

LVMH
MOËT HENNESSY • LOUIS VUITTON

Annual Shareholders' Meeting

May 12, 2005

LVMH
MOËT HENNESSY • LOUIS VUITTON

Bernard Arnault

May 12, 2005

LVMH: World leader of luxury

LVMH strengthened leading position in luxury goods

Best trend in the sector over 3 years supported by:

- ◆ Innovation and creativity
- ◆ Growth and profitability
- ◆ Development of major brands and emerge of growth drivers

2004: A year of strong growth

In an unfavourable currency environment...

- ◆ Organic sales growth 11% all business groups contributed
- ◆ Operating income increased 11%
- ◆ Net income over €1 billion, up 40%
- ◆ Continued debt reduction and gearing reached objective of 50%

Strongly improved profitability

LVMH
MOËT HENNESSY • LOUIS VUITTON

Jean-Jacques Guiony

May 12, 2005

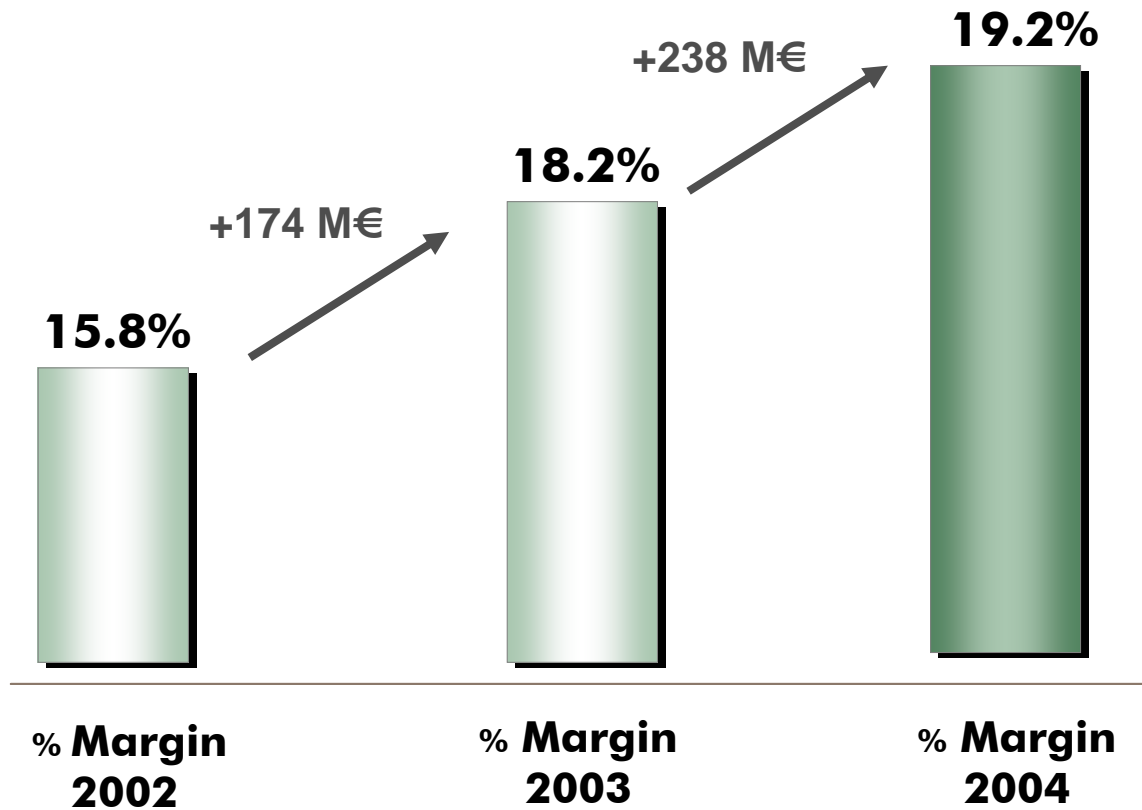
Net income increased 40% in 2004

<i>in millions of euros</i>	2003	2004	% variation
Sales	11 962	12 623	+ 6%
Gross margin	7 791	8 130	
<i>in % of sales</i>	65%	64%	
Selling expenses	(4 401)	(4 513)	+ 3%
General & Admin. expenses	(1 208)	(1 197)	- 1%
Operating income	2 182	2 420	+ 11%
Net financial expenses	(233)	(197)	
Other income and expenses	(349)	(126)	
Income tax	(488)	(603)	
Net income before goodwill amortization	1 023	1 294	+ 26%
Net income	723	1 010	+ 40%

