

FRAGRANCE AND PERSONAL CARE

Este Lauder Cos. sees continued strong performance, increased net sales

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Estee Lauder Companies continues thriving. Image credit: Este Lauder

By LUXURY DAILY NEWS SERVICE

U.S. beauty group Este Lauder Companies recorded a strong performance in the third quarter of 2022, despite volatile market conditions.

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The group reported net sales of \$4.25 billion for the third quarter ended March 31, 2022, reflecting a 10 percent increase from \$3.86 billion in the same period the year prior. Organic net sales also grew by 9 percent and net sales grew in every product category.

"We delivered strong sales growth and better-than-expected profitability in the third quarter of fiscal 2022 in the face of accelerated headwinds as the quarter evolved, including COVID restrictions in the Asia-Pacific region," said Fabrizio Freda, president/CEO of **Este Lauder Companies**, in a statement.

"Every category grew organically, led by fragrance's outstanding performance globally and the makeup renaissance in western markets," he said. "Eleven brands contributed double-digit organic sales growth and further demonstrated our diversification, empowered by our multiple engines of growth strategy.

"Consumer demand remained robust even in this more inflationary environment."

Going up

The net sales growth in every product category reflected a continued recovery in bricks-and-mortar retail stores, which was driven by double-digit growth in the Americas, Europe and the Middle East and Africa regions, as well as online growth.

The group also delivered strong sales growth even amid increased COVID-19 related restrictions in China, which began in March.



Skincare was led by double-digit growth from La Mer. Image credit: La Mer

Esté Lauder Cos. reported net earnings of \$0.56 billion this period compared to \$0.46 billion in the same period last year.

Net sales grew across skincare, makeup, hair care and fragrance.

Skincare net sales grew in The Americas and EMEA regions, led by strong double-digit sales growth from La Mer. Makeup's growth was led by MAC, Esté Lauder and Clinique.

Haircare net sales rose in every region, reflecting increases from both Aveda and Bumble.

Net sales for fragrance grew in every region and across virtually all brands that sell fragrances, driven by continued resilience in luxury fragrance, the opening of more bricks-and-mortar retail locations and the beginning of travel recovery in western markets.

The group also continues looking forward and prioritize sustainability.

Last month, Esté Lauder Cos. became the first luxury beauty company to join the Supplier Leadership on Climate Transition (LoCT) consortium. In joining the group's initiative along with other global businesses, the company intends to accelerate climate action throughout supply chains in an effort to reach net-zero greenhouse gas emissions ([see story](#)).