

# NEWS RELEASE

Clichy, 8 February 2024 at 6.00 p.m.

## L'ORÉAL 2023 Annual Results

### RECORD RESULTS FOR L'ORÉAL IN 2023 A THIRD CONSECUTIVE YEAR OF DOUBLE-DIGIT GROWTH<sup>1</sup> AND ANOTHER YEAR OF MARKET OUTPERFORMANCE CONTINUED IMPROVEMENT IN OPERATING MARGIN

- **Sales: 41.18 billion euros**, +7.6% reported and +11.0% like-for-like<sup>1</sup>.
- **Continued outperformance** of a dynamic global beauty market.
- **Like-for-like growth in all Divisions** with particularly noteworthy performances in Consumer Products and Dermatological Beauty.
- **The L'Oréal Luxe Division has become the global market leader (in sales) in luxury beauty.**
- **Double-digit like-for-like growth all regions** except North Asia which continued to be impacted by the market softness in mainland China and the reset in Travel Retail.
- **Continued growth in value and volume.**
- **Further operating margin improvement: 19.8%** (+30bps); operating profit: 8,143.3 million euros.
- **Earnings per share<sup>2</sup>: 12.08 euros**, up by +7.3%.
- **Dividend<sup>3</sup>: 6.60 euros**, an increase of +10.0%.
- **Net cash flow: 6.1 billion euros**, up by +23.9%.
- **Creation of the €15 million L'Oréal Climate Emergency fund** to help vulnerable communities prepare for and recover from climate disasters.
- **Sustainability leader:** only company in the world to have been awarded a triple 'A' rating by CDP for eight years in a row; platinum medal by EcoVadis, which ranked L'Oréal in the global top 1% of best companies in terms of environmental and social performance.

Commenting on the figures, Nicolas Hieronimus, CEO of L'Oréal, said:

*"2023 was a very successful year for the group. I am immensely grateful to our teams. Their creativity, entrepreneurship and passion enabled us to report a third consecutive year of double-digit like-for-like growth, once again outperforming a dynamic beauty market. We set a new operating margin record and delivered +7.3% EPS<sup>3</sup> growth. In a challenging environment of geopolitical tensions, inflationary pressures, and a stagnating beauty market in China, we delivered our best like-for-like growth in more than 20 years (excluding 2021). This is a clear vindication of the power of our multi-polar model, and I am particularly pleased with the strong acceleration in emerging markets.*

*As we head into 2024, we remain optimistic about the outlook for the beauty market, and confident in our ability to keep outperforming it and to achieve another year of growth in sales and profits.*

*More than ever, L'Oréal is looking to the future – a future that will have Beauty Tech at its very core. Beauty Tech will shape our industry and enable us to further strengthen our leadership. It will allow us to know our consumers ever-better, to bring them ever-more impactful and sustainable products and services and to become ever-sharper in our execution."*

<sup>1</sup> Like-for-like sales growth: based on a comparable structure and identical exchange rates.

<sup>2</sup> Diluted earnings per share (EPS), based on net profit, excluding non-recurring items, after non-controlling interests.

<sup>3</sup> To be proposed at the Annual General Meeting of 23 April 2024.

## Board appointments, renewals and resignations

Meeting on 8 February 2024, the Board of Directors, on the advice of the Nominations and Governance Committee, chose to propose Mr Jacques Ripoll as a new independent director at the Annual General Meeting. Mr Jacques Ripoll is a partner at Eren Groupe, which harnesses technological innovation to save natural resources.

Beyond the financial acumen he has honed over the course of a career with leading banks including Société Générale, Banco Santander and Crédit Agricole, Mr Jacques Ripoll will bring strategic vision on innovation, expertise in new climate-related technologies, and a commitment to sustainable development. He is set to join the Audit Committee after the Annual General Meeting on 23 April 2024, further enhancing its financial and sustainability expertise.

The Board will recommend that the Annual General Meeting renew the tenures of Ms Béatrice Guillaume-Grabisch, Ms Ilham Kadri, Mr Jean-Victor Meyers and Mr Nicolas Meyers.

The Board also acknowledged Ms Belén Garijo's decision to step down as director due to professional commitments, effective after the Annual General Meeting on 23 April 2024, two years before the end of her current term. The Board expressed deepest thanks to Ms Garijo for her substantial contributions to the work of the Board and the Human Resources and Remuneration Committee during her ten-year tenure.

If the Annual General Meeting approves the proposed resolutions, the Board of Directors will continue to comprise 16 directors, i.e. 14 directors appointed by the Annual General Meeting and two directors representing the employees.

The balance in terms of independence and gender mix will be as follows:

- Seven independent directors out of 14 directors appointed by the AGM, i.e. 50%;
- Six women and eight men out of 14 directors appointed by the AGM, i.e. 43% of female directors.

The Board decided to review the composition of the Committees, which is set out in detail in the table below. This will take effect at the end of the Annual General Meeting, subject to the shareholders' vote on the appointment and renewal of the aforementioned tenures.

### Projected composition of the Board and Committees at the end of the Annual General Meeting to be held on 23 April 2024

COMPOSITION OF THE BOARD OF DIRECTORS (end of 2024 AGM)		Age	F/M	Nationality	Expiry date of term of office	Board Committees			
						Strategy & Sustainability	Audit	Gov.	HR & Rem.
Corporate Officers	Mr Jean-Paul Agon – Chairman	67	M	French	2026	C			
	Mr Nicolas Hieronimus – CEO	60	M	French	2025				
F. Bettencourt Meyers & Family	Ms F. Bettencourt Meyers - Vice-Chairwoman	70	F	French	2025	•		•	•
	Mr Jean-Victor Meyers	37	M	French	2028	•			
	Mr Nicolas Meyers	35	M	French	2028		•		
Nestlé-related Directors	Mr Paul Bulcke – Vice-President	69	M	Belgian/Swiss	2025	•		•	•
	Ms Béatrice Guillaume-Grabisch	59	F	French	2028		•		
Independent Directors ■	Ms Sophie Bellon	62	F	French	2027			•	C
	Mr Patrice Caine	54	M	French	2026	•		C	
	Ms Fabienne Dulac	56	F	French	2027		•		•
	Ms Ilham Kadri	55	F	French/Moroccan	2028		•		
	Ms Virginie Morgon	54	F	French	2025		C		
	Mr Alexandre Ricard	51	M	French	2025	•			•
	Mr Jacques Ripoll	58	M	French	2028		•		
Director repr. employees	Mr Benny de Vlieger	59	M	Belgian	2026		•		
	Mr Thierry Hamel	69	M	French	2026				•
Percentage Independent						NA	66%	50%	60%

■ Independence within the meaning of the criteria of the AFEF-MEDEF Code as assessed by the Board of Directors.  
C Chairman/Chairwoman.  
• Member of the Committee.

