

**PRESS RELEASE**

February 8, 2024

**2023 ANNUAL RESULTS**

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**Revenue: €19,566 million**  
**down 4% as reported, down 2% on a comparable basis**  
**Recurring operating income down to €4,746 million**  
Net income attributable to the Group: €2,983 million  
Recommended ordinary dividend: €14 per share

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*“In a trying year for the group, we strengthened our organization and took significant steps to further enhance the visibility and exclusivity of our Houses. We are focused on revitalizing Gucci, leveraging the unique blend of craftsmanship, Italian heritage, and modernity that characterizes this iconic House. The launch of Kering Beauté and the acquisition of Creed, a storied maker of high-end fragrances, will enable us to capture our share of the steadily growing beauty market. In a market environment that remains uncertain in early 2024, our continuing investments in our Houses will put pressure on our results in the short term. Thanks to the experience gained across the group through a decade of outstanding expansion, we are confident in achieving our long-term ambitions.”*

**François-Henri Pinault, Chairman and Chief Executive Officer**

- **Revenue** amounted to €19.6 billion in **2023**, a decrease of 4% as reported, including significant impacts from changes in exchange rates and the scope of consolidation (-4% and +2% respectively) and down 2% on a comparable basis.
  - o Sales from the directly operated retail network, including e-commerce, were stable on a comparable basis.
  - o Wholesale and Other revenue fell 11% on a comparable basis, as the Group further strengthened the exclusivity of its Houses' distribution.
- In the **fourth quarter of 2023**, revenue was down 6% as reported and down 4% on a comparable basis. Sales from the directly operated retail network dropped 2% on a comparable basis. Revenue grew in Asia-Pacific and Japan. Trends in Western Europe and North America improved sequentially.
- **2023 recurring operating income** totaled €4.7 billion in 2023, down 15% from the 2022 level. Recurring operating margin was 24.3% in 2023 versus 27.5% in 2022.
- **2023 net income attributable to the Group** amounted to €3.0 billion.
- **Free cash flow from operations** was €2.0 billion in 2023. Excluding real estate acquisitions and disposals, free cash flow from operations was €3.3 billion.



## Financial indicators

	2023	2022	Change
<i>(in € millions)</i>			
<b>Revenue</b>	<b>19,566</b>	<b>20,351</b>	<b>-4%</b>
Comparable change <sup>(1)</sup>			-2%
<b>Recurring operating income</b>	<b>4,746</b>	<b>5,589</b>	<b>-15%</b>
% of revenue	24.3%	27.5%	
<b>EBITDA</b>	<b>6,569</b>	<b>7,255</b>	<b>-9%</b>
% of revenue	33.6%	35.6%	
Net income attributable to the Group	2,983	3,614	-17%
<b>Recurring net income attributable to the Group</b> <sup>(2)</sup>	<b>3,061</b>	<b>3,747</b>	<b>-18%</b>

(1) Change on a comparable scope and exchange rate basis.

(2) Recurring net income attributable to the Group: net income from continuing operations attributable to the Group, excluding non-recurring items.

## Operating performance

Revenue	2023	2022	Reported change	Comparable change <sup>(1)</sup>
<i>(in € millions)</i>				
Gucci	9,873	10,487	-6%	-2%
Yves Saint Laurent	3,179	3,300	-4%	-1%
Bottega Veneta	1,645	1,740	-5%	-2%
Other Houses	3,514	3,874	-9%	-8%
Kering Eyewear and Corporate	1,568	1,139	+38%	+11%
<i>Eliminations</i>	<i>(213)</i>	<i>(189)</i>	-	-
<b>KERING</b>	<b>19,566</b>	<b>20,351</b>	<b>-4%</b>	<b>-2%</b>

(1) Change on a comparable scope and exchange rate basis.



<b>Recurring operating income</b> <i>(in € millions)</i>	<b>2023</b>	<b>2022</b>	<b>Change</b>
Gucci	3,264	3,732	-13%
Yves Saint Laurent	969	1,019	-5%
Bottega Veneta	312	366	-15%
Other Houses	212	558	-62%
Kering Eyewear and Corporate	(7)	(88)	+92%
<i>Eliminations</i>	(4)	2	-
<b>KERING</b>	<b>4,746</b>	<b>5,589</b>	<b>-15%</b>

## Gucci

Gucci's **2023 revenue** was €9.9 billion, down 6% as reported and down 2% on a comparable basis. Sales from the directly operated retail network, which account for 91% of revenue, dropped 2% on a comparable basis. Wholesale revenue was down 5% on a comparable basis.

