

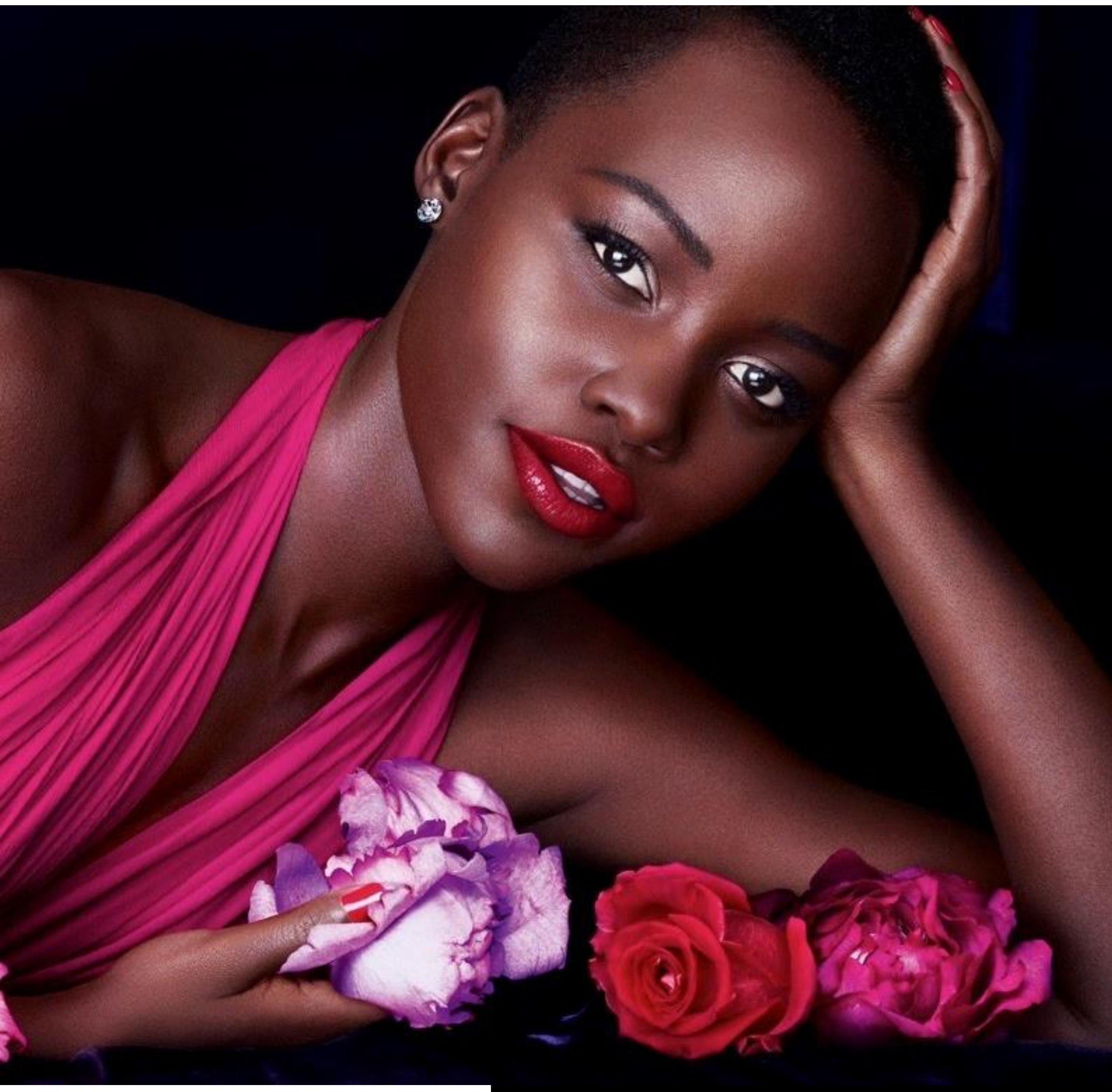
CAGNY

FEBRUARY 19TH, 2016

L'ORÉAL

JEAN-PAUL AGON

CHAIRMAN AND CEO



1

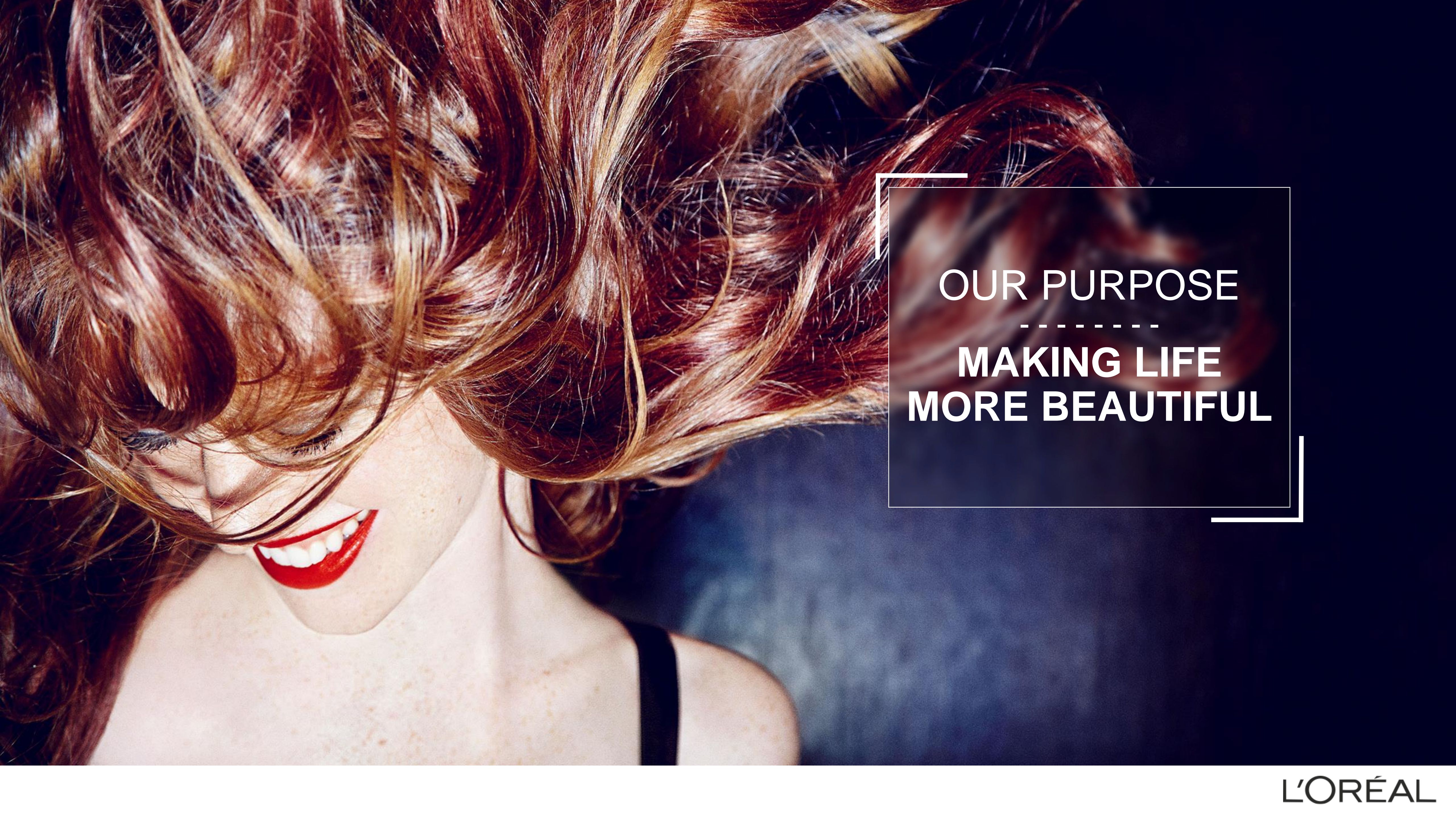
**WHO
WE ARE**

L'ORÉAL

**30 YEARS
OF LEADERSHIP
IN THE BEAUTY
INDUSTRY**



L'ORÉAL



OUR PURPOSE

**MAKING LIFE
MORE BEAUTIFUL**



OUR MISSION

**BEAUTY
FOR ALL**



THE L'ORÉAL GROUP

€25.3Bn
sales in 2015

130
countries

82,880
employees

17.4%
operating margin



A MAJOR WORLDWIDE COMPANY

75th
worldwide market cap*

3rd
worldwide advertiser**

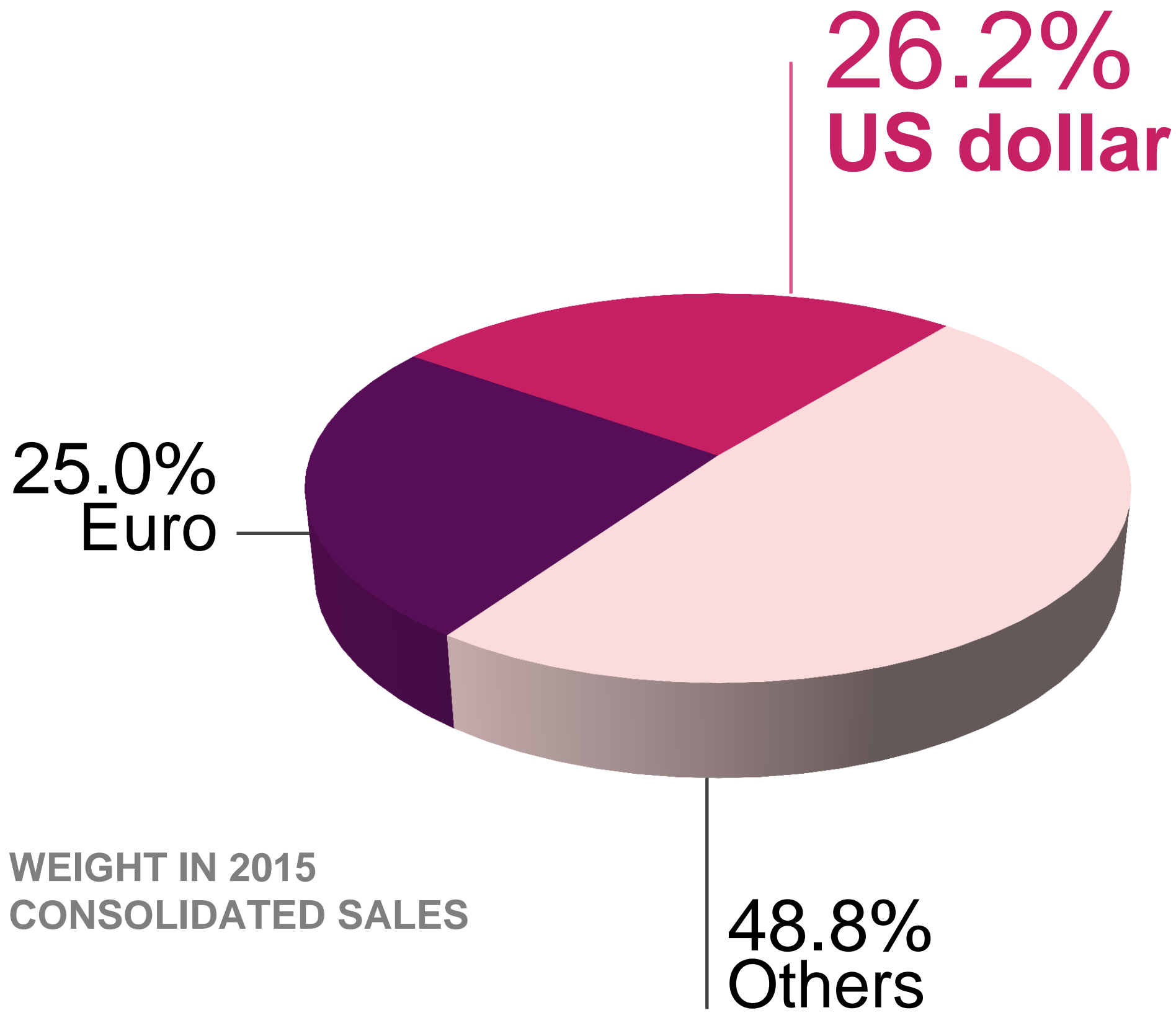
2nd company worldwide
for its ethical reputation***

