

LVMH

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MOËT HENNESSY ♦ LOUIS VUITTON

## LVMH Moët Hennessy Louis Vuitton

(a société anonyme, incorporated with limited liability in the Republic of France) as Issuer

**Euro 10,000,000,000**

**Euro Medium Term Note Programme**

**Due from one month from the date of original issue**

This second supplement (the “**Second Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 2 July 2014 prepared in relation to the €10,000,000,000 Euro Medium Term Note Programme of LVMH, as supplemented by the first supplement dated 29 August 2014 (the “**First Supplement**”). The Base Prospectus constitutes a base prospectus for the purpose of the Prospectus Directive and was approved in Luxembourg by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) on 2 July 2014.

The Second Supplement constitutes a supplement to the Base Prospectus for the purpose of article 16 of the Prospectus Directive and of article 13.1 of the Luxembourg law on prospectuses for securities dated 10 July 2005, as amended, which implements the Prospectus Directive into the law of the Grand-Duchy of Luxembourg (the “**Prospectus Law**”).

Terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

The Issuer accepts responsibility for the information contained in this Second Supplement and declares that, to its best knowledge and having taken all reasonable care to ensure that such is the case, the information contained in the Second Supplement is in accordance with the facts and contains no omission likely to affect its import in any material respect.

The Second Supplement has been prepared for the following purposes:

- a) incorporating the press release published by LVMH on 3 September 2014 regarding the signature of an agreement between LVMH and Hermès in the Summary and in the Recent Developments section of the Base Prospectus;
- b) amending section Legal and arbitration proceedings of the Base Prospectus.

Save as disclosed in the Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which could significantly and negatively affect the assessment of the Notes issued under the Programme since the publication of the First Supplement.

In case of inconsistency between (a) any information incorporated by reference by this Second Supplement and (b) any other information contained in this Second Supplement or contained or incorporated by reference in the Base Prospectus, as supplemented, the information incorporated by reference by this Second Supplement shall prevail.

As provided by article 16 of the Prospectus Directive and article 13.2 of the Prospectus Law, where the Base Prospectus relates to an offer of securities to the public, any investor having already accepted to purchase or subscribe for securities before the Second Supplement is published has the right, exercisable within two working days after the publication of this Second Supplement and no later than 11 September 2014 to withdraw its acceptance.

This Second Supplement is available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **1. Press Release**

The following press release shall be incorporated in Sub-section B.13 (Section B – Issuer) of the Summary and in the Recent Developments section, respectively on page 8 and on page 106 of the Base Prospectus (as amended by the First Supplement);

**“Paris, 3 September 2014**

The President of the Commercial Court of Paris, Mr. Franck Gentin, proposed to LVMH and Hermès a conciliation in order to bring to an end the conflicts between the two groups and restore a climate of positive relations between them.

The two parties having reacted favorably to this proposal, signed an agreement under which the LVMH Group will distribute all its Hermès shares to its shareholders, on the understanding that LVMH’s largest shareholder, Christian Dior will in turn distribute the Hermès shares it receives to its own shareholders.

LVMH, Dior and Groupe Arnault have undertaken not to acquire any shares in Hermès for the next five years. The distribution of Hermès shares, approved by the boards of LVMH and Dior, will be completed no later than 20th December 2014. Following this distribution, Groupe Arnault will hold around 8.5% of the capital of Hermès International.

By virtue of the agreement reached today, LVMH and Hermès have brought to an end the conflict, and all related actions, between them.

Mr. Axel Dumas and Mr. Bernard Arnault both express their satisfaction that relations between the two groups, representatives of France’s savoir-faire, have now been restored.”

## **2. Amendment of section Legal and arbitration proceedings of the Base Prospectus**

The following section shall replace and supersede section Legal and arbitration proceedings of the Base Prospectus pages 102, 103 and 104 of the Base Prospectus (as amended by the First Supplement):

As part of its day-to-day management, the Group is party to various legal proceedings concerning trademark rights, the protection of intellectual property rights, the protection of Selective Retailing networks, licensing agreements, employee relations and any other matters inherent to its business. In particular, the Group is subject to audits, on a regular basis, from customs, tax and administrative authorities in a large number of countries. Some of these audits are limited to mere requests of information, but some may also lead to notices of assessment, subject or not to appeal. The Group believes that the provisions recorded in the balance sheet in respect of these risks, litigation proceedings and disputes that are in progress and any others of which it is aware at the year-end, are sufficient to avoid its consolidated financial net worth being materially impacted in the event of an unfavorable outcome.

In 2006, Louis Vuitton Malletier and the French companies of the Perfumes and Cosmetics business group filed lawsuits against eBay in the Paris Commercial Court. Louis Vuitton Malletier demanded compensation for losses caused by eBay’s participation in the commercialization of counterfeit products and its refusal to implement appropriate procedures to prevent the sale of such goods on its site. The Perfumes and Cosmetics brands sued eBay for undermining their selective retailing networks. In a decision delivered on June 30, 2008, the Paris Commercial Court ruled in favor of LVMH, ordering eBay to pay 19.3 million euros to Louis Vuitton Malletier and 3.2 million euros to the Group’s Perfumes and Cosmetics brands. The court also barred eBay from running listings for perfumes and cosmetics under the Dior, Guerlain, Givenchy and Kenzo brands. eBay filed a petition with the Paris Court of Appeal. On July 11, 2008, the President of the Paris Court of Appeal denied eBay’s petition to stay the provisional execution order delivered by the Paris Commercial Court. In September 2010, the Paris Court of Appeal confirmed the ruling against eBay handed down in 2008, classifying this company’s business as that of a broker and not merely an Internet host. Asserting that it did not have jurisdiction to evaluate the extent of losses caused by some of eBay’s sites outside France, the Court reduced the amount of punitive damages to 2.2 million euros for Louis Vuitton Malletier and 0.7 million euros for the Group’s Perfumes and Cosmetics brands, as the initial amount had been determined on the basis of eBay’s worldwide operations. In response to the appeal filed by eBay, on May 3, 2012 the Cour de cassation confirmed the analysis carried out by the Paris Court of Appeal, which had held that eBay’s activity was not merely that of a hosting service provider, but that it also acted as a broker. However, the Cour de cassation reversed the Paris Court of Appeal’s decision with regard to its jurisdiction for activity conducted on the eBay Inc. and referred the case back for retrial by the Paris Court of Appeal. On July 3, 2014, eBay and LVMH have settled all ongoing litigation between them, in the framework of their agreement to a cooperative effort to protect intellectual property rights and combat counterfeits in online commerce.

Following the announcement by LVMH on October 23, 2010 of its acquisition of a stake in the share capital of Hermès International, the Autorité des Marchés Financiers (the French financial markets regulation authority), launched an investigation into the market and financial disclosures relating to Hermès and LVMH shares. On August 13, 2012, the AMF served LVMH with a statement of objections for alleged infringements of financial and public disclosure requirements, a copy of which was forwarded to AMF's Enforcement Committee. The Committee met on May 31, 2013 and on June 25, 2013 handed down its decision, holding that LVMH should have informed the public in June 2010 of the possibility that it had of deciding to acquire a stake in Hermès, despite the fact that the matter was not put before its Board of Directors until October 21, 2010. It therefore ordered LVMH to pay a fine of 8 million euros. No appeal has been made against this decision.

On June 18, 2013, Hermès International filed a suit with the Paris Commercial Court against LVMH and some of its subsidiaries on the grounds of requesting the cancellation of the equity swap contracts entered into by Group companies in 2008, along with subsequent transactions. The lawsuit refers to a criminal complaint filed in October 2012 for insider trading, share price manipulation and complicity. The LVMH group has filed a counter-complaint with the public prosecutor for false accusations. It also brought an action before the Paris Commercial Court against the senior executives of Hermès for personal liability, in order to seek redress for the damage caused by the abovementioned action for annulment, which serves the personal objectives of these senior executives rather than the interest of the companies managed by them.

On September 2, 2014, LVMH, its subsidiaries and its controlling shareholders on the one hand, and Hermès International and its controlling shareholders on the other hand have entered into a settlement agreement whereby each of them undertakes, among other, to irrevocably resign from any and all on-going litigations between them and not to bring any new proceedings, claims or actions in connection respectively with the acquisition of the shares of Hermès International held by the LVMH Group as at the date of the agreement and with any decisions made by the Hermès Group, its controlling shareholders and/or its management up until such date, thus bringing to an end the conflict and all related actions between them.

On December 17, 2012, the Mayor of Paris granted two distinct building permits authorizing the architectural project for the restructuring and reconstruction of the former Samaritaine department stores 2 (Seine block) and 4 (Rivoli block). Both of these permits were the subject of an action for cancellation before the Paris Administrative Court (*Tribunal administratif de Paris*).

On April 11, 2014, the Paris Administrative Court rejected the action for cancellation filed against the building permit authorizing the restructuring of former department store 2, which is registered as Historic Monument (Seine block).

On May 13, 2014, the Paris Administrative Court cancelled the building permit order authorizing the partial demolition of former department store 4 and the reconstruction of a contemporary building designed by the architectural firm SANAA (Rivoli block). The company Grands Magasins de la Samaritaine and the City of Paris have filed an appeal and have requested a stay of execution of this judgment.

Except as described above, and to the best of the Company's knowledge, there are no and there has been no other governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during a period covering the previous twelve months which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

## LVMH

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**Euro 10,000,000,000**

**Euro Medium Term Note Programme**

**Due from one month from the date of original issue**

This first supplement (the “**First Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 2 July 2014 prepared in relation to the €10,000,000,000 Euro Medium Term Note Programme of LVMH. The Base Prospectus constitutes a base prospectus for the purpose of the Prospectus Directive and was approved in Luxembourg by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) on 2 July 2014.

The First Supplement constitutes a supplement to the Base Prospectus for the purpose of article 16 of the Prospectus Directive and of article 13.1 of the Luxembourg law on prospectuses for securities dated 10 July 2005, as amended, which implements the Prospectus Directive into the law of the Grand-Duchy of Luxembourg (the “**Prospectus Law**”).

Terms defined in the Base Prospectus have the same meaning when used in this First Supplement.

The Issuer accepts responsibility for the information contained in this First Supplement and declares that, to its best knowledge and having taken all reasonable care to ensure that such is the case, the information contained in the First Supplement is in accordance with the facts and contains no omission likely to affect its import in any material respect.

The First Supplement has been prepared for the following purposes:

- a) incorporating by reference the *Rapport Financier Semestriel* for the first half-year 2014 (the “**2014 Rapport Semestriel**”), which includes the condensed consolidated financial statements of LVMH for the six-month period ended 30 June 2014 and the notes related thereto which have been submitted to a limited review by the statutory auditors;
- b) amending (i) sub-section B.12 (Section B – Issuer) of the Summary of the Base Prospectus, (ii) Selected Financial Information section of the Base Prospectus, to reflect the incorporation by reference of the 2014 *Rapport Semestriel* made through the First Supplement.

Save as disclosed in the First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which could significantly and negatively affect the assessment of the Notes issued under the Programme since the publication of the Base Prospectus.

In case of inconsistency between (a) any information incorporated by reference by this First Supplement and (b) any other information contained in this First Supplement or contained or incorporated by reference in the Base Prospectus, as supplemented, the information incorporated by reference by this First Supplement shall prevail.

As provided by article 16 of the Prospectus Directive and article 13.2 of the Prospectus Law, where the Base Prospectus relates to an offer of securities to the public, any investor having already accepted to purchase or subscribe for securities before the First Supplement is published has the right, exercisable within two working days after the publication of this First Supplement and no later than 2 September 2014 to withdraw its acceptance.

This First Supplement and the 2014 *Rapport Semestriel* are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## 1. Incorporation of the 2014 *Rapport Semestriel*

The 2014 *Rapport Semestriel* is incorporated herein by reference.

### Cross-reference table:

Section	Reference
Chiffres clés ( <i>Financial Highlights</i> )	Pages 2 to 4
Commentaires sur l'activité et les comptes semestriels consolidés du Groupe LVMH ( <i>Business review and comments on the half-year consolidated financial statements of LVMH Group</i> )	Pages 5 to 17
Compte de résultat consolidé ( <i>Consolidated income statement</i> )	Page 20
Etat global des gains et pertes consolidés ( <i>Consolidated statement of comprehensive gains and losses</i> )	Page 21
Bilan consolidé ( <i>Consolidated balance sheet</i> )	Page 22
Tableau de variation des capitaux propres consolidés ( <i>Consolidated statement of changes in equity</i> )	Page 23
Tableau de variation de la trésorerie consolidée ( <i>Consolidated cash flow statement</i> )	Page 24
Annexes aux comptes consolidés (extraits) ( <i>Selected notes to the consolidated financial statements</i> )	Pages 25 to 51
Rapport des commissaires aux comptes ( <i>Statutory auditors' review report</i> )	Page 52
Données comptables simplifiées de la société LVMH Moët Hennessy – Louis Vuitton SA ( <i>Simplified accounting information of LVMH Moët Hennessy – Louis Vuitton SA</i> )	Page 54

The information contained in the 2014 *Rapport Semestriel* that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004, as amended, or is provided in other sections of the Base Prospectus.

## 2. Amendment of sub-section B.12 (Section B – Issuer) of the “Summary” of the Base Prospectus

The following sub-section shall replace and supersede sub-section B.12 (Section B – Issuer) of the Summary pages 7 and 8 of the Base Prospectus (as amended by the First Supplement):

Key consolidated audited financial information as at 31 December 2012 and 31 December 2013. This information has been extracted from the 2013 *Document de Référence*.

(consolidated financial data, millions of euros)	As of 31 December	
	2013	2012 <sup>(a)</sup>
Equity	27,723	25,508
Net financial debt	5,338	4,261
Long-term borrowings	4,159	3,836
Short-term borrowings	4,688	2,976
Balance sheet total	55,674	49,998

(consolidated financial data, millions of euros)	Fiscal year ended 31 December	
	2013	2012
Revenue	29,149	28,103
Profit from recurring operations	6,021	5,921

Group share of net profit	3,436	3,424
Cash from operations before changes in working capital	7,329	7,113

(a) The balance sheet as of 31 December 2012 has been restated to reflect the retrospective application as of 1 January 2011 of IAS 19 Employee Benefits as amended.

Key condensed consolidated financial information as at 30 June 2013 and 30 June 2014. This information has been extracted from the 2014 *Rapport Semestriel*.

<b>(consolidated financial data, millions of euros)</b>	<b>As of 30 June</b>	
	<b>2014</b>	<b>2013<sup>(b)</sup></b>
Equity	28,604	26,503
Net financial debt	6,470	4,960
Long-term borrowings	3,248	3,217
Short-term borrowings	5,629	3,891
Balance sheet total	56,160	50,582

<b>(consolidated financial data, millions of euros)</b>	<b>Six-month period ended 30 June</b>	
	<b>2014</b>	<b>2013<sup>(b)</sup></b>
Revenue	14,009	13,632
Profit from recurring operations	2,576	2,713
Net profit, Group share	1,509	1,577
Cash from operations before changes in working capital	3,214	3,282

(b) The consolidated balance sheet and the consolidated income statement as of 30 June 2013 have been restated to reflect the retrospective application as of 1 January 2012 of IFRS 11 Joint Arrangements.

There has been no significant change in the financial or trading position of LVMH or the LVMH Group since 30 June 2014 and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2013.

### **3. Amendment of Selected Financial Information section of the Base Prospectus**

The following paragraph shall be added to page 75 (Selected Financial Information) of the Base Prospectus (as amended by the First Supplement):

As of 30 June 2014, LVMH had a shareholders' equity of 28,604 million euros (compared to 26,503 million euros as of 30 June 2013) and a net financial debt of 6,470 million euros, compared to 4,960 million euros as of 30 June 2013.

Profit from recurring operations for the six-month period ended 30 June 2014 amounted to 2,576 million euros (compared to 2,713 million euros in 2013). Net profit, Group share for the six-month period ended 30 June 2014 amounted to 1,509 million euros (compared to 1,577 million euros in 2013).

Figures shown in the table below are extracted from LVMH condensed half-year consolidated financial statements and were established in accordance with IFRS.

<b>(consolidated financial data, millions of euros)</b>	<b>As of 30 June</b>	
	<b>2014</b>	<b>2013<sup>(b)</sup></b>
Equity	28,604	26,503
Net financial debt	6,470	4,960
Long-term borrowings	3,248	3,217
Short-term borrowings	5,629	3,891
Balance sheet total	56,160	50,582

<b>(consolidated financial data, millions of euros)</b>	<b>Six-month period ended 30 June</b>	
	<b>2014</b>	<b>2013<sup>(b)</sup></b>
Revenue	14,009	13,632
Profit from recurring operations	2,576	2,713
Net profit, Group share	1,509	1,577
Cash from operations before changes in working capital	3,214	3,282

(b) The consolidated balance sheet and the consolidated income statement as of 30 June 2013 have been restated to reflect the retrospective application as of 1 January 2012 of IFRS 11 Joint Arrangements. See Note 1.2. of the selected notes to the consolidated financial statements in the 2014 Rapport Semestriel.

LVMH

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## LVMH Moët Hennessy Louis Vuitton

(incorporated with limited liability in the Republic of France)

**Euro 10,000,000,000**

## Euro Medium Term Note Programme

## Due from one month from the date of original issue

Under the Euro Medium Term Note Programme described in this Base Prospectus (the “**Programme**”), LVMH Moët Hennessy Louis Vuitton (“**LVMH**” or the “**Issuer**”) subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The aggregate nominal amount of Notes issued by the Issuer and outstanding will not at any time exceed Euro 10,000,000,000 (or the equivalent in other currencies).

This Base Prospectus supersedes and replaces the base prospectus dated 23 July 2013. This Base Prospectus shall be in force for a period of one year as of the date hereunder.

This Base Prospectus shall, for the purposes of Notes listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market (as defined below) of the Luxembourg Stock Exchange, or offered to the public in Luxembourg, be updated annually.

Application has been made to the *Commission de surveillance du secteur financier* in Luxembourg in its capacity as competent authority under the “*loi relative aux prospectus pour valeurs mobilières*” dated 10 July 2005, as amended (the “**Prospectus Act 2005**”), for the approval of this Base Prospectus as a base prospectus for the purposes of Article 5.4 of the Prospectus Directive.

References in this Base Prospectus to the “**Prospectus Directive**” are to Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and shall include the amendments made by Directive 2010/73/EU (the “**2010 PD Amending Directive**”) to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (“**EEA**”).

Application has been made for a period of twelve (12) months from the date of this Base Prospectus to the Luxembourg Stock Exchange for the Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. Application may also be made to the competent authority of any other Member State of the European Economic Area (an “**EEA Member State**”) for Notes issued under the Programme to be listed and admitted to trading on any other Regulated Market or offered to the public in such Member State. Any Regulated Market is governed by the Directive 2004/39/EC on markets in financial instruments (referred to in this Base Prospectus as a “**Regulated Market**” under the definition of such Directive).

The CSSF assumes no responsibility for and does not give any undertaking as to the economical and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Prospectus Act 2005.

Notes which are not admitted to trading on a Regulated Market, or which are not offered to the public in an EEA Member State, may be issued under the Programme and may also be listed on an alternative stock exchange or may not be listed at all.

The relevant final terms (the “**Final Terms**”) (forms of which are contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed, admitted to trading and/or offered to the public and will be published, if relevant, on the website of the Regulated Market where the admission to trading is sought or on the website of the Issuer, as the case may be.

Notes will be in such denomination(s) as may be specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in an EEA Member State in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000, and if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date, or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency. Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”) as more fully described herein.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* (Monetary and Financial Code, the “**Code**”). No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the Issue Date in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Euroclear France Account Holders (as defined in “**Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination**”) including the depository bank for Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (*nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “**Temporary Global Certificate**”) will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached on or after a date expected to be on or after the 40<sup>th</sup> day after the Issue Date of the Notes (subject to postponement as described in “**Temporary Global Certificates issued in respect of Materialised Bearer Notes**”) upon certification as to non US beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the Issue Date with a common depository on behalf of Euroclear and/or Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

As of the date of this Base Prospectus, the long-term corporate rating of the Issuer by Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc. (“**S&P**”) is A+ with stable outlook. Notes issued under this Programme may or may not be rated. The credit ratings included or referred to in this Base Prospectus have been issued by S&P, which is established in the European Union and registered under the Regulation (EC) No. 1060/2009 on credit ratings agencies, as amended (the “**CRA Regulation**”) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) as of the date of this Base Prospectus. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The final terms of the relevant Notes will be determined at the time of the offering of each Tranche and will be set out in the relevant Final Terms.

**Prospective investors are invited to take into account the factors described under the section headed “Risk Factors” in this Base Prospectus before deciding to invest in the Notes issued under the Programme.**

Arranger  
**Deutsche Bank**  
Dealers

**BofA Merrill Lynch**  
**Citigroup**  
**Credit Suisse**  
**Deutsche Bank**  
**J.P. Morgan**  
**NATIXIS**

**BNP PARIBAS**  
**Crédit Agricole CIB**  
**Daiwa Capital Markets Europe**  
**HSBC**

**Mitsubishi UFJ Securities**  
**Société Générale Corporate & Investment Banking**

**The Royal Bank of Scotland**

The date of this Base Prospectus is 2 July 2014.

**This document constitutes the base prospectus for LVMH Moët Hennessy Louis Vuitton (“LVMH” or the “Issuer”) in respect of non-equity securities within the meaning of Article 22 no. 6(4) of the Commission Regulation (EC) no. 809/2004 of 29 April 2004, as amended (hereinafter, the “Notes”) to be issued by LVMH under this Euro Medium Term Note Programme (the “Programme”). In relation to each Tranche of Notes, this Base Prospectus must be read in conjunction with the applicable Final Terms.**

**LVMH confirms, to the best of its knowledge having taken all reasonable care to ensure that such is the case, that (i) this Base Prospectus (together with any supplement to it published from time to time in accordance with the provisions of the “*loi relative aux prospectus pour valeurs mobilières*” in Luxembourg (each a “Supplement” and together the “Supplements”) (the “Base Prospectus”)) contains or incorporates all information with respect to it and its consolidated subsidiaries and affiliates taken as a whole (together with LVMH, the “Group” or “LVMH Group”) and to the Notes that is material in the context of an issue and offering of the Notes and (ii) the statements contained in it relating to the Issuer, the Group and the Notes are, at the date of this Base Prospectus, in every material particular true and accurate and not misleading. The Issuer accepts responsibility accordingly.**

**This Base Prospectus is to be read in conjunction with any document and/or information which is or may be incorporated herein by reference in accordance with Article 28 of the European Commission Regulation No. 809/2004 dated 29 April 2004, as amended (see “Documents Incorporated by Reference” below) and may only be used for the purposes for which it has been published.**

**No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (each as defined in “Summary”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the LVMH Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the LVMH Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.**

**The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Materialised Notes in bearer form, delivered within the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”) and in the case of Materialised Notes in bearer form, the U.S Internal Revenue Code of 1986, as amended (the “U.S. Internal Revenue Code”), and the regulations thereunder). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “Subscription and Sale”.**

**This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers or the Arranger to subscribe for, or purchase, any Notes.**

**The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the LVMH Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.**

**In connection with the issue of any Tranche (as defined in “General Description of the Programme”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s) in accordance with all applicable laws and rules.**

**In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “€”, “Euro”, “EUR” or “euro” are to the single currency of the participating member states of the European Monetary Union which was introduced on 1 January 1999, references to “£”, “pounds sterling”, “GBP” and “Sterling” are to the lawful currency of the United Kingdom, references to “\$”, “USD” and “US dollars” are to the lawful currency of the United States of America, references to “¥”, “JPY”, “Japanese yen” and “Yen” are to the lawful currency of Japan, references to “CHF” and “Swiss francs” are to the lawful currency of the Helvetic Confederation and references to “RMB”, “CNY” or “Renminbi” are to the Chinese Yuan Renminbi, the lawful currency of the People’s Republic of China, which, for the purpose of this document, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (the “PRC”).**

## TABLE OF CONTENTS

	<b>Page</b>
SUMMARY.....	6
RISK FACTORS .....	17
CONDITIONS ATTACHED TO THE CONSENT OF THE ISSUER TO USE THE PROSPECTUS .....	28
GENERAL DESCRIPTION OF THE PROGRAMME.....	30
DOCUMENTS INCORPORATED BY REFERENCE.....	36
INFORMATION INCORPORATED BY REFERENCE FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012.....	38
SUPPLEMENT TO THE BASE PROSPECTUS .....	39
PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS.....	40
TERMS AND CONDITIONS OF THE NOTES.....	41
TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED BEARER NOTES.....	73
USE OF PROCEEDS .....	74
SELECTED FINANCIAL INFORMATION.....	75
DESCRIPTION OF LVMH MOËT HENNESSY LOUIS VUITTON.....	76
BUSINESS OVERVIEW .....	77
ORGANIZATIONAL STRUCTURE.....	86
BOARD OF DIRECTORS .....	88
STATUTORY AUDITORS.....	93
INFORMATION RELATING TO LVMH CAPITAL .....	94
FINANCIAL INFORMATION CONCERNING LVMH'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES.....	96
FIRST QUARTER REVENUE .....	105
RECENT DEVELOPMENTS .....	106
TAXATION .....	107
SUBSCRIPTION AND SALE .....	113
FORM OF FINAL TERMS .....	117
FORM OF FINAL TERMS .....	131
GENERAL INFORMATION .....	144

## SUMMARY

Summaries are made up of disclosure requirements known as “Elements” the communication of which is required by Annex XXII of the Regulation EC No 809/2004 of 29 April 2004 as amended. These Elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and for LVMH Moët Hennessy Louis Vuitton S.A. (“LVMH” or the “Issuer”). Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding such Element. In this case a short description of the Element is included in the summary and marked as “Not Applicable”.

<b>Section A - Introduction and warnings</b>		
<b>A.1</b>	<b>General disclaimer regarding the summary</b>	<p>Warning that:</p> <ul style="list-style-type: none"> <li>• this summary should be read as introduction to this Base Prospectus;</li> <li>• any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor;</li> <li>• where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff might, under the national legislation of the Member State of the “EEA”, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated; and</li> <li>• civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</li> </ul>
<b>A.2</b>	<b>Information regarding consent by the Issuer to the use of the Prospectus</b>	<p>[In the context of the offer of the Notes from time to time in the Grand Duchy of Luxembourg [and <i>[insert other jurisdiction into which the Base Prospectus has been passported based on a supplement to this Base Prospectus]</i>] (“<b>Public Offer Jurisdiction(s)</b>”) which is not made within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended (the “<b>Non-Exempt Offer</b>”), the Issuer consents to the use of this Base Prospectus as so supplemented in connection with a Non-Exempt Offer of any Notes during the period from [●] until [●] (the “<b>Offer Period</b>”) and in the Public Offer Jurisdiction(s) by [any financial intermediary] (the “<b>Authorised Offeror[s]</b>”). [The Authorised Offeror[s] must satisfy the following conditions: [●]]</p> <p>Neither the Dealer(s) nor the Issuer shall have any obligation to ensure that an Authorised Offeror complies with applicable laws and regulations and shall therefore have no liability in this respect.</p> <p><b>An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised</b></p>

		<p><b>Offeror and such Investor including as to price allocations and settlement arrangements (the “Terms and Conditions of the Non-exempt Offer”). The Issuer will not be a party to any such arrangements with Investors (other than the Dealer(s)) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Non-Exempt Offer shall be provided to Investors by that Authorised Offeror at the time of the Non-Exempt Offer. Neither the Issuer nor the Dealer(s) or other Authorised Offerors has any responsibility or liability for such information. The Terms and Conditions of the Non-exempt Offer shall be provided to Investors by that Authorised Offeror at the time of the Non-exempt Offer. Neither the Issuer nor any of the Dealers or other Authorised Offerors has any responsibility or liability for such information.]</b></p> <p>[or]</p> <p>[Not Applicable: the Issuer does not consent to the use of the Base Prospectus in subsequent resale of final placement.]</p>
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<b>Section B – Issuer</b>		
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b>	LVMH Moët Hennessy Louis Vuitton S.A. (“LVMH”).
<b>B.2</b>	<b>Domicile, legal form, legislation, country of incorporation</b>	LVMH Moët Hennessy Louis Vuitton is a <i>société anonyme</i> incorporated under the laws of and domiciled in France.
<b>B.4b</b>	<b>Description of any known trends affecting the Issuer and the industries in which it operates</b>	Not Applicable. There are no known trends that are reasonably likely to have a material effect on the Issuer’s prospects for the current financial year.
<b>B.5</b>	<b>Description of the Issuer’s group and the Issuer’s position within the group</b>	The LVMH Group is active in the production, distribution and sale of luxury products. As a legal entity, the Issuer is the holding company of the LVMH Group managing and coordinating the operational activities of all its subsidiaries, and offering them various management assistance services, particularly in legal, financial, tax or insurance matters.
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not Applicable. The Issuer does not provide profit forecasts or estimates.
<b>B.10</b>	<b>Qualifications in the auditors’ report</b>	Not Applicable. There are no qualifications in the audit report.
<b>B.12</b>	<b>Selected historical key financial information</b>	Key consolidated audited financial information as at 31 December 2012 and 31 December 2013. This information has been extracted from the 2013 <i>Document de Référence</i> .

