



# Annual General Meeting

20 April 2021

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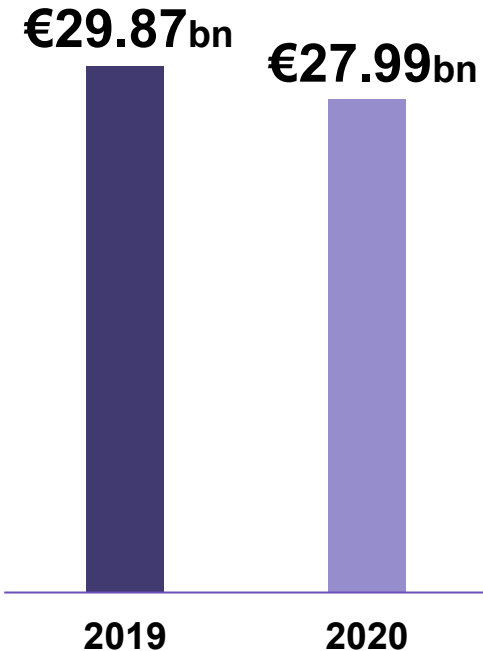
Mr Christophe BABULE

Chief Financial Officer

L'ORÉAL



# Consolidated sales



<b>Like-for-like growth</b>	<b>-4.1%</b>
<i>Of which :</i>	
➤ external growth impact	+0.5%
<b>Growth at constant exchange rates</b>	<b>-3.6%</b>
➤ currency impact	-2.7%
<b>Reported growth</b>	<b>-6.3%</b>

