

Annual General Meeting

April 20th, 2017

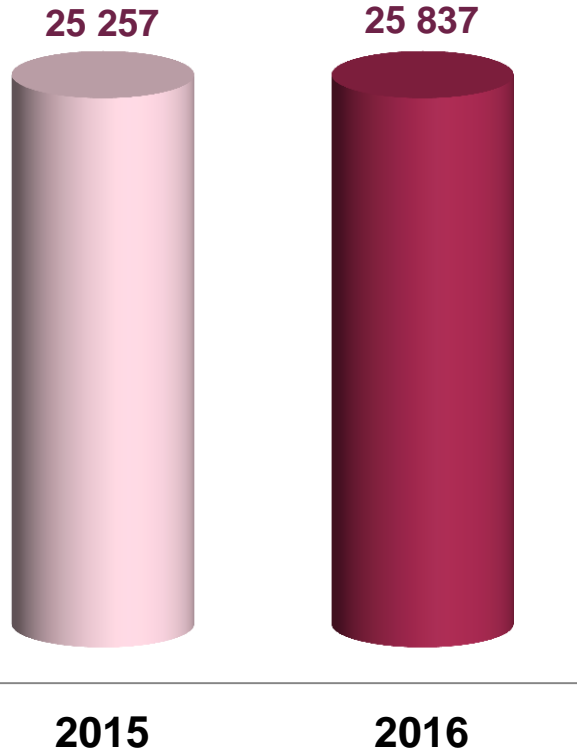
Mr. Christian Mulliez

Chief Financial Officer

L'ORÉAL



2016 consolidated group sales (in million euros)



Growth at constant exchange rates +5.1%

Of which:

- *like-for-like growth* +4.7%

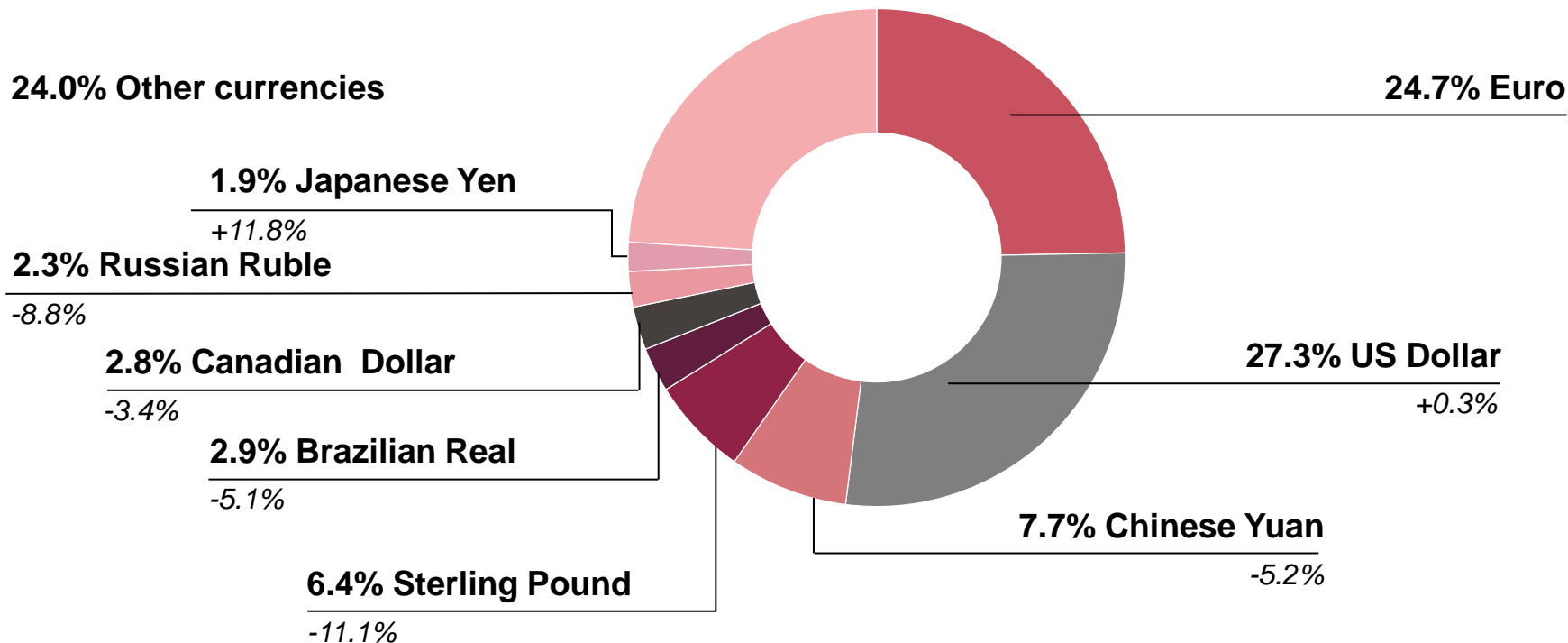
- *external growth impact* +0.4%

Exchange rate impact -2.8%

Reported growth +2.3%



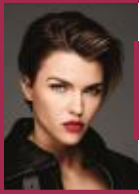
Breakdown of 2016 consolidated sales by currency and changes in currencies against the euro





2016 consolidated sales by division

	2015 (€ million)	2016 (€ million)	% change		
			Like-for-like	At constant exchange rates	Reported
Professional Products	3 400	3 400	+1.8%	+2.0%	+0.0%
Consumer Products	11 844	11 993	+4.4%	+4.6%	+1.3%
L'Oréal Luxe	7 230	7 662	+6.9%	+7.8%	+6.0%
Active Cosmetics	1 816	1 861	+5.7%	+5.4%	+2.4%
Divisions Total	24 290	24 916	+4.9%	+5.2%	+2.6%
The Body Shop	967	921	+0.6%	+0.9%	-4.8%
Consolidated Total	25 257	25 837	+4.7%	+5.1%	+2.3%



2016 total divisions sales by region*

	2015 (€ million)	2016 (€ million)	% change		
			Like-for-like	At constant exchange rates	Reported
Western Europe	7 968	8 008	+2.4%	+2.5%	+0.5%
North America	6 654	7 099	+5.8%	+6.7%	+6.7%
New Markets	9 667	9 809	+6.3%	+6.5%	+1.5%
Divisions Total	24 290	24 916	+4.9%	+5.2%	+2.6%

*As of July 1st, 2016, the Asian Travel Retail business of the Consumer Products Division, previously recorded under the Western Europe Zone, was transferred to the Asia, Pacific Zone. All figures for earlier periods have been restated to allow for this change.