## 2023 SALES

Sales amounted to **41.18 billion euros** at 31 December 2023, up +7.6% reported.

**Like-for-like**, i.e. based on a comparable structure and identical exchange rates, sales grew by +11.0%.

**The net impact of changes in the scope of consolidation** was +1.6%.

**Growth at constant exchange rates** came out at +12.6%.

**Currency fluctuations** had a negative impact of -5.0% at the end of 2023.

### Sales by Division and Region

	4 <sup>th</sup> quarter 2023			At 31 December 2023		
	€m	Growth		€m	Growth	
		Like-for-like	Reported		Like-for-like	Reported
<b><u>By Division</u></b>						
Professional Products	1,230.3	+6.4%	+1.0%	4,653.9	+7.6%	+4.0%
Consumer Products	3,714.3	+7.7%	+1.0%	15,172.7	+12.6%	+8.2%
L'Oréal Luxe	4,139.1	+0.4%	-0.4%	14,924.0	+4.5%	+2.0%
Dermatological Beauty <sup>4</sup>	1,521.5	+27.3%	+20.0%	6,432.0	+28.4%	+25.5%
<b>Group total</b>	<b>10,605.3</b>	<b>+6.9%</b>	<b>+2.8%</b>	<b>41,182.5</b>	<b>+11.0%</b>	<b>+7.6%</b>
<b><u>By Region</u></b>						
Europe	3,267.3	+11.6%	+9.2%	13,007.8	+16.0%	+13.7%
North America	2,836.2	+9.4%	+5.4%	11,147.2	+11.8%	+9.7%
North Asia	2,965.0	-6.2%	-9.9%	10,662.9	-0.9%	-5.8%
SAPMENA – SSA <sup>5</sup>	914.4	+22.0%	+18.6%	3,447.7	+23.2%	+16.4%
Latin America	622.4	+23.4%	+8.2%	2,916.9	+24.4%	+22.8%
<b>Group total</b>	<b>10,605.3</b>	<b>+6.9%</b>	<b>+2.8%</b>	<b>41,182.5</b>	<b>+11.0%</b>	<b>+7.6%</b>

<sup>4</sup> Formerly known as the Active Cosmetics Division.

<sup>5</sup> SAPMENA – SSA: South Asia Pacific, Middle East, North Africa, Sub-Saharan Africa  
<http://www.loreal-finance.com/>

## Summary by Division

### PROFESSIONAL PRODUCTS

**The Professional Products Division reported robust growth of +7.6% like-for-like and +4.0% reported.**

The Division significantly outperformed the professional beauty market, supported by its strategic focus on driving haircare, strengthening its omni-channel approach and conquering new markets.

Its two biggest brands, *L'Oréal Professionnel* and *Kérastase*, grew strongly.

By category, haircare remained particularly dynamic. This was driven by the ongoing success of *Kérastase*, especially its key *Genesis* and *Chronologiste* brand franchises, as consumers continued to premiumise their haircare routines. Growth was underpinned by *L'Oréal Professionnel*'s breakthrough innovations, including *Metal Detox* and *Absolut Repair Molecular*. In hair colour, it was driven by the blockbusters *Shades EQ* by *Redken* and the new *Inoa* by *L'Oréal Professionnel*.

Momentum was positive across all regions, led by China, the Division's second largest market, as well as emerging markets, notably India, now the fifth largest market.

In the professional beauty industry, the Division further strengthened its leadership position, supported by its unrivalled Beauty Tech backbone, which drove strong growth in e-commerce both in B2B and B2C.

### CONSUMER PRODUCTS

**The Consumer Products Division had its best growth in more than 30 years at +12.6% like-for-like and +8.2% reported.**

The Division outperformed a dynamic mass market and delivered strong growth surpassing 15 billion euros. Throughout the year, growth was driven by volume and value as the Division continued to pursue its strategy of simultaneously democratising and premiumising.

All four key brands grew in double digits, with *L'Oréal Paris* crossing the 7-billion-euro mark.

All major categories posted strong growth, as disruptive innovations met flawless execution. Makeup was the leading contributor to the Division's growth, propelled by the launches of *Surreal Mascara* by *Maybelline New York*, *Infallible Matte Resistance* lipstick by *L'Oréal Paris*, and *Fat Oil* gloss by *NYX Professional Makeup*. Hair was also very dynamic, valorising with premium launches like *Elvive Bond Repair* by *L'Oréal Paris* and *Garnier Good haircolor*. Skincare grew significantly, with the very successful global roll out of *Garnier Fast Bright with Vitamin C* as well the launches of *Revitalift Clinical* and *Glycolic Bright* by *L'Oréal Paris*.

By region, the most noteworthy performances were in Europe, where momentum saw a truly spectacular acceleration, making it a key growth contributor, and in emerging markets, particularly Mexico, Brazil, and India. North America delivered robust growth.

### LUXE

**L'Oréal Luxe grew +4.5% like-for-like, +2.0% reported and has become the global number one in luxury beauty.**

Excluding North Asia, which was impacted by the reset of Travel Retail and the market softness in mainland China, *L'Oréal Luxe* grew in double digits. This was driven by continued investment in its portfolio of complementary brands, as well as its ambitious omni-channel strategy, now including Amazon in the US. The Division has become the global market leader in luxury beauty thanks to its strong momentum in developed and emerging markets and its remarkable outperformance in China. There, the early adoption of Douyin and the ongoing investment in point-of-sale quality paid off.

