



L'ORÉAL

HALF-YEAR FINANCIAL REPORT AT 30 JUNE 2025

Contents

1	Activity Report	4
1.1	The Group consolidated	4
1.2	Segment information	6
1.3	Important events and post-closing events	9
1.4	Risk factors and transactions between related parties	10
1.5	Prospects	10
2	2025 Condensed Consolidated Financial Statements	11
2.1	Compared consolidated income statements	12
2.2	Consolidated statement of comprehensive income	13
2.3	Compared consolidated balance sheets	14
2.4	Consolidated statements of changes in equity	15
2.5	Compared consolidated statements of cash flows	17
2.6	Notes to the condensed consolidated financial statements	18
3	Statutory auditors' review report on the 2025 half-year financial information	37
4	Declaration by the person responsible for the 2025 half-year financial report	38

L'ORÉAL

Half-year Financial Report at 30 June 2025

HALF-YEAR SITUATION AT 30 JUNE 2025

The following statements have been examined by the Board of Directors of 29 July 2025 and have been the object of a limited review by the Statutory Auditors.

This is a free translation into English of the L'Oréal 2025 Half-year Financial Report issued in the French language and is provided solely for the convenience of English speaking readers. In case of discrepancy the French version prevails.

1 — Activity Report

It should be noted that L'Oréal's half-year results are not representative of the full-year results.

1.1 The Group consolidated

In the first six months, **sales amounted to 22.47 billion euros**, up +1.6% reported.

Like-for-like, i.e., based on a comparable structure and identical exchange rates, sales grew by +3.0%.

The net impact of changes in the scope of consolidation was +0.5%.

Growth at constant exchange rates came out at +3.5%.

Currency fluctuations had a negative impact of - 1.9% at the end of June 2025. If the exchange rates on 30 June 2025, i.e., €1 = \$1.1718, were extrapolated until 31 December, the impact of currency fluctuations on sales would be around -3.7% for the whole of 2025.

1.1.1 Consolidated income statements

Gross profit amount to 16,780.7 million euros, resulting in a very healthy margin of 74.7%. The slight 10 basis point decline versus last year reflected a number of factors, including adverse currency movements and tariffs.

Research & Innovation expenses, at 671.7 million euros, came out at 3.0% of sales, in line with the long-term average.

Advertising and promotion expenses, at 7,177.0 million euros, amounted to 31.9% of sales, a decrease of 20 basis points. On a comparable base, A&P investments are increasing at +2.5%, with increase both behind consumer engagement and shopper experience.

Selling, general and administrative expenses, at 4,191.9 million euros, stood at 18.7% of sales, a decrease of 20 basis points, reflecting the Group's continued focus on cost control and operational efficiencies.

Overall, operating profit increased by +3.1% to 4,740.1 million euros, equivalent to 21.1% of sales, an increase of 30 basis points compared to the first half of 2024.

All four Divisions reported operating margins in excess of 22%. Three of them reached record first half margins:

- The profitability of **Professional Products** came in at 22.4%, up 30 basis points.
- **Consumer Products** improved their profitability by 50 basis points to 22.5%.

- **L'Oréal Luxe** increased its margin by 40 basis points to 22.3%.

- The margin of **Dermatological Beauty** stood at 28.2%, 70 basis points below last year as we are progressively reducing the existing imbalance between the two halves.

Non allocated expenses, consisting mainly of central Group expenses, fundamental research expenses were down by 10 basis points at 2.3% of sales.

Overall financial expenses came out at 102.2 million euros, down 10 base points.

Sanofi dividends amounted to 347.6 million euros, a 22% decline compared to 2024, reflecting the sale of a 2.1% stake earlier this year.

Income tax excluding non-recurring items came out at 1,196.3 million euros, i.e. a tax rate of 24.0%.

Net profit excluding non-recurring items after non-controlling interests ⁽¹⁾ came out at 3,783 million euros.

Earnings per share ⁽²⁾, at 7.07 euros, increased by +1.2% compared with the first half of 2024.

Non-recurring items amounted to a negative 415 million euros, compared to a negative 89 million euros in the first half of 2024.

(1) Net profit excluding non-recurring items, after non-controlling interests, excludes mostly capital gains and losses on disposals of longterm assets, impairment of assets, restructuring costs, tax effects and non-controlling interests

(2) Diluted net profit per share, excluding non-recurring items, after non-controlling interests.

Other income and expenses stood at 268.9 million euros and included:

- Restructuring costs of 93.4 million euros.
- Costs related to some products litigations amounting to 85.3 million euros.
- The impact of the disposal of Carol's Daughter amounting to 41.2 million euros.

Non-recurring tax items came in at 146.1 million euros, including the impact of 197.7 million euros in the first half for the exceptional, temporary surcharge approved by French Parliament earlier this year.

1.1.2 Cash flow statements / balance sheet

CASH FLOW STATEMENT

€ millions	30.06.2025	30.06.2024	31.12.2024	Change	% Change
Net profit	3,372.2	3,658.9	6,416.5	-286.7	-7.8%
Depreciation, amortisation and provisions	859.1	769.7	1,855.3	89.4	
Capital gains / losses on disposal of assets, deferred taxes, others	134.3	83.3	238	51.0	
Share of profit in associates net of dividends received	2.5	2.2	2.9	0.3	
Gross operating margin	4,368.0	4,514.0	8,512.6	-146	-3.2%
Changes in working capital	-860.9	-1,745.8	-226.6	884.8	
Investments	-765.8	-781.2	-1,641.7	15.3	
Operating net cash flow	2,741.3	1,987.1	6,644.3	754.2	+38%
Dividends paid	-3,840.7	-3,605.9	-3,614.9	-234.8	
Acquisitions	-738.7	-138.0	-148.9	-600.7	
Lease debt repayment	-229.1	-235.4	-474.3	6.3	
Acquisitions of treasury stock	-501.6	0.0	-497.5	-501.6	
Capital increase	1.2	0.0	69.9	1.2	
Financial investments	2,877.7	-31.8	-1,927.2	2,909.5	
Residual cash flow	310.2	-2,023.9	51.4	2,334.1	

The **gross operating margin** amounts to 4,368.0 million euros, a decrease of -146 million euros or -3.2% compared to the June 2024 level of 4,514.0 million euros.

Operating net cash flow⁽¹⁾ stands at 2,741.3 million euros, an increase of 754.2 million euros or +38% compared to the previous year's level of 1,987.1 million euros, primarily due to an improvement in working capital requirement of 884.8 million euros slightly offset by a decrease in the gross operating margin by -146 million euros.

The **change in working capital** requirement generated a cash consumption of 860.9 million euros over the period, but it was 884.8 million euros lower than in June 2024. This improvement compared to June 2024 is mainly due to a significant change in the fair value of foreign exchange derivatives, generating a working capital improvement of 449.4 million euros. The position of other working capital components also improved compared to June 2024: inventories by 109.1 million euros, trade receivables by 62.2 million euros, and trade payables by 81.7 million euros.

Investments amount to 765.8 million euros, stable compared to June 2024. They represent 3.4% of sales, which is -10 basis points less than in June 2024 (3.5%).

In June 2025, **acquisitions** represented a cash outflow of -738.7 million euros, primarily consisting of the acquisition of DrG in Korea and the minority stake in the SkinSpirit clinic network in the United States.

Financial investments represented a cash inflow of 2,877.7 million euros, of which 3,000 million euros were related to the divestment of 2.1% of Sanofi shares.

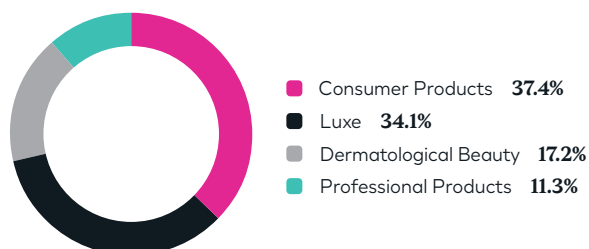
The **share buyback program** for -501.6 million euros took place in the first half of 2025. This program was carried out in 2024 in the second half.

Residual cash flow amounts to 310.2 million euros compared to -2,023.9 million euros in June 2024, improving mainly due to a favorable impact related to the divestment of Sanofi shares, slightly offset by the cash outflow linked to the share buyback program operated during the first half of the period.

(1) Operating cash flow = Gross cash flow + changes in working capital - capital expenditure.

1.2 Segment information

1.2.1 Turnover by Division



The Professional Products Division posted growth of +6.5% like-for-like and +4.9% reported.

Sales grew across all regions with a particularly strong contribution from Europe as well as emerging markets where growth was in the mid-teens.

Professional Products continued to gain market share. This was fueled by both its successful omnichannel strategy with accelerating performances in e-commerce and selective distribution, and its focus on reanimating the salon market through tailored salon services.

The Division continued to outperform a premium haircare market that remains dynamic. Momentum was strong across all major brands with another stand-out performance from *Kérastase*. It was driven by blockbuster franchises like *Genesis* by *Kérastase*, *Metal Detox* by *L'Oréal Professionnel*, *Acidic Bonding Concentrate* by *Redken*, and *Food for Soft* by *Matrix*, as well as the successful launch of *Gloss Absolu* by *Kérastase*.

In hair colour, where market growth was negative, Professional Products continued to innovate with the launch of *Matrix SuperSync* and the successful relaunch of *Majirel*.

In June, L'Oréal signed an agreement to acquire *Color Wow*, one of the world's fastest growing and most innovative professional haircare brands, to further strengthen its foothold in the premium haircare and styling categories.

The Consumer Products Division posted growth of +2.8% like-for-like and +1.1% reported.

Growth was perfectly balanced between volume and price/mix, reflecting the Division's strategy to "democratise and premiumise the best of beauty".

Emerging markets remained key growth drivers with double-digit increases in Brazil and Mexico as well as India and the GCC⁽¹⁾. The Division reported solid progress in Europe, where the market remains dynamic and showed very encouraging signs of a sequential acceleration in North America.

Consumer Products continued to deliver double-digit growth in haircare, fueled by successful launches such as

Growth Booster from *L'Oréal Paris* and *Keratin Sleek* from *GarnierFructis*. Momentum remained dynamic in hair colour thanks to *Garnier Color Sensation*, an innovation at an accessible price point. Skincare was boosted by the early success of *Garnier Pimple Patch* with both men and women, as well as *Revitalift Laser serum*, *L'Oréal Paris'* latest anti-aging innovation. In a temporarily less dynamic makeup market, the Consumer Products Division reinforced its position thanks to a step-up in innovation, including *L'Oréal Paris' Paradise Big Deal*, *Plump Ambition* and *Infallible spray* or *NYX Professional Makeup's Lip I.V.*

Each of the Division's international brands grew. Pursuing its European rollout, *Mixa* continued to deliver exceptional growth.

L'Oréal Luxe posted growth of +2.0% like-for-like and +1.0% reported.

Growth was robust in mature markets with particularly strong performances in the Germany-Austria-Switzerland and Spain-Portugal clusters and very dynamic in emerging markets, up in double digits. The Division outperformed the selective market - which remains difficult - in all categories. It continued to outpace the market in all regions, reaffirming its consistent outperformance in Europe, North America and North Asia.

L'Oréal Luxe further cemented its global fragrance leadership, fueled by feminine and masculine Couture blockbusters such as *Libre* and *MYSLF* by *Yves Saint Laurent*, *Born in Roma Donna* and *Uomo* by *Valentino*, *Paradoxe* by *Prada*, and *Emporio Armani*. Growth in the category was further supported by strong momentum from the likes of *Wanted* by *Azzaro* or the *Maison Margiela Fragrance Collection*.

In makeup, momentum continued to be driven by the Couture brands. *Yves Saint Laurent* confirmed its global appeal with successful launches like *Make Me Blush* and *The Inks*, alongside key pillars like *Touche Eclat* and *YSL Loveshine*. *Prada* and *Valentino* pursued their rollout, both growing in double digits.

Aesop maintained its dynamic double-digit growth.

In June, L'Oréal signed an agreement to acquire a majority stake in British premium skincare brand *Medik8*, adding a science-backed premium brand with strong potential for global growth to the Division's portfolio.

