LVMH

TRANSLATION OF THE FRENCH
FINANCIAL DOCUMENTS

FISCAL YEAR ENDED DECEMBER 31, 2025

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As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component figures.

This document is a free translation into English of the original French "Documents financiers - 31 décembre 2025", hereafter referred to as the "Financial Documents". 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.

EXECUTIVE AND SUPERVISORY BODIES; STATUTORY AUDITORS AS OF JANUARY 1, 2026

Board of Directors

Bernard Arnault
Chairman and Chief Executive Officer

Alexandre Arnault

Antoine Arnault

Delphine Arnault

Frédéric Arnault

Dominique Aumont
Director representing employees

Marie-Véronique Belloeil-Melkin
Director representing employees

Henri de Castries(1)
Lead Director

Sophie Chassat(1)

Wei Sun Christianson(1)

Clara Gaymard(1)

Marie-Josée Kravis(1)

Laurent Mignon(1)

Marie-Laure Sauty de Chalon(1)

Natacha Valla(1)

Hubert Védrine(1)

Advisory Board members

Diego Della Valle

Lord Powell of Bayswater

Executive Committee

Bernard Arnault
Chairman and Chief Executive Officer

Stéphane Bianchi
Group Managing Director

Maud Alvarez-Pereyre
Human Resources

Delphine Arnault
Christian Dior Couture

Nicolas Bazire
Development and Acquisitions

Pietro Beccari
Fashion Group & Louis Vuitton

Damien Bertrand
Louis Vuitton

Cécile Cabanis
Finance

Jean-Jacques Guiony
Wines & Spirits

Guillaume Motte
Sephora

Stéphane Rinderknech
Hospitality Excellence & Beauty

Jérôme Sibille
General Administration & Legal Affairs

Jean Baptiste Voisin
Strategy

General Secretary

Marc-Antoine Jamet

Performance Audit Committee

Clara Gaymard(1)
Chairman

Laurent Mignon(1)

Marie-Laure Sauty de Chalon(1)

Natacha Valla(1)

Compensation Committee

Natacha Valla(1)
Chairman

Marie-Véronique Belloeil-Melkin

Sophie Chassat(1)

Marie-Josée Kravis(1)

Sustainability & Governance Committee

Henri de Castries(1)
Chairman

Sophie Chassat(1)

Marie-Laure Sauty de Chalon(1)

Hubert Védrine(1)

Statutory Auditors

Deloitte & Associés
represented by Guillaume Troussicot and Bénédicte Sabadie

Forvis Mazars SA
represented by Jérôme de Pastors and Simon Beillevaire

Statutory Auditor in charge of certifying sustainability information

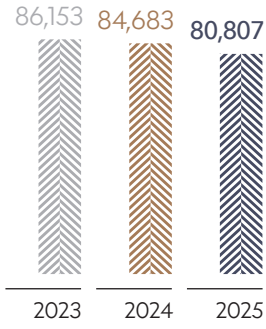
Deloitte & Associés
represented by Guillaume Troussicot

(1) Independent Director.

FINANCIAL HIGHLIGHTS

Revenue

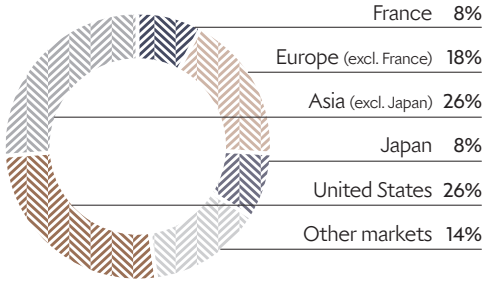
(EUR millions)



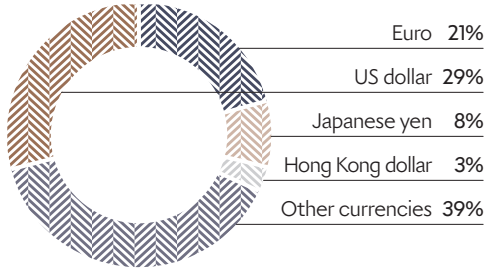
Change in revenue by business group *(EUR millions and percentage)*	2025	2024	2025/2024 Change		2023
			Published	Organic (a)	
Wines and Spirits	5,358	5,862	-9%	-5%	6,602
Fashion and Leather Goods	37,770	41,060	-8%	-5%	42,169
Perfumes and Cosmetics	8,174	8,418	-3%	0%	8,271
Watches and Jewelry	10,486	10,577	-1%	3%	10,902
Selective Retailing	18,348	18,262	0%	4%	17,885
Other activities and eliminations	671	504	-	-	324
Total	**80,807**	**84,683**	**-5%**	**-1%**	**86,153**

(a) On a constant consolidation scope and currency basis. The impact of exchange rate fluctuations on Group revenue was -3% and the impact of changes in the scope of consolidation was negligible. The principles used to determine the net impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the net impact of changes in the scope of consolidation are described on page 9.

Revenue by geographic region of delivery

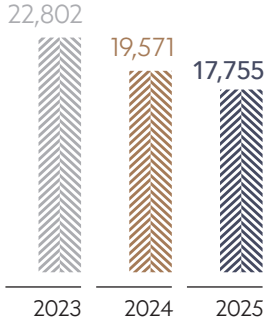


Revenue by invoicing currency



Profit from recurring operations

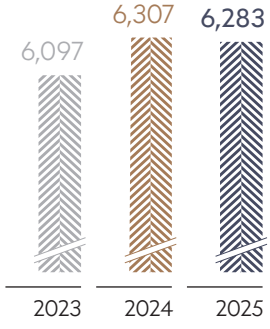
(EUR millions)



Profit from recurring operations by business group *(EUR millions)*	2025	2024	2023
Wines and Spirits	1,016	1,356	2,109
Fashion and Leather Goods	13,209	15,230	16,836
Perfumes and Cosmetics	727	671	713
Watches and Jewelry	1,514	1,546	2,162
Selective Retailing	1,780	1,385	1,391
Other activities and eliminations	(491)	(617)	(409)
Total	**17,755**	**19,571**	**22,802**

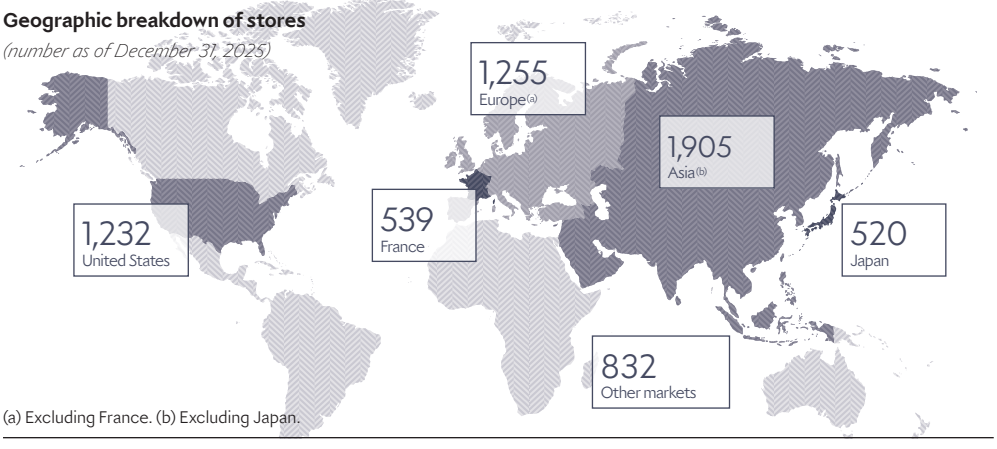
Stores

(number)



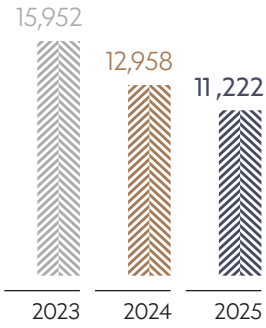
Geographic breakdown of stores

(number as of December 31, 2025)

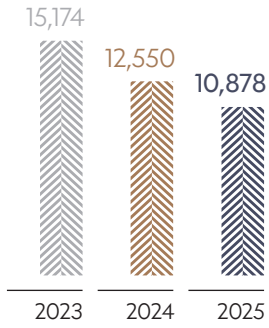


(a) Excluding France. (b) Excluding Japan.

