

# 1

## Brief presentation of the L'Oréal Group in 2025 and key figures

### KEY FIGURES 2025

**N°1 IN  
BEAUTY**

**150+ countries**

International presence

**40**

international brands

**117 years**

Created in 1909

More than  
**95,000**  
employees

Recognised for the 16<sup>th</sup> time as one of the world's most ethical companies by the Ethisphere Institute

Recognised for the 10<sup>th</sup> time by the CDP with a triple "A" for L'Oréal's leadership and transparency in the fight against climate change and its action in favour of forests and water security.

**L'Oréal For Youth:**

25,000 work opportunities per year for under-30s.

**€44.0 billion**

2025 sales

(+1.3% based on reported figures, +4.0% like-for-like<sup>(1)</sup>)

**€8.89 billion**

Operating profit (20.2% of the sales)

**€12.71**

Net earnings per share<sup>(2)</sup> (on increase +0.4%)

**€7.20**

Dividend per share<sup>(3)</sup> (on increase +2.9%)

**4.8% per year**

Total annual shareholder return on L'Oréal shares over 5 years

**€195.7 billion**

Market capitalisation at 31.12.2025

**€1,380 million**

Research and innovation budget

**725**

patents filed

**100%**

renewable energy in our operated sites and stores<sup>(4)</sup>

**67%**

of ingredients in formulas sourced from nature<sup>(5)</sup> or from recycled materials

**37%**

reduction in the use of virgin plastic for product packaging compared to 2019, in absolute terms

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

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

(3) Proposed at the Annual General Meeting of 24 April 2026.

(4) Operated stores that hold an electricity subscription.

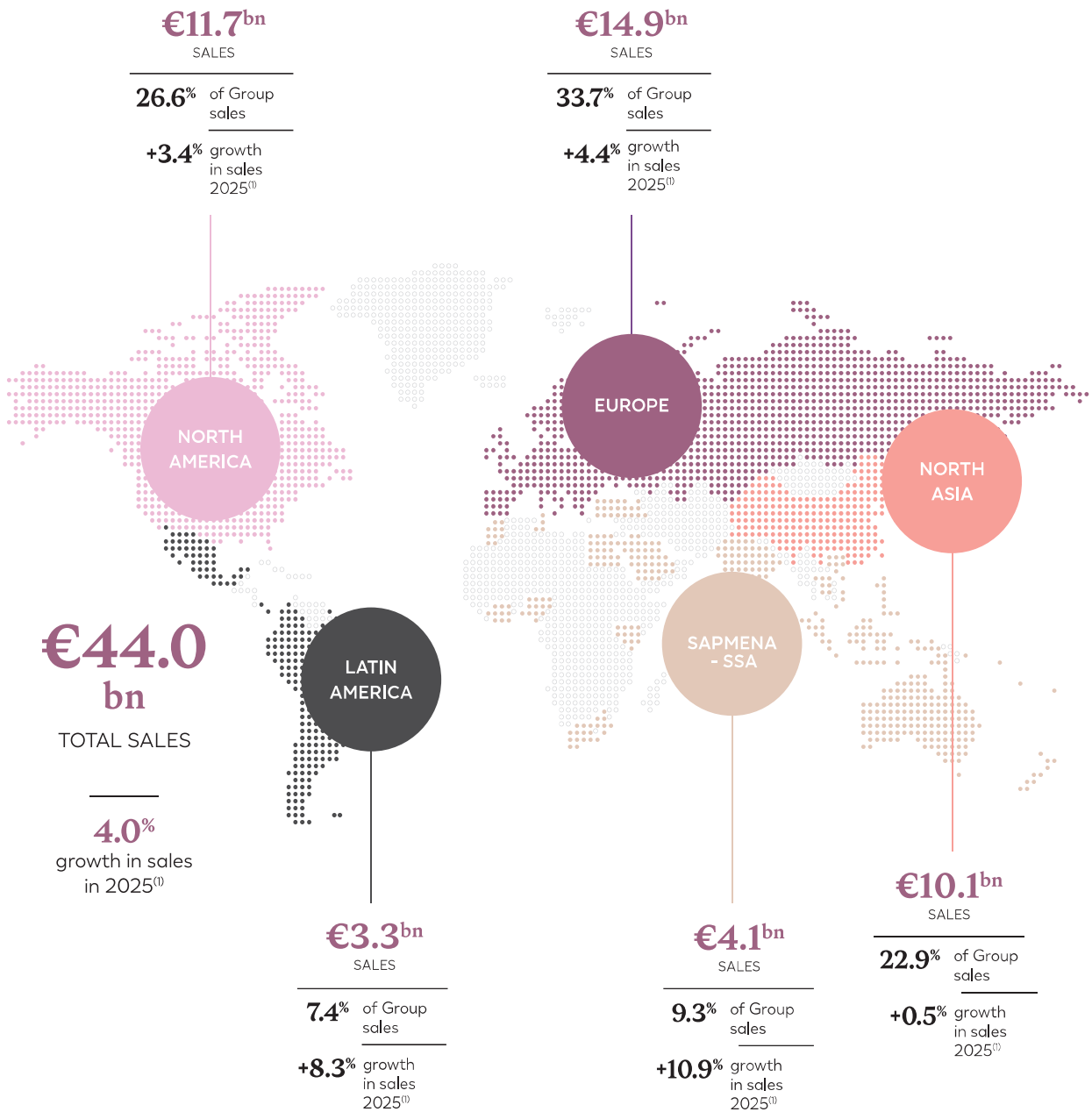
(5) Plant or mineral.

