

First Half 2012 Results

Thursday July 26, 2012

H1 2012 revenue
by business group

<i>In millions of euros</i>	H1 2011	H1 2012	Reported growth	Organic growth
Wines & Spirits	1 435	1 759	+ 23%	+ 15%
Fashion & Leather Goods	3 971	4 656	+ 17%	+ 10%
Perfumes & Cosmetics	1 518	1 727	+ 14%	+ 9%
Watches & Jewelry	576	1 343	+ 133%	+ 13%
Selective retailing	2 831	3 590	+ 27%	+ 16%
Others and eliminations	(39)	(109)	-	-
Total LVMH	10 292	12 966	+ 26%	+ 12%

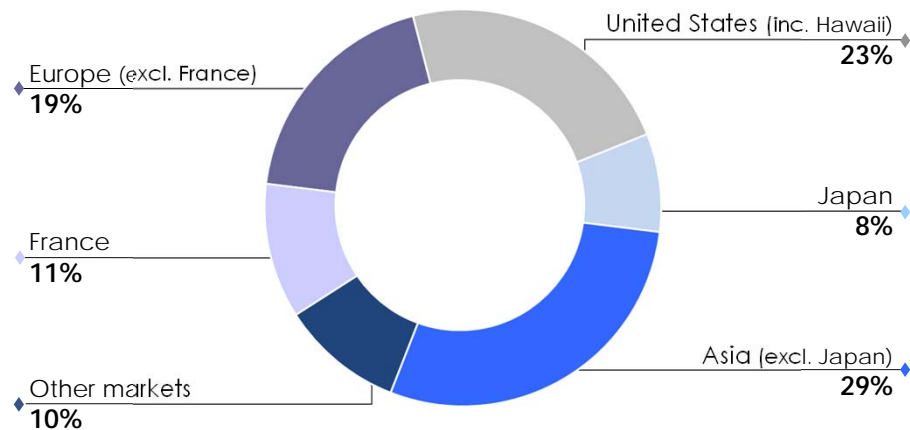
Quarterly revenue by business group

Organic revenue growth versus same period of 2011

	Q1 2012	Q2 2012	H1 2012
Wines & Spirits	+ 16%	+ 14%	+ 15%
Fashion & Leather Goods	+ 12%	+ 8%	+ 10%
Perfumes & Cosmetics	+9%	+ 9%	+ 9%
Watches & Jewelry	+ 17%	+ 9%	+ 13%
Selective retailing	+18%	+ 13%	+ 16%
Total LVMH	+ 14%	+ 10%	+ 12%

H1 2012 revenue breakdown by region

In % of total revenue



Revenue change by region

Organic growth versus H1 2011

LVMH Group	H1 2012
US*	+ 14%
Japan	+ 10%
Asia (excl. Japan)	+ 15%
Europe	+ 8%

* excl. Hawaii

Summarized income statement

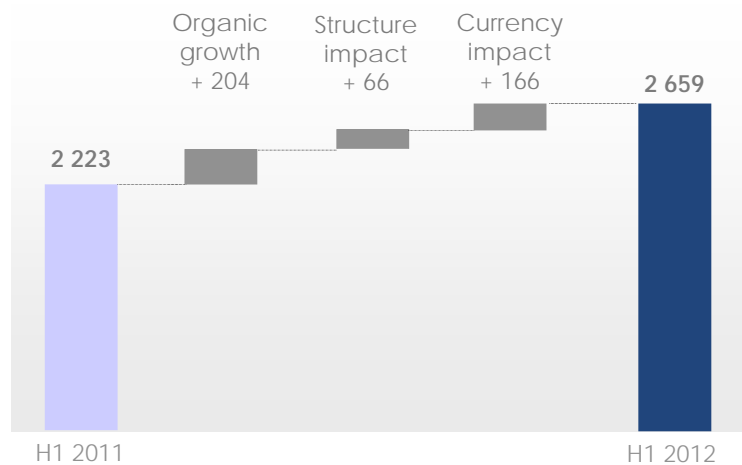
<i>In millions of euros</i>	H1 2011	H1 2012	% Change
Revenue	10 292	12 966	+ 26%
Gross margin	6 847	8 434	+ 23%
Selling expenses	(3 718)	(4 740)	+ 27%
Administrative expenses	(906)	(1 035)	+ 14%
Profit from recurring operations	2 223	2 659	+ 20%
Other income and expenses	(46)	(122)	
Operating profit	2 177	2 537	+ 17%
Net financial income (expenses)	(95)	56	
Income taxes	(621)	(705)	
Equity investment income	2	4	
Net profit before minority interests	1 463	1 892	+ 29%
Minority interests	(153)	(211)	
Group share of net profit	1 310	1 681	+ 28%