		<p style="text-align: right;"><b>As of 31 December</b></p> <p><b>(consolidated financial data, millions of euros)</b></p> <table> <thead> <tr> <th></th> <th style="text-align: right;"><b>2013</b></th> <th style="text-align: right;"><b>2012<sup>(a)</sup></b></th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td style="text-align: right;">27,723</td> <td style="text-align: right;">25,508</td> </tr> <tr> <td>Net financial debt</td> <td style="text-align: right;">5,338</td> <td style="text-align: right;">4,261</td> </tr> <tr> <td>Long-term borrowings</td> <td style="text-align: right;">4,159</td> <td style="text-align: right;">3,836</td> </tr> <tr> <td>Short-term borrowings</td> <td style="text-align: right;">4,688</td> <td style="text-align: right;">2,976</td> </tr> <tr> <td>Balance sheet total</td> <td style="text-align: right;">55,674</td> <td style="text-align: right;">49,998</td> </tr> </tbody> </table> <p style="text-align: right;"><b>Fiscal year ended 31 December</b></p> <p><b>(consolidated financial data, millions of euros)</b></p> <table> <thead> <tr> <th></th> <th style="text-align: right;"><b>2013</b></th> <th style="text-align: right;"><b>2012</b></th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td style="text-align: right;">29,149</td> <td style="text-align: right;">28,103</td> </tr> <tr> <td>Profit from recurring operations</td> <td style="text-align: right;">6,021</td> <td style="text-align: right;">5,921</td> </tr> <tr> <td>Group share of net profit</td> <td style="text-align: right;">3,436</td> <td style="text-align: right;">3,424</td> </tr> <tr> <td>Cash from operations before changes in working capital</td> <td style="text-align: right;">7,329</td> <td style="text-align: right;">7,113</td> </tr> </tbody> </table> <p>(a) The balance sheet as of 31 December 2012 has been restated to reflect the retrospective application as of 1 January 2011 of IAS 19 Employee Benefits as amended. See Note 1.2. of the notes to the consolidated financial statements in the 2013 Document de Référence.</p> <p>There has been no significant change in the financial or trading position of LVMH or the LVMH Group and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2013.</p>		<b>2013</b>	<b>2012<sup>(a)</sup></b>	Equity	27,723	25,508	Net financial debt	5,338	4,261	Long-term borrowings	4,159	3,836	Short-term borrowings	4,688	2,976	Balance sheet total	55,674	49,998		<b>2013</b>	<b>2012</b>	Revenue	29,149	28,103	Profit from recurring operations	6,021	5,921	Group share of net profit	3,436	3,424	Cash from operations before changes in working capital	7,329	7,113
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<b>B.13</b>	<b>Recent developments</b>	<p><b>European company (SE)</b></p> <p>On 17 February 2014, LVMH announced that at a Board meeting held on 30 January 2014, the Board of Directors of LVMH Moët Hennessy Louis Vuitton agreed to alter the legal status of the LVMH from that of a French Public Limited Company ("<i>société anonyme</i>") to that of a European Company.</p> <p>The Board noted that this transition, which is promoted by the European authorities, has already been made by several major European groups and agreed that the status of European Company better reflects the European and International scope of the LVMH Group.</p> <p>The number of LVMH Group brands having their roots in non-French European countries has significantly increased in recent years. After Loewe, Fendi, Pucci, Acqua di Parma, Tag Heuer and Zenith, the Group welcomed Hublot in 2008, Bulgari in 2011 and Loro Piana in 2013.</p>																																	

		<p>The transformation into a European Company has no impact on governance, Head Office domicile or stockmarket listing and has no consequences for shareholders. This proposed statutory change has been submitted to shareholders at the General Meeting on April 10th, 2014 and approved. The conversion into European company is still subject to conditions precedent.</p>
<b>B.14</b>	<b>Statement of dependency upon other entities within the Group</b>	<p>See Element B.5.</p> <p>LVMH is a holding company and as a result its financial and trading position depends on the financial and trading position of its subsidiaries.</p>
<b>B.15</b>	<b>Principal activities</b>	<p>LVMH is the world's leading luxury products company. LVMH's exclusive purpose is (as per Article 2 of the by-laws) any taking of interests, through a direct or indirect equity investment, a contribution, merger, spin-off or joint venture with any company or group existing or to be formed, operating any commercial, industrial, agricultural, personal property, real estate or financial operations, and among others:</p> <ul style="list-style-type: none"> <li>• trade in champagne and other wines, cognac and other spirits and, more generally, any food or beverage product;</li> <li>• trade in all pharmaceutical products, perfumes and cosmetics and, more generally, products related to hygiene, beauty and skincare;</li> <li>• the manufacture, sale and promotion of travel articles, luggage, bags, leather goods, clothing articles, accessories, as well as any high quality and branded articles or products;</li> <li>• the operation of vineyards, horticultural and arboricultural estates, as well as the development of any related biotechnological process;</li> <li>• the operation of any real estate;</li> <li>• the development of any trademark, signature, model, design and, more generally, any industrial, literary or artistic property right.</li> </ul> <p>More generally, to undertake directly any commercial, industrial, agricultural, viticultural operations, or any operation relating to personal or real property, movable or immovable property or financial, management or service operation in any of the fields of activities described in the above paragraph.</p> <p>The LVMH Group is organized in five main branches:</p> <p><b>Wines and Spirits</b></p> <p>The LVMH Group's Wines and Spirits activities regroup prestigious brands such as Moët &amp; Chandon, Krug, Veuve Clicquot Ponsardin or Dom Pérignon for champagne, Hennessy for cognac, Glenmorangie for single-malt whisky, Belvedere for premium vodka and Château d'Yquem or Domaine du Clos des Lambrays for wines.</p> <p><b>Fashion and Leather Goods</b></p> <p>Along with Louis Vuitton Malletier, the Fashion and Leather Goods business</p>

		group includes the Givenchy fashion house, as well as Céline, Loewe, Berluti, Kenzo, Marc Jacobs, Fendi, Emilio Pucci, Rossimoda, Thomas Pink, Loro Piana and Donna Karan.
		<p><b>Perfumes and Cosmetics</b></p> <p>LVMH is a major world player in the Perfumes and Cosmetics sector with the large French houses Parfums Christian Dior, Guerlain, Parfums Givenchy, Parfums Kenzo and BeneFit Cosmetics.</p> <p><b>Watches and Jewelry</b></p> <p>The most recent LVMH business group holds a portfolio of high-quality watch and jewelry brands, with highly complementary market positions: TAG Heuer, Zenith, Montres Dior, Hublot, Chaumet and Fred. In March 2011, LVMH also acquired Bulgari.</p> <p><b>Selective Retailing</b></p> <p>The selective retailing businesses operate in two segments: distribution to international travelers, the business of DFS and Miami Cruiseline, and selective retailing concepts represented by Sephora and Le Bon Marché.</p> <p><b>Other activities</b></p> <p>LVMH is present in the media sector through Groupe Les Echos, which holds various print media publications, as well as the French radio station, <i>Radio Classique</i>, and in the designing and building of custom mega-yachts through Royal van Lent (and its brand Feadship).</p>
<b>B.16</b>	<b>Controlling persons</b>	LVMH is controlled by the Arnault family group.
<b>B.17</b>	<b>Credit ratings assigned to the Issuer or its debt securities</b>	<p>The Notes are expected to be rated [●] by [Standard &amp; Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. ("S&amp;P")], which is established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies, as amended (the "CRA Regulation"), and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website (<a href="http://www.esma.europa.eu/page/List-registered-and-certified-CRAs">www.esma.europa.eu/page/List-registered-and-certified-CRAs</a>) as of the date of the Base Prospectus.</p> <p>The Issuer's long-term corporate rating by Standard &amp; Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. is A+ with stable outlook as at the date of the Base Prospectus.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p>Credit ratings: [Not Applicable/The Notes to be issued [have been/are expected to be] rated: [S&amp;P: [●]]</p>

Section C - Securities		
C.1	<b>Type, class and identification number of the Notes</b>	<p>The Notes are [Fixed Rate Notes] [Floating Rate Notes] [Zero Coupon Notes] [Instalment Notes].</p> <p>ISIN: [●] Common Code: [●]</p>
C.2	<b>Currency</b>	The currency of the Notes is: [●]
C.5	<b>Restrictions on free transferability</b>	Save certain restrictions regarding the purchase, offer, sale and delivery of the Notes in the EEA (with certain specificities in France and the United Kingdom), the United States, Japan, Honk Kong and in the People's Republic of China, there is no restriction on the free transferability of the Notes.
C.8	<b>Rights attached to the Notes including ranking and limitation of those rights</b>	<ul style="list-style-type: none"> <li>• <b><u>Issue price</u></b> [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]</li> <li>• <b><u>Specified denomination</u></b> [●]</li> <li>• <b><u>Status of the Notes</u></b> The Notes will be [Unsubordinated] [Subordinated Notes]. [The Unsubordinated Notes will constitute direct, unsubordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain exceptions required to be preferred by French law) equally with all other present or future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding. ] [The Subordinated Notes will constitute direct, subordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain exceptions required to be preferred by French law) equally with all other present or future Subordinated Notes, but in priority to the <i>prêts participatifs</i> granted to the Issuer, from time to time outstanding. ]</li> <li>• <b><u>Negative pledge</u></b> There is a negative pledge with regards to Unsubordinated Notes. There is no negative pledge with regards to Subordinated Notes.</li> <li>• <b><u>Events of default, including cross-acceleration</u></b> There will be [Events of Default including a cross-acceleration in respect of Unsubordinated Notes] [limited Events of Default only in respect of Subordinated Notes].</li> </ul>
C.9	<b>Interest, maturity and redemption provisions, yield and representation of the holders of Notes</b>	<p>Please also refer to the information provided in item C.8 above.</p> <p>Rate[s] of Interest: [[●] per cent. Fixed Rate] [[●] +/- [●] per cent. Floating Rate] [Fixed/Floating Rate] [Zero Coupon]</p> <p>Interest Commencement Date: [Specify/Issue Date/Not Applicable]</p>

		<p>Maturity Date: <i>[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i></p> <p>Margin: <i>[+/-][●] per cent. per annum</i></p> <p>Final Redemption Amount of each Note: <i>[[●] per Note of [●] Specified Denomination]</i></p> <p>Make-Whole Redemption: <i>[Applicable]/[Not Applicable]</i></p> <p>Call Option: <i>[Applicable]/[Not Applicable]</i></p> <p>Put Option: <i>[Applicable]/[Not Applicable]</i></p> <p>Residual Maturity Call Option: <i>[Applicable]/[Not Applicable]</i></p> <p>Optional Redemption Amount: <i>[Applicable: [●] per Note of [●] specified Denomination / Not Applicable]</i></p> <p>Early Redemption Amount: <i>[Applicable: [●] per Note of [●] Specified Denomination / Not Applicable]</i></p> <p>Yield (in respect of Fixed Rate Notes): <i>[Applicable]/[Not Applicable] / [●]</i></p> <p>Representation of the holders of Notes: <i>[Full Masse/Contractual Masse]</i></p> <p>The <i>Masse</i> will act in part through a representative (the “<b>Representative</b>”) and in part through general meetings of the holders of Notes. The name and address of the initial Representative are [●] and of its alternate are [●]. The Representative(s) appointed in respect of the first Tranche of any Series of Notes will be the representative of the single <i>Masse</i> of all Tranches in such Series.</p>
<b>C.10</b>	<b>Derivative component in interest payments</b>	<p>Please see Element C.9.</p> <p>Not Applicable. The Notes issued under the Programme do not contain any derivative component.</p>
<b>C.11</b>	<b>Admission to trading on a regulated market</b>	<p>[[Application has been made]/[Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading [on [the Official List of the Luxembourg Stock Exchange] / [●]] with effect from [●]]/[Not Applicable. The Notes are not intended to be admitted to trading]</p>
<b>C.21</b>	<b>Negotiation Market(s)</b>	<p>[The Notes will be admitted to trading on [the Official List of the Luxembourg Stock Exchange] / [●].]/[Not Applicable. The Notes are not intended to be admitted to trading]</p>

**Section D –Risk Factors**

<p><b>D.2</b></p>	<p><b>Key information on the key risks that are specific to the Issuer</b></p>	<p>In this section, “LVMH” refers indifferently either to LVMH or to the Group.</p> <p>There are certain factors that may affect the Issuer’ ability to fulfil its obligations under Notes issued under the Programme (each of which is described in more detail under “Risk Factors”). Risk factors relating to the Issuer, its operations, industry and its structure can be summarised as follows and include, without limitation:</p> <ul style="list-style-type: none"> <li>• Group’s image and reputation: products or marketing strategies not in line with brand image objectives, inappropriate behaviour by brand ambassadors, the LVMH Group’s employees, distributors or suppliers, as well as detrimental information circulating in the media might endanger the reputation of the Group’s brands and adversely impact sales;</li> <li>• Counterfeit and parallel retail networks: the Group’s brands, expertise and production methods can be counterfeited or copied. Its products, in particular leather goods, perfumes and cosmetics, may be distributed in parallel retail networks, including Web-based sales networks, without the Group’s consent;</li> <li>• Contractual constraints: the Group enters into multi-year agreements with its partners and some of its suppliers (especially lease, concession, distribution and procurement agreements). Should any of these agreements be terminated before its expiration date, compensation is usually provided for under the agreement in question, which would represent an expense without any immediate offsetting income item;</li> <li>• Anticipating changes in expectations of Group customers: brands must identify new trends, changes in consumer behavior, and in consumers’ tastes, in order to offer products and experiences that meet their expectations, failing which the continued success of their products would be threatened;</li> <li>• International exposure of the Group: the Group conducts business internationally and as a result is subject to various types of risks and uncertainties;</li> </ul>
		<ul style="list-style-type: none"> <li>• Other risks: consumer safety; seasonality; supply sources and strategic competencies; information systems; industrial environmental and meteorological risks;</li> <li>• Financial markets risks: LVMH is subject to exposure to credit risk, counterparty risk, foreign exchange risk, interest rate risk, equity market risk, commodity market risk and liquidity risk.</li> </ul>
<p><b>D.3</b></p>	<p><b>Key information on the key risks that are specific to the Notes</b></p>	<p>There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Notes issued under the Programme, including:</p> <p><u>1. General risks relating to the Notes such as:</u></p> <ul style="list-style-type: none"> <li>• Investors must independently review and obtain professional</li> </ul>

		<p>advice with respect to the acquisition of the Notes;</p> <ul style="list-style-type: none"> <li>• Modification, waivers and substitution of conditions affecting the Notes that are not desired by all holders can be effected by a majority</li> <li>• No active Secondary/Trading Market for the Notes may develop;</li> <li>• Potential Conflicts of Interest may arise;</li> <li>• Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks;</li> <li>• Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes;</li> <li>• Taxation: Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or of other jurisdictions;</li> <li>• EU Savings Directive: Pursuant to the Terms and Conditions of the Notes, if a payment were to be made or collected through a Member State which has opted for a withholding system under the Savings Directive and an amount of, or in respect of tax is withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax;</li> <li>• The proposed financial transaction tax draft directive has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes in certain circumstances;</li> <li>• Change of Law: No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus;</li> </ul>
		<ul style="list-style-type: none"> <li>• Provisions relating to the representation of the Noteholders described in the Base Prospectus will not be applicable to the extent they are not in compliance with compulsory French insolvency law provisions;</li> <li>• Credit ratings may not reflect all risks;</li> <li>• The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors such as market interest and yield rates, or time to maturity and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded if any.</li> </ul> <p><u>2. Risks related to the structure of a particular issue of Notes:</u></p> <ul style="list-style-type: none"> <li>• If the Notes are redeemable at the Issuer's option in certain circumstances, the Issuer may choose to redeem the Notes if the</li> </ul>

		<p>Issuer is obliged to increase the amounts payable in respect of any Notes and/or at times when prevailing interest rates may be relatively low;</p> <ul style="list-style-type: none"> <li>• Investment in the Notes which bear interest at a fixed rate involves the risk that subsequent changes in market conditions adversely affect the value of the relevant Tranche of Notes;</li> <li>• The market value of Floating Rate Notes may be volatile if changes to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate;</li> <li>• The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities;</li> <li>• The market value of Notes structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, may be even more volatile;</li> <li>• In the event of any insolvency or liquidation of the Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments;</li> <li>• Risks related to RMB Notes: RMB is not freely convertible and the liquidity of the Notes denominated in RMB may be adversely affected. The value of RMB against foreign currencies fluctuates and is affected by changes in the People's Republic of China and international political and economic conditions and by many other factors.</li> </ul>
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<b>Section E - Offer</b>		
<b>E.2b</b>	<b>Reasons for the offer and use of proceeds</b>	[The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes./specify other]
<b>E.3</b>	<b>Terms and conditions of the offer</b>	<p>[The Notes are offered to the public in the Grand Duchy of Luxembourg] / [●][The Notes are not offered to the public.]</p> <p>Conditions to which the offer is subject [●]</p> <p>Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the amount of the offer. [●]</p> <p>The time period, including any possible amendments, during which the offer will be open and description of the application process. [●]</p> <p>A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants. [●]</p> <p>Details of the minimum and/or maximum amount of application, (whether in number of securities or aggregate amount to invest).</p> <p>Method and time limits for paying up the securities and for delivery of the securities. [●]</p> <p>A full description of the manner and date in which results of the offer are to be made public. [●]</p> <p>The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised. [●]</p>
<b>E.4</b>	<b>Interests of natural and legal persons involved in the issue of the Notes</b>	[Not Applicable/So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.] / [The Dealer(s) will be paid an aggregate commission equal to [●] per cent. of the nominal amount of the Notes. So far as the Issuer is aware, no other person involved in the issue of the Notes has an interest material to the offer].
<b>E.7</b>	<b>Estimated expenses charged to investor by the Issuer or the offeror</b>	[Not applicable, there are no expenses charged to the investor(s). / The estimated expenses charged to the investor(s) amount to [●].]

## **RISK FACTORS**

*The Issuer believes that the following risks may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these risks are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Risks which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the risks described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and the Final Terms of the relevant Notes and reach their own views prior to making any investment decision.*

*Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances.*

### **RISK FACTORS RELATING TO THE ISSUER AND ITS OPERATIONS**

**In this section, “LVMH” refers indifferently either to LVMH or to the LVMH Group.**

#### **1 Risk factors relating to LVMH**

##### **1.1 Strategic and operational risks**

###### **Group’s image and reputation**

Around the world, the LVMH Group is known for its brands, unrivaled expertise and production methods unique to its products. The reputation of the Group’s brands rests on the quality and exclusiveness of its products, their distribution networks, as well as the promotional and marketing strategies applied. Products or marketing strategies not in line with brand image objectives, inappropriate behavior by brand ambassadors, the LVMH Group’s employees, distributors or suppliers, as well as detrimental information circulating in the media might endanger the reputation of the Group’s brands and adversely impact sales.

###### **Counterfeit and parallel retail networks**

The Group’s brands, expertise and production methods can be counterfeited or copied. Its products, in particular leather goods, perfumes and cosmetics, may be distributed in parallel retail networks, including Web-based sales networks, without the Group’s consent.

Counterfeiting and parallel distribution have an immediate adverse effect on revenue and profit. Activities in these illegitimate channels may damage the brand image of the relevant products over time and may also lower consumer confidence.

###### **Contractual constraints**

In the context of its business activities, the Group enters into multi-year agreements with its partners and some of its suppliers (especially lease, concession, distribution and procurement agreements). Should any of these agreements be terminated before its expiration date, compensation is usually provided for under the agreement in question, which would represent an expense without any immediate offsetting income item.

In addition, the Group has entered into commitments to its partners in some of its business activities to acquire the stakes held by the latter in the activities in question should they express an interest in such a sale, according to a contractual pricing formula.

The Group has also made commitments to some of the shareholders of its subsidiaries to distribute a minimum amount of dividends, provided the subsidiaries in question have access to sufficient cash resources.

### **Anticipating changes in expectations of Group customers**

Brands must identify new trends, changes in consumer behavior, and in consumers' tastes, in order to offer products and experiences that meet their expectations, failing which the continued success of their products would be threatened. By cultivating strong ties, continually replenishing their traditional sources of inspiration, ranging from art to sports, cinema and new technologies, the Group's various brands aim at all times to better anticipate and fully respond to their customers' changing needs, in line with each brand's specific identity and its particular affinities in its sphere of activity.

### **International exposure of the Group**

The Group conducts business internationally and as a result is subject to various types of risks and uncertainties. These include changes in customer purchasing power and the value of operating assets located abroad, economic changes that are not necessarily simultaneous from one geographic region to another, and provisions of corporate or tax law, customs regulations or import restrictions imposed by some countries that may, under certain circumstances, penalize the Group, such as China's plan in 2013 to increase the taxation of luxury goods.

Furthermore, a significant portion of Group sales is directly linked to fluctuations in the number of tourists. This is especially the case for the travel retail activities within Selective Retailing, but tourists also make up a large percentage of customers frequenting the boutiques operated by companies in the Fashion and Leather Goods business group. Events likely to reduce the number of tourists (geopolitical instability, weakening of the economic environment, natural catastrophes, etc.) might have an adverse impact on Group sales.

### **Other risk factors**

- **Consumer safety**

In France, the European Union and all other countries in which the Group operates, many of its products are subject to specific regulations. Regulations apply to production and manufacturing conditions, as well as to sales, consumer safety, product labelling and composition.

- **Seasonality**

Nearly all of the Group's activities are subject to seasonal variations in demand. A significant proportion of the Group's sales – approximately 30% of the annual total for all businesses – is generated during the peak holiday season in the fourth quarter of the year. Unexpected events in the final months of the year may have a significant effect on the Group's business volume and earnings.

- **Supply sources and strategic competencies**

The attractiveness of the Group's products depends, from a quantitative and qualitative standpoint, on being able to ensure adequate supplies of certain raw materials. In addition, from a qualitative perspective, these products must meet the Group's exacting quality

standards. In addition, LVMH's professions also require highly specific skills and expertise, in the area of leather goods or watchmaking, for example.

- **Information systems**

The Group is exposed to the risk of information systems failure, as a result of a malfunction or malicious intent.

- **Industrial, environmental and meteorological risks**

In the context of its production and storage activities, the Group is exposed to the occurrence of losses such as fires, water damage, or natural catastrophes.

The other risk factors, not directly related to business activities but to financing and investment transactions, are described in §1.3 Financial market risks.

## **1.2 Insurance policy**

LVMH's overall approach is primarily based on transferring its risks to the insurance markets at reasonable financial terms, and under conditions available in those markets both in terms of scope of coverage and limits. The extent of insurance coverage is directly related either to a quantification of the maximum possible loss, or to the constraints of the insurance market.

Compared with LVMH's financial capacity, the Group's level of self-insurance is not significant.

The main insurance programs coordinated by the Group are designed to cover property damage and business interruption, transportation, credit, third party liability and product recall.

### **Property and business interruption insurance**

Most of the Group's manufacturing operations are covered under a consolidated international insurance program for property damage and resulting business interruption.

### **Transportation insurance**

All Group operating entities are covered by an international cargo and transportation insurance contract.

### **Third-party liability**

The LVMH Group has established a third-party liability and product recall insurance program for all its subsidiaries throughout the world. Coverage levels are in line with those of companies with comparable business operations.

Both environmental losses arising from gradual as well as sudden and accidental pollution and environmental liability (Directive 2004/35/EC) are covered under this program.

Specific insurance policies have been implemented for countries where work-related accidents are not covered by state insurance or social security regimes, such as the United States.

### **Coverage for special risks**

Insurance coverage for political risks, company officers' liability, fraud and malicious intent, trade credit risk, acts of terrorism, loss of or corruption of computer data, and environmental risks is obtained through specific worldwide or local policies.

## **1.3 Financial risks**

### **Credit risk**

Because of the nature of its activities, a significant portion of the Group's sales are not exposed to customer credit risk. Sales are made directly to customers through the Selective Retailing network, the Fashion and Leather Goods stores and, to a lesser extent, the Watches and Jewelry stores.

Furthermore, for the remaining 37% of revenue, the Group's businesses are not dependent on a limited number of customers whose default would have a significant impact on Group activity level or earnings.

### **Counterparty risk**

The financial crisis over the last few years has had a considerable impact on the banking sector worldwide, necessitating heightened controls and a more dynamic approach to the management of counterparty risk to which the Group is exposed. Risk diversification is a key objective. Special attention is given to the exposure of bank counterparties to financial and sovereign credit risks, in addition to their credit ratings, which must always be in the top-level categories. Banking counterparty risk is monitored on a regular and comprehensive basis, a task facilitated by the centralization of market and liquidity risk management.

### **Foreign exchange risk**

A substantial portion of the Group's sales is denominated in currencies other than the euro, particularly the US dollar (or currencies tied to the US dollar such as the Hong Kong dollar or the Chinese yuan, among others) and the Japanese yen, while most of its manufacturing expenses are euro-denominated.

Exchange rate fluctuations between the euro and the main currencies in which the Group's sales are denominated can therefore significantly impact its revenue and earnings reported in euros, and complicate comparisons of its year-on-year performance.

The Group actively manages its exposure to foreign exchange risk in order to reduce its sensitivity to unfavorable currency fluctuations by implementing hedges such as forward sales and options.

Owning substantial assets denominated in currencies other than euros (primarily the US dollar and Swiss franc) is also a source of foreign exchange risk with respect to the Group's net assets.

### **Interest rate risk**

Since LVMH's debt is denominated in various different currencies, the Group's exposure to fluctuations in interest rates underlying the main currency-denominated borrowings (euro, Swiss franc, Japanese yen and US dollar) varies accordingly.

This risk is managed using interest rate swaps and by purchasing options (protections against an increase in interest rate) designed to limit the adverse impact of unfavorable interest rate fluctuations.

### **Equity market risk**

The Group's exposure to equity market risk relates in part to its treasury shares, which are held primarily in coverage of stock option plans and bonus share plans. LVMH treasury shares are considered as equity instruments under IFRS, and as such any changes in value have no impact on the consolidated income statement. In addition, as at 31 December 2013, the Group held a 23.1% stake in Hermès International SCA.

