



L'ORÉAL

REIGNITING GROWTH



JEAN-PAUL AGON

Chairman & Chief Executive Officer

KEPLER CHEUVREUX

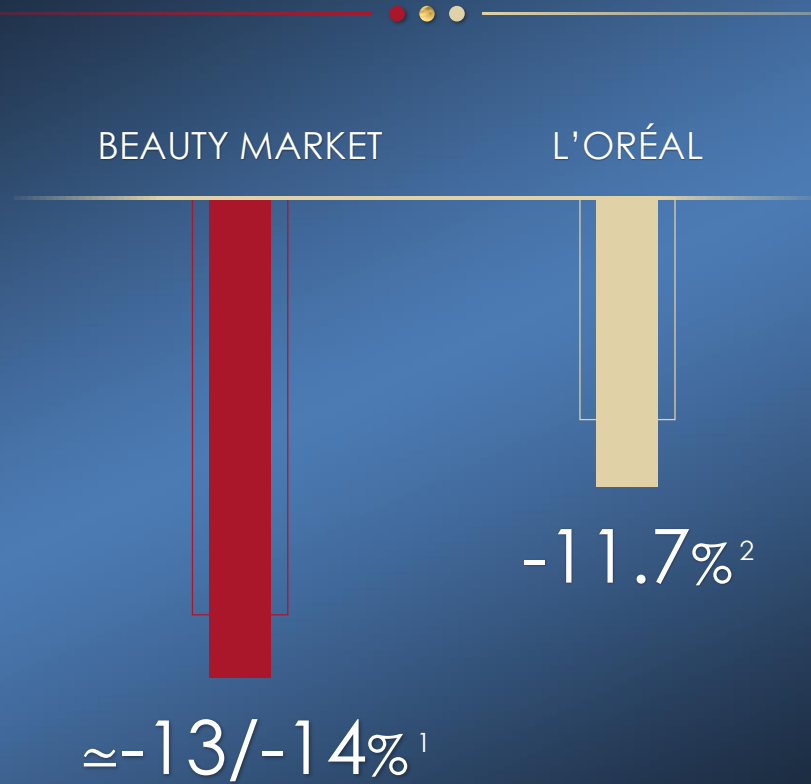
September 8th, 2020



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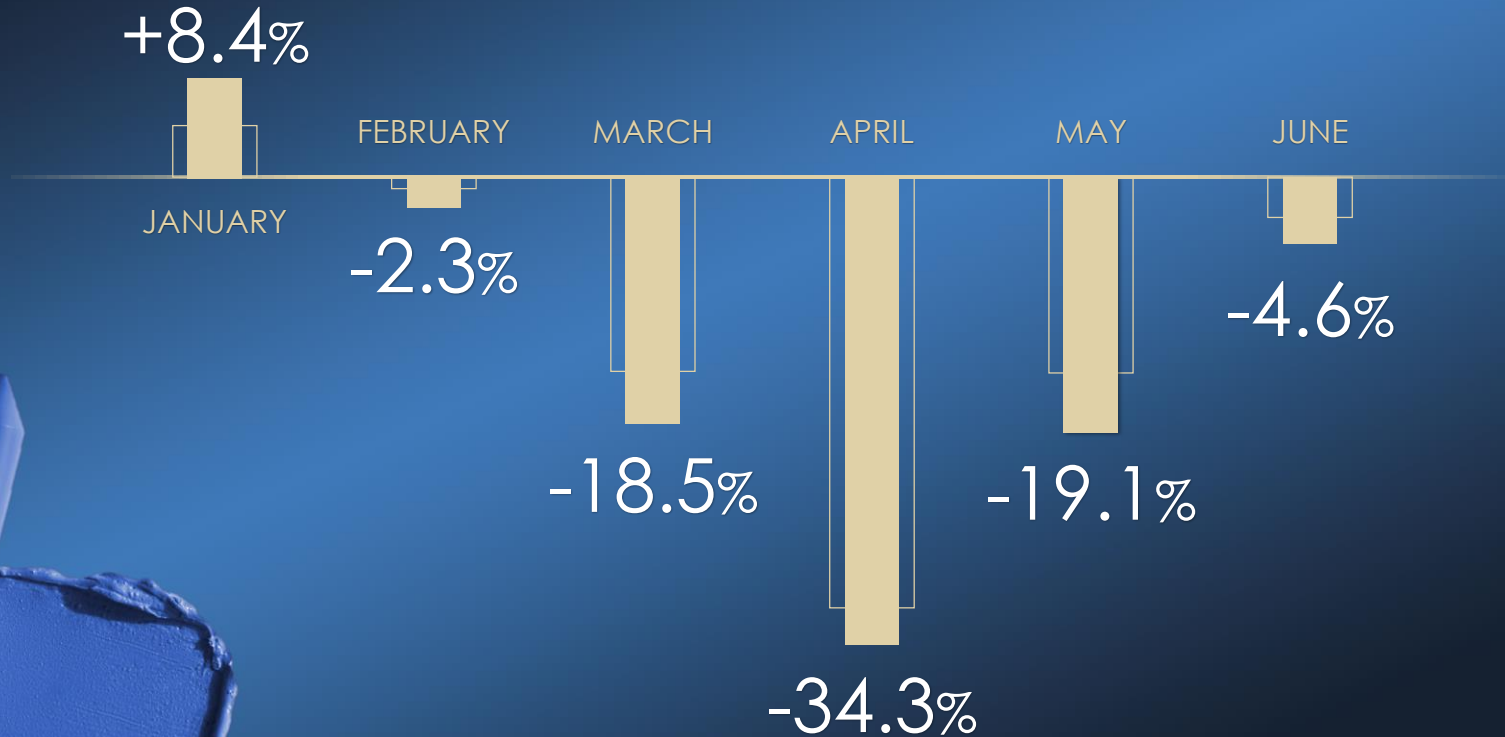
H1: RESILIENCE IN SALES
AND SOLID PROFITABILITY