11% increase in operating income in 2004

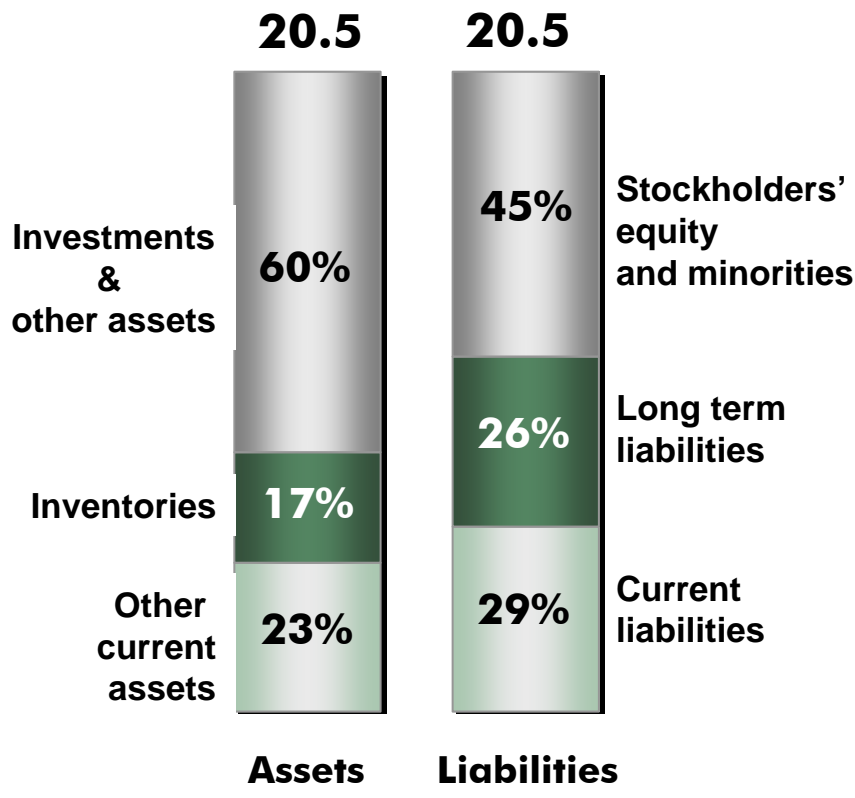
<i>in millions of euros</i>	2003	2004	Variation in M€
Wines & Spirits	796	806	+10
Fashion & Leather Goods	1 311	1 329	+18
Perfumes & Cosmetics	178	181	+3
Watches & Jewelry	(48)	13	+61
Selective Retailing	106	244	+138
Other and eliminations	(161)	(153)	+8
LVMH	2 182	2 420	+238

