

# NEWS RELEASE

Clichy, 9 February 2023 at 6.00 p.m.

## L'ORÉAL 2022 Annual Results

### STRONG SALES GROWTH, ANOTHER YEAR OF OUTPERFORMANCE IN ALL DIVISIONS AND ALL ZONES

### STRONG IMPROVEMENT IN OPERATING MARGIN

### STRENGTHENED SOCIAL AND ENVIRONMENTAL CONTRIBUTION

- **Sales: 38.26 billion euros**, +18.5% reported, +10.9% like-for-like<sup>1</sup>; a comparable increase of +23.4% vs 2019.
- **Strengthening global leadership in the beauty market.**
- **Well-balanced growth between volume and value. 28% of sales in e-commerce.**
- **Strong improvement in operating margin: 19.5%** (+40 bps); operating profit: 7,456.9 million euros.
- **Earnings per share<sup>2</sup>: 11.26 euros**, up by +27.6%.
- **Dividend<sup>3</sup>: 6.00 euros.**
- **Third employee share ownership plan** successfully rolled out in more than 60 countries.
- **L'Oréal For Youth**: 25,000 work opportunities per year for under-30s.
- **L'Oréal Fund for Women**: already €30.8 million allocated to support over 1.2 million women in vulnerable situation throughout the world.
- **Solidarity Sourcing programme** benefiting 85,000 workers from discriminated communities.
- **Sustainability leader**: only company in the world to have been awarded a **'AAA' rating by CDP** for seven years in a row; **platinum medal by EcoVadis**, which ranked L'Oréal in the global top 1% of best companies in terms of environmental and social performance.
- Named for the 13<sup>th</sup> year as one of the world's most ethical companies by **Ethisphere**.

Commenting on the figures, Nicolas Hieronimus, CEO of L'Oréal, said: "We achieved a remarkable performance this year, thanks to our innovation leadership, our highly desirable brands, our operational agility and the tremendous commitment of our teams. Comparable growth vs. 2019 accelerated quarter after quarter and reached +23% over the full year. Our balanced growth across Divisions and regions once again demonstrates the relevance of our multipolar model: strategically centralised and operationally decentralised with a strong entrepreneurial mindset, this model is ideally suited to the current environment. We have emerged stronger from 2022 and reinforced our position as the world's leading beauty company. These high-quality results allow us to consistently support our social and environmental commitments, in line with our dual ambition of economic and corporate performance. Mindful of the current uncertainties, we remain ambitious for the future, optimistic about the outlook for the beauty market, and confident in our ability to keep outperforming the market and achieve in 2023 another year of growth in sales and profits."

<sup>1</sup> Like-for-like: based on a comparable scope of consolidation and identical exchange rates.

<sup>2</sup> Diluted earnings per share, based on net profit, excluding non-recurring items, after non-controlling interests.

<sup>3</sup> To be proposed at the Annual General Meeting of 21 April 2023.

## Composition of the Board of Directors and its Committees

Meeting on 9 February 2023, under the chairmanship of Jean-Paul Agon, the Board of Directors decided to propose to the Annual General Meeting of 21 April 2023 the renewal of the tenure of Ms Sophie Bellon and Ms Fabienne Dulac as directors for a term of four years.

If the Annual General Meeting approves the proposed resolutions, the Board of Directors will continue to comprise 16 directors, i.e. 14 directors appointed by the AGM and two directors representing the employees.

The balance in terms of independence and gender mix will remain unchanged:

- Seven independent directors out of 14 directors appointed by the AGM, i.e. 50%;
- Seven women and seven men out of 14 directors appointed by the AGM, i.e. parity of 50%.

The Board decided to review the composition of the Committees, which is set out in detail in the table below. This will take effect at the end of the Annual General Meeting, subject to renewal of the tenures as directors of Ms Sophie Bellon and Ms Fabienne Dulac.

### Projected composition of the Board and Committees at the end of the Annual General Meeting to be held on 21 April 2023

		Expiry date of term of office	BOARD COMMITTEES			
			Strategy and Sustainability	Audit	Nominations & Governance	HR & Remuneration
Mr Jean-Paul Agon	Chairman	2026	<b>C</b>			
Mr Nicolas Hieronimus	CEO	2025				
Ms Françoise Bettencourt Meyers	Vice-President	2025	■		■	■
Mr Paul Bulcke	Vice-President	2025	■		■	■
Ms Sophie Bellon	◆	2027			■	<b>C</b>
Mr Patrice Caine	◆	2026	■		<b>C</b>	
Ms Fabienne Dulac	◆	2027		■		■
Ms Belén Garijo	◆	2026				■
Ms Béatrice Guillaume-Grabisch		2024		■		
Mr Thierry Hamel	Director repr. employees	2026				■
Ms Ilham Kadri	◆	2024		■		
Mr Jean-Victor Meyers		2024	■			
Mr Nicolas Meyers		2024		■		
Ms Virginie Morgon	◆	2025		<b>C</b>		
Mr Alexandre Ricard	◆	2025	■			
Mr Benny de Vlieger	Director repr. employees	2026		■		

- ◆ Independence within the meaning of the criteria of the AFEP-MEDEF Code as assessed by the Board of Directors
- C** Chairman / Chairwoman of the Committee
- Member of the Committee

## 2022 SALES

Sales amounted to **38.26 billion euros** at 31 December 2022, up by +18.5% reported.

**Like-for-like**, i.e. based on a comparable scope of consolidation and identical exchange rates, the growth of L'Oréal group sales was +10.9%.

**The net impact of changes in the scope of consolidation** was +0.4%.

At the end of 2022, **currency fluctuations** had an impact of +7.2%.