THE 5 REGIONS

**3**  
Zones with sales of over €10bn

**2**  
Zones as growth engines

**150+** Countries  
International footprint



(1) Like-for-like.

## Comments

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

"2025 was a defining year for L'Oréal: we delivered strong results regardless of the context, while profoundly transforming the Group.

As we had promised, organic top-line growth<sup>(1)</sup> accelerated quarter after quarter, boosted by the step-up in our launch plan and supported by a gradually improving beauty market. At +4%<sup>(1)</sup>, L'Oréal grew once again ahead of the market; a key highlight was the strong second-half recovery in our two largest countries, the United States and China, while we continued our Emerging conquest. We delivered another year of record gross and operating margins as our focus on efficiency gains allowed us to offset adverse currency and tariff trends.

At the same time, we made L'Oréal stronger than ever through our transformation. We continued to advance on AI, strengthen our R&I capabilities and implement our IT transformation. And we embarked on our most strategic and transformational M&A offensive to date: Kering Beauté will further bolster our leadership in luxury beauty, adding highly desirable brands with significant growth potential. The increase in our stake in Galderma will allow L'Oréal to take part in the fast-growing market of aesthetics, a key adjacency to our beauty business.

This transformation opens new growth opportunities, and we are set up for further acceleration. In 2026, despite the macro uncertainties, we are optimistic about the outlook for the global beauty market, and confident in our ability to keep outperforming it thanks to L'Oréal's multi-division category strategy and to achieve another year of growth in sales and profit."

## Overview of results for 2025

- **Sales: €44.05 billion**, +4.0% like-for-like<sup>(2)</sup> and +1.3% reported.
- **Another year of outperformance** in an improving beauty market.
- **Growth<sup>(1)</sup> in all Divisions**, led by Professional Products.
- **Growth<sup>(1)</sup> in all Regions**, with a broad-based acceleration in the second half.
- **E-commerce<sup>(3)</sup> growing double digits passing the 30% mark.**
- **Gross margin up +10 basis points** at 74.3%.
- **Operating margin up +20 basis points** at 20.2%.
- **Earnings per share<sup>(4)</sup>**, at **€12.71**, up +0.4%.
- **Dividend per share<sup>(5)</sup> €7.20**, up +2.9%.
- **Net cash flow: €7.2 billion**, up 7.8%.
- **Sustainability leader**: The only company in the world to be awarded a triple 'A' rating by **CDP** for ten years in a row. Ranked in the global top 1% for environmental and social performance by **EcoVadis**.

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

(2) Like-for-like growth: based on a comparable structure and identical exchange rates.

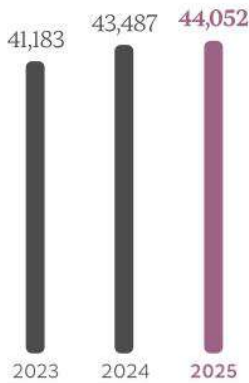
(3) Includes sales on L'Oréal's brand websites, sales to online pure players, and the e-commerce portion of sales to traditional retailers (based on non-audited declarative data); like-for-like.

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

(5) To be proposed at the Annual General Meeting of 24 April 2026.

