



L'ORÉAL

REIGNITING GROWTH

JEAN-PAUL AGON

Chairman & Chief Executive Officer

Barclays Global Consumer Staples Conference
September 10th, 2020



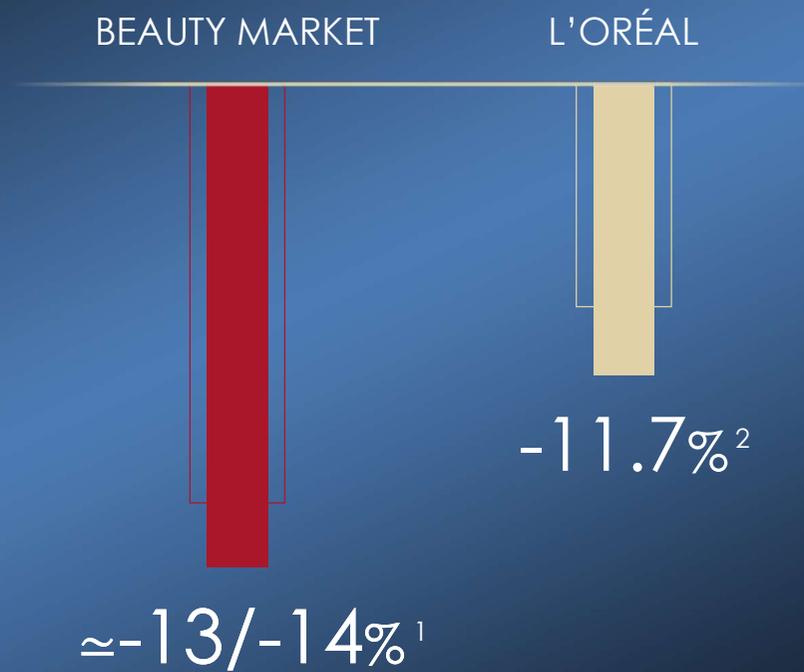
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H1: RESILIENCE IN SALES
AND SOLID PROFITABILITY