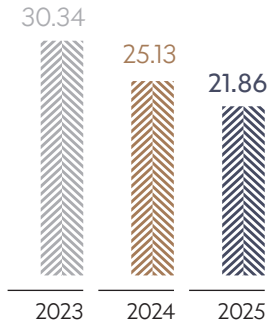
Net profit
(EUR millions)



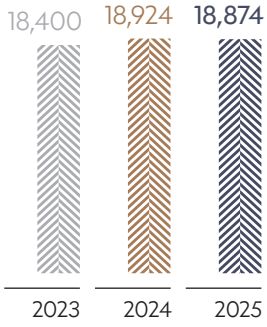
Net profit, Group share
(EUR millions)



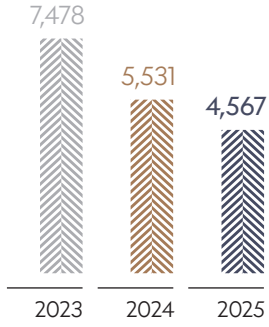
Basic Group share of net earnings per share
(EUR)



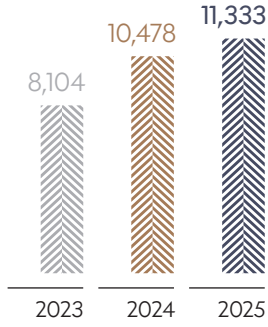
Net cash from operating activities
(EUR millions)



Operating investments
(EUR millions)

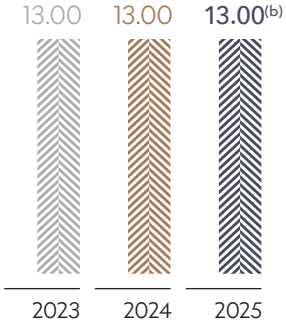


Operating free cash flow[(a)]
(EUR millions)



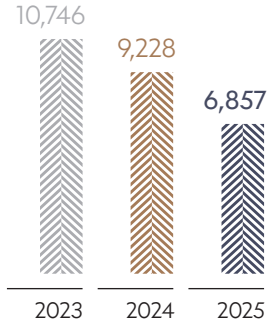
(a) See the consolidated cash flow statement on p. 26 for the definition of "Operating free cash flow".

Dividend per share[(a)]
(EUR)



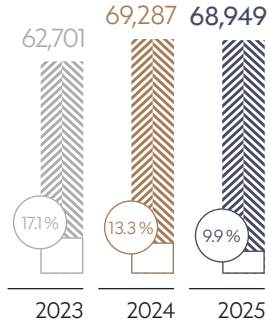
(a) Gross amount paid for the fiscal year, excluding the impact of tax regulations applicable to the recipient.
(b) Amount proposed at the Shareholders' Meeting of April 23, 2026.

Net financial debt[(a)]
(EUR millions)



(a) Excluding "Lease liabilities" and "Purchase commitments for minority interests' shares". See Note 19.1 to the condensed consolidated financial statements.

Equity and Net financial debt/Equity ratio
(EUR millions and percentage)



HIGHLIGHTS

Highlights of 2025 included the following:

Solid results in an unfavorable global environment

- Organic revenue growth of 1% in the second half of the year, improved trends across all business groups.
- Solid operating profit, negatively affected by currency fluctuations.
- Increase (8%) in operating free cash flow, which came to more than 11 billion euros.
- Revenue stable for champagne and wines, weaker demand for cognac.
- Solid local demand for Fashion and Leather Goods, which maintained a very high operating margin.
- Successful innovations and highly selective retail approach for Perfumes and Cosmetics.
- Success of the Watches and Jewelry Maisons' iconic lines and Tiffany's renovated stores.
- Remarkable performance by Sephora, which continued to achieve growth in both revenue and profit, and consolidated its position as world leader in beauty retail.

New progress made under our LIFE 360 environmental program

- Ongoing acceleration in the Group's circular design policy: 41% of materials used to make the Maisons' products and their packaging sourced through recycling processes (up 8% vs. 2024).
- Significant increase in proportion of raw materials certified: up 8 pts for cotton (84% vs. 76% in 2024); up 20 pts for wool (76% vs. 56% in 2024); certification levels close to 100% for grapes from LVMH vineyards (99.9%) and diamonds (99.9%).
- Water withdrawal for production sites and workshops: 19% reduction with respect to 2019 (Target for 2030: 30% reduction).
- As part of the Group's biodiversity protection plan, flora and fauna habitat regenerated or restored increased to 4.3 million hectares by year-end 2025 (Target for 2030: 5 million hectares).
- LVMH's environmental leadership once again recognized by the Carbon Disclosure Project, scoring AAA in the CDP's 2025 Corporate A List.

Major economic and social impact in France and around the world

- More than 211,000 employees worldwide as of year-end 2025.
- More than 40,000 direct jobs in France, each generating a further 4.4 indirect jobs within the economy.
- France's largest private-sector recruiter.
- Preserving and passing on skills and expertise in more than 280 professions in design, craftsmanship and customer experience, with over 3,800 apprentices trained by LVMH's IME (Institut des Métiers d'Excellence) program since its launch in 2014, along with a community of over 300 virtuosos.
- Support for nearly 1,000 nonprofits and charitable foundations in 2025, with around 69,000 Group employees taking part in a community involvement partnership, serving more than 2,500,000 people.
- LIVE (L'Institut des Vocations pour l'Emploi): Nonprofit aimed at helping people return to work following a long absence from the job market; open to 700 participants per year, with more than 2,000 people assisted since its launch.
- 117 production facilities and craft workshops in France.
- 5.5 billion euros in corporate tax in 2025, around half of which in France, making LVMH the country's leading contributor to corporate tax.

SHARE CAPITAL AND VOTING RIGHTS

Shareholders	Number of shares	Number of voting rights [a]	% of share capital	% of voting rights [a]
Arnault family group	247,694,473	489,899,517	49.77	65.89
Other shareholders	249,992,467 [b]	253,648,317	50.23 [b]	34.11
Total	**497,686,940**	**743,547,834**	**100.00**	**100.00**

(a) Voting rights exercisable at Shareholders' Meetings.
(b) Including 1,295,928 treasury shares, i.e. 0.26% of the share capital.

BUSINESS REVIEW AND COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE LVMH GROUP

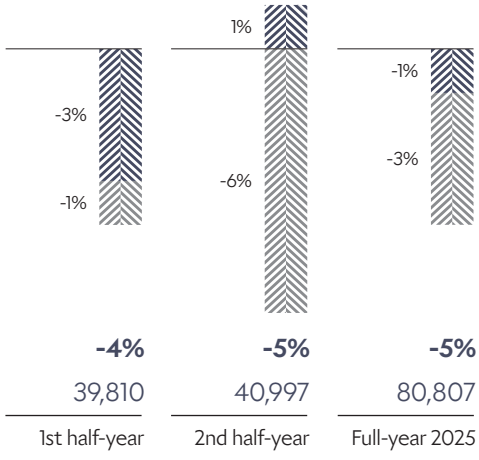
1.	COMMENTS ON THE CONSOLIDATED INCOME STATEMENT	6
2.	WINES AND SPIRITS	10
3.	FASHION AND LEATHER GOODS	11
4.	PERFUMES AND COSMETICS	13
5.	WATCHES AND JEWELRY	14
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1. COMMENTS ON THE CONSOLIDATED INCOME STATEMENT

1.1 Breakdown of revenue

Change in revenue per half-year period

(EUR millions and as %)



(a) The principles used to determine the impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 9.
(b) Negligible effect in fiscal year 2025.

Consolidated revenue for the fiscal year ended December 31, 2025 was 80,807 million euros, down 5% from the previous fiscal year. It was adversely affected by 3 points as a result of many of the Group's invoicing currencies weakening on average against the euro, in particular the US dollar, the Chinese renminbi, the South Korean won and the Japanese yen.

Changes in the scope of consolidation had a negligible effect on the Group's revenue growth.

The following changes to the Group's consolidation scope took place: in the Fashion and Leather Goods business group, the disposal of Off-White in September 2024; in the Watches and Jewelry business group, the consolidation of Pedemonte in March 2024 and of Swiza, the owner of high-end Swiss clock manufacturer L'Epée 1839, in June 2024; in "Other activities", the consolidation of Orient Express in June 2024 and of weekly magazine *Paris Match* in October 2024.

On a constant consolidation scope and currency basis, revenue decreased by 1%.

Revenue by invoicing currency

(as %)	2025	2024	2023
Euro	21	21	20
US dollar	29	28	28
Japanese yen	8	9	7
Hong Kong dollar	3	2	3
Other currencies	39	40	42
Total	**100**	**100**	**100**

The breakdown of revenue by invoicing currency changed as follows with respect to the previous fiscal year: the contributions of the US dollar and the Hong Kong dollar grew by 1 point each to 29% and 3%, respectively, while those of the Japanese yen and "Other currencies" fell by 1 point each to 8% and 39%, respectively. The contribution of the euro remained stable at 21%.

