

FRAGRANCE AND PERSONAL CARE

## L'Oreal aims towards luxury with fragrance acquisitions

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*Parfums Mugler Les Exceptions. Image credit: Parfums Mugler*

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By STAFF REPORTS

Beauty group L'Oreal is in negotiations to acquire two perfume brands, Mugler and Azzaro, from the Clarins Group.

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The company is hoping to solidify a greater presence in perfume with this acquisition as the beauty sector becomes more competitive. The acquisition is under discussion and will be a part of the L'Oreal Luxe division.

### Global growth

L'Oreal's proposal is currently under review and discussion, subject to consultation with employee representatives and the approval of the regulatory authorities. Financial terms of the agreement are not yet public.

The company states it plans to complete the acquisition by the end of this year.

Reuters reported that combined, the two brands make up 416 million euros, or \$470 million at current exchange, according to a Clarins official.

"The perfume category is at the heart of our global strategy for growth at L'Oral Luxe," said Cyril Chapuy, president of L'Oral Luxe, in a statement. "In this context, we would be thrilled to welcome Mugler and Azzaro: these signatures, with a long history in fashion and olfaction, would perfectly complete our portfolio of brands."



*Mugler Angel perfume. Image credit: Mugler*

L'Oral's sales were up 11.4 percent in the first quarter of the year, propelled partly by double-digit growth in its luxury division.

In addition to L'Oral Luxe's buoyancy, the company also saw strong sales increases in Asia Pacific, at travel retail and in ecommerce. L'Oral notes that skincare and fragrances were strong performing categories for its high-end brands, while consumers are also scooping up lipstick ([see story](#)).

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