PVH earnings, sales exceed guidance; Calvin Klein shines

By Benjamin Fitzgerald - June 2, 2022

PVH Corp. announced on Wednesday revenues and earnings surpassed expectations for the first quarter, prompting the owner of Calvin Klein and Tommy Hilfiger to reaffirm its full-year outlook for fiscal 2022.

The New York-based company said revenues for the first quarter increased 2% to $2.123 billion compared to the prior year period. By brand, Tommy Hilfiger revenue increased 2%, after a 15% uptick in the American apparel brand's North America revenues, partially offset by a 2% dip in its international revenue.

The company's luxury darling Calvin Klein saw revenues increase 13% compared to the prior year period, including a 7% increase in international revenue and a 26% increase in North America revenue.

The company's Heritage Brands revenue decreased 31% compared to the prior year period. The decline included a 42% decrease "resulting from the Heritage Brands transaction and the exit from the Heritage Brands Retail business," said PVH Corp. in a press release.

"We are pleased with our first quarter performance in which we delivered strong underlying top-line growth and beat our guidance. This performance is just the beginning of our multi-year journey to execute the PVH+ Plan – our strategic growth plan that we unveiled at our recent investor day," said Stefan Larsson, chief executive officer, PVH Corp.

"The plan is centered around winning with the consumer through our brand-focused, direct-to-consumer and digitally-led approach across each of our regions to unlock the full potential of our two global iconic brands, Calvin Klein and Tommy Hilfiger,"

First-quarter net income increased to $133.1 million, or $1.94 a diluted share, from $99.9 million, or $1.38 a year ago.
“Looking ahead, we are encouraged by the sustained momentum of our overall underlying trends, and remain confident in our full year outlook. While we are mindful of and continue to navigate through the global macroeconomic headwinds, we are proactively managing our business to deliver on our commitments, drive growth and create long-term value.”

For fiscal 2022, PVH said revenue is projected to increase 1% to 2% as compared to 2021, which reflects a 2% reduction resulting from the Heritage Brands transaction and the exit from the Heritage Brands Retail business and a 2% reduction resulting from the war in Ukraine.

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