



**Samsonite International S.A. Publishes 2018 First Quarter Report
Achieved Double-Digit Constant Currency Growth in Net Sales across all Regions
for the Three Months Ended March 31, 2018**

HONG KONG, May 14, 2018 – Samsonite International S.A. (“Samsonite” or “the Company”, together with its consolidated subsidiaries, “the Group”; SEHK stock code: 1910), the world’s largest travel luggage company, today published its unaudited financial results for the three months ended March 31, 2018.

Highlights

- The Group’s net sales for the three months ended March 31, 2018 increased by 15.5% year-on-year on a constant currency basis¹ with solid growth across all regions. US Dollar reported net sales increased by 21.1% year-on-year to US\$888.2 million. Excluding amounts attributable to the eBags business, which was acquired on May 5, 2017, net sales increased by 11.1%¹.
- Net sales of the Group’s core brands, *Samsonite*, *Tumi* and *American Tourister*, grew by 5.2%¹, 19.7%¹ and 22.3%¹, respectively.
- All regions achieved double-digit constant currency¹ net sales growth year-on-year:
 - Asia: +13.4%¹;
 - North America: +19.3%¹ (+7.1%¹ excluding eBags);
 - Europe: +13.1%¹; and
 - Latin America: +17.9%¹.
- Net sales in the direct-to-consumer channel increased by 33.7%¹ year-on-year (+17.4%¹ excluding eBags).
- Net sales in the direct-to-consumer e-commerce channel increased by 128.2%¹ year-on-year (+22.6%¹ excluding eBags).
- Total non-travel category net sales increased by 21.3%¹ year-on-year to US\$359.7 million.
- US Dollar reported gross profit increased by 23.7% year-on-year to US\$501.6 million. Gross profit margin increased to 56.5% for the three months ended March 31, 2018, compared to 55.3% for the same period in 2017.
- US Dollar reported operating profit increased by 18.8% year-on-year to US\$86.5 million for the first quarter of 2018.
- US Dollar reported profit attributable to the equity holders increased by 18.6% year-on-year to US\$43.9 million for the three months ended March 31, 2018, up from US\$37.0 million for the same period last year.
- US Dollar reported Adjusted Net Income² increased by 15.6% year-on-year to US\$50.1 million for the three months ended March 31, 2018, up from US\$43.3 million for the same period in 2017.

¹ Results stated on a constant currency basis, a non-IFRS measure, are calculated by applying the average exchange rate of the comparable period in the prior year to current period local currency results.

² Adjusted Net Income, a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges, along with their respective tax effects, that impact the Group’s US Dollar reported profit for the period, which the Group believes helps to give securities analysts, investors and other interested parties a better understanding of the Group’s underlying financial performance.

For Immediate Release

- US Dollar reported Adjusted EBITDA³ increased by 11.4% year-on-year to US\$122.9 million.
- On April 25, 2018, the Company completed the refinancing of its Original Senior Credit Facilities through the issuance of €350.0 million in 3.500% senior notes (the "Senior Notes") due 2026 and the closing of the New Senior Credit Facilities, comprising a US\$828.0 million senior secured New Term Loan A Facility, a US\$665.0 million senior secured New Term Loan B Facility and a US\$650.0 million New Revolving Credit Facility. This is expected to result in interest savings of approximately US\$9 million in the first year following the refinancing.

Commenting on the results, Mr. Ramesh Tainwala, Chief Executive Officer, said, "2018 has begun on a positive note for Samsonite, with our overall net sales increasing by a robust 15.5%¹. This strong performance was driven in part by the acquisition of eBags, but also by our continued investment in marketing to support our brands, as well as the expansion of our direct-to-consumer e-commerce and our bricks-and-mortar retail operations. Excluding eBags, the Group achieved strong organic net sales growth of 11.1%¹. Adjusted EBITDA and Adjusted Net Income, two non-IFRS measures which, in our view, present a clearer picture of the underlying performance of the business, increased by 11.4% and 15.6%, respectively."

Table 1: Key Financial Highlights for the Three Months Ended March 31, 2018

US\$ millions, except per share data	Three months ended March 31, 2018	Three months ended March 31, 2017	Percentage increase (decrease) 2018 vs. 2017	Percentage increase (decrease) 2018 vs. 2017 excl. foreign currency effects ¹
Net sales	888.2	733.5	21.1%	15.5%
Operating profit	86.5	72.8	18.8%	14.3%
Profit attributable to equity holders	43.9	37.0	18.6%	11.6%
Adjusted Net Income ²	50.1	43.3	15.6%	9.3%
Adjusted EBITDA ³	122.9	110.4	11.4%	5.4%
Basic and diluted earnings per share (US\$)	0.031	0.026	19.2%	11.5%
Adjusted basic and diluted earnings per share (US\$) ⁴	0.035	0.031	12.9%	6.5%

³ Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), a non-IFRS measure, eliminates the effect of a number of costs, charges and credits and certain other non-cash charges, which the Group believes is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

⁴ Adjusted basic and diluted earnings per share, both non-IFRS measures, are calculated by dividing Adjusted Net Income by the weighted average number of shares outstanding during the period.

