

COMMERCE

Capri Holdings reports 6pc revenue drop during last quarter of 2022

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The report focuses on three of the group's leading houses. Image credit: Capri Holdings

By LUXURY DAILY NEWS SERVICE

U.S. fashion group Capri Holdings reports a 6 percent drop in revenue during the fourth quarter of 2022 as the company struggled to weather the economic conditions at hand.

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According to the report, Capri Holdings brought in a net income of \$225 million during the assessed time period ending December 31, 2022, which the company refers to as Q3. Compared to the \$322 million earned during the same period in 2021, this marks a significant downturn.

"Overall, our performance in the third quarter was more challenging than anticipated," said John D. Idol, CEO and chairman of **Capri Holdings**, in a statement.

"However, many aspects of our business performed well, in particular we were pleased with the continued growth in our own retail channel across all three of our luxury houses," Mr. Idol said. "This is a testament to the strength of our powerful iconic brands, as well as the success of our strategic initiatives."

Looking forward

Total revenues at Capri Holdings landed at \$1.51 billion in the last quarter of 2022, decreasing 6.0 percent year-over-year. Fiscal reporting focuses on the U.S. fashion group's three leading brands Jimmy Choo, Versace and Michael Kors.

Net inventory reached \$1.188 billion in value during the quarter, marking a 21 percent increase year-over-year.

Italian fashion label Versace's revenue of \$249 million saw a slight year-over-year decrease of 0.8 percent.

British footwear label Jimmy Choo and U.S. fashion label Michael Kors took the largest Q4 hits of the portfolio, down 5.6 percent and 7.2 percent respectively.



Live as of January 2023, a new Jimmy Choo campaign featuring American model Kendall Jenner could work to raise sales in future fiscals. Image credit: Jimmy Choo

Going forward, the group expects, among other markers, total revenues of approximately \$5.56 billion in the 2023 fiscal year.

"As we look to fiscal 2024 we expect Capri Holdings to generate mid-single-digit revenue and earnings growth," Mr. Idol said.

"We remain confident in our ability to achieve our long-term goals over time due to the resilience of the luxury industry, the strength of our portfolio of luxury houses and the talented group of employees executing our strategic initiatives."

Capri Holdings recently received high marks from the Global Authority on Workplace Culture, per the group's December 2022 Consumer Social Responsibility Report, which showed heightened ESG progress ([see story](#)).

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