

# LALIQUE GROUP

MEDIA RELEASE

Half-year results 2017

## **Lalique Group: Positive development in the first half of 2017**

*Zurich, 20 September 2017* - **Lalique Group SA (BX: LLQ), which is active in the creation, development, marketing and worldwide distribution of luxury goods, increased its operating revenue by 9% to EUR 64.2 million in the first half of 2017. Group net profit rose to EUR 3.0 million compared with EUR 0.6 million the previous year. Lalique Group is confident that it will be able to continue on its growth trajectory in the second half of 2017. The company is planning to change the name of its sub-holding Art & Fragrance to Lalique Beauty at the beginning of October in a move that will further unify its market presence.**

Lalique Group returned solid results for the first six months of 2017. Operating revenue reached EUR 64.2 million, up 9% year on year, thanks above all to sales growth in the perfume and cosmetics segment. Personnel costs increased by 8% to EUR 15.0 million and other operating expenses by 2% to EUR 14.8 million. Group net profit rose to EUR 3.0 million (previous year: EUR 0.6 million). This figure includes a positive tax effect of EUR 1.9 million in connection with the reform of company taxation in France.

Compared with the first half of 2016, the Lalique segment recorded stable sales across all business units, reaching EUR 34.7 million (previous year: EUR 34.8 million). Costs increased by 5% overall. This rise was attributable to higher personnel costs and increased marketing activities in the interior design and art businesses, as well as the development of the Chinese market and higher depreciation allowance related to capital expenditure. The operating result (EBIT) came in at negative EUR 3.3 million (previous year: negative EUR 2.1 million).

The Ultrasun segment again generated pleasing growth following the good performance in 2016. Sales in the first half of 2017 rose by 18% to EUR 10.9 million. The operating result (EBIT) increased to EUR 2.6 million, a rise of 14%. Ultrasun developed positively in all markets, including the Chinese market, which it first entered in January 2017. Ultrasun is targeting further growth through the continued development of optimised product formulations, including sun protection for athletes, and through entry into new markets in the Middle East and North Africa.

In the other segments, Jaguar (sales: +39%) achieved very good results across all markets in the first half of 2017, particularly thanks to the successful launch of the new product lines. Grès (+19%) also generated good results in the first half of 2017, with notable contributions from a special edition for Japan and various new market developments. The other brands also increased sales in the first half year: Bentley reported growth of 20% and Samouraï 8%. The perfume filling and logistics operation Art & Fragrance Services brought its extended storage facility on stream in July 2017. This offers almost double the storage capacity and is a good basis for future business expansion.

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## Outlook

Lalique Group is confident that it will be able to continue to grow thanks to its business model based on diversification. While the perfume and cosmetics business is growing organically with stable profit margins, Lalique will continue to develop and broaden its base through targeted investments. Various planned projects in the art business and new co-branding partnerships will contribute to this expansion. The previously announced strategic partnership with Singapore Airlines, starting in January 2018, is a promising step in this direction.

Moreover, Jaguar Fragrances and Jaguar Land Rover have recently renewed their licensing agreement for a further five years. The successful partnership has existed since 2002. Jaguar Fragrances has recorded very pleasing growth in recent years, a positive development that will contribute to further market expansion of the brand worldwide.

Following the renaming of the Group holding company as Lalique Group SA in 2016, the company has decided to change the name of the sub-holding for the beauty division (perfume and cosmetics) from Art & Fragrance SA to Lalique Beauty SA. The name change will become effective at the beginning of October 2017 at the annual Tax Free World Exhibition. This measure will further unify the market platform of the Group as a whole and make better use of the awareness of the main Lalique brand in the international market. The change of name will not affect the strategy and direction of the company's business activities, which will continue unaltered.

Roger von der Weid, CEO Lalique Group: "Lalique Group developed positively in terms of sales in the first half of 2017. As a result of the continuing high level of investment in business expansion, profit lagged behind sales as expected. We will continue to pursue our strategy and achieve further growth."

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## **Lalique Group SA**

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and living accessories, along with art, gastronomy and hospitality. Founded in 2000, the company employs approx. 600 staff and has its headquarters in Zurich. The registered shares of Lalique Group SA (LLQ) are listed on the BX Berne eXchange.

You can find further information at **[www.lalique-group.com](http://www.lalique-group.com)**.

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## Development of key figures for Lalique Group

In millions

|                          | 1st half of<br>2017<br>EUR | 1st half of<br>2016<br>EUR |
|--------------------------|----------------------------|----------------------------|
| <b>Operating revenue</b> | 64.2                       | 58.7                       |
| <b>Gross profit</b>      | 36.1                       | 34.0                       |
| Personnel costs          | -15.0                      | -13.9                      |
| Other operating expenses | -14.8                      | -14.6                      |
| <b>EBITDA</b>            | 6.3                        | 5.5                        |
| <b>EBIT</b>              | 2.5                        | 1.9                        |
| EBIT margin              | 3.9%                       | 3.2%                       |
| Financial result         | -0.9                       | -0.5                       |
| <b>Net Group result</b>  | 3.0                        | 0.6                        |

In EUR

|                           |      |      |
|---------------------------|------|------|
| <b>Earnings per share</b> | 0.66 | 0.20 |
|---------------------------|------|------|

In millions

|   | 30.06.2017<br>EUR | 30.06.2016<br>EUR |
|---|-------------------|-------------------|
| <b>Total equity<br/>(before shares with non-<br/>controlling interests)</b> | 95.1              | 77.5              |
| Equity ratio  | 41.9%             | 34.9%             |

The complete consolidated financial statements for the first half of 2017 are available at [www.lalique-group.com](http://www.lalique-group.com).