For Immediate Release

Net Sales

The Group's net sales increased by 15.5%¹ year-on-year for the three months ended March 31, 2018, while US Dollar reported net sales increased by 21.1% to US\$888.2 million. Excluding net sales attributable to the eBags business, the acquisition of which was completed on May 5, 2017, net sales increased by 11.1%¹, while US Dollar reported net sales increased by 16.6%.

Gross Profit

The Group's US Dollar reported gross profit for the three months ended March 31, 2018 increased by US\$95.9 million, or 23.7%, to US\$501.6 million, up from US\$405.6 million for the same period last year. Gross profit margin increased to 56.5% for the first quarter of 2018 from 55.3% for the same period in 2017, primarily due to a higher proportion of net sales coming from the direct-to-consumer channel and increased sales of the *Tumi* brand.

Operating Expenses

Distribution expenses, as a percentage of net sales, increased to 33.4% for the first quarter of 2018 compared to 32.3% for the same period last year primarily due to slightly higher fixed costs associated with the Group's focus on expanding *Tumi's* brand presence in Europe and Asia, largely in the direct-to-consumer distribution channel. Increased marketing spend to promote the Group's brands resulted in marketing expenses growing to 6.0% of net sales for the first quarter of 2018, compared to 5.4% for the same period in 2017. General and administrative expenses increased to 7.2% of net sales for the first quarter of 2018, compared to 6.9% for the same period in 2017, due to higher professional advisory fees, a portion of which were incurred in conjunction with the implementation of new accounting standards.

Adjusted EBITDA and Adjusted Net Income

The Group's US Dollar reported Adjusted EBITDA increased by US\$12.5 million, or 11.4%, to US\$122.9 million for the three months ended March 31, 2018, up from US\$110.4 million for the same period in 2017. Adjusted EBITDA margin decreased by 120 basis points to 13.8% for the first quarter of 2018 compared to 15.0% for the same period last year, primarily due to the inclusion of eBags which delivered lower profitability as the Group continued to integrate its operations. Excluding eBags, Adjusted EBITDA margin decreased by 60 basis points to 14.4% for the three months ended March 31, 2018 compared to 15.0% for the same period in the previous year, primarily due to increased marketing spend as a percentage of net sales to promote the Group's brands, higher distribution expenses and slightly higher general and administrative expenses as a percentage of net sales, partially offset by higher gross margins.

The Group's US Dollar reported Adjusted Net Income increased by 15.6% year-on-year to US\$50.1 million for the three months ended March 31, 2018, up from US\$43.3 million for the same period in 2017.

Performance by Region

Samsonite achieved double-digit constant currency net sales growth across all of its regions in the three months ended March 31, 2018.

The Group's net sales in Asia increased by 13.4%¹ year-on-year to US\$324.8 million for the first quarter of 2018. This constant currency net sales increase was primarily driven by increased net sales of the *Tumi*, *American Tourister*, *Kamiliant* and *Samsonite* brands. The *Tumi* brand saw net sales increase by 50.3%¹ year-on-year during the first quarter of 2018 driven in part by the impact of the Group assuming direct control of the

For Immediate Release

distribution of the brand in Hong Kong, Macau and China on April 1, 2017 and in Indonesia and Thailand on May 1, 2017. Net sales of the *American Tourister* brand rose by 14.1%¹ year-on-year during the first quarter of 2018, driven by positive customer response to new product launches supported by increased investment in marketing. *Kamiliant*, the Group's value-conscious, entry level brand, saw net sales increase year-on-year by 61.2%¹ while the *Samsonite* brand recorded net sales growth of 2.4%¹ during the first quarter of 2018.

