

NEWS RELEASE

Clichy, 18 April 2024 at 6.00 p.m.

L'ORÉAL First quarter 2024 sales

A VERY GOOD START TO THE YEAR HIGH SINGLE DIGIT RHYTHM MAINTAINED

- **Sales: 11.24 billion euros**, +9.4% like-for-like¹, +8.3% reported.
- First quarter sales included a positive 130 million euro phasing impact ahead of the implementation of new IT systems in North America. **Adjusted like-for-like growth amounted to a strong +8.1%.**
- **Continued outperformance** in a global beauty market that remained dynamic.
- All Divisions grew with **stellar performances from the Consumer Products and Dermatological Beauty Divisions.**
- Particularly remarkable growth in **Europe and Emerging Markets.**
- Continued growth in **both, volume and value.**
- **7 innovations awards at the CES 2024** in Las Vegas confirm L'Oréal's Beauty Tech leadership.
- **Leading in diversity and inclusion:** the 2024 Equileap Gender Equality Report ranked L'Oréal number nine globally (out of 3,795 publicly listed companies in 27 markets) and number one in France.

Commenting on the figures, Nicolas Hieronimus, CEO of L'Oréal, said:

"2024 is off to a very good start with like-for-like growth of +9.4%, perfectly illustrating the power of our unique model. We are a pure player in beauty, a category that has once again proven its relentless growth capacity. Our multipolar approach to beauty - from luxury to mass, professional to dermatological, in all channels, all price points, and all geographies - allows us to seize all growth opportunities and offset temporary points of softness.

And the first quarter was perfect proof. Continued double-digit growth in Europe, coupled with ongoing strength in emerging markets more than offset the only gradual recovery in North Asia. The outstanding performances of dermatology and mass compensated the short-term challenges in luxury. All in all, adjusted for the favorable phasing in North America, our like-for-like growth was a strong +8.1%, not only maintaining our rhythm, but once again significantly outperforming the dynamic beauty market.

This remarkable performance also reflected the strength of our innovation, the power of our brands, as well as the engagement of our teams around the world.

In an environment that continues to be marked by economic and geopolitical tensions, we are optimistic about the outlook for the beauty market, and confident in our ability to keep outperforming it and to achieve another year of growth in sales and profit."

¹ Like-for-like: based on a comparable structure and identical exchange rates.

FIRST QUARTER 2024 SALES

In the first three months, **sales amounted to 11.24 billion euros**, up +8.3% reported.

Like-for-like, i.e., based on a comparable structure and identical exchange rates, sales grew by +9.4%.

The net impact of changes in the scope of consolidation was +2.4%.

Growth at constant exchange rates came out at +11.8%.

Currency fluctuations had a negative impact of -3.5% at the end of March 2024. If the exchange rates at 31 March 2024, i.e., €1 = \$1.0799, are extrapolated until 31 December, the impact of currency fluctuations on sales would be around -1.2% for the whole of 2024.

Sales by Division and Region

€m	Quarterly sales		Evolution	
	1 st quarter 2023	1 st quarter 2024	Like-for-like	Reported
<u>By Division</u>				
Professional Products	1,143.6	1,243.3	+10.7%	+8.7%
Consumer Products	3,821.5	4,172.8	+11.1%	+9.2%
Luxe	3,729.6	3,813.0	+1.8%	+2.2%
Dermatological Beauty	1,685.7	2,015.9	+21.9%	+19.6%
Group Total	10,380.4	11,245.0	+9.4%	+8.3%
<u>By Geographic Zone</u>				
Europe	3,327.6	3,733.2	+12.6%	+12.2%
North America	2,693.8	3,015.0	+12.3%	+11.9%
North Asia	2,833.8	2,722.7	-1.1%	-3.9%
SAPMENA – SSA ²	840.8	961.5	+16.4%	+14.4%
Latin America	684.4	812.6	+16.2%	+18.7%
Group Total	10,380.4	11,245.0	+9.4%	+8.3%

² SAPMENA – SSA: South Asia Pacific, Middle East, North Africa, Sub-Saharan Africa.

Summary by Division

PROFESSIONAL PRODUCTS

The Professional Products Division achieved robust growth of +10.7% like-for-like and +8.7% reported.

This included a positive phasing impact ahead of the implementation of new IT systems in North America, which accounted for slightly less than half of total growth of the Division.