Dermatological Beauty posted growth of +3.1% like-for-like and +1.7% reported.

In sell-out, the Division continued to outperform the global dermo-cosmetics market that remained robust despite the slowdown in the US. This was driven by a step-up in innovation and boosted by particularly strong momentum online.

As anticipated, sell-in was impacted by a particularly challenging comparison base due to last year's sun care phasing.

(1) GCC: Gulf Cooperation Council

La Roche-Posay was, once again, the Division's biggest growth contributor, powered by the ongoing success of key pillars such as *Cicaplast* and the *Mela B3* anti-pigmentation range.

SkinCeuticals maintained its double-digit growth, propelled by the expansion of *P-Tiox* and its most recent *HA Intensifier* innovation.

CeraVe continued to gain share in emerging markets as well as mainland China – and is regaining traction in the US, its number one market. The brand's reacceleration

plan is starting to pay off, building on the recent moisturiser innovation and haircare entry.

Vichy was driven by the exceptional growth of *Dercos*, which is becoming a key pillar for the brand.

Sales in mainland China and emerging markets increased in double digits. In North America, where the market continued to decelerate, the Division outperformed in sell-out. Europe was adversely impacted by last year's sun care phasing.

1.2.2 Operating profit by Division

	30.06.2024		31.12.2024		30.06.2025	
	€ millions	% of sales	€ millions	% of sales	€ millions	% of sales
By Division						
Professional Products	536.7	22.1%	1 086.2	22.2%	571.5	22.4%
Consumer Products	1,833.2	22.0%	3 376.4	21.1%	1,893.5	22.5%
Luxe	1,661.2	21.9%	3 469.7	22.3%	1,708.9	22.3%
Dermatological Beauty	1,097.4	28.9%	1 832.7	26.1%	1,087.1	28.2%
Total Divisions	5,128.5	23.2%	9 765.0	22.5%	5,261.1	23.4%
<i>Non-allocated⁽¹⁾</i>	- 529.4	- 2.4%	- 1 077.5	- 2.5%	- 520.9	- 2.3%
GROUP	4,599.1	20.8%	8 687.5	20.0%	4,740.1	21.1%

(1) Non-allocated expenses = central Group expenses, fundamental research expenses, free grant of shares expenses and miscellaneous items.

The L'Oréal group is managed on an annual basis. This means that half-year operating profits cannot be extrapolated for the whole year.

The profitability of the **Professional Products Division** came out at 22.4% of sales, up 30 basis points.

The profitability of the **Consumer Products Division** came out at 22.5% of sales, up 50 basis points.

The profitability of the **Luxe Division** came out at 22.3% of sales, up 40 basis points.

The profitability of the **Dermatological Beauty Division** came out at 28.2% compared to 28.9% in the first half of 2024.

Sales in Europe grew +3.4% like-for-like and +3.4% reported.

L'Oréal maintained particularly strong momentum in the Spain-Portugal and Germany-Austria-Switzerland clusters, as well as across most of Central Europe. The market in Europe slowed as expected, all the while remaining above pre-Covid levels.

The Group outpaced the market in the online channel, which helped drive recruitment of new consumers.

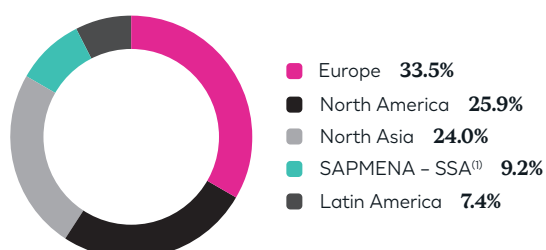
Led by *Kérastase*, sales in the Professional Products Division advanced significantly, fuelled by the continued dynamism in the premium haircare segment.

The Consumer Products Division maintained its strong momentum in hair, driven by *L'Oréal Paris Elsève* as well as the launch of *Garnier Fructis Curl Method*. In a makeup market that slowed after several years of strong growth, the Division outperformed, notably thanks to the *NYX Professional Makeup* brand. In body care, *Mixa* maintained its spectacular trajectory as it pursued its roll-out across the region.

L'Oréal Luxe grew well ahead of the market, driven by the ongoing success of the Couture brands and fuelled by men's fragrances, especially *Armani Stronger with You* and *Valentino Born in Roma Uomo*, and makeup, including *Make Me Blush* from Yves Saint Laurent and *Lash Idole Flutter* mascara from Lancôme.

In Dermatological Beauty, sell-in was – as anticipated – significantly penalised by last year's sun care phasing, notably for *La Roche-Posay*; the brand achieved solid growth across the rest of its portfolio. Boosted by new launches, including the highly successful *P-Tiox*, *SkinCeuticals* grew strongly.

1.2.3 Sales by geographic zone



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

Sales in North America grew +2.0% like-for-like and +0.4% reported.

Market conditions showed clear signs of improvement in the second quarter.

Growth in Professional Products was fueled by the ongoing strength of the premium haircare segment, where *Kérastase* advanced in double digits thanks to its omnichannel strategy, key pillars and *Gloss Absolu* launch. Momentum started to build behind *Matrix* with promising first results of its *Super Sync* launch.

In Consumer Products, haircare remained the most dynamic category with *L'Oréal Paris* advancing in double digits. In a challenging context for makeup, the Division outpaced the market across multiple sub-categories with strong innovation-driven growth, led by *Maybelline New York* and *L'Oréal Paris*.

L'Oréal Luxe maintained dynamic growth in fragrances, outpacing the market, thanks to new launches like *Born in Roma Extradose* from *Valentino*, *MYSLF L'Absolu* from *Yves Saint Laurent* and *Stronger with You* from *Armani*. Momentum in makeup was led by *Yves Saint Laurent*.

In Dermatological Beauty, *CeraVe* has been gradually improving thanks to its hair and skincare launches; *SkinCeuticals* continued to benefit from the highly successful *P-Tiox* roll-out.

Sales in North Asia contracted, -1.1% like-for-like and -1.5% reported.

Excluding Travel Retail, growth in North Asia was slightly positive.

Growth in mainland China - adjusted for the phasing related to the IT transformation - reversed from a slight decline in the first quarter to around +3% in the second with all Divisions positive. L'Oréal outperformed a broadly stable market with particularly impressive performances in Dermatological Beauty and Professional Products. During the 6.18 shopping festival, L'Oréal outpaced a more dynamic market. In Japan, the Group benefited from a recovery of inbound tourism and steady consumption from locals.

In North Asia, Professional Products outpaced the market, boosted by the continued success of *Kérastase*. Consumer Products under-performed a broadly stable market; recently acquired Korean skincare brand *Dr. G* has been consolidated for the first time. Luxe was on par with the market; the strength of its Couture brands - *Yves Saint Laurent*, *Prada*, *Valentino* and *Maison Margiela* - as well as *Aesop* offset weakness in skincare. Dermatological Beauty continued to grow in double digits with each of the key brands - *SkinCeuticals*, *La Roche-Posay* and *CeraVe* - contributing.

Sales in SAPMENA-SSA⁽¹⁾ grew +10.4% like-for-like and +9.2% reported.

In SAPMENA, growth was broad-based with all Divisions and categories contributing. It was driven by a positive impact from mix and volume - aligned with the region's strategy of conquering new consumers.

By Division, Dermatological Beauty delivered particularly strong growth, driven by *La Roche-Posay* and *CeraVe*. The Luxe Division's performance was powered by *Yves Saint Laurent* and *Armani*.

By category, haircare, fragrance and makeup sales increased in double digits. In haircare, momentum was balanced across the professional and mass channel, the latter powered by successful *Elève* launches. Fragrances grew strongly in all countries, fueled by the couture brands. The rebound of makeup continued, boosted by new launches.

By country, progress was strongest in India, Thailand, the Australia-New Zealand cluster, the GCC⁽²⁾ as well as Vietnam.

Across the region, online remained the key growth driver, notably in India and South-East Asia.

Sub-Saharan Africa (SSA) delivered another quarter of dynamic and broad-based growth, which was driven by both volume and mix. It was broad-based across all Divisions with Consumer Products and Dermatological Beauty the key contributors. Skincare and haircare achieved remarkable growth driven by *CeraVe* and *L'Oréal Paris*.

Sales in Latin America grew +10.3% like-for-like and -1.0% reported.

Growth was driven by both volume and value, consistent with the region's focus on consumer recruitment and consumers' growing desire for more sophisticated products.

All Divisions advanced. Professional Products and Luxe continued to deliver exceptional growth, fueled by ongoing market dynamism, notably in premium haircare and fragrances, as well as the strong innovation pipeline. Consumer Products continued to grow strongly with Mexico and Brazil particularly dynamic and all key brands contributing.

The most dynamic categories were fragrances and haircare, followed by makeup.

Progress was broad-based across all countries, with Mexico, Brazil and Chile the three leading contributors - all advancing in double digits. Argentina returned to positive territory.

Online continued to be a key growth driver for the region, allowing L'Oréal to reach new consumers.

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

(2) GCC: Gulf Cooperation Council

1.3 Important events and post-closing events

Strategy

- In February, L'Oréal announced an exclusive long-term beauty partnership with JACQUEMUS, further strengthened by a minority investment supporting their independent development.
- In June, L'Oréal signed an agreement to **acquire US prestige haircare brand Color Wow**. Still true to its professional origins, the brand – one of the fastest-growing and most innovative in its industry – is now omnichannel. The acquisition will further strengthen L'Oréal's Professional Products portfolio.
- In June, L'Oréal signed an agreement to **acquire a majority stake in British premium skincare brand Medik8**. The acquisition will add a science-backed premium brand with strong potential for global growth to L'Oréal's Luxe portfolio.

Research, Beauty Tech and Digital

- In February, L'Oréal inaugurated its new US Research & Innovation Centre, the largest R&I hub outside France. The 600+ scientists are innovating locally to inspire the world, powering US iconic brands such as Maybelline New York, CeraVe, Kiehl's, with cutting-edge science and technology.
- L'Oréal was named **most innovative company in Europe** by Fortune's first-ever ranking of the continent's 300 most forward-thinking businesses.
- At its inaugural **Longevity** event, L'Oréal unveiled *L'Oréal Longevity Integrative Science™* to empower consumers to shift from corrective to preventive care – backed by cutting-edge science.
- L'Oréal and **NVIDIA** announced a collaboration to unlock the potential of AI across multiple aspects of beauty, leveraging the NVIDIA AI Enterprise platform for rapid development and deployment of AI.
- At **Viva Technology in Paris**, L'Oréal showcased its latest innovations, including vertical farming technology for AI-enabled cultivation of plant-based ingredients; *Yves Saint Laurent Beauty Hyper Look Studio*; and *L'Oréal Paris Beauty Genius* with Agentic AI and WhatsApp integration.
- L'Oréal broke a group record winning 11 awards at the acclaimed **Cannes Lions International Festival of Creativity 2025**. The 6 winning brands were *L'Oréal Paris*, *Garnier*, *Prada*, *Kiehl's*, *Yves Saint Laurent* and *CeraVe*. *L'Oréal Paris* won the coveted Grand Prix Film award, in addition to 4 other Cannes Lions for its 'The Final Copy of Ilon Specht' short docufilm by Oscar winning Ben Proudfoot, in partnership with Amazon Prime.

Environmental, social and governance performance

- **L'Oréal achieved a ninth consecutive CDP triple 'A' score**, demonstrating its commitment to leadership and transparency in climate, forests and water security.
- L'Oréal was ranked in 18th position of the *2025 Equileap Women's equality in the workplace - Top 100 Ranking* which evaluated 3,547 publicly listed companies in 24 developed markets across 19 criteria.
- For the 16th time, L'Oréal has received the *2025 World's Most Ethical Companies* recognition by Ethisphere. In 2025, 136 honourees were recognised, spanning 19 countries and 44 industries. L'Oréal's score this year is above the average of the other honourees across all dimensions evaluated.
- In March, the Group launched *L'Oréal Act for Dermatology*, a €20 million, five-year programme led by the Dermatological Beauty Division, which aims to democratise access to skin health in support of the 2.1 billion people worldwide living with skin conditions.
- On World Refill Day (16 June), several of L'Oréal's brands championed **refillable beauty** in a campaign encouraging consumers to embrace refills and contribute to a more sustainable future.
- L'Oréal opened the first call for applications for its newly launched **Sustainable Innovation Accelerator**. Endowed with €100 million over 5 years, it is designed to address the critical solution gaps within the industry and accelerate the delivery of L'Oréal's sustainability ambitions.
- In July, L'Oréal was recognised as a **Supplier Engagement Leader by global environmental non-profit CDP** for the 7th consecutive year, paying tribute to its commitment to address climate change within its supply chain.
- L'Oréal completed its fifth **employee share ownership plan**, allowing employees to purchase L'Oréal shares and more closely participate in the company's development.
- At the **27th L'Oréal-UNESCO For Women in Science International Awards**, Fondation L'Oréal and UNESCO awarded five scientists for their contributions to physical sciences, mathematics and computer science.

