

LVMH

MOËT HENNESSY ♦ LOUIS VUITTON

LVMH Moët Hennessy Louis Vuitton

(a société européenne, 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 third supplement (the “**Third Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 7 July 2016 prepared in relation to the €10,000,000,000 Euro Medium Term Note Programme of LVMH, as supplemented by the first supplement dated 7 September 2016 (the “**First Supplement**”) and by the second supplement dated 23 February 2017 (the “**Second 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 7 July 2016.

The Third 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 Third Supplement.

The Issuer accepts responsibility for the information contained in this Third 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 Third Supplement is in accordance with the facts and contains no omission likely to affect its import in any material respect.

The Third Supplement has been prepared for the following purposes:

- a) incorporating by reference the French language version of the *Document de Référence* for the year 2016 (the “**2016 Document de Référence**”), filed with the French *Autorité des Marchés Financiers* on 22 March 2017, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 288 of such document, which includes the audited annual consolidated financial statements of LVMH for the year ended 31 December 2016 and the audited annual non-consolidated financial statements of LVMH for the year ended 31 December 2016;
- b) incorporating by reference the press release published by LVMH and Christian Dior on 25 April 2017 regarding their project aiming at simplifying Christian Dior – LVMH group structure (the “**Press Release**”);
- c) amending accordingly sub-sections B.13 and B.15 (Section B – Issuer) of the Summary and paragraphs (4) and (5) of the General Information section of the Base Prospectus .

Save as disclosed in the Third 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 Second Supplement.

In case of inconsistency between (a) any information incorporated by reference by this Third Supplement and (b) any other information contained in this Third Supplement or contained or incorporated by reference in the Base Prospectus, as supplemented, the information incorporated by reference by this Third 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 Third Supplement is published has the right, exercisable within two working days after the publication of this Third Supplement and no later than 9 May 2017 to withdraw its acceptance.

This Third Supplement and the 2016 *Document de Référence* are available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

1. Incorporation of the 2016 Document de Référence

The 2016 *Document de Référence* is incorporated herein by reference.

Cross-reference table:

Section	Reference
2016 <i>Document de Référence</i>	
<i>Commentaires sur l'activité et la situation financière</i> (Business review)	Pages 24 to 35
<i>Compte de résultat consolidé</i> (Consolidated income statement)	Page 132
<i>Etat global des gains et pertes consolidés</i> (Consolidated statement of comprehensive gains and losses)	Page 133
<i>Bilan consolidé</i> (Consolidated balance sheet)	Page 134
<i>Tableau de variation des capitaux propres consolidés</i> (Consolidated statement of changes in equity)	Page 135
<i>Tableau de variation de la trésorerie consolidée</i> (Consolidated cash-flow statement)	Page 136
<i>Annexe aux comptes consolidés</i> (Notes to the consolidated financial statements)	Pages 137 to 193
<i>Principales sociétés consolidées</i> (Consolidated companies in 2016)	Pages 194 to 199
<i>Rapport des commissaires aux comptes sur les comptes consolidés</i> (Statutory Auditors' report on the consolidated financial statements)	Page 200

The information contained in the 2016 *Document de Référence* 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. Incorporation of the Press Release

The *Press Release* is incorporated in its entirety herein by reference.

3. Amendment of sub-sections B.13 and B.15 (Section B – Issuer) of the Summary and of paragraphs (4) and (5) of the General Information section of the Base Prospectus

The following sub-section shall replace and supersede sub-section B.13 (Section B – Issuer) of the Summary on page 8 of the Base Prospectus (as amended by the First Supplement and by the Second Supplement):

“In a press release published by LVMH and Christian Dior on 25 April 2017, the Arnault Family Group, Christian Dior and LVMH announced a twofold strategic project:

- The simplification of the structures through a simplified public offer by the Arnault Family Group for Christian Dior shares it does not currently hold.
- The strengthening of Fashion & Leather Goods division of LVMH through the acquisition of Christian Dior Couture from Christian Dior for an enterprise value of €6.5bn.”

The following sub-section shall replace and supersede the sub-section B.15 (Section B – Issuer) of the Summary on pages 8, 9 and 10 of the Base Prospectus (as amended by the First Supplement and by the Second Supplement):

“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:

- 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 activity described in the above paragraph.

The LVMH Group is organized in five main branches:

Wines and Spirits

The LVMH Group's Wines and Spirits activities regroup prestigious brands such as Moët & 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.

Fashion and Leather Goods

Along with Louis Vuitton, the Fashion and Leather Goods business group includes Fendi, Loewe, Céline, Kenzo, Marc Jacobs, Givenchy fashion house, Thomas Pink, Pucci, Berluti, Rossimoda, Loro Piana, Nicolas Kirkwood and Rimowa.

Perfumes and Cosmetics

LVMH is a major world player in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Parfums Kenzo, BeneFit Cosmetics, Make Up For Ever, Fresh and Maison Francis Kurkdjian.

Watches and Jewelry

The most recent LVMH business group holds a portfolio of top-quality watch and jewelry brands, with highly complementary market positions: TAG Heuer, Zenith, Montres Dior, Hublot, Bulgari, Chaumet and Fred.

Selective Retailing

The selective retailing businesses operate in two segments: travel retail (the sale of luxury products to international travelers), the business of DFS and Starboard Cruise Services, and selective retailing concepts represented by Sephora and the Paris department store Le Bon Marché.

Other activities

LVMH is present in the media sector through Groupe Les Echos, which holds various print media publications, as well as the French radio station, Radio Classique, and in the designing and building of custom mega-yachts through Royal van Lent (and its brand Feadship)."

The following paragraph shall replace and supersede the paragraph (4) of section General Information of the Base Prospectus (page 139) (as amended by the First Supplement and by the Second Supplement):

"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 2016, except as disclosed in the Press Release published by LVMH and Christian Dior on 25 April 2017 regarding their project aiming at simplifying Christian Dior – LVMH group structure, which is incorporated by reference in this Base Prospectus."

The following paragraph shall replace and supersede the paragraph (5) of section General Information of the Base Prospectus (page 139) (as amended by the First Supplement and by the Second Supplement):

"Except as disclosed in this Base Prospectus on pages 98 to 100, 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."

LVMH

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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 7 July 2016 prepared in relation to the €10,000,000,000 Euro Medium Term Note Programme of LVMH, as supplemented by the first supplement dated 7 September 2016 (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 7 July 2016.

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 by reference (i) the French language version of the *Documents financiers* for the year 2016 (the “**2016 Documents Financiers**”), which include the business review and comments on the consolidated financial statements of LVMH Group for the year ended 31 December 2016, and (ii) the French language version of the *Comptes consolidés* for the year 2016 (the “**2016 Comptes Consolidés**”), which include the annual audited consolidated financial statements of LVMH for the year ended 31 December 2016 and the notes related thereto;
- b) amending (i) sub-section B-12 (Section B – Issuer) of the Summary of the Base Prospectus and (ii) Selected Financial Information section of the Base Prospectus, to reflect the incorporation by reference of the 2016 *Document de Référence* made through the Second Supplement.

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 27 February 2017 to withdraw its acceptance.

This Second Supplement, the 2016 *Documents Financiers* and the 2016 *Comptes Consolidés* are available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

1. Incorporation of the 2016 *Documents Financiers* and of the 2016 *Comptes Consolidés*

The 2016 *Documents Financiers* and the 2016 *Comptes Consolidés* are incorporated herein by reference.

Cross-reference table:

Section	Reference
2016 <i>Documents Financiers</i>	
Executive and supervisory bodies; statutory auditors as of December 31, 2016	Page 1
Financial Highlights	Page 2
Share capital and voting rights	Page 4
Business Review and comments on the consolidated financial statements of LVMH Group	Pages 5 to 18
	Reference
2016 <i>Comptes Consolidés</i>	
Consolidated income statement	Page 2
Consolidated statement of comprehensive gains and losses	Page 3
Consolidated balance sheet	Page 4
Consolidated statement of changes in equity	Page 5
Consolidated cash-flow statement	Page 6
Notes to the consolidated financial statements	Pages 7 to 63
Main consolidated companies	Pages 64 to 69
Statutory Auditors' report on the consolidated financial statements	Page 70

The information contained in the 2016 *Documents Financiers* and in the 2016 *Comptes Consolidés* 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 2015 and 31 December 2016. This information has been extracted from the 2016 *Comptes Consolidés*.

	As of 31 December	
(consolidated financial data, millions of euros)	2016	2015
Equity	27,903	25,799
Net financial debt	3,265	4,235
Long-term borrowings	3,932	4,511
Short-term borrowings	3,447	3,769
Balance sheet total	59,622	57,601
	Fiscal year ended 31 December	
(consolidated financial data, millions of euros)	2016	2015
Revenue	37,600	35,664
Profit from recurring operations	7,026	6,605
Net profit, Group share	3,981	3,573

Cash from operations before changes in working capital	8,733	7,945
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There has been no significant change in the financial or trading position, and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2016.

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

Selected Financial Information section on page 74 of the Base Prospectus (as amended by the First Supplement) shall be replaced as follows:

As of 31 December 2016, LVMH had a shareholders' equity of 27,903 million euros (compared to 25,799 million euros as of 31 December 2015) and a net financial debt of 3,265 million euros, compared to 4,235 million euros as of 31 December 2015.

Profit from recurring operations for the year ended 31 December 2016 amounted to 7,026 million euros (compared to 6,605 million euros in 2015). Net profit, Group share for year ended 31 December 2016 amounted to 3,981 million euros (compared to 3,573 million euros in 2015).

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

(consolidated financial data, millions of euros)	As of 31 December	
	2016	2015
Equity	27,903	25,799
Net financial debt	3,265	4,235
Long-term borrowings	3,932	4,511
Short-term borrowings	3,447	3,769
Balance sheet total	59,622	57,601

(consolidated financial data, millions of euros)	Fiscal year ended 31 December	
	2016	2015
Revenue	37,600	35,664
Profit from recurring operations	7,026	6,605
Net profit, Group share	3,981	3,573
Cash from operations before changes in working capital	8,733	7,945

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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 7 July 2016 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 7 July 2016.

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 French language version of the *Rapport Financier Semestriel* for the first half-year 2016 (the “**2016 Rapport Financier Semestriel**”), which includes the condensed consolidated financial statements of LVMH for the six-month period ended 30 June 2016 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 and (iii) point (4) of General Information section of the Base Prospectus, to reflect the incorporation by reference of the 2016 *Rapport Financier 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 9 September 2016 to withdraw its acceptance.

