

interparfums

2018 outlook
Paris, November 14, 2017

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2018 outlook

2017 9-month
highlights

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2017 9-month sales

- ✓ Sales of €324m (+19%)
- ✓ Continuing development of Montblanc fragrances
- ✓ Robust growth by Jimmy Choo (+24%) with two important launches, *Jimmy Choo L'Eau* and *Jimmy Choo Man Ice*
- ✓ A first initiative for the Rochas brand with the *Mademoiselle* line
- ✓ 4-year extension of the Paul Smith license to 12/31/2021

2017 9-month launches



January
Jimmy Choo L'Eau



February
Jimmy Choo Man Ice



March
Montblanc Lady Emblem L'eau



April
Collection Extraordinaire Bois Doré
Van Cleef & Arpels



March
The Boucheron collection



March
Mademoiselle Rochas
Eau de Parfum



September
Coach Man
Eau de Toilette



January
Repetto *Le ballet blanc*
Eau de Toilette



2017 Spring/Summer Collection
Rochas fashion show



August
Les Parfums Matières
Eau de parfum / Eau de toilette



July
Montblanc Legend Night

Nine-month highlights by brand

(€m)	2016 9-mnth	2017 9-mth	2017/2016
Montblanc	84.5	88.8	+5%
Jimmy Choo	63.4	78.6	+24%
Lanvin	41.1	47.0	+14%
Coach	12.4	31.5	ns
Rochas	20.0	26.5	+32%
Boucheron	12.2	14.1	+15%
Van Cleef & Arpels	14.3	13.6	-5%
Other	23.5	21.9	ns
Fragrance sales	271.4	322.0	+19%
Rochas fashion royalties	1.5	2.0	+31%
Total net sales	272.9	324.0	+19%

Nine-month highlights by region

- ✓ Strong growth in North America (+17%) and Asia (+20%)
- ✓ Return to high growth rates following mixed performances in 2016 in South America, Eastern Europe and the Middle East
- ✓ More moderate growth in Western Europe and France in light of the high base effect from the *Montblanc Legend Spirit* line's launch in 2016

Nine-month highlights by brand

(€m)	2016 9-mth	2017 9-mth	2017/2016
Africa	3.3	3.1	-8%
Asia	42.5	50.6	+19%
Eastern Europe	21.5	28.3	+32%
France	24.9	27.7	+11%
Middle East	26.1	33.8	+29%
North America	72.2	84.7	+17%
South America	19.6	27.5	+40%
Western Europe	61.3	66.3	+8%
Fragrance sales	271.4	322.0	+19%
Rochas fashion royalties	1.5	2.0	+1%
Total net sales	272.9	324.0	+19%

Sales mix by region

2017 9-mth (2016 9-mth)

North America

26% (26%)

Western Europe

20% (23%)

France

9% (9%)

Eastern Europe

8% (8%)

Asia

17% (16%)

Middle East

10% (10%)

Africa

1% (1%)

South America

9% (7%)



