KERING

PRESS RELEASE

July 29, 2025

FIRST-HALF 2025 RESULTS

Group revenue: €7,587 million
down 16% as reported and down 15% on a comparable basis

Recurring operating income: €969 million

Net income attributable to the Group: €474 million

“The first half of 2025 has been a period of momentous decisions for Kering. On the governance front, I recommended to the Board of Directors, which has agreed, that we entrust the role of Kering CEO to Luca de Meo, while I will retain the chairmanship. On the creative front, reinforced teams, headed by new designers at three of our largest houses, are hard at work, with passion and determination, intensifying the desirability and drawing on the heritage of all our brands. On the operational and financial fronts, in a particularly tough market environment, we continued to streamline our distribution and cost base, and, executing on our roadmap, we took decisive steps to strengthen our financial structure. Though the numbers we are reporting remain well below our potential, we are certain that our comprehensive efforts of the past two years have set healthy foundations for the next stages in Kering’s development.”

François-Henri Pinault, Chairman & Chief Executive Officer

- **Kering's revenue in the first half of 2025** was €7.6 billion, down 16% as reported and down 15% on a comparable basis.

- Revenue in the **second quarter of 2025** was €3.7 billion, down 18% as reported and down 15% on a comparable basis. The change in revenue as reported includes a negative currency effect of 3%.
  - Sales from the directly operated retail network fell by 16% on a comparable basis, in line with the performance of the first quarter of 2025. Trends in North America (-10%) and Asia-Pacific (-19%) improved compared to the first quarter of 2025, while Western Europe (-17%) and Japan (-29%) decelerated sequentially, mainly due to a sharp decline in tourism.
  - Wholesale and Other revenue was down 12% on a comparable basis.

- The Group’s **recurring operating income** was €969 million in the first half. **Recurring operating margin** was 12.8%, a decline of 470 basis points compared to the year-earlier period.

- **Net income attributable to the Group** was €474 million in the first half of 2025.

- **Free cash flow from operations** amounted to €2.4 billion in the first half, including €1.3 billion resulting from the completion of real estate transactions.

Operating performance

Revenue *(in € millions)*	**H1 2025**	**H1 2024**	**Reported change**	**Comparable change** (1)
Gucci	3,027	4,085	-26%	-25%
Yves Saint Laurent	1,288	1,441	-11%	-10%
Bottega Veneta	846	836	+1%	+2%
Other Houses	1,459	1,717	-15%	-14%
Kering Eyewear and Corporate	1,092	1,067	+2%	+3%
Eliminations	*(125)*	*(128)*	-	-
KERING	**7,587**	**9,018**	**-16%**	**-15%**

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

Recurring operating income *(in € millions)*	**H1 2025**	**H1 2024**	**Change**
Gucci	486	1,007	-52%
Yves Saint Laurent	262	316	-17%
Bottega Veneta	127	121	+5%
Other Houses	(29)	44	-
Kering Eyewear and Corporate	126	101	+25%
Eliminations	*(3)*	*(7)*	-
KERING	**969**	**1,582**	**-39%**

Gucci

In the **first half of 2025**, Gucci's **revenue** amounted to €3.0 billion, down 26% as reported and down 25% on a comparable basis. Sales from the directly operated retail network decreased by 24% on a comparable basis. Wholesale revenue was down 42% on a comparable basis.

In the **second quarter of 2025,** Gucci's sales decreased by 25% on a comparable basis. Sales from the directly operated retail network were down 23% on a comparable basis, a slight sequential improvement driven by North America and Asia-Pacific. While sales of carryovers remained down, new leather goods lines were very successful. In particular, the Giglio bag, unveiled as part of Gucci's Cruise 2026 collection, has already established itself as one of the House's most successful launches. Wholesale revenue was down 50% in the quarter.

Gucci's **recurring operating income** was €486 million in the first half of 2025. Its **recurring operating margin** was 16.0%, down 8.7 points compared to the first half of 2024. The decline in margin was partially contained by major initiatives to streamline Gucci's cost base.

Yves Saint Laurent

Yves Saint Laurent's **revenue** for the **first half of 2025** totaled €1.3 billion, down 11% as reported and down 10% on a comparable basis. On a comparable basis, sales from Yves Saint Laurent's directly operated retail network were down 10% while Wholesale revenue declined by 17%.

In the **second quarter of 2025**, sales were down 10% on a comparable basis and by 12% in the directly operated retail network. New products were very well received, particularly in ready-to-wear and shoes. Wholesale revenue was down 5% in the second quarter.

