Brief presentation of the L’Oréal Group in 2022 and key figures

**KEY FIGURES 2022**

**No1 IN BEAUTY**

- **150+ countries**
  International presence

- **36**
  International brands including 11 billionaire brands

- **114 years**
  Created in 1909

**€38.26 billion**

- **2022 sales** (+18.5% based on reported figures, +10.9% like-for-like(1))

- **€7.46 billion**
  Operating profit (19.5% of the sales)

- **€11.26**
  Net earnings per share(2) (on increase +27.6%)

- **€6.00**
  Dividend per share(3) (on increase +25%)

- **14% per year**
  Total annual shareholder return on L’Oréal shares over 10 years

- **€178.5 billion**
  Market capitalisation at 31/12/2022

**€1,139 million**

- Research and Innovation budget

- **561**
  patents

- **110**
  Group sites achieved carbon neutrality

- **97%**
  of the Group’s products are eco-designed

- **-57%**
  CO₂ emissions (industrial sites)

- **-6%**
  Water consumption (industrial sites)

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(1) Like-for-like: based on a comparable structure and identical exchange rates.
(2) Diluted net earnings per share excluding non-recurring items after non-controlling interests.
(3) Proposed at the Annual General Meeting of 21 April 2023.

* Versus 2019, see Chapter 4 of the 2022 Universal Registration Document.
The 5 geographic zones

- **3** Zones with sales of more than €10 billion
- **2** Zones promising future growth
- **+150** Countries international presence

**€10.16 billion** sales
- 26.6% share of Group sales
- +24.6% sales growth in 2022⁽¹⁾

**€11.44 billion** sales
- 29.9% share of Group sales
- +12.3% sales growth in 2022⁽¹⁾

**€38.26 billion** total sales
- +18.5% growth in sales in 2022⁽¹⁾

**€2.38 billion** sales
- 6.2% share of Group sales
- +34.1% sales growth in 2022⁽¹⁾

**€2.96 billion** sales
- 7.7% share of Group sales
- +28.1% sales growth in 2022⁽¹⁾

**€11.32 billion** sales
- 29.6% share of Group sales
- +14.8% sales growth in 2022⁽¹⁾

⁽¹⁾ Based on reported figures.
COMMENTS

Commenting on the figures, Nicolas Hieronimus, CEO of L’Oréal, said: “We achieved a remarkable performance this year, thanks to our innovation leadership, our highly desirable brands, our operational agility and the tremendous commitment of our teams. Comparable growth vs. 2019 accelerated quarter after quarter and reached +23% over the full year. Our balanced growth across Divisions and regions once again demonstrates the relevance of our multiscale model, strategically centralised and operationally decentralised with a strong entrepreneurial mindset; this model is ideally suited to the current environment. We have emerged stronger from 2022 and reinforced our position as the world’s leading beauty company. These high-quality results allow us to consistently support our social and environmental commitments, in line with our dual ambition of economic and corporate performance. Mindful of the current uncertainties, we remain ambitious for the future, optimistic about the outlook for the beauty market, and confident in our ability to keep outperforming the market and achieve in 2023 another year of growth in sales and profits.”

OVERVIEW OF THE RESULTS FOR 2022

- Sales: 38.26 billion euros,
  - +18.6% reported,
  - +10.9% like-for-like(2);
  - a comparable increase of +23.4% vs 2019.
- Strengthening global leadership in the beauty market.
- Well-balanced growth between volume and value: 28% of sales in e-commerce.
- Strong improvement in operating margin: 19.5% (+40 bps); operating profit: 7,456.9 million euros.
- Earnings per share(3): 11.26 euros, up by +27.6%.
- Dividend(4): 6.00 euros.
- Third employee share ownership plan successfully rolled out in more than 60 countries.

- L’Oréal For Youth: 25,000 work opportunities per year for under-30s.
- L’Oréal Fund for Women: already €30.8 million allocated to support over 1.2 million women in vulnerable situation throughout the world.
- Solidarity Sourcing programme benefiting 85,000 workers from discriminated communities.
- Sustainability leader: only company in the world to have been awarded a ‘AAA’ rating by CDP for seven years in a row; platinum medal by EcoVadis, which ranked L’Oréal in the global top 1% of best companies in terms of environmental and social performance.
- Named for the 13th year as one of the world’s most ethical companies by Ethisphere.