Fragrances remained the star performer, driven by *Yves Saint Laurent* with the worldwide blockbuster *Libre* and the successful launch of *MYSLF*, as well as *Born in Roma* by *Valentino*, *Paradoxe* by *Prada*, *Wanted* by *Azzaro* and *Angel* by *Mugler*. In skincare, ultra-luxury brand *Helena Rubinstein* passed the one-billion-euro mark, and *Takami* advanced strongly in the medical luxury segment. Makeup momentum accelerated in the second half of the year, driven by the Couture brands.

More recently added brands like *Prada*, *Takami* and *Valentino* made strong growth contributions. *Aēsop*, integrated since 30 August, is off to a promising start.

## DERMATOLOGICAL BEAUTY<sup>4</sup>

**The Dermatological Beauty Division had spectacular growth of +28.4% like-for-like and +25.5% reported.**

Dermatological Beauty maintained its outstanding momentum, growing twice as fast as the highly dynamic dermocosmetics market, and delivering its sixth consecutive year of double-digit growth. As a result, sales have more than doubled in just three years.

This was driven by the Division's unrivalled portfolio of highly complementary brands, its online and offline channel coverage, and its longstanding medical prescription leadership.

Momentum was strong across all regions and well-balanced between developed and emerging markets. In mainland China, the Division significantly outperformed a market that proved resilient.

*La Roche-Posay*, the number one growth contributor, kept its outstanding pace, driven by the *UVmune400*, breakthrough innovation in sun care, as well as the successful *Cicaplast* microbiome renovation. *CeraVe* continued to advance strongly both in the US, where it is now the number one skincare brand, and in the rest of the world. *Vichy* reported its best growth in 18 years, while the portfolio of aesthetics-related brands grew in double digits.

L'Oréal Dermatological Beauty places three of its key brands in the top-four most prescribed brands by dermatologists in the world.

## Summary by Region

### EUROPE

**Sales in Europe saw outstanding growth of +16.0 % like-for-like and +13.7% reported.**

Throughout the year, the beauty market was very dynamic, and L'Oréal outperformed across all of its core Western and Central European countries. Thanks to its outstanding progress, the region was the single-largest growth driver at Group level for the second year running.

Volume and value both contributed strongly, the latter fueled by mix and price.

All categories advanced in double-digits, led by skincare and makeup.

Professional Products continued to recruit new consumers and develop its position in premium haircare thanks to *Kérastase* and the strong momentum of *Série Expert* by *L'Oréal Professionnel*. In Consumer Products, each of the four key brands recorded exceptional growth. L'Oréal Luxe further strengthened its leadership in fragrances, driven by *Libre* by *Yves Saint Laurent* - now the second largest female women's fragrance in Europe after *Lancôme's La Vie Est Belle* - and by *Paradoxe* by *Prada*. Dermatological Beauty outperformed its market significantly; thanks to the continued strong growth of *CeraVe*, the Division now has three of the top-four dermo-cosmetics brands in Europe.

L'Oréal continued to strengthen its position in the most dynamic channels: drugstores, e-commerce, and pharmacies.

### NORTH AMERICA

**Sales in North America advanced strongly, +11.8% like-for-like and +9.7% reported.**

L'Oréal outperformed a dynamic market, driven by valorising innovations and channel optimisation. Each of the Divisions grew, led by Dermatological Beauty and L'Oréal Luxe.

The Professional Products Division outperformed the market thanks to its well-rounded brand portfolio with *Kérastase* particularly dynamic. This was backed by its strong innovation pipeline, and its omni-channel focus, where selective channels and e-commerce outperformed.

Consumer Products grew strongly in haircare, boosted by the continued success of the core *Elvive* and *Ever* haircare franchises. In a vibrant makeup market, momentum remained strong, supported by a well-filled innovation pipeline across all brands.

L'Oréal Luxe outperformed the market in fragrances, led by *Born in Roma* by *Valentino* and *MYSLF* by *Yves Saint Laurent*. In makeup, Couture brands *Yves Saint Laurent* and *Armani* were bolstered by new launches. E-commerce remained dynamic, particularly during the holiday season.

Dermatological Beauty continued its exceptional performance, outperforming the market thanks to the uninterrupted success of *CeraVe*, now the number one skin care brand in the US, and *La Roche Posay*. *Skinbetter Science* maintained strong momentum.

## NORTH ASIA

### **Sales in North Asia contracted, -0.9% like-for-like and -5.8% reported.**

North Asia continued to be impacted by the reset in Travel Retail following the change in policy regarding daigous. In mainland China, where the beauty market remained flat, L'Oréal grew +5.4%, significantly strengthening its leadership – boosted by the Group's continued investment in the quality of its offline distribution in a truly O+O (offline plus online) market. In Hong Kong, momentum was buoyant, as tourist activity resumed. In Japan, L'Oréal significantly outperformed a dynamic market, driven by Consumer Products and L'Oréal Luxe.

In North Asia, growth was fuelled by L'Oréal Dermatological Beauty, where all three core brands grew in double-digits led by CeraVe, and Professional Products, where Kérastase continued to advance strongly. Both Divisions significantly outperformed their respective markets. L'Oréal Luxe continued to outperform its market, with particularly strong momentum in premium skincare thanks to the remarkable success of *Helena Rubinstein* and *Takami*; Couture brands like *Yves Saint Laurent* and the recently launched *Prada Beauty* also contributed. The Consumer Products Division was supported by the rebound of its makeup brands, *Maybelline New York* and *3CE Stylenanda*.

Offline and online channels both contributed to growth in the region.

## SAPMENA – SSA<sup>5</sup>

### **Sales in SAPMENA-SSA had outstanding growth of +23.2% like-for-like and +16.4% reported.**

In SAPMENA, growth was broad-based as each category, Division, and country advanced in double-digits. Mix-driven value and volume both contributed strongly.

Fragrances was the most dynamic category, followed by skincare and makeup; haircare was boosted by continued premiumisation.

The stand-out performers by Division were Dermatological Beauty, where CeraVe continued its successful expansion, and Consumer Products, where all brands grew in double-digits.

By country, the Australia-New Zealand and GCC<sup>6</sup> clusters, as well as India were the top-three growth contributors, all advancing in excess of +20%.

Sales progressed faster online than offline, driven by India and Vietnam.

SSA saw record growth with all countries advancing in double digits. Skincare and makeup led category growth; Consumer Products and Dermatological Beauty were the top performers by Division.

