

LVMH

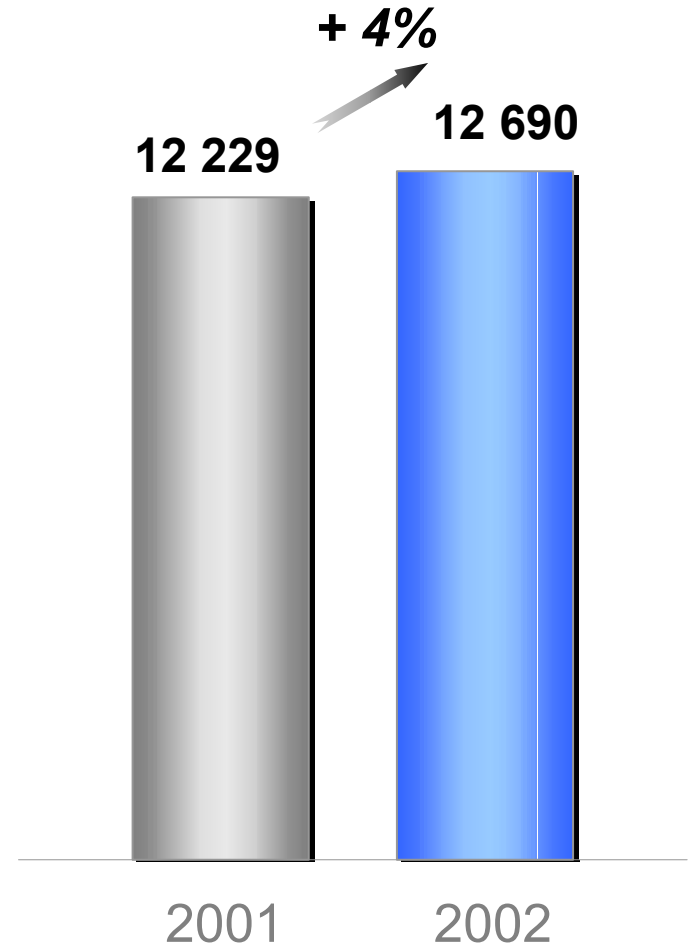
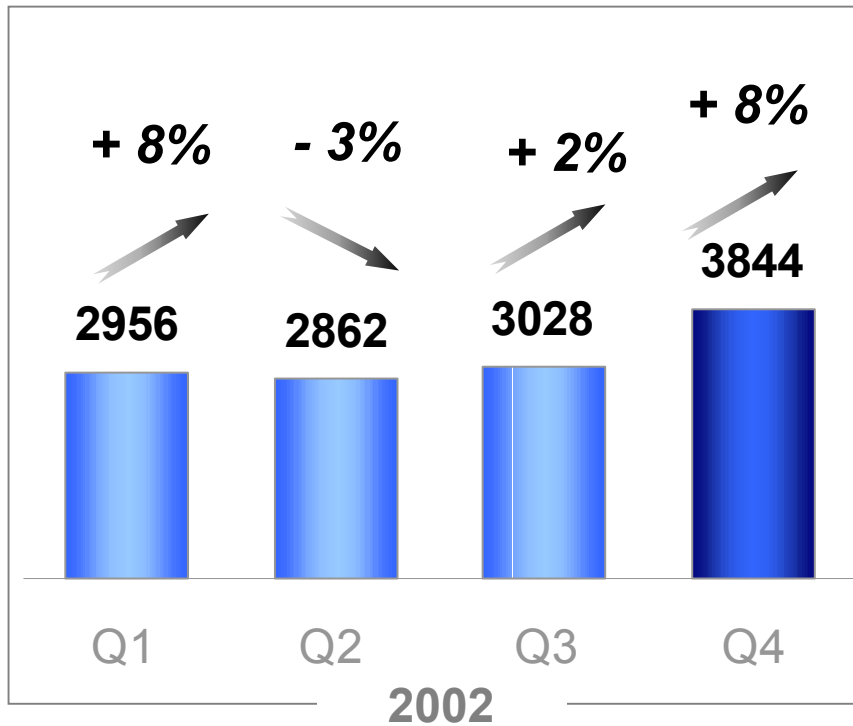
2002 Sales

