

## COMMERCE

# Shiseido faces 4pc first-half sales dip

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The group's sales in APAC and EMEA saw slight boosts in the first half of 2024. Image credit: Shiseido

By LUXURY DAILY NEWS SERVICE

Japanese beauty group **Shiseido** operated at a loss during the first half of the year.

For the six months ended June 30, 2024, the company reported sales of 508.5 billion yen, or \$3.45 billion at current exchange, declining 4.1 percent year-over-year at constant rates. Results from activity in the Americas, China and the corporation's travel retail business also suffered.

## Rocky waters

In China, the company's cash intake slowed by 7.6 percent y-o-y compared to the same calendar stretch last year. Bringing in \$896 million in H1, its performance within the region was plagued by inflating prices and shifting purchasing behaviors.

Shiseido faced similar challenges throughout North America. Sales here dropped 3.9 percent y-o-y to \$389 million during the period this is said to be due to production bottlenecks, which led to low shipping volumes and reduced availability while, overall, returns from Shiseido's travel retail segment fell by 22.6 percent.

Japan, which accounts for nearly 30 percent of the group's total revenues, buoyed bottom lines with strong travel retail sales, up 13.1 percent y-o-y, generating \$962 million. The report mentions that Shiseido plans to adjust its market strategy moving forward, focusing on tailored customer needs rather than large-scale promotional efforts.



Kentaro Fujiwara will guide the company beginning next year. Image credit: Shiseido

In the midst of the fiscal announcement, Shiseido is sharing news of an executive transition. Chief operating officer, president

and representative corporate executive officer Kentaro Fujiwara will step in as CEO on Jan. 1, 2025.

Mr. Uotani will depart his post on Dec. 31, 2024, after more than 30 years of service under various titles and divisions. Following the official year-end retirement, he will serve as a senior advisor to the group and its board.

Both moves are part of a five-year succession plan enacted in 2019. Since 2022, when Mr. Fujiwara was named Mr. Uotani's successor, the two have worked closely together to ensure a smooth transfer of power.

Shiseido is not the only high-end name in the space that has witnessed flat financial returns ([see story](#)).

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