



2023

HALF-YEAR RESULTS

L'ORÉAL  
GROUPE

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# H1-2023 Highlights – Keeping up the pace

**+13.3%**

Like-for-like growth

**20.7%**

Operating margin

**+30bps**

**+11.2%**

Earnings per share\*

**€6.73**

*\* Diluted earnings per share attributable to owners of the company, excluding non-recurring items*

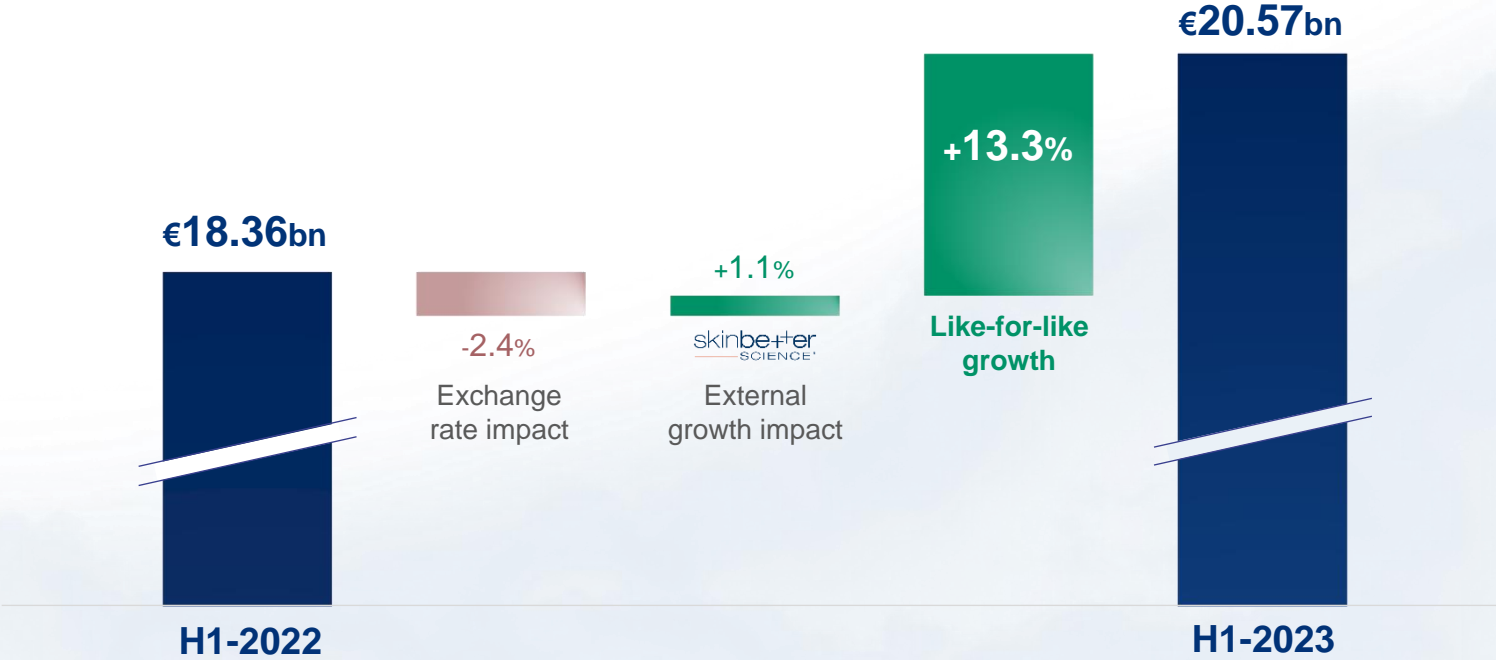
**L'ORÉAL**

28 July 2023



# H1-2023 consolidated sales Continued very strong growth

← Reported growth +12.0% →

