MICHAEL KORS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 28, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-35368

Michael Kors Holdings Limited

(Exact Name of Registrant as Specified in Its Charter)

British Virgin Islands	**N/A**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

33 Kingsway
London, United Kingdom
WC2B 6UF
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: 44 207 632 8600

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on which Registered
Ordinary Shares, no par value	**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

The aggregate market value of the registrant's voting and non-voting ordinary shares held by non-affiliates of the registrant was $14,237,144,924 as of September 27, 2014, the last business day of the registrant's most recently completed second fiscal quarter based on the closing price of the common stock on the New York Stock Exchange.

As of May 20, 2014, Michael Kors Holdings Limited had 198,700,035 ordinary shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this report, to the extent not set forth herein, is incorporated by reference from the Registrant's definitive Proxy Statement, which will be filed in June 2015, for the 2015 Annual Meeting of the Shareholders.

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NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements in this Annual Report on Form 10-K, including documents incorporated herein by reference, that refer to plans and expectations for future periods are forward-looking statements. These forward-looking statements are based on management's current expectations. Words such as "expects," "anticipates," "plans," "believes," "estimates," "may," "will,", "should" and variations of such words and similar expressions are intended to identify such forward-looking statements. You should not place undue reliance on such statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause the Company's actual results to differ materially from those indicated in these forward-looking statements. These factors are more fully discussed in the Company's risk factors, as they may be amended from time to time, which are set forth in the Company's filings with the Securities and Exchange Commission, including in this Annual Report, particularly under "Item 1A. Risk Factors" and in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations." The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required by applicable laws or regulations.

Electronic Access to Company Reports

Our investor website can be accessed at www.michaelkors.com under "Investor Relations." Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports filed with or furnished to the Securities and Exchange Commission (the "SEC") pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge on our investor website under the caption "SEC Filings" promptly after we electronically file such materials with, or furnish such materials to, the SEC. No information contained on our website is intended to be included as part of, or incorporated by reference into, this Annual Report on Form 10-K. Information relating to corporate governance at our Company, including our Corporate Governance Guidelines, our Code of Business Conduct and Ethics for all directors, officers, and employees, and information concerning our directors, Committees of the Board, including Committee charters, and transactions in Company securities by directors and executive officers, is available at our investor website under the captions "Corporate Governance" and "SEC Filings." Paper copies of these filings and corporate governance documents are available to shareholders free of charge by written request to Investor Relations, Michael Kors Holdings Limited, 33 Kingsway, London, United Kingdom, WC2B 6UF. Documents filed with the SEC are also available on the SEC's website at www.sec.gov.

PART I

Unless the context requires otherwise, references in this Annual Report on Form 10-K to "Michael Kors", "we", "us", "our", "the Company", "our Company" and "our business" refer to Michael Kors Holdings Limited and its wholly owned subsidiaries, unless the context requires otherwise. References to our stores, retail stores and retail segment include all of our full-price retail stores (including concessions) and outlet stores and the term "Fiscal," with respect to any year, refers to the 52-week period ending on the Saturday closest to March 31 of such year, except for "Fiscal 2016," which refers to the 53-week period ending April 2, 2016. Some differences in the numbers in the tables and text throughout this annual report may exist due to rounding. All comparable store sales are presented on a 52-week basis.

Item 1. Business

Our Company

We are a rapidly growing global luxury lifestyle brand led by a world-class management team and a renowned, award-winning designer. Since launching his namesake brand over 30 years ago, Michael Kors has featured distinctive designs, materials and craftsmanship with a jet-set aesthetic that combines stylish elegance and a sporty attitude. Mr. Kors' vision has taken the Company from its beginnings as an American luxury sportswear house to a global accessories, footwear and apparel company with a presence in over 100 countries.

We operate our business in three segments — retail, wholesale and licensing — and we have a strategically controlled global distribution network focused on company-operated retail stores, leading department stores, specialty stores and select licensing partners. In Fiscal 2015, our retail segment accounted for approximately 48.8% of our total revenue. As of March 28, 2015, our retail segment included:

- 343 North American retail stores, including concessions and our U.S. e-commerce site; and
- 183 international retail stores, including concessions, in Europe and Japan.

In Fiscal 2015, our wholesale segment accounted for approximately 47.3% of our total revenue. As of March 28, 2015, our wholesale segment included:

- wholesale sales through approximately 2,541 department store and specialty store doors in North America; and
- wholesale sales through approximately 1,497 specialty store and department store doors internationally.

A small number of our wholesale customers account for a significant portion of our net sales. Net sales to our five largest wholesale customers represented 26.3% of our total revenue for Fiscal 2015 and 28.9% of our total revenue for Fiscal 2014. Our largest wholesale customer, Federated, accounted for 13.7% of our total revenue for Fiscal 2015 and 14.4% of our total revenue for Fiscal 2014.

Our remaining revenue is generated through our licensing segment, through which we license to third parties certain production, sales and/or distribution rights through geographic licensing arrangements. In Fiscal 2015, our licensing segment accounted for approximately 3.9% of our total revenue, respectively, and consisted primarily of royalties earned on licensed products and our geographic licenses.

For additional financial information regarding our segments, see the Segment Information note presented in the Notes to the Consolidated Financial Statements.

We offer two primary collections: the *Michael Kors* luxury collection and the *MICHAEL Michael Kors* accessible luxury collection. The *Michael Kors* collection establishes the aesthetic authority of our entire brand and is carried in many of our retail stores, as well as in the finest luxury department stores in the world, including, among others, Bergdorf Goodman, Saks Fifth Avenue, Neiman Marcus, Holt Renfrew, Harrods, Harvey Nichols and Printemps. In 2004, we saw an opportunity to capitalize on the brand strength of the *Michael Kors* collection and address the significant demand opportunity in accessible luxury goods, and we introduced the *MICHAEL Michael Kors* collection, which has a strong focus on accessories, in addition to offering footwear and apparel. The *MICHAEL Michael Kors* collection is carried in all of our lifestyle stores, as well as leading department stores throughout the world, including, among others, Bloomingdale's, Nordstrom, Macy's, Harrods, Harvey Nichols, Galeries Lafayette, Lotte, Hyundai, Isetan and Lane Crawford. Taken together, our two primary collections target a broad customer base while retaining our premium luxury image.

Industry

We operate in the global luxury goods industry. Over the past ten years, the luxury goods industry has grown and has remained resilient during economic downturns. The demand for the worldwide luxury goods industry, and accessories in particular, is predicted to continue to grow in Fiscal 2016. We believe that we are well positioned to capitalize on the continued growth of the accessories product category, as it is one of our primary product categories of focus.

Geographic Information

We generate revenue globally through our segments. Through our retail and wholesale segments we sell our products in three principal geographic markets: North America, Europe and Asia. Through our licensing segment, we enter into agreements that license to third parties use of our brand name and trademarks, certain production, and sales and/or distribution rights. Revenues generated through these agreements are primarily earned in North America and Europe.

The following table details our net sales and revenue by segment and geographic location for the fiscal years then ended (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Retail net sales - North America	$1,656,095	$1,318,887	$ 938,515
Retail net sales - Europe	412,063	235,571	101,754
Retail net sales - Japan	66,420	38,547	22,373
Wholesale net sales - North America	1,662,540	1,335,545	913,145
Wholesale net sales - Europe	401,068	241,972	118,970
Wholesale net sales - Asia	1,480	—	—
Licensing Revenue- North America	100,289	117,386	86,975
Licensing Revenue- Europe	71,514	22,935	—
	$4,371,469	$3,310,843	$2,181,732

Competitive Strengths

We believe that the following strengths differentiate us from our competitors:

Rapidly Growing Luxury Lifestyle Brand with Best-in-Class Growth Metrics. We believe that the Michael Kors name has become synonymous with luxurious fashion that is timeless and elegant, expressed through sophisticated accessory and ready-to-wear collections. Each of our collections exemplifies the jet-set lifestyle and features high quality designs, materials and craftsmanship. Some of the most widely recognized global trendsetters—including celebrities such as Halle Berry, Angelina Jolie, Blake Lively, Penelope Cruz, Jennifer Lopez, Michelle Obama, Gwyneth Paltrow, the Duchess of Cambridge, and Cate Blanchett—walk the red carpet in our collections. We have built a solid foundation for continued long-term global growth and currently enjoy best-in-class growth metrics.

Design Vision Led by World-Renowned, Award-Winning Designer. Michael Kors, a world-renowned designer, personally leads our experienced design team. Mr. Kors and his team are responsible for conceptualizing and directing the design of all of our products, and their design leadership is a unique advantage that we possess. Mr. Kors has received a number of awards, which recognize the contribution Mr. Kors and his team have made to the fashion industry and our Company.

Poised to Take Share in the Growing Global Accessories Product Category. The accessories product category has been the fastest growing product category in the global luxury goods industry. In 2004, we saw the opportunity to capitalize on growing accessories demand by leveraging the strength of the *Michael Kors* luxury collection, and we introduced the accessible luxury *MICHAEL Michael Kors* collection further enhancing our brand awareness within North America.

Proven Multi-Format Retail Segment with Significant Growth Opportunity. In Fiscal 2015, our retail segment reported net sales of $2,134.6 million and a 10.3% increase in year-over-year comparable store sales from Fiscal 2014. Within our retail segment we have four primary retail store formats: collection stores, lifestyle stores, outlet stores and e-commerce site. Our collection stores are located in some of the world's most prestigious shopping areas, such as Madison Avenue in New York and Rodeo Drive in California, and are generally 3,200 square feet in size. Our lifestyle stores are located in some of the world's most frequented metropolitan shopping locations and leading regional shopping centers, and are generally 2,600 square feet in size. We also extend our reach to additional consumer groups through our outlet stores, which are generally 3,400 square feet in size. In addition to these three retail store formats, we operate concessions in a select number of department stores in North America and internationally. During Fiscal 2015, we also launched a new U.S. e-commerce platform and plan to continue to expand our international e-commerce presence in the future.

Strong Relationships with Premier Wholesale Customers. We partner with leading wholesale customers, such as Bergdorf Goodman, Saks Fifth Avenue, Neiman Marcus, Holt Renfrew, Bloomingdale's, Nordstrom and Macy's in North America; and Harrods, Harvey Nichols, Selfridges and Galeries Lafayette in Europe. These relationships enable us to access large numbers of our key consumers in a targeted manner. In addition, we are engaged in wholesale growth initiatives that are designed to transform the Michael Kors displays at select department stores into branded "shop-in-shops." By installing customized freestanding fixtures, wall casings and components, decorative items and flooring, as well as deploying specially trained staff, we believe that our shop-in-shops provide department store consumers with a more personalized shopping experience than traditional retail department store configurations. These initiatives, among others, have helped increase total revenue for our wholesale segment from $1,577.5 million in Fiscal 2014 to $2,065.1 million in Fiscal 2015, representing a 30.9% year-over-year increase.

Growing Licensing Segment. The strength of our global brand has been instrumental in helping us build our licensing business. We collaborate with a select number of product licensees who produce and sell what we believe are products requiring specialized expertise that are enhanced by our brand strength. Our relationship with Fossil Partners, LP. ("Fossil"), for instance, has helped us create a line of watches and jewelry that we believe have become, and will continue to be, status items for young fashion-conscious consumers. As of March 28, 2015, other product licensees, in addition to Fossil, included the Aramis and Designer Fragrances division of The Estée Lauder Companies Inc. ("Estée Lauder") for fragrances and beauty, and Luxottica Group (Luxottica) for eyewear, among others. Our relationships with our product licensees have helped us leverage our success across demographics and categories by taking advantage of their unique expertise, resulting in total revenue for licensed products increasing from $140.3 million in Fiscal 2014 to $171.8 million in Fiscal 2015. In addition, we have entered into agreements with non-manufacturing third-party licensees who we believe have particular expertise in the distribution of fashion accessories, footwear and apparel in specific geographic territories, such as the Middle East, Eastern Europe, Latin America and the Caribbean, throughout all of Asia (excluding Japan), and Australia.

Proven and Experienced Management Team. Our senior management team has extensive experience across a broad range of disciplines in the retail industry, including design, sales, marketing, public relations, merchandising, real estate, supply chain and finance. With an average of 25 years of experience in the retail industry, including at a number of public companies, and an average of ten years with Michael Kors, our senior management team has strong creative and operational experience and a successful track record. This extensive experience extends beyond our senior management team and deep into our organization.

Business Strategy

Our goal is to increase our revenue and profits and strengthen our global brand. Our business strategy includes the following:

Increase Our Brand Awareness. We intend to continue increasing brand awareness and customer loyalty in North America and internationally in a number of ways, including by:

- continuing to open new retail stores in preeminent, high-visibility locations;
- maintaining our strong advertising position in global fashion publications, growing our online advertising exposure and internet presence and continuing to distribute our store catalog featuring our new collections;
- holding our semi-annual runway shows that reinforce Mr. Kors' designer status and high-fashion image, creating excitement around the *Michael Kors* and *MICHAEL Michael Kors* collections and generating global multimedia press coverage; and
- leveraging Mr. Kors' global prestige and popularity through a variety of press activities and personal appearances.

Expand Our Global Retail Store Base and E-Commerce. Continue to expand our global retail store base, as well as expand our international e-commerce presence by launching new e-commerce sites in Canada, Europe and Asia. We believe that there is significant opportunity to continue expanding our retail stores in both North America and Europe, and to increase our stores in these regions to approximately 600 locations in the long term. We will look to open new stores predominately in high traffic areas of street and mall locations in high-income demographic areas and will adhere to our already successful retail store formats, which we believe reinforce our brand image and generate strong sales per square foot.

Expand North American Shop-in-Shop Footprint at Select Department Stores. Continue to increase our North American wholesale sales by increasing shop-in-shops. We believe that our proprietary shop-in-shop fixtures effectively communicate our brand image within the department store, enhance the presentation of our merchandise and create a more personalized shopping experience for department store consumers. We plan to grow our North American shop-in-shop footprint at select department stores by continuing to convert existing wholesale door space into shop-in-shops and expanding the size of existing shop-in-shops.

Increase Global Comparable Store Sales. Continue to increase global comparable store sales with a number of initiatives already under way to increase the size and frequency of purchases by our existing customers and to attract new customers. Such initiatives include, among others, increasing the size of existing stores, creating compelling store environments and offering new products, including menswear, small leather goods, active footwear, beauty and fashion jewelry.

Grow International Retail and Wholesale Businesses. Continue our international expansion in select regions throughout Europe and other key international markets, and continue to leverage our existing operations in Europe and Japan to drive continued expansion. This includes increasing our international retail store base, including concessions, expanding our international e-commerce presence, as well as increasing our wholesale doors and shop-in-shop conversions at select department stores throughout Europe.

Collections and Products

We have two primary collections that offer accessories, footwear and apparel: the *Michael Kors* collection and the *MICHAEL Michael Kors* collection, both of which are offered through our retail and wholesale segments. We also offer licensed products primarily through our retail segment. Our net sales by major product category were as follows (in thousands):

	Fiscal Years Ended							
	March 28, 2015	% of Total	March 29, 2014	% of Total	March 30, 2013	% of Total	March 31, 2012	% of Total
Accessories	$2,872,221	68.4%	$2,060,824	65.0%	$1,255,536	59.9%	$ 652,451	52.7%
Apparel	549,433	13.1%	482,435	15.2%	413,731	19.8%	304,231	24.6%
Footwear	444,046	10.5%	337,988	10.7%	210,982	10.1%	150,564	12.2%
Licensed product	333,966	8.0%	289,275	9.1%	214,508	10.2%	129,854	10.5%
Net sales	$4,199,666		$3,170,522		$2,094,757		$1,237,100	

The Michael Kors Collection

In the *Michael Kors* collection we offer accessories, including handbags and small leather goods, many of which are made from high quality leathers and other exotic skins, footwear and apparel, including ready-to-wear womenswear and menswear. Generally, our handbags and small leather goods retail from $300 to $6,000, our footwear retails from $300 to $1,500, our women's apparel retails from $300 to $6,000 and our menswear apparel retails from $50 to $1,300.

The MICHAEL Michael Kors Collection

The *MICHAEL Michael Kors* collection has a strong focus on accessories, in addition to offering footwear and apparel, and is carried in all of our lifestyle stores as well as leading department stores throughout the world. In the *MICHAEL Michael Kors* collection, we offer: accessories, primarily handbags, which are created to meet the fashion and functional requirements of our broad and diverse consumer base, and small leather goods, such as clutches, wallets, wristlets and cosmetic cases; footwear, exclusively in women's styles; and womenswear, including dresses, tops, jeans, pants, skirts, shorts and outerwear. Generally, our handbags retail from $200 to $600, our small leather goods retail from $45 to $250, our footwear retails from $40 to $350 and our women's apparel retails from $50 to $500.

Our Licensed Products

Watches. Fossil has been our exclusive watch licensee since April 2004. Watches are sold in our retail stores, our e-commerce site and by Fossil to wholesale customers in addition to select watch retailers. Generally, our watches retail from $195 to $695.

Eyewear. In January 2015, Luxottica became our exclusive eyewear licensee for developing distinctive eyewear inspired by our collections. Our eyewear products are focused on status eyewear with sunglasses serving as a key category. Eyewear is sold in our retail stores, our e-commerce site and by Luxottica to wholesale customers in addition to select sunglass retailers and prescription eyewear providers. Generally, our eyewear retails from $99 to $255. Prior to January 2015, Marchon was our exclusive eyewear licensee.

Jewelry. Fossil has been our exclusive fashion jewelry licensee since December 2010. Our jewelry product line is complementary to our watches and accessories lines and is comprised of bracelets, necklaces, rings and earrings. Our jewelry is sold in our retail stores, our e-commerce site and by Fossil to wholesale customers in addition to other specialty stores. Generally, our jewelry retails from $55 to $500.

Fragrances and Beauty. Estée Lauder has been our exclusive women's and men's fragrance licensee since May 2003. Fragrances are sold in our retail stores, our e-commerce site and by Estée Lauder to wholesale customers in addition to select fragrance retailers. In Fiscal 2015, Estée Lauder also became our exclusive licensee of beauty products, which includes nail lacquers, lip products, powders, and a collection of body and sun products. Our fragrance and beauty products generally retail from $18 to $125.

Marketing and Advertising

Our marketing strategy is to deliver a consistent message every time the consumer comes in contact with our brand through all of our communications and visual merchandising. Our global image is created and executed internally by our creative marketing, visual merchandising and public relations teams, which helps ensure the consistency of our message.

In Fiscal 2015, we recognized approximately $103.6 million in advertising and marketing expense in North America and internationally. In conjunction with promoting a consistent global image, we use our extensive customer database and consumer knowledge to best target our consumers in an effort to foster marketing efficiency. We engage in a wide range of direct marketing programs, including such vehicles as emails, print advertising, outdoor advertising, social media, catalogs and brochures, in order to stimulate sales in a consumer-preferred shopping venue. As part of our direct marketing strategy, our catalogs are sent to selected households to encourage consumer purchases and to build brand awareness. In addition, our spring and fall ready-to-wear collections and our latest accessories and shoes are showcased at New York Fashion Week. The semi-annual runway shows generate extensive media coverage.

The growing number of visitors to our *michaelkors.com* online store provides an opportunity to increase the size of our customer database and to communicate with consumers to increase online and physical store sales and build brand awareness. We launched *michaelkors.com* in 2007 in partnership with Neiman Marcus, our wholesale customer, and sold merchandise to Neiman Marcus at wholesale, which was subsequently resold by Neiman Marcus through *michaelkors.com.* Accordingly, Neiman Marcus received substantially all of the proceeds from these online sales. This arrangement was terminated upon our launch of a new in-house U.S. e-commerce platform for *michaelkors.com* in September 2014. Our new mobile optimized e-commerce site features the Michael Kors lifestyle images, which allows us to better engage new and existing customers and create innovative ways to keep the brand at the forefront of consumers' minds by offering a broad selection of products, including accessories, apparel, and footwear. Since e-commerce growth is critical to our overall growth strategy, we continued to expand our global e-commerce presence by launching a new e-commerce site in Canada in April 2015, with plans to launch e-commerce sites in Europe and Asia in Fiscal 2017.

Manufacturing and Sourcing

We contract for the purchase of finished goods principally with independent third-party manufacturing contractors, whereby the manufacturing contractor is generally responsible for the entire manufacturing process, including the purchase of piece goods and trim. Although we do not have written agreements with any of our manufacturing contractors, we believe we have mutually satisfactory relationships with them. We allocate product manufacturing among third-party agents based on their capabilities, the availability of production capacity, pricing and delivery. We have relationships with various agents who source our finished goods with numerous manufacturing contractors on our behalf. Although our relationships with our agents are generally terminable at any time, we believe we have mutually satisfactory relationships with them. In Fiscal 2015 and 2014, one third-party agent sourced approximately 11.7% and 12.6% of our finished goods purchases, respectively. In Fiscal 2015, by dollar volume, approximately 97.8% of our products were produced in Asia and Europe. See Item 1A. — "Import Restrictions and Other Government Regulations" and "Risk Factors"— "We primarily use foreign manufacturing contractors and independent third-party agents to source our finished goods, which poses legal, regulatory, political and economic risks to our business operations."

Manufacturing contractors and agents operate under the close supervision of our global manufacturing divisions and buying agents headquartered in North America, Europe and Asia. All products are produced according to our specifications. Production staff monitors manufacturing at supplier facilities in order to correct problems prior to shipment of the final product. Quality assurance is focused on as early as possible in the production process, allowing merchandise to be received at the distribution facilities and shipped to customers with minimal interruption.

Distribution

Our primary distribution facility in the United States is the 1,120,500 square foot leased facility in Whittier, California. We also have several smaller distribution facilities across the United States. Outside of the United States, we have regional distribution centers in Canada, Holland, Japan, and Hong Kong, which are either leased or operated by third-parties. In April 2015, we expanded our existing distribution facility in Whittier, California to service our e-commerce site. In addition, during Fiscal 2016, we plan to invest in building our own distribution facility in Holland, which will support our European operations.

Intellectual Property

We own the *Michael Kors* and *MICHAEL Michael Kors* trademarks, as well as other material trademark rights related to the production, marketing and distribution of our products, both in the United States and in other countries in which our products are principally sold. We also have trademark applications pending for a variety of related logos. We aggressively police our trademarks and pursue infringers both domestically and internationally. We also pursue counterfeiters in the United States, Europe, the Middle East, the Far East and elsewhere in the world in both online and offline channels through leads generated internally, as well as through our network of customs authorities, law enforcement, legal representatives and brand specialists around the world.

Pursuant to an agreement entered into by Mr. Kors in connection with the acquisition by our former principal shareholder of a majority interest in the Company in 2003, Mr. Kors (i) represented that all intellectual property rights used in connection with the Company's business at such time were owned exclusively by the Company, (ii) assigned to the Company (to the extent not already assigned to and owned by the Company) exclusive worldwide rights in perpetuity to the "*Michael Kors*" name and trademark and all derivations thereof, as well as to Mr. Kors' signature and likeness, and all goodwill associated therewith, (iii) agreed not to take any action against the Company inconsistent with such ownership by the Company (including, without limitation, by asserting any privacy, publicity or moral rights) and (iv) agreed not to use, whether or not he is employed by the Company, any of such intellectual property in connection with any commercial enterprise (provided that he may use the name Michael Kors as his legal name only, and not as service mark or trade name, to identify himself personally and to engage in charitable activities and other activities that do not compete with any businesses of the Company).

Employees

At the end of Fiscal 2015, 2014 and 2013, we had approximately 11,094, 9,184 and 6,379 total employees, respectively. As of March 28, 2015, we had approximately 5,378 full-time employees and approximately 5,716 part-time employees. Approximately 9,469 of our employees were engaged in retail selling and administrative positions, and our remaining employees were engaged in other aspects of our business as of March 28, 2015. None of our employees are currently covered by collective bargaining agreements and we believe that our relations with our employees are good.

Competition

We face intense competition in the product lines and markets in which we compete. Our products compete with other branded products within their product category. In varying degrees, depending on the product category involved, we compete on the basis of style, price, customer service, quality, brand prestige and recognition, among other bases. In our wholesale business, we compete with numerous manufacturers, importers and distributors of accessories, footwear and apparel for the limited space available for product display. Moreover, the general availability of manufacturing contractors allows new entrants easy access to the markets in which we compete, which may increase the number of our competitors and adversely affect our competitive position and our business.

Over the last several years the accessories category, in particular, has grown, encouraging the entry of new competitors, as well as increasing the competition from existing competitors. We believe, however, that we have significant competitive advantages because of our brand recognition and the acceptance of our brand name by consumers. See Item 1A. "Risk Factors — The markets in which we operate are highly competitive, both within North America and internationally, and increased competition based on a number of factors could cause our profitability to decline."

Seasonality

We experience certain effects of seasonality with respect to our wholesale and retail segments. Our wholesale segment generally experiences its greatest sales in our third and fourth fiscal quarters while our first fiscal quarter experiences the lowest sales. Our retail segment generally experiences greater sales during our third fiscal quarter as a result of Holiday season sales. In the aggregate, our first fiscal quarter typically experiences significantly less sales volume relative to the other three quarters and our third fiscal quarter generally has higher sales volume relative to other three quarters. However, given our recent growth, the effects of any seasonality are further muted by incremental sales related to our new retail stores, wholesale doors and shop-in-shops.

Import Restrictions and Other Governmental Regulations

Virtually all of our merchandise imported into the United States, Canada, Europe and Asia is subject to duties. In addition, most of the countries to which we ship could impose safeguard quotas to protect their local industries from import surges that threaten to create market disruption. The United States and other countries may also unilaterally impose additional duties in response to a particular product being imported at unfairly traded prices that, in such increased quantities, cause or threaten injury to the relevant domestic industry (generally known as "anti-dumping" actions). If dumping is suspected in the United States, the United States government may self-initiate a dumping case on behalf of a particular industry. Furthermore, additional duties, generally known as countervailing duties, can also be imposed by the United States government to offset subsidies provided by a foreign government to foreign manufacturers if the importation of such subsidized merchandise injures or threatens to injure a United States industry. We are also subject to other international trade agreements and regulations, such as the North American Free Trade Agreement. See Item 1A."Risk Factors—We primarily use foreign manufacturing contractors and independent third-party agents to source our finished goods, which poses legal, regulatory, political and economic risks to our business operations."

Accessories, footwear and apparel sold by us are also subject to regulation in the United States and other countries by governmental agencies, including, in the United States, the Federal Trade Commission and the Consumer Products Safety Commission. These regulations relate principally to product labeling, licensing requirements, flammability testing and product safety. We are also subject to environmental laws, rules and regulations. Similarly, accessories, footwear and apparel sold by us are also subject to import regulations in the United States and other countries concerning the use of wildlife products for commercial and non-commercial trade, including the U.S. Fish and Wildlife Service. We do not estimate any significant capital expenditures for environmental control matters either in the current fiscal year or in the near future. Our licensed products and licensing partners are also subject to regulation. Our agreements require our licensing partners to operate in compliance with all applicable laws and regulations, and we are not aware of any violations that could reasonably be expected to have a material adverse effect on our business or operating results.

We are also required to comply with the disclosure requirements under the Securities Exchange Act of 1934, as amended, relating to the use of conflict minerals in our products. As a result, we have incurred, and expect to continue to incur, additional costs to comply with this rule.

Although we have not suffered any material restriction from doing business in desirable markets in the past, we cannot assure that significant impediments will not arise in the future as we expand product offerings and introduce additional trademarks to new markets.

Item 1A. Risk Factors

You should carefully read this entire report, including, without limitation, the following risk factors and the section of this annual report entitled "Note Regarding Forward-Looking Statements." Any of the following factors could materially adversely affect our business, financial condition and operating results. Additional risks and uncertainties not currently known to us or that we currently view as immaterial may also materially adversely affect our business, financial condition and operating results.

The accessories, footwear and apparel industries are heavily influenced by general macroeconomic cycles that affect consumer spending, and a prolonged period of depressed consumer spending could have a material adverse effect on our business, financial condition and operating results.

The accessories, footwear and apparel industries have historically been subject to cyclical variations, recessions in the general economy and uncertainties regarding future economic prospects that can affect consumer spending habits. Purchases of discretionary luxury items, such as our products, tend to decline during recessionary periods when disposable income is lower. The success of our operations depends on a number of factors impacting discretionary consumer spending, including general economic conditions, consumer confidence, wages and unemployment, housing prices, consumer debt, interest rates, fuel and energy costs, taxation and political conditions. A continuation or worsening of the current weakness in the economy may negatively affect consumer and wholesale purchases of our products and could have a material adverse effect on our business, financial condition and operating results.

We may not be able to respond to changing fashion and retail trends in a timely manner, which could have a material adverse effect on our brand, business, financial condition and operating results.

The accessories, footwear and apparel industries have historically been subject to rapidly changing fashion trends and consumer preferences. We believe that our success is largely dependent on our brand image and ability to anticipate and respond promptly to changing consumer demands and fashion trends in the design, styling, production, merchandising and pricing of products. If we do not correctly gauge consumer needs and fashion trends and respond appropriately, consumers may not purchase our products and our brand name and brand image may be impaired. Even if we react appropriately to changes in fashion trends and consumer preferences, consumers may consider our brand

image to be outdated or associate our brand with styles that are no longer popular or trend-setting. Any of these outcomes could have a material adverse effect on our brand, business, financial condition and operating results.

Privacy breaches and other cyber security risks related to our business could negatively affect our reputation, credibility and business.

We are dependent on information technology systems and networks for a significant portion of our direct-to-consumer sales, including our e-commerce site and retail business credit card transaction authorization and processing. We are responsible for storing data relating to our customers and employees and also rely on third party vendors for the storage, processing and transmission of personal and Company information. Consumers, lawmakers and consumer advocates alike are increasingly concerned over the security of personal information transmitted over the internet, consumer identity theft and privacy. In addition to taking the necessary precautions ourselves, we require that third-party service providers implement reasonable security measures to protect our employees' and customers' identity and privacy. We do not, however, control these third-party service providers and cannot guarantee that no electronic or physical computer break-ins and security breaches will occur in the future. Likewise, our systems and technology are subject to the risk of system failures, viruses, "hackers" and other causes that are out of our control. A significant breach of customer, employee or Company data could damage the Company's reputation, its relationship with customers and the Michael Kors brand, and could result in lost sales, sizable fines, significant breach-notification costs and lawsuits, as well as adversely affect results of operations. The Company may also incur additional costs in the future related to the implementation of additional security measures to protect against new or enhanced data security and privacy threats, or to comply with state, federal and international laws that may be enacted to address those threats.

Our business is exposed to foreign currency exchange rate fluctuations.

Our results of operations for our international subsidiaries are exposed to foreign exchange rate fluctuations as the financial results of the applicable subsidiaries are translated from the local currency into U.S. dollars during financial statement consolidation. If the U.S. dollar strengthens against foreign currencies, the translation of these foreign currency denominated transactions could impact our consolidated results of operations. In addition, we have intercompany notes amongst certain of our non-U.S. subsidiaries, which may be denominated in a currency other than the local currency of a particular reporting entity. As a result of using a currency other than the functional currency of the related subsidiary, results of these operations may be adversely affected during times of significant fluctuation between the functional currency of that subsidiary and the denomination currency of the note. We continuously monitor our foreign currency exposure and hedge a portion of our foreign subsidiaries' foreign currency-denominated inventory purchases to minimize the impact of changes in foreign currency exchange rates. However, we cannot fully anticipate all of our foreign currency exposures and cannot ensure that these hedges will fully offset the impact of foreign currency exchange rate fluctuations.

As a result of operating retail stores and concessions in various countries outside of the U.S., we are also exposed to market risk from fluctuations in foreign currency exchange rates, particularly the Euro, the British Pound, the Japanese Yen and the Canadian Dollar. A substantial weakening of foreign currencies against the U.S. dollar could require us to raise our retail prices or reduce our profit margins in various locations outside of the U.S. In addition, our sales and profitability could be negatively impacted if consumers in those markets were unwilling to purchase our products at increased prices.

We face risks associated with operating in international markets and our strategy to continue to expand internationally.

We operate on a global basis, with approximately 26.2% of our total revenue from operations outside of the U.S. during Fiscal 2015. As a result, we are subject to the risks of doing business internationally, including political and economic instability in foreign countries, laws, regulations and policies of foreign governments, potential negative consequences from changes in taxation policies, political or civil unrest, acts of terrorism, military actions or other conditions. Economic instability and unsettled regional and global conflicts may negatively affect consumer spending by foreign tourists and local consumers in the various regions where we operate, which could adversely affect our sales and results of operations. We also sell our products at varying retail price points based on geographic location that yield different gross profit margins, and we achieve different operating profit margins, depending on geographic region, due to a variety of factors including product mix, store size, occupancy costs, labor costs and retail pricing. Changes in any one or more of these factors could result in lower revenues, increased costs, and negatively impact our business, financial condition and operating results.

We face additional risks with respect to our strategy to expand internationally, including our efforts to further grow and expand our operations in Europe and Asia. Specifically, during the second half of Fiscal 2016, we plan to transition the currently licensed business in South Korea to a wholly owned operation. We may not be able to successfully integrate the business of any licensee that we acquire into our own business or achieve any expected cost savings or synergies from such integration. Furthermore, we may have difficulty integrating any new or reacquired businesses into our operations, hiring and retaining qualified key employees, or otherwise successfully managing such expansion. In some of the countries we do not yet have significant operating experience, and in most of these countries we face established competitors with significantly more operating experience in those locations. Many countries have different operational characteristics, including, but not limited to, employment and labor, transportation, logistics, real estate (including lease terms) and local reporting or legal requirements. Furthermore,

consumer demand and behavior, as well as tastes and purchasing trends may differ in these countries and, as a result, sales of our product may not be successful, or the margins on those sales may not be in line with those we currently anticipate. In addition, in many of these countries there is significant competition to attract and retain experienced and talented employees. If our international expansion plans are unsuccessful, it could have a material adverse effect on our business, financial condition and operating results.

The growth of our business depends on the successful execution of our growth strategies, including our efforts to open and operate new retail stores, to increase the number of department stores and specialty stores that sell our products, and to acquire select operations from our third-party licensees.

As part of our growth strategy, we intend to open and operate new retail stores and shop-in-shops within select department stores, both domestically and internationally. Our ability to successfully open and operate new retail stores, including concessions, and shop-in-shops depends on many factors, including, among others, our ability to:

- identify new markets where our products and brand image will be accepted or the performance of our retail stores, including concessions, and shop-in-shops will be considered successful;
- negotiate acceptable lease terms, including desired tenant improvement allowances, to secure suitable store locations;
- hire, train and retain personnel and field management;
- assimilate new personnel and field management into our corporate culture;
- source sufficient inventory levels; and
- successfully integrate new retail stores, including concessions, and shop-in-shops into our existing operations and information technology systems.

We will encounter pre-opening costs and we may encounter initial losses when new retail stores, including concessions, and shop-in-shops commence operations. Certain of our European stores require investments in the form of key money to secure prime locations, which may be paid to landlords or existing lessees. While we expect to open a number of additional retail stores, including concessions, and shop-in-shops in the future, there can be no assurance that we will open the planned number, that we will recover the expenditure costs associated with opening these new retail stores, including concessions, and shop-in-shops or that the operation of these new venues will be successful or profitable. Any changes from our initial expectations could have a material adverse effect on our business, financial condition and operating results.

A material disruption in our information technology systems could have a material adverse effect on our business, financial condition and results of operations.

We rely extensively on our information technology ("IT") systems to track inventory, manage our supply chain, record and process transactions, manage customer communications, summarize results and manage our business. The failure of our IT systems to operate properly or effectively, problems with transitioning to upgraded or replacement systems, or difficulty in integrating new systems, could adversely affect our business. In addition, we have an e-commerce website in the United States, a new e-commerce site in Canada launched in April 2015, and plans for additional e-commerce sites in Europe and Japan in Fiscal 2017. Our IT systems and websites may be subject to damage and/or interruption from power outages, computer, network and telecommunications failures, computer viruses, "hackers", security breaches, usage errors by our employees and bad acts by our customers and website visitors. If our IT systems or websites are damaged or cease to function properly, we may have to make a significant investment to fix or replace them, and we may suffer loss of critical data (including our customer data) and interruptions or delays in our operations in the interim. Any significant disruption in our IT systems or websites could harm our reputation and credibility, and could have a material adverse effect on our business, financial condition and operating results.

We are dependent on a limited number of distribution facilities. If one or more of our distribution facilities experiences operational difficulties or becomes inoperable, it could have a material adverse effect on our business, financial condition and operating results.

We operate a limited number of distribution facilities. Our ability to meet the needs of our wholesale customers and our own retail stores and e-commerce sites depends on the proper operation of these distribution facilities. If any of these distribution facilities were to shut down or otherwise become inoperable or inaccessible for any reason, we could suffer a substantial loss of inventory and/or disruptions of deliveries to our retail and wholesale customers. For example, during the fourth quarter of Fiscal 2015 our U.S. third party operated e-commerce fulfillment center was impacted by structural damage, which resulted in shipping delays to consumers who ordered merchandise through our e-commerce website. In addition, we could incur significantly higher costs and longer lead times associated with the distribution of our products during the time it takes to reopen or replace the damaged facility. Any of the foregoing factors could result in decreased sales and have a material adverse effect on our business, financial condition and operating results.

In addition, we have been moving into new and larger facilities as needed, to increase our capacity as we grow, and have been concurrently implementing new warehouse management systems to further support our efforts to operate with increased efficiency and flexibility. There are risks inherent in operating in new distribution environments and implementing new warehouse management systems, including operational difficulties that may arise with such transitions. We may experience shipping delays should there be any disruptions in our new warehouse management systems or warehouses themselves.

The markets in which we operate are highly competitive, both within North America and internationally, and increased competition based on a number of factors could cause our profitability to decline.

We face intense competition from other domestic and foreign accessories, footwear and apparel producers and retailers, including, among others, Coach, Burberry, Ralph Lauren, Hermès, Louis Vuitton, Gucci, Marc Jacobs, Chloé, Tori Burch and Prada. Competition is based on a number of factors, including, without limitation, the following:

- anticipating and responding to changing consumer demands in a timely manner;
- establishing and maintaining favorable brand-name recognition;
- determining and maintaining product quality;
- maintaining key employees;
- maintaining and growing market share;
- developing quality and differentiated products that appeal to consumers;
- establishing and maintaining acceptable relationships with retail customers;
- pricing products appropriately;
- providing appropriate service and support to retailers;
- optimizing retail and supply chain capabilities;
- determining size and location of retail and department store selling space; and
- protecting intellectual property.

In addition, some of our competitors may be significantly larger and more diversified than us and may have significantly greater financial, technological, manufacturing, sales, marketing and distribution resources than we do. Their greater capabilities in these areas may enable them to better withstand periodic downturns in the accessories, footwear and apparel industries, compete more effectively on the basis of price and production and more quickly develop new products. The general availability of manufacturing contractors and agents also allows new entrants easy access to the markets in which we compete, which may increase the number of our competitors and adversely affect our competitive position and our business. Any increased competition, or our failure to adequately address any of these competitive factors, could result in reduced sales, which could adversely affect our business, financial condition and operating results.

Competition, along with other factors such as consolidation, changes in consumer spending patterns and a highly promotional environment, could also result in significant pricing pressure. These factors may cause us to reduce our sales prices to our wholesale customers and retail consumers, which could cause our gross margins to decline if we are unable to appropriately manage inventory levels and/or otherwise offset price reductions with comparable reductions in our operating costs. If our sales prices decline and we fail to sufficiently reduce our product costs or operating expenses, our profitability may decline, which could have a material adverse effect on our business, financial condition and operating results.

The departure of our founder, members of our executive management and other key employees could have a material adverse effect on our business.

We depend on the services and management experience of our founder and executive officers, who have substantial experience and expertise in our business. In particular, Mr. Kors, our Honorary Chairman and Chief Creative Officer, has provided design and executive leadership to the Company since its inception. He is instrumental to our marketing and publicity strategy and is closely identified with both the brand that bears his name and our Company in general. Our ability to maintain our brand image and leverage the goodwill associated with Mr. Kors' name may be damaged if we were to lose his services. Mr. Kors has the right to terminate his employment with us without cause. In addition, the leadership of John D. Idol, our Chairman and Chief Executive Officer, and Joseph B. Parsons, our Executive Vice President, Chief Financial Officer, Chief Operating Officer and Treasurer, has been a critical element of our success. We also depend on other key employees involved in our licensing, design and advertising operations. Competition for qualified personnel in the apparel industry is intense, and competitors may use aggressive tactics to recruit our executive officers and key employees. Although we have entered into employment agreements with Mr. Kors and certain of our other executive officers, including Mr. Idol and Mr. Parsons, we may not be able to retain the services of such individuals in the future. The loss of services of one or more of these individuals or any negative public perception with respect to, or relating to, the loss of one or more of these individuals could have a material adverse effect on our business, financial condition and operating results.

We have grown rapidly in recent years and we have limited operating experience at our current scale of operations. If we are unable to manage our operations at our current size or are unable to manage any future growth effectively, our brand image and financial performance may suffer.

We have expanded our operations rapidly and have limited operating experience at our current size. If our operations continue to grow, we will be required to continue to expand our sales and marketing, product development and distribution functions, to upgrade our management information systems and other processes and to obtain more space for our expanding administrative support and other headquarter personnel. Our continued growth could strain our existing resources, and we could experience operating difficulties, including the availability of desirable locations and the negotiation of acceptable lease terms, difficulties in hiring, training and managing an increasing number of employees, difficulties in obtaining sufficient raw materials and manufacturing capacity to produce our products and delays in production and shipments. These difficulties could result in the erosion of our brand image and could have a material adverse effect on our business, financial condition and operating results.

As we expand our store base, we may be unable to maintain the same comparable store sales or average sales per square foot that we have in the past, which could cause our share price to decline.

As we expand our store base, we may not be able to maintain the levels of comparable store sales that we have experienced historically. In addition, we may not be able to maintain our historic average sales per square foot as we move into new markets. If our future comparable store sales or average sales per square foot decline or fail to meet market expectations, the price of our ordinary shares could decline. In addition, the aggregate results of operations of our stores have fluctuated in the past and can be expected to continue to fluctuate in the future. A variety of factors affect both comparable store sales and average sales per square foot, including, among others, fashion trends, competition, current economic conditions, pricing, inflation, the timing of the release of new merchandise and promotional events, changes in our merchandise mix, the success of marketing programs and weather conditions. If we misjudge the market for our products, we may incur excess inventory for some of our products and miss opportunities for other products. These factors may cause our comparable store sales results and average sales per square foot in the future to be materially lower than recent periods and our expectations, which could have a material adverse effect on our results of operations and result in a decline in the price of our ordinary shares.

We are subject to risks associated with leasing retail space under long-term, non-cancelable leases and are required to make substantial lease payments under our operating leases. Any failure to make these lease payments when due could materially adversely affect our business, financial condition and operating results.

We do not own any of our store facilities; instead, we lease all of our stores under operating leases. Our leases generally have terms of up to 10 years. Our leases generally require a fixed annual rent and most require the payment of additional rent if store sales exceed a negotiated amount. Certain of our European stores also require initial investments in the form of key money to secure prime locations, which may be paid to landlords or existing lessees. Generally, our leases are "net" leases, which require us to pay all of the costs of insurance, taxes, maintenance and utilities. We generally cannot cancel these leases at our option. Payments under these operating leases account for a significant portion of our operating costs. For example, as of March 28, 2015, we were party to operating leases associated with our stores as well as other corporate facilities requiring future minimum lease payments aggregating to $897.4 million through Fiscal 2020 and approximately $695.3 million thereafter through Fiscal 2029. We expect that any new stores we open under operating leases will have terms similar to those contained in leases we have entered previously, which will further increase our operating lease expenses.

Our substantial operating lease obligations could have significant negative consequences, including, among others:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to obtain additional financing;
- requiring a substantial portion of our available cash to pay our rental obligations, thus reducing cash available for other purposes;
- limiting our flexibility in planning for or reacting to changes in our business or in the industry in which we compete; and
- placing us at a disadvantage with respect to some of our competitors.

We depend on cash flow from operations to pay our lease expenses and to fulfill our other cash needs. If our business does not generate sufficient cash flow from operating activities, and sufficient funds are not otherwise available to us, we may not be able to service our operating lease expenses, grow our business, respond to competitive challenges or fund our other liquidity and capital needs.

Our current and future licensing arrangements may not be successful and may make us susceptible to the actions of third parties over whom we have limited control.

We have entered into a select number of product licensing agreements with companies that produce and sell, under our trademarks, products requiring specialized expertise. We have also entered into a number of select licensing agreements pursuant to which we have granted third parties certain rights to distribute and sell our products in certain geographical areas, such as the Middle East, Eastern Europe, Latin America, the Caribbean, throughout all of Asia (excluding Japan), and Australia. In addition, we have entered into similar licensing agreements with entities that are indirectly owned by certain of our directors and officers, including Michael Kors and John Idol, pursuant to which we have granted such entities certain rights to distribute and sell our products in China, Hong Kong, Macau and Taiwan. See Note 19 — "Agreements with Shareholders and Related Party Transactions" to the accompanying consolidated audited financial statements. In the future, we may enter into additional licensing arrangements. Although we take steps to carefully select our licensing partners, such arrangements may not be successful. Our licensing partners may fail to fulfill their obligations under their license agreements or have interests that differ from or conflict with our own, such as the timing of new store openings, the pricing of our products and the offering of competitive products. In addition, the risks applicable to the business of our licensing partners may be different than the risks applicable to our business, including risks associated with each such partner's ability to:

- obtain capital;
- exercise operational and financial control over its business;
- manage its labor relations;
- maintain relationships with suppliers;
- manage its credit and bankruptcy risks; and
- maintain customer relationships.

Any of the foregoing risks, or the inability of any of our licensing partners to successfully market our products or otherwise conduct its business, may result in loss of revenue and competitive harm to our operations in regions or product categories where we have entered into such licensing arrangements.

We rely on our licensing partners to preserve the value of our brands. Although we attempt to protect our brands through, among other things, approval rights over store location and design, product design, production quality, packaging, merchandising, distribution, advertising and promotion of our stores and products, we may not be able to control the use by our licensing partners of our brand. The misuse of our brand by a licensing partner could have a material adverse effect on our business, financial condition and operating results.

A substantial portion of our revenue is derived from a small number of large wholesale customers, and the loss of any of these wholesale customers could substantially reduce our total revenue.

A small number of our wholesale customers account for a significant portion of our net sales. Net sales to our five largest wholesale customers represented 26.3% of our total revenue for Fiscal 2015 and 28.9% of our total revenue for Fiscal 2014. Our largest wholesale customer, Federated, accounted for 13.7% of our total revenue for Fiscal 2015 and 14.4% of our total revenue for Fiscal 2014. We do not have written agreements with any of our wholesale customers, and purchases generally occur on an order-by-order basis. A decision by any of our major wholesale customers, whether motivated by marketing strategy, competitive conditions, financial difficulties or otherwise, to decrease significantly the amount of merchandise purchased from us or our licensing partners, or to change their manner of doing business with us or our licensing partners, could substantially reduce our revenue and have a material adverse effect on our profitability. During the past several years, the retail industry has experienced a great deal of consolidation and other ownership changes, and we expect such changes will continue. In addition, store closings by our wholesale customers decrease the number of stores carrying our products, while the remaining stores may purchase a smaller amount of our products and/or may reduce the retail floor space designated for our brands. In the future, retailers may further consolidate, undergo restructurings or reorganizations, realign their affiliations or reposition their stores' target markets. Any of these types of actions could decrease the number of stores that carry our products or increase the ownership concentration within the retail industry. These changes could decrease our opportunities in the market, increase our reliance on a smaller number of large wholesale customers and decrease our negotiating strength with our wholesale customers. These factors could have a material adverse effect on our business, financial condition and operating results.

Increases in the cost of raw materials could increase our production costs and cause our operating results and financial condition to suffer.

The costs of raw materials used in our products are affected by, among other things, weather, consumer demand, speculation on the commodities market, the relative valuations and fluctuations of the currencies of producer versus consumer countries and other factors that are generally unpredictable and beyond our control. We are not always successful in our efforts to protect our business from the volatility of the market price of raw materials and our business can be materially affected by dramatic movements in prices of raw materials. The ultimate effect of this change on our earnings cannot be quantified, as the effect of movements in raw materials prices on industry selling prices are uncertain, but any significant increase in these prices could have a material adverse effect on our business, financial condition and operating results.

We primarily use foreign manufacturing contractors and independent third-party agents to source our finished goods, which poses legal, regulatory, political and economic risks to our business operations.

Our products are primarily produced by, and purchased or procured from, independent manufacturing contractors located mainly in Asia and Europe. A manufacturing contractor's failure to ship products to us in a timely manner or to meet the required quality standards could cause us to miss the delivery date requirements of our customers for those items. The failure to make timely deliveries may cause customers to cancel orders, refuse to accept deliveries or demand reduced prices, any of which could have a material adverse effect on us. In addition, any of the following factors could negatively affect our ability to produce or deliver our products and, as a result, could have a material adverse effect on our business, financial condition and operating results:

- political or labor instability, labor shortages (stemming from labor disputes or otherwise), or increases in costs of labor or production in countries where manufacturing contractors and suppliers are located;
- significant delays or disruptions in delivery of our products due to labor disputes or strikes at the location of the source of our goods and/or at U.S. ports of entry;
- political or military conflict involving the United States, which could cause a delay in the transportation of our products and raw materials and increase transportation costs;
- heightened terrorism security concerns, which could subject imported or exported goods to additional, more frequent or more thorough inspections, leading to delays in deliveries or impoundment of goods for extended periods of time or could result in increased scrutiny by customs officials for counterfeit goods, leading to lost sales, increased costs for our anti-counterfeiting measures and damage to the reputation of our brands;
- a significant decrease in availability or an increase in the cost of raw materials;
- disease epidemics and health-related concerns, which could result in closed factories, reduced workforces, scarcity of raw materials and scrutiny or embargoing of goods produced in infected areas;
- the migration and development of manufacturing contractors, which could affect where our products are or are planned to be produced;
- imposition of regulations, quotas and safeguards relating to imports and our ability to adjust in a timely manner to changes in trade regulations, which, among other things, could limit our ability to produce products in cost-effective countries that have the labor and expertise needed;
- increases in the costs of fuel, travel and transportation;
- imposition of duties, taxes and other charges on imports;
- significant fluctuation of the value of the United States dollar against foreign currencies; and
- restrictions on transfers of funds out of countries where our foreign licensees are located.

