L'ORÉAL

DEUTSCHE BANK GLOBAL CONSUMER CONFERENCE 2022

Nicolas HIERONIMUS
Chief Executive Officer

JUNE 14TH, 2022

L'ORÉAL

WORLD LEADER IN BEAUTY

€32Bn
2021 SALES

~€5Bn
2021 NET PROFIT*

~6.5Bn PRODUCTS
PER YEAR IN 150 COUNTRIES

85,400
EMPLOYEES

€232.5Bn
MARKET CAPITALIZATION**

* Net Profit excluding non recurring items after non controlling interests. ** As of 31 december 2021.

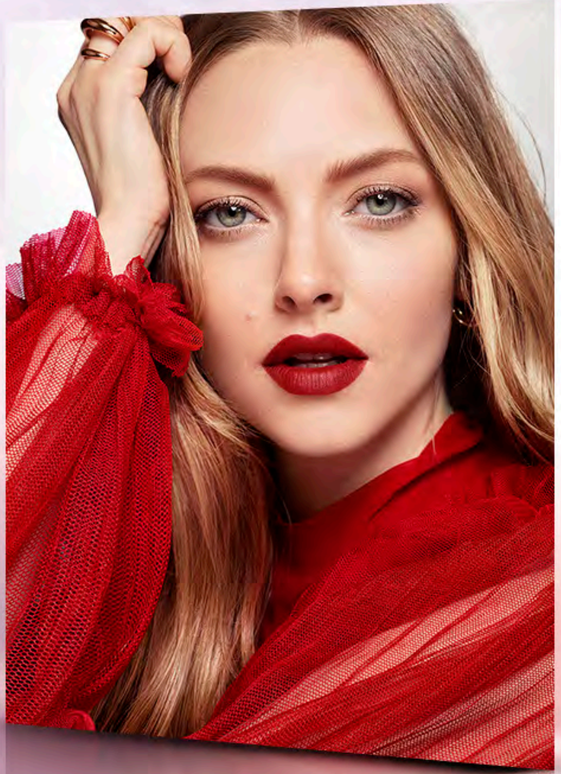
L'ORÉAL

OVER THE LAST 10 YEARS

SALES
1.6 X

PROFIT
1.9 X

FOUR SEPARATE DIVISIONS



L'ORÉAL
LUXE

€12.3Bn

L'ORÉAL
Consumer Products

€12.2Bn

L'ORÉAL
Active Cosmetics

€3.9Bn

L'ORÉAL
Professional Products

€3.8Bn

2021 Net Sales

AN INNOVATION DRIVEN COMPANY

4,000

RESEARCHERS

—

>€1Bn

INVESTMENT

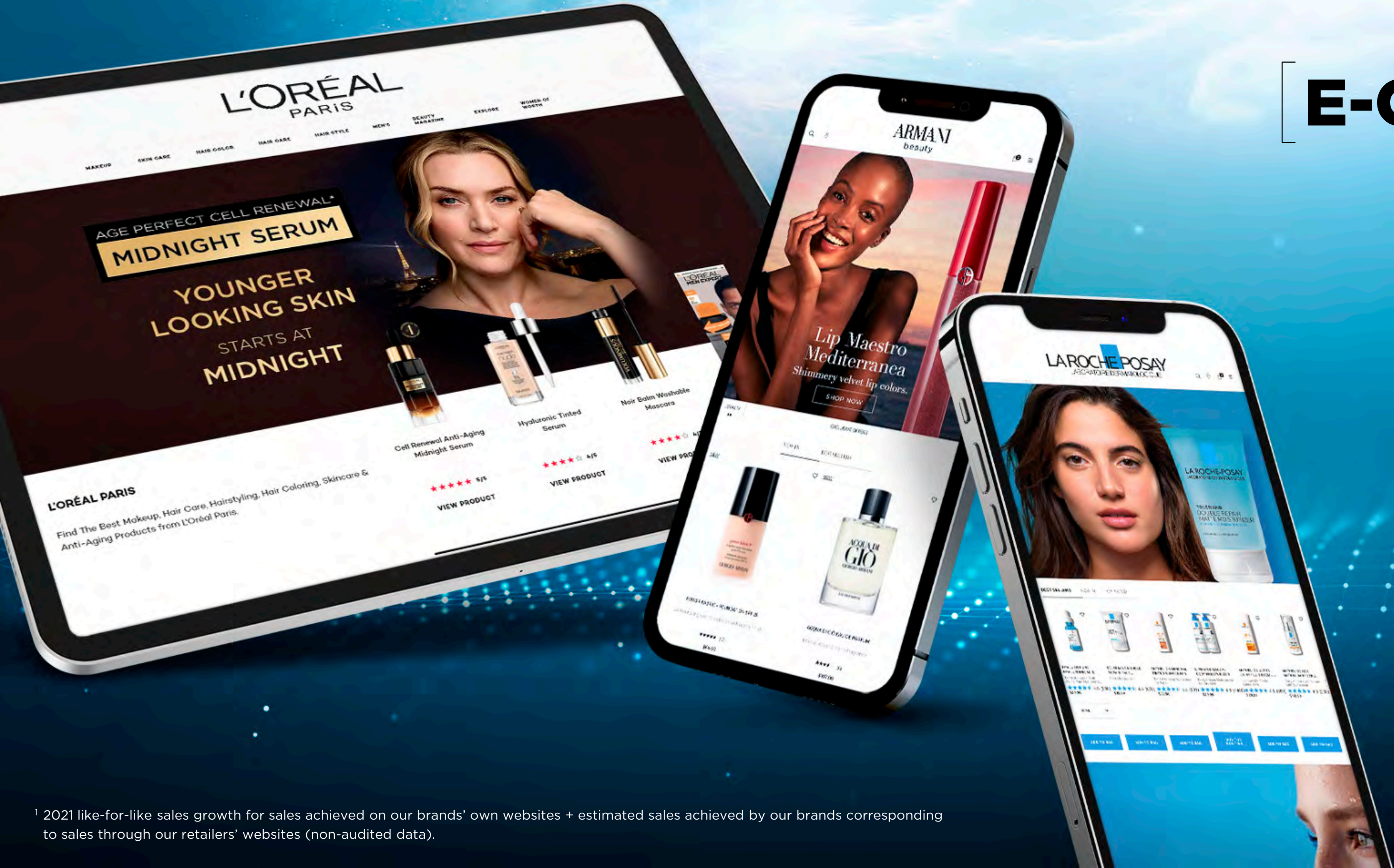
—

>3%

OF ANNUAL SALES

L'ORÉAL

A DIGITAL FIRST COMPANY



E-COMMERCE GROWTH[1]

+26%

29%
OF OUR SALES

[1] 2021 like-for-like sales growth for sales achieved on our brands' own websites + estimated sales achieved by our brands corresponding to sales through our retailers' websites (non-audited data).

L'ORÉAL

THE STRENGTH OF THE L'ORÉAL P&L MODEL

OUR ACCRETIVE GROWTH MODEL

TOP LINE GROWTH

HIGH
GROSS MARGIN

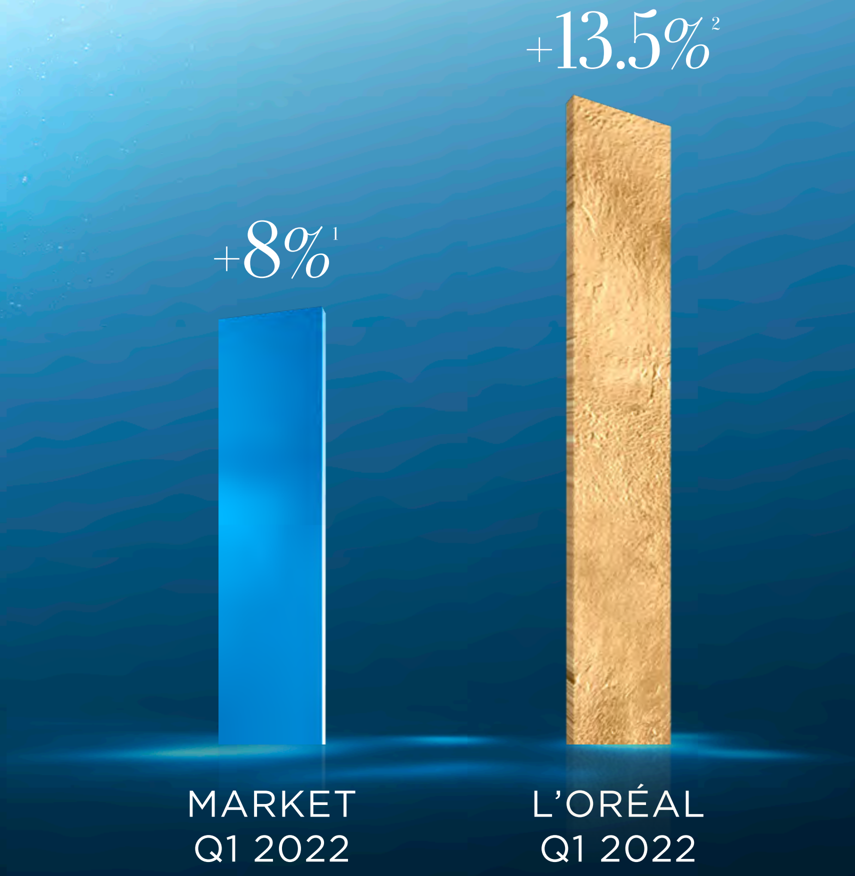
CONTROLLED SG&A

STRONG
A&P INVESTMENTS

REGULAR PROFIT
INCREASE

[A LONG TRACK-RECORD OF OVERPERFORMANCE]

