PublicCompanyReport

LVMH

MOËT HENNESSY . LOUIS VUITTON

FYE December 31, 2024

Published: February 25, 2025

retailstat™ FINANCIAL

Analyst: **Ramona Bolozan,** 800-789-0123 Ext. 124

Contact Information

+33 (0)1 44 13 22 22
www.lvmh.com
22, Avenue Montaigne
Paris, France

Key Personnel

Bernard Arnault	Chairman & CEO
Jean-Jacques Guiony	Senior Director - Finance

Business Description

LVMH is a French multinational luxury goods retailer headquartered in Paris, France. The Company controls around 60 subsidiaries that each manage a small number of brands and are often managed independently. In the U.S., the Company operates over 500 Sephora stores and 130 Louis Vuitton stores.

This report is issued to the Subscriber for its exclusive use only and is compiled from sources which RetailStat, LLC ("RetailStat"), does not control and unless indicated is not verified. RetailStat, its principals, analysts, writers and agents do not guarantee the accuracy, completeness or timeliness of the information provided nor do they assume responsibility for the information reported herein nor for failure to report any matter omitted or withheld. This report and/or any part thereof may not be reproduced, and/or transmitted in any manner whatsoever. Any reproduction and/or transmission without the written consent of RetailStat is in violation of Federal and State Law.

retailstat FINANCIAL

Analytical Overview

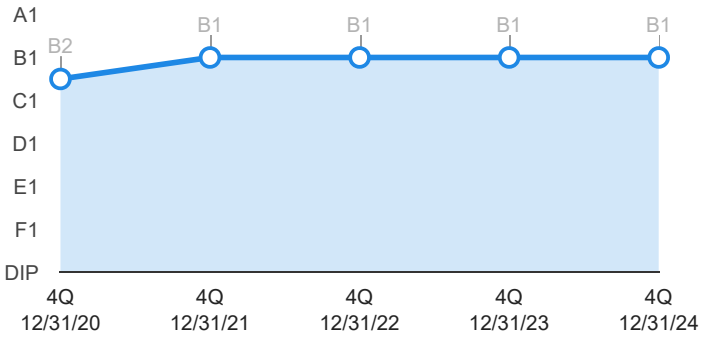
Analyst : Ramona Bolozan

LVMH's FY24 revenue declined 1.7% to €84.68 billion (up 1% on an organic basis) as consumer demand softened amid economic and geopolitical challenges during the year. Revenue remained strong in Europe, the U.S. and Japan but declined in the rest of Asia, primarily due to economic slowdowns and reduced luxury spending in China. In FY24, LVMH generated 25% of its total consolidated revenue in the U.S., 28% in Asia, 17% in Europe (excluding France), 8% in France, 9% in Japan and 13% in other markets. On a constant currency basis, revenue decreased across all business segments except Perfumes and Cosmetics (9.9% of total sales), which increased 4%, and Selective Retailing (21.6% of total sales), which rose 6%. Revenue decreased 1% in the Fashion and Leather Goods business (representing 48.5% of total revenues) while the segment's operating profit fell 10% to €15.23 billion. Competitive pressures from Hermes are challenging the segment's luxury handbag sales. Despite this, Louis Vuitton and Dior maintained strong market positions. The Selective Retailing segment's operating income remained stable at €1.39 billion. Sephora continued to perform strongly, with double-digit growth in both revenue and profit for the year. Sephora continued to expand its store base, primarily through its partnership with Kohl's, to about 900 stores with plans to expand to all 1,100-plus Kohl's stores in 2025. Meanwhile, Kohl said it is closing 27 underperforming stores in 15 states as well as an e-commerce distribution center in San Bernardino, CA. This is likely just the beginning as we estimate there are hundreds of locations that may be vulnerable to closing. The Wines and Spirits division's operating profit declined 36%, largely due to reduced demand for products like Hennessy cognac in the U.S. market. Watches and Jewelry reported a 28% decrease in operating profit to €1.55 billion, impacted by weakened demand in key markets, particularly in China, while Richemont's Cartier and other major brands such as Rolex and Audemars Piguet are adding to the segment's competitive pressures. However, management noted that Tiffany has seen revenue from high jewelry quadruple and operating profit double since its acquisition.

