Valuation Analysis of Luxury Brands in Developed Economies

Luxury Brands

Comparable Analysis

TresVista Financial Services **Feb 2015**

This document analyses the operating margins and trading levels of top luxury brands (by market cap) in the developed world. The analysis is based on share prices as of January 27, 2015. For comparison, we have taken LVMH Moët Hennessy Louis Vuitton S.A. (LVMH) of France as a case study to compare against the set.

Industry Growth

- The industry witnessed a compounded growth of 5.4% from 2012 to 2014
- Luxury products have elastic demand and the companies will benefit from an improvement in global markets and increased spending power of consumers
- This along with opening of stores in new emerging markets will contribute to a higher growth which is estimated at 7.9% from 2014 to 2016
- LVMH registered a growth of 4.1% from 2012 to 2014 and is expected to better this over the next two years at 7.8%



Revenue Growth Rates



Revenue Contribution

The table below compares the set's performance over last year and contribution from various regions to the revenue

		Region			
Company	Europe	Asia-Pacific	Americas	Others	Total
LVMH	9,794.1	12,079.3	7,508.8	3,264.7	32,646.9
Growth	0.4%	6.6%	3.7%	3.7%	3.7%
Contribution	30.0%	37.0%	23.0%	10.0%	100.0%
Richemont	NA	NA	NA	NA	NA
Growth	NA	NA	NA	NA	NA
Contribution	NA	NA	NA	NA	NA
Hermes	1,512.0	1,916.3	702.2	74.8	4,205.4
Growth	10.9%	4.0%	10.2%	26.0%	7.8%
Contribution	36.0%	45.6%	16.7%	1.8%	100.0%
Kering	2,391.3	2,971.0	1,376.8	507.2	7,246.4
Growth	10.9%	(2.9%)	4.2%	21.5%	4.2%
Contribution	33.0%	41.0%	19.0%	7.0%	100.0%
Christian Dior	10,410.6	12,839.8	7,634.5	3,817.2	34,702.1
Growth	2.9%	2.9%	2.9%	2.9%	2.9%
Contribution	30.0%	37.0%	22.0%	11.0%	100.0%
Swatch	NA	NA	NA	NA	NA
Growth	NA	NA	NA	NA	NA
Contribution	NA	NA	NA	NA	NA
Ralph Lauren	NA	NA	NA	NA	NA
Growth	NA	NA	NA	NA	NA
Contribution	NA	NA	NA	NA	NA
Prada	1,420.1	1,627.8	542.2	101.4	3,691.5
Growth	28.6%	28.7%	23.3%	494.7%	30.6%
Contribution	38.5%	44.1%	14.7%	2.7%	100.0%
	/ -				

In USD millions



EBITDA Margins

- The industry operates at an EBITDA margin of ~27% with majority of the expenses comprising of selling, general and administration expenses
- As all the companies in the set have reached the maturity stage and are old industry players, they maintain stable margins and expected to do so in the next 2 years
- Hermes leads the set with the highest margins amongst European players whereas Ralph Lauren has substantially lower margins due to different geographic presence
- LVMH's LTM EBITDA margin is 24.6%, which is slightly lower than the median of 27.4% of the comparables



Note: Developed markets include Richemont, Hermes, Kering, Christian Dior, Swatch, Prada & Ralph Lauren

• Hermes has the highest margin in the segment followed by Prada





Trading Multiples

- Hermes trades at a significant premium over its competitors primarily because of it higher margins and better growth prospects
- LVMH's trades at 2.66x LTM Revenue which is close to the median of 2.73x for the set



EV/Revenue



• On EV / Stores basis, Hermes is an outlier with EV/Stores multiple of 105.2x, the highest among its peers



EV/Stores

Note: Swatch has more resellers than company owned stores leading to an inaccurate representation of multiple

- Hermes trades at the highest EV/EBITDA multiple within the comparables justified by its high expected growth rate
- Majority of the players are clustered around 6.0-10.0% growth rate that implies a LTM EBITDA multiple range of 8.0x to 12.0x





Warnaco Group's Acquisition by PVH Corp

Transaction Rationale

- PVH Corp acquired Warnaco Group, an American textile/clothing corporation for \$2.8 billion, making the deal the largest deal in the last 3 years
- The payment method used by the PVH Corp for the acquisition of the Warnaco Group was by Cash & Stock. PVH Corp offered The Warnaco Group \$51.75 in cash and 0.18 of a share in PVH Corp for each share in Warnaco. The per share value of the consideration which the Warnaco stockholders would receive was \$68.4
- After the acquisition PVH Group became a \$8 billion Global Branded Lifestyle Apparel Company and brought various Calvin Klein brands under one corporate umbrella
- The offer price was a 34% premium over the last traded price of Warnaco
- The EV / EBITDA multiple for the transaction was 11.3x
- The transaction was accretive to year one earnings by \$0.35 per share, excluding one-time and transaction related costs

	Amount
Offer Price	\$68.43
Diluted Shares Outstanding	40.872
Market Value	\$2,796.8
Less: Cash and Cash Equivalents	(295.3)
Plus: Debt and Minority Interest & Preferred	252.8
Enterprise Value	\$2,754.3

	EV/EBITDA
Deal Multiple	11.3x
Comps Median Multiple	11.6x
Variance	(3.1%)



General Information

		Market Cap	EV	% of 52		EV / S	SALES			EV / E	BITDA			P /	/ E		Revenue	CAGR	EBITDA	CAGR	LTM EBITDA
Company Name	Country	(\$ mm)	(\$ mm)	Week High	LTM	CY 14E	CY 15E	CY 16E	LTM	CY 14E	CY 15E	CY 16E	LTM	CY 14E	CY 15E	CY 16E	'12-'14	'14-'16	'12-'14	'14-'16	Margin
Cie Financi - Reg	France	44.235	39,880	77.1%	3.20x	3.13x	2.90x	2.68x	11.7x	11.5x	10.9x	10.0x	23.1x	20.4x	18.8x	16.9x	5.7%	8.0%	1.1%	7.1%	27.4%
Hermes	France	34,165	33,140	91.0%	7.60x	7.16x	6.34x	5.74x	21.2x	20.0x	10.5x	15.8x	36.9x	34.7x	30.2x	26.8x	8.9%	11.7%	9.4%	12.7%	35.9%
Christian Dior	France	31,334	61,448	100.0%	1.77x	1.69x	1.56x	1.45x	7.3x	7.1x	6.6x	6.0x	19.4x	18.0x	15.2x	13.1x	(2.4%)	8.0%	(3.5%)	8.9%	24.3%
Kering	France	24,781	30,044	99.9%	2.73x	2.67x	2.44x	2.28x	13.2x	13.2x	11.7x	10.5x	26.6x	20.7x	16.5x	14.5x	1.6%	8.2%	(0.8%)	12.0%	20.7%
Ralph Lauren	USA	15,078	15,145	90.3%	2.00x	1.96x	1.84x	1.73x	11.3x	10.9x	10.2x	9.1x	21.0x	20.1x	18.1x	15.9x	5.6%	6.4%	1.9%	9.4%	17.7%
Prada	Italy	14,076	14,070	65.7%	3.48x	3.51x	3.31x	3.06x	11.6x	12.8x	11.8x	10.7x	22.3x	25.2x	23.5x	20.6x	5.2%	7.0%	(1.9%)	9.1%	29.9%
Swatch	Switzerland	12,562	11,030	62.5%	1.17x	1.15x	1.16x	1.09x	3.9x	4.5x	4.7x	4.3x	6.1x	13.2x	13.9x	12.3x	5.8%	2.8%	0.0%	2.0%	30.0%
Low				62.5%	1.17x	1.15x	1.16x	1.09x	3.9x	4.5x	4.7x	4.3x	6.1x	13.2x	13.9x	12.3x	(2.4%)	2.8%	(3.5%)	2.0%	17.7%
Median				90.3%	2.73x	2.67x	2.44x	2.28x	11.6x	11.5x	10.9x	10.0x	22.3x	20.4x	18.1x	15.9x	5.6%	8.0%	0.0%	9.1%	27.4%
Average				83.8%	3.14x	3.04x	2.79x	2.58x	11.5x	11.4x	10.5x	9.5x	22.2x	21.7x	19.4x	17.2x	4.4%	7.5%	0.9%	8.7%	26.5%
High				100.0%	7.60x	7.16x	6.34x	5.74x	21.2x	20.0x	17.6x	15.8x	36.9x	34.7x	30.2x	26.8x	8.9%	11.7%	9.4%	12.7%	35.9%