### Sales by Division and Geographic Zone

	4 <sup>th</sup> quarter 2022			At 31 December 2022		
	€m	Growth		€m	Growth	
		Like-for-like	Reported		Like-for-like	Reported
<b><u>By Division</u></b>						
Professional Products	1,218.6	+8.1%	+15.0%	4,476.8	+10.1%	+18.3%
Consumer Products	3,678.6	+7.5%	+11.8%	14,021.3	+8.3%	+14.6%
L'Oréal Luxe	4,154.2	+5.5%	+10.7%	14,638.1	+10.2%	+18.6%
Active Cosmetics	1,267.7	+19.4%	+28.0%	5,124.5	+21.9%	+30.6%
<b>Group total</b>	<b>10,319.1</b>	<b>+8.1%</b>	<b>+13.5%</b>	<b>38,260.6</b>	<b>+10.9%</b>	<b>+18.5%</b>
<b><u>By Geographic Zone</u></b>						
Europe	2,990.8	+ 8.1%	+8.4%	11,436.7	+11.6%	+12.3%
North America	2,690.9	+9.4%	+23.5%	10,164.0	+10.4%	+24.6%
North Asia	3,290.9	+4.9%	+8.7%	11,321.4	+6.6%	+14.8%
SAPMENA – SSA <sup>4</sup>	771.3	+13.4%	+16.6%	2,962.4	+22.0%	+28.1%
Latin America	575.3	+13.8%	+23.1%	2,376.2	+18.6%	+34.1%
<b>Group total</b>	<b>10,319.1</b>	<b>+8.1%</b>	<b>+13.5%</b>	<b>38,260.6</b>	<b>+10.9%</b>	<b>+18.5%</b>

<sup>4</sup> SAPMENA – SSA: South Asia Pacific, Middle East, North Africa, Sub-Saharan Africa  
<http://www.loreal-finance.com/>

## Summary by Division

### PROFESSIONAL PRODUCTS

**The Professional Products Division recorded strong growth, at +10.1% like-for-like and +18.3% reported.**

The Division strengthened its position in the professional beauty market, maintaining its growth momentum across all geographic Zones, with outstanding performances in mainland China, India and Brazil. It continued to perform in all distribution channels – in salons, in its SalonCentric network in the United States and in e-commerce – again confirming the success of its omnichannel strategy.

Growth in the premiumising haircare market was largely driven by the performance of *Kérastase*, whose sales exceeded the symbolic one-billion-euro mark for the first time, and *Série Expert* by *L'Oréal Professionnel*, with the success of the *Metal Detox* innovation. The Division also achieved growth in hair colour, with its iconic lines *Shades EQ* by *Redken* and *Inoa* by *L'Oréal Professionnel*.

As the industry leader, the Division continued to involve all its partner hairstylists in the sustainable transition with the rollout of its “Hairstylists for the Future” programme.

### CONSUMER PRODUCTS

**The Consumer Products Division posted its best growth in 20 years: +8.3% like-for-like and +14.6% reported.**

The Division's growth was driven by innovation and sound valorisation, without sacrificing volume. All major brands outperformed the market, thanks to successful initiatives in the different categories.

The Division achieved sustained growth in haircare, with *Elvive Hyaluron Plump* confirming its worldwide success. Makeup was the Division's fastest growing category, with successful launches including *Superstay Vinyl Ink* by *Maybelline New York* – the first long-wear, shiny, liquid lipstick – as well as *Bare With Me* concealer and *Jumbo False Eyelashes* by *NYX Professional Makeup*. In skincare, *Garnier* was the Division's top growth contributor, with its *Vitamin C Brightening Serum* a standout success.

North America and Europe saw very robust performances. At the same time, growth accelerated significantly in Latin America and SAPMENA-SSA, with remarkable performance in high-potential countries such as Mexico, India and Brazil. This more than compensated for the challenging market conditions in China, where the Division accelerated its market share gains in the fourth quarter.

### L'ORÉAL LUXE

**L'Oréal Luxe recorded strong growth, at +10.2% like-for-like and +18.6% reported,** outperforming a global luxury beauty market that proved dynamic again this year.

L'Oréal Luxe strengthened its leadership in fragrance, the fastest-growing category in the selective market. This performance was driven by global bestsellers, such as *Libre* by *Yves Saint Laurent*, *La Vie Est Belle* by *Lancôme* and *Acqua di Giò* by *Armani*, as well as launches that had an impressive start, including *Prada Paradoxe*. In skincare, the Division grew three times faster than the market, spurred by the ultra-premium segment, with a spectacular performance from *Helena Rubinstein*, cutting-edge innovations such as *Lancôme's Rénergie H.C.F Triple Serum*, and the success of recent acquisitions including the Japanese brand *Takami*. The Division also grew in makeup, thanks to the initiatives of *Yves Saint Laurent* and *Urban Decay*.

In an unsettled environment, particularly in the second half of the year with the drastic slowdown of the Chinese market, the Division confirmed the strength of its geographic footprint which has allowed it to reinforce its global market share since 2019. The Division grew in step with the market in Europe and significantly increased its position in North Asia.

## ACTIVE COSMETICS

**The Active Cosmetics Division ended the year with outstanding growth, at +21.9% like-for-like and +30.6% based on reported figures.**

Reinforcing its medical prescription leadership, the Active Cosmetics Division strengthened its recommendation-based model and grew twice as fast as the dermocosmetics market. The Division posted double-digit growth in all Zones, with a remarkable performance in North America, SAPMENA-SSA and mainland China. *La Roche-Posay* and *CeraVe* contributed equally to the Division's growth. *La Roche-Posay*, the Division's biggest brand, sustained its outstanding momentum, driven by its main pillars *Cicaplast* and *Effaclar*, and by the success of the *UVMune 400* breakthrough innovation in sun protection. *CeraVe* continued to expand internationally, achieving spectacular growth in both the United States and the rest of the world. *Vichy* maintained its strong momentum thanks to *Dercos* and the *Capital Soleil UV* franchise in both seasonal and daily sun protection. On the aesthetic front, *SkinCeuticals* recorded double-digit growth, fuelled by the excellent performance of *A.G.E Interrupter* anti-wrinkle cream. The newly acquired brand *Skinbetter Science*, integrated into the Division in the fourth quarter, showed promising potential.

## Summary by Geographic Zone

### EUROPE

**The Zone achieved growth of +11.6% like-for-like and +12.3% reported.**

The European beauty market grew beyond pre-pandemic levels, driven by fragrance, makeup and sun protection. It remained dynamic during the second half of the year despite rising inflation. L'Oréal again significantly outperformed the market thanks to its diversified offering, which meets the needs of all consumer segments, and its valorisation strategy, allowing Europe to be the Group's number one growth contributor this year. L'Oréal outperformed in the majority of countries, especially Germany, the United Kingdom and Spain. The Central European countries posted very strong growth. L'Oréal also continued to outperform in e-commerce.