23rd January 2003

LVMH Sales 2002

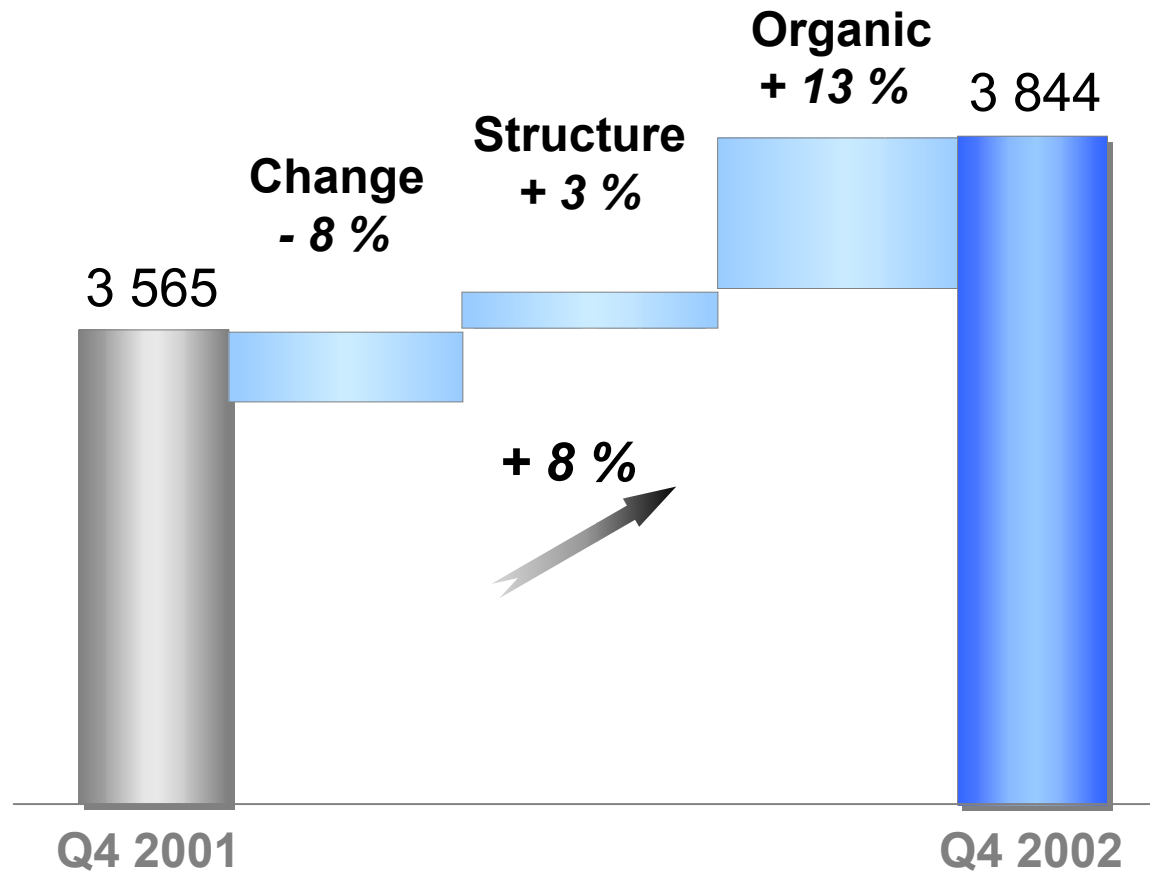
in millions of Euros

**% increase over same
period last year**



Analysis of sales increase in Q4 2002

in millions of Euros



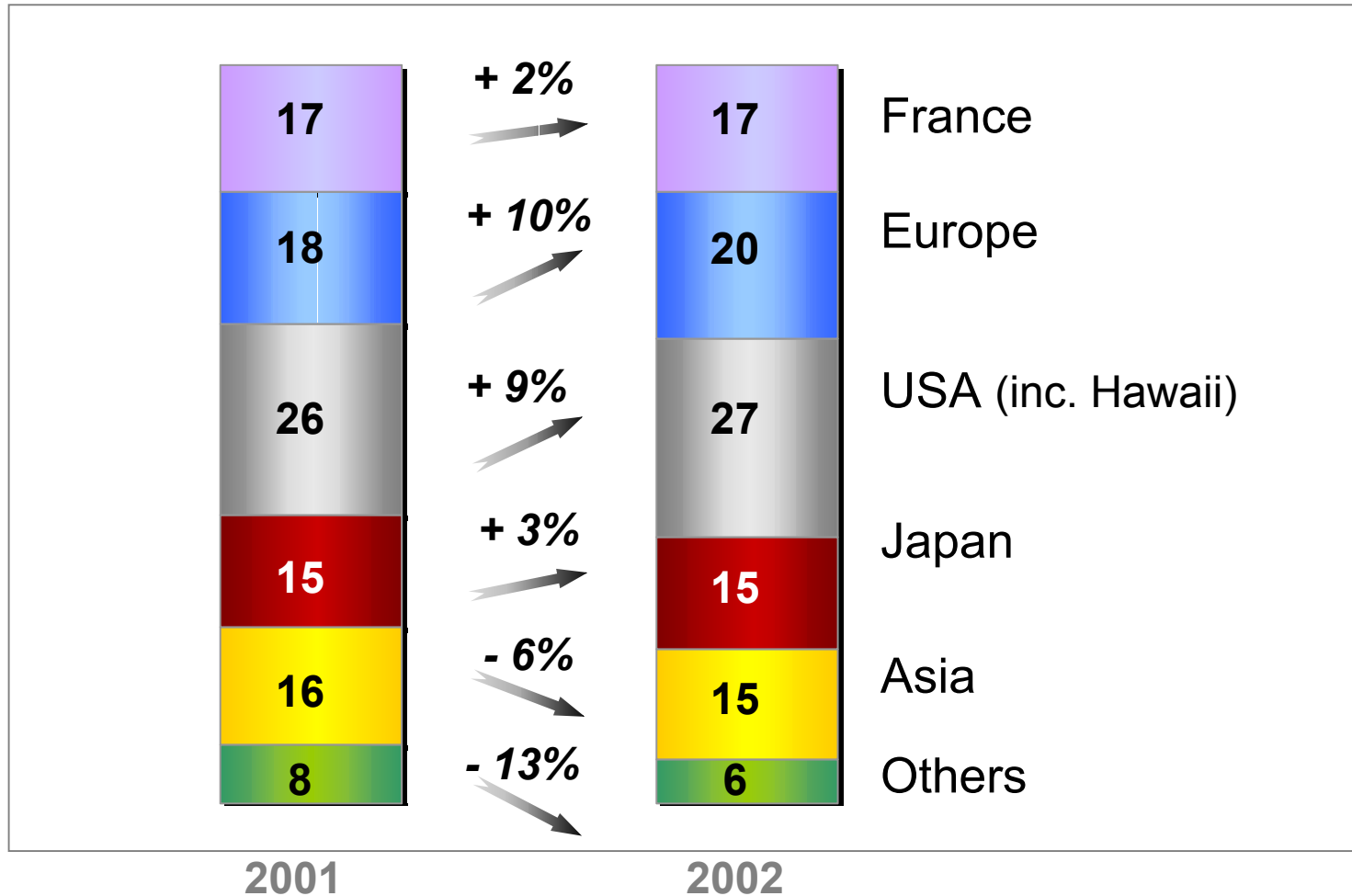
LVMH in 2002

Exceptional resilience

- Remarkable performance in a difficult environment
- Strength, quality and attractiveness of products
- Gains in market share
- Executing strategy
 - Growth of brands with strong potential
 - Acceleration of profitability
 - Significant improvement in cash flow
 - Reduction in debt and gearing