Continued improvement in operating margin in 2004



Strong financial structure

in billions of euros

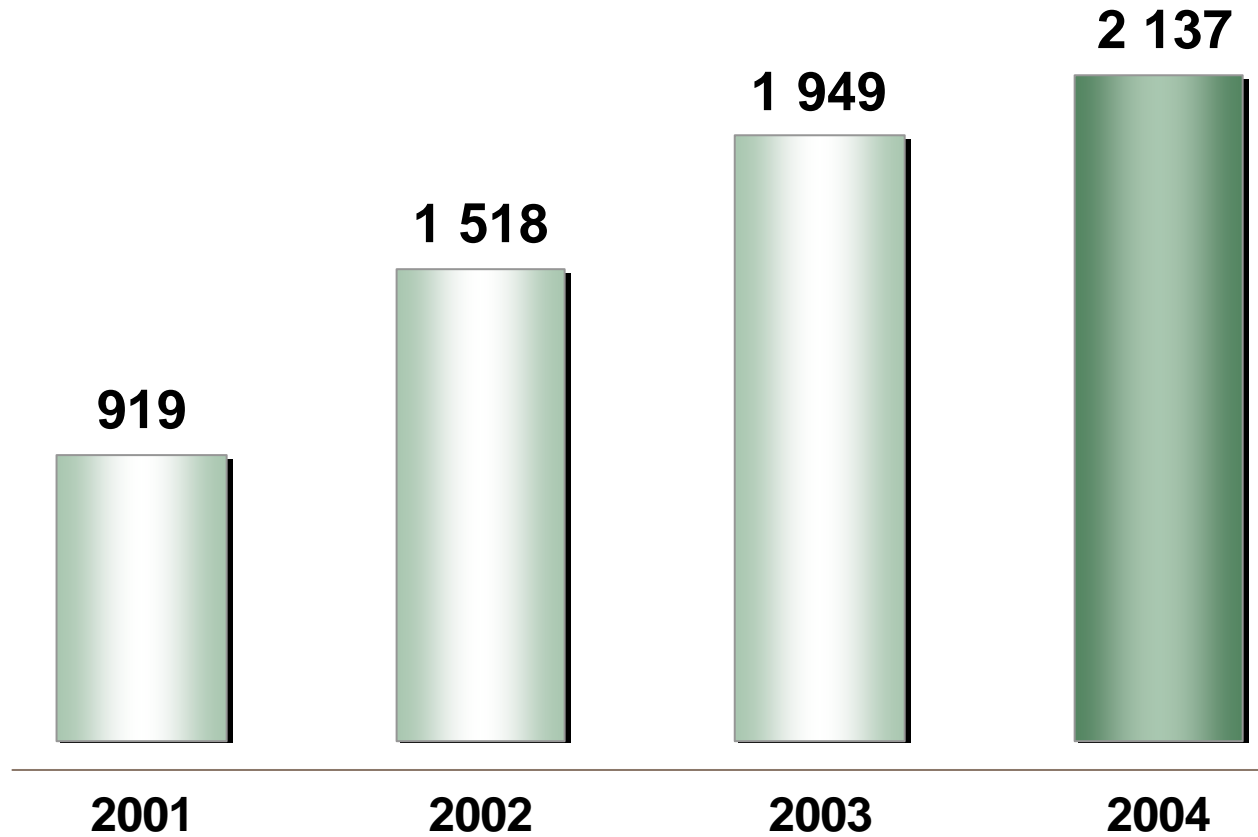


31/12/04

- ◆ Tangible increase in stockholder's equity
- ◆ Small increase in inventories, in line with sales increase
- ◆ Largely sufficient undrawn credit lines
- ◆ Debt reduction