11th
company preferred
by business students worldwide****

*AT DECEMBER 31ST 2015 - **ADAGE – RANKING FOR 2014 - ***COVALENCE ETHICALQUOTE -
****2015 UNIVERSUM RANKING

L'ORÉAL

A SIGNIFICANT AMERICAN FOOTPRINT



MAYBELLINE
NEW YORK

Kiehl's
SINCE 1851

ud
URBAN DECAY

RALPH LAUREN
FRAGRANCES

MATRIX
IMAGINEZ TOUT CE QUE VOUS POUVEZ ÊTRE

essie

SOFTSHEEN·CARSON®

REDKEN
5TH AVENUE NYC

 SKINCEUTICALS

NYX
PROFESSIONAL MAKEUP

clarisonic

L'ORÉAL



**A PURE
PLAYER
IN BEAUTY**

L'ORÉAL

ALL CHANNELS, ALL CATEGORIES, ALL PRICES

ACROSS
ALL
DISTRIBUTION
CHANNELS

HAIR
SALONS



MASS
MARKET



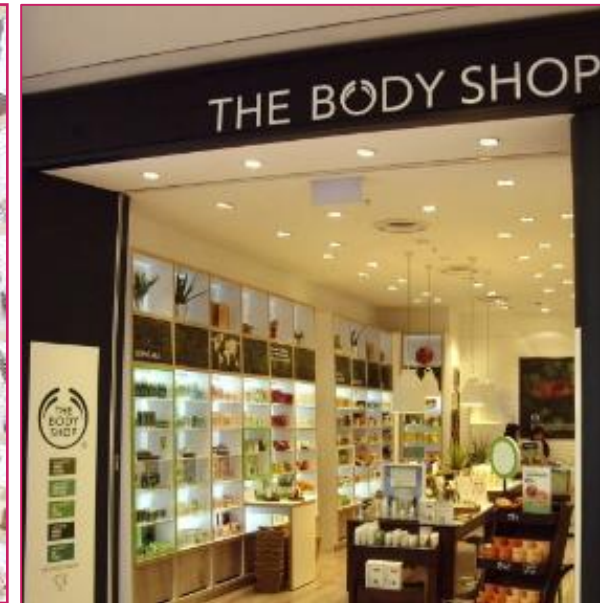
DEPARTMENT
STORES
PERFUMERIES



PHARMACIES
DRUGSTORES
MEDISPAS



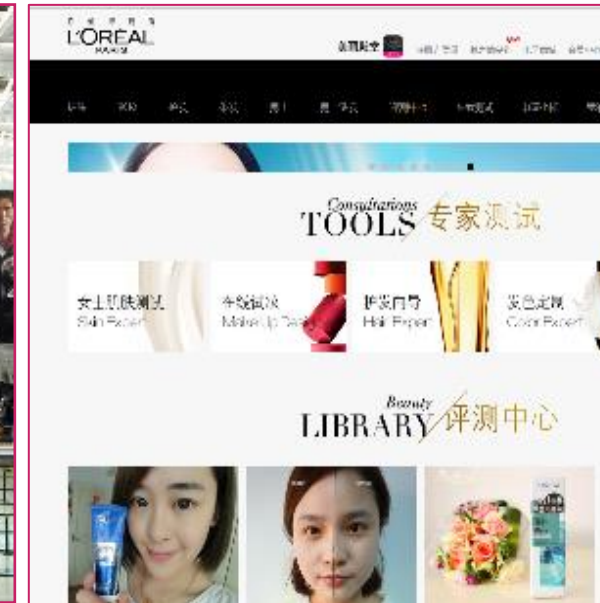
BRANDED
RETAIL



TRAVEL
RETAIL



E-COMMERCE



HAIRCARE



HAIR COLOR



SKINCARE



FRAGRANCE



MAKE-UP

ACROSS
ALL
BEAUTY
CATEGORIES

**A STRATEGY
BASED ON R&D,
INNOVATION
& QUALITY**



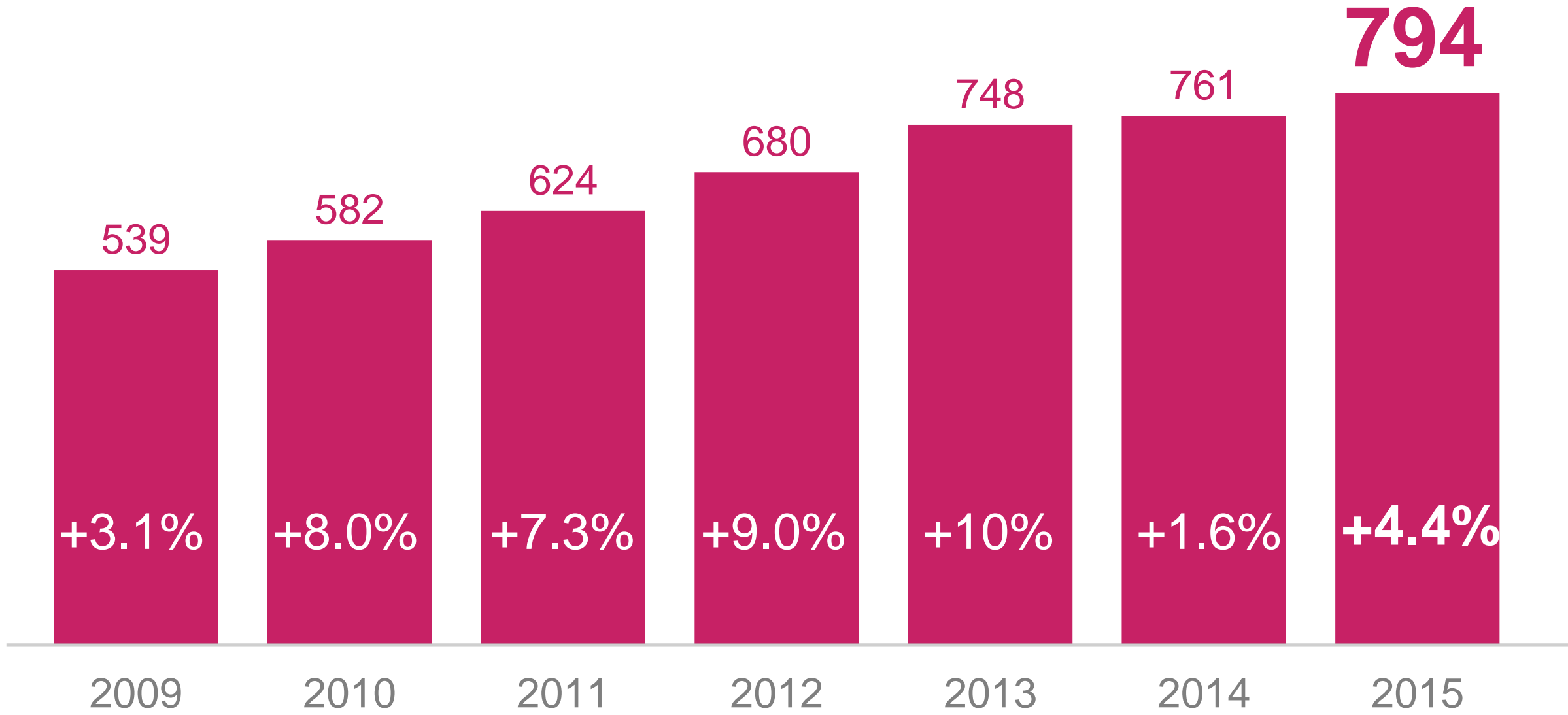
L'ORÉAL

3,870

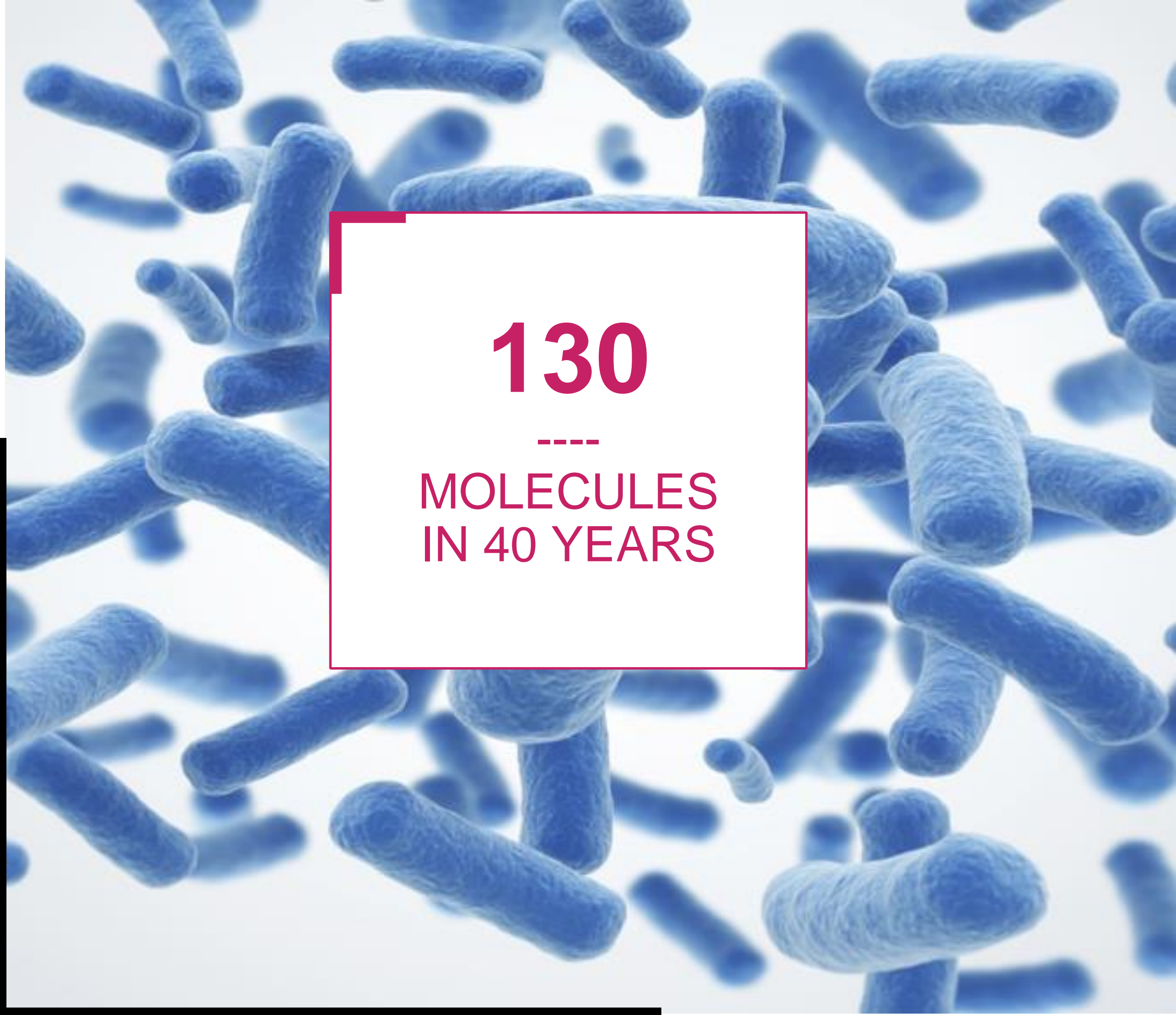
RESEARCHERS

794M€

DEDICATED
IN 2015



THE STRONGEST RESEARCH & INNOVATION IN INDUSTRY



130

MOLECULES
IN 40 YEARS

BREAKTHROUGH INNOVATIONS

								
IONENE G	RECONSTRUCTED SKIN	MEXORYL SX	LHA	VITREOSCILLA FILIFORMIS	MEXORYL XL	AMINEXIL	CERAMIDE R	
1978	1988	1993	1993	1994	1995	1995	1995	
								
PRO-XYLANE	RUBILANE	ODS	CYLANE	LR2412	STEMOXYDINE	RESVERATROL BE	CARMIN'R	QUINOA EXTRACT
2006	2008	2009	2010	2011	2012	2014	2014	2015

A UNIQUE PORTFOLIO OF COMPLEMENTARY BRANDS

Professional Products

Consumer Products

L'Oréal Luxe

Active Cosmetics



L'ORÉAL PARIS
KÉRASTASE PARIS
CARITA PARIS
DECLÉOR PARIS

Parce que vous le valez bien.
L'ORÉAL PARIS
GARNIER

LANCÔME PARIS
BIOThERM
cacharel
YVES SAINT LAURENT BEAUTE

LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE
VICHY LABORATOIRES
ROGER & GALLET PARIS
DISTILLATEUR DE BONHEUR DEPUIS 1862



GIORGIO ARMANI
VIKTOR & ROLF
DIESEL
HR HELENA RUBINSTEIN



REDKEN 5TH AVENUE NYC
MATRIX
IMAGINEZ TOUT CE QUE VOUS POUVEZ ÊTRE
essie

MAYBELLINE NEW YORK
essie
NYX PROFESSIONAL MAKEUP
SOFTSHEEN-CARSON®

Kiehl's SINCE 1851
RALPH LAUREN FRAGRANCES
UD URBAN DECAY
clarisonic

SKINCEUTICALS



mg
magic moment
美印面膜

shu uemura
YUESAI 悦西



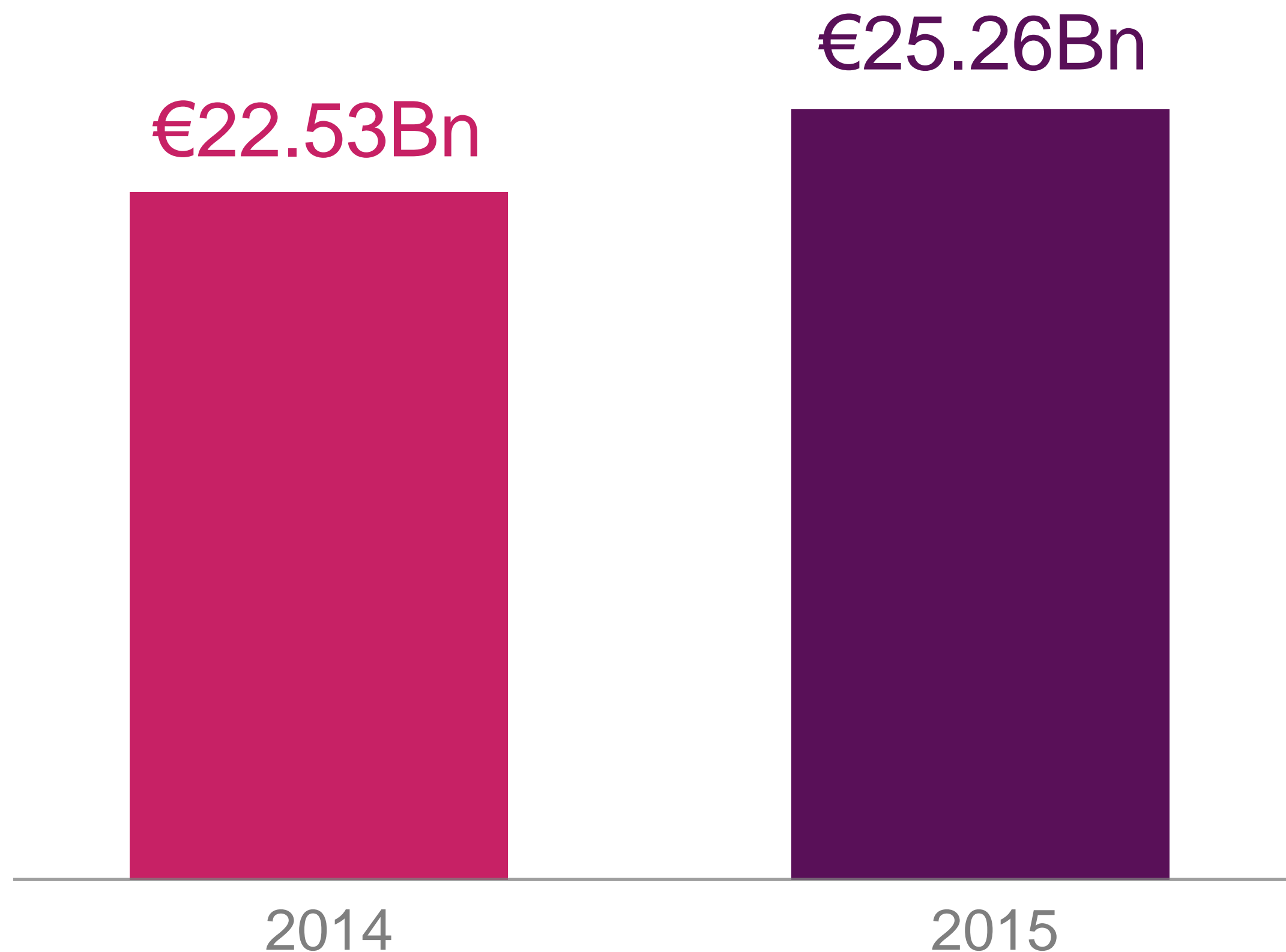
Niely
Cosméticos



Nice & Lovely

L'ORÉAL

Consolidated sales
at the end of December



2015 CONSOLIDATED SALES

GROWTH AT CONSTANT EXCHANGE RATES +4.9%

of which:

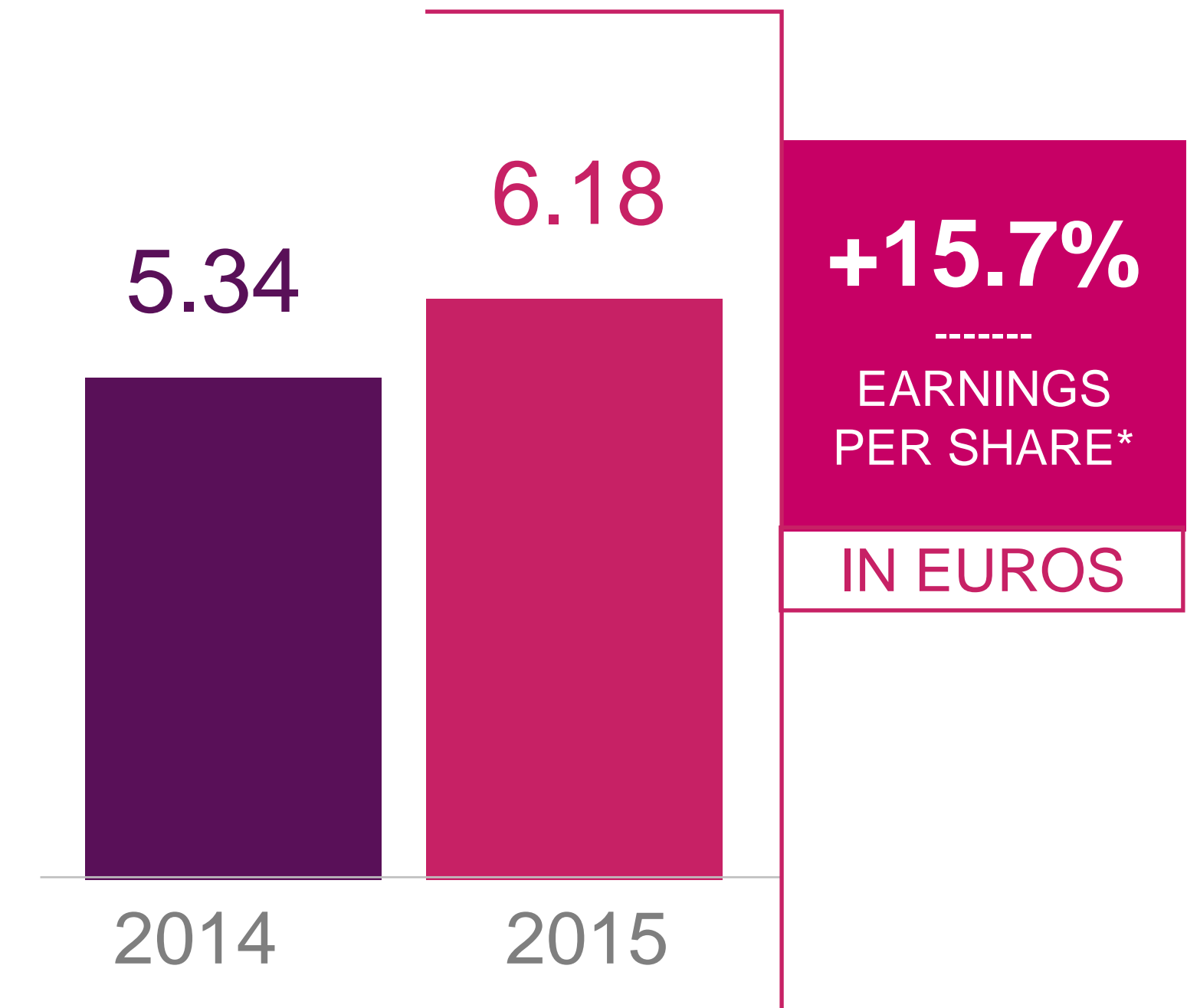
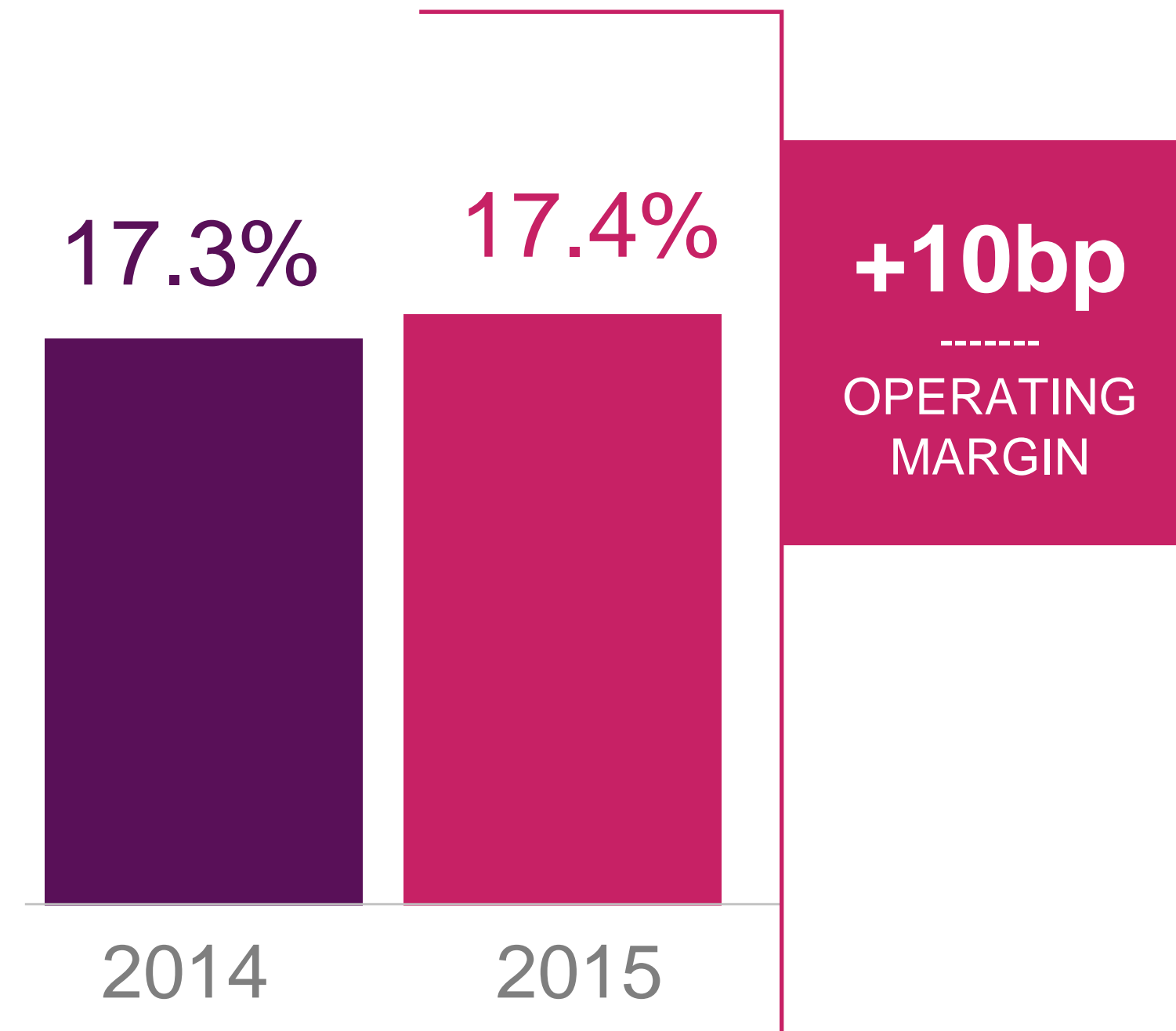
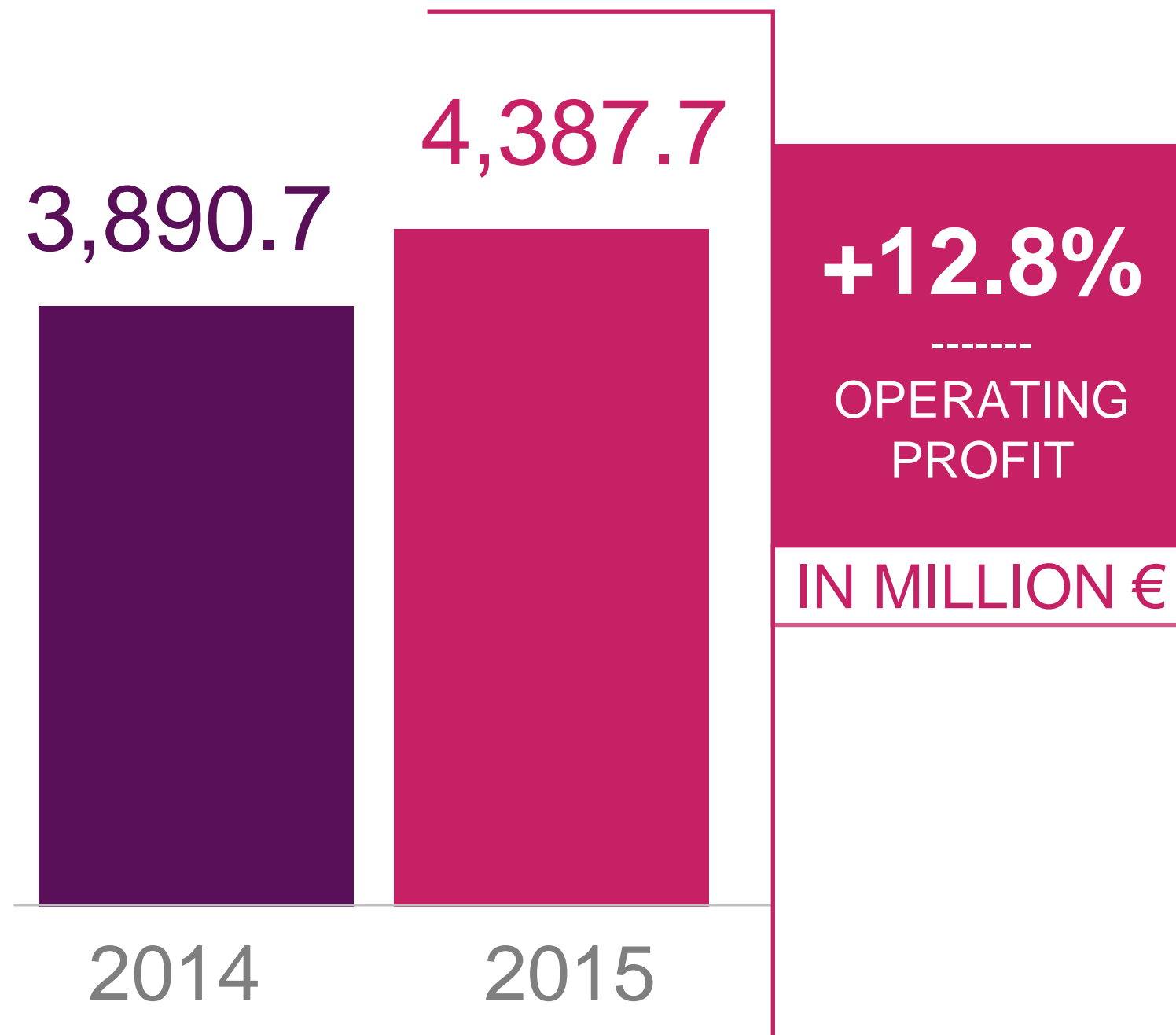
- *like-for-like growth* +3.9%