Yves Saint Laurent's **recurring operating income** amounted to €262 million in the first half, resulting in **recurring operating margin** of 20.4%, down 1.6 points compared to the first half of 2024.

Bottega Veneta

Bottega Veneta's **revenue** totaled €846 million **in the first half of 2025**, up 1% as reported and up 2% on a comparable basis. Sales from the directly operated retail network rose by 3% on a comparable basis. Wholesale revenue fell 3% on a comparable basis.

In the **second quarter of 2025,** Bottega Veneta's revenue rose by 1% on a comparable basis. In the directly operated retail network, sales were stable on a comparable basis, with very strong growth in North America. Wholesale revenue rose 4%.

Bottega Veneta's **recurring operating income** amounted to €127 million in the first half of 2025, resulting in a **recurring operating margin** of 15.0%, up 0.5 point relative to the first half of 2024.

Other Houses

Revenue from the Other Houses amounted to €1.5 billion in the **first half of 2025,** down 15% as reported and down 14% on a comparable basis. Sales from the directly operated retail network fell 11% on a comparable basis, and Wholesale revenue was down 23%.

Revenue in the **second quarter of 2025** was down 16% on a comparable basis, with contrasting performances among Houses. Revenue from the directly operated retail network of the Other Houses fell by 12% on a comparable basis. Balenciaga's sales in its directly operated retail network were resilient in North America and rose slightly in Asia-Pacific, but were slower in Western Europe and Japan. McQueen is accelerating the rationalization of its store network. Brioni's sales grew in its main markets. Sales remained solid at the Jewelry Houses. Boucheron continued its development in the United States, Pomellato unveiled a High Jewelry collection in collaboration with Gucci that attracted significant attention, and Qeelin's sales saw substantial growth. Wholesale revenue of the Other Houses was down 28% on a comparable basis.

In the **first half of 2025,** the Other Houses made a **recurring operating loss** of €29 million, largely attributable to McQueen. Strict cost control helped mitigate this decline.

Kering Eyewear and Corporate

In the **first half of 2025,** total revenue of the **Kering Eyewear and Corporate** segment, which includes Kering Beauté, amounted to €1.1 billion, up 2% as reported and up 3% on a comparable basis.

Kering Eyewear's revenue in the first half of 2025 totaled €921 million, up 1% as reported and up 2% on a comparable basis. In the **second quarter,** Kering Eyewear's sales were up 1% on a comparable basis.

Kering Beauté's first-half revenue was €150 million, up 9% both as reported and on a comparable basis. In the **second quarter**, sales rose by 12% on a comparable basis, driven in particular by the strong performance of Creed's women's fragrances.

In the first half of 2025, Kering Eyewear's **recurring operating income** was €186 million, compared to €196 million in the first half of 2024. The segment's **recurring operating income** rose by 25% to €126 million, after taking into account Kering Beauté's solid recurring operating income as well as lower Corporate costs.

Financial performance

In the first half of 2025, **other non-recurring operating income and expenses** were positive at €32 million. Income included gains on disposals of non-strategic assets and the capital gain on the sale of a building in Japan. Expenses consisted mainly of non-recurring impairment and restructuring charges, along with the allocation of a provision, based on the Company's best estimate to date of the risk associated with the European Commission's ongoing investigation into the fashion sector, regarding which the Company issued a press release on April 19, 2023[1].

Net financial charges amounted to €280 million, or €163 million excluding interest on lease liabilities. Cost of net debt stood at €164 million, a moderate year-on-year increase. Interest expense was nearly unchanged, with a very limited increase in the average cost of debt, but rates on cash deposits were lower.

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

Net income attributable to the Group was €474 million.

Cash flow and financial position

In the first half of 2025, the Group's **free cash flow from operations** was €2.4 billion, including €1.3 billion from real estate disposals.

At June 30, 2025, Kering's **net debt** amounted to €9.5 billion.

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 heritage, and achieve the highest standards in terms of quality, sustainability and experience for their customers.

In an economic and geopolitical environment that remains uncertain, Kering continues to deploy its strategy with the aim of achieving a profitable long-term growth trajectory.

The Group is stepping up the initiatives needed to support the development and growth of its Houses, while implementing with determination the efforts required to increase its efficiency. These actions imply particular vigilance with regards to financial discipline, related to control of the Group’s cost base, selectivity of its investments, and management of its balance sheet.