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(2) Like-for-like: based on a comparable scope of consolidation and identical exchange rates.
(3) Diluted earnings per share, based on net profit, excluding non-recurring items, after non-controlling interests.
(4) To be proposed at the Annual General Meeting of 21 April 2023.
2022 SALES

Consolidated sales(
€ millions)

Breakdown of sales
(€ millions)

BY OPERATIONAL DIVISION

BY GEOGRAPHIC ZONE

BY BUSINESS SEGMENT

BY CURRENCY

Operating profit
(€ millions)

Net profit excluding non-recurring items\(^{(2)}\) attributable to the owners of the company
(€ millions)

Earnings per share\(^{(3)}\)(€)

(1) "Other" includes hygiene products and sales made by American distributors with non-Group brands.

(2) Non-recurring items primarily include capital gains or losses on disposals of long-term assets, impairment of assets, restructuring costs and clearly identified, non-recurring income and expense items that are material to the consolidated financial statements. See note 11.4 of the Consolidated financial statements of the 2022 Universal Registration Document.

(3) Diluted earnings per share, based on net profit, excluding non-recurring items, after non-controlling interests.
OVERVIEW OF THE RESULTS FOR 2022

Sales amounted to 38.26 billion euros at 31 December 2022, up by +18.5% reported.

Like-for-like, i.e., based on a comparable scope of consolidation and identical exchange rates, the growth of L'Oréal group sales was +10.9%.

The net impact of changes in the scope of consolidation was +0.4%.

At the end of 2022, currency fluctuations had an impact of +7.2%.

Sales by Division and Geographic Zone

<table>
<thead>
<tr>
<th>€ millions</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>% 2022 sales</th>
<th>Like-for-like</th>
<th>Reported figures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>By Division</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Professional Products</td>
<td>3,097.3</td>
<td>3,783.9</td>
<td>4,476.8</td>
<td>11.7%</td>
<td>+10.1%</td>
<td>+18.3%</td>
</tr>
<tr>
<td>Consumer Products</td>
<td>11,703.8</td>
<td>12,233.5</td>
<td>14,021.3</td>
<td>36.6%</td>
<td>+8.3%</td>
<td>+14.6%</td>
</tr>
<tr>
<td>L’Oréal Luxe</td>
<td>10,179.9</td>
<td>12,346.2</td>
<td>14,638.1</td>
<td>38.3%</td>
<td>+10.2%</td>
<td>+18.6%</td>
</tr>
<tr>
<td>Active Cosmetics</td>
<td>3,011.1</td>
<td>3,924.0</td>
<td>5,124.5</td>
<td>13.6%</td>
<td>+21.9%</td>
<td>+30.6%</td>
</tr>
<tr>
<td><strong>Group total</strong></td>
<td>27,992.1</td>
<td>32,287.6</td>
<td>38,260.6</td>
<td>100%</td>
<td>+10.9%</td>
<td>+18.5%</td>
</tr>
<tr>
<td><strong>By geographic Zone</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>9,199.3</td>
<td>10,184.8</td>
<td>11,436.7</td>
<td>29.9%</td>
<td>+11.6%</td>
<td>+12.3%</td>
</tr>
<tr>
<td>North America</td>
<td>6,903.4</td>
<td>8,165.9</td>
<td>10,164.0</td>
<td>26.6%</td>
<td>+10.4%</td>
<td>+24.6%</td>
</tr>
<tr>
<td>North Asia</td>
<td>8,318.1</td>
<td>9,863.3</td>
<td>11,327.4</td>
<td>29.6%</td>
<td>+6.6%</td>
<td>+14.8%</td>
</tr>
<tr>
<td>SAPMENA – SSA(1)</td>
<td>2,101.9</td>
<td>2,312.0</td>
<td>2,962.1</td>
<td>7.7%</td>
<td>+22.0%</td>
<td>+28.1%</td>
</tr>
<tr>
<td>Latin America</td>
<td>1,469.3</td>
<td>1,771.5</td>
<td>2,376.2</td>
<td>6.2%</td>
<td>+16.6%</td>
<td>+34.1%</td>
</tr>
<tr>
<td><strong>GROUP TOTAL</strong></td>
<td>27,992.1</td>
<td>32,287.6</td>
<td>38,260.6</td>
<td>100%</td>
<td>+10.9%</td>
<td>+18.5%</td>
</tr>
</tbody>
</table>

(1) SAPMENA – SSA: South Asia Pacific, Middle East, North Africa, Sub-Saharan Africa.

