

## LVMH 2016 record results

Paris, 26 January 2017

LVMH Moët Hennessy Louis Vuitton, the world's leading luxury products group, recorded revenue of €7.6 billion in 2016, an increase of 5% over the previous year. Organic revenue growth was 6%.

In the fourth quarter, revenue increased by 9% compared to the same period of 2015. Organic growth was 8%. The American market remains on a good track as does Europe. Asia, excluding Japan, continued its good momentum.

Profit from recurring operations reached €7 billion in 2016, an increase of 6%, to which all business groups, apart from selective distribution, contributed. This result compares to 2015 which was itself a year of growth. Operating margin reached 18.7%. Group share of net profit was € 981 million, representing growth of 11%.

Bernard Arnault, Chairman and CEO of LVMH, said: "LVMH achieved an excellent performance in 2016 within a context of geopolitical and economic instability. Continued innovation, entrepreneurial spirit and the quest for excellence: all Maisons continue to assert these core values while maintaining rigorous execution of their strategies on the ground. In an environment which remains uncertain, we can count on the appeal of our brands and the agility of our teams to strengthen, once again in 2017, our leadership in the universe of high quality products."

Key highlights from 2016 include:

- Record revenue and profit from recurring operations
- Growth in the United States, Europe and Asia
- Good performance of Wines & Spirits in all regions
- The success of both iconic and new products at Louis Vuitton, where profitability remains at an exceptional level
- Progress at Fendi
- The sale of Donna Karan and the acquisition of Rimowa, leader in luggage of excellence
- Good momentum at Parfums Christian Dior driven by successful product innovations
- Market share gains at Bvlgari and TAG Heuer
- Growth at Sephora which strengthened its position in all its markets and in digital
- Free cash flow of € 974 million, an increase of 8%
- Gearing of 12% at end of December 2016

**Key figures:**

<b>Euro millions</b>	<b>2015</b>	<b>2016</b>	<b>% change</b>
Revenue	35 664	37 600	+ 5 %
Profit from recurring operations	6 605	7 026	+ 6 %
Group share of net profit	3 573	3 981	+ 11 %
Free cash flow*	3 679	3 974	+ 8 %
Net financial debt	4 235	3 265	- 23 %
Total equity	25 799	27 903	+ 8 %

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

**Revenue by business group:**

<b>Euro millions</b>	<b>2015</b>	<b>2016</b>	<b>% change</b>	
			<b>2016/2015</b>	<b>Reported Organic*</b>
Wines & Spirits	4 603	4 835	+ 5 %	+ 7 %
Fashion & Leather Goods	12 369	12 775	+ 3 %	+ 4 %
Perfumes & Cosmetics	4 671	4 953	+ 6 %	+ 8 %
Watches & Jewelry	3 308	3 468	+ 5 %	+ 5 %
Selective Retailing	11 193	11 973	+ 7 %	+ 8 %
Other activities and eliminations	(480)	(404)	-	-
<b>Total LVMH</b>	<b>35 664</b>	<b>37 600</b>	<b>+ 5 %</b>	<b>+ 6 %</b>

\* With comparable structure and exchange rates.

**Profit from recurring operations by business group:**

<b>Euro millions</b>	<b>2015</b>	<b>2016</b>	<b>% change</b>
Wines & Spirits	1 363	1 504	+ 10 %
Fashion & Leather Goods	3 505	3 873	+ 10 %
Perfumes & Cosmetics	524	551	+ 5 %
Watches & Jewelry	432	458	+ 6 %
Selective Retailing	940	919	- 2 %
Other activities and eliminations	(159)	(279)	-
<b>Total LVMH</b>	<b>6 605</b>	<b>7 026</b>	<b>+ 6 %</b>

## **Wines & Spirits: good year with progress in the United States and rebound in shipments to China**

The **Wines & Spirits** business group recorded an increase in organic revenue of 7 %. On a reported basis, revenue growth was 5 %. Profit from recurring operations increased by 10 %. With volumes up 3%, solid growth continues for champagne and prestige cuvees performed particularly well. Hennessy cognac enjoyed an excellent year with 10% volume growth. The American market is growing well and China saw better momentum after a tough 2015 due to destocking by distributors. Other spirits, Glenmorangie and Belvedere, continued their growth.

