

# K E R I N G



## PRESS RELEASE

April 25, 2023

### FIRST QUARTER 2023 REVENUE

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**Group revenue: €5,077 million**  
**Up 2% as reported and up 1% on a comparable basis**

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*“Kering’s performance in the first quarter remained mixed, as we had anticipated. As we work to augment the desirability of our brands and raise their profile in key markets, we are encouraged by the gradual improvement in activity month after month during the period. A host of initiatives undertaken by all our Houses to enhance their appeal and exclusivity lays the foundations for sustained, profitable growth.”*

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

- In the first quarter of 2023, the Group’s revenue grew by 2% as reported and by 1% on a comparable basis, with trends improving throughout the period.
  - Revenue in the directly operated store network, including e-commerce, rose by 4% on a comparable basis, with all Group Houses contributing to the growth. The increase was driven by good momentum in Western Europe and Japan. Revenue was down in North America but resumed growth in Asia-Pacific due to the gradual recovery of the Chinese market.
  - Wholesale and other revenue was down 10% on a comparable basis, as the Group’s Houses continue to reduce the share of wholesale in their distribution.



| <b>Revenue</b><br><i>(in € millions)</i> | <b>Q1 2023</b> | <b>Q1 2022</b> | <b>Reported change</b> | <b>Comparable change<br/>(1)</b> |
|--|----------------|----------------|------------------------|----------------------------------|
| Gucci                                    | 2,616          | 2,591          | +1%                    | +1%                              |
| Yves Saint Laurent                       | 806            | 739            | +9%                    | +8%                              |
| Bottega Veneta                           | 395            | 396            | -0%                    | +0%                              |
| Other Houses                             | 890            | 973            | -9%                    | -9%                              |
| Kering Eyewear and Corporate             | 433            | 308            | +41%                   | +11%                             |
| <i>Eliminations</i>                      | <i>(63)</i>    | <i>(51)</i>    | -                      | -                                |
| <b>KERING</b>                            | <b>5,077</b>   | <b>4,956</b>   | <b>+2%</b>             | <b>+1%</b>                       |

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

## **Gucci: encouraging trends**

In the first quarter of 2023, Gucci's revenue amounted to €2,616 million, an increase of 1% both as reported and on a comparable basis.

Sales in the directly operated store network grew 1% on a comparable basis relative to the first quarter of 2022. Revenue from all key product categories was up, in particular handbags, the Valigeria collection of travel accessories, and women's ready-to-wear. Iconic lines remained highly successful while new collections met with an enthusiastic reception.

Wholesale revenue was down 7% on a comparable basis.

## **Yves Saint Laurent: very good performance in directly operated stores**

Yves Saint Laurent had a good start to the year with revenue of €806 million, up 9% as reported and up 8% on a comparable basis.

Sales in the directly operated store network rose 14% on a comparable basis, fueled by outstanding performances in leather goods and ready-to-wear, together with the success of the House's elevation strategy.

The streamlining of the Wholesale channel continued, with revenue down 12% on a comparable basis.

## **Bottega Veneta: healthy, solid growth in retail**

Bottega Veneta's first-quarter revenue was stable year-on-year at €395 million.

As the House continued to overhaul its directly operated store network – expanding selling space and refurbishing stores –, business levels were sustained, with retail revenue up 5% on a comparable basis. The House's effective implementation of its strategy is yielding very healthy growth.

Wholesale revenue was down 14% on a comparable basis, reflecting the accelerated optimization of this channel.

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## **Other Houses: mixed performances**

Kering's Other Houses generated revenue of €890 million in the first quarter, down 9% as reported and on a comparable basis.

Sales in the directly operated store network rose by 7% on a comparable basis, with all Houses up. Trends at Balenciaga and Alexander McQueen were positive. Brioni's sales were excellent, and the performance of Kering's Jewelry Houses was outstanding.

Wholesale revenue, down 32% on a comparable basis, was impacted by the Houses' streamlining strategy, as well as by the situation in the US.