Other quoted securities may be held by some of the funds in which the Group has invested, or directly within non-current or current available for sale financial assets.

The Group may use derivatives in order to reduce its exposure to risk. Derivatives may serve as a hedge against fluctuations in share prices. For instance, they may be used to cover cash-settled compensation plans index-linked to the change in the LVMH share-price. Derivatives may also be used to create synthetic long position.

#### **Commodity market risk**

The Group, mainly through its Watches and Jewelry business group, may be exposed to changes in the prices of certain precious metals, such as gold. In certain cases, in order to ensure visibility with regard to production costs, hedges may be implemented.

#### **Liquidity risk**

The Group's local liquidity risks are generally not significant. Its overall exposure to liquidity risk can be assessed with regard to the amount of the short-term portion of its net financial debt before hedging, net of cash and cash equivalents, 1.3 billion euros as of 31 December 2013 or with regard to outstanding amounts in respect of its commercial paper program (2.3 billion euros). Should any of these borrowing facilities not be renewed, the Group has access to undrawn confirmed credit lines totaling 4.4 billion euros.

Therefore, the Group's liquidity is based on the large amount of its investments and long term borrowings, the diversity of its investor base (bonds and short term paper), and the quality of its banking relationships, whether evidenced or not by confirmed credit lines.

### **RISK FACTORS RELATING TO THE NOTES**

#### **1 General Risks Relating to the Notes**

##### **1.1 Independent Review and Advice**

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealer(s) or any of their affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

##### **1.2 Modification of the Terms and Conditions of the Notes, Waivers and Substitution**

The applicable Terms and Conditions of the Notes contain provisions for the calling of general meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all including Noteholders who did not attend and vote at the relevant general meeting and Noteholders who voted in a manner contrary to the majority.

##### **1.3 No active Secondary/Trading Market for the Notes**

Notes issued under the Programme will be new securities which may not be widely distributed and for which there may be no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single Series with a Tranche of Notes which is already

issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

#### **1.4 Potential Conflicts of Interest**

All or some of the Dealers and their affiliates (including their parent companies) have and/or may in the future engage, in the ordinary course of business, in investment banking, commercial banking and/or other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have or may, in the ordinary course of their business, (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (iii) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuer and the Dealer(s) may from time to time be engaged in transactions involving the Notes, an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable upon redemption of the Notes.

#### **1.5 Exchange Rates**

Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks. The reference assets or the Notes may be denominated in a currency other than the currency of the purchaser's home jurisdiction; and/or the reference assets or the Notes may be denominated in a currency other than the currency in which a purchaser wishes to receive funds. Exchange rates between currencies are influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes or the reference assets.

#### **1.6 Legality of Purchase**

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### **1.7 Taxation**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisors are in a position to duly

consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

## **1.8 EU Savings Directive**

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the “**Savings Directive**”). The Savings Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident in that other Member State, or to certain limited types of entities established in that other Member State. However, for a transitional period, Austria and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependant upon the conclusion of certain other agreements relating to information exchange with certain other countries). The Luxembourg government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Savings Directive. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). The rate of this withholding tax is currently 35 per cent.

Pursuant to the Terms and Conditions of the Notes, if a payment were to be made or collected through a Member State which has opted for a withholding system under the Savings Directive and an amount of, or in respect of tax is withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payments made by any Paying Agent, the Issuer will be required to maintain or appoint a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On 24 March 2014, the Council of European Union adopted a directive amending the Savings Directive, which when implemented, will amend and broaden the scope of the requirements described above. In particular, the amending directive aims at extending the scope of the Savings Directive to new types of savings income and products that generate interest or equivalent income. In addition, tax authorities will be required in certain circumstances to take steps to identify the beneficial owner of interest payments (through a look through approach). The EU Member States will have until 1 January 2016 to adopt the national legislation necessary to comply with this amending directive.

Investors should inform themselves of, and where appropriate take advice on, the impact of the Savings Directive and the amending directive on their investment.

## **1.9 The proposed financial transactions tax ("FTT")**

The European Commission has published a proposal for a Directive for a common FTT in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovenia and Slovakia (the “**Participating Member States**”).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The FTT would impose a charge at generally not less than 0.1% of the sale price on such transactions. Primary market transactions referred to in Article 5(c) of regulation (EC) No 1287/2006 are exempt.

Under the latest proposals dated 14 February 2013 the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is

established in a Participating Member State. A financial institution may be, or deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. If the proposed directive or any similar tax were adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

### **1.10 Change of Law**

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus.

### **1.11 French Insolvency Law**

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) or, as from 1 July 2014, an accelerated safeguard procedure (*procédure de sauvegarde accélérée*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (EMTN) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or proposed judicial reorganisation plan (*projet de plan de redressement*) or, as from 1 July 2014, proposed accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing off receivables in the form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in this Base Prospectus will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

### **1.12 Credit ratings may not reflect all risks**

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. The rating reflects the possibility of default of the Issuer of the Notes as judged by the credit rating agencies.

### **1.13 Market Value of the Notes**

The value of the Notes may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded if any. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

## **2 Risks related to the structure of a particular issue of Notes**

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for potential investors depending on the specific features of such Notes such as, *inter alia*, the provisions for computation of periodic interest payments, if any, redemption and issue price.

### **2.1 Notes subject to optional redemption by the Issuer**

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the country of domicile (or residence for tax purposes) by the Issuer, or within France, or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specifies that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed. In such circumstances an investor may not be able to reinvest the amounts received upon redemption in a comparable security at a rate that will provide the same return as its investment in the Notes.

Finally, the market value of the Notes, prior to any redemption may be higher than the amount received by the relevant Noteholders upon any early redemption of the Notes occurring as described above, and the redemption may under such circumstances lead to a loss in value for the investors.

### **2.2 Fixed Rate Notes**

Investment in the Notes which bear interest at a fixed rate involves the risk that subsequent changes in market conditions, including a change in interest rates, adversely affect the value of the relevant Tranche of Notes.

### **2.3 Floating Rate Notes**

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant

margin will not change throughout the life of the Notes but there will be a periodic adjustment (specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change over time. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

#### **2.4 Notes issued at a substantial discount or premium**

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### **2.5 Variable rate Notes with a multiplier or other leverage factor**

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

#### **2.6 Subordinated Notes**

In the event of any insolvency or liquidation of the Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments. Thus, holders of Subordinated Notes generally face a higher performance risk than holders of Unsubordinated Notes.

#### **2.7 Risks related to RMB Notes**

Notes denominated in RMB (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors.

##### *Risk of change in government support and regulatory regime*

There can be no assurance that the PRC government will continue to gradually liberalise its control over cross-border Renminbi remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer is not able to repatriate funds outside the PRC in Renminbi, the Issuer will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

##### *RMB is not freely convertible and the liquidity of the Notes denominated in RMB may be adversely affected*

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies. The People’s Bank of China (“**PBOC**”) has established RMB clearing and settlement systems for certain locations pursuant to settlement agreements relating to the clearing of RMB business between PBOC and certain clearing banks. However, the current size of RMB and RMB denominated financial assets outside the PRC remains limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of Notes denominated in RMB.

##### *RMB currency risk*

Except in limited circumstances and unless otherwise specified, all payments of RMB under Notes denominated in RMB to an investor will be made solely by transfer to a RMB bank account maintained in Hong Kong by such investor in accordance with the prevailing rules and regulations and in accordance with the terms and conditions of the Notes. The Issuer cannot be required to make payment by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not freely convertible at present, and conversion of RMB into other currencies is subject to certain restrictions. In particular, for personal investors, currently conversions of RMB conducted through RMB deposit accounts may be subject to a daily limit, and investors may have to allow time for conversion of RMB from/to another currency of an amount exceeding such daily limit.

In addition, there can be no assurance that access to RMB for the purposes of making payments under such Notes or generally may remain or will not become restricted. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, any payment of RMB under the Notes may be delayed or the Issuer may make such payments in another currency selected by the Issuer using an exchange rate determined by the Calculation Agent, or the Issuer may redeem the Notes by making payment in another currency.

*RMB exchange rate risk*

The value of RMB against foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The Issuer will make all RMB payments under Notes denominated in RMB in RMB (subject to the second paragraph under the heading "**RMB currency risk**" above). As a result, the value of such payments in RMB (in foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against any foreign currencies, the value of an investor's investment in such foreign currency terms will decline.

## CONDITIONS ATTACHED TO THE CONSENT OF THE ISSUER TO USE THE PROSPECTUS

In the context of any offer of Notes in the Grand Duchy of Luxembourg and/or any other jurisdiction into which the Base Prospectus has been passported based on a supplement to this Base Prospectus and repeated in the applicable Final Terms (the “**Public Offer Jurisdiction(s)**”) that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended, (a “**Non-Exempt Offer**”), the Issuer consents to the use of the Base Prospectus and the relevant Final Terms (together, the “**Prospectus**”) in connection with a Non-Exempt Offer of any Notes during the offer period specified in the relevant Final Terms (the “**Offer Period**”) and in the Public Offer Jurisdiction(s) specified in the relevant Final Terms by:

- (1) subject to conditions set out in the relevant Final Terms, any financial intermediary designated in such Final Terms; or
- (2) if so specified in the relevant Final Terms, any financial intermediary which satisfies the following conditions: (a) acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “**Rules**”), from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor; (b) complies with the restrictions set out under “*Subscription and Sale*” in this Base Prospectus which would apply as if it were a Dealer; (c) ensures that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes is fully and clearly disclosed to investors or potential investors; (d) holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules; (e) retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery and “know your client” rules applying to the Issuer and/or the relevant Dealer(s); (f) does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or any requirement to obtain or make any filing, authorisation or consent in any jurisdiction; and (g) satisfies any further conditions specified in the relevant Final Terms (in each case an “**Authorised Offeror**”). For the avoidance of doubt, none of the Dealer(s) or the Issuer shall have any obligation to ensure that an Authorised Offeror complies with applicable laws and regulations and shall therefore have no liability in this respect.

The Issuer accepts responsibility, in the Public Offer Jurisdiction(s) specified in the Final Terms, for the content of the Prospectus in relation to any person (an “**Investor**”) in such Public Offer Jurisdiction(s) to whom an offer of any Notes is made by any Authorised Offeror and where the offer is made during the period for which that consent is given. However, neither the Issuer nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The consent referred to above relates to Offer Periods (if any) ending no later than the date falling 12 months from the date of the approval of the Base Prospectus by the CSSF.

In the event the Final Terms designate financial intermediary(ies) to whom the Issuer has given its consent to use the Prospectus during an Offer Period, the Issuer may also give consent to additional Authorised

Offerors after the date of the relevant Final Terms and, if it does so, it will publish any new information in relation to such Authorised Offerors who are unknown at the time of the approval of this Base Prospectus.

As of the date of this Base Prospectus, any references to Member State(s) in the context of the Issuer consenting to the use of the Base Prospectus for a Non-exempt Offer shall be a reference to the Grand Duchy of Luxembourg only. In the event that the Issuer wishes to make a Non-exempt Offer in any other EEA Member State, a supplement to this Base Prospectus shall be prepared.

**If the Final Terms specify that any financial intermediary may use the Prospectus during the Offer Period, any such Authorised Offeror is required, for the duration of the Offer Period, to publish on its website that it is using the Prospectus for the relevant Non-Exempt Offer with the consent of the Issuer and in accordance with the conditions attached thereto.**

**In the case of an offer being made by an Authorised Offeror and/or any financial intermediary, this Authorised Offeror and/or financial intermediary will provide information to investors on the terms and conditions of the Notes and the offer thereof, at the time such offer is made.**

If the Final Terms state that the consent to use the prospectus is given to one or more specified Authorised Offeror(s) and/or financial intermediary/intermediaries, any new information with respect to financial intermediaries unknown at the time of the approval of the Prospectus or the filing of the Final Terms will be published on the website of the Issuer.

Other than as set out above, neither the Issuer nor any of the Dealer(s) has authorised the making of any Non-Exempt Offer by any person in any circumstances and such person is not permitted to use the Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by any of the Dealer(s) or Authorised Offerors and none of the Issuer or any of the Dealer(s) or Authorised Offerors has any responsibility or liability for the actions of any person making such offers.

**An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price allocations and settlement arrangements (the “Terms and Conditions of the Non-Exempt Offer”). The Issuer will not be a party to any such arrangements with Investors (other than Dealer(s)) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Non-Exempt Offer shall be provided to Investors by that Authorised Offeror at the time of the Non-Exempt Offer. Neither the Issuer nor any of the Dealer(s) or other Authorised Offerors has any responsibility or liability for such information.**

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following overview does not purport to be complete and is qualified by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Series (as defined below in “Terms and Conditions of the Notes”) of Notes, the applicable Final Terms.*

<b>Issuer:</b>	LVMH Moët Hennessy Louis Vuitton (“LVMH” or the “Issuer”)
<b>Description:</b>	Euro Medium Term Note Programme for the issue of Notes (the “Programme”)
<b>Arranger:</b>	Deutsche Bank AG, Paris Branch
<b>Dealers:</b>	<p>BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Daiwa Capital Markets Europe Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Mitsubishi UFJ Securities International plc, NATIXIS, Société Générale and The Royal Bank of Scotland plc.</p> <p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p>
<b>Programme Limit:</b>	Up to Euro 10,000,000,000
<b>Fiscal Agent and Principal Paying Agent:</b>	<p>Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom</p>
<b>Paying Agents:</b>	<p>Deutsche Bank AG, Paris Branch as Paris Paying Agent 23-25, avenue de Franklin Roosevelt 75008 Paris France</p> <p>Deutsche Bank Luxembourg S.A. as Luxembourg Paying Agent 2, boulevard Konrad Adenauer L-1115 Luxembourg Grand-Duchy of Luxembourg</p>
<b>Method of Issue:</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment

of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, identical to the terms of other Tranches of the same Series) will be set out in the Final Terms to this Base Prospectus.

<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.
<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. dollars, Japanese yen, Swiss francs, Sterling, Chinese Yuan Renminbi and in any other currency specified in the relevant Final Terms.
<b>Denomination(s):</b>	Minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in an EEA Member State in circumstances which require the publication of a prospectus under the Prospectus Directive: €1,000 (or the equivalent amount in any other currency at the Issue Date).
<b>Status of the Unsubordinated Notes:</b>	Unsubordinated Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by French law) equally with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
<b>Status of the Subordinated Notes:</b>	<p>Subordinated Notes comprise Dated Subordinated Notes and Undated Subordinated Notes, all as set out and defined in Condition 3(b). See “Terms and Conditions of the Notes – Status”.</p> <p>If so specified in the relevant Final Terms, the payment of interest in respect of Subordinated Notes may be deferred in accordance with the provisions of Condition 5(f) - see “Terms and Conditions of the Notes - Interest and other Calculations”.</p>
<b>Negative Pledge:</b>	There will be a negative pledge in respect of Unsubordinated Notes as set out in Condition 4 - see “Terms and Conditions of the Notes - Negative Pledge”.
<b>Events of Default:</b>	There will be events of default in respect of Unsubordinated Notes as set out in Condition 9(a) and limited events of default only in respect of Subordinated Notes as set out in Condition 9(b) - see “Terms and Conditions of the Notes - Events of Default”.

<b>Redemption Amount:</b>	The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
<b>Optional Redemption:</b>	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and if so the terms applicable to such redemption.
<b>Redemption by Instalments:</b>	The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
<b>Make-Whole Redemption by the Issuer:</b>	If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date.
<b>Early Redemption:</b>	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons as set out in Condition 6. See “Terms and Conditions of the Notes - Redemption, Purchase and Options”.
<b>Taxation:</b>	<p>All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>In the event that any such withholding or deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 8 and to the fullest extent then permitted by law, be required to pay additional amounts to cover the amounts so deducted.</p> <p>See section “Taxation”.</p>
<b>Interest Periods and Interest Rates:</b>	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to

	bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
<b>Fixed Rate Notes:</b>	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
<b>Floating Rate Notes:</b>	Floating Rate Notes will bear interest determined separately for each Series as follows: <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or</li> <li>(ii) by reference to LIBOR, EURIBOR or such other rate specified in the relevant Final Terms, in each case as adjusted for any applicable margin.</li> </ul> <p>Interest periods will be specified in the relevant Final Terms.</p>
<b>Zero Coupon Notes:</b>	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
<b>Redenomination:</b>	Notes issued in the currency of any Member State of the EU which participates in the single currency of the European Economic and Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1 of “Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination” below.
<b>Consolidation:</b>	Notes of one Series may be consolidated with Notes of another Series as more fully provided in Condition 14 of “Terms and Conditions of the Notes - Further Issues and Consolidation”.
<b>Form of Notes:</b>	Notes may be issued in dematerialised form (“ <b>Dematerialised Notes</b> ”) or in materialised form (“ <b>Materialised Notes</b> ”). Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form ( <i>au porteur</i> ) or in registered dematerialised form ( <i>au nominatif</i> ) and, in such latter case, at the option of the relevant Noteholder, in either <i>au nominatif pur</i> or <i>au nominatif administré</i> form. No physical documents of title will be issued in respect of Dematerialised Notes. See Condition 1 of “Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination”. Materialised Notes will be in bearer materialised form (“ <b>Materialised Bearer Notes</b> ”) only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Materialised Notes may only be issued outside France.
<b>Governing Law:</b>	French law.

<b>Initial Delivery of Dematerialised Notes:</b>	One Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre Comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes:</b>	On or before the issue date for each Tranche of Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.
<b>Issue Price:</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price will be specified in the relevant Final Terms.
<b>Listing and Admission to Trading:</b>	Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Official List, and to be admitted to trading on the Regulated Market, of the Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may or may not be admitted to trading.
<b>Selling Restrictions:</b>	<p>The offer and sale of Notes will be subject to selling restrictions in various jurisdictions, in particular, those of the United States of America, those of Japan, those of Hong Kong, those of the People’s Republic of China, those of the European Economic Area including France and the United Kingdom (see “Subscription and Sale”). Further restrictions that may apply to a Series of Notes may be specified in the applicable Final Terms.</p> <p>The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.</p> <p>Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “<b>D Rules</b>”) unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “<b>C Rules</b>”) or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“<b>TEFRA</b>”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.</p>
<b>Rating:</b>	As of the date of this Base Prospectus, the long-term corporate rating of the Issuer by Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc. (“ <b>S&amp;P</b> ”) is A+ with stable outlook. Notes issued under this Programme may

or may not be rated. The credit ratings included or referred to in this Base Prospectus have been issued by S&P, which is established in the European Union and registered under the Regulation (EC) No. 1060/2009 on credit ratings agencies, as amended (the “**CRA Regulation**”) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) as of the date of this Base Prospectus. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been filed with the *Commission de surveillance du secteur financier* in Luxembourg and shall be incorporated by reference in, and form part of, this Base Prospectus (save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified and superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise)). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

- (1) the French language version of the *document de référence* filed with the French *Autorité des marchés financiers* for the year 2012, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 262 of such document, which includes the audited annual consolidated financial statements of LVMH for the financial year ended 31 December 2012 and the notes related thereto (the “**2012 Document de Référence**”);
- (2) the French language version of the *document de référence* filed with the French *Autorité des marchés financiers* for the year 2013, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 276 of such document, which includes the audited annual consolidated financial statements of LVMH for the financial year ended 31 December 2013 and the notes related thereto (the “**2013 Document de Référence**”); and
- (3) the terms and conditions of the notes contained in the base prospectus of the Issuer dated, respectively 28 November 2008 (the “**2008 EMTN Conditions**”), 9 April 2010 (the “**2010 EMTN Conditions**”), 13 May 2011 (the “**2011 EMTN Conditions**”), 22 June 2012 (the “**2012 EMTN Conditions**”), 23 July 2013 (the “**2013 EMTN Conditions**”) and in the second supplement dated 15 March 2011 to the base prospectus dated 9 April 2010 (the “**Additional March 2011 EMTN Conditions**”), and together with the 2008 EMTN Conditions, the 2010 EMTN Conditions, the 2011 EMTN Conditions, the 2012 EMTN Conditions, the 2013 EMTN Conditions and the Additional March 2011 EMTN Conditions, the “**EMTN Previous Conditions**”).

Such documents shall be deemed to be incorporated by reference in, and form part of this Base Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

This Base Prospectus and copies of documents incorporated by reference in this Base Prospectus will be published on, and may be obtained, free of charge, from the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and may be obtained, free of charge, at the offices of the Fiscal Agent and each Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding.

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

EMTN Previous Conditions	
2008 EMTN Conditions	Pages 32 to 60

<b>EMTN Previous Conditions</b>	
2010 EMTN Conditions	Pages 34 to 61
2011 EMTN Conditions	Pages 35 to 62
2012 EMTN Conditions	Pages 34 to 62
2013 EMTN Conditions	Pages 35 to 66
Additional March 2011 EMTN Conditions	Page 2

**INFORMATION INCORPORATED BY REFERENCE FOR THE YEARS ENDED  
31 DECEMBER 2013 AND 2012**

<b>Information incorporated by reference</b>	<b>Reference</b>
<b>2013 Document de Référence</b>	
Business review	Pages 24 to 35
Consolidated income statement	Page 120
Consolidated statement of comprehensive gains and losses	Page 121
Consolidated balance sheet	Page 122
Consolidated statement of changes in equity	Page 123
Consolidated cash-flow statement	Page 124
Notes to the consolidated financial statements	Pages 125 to 183
Consolidated companies in 2013	Pages 184 to 189
Statutory Auditors' report on the consolidated financial statements	Page 190
<b>2012 Document de Référence</b>	
Business review	Pages 24 to 34
Consolidated income statement	Page 116
Consolidated statement of comprehensive gains and losses	Page 116
Consolidated balance sheet	Page 117
Consolidated cash-flow statement	Page 119
Consolidated statement of changes in equity	Page 118
Notes to the consolidated financial statements	Pages 121 to 175
Consolidated companies in 2012	Pages 176 to 180
Statutory Auditors' report on the consolidated financial statements	Page 181

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004, as amended, or is provided in other sections of the Base Prospectus.

## SUPPLEMENT TO THE BASE PROSPECTUS

If at any time LVMH shall be required to prepare a supplement to this Base Prospectus (the “**Supplement**”) pursuant to the provisions of article 13.1 of the *loi relative aux prospectus pour valeurs mobilières* in Luxembourg implementing the Prospectus Directive (the “**Luxembourg Law on Prospectuses**”), because of the occurrence or disclosure at any time, between the date hereof and the final closing of an offer to the public of Notes to be issued under the Programme or, as the case may be, the time when trading of such Notes on a Regulated Market begins, of a significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus, which is capable of affecting the assessment of the Notes, LVMH undertakes, *inter alia*, to the Dealers, and the *Commission de surveillance du secteur financier* in Luxembourg and to the Luxembourg Stock Exchange to prepare and make available an appropriate Supplement to this Base Prospectus or a new Base Prospectus, which in respect of any subsequent issue of Notes to be listed on the Official List, and admitted to trading on the Regulated Market, of the Luxembourg Stock Exchange or on a Regulated Market of a Member State of the European Economic Area or to be offered to the public in Luxembourg or in any Member State of the European Economic Area, shall constitute a Supplement for the purpose of the relevant provisions of the *loi relative aux prospectus pour valeurs mobilières*.

LVMH shall submit such Supplement or restated Base Prospectus to the *Commission de surveillance du secteur financier* in Luxembourg for approval and supply each Dealer, and the *Commission de surveillance du secteur financier* in Luxembourg and the Luxembourg Stock Exchange with such number of copies of such Supplement as may reasonably be requested. All documents prepared in connection with the listing approval of the Programme will be published in accordance with the Prospectus Directive and will be available at the specified office of the Paying Agent.

In accordance with and pursuant to Article 16.2 of the Prospectus Directive and article 13.2 of the Luxembourg Law on Prospectuses, where the Notes are offered to the public, investors who have already agreed to purchase or subscribe for Notes before any Supplement is published have the right, exercisable within two working days after the publication of such Supplement, to withdraw their acceptance provided that the new factor, mistake or inaccuracy referred to in Article 16.1 of the Prospectus Directive arose before the final closing of the offer to the public and the delivery of the Notes. The period may be extended by the Issuer or, if any, the relevant offeror(s). The final date of the right of withdrawal shall be stated in the Supplement.

**PERSON RESPONSIBLE FOR THE INFORMATION  
GIVEN IN THE BASE PROSPECTUS**

To the best knowledge of the Issuer having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained in this Base Prospectus accordingly. The Issuer will also accept responsibility for the information contained in the Final Terms in respect of any issue of Notes.

LVMH Moët Hennessy Louis Vuitton

22, avenue Montaigne

75008 Paris

France

Duly represented by:

Mr. Jean-Jacques Guiony, Chief Financial Officer

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms and, excepting sentences in italics, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

There is an amended and restated agency agreement (the “**Amended and Restated Agency Agreement**”) dated 2 July 2014 agreed between LVMH Moët Hennessy Louis Vuitton (the “**Issuer**”), Deutsche Bank AG, London Branch as fiscal agent and the other agents named in it. The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”. References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below.

For the purpose of these Terms and Conditions, “**Regulated Market**” means any regulated market situated in a Member State of the European Economic Area (“**EEA**”) as defined in the Directive 2004/39/EC on Financial Instruments Markets dated 21 April 2004, as amended from time to time.

### 1 Form, Denomination(s), Title and Redenomination

- (a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).
- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* (the “**Code**”) by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the Code) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of Euroclear France Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*nominatif administré*) inscribed in the books of a Euroclear France Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or by the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

If French law so provides, the Issuer may require the identification of the Noteholders unless such rights is expressly excluded in the relevant Final Terms.

For the purpose of these Conditions, “**Euroclear France Account Holder**” means any financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France, and includes the depository bank for Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”).

- (ii) Materialised Notes are issued in bearer form (“**Materialised Bearer Notes**”). Materialised Bearer Notes are serially numbered and are issued with Coupons (each, a “**Coupon**” and, where appropriate, a talon (a “**Talon**”)) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more receipts (each, a “**Receipt**”) attached.

*In accordance with Articles L.211-3 and R.211-1 of the Code, securities (such as the Notes) which are governed by French law and are in materialised form must be issued outside the French territory.*

(b) **Denomination(s):**

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in a Member State of the EAA in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency at the issue date) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Euroclear France Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or of the Registration Agent.
- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue (“**Definitive Materialised Bearer Notes**”), shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, “**Noteholder**”, “**holder of any Note**” or “**holder of Notes**” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Euroclear France Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons (“**Receiptholder**” and “**Couponholder**” being construed accordingly) or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Redenomination:**

- (i) The Issuer may, on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 15

and on or after the date on which the Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the “EC”), as amended from time to time (the “Treaty”)) or events have occurred which have substantially the same effects (in either case, “EMU”), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “Redenomination Date”.

- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to Euro.
- (iv) The Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holder of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

## 2 Conversion and Exchanges of Notes

### (a) Dematerialised Notes:

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).

(iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the Code. Any such conversion shall be effected at the cost of such Noteholder.

(b) **Materialised Notes:**

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

### 3 Status

(a) Status of Unsubordinated Notes:

Unsubordinated Notes (“**Unsubordinated Notes**”) and, where applicable, any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French) equally with all other present or future unsecured and unsubordinated financial obligations of the Issuer, from time to time outstanding.

(b) Status of Subordinated Notes:

(i) General

Subordinated Notes (“**Subordinated Notes**”) comprise Dated Subordinated Notes and Undated Subordinated Notes (all as defined below).

