ANNUAL GENERAL MEETING

APRIL 20TH, 2017

JEAN-PAUL AGON
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

L’ORÉAL
Beauty Leader
In better shape than ever
A beautiful year
Solid growth

+4%*

Beauty Market

GROWTH ACCELERATION

+3.9%* 2015

+4.7%* 2016

LIKE-FOR-LIKE SALES GROWTH
OVERPERFORMING

+4%*  
MARKET

+4.7%**
L’ORÉAL

*EXCLUDING SOAPS, TOOTHPASTES AND Razors. SOURCE: 2016 L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
**2016 LIKE-FOR-LIKE SALES GROWTH
A GREAT VINTAGE OF INNOVATIONS
2016 LIKE-FOR-LIKE SALES GROWTH

CONSUMER PRODUCTS +4.4%*
L’ORÉAL LUXE +6.9%*
ACTIVE COSMETICS +5.7%*
PROFESSIONAL PRODUCTS +1.8%*
CONSUMER PRODUCTS

+4.4%*

+4%**

MARKET

EXCLUDING SOAPS, TOOTHPASTES AND RAZORS. SOURCE: 2016 L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT.
LIKE-FOR-LIKE SALES GROWTH

CLEAR ACCELERATION

+2.5%*

+4.4%*

2015 2016
Maximisation of make-up
Double-digit growth
WORLDWIDE rollout

NYX
PROFESSIONAL MAKEUP
SALES x4 in 2 years
GARNIER

Ultra DOUX

STRONGEST GROWTH
MARKET +5.5%**

L’ORÉAL LUXE +6.9%*

*2016 LIKE-FOR-LIKE SALES GROWTH
**EXCLUDING SOAP, TOOTHPASTES AND RAZORS. SOURCE: 2016 L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
AN EXCEPTIONAL YEAR

1 Bn €
IN SALES IN 2016

YVES SAINT LAURENT
STRONG GROWTH

+29%*

2016 LIKE-FOR-LIKE SALES GROWTH
1 Bn $ IN SALES IN 2016
+25%*
Winning strategic bet

*LUXURY MAKE-UP

+2016 LIKE-FOR-LIKE SALES GROWTH
Successful women’s fragrances
4 fragrances in the top 15
ACTIVE COSMETICS

+5.7%*

MARKET

+4.5%**

*2016 LIKE-FOR-LIKE SALES GROWTH
**EXCLUDING SOAP, TOOTHPASTES AND RAZORS. SOURCE: 2016 L’OREAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
COMPLEMENTARY BRAND PORTFOLIO

VICHY LABORATOIRES
LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE
SANOFLORE

ROGER & GALLET
SKINCEUTICALS
Double-digit growth for the 7th YEAR RUNNING
#1 MEDICAL esthetic skincare american brand
3rd year of double-digit growth in France
+1.8%*

+2%**
bonders technology
Increasing demand for natural
Pioneer in aromatherapy
### GAINS IN OUR 3 STRATEGIC REGIONS

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>+5.8%*</td>
</tr>
<tr>
<td>Western Europe</td>
<td>+2.4%*</td>
</tr>
<tr>
<td>New Markets</td>
<td>+6.3%*</td>
</tr>
</tbody>
</table>

*2016 Like-for-like Total Divisions Sales Growth
**Excluding Soaps, Toothpastes and Razors. Source: 2016 L’Oréal Estimates. Excluding Exchange Rate Impact
A year of acceleration

2015: +3.5%*
2016: +5.8%*
Solid growth

WESTERN EUROPE

MARKET

L’ORÉAL

+1%*

+2.4%**

*EXCLUDING SOAPS, TOOTHPASTES AND Razors. SOURCE: 2016 L’ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT

**2016 LIKE-FOR-LIKE TOTAL DIVISIONS SALES GROWTH
Strong leadership

L’ORÉAL

COMPETITOR 1
COMPETITOR 2
COMPETITOR 3
COMPETITOR 4

*L’ORÉAL ESTIMATES

x3*
2016 LIKE-FOR-LIKE TOTAL DIVISIONS SALES GROWTH

WESTERN EUROPE

+2.4%*

UNITED KINGDOM
+10%*

GERMANY
+4%*

SPAIN
+9%*
**NEW MARKETS**

**Solid growth**

<table>
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<tr>
<th>Region</th>
<th>Growth Rate</th>
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<tr>
<td>Latin America</td>
<td>+11.1%*</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>+10.4%*</td>
</tr>
<tr>
<td>Asia, Pacific</td>
<td>+3.6%*</td>
</tr>
<tr>
<td>Africa, Middle East</td>
<td>+7.9%*</td>
</tr>
</tbody>
</table>

*2016 LIKE-FOR-LIKE TOTAL DIVISIONS SALES GROWTH*
LATIN AMERICA

Market share gains

+11.1%*

COLUMBIA  
+14%*

MEXICO  
+13%*

PERU  
+16%*

BRAZIL  
+6%*
EASTERN EUROPE

Excellent year

+10.4%*

POLAND
+6%*

UKRAINE
+16%*

RUSSIA
+16%*
ASIA, PACIFIC

Good progress

+3.6%*

SOUTH KOREA
+9%*

TAIWAN
+5%*

INDONESIA
+24%*

AUSTRALIA
+9%*
CHINA  L’ORÉAL LUXE : DOUBLE-DIGIT GROWTH
L’ORÉAL CHINA N°1 IN E-COMMERCE

SOURCE: PANEL SMARTPATH E-COMMERCE, NOV 2016
Brands stronger than ever
AFRICA, MIDDLE EAST

Market share gains

+7.9%*

EGYPT

+41%*

PAKISTAN

+25%*
4 strategic acquisitions
Enhances our position in alternative perfumery
Meets new aspirations in skincare
ACQUISITIONS ROUND OUT OUR FLOTILLA OF BRANDS

PROFESSIONAL PRODUCTS

CONSUMER PRODUCTS

L’ORÉAL LUXE

ACTIVE COSMETICS
QUALITY OF RESULTS

ROBUSTNESS OF OUR ECONOMIC MODEL

STRONG VALUE CREATION
HIGH QUALITY RESULTS


OPERATING MARGIN
17.4% 17.6% +20 BASIS POINTS

GROSS CASH FLOW
3,031

NET CASH-FLOW*
3,318

(IN MILLION EUROS)

+9.5%
DIVIDEND PER SHARE

HIGH QUALITY RESULTS

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend Per Share</th>
<th>Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3.10€</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>2016</td>
<td>3.63€</td>
<td>+10%</td>
<td>+6.5%</td>
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</tbody>
</table>

*Proposed at the Annual General Meeting of April 20th, 2017
MORE THAN 33,000 REGISTERED SHAREHOLDERS
PERSONALIZED RELATIONSHIPS
TOTAL SHAREHOLDER RETURN

Increase in dividends

Rise in share value
TOTAL SHAREHOLDER RETURN

10.5%/year

20 YEARS

10.8%/year

10 YEARS

18.7%/year

5 YEARS

*TSR (TOTAL SHAREHOLDER RETURN), INTEGRE A LA FOIS LA VALORISATION DU TITRE ET LES REVENUS PERCU SUR FORME DE DIVIDENDES, HORS IMPOTS SUR LES DIVIDENDES, AU 31 DÉC. 2016
A YEAR OF important advances
Digital
Efficient
Agile
Sustainable
+33%* e-commerce sales

*2016 LIKE-FOR-LIKE SALES GROWTH. SALES ACHIEVED ON OUR BRANDS' OWN WEBSITES AND ESTIMATED SALES ACHIEVED BY OUR BRANDS CORRESPONDING TO SALES THROUGH RETAILERS' WEBSITES (NON AUDITED DATA)
4th country equivalent to our 4th country
MEDIA EXPENSES

> 30% IN DIGITAL
better targeting
more efficient
1,600 recruited experts
Almost 10 times more employees upskilled
Amplifies the strength of our brands
Closer proximity with consumers
More reactive
industrial & logistics Revolution
Sustainable Development
SHARING BEAUTY WITH ALL

THE L’ORÉAL SUSTAINABILITY COMMITMENT
Major advancements
SUSTAINABLE INNOVATION

82% of products with an improved environmental or social profile
BIODEGRADABILITY
Biolage R.A.W.

