

ANNEXE:

**I. Sales growth by operational division and geographic zone**

	1st half 2008			
	€m	Growth		
		like-for-like	reported	at constant exchange rates*
<b><u>By operational division</u></b>				
Professional Products	1,249	+3.8%	+8.3%	+14.4%
Consumer Products	4,307	+5.7%	+0.7%	+6.1%
Luxury Products	1,811	+4.9%	-1.2%	+4.9%
Active Cosmetics	738	+4.4%	+3.0%	+4.4%
<b>Cosmetics total</b>	<b>8,134</b>	<b>+5.0%</b>	<b>+1.5%</b>	<b>+6.7%</b>
<b><u>By geographic zone</u></b>				
Western Europe	3,795	+1.3%	-0.1%	+1.4%
North America	1,804	-0.5%	-6.5%	+6.0%
Rest of the World. including:	2,535	+15.7%	+11.0%	+16.5%
- Asia	878	+19.4%	+11.4%	+19.7%
- Eastern Europe	694	+25.9%	+24.9%	+25.9%
- Latin America	530	+4.6%	+0.5%	+4.6%
- Other countries	434	+8.9%	+5.0%	+12.4%
<b>Cosmetics total</b>	<b>8,134</b>	<b>+5.0%</b>	<b>+1.5%</b>	<b>+6.7%</b>
The Body Shop	334	+7.4%	-2.0%	+9.6%
Dermatology <sup>(1)</sup>	178	+17.5%	+11.9%	+21.3%
<b>Group total</b>	<b>8,646</b>	<b>+5.3%</b>	<b>+1.6%</b>	<b>+7.1%</b>

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

\*based on constant translation rates:  
2008 data at 2008 rates / 2007 data at 2008 rates

## II - Compared consolidated profit and loss accounts

€ millions

	1 <sup>st</sup> half 2008	1 <sup>st</sup> half 2007	2007
<b>Net sales</b>	<b>8,646.3</b>	<b>8,514.3</b>	<b>17,062.6</b>
Cost of sales	-2,505.3	-2,428.4	-4,941.0
<b>Gross profit</b>	<b>6,141.1</b>	<b>6,085.9</b>	<b>12,121.6</b>
Research and development	-272.0	-272.4	-559.9
Advertising and promotion	-2,570.1	-2,599.1	-5,126.7
Selling, general and administrative expenses	-1,829.4	-1,777.3	-3,618.2
<b>Operating profit before foreign exchange gains and losses</b>	<b>1,469.6</b>	<b>1,437.1</b>	<b>2,816.8</b>
Foreign exchange gains and losses	28.1	3.8	10.4
<b>Operating profit</b>	<b>1,497.7</b>	<b>1,440.9</b>	<b>2,827.2</b>
Other income and expenses	-1.7	-6.3	621.6
<b>Operational profit</b>	<b>1,496.0</b>	<b>1,434.6</b>	<b>3,448.8</b>
Finance costs	-66.7	-75.4	-174.5
Other financial income (expense)	-3.1	-2.7	-7.6
Sanofi-Aventis dividends	244.8	250.4	250.3
Share in net profit (loss) of equity affiliates	-	0.2	0.1
<b>Profit before tax and minority interests</b>	<b>1,671.0</b>	<b>1,607.1</b>	<b>3,517.2</b>
Income tax	-413.6	-428.4	-859.7
<b>Net profit</b>	<b>1,257.4</b>	<b>1,178.7</b>	<b>2,657.5</b>
attributable to:			
- group share	1,255.6	1,177.6	2,656.0
- minority interests	1.8	1.1	1.5
Net profit attributable to the group per share (euros)	2.12	1.95	4.42
Diluted net profit attributable to the group per share (euros)	2.11	1.94	4.38
Net profit excluding non-recurrent items attributable to the group per share (euros)	2.12	1.96	3.39
Diluted net profit excluding non-recurrent items attributable to the group per share (euros)	2.11	1.94	3.36

### III - Compared consolidated balance sheets

€ millions

	06.30.2008	06.30.2007	12.31.2007
<b>Assets</b>			
<b>Non-current assets</b>	<b>15,662.8</b>	<b>18,289.6</b>	<b>16,979.6</b>
Goodwill	5,478.0	4,492.1	4,344.4
Other intangible assets	1,899.9	1,928.4	1,959.2
Tangible assets	2,659.4	2,660.6	2,651.1
Non-current financial assets	5,183.6	8,757.7	7,608.9
Investments in equity affiliates	-	-	-
Deferred tax assets	441.9	450.8	416.0
<b>Current assets</b>	<b>6,631.9</b>	<b>6,099.3</b>	<b>6,220.7</b>
Inventories	1,623.2	1,547.6	1,547.6
Trade accounts receivable	3,096.2	3,003.3	2,617.5
Other current assets	1,155.9	867.0	926.4
Current tax assets	58.0	37.0	42.5
Cash and cash equivalents	698.6	644.4	1,086.7
<b>Total assets</b>	<b>22,294.7</b>	<b>24,388.9</b>	<b>23,200.3</b>

