



L'ORÉAL

September 13<sup>th</sup>, 2021

AUTUMN CONFERENCE 2021  
**KEPLER CHEUVREUX**

Nicolas HIERONIMUS

Chief Executive Officer



L'ORÉAL

AN EXCEPTIONAL  
QUARTER & FIRST-HALF

# BEAUTY MARKET RECOVERY

≈ +11%<sup>1</sup>



# WORLDWIDE BEAUTY MARKET IN H1-21<sup>1</sup>

## BY GEOGRAPHIC ZONE

EUROPE

≈+5%

NORTH ASIA

≈+14%

NORTH AMERICA

≈+16%

LATIN AMERICA

≈+9%

SAPMENA - SSA

≈+9%

# BY CATEGORY

WORLDWIDE BEAUTY MARKET IN H1-21<sup>1</sup>

FRAGRANCES

≈ +24%

MAKE UP

≈ +8%

SKINCARE

≈ +13%

HAIR

≈ +8%

# CHANNEL GROWTH

WORLDWIDE BEAUTY MARKET IN H1-21<sup>1</sup>

B&M

≈ +8%

E-COMMERCE

≈ +24%

TRAVEL RETAIL

≈ +17%

# CONSOLIDATED SALES



<b>Like-for-like change</b>	<b>+20.7%</b>
<i>of which:</i>	
▶ <i>external growth impact</i>	<i>+1.1%</i>
<b>Change at constant exchange rates</b>	<b>+21.8%</b>
▶ <i>currency impact</i>	<i>-5.6%</i>
<b>Reported change</b>	<b>+16.2%</b>

**+10.2%\***  
in the first quarter

**+33.5%\***  
in the second quarter

# L'ORÉAL OUTSTANDING PERFORMANCE





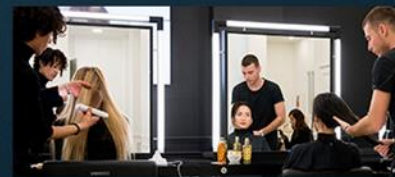
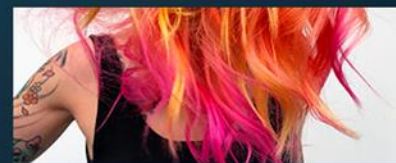