Cash flow from operations increased by 2.5 times in 4 years

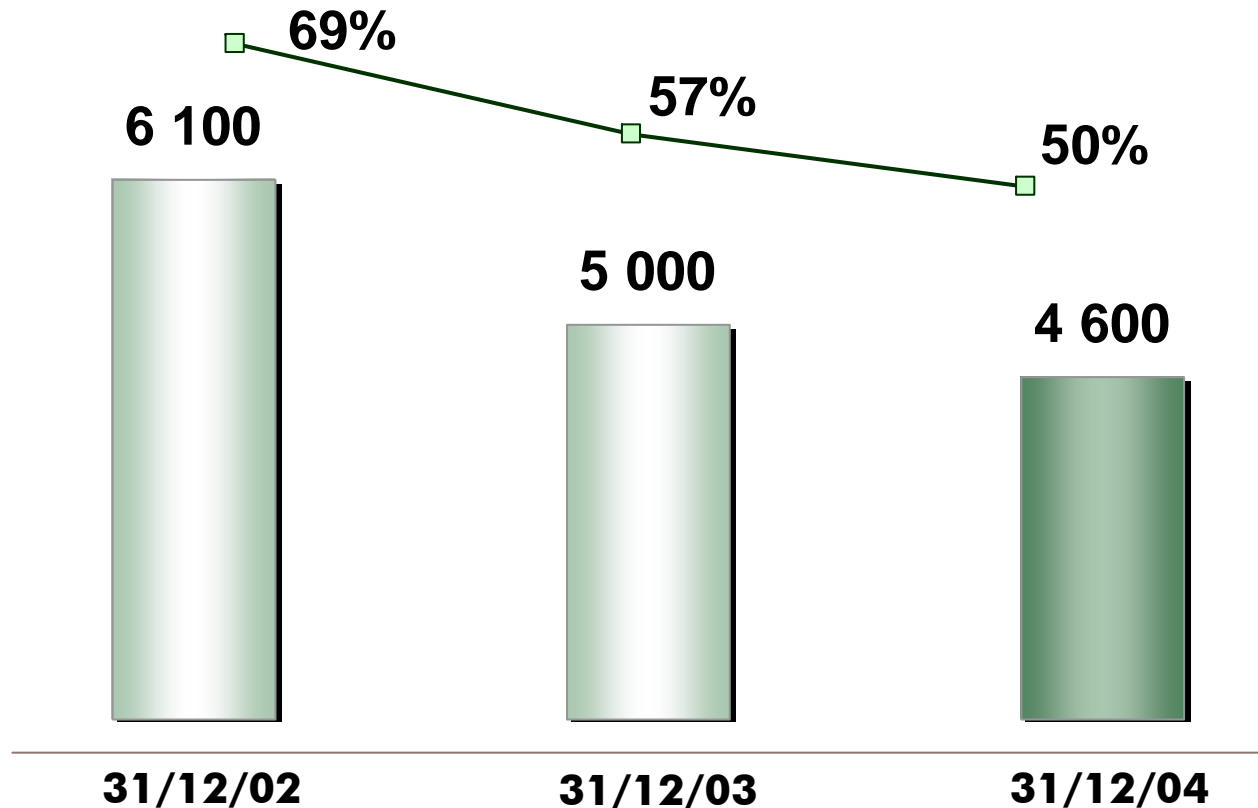
in millions of euros



Debt reduction in 2004

Reached objective of approximately 50% gearing at end 2005

Net debt* (in millions euros) and gearing* (%)



* Net of market value of Bouygues treasury shares

IFRS impact on 2004 accounts

- ◆ Limited impact on net sales and operating income
- ◆ Positive impact on net income: +18%
- ◆ Net financial debt increased by 5%
- ◆ Slight increase in Group share of stockholders' equity

LVMH
MOËT HENNESSY • LOUIS VUITTON

Annual Shareholders' Meeting

May 12, 2005

LVMH
MOËT HENNESSY • LOUIS VUITTON

Bernard Arnault

May 12, 2005

Results of the LVMH shareholder consultation

- ◆ LVMH strategy
- ◆ LVMH perspectives
- ◆ LVMH and its stakeholders

LVMH
MOËT HENNESSY • LOUIS VUITTON

LVMH Strategy

May 12, 2005

LVMH key strengths

- ◆ Only group present in all luxury sectors
- ◆ Good geographic balance of sales
- ◆ Strength of star brands - timeless and internationally well known
- ◆ Selective and targeted external growth strategy
- ◆ Financial strength
- ◆ Quality and creativity of teams

An effective, long-term growth model: 2002-2004

- ◆ Capacity to develop major brands
 - ◆ Louis Vuitton
 - ◆ Moët Hennessy
 - ◆ Parfums Christian Dior
- ◆ Capacity to turnaround and develop brands
 - ◆ Watches & Jewelry (TAG Heuer, Zenith)
 - ◆ Selective Retailing (DFS, Sephora)
- ◆ Capacity to increase cash flow from operations