Enterprise Value = Market Value of Equity + Short-term Debt + Lnog-term Debt + Preferred Equity - Cash and Equivalents All share price as of January 27, 2015



Luxury Brands Comparables Company Information

(In USD millions, except per share data)														
		-	St	ock Price										
		Currency	-	52-Week		% of 52		Market Value	Net	Enterprise	CAGR ("	12-'14)	CAGR ("	14-'16)
Company	Country	Units	Jan-27-2015	High	Low	Week High	Beta	of Equity	Debt	Value	Revenue	EBITDA	Revenue	EBITDA
Cie Financi - Reg	France	USD	84.74	109.91	79.81	77.1%	1.28	44,235.1	(4,354.8)	39,880.3	5.7%	1.1%	8.0%	7.1%
Hermes	France	USD	323.62	355.49	250.82	91.0%	0.71	34,164.8	(1,041.5)	33,139.9	8.9%	9.4%	11.7%	12.7%
Christian Dior	France	USD	172.42	172.42	125.83	100.0%	0.98	31,334.1	9,542.7	61,447.9	(2.4%)	(3.5%)	8.0%	8.9%
Kering	France	USD	196.28	196.50	153.38	99.9%	0.86	24,780.7	4,585.7	30,044.3	1.6%	(0.8%)	8.2%	12.0%
Ralph Lauren	USA	USD	169.29	187.49	141.93	90.3%	0.98	15,078.1	66.5	15,144.5	5.6%	1.9%	6.4%	9.4%
Prada	Italy	USD	5.50	8.38	4.99	65.7%	0.55	14,075.8	(6.0)	14,069.8	5.2%	(1.9%)	7.0%	9.1%
Swatch	Switzerland	USD	407.33	651.75	385.00	62.5%	1.10	12,562.1	(1,532.3)	11,029.8	5.8%	0.0%	2.8%	2.0%

LVMH Moet Hennes	France	USD	154.39	155.34	122.13	99.4% 0.99	78,628.3 8,235.0	88,050.4	4.1%	1.4%	7.8%	9.5%

Enterprise Value = Market Value of Equity + Short-term Debt + Lnog-term Debt + Preferred Equity - Cash and Equivalents All share price as of January 27, 2015



Luxury Brands Comparables Margins & Public Market Multiples

	EBITDA Margin			EV / Sales				EV / EBITDA				P/E					Price /				
Company	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E	Book
Cie Financi - Reg	27.0%	27.4%	27.2%	26.5%	26.8%	3.27x	3.20x	3.13x	2.90x	2.68x	12.1x	11.7x	11.5x	10.9x	10.0x	20.0x	23.1x	20.4x	18.8x	16.9x	3.11x
Hermes	36.0%	35.9%	35.8%	36.0%	36.5%	7.88x	7.60x	7.16x	6.34x	5.74x	21.9x	21.2x	20.0x	17.6x	15.8x	38.3x	36.9x	34.7x	30.2x	26.8x	NM
Christian Dior	24.2%	24.3%	23.7%	23.6%	24.1%	1.67x	1.77x	1.69x	1.56x	1.45x	6.9x	7.3x	7.1x	6.6x	6.0x	18.7x	19.4x	18.0x	15.2x	13.1x	0.93x
Kering	21.0%	20.7%	20.2%	20.8%	21.7%	2.75x	2.73x	2.67x	2.44x	2.28x	13.1x	13.2x	13.2x	11.7x	10.5x	25.6x	26.6x	20.7x	16.5x	14.5x	2.04x
Ralph Lauren	18.7%	17.7%	17.9%	18.1%	19.0%	2.07x	2.00x	1.96x	1.84x	1.73x	11.1x	11.3x	10.9x	10.2x	9.1x	20.8x	21.0x	20.1x	18.1x	15.9x	3.78x
Prada	31.7%	29.9%	27.4%	28.0%	28.5%	3.53x	3.48x	3.51x	3.31x	3.06x	11.1x	11.6x	12.8x	11.8x	10.7x	20.0x	22.3x	25.2x	23.5x	20.6x	4.69x
Swatch	31.0%	30.0%	25.7%	24.8%	25.3%	1.19x	1.17x	1.15x	1.16x	1.09x	3.8x	3.9x	4.5x	4.7x	4.3x	5.8x	6.1x	13.2x	13.9x	12.3x	1.16x
Low	18.7%	17.7%	17.9%	18.1%	19.0%	1.19x	1.17x	1.15x	1.16x	1.09x	3.8x	3.9x	4.5x	4.7x	4.3x	5.8x	6.1x	13.2x	13.9x	12.3x	0.9x
Median	27.0%	27.4%	25.7%	24.8%	25.3%	2.75x	2.73x	2.67x	2.44x	2.28x	11.1x	11.6x	11.5x	10.9x	10.0x	20.0x	22.3x	20.4x	18.1x	15.9x	2.6x
Mean	27.1%	26.5%	25.4%	25.4%	26.0%	3.19x	3.14x	3.04x	2.79x	2.58x	11.4x	11.5x	11.4x	10.5x	9.5x	21.3x	22.2x	21.7x	19.4x	17.2x	2.6x
High	36.0%	35.9%	35.8%	36.0%	36.5%	7.88x	7.60x	7.16x	6.34x	5.74x	21.9x	21.2x	20.0x	17.6x	15.8x	38.3x	36.9x	34.7x	30.2x	26.8x	4.7x
LVMH Moet Hennes	25.2%	24.6%	23.8%	24.2%	24.5%	2.70x	2.66x	2.58x	2.39x	2.22x	10.7x	10.8x	10.9x	9.9x	9.1x	20.2x	20.6x	20.2x	18.6x	16.7x	2.61x



G	General Information	Diluted Shares Information		EPS Estimates and Calendarization				Multiples			
Short Company Name	Cie Financi - Reg	Shares Outstanding (MM)	522.000		Research	Diluted Shares		522.000			
Long Company Name	Cie Financi - Richemont SA			Fiscal Year 1 Date Ended	03/31/15	Market Capitalization	(CHF 38,132.1			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	CHF 3.55	Net Debt		(CHF 3,754.0)			
Ticker	CFR VX			Fiscal Year 2 EPS Estimate	CHF 4.01	Enterprise Value	(CHF 34,378.1			
Country	France	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	CHF 4.43						
Latest Fiscal Year End	03/31/14	Potential	Strike	5-Year Proj. EPS Growth (%)	8.6%	-	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	09/30/14	Plan 1				EV/Sales	3.27x	3.20x	3.13x	2.90x	2.68x
		Plan 2				EV/EBITDA	12.1x	11.7x	11.5x	10.9x	10.0x
From Press Release?	No	Plan 3				EV/EBIT	14.2x	14.6x	13.5x	12.8x	11.7x
Entered By:	ABC	Plan 4				PE	20.0x	23.1x	20.4x	18.8x	16.9x
Date Entered:	01/23/15	Plan 5				EBITDA Margins	27.0%	27.4%	27.2%	26.5%	26.8%
Checked By:	XYZ			Credit Stats		EBIT Margins	23.0%	21.9%	23.2%	22.6%	22.9%
Date Checked:	01/24/15	Share Price (02/10/12)	CHF 73.05			Net Margins	19.5%	16.6%	18.5%	18.6%	19.0%
		52 Week High	CHF 94.75		LTM						
		52 Week Low	CHF 68.80	EBIT / Interest Expense:	6.4x						
Research:	Bloomberg Best Estimates	Beta	1.28	EBITDA / Interest Expense:	8.0x						
		Currency	CHF	Total Debt / EBITDA	0.2x	II.					
		Exchange Rate w.r.t. USD	1.160	Total Debt / Capitalization:	3.9%						