(ii) Subordinated Notes

The principal and (if the applicable Final Terms so specify) interest on Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French law) *pari passu* with all other present or future Subordinated Notes, but in priority to the *prêts participatifs* granted to the Issuer.

(iii) Dated Subordinated Notes

Subordinated Notes may have a specified maturity date (“**Dated Subordinated Notes**”). The use of proceeds of issues of Dated Subordinated Notes will be set out in the applicable Final Terms.

(iv) Undated Subordinated Notes

Subordinated Notes may not have a specified maturity date (“**Undated Subordinated Notes**”). The use of proceeds of issues of Undated Subordinated Notes will be set out in the applicable Final Terms.

(v) Interest relating to Subordinated Notes

Unless otherwise specified in the relevant Final Terms, payments of interest relating to Subordinated Notes constitute obligations which rank equally with the obligations of the Issuer in respect of Unsubordinated Notes issued by the Issuer in accordance with Condition 3(a).

If so specified in the relevant Final Terms, payments of interest relating to Subordinated Notes may be deferred in accordance with the Condition 5(f).

(vi) Payment of Notes in the event of the liquidation of the Issuer

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole or part of the business of the Issuer (*cession totale ou partielle de l'entreprise*) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason, the payments of the creditors of the Issuer shall be made in the following order of priority (in each case subject to the payment in full of priority creditors):

- unsubordinated creditors of the Issuer (including holders of Unsubordinated Notes)
- holders of Subordinated Notes, and
- lenders in relation to *prêts participatifs* granted to the Issuer

In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with Subordinated Notes shall be terminated (then subsequently the obligations of the Issuer *vis-à-vis* the lenders in relation to *prêts participatifs*). The holders of Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

The above order of priority which relates to the principal of Subordinated Notes will apply *mutatis mutandis* to interest payments depending on whether they are unsubordinated or subordinated.

#### 4 Negative Pledge

So long as any of the Unsubordinated Notes or, if applicable, any Receipts or Coupons relating to them, remains outstanding (as defined below), the Issuer will not create any mortgage, lien, pledge, charge or other form of security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) or any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Notes are equally secured therewith.

For the purposes of this Condition, "**Relevant Debt**" means any present or future indebtedness for borrowed money in the form of, or represented by, bonds, notes or debentures (*obligations*) which are for the time being, or capable of being, quoted, listed, or ordinarily dealt in on any stock exchange.

For the purposes of these Conditions, "**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in dematerialised bearer form and in administered registered form, to the relevant Euroclear France Account Holders on behalf of the Noteholder as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the Fiscal Agent and remain available for payment against presentation and surrender of Materialised Bearer Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Materialised Bearer Notes that have been surrendered in exchange for replacement Materialised Bearer Notes, (ii) (for the purpose only of determining how many such Materialised Bearer Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Bearer Notes have been issued and (iii) any

Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Bearer Notes, pursuant to its provisions.

## 5 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**“Business Day”** means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto (the **“TARGET System”**) is operating (a **“TARGET Business Day”**) and/or
- (ii) in the case of a specified currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency and/or
- (iii) in the case of a specified currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual - ISDA”** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in the other portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **“Actual/Actual-ICMA”** is specified in the relevant Final Terms:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one Determination Period, the sum of:
    - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

in each case where **“Determination Period”** means the period from and including a Determination Date in any year to but excluding the next Determination Date and **“Determination Date”** means the date specified in the relevant Final Terms or, if none is specified, the Interest Payment Date

- (iii) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365
- (iv) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360
- (v) if “**30/360**” or “**360/360 (Bond Basis)**” is specified in the relevant Final Terms, the number of days in the Calculation Period by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

- (vii) if “**30E/360 (ISDA)**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Final Terms

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period or the interest amount in relation to RMB Notes, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro

“**Interest Payment Date**” means the date(s) specified in the relevant Final Terms

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified in the relevant Final Terms

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. A copy of the 2006 ISDA Definitions may be obtained from the Calculation Agent.

**“Issue Date(s)”** means the date(s) specified in the relevant Final Terms

**“Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified in the relevant Final Terms for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate

**“Rate of Interest”** means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of the relevant Final Terms

**“Reference Banks”** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as so specified in the relevant Final Terms

**“Relevant Date”** means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation

**“Relevant Financial Centre”** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms (which, in the case of EURIBOR, shall be the Euro-zone or in the case of LIBOR, shall be London)

**“Relevant Rate”** means LIBOR, EURIBOR or such other rate specified in the relevant Final Terms

**“Relevant Time”** means, with respect to any Interest Determination Date, 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) or such other time specified in the relevant Final Terms

**“Representative Amount”** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time

**“RMB Note”** means a Note denominated in Renminbi

**“Specified Currency”** means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated and

**“Specified Duration”** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii).

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a fixed amount of interest (“**Fixed Coupon Amount**”) or a broken amount of interest (“**Broken Amount**”) is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

- (c) **Interest on Floating Rate Notes:**

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

- (A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms,
- (b) the Designated Maturity is a period specified in the relevant Final Terms, and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if a Page is specified as the Primary Source in the relevant Final Terms, subject as provided below, the Rate of Interest shall be:
  - (i) the offered quotation for the Relevant Rate (where such offered quotation on such Page is a composite quotation or is customarily supplied by one entity) or
  - (ii) the arithmetic mean of the offered quotations for the Relevant Rate of the persons whose offered quotations appear on that Page,  
(expressed as percentage rate per annum) in each case appearing on such Page at the Relevant Time on the Interest Determination Date.
- (b) if the Primary Source for the Floating Rate is Reference Banks or if (a) applies and the Page is not available or sub-paragraph (a)(i) applies and no offered quotation appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two offered quotations appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be determined by the Calculation Agent as the arithmetic mean of the offered quotations for the Relevant Rate expressed as a percentage rate per annum that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as provided by the Reference Banks to the Calculation Agent and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest for the relevant Interest Period shall be the arithmetic mean of the rates per annum (expressed as a percentage) communicated to (and at the request of) the Calculation Agent by the Reference Banks at which such banks offered rates for deposits in respect of a Representative Amount of the Specified Currency that at least two out of five Reference Banks in the Relevant Financial Centre are quoting at or about the Relevant Time on the relevant date for a period commencing on the Effective Date for a period equivalent to the Specified Duration to leading banks carrying on business in the Relevant Financial Centre; except that, if fewer than two of such banks provide the Calculation Agent with such offered rates,

the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(g)(i)).
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (f) **Deferral of Interest:** In the case of Subordinated Notes, interest shall be payable on each Compulsory Interest Payment Date (as defined below) in respect of the interest accrued in the Interest Period ending on the day immediately preceding such date. On any Optional Interest Payment Date (as defined below) there may be paid (unless the Issuer elects not to make such payment) the interest accrued in the Interest Period ending on the day immediately preceding such date but the Issuer shall not (in the absence of any such election) have any obligation to make such payment and any such failure to pay shall not constitute a default under the Notes or for any other purpose. Notice of the Issuer's election in respect of any Optional Interest Payment Date not to make any relevant payment of interest which would otherwise have been due on such date in accordance with this Condition 5(f) shall be given to the Noteholders in accordance with Condition 15 and (if the Notes are listed on any Stock Exchange and the applicable rules of that Stock Exchange so require) to the relevant Stock Exchange. Such notice shall be given at least seven days prior to the relevant Optional Interest Payment Date(s). Any interest not paid on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute "**Arrears of Interest**", which term shall include interest on such unpaid interest as referred to below, except if the relevant Final Terms specify that any interest not paid on an Optional Interest Payment Date shall be forfeited and accordingly not due or payable by the Issuer any longer. Arrears of Interest may, at the option of the Issuer, be paid in whole or in part at any time upon the expiration of not less than seven days' notice to such effect given to the Noteholders in accordance with Condition 15 but all Arrears of Interest on all Subordinated Notes outstanding shall become due and payable in full on whichever is the earliest of:
- (i) the Interest Payment Date immediately following the date upon which the *Assemblée Générale* of the shareholders of the Issuer which was convened to approve the annual accounts of the Issuer for the fiscal year ended immediately prior to such *Assemblée Générale* passes a resolution to pay a dividend on the ordinary share capital of the Issuer in respect to such previous fiscal year; and
- (ii) (a) a judgement rendered by any competent court declaring the transfer of the whole of the business (*cession totale de l'entreprise*) or the judicial liquidation (*liquidation judiciaire*) of the Issuer or (b) the liquidation of the Issuer for any other reason.

If notice is given by the Issuer of its intention to pay the whole or part of any Arrears of Interest, the Issuer shall be obliged to do so upon the expiration of such notice. When Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of

the full amount of the Arrears of Interest accrued in respect of the earliest Interest Period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall (to the extent permitted by law) bear interest accruing (but only, in accordance with Article 1154 of the French civil code, after such interest has accrued for a period of one year) and compounding on the basis of the exact number of days which have elapsed at the rate of interest calculated in accordance with the relevant provisions of this Condition 5 on the Subordinated Notes in respect of each relevant Interest Period. For these purposes the following expressions have the following meanings:

“**Compulsory Interest Payment Date**” means any Interest Payment Date unless at the *Assemblée Générale* of the shareholders of the Issuer immediately preceding such date which was required to approve the annual accounts of the Issuer for the fiscal year ended immediately prior to such *Assemblée Générale*, no resolution was passed to pay a dividend on the ordinary share capital of the Issuer in respect of such previous fiscal year and

“**Optional Interest Payment Date**” means any Interest Payment Date, as the case may be, other than a Compulsory Interest Payment Date.

(g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:**

- (i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
- (iii) For the purposes of any calculations required pursuant to these Conditions, (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(h) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount is specified in respect of such period in the Final Terms, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts Early Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each

Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and admitted to trading on a Regulated Market or stock exchange and the applicable rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Calculation Agent and Reference Banks:** The Issuer shall procure that there shall be appointed at all times four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 4). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Luxembourg office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (k) **RMB Notes:** Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resultant figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

## 6 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including any Issuer's option in accordance with Condition 6(c), Condition 6(d) or Condition 6(e) or any Noteholders' option in accordance with Condition 6(f), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6(c), Condition 6(d), Condition 6(e) or Condition 6(f), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (c) **Make-Whole Redemption by the Issuer:** If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms), have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Optional Redemption Date**") at their Optional Redemption Amount. The Optional Redemption Amount will be calculated by the Calculation Agent (or any other Party specified in the relevant Final Terms responsible for calculating the principal and/or interest due) and will be the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption

Date) discounted to the relevant Optional Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding, the Optional Redemption Date (including, where applicable, any Arrears of Interest).

The “**Redemption Rate**” is the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security (as specified in the relevant Final Terms) on the fourth business day preceding the Optional Redemption Date at 11.00 a.m. (Central European time (CET)).

“**Reference Dealers**” means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues or as specified in the relevant Final Terms.

If the Reference Security is no longer outstanding, a Similar Security specified in the Final Terms, will be chosen by the Calculation Agent at 11.00 a.m. (Central European time (CET)) on the third business day in London preceding the Optional Redemption Date, quoted in writing by the Calculation Agent to the Issuer and notified in accordance with Condition 15.

The Redemption Rate will be notified by the Issuer in accordance with Condition 15.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

In the case of a partial redemption of, or a partial exercise of the Issuer’s option in respect of, Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances and taking account of prevailing market practices, subject to compliance with any applicable laws and requirements of the Regulated Market on which the Notes are listed and admitted to trading.

In the case of a partial redemption of, or a partial exercise of the Issuer’s option in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article R.213-16 of the Code, subject to compliance with any other applicable laws and requirements of the Regulated Market on which the Notes are listed and admitted to trading. In no event, the outstanding nominal amount of each Note following such reduction shall be below any amount which would prevent the Issuer from choosing its home Member State (as such term is defined in the Prospectus Directive).

Any notice given by the Issuer pursuant to this Condition 6(c) shall be deemed void and of no effect in relation to any Note in the event that, prior to the giving of such notice by the Issuer, the relevant Noteholder had already delivered an Exercise Notice in relation to such Note in accordance with Condition 6(f) below.

So long as the Notes are listed and admitted to trading on a Regulated Market and the rules of that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published on the website of any Regulated Market on which such Notes are listed and admitted to trading, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), a notice

specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

- (d) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem, or exercise any Issuer's option (as may be described) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with any interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise by the Issuer of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market or stock exchange requirements.

In the case of a partial redemption of, or a partial exercise by the Issuer of an Issuer's option in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article R.213-16 of the Code, subject to compliance with any other applicable laws and Regulated Market or stock exchange requirements. In no event, the outstanding nominal amount of each Note following such reduction shall be below any amount which would prevent the Issuer from choosing its home Member State (as such term is defined in the Prospectus Directive).

Any Notice given by the Issuer pursuant to this Condition 6(d) shall be deemed void and of no effect in relation to any Note in the event that, prior to the giving of such notice by the Issuer, the relevant Noteholder had already delivered an Exercise Notice in relation to such Note in accordance with Condition 6(f) below. So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the applicable rules of that Regulated Market so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and/or so long as the rules of such Regulated Market so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), and so long as such Notes are listed or admitted to trading on any stock exchange and the rules of such stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading daily newspaper with general circulation in the city/ies where such stock exchange(s) is/are situated, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

(e) **Residual Maturity Call Option**

If a Residual Maturity Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders redeem the Notes, in whole but not in part, at par together with interest accrued to, but excluding, the date fixed for redemption, which shall be no earlier than three months before the Maturity Date.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

(f) **Redemption at the Option of Noteholders and Exercise of Noteholders' Options:** If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any Arrears of Interest).

To exercise such option the Noteholder must deposit with any Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Bearer Notes, the Exercise Notice shall have attached to it such Note(s) (together with all unmatured Receipts, Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn without the prior consent of the Issuer.

(g) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(h) or Condition 6(k) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Note.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(h) or Condition 6(k) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the

Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) **Other Notes:**

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(h) or Condition 6(k), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any Arrears of Interest).

(h) **Redemption for Taxation Reasons:**

(i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

(ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Coupons or, if that date is passed, as soon as practicable thereafter.

(i) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price subject to the applicable laws and/or regulations. Unless the possibility of holding and reselling is expressly

excluded in the Final Terms, all Notes so purchased by the Issuer may be held and resold in accordance with Articles L.213-1 A and D.213-1 A of the Code for the purpose of enhancing the liquidity of the Notes.

- (j) **Cancellation:** All Notes purchased by or on behalf of the Issuer for cancellation will forthwith be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (k) **Illegality:** If, by reason of any change in French law, or any change in the official application of such law, becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest).

## 7 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest, where applicable) in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the Noteholders and, (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank (as defined below) designated by the Noteholders. All payments validly made to such Euroclear France Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Bearer Notes:** Payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest, where applicable) in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with a Bank.

“**Bank**” means a bank in the principal financial centre of such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable

expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including Paris and/or Luxembourg so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange), (v) in the case of Materialised Notes issued by the Issuer, a Paying Agent with a specified office in a European Union Member State (which may be any of the Paying Agents referred to in (iv) above) that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive, (vi) in the case of Dematerialised Notes, in fully registered form, a Registration Agent and (vii) such other agents as may be required by any other Regulated Market or stock exchange on which the Notes may be listed and admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
- (i) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon

(together, where applicable, with the amount of any Arrears of Interest corresponding to such Coupon) or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon (together, where applicable, with the amount of any Arrears of Interest corresponding to such Coupon) that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10) provided that, if any Materialised Bearer Note should be issued with a maturity date and an Interest Rate or Rates such that, on the presentation for payment of any such Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required to be deducted in respect of such unmatured Coupons would be greater than the relevant Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the foregoing provisions in respect of such Coupons as have not so become void, the amount required by this paragraph to be deducted would not be greater than the relevant Redemption Amount otherwise due for payment. Where the application of the foregoing provisions requires some but not all of the unmatured Coupons relating to a Materialised Bearer Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

- (ii) If Materialised Bearer Notes so provide, upon the due date for redemption of any such Materialised Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Materialised Bearer Note that is redeemable in instalments, all Receipts relating to such Materialised Bearer Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Materialised Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Materialised Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, (including, for the avoidance of doubt, any Arrears of Interest if applicable) shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent or any of the Paying Agents in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).
- (h) **Business Days for Payment:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “**Financial Centres**” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET Business Day.
- (i) **Bank:** For the purpose of this Condition 7, “**Bank**” means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET System.
- (j) **Payment of US Dollar Equivalent:** Notwithstanding any other provision in these Conditions, if by reason of Inconvertibility, Non-Transferability or Illiquidity or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been independently confirmed by a Renminbi Dealer, the Issuer is not able to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer, on giving not less than five nor more than 30-days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US Dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the Noteholders. For the avoidance of doubt, no such payment of the US Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 9.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7(j) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

For the purposes of this Condition 7(j):

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

“**Illiquidity**” means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer, in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers, as a result of which event the Issuer cannot, having used its reasonable

endeavours, obtain sufficient Renminbi in order fully to satisfy its obligation to pay interest or principal in respect of the Notes.

“**Inconvertibility**” means the occurrence of any event that makes it impossible for the Issuer, to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation).

“**Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Renminbi Dealer**” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

“**RMB Rate Calculation Agent**” means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

“**RMB Rate Calculation Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

“**RMB Rate Calculation Date**” means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

“**RMB Spot Rate**” for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for the purchase of US Dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/US dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

“**US Dollar Equivalent**” means the relevant Renminbi amount converted into US Dollars using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

## 8 Taxation

- (a) **Tax exemption for Notes:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

- (b) **Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:
- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or
  - (ii) **Presentation more than 30 days after the Relevant Date:** in the case of Materialised Notes, more than 30 days after the Relevant Date except to the extent that the Noteholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
  - (iii) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC of 3 June 2003 or any other EU Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (iv) **Payment by another Paying Agent:** in respect of Definitive Materialised Bearer Notes presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.
- (c) **Supply of Information:** Each holder of Notes shall be responsible for supplying to the relevant Paying Agent, in a reasonable and timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any other European Directive implementing the conclusions of the ECOFIN Council Meeting dated 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

As used in this Condition 8, “**Relevant Date**” in respect of any Note means the date on which payment in respect of it first becomes due (and, for the avoidance of doubt, in the case of Arrears of Interest, references to “**becomes due**” shall be interpreted in accordance with the provisions of Condition 5(f) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, (if earlier) the date seven days after that on which notice is duly given to the Noteholders in accordance with Condition 15 that, upon further presentation of the Notes being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts (including, for the avoidance of doubt, all Arrears of Interest) payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

## 9 Events of Default

The Representative (as defined under Condition 11(a)), upon request of any Noteholder, may, upon written notice to the Fiscal Agent (with copy to the Issuer ) given before all defaults shall have been cured, cause the principal amount of all Notes held by such Noteholder to become due and payable, together with accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent:

- (a) **Unsubordinated Notes:** In the case of Unsubordinated Notes,
- (i) if the Issuer defaults in any payment when due of principal or interest on any Note (including the payment of any additional amounts pursuant to the provisions set forth under Condition 8 “Taxation” above) and such default continues for a period of more than 7 Business Days (as defined in Condition 5(a)) after receipt by the Fiscal Agent of written notice (and by the Issuer of a copy) of default given by the Representative upon request of the Noteholder; or
  - (ii) if there is a default by the Issuer in the due performance of any other provision of the Notes, and such default shall not have been cured within 14 Business Days (as defined in Condition 5(a)) after receipt by the Fiscal Agent of written notice (and by the Issuer of a copy) of default given by the Representative upon request of the Noteholder; or
  - (iii) if:
    - (i) (a) any other present or future indebtedness of the Issuer for borrowed monies becomes due and payable prior to its stated maturity as a result of a default thereunder, or (b) any such indebtedness shall not be paid when due (or, as the case may be, within any originally applicable grace period therefore); or
    - (ii) any steps shall be taken to enforce any security in respect of any such indebtedness; or
    - (iii) any guarantee or indemnity given by the Issuer for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon;and
    - (iv) the amount requested or unpaid under (i), (ii) and/or (iii) of this sub-paragraph (iii), whether individually or in the aggregate, exceeds Euro 50,000,000 (or its equivalent in any other currency);or
  - (iv) if the Issuer applies for or is subject to the appointment of a *mandataire ad hoc*<sup>i</sup> under French bankruptcy law or enters into a conciliation procedure (*procédure de conciliation*)<sup>1</sup> with its creditors or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole or part of the business (*cession totale ou partielle de l'entreprise*) of the Issuer or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings or the Issuer makes any judicial conveyance, assignment, or other judicial arrangement for the benefit of its creditors or enters into a composition with its creditors.
- (b) **Subordinated Notes:** In the case of Subordinated Notes and in accordance with Condition 3(b), if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation*

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<sup>i</sup> As from 1 July 2014, the Issuer (i) applying for or being subject to the appointment of a *mandataire ad hoc* or (ii) entering into a conciliation (*procédure de conciliation*) with creditors will not constitute an event of default pursuant to a new article L. 611-16 of the French *Code de commerce* which shall enter into force on such date.

*judiciaire*) of the Issuer or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure or if the Issuer is liquidated for any other reason then the Subordinated Notes shall become immediately due and payable, in accordance with Condition 3(b), at their principal amount together with any accrued interest (together with any Arrears of Interest (as defined in Conditions 5(f)) (if any) to the date of payment.

## 10 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 11 Representation of Noteholders

Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the "*Masse*").

In respect of the representation of the Noteholders, the following shall apply:

- (a) If the relevant Final Terms specifies "**Full Masse**", the Noteholders will, in respect of all Tranches in any Series of Notes that are not being issued outside of France within the meaning of Article L.228-90 of the French *Code de commerce*, be grouped automatically for the defence of their common interests in a *Masse* and the provisions of the French *Code de commerce* relating to the *masse* shall apply subject to the below provisions of this Condition 11(b).

The names and addresses of the initial Representative (as defined below) of the *Masse* and its alternate will be set out in the relevant Final Terms.

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first-mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the first Tranche of any Series of Notes will be the representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Noteholders (the "**General Meeting**").

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting.

The place where a General Meeting shall be held will be set out in the notice convening such General Meeting; or

- (b) If the relevant Final Terms specifies "**Contractual Masse**", the Noteholders will, in respect of all Tranches in any Series of Notes issued outside France within the meaning of Article L.228-90 of the French *Code de commerce*, be grouped automatically for the defence of their common interests in a *Masse* which will be subject to the provisions of the French *Code de commerce* with the exception

of Articles L.228-48, L.228-59, R.228-63, R.228-67 and R.228-69 of such Code subject to the following provisions:

(i) **Legal Personality**

The *Masse* will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a General Meeting.

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(ii) **Representative:**

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

the Issuer, the members of its Board of Directors (*Conseil d'Administration*), its general managers (*directeurs généraux*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or

- companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers, members of their Board of Directors, Executive Board (*Directoire*), or Supervisory Board (*Conseil de Surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse;
- companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(iii) **Powers of Representative:**

The Representative shall have the power to take all acts of management necessary in order to defend the common interests of the Noteholders .

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(iv) **General Meeting:**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 15.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the *statuts* of the Issuer so specify<sup>ii</sup>, videoconference or any other means of telecommunication allowing the identification of the participating Noteholders. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(v) **Powers of the General Meetings:**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of the Noteholders nor establish any unequal treatment between the Noteholders.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Euroclear France Account Holder of the name of such Noteholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant general assembly.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 15.

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<sup>ii</sup> At the date of this Base Prospectus the *statuts* of LVMH do not contemplate the right for a Noteholder to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders.

(a) **Information to Noteholders:**

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(b) **Expenses:**

The Issuer will pay all expenses relating to the operation of the *Masse*, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(c) **Single Masse:**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the first Series of Notes issued will be the Representative of the single *Masse* of all such Series.

For the avoidance of doubt, in this Condition 11 “**outstanding**” shall not include those Notes subscribed or purchased by the Issuer pursuant to Article L.213-1 A of the Code that are held by it and not cancelled.

## 12 Modifications

These Conditions may be completed in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

## 13 Replacement of definitive Notes, Receipts Coupons and Talons

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market or stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Definitive Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## 14 Further Issues and Consolidation

(a) **Further Issues:** The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest in the relevant Final Terms) and that the terms of such Notes provide for such assimilation and references in these Conditions to “**Notes**” shall be construed accordingly.

- (b) **Consolidation:** The Issuer may, with the prior approval of the Consolidation Agent, from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days' prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

## 15 Notices

- (a) Subject as provided in Condition 15(c) below, notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) they are published (a) so long as such Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, (b) at the option of the Issuer, in a leading daily newspaper with general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are listed and admitted to trading on any stock exchange including any Regulated Market and the rules of such stock exchange(s) so require, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes are listed and admitted to trading is located, which in the case of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*.
- (b) Subject as provided in Condition 15(c) below, notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form shall be valid if published in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are listed and admitted to trading on any stock exchange including any Regulated Market, in a leading daily newspaper with general circulation in the city/ies where the stock exchange on which such Notes is/are listed and admitted to trading which in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*. Such notices may also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition.
- (c) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15(a) and (b) above; except that (i) (a) so long as such Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of such Stock Exchange so permit, notices shall also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or (b) so long as such Notes are listed and admitted to trading on any Regulated Market(s) or stock exchange(s) and the rules of that Regulated Market or stock exchange(s) so require, notices will be published in a leading daily newspaper of general circulation in the city/ies where the Regulated Market(s) or stock exchange(s) on which such Note(s) is/are listed and admitted to trading are/is situated which, in the

case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*, and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 shall also be published in a leading daily newspaper of general circulation in Europe.

## **16 Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes and, where applicable, the Receipts, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts Coupons or Talons may be brought before any competent court in Paris.

## **TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED BEARER NOTES**

### **Temporary Global Certificates**

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”), Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depositary may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### **Exchange**

Each Temporary Global Certificate issued in respect of Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “General Description of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Materialised Bearer Notes and
- (ii) otherwise, in whole but not in part upon certification as to non-U.S. beneficial ownership (the form of which shall be available at the specified offices of the Paying Agents) for Definitive Materialised Bearer Notes.

### **Delivery of Definitive Materialised Bearer Notes**

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes. In this Base Prospectus, Definitive Materialised Bearer Notes means, in relation to any Temporary Global Certificate, the Definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and stock exchange requirements. Forms of such Definitive Materialised Bearer Notes shall be available at the specified offices of each of the Paying Agents.

### **Exchange Date**

“**Exchange Date**” means, in relation to a Temporary Global Certificate, the day falling after the expiry of 40 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

## SELECTED FINANCIAL INFORMATION

As of 31 December 2013, LVMH had a shareholders' equity of 27,723 million euros (compared to 25,508 million euros as of 31 December 2012) and a net financial debt of 5,338 million euros, compared to 4,261 million euros as of 31 December 2012.

Profit from recurring operations for the year ended on 31 December 2013 amounted to 6,021 million euros (compared to 5,921 million euros in 2012). Group share of net profit for the year ended on 31 December 2013 amounted to 3,436 million euros (compared to 3,424 million euros in 2012).

Figures shown in the table below are extracted from LVMH audited annual consolidated financial statements and were established in accordance with IFRS.

<b>(consolidated financial data, millions of euros)</b>	<b>As of 31 December</b>	
	<b>2013</b>	<b>2012<sup>(a)</sup></b>
Equity	27,723	25,508
Net financial debt	5,338	4,261
Long-term borrowings	4,159	3,836
Short-term borrowings	4,688	2,976
Balance sheet total	55,674	49,998
<b>Fiscal year ended 31 December</b>		
<b>(consolidated financial data, millions of euros)</b>	<b>2013</b>	<b>2012</b>
Revenue	29,149	28,103
Profit from recurring operations	6,021	5,921
Group share of net profit	3,436	3,424
 Cash from operations before changes in working capital	 7,329	 7,113

(a) The balance sheet as of 31 December 2012 has been restated to reflect the retrospective application as of 1 January 2011 of IAS 19 Employee Benefits as amended. See Note 1.2. of the notes to the consolidated financial statements in the 2013 Document de Référence.