3 years of solid
organic growth

Improved operating
margin by 3.4 points

+ 41% in two years

**Net Income Doubled:
from 556 million to over 1 billion Euros**

LVMH
MOËT HENNESSY • LOUIS VUITTON

LVMH perspectives

May 12, 2005

2005 off to a good start

- ◆ Continued strong organic growth in first quarter 2005: +11%
- ◆ Organic sales growth increased across all business groups
- ◆ Solid growth in the US and in Asia
- ◆ Unfavourable currency climate

**Maintain profitable growth strategy
in 2005**

Growth Drivers in 2005

- ◆ Benefit from the development of:
 - ◆ New territories / China
 - ◆ New product categories
- ◆ Innovative products
- ◆ Excellent teams
- ◆ Communication support for brands

**Objective of tangible increase
in operating income in 2005**

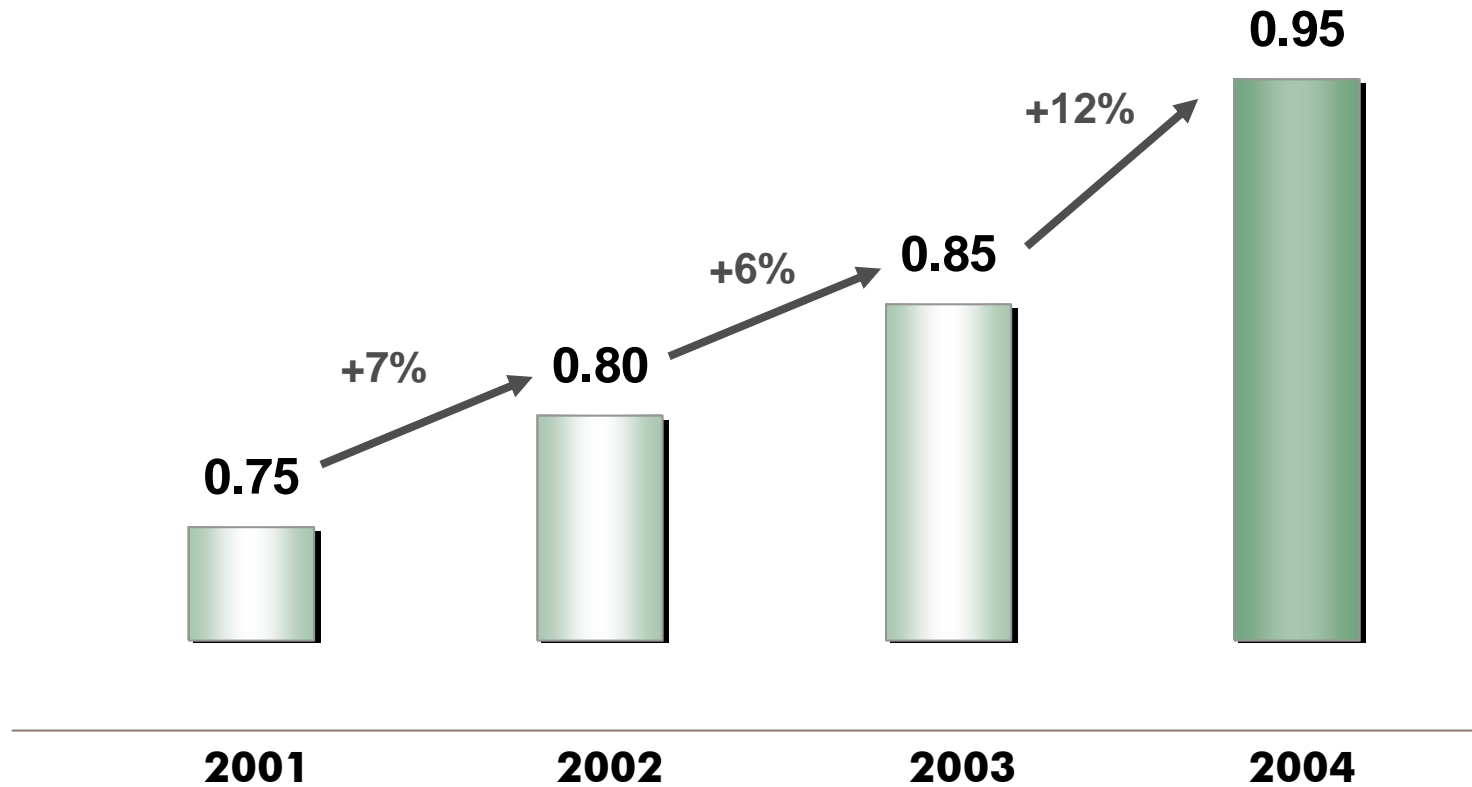
LVMH
MOËT HENNESSY • LOUIS VUITTON

LVMH and its stakeholders

May 12, 2005

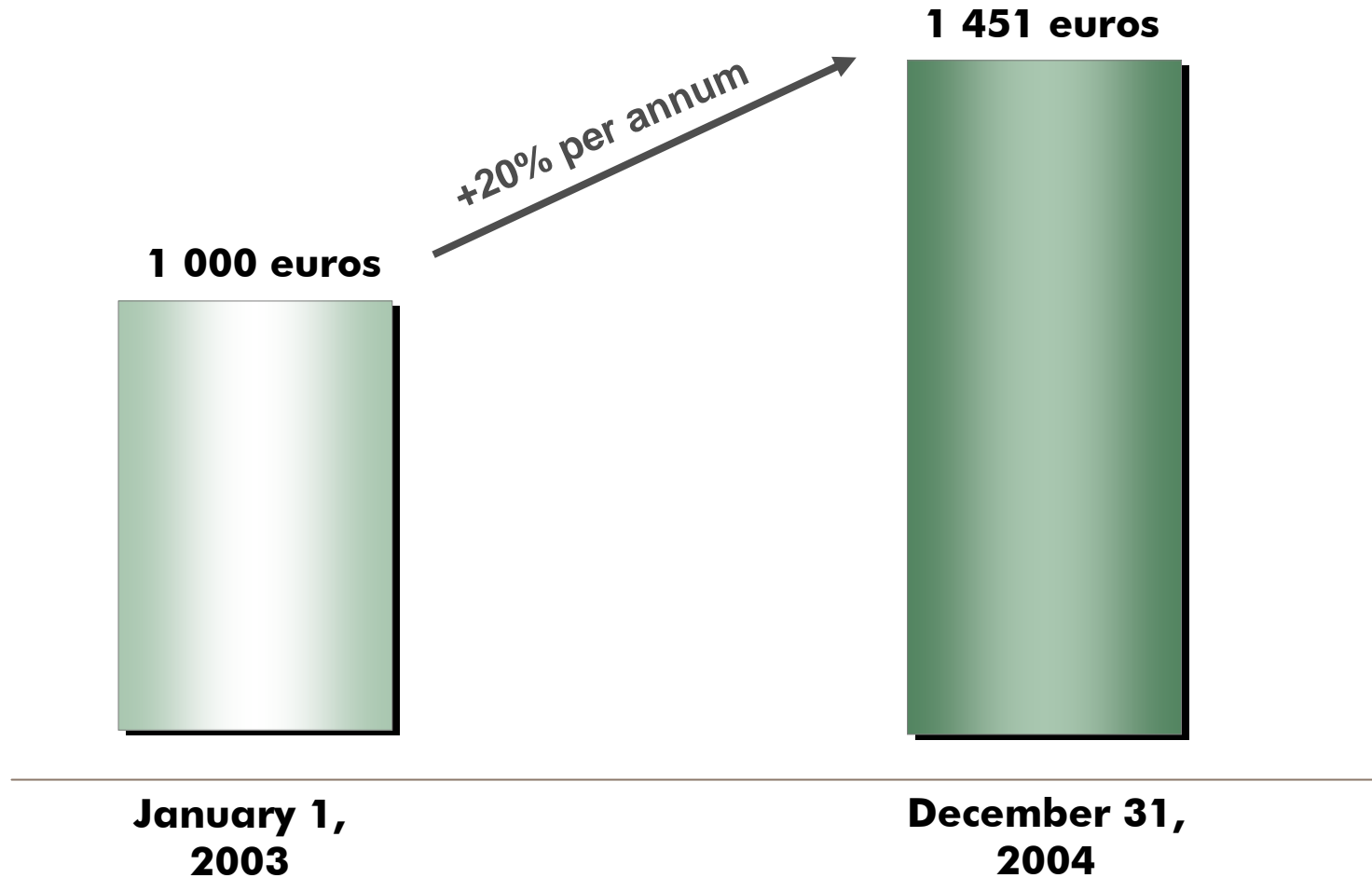
Continued increases in dividends

Dividends* (in euros)



* Per share excluding tax credit ("avoir fiscal")

A total shareholder return* of 20% per annum over 2 years



* taking into account reinvested dividends

Strong commitment to preserving environment

- ◆ Adherence to the Environmental Charter adopted in 2001
- ◆ Louis Vuitton participated in the Aichi 2005 Universal Exposition in Japan: "Nature's Wisdom"