We do not have written agreements with any of our third-party manufacturing contractors. As a result, any single manufacturing contractor could unilaterally terminate its relationship with us at any time. In Fiscal 2015, our largest manufacturing contractor, who primarily produces its products in China and who we have worked with for over ten years, accounted for the production of 29.1% of our finished products. Our inability to promptly replace manufacturing contractors that terminate their relationships with us or cease to provide high quality products in a timely and cost-efficient manner could have a material adverse effect on our business, financial condition and operating results, and impact the cost and availability of our goods.

In addition, we use third-party agents to source our finished goods with numerous manufacturing contractors on our behalf. Any single agent could unilaterally terminate its relationship with us at any time. In Fiscal 2015, our largest third-party agent, whose primary place of business is Hong Kong and who we have worked with for over 10 years, sourced approximately 11.7% of our purchases of finished goods. Our inability to promptly replace agents that terminate their relationships with us or cease to provide high quality service in a timely and cost-efficient manner could have a material adverse effect on our business, financial condition and operating results.

If we fail to comply with labor laws, or if our manufacturing contractors fail to use acceptable, ethical business practices, our business and reputation could suffer.

We are subject to labor laws governing relationships with employees, including minimum wage requirements, overtime, working conditions and citizenship requirements. Compliance with these laws and regulations may lead to increased costs and operational complexity and may increase our exposure to governmental investigations or litigation.

In addition, we require our manufacturing contractors to operate in compliance with applicable laws, rules and regulations regarding working conditions, employment practices and environmental compliance. Additionally, we impose upon our business partners operating guidelines that require additional obligations in those three areas in order to promote ethical business practices, and our staff and third parties we retain for such purposes periodically visit and monitor the operations of our manufacturing contractors to determine compliance. However, we do not control our manufacturing contractors or their labor and other business practices. If one of our manufacturing contractors violates applicable labor or other laws, rules or regulations or implements labor or other business practices that are generally regarded as unethical in the United States, the shipment of finished products to us could be interrupted, orders could be cancelled, relationships could be terminated and our reputation could be damaged. Any of these events could have a material adverse effect on our business, financial condition and operating results.

Our business is subject to risks associated with importing products.

There are risks inherent to importing our products. Virtually all of our merchandise imported into the United States, Canada, Europe and Asia is subject to duties and most of the countries to which we ship could impose safeguard quotas to protect their local industries from import surges that threaten to create market disruption. The United States and other countries may also unilaterally impose additional duties in response to a particular product being imported at unfairly traded prices that, in such increased quantities, cause or threaten injury to the relevant domestic industry (generally known as "anti-dumping" actions). If dumping is suspected in the United States, the United States government may self-initiate a dumping case on behalf of a particular industry. Furthermore, additional duties, generally known as countervailing duties, can also be imposed by the United States government to offset subsidies provided by a foreign government to foreign manufacturers if the importation of such subsidized merchandise injures or threatens to injure a United States industry**.** In addition, accessories, footwear and apparel sold by us are also subject to import regulations in the United States and other countries concerning the use of wildlife products for commercial and non-commercial trade, including the U.S. Fish and Wildlife Service ("F&W"). F&W requires that we obtain a license to import animal and fauna that are subject to regulation by F&W and can revoke (or refuse to renew) this license, seize and possibly destroy our shipments and/or fine the Company for F&W violations. The imposition of duties and quotas, the initiation of an anti-dumping action and/or the repercussions of F&W violations could have a material adverse effect on our business, financial condition and operating results.

We may be unable to protect our trademarks and other intellectual property rights, and others may allege that we infringe upon their intellectual property rights.

Our trademarks, including MICHAEL KORS and MICHAEL MICHAEL KORS, logos and other intellectual property rights are important to our success and our competitive position. We are susceptible to others imitating our products and infringing on our intellectual property rights in the United States, Europe, the Middle East, the Far East and elsewhere in the world in both online and offline channels. Our brand enjoys significant worldwide consumer recognition, and the generally higher pricing of our products creates additional incentive for counterfeiters to infringe on our brand. We work with customs authorities, law enforcement, legal representatives and brand specialists globally in an effort to prevent the sale of counterfeit Michael Kors products, but we cannot guarantee the extent to which our efforts to prevent counterfeiting of our brand and other intellectual property infringement will be successful. Such counterfeiting and other infringement could dilute our brand and harm our reputation and business.

Our trademark applications may fail to result in registered trademarks or provide the scope of coverage sought, and others may seek to invalidate our trademarks or block sales of our products as a violation of their trademarks and intellectual property rights. In addition, others may assert rights in, or ownership of, trademarks and other intellectual property rights of ours or in trademarks that

are similar to ours or trademarks that we license and/or market, and we may not be able to successfully resolve these types of conflicts to our satisfaction. In some cases, trademark owners may have prior rights to our trademarks or similar trademarks. Furthermore, certain foreign countries may not protect trademarks and other intellectual property rights to the same extent as do the laws of the United States.

From time to time, in the ordinary course of our business, we become involved in opposition and cancellation proceedings with respect to trademarks similar to some of our brands. Any litigation or dispute involving the scope or enforceability of our intellectual property rights or any allegation that we infringe upon the intellectual property rights of others could be costly and time-consuming and could result, if determined adversely to us, in harm to our competitive position.

Restrictive covenants in our credit agreement may restrict our ability to pursue our business strategies.

We have a $200.0 million senior unsecured credit facility (the "2013 Credit Facility") under which Michael Kors (USA), Inc. ("MKUSA"), Michael Kors (Europe) B.V., Michael Kors (Canada) Holdings Ltd. and Michael Kors (Switzerland) GmbH, our indirect wholly owned subsidiaries, are borrowers and we are a parent guarantor. The credit agreement governing the terms of the 2013 Credit Facility restricts, among other things, asset dispositions, mergers and acquisitions, dividends, share repurchases and redemptions, other restricted payments, indebtedness, loans and investments, liens and affiliate transactions. Our credit agreement also contains customary events of default, including a change in control of the Company. In addition, our credit agreement contains financial covenants such as requiring an adjusted leverage ratio of 3.5 to 1.0 (with the ratio being total consolidated indebtedness plus 8.0 times consolidated rent expense to EBITDA plus consolidated rent expense) and a fixed charge coverage ratio of 2.0 to 1.0 (with the ratio being EBITDA plus consolidated rent expense to the sum of fixed charges plus consolidated rent expense). See credit discussion in "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity". These covenants, among other things, may limit our ability to fund our future working capital needs and capital expenditures, engage in future acquisitions or development activities, or otherwise realize the value of our assets and opportunities fully because of the need to dedicate a portion of our cash flow from operations to payments on debt.

Failure to maintain adequate financial and management processes and controls could lead to errors in our financial reporting, which could harm our business and cause a decline in the price of our ordinary shares.

As a public company we are required to document and test our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. If our management is unable to certify the effectiveness of our internal controls or if our independent registered public accounting firm cannot render an opinion on management's assessment and on the effectiveness of our internal control over financial reporting, or if material weaknesses in our internal controls are identified, we could be subject to regulatory scrutiny and a loss of public confidence, which could have an adverse effect on our business and cause a decline in the price of our ordinary shares.

Provisions in our organizational documents may delay or prevent our acquisition by a third party.

Our Memorandum and Articles of Association (together, as amended from time to time, our "Memorandum and Articles") contains several provisions that may make it more difficult or expensive for a third party to acquire control of us without the approval of our board of directors. These provisions also may delay, prevent or deter a merger, acquisition, tender offer, proxy contest or other transaction that might otherwise result in our shareholders receiving a premium over the market price for their ordinary shares. These provisions include, among others:

- our board of directors' ability to amend the Memorandum and Articles to create and issue, from time to time, one or more classes of preference shares and, with respect to each such class, to fix the terms thereof by resolution;
- provisions relating to the multiple classes and three-year terms of directors, the manner of election of directors, removal of directors and the appointment of directors upon an increase in the number of directors or vacancy on our board of directors;
- restrictions on the ability of shareholders to call meetings and bring proposals before meetings;
- elimination of the ability of shareholders to act by written consent; and
- the requirement of the affirmative vote of 75% of the shares entitled to vote to amend certain provisions of our Memorandum and Articles.

These provisions of our Memorandum and Articles could discourage potential takeover attempts and reduce the price that investors might be willing to pay for our ordinary shares in the future, which could reduce the market price of our ordinary shares.

Rights of shareholders under British Virgin Islands law differ from those under United States law, and, accordingly, our shareholders may have fewer protections.

Our corporate affairs are governed by our Memorandum and Articles, the BVI Business Companies Act, 2004 (as amended, the "BVI Act") and the common law of the British Virgin Islands. The rights of shareholders to take legal action against our directors, actions by minority shareholders and the fiduciary responsibilities of our directors under British Virgin Islands law are to a large extent governed by the common law of the British Virgin Islands and by the BVI Act. The common law of the British Virgin Islands is derived in part from comparatively limited judicial precedent in the British Virgin Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the British Virgin Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under British Virgin Islands law are not as clearly established as they would be under statutes or judicial precedents in some jurisdictions in the United States. In particular, the British Virgin Islands has a less developed body of securities laws as compared to the United States, and some states (such as Delaware) have more fully developed and judicially interpreted bodies of corporate law. As a result of the foregoing, holders of our ordinary shares may have more difficulty in protecting their interests through actions against our management, directors or major shareholders than they would as shareholders of a U.S. company.

The laws of the British Virgin Islands provide limited protection for minority shareholders, so minority shareholders will have limited or no recourse if they are dissatisfied with the conduct of our affairs.

Under the laws of the British Virgin Islands, there is limited statutory law for the protection of minority shareholders other than the provisions of the BVI Act dealing with shareholder remedies (as summarized under Item 10. — "Additional Information — Memorandum and Articles of Association"). The principal protection under statutory law is that shareholders may bring an action to enforce the constituent documents of a British Virgin Islands company and are entitled to have the affairs of the company conducted in accordance with the BVI Act and the memorandum and articles of association of the company. As such, if those who control the company have persistently disregarded the requirements of the BVI Act or the provisions of the company's memorandum and articles of association, then the courts will likely grant relief. Generally, the areas in which the courts will intervene are the following: (i) an act complained of which is outside the scope of the authorized business or is illegal or not capable of ratification by the majority; (ii) acts that constitute fraud on the minority where the wrongdoers control the company; (iii) acts that infringe on the personal rights of the shareholders, such as the right to vote; and (iv) acts where the company has not complied with provisions requiring approval of a special or extraordinary majority of shareholders, which are more limited than the rights afforded to minority shareholders under the laws of many states in the United States.

It may be difficult to enforce judgments against us or our executive officers and directors in jurisdictions outside the United States.

Under our Memorandum and Articles, we may indemnify and hold our directors harmless against all claims and suits brought against them, subject to limited exceptions. Furthermore, to the extent allowed by law, the rights and obligations among or between us, any of our current or former directors, officers and employees and any current or former shareholder will be governed exclusively by the laws of the British Virgin Islands and subject to the jurisdiction of the British Virgin Islands courts, unless those rights or obligations do not relate to or arise out of their capacities as such. Although there is doubt as to whether United States courts would enforce these provisions in an action brought in the United States under United States securities laws, these provisions could make judgments obtained outside of the British Virgin Islands more difficult to enforce against our assets in the British Virgin Islands or jurisdictions that would apply British Virgin Islands law.

British Virgin Islands companies may not be able to initiate shareholder derivative actions, thereby depriving shareholders of one avenue to protect their interests.

British Virgin Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States. The circumstances in which any such action may be brought, and the procedures and defenses that may be available in respect of any such action, may result in the rights of shareholders of a British Virgin Islands company being more limited than those of shareholders of a company organized in the United States. Accordingly, shareholders may have fewer alternatives available to them if they believe that corporate wrongdoing has occurred. The British Virgin Islands courts are also unlikely to recognize or enforce judgments of courts in the United States based on certain liability provisions of United States securities law or to impose liabilities, in original actions brought in the British Virgin Islands, based on certain liability provisions of the United States securities laws that are penal in nature. There is no statutory recognition in the British Virgin Islands of judgments obtained in the United States, although the courts of the British Virgin Islands will generally recognize and enforce the non-penal judgment of a foreign court of competent jurisdiction without retrial on the merits. This means that even if shareholders were to sue us successfully, they may not be able to recover anything to make up for the losses suffered.

Fluctuations in our tax obligations and changes in tax laws and regulations may have a material impact on our future effective tax rates and results of operations.

Our subsidiaries are subject to taxation in the United States and various foreign jurisdictions, with the applicable tax rates varying by jurisdiction. As a result, our overall effective tax rate is effected by the proportion of earnings from the various tax jurisdictions. We record tax expense based on our estimates of taxable income and required reserves for uncertain tax positions in multiple tax jurisdictions. At any time, there are multiple tax years that are subject to examinations by various taxing authorities. The ultimate resolution of these audits and negotiations with taxing authorities may result in a settlement amount that differs from our original estimate. In addition, any proposed or future changes in tax laws and regulations or interpretations could have a material effect on our effective tax rates, financial condition, and results of operations.

On March 26, 2015, the United Kingdom enacted new Diverted Profits Tax legislation (the "DPT"), which is effective on April 1, 2015. Under the DPT, profits of certain multinational enterprises (such as the Company) deemed to have been artificially diverted from the United Kingdom will be taxed at a rate of 25%. While the Company believes that all of its affiliated entities and the transactions among them have the required economic substance, there is no assurance that this legislation will not have a material effect on its results of operations and financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The following table sets forth the location, use and size of our significant distribution and corporate facilities as of March 28, 2015, all of which are leased. The leases expire at various times through Fiscal 2029, subject to renewal options.

Location	Use	Approximate Square Footage
Whittier, CA	Distribution	1,120,500
New York, NY	Corporate Offices	262,450
Montreal, Quebec	Canadian Corporate Office and Distribution	205,500
East Rutherford, NJ	Corporate Offices	53,476
Secaucus, NJ	Distribution	22,760

In April 2015, we expanded our leased distribution facilities in Whittier, California by approximately 260,912 square feet, to accommodate distribution for our e-commerce site, which is currently handled by a third-party distribution facility. In addition, in May 2016, we acquired land and plan to begin building our own distribution facility in Holland, which will support our European operations.

As of March 28, 2015, we also occupied 526 leased retail stores worldwide (including concessions). We consider our properties to be in good condition and believe that our facilities are adequate for our operations and provide sufficient capacity to meet our anticipated requirements.

Other than fixed assets related to our stores (e.g. leasehold improvements, fixtures, etc.) and computer equipment, we do not own any material property as of March 28, 2015.

Item 3. Legal Proceedings

We are involved in various routine legal proceedings incident to the ordinary course of our business. We believe that the outcome of all pending legal proceedings in the aggregate will not have a material adverse effect on our business, financial condition or operating results.

Item 4. Mine Safety Disclosures

None.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

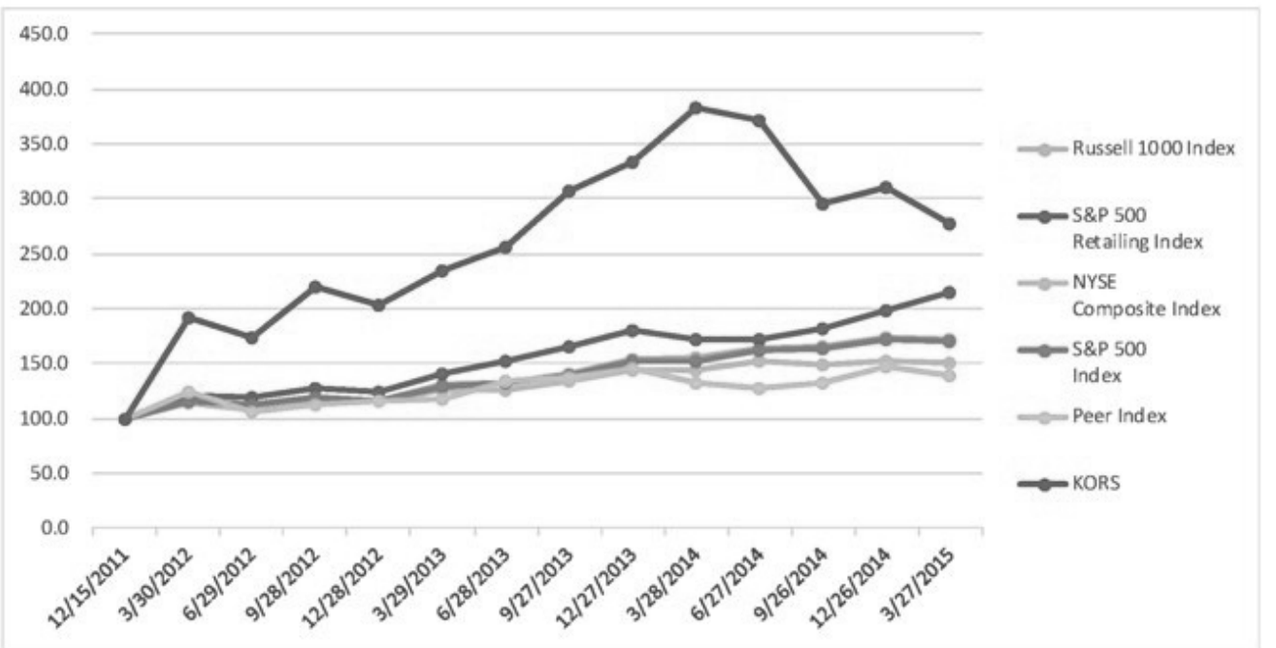
Market Information

Since our IPO on December 15, 2011, our ordinary shares have traded on the NYSE under the symbol "KORS". At March 28, 2015, there were 199,656,833 ordinary shares outstanding, and the closing sale price of our ordinary shares was $66.97. Also as of that date, we had approximately 303 ordinary shareholders of record. The table below sets forth the high and low closing sale prices of our ordinary shares for the periods indicated:

	High	Low
Fiscal 2014 Quarter Ended:		
June 29, 2013	$ 66.18	$51.63
September 28, 2013	$ 78.62	$60.08
December 28, 2013	$ 84.58	$70.59
March 29, 2014	$101.04	$74.11
Fiscal 2015 Quarter Ended:		
June 28, 2014	$ 98.96	$85.71
September 27, 2014	$ 91.79	$71.25
December 27, 2014	$ 79.70	$68.25
March 28, 2015	$ 76.05	$63.31

Share Performance Graph

The line graph below compares the cumulative total shareholder return on our ordinary shares with the Russell 1000 Index (RUI), Standard & Poor's 500 Index (GSPC), S&P Retail Index (RLX) and the NYSE Composite Index (NYA), and a peer group index of companies that we believe are closest to ours for the period covering our initial public offering on December 15, 2011 through March 27, 2015, the last business day of the our fiscal year. The graph assumes an investment of $100 made at the closing of trading on December 15, 2011, in (i) our ordinary shares, (ii) the shares comprising the RUI, (iii) the shares comprising the GSPC, (iv) the shares comprising the RLX and (v) the shares comprising the NYA. The peer group consists of the following: Coach, Inc., Guess, Inc., PVH Corp., Limited Brands, Inc., and Ralph Lauren Corporation. All values assume reinvestment of the full amount of all dividends, if any, into additional shares of the same class of equity securities at the frequency with which dividends are paid on such securities during the applicable time period.



Issuer Purchases of Equity Securities

On October 30, 2014, the Company's Board of Directors authorized a $1.0 billion share repurchase program, which authorized the repurchase of the Company's shares for a period of two years. On May 20, 2015, the Company's Board of Directors authorized the repurchase of up to an additional $500 million under the Company's existing share repurchase program and extended the program through May 2017. The Company also has in place a "withhold to cover" repurchase program, which allows the Company to withhold ordinary shares from certain executive officers to satisfy minimum tax withholding obligations relating to the vesting of their restricted share awards.

The following table provides information regarding the Company's ordinary share repurchases during the three months ended March 28, 2015:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares (or Units) That May Yet be Purchased Under the Plans or Programs
December 28-January 24	280,819[1]	$ —	—	$ 600,060,087
January 25 – February 21	—	—	—	600,060,087
February 22 – March 28	1,409,682	65.27	1,409,682	508,050,618

(1) Represents additional shares delivered to the Company in connection with the November 14, 2014 accelerated share repurchase program, pursuant to which the Company paid $355.0 million and received 4,437,516 of its ordinary shares in November 2014. These additional shares delivered in January 2015 were determined based on the volume-weighted average price of the Company's ordinary shares, less a discount, during the repurchase period and did not require any additional cash outlay by the Company. See Note 12 to the accompanying audited consolidated financial statements for additional information.

Item 6. Selected Financial Data

The following table sets forth selected historical consolidated financial and other data for Michael Kors Holdings Limited and its consolidated subsidiaries for the periods presented. The statements of operations data for Fiscal 2015, 2014 and 2013 and the balance sheet data as of the end of Fiscal 2015 and 2014 have been derived from our audited consolidated financial statements included elsewhere in this report. The statements of operations data for Fiscal 2012 and Fiscal 2011 and the balance sheet data as of the end of Fiscal 2013, Fiscal 2012 and Fiscal 2011 have been derived from our prior audited consolidated financial statements, which are not included in this report.

The selected historical consolidated financial data below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes included elsewhere in this annual report.

	Fiscal Years Ended				
	March 28, 2015	March 29, 2014	March 30, 2013	March 31, 2012	April 2, 2011
	(data presented in thousands, except for shares and per share data)				
Statement of Operations Data:					
Net sales	$ 4,199,666	$ 3,170,522	$ 2,094,757	$ 1,237,100	$ 757,800
Licensing revenue	171,803	140,321	86,975	65,154	45,539
Total revenue	4,371,469	3,310,843	2,181,732	1,302,254	803,339
Cost of goods sold	1,723,818	1,294,773	875,166	549,158	357,274
Gross profit	2,647,651	2,016,070	1,306,566	753,096	446,065
Selling, general and administrative expenses	1,251,431	926,913	621,536	464,568	279,822
Depreciation and amortization	138,425	79,654	54,291	37,554	25,543
Impairment of long-lived assets	822	1,332	725	3,292	3,834
Total operating expenses	1,390,678	1,007,899	676,552	505,414	309,199
Income from operations	1,256,973	1,008,171	630,014	247,682	136,866
Other income	(3,117)	—	—	—	—
Interest expense, net	215	393	1,524	1,495	1,861
Foreign currency loss (gain)	4,052	131	1,363	(2,629)	1,786
Income before provision for income taxes	1,255,823	1,007,647	627,127	248,816	133,219
Provision for income taxes	374,800	346,162	229,525	101,452	60,713
Net income	881,023	661,485	397,602	147,364	72,506
Net income applicable to preference shareholders	—	—	—	21,227	15,629
Net income available for ordinary shareholders	$ 881,023	$ 661,485	$ 397,602	$ 126,137	$ 56,877
Weighted average ordinary shares outstanding[1]:					
Basic	202,680,572	202,582,945	196,615,054	158,258,126	140,554,377
Diluted	205,865,769	205,638,107	201,540,144	189,299,197	179,177,268
Net income per ordinary share[2]:					
Basic	$ 4.35	$ 3.27	$ 2.02	$ 0.80	$ 0.40
Diluted	$ 4.28	$ 3.22	$ 1.97	$ 0.78	$ 0.40

(1) Gives effect to the corporate reorganization completed by the Company and certain of its affiliates in July 2011 (the "Reorganization") and the 3.8-to-1 split of our ordinary shares (the "Share Split") that occurred on November 30, 2011.

(2) Basic net income per ordinary share is computed by dividing net income available for ordinary shareholders by basic weighted average ordinary shares outstanding. Diluted net income per ordinary share assumes the conversion of preference shares to ordinary shares and is computed by dividing net income by diluted weighted average ordinary shares outstanding.

	Fiscal Years Ended				
	March 28, 2015	March 29, 2014	March 30, 2013	March 31, 2012	April 2, 2011
	(data presented in thousands, except for share and store data)				
Operating Data:					
Comparable retail store sales growth	10.3%	26.2%	40.1%	39.2%	48.2%
Retail stores, including concessions, at end of period	526	405	304	237	166
Balance Sheet Data (as of the end of period dated above):					
Working capital	$ 1,687,350	$ 1,468,799	$ 824,941	$ 299,057	$ 117,673
Total assets	$ 2,691,893	$ 2,216,973	$ 1,289,565	$ 674,425	$ 399,495
Revolving line of credit	$ —	$ —	$ —	$ 22,674	$ 12,765
Note payable to parent	$ —	$ —	$ —	$ —	$ 101,650
Shareholders' equity	$ 2,240,965	$ 1,806,131	$ 1,047,246	$ 456,237	$ 125,320
Number of ordinary shares issued	206,486,699	204,291,345	201,454,408	192,731,390	140,554,377
Number of preference shares	—	—	—	—	10,163,920

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of our Financial Condition and Results of Operations should be read in conjunction with the consolidated financial statements and notes thereto included as part of this Annual Report on Form 10-K. This discussion contains forward-looking statements that are based upon current expectations. We sometimes identify forward-looking statements with such words as "may," "expect," "anticipate," "estimate," "seek," "intend," "believe" or similar words concerning future events. The forward-looking statements contained herein, include, without limitation, statements concerning future revenue sources and concentration, gross profit margins, selling and marketing expenses, capital expenditures, general and administrative expenses, capital resources, new stores, additional financings or borrowings and additional losses and are subject to risks and uncertainties including, but not limited to, those discussed in this report that could cause actual results to differ materially from the results contemplated by these forward-looking statements. We also urge you to carefully review the risk factors set forth in "Item 1A – Risk Factors."

Overview

Our Business

We are a rapidly growing global luxury lifestyle brand led by a world-class management team and a renowned, award-winning designer. Since launching his namesake brand over 30 years ago, Michael Kors has featured distinctive designs, materials and craftsmanship with a jet-set aesthetic that combines stylish elegance and a sporty attitude. Mr. Kors' vision has taken the Company from its beginnings as an American luxury sportswear house to a global accessories, footwear and apparel company with a presence in over 100 countries. As a highly recognized luxury lifestyle brand in North America, with accelerating awareness in targeted international markets, we have experienced exceptional sales momentum and intend to continue along this course as we grow our business.

We operate our business in three segments—retail, wholesale and licensing—and we have a strategically controlled global distribution network focused on company-operated retail stores, leading department stores, specialty stores and select licensing partners. As of March 28, 2015, our retail segment included 343 North American retail stores (including concessions), 183 international retail stores (including concessions) throughout Europe and Japan and our U.S. e-commerce site. As of March 28, 2015, our wholesale segment included wholesale sales through approximately 2,541 department store and specialty store doors in North America and wholesale sales through approximately 1,497 specialty store and department store doors internationally. Our remaining revenue is generated through our licensing segment, through which we license to third parties certain production, sales and/or distribution rights. During Fiscal 2015, our licensing segment accounted for approximately 3.9% of our total revenue and consisted of royalties earned on licensed products and our geographic licenses.

We offer two primary collections: the *Michael Kors* luxury collection and the *MICHAEL Michael Kors* accessible luxury collection. The *Michael Kors* collection establishes the aesthetic authority of our entire brand and is carried by many of our retail stores as well as in the finest luxury department stores in the world. In 2004, we introduced the *MICHAEL Michael Kors* collection, which has a strong focus on accessories, in addition to offering footwear and apparel, and addresses the significant demand opportunity in accessible luxury goods. Taken together, our two collections target a broad customer base while retaining a premium luxury image.

Trends and Uncertainties

Disruptions in shipping and distribution. Our operations are subject to the impact of shipping disruptions as a result of changes or damage to our distribution infrastructure, as well as due to external factors. During the fourth quarter of Fiscal 2015, our U.S. third party operated e-commerce fulfillment center was impacted by structural damage, which resulted in shipping delays to consumers who ordered merchandise through our e-commerce website. In addition, we were impacted by the work slowdowns and stoppages resulting from the labor dispute at the U.S. west coast ports during our Fiscal 2015, which created a backlog of containers at the ports and resulted in inventory delivery delays. We may continue to experience inventory delivery delays until this backlog is cleared by the ports. We also experienced disruptions in shipping of our products within the U.S. during the second quarter of Fiscal 2014 as a result of implementing new material handling equipment and systems for purposes of automating our California distribution facility, which negatively impacted our ability to ship at full capacity during the second and third quarters of Fiscal 2014. In addition to delivery delays, incremental expenses related to the above disruptions were incurred throughout the related time periods. These disruptions to our shipping have had a negative impact on our net sales, operating expenses, and net income for Fiscal 2015 and 2014, and any future disruptions could have a negative impact on our results of operations.

Currency fluctuation and the Strengthening U.S. Dollar. Our consolidated operations are impacted by the relationships between our reporting currency, the U.S. dollar, and those of our non-U.S. subsidiaries whose functional/local currency is other than

the U.S. dollar. The recent decline in the value of the Euro relative to the U.S. Dollar has impacted the conversion of the results of our European operations, as they are reported, which represent approximately 20% of our consolidated revenue. At March 28, 2015, the Euro experienced an approximate 21% decline in value relative to the U.S. Dollar compared to the same time in the prior year, and we believe that this trend may continue in Fiscal 2016. Our results have also been negatively impacted by an approximate 12% year-over-year decline in the Canadian Dollar relative to the U.S. Dollar.

Costs of Manufacturing. Our industry is subject to volatility in costs related to certain raw materials used in the manufacturing of our products. This volatility applies primarily to costs driven by commodity prices, which can increase or decrease dramatically over a short period of time. These fluctuations may have a material impact on our sales, results of operations and cash flows to the extent they occur. We use commercially reasonable efforts to mitigate these effects by sourcing our products as efficiently as possible. In addition, manufacturing labor costs are also subject to degrees of volatility based on local and global economic conditions. We use commercially reasonable efforts to source from localities that suit our manufacturing standards and result in more favorable labor driven costs to our products.

Establishing brand identity and enhancing global presence. We intend to continue to increase our international presence and global brand recognition through the formation of various joint ventures with international partners, and continuing with our international licensing arrangements. We feel this is an efficient method for continued penetration into the global luxury goods market, especially for markets where we have yet to establish a substantial presence.

Demand for Our Accessories and Related Merchandise. Our performance is affected by trends in the luxury goods industry, as well as shifts in demographics and changes in lifestyle preferences. Currently, we expect that the demand for our products will continue to grow, as the demand for the worldwide luxury goods industry, and accessories in particular, is predicted to experience continued growth. We believe that we are well positioned to capitalize on the continued growth of the accessories product category, as it is one of our primary product categories of focus.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Critical accounting policies are those that are the most important to the portrayal of our financial condition and results of operations, and that require our most difficult, subjective and complex judgments to make estimates about the effect of matters that are inherently uncertain. In applying such policies, we must use certain assumptions that are based upon our informed judgments, assessments of probability and best estimates. Estimates, by their nature, are subjective and are based upon analysis of available information, including historical factors, current circumstances and the experience and judgment of management. We evaluate our assumptions and estimates on an ongoing basis. While our significant accounting policies are detailed in Note 2 to the accompanying audited financial statements, our critical accounting policies are discussed below and pertain to revenue recognition, inventories, impairment of long-lived assets, goodwill, share-based compensation, derivatives and income taxes.

Revenue Recognition

Revenue is recognized when there is persuasive evidence of an arrangement, delivery has occurred, the price has been fixed and determinable and collectability is reasonably assured. We recognize retail store revenue upon sale of our products to retail consumers, net of estimated returns. Revenue from sales through our e-commerce site is recognized at the time of delivery to the customer, reduced by an estimate of returns. Wholesale revenue is recognized net of estimates for sales returns, discounts, markdowns and allowances, after merchandise is shipped and title and risk of loss are transferred to our wholesale customers. To arrive at net sales for retail, gross sales are reduced by actual customer returns, as well as by a provision for estimated future customer returns, which is based on management's review of historical and current customer returns. The amounts reserved for retail sales returns were $2.5 million, $2.3 million, and $3.1 million at March 28, 2015, March 29, 2014 and March 30, 2013, respectively. To arrive at net sales for wholesale, gross sales are reduced by provisions for estimated future returns based on current expectations, as well as trade discounts, markdowns, allowances, operational chargebacks, and certain cooperative selling expenses. Total sales reserves for wholesale were $87.5 million, $65.9 million and $43.0 million at March 28, 2015, March 29, 2014 and March 30, 2013, respectively. These estimates are based on such factors as historical trends, actual and forecasted performance, and market conditions, which are reviewed by management on a quarterly basis. Our historical estimates of these costs were not materially different from actual results.

As of March 28, 2015, a hypothetical 1% increase in allowances for our reserves for sales returns, discounts, markdowns and other allowances would have decreased our Fiscal 2015 revenues by less than $1 million.

Royalty revenue generated from product licenses, which includes contributions for advertising, is based on reported sales of licensed products bearing our tradenames at rates specified in the license agreements. These agreements are also subject to contractual minimum levels. Royalty revenue generated by geography-specific licensing agreements is recognized as it is earned under the licensing agreements based on reported sales of licensees applicable to specified periods, as outlined in the agreements. These agreements allow for the use of our tradenames to sell our branded products in specific geographic regions.

Inventories

Our inventory costs include amounts paid to independent manufacturers, plus duties and freight to bring the goods to the Company's warehouses, which are located in the United States, Holland, Canada, Japan and Hong Kong. We continuously evaluate the composition of our inventory and make adjustments when the cost of inventory is not expected to be fully recoverable. The net realizable value of our inventory is estimated based on historical experience, current and forecasted demand, and market conditions. In addition, reserves for inventory loss are estimated based on historical experience and physical inventory counts. Our inventory reserves are estimates, which could vary significantly from actual results if future economic conditions, customer demand or competition differ from expectations. Our historical estimates of these adjustments have not differed materially from actual results.

Long-lived Assets

We evaluate all long-lived assets, including fixed assets and finite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of any such asset may not be recoverable. For the purposes of impairment testing, we group our long-lived assets according to their lowest level of use, such as aggregating and capitalizing all construction costs related to a retail store into leasehold improvements and those related to our wholesale business into shop-in-shops. Our leasehold improvements are typically amortized over the life of the store lease, including highly probable renewals, and our shop-in-shops are amortized over a useful life of three or four years. Our impairment testing is based on our best estimate of the future operating cash flows. If the sum of our estimated undiscounted future cash flows associated with the asset is less than the asset's carrying value, we recognize an impairment charge, which is measured as the amount by which the carrying value exceeds the fair value of the asset. These estimates of cash flow require significant management judgment and certain assumptions about future volume, sales and expense growth rates, devaluation and inflation. As such, these estimates may differ from actual cash flows and future impairments may result if actual cash flows are lower than our expectations. For Fiscal 2015, Fiscal 2014, and Fiscal 2013, we recorded charges for impairments on fixed assets related to our retail segment of $0.8 million, $1.3 million and $0.7 million, respectively.

Goodwill

We perform an impairment assessment of goodwill on an annual basis, or whenever impairment indicators exist. In the absence of any impairment indicators, goodwill is assessed during the fourth quarter of each fiscal year. These assessments are made with regards to reporting units within our wholesale and licensing segments where our goodwill is recorded, and are based on our current operating projections. Judgments regarding the existence of impairment indicators are based on market conditions and operational performance of the business.

We assess our goodwill for impairment initially using a qualitative approach ("step zero") to determine whether it is more likely than not that the fair value of goodwill is greater than its carrying value. If the results of the qualitative assessment indicate that it is not more likely than not that the fair value of goodwill exceeds its carrying value, a quantitative goodwill analysis would be performed to determine if impairment is required. The valuation methods used in the quantitative fair value assessment, discounted cash flow and market multiples methods, require our management to make certain assumptions and estimates regarding certain industry trends and future profitability of our reporting units. If the carrying amount of a reporting unit exceeds its fair value, we would compare the implied fair value of the reporting unit goodwill to its carrying value. To compute the implied fair value, we would assign the fair value of the reporting unit to all of the assets and liabilities of that unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination. The excess of the fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill. If the carrying value of the reporting unit's goodwill exceeded the implied fair value of the reporting unit's goodwill, we would record an impairment loss to write down such goodwill to its implied fair value. The valuation of goodwill is affected by, among other things, our business plan for the future and estimated results of future operations. Future events could cause us to conclude the impairment indicators exist and, therefore, that goodwill may be impaired.

During the fourth quarter of Fiscal 2015, we performed our annual impairment analysis using a qualitative approach. Based on the results of this assessment, we concluded that the carrying amounts of all reporting units were significantly exceeded by their respective fair values, and there were no reporting units at risk of impairment. There were no impairment charges related to goodwill in any of the fiscal periods presented.

Share-based Compensation

We grant share-based awards to certain of our employees and directors. The grant date fair value of share options is calculated using the Black-Scholes option pricing model, which requires us to use subjective assumptions. The closing market price at the grant date is used to determine the grant date fair value of restricted shares, restricted share units, and performance restricted share units. These values are recognized as expense over the requisite service period, net of estimated forfeitures, based on expected attainment of pre-established performance goals for performance grants, or the passage of time for those grants which have only time-based vesting requirements.

Our expected volatility is based on the average volatility rates of similar actively traded companies over the past 4.5-9.5 years, which is our range of estimated expected holding periods. The expected holding period for performance-based options is based on the period to expiration, which is generally 9-10 years. This approach was chosen as it directly correlates to our service period. The expected holding period for time-based options is calculated using a simplified method, which uses the vesting term of the options, generally 4 years, and the contractual term of 7 years, resulting in holding periods of 4.5-4.75 years. The simplified method was chosen as a means to determine the Company's estimated holding period, as prior to December 2011, the Company was privately held and, as such, there is insufficient historical option exercise experience. The risk-free rate is derived from the zero-coupon U.S. Treasury Strips yield curve based on the grant's estimated holding period. Determining the grant date fair value of share-based awards requires considerable judgment, including estimating expected volatility, expected term, risk-free rate, and forfeitures. If factors change and we employ different assumptions, the fair value of future awards and resulting share-based compensation expense may differ significantly from what we have estimated in the past.

Derivative Financial Instruments

We use forward currency exchange contracts to manage our exposure to fluctuations in foreign currency for certain of our transactions. We are exposed to risks on certain purchase commitments to foreign suppliers based on the value of our purchasing subsidiaries' local currency relative to the currency requirement of the supplier on the date of the commitment. As such, we enter into forward currency contracts that generally mature in 12 months or less, which is consistent with the related purchase commitments. We designate certain contracts related to the purchase of inventory that qualify for hedge accounting as cash flow hedges, while others remain undesignated. All of our derivative instruments are recorded in our consolidated balance sheets at fair value on a gross basis, regardless of their hedge designation. The effective portion of changes in the fair value for contracts designated as cash flow hedges is recorded in equity as a component of accumulated other comprehensive income (loss) until the hedged item effects earnings. When the inventory related to forecasted inventory purchases that are being hedged is sold to a third party, the gains or losses deferred in accumulated other comprehensive income (loss) are recognized within cost of goods sold. We use regression analysis to assess effectiveness of derivative instruments that are designated as hedges, which compares the change in the fair value of the derivative instrument to the change in the related hedged item. Effectiveness is assessed on a quarterly basis and any portion of the designated hedge contracts deemed ineffective is recorded to other income. If the hedge is no longer expected to be highly effective in the future, future changes in the fair value are recognized in earnings. For those contracts that are not designated as hedges, changes in the fair value are recorded in other income in our consolidated statements of operations.

The Company is exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. In order to mitigate counterparty credit risk, the Company only enters into contracts with carefully selected financial institutions based upon their credit ratings and certain other financial factors, adhering to established limits for credit exposure.

Income Taxes

Deferred income tax assets and liabilities reflect temporary differences between the tax basis and financial reporting basis of our assets and liabilities and are determined using the tax rates and laws in effect for the periods in which the differences are expected to reverse. We periodically assess the realizability of deferred tax assets and the adequacy of deferred tax liabilities, based on the results of local, state, federal or foreign statutory tax audits or our own estimates and judgments.

Realization of deferred tax assets associated with net operating loss and tax credit carryforwards is dependent upon generating sufficient taxable income prior to their expiration in the applicable tax jurisdiction. We periodically review the recoverability of our deferred tax assets and provide valuation allowances as deemed necessary to reduce deferred tax assets to amounts that more-likely-than-not will be realized. This determination involves considerable judgment and our management considers many factors when assessing the likelihood of future realization of deferred tax assets, including recent earnings results within various taxing jurisdictions, expectations of future taxable income, the carryforward periods remaining and other factors. Changes in the required valuation allowance are recorded in income in the period such determination is made. Deferred tax assets could be reduced in the future if our estimates of taxable income during the carryforward period are significantly reduced or alternative tax strategies are no longer viable.

We recognize the impact of an uncertain income tax position taken on our income tax returns at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. The effect of an uncertain income tax position will not be taken into account if the position has less than a 50% likelihood of being sustained. Our tax positions are analyzed periodically (at least quarterly) and adjustments are made as events occur that warrant adjustments for those positions. We record interest expense and penalties payable to relevant tax authorities as income tax expense.

Recent Accounting Pronouncements

We have considered all new accounting pronouncements, and other than the recent pronouncements discussed below, have concluded that there are no new pronouncements that have a material impact on our results of operations, financial condition or cash flows based on current information.

In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-12, "*Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*," ASU 2014-12 requires that a performance target under stock-based compensation arrangements that could be achieved after the service period is treated as a performance condition and not reflected in the grant-date fair value of the award. Rather, the related compensation cost should be recognized when it becomes probable that the performance targets will be achieved. ASU 2014-12 is effective beginning with our Fiscal 2017, with early adoption and retrospective application permitted. We do not expect that ASU 2014-12 will have a significant impact on our consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*," which provides new guidance for revenues recognized from contracts with customers, and will replace the existing revenue recognition guidance. ASU No. 2014-09 requires that revenue is recognized at an amount the company is entitled to upon transferring control of goods or services to customers, as opposed to when risks and rewards transfer to a customer. ASU No. 2014-09 will become effective for the interim reporting periods within the annual reporting period beginning after December 15, 2016, or beginning with our Fiscal 2018, and may be applied retrospectively to all prior periods presented, or retrospectively with a cumulative adjustment to retained earnings in the year of adoption. In April 2015, the FASB issued a proposal to defer the effective date by one year which, if approved, would make this standard effective beginning in our Fiscal 2019. We are currently evaluating the adoption method and the impact that ASU 2014-09 will have on our consolidated financial statements and related disclosures.

Segment Information

We generate revenue through three business segments: retail, wholesale and licensing. The following table presents our revenue and income from operations by segment for Fiscal 2015, Fiscal 2014 and Fiscal 2013 (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Revenue:			
Net sales: Retail	$2,134,578	$1,593,005	$1,062,642
Wholesale	2,065,088	1,577,517	1,032,115
Licensing	171,803	140,321	86,975
Total revenue	$4,371,469	$3,310,843	$2,181,732
Income from operations:			
Retail	$ 557,162	$ 467,248	$ 315,654
Wholesale	610,886	459,774	269,323
Licensing	88,925	81,149	45,037
Income from operations	$1,256,973	$1,008,171	$ 630,014

Retail

We sell our products, as well as licensed products bearing our name, directly to the end consumer through our retail stores and concessions throughout North America, Europe, and Japan. We have four primary retail store formats: collection stores, lifestyle stores, outlet stores and e-commerce. Our collection stores are located in highly prestigious shopping areas, while our lifestyle stores are located in well-populated commercial shopping locations and leading regional shopping centers. Our outlet stores,

which are generally in outlet centers, extend our reach to additional consumer groups. In addition to these three retail store formats, we operate concessions in a select number of department stores in North America, Europe and Japan. During Fiscal 2015, we also launched a new U.S. e-commerce platform and continued to expand our global e-commerce presence by launching a new e-commerce site in Canada in April 2015.

The following table presents the growth in our network of retail stores during Fiscal 2015, Fiscal 2014 and Fiscal 2013:

	March 28, 2015	March 29, 2014	March 30, 2013
Full price retail stores including concessions:			
Number of stores	373	279	201
Increase during period	94	78	43
Percentage increase vs. prior year	33.7%	38.8%	27.2%
Total gross square footage	859,352	562,773	410,681
Average square footage per store	2,304	2,017	2,043
Outlet stores:			
Number of stores	153	126	103
Increase during period	27	23	24
Percentage increase vs. prior year	21.4%	22.3%	30.4%
Total gross square footage	517,308	381,567	291,407
Average square footage per store	3,381	3,028	2,829

The following table presents our retail stores by geographic location:

	March 28, 2015	March 29, 2014	March 30, 2013
Store count by region:			
North America	343	288	231
Europe	133	80	44
Japan	50	37	29
Total	526	405	304

Wholesale

We sell our products directly to department stores primarily located across North America and Europe to accommodate consumers who prefer to shop at major department stores. In addition, we sell to specialty stores for those consumers who enjoy the boutique experience afforded by such stores. We continue to focus our sales efforts and drive sales in existing locations by enhancing presentation, primarily through the creation of more shop-in-shops with our proprietary fixtures that effectively communicate our brand and create a more personalized shopping experience for consumers. We tailor our assortments through wholesale product planning and allocation processes to better match the demands of our department store customers in each local market.

The following table presents the growth in our network of wholesale doors during Fiscal 2015, Fiscal 2014 and Fiscal 2013:

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Number of full-price wholesale doors	4,038	3,728	3,249
Increase during period	310	479	572
Percentage increase vs. prior year	8.3%	14.7%	21.4%

Licensing

We generate revenue through product and geographic licensing arrangements. Our product license agreements allow third parties to use our brand name and trademarks in connection with the manufacturing and sale of a variety of products, including watches, fragrances and beauty, eyewear and jewelry. In our product licensing arrangements, we take an active role in the design process, marketing and distribution of products under our brands. Our geographic licensing arrangements allow third parties to use our tradenames in connection with the retail and/or wholesale sales of our branded products in specific geographic regions.

Key Performance Indicators and Statistics

We use a number of key indicators of operating results to evaluate our performance, including the following (dollars in thousands):

	Fiscal years ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Total revenue	$4,371,469	$3,310,843	$2,181,732
Gross profit as a percent of total revenue	60.6%	60.9%	59.9%
Income from operations	$1,256,973	$1,008,171	$ 630,014
Retail net sales - North America	$1,656,095	$1,318,887	$ 938,515
Retail net sales - Europe	$ 412,063	$ 235,571	$ 101,754
Retail net sales - Japan	$ 66,420	$ 38,547	$ 22,373
Increase in comparable store net sales - North America	6.9%	22.5%	39.6%
Increase in comparable store net sales - Europe	25.1%	60.0%	51.3%
Increase in comparable store net sales - Japan	33.9%	29.0%	14.7%
Wholesale net sales - North America	$1,662,540	$1,335,545	$ 913,145
Wholesale net sales - Europe	$ 401,068	$ 241,972	$ 118,970
Wholesale net sales - Asia	$ 1,480	$ —	$ —

General Definitions for Operating Results

Net sales consist of sales from comparable retail stores and non-comparable retail stores, net of returns and markdowns, as well as those made to our wholesale customers, net of returns, discounts, markdowns and allowances.

Comparable store sales include sales from a store that has been opened for one full year after the end of the first month of its operations. For stores that are closed, sales that were made in the final month of their operations (assuming closure prior to the fiscal months end), are excluded from the calculation of comparable store sales. Additionally, sales for stores that are either relocated, or expanded by a square footage of 25% or greater, in any given fiscal year, are also excluded from the calculation of comparable store sales at the time of their move or interruption, until such stores have been in their new location, or are operating under their new size/capacity, for at least one full year after the end of the first month of their relocation or expansion. All comparable store sales are presented on a 52-week basis.

Constant currency effects are non-GAAP financial measures, which are provided to supplement our reported operating results to facilitate comparisons of our operating results and trends in our business, excluding the effects of foreign currency rate fluctuations. Because we are a global Company, foreign currency exchange rates may have a significant effect on our reported results. We calculate constant currency measures and the related foreign currency impacts by translating the current-year's reported amounts into comparable amounts using prior year's foreign exchange rates for each currency. All constant currency performance measures discussed below should be considered a supplement to and not in lieu of our operating performance measures calculated in accordance with accounting principles generally accepted in the United States ("U.S. GAAP.")

Licensing revenue consists of fees charged on sales of licensed products to our licensees as well as contractual royalty rates for the use of our trademarks in certain geographic territories.

Cost of goods sold includes the cost of inventory sold, freight-in on merchandise and foreign currency exchange gains/losses related to forward contracts for purchase commitments. All retail store operating and occupancy costs are included in *Selling, general and administrative expenses* (see below), and as a result our cost of goods sold may not be comparable to that of other entities that have chosen to include some or all of those expenses as a component of their cost of goods sold.

Gross profit is total revenue (net sales plus licensing revenue) minus cost of goods sold. As a result of retail store operating and occupancy costs being excluded from our cost of goods, our gross profit may not be comparable to that of other entities that have chosen to include some or all of those expenses as a component of their gross profit.

Selling, general and administrative expenses consist of warehousing and distribution costs, rent for our distribution centers, store payroll, store occupancy costs (such as rent, common area maintenance, store pre-opening, real estate taxes and utilities), information technology and systems costs, corporate payroll and related benefits, advertising and promotion expense and other general expenses.

Depreciation and amortization includes depreciation and amortization of fixed and definite-lived intangible assets.

Impairment charges consist of charges to write-down both fixed and intangible assets to fair value.

Income from operations consists of gross profit minus total operating expenses.

Other expense (income) includes proceeds received related to our anti-counterfeiting efforts, net gains or losses related to the mark-to-market (fair value) on our forward currency contracts not designated as hedges and income or loss earned on our joint venture. Future amounts may include any miscellaneous activities not directly related to our operations.

Interest expense, net represents interest and fees on our revolving credit facilities and letters of credit (see "Liquidity and Capital Resources" for further detail on our credit facilities), as well as amortization of deferred financing costs, offset by interest earned on highly liquid investments (investments purchased with an original maturity of six months or less, classified as cash equivalents), as well as interest income earned on the loan to our joint venture.

Foreign currency loss (gain) represents unrealized income or loss from the re-measurement of monetary assets and liabilities denominated in currencies other than the functional currencies of our subsidiaries.