# GRAND SLAM



*Winning shares:*

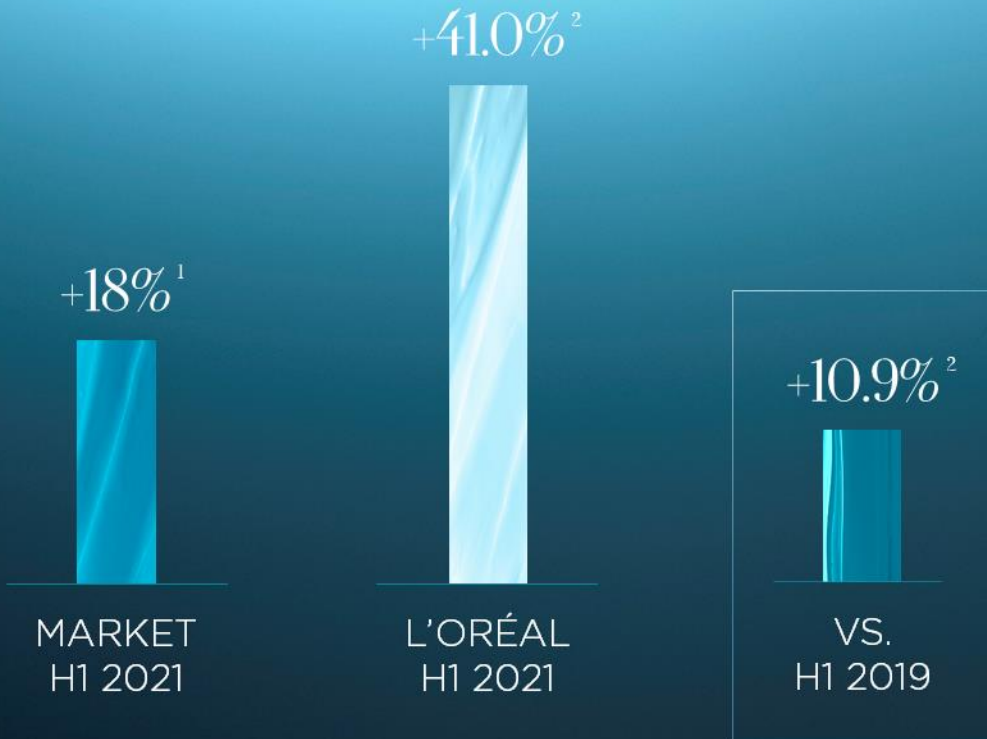
- | All divisions
- | All regions



# PROFESSIONAL PRODUCTS

RECORD-BREAKING PERFORMANCE

1 778 M€



# PROFESSIONAL PRODUCTS: MAIN DRIVERS



KÉRASTASE SUCCESS STORY



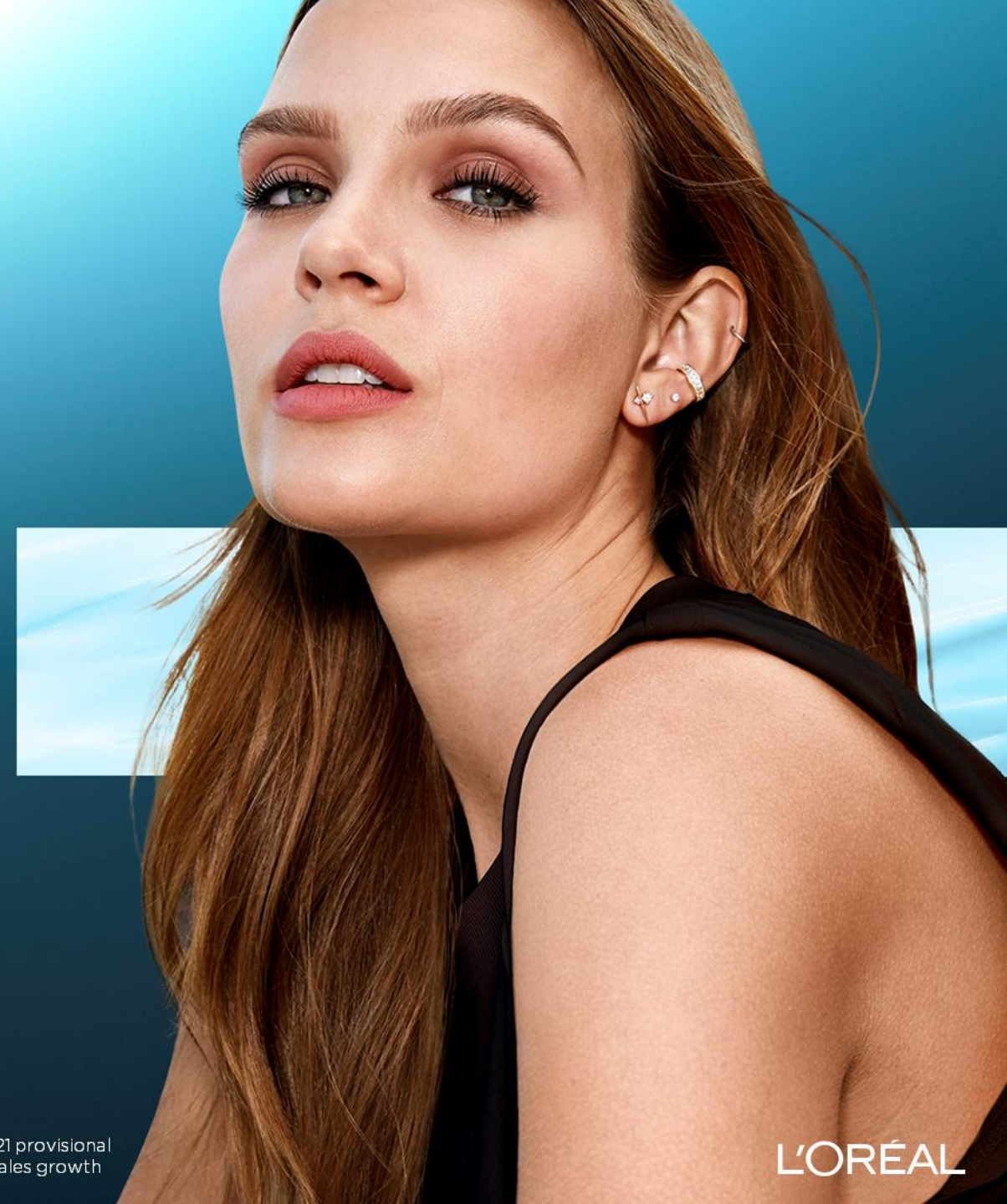
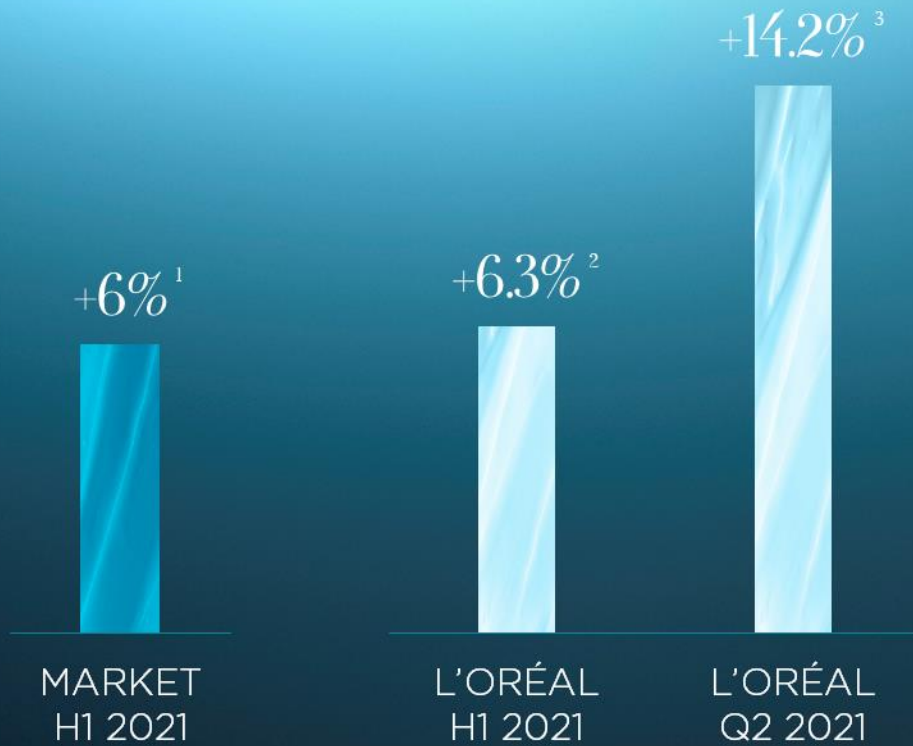
SALONS REOPENING  
& CONQUEST



