

Third-quarter 2015 revenue

Sustained 15% growth in first nine months

Revenue in the nine months ended September 30, 2015

Group: up 15.2%

Luxury activities: up 16.5%

Sport & Lifestyle activities: up 12.8%

- Kering posted revenue of €2,895 million in the third quarter of 2015, up 12.0% on the third quarter of 2014 as reported and up 3.1% on a comparable Group structure and exchange rate basis, in line with the 2015 first-half performance.
- Luxury activities:
 - o Sales growth of 14.0% on a reported basis (3.1% on a comparable basis) in the third quarter of 2015, lifted by the business momentum of directly operated stores.
- Sport & Lifestyle activities:
 - o The implementation of Puma's action plans is yielding the expected results, with sales growth on track at 3.9% on a comparable basis in the third quarter of 2015.

François-Henri Pinault, Kering's Chairman and Chief Executive Officer, commented:

"In the third quarter, the Group posted solid sales growth in line with our performance in the first half. In a volatile macroeconomic and monetary environment characterised by sharp contrasts across regions, our well-balanced economic model and brand portfolio enabled our Luxury activities to deliver healthy performances, powered notably by the momentum in directly operated stores and by a surge in tourist shoppers in Western Europe and Japan. The implementation of our action plan at Gucci is moving forward. Our new collections were enthusiastically acclaimed, confirming the highly promising course the brand has now embarked on. I look ahead to the final three months of the year with confidence in our brands' development potential and in the Group's ability to maintain its growth trajectory."



<i>(in € millions)</i>	Q3 2015	Reported change	Comparable change ⁽¹⁾
Luxury activities	1,889	+14.0%	+3.1%
Sport & Lifestyle activities	1,000	+8.4%	+3.4%
Corporate and other	7	<i>nm</i>	<i>nm</i>
Kering – Continuing operations	2,895	+12.0%	+3.1%

⁽¹⁾ On a comparable Group structure and exchange rate basis.

Luxury activities

Luxury activities posted strong growth in the third quarter of 2015, with revenue as reported surging by 14.0%. In a persistently uneven foreign exchange environment, performance was driven by retail sales in directly operated stores (up 6% on a comparable basis), and the dynamism of mature markets such as Western Europe and Japan (up 29% and 26%, respectively, on a comparable basis).

Gucci

Gucci's new collections continue to receive high acclaim, confirming the brand's enhanced customer appeal and reaffirming its position as a fashion authority. Reflecting delivery schedules, the new collections represented only a very limited portion of third-quarter revenue. Gucci posted an 8.6% increase in sales on a reported basis in the third quarter of 2015, virtually stable on a comparable basis (down 0.4%), during a period marked by solid performances in directly operated stores in both Western Europe and Japan (up 27% and 24%, respectively, on a comparable basis).

Bottega Veneta

Sales at Bottega Veneta rose 13.2% as reported and 4.3% on a comparable basis in the third quarter of 2015. Revenue from directly operated stores was up 4% on a comparable basis, lifted in particular by solid performances in Western Europe and in Japan (up 33% and 15%, respectively, on a comparable basis), with both local clients and tourists contributing to growth.

Yves Saint Laurent

Yves Saint Laurent once again enjoyed strong momentum in the third quarter of 2015, with sales surging by 36.9% as reported and by 26.6% on a comparable basis. The brand's product categories, geographic regions and distribution channels contributed evenly to this stellar performance. Yves Saint Laurent posted particularly strong sales growth in directly operated stores in Asia-Pacific, Western Europe and Japan (up 27%, 40% and 77%, respectively, on a comparable basis).

Other Luxury brands

In the third quarter of 2015, the Other Luxury brands posted reported revenue growth of 16.5% (down 1% on a comparable basis).

Sales by the Couture & Leather Goods brands advanced 12% in directly operated stores, thanks especially to solid performances by Balenciaga, Stella McCartney and Alexander McQueen. The Jewellery brands also posted double-digit revenue growth over the period (up 11% on a comparable basis), benefiting from good momentum at Boucheron, Pomellato and Qeelin. The Watches brands continued to be held back by an unfavourable market context.



Sport & Lifestyle activities

Sales generated by the Sport & Lifestyle activities were up 8.4% as reported and 3.4% on a comparable basis during the quarter. Puma's sales were up 8.3% on a reported basis (up 3.9% on a comparable basis), and were again lifted by positive sales trends in the Footwear segment in particular. Over the first nine months of the year, Puma recorded revenue growth of more than 5% on a comparable basis, and the implementation of its relaunch initiatives has remained on track.

Significant events since July 1, 2015

Balenciaga: appointment of Demna Gvasalia

On July 31, 2015, Balenciaga and Alexander Wang announced their joint decision not to renew their contract beyond its initial term. Alexander Wang presented his final collection for Balenciaga in Paris on October 2, 2015.

On October 7, 2015, Demna Gvasalia was appointed artistic director of Balenciaga's collections. He has been given creative responsibility for Balenciaga's collections and brand image, and will present his first collection for the brand at the women's ready-to-wear autumn/winter 2016-17 show in Paris.

Kering named industry leader in 2015 Dow Jones Sustainability Indices

On September 17, 2015, Kering was recognised as textiles, apparel and luxury goods industry leader in the 2015 Dow Jones Sustainability Indices (DJSI) World & Europe for the second consecutive year. The DJSI World & Europe indices recognise the best-in-class sustainability performers amongst the 2,500 largest companies in the Dow Jones Global Total Stock Market Index.