## DESCRIPTION OF LVMH MOËT HENNESSY LOUIS VUITTON

LVMH Moët Hennessy Louis Vuitton was incorporated in France on 1, January 1923 for a term of 99 years (except in the case of early dissolution or extension as provided by the by-laws), as a “*société à responsabilité limitée*”, and transformed on 19 April 1962 into a “*société anonyme*” with a board of directors (*conseil d’administration*). It is governed by French *Code de commerce*, as well as by its by-laws.

LVMH is registered with the *Registre du Commerce et des Sociétés* of Paris under number 775 670 417 and its registered place of business is located at 22, avenue Montaigne, 75008 Paris, France (telephone number: +33 1 44 13 22 22).

LVMH is the holding company of the LVMH Group, managing and coordinating the operational activities of all its subsidiaries, and offering them various management assistance services, particularly in legal, financial, tax and insurance matters. According to Article 2 of its by-laws, LVMH can engage in any taking of interests, through a direct or indirect equity investment, a contribution, merger, spin-off or joint venture with any company or group existing or to be formed, operating any commercial, industrial, agricultural, personal property, real estate or financial operations, and among others:

- trade in champagne and other wines, cognac and other spirits and, more generally, any food or beverage product;
- trade in all pharmaceutical products, perfumes and cosmetics and, more generally, products related to hygiene, beauty and skincare;
- the manufacture, sale and promotion of travel articles, luggage, bags, leather goods, clothing articles, accessories, as well as any high quality and branded articles or products;
- the operation of vineyards, horticultural and arboricultural estates, as well as the development of any related biotechnological process;
- the operation of any real estate;
- the development of any trademark, signature, model, design and, more generally, any industrial, literary or artistic property right.

More generally, to undertake directly any commercial, industrial, agricultural, viticultural operations, or any operation relating to personal or real property, movable or immovable property or financial, management or service operation in any of the fields of activities described in the above paragraph.

As a holding company, LVMH’s financial and trading positions depend on the financial and trading positions of its subsidiaries.

## BUSINESS OVERVIEW

### Business

LVMH Moët Hennessy Louis Vuitton is a luxury products company. The Group is the result of successive alliances among companies that successfully combine traditions of excellence and creative passion, with a cosmopolitan flair and a spirit of conquest. These companies now form a powerful, global group in which the historic companies share their expertise with the newer brands, and continue to cultivate the art of growing without losing their soul or their image of distinction.

As of 31 December 2013, LVMH distribution network included 3,384 stores and the Group had 114,635 employees.

### Main Activities

As of the date of this Base Prospectus, the LVMH Group is organized in five main branches:

Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Selective Retailing	Watches & Jewelry
Château d'Yquem	Loewe	Guerlain	Le Bon Marché	Chaumet
Ruinart	Louis Vuitton	Acqua di Parma	La Samaritaine	TAG Heuer
Moët & Chandon	Berluti	Parfums Christian Dior	DFS	Zenith
Hennessy	Fendi	Parfums Givenchy	Miami Cruiseline	Bulgari
Veuve Clicquot	Rossimoda	BeneFit Cosmetics	Services	Fred
Ardbeg	Céline	Make Up for Ever	Sephora	Hublot
Château Cheval Blanc	Emilio Pucci	Kenzo Parfums	Franck & Fils	De Beers Diamond Jewellers
Krug	Givenchy	Fresh		Christian Dior Watches
Glenmorangie	Kenzo	Parfums Loewe		
Mercier	Thomas Pink	Ole Henriksen		
Dom Pérignon	Marc Jacobs			
Wen Jun Spirits	Donna Karan			
Domaine Chandon	Loro Piana			
Newton Vineyards	Nicholas Kirkwood			
Cape Mentelle				
Cloudy Bay				
Belvedere				
Numanthia Termes				
Terrazas de los Andes				
10 Cane				
Chopin				
Domaine du Clos des Lambrays				

### Wines and Spirits

The LVMH Group's Wines and Spirits activities are combined within Moët Hennessy, with the exception of Château d'Yquem and Château Cheval Blanc.

Served by a powerful international distribution network, these emblematic brands (for instance Moët & Chandon, Krug, Veuve Clicquot Ponsardin or Dom Pérignon for champagne, Hennessy for cognac, Glenmorangie for single-malt whisky, Belvedere for premium vodka and Domaine du Clos des Lambrays for wines), sell exceptional products worldwide.

Outside France, LVMH develops high-end wines from the world's most renowned wine regions. The reputations of these wines are expanding year after year.

#### **Fashion and Leather Goods**

The Fashion and Leather Goods business group includes Louis Vuitton, the world's leading luxury brand, Donna Karan, Fendi, Loewe, Céline, Kenzo, Marc Jacobs, Givenchy, Thomas Pink, Pucci, Berluti, Rossimoda, Loro Piana and Nicholas Kirkwood.

While respecting the identity and creative positioning of each of its brands, the business group supports their development by providing shared resources.

#### **Perfumes and Cosmetics**

The LVMH group is present in the perfume and cosmetics sector through its major French houses: Parfums Christian Dior, Guerlain, Givenchy and Kenzo. In addition to these world-renowned brands, this business group also includes Benefit Cosmetics and Fresh, two young, high-growth American cosmetics companies; the prestigious Italian brand Acqua di Parma; Parfums Loewe, a Spanish brand with strong positions in its domestic market; and Make Up For Ever, a French company initially specializing in professional make-up products. Fendi's recently launched fragrance activity is also part of this business group.

#### **Watches and Jewelry**

The most recent LVMH business group holds a portfolio of quality watch and jewelry brands with highly complementary market positions: TAG Heuer, the world's leading maker of luxury sports watches and chronographs; Hublot, a recent high-end watchmaker; the luxury watchmaker Zenith, which has its own manufacture; Montres Dior, which offers collections inspired by the designs of the Fashion House; Bulgari, the pace-setter for Italian fine jewelry since 1884; Chaumet, the prestigious historic jeweler on Place Vendôme in Paris; Fred, a designer of contemporary jewelry pieces; and De Beers Diamond Jewellers, a joint-venture formed in July 2001, which has continued to solidify its position as diamond jeweler.

#### **Selective Retailing**

The Selective Retailing businesses are organized to promote an environment that is appropriate to the image and status of the luxury brands. These companies are expanding in Europe, North America, Asia and the Middle East, and operate in two segments: travel retail (the sale of luxury products to international travelers), the business of DFS and Miami Cruiseline, and the selective retail concepts represented by Sephora and the Paris department store Le Bon Marché.

#### **Other activities**

The Other activities segment includes the media division managed by the Les Echos group, La Samaritaine, the Dutch luxury yacht maker Royal Van Lent, LVMH Hotel Management and, since 2013, the Cova patisserie business, based in Milan (Italy).

#### **Principal markets**

LVMH operates on all major markets. In 2013, the breakdown of total net sales by geographic region of delivery was as follows: France: 11%; Rest of Europe: 19%; United States: 23%; Japan: 7%; Rest of Asia: 30%; Other markets: 10%.

The breakdown of sales by activity in 2013 was as follows:

%	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing
France	7	8	13	7	15
Rest of Europe	19	20	32	27	10
United States	23	20	12	12	33
Japan	5	12	5	13	1
Rest of Asia	31	31	24	27	32
Other markets	15	9	14	14	9

Of the 114,635 employees as of 31 December 2013, more than 81% are located outside France: 24% in the rest of Europe, 23% in the United States, 5% in Japan, 23% in the rest of Asia, and 6% in other regions.

### Recent products and activities

#### Wines and Spirits

In an environment characterized by strong momentum in Asia and the United States, with a mixed market in Europe, the business group continued to illustrate the priorities of its value-enhancing strategy: firm prices and a strong dynamic of innovation aimed at continuously boosting its brands' appeal. Sales volume grew by 1% across all LVMH champagne brands, with robust demand for prestige cuvées, and rose by 3% for Hennessy cognac. The brands' momentum was boosted by Moët Hennessy's powerful and responsive retail network, and by sustained investments in communication.

Moët & Chandon illustrated its new communication program by orchestrating appearances of its brand ambassador Roger Federer throughout the world. He was the guest of honor at the brand's 270th anniversary celebration in New York, which was attended by many distinguished guests. In honor of the Grand Vintage Rosé 2004, a vertical tasting allowed guests to discover Moët & Chandon's finest vintage rosés, culminating in the Grand Vintage Rosé 1878, the brand's oldest cuvée of rosé champagne. This unique event showcased Moët & Chandon's historical expertise intertwined with its contemporary vision.

Dom Pérignon reaffirmed its originality, notably through the launch of new vintages and events woven around major designers. Jeff Koons sculpted "Balloon Venus for Dom Pérignon" for the launch of Dom Pérignon Rosé 2003. His design was then reinterpreted as a limited-edition New Year's gift box containing this vintage and Dom Pérignon 2004

Mercier gained new momentum, reviving its original values. Revitalized packaging and new communications reaffirmed the brand's identity and positioning.

Veve Clicquot upheld its innovation strategy. Among other initiatives, its Shakkei gift box met with great success in Japan, while Naturally became the first environmentally responsible bottle casing. The brand showcased its expertise through a fine dining partnership with Joël Robuchon. It continued its expansion in China and Central and Eastern Europe, while strengthening its position in its traditional markets in the United States, Japan and Australia. Rosé continued to perform well and proved itself to be a powerful growth lever.

Ruinart consolidated its positions in France and achieved solid international growth, especially in emerging markets in Asia, Africa and Latin America. It continued to give pride of place to premium products, reflected in its new Dom Ruinart Rosé 2002 vintage. Stepping up its commitment to contemporary art, Ruinart is now associated with major international art fairs. The artist Piet Hein Eek created a work of art in homage to the history of the champagne house and designed two limited-edition collections.

Krug focused on boosting its notoriety and winning over new customers by revisiting the notions associated with luxury. Several “Lieux Ephémères” (ephemeral venues) were organized throughout the world, and the “Krug Ambassadors” network was centered around exceptional travel events reflecting the values of the House. In addition to its strong momentum in the United States and a solid performance in Europe, Krug achieved excellent results in Japan and the Asia-Pacific region.

Estates & Wines still and sparkling wines performed remarkably well. The Chandon brand achieved substantial growth in both domestic and export markets. Continuing their move upmarket, still wines also turned in an excellent set of performances.

Château d’Yquem reaffirmed its status as the only Sauternes ranked as Premier Cru Classé Supérieur. While markets in Europe and the United States regained momentum, Asia attracted a growing number of connoisseurs. The year was marked by the release of Château d’Yquem 2011, hailed by critics, and the launch of Y 2012. Château Cheval Blanc consolidated its rank as a 1er Grand Cru Classé A.

Hennessy once again posted appreciable growth, backed by the power of its brand and the geographic mix of its sales. This growth was driven in large part by the United States, which represented the biggest market by volume. In China, the brand’s firm historic foothold and momentum in the nightlife segment offset the impact of government measures affecting receptions and business gifts. The brand maintained a strong position in Taiwan, Malaysia and Vietnam, while actively expanding in Cambodia, India and the Philippines. It showed strong momentum in Eastern Europe, benefiting from the Moët Hennessy retail subsidiary’s establishment in Russia. Finally, it continued to build up solid growth prospects on the African and American continents, notably in Mexico and the Caribbean.

In addition to the success of its older quality grades, Hennessy breathed new life into the brand with younger grades such as Very Special and Classivm, to win over new generations of consumers. The brand stepped up its presence in the nightlife segment, around the new Very Special creative universe designed by Pininfarina and the Hennessy Artistry concert-events.

Glenmorangie and Ardbeg single malt whiskies once again surged ahead in their key markets. Hailed by critics, Glenmorangie’s launches this year met with commercial success. The limited edition Ealanta was named “World Whisky of the Year” by the Whisky Bible, the industry reference guide. Sold online and launched to coincide with Ardbeg Day 2013, the limited edition Ardbog sold out on its key markets in a matter of hours.

Belvedere vodka continued to grow robustly. Supported in the United States by an extensive communication campaign, it gained market share in Europe, Asia, Brazil and Africa.

Wenjun recorded solid growth in China in a highly competitive market for premium baijiu.

### **Fashion and Leather Goods**

Louis Vuitton maintained its creative momentum and quest for excellence in 2013, with regard to its products as well as its distribution. Louis Vuitton was equally active in the quality driven development of its network of stores.

Be they reinterpretations of iconic models or new creations, Louis Vuitton’s leather lines illustrated its engagement and the savoir faire of its artisans in selecting and working the most noble leathers.

These developments, alongside a new jewelry collection launch, benefited from new communication campaigns.

Louis Vuitton continued striving to make each of its stores an exceptional venue where the essence of its different creative universes is distilled and customers the world over are offered a unique experience. This goal was reflected in the expansion and renovation of several boutiques worldwide, notably in London,

Tokyo and Beijing. The year 2013 was marked by two new Maisons Louis Vuitton openings, one in Venice and one in Munich.

Following Marc Jacobs' departure to focus on developing his eponymous brand, Nicolas Ghesquière took over as Artistic Director of women's collections.

Fendi continued its growth and the quality driven expansion of its retail network, showcasing its high end offerings. In leather goods, these offerings were focused on highlighting the iconic Selleria, Peekaboo and Baguette lines, while the 2Jours line launched in 2012 was the greatest success in Fendi's history. Furs enjoyed increased visibility, notably thanks to exhibits in Tokyo and Beijing of Karl Lagerfeld's best pieces from 1965 to the present day, emblems of Fendi's creativity and expert craftsmanship.

The Rome-based brand made great strides in all its markets, notably in Europe with openings of flagship stores embodying the new boutique concept on the Avenue Montaigne in Paris and the Via Montenapoleone in Milan.

Céline performed remarkably well, setting new records for revenue. Leather goods continued their rapid ascent thanks to the success of the iconic Luggage, Trapeze and Classic lines, while the new Edge and Tie collections met with an excellent reception. Driven by its creator, Phoebe Philo, ready-to-wear continued to vigorously reaffirm the brand's identity, associated with iconic modernity, timeless elegance and quality. Céline stepped up the pace of its worldwide boutique renovation program and continued expanding its retail network, notably in the United States and China. At the same time, its presence in multi-brand stores was more selective.

Marc Jacobs recorded steady growth, driven by rapid gains in the Marc by Marc Jacobs accessory collections. The recent Dr Q and Too hot to handle leather designs became true mainstays of the brand. Its new cosmetics line, exclusively distributed in Sephora stores, met with great success. Its operations in China are being acquired on a direct basis. Marc Jacobs decided to focus fully on the brand's business to support its future development. During the fiscal year, the Group raised its ownership interest in Marc Jacobs to 80%.

Donna Karan performed well thanks to the successful relaunch of its DKNY Jeans line and the increasing success of its accessory collections. This dynamic was particularly beneficial for international business. To revitalize its visual identity, the New York based brand gave artists from around the world carte blanche to reinterpret its logo as part of their own creative universe, under the DKNY Artworks program. Donna Karan continued the quality driven expansion of its retail network with targeted openings and a renovation plan for its existing stores.

Loewe continued to make strides, recording particularly remarkable growth in Japan. The emblematic Amazona and Flamenco lines continued their development. After Paris, new renovated boutiques were inaugurated in Shanghai and Rome. Loewe reinforced production capacity at its site in Getafe and founded a leatherworking school to pass on its exceptional know-how in the field. Jonathan Anderson, one of Britain's most talented young designers, was appointed as Loewe's Artistic Director.

With the arrival of Humberto Leon and Carol Lim in 2011, Kenzo has built on the success of its new creative positioning, boosted by a playful, offbeat advertising campaign in tune with the creative duo's aspirational spirit. The sweatshirt collections' most emblematic Tiger and Eye prints were extremely popular among a younger, very international clientele. In leather goods, the Kalifornia handbag joined the offering. Exclusive brand boutiques and retailers alike saw rapid growth. The website, which completed its first full year of sales activity, showed strong momentum.

Givenchy saw strong revenue growth thanks to solid performance across all product categories, especially in its directly owned stores. Its Artistic Director, designer Riccardo Tisci, was awarded the 2013 International Award by the CFDA (Council of Fashion Designers of America), crowning nearly eight years

dedicated to enhancing the legacy of the brand. The retail network's expansion continued with the opening of boutiques in premium locations in Paris, Hong Kong and China.

Thomas Pink pursued its international development and opened its first stores in Indonesia and the Philippines. Online sales recorded rapid growth. A partnership was formed with the British and Irish Lions rugby team during its 125th anniversary tour in Australia.

Pucci continued to revamp its brand image, renovating its flagship stores particularly in Paris and Rome. Wholesale sales continued their development.

Berluti deployed its new boutique concept internationally, showcasing its full range of professions. New territories were added, including Singapore, Taiwan and Macao. Ready-to-wear did remarkably well. Footwear, both iconic lines and newer launches, continued to post rapid growth. The opening of its new boutique at 14 rue de Sèvres in Paris marked Berluti's entrance into the world of tailored fashion with the Bespoke service for shoes and Grande-Mesure for ready-to-wear.

### **Perfumes and Cosmetics**

Perfumes and Cosmetics recorded organic revenue growth of 7% in 2013, outpacing market growth. Profit from recurring operations increased by 2%. In a highly competitive market, LVMH brands saw their reach broadened through continuing innovation, enhanced flagship product lines and sustained communication.

Parfums Christian Dior continued to show good momentum. With the successful launch of Voile de Parfum, the iconic J'adore perfume consolidated its number-one position on a large number of markets, notably in France. Miss Dior, Christian Dior's first perfume created in 1947, was celebrated by the exposition devoted to it at the Grand Palais in Paris. Dior Homme made rapid strides, buoyed by a new communication campaign featuring Robert Pattinson. The Collection Privée Christian Dior introduced a refined, modern travel case, a custom offering reflecting the House's spirit of luxury perfumes.

Make-up maintained strong momentum thanks to strong performances from the latest innovations such as Diorskin Nude BB Crème. The iconic Rouge Dior lipstick met with extraordinary international success. Prestige, the premium product line that epitomizes Dior skincare, posted very strong performance, especially in Asia.

Guerlain performed solidly, buoyed in particular by the sustained growth of La Petite Robe Noire, which gained a firm hold among the top three contenders on the French market and has seen rapid growth abroad. The legendary Shalimar perfume benefited from a sweeping new cinematic advertising campaign. In skincare, Orchidée Impériale again recorded strong growth, particularly in Asia. Following an ambitious remodeling project, Guerlain's flagship boutique was inaugurated in Paris at 68 Champs-Élysées, the quintessence of its vision of glamour as seen through its exclusive collections, its artistic staging orchestrated by Peter Marino and the services it provides. Today, the "68" is the largest perfume and cosmetics boutique dedicated to a single brand.

Parfums Givenchy completed the international launch of its new men's fragrance, Gentlemen Only, which was highly successful. The Very Irresistible fragrance, embodied by its new brand ambassador Amanda Seyfried, celebrated its 10th anniversary. The make-up segment, enjoying robust growth, built on the strong performance of its new lipstick, Le Rouge.

Kenzo Parfums received a boost from its new fragrance, Flower in the Air, reaffirming the position of its Flower line as a classic in the perfume world. The communication material placed in stores illustrated the brand's poetic approach, unique in the market.

Fendi Parfums recorded strong growth, backed in particular by its successful launches at the end of 2012. Its new perfume, Fan di Fendi pour Homme, and L'Acquarossa fragrance, featuring Chiara Mastroianni as brand ambassador, also contributed to the brand's excellent results.

Benefit confirmed its strong momentum with the considerable success of its latest make-up innovation, Fake Up, a moisturizing concealer, and the continued growth of its flagship products They're Real! And Porefessional. Known for its playful, offbeat style, the brand also pursued innovative distribution techniques in several American airports in the form of its Glam Up & Away kiosks: beauty product vending machines in the shape of vintage pink buses.

Make Up For Ever gained market share as it deployed a new visual identity and launched its new website. Its flagship product lines HD and Aqua did exceptionally well.

Fresh stepped up its international expansion, particularly in Asia, where the brand has been very well received. Its skincare products made with natural ingredients and the sober elegance of its points of sale have stirred a growing interest among a young clientele.

Parfums Loewe bolstered its international image with its new brand ambassador, Linda Evangelista, who embodied its latest launch, Aura Loewe.

Reaffirming its handcrafted approach to perfume, Acqua di Parma showcased its colognes and other classic product lines.

### **Watches and Jewelry**

Watches and Jewelry recorded organic revenue growth of 4%. Profit from recurring operations rose by 12%. Performance was excellent in the directly owned store network, which continued to expand around the world, helping to reinforce brand image and distribution quality.

TAG Heuer maintained its positions in an essentially stable market. Its upscale strategy proved successful, with a robust performance delivered by the price segment above 3,000 euros. Its bold, innovative products were extremely well received at Baselworld 2013, notably featuring two Mikropendulum watch and chronograph models, equipped with a revolutionary magnetic regulator. The brand proceeded with its manufacturing integration and a new movement manufacturing facility was inaugurated in Chevenez, confirming TAG Heuer's position among the leading Swiss luxury chronograph makers. TAG Heuer celebrated the 50th anniversary of its legendary Carrera collection, enriched in 2013 by several new products, including the Jack Heuer Chronograph, while the Aquaracer series was honored through the victory of Oracle Team USA, a partner of TAG Heuer, in the America's Cup. The brand also bolstered its visibility in the motor racing world, renewing its contract with the McLaren racing team and becoming a founding member and official timekeeper for the upcoming Formula E electric car championship. The distribution network continued its expansion, notably with a new boutique opened on the Champs-Élysées in Paris.

Hublot continued to record remarkable growth in volume and value terms. Offering an array of highly creative new products, its Classic Fusion line pursued its rapid development alongside the emblematic Big Bang. Hublot boosted its upscale image by presenting exceptional products such as the Ayrton Senna and LaFerrari watches, associating the brand with values of design and performance. Hublot demonstrated its manufacturing expertise with its UNICO manufacture chronographs and its numerous complications with high added value. Its laboratories have developed an unprecedented, high-quality red ceramic, once again illustrating the brand's capacity for innovation and its technological know-how. An ambitious marketing program has been put in place, featuring prestigious partnerships in soccer (particularly on the occasion of the upcoming World Cup in Brazil), motor racing and sailing.

Zenith continued its development within the highly exclusive group of prestige manufacturing brands. Europe, Japan and the Middle East were the most dynamic markets. Tightly focused around five emblematic lines, its collection was enriched by several targeted new products, notably the El Primero Lightweight and the Pilot Aeronef. A new communication campaign helped reinforce the brand's image, while the quality of its distribution network was bolstered by increased selectivity at its points of sale.

Bulgari had a great year, and the brand's stores in particular recorded strong growth. Jewelry showed excellent momentum, especially the fine jewelry segment, as evidenced by the success of the Serpenti collection, showcased at expositions organized in Shanghai, Dubai and New York. Other highlights included the launch of the new Diva collection. The Bulgari Bulgari and B.zero1 lines also contributed to the brand's success. As its new brand ambassador, artist Carla Bruni reinforced Bulgari's international reach. In the watches segment, the Bulgari Octo maintained its position as the men's top-of-the-line premium timepiece. Timepiece sales in directly owned stores were also buoyed by the strong performances turned in by the Serpenti jewelry watches. The distribution quality of the accessories business and of perfumes was reinforced. The store network pursued its ambitious renovation and expansion program, in place since the brand was integrated into the LVMH group. The flagship stores of Ginza Tower in Tokyo and Chater House in Hong Kong epitomize this expansion strategy.

Chaumet saw solid growth within its network of directly owned stores, especially in Asia and the Middle East. It unveiled its new Hortensia fine jewelry collection, a delicate line inspired by floral themes, while a new watch model enhanced the Liens jewelry line. The store network continued to expand, with new boutiques in Shanghai, Seoul and Cannes.

Montres Dior continued its development with new launches in the Dior VIII collection and the sustained success of the Grand Bal and D de Dior limited editions. The brand coupled this strategy with ever increasing selectivity in its retail network.

De Beers asserted itself as the leading reference in the solitaire diamonds segment. Sales of luxury jewelry forged ahead while the brand continued its expansion in the Greater China region.

Fred continued its rapid growth, with a special focus on its development in France and Japan, and sustained work on its iconic Force 10 and Baie des Anges lines. The new Pain de Sucre collection was highly successful.

### **Selective Retailing**

In 2013, Selective Retailing recorded organic revenue growth of 17%. Profit from recurring operations increased by 6%.

DFS saw a new surge in revenue, reflecting in particular the first full year integrating three new concessions won in late 2012 at the Hong Kong airport. These concessions, which made a significant contribution to revenue growth, were invested in for extensive remodeling, as required for any business launch. Based on a comparable scope of consolidation, the main driver of revenue growth remained the brand's dynamic Asian clientele, boosting business particularly in Hong Kong and Macao. DFS continued with its strategy of upscaling across all destinations, as illustrated by the new visual identity of its stores, rebranded T Galleria, and the renovation of numerous points of sale. The arrival of new luxury brands also strengthened the vitality and appeal of its product range.

Miami Cruiseline reinforced its positions in the cruise market, buoyed by the growing success of cruise routes in the Mediterranean and Asia. Miami Cruiseline continued to move its boutiques further upmarket and adapt its sales approach and product range to suit the specific characteristics of each region and each cruise line's customers.

Backed by its global leadership position in selective retailing, Sephora turned in another strong performance and gained market share across all regions.

In Europe, Sephora showed resilience in a tough economic environment and strengthened its positions, notably in France, Italy and Russia.

In North America, Sephora continued to show excellent momentum, both in its stores and online. Since 2012, the redesigned website has proved successful in positioning the brand as a leader in the e-commerce sector. Sephora made particularly rapid strides in China, opening a flagship store in Shanghai in early 2013.

With emblematic stores such as at the Dubai Mall, the Middle East has been a remarkable success and recorded exceptional revenue growth. The new territories of Southeast Asia and Latin America also confirmed their strong growth potential. Thailand was added at the end of the year, with the first store opening in Bangkok. Innovating, personalizing the relationship with each customer and enhancing both in-store and online services are at the heart of Sephora's strategy. Sephora continued to develop global initiatives such as mobile payment, the Color IQ/Profile service enabling every customer to choose the foundation that is best adapted to their skin complexion, or the My Sephora personalization tool for sales assistants.

