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Luxottica H1 earnings up 37pc as margins soar

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Ray-Ban parent company Luxottica has grown Q2 earnings specifically by 36 percent as compared to the second quarter of 2021. Image credit: EssilorLuxottica

By LUXURY DAILY NEWS SERVICE

Italian eyewear conglomerate **EssilorLuxottica**, commonly known as Luxottica, has reported a significant revenue increase for the first half of 2022, up 37 percent as compared to the first half of last year.

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The world's largest eyewear industry player has grown Q2 earnings in particular by 36 percent, as compared to the second quarter of 2021. Luxottica's favorable earnings could be due in large part to "aspirational" shoppers, or clients who, despite falling closer to middle-class status, are able to buy into lower-ticket luxury offerings such as eyewear and small accessories at more accessible price points, therefore making up a significant share of sales according to consulting firm Bain & Co.

"We're pleased to report a strong first half of 2022, with sound growth in all regions and a substantial increase of our operating margin," said Francesco Milleri, Chairman and CEO, and Paul du Saillant, Deputy CEO, at EssilorLuxottica, in a statement.

"As we look ahead, we will continue to carry out the vision of our Chairman Leonardo Del Vecchio, whose leadership and values remain an inspiration to all of us."

EMEA-led earnings

Luxottica's reports reflect strong margin expansion, in addition to promising revenue growth.

The global licensee, which produces eyewear frames and sunglasses for luxury brands such as Chanel, Bulgari, Burberry, Dolce & Gabbana, Prada, Versace, Tiffany, Valentino and Giorgio Armani, pushed its adjusted operating margins to 18.4 percent, up 100 basis points in the first six months of the year.



Luxottica's favorable earnings may be due in large part to "aspirational" shoppers clients who, despite falling close to middle-class status, are able to buy into lower-ticket luxury offerings such as eyewear and small accessories. Image credit: EssilorLuxottica

Europe, the Middle East and Africa (EMEA) led all regions, driving sales with growth in the double digits, while the North American market slowed, though still maintaining positive figures.

The company claims challenges such as a global economic slowdown across the NA and EMEA regions and COVID constraints in China as the root of fiscal impairments for 2022's first two quarters. Luxottica confirmed an outlook of mid-single-digit annual revenue growth from 2022-2026.

The announcement marks the conglomerate's first earnings release since the passing of founder and chairman Leonardo Del Vecchio in late June, which rippled through the luxury eyewear sector and larger fashion industry ([see story](#)).

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