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OUTPERFORMING IN H1



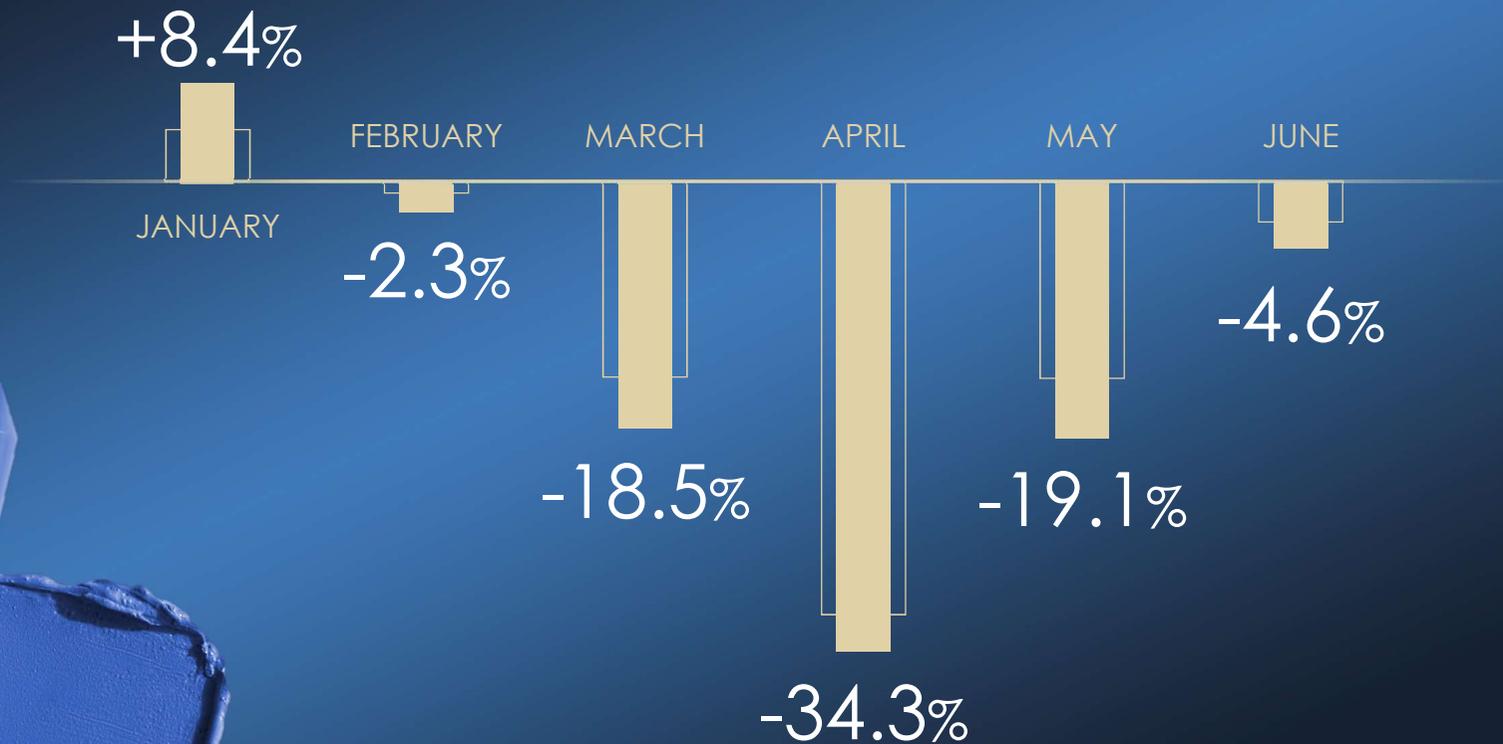
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¹L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. H1-2020 provisional estimates, at constant exchange rates. ²H1-2020 like-for-like sales growth.

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STRONG RECOVERY

MONTHLY SALES EVOLUTION¹



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¹Like-for-like.

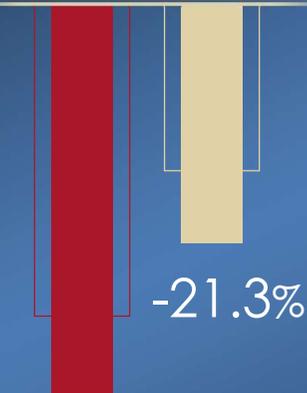
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3 DIVISIONS OUTPERFORMING

PROFESSIONAL PRODUCTS

RESILIENCE DESPITE CLOSURE OF SALONS, REBOUND SINCE END OF LOCKDOWN

MARKET¹ L'ORÉAL²



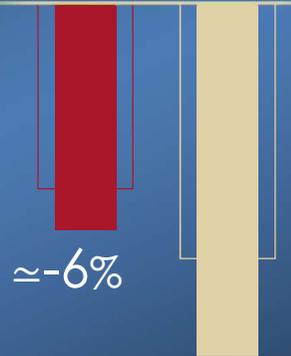
≈ -28%

CONSUMER PRODUCTS

SELL-OUT IN LINE WITH THE MARKET DESPITE FOOTPRINT ON MAKE-UP

EXCLUDING MAKE-UP, SALES ARE FLAT

MARKET¹ L'ORÉAL²



≈ -6%

-9.4%

L'ORÉAL LUXE

PERFORMED SIGNIFICANTLY BETTER THAN THE MARKET

MARKET¹ L'ORÉAL²



≈ -23%

-16.8%

ACTIVE COSMETICS

STRONGLY GAINING SHARE GLOBALLY

+9%

MARKET¹ L'ORÉAL²



≈ -4%

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September 10th, 2020 ¹L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. H1-2020 provisional estimates, at constant exchange rates. ²H1-2020 like-for-like sales evolution.