Revenue by geographic region of delivery

(as %)	2025	2024	2023
France	8	8	8
Europe (excl. France)	18	17	17
United States	26	25	25
Japan	8	9	7
Asia (excl. Japan)	26	28	31
Other markets	14	13	12
Total	**100**	**100**	**100**

By geographic region of delivery, the relative contribution to Group revenue of Asia (excluding Japan) fell by 2 points to 26%, and the contribution of Japan fell by 1 point to 8%. The relative contribution of France remained stable at 8%, while those of the United States, Europe (excluding France) and "Other markets" rose by 1 point each to 26%, 18% and 14%, respectively.

Revenue by business group

(EUR millions)	2025	2024	2023
Wines and Spirits	5,358	5,862	6,602
Fashion and Leather Goods	37,770	41,060	42,169
Perfumes and Cosmetics	8,174	8,418	8,271
Watches and Jewelry	10,486	10,577	10,902
Selective Retailing	18,348	18,262	17,885
Other activities and eliminations	671	503	324
Total	**80,807**	**84,683**	**86,153**

The breakdown of Group revenue by business group changed as follows: the contributions of Wines and Spirits and Fashion and Leather Goods fell by 1 point each to 6% and 47%, respectively, while the contributions of Selective Retailing and Watches and Jewelry increased by 1 point each to 23% and 13%, respectively. The contributions of Perfumes and Cosmetics and "Other activities" remained stable at 10% and 1%, respectively.

Revenue for Wines and Spirits decreased by 9% based on published figures. Affected by a negative 3-point exchange rate impact, revenue for this business group was down 5% on a constant consolidation scope and currency basis. The United States and Asia (excluding Japan) were the regions most affected by weak demand for cognac.

Revenue for Fashion and Leather Goods was down 5% in terms of organic growth and 8% based on published figures. The Fashion and Leather Goods business group showed good resilience with local customers with respect to 2024, which had been boosted by strong growth in tourist spending, particularly in Japan. Loro Piana turned in a remarkable performance.

Revenue for Perfumes and Cosmetics remained stable in terms of organic growth and was down 3% based on published figures. Asia, Japan and United States all saw revenue decrease, while the Middle East and Europe saw positive growth.

Revenue for Watches and Jewelry increased by 3% in terms of organic growth and decreased by 1% based on published figures. The business group was buoyed by the solid performance achieved by Bvlgari, which turned in another record-breaking year, and the successful transformation of Tiffany.

Revenue for Selective Retailing increased by 4% in terms of organic growth and remained stable based on published figures. Sephora continued to grow.

1.2 Profit from recurring operations

(EUR millions)	**2025**	**2024**	**2023**
Revenue	80,807	84,683	86,153
Cost of sales	(27,279)	(27,918)	(26,876)
Gross margin	53,528	56,765	59,277
Marketing and selling expenses	(29,914)	(31,002)	(30,768)
General and administrative expenses	(5,934)	(6,220)	(5,714)
Income/(Loss) from joint ventures and associates	75	28	7
Profit from recurring operations	**17,755**	**19,571**	**22,802**
Operating margin *(%)*	**22.0**	**23.1**	**26.5**

The Group's gross margin came to 53,528 million euros, down 6% compared to the previous fiscal year; as a percentage of revenue, the gross margin was 66.2%, down 0.8 points with respect to 2024.

Marketing and selling expenses totaled 29,914 million euros, down 4% based on published figures and 1% on a constant consolidation scope and currency basis. The level of these expenses expressed as a percentage of revenue came to 37.0%, remaining stable with respect to the previous fiscal year.

Among these marketing and selling expenses, those related to the development of the Maisons' retail networks were up 1% on a constant consolidation scope and currency basis; advertising and promotion expenses, which amounted to 11.4% of revenue, were down 3% on a constant consolidation scope and currency basis.

The geographic breakdown of stores is as follows:

(number)	**2025**	**2024**	**2023**
France	539	553	550
Europe (excl. France)	1,255	1,254	1,213
United States	1,232	1,193	1,128
Japan	520	510	497
Asia (excl. Japan)	1,905	2,019	2,003
Other markets	832	778	706
Total	**6,283**	**6,307**	**6,097**

General and administrative expenses totaled 5,934 million euros, down 5% based on published figures and 3% on a constant consolidation scope and currency basis. They amounted to 7.3% of revenue.

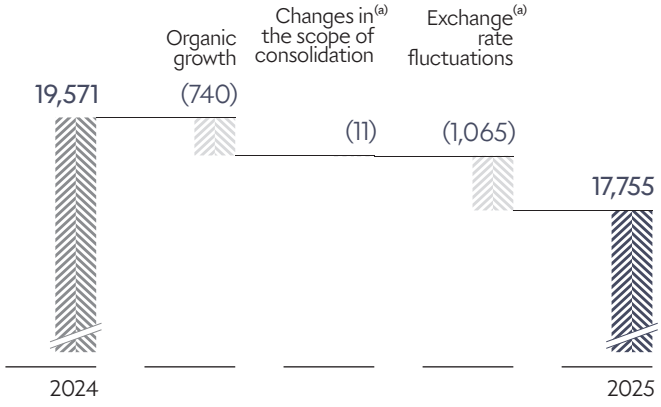
Profit from recurring operations by business group

(EUR millions)	**2025**	**2024**	**2023**
Wines and Spirits	1,016	1,356	2,109
Fashion and Leather Goods	13,209	15,230	16,836
Perfumes and Cosmetics	727	671	713
Watches and Jewelry	1,514	1,546	2,162
Selective Retailing	1,780	1,385	1,391
Other activities and eliminations	(491)	(617)	(409)
Total	**17,755**	**19,571**	**22,802**

The Group's profit from recurring operations was 17,755 million euros, down 9% from the previous fiscal year. The Group's operating margin as a percentage of revenue was 22.0%, down 1.1 points with respect to the previous fiscal year.

Change in profit from recurring operations

(EUR millions)



(a) The principles used to determine the impact of exchange rate fluctuations on the profit from recurring operations of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 9.

Exchange rate fluctuations had a negative overall impact of 1,065 million euros on profit from recurring operations compared to the previous fiscal year. This total comprises the following three items: (i) the impact of exchange rate fluctuations on export and import sales and purchases by Group companies, (ii) the change in the net impact of the Group's policy of hedging its commercial exposure to various currencies, and (iii) the impact of exchange rate fluctuations on the consolidation of profit from recurring operations of subsidiaries outside the eurozone.

Wines and Spirits

	2025	2024	2023
Revenue *(EUR millions)*	5,358	5,862	6,602
Profit from recurring operations *(EUR millions)*	1,016	1,356	2,109
Operating margin *(%)*	19.0	23.1	31.9

Profit from recurring operations for Wines and Spirits was 1,016 million euros, down 25% relative to December 31, 2024. The business group's operating margin as a percentage of revenue came to 19.0%.

Fashion and Leather Goods

	2025	2024	2023
Revenue *(EUR millions)*	37,770	41,060	42,169
Profit from recurring operations *(EUR millions)*	13,209	15,230	16,836
Operating margin *(%)*	35.0	37.1	39.9

Fashion and Leather Goods posted profit from recurring operations of 13,209 million euros, down 13% compared with the previous fiscal year. The business group's operating margin as a percentage of revenue remained very high, at 35.0%.

Perfumes and Cosmetics

	2025	2024	2023
Revenue *(EUR millions)*	8,174	8,418	8,271
Profit from recurring operations *(EUR millions)*	727	671	713
Operating margin *(%)*	8.9	8.0	8.6

Profit from recurring operations for Perfumes and Cosmetics was 727 million euros, up 8% compared to the previous fiscal year. The business group's operating margin as a percentage of revenue was 8.9%.

Watches and Jewelry

	2025	2024	2023
Revenue *(EUR millions)*	10,486	10,577	10,902
Profit from recurring operations *(EUR millions)*	1,514	1,546	2,162
Operating margin *(%)*	14.4	14.6	19.8

Profit from recurring operations for Watches and Jewelry was 1,514 million euros, down 2% relative to December 31, 2024. The business group's operating margin as a percentage of revenue was 14.4%.

Selective Retailing

	2025	2024	2023
Revenue *(EUR millions)*	18,348	18,262	17,885
Profit from recurring operations *(EUR millions)*	1,780	1,385	1,391
Operating margin *(%)*	9.7	7.6	7.8

Profit from recurring operations for Selective Retailing was 1,780 million euros, up 28% relative to December 31, 2024. In addition to the excellent performance achieved by Sephora, this improvement reflected the return to equilibrium for DFS. The business group's operating margin as a percentage of revenue was 9.7%.

