

L'ORÉAL

THE POWER OF BEAUTY

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Chairman & Chief Executive Officer

Barclays Global Consumer Staples Conference September 5th, 2019

KEY INDICATORS 2018

SALES

26.9 BILLION €

#1 BEAUTY PLAYER WORLDWIDE

OPERATING MARGIN

18.3%

NET PROFIT¹

4 BILLION €

NET CASH FLOW²

3.9 BILLION €

EARNINGS PER SHARE³

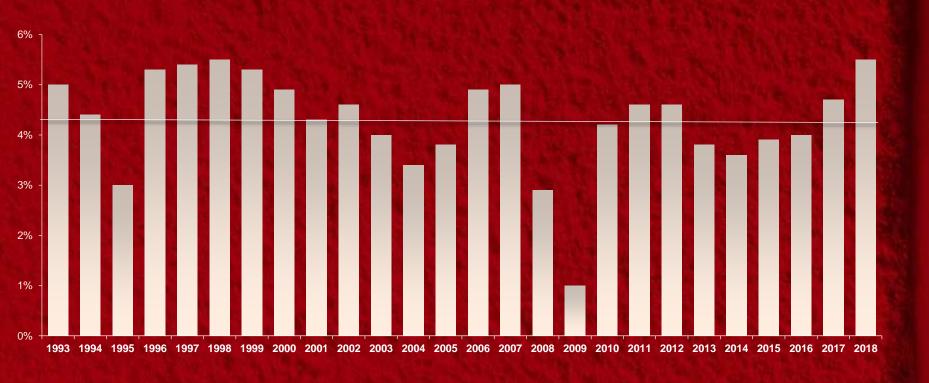
7.08 €

MARKET CAPITALIZATION⁴

141 BILLION €



THE POWER OF A DYNAMIC MARKET









FIRST-HALF -

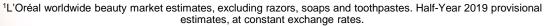
L'ORÉAL IS OUTPERFORMING THE BEAUTY MARKET