**In the fourth quarter of 2023**, Gucci's revenue decreased 4% on a comparable basis. Sales from the directly operated retail network were down 4% on a comparable basis, with sequential improvements in North America and Asia-Pacific, as well as in Leather Goods and Women's Ready-to-Wear. Towards the end of the quarter, Gucci reopened its historic store on via Monte Napoleone in Milan. Wholesale revenue was up 3% on a comparable basis in the quarter.

Gucci's **recurring operating income** totaled €3.3 billion in 2023. The **recurring operating margin** was 33.1%, as investments in implementing the House's strategy weighed on profitability.

## Yves Saint Laurent

In **2023**, Yves Saint Laurent's **revenue** amounted to €3.2 billion, down 4% as reported and down 1% on a comparable basis. Sales from the directly operated retail network rose by 4% on a comparable basis, while revenue from Wholesale, still undergoing rationalization, was down 26% on a comparable basis.

In the **fourth quarter of 2023**, sales were down 5% on a comparable basis, while revenue from the directly operated retail network was stable. Yves Saint Laurent performed well in Asia-Pacific and Japan, while sales in North America and Western Europe declined year-on-year, with trends improving sequentially. The House opened its largest store worldwide in the fourth quarter, on the Champs-Élysées in Paris. Wholesale revenue was down 39% in the fourth quarter.

Yves Saint Laurent achieved **recurring operating income** of nearly €1 billion in 2023, and its **recurring operating margin** remained above 30%.



## Bottega Veneta

Bottega Veneta's **revenue** totaled €1.6 billion in **2023**, down 5% as reported and down 2% on a comparable basis. Sales from the directly operated retail network rose by 4% on a comparable basis, while Wholesale revenue fell by 24% on a comparable basis, in line with the House's strategy.

Sales in the **fourth quarter of 2023** were down 4% on a comparable basis, and up 5% in the directly operated retail network, driven by Bottega Veneta's solid performance in North America and encouraging signs in Asia-Pacific, particularly Mainland China. Wholesale revenue was down 37% on a comparable basis.

In 2023, Bottega Veneta achieved **recurring operating income** of €312 million, yielding a **recurring operating margin** of 19%, reflecting the House's continuing investments.

## Other Houses

**2023 revenue** from Other Houses amounted to €3.5 billion, down 9% as reported and down 8% on a comparable basis. On a comparable basis, sales from the directly operated retail network rose by 3%, while Wholesale revenue was down 29%.

In the **fourth quarter of 2023**, sales from the Other Houses dropped 5% on a comparable basis, while sales from the directly operated retail network were up 4%. Wholesale revenue was down 30%.

Trends improved significantly for Balenciaga in North America and Western Europe, and the House also delivered a solid performance in Asia-Pacific. At Alexander McQueen, sales in the directly operated retail network were up fueled by its Ready-to-Wear collections. Brioni had another very good quarter.

Kering's Jewelry Houses maintained their excellent momentum, with double-digit growth in the fourth quarter, driven by the success of all collections.

The Other Houses generated **recurring operating income** of €212 million in 2023, while **recurring operating margin** fell to 6%.

## Kering Eyewear and Corporate

In 2023, Kering Eyewear's **revenue** hit a new record of €1.5 billion (up 35% as reported and up 10% on a comparable basis), benefiting from the consolidation of Maui Jim and excellent development of the brand portfolio. In the **fourth quarter**, sales were up 6% on a comparable basis.

Kering Eyewear's **recurring operating income** rose sharply to €276 million, reflecting Maui Jim's contribution and the Eyewear division's newly acquired scale.

Taking into account Kering Beauté and Corporate costs, the Kering Eyewear & Corporate segment posted a recurring operating loss of €7 million, an improvement from 2022. Creed's high level of profitability offset start-up costs at Kering Beauté.



### **Financial performance**

In 2023, Kering's **net financial expense** totaled €410 million.

The **effective tax rate** on recurring income was 27.4%.

**Net profit attributable to the Group** was €3.0 billion.

**Earnings per share** amounted to €24.40.

### **Cash flow and financial position**

Free cash flow from operations was over €2.0 billion in 2023. Excluding real estate acquisitions and disposals, free cash flow from operations was €3.3 billion.

At December 31, 2023, Kering's net debt amounted to €8.5 billion. The increase reflects the acquisitions carried out during the year.

### **Dividend**

In its February 7, 2024 meeting, Kering's Board of Directors decided to ask shareholders to approve a cash dividend of €14.00 per share at the Annual General Meeting to be held on April 25, 2024 to approve the financial statements for the year ended December 31, 2023.