- *external growth impact* +1.0%

Exchange rate impact +7.2%

REPORTED GROWTH +12.1%

2015 STRONG FINANCIAL RESULTS



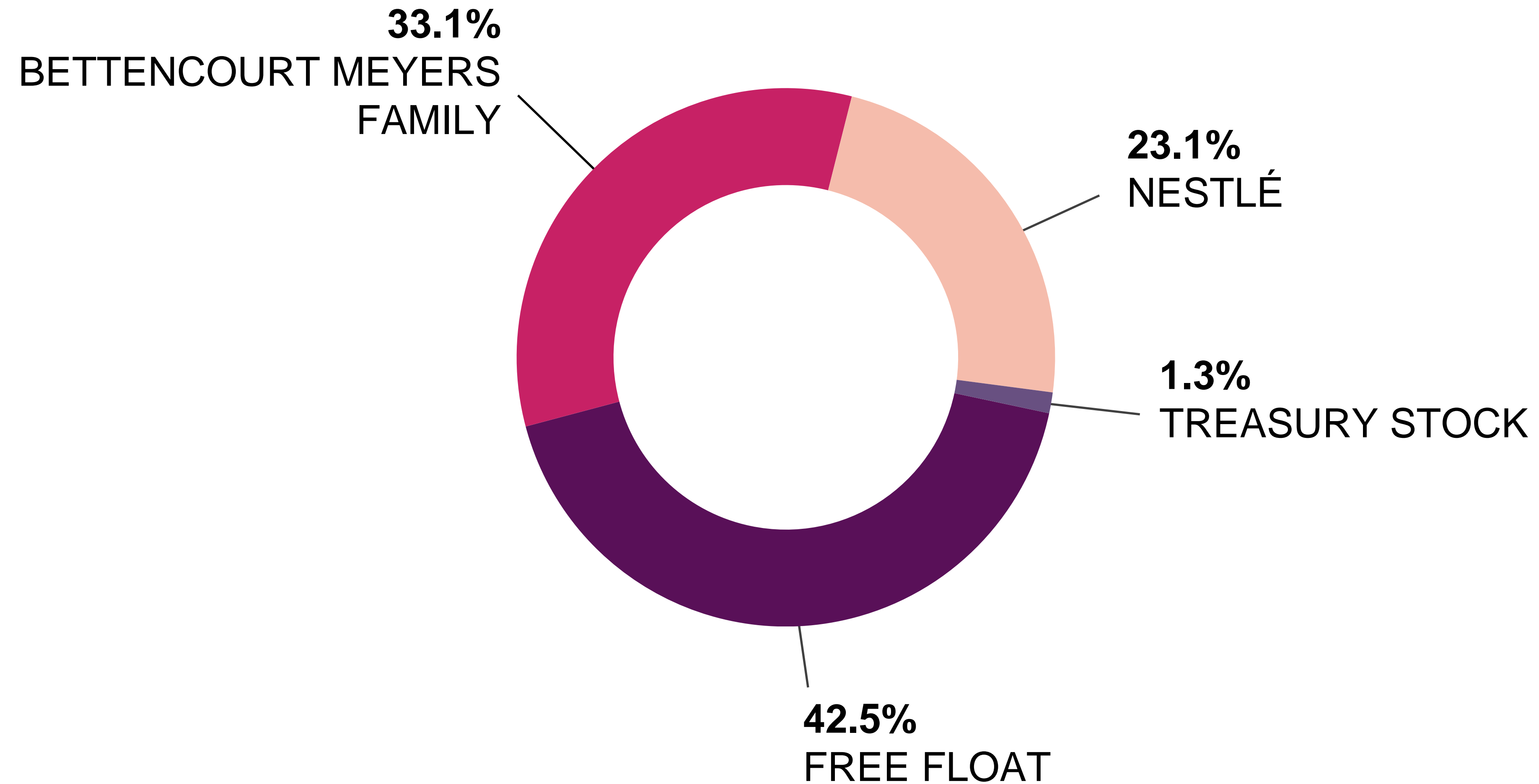
*DILUTED EARNINGS PER SHARE BASED ON NET PROFIT FROM CONTINUING OPERATIONS, EXCLUDING NON-RECURRING ITEMS, AFTER NON-CONTROLLING INTERESTS



2

**A POWERFUL &
LONG-TERM
BUSINESS
MODEL**

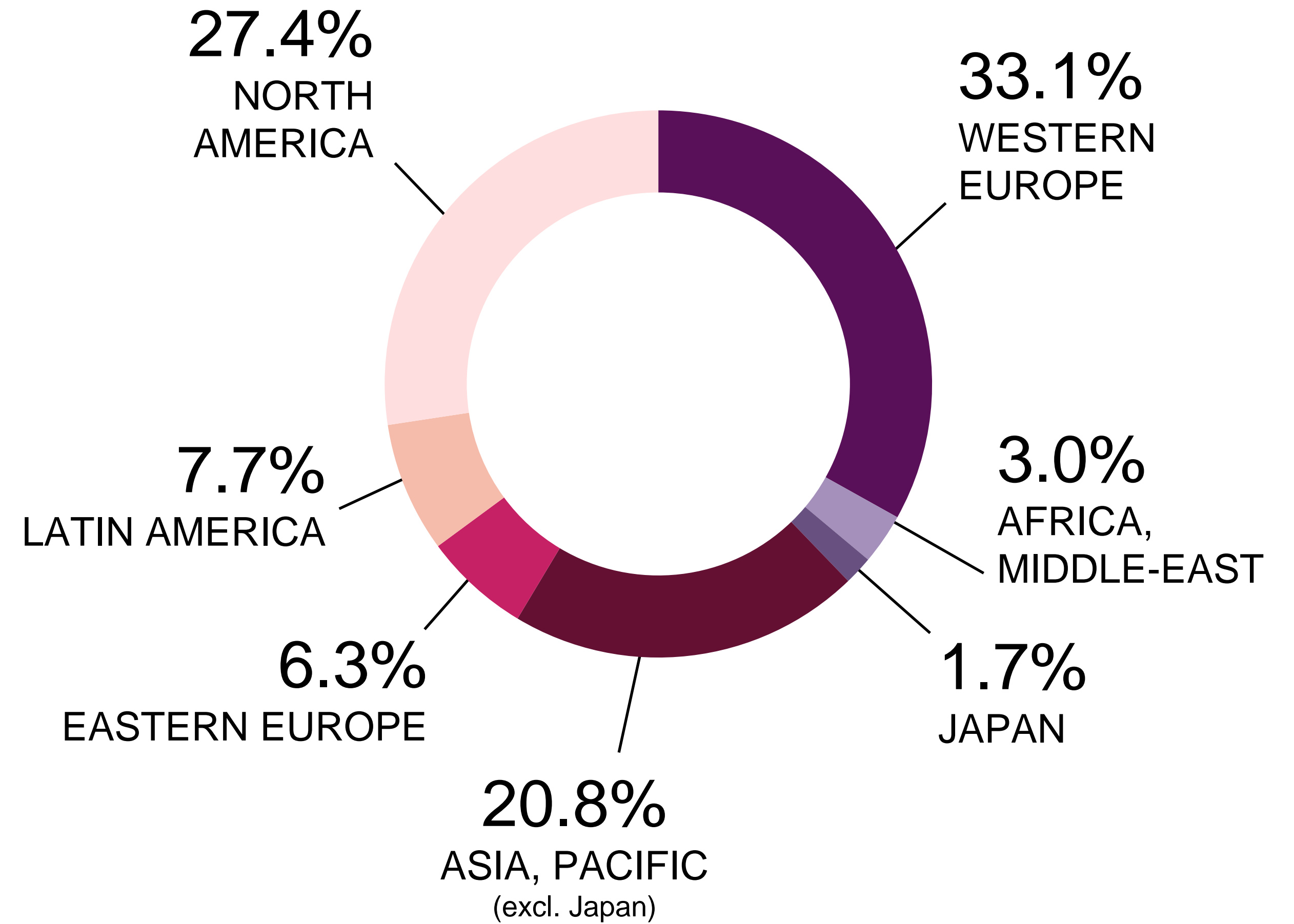
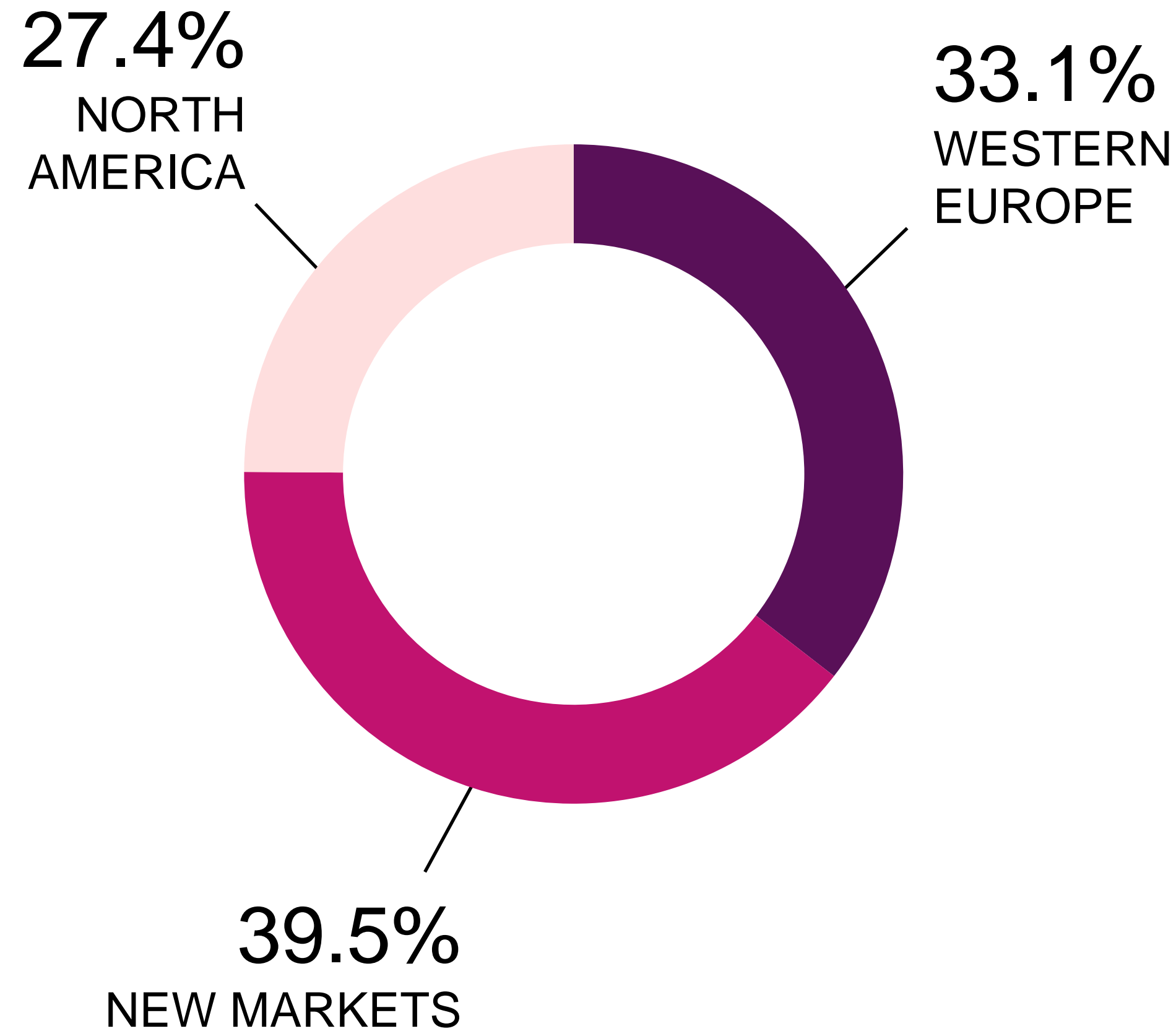
A SOLID SHAREHOLDER BASE*



