SMCP: strong growth in revenues in 2014 due to openings

By Anaïs Lerévérend - 10 March 2015

Once again, SMCP’s last fiscal year was marked by intense international development of its store network and corners, which has driven growth. Its brand division including Sandro, Maje, and Claudie Pierlot, has also just announced a 20.5% increase in its revenue, at 508.6 million euros.

The increase was similar to last year, but on a comparable basis and at constant exchange rates the increase was only 1.7% this year (as compared with 3.8% last year).

It was a slight slowdown mainly due to its performance on the French market. The opening of about twenty new stores across all of its brands has helped sales to grow by 8.4%. On a comparable basis, the increase was by 0.9% (still above the national performance of ready-to-wear, +0.1% in 2014 according to IFM).

The French share of sales has been getting smaller each year; as of December 31, 2014, it amounted to 58.5%, as compared with 64.8% at the end of last year. Its international plans have truly hit their stride: 80% of 91 store openings or concessions in 2014 were abroad.

As with France, SMCP’s growth in the rest of Europe slowed somewhat in 2014, with a 4.7% increase on a comparable basis (9.2% in 2013). The group opened 28 stores, mainly in the UK and in Italy, but also in Norway, a new market for the company with four store openings this year.

The company’s largest gains, as might be expected, came on the two continents where it has more recently arrived: North America and Asia.

In North America, where it arrived in 2011, SMCP opened 22 new stores, including concessions in Saks stores through a new partnership signed last fall. Revenues have thus increased by 42.3% (the gain on a comparable basis hasn’t been disclosed).

In Asia, the company opened five retail locations on Mainland China, and its first store in Singapore. This brings the number of stores it directly operates to 35. Excluding Hong Kong, SMCP’s Asian strategy is very recent, as it arrived there in 2013. The company therefore doesn’t have enough information for comparison in order to publish the development of its turnover. It will, however, publish its results for 2014 sometime in April.