



**Samsonite International S.A. Announces 2014 Interim Results
Strong Net Sales Growth Across All Regions**

Highlights

- Samsonite's net sales for the six months ended June 30, 2014 increased by 13.8%¹ to a record US\$1,105.3 million with growth across all regions. US Dollar reported net sales increased by 12.4%.
 - Asia – 16.9%¹ year-on-year sales growth.
 - North America – 11.8%¹ year-on-year sales growth.
 - Europe – 10.3%¹ year-on-year sales growth.
 - Latin America – 20.4%¹ year-on-year sales growth.
- Profit for the period increased to US\$109.6 million, representing 15.7% year-on-year growth.
- Adjusted Net Income² increased to US\$105.7 million, representing 13.9% year-on-year growth.
- Adjusted EBITDA² increased to US\$186.7 million, representing 14.0% year-on-year growth.
- Net sales of the *Samsonite* and *American Tourister* brands grew by 11.8%¹ and 17.5%¹, respectively, year-on-year.
- The casual, travel and accessories product categories saw strong double-digit year-on-year growth in net sales, while the business category remained relatively flat.
 - Casual – 28.1%¹ increase in sales to US\$134.8 million.
 - Travel – 11.2%¹ increase in sales to US\$797.8 million.
 - Accessories – 52.4%¹ increase in sales to US\$54.4 million.
 - Business – 2.3%¹ increase in sales to US\$96.9 million.
- The Group strategically enhanced its brand portfolio by making the following acquisitions:
 - Lipault, a French luggage brand that designs ultra-lightweight and chic products to meet the needs of today's savvy travelers, in April 2014;
 - Speculative Product Design, LLC ("Speck Products"), an award-winning designer and distributor of slim protective cases for personal electronic devices, in May 2014; and
 - Gregory Mountain Products, LLC ("Gregory"), a leading brand in the premium technical backpack segment, in July 2014.
- The Group amended its Revolving Credit Facility to increase the borrowing limit from US\$300.0 million to US\$500.0 million, giving it greater financial flexibility as it continues to evaluate acquisition opportunities globally.
- The Group generated US\$53.1 million of cash from operating activities during the six months ended June 30, 2014, leaving a strong net cash position of US\$106.6 million.
- Adjusted earnings per share² increased by 13.6% to US\$0.075 for the six months ended June 30, 2014 from US\$0.066 for the first half of 2013.

¹ Excluding foreign currency effects.

² This non-IFRS measure eliminates the effect of a number of non-recurring costs and charges and certain other non-cash items that impact the Group's reported profit for the year. The Group believes the adjusted figures are useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

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HONG KONG, August 27, 2014 – Samsonite International S.A. (“Samsonite” or “the Group”; SEHK stock code: 1910), the world’s largest travel luggage company, today announced its interim results for the six months ended June 30, 2014.

The Group continued to benefit from the robust growth in travel and tourism³ worldwide as net sales increased by 13.8% on a constant currency basis to US\$1,105.3 million for the six months ended June 30, 2014. US Dollar reported net sales increased by 12.4%. Samsonite’s operating profit increased by 11.9% year-on-year to US\$152.3 million, and profit for the period increased by 15.7% to US\$109.6 million. Adjusted Net Income⁴ increased by 13.9%, to US\$105.7 million, while Adjusted EBITDA⁴ increased by 14.0% to US\$186.7 million for the six months ended June 30, 2014.

During the period, the Group made two strategic acquisitions to further diversify its brand and product portfolio: Lipault, a French luggage maker known for its functional and fashionable designs; and Speck Products, a leading U.S. designer and distributor of slim protective cases for personal electronic devices. Subsequent to June 30, 2014, the Group acquired Gregory, an iconic technical outdoor backpack company.

The Group generated cash from operating activities of US\$53.1 million for the six months ended June 30, 2014 compared to US\$56.7 million in the first half of 2013, leaving a net cash position of US\$106.6 million compared with US\$209.8 million as of December 31, 2013. This reduction in net cash is primarily a result of investments made in relation to the expansion of our factory in Hungary, the completion of a new warehouse in Belgium, as well as the purchase of Lipault and Speck Products.

As Samsonite continues to evaluate further potential acquisition opportunities that offer both a compelling strategic and financial rationale, the Group amended its Revolving Credit Facility to increase the borrowing limit from US\$300.0 million to US\$500.0 million, and extended its term from three years to five years. The larger facility enhances the Group’s financial flexibility and capacity to pursue further acquisition opportunities as and when they become available.

