

L'ORÉAL

YSL Beauté joins L'Oréal's Luxury Products Division

After obtaining the necessary authorisations from all the competition authorities, L'Oréal and PPR have signed the definitive agreement for the effective transfer of Yves Saint Laurent Beauté to L'Oréal, in accordance with the terms of the project for strategic agreement announced on January 23rd 2008.

YSL Beauté will be incorporated into the Luxury Products Division, under the responsibility of Marc Menesguen, President Luxury Products. YSL Beauté will be consolidated from June 30th 2008.

Marc Menesguen said: *"We are delighted to welcome YSL Beauté and its brands, whose strong identities ideally complement our division's brands.*

We are convinced that the support of our research and our strong international presence will enable them to increase their global reach.

The strategic integration of YSL Beauté in our division strengthens our ambitions in the luxury cosmetics market."

"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 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 (Switchboard: +33.1.47.56.70.00)

Individual shareholders
and market authorities
Mr Jean-Régis CAROF
Tel: +33.1.47.56.83.02
jcarof@dgaf.loreal.com

Financial analysts and
Institutional investors
Mrs Caroline MILLOT
Tel: +33.1.47.56.86.82
cmillot@dgaf.loreal.com

Journalists
Mr Mike RUMSBY
Tel: +33.1.47.56.76.71
mrumbsby@dgc.loreal.com