Driven by the *Tumi*, *Samsonite* and *American Tourister* brands, net sales in Japan recorded growth of 17.2%¹ during the three months ended March 31, 2018 compared to the same period in the previous year. China posted a net sales increase of 14.3%¹ year-on-year, driven by the *American Tourister* and *Samsonite* brands, along with the impact of the Group assuming direct control of the distribution of the *Tumi* brand in China. Excluding *Tumi*, net sales in China increased by 9.7%¹ year-on-year. Hong Kong (including Macau) saw net sales increase by a considerable 30.8%¹ year-on-year, buoyed by the *Samsonite* brand, as well as the impact of the Group assuming direct control of the distribution of the *Tumi* brand in Hong Kong and Macau. Excluding *Tumi*, net sales in Hong Kong increased by 25.5%¹ year-on-year. Net sales in South Korea, India and Australia increased by 1.5%¹, 4.9%¹, and 4.1%¹ year-on-year, respectively.

The acquisition of eBags had a notable impact on the Group's business in North America, with net sales increasing by 19.3%¹ year-on-year to US\$322.5 million in the first quarter of 2018. Excluding net sales attributable to the eBags business, net sales in North America increased by 7.1%¹ year-on-year, due to solid organic growth posted by the *Tumi* (+9.1%¹), *Samsonite* (+4.5%¹), *Speck* (+11.0%¹) and *American Tourister* (+12.6%¹) brands. For the three months ended March 31, 2018, net sales in the United States increased by 19.5% year-on-year driven by the eBags business and organic growth. Excluding net sales attributable to the eBags business in the United States, net sales increased by 6.7%, due primarily to growth from the *Tumi*, *Samsonite*, *American Tourister* and *Speck* brands. Net sales in Canada increased by 14.5%¹ year-on-year driven by the *Tumi* and *American Tourister* brands.

Net sales in Europe for the three months ended March 31, 2018 increased by 13.1%¹ year-on-year to US\$186.3 million, with almost all countries reporting constant currency net sales growth, including such key European markets as Spain (+10.5%¹), France (+10.2%¹), Italy (+14.8%¹) and the United Kingdom⁵ (+6.6%¹). The Group also continued to achieve year-on-year net sales growth in the emerging markets of Russia (+39.0%¹) and Turkey (+48.3%¹). Net sales of the *American Tourister* brand increased by 58.2%¹ as the Group continued to focus on driving growth of the brand and increasing its presence in Europe, supported by increased investment in marketing. Net sales of the *Samsonite* and *Tumi* brands rose by 7.2%¹ and 14.4%¹, respectively, during the three months ended March 31, 2018 compared to the same period in the previous year.

Net sales in Latin America increased by 17.9%¹ year-on-year to US\$53.8 million for the three months ended March 31, 2018. Chile achieved net sales growth of 2.6%¹ year-on-year primarily driven by increased net sales of the local brand *Xtrem*. Net sales in Mexico were up by 24.5%¹ year-on-year driven by increased net sales of the *Samsonite*, *American Tourister* and *Xtrem* brands. Net sales in Brazil increased by 42.6%¹ year-on-year, driven by strong constant currency same store net sales growth as a result of the Group's continued investment in enhancing its retail presence in the country.

⁵ Net sales reported for the United Kingdom include net sales made in Ireland.

For Immediate Release

Mr. Tainwala commented, “The robust growth achieved across all of our regions once again demonstrates the success of our strategy, which focuses on developing our brands to effectively cater to the disparate needs of consumers around the world. In Asia, much of the growth we saw was driven by the expansion of the *Tumi*, *Samsonite* and *American Tourister* brands in Japan, China and Hong Kong. In Europe, Italy, Spain and France were at the forefront of the growth, driven by an increased presence of the *American Tourister* brand. The contribution from eBags drove much of the positive momentum we saw in North America, augmenting a solid performance by the *Tumi*, *Samsonite*, *Speck* and *American Tourister* brands. Meanwhile in Latin America, we saw particularly positive results, with outstanding performances from Mexico and Brazil.”

Table 2: Net Sales by Region

Region ⁶	Three months ended March 31, 2018 US\$ thousands	Three months ended March 31, 2017 US\$ thousands	Percentage increase (decrease) 2018 vs. 2017	Percentage increase (decrease) 2018 vs. 2017 excl. foreign currency effects ¹
Asia	324,751	271,936	19.4 %	13.4 %
North America	322,482	269,761	19.5 %	19.3 %
Europe	186,327	146,080	27.6 %	13.1 %
Latin America	53,838	43,395	24.1 %	17.9 %

Performance by Brand

Net sales of the *Samsonite* brand increased by 5.2%¹ year-on-year to US\$408.5 million for the three months ended March 31, 2018, with all regions delivering steady growth: Asia (+2.4%¹), North America (+4.5%¹), Europe (+7.2%¹) and Latin America (+23.5%¹). The *Samsonite* brand accounted for 46.0% of the Group’s net sales in the first quarter of 2018, compared to 50.1% for the same period in 2017, reflecting the continued diversification of the Group’s brand portfolio due to increased contributions from the Group’s other brands.