*AT 31 DECEMBER 2014

A BALANCED GEOGRAPHICAL PRESENCE

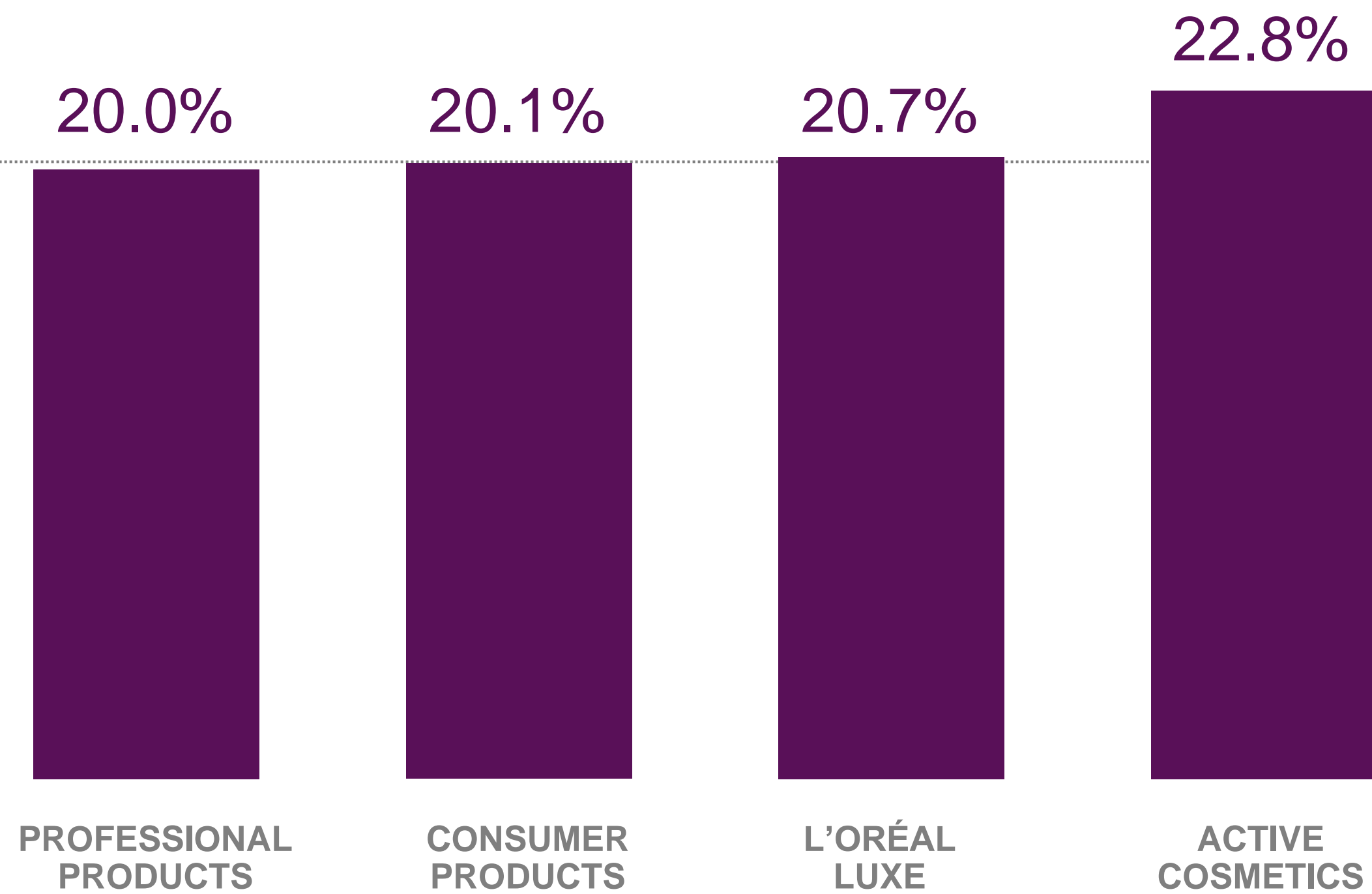
Breakdown of 2015 sales by region*



BALANCED OPERATING MARGINS

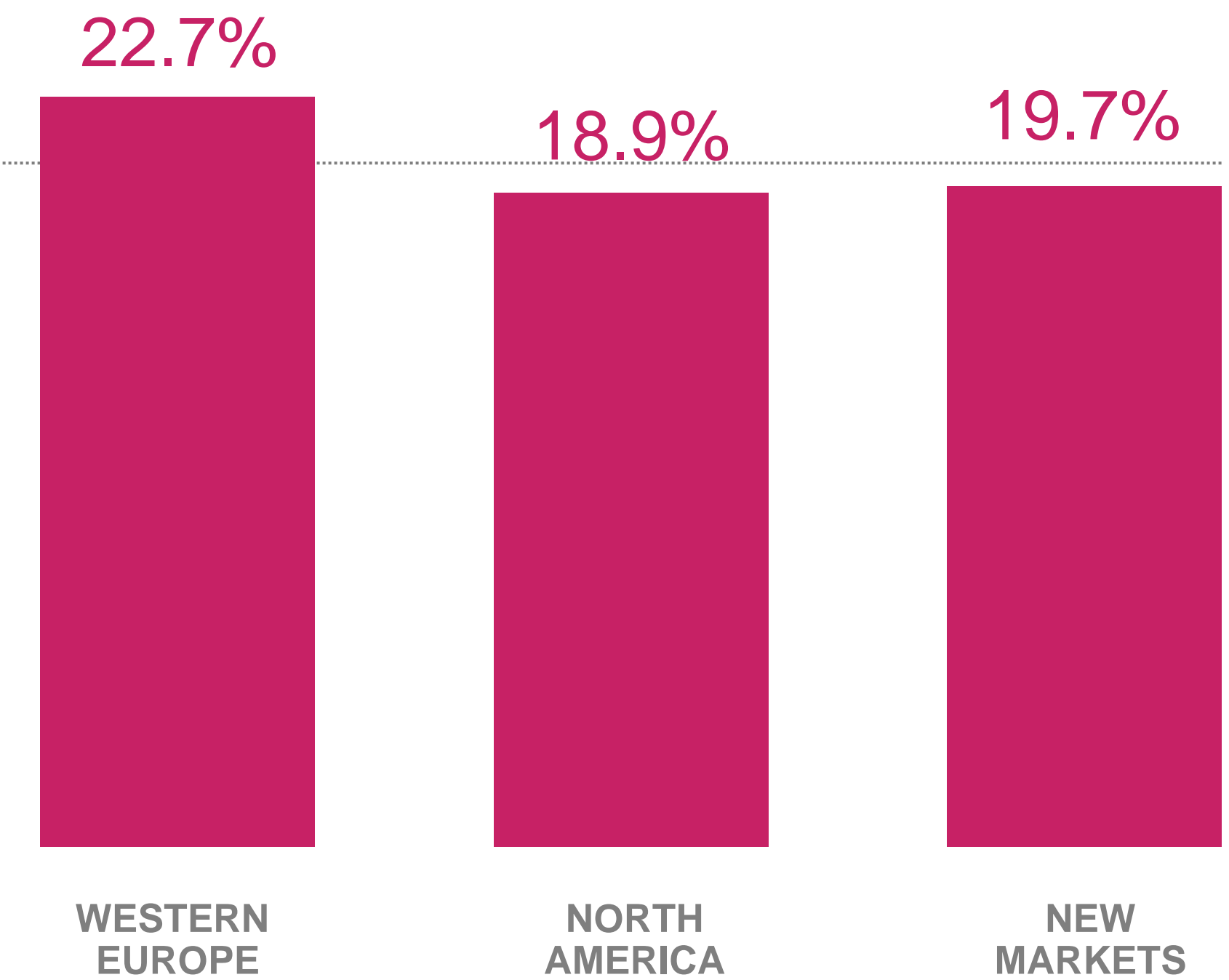
BY DIVISION*

As a % of 2015 sales



BY REGION*

As a % of 2015 sales



* BEFORE CENTRAL GROUP EXPENSES, FUNDAMENTAL RESEARCH EXPENSES, STOCK-OPTION & FREE GRANT OF SHARES EXPENSES AND MISCELLANEOUS ITEMS .

** COSMETICS DIVISIONS TOTAL

SUSTAINED GROWTH

Sales since 1985 in million euros

x12

IN 30 YEARS

2,127

1985

25,257

2015

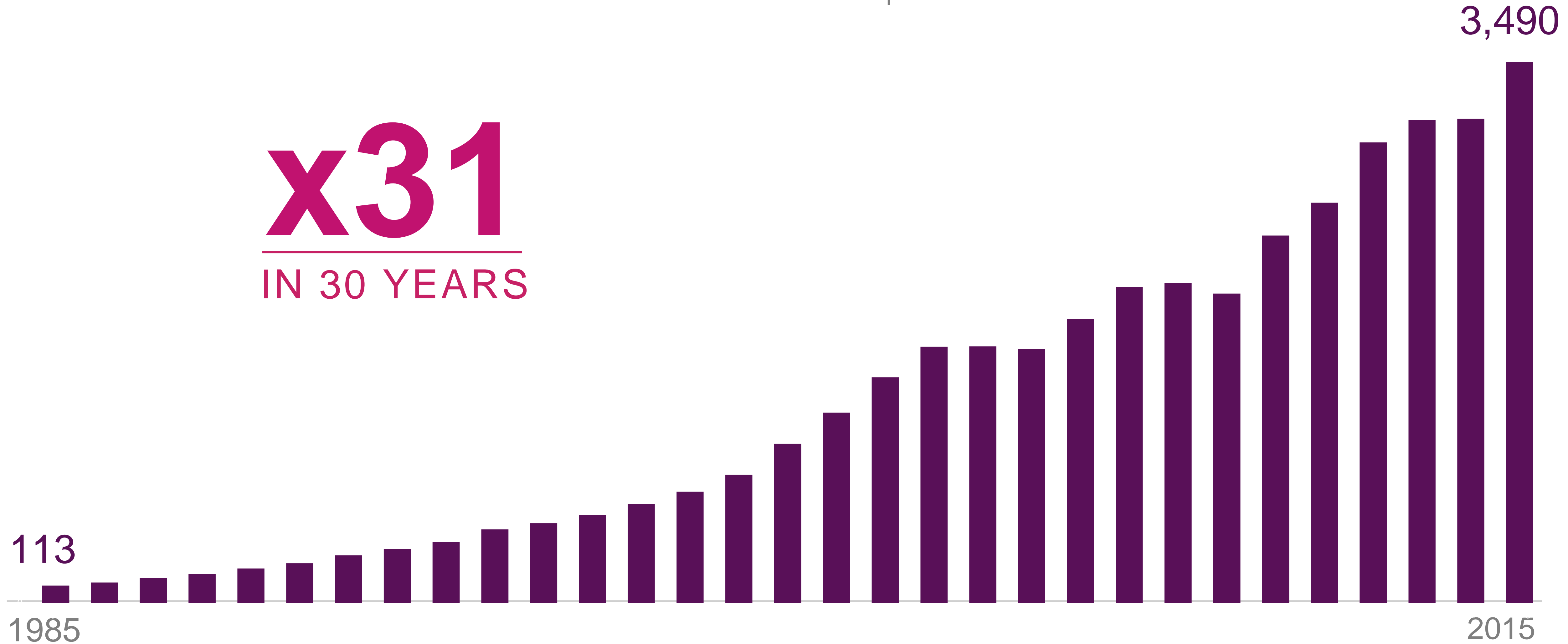
L'ORÉAL



SUSTAINED PROFIT INCREASE*

Net profit since 1985 in million euros

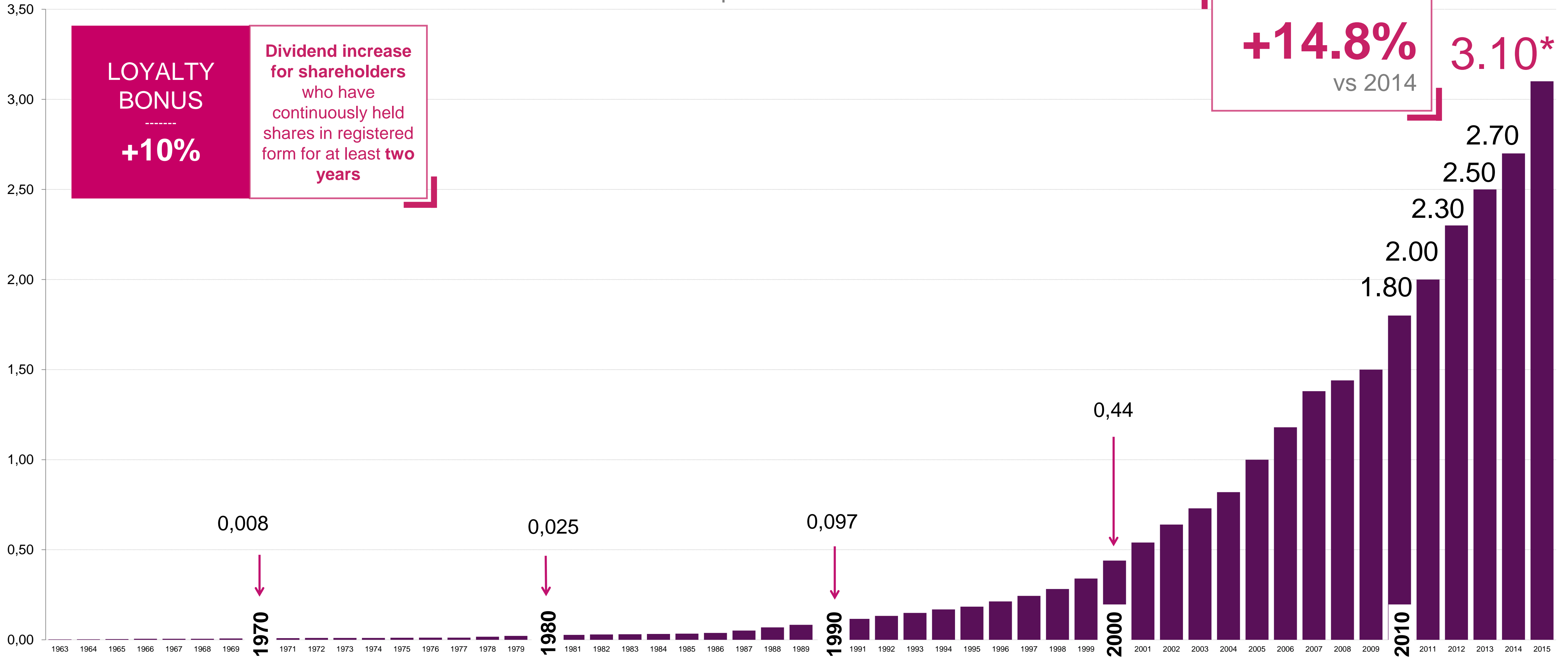
x31
IN 30 YEARS



* NET OPERATING PROFIT, EXCL. NON-RECURRING ITEMS ATTRIBUTABLE TO OWNERS OF THE COMPANY, WITH SYNTHÉLABO CONSOLIDATED FULLY UP TO 1998; NET PROFIT EXCL. NON-RECURRING ITEMS ATTRIBUTABLE TO OWNERS OF THE COMPANY, WITH SANOFI-SYNTHÉLABO EQUITY CONSOLIDATED FROM 1999 TO 2004; NET PROFIT EXCL. NON-RECURRING ITEMS ATTRIBUTABLE TO OWNERS OF THE COMPANY INCLUDING SANOFI DIVIDEND FROM 2004; IFRS SINCE 2005

A DYNAMIC DIVIDEND POLICY

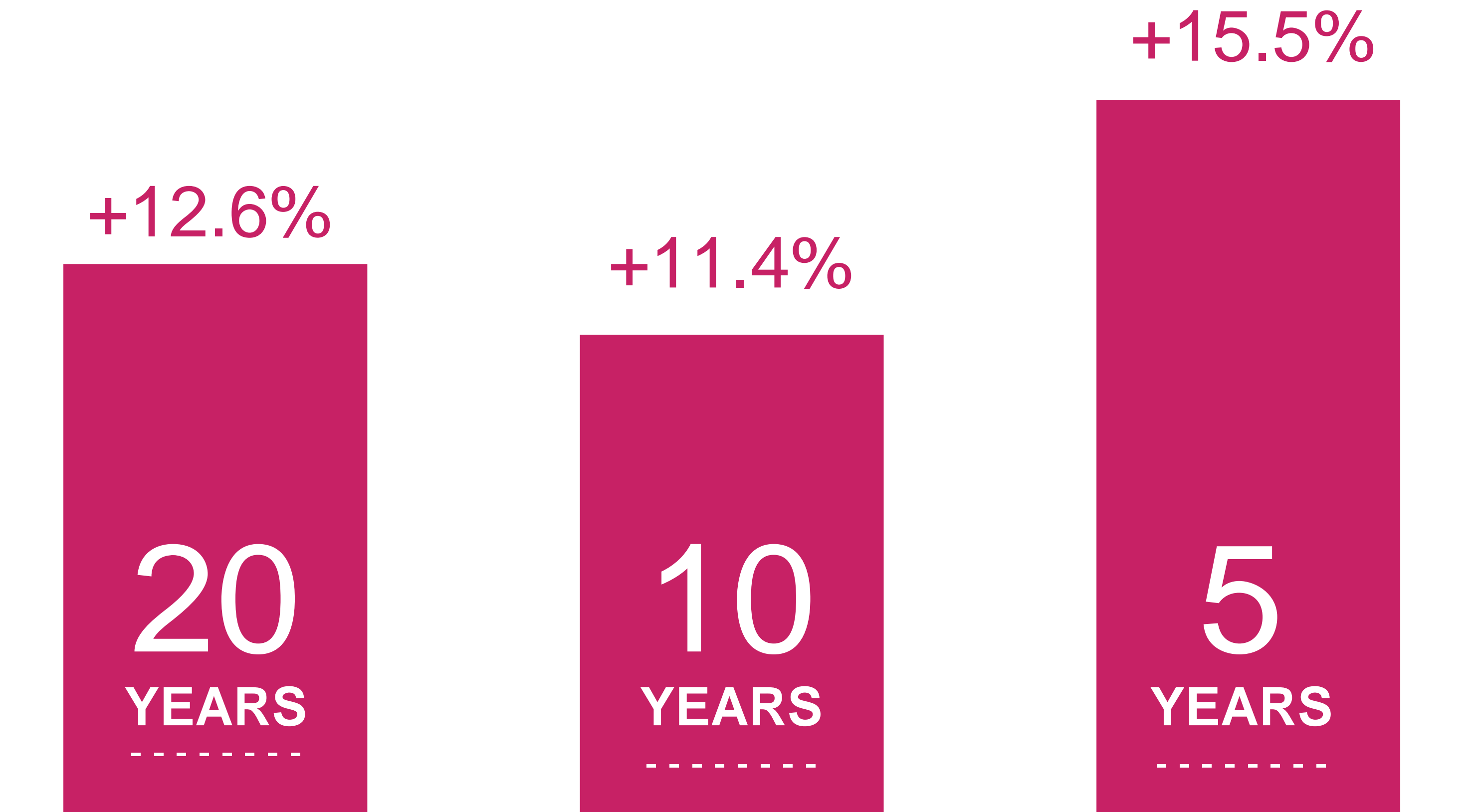
Dividend per share since 1963 in euros



*PROPOSED AT THE ANNUAL GENERAL MEETING TO BE HELD ON APRIL 20TH, 2016

DOUBLE-DIGIT TSR

ANNUAL TOTAL SHAREHOLDER RETURN*



*TAKES INTO ACCOUNT THE VALUE OF THE SHARE AND THE DIVIDEND INCOME RECEIVED (EXCLUDING TAX CREDITS). AT DECEMBER 31ST 2015



