

**PRESS RELEASE**

2021 annual results

February 17, 2022

EXCELLENT 2021 PERFORMANCES**WELL AHEAD OF 2019 LEVELS**

**Sharp growth in Group revenue to €17,645 million
up 35% as reported and on a comparable basis
up 13% from 2019**

Record recurring operating income, up 60%

Net income attributable to the Group: €3,176 million
Recommended ordinary dividend up 50% to €12 per share

“Kering realized excellent performances in 2021, further consolidating its prominent position in the Luxury of the future. Thanks to their ability to blend authenticity with bold creativity, all our Houses achieved sharp sales rebound, way beyond their 2019 levels, while reinforcing the exclusivity of their distribution and further enhancing their brand equity. We expanded our team of talented people around the world, and I am sincerely grateful for the remarkable accomplishments of all our colleagues. We are working assiduously to meet our ambitious sustainability commitments. All our Houses are stronger than ever before, and we are confident we will extend last year’s momentum in 2022 and in coming years.”

François-Henri Pinault, Chairman and Chief Executive Officer

- **The Group** achieved record revenue in 2021, up 35% on a comparable basis compared to 2020 and significantly higher than in 2019 (up 13%). Recurring operating income rose sharply, up 60% relative to 2020, to reach a new record of €5,017 million. Recurring operating margin, at 28.4%, retrieved a high level.
- Growth was driven by outstanding performances from all **Houses**, which generated **revenue** of €17,019 million, up 34% as reported and up 35% on a comparable basis.
In the **retail network** (including e-commerce):
 - o Revenue was 40% higher than in 2020 on a comparable basis, supported by a sharp rebound in all regions, and 18% higher than in 2019. Sales growth accelerated in the fourth quarter of 2021, rising by 39% relative to 2020 and 34% relative to 2019 on a comparable basis.
 - o Online sales continued to grow at an exceptional pace, up 55%. The online channel’s penetration rate doubled in two years, and it now accounts for 15% of total sales in the retail network.**Wholesale** revenue was up 17% on a comparable basis year-on-year. Relative to 2019, it was down 3%, in line with the Group’s increasingly exclusive approach to distribution.
Recurring operating income from the Houses was €5,175 million. Recurring operating margin exceeded 30%, while all Houses continued to invest significantly in their operations.

KERING



Financial indicators

(in € millions)

	2021	2020	Change	2019
Revenue	17,645.2	13,100.2	+34.7%	15,883.5
Comparable change ⁽¹⁾			+35.2%	
Recurring operating income	5,017.2	3,135.2	+60.0%	4,778.3
<i>% of revenue</i>	<i>28.4%</i>	<i>23.9%</i>	<i>+4.5 pts</i>	<i>30.1%</i>
EBITDA	6,470.4	4,574.2	+41.5%	6,023.6
<i>% of revenue</i>	<i>36.7%</i>	<i>34.9%</i>	<i>+1.8 pts</i>	<i>37.9%</i>
Net income attributable to the Group	3,175.7	2,150.4	+47.7%	2,308.6
Recurring net income attributable to the Group ⁽²⁾	3,361.3	1,972.2	+70.4%	3,211.5

(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
(in € millions)

	2021	2020	Reported change	Comparable change ⁽¹⁾	2019
Total Luxury Houses	17,019.4	12,676.6	+34.3%	+34.9%	15,382.6
Gucci	9,730.9	7,440.6	+30.8%	+31.2%	9,628.4
Yves Saint Laurent	2,521.0	1,744.4	+44.5%	+45.6%	2,049.1
Bottega Veneta	1,502.8	1,210.3	+24.2%	+25.1%	1,167.6
Other Houses	3,264.7	2,281.3	+43.1%	+43.8%	2,537.5
Corporate and other	625.8	423.6	+47.7%	+43.0%	500.9
KERING	17,645.2	13,100.2	+34.7%	+35.2%	15,883.5

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

Recurring operating income
(in millions of euros)

	2021	2020	Change	2019
Total Luxury Houses	5,175.3	3,367.1	+53.7%	5,042.0
Gucci	3,714.6	2,614.5	+42.1%	3,946.9
Yves Saint Laurent	714.6	400.0	+78.7%	562.2
Bottega Veneta	286.5	172.0	+66.6%	215.2
Other Houses	459.6	180.6	+154.5%	317.7
Corporate and other	(158.1)	(231.9)	+31.8%	(263.7)
KERING	5,017.2	3,135.2	+60.0%	4,778.3



Gucci: a year of sustained growth further extending the brand's authority

In **2021**, Gucci's **revenue** amounted to €9,731 million (up 31% both as reported and on a comparable basis), exceeding the 2019 level even as the House nearly completed the streamlining of its wholesale operations. Sales generated in the retail network grew 37% on a comparable basis compared to 2020, and by 10% relative to 2019. As part of the overhaul of Gucci's distribution, wholesale revenue fell 10% year-on-year and 39% relative to 2019.

