



Annual General Meeting

17th April 2017

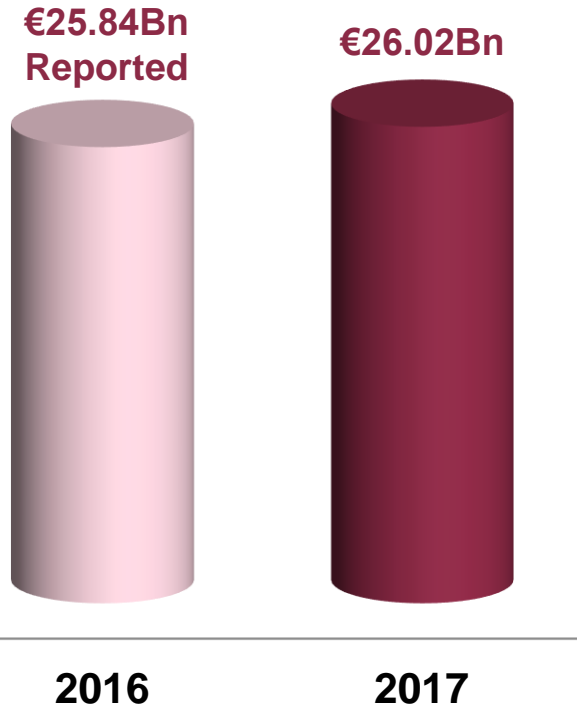
Mr Christian Mulliez

Chief Financial Officer

L'ORÉAL



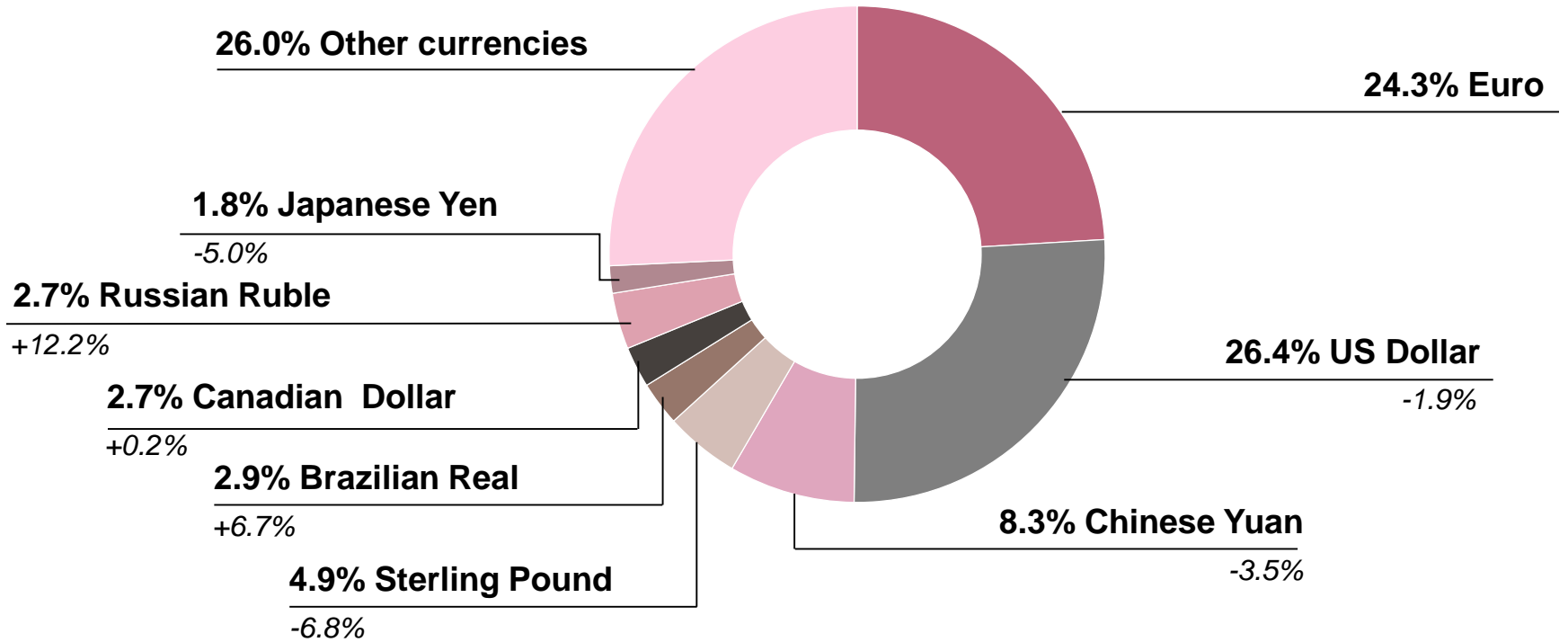
2017 consolidated group sales



Like-for-like growth	+4.8%
- external growth impact	+0.9%
- TBS disposal impact	-3.7%
Growth at constant exchange rates	+2.0%
Exchange rate impact	-1.3%
Reported growth	+0.7%



Breakdown of 2017 consolidated sales by currency and changes in currencies against the euro





2017 consolidated sales (in million euros)

	2016 Reported	2017	Change		
			Like-for-like	At constant exchange rates	Reported
Professional Products	3 399.7	3 350.4	+0.2%	-0.2%	-1.4%
Consumer Products	11 993.4	12 118.7	+2.2%	+2.1%	+1.0%
L'Oréal Luxe	7 662.4	8 471.7	+10.5%	+12.4%	+10.6%
Active Cosmetics	1 860.7	2 082.9	+5.8%	+12.2%	+11.9%
