

First-half 2014

# RESULTS

August 1<sup>st</sup>, 2014

Jean-Paul AGON  
Chairman and CEO

L'ORÉAL



I

# The Cosmetics Market

August 1<sup>st</sup> 2014

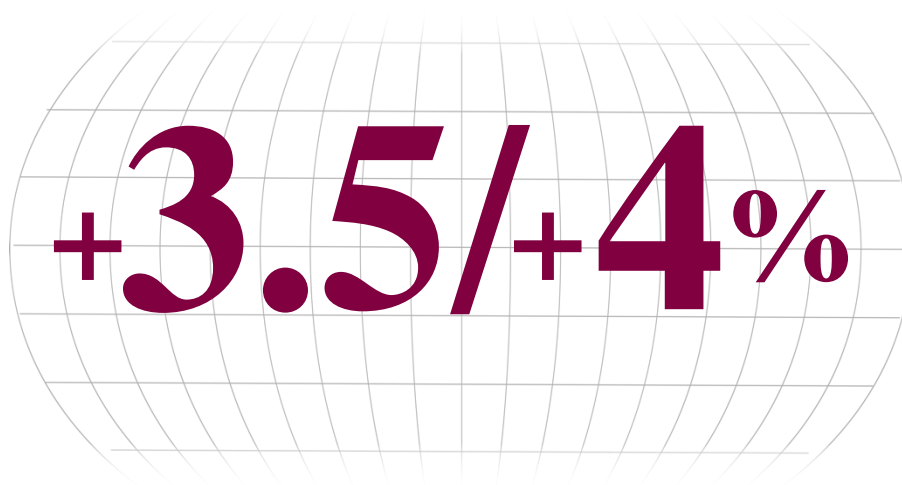
2

L'ORÉAL



# Worldwide Cosmetics Market\*

FIRST-HALF 2014



\*Excluding razors, soaps and toothpastes. First-half 2014 provisional estimates. Source: L'Oréal estimates. Excluding exchange rate impact



# Worldwide Cosmetics Market\*

BY GEOGRAPHIC ZONE

**WESTERN  
EUROPE**

**NORTH  
AMERICA**

**NEW  
MARKETS**

FIRST-HALF 2014

**+0.5%**

**+2.2%**

**+5.9%**

\*Excluding razors, soaps and toothpastes. First-half 2014 provisional estimates  
Source: L'Oréal estimates. Excluding exchange rate impact