OUTPERFORMING IN H1



STRONG RECOVERY

MONTHLY SALES EVOLUTION¹

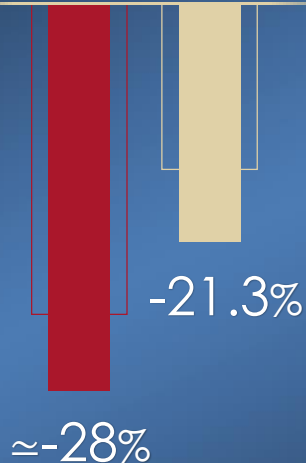


3 DIVISIONS OUTPERFORMING

PROFESSIONAL PRODUCTS

RESILIENCE DESPITE CLOSURE OF SALONS, REBOUND SINCE END OF LOCKDOWN

MARKET¹ L'ORÉAL²

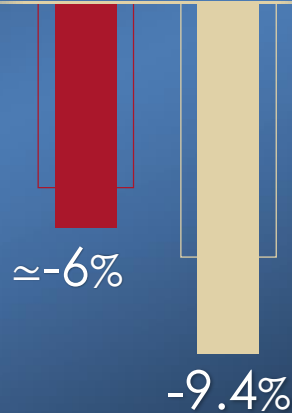


CONSUMER PRODUCTS

SELL-OUT IN LINE WITH THE MARKET DESPITE FOOTPRINT ON MAKE-UP

EXCLUDING MAKE-UP, SALES ARE FLAT

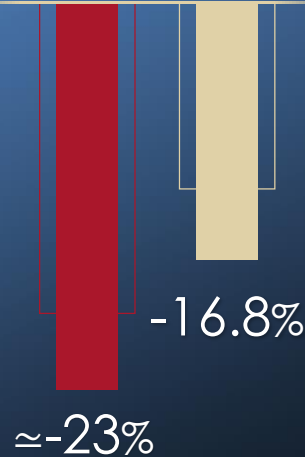
MARKET¹ L'ORÉAL²



L'ORÉAL LUXE

PERFORMED SIGNIFICANTLY BETTER THAN THE MARKET

MARKET¹ L'ORÉAL²



ACTIVE COSMETICS

