Interparfums

First Half Report 2020

2020

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Management report

1 • Review of operations

Consolidated first-half sales for 2020 amounted to €139.3 million, down 42% from the same period in 2019.

1.1 • Brand highlights

€m	H1 2019	H1 2020	2020/2019
Montblanc	71.8	36.2	-50%
Coach	41.7	33.6	-19%
Jimmy Choo	46.2	26.7	-42%
Rochas	14.6	12.5	-14%
Lanvin	28.1	10.9	-61%
Van Cleef & Arpels	9.5	4.7	-51%
Boucheron	10.1	4.4	-56%
Karl Lagerfeld	7.2	4.2	-42%
Other	8.2	5.5	-33%
Perfume sales	**237.4**	**138.7**	**-42%**
Rochas fashion license revenues	1.0	0.6	-40%
Total revenue	**238.4**	**139.3**	**-42%**

Sales of the different brands in the 2020 first half were adversely impacted by the closure for several weeks of most points of sale throughout the world with declines of between 40% and 60% in the period. For Coach and Rochas fragrances, this decline was mitigated by the launches of the *Coach Dreams* and *L'Homme Rochas* lines at the start of the year.

1.2 • Highlights by region

While the sustained level of sales achieved in the United States and Western Europe over the last several years reduced the scope of the decline, overall the health crisis has impacted all regions, with the steepest declines in the Middle East and Eastern Europe.
In France, sales rebounded significantly in May and June, driven by the good performances of Rochas and Montblanc fragrances.

2 • Interim consolidated financial highlights

€m	H1 2019	H1 2020	2020/2019
Sales	238.4	139.3	-42%
Gross margin	152.3	83.0	-46%
% of sales	*63.9%*	*59.6%*	
Operating profit	39.0	10.4	-73%
% of sales	*16.4%*	*7.5%*	
Net income	27.2	8.9	-67%
% of sales	*11.4%*	*6.4%*	

Temporarily impacted by specific pricing conditions granted during the public health crisis for the purpose of supporting business and selected regions, the gross margin decreased four points between 2019 and 2020.

In the spring, the company reviewed all expenses with the objective of maintaining its margins and generating an operating profit, despite a decline in sales by more than 40%.

Its flexible operating model allowed it to eliminate or postpone marketing and advertising expenses, and notably certain media campaigns initially planned in the second quarter or linked to launches moved forward to 2021. In addition, this performance also automatically benefited from decreases of a certain number of other expenses directly linked to business activities, such as royalties or shipping expenses.
On that basis, the operating margin reached 7.5%.

Reflecting the positive impact of effectively managing foreign exchange transactions and a lower average tax rate, the net margin for the first half amounted to 6.4%.

€m	06/30/19	12/31/19	06/30/20
Shareholders' equity (attributable to the parent)	438.3	462.8	473.6
Cash net of borrowings	137.4	195.7	157.1

Working capital was temporarily impacted by the significant increase in inventories resulting from the sharp drop in sales in the second quarter as well as cash outflows to support customers and suppliers.

Despite the above, after canceling the dividend initially planned for 2019, net cash remained at a high level, reaching €157 million at June 30, 2020.

3 • Half-year milestones

February

Launch of the *Coach Dreams* line

Coach Dreams is playful and lighthearted fragrance. Inspired by 21st century dreamers and their carefree spirit of adventure, it conveys the excitement of a road trip with friends.

Launch of the *Rochas Byzance* line

The *Byzance* woman is a sensual, confident and mysterious sovereign. She has the power to convince and seduce. Her life resembles a modern-day fairytale.

Launch of the *Rochas L'Homme* line

As the reflection of Parisian chic, this incarnation of the Rochas man exudes wild, irresistible and thoroughly masculine charm. As the *Mademoiselle Rochas*' alter ego, he embodies the elegance of a new French lover.

March

Launch of the *Montblanc Signature* line

Full of contrasts, the Eau de Parfum intermingles the sensuality of enveloping vanilla with a contrasting "clean" facet of musks, creating an addictive, chic, deliciously feminine trail.

May

Launch of the *Coach Man Blue* line

A fragrance for a free-spirited, optimistic and authentic lover of adventure.

Launch of the *City Collection* fragrance duo of Karl Lagerfeld

For her, *Paris 21 rue Saint Guillaume* offers a floral chypre bouquet, combining rose, jasmine and gardenia with notes of mandarin, grapefruit with a modern and structured base of patchouli and sandalwood.

For him *New York Mercer Street* is a woody aromatic fragrance that reveals a heart of green rhubarb and aromatic notes, on a bed of noble and characterful woods and cotton musks.

Launch of the Boucheron *Rose d'Isparta* line

An oriental floral fragrance opening with captivating and mystical top notes of ginger, ambrette and frankincense. The heart notes conveys the exalting sensuality of the Turkish rose with a spicy finish of cinnamon and saffron.

June

Moncler and Interparfums sign a fragrance license agreement

On June 11, Moncler SpA, the iconic global luxury brand, and Interparfums SA, announced the signature of an exclusive worldwide license agreement for fragrances for a contractual term of 5 years with a potential 5-year extension to create, produce and distribute perfumes for the brand.

Interparfums acquires 25% of www.origines-parfums.fr

At the end of June, Interparfums and Divabox, the owners of the *Origines-parfums* e-commerce platform for beauty products, announced the signature of a strategic and equity investment whereby Interparfums will acquire 25% of Divabox's capital through a reserved capital increase.

4 • Risk factors and information on related parties

4.1 • Risk factors

Risks linked to the Covid-19 pandemic

Based on the developments following the publication of the Universal Registration Document in April 2020 (including the description of Covid-19 related risks), the company largely confirms the information published about the management of this crisis.

In addition, with ongoing vigilance focused on ensuring the health and safety of the Group's employees, its objective today is to maintain all jobs.

Sourcing and production are marginally impacted as they are largely concentrated in France and Europe, with shipping by land and sea less affected than at the beginning of the health crisis.

In addition, Executive Management notes a gradual recovery in France, though slower than expected in other regions, particularly in the United States and South America which remain significantly impacted by this health crisis with the reopening of stores in consequence delayed or not yet planned.

The financial consequences which are described in detail in the notes to the consolidated financial statements of this half-year report consist mainly of lower sales and the corresponding expenditures.

Executive Management draws the readers' attention to the exceptional nature of these levels of earnings. It also emphasizes the sound financial position and balance sheet and in particular, the strong cash position enabling it to honor over a long period all its obligations and prepare for the recovery once more favorable conditions return.

