vinetur

LVMH Reports 5% Drop in Wine and Spirits Revenue as Hennessy Faces Weaker Demand

Profit in the division falls by 25% amid trade tensions and shifting consumer trends in key global markets

Wednesday, January 28, 2026



LVMH, the French luxury conglomerate and owner of Hennessy Cognac, reported a 5% decline in organic revenue for its wine and spirits division in 2025. The segment's sales totaled €5.358 billion ($6.414 billion), down from €5.862 billion ($7 billion) in 2024. Profit from recurring operations in the division fell by 25%, reflecting ongoing

challenges in key markets.

The company’s third-quarter wine and spirits revenue reached €1.330 billion ($1.592 billion), a modest increase of 1% compared to the previous year. However, this growth was offset by a 9% drop in fourth-quarter sales, highlighting volatility in consumer demand and market conditions.

LVMH’s spirits portfolio includes Hennessy Cognac, Belvedere Vodka, American whiskey Sir Davis, Scotch brands Glenmorangie and Ardbeg, and Volcan De Mi Tierra Tequila. The group identified Hennessy Cognac as a primary factor behind the revenue decline, citing weaker local demand. The company pointed to issues with customs duties in China and the United States as significant obstacles. In June of the previous year, China’s Ministry of Commerce ended its anti-dumping investigation into European Union brandy imports, providing some relief to select Cognac producers, including Hennessy. Despite this development, trade tensions between China and the US—both considered crucial markets for LVMH—continued to weigh on performance.

While spirits struggled, LVMH’s Champagne houses maintained a strong position, holding a 22% share of all Champagne-appellation shipments worldwide. The company also reported that its Provence rosé wines outperformed the global rosé category.

For the full year 2025, LVMH’s overall revenue reached €80.8 billion ($96.7 billion), representing a 1% decrease on an organic basis. The fourth quarter showed slight improvement with a 1% uptick in revenue.

Bernard Arnault, chairman and CEO of LVMH, addressed the results by emphasizing the group’s resilience amid geopolitical and economic disruptions. He stated that LVMH would continue to focus on cost management and uphold its environmental and social commitments as it navigates an uncertain environment. Arnault also reaffirmed the company’s commitment to sustainable creativity and high-quality products.

Arnault highlighted LVMH’s partnership with Formula One as a strategic move to align with excellence and innovation. In 2025, Volcan De Mi Tierra became the official Tequila partner of Formula One, followed by Glenmorangie for whisky and Belvedere for vodka.

Despite ongoing challenges in the wine and spirits sector, LVMH remains focused on maintaining its leadership position in luxury goods through innovation and strategic partnerships. The company continues to monitor global market conditions closely as it plans for the year ahead.