

Levi Strauss & Co

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Well worn? Levi's shares fall after company reports lower third quarter profits

Denim powerhouse Levi Strauss & Co (NYSE:LEVI) saw its overall revenue increase but reported a 4% drop in profits as the manufacturer delivered its fiscal third-quarter results on Tuesday evening.

The San Francisco-based company took a hit from its wholesale business throughout the Americas, a key revenue-generating market for the iconic brand.

Investors sent Levi's stock down 2.4% to US\$18.93 in premarket trading in New York on Wednesday morning.

READ: Levi Strauss shares pop after swinging to profit in first public quarter since March IPO

During the quarter, the company reported net revenue of US\$1.45 billion, a slight increase from the US\$1.39 billion during the same period a year prior.

Net income came in at US\$124 million or US\$0.30 per share, down 4% from the US\$130 million or US\$0.33 per share it posted during 3Q 2018.

The figures beat Wall Street expectations of US\$0.28 per share and revenue of US\$1.44 billion.

CEO Chip Bergh told shareholders that the company delivered strong third-quarter results and remains on-track to achieve its full-year expectations.

"Our strategies to diversify to faster-growing, high-opportunity, high gross margin businesses continue to drive momentum, as we again grew revenues double-digits internationally, in our direct-to-consumer business, and in the women's and tops categories," Bergh said in a statement.

Bergh said that the company expects "strong performance" in the fourth quarter in international, direct-to-consumer, women's and tops, and improved comparisons for US wholesale.

"We'll stay focused on what we can control as we grow this business over the long-term."

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Price: 16.95

Market Cap: \$6.66 billion

1 Year Share Price Graph



Share Information

Code: LEVI

Listing: NYSE

52 week	High	Low
	24.5	16

Sector: Retail

Website: www.levistrauss.com

Company Synopsis:

Levi Strauss & Co. designs, markets, and sells jeans, casual and dress pants, tops, shorts, skirts, jackets, footwear, and related accessories for men, women, and children. The company sells its products under the Levi's, Dockers, Signature by Levi Strauss & Co.

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