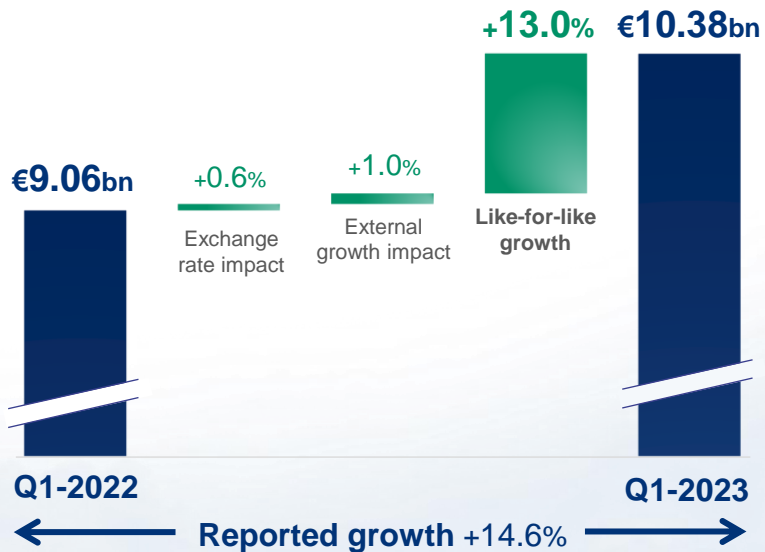




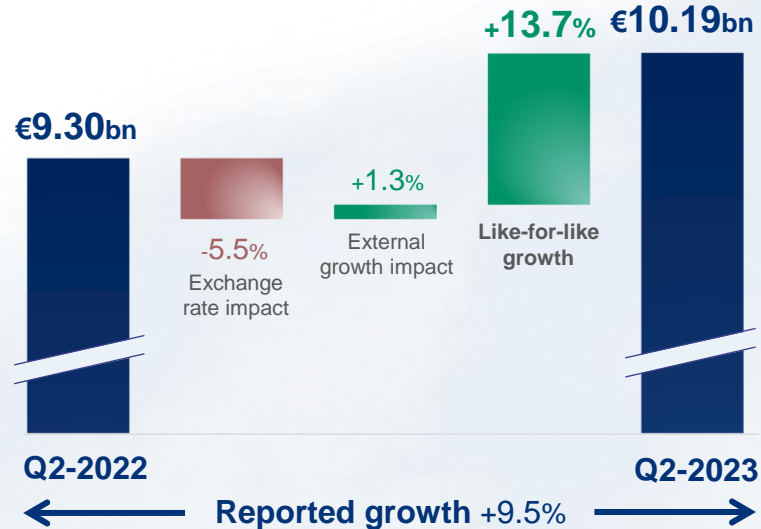
# H1-2023 sales by quarter

## Continued very strong growth, accelerating in Q2

### First quarter



### Second quarter





# H1-2023 growth Units contributed significantly



# H1-2023 sales by division

## Professional Products



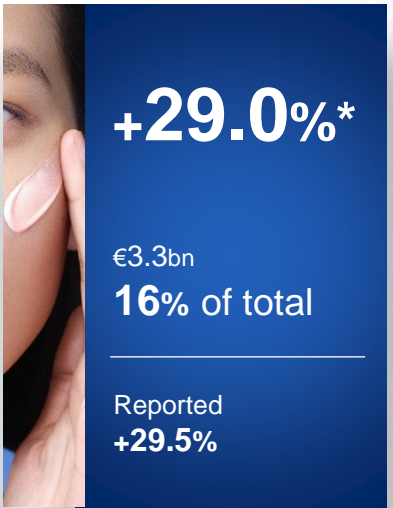
## Consumer Products



## L'Oréal Luxe



## L'Oréal Dermatological Beauty



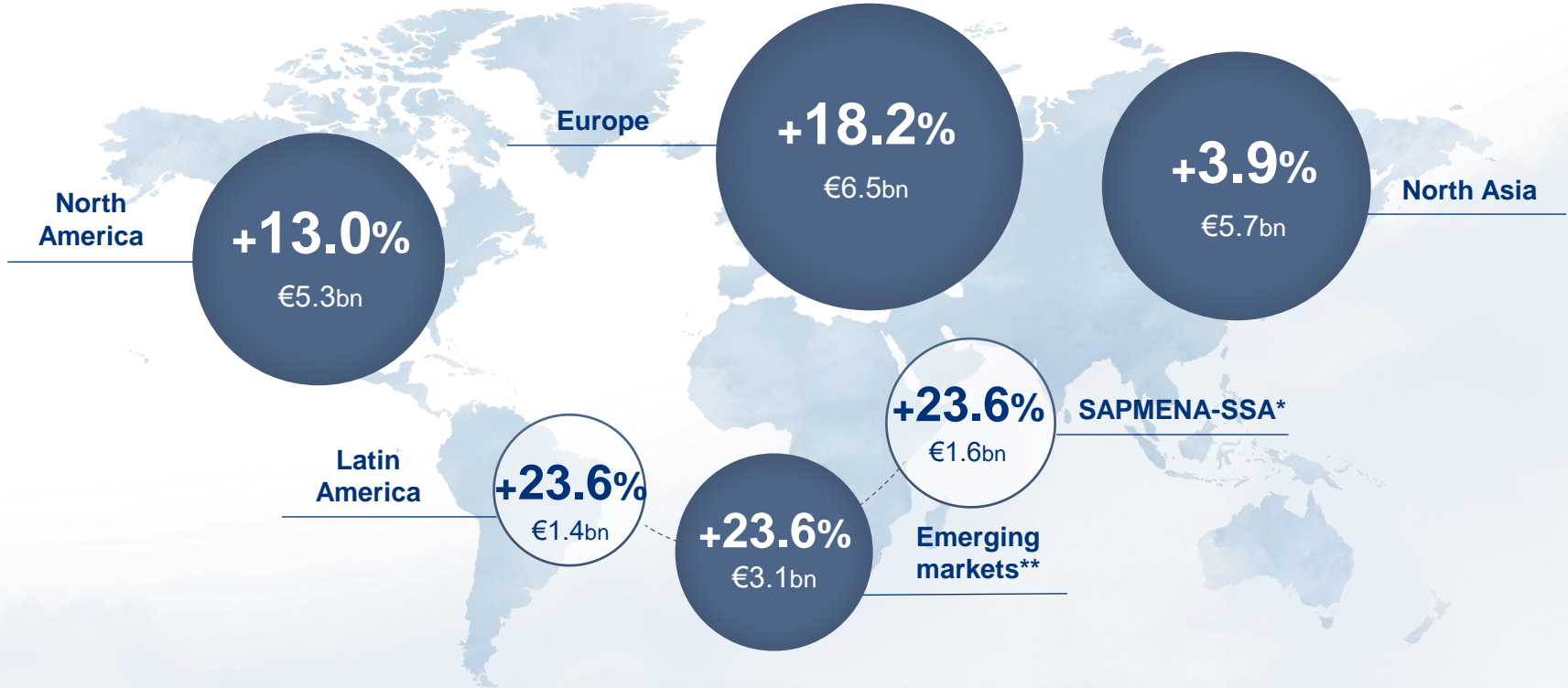
\* Like-for-like growth vs. H1-2022





# Sales and growth by region

(like-for-like growth, in billion euros)



\* South Asia Pacific, Middle-East, North Africa -Sub-Saharan Africa  
\*\* Emerging Markets combine the Latin America and the SAPMENA-SSA Zones



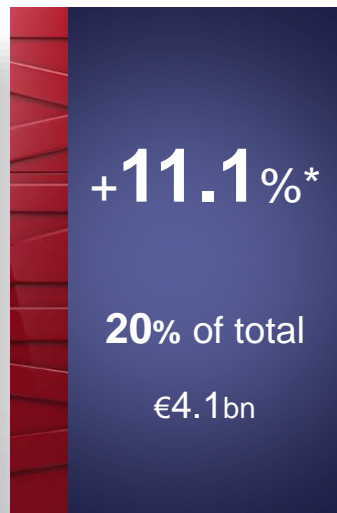
# H1-2023 sales by category

## All major categories are growing strongly

### Skincare



### Make-up



### Haircare



### Fragrances



### Hair colour



\* Like-for-like growth vs H1-2022



# Profit and loss account

## From sales to operating profit

(in million euros)