## LATIN AMERICA

### **Sales in Latin America achieved outstanding growth of +24.4% like-for-like and +22.8% reported.**

L'Oréal maintained exceptional momentum with strong contributions from both value and volume. The Group outperformed a dynamic beauty market.

All categories reported double-digit growth. Skincare, makeup, and the all-important haircare category were particularly dynamic.

By Division, the stand-out performers were Consumer Products, where all key brands and categories performed strongly, and Dermatological Beauty, where *La Roche-Posay* and *CeraVe* continued their outstanding growth.

Growth was broad-based across all countries. The top-two contributors were Brazil and Mexico; the latter reported spectacular growth in excess of 30%.

The successfully implemented omnichannel strategy resulted in well-balanced online and offline growth.

<sup>6</sup> GCC: Gulf Cooperation Council



# IMPORTANT EVENTS DURING 01/10/23-31/12/23 AND POST-CLOSING

## STRATEGY

- In January, L'Oréal's venture capital fund BOLD ("Business Opportunities for L'Oréal Development") **acquired a minority stake in Timeline**, a Swiss biotech company developing innovative solutions for longevity in food, beauty, and health.
- In January, L'Oréal announced that it has signed an agreement **to acquire the remaining shares in Gjosa**, a Swiss startup pioneering water fractioning. L'Oréal had previously partnered with Gjosa to launch the award-winning Water Saver showerhead.
- In December, L'Oréal announced the **acquisition of Lactobio**, a leading probiotic and microbiome research company based in Denmark.
- In January, L'Oréal's Venture Capital fund BOLD, closed a **minority investment in the luxury Chinese fragrance brand, To Summer**, to expand into global markets and offer global consumers curated olfactory experiences inspired by eastern art, culture, philosophy and landscapes.

## MANAGEMENT

- In February, L'Oréal announced the appointment of **Ezgi Barcenas** as Chief Corporate Responsibility Officer to continue the Group's environmental and societal transformation. She succeeds **Alexandra Palt** who will be leaving her responsibilities on April 1, 2024, having established, and anchored the foundations of this transformation during her 12 years with the Group. Alexandra Palt remains CEO and administrator of the L'Oréal Foundation.

## RESEARCH, BEAUTY TECH AND DIGITAL

- In January, Nicolas Hieronimus and Barbara Lavernos gave the Opening Keynote speech at CES in Las Vegas, making L'Oréal the first beauty company to be invited to do so. The Group won a record **seven CES Innovation Awards**.
- In November, L'Oréal presented its latest tech-enabled offerings and partnerships at the **sixth annual China International Import Expo (CIIE) in Shanghai**, one of the world's largest trade shows, with a record 18 beauty tech innovations spanning inclusive, sustainable and personalised Beauty Tech solutions.
- In November, L'Oréal announced an **industry-first partnership with Cosmo International Fragrances** to develop a Green Sciences-based extraction process to revolutionise the art of fine fragrance creation.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

- L'Oréal is the only company in the world to have received for the eighth consecutive year a **triple 'A' score** from the global environmental nonprofit CDP. L'Oréal is recognized as part of companies leading the way in environmental transparency and demonstrating outstanding performance in addressing climate change, protecting forests and ensuring water security.
- L'Oréal received a rating of 20 – Low Risk as part of the assessment carried out by **Sustainalytics**. This score **ranks the Group in fourth position within the "Personal Products" sub-industry** and in the top 10 companies in the "Household Products" industry.
- L'Oréal and renowned companies from the beauty, scent and personal care sector gathered for the first time in the **Value of Beauty Alliance** to highlight the positive impact of the industry. The Alliance members presented in Brussels to key stakeholders from the European Union Institutions a new report titled 'What is the Value of Beauty?'.  
The report is available at <https://www.valueofbeautyalliance.com/>
- In January, a consortium of 15 cosmetics industry companies, including L'Oréal Groupe, announced that they have joined forces to create the **TRaceability Alliance for Sustainable CosMEtics (TRASCE)** to enhance traceability in key ingredient and packaging supply chains across the industry.

## 2023 RESULTS

Audited financial statements, certification in progress.

### Operating profitability at 19.8% of sales

Consolidated profit and loss accounts: from sales to operating profit.

	2022		2023	
	€m	% sales	€m	% sales
<b>Sales</b>	<b>38,260.6</b>	<b>100.0%</b>	<b>41,182.5</b>	<b>100.0%</b>
Cost of sales	-10,577.4	27.6%	-10,767.0	26.1%
<b>Gross profit</b>	<b>27,683.3</b>	<b>72.4%</b>	<b>30,415.5</b>	<b>73.9%</b>
R&I expenses	-1,138.6	3.0%	-1,288.9	3.1%
Advertising and promotion	-12,059.0	31.5%	-13,356.6	32.4%
Selling, general and administrative expenses	-7,028.8	18.4%	-7,626.7	18.5%
<b>Operating profit</b>	<b>7,456.9</b>	<b>19.5%</b>	<b>8,143.3</b>	<b>19.8%</b>

**Gross profit**, at 73.9% of sales, improved by 150 basis points.

**Research & Innovation expenses** increased by 10 basis points to 3.1% of sales.

**Advertising and promotional expenses** increased by 90 basis points to 32.4% of sales, equivalent to an increase of more than 10% year-on-year.

**Selling, general and administrative expenses** increased by 10 basis points to 18.5% of sales.

Overall, **operating profit** increased by +9.2% to 8,143.3 million euros, and amounted to 19.8% of sales, an improvement of 30 basis points.

### Operating profit by Division

	2022		2023	
	€m	% sales	€m	% sales
<b>By Division</b>				
Professional Products	953.6	21.3%	1,005.3	21.6%
Consumer Products	2,774.9	19.8%	3,114.7	20.5%
L'Oréal Luxe	3,350.4	22.9%	3,331.8	22.3%
Dermatological Beauty <sup>4</sup>	1,303.0	25.4%	1,670.9	26.0%
<b>Divisions total</b>	<b>8,381.9</b>	<b>21.9%</b>	<b>9,122.7</b>	<b>22.2%</b>
Non-allocated <sup>7</sup>	-925.1	-2.4%	-979.4	-2.4%
<b>Group</b>	<b>7,456.9</b>	<b>19.5%</b>	<b>8,143.3</b>	<b>19.8%</b>

The profitability of the **Professional Products Division** came out at 21.6% of sales, up 30 basis points.