Other activities

The loss from recurring operations of "Other activities and eliminations" was 491 million euros, compared with a loss of 617 million euros in fiscal year 2024. In addition to headquarters expenses, this heading includes the results of the hospitality and media divisions, Royal Van Lent yachts, and the Group's real estate activities. In 2024, it had included costs related to the 2024 Paris Olympics partnership and the LVMH Shares employee share ownership plan.

1.3 Other income statement items

(EUR millions)	**2025**	**2024**	**2023**
Profit from recurring operations	17,755	19,571	22,802
Other operating income and expenses	(656)	(664)	(242)
Operating profit	17,099	18,907	22,560
Net financial income/(expense)	(401)	(792)	(935)
Income taxes	(5,476)	(5,157)	(5,673)
Net profit before minority interests	**11,222**	**12,958**	**15,952**
Minority interests	(344)	(408)	(778)
Net profit, Group share	**10,878**	**12,550**	**15,174**

"Other operating income and expenses" amounted to a net expense of 656 million euros, compared with 664 million euros in 2024. As of December 31, 2025, this item mainly included depreciation, amortization and impairment charges for brands, goodwill and other fixed assets – primarily related to DFS – as well as gains and losses on disposals of consolidated companies.

The Group's operating profit was 17,099 million euros, down 10% from the previous fiscal year.

"Net financial income/(expense)" amounted to a net expense of 401 million euros as of December 31, 2025, compared with a net expense of 792 million euros as of December 31, 2024. This item comprised the following:

- the aggregate cost of net financial debt, which was a cost of 348 million euros, versus 442 million euros in the previous fiscal year, representing a positive change of 95 million euros, mainly due to the decrease in interest rates;
- interest on lease liabilities recognized under IFRS 16, which amounted to an expense of 553 million euros, compared with an expense of 510 million euros a year earlier;
- other financial income and expenses, which amounted to net income of 500 million euros, compared to income of 160 million euros in fiscal year 2024. Included in this amount was the expense related to the cost of foreign exchange derivatives, 306 million euros, versus an expense of 282 million euros a year earlier. In addition, fair value adjustments of available for sale financial assets amounted to net income of 835 million euros, compared to net income of 481 million euros in 2024.

The Group's effective tax rate as of December 31, 2025 was 32.8%, up 4.3 points from December 31, 2024, mainly due to the additional tax applicable in France for fiscal year 2025.

Profit attributable to minority interests totaled 344 million euros, compared to 408 million euros in the previous fiscal year; this total mainly includes profit attributable to minority interests in Moët Hennessy and DFS.

The Group's share of net profit was 10,878 million euros, down 13% relative to 2024, when it totaled 12,550 million euros. This represented 13.5% of revenue.

Comments on the determination of the impact of exchange rate fluctuations and changes in the scope of consolidation

The impact of exchange rate fluctuations is determined by translating the financial statements for the fiscal year of entities with a functional currency other than the euro at the prior fiscal year's exchange rates, without any other restatements.

The impact of changes in the scope of consolidation is determined as follows:
- for the fiscal year's acquisitions, by deducting from revenue for the fiscal year the amount of revenue generated during that fiscal year by the acquired entities, as of their initial consolidation;
- for the prior fiscal year's acquisitions, by deducting from revenue for the fiscal year the amount of revenue generated over the months during which the acquired entities were not consolidated in the prior fiscal year;
- for the fiscal year's disposals, by adding to revenue for the fiscal year the amount of revenue generated by the divested entities in the prior fiscal year over the months during which those entities were no longer consolidated in the current fiscal year;
- for the prior fiscal year's disposals, by adding to revenue for the fiscal year the amount of revenue generated in the prior fiscal year by the divested entities.

Profit from recurring operations is restated in accordance with the same principles.

2. WINES AND SPIRITS

	2025	2024	2023
Revenue *(EUR millions)*	**5,358**	**5,862**	**6,602**
Of which: Champagne and wines	*3,087*	*3,180*	*3,461*
Cognac and spirits	*2,272*	*2,683*	*3,141*
Sales volume *(millions of bottles)*			
Champagne	60.1	61.7	66.5
Cognac	74.6	80.8	83.2
Other spirits	20.4	20.8	21.5
Still and sparkling wines	61.9	61.3	61.1
Revenue by geographic region of delivery *(%)*			
France	8	7	7
Europe (excl. France)	21	20	20
United States	32	34	32
Japan	7	6	6
Asia (excl. Japan)	16	18	21
Other markets	16	15	14
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,016**	**1,356**	**2,109**
Operating margin *(%)*	**19.0**	**23.1**	**31.9**

Highlights

2025 confirmed the slowdown in demand observed since 2023, following several exceptional years. The Wines and Spirits Maisons continued to invest in the long-term desirability of their brands and launched a program aimed at boosting efficiency and reducing costs.

LVMH's champagne houses held their market share at 22% by volume, and updated their organization to boost efficiency while ensuring each Maison remained in control of its own management. **Dom Pérignon** launched a new marketing platform based on its historic links with artists and unveiled a limited edition designed in collaboration with Takashi Murakami. **Moët & Chandon** rolled out its new brand colors and enjoyed a high-profile presence as a key partner of Formula 1®'s Grand Prix races. It unveiled a limited edition by designer Pharrell Williams and special festive bottles wrapped in red and pink for the end-of-year holiday season. The Maison celebrated Benoît Gouez's 20th anniversary as Cellar Master, presenting an edition comprised of seven outstanding *Grand Vintage Collections* and a bottle of *Collection Impériale Création No. 1* designed for the occasion. **Veuve Clicquot** maintained its value strategy, with the launch of a new visual identity for its *La Grande Dame 2018* cuvée and a creative collaboration with Jacquemus, which had a strong media impact. The Maison continued to roll out its Sun Club strategy, promoting new daytime opportunities to enjoy its products, in particular in Japan, Australia and France, and affirmed its support for women entrepreneurs through its Bold program. **Ruinart** confirmed the success of its flagship *Blanc de Blancs* champagne and raised the profile of its beautifully transformed site at 4 Rue des Crayères in Reims with an artistic program featuring Julian Charrière and Sam Falls. In October, **Krug** unveiled "Every Note Counts", a new musical encounter launched in collaboration with composer Max Richter. In addition, the Maison confirmed the strength of its fundamentals and presented *Krug Grande Cuvée 173e Édition*, *Krug Rosé 29e Édition* and *Krug Clos du Mesnil 2009*.

Chandon received unprecedented acclaim for its expertise in sparkling wine and its commitment to sustainable agriculture, winning 86 awards and medals in five major international competitions. Chandon California also received Regenified™ (Level 4) regenerative agriculture certification. Still wines produced by **Moët Hennessy Wine Estates** performed well in a challenging economic environment. Provence rosé wines continued to outperform the rosé category worldwide. **Château d'Esclans** confirmed its global leadership, showing good resilience in the United States. **Minuty** saw a rapid pick-up in its key markets. **Cloudy Bay** continued to stand out as a benchmark in Sauvignon Blanc wines, achieving exceptional results in all regions. **Terrazas de los Andes** received excellent ratings from critics for the quality of its wines and confirmed the upmarket strategy of its portfolio. Napa Valley icon **Joseph Phelps** continued to strengthen its position in the United States with a second "Invitation to Acquire" campaign and the launch of its *Insignia 2022* vintage. **Ao Yun** strengthened its position as the best red wine produced in China with the launch of its 2021 vintage.

Hennessy celebrated its 260th anniversary. The Maison raised its profile through collaborations with its powerful cultural ambassadors, as seen in the outstanding success of its "The Decision" campaign featuring LeBron James. However, the situation remained challenging in its two main markets – the United States and China – which were also held back by the introduction of new customs restrictions. In South Africa, Hennessy maintained its positive momentum, driven by a new chapter of the "Made for More" campaign. In 2025, the Maison stepped up its environmental and social commitments – a key component of its pursuit of excellence – with progress in the Living Landscapes program, the roll-out of positive impact initiatives via Living Communities and the renewal of its main international certifications.

Glenmorangie launched "Once Upon a Time in Scotland", a major marketing campaign featuring legendary actor Harrison Ford. **Ardbeg** opened Ardbeg House on the Isle of Islay, a magnificent setting offering an immersive experience of the brand's unique atmosphere. **Belvedere** vodka continued to ramp up its innovative momentum with the release of *Belvedere Dirty Brew*, a new blend crafted with certified organic coffee. Luxury vodka *Belvedere 10* confirmed its leadership. **Eminente** rum ramped up its growth in Europe, fueled by the launch of *Carta Oro*.

