



# L'ORÉAL

# CAGNY

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**JEAN-PAUL AGON**

Chairman & Chief Executive Officer

19 February 2021



KEY INFORMATION ON  
**L'ORÉAL**

1

100% DEDICATED  
TO BEAUTY



2 — WORLD LEADER  
IN BEAUTY

28 Bn  
SALES

7 Bn  
PRODUCTS

150  
COUNTRIES

85,400  
EMPLOYEES



# 2 WORLD LEADER IN BEAUTY

4,045  
R&I EXPERTS

≈€1 Bn  
R&I EXPENSES

# 2 — WORLD LEADER IN BEAUTY

OPERATING MARGIN

18.6%

NET PROFIT<sup>2</sup>

€4.1 Bn

38<sup>th</sup>

MARKET CAP WORLDWIDE<sup>3</sup>



# 3 — SOLIDITY & CONTINUITY

L'ORÉAL'S SHAREHOLDER STRUCTURE<sup>1</sup>  
ENABLES VISIBILITY & LONG-TERM STRATEGY

MANAGEMENT STABILITY  
5 CHAIRMEN & CEO IN 111 YEARS

33.17%  
BETTENCOURT  
MEYERS FAMILY



23.20%  
NESTLÉ

43.63%  
FREE FLOAT

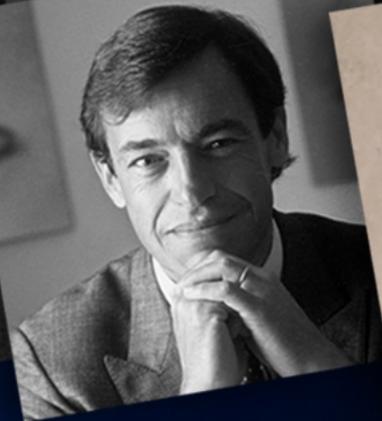
EUGENE  
SCHUELLER  
1909-1957



FRANCOIS  
DALLE  
1957-1984



CHARLES ZVIAK  
1984-1988



SIR LINDSAY  
OWEN-JONES  
1988-2006



JEAN-PAUL AGON  
Since 2006

# 4 ABSOLUTE COVERAGE OF THE BEAUTY MARKET

## 7 DISTRIBUTION CHANNELS



HAIR SALONS

MASS RETAIL

DEPARTMENT STORES  
PERFUMERIES

PHARMACIES  
DRUGSTORES  
MEDISPAS

BRANDED RETAIL

TRAVEL RETAIL

E-COMMERCE

## 5 BEAUTY CATEGORIES



HAIRCARE

HAIR COLOR

SKINCARE

FRAGRANCE

MAKE-UP

ALL PRICE SEGMENTS

ALL REGIONS

ALL PSYCHOGRAPHICS

# 5 — DISTINCTIVE CULTURE, APPROACH AND ORGANIZATION

## DISTINCTIVE CULTURE

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A LARGE COMPANY  
WITH THE ENTREPRENEURIAL  
SPIRIT OF A START-UP

## DISTINCTIVE APPROACH

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LONG-TERM  
VISION  
  
AGILE SHORT-TERM  
PRAGMATISM

## DISTINCTIVE ORGANIZATION

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STRATEGICALLY  
CONCENTRATED  
  
OPERATIONALLY  
DECENTRALIZED

# 6 — SUSTAINABILITY LEADERSHIP

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DUAL AMBITION OF FINANCIAL  
AND SUSTAINABILITY EXCELLENCE

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THESE TWO GOALS ARE  
MUTUALLY ENRICHING

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# 6 — SUSTAINABILITY LEADERSHIP

