

interparfums

2013 annual results

An operating margin close to 15%

In 2013, Interparfums maintained its growth trajectory, without Burberry fragrances, driven by the strong development of Montblanc, Jimmy Choo and Repetto brands. On that momentum, like-for-like sales reached €251.5 million, up 19.3% from the prior year. Total consolidated revenue for the year amounted to €350.4 million.

Audited accounts pending certification

(€m)	2012 ⁽¹⁾	2013	Var.
Net sales	445.5	350.4	ns
Gross margin	281.9	209.5	ns
% of sales	63.3%	59.8%	
Operating profit	57.3	52.2	-9%
% of sales	12.9%	14.9%	
Net income	36.4	34.8	-4%
% of sales	8.2%	9.9%	
Shareholders' equity	344.5	354.9	+3%
Net cash	207.8	222.3	+7%

(1) Excluding items linked to the Burberry license exit and IAS 19R impacts. ns: not significant.

Exceptionally high margins

Bolstered by the first half's excellent performances, the company significantly ramped up marketing and advertising in the second part of the year. These efforts did not adversely impact profitability that reached an exceptionally high level with an operating margin of nearly 15% and a net margin of close to 10% for the full year.

Philippe Benacin, Chairman and CEO commented: "2012 and 2013 revealed the significant growth potential of the Montblanc, Jimmy Choo and Repetto fragrances. 2014 will provide us with an opportunity to strengthen our portfolio of leading brands by launching Karl Lagerfeld fragrances, a new future pillar of our company's development."

A reinforced balance sheet

Constant controls over working capital requirements linked mainly to the termination of the Burberry license further strengthened the financial position with shareholder's equity of €355 million (82% of total assets) and net cash of €222 million at 31 December 2013.

Development of the Paris Saint-Germain fragrance line under the S.T. Dupont brand

Within the framework of its license contract with S.T. Dupont, Interparfums has finalized an agreement to create, produce and distribute a Paris Saint-Germain fragrance line under the S.T. Dupont brand. This sporty elegant new men's line to be launched in September 2014 will embody the premium spirit of the Paris Saint-Germain collection rolled out more than one year ago.

Dividend and bonus share issue

At the Annual General Meeting of 25 April 2014, the Board of Directors will propose a dividend of €0.49 per share⁽²⁾, in line with the distribution for 2012 taking into account the bonus share issue of June 2013. On this basis, the payout rate would be 34.1% of net income compared with 32.9% the previous year. Furthermore, for the 15th consecutive year, a bonus share issue will be carried out in June, but for this year, on the basis of one new share for every five shares held.

Paris, March 12, 2014

(2) Ex-rights date: May 5, 2014 - Payment date: May 8, 2014

Philippe Santi, Executive Vice President and CFO, added: "Our excellent first-half results allowed us to step up marketing and advertising efforts in the second half of 2013. In 2014, we will pursue this brand building strategy for our entire portfolio, though devoting particular efforts to Karl Lagerfeld and Balmain fragrances in a startup phase. As announced at year-end, reflecting this strong support and long-term vision, the operating margin for 2014 is not expected to exceed 11%."

€0.49

of dividend
per share⁽²⁾

1 for 5

bonus share

Upcoming events

April 25, 2014

Publication of 2014 first-quarter sales (before the opening of NYSE-Euronext Paris)

2014 Annual General Meeting

(2 p.m. at the Pavillon Gabriel in Paris)

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