Results of Operations

Comparison of Fiscal 2015 with Fiscal 2014

The following table details the results of our operations for Fiscal 2015 and Fiscal 2014 and expresses the relationship of certain line items to total revenue as a percentage (dollars in thousands):

	Fiscal Years Ended					
	March 28, 2015	March 29, 2014	$ Change	% Change	% of Total Revenue for Fiscal 2015	% of Total Revenue for Fiscal 2014
Statements of Operations Data:						
Net sales	$4,199,666	$3,170,522	$1,029,144	32.5%		
Licensing revenue	171,803	140,321	31,482	22.4%		
Total revenue	4,371,469	3,310,843	1,060,626	32.0%		
Cost of goods sold	1,723,818	1,294,773	429,045	33.1%	39.4%	39.1%
Gross profit	2,647,651	2,016,070	631,581	31.3%	60.6%	60.9%
Selling, general and administrative expenses	1,251,431	926,913	324,518	35.0%	28.6%	28.0%
Depreciation and amortization	138,425	79,654	58,771	73.8%	3.2%	2.4%
Impairment of long-lived assets	822	1,332	(510)	-38.3%	0.0%	0.0%
Total operating expenses	1,390,678	1,007,899	382,779	38.0%	31.8%	30.4%
Income from operations	1,256,973	1,008,171	248,802	24.7%	28.8%	30.5%
Other income	(3,117)	—	(3,117)	NM	-0.1%	0.0%
Interest expense, net	215	393	(178)	-45.3%	0.0%	0.0%
Foreign currency loss	4,052	131	3,921	NM	0.1%	0.0%
Income before provision for income taxes	1,255,823	1,007,647	248,176	24.6%	28.7%	30.4%
Provision for income taxes	374,800	346,162	28,638	8.3%	8.6%	10.5%
Net income	$ 881,023	$ 661,485	$ 219,538	33.2%		

NM Not meaningful.

Total Revenue

Total revenue increased $1,060.6 million, or 32.0%, to $4,371.5 million for the fiscal year ended March 28, 2015, compared to $3,310.8 million for the fiscal year ended March 29, 2014, which included unfavorable foreign currency effects of $76.5 million primarily related to the weakening of the Euro and the Canadian Dollar against the U.S. Dollar in Fiscal 2015 as compared to

Fiscal 2014. On a constant currency basis, our total revenue increased by $1,137.1 million, or 34.3%. The increase in our revenues was due to an increase in our comparable and non-comparable retail store sales and wholesale sales, as well as increases in our licensing revenue.

The following table details revenues for our three business segments (dollars in thousands):

	Fiscal Years Ended			% Change		% of Total Revenue for Fiscal 2015	% of Total Revenue for Fiscal 2014
	March 28, 2015	March 29, 2014	$ Change	As Reported	Constant Currency		
Revenue:							
Net sales: Retail	$2,134,578	$1,593,005	$ 541,573	34.0%	36.7%	48.8%	48.1%
Wholesale	2,065,088	1,577,517	487,571	30.9%	33.0%	47.3%	47.7%
Licensing	171,803	140,321	31,482	22.4%	22.4%	3.9%	4.2%
Total revenue	$4,371,469	$3,310,843	$1,060,626	32.0%	34.3%		

Retail

Net sales from our retail stores increased $541.6 million, or 34.0%, to $2,134.6 million for Fiscal 2015, compared to $1,593.0 million for Fiscal 2014, which included unfavorable foreign currency effects of $43.0 million. On a constant currency basis, net sales from our retail stores increased $584.6 million, or 36.7%. We operated 526 retail stores, including concessions, as of March 28, 2015, compared to 405 retail stores, including concessions, as of March 29, 2014.

Our comparable store sales increased $143.9 million, or 10.3%, during Fiscal 2015, which included unfavorable foreign currency effects of $22.5 million. On a constant currency basis, our comparable store sales increased $166.4 million, or 11.9%. The growth in our comparable store sales was primarily due to an increase in sales from our accessories product line during Fiscal 2015.

Our non-comparable store sales increased $397.7 million during Fiscal 2015, which included unfavorable foreign currency effects of $20.5 million. On a constant currency basis, our non-comparable store sales increased $418.2 million. This sales growth was primarily attributable to operating 121 additional stores since March 29, 2014 and sales from our e-commerce site.

Wholesale

Net sales to our wholesale customers increased $487.6 million, or 30.9%, to $2,065.1 million for Fiscal 2015, compared to $1,577.5 million for Fiscal 2014, which included unfavorable foreign currency effects of $33.5 million. On a constant currency basis, our wholesale net sales increased $521.1 million, or 33.0%. The increase in our wholesale net sales was primarily attributable to increased sales from our accessories and footwear product lines during Fiscal 2015, as we continue to enhance our presence in department and specialty stores by converting more doors to shop-in-shops. In addition, wholesale net sales increased due to the continuing expansion of our European operations, whose net sales grew by 65.7% from Fiscal 2015 to Fiscal 2014.

Licensing

Royalties earned on our licensing agreements increased $31.5 million, or 22.4%, to $171.8 million for Fiscal 2015, compared to $140.3 million for Fiscal 2014. The increase in licensing revenue was primarily due to royalties earned on licensing agreements related to the sales of watches, jewelry and winter outerwear.

Gross Profit

Gross profit increased $631.6 million, or 31.3%, to $2,647.7 million during Fiscal 2015, compared to $2,016.1 million for Fiscal 2014, which included unfavorable foreign currency effects of $51.2 million. Gross profit as a percentage of total revenue declined to 60.6% during Fiscal 2015, compared to 60.9% during Fiscal 2014. The decline in gross profit margin resulted from a decrease of 66 basis points in gross profit margin from our retail segment, which represents nearly half of our business. The decrease in gross profit margin from our retail segment was primarily due to an increase in markdowns and discounts, partially offset by a more favorable product mix experienced during Fiscal 2015 as compared to Fiscal 2014. Wholesale gross margin remained flat, as the favorable impact resulting from the increase on our European wholesale sales in proportion to total wholesale sales was offset by higher allowances in Fiscal 2015, as compared to Fiscal 2014.

Total Operating Expenses

Total operating expenses increased $382.8 million, or 38.0%, to $1,390.7 million during Fiscal 2015, compared to $1,007.9 million for Fiscal 2014. Our operating expenses included a net favorable foreign currency impact of approximately $30.3 million. Total operating

expenses as a percentage of total revenue increased to 31.8% in Fiscal 2015, as compared to 30.4% in Fiscal 2014. The changes in our operating expenses are further described below:

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $324.5 million, or 35.0%, to $1,251.4 million during Fiscal 2015, compared to $926.9 million for Fiscal 2014. The increase in selling, general and administrative expenses was primarily due to the following:

- An increase in retail-related costs, including salary and occupancy cost, of $180.1 million, primarily attributable to operating 526 retail stores versus 405 retail stores in the prior period;
- an increase in corporate employee-related costs of $70.1 million, primarily due to an increase in our corporate staff to support our North American and international growth;
- an increase in promotional costs (which consist of advertising, marketing and various promotional costs) of $25.9 million, primarily due to our continuing expansion into new markets, as well as social media during Fiscal 2015;
- an increase in professional fees of $23.4 million, primarily comprised of legal and consulting fees incurred in connection with the relocation of our principal executive offices, as well as fees related to our new customer service call center in Fiscal 2015;
- an increase in distribution expenses of $13.9 million, primarily due to increased shipments attributable to increased sales, as well incremental costs incurred to ensure timely delivery of our products to customers despite the aforementioned delays at the U.S. west coast ports; and
- an increase in litigation-related costs of $3.6 million.

Selling, general and administrative expenses as a percentage of total revenue increased to 28.6% during Fiscal 2015, compared to 28.0% for Fiscal 2014, primarily due to the aforementioned retail store and overhead costs, as well as corporate operating expenses during Fiscal 2015, as compared to Fiscal 2014. These increases were partially offset by our operating leverage achieved on other operating expenses, including selling and distribution costs as a percentage of total revenue.

Depreciation and Amortization

Depreciation and amortization increased $58.7 million, or 73.8%, to $138.4 million during Fiscal 2015, compared to $79.7 million for Fiscal 2014, primarily due to an increase in the build-out of our new retail stores, new shop-in-shop locations, increase in lease rights related to our new European stores, and investments made in our information systems infrastructure to accommodate our growth. Depreciation and amortization increased to 3.2% as a percentage of total revenue during Fiscal 2015, compared to 2.4% for Fiscal 2014.

Impairment of Long-Lived Assets

During Fiscal 2015 and Fiscal 2014, we recognized impairment charges of approximately $0.8 million and $1.3 million, respectively, on fixed assets related to two of our retail locations in Fiscal 2015 and three retail locations in Fiscal 2014.

Income from Operations

As a result of the foregoing, income from operations increased $248.8 million, or 24.7%, to $1,257.0 million during Fiscal 2015, compared to $1,008.2 million for Fiscal 2014, which included unfavorable foreign currency effects of $20.9 million. Income from operations as a percentage of total revenue declined to 28.8% during Fiscal 2015, compared to 30.5% for Fiscal 2014.

The following table details income from operations for our three business segments (dollars in thousands):

	Fiscal Years Ended				% of Net Sales/ Revenue for Fiscal 2015	% of Net Sales/ Revenue for Fiscal 2014
	March 28, 2015	March 29, 2014	$ Change	% Change		
Income from Operations:						
Retail	$ 557,162	$ 467,248	$ 89,914	19.2%	26.1%	29.3%
Wholesale	610,886	459,774	151,112	32.9%	29.6%	29.1%
Licensing	88,925	81,149	7,776	9.6%	51.8%	57.8%
Income from operations	$1,256,973	$1,008,171	$248,802	24.7%	28.8%	30.5%

Retail

Income from operations for our retail segment increased $89.9 million, or 19.2%, to $557.2 million during Fiscal 2015, compared to $467.3 million for Fiscal 2014. Income from operations as a percentage of net retail sales for the retail segment declined by approximately 3.2% to 26.1% during Fiscal 2015. The decrease in retail income from operations as a percentage of net sales was primarily due to an increase in operating costs as a percentage of net retail sales of approximately 2.6%, as well as due to the decrease in gross profit margin, as previously discussed above, during Fiscal 2015 as compared to Fiscal 2014. The increase in operating expenses as a percentage of net retail sales was largely due to an increase in depreciation and amortization expense, primarily related to new stores and lease rights (key money), as well as increased retail store and overhead costs, and distribution expenses.

Wholesale

Income from operations for our wholesale segment increased $151.1 million, or 32.9%, to $610.9 million during Fiscal 2015, compared to $459.8 million for Fiscal 2014. Income from operations as a percentage of net wholesale sales increased approximately 50 basis points to 29.6%. This increase as a percentage of net sales was due to a net decrease in operating expenses as a percentage of net wholesale sales during Fiscal 2015 as compared to Fiscal 2014, which was primarily due to lower selling and distribution costs, reflecting our operating expense leverage, partially offset by increased depreciation and amortization expenses as a result of the growth in our wholesale doors.

Licensing

Income from operations for our licensing segment increased $7.8 million, or 9.6%, to $88.9 million during Fiscal 2015, compared to $81.1 million for Fiscal 2014. Income from operations as a percentage of licensing revenue decreased approximately 6.0% to 51.8%. This decrease as a percentage of licensing revenue was due to an increase in operating expenses as a percentage of licensing revenues during Fiscal 2015, as compared to Fiscal 2014. This increase was largely due to increased advertising expenses, as well as certain administrative expenses incurred in connection with the formation of our new licensing operations in Europe during Fiscal 2015.

Other income

Other income was $3.1 million during Fiscal 2015, and was comprised of the following: $1.5 million in income related to our anti-counterfeiting efforts, an unrealized gain of $1.5 million related to mark-to-market of our forward foreign currency contracts not designated as accounting hedges, and a gain of $0.1 million earned on our joint venture.

Foreign Currency Loss

We recognized a foreign currency loss of $4.1 million during Fiscal 2015, as compared to a foreign currency loss of $0.1 million during Fiscal 2014. The Fiscal 2015 loss was primarily related to the revaluation and settlement of certain of our accounts payable in currencies other than the functional currency of the applicable reporting units, as well as the strengthening of the U.S. Dollar relative to the Euro and the Canadian Dollar, which impacted the re-measurement of dollar-denominated intercompany loans with certain of our subsidiaries. The $0.1 million loss for Fiscal 2014 was primarily related to the revaluation and settlement of certain of our accounts payable in currencies other than the functional currency of the applicable reporting units.

Provision for Income Taxes

We recognized $374.8 million of income tax expense during Fiscal 2015, compared with $346.2 million for Fiscal 2014. Our effective tax rate for Fiscal 2015 was 29.8%, compared to 34.4% for Fiscal 2014. The decrease in our effective tax rate was primarily due to the increase in taxable income in certain of our non-U.S. subsidiaries (predominantly European operations) during Fiscal 2015, which are subject to lower statutory income tax rates. Given that certain of our non-U.S. operations have become consistently profitable, we expect this impact on our combined consolidated effective rate to continue. The Fiscal 2015 effective tax rate was also favorably impacted by the settlement of certain financial instruments in connection with our international income tax structuring.

Our effective tax rate may fluctuate from time to time due to the effects of changes in U.S. state and local taxes and tax rates in foreign jurisdictions. In addition, factors such as the geographic mix of earnings, enacted tax legislation and the results of various global tax strategies, may also impact our effective tax rate in future periods.

Net Income

As a result of the foregoing, our net income increased $219.5 million, or 33.2%, to $881.0 million during Fiscal 2015, compared to $661.5 million for Fiscal 2014.

Comparison of Fiscal 2014 with Fiscal 2013

The following table details the results of our operations for Fiscal 2014 and Fiscal 2013 and expresses the relationship of certain line items to total revenue as a percentage (dollars in thousands):

	Fiscal Years Ended					
	March 29, 2014	March 30, 2013	$ Change	% Change	% of Total Revenue for Fiscal 2014	% of Total Revenue for Fiscal 2013
Statements of Operations Data:						
Net sales	$3,170,522	$2,094,757	$1,075,765	51.4%		
Licensing revenue	140,321	86,975	53,346	61.3%		
Total revenue	3,310,843	2,181,732	1,129,111	51.8%		
Cost of goods sold	1,294,773	875,166	419,607	47.9%	39.1%	40.1%
Gross profit	2,016,070	1,306,566	709,504	54.3%	60.9%	59.9%
Selling, general and administrative expenses	926,913	621,536	305,377	49.1%	28.0%	28.5%
Depreciation and amortization	79,654	54,291	25,363	46.7%	2.4%	2.5%
Impairment of long-lived assets	1,332	725	607	83.7%	0.0%	0.0%
Total operating expenses	1,007,899	676,552	331,347	49.0%	30.4%	31.0%
Income from operations	1,008,171	630,014	378,157	60.0%	30.5%	28.9%
Interest expense, net	393	1,524	(1,131)	-74.2%	0.0%	0.1%
Foreign currency loss	131	1,363	(1,232)	-90.4%	0.0%	0.1%
Income before provision for income taxes	1,007,647	627,127	380,520	60.7%	30.4%	28.7%
Provision for income taxes	346,162	229,525	116,637	50.8%	10.5%	10.5%
Net income	$ 661,485	$ 397,602	$ 263,883	66.4%		

Total Revenue

Total revenue increased $1,129.1 million, or 51.8%, to $3,310.8 million for the fiscal year ended March 29, 2014, compared to $2,181.7 million for the fiscal year ended March 30, 2013. The increase was the result of an increase in our comparable and non-comparable retail store sales and wholesale sales, as well as increases in our licensing revenue.

The following table details revenues for our three business segments (dollars in thousands):

	Fiscal Years Ended					
	March 29, 2014	March 30, 2013	$ Change	% Change	% of Total Revenue for Fiscal 2014	% of Total Revenue for Fiscal 2013
Revenue:						
Net sales: Retail	$1,593,005	$1,062,642	$ 530,363	49.9%	48.1%	48.7%
Wholesale	1,577,517	1,032,115	545,402	52.8%	47.6%	47.3%
Licensing	140,321	86,975	53,346	61.3%	4.2%	4.0%
Total Revenue	$3,310,843	$2,181,732	$1,129,111	51.8%		

Retail

Net sales from our retail stores increased $530.4 million, or 49.9%, to $1,593.0 million for Fiscal 2014, compared to $1,062.6 million for Fiscal 2013. We operated 405 retail stores, including concessions, as of March 29, 2014, compared to 304 retail stores, including concessions, as of March 30, 2013. During Fiscal 2014, our comparable store sales growth increased $275.1 million, or 26.2%, from Fiscal 2013. The growth in our comparable store sales was primarily due to an increase in sales of our accessories line and watches during Fiscal 2014. In addition, the change to our non-comparable store sales were $255.3 million during Fiscal 2014, which was primarily the result of opening 101 new stores since March 30, 2013.

Wholesale

Net sales to our wholesale customers increased $545.4 million, or 52.8%, to $1,577.5 million for Fiscal 2014, compared to $1,032.1 million for Fiscal 2013. The increase in our wholesale net sales occurred primarily as a result of increased sales of our accessories line during Fiscal 2014, as we continue to enhance our presence in department and specialty stores by converting more doors to shop-in-shops, and in continuing our expansion of our European operations. Net wholesale sales from our European operations increased approximately 103.4% during Fiscal 2014 compared to Fiscal 2013, due largely to an increase in full-price doors to 1,232 from 1,034 in the same period last year.

Licensing

Royalties earned on our licensing agreements increased $53.3 million, or 61.3%, to $140.3 million for Fiscal 2014, compared to $87.0 million for Fiscal 2013. The increase in royalties was primarily due to royalties earned on licensing agreements related to sales of watches.

Gross Profit

Gross profit increased $709.5 million, or 54.3%, to $2,016.1 million during Fiscal 2014, compared to $1,306.6 million for Fiscal 2013. Gross profit as a percentage of total revenue increased to 60.9% during Fiscal 2014, compared to 59.9% during Fiscal 2013. The increase in profit margin resulted from increases in gross profit margin of 25 basis points and 188 basis points from our retail and wholesale segments, respectively. The increase in profit margin on both our retail and wholesale segments resulted primarily from a more favorable product sales mix during Fiscal 2014, as compared to Fiscal 2013. In addition, we achieved a more favorable purchase cost to selling price relationship during Fiscal 2014, as compared to Fiscal 2013, as we experienced reductions in cost on certain of our inventory items.

Total Operating Expenses

Total operating expenses increased $331.3 million, or 49.0%, to $1,007.9 million during Fiscal 2014, compared to $676.6 million for Fiscal 2013. Total operating expenses decreased to 30.4% as a percentage of total revenue for Fiscal 2014, compared to 31.0% for Fiscal 2013. The components that comprise total operating expenses are explained below:

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $305.4 million, or 49.1%, to $926.9 million during Fiscal 2014, compared to $621.5 million for Fiscal 2013. The increase in selling, general and administrative expenses was due to the following: increases in our retail occupancy and salary costs of $167.3 million, an increase in corporate employee-related costs of $57.6 million, an increase in distribution expenses of $49.5 million, as well as increases in promotional costs (which consist of advertising, marketing and various promotional costs) of $24.2 million,. The increase in our retail occupancy and payroll costs was due to operating 405 retail stores versus 304 retail stores in the prior period. The increase in our corporate employee-related costs was due primarily to an increase in our corporate staff to accommodate our North American and international growth. Advertising costs increased primarily due to our continuing expansion into new markets, including domestic and international, as well as social media during Fiscal 2014. The increases to our distribution expenses were primarily the result of the aforementioned disruption to our warehouse facility in California during the second and third 2014 fiscal quarters, as a result of implementation of certain material handling equipment and systems to automate the facility. The expenses related to this disruption included, shipping and handling, and consulting fees. Selling, general and administrative expenses as a percentage of total revenue decreased to 28.0% during Fiscal 2014, compared to 28.5% for Fiscal 2013. The decrease as a percentage of total revenue was primarily due to achieving economies of scale during Fiscal 2014, as compared to Fiscal 2013, as our revenue is increasing at a greater rate relative to our fixed costs.

Depreciation and Amortization

Depreciation and amortization increased $25.4 million, or 46.7%, to $79.7 million during Fiscal 2014, compared to $54.3 million for Fiscal 2013. Dollar increases in depreciation and amortization were primarily due to the build-out of 101 new retail locations during this fiscal year, new shop-in-shop locations, investments made in our information systems infrastructure, as well as for our new U.S. material handling and distribution systems. Depreciation and amortization decreased to 2.4% as a percentage of total revenue during Fiscal 2014, compared to 2.5% for Fiscal 2013.

Impairment of Long-Lived Assets

We recognized an impairment charge of approximately $1.3 million on fixed assets related to three of our retail locations during Fiscal 2014. During Fiscal 2013, we recognized an impairment charge of approximately $0.7 million on fixed assets related to one of our retail locations.

Income from Operations

As a result of the foregoing, income from operations increased $378.2 million, or 60.0%, to $1,008.2 million during Fiscal 2014, compared to $630.0 million for Fiscal 2013. Income from operations as a percentage of total revenue increased to 30.5% during Fiscal 2014, compared to 28.9% for Fiscal 2013.

The following table details income from operations for our three business segments (dollars in thousands):

	Fiscal Years Ended				% of Net Sales/ Revenue for Fiscal 2014	% of Net Sales/ Revenue for Fiscal 2013
	March 29, 2014	March 30, 2013	$ Change	% Change		
Income from Operations:						
Retail	$ 467,248	$315,654	$151,594	48.0%	29.3%	29.7%
Wholesale	459,774	269,323	190,451	70.7%	29.1%	26.1%
Licensing	81,149	45,037	36,112	80.2%	57.8%	51.8%
Income from operations	$1,008,171	$630,014	$378,157	60.0%	30.5%	28.9%

Retail

Income from operations for our retail segment increased $151.6 million, or 48.0%, to $467.3 million during Fiscal 2014, compared to $315.7 million for Fiscal 2013. Income from operations as a percentage of net retail sales for the retail segment decreased approximately 0.4% as a percentage of net retail sales to 29.3% during Fiscal 2014. The decrease as a percentage of net sales was due to an approximately 0.6% increase in operating expenses as a percentage of net retail sales, offset, in part, by the aforementioned increase in gross profit margin as a percentage of net retail sales, discussed above. The increase in operating expenses as a percentage of net retail sales resulted from an increase in rent on our stores as a percentage of net retail sales during Fiscal 2014, as compared to Fiscal 2013.

Wholesale

Income from operations for our wholesale segment increased $190.5 million, or 70.7%, to $459.8 million during Fiscal 2014, compared to $269.3 million for Fiscal 2013. Income from operations as a percentage of net wholesale sales for the wholesale segment increased approximately 3.0% as a percentage of net wholesale sales to 29.1%. This increase was primarily due to the aforementioned increase in gross profit margin as a percentage of net wholesale sales during Fiscal 2014 compared to Fiscal 2013. In addition, there was a decrease in operating expenses of approximately 1.2% as a percent of net wholesale sales during Fiscal 2014. The decrease in operating expenses as a percentage of net wholesale sales resulted from the increase in our net wholesale sales during Fiscal 2014, which grew at a greater rate relative to expenses and more than offset the additional expenses incurred during the period such as those discussed above in selling, general and administrative expenses.

Licensing

Income from operations for our licensing segment increased $36.1 million, or 80.2%, to $81.1 million during Fiscal 2014, compared to $45.0 million for Fiscal 2013. Income from operations as a percentage of licensing revenue for the licensing segment increased approximately 6% as a percentage of revenue to 57.8%. This increase is primarily the result of the aforementioned increase in sales licensing revenue, which grew at a greater rate relative to operating expenses during Fiscal 2014.

Interest Expense, net

Interest expense net decreased $1.1 million, or 74.2%, to $0.4 million for Fiscal 2014, as compared to $1.5 million for Fiscal 2013, due primarily to a an increase in interest income earned on our short-term investments (cash equivalents) during Fiscal 2014, as well as a decrease in borrowing during Fiscal 2014 as compared to Fiscal 2013. The primary components of interest expense during both Fiscal 2014 and 2013 were commitment fees and amortization of deferred financing fees.

Foreign Currency Loss

We recognized a foreign currency loss of $0.1 million during Fiscal 2014, as compared to a foreign currency loss of $1.4 million during Fiscal 2013. The decrease in foreign currency loss during Fiscal 2014, was primarily due to a decrease in the balances of our U.S. dollar denominated intercompany loan balances with certain of our non-U.S. subsidiaries (whose functional currency was other than the U.S. dollar), which yield translation gains or losses during their re-measurement. During Fiscal 2013 the larger balances of these U.S. dollar denominated intercompany loans were impacted by the U.S. dollar's strengthening against the Yen during that period.

Provision for Income Taxes

We recognized $346.2 million of income tax expense during Fiscal 2014, compared with $229.5 million for Fiscal 2013. Our effective tax rate for Fiscal 2014 was 34.4%, compared to 36.6% for Fiscal 2013. The decrease in our effective tax rate resulted primarily due to a decrease in our U.S. blended state income tax rate, as well as a greater portion of our income being recognized in jurisdictions with lower statutory income tax rates during Fiscal 2014 as compared to Fiscal 2013.

Net Income

As a result of the foregoing, our net income increased $263.9 million, or 66.4%, to $661.5 million during Fiscal 2014, compared to $397.6 million for Fiscal 2013.

Liquidity and Capital Resources

Liquidity

Our primary sources of liquidity are the cash flows generated from our operations, along with borrowings available under our 2013 Credit Facility (see below discussion regarding "Senior Unsecured Revolving Credit Facility") and available cash and cash equivalents. Our primary use of this liquidity is to fund our ongoing cash requirements, including working capital requirements, global retail store expansion and renovation, construction and renovation of shop-in-shops, investment in information systems infrastructure and expansion of our distribution and corporate facilities. We believe that the cash generated from our operations, together with borrowings available under our revolving credit facility and available cash and cash equivalents, will be sufficient to meet our working capital needs for the next 12 months, including investments made and expenses incurred in connection with our store growth plans, shop-in-shop growth, investments in corporate and distribution facilities, continued systems development, as well as e-commerce sales and marketing initiatives. We spent approximately $356 million on capital expenditures during Fiscal 2015, and expect to spend approximately $400 million during Fiscal 2016. The majority of these expenditures related to the retail store openings which occurred during the year, with the remainder being used on investments made in connection with new shop-in-shops, the build-out of our corporate offices and enhancements to our distribution and information systems infrastructure.

The following table sets forth key indicators of our liquidity and capital resources (in thousands):

	As of	
	March 28, 2015	March 29, 2014
Balance Sheet Data:		
Cash and cash equivalents [1]	$ 978,922	$ 971,194
Working capital	$1,687,350	$1,468,799
Total assets	$2,691,893	$2,216,973

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Cash Flows Provided By (Used In):			
Operating activities [1]	$ 857,869	$ 633,055	$ 363,837
Investing activities	(388,373)	(215,520)	(139,099)
Financing activities	(434,694)	71,058	150,561
Effect of exchange rate changes	(27,074)	(4,683)	(1,641)
Net increase in cash and cash equivalents [1]	$ 7,728	$ 483,910	$ 373,658

(1) As of March 28, 2015, credit cards receivables of $15.8 million were included within cash and cash equivalents in our consolidated balance sheets. Accordingly, the above balance sheet and cash flow information for prior periods reflects the reclassification of credit card receivable balances of $16.0 million and $14.8 million as of March 29, 2014 and March 30, 2013, respectively, from accounts receivable to cash and cash equivalents to conform to the current-period presentation.

Cash Provided by Operating Activities

Cash provided by operating activities increased $224.8 million to $857.9 million during Fiscal 2015, as compared to $633.1 million for Fiscal 2014. The increase in cash flows from operating activities was primarily due an increase in our net income after non-cash adjustments, as well as a favorable change on our inventory primarily attributable to the sell through of our inventory relative to purchases made during Fiscal 2015. These increases were partially offset by decreases related to changes in our accrued expenses and other current liabilities and accounts payable, as compared to Fiscal 2014, primarily due to timing of payments. The decline related to accrued expenses and other current liabilities was also due to the payment of certain non-U.S. current income tax liabilities during Fiscal 2015.

Cash provided by operating activities increased $269.3 million to $633.1 million during Fiscal 2014, as compared to $363.8 million for Fiscal 2013. The increase in cash flows from operating activities was primarily due to an increase in our net income after non-cash adjustments, as well as an increase in changes to our accounts payable during Fiscal 2014 as compared to Fiscal 2013. These increases were offset, in part, by a decrease in changes to our accounts receivable and an increase in cash outflows on our inventory during Fiscal 2014 as compared to Fiscal 2013. The increase in changes to our accounts payable was largely related to the increases in our inventory purchases. The increase in cash outflows on our inventory occurred primarily due to the increase in our inventory requirements driven by our increased sales during Fiscal 2014, as compared to Fiscal 2013. The decrease in changes to our accounts receivable was directly related to the increase in our sales which drove the increase to our accounts receivable balances during Fiscal 2014.

Cash Used in Investing Activities

Net cash used in investing activities was $388.4 million during Fiscal 2015, compared to net cash used in investing activities of $215.5 million during Fiscal 2014. The increase in cash used in investing activities is primarily the result of the build-out of our new retail stores, which were constructed during Fiscal 2015, shop-in-shops we installed during Fiscal 2015, as well as certain technology initiatives undertaken during Fiscal 2015, which related to distribution system enhancements and various other improvements to our infrastructure.

Net cash used in investing activities was $215.5 million during Fiscal 2014, compared to net cash used in investing activities of $139.1 million during Fiscal 2013. The increase in cash used in investing activities was primarily the result of the build-out of our new retail stores, which were constructed during Fiscal 2014, shop-in-shops we installed during Fiscal 2014, as well as certain technology initiatives undertaken during Fiscal 2014, which related to distribution system enhancements and various other improvements to our infrastructure. In addition, we purchased approximately $28.8 million of intangible assets related to certain of our stores opened during Fiscal 2014, as well as made an investment in our joint venture for approximately $2.0 million during Fiscal 2014.

Cash Provided by (Used in) Financing Activities

Net cash used in financing activities was $434.7 million during Fiscal 2015, compared to net cash provided by financing activities of $71.1 million during Fiscal 2014. This decline in cash from financing activities was primarily attributable to increased cash payments of $492.8 million in connection with the repurchase of our ordinary shares, as well a $13.1 million decrease in proceeds from our share option arrangements.

Net cash provided by financing activities was $71.1 million during Fiscal 2014, compared to net cash provided by financing activities of $150.6 million during Fiscal 2013. After excluding the non-cash effects of tax benefits from the exercise of share options, cash provided by financing activities increased by $10.3 million. This increase was primarily due to the net repayments on our revolving credit facility of $22.7 million during Fiscal 2013. This increase was offset, in part, by a decrease of $11.4 million in cash received from the exercise of employee share options during Fiscal 2014 as compared to Fiscal 2013.

Revolving Credit Facilities

Senior Unsecured Revolving Credit Facility

On February 8, 2013, we entered into a senior unsecured credit facility ("2013 Credit Facility"). Pursuant to the agreement, the 2013 Credit Facility provides for up to $200.0 million of borrowings, and expires on February 8, 2018. The agreement also provides for loans and letters of credit to our European subsidiaries of up to $100.0 million. The 2013 Credit Facility contains financial covenants, such as requiring an adjusted leverage ratio of 3.5 to 1.0 (with the ratio being total consolidated indebtedness plus 8.0 times consolidated rent expense to EBITDA plus consolidated rent expense) and a fixed charge coverage ratio of 2.0 to 1.0 (with the ratio being EBITDA plus consolidated rent expense to the sum of fixed charges plus consolidated rent expense), restricts and limits additional indebtedness, and restricts the incurrence of additional liens and cash dividends. As of March 28, 2015, we were in compliance with all of our covenants covered under this agreement.

Borrowings under the 2013 Credit Facility accrue interest at the rate per annum announced from time to time by the agent based on the rates applicable for deposits in the London interbank market for U.S. Dollars or the applicable currency in which the loans are made (the "Adjusted LIBOR") plus an applicable margin. The applicable margin may range from 1.25% to 1.75%, and is based on, or dependent upon, a particular threshold related to the adjusted leverage ratio calculated during the period of borrowing. For Fiscal 2015 and Fiscal 2014, the weighted average interest rate for the revolving credit facility was 1.6%. The 2013 Credit Facility requires an annual facility fee of $0.1 million, and an annual commitment fee of 0.25% to 0.35% on the unused portion of the available credit under the facility.

As of March 28, 2015 and March 29, 2014, there were no borrowings outstanding under the 2013 Credit Facility, and there were no amounts borrowed during Fiscal 2015. As of March 29, 2015, there were stand-by letters of credit of $10.8 million outstanding. As of March 29, 2015, the amount available for future borrowings was $189.2 million.

Share Repurchase Program

On November 14, 2014, we entered into a $355.0 million accelerated share repurchase program (the "ASR program") with a major financial institution (the "ASR Counterparty") to repurchase our ordinary shares. Under the ASR program, we paid $355.0 million to the ASR Counterparty and received 4,437,516 of our ordinary shares from the ASR Counterparty, which represents 100 percent of the shares expected to be purchased pursuant to the ASR program, based on an initial share price determination. The ASR program also contained a forward contract indexed to our ordinary shares whereby additional shares would be delivered to us by January 29, 2015 (the settlement date) if the share price declined from the initial share price, limited to a stated share price "floor." The total number of shares repurchased/acquired was determined on final settlement, with the additional shares reacquired based on the volume-weighted average price of our ordinary shares, less a discount, during the repurchase period, subject to aforementioned price floor. In January 2015, 280,819 additional shares were delivered to us pursuant to these provisions, which did not require us to make any additional cash outlay. The ASR program was accounted for as a treasury stock repurchase, reducing the number of our ordinary shares outstanding by 4,718,335 shares.

In addition to shares purchased under the ASR program, we repurchased an additional 2,040,979 shares at a cost of $136.9 million under our current share-repurchase program through open market transactions. As of March 28, 2015, the remaining availability under our share repurchase program was $508.1 million. On May 20, 2015, our Board of Directors authorized the repurchase of up to an additional $500 million under our existing share repurchase program and extended the program through May 2017.

We also have in place a "withhold to cover" repurchase program, which allows us to withhold ordinary shares from certain executive officers to satisfy minimum tax withholding obligations relating to the vesting of their restricted share awards. During Fiscal 2015, we withheld 40,787 shares at a cost of $3.3 million in satisfaction of minimum tax withholding obligations relating to the vesting of restricted share awards.

Contractual Obligations and Commercial Commitments

As of March 28, 2015, our lease commitments and contractual obligations were as follows (in thousands):

Fiscal Years Ending	Fiscal 2016	Fiscal 2017-2018	Fiscal 2019-2020	Fiscal 2021 and Thereafter	Total
Operating leases	$177,159	$367,651	$352,603	$695,255	$1,592,668
Inventory Purchase Obligations	299,600	—	—	—	299,600
Other commitments	36,264	546	—	—	36,810
Total	$513,023	$368,197	$352,603	$695,255	$1,929,078

Operating lease obligations represent our equipment leases and the minimum lease rental payments under non-cancelable operating leases for our real estate locations globally. In addition to the above amounts, we are typically required to pay real estate taxes, contingent rent based on sales volume and other occupancy costs relating to our leased properties for our retail stores.

Inventory purchase obligations represent our contractual agreements relating to future purchases of inventory.

Other commitments include our non-cancelable contractual obligations related to marketing and advertising agreements, a land purchase commitment, information technology agreements, and supply agreements.

Excluded from the above commitments is $21.2 million of long-term liabilities related to uncertain tax positions, due to the uncertainty of the time and nature of resolution.

The above table also excludes amounts included in current liabilities in our consolidated balance sheet as of March 28, 2015, as these items will be paid within one year, and non-current liabilities that have no cash outflows associated with them (e.g., deferred taxes).

Off-Balance Sheet Arrangements

We have not created, and are not party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business. In addition to the commitments in the above table, our off-balance sheet commitments relating to our outstanding letters of credit were $10.8 million at March 28, 2015. We do not have any other off-balance sheet arrangements or relationships with entities that are not consolidated into our financial statements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

Effects of Inflation

We do not believe that our sales or operating results have been materially impacted by inflation during the periods presented in our financial statements. However, we may experience an increase in cost pressure from our suppliers in the future, which could have an adverse impact on our gross profit results in the periods effected.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to certain market risks during the normal course of our business, such as risk arising from fluctuations in foreign currency exchange rates, as well as fluctuations in interest rates. In attempts to manage these risks, we employ certain strategies to mitigate the effect of these fluctuations. We enter into foreign currency forward contracts to manage our foreign currency exposure to the fluctuations of certain foreign currencies. The use of these instruments primarily helps to manage our exposure to our foreign purchase commitments and better control our product costs. We do not use derivatives for trading or speculative purposes.

Foreign Currency Exchange Risk

We are exposed to risks on certain purchase commitments to foreign suppliers based on the value of our purchasing subsidiaries local currency relative to the currency requirement of the supplier on the date of the commitment. As such, we enter into forward currency exchange contracts that generally mature in 12 months or less and are consistent with the related purchase commitments. These contracts are recorded at fair value in our consolidated balance sheets as either an asset or liability, and are derivative contracts to hedge cash flow risks. Certain of these contracts are designated as hedges for hedge accounting purposes, while certain of these contracts, currently a relatively small portion, are not designated as hedges for accounting purposes. Accordingly, the changes in the fair value of the majority of these contracts at the balance sheet date are recorded in our equity as a component of accumulated other comprehensive income, and upon maturity (settlement) are recorded in, or reclassified into, our cost of sales or operating expenses, in our consolidated statement of operations, as applicable to the transactions for which the forward currency exchange contracts were established. For those contracts which are designated as hedges for accounting purposes, any portion of those contracts deemed ineffective would be charged to earnings, in the period the ineffectiveness was determined.

We perform a sensitivity analysis on our forward currency contracts, both designated and not designated as hedges for accounting purposes, to determine the effects of fluctuations in foreign currency exchange rates. For this sensitivity analysis, we assume a hypothetical change in U.S. dollar against foreign exchange rates. Based on all foreign currency exchange contracts outstanding as of March 28, 2015, a 10% appreciation or devaluation of the U.S. dollar compared to the level of foreign currency exchange rates for currencies under contract as of March 28, 2015, would result in a net increase and decrease of approximately $21 million and $22 million, respectively, in the fair value of these contracts.

Interest Rate Risk

We are exposed to interest rate risk in relation to our 2013 Credit Facility. Our 2013 Credit Facility carries interest rates that are tied to LIBOR and the prime rate, among other institutional lending rates (depending on the particular origination of borrowing), and therefore our statements of operations and cash flows are exposed to changes in those interest rates. At March 28, 2015 and March 29, 2014, there were no balances outstanding on our 2013 Credit Facility, which is not indicative of future balances that may be subject to fluctuations in interest rates. Any increases in the applicable interest rate(s) would cause an increase to the interest expense on our 2013 Credit Facility relative to any outstanding balance at that date.

Item 8. Financial Statements and Supplementary Data

The response to this item is provided in this Annual Report on Form 10-K under Item 15. “Exhibits and Financial Statement Schedule” and is incorporated herein by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, our principal executive officer and principal financial officer, respectively, of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a - 15(e) and 15(d) - 15(e) under the Securities and Exchange Act of 1934 (the "Exchange Act")) as of March 28, 2015. Based on the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that disclosure controls and procedures as of March 28, 2015 are effective.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined under the Exchange Act Rule 13a-15 (f)) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles ("GAAP"). Such internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets; (ii) provide reasonable assurance (A) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors; and (B) regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Our management assessed the effectiveness of our internal control over financial reporting as of March 28, 2015. In making this assessment, it used the criteria set forth in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the 2013 Framework. Based on this assessment, management has determined that, as of March 28, 2015, our internal control over financial reporting is effective based on those criteria.

The Company's internal control over financial reporting as of March 28, 2015, as well as the consolidated financial statements, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which appears herein. The audit report appears on page 50 of this report.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended March 28, 2015, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

On May 20, 2015, Michael Kors (USA), Inc. (the "Company") and Michael Kors Holdings Limited ("MKHL") entered into amended and restated employment agreements with each of Michael Kors, our Honorary Chairman and Chief Creative Officer (the "Kors Agreement"), and John D. Idol, our Chairman and Chief Executive Officer (the "Idol Agreement"), as required under the terms thereof. The material terms of these agreements are set forth below, such terms qualified in their entirety by terms of the Kors Agreement and the Idol Agreement, respectively. Because these agreements are restatements of prior agreements, many provisions described below are continuations of terms from the prior agreements and have been previously disclosed.

Kors Agreement

The term of Mr. Kors' employment agreement remains unchanged. It terminates upon his death, permanent disability or for "Cause" (as defined in the Kors Agreement and unchanged from the prior agreement).

Under the Kors Agreement, Mr. Kors' titles also remain unchanged. He is Honorary Chairman and Chief Creative Officer of the Company and MKHL. The Company and MKHL will use best efforts to cause Mr. Kors to be appointed or elected to their respective boards of directors.

Mr. Kors' salary and bonus rights have been amended, as described below. His rights to retirement, welfare, fringe and other employee benefits remain unchanged, except he is eligible for six weeks of paid vacation per year, rather than five weeks under the prior agreement, and he is no longer entitled to reimbursement of reasonable out-of-pocket professional costs incurred for the preparation of his U.S. tax returns or for membership in a health club.

He continues to be entitled to participate in all Company employee benefit plans (to the extent eligible therefor), excluding bonus plans unless provided in the Kors Agreement or determined by the Compensation Committee (the "Compensation Committee") of the board of directors of MKHL (the "MKHL Board"). If any benefit plan is not available to Mr. Kors due to his nationality or residence, the Company must use best efforts to provide a substantially equivalent benefit through another source, at its expense. The Company must provide health and medical insurance to Mr. Kors at its own cost without contribution from Mr. Kors. The Company also pays the premiums on the whole life insurance policy and the $500,000 term life insurance policy, in each case currently owned by and in place on the life of Mr. Kors. The Company provides him with an automobile and driver for transportation to and from the Company's offices and for other business purposes.

The contract termination provisions have not been changed in the Kors Agreement. A termination by the Company will not result in any severance. However, if Mr. Kors dies or becomes permanently disabled, or terminates under circumstances where the Company breached the Kors Agreement, he or his estate (as applicable) is entitled to a pro rata portion of his bonus that would have been payable to Mr. Kors in respect of the fiscal year or half year during which the termination, death or permanent disability occurred. If Mr. Kors terminates his employment without the Company's consent (and other than due to death or permanent disability or due to the Company's breach of his employment agreement), for the remainder of his lifetime he will be an independent and exclusive design consultant for the Company for an annual fee of $1.0 million and will not compete with the Company. The Kors Agreement no longer gives MKHL the option to purchase for book value all of the ordinary shares of MKHL held by Mr. Kors in the event his employment is terminated for Cause.

The Kors Agreement continues the indemnification commitments that applied under the prior agreement. The Company and MKHL will indemnify Mr. Kors and hold him harmless to the maximum extent permitted by applicable law, against liabilities, costs, and expenses incurred in connection with any action, suit, claim or proceeding to which he may be made a party by reason of his being an officer, director or employee of the Company or any of its affiliates, but not for any acts taken in bad faith or in breach of his duty of loyalty to the Company or MKHL under applicable law. Such rights may not be less favorable than any indemnification and hold harmless rights provided by the Company or MKHL to any senior officer. These provisions survive the termination of the Kors agreement.

The Kors Agreement gives Mr. Kors creative and aesthetic control over the products produced and sold under the MICHAEL KORS trademarks and related marks, including exclusive control of the design of such products (so long as the exercise of such control is commercially reasonable). All intellectual property created by or at Mr. Kors' direction in the course of his employment is the exclusive property of the Company. Mr. Kors remains obligated to maintain the confidentiality of the Company's proprietary information.

The Company has agreed not to enter into any new line of business without Mr. Kors' consent, if he reasonably determines that such line of business is detrimental to our trademarks. Mr. Kors may not render services to any other persons or compete with the Company's business (except for charitable activities not inconsistent with the intent of the Kors Agreement and literary, theatrical and artistic activities not detrimental to the Company's trademarks).

Idol Agreement

The term of the Idol Agreement extends through March 31, 2018 and will be automatically renewed for additional one-year terms, unless either Mr. Idol or the Company gives advance written notice of non-renewal. Mr. Idol will serve as Chairman and Chief Executive Officer of the Company and MKHL, reporting to the MKHL Board. The Company and MKHL must use best efforts to cause Mr. Idol to be appointed or elected to the position of Chairman of the board of directors of each of them. As in the prior agreement, upon his termination from employment for any reason, Mr. Idol will immediately resign from such boards and from other officer and director positions with MKHL and its subsidiaries.

Mr. Idol's employee, retirement and fringe benefit rights are not changed in the Idol Agreement. He remains entitled to participate in all Company employee benefit plans and programs generally available to senior officers, excluding bonus plans unless otherwise provided in the Idol Agreement or determined by the Compensation Committee. The Company pays the premiums, up to a maximum of $50,000 per annum, for Mr. Idol's $5.0 million whole life insurance policy. The Company also provides Mr. Idol with an automobile and driver for transportation to and from the Company's offices and for business purposes as provided for in the Idol Agreement.

The circumstances and consequences of termination of Mr. Idol's employment remain unchanged. The Idol Agreement will terminate upon a change of control (defined as the purchase or acquisition by any person, entity or group of affiliated persons or entities of more than 50% of the combined voting power of the outstanding shares of MKHL or all or substantially all of MKHL's assets). It will also terminate upon Mr. Idol's death or "Total Disability" (as defined in the Idol Agreement and unchanged from the prior agreement). Mr. Idol may terminate the Idol Agreement without Good Reason (as defined in the Idol Agreement and unchanged from the prior agreement) upon six months' advance notice or with Good Reason, subject to certain notice and cure rights. We may terminate the Idol Agreement with "Cause" (as defined in the Idol Agreement and unchanged from the prior agreement) upon 10 days advance written notice, subject to Mr. Idol's having certain rights to meet with the MKHL Board, and a majority of the MKHL Board approving his dismissal.

If Mr. Idol's employment is terminated by the Company without Cause or by him for Good Reason, he will be entitled to receive a pro rata portion of his bonuses (described below) that would have been payable in respect of the fiscal year, or part fiscal year, as of the date of termination plus severance equal to two times the sum of his then current base salary and the annual bonus paid or payable to him with respect to the Company's last full fiscal year, payable in a single lump sum within 30 days following termination. If Mr. Idol dies or becomes totally disabled, Mr. Idol is entitled to a pro rata portion of his bonus that would have payable to Mr. Idol in respect of such fiscal year as of the date of death or total disability.

Mr. Idol has also agreed that during the term of the Idol Agreement he will not engage in, or carry on any Competitive Business (as defined below); provided, that he may own ten percent (10%) or less in a Competitive Business as a passive investor so long as he does not manage or exercise influence or control over such business. For purposes of the Idol Agreement, "Competitive Business" means a business which directly competes in any material respects with the Company or its parents, subsidiaries, affiliates or product licensees.

The Idol Agreement continues the indemnification commitments that applied under the prior agreement. To the extent permitted by law and the Company's or MKHL's by-laws or other governing documents, the Company and/or MKHL (as applicable) will indemnify Mr. Idol with respect to any claims made against him as an officer, director or employee of MKHL, the Company or any other subsidiary of MKHL, except for acts taken in bad faith or in breach of his duty of loyalty to the Company or MKHL. During the term and for as long thereafter as is practicable, the Company agreed that Mr. Idol will be covered under a directors and officers liability insurance policy with coverage limits in amounts no less than that which the Company currently maintains as of the date of the Idol Agreement.

Mr. Idol has agreed that all rights to the Company's intellectual property are and will remain the sole and exclusive property of the Company and Mr. Idol remains obligated to maintain the confidentiality of the Company's proprietary information. For two years after termination of his employment, Mr. Idol has agreed not to hire any person who was employed or retained by the Company or any of its affiliates within the one-year period immediately preceding such employment or retention.

Kors and Idol Agreements

Under the new agreements, each of Mr. Kors and Mr. Idol is entitled to an annual salary of not less than $1.0 million. The executives are also entitled to receive the bonuses described below, subject to approval by the shareholders of MKHL of the plan pursuant to which the bonuses will be paid.

Commencing with the fiscal year beginning March 29, 2016 (the "2016 Fiscal Year"), each executive is eligible to receive a cash bonus with respect to performance over the period beginning on the first day of each fiscal year and ending on the last day of the second fiscal quarter of such fiscal year equal to 1% of MKHL's consolidated income from operations for such performance period, increased by depreciation plus amortization plus impairment of long-lived assets, in each case calculated in accordance with U.S. generally accepted accounting principles and disclosed in MKHL's Consolidated Statements of Operations and Comprehensive Income ("EBITDA") for such performance period, up to a maximum of $1.5 million (the "Part-Year Bonus"). In addition, commencing with the 2016 Fiscal Year, each executive is eligible to receive an annual bonus with respect to each full fiscal year of MKHL equal to 1% of EBITDA during such annual performance period, up to a maximum of $6.5 million, reduced by the amount of the Part-Year Bonus in respect of the same fiscal year. If the Compensation Committee determines that the executive was overpaid as a result of certain restatements of the reported financial or operating results of MKHL due to material non-compliance with financial reporting requirements, then it may reduce the amount of a bonus, or require the executive to re-pay the overpaid portion of the bonuses, as long as the determination as to the fact that a bonus has been over paid is made before the end of the third fiscal year following the year for which the bonus performance criteria were inaccurate, but extended until any restatement is complete.

Part III

Item 10. ***Directors, Executive Officers and Corporate Governance***

Information with respect to this Item is included in the Company's Proxy Statement to be filed in June 2015, which is incorporated herein by reference.

Item 11. ***Executive Compensation***

Information with respect to this Item is included in the Company's Proxy Statement to be filed in June 2015, which is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The following table sets forth information as of March 28, 2015 regarding compensation plans under which the Company's equity securities are authorized for issuance:

Equity Compensation Plan Information

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders [1]	3,996,866	$ 55.11[2]	10,739,867
Equity compensation plans not approved by security holders [3]	4,313,870	$ 5.97[2]	—
Total	8,310,736	$ 29.60[2]	10,739,867

(1) Reflects share options, restricted shares and restricted share units issued under the Michael Kors Holdings Limited Omnibus Incentive Plan.

(2) Represents the weighted average exercise price of outstanding share awards only.

