

# Christian Dior

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## FINANCIAL RELEASE

The **Christian Dior group** achieved revenue of 35.1 billion euros for the fiscal year from July 1, 2014 to June 30, 2015, generating profit from recurring operations of 6.3 billion euros. Consolidated net profit was 6.2 billion euros and the Group share of net profit was 2.4 billion euros. Free cash flow (before financial investments, transactions relating to equity and financing activities) amounted to 3.5 billion euros for the fiscal year. <sup>(a)</sup>

Revenue and profit from recurring operations by business group were as follows:

| Revenue<br>(EUR millions)            | <u>1st half-year</u><br>(July 1 -<br>Dec. 31, 2014) <sup>(c)</sup> | <u>2nd half-year</u><br>(January 1 -<br>June 30, 2015) <sup>(d)</sup> | <u>12-month</u><br><u>fiscal year</u><br>(July 1, 2014 -<br>June 30, 2015) <sup>(a)</sup> | <u>12-month</u><br><u>fiscal year</u><br>(July 1, 2013 -<br>June 30, 2014) <sup>(b)</sup> | Change at<br>actual<br>exchange<br>rates | Organic<br>growth <sup>(e)</sup> |
|--------------------------------------|--|---|---|---|--|----------------------------------|
| Christian Dior<br>Couture            | 854  | 911   | 1,765   | 1,501   | +18%                                     | +10%                             |
| Wines and Spirits                    | 2,296  | 1,930   | 4,226   | 4,055   | +4%                                      | -1%                              |
| Fashion and Leather<br>Goods         | 5,798  | 5,933   | 11,731  | 10,202  | +15%                                     | +4%                              |
| Perfumes and<br>Cosmetics            | 2,077  | 2,159   | 4,236   | 3,752   | +13%                                     | +7%                              |
| Watches and Jewelry                  | 1,516  | 1,552   | 3,068   | 2,688   | +14%                                     | +7%                              |
| Selective Retailing                  | 5,152  | 5,291   | 10,443  | 9,087   | +15%                                     | +6%                              |
| Other activities and<br>eliminations | (220)  | (168)   | (388)   | (418)   | -  | -                                |
| <b>Total</b>                         | <b>17,473</b>  | <b>17,608</b>   | <b>35,081</b>   | <b>30,867</b>   | <b>+14%</b>                              | <b>+5%</b>                       |

<sup>(a)</sup> Audit procedures in progress

<sup>(b)</sup> Figures restated with retrospective application of IFRS 10 and 11 on consolidation

<sup>(c)</sup> Figures for the first half of the fiscal year (July 1 - December 31, 2014) underwent limited review procedures with a report issued by the Statutory Auditors on the half-year consolidated financial information

<sup>(d)</sup> Figures for the second half of the fiscal year (January 1 - June 30, 2015) underwent limited review procedures with no report issued

<sup>(e)</sup> At constant structure and exchange rates. The exchange rate impact was +7%

| <b>Profit from recurring operations</b><br>(EUR millions) | <b>1st half-year</b><br>(July 1 - Dec. 31, 2014) <sup>(c)</sup> | <b>2nd half-year</b><br>(January 1 - June 30, 2015) <sup>(d)</sup> | <b>12-month fiscal year</b><br>(July 1, 2014 - June 30, 2015) <sup>(a)</sup> | <b>12-month fiscal year</b><br>(July 1, 2013 - June 30, 2014) <sup>(b)</sup> | <b>Change at actual exchange rates</b> |
|---|---|--|--|--|--|
| Christian Dior Couture                                    | 120   | 106  | 226  | 187  | +21%                                   |
| Wines and Spirits   | 686   | 482  | 1,168  | 1,289  | -9%                                    |
| Fashion and Leather Goods                                 | 1,702   | 1,661  | 3,363  | 3,129  | +8%                                    |
| Perfumes and Cosmetics                                    | 211   | 248  | 459  | 418  | +10%                                   |
| Watches and Jewelry                                       | 176   | 205  | 381  | 319  | +19%                                   |
| Selective Retailing                                       | 484   | 428  | 912  | 894  | +2%                                    |
| Other activities and eliminations                         | (132)   | (81)   | (213)  | (185)  | -                                      |
| <b>Total</b>  | <b>3,247</b>  | <b>3,049</b>   | <b>6,296</b>   | <b>6,051</b>   | <b>+4%</b>                             |