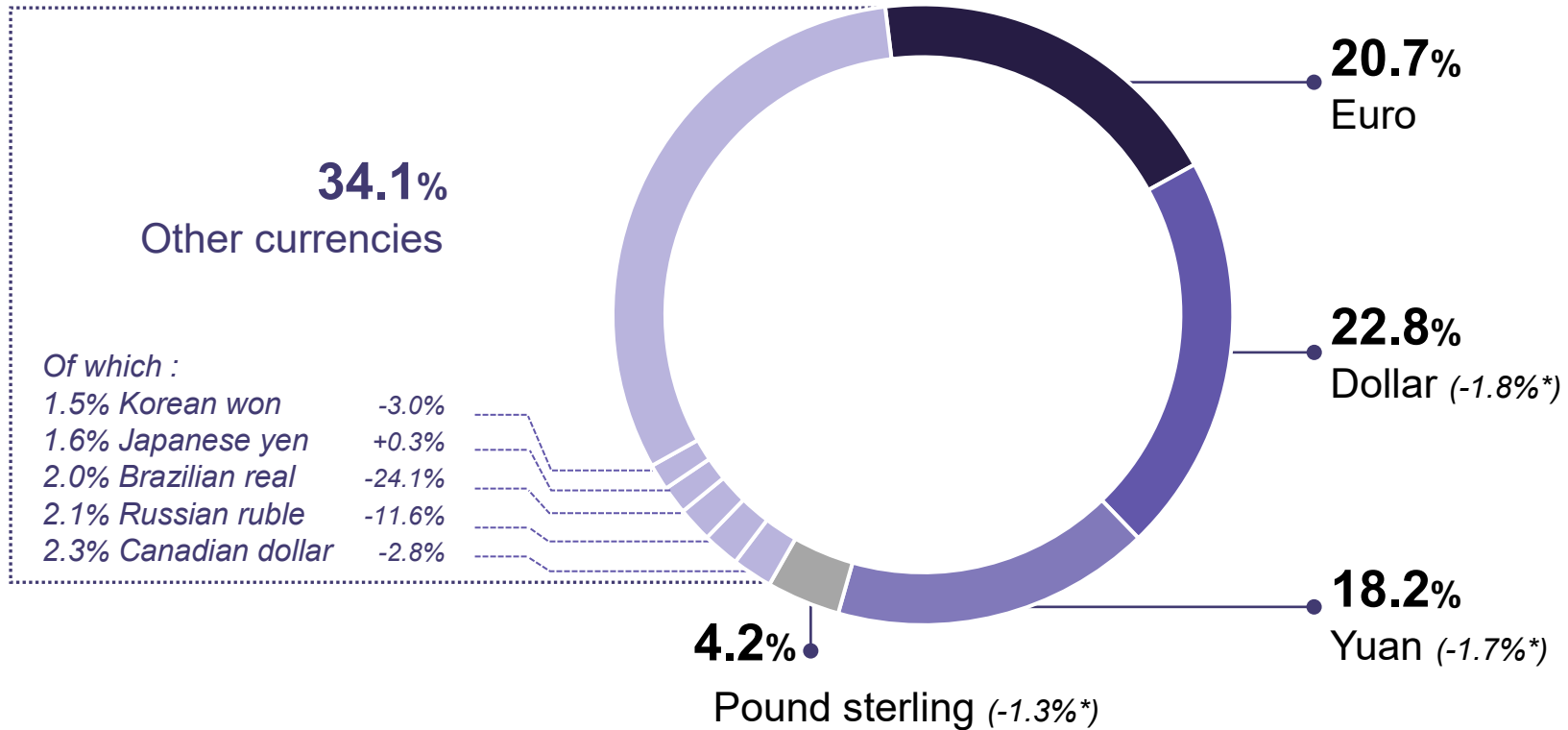
**+3.2%\***  
in the second  
half

**+4.8%\***  
in the fourth  
quarter

\* like-for-like change



# Breakdown of consolidated sales by currency (in % of sales)



\* % change vs. 2019

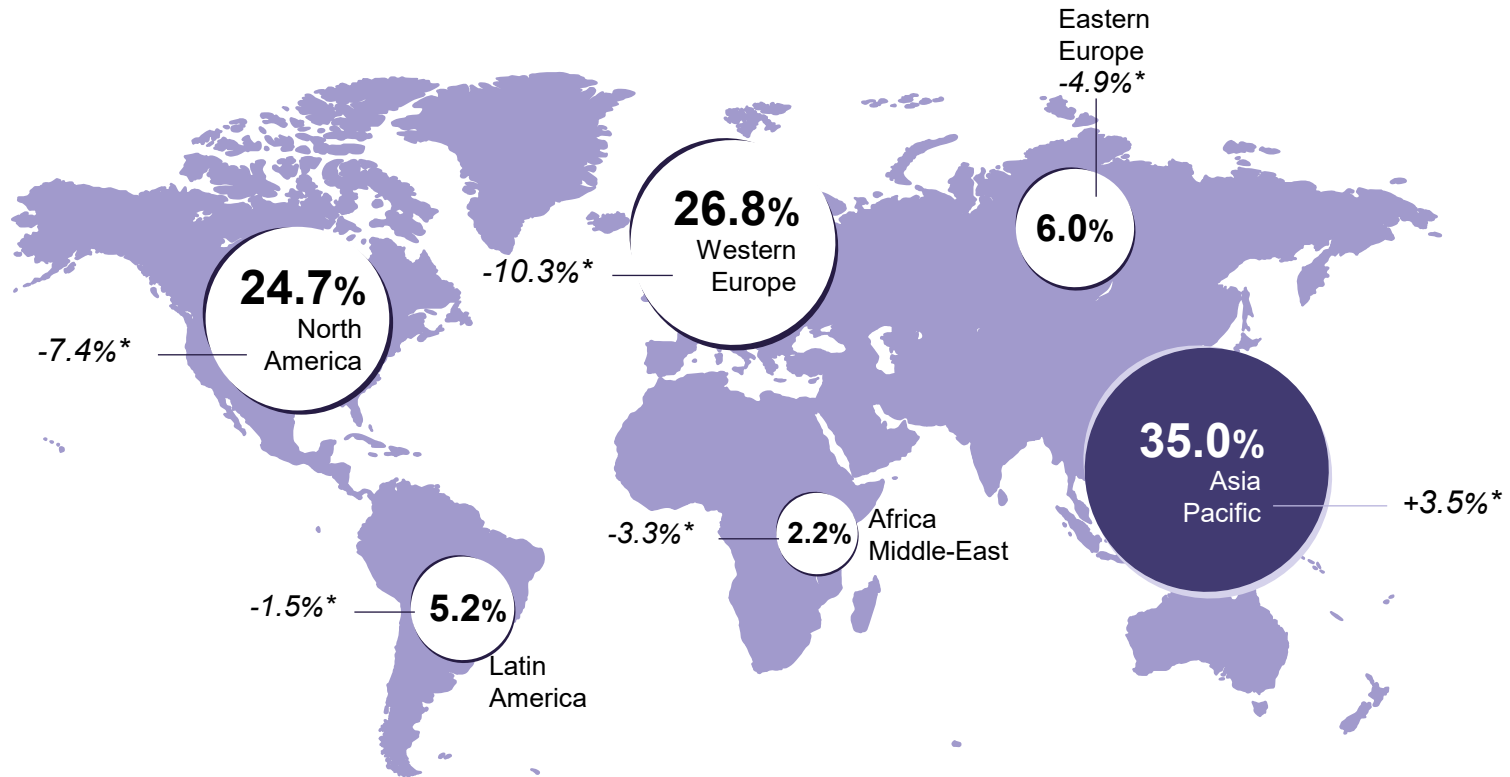


## Sales by division (in million euros)

	2020	% Change	
		Like-for-like	Reported
Professional Products	3 097	-6.4%	-10.0%
Consumer Products	11 704	-4.7%	-8.2%
L'Oréal Luxe	10 180	-8.1%	-7.6%
Active Cosmetics	3 011	+18.9%	+13.0%
<b>Total</b>	<b>27 992</b>	<b>-4.1%</b>	<b>-6.3%</b>