H1 2019

≥+5.5_%¹

BEAUTY MARKET

+7.3%²
L'ORÉAL





CONSOLIDATED GROUP SALES

+7.3%

OPERATING PROFIT

+12.1%

OPERATING MARGIN

19.5%

A STRONG FIRST HALF

+7.2%

EARNINGS PER SHARE² +23.2%

NET CASH FLOW







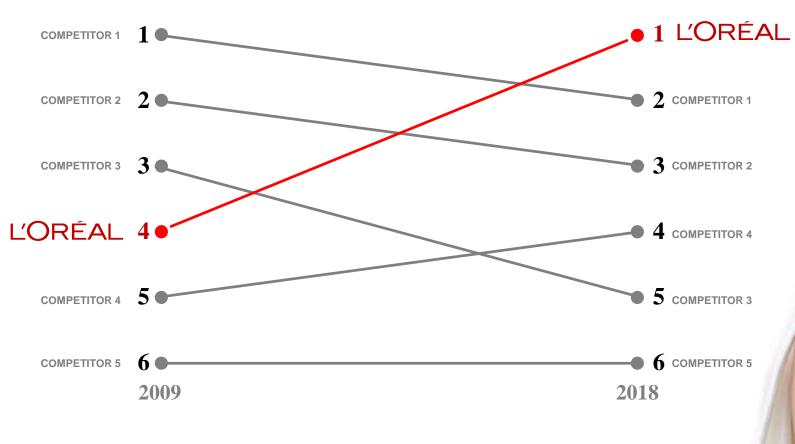
ASIA PACIFIC

STRONG POTENTIAL EVERYWHERE



GROWTH ENGINE 1 ASIA PACIFIC L'ORÉAL

BEST PERFORMER IN ASIA







GROWTH ENGINE 1 ASIA PACIFIC

#1 ZONE

LEADER WITH STRONG POTENTIAL

8.7% MARKET SHARE



BIG BRANDS ARE WINNING BRANDS

LANCÔME

WESSAINT/AURENT



GIORGIO ARMANI







SKINCARE

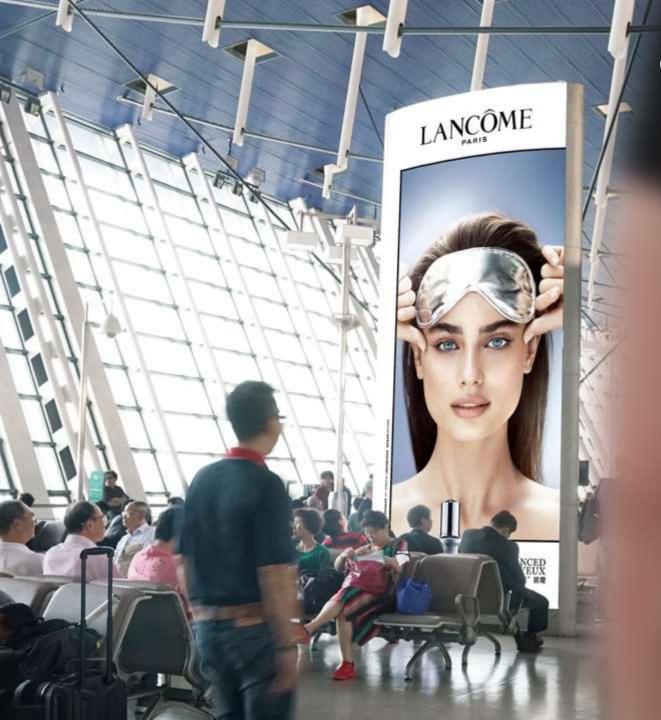
+ 18%²

≈ +8%°

MARKET L'ORÉAL

H1 2019