	H1-2022	% of sales	2022	% of sales	H1-2023	% of sales	% Change H1-23 vs. H1-22
<b>Sales</b>	<b>18 366.3</b>	<b>100.0%</b>	<b>38 260.6</b>	<b>100.0%</b>	<b>20 574.1</b>	<b>100.0%</b>	
Cost of sales	-4 935.8	26.9%	-10 577.4	27.6%	-5 291.5	25.7%	
<b>Gross profit</b>	<b>13 340.6</b>	<b>73.1%</b>	<b>27 683.3</b>	<b>72.4%</b>	<b>15 282.6</b>	<b>74.3%</b>	<b>+120bp</b>
Research and innovation expenses	-539.6	2.9%	-1 138.6	3.0%	-622.8	3.0%	+10bp
Advertising and promotion expenses	-5 793.3	31.5%	-12 059.0	31.5%	-6 682.6	32.5%	+100bp
Selling, general and administrative expenses	-3 352.2	18.3%	-7 028.8	18.4%	-3 718.5	18.1%	-20bp
<b>Operating profit</b>	<b>3 745.5</b>	<b>20.4%</b>	<b>7 456.9</b>	<b>19.5%</b>	<b>4 258.8</b>	<b>20.7%</b>	<b>+30bp</b>



# Operating margin by division

(as a % of sales)

	H1-2022	2022	H1-2023
Professional Products	21.2%	21.3%	<b>21.2%</b>
Consumer Products	20.0%	19.8%	<b>21.0%</b>
L'Oréal Luxe	24.0%	22.9%	<b>23.2%</b>
L'Oréal Dermatological Beauty	27.7%	25.4%	<b>28.4%</b>
<b>Total before non-allocated expenses</b>	<b>22.7%</b>	<b>21.9%</b>	<b>23.0%</b>
Non-allocated expenses*	-2.3%	-2.4%	<b>-2.3%</b>
<b>Group</b>	<b>20.4%</b>	<b>19.5%</b>	<b>20.7%</b>

\* Central group expenses, fundamental research expenses, free grant of shares expenses and miscellaneous items as a % of total sales

# Profit and loss account

## From operating profit to net profit excluding non-recurring items

(in million euros)

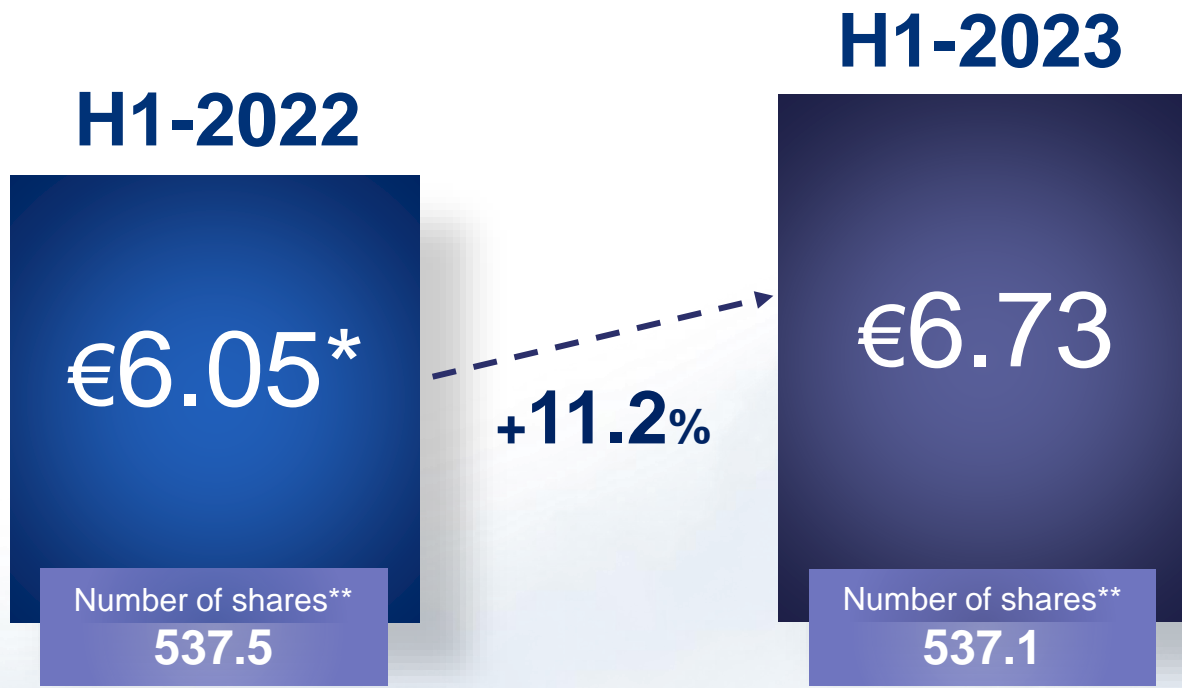
	H1-2022	2022	H1-2023	% Change H1-23 vs. H1-22
<b>Operating profit</b>	<b>3 745.5</b>	<b>7 456.9</b>	<b>4 258.8</b>	<b>+13.7%</b>
Financial revenues/expenses before dividends received	-16.4	-73.0	-45.3	
Sanofi dividends	468.2	468.2	420.9	
<b>Profit before tax and associates, excluding non-recurring items</b>	<b>4 197.3</b>	<b>7 852.1</b>	<b>4 634.4</b>	<b>+10.4%</b>
Income tax excluding non-recurring items	-943.0	-1 793.4	-1 013.2	
Net profit excluding non-recurring items of equity consolidated companies	+1.1	+1.5	—	
Non-controlling interests	-1.3	-6.1	-4.6	
<b>Net profit excluding non-recurring items after non-controlling interests</b>	<b>3 254.0</b>	<b>6 054.1</b>	<b>3 616.6</b>	
<b>Earnings per share (in euros)*</b>	<b>6.05</b>	<b>11.26</b>	<b>6.73</b>	<b>+11.2%</b>
Diluted average number of shares	537 541 538	537 657 548	537 136 456	

