

COMMERCE

Prestige cosmetics carry Coty to 11pc annual sales uptick

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*APAC, EMEA and the Americas all saw strong revenue growth. Image credit: Coty*

By ZACH JAMES FOR LUXURY DAILY NEWS SERVICE

U.S. beauty group Coty beat industry expectations to close its 2024 fiscal year, which ended on June 30, 2024.

During the period, the company generated revenues of \$6.12 billion, increasing 11 percent year-over-year on a like-for-like basis. Sales growth in its prestige cosmetics business, alongside double-digit percentage upticks in all core regions, spurred the jump.

"Our FY24 results set a new milestone in Coty's sustained track record of top-notch execution and market outperformance," said Sue Nabi, CEO of **Coty**, in a statement.

"In a dynamic macroeconomic backdrop, beauty maintains its privileged position, being neither a consumer goods industry nor a luxury goods industry," Ms. Nabi said. "Instead, beauty is at the sweet spot of desire, well-being, self-confidence, affordability, ritual, indulgence, and many new things that we and our consumers will invent.

"This is what fuels the strong global beauty growth that we continue to see to this day and which we expect to continue for the quarters and years to come."

Booming business

Continuing a sales trend ([see story](#)), prestige beauty products led the way for Coty during FY24, bringing in \$3.85 billion, a 14 percent y-o-y increase.

Beauty items from Burberry and Kylie Cosmetics provided the majority of revenues for the segment, but the group states that the sales of nearly all of its licensed luxury offerings beat internal expectations in all major regions, including the travel retail space. For the year, high-end cosmetics represented 63 percent of all sales, with the consumer beauty segment making up the rest of the annual total.

Another year outpacing the beauty market! We are proud to share that Coty delivered strong LFL sales growth of 11% in FY24 and EBITDA margin expansion of 30 basis points, with both at the upper end of our guidance range.

Read the press release: <https://t.co/iSGsjzoV2B>. pic.twitter.com/ywZ9Fc3Wlv

Globally, all markets saw double-digit growth, with the Americas rising by 12 percent on a like-for-like basis, generating \$2.56 billion. EMEA and APAC both jumped by 11 percent, making \$2.78 billion and \$766 million, respectively.

During the fourth quarter of the company's 2024 fiscal year, APAC's sales fell by 4 percent. Overall, sales managed to hang on during the three months from April 1 to June 30, 2024, rising 5 percent.

These figures fall more in line with other industry financial results, like those of U.S. beauty group Estée Lauder Companies ([see story](#)).

"Looking to FY25, we expect our financial results to be consistent with our medium-term algorithm, with our FY25 outlook further reinforced by our white space opportunities, our robust commercial plans, and the strength of our innovation pipeline, including Burberry Goddess Intense, Chloe Signature Intense, Gucci Flora Gorgeous Orchid, Lancaster Golden Lift, CoverGirl Eye Enhancer 3D Mascara and Adidas Vibes, the first mass fragrance line designed and scientifically proven to enhance one's mood," said Ms. Nabi, in a statement.

"In sum, we are confident in delivering another year of growth in line with our medium-term targets, steady margin expansion, cash flow improvement and deleveraging progress," she said. "As we strengthen our position as a global beauty powerhouse, acting with the agility of smaller brands but also creating the beauty trends of today and tomorrow, Coty remains one of, if not the most compelling investment opportunities in our industry."