SAMSONITE INTERNATIONAL S.A.
新秀麗國際有限公司

13-15 Avenue de la Liberté, L-1931 Luxembourg
R.C.S. LUXEMBOURG: B 159469

(Incorporated in Luxembourg with limited liability)

(Stock code: 1910)

Final Results Announcement for the Year Ended December 31, 2015

Financial Highlights

For the year ended December 31, 2015, the Group's:

- Net sales increased to a record level of US$2,432.5 million, reflecting an increase of 11.9% on a constant currency basis(1) from the previous year. US Dollar reported net sales increased by 3.5%. Excluding amounts attributable to the acquisitions made in 2014, net sales, on a constant currency basis, increased by US$218.9 million, or 9.8%, and US Dollar reported net sales increased by US$25.6 million, or 1.1%.
- Operating profit increased by US$27.9 million, or 9.3%, on a constant currency basis year-on-year. US Dollar reported operating profit increased by US$9.6 million, or 3.2%, to US$308.9 million.
- Profit for the year increased by US$20.4 million, or 9.9%, on a constant currency basis year-on-year. US Dollar reported profit for the year increased by US$11.7 million, or 5.7%, to US$217.0 million.
- Profit attributable to the equity holders increased by US$19.9 million, or 10.7%, on a constant currency basis from the previous year. US Dollar reported profit attributable to the equity holders increased by US$11.4 million, or 6.1%, to US$197.6 million.
- Adjusted Net Income(2) increased by US$19.6 million, or 9.5%, on a constant currency basis year-on-year. US Dollar reported Adjusted Net Income increased by US$10.7 million, or 5.2%, to US$216.9 million.
- Adjusted EBITDA(3) increased by US$48.5 million, or 12.6%, on a constant currency basis from the previous year. US Dollar reported Adjusted EBITDA increased by US$16.8 million, or 4.4%, to US$401.2 million.
- Adjusted EBITDA margin(4) increased to 16.5% from 16.4%.
- The Group generated US$259.0 million of cash from operating activities during 2015 compared to US$229.9 million during 2014. As of December 31, 2015, the Group had cash and cash equivalents of US$180.8 million and financial debt of US$64.2 million (excluding deferred financing costs of US$1.4 million), providing the Group with a net cash position of US$116.6 million.
- On March 16, 2016, the Company's Board of Directors recommended that a cash distribution in the amount of US$93.0 million, or approximately US$0.0659 per share, be made to the Company's shareholders, a 5.7% increase from the US$88.0 million distribution paid in 2015. The distribution will be subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

Financial Highlights (continued)

- **2015 Acquisitions:**
  - On February 16, 2015, certain of the Company's wholly-owned subsidiaries completed the acquisition of the business and substantially all of the assets of Rolling Luggage for a cash consideration of GBP15.8 million, with a subsequent working capital adjustment of GBP(0.3) million and a subsequent purchase price adjustment of GBP(0.5) million for leases that were not successfully transferred, for a total purchase price of GBP15.0 million. The acquisition provides the Group with a significant retail footprint in some of the world's leading airports, and further expands the Group's portfolio of retail store locations.
  - On June 26, 2015, a wholly-owned subsidiary of the Company acquired the 40% non-controlling interest in its Russian subsidiary for US$15.7 million in cash, with a final working capital adjustment of US$0.3 million settled in July 2015, increasing its ownership from 60% to 100%.
  - On September 30, 2015, a wholly-owned subsidiary of the Company completed the acquisition of substantially all of the assets, and assumed certain liabilities, comprising the business as a going concern of Chic Accent for a cash consideration of EUR8.5 million, with a subsequent working capital adjustment of EUR(2.1) million in cash. The acquisition provides the Group with 31 retail store locations in Italy dedicated to premium accessories, ladies' handbags, travel luggage and business products, and further expands the Group's portfolio of retail store locations.
- On March 4, 2016, Samsonite announced that it has agreed to acquire the premium business travel goods and accessories company Tumi Holdings, Inc. ("Tumi"). Closing is anticipated in the second half of 2016, subject to shareholder and regulatory approvals.

	Year ended December 31,			
(Expressed in millions of US Dollars, except per share data)	**2015**	2014	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects(1)
Net sales	**2,432.5**	2,350.7	3.5%	11.9%
Operating profit	**308.9**	299.3	3.2%	9.3%
Profit for the year	**217.0**	205.4	5.7%	9.9%
Profit attributable to the equity holders	**197.6**	186.3	6.1%	10.7%
Adjusted Net Income(2)	**216.9**	206.3	5.2%	9.5%
Adjusted EBITDA(3)	**401.2**	384.3	4.4%	12.6%
Adjusted EBITDA Margin(4)	**16.5%**	16.4%		
Basic and diluted earnings per share *(Expressed in US Dollars per share)*	**0.140**	0.132	6.1%	10.6%
Adjusted basic earnings per share(5) *(Expressed in US Dollars per share)*	**0.154**	0.147	4.8%	8.8%
Adjusted diluted earnings per share(5) *(Expressed in US Dollars per share)*	**0.154**	0.146	5.5%	9.6%

Notes

(1) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

(2) Adjusted Net Income, a non-IFRS measure, eliminates the effect of a number of non-recurring costs, charges and credits and certain other non-cash charges that impact the Group's US Dollar reported profit for the year. See "Management Discussion and Analysis - Adjusted Net Income" for a reconciliation from the Group's profit for the year to Adjusted Net Income.

(3) Adjusted EBITDA, a non-IFRS measure, eliminates the effect of a number of non-recurring 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. See "Management Discussion and Analysis - Adjusted EBITDA" for a reconciliation from the Group's profit for the year to Adjusted EBITDA.

(4) Adjusted EBITDA margin, a non-IFRS measure, is calculated by dividing Adjusted EBITDA by net sales.

(5) Adjusted basic and diluted earnings per share, non-IFRS measures, are calculated by dividing Adjusted Net Income by the weighted average number of shares outstanding during the year.

The Board of Directors of Samsonite International S.A. (the "Company"), together with its consolidated subsidiaries (the "Group"), is pleased to announce the consolidated final results of the Group for the year ended December 31, 2015 together with comparative figures for the year ended December 31, 2014. The following financial information, including comparative figures, has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Chairman's Statement

This year has been marked by some of the toughest trading conditions the Company has encountered since the credit crisis. And yet despite various headwinds around the globe, we have again managed to achieve a sixth consecutive year of double-digit constant currency net sales growth. For the year ended December 31, 2015, our turnover reached US$2.4 billion, up 3.5%, after a very substantial negative currency translation impact of US$198.2 million. The same pattern was repeated in respect of Adjusted EBITDA, our key profitability measure: an increase of 12.6% on a constant currency basis was whittled down to 4.4%, to US$401.2 million, after negative currency translation effects. It is normal for different currencies to move up and down against the US Dollar. However in 2015, expectations of interest rate changes and a flight to safety made for a strengthening US Dollar against the overwhelming majority of major currencies. The strong US Dollar has an impact beyond translation: input prices from China are pushed up (notwithstanding a limited devaluation of the RMB), although we do have the ability to adjust our own prices over time; another effect is a shift in spending patterns: outlet stores in U.S. gateway cities popular with tourists saw declining sales. Hong Kong became expensive relative to other destinations, whereas Europe, Japan and South Korea have all seen growth in visits from the increasingly numerous Chinese tourists. It is often noted in the Company that there is a Samsonite store waiting somewhere in the world for our customers, and this is true.

The other two significant developments of 2015 were firstly, the gear change in Chinese growth, and secondly, the relentless advance of e-commerce. It is undoubtedly the case that the days of 20-30% growth in China are over. However, we are confident that a shift in our channel strategy, the growth of our non-travel product offering and extending our coverage of the value market will support our net sales growth in China around double digits, consistent with our overall aim of maintaining double-digit net sales growth for the Group as a whole. Secondly, e-commerce is rewriting the rules of the marketplace, but we are learning fast how to reap the benefits from this channel and how to manage relationships with the key players.

The fact that we have achieved these creditable results against a backdrop of fundamental challenges is in my view a vindication of our overall strategy. I am sure regular readers of our reports need no reminding, but it is worth reiterating our strategy and to set it in the context of the market.

First of all, as Ramesh notes in his report, the prospects for the travel industry remain healthy and ahead of global GDP growth overall. We believe that we can become effective sector specialists by offering a range of different brands covering the whole range of travel lifestyle products. We have seen though, that scale on its own is not the source of success in our business, and I suspect, in many others. In some respects, our size does allow us to achieve economies of scale in our back office, logistics and sourcing. However, to cater effectively to our customers, we need to adapt our product ranges to local tastes and shopping habits. Hence, we operate a devolved model of management control that places responsibility for business development fairly and squarely on the shoulders of the country manager. In some ways, we are trying to operate a large company in a small company, entrepreneurial kind of way. This requires a degree of trust and partnership that has been developed over time and a style of management at the top which is deeply engaged with what is happening in the market place. What I have found greatly encouraging is the ability of this model to adapt to a broader stable of brands, without losing focus on the core brand that makes up the majority of our sales. This has not inhibited what I have referred to before as our empirical approach that consists of accelerating successful initiatives and retreating fast from things that don't work. To run things in this way, you need a self-confident management team that acknowledges failures when they happen, and is always seeking out new strategic solutions to the problems of the marketplace.

Another key element of our strategy which we have consistently followed is to make acquisitions that are a complementary fit in terms of market positioning, product range or distribution. In this regard, and although it comes after the end of the year, I am pleased to report on a major development: we have reached agreement, subject to shareholder and regulatory approval, to acquire *Tumi*, the premium business travel goods and accessories brand. This is a genuinely transformative acquisition for Samsonite. While this report is not the place to go into the economics, it is worth noting that Tumi is a perfect complement for our business: its strengths are in areas where we want to establish a position or improve our position - namely, the premium sector, and business products for men and especially for women. Conversely, opportunities for Tumi are directly related to our strengths, in particular hard-side luggage and penetration of markets outside the U.S. In addition, Tumi is on quite a different scale from our other acquisitions and will materially change the size of our business. We believe we are buying a strong, profitable and well-run business, with considerable flair and success behind it in the American market. These are exciting times indeed. We are fully confident of assimilating Tumi's operations later in this year, 2016, when the transaction is expected to close, and taking full advantage of the many new strategic directions that will open up for our business.

Now is perhaps a good time to mention some of the foundations that are being laid for the future, in spite of the macro headwinds to which I have already alluded. We have covered some of the hardest miles of establishing the *American Tourister* brand in Europe and expect to build on the momentum in the coming years. The *Samsonite Red* casual sub-brand continues to make progress outside its home country of South Korea, in particular in China. Our completely renovated product line of *Hartmann* is now taking shape, and we will see the benefits come through, particularly in our Asian markets. Although currently limited in scale, we are seeing great potential in the *Lipault* and *Gregory* brands. *Speck* has an exciting range of products, and we have tightened up the business operationally, with a resulting improvement in profitability. The newly strengthened team in Latin America is making great strides: the key markets of Chile and Mexico are performing well, and we are confident that although Brazil has been a tough market this year, we now have a sustainable formula for its profitable growth in the future. Another important development is the extension of our own manufacturing capacity in Europe: "Made in Europe" is important to many of our customers, especially in Asia, and we believe that this will create a source of competitive advantage over the medium term as well as provide some hedge against adverse currency movements.

As Ramesh notes in his report, we have throttled back slightly this year on marketing spend. This was inevitable in the face of overwhelming currency forces. However, given more normal market conditions, it is our intention to increase marketing investment as a percentage of net sales over the medium term. Investment behind our brands has been a key driver of our success and we intend to push even harder in this area. I can also assure shareholders that our product ranges have never been in better shape. Across all categories, there is no shortage of creativity and innovation. But this is not enough on its own, which is why the investment in marketing is so important. Another component of our strategy is to increase our investment in the direct-to-consumer channel. I have already described the rapid growth of e-commerce. Our two recent retail acquisitions in Europe, Rolling Luggage and Chic Accent, are already benefiting from a more intensive mix of our branded products, and we will continue to look for similar opportunities to extend our channel coverage.

Whatever the challenges to the top line of the business, this has not deterred the management from further progress on net working capital efficiency. This reduced from 12.7% of net sales in 2014 to 11.8% for 2015, and contributed to the improvement in operating cash flow, from US$229.9 million to US$259.0 million, a creditable increase of 12.7%. The strong conversion of EBITDA to cash flow is a consistent feature of our business, and will stand us in good stead, once the Tumi acquisition is completed. During the year, capital expenditure was US$68.5 million, and after the acquisitions of Rolling Luggage, Chic Accent and the 40% minority stake in our Russian subsidiary, as well as a distribution to shareholders of US$88.0 million, our end of year net cash position increased by US$43.7 million to US$116.6 million.

Your Board continues to follow a progressive dividend policy that broadly links payments to increases in earnings. During the year, Adjusted Net Income rose by 11.0% on a constant currency basis and excluding non-cash share-based compensation expenses. However, primarily as a result of currency movements, the reported earnings per share of the business, on an adjusted and diluted basis, increased by 5.5%, from US$0.146 to US$0.154. Given that the impact of currency should not be sustained, the Board has recommended a cash distribution to shareholders for 2016 of US$93.0 million, an increase of 5.7% on the previous year, and representing approximately US$0.0659 per share.

I would like to thank Ramesh and the management team for another year of sterling effort, and also my Board colleagues for their support and wisdom. There is a genuine team spirit in the Company and this was very evident in the enormous out-of-hours effort the team has put into securing the agreed acquisition of Tumi. As Ramesh mentions, this will be Tom Korbas's final year with the Company, and he can look back with pride on a career that culminated in his enormously successful leadership of the North American business. We will miss him, but we will continue to benefit around the Board table from his incomparable knowledge of the industry. And Lynne Berard, his successor, is proof of the depth of management expertise we have within the Company, and I'm sure she will be an excellent appointment. Our business has emerged stronger from 2015, and is now well placed to benefit fully from being a leading company in a sector that is expected to enjoy sustained worldwide growth.

Timothy Charles Parker
Chairman
March 16, 2016

Chief Executive Officer's Statement

I am pleased to share with you another solid set of results for Samsonite. On a constant currency basis, Samsonite's net sales grew by US$280.0 million, representing an 11.9% year-on-year increase, with all of our regions achieving good net sales growth for the year ended December 31, 2015. This marks the sixth consecutive year that the Group has posted double-digit top line growth on a constant currency basis. Foreign currency headwinds resulted in a negative currency translation impact of US$198.2 million. Despite this impact, US Dollar reported net sales increased by 3.5% to US$2.4 billion, another new record.

Samsonite's profit attributable to equity holders increased by US$19.9 million, or 10.7%, on a constant currency basis from the previous year. As a result of adverse foreign currency impacts, the Group's US Dollar reported profit attributable to equity holders increased by US$11.4 million, or 6.1%, to US$197.6 million. Reported earnings per share increased from US$0.132 to US$0.140, an increase of 6.1%.

Adjusted EBITDA, a key measure of performance for our business, grew by US$48.5 million, or 12.6%, on a constant currency basis, to US$432.8 million. This was partially offset by a negative currency translation impact of US$31.6 million, resulting in a net increase in US Dollar reported Adjusted EBITDA of US$16.8 million, or 4.4%, to US$401.2 million, for the year ended December 31, 2015.

Adjusted Net Income, which excludes certain non-operating and one-off costs and gives a clearer picture of the underlying performance of the business, increased by 9.5% on a constant currency basis compared to 2014. Further excluding non-cash share-based compensation expenses, Adjusted Net Income increased by 11.0% on a constant currency basis year-on-year. US Dollar reported Adjusted Net Income increased by US$10.7 million, or 5.2%, to US$216.9 million. Earnings per share on an adjusted and diluted basis increased from US$0.146 to US$0.154, an increase of 5.5%.

The Group generated strong operating cash flow of US$259.0 million in 2015, an increase of 12.7% compared to the US$229.9 million recorded in the previous year. Meanwhile, net working capital efficiency continued to run ahead of our target, coming in at 11.8% for 2015 and better than the 12.7% level achieved the year before. During the year, we had capital expenditures of US$68.5 million, completed the acquisitions of Rolling Luggage, Chic Accent and the 40% non-controlling interest in our Russian subsidiary, as well as paid US$88.0 million in cash distributions to shareholders. That left the Group with a net cash position of US$116.6 million at December 31, 2015, up by US$43.7 million from December 31, 2014.