O+O MODEL

# CONSUMER PRODUCTS

5 963 M€



# CONSUMER PRODUCTS: MAIN DRIVERS



BIG BRANDS<sup>1</sup>

+7%<sup>2</sup>



MAKE UP  
REBOUND

+13%<sup>2</sup>

CPD H1 2021



SKINCARE  
DYNAMICS

+7%<sup>2</sup>

CPD H1 2021



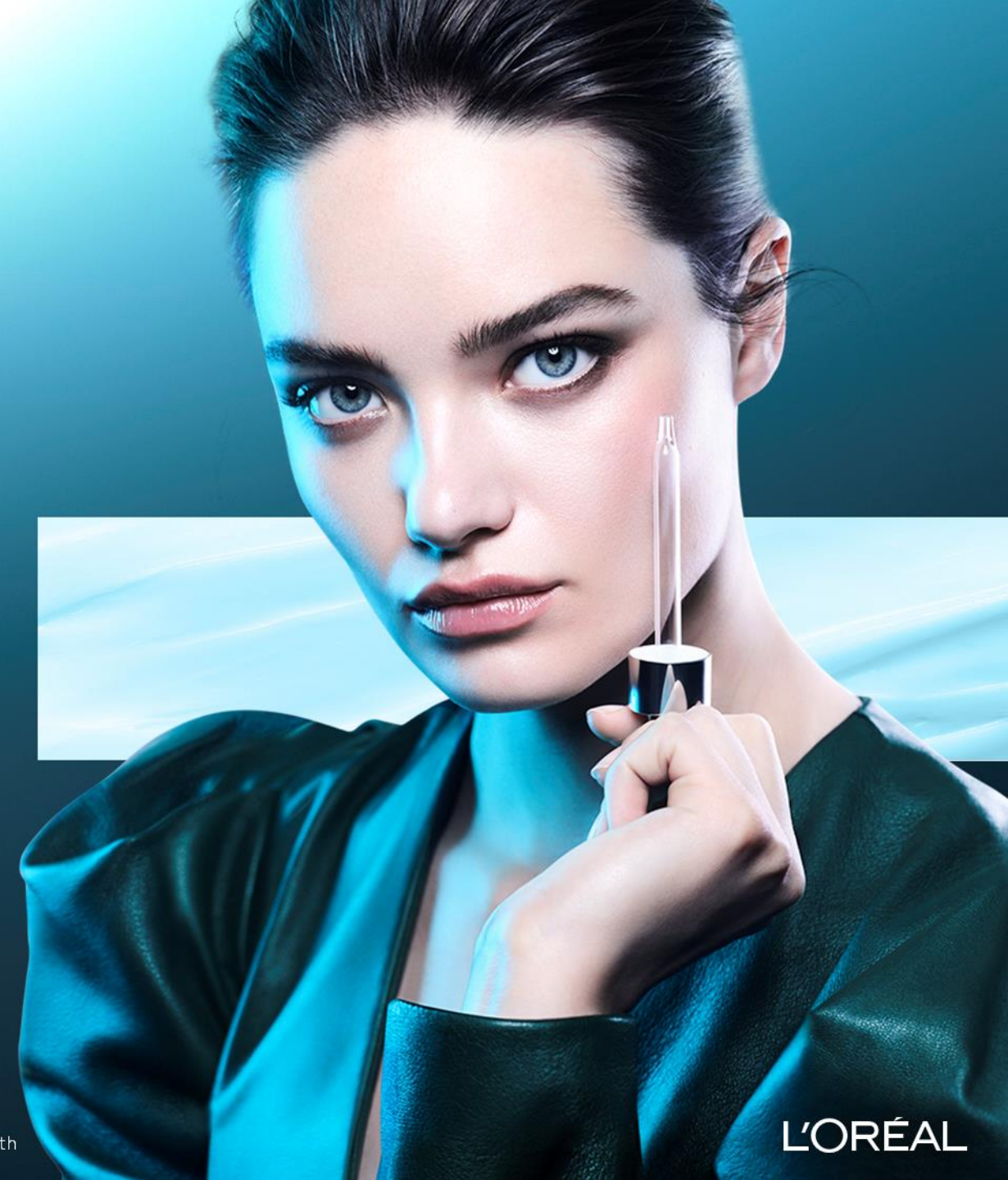
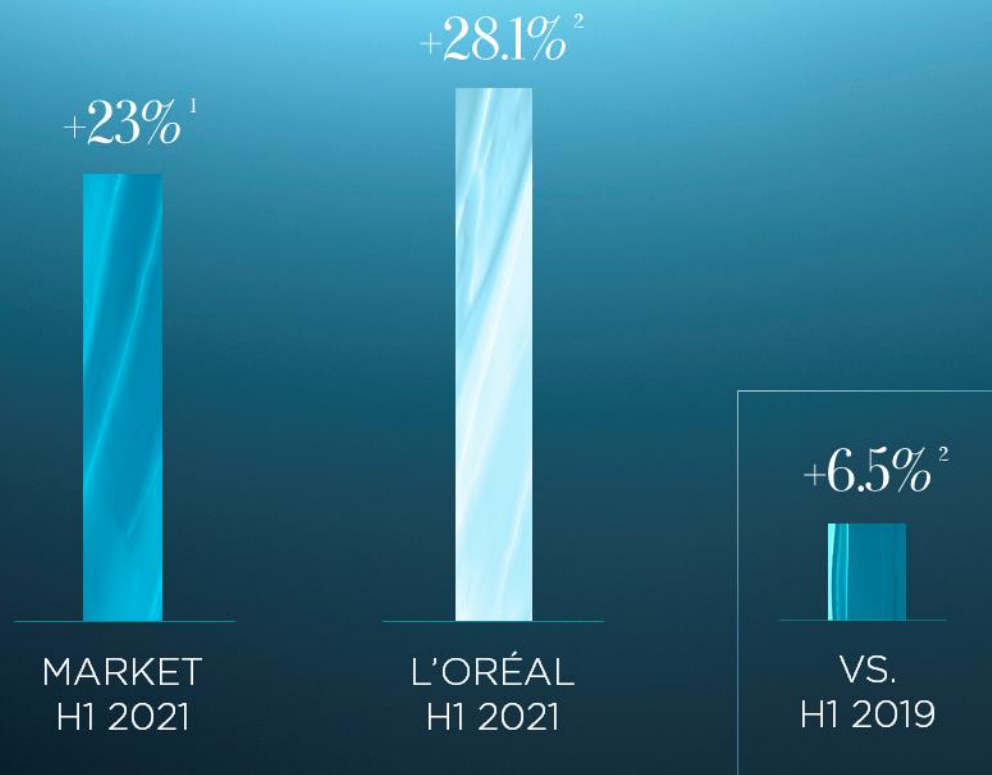
HAIRCARE  
INNOVATIONS