 - ◆ Louis Vuitton implementing initiatives to reduce greenhouse gas
- ◆ Distribution of a first "Environmental trendbook"
 - ◆ Assists creators to take into account environmental factors in their concepts
- ◆ Publication of a booklet "Environment at the heart of our business" by Hennessy

A dynamic societal policy

- ◆ Traditional tradesmen's know-how at the heart of our businesses
 - ◆ Year of "savoir-faire" at Louis Vuitton
 - ◆ Fully renovated workshop at Asnieres
- ◆ Encouraging initiatives and innovation
- ◆ A strong policy of training and internal communication
- ◆ Some initiatives regarding our suppliers
- ◆ A commitment to lend support to cultural activities, young people and great humanitarian and public health causes

LVMH
MOËT HENNESSY • LOUIS VUITTON

Annual Shareholders' Meeting

May 12, 2005

LVMH
MOËT HENNESSY • LOUIS VUITTON

**Joint Auditors' Reports
to the Shareholders' Meeting**

May 12, 2005

Reports on the Financial Statements (1st and 2nd resolutions)

- ◆ Financial Statements:
 - ◆ True and fair view
 - ◆ Present fairly the financial position of the Group and the results of its operations

- ◆ Justification of our assessments:
 - ◆ Parent Company Financial Statements: Long term investments valuation
 - ◆ Consolidated Financial Statements : Brand and goodwill valuation

- ◆ Group Management Report
 - ◆ No comment to make