This First Supplement and the 2016 *Rapport Financier Semestriel* are available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

1. Incorporation of the 2016 *Rapport Financier Semestriel*

The French language version of the 2016 *Rapport Financier Semestriel* is incorporated herein by reference.

Cross-reference table:

Section	Reference
Business review and comments on the half-year consolidated financial statements of LVMH Group	Pages 5 to 17
Consolidated income statement	Page 20
Consolidated statement of comprehensive gains and losses	Page 21
Consolidated balance sheet	Page 22
Consolidated statement of changes in equity	Page 23
Consolidated cash flow statement	Page 24
Selected notes to the consolidated financial statements	Pages 25 to 49
Statutory auditors' report	Page 50
Statement by the Company Officer Responsible for the interim financial report	Page 51

The information contained in the 2016 *Rapport Financier 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:

“Key consolidated audited financial information as at 31 December 2015 and 31 December 2014. This information has been extracted from the 2015 *Document de Référence*.

(consolidated financial data, millions of euros)	As of 31 December	
	2015	2014
Total equity ^(a)	25,799	23,003
Net financial debt ^(b)	4,235	4,805
Long-term borrowings	4,511	5,054
Short-term borrowings	3,769	4,189
Balance sheet total	57,601	53,362

(consolidated financial data, millions of euros)	Fiscal year ended 31 December	
	2015	2014
Revenue	35,664	30,638
Profit from recurring operations	6,605	5,715
Net profit, Group share	3,573	5,648 ^(c)
Cash from operations before changes in working capital ^(d)	7,945	7,080

- (a) Including minority interests.
(b) Excluding purchase commitments for minority interests included in Other non-current liabilities.
(c) Of which 2,677 million euros resulting from the distribution of Hermès shares.
(d) Before tax and interest paid.

Key condensed consolidated financial information as at 30 June 2016 and 30 June 2015. This information has been extracted from the 2016 *Rapport Financier Semestriel*.

(consolidated financial data, millions of euros)	As of 30 June	
	2016	2015
Total equity	26,073	24,445
Net financial debt ^(a)	5,303	6,034
Long-term borrowings	4,165	5,201
Short-term borrowings	4,579	3,695
Balance sheet total	57,823	55,081

(consolidated financial data, millions of euros)	Six-month period ended 30 June	
	2016	2015
Revenue	17,188	16,707
Profit from recurring operations	2,959	2,955
Net profit, Group share	1,711	1,580
Cash from operations before changes in working capital ^(b)	3,650	3,368

- (a) Excluding purchase commitments for minority interests included in Other non-current liabilities. See Note 18.1 of notes to the condensed consolidated financial statements for definition of net financial debt.
(b) Before interest and tax paid.

There has been no significant change in the financial or trading position of LVMH or the LVMH Group since 30 June 2016 and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2015.”

3. Amendment of Selected Financial Information section and General Information section of the Base Prospectus

The following paragraph shall be added to page 74 (Selected Financial Information) of the Base Prospectus (as amended by the First Supplement):

“As of 30 June 2016, LVMH had a shareholders’ equity of 26,073 million euros (compared to 24,445 million euros as of 30 June 2015) and a net financial debt of 5,303 million euros, compared to 6,034 million euros as of 30 June 2015.

Profit from recurring operations for the six-month period ended 30 June 2016 amounted to 2,959 million euros (compared to 2,955 million euros in 2015). Net profit, Group share for the six-month period ended 30 June 2016 amounted to 1,711 million euros (compared to 1,580 million euros in 2015).

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

	As of 30 June	
(consolidated financial data, millions of euros)	2016	2015
Total equity	26,073	24,445
Net financial debt ^(a)	5,303	6,034
Long-term borrowings	4,165	5,201
Short-term borrowings	4,579	3,695
Balance sheet total	57,823	55,081

	Six-month period ended 30 June	
(consolidated financial data, millions of euros)	2016	2015
Revenue	17,188	16,707
Profit from recurring operations	2,959	2,955
Net profit, Group share	1,711	1,580
Cash from operations before changes in working capital ^(b)	3,650	3,368

(a) Excluding purchase commitments for minority interests included in Other non-current liabilities. See Note 18.1 of notes to the condensed consolidated financial statements for definition of net financial debt.

(b) Before interest and tax paid.”

The following paragraph shall replace and supersede point (4) of General Information section page 139 of the Base Prospectus (as amended by the First Supplement):

“There has been no significant change in the financial or trading position of LVMH or the LVMH Group since 30 June 2016 and no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2015.”

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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 16 July 2015. 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 (the “**CSSF**”) 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 as amended, 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 approval 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 40th 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) 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
HSBC
MUFG

Société Générale Corporate & Investment Banking
The Royal Bank of Scotland

The date of this Base Prospectus is 7 July 2016.

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 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 Regulation (EC) 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”).

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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.E. (“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”.

Section A - Introduction and warnings		
A.1	General disclaimer regarding the summary	<p>Warning that:</p> <ul style="list-style-type: none"> this summary should be read as introduction to this Base Prospectus; any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor; 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 European Economic Area (“EEA”), have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated; and 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.
A.2	Information regarding consent by the Issuer to the use of the Prospectus	<p>[In the context of the offer of the Notes from time to time in the Grand Duchy of Luxembourg [and [insert other jurisdiction into which the Base Prospectus has been passported] (“Public Offer Jurisdiction(s)”) which is not made within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended (the “Non-Exempt Offer”), 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 “Offer Period”) and in the Public Offer Jurisdiction(s) by [any financial intermediary] (the “Authorised Offeror[s]”). [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>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</p>

		<p>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.]</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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Section B – Issuer		
B.1	Legal and commercial name of the Issuer	LVMH Moët Hennessy Louis Vuitton S.E. (“LVMH”).
B.2	Domicile, legal form, legislation, country of incorporation	LVMH Moët Hennessy Louis Vuitton is a <i>société européenne</i> incorporated under the laws of and domiciled in France.
B.4b	Description of any known trends affecting the Issuer and the industries in which it operates	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.5	Description of the Issuer’s group and the Issuer’s position within the group	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.9	Profit forecast or estimate	Not Applicable. The Issuer does not provide profit forecasts or estimates.
B.10	Qualifications in the auditors’ report	Not Applicable. There are no qualifications in the audit report.
B.12	Selected historical key financial information, description of significant changes in the	<p>Key consolidated audited financial information as at 31 December 2014 and 31 December 2015. This information has been extracted from the 2015 <i>Document de Référence</i>.</p> <p style="text-align: right;">As of 31 December</p>

	financial or trading position and statement that there has been no material adverse change in the prospects of the Issuer	<p>(consolidated financial data, millions of euros)</p> <table> <tr> <th></th><th>2015</th><th>2014</th></tr> <tr> <td>Total Equity^(a)</td><td>25,799</td><td>23,003</td></tr> <tr> <td>Net financial debt^(b)</td><td>4,235</td><td>4,805</td></tr> <tr> <td>Long-term borrowings</td><td>4,511</td><td>5,054</td></tr> <tr> <td>Short-term borrowings</td><td>3,769</td><td>4,189</td></tr> <tr> <td>Balance sheet total</td><td>57,601</td><td>53,362</td></tr> </table> <p>Fiscal year ended 31 December</p> <p>(consolidated financial data, millions of euros)</p> <table> <tr> <th></th><th>2015</th><th>2014</th></tr> <tr> <td>Revenue</td><td>35,664</td><td>30,638</td></tr> <tr> <td>Profit from recurring operations</td><td>6,605</td><td>5,715</td></tr> <tr> <td>Net profit, Group share</td><td>3,573</td><td>5,648^(c)</td></tr> <tr> <td>Cash from operations before changes in working capital^(d)</td><td>7,945</td><td>7,080</td></tr> </table> <p>(a) Including minority interests. (b) Excluding purchase commitments for minority interests included in Other non-current liabilities. (c) Of which 2,677 million euros resulting from the distribution of Hermès shares. (d) Before tax and interest paid.</p> <p>Not Applicable. There has been no significant change in the financial or trading position of LVMH or the LVMH Group since 31 December 2015. There has been no material adverse change in the prospects, of LVMH or the LVMH Group since 31 December 2015.</p>		2015	2014	Total Equity ^(a)	25,799	23,003	Net financial debt ^(b)	4,235	4,805	Long-term borrowings	4,511	5,054	Short-term borrowings	3,769	4,189	Balance sheet total	57,601	53,362		2015	2014	Revenue	35,664	30,638	Profit from recurring operations	6,605	5,715	Net profit, Group share	3,573	5,648 ^(c)	Cash from operations before changes in working capital ^(d)	7,945	7,080
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Cash from operations before changes in working capital ^(d)	7,945	7,080																																	
B.13	Recent developments	Not Applicable. There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.																																	
B.14	Statement of dependency upon other entities within the Group	See Element B.5. LVMH is a holding company and as a result its financial and trading position depends on the financial and trading position of its subsidiaries.																																	
B.15	Principal activities	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																																	

		<p>operations, and among others:</p> <ul style="list-style-type: none"> • 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. <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 activity described in the above paragraph.</p> <p>The LVMH Group is organized in five main branches:</p> <p>Wines and Spirits</p> <p>The LVMH Group's Wines and Spirits activities regroup prestigious brands such as Moët & 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>Fashion and Leather Goods</p> <p>Along with Louis Vuitton, the Fashion and Leather Goods business group includes Donna Karan, Fendi, Loewe, Céline, Kenzo, Marc Jacobs, Givenchy fashion house, Thomas Pink, Pucci, Berluti, Rossimoda, Loro Piana and Nicolas Kirkwood.</p>
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		<p>Perfumes and Cosmetics</p> <p>LVMH is a major world player in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Parfums Kenzo, BeneFit Cosmetics, Make Up For Ever and Fresh.</p> <p>Watches and Jewelry</p> <p>The most recent LVMH business group holds a portfolio of top-quality watch and jewelry brands, with highly complementary market positions: TAG Heuer, Zenith, Montres Dior, Hublot, Bulgari, Chaumet and Fred.</p> <p>Selective Retailing</p> <p>The selective retailing businesses operate in two segments: travel retail (the sale of luxury products to international travelers), the business of DFS and Starboard Cruise Services, and selective retailing concepts represented by Sephora and the Paris department store Le Bon Marché.</p> <p>Other activities</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.16	Controlling persons	LVMH is controlled by the Arnault family group (made up of the Arnault family and controlled companies including Financière Jean Goujon).
B.17	Credit ratings assigned to the Issuer or its debt securities	<p>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 as at the date of the Base Prospectus.</p> <p>[Not Applicable. The Notes are not rated]. / [The Notes are expected to be rated [●] by [Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.].</p> <p>S&P/[●] 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 (www.esma.europa.eu/page/List-registered-and-certified-CRAs) as of the date of the Base Prospectus.</p> <p>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.</p>

Section C - Securities		
C.1	Type, class and identification number of the Notes	<p>The Notes are [Fixed Rate Notes] [Floating Rate Notes] [Zero Coupon Notes] [Instalment Notes].</p> <p>ISIN: [•] Common Code: [•]</p>
C.2	Currency	The currency of the Notes is: [•]
C.5	Restrictions on free transferability	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	Rights attached to the Notes including ranking and limitation of those rights	<ul style="list-style-type: none"> • <u>Issue price</u> [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)] • <u>Specified denomination</u> [•] • <u>Status of the Notes</u> 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.] • <u>Negative pledge</u> [There is a negative pledge with regards to Unsubordinated Notes.] [There is no negative pledge with regards to Subordinated Notes.] • <u>Events of default, including cross-acceleration</u> 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]. • <u>Taxation</u> 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.