<sup>(a)</sup> Audit procedures in progress

<sup>(b)</sup> Figures restated with retrospective application of IFRS 10 and 11 on consolidation

<sup>(c)</sup> Figures for the first half of the fiscal year (July 1 - December 31, 2014) underwent limited review procedures with a report issued by the Statutory Auditors on the half-year consolidated financial information

<sup>(d)</sup> Figures for the second half of the fiscal year (January 1 - June 30, 2015) underwent limited review procedures with no report issued

Highlights of the second half of the fiscal year of the Christian Dior group (January 1 - June 30, 2015) include:

- Solid growth in Europe and the United States,
- Strong positive exchange rate effect,
- Excellent performance of Christian Dior Couture, fueled by the power of its Brand and the excellence of its products, with consolidated revenue up 22% at actual exchange rates and up 9% at constant exchange rates and retail sales up 25% at actual exchange rates and up 11% at constant exchange rates,
- Good performance from Wines and Spirits in all world regions with the exception of China, impacted by the continued destocking by distributors,
- Double-digit organic revenue growth in the second quarter for Fashion & Leather Goods,
- Major success of new products at Louis Vuitton, where profitability remains at an exceptional level,
- Continued investment in the fashion brands,
- Excellent performance at Parfums Christian Dior,
- Strong growth in Bvlgari's results and the continued repositioning of TAG Heuer on its core offering,
- Remarkable momentum at Sephora which is strengthening its position in all regions where it is present and in the digital universe,
- DFS continues to be impacted by the currency and geopolitical environment in Asia,
- Cash from operations before changes in working capital of 3.5 billion euros,
- Net debt to equity ratio of 28% as of end of June 2015.

## OUTLOOK

Despite the context of economic and currency uncertainties, the **Christian Dior group** will continue to gain market share thanks to the numerous product launches planned in the coming months and its geographic expansion in promising markets, while continuing to manage costs.

Our strategy of focusing on quality across all our activities, combined with the dynamism and unparalleled creativity of our teams, will enable us to further reinforce the Group's global leadership position in luxury goods.

During the half-year period and as of this date, no events or changes likely to significantly affect the Group's financial structure took place.

**The annual financial statements as of June 30, 2015 will be approved by the Board of Directors at its meeting in October, which will be followed by the publication of a financial release.**

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*This announcement constitutes regulated information and is made available on the Company's website ([www.dior-finance.com](http://www.dior-finance.com)).*

*Some of the statements contained in this financial release may include or be based on forward-looking information. Major risk factors, uncertainties or elements either beyond our control or unable to be anticipated as of this writing may thus cause actual results to differ significantly from those expressed or implied by the forward-looking information in this financial release. The statements made herein reflect our vision of the Group's business activities as of the date of this financial release. Accordingly, readers are cautioned not to place undue reliance on the information thus provided. Furthermore, it should be noted that we undertake no obligation to update publicly or otherwise revise any forward-looking statements.*

- **APPENDIX 1** - Revenue by business group and by quarter
- **APPENDIX 2** - Profit from recurring operations by business group and by half-year period

## APPENDIX 1

### Christian Dior group - Revenue by business group and by quarter

Fiscal year ended June 30, 2015

| <i>(EUR millions)</i>                       | Christian Dior Couture | Wines and Spirits | Fashion and Leather Goods | Perfumes and Cosmetics | Watches and Jewelry | Selective Retailing | Other activities and eliminations | Total         |
|---|------------------------|-------------------|---------------------------|------------------------|---------------------|---------------------|-----------------------------------|---------------|
| Quarter from July 1 to September 30, 2014   | 417                    | 948               | 2,647                     | 961                    | 706                 | 2,234               | (114)                             | <b>7,799</b>  |
| Quarter from October 1 to December 31, 2014 | 437                    | 1,348             | 3,151                     | 1,116                  | 810                 | 2,918               | (106)                             | <b>9,674</b>  |
| Quarter from January 1 to March 31, 2015    | 433                    | 992               | 2,975                     | 1,094                  | 723                 | 2,656               | (122)                             | <b>8,751</b>  |
| Quarter from April 1 to June 30, 2015       | 478                    | 938               | 2,958                     | 1,065                  | 829                 | 2,635               | (46)                              | <b>8,857</b>  |
| <b>Total</b>                                | <b>1,765</b>           | <b>4,226</b>      | <b>11,731</b>             | <b>4,236</b>           | <b>3,068</b>        | <b>10,443</b>       | <b>(388)</b>                      | <b>35,081</b> |

