

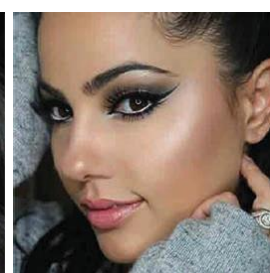
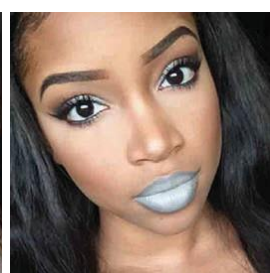
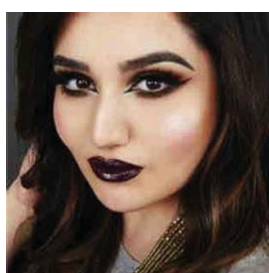
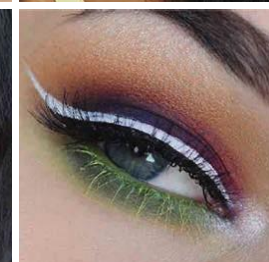
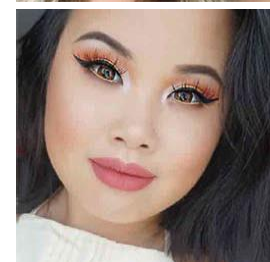
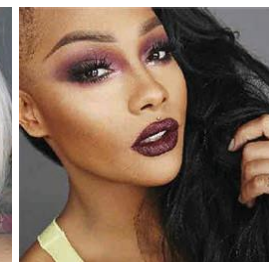


Exane BNP Paribas

June 16th, 2016

L'Oréal

Christian MULLIEZ
Chief Financial Officer





L'Oréal:
A unique set of
core strengths

A close-up portrait of a woman with a purple hat and bright pink lips. Her hand is visible on the left side of the frame, holding the hat. The background is dark and out of focus.