In the **fourth quarter of 2021**, Gucci's revenue growth accelerated sharply to 32% year-on-year and 18% compared to the same period of 2019. This was down to the success of its iconic lines, along with an intense schedule of events and new product launches. Sales from directly operated stores rose by 35% relative to the fourth quarter of 2020 and by 25% versus the same period in 2019.

Gucci's **recurring operating income** totaled €3,715 million in 2021, 42% higher than in 2020. **Recurring operating margin** was particularly solid at 38.2% in 2021, while the House kept up the pace of its investments and clienteling initiatives.

Yves Saint Laurent: record performances, confirming its exceptional long-term growth trajectory

Yves Saint Laurent's **2021 revenue** amounted to €2,521 million, an increase of 45% as reported and 46% on a comparable basis. Sales from directly operated stores grew sharply in 2021, up 55% compared to 2020 and 35% over two years. Wholesale revenue was 23% higher than in 2020 and 6% higher than in 2019, as the House also started streamlining its third-party distribution.

In the **fourth quarter**, revenue growth accelerated again to 47% year-on-year on a comparable basis. Sales from directly operated stores rose by 61% relative to the same period in 2019.

Yves Saint Laurent achieved **recurring operating income** of €715 million in 2021, taking recurring operating margin to a record 28.3%.

Bottega Veneta: major new milestones

Bottega Veneta's **2021 revenue** exceeded €1.5 billion. On top of a high comparison base in 2020, revenue grew 24% as reported and 25% on a comparable basis, and was up 32% on a comparable basis relative to 2019. Sales from directly operated stores were very strong, up 29% year-on-year on a comparable basis. Wholesale revenue was up 16% year-on-year on a comparable basis.

In the **fourth quarter of 2021**, revenue rose 14% year-on-year on a comparable basis and 31% relative to the same period in 2019.

Bottega Veneta's 2021 **recurring operating income** totaled €286 million, and its recurring operating margin rose to 19.1%.



Other Houses: outstanding growth, confirming their exceptional potential

Kering's Other Houses generated **2021 revenue** of €3,264 million, up 43% as reported and 44% on a comparable basis, around €1 billion in additional revenue compared to 2020. Sales from directly operated stores rose very sharply in 2021, up 46% year-on-year and up 40% compared to 2019. Wholesale revenue rose by 40% relative to 2020.

Once again, Balenciaga and Alexander McQueen delivered excellent performances, and all Jewelry Houses had an exceptional year: Boucheron enjoyed success in new markets, Pomellato continued to grow at an exceptional pace, and Qeelin saw very rapid expansion.

Fourth quarter 2021 sales were up 34% on a comparable basis, with sales from directly operated stores accelerating sharply (up 60% year-on-year).

The Other Houses' **2021 recurring operating income** was 2.5 times the 2020 level, at €459 million. Recurring operating margin was 14.1%.

Corporate and other

In **2021, revenue** from the Corporate and other segment totaled €626 million, an increase of 48% as reported and 43% on a comparable basis. Kering Eyewear's contribution, after eliminating intra-group sales and royalties paid to the Houses and including Lindberg's revenue from October 1, 2021, rose to €599 million, a sharp 45% increase on a comparable basis.

Net costs recorded by the Corporate and other segment for 2021 came to €158 million, a decrease of €74 million from 2020, largely reflecting the significant increase in Kering Eyewear's contribution.



Financial performance

Net financial expense totaled €273 million in 2021, a year-on-year improvement of 20%. This includes the cost of net debt, which fell 12% year-on-year to €38 million.

The **effective tax rate** on recurring income was 27.5%.

Cash flow and financial position.

The Group's free cash flow from operations totaled €3,948 million in 2021.