An interim dividend of €4.50 per share was paid on January 17, 2024. If approved, a final dividend of €9.50 will be paid on May 6, 2024 on positions determined on the evening of May 3, 2024. The ex-date for the final dividend payment will be the morning of May 2, 2024.

### **Outlook**

To achieve its long-term vision, Kering invests in the development of its Houses, so that they continuously strengthen their desirability and the exclusivity of their distribution, strike a perfect balance between creative innovation and timelessness, and achieve the highest standards in terms of quality, sustainability, and experience for their customers. In an environment of ongoing economic and geopolitical uncertainty, Kering will continue to execute on its strategy and vision, in pursuit of two key ambitions: to maintain a trajectory of long-term profitable growth, and to confirm its status as one of the most influential groups in the Luxury industry.

In 2024, in a context of ongoing normalization of the sector's growth, the impact of Kering's investment strategy will weigh on the group's full-year recurring operating income (based on the scope of consolidation and exchange rates at December 31, 2023), which should post a decline compared to the level reported in 2023, particularly in the first half of the year. The group will prioritize expenses and investments supporting the long-term development and growth of its houses, while remaining vigilant and disciplined with regards to its cost structure.

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*At its February 7, 2024 meeting, Kering's Board of Directors, chaired by François-Henri Pinault, approved the consolidated financial statements for 2023. The consolidated financial statements have been audited and are in the process of being certified.*



## WEBCAST

Kering will present its 2023 results in a **webcast**, which can be accessed [here](#) at **8:30 a.m. (CET)** on **Thursday, February 8, 2024**.

The presentation will be followed by a Q&A session for analysts and investors.

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

A replay of the webcast will also be available at [www.kering.com/en/finance](http://www.kering.com/en/finance).

The notes to the consolidated financial statements are included in the 2023 financial document available at [www.kering.com](http://www.kering.com).

### About Kering

*A global Luxury group, Kering manages the development of a series of renowned Houses in Fashion, Leather Goods and Jewelry: Gucci, Saint Laurent, Bottega Veneta, Balenciaga, Alexander McQueen, Brioni, Boucheron, Pomellato, DoDo, Qeelin and Ginori 1735, as well as Kering Eyewear and Kering Beauté. By placing creativity at the heart of its strategy, Kering enables its Houses to set new limits in terms of their creative expression while crafting tomorrow's Luxury in a sustainable and responsible way. We capture these beliefs in our signature: "Empowering Imagination". In 2023, Kering had 49,000 employees and revenue of €19.6 billion.*

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**APPENDICES**

**EXCERPT FROM THE CONSOLIDATED FINANCIAL STATEMENTS AND ADDITIONAL  
INFORMATION RELATING TO THE 2023 ANNUAL RESULTS**

**POSITION AS OF DECEMBER 31, 2023**

**AUDITED FINANCIAL STATEMENTS, CERTIFICATION IN PROGRESS**

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## HIGHLIGHTS AND ANNOUNCEMENTS SINCE JANUARY 1, 2023

### **Launch of the Circular Hub, the first dedicated circular economy platform in the Italian Luxury industry**

February 21, 2023 – With support of Kering, Gucci launched its Circular Hub, the first dedicated circular economy platform for the Luxury sector, in Italy on February 21, 2023. Its aim is to accelerate the circular transformation of the Italian fashion industry's production model across the entire value chain, encompassing raw materials, design, and the optimization of production and logistics. It is a platform for innovation, supporting the design and manufacturing of circular products and the development of new solutions.

### **Kering Eyewear acquires French manufacturing company UNT**

March 13, 2023 – Kering Eyewear strengthened its position in the Luxury eyewear industry by acquiring 100% of Usinage & Nouvelles Technologies (UNT) on June 30, 2023. UNT is based in the Jura region of France and is a key player in the manufacturing of high precision metal and mechanical components for the Luxury eyewear sector.

### **Kering plots a new course in terms of sustainability with group-wide target for reducing absolute emissions by 40%**

March 17, 2023 – Kering announced a commitment to reducing its greenhouse gas emissions by 40% in absolute terms by 2035 compared with 2021. This new target, which covers scopes 1, 2 and 3 of the Greenhouse Gas Protocol (GHG Protocol), forms part of the evolution of the Group's sustainability strategy and represents a necessary step to accelerate the implementation of the Group's vision of modern and responsible luxury.

### **Preliminary investigation by the European Commission**

April 19, 2023 – On April 18, 2023, as part of a preliminary investigation into the fashion sector in several countries under EU antitrust rules, the European Commission started an inspection at the Italian premises of Kering subsidiary Gucci. The Group is fully cooperating with the Commission as regards this investigation.