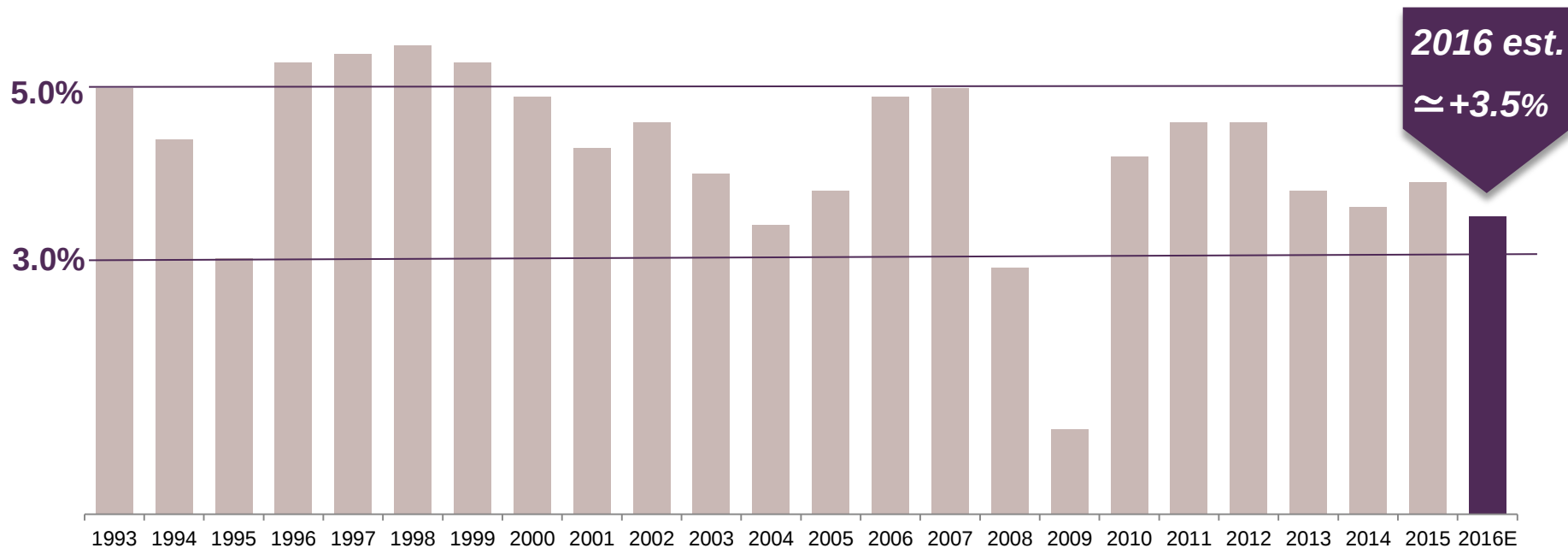
Pure player in
beauty

since 1909



Pure player in a compelling industry*

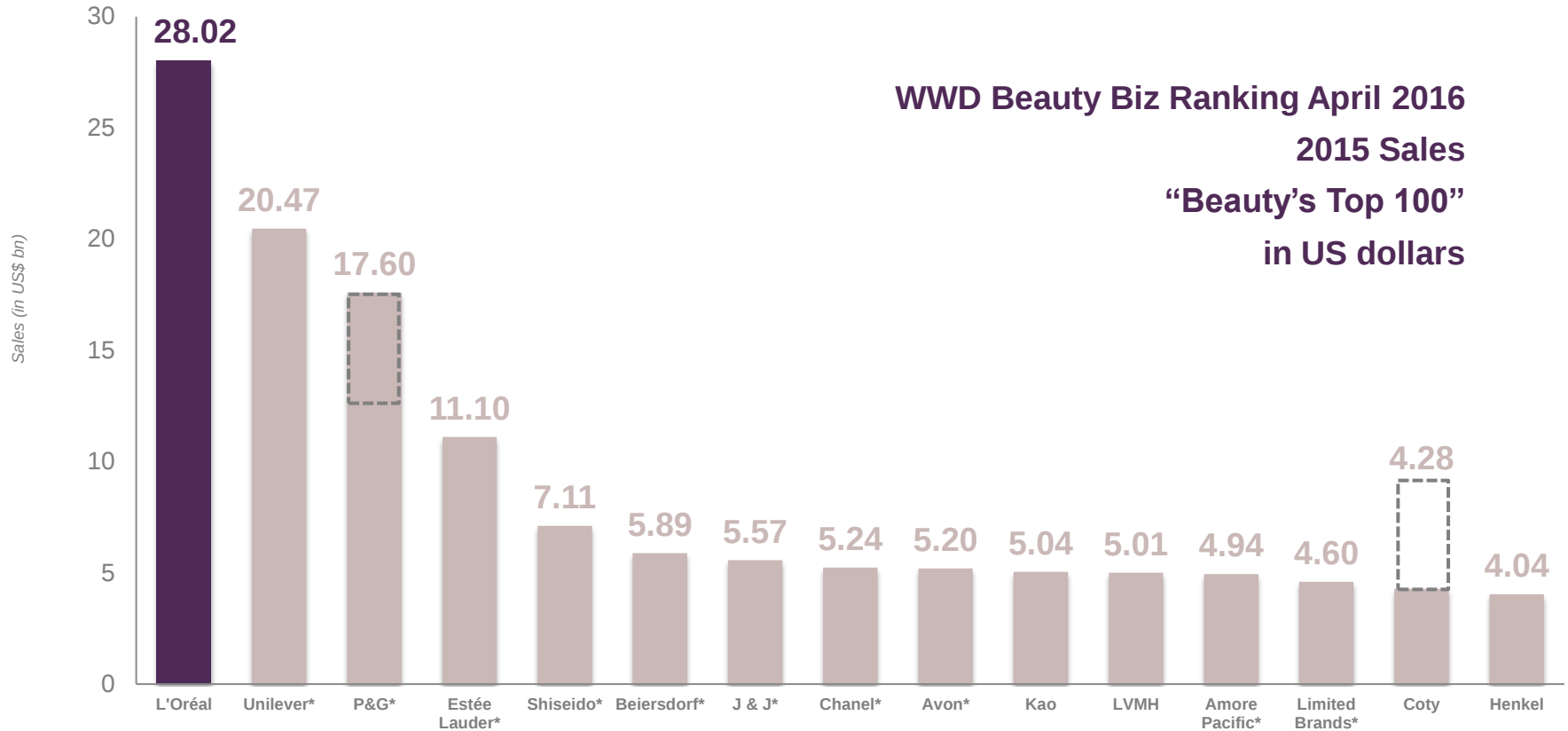
Beauty market growth



*L'Oréal BMS estimates - excluding soap, toothpaste and razors. Net manufacturing price (sell-in) - provisional estimate. Growth at constant exchange rate



Leader of the cosmetics industry worldwide



* Estimates



Spanning channels and categories

Across all
distribution
channels

Hair & Beauty
Salons



Mass Market



Department
stores
Perfumeries
Travel Retail



Pharmacies
Drugstores
Medispas



Branded
boutiques



E-commerce



Across all
beauty
categories



Hair Care



Hair Colour



Skin Care



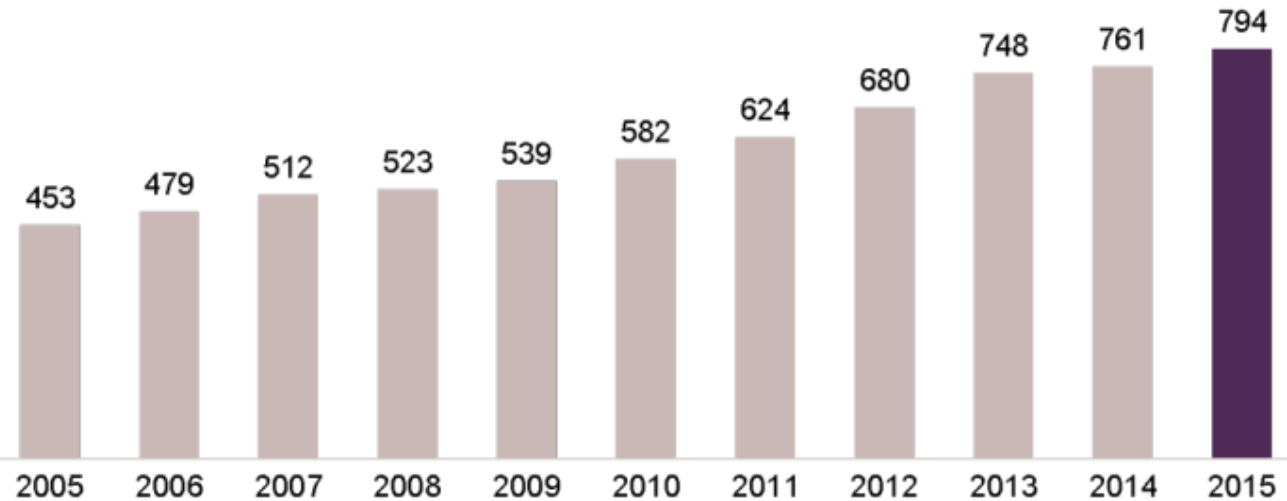
Fragrance



Make-up

Unparalleled R&I capability

Research & Innovation budget (in million euros)