[Q1 2022 STRONG PERFORMANCE]

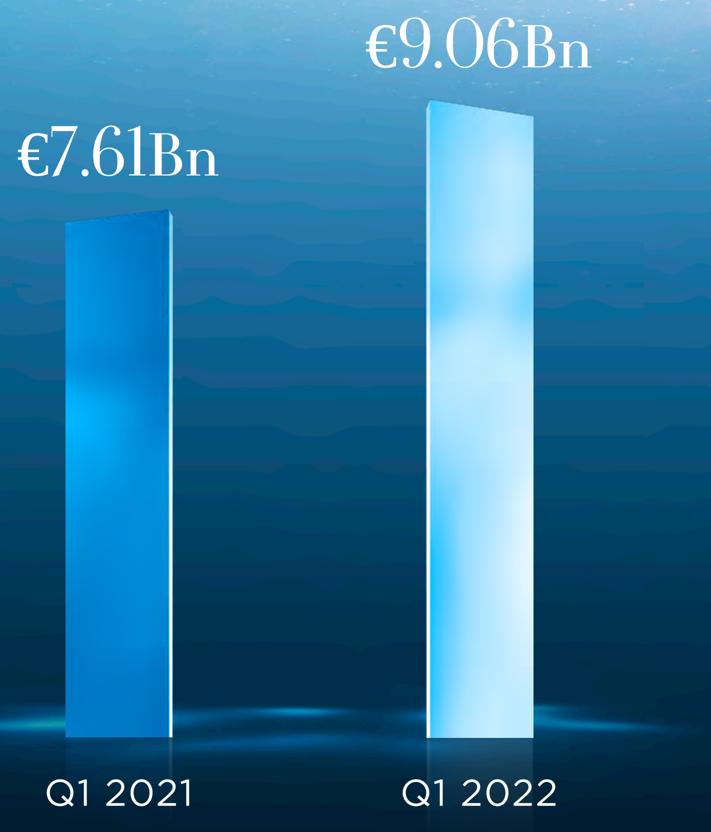


[1] L'Oréal worldwide beauty market estimates, excluding razors, soaps and oral care, Q1 2022 provisional estimates, at constant exchange rates.

[2] 2022 like-for-like sales growth

L'ORÉAL

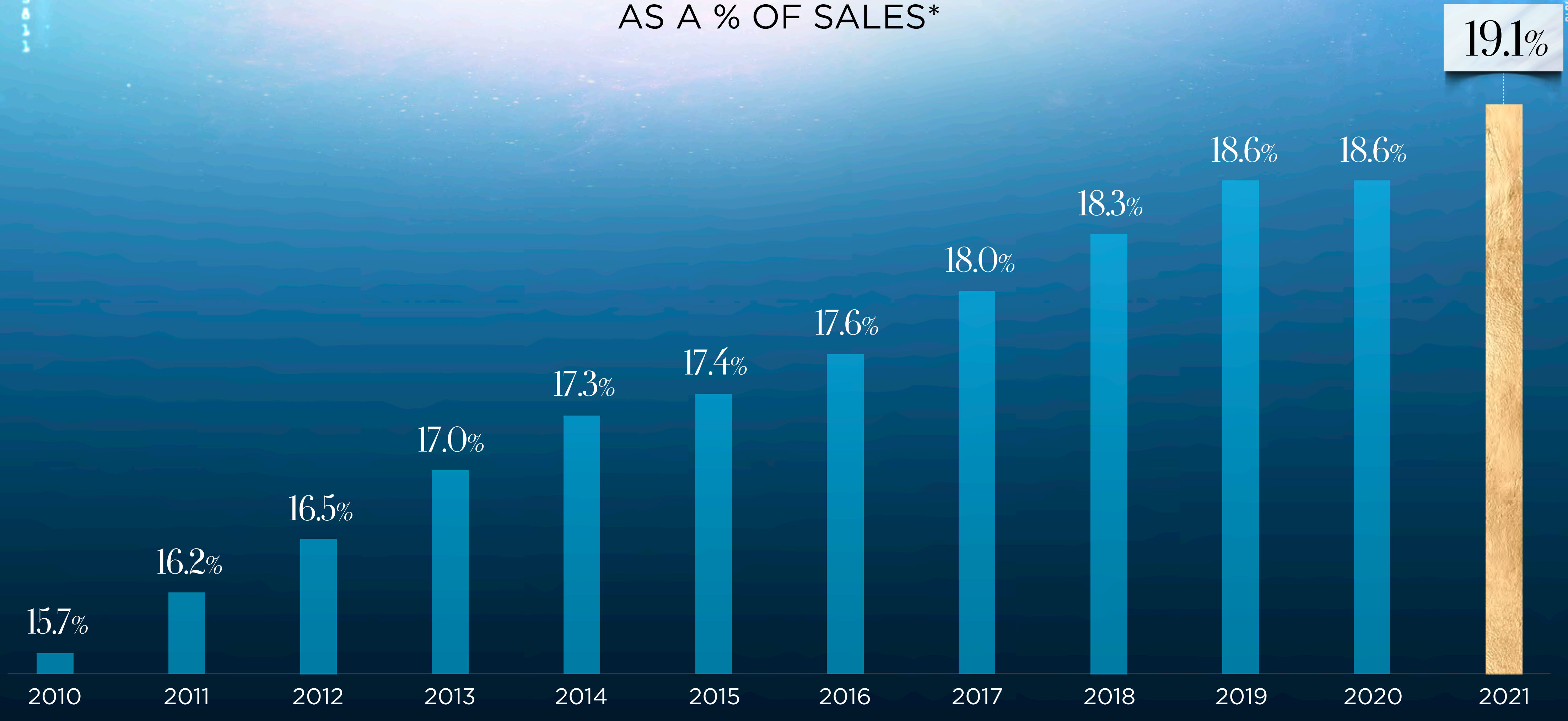
Q1 2022 CONSOLIDATED SALES



Like-for-like change	+13.5%
of which:	
external growth impact	*+0.4%*
Change at constant exchange rates	+13.9%
currency impact	*+5.1%*
Reported change	+19.0%

OPERATING PROFIT

AS A % OF SALES*

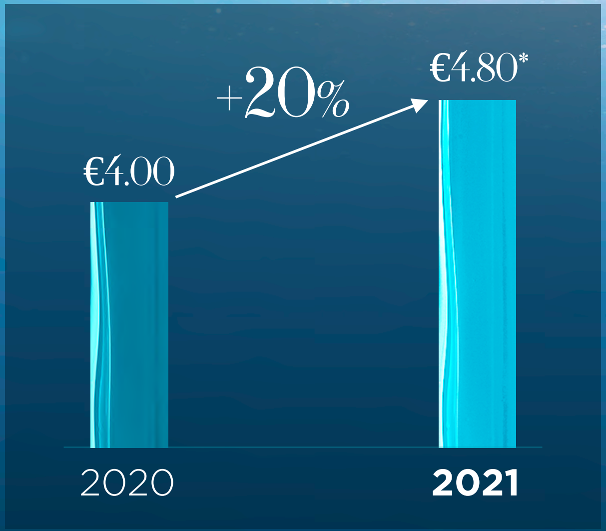


* Excluding companies consolidated under the equity method as from 2013 and TBS as from 2017.