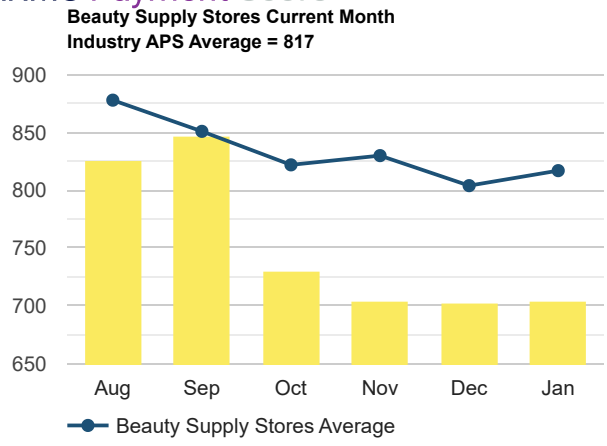
Overall, consolidated EBITDA declined 10.5% to €24.11 billion for the year. On the real estate front, LVMH added 210 new locations in FY24, with 65 of these in the U.S., ending the year with a total store count of 6,307. Total debt rose 4.7% to €22.94 billion, but leverage, as measured by the total debt-to-EBITDA ratio, remained in comfortable territory at 1x at FYE. LVMH generated a solid €13.39 billion in free cash flow. At year-end, liquidity was ample, supported by €9.63 billion in cash and full availability under the Company's unsecured lines of credit, aggregating €10.80 billion. Despite the FY24 hurdles, LVMH's strategic initiatives and diversified brand portfolio position it well for a potential industry-wide recovery in the coming year, particularly as Chinese consumer spending is expected to gradually recover.

Ramona Bolozan - 800-789-0123 Ext. 124

CreditRating: **B1**



ARMS Payment Score **703**



Highlights

Management Comment

Bernard Arnault, chairman and CEO of LVMH, commented, “In 2024, amid an uncertain environment, LVMH showed strong resilience. This capacity to weather the storm in highly turbulent times – already illustrated on many occasions throughout our Group’s history – is yet another testament to the strength and relevance of our strategy. The creativity and very high quality of our products, our steadfast commitment to excellence, the agility of our teams and the good geographic balance of our locations underpin the success of LVMH and its Maisons, backed by the dedication of all our people. This dedication was also behind one of the Group’s finest collective achievements of 2024: LVMH and its Maisons’ partnership with the Paris 2024 Olympic and Paralympic Games, which helped make the world’s foremost sports competition a resounding success and showcased French expertise and craftsmanship on the global stage. As part of our ongoing commitment to design, culture and heritage, we were also glad to witness the reopening of Notre-Dame Cathedral in Paris at the end of the year, even more beautiful following its restoration, which took place with support from donors including LVMH. We also recently celebrated the 10th anniversary of the highly successful Fondation Louis Vuitton, which has drawn 11 million visitors since it opened and maintained its mission of making cultural events accessible to the widest possible audience. While remaining highly vigilant with regard to cost management and our single-minded focus on the desirability of our designs, we enter 2025 with confidence. Guided by our mission – ‘Passionate about creativity’ – and our core values, the Group will rely on the agility and talent of its teams to set the stage for future success and further extend its leadership in the luxury market.”

Acquisitions

In September 2024, LVMH and Remo Ruffini, chairman, CEO and owner of Moncler, entered into an investment agreement under which LVMH plans to acquire, over a period of 19 months, up to 22% of Double R, the holding company that controls Moncler. Double R will hold up to an 18.5% stake in Moncler.

Capital Expenditures

Capital expenditures during FY24 totaled €5.53 billion, compared with €7.48 billion last year, a 26% decrease. Capex was primarily related to investments in retail networks, including Louis Vuitton, Christian Dior, Tiffany and Sephora. Expenditures also included investments by the champagne houses, Hennessy and Parfums Christian Dior in their production equipment, as well as investments relating to the Company's hotel activities. In addition, a building was acquired in Tokyo, mainly in order to operate stores in it.

Credit Availability

The Company maintains unsecured lines of credit aggregating €10.80 billion. As of December 31, 2024, there were no borrowings outstanding and full availability under these lines of credit. The availability exceeded the outstanding portion of the Company's short-term negotiable debt securities programs, which totaled €7.20 billion as of December 31, 2024.

retailstat FINANCIAL

Financial Snapshot

(Euro in Millions)