A unique portfolio of complementary brands

Professional Products 13.5%*



Consumer Products 46.9%*



L'Oréal Luxe 28.6%*



Active Cosmetics 7.2%*



The Body Shop 3.8%*



*As a % of 2015 consolidated sales



Key indicators 2015

€25.26 billion sales in 2015

12.5% market share*

140 countries

82 881 employees

17.4% operating margin

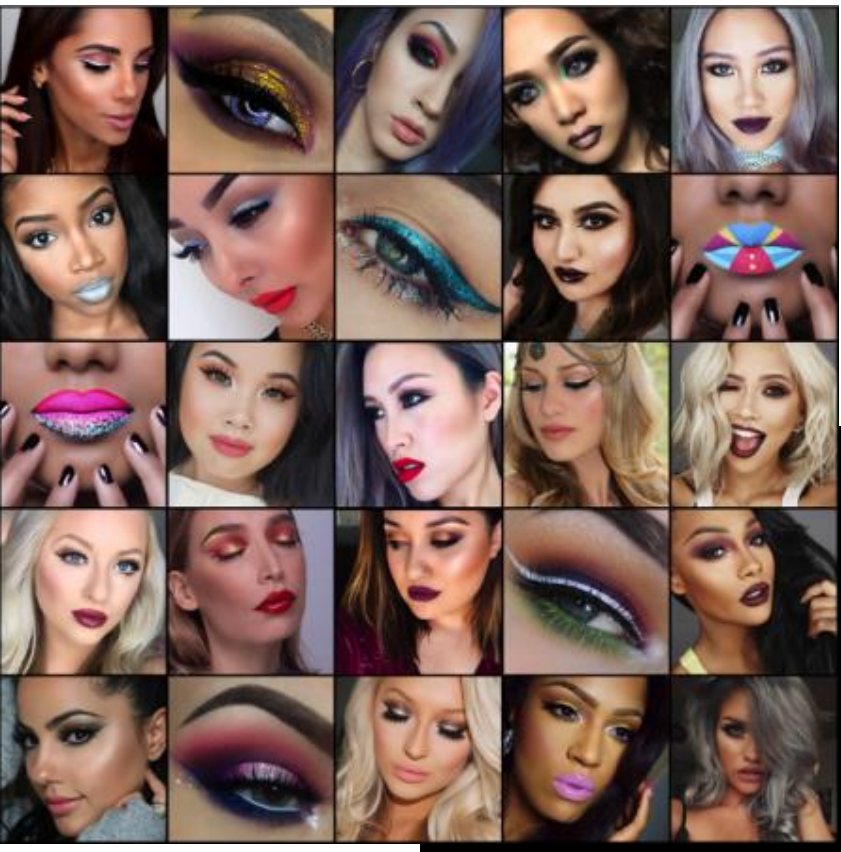
€6.18 EPS**, **+15.7%**

3rd worldwide advertiser***



* BMS: L'Oréal estimates; ** Diluted earning per share based on net profit of continuing operations excluding non-recurring items, after non-controlling interests

*** Adage ranking- 2014



Actively
pushing our
transformation

L'ORÉAL



**NEW
L'ORÉAL**

More...
Universal
Digital
Sustainable



Digital & beauty: the perfect match



4.5bn

Beauty queries
yearly



45bn

Beauty videos
views yearly



55m

Beauty
followers



700m

Beauty
addicts



Boosting our digital capabilities

> 1 000 digital specialists

**A worldwide digital upskilling
program**

CA GENERAL ASSEMBLY





Digital at the heart of all touch points



Social
listening

Precision
advertising

Enhancing
brand desirability

25% of media
invested in digital



Connecting
with digital
pioneers



* On 12th may 2016, L'Oréal announced a strategic investment Founders Factory, leading global multi sector digital accelerator and incubator, based in London.