Professional Products advanced across all regions with outstanding performances in North America, the United Kingdom, mainland China, Brazil and GCC³.

The Division continued to pursue its winning omnichannel strategy: growing in salons, accelerating in e-commerce and deploying its brands in the selective channel.

By category, haircare remained particularly dynamic thanks to strong consumer appetite for premium products; this was driven by the excellent start of *Première* by *Kérastase* and *Acidic Colour Gloss* by *Redken*, as well as the ongoing success of *Absolute Repair Molecular* and *Metal Detox* by *L'Oréal Professionnel*. In hair colour, growth was driven by the blockbuster *Shades EQ* by *Redken* and the promising relaunch of *Diacolor* by *L'Oréal Professionnel*.

The Division is pushing boundaries, offering new services to hairstylists with *K-Scan*, the latest beauty tech device by *Kérastase*, powered by AI to scan and diagnose hair and scalp condition.

CONSUMER PRODUCTS

The Consumer Products Division had an excellent start at +11.1% like-for-like and +9.2% reported.

Volume growth remained positive and value growth (combining price and mix) was robust, further advancing the Division's democratisation and premiumisation strategy.

All regions contributed, powered by a strong start in Europe and the continued boom in emerging markets, especially Mexico, Brazil, and Indonesia.

Each of the four major brands achieved double-digit growth.

Each of the categories also advanced in double-digits. Makeup grew significantly, boosted by *L'Oréal Paris Panorama* mascara, *Maybelline New York Superstay Lumi Matte foundation*, and *NYX Professional Makeup Duck Plump* lip gloss, the latter supported by a viral Super Bowl commercial. Haircare was the fastest growing category with *L'Oréal Paris Elvive* soaring thanks to the early success of *Glycolic Gloss*. Skincare significantly accelerated, boosted by the strong start of *L'Oréal Paris Bright Reveal*, *Garnier's* anti-acne innovations as well as *Vitamin C Daily UV fluid* and reinforced by the success of the mass medical brand *Mixa* in Europe.

LUXE

L'Oréal Luxe grew +1.8% like-for-like and +2.2% reported.

Strong growth in Europe and North America was partly offset by the softness in North Asia. In this region, the Division was penalised by an unfavourable comparison base in Travel Retail and sluggish market growth in mainland China, where the L'Oréal Luxe continued to grow ahead of the market.

Fragrances were, once again, the most dynamic category and L'Oréal Luxe continued to outperform the market thanks to the spectacular performance of Couture brands such as *Yves Saint Laurent*, *Valentino*, and *Prada*. In makeup, the Division returned to double-digit growth, driven by the unwavering strength of *Yves Saint Laurent*, notably with its new *Loveshine* lipstick, the roll-out of *Prada* makeup, and the promising launch of *Urban Decay's Face Bond*. In skincare, particularly noteworthy performances came from *Yves Saint Laurent* and *Takami*, which continues its gradual roll-out across North Asia.

³ GCC: Gulf Cooperation Council.

DERMATOLOGICAL BEAUTY

Dermatological Beauty reported spectacular growth of +21.9% like-for-like and +19.6% reported.

The Division maintained its strong momentum, advancing 1.6 times faster than its dynamic market, a clear vindication of its successful growth strategy.

By region, momentum was broad-based and well-balanced between developed and emerging markets as Dermatological Beauty pursued its global expansion.

By brand, *La Roche-Posay* remained the number one growth contributor, while *CeraVe* advanced strongly in both, the US and internationally – boosted by its highly successful Super Bowl campaign. *Vichy* had a successful start to the year, supported by its *Dercos* franchise and *Skinbetter Science* maintained its strong momentum in the US and was launched in Canada.

Two of the Division's key strengths are its ever-increasing medical leadership and unrivalled R&I backbone, driving regular launches of lifechanging innovations. The most recent example is *MelaB3*, which addresses localised pigmentation issues: 18 years in the making, formulated with the breakthrough, multi-patented *MelasyI™* molecule, and subject of over 120 scientific studies.

Summary by Region

EUROPE

Sales in Europe had a stellar start to the year with growth of +12.6% like-for-like and +12.2% reported.

In a market that remained buoyant, L'Oréal continued to outperform.

