



2021 half-year results

30 July 2021

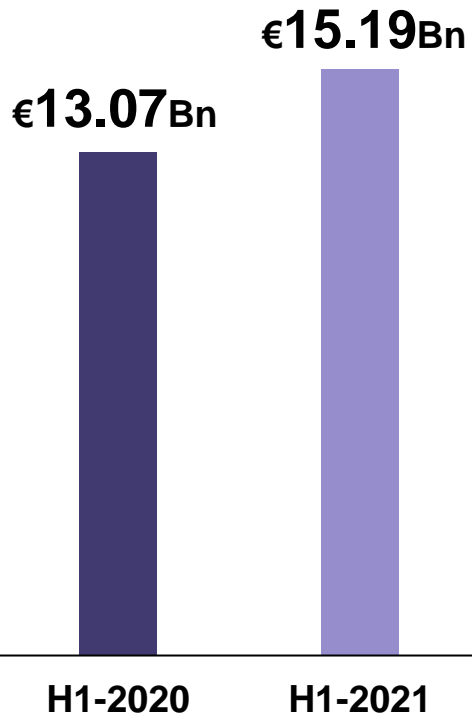
Christophe BABULE

Chief Financial Officer

L'ORÉAL



Consolidated sales



Like-for-like change	+20.7%
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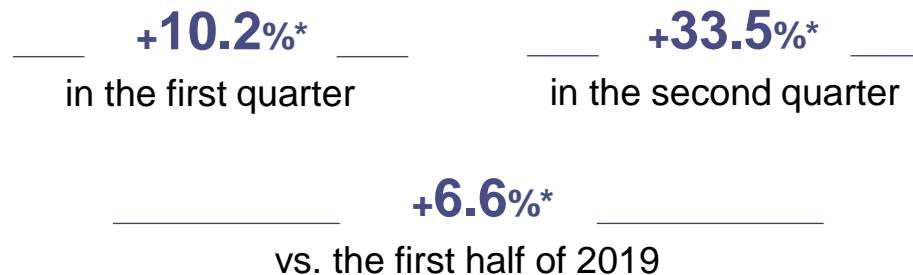
of which:

➤ <i>external growth impact</i>	+1.1%
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Change at constant exchange rates	+21.8%
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➤ <i>currency impact</i>	-5.6%
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Reported change	+16.2%
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* like-for-like



Changes in exchange rates (against the euro)

	Weight in H1-2021 sales	Average rate H1-2020	Average rate H1-2021	% change H1-21 vs. H1-20
Euro	20.3%			
US dollar (€1=)	22.9%	1.101	1.205	-8.6%
Chinese yuan	19.7%	0.129	0.128	-0.6%
Sterling pound	3.9%	1.144	1.151	+0.6%
Canadian dollar	2.4%	0.665	0.665	0.0%
Russian rouble	2.0%	0.013	0.011	-14.8%
Brazilian real	1.8%	0.186	0.154	-17.5%
Japanese yen (1000)	1.5%	8.389	7.706	-8.1%
Australian dollar	1.4%	0.597	0.640	+7.2%
Mexican peso	1.4%	0.042	0.041	-2.9%