(CHF in millions, except per share data)											Consensus	Estimates		
	LTM	Six Month	s Ended								Research Anal	yst Estimates		
	Ended	Septemb	oer 30,	Fiscal	Year Ended Marc	h 31,	CYI	End		CY End			Fiscal Year End	
	09/30/14	2014	2013	2014	2013	2012	2012	2013	2014E	2015E	2016E	2015E	2016E	2017E
Net Sales	CHF 10,755.0	CHF 5,430.0	CHF 5,324.0	CHF 10,649.0	CHF 10,150.0	CHF 8,868.0	CHF 9,829.5	CHF 10,524.3	CHF 10,989.5	CHF 11,859.8	CHF 12,820.8	CHF 11,103.0	CHF 12,112.0	CHF 13,057.0
COGS	3,901.0	1,925.0	1,922.0	3,898.0	3,631.0	3,217.0	3,527.5	3,831.3						
Gross Profit	6,854.0	3,505.0	3,402.0	6,751.0	6,519.0	5,651.0	6,302.0	6,693.0						
Research and Development														
Selling, General & Admin.	4,467.0	2,184.0	2,027.0	4,310.0	4,080.0	3,560.0	3,950.0	4,252.5						
Other Expenses	27.0	10.0	5.0	22.0	13.0	43.0	20.5	19.8						
Other Income														
Non-Recurring Charges	-													
EBIT	2,360.0	1,311.0	1,370.0	2,419.0	2,426.0	2,048.0	2,331.5	2,420.8	2,552.5	2,684.0	2,930.5	2,597.0	2,713.0	3,003.0
Depreciation & Amortization	587.0	798.0	640.0	429.0	383.0	1,227.0	594.0	417.5	435.8	458.3	499.5	438.0	465.0	511.0
EBITDA	2,947.0	2,109.0	2,010.0	2,848.0	2,809.0	3,275.0	2,925.5	2,838.3	2,988.3	3,142.3	3,430.0	3,035.0	3,178.0	3,514.0
Interest (Income) / Other (Income)/ Expense	(141.0)	(47.0)	(146.0)	(240.0)	(107.0)	(70.0)	(97.8)	(206.8)						
Interest Expense	367.0	265.0	79.0	181.0	158.0	314.0	197.0	175.3						
Pre-Tax Income	2,134.0	1,093.0	1,437.0	2,478.0	2,375.0	1,804.0	2,232.3	2,452.3						
Minority Interest (Expense)	-													
Preferred Dividend	-													
Taxes	345.0	186.0	252.0	411.0	370.0	264.0	343.5	400.8						
Net Income	CHF 1,789.0	CHF 907.0	CHF 1,185.0	CHF 2,067.0	CHF 2,005.0	CHF 1,540.0	CHF 1,888.8	CHF 2,051.5	CHF 2,033.3	CHF 2,204.3	CHF 2,436.0	CHF 2,022.0	CHF 2,265.0	CHF 2,493.0
Weighted Average Shares Outstanding	566.777	566.300	560.900	563.600	560.000	560.200	560.041	562.716	567.689	565.918	563.563	569.097	564.979	563.135
EPS	CHF 3.16	CHF 1.60	CHF 2.11	CHF 3.67	CHF 3.58	CHF 2.75	CHF 3.37	CHF 3.65	CHF 3.58	CHF 3.90	CHF 4.32	CHF 3.55	CHF 4.01	CHF 4.43
Special Items (Y,N)	N	N	Ν	N	N	N	Ν	N						
Effective Income Tax Rate	16.2%	17.0%	17.5%	16.6%	15.6%	14.6%	14.9%	15.8%						
Cash Flow Statement Data														
(CHF in millions, except per share data)														
Depreciation & Amortization	460.0	233.0	202.0	429.0	383.0	332.0	370.3	417.5	435.8	458.3	499.5	438.0	465.0	511.0
Capital Expenditures	761.0	300.0	280.0	741.0	681.0	583.0	656.5	726.0	725.5	767.7	790.2	720.3	783.6	792.4

Balance Sheet Data

Balance Sneet Data	
(CHF in millions, except per share data)	As of Period Ended 09/30/14
Assets:	
Cash & Equivalents	CHF 4,246.0
Marketable Securities	
Total Cash & Marketable Securities	4,246.0
Total Current Assets	13,321.0
Goodwill and Intangibles	586.0
Total Assets	17,471.0
Liabilities & Shareholders Equity:	
Short-term Debt	147.0
Total Current Liabilities	4,458.0
Long-term Debt	345.0
Minority Interest	-
Warrants/Put Options	-
Preferred Stock (Liquidation Value)	-
Common Equity	12,264.0

Other Data	



	General Information	Diluted Shares Information		EPS Estimates and Calendar	rization			Multiples			
Short Company Name	Hermes	Shares Outstanding (MM)	105.569		Research	Diluted Shares		105.569			
Long Company Name	Hermes International			Fiscal Year 1 Date Ended	12/31/14	Market Capitalization		€30,504.3			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	€8.34	Net Debt		(€929.9)			
Ticker	RMS FP			Fiscal Year 2 EPS Estimate	€9.58	Enterprise Value		€29,589.2			
Country	France	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	€10.77						
Latest Fiscal Year End	12/31/13	Potential	Strike	5-Year Proj. EPS Growth (%)	12.1%		CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	06/30/14	Plan 1				EV/Sales	7.88x	7.60x	7.16x	6.34x	5.74x
		Plan 2				EV/EBITDA	21.9x	21.2x	20.0x	17.6x	15.8x
From Press Release?	No	Plan 3				EV/EBIT	24.3x	23.6x	22.3x	19.5x	17.4x
Entered By:	ABC	Plan 4				PE	38.3x	36.9x	34.7x	30.2x	26.8x
Date Entered:	01/23/15	Plan 5				EBITDA Margins	36.0%	35.9%	35.8%	36.0%	36.5%
Checked By:	XYZ			Credit Stats		EBIT Margins	32.4%	32.2%	32.1%	32.5%	33.0%
Date Checked:	01/24/15	Share Price (02/10/12)	€288.95			Net Margins	21.1%	21.1%	21.2%	21.5%	22.0%
		52 Week High	€317.40		LTM						
		52 Week Low	€223.95	EBIT / Interest Expense:	NM						
Research:	Bloomberg Best Estimates	Beta	0.71	EBITDA / Interest Expense:	NM						
		Currency	EUR	Total Debt / EBITDA	0.0x						
		Exchange Rate w.r.t. USD	1.120	Total Debt / Capitalization:	1.3%						

Income Statement Data														
(EUR in millions, except per share data)											Consensus E			
	LTM	Six Months						_			Research Analys			
	Ended	June 3			r Ended Decembe		CY En			CY End			iscal Year End	
	06/30/14	2014	2013	2013	2012	2011	2012	2013	2014E	2015E	2016E	2014E	2015E	2016E
Net Sales	€3,894.5	€1,906.9	€1,767.2	€3,754.8	€3,484.1	€2,841.2	€3,484.1	€3,754.8	€4,132.0	€4,666.0	€5,151.0	€4,132.0	€4,666.0	€5,151.0
COGS	1,224.8	608.5	554.0	1,170.3	1,110.8	886.4	1,110.8	1,170.3						
Gross Profit	2,669.7	1,298.4	1,213.2	2,584.5	2,373.3	1,954.8	2,373.3	2,584.5						
Research and Development														
Selling, General & Admin.	1,257.7	612.3	569.8	1,215.2	1,130.8	945.7	1,130.8	1,215.2						
Other Expenses	156.5	64.7	59.3	151.1	123.8	123.9	123.8	151.1						
Other Income	-													
Non-Recurring Charges	-													
EBIT	1,255.5	621.4	584.1	1,218.2	1,118.7	885.2	1,118.7	1,218.2	1,328.0	1,515.0	1,700.0	1,328.0	1,515.0	1,700.0
Depreciation & Amortization	141.0	68.3	62.6	135.3	117.1	111.1	117.1	135.3	150.0	164.0	178.0	150.0	164.0	178.0
EBITDA	1,396.5	689.7	646.7	1,353.5	1,235.8	996.3	1,235.8	1,353.5	1,478.0	1,679.0	1,878.0	1,478.0	1,679.0	1,878.0
Interest (Income) / Other (Income)/ Expense Interest Expense	17.4	2.2	6.3	21.5	19.0	(7.9)	19.0	21.5						
Pre-Tax Income	1,238.1	619.2	577.8	1,196.7	1,099.7	893.1	1,099.7	1,196.7						
Minority Interest (Expense) Preferred Dividend	(6.6)	(3.0)	(5.0)	(8.6)	(10.6)	(9.2)	(10.6)	(8.6)						
Taxes	410.2	203.7	191.1	397.6	349.1	289.8	349.1	397.6						
Net Income	€821.3	€412.5	€381.7	€790.5	€740.0	€594.1	€740.0	€790.5	€874.8	€1,005.0	€1,131.0	€874.8	€1,005.0	€1,131.0
Weighted Average Shares Outstanding	104.790	104.677	104.807	104.858	104.684	104.972	104.684	104.858	104.908	104.939	105.004	104.908	104.939	105.004
EPS	€ 7.84	€ 3.94	€ 3.64	€7.54	€ 7.07	€ 5.66	€ 7.07	€ 7.54	€ 8.34	€ 9.58	€ 10.77	€ 8.34	€ 9.58	€ 10.77
Special Items (Y,N)	N	N	N	N	N	N	N	N						
Effective Income Tax Rate	33.1%	32.9%	33.1%	33.2%	31.7%	32.4%	31.7%	33.2%						
Cash Flow Statement Data (EUR in millions, except per share data)														
Depreciation & Amortization	141.0	68.3	62.6	135.3	117.1	111.1	117.1	135.3	150.0	164.0	178.0	150.0	164.0	178.0
Capital Expenditures	228.4	91.4	74.2	211.2	263.0	185.2	263.0	211.2	242.7	260.3	277.9	242.7	260.3	277.9