## **Fashion & Leather Goods: good performance of Louis Vuitton, other brands strengthened their positions**

The **Fashion & Leather Goods** business group recorded organic revenue growth of 4% in 2016. On a reported basis, revenue growth was 3 %. Profit from recurring operations increased by 10%. Louis Vuitton had a good year driven by the level of creativity across all its businesses. The continued success of its iconic product range and the strong demand for recent creations such as the new luggage designed by Marc Newson and the Louis Vuitton fragrances, all contributed to this growth. Fendi recorded robust growth crossing the symbolic revenue threshold of 1 billion euros during the year. Loro Piana continued to expand its distribution network and opened a flagship store in Paris. Céline, Loewe and Kenzo all continued to grow. Marc Jacobs continued to work on changes to its collection. Donna Karan was sold in December to the American G-III group. Rimowa, world leader in luggage of excellence, joined the LVMH group.

## **Perfumes & Cosmetics: continued success of innovations; excellent performance in makeup**

The **Perfumes & Cosmetics** business group recorded organic revenue growth of 8%. On a reported basis, revenue growth was 6%. Profit from recurring operations increased by 5%. The inauguration of the new atelier for the creation of fragrances, Les Fontaines Parfumées, at Grasse was a highlight of the year. Parfums Christian Dior grew market share in all regions, driven by the worldwide success of *Sauvage* and the vitality of its iconic perfumes *J'adore* and *Miss Dior*. The progress of makeup also contributed to the Maison's excellent performance. Guerlain benefitted from the successful launch of its new makeup collection inspired by its fragrance *La Petite Robe Noire*. Benefit experienced strong growth driven by the success of its new collection for eyebrows. Make Up For Ever, Fresh and Kat Von D performed well.

## **Watches & Jewelry: market share gains for Bvlgari and TAG Heuer**

The **Watches & Jewelry** business group recorded organic revenue growth of 5%. On a reported basis, revenue growth was 5%. Profit from recurring operations increased by 6%. Bvlgari continued to gain market share with enhancements to its *Serpenti*, *Diva* and *B.zero1* lines. Growth continued in China, Korea and in the Middle East. TAG Heuer grew despite a difficult market for watches, gained market share and benefitted from the success of its new collections and its connected watch. Hublot accelerated its development in Asia and recorded the best year in its history. Chaumet continued to move its product lines upmarket and inaugurated a new boutique concept in Hong Kong.

## **Selective Retailing: good performance at Sephora, DFS impacted by a difficult tourism context in Asia**

The **Selective Retailing** business group recorded organic revenue growth of 8%. On a reported basis, revenue growth was 7%. Profit from recurring operations declined by 2%. Sephora gained market share across all regions and once again recorded double-digit growth in both revenue and profits. More than a hundred stores were opened in 2016 including notably a flagship store in the World Trade Center in New York and major renovations in Boston and Singapore. Its online offer accelerated with the launch in six new countries. DFS continued to face a difficult environment, notably in Hong Kong. The expansion into new destinations continued. The opening of the T Galleria in Angkor in Cambodia and one in Venice, Italy were the highlights of the year.

## **Cautiously confident for 2017**

Despite a climate of geopolitical and currency uncertainties, LVMH is well-equipped to continue its growth momentum across all business groups in 2017. The Group will maintain a strategy focused on developing its brands by continuing to build on strong innovation and a constant quest for quality in their products and their distribution.

Driven by the agility of its teams, their entrepreneurial spirit, the balance of its different businesses and geographic diversity, LVMH enters 2017 with caution but has, once again, set an objective of increasing its global leadership position in luxury goods.

## **Dividend increase of 13%**

At the Annual Shareholders' Meeting on April 13, 2017, LVMH will propose a dividend of €4 per share, an increase of 13%. An interim dividend of €1.40 per share was paid on December 1 of last year. The balance of €2.60 per share will be paid on April 21, 2017.