Commenting on the results, Mr. Tim Parker, Chairman and Chief Executive Officer, said, “We are pleased with the solid double digit growth that we have delivered in the first half of the year. As in previous years, we continue to see an increasing number of international tourists driving growth across the global luggage industry, and with international tourist arrivals expected to increase by as much as 4.5% in 2014, this growth should continue to benefit our business. While still challenging in certain geographies, the global economy has shown signs of steady improvement, and we saw positive results across all of our markets. As per our long-term strategy, we remain dedicated to adapting designs and marketing initiatives to local markets, and have introduced a number of new products that have been extremely popular with consumers. Aside from our steady organic growth, we have also made good progress with our strategy to diversify our brand portfolio through acquisitions. So far in 2014, we acquired three leading brands, *Lipault*, *Speck* and *Gregory*, all of which will benefit from Samsonite’s resources, depth of experience and well-established marketing and distribution capability.”

³ According to the UNWTO World Tourism Barometer, approximately 317 million tourists travelled worldwide during the first four months of 2014, with international tourist arrivals growing by 5% over the same period. International tourist arrivals are predicted to increase by 4.0% to 4.5% in 2014, well above the forecast of +3.8%.

⁴ This non-IFRS measure eliminates the effect of a number of non-recurring costs and charges and certain other non-cash items that impact the Group’s reported profit for the year. The Group believes the adjusted figures are useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

Table 1: Key Financial Highlights

	Six months ended June 30, 2014 US\$ millions	Six months ended June 30, 2013 US\$ millions	Percentage change 2014 vs. 2013	Percentage change 2014 vs. 2013 Excl. Foreign Currency Effects
Net Sales	1,105.3	983.6	12.4%	13.8%
Operating Profit	152.3	136.2	11.9%	-
Profit for the period	109.6	94.7	15.7%	-
Adjusted Net Income⁵	105.7	92.9	13.9%	-
Adjusted EBITDA⁵	186.7	163.7	14.0%	-
Basic and diluted earnings per share (US\$)	0.069	0.060	15.0%	-
Adjusted basic and diluted earnings per share⁵ (US\$)	0.075	0.066	13.6%	-

Net Sales by Brand

Net sales of the Group’s flagship brand, *Samsonite*, increased by 11.8%⁶ year-on-year to US\$743.7 million, accounting for 67.3% of the Group’s net sales as compared to 67.9% for the same period in 2013, reflecting continued diversification of the Group’s brand portfolio.

The *American Tourister* brand recorded net sales of US\$236.3 million, an increase of 17.5%⁶ from the same period in 2013, with the growth largely driven by Asia. The increase in sales for both brands was attributable to expanded product offerings and further penetration of existing markets, all of which was supported by targeted advertising activities.

Samsonite’s investment in the *High Sierra* and *Hartmann* brands, acquired in the second half of 2012, is beginning to show its return, with net sales having increased by 22.5% and 13.1%, respectively, on a constant currency basis. Meanwhile, *Speck* and *Lipault*, acquired in the second quarter of 2014, contributed net sales of US\$10.5 million and US\$1.5 million, respectively.

Mr. Parker noted, “Our brand and product portfolio continues to evolve as we strategically grew our business through several exciting acquisitions: *Lipault*, with its lightweight, robust and thoughtfully designed luggage, embodies the quality that we strive to deliver in all of our products within our portfolio; *Speck*, which marked our first foray outside of the ‘traditional’ luggage space into a complementary product segment, brings a new dimension to our increasingly diverse offering; and *Gregory*, a well-respected brand and a pioneer in its industry, gives us an entrée into the premium segment of the outdoor and casual markets. Looking to our core brands, our flagship *Samsonite* continues to account for the largest portion of the Group’s net sales, but we are also seeing significant growth from our other brands, particularly *American*

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⁶ Excluding foreign currency effects.

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Tourister and *High Sierra*. We expect sales of non-Samsonite brands to increase substantially due to the impact of our newly acquired brands and as the additional advertising investments made for *American Tourister*, *Hartmann* and *High Sierra* translate into sales growth. As we increase the number of brands in our portfolio, the complexity of our business will, to a certain degree, also increase. That being said, we are confident that our devolved model of country and brand management, coupled with a highly efficient supply, administration and logistics structure, will continue to be effective as we grow.”