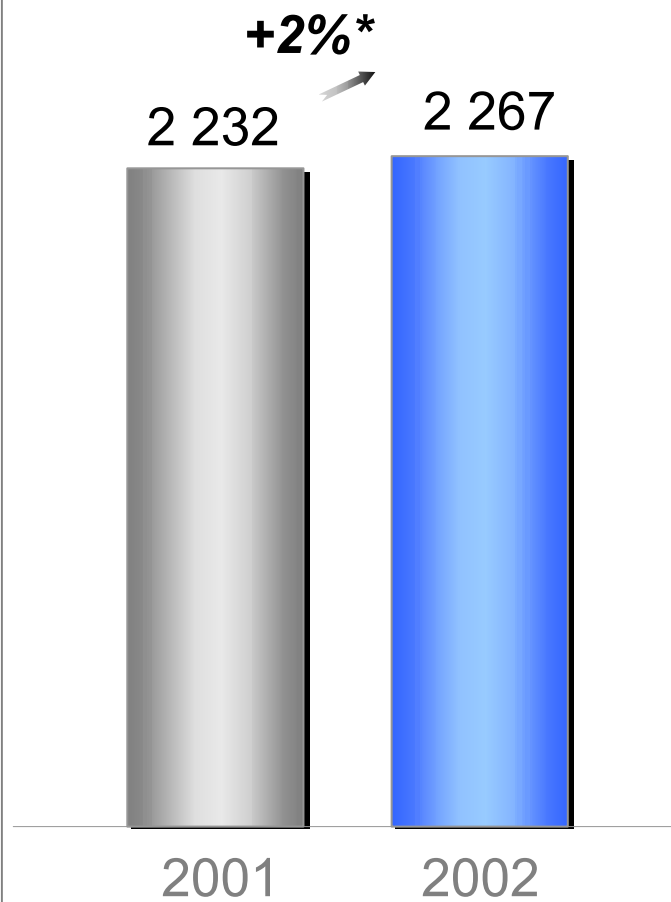
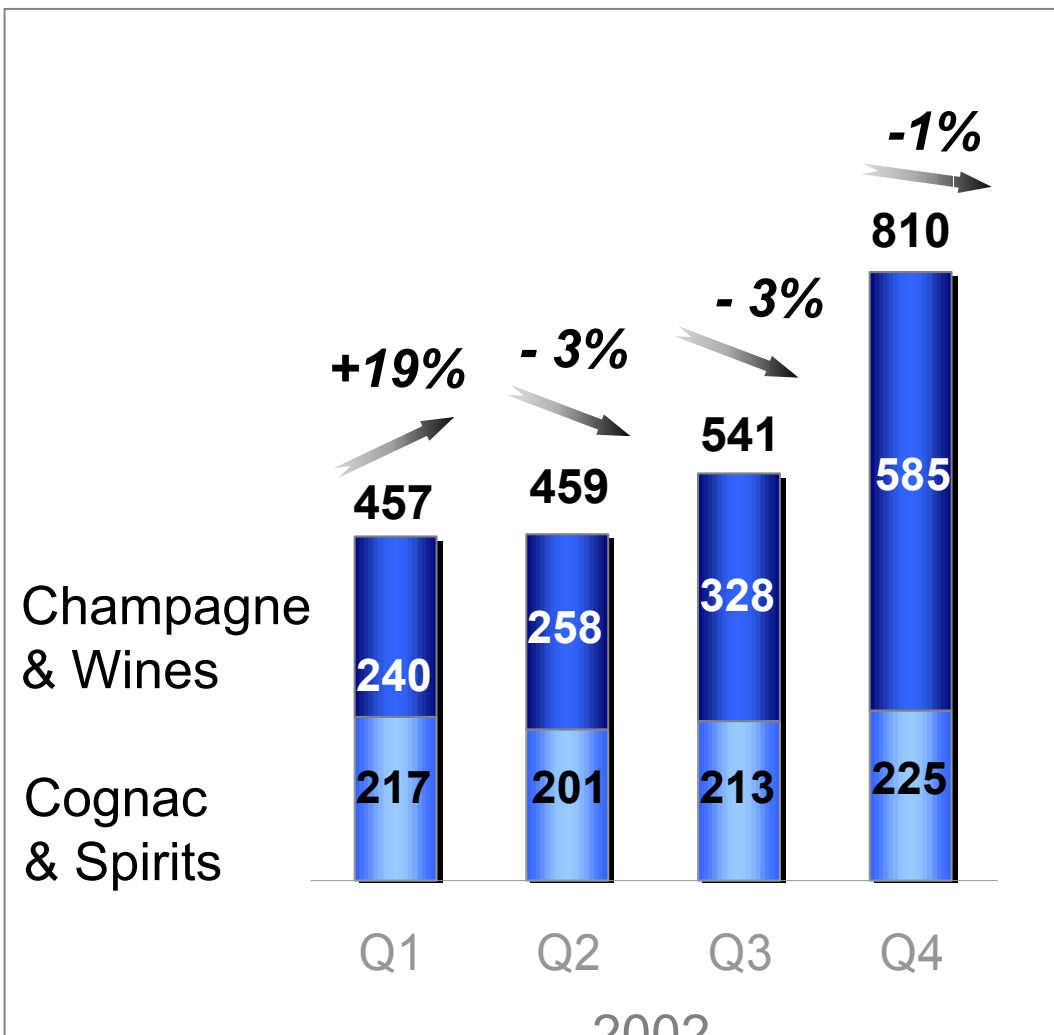
LVMH Sales 2002 by region in Euros