After the initial months of this public health crisis, the company however confirms that it is unable to provide a more precise assessment of Covid-19's impacts on its earnings for 2020.

Information on market risks and their management are presented in note 2.16 of the consolidated interim financial statements included in this report.

The other Risk factors are of the same nature as those presented in note 3 "Risk factors" of the "Consolidated Management Report" (section 1) included in the 2019 registration document filed on April 29, 2020 with the French financial market authorities *(Autorité des Marchés Financiers* or AMF). There were no material changes in these Risk factors in the 2020 first half.

4.2 • Related party transactions

In the 2020 first half, relations between Interparfums and affiliated companies were comparable with those of fiscal year 2019 presented in Note 6.5 "Information on related parties" of the 2019 consolidated financial statements (section 2) included in the Universal Registration Document filed on April 29, 2020 with the AMF.

This was also the case for relations between members of the Management Committee and the Board of Directors.

5 • Outlook

Signs observed in recent weeks point to a gradual recovery in business. Nevertheless, because visibility at this stage remains low, it is not possible to confirm this trend before the fall and which will depend on the evolving health conditions. In this context, the company is currently not able to provide estimates on the impact of the pandemic on 2020 earnings.

6 • Post-closing events

None.

2

Condensed consolidated financial statements

1 • Consolidated income statement

€ thousands except per share data which is in units	Notes	H1 2019	H1 2020
Sales	3.1	**238,409**	**139,284**
Cost of sales	3.2	(86,066)	(56,286)
Gross margin		**152,343**	**82,998**
% of sales		*63.9%*	*59.6%*
Selling expenses	3.3	(104,843)	(64,557)
Administrative expenses	3.4	(8,517)	(8,012)
Operating profit		**38,983**	**10,429**
% of sales		*16.4%*	*7.5%*
Financial income		1,134	1,055
Interest and similar expenses		(574)	(373)
Net finance costs		**560**	**682**
Other financial income		2,126	2,928
Other financial expense		(2,595)	(2,040)
Net financial income (expense)	3.5	**91**	**1,570**
Income before income tax		**39,074**	**11,999**
% of sales		*16.4%*	*8.6%*
Income tax	3.6	(11,722)	(3,120)
Effective tax rate		30.0%	26.0%
Net income		**27,352**	**8,879**
% of sales		*11.5%*	*6.4%*
Attributable to non-controlling shareholders		**114**	**14**
Net income		**27,238**	**8,865**
% of sales		*11.4%*	*6.4%*
Basic earnings per share	3.7	0.63	0.19
Fully diluted earnings per share	3.7	0.63	0.19

2 • Consolidated statement of comprehensive income

€ thousands	**H1 2019**	**H1 2020**
Consolidated net profit for the period	**27,352**	**8,879**
Available-for-sale assets	-	-
Currency hedges	200	(97)
Deferred tax arising from items able to be recycled	(69)	33
Items able to be recycled in profit or loss	**131**	**(64)**
Actuarial gains and losses	-	-
Deferred taxes on items unable to be recycled	-	-
Items unable to be recycled in profit or loss	**-**	**-**
Other comprehensive income total	**131**	**(64)**
Comprehensive income for the period	**27,483**	**8,815**
Attributable to non-controlling shareholders	114	14
Attributable to equity holders of the parent	**27,369**	**8,801**

3 • Consolidated balance sheet

Assets

€ thousands	Notes	12/31/19	06/30/20
Non-current assets			
Net trademarks and other intangible assets	2.1	154,979	154,425
Net property, plant, equipment	2.2	7,081	6,997
Right-of use assets	2.3	11,038	9,791
Long-term investments	2.4	2,862	11,766
Other non-current financial assets	2.4	3,066	2,816
Equity-accounted investments	2.5	-	12,500
Deferred tax assets	2.13	9,556	11,038
Total non-current assets		**188,582**	**209,333**
Current assets			
Inventory and work-in-progress	2.6	106,469	123,090
Trade receivables and related accounts	2.7	93,700	59,310
Other receivables	2.8	5,580	6,027
Corporate income tax		1,003	106
Current financial assets	2.9	54,045	60,283
Cash and cash equivalents	2.9	151,624	108,805
Total current assets		**412,421**	**357,621**
Total assets		**601,003**	**566,954**

Shareholders' equity & liabilities

€ thousands	Notes	12/31/19	06/30/20
Shareholders' equity			
Share capital		141,787	141,787
Additional paid-in capital		-	-
Retained earnings		270,409	322,949
Net income for the year		50,633	8,865
Equity attributable to parent company shareholders		**462,829**	**473,601**
Non-controlling interests		1,609	1,329
Total shareholders' equity	2.10	**464,438**	**474,930**
Non-current liabilities			
Provisions for non-current commitments	2.11	9,338	9,759
Non-current borrowings	2.12	-	8,000
Non-current lease liabilities	2.12	8,297	7,564
Deferred tax liabilities	2.13	2,604	2,550
Total non-current liabilities		**20,239**	**27,873**
Current liabilities			
Trade payables and related accounts	2.14	63,664	38,030
Current borrowings	2.12	10,018	4,000
Current lease liabilities	2.12	3,334	2,847
Provisions for contingencies and expenses	2.11	178	128
Income tax		4,569	3,718
Other liabilities	2.14	34,563	15,428
Total current liabilities		**116,326**	**64,151**
Total shareholders' equity and liabilities		**601,003**	**566,954**

4 • Statement of changes in shareholders' equity

€ thousands	Number of shares	Share capital	Paid-in capital	Other compre-hensive income	Retained earnings and income	Total equity: Group share	Total equity: Non-controlling interests	Total equity: Total
As of December 31, 2018 (1)	**42,732,669**	**128,897**	**-**	**(997)**	**316,698**	**444,598**	**1,642**	**446,240**
Bonus share issues	4,296,562	12,890	-	-	(12,890)	-	-	-
2019 net income	-	-	-	-	50,633	50,633	463	51,096
Change in actuarial gains and losses on provisions for pension obligations	-	-	-	(22)	-	(22)	-	(22)
Remeasurement of financial instruments at fair value	-	-	-	(100)	-	(100)	-	(100)
2018 dividend paid in 2019	-	-	-	-	(30,325)	(30,325)	(294)	(30,619)
Changes in Group structure of consolidated operations	-	-	-	-	-	-	(202)	(202)
Treasury shares	26,218	-	-	-	(2,932)	(2,932)	-	(2,932)
Currency translation adjustments	-	-	-	-	977	977	-	977
As of December 31, 2019 (1)	**47,055,449**	**141,787**	**-**	**(1,119)**	**322,161**	**462,829**	**1,609**	**464,438**
Bonus share issues	-	-	-	-	-	-	-	-
2020 half-year earnings	-	-	-	-	8,865	8,865	14	8,879
Remeasurement of financial instruments at fair value	-	-	-	(64)	-	(64)	-	(64)
2019 dividend paid in 2020	-	-	-	-	-	-	(294)	(294)
Treasury shares	31,630	-	-	-	1,580	1,580	-	1,580
Currency translation adjustments	-	-	-	-	391	391	-	391
As of June 30, 2020 (1)	**47,087,079**	**141,787**	**-**	**(1,183)**	**332,997**	**473,601**	**1,329**	**474,930**

(1) Excluding treasury shares.

