Valuation Analysis of Luxury Brands in Developed Economies

Luxury Brands

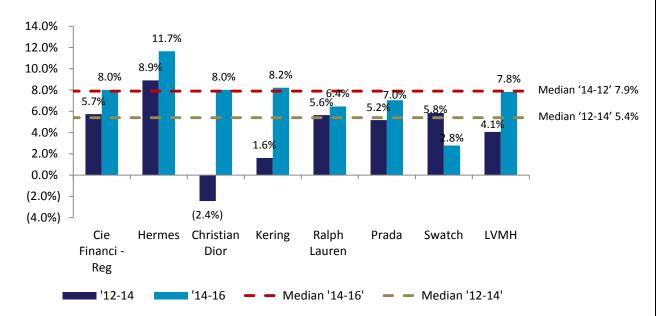
Comparable Analysis

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

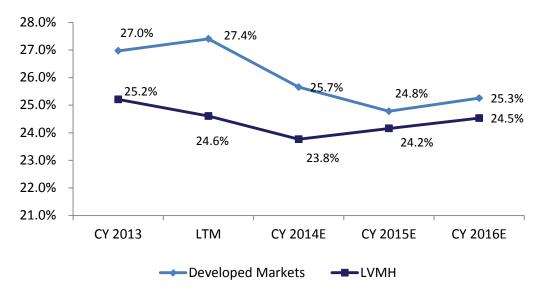
| | | Region | | | |
|----------------|----------|--------------|----------|---------|----------|
| Company | Europe | Asia-Pacific | Americas | Others | Total |
| LVMH | 9,794.1 | 12,079.3 | 7,508.8 | 3,264.7 | 32,646.9 |
| Growth | 0.4% | 6.6% | 3.7% | 3.7% | 3.7% |
| Contribution | 30.0% | 37.0% | 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



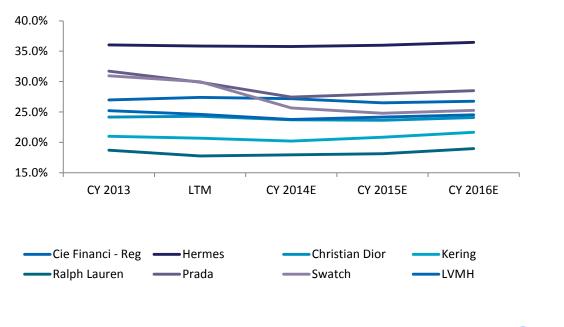
EBITDA Margins

- 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

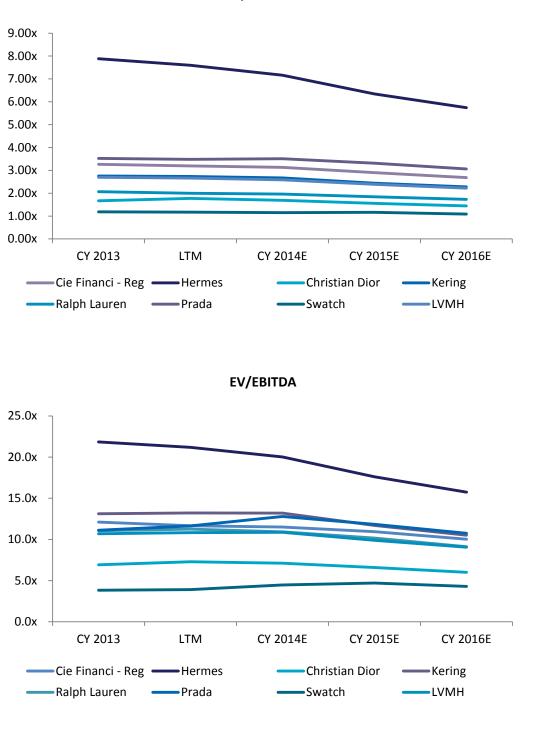
• Hermes has the highest margin in the segment followed by Prada





Trading Multiples

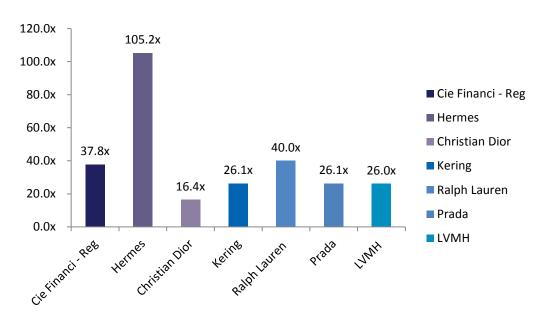
- Hermes trades at a significant premium over its competitors primarily because of it higher margins and better growth prospects
- LVMH's trades at 2.66x LTM Revenue which is close to the median of 2.73x for the set



EV/Revenue



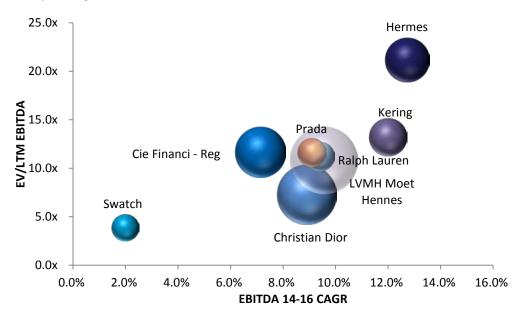
• On EV / Stores basis, Hermes is an outlier with EV/Stores multiple of 105.2x, the highest among its peers



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 |
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| Other Data | |
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| | 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 | | | |
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| | 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 |
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| 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 |
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| 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 | | |
|---------------------|------------------------|------------------------|---------------------|-----------|--|--|
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| 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 | | | |
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| 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 | |
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| 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 | |
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