

JEWELRY

## Richemont jewelers see 11pc sales lift in Q3 2017

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*French jeweler Cartier is owned by Richemont. Image credit: Cartier*

By STAFF REPORTS

Boosted by its jewelers, luxury conglomerate Richemont saw sales for third quarter of 2017, which ended Dec. 31, increase by 7 percent compared to the year-prior period.

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Richemont's holdings include mostly jewelers and watchmakers, sectors that have been challenged by the market's volatility and a waning interest for high-end timepieces in many regions. Despite recent struggles for these sectors, Richemont has recorded strong performance from its jewelers and an increase in watch retail sales for Q3 2017.

Richemont's jewels

Per its financial highlights for Q3 2017, Richemont saw most regions grow at constant exchange rates. The group recorded sustained double-digit growth in Asia Pacific driven by mainland China, South Korea, Hong Kong and Macau.

The performance of Richemont-owned jewelers and watchmakers was particularly noteworthy in Q3 within the Asia Pacific region.

Elsewhere, the Americas region reflected good performance, with an 8 percent growth increase for Richemont jewelers. Similarly, watchmakers benefited by Japan's favorable currency environment, seeing a sales increase of 5 percent in Q3 2017.

Sales in the Middle East and Africa rose by 11 percent thanks to favorable currencies as well.

In Europe, the strength of the euro and challenges in the United Kingdom weighed on Richemont sales, which declined by 1 percent.



*Jewelry performed well in Asia Pacific. Image credit: Richemont-owned Van Cleef & Arpels*

Richemont retail sales maintained strong momentum, seeing double-digit growth of 13 percent. This increase was underpinned by solid performances by Richemont's jewelers and watchmakers.

While growth was seen in the quarter, wholesale sales decreased by 3 percent. Richemont noted that its growth in wholesale in Asia Pacific was offset by declines in other regions.

Jewelers saw the strongest sales progression with an increase of 11 percent due to retail channel strength. Watchmakers were subdued with a performance increase of 1 percent, but the sector's wholesale decline was partially offset by double-digit growth in retail.

Elsewhere in Richemont's stable, Montblanc, Chlo and Lancel saw notable and stable sales growth. This excludes the impact of Richemont's sale of Shanghai Tang.

The Swiss conglomerate's sales in the first half of the 2018 fiscal year were up across regions and categories, with much of the growth also driven by its jewelers.

While it faced challenges last year, for the six months ended Sept. 30, Richemont's profits were up 80 percent and its sales rose 10 percent. While the group saw positive movement in most markets, China, South Korea, Hong Kong and the United Kingdom all achieved double-digit growth ([see story](#)).

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