in %



Wines & Spirits Sales 2002

in millions of Euros



* +4% excl Pommery sold in May 2002

Wines & Spirits

Champagne: strong consumer-driven demand

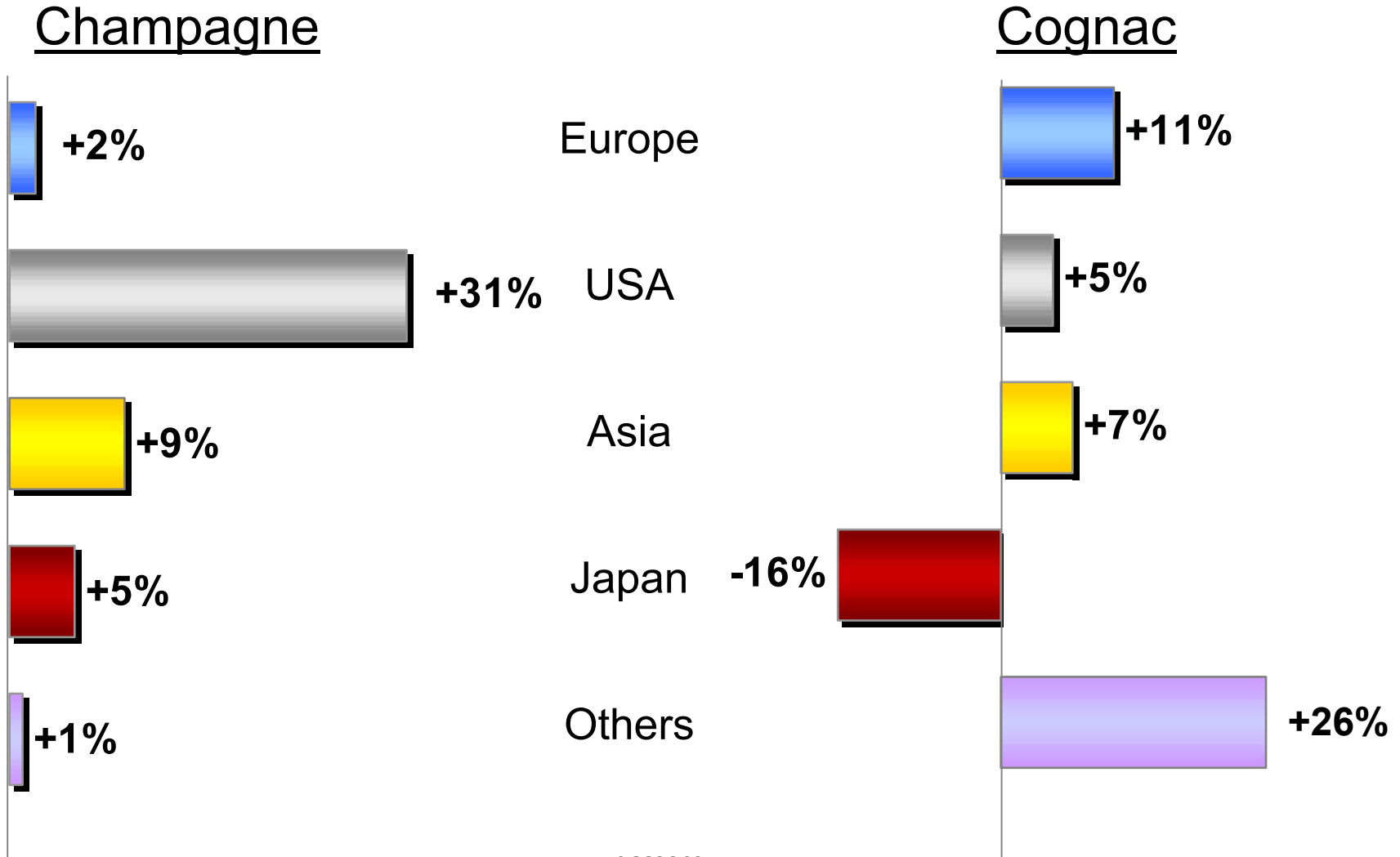
- Champagne sales: +12% (excl Pommery)
- Increase in Champagne volumes of 14% (excl Pommery)
 - Return to normal of distributors' stock levels
 - Growth at consumer level
- Positive depletions at end December in US
- Good performance of Veuve Clicquot, Moët & Chandon and Dom Perignon, in US, UK and Japan in particular
- Reinforced A&P in second half
- Improved efficiency in distribution networks in Asia, Europe and Latin America

