



Press release

10 April 2018

## **Oriflame Holding AG publishes Annual Report for 2017 and provides clarifying comments on the upcoming IFRS standards**

### **2017 Annual Report**

The Annual Report for 2017 is now available at Oriflame's website, <http://investors.oriflame.com/> and as an attached document.

### **Upcoming IFRS standards**

As already communicated in connection with the unaudited year-end report, published on the 15th of February 2018, Oriflame is introducing IFRS 15 Revenue from Contracts with Customers from 1st January 2018. An early adoption of IFRS 16 Leases will be made to allow for all changes being implemented at the same time.

The application of IFRS 15 is expected to impact the income statement at different levels, both as a one-off adjustment and as reclassifications of costs. In order to facilitate the analysis of the company's underlying performance and minimize the impact from the one-off adjustment, Oriflame has decided to recognise the new IFRS 15 standard in applying the cumulative effect method at the date of initial application, with no restatement of the comparative period presented.

The previously communicated one-off effect consists of the three following parts:

1. Control approach instead of risk and reward approach
2. Deferred revenue recognition
3. Removal of the other income line

With the chosen option under IFRS 15, the one-off effects arising from 1) and 2) will be minimized in the income statement and reflected in the liabilities and retained earnings in the consolidated statements of financial positions as of 1st January 2018. Details about the impact can be found in the 2017 Annual Report. However, the one-off effect related to 3) will still have a minor one-off impact in the income statement.

The reclassifications of costs related to the application of IFRS 15 and 16 will be in line with previous communication.

In addition to the above, the Group will also present the 2018 figures under the old standard to further facilitate the comparison with the 2017 consolidated financial statements.

### **For additional information, please contact:**

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*This information is information that Oriflame Holding AG is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication at 11.30 CET on 10 April 2018.*

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*Founded in 1967, Oriflame is a beauty company selling direct in more than 60 countries. Its wide portfolio of Swedish, nature-inspired, innovative beauty products is marketed through approximately 3 million independent Oriflame Consultants, generating annual sales of around €1.4 billion. Respect for people and nature underlies Oriflame's operating principles and is reflected in its social and environmental policies. Oriflame supports numerous charities worldwide and is a Co-founder of the World Childhood Foundation. Oriflame is a Swiss company group listed on the Nasdaq Stockholm Exchange. For more information about Oriflame, please visit [www.oriflame.com](http://www.oriflame.com).*