

## D - Annexes

### Annexe 1: L'Oréal group sales 2008/2009 (€millions)

	2008	2009
<u>First quarter:</u>		
Cosmetics	4 118	4 112
The Body Shop	168	162
Dermatology	73	96
<b>First quarter total</b>	<b>4 359</b>	<b>4 370</b>
<u>Second quarter:</u>		
Cosmetics	4 016	4 104
The Body Shop	166	161
Dermatology	105	134
<b>Second quarter total</b>	<b>4 287</b>	<b>4 399</b>
<u>First half:</u>		
Cosmetics	8 134	8 216
The Body Shop	334	323
Dermatology	178	230
<b>First half total</b>	<b>8 646</b>	<b>8 769</b>
<u>Third quarter:</u>		
Cosmetics	3 978	3 965
The Body Shop	176	162
Dermatology	112	108
<b>Third quarter total</b>	<b>4 266</b>	<b>4 235</b>
<u>Nine months:</u>		
Cosmetics	12 112	12 181
The Body Shop	510	485
Dermatology	290	338
<b>Nine months total</b>	<b>12 912</b>	<b>13 004</b>
<u>Fourth quarter:</u>		
Cosmetics	4 247	4 076
The Body Shop	246	241
Dermatology	137	151
<b>Fourth quarter total</b>	<b>4 630</b>	<b>4 469</b>
<u>Full year</u>		
Cosmetics	16 359	16 257
The Body Shop	756	726
Dermatology	427	489
<b>Full year total</b>	<b>17 542</b>	<b>17 473</b>

## Annexe 2: Compared consolidated profit and loss accounts

€ millions	2009	2008 <sup>(1)</sup>	2007 <sup>(1)</sup>
<b>Net sales</b>	<b>17,472.6</b>	<b>17,541.8</b>	<b>17,062.6</b>
Cost of sales	-5,161.6	-5,187.2	-4,923.3
<b>Gross profit</b>	<b>12,311.0</b>	<b>12,354.6</b>	<b>12,139.3</b>
Research and development	-609.2	-587.5	-571.3
Advertising and promotion	-5,388.7	-5,269.1	-5,124.8
Selling, general and administrative expenses	-3,735.5	-3,773.4	-3,616.0
<b>Operating profit</b>	<b>2,577.6</b>	<b>2,724.6</b>	<b>2,827.2</b>
Capital gain on Sanofi-Aventis sale			642.8
Other income and expenses	-277.6	-156.3	-21.2
<b>Operational profit</b>	<b>2,299.9</b>	<b>2,568.3</b>	<b>3,448.8</b>
Finance costs on gross debt	-92.0	-208.8	-207.5
Finance income on cash and cash equivalents	16.0	34.6	33.0
<b>Finance costs</b>	<b>-76.0</b>	<b>-174.2</b>	<b>-174.5</b>
Other financial income (expense)	-13.0	-7.2	-7.6
Sanofi-Aventis dividends	260.1	244.7	250.3
Share in net income of equity affiliates	-	-	0.1
<b>Profit before tax and minority interests</b>	<b>2,471.0</b>	<b>2,631.6</b>	<b>3,517.2</b>
Income tax	-676.1	-680.7	-859.7
<b>Net profit</b>	<b>1,794.9</b>	<b>1,950.9</b>	<b>2,657.5</b>
attributable to:			
- group share	1,792.2	1,948.3	2,656.0
- minority interests	2.7	2.6	1.5
Net profit attributable to the group per share (euros)	3.07	3.31	4.42
Diluted net profit attributable to the group per share (euros)	3.07	3.30	4.38
Net profit excluding non-recurrent items attributable to the group per share (euros)	3.42	3.50	3.39
<b>Diluted net profit excluding non-recurrent items attributable to the group per share (euros)</b>	<b>3.42</b>	<b>3.49</b>	<b>3.36</b>

*(1) Foreign exchange gains and losses have been reclassified to the various lines making up operating profit. Net sales and operating profit remain unchanged.*