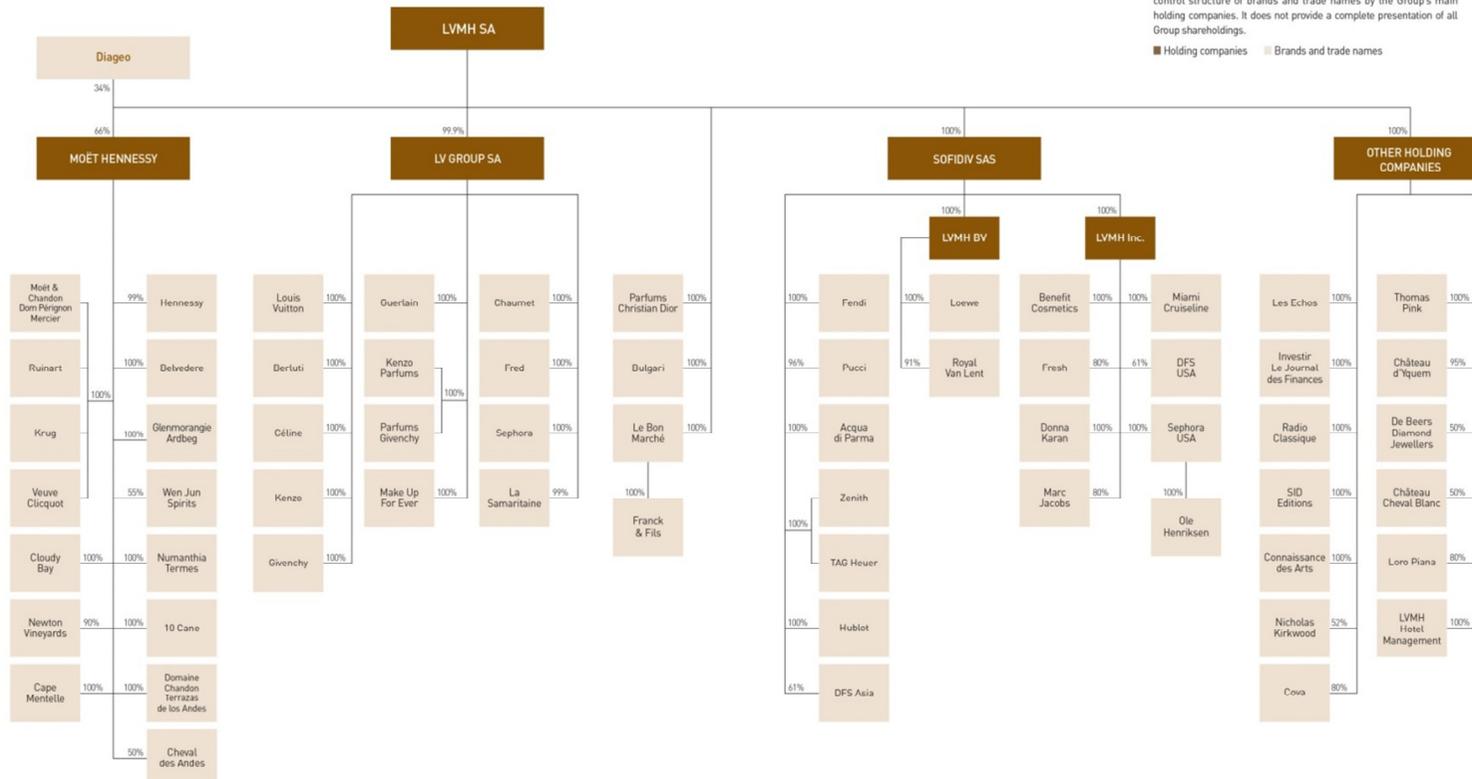
On the product side, Sephora has aimed to make its offering more and more innovative and unique. The success of the Sephora brand has continued to grow, while its exclusive offering has been bolstered by the launch of two new brands in the United States and the Middle East: Marc Jacobs and Formula X.

Le Bon Marché Rive Gauche saw its performance buoyed by the accessories and men's fashion segments. The successful Brazil exposition was one of the highlights of 2013. Major commercial projects were carried out on the department store's ground floor, including the opening of new luxury boutiques, the inauguration of a space devoted to timepieces and the creation of a new Accessories department. The Grande Épicerie de Paris food store underwent a complete transformation, with its expertise showcased and a new restaurant created on the first floor, accessible via a new set of escalators and designed in the image of the restaurant located at the heart of Le Bon Marché's main building.

# ORGANIZATIONAL STRUCTURE

Simplified organizational chart of the LVMH Group as of 31 January 2014

SIMPLIFIED ORGANIZATIONAL CHART OF THE GROUP AS OF JANUARY 31, 2014



LVMH manages and coordinates the operational activities of all its subsidiaries, and offers them various management assistance services, particularly in legal, financial, tax or insurance matters.

LVMH also manages the Group's long term financial debt and the associated interest rate risk, in addition to foreign exchange transactions for proprietary foreign exchange transactions.

Since Group brands belong to the various operating subsidiaries, LVMH does not collect any royalties in connection with these brands.

## **BOARD OF DIRECTORS**

### **Members of the Board of Directors (as of the date of this Base Prospectus)**

Bernard Arnault  
Chairman and Chief Executive Officer

Pierre Godé  
Vice-Chairman

Antonio Belloni  
Group Managing Director

Antoine Arnault  
Delphine Arnault

Nicolas Bazire

Bernadette Chirac\*

Nicholas Clive Worms\*

Charles de Croisset\*

Diego Della Valle\*

Albert Frère\*

Gilles Hennessy

Marie-Josée Kravis\*

Lord Powell of Bayswater

Marie-Laure Sauty de Chalon\*

Yves-Thibault de Silguy\*

Francesco Trapani

Hubert Védrine\*

### **Advisory Board Members**

Paolo Bulgari

Patrick Houël

Felix G. Rohatyn

### **Conflict of interest – Corporate governance**

Pursuant to the provisions of the Board of Directors' Charter, all Directors must bring to the attention of the Chairman of the Board any instance, even potential, of a conflict of interest that may exist between their duties and responsibilities to the Company and their private interests and/or other duties and responsibilities. They must also provide the Chairman with details of any fraud conviction, any official public incrimination and/or sanctions, any disqualifications from acting as a member of an administrative or management body imposed by a court along with any bankruptcy, receivership or liquidation proceedings to which they have been a party. No information has been communicated with respect to this obligation.

The Company's Bylaws require each Director to hold, directly and personally, at least 500 of its shares.

LVMH complies with all legal and regulatory provisions relating to corporate governance currently in force in France.

\* Independent Director

Principal titles, positions and offices of the members of the Board of Directors

**Members of the Board of Directors**

Bernard Arnault

Chairman and Chief Executive Officer of LVMH, France.

Pierre Godé

Vice-Chairman of LVMH, France.

Antonio Belloni

Group Managing Director of LVMH, France.

Antoine Arnault

Chairman of the Executive Board of Berluti SA, France.

Delphine Arnault

Executive Vice President of Louis Vuitton, France.

Nicolas Bazire

Senior Vice-President for Development & acquisitions of LVMH, France.

Bernadette Chirac\*

Chairman of the Fondation-Hôpitaux de Paris-Hôpitaux de France, France.

Nicholas Clive Worms\*

Chairman of Worms 1848 SAS, France.

Charles de Croisset\*

International Advisor to Goldman Sachs International, Great Britain.

Diego Della Valle\*

Chairman and Director delegate of Tod's SpA, Italy.

Albert Frère\*

Chairman of the Board of Directors of Frère-Bourgeois SA, Belgium.

Gilles Hennessy

Vice-Chairman of Moët Hennessy, France.

Marie-Josée Kravis\*

President of the Museum of Modern Art (MoMA) of New-York, United States of America.

Lord Powell of Bayswater

Chairman of the Board of Directors of LVMH Services Limited, Great Britain.

Marie-Laure Sauty de Chalon\*

Chairman and Chief Executive Officer of Auféminin.com, France.

Yves-Thibault de Silguy\*

Chairman of YTSeuropaconsultants SARL, France.

Hubert Védrine\*

Managing Partner of Hubert Védrine (HV) Conseil SARL, France.

Francesco Trapani

Advisor to the Group Managing Director of LVMH, France.

\* Independent Director

### **Advisory Board Members**

Paolo Bulgari

Chairman of the Board of Directors of Bulgari S.p.A., Italy.

Patrick Houël

Manager of PGH Consultant SARL, France.

Felix G. Rohatyn

Special Advisor of the President of Lazard Ltd, United-States of America.

The members of the Board of Directors are domiciled for the purpose hereof at the registered office of the Issuer, located at 22 avenue Montaigne, 75008 Paris, France.

### **PERFORMANCE AUDIT COMMITTEE**

#### **Members of the Performance Audit Committee**

Yves-Thibault de Silguy\*, (Chairman)

Nicholas Clive Worms\*

Gilles Hennessy

#### **Structure of the Committee**

The Performance Audit Committee shall be made up of at least three Directors appointed by the Board of Directors. At least two-thirds of the members shall be independent Directors. The majority of the Committee's members must have held a position as a Managing Director or a position involving equivalent responsibilities or possess specific expertise in financial and accounting matters.

The Board of Directors shall appoint a Chairman of the Committee from among its members. The maximum term of the Chairman of the Committee is five years.

Neither the Chairman of the Board of Directors nor any Director performing the duties of Chief Executive Officer or Group Managing Director of LVMH may be a member of the Committee.

A Director may not be appointed as a member of the Committee if he or she comes from a company for which an LVMH Director serves as a member of a committee comparable in function.

#### **Role of the Committee**

The principal missions of the Committee are to:

- monitor the process for preparing financial information, particularly the individual company and consolidated financial statements, and verify the quality of this information;
- monitor the statutory audit of the individual company and consolidated financial statements by the Statutory Auditors, whose conclusions and recommendations it examines;

\* Independent Director

- ensure the existence, pertinence, application and effectiveness of internal control and risk management systems, monitor the ongoing effectiveness of these systems, and make recommendations to the Chief Executive Officer concerning the priorities and general guidelines for the work of the Internal Audit team;
- examine risks to the Statutory Auditors' independence and, if necessary, identify safeguards to be put in place in order to minimize the potential of risks to compromise their independence, issue an opinion on the fees paid to the Statutory Auditors, as well as those paid to the network to which they belong, by the Company and the companies it controls or is controlled by, whether in relation to their statutory audit responsibilities or other related assignments, oversee the procedure for the selection of the Company's Statutory Auditors, and make a recommendation on the appointments to be submitted to the Shareholders' Meeting in consideration of the results of this procedure;
- analyze the exposure of the Company and the Group to risks, and in particular to those identified by the internal control and risk management systems, as well as material off-balance sheet commitments of the Company and the Group;
- review major agreements entered into by Group companies and agreements entered into by any Group company with a third-party company in which a Director of the LVMH parent company is also a senior executive or principal shareholder. Significant operations within the scope of the provisions of Article L. 225-38 of the French *Code de commerce* require an opinion issued by an independent expert appointed upon the proposal of the Performance Audit Committee;
- assess any instances of conflict of interest that may affect a Director and recommend suitable measures to prevent or correct them.

## **NOMINATIONS AND COMPENSATION COMMITTEE**

### **Members of the Nominations and Compensation Committee**

Albert Frère\* (Chairman)

Charles de Croisset\*

Yves-Thibault de Silguy\*

## **EXECUTIVE COMMITTEE**

### **Members of the Executive Committee**

Bernard Arnault  
*Chairman and Chief Executive Officer*

Antonio Belloni  
*Group Managing Director*

Pierre Godé  
*Vice-Chairman*

Nicolas Bazire  
*Development and acquisitions*

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\* Independent Director

Michael Burke  
*Louis Vuitton*

Yves Carcelle  
*Fondation Louis Vuitton*

Chantal Gaemperlé  
*Human resources*

Jean-Jacques Guiony  
*Finance*

Christopher de Lapuente  
*Sephora*

Christophe Navarre  
*Wines and Spirits*

Daniel Piette  
*Investment funds*

Pierre-Yves Roussel  
*Fashion*

Philippe Schaus  
*DFS*

Jean-Baptiste Voisin  
*Strategy*

Mark Weber  
*Donna Karan*

The members of Executive Committee are domiciled for the purpose hereof at the registered office of the Issuer, located at 22 avenue Montaigne, 75008 Paris, France.

**GENERAL SECRETARY**

Marc-Antoine Jamet

## STATUTORY AUDITORS

### Statutory Auditors:

**ERNST & YOUNG et Autres**, represented by Jeanne Boillet and Gilles Cohen  
1, place des Saisons – 92400 Courbevoie – Paris La Défense 1  
FRANCE

**DELOITTE & Associés**, represented by Thierry Benoit  
185 avenue Charles de Gaulle, 92524 Neuilly-sur-Seine Cedex  
FRANCE

**ERNST & YOUNG et Autres** (member of the “*Compagnie Régionale des Commissaires aux Comptes de Versailles*”, and registered on the “*Ordre du Conseil Régional de Paris de l’Ordre des Experts Comptables*”) was first appointed by the Annual General Meeting on 9 June 1998. It was reappointed by the Annual General Meeting on 15 April 2010 for a six-year term. This term will expire at the close of the Annual General Meeting convened to approve the accounts for 2015.

**DELOITTE & Associés** (member of the “*Compagnie Régionale des Commissaires aux Comptes de Versailles*”, and registered on the “*Ordre du Conseil Régional de Paris de l’Ordre des Experts Comptables*”) was first appointed by the Annual General Meeting on 13 May 2004. It was reappointed by the Annual General Meeting on 15 April 2010 for a six-year term. This term will expire at the close of the Annual General Meeting convened to approve the accounts for 2015.

### Deputy Statutory Auditors:

**M. Denis Grison**  
61, rue Henri Regnault, 92075 Paris La Défense  
FRANCE

**Auditex**  
1, place des Saisons – 92400 Courbevoie – Paris La Défense 1  
FRANCE

## INFORMATION RELATING TO LVMH CAPITAL

### *Share capital*

The registered capital of LVMH, as it appears in its by-laws, amounts to 152,300,959.50 euros divided into 507,669,865 shares of a nominal value of 0.30 euro each, all the same class and wholly paid up.

As of 31 May 2014, the total issued capital consisted of 508,350,759 shares. 225,014,731 shares had double voting rights.

### *Shareholders and control*

Shareholders	Number of shares	Number of voting rights <sup>(a)</sup>	% of capital	% of voting rights
Arnault family group	235,891,303	453,993,736	46.45	62.59
Other shareholders	271,902,358	271,315,929	53.55	37.41
<b>Total as of 31 December 2013</b>	<b>507,793,661</b>	<b>725,309,665</b>	<b>100.00</b>	<b>100.00</b>

(a) Voting rights exercisable in Shareholders' Meetings.

To LVMH's knowledge:

- no shareholder held at least 5% of the Company's share capital and voting rights as of 31 December 2013;
- no shareholder held 5% or more of the Company's share capital or voting rights, either directly, indirectly or acting in concert;
- no shareholders' agreement or any other agreement constituting an action in concert existed involving at least 0.5% of the Company's share capital or voting rights.

As of 31 December 2013, members of the Executive Committee and of the Board of Directors directly held less than 0.1% of LVMH's share capital and voting rights, personally and as registered shares.

As of 31 December 2013, the Company held 7,391,919 shares as treasury shares. Of these shares, 1,597,696 were recognized as short term investments, with the main objective of covering commitments for bonus share plans, while the remaining 5,794,223 shares were recognized as long term investments, with the main objective of covering commitments for existing share subscription option plans. In accordance with legal requirements, these shares are stripped of their voting rights.

As of 31 December 2013, the employees of the Company and of affiliated companies, as defined under Article L.225-180 of the French *Code de commerce*, held LVMH shares in employee savings plans equivalent to less than 0.1% of the Company's share capital.

According to the Charter applicable to all its members, LVMH's Board of Directors acts as guarantor of the rights of each and every shareholder, and ensure they fulfill their duties.

***Change in control arrangements***

There are no arrangements, known to LVMH, the operation of which may at a subsequent date result in a change in control of LVMH.

## FINANCIAL INFORMATION CONCERNING LVMH'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

### Historical financial information

These financial statements are extracted from the full set of audited consolidated financial statements for the year ended 31 December 2013 included in the 2013 Document de Référence, established in accordance with international accounting standards and interpretations (IAS/IFRS) adopted by the European Union and applicable on 31 December 2013.

The 2013 Document de Référence, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 276 of such document, is incorporated by reference to this Base Prospectus. For more detailed information about documents incorporated by reference refer to the corresponding section of this Base Prospectus and the cross-reference list it contains.

### I – CONSOLIDATED BALANCE SHEET – Assets

ASSETS (EUR millions)	31 Dec. 2013	31 Dec. 2012 (a)	31 Dec. 2011 (a)
Brands and other intangible assets	11 458	11 510	11 482
Goodwill	9 959	7 806	6 957
Property, plant and equipment	9 602	8 769	8 017
Investments in associates	152	163	170
Non-current available for sale financial assets	7 080	6 004	5 982
Other non-current assets	432	519	478
Deferred tax	909	954	760
<b>Non-current assets</b>	<b>39 592</b>	<b>35 725</b>	<b>33 846</b>
Inventories and work in progress	8 586	8 080	7 510
Trade accounts receivable	2 189	1 985	1 878
Income taxes	235	201	121
Other current assets	1 851	1 811	1 455
Cash and cash equivalents	3 221	2 196	2 303
<b>Current assets</b>	<b>16 082</b>	<b>14 273</b>	<b>13 267</b>
<b>Total assets</b>	<b>55 674</b>	<b>49 998</b>	<b>47 113</b>

*(a) The balance sheets as of December 31, 2012 and 2011 have been restated to reflect the retrospective application as of January 1, 2011 of IAS 19 Employee Benefits as amended. See Note 1.2. of the notes to the consolidated financial statements in the 2013 Document de Référence.*

## I – CONSOLIDATED BALANCE SHEET – Liabilities

LIABILITIES AND EQUITY (EUR millions)	31 Dec. 2013	31 Dec. 2012 (a)	31 Dec. 2011 (a)
Share capital	152	152	152
Share premium account	3 849	3 848	3 801
Treasury shares and LVMH-share settled derivatives	(451)	(414)	(485)
Cumulative translation adjustment	(8)	342	431
Revaluation reserves	3 900	2 731	2 637
Other reserves	15 817	14 341	12 770
Net profit, Group share	3 436	3 424	3 065
Equity - Group share	26 695	24 424	22 371
Minority interests	1 028	1 084	1 055
<b>Total equity</b>	<b>27 723</b>	<b>25 508</b>	<b>23 426</b>
Long-term borrowings	4 159	3 836	4 132
Non-current provisions	1 755	1 756	1 530
Deferred tax	3 934	3 960	3 925
Other non-current liabilities	6 403	5 456	4 506
<b>Non-current liabilities</b>	<b>16 251</b>	<b>15 008</b>	<b>14 093</b>
Short-term borrowings	4 688	2 976	3 134
Trade accounts payable	3 308	3 134	2 952
Income taxes	382	442	443
Current provisions	322	335	349
Other current liabilities	3 000	2 595	2 716
<b>Current liabilities</b>	<b>11 700</b>	<b>9 482</b>	<b>9 594</b>
<b>Total liabilities and equity</b>	<b>55 674</b>	<b>49 998</b>	<b>47 113</b>

(a) The balance sheets as of December 31, 2012 and 2011 have been restated to reflect the retrospective application as of January 1, 2011 of IAS 19 Employee Benefits as amended. See Note 1.2. of the notes to the consolidated financial statements in the 2013 Document de Référence.

## II – CONSOLIDATED STATEMENT OF INCOME

<i>(EUR millions, except for earnings per share)</i>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>Revenue</b>	<b>29 149</b>	<b>28 103</b>	<b>23 659</b>
Cost of sales	(10 055)	(9 917)	(8 092)
<b>Gross margin</b>	<b>19 094</b>	<b>18 186</b>	<b>15 567</b>
Marketing and selling expenses	(10 849)	(10 101)	(8 360)
General and administrative expenses	(2 224)	(2 164)	(1 944)
<b>Profit from recurring operations</b>	<b>6 021</b>	<b>5 921</b>	<b>5 263</b>
Other operating income and expenses	(127)	(182)	(109)
<b>Operating profit</b>	<b>5 894</b>	<b>5 739</b>	<b>5 154</b>
Cost of net financial debt	(103)	(140)	(151)
Other financial income and expenses	(96)	126	(91)
<b>Net financial income (expense)</b>	<b>(199)</b>	<b>(14)</b>	<b>(242)</b>
Income taxes	(1 755)	(1 820)	(1 453)
Income (loss) from investments in associates	7	4	6
<b>Net profit before minority interests</b>	<b>3 947</b>	<b>3 909</b>	<b>3 465</b>
Minority interests	(511)	(485)	(400)
<b>Net profit, Group share</b>	<b>3 436</b>	<b>3 424</b>	<b>3 065</b>
<b>Basic Group share of net earnings per share (EUR)</b>	<b>6,87</b>	<b>6,86</b>	<b>6,27</b>
Number of shares on which the calculation is based	500 283 414	499 133 643	488 769 286
<b>Diluted Group share of net earnings per share (EUR)</b>	<b>6,83</b>	<b>6,82</b>	<b>6,23</b>
Number of shares on which the calculation is based	503 217 497	502 229 952	492 207 492

### III – CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES

<i>(EUR millions)</i>	<b>2013</b>	<b>2012 (a)</b>	<b>2011 (a)</b>
<b>Net profit before minority interests</b>	<b>3 947</b>	<b>3 909</b>	<b>3 465</b>
Translation adjustments	(346)	(99)	190
Tax impacts	(48)	(18)	47
	<b>(394)</b>	<b>(117)</b>	<b>237</b>
Change in value of available for sale financial assets	963	(27)	1 634
Amounts transferred to income statement	(16)	(14)	(38)
Tax impact	(35)	(6)	(116)
	<b>912</b>	<b>(47)</b>	<b>1 480</b>
Change in value of hedges of future foreign currency cash flows	304	182	95
Amounts transferred to income statement	(265)	13	(168)
Tax impact	(17)	(50)	21
	<b>22</b>	<b>145</b>	<b>(52)</b>
<b>Gains and losses recognized in equity, transferable to income statement</b>	<b>540</b>	<b>(19)</b>	<b>1 665</b>
Change in value of vineyard land	369	85	25
Tax impact	(127)	(28)	(11)
	<b>242</b>	<b>57</b>	<b>14</b>
Employee benefit commitments: change in value resulting from actuarial gains and losses	<b>80</b>	<b>(101)</b>	<b>(45)</b>
Tax impact	(22)	29	13
	<b>58</b>	<b>(72)</b>	<b>(32)</b>
<b>Gains and losses recognized in equity, not transferable to income statement</b>	<b>300</b>	<b>(15)</b>	<b>(18)</b>
<b>Comprehensive income</b>	<b>4 787</b>	<b>3 875</b>	<b>5 112</b>
Minority interests	(532)	(470)	(429)
<b>Comprehensive income, Group share</b>	<b>4 255</b>	<b>3 405</b>	<b>4 683</b>

*(a) The consolidated statements of comprehensive gains and losses as of December 31, 2012 and 2011 have been restated to reflect the retrospective application as of January 1, 2011 of IAS 19 Employee Benefits as amended. See Note 1.2. of the notes to the consolidated financial statements in the 2013 Document de Référence.*

## IV – CONSOLIDATED CASH-FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT (EUR millions)	2013	2012	2011
<b>I OPERATING ACTIVITIES AND INVESTMENTS</b>			
Operating profit	5 894	5 739	5 154
Net increase in depreciation, amortization and provisions	1 454	1 299	999
Other computed expenses	(29)	(62)	(45)
Dividends received	86	188	61
Other adjustments	(76)	(51)	(32)
<b>Cash from operations before changes in working capital</b>	<b>7 329</b>	<b>7 113</b>	<b>6 137</b>
Cost of net financial debt: interest paid	(112)	(154)	(152)
Income taxes paid	(1 979)	(1 970)	(1 544)
<b>Net cash from operating activities before changes in working capital</b>	<b>5 238</b>	<b>4 989</b>	<b>4 441</b>
Total change in working capital	(617)	(813)	(534)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4 621</b>	<b>4 176</b>	<b>3 907</b>
<b>Operating investments</b>	<b>(1 663)</b>	<b>(1 702)</b>	<b>(1 730)</b>
<b>NET CASH FROM OPERATING ACTIVITIES AND OPERATING INVESTMENTS (FREE CASH FLOW)</b>	<b>2 958</b>	<b>2 474</b>	<b>2 177</b>
<b>II FINANCIAL INVESTMENTS</b>			
Purchase of non-current available for sale financial assets	(197)	(131)	(518)
Proceeds from sale of non-current available for sale financial assets	38	36	17
Impact of purchase and sale of consolidated investments	(2 158)	(45)	(785)(a)
<b>NET CASH FROM (USED IN) FINANCIAL INVESTMENTS</b>	<b>(2 317)</b>	<b>(140)</b>	<b>(1 286)</b>
<b>III TRANSACTIONS RELATING TO EQUITY</b>			
Capital increases of LVMH SA	66	94	94(a)
Capital increases of subsidiaries subscribed by minority interests	7	8	3
Acquisition and disposals of treasury shares and LVMH-share settled derivatives	(113)	5	2
Interim and final dividends paid by LVMH SA	(1 501)	(1 447)	(1 069)
Interim and final dividends paid to minority interests in consolidated subsidiaries	(220)	(314)	(189)
Purchase and proceeds from sale of minority interests	(150)	(206)	(1 413)
<b>NET CASH FROM (USED IN) TRANSACTIONS RELATING TO EQUITY</b>	<b>(1 911)</b>	<b>(1 860)</b>	<b>(2 572)</b>
<b>Change in cash before financing activity</b>	<b>(1 270)</b>	<b>474</b>	<b>(1 681)</b>

<b>CONSOLIDATED CASH FLOW STATEMENT (EUR millions)</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>IV FINANCING ACTIVITIES</b>			
Proceeds from borrowings	3 145	1 068	2 659
Repayment of borrowings	(1 099 )	(1 526 )	(1 005 )
Purchase and proceeds from sale of current available for sale financial assets	101	(67)	6
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>2 147</b>	<b>(525 )</b>	<b>1 660</b>
<b>V EFFECT OF EXCHANGE RATE CHANGES</b>			
	<b>46</b>	<b>(42 )</b>	<b>60</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV+V)</b>	<b>923</b>	<b>(93 )</b>	<b>39</b>
Cash and cash equivalents at beginning of period	1 988	2 081	2 042
Cash and cash equivalents at end of period	2 911	1 988	2 081
Transactions included in the table above, generating no change in cash: - acquisition of assets by means of finance leases	7	5	3

*(a) Not including the impact of the amount attributable to the acquisition of Bulgari remunerated by the capital increase of LVMH SA as of June 30, 2011, which did not generate any cash flows.*

## V – CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR millions)	Number of shares	Share capital	Share premium account	Treasury shares and LVMH-share settled derivatives	Cumulative translation adjustment	Revaluation reserves				Net profit and other reserves	Total equity			
						Available for sale financial assets	Hedges of future foreign currency cash flows	Vineyard land	Employee benefit commitments		Group share	Minority interests	Total	
<b>As of 31 December 2011, after restatement</b>	<b>507 815 624</b>	<b>152</b>	<b>3 801</b>	<b>(485)</b>	<b>431</b>	<b>1 990</b>	<b>(15)</b>	<b>714</b>	<b>-</b>	<b>28,00</b>	<b>15 811</b>	<b>22 371</b>	<b>1 055</b>	<b>23 426</b>
Gains and losses recognized in equity					(89)	(47)	133	44		(60)		(19)	(15)	(34)
Net profit											3424	3 424	485	3 909
<b>Comprehensive income</b>					<b>(89)</b>	<b>(47)</b>	<b>133</b>	<b>44</b>		<b>(60)</b>	<b>3 424</b>	<b>3 405</b>	<b>470</b>	<b>3 875</b>
Stock option plan and similar expenses											50	50	3	53
(Acquisition)/disposal of treasury shares and LVMH-share settled derivatives				24							(12)	12	-	12
Exercise of LVMH share subscription options	1 344 975		94									94	-	94
Retirement of LVMH shares	(997 250)		(47)	47								-	-	-
Capital increase in subsidiaries												-	8	8
Interim and final dividends paid											(1 448)	(1 448)	(317)	(1 765)
Changes in control of consolidates entities											(11)	(11)	(11)	(22)
Acquisition and disposal of minority interests' shares											(39)	(39)	(26)	(65)
Purchase commitments for minority interests' shares											(10)	(10)	(98)	(108)
<b>As of 31 December 2012, after restatement</b>	<b>508 163 349</b>	<b>152</b>	<b>3 848</b>	<b>(414)</b>	<b>342</b>	<b>1 943</b>	<b>118</b>	<b>758</b>		<b>(88)</b>	<b>17 765</b>	<b>24 424</b>	<b>1 084</b>	<b>25 508</b>
Gains and losses recognized in equity					(350)	912	18	188		51		819	21	840
Net profit											3436	3 436	511	3 947
<b>Comprehensive income</b>					<b>(350)</b>	<b>912</b>	<b>18</b>	<b>188</b>		<b>51</b>	<b>3 436</b>	<b>4 255</b>	<b>532</b>	<b>4 787</b>
Stock option plan and similar expenses											31	31	3	34
(Acquisition)/disposal of treasury shares and LVMH-share settled derivatives				(103)							(7)	(110)	-	(110)
Exercise of LVMH share subscription options	1 025 418		67									67	-	67
Retirement of LVMH shares	(1 395 106)		(66)	66								-	-	-
Capital increase in subsidiaries												-	8	8
Interim and final dividends paid											(1 500)	(1 500)	(228)	(1 728)
Changes in control of consolidates entities											1	1	50	51
Acquisition and disposal of minority interests' shares											(73)	(73)	(76)	(149)
Purchase commitments for minority interests' shares											(400)	(400)	(345)	(745)
<b>As of 31 December 2013</b>	<b>507 793 661</b>	<b>152</b>	<b>3 849</b>	<b>(451)</b>	<b>(8)</b>	<b>2 855</b>	<b>136</b>	<b>946</b>		<b>(37)</b>	<b>19 253</b>	<b>26 695</b>	<b>1 028</b>	<b>27 723</b>

### Legal and arbitration proceedings

As part of its day-to-day management, the Group is party to various legal proceedings concerning trademark rights, the protection of intellectual property rights, the protection of Selective Retailing networks, licensing agreements, employee relations, tax audits, and any other matters inherent to its business. The Group believes that the provisions recorded in the balance sheet in respect of these risks, litigation proceedings and disputes that are in progress and any others of which it is aware at the year-end, are sufficient to avoid its consolidated financial net worth being materially impacted in the event of an unfavorable outcome.