Financial information

- On 24 March, the 2024 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](https://www.loreal-finance.com) website (under Regulated Information / Universal Registration Document).
- The **Annual General Meeting of L'Oréal** was held on Tuesday 29 April 2025 at 10 a.m. (Paris time). **All proposed resolutions were adopted.**

Others

- L'Oréal has been included in the top 50 'All-Stars' in Fortune and Korn Ferry's annual ranking of the World's Most Admired Companies, where it ranked first in France and in the European Consumer category.
- In April, L'Oréal entered a mandate with an investment services provider to purchase its own shares, under the authorisation approved by the AGM of 23 April 2024, between then and 30 June 2025 with a maximum of 500 million euros or 2 million shares. The shares repurchased are intended to be cancelled.
- Delphine Viguiet-Hovasse has been appointed **L'Oréal's first ever Chief Innovation & Prospective Officer**. She assumed her new responsibilities on 1st July 2025 and has joined the Group's Executive Committee.
- L'Oréal has been recognized as a **TIME 100 Most Influential Company** under the "Titans" category.
- L'Oréal successfully completed its inaugural **issuance on the American bond market** for a total principal amount of 1 billion dollars, due 20 May 2035, with a coupon of 5.00%. This issue is rated AA (Stable) by S&P and Aa1 (Stable) by Moody's. L'Oréal will use the net proceeds for general corporate purposes.

1.4 Risk factors and transactions between related parties

1.4.1 Risk factors

The risk factors are the same type as those described in section 3.6. of the 2024 Universal Registration Document, which do not present any significant change over the first half of 2025.

The amounts relating to the financial and market risks as at 30 June 2025 are described in Note 9 to the financial statements in the summary half-year consolidated financial statements in this Report.

1.4.2 Transactions between related parties

Transactions between the companies consolidated under the equity method do not represent a significant amount at 30 June 2025.

Moreover, over the first six months of 2025, there was no significant transaction concluded with a member of the management bodies or a shareholder with substantial influence over the Group.

1.5 Prospects

Commenting on these half-year results, Nicolas Hieronimus, CEO of L'Oréal, said:

"As anticipated, L'Oréal's like-for-like growth accelerated between first and second quarter⁽¹⁾. The ongoing strength in emerging markets, the slight rebound in mainland China and the gradual recovery in North America more than offset the expected slowdown in Europe, once again validating our multi-polar model.

The acceleration was supported by a gradual improvement in global beauty market growth, which we expect to continue in the next two quarters. And it was boosted by the early success of our Beauty Stimulus Plan – which will become ever more impactful as we continue to

roll-out our most recent blockbusters and as we have many exciting launches in the second half of the year.

Our operating margin increased by 30 basis points in the first half, particularly thanks to rigorous management of our operating expenses; our numerous initiatives in the second half will benefit from strong brand support, notably our major upcoming launches, including the new Prada men's fragrance and the first Miu Miu fragrance.

I am confident that we will continue to outperform the global beauty market – which we expect to grow, even amidst the current economic and geopolitical tensions – and to achieve another year of growth in sales and an increase in our profitability."

⁽¹⁾ Adjusted for the phasing related to the 2024 and 2025 IT transformation.

2 — 2025 Condensed Consolidated Financial Statements

2.1	Compared consolidated income statements	12
2.2	Consolidated statement of comprehensive income	13
2.3	Compared consolidated balance sheets	14
2.4	Consolidated statements of changes in equity	15
2.5	Compared consolidated statements of cash flows	17
2.6	Notes to the condensed consolidated financial statements	18

2.1 Compared consolidated income statements

€ millions	Notes	1 st half 2025	1 st half 2024	2024
Net sales	3.1	22,473.3	22,120.8	43,486.8
Cost of sales		-5,692.6	-5,568.7	-11,227.0
Gross profit		16,780.7	16,552.1	32,259.8
Research & Innovation expenses		-671.7	-667.3	-1,354.7
Advertising and promotion expenses		-7,177.0	-7,109.1	-14,008.9
Selling, general and administrative expenses		-4,191.9	-4,176.6	-8,208.7
Operating profit	3.1	4,740.1	4,599.1	8,687.5
Other income and expenses	4	-268.9	-103.4	-437.7
Operational profit		4,471.2	4,495.7	8,249.8
Finance costs on gross debt		-181.0	-185.7	-373.4
Finance income on cash and cash equivalents		83.7	83.9	148.7
Finance costs on net debt		-97.4	-101.8	-224.7
Other financial income and expenses		-4.8	-29.3	-36.7
Sanofi dividends		347.6	444.5	444.5
Profit before tax and associates		4,716.6	4,809.2	8,432.9
Income tax		-1,342.4	-1,149.5	-2,015.1
Share of profit in associates		-2.0	-0.8	-1.3
Net profit		3,372.2	3,658.9	6,416.5
Attributable to:				
• owners of the Company		3,368.0	3,655.6	6,408.7
• non-controlling interests		4.2	3.3	7.8
Earnings per share attributable to owners of the Company (euros)		6.31	6.84	11.99
Diluted earnings per share attributable to owners of the Company (euros)		6.29	6.82	11.95
Earnings per share attributable to owners of the Company, excluding non-recurring items (euros)	10.3	7.08	7.00	12.70
Diluted earnings per share attributable to owners of the Company, excluding non-recurring items (euros)	10.3	7.07	6.98	12.66

2.2 Consolidated statement of comprehensive income

€ millions	Notes	1 st half 2025	1 st half 2024	2024
Consolidated net profit for the period		3,372.2	3,658.9	6,416.5
Cash flow hedges		266.3	-39.1	-77.1
Cumulative translation adjustments ⁽²⁾		-1,045.9	206.9	260.6
Income tax on items that may be reclassified to profit or loss ⁽¹⁾		-46.0	2.6	4.1
Items that may be reclassified to profit or loss		-825.6	170.5	187.7
Financial assets at fair value through other comprehensive income	8.3	-418.8	-2.1	1,144.9
Actuarial gains and losses	5.1	89.3	210.1	154.2
Income tax on items that may not be reclassified to profit or loss ⁽¹⁾		-9.4	-54.3	-72.5
Items that may not be reclassified to profit or loss		-338.9	153.7	1,226.6
Other comprehensive income		-1,164.4	324.1	1,414.3
CONSOLIDATED COMPREHENSIVE INCOME		2,207.7	3,983.0	7,830.8
Attributable to:				
• owners of the Company		2,204.4	3,979.7	7,823.2
• non-controlling interests		3.3	3.3	7.5

(1) The tax effect is as follows:

€ millions	1 st half 2025	1 st half 2024	2024
Cash flow hedges	-46.0	2.6	4.1
Items that may be reclassified to profit or loss	-46.0	2.6	4.1
Financial assets at fair value through other comprehensive income	13.5	-1.1	-33.3
Actuarial gains and losses	-23.0	-53.2	-39.2
Items that may not be reclassified to profit or loss	-9.4	-54.3	-72.5
TOTAL	-55.4	-51.6	-68.3

(2) Mainly the USD/Euro rate.

2.3 Compared consolidated balance sheets

ASSETS

€ millions	Notes	30.06.2025	30.06.2024	31.12.2024
Non-current assets		36,320.7	36,430.2	39,879.9
Goodwill	6	12,983.0	13,235.1	13,382.0
Other intangible assets	6	4,529.7	4,441.2	4,594.8
Right-of-use assets		1,734.2	1,746.5	1,763.2
Property, plant and equipment		4,120.6	4,065.9	4,202.0
Non-current financial assets	8.3	11,567.5	11,817.2	14,838.1
Investments accounted for under the equity method	7	380.2	121.5	126.4
Deferred tax assets		1,005.6	1,002.9	973.3
Current assets		18,276.5	16,553.8	16,473.5
Inventories		4,426.9	4,676.6	4,630.1
Trade accounts receivable		6,575.8	6,424.4	5,601.8
Other current assets		2,330.8	2,540.7	1,955.3
Current tax assets		121.1	183.8	234.1
Cash and cash equivalents	8.2	4,821.9	2,728.3	4,052.3
TOTAL		54,597.2	52,984.0	56,353.4

EQUITY & LIABILITIES

€ millions	Notes	30.06.2025	30.06.2024	31.12.2024
Equity	10	31,179.4	29,630.6	33,137.8
Share capital		106.9	106.9	106.9
Additional paid-in capital		3,445.4	3,370.1	3,444.3
Other reserves		18,892.0	16,556.4	16,144.8
Other comprehensive income		5,865.0	5,938.2	7,028.6
Treasury shares		-500.0	—	—
Net profit attributable to owners of the Company		3,368.0	3,655.6	6,408.7
Equity attributable to owners of the Company		31,177.2	29,627.3	33,133.3
Non-controlling interests		2.1	3.4	4.5
Non-current liabilities		8,017.4	7,027.0	8,579.6
Provisions for employee retirement obligations and related benefits		622.4	556.7	668.9
Provisions for liabilities and charges	11.1	76.3	74.6	76.8
Non-current tax liabilities		250.5	270.8	224.3
Deferred tax liabilities		884.8	903.7	964.5
Non-current borrowings and debt	8.1	4,758.0	3,804.0	5,187.1
Non-current lease debt	8.1	1,425.3	1,417.2	1,458.0
Current liabilities		15,400.3	16,326.4	14,636.0
Trade accounts payable		6,663.9	6,778.1	6,468.5
Provisions for liabilities and charges	11.1	1,059.4	920.0	1,093.1
Other current liabilities		4,398.9	4,348.3	4,949.6
Income tax		633.4	313.0	275.1
Current borrowings and debt	8.1	2,189.0	3,489.1	1,381.3
Current lease debt	8.1	455.8	477.8	468.6
TOTAL		54,597.2	52,984.0	56,353.4

2.4 Consolidated statements of changes in equity

€ millions	Common shares outstanding	Share capital	Additional paid-in capital	Retained earnings and net profit	Other compre- hensive income	Treasury shares	Equity attributable to owners of the Company	Non- controlling interests	Total equity
As of 31.12.2023	534,725,475	106.9	3,370.2	19,983.1	5,614.2	—	29,074.3	7.3	29,081.6
Consolidated net profit for the period				6,408.7			6,408.7	7.8	6,416.5
Cash flow hedges					-72.5		-72.5	-0.4	-72.9
Cumulative translation adjustments					260.4		260.4	0.2	260.6
Other comprehensive income that may be reclassified to profit and loss					187.9		187.9	-0.2	187.7
Financial assets at fair value through other comprehensive income					1,111.6		1,111.6		1,111.6
Actuarial gains and losses					115.0		115.0		115.0
Other comprehensive income that may not be reclassified to profit and loss					1,226.6		1,226.6	—	1,226.6
Consolidated comprehensive income				6,408.7	1,414.5		7,823.2	7.5	7,830.8
Capital increase	895,103	—	69.8				69.9		69.9
Cancellation of Treasury shares		-0.1		-497.4		497.5	—		—
Dividends paid (not paid on Treasury shares)				-3,565.1			-3,565.1	-7.1	-3,572.1
Share-based payment				239.1			239.1		239.1
Net changes in Treasury shares	-1,308,557					-497.5	-497.5		-497.5
Changes in scope of consolidation							—		—
Other movements			4.3	-14.9			-10.6	-3.2	-13.8
As of 31.12.2024	534,312,021	106.9	3,444.3	22,553.5	7,028.6	—	33,133.3	4.5	33,137.8
Consolidated net profit for the period				3,368.0			3,368.0	4.2	3,372.2
Cash flow hedges					220.0		220.0	0.3	220.3
Cumulative translation adjustments					-1,044.7		-1,044.7	-1.2	-1,045.9
Other comprehensive income that may be reclassified to profit and loss					-824.7		-824.7	-0.8	-825.6
Financial assets at fair value through other comprehensive income					-405.2		-405.2		-405.2
Actuarial gains and losses					66.3		66.3		66.3
Other comprehensive income that may not be reclassified to profit and loss					-338.9		-338.9	—	-338.9
Consolidated comprehensive income				3,368.0	-1,163.6		2,204.4	3.3	2,207.7
Capital increase	3,413		1.2				1.2		1.2
Cancellation of Treasury shares				-1.6		1.6	—		—
Dividends paid (not paid on Treasury shares)				-3,774.6			-3,774.6	-7.0	-3,781.6
Share-based payment				138.2			138.2		138.2
Net changes in Treasury shares	-1,356,636					-501.6	-501.6		-501.6
Changes in scope of consolidation							—		—
Other movements				-23.6			-23.6	1.3	-22.3
AS OF 30.06.2025	532,958,798	106.9	3,445.5	22,259.9	5,865.0	-500.0	31,177.2	2.1	31,179.4