At December 31, 2021, Kering had a very robust financial position:

<i>(in millions of euros)</i>	Dec. 31, 2021	Dec. 31, 2020	Change
Capital employed	13,904.6	14,183.7	-2.0%
o/w Equity	13,736.2	12,035.0	+14.1%
o/w Net debt	168.4	2,148.7	-92.2%

Dividend

In its February 16, 2022 meeting, Kering's Board of Directors decided to ask shareholders to approve a cash dividend of €12 per share at the Annual General Meeting to be held on April 28, 2022 to approve the financial statements for the year ended December 31, 2021.

An interim dividend of €3.50 per share was paid on January 17, 2022.

Outlook

A major player in a fast-growing market around the world, Kering enjoys solid fundamentals and a balanced portfolio of complementary brands with strong potential. Its strategic priorities are straightforward. The Group and its Houses seek to achieve same-store revenue growth while ensuring the targeted and selective expansion of their retail networks. Kering aims to grow its Houses in a sustainable manner, enhance the exclusivity of their distribution and secure their profitable growth trajectories. The Group is also investing proactively to develop cross-business growth platforms in the areas of e-commerce, omnichannel distribution, logistics and technological infrastructure, digital expertise and innovative tools.

The 2020 public health crisis and subsequent economic disruption have had major consequences on consumption trends, tourism flows and global economic growth. Together with the whole luxury sector, the Group was profoundly impacted by the effects of the pandemic in the first six months of 2020. More favorable trends, which emerged in the second half of 2020, were confirmed in 2021. Although these trends remain conditioned by developments in the health situation and associated restrictions across countries, the luxury market witnesses a significant rebound, driven by consumer appetite for premium goods.

K E R I N G



Kering is perfectly positioned to fully benefit from this upturn. The Group pursues the implementation of its strategy with determination and will continue to manage and allocate its resources to best support its operating performance, continue generating significant cash flow, and optimize its return on capital employed.

Thanks to its strong business and organizational model, along with its robust financial position, Kering is confident in its growth potential for the medium and long term.

At its February 16, 2022 meeting, Kering's Board of Directors, chaired by François-Henri Pinault, approved the consolidated financial statements for 2021. The consolidated financial statements have been audited and are in the process of being certified.

K E R I N G



WEBCAST

Kering will present its 2021 results in a **webcast**, which can be accessed [here](#) at **8.30am** (CET) on **Thursday, February 17, 2022**.

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

The slides (PDF) will be available ahead of the webcast from the www.kering.com website.

A replay of the webcast will also be available at www.kering.com.

The notes to the consolidated financial statements are included in the 2021 financial document available at 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, as well as Kering Eyewear. 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 2021, Kering had over 42,000 employees and revenue of €17.6 billion.

Contacts

Press

Emilie Gargatte	+33 (0)1 45 64 61 20	emilie.gargatte@kering.com
Marie de Montreynaud	+33 (0)1 45 64 62 53	marie.demontreynaud@kering.com

Analysts/investors

Claire Roblet	+33 (0)1 45 64 61 49	claire.roblet@kering.com
Laura Levy	+33 (0)1 45 64 60 45	laura.levy@kering.com

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APPENDICES

EXCERPT FROM THE CONSOLIDATED FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION RELATING TO THE 2021 ANNUAL RESULTS

POSITION AS OF DECEMBER 31, 2021

AUDITED FINANCIAL STATEMENTS, CERTIFICATION IN PROGRESS

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HIGHLIGHTS AND ANNOUNCEMENTS SINCE JANUARY 1, 2021

Kering and Conservation International launch the Regenerative Fund for Nature

January 28, 2021 – Kering and Conservation International launched the Regenerative Fund for Nature, to convert 1 million hectares of farms and landscapes producing raw materials for the fashion industry’s supply chains to regenerative agriculture over the next five years. These 1 million hectares represent an important step in achieving Kering’s commitment to have a net positive impact on biodiversity by 2025, and are in addition to Kering’s goal to protect 1 million hectares of critical, “irreplaceable” habitats outside of its direct supply chain, and so 2 million hectares of land are being transformed in total.