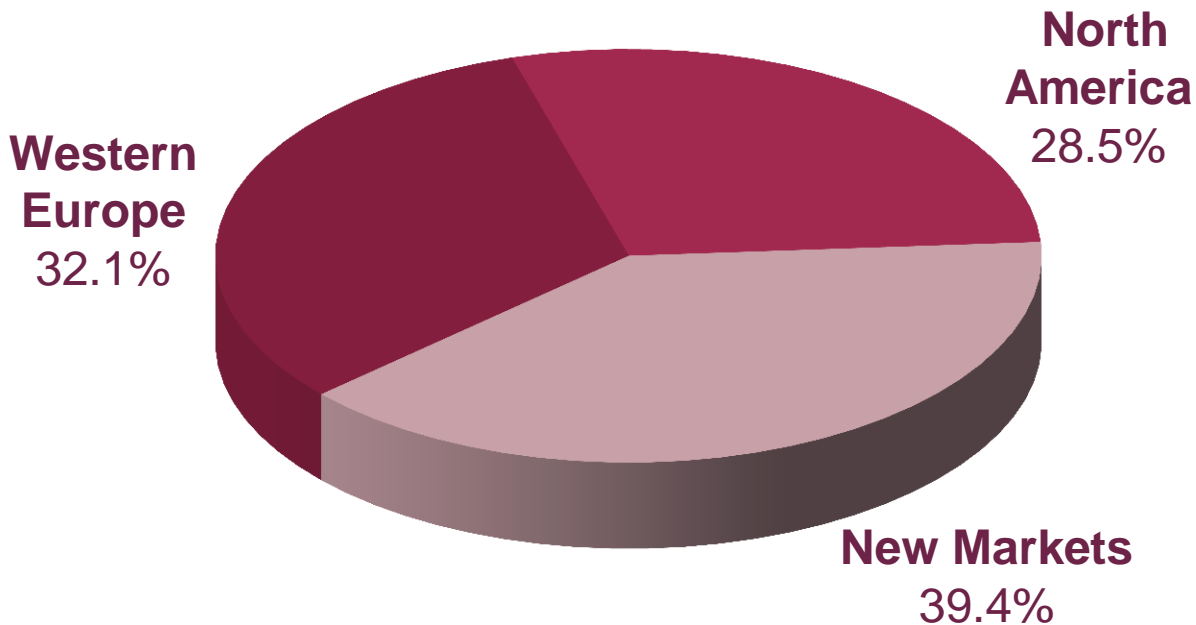
2016 total divisions sales New Markets*

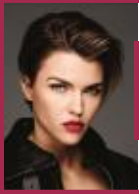
	2016 (€ million)	% change		
		Like-for-like	At constant exchange rates	Reported
Asia, Pacific	5 635	+3.6%	+3.6%	+1.8%
Latin America	1 838	+11.1%	+11.9%	-1.8%
Eastern Europe	1 572	+10.4%	+10.4%	+2.7%
Africa, Middle-East	764	+7.9%	+7.9%	+5.0%
Total New Markets	9 809	+6.3%	+6.5%	+1.5%

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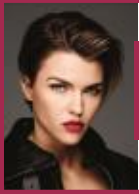
Weight of different regions in cosmetics sales