The Consumer Products Division achieved its strongest growth of the last few years, driven by its makeup rebound and highly successful launches. Leading the fragrances category, L'Oréal Luxe had further success. The Active Cosmetics Division outperformed across the Zone thanks to the success of *La Roche-Posay* and *CeraVe*, which continued to expand rapidly. Finally, the Professional Products Division successfully pursued its valorisation strategy, significantly contributing to the growth of premium haircare in the Zone.

### NORTH AMERICA

**The Zone ended the year at +10.4% like-for-like and +24.6% reported**, reaching the 10 billion euro mark in sales. Strong innovation, operational agility and well-executed valorisation of the offer amid rising inflation were instrumental in achieving this milestone.

The Consumer Products Division strengthened its position, outperforming the makeup market led by *NYX Professional Makeup* and *Maybelline New York*. L'Oréal Luxe outperformed the market in fragrance, thanks to its unique portfolio and key launches like *Prada Paradoxe* and *Viktor & Rolf Good Fortune*. The Professional Products Division remained strong in the salon channel and through the *SalonCentric* platform, significantly outpacing the market; it performed particularly well in haircare, with *Pureology* and *Kérastase*. The Active Cosmetics Division closed the year with strong double-digit growth, well ahead of the dermocosmetics market. *CeraVe* and *La Roche-Posay* maintained good momentum; the acquisition of the US skincare brand *Skinbetter Science* got off to a strong start.

## NORTH ASIA

**The Zone ended the year at +6.6% like-for-like and +14.8% based on reported figures.**

L'Oréal's unique brand portfolio and its digital excellence were once again key drivers to outperform throughout the Zone, in all markets and all channels. The Professional Products and Active Cosmetics Divisions continued their double-digit growth, leveraging their premium brand portfolio. The Consumer Products Division capitalised on L'Oréal Paris' notable success in the skincare and haircare categories, and on 3CE Stylenanda growth momentum. L'Oréal Luxe achieved robust growth in a negative market; this remarkable performance was driven by premium skincare, fragrance and the strong acceleration of Yves Saint Laurent across the Zone.

In mainland China, the beauty market was clearly affected by the public health restrictions. In this challenging context, L'Oréal grew appreciably, with a double-digit increase in online sales. Leveraging brand love and operational agility, L'Oréal succeeded in providing consumers with quality premium and innovative products. This remarkable success resulted in strong offline and online market share gains throughout the year, as well as during Double 11, the world's biggest shopping festival; L'Oréal brands topped the rankings for each beauty category on Tmall, further consolidating the Group's leadership, notably in luxury, where L'Oréal surpassed 30% of market share in 2022.

L'Oréal recorded double-digit growth in Japan and Korea, where it outperformed the beauty market, which bounced back strongly in 2022.

All L'Oréal sites in the North Asia Zone became "carbon neutral"<sup>5</sup> in 2022.

## SAPMENA – SSA<sup>6</sup>

**The Zone grew strongly, at +22.0% like-for-like and +28.1% reported.**

In SAPMENA, the Group achieved solid growth across all markets despite sourcing challenges. Consumers returned to stores and L'Oréal recorded booming sales in the brick-and-mortar channel. In the Pacific, growth was mainly driven by the fragrance and skincare categories, notably with the expansion of La Roche Posay and CeraVe. Maybelline New York makeup and Garnier skincare both fuelled progression across South-East Asia. The spectacular growth in India was spurred by the success of the Professional Products Division and the Consumer Products Division across all categories. Growth in the Gulf States continued to gather momentum.

In Sub-Saharan Africa (SSA), L'Oréal significantly outperformed the market thanks to the dynamism of all Divisions, with the Active Cosmetics Division achieving spectacular growth following the successful launch of CeraVe in the region.

## LATIN AMERICA

**The Zone posted strong growth, at +18.6% like-for-like and +34.1% based on reported figures.**

L'Oréal recorded double-digit growth in key countries and gained market share. All Divisions contributed to this impressive performance, led by the Consumer Products Division, which saw spectacular growth. The Group continued to increase the weight of sales in e-commerce, while also enjoying double-digit growth in brick-and-mortar thanks to a winning omnichannel activation strategy.

The skincare category drove very strong growth in Mexico, while Brazil's performance was propelled by the remarkable growth of the Consumer Products Division and L'Oréal Luxe.

---

<sup>5</sup> A site can claim "carbon neutral" status if it meets the following requirements: • Direct CO<sub>2</sub> (Scope 1) = 0, with the exception of: the gas used for catering, the fuel oil used for sprinkler tests, fossil energy consumptions during maintenance of on-site renewable facilities, cooling gas leaks if they are lower than 130 tonnes CO<sub>2</sub>eq./year; and • Indirect CO<sub>2</sub> Market Based (Scope 2) = 0. The renewable energy sources must be located on site or less than 500 kilometres from the site, and be connected to the same distribution network. The "carbon neutral" status, as defined above, is achieved without carbon offsetting.

<sup>6</sup> SAPMENA – SSA: South Asia Pacific, Middle East, North Africa and Sub-Saharan Africa

