



L'ORÉAL

CHAMPIONING BEAUTY IN A TIME OF CRISIS

JEAN-PAUL AGON

Chairman & Chief Executive Officer

DEUTSCHE BANK ACCESS GLOBAL
CONSUMER CONFERENCE

9 June 2020

PROTECTION & SOLIDARITY

PROTECTING OUR EMPLOYEES

Drastic health and security measures on all workplaces (factories, warehouses)

Limited number of people infected. No fatalities

100% employment & 100% fixed salary guaranteed till end-June



SUPPORTING CAREGIVERS

15 million units of hand sanitizers donated

>4 million of hand creams donated

In **40 countries**

70% of our factories mobilized



SUPPORTING OUR PARTNERS

Freeze receivables from more than **100,000** small professional clients and perfumeries

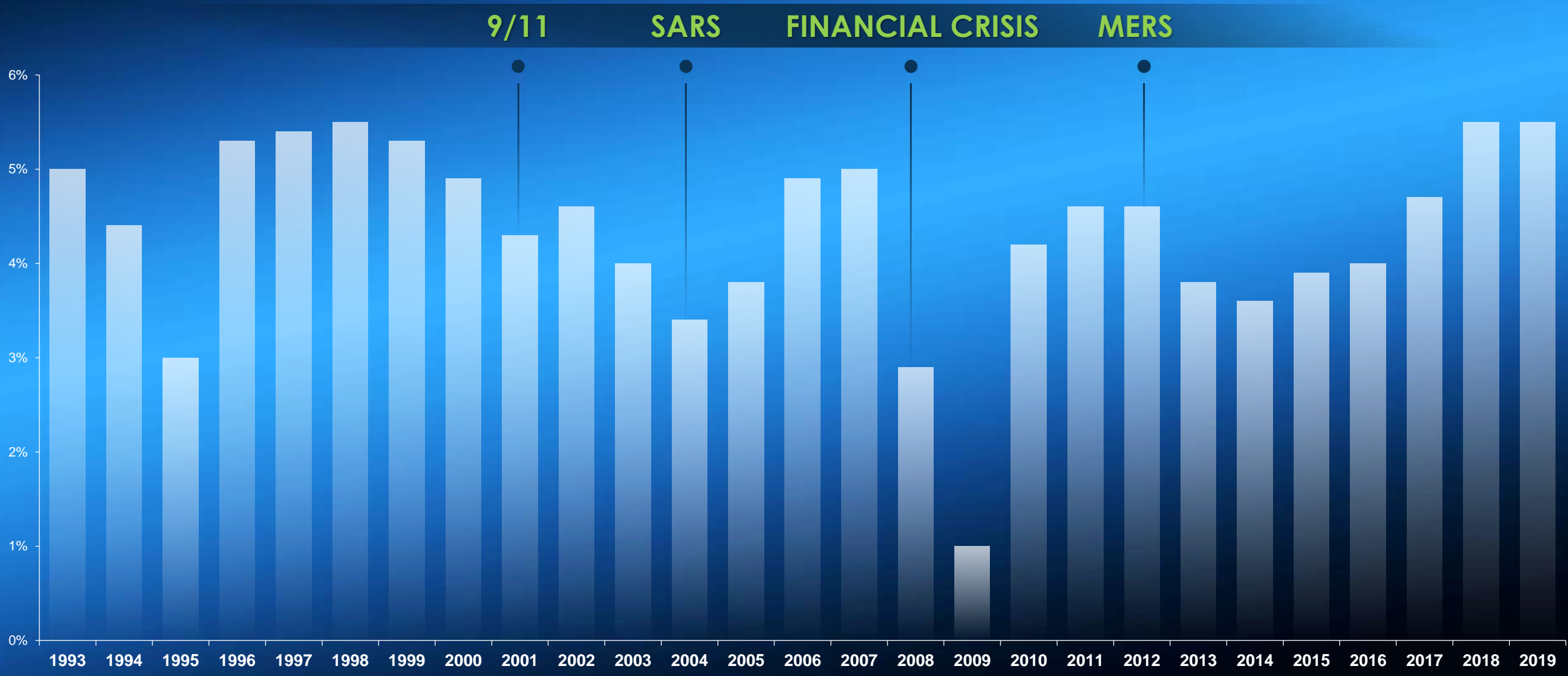
Shortening leadtime of payments to **9,000 most vulnerable suppliers**





BEAUTY IS RESILIENT AND
GROWTH WILL RESUME

THE BEAUTY MARKET IS RESILIENT



¹L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. 2019 provisional estimates, at constant exchange rates.

