L’ORÉAL
APRIL 17TH, 2018
ANNUAL GENERAL MEETING 2018
JEAN-PAUL AGON
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
PROSPECTS & OPPORTUNITIES
ANOTHER GOOD YEAR
THE BEAUTY MARKET ACCELERATED

+4 / +5%*

*EXCLUDING RAZORS, SOAPS AND TOOTHPASTES. 2017 PROVISIONAL ESTIMATES - SOURCE: L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
ACCELERATED GROWTH*

Q1 2017: +4.2%
Q2 2017: +4.3%
Q3 2017: +5.1%
Q4 2017: +5.5%

*LIKE-FOR-LIKE SALES GROWTH
STRENGTHENED POSITIONS:

IN STRATEGIC CHANNELS

IN STRATEGIC CATEGORIES

IN STRATEGIC REGIONS
L’ORÉAL LUXE +10.5%*
ACTIVE COSMETICS +5.8%*
CONSUMER PRODUCTS +2.2%*
PROFESSIONAL PRODUCTS +0.2%*

*2017 LIKE-FOR-LIKE SALES GROWTH
L’ORÉAL LUXE

+10.5%*

AN EXCEPTIONAL YEAR

*2017 LIKE-FOR-LIKE SALES GROWTH
OUTPERFORMED THE MARKET

7th YEAR IN A ROW
INNOVATIVE LAUNCHES
VINYL CREAM LIP STAIN

4.4 (56)  WRITE A REVIEW

An intense liquid lip color with high-impact shine.
ACTIVE COSMETICS

+5.8%*

OUTPERFORMED
THE MARKET
FOR THE 7TH YEAR

*2017 LIKE-FOR-LIKE SALES GROWTH
> 2 BILLION €
IN SALES 2017
WELL-BEING NATURALNESS
HEALTH AUTHENTICITY
CeraVe®
DEVELOPÉ AVEC LES DERMATOLOGUES

CERAMIDES ESSENTIELS
POUR RESTAURER LA BARRIÈRE
NATURELLE CUTANÉE

Essential 3 Ceramides

CeraVe®
Moisturizing Cream
DEVELOPED WITH DERMATOLOGISTS

Moisturizes & repairs the
pristine skin barrier

3 Essential Ceramides
The ceramides in CeraVe
CONSUMER PRODUCTS

+2.2%*

*2017 LIKE-FOR-LIKE SALES GROWTH
IMPROVING GROWTH

*LIKE-FOR-LIKE SALES GROWTH
IMPROVED PERFORMANCE IN NEW MARKETS
PROFESSIONAL PRODUCTS

+0.2%*

+2%*
IN 4th QUARTER

*2017 LIKE-FOR-LIKE SALES GROWTH
FOCUSING
OUR ENERGIES
AND RESSOURCES
2 STRATEGIC GROWTH BOOSTERS

DIGITAL TRAVEL RETAIL
E-COMMERCE

SALES GROWTH

+34%*

*2017 LIKE-FOR-LIKE SALES GROWTH. SALES ACHIEVED ON OUR BRANDS’ OWN WEBSITES AND ESTIMATED SALES ACHIEVED BY OUR BRANDS CORRESPONDING TO SALES THROUGH RETAILERS’ WEBSITES (NON-AUDITED DATA)
2 BILLION €*

*SALES ACHIEVED ON OUR BRANDS’ OWN WEBSITES AND ESTIMATED SALES ACHIEVED BY OUR BRANDS CORRESPONDING TO SALES THROUGH RETAILERS’ WEBSITES (NON-AUDITED DATA).
EQUIVALENT TO

#3 COUNTRY

OF THE GROUP*

*SALES ACHIEVED ON OUR BRANDS' OWN WEBSITES AND ESTIMATED SALES ACHIEVED BY OUR BRANDS CORRESPONDING TO SALES THROUGH RETAILERS' WEBSITES (NON-AUDITED DATA)
60% OF THE BEAUTY MARKET WORLDWIDE
NEW MARKETS

+8.9%*

CLEAR OUTPERFORMANCE

*2017 LIKE-FOR-LIKE SALES GROWTH
NEW MARKETS

10 Bn€
IN SALES
WESTERN EUROPE

+2.6%*

SOLID PERFORMANCE

*2017 LIKE-FOR-LIKE SALES GROWTH
UNITED KINGDOM +8.0%*

SPAIN +7.1%*

GERMANY +4.6%*

*2017 LIKE-FOR-LIKE SALES GROWTH
NORTH AMERICA

+1.7%*

*2017 LIKE-FOR-LIKE SALES GROWTH
POWERFUL
BALANCED &
VALUE-CREATING
BUSINESS
MODEL
HIGH QUALITY RESULTS

RECORD OPERATING MARGIN* 18.0%  

NET PROFIT**  
in million euros  +15.3%

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Margin</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>17.6%</td>
<td>3,106</td>
</tr>
<tr>
<td>2017</td>
<td>18.0%</td>
<td>3,581</td>
</tr>
</tbody>
</table>