STRONGLY GAINING SHARE GLOBALLY

+9%

MARKET¹ L'ORÉAL²



DRIVING THE MARKET IN CHINA

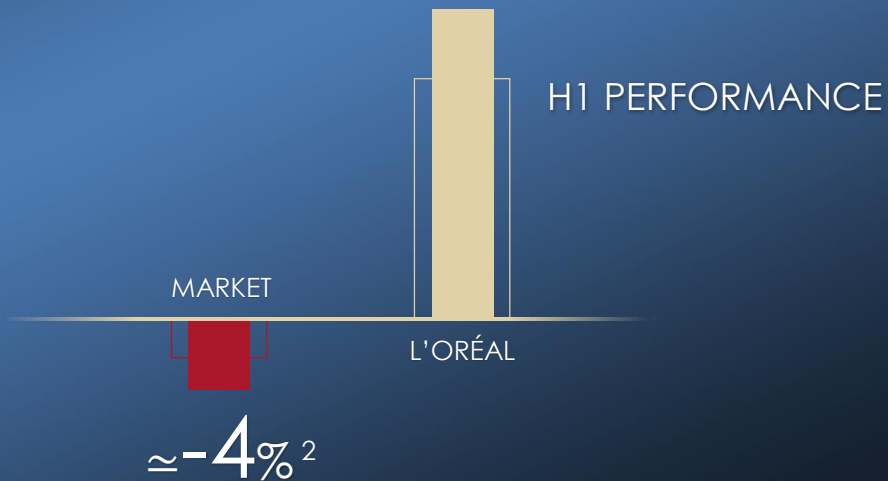
+30% IN Q2¹

STRONG GROWTH
IN E-COMMERCE

OUTPERFORMING
IN SKINCARE

+17.5%¹

H1 PERFORMANCE



BOOMING IN E-COMMERCE¹

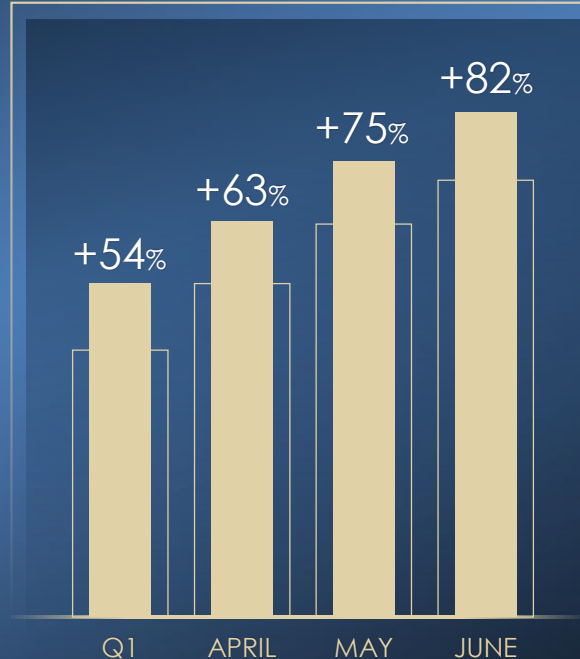
RECORD GROWTH
IN H1

+65%

≈ X2
THE MARKET

25%
OF SALES

ACCELERATION
EVEN AS STORES RE-OPEN



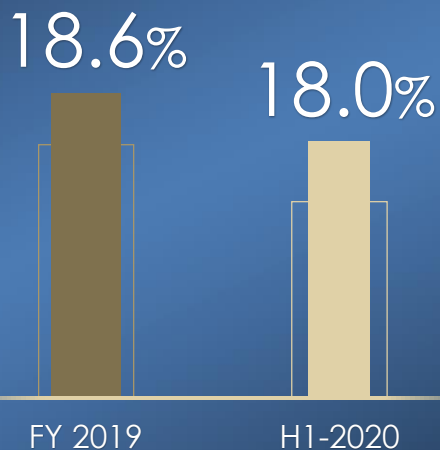
STRONG ACCELERATION
OUTSIDE OF ASIA

USA
+119% IN Q2

WESTERN EUROPE
+91% IN Q2

PRESERVING PROFITABILITY

OPERATING MARGIN
CLOSE TO FY 2019
(% SALES)