2— 2025 Condensed Consolidated Financial Statements

Consolidated statements of changes in equity

CHANGES IN FIRST-HALF 2024

€ millions	Common shares outstanding	Share capital	Additional paid-in capital	Retained earnings and net profit	Other compre- hensive income	Treasury shares	Equity attributable to owners of the Company	Non- controlling interests	Total equity
As of 31.12.2023	534,725,475	106.9	3,370.2	19,983.1	5,614.2	—	29,074.3	7.3	29,081.6
Consolidated net profit for the period				3,655.6			3,655.6	3.3	3,658.9
Cash flow hedges					-36.4		-36.4	-0.1	-36.5
Cumulative translation adjustments					206.8		206.8	0.1	206.9
Other comprehensive income that may be reclassified to profit and loss					170.4		170.4	—	170.5
Financial assets at fair value through other comprehensive income					-3.2		-3.2		-3.2
Actuarial gains and losses					156.9		156.9		156.9
Other comprehensive income that may not be reclassified to profit and loss					153.7		153.7	—	153.7
Consolidated comprehensive income				3,655.6	324.1	—	3,979.7	3.3	3,983.0
Capital increase							—		—
Cancellation of Treasury shares							—		—
Dividends paid (not paid on Treasury shares)				-3,565.1			-3,565.1	-7.1	-3,572.1
Share-based payment				135.4			135.4		135.4
Net changes in Treasury shares							—		—
Changes in scope of consolidation							—		—
Other movements			-0.1	3.0			2.9	-0.1	2.7
AS OF 30.06.2024	534,725,475	106.9	3,370.1	20,212.0	5,938.2	—	29,627.3	3.4	29,630.6

2.5 Compared consolidated statements of cash flows

€ millions	Notes	1 st half 2025	1 st half 2024	2024
Cash flows from operating activities				
Net profit attributable to owners of the Company		3,368.0	3,655.6	6,408.7
Non-controlling interests		4.2	3.3	7.8
Elimination of expenses and income with no impact on cash flows:				
• depreciation, provisions and non-current tax liabilities		859.1	769.7	1,855.3
• changes in deferred taxes		-51.6	-53.7	-37.4
• share-based payment (including free shares)		138.2	135.4	239.1
• capital gains and losses on disposals of assets		41.2	-3.7	15.2
Other non-cash transactions		6.5	5.3	21.1
Share of profit in associates net of dividends received		2.5	2.2	2.9
Gross cash flow		4,368.0	4,514.0	8,512.6
Changes in working capital		-860.9	-1,745.8	-226.6
Net cash provided by operating activities (A)⁽¹⁾		3,507.1	2,768.2	8,286.0
Cash flows from investing activities				
Purchases of property, plant and equipment and intangible assets		-765.8	-781.1	-1,641.7
Disposals of property, plant and equipment and intangible assets		0.7	0.3	13.6
Changes in other financial assets (including investments in non-consolidated companies)	8.3	2,877.0	-32.1	-1,927.0
Effect of changes in the scope of consolidation		-738.6	-138.0	-148.9
Net cash from investing activities (B)		1,373.2	-950.9	-3,703.9
Cash flows from financing activities				
Dividends paid		-3,840.7	-3,605.9	-3,614.9
Capital increase of the parent company		1.2	—	69.9
Disposal/(acquisition) of Treasury shares		-501.6	—	-497.5
Purchase of non-controlling interests		—	—	-13.9
Issuance (repayment) of short-term loans	8.1.3	-458.8	313.6	-1,775.9
Issuance of long-term borrowings	8.1.3	964.9	151.6	1,529.4
Repayment of long-term borrowings	8.1.3	-4.2	—	-7.9
Repayment of lease debt	8.1.3	-229.1	-235.4	-474.3
Net cash from financing activities (C)		-4,068.3	-3,376.1	-4,785.1
Net effect of changes in exchange rates (D)		-42.4	-1.1	-32.8
Change in cash and cash equivalents (A+B+C+D)		769.6	-1,559.8	-235.8
Cash and cash equivalents at beginning of the period (E)		4,052.3	4,288.1	4,288.1
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	8.2	4,821.9	2,728.3	4,052.3
€ millions		1 st half 2025	1 st half 2024	2024
Income tax paid		998.8	1,043.8	2,024.4
Interests paid (excluding interest on lease debts)		146.9	152.9	323.1
Dividends received from non consolidated companies		351.8	446.5	447.6
Cash outflow relating to leases		303.7	303.6	611.7
of which paid interests on lease debts		28.7	27.6	58.9

2.6 Notes to the condensed consolidated financial statements

NOTES CONTENT

Note 1	Accounting principles	19	Note 8	Financial assets and liabilities – Cost of debt	25
Note 2	Main events of the period	19	Note 9	Derivatives and exposure to market risks	29
Note 3	Operating items – Segment information	20	Note 10	Equity – Earnings per share	31
Note 4	Other operational income and expenses	23	Note 11	Provisions for liabilities and charges – Contingent liabilities and material ongoing disputes	33
Note 5	Employee benefits – Free shares	23	Note 12	Acquisitions in progress	35
Note 6	Intangible assets	24	Note 13	Subsequent events	36
Note 7	Investments accounted for under the equity method	24			

Note 1 Accounting principles

The condensed half-year consolidated financial statements of L'Oréal and its subsidiaries ("the Group") have been prepared in accordance with the international accounting standard IAS 34. As condensed financial statements, they do not include all the information required by IFRS, International Financial Reporting Standards, for the preparation of the annual financial statements and must therefore be read in conjunction with the Group consolidated financial statements prepared in accordance with IFRS as adopted in the European Union for the year ending at 31 December 2024.

The Board of Directors reviewed the condensed half-year consolidated financial statements as of 30 June 2025, on 29 July 2025.

The accounting policies applied are identical to those applied when preparing the annual consolidated financial statements for the year ended 31 December 2024, except as regards income tax.

The tax charge (current and deferred) is calculated for the half year financial statements by applying to the profit for the period the estimated annual tax rate for the current tax year for each entity or tax group.

The Group did not anticipate any standards not mandatorily applicable in 2025.

Note 2 Main events of the period

2.1 Changes in the scope of consolidation

2.1.1 First-half 2025

Takeovers

L'Oréal Groupe announced on 23 December 2024 the signing of an agreement with Swiss retail group Migros for the acquisition of its subsidiary **Gwoonsesang Cosmetics Co., Ltd.**, including Dr.G, the Korean skincare brand founded by dermatologist Dr. Gun Young Ahn in 2003 and based in Seoul. Dr.G will join L'Oréal Groupe's Consumer Products Division (CPD) to address the growing success of K-Beauty worldwide and expand its offering with effective, science-based, yet accessible skincare.

The acquisition was finalised on 25 March 2025 and has been fully consolidated since that date.

The cost of this new acquisition represented €420.5 million. The total amount of goodwill and other intangible assets resulting from this acquisition amounted provisionally to €401.5 million.

Equity-accounted investment

L'Oréal has acquired a stake in the **SkinSpirit** network of aesthetic clinics in the United States with 38.37% of the voting rights and 36.13% of the interests (Note 7).

2.1.2 Year 2024

Takeovers

On 9 January 2024, L'Oréal announced the signing of an agreement to acquire the entire capital of **Gjosa**, the Swiss company pioneer in the development of water micronization technology. L'Oréal had already made a first minority investment in Gjosa in 2021 up to 15% via its venture capital fund, BOLD (Business Opportunities for L'Oréal Development).

The closing was finalized on 31 January 2024 and has been fully consolidated since that date.

L'Oréal completed on 31 October 2024 the finalisation of the acquisition of 70% of a group of six aesthetic clinics located in China. **YesSkin** is founded by Dr. Song, a

renowned and influential dermatologist in China. The aesthetic clinics offer injectables and machine treatments to clients and generate a turnover of 126 million yuan (corresponding to €16 million) in 2023.

This acquisition is fully consolidated.

The cost of these acquisitions represented €77.1 million. The total amount of goodwill and other intangible assets resulting from these acquisitions amounted to €91.6 million.

Equity-accounted investment

During the third quarter of 2024, L'Oréal completed the acquisition of a minority stake in **Amouage SAOC**, the Oman-based *haute parfumerie* house founded in 1983 and controlled by SABCO Group LLC.

2.2 Other highlights

2.2.1 First-half 2025

Sale of Sanofi shares

L'Oréal Groupe announced on 3 February 2025 the signing of an agreement for the sale of approximately 29.6 million **Sanofi** shares to Sanofi representing 2.14% of the shares held, at a price of €101.5 per share, for a total amount of €3 billion.

The capital gain realized in this respect amounts to €1.9 billion net of tax with no impact on the Group's income statement for the period as it is a financial asset at fair value through comprehensive income.

Following the transaction and after cancellation of the repurchased shares, L'Oréal holds 7.2% of Sanofi's share capital and 13.1% of the voting rights (Note 8.3).

Minority investment

L'Oréal Groupe announced on 7 February 2025 a long-term, exclusive beauty partnership with **JACQUEMUS**, further solidified by a minority investment of 14.8%, finalised on 10 April 2025, supporting their independent development.

This acquisition is treated as Non-current assets (Note 8.3.).

Bond issuance on the American market

L'Oréal Groupe has successfully completed on 13 May 2025 its inaugural bond issuance on the American bond market for a total principal amount of \$1 billion, due 20 May 2035, with a coupon of 5.00% per year.

This issue is rated AA (Stable) by S&P and Aa1 (Stable) by Moody's.

Impact of US tariffs

On 2 April 2025, global tariffs were announced by the United States, with several amendments since then, having numerous repercussions on global trade. To date, the global tariff environment remains uncertain in terms of scope and duration, making it difficult to assess the full impacts. In this context, the Group's direct financial exposure lies primarily in the costs of importing Luxe Division products into the United States. As of 30 June 2025, no significant impact has been recorded in the condensed consolidated financial statements.

Exceptional Tax Contribution in France

As part of the Finance Act of 14 February 2025, an exceptional contribution on the profits of large companies (Article 48) was passed. This new contribution will apply only for the 2025 financial year to companies subject to

corporate income tax and whose turnover in France is greater than or equal to €1 billion. This contribution is based on the average taxable profit for the 2024 and 2025 financial years. It is recognized as corporate income tax at 30 June 2025, at €197.7 million and restated in Net income excluding non-recurring items (Note 10.3.1).

2.2.2 Year 2024

Minority investment

The Group announced on 5 August 2024 that it had acquired a 10% stake in **Galderma Group AG** for an amount of €1.8 billion, the world leader exclusively dedicated to dermatology and one of the largest global players in the field of injectable aesthetics. In addition, L'Oréal and Galderma have agreed to work towards a strategic scientific partnership that will leverage the undisputed expertise of both companies: Galderma's across a broad range of dermatological solutions, and L'Oréal's expertise in skin biology, diagnostic tools and evaluation methods.

