

COMMERCE

Burberry adjusts FY24 outlook after quarterly sales come up short

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The brand is lessening its expectations for the full 2024 financial year as Q3 comes up short. Image credit: Burberry

By LUXURY DAILY NEWS SERVICE

British fashion label Burberry is issuing a profit warning following sales slumps around the world.

The company's retail revenue dipped 7 percent year-over-year in the 13 weeks to Dec. 30, 2023. Dropping to 706 million pounds on Dec. 30, 2023, or about \$900 million at current exchange, as compared to the 756 million pounds, or \$964 million, garnered during the last quarter of 2022, Burberry's latest fiscal report arrives as luxury's slowdown continues.

"We are continuing to deliver the transition to our new modern British luxury creative expression for Burberry which started appearing in our stores in early autumn," said Jonathan Akeroyd, CEO of [Burberry](#), in a statement.

"We are still in the early stages of executing on this, which has become more challenging against the backdrop of slowing luxury demand," Mr. Akeroyd said. "We experienced a further deceleration in our key December trading period and we now expect our full-year results to be below our previous guidance.

"We remain confident in our strategy to realize Burberry's potential and we are committed to achieving our 4 billion revenue ambition."

Looking down

By region, the only area that did not see a decrease in comparable store sales was APAC, which showed a year-over-year increase of 3 percent in the final quarter of 2023.

While modest gains were made in mainland China, South Asia Pacific and Japan, retail sales were down 10 percent in South Korea.



Despite its slowed sales, Burberry continues to keep its language positive, recently releasing a vibrant campaign starring young faces. Image credit: Burberry

In EMEA, the loss stands at 5 percent. The largest slide in sales was found in the Americas, which declined 15 percent.

Despite these figures, Burberry states that it remains confident in its strategy, and is committed to reaching its 4 billion pound, or \$5 billion at current exchange, revenue goal this year.

Due to the luxury slowdown, however, the company is stating that it expects an adjusted operating profit for the 2024 financial year ending on March 30 to be between 410 million pounds and 460 million pounds, or \$523 million and \$587 million at current exchange. This is below previous guidance, which in November 2023, stood at between 552 million pounds and 668 million pounds, or \$704 million and \$852 million at current exchange ([see story](#)).

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