(3) Reflects share options issued under the Amended and Restated Michael Kors (USA), Inc. Stock Option Plan (the "Option Plan"). Prior to our initial public offering, we granted share options to purchase ordinary shares to our executive officers and other eligible employees pursuant to the terms of the Option Plan. All of the share options granted under the Option Plan are ten-year share options and vest in full at the end of the ten-year term if our shareholder net equity has increased by at least 20% per annum during such ten-year period. However, a portion of each share option is eligible to vest on an accelerated basis over the course of five years with 20% vesting each year if the pre-established annual performance goal for the year has been met, in each case, subject to the grantee's continued employment through the vesting date. The annual performance goals are tied to annual divisional pre-tax profit as determined by the Board. As of March 28, 2015, there were no shares available for future issuance under the 2008 Plan.

Item 13. ***Certain Relationships, Related Transactions and Director Independence***

Information with respect to this Item is included in the Company's Proxy Statement to be filed in June 2015, which is incorporated herein by reference.

Item 14. ***Principal Accountant Fees and Services***

Information with respect to this Item is included in the Company's Proxy Statement to be filed in June 2015, which is incorporated herein by reference.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) The following documents are filed as part of this annual report on Form 10-K:

1. The following consolidated financial statements listed below are filed as a separate section of this Annual Report on Form 10-K:

   Report of Independent Registered Public Accounting Firm - Ernst & Young LLP.

   Report of Independent Registered Public Accounting Firm - PricewaterhouseCoopers LLP.

   Consolidated Balance Sheets as of March 28, 2015 and March 29, 2014.

   Consolidated Statements of Operations and Comprehensive Income for the fiscal years ended March 28, 2015, March 29, 2014 and March 30, 2013.

   Consolidated Statements of Shareholders' Equity for the fiscal years ended March 28, 2015, March 29, 2014 and March 30, 2013.

   Consolidated Statements of Cash Flows for the fiscal years ended March 28, 2015, March 29, 2014 and March 30, 2013.

   Notes to Consolidated Financial Statements for the fiscal years ended March 28, 2015, March 29, 2014 and March 30, 2013.

2. Exhibits:

EXHIBIT INDEX

Exhibit No.	Document Description
2.1	Restructuring Agreement, dated as of July 7, 2011, by and among Michael Kors Holdings Limited, John Idol, SHL-Kors Limited, Michael Kors, SHL Fashion Limited, Michael Kors (USA), Inc., Michael Kors Far East Holdings Limited, Sportswear Holdings Limited, Littlestone, Northcroft Trading Inc., Vax Trading, Inc., OB Kors LLC, John Muse, Muse Children's GS Trust, JRM Interim Investors, LP and Muse Family Enterprises (included as Exhibit 2.1 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
3.1	Amended and Restated Memorandum and Articles of Association of Michael Kors Holdings Limited (included as Exhibit 99.3 to the Company's Current Report on Form 6-K filed on February 14, 2012, and incorporated herein by reference).
4.1	Specimen of Ordinary Share Certificate of Michael Kors Holdings Limited (included as Exhibit 4.1 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
4.2	Credit Agreement, dated as of February 8, 2013, among Michael Kors (USA), Inc., the foreign subsidiary borrowers party thereto, the lenders party thereto, the guarantors party thereto, J.P. Morgan Chase Bank, N.A., Bank of America, N.A., HSBC Bank USA, National Association, Wells Fargo Bank, National Association, and J.P. Morgan Securities L.L.C. (included as Exhibit 4.2 to the Company's Annual Report on Form 10-K for the fiscal year ended March 30, 2013 filed on May 29, 2013, and incorporated herein by reference).
4.3	Shareholders Agreement, dated as of July 11, 2011, among Michael Kors Holdings Limited and certain shareholders of Michael Kors Holdings Limited (included as Exhibit 10.2 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
4.4	Subscription Agreement, dated as of July 7, 2011, among Michael Kors Holdings Limited and certain shareholders of Michael Kors Holdings Limited (included as Exhibit 10.1 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
10.1	Form of Indemnification Agreement between Michael Kors Holdings Limited and its directors and executive officers (included as Exhibit 10.5 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
10.2	Licensing Agreement, dated as of April 1, 2011, between Michael Kors, L.L.C. and Michael Kors (HK) Limited (included as Exhibit 10.6 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference). (Certain portions of this exhibit were omitted pursuant to a confidential treatment request. Omitted information was filed separately with the Securities and Exchange Commission.)

Exhibit No.	Document Description
10.3	Licensing Agreement, dated as of April 1, 2011, between Michael Kors, L.L.C. and Michael Kors Trading Shanghai Limited (included as Exhibit 10.7 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference). (Certain portions of this exhibit were omitted pursuant to a confidential treatment request. Omitted information was filed separately with the Securities and Exchange Commission).
10.4	Amended and Restated Michael Kors (USA), Inc. Stock Option Plan (included as Exhibit 10.4 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
10.5	Amended No. 1 to the Amended and Restated Michael Kors (USA), Inc. Share Option Plan. (included as Exhibit 4.9 to the Company's Annual Report on Form 20-F for the fiscal year ended March 31, 2012, filed on June 12, 2012, and incorporated herein by reference).
10.6	Michael Kors Holdings Limited Omnibus Incentive Plan (included as Exhibit 10.8 to the Company's Registration Statement on Form F-1, as amended (File No. 333-178282), filed on December 2, 2011, and incorporated herein by reference).
10.7	Second Amended and Restated Employment Agreement, dated as of May 20, 2015, by and among Michael Kors (USA), Inc., Michael Kors Holdings Limited and Michael Kors.
10.8	Second Amended and Restated Employment Agreement, dated as of May 20, 2015, by and among Michael Kors (USA), Inc., Michael Kors Holdings Limited and John D. Idol.
10.9	Amended and Restated Employment Agreement, dated as of May 23, 2013, by and among Michael Kors (USA), Inc., Michael Kors Holdings Limited and Joseph B. Parsons (included as Exhibit 10.9 to the Company's Annual Report on Form 10-K for the fiscal year ended March 30, 2013 filed on May 29, 2013, and incorporated herein by reference).
10.10	Amended and Restated Employment Agreement, dated as of May 23, 2013, by and among Michael Kors (USA), Inc., Michael Kors Holdings Limited and Lee S. Sporn (included as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended March 30, 2013 filed on May 29, 2013, and incorporated herein by reference).
10.11	Separation Agreement and General Release, dated June 9, 2014, by and between Britton Russell and Michael Kors (USA), Inc. (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 28, 2014 filed on August 7, 2014, and incorporated herein by reference).
10.12	Michael Kors Holdings Limited Executive Bonus Program (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 29, 2013 filed on August 6, 2013, and incorporated herein by reference).
10.13	Employment Agreement, dated as of May 12, 2014, by and between Michael Kors (USA), Inc., and Cathy Marie Robison (included as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended March 29, 2014 filed on May 28, 2014, and incorporated herein by reference).
10.14	Employment Agreement, dated as of July 14, 2014, by and between Pascale Meyran and Michael Kors (USA), Inc.
10.15	Form of Employee Non-Qualified Option Award Agreement.
10.16	Form of Employee Restricted Share Unit Award Agreement.
10.17	Form of Performance-Based Restricted Share Unit Award Agreement.
10.18	Form of Independent Director Restricted Share Unit Award Agreement.
10.19	Aircraft Time Sharing Agreement, dated November 24, 2014, by and between Michael Kors (USA), Inc. and John Idol.
10.20	Aircraft Time Sharing Agreement, dated December 12, 2014, by and between Michael Kors (USA), Inc. and Michael Kors.

Exhibit No.	Document Description
21.1	List of subsidiaries of Michael Kors Holdings Limited.
23.1	Consent of PricewaterhouseCoopers LLP.
23.2	Consent of Ernst & Young LLP.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of Sarbanes Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of Sarbanes Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1	Interactive Data Files.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant hereby certifies that it meets all of the requirements for filing on Form 10-k and that it has duly caused and authorized the undersigned to sign this report on its behalf.

Date: May 27, 2015

MICHAEL KORS HOLDINGS LIMITED

By: /s/ John D. Idol
Name: John D. Idol
Title: Chairman & Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Michael Kors Michael Kors	Honorary Chairman, Chief Creative Officer and Director	May 27, 2015
By: /s/ John D. Idol John D. Idol	Chairman, Chief Executive Officer and Director (Principal Executive Officer)	May 27, 2015
By: /s/ Joseph B. Parsons Joseph B. Parsons	Chief Financial Officer, Chief Operating Officer and Treasurer (Principal Financial and Accounting Officer)	May 27, 2015
By: /s/ M. William Benedetto M. William Benedetto	Director	May 27, 2015
By: /s/ Stephen F. Reitman Stephen F. Reitman	Director	May 27, 2015
By: /s/ Ann McLaughlin Korologos Ann McLaughlin Korologos	Director	May 27, 2015
By: /s/ Jean Tomlin Jean Tomlin	Director	May 27, 2015
By: /s/ Judy Gibbons Judy Gibbons	Director	May 27, 2015
By: /s/ Jane Thompson Jane Thompson	Director	May 27, 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Michael Kors Holdings Limited

We have audited the accompanying consolidated balance sheets of Michael Kors Holdings Limited and subsidiaries ("the Company") as of March 28, 2015 and March 29, 2014, and the related consolidated statements of operations and comprehensive income, changes in shareholders' equity and cash flows for each of the two years in the period ended March 28, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Michael Kors Holdings Limited and subsidiaries at March 28, 2015 and March 29, 2014, and the consolidated results of its operations and its cash flows for each of the two years in the period ended March 28, 2015, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Michael Kors Holdings Limited internal control over financial reporting as of March 28, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated May 27, 2015 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP
New York, New York
May 27, 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Michael Kors Holdings Limited

We have audited Michael Kors Holdings Limited and subsidiaries' ("the Company") internal control over financial reporting as of March 28, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Michael Kors Holdings Limited and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Michael Kors Holdings Limited and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of March 28, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Michael Kors Holdings Limited and subsidiaries as of March 28, 2015 and March 29, 2014, and the related consolidated statements of operations and comprehensive income, changes in shareholders' equity and cash flows for each of the two years in the period ended March 28, 2015 and our report dated May 27, 2015 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP
New York, New York
May 27, 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Michael Kors Holdings Limited

In our opinion, the consolidated statements of operations and comprehensive income, of shareholders' equity and of cash flows for the year ended March 30, 2013 present fairly, in all material respects, the results of operations and cash flows of Michael Kors Holdings Limited and its subsidiaries for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
New York, New York
May 29, 2013

MICHAEL KORS HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	March 28, 2015	March 29, 2014
Assets		
Current assets		
Cash and cash equivalents	$ 978,922	$ 971,194
Receivables, net	363,419	298,006
Inventories	519,908	426,938
Deferred tax assets	27,739	30,539
Prepaid expenses and other current assets	127,443	50,492
Total current assets	2,017,431	1,777,169
Property and equipment, net	562,934	350,678
Intangible assets, net	61,541	48,034
Goodwill	14,005	14,005
Deferred tax assets	2,484	3,662
Other assets	33,498	23,425
Total assets	$2,691,893	$2,216,973
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 142,818	$ 143,563
Accrued payroll and payroll related expenses	62,869	54,703
Accrued income taxes	25,507	47,385
Deferred tax liabilities	3,741	—
Accrued expenses and other current liabilities	95,146	62,719
Total current liabilities	330,081	308,370
Deferred rent	88,320	76,785
Deferred tax liabilities	10,490	5,887
Other long-term liabilities	22,037	19,800
Total liabilities	450,928	410,842
Commitments and contingencies		
Shareholders' equity		
Ordinary shares, no par value; 650,000,000 shares authorized; 206,486,699 shares issued and 199,656,833 outstanding at March 28, 2015; 204,291,345 shares issued and 204,261,580 outstanding at March 29, 2014	—	—
Treasury shares, at cost (6,829,866 shares at March 28, 2015 and 29,765 shares at March 29, 2014)	(497,724)	(2,447)
Additional paid-in capital	636,732	527,213
Accumulated other comprehensive loss	(66,804)	(6,373)
Retained earnings	2,168,761	1,287,738
Total shareholders' equity	2,240,965	1,806,131
Total liabilities and shareholders' equity	$2,691,893	$2,216,973

See accompanying notes to consolidated financial statements.

MICHAEL KORS HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except share and per share data)

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Net sales	$ 4,199,666	$ 3,170,522	$ 2,094,757
Licensing revenue	171,803	140,321	86,975
Total revenue	4,371,469	3,310,843	2,181,732
Cost of goods sold	1,723,818	1,294,773	875,166
Gross profit	2,647,651	2,016,070	1,306,566
Selling, general and administrative expenses	1,251,431	926,913	621,536
Depreciation and amortization	138,425	79,654	54,291
Impairment of long-lived assets	822	1,332	725
Total operating expenses	1,390,678	1,007,899	676,552
Income from operations	1,256,973	1,008,171	630,014
Other income	(3,117)	—	—
Interest expense, net	215	393	1,524
Foreign currency loss	4,052	131	1,363
Income before provision for income taxes	1,255,823	1,007,647	627,127
Provision for income taxes	374,800	346,162	229,525
Net income	$ 881,023	$ 661,485	$ 397,602
Weighted average ordinary shares outstanding:			
Basic	202,680,572	202,582,945	196,615,054
Diluted	205,865,769	205,638,107	201,540,144
Net income per ordinary share:			
Basic	$ 4.35	$ 3.27	$ 2.02
Diluted	$ 4.28	$ 3.22	$ 1.97
Statements of Comprehensive Income:			
Net income	$ 881,023	$ 661,485	$ 397,602
Foreign currency translation adjustments	(91,293)	(34)	(4,006)
Net gains (losses) on derivatives	30,862	(2,878)	1,280
Comprehensive income	$ 820,592	$ 658,573	$ 394,876

See accompanying notes to consolidated financial statements.

MICHAEL KORS HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands except share data)

	Ordinary Shares		Additional Paid-in	Treasury Shares		Accumulated Other Comprehensive	Retained	
	Shares	Amounts	Capital	Shares	Amounts	(Loss) Income	Earnings	Total
Balance at March 31, 2012	192,731,390	$ —	$ 228,321	—	$ —	$ (735)	$ 228,651	$ 456,237
Net income	—	—	—		—	—	397,602	397,602
Foreign currency translation adjustment	—	—	—	—	—	(4,006)		(4,006)
Net gain on derivatives (net of taxes of $0.1 million)	—	—	—	—	—	1,280	—	1,280
Total comprehensive income	—	—	—	—	—	—	—	394,876
Issuance of restricted shares	18,541	—	—	—	—	—	—	—
Exercise of employee share options	8,704,477	—	30,435	—	—	—	—	30,435
Equity compensation expense	—	—	20,932	—	—	—	—	20,932
Tax benefits on exercise of share options	—	—	144,508	—	—	—	—	144,508
Contributed capital - services from former parent	—	—	258	—	—	—	—	258
Balance at March 30, 2013	201,454,408	$ —	$ 424,454	—	$ —	$ (3,461)	$ 626,253	$1,047,246
Net income	—	—	—	—	—	—	661,485	661,485
Foreign currency translation adjustment	—	—	—	—	—	(34)		(34)
Net loss on derivatives (net of taxes of $0.4 million)	—	—	—	—	—	(2,878)	—	(2,878)
Total comprehensive income	—	—	—	—	—	—	—	658,573
Issuance of restricted shares	250,654	—	—	—	—	—	—	—
Exercise of employee share options	2,586,283	—	18,988	—	—	—	—	18,988
Equity compensation expense	—	—	29,078	—	—	—	—	29,078
Tax benefits on exercise of share options	—	—	54,693	—	—	—	—	54,693
Purchase of treasury shares	—	—	—	(29,765)	(2,447)	—	—	(2,447)
Balance at March 29, 2014	204,291,345	$ —	$ 527,213	(29,765)	$ (2,447)	$ (6,373)	$1,287,738	$1,806,131
Net income	—	—	—	—	—	—	881,023	881,023
Foreign currency translation adjustment	—	—	—	—	—	(91,293)	—	(91,293)
Net gain on derivatives (net of taxes of $3.6 million)	—	—	—	—	—	30,862	—	30,862
Total comprehensive income	—	—	—	—	—	—	—	820,592
Issuance of restricted shares	413,108	—	—	—	—	—	—	—
Exercise of employee share options	1,782,246	—	15,313	—	—	—	—	15,313
Equity compensation expense	—	—	48,936	—	—	—	—	48,936
Tax benefits on exercise of share options	—	—	45,270	—	—	—	—	45,270
Purchase of treasury shares	—	—	—	(6,800,101)	(495,277)	—	—	(495,277)
Balance at March 28, 2015	206,486,699	$ —	$ 636,732	(6,829,866)	$(497,724)	$ (66,804)	$2,168,761	$2,240,965

See accompanying notes to consolidated financial statements.

MICHAEL KORS HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Cash flows from operating activities			
Net income	$ 881,023	$ 661,485	$ 397,602
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	138,425	79,654	54,291
Equity compensation expense	48,936	29,078	20,932
Deferred income taxes	6,232	(29,905)	3,222
Non-cash litigation related costs	5,651	2,009	—
Amortization of deferred rent	5,053	6,333	3,245
Loss on disposal of fixed assets	1,938	3,758	229
Impairment and write-off of property and equipment	822	1,332	725
Amortization of deferred financing costs	746	746	703
Tax benefits on exercise of share options	(45,270)	(54,693)	(144,508)
Foreign currency (gains) losses	(1,467)	131	1,363
Loss (income) earned on joint venture	(130)	(354)	—
Non-cash charges for services provided by former parent	—	—	258
Change in assets and liabilities:			
Receivables, net	(83,336)	(104,372)	(73,080)
Inventories	(112,418)	(158,243)	(81,108)
Prepaid expenses and other current assets	(20,152)	(5,222)	(3,866)
Other assets	(6,333)	(4,274)	6
Accounts payable	5,809	55,916	17,698
Accrued expenses and other current liabilities	21,865	124,317	151,231
Other long-term liabilities	10,475	25,359	14,894
Net cash provided by operating activities	857,869	633,055	363,837
Cash flows from investing activities			
Capital expenditures	(356,209)	(184,738)	(121,321)
Purchase of intangible assets	(29,224)	(28,822)	(8,546)
Investment in joint venture	(2,940)	—	—
Equity method investments	—	(1,960)	(3,232)
Loans receivable - joint venture	—	—	(6,000)
Net cash used in investing activities	(388,373)	(215,520)	(139,099)
Cash flows from financing activities			
Repurchase of treasury shares	(495,277)	(2,447)	—
Tax benefits on exercise of share options	45,270	54,693	144,508
Exercise of employee share options	15,313	18,988	30,435
Repayments of borrowings under revolving credit agreement	—	(21,120)	(38,954)
Borrowings under revolving credit agreement	—	21,120	16,280
Payment of deferred financing costs	—	(176)	(1,708)
Net cash provided by financing activities	(434,694)	71,058	150,561
Effect of exchange rate changes on cash and cash equivalents	(27,074)	(4,683)	(1,641)
Net increase in cash and cash equivalents	7,728	483,910	373,658
Beginning of period	971,194	487,284	113,626
End of period	$ 978,922	$ 971,194	$ 487,284
Supplemental disclosures of cash flow information			
Cash paid for interest	$ 729	$ 699	$ 484
Cash paid for income taxes	$ 373,314	$ 280,667	$ 70,500
Supplemental disclosure of noncash investing and financing activities			
Accrued capital expenditures	$ 32,876	$ 16,324	$ 12,289

See accompanying notes to consolidated financial statements.

MICHAEL KORS HOLDINGS LIMITED AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business and Basis of Presentation

Michael Kors Holdings Limited ("MKHL," and together with its subsidiaries, the "Company") was incorporated in the British Virgin Islands ("BVI") on December 13, 2002. The Company is a leading designer, marketer, distributor and retailer of branded women's apparel and accessories and men's apparel bearing the Michael Kors tradename and related trademarks "MICHAEL KORS," "MICHAEL MICHAEL KORS," and various other related trademarks and logos. The Company's business consists of retail, wholesale and licensing segments. Retail operations consist of collection stores and lifestyle stores, including concessions and outlet stores, located primarily in the United States, Canada, Europe and Japan, as well as e-commerce. Wholesale revenues are principally derived from major department and specialty stores located throughout the United States, Canada and Europe. The Company licenses its trademarks on products such as fragrances, beauty, eyewear, leather goods, jewelry, watches, coats, men's suits, swimwear, furs and ties, as well as through geographic licenses.

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

The Company utilizes a 52 to 53 week fiscal year ending on the Saturday closest to March 31. As such, each of the fiscal years ending on March 28, 2015, March 29, 2014, and March 30, 2013 ("Fiscal 2015," "Fiscal 2014" and "Fiscal 2013," respectively) consist of 52 weeks.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to use judgment and make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The level of uncertainty in estimates and assumptions increases with the length of time until the underlying transactions are completed. The most significant assumptions and estimates involved in preparing the financial statements include allowances for customer deductions, sales returns, sales discounts and doubtful accounts, estimates of inventory recovery, the valuation of share-based compensation, valuation of deferred taxes and the estimated useful lives used for amortization and depreciation of intangible assets and property and equipment. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the prior periods' financial information in order to conform to the current period's presentation.

Revenue Recognition

Revenue is recognized when there is persuasive evidence of an arrangement, delivery has occurred, the price has been fixed and determinable and collectability is reasonably assured. The Company recognizes retail store revenues upon sale of its products to retail consumers, net of estimated returns. Revenue from sales through the Company's e-commerce site is recognized at the time of delivery to the customer, reduced by an estimate of returns. Wholesale revenue is recognized net of estimates for sales returns, discounts, markdowns and allowances, after merchandise is shipped and the title and risk of loss are transferred to the Company's wholesale customers. To arrive at net sales for retail, gross sales are reduced by actual customer returns as well as by a provision for estimated future customer returns, which is based on management's review of historical and current customer returns. Sales taxes collected from retail customers are presented on a net basis and, as such, are excluded from revenue. To arrive at net sales for wholesale, gross sales are reduced by provisions for estimated future returns, based on current expectations, as well as trade discounts, markdowns, allowances, operational chargebacks, and certain cooperative selling expenses. These estimates are based on such factors as historical trends, actual and forecasted performance, and market conditions, which are reviewed by management on a quarterly basis.

The following table details the activity and balances of the Company's sales reserves for the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013 (in thousands):

	Balance Beginning of Year	Amounts Charged to Revenue	Write-offs Against Reserves	Balance at Year End
Retail				
Return Reserves:				
Fiscal year ended March 28, 2015	$ 2,320	$ 57,031	$ (56,873)	$ 2,478
Fiscal year ended March 29, 2014	3,146	45,632	(46,458)	2,320
Fiscal year ended March 30, 2013	1,659	35,448	(33,961)	3,146

	Balance Beginning of Year	Amounts Charged to Revenue	Write-offs Against Reserves	Balance at Year End
Wholesale				
Total Sales Reserves:				
Fiscal year ended March 28, 2015	$65,921	$281,032	$(259,408)	$87,545
Fiscal year ended March 29, 2014	43,009	203,465	(180,553)	65,921
Fiscal year ended March 30, 2013	30,381	135,450	(122,822)	43,009

Royalty revenue generated from product licenses, which includes contributions for advertising, is based on reported sales of licensed products bearing the Company's tradenames at rates specified in the license agreements. These agreements are also subject to contractual minimum levels. Royalty revenue generated by geography-specific licensing agreements is recognized as it is earned under the licensing agreements based on reported sales of licensees applicable to specified periods, as outlined in the agreements. These agreements allow for the use of the Company's tradenames to sell its branded products in specific geographic regions.

Advertising

Advertising and marketing costs are expensed when incurred and are reflected in general and administrative expenses. Advertising and marketing expense was $103.6 million, $65.7 million and $41.9 million in Fiscal 2015, Fiscal 2014 and Fiscal 2013, respectively.

Cooperative advertising expense, which represents the Company's participation in advertising expenses of its wholesale customers, is reflected as a reduction of net sales. Expenses related to cooperative advertising for Fiscal 2015, Fiscal 2014, and Fiscal 2013, were $8.0 million, $7.3 million and $5.1 million, respectively.

Shipping and Handling

Shipping and handling costs were $92.6 million, $78.6 million and $29.1 million for Fiscal 2015, Fiscal 2014, and Fiscal 2013, respectively, and are included in selling, general and administrative expenses in the consolidated statements of operations.

Cash and Cash Equivalents

All highly liquid investments with original maturities of three months or less are considered to be cash equivalents. Included in the Company's cash and cash equivalents as of March 28, 2015 and March 29, 2014 are credit card receivables of $15.8 million and $16.0 million, respectively, which generally settle within two to three business days.

Inventories

Inventories consist of finished goods and are stated at the lower of cost or market value. Cost is determined using the weighted-average cost method. Costs include amounts paid to independent manufacturers, plus duties and freight to bring the goods to the Company's warehouses, which are located in the United States, Holland, Canada, Japan and Hong Kong. The Company continuously evaluates the composition of its inventory and makes adjustments when the cost of inventory is not expected to be fully recoverable. The net realizable value of the Company's inventory is estimated based on historical experience, current and forecasted demand, and market conditions. In addition, reserves for inventory loss are estimated based on historical experience and physical inventory counts. The Company's inventory reserves are estimates, which could vary significantly from actual results if future economic conditions, customer demand or competition differ from expectations. Our historical estimates of these adjustments have not differed materially from actual results.

Store Pre-opening Costs

Costs associated with the opening of new retail stores and start up activities, are expensed as incurred.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation and amortization (carrying value). Depreciation is recorded on a straight-line basis over the expected remaining useful lives of the related assets. Equipment, furniture and fixtures, are depreciated over five to seven years, computer hardware and software are depreciated over three to five years and in-store shops are amortized over three to four years. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated remaining useful lives of the related assets or the remaining lease term, including highly probable renewal periods. The Company includes all depreciation and amortization expense as a component of total operating expenses, as the underlying long-lived assets are not directly or indirectly related to bringing the Company's products to their existing location and condition. Maintenance and repairs are charged to expense in the year incurred.

The Company's share of the cost of constructing in-store shop displays within its wholesale customers' floor-space ("shop-in-shops"), which is paid directly to third-party suppliers, is capitalized as property and equipment and is generally amortized over a useful life of three or four years.

The Company capitalizes, in property and equipment, direct costs incurred during the application development stage and the implementation stage for developing, purchasing or otherwise acquiring software for its internal use. These costs are amortized over the estimated useful lives of the software, generally five years. All costs incurred during the preliminary project stage, including project scoping and identification and testing of alternatives, are expensed as incurred.

Finite-Lived Intangible Assets

The Company's finite-lived intangible assets consist of trademarks and lease rights and are stated at cost less accumulated amortization. Trademarks are amortized over twenty years and lease rights are amortized over the terms of the related lease agreements, including highly probable renewal periods, on a straight-line basis.

Impairment of Long-lived Assets

The Company evaluates its long-lived assets, including fixed assets and finite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of any such asset may not be recoverable. The Company's impairment testing is based on its best estimate of its future operating cash flows. If the sum of estimated undiscounted future cash flows associated with the asset is less than the asset's carrying value, an impairment charge is recognized, which is measured as the amount by which the carrying value exceeds the fair value of the asset. These estimates of cash flow require significant management judgment and certain assumptions about future volume, sales and expense growth rates, devaluation and inflation. As such, these estimates may differ from actual cash flows.

Goodwill

The Company performs an assessment of goodwill on an annual basis, or whenever impairment indicators exist. In the absence of any impairment indicators, goodwill is assessed during the fourth quarter of each fiscal year. Judgments regarding the existence of impairment indicators are based on market conditions and operational performance of the business.

The Company assesses its goodwill for impairment initially using a qualitative approach ("step zero") to determine whether it is more likely than not that the fair value of goodwill is greater than its carrying value. If the results of the qualitative assessment indicate that it is not more likely than not that the fair value of goodwill exceeds its carrying value, a quantitative goodwill analysis would be performed to determine if impairment is required. The valuation methods used in the quantitative fair value assessment, discounted cash flow and market multiples method, require the Company's management to make certain assumptions and estimates regarding certain industry trends and future profitability of the Company's reporting units. If the carrying amount of a reporting unit exceeds its fair value, the Company would compare the implied fair value of the reporting unit goodwill to its carrying value. To compute the implied fair value, the Company would assign the fair value of the reporting unit to all of the assets and liabilities of that unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination. The excess of the fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair

value of goodwill. If the carrying value of the reporting unit goodwill exceeded the implied fair value of the reporting unit goodwill, the Company would record an impairment loss to write down such goodwill to its implied fair value. The valuation of goodwill is affected by, among other things, the Company's business plan for the future and estimated results of future operations. Future events could cause the Company to conclude that impairment indicators exist, and, therefore, that goodwill may be impaired.

During the fourth quarter of Fiscal 2015, the Company performed its annual impairment analysis using a qualitative approach. Based on the results of its assessment, the Company concluded that the carrying amounts of all reporting units were significantly exceeded by their respective fair values, and there were no reporting units at risk of impairment. There were no impairment charges related to goodwill in any of the fiscal periods presented.

Joint Venture Investments

The Company accounts for its investment it its Latin American joint venture as an equity method investment and records it in other assets in the Company's consolidated balance sheets. During Fiscal 2013, the Company made a non-recourse loan to this joint venture for approximately $6.0 million, which accrues at a 5% annual rate. The purpose of the loan was to provide working capital for the joint venture's operations. The $6.0 million loan is repayable at the time of the expiration of the joint venture agreement, along with accrued interest payable at the expiration date. The loan, along with accrued interest, is recorded in other assets in the Company's consolidated balance sheets.

Share-based Compensation

The Company grants share-based awards to certain employees and directors of the Company. The grant date fair value of share options is calculated using the Black-Scholes option pricing model. The closing market price at the grant date is used to determine the grant date fair value of restricted shares, restricted shares units (RSUs) and performance RSUs. These fair values are recognized as expense over the requisite service period, net of estimated forfeitures, based on expected attainment of pre-established performance goals for performance grants, or the passage of time for those grants which have only time-based vesting requirements.

The Company's expected volatility is based on the average volatility rates of similar actively traded companies over the Company's estimated expected holding periods. The expected holding period for performance-based options is based on the period to expiration, which is generally 9-10 years, which directly correlates to the Company's service period requirement for such options. The expected holding period for time-based options is calculated using the simplified method, which uses the vesting term of the options, generally 4 years, and the contractual term of 7 years, resulting in a holding period of 4.5-4.75 years. The simplified method was chosen as a means to determine the Company's estimated holding period, as prior to December 2011, the Company was privately held and, as such, there is insufficient historical option exercise experience. The risk-free interest rate is derived from the zero-coupon U.S. Treasury Strips yield curve based on the grant's estimated holding period. Determining the grant date fair value of share-based awards requires considerable judgment, including estimating expected volatility, expected term and risk-free rate. If factors change and the Company employs different assumptions, the fair value of future awards and the resulting share-based compensation expense may differ significantly from what the Company has estimated in the past.

Foreign Currency Translation and Transactions

The financial statements of the majority of the Company's foreign subsidiaries are measured using the local currency as the functional currency. The Company's functional currency is the United States Dollar ("USD") for MKHL and its United States based subsidiaries. Assets and liabilities are translated using period-end exchange rates, while revenues and expenses are translated using average exchange rates over the reporting period. The resulting translation adjustments are recorded separately in shareholders' equity as a component of accumulated other comprehensive income (loss). Foreign currency income and losses resulting from the re-measuring of transactions denominated in a currency other than the functional currency of a particular entity are included in foreign currency loss on the Company's consolidated statements of operations.

Derivative Financial Instruments

The Company uses forward currency exchange contracts to manage its exposure to fluctuations in foreign currency for certain of its transactions. The Company in its normal course of business enters into transactions with foreign suppliers and seeks to minimize risks related to these transactions. The Company employs these forward currency contracts to hedge the Company's cash flows, as they relate to foreign currency transactions. Certain of these contracts are designated as hedges for accounting purposes, while others remain undesignated. All of the Company's derivative instruments are recorded in the Company's consolidated balance sheets at fair value on a gross basis, regardless of their hedge designation.

The Company designates certain contracts related to the purchase of inventory that qualify for hedge accounting as cash flow hedges. Formal hedge documentation is prepared for all derivative instruments designated as hedges, including description of the hedged item and the hedging instrument, the risk being hedged, and the manner in which hedge effectiveness will be assessed prospectively and

retrospectively. The effective portion of changes in the fair value for contracts designated as cash flow hedges is recorded in equity as a component of accumulated other comprehensive income (loss) until the hedged item effects earnings. When the inventory related to forecasted inventory purchases that are being hedged is sold to a third party, the gains or losses deferred in accumulated other comprehensive income (loss) are recognized within cost of goods sold. The Company uses regression analysis to assess effectiveness of derivative instruments that are designated as hedges, which compares the change in the fair value of the derivative instrument to the change in the related hedged item. Effectiveness is assessed on a quarterly basis and any portion of the designated hedge contracts deemed ineffective is recorded to other income. If the hedge is no longer expected to be highly effective in the future, future changes in the fair value are recognized in earnings. For those contracts that are not designated as hedges, changes in the fair value are recorded in other income in the Company's consolidated statements of operations. The Company classifies cash flows relating to its derivative instruments consistently with the classification of the hedged item, within cash from operating activities.

The Company is exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. In order to mitigate counterparty credit risk, the Company only enters into contracts with carefully selected financial institutions based upon their credit ratings and certain other financial factors, adhering to established limits for credit exposure. The aforementioned forward contracts generally have a term of no more than 12 months. The period of these contracts is directly related to the foreign transaction they are intended to hedge.

Income Taxes

Deferred income tax assets and liabilities have been provided for temporary differences between the tax bases and financial reporting bases of the Company's assets and liabilities using the tax rates and laws in effect for the periods in which the differences are expected to reverse. The Company periodically assesses the realizability of deferred tax assets and the adequacy of deferred tax liabilities, based on the results of local, state, federal or foreign statutory tax audits or estimates and judgments used.

Realization of deferred tax assets associated with net operating loss and tax credit carryforwards is dependent upon generating sufficient taxable income prior to their expiration in the applicable tax jurisdiction. The Company periodically reviews the recoverability of its deferred tax assets and provides valuation allowances, as deemed necessary, to reduce deferred tax assets to amounts that more-likely-than-not will be realized. The Company's management considers many factors when assessing the likelihood of future realization of deferred tax assets, including recent earnings results within various taxing jurisdictions, expectations of future taxable income, the carryforward periods remaining and other factors. Changes in the required valuation allowance are recorded in income in the period such determination is made. Deferred tax assets could be reduced in the future if the Company's estimates of taxable income during the carryforward period are significantly reduced or alternative tax strategies are no longer viable.

The Company recognizes the impact of an uncertain income tax position taken on its income tax returns at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will be recognized if it has less than a 50% likelihood of being sustained. The tax positions are analyzed periodically (at least quarterly) and adjustments are made as events occur that warrant adjustments for those positions. The Company records interest expense and penalties payable to relevant tax authorities as income tax expense.

Rent Expense, Deferred Rent and Landlord Construction Allowances

The Company leases office space, retail stores and distribution facilities under agreements that are classified as operating leases. Many of these operating leases include contingent rent provisions (percentage rent), and/or provide for certain landlord allowances related to tenant improvements and other relevant items. The recognition of rent expense for an operating lease commences on the earlier of the related lease commencement date or the date of possession of the property. Rent expense is calculated by recognizing total minimum rental payments (net of any rental abatements, construction allowances and other rental concessions) on a straight-line basis over the lease term. The difference between straight-line rent expense and rent paid is recorded as deferred rent, which is classified within short-term and long-term liabilities in the Company's consolidated balance sheets. The Company accounts for landlord allowances and incentives as a component of deferred rent, which is amortized over the lease term as a reduction of rent expense. The Company records rent expense as a component of selling, general and administrative expenses.

Deferred Financing Costs

The Company defers costs directly associated with acquiring third party financing. These deferred costs are amortized on a straight-line basis, which approximates the effective interest method, as interest expense over the term of the related indebtedness. As of March 28, 2015, deferred financing costs were $2.1 million, net of accumulated amortization of $3.6 million. As of March 29, 2014, deferred financing costs were $2.9 million, net of accumulated amortization of $2.8 million. Deferred financing costs are included in other assets on the consolidated balance sheets.

Net Income per Share

The Company's basic net income per ordinary share is calculated by dividing net income by the weighted average number of ordinary shares outstanding during the period.

Diluted net income per ordinary share reflects the potential dilution that would occur if share option grants or any other potentially dilutive instruments, including restricted shares and units ("RSUs"), were exercised or converted into ordinary shares. These potentially dilutive securities are included in diluted shares to the extent they are dilutive under the treasury stock method for the applicable periods. Performance-based RSUs are included in diluted shares if the related performance conditions are considered satisfied as of the end of the reporting period and to the extent they are dilutive under the treasury stock method.

The components of the calculation of basic net income per ordinary share and diluted net income per ordinary share are as follows (in thousands except share and per share data):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Numerator:			
Net income	$ 881,023	$ 661,485	$ 397,602
Denominator:			
Basic weighted average shares	202,680,572	202,582,945	196,615,054
Weighted average dilutive share equivalents:			
Share options and restricted shares/units	3,185,197	3,055,162	4,925,090
Diluted weighted average shares	205,865,769	205,638,107	201,540,144
Basic net income per share	$ 4.35	$ 3.27	$ 2.02
Diluted net income per share	$ 4.28	$ 3.22	$ 1.97

Share equivalents for 699,321 shares, 44,256 shares, and 7,341 shares, for fiscal years ending March 28, 2015, March 29, 2014, and March 30, 2013, respectively, have been excluded from the above calculation due to their anti-dilutive effect.

Recent Accounting Pronouncements — The Company has considered all new accounting pronouncements and has concluded that, with the exception of the below, there are no new pronouncements that are currently expected to have a material impact on results of operations, financial condition, or cash flows.

In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-12, "*Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*," ASU 2014-12 requires that a performance target under stock-based compensation arrangements that could be achieved after the service period is treated as a performance condition and not reflected in the grant-date fair value of the award. Rather, the related compensation cost should be recognized when it becomes probable that the performance targets will be achieved. ASU 2014-12 is effective beginning with the Company's Fiscal 2017, with early adoption and retrospective application permitted. The Company does not expect that ASU 2014-12 will have a significant impact on its consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*," which provides new guidance for revenues recognized from contracts with customers, and will replace the existing revenue recognition guidance. ASU No. 2014-09 requires that revenue is recognized at an amount the company is entitled to upon transferring control of goods or services to customers, as opposed to when risks and rewards transfer to a customer. ASU No. 2014-09 will become effective for the interim reporting periods within the annual reporting period beginning after December 15, 2016, or beginning with the Company's Fiscal 2018, and may be applied retrospectively to all prior periods presented, or retrospectively with a cumulative adjustment to retained earnings in the year of adoption. In April 2015, the FASB issued a proposal to defer the effective date by one year which, if approved, would make this standard effective beginning in the Company's Fiscal 2019. The Company is currently evaluating the adoption method and the impact that ASU 2014-09 will have on its consolidated financial statements and related disclosures.

3. Receivables

Receivables consist of (in thousands):

	March 28, 2015	March 29, 2014
Trade receivables:		
Credit risk assumed by factors/insured	$374,150	$261,900
Credit risk retained by Company	67,530	93,045
Receivables due from licensees	11,763	11,302
	453,443	366,247
Less allowances:	(90,024)	(68,241)
	$363,419	$298,006

The Company has historically assigned a substantial portion of its trade receivables to factors in the United States (U.S.) and Europe whereby the factors assumed credit risk with respect to such receivables assigned. Under the factor agreements, factors bear the risk of loss from the financial inability of the customer to pay the trade receivable when due, up to such amounts as accepted by the factor; but not the risk of non-payment of such trade receivable for any other reason. Beginning in July 2012, the Company assumed responsibility for a large portion of previously factored accounts receivable balances, the majority of which were insured at March 28, 2015. The Company provides an allowance for such non-payment risk at the time of sale, which is recorded as an offset to revenue.

Receivables are presented net of allowances for sales returns, discounts, markdowns, operational chargebacks and doubtful accounts. Sales returns are determined based on an evaluation of current market conditions and historical returns experience. Discounts are based on open invoices where trade discounts have been extended to customers. Markdowns are based on retail sales performance, seasonal negotiations with customers, historical deduction trends and an evaluation of current market conditions. Operational chargebacks are based on deductions taken by customers, net of expected recoveries. Such provisions, and related recoveries, are reflected in net sales.

The allowance for doubtful accounts is determined through analysis of periodic aging of receivables for which credit risk is not assumed by the factors, or which are not covered by insurance, and assessments of collectability based on an evaluation of historic and anticipated trends, the financial conditions of the Company's customers and the impact of general economic conditions. The past due status of a receivable is based on its contractual terms. Amounts deemed uncollectible are written off against the allowance when it is probable the amounts will not be recovered. Allowances for doubtful accounts were $0.7 million and $1.5 million, at March 28, 2015 and March 29, 2014, respectively.

4. Concentration of Credit Risk, Major Customers and Suppliers

Financial instruments that subject the Company to concentration of credit risk are cash and cash equivalents and receivables. As part of its ongoing procedures, the Company monitors its concentration of deposits with various financial institutions in order to avoid any undue exposure. The Company mitigates its risk by depositing cash and cash equivalents in major financial institutions. With respect to certain of its receivables, the Company mitigates its credit risk through the assignment of receivables to a factor, as well as obtaining insurance coverage for a portion of non-factored receivables (as demonstrated in the above table in "Credit risk assumed by factors"). For the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013, net sales related to our largest wholesale customer, Federated, accounted for approximately 13.7%, 14.4%, and 14.0%, respectively, of total revenue. The accounts receivable related to this customer were fully factored or substantially insured for all three fiscal years. No other customer accounted for 10% or more of the Company's total consolidated revenues during Fiscal 2015, Fiscal 2014, or Fiscal 2013.

The Company contracts for the purchase of finished goods principally with independent third-party contractors, whereby the contractor is generally responsible for all manufacturing processes, including the purchase of piece goods and trim. Although the Company does not have any long-term agreements with any of its manufacturing contractors, the Company believes it has mutually satisfactory relationships with them. The Company allocates product manufacturing among agents and contractors based on their capabilities, the availability of production capacity, quality, pricing and delivery. The inability of certain contractors to provide needed services on a timely basis could adversely affect the Company's operations and financial condition. The Company has relationships with various agents who source the Company's finished goods with numerous contractors on the Company's behalf. For the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013, one agent sourced approximately 11.7%, 12.6%, and 14.0%, respectively, and one contractor accounted for approximately 29.1%, 30.4%, and 31.8%, respectively, of the Company's finished goods purchases.

5. Property and Equipment, Net

Property and equipment, net, consists of (in thousands):

	March 28, 2015	March 29, 2014
Furniture and fixtures	$ 160,178	$ 108,757
Equipment	73,609	31,683
Computer equipment and software	104,372	50,646
In-store shops	189,308	123,637
Leasehold improvements	294,225	216,451
	821,692	531,174
Less: accumulated depreciation and amortization	(337,755)	(234,381)
	483,937	296,793
Construction-in-progress	78,997	53,885
	$ 562,934	$ 350,678

Depreciation and amortization of property and equipment for the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013, was $131.4 million, $76.6 million, and $52.7 million, respectively. During the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013, the Company recorded impairment charges of $0.8 million, $1.3 million, and $0.7 million, respectively, related to certain retail locations still in operation. The impairments related to two retail locations in Fiscal 2015, three retail locations in Fiscal 2014, and one retail location in Fiscal 2013.

6. Intangible Assets and Goodwill

The following table details the carrying values of intangible assets and goodwill (in thousands):

	March 28, 2015			March 29, 2014		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Trademarks	$23,000	$ 13,995	$ 9,005	$23,000	$ 12,845	$10,155
Lease Rights	61,087	8,551	52,536	41,748	3,869	37,879
Goodwill	14,005	—	14,005	14,005	—	14,005
	$98,092	$ 22,546	$75,546	$78,753	$ 16,714	$62,039

The trademarks relate to the Company's brand name and are amortized over twenty years. Lease rights are amortized over the respective terms of the underlying lease, including highly probable renewal periods. Amortization expense was $7.0 million, $3.1 million, and $1.5 million, respectively, for each of the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013.

Goodwill is not amortized but is evaluated annually for impairment in the last quarter or each fiscal year, or whenever impairment indicators exist. The Company evaluated goodwill during the fourth fiscal quarter of Fiscal 2015, and determined that there was no impairment. As of March 28, 2015, cumulative impairment related to goodwill totaled $5.4 million. There were no charges related to the impairment of goodwill in the periods presented.

Estimated amortization expense for each of the next five years is as follows (in thousands):

Fiscal 2016	$ 7,331
Fiscal 2017	7,164
Fiscal 2018	7,130
Fiscal 2019	7,105
Fiscal 2020	7,093
Thereafter	25,718
	$61,541

The future amortization expense above reflects weighted-average estimated remaining useful lives of 9.2 years for lease rights and 7.8 years for trademarks. There were no impairment charges related to the Company's lease rights or trademarks during any of the periods presented.

7. Current Assets and Current Liabilities

Prepaid expenses and other current assets consist of the following (in thousands):

	March 28, 2015	March 29, 2014
Prepaid taxes	$ 60,637	$20,943
Unrealized gains on forward foreign exchange contracts	25,004	12
Leasehold incentive receivable	12,289	8,022
Prepaid rent	11,681	8,740
Other	17,832	12,775
	$127,443	$50,492

Accrued expenses and other current liabilities consist of the following (in thousands):

	March 28, 2015	March 29, 2014
Other taxes payable	$20,202	$17,321
Accrued rent	27,058	14,159
Advance royalties	5,081	2,097
Professional services	7,347	6,319
Accrued litigation	5,539	2,009
Accrued advertising	5,653	4,810
Accrued samples	816	797
Unrealized loss on forward foreign exchange contracts	600	1,875
Other	22,850	13,332
	$95,146	$62,719

8. Credit Facilities

Senior Unsecured Revolving Credit Facility

On February 8, 2013, the Company entered into a senior unsecured credit facility ("2013 Credit Facility"). Pursuant to the agreement, the 2013 Credit Facility provides for up to $200.0 million of borrowings, and expires on February 8, 2018. The agreement also provides for loans and letters of credit to the Company's European subsidiaries of up to $100.0 million. The 2013 Credit Facility contains financial covenants, such as requiring an adjusted leverage ratio of 3.5 to 1.0 (with the ratio being total consolidated indebtedness plus 8.0 times consolidated rent expense to EBITDA plus consolidated rent expense) and a fixed charge coverage ratio of 2.0 to 1.0 (with the ratio being EBITDA plus consolidated rent expense to the sum of fixed charges plus consolidated rent expense), restricts and limits additional indebtedness, and restricts the incurrence of additional liens and cash dividends. As of March 28, 2015, the Company was in compliance with all covenants related to this agreement.

Borrowings under the 2013 Credit Facility accrue interest at the rate per annum announced from time to time by the agent based on the rates applicable for deposits in the London interbank market for U.S. dollars or the applicable currency in which the loans are made (the "Adjusted LIBOR") plus an applicable margin. The applicable margin may range from 1.25% to 1.75%, and is based, or dependent upon, a particular threshold related to the adjusted leverage ratio calculated during the period of borrowing. For Fiscal 2015 and Fiscal 2014, the weighted average interest rate for the revolving credit facility was 1.6%. The 2013 Credit Facility requires an annual facility fee of $0.1 million and an annual commitment fee of 0.25% to 0.35% on the unused portion of the available credit under the facility.

As of March 28, 2015 and March 29, 2014, there were no borrowings outstanding under the 2013 Credit Facility, and there were no amounts borrowed during Fiscal 2015. At March 28, 2015, there were stand-by letters of credit of $10.8 million outstanding. The amount available for future borrowings under the agreement was $189.2 million as of March 28, 2015.

9. Commitments and Contingencies

Leases

The Company leases office space, retail stores and warehouse space under operating lease agreements that expire at various dates through September 2029. In addition to minimum rental payments, the leases require payment of increases in real estate taxes and other expenses incidental to the use of the property.

Rent expense for the Company's operating leases consists of the following (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Minimum rentals	$151,007	$107,071	$ 74,708
Contingent rent	65,752	56,299	29,871
Total rent expense	$216,759	$163,370	$104,579

Future minimum lease payments under the terms of these noncancelable operating lease agreements are as follows (in thousands):

Fiscal years ending:	
2016	$ 177,159
2017	183,467
2018	184,184
2019	177,927
2020	174,676
Thereafter	695,255
	$1,592,668

The Company has issued stand-by letters of credit to guarantee certain of its retail and corporate operating lease commitments, aggregating $10.8 million at March 28, 2015.

Other Commitments

As of March 28, 2015, the Company also has other contractual commitments aggregating $336.4 million, which consist of inventory purchase commitments of $299.6 million, and other contractual obligations of $36.8 million.

Long-term Employment Contract

As of March 28, 2015, the Company had an employment agreement with one of its officers that provided for continuous employment through the date of the officer's death or permanent disability at a salary of $2.5 million. In addition to salary, the agreement provided for an annual bonus and other employee related benefits. Refer to Part II, Item 9B – Other Information for officer employment agreements, as amended and restated on May 20, 2015.

Contingencies

In the ordinary course of business, the Company is party to various legal proceedings and claims. Although the outcome of such items cannot be determined with certainty, the Company's management does not believe that the outcome of all pending legal proceedings in the aggregate will have a material adverse effect on its cash flow, results of operations or financial position.

10. Fair Value of Financial Instruments

Financial assets and liabilities are measured at fair value using the three-level valuation hierarchy for disclosure of fair value measurements. The determination of the applicable level within the hierarchy of a particular asset or liability depends on the inputs used in the valuation as of the measurement date, notably the extent to which the inputs are market-based (observable) or internally derived (unobservable). Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs based on a company's own assumptions about market participant assumptions developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that a company has the ability to access at the measurement date.