€ millions

	06.30.2008	06.30.2007	12.31.2007
<b>Liabilities</b>			
<b>Shareholders' equity</b>	<b>10,915.2</b>	<b>13,195.0</b>	<b>13,621.8</b>
Capital stock	122.2	125.2	123.6
Additional paid-in capital	965.1	960.8	963.2
Other reserves	9,914.4	9,347.1	8,695.8
Items directly recognised in equity	1,020.2	3,664.2	3,408.9
Cumulative translation adjustments	-687.7	-116.1	-441.1
Treasury stock	-1,677.6	-1,966.3	-1,787.2
Net profit attributable to the group	1,255.6	1,177.6	2,656.0
<b>Shareholders' equity excluding minority interests</b>	<b>10,912.2</b>	<b>13,192.5</b>	<b>13,619.2</b>
Minority interests	3.0	2.5	2.5
<b>Non-current liabilities</b>	<b>3,863.3</b>	<b>3,970.7</b>	<b>3,978.5</b>
Provisions for employee retirement obligation and related benefits	714.5	784.5	755.3
Provisions for liabilities and charges	152.1	163.4	148.5
Deferred tax liabilities	424.6	483.9	491.6
Non-current borrowings and debts	2,572.1	2,538.9	2,583.0
<b>Current liabilities</b>	<b>7,516.2</b>	<b>7,223.2</b>	<b>5,600.1</b>
Trade accounts payable	2,601.4	2,512.5	2,528.7
Provisions for liabilities and charges	276.9	251.7	285.7
Other current liabilities	1,805.6	1,676.4	1,732.5
Current tax liabilities	186.2	215.6	176.5
Current borrowings and debts	2,646.1	2,567.0	876.8
<b>Total liabilities</b>	<b>22,294.7</b>	<b>24,388.9</b>	<b>23,200.3</b>

## IV – Consolidated statement of changes in shareholders' equity

€ millions	Common shares outstanding	Capital stock	Additional paid-in capital	Retained earnings and net income	Items directly recognised in equity	Treasury stock	Cumulative translation adjustments	Shareholders' equity excluding minority interests	Minority interests	Shareholders' equity
<b>At 12.31.2006</b>	<b>605,722,110</b>	<b>127.9</b>	<b>958.5</b>	<b>11,035.4</b>	<b>5,066.9</b>	<b>-2,496.3</b>	<b>-70.3</b>	<b>14,622.1</b>	<b>2.1</b>	<b>14,624.2</b>
Capital increase	75,050	-	4.7					4.7		4.7
Cancellation of treasury stock		-4.3		-1,704.8		1,709.1		-		-
Dividends paid (not paid on treasury stock)				-711.6				-711.6	-0.9	-712.5
<i>Cumulative translation adjustments</i>							-370.8	-370.8		-370.8
<i>Financial assets available for sale</i>					-1,685.9			-1,685.9		-1,685.9
<i>Cash flows hedging</i>					27.9			27.9		27.9
Items directly recognised in equity		-			-1,658.0	-	-370.8	-2,028.8	-	-2,028.8
Consolidated net income of the period				2,656.0				2,656.0	1.5	2,657.5
<b>Total income and expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,656.0</b>	<b>-1,658.0</b>	<b>-</b>	<b>-370.8</b>	<b>627.2</b>	<b>1.5</b>	<b>628.7</b>
Deferred share-based payment				69.1				69.1		69.1
Net changes in treasury stock	-10,486,487			-1.6		-1,000.0		-1,001.6		-1,001.6
Other movements				9.3				9.3	-0.1	9.2
<b>At 12.31.2007</b>	<b>595,310,673</b>	<b>123.6</b>	<b>963.2</b>	<b>11,351.8</b>	<b>3,408.9</b>	<b>-1,787.2</b>	<b>-441.1</b>	<b>13,619.2</b>	<b>2.5</b>	<b>13,621.8</b>
Capital increase	32,150	-	1.9					1.9		1.9
Cancellation of treasury stock		-1.4		-661.3		662.7		-	-	-
Dividends paid (not paid on treasury stock)				-817.1				-817.1	-1.1	-818.2
<i>Cumulative translation adjustments</i>							-246.6	-246.6		-246.6
<i>Financial assets available for sale</i>					-2,389.4			-2,389.4		-2,389.4
<i>Cash flows hedging</i>					0.7			0.7		0.7
Items directly recognised in equity					-2,388.7		-246.6	-2,635.3		-2,635.3
Consolidated net income of the period				1,255.6				1,255.6	1.8	1,257.4
<b>Total income and expenses</b>				<b>1,255.6</b>	<b>-2,388.7</b>		<b>-246.6</b>	<b>-1,379.7</b>	<b>1.8</b>	<b>-1,377.9</b>
Deferred share-based payment				43.4				43.4		43.4
Net changes in treasury stock	-6,999,900			-0.1		-553.1		-553.2		-553.2
Other movements				-2.3				-2.3	-0.2	-2.5
<b>At 06.30.2008</b>	<b>588,342,923</b>	<b>122.2</b>	<b>965.1</b>	<b>11,170.0</b>	<b>1,020.2</b>	<b>-1,677.6</b>	<b>-687.7</b>	<b>10,912.2</b>	<b>3.0</b>	<b>10,915.2</b>