	3 Months Ended			12 Months Ended		
Operating Performance	12/31/24	12/31/23	% Change	12/31/24	12/31/23	% Change
Sales	€ 84,683.0	€ 86,153.0	-1.7%	€ 84,683.0	€ 86,153.0	-1.7%
Store Count	6,307	6,097	3.4%	6,307	6,097	3.4%
Comp Store Sales (% Change)	1.0%	13.0%		1.0%	13.0%	
Gross Margin	67.0%	68.8%	-1.8%	67.0%	68.8%	-1.8%
SG&A Margin	38.6%	37.5%	1.1%	38.6%	37.5%	1.1%
EBITDA	€ 24,111.0	€ 26,941.0	-10.5%	€ 24,111.0	€ 26,941.0	-10.5%
EBITDA Margin	28.5%	31.3%	-2.8%	28.5%	31.3%	-2.8%
Op. Income (Loss)	€ 19,543.0	€ 22,795.0	-14.3%	€ 19,543.0	€ 22,795.0	-14.3%
Int. Exp (Income)	€ 952.0	€ 760.0	25.3%	€ 952.0	€ 760.0	25.3%
Net Income (Loss)	€ 12,550.0	€ 15,174.0	-17.3%	€ 12,550.0	€ 15,174.0	-17.3%
Interest Coverage	25.3	35.5	-28.5%	25.3	35.5	-28.5%
Capital Expenditures	€ 5,531.0	€ 7,478.0	-26.0%	€ 5,531.0	€ 7,478.0	-26.0%
Capex Margin	6.5%	8.7%	-2.2%	6.5%	8.7%	-2.2%
Working Capital & Liquidity Indicators						
Cash and Equivalents	€ 9,631.0	€ 7,774.0	23.9%	€ 9,631.0	€ 7,774.0	23.9%
Accounts Receivable	€ 4,730.0	€ 4,728.0	0.0%	€ 4,730.0	€ 4,728.0	0.0%
Inventory	€ 23,669.0	€ 22,952.0	3.1%	€ 23,669.0	€ 22,952.0	3.1%
% Inventory financed by vendors	36.5%	39.4%	-2.9%	36.5%	39.4%	-2.9%
Inventory turnover (annualized)	2.4	2.5	-3.2%	2.4	2.5	-3.2%
Accounts Payable	€ 8,630.0	€ 9,049.0	-4.6%	€ 8,630.0	€ 9,049.0	-4.6%
Days Payable Outstanding	27.8	30.3	-8.2%	111.3	121.2	-8.2%
Working Capital	€ 13,775.0	€ 10,565.0	30.4%	€ 13,775.0	€ 10,565.0	30.4%
Current ratio	1.4	1.3	6.8%	1.4	1.3	6.8%
Debt & Leverage Ratios						
Total Debt	€ 22,942.0	€ 21,907.0	4.7%	€ 22,942.0	€ 21,907.0	4.7%
Net Debt (Net Cash)	€ 13,311.0	€ 14,133.0	-5.8%	€ 13,311.0	€ 14,133.0	-5.8%
Stockholder's equity	€ 69,287.0	€ 62,701.0	10.5%	€ 69,287.0	€ 62,701.0	10.5%
Tangible net worth	€ 22,700.0	€ 13,090.0	73.4%	€ 22,700.0	€ 13,090.0	73.4%
Total debt to equity ratio	0.3	0.4	-5.7%	0.3	0.4	-5.7%
Total debt to TTM EBITDA	1.0	0.8	17.3%	1.0	0.8	17.3%
Net debt To TTM EBITDA	0.6	0.5	5.2%	0.6	0.5	5.2%