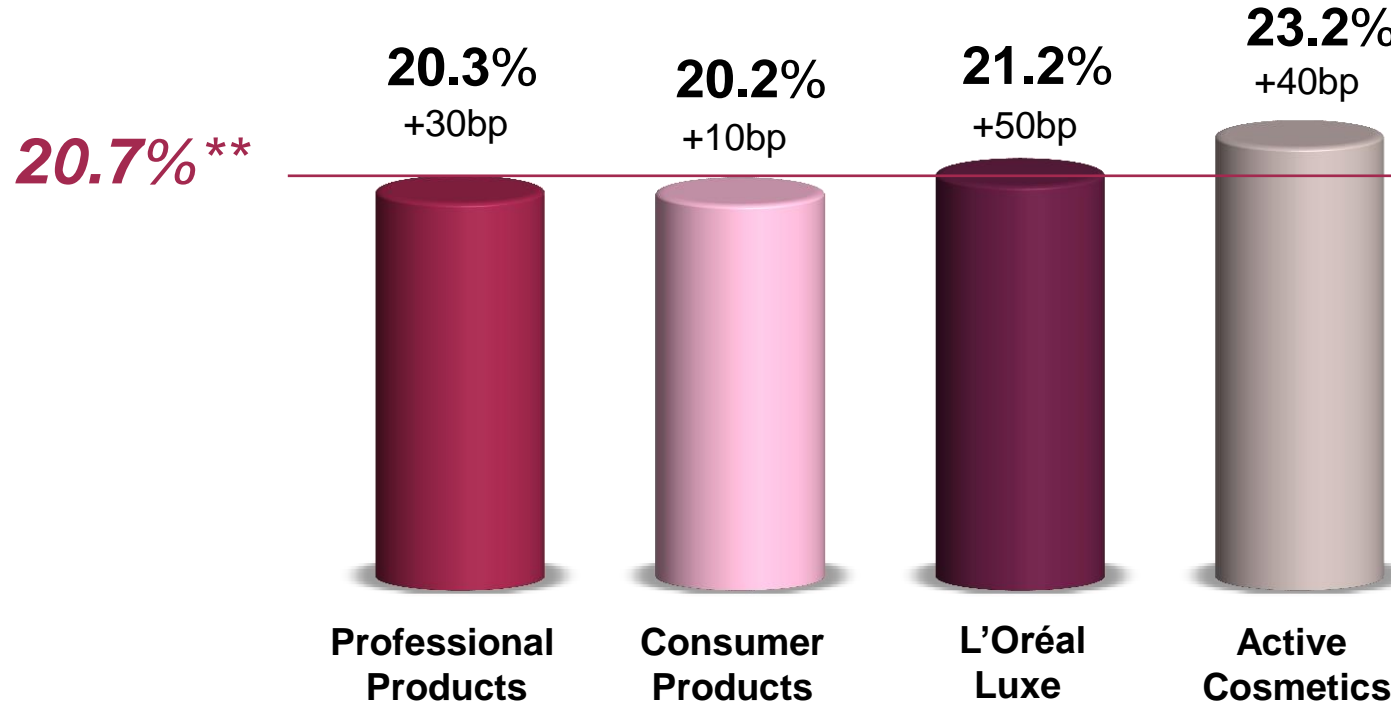


Consolidated profit and loss accounts: from sales to operating profit

<i>(in million euros)</i>	2015	As a % of sales	2016	As a % of sales	Change
Sales	25 257.4	100.0%	25 837.1	100.0%	+2.3%
Cost of sales	-7 277.4	28.8%	-7 341.7	28.4%	
Gross profit	17 980.0	71.2%	18 495.4	71.6%	+40bp
Research and development	-794.1	3.1%	-849.8	3.3%	
Advertising and promotion	-7 359.6	29.1%	-7 498.7	29.0%	
Selling, general and administrative expenses	-5 438.6	21.5%	-5 607.0	21.7%	
Operating profit	4 387.7	17.4%	4 539.9	17.6%	+20bp



2016 operating margin by division* (as a % of sales)