# Worldwide Cosmetics Market\*

BY DISTRIBUTION CHANNEL

**LUXURY**

FIRST-HALF 2014

**+4.5%**

**MASS MARKET**

**+3.5/+4%**

**DERMO-COSMETICS**

**+5.5%**

**HAIR SALONS**

**+1/+1.5%**

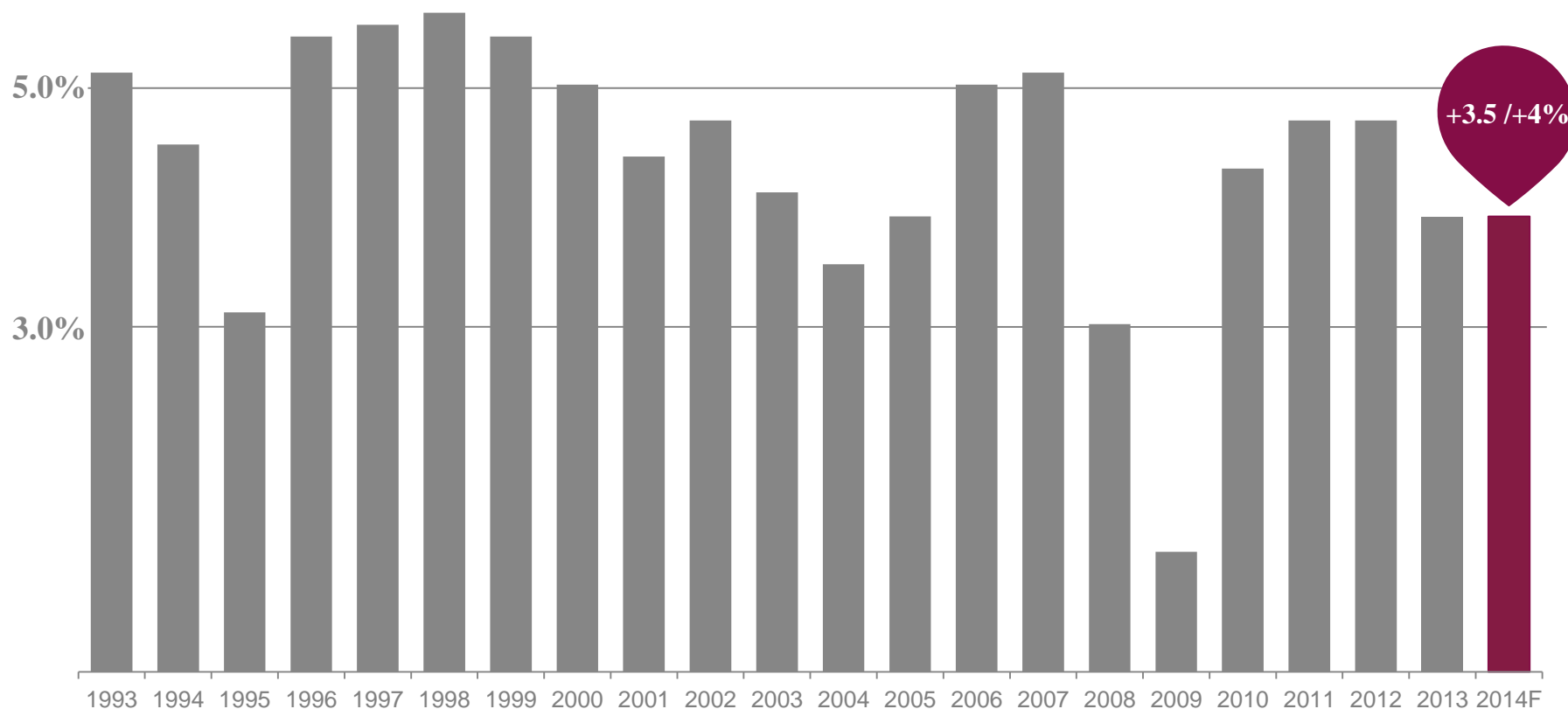
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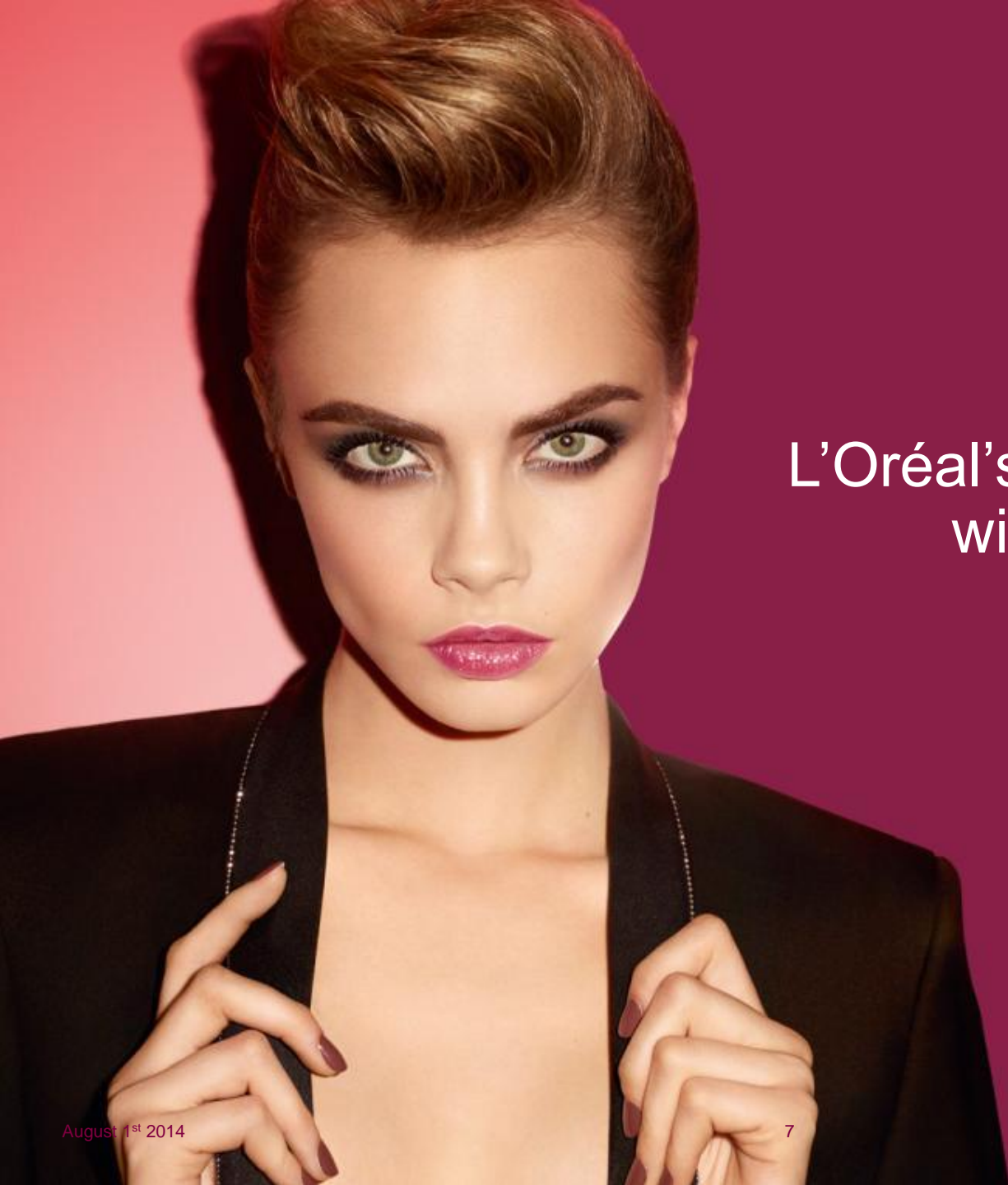
# Worldwide Cosmetics Market 1993-2014\*

(ANNUAL GROWTH RATE)

2014 forecast:



• L'Oréal BMS estimates - excluding razors, soaps and toothpastes. Net manufacturing price (sell-in) provisional estimate.  
Growth at constant exchange rates