<http://www.loreal-finance.com/>



## IMPORTANT EVENTS DURING THE PERIOD 01/10/22 TO 31/12/22 AND POST-CLOSING EVENTS

### RESEARCH, BEAUTY TECH AND DIGITAL

- In January, L'Oréal unveiled **two new CES® 2023 Innovation Award-winning beauty technologies: HAPTA**, the world's first handheld computerised makeup applicator designed for users with limited hand or arm mobility; and **L'Oréal Brow Magic**, the first at-home electronic eyebrow makeup applicator. L'Oréal Brow Magic is the fruit of several years' collaboration with micro-printing startup Prinker Korea Inc, in which the venture capital fund BOLD (Business Opportunities for L'Oréal Development) made a minority investment.
- In November, **L'Oréal Colorsonic** was selected as one of **Time magazine's Best Inventions of 2022**, in the Beauty Tech category. The lightweight, handheld device uses an innovative, mess-free process to mix hair colour and apply it evenly, delivering consistent colouring results for consumers at home.
- In January, *NYX Professional Makeup* announced **GORJS**, the world's first beauty decentralized autonomous organization ("DAO") focused on fostering the development of the **3D artist community**.
- To promote authenticity, inclusivity and creativity for self-expression in the **metaverse**, L'Oréal premiered virtual beauty looks in November through the **first ever multi-brand beauty partnership with leading cross-game avatar platform Ready Player Me**. *Maybelline New York* and *L'Oréal Professionnel* provide exclusive makeup and hair styles for avatar creation, which can be used on more than 4,000 platforms and apps worldwide.
- In January, the venture capital fund BOLD (Business Opportunities for L'Oréal Development) made a minority investment in **US-based startup Digital Village**, a metaverse-as-a-service platform and NFT marketplace for brands, creators and communities.
- **L'Oréal and French biotech Microphyt have announced a strategic partnership**. In November, the venture capital fund BOLD (Business Opportunities for L'Oréal Development) acquired a minority stake in Microphyt. The partnership is an additional proof point of L'Oréal's Research and Innovation strategy towards Green Sciences through investment in innovative biotech startups.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

- L'Oréal is the only company in the world to have received a **'AAA' score from CDP** seven years in a row, for its leadership in corporate transparency and environmental performance, through its commitment to tackle climate change and take action to protect forests and water security.
- In December, **all L'Oréal Brazil sites became "carbon neutral"**<sup>7</sup> (head office, research and innovation centre, plant and distribution centre), three years ahead of schedule for its L'Oréal for the Future objectives.
- For the 6<sup>th</sup> consecutive year, L'Oréal was recognized by the **Bloomberg Gender-Equality Index (GEI)** for having successfully created an inclusive and equal work environment. L'Oréal is one of the 484 companies across 45 countries and regions to be part of the 2023 Index.
- In November, L'Oréal was again recognised as a leading employer, taking **5<sup>th</sup> place in the Universum global ranking** of business students' favourite companies, making the Group the number-one European firm.
- In December, L'Oréal received the **top award for the best shareholder relations in the CAC 40** from *Le Revenu* magazine, which ranks listed companies based on the quality of their relationship with individual investors.

---

<sup>7</sup> A site can claim "carbon neutral" status if it meets the following requirements: • Direct CO<sub>2</sub> (Scope 1) = 0, with the exception of: the gas used for catering, the fuel oil used for sprinkler tests, fossil energy consumptions during maintenance of on-site renewable facilities, cooling gas leaks if they are lower than 130 tonnes CO<sub>2</sub>eq./year; and • Indirect CO<sub>2</sub> Market Based (Scope 2) = 0. The renewable energy sources must be located on site or less than 500 kilometres from the site, and be connected to the same distribution network. The "carbon neutral" status, as defined above, is achieved without carbon offsetting.

**2022 RESULTS**

Audited financial statements, certification in progress.

**Operating profitability at 19.5% of sales**

Consolidated profit and loss accounts: from sales to operating profit.

	2021		2022	
	€m	% sales	€m	% sales
<b>Sales</b>	<b>32,287.6</b>	<b>100,0%</b>	<b>38,260.6</b>	<b>100,0 %</b>
Cost of sales	-8,433.3	26.1%	- 10,577.4	27.6 %
<b>Gross profit</b>	<b>23,854.3</b>	<b>73.9%</b>	<b>27,683.3</b>	<b>72.4 %</b>
R&I expenses	-1,028.7	3.2%	- 1,138.6	3.0 %
Advertising and promotion	-10,591.0	32.8%	- 12,059.0	31.5 %
Selling, general and administrative expenses	-6,074.2	18.8%	-7,028.8	18.4 %
<b>Operating profit</b>	<b>6,160.3</b>	<b>19.1%</b>	<b>7,456.9</b>	<b>19.5 %</b>

**Gross profit**, at 27,683.3 million euros, came out at 72.4% of sales, compared with 73.9% in 2021, a difference of 150 basis points.

**Research & Innovation expenses**, at 3% of sales, increased by more than +10%.

**Advertising and promotion expenses** accounted for 31.5% of sales, a decrease of 130 basis points.

**Selling, general and administrative expenses**, at 18.4% of sales, decreased by 40 basis points.

Overall, **operating profit** increased by +21.0% to 7,456.9 million euros, and amounted to 19.5% of sales, an improvement of 40 basis points.

**Operating profit by Division<sup>8</sup>**

	2021		2022	
	€m	% sales	€m	% sales
<b>By Division</b>				
Professional Products	806.9	21.3%	953.6	21.3%
Consumer Products	2,466.0	20.2%	2,774.9	19.8%
L'Oréal Luxe	2,816.3	22.8%	3,350.4	22.9%
Active Cosmetics	990.5	25.2%	1,303.0	25.4%
<b>Divisions total</b>	<b>7,079.7</b>	<b>21.9%</b>	<b>8,381.9</b>	<b>21.9%</b>
Non-allocated <sup>9</sup>	-919.4	-2.8%	-925.1	-2.4%
<b>Group</b>	<b>6,160.3</b>	<b>19.1%</b>	<b>7,456.9</b>	<b>19.5%</b>

The profitability of the **Professional Products Division** came out at 21.3%, stable compared with 2021.

The profitability of the **Consumer Products Division** came out at 19.8%, vs 20.2% in 2021.

The profitability of **L'Oréal Luxe** improved by 10 basis points, at 22.9%.

The profitability of the **Active Cosmetics Division** increased by 20 basis points to 25.4%.

**Non-allocated expenses** amounted to 925.1 million euros.

<sup>8</sup> In 2022, the operating margin was negatively impacted by -40bp in each division and by -20bp at group level:

a. -20bp in each division, due to the reallocation of certain central costs to divisions, offset by symmetry by a 20bp decline in non-allocated expenses;

b. -20bp in each division and at group level, as the group expensed in 2022 the cost of configuring and customizing software used in SaaS mode, in accordance with IFRIC's April 2021 decision.