Level 2 – Valuations based on quoted inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

At March 28, 2015 and March 29, 2014, the fair values of the Company's foreign currency forward contracts, the Company's only derivative instruments, were determined using broker quotations, which were calculations derived from observable market information: the applicable currency rates at the balance sheet date and those forward rates particular to the contract at inception. The Company makes no adjustments to these broker obtained quotes or prices, but assesses the credit risk of the counterparty and would adjust the provided valuations for counterparty credit risk when appropriate. The fair values of the forward contracts are included in prepaid expenses and other current assets, and in accrued expenses and other current liabilities in the consolidated balance sheets, depending on whether they represent assets or (liabilities) to the Company, as detailed in Note 11. All contracts are measured and recorded at fair value on a recurring basis and are categorized in Level 2 of the fair value hierarchy, as shown in the following table:

	Fair value at March 28, 2015, using:			Fair value at March 29, 2014, using:		
(In thousands)	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Foreign currency forward contracts- Euro	$ —	$ 23,590	$ —	$ —	$ (1,875)	$ —
Foreign currency forward contracts- Canadian Dollar	—	1,404	—	—	—	—
Foreign currency forward contracts- U.S. Dollar	—	(590)	—	—	12	—
Total	$ —	$ 24,404	$ —	$ —	$ (1,863)	$ —

The Company's cash and cash equivalents, accounts receivable and accounts payable, are recorded at carrying value, which approximates fair value. Borrowings under the Credit Facility, if outstanding, are recorded at carrying value, which resembles fair value due to the short-term nature of the revolving Credit Facility.

11. Derivative Financial Instruments

The Company uses forward currency exchange contracts to manage its exposure to fluctuations in foreign currency for certain of its transactions. The Company in its normal course of business enters into transactions with foreign suppliers and seeks to minimize risks related to certain forecasted inventory purchases by using foreign currency forward exchange contracts. The Company only enters into derivative instruments with highly credit-rated counterparties. The Company's derivative financial instruments are not currently subject to master netting arrangements. The Company does not enter into derivative contracts for trading or speculative purposes.

The following table details the fair value of the Company's derivative contracts, which are recorded on a gross basis in the consolidated balance sheets as of March 28, 2015 and March 29, 2014 (in thousands):

	Notional Amounts		Fair Values			
			Current Assets [1]		Current Liabilities [2]	
	March 28, 2015	March 29, 2014	March 28, 2015	March 29, 2014	March 28, 2015	March 29, 2014
Designated forward currency exchange contracts	$226,090	$127,955	$23,590	$ 5	$ 522	$ 1,875
Undesignated forward currency exchange contracts	25,788	27,105	1,414	7	78	—
Total	$251,878	$155,060	$25,004	$ 12	$ 600	$ 1,875

(1) Recorded within prepaid expenses and other current assets in the Company's audited consolidated balance sheets.
(2) Recorded within accrued expenses and other current liabilities in the Company's audited consolidated balance sheets.

Changes in the fair value of the effective portion of the Company's forward foreign currency exchange contracts that are designated as accounting hedges are recorded in equity as a component of accumulated other comprehensive income, and are reclassified from accumulated other comprehensive income into earnings when the items underlying the hedged transactions are recognized into earnings, as a component of cost of sales within the Company's consolidated statements of operations. The following table summarizes the impact of the effective portion of gains and losses of the forward contracts designated as hedges for the fiscal years ended March 28, 2015 and March 29, 2014 (in thousands):

	Fiscal Year Ended March 28, 2015		Fiscal Year Ended March 29, 2014	
	Pre-Tax Gain Recognized in OCI (Effective Portion)	Pre-tax Gain Reclassified from Accumulated OCI into Earnings (Effective Portion)	Pre-Tax (Loss) Recognized in OCI (Effective Portion)	Pre-tax Loss Reclassified from Accumulated OCI into Earnings (Effective Portion)
Forward currency exchange contracts	$ 36,633	$ 2,059	$ (3,797)	$ (540)

Activity related to contracts designated for hedge accounting purposes during Fiscal 2013 was not material, as the Company did not begin to designate its hedges until the end of Fiscal 2013. Amounts related to ineffectiveness were not material during all periods presented.

The Company expects that substantially all of the amounts currently recorded in accumulated other comprehensive loss will be reclassified into earnings during the next twelve months, based upon the timing of inventory purchases and turns. These amounts are subject to fluctuations in the applicable currency exchange rates.

During Fiscal 2015, the Company recognized $1.5 million in gains related to the change in the fair value of undesignated forward currency exchange contracts within other income in the Company's consolidated statement of operations. During Fiscal 2014 and Fiscal 2013, realized gains and losses related to undesignated forward currency exchange contracts were not material.

12. Shareholders' Equity

Secondary Offerings

During Fiscal 2013, the Company completed the following secondary offerings:

- In April 2012, in connection with the Company's March 2012 secondary offering of 25,000,000 ordinary shares at a price of $47.00 per share, the underwriters exercised their additional share purchase option, where an additional 3,750,000 shares were offered at $47.00 per share.

- During September 2012, the Company completed a secondary offering of 23,000,000 ordinary shares at a price of $53.00 per share. Subsequent to this offering, and in connection with it, the underwriters exercised their additional share purchase option during October 2012, where an additional 3,450,000 shares were offered at $53.00 per share.
- During February 2013, the Company completed a secondary offering of 25,000,000 ordinary shares at a price of $61.50 per share.

The Company did not receive any of the proceeds related to the sale of the shares from any of the secondary offerings and incurred approximately $1.7 million in fees, which were charged to selling, general and administrative expenses in Fiscal 2013.

Share Repurchase Program

On November 14, 2014, the Company entered into a $355.0 million accelerated share repurchase program (the "ASR program") with a major financial institution (the "ASR Counterparty") to repurchase the Company's ordinary shares. Under the ASR program, the Company paid $355.0 million to the ASR Counterparty and received 4,437,516 of its ordinary shares from the ASR Counterparty, which represents 100 percent of the shares expected to be purchased pursuant to the ASR program, based on an initial share price determination. The ASR program also contained a forward contract indexed to the Company's ordinary shares whereby additional shares would be delivered to the Company by January 29, 2015 (the settlement date) if the share price declined from the initial share price, limited to a stated share price "floor." The total number of shares repurchased/acquired was determined on final settlement, with the additional shares reacquired based on the volume-weighted average price of the Company's ordinary shares, less a discount, during the repurchase period, subject to aforementioned price floor. In January 2015, 280,819 additional shares were delivered to the Company pursuant to these provisions, which did not require any additional cash outlay by the Company. The ASR program was accounted for as a treasury stock repurchase, reducing the number of ordinary shares outstanding by 4,718,335 shares. The forward contract was accounted for as an equity instrument.

In addition to shares purchased under the ASR program, the Company repurchased an additional 2,040,979 shares at a cost of $136.9 million under its current share-repurchase program through open market transactions. As of March 28, 2015, the remaining availability under the Company's share repurchase program was $508.1 million. On May 20, 2015, the Company's Board of Directors authorized the repurchase of up to an additional $500 million under the Company's existing share repurchase program and extended the program through May 2017.

The Company also has in place a "withhold to cover" repurchase program, which allows the Company to withhold ordinary shares from certain executive officers to satisfy minimum tax withholding obligations relating to the vesting of their restricted share awards. During Fiscal 2015, the Company withheld 40,787 shares at a cost of $3.3 million in satisfaction of minimum tax withholding obligations relating to the vesting of restricted share awards.

13. Accumulated Other Comprehensive Income

The following table details changes in the components of accumulated other comprehensive income, net of taxes for Fiscal 2015, Fiscal 2014 and Fiscal 2013 (in thousands):

	Foreign Currency Translation Losses	Net Gains (Losses) on Derivatives	Total Accumulated Other Comprehensive Income (Loss)
Balance at March 31, 2012	$ (735)	$ —	$ (735)
Other comprehensive income (loss) before reclassifications [1]	(4,006)	1,280	(2,726)
Amounts reclassified from AOCI to earnings [1]	—	—	—
Other comprehensive income (loss) net of tax	(4,006)	1,280	(2,726)
Balance at March 30, 2013	(4,741)	1,280	(3,461)
Other comprehensive income (loss) before reclassifications	(34)	(3,360)	(3,394)
Less: amounts reclassified from AOCI to earnings [2]	—	(482)	(482)
Other comprehensive income (loss) net of tax	(34)	(2,878)	(2,912)
Balance at March 29, 2014	(4,775)	(1,598)	(6,373)
Other comprehensive income (loss) before reclassifications [3]	(91,293)	32,822	(58,471)
Less: amounts reclassified from AOCI to earnings [2]	—	1,960	1,960
Other comprehensive income (loss) net of tax	(91,293)	30,862	(60,431)
Balance at March 28, 2015	$ (96,068)	$ 29,264	$ (66,804)

(1) The Company did not begin to designate certain of its hedges as accounting hedges until the end of Fiscal 2013.
(2) Reclassified amounts relate to the Company's forward foreign currency exchange contracts for inventory purchases and are recorded within Cost of goods sold in the Company's consolidated statements of operations. The related tax effects recorded within income tax expense in the Company's consolidated statements of operations were not material.
(3) Other comprehensive income (loss) before reclassifications is related to derivative financial instruments designated as cash flow hedges net of tax provision of $3.7 million for Fiscal 2015. The tax effects related to all other amounts were not material.

14. Share-Based Compensation

The Company issues equity grants to certain employees and directors of the Company at the discretion of the Company's Compensation Committee. The Company has two equity plans, one adopted in Fiscal 2008, the Michael Kors (USA), Inc. Stock Option Plan (as amended and restated, the "2008 Plan"), and the other adopted in the third fiscal quarter of Fiscal 2012, the Michael Kors Holdings Limited Omnibus Incentive Plan (the "2012 Plan"). The 2008 Plan only provided for grants of share options and was authorized to issue up to 23,980,823 ordinary shares. As of March 28, 2015, there were no shares available to grant equity awards under the 2008 Plan. The 2012 Plan allows for grants of share options, restricted shares and restricted share units, and other equity awards, and authorizes a total issuance of up to 15,246,000 ordinary shares. At March 28, 2015, there were 10,739,867 ordinary shares available for future grants of equity awards under the 2012 Plan. Option grants issued from the 2008 Plan generally expire ten years from the date of the grant, and those issued under the 2012 Plan generally expire seven years from the date of the grant.

Share Options

Share options are generally exercisable at no less than the fair market value on the date of grant. The Company has issued two types of option grants, those that vest based on the attainment of a performance target and those that vest based on the passage of time. Performance-based share options may vest based upon the attainment of one of two performance measures. One performance measure is an individual performance target, which is based upon certain performance targets unique to the individual grantee, and the other measure is a company-wide performance target, which is based on a cumulative minimum growth requirement in consolidated net equity. The individual performance target vests 20% of the total option grant each year the target is satisfied. The individual has ten years in which to achieve five individual performance vesting tranches. The company-wide performance target must be achieved over the ten-year term. Performance is measured at the end of the term, and any unvested options vest if the target is achieved. The Company-wide performance target is established at the time of the grant. The target metrics underlying individual performance vesting requirements are established for each recipient each year up until such time as the grant is fully vested. Options subject to time-based vesting requirements become vested in four equal increments on each of the first, second, third and fourth anniversaries of the date on which such options were awarded.

The following table summarizes the share options activity during Fiscal 2015, and information about options outstanding at March 28, 2015:

	Number of Options	Weighted Average Exercise price	Weighted Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Outstanding at March 29, 2014	8,377,928	$ 13.69		
Granted	810,063	$ 90.56		
Exercised	(1,782,246)	$ 8.69		
Canceled/forfeited	(218,742)	$ 28.05		
Outstanding at March 28, 2015	7,187,003	$ 23.14	5.37	$ 333,870
Vested or expected to vest at March 28, 2015	7,102,610	$ 23.14	5.37	
Vested and exercisable at March 28, 2015	3,365,746	$ 12.61	4.89	$ 182,984

There were 3,821,257 unvested options and 3,365,746 vested options outstanding at March 28, 2015. The total intrinsic value of options exercised during Fiscal 2015 and Fiscal 2014 was $131.6 million and $163.2 million, respectively. The cash received from options exercised during Fiscal 2015 and Fiscal 2014 was $15.3 million and $19.0 million, respectively. As of March 28, 2015, the remaining unrecognized share-based compensation expense for nonvested share options was $28.8 million, which is expected to be recognized over the related weighted-average period of approximately 2.62 years.

The weighted average grant date fair value for options granted during Fiscal 2015, Fiscal 2014, and Fiscal 2013, was $27.96, $24.95, and $20.66, respectively. The following table represents assumptions used to estimate the fair value of options:

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Expected dividend yield	0.0%	0.0%	0.0%
Volatility factor	33.2%	46.0%	48.5%
Weighted average risk-free interest rate	1.5%	1.0%	0.6%
Expected life of option	4.75 years	4.75 years	4.75 years

Restricted Shares and Restricted Share Units

The Company grants restricted shares and restricted share units at the fair market value on the date of the grant. Expense for restricted share awards is based on the closing market price of the Company's shares on the date of grant and is recognized ratably over the vesting period, which is generally three to four years from the date of the grant, net of expected forfeitures.

Restricted share grants generally vest in equal increments on each of the four anniversaries of the date of grant. In addition, the Company grants two types of restricted share unit ("RSU") awards: time-based RSUs and performance-based RSUs. Time-based RSUs generally vest in full either on the first anniversary of the date of the grant, or in equal increments on each of the four anniversaries of the date of grant. Performance-based RSUs vest in full on the three-year anniversary of the date of grant, subject to the employee's continued employment during the vesting period and only if certain pre-established cumulative performance targets are met at the end of the three-year performance period. Expense related to performance-based RSUs is recognized ratably over the three-year performance period, net of forfeitures, based on the probability of attainment of the related performance targets. The potential number of shares that may be earned ranges between 0%, if the minimum level of performance is not attained, and 150%, if the level of performance is at or above the pre-determined maximum achievement level.

The following table summarizes restricted share activity under the 2012 Plan during Fiscal 2015:

	Restricted Shares	
	Number of Unvested Restricted Shares	Weighted Average Grant Date Fair Value
Unvested at March 29, 2014	657,853	$ 38.38
Granted	436,317	$ 90.46
Vested	(288,599)	$ 32.52
Canceled/forfeited	(34,979)	$ 69.94
Unvested at March 28, 2015	770,592	$ 68.77

The total fair value of restricted shares vested was $22.8 million, $17.6 million, and $10.5 million during Fiscal 2015, Fiscal 2014, and Fiscal 2013, respectively. As of March 28, 2015, the remaining unrecognized share-based compensation expense for non-vested restricted share grants was $41.1 million, which is expected to be recognized over the related weighted-average period of approximately 2.86 years.

The following table summarizes the RSU activity under the 2012 Plan during Fiscal 2015:

	Service-based		Performance-based	
	Number of Restricted Share Units	Weighted Average Grant Date Fair Value	Number of Restricted Share Units	Weighted Average Grant Date Fair Value
Unvested at March 29, 2014	36,701	$ 40.83	163,077	$ 62.24
Granted	20,409	$ 74.42	155,570	$ 91.70
Vested	(11,770)	$ 38.06	—	$ —
Canceled/forfeited	(9,400)	$ 20.00	(1,446)	$ 62.24
Unvested at March 28, 2015	35,940	$ 66.26	317,201	$ 76.69

The total fair value of service-based RSUs vested during Fiscal 2015, Fiscal 2014 and Fiscal 2013 was $0.4 million, $0.2 million and $0.8 million, respectively. As of March 28, 2015, the remaining unrecognized share-based compensation expense for non-vested service-based and performance-based RSU grants was $1.2 million and $21.8 million, respectively, which is expected to be recognized over the related weighted-average periods of approximately 2.82 years and 1.94 years, respectively.

Compensation expense attributable to share-based compensation for Fiscal 2015, Fiscal 2014, and Fiscal 2013 was approximately $48.9 million, $29.1 million, and $20.9 million, respectively. The associated income tax benefits recognized in Fiscal 2015, Fiscal 2014, and Fiscal 2013 were $17.5 million, $11.5 million and $8.1 million, respectively. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company estimates forfeitures based on its historical forfeiture rate to date. The estimated value of future forfeitures for equity grants as of March 28, 2015 is approximately $1.3 million.

15. Taxes

On October 29, 2014, the Board of Directors of MKHL approved a proposal to move the Company's principal executive office from Hong Kong to the United Kingdom and to become a U.K. tax resident. The Company will remain incorporated in the British Virgin Islands. The Company has achieved tremendous international growth over the past several years and believes that moving its principal executive office to the U.K. will better position it for further expansion in Europe and internationally, and allow it to compete more effectively with other international luxury brands.

MKHL's subsidiaries are subject to taxation in the U.S. and various other foreign jurisdictions, which are aggregated in the "Non-U.S" information captioned below.

Income before provision for income taxes consisted of the following (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
U.S.	$ 814,368	$ 792,899	$538,607
Non-U.S.	441,455	214,748	88,520
Total income before provision for income taxes	$1,255,823	$1,007,647	$627,127

The provision for income taxes was as follows (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Current			
U.S. Federal	$ 277,001	$ 295,159	$179,014
U.S. State	49,645	50,348	32,249
Non-U.S.	41,922	30,560	15,040
Total current	368,568	376,067	226,303
Deferred			
U.S. Federal	5,020	(24,847)	1,246
U.S. State	331	(3,594)	2,088
Non-U.S.	881	(1,464)	(112)
Total deferred	6,232	(29,905)	3,222
Total provision for income taxes	$ 374,800	$ 346,162	$229,525

MKHL is incorporated in the British Virgin Islands and is a tax resident of the U.K. However, since the proportion of the U.S. revenues, assets, operating income, and the associated tax provisions is significantly higher than any other single tax jurisdiction within the worldwide group, the reconciliation of the differences between the provision for income taxes and the statutory rate is

presented on the basis of the U.S. statutory federal income tax rate of 35%. The following table summarizes the significant differences between the U.S. federal statutory tax rate and the Company's effective tax rate for financial statement purposes:

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Federal tax at 35% statutory rate	35.0%	35.0%	35.0%
State and local income taxes, net of federal benefit	2.4%	2.3%	3.6%
Differences in tax effects on foreign income	-9.0%	-3.9%	-3.1%
Foreign tax credit	-0.4%	-0.2%	-0.2%
Liability for uncertain tax positions	0.2%	0.8%	0.5%
Effect of changes in valuation allowances on deferred tax assets	-0.1%	-0.2%	0.3%
Other	1.7%	0.6%	0.5%
	29.8%	34.4%	36.6%

Significant components of the Company's deferred tax assets (liabilities) consist of the following (in thousands):

	March 28, 2015	March 29, 2014
Deferred tax assets		
Inventories	$ 11,194	$ 11,380
Payroll related accruals	408	4,722
Deferred rent	30,428	24,281
Deferred revenue	—	2,389
Net operating loss carryforwards	5,860	7,743
Stock compensation	23,845	14,117
Sales allowances	10,090	7,654
Other	11,054	9,589
	92,879	81,875
Valuation allowance	(5,640)	(8,020)
Total deferred tax assets	87,239	73,855
Deferred tax liabilities		
Goodwill and intangibles	(32,704)	(24,324)
Depreciation	(34,633)	(20,691)
Other	(3,910)	(526)
Total deferred tax liabilities	(71,247)	(45,541)
Net deferred tax assets	$ 15,992	$ 28,314

The Company maintains valuation allowances on deferred tax assets applicable to subsidiaries in jurisdictions for which separate income tax returns are filed and where realization of the related deferred tax assets from future profitable operations is not reasonably assured. Deferred tax valuation allowances increased approximately $0.2 million, $0.9 million and $1.6 million in Fiscal 2015, Fiscal 2014 and Fiscal 2013, respectively. As a result of the attainment and expectation of achieving profitable operations in certain countries comprising the Company's European operations and certain state jurisdictions in the U.S., for which deferred tax valuation allowances had been previously established, the Company released valuation allowances amounting to approximately $2.6 million, $1.6 million, and $1.1 million in Fiscal 2015, Fiscal 2014 and Fiscal 2013, respectively.

The Company has non-U.S. net operating loss carryforwards of approximately $23.2 million that will begin to expire in 2017.

As of March 28, 2015 and March 29, 2014, the Company has liabilities related to its uncertain tax positions, including accrued interest, of approximately $21.2 million and $19.0 million, respectively, which are included in other long-term liabilities in the Company's audited consolidated balance sheets.

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was approximately $19.9 million, $18.1 million and $6.6 million as of March 28, 2015, March 29, 2014, and March 30, 2013, respectively. A reconciliation of the beginning and ending amounts of unrecognized tax benefits, excluding accrued interest, for Fiscal 2015, Fiscal 2014, and Fiscal 2013, are presented below (in thousands):

	March 28, 2015	March 29, 2014	March 30, 2013
Unrecognized tax benefits beginning balance	$18,087	$ 6,628	$ 1,758
Additions related to prior period tax positions	443	2,515	3,318
Additions related to current period tax positions	5,193	9,312	2,482
Decreases from prior period positions	(3,838)	(368)	(930)
Unrecognized tax benefits ending balance	$19,885	$18,087	$ 6,628

The Company classifies interest expense and penalties related to unrecognized tax benefits as components of the provision for income taxes. Interest expense recognized in the consolidated statements of operations for Fiscal 2015, Fiscal 2014, and Fiscal 2013 was approximately $1.3 million, $0.9 million and $0.3 million, respectively.

The total amount of unrecognized tax benefits relating to the Company's tax positions is subject to change based on future events including, but not limited to, the settlements of ongoing tax audits and assessments and the expiration of applicable statutes of limitations. Although the outcomes and timing of such events are highly uncertain, the Company does not anticipate that the balance of gross unrecognized tax benefits, excluding interest and penalties, will change significantly during the next twelve months. However, changes in the occurrence, expected outcomes, and timing of such events could cause the Company's current estimate to change materially in the future.

The Company files income tax returns in the U.S., for federal, state, and local purposes, and in certain foreign jurisdictions. With few exceptions, the Company is no longer subject to examinations by the relevant tax authorities for years prior to its fiscal year ended April 2, 2011.

The Company's policy with respect to its undistributed earnings of the U.S. and non-U.S. subsidiaries is to consider those earnings to be either indefinitely reinvested or able to be repatriated tax-neutral. Undistributed earnings of subsidiaries considered to be either indefinitely reinvested or able to be repatriated tax-neutral amounted to $1.955 billion at March 28, 2015. Accordingly, as of March 28, 2015, the Company did not record a provision for withholding taxes on the excess of the amount recorded for financial reporting purposes over the related tax basis of investments in subsidiaries. Deferred taxes are recorded when a subsidiary's earnings are no longer deemed to be indefinitely reinvested.

16. Retirement Plans

The Company maintains defined contribution plans for employees, who become eligible to participate after three months of service. Features of these plans allow participants to contribute to a plan a percentage of their compensation, up to statutory limits depending upon the country in which a plan operates, and provide for mandatory and/or discretionary matching contributions by the Company, which vary by country. During Fiscal 2015, Fiscal 2014 and Fiscal 2013, the Company recognized expenses of approximately $5.8 million, $3.5 million, and $2.2 million, respectively, related to these retirement plans.

17. Segment Information

The Company operates its business through three operating segments—Retail, Wholesale and Licensing—which are based on its business activities and organization. The operating segments are segments of the Company for which separate financial information is available and for which operating results are evaluated regularly by executive management in deciding how to allocate resources, as well as in assessing performance. The primary key performance indicators are net sales or revenue (in the case of Licensing) and operating income for each segment. The Company's reportable segments represent channels of distribution that offer

similar merchandise, customer experience and sales/marketing strategies. The Company's Retail segment includes sales through the Company owned stores, including "Collection," "Lifestyle" including "concessions," and outlet stores located throughout North America, Europe, and Japan, as well as the Company's e-commerce sales. Products sold through the Retail segment include women's apparel, accessories (which include handbags and small leather goods such as wallets), footwear and licensed products, such as watches, jewelry, fragrances and beauty, and eyewear. The Wholesale segment includes sales primarily to major department stores and specialty shops throughout North America, Europe and Asia. Products sold through the Wholesale segment include accessories (which include handbags and small leather goods such as wallets), footwear and women's and men's apparel. The Licensing segment includes royalties earned on licensed products and use of the Company's trademarks, and rights granted to third parties for the right to sell the Company's products in certain geographic regions such as the Middle East, Eastern Europe, Latin America and the Caribbean, throughout all of Asia (excluding Japan), as well as Australia. All intercompany revenues are eliminated in consolidation and are not reviewed when evaluating segment performance. Corporate overhead expenses are allocated to the segments based upon specific usage or other allocation methods.

The Company has allocated $12.1 million and $1.9 million of its recorded goodwill to its Wholesale and Licensing segments, respectively. The Company does not have identifiable assets separated by segment. The following table presents the key performance information of the Company's reportable segments (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Revenue:			
Net sales: Retail	$2,134,578	$1,593,005	$1,062,642
Wholesale	2,065,088	1,577,517	1,032,115
Licensing	171,803	140,321	86,975
Total revenue	$4,371,469	$3,310,843	$2,181,732
Income from operations:			
Retail	$ 557,162	$ 467,248	$ 315,654
Wholesale	610,886	459,774	269,323
Licensing	88,925	81,149	45,037
Income from operations	$1,256,973	$1,008,171	$ 630,014

Depreciation and amortization expense for each segment are as follows (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Depreciation and amortization:			
Retail [(1)]	$ 84,523	$ 46,679	$ 35,388
Wholesale	52,980	32,364	18,531
Licensing	922	611	372
Total depreciation and amortization	$ 138,425	$ 79,654	$ 54,291

(1) Excluded from the above table are impairment charges related to the retail segment for $0.8 million, $1.3 million, and $0.7 million, during the fiscal years ended March 28, 2015, March 29, 2014, and March 30, 2013, respectively.

Total revenue (as recognized based on country of origin) and long-lived assets by geographic location of the consolidated Company are as follows (in thousands):

	Fiscal Years Ended		
	March 28, 2015	March 29, 2014	March 30, 2013
Net revenues:			
North America (U.S. and Canada)[(1)]	$3,418,924	$2,771,818	$1,938,635
Europe	884,645	500,478	220,724
Other regions	67,900	38,547	22,373
Total net revenues	$4,371,469	$3,310,843	$2,181,732

	As of	
	March 28, 2015	March 29, 2014
Long-lived assets:		
North America (U.S. and Canada)[(1)]	$ 443,816	$ 283,162
Europe	169,243	108,074
Other regions	11,416	7,476
Total Long-lived assets:	$ 624,475	$ 398,712

(1) Net revenues earned in the U.S. during Fiscal 2015, Fiscal 2014, and Fiscal 2013 were $3,227.5 million, $2,600.1 million and $1,800.4 million, respectively. Long-lived assets located in the U.S. as of March 28, 2015 and March 29, 2014 were $418.8 million and $265.9 million, respectively.

Net revenues by major product category are as follows (in thousands):

	Fiscal Years Ended					
	March 28, 2015	% of Total	March 29, 2014	% of Total	March 30, 2013	% of Total
Accessories	$2,872,221	68.4%	$2,060,824	65.0%	$1,255,536	59.9%
Apparel	549,433	13.1%	482,435	15.2%	413,731	19.8%
Footwear	444,046	10.5%	337,988	10.7%	210,982	10.1%
Licensed product	333,966	8.0%	289,275	9.1%	214,508	10.2%
Net sales	$4,199,666		$3,170,522		$2,094,757	

18. Other income

Other income consists of the following (in thousands):

	Fiscal Year Ended
	March 28, 2015
Income related to joint venture [(1)]	$ 130
Income related to anti-counterfeit program	1,505
Net gains on foreign currency forward contracts [(1)]	1,482
	$ 3,117

(1) Prior period amounts have been included in income from operations and have not been reclassified to other income due to immateriality.

19. Agreements with Shareholders and Related Party Transactions

On October 24, 2014, the Company purchased an aircraft from a former board member (who resigned on September 10, 2014) in the amount of $16.5 million. The purchase price was the fair market value of the aircraft at the purchase date and was no less favorable to the Company than it would have received in an arm's-length transaction. The aircraft was purchased for purposes of business travel for the Company's executives, and was recorded as a fixed asset in the Company's consolidated balance sheets. Prior to the purchase of this plane, the Company or its Chief Executive Officer arranged for a plane owned by Sportswear Holdings Limited or its affiliates, which was used for the Company's directors and senior management for purposes of business travel on terms and conditions not less favorable to the Company than it would receive in an arm's-length transaction with a third party. To the extent the Company's Chief Executive Officer entered into such an arrangement for business travel, the Company reimbursed him for the actual market price paid for the use of such plane. The Company chartered this plane from Sportswear Holdings Limited for business purposes, the amounts of which were paid in cash and charged to operating expenses. Amounts charged to the Company in connection with these services were approximately $1.4 million during each of Fiscal 2015 and Fiscal 2014. During Fiscal 2013, $0.3 million, representing the estimated costs of these services, which are based on allocated or incremental cost, was charged to selling, general and administrative expenses as an offset to contributed capital (additional paid-in capital). There were no amounts recorded to contributed capital related to these services during Fiscal 2015 or Fiscal 2014.

The Company's Chief Creative Officer, Michael Kors, and the Company's Chief Executive Officer, John Idol, and certain of the Company's former shareholders, including Sportswear Holdings Limited, jointly own Michael Kors Far East Holdings Limited, a BVI company. On April 1, 2011, the Company entered into certain licensing agreements with certain subsidiaries of Michael Kors Far East Holdings Limited (the "Licensees") which provide the Licensees with certain exclusive rights for use of the Company's trademarks within China, Hong Kong, Macau and Taiwan, and to import, sell, advertise and promote certain of the Company's products in these regions, as well as to own and operate stores which bear the Company's tradenames. The agreements between the Company and subsidiaries of Michael Kors Far East Holdings Limited expire on March 31, 2041, and may be terminated by the Company at certain intervals if certain minimum sales benchmarks are not met. During Fiscal 2015 and Fiscal 2014, there were approximately $4.7 million and $1.6 million, respectively, of royalties earned under these agreements. There were no royalties earned during Fiscal 2013, as the Company was not entitled to royalties under this agreement until the start of Fiscal 2014. These royalties were driven by Licensee sales (of the Company's goods) to their customers of approximately $103.7 million and $36.5 million in Fiscal 2015 and Fiscal 2014, respectively. In addition, the Company sells certain inventory items to the Licensees through its wholesale segment at terms consistent with those of similar licensees in the region. During Fiscal 2015 and Fiscal 2014, amounts recognized as net sales in the Company's consolidated statements of operations related to these sales, were approximately $35.3 million and $12.9 million, respectively. As of March 28, 2015 and March 29, 2014, the Company's total accounts receivable from this related party were $6.5 million and $4.5 million, respectively. The Company also previously provided the Licensees with certain services, including, but not limited to, supply chain and logistics support, and management information system support at the request of the Licensees, for which the Company charged a service fee based on costs incurred in delivering the services, and includes a contractually agreed upon markup. These services were discontinued during Fiscal 2014, where a nominal amount of fees were charged. During Fiscal 2013, amounts charged to the Licensees for these services totaled $0.3 million, which was recorded in other selling, general and administrative expenses.

The Company routinely purchases certain inventory from a manufacturer owned by one of its former directors. Amounts purchased during Fiscal 2015, Fiscal 2014 and Fiscal 2013, were approximately $9.1 million, $8.1 million and $5.7 million, respectively. As of March 28, 2015 and March 29, 2014, the related accounts payable balances were immaterial.

20. Selected Quarterly Financial Information (Unaudited)

The following table summarizes the Fiscal 2015 and 2014 quarterly results (dollars in thousands):

	Fiscal Quarter Ended			
	June	September	December	March
Year Ended March 28, 2015				
Total revenue	$ 919,154	$ 1,056,605	$ 1,314,726	$ 1,080,984
Gross profit	$ 571,633	$ 645,027	$ 800,143	$ 630,848
Income from operations	$ 276,771	$ 305,558	$ 418,477	$ 256,167
Net income	$ 187,716	$ 206,990	$ 303,675	$ 182,642
Weighted average ordinary shares outstanding:				
Basic	203,749,572	204,464,952	202,668,541	199,828,293
Diluted	207,176,243	207,432,250	205,647,816	203,195,838
Year Ended March 29, 2014				
Total revenue	$ 640,859	$ 740,303	$ 1,012,229	$ 917,452
Gross profit	$ 397,271	$ 449,875	$ 619,498	$ 549,426
Income from operations	$ 197,562	$ 221,460	$ 343,240	$ 245,909
Net income	$ 124,996	$ 145,808	$ 229,643	$ 161,038
Weighted average ordinary shares outstanding:				
Basic	201,208,189	202,560,870	203,175,380	203,387,343
Diluted	204,336,124	205,154,692	206,088,062	206,973,550

Exhibit 10.7

EXECUTION COPY

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of May 20, 2015 (this "Agreement"), by and among **MICHAEL KORS (USA), INC.**, a Delaware corporation having its principal executive office in New York County, New York (the "Corporation"), **MICHAEL KORS HOLDINGS LIMITED**, a British Virgin Islands corporation having its principal executive office in London, United Kingdom ("MKHL") and **MICHAEL D. KORS**, a resident of New York, New York ("Kors").

IT IS AGREED AS FOLLOWS:

1. Term. The Corporation agrees to employ Kors, and Kors agrees to serve the Corporation, for a term (the "Term") that began on January 29, 2003 and ending as provided herein, upon the terms and conditions set forth herein.

2. Offices and Positions. Throughout the Term, Kors shall have the title of Honorary Chairman and Chief Creative Officer of the Corporation and MKHL, and the Corporation and MKHL shall each use its best efforts to cause Kors to be appointed or elected, as the case may be, to the Board of Directors of MKHL (the "Board") and the Board of Directors of the Corporation. During the Term, MKHL shall consult with Kors regarding the hiring of any Chief Executive Officer (or equivalent executive officer) of MKHL or the Corporation.

3. Duties.

(a) Throughout the Term, Kors shall devote substantially all of his business time exclusively to the business of MKHL and its affiliates to design collections of apparel, accessories and related products as needed by MKHL and its affiliates and to promote the business and affairs of MKHL and its affiliates. It is agreed and understood that, during the Term, Kors will have creative and aesthetic control of the products produced and sold under or bearing the "MICHAEL KORS" trademark and any variation of such name and the initials of such name in whatever form or style and all related trade names, copyrights, logos and similar rights (the "Marks"), including exclusive control of the design of such products; provided, that this sentence shall not apply to any attempted exercise by Kors of the foregoing rights that is not commercially reasonable.

(b) Throughout the Term, Kors shall not, without the prior written consent of the Corporation, directly or indirectly, render services to or for any other person or firm whether or not for compensation or engage in any activity that, in either case, is in competition with the business of MKHL, the Corporation or any other subsidiary of MKHL (MKHL and its subsidiaries collectively, the "MK Group"); provided, however, that Kors may participate in charitable activities not inconsistent with the intent of this Agreement. The making of passive personal investments shall not be prohibited hereunder. In addition, subject to Section 3(a), Kors may participate in literary, theatrical or artistic activities, but only if and to the extent that the Corporation shall have determined in advance (in its reasonable discretion) that such activities would not be detrimental to the Marks.

4. Compensation.

(a) Salary. Throughout the Term, the Corporation shall pay to Kors a salary (the "Base Salary") at the rate of US$1,000,000 per annum, which, except as otherwise set forth in the last sentence of this Section 4(a), shall be payable by the Corporation to Kors in periodic installments in accordance with the Corporation's customary payroll practices. The Base Salary shall be subject to possible increases at the sole discretion of the Board; provided, however, that in no event shall Kors' Base Salary during the Term be less than at the rate of US$1,000,000 per year. A portion of Kors' Base Salary equal to the annual retainer paid to MKHL's independent directors (currently US$70,000) shall be payable to Kors by MKHL on a quarterly basis at the same time such retainer payments are paid to the independent directors of MKHL.

(b) Bonus.

(i) During the Term, commencing with MKHL's fiscal year that began on March 29, 2015 (the "2016 Fiscal Year"), Kors shall be eligible to receive the bonuses described in this Section 4, subject to approval of the bonus plan pursuant to which bonuses will be paid by the shareholders of MKHL in a manner that complies with the shareholder approval requirements of Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended ("Section 162(m)"). Except as otherwise provided in Section 10, Kors must be employed by MKHL or the Corporation as of the last day of the applicable performance period described below in order to be eligible to receive the bonus payable in respect of such period. Each bonus shall be administered by the Compensation Committee of the Board (the "Compensation Committee").

(ii) During the Term, commencing with the 2016 Fiscal Year, Kors shall be eligible to receive a bonus (the "Part-Year Bonus") with respect to the performance period beginning on the first day of each fiscal year and ending on the last day of the second fiscal quarter of such year (the "Part-Year Performance Period"). The amount of the Part-Year Bonus shall be equal to 1% of the consolidated income from operations of MKHL for the Part-Year Performance Period, increased by depreciation plus amortization plus impairment of long-lived assets, in each case calculated in accordance with U.S. generally accepted accounting principles and disclosed in MKHL's Consolidated Statements of Operations and Comprehensive Income ("MKHL EBITDA"), up to a maximum of US$1,500,000. The Compensation Committee must certify the MKHL EBITDA for the Part-Year Performance Period and the amount of the Part-Year Bonus. Once certified, the Part-Year Bonus will be paid to Kors reasonably promptly and in no event later than December 30 next following the last day of the applicable Part-Year Performance Period.

(iii) During the Term, commencing with the 2016 Fiscal Year, Kors shall be eligible to receive an annual bonus (the "Annual Bonus") with respect to each full fiscal year of MKHL (the "Annual Performance Period"). The amount of the Annual Bonus shall be (i) 1% of MKHL EBITDA during the Annual Performance Period, up to a maximum of US$6,500,000, reduced by (ii) the amount of the Part-Year Bonus in respect of the same fiscal year. The Compensation Committee must certify the MKHL EBITDA for the Annual Performance Period and the amount of the Annual Bonus. Once certified, the Annual Bonus will be paid to Kors reasonably promptly and in no event later than June 30 next following the last day of the Annual Performance Period.

(iv) Notwithstanding the foregoing, if the Compensation Committee determines that Kors was overpaid, in whole or in part, as a result of a restatement of the reported financial or operating results of MKHL due to material non-compliance with financial reporting requirements (unless due to a change in accounting policy or applicable law), the Corporation shall be entitled to recover or cancel the difference between (i) any bonus payment that was based on having met or exceeded performance targets and (ii) the bonus payment that would have been paid or earned to Kors had the actual payment or accrual been calculated based on the accurate data or restated results, as applicable (the "Overpayment"). If the Compensation Committee determines that there has been an Overpayment, the Corporation shall be entitled to demand that Kors reimburse the Corporation for the Overpayment. To the extent Kors does not make reimbursement of the Overpayment, the Corporation shall have the right to enforce the repayment through the reduction of future salary or the reduction or cancellation of outstanding and future incentive compensation and/or to pursue all other available legal remedies in law or in equity. The Compensation Committee may make determinations of Overpayment at any time through the end of the third (3rd) fiscal year following the year for which the inaccurate performance criteria were measured; provided, that if steps have been taken within such period to restate MKHL's financial or operating results, the time period shall be extended until such restatement is completed.

(c) Other Compensation. In addition to what is required pursuant to Section 5, the Corporation may pay, but shall have no obligation to pay, to Kors such additional compensation in the form of bonuses, fringe benefits or otherwise in such amounts and at such times as the Compensation Committee shall from time to time determine in its sole and absolute discretion.

5. Benefits.

(a) In addition to the compensation described in Section 4, during the Term, Kors shall be entitled to the following:

(i) Kors shall be entitled to participate in all Corporation employee benefit plans (to the extent Kors is eligible therefor), including, without limitation, any health and retirement plans (but, except as otherwise provided in this Agreement or as determined by the Compensation Committee, excluding bonus plans), in each case subject to any applicable laws which shall be in effect from time to time and on the same basis as is available to the other senior officers of the Corporation. If any such benefit plan shall be unavailable to Kors by reason of his nationality or residence, the Corporation shall use it best efforts to provide a substantially equivalent benefit, through another source, at its expense.

(ii) Kors shall be eligible, in the discretion of the Compensation Committee, for share option awards, restricted share unit awards and other equity-based awards under the equity incentive plan generally applicable to eligible employees of the Corporation (currently the Michael Kors Holdings Limited Omnibus Incentive Plan) (the "Equity Incentive Plan"), in accordance with, and subject to, the terms and conditions of the Equity Incentive Plan as the same may be amended or modified by MKHL or its subsidiaries from time to time in their sole discretion (subject to shareholder approval if required) and the applicable equity award agreement. Except in the case of the termination of Kors for Cause, in which case any share-based awards granted to Kors under the Equity Plan shall be forfeited and any share options granted to Kors under the Equity Plan shall immediately terminate (whether or not vested and/or exercisable), any such equity awards that have become vested and/or exercisable prior to the date of Kors' termination of employment hereunder (the "Termination Date") shall remain vested and/or exercisable after the Termination Date in accordance with the terms and conditions of the Equity Incentive Plan and/or any applicable equity award agreement.

(iii) The Corporation shall provide the health and medical insurance coverage referred to in Section 5(a)(i) above at its own cost without contribution from Kors. The Corporation also shall pay during the Term the premiums on (A) the whole life insurance policy (the "Whole Life Policy") currently in place on the life of Kors and (B) the $500,000 term life insurance policy (the "Term Life Policy") currently in place on the life of Kors, both of which policies are owned by Kors. Upon termination of this Agreement, the Corporation shall cease to pay premiums on the Whole Life Policy and the Term Life Policy and Kors shall thereafter be solely responsible for the payment of any premiums on both such policies.

(iv) The Corporation shall provide Kors with an automobile and driver for transportation to and from the Corporation's offices and for other business purposes. Such automobile shall be a Mercedes-Benz S-Class or an automobile at least substantially equivalent in price thereto.

(b) In addition to the foregoing, Kors acknowledges and agrees that the Corporation may apply for, and purchase, key-man life insurance covering Kors (the "Key-Man Insurance"). The Corporation shall own all rights in any such Key-Man Insurance policies and the proceeds thereof, and Kors shall not have any right, title or interest therein. Kors agrees to assist the Corporation, at the Corporation's expense, in obtaining such Key-Man Insurance by, among other things, submitting to the customary examinations and correctly preparing, signing and delivering such applications and other documents as may be required by potential insurers.

(c) Anything to the contrary herein notwithstanding, in the event of the occurrence of a condition that may with the passage of time constitute a Permanent Disability (as defined below) of Kors, then the Corporation shall continue to pay to Kors his Base Salary and all other compensation and benefits owed to Kors hereunder until the termination of this Agreement as provided in Section 10 below, less any payments received by Kors from any disability insurance policy whose premiums are paid by the Corporation. For purposes of this Agreement, the term "Permanent Disability" shall mean any mental or physical condition that: (i) prevents Kors from reasonably discharging his services and employment duties hereunder; (ii) is attested to in writing by a physician who is licensed to practice in the State of New York and is mutually acceptable to Kors and the Corporation (or, if Kors and the Corporation are unable to mutually agree on a physician, the Board may select a physician who is a chairman of a department of medicine at a university-affiliated hospital in the City of New York); and (iii) continues, for any one or related condition, during any period of six (6) consecutive months or for a period aggregating six (6) months in any twelve-month period; and such Permanent Disability shall be deemed to have occurred on the last day of such applicable six-month period.

6. Vacation; Meetings. Kors shall be entitled to six (6) weeks of vacation annually, and such additional vacation time as may be agreed to by the Chairman of the Board. Kors shall be entitled to additional time off for attendance at meetings, conventions and educational courses, as the Chairman or the Board may from time to time allow.

7. Expenses; Indemnification.

(a) The Corporation shall reimburse Kors for the reasonable business expenses (including travel at the highest class of service available and the use of the corporate jet or private charter in accordance with the Corporation's policy) incurred by Kors in the course of performing his duties for MKHL and the Corporation, subject to Kors' compliance with the policies and procedures for reimbursement generally in effect from time to time for senior officers of the Corporation.

(b) The Corporation and/or MKHL (as applicable) will indemnify Kors and hold him harmless to the maximum extent permitted by applicable law, against all costs, charges, liabilities and expenses incurred or sustained by him in connection with any action, suit, claim or proceeding to which he may be made a party by reason of his being an officer, director or employee of the Corporation or of any other member of the MK Group; provided, however, that in no event shall Kors be indemnified for acts taken by him in bad faith or in breach of his duty of loyalty to the Corporation or MKHL under applicable law. Notwithstanding the foregoing, Kors' indemnification and hold harmless rights under this Section 7 shall in no event be less favorable in any respect than the terms of any indemnification and hold harmless rights provided by the Corporation and/or MKHL to any senior officer of the Corporation under an employment agreement, indemnification agreement or otherwise. The provisions of this subsection (b) shall survive the termination of this Agreement.

8. Confidentiality; Intellectual Property Rights.

(a) Kors acknowledges that his work for and with the Corporation and the other members of the MK Group will bring him into close contact with the confidential affairs of the MK Group, including, without limitation, confidential information and trade secrets concerning the MK Group's working methods, processes, business and other plans, programs, designs, products, profit formulas, customer names, customer requirements and supplier names (collectively, "Confidential Information"). "Confidential Information" shall not include (i) information generally known to the public, (ii) information properly received by Kors outside his engagement with the Corporation (or any predecessor of the Corporation) or any other member of the MK Group from any third party not affiliated with the

MK Group and not under any duty to the Corporation not to disclose such information, and (iii) any materials, including designs and products created by Kors and which are otherwise "Confidential Information", to the extent approved in writing by the Corporation, which approval shall not be unreasonably withheld. Kors acknowledges that such Confidential Information is reposed in him in trust and he shall, both during and for a period of three years after the Term (or such longer period as the Corporation may be bound to keep any such Confidential Information confidential pursuant to any agreement or otherwise), maintain such Confidential Information in confidence and, except as may be required under applicable law, neither disclose to others nor use such Confidential Information personally without written permission of the Corporation. Kors agrees, upon termination of this Agreement, to return to the Corporation all documents or recorded material of any type (including all copies thereof) which may be in his possession or under his control dealing with the Confidential Information.

(b) All trademarks, designs, copyrights and other intellectual property created by or at the direction of Kors in the course of his employment by the Corporation shall remain the property of, and be exclusively owned by, the Corporation without further act of either party. Kors shall, at the reasonable request of the Corporation, execute such documents as may be reasonably necessary to confirm or evidence the Corporation's ownership of such property.

(c) The obligations of this Section 8 shall survive the termination of this Agreement. Notwithstanding anything to the contrary set forth herein or in any other agreement to which Kors, on the one hand, and the Corporation or any other member of the MK Group, on the other hand, are parties or by which they are bound, the obligations of confidentiality contained herein and therein, as they relate to the transactions contemplated by this Agreement, shall not apply to the "structure or the tax aspects" (as that phrase is used in Section 1.6011-4T(a)(3) (or any successor provision) of the Treasury Regulations promulgated under Section 6011 of the Code) of such transactions.

9. Notices. Any notice or request permitted or required hereunder shall be in writing deemed sufficient when delivered in person or mailed by certified mail, postage prepaid, or transmitted by facsimile, and addressed if to the Corporation or MKHL, c/o the Corporation at the Corporation's principal executive offices in New York, New York, Facsimile No.: (646) 354-4826, Attn: Chief Executive Officer, and if to Kors, to his home address on file with the Corporation, with copy to:

Patterson Belknap, Webb & Tyler LLP
1133 Avenue of the Americas
New York, New York 10036-6710
Attention: Peter J. Schaeffer, Esq.
Facsimile No.: (212) 336-2222

or to such other address as may be provided by such notice.

10. No Termination.

(a) The Corporation may not terminate the Agreement and Kors' employment hereunder for any reason other than Cause (as defined below). It is expressly understood that Kors is to be employed hereunder until he dies or becomes Permanently Disabled (in which case this Agreement shall immediately terminate and the Corporation shall only be liable to promptly pay to Kors or his estate (as applicable) the Accrued Obligations and Pro Rata Bonus Payment (each as defined below)); provided, however, that Kors has not been terminated for Cause as aforesaid. In the event that the Corporation or MKHL materially breaches its obligations hereunder, including, without limitation, the Corporation's obligations to make payments pursuant to Section 4 hereof, then upon thirty (30) days' notice to the Corporation (which notice shall describe such breach in reasonable detail), unless the Corporation or MKHL, as applicable, (i) cures such breach within such thirty (30)-day period (or, if the breach cannot reasonably be cured within such thirty (30)-day period, initiates all possible action that substantially cures the breach within such thirty (30)-day period) to Kors' reasonable satisfaction (which curative action, at a minimum, places Kors in a no less favorable economic and financial position than he would have been in had the breach not occurred) and (ii) provides evidence satisfactory to Kors that the Corporation or MKHL, as applicable, has done so, Kors may terminate his employment under this Agreement and in such event shall be relieved of all his further obligations hereunder and entitled to exercise any rights and remedies he may have at law or in equity with respect to such material breach. In the event of such termination due to breach by the Corporation or MKHL, the Corporation shall, in addition and not in limitation to any other rights and remedies Kors may have hereunder, at law or in equity, (A) promptly (i) pay Kors any Base Salary earned but not yet paid prior to the date of termination; (ii) pay Kors for any untaken accrued vacation during the calendar year, (iii) reimburse Kors for any expenses pursuant to Section 7(a) and (iv) permit Kors to maintain his vested equity awards in accordance with Section 5(a)(ii) (collectively, the "Accrued Obligations"), and (B) (i) with respect to a termination that occurs during the course of any Part-Year Performance Period, an amount representing the amount that the Part-Year Bonus would have been, based on actual performance over the course of the Part-Year Performance Period, assuming Kors' employment had not been terminated hereunder, multiplied by a fraction the numerator of which is the number of days Kors was employed hereunder during the Part-Year Performance Period and the denominator of which is the full number of days in the Part-Year Performance Period and (ii) with respect to a termination that occurs during the course of any Annual

Performance Period, an amount representing the amount that the Annual Bonus would have been, based on actual performance over the course of the Annual Performance Period, assuming Kors' employment had not been terminated hereunder, multiplied by a fraction the numerator of which is the number of days Kors was employed hereunder during the Annual Performance Period and the denominator of which is the full number of days in the Annual Performance Period ((i) and (ii) together, the "Pro Rata Bonus Payment").

"Cause" shall mean: (i) the material breach by Kors of any material provision contained in this Agreement (including, without limitation, the provisions set forth in Section 3 hereof), which breach continues without the cure thereof by Kors for a period of thirty (30) days following written notice thereof from the Corporation to Kors (which notice shall describe Kors' breach in reasonable detail); (ii) the conviction of Kors for fraudulent or criminal conduct adversely affecting the Corporation; and (iii) the commission by Kors of any willful, reckless, or grossly negligent act which has a material adverse effect on the Corporation or its products, trademarks or goodwill (including, without limitation, the reputation thereof).