IN-DEPTH TRANSFORMATION TO REDUCE OUR IMPACT ACROSS OUR ENTIRE VALUE CHAIN



# 7 — A VERY STRONG BUSINESS MODEL

TOPLINE GROWTH  
THE BEST ROUTE TO VALUE CREATION

FOCUS ON TOPLINE GROWTH

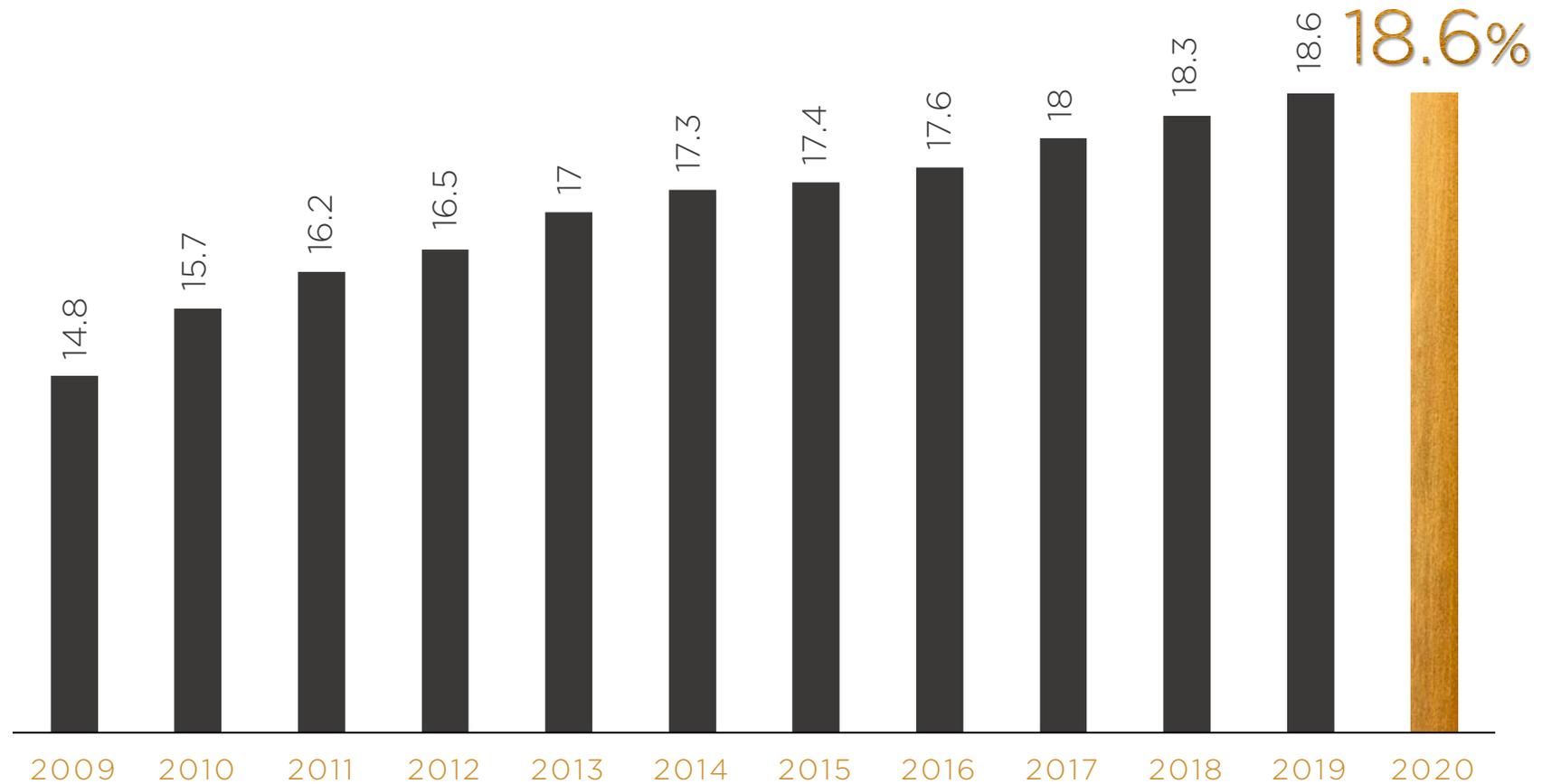


OPERATIONAL DISCIPLINE

## A VERY STRONG BUSINESS MODEL

CONSISTENT INCREASE  
IN OPERATING MARGIN

(% SALES)



