

2015 HALF-YEAR RESULTS

July 31st, 2015

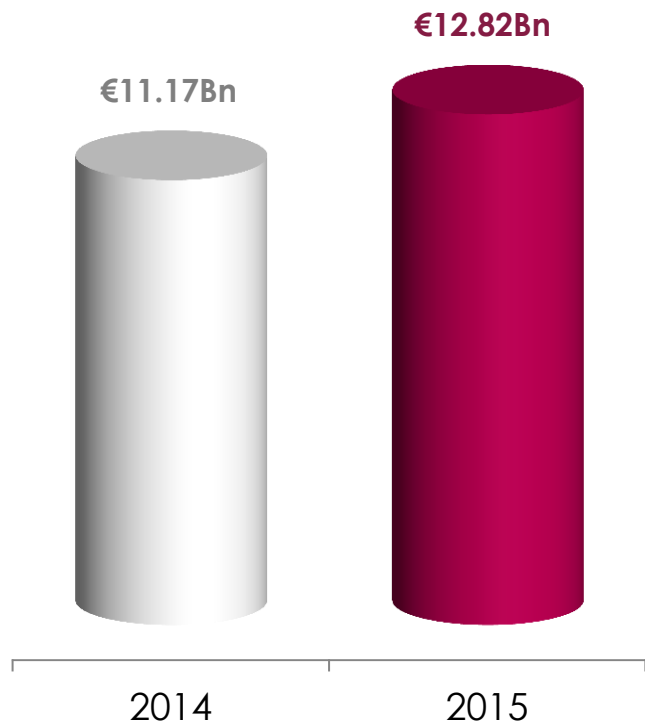
Mr. Christian Mulliez

Chief Financial Officer

L'ORÉAL



Consolidated group sales at the end of June 2015



Growth at constant exchange rates +5.0%

of which :

- *like-for-like growth* +3.8%

- *external growth impact* +1.2%

Exchange rate impact +9.7%

Reported growth +14.7%



Changes in exchange rates (against the euro)

	Weight in consolidated sales at June 30th, 2015	Average rate January – June 2014	Average rate January – June 2015	Change H1 2015 / H1 2014
Euro	26.0%	—	—	—
US Dollar	25.8%	1.371	1.115	+22.9%
Chinese Yuan	8.9%	0.118	0.144	+21.8%
Sterling Pound	6.2%	1.218	1.366	+12.2%
Brazilian Real	2.9%	0.318	0.303	-4.7%
Canadian Dollar	2.6%	0.665	0.726	+9.1%
Russian Ruble	2.3%	0.021	0.016	-24.8%
Japanese Yen (1000)	1.6%	7.121	7.457	+4.7%
Mexican Peso	1.6%	0.056	0.059	+6.5%



Consolidated sales at the end of June 2015

		% change	
	Million euros	Like-for-like	Reported
Professional Products	1 740	+3.5%	+15.6%
Consumer Products	6 161	+1.9%	+12.4%
L'Oréal Luxe	3 487	+6.7%	+20.1%
Active Cosmetics	1 019	+7.1%	+10.6%
Total divisions	12 407	+3.8%	+14.8%
The Body Shop	412	+2.8%	+13.2%
Consolidated Total	12 819	+3.8%	+14.7%



Cosmetics sales by region at the end of June 2015

	Million euros	% change	
		Like-for-like	Reported
Western Europe	4 161	+1.9%	+4.5%
North America	3 326	+2.7%	+26.8%
New Markets	4 920	+6.3%	+16.9%
- <i>Asia, Pacific</i>	2 788	+5.0%	+25.5%
- <i>Latin America</i>	950	+5.3%	+8.3%
- <i>Eastern Europe</i>	803	+9.7%	-2.6%
- <i>Africa, Middle-East</i>	379	+12.3%	+33.1%
Total divisions	12 407	+3.8%	+14.8%



Cosmetics sales by business segment at the end of June 2015

	Million euros	Weight	Like-for-like % Change
Skincare	3 870	31.2%	+2.6%
Make-up	2 891	23.3%	+8.2%
Hair Care	2 454	19.8%	+1.7%
Hair Colour	1 577	12.7%	-0.4%
Perfumes	1 046	8.4%	+8.6%
Other*	568	4.6%	+4.1%
Total cosmetics divisions	12 407	100.0%	+3.8%

* Other includes hygiene products and the sales of third party brands by the US professional products distributors.