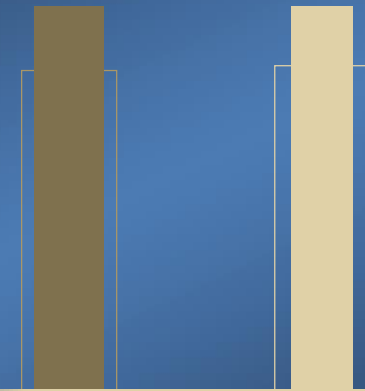
LIMITED DECLINE IN
EARNINGS PER SHARE ¹



PROTECTING MARGINS THROUGH P&L FLEXIBILITY

HIGH
GROSS MARGIN
(% SALES)

73.1% 73.1%



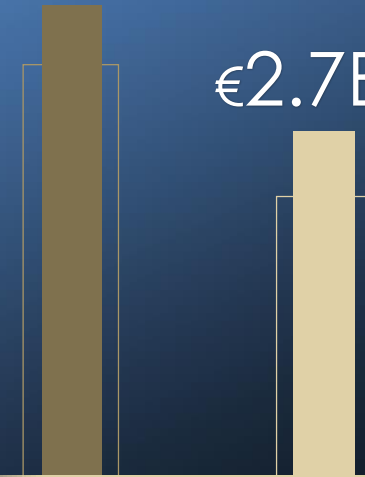
H1-2019

H1-2020

LOWER SG&As¹
THANKS TO COST DISCIPLINE

€3Bn

€2.7Bn

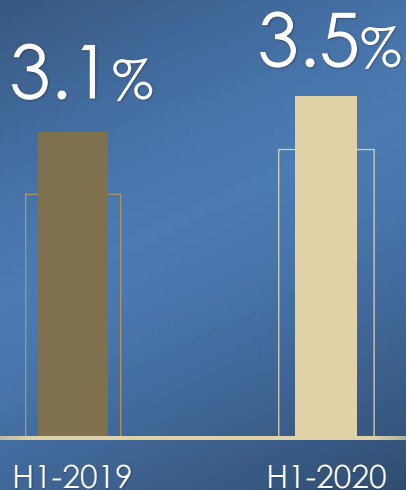


H1-2019

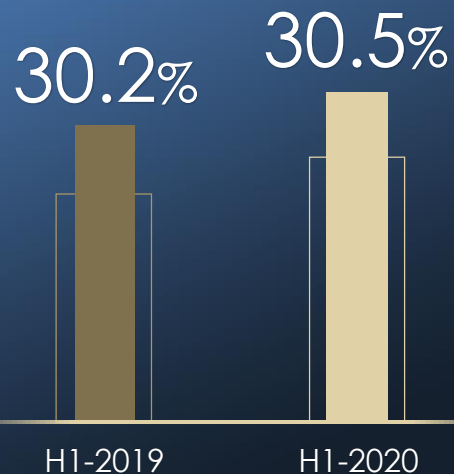
H1-2020

SECURING BUSINESS DRIVERS FOR THE FUTURE

SUSTAINED R&I INVESTMENTS (% SALES)



SUSTAINED A&P INVESTMENTS IN RELATIVE VALUE (% SALES)



WHILE PROTECTING & CARING

PROTECTING OUR EMPLOYEES



Drastic health and security measures on all workplaces
(factories, warehouses ...)

