



(Incorporated in Luxembourg with limited liability)
(Stock code: 1910)

Samsonite International S.A. Announces 2013 Final Results Net sales top a record US\$2 billion for the first time

Highlights

- Samsonite's net sales crossed the US\$2 billion level for the first time, driven by the continued robust growth in world travel.
- Samsonite's net sales for the year ended December 31, 2013 increased by 16.1%¹ to a record US\$2,037.8 million with strong growth across all regions. US Dollar reported net sales increased by 15.0%.
 - Asia – 15.6%¹ year-on-year sales growth.
 - North America – 24.6%¹ year-on-year sales growth.
 - Europe – 9.2%¹ year-on-year sales growth.
 - Latin America – 11.7%¹ year-on-year sales growth.
- Profit attributable to shareholders increased to US\$176.1 million, representing 18.6% year-on-year growth.
- Adjusted Net Income² increased to US\$189.2 million, representing 13.2% year-on-year growth.
- Adjusted EBITDA² increased to US\$337.7 million, representing 17.9% year-on-year growth.
- Net sales of the *American Tourister* brand continued to surge with 23.4%¹ year-on-year growth, while *Samsonite* brand net sales also maintained strong growth of 9.7%¹.
- The travel, casual and accessories categories saw strong year-on-year growth in net sales, while the business category remained stable.
 - In the travel product category, sales increased by 12.8%¹ to US\$1,515.9 million.
 - In the casual product category, sales increased by 88.8%¹ to US\$205.9 million.
 - In the accessories product category, sales increased by 8.2%¹ to US\$85.7 million.
 - In the business product category, sales increased by 3.3%¹ to US\$193.5 million.
- The Group generated US\$193.0 million of cash from operating activities during 2013 compared to US\$203.0 million during 2012, with a net cash position of US\$209.8 million at the year-end providing a solid platform to execute future growth plans.
- Adjusted earnings per share² increased to US\$0.134 in 2013 from US\$0.119 for the previous year. Earnings per share as reported increased to US\$0.125 from US\$0.105.
- Moving to a higher yield policy, the Board recommended a cash distribution of US\$80.0 million, or approximately US\$0.057 per share, up 113.3% from the US\$37.5 million distribution paid in the previous year. The payout ratio would increase from 25.3% to 45.4%.

HONG KONG, March 19, 2014 – Samsonite International S.A. (“Samsonite” or “the Group”; stock code 1910), the world's largest travel luggage company, today announced its results for the year ended December 31, 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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The Group's net sales increased by 15.0% to a record US\$2,037.8 million for the year ended December 31, 2013. Excluding foreign currency effects, net sales increased by 16.1%. Samsonite continued to benefit from the worldwide growth in travel and tourism as international tourist arrivals grew by 5% in 2013 to 1.1 billion travellers, according to the World Tourism Organization (UNWTO).

Reported profit for the year attributable to shareholders increased by 18.6% to US\$176.1 million. The Group's Adjusted Net Income increased by US\$22.0 million, or 13.2%, to US\$189.2 million, while Adjusted EBITDA increased by US\$51.2 million, or 17.9%, to US\$337.7 million for the year ended December 31, 2013.

Adjusted earnings per share increased to US\$0.134 in 2013 from US\$0.119 in 2012. Earnings per share as reported increased to US\$0.125 for the year ended December 31, 2013 compared to US\$0.105 for the previous year. The Board has recommended that a cash distribution in the amount of US\$80.0 million, or approximately US\$0.057 per share, be made to the Company's shareholders. This represents a 113.3% increase from the distribution paid in 2012.

Commenting on the results, Mr. Tim Parker, Chairman and Chief Executive Officer, said, "We are pleased to report another excellent set of results for the year ended December 31, 2013. Since we began our transformation program in 2009, we have seen sales almost double and have recorded a near six fold increase in adjusted EBITDA. Despite lingering economic uncertainty in select markets, 2013 was an excellent year for global travel and tourism, and strong performance in the sector continues to benefit our business. We saw positive results across all of our markets, particularly in Asia and North America, as we continue to create innovative, market relevant products and expand our points of sale around the world. Looking ahead, we see excellent opportunities for our business on many fronts, through in-house growth initiatives and also potential acquisitions. I am confident that Samsonite has plenty of scope for further expansion, and that we can maintain steady growth in sales and profits in the future."

Mr. Kyle Gendreau, Chief Financial Officer, added, "We are delighted to lift our cash distribution this year to US\$80.0 million, more than double that of 2012, significantly enhancing the yield for our shareholders. Samsonite has a healthy balance sheet and a track record of consistently generating strong operating cash flows. As a result, the Company has considerable capacity to fund M&A opportunities, whilst at the same time maintaining an increased level of distribution to our shareholders."