		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.
C.10	Derivative component in interest payments	Please see Element C.9. Not Applicable. The Notes issued under the Programme do not contain any derivative component.
C.11	Admission to trading on a regulated market	[[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 Regulated Market of the Luxembourg Stock Exchange] / [●]] with effect from [●]]/[Not Applicable. The Notes are not intended to be admitted to trading]

Section D –Risk Factors		
D.2	Key information on the key risks that are specific to the Issuer	<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"> • 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; • 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; • 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; • 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

		<p>continued success of their products would be threatened;</p> <ul style="list-style-type: none"> • International exposure of the Group: the Group conducts business internationally and as a result is subject to various types of risks and uncertainties;
		<ul style="list-style-type: none"> • Other risks: consumer safety; seasonality; supply sources and strategic competencies; information systems; industrial environmental and meteorological risks; • Insurance policy risks: property and business interruption insurance; transportation insurance; third-party liability; coverage for special risks; • Financial markets risks: LVMH is subject to exposure to credit risk, counterparty risks, foreign exchange risk, interest rate risk, equity market risk, commodity market risk and liquidity risk.
D.3	Key information on the key risks that are specific to the Notes	<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"> • Investors must independently review and obtain professional advice with respect to the acquisition of the Notes; • Modification, waivers and substitution of conditions affecting the Notes that are not desired by all holders can be effected by a majority • No active Secondary/Trading Market for the Notes may develop; • Potential Conflicts of Interest may arise; • Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks; • 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; • 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; • 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; • 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;

		<ul style="list-style-type: none"> • 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; • Credit ratings may not reflect all risks; • 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. <p><u>2. Risks related to the structure of a particular issue of Notes:</u></p> <ul style="list-style-type: none"> • If the Notes are redeemable at the Issuer's option in certain circumstances, the Issuer may choose to redeem the Notes if the 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; • 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; • 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; • 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; • 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; • 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; • 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.
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Section E - Offer		
E.2b	Reasons for the offer and use of proceeds	[The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes./specify other]
E.3	Terms and conditions of the offer	<p>[The Notes are offered to the public in the [Grand Duchy of Luxembourg] / [insert other jurisdiction into which the Base Prospectus has been passported]] / [Not Applicable. 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>
E.4	Interests of natural and legal persons involved in the issue of the Notes	[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].
E.7	Estimated expenses charged to investor by the Issuer or the offeror	[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.

In its Wines and Spirits and Perfumes and Cosmetics business groups, and to a lesser extent in its Watches and Jewelry business group, LVMH sells a portion of its products to distributors outside the Group, which are thus responsible for sales to end customers. The reputation of the Group’s products thus rests in part on compliance by all distributors with the Group’s requirements in terms of their approach to the handling and presentation of products, marketing and communications policies, retail price management, etc.

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. Some of the Group's activities were thus penalized in 2014 by the "anti-extravagance" measures instated by China in late 2012. This was notably the case of the Cognac business, which, affected by the decline in receptions and banquets, suffered a drop in sales volumes in 2014 and 2015 related to the substantial volumes of inventories held by its distributors at the end of 2013. The fall in volumes of corporate gift-giving also had an adverse impact on the Watches and Jewelry business in 2014.

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 and insecurity, 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, especially in Wines and Spirits and Perfumes and Cosmetics. 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. This mainly involves the supply of grapes and eaux-de-vie in connection with the activities of the Wines and Spirits business group, of leathers, canvases, wools and furs in connection with the activities of the Fashion and Leather Goods business group, as well as watchmaking components, gemstones and precious metals in connection with the activities of the Watches and Jewelry business group.

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. The occurrence of this type of risk event may result in the loss or corruption of sensitive data, including information relating to products, customers or financial data. Such an event may also involve the partial or total unavailability of some systems, impeding the normal operation of the processes concerned.

- **Industrial, environmental and meteorological risks**

In Wines and Spirits, production activities depend upon weather conditions before the grape harvest. In addition, 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, terrorism, construction, 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, construction project risks 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 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

Through its financing, investment and market risk hedging operations, the Group is exposed to counterparty risk, mainly banking-related, which must be regularly and actively managed. Diversification of this risk is a key objective. Special attention is given to the exposure of our bank counterparties to financial and sovereign credit risks, in addition to their credit ratings, which must always be in the top-level categories.

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

The Group's debt is denominated in various currencies, with the portion denominated in currencies other than the euro being most of the time converted to euros via cross-currency swaps; the Group is then mainly exposed to fluctuations in euro interest rates. This interest rate risk is managed using swaps or 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. Moreover, listed securities may be held by certain of the funds in which the Group has invested, or directly in 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 of low significance. Its overall exposure to liquidity risk can be assessed with regard to the amount of the short term portion of its financial debt, excluding the impact of derivatives, net of cash and cash equivalents, which was 0.2 billion euros as of 31 December 2015, 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 3.4 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 (including when a Dealer acts as a Calculation Agent), 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 overview 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 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 may be exempt.

Under the European Commission's proposal, 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.

A joint statement issued on 8 December 2015, by the Participating Member States, except Estonia, indicated an intention to take decisions on pending issues in connection with the FTT by the end of July 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. 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.

1.9 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.

1.10 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*), an accelerated safeguard procedure (*procédure de sauvegarde accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) 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*), proposed accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or proposed judicial reorganisation plan (*projet de plan de redressement*) 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.

1.11 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.

1.12 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, 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. In August 2015, the PBOC implemented changes to the way it calculates the midpoint against the U.S. Dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of the RMB against other currencies. 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.

Issuer:	LVMH Moët Hennessy Louis Vuitton (“ LVMH ” or the “ Issuer ”)
Description:	Euro Medium Term Note Programme for the issue of Notes (the “ Programme ”)
Arranger:	Deutsche Bank AG, Paris Branch
Dealers:	<p>BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, MUFG Securities EMEA 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>
Programme Limit:	Up to Euro 10,000,000,000
Fiscal Agent and Principal Paying Agent:	<p>Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom</p>
Paying Agent:	<p>Deutsche Bank Luxembourg S.A. 2, boulevard Konrad Adenauer L-1115 Luxembourg Grand-Duchy of Luxembourg</p>
Method of Issue:	<p>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</p>

	Tranche, identical to the terms of other Tranches of the same Series) will be set out in the Final Terms to this Base Prospectus.
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.
Currencies:	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.
Denomination(s):	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).
Status of the Unsubordinated Notes:	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.
Status of the Subordinated Notes:	<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>
Negative Pledge:	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”.
Events of Default:	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”.

Redemption Amount:	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).
Optional Redemption:	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.
Redemption by Instalments:	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.
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 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.
Early Redemption:	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”.
Taxation:	<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>
Interest Periods and Interest Rates:	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.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (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 (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. <p>Interest periods will be specified in the relevant Final Terms.</p>
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Redenomination:	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.
Consolidation:	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”.
Form of Notes:	<p>Notes may be issued in dematerialised form (“Dematerialised Notes”) or in materialised form (“Materialised Notes”).</p> <p>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”.</p> <p>Materialised Notes will be in bearer materialised form (“Materialised Bearer Notes”) 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.</p>
Governing Law:	French law.

Initial Delivery of Dematerialised Notes:	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.
Initial Delivery of Materialised Notes:	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.
Issue Price:	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.
Listing and Admission to Trading:	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.
Selling Restrictions:	<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 "D Rules") 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 "C Rules") 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 ("TEFRA"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.</p>
Rating:	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) 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. 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 2015, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 270 of such document, which includes the audited annual consolidated financial statements of LVMH for the financial year ended 31 December 2015 and the notes related thereto (the “**2015 Document de Référence**”);
- (2) the French language version of the *document de référence* filed with the French *Autorité des marchés financiers* for the year 2014, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 278 of such document, which includes the audited annual consolidated financial statements of LVMH for the financial year ended 31 December 2014 and the notes related thereto (the “**2014 Document de Référence**”); and
- (3) the terms and conditions of the notes contained in the base prospectus of the Issuer dated, respectively 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**”), 2 July 2014 (the “**2014 EMTN Conditions**”), 16 July 2015 (the “**2015 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 2010 EMTN Conditions, the 2011 EMTN Conditions, the 2012 EMTN Conditions, the 2013 EMTN Conditions, the 2014 EMTN Conditions, the 2015 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.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form 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) 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	
Additional March 2011 EMTN Conditions	Page 2
2015 EMTN Conditions	Pages 41 to 72
2014 EMTN Conditions	Pages 41 to 72
2013 EMTN Conditions	Pages 35 to 66
2012 EMTN Conditions	Pages 34 to 62
2011 EMTN Conditions	Pages 35 to 62
2010 EMTN Conditions	Pages 34 to 61

**INFORMATION INCORPORATED BY REFERENCE FOR THE YEARS ENDED
31 DECEMBER 2014 AND 2015**

Information incorporated by reference	Reference
2015 Document de Référence	
Business description	Pages 10 to 21
Business and financial review	Pages 24 to 34
Consolidated income statement	Page 124
Consolidated statement of comprehensive gains and losses	Page 125
Consolidated balance sheet	Page 126
Consolidated statement of changes in equity	Page 127
Consolidated cash-flow statement	Page 128
Notes to the consolidated financial statements	Pages 129 to 183
Consolidated companies in 2015	Pages 184 to 189
Statutory Auditors' report on the consolidated financial statements	Page 190
2014 Document de Référence	
Business and financial review	Pages 24 to 35
Consolidated income statement	Page 118
Consolidated statement of comprehensive gains and losses	Page 119
Consolidated balance sheet	Page 120
Consolidated statement of changes in equity	Page 121
Consolidated cash-flow statement	Page 122
Notes to the consolidated financial statements	Pages 123 to 180
Consolidated companies in 2014	Pages 181 to 186
Statutory Auditors' report on the consolidated financial statements	Page 187

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 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 7 July 2016 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 depositary) 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 depositary 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:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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 *Code civil*, 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 will be effected by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed, 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), 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 will be effected, by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed, 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), 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 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), (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 unexpired 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 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.