Asia, our largest region, continued to be the Group's main growth driver. Excluding foreign currency effects, the region's net sales increased by 12.8% in 2015, with all of our key markets posting positive constant currency net sales growth. However, negative currency translation impacts caused Asia's US Dollar reported net sales to increase by 6.2% to US$947.6 million. Growth in Asia continued to be driven by the success of the *Samsonite* and *American Tourister* brands, as well as the *Gregory* brand, acquired in July 2014 and, to a lesser extent, the *Lipault* brand, acquired in April 2014. Excluding net sales attributable to these two acquired brands, constant currency organic growth in 2015 was 11.1%, with *Samsonite* growing by 9.6% (including the *Samsonite Red* sub-brand, whose net sales increased by 23.8%) and *American Tourister* by 9.0%. Looking at performance by country, China, our largest market in Asia, continued to be the main contributor to the region's growth in 2015. On the back of strong growth of *Samsonite* and *Samsonite Red* in the business-to-business and e-commerce channels, net sales in China increased by 13.0% on a constant currency basis. Although growth in China decelerated in the second half due to some temporary pressures related to changes in channel preferences, such as department stores losing share to e-commerce, as well as uncertainties in the country's short-term economic outlook, I have no doubt that over the medium to long term China will continue to be the locomotive for the region's growth. Japan was the biggest contributor to Asia's growth after China, posting constant currency growth of 37.7% including the contribution from *Gregory*. Excluding *Gregory*, net sales in Japan increased by 26.7% on a constant currency basis. Australia and India also did well, posting constant currency net sales growth of 39.4% and 12.0%, respectively. Excluding foreign currency effects, South Korea's net sales increased by 4.5% despite the negative impact from the MERS outbreak, while net sales in Hong Kong (including Macau) increased by 3.1%, including the contribution from the *Gregory* brand, due to lower tourist arrivals from Mainland China.

Our performance in North America (which includes the United States and Canada) benefited from the *Speck* and *Gregory* brands which were acquired in May 2014 and July 2014, respectively. Net sales in the region increased by 7.4% excluding foreign currency effects, and by 6.6% on a US Dollar reported basis to US$811.3 million in 2015. Excluding the contributions from the *Speck* and *Gregory* brands, net sales grew by 3.4% on a constant currency basis. With both *Speck* and *Gregory* being largely wholesale businesses, the wholesale channel posted constant currency net sales growth of 8.7% (4.1% if we exclude contributions from *Speck* and *Gregory*) in 2015. Performance of our bricks and mortar retail operations was impacted by lower foreign tourist arrivals to the U.S. due to the strengthening US Dollar and poor weather in the first quarter of 2015, resulting in constant currency same store net sales decreasing by 6.0% in 2015. However, this was offset by an 18.3% increase in direct-to-consumer e-commerce sales, resulting in overall growth of 2.2% in the retail channel on a constant currency basis.

Europe is undoubtedly the star performer among all of our regions in 2015. Despite challenging economic conditions in the region, our net sales on a constant currency basis increased by 17.7%, and by 15.9% excluding the impact of the *Lipault* and *Gregory* acquisitions. US Dollar reported net sales decreased by 2.4% to US$544.7 million in 2015 due to the general weakening of currencies in the region. Europe's strong performance was driven largely by *American Tourister,* whose net sales increased by 88.3% year-on-year on a constant currency basis as a result of the brand's successful region-wide rollout. As a result, *American Tourister* comprised 11.7% of the Group's 2015 net sales in Europe, up from 7.5% the previous year. Looking at performance by country, our growth in Europe was led by the United Kingdom, with constant currency net sales growth of 41.5% including the results of the 12 Rolling Luggage stores acquired in February 2015. The Group's business in Italy continued to improve with constant currency net sales growth of 18.9% over the previous year, including the results from the acquisition of 30 Chic Accent stores in September 2015. Germany, our largest market in the region, also did well, with net sales increasing by 17.4% on a constant currency basis. France posted constant currency growth of 8.7% including the contribution from the *Lipault* brand. Constant currency net sales in Turkey and South Africa grew by 39.7% and 29.2%, respectively, as we continued to penetrate these emerging markets. The Group's business in Russia was negatively impacted by the economic downturn in the country and devaluation of the Russian Ruble, but still generated constant currency net sales growth of 9.0% year-on-year. In June 2015, the Group acquired the 40% non-controlling interest in its Russian subsidiary.

Our business in Latin America performed well considering the negative economic impact on the region from weak commodity prices and volatile currencies. Chile, our biggest market in the region and accounting for 48.0% of the region's net sales, recorded growth of 12.9%, excluding foreign currency effects, driven by the women's handbag brand *Secret*, as well as the *Saxoline* and *Xtrem* brands. Mexico, our number two market with 31.9% of the region's net sales, recorded strong constant currency growth of 15.2%. Unfortunately these positive gains were largely offset by a 28.2% decline in constant currency net sales in Brazil, reflecting the downturn in the local economy. Excluding net sales attributable to Brazil, net sales in Latin America increased by 14.9% on a constant currency basis in 2015. Excluding foreign currency effects, net sales for the region increased by 8.6% overall. However, US Dollar reported net sales for the region decreased by 7.8% to US$120.5 million due to unfavorable foreign currency translation impacts.

This very encouraging set of results, achieved against a backdrop of significant currency pressures and difficult trading conditions in many of our main markets around the world, is a testament of the effectiveness of our strategy and we intend to maintain our course in 2016.

You have heard many times in the past the vision that our Chairman, Tim Parker, the Board, our leadership team and I share - which is to transform Samsonite from being "a great travel luggage company which also does some bags", to being "the leading global travel lifestyle company". To reiterate, there are three key drivers that will propel Samsonite's long-term growth to realize this vision. The first driver is our multi-brand, multi-category and multi-channel strategy. The aim is to build a well-balanced business around a portfolio of diverse yet complementary brands, offering our customers a competitive mix of products in both travel and non-travel categories that are sold through multiple distribution channels. We believe that this strategy considerably strengthens Samsonite's resilience and provides a platform for sustained growth.

With respect to brands, our strategy is to deploy multiple brands to target different price points and product categories. Each brand is intended to play a distinct role within the overall symphony. The Group's flagship brand *Samsonite* maintained its leadership position in the mid-market segment of the global travel luggage market. Excluding foreign currency effects, *Samsonite's* net sales grew by 5.7% in 2015, driven by a 9.6% increase in Asia. In view of the *Samsonite* brand's high base and extensive penetration in markets worldwide, this performance has largely met management's expectations and the aim is to sustain steady growth of the brand in 2016 and beyond.

In 2015, *American Tourister* recorded net sales of US$549.3 million, an increase of 16.7% on a constant currency basis from the previous year. This performance was driven by the successful expansion of the *American Tourister* brand in Europe, where net sales increased by 88.3% on a constant currency basis. Strong growth of the brand was also supported in Asia and North America where net sales increased by 9.0% and 18.3%, respectively, all on a constant currency basis. We consider *American Tourister* to be "work-in-progress", and the Group will continue to invest resources behind the brand in 2016, especially in Europe, to realize its potential as a young, colorful and fashionable international brand aimed at mass market consumers globally.

We also made progress in building up our acquired brands. On a constant currency basis, net sales of *Hartmann* increased year-on-year by 30.9%, driven by the increased traction of the brand in Asia where net sales more than tripled year-on-year. On a constant currency basis, net sales of the *High Sierra* backpack brand decreased by 1.5% in 2015 compared to 2014 due to an 8.4% decrease in North America because of some one-off inventory reductions by certain customers and the non-repetition of certain promotional sales that had occurred during 2014, which was partially offset by further penetration of the brand in Asia and Europe. Despite the temporary setback in North America, *High Sierra* contributed US$85.3 million in 2015 net sales and enjoys good long-term growth potential targeting value-conscious casual and outdoor consumers. Meanwhile, the *Gregory* backpack brand, which is targeted at a more affluent consumer, contributed net sales of US$34.3 million in 2015. With the strong reputation that the *Speck* brand enjoys in the market for protective cases for smartphones, tablets, laptops and other personal electronic devices, it contributed net sales of US$117.7 million in 2015. The *Lipault* brand, with its signature Parisian style and vibrant colors targeting fashionable female consumers, has gained good traction in both Europe and Asia, contributing net sales of US$13.8 million in 2015.

The *Samsonite* brand's share of the Group's US Dollar reported net sales decreased to 61.3% in 2015 from 65.3% in the previous year, reflecting the strength of *American Tourister* sales growth and the continued diversification of the Group's brand portfolio through both acquisitions and internal development. *American Tourister's* share increased to 22.6%, up from 21.4% in 2014, while the five acquired brands combined accounted for 11.2% of 2015 net sales, with the remaining 4.9% made up primarily of our smaller brands such as *Saxoline, Xtrem* and *Secret* in Latin America. In Asia, the *Kamiliant* brand, which we introduced in December 2014 to target value-conscious consumers in the entry price segment, experienced an encouraging market response as we further expanded its distribution in the region in 2015. We plan to increase our support for the new and acquired brands in 2016 to prepare them for future growth. In particular, we see good potential in the non-travel product categories, especially the large but highly fragmented backpack market where our market share is still tiny.

On March 4, 2016, the Company announced that it has agreed to acquire Tumi Holdings, Inc. This, for me, is like a dream come true. All of the acquisitions that we have made over the past few years were steps taken to grow and diversify our brands and products in pursuit of our multi-brand, multi-category and multi-channel strategy. We believe that Tumi, with its leading position in the premium business and luggage segment, is a perfect strategic fit and a truly transformational acquisition for Samsonite. Firstly, at a fundamental level, Tumi's core brand principles are the same as ours: unparalleled quality, superior functionality and durability, design excellence, technical innovation and world-class customer service. Secondly, Tumi will give us a strong product offering which appeals to the frequent, more sophisticated and brand-conscious traveler, particularly the modern business professional, enabling us to meaningfully extend our presence to the highly attractive premium market. Finally, Tumi's high-end signature black ballistic business bags and luggage, travel accessories, women's bags and outdoor apparel will help us to expand and further diversify our product range.

Signing the agreement to acquire Tumi is only the first step. The transaction is expected to close in the second half of 2016, subject to the receipt of approvals by Samsonite's and Tumi's shareholders, the receipt of required regulatory approvals and the satisfaction of other customary closing conditions. Until the closing, the two companies will continue to operate as separate entities. The combined business offers tremendous opportunities for us to further diversify our product and customer portfolios. In particular, we intend to expand Tumi's presence in Asia and Europe, while strengthening its business in North America, by tapping into our expertise in global distribution, sourcing, product design and technical innovation, especially in the area of lightweight hard-side luggage.

In terms of product categories, net sales in the travel category, the Group's traditional area of strength, grew by 8.7%, excluding foreign currency effects. Our strategy of localizing products and marketing campaigns, along with expanded points-of-sale, including e-commerce, continued to help the Group drive sales growth around the world. The continued success of the *Samsonite Red* sub-brand in Asia and contribution from *Gregory* together increased our casual category constant currency net sales by 10.8%. Driven by strong growth in Europe and Asia, business product net sales posted strong constant currency growth of 16.3% in 2015. Excluding foreign currency effects, net sales in the accessories category increased by 35.0%, on a constant currency basis, largely due to an increase in net sales of protective phone cases sold under the *Speck* brand. As a result, the share of the non-travel product categories in our business advanced from 29.6% last year to 31.7% in 2015.

We posted good growth in all our distribution channels in 2015, with e-commerce seeing the strongest growth by far. Excluding foreign currency effects, e-commerce net sales surged by 40.4% in 2015, driven by North America (up 32.2%), Asia (up 59.5%) and Europe (up 32.4%). Both the Group's net sales to e-retailers, which are included within the wholesale channel, and its direct-to-consumer e-commerce business, which is included within the retail channel, saw strong double-digit constant currency net sales growth. Excluding foreign currency effects, net sales to e-retailers increased by 48.1% whereas net sales in the Group's direct-to-consumer e-commerce business increased by 30.8% in 2015. As a result, e-commerce's contribution to the Group's US Dollar reported net sales rose to 8.5% in 2015 compared to 6.6% in the previous year. With consumers around the world migrating in ever greater numbers online, we expect e-commerce to increase in importance and, as such, we will continue to invest to support our growth in this channel.

Overall, net sales in the wholesale channel increased year-on-year by 9.3%, while net sales in the retail channel increased by 22.5%, excluding foreign currency effects. The strong constant currency net sales growth in the retail channel was driven by the addition of 162 net new company-operated stores in 2015, including 31 Rolling Luggage stores and 30 Chic Accent stores from the respective acquisitions, as well as the continued strong growth of the Group's direct-to-consumer e-commerce business. As a result, the wholesale and retail channels represented 78.3% and 21.4%, respectively, of the Group's 2015 net sales. We will continue to invest resources, including through potential acquisitions, to support the growth of the Group's retail business.

The second driver of Samsonite's long-term growth is our consistent investment in our brands and products, from both an innovation and a marketing perspective. Our significant investment in marketing, both in absolute dollar terms and as a percentage of net sales, not only underpins our brands' long-term sales growth, it also gives the Group the flexibility to pull back and protect its profitability when faced with short-term challenges. The Group spent US$132.1 million on marketing in 2015, a decrease of 8.8% compared to 2014. As a percentage of sales, total constant currency advertising spend was 5.5%, 70 basis points lower than 2014. We took the decision to temporarily scale back marketing spend during 2015 to help mitigate foreign currency pressures. On a constant currency basis, though, marketing expense was more or less stable compared to 2014, enabling us to still maintain a high level of awareness for our brands among consumers worldwide. We intend to continue our investment in marketing in 2016 to support our growth plans, especially for the continued expansion of *American Tourister* in Europe, as well as to support our new and acquired brands to develop them into tomorrow's growth drivers. The Group's investment in research and development amounted to US$26.2 million in 2015, about the same as the US$26.1 million spent in 2014.

Last, but by no means least, the third driver of Samsonite's long-term growth is our people. There are no secret weapons to succeeding in business. Instead, success is achieved by motivated and passionate people coming together and executing as a team. I would like to take this opportunity to pay tribute to Tim Parker, our Chairman, for his consistently inspirational and innovative leadership, as well as to Tom Korbas, who will be retiring in March 2016 after a very successful 30-year career, first with American Tourister, and after its acquisition by Samsonite, with our North American operations. Fortunately for the Group, we will continue to benefit from Tom's expertise and experience as he continues to serve as a Non-Executive Director of the Company. I would also like to thank our CFO, Kyle Gendreau, and General Counsel, John Livingston, for their tireless efforts in bringing Tumi home, as well as our other senior management team members Fabio Rugarli, Leo Suh, Frank Ma and Roberto Guzmán for their contribution in their respective regions. I extend a warm welcome to new members Lynne Berard, who will be succeeding Tom as head of our North American business, and Subrata Dutta who will be heading up the Asian region. Together with our employees, suppliers and business partners around the world, this excellent team has made it possible for the Group to achieve these positive results in 2015, despite significant currency pressures and difficult trading conditions in many of our main markets. A big "thank-you" to all for a job well done!

However, we cannot rest on our laurels. With almost 10,000 employees, plus numerous suppliers and business partners worldwide, Samsonite is today no longer a small company. Our continued success will depend on our ability to foster among our people the “can do” spirit of a small entrepreneurial company. This will be even more important as the *Tumi* brand joins our growing family of brands. The success of the acquisition will depend on us being able to integrate Tumi’s business into our own operations while maintaining the brand’s unique DNA. With this in mind, I am passionately committed to maintaining Samsonite’s decentralized organizational structure, enabling us to leverage our global scale while empowering our teams in the various countries and regions to nimbly manage their businesses and effectively respond to the challenges and opportunities ahead.

I see business as a long voyage, and we will inevitably encounter occasional turbulence in the form of macroeconomic or geopolitical headwinds along the way. However, we will not alter our course on account of such temporary disruptions in the external environment. While the outlook for 2016 remains uncertain, with challenging trading conditions expected in a number of our key markets including China, and the negative currency translation impacts from the strong US Dollar expected to continue affecting our business, our long-term view remains positive. With global tourism estimated to grow by 3.3%(1) annually from 2010 to 2030, and the worldwide luggage market forecast to grow at an annual rate of 5.8%(2) between 2016 and 2020, the foundations for our future growth are solid. Indeed, the road ahead for us has never been more exciting - and this is especially so with the addition of the *Tumi* brand to our portfolio of brands. With our well-diversified business and ability to cater to customers across the entire spectrum of product categories, price points and channels globally, our platform for long-term growth and profitability is stronger than ever. With all the excellent opportunities in front of us, I’m sure together we will make our journey forward to build Samsonite into the “World’s Leading Global Travel Lifestyle Company” an invigorating and rewarding one.

Ramesh Dungarmal Tainwala
Chief Executive Officer
March 16, 2016

(1) Source: United Nations World Tourism Organization (UNWTO) Tourism Highlights 2015 Edition.
(2) Source: *Global Luggage Market 2016 - 2020,* Technavio, 2015.

