

FRAGRANCE AND PERSONAL CARE

Este Lauder sees growth in sales and earnings in Q3

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Este Lauder has signed Karlie Kloss as a spokesmodel. Image courtesy of Este Lauder

By STAFF REPORTS

Personal care group Este Lauder Companies had a profitable third quarter of fiscal 2018 thanks to significant skincare sales and a weakened U.S. dollar.

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The third quarter ended on March 31 showed strong results for Este Lauder, with an 18 percent sales growth and 24 percent increase in earnings per diluted share. With net sales totaling \$3.37 billion, the company saw total operating income in constant currency grow by 11 percent, not including charges.

Earnings growth

Esté Lauder saw an increase of 18 percent in net sales, up from \$2.86 billion the third quarter of the previous fiscal year.

The beauty manufacturer saw \$372 million in earnings this quarter, a growth of 25 percent from \$298 million last year.

Diluted earnings per share rose to \$.99, up from \$.80 in the previous year's third quarter.

Net sales jumped 13 percent, not including foreign currency translation impacts.



Este Lauder is using augmented reality to train its retail staff. Image credit: Este Lauder

"Our company delivered another excellent quarter in what we expect to be an outstanding fiscal year," said Fabrizio Freda, president and CEO at Este Lauder, in a statement. "Many areas of our business that contributed to our strong first-half results continued to thrive in our third quarter, as we generated 13 percent sales growth and 17 percent adjusted earnings per share growth, each in constant currency.

"Among our multiple engines of growth, travel retail, online and Asia again were standouts, and we experienced strong momentum in other high growth channels and markets," he said. "Our performance this quarter reflected robust global demand across our portfolio, with virtually all our brands posting sales growth. Each of our three biggest brands grew globally, with exceptional growth in Este Lauder.

"These results reflect our strong array of hero products, as well as product and service innovations that resonated well with today's diverse global consumers."

This earnings growth comes after news of the beauty group rolling out a comprehensive host of new family-related initiatives to improve the lives of its employees, the company announced April 25.

The group will extend paid parental leave to 20 weeks and offer enhanced flexibility to new parents just returning to work. The United States lags behind many other developed countries in terms of family leave and other benefits, making Este Lauder's announcement particularly notable as an American company ([see story](#)).

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