2018
outlook

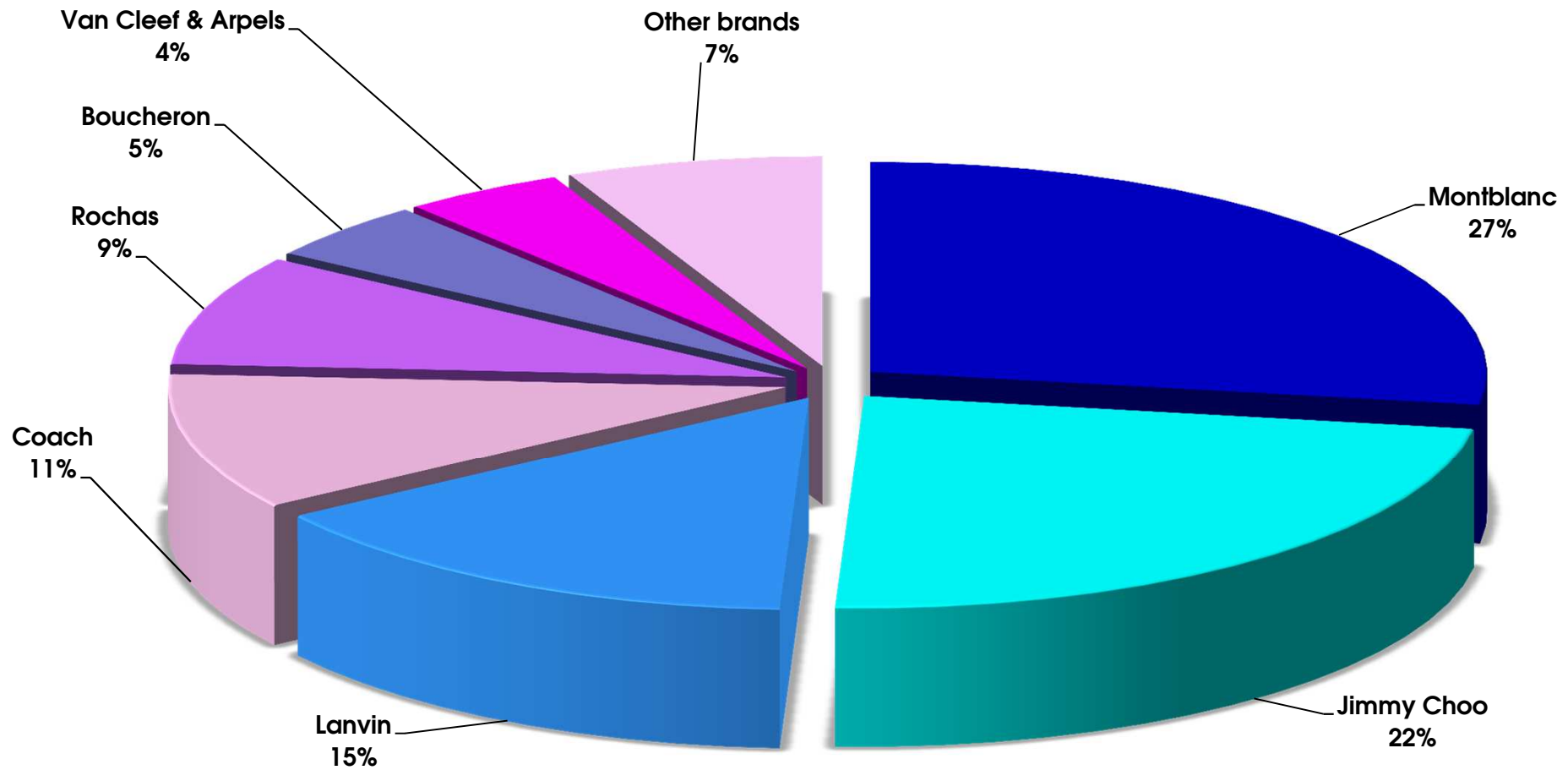
2017
business
overview

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2017 brand highlights

(€m)	2016	2017(e)	2017/2016
Montblanc	110.0	110.0	-
Jimmy Choo	81.7	93.0	+14%
Lanvin	56.0	59.0	+5%
Coach (6 months in 2016)	20.9	42.0	na
Rochas	29.2	34.0	+16%
Boucheron	16.0	18.0	+12%
Van Cleef & Arpels	19.1	17.0	-11%
Other	30.6	27.0	-9%
Fragrance sales	363.5	400.0	+10%
Rochas fashion royalties	2.1	2.5	+20%
Total net sales	365.6	402.5	+10%

2017 sales mix by brand





2018 outlook

2018 budget
by brand

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Montblanc 2018

- ✓ Sales (e): €112m (+2%)
 - 26% 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 2018

- ✓ Sales (e): €100m (+7%)
 - A period of business consolidation after strong growth in 2017
 - 24% of total Group revenue
- ✓ A year without major initiatives
- ✓ Complementary initiatives for the *Signature*, *Man* and *Blossom* lines
- ✓ Preparations for the launch of the 4th women's franchise for 2019 or 2020