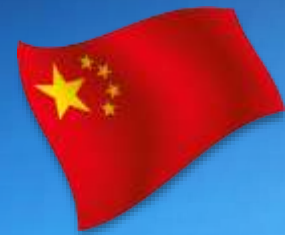
CRISIS OF SUPPLY

MARKET DROP DUE TO LOCKDOWN SHOCK

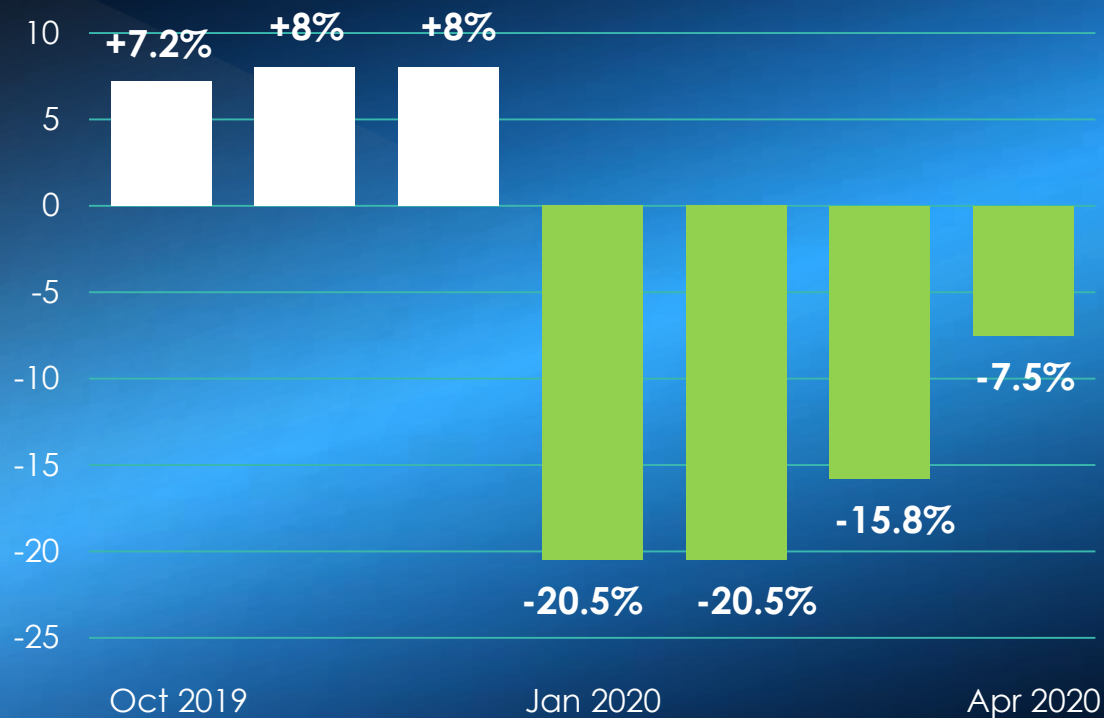
SHUTDOWN OF HAIRDRESSERS, DEPARTMENT STORES,
PERFUMERIES, TRAVEL RETAIL STORES



CHINA RETAIL IS RECOVERING



RETAIL IS RECOVERING



Source: Tradingeconomics.com / National Bureau of Statistics of China

COSMETICS IS LEADING THE RECOVERY

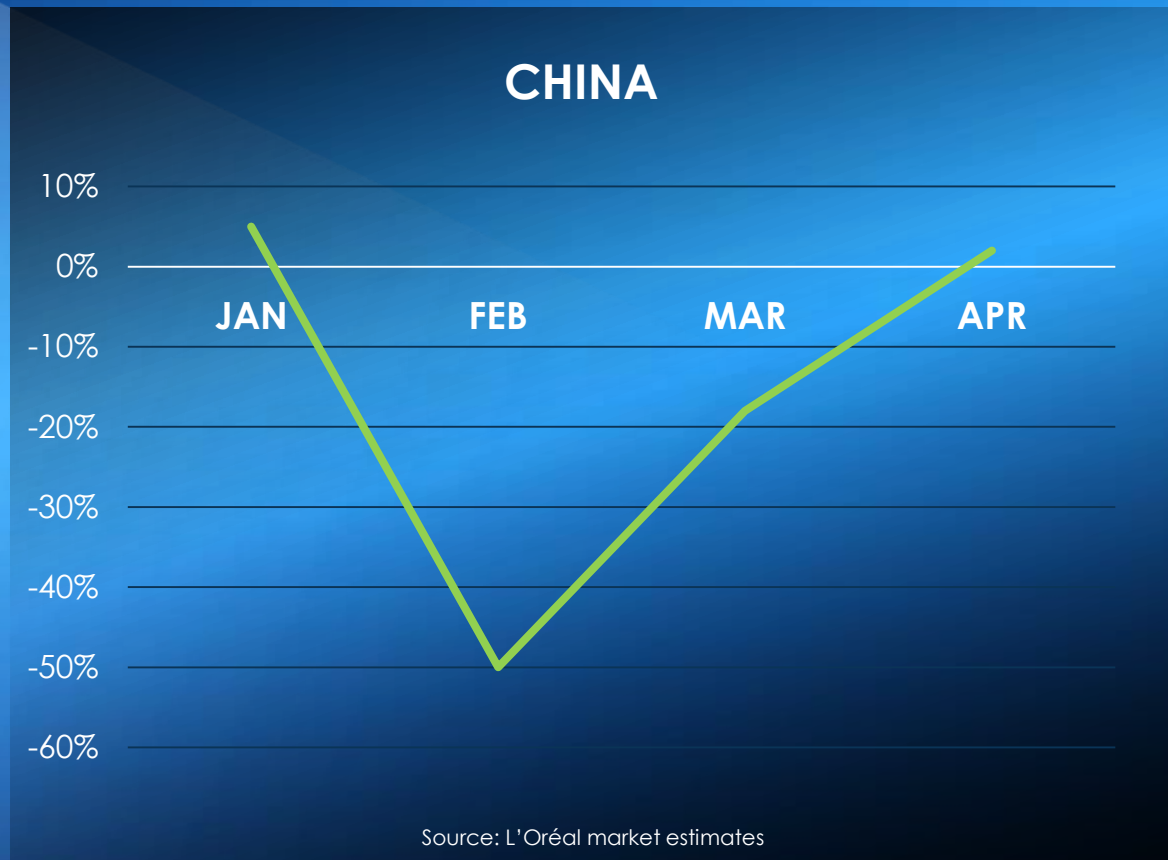
	JAN / FEB	MARCH	APRIL
Garments	-30.9%	-34.8%	-18.5%
Cosmetics	-14.1%	-11.6%	+3.5%
Jewelry	-41%	-30%	-12.1%
Home Appl	-30%	-29.7%	-8.5%
Furniture	-33.5%	-22.7%	-5.4%
Auto	-37%	-18%	0%

