

RETAIL

## LVMH revenues up 16 pc in Q1

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*Louis Vuitton's summer capsule. Image credit: Louis Vuitton*

By STAFF REPORTS

Luxury conglomerate LVMH Mot Hennessy Louis Vuitton's revenues were up 16 percent in the first quarter of 2019, as its fashion and leather goods brands saw the strongest growth.

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Most of the company's categories saw double-digit growth, with the sole exception of watches and jewelry, which rose 9 percent. Even with growth, the company notes the potential challenges facing the luxury business.

"In the buoyant environment of the beginning of this year, albeit marked by geopolitical uncertainties, LVMH will continue to focus its efforts on developing its brands, maintaining strict control over costs and targeting its investments on the quality, excellence and innovation of its products and their distribution," said the company in a statement. "The group will rely on the talent and motivation of its teams, the diversification of its businesses and the geographical balance of its revenue to reinforce, once again in 2019, its global leadership position in luxury goods."

### Global growth

LVMH's total revenues for the first quarter were 12.5 billion euros, or \$14.1 billion at current exchange, up from 10.9 billion euros in 2018.

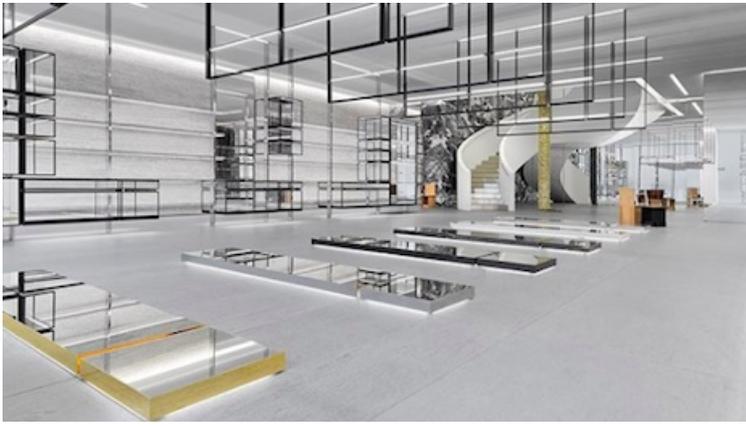
Reported growth was 16 percent, while organic growth was 11 percent.

One of the key drivers of the group's growth this past quarter was fashion, with revenues increasing 20 percent.

Louis Vuitton continues to see increased demand, leading it to open a new leather workshop in France. The brand also reopened a number of stores in locations including Florence, Shanghai, London and Monaco.

Dior also saw positive performance across regions and categories.

Now under the creative direction of Hedi Slimane, Celine is delivering a new brand image, with updates to its stores ([see story](#)).



*Celine's new store in Tokyo. Image credit: Celine*

LVMH also noted strong growth at Fendi, Berluti and Loewe. Meanwhile, Loro Piana saw success with its vicuna and shoe collections.

Perfumes and cosmetics saw 12 percent growth in the quarter. Parfums Christian Dior's sales were particularly strong for its Joy fragrance, Rouge Dior and Diorskin collections.

Parfums Givenchy and Guerlain also saw positive responses to their makeup, while Fenty Beauty by Rihanna continued to see growth.

Wines and spirits were up 13 percent, aided by strong acceleration in the United States and China. During the quarter, Champagne volumes were stable and Hennessy's volumes grew 11 percent.

During the quarter, LVMH's watch and jewelry brands presented their new collections at Baselworld. The category was led by jewelers, as Bulgari's direct-operated stores performed well and Chaumet launched its new Liens Evidence collection.

In selective retailing, Sephora's online sales grew significantly, while the beauty seller also debuted a new store in New York's Hudson Yards development.

Meanwhile, duty-free retailer DFS' first European location in Venice is performing well. The company will be opening in Paris in 2020, expanding its presence on the continent.

Selective retailing grew 13 percent in the quarter.

In 2018, LVMH saw a record-breaking year of growth, which was pushed by Chinese luxury shoppers despite slowdown concerns.

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 ([see story](#)).