This acquisition is treated as Non-current financial assets (Note 8.3).

This transaction was financed via the issue of a €1.25 billion bond and the remainder through the Group's available cash.

Note 3 Operating items - Segment information

3.1 Segment information

3.1.1 Information by business segment

The Group's business activities are organised into four Divisions. In its markets, each Division develops and enhances a range of its own brands of consumer products:

- the Professional Products Division aims to offer professional beauty to all.
For over 100 years, this Division has acquired extensive knowledge of, and provided tailored support solutions for, the hairdressing sector. It has built up a unique brand portfolio which currently includes L'Oréal Professionnel, Kérastase, Redken, Matrix and PureOlogy;
- the Consumer Products Division's goal is to democratise access to the best that the world of beauty has to offer.
The Division is underpinned by four major global brands (L'Oréal Paris, Garnier, Maybelline New York and NYX Professional Makeup), and by the deployment of its specialised and regional brands (Stylenanda, Essie, Mixa, etc.);
- the Luxe Division creates the best in luxury beauty *via* breakthrough innovations, meaningful commitments and memorable experiences.

The Division has built a unique portfolio of prestigious brands including iconic mainstream, aspirational, alternative and specialist brands (Lancôme, Yves Saint Laurent Beauté, Armani Beauty, Kiehl's, Helena Rubinstein, Aēsop, Biotherm, Valentino, Prada, Shu Uemura, IT Cosmetics, Mugler, Ralph Lauren, Urban Decay, Azzaro, Maison Margiela, Viktor&Rolf, Takami, etc.);

- the Dermatological Beauty Division, whose goal is to provide sustainable and life-changing dermatological solutions.

Its portfolio of highly complementary brands (La Roche-Posay, CeraVe, Vichy, SkinCeuticals, Skinbetter Science, etc.) is designed to keep pace with major skincare trends and recommendations of healthcare professionals.

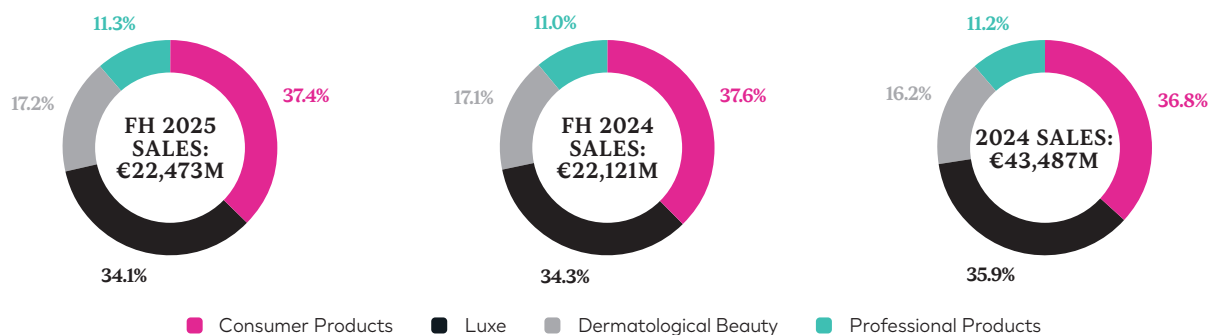
The "non-allocated" item includes expenses incurred by the Functional Divisions, Fundamental Research and the cost of free shares not allocated to the Divisions. It also includes non-core businesses, such as reinsurance.

Data by Division are prepared using the same accounting principles as those used for the preparation of the consolidated financial statements.

The performance of each Division is measured on the basis of operating profit.

3.1.1.1 Net sales by Division

WEIGHT OF NET SALES BY DIVISION OVER THE THREE PERIODS



€ millions	Growth (%)			1 st half 2024	2024
	1 st half 2025	Published data	Excluding exchange effect		
Professional Products	2,546.6	4.9%	6.6%	2,426.7	4,886.2
Consumer Products	8,413.0	1.1%	3.8%	8,322.2	15,982.4
Luxe	7,657.9	1.0%	2.2%	7,578.8	15,591.1
Dermatological Beauty	3,855.9	1.7%	3.8%	3,793.0	7,027.1
GROUP	22,473.3	1.6%	3.5%	22,120.8	43,486.8

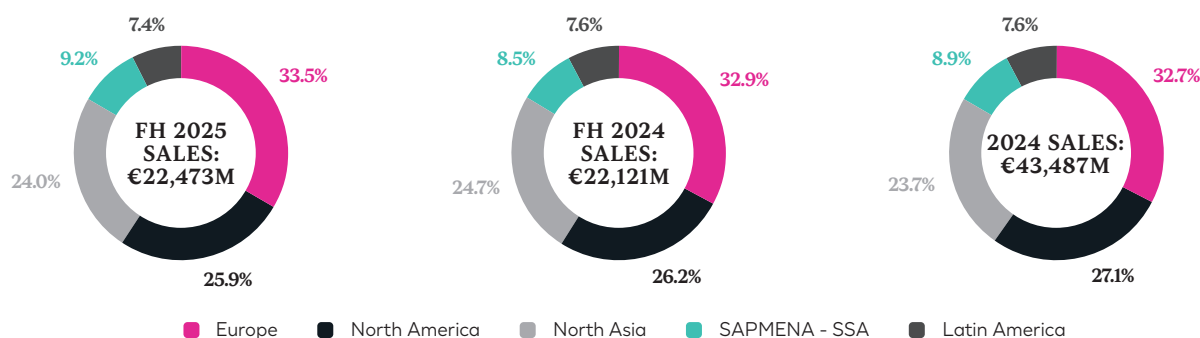
3.1.1.2 Operating profit by Division

€ millions	1 st half 2025	1 st half 2024	2024
Professional Products	571.5	536.7	1,086.2
Consumer Products	1,893.5	1,833.2	3,376.4
Luxe	1,708.9	1,661.2	3,469.7
Dermatological Beauty	1,087.1	1,097.4	1,832.7
TOTAL OF DIVISIONS	5,261.1	5,128.5	9,765.0
Non-allocated	-520.9	-529.4	-1,077.5
GROUP	4,740.1	4,599.1	8,687.5

3.1.2 Consolidated net sales by geographic zone

All information is presented on the basis of geographic location of the subsidiaries.

WEIGHT OF NET SALES BY GEOGRAPHIC ZONE OVER THE THREE PERIODS

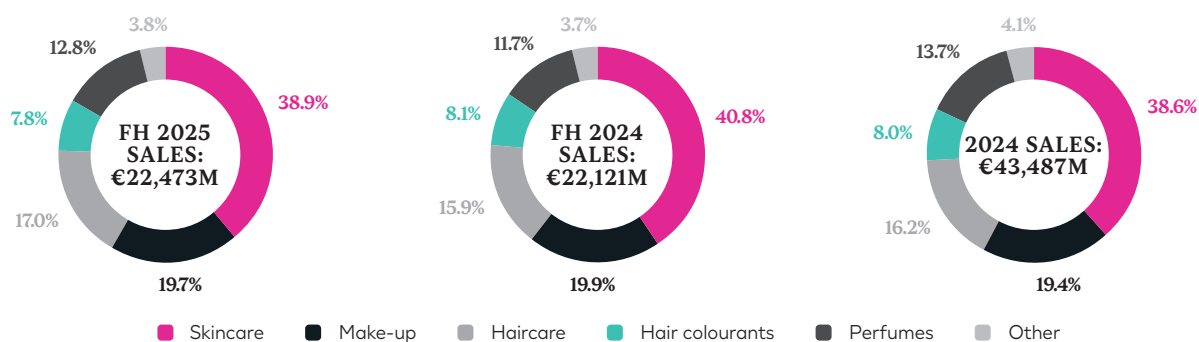


€ millions	1 st half 2025	Growth (%)		1 st half 2024	2024
		Published data	Excluding exchange effect		
Europe	7,534.4	3.4%	4.0%	7,283.3	14,211.4
of which France ⁽¹⁾	1,694.1	1.1%	1.1%	1,675.7	3,161.0
North America	5,824.2	0.4%	1.8%	5,798.7	11,805.2
North Asia	5,392.7	-1.5%	-0.4%	5,474.7	10,303.4
SAPMENA/SSA	2,058.2	9.2%	11.1%	1,884.0	3,863.0
Latin America	1,663.8	-1.0%	13.3%	1,680.2	3,303.9
GROUP	22,473.3	1.6%	3.5%	22,120.8	43,486.8

(1) Corresponds to sales invoiced from France and including sales to European countries.

3.1.3 Sales by product category

WEIGHT OF NET SALES BY PRODUCT CATEGORY OVER THE THREE PERIODS



€ millions	1 st half 2025	Growth (%)		1 st half 2024	2024
		Published data	Excluding exchange effect		
Skincare	8,753.2	-3.0%	-0.6%	9,019.6	16,803.7
Make-up	4,419.7	0.6%	2.4%	4,391.4	8,449.4
Haircare	3,815.2	8.7%	11.6%	3,511.1	7,034.0
Hair colourants	1,752.0	-2.1%	0.3%	1,789.1	3,460.3
Perfumes	2,874.4	11.1%	11.4%	2,588.3	5,955.6
Other	858.7	4.6%	3.0%	821.3	1,783.9
GROUP	22,473.3	1.6%	3.5%	22,120.8	43,486.8

3.2 Depreciation, Property, plant and equipment and right-of-use assets

3.2.1 Depreciation in operating expenses

€ millions	1 st half 2025	1 st half 2024	2024
Depreciation of property, plant and equipment and intangible assets	791.9	758.7	1,586.7
including depreciation of property, plant and equipment	462.4	427.2	908.4
including right-of-use (IFRS 16)	233.9	233.4	474.5

3.2.2 Property, plant and equipment and right-of-use assets

€ millions	1 st half 2025	1 st half 2024	2024
Acquisition of property, plant and equipment	854.4	826.5	1,784.7
including new leases (IFRS 16)	289.9	251.5	508.4

Note 4 Other operational income and expenses

This item breaks down as follows:

€ millions	1 st half 2025	1 st half 2024	2024
Capital gains and losses on disposals of property, plant and equipment and intangible assets ⁽¹⁾	-41.2	3.7	-15.2
Impairment of property, plant and equipment and intangible assets ⁽²⁾	—	-0.9	-50.8
Restructuring costs ⁽³⁾	-93.4	-54.8	-237.1
Other ⁽⁴⁾	-134.3	-51.4	-134.6
TOTAL	-268.9	-103.4	-437.7

(1) Including:

- in first-half 2025, the impact of the sale of the brand Carol's Daughter (-€41.2 million);
- in first-half 2024, the impact of the sale of the CLOE distribution centre (€ 2.7 million);
- in 2024, the impact of the sale of two distribution centres and a factory in Israel (€10.5 million) and the sale of a factory in Turkey (-€26.2 million).

(2) Including:

- in 2024, the impairment of intangible assets of the Multicultural Brands Cash Generating Unit (€49.9 million).

(3) Including:

- in first-half 2025, the continuation of strategic reorganization projects of the global Luxe Division (€40.9 million), restructuring and cluster creation projects in Europe and Asia (€32 million) and reorganization project of various Travel Retail structures (€12 million);
- in first-half 2024, the restructuring of the distribution of the Consumer Products and Professional Products Divisions in Europe (€18.8 million), the strategic reorganisation of the Luxe Division in France and Europe (€17.8 million) and the restructuring of the distribution of the Consumer Products in North America (€8.8 million);
- in 2024, the restructuring of the distribution of the Consumer Products, Professional Products and Operations Divisions in Europe and the United States (€74 million), the strategic reorganization projects of the global Luxe Division (€31.9 million) and the resizing project of the Group's organisations (€80.5 million).

