A VERY GOOD YEAR
A PARTICULARLY BUOYANT

BEAUTY MARKET
≈ +5.5%¹

THE BEST GROWTH
IN 20 YEARS

¹ Source: L'Oréal 2018 estimates. Excluding razors, soaps and toothpastes. At constant exchange rates.
Underlying trends
PREMIUMIZATION
NEW BENEFITS
BETTER PERFORMANCE
SUPERIOR QUALITY
DIGITALIZATION
Discovering & Shopping
HAS NEVER BEEN EASIER
A BEAUTY ACCELERATOR
INCREASED PENETRATION
OF BEAUTY WORLDWIDE
ESPECIALLY IN EMERGING ECONOMIES
NEW TERRITORIES
TO EXPLORE
NEW CONSUMER TARGETS
BEST YEAR
IN A DECADE

+7.1%

2018 for the sales growth
OUTPERFORMED THE MARKET IN THE MOST PROMISING AND STRATEGIC AREAS
L’ORÉAL LUXE

+14.4%\(^1\)

STRONGEST GROWTH

\(^1\) 2018 like-for-like sales growth.
OUTPERFORMED ITS MARKET FOR THE 8TH CONSECUTIVE YEAR
LANCÔME
PARIS

Yves Saint Laurent

GIORGIO ARMANI
beauty

Kiehl’s
SINCE 1851

DOUBLE-DIGIT GROWTH
ACTIVE COSMETICS

+11.9%\(^1\)

\(^1\) 2018 like-for-like sales growth.
HIGHEST GROWTH SINCE 2006

+11.9%²

≈ +6%¹

MARKET

L’ORÉAL

¹ Source: L’Oréal 2018 estimates. Excluding razors, soaps and toothpastes. At constant exchange rates. ² 2018 like-for-like sales growth.
NEW
HEALTH & BEAUTY
ASPIRATIONS
#1 DERMATOLOGIST
RECOMMENDED BRAND IN THE US

1 Source: Quintiles/IMS using ProVoice Survey fielded 12 months ending Q4 2018
高效三重神經醯胺
CONSUMER PRODUCTS

+2.5%\(^1\)

\(^1\) 2018 like-for-like sales growth.
PROFESSIONAL PRODUCTS

+2.0%¹

¹ 2018 like-for-like sales growth.
REINVENTING THE SALON EXPERIENCE
THE REFERENCE BRAND IN PROFESSIONAL LUXURY HAIRCARE
NEW MARKETS

+16.1%¹

BEST GROWTH

SINCE 2007

¹ 2018 like-for-like sales growth.
ASIA PACIFIC

+24%¹

¹ 2019 like-for-like sales growth.
CHINA
+33%¹

¹ 2018 like-for-like sales growth.
#1 IN ASIA PACIFIC

8.7%\

MARKET SHARE

Source: L’Oréal 2018 estimates. Excluding razors, soaps and toothpastes.
THE YEAR OF
SKINCARE
SKINCARE MARKET \( \approx +9\% \)

L’ORÉAL \( +16\% \)

\(^1\) Source: L’Oréal 2018 estimates. Excluding razors, soaps and toothpastes. At constant exchange rates. \(^2\) 2018 like-for-like sales growth.
TRAVEL RETAIL

> €2Bn SALES
TRAVEL RETAIL

+27%

SALES GROWTH

1 2018 like-for-like sales growth.
E-COMMERCE

11% OF SALES

1 Sales achieved on our brands’ own websites and estimated sales achieved by our brands corresponding to sales through retailers' websites (non-audited data).
1/4 of the Chinese market

1/3 of our sales
DIGITAL CONQUEST
ALL AROUND THE WORLD
DIGITAL
IS RADICALLY TRANSFORMING THE COMPANY
DIGITAL IS BOOSTING
THE POWER
OF OUR BRANDS
DIGITAL IS BOOSTING OUR POWER TO CONNECT WITH CONSUMERS
1.2 Bn VISITORS ON OUR WEBSITES
1/3 OF GLOBAL BEAUTY TRAFFIC
A VERY RICH YEAR
RECORD OPERATING MARGIN

18.3%
DIVIDEND PER SHARE

Proposed at the Annual General Meeting held on April 18th, 2019.

2017
€3.55

2018
€3.85
+8.5%
DIVIDEND PER SHARE

- 2017: €3.55
- 2018: €4.23

Change:
- +8.5% from 2017 to 2018
- +10% from 2017 to 2018

Proposed at the Annual General Meeting held on April 18th, 2019.
AROUND
40,000
REGISTERED SHAREHOLDERS
CAC 40 index rebased on L’Oréal’s share price since 12/31/2017. Thomson Reuters Eikon, share price as of 04/16/2019.
L’ORÉAL

+8.79%

CAC 40
-10.95%

From 12.31.2017 to 12.31.2018
IN 10 YEARS

14.7% TOTAL SHAREHOLDER RETURN

+223% SHARE PRICE EVOLUTION

1 Takes into account the value of the share and the dividend income received (excluding tax credits). At December 31st, 2018.
1st Growth Driver: Big Brands have gotten bigger

TOP 8 BRANDS

+8.4%*

POWER PRODUCTS

L'ORÉAL PARIS
Lancôme
Yves Saint Laurent
Giorgio Armani
Maybelline
Kiehl’s

Average 2019 sales growth
La beauté ne s'est jamais aussi bien portée.