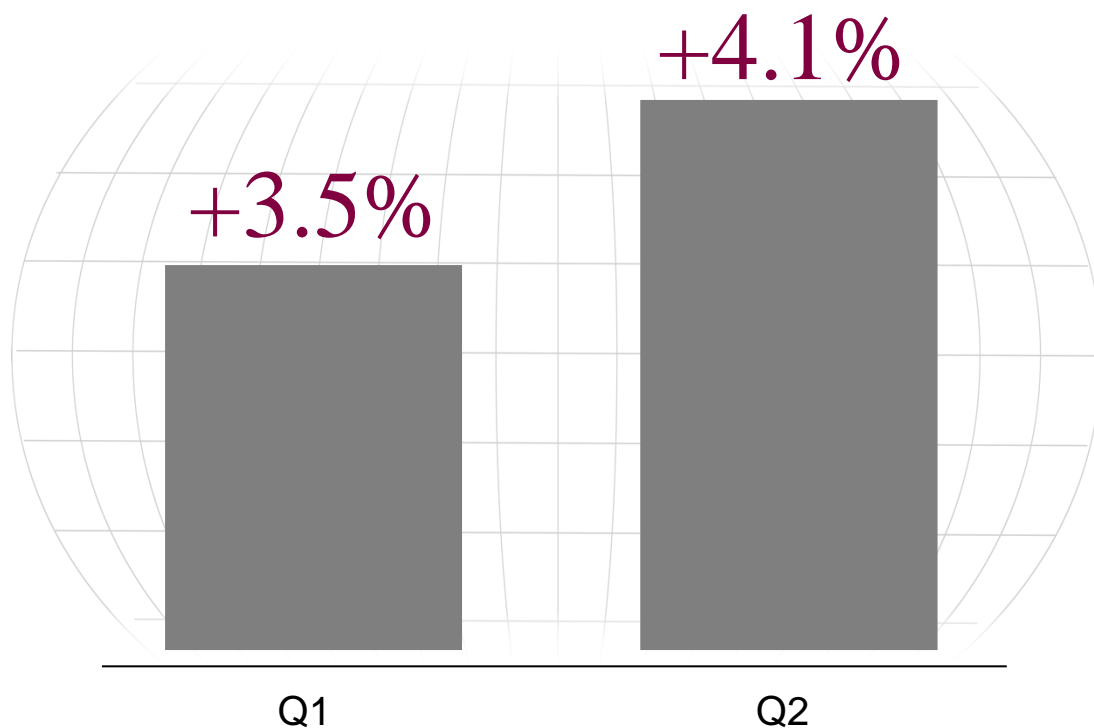


II

L'Oréal's growth is in line  
with market growth



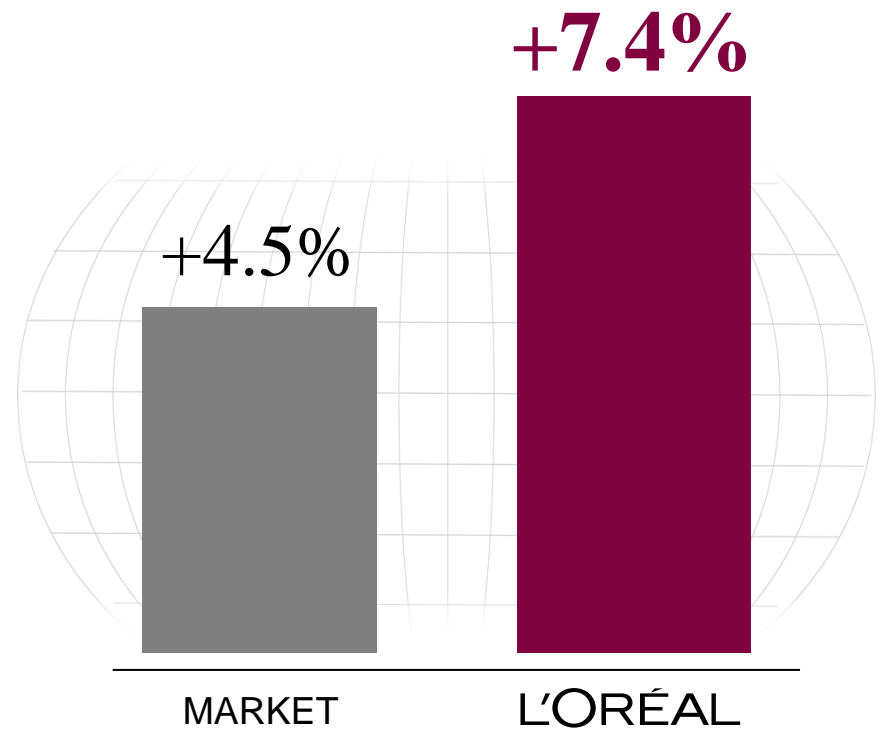
# Worldwide consolidated Sales Like-for-like growth



**+3.8%**  
**H1**



# Luxury Beauty Market\* and L'Oréal Luxe\*\*

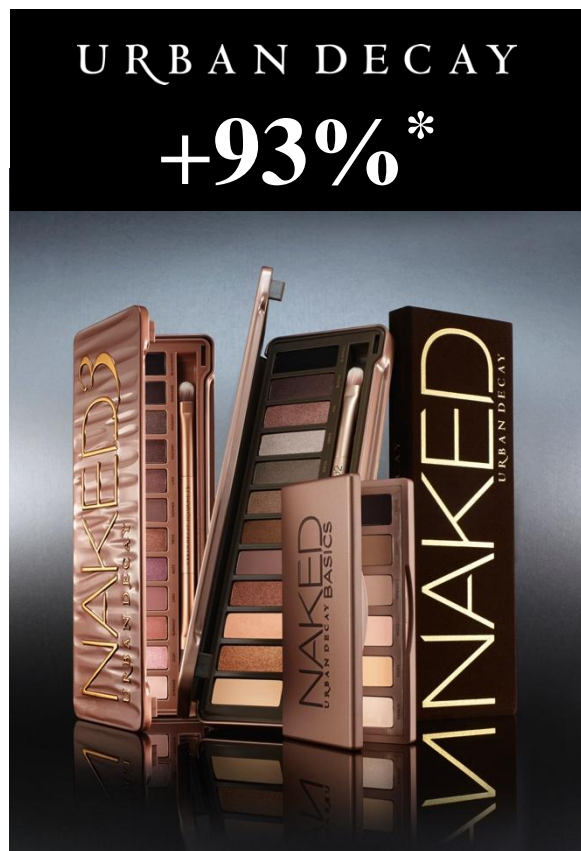


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\*\*H1-Like-for-like sales growth



