RELEASE

LVMH Moët Hennessy - Louis Vuitton S.A. launches a mandatory tender offer over all ordinary shares of Bulgari S.p.A. – Notice pursuant to Article 102, paragraph one, of Legislative Decree 24 February 1998, No. 58

30 June 2011 - LVMH Moët Hennessy - Louis Vuitton S.A. ("**LVMH**" or the "**Offeror**") herewith notifies, pursuant to Article 102, paragraph one, of Legislative Decree 24 February 1998, No. 58 (the "**CFA**"), the implementation of a mandatory tender offer over all ordinary shares of Bulgari S.p.A. ("**Bulgari**", also the "**Issuer**") not already owned - either directly or indirectly - by LVMH and the persons acting in concert with LVMH, at a price of Euro 12.25 per share (the "**Offer**").

The legal assumptions and key features of the Offer are described herein below. For further information, please refer to the offer document which will be made available by the Offeror within the timeframe and upon the modalities set forth by the law (the "**Offer Document**").

1. LEGAL FRAMEWORK AND PURPOSE OF THE OFFER

1.1 Legal framework and Triggering Event

The Offer is a mandatory tender offer launched by LVMH, pursuant to Article 106, paragraph 1, of the CFA and the relevant implementing provisions set out in the Regulation concerning the issuers, adopted by means of Consob resolution 11971/1999, as amended and integrated (the "**Issuers Regulation**"), over the following financial instruments of the Issuer:

(i) all the ordinary shares issued as at the date of publication of the Offer Document and not already owned by the Offeror and the persons acting in concert with the Offeror, corresponding to No. 72,198,498 ordinary shares representing 23.88% of Bulgari issued share capital;

(ii) the maximum No. 36,842,751 newly issued ordinary shares deriving from the possible conversion of the Bulgari's "*€150,000,000 5.375% Equity Linked Bonds due 2014*" under the Offering Circular dated 8 July 2009 still outstanding as at the date of publication of the Offer Document (the "**Convertible Bonds**");

(iii) the maximum No. 9,523,250 newly issued ordinary shares deriving from the possible exercise of the options granted under the existing stock option plans of the Issuer (the "**Stock Option Plans**").

The Offer, announced by LVMH on 7 March 2011, follows the acquisition of the control participation over Bulgari, corresponding to 76.12% of Bulgari's share capital, as a result of (i) the completion, on today's date (the "**Closing Date**"), of the contribution agreement entered into on 5 March 2011 (and subsequently amended on 9 March 2011 and on 14 June 2011) among LVMH and Paolo Bulgari, Nicola Bulgari and Francesco Trapani (the "**Bulgari-Trapani Family**"), with the intervention of Groupe Arnault S.A.S. and Bulgari (the "**Contribution Agreement**"), and (ii) previous purchases effected by LVMH both directly and indirectly (through its controlled company Hannibal S.A.).

In particular, according to the Contribution Agreement (as amended on 9 March 2011 and on 14 June 2011), the Bulgari-Trapani Family had agreed, *inter alia*, to contribute and transfer to LVMH, in exchange for new LVMH shares on the basis of the exchange ratio of No. 0.108407 newly issued LVMH share for 1 Bulgari share contributed (the "**Exchange Ratio**"):

(a) all the No. 152,543,348 shares owned by the same on 5 March 2011, equal to 50.45% of the share capital of the Issuer; and

(b) any additional share acquired by the same before the Closing Date. In this respect, the Bulgari-Trapani Family had informed the Offeror of having entered into an equity swap agreement with a primary financial institution pursuant to which the Bulgari-Trapani Family has acquired, before the Closing Date, for a price not exceeding Euro 12.25 per Share, No. 13,839,000 shares

(hereafter the "**Contribution**").

