

COMMERCE

## Kering suffers 7pc revenue loss in fourth quarter of 2022

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*The conglomerate experienced its fair share of executive changes, divisional launches and media controversies in 2022. Image credit: Kering*

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate Kering is reporting a drop in revenue for last year's last quarter.

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Amidst changes in personnel and a notable media scandal, the group's Q4 2022 revenue dipped 7 percent year-over-year, in the period ending on Dec. 31, 2022. Still, full-year revenues reached new heights, thanks, in part, to efforts from houses like Italian fashion house Bottega Veneta, as well as contributions from eyewear.

"All our Houses posted record revenues and contributed to higher operating income in 2022," said Francois-Henri Pinault, CEO and chairman of **Kering**, in a statement.

"But these good performances were not uniformly up to our ambitions and potential. Beyond the challenges some of our houses faced, notably towards the end of the year, we are convinced that we are pursuing the right strategy for the long term," Mr. Pinault said. "In an environment that remains uncertain, I have no doubt that 2023 will be another year of success for our houses and of growth for our group."

### Ups and downs

On a quarterly basis, losses were felt most urgently at Kering's top revenue driver, Gucci, where the departure of the house's head creative ([see story](#)) seemed to shake sales a bit by year's end.

Stunted sales at the Italian fashion label, in addition to a difficult December for Spanish fashion house Balenciaga, contributed to a slight sales slide in Q4.

For comparison, 2021 sales during the same period landed at 5.41 billion euros, or \$5.77 billion at current exchange, versus 5.28 billion euros, or \$5.63 billion in Q4 2022.

As a group, Kering saw greater levels of success.

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Annual earnings for 2022 amount to 220.35 billion euros, or \$21.7 billion at current exchange, up 9 percent year-over-year.

Here, Gucci had a standout sales year, in addition to two other houses.

French fashion house Saint Laurent's FY22 sales account for 3.3 billion euros, or \$3.52 billion of total revenues, with a 23 percent y-o-y increase.

Meanwhile, Bottega Veneta's annual sales were 1.7 billion euros, or \$1.81 billion, up 11 percent y-o-y.

The Kering Eyewear and Corporate division broke the billion-dollar mark in 2022 with a 27 percent y-o-y revenue increase, 30 percent in Q4 alone.

This is thanks, especially, to strong performances by the Lindberg ([see story](#)), and the newly-acquired Maui Jim label ([see story](#)).

The group broke ground in 2022 with the launch of new beauty arm Kering Beaut ([see story](#)) – the division's fiscal performance remains to be seen.

Notably, the report did not separate Balenciaga's results out, rather, including the brand in an "Other Houses" category, which experienced a Q4 2022 drop of four percent, likely due to a set of controversial ads met with much backlash last November ([see story](#)).

The conglomerate is home to several additional renowned fashion houses including DoDo, Queelin, Pomellato, Brioni and Alexander McQueen, the latter of which also welcomed a new CEO last year ([see story](#)).