L'ORÉAL

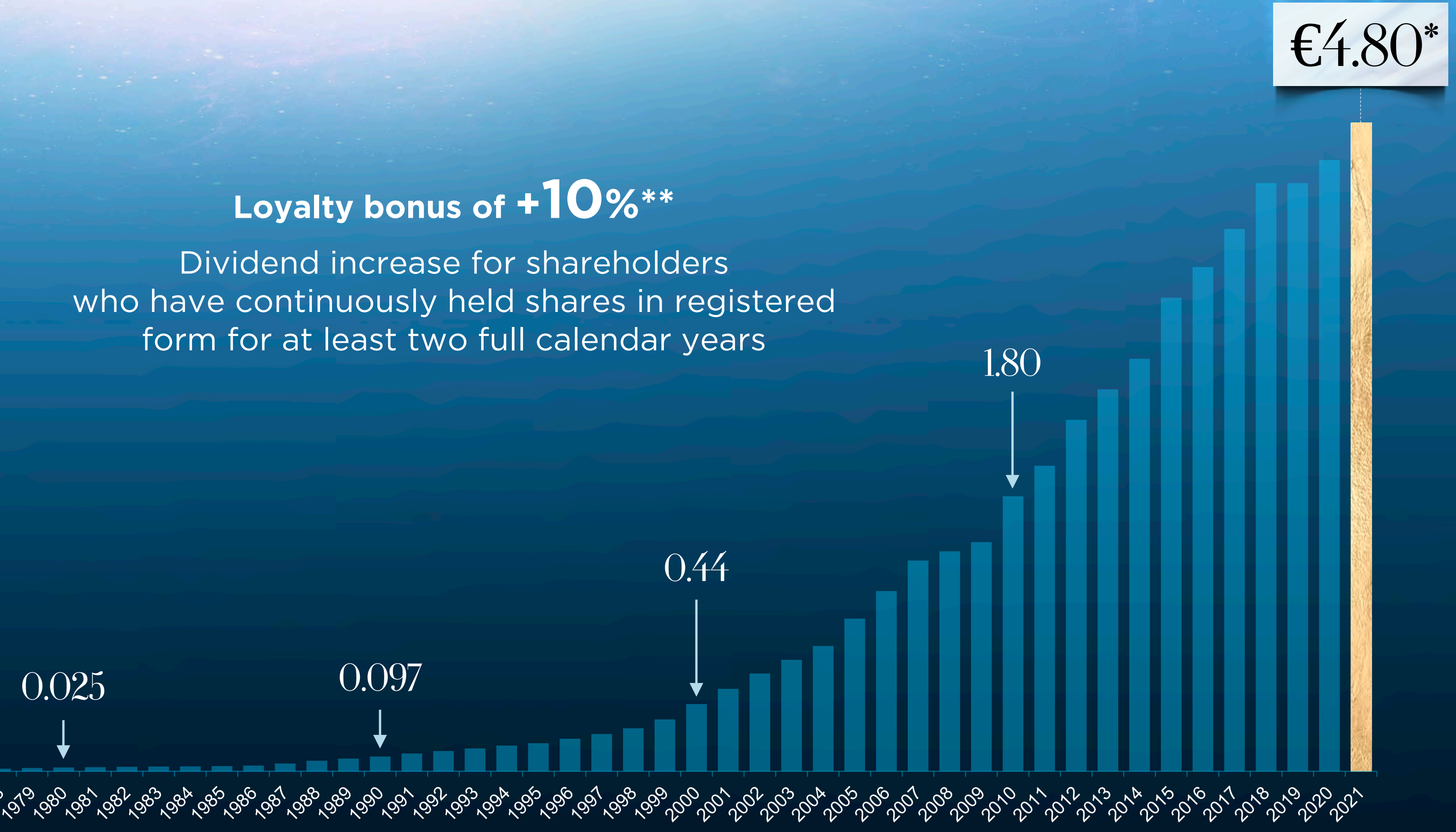
[VERY DYNAMIC DIVIDEND POLICY]

IN EUROS



Loyalty bonus of +10%**

Dividend increase for shareholders
who have continuously held shares in registered
form for at least two full calendar years



* Proposed at the Annual General Meeting of 21 April 2022.

** 2021 dividend paid in 2022: pay-out of the 10% loyalty bonus (preferential dividend of +10%) for shares held in registered form since 2019.

L'ORÉAL

1

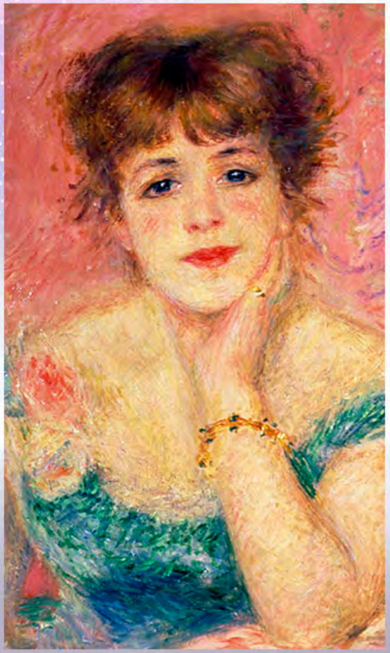
ANSWERS
TO 3 SHORT TERM **WORRIES**

CONSUMPTION SLOWDOWN?

CHINA?

INFLATION?



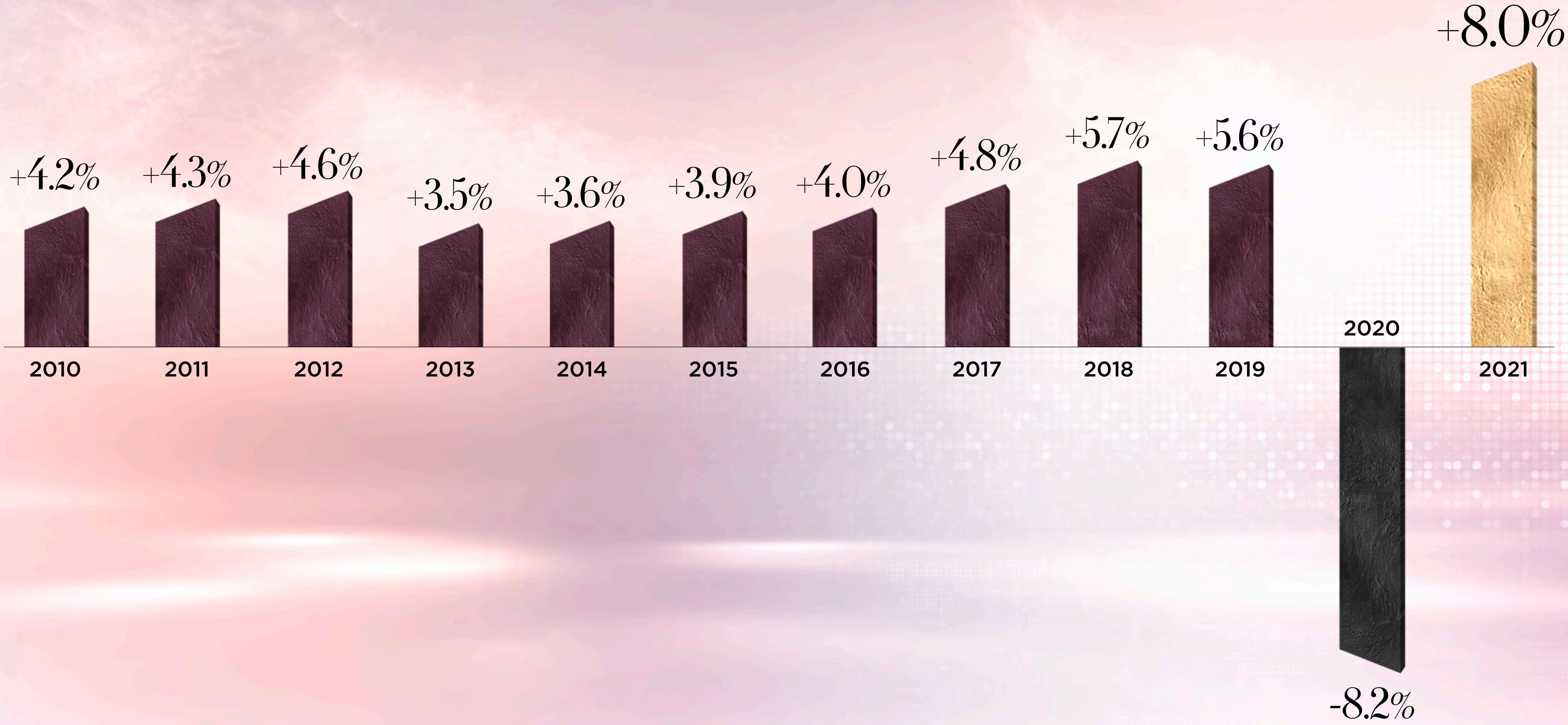
WORRY #1

BEAUTY IS ALWAYS GROWING

WORRY #1

[AN EVER GROWING MARKET[1]]