Outlook

The Wines and Spirits business group is approaching 2026 with the same determination it showed in 2025, and will continue to invest in its Maisons and affirm its leadership in its key categories: cognac, champagnes, single malt whiskies and Provence rosé wines. Conscious of the potential challenges on the horizon – as exemplified by tariffs in the United States, anti-dumping measures in China and unfavorable exchange rates – the Maisons will take a pragmatic approach and focus on strengthening their fundamentals: their unique expertise, the exceptional quality of their products, the strength of their distribution networks and the desirability of their brands.

3. FASHION AND LEATHER GOODS

	2025	2024	2023
Revenue *(EUR millions)*	**37,770**	**41,060**	**42,169**
Revenue by geographic region of delivery *(%)*			
France	7	7	7
Europe (excl. France)	19	19	18
United States	18	17	17
Japan	11	12	10
Asia (excl. Japan)	35	36	39
Other markets	10	9	9
Total	**100**	**100**	**100**
Type of revenue *(as % of total revenue)*			
Retail	95	95	95
Wholesale	5	5	5
Licenses			
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**13,209**	**15,230**	**16,836**
Operating margin *(%)*	**35.0**	**37.1**	**39.9**

Highlights

The Fashion and Leather Goods business group showed good resilience with local customers with respect to 2024, which had been boosted by strong growth in tourist spending, particularly in Japan. Driven by a desire to offer their customers exceptional products and experiences, LVMH's Maisons continued to pursue creativity, very high quality, masterful craftsmanship and retail excellence.

Louis Vuitton continued to demonstrate powerful creativity, exceptional craftsmanship and unique in-store experiences. Shows by Nicolas Ghesquière and Pharrell Williams took viewers on a memorable voyage, celebrating the spirit of travel and reimagining the Maison's most iconic designs. The emblematic creative collaboration with Takashi Murakami made a vibrant comeback, with the «re-edition» collection at the start of the year featuring colorful designs created 20 years ago, and the new *Artycapucines* collection unveiled at Art Basel Paris. The Louis opened in downtown Shanghai in June. This spectacular space, in the shape of a cruise ship, redefines the luxury experience, with a one-of-a-kind store, fine dining at the Café Louis Vuitton and the immersive *Visionary Journeys* exhibition, reimagining the spirit of travel. A unique new cultural experience also opened at the end of the year in a multi-floor space in Seoul, celebrating the city's singular fusion of tradition, culture, art and modernity. In September, the Maison unveiled *La Beauté Louis Vuitton*, its new cosmetics segment, led by globally acclaimed makeup artist Dame Pat McGrath. This collection reflects an approach that blends refinement, sustainability and exceptional craftsmanship. Louis Vuitton embarked on a new adventure in high-performance sports, becoming an Official Partner of Formula 1®. To mark this new partnership, the Maison created 24 unique trophy cases – one for each of the season's Grand Prix races – illustrating the expert skills of its trunk-makers and leatherworkers. The Maison was featured at the France Pavilion during the World Expo in Osaka, where its immersive installation showcasing its craftsmanship and its close ties with Japan drew a record number of visitors. Its new campaign, "The Spirit of Travel", shone a spotlight on its iconic luggage and China's most fascinating landscapes.

Christian Dior embarked on a defining new chapter in its history, welcoming Jonathan Anderson as Creative Director of its Haute Couture, Men's and Women's collections. His first two shows were met with particularly high acclaim, attracting a record audience and garnering enthusiastic reviews. Jonathan Anderson won Designer of the Year for the third year running at the Fashion Awards 2025. For her final Dior Cruise collection, Maria Grazia Chiuri drew inspiration from Italian cinema and costume balls. Kim Jones's final *Dior Homme* collection paid tribute to the Maison's Haute Couture heritage. Victoire de Castellane's latest jewelry designs were showcased in the new *Diorexquis* collection and new additions to the *Rose des Vents* line, which celebrated its 10th anniversary. In leather goods, *Lady Dior* elevated its desirability with a new marketing campaign and the well-received 10th edition of *"Dior Lady Art"*, with 10 artists reinterpreting the iconic bag. The range was further expanded with the successful launches of the *Dior Toujours Vertical* and *D-Journey* lines. Three major new store openings took place during the year: "House of Dior" locations embodying French elegance in the heart of Manhattan, New York and Beverly Hills, Los Angeles, and a stunning sculptural building in Beijing designed by Christian de Portzamparc in the new Sanlitun district. With its high-profile presence at the World Expo in Osaka, Christian Dior took visitors on a poetic odyssey through the Maison's dreamlike universe, showcasing its legacy of expert craftsmanship. Lastly, the Maison carried on its beloved annual tradition of crafting spectacular façades and enchanting window displays to celebrate the end-of-year holiday season at 30 Avenue Montaigne and around the world.

Loro Piana turned in a remarkable performance, continuing to offer products of the highest quality. To celebrate its 100th anniversary, its first-ever exhibition was unveiled at the Museum of Art Pudong in Shanghai at the beginning of the year. In the second half of the year, to celebrate its ties to New York, the Maison staged a highly visible installation at Bergdorf Goodman and reopened its newly extended and magnificently redesigned New Bond Street store in London. An exceptional new fabric, *Royal Lightness*, was added to Loro Piana's range of finest fibers, known as *"Excellences"*, and the *Loro Highlands* capsule collection paid tribute to equestrian elegance. Its partnership with Team Europe – winner of golf's prestigious Ryder Cup – reflected the Maison's steadfast commitment to the world of sports.

Celine saw an influx of promising new creative energy with the arrival of its new Creative Director, Michael Rider, whose first two shows received a warm welcome and raised the Maison's profile. Its *New Luggage* and *Soft Triomphe* bags, unveiled at the Spring 2026 show, together with accessories (silk and charms), got off to a good start.

Fendi celebrated its centenary, hosting a coed runway show staged by Silvia Fendi at the Maison's new "Solari" location in Milan, launching the iconic *Mamma Baguette* bag, unveiling its *Eaux d'Artifice* high jewelry collection and opening the striking Palazzo Milano store – a fusion of Roman heritage and Milanese design. Maria Grazia Chiuri was appointed Chief Creative Officer of Fendi in October.

Loewe's first collection designed by Jack McCollough and Lazaro Hernandez was presented in October and enthusiastically welcomed by the press and buyers. The Maison showcased its powerful innovative momentum through striking reinterpretations of its iconic lines, including a collaboration with the Josef & Anni Albers Foundation and the launch of the *Madrid* bag in tribute to the city where it was founded. The 10th anniversary of the *Puzzle* line was celebrated through a range of initiatives. The store network expanded, with a first flagship store opening in Australia and new Casa Loewe stores in Shanghai, Paris' Avenue Montaigne and Tokyo Ginza.

Marc Jacobs released an exclusive electric-pink version of the Maison's signature Stephen Sprouse x Marc Jacobs *Tote Bag*. In the second half of the year, the Maison unveiled a creative collaboration for its limited-edition *Joy* capsule collection.

Givenchy held its first runway shows of collections designed by Sarah Burton, which were warmly welcomed by the press and customers alike, and recognized for their creativity at the British Fashion Awards. Women's ready-to-wear saw growth after its collections arrived in stores at the end of August. A new flagship store opened on Rue François Ier in Paris in July.

Kenzo presented its Men's and Women's shows separately for the first time in eight years, in January and March, respectively. The Spring/Summer 2026 collection was unveiled in June amid the Art Nouveau decor of legendary Parisian restaurant Maxim's.

Berluti was boosted by demand for its iconic footwear designs, particularly the *Alessandro*, *Fast Track* and *Shadow* models, and by growth in ready-to-wear. The Maison continued to affirm its vision of the "remarkable allure" that has become its signature, embodied by Victor Belmondo. The visual enhancement of its store network continued.

Rimowa showcased the excellence of its hardshell luggage through a limited-edition suitcase designed in collaboration with Rick Owens, as well as its successful *Original Backpack* and initiatives featuring its *Essential* range. Other highlights of the year included the launch of a sunglasses collection in partnership with Mykita, the debut of the Maison's new *Groove* line of leather bags and the redesigned *Never Still* line. The Maison continued to roll out its flagship stores in major international capitals.

Pucci presented its Spring/Summer collection in Portofino, highlighting its Italian identity and revisiting its iconic prints. Naomi Campbell starred in the campaign promoting its Fall/Winter collection.

