

Vince Holding Corp

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Vince Holding shares fall after 2Q loss on weakness in wholesale segment linked to overhaul of department store business

Shares of Vince Holding Corp (NYSE:VNCE) fell Thursday after the New York City luxury apparel retailer reported a loss for the second quarter due to weak wholesale sales linked to an overhaul of its department store business.

For the quarter ended July 2018, Vince posted a loss of US\$0.33 per share. Sales increased 3.8% to US\$63.1mln from US\$60.8 million on a year-over-year basis.

The company said its wholesale segment sales declined 3.6% to US\$37.8mln on a year-over-year basis due to the streamlining of its full-price department store business.

"Our 2Q results illustrate the excellent progress we've made in repositioning Vince for long-term growth. We delivered a strong performance in our direct-to-consumer channel as our summer deliveries were met with favorable response and provided continuity of product flow throughout the season," Vince Holding CEO Brendan Hoffman said in a statement.

READ: Vince sees a 1Q boost in online sales while wholesaling drops double digits

Vince which designs and sells luxurious cashmere sweaters, silk blouses, leather and suede jackets, handbags and shoes has a wholesale and direct-to-consumer business model. It sells its fashion brands directly to consumers through its specialty retail stores, outlets and website, while it also sells in bulk to other wholesale department stores.

"Our best performing stores remain those in close proximity to department store doors that we exited. We also saw another quarter of strong sell-through within the department store channel positioning us for continued momentum and improved profitability in this segment. We remain encouraged by the overall trends in our business," he added.

Vince operates 55 stores, including 41 company-operated full-price retail stores and 14 company-operated outlets.

Shares of the apparel maker tumbled 3.8% to US\$17.47

Contact Uttara Choudhury at uttara@proactiveinvestors.com

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

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Price: 17.13

Market Cap: \$200.08 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: VNCE

Listing: NYSE

52 week	High	Low
	26.8	10.975

Sector: Retail

Website: investors.vince.com

Company Synopsis:

*Vince Holding Corp (NYSE:VNCE) is a leading global luxury apparel and accessories brand best known for creating elevated yet understated pieces for every day. The collections are inspired by the brand's California origins and embody a feeling of warm and effortless style. *

action@proactiveinvestors.com

investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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