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 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 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**”).

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, L.228-65 I 1°, 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 specifyⁱ, 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.

ⁱ 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.

(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 second 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.

(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) 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). 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), 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 2015, LVMH had a shareholders' equity of 25,799 million euros (compared to 23,003 million euros as of 31 December 2014) and a net financial debt of 4,235 million euros, compared to 4,805 million euros as of 31 December 2014.

Profit from recurring operations for the year ended on 31 December 2015 amounted to 6,605 million euros (compared to 5,715 million euros in 2014). Group share of net profit for the year ended on 31 December 2015 amounted to 3,573 million euros (compared to 5,648 million euros in 2014).

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

(consolidated financial data, millions of euros)	As of 31 December	
	2015	2014
Total Equity ^(a)	25,799	23,003
Net financial debt ^(b)	4,235	4,805
Long-term borrowings	4,511	5,054
Short-term borrowings	3,769	4,189
Balance sheet total	57,601	53,362

(consolidated financial data, millions of euros)	Fiscal year ended 31 December	
	2015	2014
Revenue	35,664	30,638
Profit from recurring operations	6,605	5,715
Net profit, Group share	3,573	5,648 ^(c)
Cash from operations before changes in working capital ^(d)	7,945	7,080

(a) Including minority interests.

(b) Excluding purchase commitments for minority interests included in Other non-current liabilities.

(c) Of which 2,677 million euros resulting from the distribution of Hermès shares.

(d) Before tax and interest paid.

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*). The Company was converted from a “*société anonyme*” to a “*société européenne*”, effective on 27 October 2014. 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 activity 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, from generation to generation, have successfully combined 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 while transcending time, without losing their soul or their image of distinction.

As of 31 December 2015, LVMH distribution network included 3,860 stores and the Group had 125,346 employees.

Main Activities

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

Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other Activities
Domaine Clos des Lambrays	Loewe	Guerlain	Chaumet	Le Bon Marché	Cova
Château d'Yquem	Louis Vuitton	Acqua di Parma	TAG Heuer	Franck et Fils	Royal Van Lent
Ruinart	Berluti	Parfums Christian Dior	Zenith	Starboard Cruise Services	Jardin d'acclimatation
Moët & Chandon	Loro Piana	Parfums Givenchy	Bvlgari	DFS	La Samaritaine
Hennessy	Fendi	Parfums Loewe	Fred	Sephora	Les Echos
Veuve Clicquot	Rossimoda	Ole Henriksen	Montres Dior		Le Parisien-Aujourd'hui en France
Ardbeg	Céline	Benefit	Hublot		Connaissance des Arts
Château Cheval Blanc	Emilio Pucci	Make Up For Ever	De Beers Diamond Jewellers		Investir-Le Journal des Finances
Krug	Givenchy	Kenzo Parfums			Radio Classique
Glenmorangie	Kenzo	Fresh			
Mercier	Thomas Pink	Nude			
Dom Pérignon	Marc Jacobs				
Wen Jun	Donna Karan				
Bodegas Chandon	Nicholas Kirkwood				
Newton	Edu				
Cape Mentelle					
Cloudy Bay					
Belvedere					
Numanthia Termes					
Terrazas de los Andes					
Cheval des Andes					

Wines and Spirits

The activities of LVMH in the Wines and Spirits sector are divided between two branches: the Champagne and Wines branch and the Cognac and Spirits branch. LVMH produces and sells a very broad range of high-quality champagne wines with prestigious and complementary brands: Dom Pérignon, Moët & Chandon, Veuve Clicquot Ponsardin, Mercier, Ruinart and Krug. In addition to the Champagne region, the Group develops and distributes a range of high-end still and sparkling wines, notably under the Chandon brand. Besides, it holds Château d'Yquem, the most prestigious of the Sauternes as well as a 50% stake in Château Cheval Blanc, Premier Grand Cru Classé A Saint-Emilion. In 2014 it acquired Domaine du Clos des Lambrays, one of the oldest and most renowned vineyards in Burgundy.

LVMH also holds the most powerful brand in the cognac sector with Hennessy. Founded by Richard Hennessy in 1765, Hennessy created X.O. (Extra Old) in 1870 and, since then, has developed a line of high-end cognac that has made its reputation. Since 2007, LVMH has owned 100% of the luxury vodka Belvedere. LVMH acquired Glenmorangie in 2005 which notably owns the single malt whisky brands Glenmorangie and Ardbeg.

Fashion and Leather Goods

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

Watches and Jewelry

The most recent LVMH business group holds a portfolio of top-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 Starboard Cruise Services, 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, Cheval Blanc Cheval Blanc (the spearhead of the Group's business development in hotels) and, since 2013, the Cova patisserie business, based in Milan (Italy).

Principal markets

LVMH operates on all major markets. In 2015, the breakdown of total net sales by geographic region of delivery was as follows: France: 10%; Rest of Europe: 18%; United States: 26%; Japan: 7%; Rest of Asia: 27%; Other markets: 12%.

The breakdown of sales by activity in 2015 was as follows:

%	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing
France	6	9	12	7	13
Rest of Europe	19	22	26	25	8
United States	30	22	14	11	39
Japan	6	11	4	13	2

Rest of Asia	23	28	29	27	29
Other markets	16	8	15	17	9

Of the 125,346 employees as of 31 December 2015, more than 82% are located outside France: 23% in the rest of Europe, 24% in the United States, 5% in Japan, 22% in the rest of Asia, and 8% in other regions.

Recent products and activities

Wines and Spirits

The Wines and Spirits business group had a very good year, marked by solid gains in champagne and a strong performance from Hennessy. The rapid development at Glenmorangie, Ardbeg and Belvedere, and in the Estates & Wines portfolio, contributed to the business group's growth. Volumes were up 3% in champagne and 8% in cognac. In a mixed global environment, the excellence of the products, the robust innovation policy implemented by the brands, and the responsiveness of Moët Hennessy's distribution network played a key role in these accomplishments.

For **Moët & Chandon**, 2015 was a year of many innovations: a new prestige cuvée showcasing the House's winemaking prowess, a bold move into the nightlife market with the first luminescent champagne bottles, and a new international communications campaign. Buoyed by solid performances in the United States, Europe and Japan, Moët & Chandon achieved record volumes and strengthened its leading market position.

Dom Pérignon continued to develop internationally and roll out its range of premium products. The brand's motto "The Power of Creation", aimed at elevating the tasting experience offered by its vintage champagnes.

Mercier developed and expanded its product range with the launch of a *Blanc de Noirs cuvée*.

Ruinart continued to focus on premium cuvées and its strong ties to contemporary design. The brand strengthened its position in France and accelerated its international expansion with solid growth in all regions.

Veuve Clicquot proved as innovative as ever, performing well across its full product range thanks to the strong results of its high-profile Carte Jaune cuvée, the gains made by *Rosé Non Vintage* and the success of *Clicquot Rich*, the first champagne designed specifically for use in mixed drinks. The brand built on its market-leading position in the United States.

Krug continued to increase its brand awareness and performance gains. While still pursuing the momentum in the American market, the brand also developed in Europe and made solid progress in Japan and the Asia-Pacific region.

Estates & Wines had a good year, with excellent performance from the **Chandon** brand and promising developments at newly established estates (China, India). The 2015 harvest was of exceptional quality at all northern-hemisphere vineyards, signaling the arrival of a historic new vintage.

Hennessy celebrated its 250th birthday with high profile communications initiatives around the world, recording a substantial increase in sales volumes and passing the 6 million case mark. Its results in the United States were remarkable across all cognac quality grades thanks to the robust performance of its star product Hennessy *Very Special*, its upmarket strategy and successful communications. In China, the second half of the year saw a rebound in sales, during a year marked by continuous destocking by retailers. Hennessy continued to concentrate its volumes on the highest-performing regions and developed its business not only in its historic markets but also in many new and promising countries such as Indonesia and the Philippines, emerging African and American markets, and travel retail channels.

Glenmorangie and **Ardbeg** continued to grow robustly on the back of strong demand for single malt premium whisky and increasing brand awareness. Their quality and innovation policy earned them award recognition and good sales. **Belvedere** vodka received a successful boost due to the high visibility afforded by its sponsorship of *Spectre*, the 24th James Bond film, and enjoyed numerous international distinctions.

Fashion and Leather Goods

Louis Vuitton maintained its creative momentum and the influence of its fascinating universe in 2015, infusing traditional craftsmanship with an avant-garde mindset. In leather goods – Louis Vuitton’s core calling – growth was all the more robust in that it reflected the balance sought between timeless icons like the *Monogram* and recent launches. The *Capucines* model and the new *Petite Malle* performed especially well. Communication was rooted in regular campaigns and compelling events at emblematic locations, dovetailing with specific products and store openings: runway shows at the Fondation Louis Vuitton in Paris and at Bob and Dolores Hope’s villa in Palm Springs, California; exhibitions related to the Maison’s collections and history; and a presence at various arts and sports events throughout the world. Over the summer, the Fondation Louis Vuitton presented its first “beyond the walls” exhibit in Beijing. Alongside the opening of the Louis Vuitton Galerie in Asnières, the Grand Palais in Paris held the “Volez, Voguez, Voyagez” exhibition tracing the House’s globetrotting history, which ran until February 2016. Louis Vuitton continued the quality-driven development of its store network, illustrated in particular by major renovations in Los Angeles, New York and Paris.

Fendi achieved a fine performance with an acceleration in revenue growth, the confirmed success of its new boutique concept, and market share gains in all regions. The brand enhanced its desirability, cultivating its image of audacity and refinement. It showed excellent momentum across all business areas, with especially strong demand for its iconic *Selleria* and *Peekaboo* leather goods lines. Several events stood out in 2015: the inauguration of the new headquarters at the Palazzo della Civiltà Italiana, the celebration of 50 years of creative collaboration with Karl Lagerfeld, and the reopening of the Palazzo Fendi in the heart of Rome.