Wines & Spirits

Cognac: a steady increase in volume

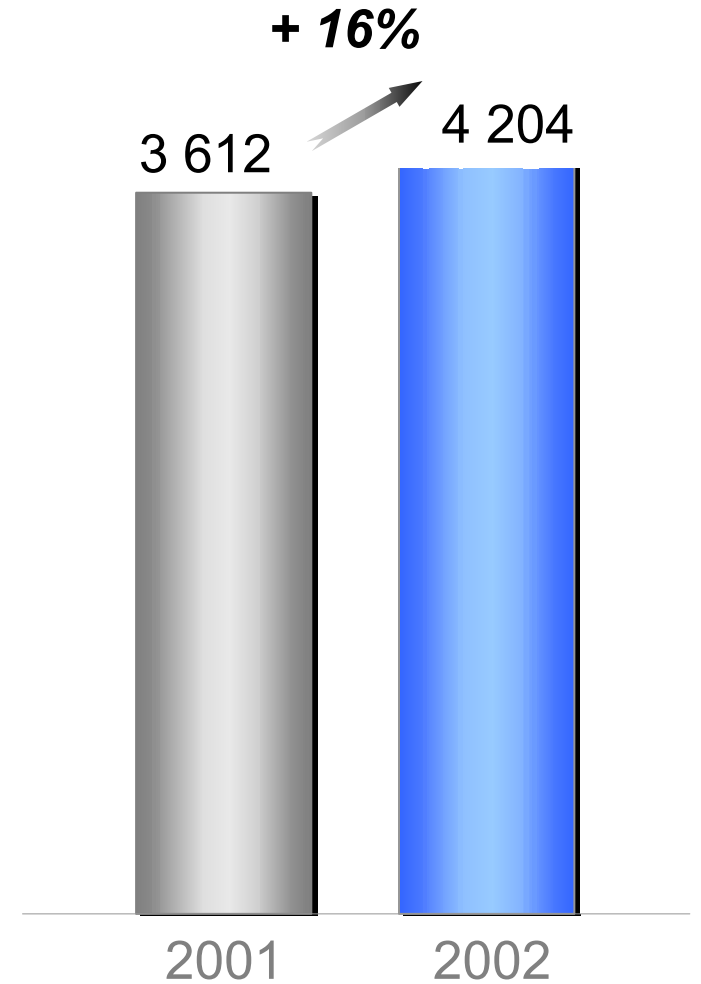
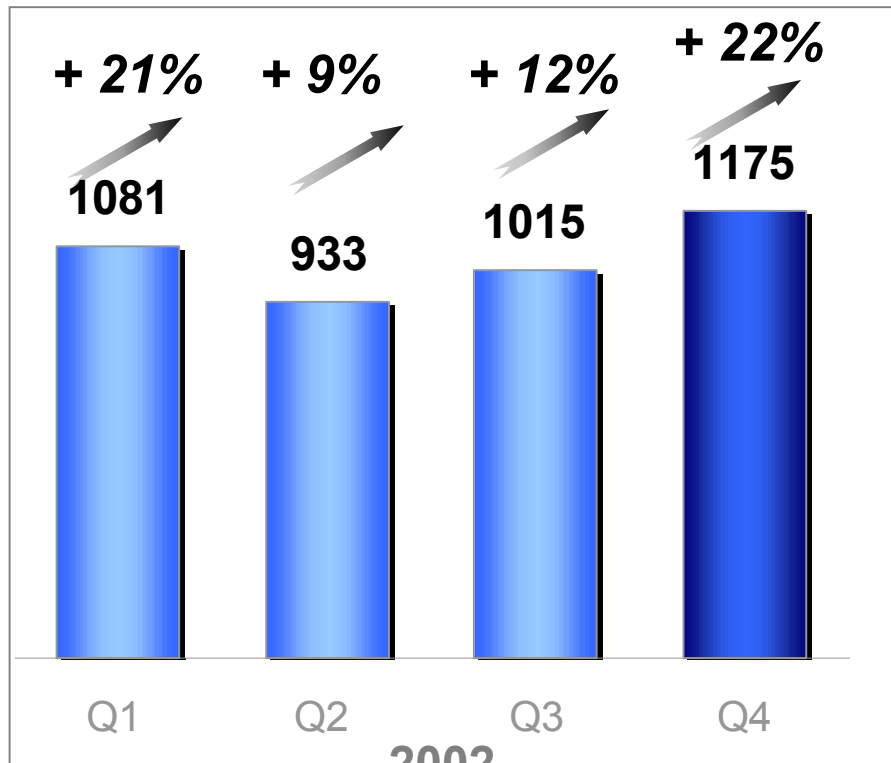
- Increase of 6% in Hennessy volumes and improvement in product mix
- Continued growth in Europe, the US and Asia
- Positive depletions in the US
- Continued progress of XO in Japan partially compensating decline in VSOP
- Launch and excellent sales performance in Europe of *Fine de Cognac*
- Promising development of Chinese and Russian markets
- Strengthened our US distribution thanks to the consolidation of Moët Hennessy and Diageo brands with a single distributor in certain key US states
- Significant negative exchange effect in second half compensated for at the operating income level by good hedging cover

Champagne & Cognac Increase in volumes by region in 2002



Fashion & Leather Sales 2002

in millions of Euros



Fashion & Leather

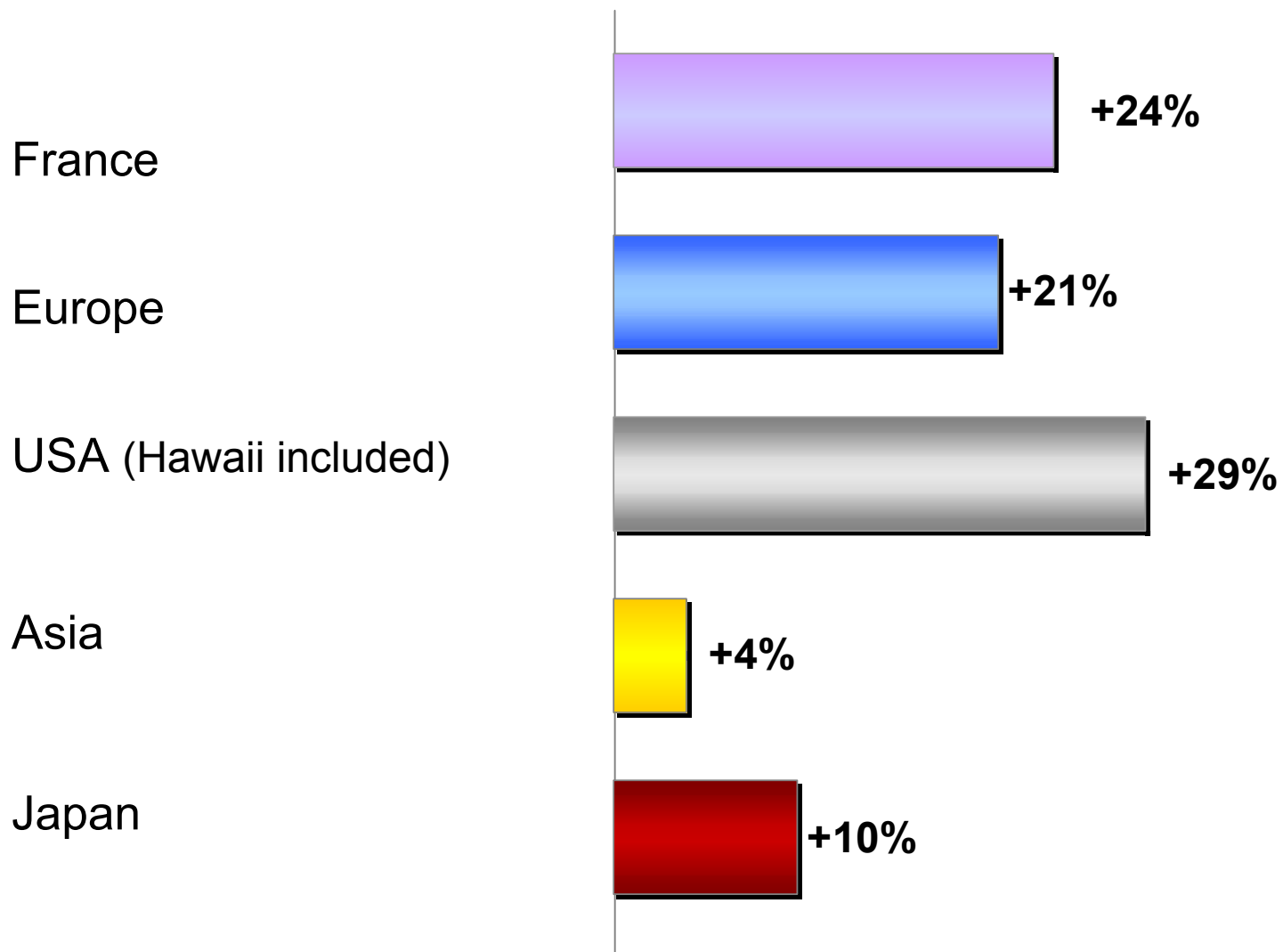
- Another year of growth despite a challenging global economy
- Sales increase by 22 % in Q4 (vs +5% in Q4 2001)
- Double-digit sales growth at Marc Jacobs and Berluti
- Fendi: reorganisation progresses with new management
- Good resilience of Donna Karan in the US as network restructuring continues
- Good performance at Céline : success of Boogie Bag and renovation of distribution network
- Christian Lacroix retained to relaunch Pucci