Outlook

Driven by a determination to create supremely desirable collections and the highest-quality products, LVMH's Maisons will continue to pursue creativity and masterful craftsmanship. **Louis Vuitton** will focus its attention in 2026 on its spirit of innovation and the ongoing pursuit of excellence through its designs and stores. New collections and dedicated window displays will celebrate the 130th anniversary of its legendary *Monogram* canvas. The Maison will continue to showcase its cultural vision, crafting dreams and ever more unique experiences for its customers. Balancing the Maison's timeless legacy with contemporary reinvention, **Christian Dior** will continue to invest to keep on making the magic it is known for under its new Creative Director, Jonathan Anderson, whose first collections arrive in stores in the first quarter of 2026. The Cruise collection runway show will be held in May in Los Angeles. **Loro Piana** will open its newly renovated store in the heart of Vienna, Austria, before inaugurating a new store in Omotesando, Tokyo in the second half of the year. **Celine** will continue with the creative refresh of its Women's collections, revisiting pieces that exemplify its signature chic and promoting its core leather goods lines. Celine's new Men's collection will be unveiled in June 2026. At **Fendi**, Maria Grazia Chiuri will unveil her first Women's collection in Milan in February. The Maison will also return to the Haute Couture scene in July. **Loewe** is approaching 2026 with a highly dynamic innovation plan. The influx of fresh energy and creative direction driven by Jack McCollough and Lazaro Hernandez will inject fresh impetus into all of the Maison's collections and designs. Three new flagship stores will open on Via Monte Napoleone in Milan, Rue du Faubourg Saint-Honoré in Paris and Madison Avenue in New York. **Rimowa** will celebrate the reopening of its flagship in Cologne, where the Maison was founded. **Berluti** will continue to renovate and selectively expand its store network, particularly in the Middle East.

4. PERFUMES AND COSMETICS

	2025	2024	2023
Revenue *(EUR millions)*	**8,174**	**8,418**	**8,271**
Revenue by geographic region of delivery *(%)*			
France	10	10	9
Europe (excl. France)	22	21	21
United States	19	19	19
Japan	5	6	5
Asia (excl. Japan)	29	30	33
Other markets	15	14	13
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**727**	**671**	**713**
Operating margin *(%)*	**8.9**	**8.0**	**8.6**

Highlights

Maintaining a robust innovation policy and a highly selective retail approach, the Perfumes and Cosmetics business group continued to demonstrate the strength of its Maisons and the relevance of their market positioning.

Parfums Christian Dior showed outstanding resilience in the face of a volatile economic environment and a cyclical slowdown in the market. The Maison strengthened its leadership position in its strategic markets, buoyed by the performance of its iconic lines. *Sauvage* retained its place as the world's best-selling men's fragrance, while *Dior Homme*, reinterpreted by Francis Kurkdjian, maintained its strong momentum. Iconic women's fragrances *J'adore* and *Miss Dior* continued to grow, in particular thanks to the new version of *J'adore Eau de Parfum* and the successful launch of the new *Miss Dior Essence*. *La Collection Privée* experienced robust growth in all markets. Makeup was driven by the success of innovative additions to the flagship *Forever*, *Rouge Dior*, *Dior Addict* and *Backstage* ranges. Skincare was boosted by the launch of *Dior Prestige Les Nectars de Rose* as well as by innovations and a revamped marketing campaign for the *Capture* line. Honoring its purpose of "Making the world a happier, more beautiful place", Parfums Christian Dior increased the use of regenerative agriculture techniques for the flowers and plants grown to produce its fragrances and highlighted its commitment to protecting biodiversity, in particular via partnerships with WWF.

Guerlain confirmed the acceleration in its major markets, in particular the Middle East, Japan, South Korea, South Asia, Europe and the United States. Fragrance was the Maison's main growth driver, buoyed by the success of *Florabloom* in the *Aqua Allegoria* collection, *Shalimar L'Essence* – celebrating the *Shalimar* line's 100th anniversary – and the *L'Art et La Matière* collection. Innovations in its *Abeille Royale* serum and *Rouge G* lipstick also helped drive growth. The Maison also continued to champion sustainable beauty, with notable initiatives in 2025 including the launch of the first cellulose-based packaging for its *Orchidée Impériale Blue* skin cream and the development of the *Women for Bees* program in China.

Parfums Givenchy focused on promoting its iconic lines, in particular its *L'Interdit* women's fragrance, which was boosted by the launch of the new *L'Interdit Parfum* version. The Maison also unveiled a new interpretation of its *Gentleman Society Ambré* men's fragrance, with Formula 1® driver Pierre Gasly as its ambassador. Makeup was driven by the new *Prisme Libre Glow Serum* foundation and the success of *Le Rouge Velvet Matte* lipstick, whose design echoes the brand's couture heritage. **Benefit**'s innovative momentum was exemplified by the launch of its new *POREfessional* foundation, which became an instant bestseller, marking the Maison's strategic entrance into the largest makeup category. **Maison Francis Kurkdjian** continued its international expansion, including two new stores in the United States. The Maison launched its new *Kurky* fragrance and the *My Very Intimate Perfumes* collection. It also stepped up marketing for its iconic *Baccarat Rouge 540*, for which it unveiled the *Édition Millésime* version, encased in a Baccarat crystal bottle. The *Perfume: Sculpture of the Invisible* exhibition at the Palais de Tokyo in Paris looked back at 30 years of Francis Kurkdjian's creations. **Loewe Perfumes** confirmed its solid growth path, driven by the excellent performance of its iconic *Botanical Rainbow* line and an acceleration in its already strong international growth. The year also saw the launch of the *Crafted Collection*, a series of three new fragrances celebrating the Maison's expert craftsmanship. **Acqua di Parma** reaffirmed its Italian heritage through its fragrances and its traditional craftsmanship. The Maison unveiled two new eaux de parfum: *Colonia Il Profumo* and *Buongiorno*, with the latter becoming its greatest ever success. Its *Art of Living* range was enriched with the *La Terrazza Italiana* and *Antelao* collections. **Make Up For Ever** broke new ground with the launch of its *Super Boost* range, its innovations for *HD Skin* and the success of its *Artist Color* pencils. **Kenzo Parfums** expanded its range with the new *Flower* and *Kenzo Homme Indigo* fragrances, as well as the relaunch of the unisex *L'Eau Pure* fragrance, which reflects the Maison's commitment to sustainability. **Fresh** refocused its strategy on showcasing its fundamentals, reaffirming the importance of natural ingredients as nutrients for skin, and concentrated its initiatives on the United States and China, both key markets for skincare. **Fenty Beauty** continued its expansion in China and the rollout of its haircare range. **Officine Universelle Buly** opened two new stores in Paris and its 21st store in Japan. The Maison unveiled a number of innovations, including new scents for its oils and soaps as well as the *Baume des Muses Métallique*, an exceptional piece that artfully combines accessories and cosmetics.

Outlook

In 2026, LVMH's Maisons will continue to invest in their strengths, focusing on innovation and excellence in their products, their desirability and a selective approach to their retail networks. **Parfums Christian Dior** will build on the vibrancy of its iconic lines, further innovation for ever more effective products, its ongoing quest for excellence and an increasingly selective retail approach. The Maison will also capitalize on close collaboration with Dior Couture and the arrival of JW Anderson. **Guerlain** will benefit from additions to its fragrance lines. **Parfums Givenchy** will focus on promoting its iconic *L'Interdit*, *Gentleman* and *Irresistible* lines, and on accelerating the development of its niche fragrances in *La Collection Particulière*. A launch in the lip segment will boost the makeup category. At **Kenzo Parfums**, the year will see marketing initiatives focused on the Maison's iconic lines, in particular *Flower by Kenzo*. **Benefit** aims to strengthen its position in the foundation category and maintain its global leadership in brow beauty thanks to major innovations. **Maison Francis Kurkdjian** intends to consolidate its positioning in its key markets, and will continue to support the cornerstones of its fragrance wardrobe. Building on the success of its exhibition in Paris, the Maison aims to extend the exhibition to locations outside France. **Loewe Perfumes** will continue its international expansion, crafting an ever more exclusive customer experience. **Acqua di Parma** will celebrate its 110th anniversary with a tribute to the city of Parma and the launch of a travelling exhibition. **Make Up For Ever** will roll out its new brand identity to all its customer touchpoints. **Fresh** will continue to showcase its expertise and will innovate to enhance its iconic *Soy* and *Kombucha* lines. **Fenty Beauty** will celebrate its ninth anniversary and consolidate its positioning. **Officine Universelle Buly** will build on its growing international presence, opening new, high-profile locations in Europe and Japan.

