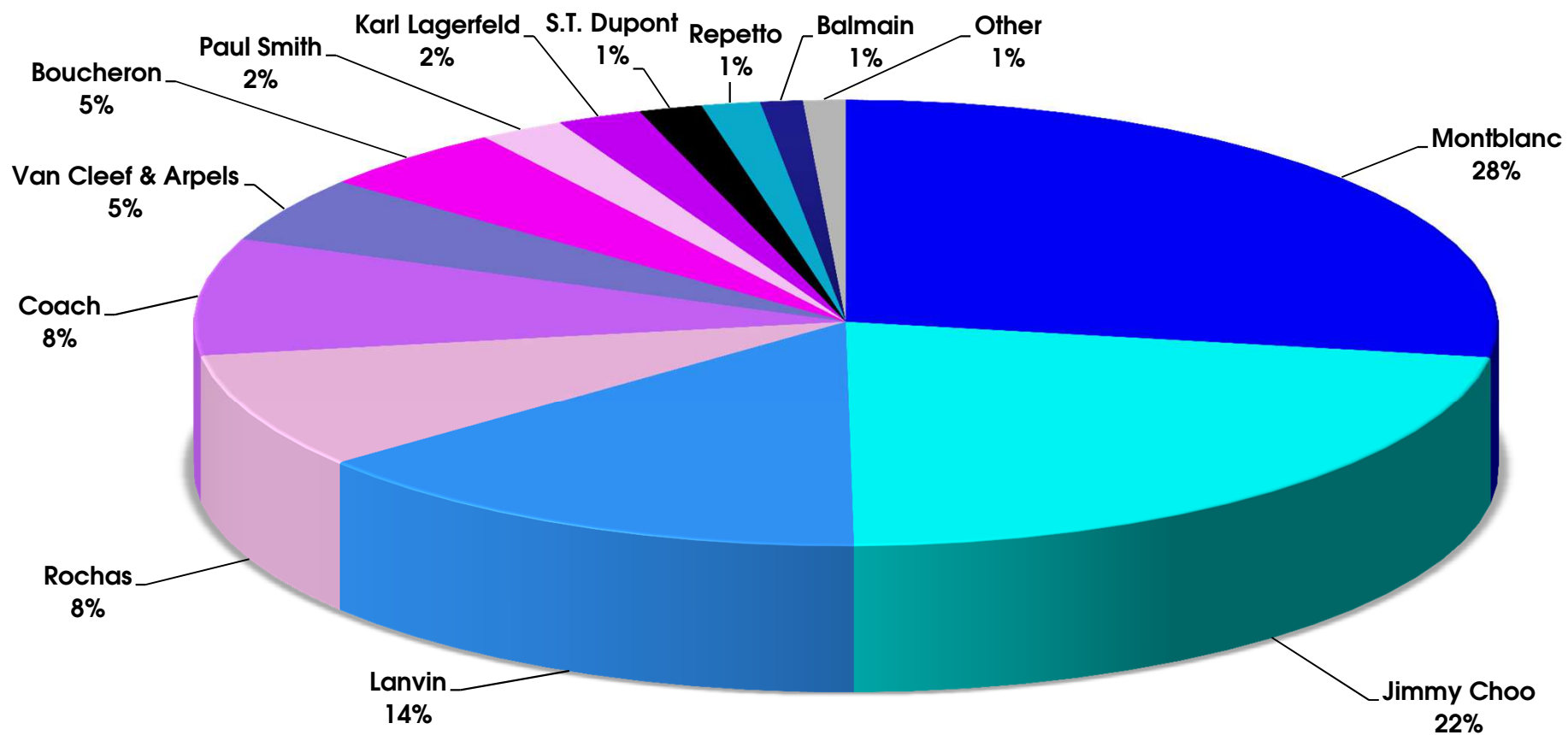
2016 sales by brand



2017 sales

(€m)	2016(e)	2017(e)	2017/2016
Montblanc	104.0	104.0	-
Jimmy Choo	80.0	84.0	+5%
Lanvin	53.0	54.0	+2%
Rochas (7 months in 2015)	27.0	32.0	+18%
Coach	18.0	32.0	ns
Van Cleef & Arpels	18.0	18.0	-
Boucheron	16.0	18.0	+12%
Paul Smith	9.5	8.0	-16%
Karl Lagerfeld	7.0	8.0	+14%
S.T. Dupont	5.5	6.0	+9%
Repetto	5.5	5.5	-
Balmain	4.0	4.0	-
Other	0.5	4.0	na
Fragrance sales	348.0	377.5	+8%
Rochas fashion royalties	2.0	2.5	+25%
Total net sales	350.0	380.0	+9%
Total sales excl. distribution	350.0	376.0	+7%

2017 sales by brand





2016 & 2017 results

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2016 results

- ✓ A strong increase in the gross margin expected
 - A significant volume effect (Rochas fragrances)
 - An gross margin rate increase (lower cardboard packaging costs)
 - A product mix effect (increased weight of higher-margin lines)
 - A price effect (selected price increases in a few markets)
 - A non-significant \$ effect
 - A negative £ effect (€4m)

2016 results

- ✓ An expected operating margin of between 12.5% and 13%
 - An unfavorable comparison base resulting from a very positive currency effect in 2015
 - Significant marketing and advertising expenses (from +€80m) to support flagship lines (*Montblanc Legend*, *Jimmy Choo Man*, *Jimmy Choo Illicit* and *Eau de Rochas*) and launches (*Montblanc Legend Spirit* and *Coach*)
 - Strengthening the organization (Interparfums Luxury Brands commercial and administrative teams and Rochas fashion team)

2016 results

- ✓ Stable non-current assets
 - Rochas fragrance brands €87m
 - Rochas fashion brands €19m
 - Lanvin fragrance brands €36m
- ✓ A reduction in inventory levels in relation to January 1, 2016
- ✓ Accounts receivable in line with business level
- ✓ Cash still remaining high
 - Assets €200m - €205m
 - Rochas loan €70m

2017 results

- ✓ Foreign exchange conditions expected to remain favorable
 - Budget exchange rate €/€ 1.15
- ✓ Marketing and advertising spending level once again reinforced
 - €60m in 2014 (20.0%)
 - €67m in 2015 (20.6%)
 - €82m in 2016 (23.0%)
 - €92m in 2017 (24.0%)
- ✓ An operating margin close to 13%

Agenda

- ✓ 2016 sales
 - January 31, 2017 (before the opening of Euronext Paris)
- ✓ 2016 results
 - March 14, 2017 (before the opening of Euronext Paris)
- ✓ 2017 first quarter sales
 - April 28, 2017 (before the opening of Euronext Paris)
- ✓ 2017 AGM
 - April 28, 2017 (2:00 p.m. - Pavillon Gabriel - Paris)

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Le Nouveau Parfum

Medium-term
outlook

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Medium-term outlook

- ✓ Continuing growth to move back above the €400 million threshold in revenue in 2018
- ✓ Improve profitability
- ✓ Seize all external growth opportunities to make intelligent use of net cash resources (€135 million)

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