Balance Sheet Data (FUR in millions, except per share data)

balance Sneet Data	
(EUR in millions, except per share data)	As of Period Ended 06/30/14
Assets:	
Cash & Equivalents	€970.6
Marketable Securities	
Total Cash & Marketable Securities	970.6
Total Current Assets	2,245.3
Goodwill and Intangibles	172.3
Total Assets	4,036.2
Liabilities & Shareholders Equity:	
Short-term Debt	24.8
Total Current Liabilities	825.4
Long-term Debt	15.9
Minority Interest	14.8
Warrants/Put Options	
Preferred Stock (Liquidation Value)	-
Common Equity	2,985.5
Common Equity	2,985.

			Other Data		
Net Financial Income	and Investments in Associate	es are included in Other Income			



	General Information	Diluted Shares Information		EPS Estimates and Calendarization	1			Multiples			
Short Company Name	Christian Dior	Shares Outstanding (MM)	181.727		Research	Diluted Shares		181.727			
Long Company Name	Christian Dior Group			Fiscal Year 1 Date Ended	06/30/15	Market Capitalization		€27,976.9			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	€9.21	Net Debt		€8,520.3			
Ticker	CDI FP			Fiscal Year 2 EPS Estimate	€11.01	Enterprise Value		€54,864.2			
Country	France	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	€12.55						
Latest Fiscal Year End	06/30/14	Potential Str	rike	3-Year Proj. EPS Growth (%)	7.5%		CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	06/30/14	Plan 1				EV/Sales	1.67x	1.77x	1.69x	1.56x	1.45x
		Plan 2				EV/EBITDA	6.9x	7.3x	7.1x	6.6x	6.0x
From Press Release?	No	Plan 3				EV/EBIT	8.7x	9.3x	8.8x	7.9x	7.5x
Entered By:	ABC	Plan 4				PE	18.7x	19.4x	18.0x	15.2x	13.1x
Date Entered:	01/27/15	Plan 5				EBITDA Margins	24.2%	24.3%	23.7%	23.6%	24.1%
Checked By:	XYZ			Credit Stats		EBIT Margins	19.2%	19.0%	19.2%	19.7%	19.3%
Date Checked:	01/24/15	Share Price (01/26/15)	€153.95			Net Margins	4.4%	4.6%	4.8%	5.3%	5.7%
		52 Week High	€153.95		LTM						
		52 Week Low	€112.35	EBIT / Interest Expense:	39.8x						
Research:	Bloomberg Best Estimates	Beta	0.98	EBITDA / Interest Expense:	50.9x						
		Currency	EUR	Total Debt / EBITDA	1.4x						
		Exchange Rate w.r.t. USD	1.120	Total Debt / Capitalization:	26.5%						

Income Statement Data														
(EUR in millions, except per share data)											Consensus E	stimates		
	LTM							_			Research Analy	st Estimates		
	Ended			Fiscal	Year Ended June	30,	CY En	d		CY End		F	iscal Year End	
	06/30/14	2014	2013	2014	2013	2012	2012	2013	2014E	2015E	2016E	2015E	2016E	2017E
Net Sales	€30,984.0			€30,984.0	€34,649.0	€33,621.0	€34,135.0	€32,816.5	€32,490.5	€35,254.0	€37,907.0	€33,997.0	€36,511.0	€39,303.0
COGS	10,607.0			10,607.0	11,964.0	11,497.0	11,730.5	11,285.5						
Gross Profit	20,377.0			20,377.0	22,685.0	22,124.0	22,404.5	21,531.0						
Research and Development														
Selling, General & Admin.	14,327.0			14,327.0	15,854.0	15,192.0	15,523.0	15,090.5						
Other Expenses	161.0			161.0	140.0	200.0	170.0	150.5						
Other Income	-													
Non-Recurring Charges														
EBIT	5,889.0			5,889.0	6,691.0	6,732.0	6,711.5	6,290.0	6,226.0	6,948.0	7,309.5	6,563.0	7,333.0	7,286.0
Depreciation & Amortization	1,638.0			1,638.0	1,645.0	1,482.0	1,563.5	1,641.5	1,475.0	1,378.5	1,822.5	1,312.0	1,445.0	2,200.0
EBITDA	7,527.0			7,527.0	8,336.0	8,214.0	8,275.0	7,931.5	7,701.0	8,326.5	9,132.0	7,875.0	8,778.0	9,486.0
Interest (Income) / Other (Income)/ Expense	74.0			74.0	(46.0)	22.0	(12.0)	14.0						
Interest Expense	148.0			148.0	200.0	275.0	237.5	174.0						
Pre-Tax Income	5,667.0			5,667.0	6,537.0	6,435.0	6,486.0	6,102.0						
Minority Interest (Expense)	(2,467.0)			(2,467.0)	(2,850.0)	(2,965.0)	(2,907.5)	(2,658.5)						
Preferred Dividend	-													
Taxes	1,775.0			1,775.0	2,180.0	1,997.0	2,088.5	1,977.5						
Net Income	€1,425.0			€1,425.0	€1,507.0	€1,473.0	€1,490.0	€1,445.5	€1,572.0	€1,860.0	€2,148.0	€1,719.0	€2,001.0	€2,295.0
Weighted Average Shares Outstanding	179.594			179.594	179.725	180.150	179.935	175.667	183.393	183.976	182.320	186.665	181.727	182.839
EPS	€ 7.93			€ 7.93	€8.39	€ 8.18	€ 8.28	€ 8.23	€ 8.57	€ 10.11	€ 11.78	€ 9.21	€ 11.01	€ 12.55
Special Items (Y,N)	N			N	N	N	N	N						
Effective Income Tax Rate	0.313			31.3%	33.3%	31.0%	32.2%	32.4%						
Cash Flow Statement Data (EUR in millions, except per share data)														
Depreciation & Amortization	1,638.0			1,638.0	1,645.0	1,482.0	1,563.5	1,641.5	1,475.0	1,378.5	1,822.5	1,312.0	1,445.0	2,200.0
Capital Expenditures	2,014.0			2,014.0	2,392.0	2,437.0	2,414.5	2,203.0	1,994.0	2,019.5	2,080.0	1,974.0	2,065.0	2,095.0

Balance Sheet Data

Balance Sneet Data	
(EUR in millions, except per share data)	As of Period Ended 06/30/14
Assets:	
Cash & Equivalents	€1,456.7
Marketable Securities	844.0
Total Cash & Marketable Securities	2,300.7
Total Current Assets	16,377.0
Goodwill and Intangibles	25,263.0
Total Assets	61,161.0
Liabilities & Shareholders Equity: Short-term Debt	6,421.0
Total Current Liabilities	13,072.0
Long-term Debt	4,400.0
Minority Interest	18,367.0
Warrants/Put Options	
Preferred Stock (Liquidation Value)	
Common Equity	29,991.7