*The LVMH Board met on 26 January 2017 to approve the financial statements for 2016.*

*Audit procedures have been carried out and the audit report is being issued.*

*Regulated information related to this press release, the presentation of annual results and the report "Financial Documents" are available at [www.lvmh.fr](http://www.lvmh.fr).*

# APPENDIX

## LVMH – Revenue by business group and by quarter

### 2016 Revenue (Euro millions)

<i>FY 2016</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	<b>Total</b>
First Quarter	1 033	2 965	1 213	774	2 747	(112)	<b>8 620</b>
Second Quarter	1 023	2 920	1 124	835	2 733	(67)	<b>8 568</b>
<b>Total First Half</b>	<b>2 056</b>	<b>5 885</b>	<b>2 337</b>	<b>1 609</b>	<b>5 480</b>	<b>(179)</b>	<b>17 188</b>
Third Quarter	1 225	3 106	1 241	877	2 803	(114)	9 138
<b>Nine months</b>	<b>3 281</b>	<b>8 991</b>	<b>3 578</b>	<b>2 486</b>	<b>8 283</b>	<b>(293)</b>	<b>26 326</b>
Fourth Quarter	1 554	3 784	1 375	982	3 690	(111)	<b>11 274</b>
<b>Total 2016</b>	<b>4 835</b>	<b>12 775</b>	<b>4 953</b>	<b>3 468</b>	<b>11 973</b>	<b>(404)</b>	<b>37 600</b>

### 2016 Revenue (Organic growth versus same period of 2015)

<i>FY 2016</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	<b>Total</b>
First Quarter	+6%	0%	+9%	+7%	+4%	-	<b>+3%</b>
Second Quarter	+13%	+1%	+6%	+2%	+7%	-	<b>+4%</b>
<b>Total First Half</b>	<b>+9%</b>	<b>0%</b>	<b>+8%</b>	<b>+4%</b>	<b>+5%</b>	-	<b>+4%</b>
Third Quarter	+4%	+5%	+10%	+2%	+8%	-	+6%
<b>Nine months</b>	<b>+7%</b>	<b>+2%</b>	<b>+8%</b>	<b>+4%</b>	<b>+6%</b>	-	<b>+5%</b>
Fourth Quarter	+7%	+9%	+7%	+8%	+11%	-	<b>+8%</b>
<b>Total 2016</b>	<b>+7%</b>	<b>+4%</b>	<b>+8%</b>	<b>+5%</b>	<b>+8%</b>	-	<b>+6%</b>

### 2015 Revenue (Euro millions)

<i>FY 2015</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics*	Watches & Jewelry	Selective Retailing*	Other activities & eliminations	<b>Total</b>
First Quarter	992	2 975	1 129	723	2 648	(144)	<b>8 323</b>
Second Quarter	938	2 958	1 099	829	2 627	(67)	<b>8 384</b>
<b>Total First Half</b>	<b>1 930</b>	<b>5 933</b>	<b>2 228</b>	<b>1 552</b>	<b>5 275</b>	<b>(211)</b>	<b>16 707</b>
Third Quarter	1 199	2 939	1 143	852	2 603	(155)	<b>8 581</b>
<b>Nine months</b>	<b>3 129</b>	<b>8 872</b>	<b>3 371</b>	<b>2 404</b>	<b>7 878</b>	<b>(366)</b>	<b>25 288</b>
Fourth Quarter	1 474	3 497	1 300	904	3 315	(114)	<b>10 376</b>
<b>Total 2015</b>	<b>4 603</b>	<b>12 369</b>	<b>4 671</b>	<b>3 308</b>	<b>11 193</b>	<b>(480)</b>	<b>35 664</b>

\*Reclassification of cosmetics company Kendo from Selective retailing to Perfumes and Cosmetics

## CONSOLIDATED INCOME STATEMENT

<i>(EUR millions, except for earnings per share)</i>	Notes	2016	2015	2014
<b>Revenue</b>	23	37,600	35,664	30,638
Cost of sales		(13,039)	(12,553)	(10,801)
<b>Gross margin</b>		24,561	23,111	19,837
Marketing and selling expenses		(14,607)	(13,830)	(11,744)
General and administrative expenses		(2,931)	(2,663)	(2,373)
Income (loss) from joint ventures and associates	7	3	(13)	(5)
<b>Profit from recurring operations</b>	23-24	7,026	6,605	5,715
Other operating income and expenses	25	(122)	(221)	(284)
<b>Operating profit</b>		6,904	6,384	5,431
Cost of net financial debt		(83)	(78)	(115)
Other financial income and expenses		(349)	(336)	3,062
<b>Net financial income (expense)</b>	26	(432)	(414)	2,947
Income taxes	27	(2,109)	(1,969)	(2,273)
<b>Net profit before minority interests</b>		4,363	4,001	6,105
Minority interests	17	(382)	(428)	(457)
<b>Net profit, Group share</b>		3,981	3,573	5,648
<b>Basic Group share of net earnings per share (EUR)</b>	28	7.92	7.11	11.27
Number of shares on which the calculation is based		502,911,125	502,395,491	501,309,369
<b>Diluted Group share of net earnings per share (EUR)</b>	28	7.89	7.08	11.21
Number of shares on which the calculation is based		504,640,459	504,894,946	503,861,733

