

FRAGRANCE AND PERSONAL CARE

Coty revenues up 9pc in Q3

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Gucci Bloom helped Coty's luxury division achieve double-digit growth this past quarter. Image credit: Gucci

By STAFF REPORTS

Beauty group Coty's revenues from its luxury division grew 19 percent in the third quarter of fiscal 2018.

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For the quarter ended March 31, Coty's revenues totaled \$2.2 billion, up 9.4 percent year-over-year. Since merging with Procter & Gamble's beauty business in 2016 ([see story](#)), Coty has been working to raise its global presence.

Beauty business

Coty Luxury's revenues were \$752.5 million for the quarter. Burberry, a new licensor as of last October, contributed 5.7 percent to the division's results ([see story](#)).

Licensed brands that were existing drove 6.1 percent organic growth for Coty Luxury. Scents such as Chlo Nomade, Gucci Bloom and Tiffany & Co. performed well.

Across Coty, Europe had the strongest growth, with a 15 percent increase in revenues. Fragrances including Gucci Bloom and Tiffany & Co. also helped to drive this growth.



Tiffany's new fragrance is inspired by the Tiffany Diamond. Image credit: Tiffany and Co.

North American revenues were up 3.5 percent, while ALMEA revenues increased 7 percent.

"Our results were generally in line with our expectations, as we delivered steady performance with modest positive organic top line growth and healthy adjusted operating profit improvement," said Camillo Pan, CEO of Coty, in a statement. "The luxury division continued to deliver very strong results, while our professional beauty division once again demonstrated consistent solid growth.

"We continued to reshape our growth profile by strengthening our iconic global brands, supported by recent relaunches," he said. "We are also fueling smaller brands with high growth potential and stabilizing the remaining portfolio including the conclusion of our previously communicated portfolio rationalization program. This streamlining of our portfolio is an important milestone that will allow us to focus on those brands where we believe we are particularly suited to drive long-term revenue growth.

"Though there is still much work to be done, including the continued integration of the P&G Beauty business, I am encouraged by how far we have come since embarking on our journey to transform Coty into a challenger in the global beauty industry."

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