

L'ORÉAL

New Profit And Loss Account Structure. Segment Reporting: Profitability By Division

Clichy, Thursday, September 1st 2005 – 7.45 p.m.

NEW PROFIT AND LOSS ACCOUNT STRUCTURE SEGMENT REPORTING: PROFITABILITY BY DIVISION

With the change in accounting standards, and as confirmed on April 28th 2005 at the presentation of the 2004 consolidated financial statements in accordance with IFRS standards, the L'Oréal group is continuing to improve the quality of its financial information by presenting its profit and loss account according to destination, and by publishing the profitability of each of its divisions.

These items have been subjected to an auditing procedure by the Statutory Auditors.

The changes are presented in detail on the www.loreal-finance.com site, which refers in particular to the following points:

- Profit and loss account: new presentation.
- Definition of the items of the profit and loss account.
- Profit and loss account by destination: figures for 2004 and the first half of 2004.
- Pro forma presentation of 2004 net profit (neutralisation of Sanofi-Aventis deconsolidation).
- Presentation of pro forma net profit excluding non-recurrent items.
- Profitability of branches and divisions.
- Profitability of geographic zones.

A detailed presentation of this new profit and loss account structure and of profitability by division (2004 consolidated financial statements), is available in both French and English on the Internet site www.loreal-finance.com.

"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 [which are also available in English on our Internet site: www.loreal-finance.com]."

This news release may contain some forward-looking statements. Although the Company considers that these statements are based on reasonable hypotheses at the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual results to differ materially from those indicated or projected in these statements."

Contacts at L'ORÉAL

Shareholders and market authorities

Mr Jean-Régis CAROF

tel: +33.1.47.56.83.02

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

Analysts and institutional investors

Mrs Caroline MILLOT

tel: +33.1.47.56.86.82

Fax: +33.1.47.56.80.02

Journalists

Mr Mike RUMSBY

tel : +33.1.47.56.76.71

<http://www.loreal.com>

For more information, please contact your bank, broker or financial institution (I.S.I.N. code FR0000120321), and consult your usual newspapers, and the Internet site for shareholders and investors, <http://www.loreal-finance.com>, or its mobile version on your PDA, at [loreal-finance.com](http://www.loreal-finance.com) mobile edition; alternatively, call +33.1.40.14.80.50.

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
annelaure.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