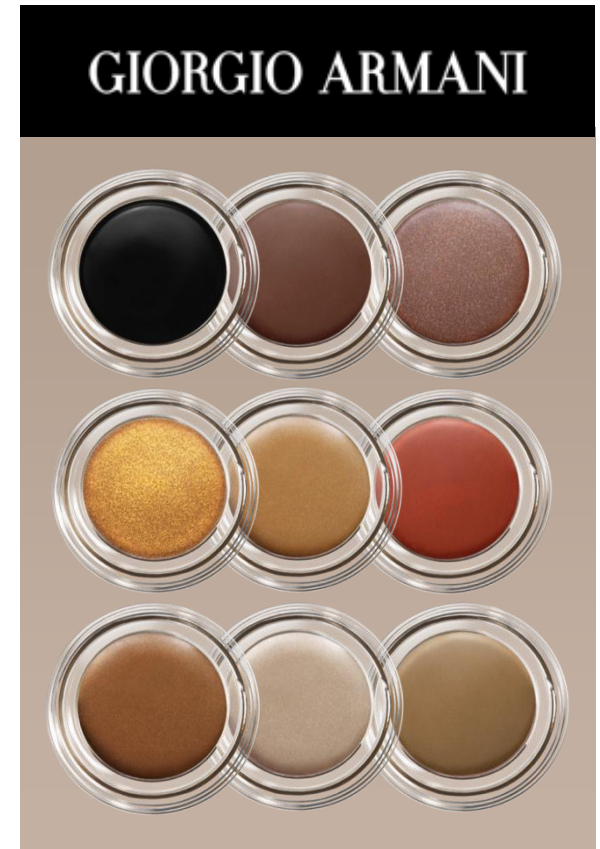
# American brands Champions of growth



\*H1-Like-for-like sales growth



# European brands Conquering winning positions





## No.1 in France and Western Europe\*



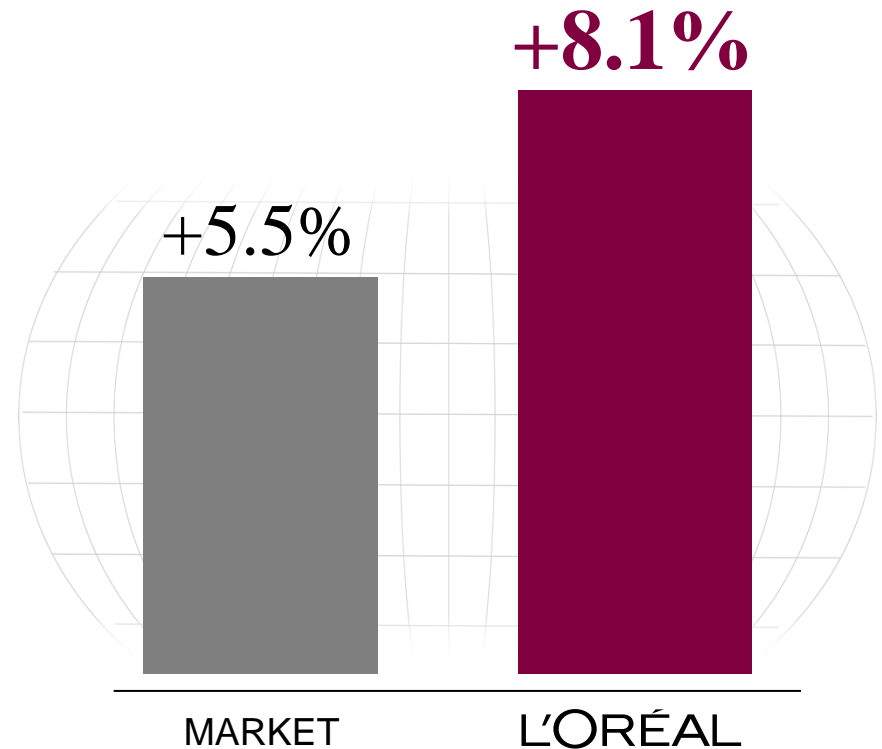
\*Source : Consolidation NPD + IRI panel ytd May 2014,  
France + UK + Germany + Spain + Italy

## Rolling-out





# Dermo-Cosmetics Market\* and L'Oréal Active Cosmetics\*\*



\*Excluding razors, soaps and toothpastes. First-half 2014 provisional estimates. Source: L'Oréal estimates. Excluding exchange rate impact

\*\*H1-Like-for-like sales growth



# Active Cosmetics Division

LA ROCHE-POSAY  
LABORATOIRE DERMATOLOGIQUE

## Double-digit Growth



VICHY  
LABORATOIRES

## Turnaround



SKINCEUTICALS  
ADVANCED PROFESSIONAL SKINCARE

ROGER & GALET  
PARIS

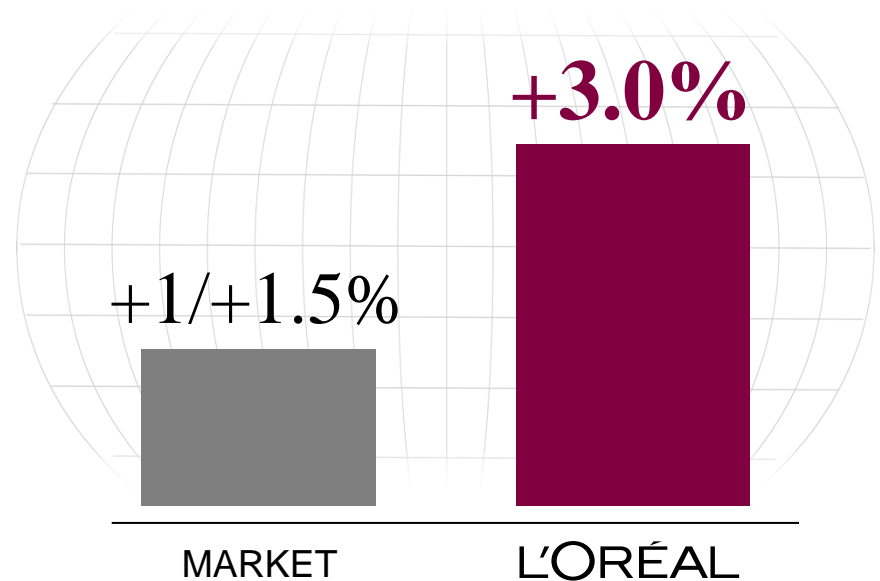
## Roll-out



August 1<sup>st</sup> 2014



# Hair Salon Market\* and L'Oréal Professional Products\*\*



\*Excluding razors, soaps and toothpastes. First-half 2014 provisional estimates. Source: L'Oréal estimates. Excluding exchange rate impact