Consolidated profit and loss account: From sales to operating profit

<i>(in million euros)</i>	H1-2014	As a % of sales	2014	As a % of sales	H1-2015	As a % of sales	Change H1-2015 vs. H1-2014
Sales	11 174.6	100.0%	22 532.0	100.0%	12 818.9	100.0%	+14.7%
Cost of sales	-3 151.2	28.2%	-6 500.7	28.9%	-3 630.3	28.3%	
Gross profit	8 023.4	71.8%	16 031.3	71.1%	9 188.6	71.7%	+14.5%
Research and development expenses	-367.2	3.3%	-760.6	3.4%	-379.7	3.0%	
Advertising and promotion expenses	-3 270.9	29.3%	-6 558.9	29.1%	-3 753.3	29.3%	
Selling, general and administrative expenses	-2 356.2	21.1%	-4 821.1	21.4%	-2 732.6	21.3%	
Operating profit	2 029.0	18.2%	3 890.7	17.3%	2 323.0	18.1%	+14.5%



Operating profit margin by division

<i>(as a % of sales)</i>	H1-2014	Full year 2014	H1-2015
Professional Products	19.6%	20.1%	19.1%
Consumer Products	21.1%	20.3%	21.3%
L'Oréal Luxe	20.3%	20.5%	20.5%
Active Cosmetics	28.2%	22.7%	27.5%
Total divisions before non-allocated expenses	21.3%	20.5%	21.3%
Non allocated expenses*	-2.6%	-2.8%	-2.5%
Total divisions after non-allocated expenses	18.7%	17.7%	18.8%
The Body Shop	0.8%	7.5%	-1.8%
Group	18.2%	17.3%	18.1%

* Central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items as a % of total cosmetics sales



Consolidated profit and loss account: From operating profit to net profit excluding non-recurring items

(in million euros)

	H1-2014	2014	H1-2015	Change H1-15 vs. H1-14
Operating profit	2 029.0	3 890.7	2 323.0	+14.5%
Financial revenues/expenses before dividends received	-8.1	-24.1	-9.8	
Sanofi dividends	331.0	331.0	336.9	
Profit before tax and associates, before non-recurring items	2 352.0	4 197.6	2 650.1	+12.7%
Income tax excluding non-recurring items	-575.4	-1 069.5	-692.1	
Share of profit of associates, excluding non-recurring items	-1.5	-3.0	—	
Non-controlling interests	-1.6	+0.1	-0.6	
Net profit from continuing operations, excl. non-recurring items, after non-controlling interests	1 773.5	3 125.3	1 957.3	
Earnings per share* (in euros)	2.92	5.34	3.47	+18.9%
Diluted average number of shares	607 667 507	585 238 674	564 094 688	

* Diluted earnings per share based on net profit from continuing operations excluding non-recurring items, after non-controlling interests



Consolidated profit and loss account: From net profit excluding non-recurring items to net profit

(in million euros)

	H1-2014	2014	H1-2015	Change H1-15 vs. H1-14
Net profit from continuing operations excluding non-recurring items*	1 773.5	3 125.3	1 957.3	
Non-recurring items	-79.7	-357.7	-74.7	
- of which:				
- other income and expenses	-48.0	-316.2	-46.0	
- taxes on non-recurring items	-31.7	-41.5	-28.7	
Net profit from continuing operations*	1 693.8	2 767.5	1 882.6	+11.1%
Net profit from discontinued operations	+41.0	+2 142.7	—	
Net profit*	1 734.8	4 910.2	1 882.6	+8.5%
Diluted average number of shares	607 667 507	585 238 674	564 094 688	

* after non-controlling interests



Cash flow statement

(in million euros)

