

COMMERCE

LVMH sets first half record, revenue up 56pc

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LVMH surpasses forecasts with record revenue growth. Image credit: Christian Dior

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate LVMH Moët Hennessy Louis Vuitton has recorded revenue of 28.7 billion euros, or \$33.89 billion at current exchange, in the first half of 2021, up 56 percent compared to the same period in 2020.

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This performance is largely reflective of accelerated growth in Q2 2021, which saw organic revenue increase by 14 percent, compared to 8 percent in Q1 2021. The group's fashion and leather sector achieved record revenue levels with organic growth of 81 percent compared to 2020, and 38 percent compared to 2019.

"LVMH has enjoyed an excellent half-year and is reaping the benefits of having continued to innovate and invest in its businesses throughout the pandemic despite being in the midst of a global crisis," said Bernard Arnault, chairman and CEO of LVMH, in a statement.

"The creativity, the high-quality and enduring nature of our products and the sense of responsibility that drives us, have been critical in enabling us to successfully withstand the effects of the pandemic," he said. "Within the current context, as we emerge from the health crisis and see a recovery in the global economy, I believe that LVMH is in an excellent position to continue to grow and further strengthen our lead in the global luxury market in 2021."

Key figures

LVMH improved from its pre-pandemic performance in the first half of 2019, when its total revenues were 25.1 billion euros, or \$27.9 billion ([see story](#)).

The fashion and leather goods business group recorded organic revenue growth of 81 percent in the first half of 2021 compared to the same period of 2020. Profit from recurring operations was up 74 percent compared to the first half of 2019 and represents more than three times that of 2020.



The group's acquisition of Tiffany earlier this year has helped solidify its position as a leader in luxury jewelry. Image credit: Tiffany & Co.

Louis Vuitton maintained strong profitability due to the desirability of its designs, and continues to offer customers a unique omnichannel experience.

Similarly, Christian Dior had a strong first half with growth among local customers across all its product categories.

After the successful integration of Tiffany, LVMH's watches and jewelry business recorded organic revenue growth of 71 percent in the first half of 2021. Honoring its commitment to love and diversity, the house launched its first engagement ring for men, the Charles Tiffany Setting.

In watchmaking, TAG Heuer partnered with Porsche and launched the Carrera Porsche chronograph.

In selective retailing, organic revenue was up 12 percent. Sephora achieved solid performance in a commercial environment which was impacted by store closures in several countries in Europe.

Regionally, LVMH sustained revenue growth in Asia and the United States with a gradual recovery in Europe.

Within the context of emerging from the pandemic, LVMH plans to remain focused on strengthening the desirability of its brands, by relying on the quality of its products and the excellence of their distribution, as it looks to reinforce LVMH as a global leader in luxury goods.

The luxury industry is experiencing a flurry of M&A activity, perhaps best exemplified by the shrewd moves and investments made by LVMH.

The group showed that it was ready for a new round of acquisitions in 2019, when it opened its pockets to make an offer to Tiffany & Co. Since then, in the challenging climate of the COVID-19 era, luxury conglomerates have been paying up for new opportunities to increase market share with LVMH building its dominance over rivals Kering and Richemont ([see story](#)).