## Changes in first half 2007

€ millions	Common shares outstanding	Capital stock	Additional paid-in capital	Retained earnings and net income	Items directly recognised in equity	Treasury stock	Cumulative translation adjustments	Shareholders' equity excluding minority interests	Minority interests	Shareholders' equity
<b>At 12.31.2006</b>	<b>605,722,110</b>	<b>127.9</b>	<b>958.5</b>	<b>11,035.4</b>	<b>5,066.9</b>	<b>-2,496.3</b>	<b>-70.3</b>	<b>14,622.1</b>	<b>2.1</b>	<b>14,624.2</b>
Capital increase	37,200	0.0	2.3					2.3		2.3
Cancellation of treasury stock		-2.7		-1,014.2		1,016.9		-		-
Dividends paid (not paid on treasury stock)				-711.7				-711.7	-0.6	-712.3
<i>Cumulative translation adjustments</i>							-45.8	-45.8		-45.8
<i>Financial assets available for sale</i>					-1,387.7			-1,387.7		-1,387.7
<i>Cash flows hedging</i>					-15.0			-15.0		-15.0
Items directly recognised in equity					-1,402.7		-45.8	-1,448.5		-1,448.5
Consolidated net income of the period				1,177.6				1,177.6	1.1	1,178.7
<b>Total income and expenses</b>				<b>1,177.6</b>	<b>-1,402.7</b>		<b>-45.8</b>	<b>-270.9</b>	<b>1.1</b>	<b>-269.8</b>
Deferred share-based payment				34.4				34.4		34.4
Net changes in treasury stock	-5,444,200			-0.6		-486.9		-487.5		-487.5
Other movements				3.8				3.8	-0.1	3.7
<b>At 06.30.2007</b>	<b>600,315,110</b>	<b>125.2</b>	<b>960.8</b>	<b>10,524.7</b>	<b>3,664.2</b>	<b>-1,966.3</b>	<b>-116.1</b>	<b>13,192.5</b>	<b>2.5</b>	<b>13,195.0</b>

## V – Compared consolidated statements of cash flows

€ millions

	1 <sup>st</sup> half 2008	1 <sup>st</sup> half 2007	2007
<b>Cash flows from operating activities</b>			
Net profit attributable to the group	1,255.6	1,177.6	2,656.0
Minority interests	1.8	1.1	1.5
Elimination of expenses and income with no impact on cash flows:			
depreciation and charges to provisions	243.0	249.9	598.5
changes in deferred taxes	-7.2	-2.4	38.3
share-based payment	43.4	34.4	69.1
capital gains and losses on sale of assets	-2.7	-5.8	-11.7
capital gain on Sanofi-Aventis sale, net of tax	-	-	-631.9
share in net income of equity affiliates net of dividend received	-	0.5	0.5
<b>Gross cash flow</b>	<b>1,533.9</b>	<b>1,455.3</b>	<b>2,720.4</b>
Cash (used in) from working capital	-630.6	-453.3	-76.3
<b>Net cash provided by operating activities (A)</b>	<b>903.3</b>	<b>1,002.0</b>	<b>2,644.0</b>
<b>Cash flows from investing activities</b>			
Investments in tangible and intangible assets	-339.4	-371.0	-776.0
Disposals of tangible and intangible assets	5.0	15.1	30.1
Disposal of Sanofi-Aventis, net of tax	-	-	1,465.3
Changes in other financial assets (including investments in non-consolidated companies)	3.7	6.6	-10.2
Effect of changes in the scope of consolidation, net of acquired cash	-1,298.3	-474.1	-604.4
<b>Net cash (used in) from investing activities (B)</b>	<b>-1,629.0</b>	<b>-823.4</b>	<b>104.8</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-829.1	-730.9	-725.7
Capital increase of the parent company	1.9	2.3	4.7
Disposal (acquisition) of treasury stock	-553.2	-487.6	-1,001.6
Issuance (repayment) of short-term loans	1,734.0	257.8	-1,439.1
Issuance of long-term borrowings	-	651.9	753.2
Repayment of long-term borrowings	-4.8	-3.7	-10.1
<b>Net cash (used in) from financing activities (C)</b>	<b>348.8</b>	<b>-310.2</b>	<b>-2,418.7</b>
Net effect of exchange rate changes and fair value changes (D)	-11.2	-5.2	-24.6
<b>Change in cash and cash equivalents (A+B+C+D)</b>	<b>-388.1</b>	<b>-136.8</b>	<b>305.5</b>
<b>Cash and cash equivalents at beginning of the year (E)</b>	<b>1,086.7</b>	<b>781.2</b>	<b>781.2</b>
<b>Cash and cash equivalents at the end of the period (A+B+C+D+E)</b>	<b>698.6</b>	<b>644.4</b>	<b>1,086.7</b>