Growth was broad-based by country with particularly remarkable performances in the Germany-Austria-Switzerland, Spain-Portugal, and UK-Ireland hubs.

Momentum was strongest in the most valorised categories: skincare, fragrances, and premium haircare.

By Division, Consumer Products posted spectacular growth, thanks to the success of *L'Oréal Paris Elvive* in haircare, the dynamism of *Garnier* in skincare and the various makeup launches of the key brands. L'Oréal Luxe not only confirmed its overall market leadership, but further strengthened its position in both, men's and women's fragrances, thanks in particular to the success of *Yves Saint Laurent*, *Prada*, and *Valentino*. Dermatological Beauty continued its outstanding performance, significantly outperforming its market, with all brands contributing, once again demonstrating the complementarity of the Division's portfolio in this most dynamic part of the beauty market. The Professional Products Division benefited from highly successful launches by *Kérastase* and *L'Oréal Professionnel*.

NORTH AMERICA

Sales in North America saw robust growth of +12.3% like-for-like and +11.9% reported.

This included a significant positive phasing impact ahead of the implementation of new IT systems, which mostly benefited the Professional Products Division.

Amidst shifting market dynamics, growth remained robust, driven by strong online momentum, successful innovation, and a significant value contribution across all Divisions.

The Professional Products Division outperformed the market in haircare, led by strong innovations from the core *Redken* and *Kérastase* brands.

The Consumer Products Division outpaced the market in haircare, fueled by innovation from *L'Oréal Paris*; in makeup, *NYX Professional Makeup* grew strongly, boosted by the launch of *Duck Plump*.

Growth of L'Oréal Luxe continued to be fueled by fragrances, notably *Born in Roma* from *Valentino* and *MYSLF* from *Yves Saint Laurent*. In makeup, *Yves Saint Laurent* maintained high double-digit growth. Online sales continued to advance strongly.

Dermatological Beauty once again outpaced the market with tremendous growth of *La Roche-Posay* and continued strong momentum of *CeraVe* and *Skinbetter Science*.

NORTH ASIA

Sales in North Asia contracted -1.1% like-for-like and -3.9% reported.

While sequentially improving, Travel Retail continued to weigh on growth in the region, given year-on-year comparisons and sell-out trends. In mainland China, where the beauty market remained sluggish, L'Oréal significantly outperformed at +6.2%, supported by the breadth of its offer, whether by category, channel, or price point, as well as its innovation pipeline. Japan and Hong Kong SAR both benefited from the resurgence of tourism, posting double digit growth.

By Division, growth in North Asia was driven by Consumer Products in a dynamic mass market thanks to strong growth of *L'Oréal Paris*, notably *Age Perfect*. Dermatological Beauty was boosted by the strong acceleration of *CeraVe*, and Professional Products grew thanks to the ongoing success of *Kérastase*. L'Oréal Luxe continued to outgrow its market in mainland China, with momentum particularly strong for premium skincare, particularly *Helena Rubinstein*, and the Couture brands, including *Yves Saint Laurent*, *Maison Margiela*, *Prada* and *Valentino*.

SAPMENA-SSA²

Sales in SAPMENA-SSA saw outstanding growth of +16.4% like-for-like and +14.4% reported.

In SAPMENA growth was broad-based with all categories and Divisions advancing strongly and with value and volume both contributing.

By category, skincare was the most dynamic, led by Consumer Products and Dermatological Beauty; followed by haircare - which was well-balanced between mass and professional - and fragrances.

By Division, the most remarkable performances were in Consumer Products, where all categories grew in double-digits, and Dermatological Beauty, where *CeraVe* had another outstanding quarter.

By country, the main growth contributors were the Australia-New Zealand and GCC³ clusters as well as South-East Asia.

Online remained particularly dynamic across the region, notably in South-East Asia.

SSA saw remarkable growth. All countries advanced in double digits. All categories contributed, especially skincare and makeup. By Division, key contributors were Consumer Products and Dermatological Beauty.

LATIN AMERICA

Sales in Latin America saw outstanding growth of +16.2% like-for-like and +18.7% reported.

Growth was driven by a positive contribution from both value, and volume.

All of the core categories advanced in double-digits, led by haircare thanks to the spectacular growth in Consumer Products – followed by skincare and makeup.