Louis Vuitton

- Sales increase of 23% at constant exchange rates in Q4 on top of strong Q4 2001
- Increase of sales in Japan in Yen: +15% in 2002
- Continues dynamic innovation program
- Successful launches of new products (Tambour watch, pendants...)
- .. and new collections (LV Cup line, Bob Wilson line)
- Increasing contribution from new product lines (shoes, ready-to-wear, watches)
- Reinforced distribution network
 - 4 major openings in H2:
Tokyo Omotesando, Kobe, Florence, Chicago
 - 3 new countries: Holland, Russia, Israel
- Total boutiques: 299 in the world, of which 73 in Europe, 44 in Japan, 66 in Asia Pacific and 89 in the US

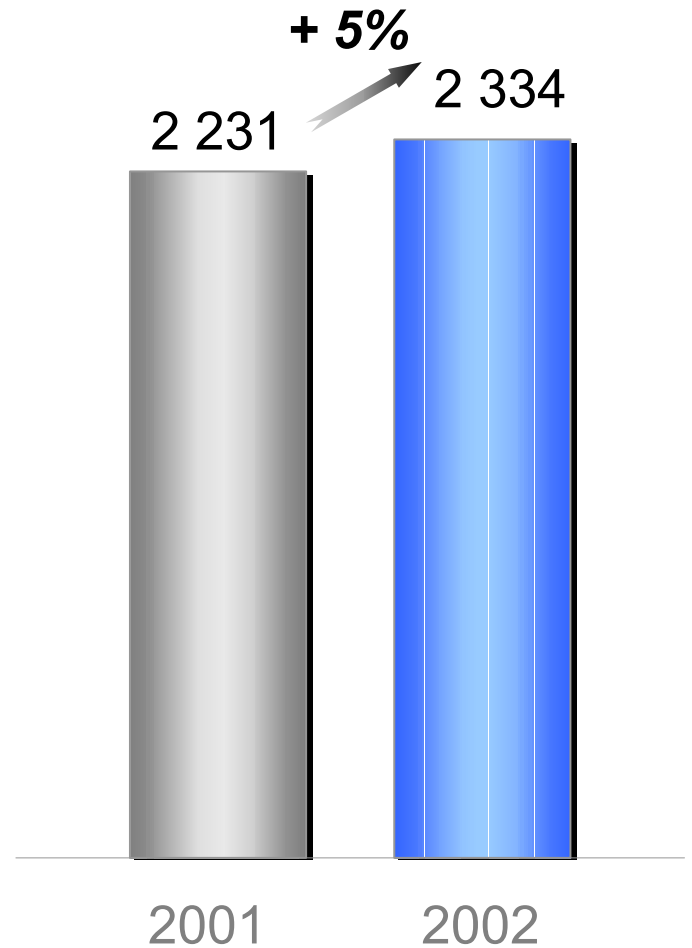
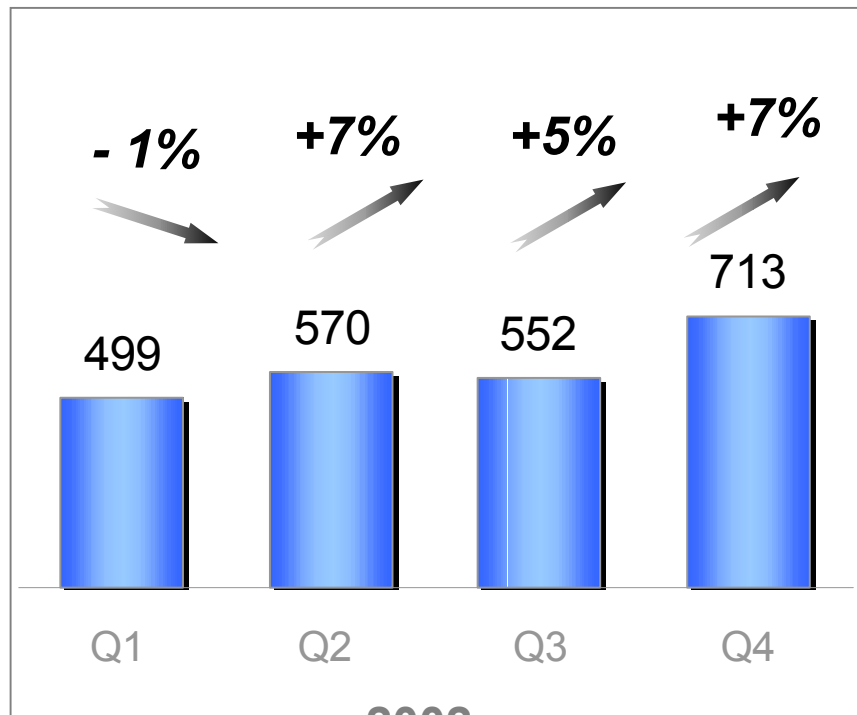
Louis Vuitton