Net sales of the *Tumi* brand amounted to US\$167.1 million for the three months ended March 31, 2018, representing an increase of 19.7%¹ year-on-year, driven by strong growth in Asia (+50.3%¹), North America (+9.1%¹) and Europe (+14.4%¹). The *Tumi* brand accounted for 18.8% of the Group’s net sales in the first quarter of 2018.

The *American Tourister* brand recorded net sales of US\$157.6 million, an increase of 22.3%¹ from the first quarter of 2017, driven by increases in all four regions as a result of positive customer response to new product launches supported by increased investment in marketing: Asia (+14.1%¹), North America (+12.6%¹), Europe (+58.2%¹) and Latin America (+116.9%¹). The *American Tourister* brand contributed 17.7% of the Group’s net sales in the first quarter of 2018.

The *Speck* brand saw net sales increase by 10.9%¹ year-on-year to US\$26.8 million during the first quarter of 2018. *Kamiliant*, our value-conscious, entry level brand, recorded net sales of US\$11.3 million, up 62.1%¹,

⁶ The geographic location of the Group’s net sales reflects the country from which its products were sold and does not necessarily indicate the country in which its end consumers were actually located.

For Immediate Release

compared to US\$6.6 million for the same period in the previous year. Net sales of the *Gregory* and *High Sierra* brands increased by 11.3%¹ and 8.6%¹ year-on-year for the three months ended March 31, 2018, respectively.

Mr. Tainwala commented, “Almost all of the brands in our portfolio delivered encouraging results in the first quarter of 2018. Our core brands *Samsonite*, *Tumi* and *American Tourister* all posted solid results, with the performances of *American Tourister* and *Tumi* being particularly noteworthy, recording 22.3%¹ and 19.7%¹ in net sales growth, respectively. Among our smaller brands, the value-conscious entry-level *Kamiliant* brand has been a particular standout, delivering growth of 62.1%¹, primarily driven by its popularity in Asia.”

Table 3: Net Sales by Brand

Brand	Three months ended March 31, 2018 US\$ thousands	Three months ended March 31, 2017 US\$ thousands	Percentage increase (decrease) 2018 vs. 2017	Percentage increase (decrease) 2018 vs. 2017 excl. foreign currency effects ¹
<i>Samsonite</i>	408,523	367,690	11.1 %	5.2 %
<i>Tumi</i>	167,088	135,815	23.0 %	19.7 %
<i>American Tourister</i>	157,640	121,184	30.1 %	22.3 %
<i>Speck</i>	26,825	24,184	10.9 %	10.9 %
<i>Gregory</i>	15,736	13,628	15.5 %	11.3 %
<i>High Sierra</i>	15,545	14,124	10.1 %	8.6 %
<i>Kamiliant</i>	11,312	6,621	70.8 %	62.1 %
<i>eBags</i>	9,316	-	<i>nm</i> ⁷	<i>nm</i> ⁷
<i>Lipault</i>	7,909	7,189	10.0 %	1.9 %
<i>Hartmann</i>	5,333	5,701	(6.5)%	(9.8)%
Other⁸	63,002	37,322	68.8 %	60.4 %

Performance by Distribution Channel and by Product Category

The Group continued to make good progress in executing its multi-channel and multi-category growth strategies. Net sales in the wholesale channel increased by 8.3%¹ for the first quarter of 2018 compared to the same period in 2017. Net sales in the direct-to-consumer channel, which comprises company-operated retail stores and direct-to-consumer e-commerce, increased by 33.7%¹ year-on-year. The direct-to-consumer channel contributed US\$300.8 million, or 33.9%, of the Group’s net sales for the three months ended March 31, 2018 compared to

⁷ Not meaningful due to the acquisition of eBags on May 5, 2017.

⁸ Other includes certain other brands owned by the Group, such as *Saxoline*, *Xtrem* and *Secret*, as well as third party brands sold through the Rolling Luggage and Chic Accent retail stores and the eBags website.

For Immediate Release

29.4% for the same period in the previous year. Excluding eBags, direct-to-consumer net sales increased by 17.4%¹ and represented 29.9% of the Group's net sales.

Net sales in the direct-to-consumer e-commerce channel, including net sales of US\$35.2 million through eBags, increased by 128.2%¹ to US\$78.2 million (representing 8.8% of net sales) for the three months ended March 31, 2018 from US\$33.3 million (representing 4.5% of net sales) for the same period in the previous year. Excluding net sales attributable to the eBags business, net sales in the Group's direct-to-consumer e-commerce business increased by 22.6%¹.