Table 2: Net Sales by Brand

Brand	Six months ended June 30, 2014 US\$ millions	Six months ended June 30, 2013 US\$ millions	Percentage change 2014 vs. 2013	Percentage change 2014 vs. 2013 Excl. Foreign Currency Effects
<i>Samsonite</i>	743.7	668.2	11.3%	11.8%
<i>American Tourister</i>	236.3	205.7	14.9%	17.5%
<i>High Sierra</i>	52.8	43.5	21.4%	22.5%
<i>Hartmann</i>	7.9	7.0	13.1%	13.1%
<i>Speck</i>	10.5	-	nm ⁷	nm ⁷
Other ⁸	54.1	59.3	(8.8)%	(0.5)%

Net Sales by Region

The Group achieved double digit constant currency sales growth across all of its regions in the first half of 2014.

Samsonite’s net sales in Asia continued to grow across all markets within the region, reaching US\$421.4 million for the six months ended June 30, 2014, which represents an increase of 16.9%⁹ as compared to the previous year. The growth continued to be driven by *American Tourister*, which accounted for 47.1%, of the Group’s overall increase in net sales in the region for the period, as the brand further penetrated the market at more affordable price points targeted to appeal to emerging middle class consumers. The Group’s *Samsonite Red* sub-brand was the driving force behind the 88.5%⁹ increase in the casual product category in the Asia region. The Group also recorded net sales of US\$4.6 million from the *High Sierra* brand in Asia during the first half of 2014, representing an increase of 173.5%⁹ from the previous year. The development of *High Sierra* branded products designed specifically for the region is well underway.

Driven by the success of *American Tourister* and *Samsonite Red*, South Korea continued to experience robust sales growth, recording a 14.6%⁹ increase in net sales. China, the Group’s biggest market in Asia, saw first half net sales increasing by 8.1%⁹ year-on-year, a significant improvement compared to the 1.1%⁹ increase recorded in the first quarter of 2014. Australia, India, Japan and Hong Kong all recorded strong year-on-year net sales growth at 35.2%⁹, 24.6%⁹, 22.9%⁹ and 14.6%⁹, respectively.

⁷ Not meaningful due to acquisition on May 28, 2014.

⁸ Includes *Lipault*, *Saxoline*, *Xtrem* and other owned and licensed brands.

⁹ Excluding foreign currency effects.

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Aside from additional points of sale and increased product offerings, the success of the Group's business in Asia has been bolstered by its continued focus on country-specific products and marketing strategies to drive increased awareness of, and demand for, the Group's products.

In North America, the Group's net sales increased by 11.8%¹⁰ to US\$345.8 million for the six months ended June 30, 2014, or by 11.4% on a US Dollar reported basis. Net sales of the *Samsonite* brand increased by 9.2%, while net sales of *American Tourister*, *High Sierra* and *Hartmann* increased by 8.1%, 12.8% and 11.2%, respectively, compared to the first half of 2013. The travel product category recorded a net sales increase of 9.2% year-on-year, while net sales in the casual product category increased by 7.3%. Net sales in the accessories category increased by 133.2% year-on-year, primarily as a result of the acquisition of Speck Products on May 28, 2014.

In Europe, net sales for the region increased by 10.3%¹⁰ to US\$266.8 million for the six months ended June 30, 2014, or by 12.7% on a US Dollar reported basis. Local currency sales growth in several markets was driven by the positive sell-through of new product introductions and the success of products manufactured using Curv material and other lines of polypropylene suitcases as the demand for hardside luggage continues to grow in the region. Germany, the Group's leading market in Europe representing 14.7% of total net sales in the region, achieved 6.2%¹⁰ sales growth during the period. The United Kingdom and France recorded strong net sales growth of 10.2%¹⁰ and 11.1%¹⁰, respectively, while the Group's business in Italy and Spain showed encouraging signs of economic improvement with net sales growth of 13.1%¹⁰ and 11.3%¹⁰, respectively. The Group continued to penetrate the emerging markets of Russia, Turkey and South Africa with year-on-year net sales growth of 11.2%¹⁰, 36.9%¹⁰ and 28.3%¹⁰, respectively.