(4) Including:

- in first-half 2025, costs related to some products litigations (€85.3 million), the catch-up effect linked to the increase in the employer contribution on free shares in France impacting the plans in progress (€27.5 million), corporate philanthropy donations (€10.7 million) and costs related to acquisitions (€9.6 million);
- in first-half 2024, costs related to some products litigations (€31.2 million), corporate philanthropy donations (€11.1 million) and acquisition costs and post-acquisition reorganisation costs (€13.5 million);
- in 2024, costs related to some products litigations (€99.9 million), corporate philanthropy donations (€28.3 million) and costs related to acquisitions and post-acquisition reorganisations (€20.7 million).

Note 5 Employee benefits - Free shares

5.1 Employee benefits – Actuarial gains and losses

a) At 30 June 2025

The main assumptions used (including changes in discount rates and in the market value of plan assets) for the euro zone, the United States and the United Kingdom were reviewed on 30 June 2025.

The rise in the interest rates used to determine the present value of our pension obligations recorded since 31 December 2024 is around 50 basis points for France and 25 basis points for the United Kingdom. In the United States, hedging assets show an increase in their value compared to a decrease in their value for France and the United Kingdom.

These countries are showing lower impact of the pension provision for respectively €70 million for France, €14 million for the United States and €4 million for the United Kingdom.

b) At 30 June 2024

The main assumptions used (including changes in discount rates and in the market value of plan assets) for the euro zone, the United States and the United Kingdom were reviewed on 30 June 2024.

The rise in the interest rates used to determine the present value of our pension obligations recorded since 31 December 2023 is around 50 basis points for France and the United States and 75 basis points for the United Kingdom. In France, hedging assets show an increase in their value compared to a decrease in their value for the United States and the United Kingdom.

These countries are showing lower impact of the pension provision for respectively €151 million for France, €43 million for the United States and €25 million for the United Kingdom. These impacts were taken into account in the accounts as of 30 June 2024.

5.2 Free shares

a) Vesting conditions

At 30 June 2025, no new plan was implemented.

b) Capital increase reserved for employees

In June 2025, Group employees had the opportunity to join a Shareholding Plan based on a traditional format with discount and matching contribution.

The subscription price was set at €301.66, representing 80% of the average share price over the 20 trading sessions prior to the decision by the Chief Executive Officer setting the subscription period from 11 June to 25 June 2025 during which 218,322 shares were subscribed and 59,087 matching shares offered. This number does not include the subscription reserved for a Trustee under the laws of England and Wales, as part of a Share Incentive Plan established for Group employees in the UK, for which the number of shares will be finalised in April 2026.

For French employees, free shares were offered upon subscription in proportion to their personal contribution to the plan with a maximum of three shares offered for six shares subscribed.

For employees in other countries, shares were offered under a free share plan with a continued employment condition for the employee and proportionate to how much the employee contributes to the plan, with a maximum of three shares offered for six shares subscribed. The shares will be allocated to employees on 30 July 2030 provided they are still with the Group on that date.

The IFRS 2 expense measuring the benefit offered to employees includes an expense recognized on the subscription date based on the value of the discount granted to employees.

The capital will be increased on 29 July 2025 by 246,115 shares including matching shares for French employees.

The total expense for shares granted for the 2025 plan amounted to €36 million.

This cost of matching shares for employees outside of France is amortised over the vesting period and corresponds to the share reference value adjusted for the expected dividends over the vesting period, namely €338.56 per share.

The IFRS 2 expense for the Employee shareholding plans recognised for the first-half 2025 amounts to €28.8 million.

Note 6 Intangible assets

The Cash Generating Units were subject to an annual impairment test as of 31 December 2024. No significant event in the first-half 2025 called into question the assumptions on the basis of which the impairment tests were carried out as of 31 December 2024. Consequently, no impairment was recorded during the first half of 2025.

The -€399.0 million decrease of Goodwill was mainly due to unfavourable exchange rates effect for -€659.3 million, offset by the recognition of provisional Goodwill related to the acquisition of Dr.G for €289 million.

The -€65.1 million decrease in Other intangible assets was due to the acquisitions of the period, net of amortisation for €53.6 million, changes in scope for €112.9 million, in particular the recognition of the Dr.G brand for €101.7 million and a unfavourable change in exchange rates for - €222.4 million.

Note 7 Investments accounted for under the equity method

€ millions	30.06.2025	30.06.2024	31.12.2024
Investments accounted for under the equity method			
SkinSpirit ⁽¹⁾	266.7	—	—
Amouage	92.3	96.6	102.0
Others	21.3	24.9	24.4
TOTAL	380.2	121.5	126.4

(1) Acquisition of a stake in SkinSpirit, network of aesthetic clinics in the US.

Note 8 Financial assets and liabilities - Cost of debt

8.1 Borrowings and debt

The Group takes out bank loans and bonds to cover its medium-term financing needs and issues short-term marketable instruments in France and commercial paper in the US to cover its financing needs in the short term. None of the Group's borrowings or debt contains an early repayment clause linked to financial ratios (covenants).

8.1.1 Debt by type

€ millions	30.06.2025		30.06.2024		31.12.2024	
	Non-current	Current	Non-current	Current	Non-current	Current
Short-term marketable instruments	—	—	—	2,009.0	—	—
MLT bank loans	—	—	—	—	—	—
Lease debt	1,425.3	455.8	1,417.2	477.8	1,458.0	468.6
Overdrafts	—	149.5	—	107.1	—	36.3
Other borrowings and debt	184.7	732.9	61.9	334.9	209.5	263.4
Bond	4,573.3	1,306.6	3,742.1	1,038.2	4,977.6	1,081.6
TOTAL	6,183.3	2,644.8	5,221.3	3,966.9	6,645.1	1,849.9

8.1.2 Bonds

Tranches In millions	Issuance type	Issuance date	Rate type	EIR ⁽¹⁾	Maturity date	€ millions		
						30.06.2025 ⁽⁵⁾	30.06.2024 ⁽⁵⁾	31.12.2024 ⁽⁵⁾
EUR 1,250	SLB ⁽²⁾	March 2022	Fixed	0.96%	June 2026	1,248.9	1,258.7	1,253.9
EUR 1,000	EMTN ⁽³⁾	May 2023	Fixed	3.39%	May 2025	—	1,001.3	1,018.4
EUR 1,000	EMTN ⁽³⁾	May 2023	Fixed	3.08%	May 2028	997.7	995.9	1,011.3
EUR 800	EMTN ⁽³⁾	November 2023	Fixed	3.52%	January 2027	809.9	813.4	827.5
EUR 700	EMTN ⁽³⁾	November 2023	Fixed	3.47%	November 2029	711.5	711.0	699.5
EUR 750	EMTN ⁽³⁾	November 2024	Fixed	2.71%	November 2027	758.5	—	748.5
EUR 500	EMTN ⁽³⁾	November 2024	Fixed	2.94%	November 2031	507.4	—	500.2
USD 1,000	Bond ⁽⁴⁾	May 2025	Fixed	5.25%	May 2035	845.9	—	—
TOTAL						5,879.9	4,780.3	6,059.2

(1) Effective interest rate.

(2) Sustainability linked Bond.

(3) Euro Medium Term Notes.

(4) Bond on the American market.

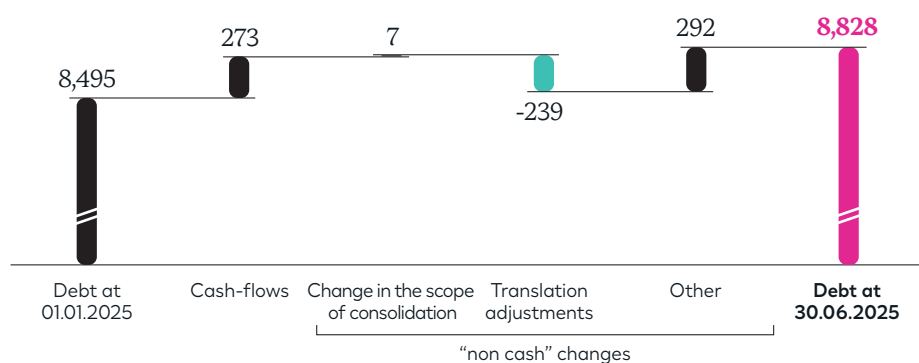
(5) Including undisbursed short-term and long-term accrued interest.

Bond issues are mainly carried out as part of a "Euro Medium-Term Notes" program with a ceiling of €10.0 billion at 30 June 2025.

8.1.3 Change in debt

€ millions	31.12.2024	Cash-flows	Non-cash changes				30.06.2025
			Changes in the scope of consolidation	Translation adjustments	Changes in fair value	Other ⁽¹⁾	
Short-term marketable instruments	—	—	—	—	—	—	—
MLT bank loans	—	—	—	—	—	—	—
Lease debt	1,926.6	-229.1	7.1	-117.4	—	293.9	1,881.0
Overdrafts	36.3	116.1	—	-2.9	—	—	149.5
Other borrowings and debt	472.8	523.4	—	-76.8	—	-1.8	917.6
Bond	6,059.2	-137.6	—	-41.7	—	—	5,879.9
TOTAL	8,495.0	272.7	7.1	-238.8	—	292.1	8,828.1

(1) These are renewals and amendments to contracts and new leases.



8.1.4 Debt by maturity date

€ millions	30.06.2025	30.06.2024	31.12.2024
Less than 1 year ⁽¹⁾	2,644.8	3,967.0	1,849.9
1 to 5 years	4,371.4	4,069.5	5,627.4
More than 5 years	1,811.9	1,151.8	1,017.7
TOTAL	8,828.1	9,188.2	8,495.0

(1) At 30 June 2025, the Group had confirmed undrawn credit lines for €5,000 million as at 30 June 2024 and 31 December 2024. These lines were not subject to any covenants.

8.1.5 Debt by currency excluding lease debts

€ millions	30.06.2025	30.06.2024	31.12.2024
Euro (EUR)	5,056.6	5,732.4	6,077.5
US Dollar (USD)	862.2	1,103.7	28.5
Korean Won (KRW)	502.6	118.0	74.0
Chinese Yuan (CNY)	179.2	43.4	204.4
Chilean Peso (CLP)	53.1	47.5	31.0
Colombian Peso (COP)	49.9	19.7	19.4
Brazilian Real (BRL)	40.6	—	—
Taiwan Dollar (TWD)	35.1	57.6	18.2
Saudi Riyal (SAR)	23.2	0.2	—
Indonesian Rupee (IDR)	22.3	15.7	8.9
Peruvian Sol (PEN)	20.4	18.2	14.1
Malaysian Ringgit (MYR)	19.2	7.9	20.4
Turkish Lira (TRY)	17.6	28.0	22.4
Other	65.1	101.0	49.6
TOTAL	6,947.1	7,293.2	6,568.4

8.1.6 Breakdown of fixed rate – floating rate debt

€ millions	30.06.2025	30.06.2024	31.12.2024
Floating rate	335.1	2,179.8	82.3
Fixed rate including lease debt	8,493.0	7,008.4	8,412.7
TOTAL	8,828.1	9,188.2	8,495.0

8.1.7 Effective interest rates

At half-year 2025 as at the end of 2024, the negotiable securities at closing have been fully repaid.

The Effective interest rate on the bond issued by the Group amounts to 2.78% at 30 June 2025 compared with 2.72% at 30 June 2024 and 2.74% at 31 December 2024.

There is no medium-term bank loan at 30 June 2025 as at 30 June 2024 and 31 December 2024.

8.1.8 Average debt interest rates

Average debt interest rates after allowing for hedging instruments break down as follows:

	30.06.2025	30.06.2024	31.12.2024
Euro (EUR)	2.71%	2.57%	2.66%
US Dollar (USD)	3.71%	4.54%	3.39%

8.1.9 Fair value of borrowings and debt

The fair value of fixed-rate debt is determined for each loan by discounting future cash flows, based on bond yield curves at the balance sheet date, after allowing for the spread corresponding to the Group's risk rating.

The net carrying amount of outstanding bank loans and other floating-rate loans is a reasonable approximation of their fair value.

The fair value of borrowings and debt excluding IFRS 16 amounted to €6,947.1 million at 30 June 2025 compared with €7,293.2 million at 30 June 2024 and €6,568.4 million at 31 December 2024.