Summary by Division

**Professional products**

The Professional Products Division recorded strong growth, at +10.1% like-for-like and +18.3% reported.

**Consumer products**

The Consumer Products Division posted its best growth in 20 years: +8.3% like-for-like and +14.6% reported.

**L’Oréal Luxe**

L’Oréal Luxe recorded strong growth, at +10.2% like-for-like and +18.6% reported, outperforming a global luxury beauty market that proved dynamic again this year.

**Active cosmetics(1)**

The Active Cosmetics Division ended the year with outstanding growth, at +21.9% like-for-like and +30.6% based on reported figures.

Summary by geographic Zone

**Europe**

The Zone achieved growth of +11.6% like-for-like and +12.3% reported.

**North America**

The Zone ended the year at +10.4% like-for-like and +24.6% reported reaching the 10 billion euro mark in sales.

**North Asia**

The Zone ended the year at +6.6% like-for-like and +14.8% based on reported figures.

**SAPMENA – SSA(2)**

The Zone grew strongly, at +22.0% like-for-like and +28.1% reported.

**Latin America**

The Zone posted strong growth, at +18.6% like-for-like and +34.1% based on reported figures.

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(1) "Dermatological Beauty" Division, as announced on 10 February 2023. Previously "Active Cosmetics" Division.

(2) SAPMENA – SSA: South Asia Pacific, Middle East, North Africa, Sub-Saharan Africa.
2022 CONSOLIDATED RESULTS

Operating profitability and consolidated income statement

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ millions</td>
<td>% 2020 sales</td>
<td>€ millions</td>
<td>% 2021 sales</td>
</tr>
<tr>
<td>Sales</td>
<td>27,992.1</td>
<td>100.0%</td>
<td>32,287.6</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-7,532.3</td>
<td>26.9%</td>
<td>-8,433.3</td>
<td>26.1%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>20,459.8</td>
<td>73.1%</td>
<td>23,854.3</td>
<td>73.9%</td>
</tr>
<tr>
<td>Research &amp; innovation expenses</td>
<td>-964.4</td>
<td>3.4%</td>
<td>-1,028.7</td>
<td>3.2%</td>
</tr>
<tr>
<td>Advertising and promotion expenses</td>
<td>-8,647.9</td>
<td>30.9%</td>
<td>-10,591.0</td>
<td>32.8%</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>-5,638.5</td>
<td>20.1%</td>
<td>-6,074.2</td>
<td>18.8%</td>
</tr>
<tr>
<td>OPERATING PROFIT</td>
<td>5,209.0</td>
<td>18.5%</td>
<td>6,160.3</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

Gross profit, at 27,683.3 million euros, came out at 72.4% of sales, compared with 73.9% in 2021, a difference of 150 basis points.

Research & innovation expenses, at 3% of sales, increased by more than +10%.

Advertising and promotion expenses accounted for 31.5% of sales, a decrease of 130 basis points.

Operating profit by Division(1)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ millions</td>
<td>% 2020 sales</td>
<td>€ millions</td>
<td>% 2021 sales</td>
</tr>
<tr>
<td>Professional Products</td>
<td>582</td>
<td>18.3%</td>
<td>607</td>
<td>21.3%</td>
</tr>
<tr>
<td>Consumer Products</td>
<td>2,388</td>
<td>20.4%</td>
<td>2,466</td>
<td>20.2%</td>
</tr>
<tr>
<td>L’Oréal Luxe</td>
<td>2,276</td>
<td>22.4%</td>
<td>2,316</td>
<td>22.8%</td>
</tr>
<tr>
<td>Active Cosmetics</td>
<td>766</td>
<td>25.4%</td>
<td>991</td>
<td>25.2%</td>
</tr>
<tr>
<td>DIVISIONS TOTAL</td>
<td>6,012</td>
<td>21.5%</td>
<td>7,080</td>
<td>21.9%</td>
</tr>
<tr>
<td>Non-allocated(2)</td>
<td>-403</td>
<td>-1.4%</td>
<td>-403</td>
<td>-1.4%</td>
</tr>
<tr>
<td>GROUP</td>
<td>5,609</td>
<td>18.4%</td>
<td>6,677</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

(1) Non-allocated = CentralGroup expenses, fundamental research expenses, revaluation of shares expenses and miscellaneous items.

The profitability of the Professional Products Division came out at 21.3%, stable compared with 2021.
The profitability of the Consumer Products Division came out at 19.8%, vs 20.2% in 2021.