Other Data
Dividennd of EUR1.9 per share was adjusted
As the company has different Fiscal year ends, 2013 has 14 months data and 2012 has 16 months data



G	General Information	Diluted Shares Information		EPS Estimates and Calendarization				Multiples			
Short Company Name	Kering	Shares Outstanding (MM)	126.252		Research	Diluted Shares		126.252			
Long Company Name	Kering SA			Fiscal Year 1 Date Ended	12/31/14	Market Capitalization		€22,125.6			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	€9.48	Net Debt		€4,094.4			
Ticker	KER FP			Fiscal Year 2 EPS Estimate	€11.00	Enterprise Value		€26,825.3			
Country	France	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	€12.43						
Latest Fiscal Year End	12/31/13	Potential	<u>Strike</u>	5-Year Proj. EPS Growth (%)	10.6%	_	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	06/30/14	Plan 1				EV/Sales	2.75x	2.73x	2.67x	2.44x	2.28x
		Plan 2				EV/EBITDA	13.1x	13.2x	13.2x	11.7x	10.5x
From Press Release?	No	Plan 3				EV/EBIT	15.3x	15.6x	15.5x	13.7x	12.2x
Entered By:	ABC	Plan 4				PE	25.6x	26.6x	20.7x	16.5x	14.5x
Date Entered:	01/23/15	Plan 5				EBITDA Margins	21.0%	20.7%	20.2%	20.8%	21.7%
Checked By:	XYZ			Credit Stats		EBIT Margins	17.9%	17.5%	17.2%	17.8%	18.6%
Date Checked:	01/24/15	Share Price (02/10/12)	€175.25			Net Margins	8.8%	8.5%	12.0%	12.6%	13.3%
		52 Week High	€175.45		LTM						
		52 Week Low	€136.95	EBIT / Interest Expense:	7.8x						
Research:	Bloomberg Best Estimates	Beta	0.86	EBITDA / Interest Expense:	9.2x						
		Currency	EUR	Total Debt / EBITDA	2.5x						
		Exchange Rate w.r.t. USD	1.120	Total Debt / Capitalization:	32.1%						

Income Statement Data														
(EUR in millions, except per share data)											Consensus E	stimates		
	LTM	Six Months	Ended					_			Research Analy	st Estimates		
	Ended	June 3			r Ended Decemb		CY En			CY End			iscal Year End	
	06/30/14	2014	2013	2013	2012	2011	2012	2013	2014E	2015E	2016E	2014E	2015E	2016E
Net Sales	€9,816.8	€4,747.2	€4,678.4	€9,748.0	€9,736.0	€8,062.3	€9,736.0	€9,748.0	€10,052.0	€11,010.0	€11,770.0	€10,052.0	€11,010.0	€11,770.0
COGS	3,632.0	1,727.1	1,753.0	3,657.9	3,776.2	3,086.5	3,776.2	3,657.9						
Gross Profit	6,184.8	3,020.1	2,925.4	6,090.1	5,959.8	4,975.8	5,959.8	6,090.1						
Research and Development	-													
Selling, General & Admin.	1,539.7	760.5	755.5	1,534.7	1,493.6	1,229.1	1,493.6	1,534.7						
Other Expenses	2,927.9	1,449.4	1,327.2	2,805.7	2,675.0	2,245.3	2,675.0	2,805.7						
Other Income	-													
Non-Recurring Charges														
EBIT	1,717.2	810.2	842.7	1,749.7	1,791.2	1,501.4	1,791.2	1,749.7	1,733.0	1,963.0	2,194.0	1,733.0	1,963.0	2,194.0
Depreciation & Amortization	311.9	156.4	140.3	295.8	275.1	238.0	275.1	295.8	299.0	330.0	355.0	299.0	330.0	355.0
EBITDA	2,029.1	966.6	983.0	2,045.5	2,066.3	1,739.4	2,066.3	2,045.5	2,032.0	2,293.0	2,549.0	2,032.0	2,293.0	2,549.0
Interest (Income) / Other (Income)/ Expense	424.8	10.0	26.1	440.9	(11.7)	(23.1)	(11.7)	440.9						
Interest Expense	220.5	105.4	97.2	212.3	147.7	201.8	147.7	212.3						
Pre-Tax Income	1,071.9	694.8	719.4	1,096.5	1,655.2	1,322.7	1,655.2	1,096.5						
Minority Interest (Expense)	-													
Preferred Dividend	-													
Taxes	241.2	142.8	137.0	235.4	297.6	295.2	297.6	235.4						
Net Income	€830.7	€552.0	€582.4	€861.1	€1,357.6	€1,027.5	€1,357.6	€861.1	€1,202.0	€1,384.0	€1,568.0	€1,202.0	€1,384.0	€1,568.0
Weighted Average Shares Outstanding	126.026	125.961	125.966	126.027	126.083	126.271	126.083	126.027	142.073	130.357	129.933	126.793	125.864	126.197
EPS	€ 6.59	€ 4.38	€ 4.62	€ 6.83	€ 10.77	€ 8.14	€ 10.77	€ 6.83	€ 8.46	€ 10.62	€ 12.07	€ 9.48	€ 11.00	€ 12.43
Special Items (Y,N)	N	N	N	N	N	N	N	N						
Effective Income Tax Rate	22.5%	0.0%	0.0%	21.5%	18.0%	22.3%	18.0%	21.5%						
Cash Flow Statement Data														
(EUR in millions, except per share data)														
Depreciation & Amortization	311.9	156.4	140.3	295.8	275.1	238.0	265.8	290.6	298.2	322.3	348.8	299.0	330.0	355.0
Capital Expenditures	685.0	215.4	208.1	677.7	441.9	252.3	394.5	618.8	630.8	604.5	619.8	615.2	600.9	626.1

Balance Sheet Data (FUR in millions, except per share data)

balance sneet Data	
(EUR in millions, except per share data)	As of Period Ended 06/30/14
Assets:	
Cash & Equivalents	€982.9
Marketable Securities	53.5
Total Cash & Marketable Securities	1,036.4
Total Current Assets	4,869.4
Goodwill and Intangibles	14,360.9
Total Assets	22,149.3
Liabilities & Shareholders Equity: Short-term Debt	2,420.2
Total Current Liabilities	5,212.5
Long-term Debt	2,710.6
Minority Interest	605.3
Warrants/Put Options	-
Preferred Stock (Liquidation Value)	-
Common Equity	10,852.4

ash and Common Equi	y adjusted as dividend	declared on Ex date 0.	1/22/15 at EUR 1.50	per snare		



G	eneral Information	Diluted Shares Information		EPS Estimates and Calendarization				Multiples			
Short Company Name	Ralph Lauren	Shares Outstanding (MM)	87.705		Research	Diluted Shares		89.067			
Long Company Name	Ralph Lauren Corp			Fiscal Year 1 Date Ended	03/29/15	Market Capitalization		\$15,078.1			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	\$8.52	Net Debt		\$66.5			
Ticker	RL US			Fiscal Year 2 EPS Estimate	\$9.66	Enterprise Value		\$15,144.5			
Country	USA	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	\$10.98						
Latest Fiscal Year End	03/29/14	Potential	Strike	5-Year Proj. EPS Growth (%)	12.6%		CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	09/27/14	Plan 1 2.954	\$91.26			EV/Sales	2.07x	2.00x	1.96x	1.84x	1.73x
		Plan 2				EV/EBITDA	11.1x	11.3x	10.9x	10.2x	9.1x
From Press Release?	No	Plan 3				EV/EBIT	13.6x	14.1x	13.6x	12.6x	11.1x
Entered By:	ABC	Plan 4				PE	20.8x	21.0x	20.1x	18.1x	15.9x
Date Entered:	01/27/15	Plan 5				EBITDA Margins	18.7%	17.7%	17.9%	18.1%	19.0%
Checked By:	XYZ			Credit Stats		EBIT Margins	15.3%	14.1%	14.4%	14.6%	15.5%
Date Checked:	01/24/15	Share Price (02/10/12)	\$169.29			Net Margins	10.3%	9.6%	9.8%	9.9%	10.4%
		52 Week High	\$187.49		LTM						
		52 Week Low	\$141.93	EBIT / Interest Expense:	63.1x						
Research:	Bloomberg Best Estimates	Beta	0.98	EBITDA / Interest Expense:	79.2x						
		Currency	USD	Total Debt / EBITDA	0.4x						
		Exchange Rate w.r.t. USD	1.000	Total Debt / Capitalization:	11.3%						