All Divisions grew, led by Consumer Products and Dermatological Beauty. Consumer Products showed exceptional momentum with double-digit growth across all major categories, with *L'Oréal Paris* particularly dynamic; Dermatological Beauty was driven by the strong performances of *La Roche-Posay* and *CeraVe*.

By country, Mexico and Brazil were the top-two contributors, with Mexico showcasing exceptional growth exceeding +25%, making it the sixth growth contributor at Group level.

Sales progressed faster online than offline, driven primarily by online pure players.

IMPORTANT EVENTS SINCE THE LAST PUBLICATION

STRATEGY

- Following the successful collaboration with the *Prada* brand, L'Oréal and Prada S.p.A announced in February a **worldwide long-term license agreement for the creation, development, and distribution of the luxury beauty products for the Miu Miu brand**, that is now joining the L'Oréal Luxe Division. The first fragrances under L'Oréal are expected to be launched in 2025.

RESEARCH, BEAUTY TECH AND DIGITAL

- In March, L'Oréal announced the launch of **MelasyI™**, a breakthrough molecule designed to address localised pigmentation issues. L'Oréal's formulations containing this proprietary ingredient work inclusively, across all skin tones, to address pigmented marks on the skin and improve their appearance. MelasyI is the result of rigorous tests involving more than 120 scientific studies.
- In February, **Asmita Dubey, Chief Digital and Marketing Officer of L'Oréal** was named the World Federation of Advertisers '**Global Marketer of the Year**' for 2023.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

- In March, L'Oréal was recognised as a **Supplier Engagement Leader by global environmental non-profit CDP**. This recognition pays tribute to the commitment of over 450 companies to address climate change within their supply chain. This year marks the sixth consecutive year that L'Oréal has been recognized by the CDP for its sustainability commitments across its entire supply chain.
- In February, L'Oréal ranked among Top 10 most gender-equitable companies in the world and No.1 in France, according to the **2024 Equileap Gender Equality Report and Ranking**, which evaluated 3,795 publicly listed companies in 27 markets globally.

FINANCIAL INFORMATION

- On 19 March, the **2023 Universal Registration Document** was filed with the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), in ESEF format. It is available to the public under current regulatory conditions and may be found, in French and English, on the loreal-finance.com website (under Regulated Information / Universal Registration Document).
- The **Annual General Meeting of L'Oréal** will be held on Tuesday 23 April 2024 at 10 a.m. (Paris time).

"This news release does not constitute an offer to sell, or a solicitation of an offer to buy L'Oréal shares. If you wish to obtain more comprehensive information about L'Oréal, please refer to the public documents registered in France with the Autorité des Marchés Financiers, also available in English on our website www.loreal-finance.com.

This news release may contain some forward-looking statements. While the Company believes that these statements are based on reasonable assumptions as of the date of publication of this press release, they are by nature subject to risks and uncertainties which may lead to a discrepancy between the actual figures and those indicated or suggested in these statements."

About L'Oréal

For 115 years, L'Oréal, the world's leading beauty player, has devoted itself to one thing only: fulfilling the beauty aspirations of consumers around the world. Our purpose, to create the beauty that moves the world, defines our approach to beauty as essential, inclusive, ethical, generous and committed to social and environmental sustainability. With our broad portfolio of 37 international brands and ambitious sustainability commitments in our L'Oréal for the Future programme, we offer each and every person around the world the best in terms of quality, efficacy, safety, sincerity and responsibility, while celebrating beauty in its infinite plurality.

With more than 90,000 committed employees, a balanced geographical footprint and sales across all distribution networks (ecommerce, mass market, department stores, pharmacies, perfumeries, hair salons, branded and travel retail), in 2023 the Group generated sales amounting to 41.18 billion euros. With 20 research centers across 11 countries around the world and a dedicated Research and Innovation team of over 4,000 scientists and 6,400 Digital talents, L'Oréal is focused on inventing the future of beauty and becoming a Beauty Tech powerhouse. More information on <https://www.loreal.com/en/mediaroom>

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APPENDIX

Appendix: L'Oréal Group sales 2023/2024 (€ million)

	2023	2024
First quarter	10,380.4	11,245.0
Second quarter	10,193.7	
First half total	20,574.1	
Third quarter	10,003.1	
Nine months total	30,577.2	
Fourth quarter	10,605.3	
Full year total	41,182.5	