2010 - 2021



[1] L'Oréal worldwide beauty market estimates, excluding razors, soaps and oral care, 2021 provisional estimates, at constant exchange rates


WORRY #1
BEAUTY
MARKET
YEAR TO DATE
~+7%[1]
[1] L'Oréal worldwide beauty market estimates, excluding razors, soaps and oral care, YTD May provisional estimates, at constant exchange rates
L'ORÉAL

WORRY #1

BY CATEGORY

WORLDWIDE BEAUTY MARKET JAN-MAY 22[1]

SKINCARE

FRAGRANCES

MAKE UP

HAIR

[1] L'Oréal worldwide beauty market estimates, excluding razors, soaps and oral care, YTD May provisional estimates, at constant exchange rates

LIPSTICK INDEX

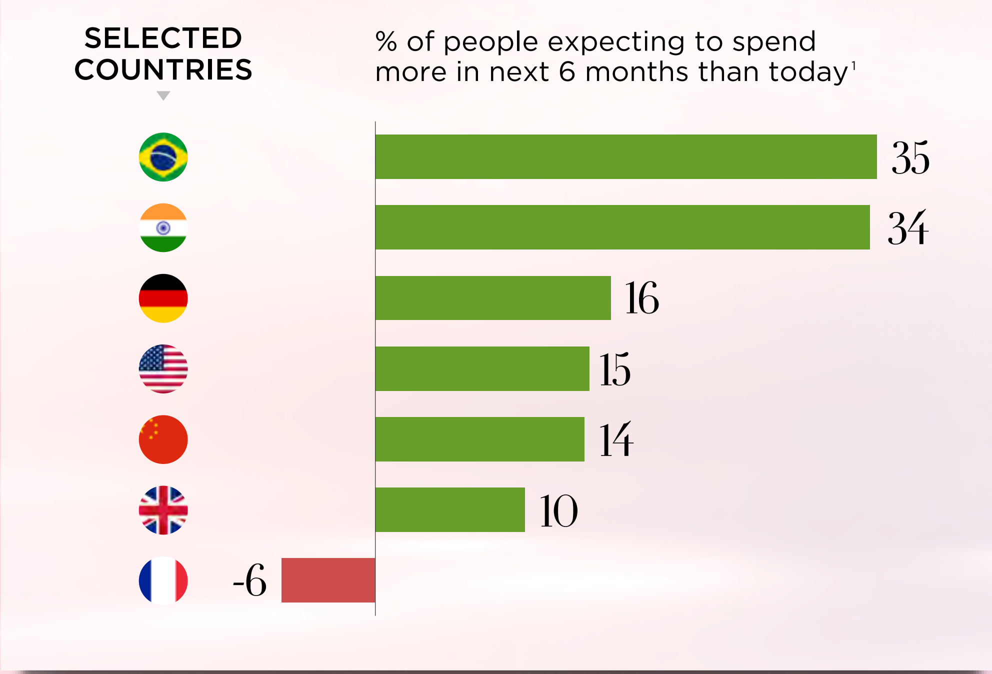
SELL-OUT END OF APRIL	LIPSTICK MARKET GROWTH
US MASS	+26%
US SELECTIVE	+47%
EUROPE 5 MASS	+36%
EUROPE 5 SELECTIVE	+77%

Sources: Omnichannel CPD & Panels LL as of end of April / Europe 5: France, Germany, Italy, Spain, United Kingdom

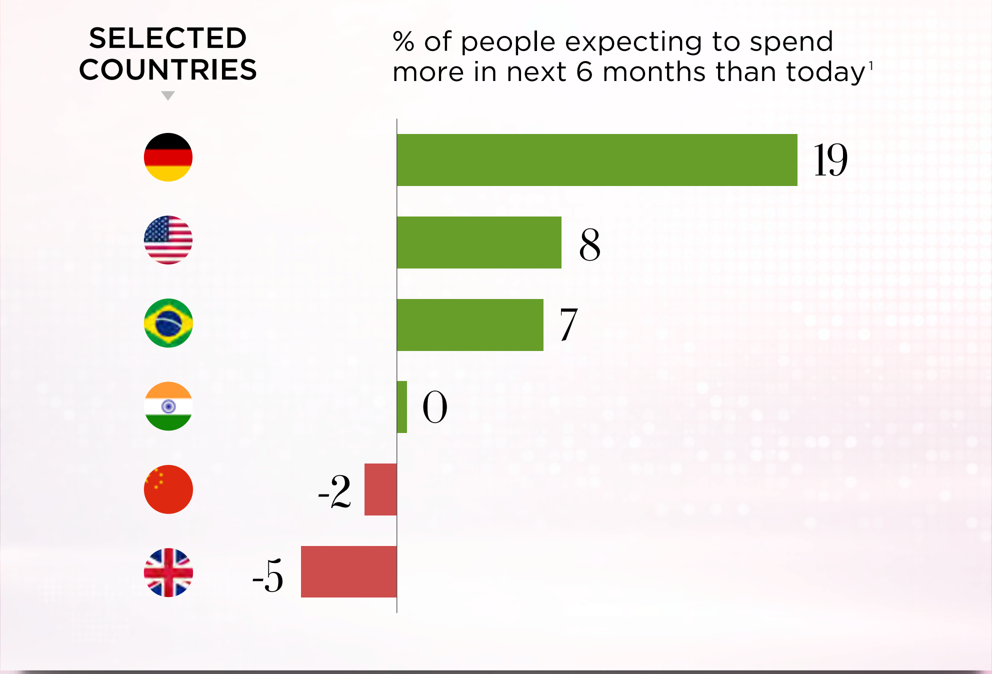

WORRY #1
TIME HAS COME
FOR ROARING 20s
L'ORÉAL

CONSUMERS INTENDING TO SPEND MORE OVER NEXT 6 MONTHS ON PERSONAL CARE

PERSONAL CARE (HAIRCARE, SKINCARE)



MAKE UP & FRAGRANCE



[1] Calculated by subtracting the % of respondents who said they would purchase these categories less in the next six months from the % of respondents who said they would purchase these categories more in the next six months. Source: Survey conducted in April 15-22, 2022 in USA, UK, Germany, France, Brazil, China, India, Indonesia, Japan, Sweden and New-Zealand ; WW Total unweightetd BCG analysis

L'ORÉAL

WORRY #2

BOUNCING BACK IN CHINA

WORRY #2

L'ORÉAL [IN CHINA]

+13%[1]

Q1 2022

[1] Mainland China + Hong Kong S.A.R., Like-for-like sales growth.

WORRY #2

STILL SUCCESSFUL

BEATING THE MARKET

MAY 2022

ONLINE GROWTH SALES

+30%

VS. MARKET +5%

6.18

SUCCESSFUL PRESALE

Source: Tmall/JD/Douyin official

L'ORÉAL

WORRY #2

CHINA REOPENING

L'ORÉAL KEEPS ITS HIGH SINGLE DIGIT GROWTH OBJECTIVE

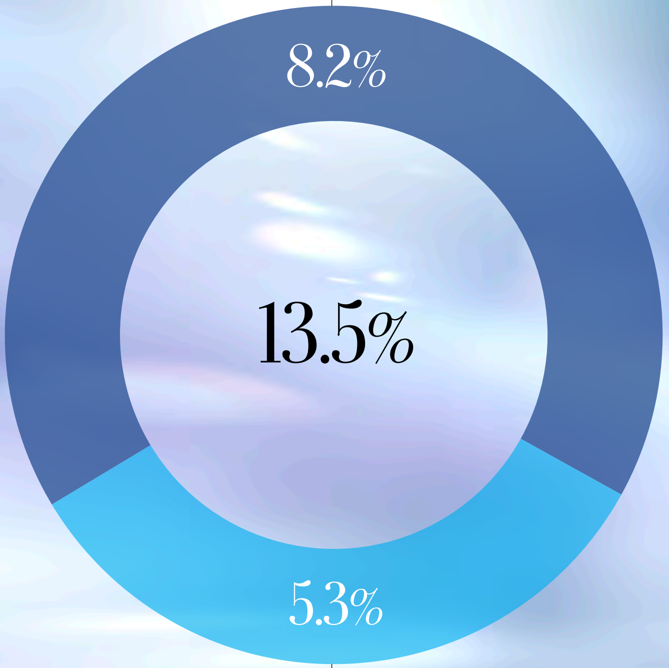
WORRY #3

INFLATION IMPACT

L'ORÉAL

Q1 GROWTH COMES FROM...