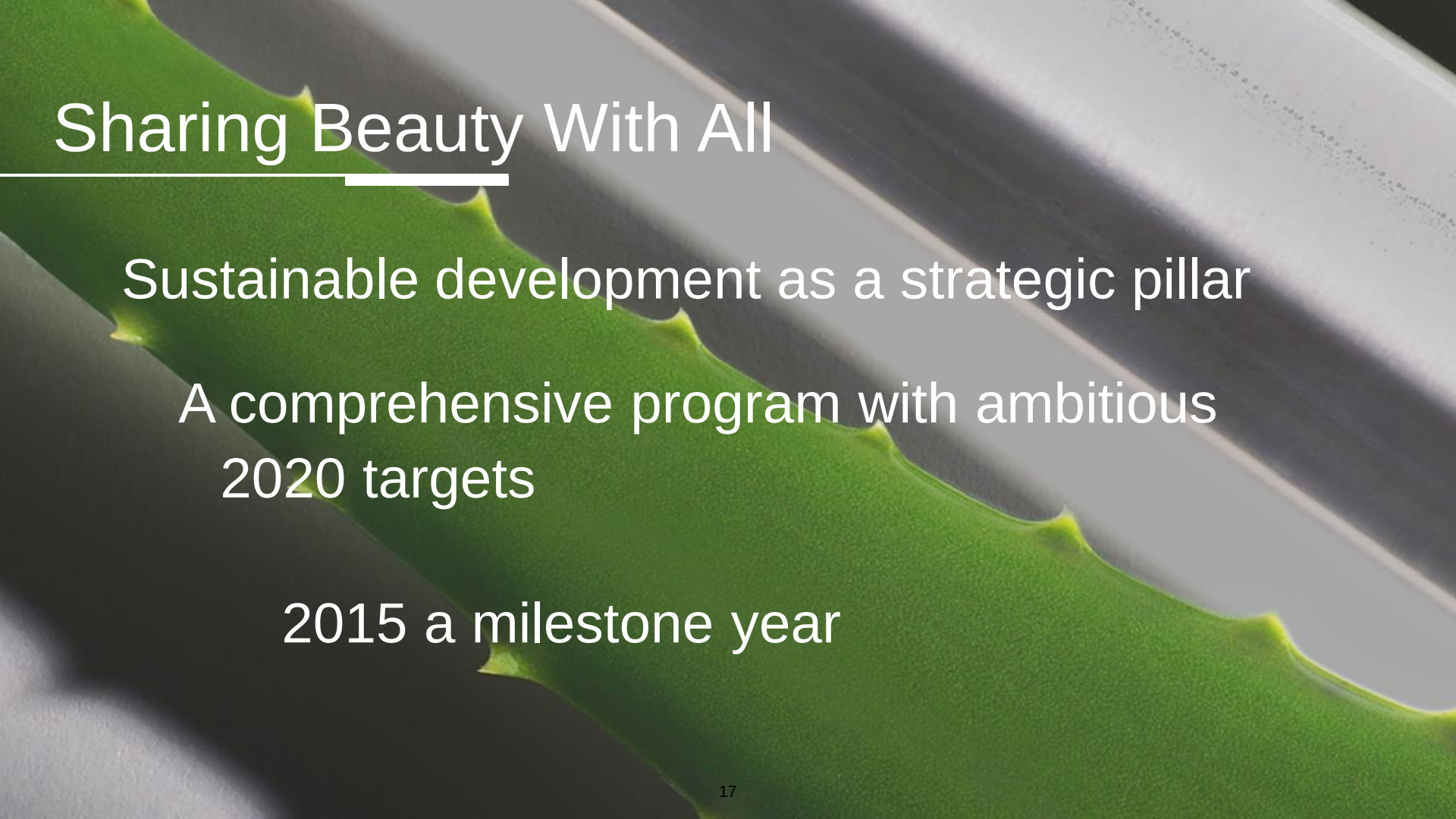


€1.3bn e-commerce sales*
>5% of total group sales



*Sales achieved on our brands' own websites + estimated sales achieved by our brands corresponding to sales through retailers' websites (non audited data)

** Consumer Products Division in China, 2015

The background of the slide features a close-up of a green aloe vera leaf with serrated edges, positioned diagonally across the frame. Behind the leaf is a blurred, light-colored surface that appears to be a window or glass, with soft light filtering through. The overall aesthetic is clean and natural.

Sharing Beauty With All

Sustainable development as a strategic pillar

A comprehensive program with ambitious
2020 targets

2015 a milestone year



Sharing Beauty With All 2015 progress report

Sustainable Innovation

100%

74%

of new or renovated products have an **improved environmental or social impact** ⁽¹⁾



Sustainable Consumption

100%

34%

of brands have implemented **initiatives to raise consumer awareness** ⁽³⁾

Sustainable Production

-60%

-56%

reduction in CO2 emissions in factories and distribution centers since 2005, while production increased by 26% ⁽²⁾



● 2020 targets

⁽¹⁾ These indicators reflect marketed products that are new or renovated in terms of formula or packaging and made for the first time in 2015. The calculation is based on a scope, which, at the end of 2015, corresponds to 85% of volumes produced by the group and which includes all product categories, excluding range extensions; vs. 67% in 2014.

⁽²⁾ The percentage reduction is calculated in absolute terms for scopes 1 and 2 in line with the GHG Protocol standard; vs. 50% in 2014.

⁽³⁾ Calculated as a percentage of consolidated sales 2014; vs. 25% in 2014 calculated as a percentage of consolidated 2013 sales.



Sharing Beauty With All 2015 progress report

Sharing our growth with...

Employees

100%



87%

of the group's permanent employees have healthcare coverage reflecting best practices in their country of residence ⁽¹⁾

Suppliers

100%

51%

of the group's strategic suppliers have been evaluated and selected based on **CSR performance** ⁽²⁾



Communities

100 000

57 200

people accessed work through the **Solidarity Sourcing programme**, including 22 400 through TBS's Community Fair Trade initiative ⁽³⁾

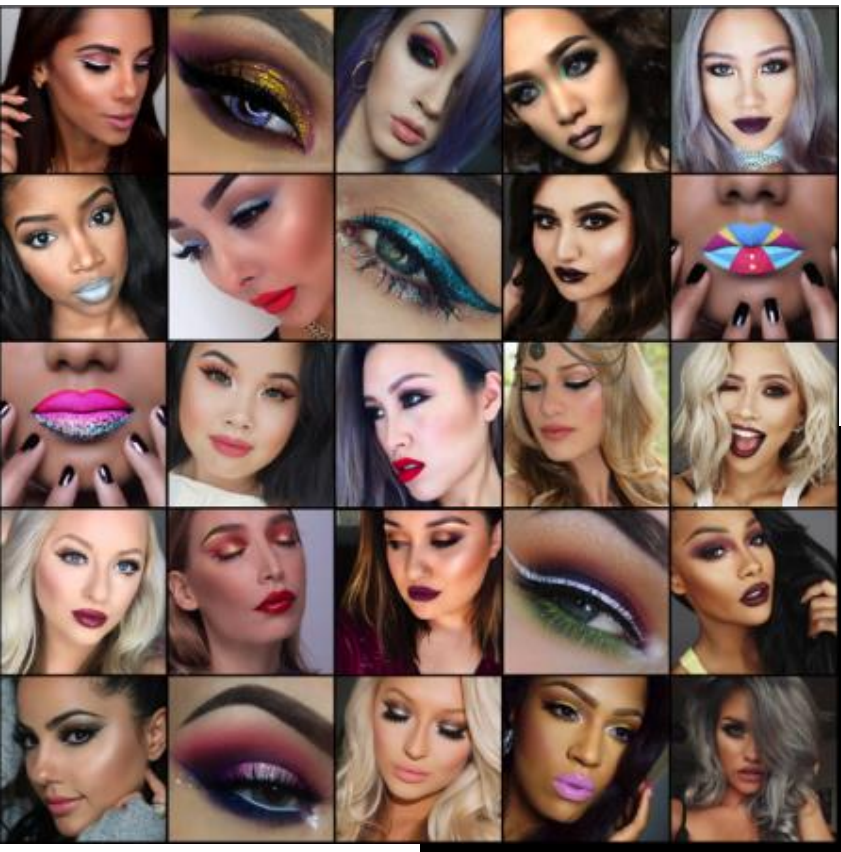


● 2020 targets

⁽¹⁾ This indicator is calculated according to the group's overall scope (Total Divisions and The Body Shop), representing 100% of employees for the scope of the L'Oréal Share & Care programme; vs. 85% in 2014.

⁽²⁾ vs. 43% in 2014.

⁽³⁾ vs. 52 000 in 2014, including 25 000 via Community Fair Trade.