Divisions Total	24 916.3	26 023.7	+4.8%	+5.7%	+4.4%
The Body Shop	920.8	—			
Consolidated Total	25 837.1	26 023.7	+4.8%	+2.0%	+0.7%



2017 total divisions sales by region* (in million euros)

	2016 reported	2017	Change		
			Like-for-like	At constant exchange rate	Reported
Western Europe	8 008.0	8 125.3	+2.6%	+2.6%	+1.5%
North America	7 098.8	7 350.5	+1.7%	+5.3%	+3.5%
New Markets	9 809.5	10 547.8	+8.9%	+8.4%	+7.5%
Divisions Total	24 916.3	26 023.7	+4.8%	+5.7%	+4.4%

* As of 1 July 2016, the Asian Travel Retail business of the Consumer Products Division, previously recorded under the Western European region, was transferred to the Asia, Pacific region. Figures for earlier periods have been restated to allow for this change.



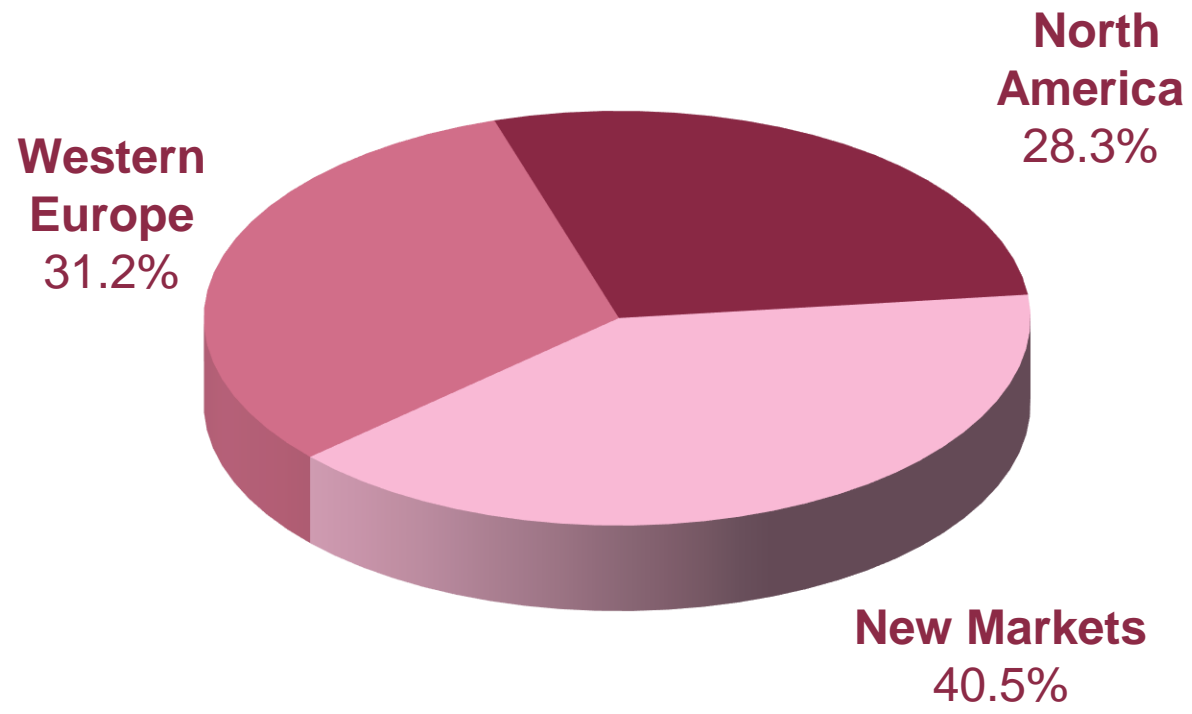
2017 total divisions sales - New Markets* (in million euros)