Driven by the excellence of its fabrics and its creations designed for a discreet and exacting clientele, **Loro Piana** continued to develop internationally with selective boutique openings. The Fashion House continued to invest in its manufacturing capacity, bolstered its supply chain – notably introducing the first Loro Piana Cashmere of the Year Award – and launched a new exceptional fabric called The Blend ©, combining vicuña down and baby cashmere in a unique palette of colors, which was immediately embraced by its customers.

The momentum of **Céline** was driven by all its product categories. Ready-to-wear and footwear continued to affirm the brand’s modernity and quality, while the iconic leather goods lines elicited strong demand.

Givenchy and **Kenzo** had a very good year. Givenchy’s Women’s Summer 2016 collection presented in New York generated exceptional media coverage. Kenzo reinforced its positioning from one collection to the next, developed its store network, and cultivated a strong digital dimension.

Donna Karan and **Marc Jacobs** continued the strategic repositioning of their collections and consolidated their organizations. Donna Karan entrusted the creative directorship of *DKNY* women’s ready-to-wear to New York designers Dao-Yi Chow and Maxwell Osborne. Marc Jacobs grouped its designs under one brand with a singular communications campaign and runway show, and implemented a new store concept.

Under the creative direction of Jonathan Anderson, **Loewe** continued its stylistic evolution and updated its iconic product lines. The launch of the *Puzzle* bag – a perfect illustration of the brand’s craftsmanship – is already a great success.

Berluti had an eventful year, with numerous launches and the opening of a new workshop in Ferrara, which was necessary to accommodate its strong growth.

Thomas Pink, which maintained strong growth in its online sales, bolstered its digital strategy with the preparation of a new omni-channel platform.

Pucci appointed Massimo Giorgetti as its new creative director.

Perfumes and Cosmetics

Perfumes and Cosmetics had an eventful year, recording robust growth and new market share gains. LVMH's Houses continued to capitalize on the vibrancy of their emblematic product lines and a vigorous innovation policy.

Parfums Christian Dior built on its growth and gained market share across the globe. Performance was driven by the unprecedented worldwide success of its new men's fragrance *Sauvage* – as embodied by Johnny Depp – and the buoyancy of its three iconic perfumes: *J'adore*, which offered the new *Touche de Parfum*; *Miss Dior*, driven by a fresh communications campaign and its worldwide success; and *Dior Homme*, which delivered growth in the world's main national markets. Dior developed its collections by re-releasing the iconic amphora bottle and a new exceptional fragrance, *Fève Délicieuse*, designed by its perfumer François Demachy for *La Collection Privée Christian Dior*. Spurred by the creative flair of Peter Philips since 2014, the brand's make-up segment reaffirmed its leading position with even bolder collections and numerous new releases such as *Dior Addict Lipstick* and *Nude Air* serum foundation. In skincare, where Dior has achieved some age-fighting scientific breakthroughs, *Dreamskin* performed well, as did the *Prestige* range.

Guerlain continued to grow, helped along by the ongoing success of the various incarnations of *La Petite Robe Noire* and the performance of *L'Homme Idéal*, which is well established on its markets. Its skincare lines *Orchidée Impériale* and *Abeille Royale* flourished, and its iconic make-up creations *Terracotta* and *Météorites* posted excellent results. La Ruche, the brand's new skincare and make-up manufacturing site in Chartres, is an asset to cosmetics development and a symbol of Guerlain's long-term commitment to high quality, eco design and the transmission of know-how in France's Cosmetic Valley.

Parfums Givenchy made progress with support from all of its product categories. The fragrance *Gentlemen Only*, an embodiment of masculine elegance, continued to record growth alongside the promising success of the new women's fragrance *Live Irrésistible*. Development in make-up was driven notably by the brand's top lipstick, *Le Rouge*.

Kenzo Parfums successfully launched *Flower by Kenzo L'Élixir*, with a communications campaign embodying the spontaneity and poetry of the brand.

Benefit maintained its strong momentum and continued to gain market share in the United States, Europe and the Middle East, with the support of some extremely effective digital communications. The major innovation of 2015 was *Roller Lash* mascara, a high-performance product that also conveys Benefit's signature fun-and-quirky tone, which achieved rapid success.

Make Up For Ever expanded rapidly, validating its business development model based on exceptional creativity and the professional quality of its make-up. Its new foundation products released in 2015, *Ultra HD* and *Step 1*, proved highly successful.

Fresh maintained a high rate of growth, especially in Asia, propelled by its unique approach to beauty and its ranges of naturally-derived products. 2015 marked the beginning of the brand's development in Europe, with counters opening at the Galeries Lafayette in Paris and Harrods in London.

Acqua di Parma benefited from the excellent performance of its *Colonia* line, which embodies timeless elegance and the Italian art of living.

Watches and Jewelry

The Watches and Jewelry business group posted strong growth, with major gains in jewelry. The backdrop of economic and monetary uncertainty continued to make watch retailers prudent in their purchasing decisions. The boutiques achieved solid growth thanks to the success of their iconic product lines and the creativity of new offerings. The brands focused on building their reputations and invested selectively in their distribution networks and manufacturing capabilities.

Bulgari continued to thrive in terms of both revenue and profits, delivering a remarkable performance in jewelry thanks to the success of the emblematic *Serpenti*, *Bulgari-Bulgari* and *B.Zero1* product lines and the new *Diva* collection. Fine jewelry made spectacular gains with a contribution from the new *Giardini Italiani* collection, inspired by the creative artistry of Italian gardens and epitomizing the brand's peerless mastery of exceptional colored gemstone arrangements. The watchmaking segment benefited from the success of the new *Lucea* collection, the ongoing progress of *Serpenti*, and the growth of the *Octo* line for men. A thorough campaign of selective store openings and improvements was rewarded with a strong performance by Bulgari's own stores. In accessories and fragrances, Bulgari accelerated its move upmarket.

TAG Heuer continued to build on its core products. New releases and special series were added to the iconic *Formula 1*, *Aquaracer* and *Carrera* lines, with powerful communications initiatives to support them. The smartwatch unveiled in New York in November, in keeping with the brand's status as a pioneer, generated a lot of interest and made a remarkable start in terms of sales on its first markets. TAG Heuer continued improving its organization and optimizing its store network to build on their quality and profitability. TAG Heuer's visibility for its target audience and its social media presence were enhanced with an extensive network of partners and ambassadors, including the Red Bull Racing team, the German Bundesliga soccer league, the musician David Guetta and the Chinese singer G.E.M.

Hublot kept up its high rate of growth, driven by the *Classic Fusion* line and the emblematic *Big Bang*, which turned 10 years old in 2015. The brand illustrated its creativity and value strategy with many new fine timepieces. The opening of a second manufacturing facility in Nyon reinforced Hublot's technical mastery of the fabrication process for its *UNICO* movements and its complications, and enriched its technological and innovative capacities. The brand's visibility was boosted by lively communications initiatives including events, a digital presence, and prestigious partnerships in the arts and sports. New stores opened in Frankfurt, Dubai, Osaka and Chengdu.

Zenith celebrated its 150th anniversary in 2015, a tribute to its values of craftsmanship and passion for watchmaking. The new *Elite 6150* received a very enthusiastic welcome, while the iconic *El Primero* line continued to thrive. Zenith raised its profile and expanded its network with the opening of a store in Chengdu.

Chaumet had a year of strong growth, driven by its emblematic lines and a gradual move upmarket. Several new designs enriched the *Hortensia* and *Joséphine* collections. A "Musée Éphémère" pop-up exhibit was opened on the Place Vendôme in Paris, displaying Chaumet's historic and current creations on the theme of naturalism, a hallmark of its heritage.

Montres Dior benefited from the success of the *Grand Bal* fine timepiece collections. **De Beers** consolidated its position as the leading reference in the solitaire diamonds segment. **Fred** was buoyed by its iconic *Force 10* line and opened a new flagship boutique in Paris.

Selective Retailing

Sephora gained market share worldwide and achieved new double-digit revenue growth, with remarkable performances in North America and the Middle East. Recently entered markets – Australia in particular – were off to a promising start.

Expansion continued with close to 100 openings throughout the world in 2015. Several flagship stores such as the Mall of the Emirates store in Dubai and the Powell Street store in San Francisco were renovated to

enrich customers' digital and service experience. Online sales kept up their strong growth, accompanied in particular by an upgraded mobile offering. Sephora stepped up the pace of its omni-channel development strategy: several innovative offerings were launched, such as 48-hour delivery in the United States and the "Click & Collect" service in France, where products ordered online can be picked up in-store three hours later. Geographic expansion continued with the acquisition of the e-commerce site Luxola, which is present in nine countries in Southeast Asia. Sephora also maintained its focus on innovation in products and services with a reinforced exclusive offering, the launch of the Beauty to Go line of miniature products for everyday use and travel, and the "Play!" initiative in the United States, which lets customers sign up to receive samples of a selection of products.