Consolidated Income Statement

(Expressed in thousands of US Dollars, except per share data)	Note	Year ended December 31, 2015	2014
Net sales	3	**2,432,477**	2,350,707
Cost of sales		**(1,153,513)**	(1,106,881)
Gross profit		**1,278,964**	1,243,826
Distribution expenses		**(665,762)**	(626,300)
Marketing expenses		**(132,068)**	(144,733)
General and administrative expenses		**(154,465)**	(151,137)
Other expenses		**(17,798)**	(22,379)
Operating profit		**308,871**	299,277
Finance income	11	**868**	478
Finance costs	11	**(18,679)**	(17,383)
Net finance costs		**(17,811)**	(16,905)
Profit before income tax		**291,060**	282,372
Income tax expense	10	**(74,043)**	(77,018)
Profit for the year		**217,017**	205,354
Profit attributable to equity holders		**197,639**	186,256
Profit attributable to non-controlling interests		**19,378**	19,098
Profit for the year		**217,017**	205,354
Earnings per share			
Basic and diluted earnings per share			
(Expressed in US Dollars per share)	7	**0.140**	0.132

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Expressed in thousands of US Dollars)	Note	Year ended December 31, 2015	2014
Profit for the year		**217,017**	205,354
Other comprehensive loss:			
Items that will never be reclassified to profit or loss:			
Remeasurements on defined benefit plans, net of tax	10 (c)	**(530)**	(17,060)
		(530)	(17,060)
Items that are or may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges, net of tax	10 (c)	**(1,690)**	6,988
Foreign currency translation losses for foreign operations	11	**(35,272)**	(35,087)
		(36,962)	(28,099)
Other comprehensive loss		**(37,492)**	(45,159)
Total comprehensive income for the year		**179,525**	160,195
Total comprehensive income attributable to equity holders		**163,751**	145,095
Total comprehensive income attributable to non-controlling interests		**15,774**	15,100
Total comprehensive income for the year		**179,525**	160,195

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Financial Position

(Expressed in thousands of US Dollars)	Note	December 31, **2015**	2014
Non-Current Assets			
Property, plant and equipment		**186,083**	178,325
Goodwill		**297,360**	270,079
Other intangible assets		**762,411**	766,687
Deferred tax assets		**50,752**	57,752
Other assets and receivables		**25,159**	23,195
Total non-current assets		**1,321,765**	1,296,038
Current Assets			
Inventories		**349,076**	332,274
Trade and other receivables	5	**283,495**	290,841
Prepaid expenses and other assets		**80,702**	71,718
Cash and cash equivalents	6	**180,803**	140,423
Total current assets		**894,076**	835,256
Total assets		**2,215,841**	2,131,294
Equity and Liabilities			
Equity:			
Share capital	12 (a)	**14,098**	14,080
Reserves		**1,345,456**	1,255,608
Total equity attributable to equity holders		**1,359,554**	1,269,688
Non-controlling interests	12 (b)	**39,832**	37,752
Total equity		**1,399,386**	1,307,440
Non-Current Liabilities			
Loans and borrowings	8 (a)	**57**	18
Employee benefits		**38,523**	49,657
Non-controlling interest put options		**55,829**	58,288
Deferred tax liabilities		**106,240**	107,625
Other liabilities		**4,403**	4,704
Total non-current liabilities		**205,052**	220,292
Current Liabilities			
Loans and borrowings	8 (b)	**62,724**	65,131
Employee benefits		**59,139**	62,022
Trade and other payables	9	**442,141**	415,445
Current tax liabilities		**47,399**	60,964
Total current liabilities		**611,403**	603,562
Total liabilities		**816,455**	823,854
Total equity and liabilities		**2,215,841**	2,131,294
Net current assets		**282,673**	231,694
Total assets less current liabilities		**1,604,438**	1,527,732

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

(Expressed in thousands of US Dollars, except number of shares)	Note	Number of shares	Share capital	Reserves: Additional paid-in capital	Reserves: Translation reserve	Reserves: Other reserves	Retained earnings	Total equity attributable to equity	Non-controlling interest	Total equity
Year ended December 31, 2014:										
Balance, January 1, 2014		1,407,137,004	14,071	962,192	(7,577)	(64,517)	288,587	1,192,756	37,826	1,230,582
Profit for the year		—	—	—	—	—	186,256	186,256	19,098	205,354
Other comprehensive income (loss):										
Remeasurements on defined benefit plans, net of tax		—	—	—	—	(16,947)	—	(16,947)	(113)	(17,060)
Changes in fair value of cash flow hedges, net of tax	10 (c)	—	—	—	—	6,984	—	6,984	4	6,988
Foreign currency translation losses	11	—	—	—	(31,198)	—	—	(31,198)	(3,889)	(35,087)
Total comprehensive income (loss) for the year		—	—	—	(31,198)	(9,963)	186,256	145,095	15,100	160,195
Transactions with owners recorded directly in equity:										
Change in fair value of put options		—	—	—	—	—	(1,195)	(1,195)	—	(1,195)
Cash distributions to equity holders	7 (c)	—	—	—	—	—	(80,000)	(80,000)	—	(80,000)
Share-based compensation expense		—	—	—	—	11,041	—	11,041	—	11,041
Exercise of stock options		889,452	9	2,800	—	(818)	—	1,991	—	1,991
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	(15,075)	(15,075)
Other transactions		—	—	—	—	—	—	—	(99)	(99)
Balance, December 31, 2014		1,408,026,456	14,080	964,992	(38,775)	(64,257)	393,648	1,269,688	37,752	1,307,440

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Changes in Equity (continued)

(Expressed in thousands of US Dollars, except number of shares)	Note	Number of shares	Share capital	Reserves: Additional paid-in capital	Reserves: Translation reserve	Reserves: Other reserves	Retained earnings	Total equity attributable to equity	Non-controlling interest	Total equity
Year ended December 31, 2015:										
Balance, January 1, 2015		**1,408,026,456**	**14,080**	**964,992**	**(38,775)**	**(64,257)**	**393,648**	**1,269,688**	**37,752**	**1,307,440**
Profit for the year		—	—	—	—	—	**197,639**	**197,639**	**19,378**	**217,017**
Other comprehensive income (loss):										
Remeasurements on defined benefit plans, net of tax		—	—	—	—	**(533)**	—	**(533)**	**3**	**(530)**
Changes in fair value of cash flow hedges, net of tax	10 (c)	—	—	—	—	**(1,689)**	—	**(1,689)**	**(1)**	**(1,690)**
Foreign currency translation losses	11	—	—	—	**(31,666)**	—	—	**(31,666)**	**(3,606)**	**(35,272)**
Total comprehensive income (loss) for the year		—	—	—	**(31,666)**	**(2,222)**	**197,639**	**163,751**	**15,774**	**179,525**
Transactions with owners recorded directly in equity:										
Change in fair value of put options		—	—	—	—	—	**1,775**	**1,775**	—	**1,775**
Cash distributions to equity holders	7 (c)	—	—	—	—	—	**(88,000)**	**(88,000)**	—	**(88,000)**
Share-based compensation expense		—	—	—	—	**15,215**	—	**15,215**	—	**15,215**
Exercise of stock options		**1,807,069**	**18**	**6,229**	—	**(1,804)**	—	**4,443**	—	**4,443**
Acquisition of non-controlling interests	12 (b)	—	—	—	**(1,102)**	—	**(6,216)**	**(7,318)**	**(2,085)**	**(9,403)**
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	**(11,609)**	**(11,609)**
Balance, December 31, 2015		**1,409,833,525**	**14,098**	**971,221**	**(71,543)**	**(53,068)**	**498,846**	**1,359,554**	**39,832**	**1,399,386**

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Cash Flows

(Expressed in thousands of US Dollars)	Note	Year ended December 31, 2015	2014
Cash flows from operating activities:			
Profit for the year		**217,017**	205,354
Adjustments to reconcile profit to net cash generated from operating activities:			
Loss on sale and disposal of assets, net		**10**	39
Depreciation		**48,985**	42,588
Amortization of intangible assets		**10,590**	9,180
Provision for doubtful accounts		**1,160**	1,097
Change in fair value of put options		**5,772**	4,245
Net change in defined benefit pension plans		**(8,809)**	(8,776)
Non-cash share-based compensation		**15,215**	11,041
Income tax expense	10	**74,043**	77,018
		363,983	341,786
Changes in operating assets and liabilities (excluding allocated purchase price in business combinations):			
Trade and other receivables		**(10,528)**	(42,629)
Inventories		**(31,783)**	(23,450)
Other current assets		**(5,968)**	(196)
Trade and other payables		**35,774**	43,993
Other assets and liabilities, net		**(7,290)**	(13,492)
Cash generated from operating activities		**344,188**	306,012
Interest paid		**(1,900)**	(1,964)
Income tax paid		**(83,265)**	(74,134)
Net cash generated from operating activities		**259,023**	229,914
Cash flows from investing activities:			
Purchases of property, plant and equipment		**(68,477)**	(69,636)
Acquisition of businesses, net of cash acquired	4	**(30,138)**	(196,665)
Other uses		**(5,437)**	(821)
Net cash used in investing activities		**(104,052)**	(267,122)
Cash flows from financing activities:			
Current loans and borrowings proceeds (payments), net	8	**(1,111)**	52,607
Acquisition of non-controlling interest	12 (b)	**(15,716)**	—
Payment of deferred financing costs		**—**	(2,001)
Proceeds from stock option exercises		**6,247**	2,809
Cash distributions to equity holders	7 (c)	**(88,000)**	(80,000)
Dividend payments to non-controlling interests		**(11,609)**	(15,075)
Net cash used in financing activities		**(110,189)**	(41,660)
Net increase (decrease) in cash and cash equivalents		**44,782**	(78,868)
Cash and cash equivalents, at January 1		**140,423**	225,347
Effect of exchange rate changes on cash and cash equivalents		**(4,402)**	(6,056)
Cash and cash equivalents, at December 31	6	**180,803**	140,423

The accompanying notes form part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Background

Samsonite International S.A. (the "Company"), together with its consolidated subsidiaries (the "Group"), is principally engaged in the design, manufacture, sourcing and distribution of luggage, business and computer bags, outdoor and casual bags, travel accessories and slim protective cases for personal electronic devices throughout the world, primarily under the *Samsonite*®, *American Tourister*®, *Hartmann*®, *High Sierra*®, *Gregory*®, *Speck*® and *Lipault*® brand names as well as other owned and licensed brand names. The Group sells its products through a variety of wholesale distribution channels, through its company-operated retail stores and through e-commerce. The principal wholesale distribution customers of the Group are department and specialty retail stores, mass merchants, catalog showrooms and warehouse clubs. The Group sells its products in Asia, North America, Europe and Latin America.

The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company was incorporated in Luxembourg on March 8, 2011 as a public limited liability company (a *société anonyme*), whose registered office is 13-15 Avenue de la Liberté, L-1931, Luxembourg.

2. Principal Accounting Policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), which collective term includes all International Accounting Standards ("IAS") and related interpretations, as issued by the International Accounting Standards Board (the "IASB").

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing the consolidated financial statements, the Group has adopted all these new and revised IFRSs for all periods presented, except for any new standards or interpretations that are not yet mandatorily effective for the accounting period ended December 31, 2015.

These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

3. Segment Reporting

(a) Operating Segments

Management of the business and evaluation of operating results is organized primarily along geographic lines dividing responsibility for the Group's operations, besides the Corporate segment, as follows:

- Asia - includes operations in South Asia (India and Middle East), China, Singapore, South Korea, Taiwan, Malaysia, Japan, Hong Kong, Thailand, Indonesia, Philippines and Australia;
- North America - includes operations in the United States of America and Canada;
- Europe - includes operations in European countries as well as South Africa;
- Latin America - includes operations in Chile, Mexico, Argentina, Brazil, Colombia, Panama, Peru and Uruguay; and
- Corporate - primarily includes certain licensing activities from brand names owned by the Group and Corporate headquarters overhead.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit or loss, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker. Segment operating profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of the Group's segments.

Segment information as of and for the year ended December 31, 2015 and December 31, 2014 is as follows:

Year ended December 31, 2015

(Expressed in thousands of US Dollars)	**Asia**	**North America**	**Europe**	**Latin America**	**Corporate**	**Consolidated**
External revenues	**947,602**	**811,304**	**544,740**	**120,476**	**8,355**	**2,432,477**
Operating profit	**114,813**	**56,083**	**52,132**	**3,645**	**82,198**	**308,871**
Operating profit (loss) excluding intragroup charges	**178,377**	**107,890**	**69,186**	**6,437**	**(53,019)**	**308,871**
Depreciation and amortization	**20,317**	**12,900**	**19,328**	**4,601**	**2,429**	**59,575**
Capital expenditures	**26,305**	**14,209**	**20,383**	**5,660**	**1,920**	**68,477**
Interest income	**488**	**2**	**444**	**(66)**	**—**	**868**
Interest expense	**(146)**	**(145)**	**(461)**	**(287)**	**(2,121)**	**(3,160)**
Income tax (expense) benefit	**(29,382)**	**(21,680)**	**(16,982)**	**(2,743)**	**(3,256)**	**(74,043)**
Total assets	**609,838**	**762,054**	**466,915**	**112,099**	**264,935**	**2,215,841**
Total liabilities	**229,924**	**502,839**	**225,856**	**44,145**	**(186,309)**	**816,455**

Year ended December 31, 2014

(Expressed in thousands of US Dollars)	Asia	North America	Europe	Latin America	Corporate	Consolidated
External revenues	892,258	761,310	557,934	130,606	8,599	2,350,707
Operating profit	108,030	50,719	69,195	3,401	67,932	299,277
Operating profit (loss) excluding intragroup charges	169,043	101,868	74,335	6,644	(52,613)	299,277
Depreciation and amortization	18,635	10,120	17,203	4,001	1,809	51,768
Capital expenditures	18,931	12,259	32,480	3,955	2,011	69,636
Interest income	354	6	107	9	2	478
Interest expense	(622)	(17)	(164)	(219)	(2,672)	(3,694)
Income tax (expense) benefit	(24,232)	(20,177)	(22,049)	926	(11,486)	(77,018)
Total assets	568,960	767,971	441,078	100,427	252,858	2,131,294
Total liabilities	209,397	494,438	181,636	65,964	(127,581)	823,854

(b) Geographical Information

The following tables set out enterprise-wide information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant, and equipment, intangible assets and goodwill (specified non-current assets). The geographical location of customers is based on the selling location of the goods. The geographical location of the specified non-current assets is based on the physical location of the assets.

(i) Revenue from External Customers

The following table presents the revenues earned in major geographical locations where the Group has operations. 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.

(Expressed in thousands of US Dollars)	Year ended December 31, **2015**	2014
Asia:		
China	**252,722**	227,454
South Korea	**184,141**	189,502
India	**135,066**	126,653
Japan	**93,668**	77,855
Hong Kong(1)	**77,224**	74,899
Australia	**56,203**	48,613
United Arab Emirates	**41,043**	37,208
Thailand	**25,703**	24,897
Singapore	**25,126**	25,622
Taiwan	**22,970**	23,131
Indonesia	**17,817**	20,347
Other	**15,919**	16,077
Total Asia	**947,602**	892,258
North America:		
United States	**769,505**	720,737
Canada	**41,799**	40,573
Total North America	**811,304**	761,310
Europe:		
Germany	**80,252**	81,847
France	**68,393**	75,473
Belgium	**64,411**	65,239
Italy	**60,614**	60,799
United Kingdom	**59,774**	45,684
Spain	**41,055**	44,812
Holland	**28,307**	26,474
Russia	**27,085**	40,037
Turkey	**17,745**	15,925
Switzerland	**17,701**	19,567
Sweden	**16,821**	17,053
Austria	**14,684**	15,695
Norway	**11,941**	15,170
Other	**35,957**	34,159
Total Europe	**544,740**	557,934
Latin America:		
Chile	**57,867**	58,898
Mexico	**38,429**	39,830
Brazil(2)	**10,016**	18,925
Other	**14,164**	12,953
Total Latin America	**120,476**	130,606
Corporate and other (royalty revenue):		
Luxembourg	**8,240**	8,456
United States	**115**	143
Total Corporate and other	**8,355**	8,599
Total	**2,432,477**	2,350,707

Note

(1) Includes Macau.

(2) The net sales figure for Brazil includes net sales to third party distributors in Brazil.

(ii) Specified Non-current Assets

The following table presents the Group's significant non-current assets by geographical location. Unallocated specified non-current assets mainly comprise goodwill.

(Expressed in thousands of US Dollars)	December 31, 2015	2014
Luxembourg	**677,309**	639,777
United States	**51,590**	87,851
Belgium	**58,466**	66,569
China	**25,153**	16,719
Hungary	**20,953**	21,632
India	**15,252**	18,378
Hong Kong	**14,789**	14,569
Chile	**12,033**	12,738
South Korea	**9,937**	10,856

4. Business Combinations

(a) 2015 Acquisitions

The Group completed two business combinations during the year ended December 31, 2015.

(i) Rolling Luggage

On February 16, 2015, certain of the Company's wholly-owned subsidiaries completed the acquisition of the business and substantially all of the assets of Rolling Luggage for a cash consideration of GBP15.8 million, with a subsequent working capital adjustment of GBP(0.3) million and a subsequent purchase price adjustment of GBP(0.5) million for leases that were not successfully transferred, for a total purchase price of GBP15.0 million. The acquisition provides the Group with a significant retail footprint in some of the world's leading airports, and further expands the Group's portfolio of retail store locations.

From the date of acquisition, Rolling Luggage contributed US$27.6 million of revenue and net income of US$638 thousand to the consolidated financial results of the Group for the year ended December 31, 2015.

