



**FIRST HALF
2016 RESULTS**

July 26, 2016

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MOËT HENNESSY · LOUIS VUITTON

GOOD FIRST HALF PERFORMANCE

- **Strong momentum in the US** and **continued growth in Europe**
- **Excellent performance from Wines & Spirits** in all regions
- **Success of iconic lines and new products at Louis Vuitton;** profitability remains at an exceptional level
- **Impressive growth of Fendi** celebrating its 90th anniversary
- **Continued investments in fashion brands**
- **Strong momentum at Parfums Christian Dior**, led by successful innovations
- **Market share gains at Bvlgari** and **successful refocusing of TAG Heuer's** core range
- **Exceptional progress at Sephora** strengthening its position in all operating regions and in the digital universe

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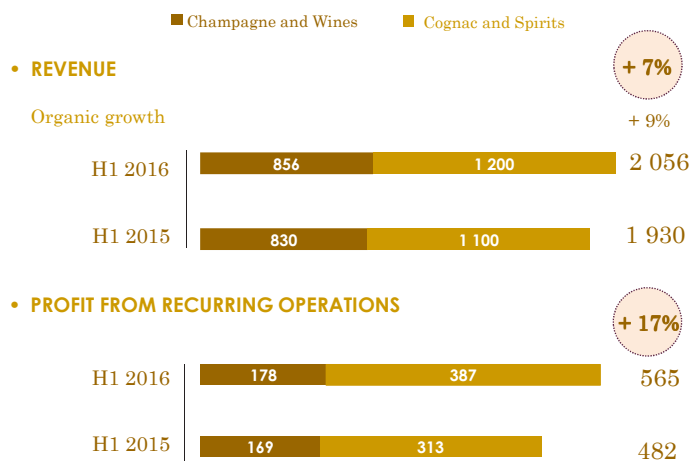
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WINES & SPIRITS Key figures

In millions of euros



WINES & SPIRITS H1 2016 Highlights

**Excellent start to year with strong progress in the US
and better momentum in China**

CHAMPAGNE & WINES

- Champagne: volumes +3 %
- Numerous innovations and good performance of prestige vintages
- Solid growth in Europe and the US

COGNAC & SPIRITS

- Hennessy: volumes +13 %
- Excellent performance in the US
- Rebound of final demand in China
- Strengthened position of Glenmorangie and Ardbeg in Scotch Whisky category

WINES & SPIRITS 2016 Outlook

- Maintain value creation strategy
- Product innovation and new ways to consume
- Normalization of situation in China
- Focus on the US and new markets
- Develop production facilities to support future growth

FASHION & LEATHER GOODS Key figures

In millions of euros

• REVENUE

- 1%

Organic growth

0%



• PROFIT FROM RECURRING OPERATIONS

- 2%



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FASHION & LEATHER GOODS H1 2016 Highlights

- Continued growth in Europe, except France affected by tourism decline
- Louis Vuitton: strong creative momentum
 - Success of iconic lines and new models
 - Excellent response to Cruise fashion show in Rio
 - New collection of *Blossom* watches & jewelry
- Fendi: excellent performance led by product creativity
- Céline: good progression of shoes and accessories lines
- Loro Piana: opening of flagship store in Paris, Avenue Montaigne
- Kenzo, Loewe and Berluti: sustained growth
- Marc Jacobs and Donna Karan: continued repositioning of collections

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FASHION & LEATHER GOODS 2016 Outlook

- Continue creative momentum of Louis Vuitton
 - Innovation in all product categories
 - Launch of Louis Vuitton's perfume and inauguration of creative workshop in Grasse
 - Qualitative evolution of the retail network

- Fendi: exceptional fashion show at Rome's Trevi Fountain

- Loro Piana: continued focus on materials of excellence and their sourcing

- Givenchy, Kenzo, Céline: well-balanced development of all product categories

- Continued creative reinforcement and investments for other brands

PERFUMES & COSMETICS Key figures

In millions of euros

• REVENUE

+ 5%

Organic growth

+ 8%

H1 2016 | 2 337

H1 2015 | 2 228

• PROFIT FROM RECURRING OPERATIONS

+ 9%

H1 2016 | 272

H1 2015 | 249

PERFUMES & COSMETICS H1 2016 Highlights

- Parfums Christian Dior: strong momentum and market share gains
 - Continued strength of *J'Adore* and *Miss Dior*
 - Tremendous success of *Sauvage*
 - Reinforced leadership of makeup internationally; good performance of new foundation *Forever* and *Dior Addict* lipstick
- Guerlain: creation of *La Petite Robe Noire* makeup line and solid progress of skincare line *Orchidée Impériale*
- Exceptional start for Benefit's *Brow Collection*
- Sustained performance of makeup for Givenchy thanks to success of *Prisme Libre* line
- Strong growth of Make Up For Ever; new makeup bar concept
- Rapid advance of *Kat Von D* and *Marc Jacobs Beauty* in makeup
- Fresh: good start in Europe