5 • Consolidated statement of cash flows

€ thousands	**06/30/19**	**12/31/19**	**06/30/20**
Cash flows from operating activities			
Net income	27,352	51,096	8,879
Depreciation, amortization and other	11,311	15,298	14,072
Net finance costs	(560)	(891)	(682)
Tax charge of the period	11,722	22,057	3,250
Operating cash flows	**49,825**	**87,560**	**25,519**
Interest expense payments	(813)	(1,300)	(624)
Tax payments	(10,586)	(20,095)	(4,101)
Cash flow after interest expense and tax	**38,426**	**66,165**	**20,794**
Change in inventory and work in progress	(17,579)	(8,757)	(25,533)
Change in trade receivables and related accounts	(10,833)	(2,003)	34,040
Change in other receivables	(1,280)	(197)	970
Change in trade payables and related accounts	(10,828)	(9,746)	(25,252)
Change in other current liabilities	(4,927)	4,001	(20,160)
Change in working capital needs	**(45,447)**	**(16,702)**	**(35,935)**
Net cash flows provided by (used in) operating activities	**(7,021)**	**49,463**	**(15,141)**
Cash flows from investing activities			
Net acquisitions of intangible assets	(632)	(2,001)	(870)
Net acquisitions of property, plants and equipment	(1,408)	(3,160)	(1,002)
Net acquisitions of property, plants and equipment – right-of-use assets	-	-	(699)
Acquisition of equity interests	-	-	(12,500)
Net acquisitions of marketable securities (>3 months)	(88)	4,784	(6,000)
Changes in investments and other non-current assets	1,777	8,312	(8,654)
Net cash flows provided by (used in) investing activities	**(351)**	**7,935**	**(29,725)**
Financing activities			
Issuance of borrowings and new financial debt	-	-	12,000
Debt repayments	(10,000)	(20,000)	(10,000)
Net change in lease liabilities	(1,745)	(3,752)	(1,220)
Dividend payments to shareholders	(30,325)	(30,325)	-
Capital increases	-	-	-
Treasury shares	(5,575)	(5,393)	1,267
Net cash flows provided by (used in) financing activities	**(47,645)**	**(59,470)**	**2,047**
Change in net cash	**(55,017)**	**(2,072)**	**(42,819)**
Cash and cash equivalents, beginning of year	153,696	153,696	151,624
Cash and cash equivalents, end of year	**98,679**	**151,624**	**108,805**

The reconciliation of net cash breaks down as follows:

€ thousands	**30/06/2019**	**31/12/2019**	**30/06/2020**
Cash and cash equivalents	98,679	151,624	108,805
Current financial assets	58,823	54,045	60,283
Net cash and current financial assets	**157,502**	**205,669**	**169,088**

3

Notes to the interim condensed consolidated financial statements

1 • Accounting principles

1.1 • Compliance statement

The interim condensed consolidated financial statements for the six-month period ending June 30, 2020 were adopted by the Board of Directors on September 7, 2020. They have been prepared in compliance with EC regulations 1606-2002 of July 19, 2002 on international accounting standards and notably IAS 34 on interim financial reporting as endorsed by the European Union. These standards have been consistently applied over the periods presented. The interim financial statements were prepared on the basis of these same rules and methods used to produce the annual financial statements.

This interim condensed financial report must be read in conjunction with the consolidated annual financial statements for the fiscal year ended December 31, 2019. In addition, the comparability of interim and annual financial statements may be affected by seasonal trends of Group business and notably the impact of launch phases of new fragrance lines.

Financial information presented herein is based on:

– IFRS standards and interpretations subject to mandatory application;
– Options and exemptions adopted by the Group for the preparation of IFRS consolidated financial statements.

1.2 • Changes in accounting standards

Furthermore no standards, amendments or interpretations currently under review by IASB and IFRIC were applied in advance in the financial statements for the period ending June 30, 2020.

The following standards, amendments or interpretations that entered into effect on January 1, 2020 concerning the company or its operations were applied in preparing its consolidated financial statements for the six-month period ended June 30, 2020.

Amendments to IAS 1 and IAS 8 "Definition of material"

These amendments do not have an impact in the financial statements here presented as the company has never been required to make economic decisions based on the material nature of financial information.

Amendments to IFRS 9, IAS 39 and IFRS 7 "Interest rate benchmark reform"

These amendments have no impact in the financial statements here presented as the as these loan interest rates are not covered by hedging instruments.

1.3 • Consolidated Group structure

Interparfums SA		Ownership interest (%)/ Controlling interest (%)	Consolidation method
Interparfums Suisse Sarl	Switzerland	100%	Full consolidation
Interparfums Asia Pacific Pte Ltd	Singapore	100%	Full consolidation
Interparfums Luxury Brands	United States	100%	Full consolidation
Interparfums Srl	Italy	100%	Full consolidation
Inter España Parfums et Cosmetiques Sl	Spain	100%	Full consolidation
Parfums Rochas S.L	Spain	51%	Full consolidation
Divabox	France	25%	Equity method

Parfums Rochas S.L 51%-held by Interparfums is fully consolidated based on the exercise of exclusive control over this company.

At June 30, 2020, Interparfums acquired 25% of the capital of Divabox, specialized in e-commerce for beauty products. Divabox is consolidated by the Group according to the equity method because it exercises significant influence but not control.

Subsidiaries' financial statements are prepared on the basis of the same accounting period as the parent company. The fiscal year covers the 12-month period ending on December 31.

