

## First-quarter 2015 revenue

### Solid increase of reported revenue: up 11%

**Group revenue: up 11%**  
Luxury Activities: up 11%  
Sport & Lifestyle Activities: up 13%

- Group revenue of €2.7 billion in first quarter 2015, up 11.4% on first quarter 2014 as reported and nearly stable on a comparable Group structure and exchange rate basis.
- Luxury Activities:
  - o Revenue up 10.9% as reported (down 2.6% on a comparable basis)
  - o Positive comparable performances in directly operated stores, driven by momentum in Europe and North America.
- Sport & Lifestyle Activities:
  - o Good start to the year with revenue up 12.7% as reported (up 3.7% on a comparable basis).

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**François-Henri Pinault, Kering's Chairman and Chief Executive Officer, commented:**

*"Group revenues, up in the first quarter of the year, reflect a complex economic and monetary environment as well as the transition underway at Gucci. Our priority today is to give our flagship luxury brand fresh impetus and we are confident in the success of the action plans initiated by the new teams, both on a creative and organisational front. Thanks to the dedication of all our associates and to the tremendous potential of each of our brands, we pursue the implementation of our strategy while keeping a tight rein on costs. Consequently, we expect a gradual improvement in our performances throughout the year."*

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<i>(in € million)</i>	Q1 2015	Reported change	Comparable change <sup>(1)</sup>
Luxury Activities	1,754	+10.9%	-2.6%
Sport & Lifestyle Activities	890	+12.7%	+3.7%
<i>Eliminations and other</i>	7	-	-
<b>Kering – Continuing activities</b>	<b>2,651</b>	<b>+11.4%</b>	<b>-0.6%</b>

<sup>(1)</sup> Comparable scope and exchange rates.

### Luxury Activities

Luxury activities posted revenue growth of 11% as reported in the first quarter of 2015. The revenue increase in directly operated stores, which account for 71% of sales, was driven by the positive trends recorded in Western Europe, where comparable sales were up 14%, and in North America, where comparable sales were up 3%.

### Gucci

The Gucci brand, in a period of transition, posted sales growth of nearly 4% as reported in the first quarter of 2015, down 8% on a comparable basis. Comparable sales in Gucci's directly operated store network were up a solid 6% in Western Europe and stable in the US. Performances elsewhere were mixed, due in particular to a strong base of comparison in Japan and ongoing tough market conditions overall in the Asia-Pacific region.

### Bottega Veneta

Bottega Veneta posted revenue growth of 16% as reported and 3% on a comparable basis in the first quarter of 2015. Sales recorded by directly operated stores were mainly driven by the excellent momentum in Western Europe, where sales jumped 34% on a comparable basis.

### Yves Saint Laurent

Yves Saint Laurent continued to turn in sterling performances across all regions and product categories in the first quarter of 2015, with sales up 34% as reported and 21% on a comparable basis. Directly operated stores delivered particularly strong performances in North America, Western Europe and Japan, where comparable sales rose 39%, 29% and 22%, respectively.

### Other Luxury brands

Revenues from the Group's Other Luxury brands grew 14% as reported in the first quarter of 2015, and were down nearly 4% on a comparable basis.

Couture & Leather Goods comparable sales were up 16% in directly operated stores, buoyed by solid trends at Balenciaga and vigorous growth at Stella McCartney and Alexander McQueen.

Watches & Jewelry recorded mixed sales performances mainly resulting from the very strong comparison bases for Boucheron in Japan and the continued caution exercised by third-party distributors in the Watches sector.



### **Sport & Lifestyle Activities**

Sales generated by Sport & Lifestyle activities were up 13% as reported and up 4% on a comparable basis in the first quarter of 2015. Puma posted sales growth of 13% as reported and of 4.5% on a comparable basis, mainly driven by strong sales momentum in the Footwear category.

### **First quarter 2015 highlights**

- On 12 January 2015, Kering and Safilo announced that they had finalised their product partnership. The agreement will cover product development, manufacturing and supply of Gucci Eyewear products and will be implemented from the fourth quarter of 2015 in order to ensure the proper transition of the Gucci Eyewear activities before the early termination of the current Gucci license on 31 December 2016. This product partnership is one of the key steps of Kering's strategic move aimed at building an in-house Eyewear platform for its Luxury and Sport & Lifestyle brands.
- On 15 January 2015, Kering sold the assets of the Movitex group to its management team. The sale followed the recapitalisation of the company in accordance with the tentative agreement signed on 3 December 2014.
- On 18 March 2015, Kering announced the appointment of Roberto Vedovotto, CEO of Kering Eyewear, as a new member of its Executive Committee.
- On 20 March 2015, Kering issued a €500 million, 0.875% fixed-rate bond maturing in seven years. This issue is in line with the Group's active liquidity management policy.



#### AUDIOCAST

Kering will hold an **audiocast** for analysts and investors at **6.00pm** (CET) / 5.00pm (UK) / 12.00pm (US, East Coast) on **Tuesday 21 April 2015**.

**Available at [www.kering.com](http://www.kering.com) (Finance section).**

The audiocast will also be available by phone, using one of the dial-in numbers below:

France	+33 (0)1 76 77 22 29
UK	+44 (0)20 3427 0503
US	+1 (646) 254 3365

Access code: 3633096

A **replay** of the audiocast will also be available at [www.kering.com](http://www.kering.com) (Finance section).

#### PRESENTATION

The slides (PDF) will be available ahead of the audiocast at [www.kering.com](http://www.kering.com).

#### **About Kering**

*A world leader in apparel and accessories, Kering develops an ensemble of powerful Luxury and Sport & Lifestyle brands: Gucci, Bottega Veneta, Saint Laurent, Alexander McQueen, Balenciaga, Brioni, Christopher Kane, McQ, Stella McCartney, Tomas Maier, Sergio Rossi, Boucheron, Dodo, Girard-Perregaux, JeanRichard, Pomellato, Qeelin, Ulysse Nardin, PUMA, Volcom, Cobra, Electric and Tretorn. By 'empowering imagination' in the fullest sense, Kering encourages its brands to reach their potential, in the most sustainable manner.*

*Present in more than 120 countries, the Group generated revenues of €10 billion in 2014 and had more than 37,000 employees at year end. The Kering (previously PPR) share is listed on Euronext Paris (FR 0000121485, KER.PA, KER.FP).*

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Appendix: First-quarter 2015 revenue

<i>(in € millions)</i>	Q1 2015	Q1 2014	Reported change	Comparable change <sup>(1)</sup>
<b>Luxury Activities</b>	<b>1,754.0</b>	<b>1,582.3</b>	<b>+10.9%</b>	<b>-2.6%</b>
Gucci	869.0	838.1	+3.7%	-7.9%
Bottega Veneta	290.0	250.8	+15.6%	+3.1%
Yves Saint Laurent	211.4	158.0	+33.8%	+21.2%
Other brands	383.6	335.4	+14.4%	-4.5%
<b>Sport &amp; Lifestyle Activities</b>	<b>890.0</b>	<b>789.6</b>	<b>+12.7%</b>	<b>+3.7%</b>
Puma	825.0	730.0	+13.0%	+4.5%
Other brands	65.0	59.6	+9.1%	-5.0%
<i>Eliminations and other</i>	7.2	7.7	-6.5%	-23.4%
<b>Kering – Continuing activities</b>	<b>2,651.2</b>	<b>2,379.6</b>	<b>+11.4%</b>	<b>-0.6%</b>

<sup>(1)</sup> Comparable scope and exchange rates.