Profit from recurring operations by business group

<i>In millions of euros</i>	H1 2011	H1 2012	% Change
Wines & Spirits	413	496	+ 20%
Fashion & Leather Goods	1 381	1 516	+ 10%
Perfumes & Cosmetics	181	197	+9%
Watches & Jewelry	85	159	+ 87%
Selective retailing	287	373	+ 30%
Others and eliminations	(124)	(82)	<i>ns</i>
Total LVMH	2 223	2 659	+ 20%

Increase in profit from recurring operations on a same structure and currency basis

In millions of euros



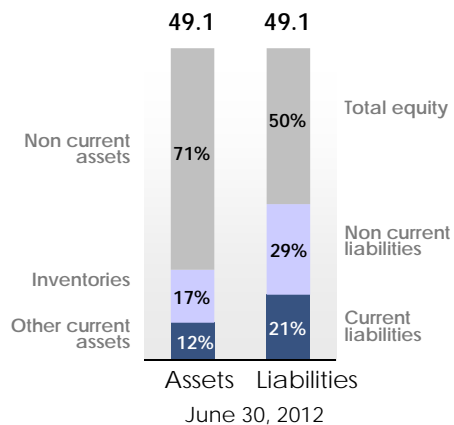
Change in net financial income (expense)

<i>In millions of euros</i>	H1 2011	H1 2012	Change (M€)
Cost of net financial debt	(75)	(78)	-3
Ineffective portion of currency hedge	(73)	(38)	+35
Net gain/(loss) relating to AFS* assets and other financial instruments	64	185	+121
Other items - net	(11)	(13)	-2
Net financial income (expense)	(95)	56	+151

* AFS: Available for sale

Solid financial structure

In billions of euros



- ◆ Increased total equity
- ◆ Progress of non-current assets notably due to the rise in the market value of the Group's investment in Hermès
- ◆ Increase of inventories attributable to growth in the Group's businesses

Analysis of cash flow from operations

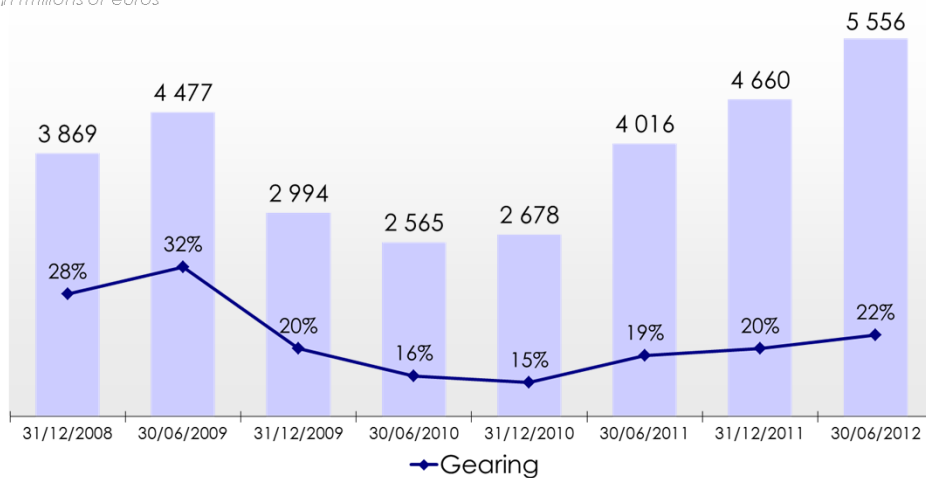
<i>In millions of euros</i>	H1 2011	H1 2012	Change (M€)
Cash from operations before changes in working capital	2 536	3 198	+662
Net interest paid	(92)	(98)	-6
Income taxes paid	(687)	(963)	-276
Net cash from operations before changes in working capital	1 757	2 137	+380
Working capital requirements	(602)	(926)	-324
Operating investments	(599)	(679)	-80
Free cash flow*	556	532	-24