Table 1: Key Financial Highlights

	Year ended December 31, 2013 US\$ (Million)	Year ended December 31, 2012 US\$ (Million)	Percentage change 2013 vs. 2012	Percentage change 2013 vs. 2012 Excl. Foreign Currency Effects
Net Sales	2,037.8	1,771.7	15.0%	16.1%
Profit attributable to shareholders	176.1	148.4	18.6%	-
Adjusted Net Income	189.2	167.2	13.2%	-
Adjusted EBITDA	337.7	286.5	17.9%	-
Basic and diluted earnings per share (US\$)	0.125	0.105	19.0%	-
Adjusted basic and diluted earnings per share (US\$)	0.134	0.119	12.6%	-
Recommended cash distribution	80.0	37.5	113.3%	-

Net Sales by Brand

Net sales of the Group's flagship brand, *Samsonite*, increased by 9.1% year-on-year to US\$1,413.7 million, accounting for 69.4% of the Group's net sales compared to 73.1% in 2012 as the Group continues to further diversify its brand portfolio. Excluding foreign currency effects, net sales of *Samsonite* increased by 9.7%.

The Group's mid-priced brand, *American Tourister*, recorded net sales of US\$429.3 million, an increase of 21.1%, or 23.4% on a constant currency basis, from 2012. This growth was largely driven by Asia, which saw net sales for the brand increase by 26.6% in constant currency in 2013 and accounted for US\$63.1 million, or 84.5%, of the US\$74.7 million increase in *American Tourister* brand sales for the year. As in 2012, the *American Tourister* brand also saw considerable growth in the North American and European regions with net sales increasing on a constant currency basis by 13.8% and 14.3%, respectively, for the year ended December 31, 2013.

The increase in sales for both the *Samsonite* and *American Tourister* brands was attributable to expanded product offerings and further penetration of existing markets, all of which was supported by targeted advertising activities.

The *Samsonite Red* brand, which originally launched in South Korea in 2010 and is aimed at a younger, more fashion-conscious consumer, is becoming increasingly popular and showing signs of becoming an ever more international name. Net sales for *Samsonite Red* increased by 79.5% to US\$29.7 million for the year ended December 31, 2013.

The *High Sierra* and *Hartmann* brands, which the Group acquired in July and August 2012, respectively, contributed net sales of US\$72.0 million and US\$15.5 million, respectively. The Group continued to execute on its integration strategy and further geographical expansion of the two brands, opening three *High Sierra*

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retail stores in 2013 and revitalizing the *Hartmann* product range in preparation for its launch in new markets worldwide in 2014.

Mr. Parker said, “Customers, sales channels and products vary from market to market, but the values of our individual brands remain consistent, backed by common global quality standards. While *Samsonite* remains our biggest brand – and we expect it to continue to remain so for some time – *American Tourister* has become our main engine of growth in Asia, and continues to gain ground across other regions. *High Sierra* and *Hartmann* too are beginning to account for an increasing portion of our sales; the market reaction to the product line-up of both brands has thus far been very encouraging as we start to roll these brands out across a broader geographic reach, unlocking their global potential.”

Table 2: Net Sales by Brand

Brand	Year ended December 31, 2013 US\$'000	Year ended December 31, 2012 US\$'000	Percentage change 2013 vs. 2012	Percentage change 2013 vs. 2012 Excl. Foreign Currency Effects
<i>Samsonite</i>	1,413,703	1,295,706	9.1%	9.7%
<i>American Tourister</i>	429,309	354,563	21.1%	23.4%
<i>High Sierra</i> ³ / <i>Hartmann</i> ⁴	87,488	29,623	195.3%	196.9%

Net Sales by Region

The Group continued to achieve strong sales growth in all regions in 2013, led by Asia and North America.

The Group's net sales in Asia increased by US\$84.2 million, or 12.3%, to US\$768.4 million for the year ended December 31, 2013 compared to the previous year. Excluding foreign currency effects, net sales increased by 15.6%. Along with additional product offerings and points of sale expansion, the success of the Group's business in the Asian region has been bolstered by its continued focus on country-specific product and marketing strategies to drive increased awareness of and demand for the Group's products. In particular, sales growth in the region was largely driven by the *American Tourister* brand, the net sales of which accounted for US\$63.1 million, or 75.0%, of the increase in net sales for the region. On a constant currency basis, net sales increased in all countries in the region for the year ended December 31, 2013 compared to the previous year. China continues to lead the region in sales, contributing 25.0% of the region's net sales and recording 7.9% year-on-year net sales growth, or 5.3% on a constant currency basis, despite moderating economic growth. South Korea, with constant currency net sales up 27.9% year-on-year, continues to experience robust sales growth driven by the success of the *American Tourister* and *Samsonite Red* brands, while Japan and Hong Kong also posted healthy constant currency net sales gains of 18.6% and 18.2%, respectively. Meanwhile, despite continued challenging macroeconomic conditions, India recorded strong constant currency net sales growth of 18.3% due to the success of new product introductions designed to appeal to consumers who have become more value-conscious.