### **Kering unveils its Italian headquarters in the center of Milan**

May 25, 2023 – Kering announced the opening of its new 9,500 square-meter offices in Milan. Kering is the sole occupant of the six-floor Palazzo Pertusati, located in the central Via Senato.

### **Acquisition of luxury fragrance House Creed by Kering Beauté**

June 26, 2023 – Kering Beauté's acquisition of a 100% stake in Creed, announced on June 26, 2023, was completed on October 17, 2023. Creed has been consolidated in Kering's financial statements since November 1, 2023. The acquisition of Creed represents a major milestone for Kering Beauté. A perfect fit with the Group's portfolio of renowned Luxury Houses, it gives Kering Beauté substantial scale and a platform for supporting the future development of other Kering Beauté fragrance franchises, particularly by leveraging Creed's global distribution network.

### **Acquisition of a significant stake in Valentino**

July 27, 2023 – Kering acquired a 30% stake in Valentino for €1.7 billion from Mayhoola, as part of a strategic partnership that leaves open the possibility for Mayhoola to become a shareholder in Kering. The agreement comprises an option for Kering to acquire 100% of the share capital of Valentino no later than 2028. This stake has been accounted for in Kering's financial statements using the equity method since November 30, 2023.

### **Maison Boucheron acquires a High Jewelry workshop**

November 6, 2023 – Boucheron pursued its development strategy and strengthened its production capabilities by acquiring a High Jewelry workshop employing around 60 craftspeople near Place Vendôme in Paris on October 31, 2023.





## Bond issues

As part of the Group's active liquidity management, Kering carried out three bond issues in 2023, helping it to enhance its funding flexibility and allowing it both to refinance existing debt and fund recent acquisitions. The great success of these issues with investors underscored the market's confidence in the Group's credit quality. Kering's long-term debt is rated A with a stable outlook by Standard & Poor's.

- On February 20, 2023, Kering carried out a €1.5 billion bond issue consisting of two tranches:
  - a €750 million tranche with a 6-year maturity and a 3.25% coupon,
  - and a €750 million tranche with a 10-year maturity and a 3.375% coupon.

The issue allowed the Group to refinance existing debt and, in part, fund the Maui Jim acquisition.

- On August 29, 2023, Kering carried out a €3.8 billion bond issue consisting of four tranches:
  - a €750 million tranche with a 2-year maturity and a 3.75% coupon,
  - a €750 million tranche with a 4-year maturity and a 3.625% coupon,
  - a €1 billion tranche with an 8-year maturity and a 3.625% coupon,
  - a €1.3 billion tranche with a 12-year maturity and a 3.875% coupon.

This issue was partly intended to fund the acquisition of Creed.

- On November 16, 2023, Kering carried out an £800 million bond issue consisting of two tranches:
  - a £400 million tranche with a 3-year maturity and a 5.125% coupon,
  - a £400 million tranche with a 9-year maturity and a 5% coupon.

This issue allowed the Group to diversify its funding sources by raising money in the sterling bond market for the first time.

## Acquisition of a prestigious property on Fifth Avenue in New York City

January 22, 2024 – Kering announced the acquisition of a prestigious New York City property comprising luxury retail spaces across multiple floors and totaling approximately 115,000 sq. ft, or 10,700 sq. m., located at 715-717 Fifth Avenue, on the southeast corner of 56th Street, for \$963 million (€885 million). This investment represents a new milestone in Kering's selective real-estate strategy aimed at securing key locations that are highly desirable for its Houses.

## APPOINTMENTS AND MOVEMENTS SINCE JANUARY 1, 2023

### Appointment of Sabato de Sarno as Gucci's Creative Director

January 28, 2023 – Sabato De Sarno's appointment as Creative Director of Gucci was announced on January 28, 2023. He is responsible for defining and expressing the House's creative vision through womenswear, menswear, leather goods, accessories, and lifestyle collections. Sabato De Sarno presented his first collection during Milan Women's Fashion Week in September 2023.

### Appointment of Raffaella Cornaggia as Chief Executive Officer of Kering Beauté

February 3, 2023 – Raffaella Cornaggia was appointed as CEO of Kering Beauté on February 3, 2023. She is based in Paris, and has joined the Group's Executive Committee. Supported by a team of seasoned professionals, her role is to develop Bottega Veneta, Balenciaga, Alexander McQueen, Pomellato and Qeelin's expertise in the Beauty category while carrying out strategic acquisitions in that sector.