3

PROSPECTS AND STRATEGY



PROSPECTS AND STRATEGY

Continuous market growth

L'Oréal's strong potential

Strategy by Division

The New L'Oréal

L'ORÉAL

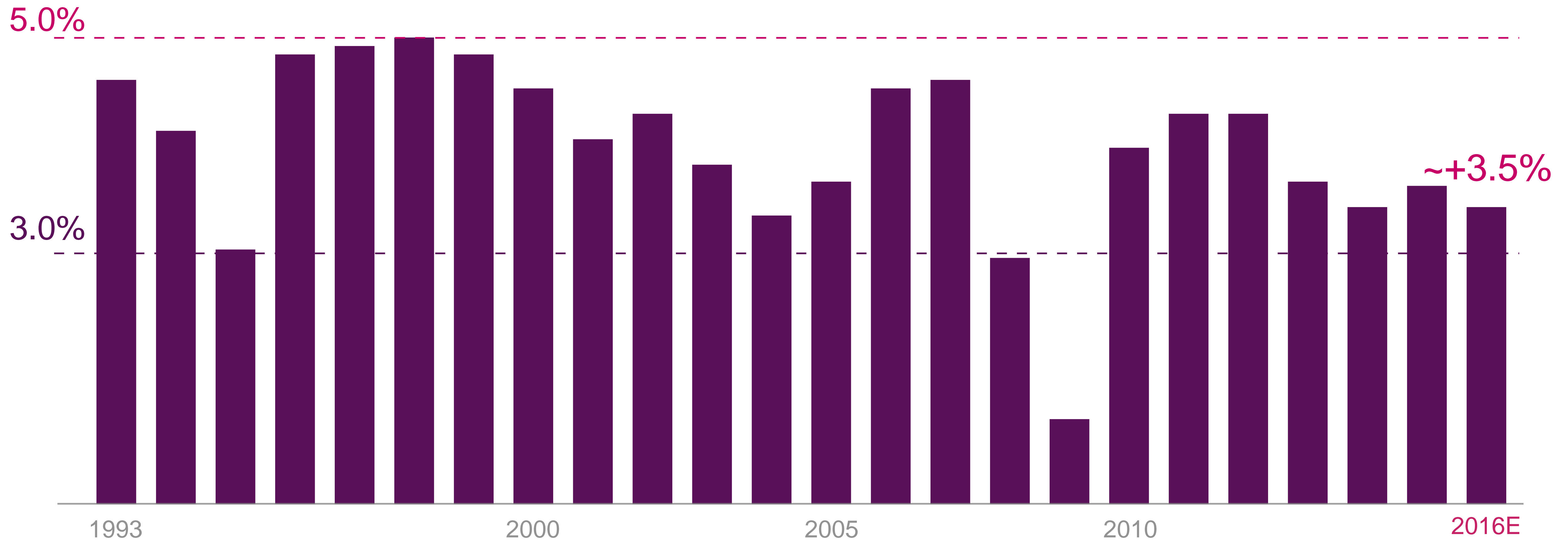


100,000 YEARS OF BEAUTY

L'ORÉAL

THE BEAUTY MARKET CONTINUES TO DEVELOP

Worldwide Beauty Market 1993-2016*



*EXCLUDING SOAPS, TOOTHPASTES AND RAZORS. 2015 PROVISIONAL ESTIMATES
SOURCE: L'ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT

AND WILL CONTINUE TO GROW

NEW CONSUMERS

MIDDLE CLASS

NEW TARGETS

SENIORS
MEN

NEW NEEDS

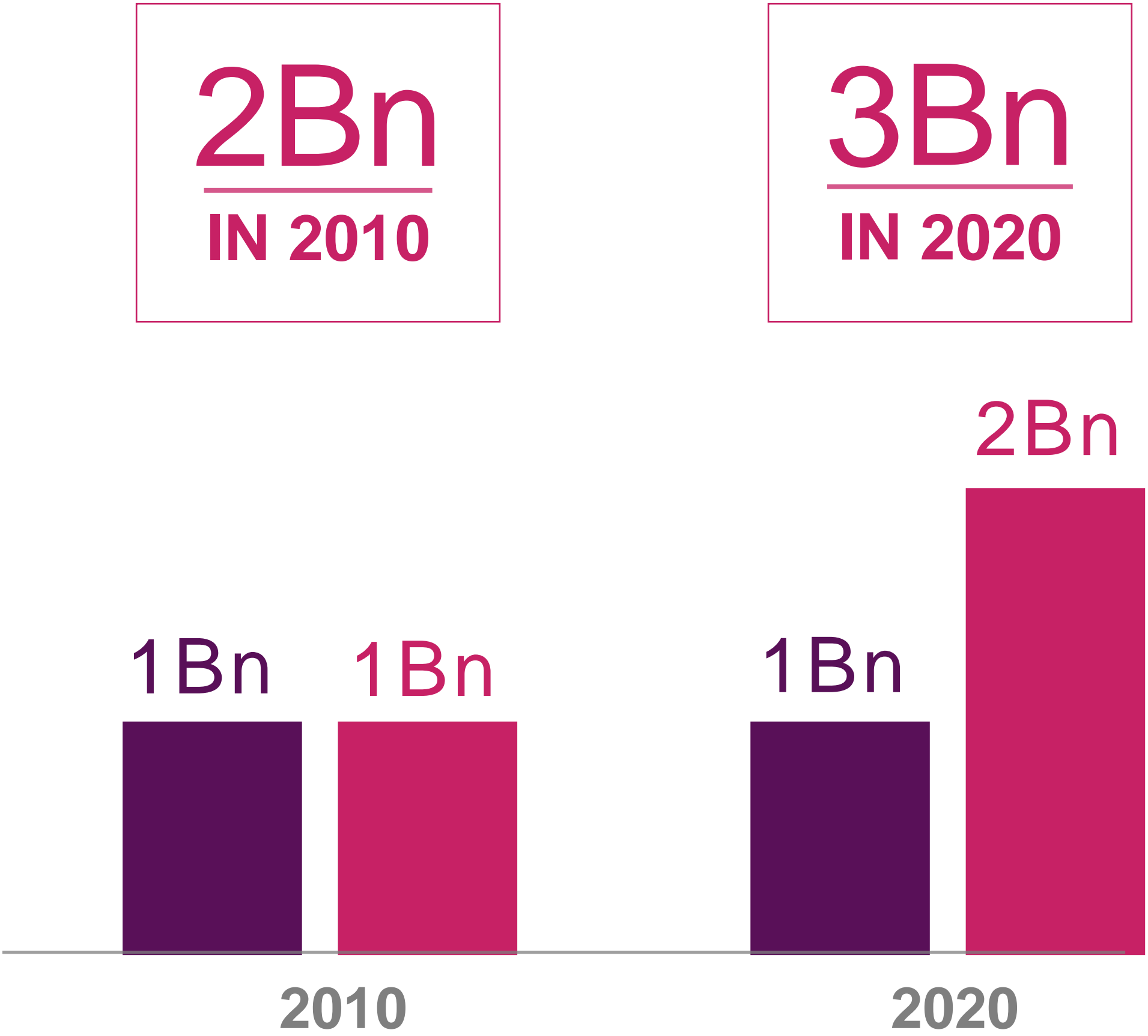
URBANIZATION
POLLUTION

NEW DESIRES

DIGITAL



NEW CONSUMERS RISE OF THE MIDDLE CLASS



■ in developed countries
■ in emerging countries

NEW TARGETS SENIORS AND MEN





NEW NEEDS URBANIZATION AND POLLUTION

ALREADY **3.6Bn**
PEOPLE LIVING IN CITIES

PROJECTED TO GROW
+40% BY 2030

**Pollution increases
skin concerns:**

dullness, sensitivity, acne,
pores and pigment spots





NEW DESIRES DIGITAL

IN THIS DIGITAL WORLD
WITH BOOMING SELFIES
AND SOCIAL NETWORKS

**APPEARANCE
IS MORE THAN EVER
ESSENTIAL**

MAKE-UP

1.7x

FASTER THAN
TOTAL BEAUTY
MARKET GROWTH



PROSPECTS AND STRATEGY

Continuous
market growth

L'Oréal's strong potential

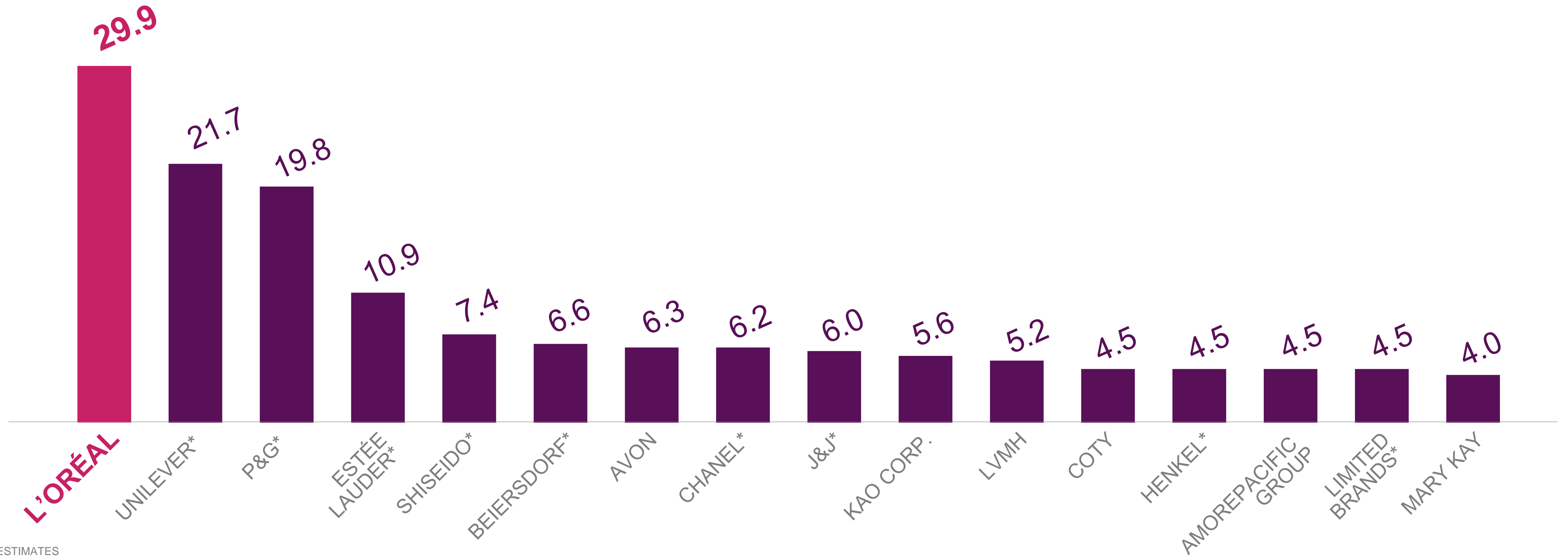
Strategy by Division

The New L'Oréal

L'ORÉAL

THE WORLD LEADER IN BEAUTY

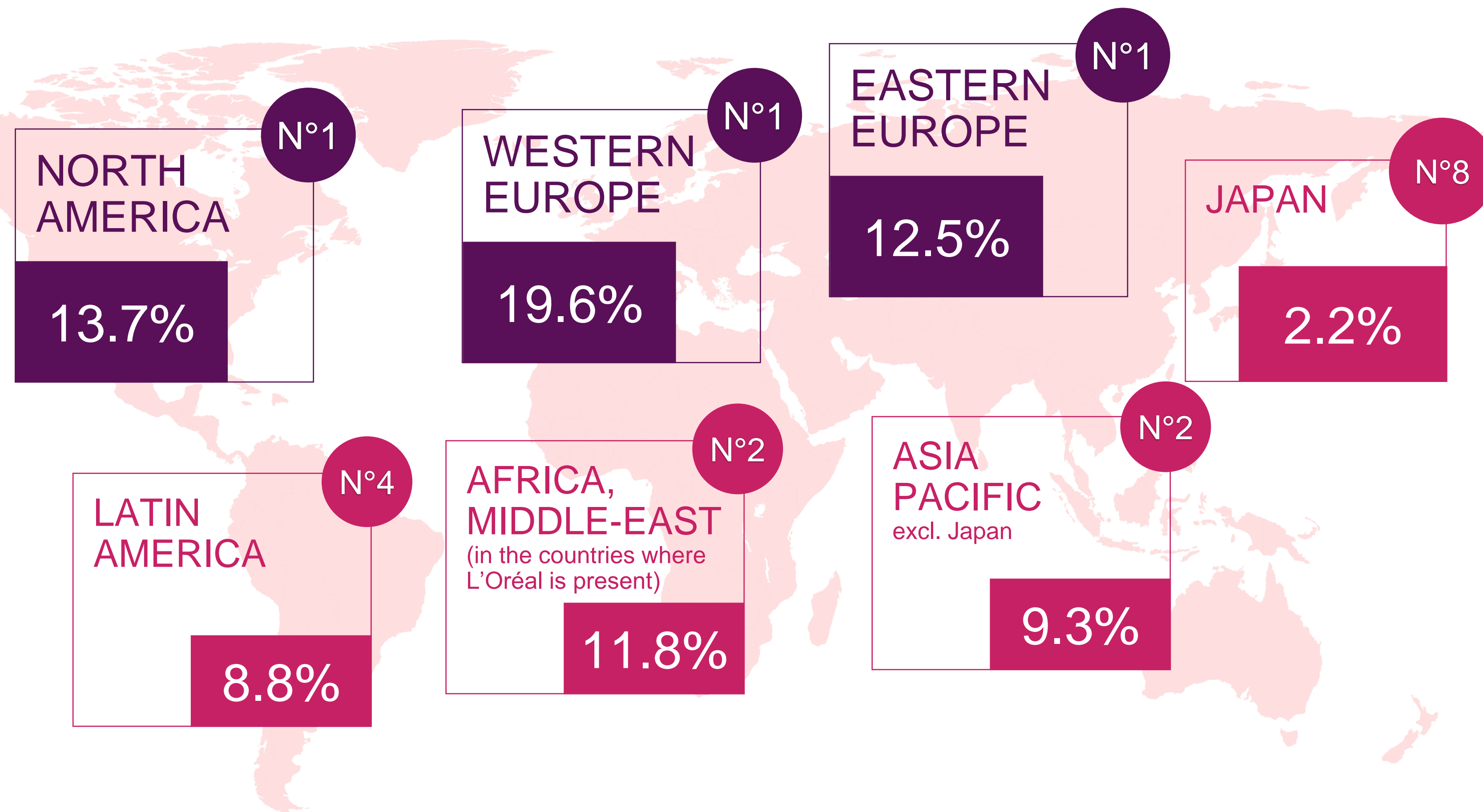
WWD Beauty Biz ranking "Beauty's Top 100"
2014 sales in billion US\$ (April 2015)