The following table summarizes the recognized amounts of assets and liabilities acquired and liabilities assumed at the acquisition date as an allocation of the purchase price.

(Expressed in thousands of US Dollars)	
Property, plant and equipment	1,072
Identifiable intangible assets	770
Other non-current assets	1,608
Inventories	2,322
Other current assets	11
Trade and other payables	(3,258)
Other current liabilities	(1,268)

The table above represents the final purchase price allocation and has been updated from the interim disclosure to reflect certain measurement adjustments.

Goodwill in the amount of US$21.8 million was recognized as a result of the acquisition. The goodwill is attributable mainly to the synergies expected to be achieved from integrating Rolling Luggage into the Group's existing business. None of the goodwill recognized is expected to be deductible for tax purposes.

(ii) Chic Accent

On September 30, 2015, a wholly-owned subsidiary of the Company completed the acquisition of substantially all of the assets, and assumed certain liabilities, comprising the business as a going concern of Chic Accent for a cash consideration of EUR8.5 million, with a subsequent working capital adjustment of EUR(2.1) million in cash. The acquisition provides the Group with 31 retail store locations in Italy dedicated to premium accessories, ladies' handbags, travel luggage and business products, and further expands the Group's portfolio of retail store locations.

From the date of acquisition, Chic Accent contributed US$5.6 million of revenue and net income of US$767 thousand to the consolidated financial results of the Group for the year ended December 31, 2015.

The following table summarizes the recognized amounts of assets and liabilities acquired and liabilities assumed at the acquisition date as a final allocation of the purchase price.

(Expressed in thousands of US Dollars)	
Property, plant and equipment	1,027
Identifiable intangible assets	308
Other current assets	21
Inventories	3,802
Trade and other payables	(5,618)
Other current liabilities	(585)

Goodwill in the amount of US$8.1 million was recognized as a result of the acquisition. The goodwill is attributable mainly to the synergies expected to be achieved from integrating Chic Accent into the Group's existing business. All of the goodwill recognized is expected to be deductible for tax purposes.

(iii) Pro forma results

If these acquisitions had occurred on January 1, 2015, the Group estimates that consolidated net sales for 2015 would have been approximately US$2,449.1 million, and consolidated profit for 2015 would have been approximately US$214.9 million. In determining these amounts, the Group has assumed that the fair value adjustments that arose on the date of the acquisitions would have been the same if the acquisitions had occurred on January 1, 2015.

(b) 2014 Acquisitions

The Group completed three business combinations during the year ended December 31, 2014.

(i) Lipault

On April 1, 2014, a wholly owned subsidiary within the Group completed the acquisition of (i) Distri Bagages, a *société à responsabilité limitée* incorporated and organized under the Laws of France, and (ii) Licences et Développements, a *société à responsabilité limitée* incorporated and organized under the Laws of France (collectively, the "Lipault Entities"). *Lipault* is a luggage brand founded in France in 2005, whose products are designed to meet the needs of today's savvy travelers, featuring ultra-lightweight, smart designs and bright fashion colors and constructed using luxurious but durable nylon twill fabric and that will help the Group engage with the fashionable, female consumers through its signature Parisian style and vibrant colors. The purchase price included a cash consideration of EUR20.0 million, with a subsequent working capital adjustment of EUR0.1 million, for a total purchase price of EUR20.1 million. The allocation of the purchase price was completed in 2014 resulting in goodwill of US$15.8 million, none of which is expected to be deductible for tax purposes. No subsequent adjustments have been made to the amounts recognized for the assets acquired and liabilities assumed that were disclosed in the 2014 Annual Report.

(ii) Speculative Product Design, LLC ("Speck Products")

On May 28, 2014, a wholly owned subsidiary within the Group completed the acquisition of Speculative Product Design, LLC ("Speck Products"). Founded in Silicon Valley, California in 2001, Speck Products is a leading designer and distributor of slim protective cases for personal electronic devices that are marketed under the *Speck* brand. Speck Products offers a diverse product range that is sleek, stylish and functionally innovative, and provides superior, military-grade protection for smartphones, tablets and laptops from a range of manufacturers. The *Speck* brand is particularly well-known for its "slim protection" designs such as the iconic Candy Shell smartphone case, which is constructed using a "hard-soft" technology that Speck Products pioneered. The purchase price included a cash consideration of US$85.0 million, with a subsequent working capital adjustment of US$0.04 million, for a total purchase price of US$85.0 million. The allocation of the purchase price was completed in 2014 resulting in goodwill of US$22.9 million, of which approximately half is expected to be deductible for tax purposes. No subsequent adjustments have been made to the amounts recognized for the assets acquired and liabilities assumed that were disclosed in the 2014 Annual Report.

(iii) Gregory Mountain Products, LLC ("Gregory")

On July 23, 2014, certain of the Group's wholly-owned subsidiaries (the "Samsonite Purchasers") purchased substantially all of the assets of Gregory Mountain Products, LLC ("Gregory"). The *Gregory* brand is a leader and pioneer in its industry, responsible for many innovations in backpack design. It is well-respected by active outdoor and adventure enthusiasts as a leading brand in the premium technical backpack segment. In addition to technical backpacks, *Gregory* branded lifestyle backpacks are popular in Japan and other Asian countries. The purchase price included a cash consideration of US$84.1 million. The allocation of the purchase price was completed in 2014 resulting in goodwill of US$19.0 million, of which approximately half is expected to be deductible for tax purposes. No subsequent adjustments have been made to the amounts recognized for the assets acquired and liabilities assumed that were disclosed in the 2014 Annual Report.

(c) Acquisition-related costs

The Group incurred approximately US$8.9 million and US$13.5 million in acquisition-related costs during the years ended December 31, 2015 and December 31, 2014, respectively. Such costs are primarily comprised of costs associated with due diligence and integration activities, as well as professional and legal fees, and are recognized within other expenses on the consolidated income statement.

5. Trade and Other Receivables

Trade and other receivables are presented net of related allowances for doubtful accounts of US$12.7 million and US$13.5 million as of December 31, 2015 and December 31, 2014, respectively.

(a) Aging Analysis

Included in trade and other receivables are trade receivables (net of allowance for doubtful accounts) of US$269.1 million and US$276.3 million as of December 31, 2015 and December 31, 2014, respectively, with the following aging analysis by due date of the respective invoice:

(Expressed in thousands of US Dollars)	December 31, **2015**	2014
Current	**232,027**	234,230
Past due	**37,092**	42,066
Total trade receivables	**269,119**	276,296

Credit terms are granted based on the credit worthiness of individual customers. As of December 31, 2015 and December 31, 2014, trade receivables are on average due within 60 days from the invoice date.

(b) Impairment of Trade Receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. The Group does not hold any collateral over these balances.

The movement in the allowance for doubtful accounts during the year follows:

(Expressed in thousands of US Dollars)	**2015**	2014
As of January 1	**13,459**	14,353
Impairment loss recognized	**1,160**	1,097
Impairment loss written back or off	**(1,899)**	(1,991)
As of December 31	**12,720**	13,459

6. Cash and Cash Equivalents

	December 31,	
(Expressed in thousands of US Dollars)	**2015**	2014
Bank balances	**169,994**	138,906
Short-term investments	**10,809**	1,517
Total cash and cash equivalents	**180,803**	140,423

Short-term investments are comprised of overnight sweep accounts and time deposits. The Group had no restrictions on the use of any of its cash as of December 31, 2015 and December 31, 2014.

7. Earnings Per Share

(a) Basic

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company for the years ended December 31, 2015 and December 31, 2014.

	Year ended December 31,	
(Expressed in thousands of US Dollars, except share and per share data)	**2015**	2014
Issued ordinary shares at the beginning of the year	**1,408,026,456**	1,407,137,004
Weighted-average impact of share options exercised during the year	**1,372,329**	624,648
Weighted-average number of shares during the period	**1,409,398,785**	1,407,761,652
Profit attributable to the equity holders	**197,639**	186,256
Basic earnings per share (Expressed in US Dollars per share)	**0.140**	0.132

(b) Diluted

Dilutive earnings per share are calculated by adjusting the weighted-average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Year ended December 31,	
(Expressed in thousands of US Dollars, except share and per share data)	**2015**	2014
Weighted-average number of ordinary shares (basic) at end of the year	**1,409,398,785**	1,407,761,652
Effect of share options	**2,782,489**	2,520,360
Weighted-average number of shares during the period	**1,412,181,274**	1,410,282,012
Profit attributable to the equity holders	**197,639**	186,256
Diluted earnings per share (Expressed in US Dollars per share)	**0.140**	0.132

(c) Dividends and Distributions

On March 16, 2015, the Board recommended that a cash distribution in the amount of US$88.0 million, or approximately US$0.0624 per share, be made to the Company's shareholders of record on June 17, 2015 from its ad hoc distributable reserve. The shareholders approved this distribution on June 4, 2015 at the Annual General Meeting and the distribution was paid on July 13, 2015.

On March 18, 2014, the Board recommended that a cash distribution in the amount of US$80.0 million, or approximately US$0.0568 per share, be made to the Company's shareholders of record on June 17, 2014 from its ad hoc distributable reserve. The shareholders approved this distribution on June 5, 2014 at the Annual General Meeting and the distribution was paid on July 11, 2014.

No other dividends or distributions were declared or paid during the years ended December 31, 2015 and December 31, 2014.

8. Loans and Borrowings

(a) Non-current obligations

Non-current obligations represent non-current debt and finance lease obligations as follows:

(Expressed in thousands of US Dollars)	December 31, **2015**	2014
Finance lease obligations	**87**	32
Less current installments	**(30)**	(14)
Non-current loans and borrowings	**57**	18

(b) Current Obligations and Credit Facilities

Current obligations represent current debt and finance lease obligations as follows:

(Expressed in thousands of US Dollars)	December 31, **2015**	2014
Revolving Facility	**48,174**	60,000
Other lines of credit	**15,921**	7,536
Finance lease obligations	**30**	14
Total current obligations	**64,125**	67,550
Less deferred financing costs	**(1,401)**	(2,419)
Current loans and borrowings	**62,724**	65,131

The Group maintains a revolving credit facility (the "Revolving Facility") in the amount of US$500.0 million. The facility can be increased by an additional US$300.0 million, subject to lender approval. The Revolving Facility has an initial term of five years from its effective date of June 17, 2014, with a one year extension available at the request of the Group and at the option of the lenders. The interest rate on borrowings under the Revolving Facility is the aggregate of (i) (a) LIBOR or (b) the prime rate of the lender and (ii) a margin to be determined based on the Group's leverage ratio. Based on the Group's leverage ratio, the Revolving Facility carries a commitment fee ranging from 0.2% to 0.325% per annum on any unutilized amounts, as well as an agency fee if another lender joins the Revolving Facility. The Revolving Facility is secured by certain of the Group's assets in the United States and Europe, as well as the Group's intellectual property. The Revolving Facility also contains financial covenants related to interest coverage and leverage ratios, and operating covenants that, among other things, limit the Group's ability to incur additional debt, create liens on its assets, and participate in certain mergers, acquisitions, liquidations, asset sales or investments. The Group was in compliance with the financial covenants as of December 31, 2015. As of December 31, 2015, US$449.3 million was available to be borrowed on the Revolving Facility as a result of US$48.2 million of outstanding borrowings and the utilization of US$2.5 million of the facility for outstanding letters of credit extended to certain creditors. As of December 31, 2014, US$437.5 million was available to be borrowed as a result of US$60.0 million of outstanding borrowings and the utilization of US$2.5 million of the facility for outstanding letters of credit extended to certain creditors.

Certain consolidated subsidiaries of the Group maintain credit lines with various third party lenders in the regions in which they operate. These local credit lines provide working capital for the day-to-day business operations of the subsidiaries, including overdraft, bank guarantee, and trade finance and factoring facilities. The majority of these credit lines are uncommitted facilities. The total aggregate amount outstanding under the local facilities was US$15.9 million and US$7.5 million as of December 31, 2015 and December 31, 2014, respectively. The uncommitted available lines of credit amounted to US$88.1 million and US$87.3 million as of December 31, 2015 and December 31, 2014, respectively.

9. Trade and Other Payables

(Expressed in thousands of US Dollars)	December 31, 2015	December 31, 2014
Accounts payable	**345,438**	316,509
Other payables and accruals	**89,523**	92,155
Other tax payables	**7,180**	6,781
Total trade and other payables	**442,141**	415,445

Included in accounts payable are trade payables with the following aging analysis by due date of the respective invoice:

(Expressed in thousands of US Dollars)	December 31, 2015	December 31, 2014
Current	**262,325**	234,857
Past Due	**21,360**	26,855
Total trade payables	**283,685**	261,712

Trade payables as of December 31, 2015 are on average due within 105 days from the invoice date.

10. Income Taxes

(a) Taxation in the Consolidated Income Statement

Taxation in the consolidated income statement for the years ended December 31, 2015 and December 31, 2014 consisted of the following:

(Expressed in thousands of US Dollars)	Year ended December 31, 2015	Year ended December 31, 2014
Current tax expense - Hong Kong Profits Tax:		
Current period	**(663)**	(1,769)
Current tax expense - Foreign:		
Current period	**(70,894)**	(88,235)
Adjustment for prior periods	**2,167**	(2,043)
Total current tax expense	**(68,727)**	(90,278)
Deferred tax benefit (expense):		
Origination and reversal of temporary differences	**(1,249)**	16,827
Change in tax rate	**(94)**	(881)
Change in recognized temporary differences	**(3,310)**	(917)
Total deferred tax benefit (expense)	**(4,653)**	15,029
Total income tax expense	**(74,043)**	(77,018)

The provision for Hong Kong Profits Tax for the years ended December 31, 2015 and December 31, 2014 was calculated at an effective tax rate of 16.5% of the estimated assessable profits for the year. Taxation for overseas subsidiaries was charged at the appropriate current rates of taxation in the relevant countries.

(b) Reconciliation between tax expense and profit before taxation at applicable tax rates

(Expressed in thousands of US Dollars)	Year ended December 31, 2015	2014
Profit for the year	**217,017**	205,354
Total income tax expense	**(74,043)**	(77,018)
Profit before income tax	**291,060**	282,372
Income tax expense using the Group's applicable tax rate	**(82,661)**	(79,064)
Tax incentives	**26,374**	19,292
Change in tax rates	**(94)**	(881)
Change in tax reserves	**2,167**	(472)
Non-deductible expenses	**(4,537)**	(7,793)
Change in tax effect of undistributed earnings	**(1,082)**	3,445
Current year losses for which no deferred tax assets are recognized	**(4,616)**	(1,989)
Recognition of previously unrecognized tax losses	**47**	—
Change in recognized temporary differences	**(3,357)**	(917)
Share-based compensation	**(2,420)**	(1,596)
Withholding taxes	**(5,100)**	(6,338)
Other	**(931)**	1,338
Over (under) provided in prior periods	**2,167**	(2,043)
	(74,043)	(77,018)

The provision for taxation for the years ended December 31, 2015 and December 31, 2014 was calculated using the Group's applicable tax rate of 28.4% and 28.0%, respectively. The applicable rate was based on the Group's weighted average worldwide tax rate.

(c) Income tax (expense) benefit recognized in Other Comprehensive Income

(Expressed in thousands of US Dollars)	**Year ended December 31, 2015** Before tax	**Income tax benefit**	**Net of tax**	Year ended December 31, 2014 Before tax	Income tax (expense) benefit	Net of tax
Remeasurements on benefit	**(795)**	**265**	**(530)**	(28,109)	11,049	(17,060)
Cash flow hedges	**(2,599)**	**909**	**(1,690)**	10,560	(3,572)	6,988
Foreign currency translation differences for foreign	**(35,272)**	**—**	**(35,272)**	(35,087)	—	(35,087)
	(38,666)	**1,174**	**(37,492)**	(52,636)	7,477	(45,159)

11. Finance Income and Finance Costs

The following table presents a summary of finance income and finance costs recognized in the consolidated income statement and consolidated statement of comprehensive income:

(Expressed in thousands of US Dollars)	Year ended December 31, 2015	2014
Recognized in income or loss:		
Interest income on bank deposits	**868**	478
Total finance income	**868**	478
Interest expense on financial liabilities measured at amortized cost	**(3,160)**	(3,694)
Change in fair value of put options	**(5,772)**	(4,245)
Net foreign exchange loss	**(6,681)**	(6,716)
Other finance costs	**(3,066)**	(2,728)
Total finance costs	**(18,679)**	(17,383)
Net finance costs recognized in profit or loss	**(17,811)**	(16,905)
Recognized in other comprehensive income (loss):		
Foreign currency translation differences for foreign operations	**(35,272)**	(35,087)
Changes in fair value of cash flow hedges	**(2,599)**	10,560
Income tax on finance income and finance costs recognized in other comprehensive income	**909**	(3,572)
Net finance costs recognized in total other comprehensive income, net of tax	**(36,962)**	(28,099)
Attributable to:		
Equity holders of the Company	**(33,355)**	(24,214)
Non-controlling interests	**(3,607)**	(3,885)

12. Share Capital and Acquisition of Non-controlling Interests

(a) Ordinary Shares

During the year ended December 31, 2015, the Company issued 1,807,069 ordinary shares at a weighted-average exercise price of HK$19.06 per share, or HK$34.4 million in aggregate, in connection with the exercise of share options that were granted under the Company's Share Award Scheme. There were no purchases or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year ended December 31, 2015.