### Annexe 3: Consolidated statement of net profit and gains and losses directly recognised in equity

€ millions	2009	2008	2007
<b>Consolidated net profit of the period</b>	<b>1,794.9</b>	<b>1,950.9</b>	<b>2,657.5</b>
<i>Financial assets available for sale</i>	1,142.5	-2,083.9	-1,716.5
<i>Cash flows hedging</i>	-154.3	88.3	38.7
<i>Actuarial gains and losses</i>	-142.9	-160.4	165.2
<i>Tax effect on items directly recognised in equity <sup>(1)</sup></i>	61.4	78.6	-35.1
<i>Cumulative translation adjustments</i>	6.5	-124.5	-364.6
<b>Changes in gains and losses directly recognised in equity</b>	<b>913.2</b>	<b>-2,201.9</b>	<b>-1,912.3</b>
<b>Total of net profit and gains and losses directly recognised in equity</b>	<b>2,708.1</b>	<b>-251.0</b>	<b>745.2</b>
Attributable to:			
<b>- group share</b>	<b>2,705.4</b>	<b>-253.6</b>	<b>743.7</b>
- minority interests	2.7	2.6	1.5
<sup>(1)</sup> The tax effects is as follows:			
€ millions	2009	2008	2007
<i>Financial assets available for sale</i>	-19.8	37.7	30.6
<i>Cash flows hedging</i>	39.6	-17.4	-10.8
<i>Actuarial gains and losses</i>	41.6	58.3	-54.9
<b>Total</b>	<b>61.4</b>	<b>78.6</b>	<b>-35.1</b>

## Annexe 4: Compared consolidated balance sheets

### Assets

€ millions	12.31.2009	12.31.2008 <sup>(1)</sup>	12.31.2007 <sup>(1)</sup>	01.01.2007 <sup>(1)</sup>
<b>Non-current assets</b>	<b>17,350.4</b>	<b>16,380.3</b>	<b>17,029.6</b>	<b>19,250.8</b>
Goodwill	5,466.0	5,532.5	4,344.4	4,053.9
Other intangible assets	2,042.4	2,038.2	1,959.2	1,792.8
Tangible assets	2,599.0	2,753.3	2,651.1	2,628.4
Non-current financial assets	6,672.2	5,557.4	7,608.9	10,168.5
Investments in equity affiliates				82.0
Deferred tax assets	570.8	498.9	466.0	525.2
<b>Current assets</b>	<b>5,941.1</b>	<b>6,526.5</b>	<b>6,102.1</b>	<b>5,505.9</b>
Inventories	1,476.7	1,635.5	1,547.6	1,404.4
Trade accounts receivable	2,443.3	2,694.6	2,617.5	2,558.5
Other current assets	732.8	985.8	807.9	730.1
Current tax assets	115.2	133.6	42.5	31.7
Cash and cash equivalent	1,173.1	1,077.1	1,086.7	781.2
<b>Total</b>	<b>23,291.5</b>	<b>22,906.9</b>	<b>23,131.7</b>	<b>24,756.6</b>

(1) The balance sheets as of 01/01/2007, 12/31/2007 and 12/31/2008 have been restated according to changes in accounting policies relating to costs of samples and other POS costs, customer loyalty programmes and recognition of actuarial gains and losses linked to employee benefits.