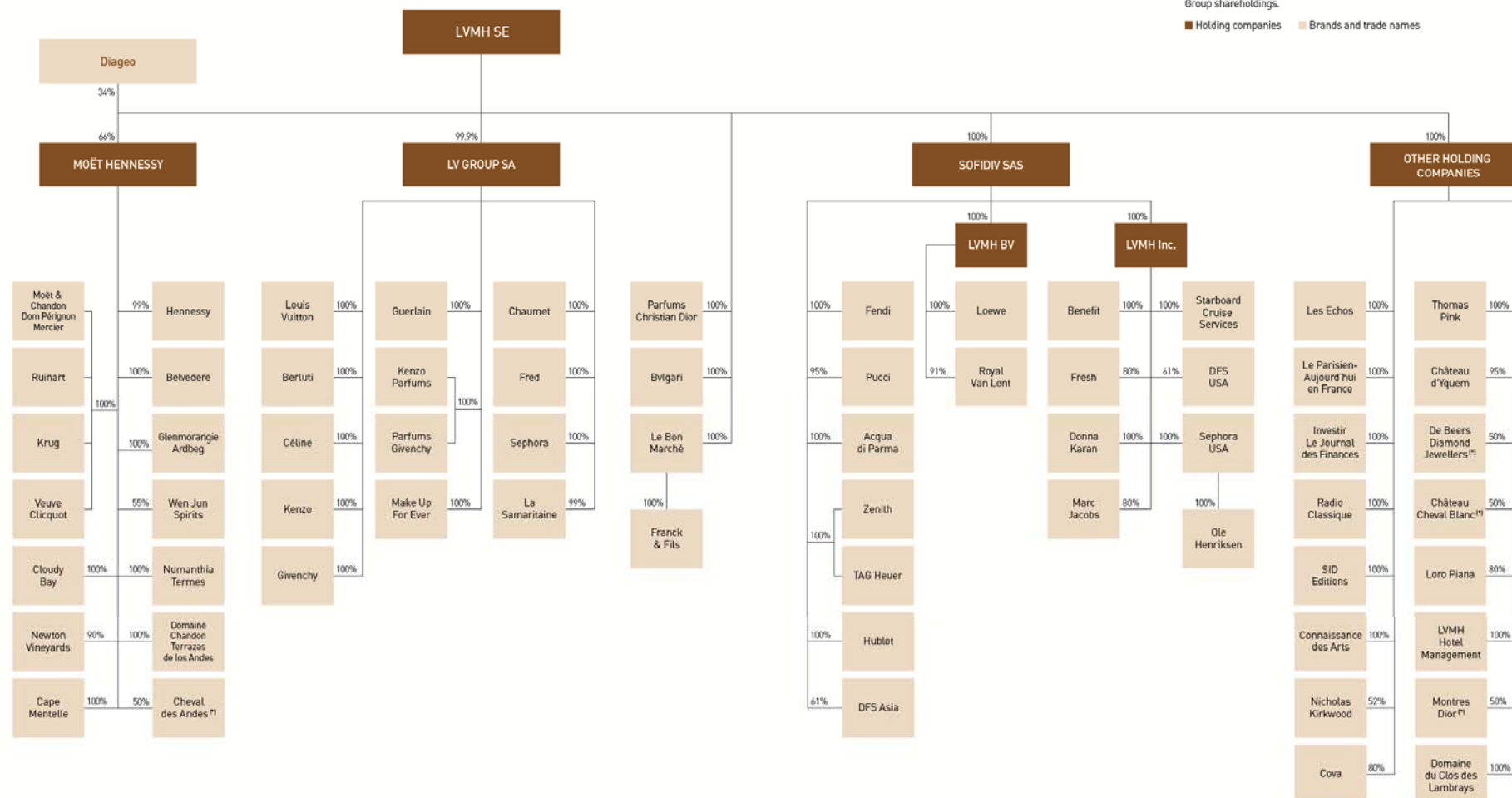
Le Bon Marché had a year of strong growth marked by innovation. One of the key events of 2015 was the opening of its new Footwear space with its magnificent glass ceilings. This renovation helped create remarkable momentum in the Accessories department, which was also boosted by the good results achieved in Watches and Jewelry. The ongoing transformation of the Women's Fashion space generated strong growth in this segment. Two highlights of the year at Le Bon Marché and the Grande Épicerie de Paris food store were the exhibition held at the beginning of the year in association with the Miami concept store The Webster and another devoted to the spirit of Brooklyn. The success of the "24 Sèvres" loyalty program exceeded expectations, expanding the customer base in France and drawing in a younger clientele. International customers, won over by Le Bon Marché's culturally rich, Parisian atmosphere, also contributed to revenue growth.

Travel retail activities were faced with a combination of unfavorable political, economic and monetary factors in Asia, with the exception of Japan, where **DFS** benefited from high levels of Chinese tourism. In this context, DFS drew on its unique expertise and its enormous capacity for innovation to develop its offering in response to the changing expectations of its globetrotting customers, while continuing to reduce operating costs. The T Beauty concept was launched in Macao and Hong Kong, offering a wide selection of brands and beauty products in an architectural space that is luxurious, modern and accessible. Another initiative, the wines and spirits duplex stores that opened at Changi Airport in Singapore, set a new benchmark for excellence in this category in terms of architecture and customer experience. In parallel, the plan to modernize existing stores continued, backed by a dynamic policy in marketing, events and loyalty building with the expansion of the LoyalT program.

The **Starboard Cruise Services** business on board cruise ships was boosted by the development of cruise routes in Asia and by its strategy of innovating and differentiating its in-store offerings by cruise line and customer base. The highlight of 2015 was the renewal of the contract with Royal Caribbean.

ORGANIZATIONAL STRUCTURE

SIMPLIFIED ORGANIZATIONAL CHART OF THE GROUP AS OF JANUARY 31, 2016



[*] Accounted for using the equity method since January 1, 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*
Charles de Croisset*
Diego Della Valle*
Albert Frère*
Clara Gaymard*
Marie-Josée Kravis*
Lord Powell of Bayswater

Marie-Laure Sauty de Chalon*
Yves-Thibault de Silguy*

Natacha Valla*
Hubert Védérine*

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 formal judicial inquiry, any official public incrimination and/or sanctions, any disqualifications from acting as a member of an administrative or management body imposed by a court and 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 Fondation-Hôpitaux de Paris-Hôpitaux de France, France.

Charles de Croisset*

International Advisor to Goldman Sachs International, Great Britain.

Diego Della Valle*

Chairman and Director delegate of Tod's S.p.A., Italy.

Albert Frère*

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

Clara Gaymard*

Co-founder of Raise, France.

Marie-Josée Kravis*

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

Lord Powell of Bayswater

Member of the House of Lords, the British Parliament's Upper Chamber.

Marie-Laure Sauty de Chalon*

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

Yves-Thibault de Silguy*

Chairman of YTSeuropaconsultants SARL, France.

Natacha Valla*

Deputy Director of CEPII

Hubert Védrine*

Managing Partner of Hubert Védrine (HV) Conseil SARL, 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 to the Chairman 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)

Antoine Arnault*

Charles de Croisset*

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

Charles de Croisset (Chairman)

Marie-José Kravis *

Yves-Thibault de Silguy*

EXECUTIVE COMMITTEE

Members of the Executive Committee

Bernard Arnault

Chairman and Chief Executive Officer

Antonio Belloni

Group Managing Director

Nicolas Bazire

Development and acquisitions

Michael Burke

Louis Vuitton

* Independent Director

Chantal Gaemperlé
Human resources and Synergies

Jean-Jacques Guiony
Finance

Christopher de Lapuente
Sephora and beauty

Christophe Navarre
Wines and Spirits

Pierre-Yves Roussel
Fashion Group

Philippe Schaus
DFS

Jean-Baptiste Voisin
Strategy

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

Names and addresses of the Issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).

Principal Statutory Auditors	Start date of first term	Date appointed	Current / last term
ERNST & YOUNG et Autres 1, place des Saisons – 92400 Courbevoie – Paris La Défense 1 (France) Represented by Jeanne Boillet and Gilles Cohen	6 June 1998	15 April 2010	Annual Meeting convened to approve the financial statements for the 2015 fiscal year
DELOITTE & ASSOCIES 185, avenue Charles de Gaulle – 92524 Neuilly-sur-Seine Cedex (France) Represented by Thierry Benoit and Guillaume Troussicot	13 May 2004	15 April 2010	Annual Meeting convened to approve the financial statements for the 2015 fiscal year

Alternate Statutory Auditors	Start date of first term	Date appointed	Current / last term
AUDITEX 1, place des Saisons – 92400 Courbevoie – Paris La Défense 1 (France)	14 April 2016	15 April 2010	Annual Meeting convened to approve the financial statements for the 2015 fiscal year
Mr. Denis GRISON 61, rue Henri Régnauld – 92075 Paris La Défense Cedex (France)	6 June 1986	15 April 2010	Annual Meeting convened to approve the financial statements for the 2015 fiscal year

Names and addresses of the Issuer's principal and alternate statutory auditors appointed by the Annual General Meeting held on 14 April 2016:

Principal Statutory Auditors	Start date of first term	Date appointed	Current / last term
ERNST & YOUNG Audit 1, place des Saisons – 92400 Courbevoie – Paris La Défense 1 (France) Represented by Jeanne Boillet and Benoit Schumacher	14 April 2016	14 April 2016	Annual Meeting convened to approve the financial statements for the 2022 fiscal year
MAZARS 61, rue Henri Régnauld – 92075 Paris La Défense Cedex (France) Represented by Loïc Wallaert and Simon Beillevaire	14 April 2016	14 April 2016	Annual Meeting convened to approve the financial statements for the 2022 fiscal year

Alternate Statutory Auditors	Start date of first term	Date appointed	Current / last term
AUDITEX 1, place des Saisons – 92400 Courbevoie – Paris La Défense 1 (France)	14 April 2016	14 April 2016	Annual Meeting convened to approve the financial statements for the 2022 fiscal year
Mr. Philippe CASTAGNAC 61, rue Henri Régnauld – 92075 Paris La Défense Cedex (France)	14 April 2016	14 April 2016	Annual Meeting convened to approve the financial statements for the 2022 fiscal year

INFORMATION RELATING TO LVMH CAPITAL

Share capital

The registered capital of LVMH, as it appears in its by-laws, amounts to 152,094,089.70 euros divided into 506,980,299 shares of a nominal value of 0.30 euro each, all the same class and wholly paid up.

As of 31 December 2015, the total issued capital consisted of 507,139,110 shares. 229,780,453 shares had double voting rights.

Shareholders and control

Shareholders	Number of shares	Number of voting rights ^(a)	% of capital	% of voting rights
Financière Jean Goujon	207,821,325	415,642,650	40.98	56.74
Arnault family group and other controlled companies ^(b)	28,691,463	45,176,631	5.66	6.16
Other shareholders	270,626,322	271,760,361	53.36	37.10
Total as of 31 December 2015	507,139,110	732,579,642	100.00	100.00

(a) Voting rights exercisable in Shareholders' Meetings.

(b) The Arnault Family Group, made up of the Arnault Family and controlled companies, including Financière Jean Goujon, directly or indirectly held 46.64% of the Company's share capital and 62.90% of the voting rights exercisable at Shareholders' Meetings.

Subject to the information provided above, to LVMH's knowledge:

- no shareholder held at least 5% of the Company's share capital and voting rights as of 31 December 2015;
- 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 2015, 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 2015, the Company held 4,339,921 shares as treasury shares. Of these shares, 1,359,960 were recognized as short-term investments, with the main objective of covering commitments for bonus share plans, while the remaining 2,979,961 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 2015, 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 of its shareholders, and ensures that shareholders fulfill all of 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 2015 included in the 2015 Document de Référence, established in accordance with international accounting standards and interpretations (IAS/IFRS) adopted by the European Union and applicable on 31 December 2015.