Kering invests in Vestiaire Collective

March 1, 2021 – Vestiaire Collective announced that it had raised a further €178 million of funds from Kering and Tiger Global Management, in order to step up its growth in the pre-owned market and drive the shift towards a more sustainable fashion industry. By investing in Vestiaire Collective with a 5% stake, and by being represented on the platform’s Board of Directors, Kering illustrated its pioneering strategy, which consists of supporting innovative business models, embracing new market trends and exploring new services for fashion and luxury customers.

Kering enhances its global logistics capabilities with a new hub in Northern Italy

April 8, 2021 – Kering announced the completion of the first phase of its new global logistics hub in Trecate, in the Piedmont region of Northern Italy. Built in record time, the new global logistics hub covers more than 162,000 sq.m and combines state-of-the-art technology with automation, scalability, innovative sustainability and features for the well-being of employees. It will meet demand from the Houses’ regional warehouses, retail stores, wholesalers and e-commerce sites worldwide.

Disposal of a 5.9% stake in PUMA

May 27, 2021 – Kering announced that it had completed the sale, following an accelerated bookbuilding process to qualified investors only, of around 5.9% of the share capital of PUMA SE for a total amount of approximately €805 million, corresponding to a sale price of €90.3 per PUMA share. Following this transaction, Kering has a remaining stake of around 4.0% in PUMA. The net proceeds of the transaction have been allocated to Kering’s general corporate purposes and have further strengthened its financial position.

Kering goes entirely fur free

September 24, 2021 – Kering took the decision to stop using animal fur. Starting from the Fall 2022 collections, none of the Group’s Houses will be using fur.

Kering Eyewear completes the acquisition of Danish luxury eyewear brand Lindberg

September 30, 2021 – Kering Eyewear announced that it had completed the acquisition of Lindberg. The acquisition will strengthen Kering Eyewear’s position as the most relevant player in the luxury eyewear market segment, adding to its portfolio a complementary and proprietary brand with strong legitimacy, undisputed know-how and best-in-class customer service in optical frames. Lindberg has been consolidated in Kering’s financial statements since the fourth quarter of 2021.

Cartier and Kering launch the “Watch and Jewellery Initiative 2030” in partnership with the Responsible Jewellery Council

October 6, 2021 – Driven by a common conviction that the global Sustainable Development Goals (SDGs) and aspirations for a sustainable industry can only be achieved through collaborative initiatives, Cartier (delegated by Richemont) and Kering, in partnership with the Responsible Jewellery Council (RJC), have



come together to broaden and strengthen their action, launching the “Watch & Jewellery Initiative 2030”. The initiative welcomed all watch and jewelry brands with a national and international footprint willing to commit to a set of ambitious and common objectives in three areas: building climate resilience, preserving resources, and fostering inclusiveness.

Bottega Veneta appoints Matthieu Blazy as Creative Director

November 15, 2021 – Bottega Veneta announced the appointment of Matthieu Blazy as Creative Director. Born in Paris in 1984, Matthieu Blazy is a graduate of La Cambre in Brussels. He started his fashion career as Men’s Designer for Raf Simons, before joining Maison Martin Margiela to design the Artisanal line and Women’s ready-to-wear (RTW) shows. In 2014, he became Senior Designer at Céline, before working again with Raf Simons at Calvin Klein from 2016 to 2019. He was appointed RTW Design Director at Bottega Veneta in 2020. A French and Belgian national, he lives between Antwerp and Milan.

Interim dividend in respect of 2021 – Completion of the first tranche of the stock repurchase program and allocation of the repurchased shares

December 9, 2021 – In its December 9, 2021 meeting, Kering’s Board of Directors decided to pay an interim dividend of €3.50 per share in respect of 2021. The Group also completed the first tranche of the stock repurchase program that it announced on August 25, 2021. The purchases took place under the authorization granted by shareholders in the July 6, 2021 Annual General Meeting.

Kering announces the sale of Girard-Perregaux and Ulysse Nardin to their management

January 24, 2022 – Kering announced the signature of an agreement to sell its entire stake (100%) in Sowind Group SA, which owns the Swiss watch manufacturers Girard-Perregaux and Ulysse Nardin, to its current management.

