

L'ORÉAL

Launch of an Employee Share Ownership Plan

Clichy, 15 May 2018 - L'Oréal is announcing the launch of its first Employee Share Ownership Plan.

The plan will be rolled out in 52 countries and will give L'Oréal employees, in France and internationally, the possibility to be even more closely linked to the Group's development.

Following the implementation of a "Worldwide Profit Sharing" policy which gives employees a stake in the company's results in France and internationally, and the roll-out of the Share & Care programme, which has offered a set of social benefits to employees in all countries since 2015, L'Oréal is starting a new chapter of its social policy with this Employee Share Ownership Plan.

On this occasion, **Jean-Paul Agon**, Chairman and CEO of L'Oréal, said, "*L'Oréal has always intended that its employees benefit from the Group's success and prosperity. This first Employee Share Ownership Plan will give employees who want to participate a new way to support the company's development and be involved in its strategic projects.*"

The share purchase price will be set on 1 June 2018. It will be equal to the average of the opening price of L'Oréal shares on the Euronext Paris exchange over the twenty trading days preceding the decision, after a 20% discount.

The plan is limited to 500,000 shares (including employer contribution).

The subscription period will run from 4 June to 18 June 2018, and settlement (payment-delivery) is planned for 24 July 2018.

The shares issued will be entitled to dividends and will rank *pari passu* with the existing shares from the time of issue.

Beneficiaries will have the possibility to purchase L'Oréal shares in a "classic" subscription formula, where the value of their investment will vary with changes in the L'Oréal share price. They will also benefit from an employer contribution, subject to the terms and conditions described in the plan documentation.

Shares purchased in registered form, as well as employee shareholding fund units, will be blocked for a five-year period, subject to early release exceptions defined by applicable regulations in France and the other countries in which the offer is made available.

The application for admission to trading on the Euronext Paris exchange of the shares issued will be filed as soon as possible after the capital increase. They will be listed under the same code as the existing shares (ISIN code: FR0000120321) and will be fungible with those shares from their admission to trading.

This press release constitutes the information document required by article 212-4 5° of the AMF general regulations and AMF instruction no. 2016-04.

About L'Oréal

L'Oréal has devoted itself to beauty for over 100 years. With its unique portfolio of 34 international, diverse and complementary brands, the Group generated sales of 26.02 billion euros in 2017 and employs 82,600 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, branded retail and e-commerce. L'Oréal's excellence is based on research and innovation, and its 3,885 researchers working to meet beauty aspirations all over the world. L'Oréal's new sustainability commitment for 2020 "Sharing beauty with all" sets out ambitious sustainable development objectives across the Group's value chain.

For more information: <https://mediaroom.loreal.com/>

This press release does not constitute an offer of sale or solicitation of an offer to purchase L'Oréal shares. For more information on L'Oréal, please refer to the public documents filed in France with the Financial Market Authority (AMF), also available in English on our website at www.loreal-finance.com.

Statement for countries other than France - The offer of L'Oréal shares is strictly reserved for the beneficiaries mentioned above and will be implemented only in countries where such an offer has been registered with or notified to the competent local authorities and/or following the approval of a prospectus by the competent local authorities, or in application of an exemption from the obligation to draw up a prospectus or register or publish the offer.

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For further information, consult the dedicated website for shareholders and investors, www.loreal-finance.com, the L'Oréal Finance mobile application, or contact the hotline: 0 800 66 66 66 (free call).

Issuing Company

L'Oréal, a French public limited liability company
Traded on: Euronext Paris (France)
Ordinary share ISIN code: FR0000120321