



## PRESS RELEASE

October 20, 2022

### **VERY SOLID REVENUE GROWTH IN THE THIRD QUARTER OF 2022**

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**Group revenue: €5,137 million  
Up 23% as reported and up 14% on a comparable basis**

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*“Kering’s solid performances in the third quarter underscore the strength of the Group and the pertinence of our strategy. We delivered sharp top-line growth, both versus last year and from pre-pandemic levels. Our ongoing focus on the exclusivity of our brands and on the quality of their distribution are yielding very positive results and reinforce their positioning in their key markets. In an increasingly complex environment, we maintain the required flexibility to support our profitability and sustain our investments in the long-term outlook of all our Houses, Gucci first and foremost. We are as confident as ever in the potential and prospects of the Group.”*

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

- Group revenue in the third quarter of 2022 was up 23% as reported and up 14% on a comparable basis compared to the third quarter of 2021. Versus the third quarter of 2019, comparable revenue was up 28%.
- Revenue in the directly operated store network continued to grow at a rapid pace, up 19% on a comparable basis. All regions posted growth. Western Europe (+74%) and Japan (+31%) achieved particularly outstanding performances. In North America (+1%), steady activity reflects the high comparison base together with the hefty contribution from American tourists to European sales momentum. Growth in Asia-Pacific (+7%) was robust, despite the impact of Covid restrictions in Mainland China.

<b>Revenue</b> <i>(in € millions)</i>	<b>Q3 2022</b>	<b>Q3 2021</b>	<b>Reported change</b>	<b>Comparable change (1)</b>
Gucci	2,581	2,182	+18%	+9%
Yves Saint Laurent	916	652	+40%	+30%
Bottega Veneta	437	363	+20%	+14%
Other Houses	995	849	+17%	+13%
Kering Eyewear and Corporate	253	173	+47%	+21%
<i>Eliminations</i>	<i>(45)</i>	<i>(31)</i>	-	-
<b>KERING</b>	<b>5,137</b>	<b>4,188</b>	<b>+23%</b>	<b>+14%</b>

(1) On a comparable scope and exchange rate basis.

### **Gucci: continuing healthy growth**

In the third quarter, Gucci's revenue totaled €2,581 million, up 18% as reported and 9% on a comparable basis. Sales generated in directly operated stores grew 9% on a comparable basis. Momentum remained very strong in Western Europe, supported by both local customers and tourists, particularly from the US. Conversely, this factor weighed activity in North America itself. In Japan, revenue rose sharply. Performance in Mainland China was mixed, impacting sales in Asia-Pacific, where overall trends posted a notable improvement. Wholesale revenue rose 2%. The rationalization of this channel is now complete.

### **Yves Saint Laurent: another stellar quarter**

Yves Saint Laurent achieved an outstanding third quarter with revenue of €916 million, up 40% as reported and up 30% on a comparable basis. Sales in directly operated stores rose sharply, up 38% on a comparable basis, driven by all product categories. Revenue in Western Europe more than doubled relative to the third quarter of 2021 due to the resumption of tourism and the House's desirability with local customers. All other geographical zones saw strong growth. Wholesale revenue rose 13% on a comparable basis.



### **Bottega Veneta: very healthy growth trajectory**

Bottega Veneta's revenue totaled €437 billion in the third quarter, up 20% as reported and up 14% on a comparable basis.

Growth was driven by sales in directly operated stores, up 20% on a comparable basis, reflecting the excellent reception of Matthieu Blazy's first collection. Performance was particularly remarkable in Western Europe and Japan.

Wholesale revenue fell 5%, in line with the House's strategy of streamlining this channel.

### **Other Houses: further excellent performance**

In the third quarter, revenue from Kering's Other Houses totaled €995 million, an increase of 17% as reported and 13% on a comparable basis.

Revenue from directly operated stores grew sharply, up 43% on a comparable basis. Sales at Balenciaga and Alexander McQueen were particularly buoyant across all product categories. Brioni continued its rebound. Boucheron and Pomellato once again posted very good performances. Qeelin held out well against the complex operating environment in China.

Wholesale revenue was down 25% reflecting the Houses' strategy to reduce the contribution of this channel, as well as calendar phasing effects.

### **Kering Eyewear and Corporate\***

Third-quarter revenue from Kering Eyewear and Corporate amounted to €253 million. Kering Eyewear achieved total sales of €246 million, up 23% on a comparable basis. Growth was sustained across all regions and distribution channels, with significant contributions from Gucci and Cartier and sharp growth in all brands. Following the successful integration of Lindberg, the acquisition of Maui Jim has recently been completed.

*\* In the first quarter of 2022, the "Corporate and other" segment was renamed "Kering Eyewear and Corporate". Intragroup eliminations are now reported on a separate line.*

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### **Stock Repurchase Program: launch of the fourth and final tranche**

Pursuant to the Stock Repurchase Program announced on August 25, 2021, covering up to 2.0% of Kering's share capital over a 24-month period, the Group signed a new stock repurchase agreement with an investment service provider.

This agreement corresponds to a fourth and final tranche of the program, covering a maximum volume of 650,000 shares, i.e., approximately 0.5% of Kering's share capital as of October 15, 2022. The maximum price per share was set at €1,000 by the fifteenth resolution adopted in the Annual General Meeting of April 28, 2022. The purchase period provided for in the agreement started on October 24, 2022, and is scheduled to last until December 21, 2022 at the latest.

Part of the shares acquired under this fourth tranche are to be canceled. The remaining repurchased shares will be allocated to plans to grant bonus shares to certain Kering employees. The respective volumes will be determined at the end of the repurchase period.