	2017	Change		
		Like-for-like	At constant exchange rate	Reported
Asia, Pacific	6 151.8	+12.3%	+11.4%	+9.2%
Latin America	1 952.9	+5.6%	+5.2%	+6.2%
Eastern Europe	1 750.8	+8.6%	+8.6%	+11.4%
Africa, Middle-East	692.4	-7.1%	-7.1%	-9.4%
Total New Markets	10 547.8	+8.9%	+8.4%	+7.5%

* As of 1 July 2016, the Asian Travel Retail business of the Consumer Products Division, previously recorded under the Western European region, was transferred to the Asia, Pacific region. H1-2016 figures have been restated to allow for this change.



Weight of different regions in cosmetics sales





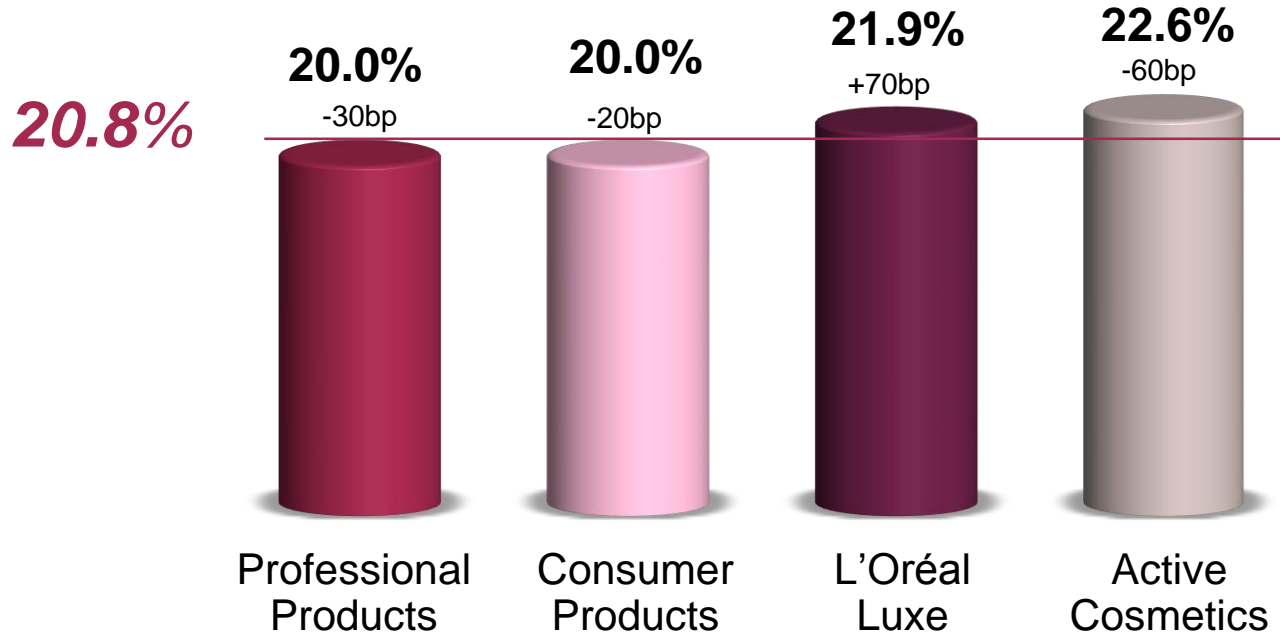
Consolidated profit and loss account: from sales to operating profit

