

Adecco-Districom Court Case In France

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Clichy, May 20th 2006 Respect for individuals is a principle that sits at the core of L'Oréal's culture.

At L'Oréal, we treat individual difference and diversity as a virtue and as a source of enrichment. We do not tolerate any form of racism or discrimination whatsoever.

Legal proceedings have been started with relation to occurrences that date back several years at a service provider that at that time was working, among others, with one of our subsidiaries based in France.

We are surprised to find ourselves implicated in this matter. All the more so, because for many years, we have been actively engaged in promoting diversity as part of all our activities; in particular, through the multi-ethnic brand, Garnier, which totally embodies this principle.

According to the information accessible to us, these allegations are completely unfounded.

During the nine hours of proceedings on Thursday May 18, L'Oréal, through its lawyers and the testimony of Laurent Dubois, managing director of Garnier at the time of the occurrences, did not cease to reiterate its total commitment to diversity and its rejection of all forms of discrimination.

Laurent Dubois stated that his company never gave any instructions as to the ethnic origins of the persons that were hired: "I refute these allegations, which are not based on any concrete facts. This affair concerns a series of events by the Fructis Style brand, one of the first brands in France to have featured people of all ethnic origins in its advertising campaigns. This is therefore not only contrary to our ethics, but would also have been counter-productive."

Yves Baudelot, the lawyer representing the Halde (High Authority for the fight against discrimination and for equality) said during his summing up: "The Halde found no objective fact that allows to affirm that Garnier gave instructions to Districom asking the brand not to hire people from ethnic minorities."

Mrs. Coulange, an employee of Districom, affirmed during the proceedings that she had written the incriminating fax on her own initiative.

The verdict will be delivered on June 1st. L'Oréal is confident in the decision of justice. The strength of its ethics and its longstanding conviction that diversity is a cornerstone of its success.

Contact

Mike Rumsby

tel: + 33 1 47 56 76 71

e-mail: mrumsby@dgc.loreal.com

About L'Oréal

L'Oréal has devoted itself to beauty for over 100 years. With its unique international portfolio of 34 diverse and complementary brands, the Group generated sales amounting to 25.8 billion euros in 2016 and employs 89,300 people worldwide. As the world's leading beauty company, L'Oréal is present across all distribution networks: mass market, department stores, pharmacies and drugstores, hair salons, travel retail, branded retail and e-commerce.

Research and innovation, and a dedicated research team of 3,870 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world. L'Oréal's sustainability commitment for 2020 "Sharing Beauty With All" sets out ambitious sustainable development objectives across the Group's value chain. www.loreal.com

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Contacts L'OREAL(switchboard + 33 1.47.56.70.00)

Individual shareholders and market authorities

Jean Régis CAROF
Tel : + 33 (0)1.47.56.83.02
jean-regis.carof@loreal.com

Financial analysts and institutional investors

Françoise LAUVIN
Tel : +33 (0)1.47.56.86.82
francoise.lauvin@loreal.com

Journalists

Stéphanie Carson-Parker
Tel : + 33 (0)1 47 56 76 71
stephanie.carsonparker@loreal.com

For further information, please contact your bank, stockbroker or financial institution (I.S.I.N. code: FR0000120321), and consult your usual newspapers or magazines or the Internet site for shareholders and investors, www.loreal-finance.com, the L'Oréal Finance app or call the toll-free number from France: 0.800.66.66.66.

Anne-Laure RICHARD
Tél : +33 (0)1.47.56. 80.68
anelalaure.richard@loreal.com

Polina Huard
Tél : +33 (0)1 47 56 87 88
polina.huard@loreal.com

Vanessa Wang
Tel : +33 (0)1 47 56 76 88
vanessa.wang@loreal.com