2/3
FROM **VALORIZATION**



1/3
FROM **VOLUME**

EXAMPLE:
STRONG VALORIZATION IN HAIRCARE, WITH PRICES ON AVG 8% HIGHER PER ML IN Q1, AS CONSUMERS ARE LOOKING FOR MORE PREMIUM HAIRCARE

L'ORÉAL


WORRY #3
INNOVATIONS
ARE ACCRETIVE
L'ORÉAL

STRONG INNOVATION PLAN

L'ORÉAL

NO SLOWDOWN NOR TRADE DOWN IN SPITE OF INFLATION


5 REASONS
FOR LONG-TERM
SUCCESS
2
L'ORÉAL


REASON #1
THE POWER
OF
INNOVATION
L'ORÉAL

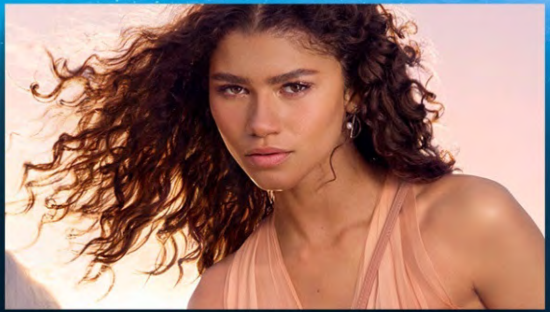
REASON #2

THE STRENGTH OF OUR BRANDS

YVES SAINT LAURENT
L'ORÉAL PARIS
LANCÔME PARIS
MAYBELLINE NEW YORK
GARNIER
Kiehl's SINCE 1851
ARMANI
LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE
HELENA RUBINSTEIN
CeraVe DEVELOPED WITH DERMATOLOGISTS
L'ORÉAL PROFESSIONNEL PARIS
SKINCEUTICALS ADVANCED PROFESSIONAL SKINCARE
KÉRASTASE PARIS
3CE STYLENANDA
VALENTINO
NYX PROFESSIONAL MAKEUP
BIOTHERM THE HEALING POWER OF LIFE PLANKTON™
PRADA
REDKEN 5TH AVENUE NYC
shu uemura
Maison Margiela PARIS
MUGLER
AZZARO
essie
it COSMETICS
TAKAMI
Atelier Cologne MAISON DE PARFUM PARIS
RALPH LAUREN
VIKTOR&ROLF
mg 美即面膜
URBAN DECAY
DIESEL
cacharel

[redacted]

BILLIONAIRE BRANDS



LANCÔME PARIS

YVES SAINT LAURENT

ARMANI

L'ORÉAL PARIS

Kiehl's SINCE 1851

MAYBELLINE NEW YORK

GARNIER

LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE

REASON #2

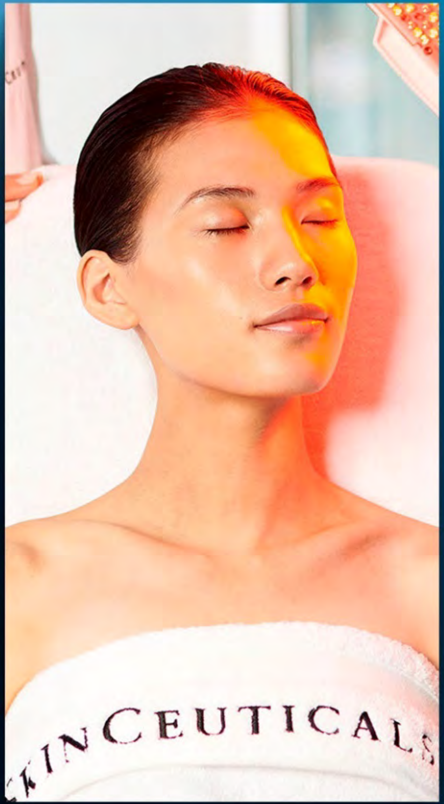
A FEW CANDIDATES
TO JOIN THAT PRESTIGIOUS CLUB

CeraVe
DEVELOPED WITH DERMATOLOGISTS

KÉRASTASE
PARIS

L'ORÉAL
PROFESSIONNEL
PARIS

HELENA RUBINSTEIN



SKINCEUTICALS
ADVANCED PROFESSIONAL SKINCARE

[A FEW LUXURY GEMS]

VALENTINO

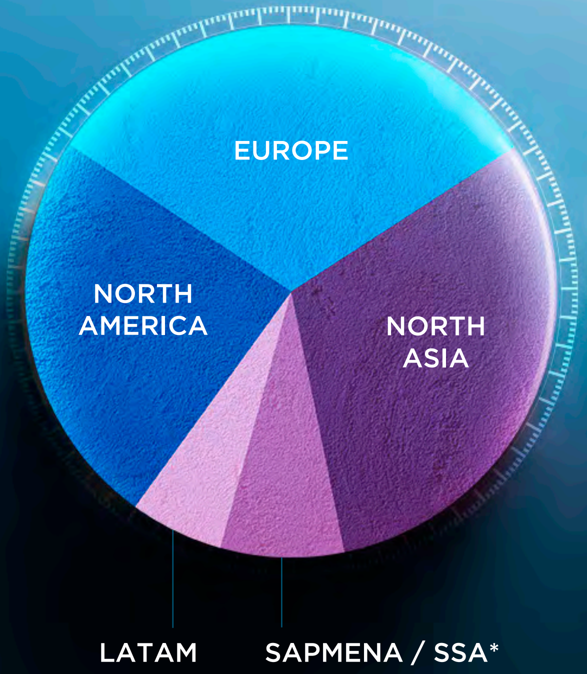
PRADA

REASON #3

[BALANCE IS THE BEST VACCINE IN A VUCA WORLD]

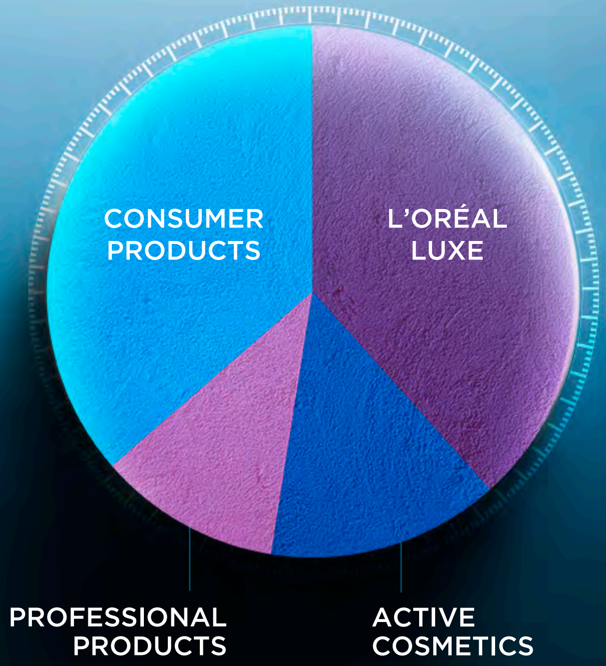
REGIONS

Breakdown of sales by Zone



DIVISIONS

Breakdown by Division



CATEGORIES

Breakdown by Category

Q1 like-for-like sales growth. * South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa

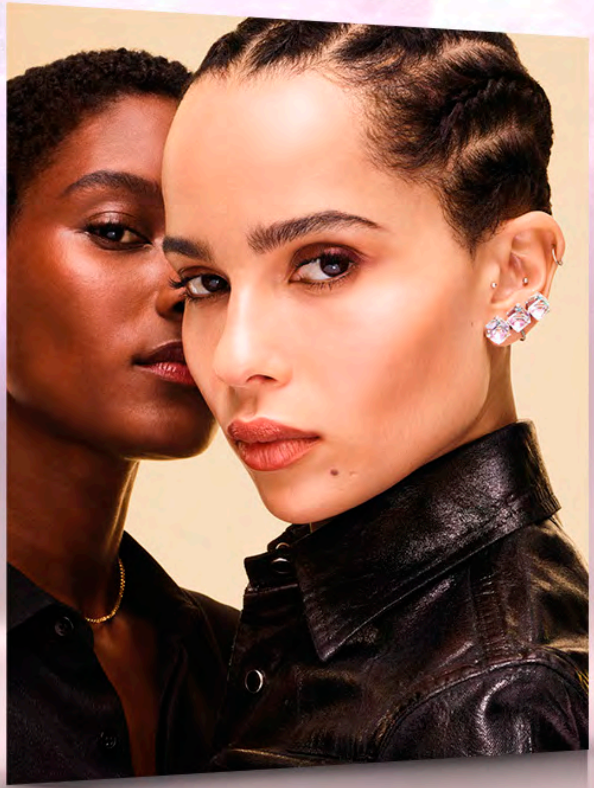
L'ORÉAL

REASON #3

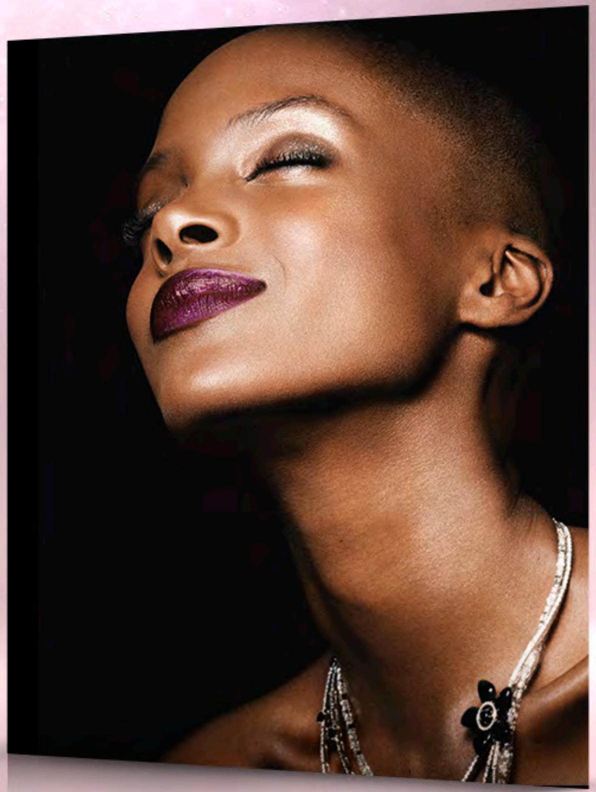
L'ORÉAL
LUXE

[A LEADING LUXURY GROUP]

LANCÔME
PARIS



YVES SAINT LAURENT



ARMANI

Kiehl's
SINCE 1851

REASON #3

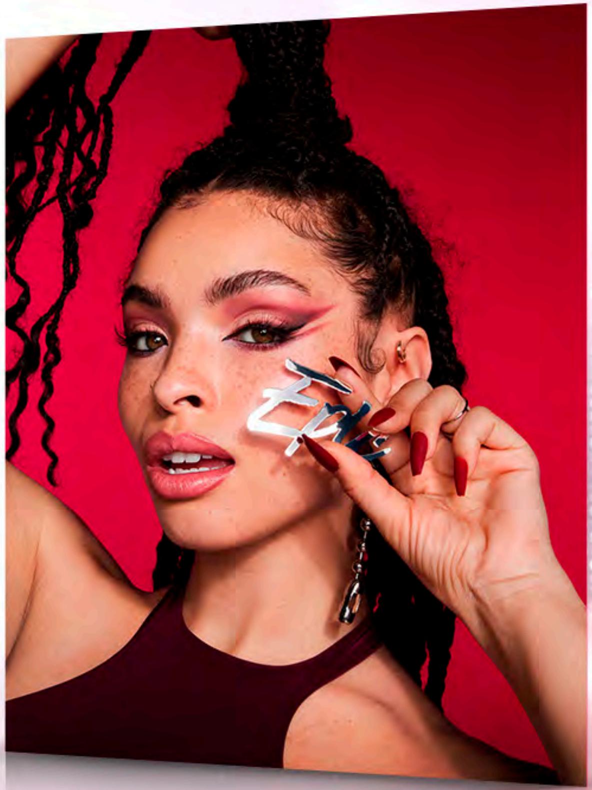
L'ORÉAL

Consumer Products

[A MAJOR FMCG PLAYER]

L'ORÉAL PARIS

MAYBELLINE NEW YORK



NYX PROFESSIONAL MAKEUP

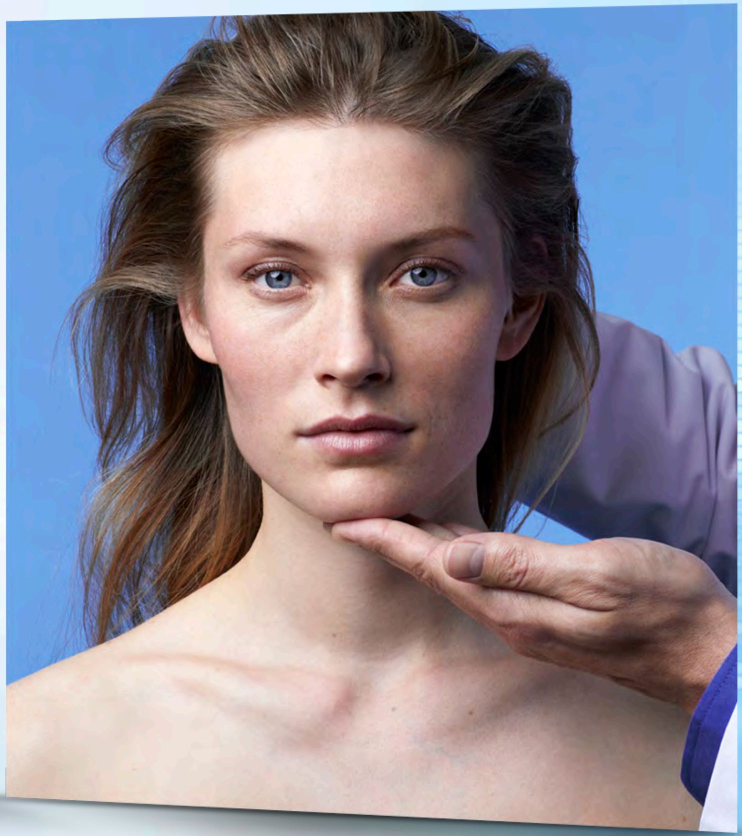
GARNIER

REASON #3

L'ORÉAL

Active Cosmetics

LEADING DERMATOLOGICAL BEAUTY



CeraVe
DEVELOPED WITH DERMATOLOGISTS

SKINCEUTICALS
ADVANCED PROFESSIONAL SKINCARE

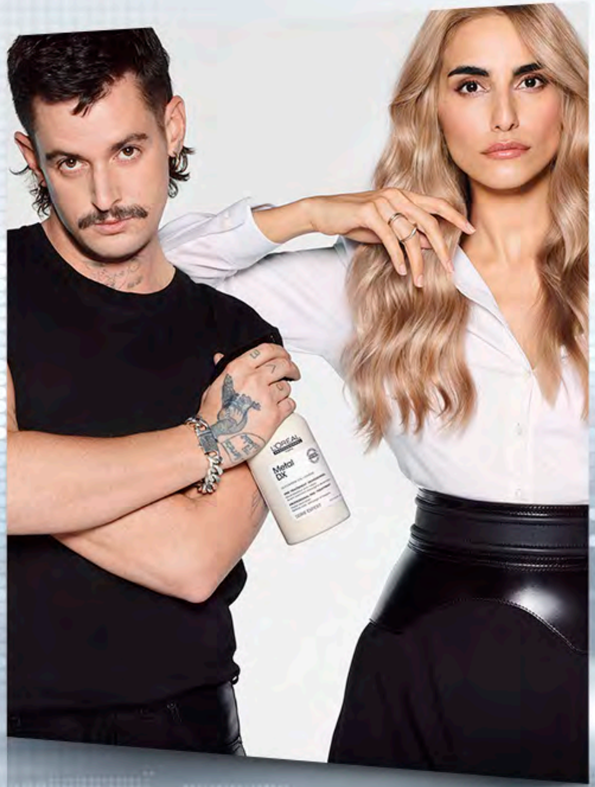
LA ROCHE-POSAY
LABORATOIRE DERMATOLOGIQUE