YoY evolution (in %)

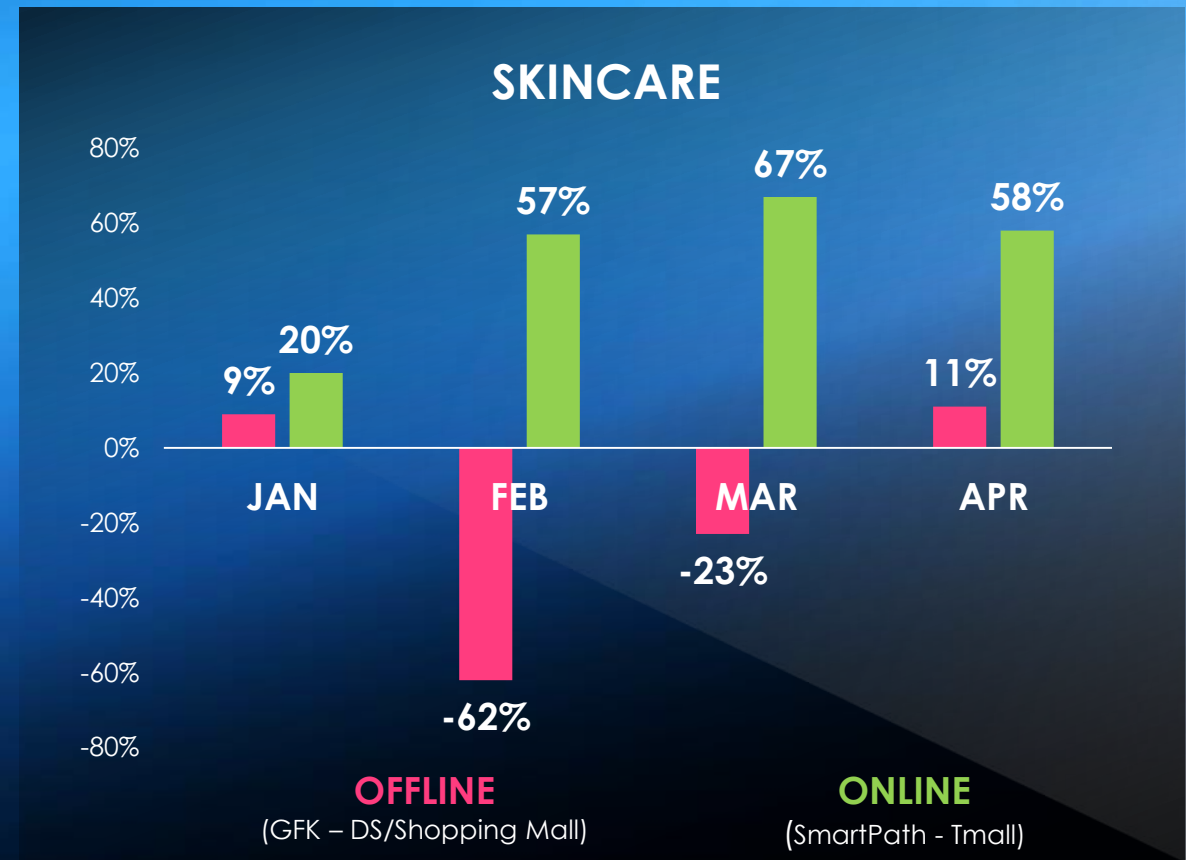
STRONG APPETITE FOR BEAUTY



THE BEAUTY MARKET IS KICKING UP



ACCELERATION ONLINE QUICK RECOVERY OFFLINE



STRONG APPETITE FOR BEAUTY



ONLINE STRONG



YTD MAY 20

SKINCARE + 44%

FRAGRANCE + 58%

MAKE UP + 24%

HAIR + 34%

TOTAL BEAUTY + 38%

TOP BEAUTY CATEGORIES

OFFLINE RECOVERING PROGRESSIVELY



TRAFFIC RECOVERY %
4000 MALLS IN CHINA

STRONG APPETITE FOR BEAUTY

BACK TO SALONS



**OF CONSUMERS WENT BACK
TO THEIR HAIRDRESSER
IN THE 1ST WEEK OF OPENING**

Survey France/US/Germany – May 2020

STRONG APPETITE FOR BEAUTY