Confidence in the
future outlook

L'ORÉAL



A solid first quarter 2016

Q1-2016 consolidated sales by division

	Q1-2016 (in million €)	% change	
		Like-for-like	Reported
Professional Products	854.3	+2.5%	+0.2%
Consumer Products	3 106.0	+3.9%	+0.9%
L'Oréal Luxe	1 831.4	+5.5%	+4.4%
Active Cosmetics	560.7	+4.5%	+0.3%
Cosmetics Divisions Total	6 352.4	+4.2%	+1.7%
The Body Shop	200.1	+2.1%	+4.0%
Consolidated Total	6 552.4	+4.2%	+1.8%



A solid first quarter 2016

Q1-2016 cosmetics divisions sales by region

	Q1-2016 (in million €)	% change	
		Like-for-like	Reported
Western Europe	2 127.5	+2.0%	+1.3%
North America	1 715.9	+4.3%	+5.8%
New Markets	2 509.0	+6.1%	-0.5%
of which:			
- Asia, Pacific	1 510.4	+4.5%	+2.3%
- Latin America	409.0	+8.5%	-11.1%
- Eastern Europe	390.6	+9.5%	-1.5%
- Africa, Middle-East	198.9	+8.0%	+5.4%
Cosmetics Divisions Total	6 352.4	+4.2%	+1.7%



Consumer Products division Accelerating growth

1

Renewing
core brands

2

Leveraging
global beauty
trends

3

Maximising
innovation

4

Making the
most
of digital



>4% MS
in the UK



Goes global

20 countries in
2016



L'Oréal Luxe

Keeping the strong pace of growth

Historical

Beauty brands



Lancôme



Biotherm



Yue Sai



H. Rubinstein

Fashion

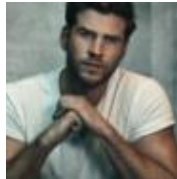
Beauty brands



YSL



Armani



Diesel



Ralph Lauren



Victor & Rolf



Proenza Schouler



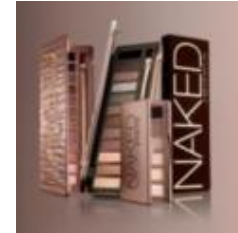
Maison Margiela



Cacharel

“New Luxury”

Brands



Urban Decay



Kiehl's



Shu Uemura



Clarisonic



Active Cosmetics

Continued growth & leadership

1

A desire for
safety
naturalness
simplicity

2

Search for
effective
solutions

3

Health
conscious
consumers

4

Worldwide
ageing
population





Professional Products division Strengthening leadership & boosting the market

2016
PROFESSIONAL
SERVICES





2016 ambition

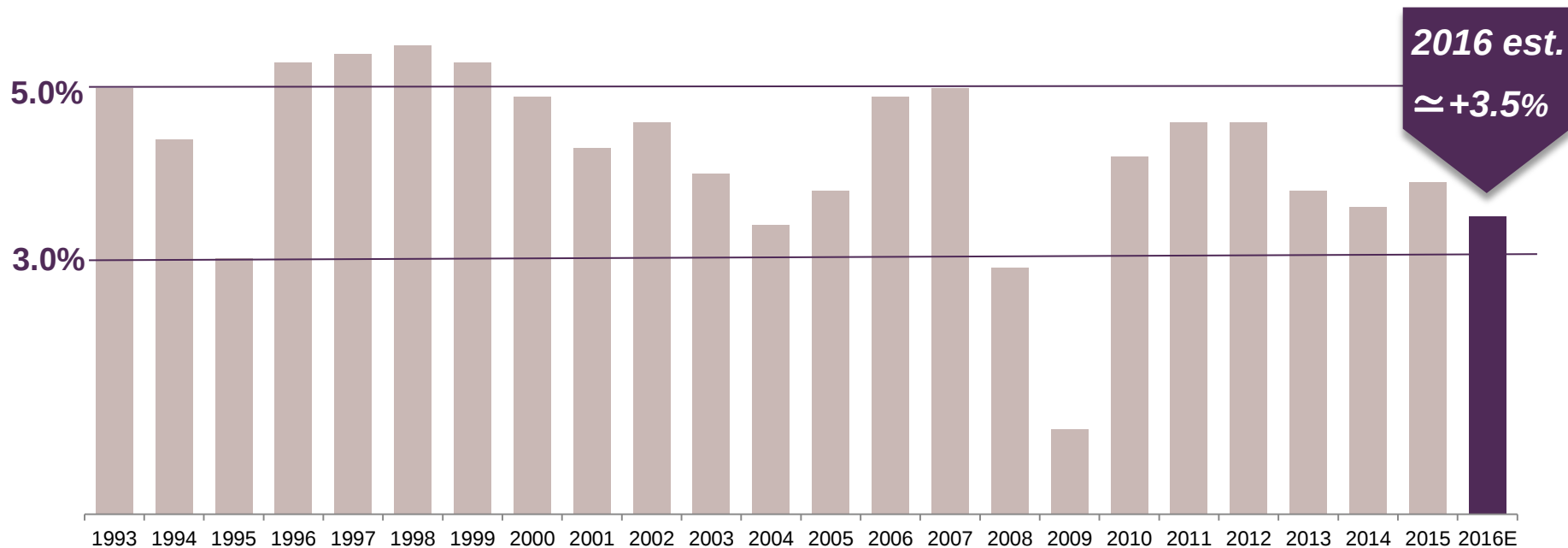
Outperform the cosmetics
market

Achieve another year
of sales and profit growth



The beauty market continues to develop...