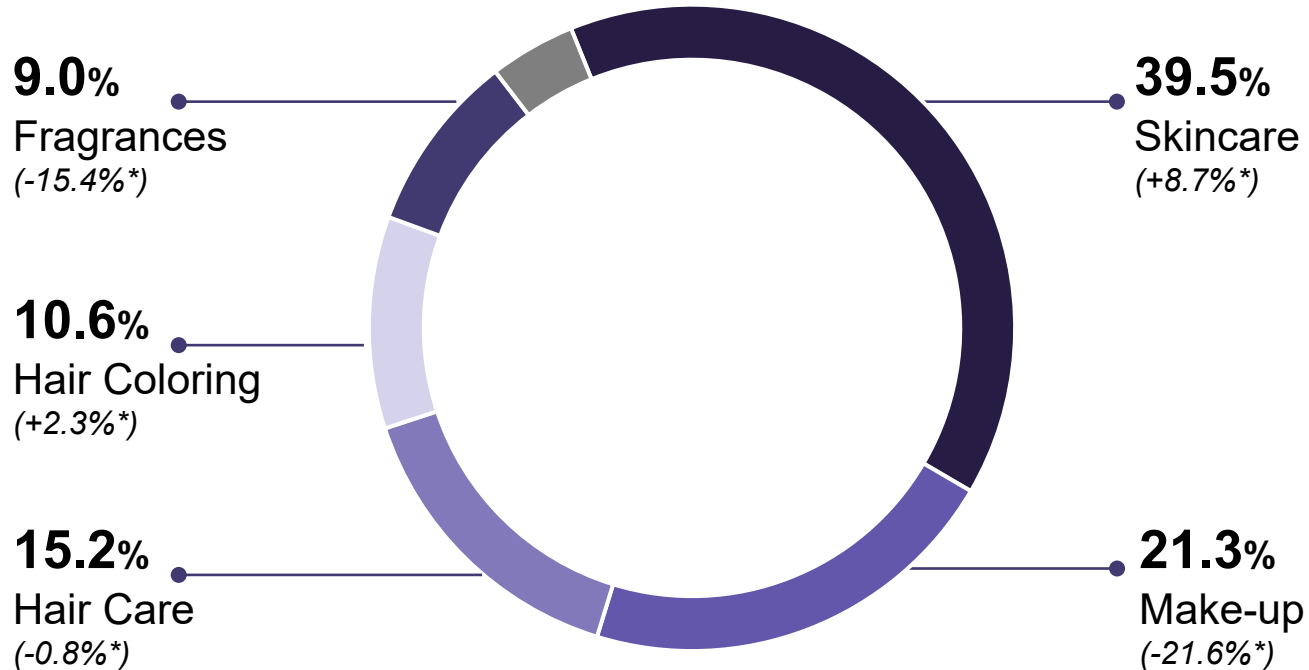
# Breakdown of sales by region (as a % of total)



