

FRAGRANCE AND PERSONAL CARE

## L'Oral Group to house Aesop, largest-ever acquisition, under Luxe division

April 4, 2023



*The Australian luxury cosmetics brand offers a stronger global presence. Image credit: Aesop*

By LUXURY DAILY NEWS SERVICE

Beauty group L'Oral has purchased Australian luxury cosmetics brand Aesop for \$2.5 billion, marking the French conglomerate's priciest acquisition to date.

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The new deal beats out the record-setting \$1.7 billion onboarding of YSL Beauté, which took place in 2008. A maker of luxury skincare and body products, the newly-acquired Australian brand was formerly controlled by its seller, Brazilian beauty firm Natura & Co., owner of The Body Shop, for a decade.

"My Team and I are thrilled to have Aesop join the L'Oral Luxe portfolio of iconic global brands," said Cyril Chapuy, president of **L'Oral Luxe**, in a statement.

Asop holds a very unique positioning on the global luxury beauty market thanks to its design-led brand essence, its highly efficacious and sensorial products as well as its customer-obsessed retail philosophy," Mr. Chapuy said. "We look forward to welcoming Aesop's CEO Michael O'Keeffe and his experienced and passionate teams to continue to grow together the brand's remarkable potential, by carrying on cultivating its uniqueness and its values.

"We have great confidence that Aesop will join the L'Oral Luxe Billionaire brands club and therefore contribute significantly to the growth of the Division in the years to come."

### Coming together

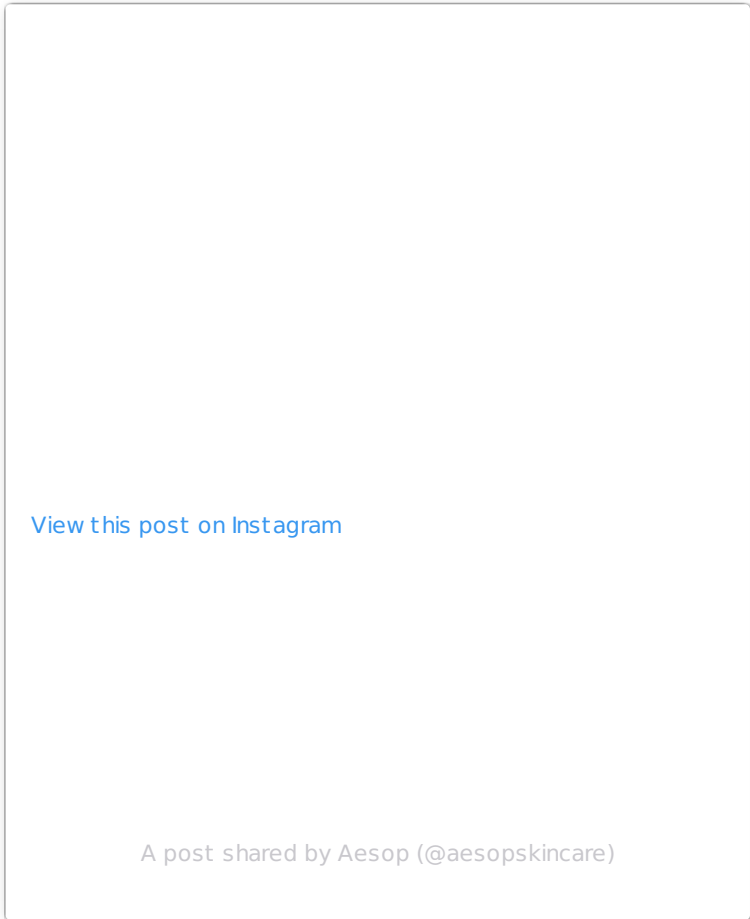
Aesop joined forces with Natura & Co. in 2012, quickly becoming the company's most profitable brand once officially acquired in 2016.

Founded in 1987 in Melbourne, the Australian brand declares that it is "purpose-driven," and aims to be a sustainable self-starter in the beauty sector. It has been a Certified B Corporation since 2020.

Amid the decade since 2012, Aesop has grown its international store lineup, having gone from a 52 stores and counters count that year, to 395 bricks-and-mortar touchpoints by 2022.

This growth also integrated an additional 21 markets into the company's existing eight.

"I am very excited to welcome Aesop and its teams to the L'Oral Groupe family," said Nicolas Hieronimus, CEO of L'Oral Group, in a statement.



"Aesop is the epitome of avant-garde beauty, whose products are not only made with great care and exceptional attention to detail; they are a superb combination of urbanity, hedonism and undeniable luxury," Mr. Hieronimus said. "Aesop taps into all of today's ascending currents and L'Oral will contribute to unleash its massive growth potential, notably in China and Travel retail."

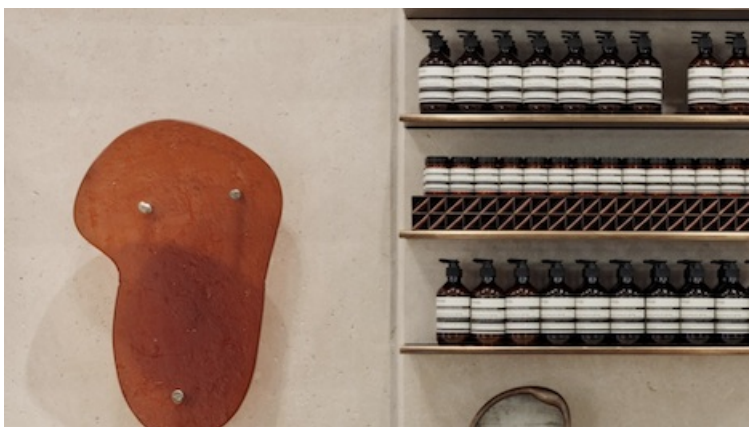
Mainland China joined the company's merchandising lineup in 2022 as the brand opened its first physical store in the region.

Today, Aesop operates nearly 400 stores, delivering \$537 million in sales by the end of 2022, an increase of 21 percent compared to the year before, according to Natura & Co.

The brand also reports having experienced double-digit growth in sales across all regions during 2022. This strong performance and global recognition make Aesop an especially valuable asset to add to the L'Oral portfolio.

The deal is set to close during the third quarter of this year.

"The sustainability of the brand aligns well with L'Oral's moves to adopt green science. Image credit: Aesop This is an exciting day for Aesop," said Michael O'Keefe, CEO of **Aesop**, in a statement.



*Aesop joined forces with Natura & Co. in 2012, quickly becoming the company's most profitable brand once officially acquired in 2016. Image*

*credit: Aesop*

"With the support of Natura & Co., over the past decade, we have built Aesop into an admirable global force in the luxury beauty space, with a powerful product proposition and a unique customer and retail experience," Mr. O'Keefe said. "We now enter the next phase of our development and I'm confident that with L'Oral's partnership, we will be able to bring our exceptional skincare products to even more people and continue to expand our brand globally.

"We thank Natura & Co. for its support and are greatly looking forward to working with L'Oral to continue our development, building on our distinctive brand and heritage."

With the acquisition, L'Oral is also folding under its wing Aesop's commitment to social justice and environmentalism.

As green science is of interest ([see story](#)), the brand buy could turn out to be a seamless fit for the conglomerate.

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