The table below summarizes the tranches of the program that have already been completed:

	<b>Tranche 1</b>	<b>Tranche 2</b>	<b>Tranche 3</b>
<b>Repurchase period</b>	<i>From August 25 to November 3, 2021</i>	<i>From February 23 to April 6, 2022</i>	<i>From May 18 to July 19, 2022</i>
<b>Number of shares repurchased</b>	650,000 shares, representing around 0.5% of the share capital	650,000 shares, representing around 0.5% of the share capital	650,000 shares, representing around 0.5% of the share capital
<b>Average price of the repurchased shares</b>	€643.70 per share	€578.71 per share	€485.53 per share
<b>Use of the repurchased shares</b>	325,000 shares were canceled on December 10, 2021, pursuant to a decision by the Board of Directors at its meeting on December 9, 2021.	The Board of Directors decided in its meeting of April 28, 2022, to cancel 325,000 shares by the end of 2022.	The Board of Directors decided in its meeting of July 27, 2022, to cancel 400,000 shares by the end of 2022.

## **ANNOUNCEMENTS SINCE JULY 1, 2022**

### **Capital increase as part of the employee share ownership program**

July 7, 2022 - The Group Managing Director, pursuant to decisions taken by the Board of Directors on December 9, 2021, and May 23, 2022, approved a €411,448 increase in Kering SA's share capital through the issue of 102,862 new ordinary shares with par value of €4 each, taking the total share capital to €499,183,112, divided into 124,795,778 shares with par value of €4 each.

### **Changes in the membership of Kering's Board of Directors**

July 27, 2022 - Jean Liu resigned from her role as Director on Kering's Board of Directors, which the Board duly noted. Jean Liu had been an independent director since June 16, 2020.

Vincent Schaal was also appointed as a Director representing employees by the Social and Economic Committee, replacing Clare Lacaze, whose term of office ended on July 31, 2022.

As a result, Kering's Board of Directors is now made up of 13 members, including:

- six independent Directors (55% of Board members excluding Directors representing employees in accordance with the AFEP-MEDEF code);
- five women (45% of Board members excluding directors representing employees in accordance with the AFEP-MEDEF code);
- five different nationalities (British, French, Italian, Ivorian and Turkish).

### **Completion of the third tranche of the Stock Repurchase Program**

July 27, 2022 - The third tranche of the Stock Repurchase Program (announced on August 25, 2021, with the aim of repurchasing up to 2.0% of the Group's share capital over a 24-month period) was completed on July 19, 2022. Between May 18 and July 19, 2022, 650,000 shares were repurchased at an average price of €485.53 per share, representing around 0.5% of the share capital. The Board of Directors decided in its meeting of July 27, 2022, that the 400,000 shares repurchased in this tranche would be canceled by the end of 2022.

### **Kering publishes the fifth edition of its Standards for sustainability**

September 30, 2022 - In 2018, Kering published its first set of Standards for Raw Materials and Manufacturing Processes. Year after year, the Group has continually developed this document, which serves to guide its sustainability strategy. In this endeavor, following its focus on synthetics and silk in 2019, packaging, visual marketing and innovation in 2020 and circularity and faux fur in 2021, Kering has added two new chapters to the 2022 version: "Cut, Make, Trim" and "Sustainability claims". These updates address growing interests and emerging concerns such as regenerative agriculture and the product end-of-life phase with a further focus on innovation. Reviewed annually, these major developments reflect the Group's commitment to transparency and its open-source approach.

### **Kering Eyewear completes the acquisition of Maui Jim**

October 3, 2022 - Kering Eyewear currently holds a stake of more than 90% in iconic sunglass brand Maui Jim, in line with the terms announced on March 14, 2022, and after obtaining approval from the antitrust authorities. The acquisition of the remaining shares should take place by the end of 2022. Maui Jim will be consolidated in the Kering group's financial statements from October 1, 2022.



## AUDIOCAST

An **audiocast** for analysts and investors will be held at **6:00 pm** (CEST) on **Thursday, October 20, 2022**. It may be accessed **[here](#)**. The slides (PDF) will be available ahead of the audiocast at <https://www.kering.com/en/finance/>

A replay of the webcast will also be available at <https://www.kering.com/en/finance/>

### About Kering

*Kering is a global Luxury group that 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 and 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 more than 42,000 staff members and generated revenue of €17.6 billion.*

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### Appendix: Revenue for the third quarter and first nine months of 2022

Revenue <i>(in € millions)</i>	Q3 2022	Q3 2021	Reported change	Comparable change <sup>(1)</sup>	First nine months 2022	First nine months 2021	Reported change	Comparable change <sup>(1)</sup>
Gucci	2,581	2,182	+18%	+9%	7,754	6,661	+16%	+8%
Yves Saint Laurent	916	652	+40%	+30%	2,397	1,698	+41%	+33%
Bottega Veneta	437	363	+20%	+14%	1,271	1,071	+19%	+13%
Other Houses	995	849	+17%	+13%	2,950	2,334	+26%	+23%
Kering Eyewear and Corporate	253	173	+47%	+21%	844	569	+48%	+24%
<i>Eliminations</i>	<i>(45)</i>	<i>(31)</i>	-	-	<i>(149)</i>	<i>(98)</i>	-	-
<b>KERING</b>	<b>5,137</b>	<b>4,188</b>	<b>+23%</b>	<b>+14%</b>	<b>15,067</b>	<b>12,235</b>	<b>+23%</b>	<b>+15%</b>

(1) On a comparable scope and exchange rate basis.