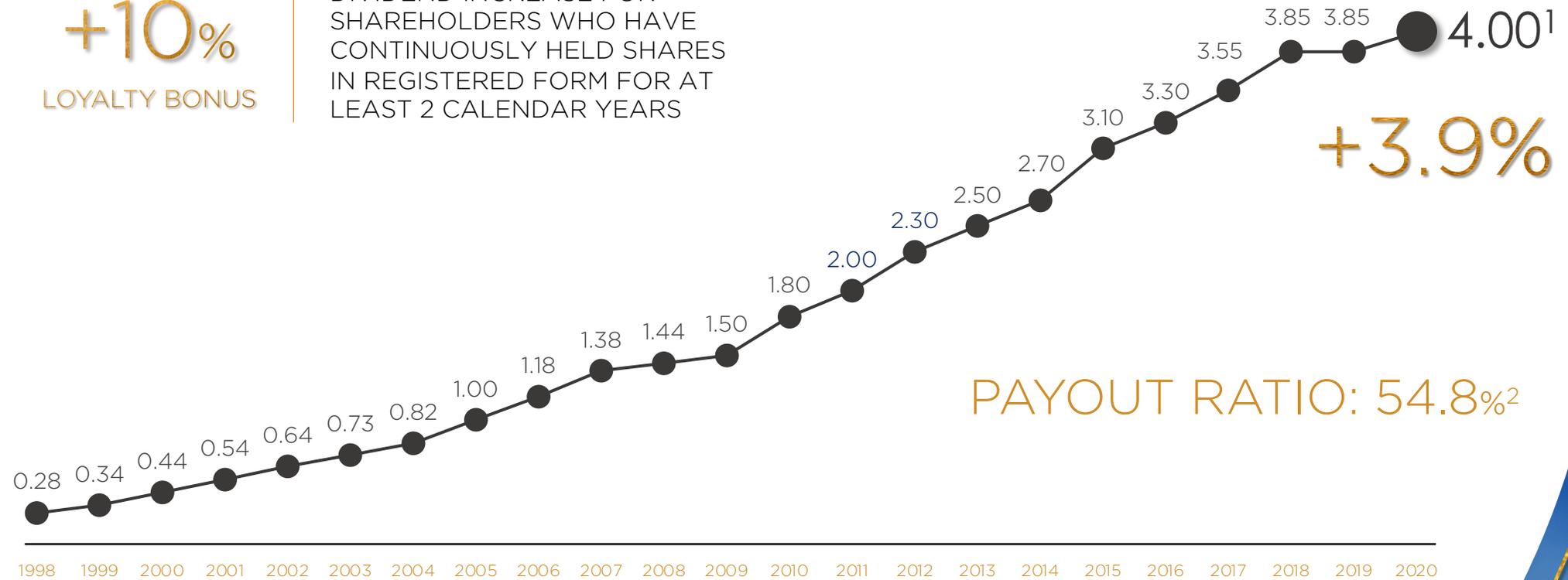
# A VERY STRONG BUSINESS MODEL

## A DYNAMIC DIVIDEND POLICY

DIVIDEND PER SHARE SINCE 1998 IN EUROS

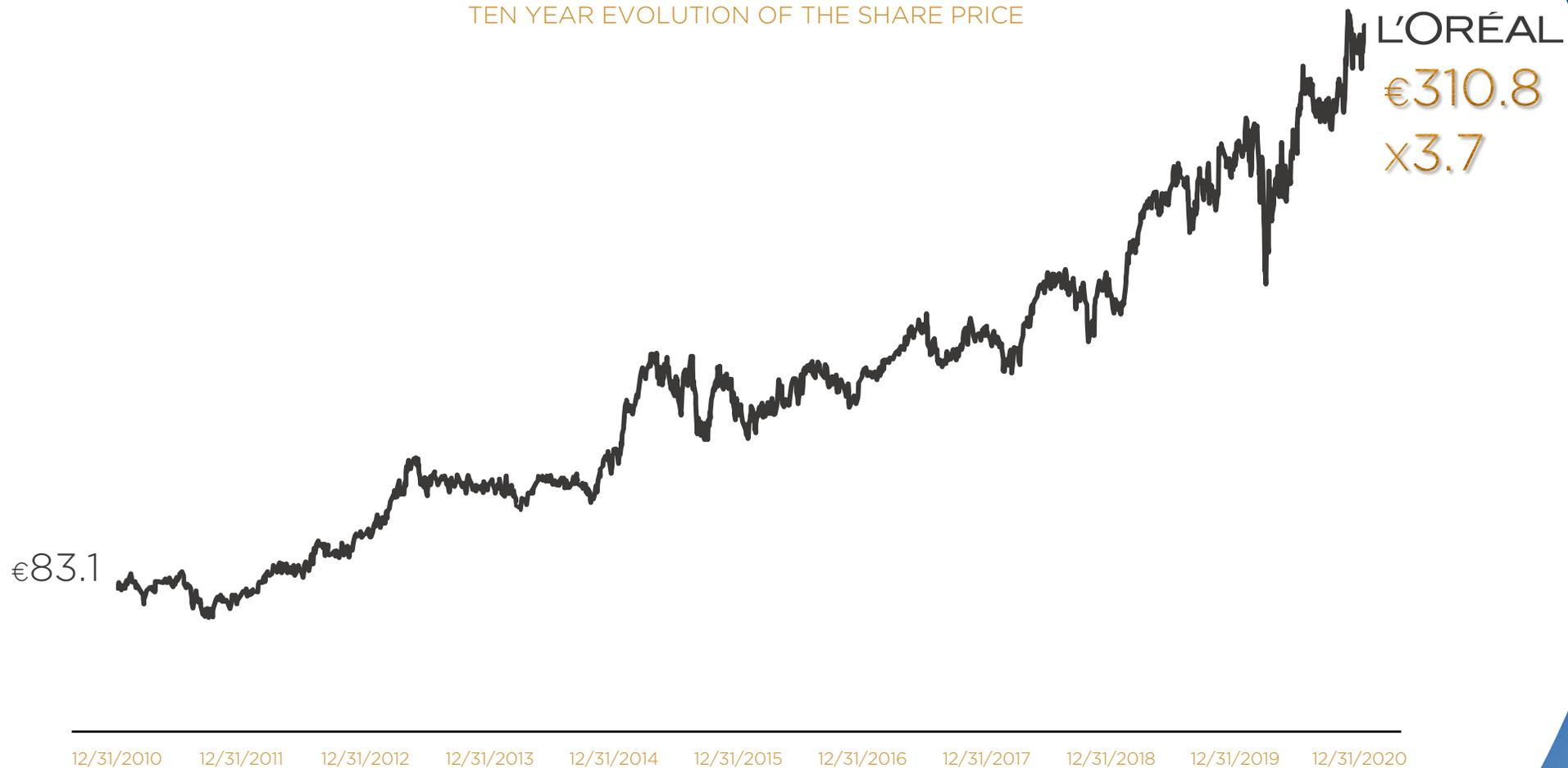
**+10%**  
LOYALTY BONUS

DIVIDEND INCREASE FOR  
SHAREHOLDERS WHO HAVE  
CONTINUOUSLY HELD SHARES  
IN REGISTERED FORM FOR AT  
LEAST 2 CALENDAR YEARS

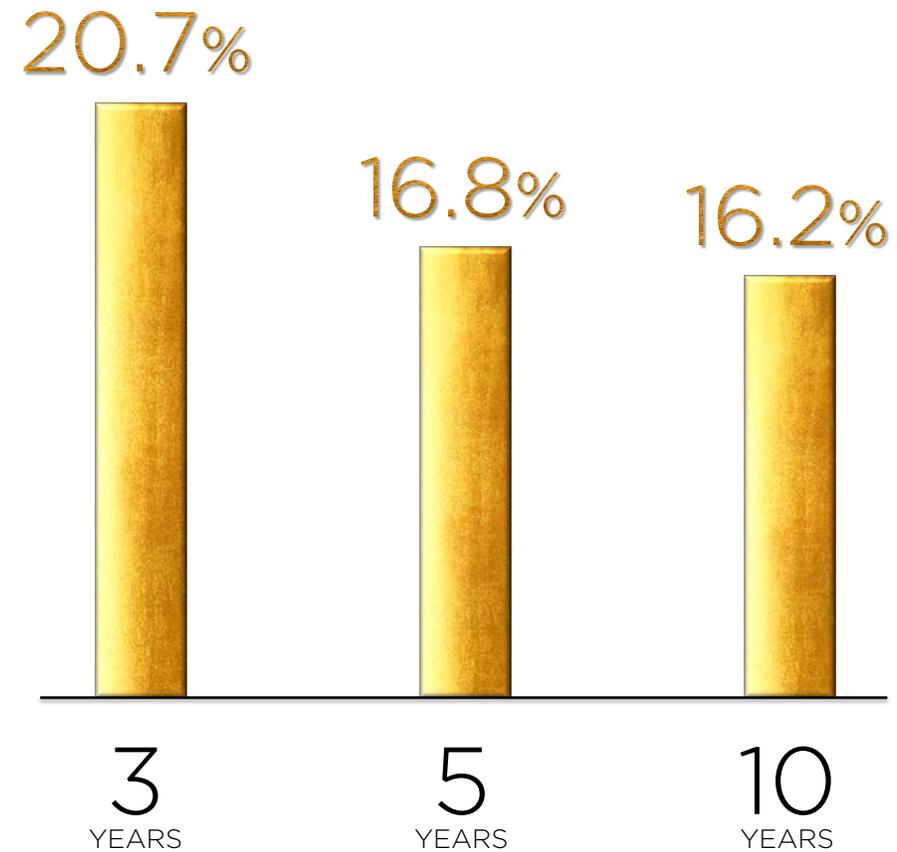


## A VERY STRONG BUSINESS MODEL

TEN YEAR EVOLUTION OF THE SHARE PRICE



A VERY STRONG BUSINESS MODEL  
DOUBLE-DIGIT TSR



The image features a dark red background with a central circular graphic consisting of two concentric rings. A thin gold vertical line extends from the top edge of the inner circle down to its center. Scattered across the background are numerous spheres of varying sizes, some white and some red, creating a textured, particle-like effect.

HOW L'ORÉAL  
HAS NAVIGATED  
THE CRISIS

BEAUTY MARKET  
A YEAR LIKE  
NO OTHER

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WORLDWIDE  
BEAUTY MARKET<sup>1</sup>

≈ 8%

L'ORÉAL  
WEATHERED  
THE CRISIS  
REMARKABLY  
WELL



L'ORÉAL

# OUR TEAMS MADE THE DIFFERENCE

COMMITMENT

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AGILITY

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ABILITY TO ADAPT

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RESILIENCE  
& SOLIDITY

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February 19<sup>th</sup>, 2021