To execute the Contribution:

(i) on 30 June 2011, based on the delegation granted by the Shareholders' meeting on 31 March 2011, the Board of Directors of the Offeror approved (a) the issuance of No. 18,037,011 new ordinary LVMH shares, equal to 3.68% of LVMH's share capital at that date (3.55% of LVMH's share capital post issuance of the new shares), to be exchanged against the Bulgari shares contributed by the Bulgari-Trapani Family on the basis of the Exchange Ratio, and (b) the main features of the Offer;

(ii) on the Closing Date, the Bulgari-Trapani Family contributed and transferred to LVMH No. 166,382,348 Bulgari shares, equal to 55.03% of Bulgari's share capital (the "**Majority Shareholding**"), and subscribed the LVMH capital increase under previous point *(i)*.

1.2 Reasons and purpose of the Offer

The Offeror, through the business combination resulting from the Contribution and the Offer, intends to reinforce its presence in the luxury sector. The transaction is aimed at enabling LVMH to markedly strengthen its competitive position in the jewelry and watches segment, due to the strong position of Bulgari in this sector. Bulgari is also present in the fragrance, cosmetics and accessories segments which will reinforce LVMH in its corresponding activities.

Further, the transaction will allow LVMH and Bulgari to benefit from synergies for growth in Europe, Asia and the Americas by giving the Bulgari group the opportunity to cooperate with the other brands of the LVMH group operating in these sectors.

In carrying out the business combination, LVMH intends, in line with its long term strategy, to maintain the identity of the Bulgari group which has contributed to the success of the Bulgari name. Further, through the combination, the Bulgari group will benefit from LVMH expertise and resources to reach its full potential and join an exceptional platform to ensure long-term future in the respect of values that have made its success since 1884.

As indicated in the Contribution Agreement, the Offer also aims at obtaining the delisting of the Issuer's ordinary shares from *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A.. The delisting could result from the fulfillment of the purchase obligation or from the exercise of the squeeze out right respectively provided for under Articles 108 and 111 of the CFA.

2. KEY FEATURES OF THE OFFER

2.1. Participants to the Offer

2.1.1 The Offeror

The Offeror is LVMH Moët Hennessy - Louis Vuitton S.A., a company incorporated under French law, listed on the NYSE Euronext of Paris, with registered office in Paris (France), avenue Montaigne No. 22, registered with the Companies' Register of Paris under No. 775 670 417.

As of the date hereof, the Offeror is indirectly controlled by Bernard Arnault as a result of the participation held (directly and indirectly) by the controlled company Groupe Arnault S.A.S., equal to 46.05% of the share capital of the Offeror and 62.02% of the voting rights.

2.1.2 Persons acting in concert with the Offeror in relation to the Offer

Pursuant to Article 101-*bis*, paragraphs 4, 4-*bis* and 4-*ter* of the CFA, and to Article 44-quater of the Issuers Regulation, the following persons are considered as acting in concert with the Offeror in relation to the Offer, namely:

(i) Bernard Arnault, in his capacity as ultimate shareholder of the Offeror, and all the companies parties of the control chain of the Offeror;

(ii) Hannibal S.A., in its capacity as company which is controlled by Bernard Arnault through the Offeror and holds No. 19,595,211 ordinary shares, equal to 6.48% in Bulgari's share capital;

(iii) Nicola Bulgari, in his capacity as party to the Contribution Agreement (which includes certain provisions qualified as "Shareholders' Agreements", the "**Shareholders' Agreements**"), who does not hold any financial instrument of the Issuer as at the date hereof;

(iv) Paolo Bulgari, in his capacity as party to the Contribution Agreement (which includes the Shareholders' Agreements), who does not hold any financial instrument of the Issuer as at the date hereof; and

(v) Francesco Trapani, in his capacity as party to the Contribution Agreement (which includes the Shareholders' Agreements) and holder of No. 3,900,000 option rights under the Stock Option Plans, which will be exercised in due time for the Shares to be tendered to the Offer.

According to Article 109, paragraphs 1 and 3, of the CFA, the above persons acting in concert with the Offeror would be bound to launch the Offer jointly with LVMH. Nevertheless, the obligation to launch the Offer will be fulfilled exclusively by LVMH, which will consequently bear all costs, expenses and charges relating to the Offer including, but not limited to, those relating to the payment of the Offer price.

