

Notice of
Annual General Meeting and Extraordinary General Meeting in
Oriflame Cosmetics S.A.
Société anonyme
Registered Office: 20, rue Philippe II, L-2340 Luxembourg
RCS Luxembourg B 8835

Time and place

The Annual General Meeting ("AGM") of Oriflame Cosmetics S.A. (the "Company") in relation to items 1 to 13 of the agenda below will be held at the offices of Wildgen, 69 Boulevard de la Pétrusse, L-2320 Luxembourg on 19 May 2008 at 11 a.m. The Extraordinary General Meeting ("EGM") of the Company in relation to items 14 to 18 of the agenda will be held at the same place immediately after the closing of the AGM.

Agenda

1. Approval of the Nomination Committee's proposal that Pontus Andreasson be chairman of the AGM and EGM;
2. Reading of the report of the Board of Directors relating to conflicting interests of directors;
3. Approval of the reports of the Board of Directors and of the independent auditor ("*réviseur d'entreprises*") relating to the accounts of the Company as at 31 December 2007;
4. Approval of the balance sheet and of the profit and loss statement of the Company as at 31 December 2007 and of the Consolidated Accounts as at 31 December 2007;
5. Allocation of results for the financial year ending 31 December 2007 whereby the Board has proposed that the profit for the financial year 2007 will be carried forward;
6. Approval of the Board of Director's resolution that a dividend distribution of EUR 1.25 per share (or the Swedish Krona equivalent per Swedish Depository Receipt) shall be paid in cash out of firstly the Special Reserve and secondly out of the profits from the years up to and including 2006 and that 22 May 2008 shall be the record date in respect of such dividend. The payment of cash dividend is expected to occur through VPC AB on 27 May 2008;
7. Presentation of the work of the Board and the Board committees;
8. Discharge to the directors and the independent auditor ("*réviseur d'entreprises*") in respect of carrying out their duties during the financial year ending 31 December 2007;
9. Statutory elections including election of the Chairman of the Board.
- 9.1 The Nomination Committee (Carlos von Hardenberg (Templeton), Per Hesselmark (Stichting af Jochnick Foundation), Robert af Jochnick, Åsa Nisell (Swedbank Robur), Carl Rosén (2nd AP-Fund), together representing more than 25 per cent of the number of votes and shares in the Company) has proposed that all current directors be re-elected, being: Robert af Jochnick, Lennart Björk, Magnus Brännström, Marie Ehrling, Lilian Fossum, Alexander af Jochnick, Jonas af Jochnick, Helle Kruse Nielsen and Christian Salamon;
- 9.2 The Nomination Committee further proposes that Robert af Jochnick be re-elected Chairman of the Board;
- 9.3 Approval of the Nomination Committee's proposal to appoint KPMG Audit S.à r.l., with registered offices at L-2520 Luxembourg, 31 allée Scheffer, registered with the Luxembourg Trade Register under number B 103590 as independent auditor ("*réviseur d'entreprises*") for a period ending at the next annual general meeting to be held in order to approve the accounts of the Company for the year ending 31 December 2008;
10. Approval of the Board of Director's proposal that the Company shall continue to have a nomination committee ("Committee") and approval of the proposed procedure for appointment of the members of the Committee whereby the Board proposes:

that there shall exist a Committee to prepare and make proposals to the AGM regarding the election of the Chairman of the AGM, Chairman of the Board of Directors, Directors and, if applicable, auditors, as well as the Board of Directors' fees;

that the Chairman of the Board of Directors shall convene the five largest shareholders of the Company, as it is known by the Company at that time, at the end of the third quarter of the year. These shareholders then have the right to appoint one member each to the Committee. If any of the five largest shareholders declines its right to appoint a member of the Committee, or if a member resigns from the Committee and is not replaced by a new member appointed by the same shareholder, the shareholder next in size shall be given the opportunity to appoint a member of the Committee. If several of the shareholders decline their right to appoint members of the Committee, no more than the eight largest shareholders need to be contacted. The Committee should be chaired by one of its members. No more than two of the Committee's members should also be members of the Board of Directors. If any of the shareholders having appointed a member to the Committee sells a not insignificant part of its shares in the Company and ceases to qualify as a large shareholder with rights to appoint a member to the Committee, the respective member should resign from the Committee, and a new member should be appointed by the shareholder next in size. The chairman of the Board of Directors shall, as part of the Committees' work, present any matters regarding the Board of Directors' work that may be of importance for the Committee's work, including an evaluation of the work of the Board of Directors and the requirements and skills set to be represented by the Directors, to the Committee;

that individual shareholders shall have the possibility to give suggestions regarding members of the Board of Directors to the Committee for further assessment within its scope of work;

that information regarding the composition of the Committee shall be made public at least six months before the annual general meeting;

that the Committee shall have the right to charge the Company costs for recruitment consultants, if it is deemed necessary to get an adequate selection of candidates for members of the Board of Directors;