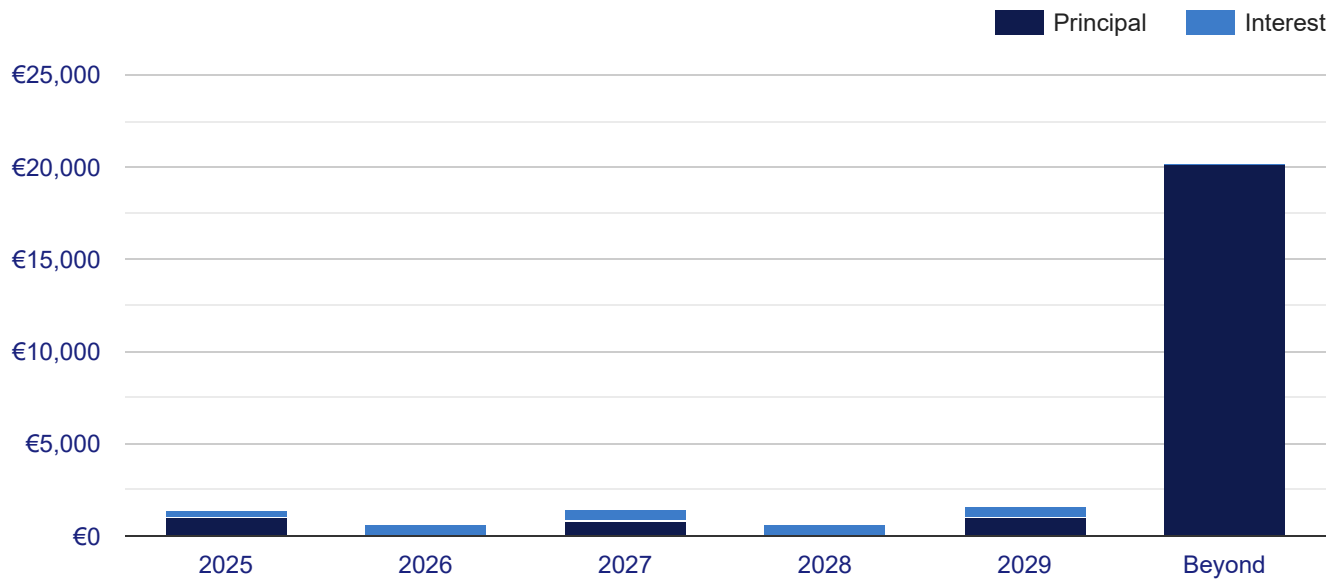
Debt Analysis

Approximate Date/Euro in Millions

Outstanding 2024-12-31	Maturity Date	Interest Rate	Instrument	Security	Next Payment Date	Next Payment Amount
€ 1,000.00	10/01/25	3.38%	Bond	Unsecured	07/01/25	€ 16.9 *i*
€ 800.00	11/01/27	2.75%	Bond	Unsecured	05/01/25	€ 11.0 *i*
€ 1,000.00	09/01/29	3.25%	Euro Bond	Unsecured	03/01/25	€ 16.3 *i*
€ 850.00	02/01/30	3.38%	Bond I	Unsecured	02/01/25	€ 14.4 *i*
€ 1,500.00	02/01/31	0.38%	Tiffany Bond	Unsecured	02/01/25	€ 2.9 *i*
€ 700.00	11/01/32	3.13%	Bond	Unsecured	05/01/25	€ 11.0 *i*
€ 1,500.00	09/01/33	3.50%	Euro Bond	Unsecured	03/01/25	€ 26.3 *i*
€ 650.00	10/01/34	3.50%	Bond	Unsecured	04/01/25	€ 11.4 *i*
€ 14,942.00	-	3.00%	Other	-	07/01/25	€ 224.1 *i*
€ 22,942.00						

i=Interest Payment; p=Principal Payment; b=Both Interest and Principal Payments Due

Debt Maturity Wall



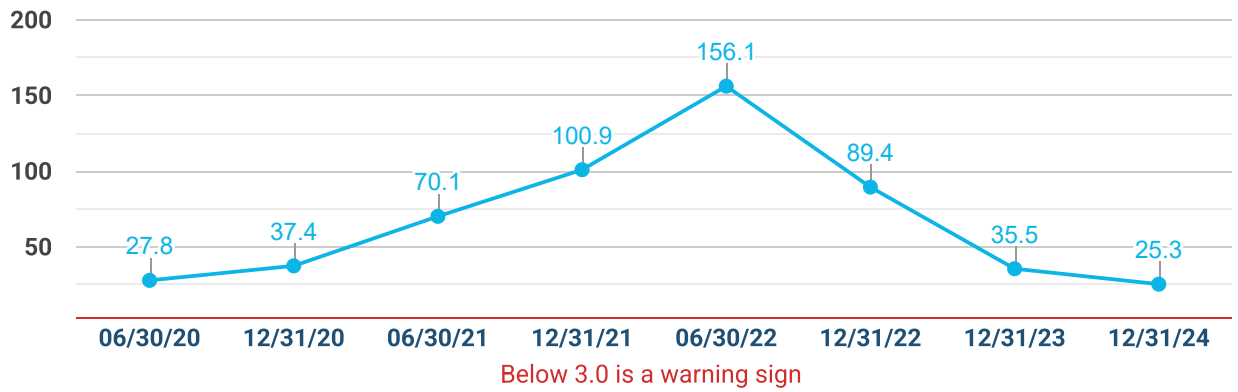
retailstat FINANCIAL

Free Cash Flow Analysis

(Euro in Millions)

	FYE 12/31/24	FYE 12/31/23	FYE 12/31/22	FYE 12/31/21
Cash From Operations	€ 18,924.0	€ 18,400.0	€ 17,833.0	€ 18,648.0
Cash From Investing	(6,539.0)	(8,310.0)	(5,920.0)	(15,979.0)
Cash From Financing	(10,716.0)	(9,397.0)	(12,685.0)	(15,156.0)
Net Change in Cash	1,669.0	693.0	(772.0)	(12,487.0)
Cash From Operations	18,924.0	18,400.0	17,833.0	18,648.0
+ Interest Expense (Income)	952.0	760.0	271.0	201.0
Capital Expenditures	5,531.0	7,478.0	4,969.0	2,664.0
Free Cash Flow Before Interest Expense	14,345.0	11,682.0	13,135.0	16,185.0
Free Cash Flow / Interest Expense	15.1	15.4	48.5	80.5
Free Cash Flow After Interest Expense	13,393.0	10,922.0	12,864.0	15,984.0
Debt Service				
Total Debt	€ 22,942.0	€ 21,907.0	€ 19,739.0	€ 20,240.0
Revolver Available	10,800.0	11,100.0	11,000.0	13,100.0
Cash & Cash Equivalents	9,631.0	7,774.0	7,300.0	8,021.0
Total Liquidity	€ 20,431.0	€ 18,874.0	€ 18,300.0	€ 21,121.0