5. WATCHES AND JEWELRY

	2025	2024	2023
Revenue *(EUR millions)*	**10,486**	**10,577**	**10,902**
Revenue by geographic region of delivery *(%)*			
France	4	5	3
Europe (excl. France)	15	15	15
United States	24	24	23
Japan	12	13	11
Asia (excl. Japan)	29	29	34
Other markets	16	14	14
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,514**	**1,546**	**2,162**
Operating margin *(%)*	**14.4**	**14.6**	**19.8**

Highlights

For the Watches and Jewelry business group, the priority remained focused on innovating, showcasing its icons, enhancing the desirability of collections and pursuing quality-driven retail development. Managing expertise was another key priority.

Tiffany & Co. continued to focus on its iconic lines as part of its elevation strategy. *Hardwear* and *Knot* in particular experienced strong growth. The Maison's portfolio of iconic pieces was enriched with the *Sixteen Stones* collection and the *Bird on a Rock* line, launched in August, whose very good performance attested to the growing desirability of its designs. Tiffany & Co. had a record year in high jewelry. The *Blue Book 2025 Sea of Wonder* high jewelry collection was a major success. The collection showcased Tiffany & Co.'s powerful creativity, infused with the rich heritage handed down by its first designer, Jean Schlumberger. Tiffany won two awards (the Jury's Special Prize and the Heritage Prize) at the first Grand Prix de la Haute Joaillerie in Monaco, in recognition of the Maison's past and present excellence in jewelry-making. The program aimed at renovating locations and rolling out the new store concept continued, illustrated by two magnificent achievements: the Maison's first flagship store in Europe, on Via Monte Napoleone in Milan, which received the Prix Versailles, followed by the Tokyo Ginza flagship. Renovated stores – which account for nearly a third of the total network since Tiffany & Co. joined LVMH – showed solid growth, as did The Landmark on New York's Fifth Avenue, which achieved steady growth for the third consecutive year.

Bvlgari achieved another record year. 2025 kicked off with the Year of the Snake festivities in Shanghai and a large-scale art exhibition featuring the work of Chinese and international artists. The new *Polychroma* high jewelry collection, unveiled in Italy, China, Japan, the United States and the Middle East, generated record sales of multi-million-dollar pieces. The *Kaleidos* exhibition at Tokyo's National Art Center showcased the Maison's creative universe and its unique expertise in colored gemstones. New collections were added to each of its three major iconic lines *(Serpenti*, *Diva* and *B.zero1)*. The *Octo Finissimo Ultra Tourbillon* timepiece – which set a new record for the world's thinnest tourbillon watch – and the new *Serpenti Aeterna* collection of jewelry watches were presented at the Watches & Wonders trade show. New flagship stores were opened in Milan, Los Angeles, Miami, Tokyo and Riyadh, boosting sales momentum in these key markets. Bvlgari inaugurated its expanded Valenza site, which became the world's largest and most sustainable jewelry manufacturing facility, powered entirely by renewable energy.

For the first year of its partnership with Formula 1, **TAG Heuer** returned as official timekeeper and extended its contract with the Red Bull Racing team and its four-time world champion driver Max Verstappen. The new "Designed to Win" marketing campaign was launched, showcasing the brand's ties to the world of sports. The Maison expanded its range with new high-end editions of the iconic *Monaco* and *Carrera*, featuring split-second and flyback complications, and, at the end of the year, chronometers equipped with a proprietary carbon-composite hairspring, a revolutionary innovation by TAG Heuer. The Maison took back direct control over its distribution in South Korea and Mexico.

For the 20th anniversary of its *Big Bang* collection, **Hublot** released a limited edition of five exceptional models fusing the design of the original watch with that of the current *Big Bang Unico*. Following the Watches & Wonders trade show, anniversary celebrations continued throughout the year, with Kylian Mbappé and Usain Bolt making appearances at Dubai Watch Week and Art Basel Miami. The new "Own It" marketing campaign was launched in May. The *MP-17 Meca-10 Arsham Splash*, designed in collaboration with American artist Daniel Arsham, was unveiled in October in Singapore.

Zenith commemorated its 160-year history, unveiling the *G.F.J.* chronometer, a tribute to its founder reflecting the Maison's historic contribution to watchmaking excellence. The design won the Chronometry Prize at the 25th Geneva Watchmaking Grand Prix. Meanwhile, Zenith continued to modernize its unique manufacturing facility in Le Locle.

Faithful to its pioneering spirit, **L'Epée 1839** revisited the Swiss cuckoo clock, breathing new life into this quintessential symbol of Switzerland's clockmaking tradition.

Chaumet developed its emblematic *Bee de Chaumet* jewelry line, which performed well. Embodying its legacy as a jeweler inspired by nature, the Maison unveiled its *Jewels by Nature* high jewelry collection at an inaugural event held in Marbella, Spain, before continuing its world tour. These ties to the natural world were also celebrated in "Ode to Nature", an experience presented at the World Expo in Osaka, which drew over one million visitors. The Maison underscored its commitment by entering into a partnership with WWF and launching its first jewelry made from 100% responsibly sourced, traceable gold.

Fred focused on injecting fresh energy into its iconic collections: *Force 10* enjoyed major success with the launch of *Force 10 Rise* and the extension of its partnership with the French Open, while *Chance Infinie* developed a new aesthetic. The Maison cemented its positioning as the "Sunshine Jeweler", unveiling new high jewelry pieces in two collections: *1936* and *Soleil d'Or Sunrise*. It continued to expand its retail network.

Repossi launched the new *Blast* jewelry collection and strengthened its ties with contemporary art through a collaboration with American artist Sterling Ruby. The Maison expanded significantly in Asia during the year, notably in South Korea and Japan.

Outlook

Building on their success, the Maisons will continue to make targeted investments in innovation, the development of their iconic lines, desirability and in-store excellence. In 2026, **Tiffany & Co**. will continue to deliver on its elevation strategy built around its iconic lines as well as renovating its stores, with the aim of continuing to enhance its desirability and the quality of its customer experience. A varied program of events will highlight the Maison's exceptional creativity, heritage and craftsmanship. **Bvlgari** will focus on renovating its most iconic stores and expanding its range in its signature lines. The Maison will launch a high jewelry collection in Milan in March. In watchmaking, two new models will join the *Serpenti* collection and the *Octo Finissimo* watch will receive a major upgrade. **TAG Heuer** will focus on chronographs and partnerships with Formula 1. The Maison will unveil major innovations in mechanical movements in its *Monaco* and *Carrera* collections and open a new case-making facility in Cornol, Switzerland. **Hublot** will celebrate its partnership with UEFA at the Champions League final and add to its *Big Bang* and *Classic Fusion* collections. **Zenith** will bring fresh innovations to its *Chronomaster* and *G.F.J.* lines. **Chaumet** will unveil a new, nature-inspired high jewelry collection. **Fred** will celebrate its 90th anniversary by launching the *Monsieur Fred Golden Light* high jewelry collection and promoting its iconic lines. **Repossi** will celebrate the 40th anniversary of its arrival on Place Vendôme and open a store in London.

6. SELECTIVE RETAILING

	2025	2024	2023
Revenue *(EUR millions)*	**18,348**	**18,262**	**17,885**
Revenue by geographic region of delivery *(%)*			
France	11	11	11
Europe (excl. France)	13	12	9
United States	45	46	46
Japan	1	1	1
Asia (excl. Japan)	11	12	15
Other markets	19	18	18
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,780**	**1,385**	**1,391**
Operating margin *(%)*	**9.7**	**7.6**	**7.8**

Highlights

Sephora once again posted solid revenue growth in 2025, against a particularly high basis of comparison. At DFS, initiatives to streamline operations helped improve profitability, despite business activity still being held back by prevailing international conditions.

Sephora turned in a solid performance, continuing to gain market share and reaffirming its powerful brand and its effective, resilient business model. Growth was particularly strong in Europe, the Middle East and Latin America. Business continued to grow in North America. In a still challenging Chinese market, the strategic focus was on further differentiating Sephora's range of products and services, particularly in makeup, as well as building loyalty and enhancing the in-store experience. These initiatives yielded very encouraging outcomes as store traffic gradually picked up.

Makeup remained the top category by sales volume, followed by skincare, fragrance and haircare. Fragrance, meanwhile, showed the strongest momentum thanks to a number of product innovations and new applications, such as mists and layering. Exclusive brands, which made up nearly half the brand portfolio, were the most significant source of growth. Rhode – the "native online" makeup and skincare brand founded by Hailey Bieber, launched in North America followed by the United Kingdom – was Sephora's biggest-ever launch. The Maison also continued with its partnership strategy, as demonstrated by the new "We Belong to Something Beautiful" campaign with Lady Gaga's Haus Labs brand.