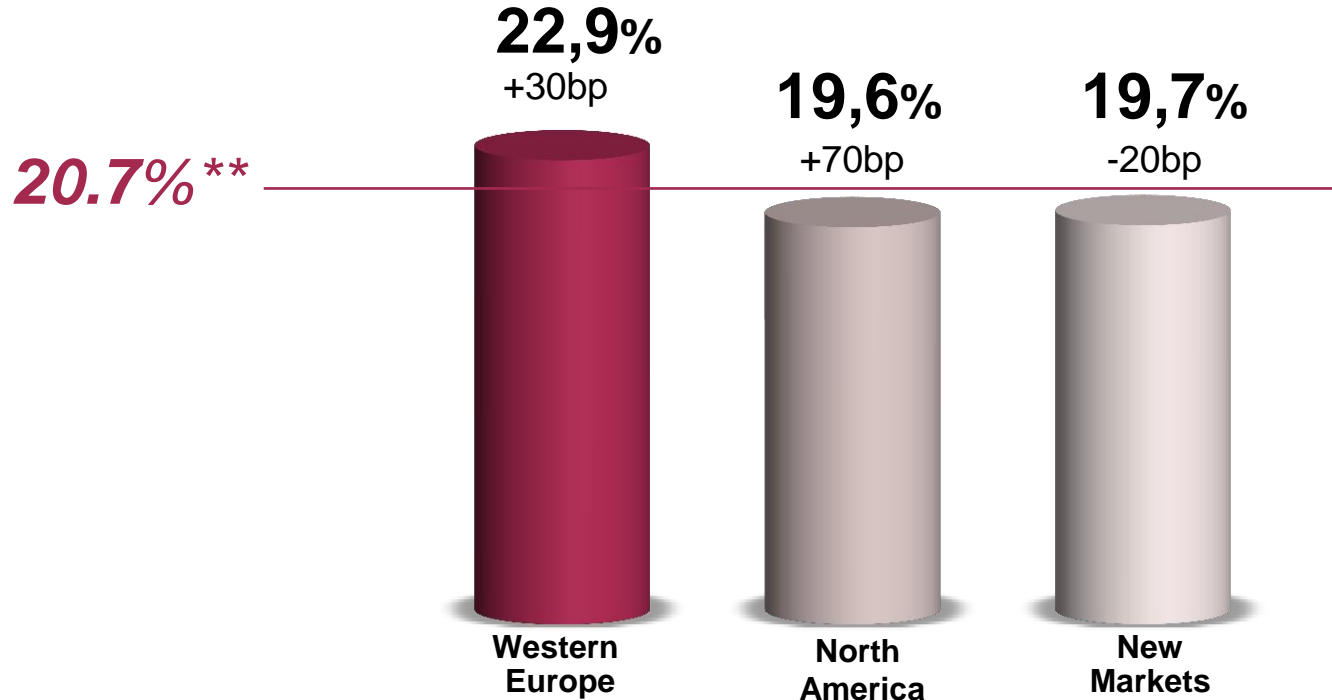


* Before central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items – as a % of total divisions sales.

** Total divisions.



2016 operating profit by region* (as a % of sales)



*As of July 1st, 2016, the Asian Travel Retail business of the Consumer Products Division, previously recorded under the Western Europe Zone, was transferred to the Asia, Pacific Zone. All figures for earlier periods have been restated to allow for this change.

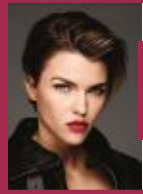
**Before central group expenses, fundamental research expenses, stock-option & free grant of shares expenses and miscellaneous items – as a % of total divisions sales.



Consolidated profit and loss accounts: from operating profit to net profit excluding non-recurring items

<i>(in million euros)</i>	2015	2016	% change 2016 / 2015
Operating profit	4 387.7	4 539.9	+3.5%
Financial revenues-expenses before dividends received	-13.8	-19.3	
Sanofi dividends	336.9	346.5	
Profit before tax and associates, before non-recurring items	4 710.8	4 867.1	+3.3%
Income tax excluding non-recurring items	-1 219.7	-1 216.8	
Share of profit of associates, excluding non-recurring items	—	-0.1	
Non-controlling interests	-1.3	-3.0	
Net profit excluding non-recurring items, after non-controlling interests	3 489.8	3 647.2	
Earnings per share* (in euros)	6.18	6.46	+4.6%
Diluted average number of shares	564 891 388	564 509 135	

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



Consolidated profit and loss accounts: from net profit excluding non-recurring items to net profit

<i>(in million euros)</i>	2015	2016	% change 2016 / 2015
Operating profit	3 489.8	3 647.2	+4.5%
Non-recurring items	-192.4	-541.4	
- <i>Of which:</i>			
- <i>other income and expenses</i>	-189.3	-543.7	
- <i>taxes on non-recurring items</i>	-3.2	+2.2	
Net profit*	3 297.4	3 105.8	

* After non-controlling interests



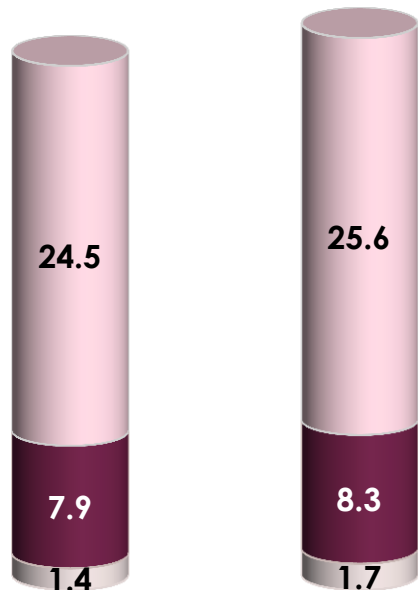
Balance sheet (in billion euros)