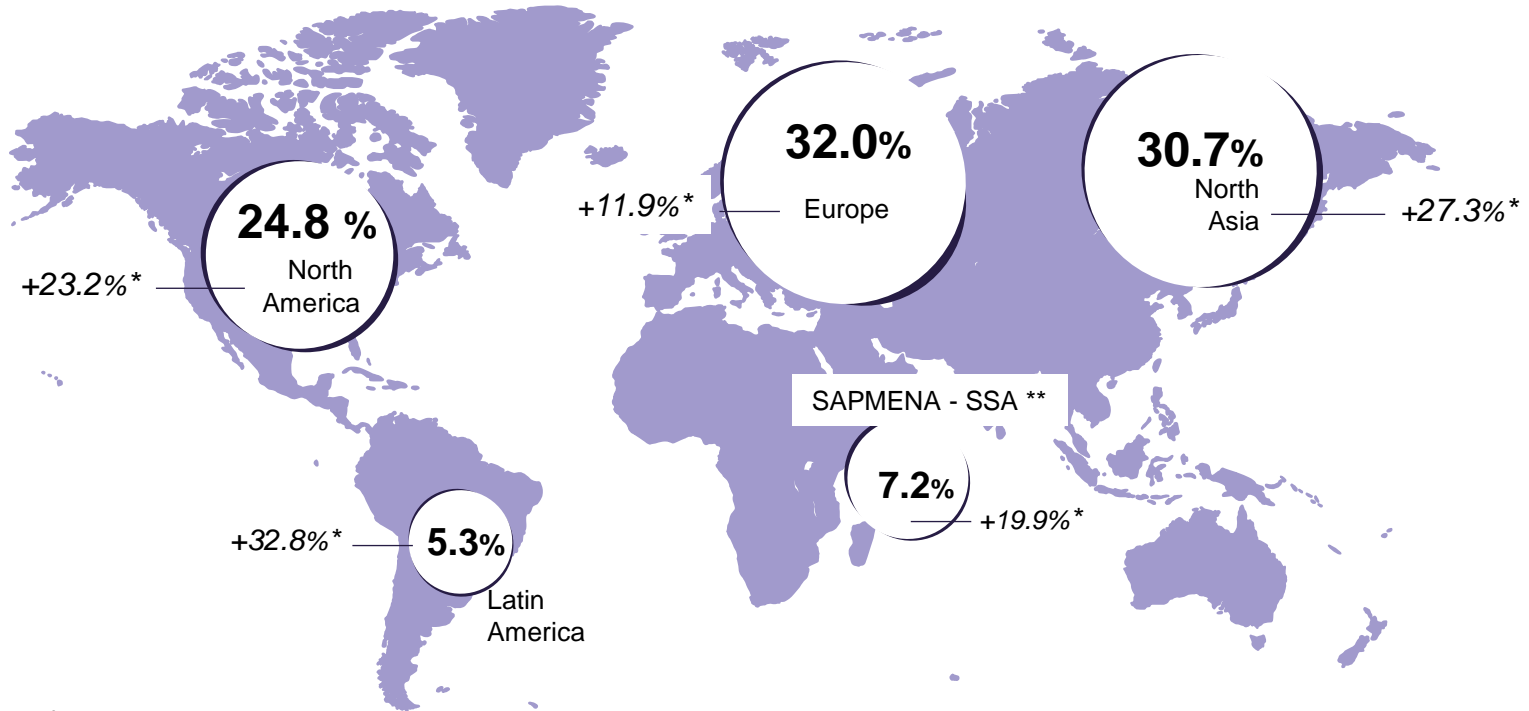


Consolidated sales by division at the end of June 2021 (in million euros)

			% Change		
	H1-2020	H1-2021	Like-for-like	At constant exchange rates	Reported
Professional Products	1 341.7	1 778.7	+41.0%	+40.1%	+32.6%
Consumer Products	5 850.7	5 963.4	+6.3%	+6.9%	+1.9%
L'Oréal Luxe	4 382.2	5 472.2	+28.1%	+30.4%	+24.9%
Active Cosmetics	1 501.9	1 982.4	+37.5%	+38.4%	+32.0%
Total	13 076.5	15 196.6	+20.7%	+21.8%	+16.2%



Breakdown of sales by region (as a % of total)



* like-for-like growth

In H1-2021, the group has re-defined its geographical zones. At June 30th 2021, the geographical breakdown of sales by geographic zone is aligned with the organisation as follows: Europe, North America, North Asia, SAPMENA - SSA and Latin America. All figures for earlier periods have been restated accordingly.