Limited number
of people infected

100% employment
& 100% fixed salary

SUPPORTING CAREGIVERS



15 million units
of hand sanitizers and
hand creams donated

In 40 countries

70% of our factories mobilized

SUPPORTING OUR PARTNERS



Freeze receivables from more
than 100,000 small professional
clients and perfumeries

Shortening leadtime
of payments to 9,000 most
vulnerable suppliers



2

H2, A NEW PHASE:
REIGNITING GROWTH AND
SECURING PROFITABILITY

THE MARKET WILL BE STRONGER IN H2

NO FURTHER LOCKDOWN
CONSUMERS ARE BACK TO BEAUTY



SEIZING ALL OPPORTUNITIES

MAXIMIZING INNOVATION

POWERFUL LAUNCH PLAN

PROFESSIONAL PRODUCTS



CONSUMER PRODUCTS



L'ORÉAL LUXE



ACTIVE COSMETICS



MAXIMIZING E-COMMERCE

ALL GEOGRAPHIES
& DIVISIONS

CONTINUED ACCELERATION
OUTSIDE OF CHINA

STRONG DOUBLE-DIGIT
GROWTH



ALL
CHANNELS

CREATING O+O
EXPERIENCE WITH
RETAILERS

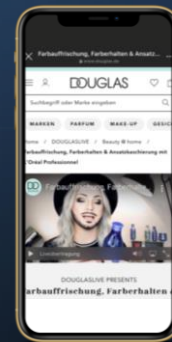
STRONG PARTNERSHIPS
WITH PURE PLAYERS

RELENTLESS PUSH
ON D2C

ALL
TOUCHPOINTS

SHOPPABLE
LIVE-STREAMING

SOCIAL COMMERCE



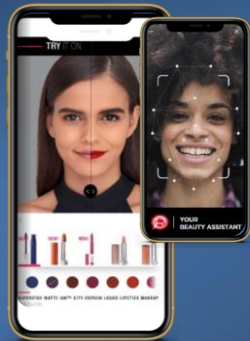
MAXIMIZING OUR DIGITAL EDGE

MORE
SERVICES

VIRTUAL TRY-ONS

TELECONSULTATION

IN-STORE VIRTUAL TESTERS



MORE
DIGITAL MEDIA

MEDIA SHIFT

DIGITAL SPEND NOW
GREATER THAN
TRADITIONAL MEDIA



MORE
CONNECTIONS

MASSIVE INCREASE OF
CONVERSATIONS ONLINE



MAXIMIZING CUSTOMER PARTNERSHIPS

TIGHTER COLLABORATION WITH RETAILERS

STRONG JOINT
BUSINESS PLAN

BACK TO BEAUTY PLAN
WORLDWIDE EXECUTION

EVENTS TO CREATE
EXCITEMENT

SMART OFFERS
TO DRIVE TRAFFIC



STRONGER BOND WITH HAIRDRESSERS

NEW RELATIONSHIP THANKS
TO STRONG SUPPORT
DURING THE CRISIS

HUGE INCREASE IN ONLINE
SUPPORT & TRAINING

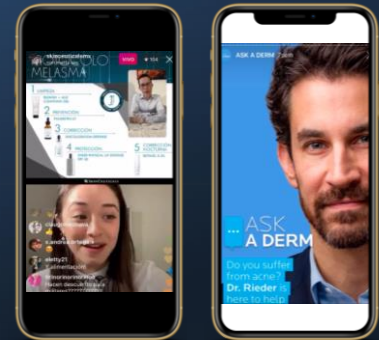
WINNING THE BATTLE FOR
NEW SALONS AND STYLISTS



CLOSER RELATIONSHIP WITH MEDICAL PROFESSIONALS

DIGITALIZATION
OF CONNECTIONS WITH
MEDICAL PROFESSIONALS

MASSIVE AMPLIFICATION
OF REACH



MAXIMIZING GROWTH IN CHINA

DRIVING POWER BRANDS
AND HERO PRODUCTS



SUPERSIZING
ONLINE EVENTS

CHINESE
VALENTINE'S DAY

SUPERBRAND DAY

LANCÔME 85 YEARS
ANNIVERSARY

11.11



ENHANCING
THE O+O MODEL

SEAMLESS
BRAND EXPERIENCE

SHOPPABLE
LIVE-STREAMING

SOCIAL COMMERCE



MAXIMIZING GROWTH IN SKINCARE

STRONG SHIFT
TO SKINCARE

UNLEASHING LAUNCHES
WITH MASSIVE SUPPORT

35%

40%

AS % OF SALES
2019

AS % OF SALES
H1 2020



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MAXIMIZING THE POWER OF STRONG BRANDS

STRONG TRUSTED ASPIRATIONAL BRANDS WILL PREVAIL

WE ARE REINFORCING THE EQUITY OF OUR STAR BRANDS

KÉRASTASE
PARIS

L'ORÉAL
PARIS

By GARNIER,
Naturally!