## CONSOLIDATED BALANCE SHEET

ASSETS	Notes	2016	2015	2014
<i>(EUR millions)</i>				
Brands and other intangible assets	3	13,335	13,572	13,031
Goodwill	4	10,401	10,122	8,810
Property, plant and equipment	6	12,139	11,157	10,387
Investments in joint ventures and associates	7	770	729	519
Non-current available for sale financial assets	8	744	574	580
Other non-current assets	9	777	552	489
Deferred tax		2,058	1,945	1,436
<b>Non-current assets</b>		<b>40,224</b>	<b>38,651</b>	<b>35,252</b>
Inventories and work in progress	10	10,546	10,096	9,475
Trade accounts receivable	11	2,685	2,521	2,274
Income taxes		280	384	354
Other current assets	12	2,343	2,355	1,916
Cash and cash equivalents	14	3,544	3,594	4,091
<b>Current assets</b>		<b>19,398</b>	<b>18,950</b>	<b>18,110</b>
<b>Total assets</b>		<b>59,622</b>	<b>57,601</b>	<b>53,362</b>
<b>LIABILITIES AND EQUITY</b>				
<i>(EUR millions)</i>				
Share capital	15.1	152	152	152
Share premium account	15.1	2,601	2,579	2,655
Treasury shares and LVMH share-settled derivatives	15.2	(520)	(240)	(374)
Cumulative translation adjustment	15.4	1,165	1,137	492
Revaluation reserves		1,049	949	1,019
Other reserves		17,965	16,189	12,171
Net profit, Group share		3,981	3,573	5,648
Equity, Group share		26,393	24,339	21,763
Minority interests	17	1,510	1,460	1,240
<b>Total equity</b>		<b>27,903</b>	<b>25,799</b>	<b>23,003</b>
Long-term borrowings	18	3,932	4,511	5,054
Non-current provisions	19	2,342	1,950	2,291
Deferred tax		4,137	4,685	4,392
Other non-current liabilities	20	8,498	7,957	6,447
<b>Non-current liabilities</b>		<b>18,909</b>	<b>19,103</b>	<b>18,184</b>
Short-term borrowings	18	3,447	3,769	4,189
Trade accounts payable	21.1	4,184	3,960	3,606
Income taxes		428	640	549
Current provisions	19	352	421	332
Other current liabilities	21.2	4,399	3,909	3,499
<b>Current liabilities</b>		<b>12,810</b>	<b>12,699</b>	<b>12,175</b>
<b>Total liabilities and equity</b>		<b>59,622</b>	<b>57,601</b>	<b>53,362</b>