DRIVING THE MARKET IN CHINA

+30% IN Q2¹

STRONG GROWTH
IN E-COMMERCE

OUTPERFORMING
IN SKINCARE

+17.5%¹

H1 PERFORMANCE



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¹Like-for-like sales growth. ²L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. H1-2020 provisional estimates, at constant exchange rates.

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BOOMING IN E-COMMERCE¹

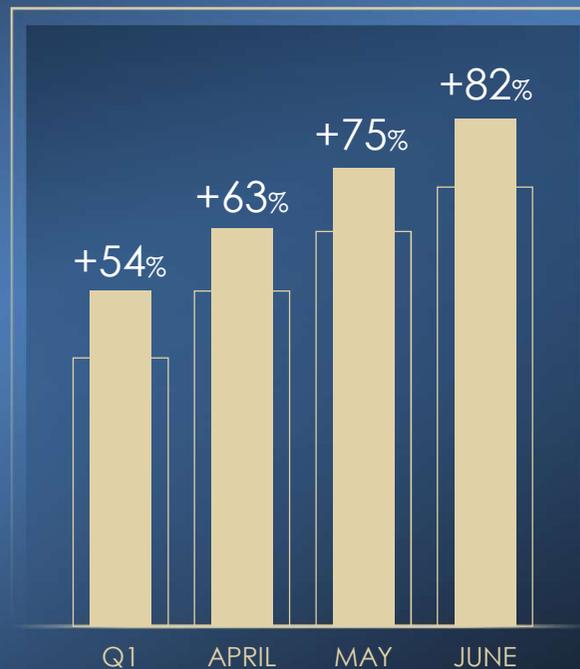
RECORD GROWTH
IN H1

+65%

≈ X2
THE MARKET

25%
OF SALES

ACCELERATION
EVEN AS STORES RE-OPEN



STRONG ACCELERATION
OUTSIDE OF ASIA

USA
+119% IN Q2

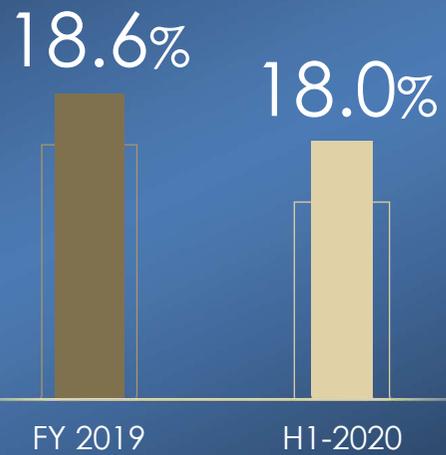
WESTERN EUROPE
+91% IN Q2

September 10th, 2020 ¹Like for like sales growth. Sales achieved on our brands' own websites + estimated sales achieved by our brands corresponding to sales through our retailers' websites (non audited data)

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PRESERVING PROFITABILITY

OPERATING MARGIN
CLOSE TO FY 2019
(% SALES)



LIMITED DECLINE IN
EARNINGS PER SHARE¹



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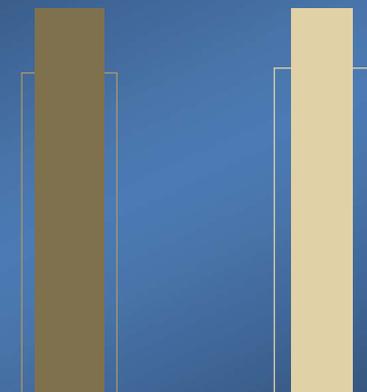
¹Diluted earnings per share, excluding non-recurring items, after non-controlling interests.