	H1-2014	2014	H1-2015	Change H1-15 vs. H1-14
Net profit	1 736.4	4 908.6	1 883.2	
Depreciation, amortisation and provisions	334.4	856.2	410.2	
Capital gains and losses on disposals of assets, changes in deferred taxes and others	+76.9	+172.6	+79.3	
Net profit of discontinued operations	-41.0	-2 142.7	—	
Share of profit of associates, net of dividends received	+1.5	+13.5	-2.7	
Cash flow	2 108.2	3 808.2	2 370.0	+12.4%
Changes in working capital	-598.0	+55.9	-815.9	
Investments	-484.8	-1 008.2	-512.0	
Operating net cash	1 025.4	2 855.9	1 042.1	
Dividends paid	-1 539.8	-1 589.3	-1 535.0	
Acquisitions	-750.4	-1 298.2	-412.8	
Discontinued operations: disposals & dividends received	+41.7	+2 533.9	—	
Acquisitions of treasury stock	-118.9	-6 164.5	—	
Capital increase	+123.8	+218.7	+180.2	
Others*	-128.4	+426.3	+24.1	
Residual cash flow after acquisitions	-1 346.6	-3 017.2	-701.4	

* Others include disposal of treasury stock



Assets

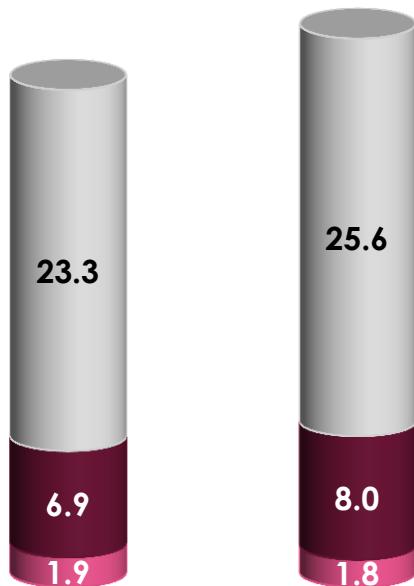
31 Dec. 2014

30 June 2015

■ Non-current assets

■ Current assets

■ Cash & cash equivalents



Total Assets

32.1

35.4

Liabilities

31 Dec. 2014

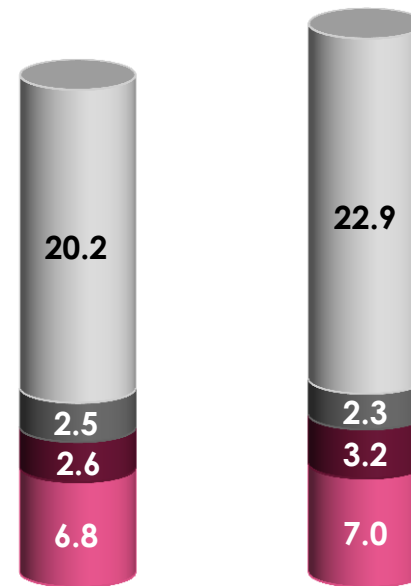
30 June 2015

■ Shareholders' equity

■ Non-current liabilities

■ Financial debt (current & non-current)

■ Current liabilities



Total Liabilities

32.1

35.4



Net cash/debt and gearing

<i>in million euros</i>	30 June 2014
Net cash	922
Gearing*	N.A.

<i>in million euros</i>	31 Dec. 2014	30 June 2015
Net debt	671	1 394
Gearing*	3.3%	6.1%

* Net debt / equity attributable to owners of the company



-----Avertissement / Disclaimer -----

« Ce document ne constitue pas une offre de vente ou la sollicitation d'une offre d'achat de titres L'Oréal. Si vous souhaitez obtenir des informations plus complètes concernant L'Oréal, nous vous invitons à vous reporter aux documents publics déposés en France auprès de l'Autorité des Marchés Financiers (également disponibles en version anglaise sur notre site Internet www.loreal-finance.com). Ce document peut contenir certaines déclarations de nature prévisionnelle. Bien que la Société estime que ces déclarations reposent sur des hypothèses raisonnables à la date de publication du présent communiqué, elles sont par nature soumises à des risques et incertitudes pouvant donner lieu à un écart entre les chiffres réels et ceux indiqués ou induits dans ces déclarations.»

"This document 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 (which are also available in English on our Internet site: www.loreal-finance.com). This document 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."