Israel's Delta Galil announced on Monday revenues for the first quarter lifted 16%, another quarterly sales record for the company, which also posted a 26% uptick in net profits for the three months ending March 31.

The Caesarea-based company reported sales of $483.9 million in the first quarter of 2022, a 16% increase from $416.1 million in the first quarter of 2021. By channel, owned e-commerce website sales declined 22% to $54.9 million, after a dip in web traffic as customers shifted back to stores, the company explained.

A global manufacturer and marketer of branded and private label intimate, activewear, loungewear and denim apparel for men, women and children, Delta Galil said net income for the first quarter surged 26% to $18.9 million, compared to $15.1 million in the prior-year quarter.

"We are pleased with our strong first quarter results, which marked five consecutive quarters of record quarter revenue and seven consecutive quarters of record quarter operating margins," said Isaac Dabah, CEO of Delta Galil.

"We delivered record quarterly EBIT and net income, driven by higher sales across all geographic regions, successful execution of our innovation-driven growth strategy, and benefits from operating leverage. We maintained strong gross margins despite rising freight and production costs."

As a result, full year 2022 sales are expected to range between $2.082 billion and $2.135 billion, representing an increase of 7% to 9% compared to 2021 sales of $1.951 billion. Likewise, net income is expected to sit between $138 million and $145 million, representing an increase of 11% to 17%.

"Looking ahead, our profitable growth trajectory, strong balance sheet and global workforce position us to meet our customers' growing demands, while effectively managing our cost structure," added Dabah.

Founded in 1975, Delta Galil currently holds manufacturing partnerships for apparel, intimates and underwear with 7 For All Mankind, Adidas, Wolford, Wilson, Spalding, Columbia and Tommy Hilfiger, among others.
Most recently, the company partnered with Adidas on full-range of underwear collections for Adidas Originals and Badge of Sport. The underwear is said to be about “comfort at the core” with lots of materials tech included.

By Benjamin Fitzgerald

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