Income Statement Data (USD in millions, except per share data)

Income Statement Data														
(USD in millions, except per share data)											Consensus E	stimates		
	LTM	Six Months	Ended					_			Research Analy	st Estimates		
	Ended	Septemb			ear Ended March	- /	CY Er			CY End			iscal Year End	
	09/27/14	2014	2013	2014	2013	2012	2012	2013	2014E	2015E	2016E	2015E	2016E	2017E
Net Sales	\$7,584.00	\$3,702.00	\$3,568.00	\$7,450.00	\$6,945.00	\$6,860.00	\$6,923.75	\$7,323.75	\$7,727.50	\$8,223.50	\$8,756.25	\$7,820.00	\$8,358.00	\$8,889.00
COGS	3,187.0	1,527.0	1,480.0	3,140.0	2,789.0	2,862.0	2,807.3	3,052.3						
Gross Profit	4,397.0	2,175.0	2,088.0	4,310.0	4,156.0	3,998.0	4,116.5	4,271.5						
Research and Development	-													
Selling, General & Admin.	3,256.0	1,626.0	1,512.0	3,142.0	2,971.0	2,916.0	2,957.3	3,099.3						
Other Expenses	52.0	19.0	21.0	54.0	58.0	43.0	54.3	55.0						
Other Income	(16.0)		16.0											
Non-Recurring Charges														
EBIT	1,073.0	530.0	571.0	1,114.0	1,127.0	1,039.0	1,105.0	1,117.3	1,111.8	1,202.5	1,359.0	1,111.0	1,233.0	1,401.0
Depreciation & Amortization	273.0	141.0	126.0	258.0	233.0	225.0	231.0	251.8	275.3	287.0	301.0	281.0	289.0	305.0
EBITDA	1,346.0	671.0	697.0	1,372.0	1,360.0	1,264.0	1,336.0	1,369.0	1,387.0	1,489.5	1,660.0	1,392.0	1,522.0	1,706.0
Interest (Income) / Other (Income)/ Expense	16.0	8.0	6.0	14.0	16.0	-	12.0	14.5						
Interest Expense	17.0	9.0	12.0	20.0	22.0	24.0	22.5	20.5						
Pre-Tax Income	1,040.0	513.0	553.0	1,080.0	1,089.0	1,015.0	1,070.5	1,082.3						
Minority Interest (Expense)	-			-	-	-	-	-						
Preferred Dividend	-						-	-						
Taxes	308.6	150.0	167.0	325.6	339.0	334.0	337.8	329.0						
Net Income	\$731.40	\$363.00	\$386.00	\$754.40	\$750.00	\$681.00	\$732.75	\$753.30	\$756.31	\$818.18	\$914.50	\$756.94	\$838.59	\$939.80
Weighted Average Shares Outstanding	90.538	89.700	92.600	92.000	93.700	95.500	93.700	92.417	89.602	87.298	85.894	88.832	86.846	85.615
EPS	\$8.08	\$4.05	\$4.17	\$8.20	\$8.00	\$7.27	\$7.82	\$8.15	\$8.44	\$9.37	\$10.65	\$8.52	\$9.66	\$10.98
Special Items (Y,N)	N	N	N	N	N	N	N	N						
Effective Income Tax Rate	29.7%	29.2%	30.2%	30.1%	31.1%	32.9%	31.6%	30.4%						
Cash Flow Statement Data														
(USD in millions, except per share data)														
Depreciation & Amortization	273.0	141.0	126.0	258.0	233.0	225.0	231.0	251.8	275.3	287.0	301.0	281.0	289.0	305.0
Capital Expenditures	352.0	176.0	214.0	390.0	276.0	272.0	275.0	361.5	429.8	453.4	447.0	443.1	456.9	443.7

Balance Sheet Data

Balance Sneet Data	
(USD in millions except per share data)	As of Period Ended 09/27/14
Assets:	
Cash & Equivalents	\$443.53
Marketable Securities	
Total Cash & Marketable Securities	443.5
Total Current Assets	3,560.0
Goodwill and Intangibles	1,223.0
Total Assets	6,398.0
Liabilities & Shareholders Equity:	
Short-term Debt	210.0
Total Current Liabilities	1,283.0
Long-term Debt	300.0
Minority Interest	-
Warrants/Put Options	
Preferred Stock (Liquidation Value)	-
Common Equity	3,989.5



G	ieneral Information	Diluted Shares Information		EPS Estimates and Calendarization				Multiples			
Short Company Name	Prada	Shares Outstanding (MM)	2,558.824		Research	Diluted Shares		2,558.824			
Long Company Name	Prada S.P.A			Fiscal Year 1 Date Ended	01/31/15	Market Capitalization		€12,567.7			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	€0.19	Net Debt		(€5.3)			
Ticker	1913 HK			Fiscal Year 2 EPS Estimate	€0.21	Enterprise Value		€12,562.3			
Country	Italy	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	€0.24						
Latest Fiscal Year End	01/31/14	Potential	Strike	5-Year Proj. EPS Growth (%)	5.1%	_	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	07/31/14	Plan 1				EV/Sales	3.53x	3.48x	3.51x	3.31x	3.06x
		Plan 2				EV/EBITDA	11.1x	11.6x	12.8x	11.8x	10.7x
From Press Release?	No	Plan 3				EV/EBIT	13.4x	14.7x	17.0x	15.9x	14.1x
Entered By:	ABC	Plan 4				PE	20.0x	22.3x	25.2x	23.5x	20.6x
Date Entered:	01/27/15	Plan 5				EBITDA Margins	31.7%	29.9%	27.4%	28.0%	28.5%
Checked By:	XYZ			Credit Stats		EBIT Margins	26.2%	23.7%	20.7%	20.8%	21.8%
Date Checked:	01/24/15	Share Price (02/10/12)	€4.91			Net Margins	17.6%	15.6%	13.8%	14.1%	14.9%
		52 Week High	€7.48		LTM						
		52 Week Low	€4.46	EBIT / Interest Expense:	73.3x						
Research:	Bloomberg Best Estimates	Beta	0.55	EBITDA / Interest Expense:	92.6x						
		Currency	EUR	Total Debt / EBITDA	0.5x	II.					
		Exchange Rate w.r.t. USD	1.120	Total Debt / Capitalization:	15.9%						