L'ORÉAL

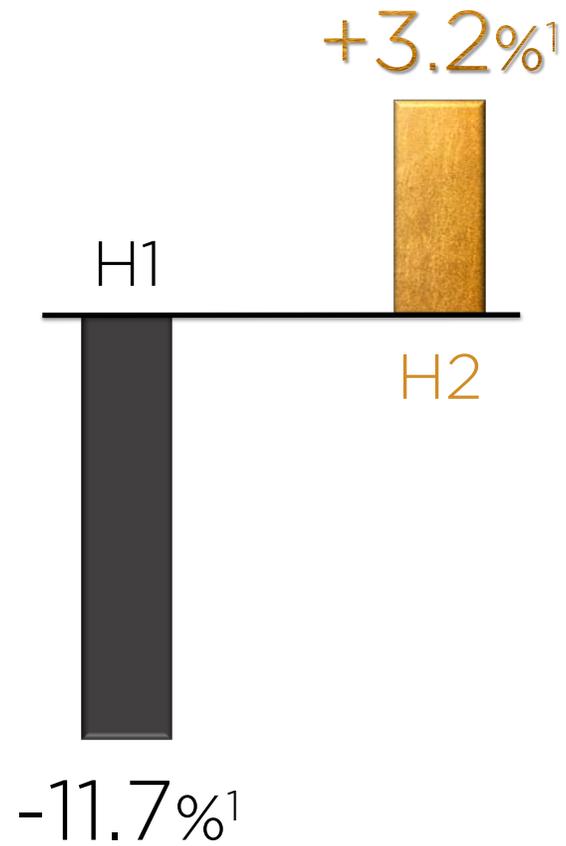
STRONG OUTPERFORMANCE

BACK TO GROWTH IN H2

GROWTH ACCELERATION IN Q4

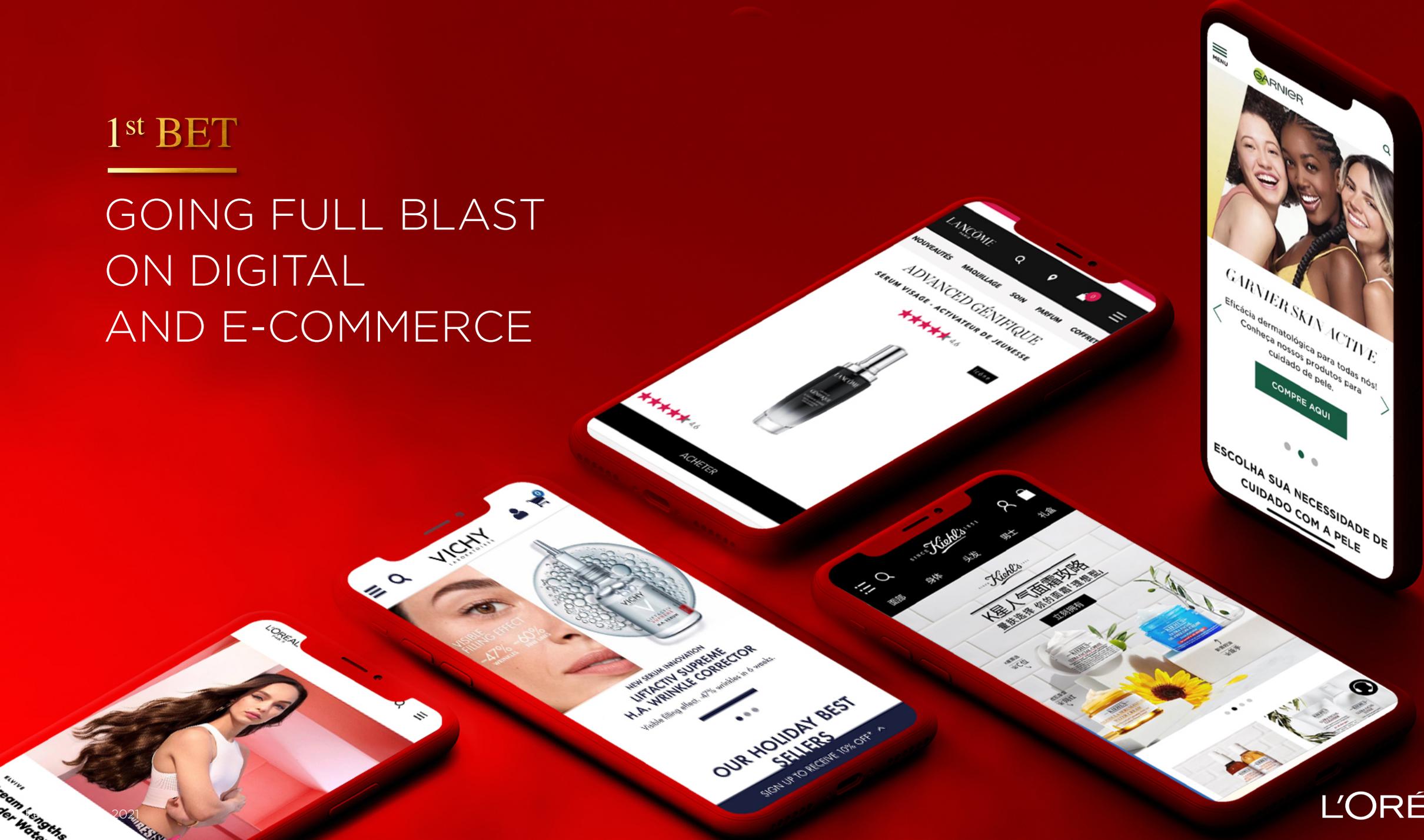
PRESERVED PROFITABILITY AT RECORD LEVEL

# BACK TO GROWTH IN H2



# 1<sup>st</sup> BET

GOING FULL BLAST  
ON DIGITAL  
AND E-COMMERCE



# MAINTAIN KEY PRODUCT LAUNCHES



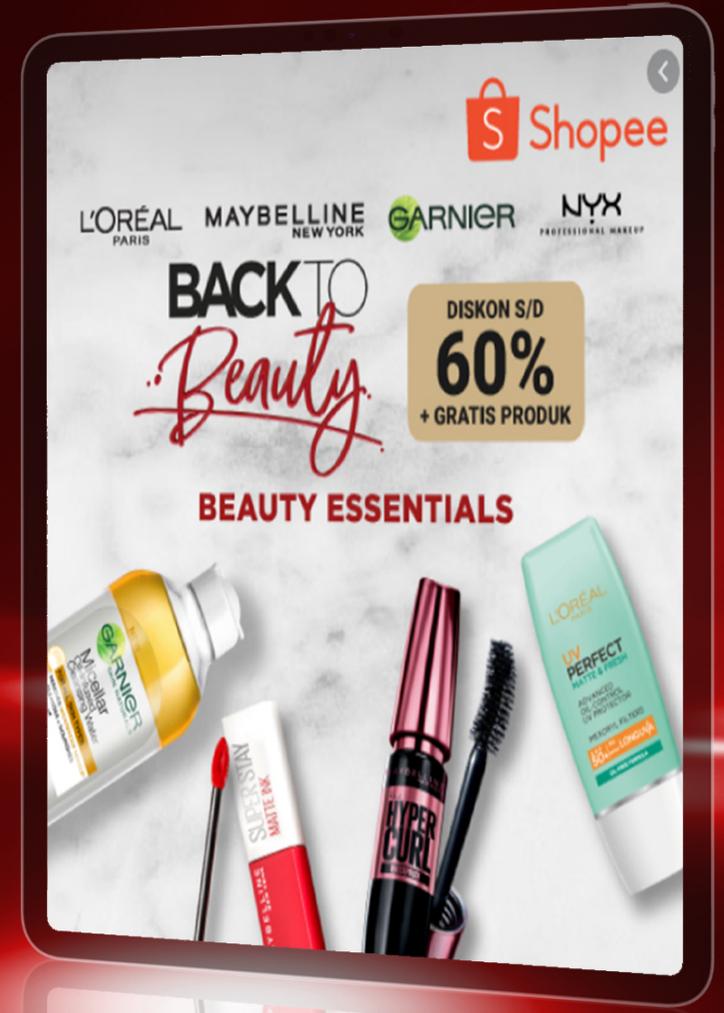
# TO RE-ENERGIZE THE MARKET & OUR SALES

3<sup>rd</sup> BET

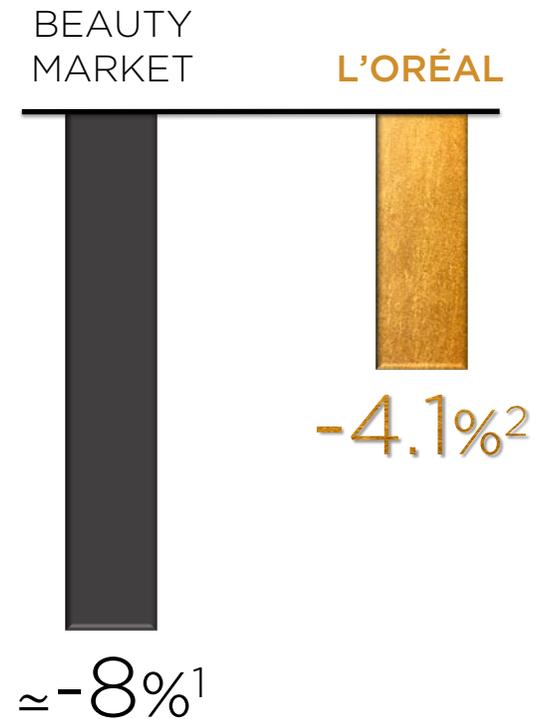
# UNLEASH STRONG MEDIA SUPPORT & BUSINESS DRIVERS



# BACK TO Beauty



# HISTORIC MARKET SHARE GAINS



<sup>1</sup>L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. 2020 provisional estimates, at constant exchange rates.  
<sup>2</sup>2020 like-for-like sales % change.

3 DIVISIONS OUT OF 4  
REMARKABLY OUTPERFORMED



# BEST YEAR EVER





ACTIVE COSMETICS

SEIZED THE OPPORTUNITY  
OF THE HEALTHY SKINCARE BOOM

CeraVe  
DEVELOPED WITH DERMATOLOGISTS

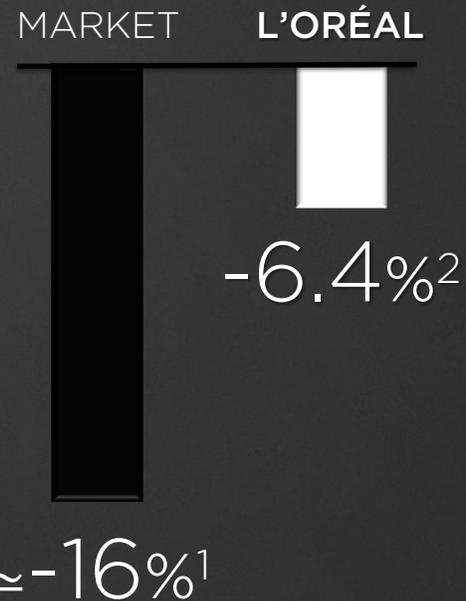
SKINCEUTICALS  
ADVANCED PROFESSIONAL SKINCARE

LA ROCHE POSAY  
LABORATOIRE DERMATOLOGIQUE

LEVERAGED DIGITAL TO AMPLIFY  
ITS REACH AND ENGAGEMENT



# REMARKABLE PERFORMANCE



RECORD SECOND HALF