(in million euros)

	2016 reported	As a % of sales	2017	As a % of sales	Change
Sales	25 837.1	100.0%	26 023.7	100.0%	+0.7%
Cost of sales	-7 341.7	28.4%	-7 359.2	28.3%	
Gross profit	18 495.4	71.6%	18 664.5	71.7%	+10bp
Research and development expenses	-849.8	3.3%	-877.1	3.4%	
Advertising and promotion expenses	-7 498.7	29.0%	-7 650.6	29.4%	
Selling, general and administrative expenses	-5 607.0	21.7%	-5 460.5	21.0%	
Operating profit	4 539.9	17.6%	4 676.3	18.0%	+40bp



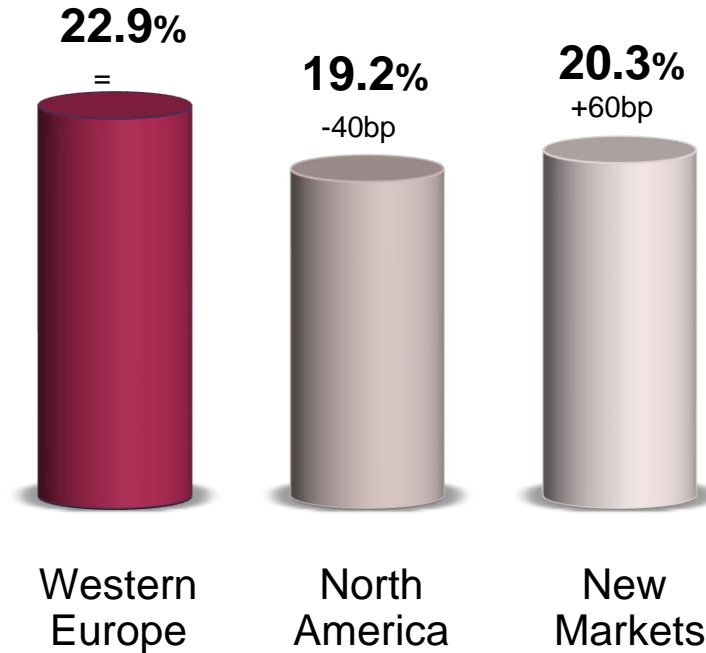
2017 operating margin by division* (as a % of sales)



* Before central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items – as a % of total divisions sales.



2017 operating margin by region* (as a % of sales)



* Before central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items – as a % of total divisions sales



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

(in million euros)

	2016 Reported	2017	Change
Operating profit	4 539.9	4 676.3	+40bp
Financial revenues-expenses before dividends received	-19.3	- 22.9	
Sanofi dividends	346.5	350.0	
Profit before tax and associates, excluding non-recurring items	4 867.1	5 003.3	+40bp
Income tax excluding non-recurring items	-1 216.8	-1 250.5	
Share of profit in associates, excluding non-recurring items	-0.1	-0.1	
Non-controlling interests	-3.0	-3.9	
Net profit excluding non-recurring items, attributable to owners of the company	3 647.2	3 748.7 ⁽¹⁾	
Earnings per share (in euros)	6.46 ⁽²⁾	6.65 ⁽³⁾	+3.0%
Diluted average number of shares	564 509 135	563 528 502	

(1): Net profit from continuing operations, excluding non-recurring items, attributable to owners of the company

(2): Diluted earnings per share, excluding non-recurring items, attributable to owners of the company, reported in 2016

(3): Diluted earnings per share based on net profit from continuing operations, excluding non-recurring items, attributable to owners of the company