Reports on Related Party Transactions (3rd resolution)

Concern:

- ◆ Agreements authorized during the year
- ◆ Agreements approved in previous years

Audit report on the IFRS reconciliation statements for the year ended December 31, 2004

- ◆ The audited reconciliation statements were established in accordance with the rules described in the notes
- ◆ The reconciliation statements will be definitive on 31/12/05, any variation will derive from changes in the standards and from their interpretation.

Report on the report of the Chairman on the internal control procedures (*Art 225-37*)

- ◆ No comment to make on the information and the assertions given in respect of the internal control procedures relating to the preparation and treatment of financial and accounting information

Other reports

(12th , 13th , 14th , 15th , 16th , 17th , 18th resolutions)

- ◆ Capital reduction by canceling own shares (12th)
 - ◆ No particular comment
- ◆ Share capital increases through issuances or bonus shares (13th, 14th, 15th, 16th et 17th)
 - ◆ With delegation to the Board
 - ◆ With or without maintaining preferential subscription rights
 - ◆ Methods comply to law
 - ◆ Complementary report to issue in case of operations
- ◆ Attribution of bonus shares (18th)
 - ◆ No particular comment

LVMH
MOËT HENNESSY • LOUIS VUITTON

Annual Shareholders' Meeting

May 12, 2005