(b) If Kors shall terminate his employment under this Agreement without the consent of the Corporation other than by reason of Kors' death, Permanent Disability or pursuant to the third sentence of Section 10(a) of this Agreement, the Corporation shall only remain responsible to Kors for (i) the Accrued Obligations, (ii) payment of any Part-Year Bonus with respect to a Part-Year Performance Period that was completed prior to Kors' termination from employment but which has not yet been paid, and (iii) payment of any Annual Bonus with respect to any Annual Performance Period that was completed prior to Kors' termination from employment but which has not yet been paid, and in the case of each of clauses (ii) and (iii), such bonuses shall be paid at such times as they would have otherwise been paid to Kors hereunder had employment not been terminated and such bonus amounts shall be subject to certification by the Compensation Committee as described in Section 4 of this Agreement. All other obligations of the Corporations shall cease and, subject to Section 11, the parties hereto shall be relieved of all further obligations hereunder.

11. Kors Non-Competition. If Kors shall have terminated this Agreement pursuant to Section 10(b), for the remainder of Kors' lifetime, (i) Kors agrees to serve as an independent and exclusive design consultant to the Corporation for a fee of US$1,000,000 per year, payable monthly in arrears in equal installments with such duties as shall be mutually agreed in good faith at such time, and (ii) in consideration thereof, Kors shall not, without the written consent of the Board, engage anywhere in the world where the Corporation or any other member of the MK Group is doing business, directly or indirectly, as a designer, consultant, officer, director, employee, agent, proprietor, partner or shareholder in any business (other than on behalf of the Corporation or any other member of the MK Group) which engages in activities in competition with the Corporation or any other member of the MK Group to the extent those activities were carried on by the Corporation or any other member of the MK Group during the Term; provided, however, that the Corporation may terminate such consulting arrangement and cease making such payments at any time, in which event Kors' obligations to serve as a consultant to the Corporation and to comply with such non-competition restrictions shall immediately terminate. Notwithstanding the foregoing, at any time, Kors may own up to 5% of the common stock or other securities of any public corporation and may have an interest as a member or limited partner in any limited liability company or partnership, provided he provides no services or advice of any kind to any such corporation, limited liability company or partnership.

12. Other Lines of Business; Transfer or Encumbrance of Marks. The MK Group shall not enter into any new line of business without the consent of Kors if Kors shall reasonably determine that such line of business is detrimental to the Marks.

13. Miscellaneous. This Agreement (i) constitutes the entire agreement between the parties concerning the subjects hereof and supersedes all prior agreements, (ii) may not be assigned by Kors without the prior written consent of the Corporation, but shall be binding upon and inure to the benefit of Kors' heirs, legal representatives and permitted assigns (without limiting the generality of the foregoing, the provisions of Sections 4 and 7 hereof specifically shall inure to the benefit of such heirs, legal representatives, successors and permitted assigns), (iii) may be assigned by the Corporation in connection with any transfer of all or a substantial portion of the Corporation's assets and shall be binding upon, and inure to the benefit of, the Corporation's and MKHL's successors and assigns, and (iv) may not be amended, modified or supplemented except by a writing signed by each party.

14. Arbitration. All disputes arising under this Agreement including but not limited to any claim for specific performance under Section 15 of this Agreement shall be submitted to binding arbitration in accordance with the rules of commercial arbitration of the American Arbitration Association of the City of New York. Any arbitration proceeding shall be conducted in New York, New York before a single arbitrator or, if requested by either party, by a panel of three arbitrators.

15. Specific Enforcement. In addition to any remedies available to the parties at law, the parties each acknowledge that they would be irreparably damaged and there would be no adequate remedy at law for breach of either's obligations hereunder and, accordingly, this Agreement is to be specifically enforced if not performed according to its terms.

16. Severability. The provisions of this Agreement are severable. The invalidity of any provision shall not affect the validity of any other provision.

17. Governing Law. This Agreement shall be construed and governed in all respects under the laws of the State of New York (without reference to such State's conflict of law rules).

18. Headings. Headings in this Agreement are for convenience of reference only and shall not define, limit or interpret the contents hereof.

19. Taxes. All payments to be made to and on behalf of Kors under this Agreement will be subject to required withholding of federal, state and local income and employment taxes, and to related record reporting requirements, including, with respect to the retainer payment referred to in the last sentence of Section 4(a), applicable U.K. statutory reductions.

20. Code Section 409A.

(a) It is the intention of the parties hereto that, to the extent any amounts or benefits payable under or otherwise with respect to this Agreement constitute nonqualified deferred compensation that is or may be subject to Section 409A of the Code and the treasury regulations or other official pronouncements thereunder (herein, collectively, "Section 409A"), the provisions of this Agreement shall be interpreted and administered in a manner (which may, as appropriate, include amendments to this Agreement) that will enable such amounts or benefits to satisfy the requirements of Section 409A (either pursuant to qualifying for an exemption from coverage under Section 409A or satisfying the substantive provisions for compliance with such section).

(b) For purposes of any reimbursement of expenses due to Kors or the provision of in-kind benefits with respect to Kors (including, without limitation, pursuant to Section 7 above), such reimbursements shall be made in a manner consistent with Code Section 409A, including Treasury Regulation Section 1.409A-3(i)(1)(iv). In that regard (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, (ii) the reimbursement of eligible expenses shall be made on or before the end of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(c) In the event that any amount or benefit payable under or otherwise with respect to this Agreement is conditioned on Kors' termination of employment and such amount or benefit is not otherwise exempt from Section 409A, such termination of employment shall mean a "separation from service" within the meaning of Section 409A. In addition, if any such payment is conditioned on a separation from service by Kors and Kors shall then be a "specified employee" (as defined in Treasury Regulation section 1.409A-1(i)), then, to the extent necessary to avoid a violation of Section 409A, the portion of any such payment that would otherwise be paid within the six-month period immediately following Kors' separation from service shall instead be deferred and paid in a single sum on the first day following the end of such six-month period.

IN WITNESS WHEREOF, this Agreement is entered into as of the day and year first above written.

MICHAEL KORS (USA), INC.

By: /s/ John D. Idol
Name: John D. Idol
Title: Chairman & Chief Executive Officer

MICHAEL KORS HOLDINGS LIMITED

By: /s/ John D. Idol
Name: John D. Idol
Title: Chairman & Chief Executive Officer

/s/ Michael D. Kors
Michael D. Kors

Exhibit 10.8

EXECUTION COPY

SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement"), dated as of May 20, 2015, by and among **MICHAEL KORS (USA), INC.**, a Delaware corporation having its principal executive office in New York County, New York (the "Company"), **MICHAEL KORS HOLDINGS LIMITED**, a British Virgin Islands corporation having its principal executive office in London, United Kingdom ("MKHL") and **JOHN D. IDOL** ("Executive").

WHEREAS, the Company desires to employ Executive, and Executive desires to be employed by the Company, in accordance with the terms and provisions herein contained.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. Employment.

(a) The Company hereby employs Executive, and Executive hereby accepts such employment, on the terms and subject to the conditions contained herein.

(b) Executive shall serve as the Chairman and Chief Executive Officer of the Company and MKHL faithfully and to the best of his ability. Substantially all of Executive's business time will be dedicated to serving as Chairman and Chief Executive Officer of the Company and MKHL. Executive shall have general authority over the business of the Company and shall manage the day-to-day operations of the Company; provided, however, that Executive understands and agrees that (i) the Board of Directors of MKHL (the "Board") will be responsible for setting overall strategic goals of MKHL and its subsidiaries (including, without limitation, the Company) and advising Executive with respect thereto, and (ii) the Board's and/or certain of its members' active strategic involvement in matters relating to design direction, marketing concepts, production logistics and financial objectives shall not be deemed to constitute managing day-to-day operations. Executive will report only to the Board, and, subject to any existing contractual obligations of MKHL and its subsidiaries, all other executives of the Company shall report to Executive, unless Executive determines otherwise. Executive acknowledges and agrees that, except as otherwise provided in accordance with Section 1(c), the Company and/or MKHL, as applicable, will be his sole employers in respect of the services contemplated by this Agreement, and the Company and/or MKHL, as applicable, will provide all payments and benefits to Executive under this Agreement.

(c) At the request of MKHL, Executive further agrees, without additional compensation, to act as an officer and/or director of subsidiaries of MKHL, other than the Company. At the direction of MKHL, any rights and obligations of the Company hereunder may be assigned, in whole or in part, to such subsidiaries; provided that the Company's or MKHL's, as applicable, obligations with respect to compensation and benefits, including, without limitation, Base Salary (as defined below), shall remain the Company's or MKHL's obligations, unless Executive consents in writing to such assignment, which such consent shall not be unreasonably withheld.

(d) During Executive's employment hereunder, MKHL and the Company shall each use its best efforts to cause Executive to be elected or appointed, as the case may be, to the position of Chairman of the Board of each of MKHL and the Company (the "Company Board"). Executive agrees that upon termination of his employment hereunder for any reason, he shall resign immediately from both the Board and the Company Board, as well as from any officerships and/or other directorships with MKHL or any of its subsidiaries.

(e) Executive shall devote substantially his full business time and attention and his best efforts to the performance of his duties hereunder; provided, however, that Executive may engage in charitable, educational, civic and religious activities and may participate as an investor, officer or director or otherwise manage passive personal investments owned by or for the benefit of Executive or members of his immediate family, but only to the extent such activities and service are permitted under Section 9(c) of this Agreement and do not interfere with the performance of Executive's duties and responsibilities hereunder.

2. Term. The term of the employment of Executive with the Company commenced on December 2, 2003 and shall continue under this Agreement through March 31, 2018 (the "Initial Term"), subject to the terms and provisions of this Agreement. After the expiration of the Initial Term, this Agreement shall be automatically renewed for additional one-year terms (each, a "Renewal Term") unless either the Company or Executive gives written notice to the other of the termination of this Agreement at

least ninety (90) days in advance of the next successive one-year term. Any election by the Company or Executive not to renew such employment at the end of the Initial Term or any Renewal Term shall be at the sole, absolute discretion of the Company or Executive, respectively. The period Executive is employed hereunder during the Initial Term and any such Renewal Terms is referred to herein as the "Term".

3. Salary. During the Term, Executive's base salary ("Base Salary") shall be at the rate of US$1,000,000 per year, which, except as otherwise set forth in the last sentence of this Section 3, shall be payable by the Company to Executive in accordance with the Company's customary payroll practices in effect from time to time. The Base Salary shall be subject to possible increases at the sole discretion of the Board; provided, however, that in no event shall Executive's Base Salary during the Term be less than at the rate of US$1,000,000 per year. A portion of Executive's Base Salary equal to the annual retainer paid to MKHL's independent directors (currently US$70,000) shall be payable to Executive by MKHL on a quarterly basis at the same time such retainer payments are paid to the independent directors of MKHL.

4. Bonus.

(a) Bonus. During the Term, commencing with MKHL's fiscal year that began March 29, 2015 (the "2016 Fiscal Year"), Executive shall be eligible to receive the bonuses described in this Section 4, subject to approval of the bonus plan pursuant to which the bonuses will be paid by the shareholders of MKHL in a manner that complies with the shareholder approval requirements of Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended ("Section 162(m)"). Executive must be employed by MKHL or the Company as of the last day of the applicable performance period described below in order to be eligible to receive the bonus payable in respect of such period. Each bonus shall be administered by the Compensation Committee of the Board (the "Compensation Committee").

(b) Part-Year Bonus. During the Term, commencing with the 2016 Fiscal Year, Executive shall be eligible to receive a bonus (the "Part-Year Bonus") with respect to the performance period beginning on the first day of each fiscal year and ending on the last day of the second fiscal quarter of such year (the "Part-Year Performance Period"). The amount of the Part-Year Bonus shall be 1% of the consolidated income from operations of MKHL for the Part-Year Performance Period, increased by depreciation plus amortization plus impairment of long-lived assets, in each case calculated in accordance with U.S. generally accepted accounting principles and disclosed in MKHL's Consolidated Statements of Operations and Comprehensive Income ("MKHL EBITDA"), up to a maximum of US$1,500,000. The Compensation Committee must certify the MKHL EBITDA for the Part-Year Performance Period and the amount of the Part-Year Bonus. Once certified, the Part-Year Bonus will be paid to Executive reasonably promptly and in no event later than December 30 next following the last day of the applicable Part-Year Performance Period.

(c) Annual Bonus. During the Term, commencing with the 2016 Fiscal Year, Executive shall be eligible to receive an annual bonus (the "Annual Bonus") with respect to each full fiscal year of MKHL (the "Annual Performance Period"). The amount of the Annual Bonus shall be (i) 1% of MKHL EBITDA during the Annual Performance Period, up to a maximum of US$6,500,000, reduced by (ii) the amount of the Part-Year Bonus in respect of the same fiscal year. The Compensation Committee must certify the MKHL EBITDA for the Annual Performance Period and the amount of the Annual Bonus. Once certified, the Annual Bonus will be paid to Executive reasonably promptly and in no event later than June 30 next following the last day of the Annual Performance Period.

(d) Clawback. Notwithstanding the foregoing, if the Compensation Committee of the Board determines that Executive was overpaid, in whole or in part, as a result of a restatement of the reported financial or operating results of MKHL due to material non-compliance with financial reporting requirements (unless due to a change in accounting policy or applicable law), the Company shall be entitled to recover or cancel the difference between (i) any bonus payment that was based on having met or exceeded performance targets and (ii) the bonus payment that would have been paid to or earned by Executive had the actual payment or accrual been calculated based on the accurate data or restated results, as applicable (the "Overpayment"). If the Compensation Committee of the Board determines that there has been an Overpayment, the Company shall be entitled to demand that Executive reimburse the Company for the Overpayment. To the extent Executive does not make reimbursement of the Overpayment, the Company shall have the right to enforce the repayment through the reduction of future salary or the reduction or cancellation of outstanding and future incentive compensation and/or to pursue all other available legal remedies in law or in equity. The Compensation Committee of the Board may make determinations of Overpayment at any time through the end of the third (3rd) fiscal year following the year for which the inaccurate performance criteria were measured; provided, that if steps have been taken within such period to restate MKHL's financial or operating results, the time period shall be extended until such restatement is completed.

5. Equity-Based Compensation.

(a) Equity-Based Awards. Executive shall be eligible, in the discretion of the Compensation Committee of the Board, for share option awards, restricted share unit awards and other equity-based awards under the equity incentive plan generally applicable

to eligible employees of the Company (currently the Michael Kors Holdings Limited Omnibus Incentive Plan) (the "Equity Incentive Plan"), in accordance with, and subject to, the terms and conditions of the Equity Incentive Plan as the same may be amended or modified by MKHL or its subsidiaries from time to time in their sole discretion (subject to shareholder approval if required) and the applicable equity award agreement.

(b) Effect of Termination. Except in the case of the termination of Executive for Cause, in which case any share-based awards granted to Executive under the Equity Plan shall be forfeited and any share options granted to Executive under the Equity Plan shall immediately terminate (whether or not vested and/or exercisable), any such equity awards that have become vested and/or exercisable prior to the date of Executive's termination of employment hereunder (the "Termination Date") shall remain vested and/or exercisable after the Termination Date in accordance with the terms and conditions of the Equity Incentive Plan and/or any applicable equity award agreement.

6. Employee Benefits.

(a) Generally. During the Term, Executive shall be entitled to participate in any and all Company employee benefit plans and programs (but, except as otherwise provided in this Agreement or as determined by the Compensation Committee of the Board, excluding bonus plans), which generally are made available to senior officers of the Company, in accordance with, and subject to, the terms and conditions of such plans and programs (including, without limitation, any eligibility limitations) as they may be modified by the Company from time to time in its sole discretion.

(b) Life Insurance. During the Term, the Company shall pay the premiums, up to a maximum of $50,000 per annum, for the $5,000,000 whole life insurance policy presently maintained by Executive.

(c) Vacation. During the Term, Executive shall be entitled to six (6) weeks of paid vacation in each fiscal year of the Company. Executive shall forfeit any vacation time that remains unused at the end of any fiscal year.

(d) Transportation. During the Term, the Company shall provide Executive with an automobile and driver for transportation to and from the Company's offices and for other business purposes. Such automobile shall be a Mercedes-Benz S-Class or an automobile at least substantially equivalent in price thereto.

(e) Expense Reimbursement. During the Term, the Company shall reimburse Executive for all reasonable and necessary expenses (including first class air travel and the use of the corporate jet) incurred by Executive incident to the performance of his duties hereunder, in accordance with the Company's policies and procedures.

7. Termination of Employment.

(a) Death and Total Disability. Executive's employment under this Agreement shall terminate immediately upon his death or Total Disability (as defined below). For purposes of this Agreement, the term "Total Disability" shall mean any mental or physical condition that: (i) prevents Executive from reasonably discharging his services and employment duties hereunder; (ii) is attested to in writing by a physician who is licensed to practice in the State of New York and is mutually acceptable to Executive and the Company (or, if the Executive and the Company are unable to mutually agree on a physician, the Company Board may select a physician who is a chairman of a department of medicine at a university-affiliated hospital in the City of New York); and (iii) continues, for any one or related condition, during any period of six (6) consecutive months or for a period aggregating six (6) months in any twelve-month period. Total Disability shall be deemed to have occurred on the last day of such applicable six-month period.

(b) Cause. The Company shall at all times, upon written notice to Executive given at least ten (10) days prior to the Termination Date, have the right to terminate this Agreement and the employment of Executive hereunder for Cause (as defined below); provided, however, that prior to such termination taking effect, Executive shall have been given an opportunity to meet with the Board, and a majority of the Board shall have thereafter voted to terminate Executive's employment.

For purposes of this Agreement, the term "Cause" means the occurrence of any one of the following events: (i) Executive's gross negligence, willful misconduct or dishonesty in performing his duties hereunder; (ii) Executive's conviction of a felony (other than a felony involving a traffic violation); (iii) Executive's commission of a felony involving a fraud or other business crime against MKHL or any of its subsidiaries; or (iv) Executive's breach of any of the covenants set forth in Section 9 hereof; provided that, if such breach is curable, Executive shall have an opportunity to correct such breach within thirty (30) days after written notice by the Company to Executive thereof.

(c) Change of Control. Unless otherwise agreed by the Company and Executive, this Agreement shall automatically terminate upon a Change of Control. For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred when any person, entity or group of affiliated persons or entities purchase or otherwise acquire (i) more than 50% of the combined voting power of the outstanding stock of MKHL or (ii) all or substantially all of MKHL's assets.

(d) Executive Termination Without Good Reason. Executive agrees that he shall not terminate his employment for any reason other than Good Reason without giving the Company at least six (6) months' prior written notice of the effective date of such termination. Executive acknowledges that the Company retains the right to waive the notice requirement, in whole or in part, and accelerate the effective date of Executive's termination. If the Company elects to waive the notice requirement, in whole or in part, the Company shall have no further obligations to Executive under this Agreement other than to make the payments specified in Section 8(a). After Executive provides a notice of termination, the Company may, but shall not be obligated to, provide Executive with work to do and the Company may, in its discretion, in respect of all or part of an unexpired notice period, (i) require Executive to comply with such conditions as it may specify in relation to attending at, or remaining away from, the Company's places of business, or (ii) withdraw any powers vested in, or duties assigned to, Executive. For purposes of a notice of termination given pursuant to this Section 7(d), the Termination Date shall be the last day of the six (6) month notice period, unless the Company elects to waive the notice requirement as set forth herein.

For purposes of this Agreement, "Good Reason" means and shall be deemed to exist if: (i) Executive is assigned duties or responsibilities that are inconsistent in any material respect with the scope of the duties or responsibilities of his title or position, as set forth in this Agreement; (ii) the Company or MKHL fails to perform substantially any material term of this Agreement, and, if such failure is curable, fails to correct such failure within thirty (30) days after written notice by Executive to the Company or MKHL, as applicable; (iii) Executive's office is relocated more than fifty (50) miles from its location immediately prior to such relocation; (iv) the Company or MKHL fails to have this Agreement assumed by a successor; (v) Executive's duties or responsibilities are significantly reduced, except with respect to any corporate action initiated or recommended by Executive and approved by the Board; (vi) Executive is involuntarily removed from the Board and the Company Board (other than in connection with a termination of employment for Cause, voluntary termination without Good Reason, death or Total Disability); or (vii) subject to the proviso set forth in the third sentence of Section 1(b) above, the Board is managing the day-to-day operations of the Company and, after receipt of written notice from Executive to such effect (and sufficient time to cease such involvement), the Board continues to do so.

(e) Executive Termination for Good Reason. Executive may terminate his employment hereunder for Good Reason (and this Agreement shall accordingly terminate) by providing written notice of his intention to terminate, and specifying the circumstances relating thereto, to the Board within thirty (30) days following the occurrence of any of the events specified above as constituting Good Reason and at least ten (10) days prior to the Termination Date.

8. Consequences of Termination or Breach.

(a) Termination Due to Death or Total Disability, for Cause, Upon Change of Control or Without Good Reason. If Executive's employment under this Agreement is terminated under Sections 7(a), 7(c) or 7(d) hereunder, or Executive terminates his employment for any reason other than Good Reason, Executive shall not thereafter be entitled to receive any compensation and benefits under this Agreement other than for (i) Base Salary earned but not yet paid prior to the Termination Date, (ii) vested equity in accordance with Section 5(b), (iii) payment for any untaken accrued vacation during the calendar year, (iv) reimbursement of any expenses pursuant to Section 6(e) incurred prior to the Termination Date, (v) any Part-Year Bonus with respect to a Part-Year Performance Period that was completed prior to Executive's termination from employment but which has not yet been paid, and (vi) any Annual Bonus with respect to any Annual Performance Period that was completed prior to Executive's termination from employment but which has not yet been paid, and in the case of each of clauses (v) and (vi), such bonuses shall be paid at such times as they would have otherwise been paid to Executive hereunder had employment not been terminated and such bonus amounts shall be subject to certification by the Compensation Committee as described in Section 4 of this Agreement (collectively, the "Accrued Obligations"), plus, in the case of termination due to death or Total Disability only, the Pro Rata Bonus Payment (as defined below). If Executive's employment under this Agreement is terminated by the Company for Cause, Executive shall not thereafter be entitled to receive any compensation and benefits under this Agreement other than for the Accrued Obligations set forth in clauses (i), (iii) and (iv) above.

(b) Termination Without Cause or With Good Reason. If Executive's employment under this Agreement is terminated by the Company without Cause (which right the Company shall have at any time during the Term) and other than for the reasons provided for in Sections 7(a) or 7(c) above, or Executive terminates his employment for Good Reason, the sole obligations of the Company to Executive shall be: (i) to make the payments described in Section 8(a) for Accrued Obligations, (ii) to make the Pro Rata Bonus Payment and (iii) to pay to Executive in a single lump sum payment, within thirty (30) days from the Termination Date, a separation allowance equal to two times (A) Executive's then current Base Salary and (B) the bonus payment(s) paid or payable to Executive pursuant to Section 4 with respect to MKHL's last full fiscal year ended prior to the Termination Date. For purposes of this

Agreement, "Pro Rata Bonus Payment" shall mean, (x) with respect to a termination that occurs during the course of any Part-Year Performance Period, an amount representing the amount that the Part-Year Bonus would have been, based on actual performance over the course of the Part-Year Performance Period, assuming Executive's employment had not been terminated hereunder, multiplied by a fraction the numerator of which is the number of days Executive was employed hereunder during the Part-Year Performance Period and the denominator of which is the full number of days in the Part-Year Performance Period and (y) with respect to a termination that occurs during the course of any Annual Performance Period, an amount representing the amount that the Annual Bonus would have been, based on actual performance over the course of the Annual Performance Period, assuming Executive's employment had not been terminated hereunder, multiplied by a fraction the numerator of which is the number of days Executive was employed hereunder during the Annual Performance Period and the denominator of which is the full number of days in the Annual Performance Period. Executive acknowledges and agrees that in the event the Company terminates Executive's employment without Cause and other than for the reasons provided for in Sections 7(a) or 7(c) or Executive terminates his employment for Good Reason, Executive's sole remedy shall be to receive the payments specified in this Section 8(b).

(c) No Duty to Mitigate. Executive shall not be required to mitigate the amount of any damages that Executive may incur or other payments to be made to Executive hereunder as a result of any termination or expiration of this Agreement, nor shall any payments to Executive be reduced by any other payments Executive may receive, except as set forth herein.

9. Restrictive Covenants and Confidentiality.

(a) No-Hire. During the two (2) year period following the Termination Date, Executive shall not employ or retain (or participate in or arrange for the employment or retention of) any person who was employed or retained by the Company or any of its parents, subsidiaries or affiliates within the one (1) year period immediately preceding such employment or retention.

(b) Confidentiality. Recognizing that the knowledge, information and relationship with customers, suppliers and agents, and the knowledge of the Company's and its parents', subsidiaries' and affiliates' business methods, systems, plans and policies, which Executive shall hereafter establish, receive or obtain as an employee of the Company or any such parent, subsidiary or affiliate, are valuable and unique assets of the businesses of the Company and its parents, subsidiaries and affiliates, Executive agrees that, during and after the Term hereunder, he shall not (otherwise than pursuant to his duties hereunder) disclose, without the prior written approval of the Board, any such knowledge or information pertaining to the Company or any of its parents, subsidiaries and affiliates, their business, personnel or policies, to any person, firm, corporation or other entity, for any reason or purpose whatsoever. The provisions of this Section 9(b) shall not apply to information which is or shall become generally known to the public or the trade (except by reason of Executive's breach of his obligations hereunder), information which is or shall become available in trade or other publications and information which Executive is required to disclose by law or an order of a court of competent jurisdiction. If Executive is required by law or a court order to disclose such information, he shall notify the Company of such requirement and provide the Company an opportunity (if the Company so elects) to contest such law or court order. Executive agrees that all tangible materials containing confidential information, whether created by Executive or others which shall come into Executive's custody or possession during Executive's employment shall be and is the exclusive property of the Company or its parents, subsidiaries and affiliates. Upon termination of Executive's employment for any reason whatsoever, Executive shall immediately surrender to the Company all confidential information and property of the Company or its parents, subsidiaries or affiliates in Executive's possession.

(c) Non-Compete. Executive agrees that during the Term, Executive will not engage in, or carry on, directly or indirectly, either for himself or as an officer or director of a corporation or as an employee, agent, associate, or consultant of any person, partnership, business or corporation, any Competitive Business (as defined below); provided, that Executive may own ten percent (10%) or less in a Competitive Business as a passive investor so long as Executive does not manage (whether as a director, officer or otherwise) or exercise influence or control over such business. For purposes of this Agreement, "Competitive Business" shall mean a business which directly competes in any material respects with the Company or its parents, subsidiaries, affiliates or product licensees.

10. Injunction. It is recognized and hereby acknowledged by the parties hereto that a breach or violation by Executive of any of the covenants or agreements contained in Section 9 of this Agreement may cause irreparable harm and damage to the Company or its parents, subsidiaries or affiliates, the monetary amount of which may be virtually impossible to ascertain. Therefore, Executive recognizes and hereby agrees that the Company and its parents, subsidiaries and affiliates shall be entitled to an injunction from any court of competent jurisdiction enjoining and restraining any breach or violation of any or all of the covenants and agreements contained in Section 9 of this Agreement by Executive and/or his employees, associates, partners or agents, or entities controlled by one or more of them, either directly or indirectly, and that such right to injunction shall be cumulative and in addition to whatever other rights or remedies the Company, and its parents, subsidiaries or affiliates may possess.

11. Indemnification. To the extent permitted by law and the Company's or MKHL's by-laws or other governing documents, the Company and/or MKHL (as applicable) will indemnify Executive with respect to any claims made against him as an officer, director or employee of MKHL, the Company or any other subsidiary of MKHL, except for acts taken in bad faith or in breach of his duty of loyalty to the Company or MKHL. During the term and for as long thereafter as is practicable, Executive shall be covered under a directors and officers liability insurance policy with coverage limits in amounts no less than that which the Company currently maintains as of the date of this Agreement.

12. Taxes. All payments to be made to and on behalf of Executive under this Agreement will be subject to required withholding of federal, state and local income and employment taxes, and to related record reporting requirements, including, with respect to the retainer payment referred to in the last sentence of Section 3, applicable U.K. statutory reductions.

13. Executive's Representations; No Delegation. Executive hereby represents and warrants that he is not precluded, by any agreement to which he is a party or to which he is subject, from executing and delivering this Agreement, and that this Agreement and his performance of the duties and responsibilities set forth herein does not violate any such agreement. Executive shall indemnify and hold harmless the Company and its parents, subsidiaries and affiliates and their officers, directors, employees, agents and advisors for any liabilities, losses and costs (including reasonable attorney's fees) arising from any breach or alleged breach of the foregoing representation and warranty. Executive shall not delegate his employment obligations under this Agreement to any other person.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in that state, without regard to its conflict of laws provisions.

15. Entire Agreement; Amendment. This Agreement supersedes all prior agreements between the parties with respect to its subject matter, is intended (with the documents referred to herein) as a complete and exclusive statement of the terms of the agreement between the parties with respect thereto and may be amended only by a writing signed by all parties hereto.

16. Notices. Any notice or other communication made or given in connection with this Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand, by facsimile transmission, by a nationally recognized overnight delivery service or mailed by registered mail, return receipt requested, to a party at his or its address set forth below or at such other address as a party may specify by notice to the others:

If to the Company or MKHL:

c/o Michael Kors (USA), Inc.
11 West 42nd Street, 28th Floor
New York, NY 10036
Fax: 646-354-4824
Attention: General Counsel

If to Executive:

At the home address on file with the Company
Fax: 516-365-6872

with a copy to:

Schlesinger Gannon & Lazetera LLP
535 Madison Avenue
New York, NY 10022
Fax: 212-652-3789
Attention: Sanford J. Schlesinger, Esq.

or to such other addresses as either party hereto may from time to time specify to the other. Any notice given as aforesaid shall be deemed received upon actual delivery.

17. Assignment. Except as otherwise provided in this Section 17 and Section 1(c), this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors and assigns. This Agreement shall not be assignable by Executive and shall be assignable by the Company and MKHL, in whole or in part, only (i) to MKHL or any of its subsidiaries and (ii) subject to compliance with Section 1(c).

18. Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement, or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted.

19. Waiver. The failure of any party to insist upon strict adherence to any term or condition of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing.

20. Section Headings. The section headings contained in this Agreement are for reference purpose only and shall not affect in any way the meaning or interpretation of this Agreement.

21. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be considered an original, but all of which together shall constitute the same instrument.

22. Arbitration. Any dispute or claim between the parties hereto arising out of, or in connection with, this Agreement and/or Executive's employment shall become a matter for arbitration; provided, however, that Executive acknowledges and agrees that in the event of any alleged violation of Section 9 hereof, the Company and any of its parents, subsidiaries and affiliates shall be entitled to obtain from any court in the State of New York, temporary, preliminary or permanent injunctive relief as well as damages, which rights shall be in addition to any other rights or remedies to which it may be entitled. The arbitration shall take place in New York City and shall be before a neutral arbitrator in accordance with the Commercial Rules of the American Arbitration Association; provided however, that to the extent such arbitration involves any allegation(s) of a violation of any law, rule or regulation which prohibits discrimination in employment, the arbitrator shall apply the National Rules for the Resolution of Employment Disputes (as modified) of the American Arbitration Association then existing in determining the damages, if any, to be awarded and the allocation of costs and attorneys fees between or among the parties. The decision or award of the arbitrator shall be final and binding upon the parties hereto. The parties shall abide by all awards recorded in such arbitration proceedings, and all such awards may be entered and executed upon in any court having jurisdiction over the party against whom or which enforcement of such award is sought.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

MICHAEL KORS (USA), INC.

By: /s/ Joseph B. Parsons
Name: Joseph B. Parsons
Title: EVP, CFO, COO & Treasurer

MICHAEL KORS HOLDINGS LIMITED

By: /s/ Joseph B. Parsons
Name: Joseph B. Parsons
Title: EVP, CFO, COO & Treasurer

/s/ John D. Idol
JOHN D. IDOL

Exhibit 10.14

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (this "Agreement") between Michael Kors (USA), Inc. (the "Company") and Pascale Meyran ("Executive") made as of this 14th day of July 2014.

WHEREAS, the parties desire to enter into this Agreement to reflect their mutual agreements with respect to the employment of Executive by the Company.

NOW, THEREFORE, in consideration of the mutual covenants, warranties and undertakings herein contained, the parties hereto agree as follows:

1. Term. The employment of Executive with the Company under this Agreement shall commence on September 22, 2014 (or such other date as Executive actually begins employment with the Company) (the "Commencement Date") and shall continue through June 30, 2017 (the "Initial Term"), subject to the terms and provisions of this Agreement. After the expiration of the Initial Term, this Agreement shall be automatically renewed for additional one-year terms (each, a "Renewal Term") unless either the Company or Executive gives written notice to the other of the termination of this Agreement at least ninety (90) days in advance of the next successive one-year term. Any election by the Company or Executive not to renew such employment at the end of the Initial Term or any Renewal Term shall be at the sole, absolute discretion of the Company or Executive, respectively. The period Executive is actually employed hereunder during the Initial Term and any such Renewal Terms is referred to herein as the "Term".

2. Position and Duties. Executive shall be employed during the Term as Senior Vice President, Human Resources and shall be based in New York, New York. Executive shall report directly to the Chief Executive Officer of the Company. Executive shall perform such duties and services as are commensurate with Executive's position and such other duties and services as are from time to time reasonably assigned to Executive by the Chief Executive Officer of the Company or the Board of Directors of the Company. Except for vacation, holiday, personal and sick days in accordance with this Agreement and the Company's policies for comparable senior executives, Executive shall devote her full business time during the Term to providing services to the Company and its affiliates. Executive shall maintain a primary residence in the New York City metropolitan area during the Term.

3. Compensation.

(a) Base Salary. Executive's base salary (the "Base Salary") shall be at the rate of $500,000 per year. The Base Salary shall be payable in substantially equal installments in accordance with the normal payroll practices of the Company.

(b) Periodic Review of Compensation. On an annual basis during the Term, but without any obligation to increase or otherwise change the compensation provisions of this Agreement, the Company agrees to undertake a review of the performance by Executive of her duties under this Agreement and of the efforts that she has undertaken for and on behalf of the Company.

(c) Annual Bonus.

(i) With respect to each full fiscal year of the Company during the Term, Executive shall be eligible to receive a cash bonus (the "Bonus") based on a percentage of Executive's Base Salary (with the incentive levels set at 25% target – 37.5% stretch – 50% maximum), in accordance with, and subject to, the terms and conditions of the Company's then existing executive bonus plan (the "Bonus Plan"). The Bonus shall be 70% based on the achievement of divisional performance targets and 30% based on the achievement of overall corporate performance targets (in each case based on criteria established by the Michael Kors Holdings Limited Board of Directors (or appropriate committee thereof) at the beginning of each fiscal year), shall be determined annually at the same time bonuses are determined for comparable senior executives of the Company in accordance with the Bonus Plan, and shall be payable at the same time and in the same manner as bonuses are paid to comparable senior executives of the Company.

(ii) During the Term, the targets and performance goals, including, without limitation, the extent to which they will be based on corporate performance, divisional performance or other criteria consistent with the terms and conditions of the Bonus Plan, shall be established annually by the Michael Kors Holdings Limited Board of Directors (or appropriate committee thereof) in accordance with the Bonus Plan.

(iii) Notwithstanding the generality of the foregoing, Executive's Bonus for the first two fiscal years during the Term (e.g., Fiscal 2015 and Fiscal 2016 assuming the Commencement Date occurs in Fiscal 2015) shall be equal to 50% of Executive's then-current base salary (pro rated from the Commencement Date with respect to the first fiscal year during the Term).

(d) Benefits. During the Term, Executive shall be entitled to participate in the benefit plans and programs, including, without limitation, medical, dental, life insurance, disability insurance and 401(k), that the Company provides generally to comparable senior executives in accordance with, and subject to, the terms and conditions of such plans and programs (including, without limitation, any eligibility limitations) as they may be modified by the Company from time to time in its sole discretion.

(e) Travel/Expense Reimbursement. The Company shall reimburse Executive for the ordinary and necessary business expenses incurred by her in the performance of her duties in accordance with the Company's policies and procedures. To the extent Executive travels in connection with her duties hereunder, the Company agrees to pay the cost of such travel or to reimburse Executive if she has incurred any such costs, it being understood and agreed that (i) all air travel shall be in (A) coach class for domestic travel other than coast-to-coast, which shall be business class, and (B) business class for international travel, and (ii) such costs shall otherwise be incurred in accordance with the Company's policies and procedures. The Company shall reimburse Executive for all other ordinary and necessary business expenses incurred by her in the performance of her duties in accordance with the Company's policies and procedures.

(f) Equity-Based Compensation.

(i) Equity-Based Awards. Executive shall be eligible for share option awards, restricted share awards and other equity-based awards under the equity incentive plan generally applicable to eligible employees of the Company (currently the Michael Kors Holdings Limited Omnibus Incentive Plan) (the "Equity Incentive Plan"), in accordance with, and subject to, the terms and conditions of the Equity Incentive Plan as the same may be amended or modified by Michael Kors Holdings Limited or its subsidiaries from time to time in their sole discretion and the applicable equity award agreement. On the first business day of the month following the Commencement Date, Executive shall receive an equity grant valued at approximately $1,500,000 in accordance with, and subject to, the terms and conditions of the Equity Incentive Plan. Such equity grant shall be comprised 35% of restricted shares, 35% of share options (valued using the Black-Scholes valuation method) and 30% of performance-based restricted share units. The share options and restricted shares will vest in equal installments over four years. The performance-based restricted share units will cliff vest at the end of three years subject to attainment of the performance-targets set by the Michael Kors Holdings Limited Board of Directors (or appropriate committee thereof).

(ii) Effect of Termination. Except in the case of the termination of Executive for Cause, in which case any restricted shares or restricted share units granted to Executive under the Equity Plan shall be forfeited and any share options granted to Executive under the Equity Plan shall immediately terminate (whether or not vested and/or exercisable), any such equity awards of Executive that have become vested and/or exercisable prior to the last day Executive is employed by the Company (the "Termination Date") shall remain vested and/or exercisable after the Termination Date in accordance with, and subject to, the terms and conditions of the Equity Incentive Plan and/or any applicable equity award agreement.

(g) Taxes. All payments to be made to and on behalf of Executive under this Agreement will be subject to required withholding of federal, state and local income and employment taxes, and to related reporting requirements.

(h) Vacations. Executive shall be entitled to a total of four (4) weeks of paid vacation during each calendar year during the Term (which shall accrue in accordance with the Company's vacation policy); provided, however, that such vacations shall be taken by Executive at such times as will not interfere with the performance by Executive of her duties hereunder.

(i) Housing Allowance. The Company shall pay the reasonable costs and expenses of temporary housing for Executive in the New York City metropolitan area through December 31, 2014. If on or before the first anniversary of the Commencement Date Executive terminates her employment hereunder (other than for Good Reason) or the Company terminates Executive's employment for Cause, Executive shall promptly repay the Company in full for the amount of such temporary housing allowance actually paid by the Company.

(j) Clothing Allowance. The Company shall provide Executive with a $5,000 clothing allowance for each fiscal year during the Term (pro rated from the Commencement Date), which may be used by Executive to purchase product manufactured by the Company through Company personal orders for Executive's personal use only at the applicable discount off wholesale (if any) offered to all eligible employees. Such clothing allowance shall be fully utilized by Executive in each fiscal year otherwise any remaining amount available for use shall be forfeited at the end of such fiscal year. In addition, Executive shall receive an additional one-time closing allowance in the amount of $20,000 for Executive's personal use at any time during the Term. The clothing allowance is a taxable benefit for Executive.

(k) Relocation Expenses. The Company shall pay directly or reimburse Executive, promptly after receipt from Executive of invoices or other supporting documentation, for reasonable expenses incurred by Executive in relocating to the New York City metropolitan area; provided that receipts or invoices for all such expenses must be submitted by Executive to the Company for reimbursement within a reasonable time after such expense is incurred. Any tax liability incurred by Executive as a result of such

relocation reimbursements will be paid for by the Company. If on or before the first anniversary of the Commencement Date Executive terminates her employment hereunder (other than for Good Reason) or the Company terminates Executive's employment for Cause, Executive shall promptly repay the Company in full for the amount of such relocation expenses actually paid by the Company.

4. Termination of Employment.

(a) Death and Disability. Executive's employment under this Agreement shall terminate automatically upon her death. The Company may terminate Executive's employment under this Agreement if Executive is unable to perform substantially all of the duties required by her hereunder due to illness or incapacity for a period of at least ninety (90) days (whether or not consecutive) in any period of three hundred and sixty five (365) consecutive days.

(b) Cause. The Company may terminate Executive's employment under this Agreement at any time with Cause. For purposes of this Agreement, "Cause" means the occurrence of any of the following events: (i) a material breach by Executive of her obligations under this Agreement that Executive has failed to cure within thirty (30) days following written notice of such breach from the Company to Executive; (ii) insubordination or a refusal by Executive to perform her duties under this Agreement that continues for at least five (5) days after written notice from the Company to Executive; (iii) Executive's misconduct with respect to the Company or any of its affiliates or licensees, or any of their respective businesses, assets or employees; (iv) the commission by Executive of a fraud or theft against the Company or any of its affiliates or licensees or her conviction for the commission of, or aiding or abetting, a felony or of a fraud or a crime involving moral turpitude or a business crime; or (v) the possession or use by Executive of illegal drugs or prohibited substances, the excessive drinking of alcoholic beverages on a recurring basis which impairs Executive's ability to perform her duties under this Agreement, or the appearance during hours of employment on a recurring basis of being under the influence of such drugs, substances or alcohol.

5. Consequences of Termination or Breach.

(a) Death or Disability; Termination for Cause or Without Good Reason. If, during the Term, Executive's employment under this Agreement is terminated under Section 4(a) or 4(b) or as a result of the Company or Executive giving a non-renewal notice pursuant to Section 1, or Executive terminates her employment for any reason other than for Good Reason, Executive shall not thereafter be entitled to receive any compensation or benefits under this Agreement, other than (i) Base Salary earned but not yet paid prior to the Termination Date, (ii) reimbursement of any expenses pursuant to Section 3(e) incurred prior to the Termination Date and (iii) vested equity in accordance with Section 3(f)(ii). For purposes of this Agreement, "Good Reason" means a material breach by the Company of its obligations under this Agreement that it has failed to cure within thirty (30) days following written notice of such breach from Executive to the Company.

(b) Termination Without Cause or With Good Reason. If, during the Term, Executive's employment under this Agreement is terminated by the Company without Cause (which the Company shall have the right to do with or without Cause at any time during the Term) and other than under Section 4(a) or as a result of the Company giving a non-renewal notice pursuant to Section 1, or Executive terminates her employment for Good Reason, the sole obligations of the Company to Executive shall be (i) to make the payments described in clauses (i) through (iii) (inclusive) of Section 5(a), and (ii) subject to Executive providing the Company with the release and separation agreement described below, to provide continuation of Executive's then current Base Salary and medical, dental and insurance benefits by the Company for a one (1) year period commencing with the Termination Date, which amount shall be payable in substantially equal installments in accordance with the normal payroll practices of the Company and shall be offset by any compensation and benefits that Executive receives from other employment (including self-employment) during such payment period. Executive agrees to promptly notify the Company upon her obtaining other employment or commencing self-employment during the severance period and to provide the Company with complete information regarding her compensation thereunder. The Company's obligations to provide the payments referred to in this Section 5(b) shall be contingent upon (A) Executive having delivered to the Company a fully executed separation agreement and release (that is not subject to revocation) of claims against the Company and its affiliates and their respective directors, officers, employees, agents and representatives satisfactory in form and content to the Company's counsel, and (B) Executive's continued compliance with her obligations under Section 6 of this Agreement. Executive acknowledges and agrees that in the event the Company terminates Executive's employment without Cause or Executive terminates her employment for Good Reason, (1) Executive's sole remedy shall be to receive the payments specified in this Section 5(b) and (2) if Executive does not execute the separation agreement and release described above, Executive shall have no remedy with respect to such termination.

6. Certain Covenants and Representations.

(a) Confidentiality. Executive acknowledges that in the course of her employment by the Company, Executive will receive and or be in possession of confidential information of the Company and its affiliates, including, but not limited to, information relating to their financial affairs, business methods, strategic plans, marketing plans, product and styling development plans, pricing, products, vendors,

suppliers, manufacturers, licensees, computer programs and software, and personal information regarding the Company's personnel (collectively, "Confidential Information"). Confidential Information shall not include information that is: (i) generally known or available to the public or in Executive's possession prior to discussions relating to employment with the Company; (ii) independently known, obtained, conceived or developed by Executive without access to or knowledge of related information provided by the Company or obtained in connection with Executive's efforts on behalf of the Company, (iii) used or disclosed with the prior written approval of the Company or (iv) made available by the Company to the public. Executive agrees that she will not, without the prior written consent of the Company, during the Term or thereafter, disclose or make use of any Confidential Information, except as may be required by law or in the course of Executive's employment hereunder or in order to enforce her rights under this Agreement. Executive agrees that all tangible materials containing Confidential Information, whether created by Executive or others which shall come into Executive's custody or possession during Executive's employment shall be and is the exclusive property of the Company. Upon termination of Executive's employment for any reason whatsoever, Executive shall immediately surrender to the Company all Confidential Information and property of the Company in Executive's possession.

(b) Non-Competition. Executive agrees that, during the Term, and for a one-year period thereafter (the "Non-Competition Period"), Executive will not engage in, or carry on, directly or indirectly, either for himself or as an officer or director of a corporation or as an employee, agent, associate, or consultant of any person, partnership, business or corporation, any business in competition with the business carried on by the Company or any of its affiliates in any jurisdiction in which the Company or any of its affiliates actively conduct business; provided, however, that if the Company elects to enforce this provision, and Executive is not otherwise receiving separation pay pursuant to Section 5(b) herein, the Company shall continue Executive's then current base salary during the Non-Competition Period, payable in substantially equal installments in accordance with the normal payroll practices of the Company. If the Company, at its sole option, decides not to continue Executive's base salary at any time during the Non-Competition Period and Executive is not otherwise receiving separation pay pursuant to Section 5(b) herein, this non-competition provision shall not thereafter be enforceable.

(c) No Hiring. During the two-year period immediately following the Termination Date, Executive shall not employ or retain (or participate in or arrange for the employment or retention of) any person who was employed or retained by the Company or any of its affiliates within the one (1) year period immediately preceding such employment or retention.

(d) Non-Disparagement. During the Term and thereafter, Executive agrees not to disparage the Company or any of its affiliates or any of their respective directors, officers, employees, agents, representatives or licensees and not to publish or make any statement that is reasonably foreseeable to become public with respect to any of such entities or persons.

(e) Copyrights, Inventions, etc. Any interest in patents, patent applications, inventions, technological innovations, copyrights, copyrightable works, developments, discoveries, designs, concepts, ideas and processes ("Such Inventions") that Executive now or hereafter during the Term may own, acquire or develop either individually or with others relating to the fields in which the Company or any of its affiliates may then be engaged or contemplate being engaged shall belong to the Company or such affiliate and forthwith upon request of the Company, Executive shall execute all such assignments and other documents (including applications for patents, copyrights, trademarks and assignments thereof) and take all such other action as the Company may reasonably request in order to assign to and vest in the Company or its affiliates all of Executive's right, title and interest (including, without limitation, waivers to moral rights) in and to Such Inventions throughout the world, free and clear of liens, mortgages, security interests, pledges, charges and encumbrances. Executive acknowledges and agrees that (i) all copyrightable works created by Executive as an employee will be "works made for hire" on behalf of the Company and its affiliates and that the Company and its affiliates shall have all rights therein in perpetuity throughout the world and (ii) to the extent that any such works do not qualify as works made for hire, Executive irrevocably assigns and transfers to the Company and its affiliates all worldwide right, title and interest in and to such works. Executive hereby appoints any officer of the Company as Executive's duly authorized attorney-in-fact to execute, file, prosecute and protect Such Inventions before any governmental agency, court or authority. If for any reason the Company does not own any Such Invention, the Company and its affiliates shall have the exclusive and royalty-free right to use in their businesses, and to make products therefrom, Such Invention as well as any improvements or know-how related thereto.

(f) Remedy for Breach and Modification. Executive acknowledges that the foregoing provisions of this Section 6 are reasonable and necessary for the protection of the Company and its affiliates, and that they will be materially and irrevocably damaged if these provisions are not specifically enforced. Accordingly, Executive agrees that, in addition to any other relief or remedies available to the Company and its affiliates, they shall be entitled to seek an appropriate injunctive or other equitable remedy for the purposes of restraining Executive from any actual or threatened breach of or otherwise enforcing these provisions and no bond or security will be required in connection therewith. If any provision of this Section 6 is deemed invalid or unenforceable, such provision shall be deemed modified and limited to the extent necessary to make it valid and enforceable.

7. Miscellaneous.

(a) Representations. The Company and Executive each represents and warrants that (i) it has full power and authority to execute and deliver this Agreement and to perform its respective obligations hereunder and (ii) this Agreement constitutes the legal, valid and binding obligation of such party and is enforceable against it in accordance with its terms. In addition, Executive represents and warrants that the entering into and performance of this Agreement by her will not be in violation of any other agreement to which Executive is a party and that no activities of Executive currently conflict with the provisions of Section 6(b).

(b) Notices. Any notice or other communication made or given in connection with this Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand, by facsimile transmission, by email, by a nationally recognized overnight delivery service or mailed by certified mail, return receipt requested, to Executive or to the Company at the addresses set forth below or at such other address as Executive or the Company may specify by notice to the other:

To the Company:

Michael Kors (USA), Inc.
11 West 42nd Street
New York, NY 10036
Attention: Chief Executive Officer
Fax Number: 646.354.4988

With a copy to:

Michael Kors (USA), Inc.
11 West 42nd Street
New York, NY 10036
Attention: General Counsel
Fax Number: 646.354.4824

To Executive:

[Intentionally omitted]

(c) Entire Agreement; Amendment. This Agreement supersedes all prior agreements between the parties with respect to its subject matter. This Agreement is intended (with any documents referred to herein) as a complete and exclusive statement of the terms of the agreement between the parties with respect thereto and may be amended only by a writing signed by both parties hereto.

(d) Waiver. The failure of any party to insist upon strict adherence to any term or condition of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in a writing signed by the party to be charged with such waiver.