Consolidated profit and loss account: from net profit excluding non-recurring items to net profit

<i>(in million euros)</i>	2016 reported	2017	Change
Net profit excluding non-recurring items, attributable to owners of the company	3 647.2	3 748.7 ⁽¹⁾	+2.8%
Total non-recurring items	-541.5	-167.2	
- of which:			
Impact of the disposal of The Body Shop		-240.1	
Other non-recurring items		+72.9	
- <i>other income and expenses</i>	-543.7	-276.3	
- <i>non-recurring tax items</i>	+2.2	+349.2	
Net profit attributable to owners of the company	3 105.8	3 581.4	+15.3%

(1) Net profit from continuing operations excluding non-recurring items, attributable to owners of the company



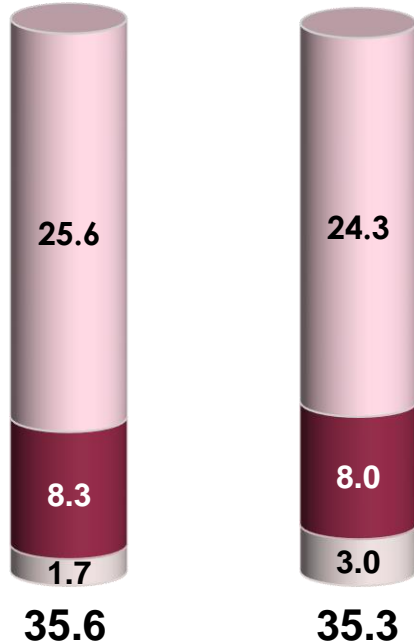
Balance sheet (in billion euros)

Assets

31 Dec. 2016
Reported

31 Dec. 2017

- Non-current assets
- Current assets
- Cash & cash equivalents

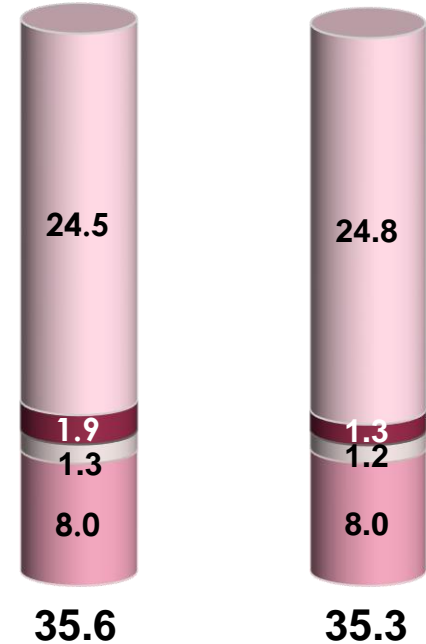


Liabilities

31 Dec. 2016
Reported

31 Dec. 2017

- Shareholders' equity
- Non-current liabilities
- Financial debt (current & non-current)
- Current liabilities





Net cash/net debt and gearing

<i>(in million euros)</i>	31 December 2016 Reported	31 December 2017
Net cash	481	1 872
Gearing*	N.A.	N.A.

**Net debt / equity attributable to owners of the company*



Short term ratings by rating agencies

Ratings in 2017

Standard & Poor's A1 + (September 2017)

Moody's Prime 1 (P-1) (May 2017)

Fitch Ratings F1 + (September 2017)



