interparfums

Record performance in 2012

Exceptional dividend payment

In 2012, Interparfums maintained its forward momentum of prior years with further market share gains driven by significant advances in particular by Montblanc, Jimmy Choo and Boucheron fragrances that generated combined sales of nearly €100 million after just two years of activity as part of the Group's portfolio.

Audited accounts[1] (€millions)	2011	2012	12/11	2012(*)	12/11(*)
Net sales	398.3	445.5	+12%	445.5	+12%
Gross margin	252.7	281.9	+12%	281.9	+12%
% of sales	*63.4%*	*63.3%*		*63.3%*	
Current operating income	46.9	58.2	+24%	58.2	+24%
% of sales	*11.8%*	*13.1%*		*13.1%*	
Non-current items	(0.6)	154.6	ns	(1.4)	ns
Operating profit	46.3	212.8	ns	56.8	+23%
% of sales	*11.6%*	*47.8%*		*12.7%*	
Net income	30.3	135.9	ns	36.1	+19%
% of sales	*7.6%*	*30.5%*		*8.1%*	
Shareholders' equity	216.0	344.9	+60%	344.9	+60%
Net cash	13.9	207.9	x 15	207.9	x 15

(*) Excluding items associated with the discontinuation of the Burberry license. ns: not significant.

A current operating margin above 13%

Through tight control over all operating expenses, in particular for marketing and advertising (+9%), results came in above recent estimates. Current operating income thus reached €58.2 million, up 19% on the prior year with a margin above 13%.

With the recognition of income and expenses associated with the discontinuation of the Burberry license for a net gain of €156.1 million before tax, and an additional impairment for the Nickel brand, operating profit was up sharply to €212.8 million. And reflecting this same trend, net income, reached nearly €136 million.

Like-for-like (and notably excluding items associated with the discontinuation of the Burberry license), net income rose 19% to €36.1 million marking the 16th consecutive year of uninterrupted growth.

A much stronger balance sheet

In this context, the Group's financial position was very significantly strengthened on December 31, 2012 with shareholders' equity of €345 million (64% of total assets) and net cash of €208 million. On top of this, positive operating cash flows were generated by tight inventory controls and further reductions in the trade receivables balance.

Dividends and bonus share issue

To reward shareholders for their loyalty, the Board of Directors will ask the Annual General Meeting of April 22, 2013 to approve:

- the distribution of an ordinary dividend of €0.54 per share, up 19% from the prior year, with a payment date of May 3, 2013 [2];
- the distribution of an exceptional dividend of €0.54 per share, with a payment date of May 3, 2013 [2];
- a new bonus share issue for the 14th consecutive year (on the basis of one new share for every ten shares held in June 2013) programmed for June 2013.

Paris, March 13, 2013

Philippe Bénacin, Chairman and CEO commented:

«The level of these results, coupled with sustained development by the portfolio's main lines, and in particular Eclat d'Arpège, Jimmy Choo and Montblanc Legend, initial market responses to the launch of the Jimmy Choo Flash line and the quality of upcoming initiatives for the Lanvin, Van Cleef & Arpels, Balmain, Boucheron and Repetto brands render us very confident and provide a solid basis for optimism in meeting our annual sales target of €300 million for the 2013 full year. In light of the above, the strategic shift we initiated in 2012 appears to be off to a particularly excellent start.»

Philippe Santi, Executive Vice President, added:

"Despite a backdrop of uncertainty in the period, the merits of our successful business model were again confirmed in 2012. Highlighting this point, the current operating margin came in above 13%. And even as our marketing and advertising expenditures are redeployed in the period ahead, this margin in 2013 is expected to remain at a high level of around 11%."

(1) Certification pending. (2) Ex-rights date: April 29, 2013.

Shareholder information
Tel.: +33 (0)1 53 77 00 99

Publication of 2013 first-quarter sales
April 22, 2013 (before the opening of the NYSE-Euronext Paris stock exchange)

2013 AGM
April 22, 2013
(4:00 pm – Théâtre du Rond Point des Champs Elysées - Paris)

Join us on Facebook
Follow us on Twitter

Contact Interparfums
Philippe Santi au 01 53 77 00 00 - psanti@interparfums.fr

www.interparfums.fr

Codes: Reuters IPAR.PA, Bloomberg ITP, ISIN FR0004024222-ITP Indices: CAC Mid & Small

ITP LISTED NYSE EURONEXT