11. Approval of Nomination Committee's proposal regarding directors' and committee fees. The Nomination Committee has proposed that the remuneration to the directors and committee members remain unchanged, whereby directors and committee fees will be allocated as follows: EUR 62,500 to the Chairman of the Board, EUR 25,000 to each respective remaining non-executive director, EUR 10,000 to each member of the Audit Committee and EUR 5,000 to each member of the Remuneration Committee;
12. Approval of the Board of Director's proposal on principles of remuneration to members of the Company's top management. The Board of Directors proposal for principles of remuneration and other terms of employment for members of the Company's top management entails in essence that Oriflame shall offer competitive salaries according to position and market in order to attract and retain the best individuals for the positions and that remuneration shall consist of the items listed in (i) through (iv):
 - (i) Fixed base salary: The members of the Company's management shall be offered fixed salaries that are competitive and which are based on the respective individual's responsibilities and performance;
 - (ii) Variable compensation: Oriflame allocates 6.5 per cent of any increase to operating profit to profit sharing to be shared among the Company's top management, however for each individual no more than an equivalent of 12 months salary. The allocation is according to position and flexed according to performance in the year. The 6.5 per cent includes company cost for social charges. Moreover the Company offers a Share Incentive Plan which covers the top approximately 150 Executives and Managers. Each year the individuals are invited to invest in a number of shares at the current market price. In return for this they will receive between 0 and 4 free shares in three years time, depending on the increase of operating profit.
 - (iii) Pensions: Members of the Company's management are offered pension benefits that are competitive in the country where the individual is resident. Oriflame pays pensions into an independent defined contribution scheme. In addition, Oriflame has defined contribution schemes for some of the employees in compliance with pension requirements in the countries in which the Company operates.
 - (iv) Non-monetary benefits: Members of the Company's top management and certain other Executives are entitled to customary non-monetary benefits such as company cars and company health care. Moreover, certain individuals may be offered company housing and other benefits including school fees.

The proposal deviates from the principles adopted at the 2007 AGM in so far that the allocation of part of any increase to operating profit for profit sharing has been restricted to a more limited circle of the company's management and as a result the percentage of the operating profit to be shared has been decreased from 16 to 6.5 per cent.

13. Ratification of the increase by EUR 10,000 of the total amount of fees distributed by the Board of directors following last years AGM due to an increase of the number of Audit Committee members;
14. After reading of the report of the Board of Directors relating to exclusion of the pre-emption right, approval of proposal for authorization to the Board of Directors to issue shares under a new share incentive plan for key employees and a small number of other key individuals of the Company (the "Participants") for the years 2008-2010, whereby the Board of Directors proposes that the EGM authorizes the Board of Directors to at one or several occasions increase the share capital of the Company within the authorized share capital and exclude the pre-emption right by the issue of up to 2,100,000 shares to the Participants under such plan. Out of such shares, shares corresponding to a fair market value of up to EUR 3,500,000 will annually be offered for purchase by the Participants at fair market terms (the "Investment Shares") over the years 2008-2010, however subject to the additional requirement that the number of Investment Shares to be offered under the plan shall be determined by the Board of Directors so that the potential dilution under the lifetime of the plan shall amount to less than 3 per cent of the share capital of the Company. Up to a further amount of 4 times the shares issued as incentive shares will be available to be awarded to the Participants as free shares (the "Achievement Shares"). The allotment of Achievement Shares to each Participant will be between 0 and 4 Achievement Shares for each Investment Share, depending upon the development of the Operating Profit of the Company in the 3 years following the Purchase of each Investment Share. The levels of Operating Profit development required for each Achievement Share level will be set by the Board of Directors to provide a fair balance between performance and reward. Under IFRS 2 the cost of the plan must be expensed through the Operating Statement over the life of the plan. The maximum cost will amount to EUR 42 million to be expensed over the period 2008-2013. In addition to this amount, social charges costs will arise. However, as the social charges costs will depend on the value of the Achievement Shares at the time of issuance and furthermore on where the Participants are resident at the time of allotment of the Achievement Shares, they cannot be calculated at this stage. In the event that the subscription price for any share issued pursuant to the share incentive plan is less than the accounting par value of each share so issued, the Board of Directors shall be authorised to take the balance in respect thereof from the reserves of the Company. The reason for the deviation from the shareholders' pre-emption rights according to the above proposal is that a long-term ownership interest of the Participants is likely to increase the interest in the business and the results of the Oriflame group and that it will increase the motivation and mutual interests of the Participants and the Company. The proposal is therefore deemed to be beneficial for the Company and its shareholders.
15. Deletion of Article 5 of the Articles of Association and replacing it with the following:

"Article 5

SHARE CAPITAL

The share capital of the Company is fixed at sixty nine million six hundred and seventy seven thousand one hundred and forty two EURO and fifty Cents (EUR 69,677,142.50), represented by fifty five million seven hundred and forty one thousand seven hundred and fourteen (55,741,714) shares of no nominal value.

The authorised capital of the Company is fixed at one hundred and two million four hundred thousand EURO (EUR 102,400,000.00). The board of directors of the Company shall have power to issue shares and increase the share capital of the Company within the limits of its authorised capital for a period ending five years after 19 May 2005 to persons

exercising their rights under the 2005 share incentive plan and to exclude the pre-emption rights of existing shareholders by the issue of up to 2,250,000 shares under such plan and, for a period ending five years after 19 May 2008 to persons exercising their rights under the 2008 share incentive plan and to exclude the pre-emption rights of existing shareholders by the issue of up to 2,100,000 shares under such plan. In the event that the subscription price for any share issued pursuant to either the 2005 share incentive plan or the 2008 share incentive plan is less than the accounting par value of each share so issued the board shall be authorised to take the balance in respect thereof from the reserves of the Company.

Such authorisation may be renewed by decision of a general meeting of the shareholders.

The realisation of the authorised capital will take place by the creation and the issue of new shares of no nominal value and which will benefit from the same rights as shares previously issued."

16. Information relating to the cost calculation of the Oriflame 2005 Share Incentive Plan allocations, as well as information relating to the cost calculation of the proposed allocations of Investment Shares in 2008 under the proposed 2008 Share Incentive Plan.
17. Reduction of the share premium account from its current amount of EUR 3,360,895 to EUR 1,760,895 and subsequent allocation of the amount of EUR 1,600,000 to a reserve account in order to allow the Board of Directors to over the years 2008 – 2010 finance the issuance of the Achievement Shares relating to the 2005 Investment Shares within the limits of the authorized share capital.
18. Miscellaneous

Notice to shareholders

Shareholders who wish to attend the AGM and EGM must:

- i. be registered as shareholders in the share register of the Company on 9 May 2008
- ii. notify the Company of their intention to attend the AGM and EGM no later than 5 p.m. on 13 May 2008

Shareholders who are able to prove that they are registered shareholders of the Company as at 9 May 2008 may attend the AGM and EGM.

Shareholders who wish to attend the AGM and EGM must give notice of intention to attend by sending attendance cards (available on www.oriflame.com under the heading "Attendance Cards for Shareholders") to the registered address of the Company as stated above of this Convening Notice or by fax (+352 26 20 32 34). They may also send the attendance card by email to the Company at corporate.governance@oriflame.com. All attendance cards must be received by the Company no later than 5 p.m. on 13 May 2008. The attendance card must be completed in full and signed.

Holders of bearer shares wishing to attend and vote at the AGM and EGM in person or by proxy must deposit their bearer shares at the Company's registered offices no later than 5 p.m. on 12 May 2008 and shall obtain a receipt from the Company confirming such deposit. Neither a holder of bearer shares nor his or her proxy shall be permitted to attend or vote at the AGM and EGM except upon delivery at the meeting of the receipt confirming such deposit.

Shareholders may vote by proxy. Proxy cards (available on www.oriflame.com under the heading "Proxy Cards for Shareholders") must be used. In order to be included in the votes, fully completed and signed proxy cards must be received by the Company by fax (+352 26 20 32 34) or at the registered address of the Company as stated above of this Convening Notice no later than 5 p.m. on 13 May 2008.

Please observe that conversion from shares into SDRs and vice versa is not allowed during the period between 9 May 2008 and 19 May 2008.