LANCÔME
PARIS

Kiehl's
SINCE 1851

SKINCEUTICALS
ADVANCED PROFESSIONAL SKINCARE

LA ROCHE POSAY
LABORATOIRE DERMATOLOGIQUE

CeraVe
DEVELOPED WITH DERMATOLOGISTS

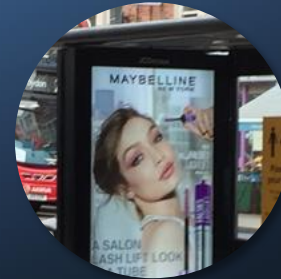
RAMPING UP MEDIA INVESTMENT

MEDIA INVESTMENT
INCREASING

MORE INVESTMENT
IN DIGITAL MEDIA

FOCUS ON
CONVERSION
AND SALES

ROI
IS INCREASING



MAXIMUM DISCIPLINE TO PROTECT MARGINS

IN ORDER TO FUEL BUSINESS DRIVERS

STRICT COSTS CONTROL

H1 MEASURES MAINTAINED FOR H2

HEADCOUNT FREEZE

TRAVEL BAN

CONSULTING FEES

STRICT CONTROL OF INVESTMENTS

SMART OPTIMIZATION OF A&Ps

TO MAXIMIZE ROI

PIVOT TO DIGITAL

VIRTUAL TESTERS

REDUCTION OF POS MATERIAL

PERMANENT TRANSFORMATION

TO MAXIMIZE EFFICIENCY

ADAPTING OUR FOOTPRINT:
DISTRIBUTION
INDUSTRY LOGISTICS

DECISIVE PORTFOLIO MANAGEMENT

TO FOCUS ON WINNING ASSETS

CLOSURE OF CLARISONIC

DISPOSAL OF ROGER & GALLET

INTEGRATION OF MUGLER, AZZARO, THAYERS, VALENTINO

STRONG CONFIDENCE FOR THE 2nd HALF

TRIPLE AMBITION:

- OUTPERFORM THE MARKET
- GET BACK TO POSITIVE LIKE-FOR-LIKE SALES GROWTH
- WITHOUT COMPROMISING PROFITABILITY

3



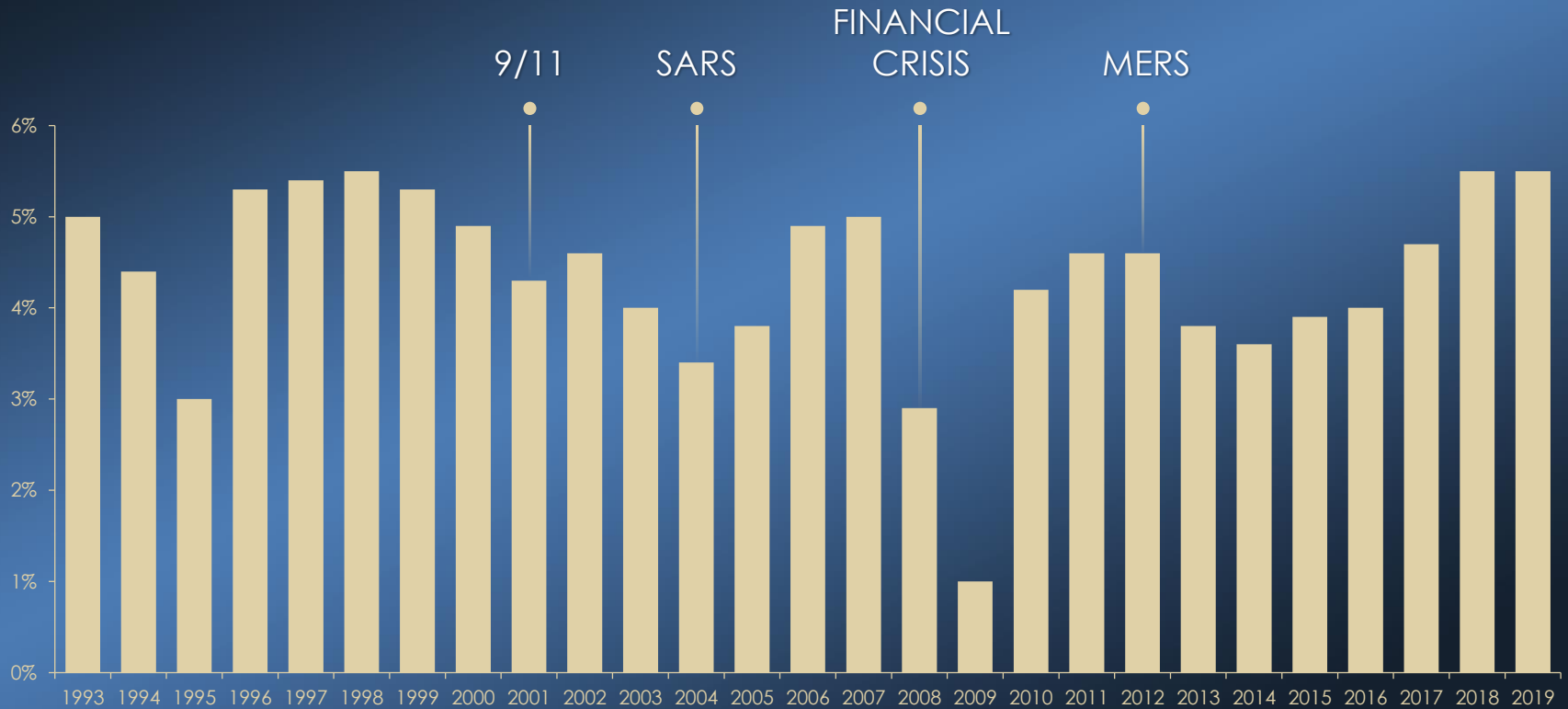
CONFIDENCE
IN THE FUTURE OF BEAUTY



September 8th, 2020

L'ORÉAL

THE BEAUTY MARKET¹ WILL RETURN TO GROWTH



THE APPETITE FOR BEAUTY WILL GET STRONGER

NEW CONSUMERS
ARE ENTERING
THE MARKET

NEW CHANNELS
ARE INCREASING
ACCESS TO BEAUTY

NEW BEAUTY NEEDS
ARE CREATING
NEW DEMANDS

NEW CONNECTIONS
ARE ENGAGING
MORE CONSUMERS

MIDDLE & UPPER
CLASSES

AGEING POPULATION

MEN'S CONSUMPTION

ONLY THE BEGINNING
OF THE E-COMMERCE
JOURNEY

MORE HEALTHY

MORE NATURAL

MORE SUSTAINABLE

MORE SERVICES

MORE SOCIAL

MORE PERSONALIZED



WE HAVE ALL THE ASSETS TO RESUME OUR LONG-TERM SUSTAINABLE & PROFITABLE GROWTH MODEL



THE MOST POWERFUL
FORCE IN R&I

THE STRONGEST
PORTFOLIO OF BRANDS

THE LEADING EDGE
IN DIGITAL

THE MOST GLOBAL
FOOTPRINT

UNIQUE ORGANIZATION
AND CULTURE

LEAD IN
SUSTAINABILITY

In 2020

We are determined to outperform the market, find again the path to growth if the sanitary conditions allow it, and deliver solid profitability.

L'OREAL WILL EMERGE IN 2021
STRONGER THAN EVER



L'ORÉAL

Q&A

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September 8th, 2020

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