*ESTIMATES

A LEADER WITH SIGNIFICANT POTENTIAL

Ranking and market share by geographic zone 2015*

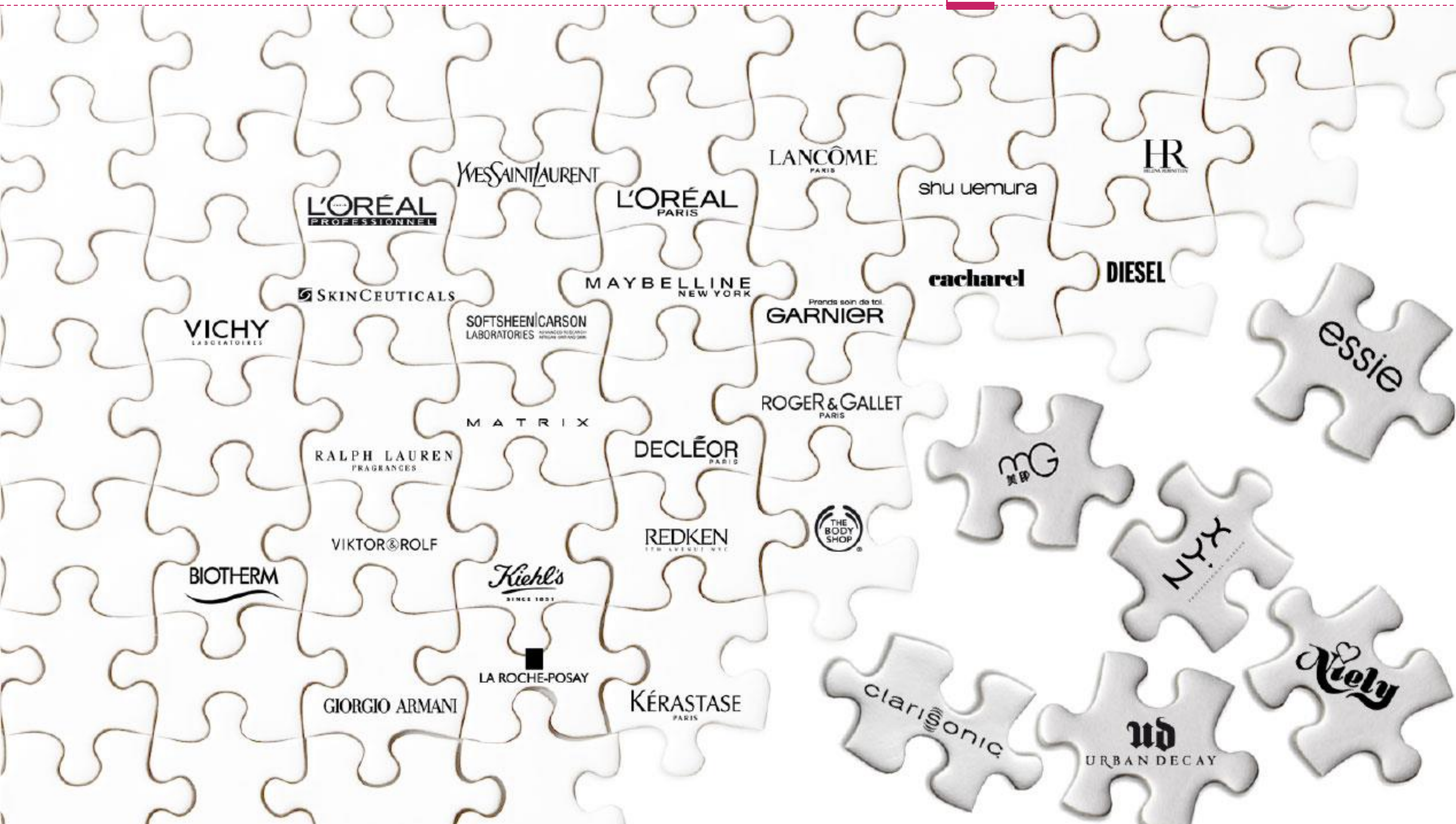


L'ORÉAL
"WORLD":
12.5%

"NEW
MARKETS":
8.5%

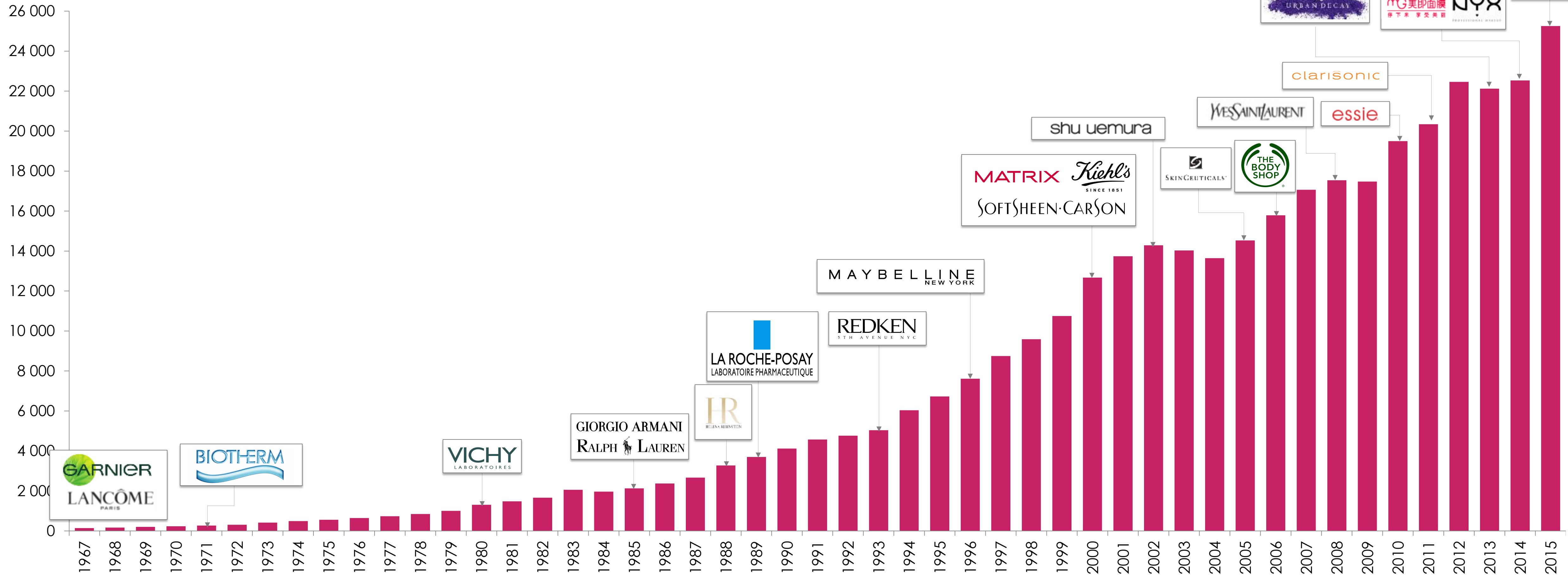
*EXCLUDING SOAPS, RAZORS AND TOOTHPASTES. L'ORÉAL ESTIMATES BMS RANKING BASED ON EUROMONITOR 2015 FIGURES

SEIZING POTENTIAL THROUGH EXISTING BRANDS AND TARGETED ACQUISITIONS



ACQUISITIONS FOSTERING OUR ORGANIC GROWTH

Consolidated sales (€m)



IFRS norms from 2004

THE ANNOUNCEMENT ON FEBRUARY 11TH 2014 OF THE DISPOSAL OF 50% OF GALDERMA LEADS TO ACCOUNT FOR THIS BUSINESS IN ACCORDANCE WITH IFRS 5 ACCOUNTING RULE ON DISCONTINUED OPERATIONS. IN ACCORDANCE WITH IFRS 11 ACCOUNTING RULE, INNEOV HAS BEEN CONSOLIDATED UNDER THE EQUITY METHOD AS OF JANUARY 1ST 2014. 2013 FIGURES HAVE BEEN RESTATED ACCORDINGLY.

HIGHLIGHTS

MAYBELLINE
NEW YORK


LA ROCHE-POSAY
LABORATOIRE DERMATOLOGIQUE

Kiehl's
SINCE 1851

REDKEN
5TH AVENUE NYC

CAGR
+10.8%

x7.7

Since 1995

CAGR
+15.7%

x51.9

Since 1988

CAGR
+21.7%

x23.3

Since 1999

CAGR
+8.7%

x6.8

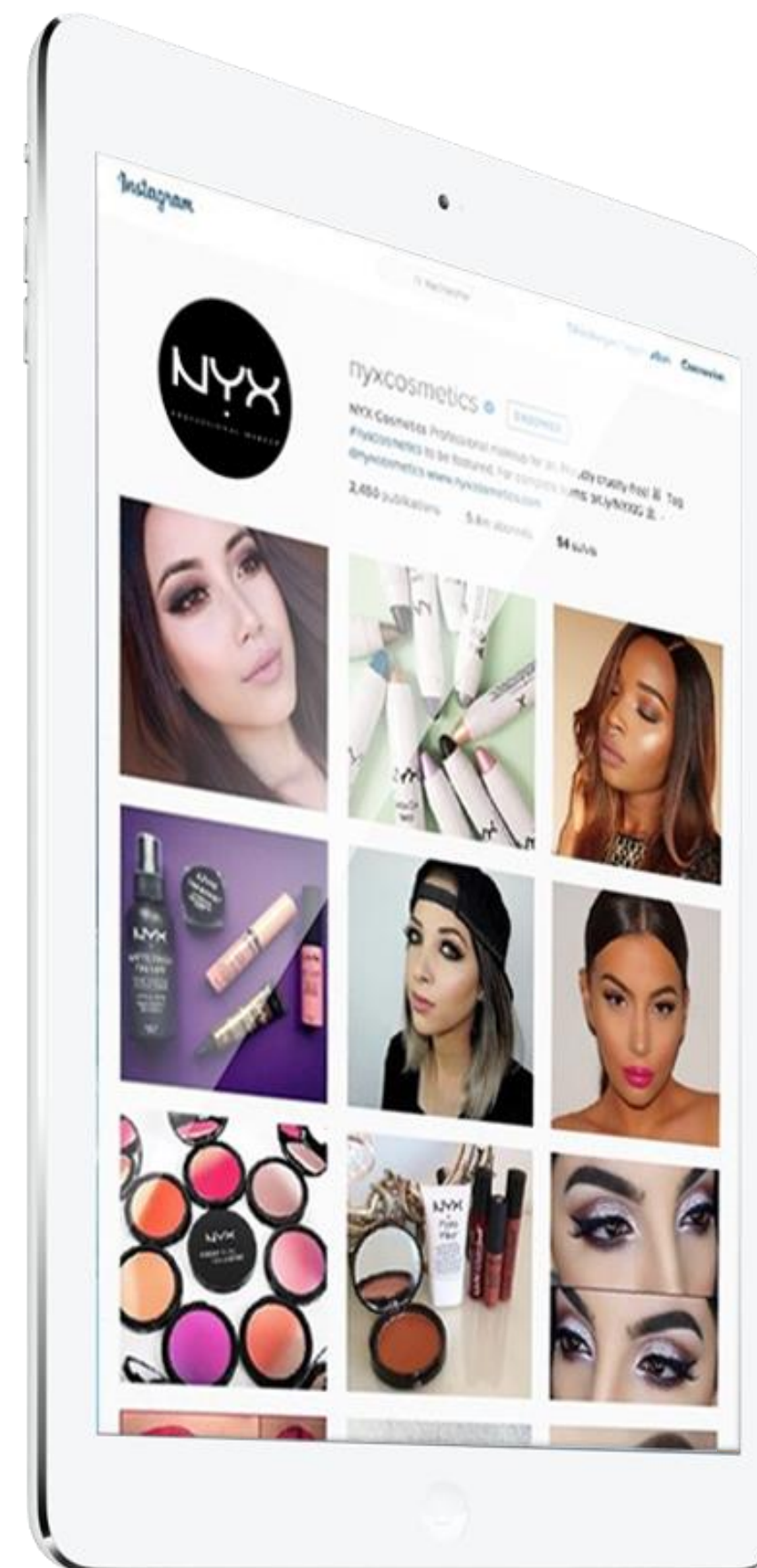
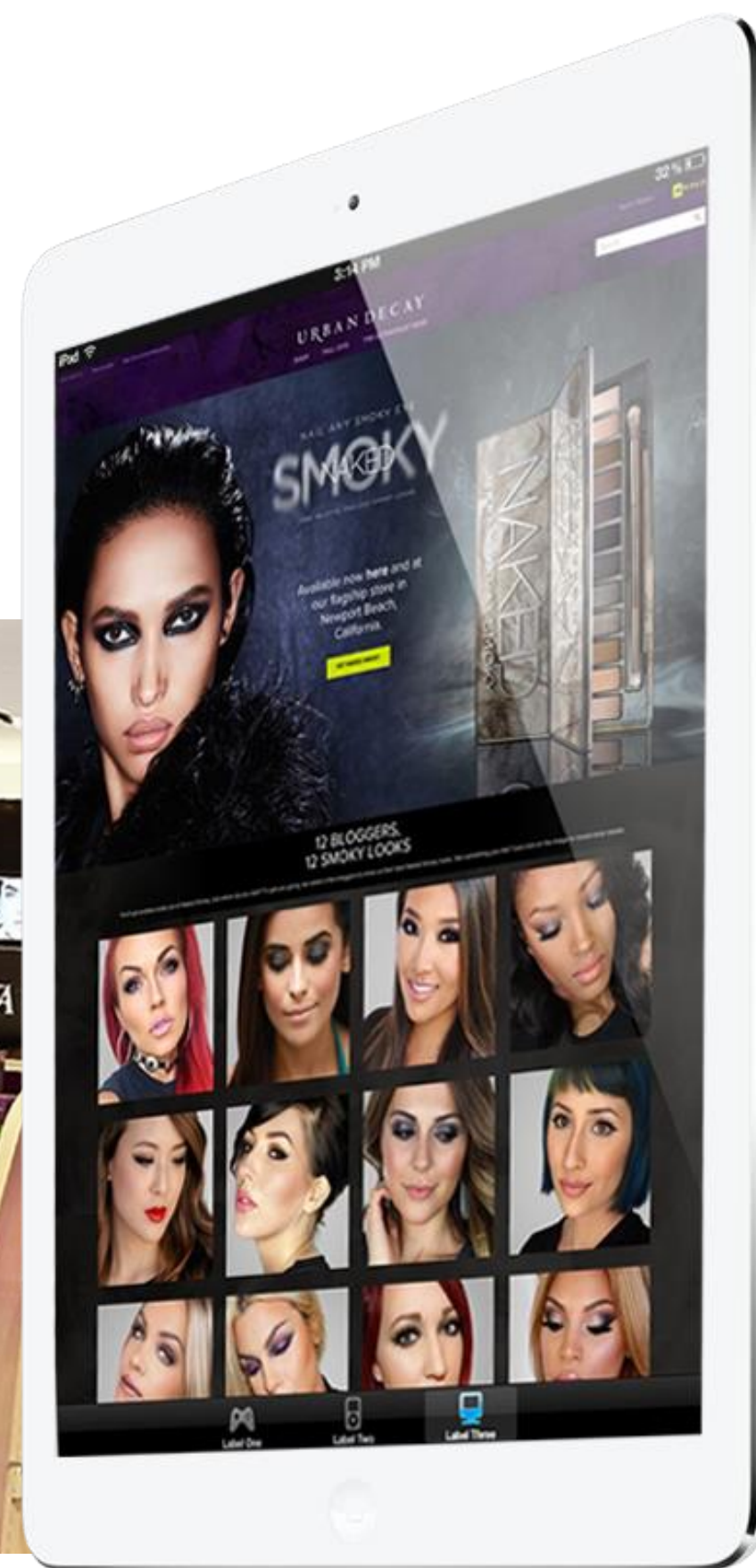
Since 1992