Up to 100% natural ingredients
SUSTAINABLE PRODUCTION

-67%* CO₂ EMISSIONS

+29%* PRODUCTION

SINCE 2005
Decoupling growth from environmental impact
CLIMATE CHANGE
SHARING BEAUTY
WITH ALL
Accomplishments recognized
1 of only 2 companies worldwide with 3 As
ETHICS

Essential for sustainable success
A source of pride
GENDER EQUALITY
L'ORÉAL RECOGNIZED
Nº1 Company Worldwide
New
L’ORÉAL
THE WORLD OF BEAUTY IS CHANGING
A UNIQUE OPPORTUNITY FOR L’ORÉAL
CONNECTED, SHARED
Self-expression
A MAKE-UP BOOM

MAKE-UP MARKET

+5%  
2014

+6.6%  
2015

+8.4%  
2016

*EXCLUDING SOAPS, TOOTHPASTES AND RAZORS. SOURCE: L'ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
LARGER SHARE OF INCOME SPENT ON BEAUTY

Estimated share of personal care in consumer expenditure (world)

1996: 2.33%
2006: 2.35%
2016: 2.41%

*SOURCE: EUROMONITOR 2016 (PUBLISHED IN MARCH 2016)
New Consumer Expectations
WE HAVE ALL
the essential qualities
Seize the emerging trends
ALWAYS MORE INNOVATION
SUPERIORITY IN R&I
QUALITY
EFFICACY
SAFETY
& SINCERITY
DIGITALISATION

Accelerating innovation
Ongoing dialogue
Customized advice
1 billion visitors
LEADER OF

connected beauty
DIRECT DISTRIBUTION CHANNELS
Extraordinary opportunity
ROUND OUT OUR FLOTILLA OF BRANDS

PROFESSIONAL PRODUCTS

CONSUMER PRODUCTS

L’ORÉAL LUXE

ACTIVE COSMETICS

L’Oréal Paris

Garnier

Maybelline New York

NYX

Essie

Biotherm

Shu Uemura

Clarisonic

Viktor & Rolf

Cacharel

Diezel

Yuesai

Redken

Matrix

Kérastase

Pureology

Decléor

Carita

Lancôme

Giorgio Armani

Urban Decay

Ralph Lauren

Blender's

HR

SkinCeuticals

La Roche-Posay

Vichy

SkinCeuticals
ALL CHANNELS, ALL CATEGORIES

Price points & regions of the world
Strategically concentrated

Operationally decentralized

AGILE AND FLEXIBLE ORGANISATION
ENTREPRENEURIAL CULTURE
Confidence & determination 2017
Worldwide beauty market*

EXCLUDING SOAPS, TOOTHPASTES AND RAZORS. SOURCE: L'ORÉAL ESTIMATES. EXCLUDING EXCHANGE RATE IMPACT
2017 GOOD 1ST QUARTER

CONSOLIDATED SALES

REPORTED SALES GROWTH +7.5%
LIKE-FOR-LIKE SALES GROWTH +4.2%
## Good 1st Quarter

### Consolidated Sales by Division

<table>
<thead>
<tr>
<th></th>
<th>L’Oréal Luxe</th>
<th>Active Cosmetics</th>
<th>Consumer Products</th>
<th>Professional Products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>+12.2%*</td>
<td>+2.8%*</td>
<td>+1.4%*</td>
<td>-1.8%*</td>
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*Like-for-like sales growth*
2017 GOOD 1ST QUARTER

CONSOLIDATED SALES BY GEOGRAPHIC ZONE

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<th>Geographic Zone</th>
<th>Sales Growth</th>
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*Like-for-like sales growth
+27%*

*2017 FIRST QUARTER LIKE-FOR-LIKE SALES GROWTH. SALES ACHIEVED ON OUR BRANDS' OWN WEBSITES AND ESTIMATED SALES ACHIEVED BY OUR BRANDS CORRESPONDING TO SALES THROUGH RETAILERS' WEBSITES (NON AUDITED DATA)
Capacity to outperform the market and achieve another good year of sales and profits
N°1 BEAUTY COMPANY
Thank you
Avertissement / Disclaimer

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