³ The *High Sierra* brand was acquired on July 31, 2012. Prior to the acquisition, Samsonite Australia was a distributor of *High Sierra* products. Net sales under this distribution arrangement were US\$2.1 million during the portion of the year ended December 31, 2012 that preceded the acquisition.

⁴ The *Hartmann* brand was acquired on August 2, 2012.

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The Group's net sales in North America, which includes the United States and Canada, increased by US\$121.8 million, or 24.4%, to US\$621.7 million for the year ended December 31, 2013 compared to the previous year. Excluding foreign currency effects, net sales increased by 24.6%. The Group's overall success in North America has been due to its continued focus on marketing and selling regionally developed products, which has enabled it to bring to market products designed to appeal to the tastes and preferences of North American consumers, as well as the addition of the *High Sierra* and *Hartmann* brands. The *High Sierra* and *Hartmann* brands contributed incremental net sales of US\$47.8 million and US\$7.5 million, respectively, for the year ended December 31, 2013. Excluding net sales attributable to the *High Sierra* and *Hartmann* brands, net sales increased by US\$66.6 million, or 14.0%. Net sales across both the *Samsonite* and *American Tourister* brands, as well as across the travel, casual and business categories, all recorded double digit year-on-year constant currency growth in the region. Net sales in the casual product category increased by 171.4% on a constant currency basis largely due to the full year impact from the inclusion of *High Sierra*.

The Group's net sales in Europe increased by US\$49.8 million, or 10.7%, to US\$515.2 million for the year ended December 31, 2013 compared to the previous year. Excluding foreign currency effects, net sales for the European region increased by 9.2%. Strong local currency sales growth was achieved in several markets due to the positive sell-through of new product introductions, including new product lines manufactured using the Curv material and other lines of polypropylene suitcases, as demand for hardside luggage continues to grow in the region. Germany, the Group's leading market in Europe representing 14.4% of total regional net sales, achieved 11.9% constant currency sales growth during the year. The United Kingdom and Russia also posted strong growth, with constant currency net sales increasing by 27.8% and 27.9% year-on-year, respectively. The Group's business in Italy and Spain showed early signs of stabilizing in the second half of 2013, although trading conditions remain difficult due to the ongoing economic challenges in Southern Europe. Excluding Italy and Spain, the Group's net sales for the European region increased by 11.4% on a constant currency basis.

Finally, in Latin America, net sales increased by US\$11.0 million, or 9.8%, to US\$123.6 million for the year ended December 31, 2013 compared to the previous year. Excluding foreign currency effects, net sales increased by 11.7%. Chile and Mexico continued to lead the region in net sales, accounting for 50.6% and 28.7% of the region's net sales, respectively. Chile recorded year-on-year constant currency net sales growth of 15.7%, due in large part to the strength of luggage sales and robust consumer purchases of backpacks for the back-to-school season, as well as the development of the new women's handbag brand *Secret*. Excluding the impact from the shift of export sales to Colombia, Panama and Peru where the Group implemented a direct import and sales model, domestic net sales in Mexico grew by 10.2% on a constant currency basis during the year. Brazil posted year-on-year constant currency net sales growth of 8.4% despite being temporarily impacted by the shift to a direct import and sales model. Net sales in Argentina continued to be negatively impacted by import restrictions imposed by the local government and significant currency pressure. Excluding Argentina, net sales for the Latin American region increased by 14.5% on a constant currency basis.

Mr. Parker said, "As is the nature of any global business, we saw a shift in our growth, this year from China to the US, where we were able to expand our business by almost a quarter. The pattern of growth may well be different again in 2014. The wide global spread of our operations helps to moderate the impact of forces that buffet individual markets occasionally, and for this reason I am confident in the sustainability of our overall growth in the future."

Table 3: Net Sales by Region

Region	Year ended December 31, 2013 US\$'000	Year ended December 31, 2012 US\$'000	Percentage change 2013 vs. 2012	Percentage change 2013 vs. 2012 Excl. Foreign Currency Effects
Asia	768,363	684,154	12.3%	15.6%
North America	621,741	499,924	24.4%	24.6%
Europe	515,177	465,383	10.7%	9.2%
Latin America	123,580	112,556	9.8%	11.7%

Net Sales by Product Category

Of its four principle product categories, travel products are the Group's traditional strength and its largest category, accounting for 74.4%, or US\$1,515.9 million in total net sales in 2013. This represents an increase of 12.8% on a constant currency basis from 2012. Innovative and country-specific product designs reflecting local consumer tastes in each region, locally relevant marketing strategies and expanded points of sale were the key factors contributing to this increase.