<sup>9</sup> Non-allocated = Central Group expenses, fundamental research expenses, free grant of shares expenses and miscellaneous items.

<http://www.loreal-finance.com/>



## Net profit

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

€m	2021	2022	Growth
<b>Operating profit</b>	<b>6,160.3</b>	<b>7,456.9</b>	<b>+21.0%</b>
<i>Financial revenues and expenses excluding Sanofi dividends</i>	-59.6	-73.0	
<i>Sanofi dividends</i>	378.3	468.2	
Profit before tax excluding non-recurring items	6,478.9	7,852.1	+21.2%
<i>Income tax excluding non-recurring items</i>	-1,535.6	-1,793.4	
<i>Net profit excluding non-recurring items of equity consolidated companies</i>	+0.6	+1.5	
<i>Non-controlling interests</i>	-5.5	-6.1	
<b>Net profit after non-controlling interests excluding non-recurring items</b>	<b>4,938.5</b>	<b>6,054.1</b>	<b>+22.6%</b>
<b>EPS<sup>10</sup> (€)</b>	<b>8.82</b>	<b>11.26</b>	<b>+27.6%</b>
<b>Net profit after non-controlling interests</b>	<b>4,597.1</b>	<b>5,706.6</b>	<b>+24.1%</b>
Diluted EPS after non-controlling interests (€)	8.21	10.61	
<b>Diluted average number of shares</b>	<b>559,791,545</b>	<b>537,657,548</b>	

**Net finance costs** amounted to 73 million euros.

**Sanofi dividends** totalled 468.2 million euros. This year, in addition to the annual dividend of 393.7 million euros, Sanofi paid an additional dividend-in-kind in the form of newly listed Euroapi shares for an amount of 74.5 million euros.

**Income tax excluding non-recurrent items** amounted to 1,793 million euros, representing a tax rate of 22.8%.

**Net profit excluding non-recurring items after non-controlling interests** stood at 6,054 million euros.

**Earnings per share<sup>10</sup>**, at 11.26 euros, increased by +27.6%.

**Non-recurring items after non-controlling interests<sup>11</sup>** amounted to 347 million euros net of tax.

**Net profit after non-controlling interests** came out at 5,706 million euros, increasing by +24.1%.

## Cash flow statement, Balance sheet and Cash position

**Gross cash flow** amounted to 7,289 million euros, an increase of +9.8%.

The **working capital requirement** increased by 1,010 million euros.

At 1,343.2 million euros, **investments** represented 3.5% of sales.

**Net cash flow<sup>12</sup>**, at 4,935 million euros, decreased by 12.7%.

The **balance sheet** remains strong, with shareholders' equity amounting to 27.2 billion euros.

## Proposed dividend at the Annual General Meeting of 21 April 2023

The Board of Directors has decided to propose a dividend of 6.00 euros per share at the shareholders' Annual General Meeting of 21 April 2023, an increase of +25% compared with the dividend paid in 2022. The dividend will be paid on 29 April 2023 (ex-dividend date 27 April at 0:00am, Paris time).

## Share capital

At 31 December 2022, the capital of the company is formed by 535,186,562 shares.

<sup>10</sup> Diluted earnings per share, based on net profit, excluding non-recurring items, after non-controlling interests.

<sup>11</sup> Non-recurring items include impairment of assets, capital gains and losses on disposals of long-term assets, restructuring costs and tax effects of non-recurring items.

<sup>12</sup> Net cash flow = Gross cash flow + changes in working capital - capital expenditure.

The L'Oréal Board of Directors met on 9 February 2023, under the chairmanship of Jean-Paul Agon and in the presence of the Statutory Auditors. The Board approved the consolidated financial statements and the financial statements for 2022.

"This news release does not constitute an offer to sell, or a solicitation of an offer to buy L'Oréal shares. If you wish to obtain more comprehensive information about L'Oréal, please refer to the public documents registered in France with the Autorité des Marchés Financiers, also available in English on our website [www.loreal-finance.com](http://www.loreal-finance.com).

This news release may contain some forward-looking statements. While the Company believes that these statements are based on reasonable assumptions as of the date of publication of this press release, they are by nature subject to risks and uncertainties which may lead to a discrepancy between the actual figures and those indicated or suggested in these statements."

This is a free translation into English of the 2022 Annual Results news release issued in the French language and is provided solely for the convenience of English-speaking readers. In case of discrepancy, the French version prevails.

## About L'Oréal

For over 110 years, L'Oréal, the world's leading beauty player, has devoted itself to one thing only: fulfilling the beauty aspirations of consumers around the world. Our purpose, to create the beauty that moves the world, defines our approach to beauty as inclusive, ethical, generous and committed to social and environmental sustainability. With our broad portfolio of 36 international brands and ambitious sustainability commitments in our L'Oréal for the Future programme, we offer each and every person around the world the best in terms of quality, efficacy, safety, sincerity and responsibility, while celebrating beauty in its infinite plurality.

With 87 400 committed employees, a balanced geographical footprint and sales across all distribution networks (e-commerce, mass market, department stores, pharmacies, hair salons, branded and travel retail), in 2022 the Group generated sales amounting to 38.26 billion euros. With 20 research centers across 11 countries around the world and a dedicated Research and Innovation team of over 4,000 scientists and 5 500 tech and digital professionals, L'Oréal is focused on inventing the future of beauty and becoming a Beauty Tech powerhouse.

More information on <https://www.loreal.com/en/mediaroom>

## L'ORÉAL CONTACTS

	<b>Individual shareholders and market authorities</b>	<b>Investor relations</b>	<b>Journalists</b>
Switchboard +33 (0) 1 47 56 70 00	Pascale Guerin +33 (0)1 49 64 28 89 pascale.guerin@loreal.com	Françoise Lauvin +33 (0)1 47 56 86 82 francoise.lauvin@loreal.com	Noëlle Camilleri +33 (0)6 79 92 99 39 noelle.camilleri@loreal.com
			Christine Burke +33 (0)6 75 54 38 15 christine.burke@loreal.com

For more information, please contact your bank, broker or financial institution (I.S.I.N. code: FR0000120321), and consult your usual newspapers, the website for shareholders and investors, [www.loreal-finance.com](http://www.loreal-finance.com) or the L'Oréal Finance app; alternatively, call +33 (0) 1 40 14 80 50.