(e) Assignment. Except as otherwise provided in this Section 7(e), this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors and assigns. This Agreement shall not be assignable by Executive and shall be assignable by the Company only to its affiliates; provided, however, that any assignment by the Company shall not, without the written consent of Executive, relieve the Company of its obligations hereunder.

(f) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be considered an original, but all of which together shall constitute the same instrument.

(g) Captions. The captions in this Agreement are for convenience of reference only and shall not be given any effect in the interpretation of the Agreement.

(h) Governing Law. This Agreement shall be governed by the laws of the State of New York applicable to agreements made and to be performed in that State, without regard to its conflict of laws principles.

(i) Arbitration. Any dispute or claim between the parties hereto arising out of, or, in connection with this Agreement, shall, upon written request of either party, become a matter for arbitration; provided, however, that Executive acknowledges that in the event of

any violation of Section 6 hereof, the Company shall be entitled to obtain from any court in the State of New York, temporary, preliminary or permanent injunctive relief as well as damages, which rights shall be in addition to any other rights or remedies to which it may be entitled. The arbitration shall be before a neutral arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and take place in New York City. Each party shall bear its own fees, costs and disbursements in such proceeding. The decision or award of the arbitrator shall be final and binding upon the parties hereto. The parties shall abide by all awards recorded in such arbitration proceedings, and all such awards may be entered and executed upon in any court having jurisdiction over the party against whom or which enforcement of such award is sought.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date and year first above written.

MICHAEL KORS (USA), INC.

By: /s/ John D. Idol
Name: John D. Idol
Title: Chairman & CEO

/s/ Pascale Meyran
Pascale Meyran

Exhibit 10.15

FORM OPTION AWARD AGREEMENT

MICHAEL KORS HOLDINGS LIMITED
OMNIBUS INCENTIVE PLAN
EMPLOYEE NONQUALIFIED
OPTION AWARD AGREEMENT

THIS NONQUALIFIED OPTION AWARD AGREEMENT (the "Agreement"), dated as of date of grant (the "Date of Grant"), is made by and between Michael Kors Holdings Limited, a limited liability company under the laws of the British Virgin Islands (the "Company"), and participant ("Participant"). Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan.

WHEREAS, the Company has adopted the Michael Kors Holdings Limited Omnibus Incentive Plan (the "Plan"), pursuant to which Options may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the Option provided for herein to Participant subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Option.

(a) Grant. The Company hereby grants to Participant an Option (the "Option") to purchase ordinary shares, no par value, of the Company (such shares, the "Option Shares"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. The Option is not intended to qualify as an Incentive Share Option. The Exercise Price, being the price at which Participant shall be entitled to purchase the Option Shares upon the exercise of all or any portion of the Option, shall be exercise price per Option Share.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement.

(c) Acceptance of Agreement. In order to accept this Agreement, Participant must indicate acceptance of the Option and acknowledgment that the terms of the Plan and this Agreement have been read and understood by signing and returning a copy of this Agreement, to the General Counsel at Michael Kors (USA), Inc., 11 West 42nd Street, New York, NY 10036 within 14 days following the date hereof. By accepting this Agreement, Participant consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by Securities and Exchange Commission rules (which consent may be revoked in writing by Participant at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information will be delivered in hard copy to Participant).

2. Vesting. Except as may otherwise be provided herein, subject to Participant's continued employment with the Company or a Subsidiary, the Option shall become vested and exercisable with respect to twenty five percent (25%) of the Option Shares on each of the first four anniversaries of the Date of Grant (each such date, a "Vesting Date"). Any fractional Option Shares resulting from the application of the vesting schedule shall be aggregated and the Option Shares resulting from such aggregation shall vest on the final Vesting Date.

3. Termination of Employment.

(a) Except as otherwise provided below or as provided in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, if Participant's employment or service with the Company or any Subsidiary, as applicable, terminates for any reason other than due to death, Disability (as defined in Section 3(b) below) or Retirement (as defined in Section 3(c) below), then the unvested portion of the Option shall be cancelled immediately and Participant shall immediately forfeit any rights to the Option Shares subject to such unvested portion.

(b) If Participant dies or is terminated on account of Disability prior to the end of the Option Period and while still in the employ or service of the Company or a Subsidiary, the unvested Options shall become immediately vested and exercisable as of the date of death or termination on account of Disability For purposes of this Agreement, "Disability" means a Participant has a total and permanent disability as defined in Section 22(e) (3) of the Code.

(c) If the Participant's employment with the Company is terminated due to the Participant's Retirement, then the Option shall continue to vest on the schedule provided in Section 2 above. For purposes of this Agreement, "Retirement" means a Participant's voluntary termination of employment or service with the Company and its Subsidiaries (other than a termination for Cause) after the Participant reaches at least the age of sixty (60) and has completed at least ten (10) years of employment or service with the Company or any of its Subsidiaries.

(d) If within twenty-four (24) months following the occurrence of a Change in Control of the Company, the Participant's employment or service with the Company is terminated by the Company without Cause, or, if Participant is a party to an employment agreement (or similar agreement) with the Company or any of its Subsidiaries that includes the ability of Participant to terminate Participant's employment for "good reason" or similar concept and Participant terminates his or her employment for "good reason" or similar concept as defined therein, the provisions of Section 11.2 of the Plan shall apply.

4. Expiration.

(a) In no event shall all or any portion of the Option be exercisable after the seventh anniversary of the Date of Grant (the "Option Period").

(b) If, prior to the end of the Option Period, Participant's employment or service with the Company and its Subsidiaries is terminated (i) by the Company or its Subsidiaries without Cause and other than due to death, Disability or Retirement, the Option shall expire on the earlier of the last day of the Option Period or the date that is 90 days after the date of such termination, or (ii) by Participant for any reason other than due to death, Disability or Retirement or at a time when grounds to terminate Participant's employment for Cause exist, the Option shall expire on the earlier of the last day of the Option Period or the date that is 30 days after the date of such termination. In the event of a termination described in this subsection (b), the Option shall remain exercisable by Participant until its expiration only to the extent the Option was exercisable at the time of such termination.

(c) If Participant dies or is terminated on account of Disability in accordance with Section 3(b) above, each Option so accelerated together with any remaining vested Options shall be exercisable by Participant or his or her beneficiary, as applicable, until the earlier of the last day of the Option Period or the date that is one year after the date of death or termination on account of Disability of Participant, as applicable.

(d) If the Participant's employment with the Company is terminated due to the Participant's Retirement in accordance with Section 3 (c) above, then the Option shall remain exercisable until the earlier of the last day of the Option Period or the date that is four years after the date of Retirement.

(e) If Participant ceases employment or service of the Company or any of its Subsidiaries due to a termination for Cause or a termination by Participant for any reason at a time when grounds to terminate Participant's employment for Cause exist, the Option (including any vested portion of the Option) shall expire immediately upon such cessation of employment or service.

5. Method of Exercise.

(a) Options which have become exercisable may be exercised by delivery of a duly executed written notice of exercise to the Company at its principal business office using such form(s) as may be required from time to time by the Company. Participant may obtain such form(s) by contacting the General Counsel at Michael Kors (USA), Inc., 11 West 42nd Street, New York, NY 10036.

(b) No Option Shares shall be delivered pursuant to any exercise of the Option until payment in full of the Exercise Price therefor is received by the Company in accordance with Section 5.5 of the Plan and Participant has paid to the Company an amount equal to any federal, state, local and non-U.S. income and employment taxes required to be withheld.

(c) Subject to applicable law, the Exercise Price and applicable tax withholding shall be payable by (i) cash or cash equivalents (including certified check or bank check or wire transfer of immediately available funds), (ii) if approved by the Committee, tendering previously acquired Shares (either actually or by attestation) valued at their then Fair Market Value, (iii) if approved by the Committee, a "net exercise" procedure effected by withholding the minimum number of Shares otherwise deliverable in respect of an Option that are needed to pay for the Exercise Price and all applicable required withholding taxes, and (iv) such other method which is approved by the Committee. Notwithstanding the foregoing, if, on the last day of the Option Period, the Fair Market Value exceeds the Exercise Price,

Participant has not exercised the Option, and the Option has not expired, such Option shall be deemed to have been exercised by Participant on such last day by means of a net exercise and the Company shall deliver to Participant the number of Shares for which the Option was deemed exercised less such number of Shares required to be withheld to cover the payment of the Exercise Price and all applicable required withholding taxes. Any fractional Shares shall be settled in cash.

6. Rights as a Shareholder. Participant shall not be deemed for any purpose to be the owner of any Shares subject to this Option unless, until and to the extent that (i) this Option shall have been exercised pursuant to its terms, (ii) the Company shall have issued and delivered to Participant the Option Shares, and (iii) Participant's name shall have been entered as a shareholder of record with respect to such Option Shares on the books of the Company.

7. Restrictive Covenants. In consideration of the grant of the Option, Participant agrees that Participant will comply with the restrictions set forth in this Section 7 during the time periods set forth herein.

(a) Subject to Section 7(c) below, while Participant is an Employee or Consultant of the Company and during the two-year period following termination of employment or service, Participant shall not knowingly perform any action, activity or course of conduct which is substantially detrimental to the businesses or business reputations of the Company or any of its Subsidiaries, including (i) soliciting, recruiting or hiring (or attempting to solicit, recruit or hire) any employees of the Company or any of its Subsidiaries or any persons who have worked for the Company or any of its Subsidiaries during the 12-month period immediately preceding such solicitation, recruitment or hiring or attempt thereof; (ii) intentionally interfering with the relationship of the Company or any of its Subsidiaries with any person or entity who or which is employed by or otherwise engaged to perform services for, or any customer, client, supplier, licensee, licensor or other business relation of, the Company or any of its Subsidiaries; or (iii) assisting any person or entity in any way to do, or attempt to do, anything prohibited by the immediately preceding clauses (i) or (ii)

(b) Subject to Section 7(c) below, Participant shall not disclose to any unauthorized person or entity or use for Participant's own purposes any Confidential Information without the prior written consent of the Company, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Participant's acts or omissions in violation of this Agreement; provided, however, that if Participant receive a request to disclose Confidential Information pursuant to a deposition, interrogation, request for information or documents in legal proceedings, subpoena, civil investigative demand, governmental or regulatory process or similar process, (i) Participant shall promptly notify in writing the Company, and consult with and assist the Company in seeking a protective order or request for other appropriate remedy, (ii) in the event that such protective order or remedy is not obtained, or if the Company waives compliance with the terms hereof, Participant shall disclose only that portion of the Confidential Information which, based on the written advice of Participant's legal counsel, is legally required to be disclosed and shall exercise reasonable best efforts to provide that the receiving person or entity shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process and (iii) the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. For purposes of this Agreement, "Confidential Information" means information, observations and data concerning the business or affairs of the Company and its Subsidiaries, including, without limitation, all business information (whether or not in written form) which relates to the Company or its Subsidiaries, or their customers, suppliers or contractors or any other third parties in respect of which the Company or its Subsidiaries has a business relationship or owes a duty of confidentiality, or their respective businesses or products, and which is not known to the public generally other than as a result of Participant's breach of this Agreement, including but not limited to: technical information or reports; formulas; trade secrets; unwritten knowledge and "know-how"; operating instructions; training manuals; customer lists; customer buying records and habits; product sales records and documents, and product development, marketing and sales strategies; market surveys; marketing plans; profitability analyses; product cost; long-range plans; information relating to pricing, competitive strategies and new product development; information relating to any forms of compensation or other personnel-related information; contracts; and supplier lists. Confidential Information will not include such information known to Participant prior to Participant's involvement with the Company or its Subsidiaries or information rightfully obtained from a third party (other than pursuant to a breach by Participant of this Agreement).

(c) If and to the extent Section 7(a) or 7(b) is inconsistent with any similar provision governing noncompetition, nonsolicitation and confidentiality in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, the provisions in Participant's employment agreement (or similar agreement) will govern.

(d) In the event that Participant violates any of the restrictive covenants set forth above in this Section 7, in addition to any other remedy which may be available at law or in equity, the Option shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that Participant has previously exercised all or any portion of the Option, Participant shall forfeit any compensation, gain or other value realized on the exercise of such Option, or the subsequent sale of Shares acquired in respect of such Option, and must promptly repay such amounts to the Company. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of Participant's breach of such restrictive covenants.

8. Compliance with Legal Requirements.

(a) Generally. The granting and exercising of the Option, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions on the Option as it deems necessary or advisable under applicable federal securities laws, the rules and regulations of any stock exchange or market upon which Shares are then listed or traded, and/or any blue sky or state securities laws applicable to such Shares. Participant agrees to take all steps the Committee or the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.

(b) Tax Withholding. The exercise of the Option (or any portion thereof) shall be subject to Participant satisfying any applicable federal, state, local and foreign tax withholding obligations. The Company shall have the power and the right to deduct or withhold from all amounts payable to Participant in connection with the Option or otherwise, or require Participant to remit to the Company, an amount sufficient to satisfy any applicable taxes required by law. Further, the Company may permit or require Participant to satisfy, in whole or in part, the tax obligations by withholding Shares that would otherwise be received upon exercise of the Option.

9. Clawback. In the event of an accounting restatement due to material noncompliance by the Company with any financial reporting requirement under the securities laws, any mistake in calculations or other administrative error, in each case, which reduces the amount payable in respect of the Option that would have been earned had the financial results been properly reported (as determined by the Committee) (i) the Option will be cancelled and (ii) Participant will forfeit (A) the Shares (or cash) received or payable on the exercise of the Option and (B) the amount of the proceeds of the sale, gain or other value realized on the exercise of the Option or the Shares acquired in respect of such Option (and Participant may be required to return or pay such Shares or amount to the Company). Notwithstanding anything to the contrary contained herein, if Participant, without the consent of the Company, while employed by or providing services to the Company or any Subsidiary or after termination of such employment or service, violates a non-solicitation or non-disclosure covenant or agreement, including but not limited to the covenants set forth in Section 7 above, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Subsidiary as determined by the Committee in its sole discretion, then (i) any outstanding, vested or unvested, earned or unearned portion of the Option may, at the Committee's discretion, be canceled without any payment therefor and (ii) the Committee, in its discretion, may require Participant or other person to whom any payment has been made or Shares or other property have been transferred in connection with the exercise of the Option to forfeit and pay over to the Company, on demand, all or any portion of the compensation, gain or other value (whether or not taxable) realized upon the exercise of such Option, or the subsequent sale of the Shares acquired upon exercise of such Option. To the extent required by applicable law (including without limitation Section 304 of the Sarbanes-Oxley Act and Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) and/or the rules and regulations of New York Stock Exchange or other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, or if so required pursuant to a written policy adopted by the Company, the Option (or the Shares acquired upon exercise of such Option) shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement).

10. Miscellaneous.

(a) Transferability. The Option may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 12.3 of the Plan. In the event of Participant's death, the Option shall thereafter be exercisable (to the extent otherwise exercisable hereunder) only by Participant's executors or administrators.

(b) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(c) Section 409A. The Option is not intended to be subject to Section 409A of the Code. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole discretion and without Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 10(c) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the Option or the Option Shares will not be subject to interest and penalties under Section 409A.

(d) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax, pdf/email or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to Participant, at Participant's address indicated by the Company's records, or if to the Company, to the attention of the General Counsel at the Company's principal business office.

(e) Severability The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(f) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving Participant any right to be retained, in any position, as an Employee or Consultant of the Company or its Subsidiaries or shall interfere with or restrict in any way the right of the Company or its Subsidiaries, which are hereby expressly reserved, to remove, terminate or discharge Participant at any time for any reason whatsoever.

(g) Fractional Shares. In lieu of issuing a fraction of a Share resulting from any exercise of the Option, resulting from an adjustment of the Option pursuant to Section 12.2 of the Plan or otherwise, the Company shall be entitled to pay to Participant an amount equal to the Fair Market Value of such fractional Share.

(h) Beneficiary. Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. Any notice should be made to the attention of the General Counsel of the Company at the Company's principal business office. If no designated beneficiary survives Participant, Participant's estate shall be deemed to be Participant's beneficiary.

(i) Bound by Plan. By signing this Agreement, Participant acknowledges that Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(j) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of Participant and the beneficiaries, executors, administrators, heirs and successors of Participant.

(k) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 12.1 of the Plan.

(l) Governing Law; JURY TRIAL WAIVER. To the extent not otherwise governed by the Code or the laws of the United States, this Agreement shall be governed, construed and interpreted in accordance with the laws of the British Virgin Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the British Virgin Islands or the laws of the United States, as applicable. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(m) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

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Exhibit 10.16

FORM OF RSU AGREEMENT

MICHAEL KORS HOLDINGS LIMITED
OMNIBUS INCENTIVE PLAN
RESTRICTED SHARE UNIT AGREEMENT

THIS RESTRICTED SHARE UNIT AWARD AGREEMENT (the "Agreement")dated as of the date of grant (the "Date of Grant"), is made by and between Michael Kors Holdings Limited, a limited liability company under the laws of the British Virgin Islands (the "Company"), and participant ("Participant"). Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan.

WHEREAS, the Company has adopted the Michael Kors Holdings Limited Omnibus Incentive Plan (the "Plan"), pursuant to which Restricted Share Units may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the Restricted Share Units provided for herein to Participant subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Share Units.

(a) Grant. The Company hereby grants to Participant an award of Restricted Share Units (the "RSUs"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each RSU represents the right to receive payment in respect of one Share as of the Settlement Date (as defined below), subject to the terms of this Agreement and the Plan. The RSUs are subject to the restrictions described herein, including forfeiture under the circumstances described in Section 4 hereof. The RSUs shall vest and become nonforfeitable in accordance with Section 2 and Section 4 hereof.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement.

(c) Acceptance of Agreement. In order to accept this Agreement, Participant must indicate acceptance of the RSUs and acknowledgment that the terms of the Plan and this Agreement have been read and understood by signing and returning a copy of this Agreement, to the General Counsel at Michael Kors (USA), Inc., 11 West 42nd Street, New York, NY 10036 within 14 days following the date hereof. By accepting this Agreement, Participant consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by Securities and Exchange Commission rules (which consent may be revoked in writing by Participant at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information will be delivered in hard copy to Participant).

2. Vesting. Except as may otherwise be provided herein, subject to Participant's continued employment or service with the Company or a Subsidiary, twenty five percent (25%) of the RSUs shall vest on each of the first four anniversaries of the Date of Grant (each such date, a "Vesting Date"). Any fractional RSUs resulting from the application of the vesting schedule shall be aggregated and the RSUs resulting from such aggregation shall vest on the final Vesting Date. Upon vesting, the RSUs shall no longer be subject to cancellation pursuant to Section 4 hereof.

3. Settlement. The obligation to make payments and distributions with respect to RSUs shall be satisfied through the issuance of one Share for each vested RSU (the "settlement"), and the settlement of the RSUs may be subject to such conditions, restrictions and contingencies as the Committee shall determine. The RSUs shall be settled as soon as practicable after the applicable Vesting Date, but in no event later than March 15 of the year following the calendar year in which the applicable Vesting Date occurred (as applicable, the "Settlement Date"). Notwithstanding the foregoing, the payment dates set forth in this Section 3 have been specified for the purpose of complying with the provisions of Section 409A of the Code. To the extent payments are made during the periods permitted under Section 409A of the Code (including any applicable periods before or after the specified payment dates set forth in this Section 3), the Company shall be deemed to have satisfied its obligations under the Plan and shall be deemed not to be in breach of its payments obligations hereunder. Upon settlement, the RSUs shall no longer be subject to the transfer restrictions set forth in Section 10(a).

4. Termination of Employment.

(a) Except as otherwise provided below or as provided in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, if Participant's employment or service with the Company or any Subsidiary, as applicable, terminates for any reason other than due to death, Disability (as defined in Section 4(b) below), or Retirement (as defined in Section 4(c) below), then the unvested RSUs shall be cancelled immediately and Participant shall immediately forfeit any rights to settlement of the RSUs.

(b) If Participant dies or is terminated on account of Disability prior to a Vesting Date and while still in the employ or service of the Company or a Subsidiary, then as of the date of death or termination on account of Disability Participant or his or her beneficiary, as applicable, shall vest in full in all of the remaining unvested RSUs granted pursuant to this Agreement, and such RSUs shall be settled in accordance with Section 3 above. For purposes of this Agreement, "Disability" means a Participant has a total and permanent disability as defined in Section 22(e)(3) of the Code.

(c) If the Participant's employment with the Company is terminated due to the Participant's Retirement, then the RSUs shall continue to vest on the schedule provided in Section 2 above, and such RSUs shall be settled in accordance with Section 3 above. For purposes of this Agreement, "Retirement" means a Participant's voluntary termination of employment or service with the Company and its Subsidiaries (other than a termination for Cause) after the Participant reaches at least the age of sixty (60) and has completed at least ten (10) years of employment or service with the Company or any of its Subsidiaries.

(d) If within twenty-four (24) months following the occurrence of a Change in Control of the Company, the Participant's employment or service with the Company is terminated by the Company without Cause, or, if Participant is a party to an employment agreement (or similar agreement) with the Company or any of its Subsidiaries that includes the ability of Participant to terminate Participant's employment for "good reason" or similar concept and Participant terminates his or her employment for "good reason" or similar concept as defined therein, the provisions of Section 11.2 of the Plan shall apply.

5. Dividend Equivalents; No Voting Rights. Each outstanding RSU shall be credited with dividend equivalents equal to the dividends (including extraordinary dividends if so determined by the Committee) declared and paid to other shareholders of the Company in respect of one Share. Dividend equivalents shall not bear interest. On the Settlement Date, such dividend equivalents in respect of each vested RSU shall be settled by delivery to Participant of a number of Shares equal to the quotient obtained by dividing (i) the aggregate accumulated value of such dividend equivalents by (ii) the Fair Market Value of a Share on the applicable vesting date, rounded down to the nearest whole share, less any applicable withholding taxes. No dividend equivalents shall be accrued for the benefit of Participant with respect to record dates occurring prior to the Date of Grant, or with respect to record dates occurring on or after the date, if any, on which Participant has forfeited the RSUs. Participant shall have no voting rights with respect to the RSUs or any dividend equivalents.

6. No Rights as Shareholder. Participant shall not be deemed for any purpose to be the owner of any Shares subject to the RSUs. The Company shall not be required to set aside any fund for the payment of the RSUs.

7. Restrictive Covenants. In consideration of the grant of the RSUs, Participant agrees that Participant will comply with the restrictions set forth in this Section 7 during the time periods set forth herein.

(a) Subject to Section 7(c) below, while Participant is an Employee or Consultant to the Company and during the two-year period following termination of employment or service, Participant shall not knowingly perform any action, activity or course of conduct which is substantially detrimental to the businesses or business reputations of the Company or any of its Subsidiaries, including (i) soliciting, recruiting or hiring (or attempting to solicit, recruit or hire) any employees of the Company or any of its Subsidiaries or any persons who have worked for the Company or any of its Subsidiaries during the 12-month period immediately preceding such solicitation, recruitment or hiring or attempt thereof; (ii) intentionally interfering with the relationship of the Company or any of its Subsidiaries with any person or entity who or which is employed by or otherwise engaged to perform services for, or any customer, client, supplier, licensee, licensor or other business relation of, the Company or any of its Subsidiaries; or (iii) assisting any person or entity in any way to do, or attempt to do, anything prohibited by the immediately preceding clauses (i) or (ii)

(b) Subject to Section 7(c) below, Participant shall not disclose to any unauthorized person or entity or use for Participant's own purposes any Confidential Information without the prior written consent of the Company, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Participant's acts or omissions in violation of this Agreement; provided, however, that if Participant receive a request to disclose Confidential Information pursuant to a deposition, interrogation, request for information or documents in legal proceedings, subpoena, civil investigative demand, governmental or regulatory process or similar process, (i) Participant shall promptly notify in writing the Company, and consult with and assist the Company in seeking a protective order or request for other appropriate remedy, (ii) in the event that such protective order or

remedy is not obtained, or if the Company waives compliance with the terms hereof, Participant shall disclose only that portion of the Confidential Information which, based on the written advice of Participant's legal counsel, is legally required to be disclosed and shall exercise reasonable best efforts to provide that the receiving person or entity shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process and (iii) the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. For purposes of this Agreement, "Confidential Information" means information, observations and data concerning the business or affairs of the Company and its Subsidiaries, including, without limitation, all business information (whether or not in written form) which relates to the Company or its Subsidiaries, or their customers, suppliers or contractors or any other third parties in respect of which the Company or its Subsidiaries has a business relationship or owes a duty of confidentiality, or their respective businesses or products, and which is not known to the public generally other than as a result of Participant's breach of this Agreement, including but not limited to: technical information or reports; formulas; trade secrets; unwritten knowledge and "know-how"; operating instructions; training manuals; customer lists; customer buying records and habits; product sales records and documents, and product development, marketing and sales strategies; market surveys; marketing plans; profitability analyses; product cost; long-range plans; information relating to pricing, competitive strategies and new product development; information relating to any forms of compensation or other personnel-related information; contracts; and supplier lists. Confidential Information will not include such information known to Participant prior to Participant's involvement with the Company or its Subsidiaries or information rightfully obtained from a third party (other than pursuant to a breach by Participant of this Agreement).

(c) If and to the extent Section 7(a) or 7(b) is inconsistent with any similar provision governing noncompetition, nonsolicitation and confidentiality in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, the provisions in Participant's employment agreement (or similar agreement) will govern.

(d) In the event that Participant violates any of the restrictive covenants set forth above in this Section 7, in addition to any other remedy which may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that Participant has previously vested in all or any portion of the RSUs, Participant shall forfeit any compensation, gain or other value realized on the settlement of such RSUs, or the subsequent sale of Shares acquired upon settlement of the RSUs (if any), and must promptly repay such amounts to the Company. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of Participant's breach of such restrictive covenants.

8. Compliance with Legal Requirements.

(a) Generally. The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions or delay the settlement of the RSUs as it deems necessary or advisable under applicable income tax laws, federal securities laws, the rules and regulations of any stock exchange or market upon which the RSUs are then listed or traded, and/or any blue sky or state securities laws applicable to the RSUs; provided that any settlement shall be delayed only until the earliest date on which settlement would not be so prohibited. Participant agrees to take all steps the Committee or the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.

(b) Tax Withholding. All distributions under the Plan are subject to withholding of all applicable federal, state, local and foreign taxes, and the Committee may condition the settlement of the RSUs on satisfaction of the applicable withholding obligations. The Company shall have the power and the right to deduct or withhold from all amounts payable to Participant in connection with the RSUs or otherwise, or require Participant to remit to the Company, an amount sufficient to satisfy any applicable taxes required by law. Further, the Company may permit or require Participant to satisfy, in whole or in part, the tax obligations by withholding Shares or other property deliverable to Participant in connection with the settlement of RSUs or from any compensation or other amounts owing to Participant the amount (in cash, Shares or other property) of any required tax withholding upon the settlement of the RSUs.

9. Clawback. In the event of an accounting restatement due to material noncompliance by the Company with any financial reporting requirement under the securities laws, any mistake in calculations or other administrative error, in each case, which reduces the amount payable in respect of the RSUs that would have been earned had the financial results been properly reported (as determined by the Committee) (i) the RSUs will be canceled and (ii) Participant will forfeit (A) the Shares received or payable on the settlement of the RSUs and (B) the amount of the proceeds of the sale, gain or other value realized on the settlement of the RSUs (and Participant may be required to return or pay such Shares or amount to the Company). Notwithstanding anything to the contrary contained herein, if Participant, without the consent of the Company, while providing services to the Company or any Subsidiary or after termination of such service, violates a non-solicitation or non-disclosure covenant or agreement, including but not limited to the covenants set forth in

Section 7 above, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Subsidiary as determined by the Committee in its sole discretion, then (i) any outstanding, vested or unvested, earned or unearned portion of the RSUs, may at the Committee's discretion, be canceled without payment therefor and (ii) the Committee may, in its discretion, require Participant or other person to whom any payment has been made or Shares or other property have been transferred in connection with the settlement of the RSUs to forfeit and pay over to the Company, on demand, all or any portion of the compensation, gain or other value (whether or not taxable) realized upon on the settlement of such RSUs, or the subsequent sale of acquired Shares (if any). To the extent required by applicable law (including without limitation Section 304 of the Sarbanes-Oxley Act and Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) and/or the rules and regulations of New York Stock Exchange or other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, or if so required pursuant to a written policy adopted by the Company, the RSUs (or the Shares acquired upon settlement of the RSUs (if any)) shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement).

10. Miscellaneous.

(a) Transferability. The RSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 12.3 of the Plan.

(b) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(c) Section 409A. The RSUs are intended to comply with or be exempt from Section 409A of the Code. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole discretion and without Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 10(c) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the RSUs will not be subject to interest and penalties under Section 409A.

(d) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax, pdf/email or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to Participant, at Participant's address indicated by the Company's records, or if to the Company, to the attention of the General Counsel at the Company's principal business office.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(f) No Rights to Employment or Service. Nothing contained in this Agreement shall be construed as giving Participant any right to be retained, in any position, as an Employee or Consultant of the Company or its Subsidiaries or shall interfere with or restrict in any way the right of the Company or its Subsidiaries, which are hereby expressly reserved, to remove, terminate or discharge Participant at any time for any reason whatsoever.

(g) Beneficiary. Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. Any notice should be made to the attention of the General Counsel of the Company at the Company's principal business office. If no designated beneficiary survives Participant, Participant's estate shall be deemed to be Participant's beneficiary.

(h) Bound by Plan. By signing this Agreement, Participant acknowledges that Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(i) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of Participant and the beneficiaries, executors, administrators, heirs and successors of Participant.

(j) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 12.1 of the Plan.

(k) Governing Law; JURY TRIAL WAIVER. To the extent not otherwise governed by the Code or the laws of the United States, this Agreement shall be governed, construed and interpreted in accordance with the laws of the British Virgin Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the British Virgin Islands or the laws of the United States, as applicable. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(l) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

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Exhibit 10.17

FORM OF PRSU AGREEMENT

MICHAEL KORS HOLDINGS LIMITED
OMNIBUS INCENTIVE PLAN
PERFORMANCE-BASED RESTRICTED SHARE UNIT AGREEMENT

THIS PERFORMANCE-BASED RESTRICTED SHARE UNIT AWARD AGREEMENT (the "Agreement"), dated as of the date of grant (the "Date of Grant"), is made by and between Michael Kors Holdings Limited, a limited liability company under the laws of the British Virgin Islands (the "Company"), and participant ("Participant"). Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan.

WHEREAS, the Company has adopted the Michael Kors Holdings Limited Omnibus Incentive Plan (the "Plan"), pursuant to which Restricted Share Units may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the Restricted Share Units provided for herein to Participant subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Performance-Based Restricted Share Units.

(a) Grant. The Company hereby grants to Participant an award of performance-based Restricted Share Units (the "PRSUs"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each PRSU represents the right to receive payment in respect of one Share as of the Settlement Date (as defined below), subject to the terms of this Agreement and the Plan including but not limited to certain performance-based vesting conditions as described below. The PRSUs are subject to the restrictions described herein, including forfeiture under the circumstances described in Section 4 hereof. The PRSUs shall vest and become nonforfeitable in accordance with Section 2 and Section 4 hereof.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and his or her legal representative in respect of any questions arising under the Plan or this Agreement.

(c) Acceptance of Agreement. In order to accept this Agreement, Participant must indicate acceptance of the PRSUs and acknowledgment that the terms of the Plan and this Agreement have been read and understood by signing and returning a copy of this Agreement, to the General Counsel at Michael Kors (USA), Inc., 11 West 42nd Street, New York, NY 10036 within 14 days following the date hereof. By accepting this Agreement, Participant consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by Securities and Exchange Commission rules (which consent may be revoked in writing by Participant at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information will be delivered in hard copy to Participant).

2. Vesting. Except as otherwise provided in Section 4 hereof, subject to Participant's continued employment or service with the Company or a Subsidiary and the satisfaction of the performance goals for the period commencing March 30, 2014 and continuing through April 1, 2017 as set forth on Exhibit A hereto, the PRSUs shall be eligible to vest on the date on which the Committee certifies the results for such Performance Period which in no event shall be later than thirty (30) days following the completion of the audited financials for the fiscal year ending April 1, 2017. The portion of the PRSUs that will be eligible to vest as of the applicable vesting date shall range from zero (0%) to one hundred and fifty (150%) based on the extent to which the applicable performance goals are achieved, as determined by the Committee in its sole and absolute discretion. Notwithstanding the foregoing, the Committee shall have the authority to remove the restrictions and waive the performance goals on the PRSUs whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the Date of Grant, such action is appropriate.

3. Settlement. The obligation to make payments and distributions with respect to PRSUs shall be satisfied through the issuance of one Share for each vested PRSU (the "settlement"), and the settlement of the PRSUs may be subject to such conditions, restrictions and contingencies as the Committee shall determine. The PRSUs shall be settled as soon as practicable after the applicable vesting date, but in no event later than March 15 of the year following the calendar year in which the applicable vesting date occurred (as applicable, the "Settlement Date"). Notwithstanding the foregoing, the payment dates set forth in this Section 3 have been specified for the purpose of complying with the provisions of Section 409A of the Code. To the extent payments are made during the periods permitted under Section 409A of the Code (including any applicable periods before or after the specified payment dates set forth in this Section 3), the Company shall be deemed to have satisfied its obligations under the Plan and shall be deemed not to be in breach of its payments obligations hereunder.

4. Termination of Employment.

(a) Except as otherwise provided below or as provided in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, if Participant's employment or service with the Company or any Subsidiary, as applicable, terminates for any reason other than due to death, Disability (as defined in Section 4(b) below), or Retirement (as defined in Section 4(c) below), then the unvested PRSUs shall be cancelled immediately and Participant shall immediately forfeit any rights to settlement of the PRSUs.

(b) If Participant dies or is terminated on account of Disability prior to the applicable vesting date and while still in the employ or service of the Company or a Subsidiary, then as of the date of death or termination on account of Disability, Participant or his or her beneficiary, as applicable, shall vest in full in one hundred percent (100%) of the PRSUs granted pursuant to this Agreement as if the target level performance goals had been achieved as of such date, and such PRSUs shall be settled in accordance with Section 3 above. For purposes of this Agreement, "Disability" means a Participant has a total and permanent disability as defined in Section 22(e)(3) of the Code.

(c) If the Participant's employment with the Company is terminated due to the Participant's Retirement, then, at the end of the Performance Period, the Participant shall vest in a percentage of PRSUs determined based on the extent to which the applicable performance goals set forth in Exhibit A are achieved, as determined by the Committee, prorated from the Date of Grant through the date of such Retirement based on the number of completed months of employment or service during the Performance Period divided by thirty-six (36), and such PRSUs shall be settled in accordance with Section 3 above. For purposes of this Agreement, "Retirement" means a Participant's voluntary termination of employment or service with the Company and its Subsidiaries (other than a termination for Cause) after the Participant reaches at least the age of sixty (60) and has completed at least ten (10) years of employment or service with the Company or any of its Subsidiaries.

(d) If within twenty-four (24) months following the occurrence of a Change in Control of the Company, the Participant's employment or service with the Company is terminated by the Company without Cause, or, if Participant is a party to an employment agreement (or similar agreement) with the Company or any of its Subsidiaries that includes the ability of Participant to terminate Participant's employment for "good reason" or similar concept and Participant terminates his or her employment for "good reason" or similar concept as defined therein, the provisions of Section 11.2 of the Plan shall apply.

5. Dividend Equivalents; No Voting Rights. Each outstanding PRSU shall be credited with dividend equivalents equal to the dividends (including extraordinary dividends if so determined by the Committee) declared and paid to other shareholders of the Company in respect of one Share. Dividend equivalents shall not bear interest. On the Settlement Date, such dividend equivalents in respect of each vested PRSU shall be settled by delivery to Participant of a number of Shares equal to the quotient obtained by dividing (i) the aggregate accumulated value of such dividend equivalents by (ii) the Fair Market Value of a Share on the applicable vesting date, rounded down to the nearest whole share, less any applicable withholding taxes. No dividend equivalents shall be accrued for the benefit of Participant with respect to record dates occurring prior to the Date of Grant, or with respect to record dates occurring on or after the date, if any, on which Participant has forfeited the PRSUs. Participant shall have no voting rights with respect to the PRSUs or any dividend equivalents.

6. No Rights as Shareholder. Participant shall not be deemed for any purpose to be the owner of any Shares subject to the PRSUs. The Company shall not be required to set aside any fund for the payment of the PRSUs.

7. Restrictive Covenants. In consideration of the grant of the PRSUs, Participant agrees that Participant will comply with the restrictions set forth in this Section 7 during the time periods set forth herein.

(a) Subject to Section 7(c) below, while Participant is an Employee or Consultant to the Company and during the two-year period following termination of employment or service, Participant shall not knowingly perform any action, activity or course of conduct which is substantially detrimental to the businesses or business reputations of the Company or any of its Subsidiaries, including (i) soliciting, recruiting or hiring (or attempting to solicit, recruit or hire) any employees of the Company or any of its Subsidiaries or any persons who have worked for the Company or any of its Subsidiaries during the 12-month period immediately preceding such solicitation, recruitment or hiring or attempt thereof; (ii) intentionally interfering with the relationship of the Company or any of its Subsidiaries with any person or entity who or which is employed by or otherwise engaged to perform services for, or any customer, client, supplier, licensee, licensor or other business relation of, the Company or any of its Subsidiaries; or (iii) assisting any person or entity in any way to do, or attempt to do, anything prohibited by the immediately preceding clauses (i) or (ii)

(b) Subject to Section 7(c) below, Participant shall not disclose to any unauthorized person or entity or use for Participant's own purposes any Confidential Information without the prior written consent of the Company, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Participant's acts or omissions in violation of this Agreement; provided, however, that if Participant receive a request to disclose Confidential Information pursuant to a deposition, interrogation, request for information or documents in legal proceedings, subpoena, civil investigative demand, governmental or regulatory process or similar process, (i) Participant shall promptly notify in writing the Company, and consult with and assist the Company in seeking a protective order or request for other appropriate remedy, (ii) in the event that such protective order or remedy is not obtained, or if the Company waives compliance with the terms hereof, Participant shall disclose only that portion of the Confidential Information which, based on the written advice of Participant's legal counsel, is legally required to be disclosed and shall exercise reasonable best efforts to provide that the receiving person or entity shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process and (iii) the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. For purposes of this Agreement, "Confidential Information" means information, observations and data concerning the business or affairs of the Company and its Subsidiaries, including, without limitation, all business information (whether or not in written form) which relates to the Company or its Subsidiaries, or their customers, suppliers or contractors or any other third parties in respect of which the Company or its Subsidiaries has a business relationship or owes a duty of confidentiality, or their respective businesses or products, and which is not known to the public generally other than as a result of Participant's breach of this Agreement, including but not limited to: technical information or reports; formulas; trade secrets; unwritten knowledge and "know-how"; operating instructions; training manuals; customer lists; customer buying records and habits; product sales records and documents, and product development, marketing and sales strategies; market surveys; marketing plans; profitability analyses; product cost; long-range plans; information relating to pricing, competitive strategies and new product development; information relating to any forms of compensation or other personnel-related information; contracts; and supplier lists. Confidential Information will not include such information known to Participant prior to Participant's involvement with the Company or its Subsidiaries or information rightfully obtained from a third party (other than pursuant to a breach by Participant of this Agreement).

(c) If and to the extent Section 7(a) or 7(b) is inconsistent with any similar provision governing noncompetition, nonsolicitation and confidentiality in an employment agreement (or similar agreement) between Participant and the Company or any of its Subsidiaries in effect on the Date of Grant, the provisions in Participant's employment agreement (or similar agreement) will govern.

(d) In the event that Participant violates any of the restrictive covenants set forth above in this Section 7, in addition to any other remedy which may be available at law or in equity, the PRSUs shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that Participant has previously vested in all or any portion of the PRSUs, Participant shall forfeit any compensation, gain or other value realized on the settlement of such PRSUs, or the subsequent sale of Shares acquired upon settlement of the PRSUs (if any), and must promptly repay such amounts to the Company. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and Participant shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of Participant's breach of such restrictive covenants.

8. Compliance with Legal Requirements.

(a) Generally. The granting and settlement of the PRSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions or delay the settlement of the PRSUs as it deems necessary or advisable under applicable income tax laws, federal securities laws, the rules and regulations of any stock exchange or market upon which the PRSUs are then listed or traded, and/or any blue sky or state securities laws applicable to the PRSUs; provided that any settlement shall be delayed only until the earliest date on which settlement would not be so prohibited. Participant agrees to take all steps the Committee or the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.

(b) Tax Withholding. All distributions under the Plan are subject to withholding of all applicable federal, state, local and foreign taxes, and the Committee may condition the settlement of the PRSUs on satisfaction of the applicable withholding obligations. The Company shall have the power and the right to deduct or withhold from all amounts payable to Participant in connection with the PRSUs or otherwise, or require Participant to remit to the Company, an amount sufficient to satisfy any applicable taxes required by law. Further, the Company may permit or require Participant to satisfy, in whole or in part, the tax obligations by withholding Shares or other property deliverable to Participant in connection with the settlement of PRSUs or from any compensation or other amounts owing to Participant the amount (in cash, Shares or other property) of any required tax withholding upon the settlement of the PRSUs.

9. Clawback. In the event of an accounting restatement due to material noncompliance by the Company with any financial reporting requirement under the securities laws, any mistake in calculations or other administrative error, in each case, which reduces the amount payable in respect of the PRSUs that would have been earned had the financial results been properly reported (as determined by the Committee) (i) the PRSUs will be canceled and (ii) Participant will forfeit (A) the Shares received or payable on the settlement of the PRSUs and (B) the amount of the proceeds of the sale, gain or other value realized on the settlement of the PRSUs (and Participant may be required to return or pay such Shares or amount to the Company). Notwithstanding anything to the contrary contained herein, if Participant, without the consent of the Company, while providing services to the Company or any Subsidiary or after termination of such service, violates a non-solicitation or non-disclosure covenant or agreement, including but not limited to the covenants set forth in Section 7 above, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Subsidiary as determined by the Committee in its sole discretion, then (i) any outstanding, vested or unvested, earned or unearned portion of the PRSUs, may at the Committee's discretion, be canceled without payment therefor and (ii) the Committee may, in its discretion, require Participant or other person to whom any payment has been made or Shares or other property have been transferred in connection with the settlement of the PRSUs to forfeit and pay over to the Company, on demand, all or any portion of the compensation, gain or other value (whether or not taxable) realized upon on the settlement of such PRSUs, or the subsequent sale of acquired Shares (if any). To the extent required by applicable law (including without limitation Section 304 of the Sarbanes-Oxley Act and Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) and/or the rules and regulations of New York Stock Exchange or other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, or if so required pursuant to a written policy adopted by the Company, the PRSUs (or the Shares acquired upon settlement of the PRSUs (if any)) shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement).

10. Miscellaneous.

(a) Transferability. The PRSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 12.3 of the Plan.

(b) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(c) Section 409A. The PRSUs are intended to comply with or be exempt from Section 409A of the Code. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause Participant to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole discretion and without Participant's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to Participant of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 10(c) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the PRSUs will not be subject to interest and penalties under Section 409A.

(d) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax, pdf/email or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to Participant, at Participant's address indicated by the Company's records, or if to the Company, to the attention of the General Counsel at the Company's principal business office.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(f) No Rights to Employment or Service. Nothing contained in this Agreement shall be construed as giving Participant any right to be retained, in any position, as an Employee or Consultant of the Company or its Subsidiaries or shall interfere with or restrict in any way the right of the Company or its Subsidiaries, which are hereby expressly reserved, to remove, terminate or discharge Participant at any time for any reason whatsoever.

(g) Beneficiary. Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. Any notice should be made to the attention of the General Counsel of the Company at the Company's principal business office. If no designated beneficiary survives Participant, Participant's estate shall be deemed to be Participant's beneficiary.

(h) Bound by Plan. By signing this Agreement, Participant acknowledges that Participant has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(i) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of Participant and the beneficiaries, executors, administrators, heirs and successors of Participant.

(j) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 12.1 of the Plan.

(k) Governing Law; JURY TRIAL WAIVER. To the extent not otherwise governed by the Code or the laws of the United States, this Agreement shall be governed, construed and interpreted in accordance with the laws of the British Virgin Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the British Virgin Islands or the laws of the United States, as applicable. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(l) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

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Exhibit 10.18

FORM OF DIRECTOR RSU AGREEMENT

MICHAEL KORS HOLDINGS LIMITED
OMNIBUS INCENTIVE PLAN
NON-EMPLOYEE DIRECTOR RESTRICTED SHARE UNIT AGREEMENT

THIS RESTRICTED SHARE UNIT AWARD AGREEMENT (the "Agreement"), dated as of date of grant (the "Date of Grant"), is made by and between Michael Kors Holdings Limited, a limited liability company under the laws of the British Virgin Islands (the "Company"), and participant ("the Director"). Any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan.

WHEREAS, the Company has adopted the Michael Kors Holdings Limited Omnibus Incentive Plan (the "Plan"), pursuant to which Restricted Share Units may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant the Restricted Share Units provided for herein to the Director subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Share Units.

(a) Grant. The Company hereby grants to the Director an award of Restricted Share Units (the "RSUs"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. Each RSU represents the right to receive payment in respect of one Share as of the Settlement Date (as defined below), subject to the terms of this Agreement and the Plan. The RSUs are subject to the restrictions described herein, including forfeiture under the circumstances described in Section 4 hereof. The RSUs shall vest and become nonforfeitable in accordance with Section 2 and Section 4 hereof.

(b) Incorporation by Reference, Etc. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any interpretations, amendments, rules and regulations promulgated by the Committee from time to time pursuant to the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon the Director and his or her legal representative in respect of any questions arising under the Plan or this Agreement.

(c) Acceptance of Agreement. In order to accept this Agreement, the Director must indicate acceptance of the RSUs and acknowledgment that the terms of the Plan and this Agreement have been read and understood by signing and returning a copy of this Agreement, to the General Counsel at Michael Kors (USA), Inc., 11 West 42nd Street, New York, NY 10036 within 14 days following the date hereof. By accepting this Agreement, the Director consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by Securities and Exchange Commission rules (which consent may be revoked in writing by the Director at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information will be delivered in hard copy to the Director).

2. Vesting. Except as otherwise provided in Section 4 hereof, subject to the Director's continued service with the Company or a Subsidiary, the RSUs shall vest [**FOR INITIAL/ONE-OFF GRANTS:** on the first anniversary of the Date of Grant][**FOR ANNUAL MEETING GRANT:** on the earlier of (i) the first anniversary of the Date of Grant and (ii) the date of the annual shareholder meeting that occurs in the calendar year following the calendar year of the Date of Grant. Notwithstanding the foregoing, the Committee shall have the authority to remove the restrictions on the RSUs whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the Date of Grant, such action is appropriate.

3. Settlement. The obligation to make payments and distributions with respect to RSUs shall be satisfied through the issuance of one Share for each vested RSU (the "settlement"), and the settlement of the RSUs may be subject to such conditions, restrictions and contingencies as the Committee shall determine. The RSUs shall be settled [**DIRECTOR CHOICE**: (1) as soon as practicable after the RSUs vest, but in no event later than March 15 of the year following the calendar year in which the RSUs vested OR (2) on or within thirty (30) days following the fifth anniversary of the Date of Grant, or if [earlier/later] the date of the Director's separation from service within the meaning of Section 409A of the Code] (as applicable, the "Settlement Date"). Notwithstanding the foregoing, the payment

dates set forth in this Section 3 have been specified for the purpose of complying with the provisions of Section 409A of the Code. To the extent payments are made during the periods permitted under Section 409A of the Code (including any applicable periods before or after the specified payment dates set forth in this Section 3), the Company shall be deemed to have satisfied its obligations under the Plan and shall be deemed not to be in breach of its payments obligations hereunder.

4. Termination of Service. In the event the Director's service terminates by reason of death or Disability, all outstanding RSUs shall vest on the date of Director's death or Disability. In the event the Director's service terminates prior to the first anniversary of the Date of Grant, other than by reason of death or Disability, the RSUs shall vest pro-rata based on the number of days from the Date of Grant through and including the date of the Director's termination of service; provided, however, that if following the occurrence of a Change in Control of the Company, the Director's service is terminated by the Company without Cause, the provisions of Section 11.2 of the Plan shall apply.

5. Dividend Equivalents; No Voting Rights. Each outstanding RSU shall be credited with dividend equivalents equal to the dividends (including extraordinary dividends if so determined by the Committee) declared and paid to other shareholders of the Company in respect of one Share. Dividend equivalents shall not bear interest. On the Settlement Date, such dividend equivalents in respect of each vested RSU shall be settled by delivery to the Director of a number of Shares equal to the quotient obtained by dividing (i) the aggregate accumulated value of such dividend equivalents by (ii) the Fair Market Value of a Share on the applicable vesting date, rounded down to the nearest whole share, less any applicable withholding taxes. No dividend equivalents shall be accrued for the benefit of the Director with respect to record dates occurring prior to the Date of Grant, or with respect to record dates occurring on or after the date, if any, on which the Director has forfeited the RSUs. The Director shall have no voting rights with respect to the RSUs or any dividend equivalents.

6. No Rights as Shareholder. The Director shall not be deemed for any purpose to be the owner of any Shares subject to the RSUs. The Company shall not be required to set aside any fund for the payment of the RSUs.

7. Restrictive Covenants. In consideration of the grant of the RSUs, the Director agrees that the Director will comply with the restrictions set forth in this Section 7 during the time periods set forth herein.