### Liabilities & Equity

€ millions	12.31.2009	12.31.2008 <sup>(1)</sup>	12.31.2007 <sup>(1)</sup>	01.01.2007 <sup>(1)</sup>
<b>Shareholders' equity</b>	<b>13,598.3</b>	<b>11,562.5</b>	<b>13,462.7</b>	<b>14,348.6</b>
Capital stock	119.8	120.5	123.6	127.9
Additional paid-in capital	996.5	965.5	963.2	958.5
Other reserves	10,141.3	9,232.1	8,598.9	8,877.5
Items directly recognised in equity	2,169.9	1,263.2	3,340.7	4,888.3
Cumulative translation adjustments	-552.9	-559.4	-434.9	-70.3
Treasury stock	-1,071.6	-1,410.6	-1,787.2	-2,496.3
Net profit attributable to the group	1,792.2	1,948.3	2,656.0	2,061.0
<b>Shareholders' equity excluding minority interests</b>	<b>13,595.2</b>	<b>11,559.6</b>	<b>13,460.3</b>	<b>14,346.6</b>
Minority interests	3.1	2.8	2.4	2.0
<b>Non-current liabilities</b>	<b>4,306.6</b>	<b>3,978.0</b>	<b>4,059.7</b>	<b>3,636.4</b>
Provisions for employee retirement obligations and related benefits	1,021.4	961.6	856.7	1,110.3
Provisions for liabilities and charges	125.6	111.4	148.5	154.1
Deferred tax liabilities	418.0	398.4	471.5	479.6
Non-current borrowings and debts	2,741.6	2,506.6	2,583.0	1,892.4
<b>Current liabilities</b>	<b>5,386.5</b>	<b>7,366.4</b>	<b>5,609.3</b>	<b>6,771.6</b>
Trade accounts payable	2,603.1	2,656.6	2,528.7	2,485.0
Provisions for liabilities and charges	510.0	431.1	285.7	272.0
Other current liabilities	1,750.5	1,848.4	1,741.7	1,623.6
Income tax	133.2	159.7	176.5	173.0
Current borrowings and debts	389.7	2,270.6	876.8	2,218.0
<b>Total</b>	<b>23,291.5</b>	<b>22,906.9</b>	<b>23,131.7</b>	<b>24,756.6</b>

(1) The balance sheets as of 01/01/2007, 12/31/2007 and 12/31/2008 have been restated according to changes in accounting policies relating to costs of samples and other POS costs, customer loyalty programmes and recognition of actuarial gains and losses linked to employee benefits.

## Annexe 5: Consolidated statement of changes in shareholders' equity

€ millions	Common share 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>
Changes in accounting methods at 01.01.2007				-96.9	-178.6			-275.5	-0.1	-275.6
<b>At 01.01.2007 <sup>(1)</sup></b>	<b>605,722,110</b>	<b>127.9</b>	<b>958.5</b>	<b>10,938.5</b>	<b>4,888.3</b>	<b>-2,496.3</b>	<b>-70.3</b>	<b>14,346.6</b>	<b>2.0</b>	<b>14,348.6</b>
Consolidated net profit of the period				2,656.0				2,656.0	1.5	2,657.5
<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
<i>Actuarial gains and losses</i>					110.3			110.3		110.3
<i>Cumulative translation adjustments</i>							-364.6	-364.6		-364.6
Change in gains and losses directly recognised in equity					-1,547.7		-364.6	-1,912.3		-1,912.3
Total of net profit and gains and losses directly recognised in equity				2,656.0	-1,547.7		-364.6	743.7	1.5	745.2
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
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 <sup>(1)</sup></b>	<b>595,310,673</b>	<b>123.6</b>	<b>963.2</b>	<b>11,254.9</b>	<b>3,340.6</b>	<b>-1,787.2</b>	<b>-434.9</b>	<b>13,460.2</b>	<b>2.4</b>	<b>13,462.7</b>
Consolidated net profit of the period				1,948.3				1,948.3	2.6	1,950.9
<i>Financial assets available for sale</i>					-2,046.2			-2,046.2		-2,046.2
<i>Cash flows hedging</i>					70.9			70.9		70.9
<i>Actuarial gains and losses</i>					-102.1			-102.1		-102.1
<i>Cumulative translation adjustments</i>							-124.5	-124.5		-124.5
Change in gains and losses directly recognised in equity					-2,077.4		-124.5	-2,201.9		-2,201.9
Total of net profit and gains and losses directly recognised in equity				1,948.3	-2,077.4		-124.5	-253.6	2.6	-251.0
Capital increase	37,600		2.3					2.3		2.3
Cancellation of treasury stock		-3.1		-1,285.8		1,288.9				
Dividends paid (not paid on treasury stock)				-817.1				-817.1	-1.1	-818.2
Share-based payment				85.9				85.9		85.9
Net changes in treasury stock	-12,207,805			-0.2		-912.3		-912.5		-912.5
Other movements				-5.6				-5.6	-1.1	-6.7
<b>At 12.31.2008 <sup>(1)</sup></b>	<b>583,140,468</b>	<b>120.5</b>	<b>965.5</b>	<b>11,180.4</b>	<b>1,263.2</b>	<b>-1,410.6</b>	<b>-559.4</b>	<b>11,559.6</b>	<b>2.8</b>	<b>11,562.5</b>
Consolidated net profit of the period				1,792.2				1,792.2	2.7	1,794.9
<i>Financial assets available for sale</i>					1,122.7			1,122.7		1,122.7
<i>Cash flows hedging</i>					-114.7			-114.7		-114.7
<i>Actuarial gains and losses</i>					-101.3			-101.3		-101.3
<i>Cumulative translation adjustments</i>							6.5	6.5		6.5
Change in gains and losses directly recognised in equity					906.7		6.5	913.2		913.2
Total of net profit and gains and losses directly recognised in equity				1,792.2	906.7		6.5	2,705.4	2.7	2,708.1
Capital increase	527,200	0.1	31.0					31.1		31.1
Cancellation of treasury stock		-0.8		-271.5		272.3		-		
Dividends paid (not paid on treasury stock)				-839.7				-839.7	-2.4	-842.1
Share-based payment				76.7				76.7		76.7
Net changes in treasury stock	1,067,992			-1.7		66.7		65.0		65.0
Other movements				-2.9				-2.9		-2.9
<b>At 12.31.2009</b>	<b>584,735,660</b>	<b>119.8</b>	<b>996.5</b>	<b>11,933.5</b>	<b>2,169.9</b>	<b>-1,071.6</b>	<b>-552.9</b>	<b>13,595.2</b>	<b>3.1</b>	<b>13,598.3</b>