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In its meeting on July 29, 2025, Kering's Board of Directors, chaired by François-Henri Pinault, approved the consolidated financial statements for the six months ended June 30, 2025, which were subject to a limited review.

[1] See Notes 4 and 13 in Chapter 3 of the 2025 first-half report.

WEBCAST

Kering will present its first-half 2025 results in an **audiocast**, which can be accessed here at **6.00pm** (CET) on **Tuesday, July 29, 2025**.

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

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/en/finance/.

About Kering

Kering is a global, family-led luxury group, home to people whose passion and expertise nurture creative Houses across couture and ready-to-wear, leather goods, jewelry, eyewear and beauty: Gucci, Saint Laurent, Bottega Veneta, Balenciaga, McQueen, Brioni, Boucheron, Pomellato, Dodo, Qeelin, Ginori 1735, as well as Kering Eyewear and Kering Beauté. Inspired by their creative heritage, Kering's Houses design and craft exceptional products and experiences that reflect the Group's commitment to excellence, sustainability and culture. This vision is expressed in our signature: Creativity is our Legacy. *In 2024, Kering employed 47,000 people and generated revenue of €17.2 billion.*

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APPENDICES

EXCERPT FROM THE CONSOLIDATED FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION RELATING TO THE FIRST-HALF 2025 RESULTS

SITUATION AS OF JUNE 30, 2025

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KERING

MAIN HIGHLIGHTS AND ANNOUNCEMENTS SINCE THE LAST PUBLICATION

Publication of Kering's first Water Strategy

On April 28, Kering published its first Water Strategy, committing to having a net positive impact on the main water basins of its operational regions by 2035, and globally by 2050. Kering is adopting a science-based approach, reasserting its intent of addressing water-related issues that have a direct link with climate and biodiversity, in order to limit risks in its value chain while also generating positive long-term effects.

Pierpaolo Piccioli appointed Artistic Director of Balenciaga

On May 19, Pierpaolo Piccioli was appointed Artistic Director of Balenciaga, effective July 10, 2025.

€750 million bond issue

On May 20, as part of the Group’s active liquidity management, Kering announced a €750 million issue of bonds with a 4.5-year maturity and a coupon of 3.125%, enabling it to enhance its financial flexibility.

Continuation of Kering Eyewear's industrial development strategy

In the first half of 2025, Kering Eyewear made strategic acquisitions aimed at consolidating its leading position in luxury eyewear and building an integrated value chain.
On April 3, Kering Eyewear signed an agreement with two Italian eyewear manufacturers with a view to acquiring 100% of Visard, along with a minority stake in Mistral and an option to acquire all of its remaining capital by 2030. The transaction is subject to the approval of the antitrust authorities and should be completed in the third quarter of 2025. On June 10, Kering Eyewear also announced the acquisition of Lenti, an Italian manufacturer that makes sun lenses in particular, further strengthening its industrial capabilities.

Announcement of Luca de Meo's appointment as Chief Executive Officer

On June 16, Kering's Board of Directors approved the appointment of Luca de Meo as the Group's Chief Executive Officer. This decision, initiated by François-Henri Pinault, represents a major milestone in Kering's governance and strengthens the Group's leadership in this new phase of its development. As part of an updated governance structure, the role of Chairman of the Board of Directors, held by François-Henri Pinault, will be separated from that of Chief Executive Officer. This governance arrangement complies with current best practice for large listed companies. These changes will take effect pursuant to the decision taken by the Board of Directors in a meeting held after the General Meeting of shareholders to be held on September 9, 2025. Subject to those changes being approved, Luca de Meo will take up his role as CEO on September 15, 2025.

CONSOLIDATED INCOME STATEMENT

(in € millions)	**First half 2025**	**First half 2024**
CONTINUING OPERATIONS		
Revenue	**7,587**	**9,018**
Cost of sales	(2,048)	(2,310)
Gross margin	**5,539**	**6,708**
Other personnel expenses	(1,453)	(1,547)
Other recurring operating income and expenses	(3,117)	(3,579)
Recurring operating income	**969**	**1,582**
Other non-recurring operating income and expenses	32	(13)
Operating income	**1,001**	**1,569**
Financial result	(280)	(288)
Income before tax	**721**	**1,281**
Income tax expense	(199)	(345)
Share in earnings (losses) of equity-accounted companies	1	4
Net income from continuing operations	**523**	**940**
o/w attributable to the Group	*474*	*878*
o/w attributable to minority interests	*49*	*62*
DISCONTINUED OPERATIONS		
Net income (loss) from discontinued operations	**-**	**-**
o/w attributable to the Group	-	-
o/w attributable to minority interests	-	-
GROUP TOTAL		
Net income of consolidated companies	**523**	**940**
o/w attributable to the Group	*474*	*878*
o/w attributable to minority interests	*49*	*62*

