

L'ORÉAL

L'OREAL USA ACQUIRES BEAUTY ALLIANCE

L'Oréal USA, a subsidiary of L'Oréal, has acquired 100% of Beauty Alliance, in which it had taken a 30% minority interest last July.

Beauty Alliance is one of the largest and fastest growing professional salon distributorships in the U.S. selling to 125,000 salons through 870 Distributor Sales Consultants and through 400 professional outlets.

L'Oréal's strategic acquisition will enable the Professional Products Division - within which Beauty Alliance will operate - to enhance its services to hair salons and further consolidate its position in the U.S. market.

Beauty Alliance, which achieved sales of \$372 million in 2006, will be consolidated as of April 12th 2007. L'Oréal expects that the acquisition of Beauty Alliance would be EPS neutral in the financial year to December 31, 2007 and EPS accretive thereafter.

"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

Individual shareholders
and market authorities

Mr Jean-Régis CAROF

☎ : +33.1.47.56.83.02

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

Analysts and
institutional investors

Mrs Caroline MILLOT

☎ : +33.1.47.56.86.82

Fax: +33.1.47.56.86.42

Journalists

Mr Mike RUMSBY

☎ : +33.1.47.56.76.71

<http://www.loreal.com>

Switchboard

☎ : 33.1.47.56.70.00

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>,