(b) Acquisition of Non-controlling Interests

On June 26, 2015, a wholly-owned subsidiary of the Company acquired the 40% non-controlling interest in its Russian subsidiary for US$15.7 million in cash, with a final working capital adjustment of US$0.3 million settled in July 2015, increasing its ownership from 60% to 100%. The carrying amount of the Russian subsidiary's net assets in the consolidated financial statements on the date of acquisition was US$5.1 million. The Group recognized a decrease in the non-controlling interest of US$2.1 million and a decrease in retained earnings of US$6.2 million.

13. Subsequent Events

The Group has evaluated events occurring subsequent to December 31, 2015, the reporting date, through March 16, 2016, the date this financial information was authorized for issue by the Board.

From December 31, 2015 to February 29, 2016, the Company issued 10,028 ordinary shares in connection with the exercise of share options that were granted under the Company's Share Award Scheme. There were no purchases or redemptions of the Company's listed securities by the Company or any of its subsidiaries since December 31, 2015.

On March 3, 2016, the Company's shareholders approved the resolution proposed to (i) reduce the Company's authorized share capital from US$1,012,800,369.99, representing 101,280,036,999 shares (including the subscribed share capital) to US$35,000,000, representing 3,500,000,000 shares (including the subscribed share capital) with a par value of US$0.01 each and (ii) renew, for a period of five years from the date of the publication of the amendment of the authorized share capital, the authorization of the Board to issue shares, to grant options to subscribe for shares and to issue any other securities or instruments convertible into shares, subject to the restrictions set out in the Company's Articles of Incorporation, the Luxembourg companies law and the Listing Rules.

On March 3, 2016, the Company and PTL Acquisition Inc. ("Merger Sub") (an indirect wholly-owned subsidiary of the Company) entered into an Agreement and Plan of Merger (the "Merger Agreement") with Tumi Holdings, Inc. ("Tumi"), pursuant to which the Company agreed to acquire Tumi for cash consideration of US$26.75 per share, subject to the terms and conditions set out in the Merger Agreement. The acquisition is proposed to be effected by way of a merger of Merger Sub with and into Tumi, with Tumi surviving the merger as an indirect wholly-owned subsidiary of the Company.

*Tumi i*s a leading global premium lifestyle brand offering a comprehensive line of business bags, travel luggage and accessories. The Tumi brand is sold in approximately 2,000 points of distribution in over 75 countries.

Closing of the merger is conditional on the satisfaction (or, to the extent not prohibited by applicable law, waiver) of certain conditions, which include, among other things, the adoption of the Merger Agreement by the stockholders of Tumi, approval of the merger by the shareholders of the Company and the receipt of certain regulatory approvals. The Merger Agreement may be terminated in certain circumstances, including if the requisite approval by the stockholders of Tumi or the shareholders of the Company has not been obtained or if there has been a material breach of the covenants or agreements set out in the Merger Agreement by the Company or by Tumi. The Merger Agreement provides that, upon termination of the Merger Agreement upon certain specified conditions, the Company or Tumi will be required to pay the other party a termination fee as set forth and described in the Merger Agreement. Subject to certain exceptions and limitations, either party may terminate the Merger Agreement if the merger is not consummated by 5:00 p.m. (New York City time) on December 31, 2016, subject to extension until March 3, 2017 for the purpose of obtaining regulatory clearances.

The aggregate cash consideration payable by the Company under the terms of the Merger Agreement is expected to be approximately US$1,824 million. The total consideration will be funded by a new committed debt financing that will comprise US$500 million in a revolving facility and up to US$1,925 million in new term loan facilities, as well as the Group's own cash resources.

Subject to the satisfaction or waiver of the conditions of the merger, it is currently expected that closing will occur in the second half of 2016.

Management Discussion and Analysis

Samsonite International S.A. (the "Company"), 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, travel accessories and slim protective cases for personal electronic devices throughout the world, primarily under the *Samsonite*®, *American Tourister*®, *Hartmann*®, *High Sierra*®, *Gregory*®, *Speck*® and *Lipault*® brand names as well as 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.

The Group sells its products through a variety of wholesale distribution channels, through its company-operated retail stores and through e-commerce. Its principal wholesale distribution customers are department and specialty retail stores, mass merchants, catalog showrooms and warehouse clubs. The Group sells its products in Asia, North America, Europe and Latin America. As of December 31, 2015, the Group's products were sold in over 100 countries.

Management discussion and analysis should be read in conjunction with the Group's audited financial statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB").

Net Sales

The following table sets forth a breakdown of net sales by region for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects[2]
Net sales by region[1]:						
Asia	**947,602**	**39.0%**	892,258	38.0%	6.2 %	12.8 %
North America	**811,304**	**33.4%**	761,310	32.4%	6.6 %	7.4 %
Europe	**544,740**	**22.4%**	557,934	23.7%	(2.4)%	17.7 %
Latin America	**120,476**	**5.0%**	130,606	5.6%	(7.8)%	8.6 %
Corporate	**8,355**	**0.2%**	8,599	0.3%	(2.8)%	(2.8)%
Net sales	**2,432,477**	**100.0%**	2,350,707	100.0%	3.5 %	11.9 %

Notes

(1) 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.

(2) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Excluding foreign currency effects, net sales increased by US$280.0 million, or 11.9%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales increased by US$81.8 million, or 3.5%, to US$2,432.5 million for the year ended December 31, 2015, reflecting the impact of foreign currency translation from the strengthening US Dollar during the year.

Brands

The following table sets forth a breakdown of net sales by brand for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects[(2)]
Net sales by brand:						
Samsonite	**1,490,470**	**61.3%**	1,535,708	65.3%	(2.9)%	5.7 %
American Tourister	**549,269**	**22.6%**	504,222	21.4%	8.9 %	16.7 %
Speck	**117,719**	**4.8%**	91,565	3.9%	*nm*	*nm*
High Sierra	**85,300**	**3.5%**	89,239	3.8%	(4.4)%	(1.5)%
Gregory	**34,338**	**1.4%**	12,613	0.5%	*nm*	*nm*
Hartmann	**21,340**	**0.9%**	16,947	0.7%	25.9 %	30.9 %
Lipault	**13,788**	**0.6%**	5,524	0.2%	*nm*	*nm*
Other[(1)]	**120,253**	**4.9%**	94,889	4.2%	26.7 %	45.1 %
Net sales	**2,432,477**	**100.0%**	2,350,707	100.0%	3.5 %	11.9 %

Notes

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

(2) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

nm Not meaningful due to acquisitions of *Lipault* on April 1, 2014, *Speck* on May 28, 2014 and *Gregory* on July 23, 2014.

Excluding foreign currency effects, net sales of the *Samsonite* brand increased by US$88.2 million, or 5.7%, for the year ended December 31, 2015 compared to the previous year. US Dollar reported net sales of the *Samsonite* brand decreased by US$45.2 million, or 2.9%, due to the strengthening of the US Dollar. *Samsonite* comprised 61.3% of the net sales of the Group during 2015 compared to 65.3% in 2014 reflecting the strength of *American Tourister* sales growth and the continued diversification of the Group's brand portfolio with contributions from acquired brands. Excluding foreign currency effects, net sales of the *American Tourister* brand increased by US$84.1 million, or 16.7%, for the year ended December 31, 2015 compared to the previous year. US Dollar reported net sales of the *American Tourister* brand increased by US$45.0 million, or 8.9%. Europe accounted for US$21.9 million, or 48.6%, and Asia accounted for US$12.7 million, or 28.1%, of the US$45.0 million increase in *American Tourister* brand sales. The increase in *American Tourister* net sales was attributable to an expanded product offering and further penetration of existing markets, which were supported by the Group's targeted advertising activities.

The Group has acquired five brands since January 1, 2012, namely *High Sierra* (July 2012), *Hartmann* (August 2012), *Lipault* (April 2014), *Speck* (May 2014) and *Gregory* (July 2014). These acquired brands accounted for 11.2% of US Dollar reported net sales for the year ended December 31, 2015. Net sales of the *Speck* brand, which was acquired on May 28, 2014, amounted to US$117.7 million for the year ended December 31, 2015. On a constant currency basis, net sales of the *High Sierra* brand decreased by 1.5% for the year ended December 31, 2015 compared to the year ended December 31, 2014 due to an 8.4% decrease in North America, due to inventory reduction efforts by certain customers, lower sales to department stores and the non-repetition of certain promotional sales that had occurred during 2014, marginally offset by further penetration of the brand in Asia and Europe. Net sales of the *Gregory* brand, which was acquired on July 23, 2014, amounted to US$34.3 million for the year ended December 31, 2015. On a constant currency basis, net sales of the *Hartmann* brand increased by 30.9% for the year ended December 31, 2015 compared to the year ended December 31, 2014, driven by increased traction of the brand in Asia where net sales more than tripled year-on-year. Net sales of the *Lipault* brand, which was acquired on April 1, 2014, amounted to US$13.8 million. Excluding amounts attributable to the 2014 acquisitions, net sales, on a constant currency basis, increased by US$218.9 million, or 9.8%, and US Dollar reported net sales increased by US$25.6 million, or 1.1%.

Product Categories

The Group sells products in four principal product categories: travel, business, casual and accessories. The travel category is the Group's largest category and has been its traditional strength. The following table sets forth a breakdown of net sales by product category for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects[3]
Net sales by product category:						
Travel	**1,660,852**	**68.3%**	1,654,402	70.4%	0.4%	8.7%
Business[1]	**275,999**	**11.3%**	256,228	10.9%	7.7%	16.3%
Casual	**263,096**	**10.8%**	252,069	10.7%	4.4%	10.8%
Accessories[2]	**183,899**	**7.6%**	147,222	6.3%	24.9%	35.0%
Other	**48,631**	**2.0%**	40,786	1.7%	19.2%	37.2%
Net sales	**2,432,477**	**100.0%**	2,350,707	100.0%	3.5%	11.9%

Notes

(1) Includes tablet and laptop cases.

(2) Includes protective phone cases.

(3) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Excluding foreign currency effects, net sales in the travel product category increased by US$144.3 million, or 8.7%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales in the travel product category increased by US$6.5 million, or 0.4%. Country-specific product designs and locally relevant marketing strategies continued to be the key factors contributing to the Group's success in the travel category. Excluding foreign currency effects, net sales in the business product category increased by US$41.8 million, or 16.3%. US Dollar reported net sales in the business product category increased by US$19.8 million, or 7.7%, primarily due to growth in Europe and Asia. Excluding foreign currency effects, net sales in the casual product category increased by US$27.2 million, or 10.8%. US Dollar reported net sales in the casual product category increased by US$11.0 million, or 4.4%. This increase was primarily attributable to the success of the *Samsonite Red* sub-brand and the contribution from the *Gregory* brand, which was acquired on July 23, 2014. Excluding foreign currency effects, net sales in the accessories category increased by US$51.5 million, or 35.0%. US Dollar reported net sales in the accessories category increased by US$36.7 million, or 24.9%, largely due to an increase of US$25.2 million in net sales of protective phone cases sold under the *Speck* brand. Excluding *Speck* and on a constant currency basis, net sales in the accessories category increased by US$26.3 million, or 26.4%.

Distribution Channels

The Group sells products through two primary distribution channels: wholesale and retail. The following table sets forth a breakdown of net sales by distribution channel for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects(2)
Net sales by distribution channel:						
Wholesale	**1,903,687**	**78.3%**	1,866,789	79.4%	2.0 %	9.3 %
Retail	**520,435**	**21.4%**	474,768	20.2%	9.6 %	22.5 %
Other(1)	**8,355**	**0.3%**	9,150	0.4%	(8.7)%	(8.7)%
Net sales	**2,432,477**	**100.0%**	2,350,707	100.0%	3.5 %	11.9 %

Notes
(1) "Other" primarily consists of licensing income.
(2) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Excluding foreign currency effects, net sales in the wholesale channel increased by US$174.0 million, or 9.3%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales in the wholesale channel increased by US$36.9 million, or 2.0%. Excluding foreign currency effects, net sales in the retail channel increased by US$106.8 million, or 22.5%, and US Dollar reported net sales in the retail channel increased by US$45.7 million, or 9.6%. This increase was driven by the addition of 162 net new company-operated stores during 2015, including 31 Rolling Luggage stores and 30 Chic Accent stores from the respective acquisitions during 2015, as well as the continued strong growth of the Group's direct-to-consumer e-commerce business. On a same store, constant currency basis, net sales in the retail channel decreased by 0.7% year-on-year. This was driven in part by a 6.5% decline in Asia as a result of fewer visitors from Mainland China to Hong Kong (including Macau), the Middle East Respiratory Syndrome ("MERS") outbreak in South Korea and generally weak consumer sentiment in some other Asian countries. In addition, there was a 6.0% decline in North America primarily due to the impact of the strong US Dollar on foreign travelers to gateway tourist markets. These factors were partially offset by growth of 8.3% and 2.6% in Europe and Latin America, respectively. The Group's same store analysis includes existing company-operated retail stores which have been open for at least 12 months before the end of the relevant financial period. The 22.5% constant currency net sales growth in the retail channel reflects the Group's strategy of investing resources, including through acquisitions such as Rolling Luggage and Chic Accent, to support the growth of its retail business.

During the year ended December 31, 2015, approximately US$205.8 million, or 8.5%, of the Group's US Dollar reported net sales were derived from e-commerce (comprising the Group's direct-to-consumer e-commerce business, which is included within the retail channel, and net sales to e-retailers, which are included within the wholesale channel). This represents an increase of 32.5% compared to the year ended December 31, 2014, when e-commerce comprised approximately US$155.3 million, or 6.6%, of the Group's net sales. Excluding foreign currency effects, net sales to e-retailers increased by US$41.4 million, or 48.1%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales to e-retailers increased by US$34.8 million, or 40.4%. Excluding foreign currency effects, net sales in the Group's direct-to-consumer e-commerce business increased by US$21.3 million, or 30.8%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales in the direct-to-consumer e-commerce business increased by US$15.7 million, or 22.6%.

Regions

Asia

Excluding foreign currency effects, the Group's net sales in Asia increased by US$113.9 million, or 12.8%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales for the region increased by US$55.3 million, or 6.2%. Excluding net sales attributable to the *Gregory* and *Lipault* brands in Asia, which were acquired during 2014, net sales increased by US$97.9 million, or 11.1%, on a constant currency basis for the year ended December 31, 2015 compared to the year ended December 31, 2014.

On a constant currency basis, net sales of the *Samsonite* brand increased by US$46.3 million, or 9.6%, from the previous year, driven by the success of the business-to-business and e-commerce channels in China, as well as the *Samsonite Red* sub-brand, whose net sales increased by US$13.8 million, or 23.8%, on a constant currency basis. Excluding the *Samsonite Red* sub-brand, net sales of the *Samsonite* brand increased by US$32.5 million, or 7.7%, on a constant currency basis. Excluding foreign currency effects, net sales of the *American Tourister* brand in the Asia region increased by US$34.6 million, or 9.0%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Net sales of the *High Sierra* brand amounted to US$13.8 million in Asia during the year ended December 31, 2015, an increase of 28.4% from the previous year on a constant currency basis. The Group introduced the *Hartmann* brand in Asia during 2014, and this contributed US$5.4 million of the net sales growth during the year ended December 31, 2015. Net sales of the *Gregory* brand in Asia amounted to US$18.5 million during the year ended December 31, 2015 as the Group developed products designed specifically for the tastes and preferences of consumers within the region. The Group introduced *Kamiliant*, a value-conscious entry level brand, in Asia during the second half of 2014, which contributed US$2.8 million of net sales during the year ended December 31, 2015.

Excluding foreign currency effects, net sales in the travel product category increased by US$66.5 million, or 10.4%, and US Dollar reported net sales increased by US$24.8 million, or 3.9%, for the year ended December 31, 2015 compared to the previous year. Net sales in the casual product category increased by US$20.1 million, or 18.0%, on a constant currency basis, and US Dollar reported net sales increased by US$13.0 million, or 11.7%, driven largely by the success of the *Samsonite Red* sub-brand and the acquisition of the *Gregory* brand in 2014, as well as by growth in sales of the *High Sierra* brand. Excluding foreign currency effects, net sales in the business product category increased by US$18.2 million, or 16.7%, and US Dollar reported net sales increased by US$10.9 million, or 10.1%, for the year ended December 31, 2015 compared to the previous year. Net sales in the accessories product category increased by US$2.1 million, or 8.4%, on a constant currency basis, and US Dollar reported net sales increased by US$0.6 million, or 2.5%, compared to the previous year.

