

**Sales at September 30th 2006:
11.6 billion euros, up by +8.3%**

L'ORÉAL

- **Strong growth in group sales**
- **Continuous significant growth in Western Europe**
- **Rapid increase in all new markets**
- **Targets confirmed for full year 2006**

“At the end of September we have achieved a strong increase in sales, in line with our projections, with Western Europe confirming its sustained growth and with rapid expansion in the Rest of the World, thanks to the strong advances made in the third quarter in Latin America, Eastern Europe and Asia not including Japan. In North America, our businesses have, on the whole, improved both sell-through and market share in an environment which, as we had predicted, remains affected by consolidation in the retail sector. The Body Shop, part of the group since July 1st, is a very promising acquisition and is strengthening the group sales growth. All these factors, together with our confidence in the prospects for the fourth quarter, mean that we can confirm our sales and profit targets for 2006.”

Jean-Paul Agon, Chief Executive Officer

The sales of the L'Oréal group, at September 30th 2006, amounted to 11.6 billion euros, an increase of +8.3%.

Currency fluctuations had a positive impact of +0.9%. Growth excluding exchange rate impact amounted to +7.4%.

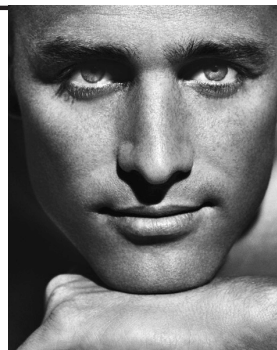
The net impact of changes in consolidation was +1.8%, mainly as a result of the acquisition of The Body Shop, consolidated from July 1st 2006 onwards.

Like-for-like, i.e. based on a comparable structure and identical exchange rates, the increase in the group's sales amounted to +5.6% at September 30th 2006.

Sales by operational division and geographic zone	At September 30th 2006		
	€m	Growth	
		Like-for-like	Reported
By operational division			
Professional Products	1,598	+3.4%	+4.0%
Consumer Products	5,980	+5.5%	+6.4%
Luxury Products	2,694	+4.9%	+6.5%
Active Cosmetics	895	+12.4%	+15.8%
Cosmetics total	11,231	+5.5%	+6.7%
By geographic zone			
Western Europe	5,290	+3.7%	+3.9%
North America	2,964	+2.4%	+4.6%
Rest of the World, of which:	2,977	+12.2%	+14.4%
Asia	1,092	+7.4%	+8.8%
Latin America	744	+16.6%	+22.9%
Eastern Europe	603	+21.2%	+24.6%
Other countries	538	+7.7%	+5.5%
Cosmetics total	11,231	+5.5%	+6.7%
The Body Shop	172	+8.8%	-
Dermatolog ⁽¹⁾	239	+8.4%	+9.8%
Group total	11,642	+5.6%	+8.3%

(1) Group share, i.e. 50%

➔ The full text of this news release is available on L'Oréal's financial Internet site: www.loreal-finance.com and on its mobile edition for PDA



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