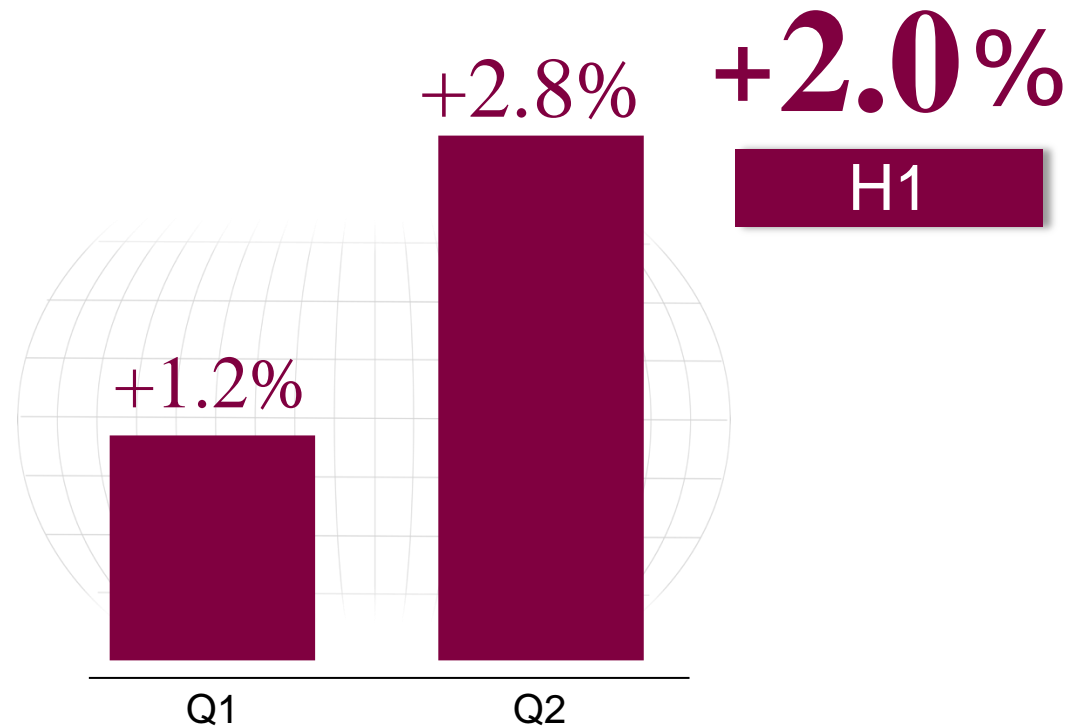
\*\*H1-Like-for-like sales growth



# The Division is entering a new market: professional skincare



# Consumer Products Division\*



\*Like-for-like sales growth



# Consumer Products Division

## First-half

- Slowdown of the US mass market and some markets in emerging countries
- Strong historic base in the US
- Insufficient market share gains



# Consumer Products Division

## First-half

- Slowdown of the US mass market and some markets in emerging countries
- Strong historic base in the US
- Insufficient market share gains

## Second-half

- Slight improvement in the US market in the last few weeks, and a further strengthening of the European market
- Confidence that recent and upcoming launches will contribute to accelerating the growth of the Division.