Beauty market growth*



*L'Oréal BMS estimates - excluding soap, toothpaste and razors. Net manufacturing price (sell-in) - provisional estimate. Growth at constant exchange rate



...and it will continue to grow

New consumers

Middle Class

New targets

Seniors
Men

New needs

Urbanisation

New desires

Digital



Global acceleration of make-up



USA

**Mature
make-up market**

>20% of beauty
+7% in 2015*



Turkey

**Moderately developed
make-up market**

≈15% of beauty
+16% in 2015*



China

**High potential
make-up market**

10% of beauty
+8% in 2015*



Make-up leader with unique expertise and powerful brand portfolio

essie
—
THE NAIL
TRENDSETTER



+11%
2015 Sales*

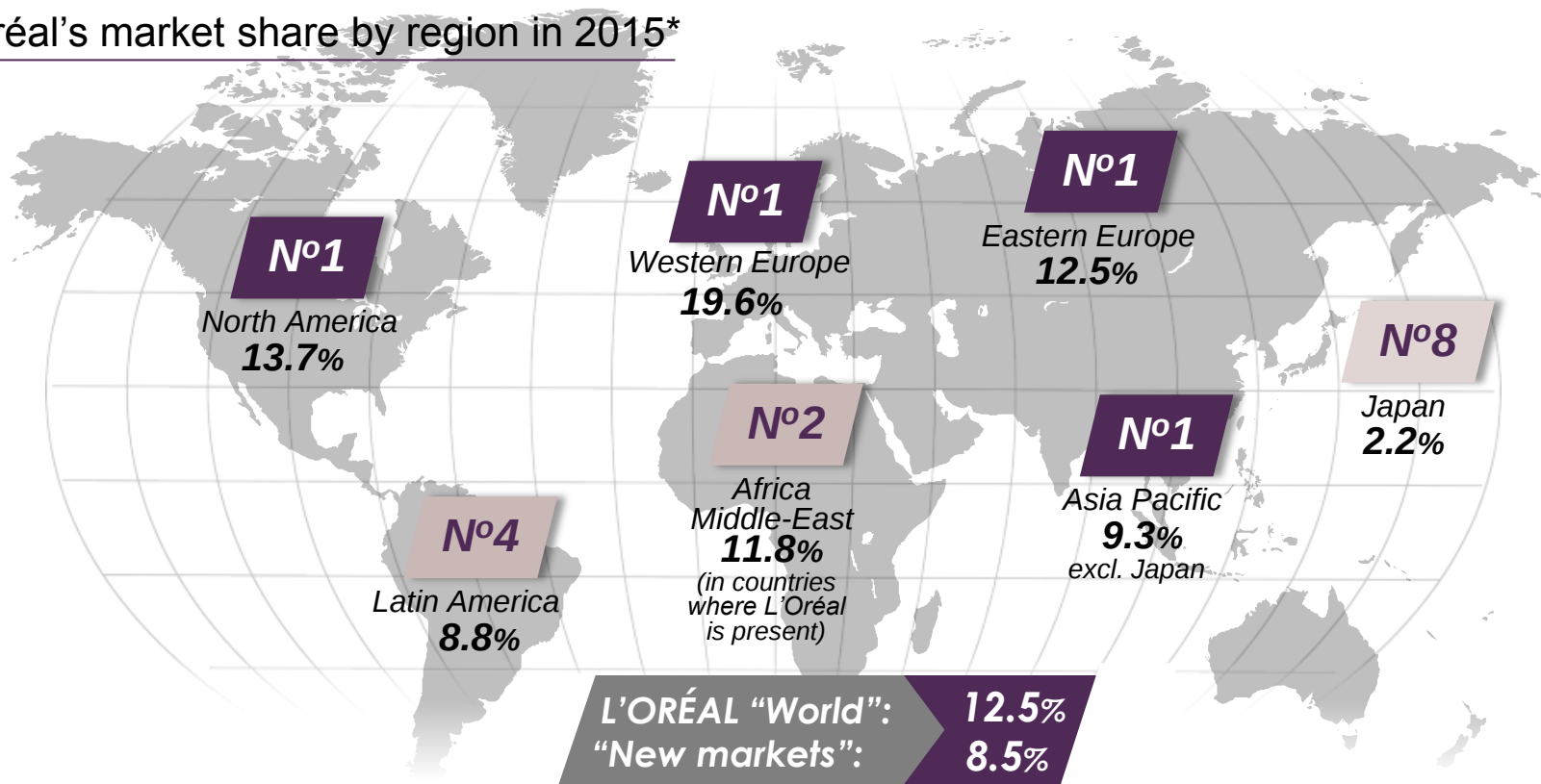


* Like-for-like growth.