Lastly, in Latin America, net sales increased by 20.4%¹⁰ to US\$67.0 million for the six months ended June 30, 2014. Net sales in Brazil increased by 236.7%¹⁰ from a lower base, mainly due to the direct import and sales model implemented in the second half of 2013. Net sales in Chile improved by 10.2%¹⁰ year-on-year, due in large part to strong sales of backpacks for the back-to-school season as well as the success of the recently launched women's handbag brand *Secret*, while net sales in Mexico increased by 13.1%¹⁰. In contrast, net sales in Argentina continued to be negatively impacted by import restrictions imposed by the local government. Excluding net sales attributable to Argentina, net sales for Latin America increased by 24.9%¹⁰.

Mr. Parker commented, "The steadily improving global macro economy has benefitted our business, and despite a few temporary setbacks such as the extreme winter weather in the US which impacted sales, our business on the whole has been relatively resilient given its lack of dependence on any single market or product category. We are particularly pleased to see all of our operating regions achieve double-digit constant currency growth in the first half. In Asia, all markets, with only a few exceptions, managed to exceed 15.0% growth in sales, while in North America our business grew at a steady pace as our main travel brands, *Samsonite* and *American Tourister*, continue to be first choice for our customers and retail partners. Our European business has enjoyed the best trading conditions for some time, with many of the larger markets posting double-digit growth as our Curv product ranges continue to lead the market. We are particularly pleased to see our business category recording buoyant sales in the region as a result of several strong product introductions. As for Latin America, although the region accounts for only 6.1% of the Group's net sales, we believe there is a significant opportunity here to further build our market share, and we have started a process of investing in additional management resources to achieve our objectives."

¹⁰ Excluding foreign currency effects.

Table 3: Net Sales by Region

Region	Six months ended June 30, 2014 US\$ millions	Six months ended June 30, 2013 US\$ millions	Percentage change 2014 vs. 2013	Percentage change 2014 vs. 2013 Excl. Foreign Currency Effects
Asia	421.4	370.2	13.8%	16.9%
North America	345.8	310.5	11.4%	11.8%
Europe	266.8	236.8	12.7%	10.3%
Latin America	67.0	61.5	8.9%	20.4%

Net Sales by Product Category

Of Samsonite’s four principle product categories, travel products are the Group’s traditional strength and continue to be its largest product category, accounting for 72.2% of total net sales for the first six months of 2014. Net sales in the travel category increased by 11.2%¹¹ from the same period in 2013, with country-specific product designs, locally relevant marketing strategies and expanded points of sale, including e-commerce, contributing to this increase. In the first half of 2014, the casual product category increased by 28.1%¹¹, primarily as a result of the success of the *High Sierra* brand and the *Samsonite Red* sub-brand. Net sales in the business product category increased by 2.3%¹¹, driven by a 36.9%¹¹ increase in Europe due to new product introductions, but marginally offset by a 5.3%¹¹ decrease in Asia due to the timing of certain business-to-business sales in China and a 5.2%¹¹ decrease in North America due to the non-recurrence of certain sales made in the first half of 2013. The accessories category recorded a net sales increase of 52.4%¹¹, largely due to the acquisition of Speck Products, excluding which net sales in the category increased by 23.5%¹¹.

Table 4: Net Sales by Product Category

Product Category	Six months ended June 30, 2014 US\$ millions	Six months ended June 30, 2013 US\$ millions	Percentage change 2014 vs. 2013	Percentage change 2014 vs. 2013 Excl. Foreign Currency Effects
Travel	797.8	724.6	10.1%	11.2%
Casual	134.8	108.2	24.6%	28.1%
Business	96.9	95.8	1.1%	2.3%
Accessories	54.4	36.4	49.6%	52.4%

Points of Sale

The Group added approximately 2,800 points of sale in the first half of the year, bringing total points of sale to over 48,800 in over 100 countries worldwide as of June 30, 2014. Over 350 points of sale were added in Asia during the first half of the year, including 15 new company-operated retail locations, bringing the total to over 7,200 points of sale in the region as at June 30, 2014.

¹¹ Excluding foreign currency effects.

