

LVMH to acquire US jeweler Tiffany for \$16.2bn

Luxury goods group LVMH and US jeweler Tiffany have struck a “definitive” agreement whereby LVMH will acquire Tiffany for US\$135 per share in cash.

The transaction gives Tiffany an equity value of around US\$16.2 billion.

The 182-year-old luxury jeweler is one of the leading names in American and global luxury with a strong brand image and has more than 300 stores around the world.

“The acquisition of Tiffany will strengthen LVMH’s position in jewelry and further increase its presence in the United States,” LVMH said. “The addition of Tiffany will transform LVMH’s Watches & Jewelry division and complement LVMH’s 75 distinguished Houses.”

LVMH Chairman and CEO Bernard Arnault said: “We are delighted to have the opportunity to welcome Tiffany, a company with an unparalleled heritage and unique position in the global jewelry world, to the LVMH family. We have an immense respect and admiration for Tiffany and intend to develop this jewel with the same dedication and commitment that we have applied to each and every one of our Maisons. We will be proud to have Tiffany sit alongside our iconic brands and look forward to ensuring that Tiffany continues to thrive for centuries to come.”

Tiffany Chairman Roger N Farah added that following a strategic review “that included a thoughtful internal process and expert external advice, the board has concluded that this transaction with LVMH provides an exciting path forward with a group that appreciates and will invest in Tiffany’s unique assets and strong human capital, while delivering a compelling price with value certainty to our shareholders.”

The transaction is expected to close in mid-2020, subject to approval from Tiffany’s shareholders and the required regulatory go-ahead.

Announcing the deal, the companies emphasized Tiffany’s status as an early proponent of sourcing materials “with a socially and environmentally responsible rigor”, adding that “protecting the environment and respecting human rights continue to be core business principles”.