Leader in beauty with high potential

L'Oréal's market share by region in 2015*

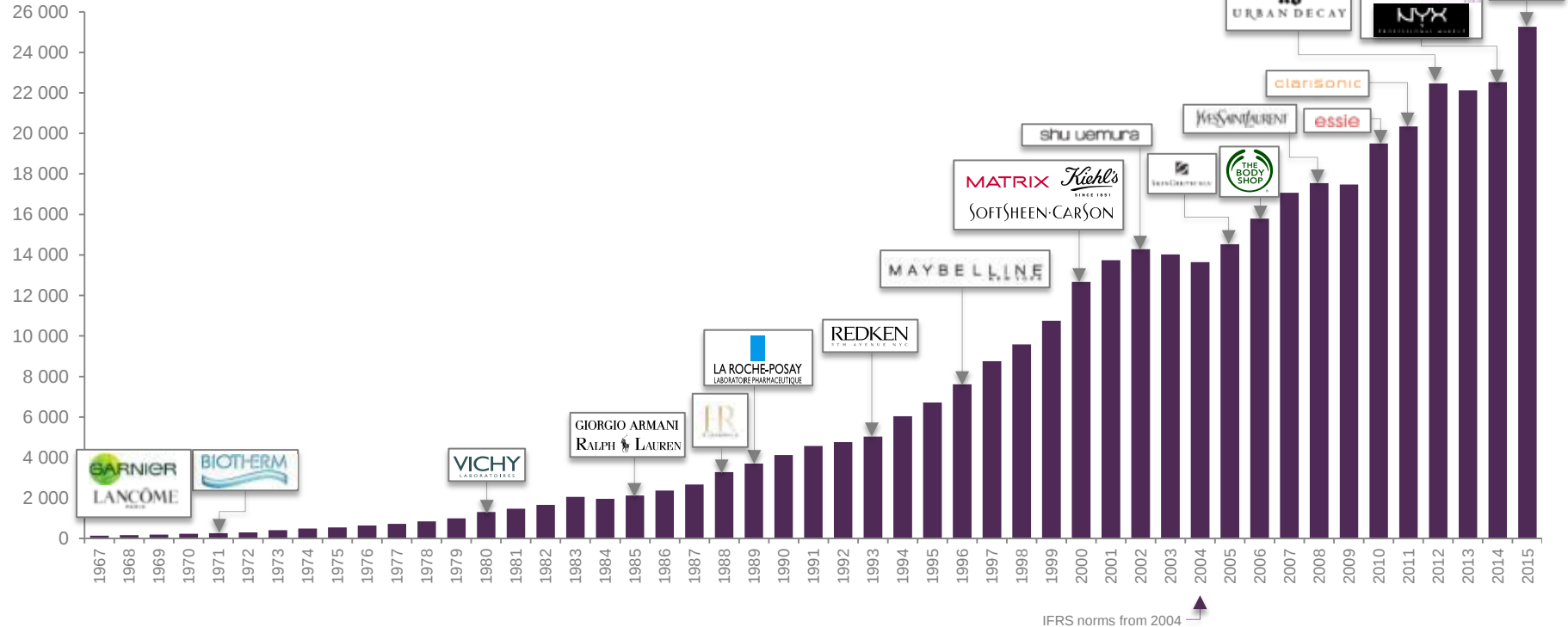


*Excluding soaps, razors, blades and toothpastes - L'Oréal Estimates BMS. Ranking based on Euromonitor 2015 figures.



A consistent strategy of targeted acquisitions

Consolidated sales (€m)

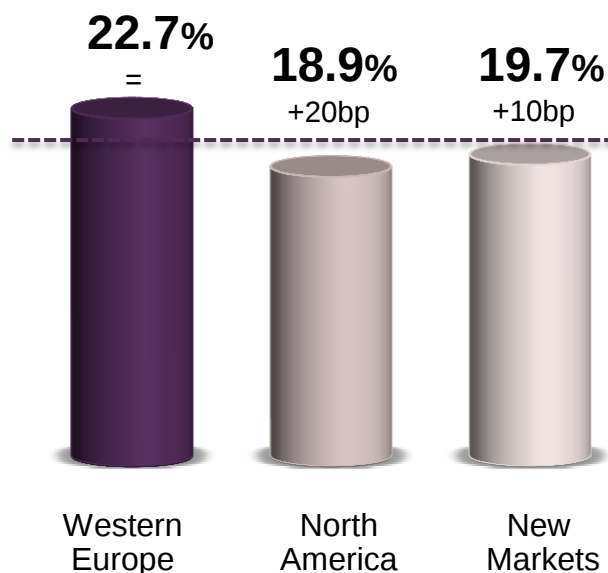




A strong and balanced business model

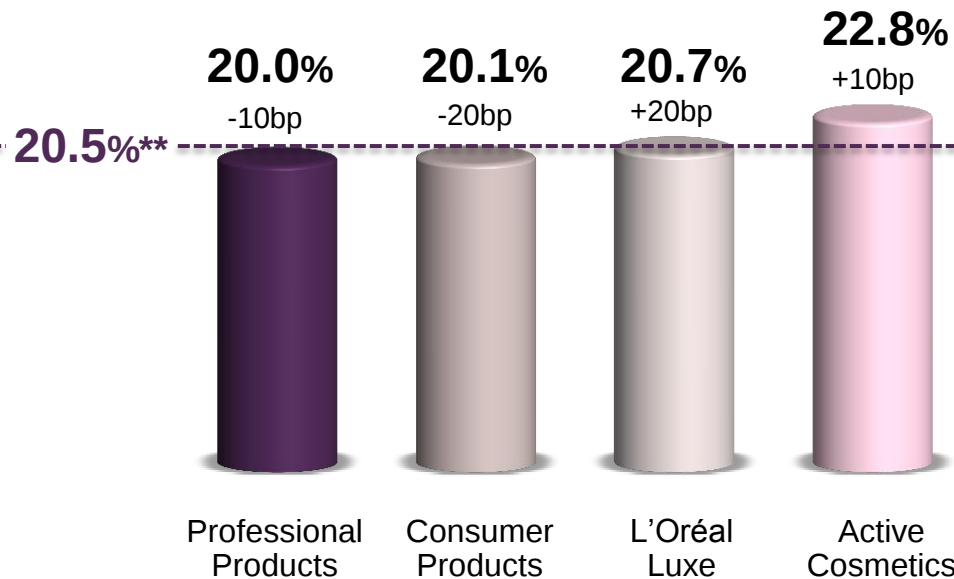
2015 operating margin by region*

(as a % of sales)



2015 operating margin by division*

(as a % of sales)