Assets

31st Dec. 2015 31st Dec. 2016

- Non-current assets
- Current assets
- Cash & cash equivalents

Total Assets

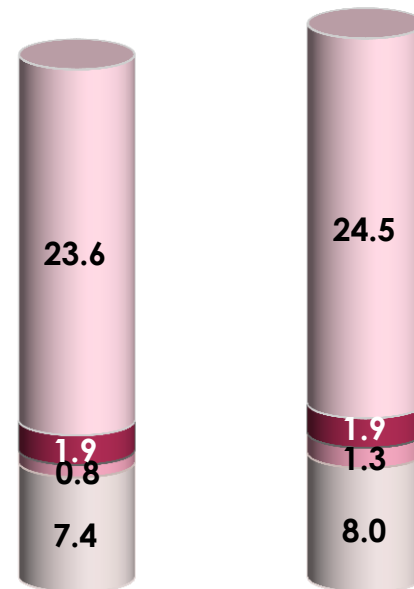


Liabilities

31st Dec. 2015 31st Dec. 2016

- Shareholders' equity
- Non-current liabilities
- Financial debt (current & non-current)
- Current liabilities

Total Liabilities





Net cash - net debt and gearing

<i>in million euros</i>	31st Dec. 2015	<i>in million euros</i>	31st Dec. 2016
Net cash	618	Net cash	481
Gearing*	N.A.	Gearing*	N.A.

*Net debt / equity attributable to owners of the company



Short term ratings by rating agencies

Ratings in 2016 :

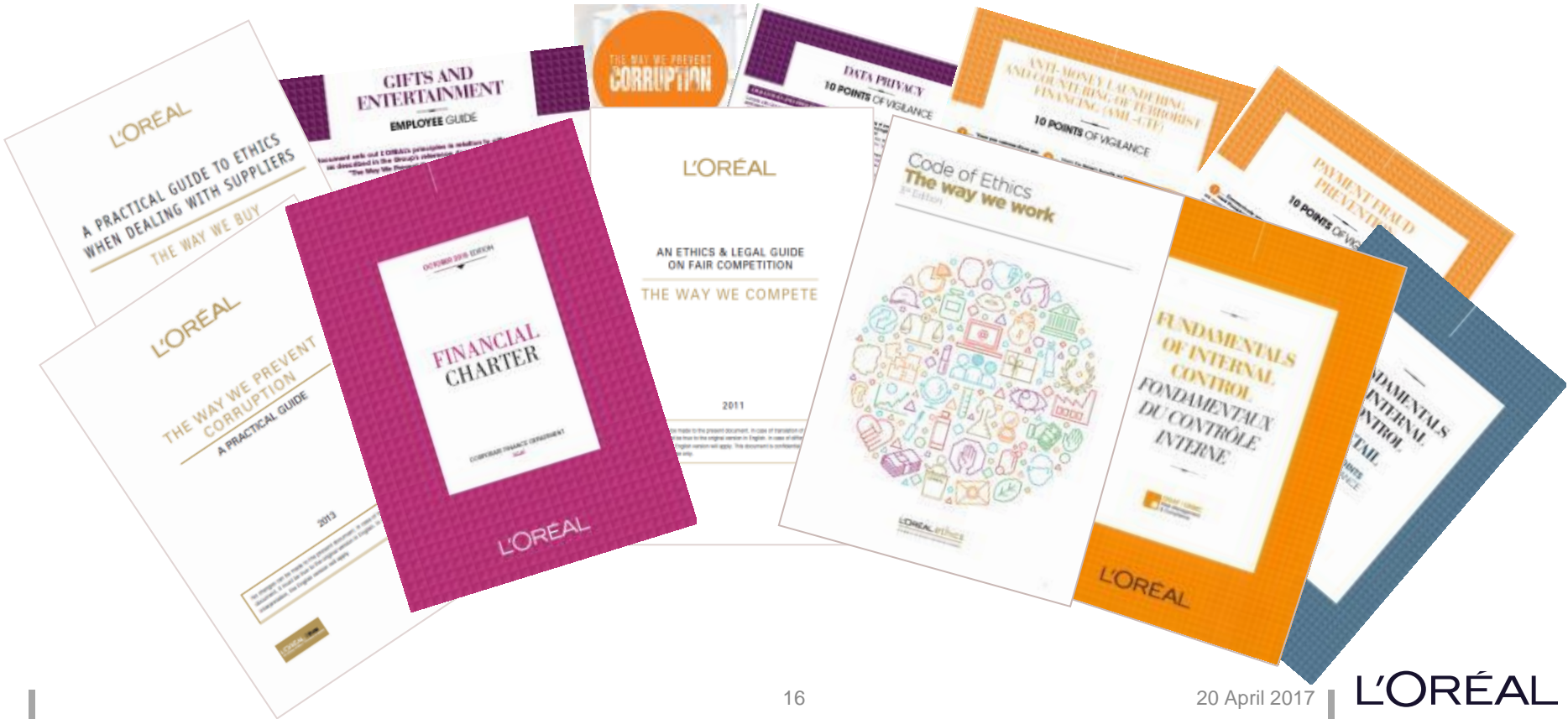
Standard & Poor's A1 + (September 2016)

