

Kering SA

Kering is a global apparel and accessories company based in Paris, France. It designs, manufactures and markets consumer and luxury products. It operates through the luxury and sports and lifestyle segments. Org. revenues grew 14% y/y (+23% y/y on a reported basis to EUR5.1bn; cons.: EUR5.0bn), driven by broad-based growth across brands. In org. terms, retail sales increased 19% y/y, with 17% y/y growth in e-commerce (13% of retail sales) and almost fully open store network; wholesale and other sales were down 1% y/y on 8% y/y reduction in luxury houses, largely offset by Kering Eyewear (+23% y/y), and royalties and other (+18% y/y). Org. revenues from Gucci grew 9% y/y (below cons. of +10% y/y, reported: +18% y/y to EUR2.6bn), with a similar 9% y/y growth in its retail channel, while wholesale revenues rose 2% y/y with the completion of rationalisation. In retail, the growth momentum was strong in Western Europe (+64% y/y org.), and increased in Japan (+24% y/y org.). Organically, revenues for Yves Saint Laurent were up 30% y/y (vs cons. of +18% y/y), led by strong growth in retail sales (+38% y/y) across product categories and geography, and higher wholesale revenues (+13% y/y). Retail revenues more than doubled in Western Europe (+105% y/y org.), and increased (y/y org.) across Asia Pacific (+35%), Japan (+21%), and North America (+6%). Org. revenues for Bottega Veneta rose 14% y/y (vs cons. of +10% y/y), driven by an increase in retail revenue (+20% y/y), with strong performance in Western Europe (+69% y/y) and Japan (+35% y/y), while its wholesale revenues fell 5% y/y, with streamlining of the channel and focus on selective partners. Management did not provide any financial guidance. However, it remains confident in its growth potential for the medium and long terms. Kering Eyewear closed the acquisition of Maui Jim, which is expected to be consolidated by Q4.

Corporate Ratings		Periodicity	Fiscal Quarterly	Currency	Default	Parent/Consolidated			C	Data	Adjusted (if Available)	
S&P	A											
Outlook	-											
Moody's	-											
Outlook	-											
Fitch	-											
Outlook	-											
CDS Data												
5 YR CDS	42.50											
% 3 Months	-18.24											
% 6 Months	-27.75											
% 1 Year	42.81											
52 Week Low	26.13											
52 Week High	72.68											
Profitability												
EBIT	5,600											
Operating Margin	28.68											
Pretax Margin	27.82											
Return on Assets	12.33											
Return on Common Equity	29.46											
Return on Capital	16.71											
Asset turnover	0.63											
Structure												
Current Ratio	1.42											
Quick Ratio	0.74											
Total Debt to Total Assets	35.18											
Total Debt to Com Equity	86.68											
Acct Receivable Turnover	19.77											
Inventory Turnover	1.41											
Gross Margin	74.27											
EBIT / Total Inter	38.23											
Growth Potential												
Sales 1yr Growth	34.69											
Asset 1yr Growth	10.93											
Capital 1yr Growth	8.95											

Income Statement Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Revenue	--	5,916.0	19,528.0	5,137.0	4,974.0	4,955.9	5,410.2	4,187.8	4,157.2	3,890.0	4,004.2	
Operating Income	--	--	5,600.2	--	--	--	--	--	--	--	--	
Pretax Income	--	--	5,433.6	--	--	--	--	--	--	--	0.0	
Income bef XO Items	--	--	3,787.4	--	--	--	--	--	--	--	--	
Net Income	--	--	3,828.8	--	--	--	--	--	--	--	0.0	
Basic EPS Before XO Items	--	--	30.88	--	--	--	--	--	--	--	--	
Basic EPS	--	--	31.17	--	--	--	--	--	--	--	--	
Diluted EPS Before XO Items	--	--	30.88	--	--	--	--	--	--	--	--	
Diluted EPS	--	--	29.72	--	--	--	--	--	--	--	--	
Dividends per Share	--	--	--	--	--	--	--	--	--	--	--	
EBITDA	--	--	7,136.5	--	--	--	--	--	--	--	--	
Return on Common Equity	--	--	28.4	--	--	--	--	--	--	--	--	

Balance Sheet Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Total Current Assets			13,071.0	--	--	--	--	--	--	--	--	--
Total Long-Term Assets			20,126.0	--	--	--	--	--	--	--	--	--
Total Assets			33,197.0	--	--	--	--	--	--	--	--	--
Total Current Liabilities			9,236.0	--	--	--	--	--	--	--	--	--
Total Long-Term Liabilities			10,044.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--
Total Liabilities			19,280.0	--	--	--	--	--	--	--	--	--
Total Shareholders' Equity			13,917.0	--	--	--	--	--	--	--	--	--
Shares Outstanding			122.9	--	--	--	--	--	--	--	--	--
Book Value per Share	--	--	109.7	--	--	--	--	--	--	--	--	--
Tangible Book Value / Sh			28.7	--	--	--	--	--	--	--	--	--
Shareholder Equity/Total Liab			41.9	--	--	--	--	--	--	--	--	--

Cash Flow Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Net Income	--	--	3,684.7	--	--	--	--	--	--	--	--	--
Depreciation and Amortization	--	--	--	--	--	--	--	--	--	--	--	--
Change in Working Capital			596.8	--	--	--	--	--	--	--	--	--
Cash - Operating Activities			4,408.0	--	--	--	--	--	--	--	--	--
Capital Expenditures	--	--	-949.6	--	--	--	--	--	--	--	--	--
Cash - Investing Activities			-1,383.7	--	--	--	--	--	--	--	--	--
Cash - Financing Activities			-2,103.0	--	--	--	--	--	--	--	--	--
Net Changes in Cash			921.3	--	--	--	--	--	--	--	--	--
Free Cash Flow	--	--	3,458.4	--	--	--	--	--	--	--	--	--

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