PERFUMES & COSMETICS 2016 Outlook

- Continue strong momentum in innovation
- Sustained media investment around new creations and iconic products
- Parfums Christian Dior: launch of the new *Rouge Dior*, emblematic lipstick of the brand
- Guerlain: launch of new olfactory variation of *La Petite Robe Noire*
- New perfume for women - *Kenzo World*, first collaboration with Kenzo Mode creative directors
- Benefit: worldwide rollout of new *Brow Collection*

WATCHES & JEWELRY Key figures

In millions of euros

• REVENUE

+ 4%

Organic growth

+ 4%



• PROFIT FROM RECURRING OPERATIONS

0%



WATCHES & JEWELRY H1 2016 Highlights

- Market share gains across brands, successful refocusing of TAG Heuer's core product range
- Performance of Bvlgari well above the market, driven by success of *B Zero 1* and *Diva* jewelry lines, reopening of London Bond Street store
- Excellent response to new products at TAG Heuer in iconic lines *Formula 1*, *Carrera* and *Aquaracer*; confirmed success of *Connected* smartwatch
- Enrichment at Hublot of *Classic Fusion* and *Big Bang* lines
- Chaumet: acceleration in Asia and Middle East

WATCHES & JEWELRY
 2016 Outlook

- Further market share gains in difficult environment for Watches
- Sustained investments in communication for TAG Heuer and double production capacity for the Connected smartwatch
- Strengthen visibility of Hublot at sporting events
- Reinforce iconic line *Serpenti* for Bvlgari and gradual startup of new jewelry workshop in Valenza
- New concept store for Chaumet at end of year

SELECTIVE RETAILING
 Key figures

In millions of euros

• **REVENUE**

+ 4%

Organic growth

+ 5%

H1 2016 | 5 480

H1 2015 | 5 275

• **PROFIT FROM RECURRING OPERATIONS**

- 5%

H1 2016 | 410

H1 2015 | 433

SELECTIVE RETAILING H1 2016 Highlights

SEPHORA

- Strong revenue and profit growth; market share gains in all regions
- Double-digit comparable store growth in North America and Middle East
- Rapid growth of online sales
- Opening of flagship stores in Boston and Paris, inauguration of first point of sale in Switzerland

DFS

- Revenue and profitability penalized by difficult tourism context in Asia
- Deployment of new marketing and loyalty programs
- Opening of a new *T Galleria* in Cambodia, the first luxury department store in that country