** South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa



Consolidated sales by region at the end of June 2021 (in million euros)

			% Change	
	H1-2020	H1-2021	Like-for-like	Reported
Europe	4 352.4	4 857.1	+11.9%	+11.6%
North America	3 307.7	3 765.7	+23.2%	+13.8%
North Asia	3 792.2	4 670.9	+27.3%	+23.2%
SAPMENA - SSA *	965.1	1 093.9	+19.9%	+13.3%
Latin America	659.2	809.0	+32.8%	+22.7%
Total	13 076.5	15 196.6	+20.7%	+16.2%

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** South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa*



Sales by category at the end of June 2021 (in million euros)

	H1-2021	Like-for-like	As a % of sales
Skincare	6 328.4	+24.2%	41.6%
Make-up	3 131.3	+15.2%	20.6%
Haircare	2 314.8	+23.2%	15.2%
Hair colouring	1 481.0	+5.8%	9.7%
Fragrances	1 341.4	+41.4%	8.8%
Other*	599.8	+9.6%	3.9%

* Other includes sales of third party brands by US distributors



Consolidated profit and loss account: from sales to operating profit

(in million euros)

	H1-2020	As a % of sales	2020	As a % of sales	H1-2021	As a % of sales	% change H1-2021 vs. H1-2020
Sales	13 076.5	100.0%	27 992.1	100.0%	15 196.6	100.0%	+16.2%
Cost of sales	-3 512.3	26.9%	-7 532.3	26.9%	-3 869.5	25.5%	
Gross profit	9 564.2	73.1%	20 459.8	73.1%	11 327.1	74.5%	+140bp
Research and innovation expenses	- 455.3	3.5%	-964.4	3.4%	-489.1	3.2%	
Advertising and promotion expenses	-3 986.5	30.5%	-8 647.9	30.9%	-4 951.6	32.6%	
Selling, general & administrative expenses	-2 765.2	21.1%	-5 638.5	20.1%	-2 898.1	19.1%	
Operating profit	2 357.2	18.0%	5 209.0	18.6%	2 988.1	19.7%	+170bp



Operating profit margin by division

<i>(as a % of sales)</i>	H1-2020	2020	H1-2021
Professional Products	10.4%	18.8%	20.5%
Consumer Products	21.3%	20.4%	20.0%
L'Oréal Luxe	20.4%	22.4%	23.8%
Active Cosmetics	28.9%	25.4%	28.8%
Total before non-allocated expenses	20.7%	21.5%	22.6%
Non-allocated expenses*	-2.7%	-2.9%	-2.9%
Total after non-allocated expenses	18.0%	18.6%	19.7%

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

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

(in million euros)

	H1-2020	2020	H1-2021	% change H1-21 vs. H1-20
Operating profit	2 357.2	5 209.0	2 988.1	+26.8%
Financial revenues/expenses	-36.5	-95.9	-29.4	
Sanofi dividends	372.4	372.4	378.3	
Profit before tax and associates, excluding non-recurring items	2 693.0	5 485.5	3 337.0	+23.9%
Income tax excluding non-recurring items	-547.9	-1 383.1	-731.9	
Share of profit in associates, excluding non-recurring items	+0.7	+0.9	+0.3	
Non-controlling interests	-1.1	-4.2	-5.4	
Net profit excluding non-recurring items, attributable to owners of the company	2 144.8	4 099.0	2 600.0	
Earnings per share (in euros) *	3.82	7.30	4.63	+21.1%
Diluted average number of shares	561 233 745	561 635 963	561 833 554	

* Diluted earnings per share, excluding non-recurring items, after non-controlling interests



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

<i>(in million euros)</i>	H1-2020	2020	H1-2021
Net profit excluding non-recurring items, attributable to owners of the company	2 144.8	4 099.0	2 600.0
Non-recurring items	-322.3	-535.7	-237.4
- of which:			
- <i>other income and expenses</i>	-407.1	-709.0	-315.3
- <i>non-recurring tax items</i>	+84.8	+173.3	+77.9
Net profit attributable to owners of the company	1 822.5	3 563.4	2 362.6