Interest Coverage

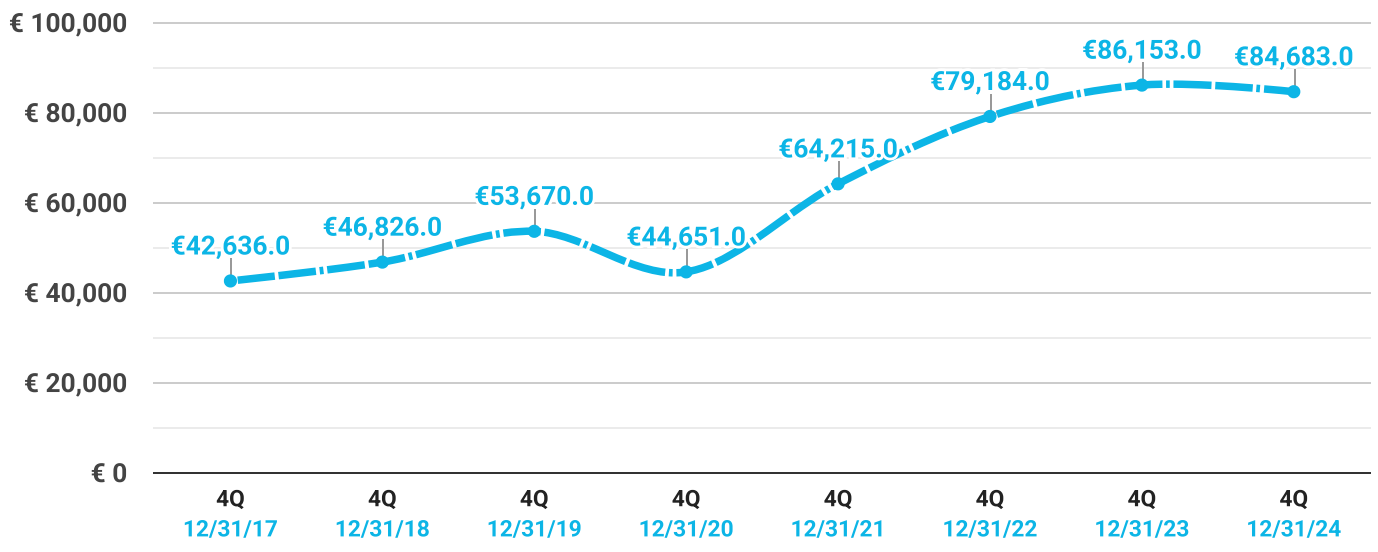


Below 3.0 is a warning sign

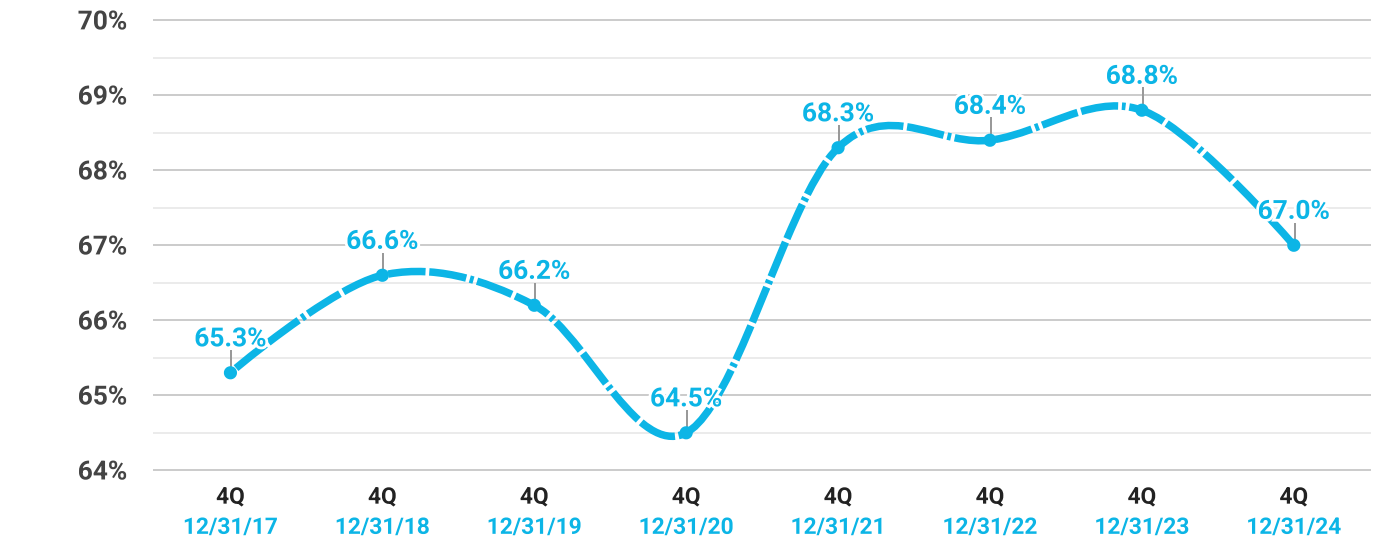
Performance Charts

(U.S. Dollars in Millions unless otherwise noted)

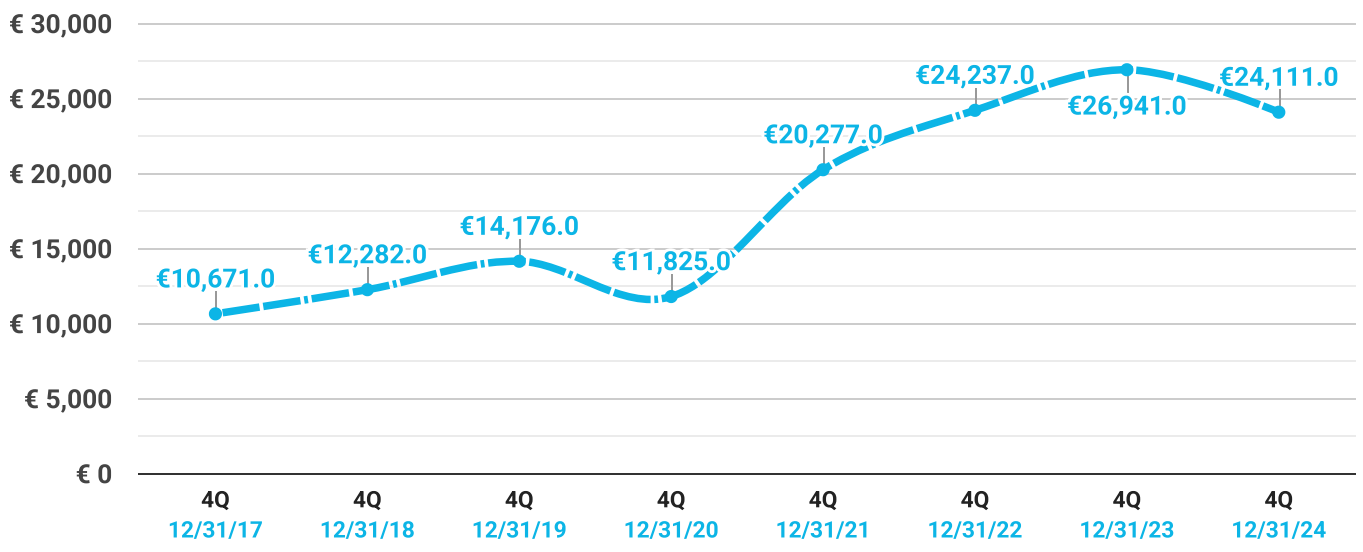
YTD Sales



YTD Gross Margin



YTD EBITDA


€ 30,000
€ 25,000
€ 20,000
€ 15,000
€ 10,000
€ 5,000
€ 0
€10,671.0
€12,282.0
€14,176.0
€11,825.0
€20,277.0
€24,237.0
€26,941.0
€24,111.0
4Q 12/31/17
4Q 12/31/18
4Q 12/31/19
4Q 12/31/20
4Q 12/31/21
4Q 12/31/22
4Q 12/31/23
4Q 12/31/24

Segment Results

Revenues by Business Group *(EUR in millions)*	**31-Dec-24**	**31-Dec-23**	**% Change Difference**
Wines and Spirits	5,862	6,602	-11%
Fashion and Leather Goods	41,060	42,169	-3%
Perfumes and Cosmetics	8,418	8,271	2%
Watches and Jewelry	10,577	10,902	-3%
Selective Retailing	18,262	17,885	2%
Other Activities and eliminations	504	324	56%
Total	84,683	86,153	-2%