EUROPE NOW IN RECOVERY



TOTAL MASS MARKET EVOLUTION



Spain total mass beauty market (Nielsen)



TOTAL MASS MARKET EVOLUTION

	P4 (23.03 / 20.04)	P5 (21.04 / 19.05)
Total	-4.8%	+4.1%
Brick & Mortar	-7.1%	+0.8%
E-COM	+121.5%	+196%

Italy total mass beauty market (Nielsen)

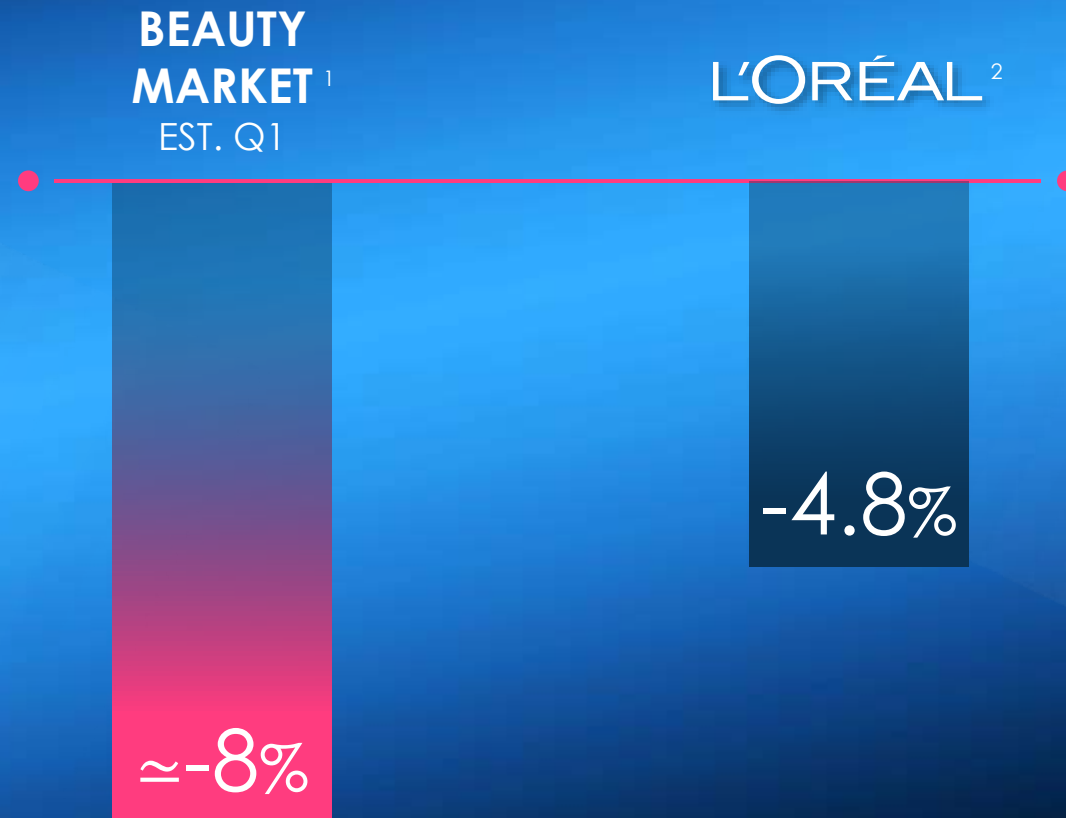
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L'ORÉAL IS CHAMPIONING
THE BEAUTY MARKET



L'ORÉAL

OUTPERFORMING IN Q1



¹L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. Q1 2020 provisional estimates, at constant exchange rates. ²Q1 2020 like-for-like sales growth.