Excluding foreign currency effects, net sales in the wholesale channel increased by US$89.1 million, or 11.8%, and US Dollar reported net sales increased by US$41.0 million, or 5.4%, for the year ended December 31, 2015 compared to the previous year, bolstered by strong growth in business-to-business sales. Net sales in the retail channel increased by US$24.8 million, or 17.7%, on a constant currency basis year-on-year. US Dollar reported net sales in the retail channel increased by US$14.4 million, or 10.3%, driven by the addition of 39 net new stores opened during 2015 and strong growth in the Group's direct-to-consumer e-commerce net sales, partially offset by a decrease in same store net sales. Direct-to-consumer e-commerce sales in the region increased year-on-year by 48.5%, on a constant currency basis, as the Group focused on expanding its presence online. On a same store, constant currency basis, net sales in the retail channel decreased by 6.5% due to fewer visitors from Mainland China shopping in Hong Kong (including Macau), the MERS outbreak in South Korea and generally weak retail sentiment in certain other countries within the region.

Along with additional 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. On a constant currency basis, net sales growth in Asia for the year ended December 31, 2015 continued to be driven by the success of the *Samsonite* and *American Tourister* brands as well as the acquisition of the *Gregory* brand in July 2014. On a constant currency basis, net sales increased in all countries in the Asian region for the year ended December 31, 2015 compared to the previous year, except for Malaysia and Indonesia, which decreased by 11.3% and 1.0%, respectively, due to general economic conditions. Japan experienced strong constant currency growth of 37.7% year-on-year driven by increased sales of the *Samsonite* brand and the acquisition of the *Gregory* brand in July 2014. Excluding net sales attributable to the *Gregory* brand, net sales in Japan increased by 26.7% on a constant currency basis. Excluding foreign currency effects, net sales in China increased by 13.0%, driven by sales of the *Samsonite* brand and the *Samsonite Red* sub-brand, although growth in China decelerated in the second half due to some temporary pressures related to changes in channel preferences, such as department stores losing share to e-commerce, as well as uncertainties in the country's short-term economic outlook. Net sales in South Korea continued to grow, with an increase of 4.5% on a constant currency basis, despite the negative impact from the MERS outbreak. On a constant currency basis, net sales in India increased by 12.0% for the year ended December 31, 2015 compared to the previous year, driven by the *American Tourister* brand. On a constant currency basis, net sales in Hong Kong (including Macau) increased by 3.1% including the contribution from the *Gregory* brand. Excluding net sales attributable to the *Gregory* brand, net sales in Hong Kong (including Macau) decreased by 1.5% on a constant currency basis due to lower tourist arrivals from Mainland China. Australia had strong constant currency net sales growth of 39.4%, driven by the *Samsonite* and *American Tourister* brands. The Group also entered the retail channel in Australia with the acquisition of Rolling Luggage during 2015. The Group continued to penetrate the emerging markets within the region with notable year-on-year constant currency net sales growth in the Philippines and Thailand of 31.9% and 8.6%, respectively.

The following table sets forth a breakdown of net sales within the Asian region by geographic location for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total regional net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects(3)
Net sales by geographic location(1):						
China	**252,722**	**26.7%**	227,454	25.5%	11.1 %	13.0%
South Korea	**184,141**	**19.4%**	189,502	21.2%	(2.8)%	4.5%
India	**135,066**	**14.3%**	126,653	14.2%	6.6 %	12.0%
Japan	**93,668**	**9.9%**	77,855	8.7%	20.3 %	37.7%
Hong Kong(2)	**77,224**	**8.1%**	74,899	8.4%	3.1 %	3.1%
Australia	**56,203**	**5.9%**	48,613	5.5%	15.6 %	39.4%
Other	**148,578**	**15.7%**	147,282	16.5%	0.9 %	6.6%
Net sales	**947,602**	**100.0%**	892,258	100.0%	6.2 %	12.8%

Notes

(1) 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.

(2) Includes Macau.

(3) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

North America

Excluding foreign currency effects, the Group's net sales in North America increased by US$56.6 million, or 7.4%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales for the North American region increased by US$50.0 million, or 6.6%. Excluding net sales attributable to the *Speck* and *Gregory* brands, which were acquired during 2014, net sales increased by US$22.5 million, or 3.4%, on a constant currency basis and US Dollar reported net sales increased by US$15.9 million, or 2.4%.

Excluding foreign currency effects, net sales of the *Samsonite* brand increased by US$17.1 million, or 3.4%, and US Dollar reported net sales increased by US$11.4 million, or 2.3%, for the year ended December 31, 2015 compared to the prior year. Net sales of the *American Tourister* brand increased by US$12.6 million, or 18.3%, on a constant currency basis, while US Dollar reported net sales increased by US$12.0 million, or 17.5%, driven by point-of-sale expansion. Excluding foreign currency effects, net sales of the *High Sierra* brand decreased by US$6.2 million, or 8.4%, and US Dollar reported net sales decreased by US$6.5 million, or 8.9%, due to inventory reduction efforts by certain customers, lower sales to department stores and the non-repetition of certain promotional sales that had occurred during 2014. US Dollar reported net sales of the *Hartmann* brand amounted to US$14.4 million, a constant currency decrease of 5.6%, as the Group continued its efforts to redefine the product assortment and increase brand awareness. The *Speck* and *Gregory* brands contributed US$117.7 million and US$13.3 million, respectively, in US Dollar reported net sales for the year.

Excluding foreign currency effects, net sales in the travel product category increased by US$26.7 million, or 5.2%, and US Dollar reported net sales increased by US$21.1 million, or 4.1%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Net sales in the casual product category increased by US$0.4 million, or 0.4%, on a constant currency basis and US Dollar reported net sales were relatively consistent year-on-year. Excluding foreign currency effects, net sales in the business product category increased by US$3.4 million, or 3.9%, and US Dollar reported net sales increased by US$3.0 million, or 3.5%, year-on-year, due to expanded product offerings and an additional US$1.0 million in net sales of *Speck* protective laptop and tablet cases. Net sales in the accessories category increased by US$25.6 million, or 38.6%, on a constant currency basis and US Dollar reported net sales increased by US$25.3 million, or 38.2%, primarily due to an additional US$25.2 million in net sales of *Speck* protective phone cases from the previous year.

Excluding foreign currency effects, net sales in the wholesale channel increased by US$53.3 million, or 8.7%, and US Dollar reported net sales increased by US$48.0 million, or 7.9%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Excluding contributions from the acquisitions completed in 2014 and foreign currency effects, net sales in the wholesale channel increased by 4.1%. Net sales in the retail channel increased by US$3.4 million, or 2.2%, on a constant currency basis, and US Dollar reported net sales increased by US$2.0 million, or 1.3%, year-on-year. Net sales growth in the retail channel was driven by sales made through the Group's e-commerce website, which increased by 18.3% on a constant currency basis year-on-year, as well as by the addition of 16 net new stores opened during 2015. On a same store, constant currency basis, net sales in the retail channel decreased by 6.0% due to the negative impact that the strengthening US Dollar had on foreign tourist arrivals to gateway markets in the United States, as well as the impact of the inclement winter weather during the first quarter of 2015.

The overall increase in net sales in North America was due to the Group's continued focus on marketing and selling regionally developed products, as well as the acquisitions made during 2014. The focus on regional product development enabled the Group to bring to market products that are designed to appeal to the tastes and preferences of North American consumers, resulting in strong consumer demand. Excluding foreign currency effects, net sales in Canada increased by 19.3% where the Group's wholesale business continued to thrive with increased sales of the *Samsonite* brand.

The following table sets forth a breakdown of net sales within the North American region by geographic location for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total regional net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects(2)
Net sales by geographic location(1):						
United States	**769,505**	**94.8%**	720,737	94.7%	6.8%	6.8%
Canada	**41,799**	**5.2%**	40,573	5.3%	3.0%	19.3%
Net sales	**811,304**	**100.0%**	761,310	100.0%	6.6%	7.4%

Notes

(1) 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.

(2) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Europe

Excluding foreign currency effects, the Group's net sales in Europe increased by US$98.5 million, or 17.7%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales for the region decreased by US$13.2 million, or 2.4%, due to the negative impact of the strengthening US Dollar. Excluding net sales attributable to the *Lipault* and *Gregory* brands, which were acquired during 2014, net sales increased by US$87.6 million, or 15.9%, on a constant currency basis.

Excluding foreign currency effects, net sales of the *Samsonite* brand increased by US$22.9 million, or 4.6%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales of the *Samsonite* brand decreased by US$63.0 million, or 12.7%. Net sales of the *American Tourister* brand increased by US$37.0 million, or 88.3%, on a constant currency basis, and US Dollar reported net sales increased by US$21.9 million, or 52.2%, compared to the prior year. *American Tourister* comprised 11.7% of the net sales in the European region during 2015 compared to 7.5% during 2014 as the Group focused on driving growth of the *American Tourister* brand and increasing its presence in Europe. Net sales of the *Lipault* brand amounted to US$10.9 million during 2015 compared to US$5.4 million from the date of its acquisition on April 1, 2014 through the end of 2014. Net sales of the *Gregory* brand amounted to US$2.6 million during 2015 compared to US$0.1 million from the date of its acquisition on July 23, 2014 through the end of 2014.

Excluding foreign currency effects, net sales in the travel product category increased by US$47.5 million, or 10.9%, and US Dollar reported net sales decreased by US$32.7 million, or 7.5%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Excluding foreign currency effects, net sales in the casual product category increased by US$4.2 million, or 26.6%, year-on-year, mainly attributable to the contributions from the *Gregory* and *High Sierra* brands. Successful new business product introductions under the *Samsonite* brand drove net sales in the business product category to increase by US$19.6 million, or 39.0%, on a constant currency basis, while US Dollar reported net sales increased by US$7.1 million, or 14.1%.

Excluding foreign currency effects, net sales in the wholesale channel increased by US$27.6 million, or 6.7%, for the year ended December 31, 2015 compared to the previous year, and US Dollar reported net sales decreased by US$41.6 million, or 10.1%, year-on-year. Net sales in the retail channel increased by US$71.5 million, or 48.9%, on a constant currency basis, and US Dollar reported net sales increased by US$29.0 million, or 19.8%, over the same period. The increase was driven by the addition of 79 net new stores opened during 2015, including 21 Rolling Luggage stores and 30 Chic Accent stores. On a same store, constant currency basis, net sales in the retail channel increased by 8.3%. Direct-to-consumer e-commerce sales in the region increased year-on-year by 24.3%, on a constant currency basis.

Germany, the Group's leading market in Europe representing 14.7% of total US Dollar reported net sales in the region, achieved 17.4% constant currency sales growth during the year ended December 31, 2015 compared to the prior year. The United Kingdom posted strong constant currency net sales growth of 41.5% over the previous year, including the results from the acquisition of Rolling Luggage in February 2015. The Group's business in Italy continued to improve with constant currency net sales growth of 18.9% over the previous year, including the results from the acquisition of Chic Accent on September 30, 2015. Net sales in France increased by 8.7% on a constant currency basis, including the contribution from the *Lipault* brand. Excluding net sales attributable to the *Lipault* brand, net sales in France increased by 4.4% on a constant currency basis. The Group continued to penetrate the emerging markets of Turkey and South Africa with year-on-year constant currency net sales growth of 39.7% and 29.2%, respectively. The Group's business in Russia was negatively impacted by the economic downturn in the country and the devaluation of the Russian Ruble, but still generated constant currency net sales growth of 9.0% year-on-year. On June 26, 2015, the Group acquired the 40% non-controlling interest in its Russian subsidiary.

The following table sets forth a breakdown of net sales within the European region by geographic location for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total regional net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects[3]
Net sales by geographic location[1]:						
Germany	**80,252**	**14.7%**	81,847	14.7%	(1.9)%	17.4%
France	**68,393**	**12.6%**	75,473	13.5%	(9.4)%	8.7%
Belgium[2]	**64,411**	**11.8%**	65,239	11.7%	(1.3)%	18.6%
Italy	**60,614**	**11.1%**	60,799	10.9%	(0.3)%	18.9%
United Kingdom	**59,774**	**11.0%**	45,684	8.2%	30.8 %	41.5%
Spain	**41,055**	**7.5%**	44,812	8.0%	(8.4)%	9.6%
Russia	**27,085**	**5.0%**	40,037	7.2%	(32.4)%	9.0%
Other	**143,156**	**26.3%**	144,043	25.8%	(0.6)%	18.9%
Net sales	**544,740**	**100.0%**	557,934	100.0%	(2.4)%	17.7%

Notes

(1) 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.

(2) Net sales in Belgium were US$18.8 million and US$21.7 million for the years ended December 31, 2015 and December 31, 2014, respectively. Remaining sales consisted of direct shipments to distributors, customers and agents in other countries.

(3) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Latin America

Excluding foreign currency effects, the Group's net sales in Latin America increased by US$11.3 million, or 8.6%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales for the region decreased by US$10.1 million, or 7.8%, as the Group was negatively impacted by the strengthening of the US Dollar.

Excluding foreign currency effects, net sales of the *Samsonite* brand increased by US$1.9 million, or 3.1%, and US Dollar reported net sales decreased by US$8.7 million, or 14.3%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Net sales of the *American Tourister* brand were relatively flat on a constant currency basis and US Dollar reported net sales decreased by 17.3% year-on-year. Sales of women's handbags under the *Secret* brand name enjoyed continued success, with constant currency growth of 14.4% and US Dollar reported net sales of US$13.4 million in 2015. Excluding foreign currency effects, net sales of the local brands *Saxoline* and *Xtrem* increased by 12.9% and 21.1%, respectively.

Excluding foreign currency effects, net sales in the travel product category increased by US$3.6 million, or 6.0%, for the year ended December 31, 2015 compared to the prior year. US Dollar reported net sales decreased by US$6.8 million, or 11.3%. Net sales in the casual product category increased by US$2.6 million, or 7.8%, on a constant currency basis. US Dollar reported net sales decreased by US$2.3 million, or 7.0%. Excluding foreign currency effects, net sales in the business product category increased by 5.8% and US Dollar reported net sales decreased by US$1.3 million, or 10.3%.

Excluding foreign currency effects, net sales in the wholesale channel increased by US$4.1 million, or 4.5%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported net sales decreased by US$10.4 million, or 11.4%, year-on-year. Net sales in the retail channel increased by US$7.2 million, or 18.5%, on a constant currency basis as the Group opened 28 net new company-operated retail stores during 2015. US Dollar reported net sales increased by 0.8%. On a same store, constant currency basis, net sales in the retail channel increased by 2.6%. The Group continues to invest in retail expansion in Latin America to gain market share and drive future profitability.

Excluding foreign currency effects, net sales in Chile improved by 12.9% year-on-year. US Dollar reported net sales for Chile decreased by US$1.0 million, or 1.8%, as US Dollar reported results were negatively impacted by foreign exchange rates. The constant currency net sales growth in Chile was primarily due to sales of the women's handbag brand *Secret*, as well as the *Saxoline* and *Xtrem* brands. Excluding foreign currency effects, net sales in Mexico increased by 15.2% for the year ended December 31, 2015 compared to the prior year, driven by the *Samsonite, American Tourister* and *Xtrem* brands. Net sales in Brazil decreased by 28.2% on a constant currency basis and US Dollar reported net sales decreased by 47.1% due to the economic downturn in the country that has impacted consumer spending. The Group continues to invest in Brazil, where the Group's presence has historically been under-represented, to drive future net sales growth and gain market share. Excluding Brazil, net sales in Latin America increased by 14.9% on a constant currency basis and decreased by 1.1% on a US Dollar reported basis for the year ended December 31, 2015 compared to the year ended December 31, 2014.

The following table sets forth a breakdown of net sales within the Latin American region by geographic location for the years ended December 31, 2015 and December 31, 2014, both in absolute terms and as a percentage of total regional net sales.

	Year ended December 31,					
	2015		2014		2015 vs 2014	
	US$'000	**Percentage of net sales**	US$'000	Percentage of net sales	Percentage increase (decrease)	Percentage increase (decrease) excl. foreign currency effects[4]
Net sales by geographic location[1]:						
Chile	**57,867**	**48.0%**	58,898	45.1%	(1.8)%	12.9%
Mexico	**38,429**	**31.9%**	39,830	30.5%	(3.5)%	15.2%
Brazil[2]	**10,016**	**8.3%**	18,925	14.5%	(47.1)%	(28.2)%
Other[3]	**14,164**	**11.8%**	12,953	9.9%	9.3%	22.9%
Net sales	**120,476**	**100.0%**	130,606	100.0%	(7.8)%	8.6%

Notes

(1) 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.

(2) The net sales figure for Brazil includes net sales to third party distributors in Brazil.

(3) The net sales figure for the "Other" geographic location includes sales in Argentina, Colombia, Panama, Peru and through the Group's distribution center in Uruguay, but does not include sales in Brazil to third party distributors.

(4) Results stated on a constant currency basis are calculated by applying the average exchange rate of the previous year to current year local currency results.

Cost of Sales and Gross Profit

Cost of sales increased by US$46.6 million, or 4.2%, to US$1,153.5 million (representing 47.4% of net sales) for the year ended December 31, 2015 from US$1,106.9 million (representing 47.1% of net sales) for the year ended December 31, 2014.