L'ORÉAL

UD URBAN DECAY

beauty with an edge®

2012-2015: SALES X3
.....
LAUNCHED IN
35 COUNTRIES



PROFESSIONAL MAKE-UP
.....
DIGITALLY ACTIVATED
.....
GOES GLOBAL
IN 2016





PROSPECTS AND STRATEGY

Continuous
market growth

L'Oréal's strong potential

Strategy by Division

The New L'Oréal

L'ORÉAL

CONSUMER PRODUCTS DIVISION ACCELERATE GROWTH

1

RENEWING
OUR CORE BRANDS

2

LEVERAGING GLOBAL
BEAUTY TRENDS

3

MAXIMIZING
INNOVATION

4

MAKING THE MOST
OF OUR DIGITAL
EDGE

CONSUMER PRODUCTS DIVISION SEIZING THE OPPORTUNITIES OF GLOBAL MARKET TRENDS



L'ORÉAL LUXE KEEP OUR STRONG PACE OF GROWTH

HISTORICAL BEAUTY BRANDS



LANCÔME



BIOThERM

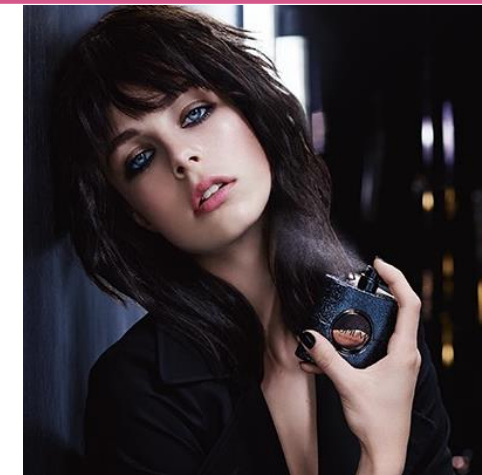


YUE SAÏ



H.RUBINSTEIN

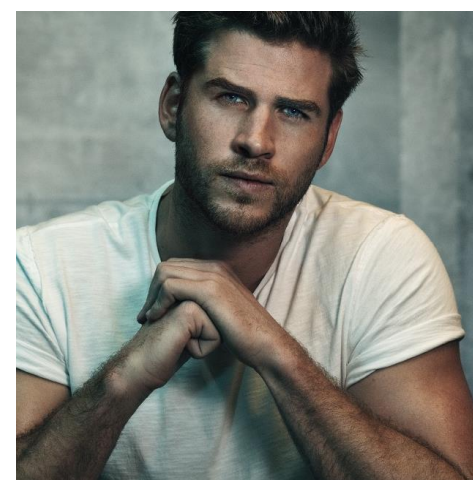
FASHION BEAUTY BRANDS



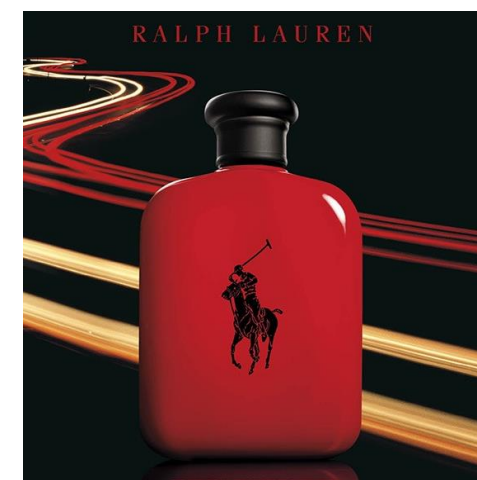
YSL



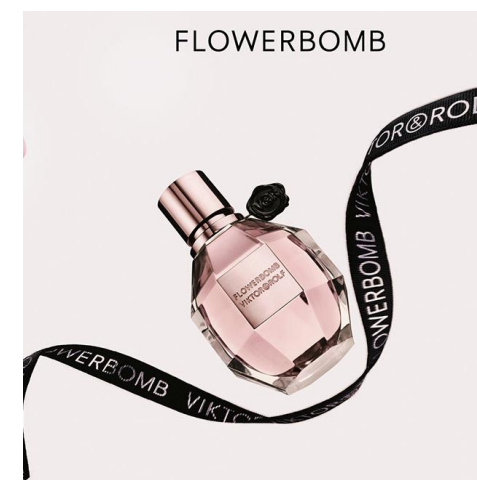
ARMANI



DIESEL



RALPH LAUREN



VIKTOR&ROLF



PROENZA
SCHOULER

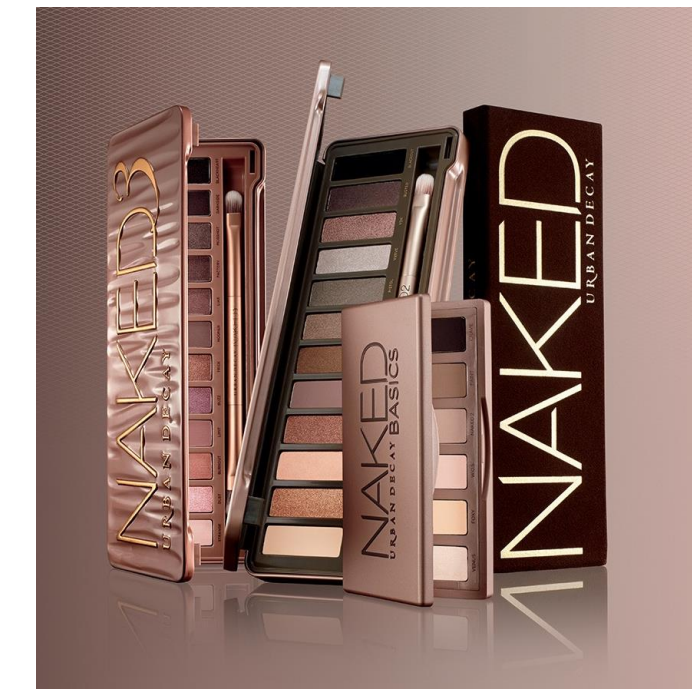


MAISON
MARGIELA



CACHAREL

“NEW LUXURY” BRANDS



URBAN DECAY



KIEHL'S



SHU UEMURA



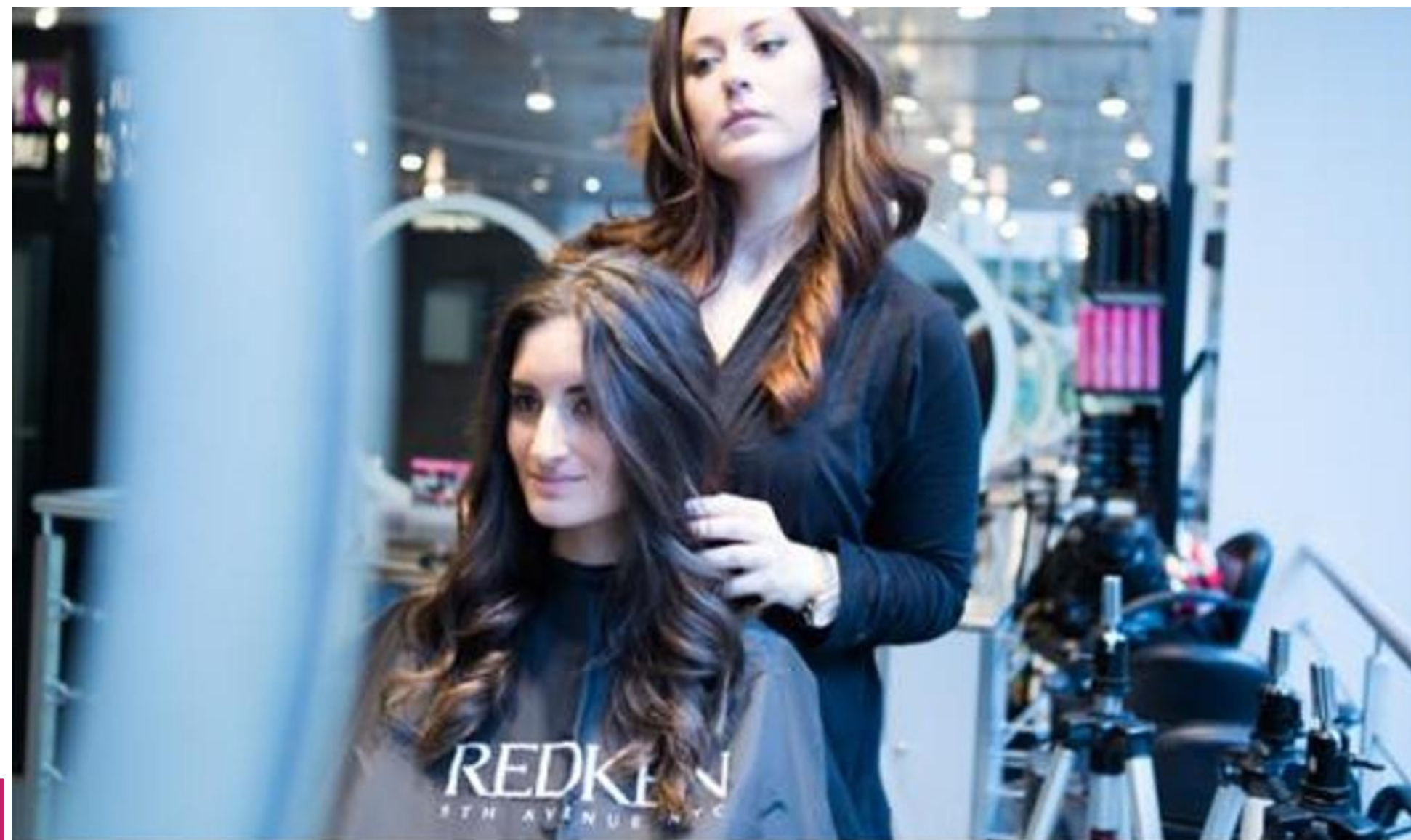
CLARISONIC

L'ORÉAL

ACTIVE COSMETICS SUSTAIN OUR STRONG GROWTH AND LEADERSHIP



PROFESSIONAL PRODUCTS CONSOLIDATE OUR LEADERSHIP AND BOOST THE MARKET





PROSPECTS AND STRATEGY

Continuous
market growth

L'Oréal's strong potential

Strategy by Division

The New L'Oréal

L'ORÉAL



**THE NEW
L'ORÉAL**

**MORE...
UNIVERSAL
DIGITAL
SUSTAINABLE**

L'ORÉAL



**MORE
UNIVERSAL**

**OUR STRATEGY
UNIVERSALIZATION**

GLOBALIZING WHILE
CAPTURING,
UNDERSTANDING
& RESPECTING
DIFFERENCES

UNIVERSALIZATION

GLOBAL VISION

LOCAL ADAPTATION

HUILE EN CRÈME
LA 1^{ÈRE} CRÈME DE JOUR POUR CHEVEUX.
CHAQUE MATIN, NUTRITION ET LÉGERETÉ.

PARIS SUR VOUS LE 100% 100%

ELVIVE
EXTRAORDINARY OIL

SECRET: le massage aux mains aux cheveux
stimule leur croissance et les protège.

ВОЛОСЫ
ПОСЛЕ МЫ
ПРЕОБРАЗИТЕ ИХ
#ELSELFIE

САНС БИНКАЖ

ELVIVE
EXTRAORDINARY OIL

NOUVEAU LIQUIDE EXTRAORDINAIRE
AVEC 6 HUILES DE LA TERRE.
NUTRITION CRÈME POUR CHEVEUX SECS,
SANS BINCAGE

NOUVEAU LIQUIDE EXTRAORDINAIRE
AVEC 6 HUILES DE LA TERRE.
NUTRITION CRÈME POUR CHEVEUX SECS,
SANS BINCAGE

NOUVEAU LIQUIDE EXTRAORDINAIRE
AVEC 6 HUILES DE LA TERRE.
NUTRITION CRÈME POUR CHEVEUX SECS,
SANS BINCAGE

L'ORÉAL
PARIS

ПИТАТЕЛЬНАЯ СИЛА 6 МАСЕЛ РЕДКИХ ЦВЕТОВ
ДЛЯ САМЫХ РОСКОШНЫХ, БЛЕСТЯЩИХ ВОЛОС

РОСКОШЬ 6 МАСЕЛ

ИДИДИКАЛЬНЫЕ РЕШЕНИЯ
ДЛЯ РОСКОШНОГО ПЕЛЕНА ВОЛОС:
• ПИТАЕТ ВОЛОСЫ, ВОССТАНАВЛИВАЕТ
• ПОВЫШАЕТ ЭЛАСТИЦИТЕТ ВОЛОСОВ ДО 100%
• УХОДИТ ЗА ВОЛОСАМИ ПО ВСЕЙ ДЛИНЕ
• ПРЕДОТВРАЩАЕТ ПОСЫВКУ ВОЛОС
• ПРЕДУПРЕЖДАЕТ ПОСЫВКУ ВОЛОС

ИДЕАЛЬНЫЙ
ВОЛОСЫ

L'ORÉAL
PARIS

مزيج من 6 زيوت فاخرة
لشعر صحي، لامع وناعم مثل الحرير لمدة 48 ساعة

ELVIVE
EXTRAORDINARY OIL

لشعر صحي، لامع وناعم مثل الحرير لمدة 48 ساعة

L'ORÉAL
PARIS

挑战干枯，从发根开始
8种植物精油 秀发闪亮绽放

新升级
8种植物精油

精油润养8

联合8种植物精油 滋养发根 莹润发梢
秀发闪亮绽放

1. 摩洛哥坚果油 2. 玫瑰果油 3. 甜杏仁油
4. 荷荷巴油 5. 椰子油 6. 薰衣草油
7. 迷迭香油 8. 佛手柑油

L'ORÉAL
PARIS
欧莱雅美发
挑战不同秀发问题

干枯秀发，我选润养金瓶。

ÓLEO
EXTRAORDINÁRIO
PARA OS SEUS
CABELOS

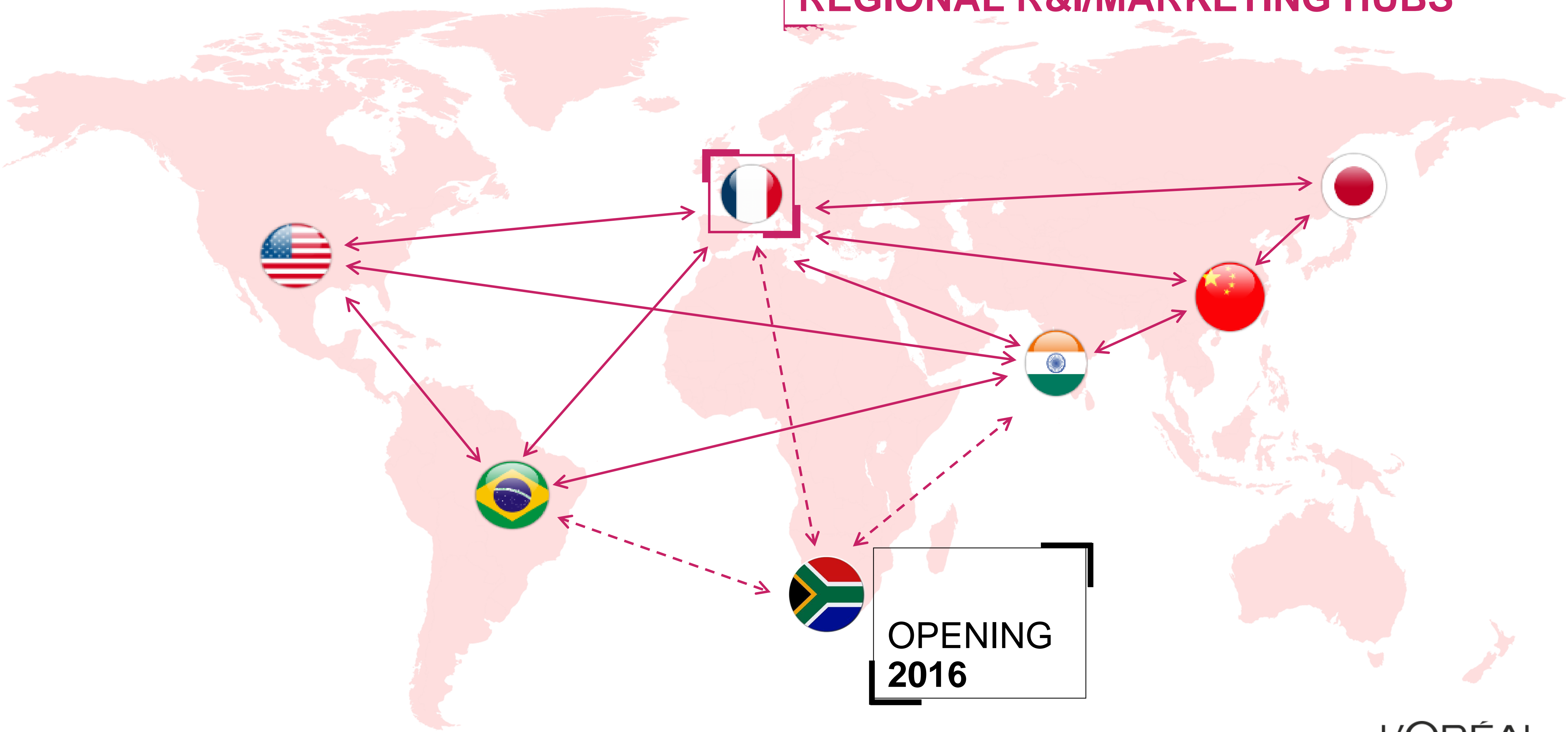
ELVIVE
ÓLEO EXTRAORDINÁRIO

L'ORÉAL
PARIS

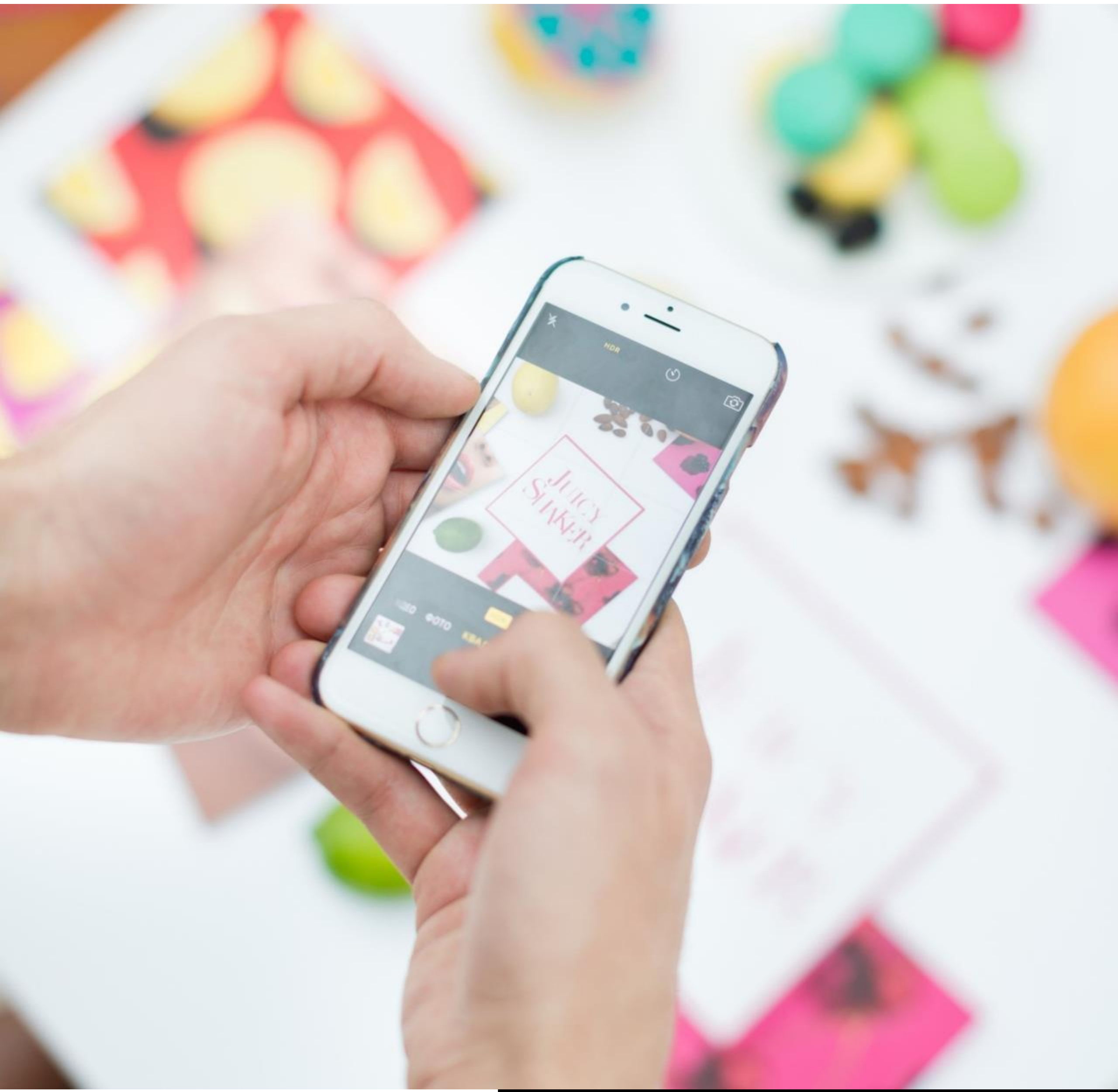
TRATAMENTO UNIVERSAL PARA TODOS TIPOS
DE CABELO: HIDRATAÇÃO E TENSÃO ELASTICIZANTE.

SEUS CABELOS NÃO PODEM
MAIS VIVER SEM COME MOMENTO ABLANECER.

A STRONG R&I CENTER COUPLED WITH REGIONAL R&I/MARKETING HUBS



**OPENING
2016**



**MORE
DIGITAL**



**BEAUTY
& DIGITAL**

**THE PERFECT
MATCH**

L'ORÉAL

BEAUTY: AMONG THE MOST SEARCHED TOPICS



beauty



Web

Images

News

Maps

Books

More ▾

Search tools

About 1,520,000,000 results (0.60 seconds)

5 BILLION SEARCHES A YEAR

www.byrdie.com/best-beauty-blogs-2014 ▾ Traduire cette page

2 juil. 2014 - **Beauty** fanatics know that when you stumble upon a **blog** that speaks to you, it's akin to finding a soulmate— you know that euphoric feeling of, ...

45 BILLION VIDEOS

fashionista.com/.../10-most-popular-beauty-youtube-... ▾ Traduire cette page

27 nov. 2013 - And the most viewed **beauty** videos EVER on YouTube are...