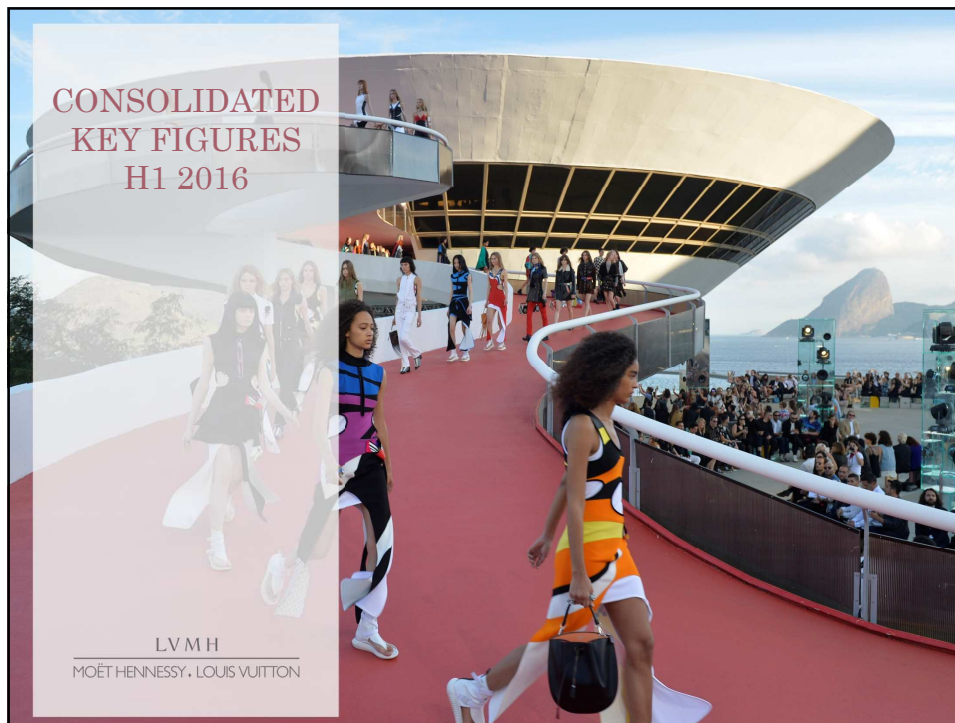
SELECTIVE RETAILING 2016 Outlook

SEPHORA

- Continued innovation in products, and development of exclusive and personalized services
- Acceleration of initiatives in mobile
- Further expansion of store network

DFS

- Continued transformation of product offering and adapting network to clientele
- Opening of a *T Galleria* in Venice, first DFS presence in Europe
- Complete expansion of *T Galleria - City of Dreams* in Macao
- Further develop loyalty programs and digital services



H1 2016 REVENUE BY BUSINESS GROUP

<i>In millions of euros</i>	H1 2015	H1 2016	Reported growth	Organic growth*
WINES & SPIRITS	1 930	2 056	+ 7 %	+ 9 %
FASHION & LEATHER GOODS	5 933	5 885	- 1 %	0 %
PERFUMES & COSMETICS	2 228**	2 337	+ 5 %	+ 8 %
WATCHES & JEWELRY	1 552	1 609	+ 4 %	+ 4 %
SELECTIVE RETAILING	5 275**	5 480	+ 4 %	+ 5 %
OTHERS & ELIMINATIONS	(211)	(179)	-	-
TOTAL LVMH	16 707	17 188	+ 3 %	+ 4 %

* With comparable structure and exchange rates. The exchange rate impact is -2 % and the perimeter effect is 1 %.
** Reclassification of Kendo cosmetics company from Selective Retailing to Perfumes & Cosmetics.

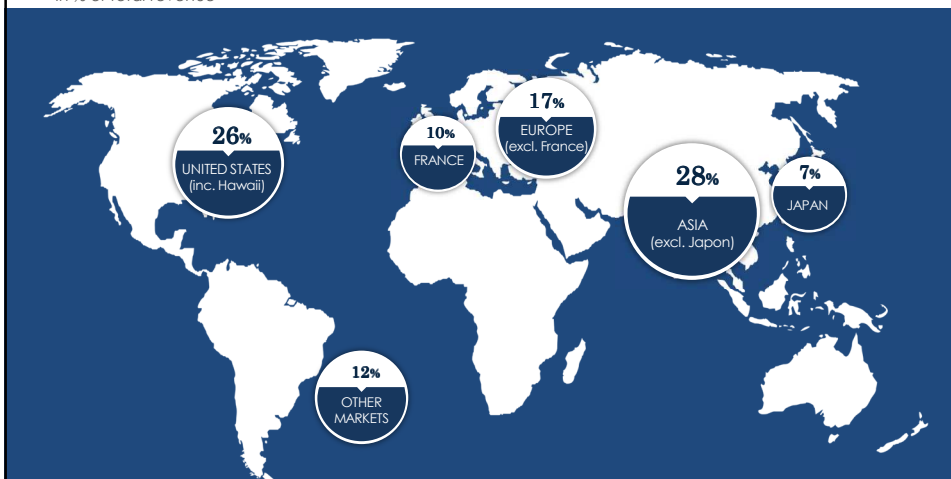
H1 2016 REVENUE BY QUARTER BY BUSINESS GROUP

ORGANIC GROWTH VERSUS
SAME PERIOD OF 2015

<i>In millions of euros</i>	Q1 2016	Q2 2016	H1 2016
WINES & SPIRITS	+ 6%	+ 13%	+ 9 %
FASHION & LEATHER GOODS	0%	+ 1%	0 %
PERFUMES & COSMETICS	+ 9%	+ 6%	+ 8 %
WATCHES & JEWELRY	+ 7%	+ 2%	+ 4 %
SELECTIVE RETAILING	+ 4%	+ 7%	+ 5 %
TOTAL LVMH	+ 3%	+ 4%	+ 4 %

H1 2016 REVENUE BREAKDOWN BY REGION

In % of total revenue



REVENUE EVOLUTION BY REGION

ORGANIC GROWTH VERSUS
SAME PERIOD OF 2015

	Q1 2016	Q2 2016	H1 2016
UNITED STATES*	+ 6%	+ 7%	+ 7%
JAPAN	+ 6%	- 5%	0%
ASIA (EXCL. JAPAN)	- 2%	+ 3%	0%
EUROPE	+ 7%	+ 3%	+ 5%