REASON #3

L'ORÉAL

Professional Products

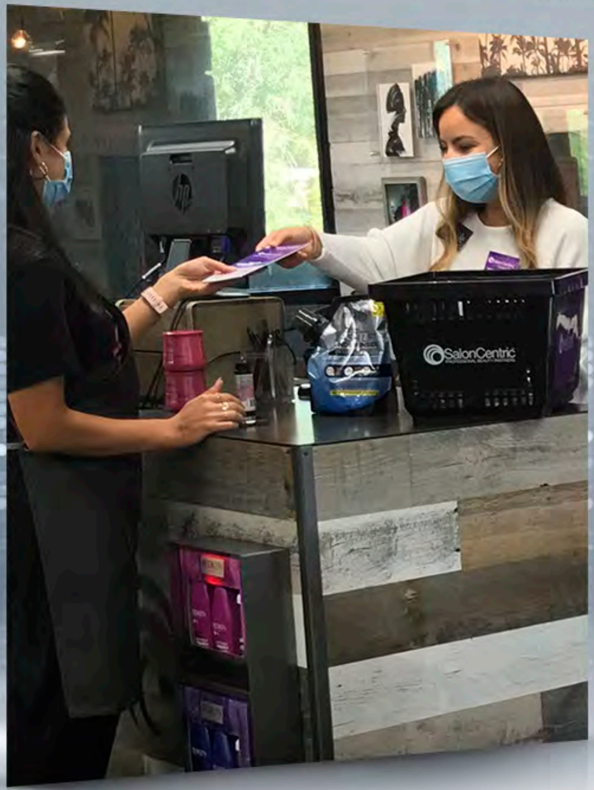
LEADING IN PROFESSIONAL BEAUTY



L'ORÉAL PROFESSIONNEL PARIS

KÉRASTASE PARIS

REDKEN 5TH AVENUE NYC



SALON CENTRIC / PLATFORM DEVELOPMENT

REASON #4

[L'ORÉAL IS ALWAYS TRANSFORMING]

[TWO MAJOR GAME CHANGING TRANSFORMATIONS]

REASON #4

A NEW ERA OF R&I

Barbara LAVERNOS

Deputy CEO
in charge of R&I and Tech

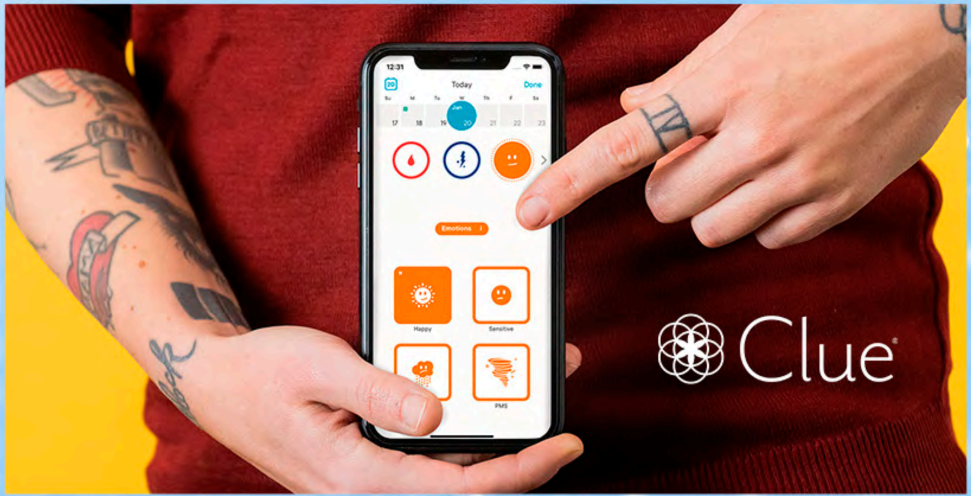
THE LEADING BEAUTY TECH COMPANY

REASON #4

AI-POWERED FORMULATION TOOLS

REASON #4

STRATEGIC DATA PARTNERSHIPS



BreezoMeter

L'ORÉAL

REASON #4

ACCELERATION TOWARDS GREEN SCIENCES

L'ORÉAL

REASON #4

L'ORÉAL

FOR THE FUTURE

ROADMAP

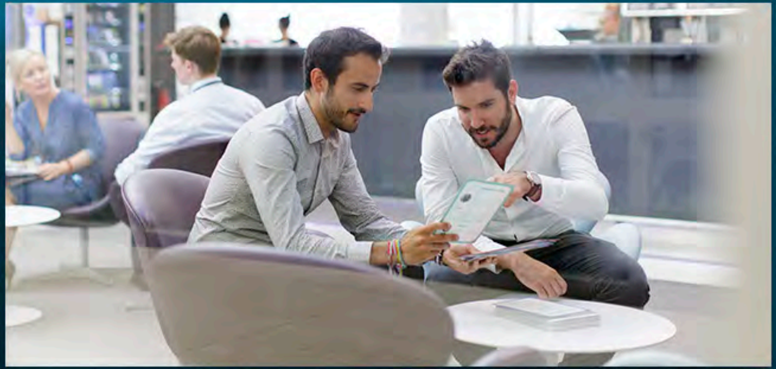
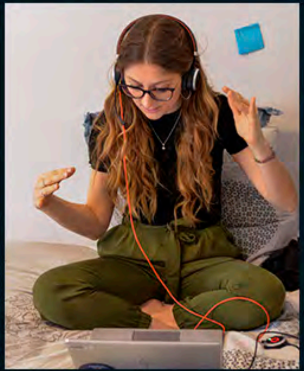
CARBON NEUTRALITY BY 2025