GROWTH ENGINE 4 TRAVEL RETAIL

+21%
SALES GROWTH
H1 2019

SALES x3.5 SINCE 2009

L'ORÉAL

GROWTH ENGINE 4 TRAVEL RETAIL

LEADER OF THE MARKET¹

20.0% 19.2% 10.6% 6.9% 6.5% ĽORÉAL **COMPETITOR 1 COMPETITOR 2 COMPETITOR 3 COMPETITOR 4**

STRONG POTENTIAL FOR ALL DIVISIONS



CONSUMER PRODUCTS



ACTIVE COSMETICS



PROFESSIONAL PRODUCTS



L'ORÉAL LUXE









DERMO-COSMETICS

SAFETY

HEALTH

AUTHENTICITY

NATURALNESS

WELL-BEING









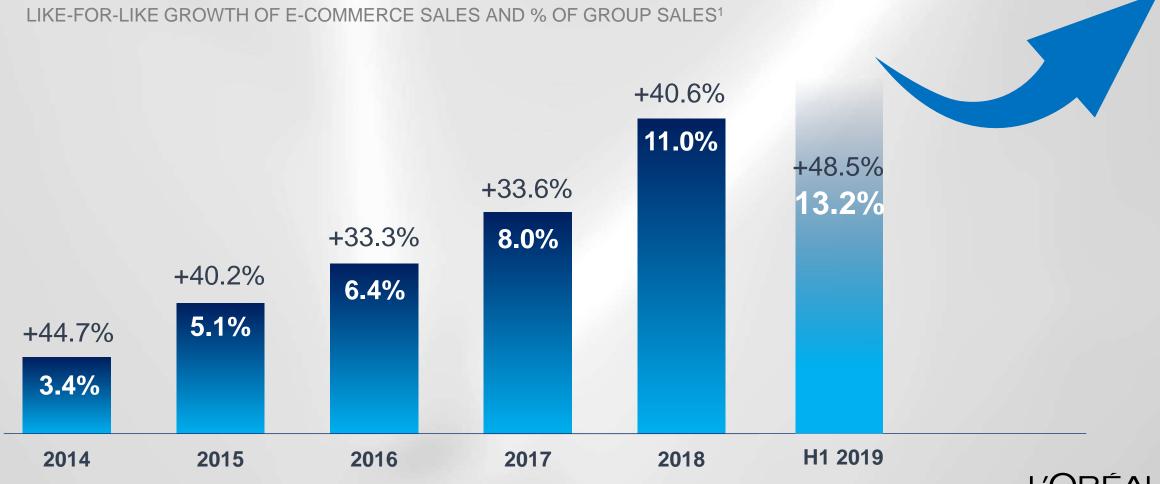








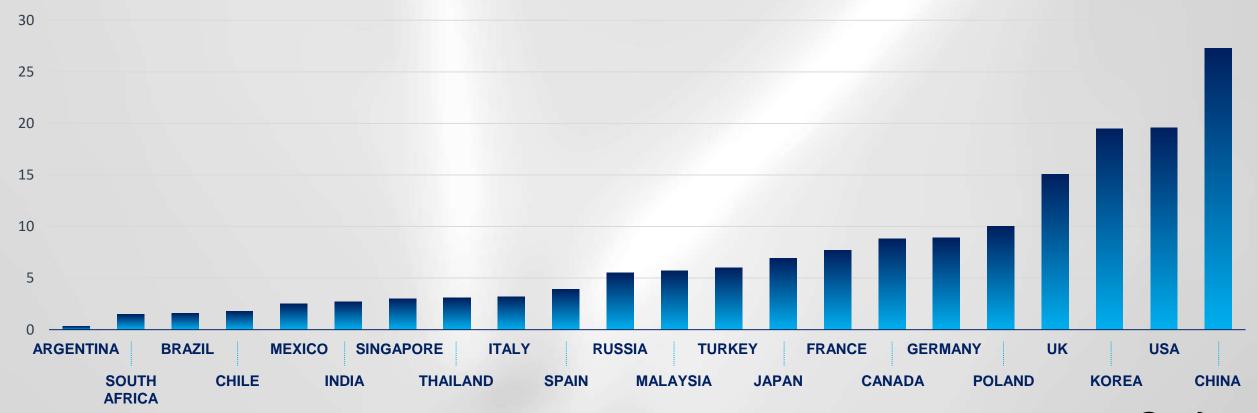
IT IS JUST THE BEGINNING OF THE STORY





POTENTIAL FOR INCREASED PENETRATION

WEIGHT OF E-COMMERCE IN THE BEAUTY MARKET (in %)