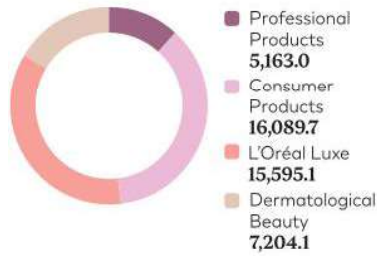
## 2025 Sales

CONSOLIDATED SALES  
(€ millions)

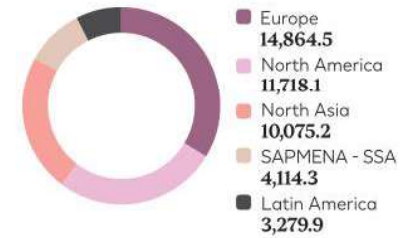


BREAKDOWN OF SALES  
(€ millions)

BY OPERATIONAL DIVISION



BY REGION



BY BUSINESS SEGMENT

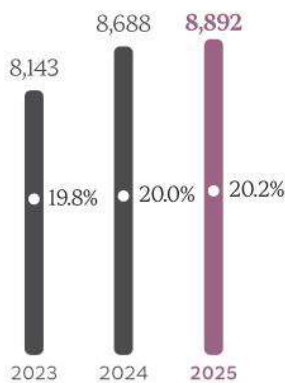


BY CURRENCY



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

OPERATING PROFIT  
(€ millions)



○ Operating margin as a % of sales

BREAKDOWN OF OPERATING PROFIT BY OPERATIONAL DEPARTMENT



## 2025 Consolidated sales

- Sales amounted to **€44.05 billion** at 31 December 2025, up 1.3% reported.
- **Like-for-like**, i.e., based on comparable scope and exchange rates, sales grew by 4.0%.
- **The net impact of changes in the scope of consolidation** was 0.9%.
- **Growth at constant exchange rates** came out at 4.9%.
- **Currency fluctuations** had a negative impact of -3.6% at the end of 2025.

### SALES BY DIVISION AND GEOGRAPHIC REGION

€ millions	2023	2024	2025	% 2025 sales	Change 2024/2025	
					Like-for-like	Reported figures
<b>By Division</b>						
Professional Products	4,653.9	4,886.2	5,163.0	11.7%	+7.5%	+5.7%
Consumer Products	15,172.7	15,982.4	16,089.7	36.5%	+3.5%	+0.7%
L'Oréal Luxe	14,924.0	15,591.1	15,595.1	35.4%	+2.8%	+0.0%
Dermatological Beauty	6,432.0	7,027.1	7,204.1	16.4%	+5.5%	+2.5%
<b>GROUP TOTAL</b>	<b>41,182.5</b>	<b>43,486.8</b>	<b>44,052.0</b>	<b>100.0%</b>	<b>+4.0%</b>	<b>+1.3%</b>
<b>By Region</b>						
Europe	13,007.8	14,211.4	14,864.5	33.7%	+4.4%	+4.6%
North America	11,147.2	11,805.2	11,718.1	26.6%	+3.4%	-0.7%
North Asia	10,662.9	10,303.4	10,075.2	22.9%	+0.5%	-2.2%
SAPMENA-SSA <sup>(1)</sup>	3,447.7	3,863.0	4,114.3	9.3%	+10.9%	+6.5%
Latin America	2,916.9	3,303.9	3,279.9	7.4%	+8.3%	-0.7%
<b>GROUP TOTAL</b>	<b>41,182.5</b>	<b>43,486.8</b>	<b>44,052.0</b>	<b>100.0%</b>	<b>+4.0%</b>	<b>+1.3%</b>

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

### Summary by Division

#### Professional Products

The Professional Products Division posted growth of +7.5% like-for-like and +5.7% reported.

#### Consumer Products

The Consumer Products Division posted growth of +3.5% like-for-like and +0.7% reported.

#### Luxe

L'Oréal Luxe posted growth of +2.8% like-for-like, +0.0% reported.

#### Dermatological Beauty

The Dermatological Beauty Division posted growth of +5.5% like-for-like and +2.5% reported.

### Summary by Region

#### Europe

Sales in Europe grew +4.4 % like-for-like and +4.6% reported.

#### North America

Sales in North America grew +3.4% like-for-like and -0.7% reported.

#### North Asia

Sales in North Asia grew +0.5% like-for-like and -2.2% reported.

#### SAPMENA - SSA

Sales in SAPMENA-SSA grew +10.9% like-for-like and +6.5% reported.

#### Latin America

Sales in Latin America grew +8.3% like-for-like and -0.7% reported.