## **Kering Eyewear: an excellent first quarter**

Kering Eyewear's revenue in the first three months of 2023 amounted to €433 million, up 11% on a comparable basis, driven by the strong momentum of the brands in its portfolio. Revenue was up 44% as reported, due to the strong contribution of Maui Jim, consolidated in Kering's financial statements since October 1, 2022. In the first quarter of 2023, Kering Eyewear announced the acquisition of UNT, a French manufacturer of high-precision components.



## MAIN ANNOUNCEMENTS SINCE JANUARY 1, 2023

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

January 28, 2023 – Kering and Gucci announced Sabato De Sarno's arrival as Creative Director of Gucci. Mr. De Sarno will present his debut runway collection at Milan Women's Fashion Week in September 2023. As part of his new role, Sabato De Sarno will lead the House's creative studio and will report to Marco Bizzarri, President and Chief Executive Officer of Gucci. He will be responsible for defining and expressing the House's creative vision through womenswear, menswear, leather goods, accessories and lifestyle collections.

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

February 3, 2023 – Kering announced the appointment of Raffaella Cornaggia as CEO of Kering Beauté. Based in Paris and reporting to Jean-François Palus, Group Managing Director of Kering, she is a member of the Group's Executive Committee. In her new role, and supported by a team of seasoned professionals, she will help develop expertise in the Beauty category for Bottega Veneta, Balenciaga, Alexander McQueen, Pomellato and Qeelin. The creation of Kering Beauté will enable the Group to support these brands in the development of this category, which is a natural extension of their universes. Kering is confident that this will create value for the Group and its Houses, drawing on each of their unique identities in a way that is fully consistent with their strategy and market positioning.

### **Dual-tranche bond issue for a total amount of €1.5 billion**

February 20, 2023 – Kering carried out a dual-tranche bond issue in a total amount of EUR 1.5 billion, consisting of a EUR 750 million tranche with a 6-year maturity and a 3.25% coupon and a EUR 750 million tranche with a 10-year maturity and a 3.375% coupon. This issue, which forms part of the Group's active liquidity management, enhances its funding flexibility by enabling it to refinance existing debt. The issue saw strong demand from bond investors, confirming 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.

### **Gucci, supported by Kering, launches its "Circular Hub", first dedicated circular economy platform in the Italian Luxury industry**

February 21, 2023 – With support of Kering, Gucci launched Italy's first dedicated circular economy platform for the Luxury sector. The Circular Hub will aim to accelerate the circular transformation of the Italian fashion industry's production model, across the entire value chain. Starting from raw materials and design, through to production optimization and logistics, the Circular Hub will be an open innovation platform for 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 signed an agreement to acquire 100% of French company UNT, Usinage & Nouvelles Technologies, to strengthen its position in the luxury eyewear industry. Founded in 1989 in Morbier in the Bourgogne-Franche-Comté region of France, UNT is a key player in the manufacturing of high-precision metal and mechanical components for the entire luxury eyewear sector.

### **Kering publishes its new report on progress toward its sustainability targets**

March 22, 2023 – Six years after launching its "Crafting Tomorrow's Luxury" strategy, Kering published a new report showing its progress toward sustainability targets between 2020 and 2023. In the three years following the publication of its first progress report in 2020, the Group made significant strides toward attaining its initial 2025 social and environmental targets. Since then, Kering has added to those initial targets, with a series of ambitious new targets in line with the Group's strategies regarding the climate, biodiversity and the circular economy. Accordingly, Kering has committed to reducing its greenhouse gas emissions by 40% by 2035 compared with 2021.

### **European Commission preliminary investigation**

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

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## AUDIOCAST

An **audiocast** for analysts and investors will be held at **6:00 p.m.** (CEST) on **Tuesday, April 25, 2023**. It may be accessed [here](#).

The slides (in PDF format) will be available ahead of the audiocast at <https://www.kering.com/en/finance>.

A replay of the webcast will also be 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, 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 2022, Kering had over 47,000 employees and revenue of €20.4 billion.*

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