+8.7%<sup>3</sup>  
IN H2

BEST GROWTH  
IN 16 YEARS

<sup>1</sup>L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. 2020 provisional estimates, at constant exchange rates. <sup>2</sup>2020 like-for-like sales % change.

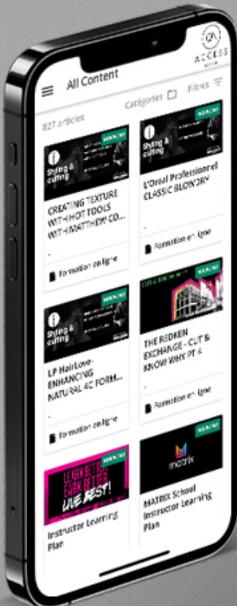
<sup>3</sup>H2-2020 like-for-like sales growth.



PROFESSIONAL PRODUCTS

REAPED THE REWARDS OF ITS  
IN-DEPTH TRANSFORMATION

ABILITY TO JUMP ON THE  
E-COMMERCE OPPORTUNITY



SIGNIFICANTLY OUTPERFORMED THE MARKET  
FOR THE 10<sup>th</sup> CONSECUTIVE YEAR

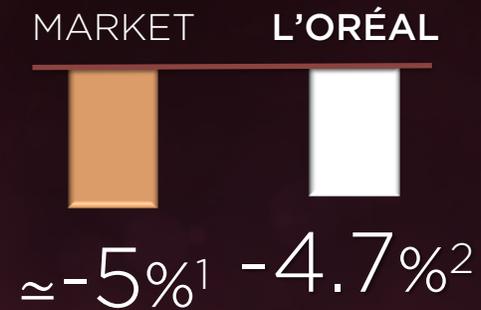


MAINTAINED AND STRONGLY SUPPORTED  
ITS STRATEGIC LAUNCHES IN H2

REALLOCATED BUSINESS DRIVERS ACROSS  
ITS DIGITAL ECOSYSTEM

INVESTED TO REINFORCE ITS POSITION  
ON THE CHINESE MARKET

IN LINE WITH THE MARKET  
DESPITE HEAVY FOOTPRINT IN MAKEUP



+8%<sup>3</sup>  
IN H2 EXCL. MAKE-UP

RETURNED TO GROWTH  
AND OVER-PERFORMANCE IN H2

BEAT THE MARKET IN ALL REGIONS

<sup>1</sup>L'Oréal worldwide beauty market estimates, excluding razors, soaps and toothpastes. 2020 provisional estimates, at constant exchange rates. <sup>2</sup>2020 like-for-like sales % change. <sup>3</sup>H2-2020 like-for-like sales growth.