(a) Subject to Section 7(c) below, while the Director is an Employee, Consultant or member of the Board of Directors of the Company and during the two-year period following termination of service, the Director shall not knowingly perform any action, activity or course of conduct which is substantially detrimental to the businesses or business reputations of the Company or any of its Subsidiaries, including (i) soliciting, recruiting or hiring (or attempting to solicit, recruit or hire) any employees of the Company or any of its Subsidiaries or any persons who have worked for the Company or any of its Subsidiaries during the 12-month period immediately preceding such solicitation, recruitment or hiring or attempt thereof; (ii) intentionally interfering with the relationship of the Company or any of its Subsidiaries with any person or entity who or which is employed by or otherwise engaged to perform services for, or any customer, client, supplier, licensee, licensor or other business relation of, the Company or any of its Subsidiaries; or (iii) assisting any person or entity in any way to do, or attempt to do, anything prohibited by the immediately preceding clauses (i) or (ii)

(b) Subject to Section 7(c) below, the Director shall not disclose to any unauthorized person or entity or use for the Director's own purposes any Confidential Information without the prior written consent of the Company, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of the Director's acts or omissions in violation of this Agreement; provided, however, that if the Director receive a request to disclose Confidential Information pursuant to a deposition, interrogation, request for information or documents in legal proceedings, subpoena, civil investigative demand, governmental or regulatory process or similar process, (i) the Director shall promptly notify in writing the Company, and consult with and assist the Company in seeking a protective order or request for other appropriate remedy, (ii) in the event that such protective order or remedy is not obtained, or if the Company waives compliance with the terms hereof, the Director shall disclose only that portion of the Confidential Information which, based on the written advice of the Director's legal counsel, is legally required to be disclosed and shall exercise reasonable best efforts to provide that the receiving person or entity shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process and (iii) the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. For purposes of this Agreement, "Confidential Information" means information, observations and data concerning the business or affairs of the Company and its Subsidiaries, including, without limitation, all business information (whether or not in written form) which relates to the Company or its Subsidiaries, or their customers, suppliers or contractors or any other third parties in respect of which the Company or its Subsidiaries has a business relationship or owes a duty of confidentiality, or their respective businesses or products, and which is not known to the public generally other than as a result of the Director's breach of this Agreement, including but not limited to: technical information or reports; formulas; trade secrets; unwritten knowledge and "know-how"; operating instructions; training manuals; customer lists; customer buying records and habits; product sales records and documents, and product development, marketing and sales strategies; market surveys; marketing plans; profitability analyses; product cost; long-range plans; information relating to pricing, competitive strategies and new product development; information relating to any forms of compensation or other personnel-related information;

contracts; and supplier lists. Confidential Information will not include such information known to the Director prior to the Director's involvement with the Company or its Subsidiaries or information rightfully obtained from a third party (other than pursuant to a breach by the Director of this Agreement).

(c) If and to the extent Section 7(a) or 7(b) is inconsistent with any similar provision governing noncompetition, nonsolicitation and confidentiality in a service agreement (or similar agreement) between the Director and the Company or any of its Subsidiaries in effect on the Date of Grant, the provisions in the Director's service agreement (or similar agreement) will govern.

(d) In the event that the Director violates any of the restrictive covenants set forth above in this Section 7, in addition to any other remedy which may be available at law or in equity, the RSUs shall be automatically forfeited effective as of the date on which such violation first occurs, and, in the event that the Director has previously vested in all or any portion of the RSUs, the Director shall forfeit any compensation, gain or other value realized on the settlement of such RSUs, or the subsequent sale of Shares acquired upon settlement of the RSUs (if any), and must promptly repay such amounts to the Company. The foregoing rights and remedies are in addition to any other rights and remedies that may be available to the Company and shall not prevent (and the Director shall not assert that they shall prevent) the Company from bringing one or more actions in any applicable jurisdiction to recover damages as a result of the Director's breach of such restrictive covenants.

8. Compliance with Legal Requirements.

(a) Generally. The granting and settlement of the RSUs, and any other obligations of the Company under this Agreement, shall be subject to all applicable federal, provincial, state, local and foreign laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee shall have the right to impose such restrictions or delay the settlement of the RSUs as it deems necessary or advisable under applicable income tax laws, federal securities laws, the rules and regulations of any stock exchange or market upon which the RSUs are then listed or traded, and/or any blue sky or state securities laws applicable to the RSUs; provided that any settlement shall be delayed only until the earliest date on which settlement would not be so prohibited. The Director agrees to take all steps the Committee or the Company determines are necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.

(b) Tax Withholding. All distributions under the Plan are subject to withholding of all applicable federal, state, local and foreign taxes, and the Committee may condition the settlement of the RSUs on satisfaction of the applicable withholding obligations. The Company shall have the power and the right to deduct or withhold from all amounts payable to the Director in connection with the RSUs or otherwise, or require the Director to remit to the Company, an amount sufficient to satisfy any applicable taxes required by law. Further, the Company may permit or require the Director to satisfy, in whole or in part, the tax obligations by withholding Shares or other property deliverable to the Director in connection with the settlement of RSUs or from any compensation or other amounts owing to the Director the amount (in cash, Shares or other property) of any required tax withholding upon the settlement of the RSUs.

9. Clawback. In the event of an accounting restatement due to material noncompliance by the Company with any financial reporting requirement under the securities laws, any mistake in calculations or other administrative error, in each case, which reduces the amount payable in respect of the RSUs that would have been earned had the financial results been properly reported (as determined by the Committee) (i) the RSUs will be canceled and (ii) the Director will forfeit (A) the Shares received or payable on the settlement of the RSUs and (B) the amount of the proceeds of the sale, gain or other value realized on the settlement of the RSUs (and the Director may be required to return or pay such Shares or amount to the Company). Notwithstanding anything to the contrary contained herein, if the Director, without the consent of the Company, while providing services to the Company or any Subsidiary or after termination of such service, violates a non-solicitation or non-disclosure covenant or agreement, including but not limited to the covenants set forth in Section 7 above, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Subsidiary as determined by the Committee in its sole discretion, then (i) any outstanding, vested or unvested, earned or unearned portion of the RSUs, may at the Committee's discretion, be canceled without payment therefor and (ii) the Committee may, in its discretion, require the Director or other person to whom any payment has been made or Shares or other property have been transferred in connection with the settlement of the RSUs to forfeit and pay over to the Company, on demand, all or any portion of the compensation, gain or other value (whether or not taxable) realized upon on the settlement of such RSUs, or the subsequent sale of acquired Shares (if any). To the extent required by applicable law (including without limitation Section 304 of the Sarbanes-Oxley Act and Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) and/or the rules and regulations of New York Stock Exchange or other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, or if so required pursuant to a written policy adopted by the Company, the RSUs (or the Shares acquired upon settlement of the RSUs (if any)) shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Agreement).

10. Miscellaneous.

(a) Transferability. The RSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a the Director other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 12.3 of the Plan.

(b) Waiver. Any right of the Company contained in this Agreement may be waived in writing by the Committee. No waiver of any right hereunder by any party shall operate as a waiver of any other right, or as a waiver of the same right with respect to any subsequent occasion for its exercise, or as a waiver of any right to damages. No waiver by any party of any breach of this Agreement shall be held to constitute a waiver of any other breach or a waiver of the continuation of the same breach.

(c) Section 409A. The RSUs are intended to comply with or be exempt from Section 409A of the Code. Notwithstanding the foregoing or any provision of the Plan or this Agreement, if any provision of the Plan or this Agreement contravenes Section 409A of the Code or could cause the Director to incur any tax, interest or penalties under Section 409A of the Code, the Committee may, in its sole discretion and without the Director's consent, modify such provision to (i) comply with, or avoid being subject to, Section 409A of the Code, or to avoid the incurrence of taxes, interest and penalties under Section 409A of the Code, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the Director of the applicable provision without materially increasing the cost to the Company or contravening the provisions of Section 409A of the Code. This Section 10(c) does not create an obligation on the part of the Company to modify the Plan or this Agreement and does not guarantee that the RSUs will not be subject to interest and penalties under Section 409A.

(d) Notices. Any written notices provided for in this Agreement or the Plan shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by fax, pdf/email or overnight courier, or by postage paid first class mail. Notices sent by mail shall be deemed received three business days after mailing but in no event later than the date of actual receipt. Notices shall be directed, if to the Director, at the Director's address indicated by the Company's records, or if to the Company, to the attention of the General Counsel at the Company's principal business office.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(f) No Rights to Service. Nothing contained in this Agreement shall be construed as giving the Director any right to be retained, in any position, as an Employee, Consultant or the Director of the Company or its Subsidiaries or shall interfere with or restrict in any way the right of the Company or its Subsidiaries, which are hereby expressly reserved, to remove, terminate or discharge the Director at any time for any reason whatsoever.

(g) Beneficiary. The Director may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. Any notice should be made to the attention of the General Counsel of the Company at the Company's principal business office. If no designated beneficiary survives the Director, the Director's estate shall be deemed to be the Director's beneficiary.

(h) Bound by Plan. By signing this Agreement, the Director acknowledges that the Director has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all the terms and provisions of the Plan.

(i) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Director and the beneficiaries, executors, administrators, heirs and successors of the Director.

(j) Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto, except for any changes permitted without consent under Section 12.1 of the Plan.

(k) Governing Law; JURY TRIAL WAIVER. To the extent not otherwise governed by the Code or the laws of the United States, this Agreement shall be governed, construed and interpreted in accordance with the laws of the British Virgin Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the British Virgin Islands or the laws of the United States, as applicable. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT IS LITIGATED OR HEARD IN ANY COURT.

(l) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

Exhibit 10.19

AIRCRAFT TIME SHARING AGREEMENT

THIS TIME SHARING AGREEMENT (the "Agreement") is entered into this 24 day of November, 2014, by and between **MICHAEL KORS (USA), INC.,** a Delaware corporation with a place of business at 11 West 42nd Street, 28th Floor, New York, New York 10036 ("Lessor"), and **JOHN IDOL,** an individual with a place of business at 11 West 42nd Street, New York, New York 10036 ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessor is the lessee of, and has possession, command and control of a Bombardier Inc. BD-700-1A11 aircraft, manufacturer's serial number 9155, current United States registration N717LS (to be changed to N717MK) (the "Aircraft"); and

WHEREAS, Lessor employs or engages a fully-qualified and credentialed flight crew to operate the Aircraft; and

WHEREAS, Lessor has agreed to lease the Aircraft, with flight crew, to Lessee on a "time sharing" basis as defined in Section 91.501(c)(1) of the Federal Aviation Regulations ("FAR") upon the terms and subject to the conditions set forth herein;

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee, intending to be legally bound, hereby agree as follows:

ARTICLE I TIME SHARING; TERM AND TERMINATION

A. Subject to Aircraft availability, commencing on the date of execution and delivery of this Agreement, Lessor agrees to lease the Aircraft to Lessee pursuant to the provisions of FAR Section 91.501(c)(1) and to provide a fully-qualified flight crew for all operations hereunder, including positioning flights. Each such trip shall be predicated upon Aircraft and crew availability, and will be scheduled in advance between Lessee and Lessor, at mutually-agreeable times. The parties acknowledge and agree that this Agreement did not result in any way from any direct or indirect advertising, holding out or soliciting on the part of Lessor or any person purportedly acting on behalf of Lessor. Lessor and Lessee intend that the lease of the Aircraft effected by this Agreement shall be treated as a "wet lease" pursuant to which Lessor provides transportation services to Lessee in accordance with FAR Section 91.501(b)(6) and Section 91.501(c)(1).

B. The term of this Agreement (the "Term") shall commence on the date hereof and shall continue until terminated by either party upon written notice to the other party.

C. For each flight conducted under this Agreement, including positioning and other deadhead legs flown in connection with an occupied leg hereunder, Lessee shall pay Lessor the following actual expenses of such flight, the total of which is not to exceed the maximum amount legally payable by Lessee to Lessor for such flight under FAR Section 91.50l(d)(l)-(10):

(a) fuel, oil, lubricants, and other additives;

(b) travel expenses of crew, including food, lodging and ground transportation;

(c) hangar and tie-down costs away from the Aircraft's base of operation;

(d) additional insurance obtained for the specific flight at the request of Lessee;

(e) landing fees, airport taxes and similar assessments;

(f) customs, foreign permits and similar fees directly related to the flight;

(g) in-flight food and beverages;

(h) passenger ground transportation;

(i) flight planning and weather contract services; and

(j) an additional charge equal to 100% of the expenses listed in clause (a) above.

D. Lessor shall pay all expenses relating to the operation of the Aircraft under this Agreement when incurred. As soon as possible after the end of each calendar month during the Term of this Agreement, Lessor shall provide to Lessee an invoice showing all use of the Aircraft by

Lessee under this Agreement during that month and a complete accounting detailing all amounts payable by Lessee pursuant to Article I (C) for that month, including all expenses paid or incurred by Lessor for which reimbursement is sought. This invoice shall be paid within 30 days of receipt.

ARTICLE II OPERATIONAL CONTROL.

Lessor and Lessee intend and agree that at all times during the Term of this Agreement, Lessor shall have complete and exclusive operational control over the Aircraft, its flight crew and maintenance, and complete and exclusive possession, command and control of the Aircraft. Lessor shall have complete and exclusive responsibility for scheduling, dispatching and flight following of the Aircraft on all flights conducted under this Agreement, which responsibility includes the sole and exclusive right over initiating, conducting and terminating such flights.

Lessee shall have no responsibility for scheduling, dispatching or flight following on any flight conducted under this Agreement, nor any right over initiating, conducting or terminating any such flight. Nothing in this Agreement is intended or shall be construed so as to convey to Lessee any operational control over, or possession, command and control of, the Aircraft, all of which are expressly retained by Lessor.

ARTICLE III SCHEDULING OF AIRCRAFT.

A. To the extent possible, Lessor shall accommodate Lessee's request for the scheduling of flights pursuant to this Agreement, contingent upon Aircraft and crew availability.

B. Lessee will provide Lessor with requests for flight times and proposed flight schedules as far in advance of any given flight as possible. Requests for flight time shall be in a form (whether oral or written) mutually agreed by the parties. In addition to proposed schedules and flight times, Lessee shall provide Lessor with the following information for each proposed flight prior to scheduled departure: (i) proposed departure point; (ii) destination; (iii) date and time of flight; (iv) the number of anticipated passengers; (v) the nature and extent of luggage to be carried; (vi) the date and time of a return flight, if any; and (vii) any other pertinent information concerning the proposed flight that Lessor or the flight crew may request.

C. Subject to Aircraft and crew availability, Lessor shall use its good faith efforts, consistent with Lessor's approved policies, in order to accommodate the needs of Lessee, to avoid conflicts in scheduling, and to enable Lessee to enjoy the benefits of this Agreement; however, Lessee acknowledges and agrees that notwithstanding anything in this Agreement to the contrary, (i) Lessor shall have sole and exclusive final authority over the scheduling of the Aircraft; and (ii) the needs of Lessor for the Aircraft shall take precedence over Lessee's rights and Lessor's obligations under this Agreement.

D. Although every good faith effort shall be made to avoid its occurrence, any flight scheduled under this Agreement is subject to cancellation by either party without incurring liability to the other party. In the event that cancellation is necessary, the canceling party shall provide the maximum notice practicable. Cancellations shall be minimized to the maximum extent possible.

ARTICLE IV CREW.

A. Lessor shall ensure that for each flight conducted under this Agreement, the Aircraft will be under the command of a flight crew which is duly licensed and rated by the U.S. Federal Aviation Administration and which has appropriate currency in landing (day and night), instrument flight requirements as well as current medical certification. All flight crewmembers shall be included on any insurance policies that Lessor is required to maintain hereunder.

B. In accordance with applicable Federal Aviation Regulations, Lessor's qualified flight crew provided under this Agreement will exercise all of its duties and responsibilities in regard to the safety of each flight conducted hereunder. Lessor's flight crew, in its sole discretion, may terminate any flight, refuse to commence any flight, or take other action that in the judgment of the pilot-in-command is necessitated by consideration of safety. No such action of the pilot-in-command shall create or support any liability for loss, injury, damage or delay to either party or any other person. The parties further agree that neither party shall be liable for delay or failure when such failure is caused by government regulation or authority, mechanical difficulty, war, civil commotion, strikes or labor disputes, weather conditions, or acts of God.

ARTICLE V CONDITION OF THE AIRCRAFT.

Lessor shall ensure that for each flight conducted under this Agreement, the Aircraft has been properly inspected and maintained in accordance with the requirements of the U.S. Federal Aviation Administration; and all aircraft equipment and systems are in correct operating condition. Lessor shall be solely responsible for securing all maintenance, preventive maintenance and required inspections of

the Aircraft, and shall take such requirements into account in scheduling the Aircraft. No period of maintenance, preventive maintenance or inspection shall be delayed or postponed for the purpose of scheduling the Aircraft hereunder, unless such maintenance or inspection can be safely conducted at a later time in compliance with all applicable laws and regulations, and within the sound discretion of the pilot-in-command.

ARTICLE VI TITLE AND RISK OF LOSS.

Title and risk of loss for the Aircraft shall remain exclusively with Lessor during the entire Term of this Agreement.

ARTICLE VII INSURANCE.

A. During the entire Term of this Agreement, Lessor shall maintain in full force and effect all risk hull insurance covering the full value of the Aircraft. Lessor's hull insurer shall waive any right of subrogation it may have against Lessee under such policy with respect to loss, damage or destruction of the Aircraft during any flight under this Agreement. Additionally, Lessor will maintain and have in force its standard aircraft liability insurance policy during the entire Term of the Agreement with a minimum combined single limit of Three Hundred Million U.S. Dollars (US $300,000,000.00).

B. Such insurance shall (i) name Lessee and his employees, agents, licensees, servants and guests as additional insured; (ii) provide for 30 days written notice to Lessee by such insurer of cancellation, change, non-renewal or reduction cancellation or material change in coverage (ten days in the case of non-payment of premiums, and seven days, or such shorter period then prevailing in the business aviation insurance market, in the case of war risk and allied perils coverage); (iii) cover Lessor's indemnity obligations under Article X hereof; and (iv) permit the use of the Aircraft by Lessor for compensation or hire; and (v) be primary insurance, not subject to any co-insurance clause and without right of contribution from any other insurance.

C. Lessor shall use reasonable commercial efforts to provide such additional insurance coverage for specific flights under this Agreement, if any, as Lessee may request in writing. Lessee also acknowledges that any trips scheduled to the European Union may require Lessor to purchase additional insurance to comply with local regulations. The cost of all additional flight-specific insurance shall be borne by Lessee as set forth in Article I(C)(d).

D. Lessor shall ensure that worker's compensation insurance with all-states coverage is provided for the Aircraft's crew and maintenance personnel.

E. At Lessee's request, Lessor shall deliver certificates or binders of insurance to Lessee with respect to the insurance required or permitted to be provided hereunder not later than the first flight of the Aircraft under this Agreement and upon the renewal date of each policy.

F. Lessee and Lessor shall not do, nor omit to do, nor permit to be done, any act in breach of any of the required insurance whereby any of such insurance might be, in whole or in part, invalidated, unenforceable, revoked, suspended, adversely amended or allowed to lapse, so as to maintain such insurance in full force and effect at all times. In no event shall Lessor suffer or permit the Aircraft to be used or operated under this Agreement without such insurance being fully in effect.

ARTICLE VIII LESSOR'S REPRESENTATIONS AND WARRANTIES.

Lessor represents and warrants that:

A. It shall conduct all operations under this Agreement in compliance with (i) all applicable provisions of all governmental authorities having jurisdiction, including, but not limited to, the Federal Aviation Administration and the governmental authorities of each foreign jurisdiction in or over which the Aircraft may be operated hereunder; (ii) the terms, conditions and limitations of, and in the geographical areas allowed by, the insurance policies required hereunder; and (iii) the operating instructions of the Aircraft's flight manual and the manufacturers' operating and maintenance instructions.

B. The Aircraft is, and at all times during the Term of this Agreement shall continue to be, in airworthy condition and in full compliance with all applicable rules of the Federal Aviation Administration and all of the manufacturers' maintenance requirements.

C. In no event shall Lessor suffer or permit the Aircraft to be used or operated during the Term without the insurance required hereunder being fully in effect, including, without limitation, use of the Aircraft in any geographical area not covered by the policies issued to Lessee and then in effect.

D. Lessor will carry a copy of this Agreement in the Aircraft at all times that the Aircraft is being operated hereunder.

E. **EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE AIRCRAFT, INCLUDING ANY WITH RESPECT TO ITS CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY OTHER PERSON FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, HOWEVER ARISING.**

ARTICLE IX LESSEE'S REPRESENTATIONS AND WARRANTIES.

Lessee represents and warrants that:

A. Lessee shall not use the Aircraft to carry persons or property for compensation or hire (except as permitted under FAR 91.501(b)) or in any manner which would constitute common carriage within the provisions of the Federal Aviation Regulations.

B. Lessee shall not attempt to convey, mortgage, assign, lease or in any way alienate the Aircraft or create any kind of lien or security interest involving the Aircraft or do anything or take any action that might mature into such a lien.

C. Lessee will abide by and conform to all laws, governmental and airport orders, rules and regulations, as shall be imposed upon the lessee of an aircraft under a time sharing agreement and the applicable company policies of Lessor.

ARTICLE X INDEMNIFICATION.

A. Lessor hereby covenants and agrees that Lessor shall be fully liable to, and shall promptly upon demand defend, indemnify and hold harmless Lessee and Lessee's agents, guests, invitees, licensees and employees from and against any and all liabilities, claims, demands, suits, causes of action, losses, penalties, fines, expenses or damages, including legal fees (collectively, "Liabilities"), arising out of or in connection with (i) Lessor's operation or maintenance of the Aircraft, (ii) Lessor's performance of or failure to perform any of its obligations under this Agreement, or (iii) any other breach by Lessor of any of its representations, warranties, covenants or agreements set forth in this Agreement, except to the extent that such Liabilities are attributable to the negligence or willful misconduct of Lessee and his agents, guests, invitees, licensees and employees; provided, however, that in the case of any Liabilities that result from the occurrence of any event of the type insured against pursuant to Article VII(A), the insurance described in Article VII(A) shall be the sole recourse of Lessee and Lessee's agents, guests, invitees, licensees and employees for any and all Liabilities attributable to the use, operation or maintenance of the Aircraft pursuant to this Agreement or performance of or failure to perform any obligation under this Agreement.

B. Lessee hereby covenants and agrees that Lessee shall be fully liable to, and shall promptly upon demand defend, indemnify and hold harmless Lessor and Lessor's agents, guests, invitees, licensees and employees from and against any and all Liabilities arising out of or in connection with (i) Lessee's performance of or failure to perform any of his obligations under this Agreement, or (ii) any other breach by Lessee of any of his representations, warranties, covenants or agreements set forth in this Agreement, except to the extent that such Liabilities are attributable to the negligence or willful misconduct of Lessor or its agents and employees.

ARTICLE XI ASSIGNMENT AND DELEGATION; SUCCESSORS AND ASSIGNS.

Neither party may assign its rights nor delegate its obligations under this Agreement without the prior written consent of the other party. This Agreement shall be binding upon the parties hereto, and their respective heirs, executors, administrators, other legal representatives, successors and assigns, and shall inure to the benefit of the parties hereto, and to their respective heirs, executors, administrators, other legal representatives, successors and permitted assigns.

ARTICLE XII TAXES.

Lessee shall pay all applicable Federal transportation taxes and any sales, use or other excise taxes imposed by any governmental authority in connection with any use of the Aircraft by Lessee under this Agreement. Lessor shall be responsible for collecting from Lessee and paying over to the appropriate agencies all applicable Federal transportation taxes and any sales, use or other excise taxes imposed by any governmental authority in connection with any use of the Aircraft by Lessee under this Agreement. Without limiting the generality of the indemnification obligation set forth in Article X, each party shall indemnify the other party against any and all claims, liabilities, costs and expenses (including attorney's fees as and when incurred) arising out of its breach of this undertaking.

ARTICLE XIII AMENDMENT.

This Agreement may not be amended, supplemented, modified or terminated, or any of its terms varied, except by an agreement in writing signed by each of the parties hereto.

ARTICLE XIV NOTICES.

All non-routine communications and notices delivered or given under this Agreement shall be in writing and shall be deemed to have been duly given if hand-delivered, sent by nationally-utilized overnight delivery service, confirmed facsimile transmission or Portable Document Format (PDF). Such notices shall be addressed to the parties at the addresses set forth above, or to such other address as may be designated by any party in a writing delivered to the other in the manner set forth in this Article XIV. Notices shall be deemed to have been given and made on the business day on which hand-delivered or sent by confirmed facsimile or PDF or one business day after having been sent by nationally-utilized overnight delivery service. Routine communications may be made by e-mail. For purposes of this Agreement, a "business day" is any day (other than a Saturday or Sunday) on which banks in New York, New York are authorized or required to be open for business.

ARTICLE XV CHOICE OF LAW; ENTIRE AGREEMENT; COUNTERPARTS.

A. This Agreement shall be interpreted under and governed by the laws of the State of Delaware for all purposes including any dispute that may arise hereunder. If any provision of this Agreement conflicts with any statute or rule of law of the State of Delaware, or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability, and shall be deemed separate from and shall not invalidate any other provision of this Agreement.

B. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, understandings, representations, warranties or negotiations by or between the parties with respect thereto, all of which are hereby cancelled. There are no other agreements or representations, oral or written, express or implied, with respect to the subject matter of this Agreement that are not expressly set forth in this Agreement. The representations, warranties and indemnities set forth in this Agreement shall survive the termination of this Agreement.

C. This Agreement may be executed in counterparts, each of which shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same agreement, even though all parties may not have executed the same counterpart. Each party may transmit its signature by confirmed facsimile or PDF and any counterpart of this Agreement sent in either such manner shall have the same force and effect as a manually-executed original.

D. Lessor is strictly an independent contractor lessor/provider of transportation services with respect to Lessee. Nothing in this Agreement is intended, nor shall it be construed so as, to constitute the parties as partners or joint venturers or principal and agent. All persons furnished by Lessor for the performance of the operations and activities contemplated by this Agreement shall at all times and for all purposes be considered Lessor's employees or agents.

ARTICLE XVI TRUTH IN LEASING COMPLIANCE.

Lessor, on behalf of the Lessee, shall (i) mail or deliver a copy of this Agreement to the Aircraft Registration Branch, Technical Section, of the FAA in Oklahoma City within 24 hours of its execution; (ii) notify the nearest Flight Standards District Office at least 48 hours prior to the first flight of the Aircraft under this Agreement of the registration number of the Aircraft, and the location of the airport of departure and departure time of the first flight; and (iii) carry a copy of this Agreement onboard the Aircraft at all times when the Aircraft is being operated under this Agreement.

ARTICLE XVII TRUTH IN LEASING; FAR SECTION 91.23(c).

A. LESSOR HEREBY CERTIFIES THAT THE BOMBARDIER INC. BD-700-1A11 AIRCRAFT, MANUFACTURER'S SERIAL NUMBER 9155, UNITED STATES REGISTRATION N717LS (TO BE CHANGED TO N717MK) HAS BEEN MAINTAINED AND INSPECTED UNDER FEDERAL AVIATION REGULATION PART 91 DURING THE ENTIRE PERIOD PRECEDING THE DATE OF EXECUTION OF THIS AGREEMENT IN WHICH THE AIRCRAFT WAS REGISTERED IN THE UNITED STATES. THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER FAR PART 91 FOR ALL OPERATIONS TO BE CONDUCTED UNDER THIS AGREEMENT.

B. MICHAEL KORS (USA), INC, WHOSE ADDRESS IS SET FORTH ABOVE, HEREBY CERTIFIES THAT IT IS RESPONSIBLE FOR OPERATIONAL CONTROL OF THE AIRCRAFT FOR ALL OPERATIONS UNDER THIS AGREEMENT.

C. EACH PARTY HEREBY CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.

D. THE PARTIES UNDERSTAND THAT AN EXPLANATION OF THE FACTORS BEARING ON OPERATIONAL CONTROL AND THE PERTINENT FEDERAL AVIATION REGULATIONS CAN BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereby have caused this Time Sharing Agreement to be executed in their names and on their behalf by their respective duly authorized agents.

LESSOR:
MICHAEL KORS (USA), INC.

By: /s/ Joseph B. Parsons

Title: EVP, CFO, COO and Treasurer

Date: 11/24/14

LESSEE:

/s/ John D. Idol
John Idol

Exhibit 10.20

AIRCRAFT TIME SHARING AGREEMENT

THIS TIME SHARING AGREEMENT (the "Agreement") is entered into this 12 day of December, 2014, by and between **MICHAEL KORS (USA), INC.,** a Delaware corporation with a place of business at 11 West 42nd Street, 28th Floor, New York, New York 10036 ("Lessor"), and **MICHAEL KORS,** an individual with a place of business at 11 West 42nd Street, New York, New York 10036 ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessor is the lessee of, and has possession, command and control of a Bombardier Inc. BD-700-1A11 aircraft, manufacturer's serial number 9155, current United States registration N717LS (to be changed to N717MK) (the "Aircraft"); and

WHEREAS, Lessor employs or engages a fully-qualified and credentialed flight crew to operate the Aircraft; and

WHEREAS, Lessor has agreed to lease the Aircraft, with flight crew, to Lessee on a "time sharing" basis as defined in Section 91.501(c)(1) of the Federal Aviation Regulations ("FAR") upon the terms and subject to the conditions set forth herein;

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee, intending to be legally bound, hereby agree as follows:

ARTICLE I TIME SHARING; TERM AND TERMINATION

A. Subject to Aircraft availability, commencing on the date of execution and delivery of this Agreement, Lessor agrees to lease the Aircraft to Lessee pursuant to the provisions of FAR Section 91.501(c)(1) and to provide a fully-qualified flight crew for all operations hereunder, including positioning flights. Each such trip shall be predicated upon Aircraft and crew availability, and will be scheduled in advance between Lessee and Lessor, at mutually-agreeable times. The parties acknowledge and agree that this Agreement did not result in any way from any direct or indirect advertising, holding out or soliciting on the part of Lessor or any person purportedly acting on behalf of Lessor. Lessor and Lessee intend that the lease of the Aircraft effected by this Agreement shall be treated as a "wet lease" pursuant to which Lessor provides transportation services to Lessee in accordance with FAR Section 91.501(b)(6) and Section 91.501(c)(1).

B. The term of this Agreement (the "Term") shall commence on the date hereof and shall continue until terminated by either party upon written notice to the other party.

C. For each flight conducted under this Agreement, including positioning and other deadhead legs flown in connection with an occupied leg hereunder, Lessee shall pay Lessor the following actual expenses of such flight, the total of which is not to exceed the maximum amount legally payable by Lessee to Lessor for such flight under FAR Section 91.501(d)(l)-(10):

(a) fuel, oil, lubricants, and other additives;

(b) travel expenses of crew, including food, lodging and ground transportation;

(c) hangar and tie-down costs away from the Aircraft's base of operation;

(d) additional insurance obtained for the specific flight at the request of Lessee;

(e) landing fees, airport taxes and similar assessments;

(f) customs, foreign permits and similar fees directly related to the flight;

(g) in-flight food and beverages;

(h) passenger ground transportation;

(i) flight planning and weather contract services; and

(j) an additional charge equal to 100% of the expenses listed in clause (a) above.

D. Lessor shall pay all expenses relating to the operation of the Aircraft under this Agreement when incurred. As soon as possible after the end of each calendar month during the Term of this Agreement, Lessor shall provide to Lessee an invoice showing all use of the Aircraft by Lessee under this Agreement during that month and a complete accounting detailing all amounts payable by Lessee pursuant to Article I(C) for that month, including all expenses paid or incurred by Lessor for which reimbursement is sought. This invoice shall be paid within 30 days of receipt.

ARTICLE II **OPERATIONAL CONTROL.**

Lessor and Lessee intend and agree that at all times during the Term of this Agreement, Lessor shall have complete and exclusive operational control over the Aircraft, its flight crew and maintenance, and complete and exclusive possession, command and control of the Aircraft. Lessor shall have complete and exclusive responsibility for scheduling, dispatching and flight following of the Aircraft on all flights conducted under this Agreement, which responsibility includes the sole and exclusive right over initiating, conducting and terminating such flights.

Lessee shall have no responsibility for scheduling, dispatching or flight following on any flight conducted under this Agreement, nor any right over initiating, conducting or terminating any such flight. Nothing in this Agreement is intended or shall be construed so as to convey to Lessee any operational control over, or possession, command and control of, the Aircraft, all of which are expressly retained by Lessor.

ARTICLE III **SCHEDULING OF AIRCRAFT.**

A. To the extent possible, Lessor shall accommodate Lessee's request for the scheduling of flights pursuant to this Agreement, contingent upon Aircraft and crew availability.

B. Lessee will provide Lessor with requests for flight times and proposed flight schedules as far in advance of any given flight as possible. Requests for flight time shall be in a form (whether oral or written) mutually agreed by the parties. In addition to proposed schedules and flight times, Lessee shall provide Lessor with the following information for each proposed flight prior to scheduled departure: (i) proposed departure point; (ii) destination; (iii) date and time of flight; (iv) the number of anticipated passengers; (v) the nature and extent of luggage to be carried; (vi) the date and time of a return flight, if any; and (vii) any other pertinent information concerning the proposed flight that Lessor or the flight crew may request.

C. Subject to Aircraft and crew availability, Lessor shall use its good faith efforts, consistent with Lessor's approved policies, in order to accommodate the needs of Lessee, to avoid conflicts in scheduling, and to enable Lessee to enjoy the benefits of this Agreement; however, Lessee acknowledges and agrees that notwithstanding anything in this Agreement to the contrary, (i) Lessor shall have sole and exclusive final authority over the scheduling of the Aircraft; and (ii) the needs of Lessor for the Aircraft shall take precedence over Lessee's rights and Lessor's obligations under this Agreement.

D. Although every good faith effort shall be made to avoid its occurrence, any flight scheduled under this Agreement is subject to cancellation by either party without incurring liability to the other party. In the event that cancellation is necessary, the canceling party shall provide the maximum notice practicable. Cancellations shall be minimized to the maximum extent possible.

ARTICLE IV **CREW.**

A. Lessor shall ensure that for each flight conducted under this Agreement, the Aircraft will be under the command of a flight crew which is duly licensed and rated by the U.S. Federal Aviation Administration and which has appropriate currency in landing (day and night), instrument flight requirements as well as current medical certification. All flight crewmembers shall be included on any insurance policies that Lessor is required to maintain hereunder.

B. In accordance with applicable Federal Aviation Regulations, Lessor's qualified flight crew provided under this Agreement will exercise all of its duties and responsibilities in regard to the safety of each flight conducted hereunder. Lessor's flight crew, in its sole discretion, may terminate any flight, refuse to commence any flight, or take other action that in the judgment of the pilot-in-command is necessitated by consideration of safety. No such action of the pilot-in-command shall create or support any liability for loss, injury, damage or delay to either party or any other person. The parties further agree that neither party shall be liable for delay or failure when such failure is caused by government regulation or authority, mechanical difficulty, war, civil commotion, strikes or labor disputes, weather conditions, or acts of God.

ARTICLE V **CONDITION OF THE AIRCRAFT.**

Lessor shall ensure that for each flight conducted under this Agreement, the Aircraft has been properly inspected and maintained in accordance with the requirements of the U.S. Federal Aviation Administration; and all aircraft equipment and systems are in correct operating condition. Lessor shall be solely responsible for securing all maintenance, preventive maintenance and required inspections of the Aircraft, and shall take such requirements into account in scheduling the Aircraft. No period of maintenance, preventive maintenance or inspection shall be delayed or postponed for the purpose of scheduling the Aircraft hereunder, unless such maintenance or inspection can be safely conducted at a later time in compliance with all applicable laws and regulations, and within the sound discretion of the pilot-in-command.

ARTICLE VI TITLE AND RISK OF LOSS.

Title and risk of loss for the Aircraft shall remain exclusively with Lessor during the entire Term of this Agreement.

ARTICLE VII INSURANCE.

A. During the entire Term of this Agreement, Lessor shall maintain in full force and effect all risk hull insurance covering the full value of the Aircraft. Lessor's hull insurer shall waive any right of subrogation it may have against Lessee under such policy with respect to loss, damage or destruction of the Aircraft during any flight under this Agreement. Additionally, Lessor will maintain and have in force its standard aircraft liability insurance policy during the entire Term of the Agreement with a minimum combined single limit of Three Hundred Million U.S. Dollars (US $300,000,000.00).

B. Such insurance shall (i) name Lessee and his employees, agents, licensees, servants and guests as additional insured; (ii) provide for 30 days written notice to Lessee by such insurer of cancellation, change, non-renewal or reduction cancellation or material change in coverage (ten days in the case of non-payment of premiums, and seven days, or such shorter period then prevailing in the business aviation insurance market, in the case of war risk and allied perils coverage); (iii) cover Lessor's indemnity obligations under Article X hereof; and (iv) permit the use of the Aircraft by Lessor for compensation or hire; and (v) be primary insurance, not subject to any co-insurance clause and without right of contribution from any other insurance.

C. Lessor shall use reasonable commercial efforts to provide such additional insurance coverage for specific flights under this Agreement, if any, as Lessee may request in writing. Lessee also acknowledges that any trips scheduled to the European Union may require Lessor to purchase additional insurance to comply with local regulations. The cost of all additional flight-specific insurance shall be borne by Lessee as set forth in Article I(C)(d).

D. Lessor shall ensure that worker's compensation insurance with all-states coverage is provided for the Aircraft's crew and maintenance personnel.

E. At Lessee's request, Lessor shall deliver certificates or binders of insurance to Lessee with respect to the insurance required or permitted to be provided hereunder not later than the first flight of the Aircraft under this Agreement and upon the renewal date of each policy.

F. Lessee and Lessor shall not do, nor omit to do, nor permit to be done, any act in breach of any of the required insurance whereby any of such insurance might be, in whole or in part, invalidated, unenforceable, revoked, suspended, adversely amended or allowed to lapse, so as to maintain such insurance in full force and effect at all times. In no event shall Lessor suffer or permit the Aircraft to be used or operated under this Agreement without such insurance being fully in effect.

ARTICLE VIII LESSOR'S REPRESENTATIONS AND WARRANTIES.

Lessor represents and warrants that:

A. It shall conduct all operations under this Agreement in compliance with (i) all applicable provisions of all governmental authorities having jurisdiction, including, but not limited to, the Federal Aviation Administration and the governmental authorities of each foreign jurisdiction in or over which the Aircraft may be operated hereunder; (ii) the terms, conditions and limitations of, and in the geographical areas allowed by, the insurance policies required hereunder; and (iii) the operating instructions of the Aircraft's flight manual and the manufacturers' operating and maintenance instructions.

B. The Aircraft is, and at all times during the Term of this Agreement shall continue to be, in airworthy condition and in full compliance with all applicable rules of the Federal Aviation Administration and all of the manufacturers' maintenance requirements.

C. In no event shall Lessor suffer or permit the Aircraft to be used or operated during the Term without the insurance required hereunder being fully in effect, including, without limitation, use of the Aircraft in any geographical area not covered by the policies issued to Lessee and then in effect.

D. Lessor will carry a copy of this Agreement in the Aircraft at all times that the Aircraft is being operated hereunder.

E. **EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE AIRCRAFT, INCLUDING ANY WITH RESPECT TO ITS CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY OTHER PERSON FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, HOWEVER ARISING.**

ARTICLE IX **LESSEE'S REPRESENTATIONS AND WARRANTIES.**

Lessee represents and warrants that:

A. Lessee shall not use the Aircraft to carry persons or property for compensation or hire (except as permitted under FAR 91.501(b)) or in any manner which would constitute common carriage within the provisions of the Federal Aviation Regulations.

B. Lessee shall not attempt to convey, mortgage, assign, lease or in any way alienate the Aircraft or create any kind of lien or security interest involving the Aircraft or do anything or take any action that might mature into such a lien.

C. Lessee will abide by and conform to all laws, governmental and airport orders, rules and regulations, as shall be imposed upon the lessee of an aircraft under a time sharing agreement and the applicable company policies of Lessor.

ARTICLE X **INDEMNIFICATION.**

A. Lessor hereby covenants and agrees that Lessor shall be fully liable to, and shall promptly upon demand defend, indemnify and hold harmless Lessee and Lessee's agents, guests, invitees, licensees and employees from and against any and all liabilities, claims, demands, suits, causes of action, losses, penalties, fines, expenses or damages, including legal fees (collectively, "Liabilities"), arising out of or in connection with (i) Lessor's operation or maintenance of the Aircraft, (ii) Lessor's performance of or failure to perform any of its obligations under this Agreement, or (iii) any other breach by Lessor of any of its representations, warranties, covenants or agreements set forth in this Agreement, except to the extent that such Liabilities are attributable to the negligence or willful misconduct of Lessee and his agents, guests, invitees, licensees and employees; provided, however, that in the case of any Liabilities that result from the occurrence of any event of the type insured against pursuant to Article VII(A), the insurance described in Article VII(A) shall be the sole recourse of Lessee and Lessee's agents, guests, invitees, licensees and employees for any and all Liabilities attributable to the use, operation or maintenance of the Aircraft pursuant to this Agreement or performance of or failure to perform any obligation under this Agreement.

B. Lessee hereby covenants and agrees that Lessee shall be fully liable to, and shall promptly upon demand defend, indemnify and hold harmless Lessor and Lessor's agents, guests, invitees, licensees and employees from and against any and all Liabilities arising out of or in connection with (i) Lessee's performance of or failure to perform any of his obligations under this Agreement, or (ii) any other breach by Lessee of any of his representations, warranties, covenants or agreements set forth in this Agreement, except to the extent that such Liabilities are attributable to the negligence or willful misconduct of Lessor or its agents and employees.

ARTICLE XI **ASSIGNMENT AND DELEGATION; SUCCESSORS AND ASSIGNS.**

Neither party may assign its rights nor delegate its obligations under this Agreement without the prior written consent of the other party. This Agreement shall be binding upon the parties hereto, and their respective heirs, executors, administrators, other legal representatives, successors and assigns, and shall inure to the benefit of the parties hereto, and to their respective heirs, executors, administrators, other legal representatives, successors and permitted assigns.

ARTICLE XII **TAXES.**

Lessee shall pay all applicable Federal transportation taxes and any sales, use or other excise taxes imposed by any governmental authority in connection with any use of the Aircraft by Lessee under this Agreement. Lessor shall be responsible for collecting from Lessee and paying over to the appropriate agencies all applicable Federal transportation taxes and any sales, use or other excise taxes imposed by any governmental authority in connection with any use of the Aircraft by Lessee under this Agreement. Without limiting the generality of the indemnification obligation set forth in Article X, each party shall indemnify the other party against any and all claims, liabilities, costs and expenses (including attorney's fees as and when incurred) arising out of its breach of this undertaking.

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This Agreement may not be amended, supplemented, modified or terminated, or any of its terms varied, except by an agreement in writing signed by each of the parties hereto.

ARTICLE XIV **NOTICES.**

All non-routine communications and notices delivered or given under this Agreement shall be in writing and shall be deemed to have been duly given if hand-delivered, sent by nationally-utilized overnight delivery service, confirmed facsimile transmission or Portable Document Format (PDF). Such notices shall be addressed to the parties at the addresses set forth above, or to such other address as may be designated by any party in a writing delivered to the other in the manner set forth in this Article XIV. Notices shall be deemed to have been

given and made on the business day on which hand-delivered or sent by confirmed facsimile or PDF or one business day after having been sent by nationally-utilized overnight delivery service. Routine communications may be made by e-mail. For purposes of this Agreement, a "business day" is any day (other than a Saturday or Sunday) on which banks in New York, New York are authorized or required to be open for business.

ARTICLE XV **CHOICE OF LAW; ENTIRE AGREEMENT; COUNTERPARTS.**

A. This Agreement shall be interpreted under and governed by the laws of the State of Delaware for all purposes including any dispute that may arise hereunder. If any provision of this Agreement conflicts with any statute or rule of law of the State of Delaware, or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability, and shall be deemed separate from and shall not invalidate any other provision of this Agreement.

B. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, understandings, representations, warranties or negotiations by or between the parties with respect thereto, all of which are hereby cancelled. There are no other agreements or representations, oral or written, express or implied, with respect to the subject matter of this Agreement that are not expressly set forth in this Agreement. The representations, warranties and indemnities set forth in this Agreement shall survive the termination of this Agreement.

C. This Agreement may be executed in counterparts, each of which shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same agreement, even though all parties may not have executed the same counterpart. Each party may transmit its signature by confirmed facsimile or PDF and any counterpart of this Agreement sent in either such manner shall have the same force and effect as a manually-executed original.

D. Lessor is strictly an independent contractor lessor/provider of transportation services with respect to Lessee. Nothing in this Agreement is intended, nor shall it be construed so as, to constitute the parties as partners or joint venturers or principal and agent. All persons furnished by Lessor for the performance of the operations and activities contemplated by this Agreement shall at all times and for all purposes be considered Lessor's employees or agents.

ARTICLE XVI **TRUTH IN LEASING COMPLIANCE.**

Lessor, on behalf of the Lessee, shall (i) mail or deliver a copy of this Agreement to the Aircraft Registration Branch, Technical Section, of the FAA in Oklahoma City within 24 hours of its execution; (ii) notify the nearest Flight Standards District Office at least 48 hours prior to the first flight of the Aircraft under this Agreement of the registration number of the Aircraft, and the location of the airport of departure and departure time of the first flight; and (iii) carry a copy of this Agreement onboard the Aircraft at all times when the Aircraft is being operated under this Agreement.

ARTICLE XVII **TRUTH IN LEASING; FAR SECTION 91.23(c).**

A. LESSOR HEREBY CERTIFIES THAT THE BOMBARDIER INC. BD-700-1A11 AIRCRAFT, MANUFACTURER'S SERIAL NUMBER 9155, UNITED STATES REGISTRATION N717LS (TO BE CHANGED TO N717MK) HAS BEEN MAINTAINED AND INSPECTED UNDER FEDERAL AVIATION REGULATION PART 91 DURING THE ENTIRE PERIOD PRECEDING THE DATE OF EXECUTION OF THIS AGREEMENT IN WHICH THE AIRCRAFT WAS REGISTERED IN THE UNITED STATES. THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER FAR PART 91 FOR ALL OPERATIONS TO BE CONDUCTED UNDER THIS AGREEMENT.

B. MICHAEL KORS (USA), INC, WHOSE ADDRESS IS SET FORTH ABOVE, HEREBY CERTIFIES THAT IT IS RESPONSIBLE FOR OPERATIONAL CONTROL OF THE AIRCRAFT FOR ALL OPERATIONS UNDER THIS AGREEMENT.

C. EACH PARTY HEREBY CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.

D. THE PARTIES UNDERSTAND THAT AN EXPLANATION OF THE FACTORS BEARING ON OPERATIONAL CONTROL AND THE PERTINENT FEDERAL AVIATION REGULATIONS CAN BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE.

(SIGNATURE PAGE FOLLOWS)

I**N WITNESS WHEREOF**, the parties hereby have caused this Time Sharing Agreement to be executed in their names and on their behalf by their respective duly authorized agents.

LESSOR:
MICHAEL KORS (USA), INC.

By: /s/ Joseph B. Parsons

Title: EVP, CFO, COO and Treasurer

Date: 12/12/14

LESSEE:

/s/ Michael D. Kors
Michael Kors

Exhibit 21.1

LIST OF SUBSIDIARIES OF MICHAEL KORS HOLDINGS LIMITED

Entity Name	Jurisdiction of Formation
Michael Kors (UK) Holdings Limited	United Kingdom
Michael Kors (UK) Limited	United Kingdom
Michael Kors (Luxembourg) Holdings S.a.r.l.	Luxembourg
Michael Kors (USA) Holdings, Inc.	Delaware
Michael Kors (USA), Inc.	Delaware
Michael Kors Retail, Inc.	Delaware
Michael Kors Stores (California), Inc.	Delaware
Michael Kors, L.L.C.	Delaware
Michael Kors Stores, L.L.C.	New York
Michael Kors Aviation, L.L.C.	Delaware
Michael Kors (Virginia) LLC	Virginia
Michael Kors (Canada) Co.	Nova Scotia
Michael Kors (Canada) Holdings Ltd.	Nova Scotia
Michael Kors (Switzerland) GmbH	Switzerland
Michael Kors (Switzerland) Holdings GmbH	Switzerland
Michael Kors (Switzerland) International GmbH	Switzerland
Michael Kors (Switzerland) Retail GmbH	Switzerland
Michael Kors (UK) Intermediate Ltd.	United Kingdom
Michael Kors Japan K.K.	Japan
Michael Kors Limited	Hong Kong
MK Shanghai Commercial Trading Company Limited	Shanghai
Michael Kors Belgium BVBA	Belgium
Michael Kors (Bucharest Store) S.R.L.	Romania
Michael Kors (France) SAS	France
Michael Kors (Germany) GmbH	Germany
Michael Kors Spain, S.L.	Spain
Michael Kors Italy S.R.L. Con Socio Unico	Italy
Michael Kors (Austria), GmbH	Austria
Michael Kors (Netherlands) B.V.	Netherlands
Michael Kors (Poland) sp. z. o.o.	Poland
Michael Kors (Europe) B.V.	Netherlands
Michael Kors (Czech Republic) s.r.o.	Czech Republic
Michael Kors (Portugal), Lda	Portugal
Michael Kors (Ireland) Limited	Ireland
Michael Kors (Sweden) AB	Sweden
Michael Kors (Mexico) S. de R.L. de C.V.	Mexico
Michael Kors (Denmark) ApS	Denmark
Michael Kors (Norway) AS	Norway
Michael Kors (Hungary) Kft	Hungary
Michael Kors Yuhan Hoesa	Korea
Michael Kors (Finland) Oy	Finland
Michael Kors (Latvia) SIA	Latvia
UAB Michael Kors (Lithuania)	Lithuania

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-178486) and Form S-3 (No. 333-198571) of Michael Kors Holdings Limited of our report dated May 29, 2013 relating to the financial statements, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
New York, New York
May 27, 2015

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-178486) pertaining to the Omnibus Incentive Plan of Michael Kors Holdings Limited and Registration Statement on Form S-3 (No. 333-198571) of our reports dated May 27, 2015 with respect to the consolidated financial statements and the effectiveness of internal control over financial reporting of Michael Kors Holdings Limited, included in this Annual Report (Form 10-K) for the year ended March 28, 2015.

/s/ ERNST & YOUNG LLP

New York, New York
May 27, 2015

Exhibit 31.1

CERTIFICATIONS

I, John D. Idol, certify that:

1. I have reviewed this Form 10-K of Michael Kors Holdings Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 27, 2015

By: /s/ John D. Idol
John D. Idol
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Joseph B. Parsons, certify that:

1. I have reviewed this Form 10-K of Michael Kors Holdings Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 27, 2015

By: /s/ Joseph B. Parsons
Joseph B. Parsons
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this annual report on Form 10-K of Michael Kors Holdings Limited (the "Company") for the year ended March 28, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John D. Idol, Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Michael Kors Holdings Limited.

Date: May 27, 2015

/s/ John D. Idol

John D. Idol
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Report.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this annual report on Form 10-K of Michael Kors Holdings Limited (the "Company") for the year ended March 28, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Joseph B. Parsons, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Michael Kors Holdings Limited.

Date: May 27, 2015

/s/ Joseph B. Parsons
Joseph B. Parsons
Chief Financial Officer
(Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Report.