The profitability of the **Consumer Products Division** came out at 20.5% of sales, up 70 basis points.

The profitability of the **Luxe Division** came out at 22.3% compared to 22.9% in 2022.

The profitability of the **Dermatological Beauty Division** came out at 26.0%, up 60 basis points.

**Non-allocated expenses** amounted to 979.4 million euros.

<sup>7</sup> Non-allocated = Central Group expenses, fundamental research expenses, free grant of shares expenses and miscellaneous items.  
<http://www.loreal-finance.com/>



Consolidated profit and loss accounts: from operating profit to net profit excluding non-recurring items.

€m	2022	2023	Growth
<b>Operating profit</b>	<b>7,456.9</b>	<b>8,143.3</b>	<b>+9.2%</b>
<i>Financial revenues and expenses excluding Sanofi dividends</i>	-73.0	-113.4	
<i>Sanofi dividends</i>	468.2	420.9	
Profit before tax excluding non-recurring items	7,852.1	8,450.8	+7.6%
<i>Income tax excluding non-recurring items</i>	-1,793.4	-1,957.8	
<i>Net profit excluding non-recurring items of equity consolidated companies</i>	+1.5	+0.2	
<i>Non-controlling interests</i>	-6.1	-6.7	
<b>Net profit after non-controlling interests excluding non-recurring items</b>	<b>6,054.1</b>	<b>6,486.6</b>	<b>+7.1%</b>
<b>EPS<sup>2</sup> (€)</b>	<b>11.26</b>	<b>12.08</b>	<b>+7.3%</b>
<b>Net profit after non-controlling interests</b>	<b>5,706.6</b>	<b>6,184.0</b>	<b>+8.4%</b>
Diluted EPS after non-controlling interests (€)	10.61	11.52	
<b>Diluted average number of shares</b>	<b>537,657,548</b>	<b>537,021,039</b>	

**Net finance costs** amounted to 113 million euros.

**Sanofi dividends** totalled 420.9 million euros.

**Income tax excluding non-recurrent items** amounted to 1,958 million euros, representing a tax rate of 23.2%.

**Net profit excluding non-recurring items after non-controlling interests** stood at 6,487 million euros.

**Earnings per share<sup>2</sup>**, at 12.08 euros, increased by +7.3%.

**Non-recurring items after non-controlling interests<sup>8</sup>** amounted to 302 million euros net of tax.

**Net profit after non-controlling interests** came out at 6,184 million euros, increasing by +8.4%.

## Cash flow statement, Balance sheet and Cash position

**Gross cash flow** amounted to 7,999 million euros, an increase of +9.7%.

The **working capital requirement** increased by 395 million euros.

At 1,488.7 million euros, **investments** represented 3.6% of sales.

**Net cash flow<sup>9</sup>**, at 6,116 million euros, increased by 23.9%.

The **balance sheet** remains strong, with shareholders' equity amounting to 29.1 billion euros.

## Proposed dividend at the Annual General Meeting of 23 April 2024

The Board of Directors has decided to propose a dividend of 6.60 euros per share at the shareholders' Annual General Meeting of 23 April 2024, an increase of +10.0% compared with the dividend paid in 2023. The dividend will be paid on 30 April 2024 (ex-dividend date 26 April at 0:00am, Paris time).

## Share capital

At 31 December 2023, the capital of the company is formed by 534,725,475 shares.

The L'Oréal Board of Directors met on 8 February 2024, under the chairmanship of Jean-Paul Agon and in the presence of the Statutory Auditors. The Board approved the consolidated financial statements and the financial statements for 2023.

<sup>8</sup> Non-recurring items include impairment of assets, capital gains and losses on disposals of long-term assets, restructuring costs and tax effects of non-recurring items.

<sup>9</sup> Net cash flow = Gross cash flow + changes in working capital - capital expenditure.

---

"This news release does not constitute an offer to sell, or a solicitation of an offer to buy L'Oréal shares. If you wish to obtain more comprehensive information about L'Oréal, please refer to the public documents registered in France with the Autorité des Marchés Financiers, also available in English on our website [www.loreal-finance.com](http://www.loreal-finance.com).

This news release may contain some forward-looking statements. While the Company believes that these statements are based on reasonable assumptions as of the date of publication of this press release, they are by nature subject to risks and uncertainties which may lead to a discrepancy between the actual figures and those indicated or suggested in these statements."

## About L'Oréal

For 115 years, L'Oréal, the world's leading beauty player, has devoted itself to one thing only: fulfilling the beauty aspirations of consumers around the world. Our purpose, to create the beauty that moves the world, defines our approach to beauty as essential, inclusive, ethical, generous and committed to social and environmental sustainability. With our broad portfolio of 37 international brands and ambitious sustainability commitments in our L'Oréal for the Future programme, we offer each and every person around the world the best in terms of quality, efficacy, safety, sincerity and responsibility, while celebrating beauty in its infinite plurality. With more than 90,000 committed employees, a balanced geographical footprint and sales across all distribution networks (e-commerce, mass market, department stores, pharmacies, perfumeries, hair salons, branded and travel retail), in 2023 the Group generated sales amounting to 41.18 billion euros. With 20 research centers across 11 countries around the world and a dedicated Research and Innovation team of over 4,000 scientists and 6,400 Digital talents, L'Oréal is focused on inventing the future of beauty and becoming a Beauty Tech powerhouse.

More information on <https://www.loreal.com/en/mediaroom>

## L'ORÉAL CONTACTS

	<b>Individual shareholders and market authorities</b>	<b>Investor relations</b>	<b>Journalists</b>
Switchboard +33 (0) 1 47 56 70 00	Pascale Guerin +33 (0)1 49 64 18 89 <a href="mailto:pascale.guerin@loreal.com">pascale.guerin@loreal.com</a>	Eva Quiroga +33 (0)7 88 14 22 65 <a href="mailto:eva.quiroga@loreal.com">eva.quiroga@loreal.com</a>	Brune Diricq +33 (0)6 63 85 29 87 <a href="mailto:brune.diricq@loreal.com">brune.diricq@loreal.com</a>
			Christine Burke +33 (0)6 75 54 38 15 <a href="mailto:christine.burke@loreal.com">christine.burke@loreal.com</a>

For more information, please contact your bank, broker or financial institution (I.S.I.N. code: FR0000120321), and consult your usual newspapers, the website for shareholders and investors, [www.loreal-finance.com](http://www.loreal-finance.com) or the L'Oréal Finance app; alternatively, call +33 (0)1 40 14 80 50.