IMPRESSIVE ECOMMERCE  
ACCELERATION

VOLUNTARIST  
LAUNCH ACTIVITY

GREAT PARTNERSHIPS  
WITH RETAILERS

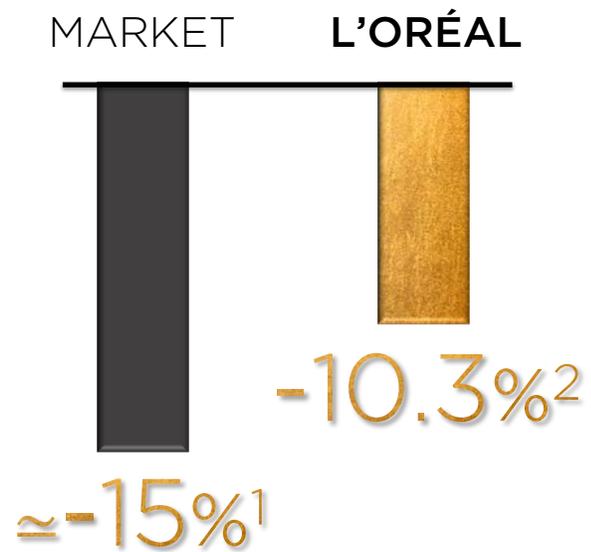


# OUTPERFORMING IN MOST REGIONS



# WESTERN EUROPE

## BEST SHARE GAINS IN A LONG TIME





BRAZIL

BACK IN FORCE

+10.5%<sup>1</sup>

STRONG SHARE GAINS





CHINA

QUICK REBOUND

+27%<sup>1</sup>

SALES GROWTH

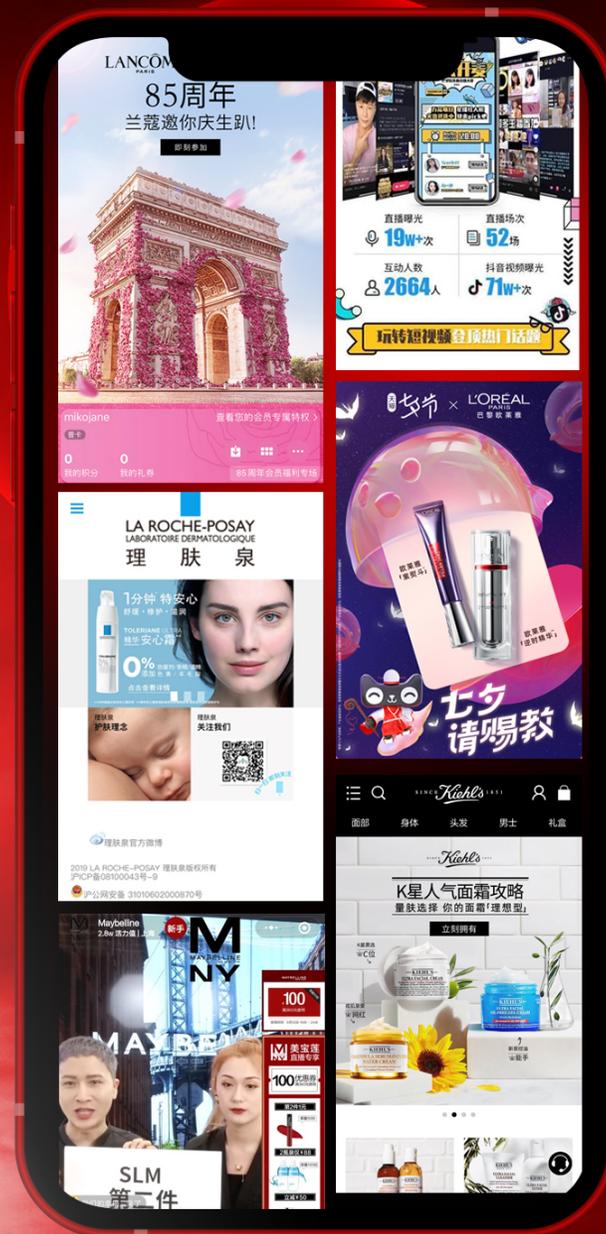
STRONG GROWTH OF ONLINE SALES

60%<sup>2</sup>

OF SALES

+56%<sup>2</sup>

SALES GROWTH





USA

# BACK TO GROWTH IN H2

# +2.8%<sup>1</sup>

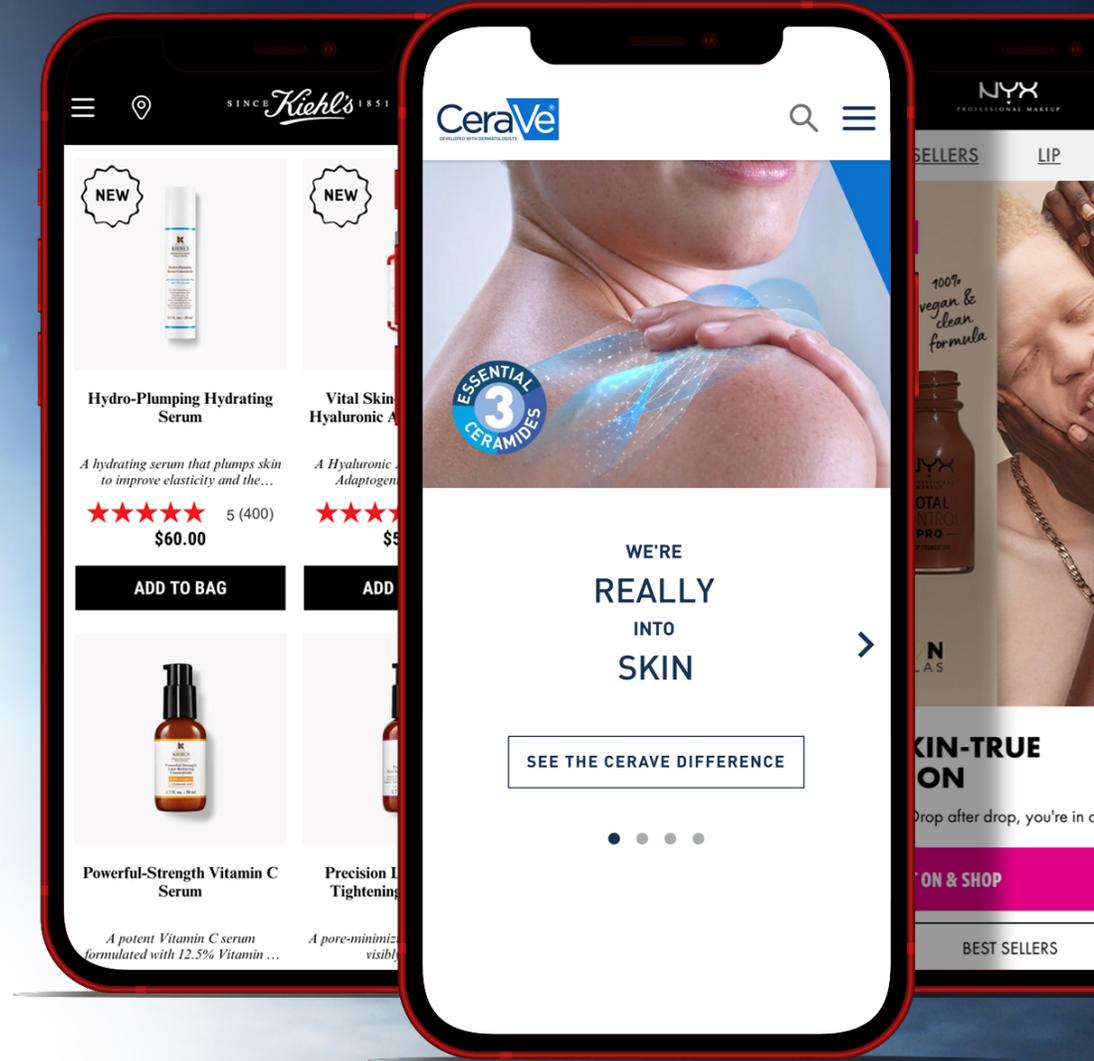
