

L'ORÉAL

L'Oréal finalises the Strategic Transaction with Nestlé Buyback of 48,500,000 L'Oréal shares owned by Nestlé and disposal of L'Oréal's holding in Galderma to Nestlé

Clichy, July 8th, 2014 - L'Oréal announces that it has finalised today:

- the acquisition of 48,500,000 L'Oréal shares (8% of its share capital) owned by Nestlé, and
- the disposal of its 50% ownership in Galderma to Nestlé.

The L'Oréal shares acquired have been immediately cancelled.

The number of Nestlé representatives on L'Oréal's Board of Directors is reduced from 3 to 2 Directors following the resignation of Mr. Paul Bulcke, and the ownership ceiling provisions of the shareholders' agreement between Nestlé and the Bettencourt Meyers family now apply to their respective new holdings.

The transaction will be accretive by more than 5% on L'Oréal earnings per share on a full year basis.

About L'Oréal

L'Oréal has devoted itself to beauty for over 105 years. With its unique portfolio of 28 international, diverse and complementary brands, the Group generated sales amounting to 23 billion euros in 2013 and employs 77,500 people worldwide. As the world's leading beauty company, L'Oréal is present across all distribution networks: mass market, department stores, pharmacies and drugstores, travel retail and branded retail.

Research and innovation, and a dedicated research team of 4,000 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world and attract one billion new consumers in the years to come. L'Oréal's new sustainability commitment for 2020 "Sharing beauty with all" sets out ambitious sustainable development objectives across the Group's value chain. www.loreal.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, 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."

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