+10%<sup>2</sup>

# L'ORÉAL LUXE

SHARP REBOUND

5 472 M€



# L'ORÉAL LUXE: MAIN DRIVERS



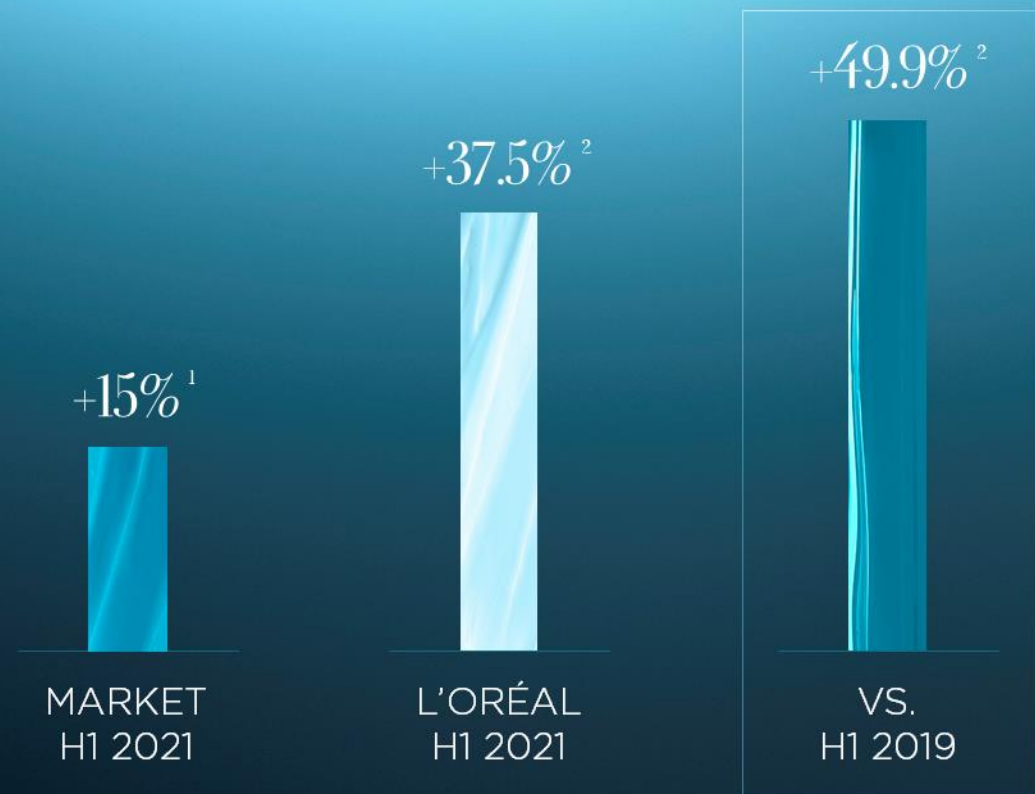
FRAGRANCES MOMENTUM

SKINCARE FLOURISHES

# ACTIVE COSMETICS

CONTINUOUSLY BREAKING RECORDS

1 982 M€





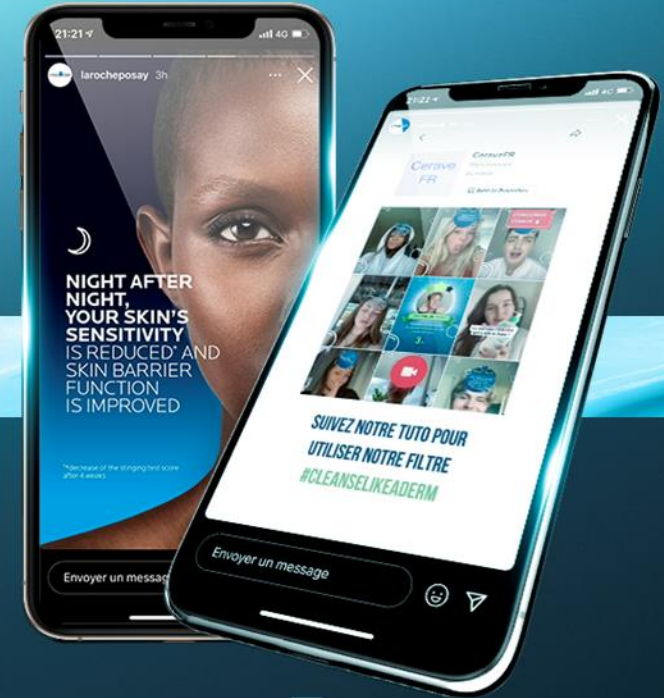
# ACTIVE COSMETICS: MAIN DRIVERS



EFFICACY, SAFETY,  
TRANSPARENCY

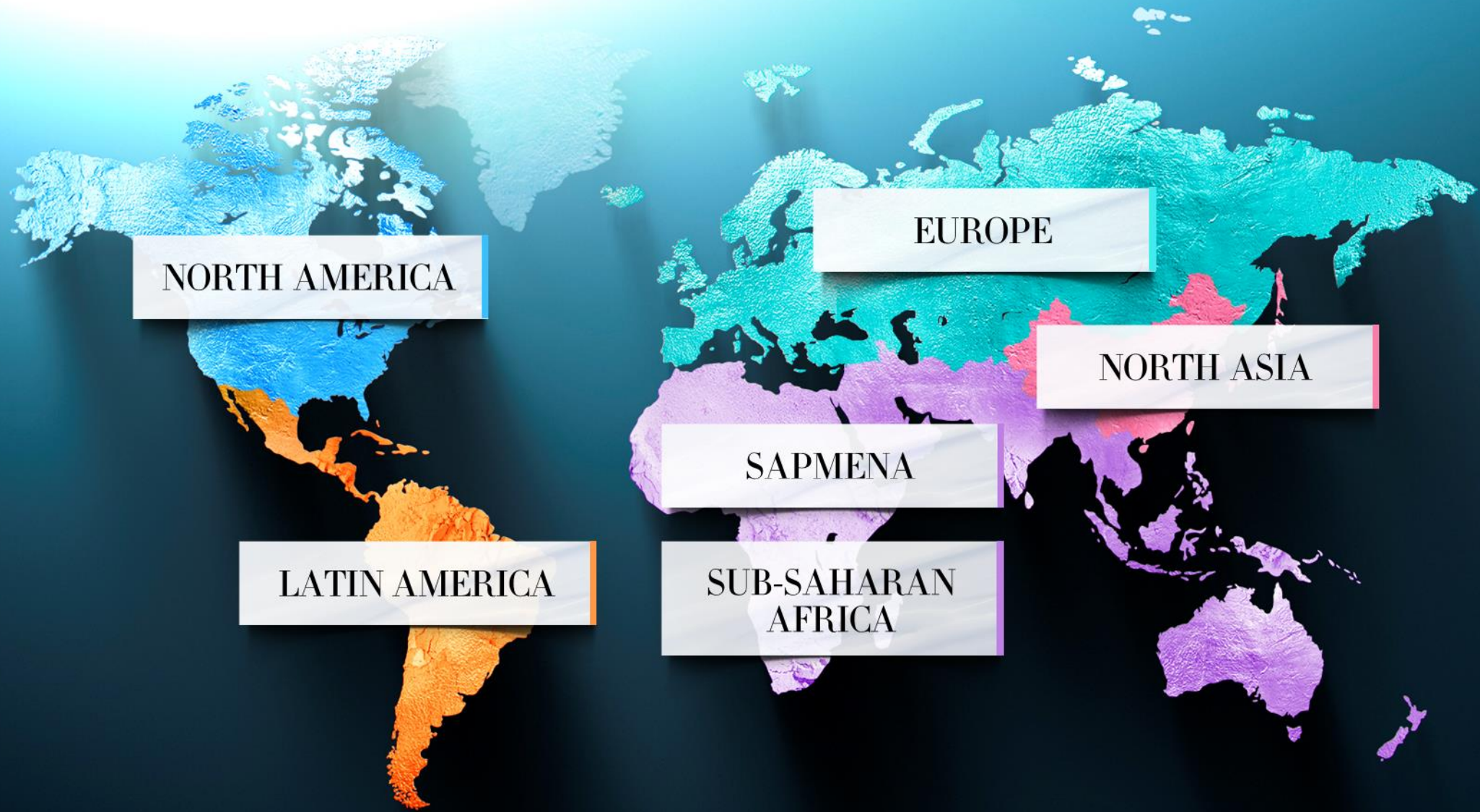


MEDICAL ADVOCACY  
PRESCRIPTION



E-COMMERCE  
FOOTPRINT

# NEW ZONE ORGANISATION



NORTH AMERICA

EUROPE

NORTH ASIA

LATIN AMERICA

SAPMENA

SUB-SAHARAN  
AFRICA

# BREAKDOWN OF SALES BY REGION

(AS A % OF TOTAL)

