

## **Proposed resolutions**

### **Approval of the annual financial statements**

The first items on the agenda relate to:

- the approval of the financial statements: you will be asked to decide upon whether to approve the financial statements of the parent company LVMH SA (first resolution) as well as the Group's consolidated financial statements (second resolution);
- the approval of related party agreements (third resolution): details of these agreements are set out in the Statutory Auditors' special report;
- the appropriation of net profit (fourth resolution): the dividend to be distributed will amount to 2.90 euros per share. Taking into account the interim dividend of 1.10 euros per share paid on December 4, 2012, the balance of 1.80 euros will be paid as of April 25, 2013.

### **Membership of the Board of Directors**

We propose that you renew the term of office as Directors of Mrs. Bernadette Chirac and Mrs. Bernard Arnault, Nicholas Clive Worms, Charles de Croisset, Francesco Trapani and Hubert Védrine (fifth to tenth resolutions).

### **Share repurchase program**

We propose that you authorize your Board of Directors to acquire Company shares (eleventh resolution) particularly in order to (i) provide market liquidity services, (ii) cover stock option plans, the allotment of bonus shares, or any other employee share ownership operations, (iii) cover investment securities conferring entitlement to the Company's shares, (iv) be retired, or (v) be held so as to be exchanged or presented as consideration at a later date for external growth operations. These purchases of Company shares may not exceed 10% of the share capital. The purchase price per share may not exceed 250 euros.

Given for a period of eighteen months, this authorization replaces the one approved by the Shareholders' Meeting of April 5, 2012.

### **Reduction of capital**

We propose that you authorize your Board of Directors to reduce the share capital (twelfth resolution) in a total amount not to exceed 10% of the current share capital over a period of twenty-four months, through the retirement of shares acquired under the eleventh resolution. This authorization may be used in particular to offset the dilution resulting from the exercise of options to subscribe to shares.

Given for a period of eighteen months, this authorization replaces the one approved by the Shareholders' Meeting of April 5, 2012.

### **Share capital increases**

We propose that you authorize your Board of Directors to increase the share capital:

- through the incorporation of retained earnings, reserves, issue premiums or other items and the allotment of new shares or an increase in the par value of existing shares (thirteenth resolution);
- through the issue of any marketable securities giving access to the share capital,
  - with shareholders' preferential rights (fourteenth resolution),
  - without shareholders' preferential rights and through a public offering (fifteenth resolution) or through a private placement reserved for qualified investors or a restricted group of investors (sixteenth resolution),

with the understanding that the Board of Directors is authorized to set the issue price in accordance with certain exceptional rules and that the total issue amount may not exceed 10% of the share capital per year (seventeenth resolution);

These authorizations include the option for the Board of Directors to increase the number of shares to be issued in the event that the issue is oversubscribed (eighteenth resolution);

- through the issue of any marketable securities giving access to the share capital as consideration for shares contributed under a public exchange offer (nineteenth resolution) or as consideration for contributions in kind consisting of equity securities (twentieth resolution),

Given for a period of twenty-six months, these authorizations replace those granted by the Shareholders' Meeting of March 31, 2011.

The overall ceiling for all of these capital increases is set to the maximum nominal amount of 50 million euros (twenty-second resolution).

The proposed authorization would offer your Board of Directors greater agility to seize market opportunities or carry out external growth operations, as was the case for the acquisition of Bulgari.

### **Employee share ownership**

We propose that you authorize your Board of Directors to:

- increase the share capital without shareholders' preferential rights and through issues reserved for Group employees who are members of a company savings plan, in an amount not to exceed 1% of the share capital (twenty-fifth resolution).

The various authorizations to increase the share capital proposed to the Shareholder's Meeting entail the obligation to submit for the Meeting's approval a resolution authorizing the Board of Directors to carry out capital increases reserved for Group employees enrolled in a company savings plan.

Given for a period of twenty-six months, this authorization replaces the one granted by the Shareholders' Meeting of April 5, 2012.

- allot existing or newly issued shares as bonus shares to Group employees and executives. This authorization will allow the Board of Directors to allot shares as bonus shares, on one or more occasions, in a total amount not to exceed 1% of the share capital (twenty-third resolution).

The proposed authorization would give the Board of Directors access to a mechanism to reward those Group employees and executives making the most direct contribution to the results of the Group's results by associating them with the Group's future performance.

Given for a period of twenty-six months, this authorization replaces the one approved by the Shareholders' Meeting of March 31, 2011.

### **Amendment of Bylaws**

We propose that you amend the Company's Bylaws (twenty-fourth resolution) in order to :

- take into account the provisions of Law 2011-525 of May 17, 2011 relating to the simplification and improvement of the quality of law by eliminating all references in the Bylaws to significant related-party agreements concluded within the normal course of operations and at arm's length (Article 18);
- offer the shareholder's Meeting the ability to grant each shareholder the option to receive all or a portion of his or her dividend payment in the form of shares (Article 29).