Income Statement Data														
(EUR in millions, except per share data)											Consensus E			
	LTM	Six Months						-			Research Analy			
	Ended	July 3			ear Ended Januar		CY Er			CY End			Fiscal Year End	
	07/31/14	2014	2013	2014	2013	2012	2012	2013	2014E	2015E	2016E	2015E	2016E	2017E
Net Sales	€3,610.6	€1,751.3	€1,728.1	€3,587.3	€3,297.2	€2,555.6	€3,235.4	€3,563.2	€3,578.8	€3,791.6	€4,100.7	€3,578.0	€3,811.0	€4,127.0
COGS	972.0	493.7	460.4	938.7	920.7	727.6	904.6	937.2						
Gross Profit	2,638.6	1,257.6	1,267.7	2,648.6	2,376.5	1,828.0	2,330.8	2,626.0						
Research and Development	-													
Selling, General & Admin.	1,485.0	738.2	660.9	1,407.6	1,224.8	966.8	1,203.3	1,392.4						
Other Expenses	299.5	146.2	148.5	301.8	261.9	232.3	259.5	298.5						
Other Income	-													
Non-Recurring Charges	<u> </u>													
EBIT	854.1	373.2	458.3	939.2	889.8	628.9	868.0	935.1	739.3	790.3	892.0	721.2	796.6	900.7
Depreciation & Amortization	225.4	118.4	91.8	198.9	154.8	126.3	152.5	195.2	242.8	270.3	276.9	246.8	272.4	277.3
EBITDA	1,079.5	491.5	550.2	1,138.1	1,044.6	755.2	1,020.5	1,130.3	982.2	1,060.6	1,168.9	968.0	1,069.0	1,178.0
Interest (Income) / Other (Income)/ Expense	(1.2)	(0.5)	(0.3)	(1.0)	(1.0)	-	(0.9)	(1.0)						
Interest Expense	11.7	9.5	15.2	17.4	7.1	26.0	8.7	16.5						
Pre-Tax Income	843.6	364.1	443.4	922.9	883.6	602.9	860.2	919.6						
Minority Interest (Expense)	(11.6)	(6.2)	(4.6)	(10.0)	(7.6)	(4.5)	(7.3)	(9.8)						
Preferred Dividend	-						-	-						
Taxes	267.6	113.1	130.6	285.1	250.3	166.5	243.4	282.2						
Net Income	€564.4	€244.8	€308.2	€627.8	€625.7	€431.9	€609.5	€627.6	€492.9	€534.2	€609.8	€480.6	€539.1	€616.2
Weighted Average Shares Outstanding	2,558.824	2,558.824	2,558.824	2,558.824	2,558.824	2,535.778	2,557.451	2,558.824	2,531.953	2,552.885	2,556.796	2,529.511	2,555.009	2,556.959
EPS	€ 0.22	€ 0.10	€ 0.12	€0.25	€0.24	€ 0.17	€ 0.24	€ 0.25	€ 0.19	€ 0.21	€ 0.24	€ 0.19	€ 0.21	€ 0.24
Special Items (Y,N)	N	N	N	N	N	N	N	N						
Effective Income Tax Rate	31.7%	31.1%	29.5%	30.9%	28.3%	27.6%	28.3%	30.7%						
Cash Flow Statement Data														
(EUR in millions except per share data)														
Depreciation & Amortization	225.4	118.4	91.8	198.9	154.8	126.3	152.5	195.2	242.8	270.3	276.9	246.8	272.4	277.3
Capital Expenditures	477.3	220.4	292.5	549.4	350.2	248.6	341.8	532.8	455.6	390.6	403.9	447.1	385.5	405.6

Balance Sheet Data (EUR in millions except per share data)

balance sneet Data	
(EUR in millions except per share data)	As of Period Ended 07/31/14
Assets:	
Cash & Equivalents	€510.6
Marketable Securities	2.8
Total Cash & Marketable Securities	513.3
Total Current Assets	1,581.1
Goodwill and Intangibles	947.1
Total Assets	4,221.6
Liabilities & Shareholders Equity:	
Short-term Debt	242.1
Total Current Liabilities	985.2
Long-term Debt	266.0
Minority Interest	-
Warrants/Put Options	-
Preferred Stock (Liquidation Value)	-
Common Equity	2,682.4

			Other Data		
Dividend declared of EU	R 0.088 Ex 5/27/14 was adjuste	ed			



G	General Information	Diluted Shares Informatio	n	EPS Estimates and Cale	ndarization			Multiples			
Short Company Name	Swatch	Shares Outstanding (MM)	30.840		Research	Diluted Shares		30.840			
Long Company Name	The Swatch Group Ltd.			Fiscal Year 1 Date Ended	12/31/14	Market Capitalization		CHF 11,420.1			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	CHF 28.03	Net Debt		(CHF 1,393.0)			
Ticker	UHR VX			Fiscal Year 2 EPS Estimate	CHF 26.56	Enterprise Value		CHF 10,027.1			
Country	Switzerland	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	CHF 30.14						
Latest Fiscal Year End	12/31/13	Potential	Strike	5-Year Proj. EPS Growth (%)	4.7%		CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	06/30/14	Plan 1				EV/Sales	1.19x	1.17x	1.15x	1.16x	1.09x
		Plan 2				EV/EBITDA	3.8x	3.9x	4.5x	4.7x	4.3x
From Press Release?	No	Plan 3				EV/EBIT	4.3x	4.5x	5.3x	5.6x	5.0x
Entered By:	ABC	Plan 4				PE	5.8x	6.1x	13.2x	13.9x	12.3x
Date Entered:	01/27/15	Plan 5				EBITDA Margins	31.0%	30.0%	25.7%	24.8%	25.3%
Checked By:	XYZ			Credit Stats		EBIT Margins	27.4%	26.1%	21.8%	21.0%	21.6%
Date Checked:	01/24/15	Share Price (02/10/12)	CHF 370.30			Net Margins	22.8%	21.5%	17.5%	16.9%	17.5%
		52 Week High	CHF 592.50		LTM						
		52 Week Low	CHF 350.00	EBIT / Interest Expense:	1117.0x						
Research:	Bloomberg Best Estimates	Beta	1.10	EBITDA / Interest Expense:	1281.5x						
		Currency	CHF	Total Debt / EBITDA	0.0x						
		Exchange Rate w.r.t. USD	1.100	Total Debt / Capitalization:	0.5%						

(CHF in millions, except per share data)									Consensus Estimates					
	LTM	Six Month	ns Ended								Research Analy	st Estimates		
	Ended	June			ar Ended Decem		CY E			CY End			Fiscal Year End	
	06/30/14	2014	2013	2013	2012	2011	2012	2013	2014E	2015E	2016E	2014E	2015E	2016E
Net Sales	CHF 8,552.0	CHF 4,102.0	CHF 4,006.0	CHF 8,456.0	CHF 7,796.0	CHF 6,764.0	CHF 7,796.0	CHF 8,456.0	CHF 8,732.0	CHF 8,616.0	CHF 9,226.0	CHF 8,732.0	CHF 8,616.0	CHF 9,226.0
COGS	1,895.0	847.0	822.0	1,870.0	1,634.0	1,422.0	1,634.0	1,870.0						
Gross Profit	6,657.0	3,255.0	3,184.0	6,586.0	6,162.0	5,342.0	6,162.0	6,586.0						
Research and Development	-													
Selling, General & Admin.	4,778.0	2,467.0	2,175.0	4,486.0	4,161.0	3,587.0	4,161.0	4,486.0						
Other Expenses	329.0	172.0	147.0	304.0	261.0	229.0								
Other Income	684.0	214.0	48.0	518.0	238.0	88.0								
Non-Recurring Charges	-													
EBIT	2,234.0	830.0	910.0	2,314.0	1,978.0	1,614.0	1,978.0	2,314.0	1,906.0	1,806.0	1,996.0	1,906.0	1,806.0	1,996.0
Depreciation & Amortization	329.0	172.0	147.0	304.0	261.0	229.0	261.0	304.0	334.0	329.0	334.0	334.0	329.0	334.0
EBITDA	2,563.0	1,002.0	1,057.0	2,618.0	2,239.0	1,843.0	2,239.0	2,618.0	2,240.0	2,135.0	2,330.0	2,240.0	2,135.0	2,330.0
Interest (Income) / Other (Income)/ Expense	(16.0)	(16.0)	(44.0)	(44.0)	(36.0)	-	(36.0)	(44.0)						
Interest Expense	2.0	1.0	1.0	2.0	3.0	3.0	3.0	2.0						
Pre-Tax Income	2,248.0	845.0	953.0	2,356.0	2,011.0	1,611.0	2,011.0	2,356.0						
Minority Interest (Expense)	-													
Preferred Dividend	-													
Taxes	408.0	165.0	185.0	428.0	407.0	335.0	407.0	428.0						
Net Income	CHF 1,840.0	CHF 680.0	CHF 768.0	CHF 1,928.0	CHF 1,604.0	CHF 1,276.0	CHF 1,604.0	CHF 1,928.0	CHF 1,527.0	CHF 1,454.0	CHF 1,617.0	CHF 1,527.0	CHF 1,454.0	CHF 1,617.0
Weighted Average Shares Outstanding	30.340	30.340	30.340	30.340	30.340	30.340	30.340	30.340	54.470	54.752	53.650	54.470	54.752	53.650
EPS	CHF 60.65	CHF 22.41	CHF 25.31	CHF 63.55	CHF 52.87	CHF 42.06	CHF 52.87	CHF 63.55	CHF 28.03	CHF 26.56	CHF 30.14	CHF 28.03	CHF 26.56	CHF 30.14
Special Items (Y,N)	N	N	N	N	Ν	Ν	Ν	N						
Effective Income Tax Rate	18.1%	19.5%	19.4%	18.2%	20.2%	20.8%	20.2%	18.2%						
<u>Cash Flow Statement Data</u> (CHF in millions except per share data)														
Depreciation & Amortization	329.0	172.0	147.0	304.0	261.0	229.0	261.0	304.0	334.0	329.0	334.0	334.0	329.0	334.0
Capital Expenditures	807.0	396.0	295.0	706.0	495.0	515.0	495.0	706.0	612.8	587.1	608.3	612.8	587.1	608.3