NORTH AMERICA

24.8%

+23.2%\*

EUROPE

32.0%

+11.9%\*

NORTH ASIA

30.7%

+27.3%\*

LATIN AMERICA

5.3%

+32.8%\*

SAPMENA / SSA \*\*

7.2%

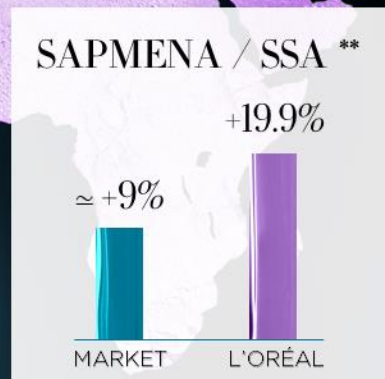
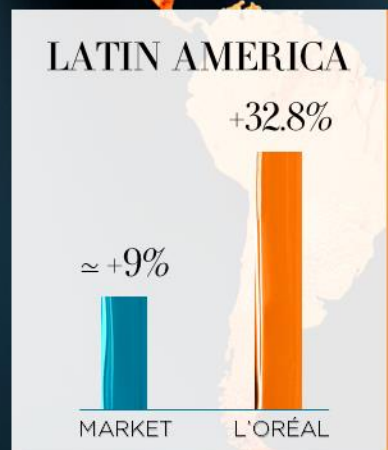
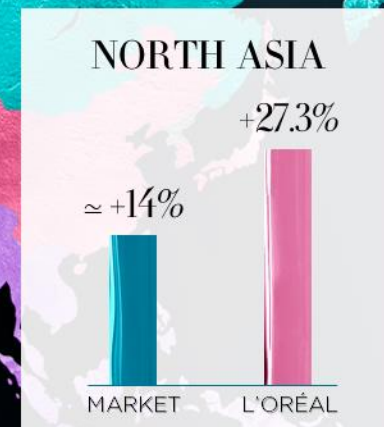
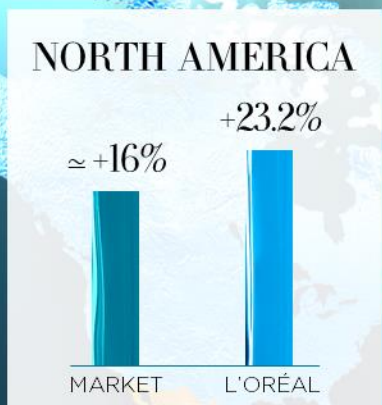
+19.9%\*

\* Like-for-like growth

In H1-2021, the group has re-defined its geographical zones. At June 30th 2021, the geographical breakdown of sales by geographic zone is aligned with the organisation as follows: Europe, North America, North Asia, SAPMENA - SSA and Latin America. All figures for earlier periods have been restated accordingly.

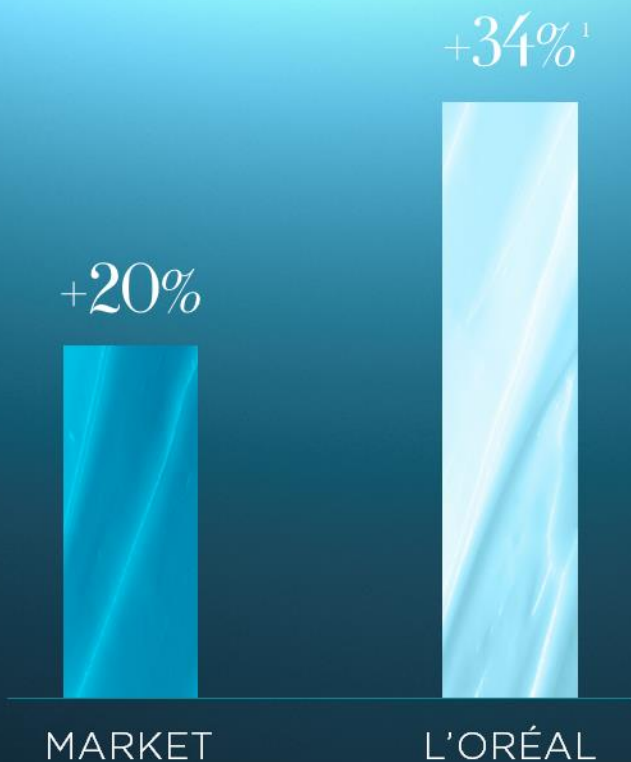
\*\* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa

# WINNING SHARE – ALL REGIONS



# CHINA

UNDISPUTED LEADERSHIP



USA  
COME BACK

STRONG Q2  
ACCELERATION

+17%



MARKET

+24%<sup>1</sup>



L'ORÉAL

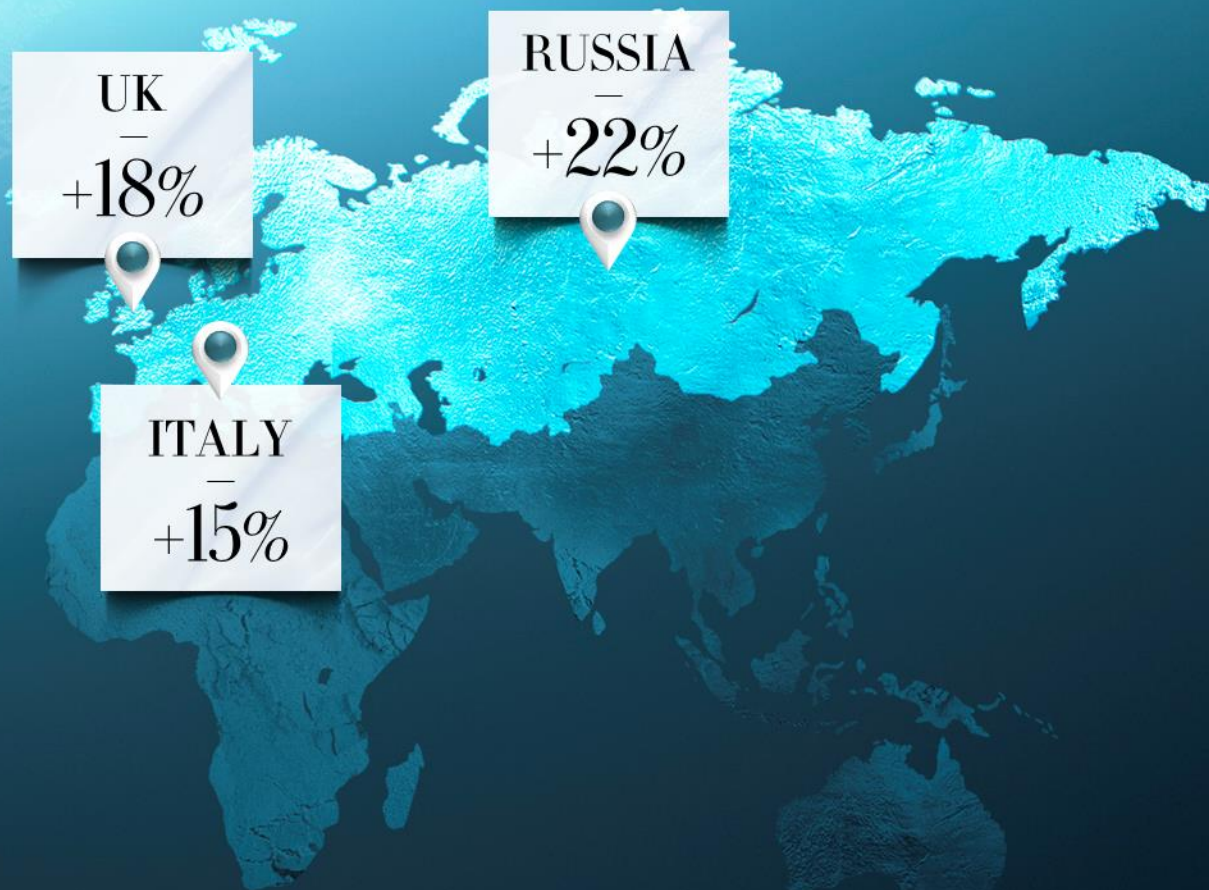
OUTPERFORMING THE MARKET  
THANKS TO EXCELLENT SECOND QUARTER

+47%



# EUROPE

## GROWTH IN ALL COUNTRIES



# EMERGING MARKETS PERFORMANCE



SAPMENA / SSA

+19.9%<sup>1</sup>

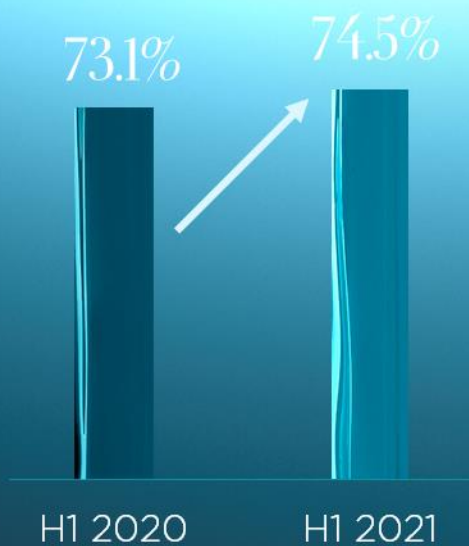


LATAM

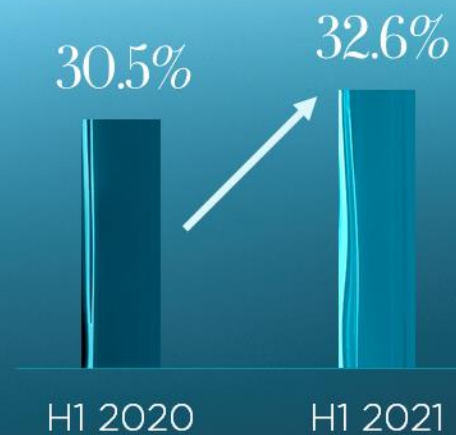
+32.8%<sup>1</sup>



# EXCEPTIONAL PROFITABILITY



**GROSS MARGIN**  
(% OF SALES)



**ADVERTISING & PROMOTION EXPENSES**  
(% OF SALES)



**SELLING GENERAL & ADMINISTRATIVE EXPENSES**  
(% OF SALES)

**OPERATING PROFIT MARGIN**

**19.7% / + 170 BPS**

**EPS**

**+ 21.1%**

# 2020 DIVIDEND: +3.9%

(SINCE 1963)

PAYOUT: 54.8%

4.00\*



# L'ORÉAL

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## RETURNS TO CRUISING SPEED

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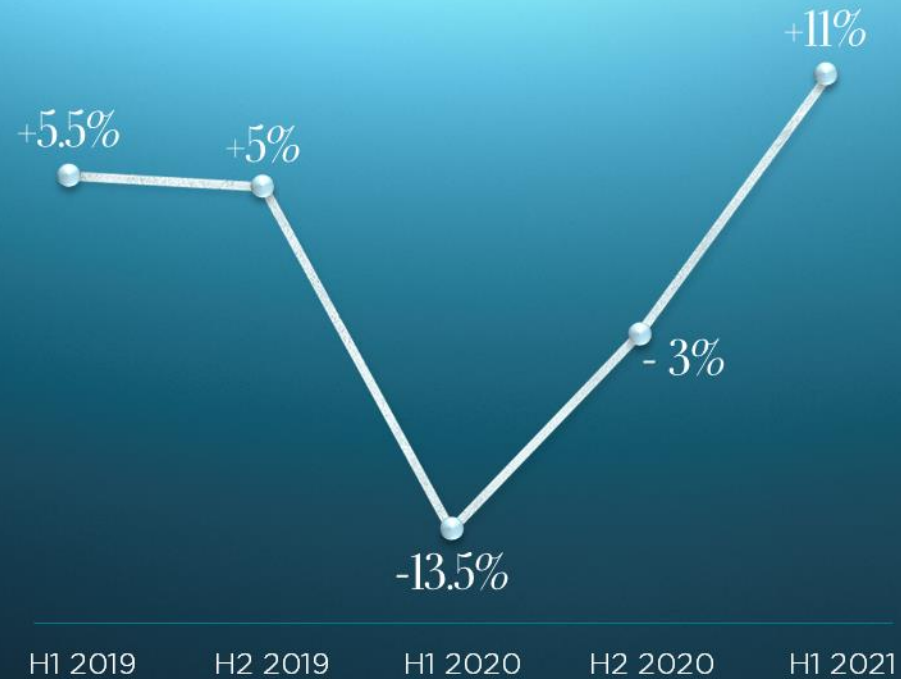