\* like-for-like change



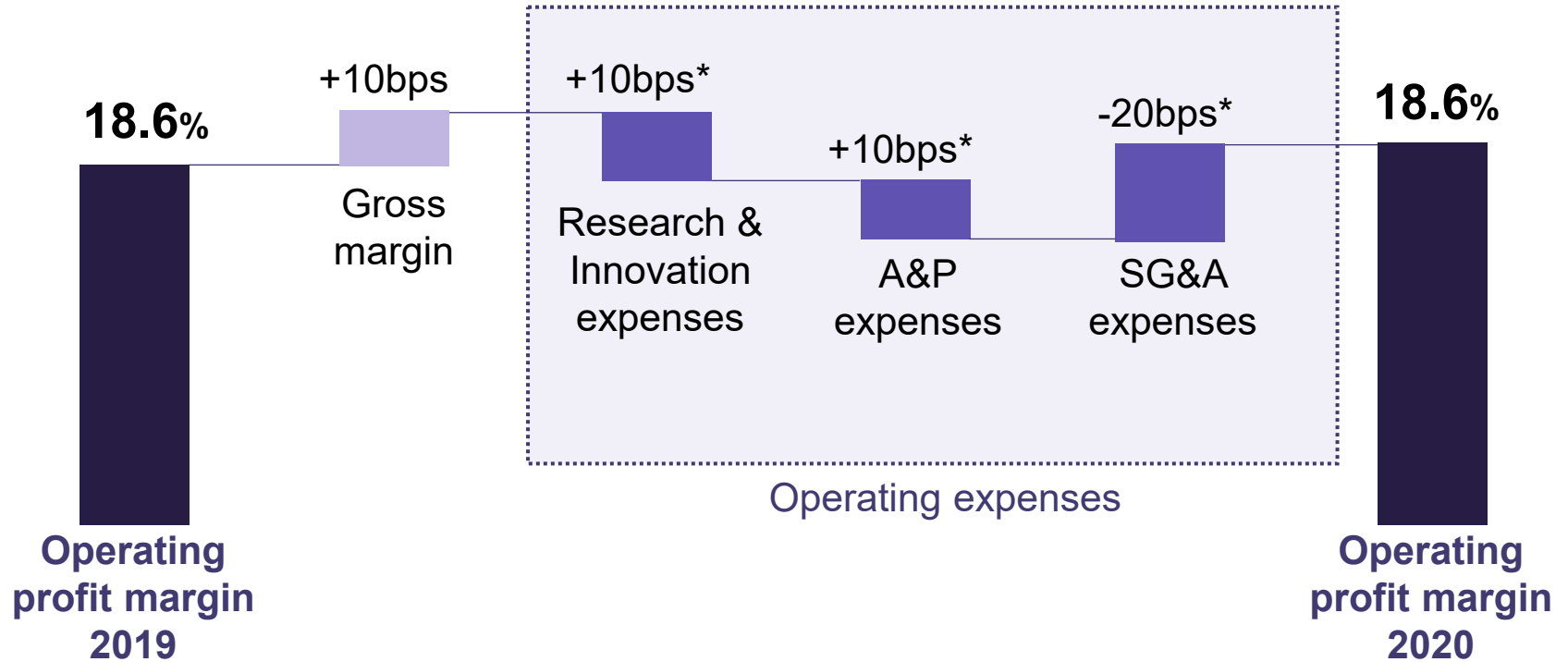
# Breakdown of sales by category (as a % of total)