SALES GROWTH



# EXPLOSION OF E-COMMERCE

22%<sup>1</sup>  
OF SALES

+83%<sup>1</sup>  
SALES GROWTH





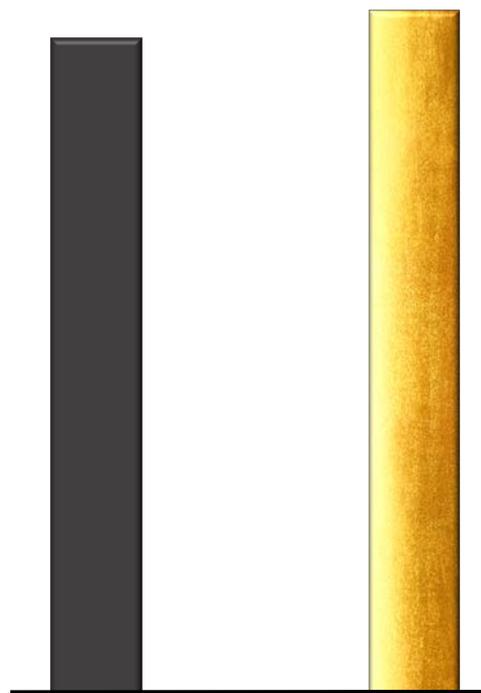
**SOLID**  
RESULTS



# GROSS MARGIN

(% SALES)

73.0% 73.1%



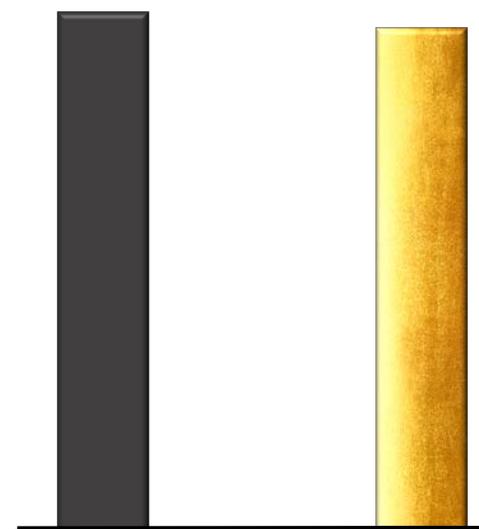
2019

2020

# SG&As<sup>1</sup>

(% SALES)

20.3% 20.1%

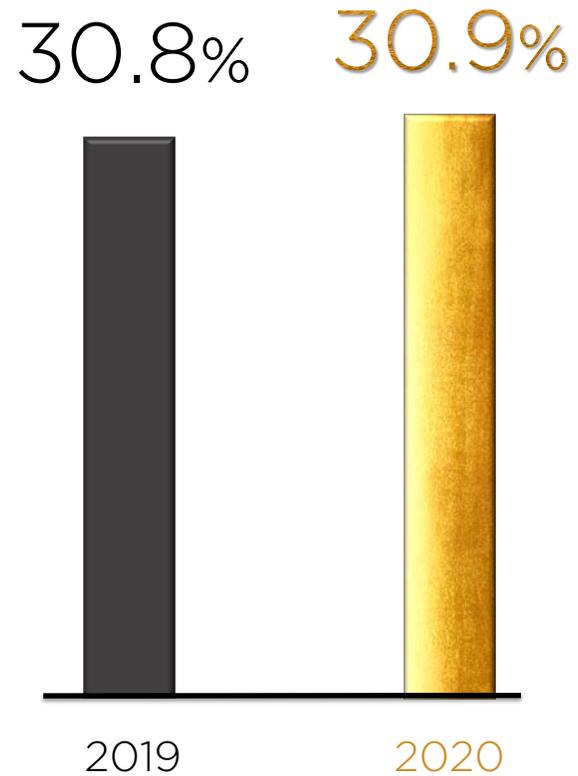


2019

2020

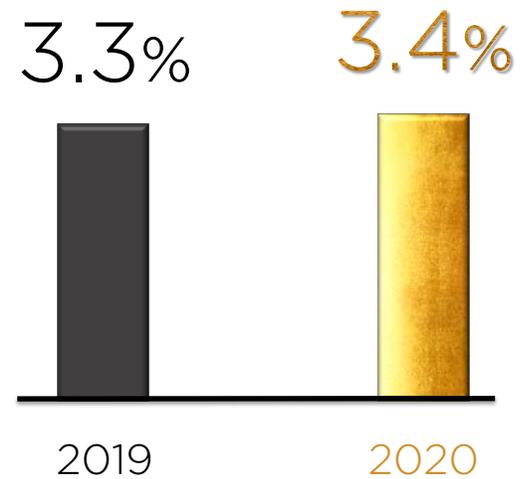
# A&P INVESTMENTS

(% SALES)



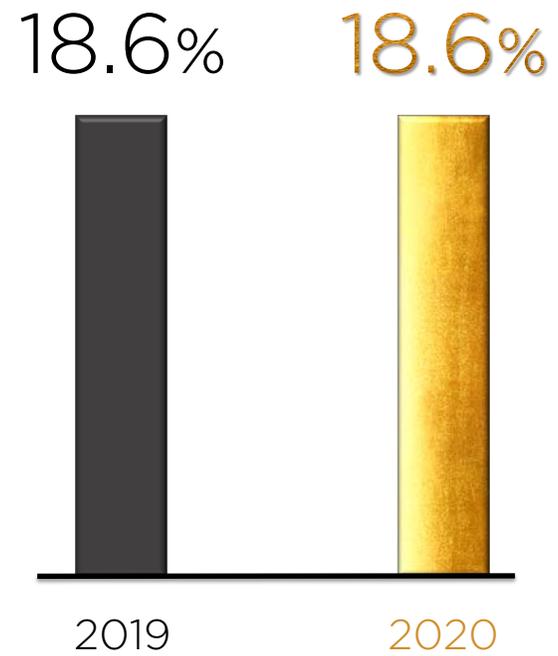
# R&I INVESTMENTS

(% SALES)