8.2 Cash and cash equivalents

€ millions	30.06.2025		30.06.2024		31.12.2024	
	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost
Marketable securities	2,290.1	2,290.1	690.7	690.7	1,829.3	1,829.3
Bank accounts and other cash and cash equivalents ⁽¹⁾	2,531.8	2,531.8	2,037.6	2,038.7	2,223.0	2,224.4
TOTAL	4,821.9	4,821.9	2,728.3	2,729.4	4,052.3	4,053.7

(1) Including €226.2 million in cash in countries in which cash repatriation is difficult.

Marketable securities consist mainly of SICAV money-market funds and unit trusts (on which the return is based on €STR – formerly Eonia). They are considered as financial assets at fair value through profit and loss.

Term accounts with a maturity of less than three months at inception are shown on the *Bank accounts and other cash and cash equivalents* line.

8.3 Non-current financial assets

€ millions	30.06.2025		30.06.2024		31.12.2024	
	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost	Carrying amount	Acquisition cost
Investments in non-consolidated companies						
Sanofi ⁽¹⁾	7,289.6	3,025.2	10,633.4	4,033.5	11,082.6	4,033.5
Galderma ⁽²⁾	2,927.4	1,813.1	—	—	2,550.0	1,812.9
Other listed securities ⁽³⁾	22.0	103.4	36.6	103.4	23.2	103.4
Unlisted securities ⁽⁴⁾	647.1	596.9	498.6	477.3	554.9	552.2
Financial assets at amortised cost						
Non-current loans and receivables	155.1	158.3	152.9	157.4	156.0	159.4
Surplus funds for pension scheme commitments held in assets	526.1		495.7		471.3	
TOTAL	11,567.5	5,696.8	11,817.2	4,771.7	14,838.1	6,661.4

(1) L'Oréal's stake in Sanofi was 7.22% at 30 June 2025. The carrying amount at 30 June 2025 of €7,289.6 million corresponds to the market value of the shares based on the closing price at 30 June 2025 of €82.21, i.e. a decrease of €1 billion on the shares retained. The sale of Sanofi shares resulted in a decrease in the value of the shares of €3 billion after revaluation of the shares at the date of sale for €229 million. The acquisition cost of €3,025.2 million corresponds to an entry cost of €34.12. The stake is measured at fair value through comprehensive income.

(2) L'Oréal's stake in Galderma was 10% at 30 June 2025. The carrying amount at 30 June 2025 of €2,927.4 million corresponds to the market value of the shares based on the closing price at 30 June 2025 of CHF 115.0 equivalent €123.05. The acquisition cost of €1,813.1 million (including acquisition fees) is based on an entry cost of CHF 71.11 (equivalent €75.60). The investment is measured at fair value through other comprehensive income.

(3) This heading includes listed securities of biotechnology start-ups as well as Euroapi shares.

(4) This heading includes in particular:

- strategic investments in investment funds measured at fair value through comprehensive income, including €75 million subscribed in the L'Oréal Fund for Nature Regeneration, €50 million in the Circular Innovation fund, €10.8 million subscribed in 2024 in the Solstice Fund – designed to accelerate the decarbonization of their industrial suppliers;
 - the minority investment in Jacquemus for €102.7 million;
 - securities of Chando bought in 2024 for €58.4 million, as well as other holdings in start-ups and other investment funds for the remainder.
- In the absence of specific events, their acquisition cost is deemed to be the best possible estimate of fair value.

Note 9 Derivatives and exposure to market risks

To manage its exposure to currency and interest rate risks arising in the course of its normal operations, the Group uses derivatives negotiated with counterparties rated investment grade.

In accordance with Group rules, currency and interest rate derivatives are set up exclusively for hedging purposes.

9.1 Hedging of currency risk

The Group is exposed to currency risk on commercial transactions recorded on the balance sheet and on highly probable future transactions.

Based on information supplied by the subsidiaries, future operating transactions are covered by exchange rate hedges, either by options, or by purchases or sales of forward contracts.

At 30 June 2025, the change in the mark to market value of the hedging instruments allocated to future transactions and deferred through equity amounts to €304.4 million, compared with €94.9 million at 30 June 2024 and €33.2 million at 31 December 2024.

9.2 Foreign exchange gains and losses

Foreign exchange gains and losses break down as follows:

€ millions	1 st half 2025	1 st half 2024	2024
Time value	13.5	-6.2	-9.6
Other foreign exchange gains and losses	-58.2	6.4	9.0
TOTAL	-44.7	0.2	-0.6

Foreign currency transactions are translated at the spot rate at the transaction date.

Assets and liabilities denominated in foreign currencies have been translated using the exchange rates effective at the closing date. Foreign exchange gains and losses also include the following items relating to derivative instruments:

- changes in market value linked to variations in the spot rate between the inception of the hedge and the date when the hedged transactions are completed;

- residual ineffectiveness linked to excess hedges and recognised directly in the income statement under other foreign exchange gains and losses for -€5.5 million for first-half 2025, -€0.3 million for first-half 2024 and - €6.5 million for year 2024.

These amounts are allocated to the appropriate operating expense line items. They are broken down as follows:

€ millions	1 st half 2025	1 st half 2024	2024
Cost of sales	-31.1	-0.4	-0.4
Research and innovation expenses	-2.0	0.7	-0.1
Advertising and promotion expenses	-4.7	-0.1	-0.1
Selling, general and administrative expenses	-6.9	-0.1	-0.1
FOREIGN EXCHANGE GAINS AND LOSSES	-44.7	0.2	-0.6

9.3 Hedging of interest rate risk

The Group did not have any interest rate hedging instruments at 30 June 2025, 30 June 2024 and 31 December 2024.

9.4 Shareholding risk

No cash has been invested in shares.

Available cash is invested with top-ranking financial institutions in the form of non-speculative instruments which can be drawn in very short periods. At 30 June 2025, marketable securities consist mainly of unit trusts (see Note 8.2.).

At 30 June 2025, the Group held:

- 88,670,657 Sanofi shares for an amount of €7,289.6 million (see Note 8.3.). The initial share price for Sanofi shares was €34.12;
- 23,789,764 Galderma share for an amount of €2,927.4 million (see Note 8.3.). The initial share price for Galderma share was €75.6.

The shares are valued based on their fair value, and unrealised losses and gains are accounted for through equity in the *Other comprehensive income* item.

9.5 Fair value hierarchy

IFRS 7 requires financial assets and liabilities recognised at fair value in the balance sheet to be classified according to three levels:

- level 1: quoted prices on an active market;

- level 2: valuation techniques using observable inputs;
- level 3: valuation techniques using unobservable inputs, such as investment fund valuation reports.

The table below provides an analysis of main financial instruments recorded at fair value on the balance sheet by level of the fair value hierarchy.

€ millions					
30 June 2025	Level 1	Level 2	Level 3	Total fair value	
Assets at fair value					
Foreign exchange derivatives		418.7		418.7	
Sanofi shares	7,289.6			7,289.6	
Galderma shares	2,927.4			2,927.4	
Other securities	22.0		646.8	668.8	
Marketable securities	2,290.1			2,290.1	
TOTAL ASSETS AT FAIR VALUE	12,529.1	418.7	646.8	13,594.6	
Liabilities at fair value					
Foreign exchange derivatives		124.7		124.7	
TOTAL LIABILITIES AT FAIR VALUE	—	124.7	—	124.7	

€ millions					
30 June 2024	Level 1	Level 2	Level 3	Total fair value	
Assets at fair value					
Foreign exchange derivatives		119.4		119.4	
Sanofi shares	10,633.4			10,633.4	
Other securities	36.6		498.2	534.8	
Marketable securities	690.7			690.7	
TOTAL ASSETS AT FAIR VALUE	11,360.7	119.4	498.2	11,978.3	
Liabilities at fair value					
Foreign exchange derivatives		155.5		155.5	
TOTAL LIABILITIES AT FAIR VALUE	—	155.5	—	155.5	

€ millions					
31 December 2024	Level 1	Level 2	Level 3	Total fair value	
Assets at fair value					
Foreign exchange derivatives		150.1		150.1	
Sanofi shares	11,082.6			11,082.6	
Galderma shares	2,550.0			2,550.0	
Other securities	23.2		554.6	577.8	
Marketable securities	1,829.3			1,829.3	
TOTAL ASSETS AT FAIR VALUE	15,485.1	150.1	554.6	16,189.8	
Liabilities at fair value					
Foreign exchange derivatives		232.2		232.2	
TOTAL LIABILITIES AT FAIR VALUE	—	232.2	—	232.2	

Note 10 Equity - Earnings per share

10.1 Share capital and additional paid in capital

Share capital consisted of 534,315,434 shares with a par value of €0.20 at 30 June 2025, compared with 534,725,475 shares at 30 June 2024 and 534,312,021 shares at 31 December 2024.

10.2 Treasury shares

Shares acquired under the shareholder-approved L'Oréal share buyback programme are deducted from consolidated equity. Capital gains or losses relating to these shares are also recorded in equity net of tax.

a) First-half 2025

The change in the number of shares in first-half 2025 was as follows:

<i>In shares</i>	Share capital	Treasury shares	Common shares outstanding
As of 01.01.2025	534,312,021	—	534,312,021
Shares cancelled	—	—	—
Free shares exercised	3,413	—	3,413
Treasury shares purchased	—	-1,356,636	-1,356,636
AS OF 30.06.2025	534,315,434	-1,356,636	532,958,798

The change in Treasury shares in first-half 2025 was as follows:

<i>In shares</i>	Buyback programme	Allocated to stock options/ free shares plans	Total	€ millions
As of 01.01.2025	—	—	—	—
Shares cancelled	—	—	—	—
Free shares exercised	—	—	—	—
Treasury shares purchased	1,356,636	—	1,356,636	501.6
AS OF 30.06.2025	1,356,636	—	1,356,636	501.6

b) Year 2024

The change in the number of shares in 2024 was as follows:

<i>In shares</i>	Share capital	Treasury shares	Common shares outstanding
As of 01.01.2024	534,725,475	—	534,725,475
Shares cancelled	-1,308,557	1,308,557	—
Free shares exercised	895,103	—	895,103
Treasury shares purchased	—	-1,308,557	-1,308,557
AS OF 31.12.2024	534,312,021	—	534,312,021

The change in Treasury shares in 2024 was as follows:

<i>In shares</i>	Buyback programme	Allocated to stock options/ free shares plans	Total	€ millions
As of 01.01.2024	—	—	—	—
Shares cancelled	-1,308,557	—	-1,308,557	-497.5
Free shares exercised	—	—	—	—
Treasury shares purchased	1,308,557	—	1,308,557	497.5
AS OF 31.12.2024	—	—	—	—

10.3 Net profit excluding non-recurring items – Earnings per share

10.3.1 Reconciliation with net profit

Net profit excluding non-recurring items reconciles as follows with net profit attributable to owners of the Company:

€ millions	1 st half 2025	1 st half 2024	2024
Net profit attributable to owners of the Company	3,368.0	3,655.6	6,408.7
Capital gains and losses on property, plant and equipment and intangible assets	41.2	-3.7	15.2
Impairment of property, plant and equipment and intangible assets	—	0.9	50.8
Restructuring costs	93.4	54.8	237.1
Others	134.3	51.4	134.6
Tax effect on non-recurring items	-50.4	-15.5	-91.6
Exceptional tax contribution in France	197.7	—	—
Non-controlling interests on non-recurring items	0.1	—	0.1
Tax effect on acquisitions and internal restructuring	-1.2	1.1	31.4
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY EXCLUDING NON-RECURRING ITEMS	3,783.0	3,744.6	6,786.3

10.3.2 Earnings per share attributable to owners of the Company

The tables below set out earnings per share attributable to owners of the Company rights:

1 st half 2025	Net profit attributable to owners of the Company (€ millions)	Number of shares	Earnings per share attributable to owners of the Company (€)
Earnings per share	3,368.0	533,968,779	6.31
Free shares		1,469,820	
DILUTED EARNINGS PER SHARE	3,368.0	535,438,599	6.29

1 st half 2024	Net profit attributable to owners of the Company (€ millions)	Number of shares	Earnings per share attributable to owners of the Company (€)
Earnings per share	3,655.6	534,740,668	6.84
Free shares		1,647,302	
DILUTED EARNINGS PER SHARE	3,655.6	536,387,970	6.82

