

L'Oréal to buy cult luxury beauty brand Aesop in \$2.5bn deal

French cosmetics giant L'Oréal has agreed to acquire Australian luxury beauty brand Aesop from Brazilian personal care company Natura &Co. The proposed transaction values Aesop at an enterprise value of \$2.525bn.



Source: [Natura &Co](#)

Aesop was created in Melbourne in 1987 and since 2012 has been owned by Natura, which also owns [The Body Shop](#) and [Avon](#).

The Aesop brand is widely renowned for its skin, hair, body and fragrance products. With its signature amber packaging, plant-based ingredients, sustainable vegan formulations and bespoke customer service, Aesop has evolved into a global cult beauty brand available across luxury retail, beauty and hospitality locations around the world.



Aesop Sentier, Paris. Source: [Aesop](#)

The brand currently operates approximately 400 points of sale across the Americas, Europe, Australia, New Zealand and Asia, with a nascent footprint in China where the first store opened in 2022. The brand posted sales of \$537m in 2022.

[According to CNN](#), the deal represents L'Oréal's largest brand acquisition in history.



P&G to acquire textured haircare brand Mielle Organics

16 Jan 2023



Nicolas Hieronimus, chief executive officer, L'Oréal Groupe, commented, "I am very excited to welcome Aesop and its teams to the L'Oréal Groupe family. 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. Aesop taps into all of today's ascending currents and L'Oréal will contribute to unleash its massive growth potential, notably in China and travel retail."

Commenting on the acquisition, Cyril Chapuy, president of L'Oréal Luxe, added, "My team and I are thrilled to have Aesop join the L'Oréal Luxe portfolio of iconic global brands. Aesop 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.

"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'Oréal Luxe Billionaire brands club and therefore contribute significantly to the growth of the division in the years to come."



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Strengthening Natura's financial structure

Fábio Barbosa, chief executive officer of Natura &Co, said: "The divestment of Aesop marks a new development cycle for Natura &Co. With a strengthened financial structure and a deleveraged balance sheet, Natura &Co, exercising strict financial discipline, will be able to sharpen its focus on its strategic priorities, notably our investment plan in Latin America. We will also be able to concentrate on continuing to improve The Body Shop's business and refocusing Avon International's footprint.

"We are proud of the remarkable success of the Aesop brand, and we are extremely grateful to all Aesop's associates, who contributed immensely not only to Aesop's success, but also to making Natura &Co what it is today. We are confident that Aesop's growth story will continue under the ownership of L'Oréal and wish Aesop continued success in this new chapter."

The closing is subject to certain regulatory approvals and other customary conditions.

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