STRATEGIC CHOICE N°2

DRIVE 6 POWERFUL PILLARS

TO MAXIMIZE GROWTH AND SUSTAIN LONG-TERM LEADERSHIP





PILLAR (1) RESEARCH & INNOVATION

A CONTINUOUS STRATEGIC FOCUS ON RESEARCH & INNOVATION



ABSOLUTE FAITH IN SUPERIOR QUALITY



PILLAR 1 RESEARCH & INNOVATION

THE POWER OF INNOVATIONS











PILLAR (3) DIGITAL

THE POWER OF DIGITAL









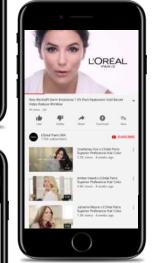


L'ORÉAL A DIGITAL-FIRST COMPANY









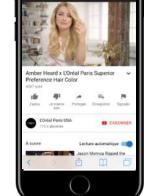




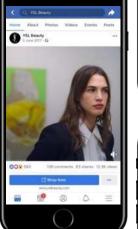
DIGITAL ENHANCES **OUR ROI ON MEDIA**

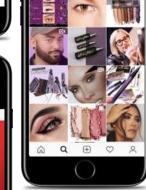
47% OF MEDIA SPEND ON DIGITAL

3/4 ON PRECISION ADVERTISING



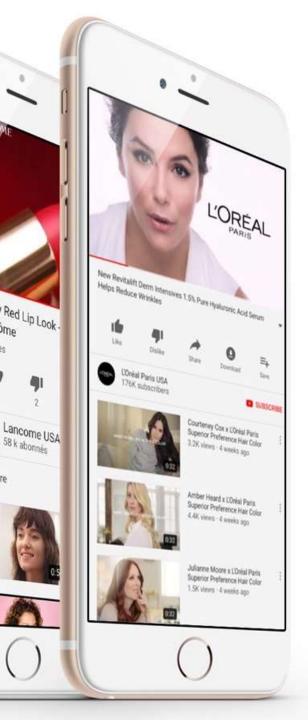










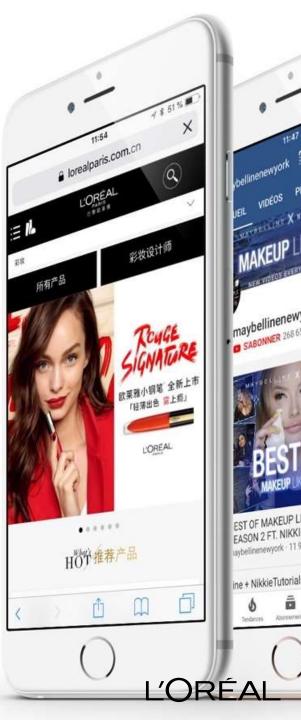




DIGITAL LEADS TO MORE RELEVANT CONTENT

1 Million
PIECES OF CONTENT PER YEAR

80%
DEVELOPED FOR DIGITAL PLATFORM





DIGITAL ENHANCES CONSUMER ENGAGEMENT

350 Million RATINGS & REVIEWS

1.3 Billion
CONSUMER DATA POINTS¹

4 Brands

IN THE TOP 10 DIGITAL IQ²





DIGITAL IS CONNECTING US WITH MORE PEOPLE







DIGITAL IS CREATING AMAZING NEW SERVICES AND EXPERIENCES

MODIFACE

20 brands

65 countries





PILLAR (4) CULTURE & ORGANIZATION

THE POWER OF OUR CULTURE AND ORGANIZATION



PILLAR 4 CULTURE & ORGANIZATION

UNIQUE APPROACH

LONG-TERM VISION

SHORT-TERM PRAGMATISM



UNIQUE ORGANIZATION

STRATEGICALLY CONCENTRATED

OPERATIONALLY DECENTRALIZED



VICTORIES ARE WON ON THE THE BATTLEFIELD

EMPOWERED LOCAL TEAMS