L'ORÉAL USA'S SITES ACHIEVED CARBON NEUTRALITY IN SEPTEMBER 2021

AAA FOR THE 6TH CONSECUTIVE YEAR






REASON #5

L'ORÉAL PEOPLE & CULTURE

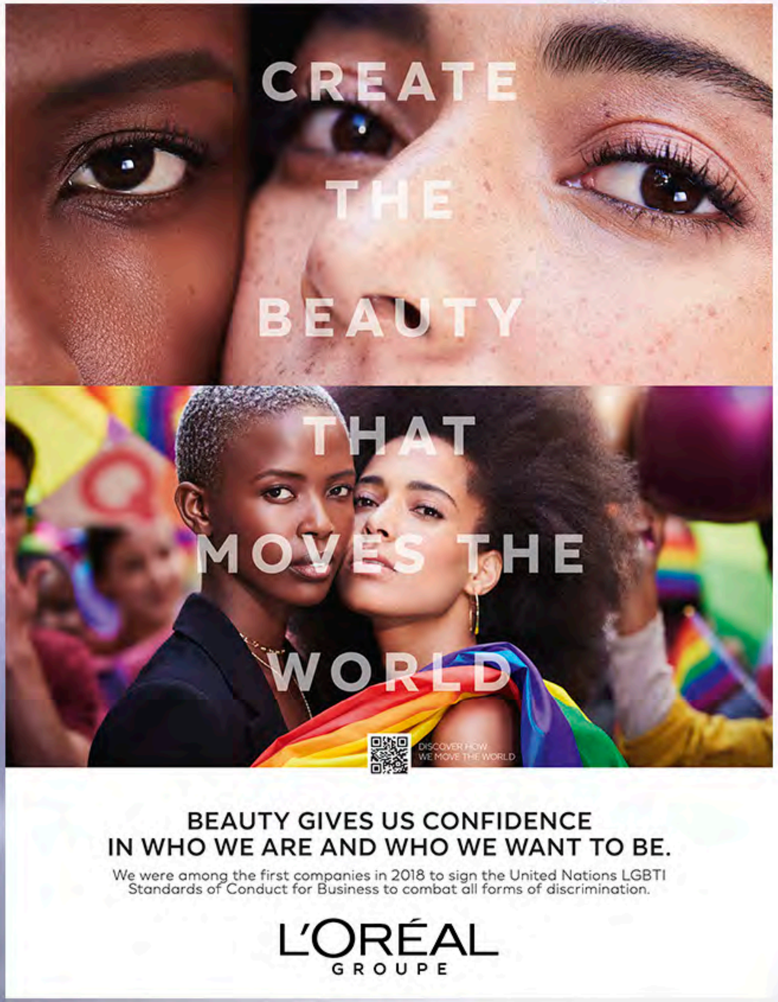


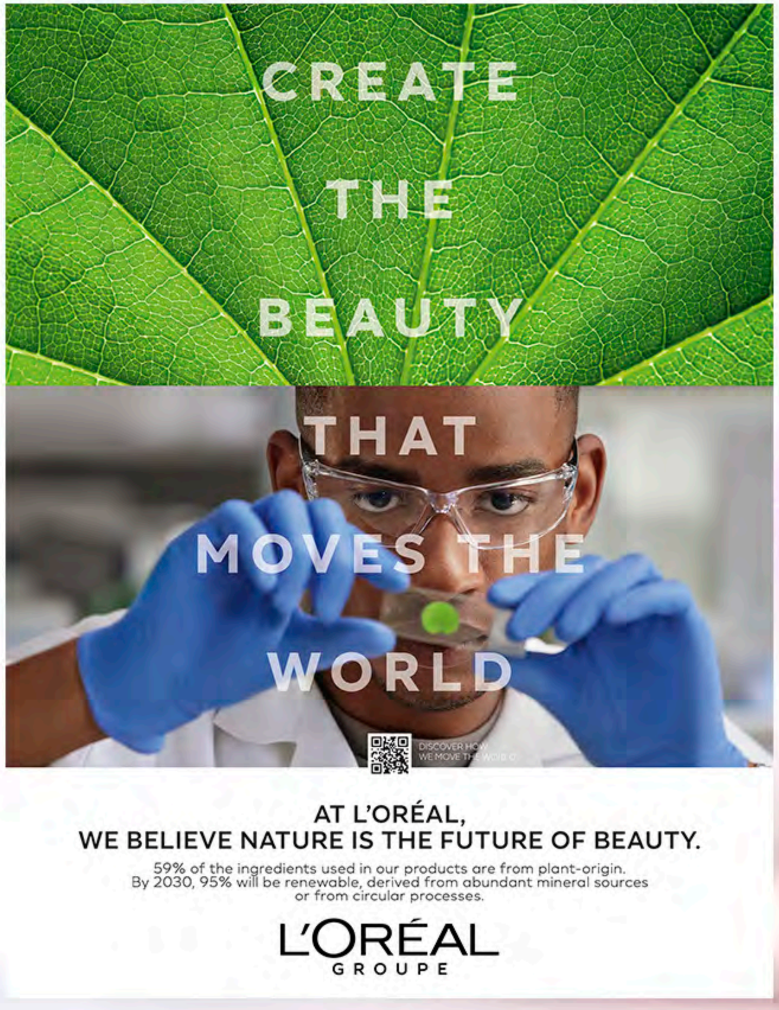


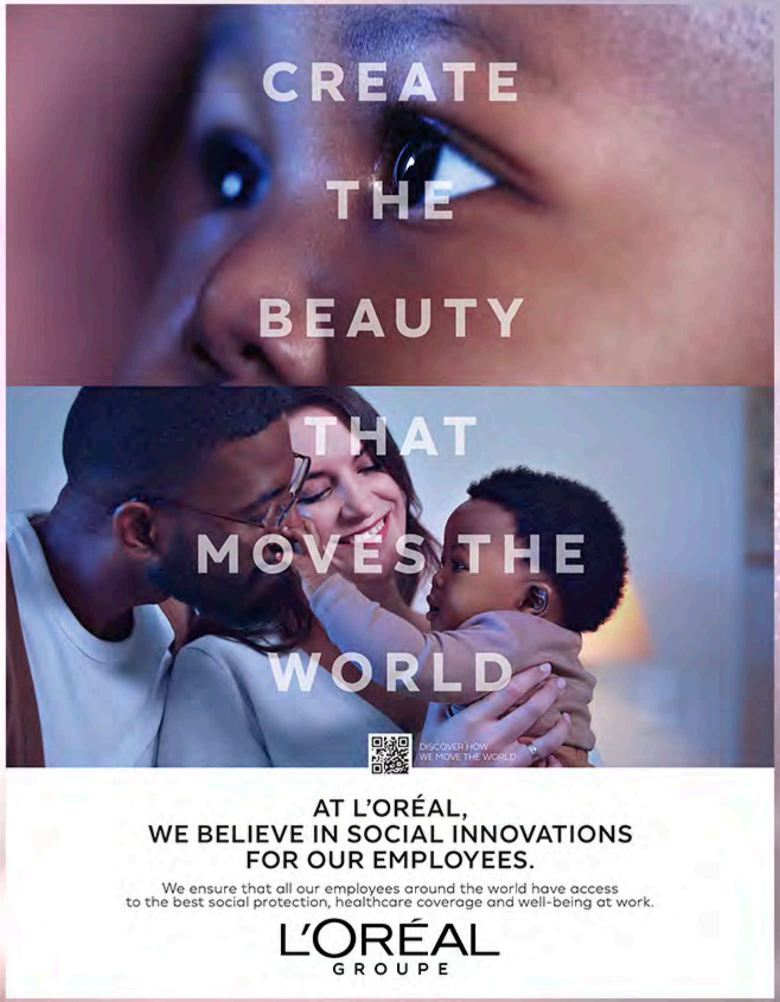


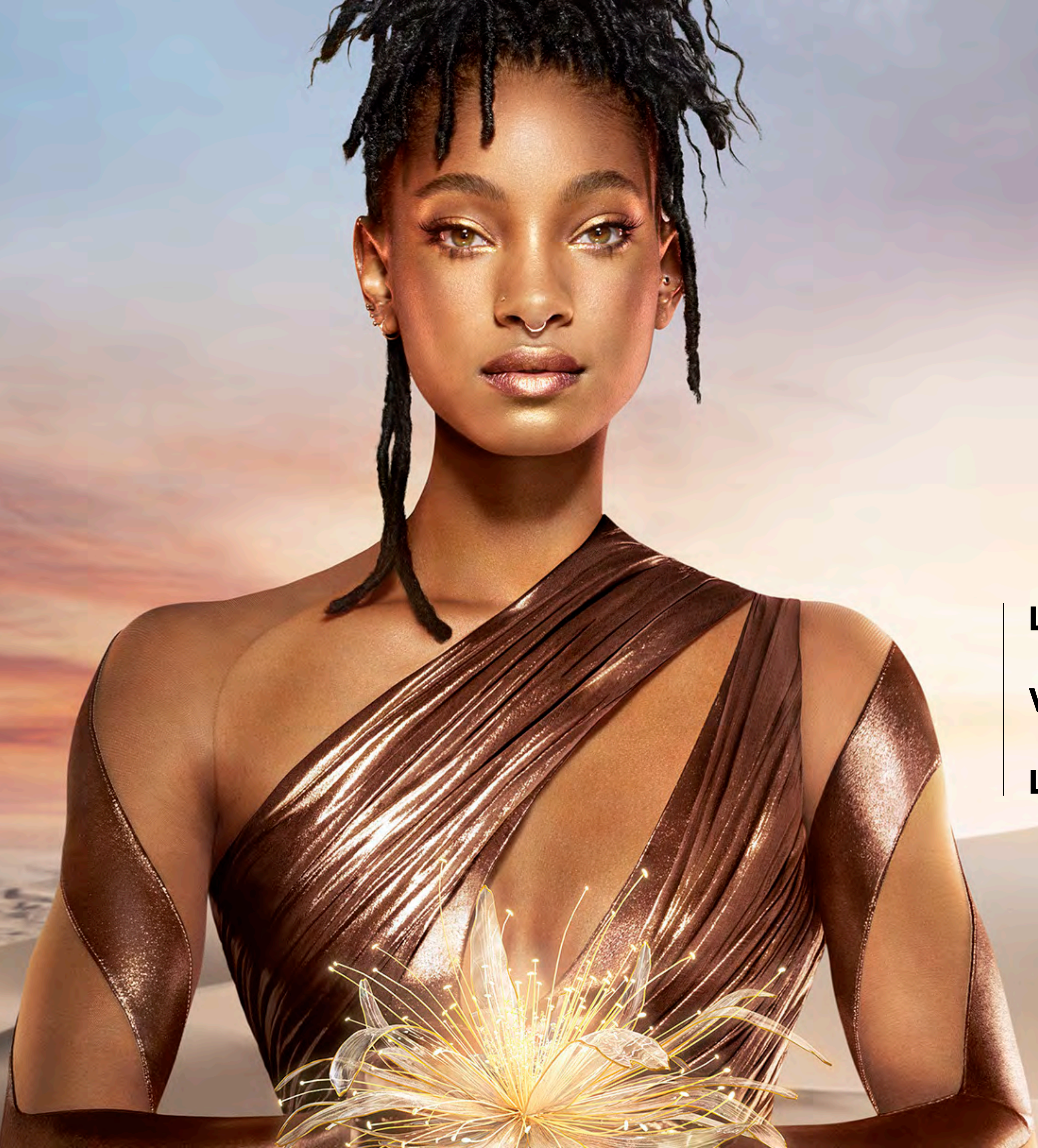



REASON #5


CREATE
THE
BEAUTY
THAT
MOVES THE
WORLD
DISCOVER HOW
WE MOVE 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 NATURE IS THE FUTURE OF BEAUTY.
59% of the ingredients used in our products are from plant-origin.
By 2030, 95% will be renewable, derived from abundant mineral sources or from circular processes.
L'ORÉAL
GROUPE


CREATE
THE
BEAUTY
THAT
MOVES THE
WORLD
DISCOVER HOW
WE MOVE 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



L'ORÉAL

CONCLUSION

L'ORÉAL: A PROVEN TRACK-RECORD

WINNING IN THE SHORT-TERM DIFFICULTIES

LONG TERM CONFIDENCE


L'ORÉAL