FANTASTIC ACCELERATION OF DIGITALIZATION



+76%
OF TIME SPENT ON
WHATSAPP WORLDWIDE

60Bn
DAILY CONVERSATIONS
ON WHATSAPP



+70%
LIVE USAGE
ON INSTAGRAM



2Bn
TIKTOK
DOWNLOADS

+20%
WEBSITE TRAFFIC

+15%
BEAUTY CONVERSATIONS

MORE CONNECTION

MORE COMMUNITY

MORE COACHING

MORE CONVERSATION

L'ORÉAL, THE CHAMPION OF DIGITAL

MORE CONNECTION

MEDIA SHIFT:

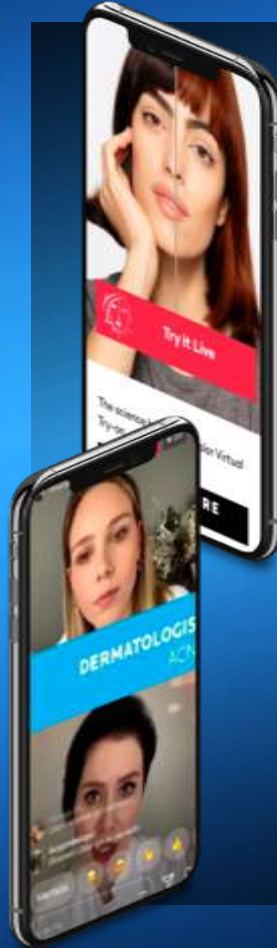
77%¹ digital media

FROM AWARENESS TO CONVERSION

IMPROVED ROI

NEW FORMATS

NEW TONE OF VOICE



MORE SERVICES

x2.5 VIRTUAL TRY-ONS

9 MINUTES TIME SPENT

TELECONSULTATION

SHOPPABLE LIVE-STREAMING

NEW IN-STORE VIRTUAL TESTER

MORE CONVERSATION

1.2M² CONVERSATIONS (+28%)



²In April, excluding Asia

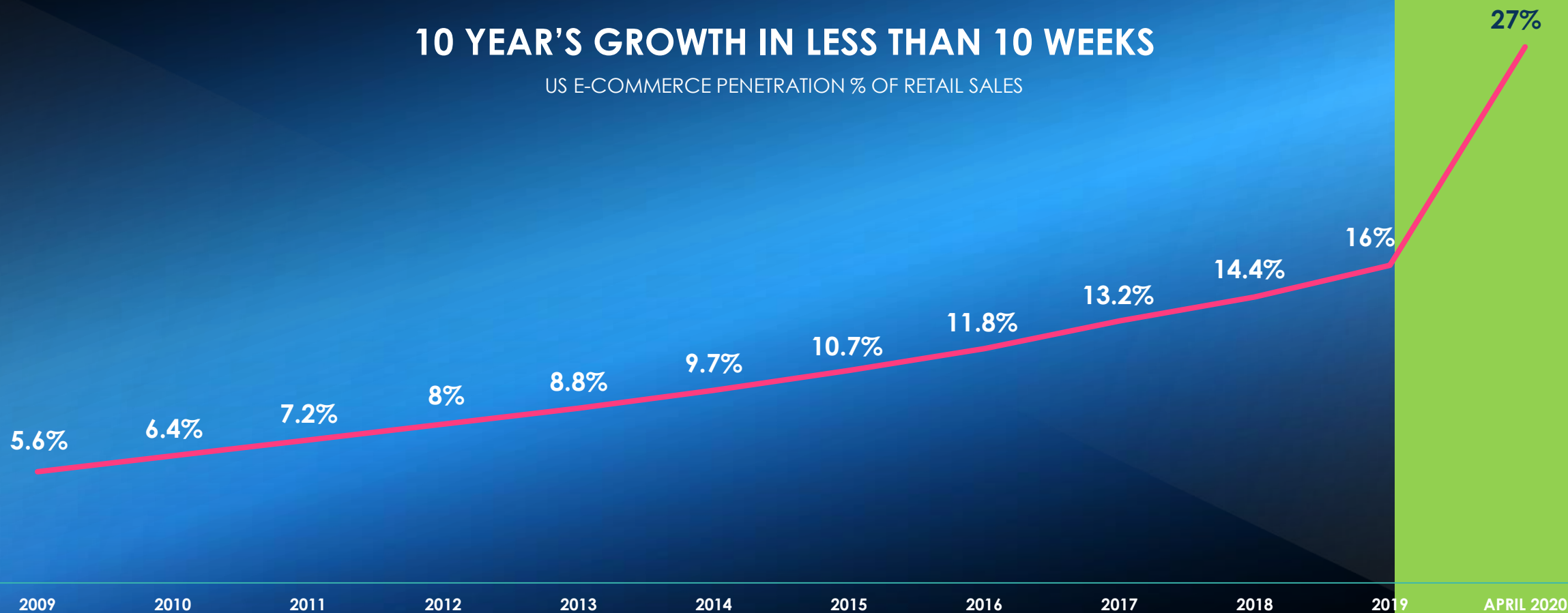
INCREASED CONSUMER & CUSTOMER CENTRICITY IN ONLY A FEW WEEKS