CONSOLIDATED INCOME STATEMENT

<i>(in € millions)</i>	2021	2020
CONTINUING OPERATIONS		
Revenue	17,645.2	13,100.2
Cost of sales	(4,576.7)	(3,590.6)
Gross margin	13,068.5	9,509.6
Personnel expenses	(2,444.1)	(2,070.0)
Other recurring operating income and expenses	(5,607.2)	(4,304.4)
Recurring operating income	5,017.2	3,135.2
Other non-recurring operating income and expenses	(219.8)	163.0
Operating income	4,797.4	3,298.2
Financial result	(273.2)	(341.7)
Income before tax	4,524.2	2,956.5
Income tax expense	(1,280.4)	(759.2)
Share in earnings (losses) of equity-accounted companies	1.0	(7.6)
Net income from continuing operations	3,244.8	2,189.7
<i>o/w attributable to the Group</i>	3,164.6	2,160.2
<i>o/w attributable to minority interests</i>	80.2	29.5
DISCONTINUED OPERATIONS		
Net income (loss) from discontinued operations	11.1	(9.8)
<i>o/w attributable to the Group</i>	11.1	(9.8)
<i>o/w attributable to minority interests</i>	-	-
TOTAL GROUP		
Net income of consolidated companies	3,255.9	2,179.9
<i>o/w attributable to the Group</i>	3,175.7	2,150.4
<i>o/w attributable to minority interests</i>	80.2	29.5

<i>(in € millions)</i>	2021	2020
Net income attributable to the Group	3,175.7	2,150.4
Basic earnings per share <i>(in €)</i>	25.49	17.20
Diluted earnings per share <i>(in €)</i>	25.49	17.20
Net income from continuing operations attributable to the Group	3,164.6	2,160.2
Basic earnings per share <i>(in €)</i>	25.40	17.28
Diluted earnings per share <i>(in €)</i>	25.40	17.28
Net income from continuing operations (excluding non-recurring items) attributable to the Group	3,361.3	1,972.2
Basic earnings per share <i>(in €)</i>	26.98	15.78
Diluted earnings per share <i>(in €)</i>	26.98	15.78



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in € millions)</i>	2021	2020
Net income	3,255.9	2,179.9
<i>o/w attributable to the Group</i>	3,175.7	2,150.4
<i>o/w attributable to minority interests</i>	80.2	29.5
Change in currency translation adjustments relating to consolidated subsidiaries:	219.9	(124.7)
<i>change in currency translation adjustments</i>	219.9	(124.7)
<i>amounts transferred to the income statement</i>	-	-
Change in foreign currency cash flow hedges:	(279.4)	152.3
<i>change in fair value</i>	(260.6)	222.0
<i>amounts transferred to the income statement</i>	(33.6)	(61.6)
<i>tax effects</i>	14.8	(8.1)
Change in other comprehensive income (loss) of equity-accounted companies:	-	3.8
<i>change in fair value</i>	-	2.1
<i>amounts transferred to the income statement</i>	-	1.7
Gains and losses recognized in equity, to be transferred to the income statement	(59.5)	31.4
Change in provisions for pensions and other post-employment benefits:	16.5	1.3
<i>change in actuarial gains and losses</i>	18.2	1.3
<i>tax effects</i>	(1.7)	-
Change in financial assets measured at fair value:	82.4	290.1
<i>change in fair value</i>	90.7	295.8
<i>tax effects</i>	(8.3)	(5.7)
Gains and losses recognized in equity, not to be transferred to the income statement	98.9	291.4
Total gains and losses recognized in equity	39.4	322.8
<i>o/w attributable to the Group</i>	25.2	333.3
<i>o/w attributable to minority interests</i>	14.2	(10.5)
COMPREHENSIVE INCOME	3,295.3	2,502.7
<i>o/w attributable to the Group</i>	3,200.9	2,483.7
<i>o/w attributable to minority interests</i>	94.4	19.0

CONSOLIDATED BALANCE SHEET

Assets

<i>(in € millions)</i>	Dec. 31, 2021	Dec. 31, 2020
Goodwill	2,891.2	2,452.2
Brands and other intangible assets	7,032.1	6,985.8
Lease right-of-use assets	4,301.5	3,956.8
Property, plant and equipment	2,966.9	2,670.2
Investments in equity-accounted companies	31.1	36.2
Non-current financial assets	1,053.8	1,688.6
Deferred tax assets	1,352.6	1,177.4
Other non-current assets	6.0	17.4
Non-current assets	19,635.2	18,984.6
Inventories	3,368.9	2,845.5
Trade receivables and accrued income	977.2	910.4
Current tax receivables	821.6	600.5
Current financial assets	22.2	158.0
Other current assets	974.8	1,062.9
Cash and cash equivalents	5,248.7	3,442.8
Current assets	11,413.4	9,020.1
Assets held for sale	19.0	0.7
TOTAL ASSETS	31,067.6	28,005.4