# Consumer Products Division

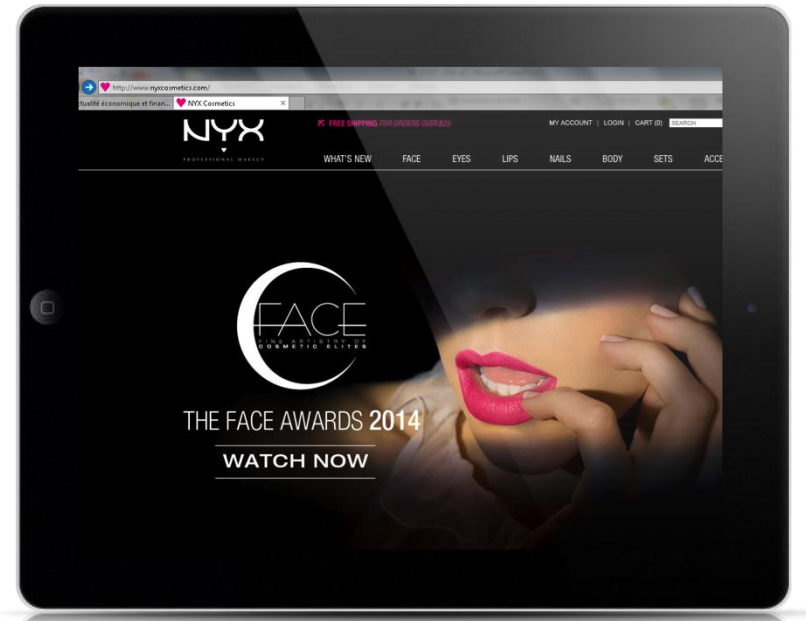
## Some significant launches





# NYX, a professional make-up artistry mass market brand

NYX





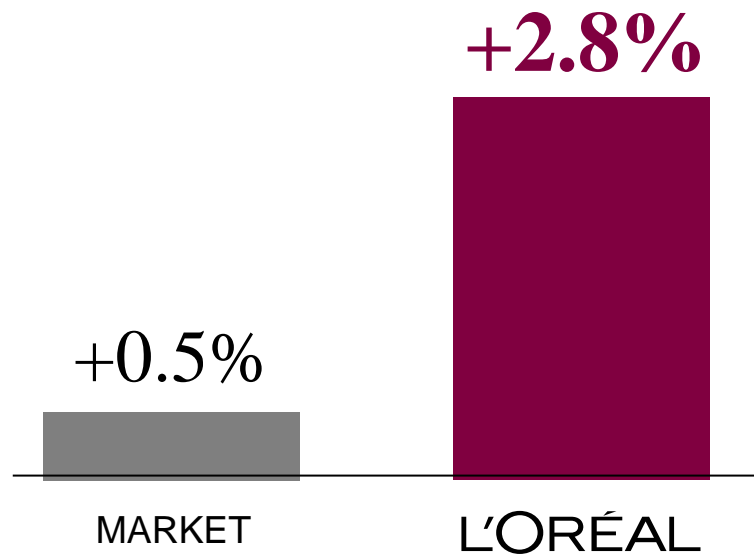
THE BODY SHOP.



THE BODY SHOP.

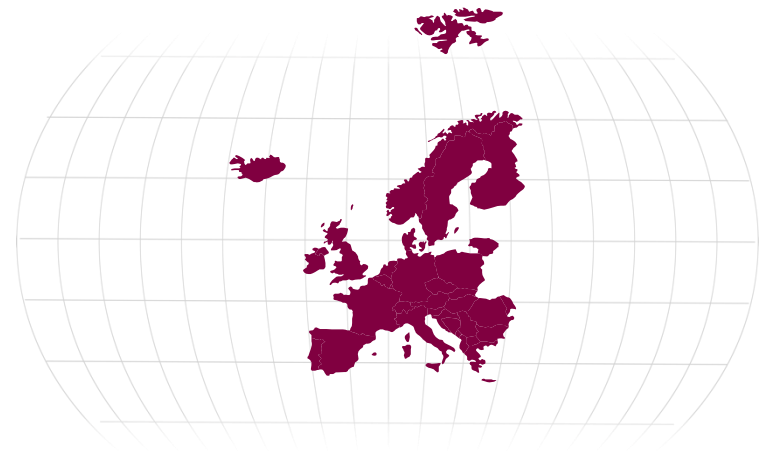


# Western Europe: Cosmetics Market\* and L'Oréal\*\*



\*Excluding razors, soaps and toothpastes. First-half 2014 provisional estimates. Source: L'Oréal estimates. Excluding exchange rate impact

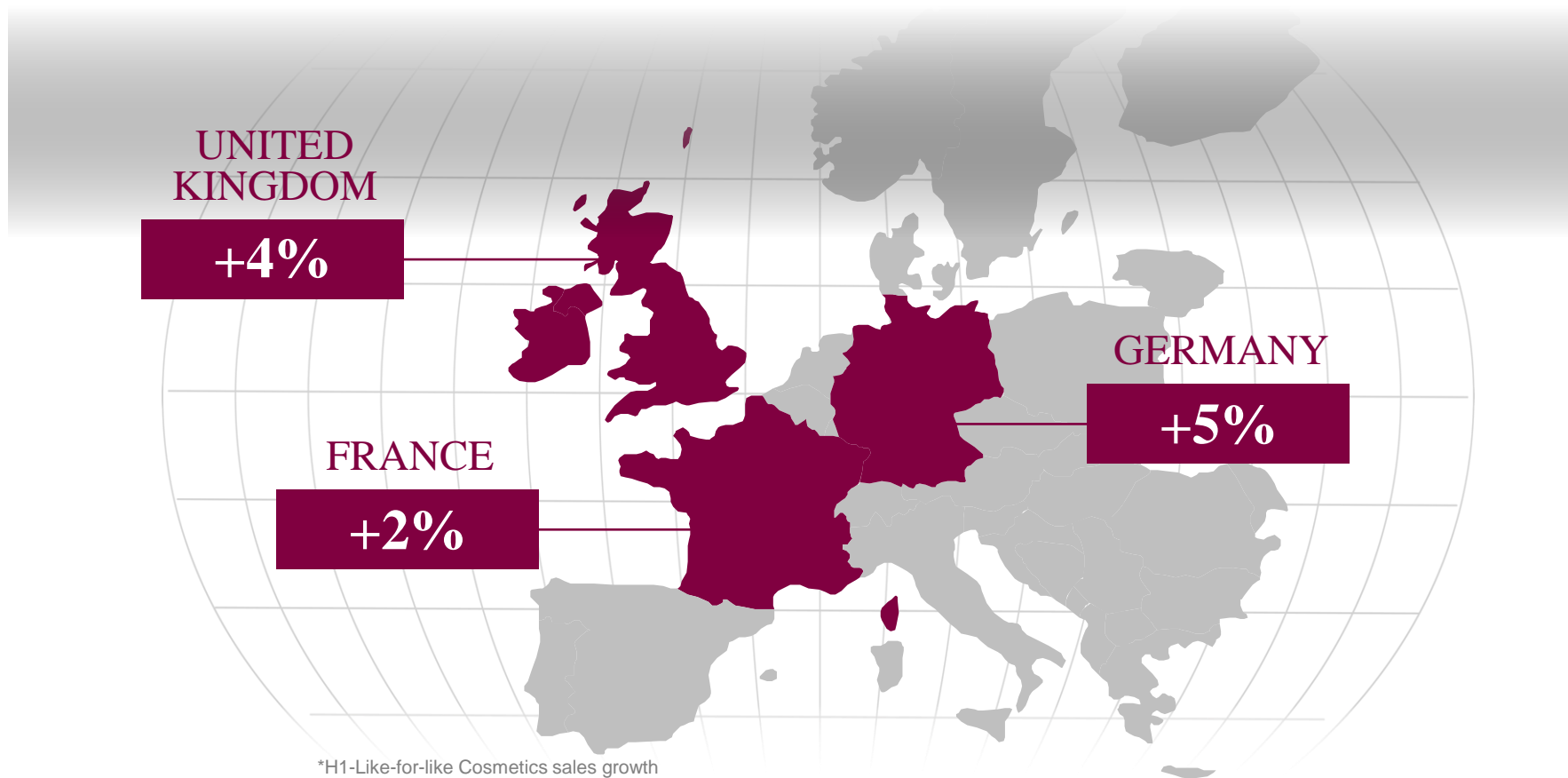
\*\*H1-Like-for-like Cosmetics sales growth