¹In April

FANTASTIC ACCELERATION FOR E-COMMERCE

10 YEAR'S GROWTH IN LESS THAN 10 WEEKS

US E-COMMERCE PENETRATION % OF RETAIL SALES



L'ORÉAL, CHAMPION OF E-COMMERCE

ECOM BOOMING

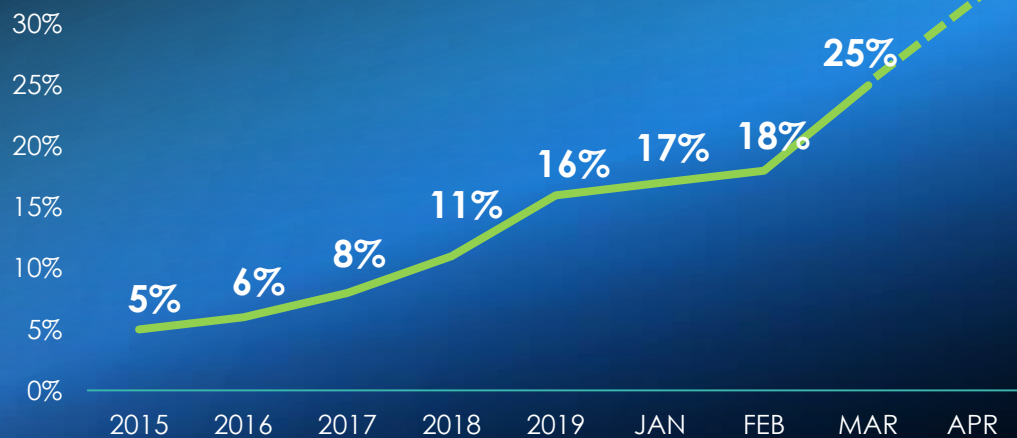
+53%¹ in Q1

SHARP ACCELERATION IN APRIL

>+60%

x2 IN WESTERN EUROPE AND IN THE USA²

WEIGHT OF E-COMMERCE INCREASING ALL DIVISIONS, ALL ZONES



OUTPERFORMANCE IN NORTH AMERICA


5X TOTAL BEAUTY MARKET Q1

CPD VS TOTAL BEAUTY ECOMM
MARKET GROWTH - USA



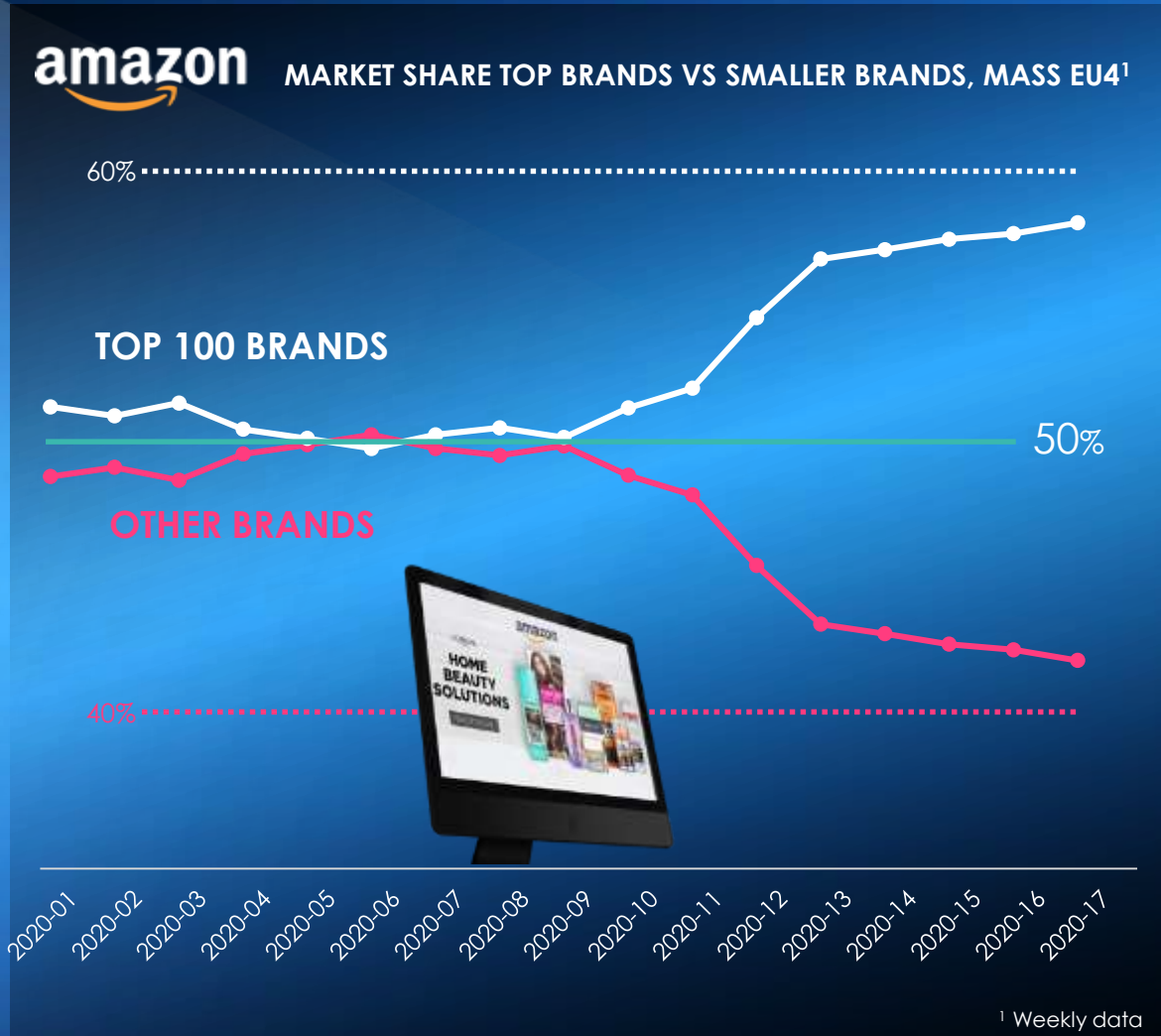
D2C

+221%¹ growth
+58% new consumers
x2 increase conversion rate

¹In April - Source: SFCC

¹Sales achieved in Q1 2020 on our brands' own websites + estimated sales achieved by our brands corresponding to sales through our retailers' websites (non-audited data)