The 2015 Document de Référence, except for the third paragraph of the statement by the company officer responsible for the *document de référence* on page 270 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)	Notes	2015	2014
Brands and other intangible assets	3	13,572	13,031
Goodwill	4	10,122	8,810
Property, plant and equipment	6	11,157	10,387
Investments in joint ventures and associates	7	729	519
Non-current available for sale financial assets	8	574	580
Other non-current assets	9	552	489
Deferred tax	27	1,945	1,436
Non-current assets		38,651	35,252
Inventories and work in progress	10	10,096	9,475
Trade accounts receivable	11	2,521	2,274
Income taxes		384	354
Other current assets	12	2,355	1,916
Cash and cash equivalents	14	3,594	4,091
Current assets		18,950	18,110
Total assets		57,601	53,362

I – CONSOLIDATED BALANCE SHEET – Liabilities

LIABILITIES AND EQUITY <i>(EUR millions)</i>	Notes	2015	2014
Share capital	15.1	152	152
Share premium account	15.1	2,579	2,655
Treasury shares and LVMH share-settled derivatives	15.2	(240)	(374)
Cumulative translation adjustment	15.4	1,137	492
Revaluation reserves		949	1,019
Other reserves		16,189	12,171
Net profit, Group share		3,573	5,648
Equity, Group share		24,339	21,763
Minority interests	17	1,460	1,240
Total equity		25,799	23,003
Long-term borrowings	18	4,511	5,054
Non-current provisions	19	1,950	2,291
Deferred tax	27	4,685	4,392
Other non-current liabilities	20	7,957	6,447
Non-current liabilities		19,103	18,184
Short-term borrowings	18	3,769	4,189
Trade accounts payable	21.1	3,960	3,606
Income taxes		640	549
Current provisions	19	421	332
Other current liabilities	21.2	3,909	3,499
Current liabilities		12,699	12,175
Total liabilities and equity		57,601	53,362

II – CONSOLIDATED STATEMENT OF INCOME

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

III – CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES

<i>(EUR millions)</i>	2015	2014
Net profit before minority interests	4,001	6,105
Translation adjustments	631	534
Tax impact	135	104
	766	638
Change in value of available for sale financial assets	(32)	494
Amounts transferred to income statement	(91)	(3,326)
Tax impact	20	184
	(103)	(2,648)
Change in value of hedges of future foreign currency cash flows	(63)	(30)
Amounts transferred to income statement	33	(163)
Tax impact	3	57
	(27)	(136)
Gains and losses recognized in equity, transferable to income statement	636	(2,146)
Change in value of vineyard land	64	(17)
Amounts transferred to consolidated reserves	-	(10)
Tax impact	(21)	9
	43	(18)
Employee benefit commitments: change in value resulting from actuarial gains and losses	42	(161)
Tax impact	(16)	52
	26	(109)
Gains and losses recognized in equity, not transferable to income statement	69	(127)
Comprehensive income	4,706	3,832
Minority interests	(558)	(565)
Comprehensive income, Group share	4,148	3,267

IV – CONSOLIDATED CASH-FLOW STATEMENT

(EUR millions)	Notes	2015	2014
I. OPERATING ACTIVITIES AND OPERATING INVESTMENTS			
Operating profit		6,384	5,431
Income/(loss) and dividends from joint ventures and associates	7	27	26
Net increase in depreciation, amortization and provisions		2,081	1,895
Other computed expenses		(456)	(188)
Other adjustments		(91)	(84)
Cash from operations before changes in working capital		7,945	7,080
Cost of net financial debt: interest paid		(75)	(116)
Income taxes paid		(1,807)	(1,639)
Net cash from operating activities before changes in working capital		6,063	5,325
Change in working capital	14.1	(429)	(718)
Net cash from operating activities		5,634	4,607
Operating investments	14.2	(1,955)	(1,775)
Net cash from operating activities and operating investments (free cash flow)		3,679	2,832
II. FINANCIAL INVESTMENTS			
Purchase of non-current available for sale financial assets	8	(78)	(57)
Proceeds from sale of non-current available for sale financial assets	8	68	160
Dividends received	8	4	69
Income taxes paid related to financial investments		(265)	(237)
Impact of purchase and sale of consolidated investments	2.4	(240)	(167)
Net cash from (used in) financial investments		(511)	(232)
III. TRANSACTIONS RELATING TO EQUITY			
Capital increases of LVMH SE	15.1	35	59
Capital increases of subsidiaries subscribed by minority interests	17	81	3
Acquisition and disposals of treasury shares and LVMH share-settled derivatives	15.2	1	1
Interim and final dividends paid by LVMH SE ^(a)	15.3	(1,671)	(1,619)
Income taxes paid related to interim and final dividends paid		(304)	(79)
Interim and final dividends paid to minority interests in consolidated subsidiaries	17	(223)	(336)
Purchase and proceeds from sale of minority interests	2.4	(4)	10
Net cash from (used in) transactions relating to equity		(2,090)	(1,961)
Change in cash before financing activities		1,078	639
IV. FINANCING ACTIVITIES			
Proceeds from borrowings		1,008	2,407
Repayment of borrowings		(2,443)	(2,100)
Purchase and proceeds from sale of current available for sale financial assets	13	(3)	(106)
Net cash from (used in) financing activities		(1,438)	201
V. EFFECT OF EXCHANGE RATE CHANGES			
		(33)	27
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV+V)		(393)	867
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	14	3,783	2,916
CASH AND CASH EQUIVALENTS AT END OF PERIOD	14	3,390	3,783
TOTAL INCOME TAXES PAID		(2,376)	(1,955)
Transactions included in the table above, generating no change in cash:			
- acquisition of assets by means of finance leases		4	5

- (a) The distribution in kind of Hermès shares had no impact on cash, apart from related income tax effects. See Note 8 of the notes to the consolidated financial statements in the 2015 Document de Référence.

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	Available for sale financial assets	Hedges of future foreign currency cash flows	Vineyard land	Employee benefit commitments	Net profit and other reserves	Group share	Minority interests	Total equity
Notes		15.1		15.2	15.4							17	
As of December 31, 2012	508,163,349	152	3,848	(414)	342	1,943	118	758	(88)	17,765	24,424	1,084	25,508
Gains and losses recognized in equity					(350)	912	18	188	51	-	819	21	840
Net profit										3,436	3,436	511	3,947
Comprehensive income		-	-	-	(350)	912	18	188	51	3,436	4,255	532	4,787
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)
Acquisition of a controlling interest in Loro Piana											-	235	235
Changes in control of consolidated entities										1	1	(1)	-
Acquisition and disposal of minority interests' shares										(73)	(73)	(74)	(149)
Purchase commitments for minority interests' shares										(216)	(216)	(529)	(745)
As of December 31, 2013	507,793,661	152	3,849	(451)	(8)	2,855	136	946	(37)	19,437	26,879	1,028	27,907
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
Comprehensive income		-	-	-	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. See Note 8.				(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)
As of December 31, 2014	507,711,713	152	2,655	(374)	492	207	14	931	(133)	17,819	21,763	1,240	23,003
Gains and losses recognized in equity					645	(103)	(25)	33	25	-	575	130	705
Net profit										3,573	3,573	428	4,001
Comprehensive income		-	-	-	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)
As of December 31, 2015	507,139,110	152	2,579	(240)	1,137	104	(11)	964	(108)	19,762	24,339	1,460	25,799

Exceptional events and litigation

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 position 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 30 June 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 11 July 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 3 May 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 17 July 2014, eBay and LVMH announced a cooperative effort to protect intellectual property rights and combat counterfeits in online commerce. Thanks to the cooperation measures put in place, the companies have settled the ongoing litigation.

On 2 September 2014, under the aegis of the President of the Paris Commercial Court, LVMH and Hermès entered into a settlement agreement aimed at definitively ending the litigation to which LVMH's acquisition of an equity stake in Hermès had given rise, and at restoring a climate of positive relations between them. According to the terms of this agreement, (i) in December 2014, LVMH distributed to its shareholders all of the Hermès shares held by the LVMH group, and Christian Dior, which at that date held 40.9% of LVMH's share capital via Financière Jean Goujon, distributed the Hermès shares received from LVMH to its own shareholders, and (ii) LVMH and Hermès ceased all proceedings and actions undertaken against one another. See Note 8 for the impacts of this transaction on the consolidated financial statements as of 31 December 2014.

On 17 December 2012, the Mayor of Paris granted two distinct building permits authorizing the architectural project for the restructuring and reconstruction of the former La 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 11 April 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 a Historic Monument (Seine block). That first permit thereby became definitive. On 13 May 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. On 5 January 2015, the Paris Administrative Court of Appeal (*Cour administrative d'appel de Paris*) dismissed their appeals. La Samaritaine and the City of Paris filed a cassation appeal before the Council of State (*Conseil d'État*), which, in a judgment dated June 19, 2015, overturned the judgment of the Administrative Court of Appeal, thereby definitively validating the second building permit.

To the best of the Company's knowledge, there are no pending or impending administrative, judicial or arbitration procedures that are likely to have, or have had over the twelve-month period under review, any significant impact on the financial position or profitability of the Company and/or the Group.

Material contracts

Except as disclosed in the consolidated financial statements of the Company, pages 123 to 190 of the *2015 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

Revenue Growth of 4% for LVMH in the first quarter 2015

On 11 April 2016 LVMH published its sales for the 1st quarter 2016. In the first three months of 2016, the Group recorded a 4% increase in first quarter 2016 revenue to 8.620 billion euros. Organic* revenue growth was 3% compared to the same period in 2015.

By business group, the progress was as follows:

(in million Euros)	First three months		% change	
	Q1 2016	Q1 2015	Reported	Organic (*)
Wines & Spirits	1 033	992	+4	+6%
Fashion & Leather Goods	2 965	2 975	0%	0%
Perfumes & Cosmetics	1 213	1 129	+7%	+9%
Watches & Jewelry	774	723	+7%	+7%
Selective Retailing	2 747	2 648	+4%	+4%
Other activities and eliminations	(112)	(144)	-	-
Total	8 620	8 323	+4%	+3%

* with comparable structure and constant exchange rates.

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

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.

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 the case of reimbursement, redemption, repurchase or exchange of the Notes.

Luxembourg non-residents

Under Luxembourg general tax laws currently in force, all payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law.

Luxembourg residents

In accordance with the law of 23 December 2005, as amended (the “**Law**”), interest payments made by Luxembourg paying agents (defined in the same way as in the former Council Directive 2003/48/EC on taxation of savings income in the form of interest payments, as amended (the “**Former Savings Directive**”) to or for the immediate benefit of Luxembourg individual residents who are the beneficial owners or to certain residual entities within the meaning of Article 4.2 of the Former Savings Directive 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 2009/65/EC or for the exchange of information regime) are subject to a 10 per cent. withholding tax. This withholding tax also applies on accrued interest received upon disposal, redemption or repurchase of the Notes. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his private wealth. Responsibility for the withholding tax is assumed by the Luxembourg paying agent.

Pursuant to the Law, Luxembourg resident individuals, acting in the framework of their private wealth, who are the beneficial owners of interest payments can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Former Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an agreement with Luxembourg in connection with the Former Savings Directive.