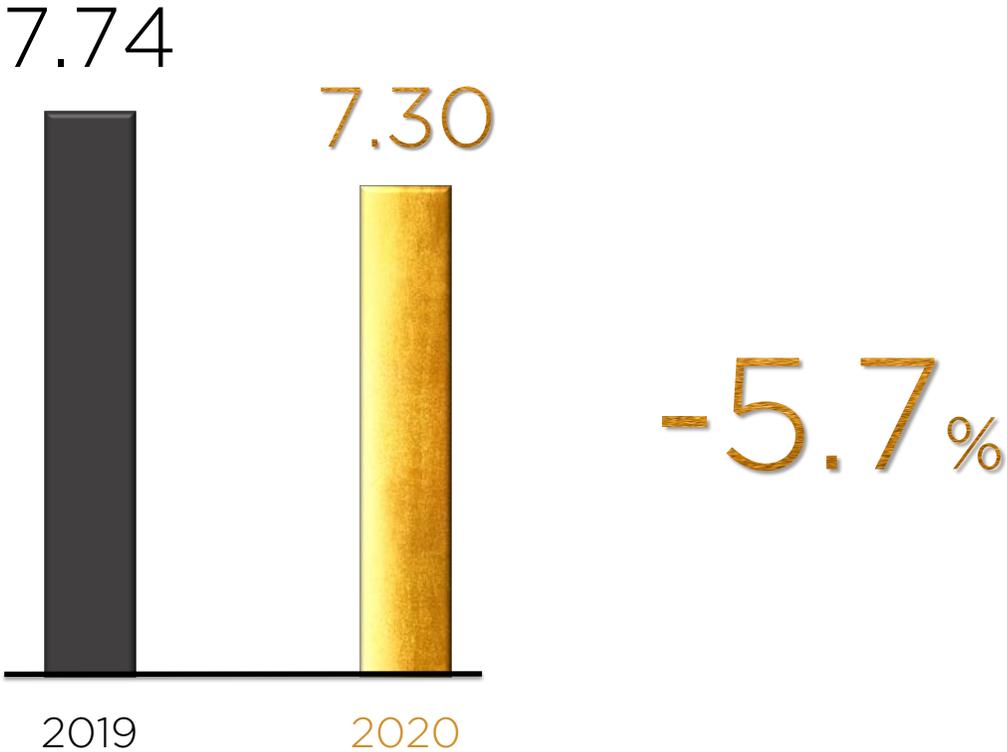
# OPERATING MARGIN

(% SALES)



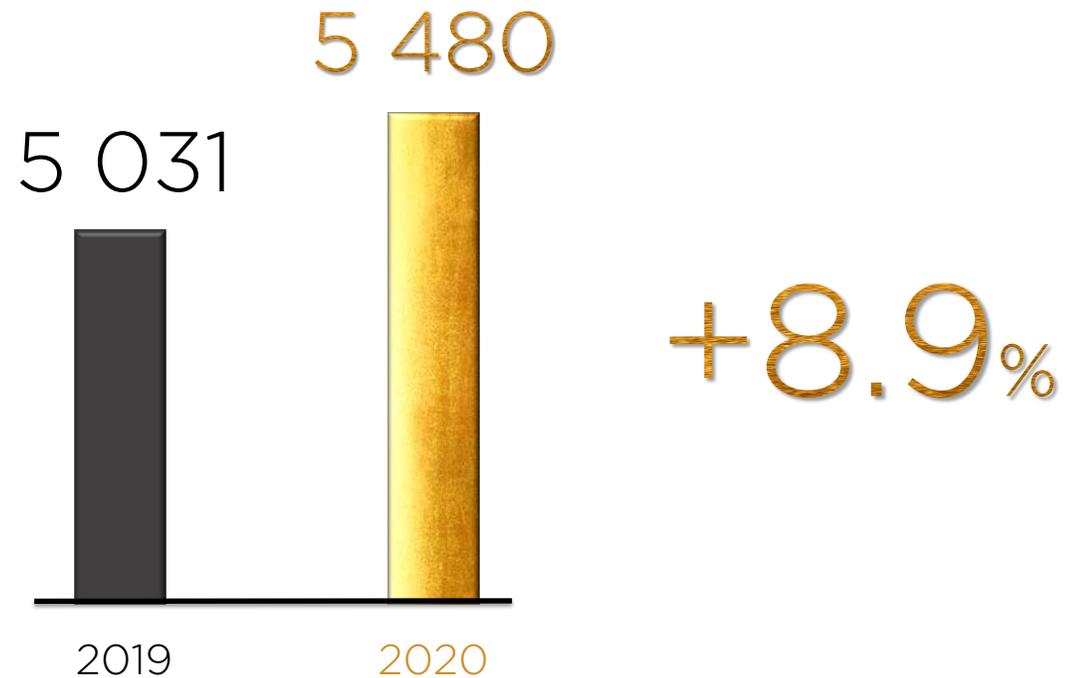
# EARNINGS PER SHARE

(IN EUROS)



# OPERATING CASH FLOW

(IN MILLION EUROS)



EXEMPLARY  
EXTRA-FINANCIAL  
RESULTS

***SHARING  
BEAUTY***  
*WITH ALL*

**-81%<sup>1</sup>**  
**CO<sub>2</sub> EMISSIONS**

# OUR PERFORMANCE IS RECOGNIZED

ONLY COMPANY  
WITH 3 “As” FOR  
THE 5<sup>th</sup> YEAR RUNNING



#1 WORLDWIDE  
ETHICAL QUOTE  
REPUTATION INDEX



LEADER IN  
GENDER EQUALITY



TOP 100 COMPANY 2020  
Diversity and Inclusion Index

TRANSFORMATIONS  
& REINVENTIONS  
STRENGTHEN  
**L'ORÉAL**

L'ORÉAL OPENS 2021  
STRONGER THAN EVER



February 19th, 2021

L'ORÉAL

A close-up portrait of a woman with dark hair pulled back, revealing her striking blue eyes. She is wearing a vibrant red, off-the-shoulder garment. Her right hand is raised, holding a clear glass dropper with a silver-colored cap. She is also wearing a ring with a large, oval-cut emerald gemstone on her ring finger and a small hoop earring. The background is a deep, textured red with soft, out-of-focus light spots. The overall mood is sophisticated and elegant.

STRENGTH OF OUR  
UNIQUE BUSINESS MODEL

February 19<sup>th</sup>, 2021

L'ORÉAL

OUR BUSINESS  
MODEL IS PERFECTLY  
SUITED TO WIN IN  
THE 21<sup>st</sup> CENTURY



# LEADERSHIP OF A NEW CAPTAIN

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Confidence & Trust





----- Disclaimer -----

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