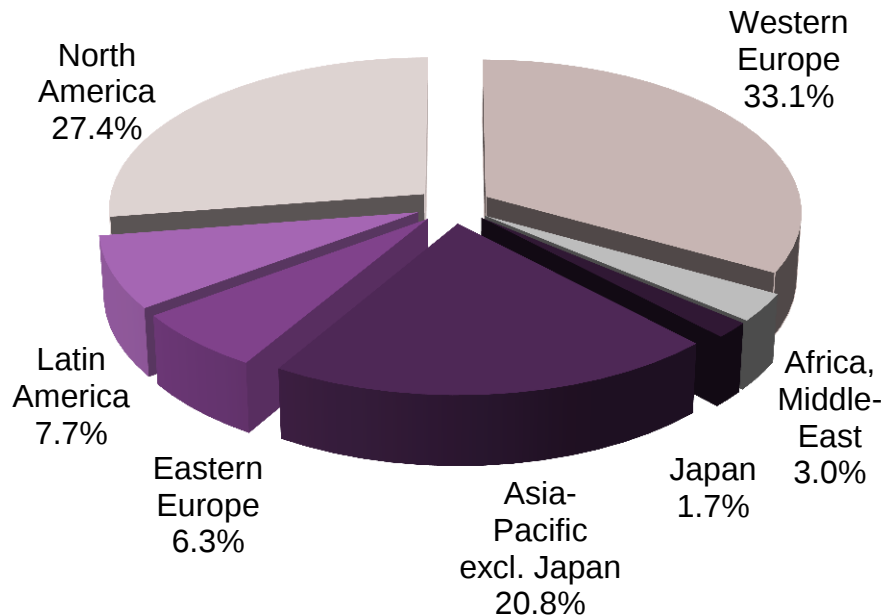
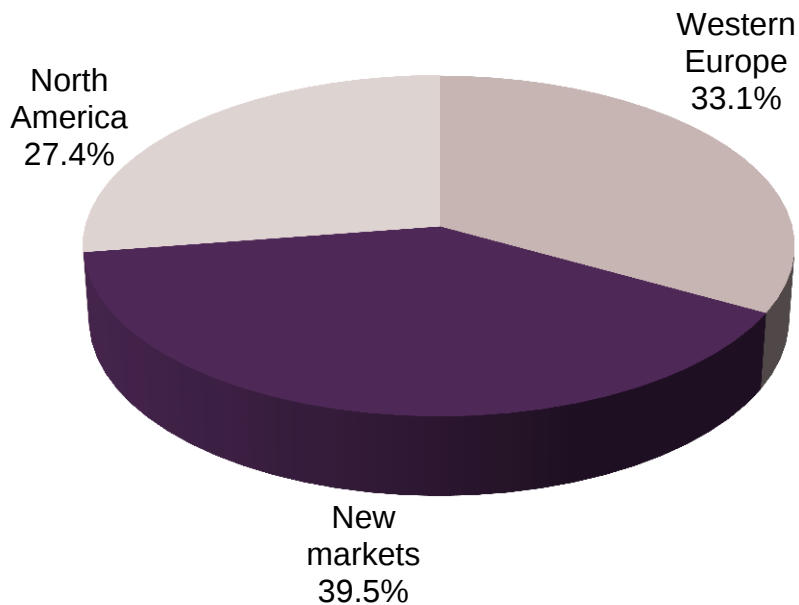
*Before central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items – as a % of total cosmetics divisions sales.

**Total cosmetics divisions.



A balanced geographical presence

Breakdown of 2015 sales by region*



*Cosmetics divisions total



A long term successful business model

Net profit since 1985* (in million euros)

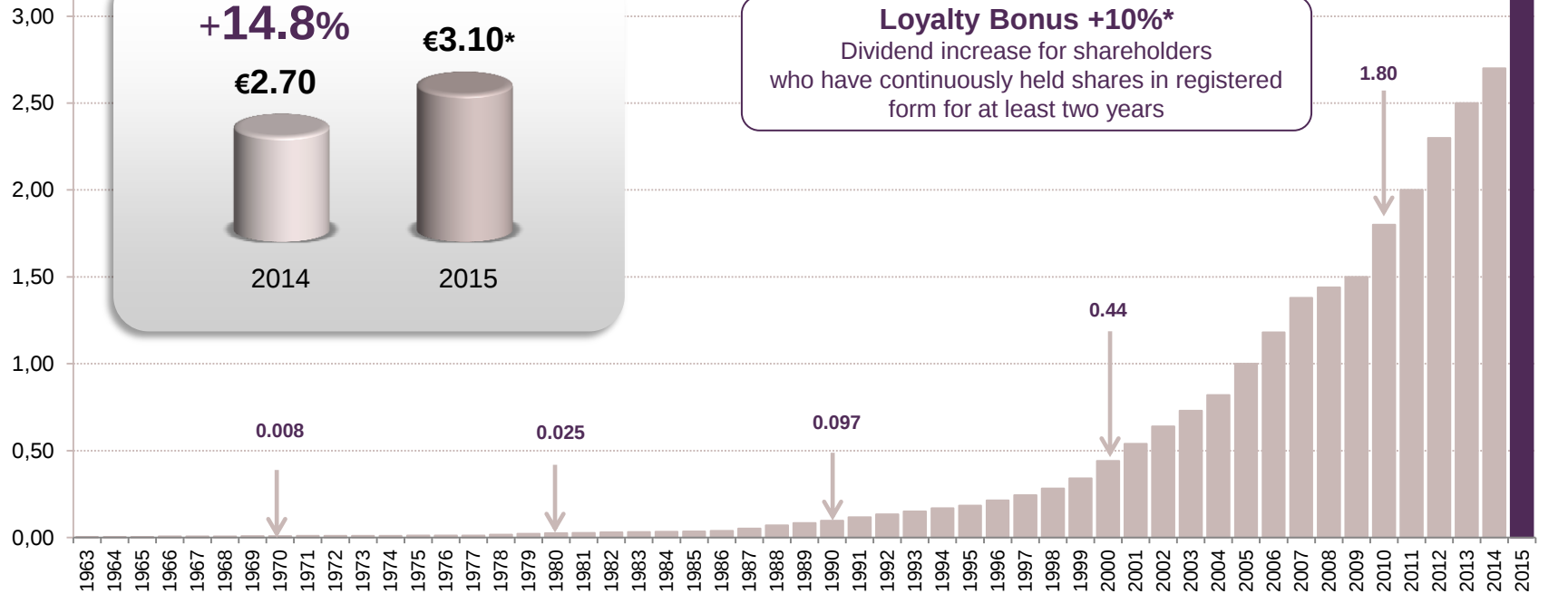


*Net operating profit, excl. non-recurring items attributable to owners of the company, with Synthélabo consolidated fully up to 1998; net profit excl. non-recurring items attributable to owners of the company, with Sanofi-Synthélabo equity consolidated from 1999 to 2004; net profit excl. non-recurring items attributable to owners of the company including Sanofi dividend from 2004; IFRS since 2005



Dividend per share since 1963 (in euros)

2015 dividend per share



*Approved at the shareholders' meeting held on April 20th, 2016



**Volatile
Uncertain
Complex
Ambiguous**

L'ORÉAL
The “anti-VUCA”

Solid &
sustainable
growth

Further
market share
gains

Profitability
increase

Strong
cash flow

Growing
dividend



Sophie Gasperment

Group General Manager, Financial Communication
Strategic Prospective
Tel.: + 33 1 47 56 86 22
email: sophie.gasperment@loreal.com

Françoise Lauvin

Head of Investor Relations
Tel.: + 33 1 47 56 86 82
email: francoise.lauvin@loreal.com

-----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."