CONSUMER RELEVANCE

RESOURCES DEPLOYMENT

AGILITY & EXCELLENCE
ON THE FIELD

ĽORÉAL



THE POWER OF OUR UNIVERSAL FOOTPRINT



ABSOLUTE COVERAGE OF THE MARKET

MAXIMUM FLEXIBILITY TO SEIZE GROWTH

7 DISTRIBUTION CHANNELS

HAIR SALONS



MASS RETAIL



DEPARTMENT STORES PERFUMERIES





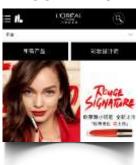
BRANDED



TRAVEL RETAIL



E-COMMERCE



5 BEAUTY CATEGORIES











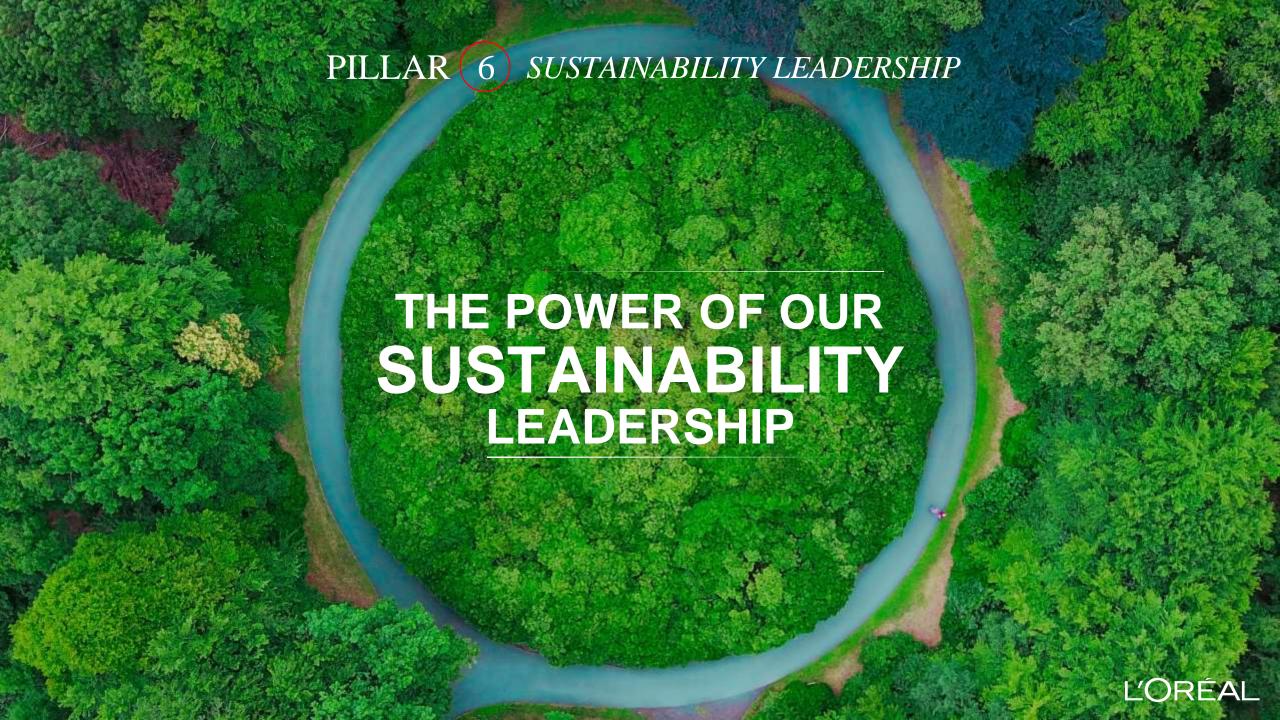


ALL PRICE SEGMENTS

ALL **REGIONS**

ALL **PSYCHOGRAPHICS**





OUTSTANDING EXTRA-FINANCIAL PERFORMANCE

INNOVATING SUSTAINABLY



79% OF NEW PRODUCTS¹

HAVE AN IMPROVED ENVIRONMENTAL OR SOCIAL PROFILE

PRODUCING SUSTAINABLY



-77%² REDUCTION IN CO₂

+38% PRODUCTION INCREASE

WE DECOUPLE OUR ENVIRONMENTAL IMPACT FROM OUR GROWTH

DEVELOPING SUSTAINABLY



63,584 PEOPLE
FROM UNDERPRIVILEGED
COMMUNITIES WERE
PROVIDED WITH ACCESS
TO WORK



OUR PERFORMANCE IS RECOGNIZED

ENVIRONMENT





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

GENDER EQUALITY



#1 IN EUROPE GENDER EQUALITY

ETHICS



#1 WORLDWIDE 2018 ETHICALQUOTE REPUTATION INDEX¹







NEW COMMITMENTS

CLIMATE CHANGE

By 2030, reduce by -25% in absolute terms, all our direct and indirect greenhouse gas emissions, compared with 2016 (scope 1,2,3).

By 2025, all our industrial, administrative and research sites will be required to achieve carbon neutrality.

PLASTICS



By 2025, 100% of the Group's plastic packaging will be refillable, reusable, recyclable or compostable.