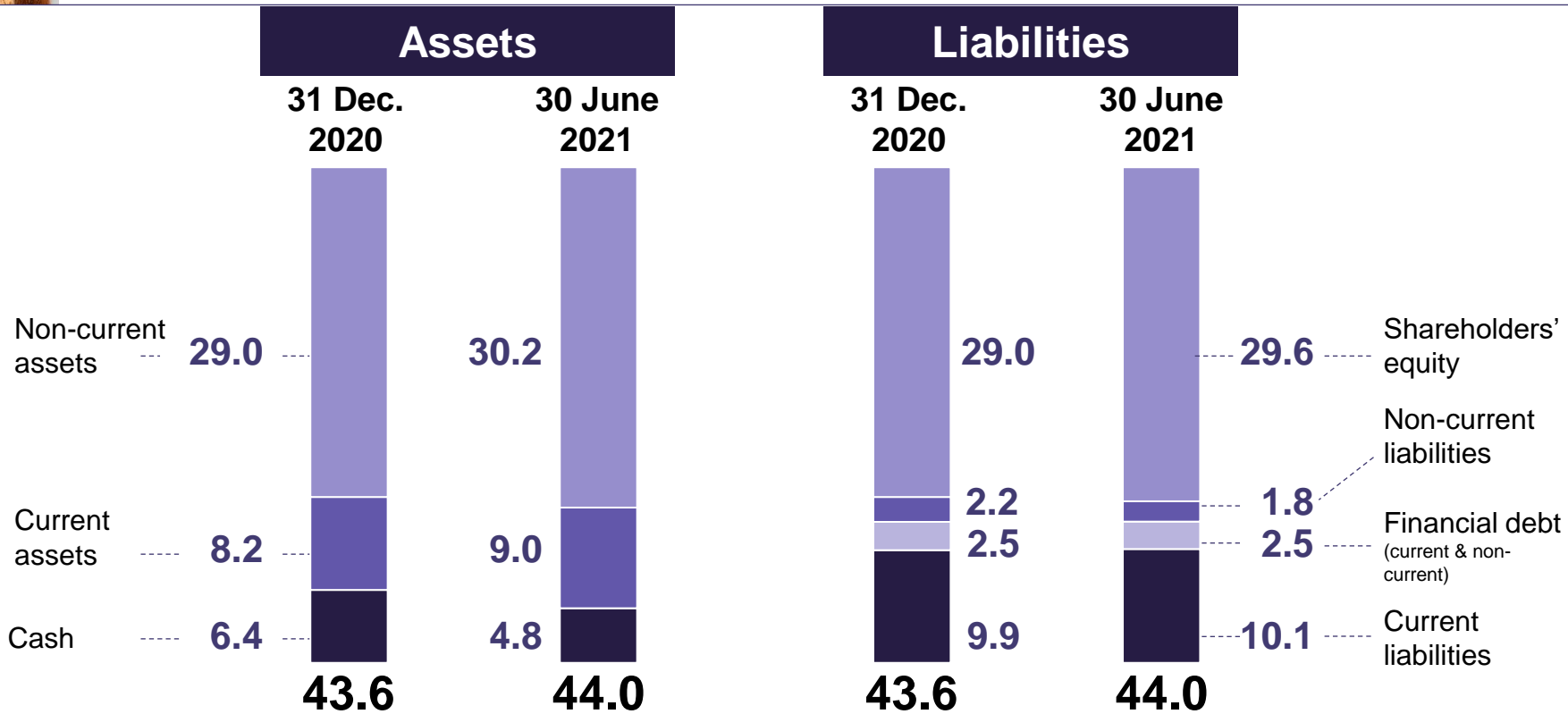


Cash flow statements

<i>(in million euros)</i>	H1-2020	2020	H1-2021	% change H1-21 vs. H1-20
Net profit	1 823.6	3 567.6	2 368.0	
Depreciation, amortisation and provisions	787.4	2 028.1	910.3	
Capital gains / losses on asset disposals, changes in deferred taxes, other	+58.4	+129.0	+57.2	
Share of profit in associates, net of dividends received	-0.7	-0.6	+0.6	
Cash flow	2 668.6	5 724.1	3 336.1	+25.0%
Changes in working capital	-889.2	+729.2	-675.1	
Investments	-504.8	-972.4	-523.1	
Net operating cash flow	1 274.6	5 480.9	2 137.9	+67.7%
Dividends paid	-82.6	-2 190.6	-2 322.0	
Acquisitions	-1 316.5	-1 626.8	-161.3	
Repayment of lease debt	-219.7	-451.8	-200.9	
Acquisitions of treasury stock			-1 104.8	
Capital increase	+28.1	+129.7	+5.8	
Other	+25.2	-39.9	-11.4	
Residual cash flow	-290.9	+ 1 301.5	-1 656.5	



Balance sheet (in billion euros)



* Including €1579m financial lease debt at 30 June 2021 (IFRS 16), vs. €1682m at 31 December 2020



Net cash / net debt and gearing

<i>(in million euros)</i>	31 December 2020	30 June 2021
Net cash	3 859.4	2 372.8
Net cash excluding financial lease debt	5 541.0	3 951.8
Gearing*	N.A.	N.A.