This press release has been secured and authenticated with blockchain technology. You can verify its authenticity on the website [www.wiztrust.com](http://www.wiztrust.com)

## Appendices

### Appendix 1: L'Oréal group sales 2021/2022 (€ million)

	2021	2022		
	€m	€m	Like-for-like evolution	Reported evolution
<b>First quarter</b>	7,614.5	9,060.5	+13.5%	+19.0%
<b>Second quarter</b>	7,582.1	9,305.8	+13.4%	+22.7%
<b>First half total</b>	15,196.6	18,366.3	+13.5%	+20.9%
<b>Third quarter</b>	7,996.6	9,575.2	+9.1%	+19.7%
<b>Nine months total</b>	23,193.1	27,941.5	+12.0%	+20.5%
<b>Fourth quarter</b>	9,094.4	10,319.1	+8.1%	+13.5%
<b>Full year total</b>	32,287.6	38,260.6	+10.9%	+18.5%

## Appendix 2: Compared consolidated income statements

€ millions	2022	2021	2020
<b>Net sales</b>	<b>38,260.6</b>	<b>32,287.6</b>	<b>27,992.1</b>
Cost of sales	-10,577.4	-8,433.3	-7,532.3
<b>Gross profit</b>	<b>27,683.3</b>	<b>23,854.3</b>	<b>20,459.8</b>
Research & Innovation expenses	-1,138.6	-1,028.7	-964.4
Advertising and promotion expenses	-12,059.0	-10,591.0	-8,647.9
Selling, general and administrative expenses	-7,028.8	-6,074.2	-5,638.5
<b>Operating profit</b>	<b>7,456.9</b>	<b>6,160.3</b>	<b>5,209.0</b>
Other income and expenses	-241.5	-432.0	-709.0
<b>Operational profit</b>	<b>7,215.4</b>	<b>5,728.3</b>	<b>4,500.0</b>
Finance costs on gross debt	-70.4	-38.0	-79.2
Finance income on cash and cash equivalents	69.8	18.5	19.8
<b>Finance costs, net</b>	<b>-0.6</b>	<b>-19.4</b>	<b>-59.4</b>
Other financial income and expenses	-72.3	-40.2	-36.5
Sanofi dividends	468.2	378.3	372.4
<b>Profit before tax and associates</b>	<b>7,610.6</b>	<b>6,046.9</b>	<b>4,776.5</b>
Income tax	-1,899.4	-1,445.4	-1,209.8
Share of profit in associates	1.4	0.6	0.9
<b>Net profit</b>	<b>5,712.6</b>	<b>4,602.2</b>	<b>3,567.6</b>
Attributable to:			
• owners of the company	5,706.6	4,597.1	3,563.4
• non-controlling interests	6.0	5.1	4.2
Earnings per share attributable to owners of the company (euros)	10.65	8.24	6.37
Diluted earnings per share attributable to owners of the company (euros)	10.61	8.21	6.34
Earnings per share attributable to owners of the company, excluding non-recurring items (euros)	11.30	8.86	7.33
Diluted earnings per share attributable to owners of the company, excluding non-recurring items (euros)	11.26	8.82	7.30

## Appendix 3: Consolidated statement of comprehensive income

€ millions	2022	2021	2020
<b>Consolidated net profit for the period</b>	<b>5,712.6</b>	<b>4,602.2</b>	<b>3,567.6</b>
Cash flow hedges	288.5	-203.7	129.1
Cumulative translation adjustments	195.1	610.5	-790.2
Income tax on items that may be reclassified to profit or loss <sup>(1)</sup>	-58.0	41.5	-23.3
<b>Items that may be reclassified to profit or loss</b>	<b>425.6</b>	<b>448.3</b>	<b>-684.4</b>
Financial assets at fair value through other comprehensive income	152.1	1,192.2	-1,269.1
Actuarial gains and losses	395.6	585.5	-225.6
Income tax on items that may not be reclassified to profit or loss <sup>(1)</sup>	-111.5	-181.7	97.8
<b>Items that may not be reclassified to profit or loss</b>	<b>436.2</b>	<b>1,596.0</b>	<b>-1,396.9</b>
<b>Other comprehensive income</b>	<b>861.8</b>	<b>2,044.3</b>	<b>-2,081.3</b>
<b>CONSOLIDATED COMPREHENSIVE INCOME</b>	<b>6,574.4</b>	<b>6,646.5</b>	<b>1,486.3</b>
Attributable to:			
• owners of the company	6,567.6	6,641.4	1,482.1
• non-controlling interests	6.8	5.1	4.2

<sup>(1)</sup> The tax effect is as follows:

€ millions	2022	2021	2020
Cash flow hedges	-58.0	41.5	-23.3
<b>Items that may be reclassified to profit or loss</b>	<b>-58.0</b>	<b>41.5</b>	<b>-23.3</b>
Financial assets at fair value through other comprehensive income	-6.1	-37.3	40.4
Actuarial gains and losses	-105.5	-144.4	57.4
<b>Items that may not be reclassified to profit or loss</b>	<b>-111.5</b>	<b>-181.7</b>	<b>97.8</b>
<b>TOTAL</b>	<b>-169.5</b>	<b>-140.2</b>	<b>74.5</b>

## Appendix 4: Compared consolidated balance sheets

### ASSETS

€ millions	31.12.2022	31.12.2021	31.12.2020
<b>Non-current assets</b>	<b>32,794.5</b>	<b>30,937.6</b>	<b>29,046.8</b>
Goodwill	11,717.7	11,074.5	10,514.2
Other intangible assets	3,640.1	3,462.8	3,356.3
Right-of-use assets	1,482.7	1,507.6	1,525.3
Property, plant and equipment	3,481.7	3,266.2	3,225.2
Non-current financial assets	11,652.8	10,920.2	9,604.8
Investments accounted for under the equity method	18.4	9.9	11.1
Deferred tax assets	801.1	696.5	809.9
<b>Current assets</b>	<b>14,049.6</b>	<b>12,075.8</b>	<b>14,560.1</b>
Inventories	4,079.4	3,166.9	2,675.8
Trade accounts receivable	4,755.5	4,021.0	3,511.3
Other current assets	2,423.2	2,037.9	1,732.7
Current tax assets	173.9	136.2	234.4
Cash and cash equivalents	2,617.7	2,713.8	6,405.9
<b>TOTAL</b>	<b>46,844.2</b>	<b>43,013.4</b>	<b>43,606.9</b>