## 2025 consolidated results

### Operating profitability and consolidated income statement

	2023		2024		2025	
	€ millions	% sales	€ millions	% sales	€ millions	% sales
<b>Sales</b>	<b>41,182.5</b>	<b>100.0%</b>	<b>43,486.8</b>	<b>100.0%</b>	<b>44,052.0</b>	<b>100.0%</b>
Cost of sales	(10,767.0)	26.1%	(11,227.0)	25.8%	(11,313.4)	25.7%
<b>Gross profit</b>	<b>30,415.5</b>	<b>73.9%</b>	<b>32,259.8</b>	<b>74.2%</b>	<b>32,738.6</b>	<b>74.3%</b>
R&I expenses	(1,288.9)	3.1%	(1,354.7)	3.1%	(1,380.6)	3.1%
Advertising and promotion expenses	(13,356.6)	32.4%	(14,008.9)	32.2%	(14,177.8)	32.2%
Selling, general and administrative expenses	(7,626.7)	18.5%	(8,208.7)	18.9%	(8,288.4)	18.8%
<b>OPERATING PROFIT</b>	<b>8,143.3</b>	<b>19.8%</b>	<b>8,687.5</b>	<b>20.0%</b>	<b>8,891.9</b>	<b>20.2%</b>

**Gross profit** amounted to €32,739 million, up 1.5% compared to the previous year; as a percentage of sales, it stood at 74.3% of sales, representing a 10-basis-point increase on the previous year. Over the year as a whole, tariffs had a negative 20-basis-point impact, which was more than offset by strong price and mix effects, as well as operating efficiency.

**Research & Innovation expenses** totalled €1,381 million, an increase of 1.9% year-on-year; as a percentage of sales, they remained broadly stable at 3.1%, in line with the long-term trend.

**Advertising and promotion expenses** amounted to €14,178 million, up 1.2% from the previous year; as a percentage of sales, they stood at 32.2%, i.e., stable compared to last year. L'Oréal continued to invest in its brands over the year.

**Selling, general and administrative expenses** totalled €8,288 million, an increase of 1% year on year; as a percentage of sales, this item fell 10 basis points to 18.8%, reflecting continued cost discipline and ongoing cost control.

Overall, **operating profit** increased by 2.4% to €8,892 million, and amounted to 20.2% of sales, an improvement of 20 basis points. In 2025, all of the Divisions posted an operating margin in excess of 21%.

### Operating profit by Division

	2023		2024		2025	
	€ millions	% sales	€ millions	% sales	€ millions	% sales
<b>By Division</b>						
Professional Products	1,005.3	21.6%	1,086.2	22.2%	1,180.3	22.9%
Consumer Products	3,114.7	20.5%	3,376.4	21.1%	3,443.3	21.4%
L'Oréal Luxe	3,331.8	22.3%	3,469.7	22.3%	3,488.1	22.4%
Dermatological Beauty	1,670.9	26.0%	1,832.7	26.1%	1,882.1	26.1%
<b>TOTAL OF DIVISIONS</b>	<b>9,122.7</b>	<b>22.2%</b>	<b>9,765.0</b>	<b>22.5%</b>	<b>9,993.8</b>	<b>22.7%</b>
Non-allocated <sup>(1)</sup>	(979.4)	-2.4%	(1,077.5)	-2.5%	(1,101.8)	-2.5%
<b>GROUP</b>	<b>8,143.3</b>	<b>19.8%</b>	<b>8,687.5</b>	<b>20.0%</b>	<b>8,891.9</b>	<b>20.2%</b>

(1) Non-allocated = Central Group expenses, fundamental research expenses, free share expense and miscellaneous items.

The profitability of the **Professional Products Division** came out at 22.9% of sales, up 70 basis points.

The profitability of the **Consumer Products Division** came out at 21.4% of sales, up 30 basis points.

The profitability of the **Luxe Division** came out at 22.4% of sales, up 10 basis points.

The profitability of the **Dermatological Beauty Division** came out at 26.1%, stable compared to 2024.