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PROTECTING MARGINS THROUGH P&L FLEXIBILITY

HIGH
GROSS MARGIN
(% SALES)

73.1% 73.1%



H1-2019

H1-2020

LOWER SG&As¹
THANKS TO COST DISCIPLINE

€3Bn

€2.7Bn

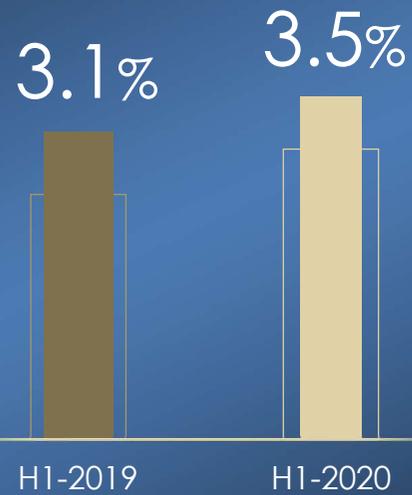


H1-2019

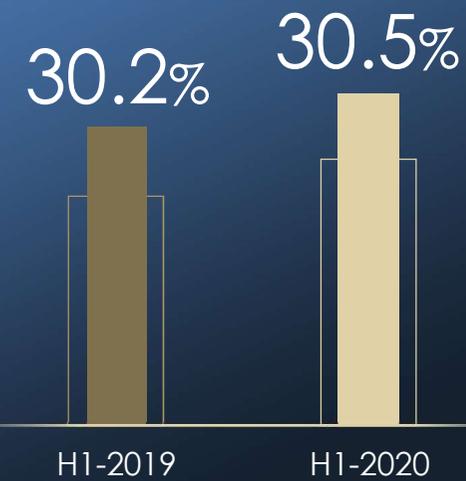
H1-2020

SECURING BUSINESS DRIVERS FOR THE FUTURE

SUSTAINED R&I INVESTMENTS (% SALES)



SUSTAINED A&P INVESTMENTS IN RELATIVE VALUE (% SALES)



WHILE PROTECTING & CARING

PROTECTING OUR EMPLOYEES



Drastic health and security measures on all workplaces
(factories, warehouses ...)

Limited number
of people infected

100% employment
& 100% fixed salary

SUPPORTING CAREGIVERS



15 million units
of hand sanitizers and
hand creams donated

In 40 countries

70% of our factories mobilized

SUPPORTING OUR PARTNERS



Freeze receivables from more
than 100,000 small professional
clients and perfumeries

Shortening leadtime
of payments to 9,000 most
vulnerable suppliers



2

H2, A NEW PHASE:
REIGNITING GROWTH AND
SECURING PROFITABILITY

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THE MARKET WILL BE STRONGER IN H2

NO FURTHER LOCKDOWN
CONSUMERS ARE BACK TO BEAUTY



SEIZING ALL OPPORTUNITIES

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MAXIMIZING INNOVATION

POWERFUL LAUNCH PLAN

PROFESSIONAL PRODUCTS



CONSUMER PRODUCTS



L'ORÉAL LUXE



ACTIVE COSMETICS



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MAXIMIZING E-COMMERCE

ALL GEOGRAPHIES
& DIVISIONS

CONTINUED ACCELERATION
OUTSIDE OF CHINA

STRONG DOUBLE-DIGIT
GROWTH



ALL
CHANNELS

CREATING O+O
EXPERIENCE WITH
RETAILERS

STRONG PARTNERSHIPS
WITH PURE PLAYERS

RELENTLESS PUSH
ON D2C

ALL
TOUCHPOINTS

SHOPPABLE
LIVE-STREAMING

SOCIAL COMMERCE



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MAXIMIZING OUR DIGITAL EDGE

MORE SERVICES

VIRTUAL TRY-ONS
TELECONSULTATION
IN-STORE VIRTUAL TESTERS



MORE DIGITAL MEDIA

MEDIA SHIFT
DIGITAL SPEND NOW
GREATER THAN
TRADITIONAL MEDIA



MORE CONNECTIONS

MASSIVE INCREASE OF
CONVERSATIONS ONLINE



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MAXIMIZING CUSTOMER PARTNERSHIPS

