

COMMERCE

Retail carries Richemont to all-time sales high in 2022

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Helmed by the jewelry maisons, Richemont's sales increased by 14 percent year-over-year at constant exchange rates during the fiscal year, ending on March 31, 2023. Image credit: Cartier

By LUXURY DAILY NEWS SERVICE

Swiss luxury conglomerate Richemont has recorded strong financial figures for the year.

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With significant gains across all regions, the conglomerate saw nearly 20 billion euros in group sales or \$21.7 billion at current exchange. Year-over-year, sales increased by 19 percent at actual exchange rates and 14 percent at constant exchange rates.

"Richemont reported excellent results for the financial year ended 31 March 2023, with all business areas generating higher sales and profits," said Johann Rupert, chairman at [Richemont](#), in a statement.

"The Group has drawn on the strength of its Maisons and the resilience of luxury consumers in an environment characterized by geopolitical volatility, economic uncertainty and high inflation."

Favorable figures

By the end of the reporting period, Richemont saw sales growth across all business areas, regions and distribution channels at both constant exchange rates and actual exchange rates.

The conglomerate's sales were up in the Asia Pacific region by 6 percent at actual rates. All other regions offered double-digit growth compared to last year ([see story](#)).



According to Richemont, this quarter's operating profit of \$5.5 billion is a record-high, up 34 percent year-over-year. Image credit: Shutterstock

"This performance was led by retail, Japan and Europe, closely followed by the Americas," Mr. Rupert said.

"Sales in directly-operated stores continued to outperform the other distribution channels markedly, their contribution to Group sales rising to 68 percent, and combined with online sales accounted for almost three-quarters of Group sales," he said. "Both outcomes demonstrate the success of our ongoing client engagement strategy."

According to Richemont, this year's operating profit of 5 billion euros, or \$5.5 billion is a record-high for the group, up 34 percent year-over-year.

Profits increased 60 percent year-over-year from continuing operations to 3.9 billion euros, or \$4.3 billion at current exchange.

Like last year, Richemont's jewelry maisons which includes Cartier, Buccellati and Van Cleef & Arpels led the growth with combined sales rounding out at 13.4 billion euros or \$14.7 billion at current exchange, with an operating profit of 4.7 billion euros or \$5.1 billion. Together, their operating margin rose 34.9 percent compared to 2022.

The watchmaker category grew by 19 percent, propelling combined sales to 3.9 billion euros, or \$4.2 billion at current exchange.

Richemont's "other" maisons made up mainly of apparel and accessory labels such as Alaa, Chloe and Montblanc also saw 19 percent growth compared to last year, recording sales of 2.7 billion euros or \$2.9 billion at current exchange.

Despite the favorable numbers across categories, the company cites a "3.6 billion euro loss from discontinued operations primarily resulting from the 3.4 billion euro non-cash write-down of YNAP net assets." Online retailer Farfetch bought Yoox Net-A-Porter from the group in 2022 ([see story](#)).

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