During the first quarter of 2018, US\$116.2 million, or 13.1%, of the Group's US Dollar reported net sales were derived from e-commerce (comprising US\$78.2 million, or 8.8%, of the Group's net sales from its direct-to-consumer e-commerce channel, which are included within the direct-to-consumer channel, and US\$38.0 million, or 4.3%, of net sales to e-retailers, which are included within the wholesale channel). This represents an increase of 70.2%¹ compared to the previous year, when e-commerce comprised US\$65.8 million, or 9.0%, of the Group's net sales.

Total non-travel category net sales increased by 21.3%¹ to US\$359.7 million (representing 40.5% of net sales) for the three months ended March 31, 2018 from US\$283.6 million (representing 38.7% of net sales) for the first quarter of 2017. The increase in net sales of the non-travel category was partly attributable to the contribution from eBags.

"The addition of eBags continues to bring positive results, driving a significant proportion of the growth seen in our direct-to-consumer and direct-to-consumer e-commerce sales, two strategic areas on which we have focused and will continue to focus to expand," remarked Mr. Tainwala.

Refinancing of Senior Credit Facilities

On April 25, 2018, the Company completed the refinancing of its Original Senior Credit Facilities through the issuance of €350.0 million in 3.500% senior notes (the "Senior Notes") due 2026, and the closing of the New Senior Credit Facilities, which comprise a US\$828.0 million senior secured New Term Loan A Facility, a US\$665.0 million senior secured New Term Loan B Facility and a US\$650.0 million New Revolving Credit Facility. The New Senior Credit Facilities were completed on more favourable terms than the Original Senior Credit Facilities, including, among others, a 50 basis point reduction in the initial interest rates on both term loans (New Term Loan A Facility at LIBOR plus 1.50% and New Term Loan B Facility at LIBOR plus 1.75%) and an extension in the maturity of each by nearly two years.

Mr. Tainwala commented, "The Company was able to complete the refinancing of the New Senior Credit Facilities at more favourable terms than before. Meanwhile, the Senior Notes enabled the Company to align a portion of its debt obligations with its Euro-denominated free cash flow, providing a natural currency hedge. It also significantly broadens the investor base for our debt. Overall, the refinancing is expected to result in interest savings of approximately US\$9 million in the first year following the refinancing, while increasing liquidity by approximately US\$197.0 million. I'd like to extend a big vote of thanks to our CFO, Kyle Gendreau, and our General Counsel, John Livingston, for making it all possible."

For Immediate Release

Outlook

While the global economy continues to show signs of growth, there remains a relatively high level of political volatility and economic uncertainty. Consumers are also driving significant change in the consumer goods industry, towards a more seamless, always accessible shopping experience. Samsonite's strategy to deploy its multi-brand, multi-category and multi-channel business model, with particular focus on driving brand awareness, value creation and targeted geographic expansion, positions the business well for growth. The Group will rely on its powerful portfolio of brands and the talent of its regional and country management teams to further enhance its leading position in markets around the world as it continues into 2018 and beyond.

Mr. Tainwala remarked, "We have made a positive start to 2018, delivering solid top and bottom line growth, and we aim to sustain this momentum going into the remainder of the year. While the macro-economic outlook remains somewhat uncertain, the strong momentum we have seen in international travel growth is expected to be sustained. Looking ahead, we will continue to focus on e-commerce and direct-to-consumer, whilst leveraging our strong portfolio of diverse brands to implement our multi-brand, multi-category and multi-channel strategy, fueling future growth."

– End –

About Samsonite

Samsonite International S.A. ("Samsonite" or the "Company", together with its consolidated subsidiaries, "the Group"), is the world's largest travel luggage company, with a heritage dating back over 100 years. The Group is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, women's bags, outdoor and casual bags, travel accessories and slim protective cases for personal electronic devices throughout the world, primarily under the *Samsonite*®, *Tumi*®, *American Tourister*®, *Speck*®, *High Sierra*®, *Gregory*®, *Lipault*®, *Kamiliant*®, *Hartmann*® and *eBags*® brand names as well as other owned and licensed brand names. The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("SEHK").

This press release contains forward-looking statements. All statements other than statements of historical fact contained in this press release, 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.

Subject to the requirements of applicable laws, rules and regulations, the Group does not have any and undertakes no obligation to update or otherwise revise the forward-looking statements in this press release, whether as a result of new information, future events or developments or otherwise. In this press release, statements of or references to the Group's intentions are made as of the date of this press release. Any such

For Immediate Release

intentions may change in light of future developments. All forward-looking statements contained in this press release are qualified by reference to the cautionary statements set out above.