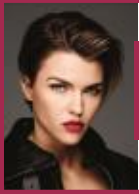
Moody's Prime 1 (P-1) (May 2016)

Fitch Ratings F1 + (September 2016)



Internal control: A range of tools and procedures





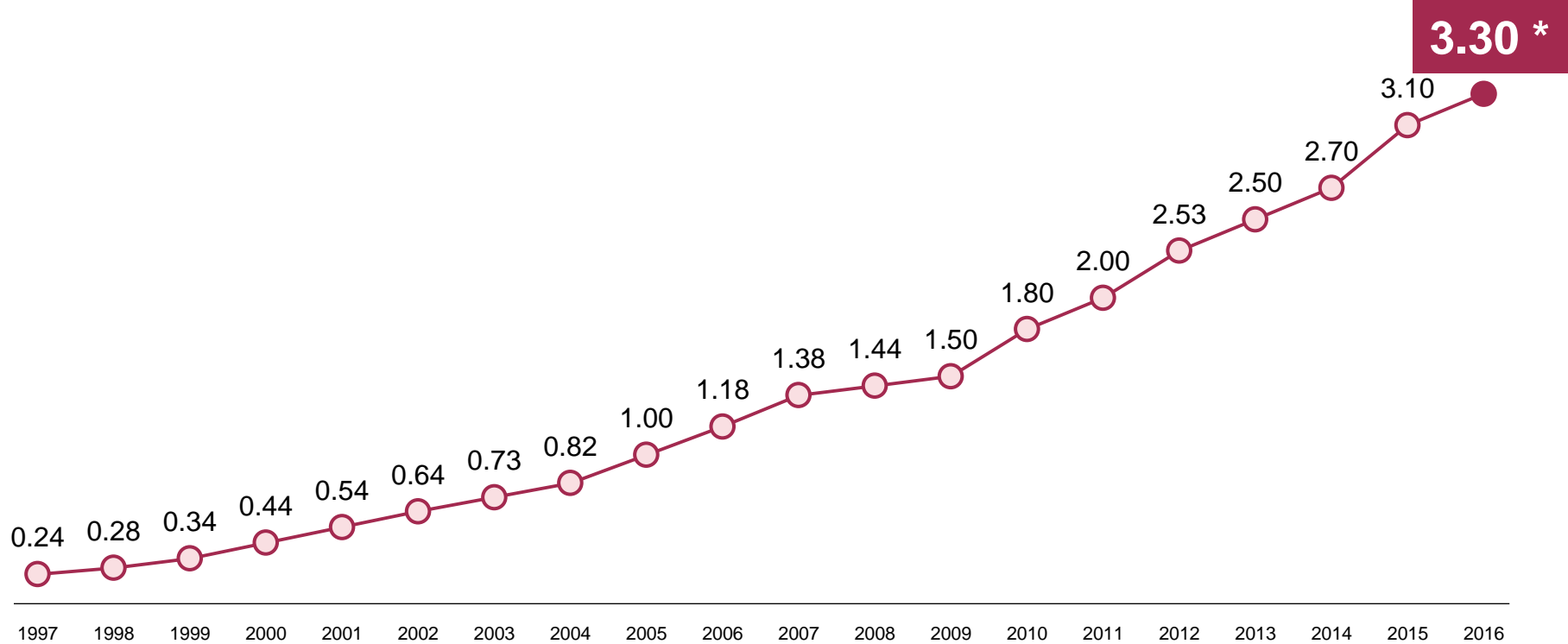
€3.30 per share*

+6.5% growth over the previous year

**Loyalty bonus dividend of +10%, i.e. €3.63
per share for shares held continuously under the
registered form since end-2013***

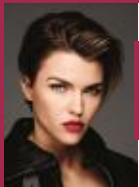


Dividend from 1997 to 2016 (in euros)



* Proposed at the shareholders' meeting to be held on April 20th, 2017

2016 dividend paid in 2017: pay-out of the 10% loyalty bonus (preferential dividend of 10%), for shares held in registered form since 2014



1st quarter 2017 consolidated sales by division

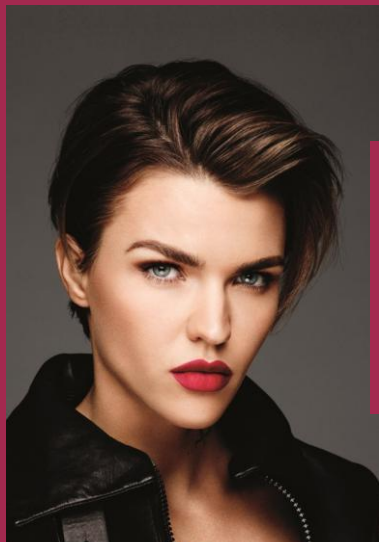
	Q1-2017 (in million €)	% change	
		Like-for-like	Reported
Professional Products	858.2	-1.8%	+0.5%
Consumer Products	3 229.2	+1.4%	+4.0%
L'Oréal Luxe	2 157.1	+12.2%	+17.8%
Active Cosmetics	603.2	+2.8%	+7.6%
Divisions Total	6 847.8	+4.2%	+7.8%
The Body Shop	197.2	+2.3%	-1.4%
Consolidated Total	7 045.0	+4.2%	+7.5%



1st quarter 2017 total divisions sales by region*

	Q1-2017 (in million €)	% change	
		Like-for-like	Reported
Western Europe	2 136.6	+2.8%	+1.6%
North America	1 917.0	+3.8%	+11.7%
New Markets	2 794.2	+5.6%	+10.3%
of which:			
- <i>Asia, Pacific</i>	1 671.4	+7.1%	+8.9%
- <i>Latin America</i>	474.7	+4.6%	+16.1%
- <i>Eastern Europe</i>	481.5	+12.7%	+23.2%
- <i>Africa, Middle-East</i>	166.5	-18.8%	-16.3%
Divisions Total	6 847.8	+4.2%	+7.8%

*As of July 1st, 2016, the Asian Travel Retail business of the Consumer Products Division, previously recorded under the Western Europe Zone, was transferred to the Asia, Pacific Zone. All figures for earlier periods have been restated to allow for this change



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