CHAMPIONING WITH WINNING BRANDS



STRONG TRUSTED ASPIRATIONAL BRANDS

PREVAIL IN TIMES OF CRISIS

EXCEPTIONAL QUALITY, SAFETY

TRUST, REASSURANCE

TRANSPARENCY

COMMITMENT TO SUSTAINABILITY

PURPOSE DRIVEN

STRONG CONSUMER ENGAGEMENT

TMALL 7 BRANDS IN THE TOP 20

理想生活上天猫



L'ORÉAL
PARIS

LANCÔME
PARIS

HR
HELENA RUBINSTEIN

SKINCEUTICALS

Kiehl's
SINCE 1851

3
CE
3 CONCEPT EYES

KÉRASTASE
PARIS

L'ORÉAL

CHAMPIONING WITH HERO PRODUCTS



Tmall
理想生活上天猫

TOP 20 HERO SKUS REPRESENT 30% OF SALES

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SEIZING AND MAXIMIZING ALL OPPORTUNITIES

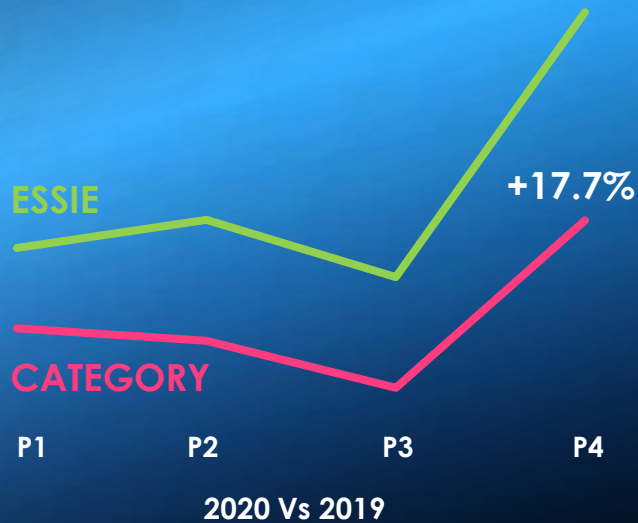
CATEGORY OPPORTUNITIES



BOOM IN NAILS

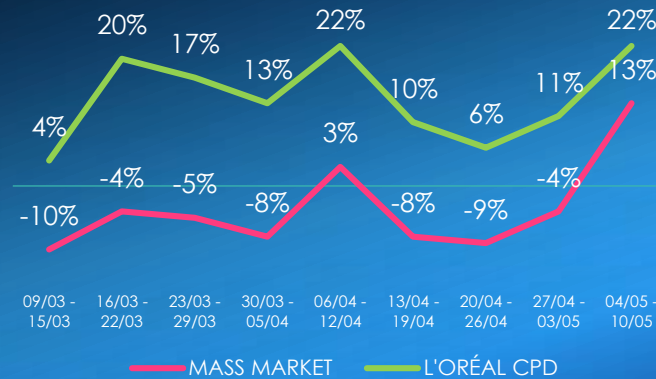
essie

Progression of the nail category & of essie +30.5%



Source: Nielsen

BEAUTY MASS MARKET VALUE SALES EVOLUTION YOY 2020-2019



EXPLOSION IN HOME HAIRCOLOR

HAIRCOLOR WEEKLY VALUE SALES EVOLUTION YOY 2020-2019



STRONG GROWTH IN DERMOCOSMETICS

+40%

CeraVe
DEVELOPED WITH DERMATOLOGISTS

+30%

SKINCEUTICALS
ADVANCED PROFESSIONAL SKINCARE

Q1 2020 like-for-like sales growth

L'ORÉAL

CHAMPIONING THANKS TO INNOVATION

STRONG RELAUNCH PLAN



CHAMPIONING THANKS TO INNOVATION

POWERFUL LAUNCHES FOR H2



CHAMPIONING THANKS TO UNIQUE ORGANIZATION



**EACH COUNTRY IS A SPECIFIC CASE WITH DIFFERENT
SANITARY, ECONOMIC, RETAIL SITUATION**

**THAT REQUIRES OPTIMISATION AND MAXIMISATION
COUNTRY BY COUNTRY**

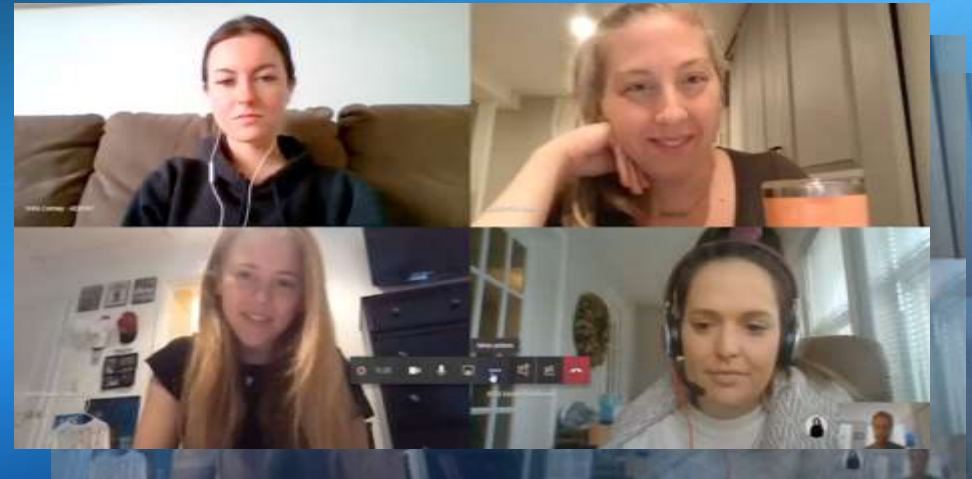
**PERFECTLY ADAPTED:
STRATEGICALLY CONCENTRATED / OPERATIONALLY DECENTRALIZED**

CHAMPIONING THANKS TO DEDICATION OF OUR TEAMS

