Kering and LVMH continue their share buyback program

By Dominique Muret - 19 May 2022

Spurred on by their good performance, the two largest French luxury groups Kering and LVMH are continuing their respective share buyback programs this spring.

Kering announced the third tranche of its ongoing share buyback program, launched on August 25, 2021, on which the company objective plans to "repurchase up to 2% of its share capital over a 24-month period."

In November and April, the Kering group led by François-Henri Pinault finalized the first two tranches of this program, each covering nearly 0.5% of its share capital.

This new tranche concerns "a maximum volume of 650,000 shares, i.e. approximately 0.5% of Kering’s outstanding share capital as of April 28, 2022," the group said in a statement. The maximum purchase price per share has been set at 1,000 euros. The purchase period is scheduled to start on May 18, 2022 and last until July 19, 2022 at the latest.

"The shares acquired under this third tranche are to be partly cancelled. The remaining fraction of the repurchased shares is intended to cover free share grant programs to some employees. The respective volumes will be determined at the end of the buyback period," said the group, which recently introduced an equity compensation plan for employees.

Meanwhile, LVMH has given a mandate to an investment services provider to acquire its own shares. The transaction is worth a maximum amount of one billion euros or 10 million shares over a period starting on May 17 and extending to November 15, 2022.

"The price of the shares bought under this mandate may not exceed the limit of 1,000 euros per share as set by the LVMH general meeting of April 21. The shares repurchased are intended to be cancelled," the world's largest luxury group said in a statement.