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**2003 FIRST HALF RESULTS**  
**NET PROFIT EXCLUDING COUTURE**  
**UP 38.8% AT CONSTANT EXCHANGE RATES**

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Consolidated Financial Highlights	2003 First half	2002 First half proforma <sup>(2)</sup>	Change <sup>(1)</sup>	Like-for-like change <sup>(2)</sup>	2002 First half actual
	In € Million	In € Million	%	%	In € Million
Net Sales	417.9	425.7	-1.8	+6.7	442.0
Operating Profit	44.0	38.3	+14.8	+38.9	29.3
Net Profit excl. Couture	27.3	26.9	+1.6	+38.8	N/A
Consolidated Net Profit	(7.1)	19.2	N/S	N/S	19.2

In the first half of 2003, Group Clarins turned in a very satisfying commercial and financial performance that translated into new market share gains and improving results.

Organic sales for the Cosmetics activity were up 6.7%<sup>(2)</sup>, an increase that is particularly remarkable considering that it was achieved in a difficult economic environment marked by stagnating consumption, the Iraq war and SARS.

The operating profit grew 38.9%<sup>(2)</sup>, buoyed by sustained sales, controlled manufacturing costs and a good weighting of selling expenses. After accounting for currency fluctuations, operating profit came to €44.0 million<sup>(1)</sup>, an increase of 14.8%<sup>(1)</sup>. The operating margin improved to 10.5%<sup>(1)</sup> compared with 9% in the first half of 2002. Adjusted for currency effects, it would have been 11.7%<sup>(2)</sup>.

On June 30, 2003 the Group formally ratified the discontinuation of Thierry Mugler Couture operations at its level. The total after-tax cost of the discontinuation, including the net loss for the period, amounts to €34.4 million. Its impact on the Group's cash situation is estimated at €27.2 million.

Due to this extraordinary restructuring charge, which has definitely eliminated a source of major recurring losses, the Group's net result is €-7.1 million. For the full-year 2003, it will record a profit.

In 2003, Group sales, now comprising only Cosmetics, should climb at least 5% at constant exchange rates. Management maintains its forecast to raise operating margin for the full-year.

As announced at the AGM, on 29 October, Group Clarins will make its fourteenth bonus share issue, granting one new share for nine old ones.

<sup>(1)</sup> At average exchange rates

<sup>(2)</sup> At constant exchange rates

<sup>(3)</sup> The proforma figures only include the financial data of the Cosmetics activity up to the Net Profit excl. Couture line

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