### Departure of Daniela Riccardi from Kering's Board of Directors

April 27, 2023 – In the meeting of the Board of Directors held after the end of the AGM on Thursday, April 27, 2023, Daniela Riccardi resigned from her role as a director of Kering.

### Appointment of Maureen Chiquet to Kering's Board of Directors

July 18, 2023 – The Board of Directors, after consultation with the Nominations & Governance Committee, decided to coopt Maureen Chiquet as independent director for the remainder of Daniela Riccardi's term of office (expiring on December 31, 2025). She joined Kering's Board of Directors in September 2023. Maureen Chiquet, a US citizen, has more than 35 years' experience in the fashion and luxury goods sector, including nine years as Global CEO of Chanel.



### **Moves to strengthen Kering's governance and organization**

July 18, 2023 - Kering announced a series of top appointments aimed at reinforcing stewardship of its Houses, further elevating its operational expertise and strengthening its organization:

- In addition to her existing role as President and CEO of Yves Saint Laurent since 2013, Francesca Belletini was appointed Kering Deputy CEO in charge of Brand Development.
- Jean-Marc Duplaix, Chief Financial Officer since 2012, was appointed Kering Deputy CEO in charge of Operations and Finance.
- Jean-François Palus, Kering Group Managing Director, was appointed President and CEO of Gucci, replacing Marco Bizzarri, who had been President and CEO of Gucci since 2015 and who left the company on September 23, 2023.
- Armelle Poulou, Director of Corporate Finance, Treasury and Insurance since 2019, was appointed Chief Financial Officer of Kering on September 1, 2023. She reports to Jean-Marc Duplaix.

### **Alexander McQueen and Sarah Burton announce the end of their collaboration**

September 11, 2023 – Alexander McQueen and its Creative Director Sarah Burton announced the end of their collaboration after two decades together.

### **Seán McGirr appointed Creative Director of Alexander McQueen**

October 3, 2023 – Seán McGirr was appointed as Alexander McQueen's Creative Director. He was previously Head of Ready-to-Wear at JW Anderson.

### **Departure of Tidjane Thiam from Kering's Board of Directors**

January 9, 2024 – In order to have the necessary time to devote to his political commitments, Tidjane Thiam – who was elected President of the Democratic Party of Ivory Coast on December 22, 2023 – submitted his resignation from his position as Director to the Chairman of Kering's Board of Directors. Tidjane Thiam became an independent Director of Kering on June 16, 2020. He was Chair of the Audit Committee and a member of the Remuneration Committee.



## CONSOLIDATED INCOME STATEMENT

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>CONTINUING OPERATIONS</b>		
<b>Revenue</b>	<b>19,566</b>	<b>20,351</b>
Cost of sales	(4,639)	(5,153)
<b>Gross margin</b>	<b>14,927</b>	<b>15,198</b>
Other personnel expenses	(2,982)	(2,830)
Other recurring operating income and expenses	(7,199)	(6,779)
<b>Recurring operating income</b>	<b>4,746</b>	<b>5,589</b>
Other non-recurring operating income and expenses	(103)	(194)
<b>Operating income</b>	<b>4,643</b>	<b>5,395</b>
Financial result	(410)	(260)
<b>Income before tax</b>	<b>4,233</b>	<b>5,135</b>
Income tax expense	(1,163)	(1,420)
Share in earnings (losses) of equity-accounted companies	4	2
<b>Net income from continuing operations</b>	<b>3,074</b>	<b>3,717</b>
<i>o/w attributable to the Group</i>	2,983	3,613
<i>o/w attributable to minority interests</i>	91	104
<b>DISCONTINUED OPERATIONS</b>		
<b>Net income from discontinued operations</b>	<b>-</b>	<b>1</b>
<i>o/w attributable to the Group</i>	-	1
<i>o/w attributable to minority interests</i>	-	-
<b>TOTAL GROUP</b>		
<b>Net income of consolidated companies</b>	<b>3,074</b>	<b>3,718</b>
<i>o/w attributable to the Group</i>	2,983	3,614
<i>o/w attributable to minority interests</i>	91	104

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Net income attributable to the Group</b>	<b>2,983</b>	<b>3,614</b>
Basic earnings per share <i>(in €)</i>	24.38	29.34
Diluted earnings per share <i>(in €)</i>	24.37	29.31
<b>Net income from continuing operations attributable to the Group</b>	<b>2,983</b>	<b>3,613</b>
Basic earnings per share <i>(in €)</i>	24.38	29.33
Diluted earnings per share <i>(in €)</i>	24.37	29.30
<b>Net income from continuing operations (excluding non-recurring items) attributable to the Group</b>	<b>3,061</b>	<b>3,747</b>
Basic earnings per share <i>(in €)</i>	25.02	30.42
Diluted earnings per share <i>(in €)</i>	25.01	30.39