2.1.3 The Issuer

The Issuer is Bulgari S.p.A., a company incorporated under Italian law, listed on the "*Mercato Telematico Azionario*" organized and managed by Borsa Italiana S.p.A., with registered office in Rome, via dei Condotti No. 11, registered with the Companies' Register of Rome, VAT number 00875591000 and tax code 00388360588.

2.2 Shares subject to the Offer

The share capital of the Issuer is represented by No. 302,345,661 ordinary shares of the nominal value of Euro 0.07 each. As a consequence of the Contribution and of previous purchases effected, both directly and indirectly, by LVMH, the Offeror currently owns (both directly and indirectly, through its controlled company Hannibal S.A.) No. 230,147,163 shares representing 76.12% of the Issuer's share capital.

The Offer refers to:

(i) all the ordinary shares issued as at the date of publication of the Offer Document and not already owned by the Offeror and the persons acting in concert with the Offeror, corresponding to No. 72,198,498 ordinary shares representing 23.88% of Bulgari issued share capital;

(ii) the maximum No. 36,842,751 ordinary shares deriving from the possible conversion of the Convertible Bonds;

(iii) the maximum No. 9,523,250 ordinary shares deriving from the possible exercise of the options granted under the existing Stock Option Plans of the Issuer

(the "**Shares**").

The Shares handed over in acceptance of the Offer will have to be free of burdens and encumbrances of any kind and nature - *in rem*, contractual or personal – and freely transferable.

2.3 Consideration and Maximum Disbursement - Comparison between the Consideration and the Recent Trading Price of the Shares

The Offeror will pay a consideration of Euro 12.25 for each Share tendered in the Offer (the "**Consideration**"). The Consideration will be paid entirely in cash and shall be calculated net of stamp duty, commissions and expenses, whose costs will be met by the Offeror. The substitute tax on capital gains, if due, shall be met by the persons accepting the Offer.

The maximum total value of the Offer, calculated on the number of the Shares in case of total take-up of the Offer (calculated on a fully diluted basis), will be Euro 1,452,415,113 (the "**Maximum Disbursement**").

Since the Offer is a mandatory tender offer, the Consideration has been determined pursuant to Article 106, paragraph 2, of the CFA, according to which the Offer must be launched at a price no lower than the highest price paid by the Offeror and the persons acting in concert with the Offeror for purchases of Bulgari shares in the 12 months preceding the communication made pursuant to Article 102, paragraph 1, of the CFA.

As mentioned under Paragraph 1.1 of this notice, under the Contribution Agreement, the Bulgari-Trapani Family agreed to contribute and transfer the Majority Shareholding to the Offeror at an agreed price per Bulgari share of Euro 12.25 in exchange for newly issued LVMH shares. The Exchange Ratio used for calculating the number of new LVMH shares to be issued in exchange for the contribution of the Majority Shareholding was determined on the basis of such agreed valuation of the Bulgari shares (Euro 12.25 for 1 Bulgari share), and was calculated taking into account the closing price of the LVMH shares on 3 March 2011 (equal to 112.95 Euro rounded up to Euro 113.00), which thus resulted in an Exchange Ratio of 0.108407 newly issued LVMH share for 1 Bulgari share contributed.

The Euro 12.25 price per Bulgari share includes a controlling premium which amounts to 59.4% on the closing price of the Bulgari shares on March 3, 2011, equal to Euro 7.685 (*source: Bloomberg*), as well as the following premiums compared to the weighted arithmetical average of the official prices of the reference periods shown in the table below:

Reference Periods	Average market prices	Premium vs. Offer Price
Volume weighted average price – 1 month preceding 03 March 2011	7.66	59.9%
Volume weighted average price – 3 months preceding 03 March 2011	7.79	57.3%
Volume weighted average price – 6 months preceding 03 March 2011	7.37	66.2%
Volume weighted average price – 1 year preceding 03 March 2011	6.73	82.1%

Source: Bloomberg, Datastream

Neither the Offeror nor the persons acting in concert therewith have, in the 12 months preceding the communication hereof, acquired Bulgari shares at a price exceeding Euro 12.25.

2.4 Conditions to the Offer

As the Offer is a mandatory tender offer pursuant to Article 106, paragraph 1, of the CFA, it is not subject to any condition precedent.