2 • Notes to the balance sheet

2.1 • Trademarks and other intangible assets

€ thousands	**12/31/19**	**+**	**–**	**06/30/20**
Gross value				
Indefinite life intangible assets				
Lanvin trademark	36,323	-	-	36,323
Rochas Fragrances trademark	86,739	-	-	86,739
Rochas Fashion trademark	19,086	-	-	19,086
Finite life intangible assets				
S.T. Dupont upfront license fee Dupont	1,219	-	-	1,219
Van Cleef & Arpels upfront license fee	18,250	-	-	18,250
Montblanc upfront license fee	1,000	-	-	1,000
Boucheron upfront license fee	15,000	-	-	15,000
Karl Lagerfeld upfront license fee	12,877	-	-	12,877
Other intangible assets				
Rights on molds for bottles and related items	13,642	743	-	14,385
Registration of trademarks	570	-	-	570
Software	3,551	127	-	3,678
Total gross amount	**208,257**	**870**	**-**	**209,127**
Amortization and impairment				
Finite life intangible assets				
S.T. Dupont upfront license fee Dupont	(1,219)	-	-	(1,219)
Van Cleef & Arpels upfront license fee	(18,250)	-	-	(18,250)
Montblanc upfront license fee	(815)	(33)	-	(848)
Boucheron upfront license fee	(9,000)	(497)	-	(9,497)
Karl Lagerfeld upfront license fee	(9,700)	(318)	-	(10,018)
Other intangible assets				
Rights on molds for bottles and related items	(10,816)	(469)	-	(11,285)
Registration of trademarks	(500)	-	-	(500)
Software	(2,978)	(107)	-	(3,085)
Total amortization and impairment	**(53,278)**	**(1,424)**	**-**	**(54,702)**
Net total	**154,979**	**(554)**	**-**	**154,425**

At June 30, 2020, in response to indications of impairment resulting from the significant decline in sales linked to the Covid-19 pandemic, the company tested selected upfront license fees and own brands for impairment. The discount rate before tax applied for the purpose of remeasurement is the weighted average cost of capital (WACC) of 5.16% at June 30, 2020.

Based on these tests, no additional impairment expenses were reported in the company's financial statements.

2.2 • Property, plant and equipment

€ thousands	**12/31/19**	**+**	**–**	**06/30/20**
Fixtures, improvements, fittings	4,677	30	(52)	4,655
Office and computer equipment and furniture	2,487	107	(5)	2,589
Molds for bottles and caps	14,173	865	-	15,038
Other	549	-	-	549
Total gross amount	**21,886**	**1,002**	**(57)**	**22,831**
Amortization and impairment	(14,805)	(1,078)	49	(15,834)
Net total	**7,081**	**(76)**	**(8)**	**6,997**

2.3 • Right-of use assets

The main lease agreements identified which are required to be recognized in the balance sheet under assets in application of IFRS 16 are the premises of the Paris headquarters, the New York and Singapore offices and the Rouen warehousing facility.

"Right-of use assets" also includes components relating to vehicle leases previously presented as tangible assets under IAS 17.

At June 30, 2020, right-of use assets broke down as follows:

	12/31/19	+	–	06/30/20
Gross value				
Property leases	14,602	635	-	15,237
Vehicle leases	499	137	(73)	563
Total gross amount	**15,101**	**772**	**(73)**	**15,800**
Amortization				
Property leases	(3,755)	(1,956)	-	(5,711)
Vehicle leases	(308)	(60)	70	(298)
Total amortization	**(4,063)**	**(2,016)**	**70**	**(6,009)**
Net total	**11,038**	**(1,244)**	**(3)**	**9,791**

2.4 • Long-term investments and other non-current financial assets

2.4.1 • Long-term investments

Long-term investments consist primarily of deposit guarantees on property and since the end of April 2020, a loan granted by the subsidiary Interparfums Luxury Brands to the Interparfums Inc. parent company (US$10 million) amounting to €8.9 million under normal market conditions. This loan will be repaid in full in July 2021.

2.4.2 • Non-current financial assets

The signature of the Karl Lagerfeld license agreement resulted in an advance on royalty payments to be charged against future royalties of €9.6 million. This advance is discounted over the license agreement term and reduced accordingly to €2.8 million at June 30, 2020.

The corresponding offset was recognized by increasing the amortization of upfront license fees.

2.5 • Equity-accounted investments

At June 30, 2020, Interparfums acquired 25% of the capital of Divabox, specialized in e-commerce for beauty products.

Divabox is consolidated by the Group according to the equity method because it exercises significant influence but not control.

In accordance with IAS 28, the reconciliation of financial information with the carrying value of the Group's interest in this joint venture breaks down as follows.

€ thousands	
Divabox's shareholders equity at June 30, 2020	18,538
Group ownership interest (%) in Divabox	25%
Share in net equity	4,634
Provisional goodwill	7,866
Carrying value of the Group's ownership interest in the joint-venture	**12,500**

The amount of goodwill will remain definitively set at December 31, 2020.

2.6 • Inventory and work-in-progress

€ thousands	12/31/19	06/30/20
Raw materials and components	43,924	52,385
Finished goods	66,174	75,134
Total gross amount	**110,098**	**127,519**
Allowances for raw materials	(1,342)	(1,945)
Impairment of finished goods	(2,287)	(2,484)
Accumulated provisions for impairment	**(3,629)**	**(4,429)**
Net total	**106,469**	**123,090**

2.7 • Trade receivables and related accounts

€ thousands	**12/31/19**	**06/30/20**
Total gross amount	95,723	61,300
Impairment	(2,023)	(1,990)
Net total	**93,700**	**59,310**

The aged trial balance for trade receivables breaks down as follows:

€ thousands	**12/31/19**	**06/30/20**
Not due	72,370	27,219
0-90 days	21,536	28,168
91-180 days	876	4822
181-360 days	41	187
More than 360 days	900	904
Total gross amount	**95,723**	**61,300**

In accordance with the application of IFRS 9 and despite the current public health crisis, the company has not observed potential future losses for accounts receivable not yet impaired, as accounts receivable outstanding are either covered by credit insurance or not subject to risks of default.

2.8 • Other receivables

€ thousands	**12/31/19**	**06/30/20**
Prepaid expenses	2,668	3,606
Value-added tax	1,756	764
Hedging instruments	126	683
License royalties	592	541
Other	438	433
Total	**5,580**	**6,027**

2.9 • Current financial assets, cash and cash equivalents

€ thousands	**12/31/19**	**06/30/20**
Current financial assets	54,045	60,283
Cash and cash equivalents	151,624	108,805
Current financial assets, cash and cash equivalents	**205,669**	**169,088**

The decrease in cash over the period reflects mainly the repayment of the Rochas loan in the amount of €10 million plus the significant rise in inventories, inflows from customers and outflows to suppliers with a marginal impact on cash flow.