Balance Sheet Data (CHF in millions except per share data)

balance sneet Data	
(CHF in millions except per share data)	As of Period Ended 06/30/14
Assets:	
Cash & Equivalents	CHF 1,157.0
Marketable Securities	286.0
Total Cash & Marketable Securities	1,443.0
Total Current Assets	8,692.0
Goodwill and Intangibles	136.0
Total Assets	11,855.0
Liabilities & Shareholders Equity:	
Short-term Debt	7.0
Total Current Liabilities	1,266.0
Long-term Debt	43.0
Minority Interest	-
Warrants/Put Options	-
Preferred Stock (Liquidation Value)	-
Common Equity	9,832.0

Other Data	



G	General Information	Diluted Shares Information	1	EPS Estimates and Calendarizati	ion			Multiples			
Short Company Name	LVMH Moet Hennes	Shares Outstanding (MM)	507.712		Research	Diluted Shares		509.277			
Long Company Name	LVMH Moet Hennessy Louis Vuitton			Fiscal Year 1 Date Ended	12/31/14	Market Capitalization		€70,203.8			
Project Code Name	Luxury Brands			Fiscal Year 1 EPS Estimate	€6.81	Net Debt		€7,352.6			
Ticker	MC FP			Fiscal Year 2 EPS Estimate	€7.62	Enterprise Value		€78,616.4			
Country	France	Options Outstanding (MM)		Fiscal Year 3 EPS Estimate	€8.48						
Latest Fiscal Year End	12/31/13	Potential	Strike	5-Year Proj. EPS Growth (%)	8.5%	_	CY 2013	LTM	CY 2014E	CY 2015E	CY 2016E
Latest Reporting Period	06/30/14	Plan 1 3.320	€72.86			EV/Sales	2.70x	2.66x	2.58x	2.39x	2.22x
		Plan 2				EV/EBITDA	10.7x	10.8x	10.9x	9.9x	9.1x
From Press Release?	No	Plan 3				EV/EBIT	13.3x	13.7x	13.4x	12.1x	10.9x
Entered By:	ABC	Plan 4				PE	20.2x	20.6x	20.2x	18.6x	16.7x
Date Entered:	01/23/15	Plan 5				EBITDA Margins	25.2%	24.6%	23.8%	24.2%	24.5%
Checked By:	XYZ			Credit Stats		EBIT Margins	20.2%	19.5%	19.2%	19.8%	20.4%
Date Checked:	01/24/15	Share Price (02/10/12)	€137.85			Net Margins	11.8%	11.4%	11.1%	11.7%	12.1%
		52 Week High	€138.70		LTM						
		52 Week Low	€109.05	EBIT / Interest Expense:	59.2x						
Research:	Bloomberg Best Estimates	Beta	0.99	EBITDA / Interest Expense:	74.9x						
		Currency	EUR	Total Debt / EBITDA	1.2x						
		Exchange Rate w.r.t. USD	1.120	Total Debt / Capitalization:	24.8%						

Income Statement Data														
(EUR in millions, except per share data)											Consensus E			
	LTM	Six Months Ended		-			Research Analyst Estimates							
	Ended	June 3			ar Ended Decemb		CY Er			CY End			iscal Year End	
	06/30/14	2014	2013	2013	2012	2011	2012	2013	2014E	2015E	2016E	2014E	2015E	2016E
Net Sales	€29,526.0	€14,009.0	€13,632.0	€29,149.0	€28,103.0	€23,659.0	€28,103.0	€29,149.0	€30,434.0	€32,905.0	€35,382.0	€30,434.0	€32,905.0	€35,382.0
COGS	10,226.0	4,828.0	4,657.0	10,055.0	9,917.0	8,092.0	9,917.0	10,055.0						
Gross Profit	19,300.0	9,181.0	8,975.0	19,094.0	18,186.0	15,567.0	18,186.0	19,094.0						
Research and Development														
Selling, General & Admin.	13,419.0	6,602.0	6,256.0	13,073.0	12,265.0	10,304.0	12,265.0	13,073.0						
Other Expenses	136.0	49.0	40.0	127.0	182.0	109.0	182.0	127.0						
Other Income	-													
Non-Recurring Charges														
EBIT	5,745.0	2,530.0	2,679.0	5,894.0	5,739.0	5,154.0	5,739.0	5,894.0	5,852.0	6,502.0	7,213.0	5,852.0	6,502.0	7,213.0
Depreciation & Amortization	1,520.0	705.0	639.0	1,454.0	1,299.0	999.0	1,299.0	1,454.0	1,380.0	1,446.0	1,466.0	1,380.0	1,446.0	1,466.0
EBITDA	7,265.0	3,235.0	3,318.0	7,348.0	7,038.0	6,153.0	7,038.0	7,348.0	7,232.0	7,948.0	8,679.0	7,232.0	7,948.0	8,679.0
Interest (Income) / Other (Income)/ Expense	67.0	3.0	25.0	89.0	(130.0)	85.0	(130.0)	89.0						
Interest Expense	97.0	50.0	56.0	103.0	140.0	151.0	140.0	103.0						
Pre-Tax Income	5,581.0	2,477.0	2,598.0	5,702.0	5,729.0	4,918.0	5,729.0	5,702.0						
Minority Interest (Expense)	(494.0)	(212.0)	(229.0)	(511.0)	(485.0)	(400.0)	(485.0)	(511.0)						
Preferred Dividend	-													
Taxes	1,719.0	756.0	792.0	1,755.0	1,820.0	1,453.0	1,820.0	1,755.0						
Net Income	€3,368.0	€1,509.0	€1,577.0	€3,436.0	€3,424.0	€3,065.0	€3,424.0	€3,436.0	€3,381.0	€3,834.0	€4,267.0	€3,381.0	€3,834.0	€4,267.0
Weighted Average Shares Outstanding	503.033	503.171	503.568	503.217	502.230	492.207	502.230	503.217	496.476	516.677	516.211	496.476	502.886	503.184
EPS	€ 6.70	€ 3.00	€ 3.13	€ 6.83	€ 6.82	€ 6.23	€ 6.82	€ 6.83	€ 6.81	€ 7.42	€ 8.27	€ 6.81	€ 7.62	€ 8.48
Special Items (Y,N)	N	N	N	N	N	N	N	N						
Effective Income Tax Rate	30.8%	30.5%	30.5%	30.8%	31.8%	29.5%	31.8%	30.8%						
Cash Flow Statement Data														
(EUR in millions, except per share data)														
Depreciation & Amortization	1,520.0	705.0	639.0	1,454.0	1,299.0	999.0	1,299.0	1,454.0	1,380.0	1,446.0	1,466.0	1,380.0	1,446.0	1,466.0
Capital Expenditures	1,856.0	795.0	779.0	1,840.0	1,851.0	1,868.0	1,851.0	1,840.0	1,725.0	1,822.0	1,889.0	1,725.0	1,822.0	1,889.0

Balance Sheet Data

balance sneet Data	
(EUR in millions, except per share data)	As of Period Ended 06/30/14
Assets:	
Cash & Equivalents	€1,415.4
Marketable Securities	109.0
Total Cash & Marketable Securities	1,524.4
Total Current Assets	15,406.0
Goodwill and Intangibles	8,988.0
Total Assets	56,160.0
Liabilities & Shareholders Equity:	
Short-term Debt	5,629.0
Total Current Liabilities	11,893.0
Long-term Debt	3,248.0
Minority Interest	1,060.0
Warrants/Put Options	-
Preferred Stock (Liquidation Value)	-
Common Equity	26,909.4

				Other Data	
Investments in	Associates are incl	luded in Other Income			
Cash and Comn	non Equity adjuste	d as dividend declared	on Ex date 12/2/14 at El	UR 1.25 per share	