\* Diluted earnings per share attributable to owners of the company, excluding non-recurring items



# A strong increase in earnings per share

(in euros)



\* Impact of the distribution of the EuroAPI dividend of €0.13 per share

\*\* Diluted average number of shares in million

# Profit and loss account

## From net profit excluding non-recurring items to net profit

← Non-recurring items € -257,6m →



\* Vs. H1-2022



# Cash flow statement

(in million euros)

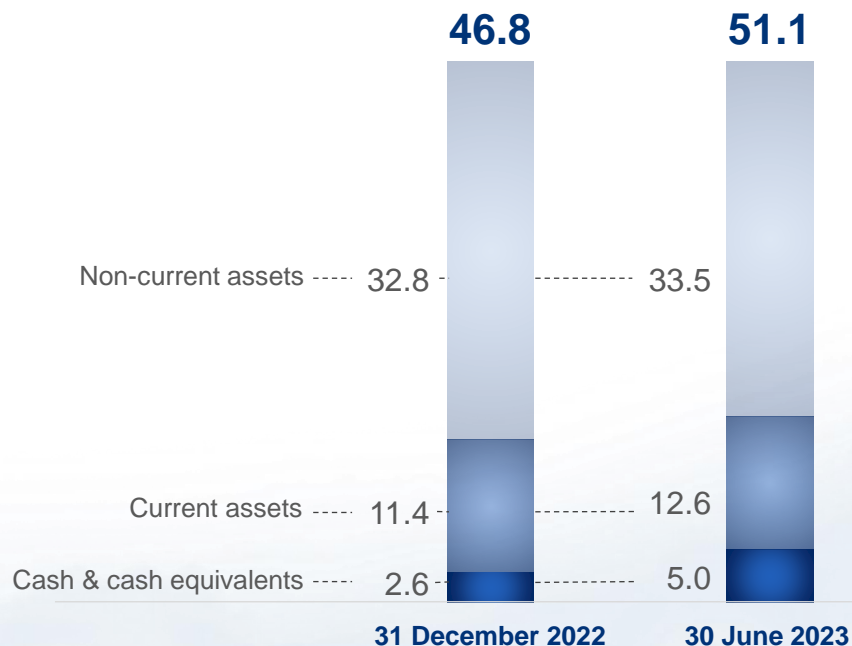
	H1 2022	2022	H1-2023	% Change H1-23 vs. H1-22
Net profit	3 224.0	5 712.6	3 363.6	
Depreciation, amortisation and provisions	626.8	1 536.1	911.3	
Capital gains / losses on disposals of assets, changes in deferred taxes, other	-24.6	+41.1	+103.4	
Share of profit in associates, net of dividends received	-1.1	-0.5	—	
<b>Cash flow</b>	<b>3 825.1</b>	<b>7 289.3</b>	<b>4 378.3</b>	<b>+14.5%</b>
Changes in working capital	- 1 849.8	-1 011.0	-1 556.6	
Investments	-638.3	-1 343.2	-724.1	
<b>Operating net cash flow</b>	<b>1 337.0</b>	<b>4 935.1</b>	<b>2 097.5</b>	<b>+56.9%</b>
Dividends paid	-2 641.2	-2 689.9	-3 398.2	
Acquisitions	-10.2	-746.9	-159.4	
Lease debt repayment	-216.7	-446.9	-211.2	
Acquisitions of treasury stock	—	-502.3		
Capital increase	—	+103.1		
Others	-50.6	-133.7	-40.2	
<b>Residual cash flow</b>	<b>-1 581.6</b>	<b>+518.5</b>	<b>-1 711.5</b>	