2.9.1 • Current financial assets

Current financial assets, represented by investments with maturities greater than three months, break down as follows:

€ thousands	**12/31/19**	**06/30/20**
Term deposit accounts	53,602	59,840
Other current financial assets	443	443
Current financial assets	**54,045**	**60,283**

2.9.2 • Cash and cash equivalents

Cash in banks and cash equivalents having maturities of less than three months break down as follows:

€ thousands	**12/31/19**	**06/30/20**
Term deposit accounts	21,861	10,753
Capital redemption contracts	52,562	52,925
Current interest-bearing accounts	16,228	7,368
Bank balances	60,973	37,759
Cash and cash equivalents	**151,624**	**108,805**

In accordance with IAS 7, capital redemption contracts invested in euro funds, not subject to exit penalties or delays for the release of funds, are liquid and readily convertible into cash and on that basis considered as cash equivalents.

2.10 • Shareholders' equity

2.10.1 • Share capital

As of June 30, 2020, Interparfums' capital was comprised of 47,262,190 shares fully paid-up with a par value of €3, 72.68%-held by Interparfums Holding.

2.10.2 • Performance share awards

Plan 2016

After a three-year vesting period, performance shares (*actions gratuites* or restricted stock units) of the 2016 plan were remitted to employees present on September 6, 2019,

The total charge to be amortized over the duration of the plan (three years) was €2.9 million of which €482,000 recognized for six-month period ended June 30, 2019.

Plan 2018

The maximum number of shares to be awarded on the inception date of the plan implemented on December 31, 2018 is 133,000 shares for senior executives and managers and 26,000 shares for all other employees.

Shares previously purchased by the company on the market will be vested by their beneficiaries after a vesting period of three and a half years.

The shares awarded without consideration and fully vested may be sold on the vesting date without the application of a holding period.

Actual transmission of the securities is contingent on the presence of the employee on June 30, 2022 regardless of the status of the beneficiary and/or criteria of performance relating to consolidated revenue for fiscal 2021 for 50% of the restricted stock units awarded, and consolidated operating profit for the other 50% awarded to senior executive and manager beneficiaries.

In the current environment characterized by a significant decline in sales in the first half with an important decrease for 2020 and 2021, and in order to enable employees to acquire all or part of these securities, on June 24, 2020, pursuant to the proposal of the Chairman-CEO, the Board of Directors decided to review the conditions of performance set for this plan.

Based on these revised conditions, and in light of the absence visibility for the medium-term, 80% was set as the percentage for achieving the new objectives at June 30.

To ensure the availability of shares for remittance to employees on maturity, the company purchased 131,614 shares on the market on June 30, 2020 for a total amount of €5.2 million. These shares are presented as a deduction from shareholders' equity.

At June 30, 2020, the estimated number to be remitted was 125,341 shares.

In accordance with IFRS 2, the Interparfums SA share price used to estimate the value in the consolidated financial statements is that of the last trading session preceding the implementation of the plan or €33.15. The fair value applied on the award date is €30.20 after taking into account future dividends. The total expense to be spread over the duration of the plan (3.5 years) amounted to €3.4 million.

At June 30, 2020, the cumulative expense since the beginning of the plan was €1,475,000.

2.10.3 • Treasury shares

Within the framework of the share repurchase program authorized by the General Meeting of June 24, 2020, 43,497 Interparfums shares were held by the company as of June 30, 2020 or 0.09% of the share capital.

Changes in the period break down as follows:

€ thousands	**Average exchange rate**	**Number of shares**	**Book value**
At December 31, 2019	**37.00**	**75,127**	**2,780**
Acquisition	-	119,644	4,060
Sales	-	(151,274)	(5,486)
Impairment	-	-	159
At June 30, 2020	**34.78**	**43,497**	**1,513**

Management of the share buyback program is assured by an investment services provider within the framework of a liquidity agreement in compliance with the conduct of business rules of the French association of financial market professionals (AMAFI).

Purchases of shares under this program are subject to the following conditions:

– the maximum purchase price is €50 per share, excluding execution costs,
– the total number of shares acquired may not exceed 5% of the capital stock outstanding.

2.10.4 • Non-controlling interests

Non-controlling interests concern the percentage not held in the Spanish subsidiary, Parfums Rochas Spain S.L (49%) at June 30, 2020 that break down as follows:

€ thousands	**06/30/19**	**06/30/20**
Reserves attributable to non-controlling interests	1,347	1,315
Earnings attributable to non-controlling interests	114	14
Non-controlling interests	**1,461**	**1,329**

Non-controlling shareholders have an irrevocable obligation and the ability to offset losses by an additional investment.

2.10.5 • Information on equity

In compliance with the provisions of article L.225-123 of the French Commercial Code, the shareholders' Meeting of September 29, 1995 decided to create shares carrying a double voting right. These shares must be fully paid up and recorded in the company's share register in registered form for at least three years.

Since 1998, the company has adopted a policy of distributing dividends that in 2019 represented nearly 65% of consolidated net income to provide shareholders with significant returns while at the same time associating them with the Group's expansion.

Due to the impact of the Covid-19 pandemic on the Group's activity and the absence of visibility with respect to business, on June 24, 2020, pursuant to the proposal of the Board of Directors, the Annual General Meeting voted to appropriate net income for fiscal 2019 without a distribution of dividends.

Given its financial structure, the Group is able to secure financing for important projects from banks in the form of medium-term loans.

At the end of May 2015, a 5 year €100 million loan was obtained to finance the acquisition of the Rochas brand. At June 30, 2020, this loan was paid back in full.

At the end of June 2020, a 3-year €12 million loan was obtained for the acquisition of a 25% equity stake in Divabox.

The level of consolidated shareholders' equity is regularly monitored to ensure the company continues to have sufficient financial flexibility to take advantage of all potential opportunities for external growth.

2.11 • Provisions for contingencies and expenses

€ thousands	12/31/19	Allowances	Actuarial gains/ losses	Provisions used the period	Reversal of unused provisions	06/30/20
Provisions for retirement severance payments	9,103	345	-	-	-	9,448
Provisions for expenses (1)	235	76	-	-	-	311
Total provisions for expenses >1 year	**9,338**	**421**	**-**	**-**	**-**	**9,759**
Other provisions for contingencies <1 year	178	-	-	(50)	-	128
Total provisions for contingencies >1 year	**178**	**-**	**-**	**(50)**	**-**	**128**
Total provisions for contingencies and expenses	**9,516**	**421**	**-**	**(50)**	**-**	**9,887**

(1) The provision for expenses concerns the social contribution payable in connection with the restricted share unit plan.