(1) taking into account changes in accounting policies

## Annexe 6: Compared consolidated statements of cash flows

<i>€ millions</i>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Cash flows from operating activities</b>			
Net profit attributable to the Group	1,792.2	1,948.3	2,656.0
Minority interests	2.7	2.6	1.5
Elimination of expenses and income with no impact on cash flows:			
depreciation, amortisation and provisions	834.0	706.1	598.5
changes in deferred taxes	51.7	6.6	38.3
share-based payment	76.7	85.9	69.1
capital gains and losses on sale of assets	0.9	-3.6	-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
<b>Gross cash flow</b>	<b>2,758.2</b>	<b>2,745.9</b>	<b>2,720.4</b>
Changes in working capital	466.3	-148.8	-76.3
<b>Net cash provided by operating activities (A)</b>	<b>3,224.5</b>	<b>2,597.1</b>	<b>2,644.0</b>
<b>Cash flows from investing activities</b>			
Investments in tangible and intangible assets	-628.0	-745.9	-776.0
Disposal of tangible and intangible assets	27.5	9.2	30.1
Disposal of Sanofi-Aventis, net of tax	-	-	1,465.3
Changes in other financial assets (including investments in non-consolidated companies)	36.7	-9.4	-10.2
Effect of changes in the scope of consolidation	-160.2	-1,299.1	-604.4
<b>Net cash (used in) from investing activities (B)</b>	<b>-723.9</b>	<b>-2,045.2</b>	<b>104.8</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-851.5	-849.2	-725.7
Capital increase of the parent company	31.1	2.3	4.7
Disposal (acquisition) of treasury stock	65.0	-912.6	-1,001.6
Issuance (repayment) of short-term loans	-1,886.0	1,262.5	-1,439.1
Issuance of long-term borrowings	350.3	1.1	753.2
Repayment of long-term borrowings	-98.4	-62.8	-10.1
<b>Net cash (used in) from financing activities (C)</b>	<b>-2,389.4</b>	<b>-558.7</b>	<b>-2,418.7</b>
Net effect of exchange rate changes and fair value changes (D)	-15.3	-2.8	-24.6
<b>Change in cash and cash equivalent (A+B+C+D)</b>	<b>96.0</b>	<b>-9.6</b>	<b>305.5</b>
<b>Cash and cash equivalents at beginning of the year (E)</b>	<b>1,077.1</b>	<b>1,086.7</b>	<b>781.2</b>
<b>Cash and cash equivalent at end of the year (A+B+C+D+E)</b>	<b>1,173.1</b>	<b>1,077.1</b>	<b>1,086.7</b>