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The notes to consolidated accounts are included in 2016 Financial documents, available on our Internet site [www.lvmh.com](http://www.lvmh.com)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	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
		15.1		15.2	15.4						17		
<b>As of December 31, 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>19,437</b>	<b>26,879</b>	<b>1,028</b>	<b>27,907</b>
Gains and losses recognized in equity					500	(2,648)	(122)	(15)	(96)	-	(2,381)	108	(2,273)
Net profit										5,648	5,648	457	6,105
<b>Comprehensive income</b>		-	-	-	500	(2,648)	(122)	(15)	(96)	5,648	3,267	565	3,832
Stock option plan and similar expenses										37	37	2	39
(Acquisition)/disposal of treasury shares and LVMH share-settled derivatives				27						(17)	10	-	10
Exercise of LVMH share subscription options	980,323		59								59	-	59
Retirement of LVMH shares	(1,062,271)		(50)	50							-	-	-
Capital increase in subsidiaries											-	3	3
Interim and final dividends paid										(1,579)	(1,579)	(328)	(1,907)
Distribution in kind of Hermès shares <sup>(a)</sup>			(1,203)							(5,652)	(6,855)	-	(6,855)
Changes in control of consolidated entities										(5)	(5)	11	6
Acquisition and disposal of minority interests' shares										(2)	(2)	32	30
Purchase commitments for minority interests' shares										(48)	(48)	(73)	(121)
<b>As of December 31, 2014</b>	<b>507,711,713</b>	<b>152</b>	<b>2,655</b>	<b>(374)</b>	<b>492</b>	<b>207</b>	<b>14</b>	<b>931</b>	<b>(133)</b>	<b>17,819</b>	<b>21,763</b>	<b>1,240</b>	<b>23,003</b>
Gains and losses recognized in equity					645	(103)	(25)	33	25	-	575	130	705
Net profit										3,573	3,573	428	4,001
<b>Comprehensive income</b>		-	-	-	645	(103)	(25)	33	25	3,573	4,148	558	4,706
Stock option plan and similar expenses										35	35	2	37
(Acquisition)/disposal of treasury shares and LVMH share-settled derivatives				23						(13)	10	-	10
Exercise of LVMH share subscription options	552,137		35								35	-	35
Retirement of LVMH shares	(1,124,740)		(111)	111							-	-	-
Capital increase in subsidiaries											-	89	89
Interim and final dividends paid										(1,659)	(1,659)	(229)	(1,888)
Changes in control of consolidated entities										(9)	(9)	1	(8)
Acquisition and disposal of minority interests' shares										5	5	(3)	2
Purchase commitments for minority interests' shares										11	11	(198)	(187)
<b>As of December 31, 2015</b>	<b>507,139,110</b>	<b>152</b>	<b>2,579</b>	<b>(240)</b>	<b>1,137</b>	<b>104</b>	<b>(11)</b>	<b>964</b>	<b>(108)</b>	<b>19,762</b>	<b>24,339</b>	<b>1,460</b>	<b>25,799</b>
Gains and losses recognized in equity					28	23	19	113	(55)	-	128	52	180
Net profit										3,981	3,981	382	4,363
<b>Comprehensive income</b>		-	-	-	28	23	19	113	(55)	3,981	4,109	434	4,543
Stock option plan and similar expenses										39	39	2	41
(Acquisition)/disposal of treasury shares and LVMH share-settled derivatives				(322)						(21)	(343)	-	(343)
Exercise of LVMH share subscription options	907,929		64								64	-	64
Retirement of LVMH shares	(920,951)		(42)	42							-	-	-
Capital increase in subsidiaries											-	41	41
Interim and final dividends paid										(1,811)	(1,811)	(272)	(2,083)
Changes in control of consolidated entities										(5)	(5)	22	17
Acquisition and disposal of minority interests' shares										(56)	(56)	(35)	(91)
Purchase commitments for minority interests' shares										57	57	(142)	(85)
<b>As of December 31, 2016</b>	<b>507,126,088</b>	<b>152</b>	<b>2,601</b>	<b>(520)</b>	<b>1,165</b>	<b>127</b>	<b>8</b>	<b>1,077</b>	<b>(163)</b>	<b>21,946</b>	<b>26,393</b>	<b>1,510</b>	<b>27,903</b>

(a) See Note 8 to the 2014 consolidated financial statements.