The AGM can be validly held without any specific quorum and resolutions shall be validly adopted at the AGM if approved by a majority of the shares present or represented and authorized to vote.

The EGM is only validly held if at least 50% of the shares authorized to vote are present or represented at the EGM. Resolutions shall be validly adopted at the EGM if approved by a qualified majority of at least 2/3 of the shares present or represented and authorized to vote.

Notice to SDR holders

Holders of Swedish Depository Receipts of the Company ("SDRs") who wish to attend the AGM and EGM must:

- i. be registered in the register kept by VPC AB on 9 May 2008
- ii. notify Skandinaviska Enskilda Banken AB (publ) ("SEB") their intention to attend the AGM and EGM no later than 5 p.m. on 13 May 2008

SDRs are only registered in the name of the holder in the register kept by VPC AB ("VPC"). SDR holders registered in the name of a nominee (which may be a broker or a bank) must have their SDRs registered in their own names in the VPC register to be entitled to give instructions to SEB to vote at the AGM and EGM. SDR holders who hold through a nominee should therefore request their nominee to request a temporary owner registration (so-called voting-right registration) well ahead of 9 May 2008 if they wish to vote.

SDR holders who are directly registered in the VPC register or who have a voting-right registration by 9 May 2008 may attend the AGM and EGM. SDR holders must be able to prove that they are SDR holders as at 9 May 2008 if they wish to attend.

SDR holders who are directly registered in the VPC register or who have a voting-right registration by 9 May 2008 who wish to attend the AGM and EGM must give notice of their intention to attend by sending attendance cards (available on www.oriflame.com under the heading "Attendance Cards for SDR Holders") to Skandinaviska Enskilda Banken AB (publ), SEB Group Operations, Securities Operations, Issue Department, RB6, 106 40 Stockholm, Sweden.). They may also send the attendance card by email to SEB Merchant Bankning at tsoissuedepartment@seb.se. All attendance cards must be received by SEB no later than 5 p.m. on 13 May 2008. The attendance card must be completed in full and signed.

SDR holders who are directly registered in the VPC register or who have a voting-right registration by 9 May 2008 may vote by proxy. Voting is not carried out by attending the AGM or EGM in person. Proxy cards (available on www.oriflame.com under the heading "Proxy Cards for SDR Holders") must be used. Fully completed and signed proxy cards must, in order to be included in the votes, be received by Skandinaviska Enskilda Banken AB (publ), SEB Group Operations, Securities Operations, Issue Department, RB6, 106 40 Stockholm, Sweden no later than 5 p.m. on 13 May 2008.

SDR holders that have not given SEB instruction as to the exercise of the voting rights pertaining to the shares represented by their respective SDRs at the AGM and EGM by sending/delivering SEB a completed and signed proxy card, shall be deemed to have instructed SEB to give a proxy to a person designated by the Company to vote for the shares in the same proportion as all other shares in the Company represented by SDRs that are being voted for at the AGM and EGM. However, no such instruction from the SDR holders to SEB shall be deemed given with respect to any matter where giving such instructions and/or discretionary proxy would not be permitted by applicable law.

Please observe that conversion from SDRs into shares and vice versa is not allowed during the period between 9 May 2008 and 19 May 2008.

The AGM can be validly held without any specific quorum and resolutions shall be validly adopted at the AGM if approved by a majority of the shares present or represented and authorized to vote.

The EGM is only validly held if at least 50% of the shares authorized to vote are present or represented at the EGM. Resolutions shall be validly adopted at the EGM if approved by a qualified majority of at least 2/3 of the shares present or represented and authorized to vote.

Shareholders' Day

Shareholders and SDR holders are invited to an information session together with certain members of the Executive Committee and certain Board members at 6 p.m. on 24 April 2008 at Nalen (Regeringsgatan 74) in Stockholm. The purpose of the Shareholders' Day is to enable shareholders and SDR holders who will have difficulties to attend the AGM/EGM in Luxembourg to ask questions in relation to AGM/EGM items proposed by the Board. Magnus Brännström, CEO of the Company, will give a short presentation of the business. Robert af Jochnick, co-founder and chairman of the Board, will give information on AGM/EGM items proposed by the Board. The latter will be followed by a Q&A session. Notice to attend the Shareholders' Day shall be sent by email to oriflame@vero.se or to the Company by fax (+352 26 20 32 34) no later than 21 April 2008.



Luxembourg in April 2008
Oriflame Cosmetics S.A.
The Board of Directors