TIGHTER COLLABORATION WITH RETAILERS

STRONG JOINT BUSINESS PLAN

BACK TO BEAUTY PLAN WORLDWIDE EXECUTION

EVENTS TO CREATE EXCITEMENT

SMART OFFERS TO DRIVE TRAFFIC



STRONGER BOND WITH HAIRDRESSERS

NEW RELATIONSHIP THANKS TO STRONG SUPPORT DURING THE CRISIS

HUGE INCREASE IN ONLINE SUPPORT & TRAINING

WINNING THE BATTLE FOR NEW SALONS AND STYLISTS



CLOSER RELATIONSHIP WITH MEDICAL PROFESSIONALS

DIGITALIZATION OF CONNECTIONS WITH MEDICAL PROFESSIONALS

MASSIVE AMPLIFICATION OF REACH

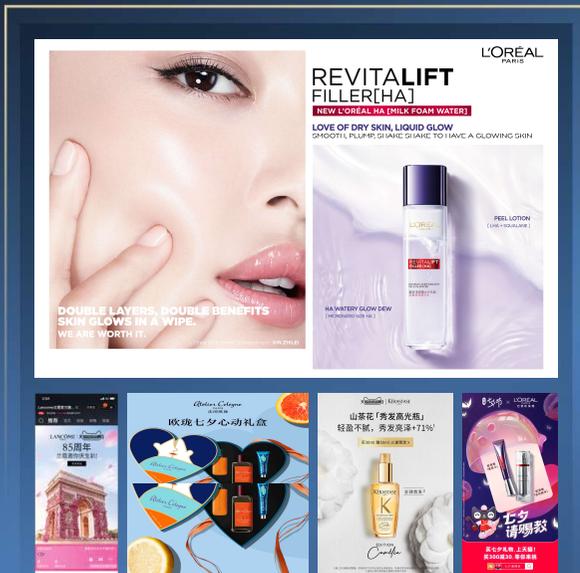


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MAXIMIZING GROWTH IN CHINA

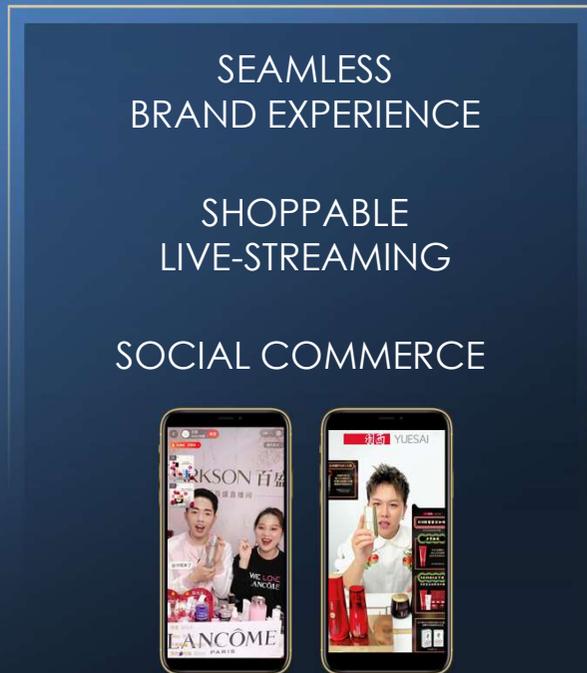
DRIVING POWER BRANDS
AND HERO PRODUCTS



SUPERSIZING
ONLINE EVENTS



ENHANCING
THE O+O MODEL

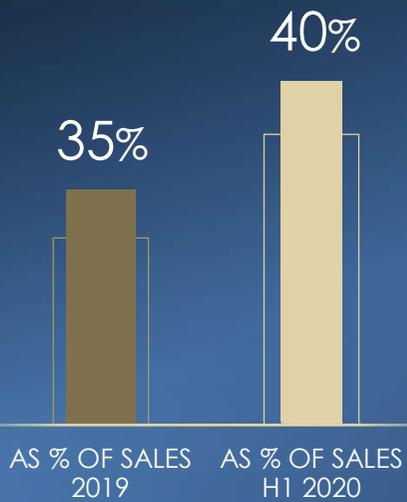


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MAXIMIZING GROWTH IN SKINCARE