# KERING



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Net income</b>	<b>3,074</b>	<b>3,718</b>
<i>o/w attributable to the Group</i>	2,983	3,614
<i>o/w attributable to minority interests</i>	91	104
<b>Change in currency translation adjustments relating to consolidated subsidiaries :</b>	<b>(75)</b>	<b>(69)</b>
<i>change in currency translation adjustments</i>	(75)	(69)
<i>amounts transferred to the income statement</i>	-	-
<b>Change in foreign currency cash flow hedges :</b>	<b>(4)</b>	<b>246</b>
<i>change in fair value</i>	268	(68)
<i>amounts transferred to the income statement</i>	(271)	327
<i>tax effects</i>	(1)	(13)
<b>Change in other comprehensive income (loss) of equity-accounted companies :</b>	<b>-</b>	<b>-</b>
<i>change in fair value</i>	-	-
<i>tax effects</i>	-	-
<b>Gains and losses recognized in equity, to be transferred to the income statement</b>	<b>(79)</b>	<b>177</b>
<b>Change in provisions for pensions and other post-employment benefits :</b>	<b>1</b>	<b>24</b>
<i>change in actuarial gains and losses</i>	1	30
<i>tax effects</i>	-	(6)
<b>Change in financial assets measured at fair value :</b>	<b>(23)</b>	<b>(225)</b>
<i>change in fair value</i>	(33)	(272)
<i>tax effects</i>	10	47
<b>Gains and losses recognized in equity, not to be transferred to the income statement</b>	<b>(22)</b>	<b>(201)</b>
<b>Total gains and losses recognized in equity</b>	<b>(101)</b>	<b>(24)</b>
<b>COMPREHENSIVE INCOME</b>	<b>2,973</b>	<b>3,694</b>
<i>o/w attributable to the Group</i>	2,879	3,576
<i>Net income of consolidated companies attributable to minority interests</i>	94	118



## CONSOLIDATED BALANCE SHEET

### Assets

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Goodwill	7,112	4,053
Brands and other intangible assets	8,178	7,357
Lease right-of-use assets	4,984	4,929
Property, plant and equipment	5,341	3,388
Investments in equity-accounted companies	1,750	49
Non-current financial assets	536	855
Deferred tax assets	1,520	1,640
Other non-current assets	16	8
<b>Non current assets</b>	<b>29,437</b>	<b>22,279</b>
Inventories	4,550	4,465
Trade receivables and accrued income	1,151	1,180
Current tax receivables	765	378
Current financial assets	136	167
Other current assets	1,406	1,136
Cash and cash equivalents	3,922	4,336
<b>Current assets</b>	<b>11,930</b>	<b>11,662</b>
<b>Assets held for sale</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>41,367</b>	<b>33,941</b>

### Equity and liabilities

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Equity attributable to the Group	15,212	13,998
Equity attributable to the minority interests	798	785
<b>Equity</b>	<b>16,010</b>	<b>14,783</b>
Non-current borrowings	10,026	4,347
Non-current lease liabilities	4,511	4,420
Other non-current financial liabilities	13	-
Non-current provisions for pensions and other post-employment benefits	68	66
Non-current provisions	21	19
Deferred tax liabilities	1,776	1,572
Other non-current liabilities	311	228
<b>Non current liabilities</b>	<b>16,726</b>	<b>10,652</b>
Current borrowings	2,400	2,295
Current lease liabilities	884	812
Current financial liabilities	588	663
Trade payables and accrued expenses	2,200	2,263
Current provisions for pensions and other post-employment benefits	12	12
Current provisions	163	168
Current tax liabilities	536	567
Other current liabilities	1,848	1,726
<b>Current liabilities</b>	<b>8,631</b>	<b>8,506</b>
<b>Liabilities associated with assets held for sale</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>41,367</b>	<b>33,941</b>