Revenues by Geographic Region	**31-Dec-24**	**31-Dec-23**	**31-Dec-24** # of Stores	**31-Dec-23** # of Stores
Europe (excluding France)	17%	17%	1,254	1,213
United States	25%	25%	1,193	1,128
France	8%	8%	553	550
Japan	9%	7%	510	497
Asia (excluding Japan)	28%	31%	2,019	2,003
Other Markets	13%	12%	778	706
Total	100%	100%	6,307	6,097

Operating Income by Business Group *(EUR in millions)*	**31-Dec-24**	**31-Dec-23**	**% Change Difference**
Wines and Spirits	1,356	2,109	-36%
Fashion and Leather Goods	15,230	16,836	-10%
Perfumes and Cosmetics	671	713	-6%
Watches and Jewelry	1,546	2,162	-28%
Selective Retailing	1,385	1,391	0%
Other Activities and eliminations	(617)	(409)	51%
Total	19,571	22,802	-14%

Income Statement..

CONSOLIDATED INCOME STATEMENT

(EUR millions, except for earnings per share)	Notes	2024	2023	2022
Revenue	24	**84,683**	**86,153**	**79,184**
Cost of sales		(27,918)	(26,876)	(24,988)
Gross margin		**56,765**	**59,277**	**54,196**
Marketing and selling expenses		(31,002)	(30,768)	(28,151)
General and administrative expenses		(6,220)	(5,714)	(5,027)
Income/(Loss) from joint ventures and associates	8	28	7	37
Profit from recurring operations	24	**19,571**	**22,802**	**21,055**
Other operating income and expenses	25	(664)	(242)	(54)
Operating profit		**18,907**	**22,560**	**21,001**
Cost of net financial debt		(442)	(367)	(17)
Interest on lease liabilities		(510)	(393)	(254)
Other financial income and expenses		160	(175)	(617)
Net financial income/(expense)	26	**(792)**	**(935)**	**(888)**
Income taxes	27	(5,157)	(5,673)	(5,362)
Net profit before minority interests		**12,958**	**15,952**	**14,751**
Minority interests	18	(408)	(778)	(667)
Net profit, Group share		**12,550**	**15,174**	**14,084**
Basic Group share of net earnings per share *(EUR)*	28	**25.13**	**30.34**	**28.05**
Number of shares on which the calculation is based		499,412,515	500,056,586	502,120,694
Diluted Group share of net earnings per share *(EUR)*	28	**25.12**	**30.33**	**28.03**
Number of shares on which the calculation is based		499,681,046	500,304,316	502,480,100

Balance Sheet

CONSOLIDATED BALANCE SHEET

Assets *(EUR millions)*	Notes	**2024**	**2023**	**2022**
Brands and other intangible assets	3	26,280	25,589	25,432
Goodwill	4	20,307	24,022	24,782
Property, plant and equipment	6	29,886	27,331	23,055
Right-of-use assets	7	16,620	15,679	14,615
Investments in joint ventures and associates	8	1,343	991	1,066
Non-current available for sale financial assets	9	1,632	1,363	1,109
Other non-current assets	10	1,106	1,017	1,186
Deferred tax		4,545	3,992	3,661
Non-current assets		**101,719**	**99,984**	**94,906**
Inventories and work in progress	11	23,669	22,952	20,319
Trade accounts receivable	12	4,730	4,728	4,258
Income taxes		986	533	375
Other current assets	13	8,455	7,723	7,488
Cash and cash equivalents	15	9,631	7,774	7,300
Current assets		**47,471**	**43,710**	**39,740**
Total assets		**149,190**	**143,694**	**134,646**

Liabilities and equity *(EUR millions)*	Notes	**2024**	**2023**	**2022**
Equity, Group share	16	67,517	61,017	55,111
Minority interests	18	1,770	1,684	1,493
Equity		**69,287**	**62,701**	**56,604**
Long-term borrowings	19	12,091	11,227	10,380
Non-current lease liabilities	7	14,860	13,810	12,776
Non-current provisions and other liabilities	20	3,856	3,880	3,902
Deferred tax		7,344	7,012	6,952
Purchase commitments for minority interests' shares	21	8,056	11,919	12,489
Non-current liabilities		**46,207**	**47,848**	**46,498**
Short-term borrowings	19	10,851	10,680	9,359
Current lease liabilities	7	2,972	2,728	2,632
Trade accounts payable	22	8,630	9,049	8,788
Income taxes		1,231	1,148	1,211
Current provisions and other liabilities	22	10,012	9,540	9,553
Current liabilities		**33,696**	**33,145**	**31,543**
Total liabilities and equity		**149,190**	**143,694**	**134,646**