Sales increase Q4 2002 in main regions in Euros



Perfumes & Cosmetics Sales 2002

in millions of Euros



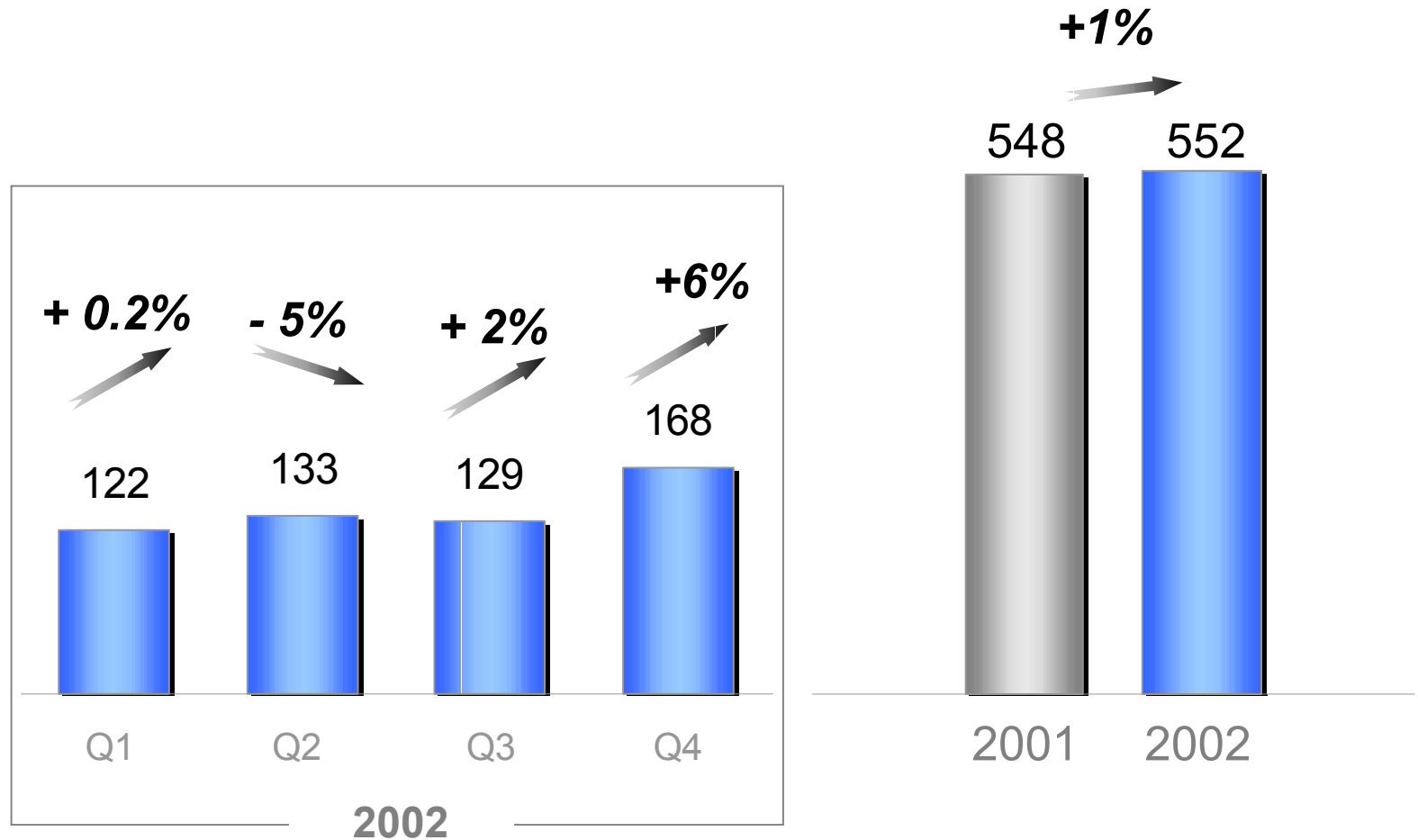
Perfumes & Cosmetics

Successful innovation

- Good performance despite a difficult US market
- Growth higher than the industry and gaining market share
- Successful launch of new products
 - *Dior Addict*
 - Male fragrance at Marc Jacobs
- Continued growth at Kenzo and launch of *Eau Torride* and *Givenchy Pour Homme*
- Good performance of BeneFit Cosmetics and Fresh, in US and UK in particular