Sales growth in  
Southern Europe

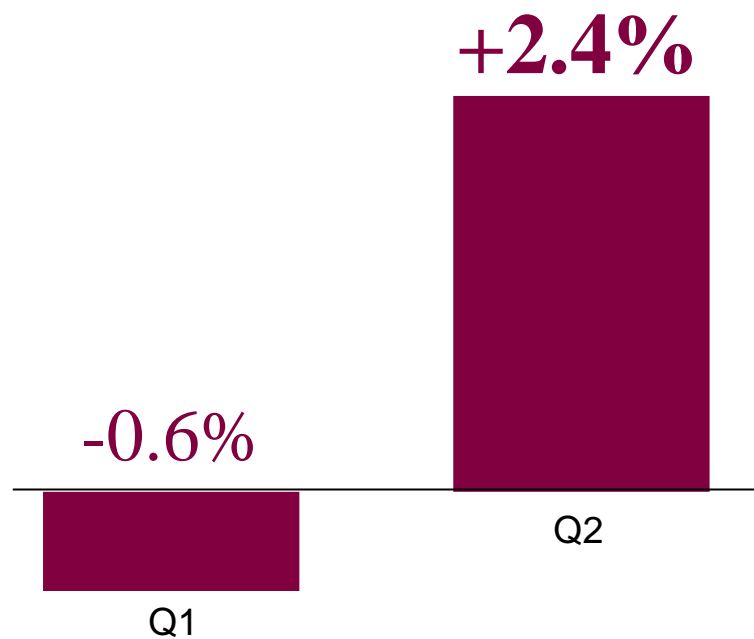


# Western Europe\*





# North America\*

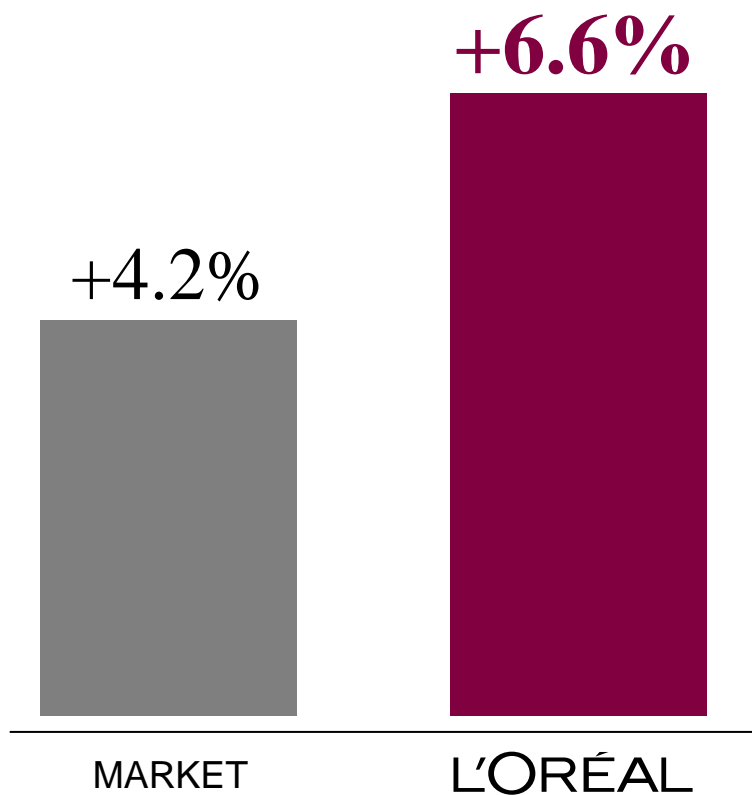


\*Like-for-like Cosmetics sales growth





# Asia, Pacific: Cosmetics Market\* and L'Oréal\*\*



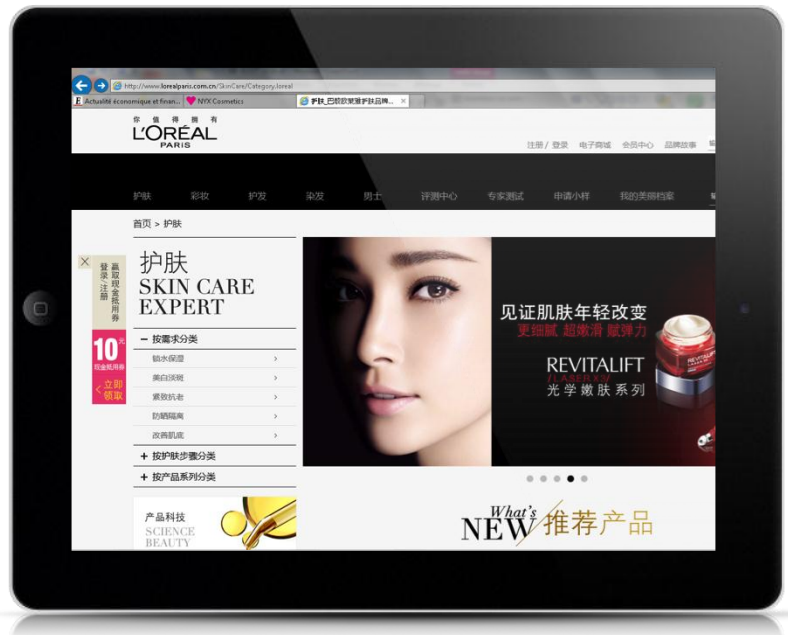
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\*\*H1-Like-for-like Cosmetics sales growth



