

2006 EARNINGS AND CONVERSION OF L'OCCITANE BONDS

A 58.8% increase in dividend

Consolidated financial highlights (IFRS)	2006	2005	2006/2005 Change	
	In € million	In € million	At average exchange rates	At constant exchange rates
Net sales	967.2	998.2	-3.1%	-3.1%
Operating profit	127.3	126.4	+0.8%	+1.3%
Net profit – Group Share	223.3	96.7	+130.8%	+133.1%
Cash flow	114.7	116.0	-1.1%	-
Net cash	54.8	31.9	+71.8%	-
Stockholders' equity	780.7	585.4	+33.4%	-
Capital expenditures	56.1	44.5	+26.0%	-
Change in working capital	6.5	17.0	-	-
Earnings per share in €	5.81	2.56	+127.0%	-
Dividend per share in €	1.35	0.85	+58.8%	-

Fiscal year 2006 ended on a positive note with robust sales contributing to growth nearly twice that of the overall market on a comparable basis and targets of earnings met.

Net sales increased like-for-like 5.5% to €967.2 million.

Operating profit of €127.3 million registered a marginal increase over 2005 despite the discontinued distribution of Procter & Gamble products in the US.

The operating margin was 13.2% versus 12.7% in 2005, gaining an additional 0.5 point notably through optimized management of manufacturing costs.

A record net profit of €223.3 million includes a fair value adjustment of financial assets held by Clarins in L'Occitane International of €125.6 million. The revised estimate for December 31, 2006 is based on new information obtained before the closing concerning both the valuation of the shares and the conversion of the bonds into shares.

After conversion, Clarins shareholding in this company increased to 22.97%.

These shares are part of a transaction under suspensive conditions accepted by the Supervisory Board on March 14, 2007. This transaction will give Clarins a stake of 10.05% of a newly created company, which will be the shareholder of L'Occitane International, and a cash payment of € 132.2 million.

To reward shareholders for this year's performance, the General Meeting will be asked to approve a regular dividend of €0.85 in addition to a special dividend of €0.50. This shareholders' meeting will be held on Friday, May 11, 2007 at 9:30 a.m. at the Pavillon d'Armenonville, Allée de Longchamp, Paris 75016.

(1) At constant exchange rate and excluding perfume distribution in the United States



Eurolist - Compartiment A

Investor Relations Department - www.clarins-finance.com

Tél. : 33 1 46 41 41 25 – Fax : 33 1 45 00 35 88 – Email : finance@clarins.com



AZZARO
PARIS

Thierry Mugler

★
PARFUMS
Stella Cadente