*Operating profit, as a percentage of sales. **Net profit after non-controlling interests.
HIGH QUALITY RESULTS

DIVIDEND PER SHARE*

3.30€  +10%  3.90€

3.55€  +7.6%  0.35€

2016  2017

*PROPOSED AT THE ANNUAL GENERAL MEETING HELD ON APRIL 17TH, 2018
35,000 REGISTERED SHAREHOLDERS
INDIVIDUAL SHAREHOLDER
CONSULTATION
COMMITTEE
TOTAL SHAREHOLDER RETURN*

*TAKES INTO ACCOUNT THE VALUE OF THE SHARE AND THE DIVIDEND INCOME RECEIVED (EXCLUDING TAX CREDITS), AT DECEMBER 31ST 2017

10% PER YEAR

20 YEARS

14% PER YEAR

5 YEARS
BEST SHAREHOLDER RETURN OVER 30 YEARS IN CAC 40

INVESTIR SUPPLEMENT NOV-DEC 2017. SOURCE: FACTSET

L’ORÉAL: +15.6%* PER YEAR
#2: +15.1%* PER YEAR
#3: +14.9%* PER YEAR

*ANNUALIZED PERFORMANCE OF THE SHARE SINCE DECEMBER 31ST 2017. AT SEPTEMBER 29TH 2017
AGILITY & ABILITY TO TRANSFORM
SEVEN REASONS FOR LASTING SUCCESS
SEVEN REASONS FOR CONFIDENCE IN TOMORROW
A DYNAMIC BEAUTY MARKET
A CONSTANTLY GROWING BEAUTY MARKET

≃ +3.6%*

≃ +3.9%*

≃ +4%*

≃ +4/+5%*

*EXCLUDING RAZORS, SOAPS AND TOOTHPASTES. SOURCE: L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
MIDDLE & UPPER CLASSES
MORE VALORIZED PRODUCTS
URBAN POPULATION
5 BILLION*
BY 2030

*SOURCE: EUROMONITOR
1 BILLION*
SENIORS
BY 2030

*SOURCE: EUROMONITOR
2 BEAUTY PURE PLAYER
L’ORÉAL FUNDAMENTALS ARE MORE RELEVANT THAN EVER IN TODAY’S WORLD
RESEARCH & INNOVATION & QUALITY

3,885 R&I EXPERTS

877M€ DEDICATED TO R&I EN 2017

R&D EXPENSES IN MILLION EUROS

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Expenses (M€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>680</td>
</tr>
<tr>
<td>2013</td>
<td>748</td>
</tr>
<tr>
<td>2014</td>
<td>761</td>
</tr>
<tr>
<td>2015</td>
<td>794</td>
</tr>
<tr>
<td>2016</td>
<td>850</td>
</tr>
<tr>
<td>2017</td>
<td>877</td>
</tr>
</tbody>
</table>
CONSUMERS INFLUENCE OTHER CONSUMERS

J'ai acheté ce mascara il y a maintenant plusieurs semaines et je le trouve tout à fait exceptionnel. Il est très pigmenté et ne se délaye pas facilement. Il est également très longue tenue. Je le recommande vivement !

Points forts : PERDURABILITÉ, TEXTURE, RAPPORT QUALITÉ/PRIX, APPLICATION, TEXTURE

Je le recommande à tous mes amis et collègues de travail.

Maybelline

Maybelline Paris

YouTube

Maybelline New York

TOUT REGARDER

## PORTFOLIO OF ICONIC BRANDS

<table>
<thead>
<tr>
<th>PROFESSIONAL PRODUCTS</th>
<th>CONSUMER PRODUCTS</th>
<th>L’ORÉAL LUXE</th>
<th>ACTIVE COSMETICS</th>
</tr>
</thead>
<tbody>
<tr>
<td>L’Oreal Pro</td>
<td>L’Oreal Paris</td>
<td>Lancome Paris</td>
<td>La Roche-Posay</td>
</tr>
<tr>
<td>Redken</td>
<td>Garnier</td>
<td>Giorgio Armani</td>
<td>Vichy</td>
</tr>
<tr>
<td>Matrix</td>
<td>Maybelline</td>
<td>Urban Decay</td>
<td>CeraVe</td>
</tr>
<tr>
<td>Kerastase</td>
<td>Nyx</td>
<td>Biotherm</td>
<td>SkinCeuticals</td>
</tr>
<tr>
<td>Pureology</td>
<td>Essie</td>
<td>It Cosmetics</td>
<td>Viktor &amp; Rolf</td>
</tr>
<tr>
<td>Decléor</td>
<td>Niy</td>
<td>Ralph Lauren</td>
<td>Hr</td>
</tr>
<tr>
<td></td>
<td>Dark &amp; Lovely</td>
<td>Shu Uemura</td>
<td>Diesel</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clarisonic</td>
<td>Cacharel</td>
</tr>
</tbody>
</table>
EIGHT BILLIONAIRE BRANDS*