**ALL FACTORIES AND WAREHOUSES
OPENED DURING THE CRISIS**



**58,000 PEOPLE
TELEWORKING**



CHAMPIONING THANKS TO HEALTHY AND SOLID FINANCIAL SITUATION

ROBUST BALANCE SHEET

Shareholders' equity > €29Bn
2/3 of total balance sheet

STRONG NET CASH POSITION

€4.4Bn net cash end 2019 excluding
financial lease debt

COST DISCIPLINE IN TIME OF CRISIS



TRAVEL BAN AS OF MID-FEB TILL END-SEPTEMBER

STRICT CONTROL OF R&I BUDGET. IN LINE WITH BUSINESS ACTIVITY

SUSPENSION OF CONSULTING CONTRACTS

SYSTEMATIC TRANSFORMATION OF ON-SITE TRAINING TO E-LEARNING

**CANCELLATION OF PHYSICAL MEETINGS AND SEMINAIRES
COLLECTIVE EVENTS DEFERRED.**

**DRASTIC ADJUSTMENT OF BUSINESS DRIVERS IN ALL ZONES TO REFLECT
THE STATE OF LOCKDOWN, IN PARTICULAR NON-DIGITAL EXPENSES**

POINT OF SALE EXPENSES CUT

STRICT CONTROL OF INVESTMENTS

CHAMPIONING THANKS TO SUSTAINABILITY

OUR PERFORMANCE IS RECOGNIZED

ENVIRONMENT



L'ORÉAL, ONLY COMPANY WITH 3 "A"
FOR THE 4th YEAR RUNNING

GENDER EQUALITY



LEADER IN GENDER
EQUALITY

ETHICS

covalence

ESG ratings

2019 WORLD'S MOST
ETHICAL
COMPANIES™
WWW.ETHISPHERE.COM

Global Compact
LEAD

#1 WORLDWIDE ETHICALQUOTE
REPUTATION INDEX¹

¹Ranking date December 2019

CHAMPIONING THANKS TO SUSTAINABILITY

L'ORÉAL FOR THE FUTURE



A SOCIAL AND ENVIRONMENTAL SOLIDARITY PROGRAMME

€150M

€50 MILLION

to help women in situations
of high vulnerability

€100 MILLION

Environmental impact Investing



L'ORÉAL WILL EMERGE

CLOSER TO OUR CONSUMERS
CLOSER TO OUR RETAIL PARTNERS
CLOSER TO OUR SUPPLIERS
CLOSER TO OUR COMMUNITIES

STRONGER THAN EVER



L'ORÉAL

Q&A

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