2.12 • Borrowings, financial liabilities and lease liabilities

Borrowings and financial liabilities

A loan with was obtained on May 29, 2015 with a face value of €100 million repayable over five years to finance the acquisition of the Rochas brand executed on that same date.

As of May 31, 2020, this loan was fully reimbursed.

At June 30, 2020, a €12 million loan repayable over three years was obtained to acquire the 25% stake in Divabox.

This loan is repayable in annual installments of €4 million each for the principal. This loan will be subject to interest equal to the 3-month Euribor plus the applicable margin.

Lease liabilities

"Lease liabilities "includes liabilities representing the present value of future these payments recognized as assets in accordance with IFRS 16. The main lease contracts included under this heading are those relating to the premises of the Paris headquarters, the New York and Singapore offices and the warehousing facility in Rouen.

2.12.1 • Changes in finance costs

Cash flows relating to changes in borrowings and financial liabilities break down as follows:

			Non-cash items			
€ thousands	12/31/19	Cash flow	Net acquisitions	Changes in fair value	Amortization	06/30/20
Borrowings	10,000	2,000	-	-	-	12,000
Loan acquisition costs	(9)	-	-	-	9	-
Interest rate swap	27	-	-	(27)	-	-
Total borrowings	**10,018**	**2,000**	**-**	**(27)**	**9**	**12,000**
Lease liabilities	11,631	(1,931)	75	636	-	10,411
Total borrowings and other financial liabilities	**21,649**	**69**	**75**	**609**	**9**	**22,411**

2.12.2 • Borrowings, bank borrowings and lease liabilities by maturity

€ thousands	Total	< 1 year	1 to 5 years	> 5 years
Bank borrowings	12,000	4,000	8,000	-
Lease liabililites	10,411	2,847	6,806	758
Total at June 30	**22,411**	**6,847**	**14,806**	**758**

2.12.3 • Covenants

The Divabox loan is contractually subject with a covenant imposing compliance with the leverage ratio (Consolidated net debt/EBITDA).

No special provision is attached to this loan.

2.13 • Deferred tax

The income tax rate used to calculate the tax expense is the projected annualized rate at the group level for all periods presented.

Deferred taxes arise mainly from timing differences between financial accounting and tax accounting. Deferred taxes from consolidation adjustments and loss carryforwards are recovered as follows:

€ thousands	12/31/19	Changes through reserves	Changes through income	06/30/20
Deferred tax assets				
Timing differences between financial and tax accounting	4,536	-	(1,068)	3,468
Provisions for retirement liabilities	179	-	-	179
Loss carryforwards	322	-	7	329
IFRS 16 – right-of-use assets	72	-	(6)	66
Leases	2	-	-	2
Currency forward contracts	-	22	13	35
Advertising and promotional costs	698	-	697	1,395
Intra-group inventory margin	4,069	-	1,824	5,893
Other	-	-	-	-
Total deferred tax assets before amortization	**9,878**	**22**	**1,467**	**11,367**
Depreciation of deferred tax assets	(322)	-	(7)	(329)
Net deferred tax assets	**9,556**	**22**	**1,460**	**11,038**
Deferred tax liabilities				
Acquisition costs	(556)	-	-	(556)
Bonus shares	-	71	(71)	-
Levies imposed by governments	(223)	-	158	(65)
Borrowing costs associated with the Rochas brand acquisition	(5)	-	5	-
Capitalization of costs associated with the Rochas brand acquisition	(1,677)	-	-	(1,677)
Treasury shares	(55)	116	(61)	-
Forward hedging instruments	(11)	11	-	-
Derivatives	(77)	-	(175)	(252)
Total deferred tax liabilities	**(2,604)**	**198**	**(144)**	**(2,550)**
Total net deferred tax	**6,952**	**220**	**1,316**	**8,488**

2.14 • Trade payables and other current liabilities

2.14.1 • Trade payables and related accounts

€ thousands	12/31/19	06/30/20
Trade payables for components	20,019	16,429
Other trade payables	43,645	21,601
Total	**63,664**	**38,030**

2.14.2 • Other liabilities

€ thousands	12/31/19	06/30/20
Accrued credit notes (1)	6,646	3,341
Tax and employee-related liabilities	15,144	5,586
Accrued royalties	9,322	3,922
Hedging instruments	12	85
Interparfums Holding current accounts	1,752	1,664
Other liabilities	1,687	830
Total	**34,563**	**15,428**

(1) "Accrued credit notes" includes a provision for returns from customers of the US subsidiary in the amount of €1,899,000 at June 30, 2020.

2.15 • Financial instruments

The following table presents financial instruments in the balance sheet according to the categories provided for under IFRS 9.

				06/30/20		12/31/19	
€ thousands	Notes	At amortized cost	Fair value through profit or loss	Carrying value	Fair value	Carrying value	Fair value
Other non-current financial assets							
Long-term investments	2.4	11,766	-	11,766	11,766	2,862	2,862
Total non-current financial assets	2.4	2,816	-	2,816	2,816	3,066	3,066
Current financial assets							
Trade receivables and related accounts	2.7	59,310	-	59,310	59,310	93,700	93,700
Other receivables	2.8	6,027	-	6,027	6,027	5,580	5,580
Derivative instruments subject to hedge accounting (based documentation establishing the hedging relationship)		-	-	-	-	-	-
Other current financial assets	2.9	60,283	-	60,283	60,283	54,045	54,045
Cash and cash equivalents	2.9	108,805	-	108,805	108,805	151,624	151,324
Non-current financial liabilities							
Non-current borrowings and financial liabilities	2.12	7,919(1)	-	8,000	8,000	-	-
Current liabilities							
Trade payables and related accounts	2.14	38,030	-	38,030	38,030	63,664	63,664
Current borrowings	2.12	3,984(1)	-	4,000	4,000	10,018	10,018
Other liabilities	2.14	15,428	-	15,428	15,428	34,563	34,563
Derivative instruments subject to hedge accounting (based documentation establishing the hedging relationship)		-	-	-	-	-	-

(1) The fair value of borrowings and financial liabilities is measured as the total value of future cash flows discounted according to the prevailing interest rate on the market for comparable instruments.

No change in fair value has been recorded through equity.