## CONSOLIDATED CASH FLOW STATEMENT

(EUR millions)	Notes	2016	2015	2014
<b>I. OPERATING ACTIVITIES AND OPERATING INVESTMENTS</b>				
Operating profit		6,904	6,384	5,431
Income/(loss) and dividends from joint ventures and associates	7	18	27	26
Net increase in depreciation, amortization and provisions		2,143	2,081	1,895
Other computed expenses		(177)	(456)	(188)
Other adjustments		(155)	(91)	(84)
<b>Cash from operations before changes in working capital</b>		<b>8,733</b>	<b>7,945</b>	<b>7,080</b>
Cost of net financial debt: interest paid		(59)	(75)	(116)
Income taxes paid		(1,923)	(1,807)	(1,639)
<b>Net cash from operating activities before changes in working capital</b>		<b>6,751</b>	<b>6,063</b>	<b>5,325</b>
Change in working capital	14.2	(512)	(429)	(718)
<b>Net cash from operating activities</b>		<b>6,239</b>	<b>5,634</b>	<b>4,607</b>
Operating investments	14.3	(2,265)	(1,955)	(1,775)
<b>Net cash from operating activities and operating investments (free cash flow)</b>		<b>3,974</b>	<b>3,679</b>	<b>2,832</b>
<b>II. FINANCIAL INVESTMENTS</b>				
Purchase of non-current available for sale financial assets <sup>(a)</sup>	8, 13	(28)	(78)	(57)
Proceeds from sale of non-current available for sale financial assets	8	91	68	160
Dividends received		6	4	69
Income taxes paid related to financial investments and consolidated investments		(461)	(265)	(237)
Impact of purchase and sale of consolidated investments		310	(240)	(167)
<b>Net cash from (used in) financial investments</b>		<b>(82)</b>	<b>(511)</b>	<b>(232)</b>
<b>III. TRANSACTIONS RELATING TO EQUITY</b>				
Capital increases of LVMH SE	15.1	64	35	59
Capital increases of subsidiaries subscribed by minority interests	17	41	81	3
Acquisition and disposals of treasury shares and LVMH share-settled derivatives	15.2	(352)	1	1
Interim and final dividends paid by LVMH SE <sup>(b)</sup>	15.3	(1,810)	(1,671)	(1,619)
Income taxes paid related to interim and final dividends paid		(145)	(304)	(79)
Interim and final dividends paid to minority interests in consolidated subsidiaries	17	(267)	(228)	(336)
Purchase and proceeds from sale of minority interests	2	(95)	(4)	10
<b>Net cash from (used in) transactions relating to equity</b>		<b>(2,564)</b>	<b>(2,090)</b>	<b>(1,961)</b>
<b>Change in cash before financing activities</b>		<b>1,328</b>	<b>1,078</b>	<b>639</b>
<b>IV. FINANCING ACTIVITIES</b>				
Proceeds from borrowings	18.1	913	1,008	2,407
Repayment of borrowings	18.1	(2,134)	(2,443)	(2,100)
Purchase and proceeds from sale of current available for sale financial assets <sup>(a)</sup>	8, 13	(113)	(3)	(106)
<b>Net cash from (used in) financing activities</b>		<b>(1,334)</b>	<b>(1,438)</b>	<b>201</b>
<b>V. EFFECT OF EXCHANGE RATE CHANGES</b>				
		(47)	(33)	27
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV+V)</b>		<b>(53)</b>	<b>(393)</b>	<b>867</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	14.1	<b>3,390</b>	<b>3,783</b>	<b>2,916</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	14.1	<b>3,337</b>	<b>3,390</b>	<b>3,783</b>
<b>TOTAL INCOME TAXES PAID</b>		<b>(2,529)</b>	<b>(2,376)</b>	<b>(1,955)</b>

(a) The cash impact of non-current available for sale financial assets used to hedge net financial debt (see Note 18) is presented under "IV. Financing activities" as "Purchase and proceeds from sale of current available for sale financial assets".

(b) The distribution in kind of Hermès shares in 2014 had no impact on cash, apart from related income tax effects. See Note 8 to the 2014 consolidated financial statements.

## LVMH

LVMH Moët Hennessy Louis Vuitton is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Mercier, Château d'Yquem, Domaine du Clos des Lambrays, Château Cheval Blanc, Hennessy, Glenmorangie, Ardbeg, Belvedere, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Cape Mentelle, Newton, Bodega Numanthia and Ao Yun. Its Fashion and Leather Goods division includes Louis Vuitton, Céline, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Nicholas Kirkwood, Loro Piana and Rimowa. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Kenzo Parfums, Parfums Loewe as well as other promising cosmetic companies (BeneFit Cosmetics, Make Up For Ever, Acqua di Parma and Fresh). LVMH is also active in selective retailing as well as in other activities through DFS, Sephora, Le Bon Marché, La Samaritaine, Royal Van Lent and Cheval Blanc hotels. LVMH's Watches and Jewelry division comprises Bulgari, TAG Heuer, Chaumet, Dior Watches, Zenith, Fred, Hublot and De Beers Diamond Jewellers Ltd, a joint venture created with the world's leading diamond group.

"Certain information included in this release is forward looking and is subject to important risks and uncertainties and factors beyond our control or ability to predict, that could cause actual results to differ materially from those anticipated, projected or implied. It only reflects our views as of the date of this presentation. No undue reliance should therefore be based on any such information, it being also agreed that we undertake no commitment to amend or update it after the date hereof."

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