In 2006, Louis Vuitton Malletier and the French companies of the Perfumes and Cosmetics business group filed lawsuits against eBay in the Paris Commercial Court. Louis Vuitton Malletier demanded compensation for losses caused by eBay's participation in the commercialization of counterfeit products and its refusal to implement appropriate procedures to prevent the sale of such goods on its site. The Perfumes and Cosmetics brands sued eBay for undermining their selective retailing networks. In a decision delivered on June 30, 2008, the Paris Commercial Court ruled in favor of LVMH, ordering eBay to pay 19.3 million euros to Louis Vuitton Malletier and 3.2 million euros to the Group's Perfumes and Cosmetics brands. The court also barred

eBay from running listings for perfumes and cosmetics under the Dior, Guerlain, Givenchy and Kenzo brands. eBay filed a petition with the Paris Court of Appeal. On July 11, 2008, the President of the Paris Court of Appeal denied eBay's petition to stay the provisional execution order delivered by the Paris Commercial Court. In September 2010, the Paris Court of Appeal confirmed the ruling against eBay handed down in 2008, classifying this company's business as that of a broker and not merely an Internet host. Asserting that it did not have jurisdiction to evaluate the extent of losses caused by some of eBay's sites outside France, the Court reduced the amount of punitive damages to 2.2 million euros for Louis Vuitton Malletier and 0.7 million euros for the Group's Perfumes and Cosmetics brands, as the initial amount had been determined on the basis of eBay's worldwide operations. In response to the appeal filed by eBay, on May 3, 2012 the Cour de cassation confirmed the analysis carried out by the Paris Court of Appeal, which had held that eBay's activity was not merely that of a hosting service provider, but that it also acted as a broker. However, the Cour de cassation reversed the Paris Court of Appeal's decision with regard to its jurisdiction for activity conducted on the eBay Inc. and referred the case back for retrial by the Paris Court of Appeal.

Following the announcement by LVMH on October 23, 2010 of its acquisition of a stake in the share capital of Hermès International, the Autorité des Marchés Financiers (the French financial markets regulation authority), launched an investigation into the market and financial disclosures relating to Hermès and LVMH shares. On August 13, 2012, the AMF served LVMH with a statement of objections for alleged infringements of financial and public disclosure requirements, a copy of which was forwarded to AMF's Enforcement Committee. The Committee met on May 31, 2013 and on June 25, 2013 handed down its decision, holding that LVMH should have informed the public in June 2010 of the possibility that it had of deciding to acquire a stake in Hermès, despite the fact that the matter was not put before its Board of Directors until October 21, 2010. It therefore ordered LVMH to pay a fine of 8 million euros. No appeal has been made against this decision.

On June 18, 2013, Hermès International filed a suit with the Paris Commercial Court against LVMH and some of its subsidiaries on the grounds of requesting the cancellation of the equity swap contracts entered into by Group companies in 2008, along with subsequent transactions. The lawsuit refers to a criminal complaint filed in October 2012 for insider trading, share price manipulation and complicity. The LVMH group has filed a counter-complaint with the public prosecutor for false accusations. It also brought an action before the Paris Commercial Court against the senior executives of Hermès for personal liability, in order to seek redress for the damage caused by the abovementioned action for annulment, which serves the personal objectives of these senior executives rather than the interest of the companies managed by them.

On December 17, 2012, the Mayor of Paris granted two distinct building permits authorizing the architectural project for the restructuring and reconstruction of the former Samaritaine department stores 2 (Seine block) and 4 (Rivoli block). Both of these permits were the subject of an action for cancellation before the Paris Administrative Court (Tribunal administratif de Paris).

On April 11, 2014, the Paris Administrative Court rejected the action for cancellation filed against the building permit authorizing the restructuring of former department store 2, which is registered as Historic Monument (Seine block).

On May 13, 2014, the Paris Administrative Court cancelled the building permit order authorizing the partial demolition of former department store 4 and the reconstruction of a contemporary building designed by the architectural firm SANAA (Rivoli block). The company Grands Magasins de la Samaritaine and the City of Paris have filed an appeal and have requested a stay of execution of this judgment.

The Group is subject to audits, on a regular basis, from customs, tax and administrative authorities in a large number of countries. Most of these audits are limited to mere requests of information, but some of them may lead to notices of assessment, subject or not to appeal. The Group believes that the reserves allocated to such audits and proceedings are sufficient to face their foreseeable consequences.

Except as described above, and to the best of the Company's knowledge, there are no and there has been no other governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during a period covering the previous twelve months which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

***Trend information, no material adverse change and no significant change***

There has been no significant change in the financial or trading position of LVMH or the LVMH Group and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2013.

***Material contracts***

Except as disclosed in the consolidated financial statements of the company, pages 125 to 183 of the 2013 *Document de Référence*, there are no material contracts that are not entered into in the ordinary course of LVMH's business, which could result in any Group member being under an obligation or entitlement that is material to LVMH's ability to meet its obligation to security holders in respect of the securities being issued.

## FIRST QUARTER REVENUE

### *Organic Revenue Growth of 6% for LVMH in the first quarter 2014*

On 9 April 2014 LVMH published its sales for the 1st quarter 2014. In the first three months of 2014, the Group achieved revenues of 7 206 million euros, reflecting organic growth of 6% compared to the same period in 2013.

By business group, the progress was as follows:

(in million Euros)	First three months		% change	
	2014	2013 <sup>(**)</sup>	Reported	Organic <sup>(*)</sup>
Wines & Spirits	888	967	-8%	-3%
Fashion & Leather Goods	2 639	2 383	+11%	+9%
Perfumes & Cosmetics	941	932	+1%	+5%
Watches & Jewelry	607	608	0%	+5%
Selective Retailing	2 222	2 113	+5%	+10%
Other activities and eliminations	(91)	(90)	-	-
<b>Total</b>	<b>7 206</b>	<b>6 913</b>	<b>+4%</b>	<b>+6%</b>

\* with comparable structure and constant exchange rates. The structural impact of integrating Loro Piana is +3% and the exchange rate impact is -5%.

\*\* Restated to reflect the application of IFRS 10 and 11 on consolidation.

*Source: LVMH Group Management Accounts; the information contained in this paragraph is based on non-audited financial information.*

## RECENT DEVELOPMENTS

### European company (SE)

On 17 February 2014, LVMH announced that at a Board meeting held on 30 January 2014, the Board of Directors of LVMH Moët Hennessy Louis Vuitton agreed to alter the legal status of the LVMH from that of a French Public Limited Company ("*société anonyme*") to that of a European Company.

The Board noted that this transition, which is promoted by the European authorities, has already been made by several major European groups and agreed that the status of European Company better reflects the European and International scope of the LVMH Group.

The number of LVMH Group brands having their roots in non-French European countries has significantly increased in recent years. After Loewe, Fendi, Pucci, Acqua di Parma, Tag Heuer and Zenith, the Group welcomed Hublot in 2008, Bulgari in 2011 and Loro Piana in 2013.

The transformation into a European Company has no impact on governance, Head Office domicile or stockmarket listing and has no consequences for shareholders. This proposed statutory change has been submitted to shareholders at the General Meeting on 10 April 2014 and approved. The conversion into European company is still subject to conditions precedent.

## TAXATION

*The comments below are intended as a basic presentation of certain tax consequences in relation to the purchase, ownership and disposition of the Notes. Persons who are in any doubt as to their tax position should consult a professional tax adviser.*

### EU SAVINGS DIRECTIVE

On 3 June 2003, the European Council of Economic and Finance Ministers adopted Directive 2003/48/EC on the taxation of savings income (the “**Savings Directive**”). Pursuant to the Savings Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Savings Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State or to so-called residual entities established in that other Member State (the “**Disclosure of Information Method**”).

For these purposes, the term “paying agent” is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of the beneficial owner.

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The Luxembourg Government, in the bill of law introduced on 18 March 2014, confirmed its intention to abolish the withholding system with effect from 1 January 2015, in favour of the Disclosure of Information Method under the Savings Directive. The current withholding tax rate is 35 per cent.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

On 24 March 2014, the Council of European Union adopted a directive amending the Savings Directive, which, when implemented, will amend and broaden the scope of the requirements described above. In particular, the amending directive aims at extending the scope of the Savings Directive to new types of savings income and products that generate interest or equivalent income. In addition, tax authorities will be required in certain circumstances to take steps to identify the beneficial owner of interest payments (through a look through approach). The EU Member States will have until 1 January 2016 to adopt the national legislation necessary to comply with this amending directive.

Investors should inform themselves of, and where appropriate take advice on, the impact of the Savings Directive and the amending directive on their investment.

### LUXEMBOURG

*The following is a general description of certain withholding tax considerations relating to the Notes as in effect and as applied by the relevant tax authorities as at the date hereof and does not purport to be a comprehensive discussion of the tax treatment of the Notes.*

*Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of Notes and the receipt of interest with respect to such Notes under the laws of the countries in which they may be liable to taxation.*

## **Withholding tax**

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual Noteholders and certain so-called “residual entities”, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual Noteholders and certain so-called “residual entities”, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

### *Luxembourg non-residents*

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 as amended (the “**Laws**”) implementing the Savings Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU, there is no withholding tax or payments of principal, premium or interests made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.

Under the Laws, a Luxembourg based paying agent (within the meaning of the Luxembourg Laws) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or to certain so-called “residual entities” resident or established in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or, in case of an individual beneficiary, for the tax certificate procedure. Residual entities within the meaning of Article 4.2 of the Savings Directive are entities established in a Member State or in certain EU dependent or associated territories which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, that are not and have not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC, as replaced by the Council Directive 2009/65/EC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands.

Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. The current withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

The Luxembourg government has announced its intention to elect out of the withholding system in favour of an automatic exchange of information with effect as from 1 January 2015.

The European Council adopted certain amendments to the Savings Directive, which will, upon implementation, amend or broaden the scope of the requirements described above.

### *Luxembourg residents*

In accordance with the law of 23 December 2005, as amended by the law of 17 July 2008, on the introduction of a withholding tax on certain interest payments on savings income, interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC as replaced by the Council Directive 2009/65/EC or for the exchange of information regime) are subject to a 10 per cent. withholding tax. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

## FRANCE

*The following is a description limited to certain tax considerations in France relating to the Notes that may be issued under the Programme to any holder of Notes who does not concurrently hold shares of the Issuer and who is not related to the Issuer within the meaning of Article 39, 12 of the French General Tax Code (Code général des impôts). Prospective holders or beneficial owners of Notes should consult their tax advisors as to the tax consequences of any investment in or ownership and disposition of the Notes.*

The Savings Directive was implemented into French law under Article 242 *ter* of the French *Code général des impôts* and Articles 49 I *ter* to 49 I *sexies* of the Schedule III to the French *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

### Notes issued as from 1 March 2010

Pursuant to the French *Code général des impôts*, (the “**Law**”), payments of interest and other revenues made by the Issuer with respect to notes issued on or after 1 March 2010 (other than Notes (described below) which are assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued prior to 1 March 2010 benefitting from the exemption from withholding tax of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”). If such payments under the Notes are made in a Non-Cooperative State, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues on such Notes will not be deductible from the Issuer’s taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (subject to certain exceptions). Under certain conditions, any such non-deductible interest and other revenues may be characterised as constructive dividends pursuant to Article 109 of French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of 30 per cent. or 75 per cent. (subject to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest or other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the non-deductibility set out under Article 238 A of the French *Code général des impôts* will apply in respect of a particular issue of the Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the French tax administrative guidelines (BOI-INT-DG-20-50-20140211, no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70, BOI-IR-DOMIC-10-20-20-60-20140211, no. 10 and BOI-ANX-000364-20120912, no. 20), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this

- purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
  - (iii) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

**Notes issued before 1 March 2010 and Notes which are assimilated to (*assimilables* for the purpose of French law) Notes issued before 1 March 2010**

Payments of interest and other revenues made by LVMH in its capacity as Issuer with respect to (i) Notes issued (or deemed issued) outside France as provided under Article 131 *quater* of the French *Code général des impôts*, before 1 March 2010 and (ii) Notes issued on or after 1 March 2010 and which are assimilated to (*assimilables* for the purpose of the French law), and form a single series with, such Notes referred to under (i) above, will continue to be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of the French tax administrative guidelines (BOI-RPPM-RCM-30-10-30-20140211) or other debt securities issued under French and foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 *quater* of the French *Code général des impôts*, in accordance with the aforementioned administrative guidelines.

In addition, interest and other revenues paid by the Issuer on Notes issued before 1 March 2010 (or Notes issued after 1 March 2010 and which are to be assimilated (*assimilables* for the purpose of the French law) and form a single series with such Notes) will be subject neither to the non-deductibility set out under Article 238 A of the French *Code général des impôts* nor to the withholding tax set out in Article 119 *bis* 2 of the French *Code général des impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

**Payments made to individuals fiscally domiciled in France**

Pursuant to Article 125 A of the French *Code général des impôts*, subject to certain limited exceptions, interest received from 1 January 2013 by French tax resident individuals is subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. on interest paid to French tax resident individuals.

See "Terms and Conditions of the Notes – Taxation".

## HONG KONG

The following is a summary of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This summary is based on the tax laws and regulations of Hong Kong as currently in effect and which is subject to change or to different interpretation. This summary is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.

### *Withholding Tax*

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

### *Profits Tax*

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of the assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “**Inland Revenue Ordinance**”), interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, professional or business carried on in Hong Kong and be subject to profits tax in the following circumstances:

- (a) interest on the Notes is derived from Hong Kong and is received by or accrued to a corporation, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong;
- (b) interest on the Notes is derived from Hong Kong and is received by or accrued to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (c) interest on the Notes is received by or accrued to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrued are made available outside Hong Kong.

Any capital gains from the sale of the Notes will not be subject to taxes in Hong Kong, except that Hong Kong profits tax may be chargeable in the case of owners of Notes who carry on a trade, profession or business in Hong Kong and such gains form part of the revenue or profits of such trade, profession or business.

Sums received by or accrued to a financial institution by way of gain or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax.

### *Stamp Duty*

Stamp duty will not be payable on the issue of bearer Notes provided either:

- (a) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (b) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (“**Stamp Duty Ordinance**”)).

If stamp duty is payable it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

No stamp duty is payable on the issue of registered Notes. Stamp duty may be payable on the transfer of registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (a) the registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (b) the registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance).

If stamp duty is payable in respect of the transfer of registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the value of the consideration. If, in the case of either the sale or purchase of such registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

#### *Estate Duty*

No estate duty is payable in respect of Notes in Hong Kong.

#### *Capital gains tax*

There is no capital gains tax in Hong Kong and no capital gains tax is chargeable or payable on the transfer or disposal of the Notes.

### **PEOPLE'S REPUBLIC OF CHINA**

Under the PRC Enterprise Income Tax Law which was promulgated by the National People's Congress of the PRC on 16 March 2007 and became effective on 1 January 2008, an enterprise established in the PRC or in a foreign country with a "de facto management body" located within the PRC is considered a "PRC tax resident enterprise" and will normally be subject to the enterprise income tax at the rate of 25 per cent. for its worldwide income.

Under the PRC Enterprise Income Tax Law and PRC Individual Income Tax Law (which was promulgated by the Standing Committee of National People's Congress of the PRC on 30 June 2011 and became effective on the same date), if the Issuer is considered to be a PRC tax resident enterprise, interest payable to non-resident Noteholders and gains from transfer of Notes realized by such non-resident Noteholders may be regarded as income from sources within the PRC and therefore be subject to a 10 per cent. enterprise income tax if the Noteholder is a non-resident enterprise, or 20 per cent. individual income tax if the Noteholder is a non-resident individual, both to be withheld by the Issuer from the interest payments thereto. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as France, Hong Kong and Singapore, that allow a lower rate of withholding tax, such lower rate may apply to Noteholders who qualify for such treaty benefits.

If the Issuer is not considered a PRC tax resident enterprise, the holders of Notes who are not PRC residents for PRC tax purposes will not be subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of Notes or any repayment of principal and payment of interest made thereon.

## SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 2 July 2014 (the “**Amended and Restated Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Amended and Restated Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

References in this Base Prospectus to “Permanent Dealers” are to the persons listed as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated).

The Issuer will, unless otherwise agreed, pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by that Dealer. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Amended and Restated Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### **Selling Restrictions**

#### **Public Offer Selling Restriction under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as

defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

## **France**

Each Dealer has represented and agreed that:

(a) **Offer to the public in France:**

it has only made and will only make an offer of Notes to the public in France (i) on or after the date of publication of the prospectus relating to those Notes approved by the *Autorité des marchés financiers* (“**AMF**”) or (ii) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the Prospectus Directive 2003/71/EC, on the date of notification of such approval to the AMF, all in accordance with Articles L.412-1 and L.621-8 of the Code and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

(b) **Private Placement in France:**

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the Code.

## **United States**

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Materialised Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Amended and Restated Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### **United Kingdom**

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (i) in relation to any Notes which have a maturity of less than one year from the date of issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance

(Cap. 571) of Hong Kong) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus”, as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors”, as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### **People’s Republic of China**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell, directly or indirectly, any of the Notes in the PRC, except as permitted by applicable laws and regulations of the PRC.

### **General**

These selling restrictions may be modified or supplemented by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a Supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefore.

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France.

**FORM OF FINAL TERMS**

**FORM OF FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A DENOMINATION OF LESS THAN €100,000 TO BE LISTED AND ADMITTED TO TRADING ON A REGULATED MARKET OR REGULATED MARKETS [AND/OR OFFERED TO THE PUBLIC] IN THE EUROPEAN ECONOMIC AREA**

**Final Terms dated [●]**

[LOGO, if document is printed]

**[Title of relevant Series of Notes]  
issued pursuant to the**

Euro 10,000,000,000  
Euro Medium Term Note Programme  
Due from one month from the date of original issue

**of  
LVMH Moët Hennessy Louis Vuitton  
as Issuer**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated 2 July 2014 [and the supplement to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing at the office of the Fiscal Agent or each of the Paying Agents and was/were published in accordance with the provisions of Article 14 of the Prospectus Directive, admitting the validity of disclosure carried out, *inter alia* and always at the choice of the Issuer, through release on the website of the Issuer or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), and copies may be obtained from LVMH Moët Hennessy Louis Vuitton, 22, avenue Montaigne 75008 Paris, France.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus and/or an Offering Circular with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) which are the [2008][2010][2011][2012][2013] EMTN Conditions [and the Additional March 2011 EMTN Conditions], which are incorporated by reference in the Base Prospectus dated 2 July 2014]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 2 July 2014 [and the supplement[s] to the Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of Article 5.4 of the Prospectus Directive, save in respect of the Conditions, which are the [2008][2010][2011][2012][2013] EMTN Conditions [and the Additional March 2011 EMTN Conditions]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the [2008][2010][2011][2012][2013] EMTN Conditions, [the Additional March 2011 EMTN Conditions] and the Base Prospectus dated 2 July 2014 [and the supplement[s] to the Base Prospectus dated [●]]. The Base Prospectus [and the supplement[s] to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or otherwise in accordance with the provisions of Article 14 of the Prospectus Directive, and copies may be obtained from LVMH Moët Hennessy Louis Vuitton, 22, avenue Montaigne 75008 Paris, France.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

- 1**
- (i) Series Number: [●]
  - (ii) Tranche Number: [●]
  - (iii) Date on which the Notes become fungible: [Not Applicable/ The Notes will be assimilated (*assimilées*) and form a single series with the existing [●] Notes [●] due [●] issued on [●] (the “**Existing Notes**”) [as from the date of assimilation which is expected to be on or about 40 days after the Issue Date (the “**Assimilation Date**”) of this Tranche]/[as from the Issue Date of this Tranche]]

*(This item applies to fungible issues only)*

- 2** Specified Currency or Currencies: [•]
- 3** Aggregate Nominal Amount: [•]
- (i) Series: [•]
- (ii) [Tranche: [•]]
- 4** Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]*, (if applicable)]
- 5** Specified Denomination(s): [•]
- 6** (i) Issue Date: [•]
- (ii) [Interest Commencement Date: [•]]
- 7** Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
- 8** Interest Basis: [[•] per cent. Fixed Rate]
- [[*specify particular reference rate*] +/- [•] per cent. Floating Rate]
- [Zero Coupon]
- 9** Instalment: [Applicable/Not Applicable]
- 10** Put/Call Options: [Not Applicable]
- [Investor Put]
- [Issuer Call]
- [Make-Whole Redemption by the Issuer]
- [Residual Maturity Call Option]
- [(further particulars specified below)]
- 11** Status: [Unsubordinated/Subordinated] Notes
- (i) In case of Subordinated Notes: Deferral of Interest (Condition 5 (f)): [Applicable/Not Applicable]
- (ii) In case of Subordinated Notes: [Dated Subordinated Notes/Undated Subordinated Notes]
- 12** Dates of the corporate authorisations for [decision of the Board of Directors of the Issuer]

issuance of the Notes:

dated [•] [and of the *Président* of the Board of Directors dated [•]]<sup>i</sup>/[decision of [*Président* of the Board of Directors] dated [•]]<sup>ii</sup>

### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

<b>13</b>	<b>Fixed Rate Note Provisions</b>	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Rate [(s)] of Interest:	[•] per cent. per annum payable [annually/semi-annually/quarterly/ monthly] in arrear on each Interest Payment Date
(ii)	Interest Payment Date(s):	[•] in each year [adjusted in accordance with [the Business Day Convention specified below <sup>iii</sup> ]/not adjusted]
(iii)	Fixed Coupon Amount [(s)]:	[•] per [•] in nominal amount
(iv)	Broken Amount(s):	[Not Applicable/[•] payable on the Interest Payment Date falling [in/on] [•]]
(v)	Day Count Fraction(Condition 5(a)):	[Actual/Actual / Actual/Actual - ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis / 30E/360 (ISDA) ]
(vi)	Determination Dates(Condition 5(a)):	[Not Applicable/[•] in each year ( <i>insert regular interest payment dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)</i> )]
(vii)	[Business Day Convention <sup>iv</sup> ]:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]]
(viii)	[Party responsible for calculating Interest Amounts (if not the Calculation Agent of the Programme) <sup>v</sup> ]:	[•] (the “ <b>RMB Rate Calculation Agent</b> ”)/ [Not Applicable] ]
<b>14</b>	<b>Floating Rate Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>

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<sup>i</sup> Relevant for issues of Notes constituting *obligations* under French law.

<sup>ii</sup> Only relevant for issues of Notes not constituting obligations under French law.

<sup>iii</sup> [RMB Notes only]

<sup>iv</sup> [RMB Notes only]

<sup>v</sup> [RMB Notes only]

- (i) Interest Period(s): [•]
- (ii) Specified Interest Payment Dates: [[•] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iii) below]
- (iii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Business Centre(s) (Condition 5(a)): [•]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent of the Programme): [Not Applicable/[•] ( the “**Calculation Agent**”)]
- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- Relevant Time: [•]
  - Primary Source for Floating Rate: [*Specify Page or “Reference Banks”*]
  - Relevant Rate: [•]
  - Interest Determination Date: [•]
  - Page: [•]
  - Reference Banks: [•]
  - Relevant Financial Centre: [•]
  - Representative Amount: [[•] / [Not Applicable]]
  - Effective Date: [[•] / [Not Applicable]]
  - Specified Duration: [[•] / [Not Applicable]]
- (viii) ISDA Determination (Condition 5(c)(iii)(A)): [Applicable/Not Applicable]
- Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]
- (ix) Margin(s): [+/-] [•] per cent. per annum
- (x) Minimum Rate of Interest: [Not Applicable/ [•] per cent. per annum]
- (xi) Maximum Rate of Interest: [Not Applicable/ [•] per cent. per annum]
- (xii) Day Count Fraction (Condition 5(a)): [Actual/Actual / Actual/Actual - ISDA /

Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]

- (xiii) Rate Multiplier: [•]
- 15 Zero Coupon Note Provisions** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amortisation Yield (Condition 6(g)(i)(B)): [•] per cent. per annum
- (ii) Day Count Fraction (Condition 5(a)): [Actual/Actual / Actual/Actual - ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]

#### PROVISIONS RELATING TO REDEMPTION

- 16 Make-Whole Redemption by the Issuer (Condition 6(c))** [Applicable/Not Applicable]
- (i) Notice period: [Not Applicable/ [•]]
- (ii) Reference Security: [•]
- (iii) Reference Dealers: [•]
- (iv) Similar Security: [•]
- (v) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent of the Programme): [Not Applicable/ [•] (the “**Calculation Agent**”)]
- (vi) Redemption Margin: [•]
- 17 Call Option** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [•] per Note of [•] Specified Denomination
- (iii) If redeemable in part: [Not Applicable/[•]]
- (a) Minimum Redemption Amount: [Not Applicable/ [•]]
- (b) Maximum Redemption Amount: [Not Applicable/ [•]]
- (iv) Option Exercise Date(s): [•]
- (v) Notice period: [Not Applicable/ [•]]

- 18 Put Option** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [•] per Note of [•] Specified Denomination
- (iii) Option Exercise Date(s): [•]
- (iv) Notice period: [Not Applicable/ [•]]
- 19 Residual Maturity Call Option** [Applicable/Not Applicable]
- 20 Final Redemption Amount of each Note** [•] per Note of [•] Specified denomination
- 21 Early Redemption Amount**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(h)), for illegality (Condition 6(k)) or an event of default (Condition 9): [Not Applicable/[•]]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates(Condition 6(h)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only)(Condition 7(f)): [Yes/No/Not applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 22 Form of Notes:** [Dematerialised Notes/ Materialised Notes in bearer form]
- [Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether] [Bearer dematerialised form (*au porteur*) / Registered dematerialised form (*au nominatif*)]
- (ii) Registration Agent: [Not Applicable/if Applicable give name and details] *(note that a Registration Agent must be appointed in relation to Registered dematerialised Notes only)*

(iii)	Temporary Global Certificate:	[Not Applicable/if Applicable: Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [•] (the “Exchange Date”), being 40 days after the Issue Date subject to postponement as provided in the Temporary Global Certificate]
(iv)	Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable] ( <i>Only applicable to Materialised Notes</i> )
<b>23</b>	Exclusion of the possibility to request identification of the Noteholders as provided by Condition 1(a)(i):	[Applicable/Not Applicable]
<b>24</b>	Financial Centre(s) (Condition 7(h)):	[Not Applicable/ <i>Give details. (Note that this item relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which item 14(iv) relates)</i> ]
<b>25</b>	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable] ( <i>Only applicable to Materialised Notes</i> )
	Details relating to Instalment Notes:	[Not Applicable]
	(i) Instalment Amount(s):	[•]
	(ii) Instalment Date(s):	[•]
	(iii) Minimum Instalment Amount:	[•]
	(iv) Maximum Instalment Amount:	[•]
<b>26</b>	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] apply]
<b>27</b>	Consolidation provisions:	[Not Applicable/The provisions [in Condition 14(b)] apply]
<b>28</b>	Representation of holders of Notes <sup>vi</sup> <i>Masse</i> (Condition 11):	[[Full <i>Masse</i> ]/[Contractual <i>Masse</i> ] shall apply  <i>(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse) may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11(a) (Full Masse) shall apply.</i>  <i>[If Condition 11 (a) (Full Masse) or (b) (Contractual Masse) applies, insert below details of Representative and alternate Representative and</i>

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<sup>vi</sup> The provisions of the French *Code de commerce* relating to the *Masse* of holders of Notes are applicable in full to French domestic issues of Notes. Pursuant to Article L.228-90 of the French *Code de commerce*, the *Masse* provisions contained in the French *Code de commerce* are NOT applicable to international issues (*emprunt émis à l'étranger*); accordingly international issues may have the *Masse* provisions contained in the French *Code de commerce* may be varied along the lines of the provisions of Condition 11

*remuneration, if any:*

[Name and address of the Representative: [●]]

Name and address of the alternate Representative:  
[●]]

[The Representation will receive no remuneration/The Representative will receive a remuneration of [●]].

