

Strong 2020 results

Sales: €367m

Operating margin: 12.8%

Net margin: 8.4%

Dividend per share: €0.55

In 2020, Interparfums demonstrated its ability to navigate an unprecedented health and economic crisis by delivering strong results and high margins despite a difficult context.

High margins

Effective measures taken in spring 2020, combined with its flexible business model, enabled the company to rapidly adjust its operating expenses in a proportionate manner, notably for marketing and advertising. By exercising tight control over all its expenses, it thus achieved an operating margin for 2020 of 12.8%. And even though exchange rate results were adversely affected by the strengthening of the euro against the US dollar in the second half, the net margin remained at a high level of 8.4%.

A financial structure which remains sound

After declining in the first half in response to the sharp drop in sales in the period, cash rose by €60m in the second half. On that basis, bolstered by a strong recovery in business beginning

in July and careful management of working capital, particularly for accounts receivable, cash at December 31, 2020 amounted to €217m.

Shareholders' equity of nearly €500m represents 80% of total assets, which reflects the company's historical financial strength.

Dividend and bonus share issue

In light of the 2020 financial performance, and to thank the shareholders for their loyalty and support, the company's Board of Directors, meeting on March 1, 2021, decided to ask the Annual General Meeting of the shareholders of April 23, 2021 to approve:

- a dividend of €0.55 per share ⁽¹⁾;
- a new bonus share issue for the 22nd consecutive year.

(1) Ex-rights date: May 3, 2021 (midnight) - Payment date: May 5, 2021

Upcoming events

Publication of Q1 2021 sales
April 22, 2021
(before the opening of
the Paris - Euronext
Stock Exchange)

2021 Annual General Meeting
April 23, 2021

Investor relations and analysts contact

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Shareholder information

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Philippe Benacin, Chairman and CEO commented: *"While 2020 was not an easy year, it has made us stronger to meet the challenges ahead. It was also marked by several strategic initiatives, including the signature of the Moncler license agreement. With a plan for major launches including notably a low environmental impact line for the Rochas brand and particularly strong sales over the past weeks, the outlook for 2021 is currently positive despite continuing reduced short term visibility."*

Philippe Santi, Executive Vice President and CFO, added: *"In this unprecedented environment, we achieved a very good financial performance in 2020 by maintaining the operating margin at a particularly high level of nearly 13%. We owe this success in part to the motivation and responsiveness of all our teams and partners. In a context where a significant increase in marketing and advertising expenditures will be required to support the return to growth, we are expecting an operating margin of around 12%."*

Paris, March 2, 2021

This press release and the presentation of 2020 annual results are available in French and English on the company's website www.interparfums-finance.fr

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ITP
LISTED
EURONEXT

ISIN : FR0004024222-ITP
Reuters : IPAR.PA
Bloomberg : ITP
Euronext Compartment A
Eligible for Deferred
Settlement Service (SRD)
Eligible for PEA PME
savings vehicles

Consolidated income statement

(€ thousands)	2019	2020
Sales	484,260	367,365
Cost of sales	(175,441)	(140,293)
Gross margin	308,819	227,072
<i>% of sales</i>	63.8%	61.8%
Selling and administrative expenses	(235,750)	(180,163)
Operating profit	73,069	46,909
<i>% of sales</i>	15.1%	12.8%
Net financial income (expense)	84	(1,148)
Income before income tax	73,153	45,761
<i>% of sales</i>	15.1%	12.5%
Income tax	(22,057)	(15,220)
<i>Effective tax rate</i>	30.2%	33.3%
Share of profit from equity-accounted companies	—	477
Net income before equity earnings and NCI	51,096	31,018
<i>% of sales</i>	10.6%	8.3%
Net income (loss) attributable to non-controlling interests	(463)	(314)
Net income	50,633	30,704
<i>% of sales</i>	10.5%	8.4%

Consolidated balance sheet

ASSETS		
(€ thousands)	2019	2020
Non-current assets		
Net trademarks and other intangible assets	154,979	153,578
Net property, plant, equipment and right-of-use assets	18,119	21,647
Long-term investments and other non-current financial assets	5,928	5,400
Equity-accounted investments	—	12,977
Deferred tax assets	9,556	7,982
Total non-current assets	188,582	201,584
Current assets		
Inventory and work-in-progress	106,469	92,520
Trade receivables and related accounts	93,700	85,961
Other receivables and tax assets	6,583	8,571
Cash, cash equivalents and current financial assets	205,669	228,158
Total current assets	412,421	415,210
Total assets	601,003	616,794
SHAREHOLDERS' EQUITY & LIABILITIES		
(€ thousands)	2019	2020
Shareholders' equity		
Share capital	141,787	155,965
Additional paid-in capital and reserves	270,409	305,820
Net income for the year	50,633	30,704
Equity attributable to parent company shareholders	462,829	492,489
Non-controlling interests	1,609	1,629
Total shareholders' equity	464,438	494,118
Non-current liabilities		
Provisions for non-current commitments	9,338	12,984
Non-current borrowings, financial liabilities and lease liabilities (> 1 yr.)	8,297	6,139
Deferred tax liabilities	2,604	1,913
Total non-current liabilities	20,239	21,036
Current liabilities		
Trade payables and related accounts	63,664	51,276
Current borrowings, financial liabilities and lease liabilities (< 1 yr.)	13,352	13,852
Provisions for contingencies and expenses	178	925
Other payables and corporate tax liabilities	39,132	35,587
Total current liabilities	116,326	101,640
Total shareholders' equity and liabilities	601,003	616,794