In such case, the 10 per cent. levy is calculated on the same amounts as for the payments made by paying agents to the Luxembourg resident beneficial owner during the entire civil year. The Luxembourg resident individual who is the beneficial owner of interest is responsible for the declaration and the payment of the 10% final levy.

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 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.

Payments of interest and other revenues made by the Issuer 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, and BOI-IR-DOMIC-10-20-20-60-20150320, no. 10), 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 Code 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 Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located 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 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 an overview of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This overview 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 overview 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.

PEOPLE’S REPUBLIC OF CHINA (THE “PRC”)

The following overview describes the principal PRC tax consequences of ownership of the Notes by investors based on current law and practice of the PRC. This overview does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. It is not intended to be, nor should it be construed to be, legal or tax advice. Investors should consult their own tax advisers regarding the PRC tax consequences of an investment in the Notes.

Under the PRC Enterprise Income Tax Law and its implementation regulations, an enterprise established in the PRC or an enterprise established under the laws of a foreign jurisdiction with its “place of effective management” located within the PRC is considered a “resident enterprise” and will normally be subject to the enterprise income tax at the rate of 25% on its worldwide income. A “place of effective management” refers to the place where the material and overall management and control over the business, personnel, accounts and assets of the enterprise are exercised. In April 2009, the PRC State Administration of Taxation issued Circular GuoShuiFa 2009 No. 82, specifying certain criteria for determining whether the “place of effective management” is located within the PRC for enterprises incorporated outside of China and controlled by PRC enterprises.

If the holder of the Notes is a resident enterprise or individual of the PRC, pursuant to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementation regulations, payment of interest to such holder and gains realized by such holder from the transfer of the Notes shall be subject to income tax. The current rates of such income tax are 25% for PRC resident enterprises and 20% for PRC resident individuals.

If the Issuer is considered to be a PRC resident enterprise because its place of effective management is deemed to be within China, interest paid to non-resident holders and gains realised by such non-resident holders from transfer of the Notes may be regarded as income from sources within the PRC and therefore be subject to a 10% enterprise income tax if the holder is a non-resident enterprise, or 20% individual income tax if the holder is a non-resident individual, unless such income tax is reduced or exempted by any applicable tax treaty.

If the Issuer is not considered a PRC resident enterprise, the holders of the Notes who are not PRC residents for PRC tax purposes will not be subject to income tax in respect of interest payment or gains realized from transfer of the Notes.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 7 July 2016 (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 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), and includes any relevant implementing measure in the Relevant Member State.

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 7 July 2016 [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. However, a summary of the issue of the Notes is annexed to these Final Terms. 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), 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 [2010][2011][2012][2013][2014][2015] EMTN Conditions [and the Additional March 2011 EMTN Conditions], which are incorporated by reference in the Base Prospectus dated 7 July 2016]. 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 7 July 2016 [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 [2010][2011][2012][2013][2014][2015] 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 [2010][2011][2012][2013][2014][2015] EMTN Conditions, [the Additional March 2011 EMTN Conditions] and the Base Prospectus dated 7 July 2016 [and the supplement[s] to the Base Prospectus dated [●]]. However, a summary of the issue of the Notes is annexed to these Final Terms. 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), 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 (<i>assimilées</i>) 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]] <i>(This item applies to fungible issues only)</i>
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 [•]]ⁱ/[decision of [Président of the Board of Directors] dated [•]]ⁱⁱ

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	Fixed Rate Note Provisions	[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 ⁱⁱⁱ]/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 ^{iv} :	[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) ^v :	[•] (the “ RMB Rate Calculation Agent ”/ [Not Applicable]]
14	Floating Rate Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>

ⁱ Relevant for issues of Notes constituting *obligations* under French law.

ⁱⁱ Only relevant for issues of Notes not constituting obligations under French law.

ⁱⁱⁱ [RMB Notes only]

^{iv} [RMB Notes only]

^v [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] <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) / 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] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(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] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(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 ^{vi}
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] <i>[Delete as appropriate]</i>
	(i) Form of Dematerialised Notes:	[Not Applicable/if Applicable specify whether] [Bearer dematerialised form (<i>au porteur</i>) / Registered dematerialised form (<i>au nominatif</i>)]
	(ii) Registration Agent:	[Not Applicable/if Applicable give name and details] <i>(note that a Registration Agent must be appointed in relation to Registered dematerialised Notes only)</i>

^{vi} The Final Redemption Amount shall be at least 100 per cent. of the nominal value of the Notes.

	(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>)
23	Exclusion of the possibility to request identification of the Noteholders as provided by Condition 1(a)(i):	[Applicable/Not Applicable]
24	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>)]
25	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:	[•]
26	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] apply]
27	Consolidation provisions:	[Not Applicable/The provisions [in Condition 14(b)] apply]
28	Representation of holders of Notes ^{vii} <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> [If Condition 11 (a) (Full Masse) or (b) (Contractual Masse) applies, insert below details of Representative and alternate Representative and

^{vii} 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^{viii}: [•]]
- [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)]
- [[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).].
- (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:*

^{viii} 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 [AND FUTHER PERFORMANCE] [AND VOLATILITY]

Details of historic [and further performance] [and volatility] [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 Depositary: [Yes/No]

(ii) Common Depositary 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: [Deutsche Bank AG, London Branch]/[•]

Names and addresses of additional ☐
Paying Agent(s) (if any):

The aggregate principal amount of ☐ [Not Applicable/Euro ☐] (Only applicable for Notes not denominated
Notes issued has been translated in Euro)
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
a mount 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 ☐ [Not Applicable / Applicable with respect to any
the Offer Period: Authorised Offeror specified below]

Authorised Offeror(s) in the various countries ☐ [Not Applicable / *Name(s) and address(es) of the
where the offer takes place: 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 and addresses of Managers: [Not Applicable/give names and addresses]
(Include names and addresses 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**”).

[ANNEX – FORM OF ISSUE SPECIFIC SUMMARY]

(Issuer to annex form of issue specific summary to the Final Terms)

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 7 July 2016 [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 [2010][2011][2012][2013][2014][2015] EMTN Conditions [and the Additional March 2011 EMTN Conditions], which are incorporated by reference in the Base Prospectus dated 7 July 2016]. 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 7 July 2016 [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 [2010][2011][2012][2013][2014][2015] 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 [2010][2011][2012][2013][2014][2015] EMTN Conditions, [the Additional March 2011 EMTN Conditions] and the Base Prospectus dated 7 July 2016 [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 (<i>assimilées</i>) 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]] (<i>This item applies to fungible issues only</i>)
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 [<i>insert date</i>], (<i>if applicable</i>)]
5		Specified Denomination(s):	[•]
6	(i)	Issue Date:	[•]
	(ii)	Interest Commencement Date:	[•]
7		Maturity Date:	[<i>specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year</i>]
8		Interest Basis:	[[•] per cent. Fixed Rate] [[<i>specify particular reference rate</i>] +/- [•] 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 [•]]ⁱ/[decision of [*Président* of the Board of Directors] dated [•]]ⁱⁱ]

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 belowⁱⁱⁱ]/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*

ⁱ Relevant for issues of Notes constituting *obligations* under French law.

ⁱⁱ Only relevant for issues of Notes not constituting *obligations* under French law.

ⁱⁱⁱ [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 ^{iv} :	[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) ^v :	[•] (the “ Calculation Agent ”) / [Not Applicable]]
14 Floating Rate Note Provisions	[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 “ Calculation Agent ”)]
(vii) Screen Rate Determination:	[Applicable/Not Applicable]
– Relevant Time:	[•]
– Primary Source for Floating Rate:	[Specify Page or “Reference Banks”]

^{iv} [RMB Notes only]

^v [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:	[•]
15	Zero Coupon Note Provisions	[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 [•] per Note of [•] specified denomination of each Note:
 - (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^{vi}
- 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

^{vi} The Final Redemption Amount shall be at least 100 per cent. of the nominal value of the Notes.

Certificate]

- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] *(Only applicable to Materialised Notes)*
- 23** Exclusion of the possibility to request identification of the Noteholders as provided by condition 1(a)(i): [Applicable/Not Applicable]
- 24** Financial Centre(s) (Condition 7(h)): [Not Applicable/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)*]
- 25** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No/Not Applicable] *(Only applicable to Materialised Notes)*
- Details relating to Instalment Notes: [Not Applicable]
- (i) Instalment Amount(s): [●]
- (ii) Instalment Date(s): [●]
- (iii) Minimum Instalment Amount: [●]
- (iv) Maximum Instalment Amount: [●]
- 26** Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(d)] apply]
- 27** Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]

28 Representation of holders of Notes^{vii}
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:

^{vii} 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^{viii}: [●]]
[[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)]
[[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).].

(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:

^{viii} 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 Depositary: [Yes/No]

(ii) Common Depositary 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: [Deutsche Bank AG, London Branch]/[•]

Names and addresses of additional Paying Agent(s) (if any): [•]

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

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/ <i>give name</i>] |
| (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 *Directeur Général Délégué* of LVMH made on 5 July 2016.

(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) 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 2015.
- (5) Except as disclosed in this Base Prospectus on pages 99 to 101, 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 constitutive documents of the Issuer;
 - (ii) 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 2014 and 2015 (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):
 - (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), (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 2015 and for the year ended 31 December 2014. The Annual General Meeting held on 14 April 2016 has appointed Ernst & Young Audit 1, place des Saisons – 92400 Courbevoie – Paris La Défense 1, France and Mazars 61, rue Henri Régnauld, 92075 Paris La Défense Cedex, France, which shall replace Deloitte & Associés and Ernst & Young et Autres as principal statutory auditors of the Issuer.
- (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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75008 Paris
France

Dealers

BNP Paribas

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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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Credit Suisse Securities (Europe) Limited

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United Kingdom

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United Kingdom

HSBC Bank plc

8 Canada Square
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United Kingdom

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Merrill Lynch International

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United Kingdom

MUFG Securities EMEA plc

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United Kingdom

NATIXIS

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75013 Paris
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

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London EC2N 2DB
United Kingdom

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

Ernst & Young et Autres

1, place des Saisons
92400 Courbevoie – Paris La Défense 1
France

Deloitte & Associés

185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine Cedex
France

Legal Advisors

To the Issuer

As to French law

Bernard Kuhn

General Counsel
22, avenue Montaigne
75008 Paris
France

To the Dealers

As to French law

White & Case LLP

19, place Vendôme
75001 Paris
France

LVMH

MOËT HENNESSY ♦ LOUIS VUITTON