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

◆ Interim dividend of 1.10 euro per share

Net financial debt

In millions of euros



Business groups
review

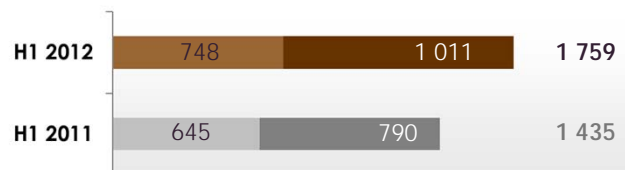
WINES & SPIRITS

Key figures

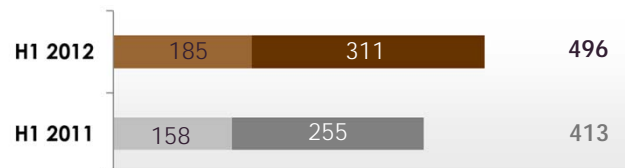
In millions of euros

■ Champagne and Wines ■ Cognac and Spirits

Revenue + 23%
Organic growth + 15%



Profit from recurring operations + 20%



H1 2012 Highlights

- ◆ Main growth regions (organic revenue):
Asia +25%, Europe +10%, Japan +17%, US +7%
- ◆ Continued strong consumer demand
- ◆ Positive effect of price increases,
especially for cognac
- ◆ Champagne: volumes + 6 %
 - Growth of prestige vintages and rosé
- ◆ Wines: strong revenue growth
 - Product mix improvement for Estates & Wines
 - Successful launch of Château d'Yquem 2009 vintage
- ◆ Cognac: volumes + 8 %
 - Good performance for all qualities
 - Strong momentum in Asia
 - Reaffirmed leadership in the US
 - Rapid progress in high potential markets such as Vietnam and Russia
- ◆ Other spirits: strong growth of Glenmorangie

2012 Outlook

- ◆ Continue controlled volume growth with priority on
markets with most value-added
- ◆ Reinforce brands' image and desirability
through strong and innovative communication
- ◆ Develop innovations and maintain value-creating
pricing policy
- ◆ Optimize supply management to support future growth

Key figures

In millions of euros

Revenue + 17%
Organic growth + 10%



Profit from recurring operations + 10%



H1 2012 Highlights

- ◆ Main growth regions (organic revenue):
US +18%, Europe +9%
- ◆ Louis Vuitton: double-digit revenue growth
 - All categories and markets contributed to increase
 - Strong momentum of Chinese and American clientele
 - Positive impact of tourism in Europe
 - Selective and qualitative expansion of store network
 - Confirmed success of *Empreinte* soft leather line
 - Good performances of the high-end leather goods line and *Epi* collection with introduction of new colors
- ◆ Fendi: strong growth of iconic *Baguette* bag (15th anniversary) and the *Peekaboo* line
- ◆ Céline: continued exceptional performance driven by strong momentum of its product lines
- ◆ Donna Karan: good progress of DKNY accessories collection, *Jeans* license back in-house

2012 Outlook

- ◆ Louis Vuitton
 - Continue innovation in all product categories
 - Inauguration of first High-end Jewelry store and workshop on Place Vendôme, Paris
 - Shanghai Plaza 66 Maison reopening
 - Creative collaboration with Yayoi Kusama
- ◆ Loewe: accelerate roll-out of new store concept
- ◆ Céline: focus on store network renovation and expansion
- ◆ Berluti: roll-out of expanded offering of new categories (RTW, leather goods)
- ◆ Accelerate other brands' profitable growth

Key figures

In millions of euros

Revenue + 14%
Organic growth + 9%



Profit from recurring operations + 9%



H1 2012 Highlights

- ◆ Main growth regions (organic revenue):
 - US +15%, Asia +16%, Europe +5%, Japan +8%
- ◆ Parfums Christian Dior driven by brand's exceptional global desirability
 - Continued strong, qualitative momentum of its iconic fragrance, *J'Adore*
 - Excellent performance of *Dior Homme*
 - Growth of high-end skincare, *Prestige*
- ◆ Guerlain: promising start of *La Petite Robe Noire* in France and continued good progress of *Orchidée Impériale*
- ◆ New fragrances *Irresistible Electric Rose* at Parfums Givenchy and *Homme Sport* at Parfums Kenzo
- ◆ Benefit: strong growth thanks to *they're Real* mascara
- ◆ Make Up For Ever: opened in Brazil