# KERING



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Before appropriation of net income (in € millions)	Number of shares outstanding	Share capital	Capital reserves	Kering treasury shares	Cumulative translation adjustments	Remeasurement of financial instruments	Other reserves and net income	Group	Minority interests	TOTAL
<b>As of January 1, 2022</b>	<b>124,068,705</b>	<b>499</b>	<b>1,655</b>	<b>(380)</b>	<b>(82)</b>	<b>165</b>	<b>11,469</b>	<b>13,326</b>	<b>389</b>	<b>13,715</b>
Net income							3,614	3,614	104	3,718
Total gains and losses recognized in equity					(83)	21	24	(38)	14	(24)
<b>Comprehensive income</b>					<b>(83)</b>	<b>21</b>	<b>3,638</b>	<b>3,576</b>	<b>118</b>	<b>3,694</b>
Change in equity of Kering SA	102,862		38					38	-	38
Change in equity of subsidiaries								-	346	346
Expense related to share-based payments							45	45	-	45
Cancellation of Kering treasury shares		(3)	(379)	382				-	-	-
(Acquisitions) disposals of Kering treasury shares	(1,951,197)			(1,030)				(1,030)	-	(1,030)
Distribution of dividends							(1,605)	(1,605)	(45)	(1,650)
Other changes							(352)	(352)	(23)	(375)
<b>As of December 31, 2022</b>	<b>122,220,370</b>	<b>496</b>	<b>1,314</b>	<b>(1,028)</b>	<b>(165)</b>	<b>186</b>	<b>13,195</b>	<b>13,998</b>	<b>785</b>	<b>14,783</b>
Net income							2,983	2,983	91	3,074
Total gains and losses recognized in equity					(78)	(26)		(104)	3	(101)
<b>Comprehensive income</b>					<b>(78)</b>	<b>(26)</b>	<b>2,983</b>	<b>2,879</b>	<b>94</b>	<b>2,973</b>
Change in equity of Kering SA								-	-	-
Change in equity of subsidiaries								-	9	9
Expense related to share-based payments	16,928			10			15	25	-	25
Cancellation of Kering treasury shares		(3)	(330)	333				-	-	-
(Acquisitions) disposals of Kering treasury shares	342,883			230			(217)	13	-	13
Distribution of dividends							(1,705)	(1,705)	(42)	(1,747)
Other changes				5			(3)	2	(48)	(46)
<b>As of December 31, 2023</b>	<b>122,580,181</b>	<b>493</b>	<b>984</b>	<b>(450)</b>	<b>(243)</b>	<b>160</b>	<b>14,268</b>	<b>15,212</b>	<b>798</b>	<b>16,010</b>



## CONSOLIDATED STATEMENT OF CASH FLOW

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Net income from continuing operations</b>	<b>3,074</b>	<b>3,717</b>
Net recurring charges to depreciation, amortization and provision on non-current operating assets	1,823	1,666
Other non-cash (income) expenses	94	(334)
<b>Cash flow received from operating activities</b>	<b>4,991</b>	<b>5,049</b>
Interest paid (received)	300	287
Dividends received	(9)	(7)
Current tax expense	1,007	1,597
<b>Cash flow received from operating activities before tax, dividends and interests</b>	<b>6,289</b>	<b>6,926</b>
Change in working capital requirement	(396)	(902)
Income tax paid	(1,434)	(1,746)
<b>Net cash received from operating activities</b>	<b>4,459</b>	<b>4,278</b>
Acquisitions of property, plant and equipment and intangible assets	(2,611)	(1,071)
Disposals of property, plant and equipment and intangible assets	135	1
Acquisitions of subsidiaries and associates, net of cash acquired	(5,093)	(1,565)
Disposals of subsidiaries and associates, net of cash transferred	-	(32)
Acquisitions of other financial assets	(56)	(235)
Disposals of other financial assets	251	115
Interest and dividends received	76	17
<b>Net cash received from (used in) investing activities</b>	<b>(7,298)</b>	<b>(2,770)</b>
Increase (decrease) in share capital and other transactions	-	38
Dividends paid to shareholders of Kering SA	(1,712)	(1,483)
Dividends paid to minority interests in consolidated subsidiaries	(42)	(45)
Transactions with minority interests	(24)	317
(Acquisitions) disposals of Kering treasury shares	(10)	(1,030)
Issuance of bonds and bank debt	6,205	1,742
Redemption of bonds and bank debt	(957)	(904)
Issuance (redemption) of other borrowings	174	343
Repayment of lease liabilities	(880)	(824)
Interest paid and equivalent	(377)	(298)
<b>Net cash received from (used in) from financing activities</b>	<b>2,377</b>	<b>(2,144)</b>
Net cash received from (used in) discontinued operations	-	(8)
Impact of exchange rate variations on cash and cash equivalents	18	222
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(444)</b>	<b>(422)</b>
<b>Cash and cash equivalents at opening</b>	<b>4,094</b>	<b>4,516</b>
<b>Cash and cash equivalents at closing</b>	<b>3,650</b>	<b>4,094</b>

# KERING



## REVENUE FOR THE FIRST, SECOND, THIRD AND FOURTH QUARTERS OF 2023

(in € millions )