(in € millions)	**First half 2025**	**First half 2024**
Net income attributable to the Group	**474**	**878**
Basic earnings per share *(in €)*	3.86	7.16
Diluted earnings per share *(in €)*	3.86	7.16
Net income from continuing operations attributable to the Group	**474**	**878**
Basic earnings per share *(in €)*	3.86	7.16
Diluted earnings per share *(in €)*	3.86	7.16
Net income from continuing operations (excluding non-recurring items) attributable to the Group	**450**	**888**
Basic earnings per share *(in €)*	3.67	7.24
Diluted earnings per share *(in €)*	3.67	7.24

KERING

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	First half 2025	First half 2024
Net income	**523**	**940**
o/w attributable to the Group	*474*	*878*
o/w attributable to minority interests	*49*	*62*
Change in currency translation adjustments relating to consolidated Subsidiaries	**(309)**	**11**
change in currency translation adjustments	*(309)*	*11*
amounts transferred to the income statement	*-*	*-*
Change in foreign currency cash flow hedges	**162**	**(63)**
change in fair value	*222*	*(16)*
amounts transferred to the income statement	*(12)*	*(52)*
tax effects	*(47)*	*5*
Change in other comprehensive income (loss) of equity-accounted Companies	**-**	**-**
change in fair value	*-*	*-*
amounts transferred to the income statement	*-*	*-*
Gains and losses recognized in equity, to be transferred to the income statement	**(147)**	**(52)**
Change in provisions for pensions and other post-employment benefits	**1**	**(6)**
change in actuarial gains and losses	*1*	*(8)*
tax effects	*-*	*2*
Change in financial assets measured at fair value	**(2)**	**15**
change in fair value	*(2)*	*13*
tax effects	*1*	*2*
Gains and losses recognized in equity, not to be transferred to the income statement	**(1)**	**9**
Total gains and losses recognized in equity	**(148)**	**(43)**
COMPREHENSIVE INCOME	**375**	**897**
o/w attributable to the Group	*343*	*834*
o/w attributable to minority interests	*32*	*63*

CONSOLIDATED BALANCE SHEET

Assets

(in € millions)	June 30, 2025	Dec. 31, 2024
Goodwill	6,227	6,277
Brands and other intangible assets	9,171	9,287
Lease right-of-use assets	5,625	5,615
Property plant and equipment	5,886	6,537
Investments in equity-accounted companies	1,927	1,762
Non-current financial assets	567	492
Deferred tax assets	1,678	1,651
Other non-current assets	20	27
Non current assets	**31,101**	**31,648**
Inventories	3,890	3,992
Trade receivables and accrued income	951	1,003
Current tax receivables	630	680
Current financial assets	207	42
Other current assets	1,413	1,388
Cash and cash equivalents	4,240	3,518
Current assets	**11,331**	**10,623**
Assets held for sale	**-**	**1,075**
TOTAL ASSETS	**42,432**	**43,346**

Equity and liabilities

(in € millions)	June 30, 2025	Dec. 31, 2024
Equity attributable to the Group	14,769	14,904
Equity attributable to the minority interests	841	826
Equity	**15,610**	**15,730**
Non-current borrowings	10,750	10,556
Non-current lease liabilities	5,125	5,056
Non-current financial liabilities	38	13
Non-current provisions for pensions and other post-employment benefits	86	85
Non-current provisions	57	51
Deferred tax liabilities	2,026	1,985
Other non-current liabilities	177	278
Non current liabilities	**18,259**	**18,024**
Current borrowings	2,993	3,479
Current lease liabilities	1,018	1,051
Current financial liabilities	13	343
Trade payables and accrued expenses	1,990	2,098
Current provisions for pensions and other post-employment benefits	14	13
Current provisions	289	191
Current tax liabilities	611	528
Other current liabilities	1,635	1,889
Current liabilities	**8,563**	**9,592**
Liabilities associated with assets held for sale	**-**	**-**
TOTAL EQUITY AND LIABILITIES	**42,432**	**43,346**

