

APPAREL AND ACCESSORIES

## LVMH continues growth despite fears of China

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*Louis Vuitton is one of LVMH's flagship brands. Image credit: Louis Vuitton*

By STAFF REPORTS

Luxury goods conglomerate LVMH Moët Hennessy Louis Vuitton saw a record-breaking year of growth, which was pushed by Chinese luxury shoppers despite slowdown concerns.

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LVMH states that it saw double-digit growth in revenue thanks to recurring operations reaching record levels. Excluding the impact of the closure of the Hong Kong airport concessions at the end of 2017, organic revenue grew by 12 percent and the company's total revenue in 2018 was 10 percent higher than the previous year.

### Positive growth

LVMH recorded revenues of 46.8 billion euros, or \$53.4 billion at current exchange, for the year.

Organic revenue in just the fourth quarter grew by 10 percent.

The luxury goods company cites continued growth in Europe, Asia, Japan and the United States, as well as significant performance in wines and spirits, Louis Vuitton, flagship brands of perfumes and cosmetics and Sephora.

Christian Dior Couture, which just had its first year in the group, also drove growth. In addition, Bulgari had a significantly successful year, while Hublot and Tag Heuer also saw positive development.

Fashion and leather goods saw the highest reported and organic growth, at a respective 19 percent and 15 percent, followed by perfume and cosmetics at 10 and 14 percent, respectively.



*LVMH in March 2011 announced it took a majority interest in family-owned Bulgari for \$5.2 billion. Image credit for Lucea Collection: Bulgari*

"LVMH had another record year, both in terms of revenue and results," said Bernard Arnault, chairman and CEO of LVMH, in a statement. "In particular, profit from recurring operations crossed the 10 billion euro mark.

"The desirability of our brands, the creativity and quality of our products, the unique experience offered to our customers and the talent and the commitment of our teams are the group's strengths and have once again made the difference," he said. "In 2019 LVMH will continue its strong dynamic of innovation, targeted investments, combining tradition and modernity, long-term vision and responsiveness, entrepreneurial spirit and a sense of responsibility.

"In an environment that remains uncertain, we can count on the appeal of our brands and the agility of our teams to strengthen, once again in 2019, our leadership in the universe of high quality products."

LVMH is also rumored to be in talks with music artist Rihanna to create a luxury fashion line.

According to a report from Women's Wear Daily, the fashion conglomerate has been selecting employees from within its group to move to the new label under the artist's name. While the future brand is shrouded in mystery, what experts do know is that it will likely see success if it follows in the footsteps of Rihanna's beauty brand Fenty that has developed a cult-like following ([see story](#)).

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