In accordance with IFRS 13, current and non-current financial assets, cash and cash equivalents and borrowings and financial liabilities are measured using directly observable inputs other than quoted market prices or provided by financial institutions (level 2). The carrying value of other financial assets presented above represents a satisfactory approximation of their fair value.

2.16 • Risk management

The primary risks related to the Group's business and organization result from interest rate and foreign exchange rate exposures that are hedged using derivative financial instruments. The potential impacts of other risks on the company's financials are not material.

2.16.1 • Interest rate risks

The Group's policy for reducing its interest rate exposure risk seeks to ensure a stable level of financial expense by making use of all financial instruments such as hedges in the form of fixed rate swaps.

2.16.2 • Liquidity risks

The net position of financial assets and liabilities by maturity is as follows:

€ thousands	< 1 year	1 to 5 years	> 5 years	Total
Other non-current financial assets	500	2,000	316	2,816
Current financial assets	14,437	43,400	2,446	60,283
Cash and cash equivalents	108,805	-	-	108,805
Total financial assets	**123,742**	**45,400**	**2,762**	**171,904**
Borrowings and financial liabilities	4,000	8,000	-	12,000
Total financial liabilities	**4,000**	**8,000**	**-**	**12,000**
Net position before hedging	**127,742**	**53,400**	**2,762**	**183,904**
Hedging of assets and liabilities (swaps)	-	-	-	-
Net position after hedging	**127,742**	**53,400**	**2,762**	**183,904**

2.16.3 • Foreign exchange risks

Net positions of the Group in the main foreign currencies are as follows:

€ thousands	USD	GBP	JPY
Assets	27,728	2,074	614
Liabilities	(3,581)	(5)	(1)
Net position before hedging at the closing price	**24,147**	**2,069**	**613**
Net position hedged	(2,411)	-	-
Net position after hedging	**21,736**	**2,069**	**613**

In addition, because a significant portion of Group sales is in foreign currencies, it incurs a risk from exchange rate fluctuations, primarily from the US dollar (45.0% of sales) and to a lesser extent the Pound sterling (4.5% of sales) and the Japanese yen (1.8% of sales).

The Group's exchange-rate risk management policy seeks to cover exposures related to monetary flows resulting from sales in US dollars, pounds sterling and Japanese yens.

3 • Notes to the income statement

In light of the current public health crisis and the measures adopted in response, the income and expense aggregates forming the operating profit were subject to significant variations in the period.

Certain expenses directly linked to business activity such as royalties or transportation costs mechanically decreased significantly as a result.

Other expenses, more flexible in nature, were able to be adjusted. These concern mainly advertising campaigns that were canceled or postponed and provisions linked to variable compensation that were reduced, reflecting the company's goal of preserving all jobs.

No other non-recurring expenses directly linked to the management of the current health crisis have been recorded in the income statement.

3.1 • Breakdown of consolidated sales by brand

€ thousands	**H1 2019**	**H1 2020**
Montblanc	71,762	36,185
Jimmy Choo	46,214	26,705
Coach	41,696	33,624
Lanvin	28,138	10,941
Rochas	14,566	12,429
Boucheron	10,123	4,401
Van Cleef & Arpels	9,541	4,665
Karl Lagerfeld	7,185	4,240
S.T. Dupont	2,778	1,436
Paul Smith	2,205	1,039
Repetto	1,341	529
Other	1,836	2,490
Perfume sales	**237,385**	**138,684**
Rochas fashion license revenues	1,024	600
Total revenue	**238,409**	**139,284**

3.2 • Cost of sales

€ thousands	**H1 2019**	**H1 2020**
Raw materials, trade goods and packaging	(96,937)	(69,414)
Changes in inventory and allowances for impairment	18,158	18,345
POS advertising	(1,883)	(777)
Staff costs	(2,842)	(2,068)
Allowances and reversals/impairment	(1,878)	(1,800)
Property rental expenses	(118)	(199)
Transportation costs	(415)	(311)
Other expenses related to the cost of sales	(151)	(62)
Total cost of sales	**(86,066)**	**(56,286)**

3.3 • Selling expenses

€ thousands	H1 2019	H1 2020
Advertising	(51,351)	(29,747)
Royalties	(17,204)	(11,302)
Staff costs	(15,366)	(10,120)
Service fees/subsidiaries	(3,307)	(2,344)
Subcontracting	(3,544)	(1,555)
Transportation costs	(2,706)	(1,739)
Travel and entertainment expenses	(4,297)	(1,300)
Allowances and reversals	(2,040)	(2,865)
Tax and related expenses	(2,285)	(1,642)
Commissions	(916)	(420)
Property rental expenses	(333)	(172)
Other selling expenses	(1,494)	(1,351)
Total selling expenses	**(104,843)**	**(64,557)**

3.4 • Administrative expenses

€ thousands	H1 2019	H1 2020
Purchases and external costs	(2,804)	(3,111)
Staff costs	(4,356)	(3,765)
Property rental expenses	(59)	(67)
Allowances and reversals	(753)	(697)
Other administrative expenses	(545)	(372)
Total administrative expenses	**(8,517)**	**(8,012)**

3.5 • Net financial income (expense)

€ thousands	H1 2019	H1 2020
Financial income	1,134	1,055
Gross interest expense	(574)	(373)
Net finance costs	**560**	**682**
Currency losses	(2,595)	(2,037)
Currency gains	2,033	2,922
Net currency gains (losses)	**(562)**	**885**
Other financial income and expenses	93	3
Net financial income/(expense)	**91**	**1,570**

Changes in net currency gains reflect the significant increase of the US dollars in relation to the euro in the first half of 2020 compared to limited changes in the same period in 2019.

3.6 • Income tax

€ thousands	H1 2019	H1 2020
Current income tax – France	(10,104)	(3,013)
Current income tax – Foreign operations	(2,496)	(1,423)
Total current income tax	**(12,600)**	**(4,436)**
Deferred tax- France	312	598
Deferred tax- Foreign operations	566	718
Total deferred taxes	**878**	**1,316**
Total income taxes	**(11,722)**	**(3,120)**

3.7 • Earnings per share

€ thousands except number of shares and earnings per share in euros	H1 2019	H1 2020
Consolidated net income	27,238	8,865
Average number of shares	43,018,482	47,071,264
Basic earnings per share	**0.63**	**0.19**
Dilutive effect of stock options:		
Potential additional number of fully diluted shares	-	-
Potential fully diluted average number of shares outstanding	43,018,482	47,071,264
Diluted earnings per share	**0.63**	**0.19**

4 • Segment reporting

4.1 • Business line segments

The company now operates in two distinct segments, “Perfumes” and “Fashion” corresponding to the activity generated by Rochas’ fashion business.

