

Movado Group

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Movado shares fall back after disappointing fiscal 1Q earnings

Movado Group Inc (NYSE:MOV) shares are sinking after the company reported shrinking net income and first-quarter earnings that came up short of expectations.

The watchmaker posted net sales of \$146.5 million, up 15.3% year over year, which missed Street expectations of \$148.7 million. Adjusted net income clocked in at \$5.6 million, down from \$8.7 million. That came out to adjusted earnings of \$0.24 per share versus \$0.37 in 2019, while analysts had called for EPS of \$0.31.

Investors aren't giving the stock the time of day, dropping it nearly 5.2% to \$29.10.

"We had a strong start to the year, reporting double-digit growth in sales and significant expansion in gross margin driven by the strength of our innovation and heightened global demand for our compelling portfolio of brands," CEO Efraim Grinberg said.

Going forward, the New Jersey company projects fiscal 2020 revenue between \$750 million and \$765 million, right in line with Street estimates of \$755 million. Full-year EPS is expected to be between \$2.70 and \$2.80 per share, while the average analyst estimate is \$2.80.

The company also announced a \$0.20 dividend for each share of outstanding common stock and class A stock held by shareholders at the close on June 11.

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Price: 12.84

Market Cap: \$297.65 m

1 Year Share Price Graph



October 2019 April 2020 October 2020

Share Information

Code: MOV

Listing: NYSE

52 week	High	Low
	28.75	8.15

Sector: Fashion & brands

Website: www.movadogroup.com

Company Synopsis:

Movado Group designs, sources, markets and distributes fine watches and jewelry. Its portfolio of brands is comprised of Movado, Ebel, Concord, ESQ, Coach Watches, HUGO BOSS Watches, Juicy Couture Watches, Tommy Hilfiger Watches and Lacoste Watches.

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