

L'ORÉAL

Sales Growth In 1st Half 2003: +7.1% Like-For-Like

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NEWS RELEASE

Sales growth in 1st half 2003:

+7.1% like-for-like

The consolidated sales of L'ORÉAL at 30th June 2003 amounted to € 7.14 billion.

Sales growth compared with 30th June 2002 was +7.1% like-for-like, i.e. based on an identical scope of consolidation and exchange rates, and -3.2% based on consolidated figures.

Currency fluctuations had a negative impact of 10.5% up to end-June 2003. Up to end-March 2003 they had a negative impact of 11.7%.

The net impact of changes in the scope of consolidation was +0.2% up to the end of June.

The increase in the sales of the group's two main branches were as follows: +7.1% like-for-like and -3% based on consolidated figures for Cosmetics, and +7% like-for-like and 9.8% based on consolidated figures for Dermatology.

In the Cosmetics branch, like-for-like growth trends are indicated below:

Like-for-like growth in cosmetics sales

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1st half 2002 like-for-like growth (%). 1st half 2003

€ millions Like-for-like growth (%)

By division

Professional Products +9.3% 979 +8.8%

Consumer Products +9.1% 3,951 +9.3%

Luxury Products +5.5% 1,575 +0.2%

Active Cosmetics +12.0% 429 +10.9%

By zone

Western Europe +6.4% 3,834 +5.3%

North America +4.0% 1,873 +6.1%

Rest of the World +22.8% 1,284 +14.6%

Cosmetics Total +8.4% 6,991 +7.1%

In spite of the lukewarm economic conditions in many developed countries, the very sharp decline in air travel, and the SARS epidemic, L'OREAL managed to achieve rapid like-for-like sales growth in the first half, in line with the momentum in the first half of 2002, except for Luxury Products where the impact of the economic environment was felt more strongly.

The group's overall performance reflects new and substantial gains in market shares.

Commenting on the figures, Mr Lindsay OWEN-JONES, Chairman and Chief Executive Officer of L'ORÉAL, said: "Thanks to these extremely encouraging figures, obtained in the most difficult conditions, L'OREAL should be able to achieve its traditional objective of like-for-like sales growth of between 7% and 9% per annum.

The impact of currency fluctuations, which was particularly strong in the first six months, is expected to gradually reduce over the coming months.

In view of these factors, the group is maintaining its target for the year of double-digit growth in net profit before exceptionals".

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For further information, please contact your bank, stock broker or financial institution, or consult your usual newspaper or the special Internet site for shareholders and investors, <http://www.loreal-finance.com>, or its mobile version on your PDA, [loreal-finance.com](http://www.loreal-finance.com) mobile edition; alternatively, contact the call centre: + 33 1 58 13 51 36. L'OREAL – 41 rue Martre – 92117 CLICHY–France.

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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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."

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