LVMH Moët Hennessy Louis Vuitton has reported a 14% overall revenue rise to €30.1bn ($35.4bn) for the first nine months of 2017, with organic revenue up 12%, as Fashion & Leather (+14%), Perfumes & Cosmetics (+14%), Watches & Jewelry (+13%) and Selective Retailing (+12%) all reported ‘double-digit’ growth.

These results reflect very positive numbers for its first nine months when compared with the comparative period last year, as organic revenue rose by 12% and the company noted third quarter trading reflecting the very positive trend recorded earlier this year.

ALL DIVISIONS IN DOUBLE DIGITS...

The company commented: “Revenue increased by 14%, including a negative currency impact of 5% and a positive structural impact of 7%, reflecting notably the integration of Christian Dior Couture. All business groups recorded double-digit organic growth, with the exception of Wines and Spirits, whose progress was limited by supply constraints.”

LVMH said the Wines & Spirits division achieved 8% organic revenue growth in the period, with Champagne sales up 4%, reflecting ‘particularly strong demand in Europe and Japan’.

By contrast, the Fashion & Leather Goods sector returned organic revenue growth of 14% during the nine months, with the engine room brand Louis Vuitton still leading from the front – ‘driven by its exceptional strength in the field of innovation’.

In this respect LVMH pointed to its first smart watch and several other ‘creations across all of its activities’.
LVMH revenue rises by +14% to $35.4bn in first 9M

as contributors to this growth.

‘QUALITATIVE DEVELOPMENT’ AT VUITTON

LVMH said it is also pleased with the way the brand’s ‘qualitative development’ continues within Vuitton’s distribution network. It states that this is well illustrated by the opening of the Maison Louis Vuitton Vendôme in Paris, which combines ‘all the savoir-faire of the Maison’.

At the same time LVMH added: “Christian Dior Couture, whose business is consolidated for the first time in the third quarter, achieved an excellent performance. A retrospective at the Museum of Decorative Arts in Paris, which has had tremendous success, celebrates the 70th anniversary of the Maison.

LVMH said Fashion & Leather and Christian Dior continued to return strong performances.

“Fendi is stepping up its development in the United States with the opening of several new stores. Loro Piana, Céline and Loewe are making good progress. Rimowa has been consolidated since January 2017, while Donna Karan was sold at the end of 2016.”

There was another good performance in the Perfumes & Cosmetics sector, with organic revenue growth up 14% for the first nine months of 2017.

LVMH said Parfums Christian Dior ‘continued its strong performance’, while perfumes benefited from the continued success of J’adore, Sauvage, and from the launch of the eau de parfum Miss Dior.

‘SUSTAINED GROWTH’ REPORTED AT DFS

Meanwhile, in makeup the Rouge Dior lipstick range ‘grew rapidly’, while Guerlain launched its new Mon Guerlain fragrance internationally and Parfums Givenchy’s strong momentum continued – ‘driven by makeup’. The company added that Fenty Beauty by Rihanna – distributed exclusively at Sephora stores – also experienced ‘an exceptional start’.

The Watches & Jewelry business group also performed well, recording organic revenue growth of 13% during the period, as Bvlgari achieved ‘a remarkable performance’, thanks to the success of its signature jewellery collections Serpenti, Diva and B.Zero1.
LVMH revenue rises by +14% to $35.4bn in first 9M

DFS is said to be performing well in its extensive store network spanning downtown Hong Kong and Macau, as it prepares to exit its Hong Kong International Airport L&T, P&C and GM concessions which have proved to be a big drain on this particular business.

DFS is experiencing sustained growth, particularly in Hong Kong and Macao. The T Galleria stores in Cambodia and Venice have developed well.” [DFS’ business in Hong Kong should also get a further boost when it is free of its Hong Kong International Airport L&T, P&C and GM concessions, where it has been losing money-Ed].

In its brief comments on the immediate outlook for trading, LVMH added: “In an uncertain geopolitical and currency environment, LVMH will continue to be vigilant.

“The group will pursue its strategy focused on innovation and targeted geographic expansion in the most promising markets. LVMH will rely on the power of its brands and the talent of its teams to further extend its global leadership in the luxury market in 2017.”