

*This document is a free translation into English of the original French “Avis de convocation”.
It is not a binding document. In the event of a conflict in interpretation,
reference should be made to the French version, which is the authentic text.*

Draft resolutions of LVMH’s Shareholders’ Meeting

Extraordinary resolution

First resolution (Amendments of article 28 of the Bylaws)

The Shareholders’ Meeting, in accordance with the quorum and majority conditions required for extraordinary shareholders’ meetings, and having considered the report of the Board of Directors, decides:

- to add a paragraph after the seventh paragraph of article 28 of the Bylaws (“*appropriation of results and allocation of profits*”) which shall read as follows:

“The Shareholders’ Meeting may also decide to distribute assets recorded in the balance sheet of the Company and in particular securities by taking sums from the profits, retained earnings, reserves or premiums. The Shareholders’ Meeting may decide that the rights forming fractional shares will be neither tradable nor assignable, notwithstanding the provisions of the last paragraph of article 8 of the Bylaws. The Shareholders’ Meeting may in particular decide that, if the share of the distribution to which a shareholder is entitled does not correspond to a whole number of the unit of measure used for the distribution, the shareholder will receive the whole number of the unit of measure immediately below this amount together with a payment in cash for the balance.”

- to amend the eighth paragraph of article 28 of the Bylaws (“*appropriation of results and allocation of profits*”) as follows:

“When a balance sheet, drawn up during, or at the end of the fiscal year, and certified by a Statutory Auditor, shows that the Company, since the close of the preceding fiscal year, after having made the necessary depreciations and provisions and after deduction of prior losses, if any, as well as of the amounts which are to be allocated to reserves provided by law or the Bylaws, and taking into account profits carried forward, if any, has available earnings, the Board of Directors may resolve to distribute, prior to the approval of the accounts of the fiscal year, interim dividends and may determine their terms and in particular the amount and date of allocation. Such interim dividends may be distributed in cash or in kind, in particular through the allocation of assets recorded in the balance sheet of the Company (including securities). In the case of a distribution of an interim dividend in kind, the Board of Directors may resolve that the rights forming fractional shares will be neither tradable nor assignable, notwithstanding the provisions of the last paragraph of article 8 of the Bylaws. The Board of Directors may in particular decide that, if the share of the distribution to which a shareholder is entitled does not correspond to a whole number of the unit of measure used for the distribution, the shareholder will receive the whole number of the unit of measure immediately below this amount together with a payment in cash for the balance. The amount of such interim dividends cannot exceed the amount of the profits as defined in this paragraph.”

The rest of article 28 of the Bylaws remaining unchanged.

Ordinary resolutions

Second resolution (*Allocation of retained earnings to the Other Reserves account*)

The Shareholders' Meeting, in accordance with the quorum and majority conditions required for ordinary shareholders' meetings, and having considered the report of the Board of Directors, decides, on the recommendation of the Board of Directors, to allocate all of the amounts recognized in the retained earnings account, i.e. €5,456,891,995.69, to the Other Reserves account, which will therefore amount to €5,651,904,495.69.

Third resolution (*Exceptional distribution in kind of portfolio securities*)

The Shareholders' Meeting, in accordance with the quorum and majority conditions required for ordinary shareholders' meetings, and having considered:

- the report of the Board of Directors;
- the detailed press release relating to the contemplated distribution in kind of Hermès International shares which has been published prior to the Shareholders' Meeting;

acknowledges the amounts recognized in the Other Reserves account and in the Merger Premium, Contribution Premium and Share Premium accounts,

decides:

- to proceed, according to the conditions and in the manner described below, with an exceptional distribution in the form of an allocation of Hermès International shares, on the basis of 2 Hermès International shares for 41 Company shares;
- that those entitled to the allocation of Hermès International shares will be the shareholders of the Company whose shares have been recorded in the accounts in their name at the end of the trading day preceding the date of detachment and payment (i.e. after taking into account orders executed during the day before that of detachment of the exceptional distribution, even if these orders are settled and delivered after the date of detachment);
- that the rights forming fractional shares will be neither tradable nor assignable. As a consequence, if the allocation to which a shareholder is entitled by application of the distribution ratio used is not a whole number of Hermès International shares (i.e. a holding of Company shares lower than 41 or which does not correspond to a multiple of 41), the shareholder will receive the number of Hermès International shares immediately below this amount, together with a payment in cash for the balance to be paid by the Company and the amount of which will be calculated in proportion to the opening trading price of Hermès International shares the day of the payment of the exceptional distribution;
- that the Hermès International shares thus allocated will be valued at the opening trading price of Hermès International shares the day of the payment of the exceptional distribution;

- that the amount corresponding to the exceptional distribution, i.e. the number of Hermès International shares distributed (whether there are delivered to the shareholders or sold, in particular, because of the fractional shares) multiplied by the opening trading price of Hermès International shares on the day of the payment of the exceptional distribution, will be deducted in priority from the Other Reserves account and, for any surplus, from the Merger Premium, Contribution Premium and Share Premium accounts, it being specified that the total amount of the exceptional distribution of Hermès International shares shall not exceed the amount of the reserves and premiums distributable in accordance with current laws and regulations (the amount of the exceptional distribution would reach €5,652,165,218, assuming (i) that the 24,473,545 Hermès International shares held by the Company are entirely allocated and (ii) a trading price of each Hermès International share equal to €230.95, i.e. the closing share price on October 20, 2014);
- that assuming that, given the opening trading price of the Hermès International shares of the day of payment, the distribution exceeds the authorized ceiling, the Board of Directors shall have all powers in order to adjust the distribution ratio stated above, so that the amount to be distributed does not exceed such ceiling;
- that the date of detachment and payment of the exceptional distribution as set by the Board of Directors will be communicated to shareholders at the latest four business days before the payment;
- that the rights of holders of stock options of the Company in effect on the date of detachment of the exceptional distribution will be preserved and that the Board of Directors shall have all powers in order to adjust the number and the price of the shares under option in accordance with the principles set out in Article R. 228-91 of the Commercial Code;
- that the rights of beneficiaries of bonus share plans the vesting period of which has not expired before the day of detachment of the exceptional distribution will be preserved and that the Board of Directors shall have all powers in order to adjust the number of the bonus shares granted and still in vesting period in accordance with the principles set out in Article R. 228-91 of the Commercial Code.

The Shareholders' Meeting acknowledges:

- that the LVMH shares held by the Company at the date of payment will not be entitled to the distribution that is the subject of this resolution, in accordance with Article L. 225-210 of the Commercial Code;
- that the exercise of the stock options granted by the Company has been suspended with effect from November 21, 2014 until the date of payment of the exceptional distribution;
- that the performance of the liquidity contract entered into between the Company, Oddo & Cie Entreprise d'Investissement and Oddo Corporate Finance on September 23, 2005 has been suspended with effect from November 21, 2014 until the date of payment of the exceptional distribution;

- that, in the case of an adjustment, the distribution ratio set for the exceptional distribution will be communicated through a press release on the morning of the day of payment, as soon as the opening trading price of Hermès International shares is known;
- that the Hermès International shares not allocated because of, in particular, fractional shares or an adjustment of the exchange ratio will be sold;
- that, in the case of a division of ownership of the Company shares, those entitled to the exceptional distribution will be the bare owners.

The Shareholders' Meeting grants all powers to the Board of Directors, with the ability to sub-delegate such powers to the Chief Executive Officer (*Président-Directeur Général*) and the Deputy Chief Executive Officer (*Directeur Général Délégué*), in order to take all appropriate measures for the completion of the operations set out in this resolution, perform the necessary calculations and adjustments, in particular with respect to the distribution ratio, deduct the exact amount of the exceptional distribution from the Other Reserves account and the premium accounts, sell, as the case may be, Hermès International shares not allocated, and more generally undertake any action which will be useful or necessary.