* AT DECEMBER 31ST, 2017
2 BILLION VIEWS ON SOCIAL MEDIA
DIGITAL LEADERSHIP
UPSKILLING
TEAMS
ENRICHING DIALOGUE WITH CONSUMERS
INCREASING E-COMMERCE SALES
DIGITAL INVESTMENTS
THE BEAUTY TECH COMPANY
AT LEAST 2 L’ORÉAL BRANDS IN THE TOP 5

<table>
<thead>
<tr>
<th>Country</th>
<th>Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>URBAN DECY, MAYBELLINE, NYX</td>
</tr>
<tr>
<td>CHINA</td>
<td>L’OREAL PARIS, MAYBELLINE, LANCOME</td>
</tr>
<tr>
<td>FRANCE</td>
<td>YVES SAINT LAURENT, LANCOME</td>
</tr>
<tr>
<td>GERMANY</td>
<td>MAYBELLINE, L’OREAL PARIS</td>
</tr>
</tbody>
</table>
OUR PRESENCE IN ALL CHANNELS, CATEGORIES AND REGIONS
7 DISTRIBUTION CHANNELS

HAIR SALONS  MASS MARKET  DEPARTMENT STORES PERFUMERIES  PHARMACIES DRUGSTORES MEDIISPAS  BRANDED RETAIL  TRAVEL RETAIL  E-COMMERCE

5 BEAUTY CATEGORIES

HAIRCARE  HAIR COLOR  SKINCARE  FRAGRANCES  MAKEUP

ACROSS ALL PRICE SEGMENTS  ACROSS 68 COUNTRIES
### Balanced Business Model

#### 2017 Operating Margin by Region*

<table>
<thead>
<tr>
<th>Region</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>22.9%</td>
</tr>
<tr>
<td>North America</td>
<td>19.2%</td>
</tr>
<tr>
<td>New Markets</td>
<td>20.3%</td>
</tr>
</tbody>
</table>

#### 2017 Operating Margin by Division*

<table>
<thead>
<tr>
<th>Division</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional</td>
<td>20.8%</td>
</tr>
<tr>
<td>Consumer</td>
<td>20.0%</td>
</tr>
<tr>
<td>L’Oreal Luxe</td>
<td>21.9%</td>
</tr>
<tr>
<td>Active Cosmetics</td>
<td>22.6%</td>
</tr>
</tbody>
</table>

*Before central group expenses, fundamental research expenses, stock options and free grant of shares and miscellaneous items.
DETECTING CONSUMPTION TRENDS
ENVIRONMENTAL AND SOCIAL COMMITMENTS
SHARING BEAUTY
WITH ALL
SUSTAINABLE PRODUCTION

-73%*
CO₂ EMISSIONS

+33%*
PRODUCTION

*SINCE 2005
#1
NEWSWEEK GREEN RANKINGS 2017
GENDER EQUALITY

#1 OUT OF 3,000 COMPANIES
ECONOMIC AND SOCIAL LEADER
WOMEN IN SCIENCE:

How can we accelerate progress on gender equality? And how does the world stand to gain?
ETHICAL APPROACH

COVALENCE

ESG ratings

#1
PERSONAL & HOUSEHOLD GOODS CATEGORY

#2
GLOBAL COMPANIES FOR ALL INDUSTRIES COMBINED

WORLD'S MOST ETHICAL COMPANIES

WWW.ETHISPHERE.COM

9TH YEAR
"ONE OF THE MOST ETHICAL COMPANIES IN THE WORLD"
DECENTRALIZED ORGANIZATION, ENTREPRENEURIAL CULTURE, EXCELLENCE OF THE TEAMS ON THE GROUND
REINFORCING OUR PERFORMANCE AND LEADERSHIP
2018
A VERY GOOD 1ST QUARTER
LIKE-FOR-LIKE SALES GROWTH +6.8%*

*CONSOLIDATED SALES
BEST GROWTH IN 8 YEARS
CONFIDENCE IN OUR ABILITY TO OUTPERFORM THE MARKET AND TO ACHIEVE SIGNIFICANT LIKE-FOR-LIKE SALES GROWTH AND PROFITABILITY INCREASE