2012 Outlook

- ◆ Continue strong innovation and maintain significant investments
- ◆ Focus on developing fragrance in Asia
- ◆ Parfums Christian Dior
 - Continue to support iconic lines in conjunction with Couture
 - New progress in makeup and skincare
- ◆ Guerlain : international launch of *La Petite Robe Noire* and *Super Aqua* skincare
- ◆ International roll-out of *Dahlia Noir* at Givenchy and *Madly Kenzo* at Parfums Kenzo
- ◆ Introduce the American brand Fresh in Asia

Key figures

In millions of euros

Revenue + 133%
Organic growth + 13%



Profit from recurring operations + 87%



H1 2012 Highlights

- ◆ Main growth regions (organic revenue):
US +8%, Europe +24%, Asia +4%, Japan +8%
- ◆ Favorable demand for watch brands in all regions
- ◆ Record orders during watch fairs thanks to several innovations
- ◆ Good performance at Jewelry Maisons' own stores
- ◆ Well executed integration of Bulgari benefiting from reinforced communication for iconic lines
- ◆ Start of construction of new manufacturing plant for TAG Heuer in Chevenez, Switzerland

2012 Outlook

- ◆ Targeting market share gains for all brands
- ◆ Continue upmarket positioning through strong innovation and focused communication
- ◆ Launch of Bulgari's *Octo* watch to reinforce male product offering
- ◆ Accelerate in-house production of watch components
- ◆ Selective expansion of own network with store concept evolution at TAG Heuer and Bulgari

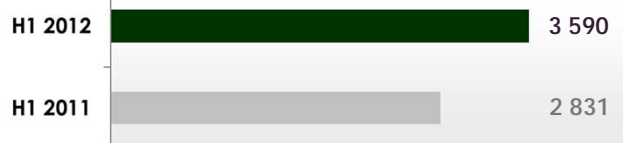
Key figures

In millions of euros

Revenue

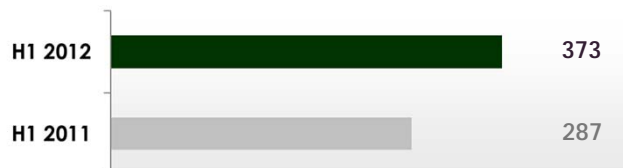
+ 27%

Organic growth + 16%



Profit from recurring operations

+ 30%



H1 2012 Highlights

- ◆ Main growth regions (organic revenue):
Asia +22%, US +14%, Europe +9%

DFS

- ◆ Strong momentum of Asian clientele
- ◆ Rapid progress of Hong Kong and Macao, recovery in Hawaii, Guam and Saipan
- ◆ Continued upmarket positioning and innovative offering and services

SEPHORA

- ◆ Market share gains in all regions
- ◆ Strong growth in emerging markets such as Mexico, Middle East and South Asia
- ◆ First store in Denmark
- ◆ Network of 1 349 stores at end of June 2012
(+123 vs. June 2011)

2012 Outlook

Objective of further market share gains

DFS

- ◆ Open third Galleria in Hong Kong
- ◆ Continue renovation and expansion of Macao and Singapore Galleries
- ◆ Start of new Hong Kong airport concessions at year end

SEPHORA

- ◆ Store network expansion in key countries
(over 70 openings expected in H2)
- ◆ Develop mobile technologies for clients
- ◆ Renewed US e-commerce website
- ◆ Evolve store concept to reinforce leadership

Conclusion

Excellent performance of LVMH in the first half of 2012

- ◆ Double-digit organic revenue growth
- ◆ Continued rapid growth in Asia and the United States, despite moderate economic growth in Europe
- ◆ Double-digit revenue growth at Louis Vuitton
- ◆ Strong momentum of fashion brands
- ◆ Robust demand and improved product mix for Wines & Spirits
- ◆ Continued innovation and success of iconic lines at Christian Dior
- ◆ Continued integration of Bulgari within LVMH
- ◆ Excellent global performance of DFS and Sephora

2012 Outlook

- ◆ Confidence for 2012
despite uncertain economic environment in Europe
- ◆ Reactive teams responsive to evolution in the environment
- ◆ Pursue synergies and long-term action plans
- ◆ Sustain brands in their development
 - Continued innovation
 - Product launches
 - Targeted investments

Objective of LVMH to reinforce its leadership
in the global luxury market