\* like-for-like change vs. 2019



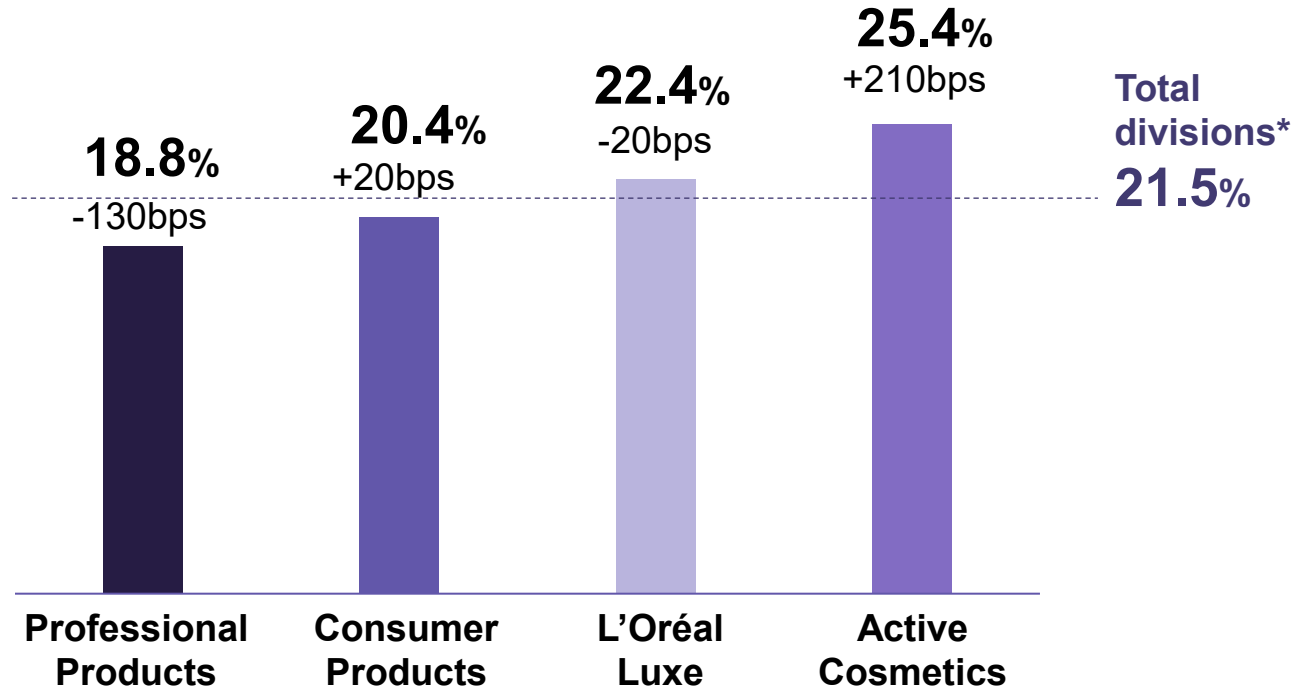
# Stable operating margin in 2020



\* +/- change in operating expenses, as a % of sales, in basis points



# Operating profitability by division (as a % of sales)



\* Before non-allocated expenses (expenses of functional divisions, fundamental research, stock-options and free grant of shares costs, which are not allocated to the divisions), or 2.9% of total sales





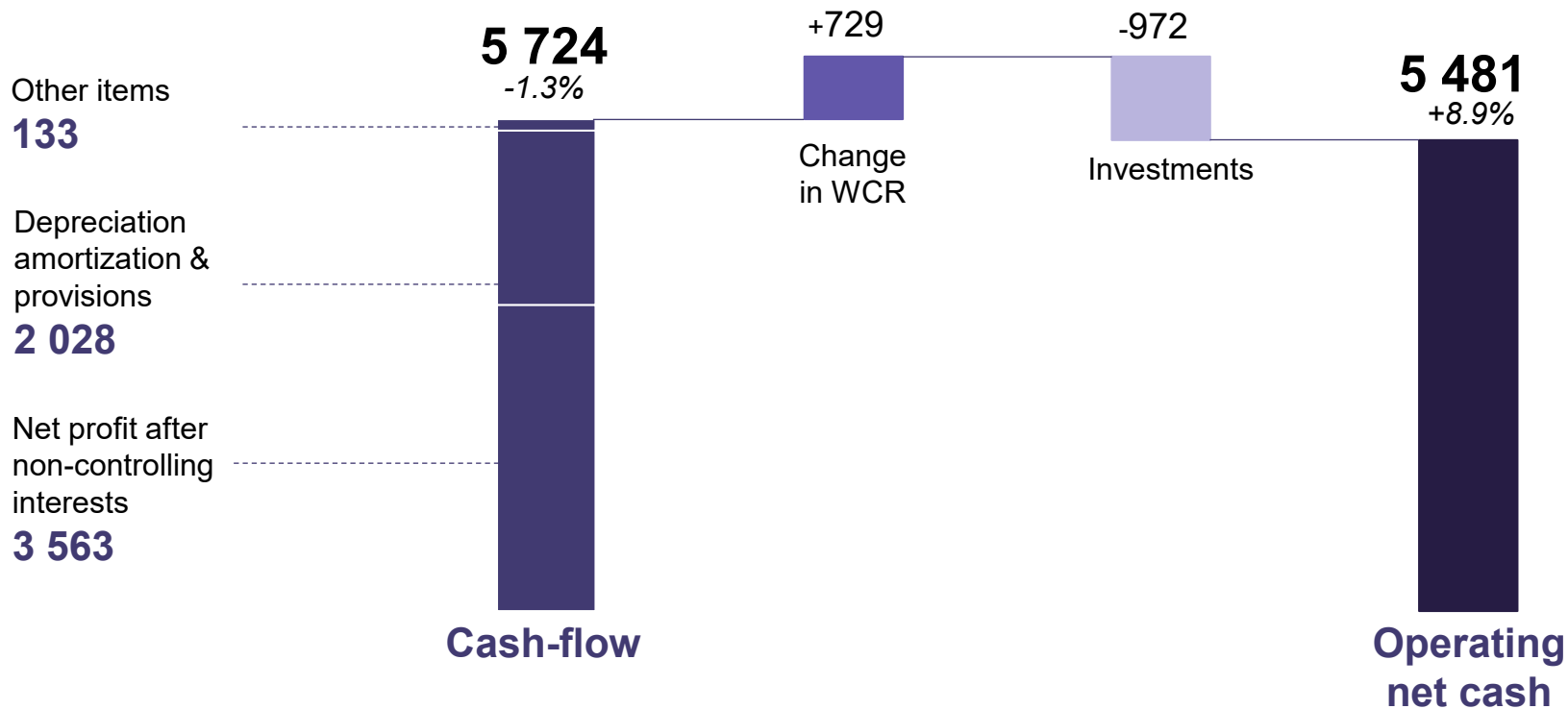
## Consolidated income statement: key indicators