Par Jean-Paul Agon

http://www.energie.com/ Jean-Paul Agon
CONFIDENT FOR THE FUTURE
WINNING STRATEGY
UNIQUE BUSINESS MODEL
5 FOUNDING PRINCIPLES
SUPERIOR QUALITY OF OUR PRODUCTS
STRATEGIC ATTENTION TO RESEARCH & DEVELOPMENT

R&D INVESTMENTS IN MILLION EUROS

- 680 (2012)
- 748 (2013)
- 761 (2014)
- 794 (2015)
- 850 (2016)
- 877 (2017)
- 914 (2018)
BEAUTY
IS AN IDEAL,
A PERMANENT QUEST
TRY NEW PRODUCTS
A PERMANENT OBSESSION WITH INNOVATION & SUPERIOR QUALITY
2

TOPLINE GROWTH
THE PRIMARY DRIVER OF VALUE CREATION

1

FOCUS ON TOPLINE GROWTH

+

2

OPERATIONAL DISCIPLINE
VICTORIES ARE WON ON THE BATTLEFIELD
STRATEGICALLY
CONCENTRATED

OPERATIONALLY
DECENTRALIZED
4 CATCH GROWTH EVERYWHERE
### 7 DISTRIBUTION CHANNELS

- **HAIR SALONS**
- **MASS RETAIL**
- **DEPARTMENT STORES**
- **PERFUMERIES**
- **PHARMACIES DRUGSTORES**
- **MEDI SPAS**
- **BRANDED RETAIL**
- **TRAVEL RETAIL**
- **E-COMMERCE**

### 5 BEAUTY CATEGORIES

- **HAIRCARE**
- **HAIR COLOR**
- **SKINCARE**
- **FRAGRANCES**
- **MAKEUP**

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<tr>
<th>ALL PRICE SEGMENTS</th>
<th>ALL REGIONS</th>
<th>ALL PSYCHOGRAPHICS</th>
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MAXIMIZING
GROWTH OPPORTUNITIES
TOTAL MARKET COVERAGE

FLEXIBILITY & AGILITY

TO INVEST IN THE MOST DYNAMIC AREAS
OUR LEAD IN SUSTAINABILITY AND ETHICS
ECONOMIC, ENVIRONMENTAL, SOCIAL AND SOCIETAL PERFORMANCES ARE MUTUALLY REINFORCING
DELIVERING
FINANCIAL PERFORMANCE

BEING A COMMITTED
CORPORATE CITIZEN
AN INCREASINGLY MORE RESPONSIBLE & SUSTAINABLE BUSINESS MODEL
TRANSITION TOWARDS
A LOW CARBON BUSINESS MODEL
REDUCING
OUR ENVIRONMENTAL IMPACT
79% of our new or renovated products had an improved social or environmental profile.
TRIPLE “A”
FOR THE THIRD YEAR RUNNING

GLOBAL SUSTAINABILITY LEADER
OUR COMMITMENT TO DIVERSITY
#1 in Europe

L'Oréal

2018
#1 WORLDWIDE COMPANY ACROSS ALL INDUSTRIES

covalence

ESG ratings

Global Compact LEAD PARTICIPANT

WORLD'S MOST ETHICAL COMPANIES

ethics

1 Ranking date: November 2018.
10th Ethics Day
ONLY ETHICAL COMPANIES WILL SURVIVE IN THE LONG TERM
EXEMPLARY
BUSINESS ACTIVITIES

POSITIVE CONTRIBUTION
TO SOCIETY
SUPPORT
MAJOR CAUSES
CONTRIBUTING TO MAKING
THE WORLD MORE BEAUTIFUL
A PERFORMING
GROUP

A COMMITTED
COMPANY
A DIFFERENT & UNIQUE COMPANY
VOLATILE AND UNCERTAIN
ECONOMIC CONTEXT
INNOVATION

POWER OF BRANDS

DIGITAL PERFORMANCE

QUALITY OF OUR TEAMS
Like-for-like sales growth

Q1 2019¹

+7.7%

¹ Like-for-like sales growth
CONFIDENCE IN OUR CAPACITY TO OUTPERFORM THE MARKET IN 2019 & SEE ANOTHER YEAR OF GROWTH IN SALES AND PROFITS
OFFERING TO ALL WOMEN AND MEN ON THE PLANET THE BEST OF BEAUTY IN TERMS OF QUALITY, EFFICACY, SAFETY AND RESPONSIBILITY
THANK YOU
— Avertissement / Disclaimer —

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