**Non-allocated expenses** amounted to €1,101.8 million.

## Net profit

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

€ millions	2023	2024	2025	Change
<b>Operating profit</b>	<b>8,143.3</b>	<b>8,687.52</b>	<b>8,891.9</b>	<b>+2.4%</b>
Financial revenues and expenses excluding dividends received	(116.1)	(264.5)	(236.1)	
Dividends received	423.6	447.6	351.9	
<b>Profit before tax excluding non-recurring items</b>	<b>8,450.8</b>	<b>8,870.6</b>	<b>9,007.7</b>	<b>+1.5%</b>
Income tax excluding non-recurring items	(1,957.8)	(2,075.4)	(2,187.4)	
Net profit (loss) excluding non-recurring items of equity consolidated companies	0.2	(1.3)	(5.5)	
Non-controlling interests	(6.7)	(7.6)	(8.3)	
<b>Net profit after non-controlling interests excluding non-recurring items</b>	<b>6,486.6</b>	<b>6,786.3</b>	<b>6,806.4</b>	<b>+0.3%</b>
EPS <sup>(1)</sup> (in euros)	12.08	12.66	12.71	+0.4%
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>6,184.0</b>	<b>6,408.7</b>	<b>6,127.2</b>	<b>-4.4%</b>
Diluted earnings per share attributable to owners of the company (euros)	11.52	11.95	11.44	
Diluted average number of shares	537,021,039	536,078,431	535,366,634	

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

**Net finance costs** came to €236 million, versus €264 million in 2024, i.e., 0.5% of sales, down 10 basis points year on year. This item includes finance costs on net debt of €198 million – comprising €366 million finance costs on gross debt and €168 million income on cash and cash equivalents.

**Dividends received** totalled €352 million, mainly comprising Sanofi dividends, down 22% year on year following the reduction in the stake in Sanofi in February 2025.

**Income tax excluding non-recurring items** amounted to €2,187 million, an increase of 5.4% from 2024 (€2,075 million), representing a tax rate of 24.3%, a 90 basis point increase versus the figure of 23.4% recorded in the prior year. Income tax excluding non-recurring items does not include the exceptional corporate tax levy in France amounting to €253 million.

**Net profit after non-controlling interests excluding non-recurring items** came out at €6,806 million, up 0.3% on the amount of €6,786 million recorded in 2024.

**Diluted earnings per share** after non-controlling interests, excluding non-recurring items came out at €12.71, up 0.4% year on year.

**Non-recurring items after non-controlling interests** amounted to €679 million net of tax. This item includes other income and expenses of €504 million, of which primarily €209 million of restructuring costs related to various reorganisation measures at Group, Divisional and Region level, €179 million related to product liability lawsuits and a non-recurring tax expense of €176 million, €253 million of which is linked to the exceptional tax levy in France.

**Net profit after non-controlling interests** came out at €6,127 million, down by 4.4%.

## Cash flow statement, Balance sheet and Cash position

**Gross cash flow** amounted to €8,330 million, a decrease of €183 million or 2.2% from the prior year figure of €8,513 million, directly linked to the decline in net profit.

**Operating cash flow** amounted to €7,162 million, an increase of €518 million or 7.8% versus the prior year figure of €6,644 million, primarily driven by an improvement in working capital. Working capital had a favourable €327 million impact on operating cash flow in 2025, a €554 million improvement versus 2024 (negative €227 million impact). This was mainly due to a €460 million increase in trade payables as a result of the phasing of purchases of raw materials and adjusted schedule of advance payments for IT migrations planned in the first half of the year after the period under review.

**Operating investments** amounted to €1,495 million, down by €146 million or 8.9%, from the prior year, notably reflecting lower investments in point-of-sale advertising and renovations to Group buildings. Operating investments represented 3.4% of sales, down 40 basis points versus the previous year (3.8%).

**Acquisitions of equity interests** represented a cash outflow of €2,427 million, corresponding to the acquisitions in 2025 of the Dr. G brand in Korea, Medik8 in the United Kingdom and ColorWoW in the United States.

**Investments in non-consolidated entities** amounted to €2,515 million, corresponding to the proceeds from the sale of Sanofi shares (€2.9 billion after tax), less cash outflows on non-controlling interests acquired during the year (in particular Jacquemus and SkinSpirit).

**Residual cash flow** represented a cash inflow of €2,427 million versus a cash outflow of €51 million one year earlier, mainly reflecting the substantial improvement in operating cash flow and the impact of sale of Sanofi shares.

## Proposed dividend at the Annual General Meeting of 24 April 2026

The Board of Directors has decided to propose a dividend of €7.20 per share at the shareholders' Annual General Meeting of 24 April 2026, an increase of +2.9% compared with the dividend paid in 2025. The dividend will be paid on 4 May 2026 (ex-dividend date 29 April 2026).

## Share capital

At 31 December 2025, the Company's share capital comprised 533,783,028 shares.