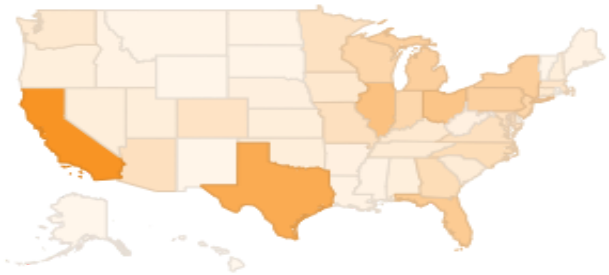
Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT

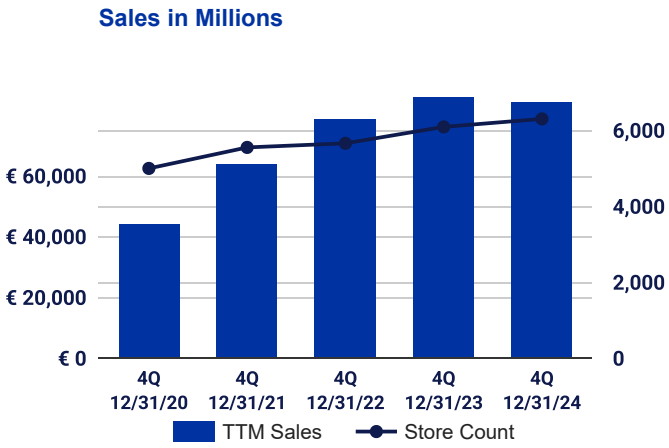
(EUR millions)	Notes	2024	2023	2022
I. OPERATING ACTIVITIES				
Operating profit		18,907	22,560	21,001
(Income)/Loss and dividends received from joint ventures and associates	8	29	42	26
Net increase in depreciation, amortization and provisions		4,568	4,146	3,219
Depreciation of right-of-use assets	7.1	3,228	3,031	3,007
Other adjustments and computed expenses		488	(259)	(483)
Cash from operations before changes in working capital		**27,220**	**29,520**	**26,770**
Cost of net financial debt: interest paid		(357)	(457)	(74)
Lease liabilities: interest paid		(483)	(356)	(240)
Tax paid		(5,531)	(5,730)	(5,604)
Change in working capital	15.2	(1,925)	(4,577)	(3,019)
Net cash from/(used in) operating activities		**18,924**	**18,400**	**17,833**
II. INVESTING ACTIVITIES				
Operating investments	15.3	(5,531)	(7,478)	(4,969)
Purchase and proceeds from sale of consolidated investments	2	(438)	(721)	(809)
Dividends received		9	5	7
Tax paid related to non-current available for sale financial assets and consolidated investments		-	-	-
Purchase and proceeds from sale of non-current available for sale financial assets	9	(579)	(116)	(149)
Net cash from/(used in) investing activities		**(6,539)**	**(8,310)**	**(5,920)**
III. FINANCING ACTIVITIES				
Interim and final dividends paid	15.4	(7,322)	(7,159)	(6,774)
Purchase and proceeds from sale of minority interests		(173)	(17)	(351)
Other equity-related transactions	15.4	(224)	(1,569)	(1,604)
Proceeds from borrowings	19	3,595	5,990	3,774
Repayment of borrowings	19	(3,676)	(3,968)	(3,891)
Repayment of lease liabilities	7.2	(2,915)	(2,818)	(2,751)
Purchase and proceeds from sale of current available for sale financial assets	14	(1)	144	(1,088)
Net cash from/(used in) financing activities		**(10,716)**	**(9,397)**	**(12,685)**
IV. EFFECT OF EXCHANGE RATE CHANGES		**80**	**(273)**	***55***
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV)		**1,749**	**420**	**(717)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	15.1	**7,520**	**7,100**	**7,817**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15.1	**9,269**	**7,520**	**7,100**
TOTAL TAX PAID		**(5,790)**	**(6,106)**	**(5,933)**

StoreTrends Overview

Sephora



Sales and Store Count





This report is issued to the Subscriber for its exclusive use only and is compiled from sources which RetailStat, LLC ("RetailStat"), does not control and unless indicated is not verified. RetailStat, its principals, analysts, writers and agents do not guarantee the accuracy, completeness or timeliness of the information provided nor do they assume responsibility for the information reported herein nor for failure to report any matter omitted or withheld. This report and/or any part thereof may not be reproduced, and/or transmitted in any manner whatsoever. Any reproduction and/or transmission without the written consent of RetailStat is in violation of Federal and State Law.