Group Executive Committee appointments

On October 22, 2015, Kering announced the appointment of Francesca Belletini and Carlo Alberto Beretta, respectively chief executive officers of Saint Laurent and Bottega Veneta, as members of the Group Executive Committee.



AUDIOCAST

Kering will hold an **audiocast** for analysts and investors at **6.00pm (CET)/5.00pm (GMT)/12.00pm (US, ET)** on **Thursday, October 22, 2015**.

Available on www.kering.com (Finance section).

The audiocast will also be available by phone, using one of the dial-in numbers below:

France	+33 (0)1 76 77 22 29
UK	+44 (0)20 3140 8286
US	+1 (646) 254 3364

Access code: 2178945

A **replay** of the audiocast will also be available on www.kering.com (Finance section).

PRESENTATION

The slides (PDF) will be available ahead of the audiocast at www.kering.com

About Kering

A world leader in apparel and accessories, Kering develops an ensemble of powerful Luxury and Sport & Lifestyle brands: Gucci, Bottega Veneta, Saint Laurent, Alexander McQueen, Balenciaga, Brioni, Christopher Kane, McQ, Stella McCartney, Tomas Maier, Boucheron, Dodo, Girard-Perregaux, JeanRichard, Pomellato, Qeelin, Ulysse Nardin, Puma, Volcom, Cobra and Electric. By 'empowering imagination' in the fullest sense, Kering encourages its brands to reach their potential, in the most sustainable manner.

Present in more than 120 countries, the Group generated revenues of €10 billion in 2014 and had more than 37,000 employees at year end. The Kering (previously PPR) share is listed on Euronext Paris (FR 0000121485, KER.PA, KER.FP).

Contacts

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Appendix 1: Third-quarter 2015 revenue

(in € millions)

	Q3 2015	Q3 2014	Reported change	Comparable change ⁽¹⁾	9 months ended Sept. 30, 2015	9 months ended Sept. 30, 2014	Reported change	Comparable change ⁽¹⁾
Luxury activities	1,888.5	1,655.9	+14.0%	+3.1%	5,650.5	4,849.5	+16.5%	+2.9%
Gucci	924.1	851.0	+8.6%	-0.4%	2,798.3	2,527.3	+10.7%	-1.2%
Bottega Veneta	324.0	286.2	+13.2%	+4.3%	953.2	811.7	+17.4%	+5.6%
Yves Saint Laurent	243.4	177.8	+36.9%	+26.6%	686.5	498.4	+37.7%	+25.1%
Other Luxury brands	397.0	340.9	+16.5%	-1.0%	1,212.5	1,012.1	+19.8%	+0.3%
Sport & Lifestyle activities	999.6	922.1	+8.4%	+3.4%	2,730.6	2,420.8	+12.8%	+4.6%
Puma	918.2	847.8	+8.3%	+3.9%	2,519.4	2,233.9	+12.8%	+5.2%
Other Sport & Lifestyle brands	81.4	74.3	+9.6%	-2.4%	211.2	186.9	+13.0%	-1.8%
<i>Corporate and others</i>	7.1	7.3			26.6	25.4		
Kering – Continuing activities	2,895.2	2,585.3	+12.0%	+3.1%	8,407.7	7,295.7	+15.2%	+3.4%

⁽¹⁾ On a comparable Group structure and exchange rate basis.

Appendix 2: 2015 First-quarter revenue, second-quarter revenue and first-half revenue

(in € millions)

	H1 2015	H1 2014	Reported change	Comparable change ⁽¹⁾	Q2 2015	Q2 2014	Reported change	Comparable change ⁽¹⁾	Q1 2015	Q1 2014	Reported change	Comparable change ⁽¹⁾
Luxury activities	3,762.0	3,193.6	+17.8%	+2.8%	2,008.0	1,611.3	+24.6%	+8.0%	1,754.0	1,582.3	+10.9%	-2.6%
Gucci	1,874.2	1,676.3	+11.8%	-1.6%	1,005.2	838.2	+19.9%	+4.6%	869.0	838.1	+3.7%	-7.9%
Bottega Veneta	629.2	525.5	+19.7%	+6.4%	339.2	274.7	+23.5%	+9.3%	290.0	250.8	+15.6%	+3.1%
Yves Saint Laurent	443.1	320.6	+38.2%	+24.3%	231.7	162.6	+42.5%	+27.3%	211.4	158.0	+33.8%	+21.2%
Other Luxury brands	815.5	671.2	+21.5%	+1.0%	431.9	335.8	+28.6%	+6.4%	383.6	335.4	+14.4%	-4.5%
Sport & Lifestyle activities	1,731.0	1,498.7	+15.5%	+5.3%	841.0	709.1	+18.6%	+7.1%	890.0	789.6	+12.7%	+3.7%
Puma	1,601.2	1,386.1	+15.5%	+5.9%	776.2	656.1	+18.3%	+7.5%	825.0	730.0	+13.0%	+4.5%
Other Sport & Lifestyle brands	129.8	112.6	+15.3%	-1.4%	64.8	53.0	+22.3%	+2.5%	65.0	59.6	+9.1%	-5.0%
<i>Corporate and others</i>	19.5	18.1			12.3	10.4			7.2	7.7		
Kering – Continuing activities	5,512.5	4,710.4	+17.0%	+3.5%	2,861.3	2,330.8	+22.8%	+7.7%	2,651.2	2,379.6	+11.4%	-0.6%

⁽¹⁾ On a comparable Group structure and exchange rate basis.