<i>(in million euros)</i>	2019	2020	% change
Sales	29 873	27 992	-4.1%
Operating profit	5 547	5 209	-6.1%
Operating margin (%)	18.6%	18.6%	
Profit before tax excluding non-recurring items	5 847	5 485	-6.2%
Net profit excluding non-recurring items, after non-controlling interests	4 356	4 099	-5.9%
<b>Earnings per share (in euros)*</b>	<b>7.74</b>	<b>7.30</b>	<b>-5.7%</b>
Net profit after non-controlling interests	3 750	3 563	

\* Diluted earnings per share, excluding non-recurring items, after non-controlling interests



# Cash-flow (in million euros)





# Financial situation

*(in million euros)*

**12.31.2020**

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Net cash	3 859
Net cash excluding financial lease debt	5 541

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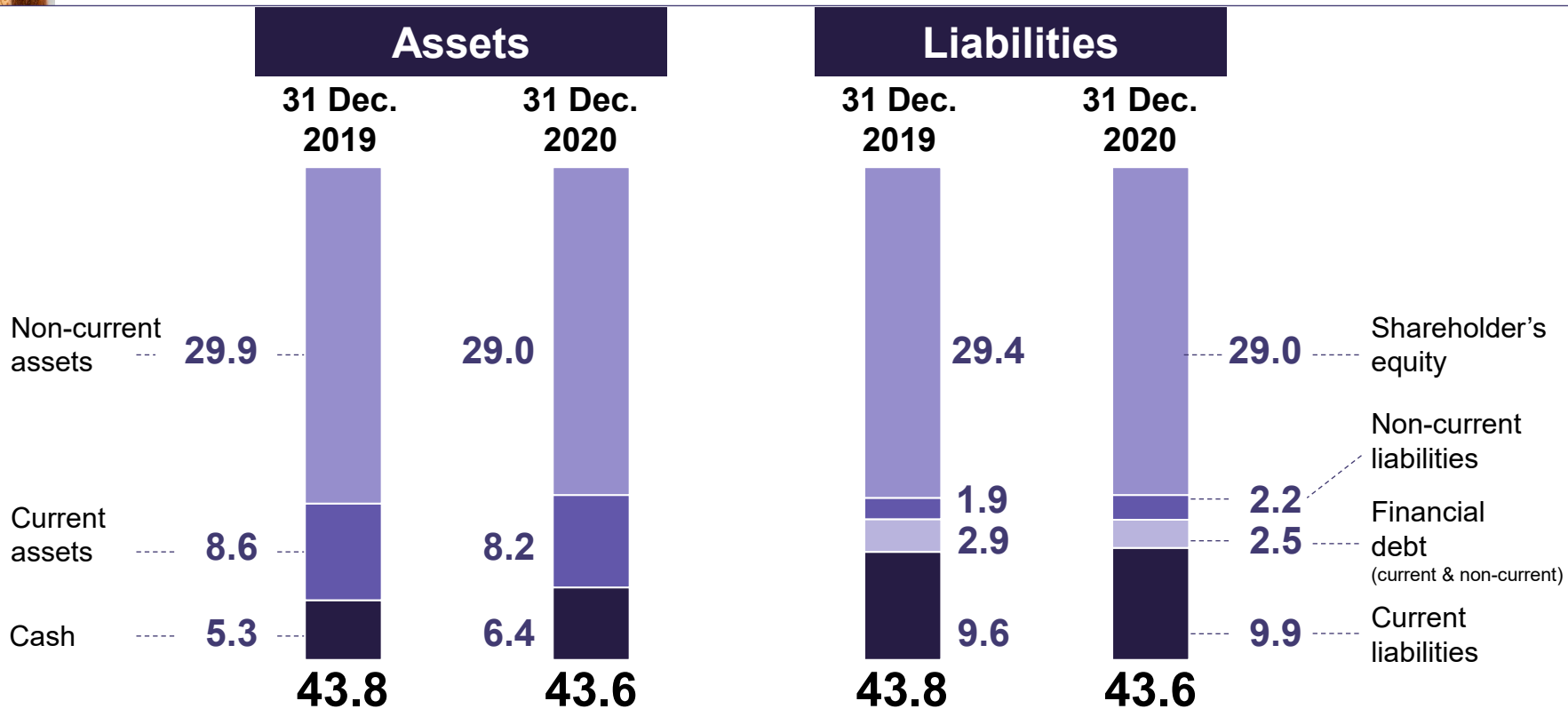
## **Short term ratings by rating agencies**

Standard's & Poor's	A1 +	Sept-20
Moody's	Prime 1 (P-1)	Sept-20

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# Balance sheet (in billion euros)



\* Including €1 682m financial lease debt at the end of December 2020 (IFRS 16)  
and €2 036m at the end of December 2019