A LEADER WITH STRONG POTENTIAL

MARKET SHARE¹ AND RANKING² BY GEOGRAPHIC ZONE 2018

NORTH AMERICA

13.2%

N°1

WESTERN EUROPE

20.0%



AFRICA, MIDDLE EAST

12.4%

LATIN AMERICA

8.6%



EASTERN EUROPE

13.0%



ASIA PACIFIC

8.7%



NEW MARKETS

9.3%



TOPLINE GROWTH THE BEST ROUTE TO VALUE CREATION

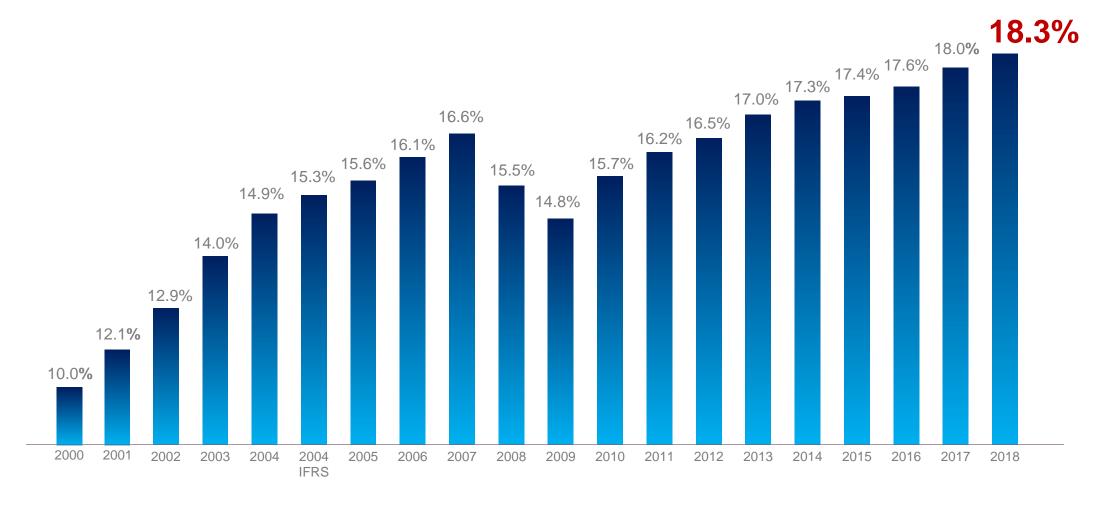
FOCUS ON TOPLINE GROWTH



OPERATIONAL DISCIPLINE



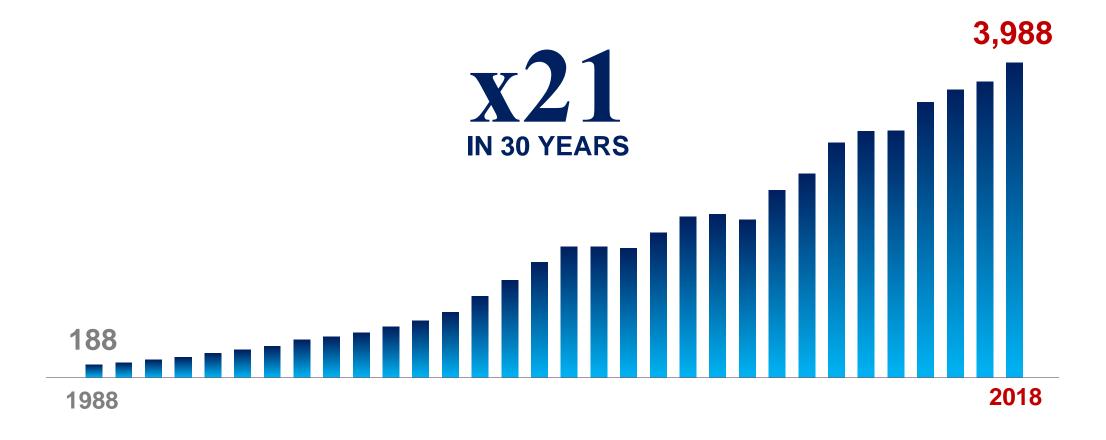
CONSISTENT GROWTH IN OPERATING MARGIN