### EQUITY & LIABILITIES

€ millions	31.12.2022	31.12.2021	31.12.2020
<b>Equity</b>	<b>27,186.5</b>	<b>23,592.6</b>	<b>28,998.8</b>
Share capital	107.0	111.5	112.0
Additional paid-in capital	3,368.7	3,265.6	3,259.8
Other reserves	11,675.6	19,092.2	18,642.5
Other comprehensive income	6,404.4	5,738.6	4,304.5
Cumulative translation adjustments	-83.8	-279.1	-889.2
Treasury shares	—	-8,940.2	—
Net profit attributable to owners of the company	5,706.6	4,597.1	3,563.4
<b>Equity attributable to owners of the company</b>	<b>27,178.5</b>	<b>23,585.7</b>	<b>28,993.0</b>
Non-controlling interests	8.0	6.9	5.8
<b>Non-current liabilities</b>	<b>5,937.9</b>	<b>2,837.6</b>	<b>3,478.0</b>
Provisions for employee retirement obligations and related benefits	457.9	360.6	1,013.5
Provisions for liabilities and charges	67.7	63.8	56.8
Non-current tax liabilities	275.6	344.8	397.9
Deferred tax liabilities	905.6	810.3	706.6
Non-current borrowings and debt	3,017.6	10.7	8.5
Non-current lease debt	1,213.5	1,247.5	1,294.7
<b>Current liabilities</b>	<b>13,719.6</b>	<b>16,583.2</b>	<b>11,130.1</b>
Trade accounts payable	6,345.6	6,068.1	4,764.5
Provisions for liabilities and charges	1,205.6	1,223.3	1,224.7
Other current liabilities	4,484.6	3,980.8	3,682.5
Income tax	264.2	268.9	215.1
Current borrowings and debt	1,012.8	4,619.4	856.4
Current lease debt	407.0	422.8	386.9
<b>TOTAL</b>	<b>46,844.2</b>	<b>43,013.4</b>	<b>43,606.9</b>

## Appendix 5: Consolidated statements of changes in equity

€ millions	Common shares outstanding	Capital	Additional paid-in capital	Retained earnings and net profit	Other comprehensive income	Treasury shares	Cumulative translation adjustments	Equity attributable to owners of the company	Non- controlling interests	Total equity
<b>At 31.12.2019</b>	<b>558,117,205</b>	<b>111.6</b>	<b>3,130.2</b>	<b>20,681.0</b>	<b>5,595.8</b>	<b>—</b>	<b>-99.2</b>	<b>29,419.3</b>	<b>6.7</b>	<b>29,426.0</b>
Consolidated net profit for the period				3,563.4				3,563.4	4.2	3,567.6
Cash flow hedges					105.6			105.6	0.2	105.8
Cumulative translation adjustments							-801.8	-801.8	-0.3	-802.1
Hyperinflation							11.9	11.9		11.9
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>105.6</b>		<b>-789.9</b>	<b>-684.3</b>	<b>-0.1</b>	<b>-684.4</b>
Financial assets at fair value through other comprehensive income					-1,228.8			-1,228.8		-1,228.8
Actuarial gains and losses					-168.1			-168.1		-168.1
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>-1,396.9</b>			<b>-1,396.9</b>		<b>-1,396.9</b>
<b>Consolidated comprehensive income</b>				<b>3,563.4</b>	<b>-1,291.3</b>		<b>-789.9</b>	<b>1,482.1</b>	<b>4.2</b>	<b>1,486.3</b>
Capital increase	1,754,375	0.4	129.6	-0.2				129.8		129.8
Cancellation of Treasury shares								—		—
Dividends paid (not paid on Treasury shares)				-2,172.6				-2,172.6	-4.9	-2,177.5
Share-based payment				129.7				129.7		129.7
Net changes in Treasury shares								—		—
Changes in the scope of consolidation								—		—
Other movements				4.8				4.8	-0.1	4.7
<b>At 31.12.2020</b>	<b>559,871,580</b>	<b>112.0</b>	<b>3,259.8</b>	<b>22,206.0</b>	<b>4,304.5</b>	<b>—</b>	<b>-889.1</b>	<b>28,993.0</b>	<b>5.8</b>	<b>28,998.8</b>
Consolidated net profit for the period				4,597.1				4,597.1	5.1	4,602.2
Cash flow hedges					-161.9			-161.9	-0.3	-162.2
Cumulative translation adjustments							582.4	582.4	0.3	582.7
Hyperinflation							27.8	27.8		27.8
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>-161.9</b>		<b>610.2</b>	<b>448.3</b>	<b>—</b>	<b>448.3</b>
Financial assets at fair value through other comprehensive income					1,154.9			1,154.9		1,154.9
Actuarial gains and losses					441.1			441.1		441.1
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>1,596.0</b>			<b>1,596.0</b>		<b>1,596.0</b>
<b>Consolidated comprehensive income</b>				<b>4,597.1</b>	<b>1,434.1</b>		<b>610.2</b>	<b>6,641.4</b>	<b>5.1</b>	<b>6,646.5</b>
Capital increase	800,780	—	5.8					5.8		5.8
Cancellation of Treasury shares		-0.5		-1,104.3		1,104.8		—		—
Dividends paid (not paid on Treasury shares)				-2,264.4				-2,264.4	-4.7	-2,269.1
Share-based payment				155.2				155.2		155.2
Net changes in Treasury shares	-25,260,000					-10,045.0		-10,045.0		-10,045.0
Changes in the scope of consolidation								—		—
Other movements <sup>(1)</sup>				99.8				99.8	0.6	100.4
<b>At 31.12.2021</b>	<b>535,412,360</b>	<b>111.5</b>	<b>3,265.6</b>	<b>23,689.3</b>	<b>5,738.6</b>	<b>-8,940.2</b>	<b>-279.1</b>	<b>23,585.7</b>	<b>6.9</b>	<b>23,592.6</b>

<sup>(1)</sup> Of which €102.2 million pertaining to the IFRIC 2021 interpretation on IAS19 "Employee Benefits" on Attributing Benefit to Periods of Service.