Watches & Jewelry Sales 2002

in millions of Euros



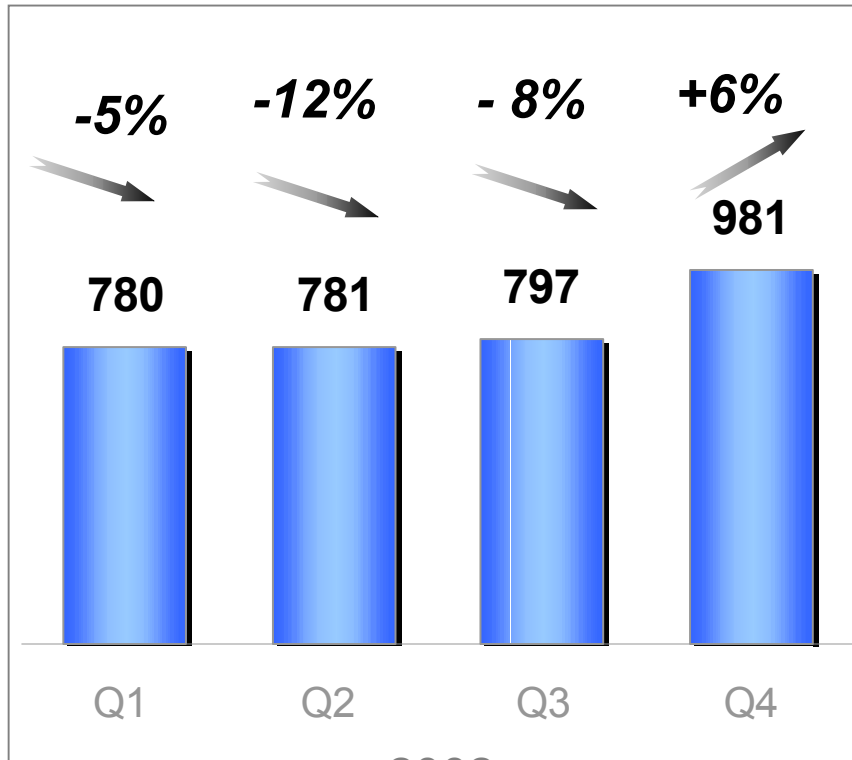
Watches & Jewelry

Gains in market share

- Growth in sales of LVMH brands : +4% in 2002
- Improved market share in difficult environment
- **New products**
 - *Riva Sparkling* (Dior), *Tambour* (Louis Vuitton), *Move One* (Fred)
 - Upscaling image of TAG Heuer and repositioning of Zenith
 - New collection of high-end jewelry line at Ebel
 - Excellent reception of De Beers' first boutique opened in London in December 2002
- **Better control of distribution**
 - Improved merchandising (corners, displays...)
 - Introduction of TAG Heuer and Dior in China and India
 - Opening of two Chaumet boutiques in Tokyo with new concept
- **Publicity campaigns reinforced**
 - TAG Heuer: new campaign - "What are you made of"
 - Increased A&P at Dior, Chaumet and Zenith

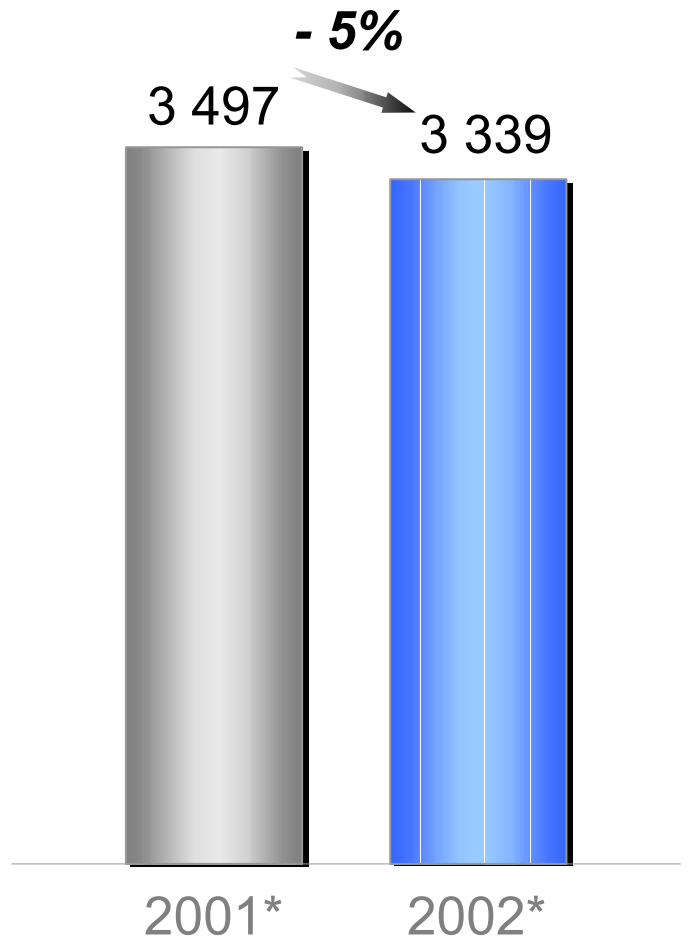
Selective Distribution Sales 2002

in millions of Euros



2002

LVMH



** including sephora.com*

Selective Distribution

Travel retail

DFS : restructuring and marketing initiatives

- Sales increase in line with return of tourists
- Progressive return of tourism, but still at levels below 2000
- Continue to negotiate with concession holders
- Targeted development: renovation of certain Galleries and renewal of certain airport concessions

Selective Distribution Sephora

Europe

- Concept successfully launched in Eastern Europe (Czech Republic and Poland)
- First line of Sephora perfume, *L'Eau*, well received

US

- Strong growth continues: + 25 % comparable store growth in 2002
- Concentration of efforts on the best performing boutiques
- Strong increase in sephora.com sales
- Selective store openings

Total stores : 478 stores at 31/12/02 (vs 468 at 31/12/01)
of which 181 in France and 74 in US

Conclusion

A successful strategy

- Exceptional resilience in a difficult global economy
- Continuing to gain market share
- Reflects importance of a dynamic innovation program
- Positive impact of action plans carried out in 2001/2

**LVMH well prepared
to reinforce its leadership in 2003**

LVMH

2002 Sales

23rd January 2003