This press release has been secured and authenticated with blockchain technology.  
You can verify its authenticity on the website [www.wiztrust.com](http://www.wiztrust.com)

## Appendices

### Appendix 1: L'Oréal group sales 2022/2023 (€ million)

	2022	2023		
	€m	€m	Like-for-like evolution	Reported evolution
<b>First quarter</b>	9,060.5	10,380.4	+13.0%	+14.6%
<b>Second quarter</b>	9,305.8	10,193.7	+13.7%	+9.5%
<b>First half total</b>	18,366.3	20,574.1	+13.3%	+12.0%
<b>Third quarter</b>	9,575.2	10,003.1	+11.1%	+4.5%
<b>Nine months total</b>	27,941.5	30,577.2	+12.6%	+9.4%
<b>Fourth quarter</b>	10,319.1	10,605.3	+6.9%	+2.8%
<b>Full year total</b>	38,260.6	41,182.5	+11.0%	+7.6%

## Appendix 2: Compared consolidated income statements

€ millions	2023	2022	2021
<b>Net sales</b>	<b>41,182.5</b>	<b>38,260.6</b>	<b>32,287.6</b>
Cost of sales	-10,767.0	-10,577.4	-8,433.3
<b>Gross profit</b>	<b>30,415.5</b>	<b>27,683.3</b>	<b>23,854.3</b>
Research & Innovation expenses	-1,288.9	-1,138.6	-1,028.7
Advertising and promotion expenses	-13,356.6	-12,059.0	-10,591.0
Selling, general and administrative expenses	-7,626.7	-7,028.8	-6,074.2
<b>Operating profit</b>	<b>8,143.3</b>	<b>7,456.9</b>	<b>6,160.3</b>
Other income and expenses	-449.9	-241.5	-432.0
<b>Operational profit</b>	<b>7,693.4</b>	<b>7,215.4</b>	<b>5,728.3</b>
Finance costs on gross debt	-226.7	-70.4	-38.0
Finance income on cash and cash equivalents	162.1	69.8	18.5
<b>Finance costs, net</b>	<b>-64.6</b>	<b>-0.6</b>	<b>-19.4</b>
Other financial income and expenses	-48.8	-72.3	-40.2
Sanofi dividends	420.9	468.2	378.3
<b>Profit before tax and associates</b>	<b>8,001.0</b>	<b>7,610.6</b>	<b>6,046.9</b>
Income tax	-1,810.6	-1,899.4	-1,445.4
Share of profit in associates	0.2	1.4	0.6
<b>Net profit</b>	<b>6,190.5</b>	<b>5,712.6</b>	<b>4,602.2</b>
Attributable to:			
owners of the company	6,184.0	5,706.6	4,597.1
non-controlling interests	6.5	6.0	5.1
Earnings per share attributable to owners of the company (euros)	11.55	10.65	8.24
Diluted earnings per share attributable to owners of the company (euros)	11.52	10.61	8.21
Earnings per share attributable to owners of the company, excluding non-recurring items (euros)	12.11	11.30	8.86
Diluted earnings per share attributable to owners of the company, excluding non-recurring items (euros)	12.08	11.26	8.82

## Appendix 3: Consolidated statement of comprehensive income

€ millions	2023	2022	2021
<b>Consolidated net profit for the period</b>	<b>6,190.5</b>	<b>5,712.6</b>	<b>4,602.2</b>
Cash flow hedges	-137.3	288.5	-203.7
Cumulative translation adjustments	-425.8	195.1	610.5
Income tax on items that may be reclassified to profit or loss <sup>(1)</sup>	22.7	-58.0	41.5
<b>Items that may be reclassified to profit or loss</b>	<b>-540.3</b>	<b>425.6</b>	<b>448.3</b>
Financial assets at fair value through other comprehensive income	-76.3	152.1	1,192.2
Actuarial gains and losses	-119.3	395.6	585.5
Income tax on items that may not be reclassified to profit or loss <sup>(1)</sup>	28.9	-111.5	-181.7
<b>Items that may not be reclassified to profit or loss</b>	<b>-166.7</b>	<b>436.2</b>	<b>1,596.0</b>
<b>Other comprehensive income</b>	<b>-707.0</b>	<b>861.8</b>	<b>2,044.3</b>
<b>CONSOLIDATED COMPREHENSIVE INCOME</b>	<b>5,483.6</b>	<b>6,574.4</b>	<b>6,646.5</b>
Attributable to:			
owners of the company	5,477.7	6,567.6	6,641.4
non-controlling interests	5.9	6.8	5.1

<sup>(1)</sup> The tax effect is as follows:

€ millions	2023	2022	2021
Cash flow hedges	22.7	-58.0	41.5
<b>Items that may be reclassified to profit or loss</b>	<b>22.7</b>	<b>-58.0</b>	<b>41.5</b>
Financial assets at fair value through other comprehensive income	-1.3	-6.1	-37.3
Actuarial gains and losses	30.2	-105.5	-144.4
<b>Items that may not be reclassified to profit or loss</b>	<b>28.9</b>	<b>-111.5</b>	<b>-181.7</b>
<b>TOTAL</b>	<b>51.6</b>	<b>-169.5</b>	<b>-140.2</b>