STRONG SHIFT
TO SKINCARE



UNLEASHING LAUNCHES
WITH MASSIVE SUPPORT



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MAXIMIZING THE POWER OF STRONG BRANDS

STRONG TRUSTED ASPIRATIONAL BRANDS WILL PREVAIL

WE ARE REINFORCING THE EQUITY OF OUR STAR BRANDS

KÉRASTASE
PARIS

L'ORÉAL
PARIS

By GARNIER,
Naturally!

LANCÔME
PARIS

Kiehl's
SINCE 1851

SKINCEUTICALS
ADVANCED PROFESSIONAL SKINCARE

LA ROCHE POSAY
LABORATOIRE DERMATOLOGIQUE

CeraVe
DEVELOPED WITH DERMATOLOGISTS

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RAMPING UP MEDIA INVESTMENT

MEDIA INVESTMENT
INCREASING

MORE INVESTMENT
IN DIGITAL MEDIA

FOCUS ON
CONVERSION
AND SALES

ROI
IS INCREASING



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MAXIMUM DISCIPLINE TO PROTECT MARGINS

IN ORDER TO FUEL BUSINESS DRIVERS

STRICT COSTS CONTROL

H1 MEASURES MAINTAINED FOR H2

HEADCOUNT FREEZE

TRAVEL BAN

CONSULTING FEES

STRICT CONTROL OF INVESTMENTS

SMART OPTIMIZATION OF A&Ps

TO MAXIMIZE ROI

PIVOT TO DIGITAL

VIRTUAL TESTERS

REDUCTION OF POS MATERIAL

PERMANENT TRANSFORMATION

TO MAXIMIZE EFFICIENCY

ADAPTING OUR FOOTPRINT:

DISTRIBUTION INDUSTRY LOGISTICS

DECISIVE PORTFOLIO MANAGEMENT

TO FOCUS ON WINNING ASSETS

CLOSURE OF CLARISONIC

DISPOSAL OF ROGER & GALLET

INTEGRATION OF MUGLER, AZZARO, THAYERS, VALENTINO

STRONG CONFIDENCE FOR THE 2nd HALF

TRIPLE AMBITION:

- OUTPERFORM THE MARKET
- GET BACK TO POSITIVE LIKE-FOR-LIKE SALES GROWTH
- WITHOUT COMPROMISING PROFITABILITY

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3

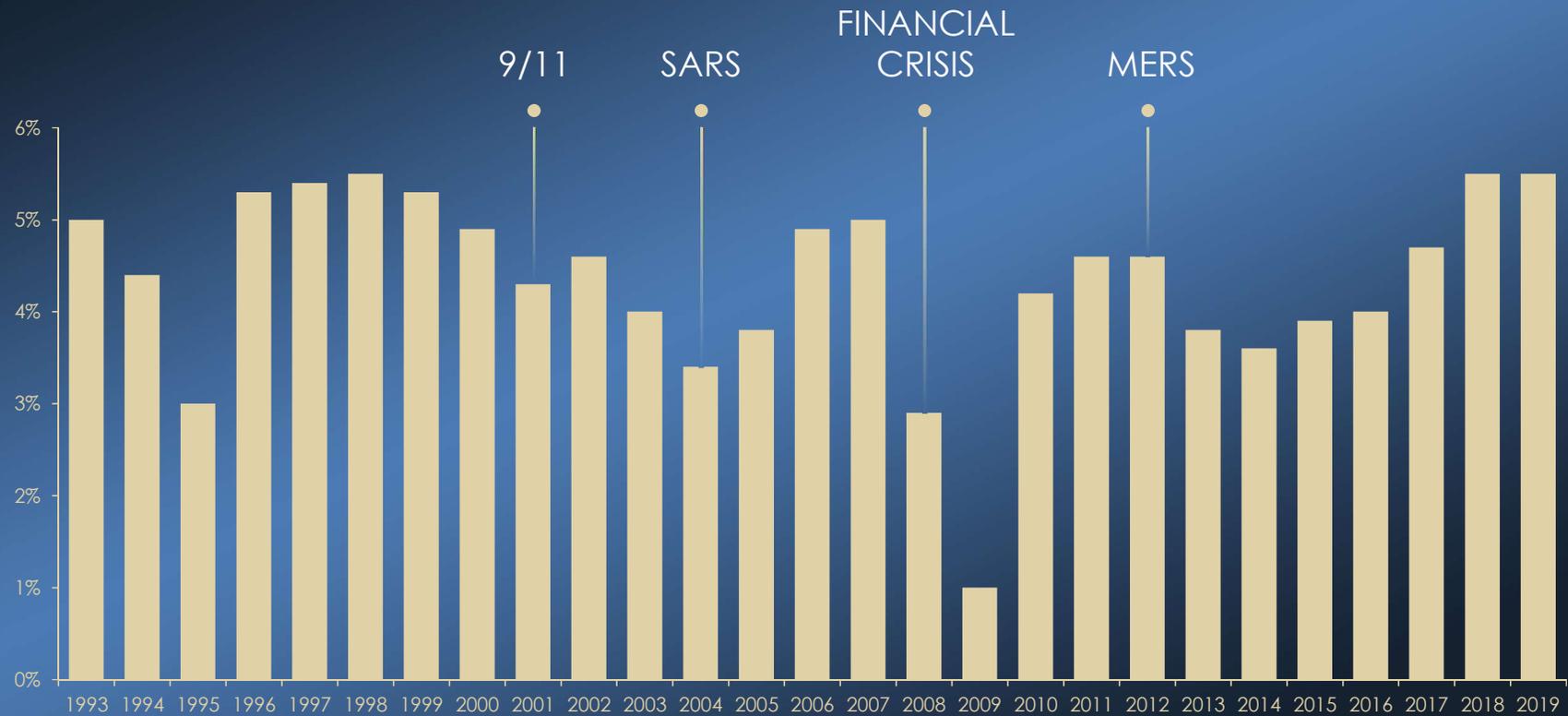
CONFIDENCE
IN THE FUTURE OF BEAUTY

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THE BEAUTY MARKET¹ WILL RETURN TO GROWTH



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THE APPETITE FOR BEAUTY WILL GET STRONGER

NEW CONSUMERS
ARE ENTERING
THE MARKET

NEW CHANNELS
ARE INCREASING
ACCESS TO BEAUTY

NEW BEAUTY NEEDS
ARE CREATING
NEW DEMANDS

NEW CONNECTIONS
ARE ENGAGING
MORE CONSUMERS

MIDDLE & UPPER
CLASSES

AGEING POPULATION

MEN'S CONSUMPTION

ONLY THE BEGINNING
OF THE E-COMMERCE
JOURNEY

MORE HEALTHY

MORE NATURAL

MORE SUSTAINABLE

MORE SERVICES

MORE SOCIAL

MORE PERSONALIZED



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WE HAVE ALL THE ASSETS TO RESUME OUR LONG-TERM SUSTAINABLE & PROFITABLE GROWTH MODEL

THE MOST POWERFUL
FORCE IN R&I

THE STRONGEST
PORTFOLIO OF BRANDS

THE LEADING EDGE
IN DIGITAL

THE MOST GLOBAL
FOOTPRINT

UNIQUE ORGANIZATION
AND CULTURE

LEAD IN
SUSTAINABILITY

In 2020
We are determined to
outperform the market,
find again the path to
growth if the sanitary
conditions allow it, and
deliver solid profitability.

L'OREAL WILL EMERGE IN 2021
STRONGER THAN EVER

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Q&A

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