As a result of the Group's strategic focus on expanding its casual product offering, the success of the *Samsonite Red* brand in Asia and the full year impact of the 2012 acquisition of *High Sierra*, net sales in the casual product category increased by 88.8% on a constant currency basis in 2013. In the accessories category, the Group recorded net sales of US\$85.7 million, a year-on-year increase of 8.2% on a constant currency basis.

Net sales in the business product category recorded a 3.3% growth excluding foreign currency effects, which was driven by a 13.2% increase in North America and a 13.7% increase in Europe due to new product introductions and expanded product placement. These increases were marginally offset by a 3.1% decrease in net sales on a constant currency basis in the business category in Asia due largely to some shifting away from high end products such as the *Samsonite Business Leather* line in China as a result of the current austerity measures and the non-repetition of several one-off business-to-business deals in 2012.

Mr. Parker added, "The world of luggage is certainly a more colourful place today than a few years ago. Consumers today are looking for much more than the simple black bag they once were. Our longstanding ability to adapt our commercial policies and cater to the nuances in consumer requirements in each market not only allows us to react quickly to changing demand, but also sets us apart from other companies operating in the global consumer space and keeps us at the forefront of the industry. Having reviewed our global product offering this year, I was struck by the sheer range of design ideas and the extensive colour palette that we have to offer."

Table 4: Net Sales by Product Category

Product Category	Year ended December 31, 2013 US\$'000	Year ended December 31, 2012 US\$'000	Percentage change 2013 vs. 2012	Percentage change 2013 vs. 2012 Excl. Foreign Currency Effects
Travel	1,515,852	1,357,054	11.7%	12.8%
Casual	205,871	109,743	87.6%	88.8%
Business	193,474	189,561	2.1%	3.3%
Accessories	85,745	79,662	7.6%	8.2%

Points of Sale

The Group expanded its points of sale by approximately 1,000 during the year to a total of more than 46,000 points of sale in over 100 countries worldwide as of December 31, 2013. Almost 500 points of sale were added in Asia during 2013, bringing the total to just under 6,900 points of sale in the region as at December 31, 2013.

Marketing

The Group spent US\$129.2 million, or 6.3% of net sales, on marketing in 2013, reflecting its ongoing commitment to advertise and promote its brands and products to support sales growth worldwide. The success of the Group's advertising campaigns is evident in its net sales growth outpacing the industry in all regions.

Management

The Group is always mindful of the future of the business and the next generation of management who will lead its success. As such, Ramesh Tainwala, President of Asia Pacific & Middle East, who has led the Asian region to enormous success in the past few years, will take on the role of Chief Operating Officer, responsible for running day-to-day operations, allowing Chairman and CEO Tim Parker to focus on directing the Group's strategy and building a stronger relationship with shareholders and the broader investment community. Ramesh Tainwala will continue to report into Tim Parker. Leo Suh, Executive Vice-President, Samsonite Asia Ltd, who has successfully run the Group's South Korean business, will take over a larger part of the Asian business while continuing to report in to Ramesh Tainwala. Mr. Parker commented, "We are fortunate to have a very stable and talented group of executives across the world, and I very much look forward to working more closely with both Ramesh and Leo in their new roles." Mr. Tainwala added, "I am excited to work with Tim and the Group's leadership team in a new capacity to leverage the opportunities we have for new product and brand initiatives across our business worldwide."

Outlook

Looking ahead to 2014, the Group's existing growth strategy will continue to maintain its course with the objective of increasing shareholder value through sustainable revenue and earnings growth. In particular, Samsonite will:

- Continue to gain market share by leveraging the strength of the Group's diverse portfolio of brands, *Samsonite*, *American Tourister*, *High Sierra* and *Hartmann*, across all of its markets while continuing to capitalize on the robust growth in international travel;

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- Further expand the geographic reach of the *High Sierra* and *Hartmann* brands;
- Introduce new and innovative product designs, adapted to the needs of consumers in different markets, while staying true to the Group's core values of lightness, strength and functionality;
- Improve the efficiency and effectiveness of the Group's supply chain and global distribution network;
- Continue to invest in marketing and R&D broadly in line with sales growth and to drive future sales ahead of the market;
- Allocate more resources to the product categories that present the greatest opportunity for the Group to diversify its product offerings and gain market share; and
- Actively 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*®, *High Sierra*® and *Hartmann*® 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.

These statements are subject to certain known and unknown risks, uncertainties and assumptions, which may cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Accordingly, you should not place undue reliance on any forward-looking information.

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