

COMMERCE

L'Oral Luxe sales up 2.3pc in H1

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*The company remains the market leader in luxury cosmetics. Image credit: L'Oral*

By ZACH JAMES FOR LUXURY DAILY NEWS SERVICE

Beauty group L'Oral is reporting a successful first half of the year despite a regional setback.

In the first half of 2024, the company's sales hit 22.12 billion euros, or \$23.89 million at current exchange, representing a 7.3 percent year-over-year jump on a like-for-like basis. During the period, revenues generated from its L'Oral Luxe division increased slightly as the global demand for prestige goods continued to flatten, especially in China.

"In the first half, we delivered strong growth of 7.3 percent, well-balanced between value and volume and strengthened our global leadership in a beauty market that remains dynamic," said Nicolas Hieronimus, CEO of L'Oral, in a statement.

"Our continued strong momentum in emerging markets, Europe and North America allowed us to more than offset the depressed beauty market in mainland China and the unfavorable comparative in Travel Retail," Mr. Hieronimus said. "In this context, I am particularly pleased to see the acceleration of L'Oral Luxe, the dynamism of Consumer Products and the continued share gains of Dermatological Beauty and Professional Products."

Slowed growth

Sales of products within the L'Oral Luxe portfolio reached just under \$8.2 billion in H1, increasing by 2.3 percent y-o-y.

The figure represents a slight uptick from the first quarter's 1.8 percent growth rate ([see story](#)). In the second quarter, revenues derived from luxury goods saw an almost 3 percent boost, potentially signifying a recovery in consumer demand.

Fragrances from Yves Saint Laurent, Valentino, Maison Margiela and Prada buoyed the slight acceleration, with demand also increasing for makeup from YSL and Armani.



Sales from high-end products represented more than a third of the group's total revenues. Image credit: YSL Beauty

L'Oral claims sales from its high-end segment outpaced the greater prestige beauty sector, as L'Oral Luxe gained market share in Europe, the Americas, Japan and North Asia where China resides.

The group's Dermatological Beauty division maintained its upward trajectory, with sales increasing by 16.4 percent compared to last year, the largest jump of any of the company's business segments.

Regionally, Europe, Latin America, South Asia Pacific, the Middle East and North Africa continued their respective double-digit percentage increase streaks. North America fell just short of that ideal, with sales increasing by 7.8 percent y-o-y.

Within the North Asian market, revenues declined by 1.7 percent, contributing to the company's 3-year double-digit revenue boom coming to an end. Despite this, L'Oral remains upbeat about the remainder of the year.

"In an environment that continues to be marked by economic and geopolitical tensions, we remain optimistic about the outlook for the beauty market and confident that our innovation power and the robustness of our multi-polar model will allow us to keep outperforming it and to achieve another year of growth in sales and profit," said Mr. Hieronimus, in a statement.

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