Equity and liabilities

<i>(in € millions)</i>	Dec. 31, 2021	Dec. 31, 2020
Equity attributable to the Group	13,346.8	11,820.9
Equity attributable to minority interests	389.4	214.1
Equity	13,736.2	12,035.0
Non-current borrowings	2,975.5	3,815.3
Non-current lease liabilities	3,825.8	3,545.8
Non-current financial liabilities	0.1	80.0
Non-current provisions for pensions and other post-employment benefits	88.9	107.5
Non-current provisions	16.4	18.4
Deferred tax liabilities	1,452.3	1,485.1
Other non-current liabilities	198.4	183.6
Non-current liabilities	8,557.4	9,235.7
Current borrowings	2,441.6	1,776.2
Current lease liabilities	675.3	538.0
Current financial liabilities	743.0	338.1
Trade payables and accrued expenses	1,741.9	1,489.6
Current provisions for pensions and other post-employment benefits	12.3	12.2
Current provisions	137.7	212.4
Current tax liabilities	1,148.0	901.3
Other current liabilities	1,824.9	1,466.8
Current liabilities	8,724.7	6,734.6
Liabilities associated with assets held for sale	49.3	0.1
TOTAL EQUITY AND LIABILITIES	31,067.6	28,005.4

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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
As of January 1, 2020	125,017,916	505.1	2,428.4	(570.8)	(174.5)	(80.1)	8,170.0	10,278.1	160.5	10,438.6
Net income							2,150.4	2,150.4	29.5	2,179.9
Total gains and losses recognized in equity					(113.7)	442.4	4.6	333.3	(10.5)	322.8
Comprehensive income					(113.7)	442.4	2,155.0	2,483.7	19.0	2,502.7
Change in equity of Kering SA								-	-	-
Change in equity of subsidiaries								-	25.4	25.4
Expense related to share-based payments							9.0	9.0	-	9.0
Cancellation of Kering treasury shares		(5.0)	(565.8)	570.8				-	-	-
(Acquisitions) disposals of Kering treasury shares ⁽¹⁾	(95,000)			(53.9)			(0.2)	(54.1)	-	(54.1)
Distribution of dividends							(870.7)	(870.7)	(10.1)	(880.8)
Other changes ⁽²⁾							(25.1)	(25.1)	19.3	(5.8)
As of December 31, 2020	124,922,916	500.1	1,862.6	(53.9)	(288.2)	362.3	9,438.0	11,820.9	214.1	12,035.0
Net income							3,175.7	3,175.7	80.2	3,255.9
Total gains and losses recognized in equity					206.1	(197.1)	16.2	25.2	14.2	39.4
Comprehensive income					206.1	(197.1)	3,191.9	3,200.9	94.4	3,295.3
Change in equity of Kering SA								-	-	-
Change in equity of subsidiaries								-	94.5	94.5
Expense related to share-based payments							20.6	20.6	-	20.6
Cancellation of Kering treasury shares		(1.3)	(207.9)	209.2				-	-	-
(Acquisitions) disposals of Kering treasury shares ⁽¹⁾	(854,211)			(534.8)			(3.5)	(538.3)	-	(538.3)
Distribution of dividends							(1,122.3)	(1,122.3)	(23.3)	(1,145.6)
Other changes ⁽²⁾							(35.0)	(35.0)	9.7	(25.3)
As of December 31, 2021	124,068,705	498.8	1,654.7	(379.5)	(82.1)	165.2	11,489.7	13,346.8	389.4	13,736.2