# THE POWER OF THE L'ORÉAL MODEL



# #1

## MARKET GROWTH DYNAMIC

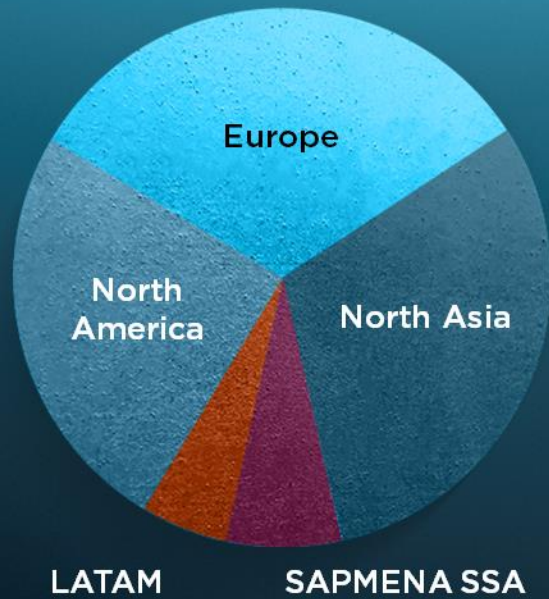


# #2

## IDEAL BUSINESS FOOTPRINT

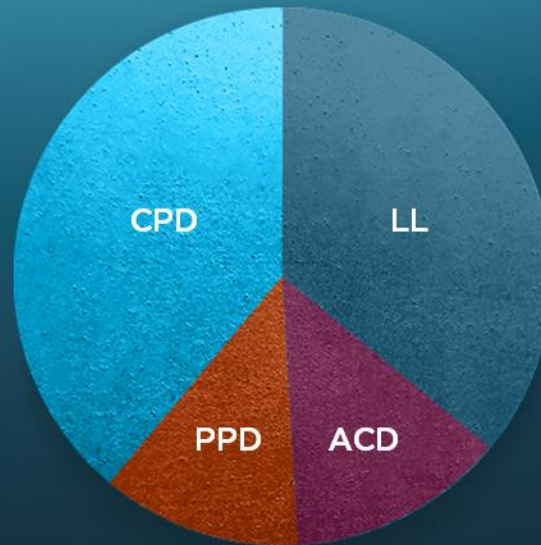
### REGIONS

Breakdown of sales by Zone



### DIVISIONS

Breakdown by Division



### CATEGORIES

Breakdown by category

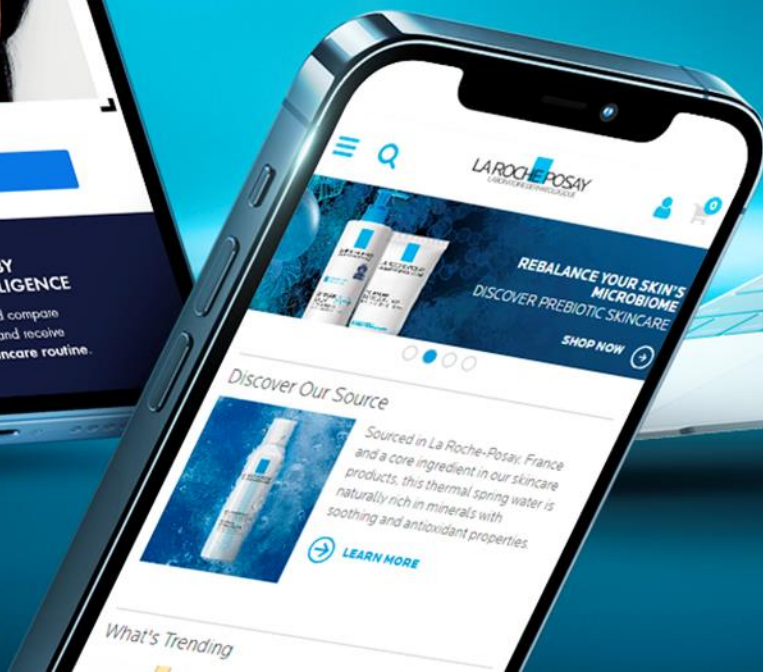
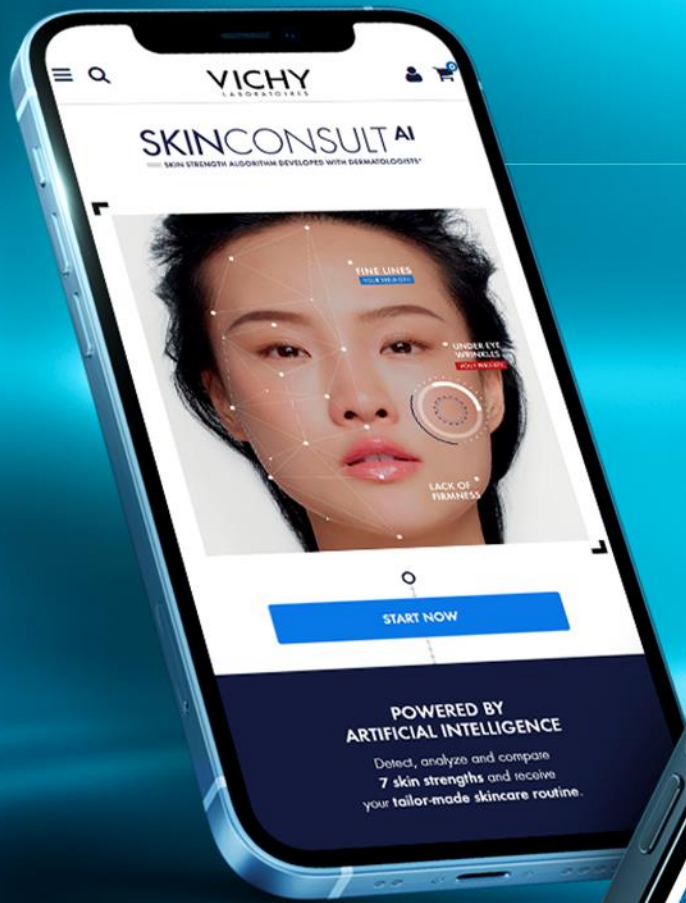