# Asia, Pacific - China

## e-commerce





# Latin America\*

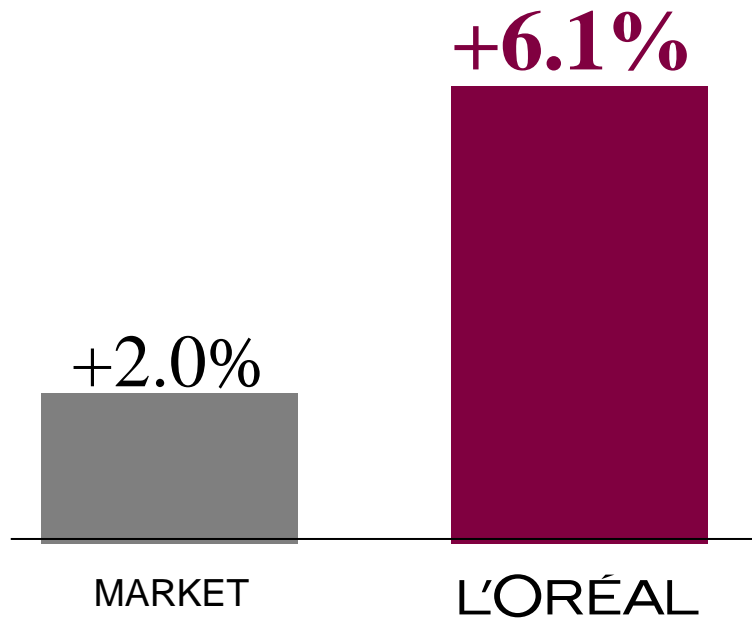
**+7.8%**

\*H1-Like-for-like Cosmetics sales growth





# Eastern Europe: Cosmetics Market\* and L'Oréal\*\*

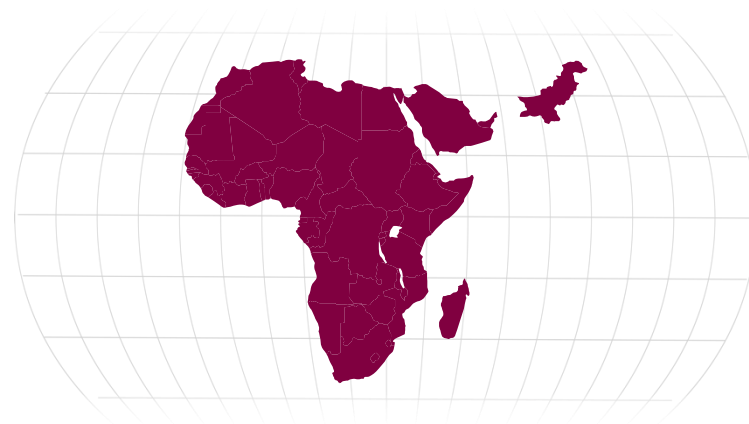
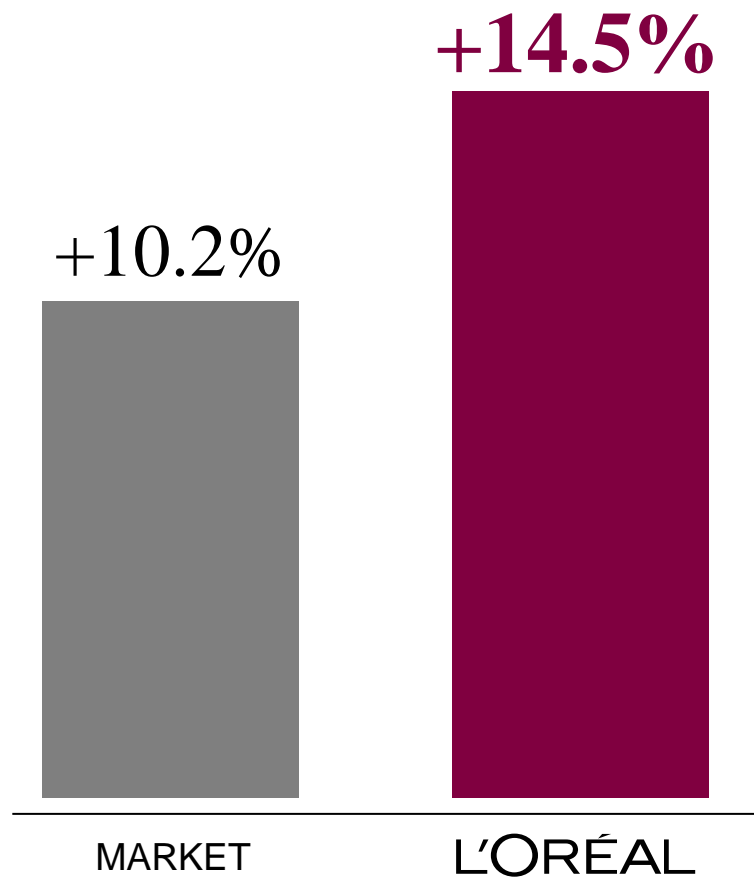


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\*\*H1-Like-for-like Cosmetics sales growth



# Africa, Middle East: Cosmetics Market\* and L'Oréal\*\*



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\*\*H1-Like-for-like Cosmetics sales growth



## III We continued to transform and modernise the company

- We continued to:
  - invest in Research & Innovation
  - improve the efficiency and productivity of our Operations
- Acceleration of our Digital transformation
- Very important step in the evolution of our capital structure



## IV L'Oréal has continued to gain strength

- by modernising its organisation,
- by reinforcing its worldwide positions in three Divisions out of four,
- by improving its profitability despite an adverse economic environment,
- by transforming its capital structure.



- Outperform the cosmetics market
- Improve profitability
- Increase net earnings per share



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