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CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in € millions)</i>	2021	2020
Net income from continuing operations	3,244.8	2,189.7
Net recurring charges to depreciation, amortization and provisions on non-current operating assets	1,453.2	1,439.0
Other non-cash (income) expenses	17.7	(282.8)
Cash flow received from operating activities	4,715.7	3,345.9
Interest paid (received)	214.5	277.4
Dividends received	(2.3)	-
Current tax expense	1,458.5	657.0
Cash flow received from operating activities before tax, dividends and interest	6,386.4	4,280.3
Change in working capital requirement	(38.0)	44.4
Income tax paid	(1,472.9)	(1,436.1)
Net cash received from operating activities	4,875.5	2,888.6
Acquisitions of property, plant and equipment and intangible assets	(934.0)	(786.9)
Disposals of property, plant and equipment and intangible assets	6.3	2.9
Acquisitions of subsidiaries and associates, net of cash acquired	(465.8)	6.2
Reclassification of cash and cash equivalents held by Girard-Perregaux and Ulysse Nardin as Assets held for sale	(21.2)	-
Disposals of subsidiaries and associates, net of cash transferred	(1.4)	656.3
Acquisitions of other financial assets	(121.7)	(267.9)
Disposals of other financial assets	1,049.0	186.0
Interest and dividends received	37.3	6.9
Net cash received from (used in) investing activities	(451.5)	(196.5)
Dividends paid to shareholders of Kering SA	(998.3)	(1,000.1)
Dividends paid to minority interests in consolidated subsidiaries	(26.7)	(9.3)
Transactions with minority interests	2.2	(27.5)
(Acquisitions) disposals of Kering treasury shares	(538.3)	(54.1)
Issuance of bonds and bank debt	62.5	1,443.1
Redemption of bonds and bank debt	(583.2)	(642.3)
Issuance (redemption) of other borrowings	152.2	(258.6)
Repayment of lease liabilities	(775.5)	(787.3)
Interest paid and equivalent	(221.8)	(287.0)
Net cash received from (used in) financing activities	(2,926.9)	(1,623.1)
Net cash received from (used in) discontinued operations	(2.4)	(4.3)
Impact of exchange rates on cash and cash equivalents	20.9	97.8
Net increase (decrease) in cash and cash equivalents	1,515.6	1,162.5
Cash and cash equivalents at opening	3,000.1	1,837.6
Cash and cash equivalents at closing	4,515.7	3,000.1



REVENUE FOR THE FIRST, SECOND, THIRD AND FOURTH QUARTERS OF 2021

<i>(in € millions)</i>	Q4 2021	Q4 2020 ⁽¹⁾	Reported change	Comparable change ⁽¹⁾	Q3 2021	Q3 2020 ⁽¹⁾	Reported change	Comparable change ⁽¹⁾	Q2 2021	Q2 2020 ⁽¹⁾	Reported change	Comparable change ⁽¹⁾	Q1 2021	Q1 2020 ⁽¹⁾	Reported change	Comparable change ⁽¹⁾
Total Luxury Houses	5,269.6	3,901.0	+35.1%	+32.5%	4,041.8	3,600.1	+12.3%	+11.8%	3,981.1	2,109.8	+88.7%	+92.5%	3,726.9	3,065.7	+21.6%	+26.0%
Gucci	3,069.8	2,280.6	+34.6%	+31.6%	2,181.8	2,087.8	+4.5%	+3.8%	2,311.6	1,268.1	+82.3%	+86.1%	2,167.7	1,804.1	+20.2%	+24.6%
Yves Saint Laurent	822.6	552.6	+48.9%	+46.8%	652.9	510.7	+27.8%	+28.1%	528.8	246.5	+114.5%	+118.5%	516.7	434.6	+18.9%	+23.4%
Bottega Veneta	431.8	374.7	+15.2%	+13.7%	363.4	332.5	+9.3%	+8.9%	379.4	229.4	+65.4%	+69.0%	328.2	273.7	+19.9%	+24.6%
Other Houses	945.4	693.1	+36.4%	+34.2%	843.7	669.1	+26.1%	+26.0%	761.3	365.8	+108.1%	+111.3%	714.3	553.3	+29.1%	+33.1%
Corporate and other	140.6	103.2	+36.2%	+13.8%	146.0	117.6	+24.1%	+24.1%	176.1	65.3	+169.7%	+176.5%	163.1	137.5	+18.6%	+22.9%
KERING	5,410.2	4,004.2	+35.1%	+31.9%	4,187.8	3,717.7	+12.6%	+12.2%	4,157.2	2,175.1	+91.1%	+95.0%	3,890.0	3,203.2	+21.4%	+25.8%

⁽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 2020 revenue adjusted as follows by:

- neutralizing the portion of revenue corresponding to entities divested in 2020;
- including the portion of revenue corresponding to entities acquired in 2021;
- remeasuring 2020 revenue at 2021 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 a new 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.