However, a separate presentation is not provided for income statement aggregates because the “Fashion” business represents less than 0.5% of Group sales.

Assets and liabilities relating to the Rochas brand at June 30, 2020 were as follows:

Intangible assets relating to the Rochas trademark include €86,739,000 for fragrances and €19,086,000 for fashion or a total of €105,825,000.

Segment assets consist of operating assets used primarily in France.

4.2 • Geographic segments

Sales by geographical sector break down as follows:

€ thousands	**H1 2019**	**H1 2020**
North America	65,982	41,610
South America	19,706	11,460
Asia	40,061	21,569
Eastern Europe	16,175	7,924
Western Europe	41,713	26,313
France	17,820	12,793
Middle East	33,685	14,977
Africa	2,243	2,038
Perfume sales	**237,385**	**138,684**
South America	123	31
Asia	239	170
Western Europe	635	399
France	27	-
Rochas fashion license revenues	**1,024**	**600**
Total	**238,409**	**139,284**

5 • Off-balance sheet commitments

5.1 • Off-balance sheet commitments given

5.1.1 • Off-balance sheet commitments in connection with the company's operating activities

€ thousands	**Main characteristics**	**12/31/19**	**06/30/20**
Guaranteed minima on trademark royalties	Guaranteed minima on royalties regardless of sales achieved for each of the trademarks in the period.	329,043	320,908
Firm component orders	Inventories of components on stock with suppliers that the company undertakes to purchase as required for releases and which the company does not own.	5,042	4,634
Total commitments given in connection with operating activities		**334,085**	**325,542**

5.1.2 • Off-balance sheet commitments in connection with the company's financing activities

Commitments with respect to forward currency sales at June 30, 2020 amounted to US$38,000,000.

Commitments with respect to forward currency purchases at June 30, 2020 amounted to US$35,300,000.

5.1.3 • Commitments given by maturity at June 30, 2020

€ thousands	**Total**	**Up to 1 year**	**1 to 5 years**	**5 years or more**
Guaranteed minima on trademark royalties	320,908	7,390	141,900	171,618
Firm component orders	4,634	4,634	-	-
Total commitments given	**325,542**	**12,024**	**141,900**	**171,618**

5.2 • Off balance sheet commitments received

Commitments received with respect to forward currency purchases for US dollar hedges at June 30, 2020 amounted to €34,611,000.

Commitments received with respect to forward currency sales for US dollar hedges at June 30, 2020 amounted to €31,518,000.

6 • Information on related parties

In the 2020 first half, there were no changes with respect to relations between Interparfums and affiliated undertakings (parent company and subsidiaries) and those disclosed in the notes to the consolidated financial statements in the 2019 Universal Registration Document.

This is also the case for relations between members of the Management Committee and the Board of Directors.

7 • Other information

7.1 • License agreements

	Nature of license	License inception date	Duration	Expiration date
S.T. Dupont	Inception	July 1997	11 years	-
	Renewal	January 2006	5 years and 6 months	-
	Renewal	January 2011	6 years	-
	Renewal	January 2017	3 years	December 2019
	Renewal	January 2020	1 year	Renewable
Paul Smith	Inception	January 1999	12 years	-
	Renewal	July 2008	7 years	-
	Renewal	July 2017	4 years	December 2021
Van Cleef & Arpels	Inception	January 2007	12 years	-
	Renewal	January 2019	6 years	December 2024
Jimmy Choo	Inception	January 2010	12 years	-
	Renewal	January 2018	13 years	December 2031
Montblanc	Inception	July 2010	10 years and 6 months	-
	Renewal	January 2016	5 years	December 2025
Boucheron	Inception	January 2011	15 years	December 2025
Repetto	Inception	January 2012	13 years	December 2024
Karl Lagerfeld	Inception	November 2012	20 years	October 2032
Coach	Inception	June 2016	10 years	June 2026
Kate Spade	Inception	January 2020	10 years and 6 months	June 2030
Moncler	Inception	January 2021	6 years	December 2026

In June 2020, Interparfums and Moncler entered into an exclusive global fragrance license agreement for a contractual period of 5 years and with the possibility for an extension for 5 years.

Under this agreement, Interparfums will create, produce and distribute new perfumes and fragrance-related products. Interparfums will distribute these fragrances globally to department and specialty stores and duty free shops, as well as in the Moncler brand retail stores.

The launch of the first fragrance line is planned during the first quarter of 2022.

7.2 • Proprietary brands

• Lanvin

At the end of July 2007, Interparfums acquired the Lanvin brand names and international trademarks for fragrance and make-up products from the Jeanne Lanvin company. The two companies concluded in parallel a technical and creative assistance agreement in view of developing new perfumes based on net sales and effective until June 30, 2019. The Jeanne Lanvin company holds a buy back option for the brands which will be exercisable on July 1, 2025.

• Rochas

At the end of May 2015, Interparfums acquired ownership of the Rochas brand (perfumes and fashion) from Procter & Gamble.

This transaction covered all Rochas brand names and registered trademarks *(Femme, Madame, Eau de Rochas…)* for France and international markets, mainly for class 3 (fragrances) and class 25 (fashion).

7.3 • Employee-related data

Changes in the workforce by department break down as follows:

Number of employees at	06/30/19	06/30/20
Executive Management	2	2
Production & Operations	46	46
Marketing	66	72
Export	77	76
France	45	42
Finance & Corporate Affairs	62	61
Rochas fashion	9	8
Total	**307**	**307**

7.4 • Post-closing events

None.

Certificate of the company officer responsible for the interim financial report

I hereby declare that to the best of my knowledge the condensed financial statements presented for the first six months were prepared in accordance with applicable accounting standards and give a true and fair view of the financial position and results of Interparfums and its consolidated subsidiaries and that the interim management report included herein presents a true and fair view of the important events occurring during the first six months of the fiscal year, their impact on the interim financial statements, the main transactions with related parties and the principal risks and uncertainties for the remaining six months of the fiscal year.

Paris, September 7, 2020

Philippe Santi

Executive Vice President

Executive officer responsible for financial information

Philippe Santi

Executive Vice President

Boucheron
Coach
Jimmy Choo
Karl Lagerfeld
Kate Spade
Lanvin
Moncler
Montblanc
Paul Smith
Repetto
Rochas
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