2024	Net profit attributable to owners of the Company (€ millions)	Number of shares	Earnings per share attributable to owners of the Company (€)
Earnings per share	6,408.7	534,482,831	11.99
Free shares		1,595,600	
DILUTED EARNINGS PER SHARE	6,408.7	536,078,431	11.95

10.3.3 Earnings per share excluding non-recurring items

The tables below set out in detail earnings per share attributable to owners of the Company excluding non-recurring items:

1 st half 2025	Net profit attributable to owners of the Company excluding non-recurring items (€ millions)	Number of shares	Earnings per share attributable to owners of the Company excluding non-recurring items (€)
Earnings per share excluding non-recurring items	3,783.0	533,968,779	7.08
Free shares		1,469,820	
DILUTED EARNINGS PER SHARE EXCLUDING NON-RECURRING ITEMS	3,783.0	535,438,599	7.07
1 st half 2024	Net profit attributable to owners of the Company excluding non-recurring items (€ millions)	Number of shares	Earnings per share attributable to owners of the Company excluding non-recurring items (€)
Earnings per share excluding non-recurring items	3,744.6	534,740,668	7.00
Free shares		1,647,302	
DILUTED EARNINGS PER SHARE EXCLUDING NON-RECURRING ITEMS	3,744.6	536,387,970	6.98
2024	Net profit attributable to owners of the Company excluding non-recurring items (€ millions)	Number of shares	Earnings per share attributable to owners of the Company excluding non-recurring items (€)
Earnings per share excluding non-recurring items	6,786.3	534,482,831	12.70
Free shares		1,595,600	
DILUTED EARNINGS PER SHARE EXCLUDING NON-RECURRING ITEMS	6,786.3	536,078,431	12.66

10.3.4 Calculation of the number of shares

All potential ordinary shares are included in the calculation of earnings per share since all stock option plans have a dilutive impact on the periods presented.

Note 11 Provisions for liabilities and charges – Contingent liabilities and material ongoing disputes

11.1 Provisions for liabilities and charges

11.1.1 Closing balances

€ millions	30.06.2025	30.06.2024	31.12.2024
Non-current provisions for liabilities and charges	76.3	74.6	76.8
Non-current provisions ⁽¹⁾	76.3	74.6	76.8
Current provisions for liabilities and charges	1,059.4	920.0	1,093.1
Provisions for restructuring	210.4	119.1	219.3
Provisions for product returns	282.8	319.7	305.0
Other current provisions ⁽¹⁾	566.2	481.2	568.8
TOTAL	1,135.7	994.6	1,169.8

(1) This item notably includes provisions for tax risks and litigation excluding corporate income tax, industrial, environmental and commercial risks relating to operations (breach of contract), personnel costs, products disputes, as well as risks relating to investigations carried out by competition authorities (see Notes 11.2.2.a and b).

11.1.2 Changes in provisions for liabilities and charges during the period

€ millions	30.06.2024	31.12.2024	Charges ⁽²⁾	Reversals (used) ⁽²⁾	Reversals (not used) ⁽²⁾	Other ⁽¹⁾	30.06.2025
Provisions for restructuring	119.1	219.3	83.4	-56.9	-16.0	-19.4	210.4
Provisions for product returns	319.7	305.0	236.9	-201.6	-35.0	-22.5	282.8
Other provisions for liabilities and charges	555.8	645.5	233.8	-195.0	-33.4	-8.5	642.5
TOTAL	994.6	1,169.8	554.2	-453.5	-84.4	-50.4	1,135.7

(1) Mainly resulting from translation differences.

(2) These figures can be analysed as follow:

€ millions	Charges	Reversals (used)	Reversals (not used)
Operating profit	391.2	-376.1	-68.3
Other income and expenses	163.0	-77.4	-16.0
Net financial income	—	—	—

11.2 Contingent liabilities and material ongoing disputes

L'Oréal is party to several material disputes, described below. Some of these disputes give rise to the creation of provisions according to the principles described in Note 11.1. Other disputes are considered as contingent liabilities, either because no reliable estimate of the amounts likely to be charged to the Group can be provided based on the information available, or because the Group's management has determined, in particular in light of the opinions of advisors and experts assisting it in these disputes, that the probability that the dispute will give rise to a payment by the Group is low.

11.2.1 Tax disputes

Brazil – IPI indirect tax base challenged

In January 2015, decree 8.393/2015 stated that commercial companies in Brazil would be liable for the indirect IPI tax on certain products as from 1 May 2015. L'Oréal is challenging the legal grounds of this decree and its application. In light of changes in market practices and a favourable change in the opinion of its advisers, since 1 January 2018 L'Oréal has recognised the IPI collected under income.

L'Oréal received tax reassessment notices regarding the indirect IPI tax for financial years 2008 and 2011 to 2015 totalling €652 million, including interest and penalties. The Brazilian tax authorities are questioning the ex-works sales price to the commercial arm used to calculate the IPI tax base. After consulting with its tax advisors, L'Oréal considers that the Brazilian tax authorities' position is unfounded and has challenged these notices. L'Oréal continues its legal proceedings with the tax and legal authorities.

In light of the negative developments in administrative court decisions on the same matter for other Brazilian groups, L'Oréal funded a provision for €43 million to partially cover this risk.

India – Advertising, marketing and promotional costs challenged

L'Oréal received several tax reassessment notices regarding financial years 2007/08 to 2017/18 and 2019/20 to 2020/21 for the most part concerning the tax deductibility of advertising, marketing and promotional expenses for a total amount of €213 million including interest and penalties. After consulting with its tax advisors, L'Oréal decided to contest these notices and continues the legal proceedings with the administrative and legal authorities.

Mutual agreement procedures

Mutual agreement procedures were instigated vis-à-vis the French, Indonesian and Singaporean tax authorities in order to eliminate double taxation following disagreements between these authorities.

11.2.2 Investigations carried out by the competition authorities

The national competition authorities in several European countries have launched investigations targeting the cosmetics industry in particular.

a) Europe (excluding France)

In Germany, after the German competition authority filed a lawsuit in 2008 in the area of personal care products, which was definitively closed in 2015, distributors filed a lawsuit seeking damages against L'Oréal Germany which has resulted in dismissals by the courts at this stage. These proceedings are still ongoing. L'Oréal Germany is contesting the merits of these claims and denies that any damages occurred.

b) France

In France, on 18 December 2014, the French competition authority handed down a fine of €189.5 million against L'Oréal in the hygiene products sector for events that took place in the early 2000s. On 27 October 2016, the Paris Court of Appeal upheld this first instance decision. L'Oréal refutes all accusations of concerted practices with its competitors and regrets that the French competition authority did not take into account the highly competitive French market in household and hygiene products as illustrated by the number of manufacturers and retailers present on the market, the large choice of products available to consumers, and the high degree of innovation and number of product launches.

Following an appeal lodged by L'Oréal, on 27 March 2019, the Court of Cassation partially overturned the ruling relating to the amount of the fine imposed on L'Oréal. On 18 June 2020, the Second Court of Appeal confirmed the initial amount of the fine. L'Oréal lodged a second appeal with the Court of Cassation against this ruling that was rejected on 18 October 2023.

This final ruling has no impact on the Group's income statement and no cash flow impact, as the fine was paid in 2015.

Following this ruling, the distributors filed lawsuits for damages against L'Oréal. These proceedings are in initial stages or resulted in dismissals by the courts. These proceedings are still ongoing. L'Oréal contests the merits of these claims and denies that any damages occurred.

At the present time, no other exceptional events or disputes are highly likely to have a material impact on the earnings, financial situation, assets, or operations of the Company or the L'Oréal Groupe.

11.2.3 Disputes over product liability in North America

a) Disputes over products that may contain talc in the United States

The Group's US subsidiaries are currently being sued in the United States in product liability cases related to the alleged presence of asbestos particles in certain cosmetic products containing talc. To date, none of the cases involving the Group's subsidiaries have gone to trial. Some complaints have also been dismissed. As of 30 June 2025, approximately 500 proceedings are pending. L'Oréal strongly contests the claims made in these actions.

b) Disputes over hair relaxers in North America

Group entities are currently being sued in product liability cases related to the alleged presence of ingredients in hair relaxers that have caused various health problems. As of 30 June 2025, the Group's U.S. companies were sued in approximately 9,450 federal proceedings consolidated into a multi-district ("MDL") proceeding pending before the U.S. District Court for the Northern District of Illinois, and in approximately 1,100 individual actions (sometimes consolidated) before various state courts. The discovery phase is ongoing. Other actions are also pending in connection with the same products, including a class action, for financial damages. No provision has been recognised to date. The Group strongly contests the claims brought in these actions.

Note 12 Acquisitions in progress

Signing of a majority stake agreement

L'Oréal Groupe announced on 9 June 2025 the signing of an agreement to acquire a majority stake in the British skincare brand **Medik8**.

As part of the transaction, Inflexion, a leading European mid-market private equity firm, will remain a minority shareholder. The Founder will continue to serve on the board, with the current management committee also remaining in place to ensure continuity.

This acquisition further strengthens L'Oréal's Luxe portfolio, adding a premium science-backed skincare brand with a proven track record of success, with strong potential for global growth.

L'Oréal will start consolidating Medik8 sales from the date of the closing of the transaction. As part of the agreement, L'Oréal has also secured rights to buyout in full the minority shareholders.

The transaction is expected to be completed in the next few months after regulatory approvals and other customary conditions.

Signing of an acquisition agreement of Color Wow

L'Oréal Groupe announced on 30 June 2025 the signing of an agreement to acquire **Color Wow**, one of the world's fastest growing and most innovative professional haircare brands.

Founded in 2013 by Gail Federici, Color Wow, based in the US and UK, offers a unique range of products that have gained a loyal and devoted following amongst stylists, media and consumers alike. Color Wow is a renowned prestige brand in the US haircare market, and is experiencing rapid growth, thanks in part to advocacy and its highly engaged online community. Still true to its professional origins, the brand is now omnichannel, and is already distributed in salons, selective distribution and e-commerce platforms.

This acquisition further strengthens L'Oréal's Professional products portfolio, with a proven track record of success and strong potential for global growth.

The deal will close following the customary closing conditions, including the standard regulatory approvals.

These two acquisitions represent a purchasing commitment for the Group of around €2.3 billion.

Note 13 Subsequent events

No significant events occurred between the balance sheet date and the date when the Board of Directors authorised the condensed half-year consolidated financial statements for issue.

3 — Statutory auditors' review report on the 2025 half-year financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Period from January 1 to June 30, 2025

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of L'Oréal for the six months ended June 30, 2025,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject of our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, July 31, 2025

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES
David Dupont-Noel

ERNST & YOUNG Audit
Céline Eydiéu-Boutté

4

Declaration by the person responsible for the 2025 half-year financial report

I declare that, to the best of my knowledge, the summary consolidated financial statements for the ending semester have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profit and loss of the Company and all the other companies included in the scope of consolidation, and that this Half-year Activity Report includes a fair review of the important events which occurred during the first six months of the year, their impact on the half-year financial statements and the main transactions between related parties, and describes the principal risks and uncertainties for the remaining six months of the year.

Clichy, 30th July 2025,

On the authority of the Chief Executive Officer

Christophe Babule

Chief Financial Officer



Graphic design by PricewaterhouseCoopers Advisory

Contact: fr_content_and_design@pwc.com

PHOTOS CREDITS

Cover page: Luigi and Lango/Adut Akech/Valentino.

For the full version of the
2024 Universal Registration Document

visit www.loreal-finance.com
or the L'Oréal Finance app

L'ORÉAL

INCORPORATED IN FRANCE AS
A "SOCIÉTÉ ANONYME" WITH
REGISTERED CAPITAL OF
€106,640,982.60
632 012 100 R.C.S. PARIS

HEADQUARTERS:
41, RUE MARTRE
92117 CLICHY CEDEX - FRANCE
TEL.: +33 01 47 56 70 00

REGISTERED OFFICE:
14, RUE ROYALE
75008 PARIS

www.loreal.com
www.loreal-finance.com