CONSOLIDATED STATEMENT OF CASH FLOW

(in € millions)	First half 2025	First half 2024
Net income from continuing operations	**523**	**940**
Net recurring charges to depreciation, amortization and provision on non-current operating assets	1,042	1,013
Other non-cash (income) expenses	(234)	10
Cash flow received from operating activities	**1,331**	**1,963**
Interest paid (received)	268	229
Dividends received	-	(2)
Current tax expense	296	312
Cash flow received from operating activities before tax dividends and interests	**1,895**	**2,502**
Change in working capital requirement	(261)	44
Income tax paid	(162)	(100)
Net cash received from operating activities	**1,472**	**2,446**
Acquisitions of property, plant and equipment and intangible assets	(431)	(1,391)
Disposals of property, plant and equipment and intangible assets	1,342	-
Acquisitions of subsidiaries and associates, net of cash acquired	(268)	(23)
Disposals of subsidiaries and associates, net of cash transferred	343	-
Acquisitions of other financial assets	(17)	(35)
Disposals of other financial assets	6	97
Interest and dividends received	31	30
Net cash received from (used in) investing activities	**1,006**	**(1,322)**
Increase (decrease) in share capital and other transactions	-	-
Dividends paid to shareholders of Kering SA	(736)	(1,716)
Dividends paid to minority interests in consolidated subsidiaries	(7)	(6)
Transactions with minority interests	(14)	(3)
(Acquisitions) disposals of Kering treasury shares	-	3
Issuance of bonds and bank debt	772	1,750
Redemption of bonds and bank debt	(775)	(512)
Issuance (redemption) of other borrowings	(126)	153
Repayment of lease liabilities	(536)	(530)
Interest paid and equivalent	(295)	(254)
Net cash received from (used in) from financing activities	**(1,717)**	**(1,116)**
Net cash received from (used in) discontinued operations	(1)	-
Impact of exchange rate variations on cash and cash equivalents	109	37
Net increase (decrease) in cash and cash equivalents	**869**	**46**
Cash and cash equivalents at opening	**3,309**	**3,650**
Cash and cash equivalents at closing	**4,178**	**3,696**

REVENUE FOR THE FIRST AND SECOND QUARTERS

(in € millions)	**H1 2025**	**H1 2024**	**Reported change**	**Comparable change (1)**	**Q2 2025**	**Q2 2024**	**Reported change**	**Comparable change (1)**	**Q1 2025**	**Q1 2024**	**Reported change**	**Comparable change (1)**
Gucci	3,027	4,085	-26%	-25%	1,456	2,006	-27%	-25%	1,571	2,079	-24%	-25%
Yves Saint Laurent	1,288	1,441	-11%	-10%	609	701	-13%	-10%	679	740	-8%	-9%
Bottega Veneta	846	836	+1%	+2%	441	448	-1%	+1%	405	388	+4%	+4%
Other Houses	1,459	1,717	-15%	-14%	726	893	-19%	-16%	733	824	-11%	-11%
Kering Eyewear and Corporate	1,092	1,067	+2%	+3%	534	531	+1%	+3%	558	536	+4%	+3%
Eliminations	*(125)*	*(128)*	-	-	*(62)*	*(65)*	-	-	*(63)*	*(63)*	--	--
KERING	**7,587**	**9,018**	**-16%**	**-15%**	**3,704**	**4,514**	**-18%**	**-15%**	**3,883**	**4,504**	**-14%**	**-14%**

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

KERING

MAIN DEFINITIONS

“Reported” and “comparable” growth
The Group’s “reported” growth corresponds to the change in reported revenue between two periods.
The Group measures “comparable” growth (also referred to as “organic” growth) in its business by comparing revenue between two periods at constant scope and exchange rates.
Changes in scope are dealt with as follows for the periods concerned:
- the portion of revenue relating to acquired entities is excluded from the current period;
- the portion relating to entities divested or in the process of being divested is excluded from the previous period.

Currency effects are calculated by applying the average exchange rates for the current period to amounts in the previous period.

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 scope, 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 an alternative performance indicator for the Group, defined as the difference between operating income and other non-recurring operating income and expenses. This indicator 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. It 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.

Recurring EBITDA and adjusted recurring EBITDA
The Group uses recurring EBITDA as an alternative performance indicator 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.
The Group also uses recurring EBITDA adjusted for IFRS 16 items.
This indicator is used to improve comparability when calculating a net debt ratio consisting of the ratio of net debt (excluding lease liabilities) to adjusted recurring EBITDA.

Free cash flow 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. Lease liabilities are not included in the calculation of this indicator. Borrowings include put options granted to minority interests. 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.