# #3

## DIGITAL DYNAMIC

### E-COMMERCE

27%  
of business



#4

RELENTLESS FOCUS ON INNOVATION

3.2%  
OF SALES  
—  
≈ 1 Bn€  
INVESTMENT





# #4

## RELENTLESS FOCUS ON INNOVATION



GREEN SCIENCES



AUGMENTED R&I



BEAUTY TECH LEADER

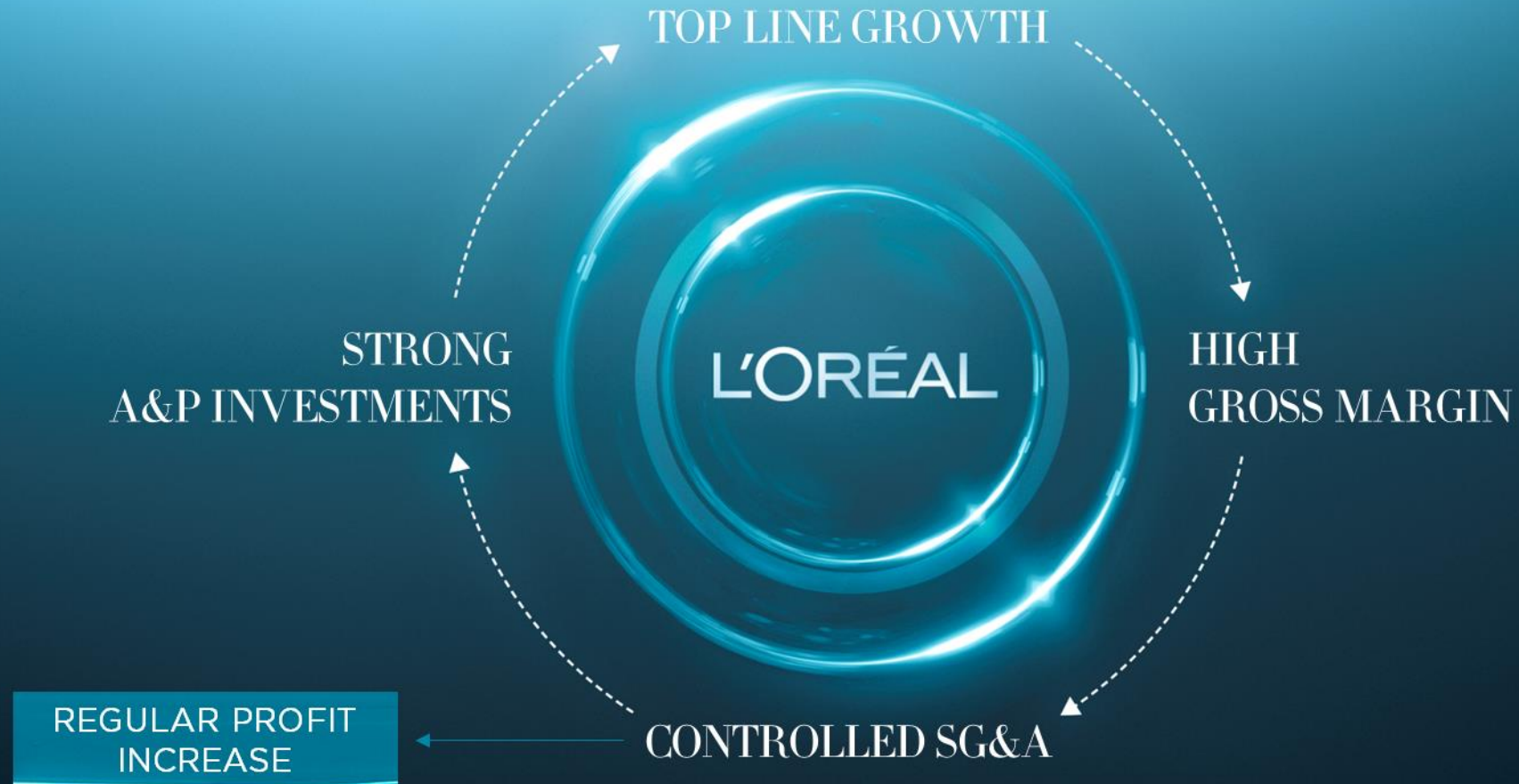
#5

THE STRENGTH OF OUR BRANDS




# #6


## THE STRENGTH OF THE L'ORÉAL P&L MODEL



# EXTRA-FINANCIAL PERFORMANCE



CREATE  
THE  
BEAUTY



THAT  
MOVES THE  
WORLD

**BEAUTY GIVES US CONFIDENCE  
IN WHO WE ARE AND WHO WE WANT TO BE.**

We were among the first companies in 2018 to sign the United Nations LGBTI Standards of Conduct for Business to combat all forms of discrimination.

**L'ORÉAL  
GROUPE**



CREATE  
THE  
BEAUTY




THAT  
MOVES THE  
WORLD


**AT L'ORÉAL,  
WE BELIEVE IN SOCIAL  
INNOVATIONS FOR OUR EMPLOYEES.**

We ensure that all our employees around the world have access to the best social protection, healthcare coverage and well-being at work.

**L'ORÉAL  
GROUPE**



CREATE  
THE  
BEAUTY



THAT  
MOVES THE  
WORLD

**AT L'ORÉAL,  
WE ACT TO FIGHT CLIMATE CHANGE.**

Since 2005, we reduced by 81% the CO<sub>2</sub> emissions from our production sites and distribution centers. By 2025, we commit to achieve carbon neutrality in all our sites.

**L'ORÉAL  
GROUPE**

# EXTRA-FINANCIAL PERFORMANCE



CLIMATE FORESTS WATER

UNIQUE COMPANY WITH A "TRIPLE A" FOR THE 5<sup>th</sup> CONSECUTIVE YEAR



TOP 100 COMPANY 2020  
Diversity and Inclusion Index

IN THE TOP 10  
AMONG 9 000 COMPANIES



FOR THE 11<sup>th</sup> TIME



FOR THE 4<sup>th</sup> CONSECUTIVE YEAR



1<sup>st</sup> COMPANY  
IN ALL INDUSTRIES



# L'ORÉAL



# FOR YOUTH





# L'ORÉAL

## CONCLUSION

L'ORÉAL HAS OFFSET THE COVID CRISIS  
IMPACT & RETURNED TO CRUISING SPEED

AMBITION TO ACCELERATE VS. 2019

CONFIDENCE TO ONCE AGAIN OUTPERFORM  
THE MARKET AND DELIVER ANOTHER YEAR  
OF GROWTH IN SALES AND PROFITS

FULLY COMMITTED TO EXTRA-FINANCIAL  
PERFORMANCE



# L'ORÉAL

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#### Disclaimer

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