

APPAREL AND ACCESSORIES

Capri Holdings revenues tumble more than 65pc as uncertainty continues

August 5, 2020



Michael Kors revenues dropped by more than 67 percent. Image credit: Michael Kors

By LUXURY DAILY NEWS SERVICE

Fashion group Capri Holdings saw its revenues fall 66.5 percent in the first quarter of fiscal 2021, joining a growing number of luxury groups that have seen significant losses due to the ongoing COVID-19 pandemic.

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For the first quarter ended June 27, the company's revenues were \$451 million. This actually exceeds the initial expectations of the luxury group, whose brands include Versace, Jimmy Choo and Michael Kors.

"The COVID-19 pandemic continues to profoundly impact the entire world," said John D. Idol, chairman/CEO at Capri Holdings, in a statement. "Looking at our progress in the fiscal first quarter, we were encouraged by trends across all three of our luxury houses, with sales and margin performance ahead of our initial expectations.

"We were particularly pleased with the strong growth of our eCommerce business, as well the sequential improvement in overall revenue trends through the first quarter and into July," he said.

COVID impact

Capri Holdings' total revenues for Q1 2021 decreased 66.5 percent on a reported basis and 66.2 percent on a constant currency basis to \$451 million. In the first quarter of fiscal 2020, the company's revenues were \$1.346 billion, despite declines at Jimmy Choo and Michael Kors ([see story](#)).

In light of the pandemic, Capri Holdings did not provide comparable store sales results, focusing instead on total revenues.



Versace was the most resilient Capri Holdings label. Image credit: Versace

Versace saw its revenues decrease 55.1 percent to \$93 million. The Italian fashion house was the most resilient of Capri Holdings' luxury labels.

Jimmy Choo's revenues were \$51 million, a decline of 67.7 percent. Michael Kors revenues decreased 67.7 percent to \$307 million.

Capri Holdings is not providing an earnings guidance for the remainder of fiscal year 2021, citing continued uncertainty about the pandemic and tourism.

"Capri Holdings has a portfolio of three iconic, founder-led fashion luxury brands that have enduring value and a long history of successfully navigating challenging periods," Mr. Idol said. "We will continue to carefully guide our business through the current retail environment, while positioning the company to resume its growth trajectory in fiscal 2022."