€ millions	Common shares outstanding	Capital	Additional paid-in capital	Retained earnings and net profit <sup>(2)</sup>	Other comprehensive income	Treasury shares	Cumulative translation adjustments	Equity attributable to owners of the company	Non-controlling interests	Total equity
<b>At 31.12.2021</b>	<b>535,412,360</b>	<b>111.5</b>	<b>3,265.6</b>	<b>23,689.3</b>	<b>5,738.6</b>	<b>-8,940.2</b>	<b>-279.1</b>	<b>23,585.7</b>	<b>6.9</b>	<b>23,592.6</b>
Impact of the application of the IFRIC decision on SaaS contracts				-151.2				-151.2	—	-151.2
<b>At 01.01.2022 <sup>(2)</sup></b>	<b>535,412,360</b>	<b>111.5</b>	<b>3,265.6</b>	<b>23,538.1</b>	<b>5,738.6</b>	<b>-8,940.2</b>	<b>-279.1</b>	<b>23,434.5</b>	<b>6.9</b>	<b>23,441.4</b>
Consolidated net profit for the period				5,706.6				5,706.6	6.0	5,712.6
Cash flow hedges					229.7			229.7	0.8	230.5
Cumulative translation adjustments							127.5	127.5	-0.2	127.3
Hyperinflation							67.8	67.8	—	67.8
<b>Other comprehensive income that may be reclassified to profit and loss</b>					<b>229.7</b>		<b>195.3</b>	<b>425.0</b>	<b>0.6</b>	<b>425.6</b>
Financial assets at fair value through other comprehensive income					146.1			146.1		146.1
Actuarial gains and losses					290.0			290.0	0.1	290.1
<b>Other comprehensive income that may not be reclassified to profit and loss</b>					<b>436.1</b>			<b>436.1</b>	<b>0.1</b>	<b>436.2</b>
<b>Consolidated comprehensive income</b>				<b>5,706.6</b>	<b>665.8</b>		<b>195.3</b>	<b>6,567.6</b>	<b>6.8</b>	<b>6,574.4</b>
Capital increase	1,317,073	0.3	103.1	-0.2				103.2		103.2
Cancellation of Treasury shares		-4.8		-9,437.7		9,442.5		—		—
Dividends paid (not paid on Treasury shares)				-2,601.2				-2,601.2	-4.4	-2,605.6
Share-based payment				169.0				169.0		169.0
Net changes in Treasury shares	-1,542,871					-502.3		-502.3		-502.3
Changes in the scope of consolidation								—		—
Other movements <sup>(2)</sup>				7.7				7.7	-1.2	6.5
<b>At 31.12.2022</b>	<b>535,186,562</b>	<b>107.0</b>	<b>3,368.7</b>	<b>17,382.2</b>	<b>6,404.4</b>	<b>—</b>	<b>-83.8</b>	<b>27,178.5</b>	<b>8.0</b>	<b>27,186.5</b>

<sup>(2)</sup> After taking account of the IFRIC final decision in April 2021 on set-up and customization costs for SaaS-type contracts software.



## Appendix 6: Compared consolidated statements of cash flows

€ millions	2022	2021	2020
<b>Cash flows from operating activities</b>			
Net profit attributable to owners of the company	5,706.6	4,597.1	3,563.4
Non-controlling interests	6.0	5.1	4.2
Elimination of expenses and income with no impact on cash flows:			
• depreciation, amortisation, provisions and non-current tax liabilities	1,536.1	1,781.0	2,028.1
• changes in deferred taxes	-96.5	83.6	-10.1
• share-based payment (including free shares)	169.0	155.2	129.7
• capital gains and losses on disposals of assets	7.6	0.5	3.6
Other non-cash transactions	-38.7	16.5	5.8
Share of profit in associates net of dividends received	-0.5	1.3	-0.6
<b>Gross cash flow</b>	<b>7,289.6</b>	<b>6,640.4</b>	<b>5,724.1</b>
Changes in working capital	-1,011.3	88.0	729.2
<b>Net cash provided by operating activities (A)</b>	<b>6,278.3</b>	<b>6,728.4</b>	<b>6,453.3</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment and intangible assets	-1,343.2	-1,075.2	-972.4
Disposals of property, plant and equipment and intangible assets	9.2	14.5	26.6
Changes in other financial assets (including investments in non-consolidated companies)	-142.8	-117.3	-66.5
Effect of changes in the scope of consolidation	-746.9	-455.7	-1,626.8
<b>Net cash from investing activities (B)</b>	<b>-2,223.8</b>	<b>-1,633.7</b>	<b>-2,639.1</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-2,689.9	-2,352.1	-2,190.6
Capital increase of the parent company	103.2	5.8	129.7
Disposal (acquisition) of Treasury shares	-502.3	-10,060.9	—
Purchase of non-controlling interests	—	—	—
Issuance (repayment) of short-term loans	-3,563.8	3,939.4	-74.8
Issuance of long-term borrowings	3,019.9	—	—
Repayment of long-term borrowings	—	—	-3.6
Repayment of lease debt	-446.9	-396.4	-451.8
<b>Net cash from financing activities (C)</b>	<b>-4,079.9</b>	<b>-8,864.2</b>	<b>-2,591.1</b>
Net effect of changes in exchange rates and fair value (D)	-70.7	77.4	-103.2
<b>Change in cash and cash equivalents (A+B+C+D)</b>	<b>-96.1</b>	<b>-3,692.1</b>	<b>1,119.9</b>
<b>Cash and cash equivalents at beginning of the year (E)</b>	<b>2,713.8</b>	<b>6,405.9</b>	<b>5,286.0</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)</b>	<b>2,617.7</b>	<b>2,713.8</b>	<b>6,405.9</b>