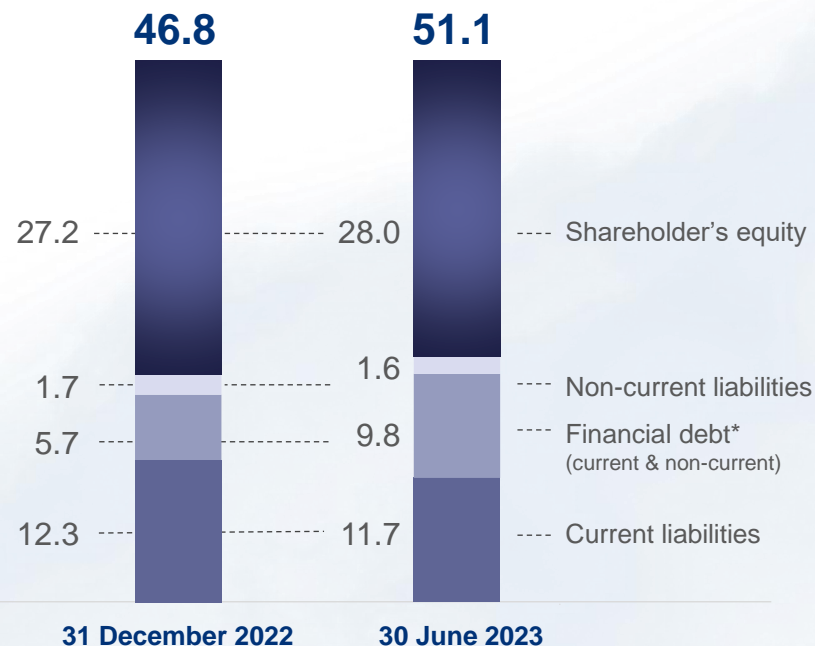
# A robust balance sheet

(in billion euros)

## Assets



## Liabilities



\* Of which €1567m due to financial lease debt at the end of June 2023 (IFRS 16) and of €1 620m at the end of December 2022



# Net debt – a healthy financial situation

(in million euros)



Gearing\*



Leverage\*\*  
(net debt/EBITDA)



\* Net debt/equity attributable to owners of the company (11.6% excluding financial lease debt)

\*\* Calculated over 12-month EBITDA to end June 2023

# APPENDIX

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# Changes in exchange rates

(against the euro)

	Weight in H1 2023 consolidated sales	Average rate H1 2022	Average rate H1 2023	% Change H1 2023 vs. H1 2022
Euro	20.3%	—	—	—
US Dollar (1 € =)	24.5%	1.092	1.080	+1.1%
Chinese Yuan	17.6%	0.141	0.133	-5.4%
Pound Sterling	3.6%	1.187	1.140	-3.9%
Canadian Dollar	2.2%	0.719	0.686	-4.6%
Mexican Peso	2.2%	0.045	0.050	+12.7%
Brazilian Real	2.1%	0.180	0.182	+0.8%
Russian Rouble	1.6%	0.012	0.012	-2.8%
Australian Dollar	1.4%	0.658	0.625	-5.0%
Indian Rupee	1.3%	0.012	0.011	-6.3%

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