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Marketing

The Group spent US\$69.4 million, or about 6.3% of net sales, on marketing during the six months ended June 30, 2014, reflecting its on-going commitment to advertise and promote its brands and products to support sales growth worldwide. This was an increase of 8.2% from the US\$64.1 million (representing 6.5% of net sales) spent in the six months ended June 30, 2013. The Group views its ability to invest in marketing as a key competitive advantage, and compelling advertising campaigns continued to help drive sales growth ahead of the industry in all regions. Going forward, the Group intends to raise the share of consumer advertising spend as a percentage of sales, with additional investments in marketing to drive *American Tourister* sales growth in Europe and in Asia, extend the reach of *Samsonite Red* throughout Asia and support the global expansion of acquired brands.

Management

Looking to the future, the Group is always mindful of the next generation of management who will lead the business in its success. As such, Tim Parker, currently Chairman and Chief Executive Officer of Samsonite, will assume the role of Non-Executive Chairman, while Ramesh Tainwala, currently Samsonite's Chief Operating Officer, will be promoted to Chief Executive Officer, effective October 1, 2014. The Group has also promoted Roberto Guzman, who has been responsible for its Chilean business, to lead the Latin American region and to be a member of the executive senior management team.

Mr. Parker commented, "During the past five years, I have had the privilege of serving as both Chairman and CEO of Samsonite. However, now that we have firmly established a solid foundation for continued future growth, the Board and I share the view that it is the right time to separate these roles. This will allow us to secure the continuity and succession of our management team and drive the further development of our business with an even higher level of focus. It also reflects our ongoing commitment to strengthening our corporate governance to the highest standards of international best practice. Ramesh has proved himself more than capable of leading our business, and with his deep expertise, industry knowledge and track record of success, I can think of no better individual to be the Group's new CEO. In my role as Non-Executive Chairman, I will work closely with Ramesh as I direct my efforts to managing Samsonite's strategic relationships with our key stakeholders and guiding the Group's overall strategy. I am looking forward to the next exciting stage in the development of our business as we maintain the course of our strategy to deliver top-line growth and enhance shareholder value."

Mr. Tainwala added, "I have worked closely with Tim and the Group's leadership team to drive Samsonite's growth, and together we have delivered excellent results for our shareholders. I look forward to the next phase of our collaboration as we continue to leverage the opportunities we have for new product and brand initiatives across our business worldwide. We have a clear strategy for our business and are confident in the sustainability of our overall growth in the future."

Outlook

Looking to the latter half of 2014 and beyond, Samsonite will continue to maintain the course of its existing growth strategy to increase shareholder value through sustainable revenue and earnings growth. In particular, Samsonite will:

- Continue to drive profitable sales growth by leveraging the strength of the Group's diverse portfolio of brands, which includes *Samsonite*, *American Tourister*, *Hartmann*, *High Sierra*, *Gregory*, *Speck* and *Lipault*, across all of its markets;

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- Allocate more resources, particularly marketing, to drive *American Tourister* sales growth in Europe and in Asia, extend the brand reach of *Samsonite Red* throughout Asia and support the global expansion of acquired brands;
- Roll out *Hartmann* globally, with a flagship store opening on Madison Avenue in New York City in the third quarter and approximately 10 additional store openings in North America, Asia and Europe;
- Focus on integrating Speck Products, Lipault and Gregory into the Group's existing business and begin to realize anticipated synergies in sourcing, systems and back-office support functions;
- Improve the efficiency and effectiveness of the Group's supply chain and global distribution network; and
- Continually evaluate acquisition opportunities that have a compelling strategic fit, leveraging the Group's strong management team and balance sheet capacity.

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About Samsonite

Samsonite International S.A. (together with its consolidated subsidiaries, the "Group") is the world's largest travel luggage company, with a heritage dating back more than 100 years. The Group is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, outdoor and casual bags, and travel accessories throughout the world, primarily under the *Samsonite*®, *American Tourister*®, *Hartmann*®, *High Sierra*®, *Gregory*®, *Speck*® and *Lipault*® brand names and other owned and licensed brand names. The Group's core brand, *Samsonite*, is one of the most well-known travel luggage brands in the world.

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This announcement contains forward-looking statements. All statements other than statements of historical fact contained in this announcement, including, without limitation, the discussions of the Group's business strategies and expectations concerning future operations, margins, profitability, liquidity and capital resources, the future development of the Group's industry and the future development of the general economy of the Group's key markets and any statements preceded by, followed by or that include words and expressions such as "expect", "seek", "believe", "plan", "intend", "estimate", "project", "anticipate", "may", "will", "would" and "could" or similar words or statements, as they relate to the Group or its management, are intended to identify forward-looking statements.

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