Gross profit increased by US$35.1 million, or 2.8%, to US$1,279.0 million for the year ended December 31, 2015 from US$1,243.8 million for the year ended December 31, 2014. Gross profit margin decreased to 52.6% for the year ended December 31, 2015 from 52.9% for the year ended December 31, 2014.

The increase in cost of sales as a percentage of net sales in 2015 was attributable to several factors. The strengthening of the US Dollar has negatively impacted the cost of the Group's product purchases in US Dollars that were then sold in local currency. In addition, gross profit margins have decreased due to the expansion of the *American Tourister* brand in Europe and business-to-business sales accounting for a greater proportion of the channel mix in Asia, both of which typically yield lower margins. These factors were marginally offset by reductions in commodity prices during the second half of 2015.

Distribution Expenses

Distribution expenses increased by US$39.5 million, or 6.3%, to US$665.8 million (representing 27.4% of net sales) for the year ended December 31, 2015 from US$626.3 million (representing 26.6% of net sales) for the year ended December 31, 2014. This increase was primarily due to the increase in sales volume in 2015. Distribution expenses as a percentage of net sales increased slightly year-on-year primarily due to increased costs from the Group's retail expansion strategy, investment in the infrastructure of the Group's business in Latin America, investment in the geographical expansion of the *American Tourister* brand and the integration of acquisitions.

Marketing Expenses

The Group spent US$132.1 million (representing 5.4% of net sales) on marketing during the year ended December 31, 2015 compared to US$144.7 million (representing 6.2% of net sales) for the year ended December 31, 2014, a decrease of US$12.7 million, or 8.8%. On a constant currency basis, marketing expenses were relatively in line with the previous year. The Group scaled back marketing spend during 2015 to help mitigate foreign currency pressures. Marketing expenses, as a percentage of net sales, was also impacted by increased sales of acquired brands and strong organic sales growth. The Group continued to employ targeted and focused advertising and promotional campaigns. The Group believes the success of its advertising campaigns is evident in its net sales growth, and remains committed to enhancing brand and product awareness and driving additional net sales growth through focused marketing activities.

General and Administrative Expenses

General and administrative expenses increased by US$3.3 million, or 2.2%, to US$154.5 million (representing 6.4% of net sales) for the year ended December 31, 2015 from US$151.1 million (representing 6.4% of net sales) for the year ended December 31, 2014. Although general and administrative expenses increased slightly in absolute terms, these expenses remained constant as a percentage of net sales as the Group maintained tight control of its fixed cost base and leveraged it against strong sales growth. Share-based compensation expense, a non-cash expense included in general and administrative expenses, amounted to US$15.2 million, an increase of US$4.2 million from the previous year due to the additional share options granted in 2015. Excluding share-based compensation expense, general and administrative expenses, as a percentage of net sales, decreased by 30 basis points compared to the previous year.

Other Expenses

The Group incurred other expenses of US$17.8 million and US$22.4 million for the years ended December 31, 2015 and December 31, 2014, respectively. Other expenses for 2015 included acquisition-related costs of US$8.9 million, which were primarily comprised of costs associated with due diligence and integration activities, severance, and professional and legal fees associated with both the Rolling Luggage and Chic Accent acquisitions that were completed in 2015, as well as other contemplated acquisitions. Other expenses for 2014 included acquisition-related costs of US$13.5 million, which were primarily comprised of costs associated with due diligence and integration activities, severance, and professional and legal fees for the acquisitions of Lipault, Speck Products and Gregory that were completed during 2014.

Operating Profit

On a constant currency basis, the Group’s operating profit increased by US$27.9 million, or 9.3%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Excluding acquisition-related costs, the Group's operating profit for the year ended December 31, 2015 increased by US$23.5 million, or 7.5%, on a constant currency basis, year-on-year. Further excluding share-based compensation expense, which increased by US$4.3 million year-on-year, operating profit for the year ended December 31, 2015 increased by US$27.8 million, or 8.6%, on a constant currency basis year-on-year. US Dollar reported operating profit of US$308.9 million for the year ended December 31, 2015 increased by US$9.6 million, or 3.2%, from US$299.3 million for the year ended December 31, 2014 due to the factors noted above.

Net Finance Costs

Net finance costs increased by US$0.9 million, or 5.4%, to US$17.8 million for the year ended December 31, 2015 from US$16.9 million for the year ended December 31, 2014. This increase was primarily attributable to a US$1.5 million increase in the expense recognized for the change in fair value of put options related to agreements with certain holders of non-controlling interests, marginally offset by a US$0.5 million decrease in interest expense due to lower debt levels during 2015. Foreign exchange losses were relatively flat year-on-year.

Profit before Income Tax

On a constant currency basis, profit before income tax increased by US$24.1 million, or 8.5%, to US$306.5 million for the year ended December 31, 2015 from US$282.4 million for the year ended December 31, 2014. US Dollar reported profit before income tax increased by US$8.7 million, or 3.1%, to US$291.1 million for the year ended December 31, 2015 from US$282.4 million for the year ended December 31, 2014 due to the factors noted above.

Income Tax Expense

On a constant currency basis, income tax expense increased by US$3.7 million, or 4.9%, to US$80.8 million for the year ended December 31, 2015 from US$77.0 million for the year ended December 31, 2014. US Dollar reported income tax expense decreased by US$3.0 million, or 3.9%, to US$74.0 million for the year ended December 31, 2015 from US$77.0 million for the year ended December 31, 2014.

The Group's consolidated effective tax rate for operations was 25.4% and 27.3% for the years ended December 31, 2015 and December 31, 2014, respectively. The effective tax rate is calculated using a weighted average income tax rate from those jurisdictions in which the Group is subject to tax, adjusted for permanent book/tax differences, tax incentives, changes in tax reserves and changes in unrecognized deferred tax assets. The decrease in the Group's effective tax rate was primarily due to changes in profit mix among high and low tax jurisdictions and changes in certain tax reserves.

Profit for the Year

On a constant currency basis, profit for the year increased by US$20.4 million, or 9.9%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Excluding acquisition-related costs, the Group's profit for the year, on a constant currency basis, increased by US$16.0 million, or 7.3%, year-on-year. Further excluding share-based compensation expense, which increased by US$4.3 million, profit for the year increased by US$20.3 million, or 8.8%, on a constant currency basis year-on-year. US Dollar reported profit for the year of US$217.0 million for the year ended December 31, 2015 increased by US$11.7 million, or 5.7%, from US$205.4 million for the previous year. Profit for the year was adversely impacted by the strengthening of the US Dollar, increased costs from the Group's retail store expansion, slightly lower gross profit margin, the investment in the geographical expansion of the *American Tourister* brand in Europe and the investment in the Group's business in Latin America. These adverse impacts were marginally offset by the Group reducing its advertising expenditures.

On a constant currency basis, profit attributable to the equity holders increased by US$19.9 million, or 10.7%, compared to the prior year. Excluding acquisition-related costs, the Group's profit attributable to equity holders, on a constant currency basis, increased by US$15.5 million, or 7.8%, year-on-year. Further excluding share-based compensation expense, which increased by US$4.3 million on a constant currency basis year-on-year, profit attributable to equity holders increased by US$19.8 million, or 9.4%, on a constant currency basis. US Dollar reported profit attributable to the equity holders was US$197.6 million for the year ended December 31, 2015, an increase of US$11.4 million, or 6.1%, from US$186.3 million for the year ended December 31, 2014.

On a constant currency basis, Adjusted Net Income, a non-IFRS measure, increased by US$19.6 million, or 9.5%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Further excluding the share-based compensation expense noted above, Adjusted Net Income increased by US$23.9 million, or 11.0%, on a constant currency basis year-on-year. US Dollar reported Adjusted Net Income increased by US$10.7 million, or 5.2%, to US$216.9 million for the year ended December 31, 2015 from US$206.3 million for the year ended December 31, 2014. Adjusted Net Income was impacted by the factors noted above. See the reconciliation of profit for the year to Adjusted Net Income below for a detailed discussion of the Group's results excluding certain non-recurring costs and charges and other non-cash charges that impacted US Dollar reported profit for the year.

Basic earnings per share ("Basic EPS") and diluted earnings per share ("Diluted EPS") increased by 6.1% to US$0.140 for the year ended December 31, 2015 from US$0.132 for the year ended December 31, 2014. The weighted average number of shares utilized in the Basic EPS calculation increased by 1.4 million shares from December 31, 2014 as a result of shares issued upon exercise of share options by certain participants in the Group's Share Award Scheme. The weighted average number of shares utilized in the Basic EPS calculation increased by 625 thousand shares from December 31, 2013 as a result of shares issued upon exercise of share options by certain participants in the Group's Share Award Scheme. The weighted average number of shares outstanding utilized in the Diluted EPS calculation increased by 2.8 million shares from December 31, 2014 as certain outstanding share options became dilutive during 2015. The weighted average number of shares outstanding utilized in the Diluted EPS calculation increased by 2.5 million shares from December 31, 2013 as certain outstanding share options became dilutive during 2014.

Adjusted Basic EPS and adjusted Diluted EPS increased to US$0.154 and US$0.154, respectively, for the year ended December 31, 2015 from US$0.147 and US$0.146, respectively, for the year ended December 31, 2014.

Adjusted EBITDA

On a constant currency basis, Adjusted EBITDA, a non-IFRS measure, increased by US$48.5 million, or 12.6%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. US Dollar reported Adjusted EBITDA increased by US$16.8 million, or 4.4%, to US$401.2 million for the year ended December 31, 2015 from US$384.3 million for the year ended December 31, 2014. US Dollar reported Adjusted EBITDA margin increased to 16.5% from 16.4%. The Group continued to maintain tight control of its fixed cost base while experiencing strong sales growth in its core business.

The following table presents the reconciliation from the Group's profit for the year to Adjusted EBITDA for the years ended December 31, 2015 and December 31, 2014:

(Expressed in thousands of US Dollars)	Year ended December 31, 2015	Year ended December 31, 2014
Profit for the year	**217,017**	205,354
Plus (Minus):		
Income tax expense	**74,043**	77,018
Finance costs	**18,679**	17,383
Finance income	**(868)**	(478)
Depreciation	**48,985**	42,588
Amortization	**10,590**	9,180
EBITDA	**368,446**	351,045
Plus:		
Share-based compensation expense	**15,215**	11,041
Other adjustments(1)	**17,526**	22,259
Adjusted EBITDA	**401,187**	384,345
Adjusted EBITDA growth	**4.4%**	13.8%
Adjusted EBITDA margin	**16.5%**	16.4%

Note

(1) Other adjustments primarily comprised of 'Other expenses' per the consolidated income statement, which includes acquisition-related costs of US$8.9 million and US$13.5 million for the years ended December 31, 2015 and December 31, 2014, respectively.

The following tables present reconciliations from profit (loss) for the year to Adjusted EBITDA on a regional basis for the years ended December 31, 2015 and December 31, 2014:

	Year ended December 31, 2015					
(Expressed in thousands of US Dollars)	**Asia**	**North America**	**Europe**	**Latin America**	**Corporate**	**Total**
Profit for the year	**83,752**	**33,078**	**34,479**	**(3,980)**	**69,688**	**217,017**
Plus (Minus):						
Income tax expense (benefit)	**29,382**	**21,680**	**16,982**	**2,743**	**3,256**	**74,043**
Finance costs	**2,167**	**1,327**	**1,115**	**4,816**	**9,254**	**18,679**
Finance income	**(488)**	**(2)**	**(444)**	**66**	**—**	**(868)**
Depreciation	**15,084**	**11,553**	**17,608**	**2,345**	**2,395**	**48,985**
Amortization	**5,233**	**1,347**	**1,720**	**2,256**	**34**	**10,590**
EBITDA	**135,130**	**68,983**	**71,460**	**8,246**	**84,627**	**368,446**
Plus (Minus):						
Share-based compensation expense	**1,116**	**2,704**	**1,313**	**41**	**10,041**	**15,215**
Other adjustments(1)	**64,314**	**52,466**	**19,607**	**2,640**	**(121,501)**	**17,526**
Adjusted EBITDA	**200,560**	**124,153**	**92,380**	**10,927**	**(26,833)**	**401,187**
Adjusted EBITDA growth	**5.8%**	**6.7%**	**(3.0%)**	**(0.1%)**	**(3.2%)**	**4.4%**
Adjusted EBITDA growth, constant currency basis	**11.3%**	**7.7%**	**16.9%**	**8.9%**	**(3.2%)**	**12.6%**
Adjusted EBTIDA margin	**21.2%**	**15.3%**	**17.0%**	**9.1%**	***nm***	**16.5%**

Notes

(1) Other adjustments primarily comprised of 'Other expenses' per the consolidated income statement which includes acquisition-related costs. Regional results include intra-group royalty income/expense.

nm Not meaningful.

	Year ended December 31, 2014					
(Expressed in thousands of US Dollars)	Asia	North America	Europe	Latin America	Corporate	Total
Profit for the year	80,706	29,797	45,477	4,349	45,025	205,354
Plus (Minus):						
Income tax expense (benefit)	24,232	20,177	22,049	(926)	11,486	77,018
Finance costs	3,446	751	1,776	(13)	11,423	17,383
Finance income	(354)	(6)	(107)	(9)	(2)	(478)
Depreciation	14,333	8,731	15,678	2,071	1,775	42,588
Amortization	4,302	1,389	1,525	1,930	34	9,180
EBITDA	126,665	60,839	86,398	7,402	69,741	351,045
Plus (Minus):						
Share-based compensation expense	719	2,285	2,012	263	5,762	11,041
Other adjustments(1)	62,217	53,186	6,805	3,275	(103,224)	22,259
Adjusted EBITDA	189,601	116,310	95,215	10,940	(27,721)	384,345
Adjusted EBITDA margin	21.2%	15.3%	17.1%	8.4%	*nm*	16.4%

Notes

(1) Other adjustments primarily comprised of 'Other expenses' per the consolidated income statement which includes acquisition-related costs. Regional results include intra-group royalty income/expense.

nm Not meaningful.

The Group has presented Adjusted EBITDA because it believes that, when viewed with its results of operations as prepared in accordance with IFRS and with the reconciliation to profit for the year, Adjusted EBITDA provides additional information that is useful in gaining a more complete understanding of its operational performance and of the trends impacting its business. Adjusted EBITDA is an important metric the Group uses to evaluate its operating performance and cash generation.

Adjusted EBITDA is a non-IFRS financial measure and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered as a measure comparable to profit for the year in the Group's consolidated income statement. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's results of operations as reported under IFRS.

Adjusted Net Income

On a constant currency basis, Adjusted Net Income, a non-IFRS measure, increased by US$19.6 million, or 9.5%, for the year ended December 31, 2015 compared to the year ended December 31, 2014. Further excluding share-based compensation expense, Adjusted Net Income increased by US$23.9 million, or 11.0%, on a constant currency basis year-on-year. US Dollar reported Adjusted Net Income increased by US$10.7 million, or 5.2%, to US$216.9 million for the year ended December 31, 2015 from US$206.3 million for the year ended December 31, 2014. The Group experienced strong Adjusted Net Income growth year-on-year, despite the adverse impact from the strengthening of the US Dollar, increased costs from the Group's retail store expansion, lower gross profit margin, the investment in the geographical expansion of the *American Tourister* brand in Europe and the investment in the Group's business in Latin America.

The following table presents the reconciliation from the Group's profit for the year to Adjusted Net Income for the years ended December 31, 2015 and December 31, 2014:

	Year ended December 31,	
(Expressed in thousands of US Dollars)	**2015**	2014
Profit for the year	**217,017**	205,354
Profit attributable to non-controlling interests	**(19,378)**	(19,098)
Profit attributable to the equity holders	**197,639**	186,256
Plus (Minus):		
Change in fair value of put options	**5,772**	4,245
Amortization of intangible assets	**10,590**	9,180
Acquisition-related costs	**8,877**	13,541
Tax adjustments	**(5,968)**	(6,971)
Adjusted Net Income[1]	**216,910**	206,251

Note

(1) Represents Adjusted Net Income attributable to the equity holders of the Company.

The Group has presented Adjusted Net Income because it believes this measure helps to give securities analysts, investors and other interested parties a better understanding of the Group's underlying financial performance. By presenting Adjusted Net Income, the Group eliminates the effect of a number of non-recurring costs, charges and credits and certain other non-cash charges that impact US Dollar reported profit for the year.

Adjusted Net Income is a non-IFRS financial measure, and as calculated herein may not be comparable to similarly named measures used by other companies and should not be considered as a measure comparable to profit for the year in the Group's consolidated income statement. Adjusted Net Income has limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, an analysis of the Group's results of operations as reported under IFRS.

Liquidity and Capital Resources

The primary objective of the Group's capital management policies is to safeguard its ability to continue as a going concern, to provide returns for the Company's shareholders, and to fund capital expenditures, normal operating expenses, working capital needs and the payment of obligations. The Group's primary sources of liquidity are its cash flows from operating activities, invested cash, available lines of credit and, subject to shareholder approval, the Company's ability to issue additional shares. The Group believes that its existing cash and estimated cash flows, along with current working capital, will be adequate to meet the operating and capital requirements of the Group for at least the next twelve months.