Lanvin 2018

- ✓ Sales (e): €60m (+2%)
 - A period of business consolidation
 - 14% of total Group revenue
- ✓ A year without major initiatives
- ✓ Complementary initiatives for the *Eclat d'Arpège* and *Modern Princess* lines
- ✓ Preparations for the launch of a new women's franchise for 2019



Coach 2018

- ✓ Sales (e): €52m (+24%)
 - Strong continuing growth
 - 12% 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 Floral* (men's – 2018 2nd half)



Rochas Fragrances 2018

- ✓ Sales (e): €38m (+12%)
 - A period of business consolidation
 - 9% of total Group revenue
- ✓ *L'Eau de parfum Mademoiselle Rochas* on a full-year basis
- ✓ Launch of the *Eau de toilette*



Rochas Fashion & Accessories 2018

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



Boucheron

- ✓ Sales (e): €18m (stable)
- ✓ Efforts concentrated on the *Quatre* line and on *la collection blanche*



Van Cleef & Arpels 2018

- ✓ Sales(e): €11m (-39%)
- ✓ Efforts focused on the *First* and *Collection Extraordinaire* lines
- ✓ A more exclusive distribution



Other brands

- ✓ Karl Lagerfeld
- ✓ Repetto
- ✓ Paul Smith
- ✓ S.T. Dupont



2018
outlook

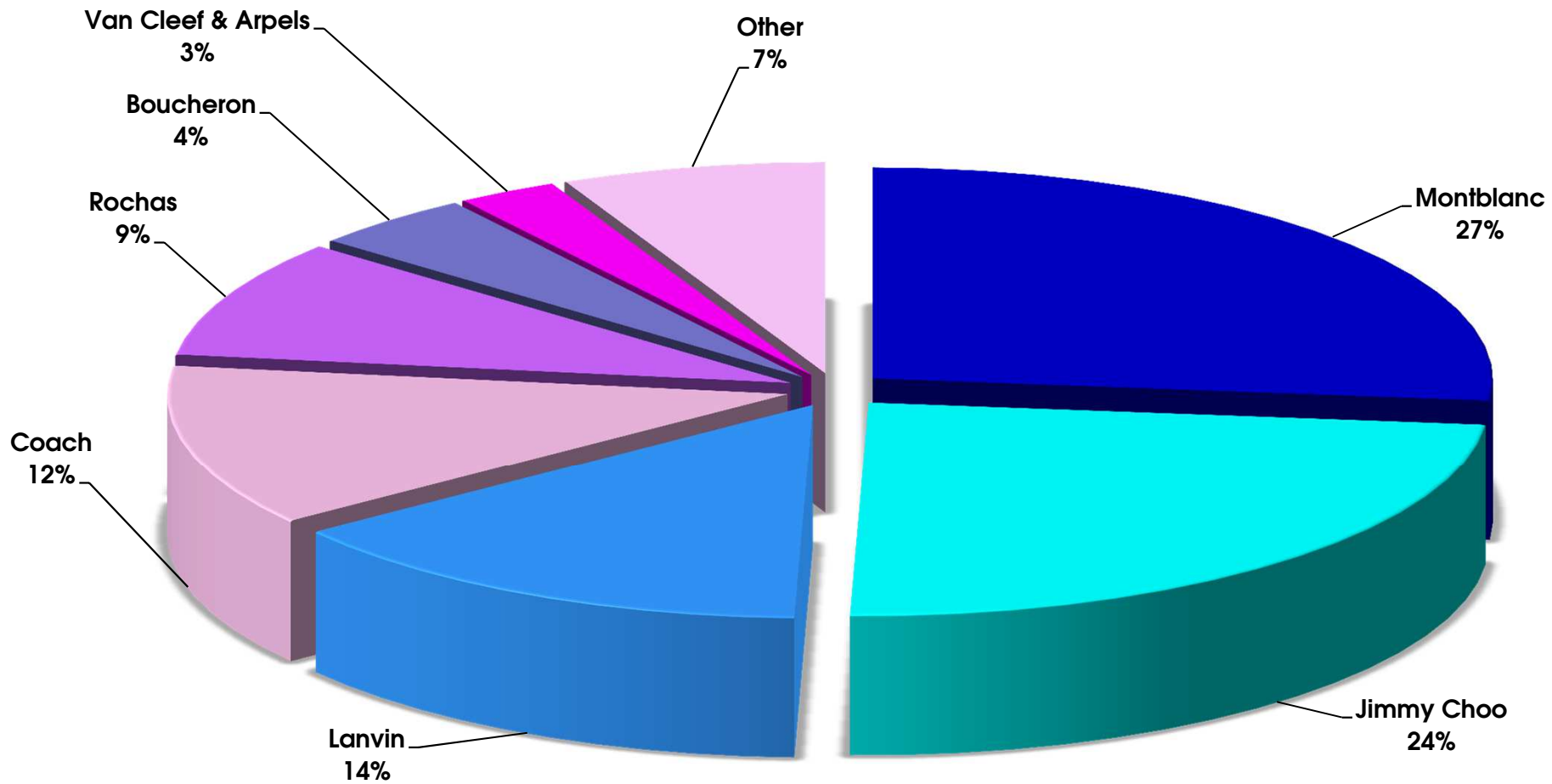
2018
business
overview

interparfums

2018 brand highlights

(€m)	2017(e)	2018(e)	2018/2017
Montblanc	110.0	112.0	+2%
Jimmy Choo	93.0	100.0	+7%
Lanvin	59.0	60.0	+2%
Coach	42.0	52.0	+24%
Rochas	34.0	38.0	+12%
Boucheron	18.0	18.0	-
Van Cleef & Arpels	17.0	11.0	-35%
Other	27.0	29.0	+7%
Fragrance sales	400.0	420.0	+5%
Rochas fashion royalties	2.5	2.5	
Total net sales	402.5	422.5	+5%

2018 sales mix by brand





2018 outlook

2017 & 2018 results

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2017 income statement highlights