	Q4 2023	Q4 2022 <sup>(1)</sup>	Reported change	Comparable change <sup>(1)</sup>	Q3 2023	Q3 2022 <sup>(1)</sup>	Reported change	Comparable change <sup>(1)</sup>	Q2 2023	Q2 2022 <sup>(1)</sup>	Reported change	Comparable change <sup>(1)</sup>	Q1 2023	Q1 2022 <sup>(1)</sup>	Reported change	Comparable change <sup>(1)</sup>
Gucci	2,528	2,733	-8%	-4%	2,217	2,581	-14%	-7%	2,512	2,582	-3%	+1%	2,616	2,591	+1%	+1%
Yves Saint Laurent	835	903	-8%	-5%	768	916	-16%	-12%	770	742	+4%	+7%	806	739	+9%	+8%
Bottega Veneta	431	469	-8%	-4%	381	437	-13%	-7%	438	438	+0%	+3%	395	396	-0%	+0%
Other Houses	853	924	-8%	-5%	805	995	-19%	-15%	966	982	-2%	-1%	890	973	-9%	-9%
Kering Eyewear and Corporate	366	295	+24%	+7%	333	253	+31%	+3%	436	283	+54%	+21%	433	308	+41%	+11%
Eliminations	(46)	(40)	-	-	(40)	(45)	-	-	(64)	(53)	-	-	(63)	(51)	-	-
<b>KERING</b>	<b>4,967</b>	<b>5,284</b>	<b>-6%</b>	<b>-4%</b>	<b>4,464</b>	<b>5,137</b>	<b>-13%</b>	<b>-9%</b>	<b>5,058</b>	<b>4,974</b>	<b>+2%</b>	<b>+3%</b>	<b>5,077</b>	<b>4,956</b>	<b>+2%</b>	<b>+1%</b>

(1) Change on a comparable scope and exchange rate basis.





## MAIN DEFINITIONS

### ***“Reported” and “comparable” revenue***

The Group’s “reported” revenue corresponds to published revenue. The Group also uses “comparable” data to measure organic growth. “Comparable” revenue refers to 2022 revenue adjusted as follows by:

- neutralizing the portion of revenue corresponding to entities divested in 2022;
- including the portion of revenue corresponding to entities acquired in 2023;
- remeasuring 2022 revenue at 2023 exchange rates.

These adjustments give rise to comparative data at constant scope and exchange rates, which serve to measure organic growth.

### ***Recurring operating income***

The Group’s operating income includes all revenues and expenses directly related to its activities, whether these revenues and expenses are recurring or arise from non-recurring decisions or transactions.

Other non-recurring operating income and expenses consist of items that, by their nature, amount or frequency, could distort the assessment of the Group’s operating performance as reflected in its recurring operating income. They include changes in Group structure, the impairment of goodwill and brands and, where material, of property, plant and equipment and intangible assets, capital gains and losses on disposals of non-current assets, restructuring costs and disputes.

“Recurring operating income” is therefore a major indicator for the Group, defined as the difference between operating income and other non-recurring operating income and expenses. This intermediate line item is intended to facilitate the understanding of the operating performance of the Group and its Houses and can therefore be used as a way to estimate recurring performance. This indicator is presented in a manner that is consistent and stable over the long term in order to ensure the continuity and relevance of financial information.

### ***EBITDA***

The Group uses EBITDA to monitor its operating performance. This financial indicator corresponds to recurring operating income plus net charges to depreciation, amortization and provisions on non-current operating assets recognized in recurring operating income.

### ***Free cash from operations, available cash flow from operations and available cash flow***

The Group uses an intermediate line item, “Free cash flow from operations”, to monitor its financial performance. This financial indicator measures net operating cash flow less net operating investments (defined as acquisitions and disposals of property, plant and equipment and intangible assets).

The Group has also defined an indicator, “Available cash flow from operations”, in order to take into account capitalized fixed lease payments (repayments of principal and interest) pursuant to IFRS 16, and thereby reflect all of its operating cash flows.

“Available cash flow” therefore corresponds to available cash flow from operations plus interest and dividends received, less interest paid and equivalent (excluding leases).

### ***Net debt***

Net debt is one of the Group’s main financial indicators, and is defined as borrowings less cash and cash equivalents. Consequently, the cost of net debt corresponds to all financial income and expenses associated with these items, including the impact of derivative instruments used to hedge the fair value of borrowings.

### ***Effective tax rate on recurring income***

The effective tax rate on recurring income corresponds to the effective tax rate excluding tax effects relating to other non-recurring operating income and expenses.