*Excl. Hawaii

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SUMMARIZED INCOME STATEMENT

<i>In millions of euros</i>	H1 2015	H1 2016	Change %
REVENUE	16 707	17 188	+ 3%
GROSS MARGIN	10 826	11 271	+ 4%
<i>Marketing and selling expenses</i>	(6 601)	(6 935)	+ 5%
<i>General and administrative expenses</i>	(1 267)	(1 381)	+ 9%
<i>Equity investment income</i>	(3)	4	
PROFIT FROM RECURRING OPERATIONS*	2 955	2 959	0%
<i>Other operating income and expenses</i>	(64)	(40)	
OPERATING PROFIT	2 891	2 919	+ 1%
<i>Net financial income (expense)</i>	(259)	(166)	
<i>Income taxes</i>	(880)	(890)	
NET PROFIT BEFORE MINORITY INTERESTS	1 752	1 863	+ 6%
<i>Minority interests</i>	(172)	(152)	
GROUP SHARE OF NET PROFIT	1 580	1 711	+ 8%

* The change between the first half 2015 and the first half 2016 covers a currency effect of + € 60M and a structure effect of € -4m.

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PROFIT FROM RECURRING OPERATIONS BY BUSINESS GROUP

<i>In millions of euros</i>	H1 2015	H1 2016	Change %
WINES & SPIRITS	482	565	+ 17%
FASHION & LEATHER GOODS	1 661	1 630	- 2%
PERFUMES & COSMETICS	249	272	+ 9%
WATCHES & JEWELRY	205	205	0%
SELECTIVE RETAILING	433	410	- 5%
OTHERS & ELIMINATIONS	(75)	(123)	na
TOTAL LVMH	2 955	2 959	0%

CHANGE IN NET FINANCIAL INCOME (EXPENSE)

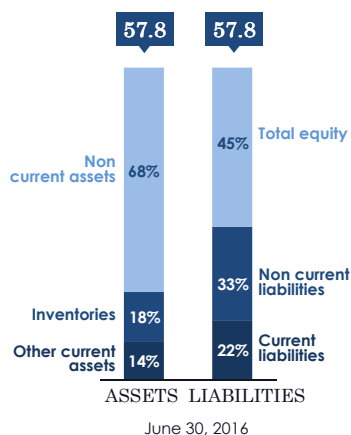
<i>In millions of euros</i>	H1 2015	H1 2016	Change (M€)
COST OF NET FINANCIAL DEBT	(52)	(33)	+19
INEFFECTIVE PORTION OF FOREIGN CURRENCY HEDGES	(296)	(132)	+164
NET GAIN/(LOSS) RELATING TO AFS* ASSETS AND OTHER FINANCIAL INSTRUMENTS, DIVIDENDS RECEIVED	103	15	- 88
OTHER ITEMS - NET	(14)	(16)	-2
NET FINANCIAL INCOME (EXPENSE)	(259)	(166)	+93

* AFS: Available for sale

SOLID FINANCIAL STRUCTURE

In billions of euros

- Increased total equity linked to increase in results
- Reduced net debt versus end of June 2015
- Rise in non current assets notably due to reevaluation of goodwill
- Stable inventories compared to June 2015



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ANALYSIS OF CASH FLOW FROM OPERATIONS

In millions of euros

	H1 2015	H1 2016	Change (M€)
CASH FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL	3 368	3 650	+ 282
Net interest paid	(51)	(23)	+ 28
Income taxes paid	(801)	(884)	- 83
NET CASH FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL	2 516	2 743	+ 227
Working capital requirements	(1 022)	(1 111)	- 89
Operating investments	(816)	(871)	- 55
FREE CASH FLOW*	678	761	+ 83