Fiscal year ended June 30, 2014 <sup>(a)</sup>

| <i>(EUR millions)</i>                       | Christian Dior Couture | Wines and Spirits | Fashion and Leather Goods | Perfumes and Cosmetics | Watches and Jewelry | Selective Retailing | Other activities and eliminations | Total         |
|---|------------------------|-------------------|---------------------------|------------------------|---------------------|---------------------|-----------------------------------|---------------|
| Quarter from July 1 to September 30, 2013   | 368                    | 1,032             | 2,428                     | 879                    | 655                 | 2,093               | (103)                             | <b>7,352</b>  |
| Quarter from October 1 to December 31, 2013 | 388                    | 1,346             | 2,744                     | 1,034                  | 767                 | 2,612               | (118)                             | <b>8,773</b>  |
| Quarter from January 1 to March 31, 2014    | 356                    | 888               | 2,639                     | 941                    | 607                 | 2,222               | (97)                              | <b>7,556</b>  |
| Quarter from April 1 to June 30, 2014       | 389                    | 789               | 2,391                     | 898                    | 659                 | 2,160               | (100)                             | <b>7,186</b>  |
| <b>Total</b>                                | <b>1,501</b>           | <b>4,055</b>      | <b>10,202</b>             | <b>3,752</b>           | <b>2,688</b>        | <b>9,087</b>        | <b>(418)</b>                      | <b>30,867</b> |

<sup>(a)</sup> Figures restated with retrospective application of IFRS 10 and 11 on consolidation

## APPENDIX 2

### Christian Dior group - Profit from recurring operations by business group and by half-year period

#### Fiscal year ended June 30, 2015

| <i>(EUR millions)</i>                      | Christian Dior Couture | Wines and Spirits | Fashion and Leather Goods | Perfumes and Cosmetics | Watches and Jewelry | Selective Retailing | Other activities and eliminations | Total        |
|--|------------------------|-------------------|---------------------------|------------------------|---------------------|---------------------|-----------------------------------|--------------|
| Half-year from July 1 to December 31, 2014 | 120                    | 686               | 1,702                     | 211                    | 176                 | 484                 | (132)                             | 3,247        |
| Half-year from January 1 to June 30, 2015  | 106                    | 482               | 1,661                     | 248                    | 205                 | 428                 | (81)                              | 3,049        |
| <b>Total</b>                               | <b>226</b>             | <b>1,168</b>      | <b>3,363</b>              | <b>459</b>             | <b>381</b>          | <b>912</b>          | <b>(213)</b>                      | <b>6,296</b> |

#### Fiscal year ended June 30, 2014 <sup>(a)</sup>

| <i>(EUR millions)</i>                      | Christian Dior Couture | Wines and Spirits | Fashion and Leather Goods | Perfumes and Cosmetics | Watches and Jewelry | Selective Retailing | Other activities and eliminations | Total        |
|--|------------------------|-------------------|---------------------------|------------------------|---------------------|---------------------|-----------------------------------|--------------|
| Half-year from July 1 to December 31, 2013 | 108                    | 828               | 1,642                     | 214                    | 212                 | 496                 | (101)                             | 3,399        |
| Half-year from January 1 to June 30, 2014  | 79                     | 461               | 1,487                     | 204                    | 107                 | 398                 | (85)                              | 2,651        |
| <b>Total</b>                               | <b>187</b>             | <b>1,289</b>      | <b>3,129</b>              | <b>418</b>             | <b>319</b>          | <b>894</b>          | <b>(185)</b>                      | <b>6,051</b> |

<sup>(a)</sup> Figures restated with retrospective application of IFRS 10 and 11 on consolidation

*This document is a free translation into English of the original French “Communiqué financier” dated July 29, 2015. 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.*