Internal control: A range of tools and procedures





€3.55 per share

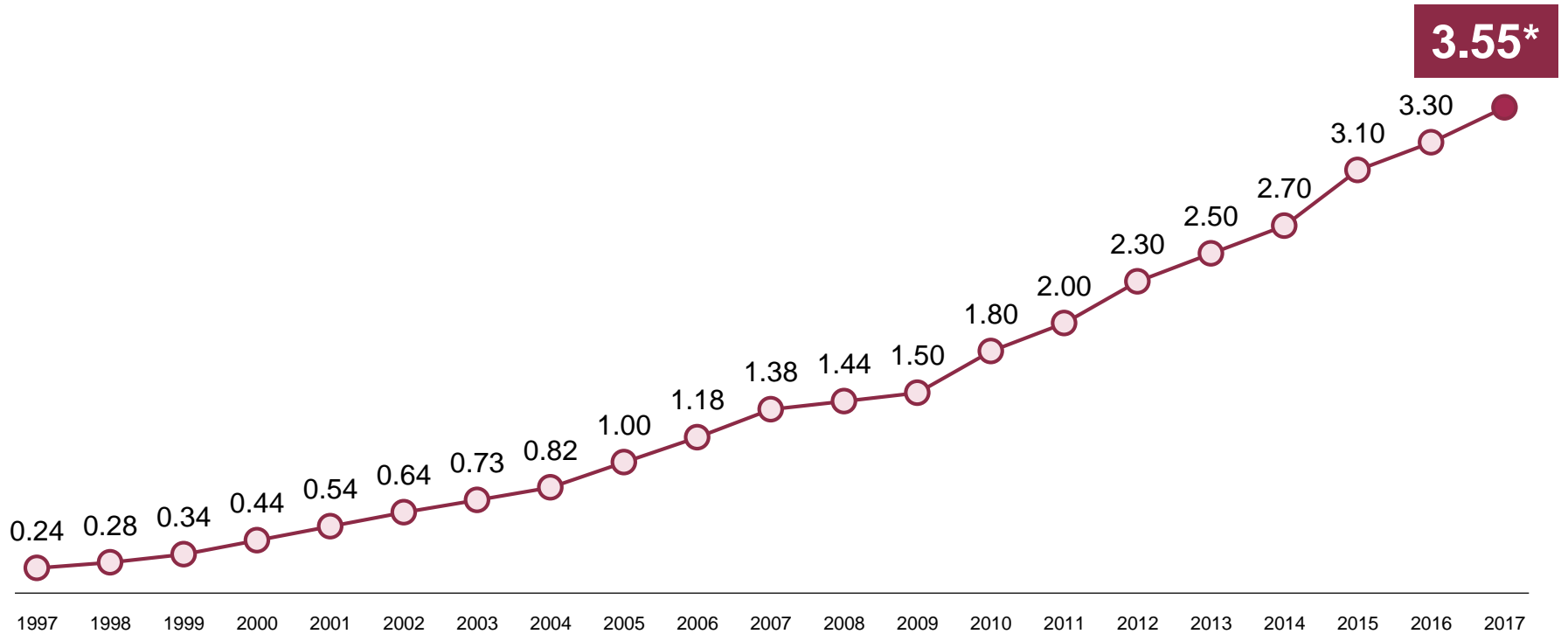
+7.6% growth over the previous year

**Loyalty bonus dividend of +10%, i.e. €3.90
per share for shares held continuously under the
registered form since end-2015**

* Proposed at the AGM held on 17 April 2018



Dividend from 1997 to 2017 (in euros)



* Proposed at the shareholders' meeting to be held on 17 April 2018

2017 dividend paid in 2018: pay-out of the 10% loyalty bonus (preferential dividend of 10%), for shares held in registered form since 2015



1st quarter 2018 consolidated sales by division (in million euros)

	Q1-2018	% change	
		Like-for-like	Reported
Professional Products	797.3	+1.9%	-7.1%
Consumer Products	3 070.5	+2.6%	-4.9%
L'Oréal Luxe	2 252.5	+14.0%	+4.4%
Active Cosmetics	658.4	+10.2%	+9.1%
Total	6 778.6	+6.8%	-1.0%



1st quarter 2018 consolidated sales by region (in million euros)

	Q1-2018	% change	
		Like-for-like	Reported
Western Europe	2 124.8	+0.4%	-0.6%
North America	1 735.7	+2.5%	-9.5%
New Markets	2 918.1	+14.9%	+4.4%
<i>Of which :</i>			
- Asia, Pacific	1 838.5	+21.1%	+10.0%
- Eastern Europe	477.5	+6.7%	-0.8%
- Latin America	426.6	+0.2%	-10.1%
- Africa, Middle East	175.6	+18.3%	+5.4%
Divisions total	6 778.6	+6.8%	-1.0%



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