DIGITAL ENHANCING OUR COMPETITIVE EDGE

**E-COMMERCE
SALES***

1.3 Bn€
+38%

**MORE THAN
5%**

OF TOTAL
GROUP SALES*

**MORE THAN
1,000**

DIGITAL
PROFESSIONALS

25%
OF OUR MEDIA

DEDICATED
TO DIGITAL

*LIKE-FOR-LIKE SALES GROWTH. DIRECT AND INDIRECT SALES

L'ORÉAL

CHINA RAPID TRANSFORMATION



MORE THAN
20%

OF OUR CONSUMER
PRODUCTS SALES
IN E-COMMERCE

USA:



4 L'ORÉAL BRANDS IN THE L2 TOP 5

Source: L2 Digital IQ Index: Beauty

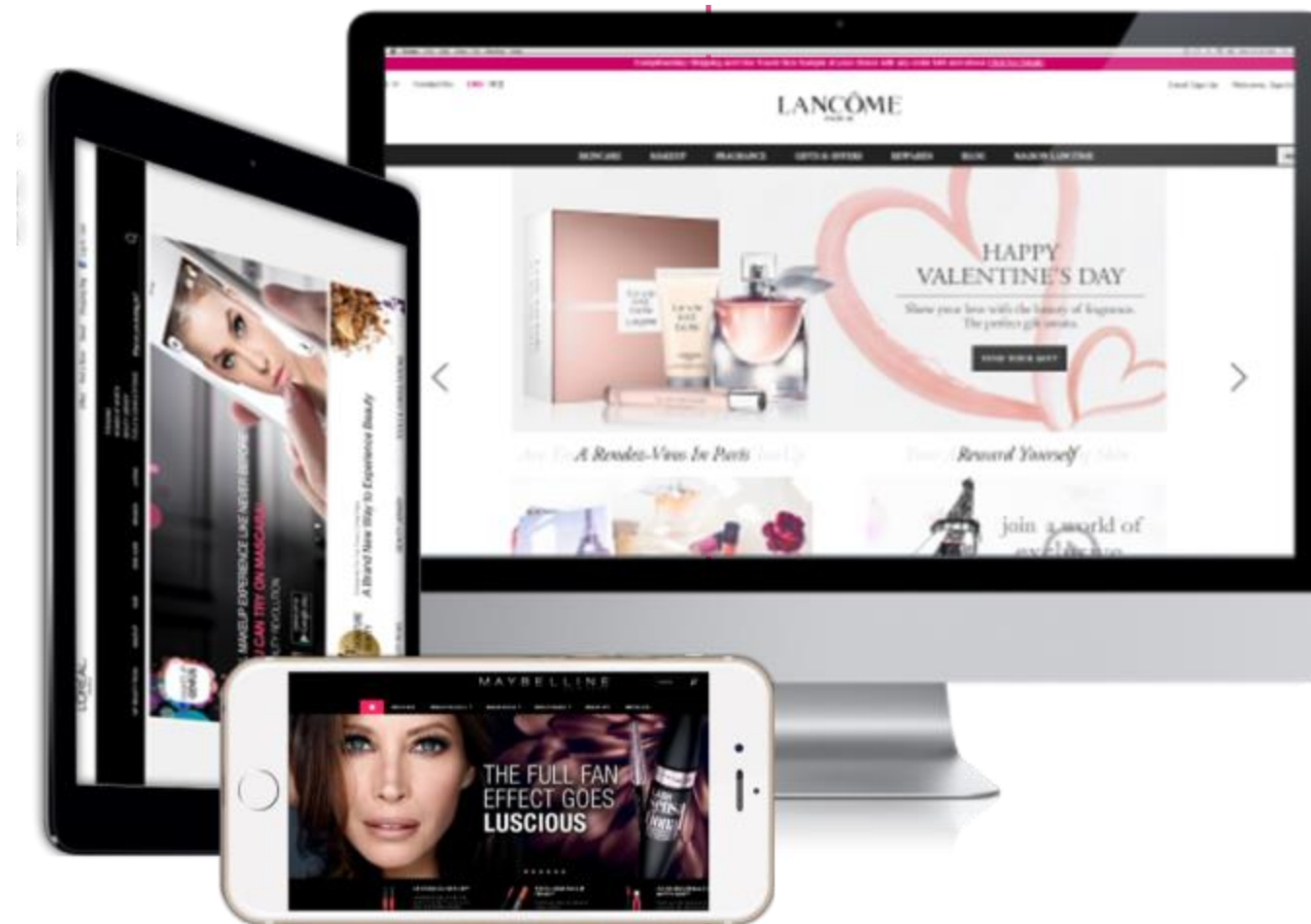


URBAN DECAY

MAYBELLINE
NEW YORK

L'ORÉAL
PARIS

LANCÔME
PARIS



CHINA:

3 L'ORÉAL BRANDS IN THE L2 TOP 5

Source: L2 Digital IQ Index: Beauty

LANCÔME
PARIS

L'ORÉAL
PARIS

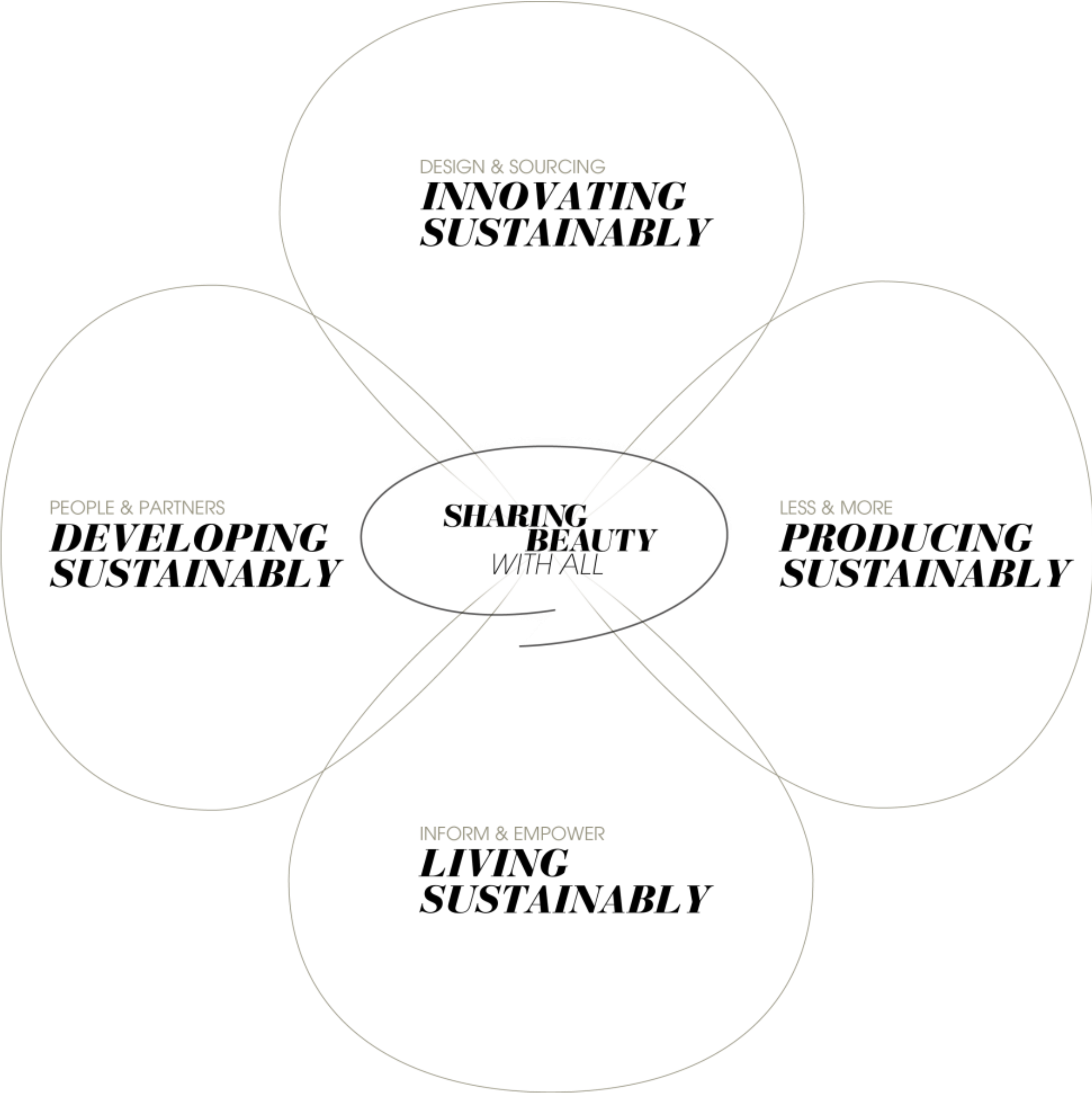
MAYBELLINE
NEW YORK

L'ORÉAL

SHARING BEAUTY WITH ALL

THE L'ORÉAL SUSTAINABILITY COMMITMENT

**MORE
SUSTAINABLE**



SHARING BEAUTY WITH ALL

THE L'ORÉAL SUSTAINABILITY COMMITMENT

COMMITMENTS FOR 2020

SUSTAINABLE INNOVATION

100%
of products
have an
environmental
or social benefit

SUSTAINABLE PRODUCTION

-60%
**environmental
footprint**
from a 2005 baseline
-60% CO₂ emissions
*-60% water consumption**
*-60% waste generated**

SUSTAINABLE CONSUMPTION

We will empower
every L'Oréal
consumer to make
**sustainable
consumption
choices**

EMPLOYEES

L'Oréal employees
will have access to
**health care,
social
protection
& training,**
wherever they are
in the world

SUPPLIERS

100%
of our strategic
suppliers will be
participating
in our **supplier
sustainability
program**

COMMUNITIES

100,000
people
from underprivileged
communities will
access to work

*PER FINISHED PRODUCT



-56%
REDUCTION IN CO₂
EMISSIONS
in factories
& distribution centres *

*IN ABSOLUTE VALUE, 2005-2015

FURTHER AMBITION



**OBJECTIVE:
BECOME "CARBON
BALANCED" IN 2020**

Capturing quantities
of carbon equivalent
to those we emit



Volatile
Uncertain
Complex
Ambiguous





L'ORÉAL,
the ANTI VUCA

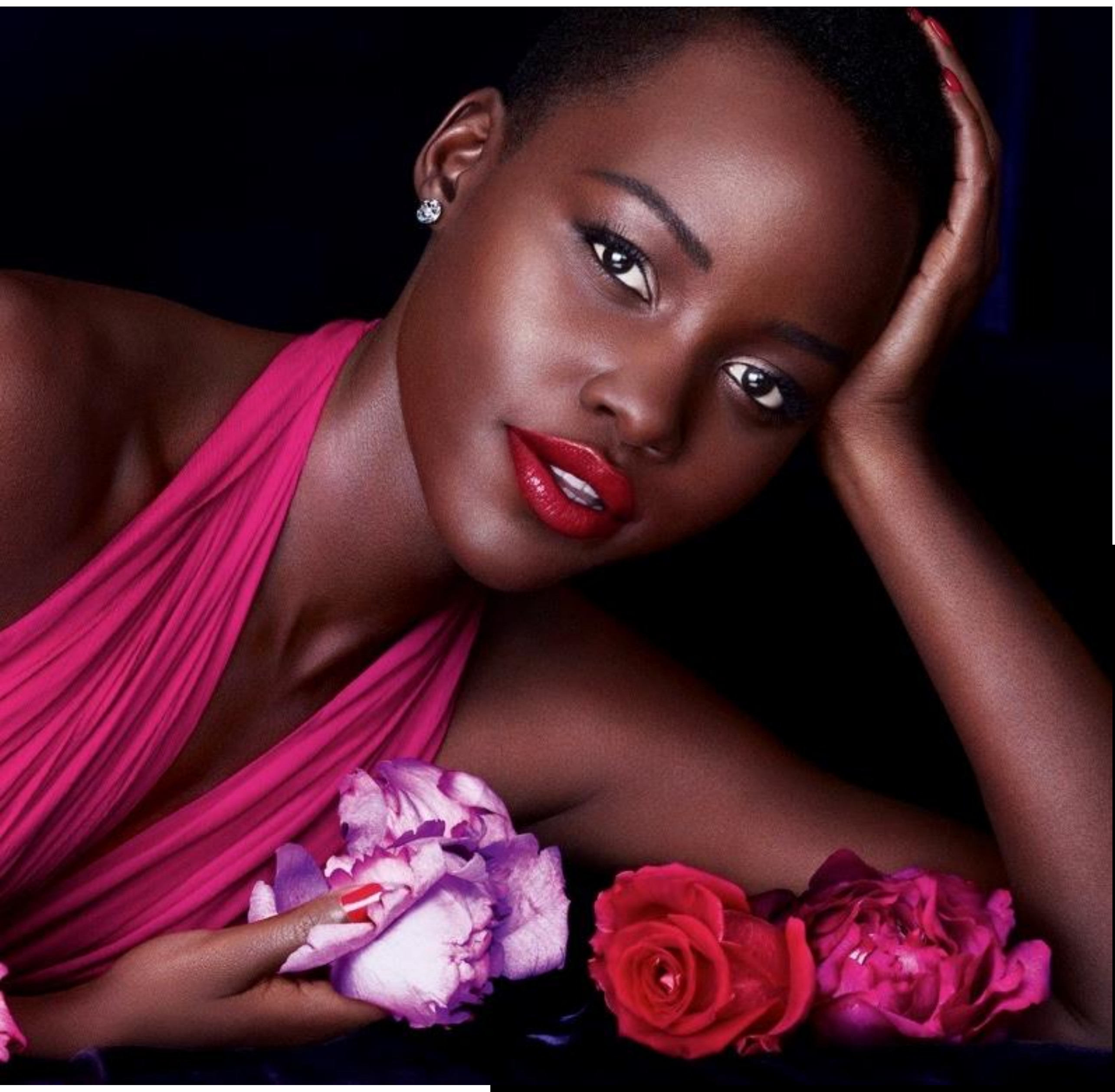
**SOLID
& SUSTAINED
GROWTH**

**FURTHER
MARKET
SHARE GAINS**

**INCREASING
PROFIT**

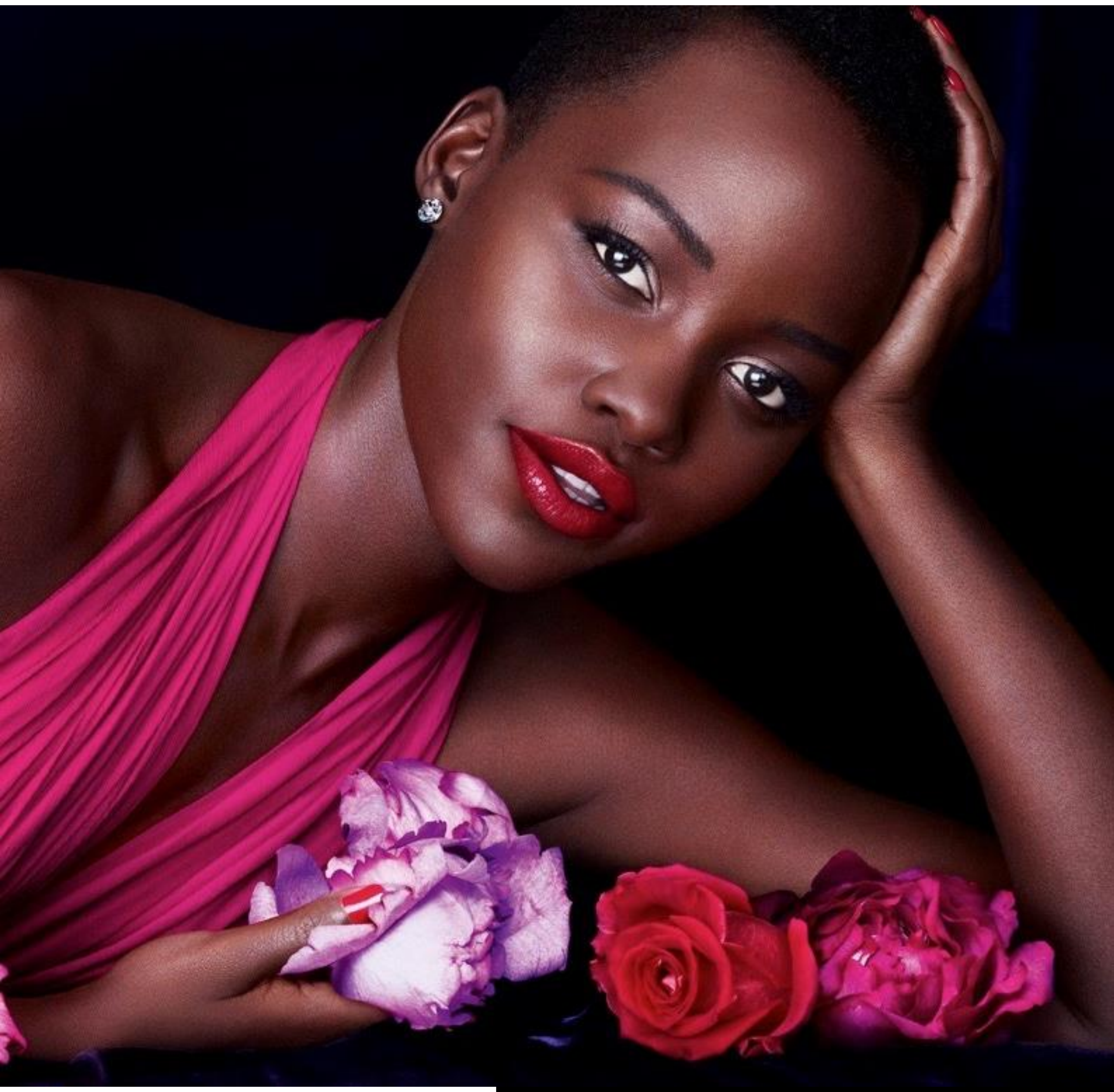
**STRONG
CASH FLOW**

**GROWING
DIVIDEND**



**THANK
YOU**

L'ORÉAL



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