# Internal control a range of tools and procedures



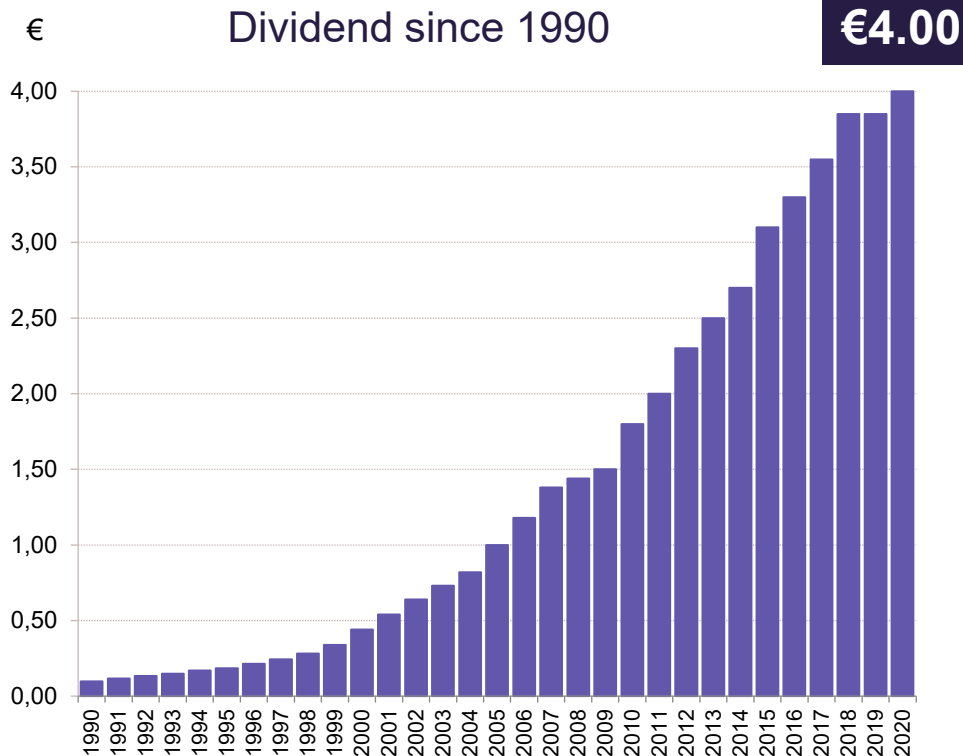


2020 dividend\*

**€4.00 per share**

**+3.9% over the previous year**

Loyalty bonus of +10%, i.e. **€4.40** per share for shares held continuously under the registered form for at least two years

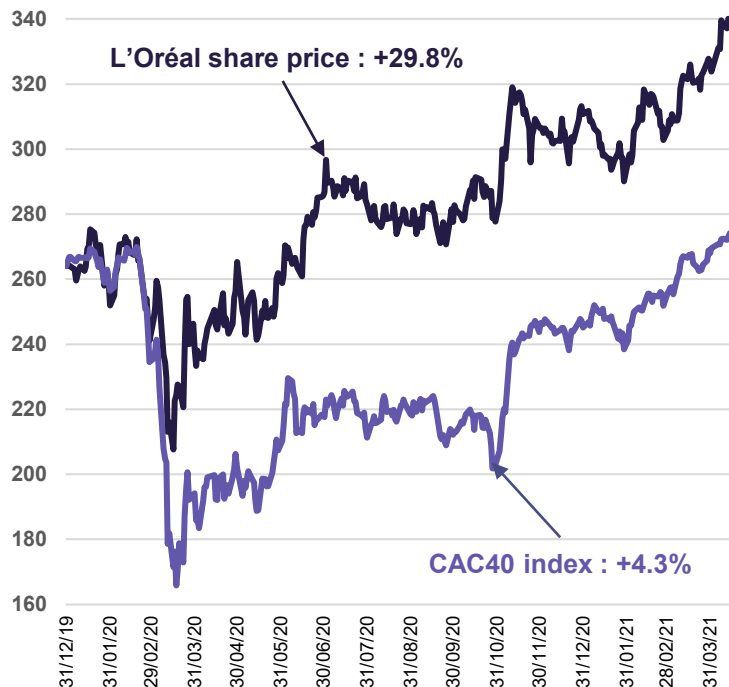


\* proposed at the annual general meeting held on 20 April 2021



# Share performance

€ L'Oréal and CAC 40 index since the end of 2019 \*



Total Shareholder's Return \*\*

	31 December 2020	
	L'Oréal	CAC40 index
3 years	20.7%	4.5%
5 years	16.8%	7.0%
10 years	16.1%	7.4%

\*\* TSR (Total Shareholder's Return) as of 12.31.2020

Source: estimation L'Oréal, Datastream

\* L'Oréal share price and CAC 40 index rebased on L'Oréal share price as of 12.31.2019;

source: Refinitiv, L'Oréal share price: 342.80€, CAC40 index: 6 234.14 as of 04.15.2021