## Appendix 4: Compared consolidated balance sheets

### Assets

€ millions	31.12.2023	31.12.2022	31.12.2021
<b>Non-current assets</b>	<b>35,529.7</b>	<b>32,794.5</b>	<b>30,937.6</b>
Goodwill	13,102.6	11,717.7	11,074.5
Other intangible assets	4,287.1	3,640.1	3,462.8
Right-of-use assets	1,692.4	1,482.7	1,507.6
Property, plant and equipment	3,867.7	3,481.7	3,266.2
Non-current financial assets	11,631.6	11,652.8	10,920.2
Investments accounted for under the equity method	27.0	18.4	9.9
Deferred tax assets	921.2	801.1	696.5
<b>Current assets</b>	<b>16,325.4</b>	<b>14,049.6</b>	<b>12,075.8</b>
Inventories	4,482.4	4,079.4	3,166.9
Trade accounts receivable	5,092.7	4,755.5	4,021.0
Other current assets	2,270.6	2,423.2	2,037.9
Current tax assets	191.6	173.9	136.2
Cash and cash equivalents	4,288.1	2,617.7	2,713.8
<b>TOTAL</b>	<b>51,855.1</b>	<b>46,844.2</b>	<b>43,013.4</b>

### Equity & Liabilities

€ millions	31.12.2023	31.12.2022	31.12.2021
<b>Equity</b>	<b>29,081.6</b>	<b>27,186.5</b>	<b>23,592.6</b>
Share capital	106.9	107.0	111.5
Additional paid-in capital	3,370.2	3,368.7	3,265.6
Other reserves	13,799.1	11,675.6	19,092.2
Other comprehensive income	6,123.8	6,404.4	5,738.6
Cumulative translation adjustments	-509.6	-83.8	-279.1
Treasury shares	—	—	-8,940.2
Net profit attributable to owners of the company	6,184.0	5,706.6	4,597.1
<b>Equity attributable to owners of the company</b>	<b>29,074.3</b>	<b>27,178.5</b>	<b>23,585.7</b>
Non-controlling interests	7.3	8.0	6.9
<b>Non-current liabilities</b>	<b>7,873.9</b>	<b>5,937.9</b>	<b>2,837.6</b>
Provisions for employee retirement obligations and related benefits	562.0	457.9	360.6
Provisions for liabilities and charges	68.8	67.7	63.8
Non-current tax liabilities	255.7	275.6	344.8
Deferred tax liabilities	846.6	905.6	810.3
Non-current borrowings and debt	4,746.7	3,017.6	10.7
Non-current lease debt	1,394.2	1,213.5	1,247.5
<b>Current liabilities</b>	<b>14,899.7</b>	<b>13,719.6</b>	<b>16,583.2</b>
Trade accounts payable	6,347.0	6,345.6	6,068.1
Provisions for liabilities and charges	977.2	1,205.6	1,223.3
Other current liabilities	4,816.1	4,484.6	3,980.8
Income tax	208.1	264.2	268.9
Current borrowings and debt	2,091.5	1,012.8	4,619.4
Current lease debt	459.8	407.0	422.8
<b>TOTAL</b>	<b>51,855.1</b>	<b>46,844.2</b>	<b>43,013.4</b>



## Appendix 5: Consolidated statements of changes in equity

€ millions	Common shares outstanding	Capital	Additional paid-in capital	Retained earnings and net profit <sup>(1)</sup>	Other comprehensive income	Treasury shares	Cumulative translation adjustments	Equity attributable to owners of the	Non-controlling interests	Total equity
<b>At 31.12.2020</b>	<b>559,871,580</b>	<b>112.0</b>	<b>3,259.8</b>	<b>22,206.0</b>	<b>4,304.5</b>	<b>—</b>	<b>-889.1</b>	<b>28,993.0</b>	<b>5.8</b>	<b>28,998.8</b>
Consolidated net profit for the period				4,597.1				4,597.1	5.1	4,602.2
Cash flow hedges					-161.9			-161.9	-0.3	-162.2
Cumulative translation adjustments							610.2	610.2	0.3	610.5
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>-161.9</b>		<b>610.2</b>	<b>448.3</b>	<b>—</b>	<b>448.3</b>
Financial assets at fair value through other comprehensive income					1,154.9			1,154.9		1,154.9
Actuarial gains and losses					441.1			441.1		441.1
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>1,596.0</b>			<b>1,596.0</b>		<b>1,596.0</b>
<b>Consolidated comprehensive income</b>				<b>4,597.1</b>	<b>1,434.1</b>		<b>610.2</b>	<b>6,641.4</b>	<b>5.1</b>	<b>6,646.5</b>
Capital increase	800,780	—	5.8	—				5.8		5.8
Cancellation of Treasury shares		-0.5		-1,104.3		1,104.8		—		—
Dividends paid (not paid on Treasury shares)				-2,264.4				-2,264.4	-4.7	-2,269.1
Share-based payment				155.2				155.2		155.2
Net changes in Treasury shares	-25,260,000					-10,045.0		-10,045.0		-10,045.0
Changes in the scope of consolidation				—				—		—
Other movements <sup>(1)</sup>				99.8				99.8	0.6	100.4
<b>At 31.12.2021</b>	<b>535,412,360</b>	<b>111.5</b>	<b>3,265.6</b>	<b>23,689.3</b>	<b>5,738.6</b>	<b>-8,940.2</b>	<b>-279.1</b>	<b>23,585.7</b>	<b>6.9</b>	<b>23,592.6</b>
Impact of the application of the IFRIC decision on SaaS contracts				-151.2				-151.2		-151.2
<b>At 01.01.2022<sup>(2)</sup></b>	<b>535,412,360</b>	<b>111.5</b>	<b>3,265.6</b>	<b>23,538.1</b>	<b>5,738.6</b>	<b>-8,940.2</b>	<b>-279.1</b>	<b>23,434.5</b>	<b>6.9</b>	<b>23,441.4</b>
Consolidated net profit for the period				5,706.6				5,706.6	6.0	5,712.6
Cash flow hedges					229.7			229.7	0.8	230.5
Cumulative translation adjustments							195.3	195.3	-0.2	195.1
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>229.7</b>		<b>195.3</b>	<b>425.0</b>	<b>0.6</b>	<b>425.6</b>
Financial assets at fair value through other comprehensive income					146.1			146.1		146.1
Actuarial gains and losses					290.0			290.0	0.1	290.1
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>436.1</b>			<b>436.1</b>	<b>0.1</b>	<b>436.2</b>
<b>Consolidated comprehensive income</b>				<b>5,706.6</b>	<b>665.8</b>		<b>195.3</b>	<b>6,567.6</b>	<b>6.8</b>	<b>6,574.4</b>
Capital increase	1,317,073	0.3	103.1	-0.2				103.2		103.2
Cancellation of Treasury shares		-4.8		-9,437.7		9,442.5		—		—
Dividends paid (not paid on Treasury shares)				-2,601.2				-2,601.2	-4.4	-2,605.6
Share-based payment				169.0				169.0		169.0
Net changes in Treasury shares	-1,542,871					-502.3		-502.3		-502.3
Changes in the scope of consolidation								—		—
Other movements				7.6				7.6	-1.2	6.4
<b>At 31.12.2022</b>	<b>535,186,562</b>	<b>107.0</b>	<b>3,368.7</b>	<b>17,382.2</b>	<b>6,404.4</b>	<b>—</b>	<b>-83.8</b>	<b>27,178.5</b>	<b>8.0</b>	<b>27,186.5</b>

<sup>(1)</sup> Of which €102.2 million pertaining to the IFRIC 2021 interpretation on IAS19 "Employee Benefits" on Attributing Benefit to Periods of Service.