### **THIRD PARTY INFORMATION**

The Issuer confirms that the information contained in these Final Terms has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading. Signed on behalf of the Issuer:

Duly represented by:

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing: [Official List of the Luxembourg Stock Exchange/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/[•]] with effect from [•].] [Not Applicable.]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading)*

### 2 RATINGS

- Ratings: [Applicable/Not Applicable][The Notes to be issued have been rated]:  
[S&P<sup>vii</sup>: [•]]  
[Other: [•]]
- [[Each of] [S&P] [and] [•] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”), although the result of such applications has not been determined.]
- [[Each of] [S&P] and] [•] is established in the European Union, is registered under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”) and is included in the list of credit ratings agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs))]
- [[Each of] [•],[•] and] [•] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”), but is endorsed by [insert credit rating agency’s name] which is established in the European Union, registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)).].
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Not Applicable/(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

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<sup>vii</sup> As defined by S&P, an ‘A’ rating means that the Issuer’s capacity to meet its financial commitment under the Notes is strong. The ratings from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without notice.

“So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”)]

#### 4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- [(i)] Reasons for the offer: [The net proceeds of the issue of the Notes will be used for the Issuer’s general corporate purposes/ [•]]  
*(If reasons for offer are different from making profit and/or hedging certain risks will need to include those reasons here.)]*
- [(ii)] Estimated net proceeds: [•]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
- [(iii)] Estimated total expenses: [•]

#### 5 YIELD - Fixed Rate Notes and Zero Coupon Notes only

Indication of yield: [Not Applicable/[•]]

#### 6 [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/ [•]] rates can be obtained from [Reuters]/[•].]

#### 7 OPERATIONAL INFORMATION

ISIN: [•]

Common Code: [•]

[Stabilising Manager (if [•] syndicated)]

Depositories:

(i) Euroclear France to act as Central Depository: [Yes/No]

(ii) Common Depository for Euroclear and Clearstream, Luxembourg: [Yes/No]

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]

Delivery: Delivery [against/free of] payment

The Agents appointed in respect of the Notes are: [•]

Name and address of the Calculation Agent: [•]

Names and addresses of additional [•]

Paying Agent(s) (if any):

The aggregate principal amount of [Not Applicable/Euro [•]] (Only applicable for Notes not denominated in Euro) has been translated into Euro at the rate of [currency] per euro 1.00, producing a sum of:

**8 [TERMS AND CONDITIONS OF THE OFFER, PLAN OF DISTRIBUTION AND ALLOTMENT, PRICING AND PLACING AND UNDERWRITING]**

**TERMS AND CONDITIONS OF THE OFFER**

**CONDITIONS, OFFER STATISTICS, EXPECTED TIMETABLE AND ACTION REQUIRED TO APPLY FOR THE OFFER:**

Conditions to which the offer is subject: [•]

Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the amount of the offer: [•]

The time period, including any possible amendments, during which the offer will be open and description of the application process: [•]

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [•]

Details of the minimum and/or maximum amount of application, (whether in number of securities or aggregate amount to invest): [•]

Method and time limits for paying up the securities and for delivery of the securities: [•]

A full description of the manner and date in which results of the offer are to be made public: [•]

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: [•]

Consent of the Issuer to use the Prospectus during the Offer Period: [Not Applicable / Applicable with respect to any Authorised Offeror specified below]

Authorised Offeror(s) in the various countries where the offer takes place: [Not Applicable / Name(s) and address(es) of the financial intermediary(ies) appointed by the Issuer to act as Authorised Offeror(s)/ Any financial intermediary which satisfies the conditions set out below in item "Conditions attached to the consent of the Issuer to use the Prospectus"]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [None/give details]

Conditions attached to the consent of the Issuer to use the Prospectus: [Not Applicable/Applicable/Specify any additional or replacing condition]

#### **PLAN OF DISTRIBUTION AND ALLOTMENT**

If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche: [●]

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [●]

#### **PRICING**

Indication of the expected price at which the securities will be offered and the process for its disclosure: [●]

Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser: [●]

#### **PLACING AND UNDERWRITING**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place: [●]

Name and address of any paying agents and depository agents in each country: [●]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under “best efforts” arrangements. Where not all of the issue is underwritten, a statement of the portion not covered: [●]

Indication of the overall amount of the underwriting commission and of the placing commission: [●]

When the underwriting agreement has been or will be reached: [●]

## 9 DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
- (A) Names of Managers: [Not Applicable/give names]  
*(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers)*
- (B) Date of the [Subscription] Agreement: [•]
- (C) Stabilising Manager(s) if any: [Not Applicable/give name]
- (iii) If non-syndicated, names and addresses of Dealer: [Not Applicable/give name]
- (iv) Total commission and concession: [•] per cent. of the Aggregate Nominal Amount
- (v) Non-exempt offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and *specify, if applicable*]] other than pursuant to Article 3(2) of the Prospectus Directive in the Grand Duchy of Luxembourg [*and/or specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported*] (“**Public Offer Jurisdiction(s)**”) during the period from [*specify date*] until [*specify date*] (“**Offer Period**”).

**FORM OF FINAL TERMS**

**FORM OF FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A  
DENOMINATION OF AT LEAST €100,000  
TO BE ADMITTED TO TRADING ON A E.U. REGULATED MARKET**

**Final Terms dated [●]**

**[LOGO, if document is printed]**

**[Title of relevant Series of Notes]**

**issued pursuant to the**

Euro 10,000,000,000

Euro Medium Term Note Programme

Due from one month from the date of original issue

**of**

**LVMH Moët Hennessy Louis Vuitton**

**as Issuer**

The date of this Final Terms is [●].

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated 2 July 2014 [and the supplement to the Base Prospectus dated [•] which [together]] constitute[s] a base prospectus for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing at the office of the Fiscal Agent or each of the Paying Agents and was/were published in accordance with the provisions of Article 14 of the Prospectus Directive, admitting the validity of disclosure carried out, *inter alia* and always at the choice of the Issuer, though release on the website of the Issuer or on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from LVMH Moët Hennessy Louis Vuitton, 22, avenue Montaigne 75008 Paris, France.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus and/or an Offering Circular with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) which are the [2008][2010][2011][2012][2013] EMTN Conditions [and the Additional March 2011 EMTN Conditions], which are incorporated by reference in the Base Prospectus dated 2 July 2014]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 2 July 2014 [and the supplement[s] to the Base Prospectus dated [•], which [together] constitute[s] a base prospectus for the purposes of Article 5.4 of the Prospectus Directive, [save in respect of the Conditions, which are the [2008][2010][2011][2012][2013] EMTN Conditions [and the Additional March 2011 EMTN Conditions]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the [2008][2010][2011][2012][2013] EMTN Conditions, [the Additional March 2011 EMTN Conditions] and the Base Prospectus dated 2 July 2014 [and the supplement[s] to the Base Prospectus dated [•]]. The Base Prospectus [and the supplement[s] to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website of the Issuer, on the website of the Luxembourg Stock Exchange (www.bourse.lu), or otherwise in accordance with the provisions of Article 14 of the Prospectus Directive, and copies may be obtained from LVMH Moët Hennessy Louis Vuitton, 22, avenue Montaigne 75008 Paris, France.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

- 1 (i) Series Number: [•]
- (ii) Tranche Number: [•]
- (iii) Date on which the Notes become fungible: [Not Applicable/ The Notes will be assimilated (*assimilées*) and form a single series with the existing [•] Notes [•] due [•] issued on [•] (the “**Existing Notes**”) [as from the date of assimilation which is expected to be on or about 40 days after the Issue Date (the “**Assimilation Date**”) of this Tranche]/[as from the Issue Date of this Tranche]]
- (This item applies to fungible issues only)*
- 2 Specified Currency or Currencies: [•]
- 3 Aggregate Nominal Amount: [•]
- (i) Series: [•]
- (ii) [Tranche: [•]]
- 4 Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*], (*if applicable*)]
- 5 Specified Denomination(s): [•]
- 6 (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•]
- 7 Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
- 8 Interest Basis: [[•] per cent. Fixed Rate]  
[[*specify particular reference rate*] +/- [•] per cent. Floating Rate]  
[Zero Coupon]
- 9 Instalment: [Applicable/Non-Applicable]

- 10** Put/Call Options: [Not Applicable]  
 [Investor Put]  
 [Issuer Call]  
 [Make-Whole Redemption by the Issuer]  
 [Residual Maturity Call Option]  
 [(further particulars specified below)]
- 11** Status: [Unsubordinated/Subordinated] Notes
- (i) In case of Subordinated Notes:  
 Deferral of Interest (Condition 5 (f)): [Applicable/Not Applicable]
- (ii) In case of Subordinated Notes: [Dated Subordinated Notes/Undated Subordinated Notes]
- 12** Dates of the corporate authorisations for issuance of the Notes: [Decision of the Board of Directors of the Issuer dated [•] [and of the *Président* of the Board of Directors dated [•]]<sup>i</sup>/[decision of [*Président* of the Board of Directors] dated [•]]<sup>ii</sup>]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 13 Fixed Rate Note Provisions** [•] per cent. per annum payable [annually/semi-annually/quarterly/ monthly] in arrear on each Interest Payment Date
- (i) Rate [(s)] of Interest: [•] in arrear]
- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [the Business Day Convention specified below<sup>iii</sup>]/not adjusted.]
- (iii) Fixed Coupon Amount [(s)]: [•] per [•] in Nominal Amount
- (iv) Broken Amount(s): [Not Applicable/[•] payable on the Interest Payment Date falling [in/on] [•]]
- (v) Day Count Fraction (Condition 5(a)): [Actual/Actual / Actual/Actual - ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
- (vi) Determination Dates (Condition [Not Applicable/[•] in each year (*insert regular*

<sup>i</sup> Relevant for issues of Notes constituting *obligations* under French law.

<sup>ii</sup> Only relevant for issues of Notes not constituting *obligations* under French law.

<sup>iii</sup> [RMB Notes only]

5(a):	<i>interest payment dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)</i>
(vii) [Business Day Convention <sup>iv</sup> :	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]]
(viii) [Party responsible for calculating Interest Amounts (if not the Calculation Agent of the Programme) <sup>v</sup> :	[•] (the “ <b>Calculation Agent</b> ”) / [Not Applicable] ]
<b>14 Floating Rate Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(i) Interest Period(s):	[•]
(ii) Specified Interest Payment Dates:	[[•] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iii) below]
(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
(iv) Business Centre(s) (Condition 5(a)):	[•]
(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent of the Programme):	[Not Applicable/[•](the “ <b>Calculation Agent</b> ”) ]
(vii) Screen Rate Determination:	[Applicable/Not Applicable]
– Relevant Time:	[•]
– Primary Source for Floating Rate:	[Specify Page or “Reference Banks”]

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<sup>iv</sup> [RMB Notes only]

<sup>v</sup> [RMB Notes only]

–	Relevant Rate:	[•]
–	Interest Determination Date:	[•]
–	Page:	[•]
–	Reference Banks:	[•]
–	Relevant Financial Centre:	[•]
–	Representative Amount:	[[•]/ Not Applicable]
–	Effective Date:	[[•]/ Not Applicable]
–	Specified Duration:	[[•]/ Not Applicable]
(viii)	ISDA Determination (Condition 5(c)(iii)(A)):	[Applicable/Not Applicable]
–	Floating Rate Option:	[•]
–	Designated Maturity:	[•]
–	Reset Date:	[•]
(ix)	Margin(s):	[+/-] [•] per cent. per annum
(x)	Minimum Rate of Interest:	[Not Applicable / [•] per cent. per annum]
(xi)	Maximum Rate of Interest:	[Not Applicable / [•] per cent. per annum]
(xii)	Day Count Fraction(Condition 5(a)):	[Actual/Actual / Actual/Actual - ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis / 30E/360 (ISDA)]
(xiii)	Rate Multiplier:	[•]
<b>15</b>	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Amortisation Yield (Condition 6(g)(i)(B)):	[•] per cent. per annum
(ii)	Day Count Fraction(Condition 5(a)):	[Actual/Actual / Actual/Actual - ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) /

**PROVISIONS RELATING TO REDEMPTION**

- 16 Make-Whole Redemption by the Issuer** [Applicable/Not Applicable]  
(Condition 6(c))
- (i) Notice period: [Not Applicable/ [•]]
  - (ii) Reference Security: [•]
  - (iii) Reference Dealers: [•]
  - (iv) Similar Security: [•]
  - (v) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent of the Programme): [Not Applicable/ [•](the “**Calculation Agent**”)]
  - (vi) Redemption Margin: [•]
- 17 Call Option** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount(s) of each Note: [•] per Note of [•] specified denomination
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [Not Applicable/[•]]
    - (b) Maximum Redemption Amount: [Not Applicable/[•]]
  - (iv) Option Exercise Date(s): [•]
  - (v) Notice period: [Not Applicable/ [•]]
- 18 Put Option** [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount(s) of [•] per Note of [•] Specified Denomination

each Note:

- (iii) Option Exercise Date(s): [•]
- (iv) Notice period: [Not Applicable/ [•]]
- 19 Residual Maturity Call Option** [Applicable/Not Applicable]
- 20 Final Redemption Amount of each Note** [•] per Note of [•] Specified Denomination
- 21 Early Redemption Amount**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(h)), for illegality (Condition 6(k)) or an event of default (Condition 9): [Not Applicable/[•]]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 6(h)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): [Yes/No/Not applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22** Form of Notes: [Dematerialised Notes/ Materialised Notes in bearer form]
- [Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether] [Bearer dematerialised form (*au porteur*) / Registered dematerialised form (*au nominatif*)]
- (ii) Registration Agent: [Not Applicable/if Applicable give name and details] (note that a Registration Agent must be appointed in relation to Registered dematerialised Notes only)
- (iii) Temporary Global Certificate: [Not Applicable/if Applicable: Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [•] (the “**Exchange Date**”), being 40 days after the Issue Date subject to postponement as provided in the Temporary Global Certificate]

	(iv) Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable] <i>(Only applicable to Materialised Notes)</i>
<b>23</b>	Exclusion of the possibility to request identification of the Noteholders as provided by condition 1(a)(i):	[Applicable/Not Applicable]
<b>24</b>	Financial Centre(s) (Condition 7(h)):	[Not Applicable/Give details. <i>(Note that this item relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which item 14(iv) relates)</i> ]
<b>25</b>	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable] <i>(Only applicable to Materialised Notes)</i>
	Details relating to Instalment Notes:	[Not Applicable]
	(i) Instalment Amount(s):	[●]
	(ii) Instalment Date(s):	[●]
	(iii) Minimum Instalment Amount:	[●]
	(iv) Maximum Instalment Amount:	[●]
<b>26</b>	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] apply]
<b>27</b>	Consolidation provisions:	[Not Applicable/The provisions [in Condition 14(b)] apply]

28 Representation of holders of Notes<sup>vi</sup>  
Masse (Condition 11):

[ [Full Masse]/[Contractual Masse] shall apply

*(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse) may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11(a) (Full Masse) shall apply.*

*[If Condition 11 (a) (Full Masse) or (b) (Contractual Masse) applies, insert below details of Representative and alternate Representative and remuneration, if any:*

[Name and address of the Representative: [●]

Name and address of the alternate Representative:  
[●]

[The Representation will receive no remuneration/The Representative will receive a remuneration of [●]

### THIRD PARTY INFORMATION

The Issuer confirms that the information contained in these Final Terms has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

Duly represented by:

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<sup>vi</sup> The provisions of the French *Code de commerce* relating to the *Masse* of holders of Notes are applicable in full to French domestic issues of Notes. Pursuant to Article L.228-90 of the French *Code de commerce*, the *Masse* provisions contained in the French *Code de commerce* are not applicable to international issues (*emprunt émis à l'étranger*); accordingly international issues may have the *Masse* provisions contained in the French *Code de commerce* may be varied along the lines of the provisions of Condition 11.

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing: [Official List of the Luxembourg Stock Exchange/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/ [•]] with effect from [•].] [Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [•]

### 2 RATINGS

Ratings: [Applicable/Not Applicable][The Notes to be issued have been rated]:  
[S&P<sup>vii</sup>: [•]]  
[[Other: [•]]  
[[Each of] [S&P] [and [•] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”), although the result of such applications has not been determined.]  
[[Each of [S&P] and] [•] is established in the European Union, is registered under the CRA Regulation and is included in the list of credit ratings agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs))]  
[[Each of [•],[•] and] [•] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”), but is endorsed by [insert credit rating agency's name] which is established in the European Union, registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)).].

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Not Applicable/(Need to include a description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

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<sup>vii</sup> As defined by S&P, an ‘A’ rating means that the Issuer’s capacity to meet its financial commitment under the Notes is strong. The ratings from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without notice.

“So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”)]

#### 4 YIELD - Fixed Rate Notes and Zero Coupon Notes only

Indication of yield: [Not Applicable/[•]]

#### 5 [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/ [•]] rates can be obtained from [Reuters]/[•].]

#### 6 OPERATIONAL INFORMATION

ISIN: [•]

Common Code: [•]

[Stabilising Manager (if [•] syndicated)]:

Depositories:

(i) Euroclear France to act as Central Depository: [Yes/No]

(ii) Common Depository for Euroclear Bank and Clearstream, Luxembourg: [Yes/No]

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]

Delivery: Delivery [against/free of] payment

The Agents appointed in respect of the Notes are: [•]

Name and address of the Calculation Agent: [•]

Names and addresses of additional Paying Agent(s) (if any): [•]

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [currency] per euro 1.00, producing a sum of: [Not Applicable/Euro [•]] (Only applicable for Notes not denominated in Euro)

## 7 DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
  - (A) names of Managers: [Not Applicable/give names]
  - (B) Stabilising Manager (if any): [Not Applicable/give name]
- (iii) If non-syndicated, name of Manager: [Not Applicable/give name]

## GENERAL INFORMATION

- (1) Application has been made to the Luxembourg Stock Exchange to list the Notes on the Official List of the Luxembourg Stock Exchange and to trade on the Regulated Market of the Luxembourg Stock Exchange and/or on any other Regulated Market in an EEA Member State, as the case may be or to be offered to the public in Luxembourg and/or in any EEA Member State, as the case may be.

In compliance with Article 18 of the Prospectus Directive, application may also be made for the notification of certificate of approval to any competent authority of any EEA Member State.

- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France, in connection with the Programme.

(i) The update of the Programme was authorised by a decision of the *Président-Directeur Général* of LVMH made on 2 June 2014.

(ii) Any issue of Notes by LVMH under the Programme, to the extent that such Notes constitute *obligations* under French law, requires (i) a decision of the Board of Directors of LVMH or (ii) a resolution of the Ordinary General Meeting of LVMH's shareholders if (a) the *statuts* of LVMH so require (at the date hereof the *statuts* of LVMH do not require a resolution of the Ordinary General Meeting) or (b) the shareholders at an Ordinary General Meeting decide to authorise an issue of *obligations*, all pursuant to Article L.228-40 of French *Code de commerce*. Pursuant to the same Article, the Board of Directors may delegate to any of its members, the *Président-Directeur Général* of LVMH, or, subject to the latter's approval, any *Directeur Général Délégué*, the power to issue *obligations* for up to one year.

(iii) Any issue of the Notes by LVMH under the Programme will, to the extent they do not constitute *obligations*, fall within the general powers of the *Président-Directeur Général* or a *Directeur Général Délégué* of LVMH or of any other authorised official acting by delegation.

- (3) As of the date of this Base Prospectus, the Issuer's long-term corporate rating by Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. ("**S&P**") is A+ with stable outlook. Notes issued under the Programme may or may not be rated. In case Notes are rated, such rating will be disclosed in the relevant Final Terms within the item "Rating". As defined by S&P, an 'A' rating means that the Issuer's capacity to meet its financial commitment under the Notes is strong. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Ratings are based on information furnished to the rating agencies by LVMH and information obtained by the rating agencies from other sources. Because ratings may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, a prospective purchaser should verify the current long-term rating of LVMH before purchasing the Notes.

The credit ratings included or referred to in this Base Prospectus have been issued by S&P, which is established in the European Union and registered under the Regulation (EC) No. 1060/2009 on credit ratings agencies, as amended (the "**CRA Regulation**") and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) as of the date of this Base Prospectus. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

- (4) There has been no significant change in the financial or trading position of LVMH or the LVMH Group and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2013.
- (5) Except as disclosed in this Base Prospectus on pages 102-104, neither the Issuer nor any member of the LVMH Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the LVMH Group.
- (6) Each Definitive Materialised Bearer Note, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (7) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems which are entities in charge of keeping the records. The Common Code and the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, 1855 Luxembourg, Grand-Duchy of Luxembourg.

- (8) Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) are also inscribed either with the Issuer or with the registration agent.

The address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France.

- (9) For so long as Notes issued under the Programme are outstanding, the following documents will be available free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted), at the office of the Fiscal Agent or of each of the Paying Agents:
  - (i) the Amended and Restated Agency Agreement;
  - (ii) the constitutive documents of the Issuer;
  - (iii) each Final Terms for Notes that are listed on the Official List, and admitted to trading on the Regulated Market, of the Luxembourg Stock Exchange(s) or any other Regulated Market or stock exchange.
- (10) For so long as Notes issued under the Programme are outstanding, the following documents will be available, free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted), at the office of the Fiscal Agent or of each of the Paying Agents:
  - (i) The *documents de référence* of LVMH for the years 2012 and 2013 (in English and French) (containing the audited non-consolidated and consolidated accounts of LVMH); and
  - (ii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus in respect of each issue of Notes.
- (11) For so long as Notes may be issued pursuant to this Prospectus, the following documents will be available, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)):

- (i) the Final Terms for Notes that are listed on the Official List, and admitted to trading on the Regulated Market, of the Luxembourg Stock Exchange;
  - (ii) this Base Prospectus together with any Supplement or further Base Prospectus; and
  - (iii) the documents incorporated by reference in this Base Prospectus.
- (12) Copies of the latest *documents de référence* of LVMH (containing the non-consolidated and the consolidated accounts of LVMH) (in English and French), the *Rapports financiers semestriels* of LVMH (including the semi-annual condensed consolidated financial statements of LVMH) (in English and French) (in each case as soon as they are published) may be obtained, and copies of the Amended and Restated Agency Agreement will be available, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
- (13) Ernst & Young et Autres at 1, place des Saisons - 92400 Courbevoie – Paris La Défense 1, France and Deloitte & Associés at 185 avenue Charles de Gaulle, 92524 Neuilly-sur-Seine Cedex, France (both entities regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*) have audited and rendered unqualified audit reports on the consolidated financial statements of the LVMH Group for the year ended 31 December 2012 and for the year ended 31 December 2013.
- (14) In relation to any Tranche of Fixed Rate Notes, the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date (as defined in the Final Terms) of the Notes and will not be an indication of future yield.

**Issuer**

**LVMH Moët Hennessy Louis Vuitton**

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Telephone: +33 1 44 13 22 22

**Arranger**

**Deutsche Bank AG, Paris Branch**

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**Dealers**

**BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**

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France

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United Kingdom

**Daiwa Capital Markets Europe Limited**

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United Kingdom

**Deutsche Bank AG, London Branch**

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London EC2N 2DB  
United Kingdom

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United Kingdom

**J.P. Morgan Securities plc**

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**Merrill Lynch International**

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United Kingdom

**Mitsubishi UFJ Securities International plc**

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United Kingdom

**NATIXIS**

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France

**Société Générale**

29 boulevard Haussmann  
75009 Paris  
France

**The Royal Bank of Scotland plc**

135 Bishopsgate  
London EC2M 3UR  
United Kingdom

**Fiscal Agent, Principal Paying Agent, Redenomination Agent, Consolidation Agent and Calculation Agent**

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Paying Agents**

**Paris Paying Agent**

**Deutsche Bank AG, Paris Branch**

23-25 avenue Franklin Roosevelt  
75008 Paris  
France

**Luxembourg Paying Agent**

**Deutsche Bank Luxembourg S.A.**

2 boulevard Konrad Adenauer  
L-1115 Luxembourg  
Grand-Duchy of Luxembourg

**Luxembourg Listing Agent**

**Deutsche Bank Luxembourg S.A.**

2 boulevard Konrad Adenauer  
L-1115 Luxembourg  
Grand-Duchy of Luxembourg

**Auditors**

**To LVMH Moët Hennessy Louis Vuitton**

**Deloitte & Associés**

185 avenue Charles de Gaulle  
92524 Neuilly-sur-Seine Cedex  
France

**Ernst & Young et Autres**

1, place des Saisons  
92400 Courbevoie – Paris La Défense 1  
France

**Legal Advisers**

**To the Issuer**

*As to French law*

**Bernard Kuhn**

General Counsel  
22, avenue Montaigne  
75008 Paris  
France

**To the Dealers**

*As to French law*

**Linklaters LLP**

25, rue de Marignan  
75008 Paris  
France



**LVMH**

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**MOËT HENNESSY ♦ LOUIS VUITTON**