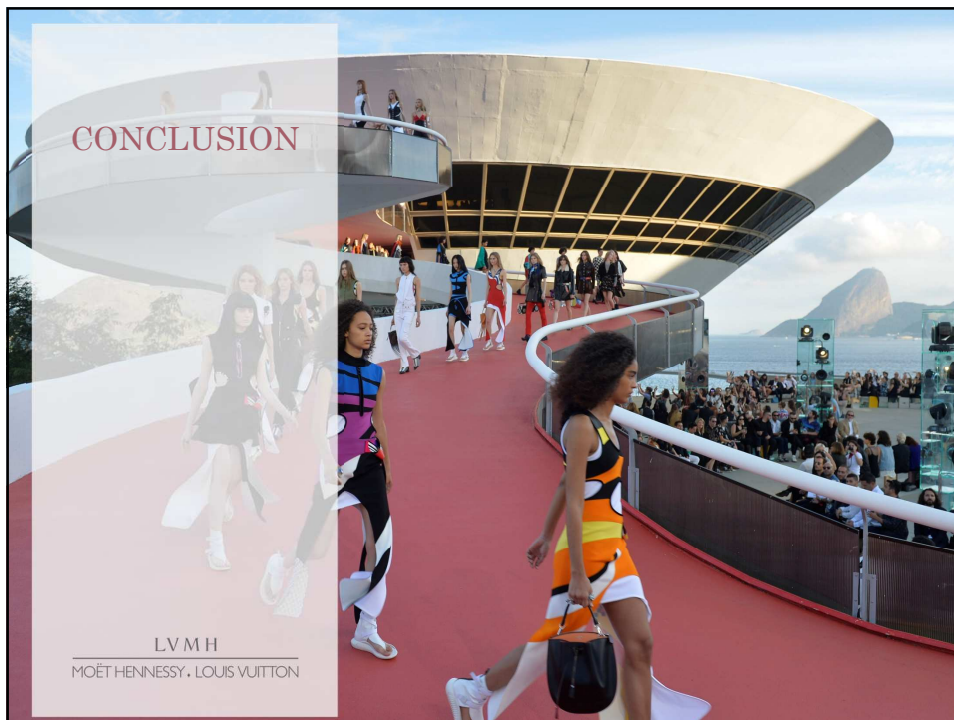
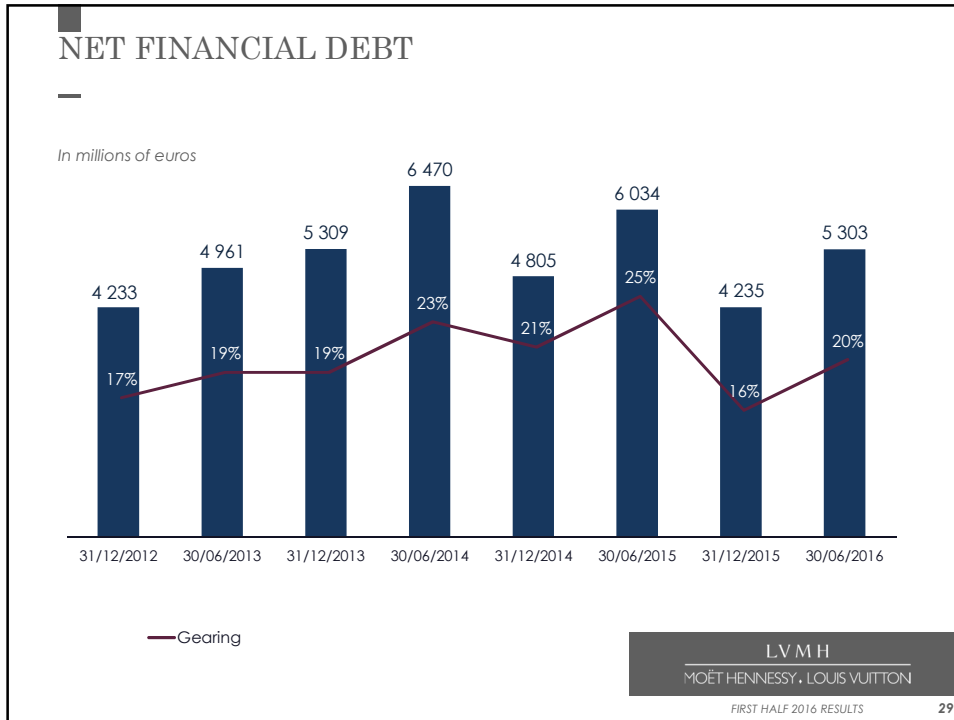
* Before available for sale financial assets and investments, transactions relating to equity and financing activities

Interim dividend of 1.40 euro per share

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2016 OUTLOOK

- **Confidence for 2016**, despite an uncertain economic, monetary and geopolitical context
- **Maintain rigorous cost management**
- **Continue creative momentum of brands**
 - Enhance iconic lines
 - Ongoing communication
 - Focus on customer experience
 - Further strengthen distribution

OBJECTIVE: REINFORCE OUR LEADERSHIP POSITION
IN GLOBAL LUXURY GOODS MARKET