<sup>(2)</sup> After taking account of the IFRIC final decision in April 2021 on set-up and customization costs for SaaS-type contracts software.

€ millions	Common shares outstanding	Capital	Additional paid-in capital	Retained earnings and net profit	Other comprehensiv e income	Treasury shares	Cumulative translation adjustments	Equity attributable to owners of the	Non- controlling interests	Total equity
<b>At 31.12.2022</b>	<b>535,186,562</b>	<b>107.0</b>	<b>3,368.7</b>	<b>17,382.2</b>	<b>6,404.4</b>	<b>—</b>	<b>-83.8</b>	<b>27,178.5</b>	<b>8.0</b>	<b>27,186.5</b>
Consolidated net profit for the period				6,184.0				6,184.0	6.5	6,190.5
Cash flow hedges					-113.9			-113.9	-0.6	-114.5
Cumulative translation adjustments							-425.9	-425.9	0.1	-425.8
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>-113.9</b>		<b>-425.9</b>	<b>-539.8</b>	<b>-0.6</b>	<b>-540.3</b>
Financial assets at fair value through other comprehensive income					-77.5			-77.5		-77.5
Actuarial gains and losses					-89.2			-89.2	—	-89.2
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>-166.7</b>			<b>-166.7</b>	<b>—</b>	<b>-166.7</b>
<b>Consolidated comprehensive income</b>				<b>6,184.0</b>	<b>-280.6</b>		<b>-425.9</b>	<b>5,477.6</b>	<b>5.9</b>	<b>5,483.6</b>
Capital increase	810,545	0.2	1.5					1.7		1.7
Cancellation of Treasury shares		-0.3		-503.2		503.3		-0.2		-0.2
Dividends paid (not paid on Treasury shares)				-3,248.4				-3,248.4	-6.2	-3,254.6
Share-based payment				168.5				168.5		168.5
Net changes in Treasury shares	-1,271,632					-503.3		-503.3		-503.3
Changes in the scope of consolidation								—		—
Other movements				-0.1				-0.1	-0.4	-0.6
<b>AT 31.12.2023</b>	<b>534,725,475</b>	<b>106.9</b>	<b>3,370.2</b>	<b>19,983.1</b>	<b>6,123.8</b>	<b>—</b>	<b>-509.6</b>	<b>29,074.3</b>	<b>7.3</b>	<b>29,081.6</b>

## Appendix 6: Compared consolidated statements of cash flows

€ millions	2023	2022	2021
<b>Cash flows from operating activities</b>			
Net profit attributable to owners of the company	6,184.0	5,706.6	4,597.1
Non-controlling interests	6.5	6.0	5.1
Elimination of expenses and income with no impact on cash flows:			
• depreciation, amortisation, provisions and non-current tax liabilities <sup>(1)</sup>	1,715.0	1,536.1	1,781.0
• changes in deferred taxes	-95.3	-96.5	83.6
• share-based payment (including free shares)	168.5	169.0	155.2
• capital gains and losses on disposals of assets	6.9	7.6	0.5
Other non-cash transactions	14.1	-38.7	16.5
Share of profit in associates net of dividends received	-0.2	-0.5	1.3
<b>Gross cash flow</b>	<b>7,999.5</b>	<b>7,289.6</b>	<b>6,640.4</b>
Changes in working capital <sup>(1)</sup>	-394.9	-1,011.3	88.0
<b>Net cash provided by operating activities (A)</b>	<b>7,604.6</b>	<b>6,278.3</b>	<b>6,728.4</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment and intangible assets	-1,488.7	-1,343.2	-1,075.2
Disposals of property, plant and equipment and intangible assets	12.8	9.2	14.5
Changes in other financial assets (including investments in non-consolidated companies)	-170.7	-142.8	-117.3
Effect of changes in the scope of consolidation	-2,497.2	-746.9	-455.7
<b>Net cash from investing activities (B)</b>	<b>-4,143.7</b>	<b>-2,223.8</b>	<b>-1,633.7</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-3,425.6	-2,689.9	-2,352.1
Capital increase of the parent company	1.5	103.2	5.8
Disposal (acquisition) of Treasury shares	-503.3	-502.3	-10,060.9
Purchase of non-controlling interests	—	—	—
Issuance (repayment) of short-term loans	-823.7	-3,563.8	3,939.4
Issuance of long-term borrowings	3,567.1	3,019.9	—
Repayment of long-term borrowings	—	—	—
Repayment of lease debt	-430.6	-446.9	-396.4
<b>Net cash from financing activities (C)</b>	<b>-1,614.6</b>	<b>-4,079.9</b>	<b>-8,864.2</b>
Net effect of changes in exchange rates and fair value (D)	-175.9	-70.7	77.4
<b>Change in cash and cash equivalents (A+B+C+D)</b>	<b>1,670.4</b>	<b>-96.1</b>	<b>-3,692.1</b>
<b>Cash and cash equivalents at beginning of the year (E)</b>	<b>2,617.7</b>	<b>2,713.8</b>	<b>6,405.9</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)</b>	<b>4,288.1</b>	<b>2,617.7</b>	<b>2,713.8</b>

<sup>(1)</sup> Following the outcome of the dispute with the French Competition Authority, the reversal of the provision and the reversal of the debt for the same amount of €189.5 million were presented in operations without impact on cash flow.