* Net debt / equity attributable to owners of the company



Appendix: geographic zones redefined

In the first half of 2021, the group has re-defined its geographical zones. At June 30th, 2021, the breakdown of sales by region is aligned with the organisation, as follows:

Europe, North America, North Asia, SAPMENA – SSA*, et Latin America.

All figures for earlier periods have been restated accordingly.

Slide 16: 2020 quarterly sales by region
like-for-like change vs. the same period of 2019

Slide 17: 2021 quarterly sales by region
reported and like-for-like change vs. the same period of 2020

** South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa*



Breakdown of 2020 sales by region Like-for-like change vs. 2019

<i>(in million euros)</i>	Q1-2020	Q2-2020	H1-2020	Q3-2020	9M-2020	Q4-2020	2020
Europe	2 477.3	1 875.0	4 352.4	2 370.9	6 723.3	2 476.0	9 199.3
North America	1 847.2	1 460.4	3 307.7	1 854.3	5 162.0	1 741.4	6 903.4
North Asia	1 929.7	1 862.5	3 792.2	1 845.9	5 638.1	2 680.0	8 318.1
SAPMENA – SSA *	576.2	388.9	965.1	557.6	1 522.6	579.3	2 101.9
Latin America	394.8	264.4	659.2	408.1	1 067.3	402.1	1 469.3
Total	7 225.2	5 851.3	13 076.5	7 036.8	20 113.3	7 878.8	27 992.1

<i>Like-for-like change (%)</i>	Q1-2020	Q2-2020	H1-2020	Q3-2020	9M-2020	Q4-2020	2020
Europe	-6.6%	-24.6%	-15.4%	-0.7%	-10.7%	-5.5%	-9.3%
North America	-4.8%	-25.4%	-15.2%	+1.3%	-9.7%	-0.1%	-7.4%
North Asia	-3.3%	+3.3%	-0.2%	+4.5%	+1.4%	+19.9%	+6.8%
SAPMENA – SSA *	-5.5%	-33.8%	-19.6%	-2.5%	-13.9%	+3.3%	-9.6%
Latin America	+0.8%	-27.3%	-13.9%	+8.7%	-6.0%	+11.9%	-1.5%
Total	-4.8%	-18.8%	-11.7%	+1.6%	-7.4%	+4.8%	-4.1%

* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa



H1-2021 sales by region

Reported and like-for-like change (%)

	First quarter 2021			Second quarter 2021			First half 2021		
	(€m)	Reported	Like-for-like	(€m)	Reported	Like-for-like	(€m)	Reported	Like-for-like
Europe	2 465.0	-0.5%	-0.2%	2 392.1	+27.6%	+27.8%	4 857.1	+11.6%	+11.9%
North America	1 813.6	-1.8%	+6.3%	1 952.1	+33.7%	+44.7%	3 765.7	+13.8%	+23.2%
North Asia	2 374.4	+23.0%	+28.2%	2 296.5	+23.3%	+26.5%	4 670.9	+23.2%	+27.3%
SAPMENA - SSA	573.8	-0.4%	+5.7%	520.1	+33.7%	+40.7%	1 093.9	+13.3%	+19.9%
Latin America	387.8	-1.8%	+15.1%	421.2	+59.3%	+54.8%	809.0	+22.7%	+32.8%
Total	7 614.5	+5.4%	+10.2%	7 582.1	+29.6%	+33.5%	15 196.6	+16.2%	+20.7%

* South Asia Pacific, Middle-East, North Africa - Sub-Saharan Africa



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