Cash provided by operating activities increased by US$29.1 million, or 12.7%, to US$259.0 million for the year ended December 31, 2015 compared to US$229.9 million for the year ended December 31, 2014. This increase is primarily attributable to increased profits and more efficiently managed working capital, which were partially offset by an increase in taxes paid.

For the year ended December 31, 2015, net cash used in investing activities was US$104.1 million compared to US$267.1 million in the previous year. This decrease was primarily due to the smaller investments required in the purchases of Rolling Luggage in February 2015 and Chic Accent in September 2015 compared to the acquisitions of Speck Products, Lipault and Gregory in 2014.

Net cash flows used in financing activities was US$110.2 million for the year ended December 31, 2015 compared to US$41.7 million for the year ended December 31, 2014. Cash flows used in financing activities are largely attributable to the US$88.0 million distribution to shareholders and the purchase of the non-controlling interest in the Group's Russian subsidiary.

Indebtedness

The following table sets forth the carrying amount of the Group's loans and borrowings as of December 31, 2015 and December 31, 2014:

(Expressed in thousands of US Dollars)	**December 31, 2015**	December 31, 2014
Revolving Facility	**48,174**	60,000
Other lines of credit	**15,921**	7,536
Finance lease obligations	**87**	32
Total loans and borrowings	**64,182**	67,568
Less deferred financing costs	**(1,401)**	(2,419)
Total loans and borrowings less deferred financing costs	**62,781**	65,149

The Group had US$180.8 million in cash and cash equivalents as of December 31, 2015, compared to US$140.4 million as of December 31, 2014.

The Group maintains a revolving credit facility (the "Revolving Facility") in the amount of US$500.0 million. The facility can be increased by an additional US$300.0 million, subject to lender approval. The Revolving Facility has an initial term of five years from its effective date of June 17, 2014, with a one year extension available at the request of the Group and at the option of the lenders. The interest rate on borrowings under the Revolving Facility is the aggregate of (i) (a) LIBOR or (b) the prime rate of the lender and (ii) a margin to be determined based on the Group's leverage ratio. Based on the Group's leverage ratio, the Revolving Facility carries a commitment fee ranging from 0.2% to 0.325% per annum on any unutilized amounts, as well as an agency fee if another lender joins the Revolving Facility. The Revolving Facility is secured by certain of the Group's assets in the United States and Europe, as well as the Group's intellectual property. The Revolving Facility also contains financial covenants related to interest coverage and leverage ratios, and operating covenants that, among other things, limit the Group's ability to incur additional debt, create liens on its assets, and participate in certain mergers, acquisitions, liquidations, asset sales or investments. The Group was in compliance with the financial covenants as of December 31, 2015. As of December 31, 2015, US$449.3 million was available to be borrowed on the Revolving Facility as a result of US$48.2 million of outstanding borrowings and the utilization of US$2.5 million of the facility for outstanding letters of credit extended to certain creditors. As of December 31, 2014, US$437.5 million was available to be borrowed as a result of US$60.0 million of outstanding borrowings and the utilization of US$2.5 million of the facility for outstanding letters of credit extended to certain creditors.

Certain consolidated subsidiaries of the Group maintain credit lines with various third party lenders in the regions in which they operate. These local credit lines provide working capital for the day-to-day business operations of the subsidiaries, including overdraft, bank guarantee, and trade finance and factoring facilities. The majority of these credit lines are uncommitted facilities. The total aggregate amount outstanding under the local facilities was US$15.9 million and US$7.5 million as of December 31, 2015 and December 31, 2014, respectively.

The following represents the contractual maturity dates of the Group's loans and borrowings (excluding the impact of netting agreements) as of December 31, 2015 and December 31, 2014:

(Expressed in thousands of US Dollars)	**December 31, 2015**	December 31, 2014
On demand or within one year	**64,125**	67,550
After one year but within two years	**18**	15
After two years but within five years	**39**	3
More than five years	**—**	—
	64,182	67,568

Hedging

The Group's non-U.S. subsidiaries periodically enter into forward contracts related to the purchase of inventory denominated primarily in US Dollars which are designated as cash flow hedges. Cash outflows associated with these derivatives as of December 31, 2015 are expected to be US$88.5 million within one year.

Other Financial Information

Capital Expenditures

Historical Capital Expenditures

The following table sets forth the Group's historical capital expenditures for the years ended December 31, 2015 and December 31, 2014:

(Expressed in thousands of US Dollars)	Year ended December 31, **2015**	2014
Land	**26**	681
Buildings	**2,659**	11,455
Machinery, equipment, leasehold improvements and other	**65,792**	57,500
Total capital expenditures	**68,477**	69,636

Capital expenditures during the year ended December 31, 2015 included costs for beginning the construction of a new warehouse in China, new or remodeled retail locations and investments in the Group's infrastructure.

Planned Capital Expenditures

The Group's capital expenditures budget for 2016 is approximately US$84.0 million. The Group plans to complete the warehouse in China, begin a plant expansion in Hungary, refurbish existing retail stores, open new retail stores and invest in machinery and equipment.

Contractual Obligations

The following table summarizes scheduled maturities of the Group's contractual obligations for which cash flows are fixed and determinable as of December 31, 2015:

(Expressed in thousands of US Dollars)	Total	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans and borrowings	64,182	64,125	18	39	—
Minimum operating lease payments	351,117	94,453	89,374	102,717	64,573
Total	415,299	158,578	89,392	102,756	64,573

As of December 31, 2015, the Group did not have any material off-balance sheet arrangements or contingencies except as included in the table summarizing its contractual obligations above.

Future Prospects

The Group's growth strategy will continue as planned for 2016, with a focus on the following:

- Continue to develop the Company into a well-diversified multi-brand, multi-category and multi-channel luggage, bag and accessories business.
- Tactfully deploy multiple brands to operate at wider price points and broader consumer demographics in each category.
- Increase the proportion of sales from the Group's retail channel by growing e-commerce sales and through targeted expansion of its retail presence.
- Continue to invest in the Group's core brands with sustained R&D spending to produce exciting and innovative new products as well as new materials, supported by effective marketing spend to drive awareness among consumers.
- Execute on market opportunities for newly acquired brands to further diversify the Group's product offering into non-travel categories.

The Group aims to deliver top line growth, maintain gross margins, increase Adjusted EBITDA margins and enhance shareholder value.

Forward-Looking Statements

This document contains forward-looking statements. Forward-looking statements reflect the Group's current views with respect to future events and performance. These statements may discuss, among other things, the Group's net sales, operating profit, Adjusted Net Income, Adjusted EBITDA, Adjusted EBITDA margin, cash flow, liquidity and capital resources, impairments, growth, strategies, plans, achievements, distributions, organizational structure, future store openings, market opportunities and general market and industry conditions. The Group generally identifies forward-looking statements by words such as "expect", "seek", "believe", "plan", "intend", "estimate", "project", "anticipate", "may", "will", "would" and "could" or similar words or statements. Forward-looking statements are based on beliefs and assumptions made by management using currently available information. These statements are only predictions and are not guarantees of future performance, actions or events. Forward-looking statements are subject to risks and uncertainties. If one or more of these risks or uncertainties materialize, or if management's underlying beliefs and assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Forward-looking statements speak only as of the date on which they are made. The Group expressly disclaims any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable securities laws and regulations.

Corporate Governance and Other Information

At December 31, 2015, the composition of the Board of Directors of the Company (the "Board") was as follows:

Executive Directors ("EDs")

Ramesh Dungarmal Tainwala
Chief Executive Officer

Kyle Francis Gendreau
Chief Financial Officer

Tom Korbas
President, North America

Non-Executive Director ("NED")

Timothy Charles Parker
Chairman

Independent Non-Executive Directors ("INEDs")

Paul Kenneth Etchells
Keith Hamill
Miguel Kai Kwun Ko
Bruce Hardy McLain (Hardy)
Ying Yeh

At December 31, 2015, the Board committees were as follows:

Audit Committee/Review of Accounts

The Board has established an Audit Committee and has adopted written terms of reference that set forth the authority and duties of the committee. The Audit Committee consists of four members, namely Mr. Paul Kenneth Etchells (Chairman of the Audit Committee) (INED), Mr. Keith Hamill (INED), Mr. Miguel Kai Kwun Ko (INED) and Ms. Ying Yeh (INED).

In compliance with Rule 3.21 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules"), at least one member of the Audit Committee possesses appropriate professional qualifications in accounting or related financial management expertise in discharging the responsibilities of the Audit Committee. All members have sufficient experience in reviewing audited financial statements as aided by the auditors of the Company whenever required.

The primary duties of the Audit *C*ommittee are to review and supervise the Company's financial reporting process and risk management and internal control systems, to monitor the integrity of the Company's financial statements and financial reporting, and to oversee the audit process.

The Audit Committee has reviewed the consolidated financial information of the Company for the year ended December 31, 2015 with the Board of Directors.

The figures in respect of the preliminary announcement of the Company's results for the year ended December 31, 2015 have been agreed with the Company's auditors KPMG LLP to the amounts set out in the Company's consolidated financial statements for the year.

Nomination Committee

The Board has established a Nomination Committee and has adopted written terms of reference that set forth the authority and duties of the committee. The Nomination *C*ommittee consists of four members, namely Mr. Timothy Charles Parker (Chairman of the Nomination Committee) (NED), Mr. Paul Kenneth Etchells (INED), Mr. Miguel Kai Kwun Ko (INED) and Ms. Ying Yeh (INED).

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, to make recommendations to the Board with respect to any changes to the composition of the Board, and to assess the independence of the INEDs. When identifying suitable candidates, the Nomination Committee shall (where applicable and appropriate) use open advertising or the services of external advisers and consider candidates from a wide range of backgrounds on merit and against objective criteria.

Remuneration Committee

The Board has established a Remuneration Committee and has adopted written terms of reference that set forth the authority and duties of the committee. The Remuneration Committee consists of five members, namely Mr. Miguel Kai Kwun Ko (Chairman of the Remuneration Committee) (INED), Mr. Paul Kenneth Etchells (INED), Mr. Keith Hamill (INED), Mr. Bruce Hardy McLain (Hardy) (INED) and Ms. Ying Yeh (INED).

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration, as well as to determine the specific remuneration packages of all EDs and certain members of senior management.

Human Resources and Remuneration

As of December 31, 2015, the Group had approximately 9,800 employees worldwide, compared to approximately 8,900 employees as of December 31, 2014. The increase in headcount was largely driven by the addition of new retail stores and shop-in-shop expansion in Asia as well as acquisitions. The Group regularly reviews remuneration and benefits of its employees according to the relevant market practice, employee performance and the financial performance of the Group.

Annual General Meeting

The annual general meeting of the Company will be held on June 2, 2016 (Thursday) ("AGM"). Notice of the AGM will be published and dispatched to the shareholders of the Company in the manner required by the Listing Rules in due course.

Dividends and Distributions

The Company will evaluate its distribution policy and distributions made (by way of the Company's ad hoc distributable reserve, dividends or otherwise) in any particular year in light of its financial position, the prevailing economic climate and expectations about the future macroeconomic environment and business performance. The Company intends to increase distributions to shareholders in line with its growth in earnings. The determination to make distributions will be made upon the recommendation of the Board and the approval of the Company's shareholders and will be based upon the Group's earnings, cash flow, financial condition, capital and other reserve requirements and any other conditions which the Board deems relevant. The payment of distributions may also be limited by legal restrictions and by financing agreements that the Group may enter into in the future.

On March 16, 2015, the Board recommended that a cash distribution in the amount of US$88.0 million, or approximately US$0.0624 per share, be made to the Company's shareholders of record on June 17, 2015 from its ad hoc distributable reserve. The shareholders approved this distribution on June 4, 2015 at the Annual General Meeting and the distribution was paid on July 13, 2015.

The Board recommends that a cash distribution in the amount of US$93.0 million, or approximately US$0.0659 per share based upon the number of shares outstanding as of the date hereof (the "Distribution") be made to the Company's shareholders from its ad hoc distributable reserve. The per share amount of the Distribution is subject to change in the event that any new shares are issued pursuant to the exercise of outstanding share options before the record date for the Distribution. A further announcement will be made on the record date of the Distribution in the event that the final amount per share changes. The payment shall be made in US Dollars, except that payment to shareholders whose names appear on the register of members in Hong Kong shall be paid in Hong Kong Dollars. The relevant exchange rate shall be the opening buying rate of Hong Kong Dollars to US Dollars as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day of the approval of the Distribution.

Closure of Register of Members

The Distribution will be subject to approval by the shareholders at the forthcoming AGM of the Company. For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from May 31, 2016 to June 2, 2016, both days inclusive, during which period no transfer of shares will be registered. The record date to determine which shareholders will be eligible to attend and vote at the forthcoming AGM will be June 2, 2016. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on May 30, 2016.

Subject to the shareholders approving the recommended Distribution at the forthcoming AGM, such Distribution will be payable on July 13, 2016 to shareholders whose names appear on the register of members on June 17, 2016. To determine eligibility for the Distribution, the register of members will be closed from June 15, 2016 to June 17, 2016, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to receive the Distribution, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on June 14, 2016.

The Distribution will not be subject to withholding tax under Luxembourg laws.

Corporate Governance Practices

The Company is committed to maintaining high standards of corporate governance. The Company recognizes that sound corporate governance practices are fundamental to the effective and transparent operation of the Company and to its ability to protect the rights of its shareholders and enhance shareholder value.

The Company has adopted its own corporate governance manual, which is based on the principles, provisions and practices set out in the Corporate Governance Code (as in effect from time to time, the "CG Code") contained in Appendix 14 of the Listing Rules.

The Company complied with all applicable code provisions set out in the CG Code throughout the period from January 1, 2015 to December 31, 2015, except for the deviation from code provision F.1.3 discussed below regarding the Company's Joint Company Secretaries.

Code provision F.1.3 provides that the company secretary should report to the Chairman and CEO.

Mr. John Livingston, the Vice President, General Counsel and Joint Company Secretary of the Company, reports to the Company's Chief Financial Officer ("CFO"). The Company believes this is appropriate because Mr. Livingston is based at the same location as the CFO and works closely with him on a day-to-day basis. In addition, Mr. Livingston works directly with the Company's Chairman, its CEO and with the chairpersons of the various Board committees with respect to corporate governance and other Board-related matters. Ms. Chow Yuk Yin Ivy, the Company's other joint company secretary based in Hong Kong, reports to Mr. Livingston. The Company believes this is appropriate because her primary role as joint company secretary is to assist Mr. Livingston in ensuring that the Company complies with its obligations under the Listing Rules.

Directors' Securities Transactions

The Company has adopted its own policies (the "Trading Policy") for securities transactions by directors and relevant employees who are likely to be in possession of unpublished inside information of the Group on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they complied with the required standard set out in the Trading Policy during the year ended December 31, 2015.

Purchase, Sale, or Redemption of the Company's Listed Securities

During the year ended December 31, 2015, the Company issued 1,807,069 ordinary shares at a weighted-average exercise price of HK$19.06 per share, or HK$34.4 million in aggregate, in connection with the exercise of share options that were granted under the Company's Share Award Scheme. There were no purchases or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year ended December 31, 2015.

Changes in Director's Information

A summary of changes in information concerning certain Directors of the Company that have occurred subsequent to the publication of the Company's 2015 interim report pursuant to Rule 13.51(B)(1) of the Listing Rules is as follows:

- Mr. Hamill retired as Chairman of Bagir Group Ltd. effective September 30, 2015.
- Mr. Etchells was appointed as Chairman and Non-Executive Director of Twenty20 Limited effective November 1, 2015.
- Mr. Ko was appointed as Vice Chairman and Non-Executive Director of Ascendas Real Estate Investment Trust (Ascendas Funds Management (S) Limited) effective January 1, 2016.
- Mr. Korbas will retire as the Company's President, North America, effective March 31, 2016 and will be re-designated as a non-executive director effective April 1, 2016.

Company Secretaries and Authorized Representatives

Mr. John Bayard Livingston and Ms. Chow Yuk Yin Ivy are the Company's Joint Company Secretaries while Mr. Ramesh Dungarmal Tainwala and Ms. Chow are the Company's authorized representatives (pursuant to the Listing Rules).

During 2015, the Joint Company Secretaries complied with Rule 3.29 of the Listing Rules regarding professional training.

Publication of Final Results and 2015 Annual Report

This announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.samsonite.com). The annual report for the year ended December 31, 2015 will be dispatched to the shareholders and published on the websites of The Stock Exchange of Hong Kong Limited and the Company in due course.

By Order of the Board
SAMSONITE INTERNATIONAL S.A.
Timothy Charles Parker
Chairman

Hong Kong, March 17, 2016

As of the date of this announcement, the Executive Directors are Ramesh Dungarmal Tainwala, Kyle Francis Gendreau and Tom Korbas, the Non-Executive Director is Timothy Charles Parker and the Independent Non-Executive Directors are Paul Kenneth Etchells, Keith Hamill, Miguel Kai Kwun Ko, Bruce Hardy McLain (Hardy) and Ying Yeh.