- ✓ A high gross margin largely stable after rising significantly in 2016
 - A currency effect mitigated by hedges implemented in early 2017
 - Balmain inventory invoiced at March 31, 2017 at cost
- ✓ A significant increase (>20%) in marketing and advertising expenditures to support both launches and established lines

**An operating margin expected to reach
13% to 13.5%**

2017 income statement highlights

- ✓ The French 3% surtax on dividend distributions
 - Tax invalidated by the Constitutional Council
 - The claim filed for non-statute-barred tax years (2015, 2016, 2017)
 - Repayment accompanied by default interest at 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 foreseen

- ✓ Accounts receivable consistent with business volume

- ✓ A net cash position remaining high (€160m)
 - Cash and current financial assets €210m
 - Rochas loan €50m

2018 income statement highlights

- ✓ A marginal decrease in the gross margin as a percentage of sales
 - 2017 average exchange rate €/€ <1.15
 - 2018 budget exchange rate €/€ 1.20
- ✓ Marketing and advertising expenses remaining high
 - €100m in 2018
 - 23.7% of sales

**An operating margin expected to remain
at around 13 % to 13.5%**

Agenda

- ✓ Actionaria trade fair
 - November 23 & 24, 2017 (Palais des Congrès Paris)
- ✓ 2017 sales
 - January 30, 2018 (before the opening of Euronext Paris)
- ✓ 2017 results
 - March 14, 2018 (before the opening of Euronext Paris)



Outlook
2018

2019/2020
projects

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2019/2020 projects

- ✓ Several major initiatives for the portfolio's main brands, and in particular
 - Montblanc
 - Jimmy Choo
 - Lanvin
 - Coach
 - Rochas
- ✓ Acceleration in growth

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