SUSTAINED PROFIT INCREASE

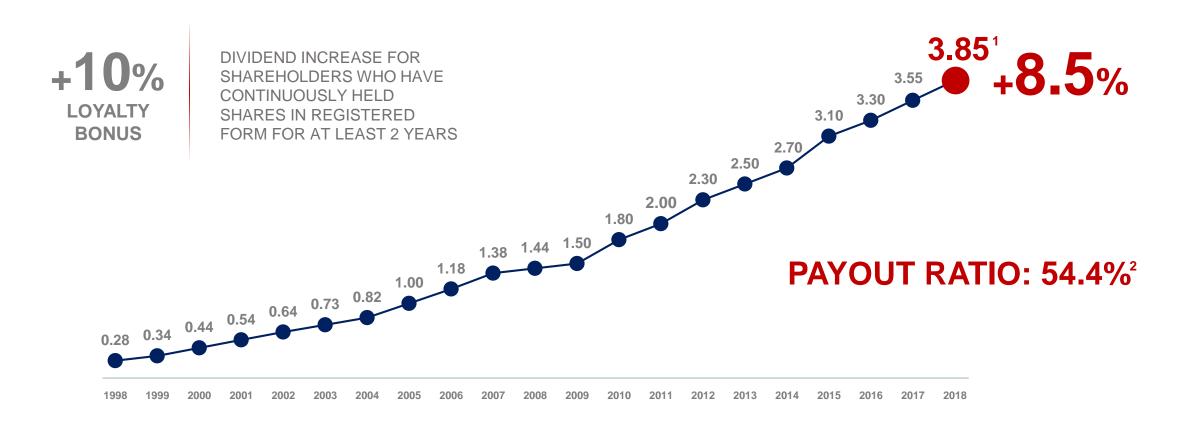
NET PROFIT SINCE 1988 IN MILLION EUROS





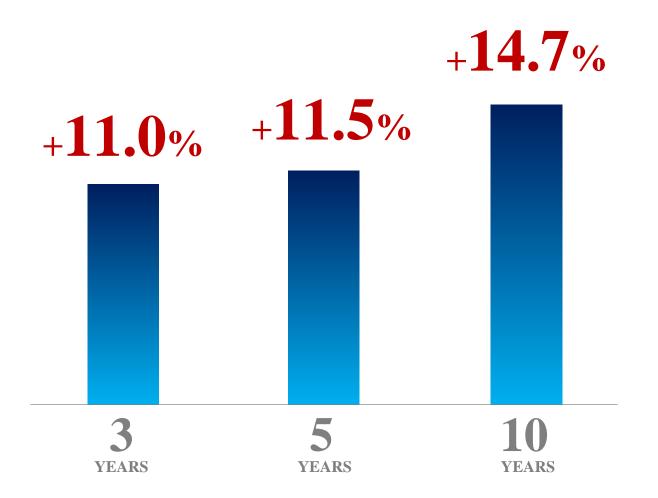
A DYNAMIC DIVIDEND POLICY

DIVIDEND PER SHARE SINCE 1998 IN EUROS





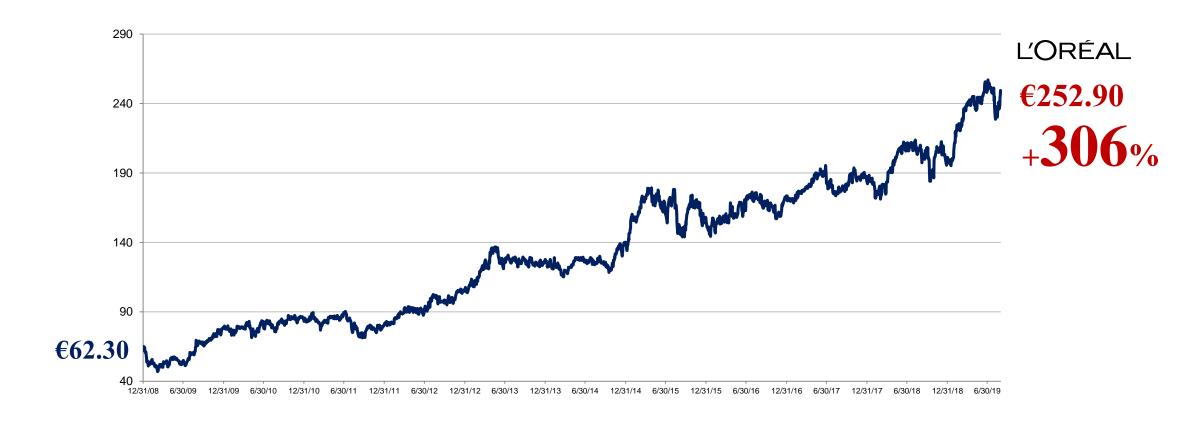
DOUBLE-DIGIT TSR 1





A POWERFUL VALUE-CREATING BUSINESS MODEL

TEN YEAR EVOLUTION OF THE SHARE PRICE











----- Disclaimer -----

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