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Kering sees stable growth in the first half of 2022

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Gucci contributed more than half of the group's overall revenue for the first half of the year. Image credit: Gucci

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate Kering has reported group revenue of \$9.9 billion for the first half of 2022, up 23 percent from last year.

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Sales from the directly operated retail network, including ecommerce, were up 12 percent year-over-year and up 32 percent compared to the second quarter of 2019, driven by local customers and the resumption of tourism in Western Europe. Notably, second-quarter sales rose by 20 percent.

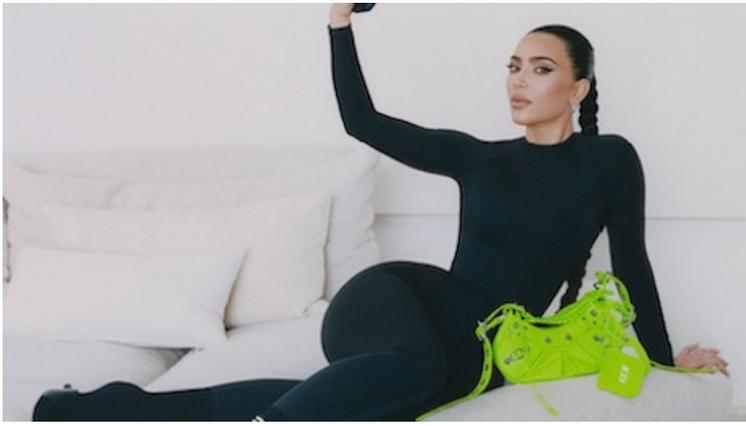
"The group delivered sharply higher sales in the first half of 2022, sustaining last year's topline momentum solid performances in retail around the world more than offset the impact of COVID-related measures in China in the second quarter," said Francois-Henri Pinault, chairman and CEO of Kering, in a statement.

"Each of our houses contributed to the strong double-digit increase in Group operating income, leading to the expanded margin for Kering as a whole," he said. "In a period of heightened uncertainty, Kering is in great shape to surmount short-term challenges, take advantage of new opportunities and support the ambitious strategies and tremendous prospects of all our brands."

Brand breakdown

In the first half of 2022, Gucci's revenue reached \$5.17 billion, an increase of 15 percent compared to 2021. Sales from the directly operated retail network rose 8 percent.

During the second quarter, revenue was up 12 percent. Growth in sales in the directly operated retail network was strong in Western Europe, Japan and North America, well offsetting the impact of lockdowns in China.



Kim Kardashian starred in a February campaign for Balenciaga. Image credit: Balenciaga

Yves Saint Laurent saw revenue in the first half of the year total \$1.48 billion, up 42 percent y-o-y. Sales from the brand's directly operated retail network rose by 41 percent, while revenue from wholesale grew by 10 percent.

Sales in the second quarter of 2022 rose by 40 percent, driven by Western Europe, Japan and North America, while revenue in Asia-Pacific was stable compared to 2021.

In the first half of 2022, Bottega Veneta's revenue amounted to \$834 million, an increase of 18 percent y-o-y. Sales from the directly operated retail network were up 19 percent compared to 2021.

Both Balenciaga and Alexander McQueen maintained their strong growth trajectories, and Brioni saw a solid rebound. Boucheron and Pomellato also delivered encouraging performances.

The other houses, defined by all Kering brands excluding Gucci, Yves Saint Laurent and Bottega Veneta, contributed \$2 billion in revenue to the group's overall earnings.

In May, the group joined a Series A financing round of lab-grown leather startup VitroLabs, reinforcing its sustainability efforts. The startup raised \$46 million in funding ([see story](#)).