2.5 Authorizations

The Offeror requested and obtained the authorizations necessary for the completion of the Contribution and the acquisition of the control of the Issuer. The main details of the authorizations are summarised below:

(i) with notice No. 20110739 of 15 April 2011, the United States of America Federal Trade Commission has granted early termination of the waiting period with respect to completion of the Contribution pursuant to the Clayton Act and Hart-Scott-Rodino Antitrust Improvements Act of 1976;

(ii) with notice No. 772 of 12 May 2011, the Korea Fair Trade Commission granted the authorization for the completion of the Contribution pursuant to Korea Monopoly Regulations and Fair Trade Act;

(iii) on 22 May 2011, the Fair Trade Commission of Japan tacitly granted the authorization for the completion of the Contribution pursuant to Act on Prohibition of Private Monopolization and Maintenance of Fair Trade;

(iv) with notice No. 11-32/659-204 of 26 May 2011, the Turkish Competition Authority granted the authorization for the completion of the Contribution pursuant to Law on Protection of Competition No. 4054 and Communiqué No. 2010/4 on "Mergers and Acquisitions Subject to the Approval of the Competition Board";

(v) with notice No. ATs/20648 of 27 May 2011, the Federal Antimonopoly Service of Russia granted the authorization for the completion of the Contribution pursuant to Federal Law No.135-FZ On the Protection of Competition, dated 26 July 2006;

(vi) with notice No. 240-p of 1 June 2011, the Antimonopoly Committee of Ukraine granted the authorization for the completion of the Contribution pursuant to Law of Ukraine on the Antimonopoly Committee of Ukraine No. 3659-XII, dated 26 November 1993, Law of Ukraine on Protection of Economic Competition No. 2210-III, dated 11 January 2001, and Regulation on the Procedure for Filing Applications with the Antimonopoly Committee of Ukraine for Obtaining its Prior Approval of the Concentration of Undertakings, approved

by the Resolution of the AMC No. 33-r, dated 19 February 2002, registered with the Ministry of Justice of Ukraine on 21 March 2002 under No. 284/6572 (as amended);

(vii) with notice No. COMP/M.6212 of 29 June 2011, the European Commission granted the authorization for the completion of the Contribution pursuant to Council Regulation (EC) N° 139/2004 of 20 January 2004 on the control of concentrations between undertakings.

Consequently, the effectiveness of the Offer is no more subject to any authorization.

3. FINANCIAL INSTRUMENTS OF THE ISSUER HELD BY THE OFFEROR AND THE PERSONS ACTING IN CONCERT WITH THE OFFEROR

The following table shows the financial instruments of the Issuer held by the Offeror and the persons acting in concert with the Offeror as of the date hereof:

Shareholders	Financial instruments	No. of financial instruments	Notes
Bernard Arnault	Shares	230,147,163	indirect participation held through LVMH and Hannibal S.A.
LVMH	Shares	210,551,952 19,595,211	direct participation indirect participation held through Hannibal S.A.
Hannibal S.A.	Shares	19,595,211	direct participation
Nicola Bulgari	-	-	-
Paolo Bulgari	-	-	-
Francesco Trapani	Options under the Stock Option Plans	3,900,000	-

4. DELISTING AND RESTRUCTURING AND REORGANIZATION PLANS

As indicated in the Contribution Agreement, the Offer aims, *inter alia*, at obtaining the delisting of the Issuer's ordinary shares from *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A.. The delisting could result from the fulfillment of the purchase obligation or from the exercise of the squeeze out right respectively provided for under Articles 108 and 111 of the CFA. No decision has been taken by the Offeror with respect to possible mergers, demergers and reorganizations involving the Issuer and the Issuer's Group.

5. MEANS OF FINANCING OF THE TRANSACTION

The Offeror intends to meet the Maximum Disbursement by making exclusive use of its own funds.

6. WEBSITE WHERE THE DOCUMENTS RELATING TO THE OFFER WILL BE AVAILABLE

The press releases and any document relating to the Offer will be available on the website of the Offeror www.lvmh.com and on the website of the Issuer www.bulgari.com.

For further information:

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