# First quarter 2021 sales by division (in million euros)

	Q1-2021	% Change	
		Like-for-like	Reported
Professional Products	848	+21.0%	+12.9%
Consumer Products	2 973	-0.7%	-6.2%
L'Oréal Luxe	2 769	+14.6%	+12.4%
Active Cosmetics	1 023	+28.7%	+21.8%
<b>Total</b>	<b>7 614</b>	<b>+10.2%</b>	<b>+5.4%</b>





# First quarter 2021 sales by region (in million euros)

	% Change		
	Q1-2021	Like-for-like	Reported
Western Europe	1 995	-2.4%	-0.1%
North America	1 813	+6.3%	-1.8%
New markets	3 805	+20.6%	+12.6%
<i>Of which :</i>			
- <i>Asia, Pacific</i>	2 780	+23.8%	+19.1%
- <i>Eastern Europe</i>	469	+10.7%	-2.2%
- <i>Latin America</i>	387	+15.1%	-1.8%
- <i>Africa, Middle-East</i>	168	+12.7%	-1.5%
<b>Total</b>	<b>7 614</b>	<b>+10.2%</b>	<b>+5.4%</b>



2020

## Sharing Beauty With All: 2013 - 2020 An in-depth transformation programme

-81%

CO<sub>2</sub> emissions generated by factories and distribution centers compared to 2005

72

sites achieved carbon neutrality, including 19 factories (100% renewable energy)

96%

of our new or renovated products in 2020  
have an improved environmental or social profile

89%

of our brands have assessed their environmental and social impact

100 905

people from underprivileged communities gained access to employment



# Extra-financial performances

For the  
5<sup>th</sup> consecutive  
year



CLIMATE FORESTS WATER

In the Top 10  
among 9 000  
companies



TOP 100 COMPANY 2020  
Diversity and Inclusion Index

For the  
11<sup>th</sup> times



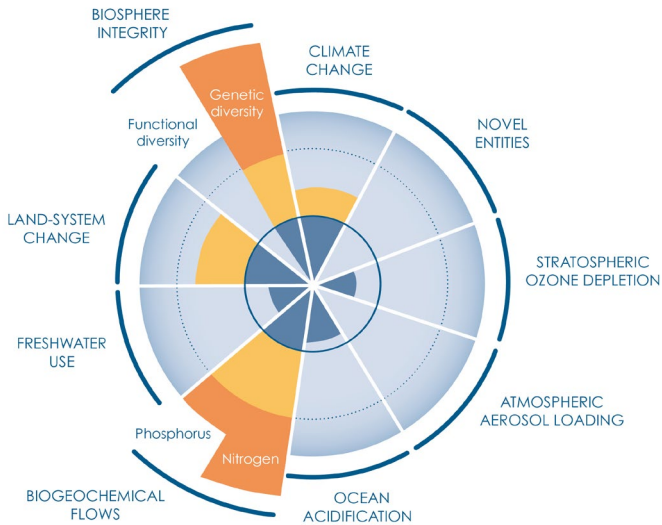
In the Bloomberg  
index for  
the 4<sup>th</sup>  
consecutive year





# New ambitions for sustainable development

## L'Oréal for the Futur: Transforming our activities to respect the planetary boundaries



**Accelerating the transformation**  
of our business model



L'ORÉAL

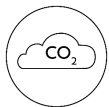
**Empowering**  
our business ecosystem  
helping it transition to a  
more sustainable world



**Contributing**  
to solve the challenges of the  
world



# Ambitious objectives for 2025 and 2030



**Climate:** by 2025, all our sites will achieve carbon neutrality, by improving energy efficiency and using 100% renewable energy



**Water:** by 2030, 100% of the water used in our industrial processes will be recycled and reused in a loop



**Biodiversity:** by 2030, 100% of the biobased ingredients for formulas and packaging materials will be traceable and will come from sustainable sources, none of them will be linked to deforestation



**Resources:** by 2030, 100% of the plastic used in our packaging will be either from recycled or biobased sources (50% by 2025)



**Social commitments:** by 2030, we will help 100 000 people from disadvantaged communities gain access to employment

## 150 million euros to address urgent environmental & social needs

- **50 million euros** in a charitable endowment fund (within 3 years)
- **50 million euros** L'Oréal fund for nature regeneration (by 2030)
- **50 million euros** in projects to promote a circular economy (by 2030)



# Thank you!

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