The profitability of L’Oréal Luxe improved by 10 basis points, at 22.9%.

The profitability of the Active Cosmetics Division increased by 20 basis points to 25.4%.
Non-allocated expenses amounted to 926.1 million euros.

(1) In 2022, the operating margin was negatively impacted by -800bp in each division and by -700bp at group level.
(2) -200bp in each division, due to the reallocation of certain central costs to divisions, offset by symmetry by a 20bp decline in non-allocated expenses.
Net profit

Consolidated profit and loss accounts: from operating profit to net profit excluding non-recurring items:

<table>
<thead>
<tr>
<th>€ millions</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>5,209.0</td>
<td>6,160.3</td>
<td>7,456.9</td>
<td>+21%</td>
</tr>
<tr>
<td>Financial revenues and expenses excluding Sanofi dividends</td>
<td>-95.9</td>
<td>-99.6</td>
<td>-73.0</td>
<td></td>
</tr>
<tr>
<td>Sanofi dividends</td>
<td>372.4</td>
<td>378.3</td>
<td>468.2</td>
<td></td>
</tr>
<tr>
<td>Profit before tax excluding non-recurring items</td>
<td>5,485.5</td>
<td>6,478.9</td>
<td>7,852.1</td>
<td>+21.2%</td>
</tr>
<tr>
<td>Income tax excluding non-recurring items</td>
<td>-1,383.1</td>
<td>-1,535.6</td>
<td>-1,793.4</td>
<td></td>
</tr>
<tr>
<td>Net profit excluding non-recurring items of equity consolidated companies</td>
<td>-1.9</td>
<td>-0.6</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-4.2</td>
<td>-5.5</td>
<td>-6.1</td>
<td></td>
</tr>
<tr>
<td>Net profit excluding non-recurring items after non-controlling interests</td>
<td>4,099.0</td>
<td>4,938.5</td>
<td>6,054.1</td>
<td>+22.6%</td>
</tr>
<tr>
<td>EPS(3)(€)</td>
<td>7.30</td>
<td>8.82</td>
<td>11.26</td>
<td>+27.6%</td>
</tr>
<tr>
<td>NET PROFIT AFTER NON-CONTROLLING INTERESTS</td>
<td>3,561.4</td>
<td>4,597.1</td>
<td>5,706.6</td>
<td>+24.10%</td>
</tr>
<tr>
<td>Diluted EPS after non-controlling interests (€)</td>
<td>6.34</td>
<td>8.21</td>
<td>10.61</td>
<td></td>
</tr>
<tr>
<td>Diluted average number of shares</td>
<td>561,635,963</td>
<td>559,791,545</td>
<td>537,657,648</td>
<td></td>
</tr>
</tbody>
</table>

(1) Diluted earnings per share, based on net profit, excluding non-recurring items, after non-controlling interests.

Net finance costs amounted to 73 million euros.

Sanofi dividends totalled 468.2 million euros. This year, in addition to the annual dividend of 393.7 million euros, Sanofi paid an additional dividend-in-kind in the form of newly listed Eurocap shares for an amount of 74.5 million euros.

Income tax excluding non-recurrent items amounted to 1,793 million euros, representing a tax rate of 22.8%.

Net profit excluding non-recurring items after non-controlling interests stood at 6,054 million euros.

Earnings per share(1), at 11.26 euros, increased by +27.6%.

Non-recurring items after non-controlling interests(2) amounted to 347 million euros net of tax.

Net profit after non-controlling interests came out at 5,706 million euros, increasing by +24.1%.

Cash flow statement, Balance sheet and Cash position

Gross cash flow amounted to 7,289 million euros, an increase of +9.8%.

The working capital requirement increased by 1.010 million euros.
At 1,343.2 million euros, investments represented 3.5% of sales.

Net cash flow(3), at 4,935 million euros, decreased by 12.7%.
The balance sheet remains strong, with shareholders’ equity amounting to 27.2 billion euros.

Proposed dividend at the Annual General Meeting of 21 April 2023

The Board of Directors has decided to propose a dividend of 6.00 euros per share at the shareholders’ Annual General Meeting of 21 April 2023, an increase of +25% compared with the dividend paid in 2022. The dividend will be paid on 28 April 2023 (ex-dividend date 26 April at 0:00am, Paris time).

Share capital

At 31 December 2022, the capital of the company is formed by 535,186,562 shares.