Sephora continued to invest in its omnichannel strategy and expand its retail network, opening around a hundred locations in 2025. This expansion was particularly dynamic in the United Kingdom, with five new stores delivering outstanding performance. A new flagship store opened in São Paulo, while a new store concept was rolled out in North America. The Maison continued to develop its Sephora experience concept in Asia, exemplified by a new store in Bangkok and the renovation of existing stores in China. Meanwhile, the app continued to establish itself as Sephora's "digital flagship", offering an enhanced experience.

Sephora continued to grow its community of 80 million active members around the world and strengthen its brand, which has ranked among the world's top 100 brands for several years running. The "Sephoria" world tour continued, with events in Milan, Shanghai, Paris and Dubai.

The Maison reaffirmed its values and its commitment to environmental and corporate social responsibility. For the third year in a row, Sephora renewed its partnership with the Rare Beauty brand to mark World Mental Health Day.

With tourism recovering more quickly in some markets than others, **DFS** focused on improving its profitability, notably by streamlining its store network and undertaking targeted marketing initiatives. Its Abu Dhabi airport store and the *Galleria* in Okinawa, which celebrated its 20th anniversary, continued to attract high footfall and strong demand. Revenue grew in Hong Kong and Macao thanks to a strategy of forging stronger partnerships with iconic brands, renovating stores, launching exclusive products and running high-impact events and initiatives at key locations, such as Four Seasons Macao.

Le Bon Marché once again posted revenue growth, driven by its differentiation strategy focused on a continuously renewed selection of exceptional products, exclusive partnerships and concepts, and a rich array of cultural events. Highlights of the year included the *Le La Serpent* exhibition, which gave carte blanche to renowned Brazilian artist Ernesto Neto; the light-heartedly offbeat *Je T'aime Comme Un Chien* exhibition; the *Tout Beau et Tout Bronzé* exhibition held over the summer; and the *Rock'n'Drôle* exhibition in September, created with Antoine de Caunes, which took visitors on a humorous journey through the history of rock. *Babel*, a stunning new performance choreographed by Mourad Merzouki and Le Bon Marché's third night-time show, was a major success. With its exceptional range of culinary products and gourmet experiences, La Grande Épicerie de Paris achieved revenue growth, particularly among international customers. The Group strengthened the organization of its department stores in March 2025 by implementing a shared governance structure for Le Bon Marché and La Samaritaine, which will continue its development while drawing up its business model for the future.

Outlook

In 2026, **Sephora** will continue to pursue its strategy of differentiation through products and experiences, and will continue to expand its store network to sustain growth and win market share. The Maison will focus on seeking out growth opportunities across all of its geographical markets, including the most mature, as well as launching in new countries such as Croatia in Europe and continuing to expand in the United Kingdom, Latin America and Southeast Asia. In North America, Sephora will continue to open new stores and pursue its renovation program, rolling out its new store concept. In China, its new strategy will feature a number of exclusive brand launches and store renovations. The Maison will focus on developing its "Only at Sephora" selection and brand collaborations, following the model of Rhode, which will continue to be rolled out. Its omnichannel strategy will be further reinforced to ensure a seamless user experience and personalized, high-quality advice at every step of the customer journey, notably through the global rollout of its skin scan and shade finder tools. The Maison will continue to inspire its community, with the now iconic "Sephoria" event to be held in a number of capital cities, and to reward customers, with the rollout of the "My Sephora" loyalty program. Spurred on by the conviction that its people, and in particular its beauty advisors, are the key to its success and its ability to deliver excellence in the customer experience, the Maison will continue to prioritize career development and training, with Sephora University and advanced new tools underpinned by technology and artificial intelligence. Lastly, the Maison's commitment will be embodied in initiatives promoting inclusion – a core component of its global mission. **DFS** will further focus on its clienteling activities, showcase its selection of high-quality products and launch targeted initiatives. An agreement was signed in January 2026 with China Tourism Group Duty Free to acquire DFS' business in Greater China, in particular the *Gallerias* in Hong Kong and Macao. **Le Bon Marché** will strive to further enhance the quality of its exclusive selection focused on desirability and uniqueness. The Maison will launch a new loyalty program in September 2026 to attract and satisfy an ever more demanding customer base. The legendary department store on the Left Bank of the Seine will continue to host unique artistic events, starting with an exhibition by Chinese artist Song Dong, a major figure in contemporary art. La Grande Épicerie de Paris will showcase regional specialties and develop its range of artisanal products and services.

7. COMMENTS ON THE CONSOLIDATED BALANCE SHEET

(EUR millions)	2025	2024	Change
Intangible assets	41,444	46,587	(5,143)
Property, plant and equipment	29,728	29,886	(158)
Right-of-use assets	14,860	16,620	(1,759)
Other non-current assets	7,826	8,626	(800)
Non-current assets	**93,858**	**101,719**	**(7,861)**
Inventories	22,659	23,669	(1,010)
Cash and cash equivalents	8,794	9,631	(837)
Assets held for sale [(a)]	2,796	-	2,796
Other current assets	13,930	14,171	(241)
Current assets	**48,179**	**47,471**	**708**
Assets	**142,037**	**149,190**	**(7,153)**

(EUR millions)	2025	2024	Change
Equity	68,949	69,287	(337)
Long-term borrowings	12,418	12,091	327
Non-current lease liabilities	13,384	14,860	(1,476)
Other non-current liabilities	16,869	19,255	(2,386)
Non-current liabilities	**111,621**	**115,493**	**(3,872)**
Short-term borrowings	7,925	10,851	(2,926)
Current lease liabilities	2,634	2,972	(338)
Liabilities held for sale [(a)]	1,616	-	1,616
Other current liabilities	18,240	19,873	(1,633)
Current liabilities	**30,416**	**33,696**	**(3,281)**
Liabilities and equity	**142,037**	**149,190**	**(7,153)**

(a) Assets and liabilities held for sale concern DFS, in connection with the agreement signed by LVMH in January 2026 to sell a portion of its businesses.

LVMH's consolidated balance sheet totaled 142.0 billion euros as of end-December 2025, down 7.2 billion euros from December 31, 2024.

Intangible assets totaled 41.4 billion euros, down 5.1 billion euros from year-end 2024. This change included the 2.2 billion euro impact of exchange rate fluctuations, due in particular to changes in the US-dollar-to-euro exchange rate over the period; the 1.5 billion euro impact of the reclassification of the DFS trade name; the 0.9 billion euro impact of the revaluation of purchase commitments for minority interests; and the 0.6 billion euro impact of impairment expenses recognized during the fiscal year, mainly in connection with DFS' businesses.

Property, plant and equipment were down 0.2 billion euros and totaled 29.7 billion euros as of the period-end. This change resulted from 1.0 billion euros in investments, net of depreciation charges and disposals (the comments on the cash flow statement provide further information on investments), offset by the negative 1.1 billion euro impact of exchange rate fluctuations during the period.

Right-of-use assets totaled 14.9 billion euros, down 1.8 billion euros from December 31, 2024. This change mainly arose from exchange rate fluctuations between January 1 and December 31, 2025, which had a negative 1.1 billion euro impact, and from the reclassification of 0.9 billion euros in DFS right-of-use assets. Store leases accounted for 77% of right-of-use assets.

Other non-current assets came to 7.8 billion euros as of December 31, 2025. This 0.8 billion euro decrease mainly resulted from the 0.8 billion euro decrease in deferred tax assets.

Inventories were down 1.0 billion euros, mainly due to the negative 1.3 billion euro impact of exchange rate fluctuations during the period. Increases in inventories, in connection with business activity, came to 0.5 billion euros, including the net change in provisions for impairment. See also the "Comments on the consolidated cash flow statement" section.

Other current assets decreased by 0.2 billion euros, amounting to 13.9 billion euros. The positive impacts of the increases in the market value of current available for sale financial assets (0.8 billion euros) and derivatives (0.4 billion euros) were offset by the 0.6 billion euro decrease in tax receivables and the 0.4 billion euro decrease in trade accounts receivable.

Lease liabilities recognized in accordance with IFRS 16 were down 1.8 billion euros relative to December 31, 2024. This change resulted from a 0.5 billion euro increase arising from net new leases and a 1.2 billion euro decrease arising from exchange rate fluctuations. DFS lease liabilities totaling 1.0 billion euros were reclassified.

Other non-current liabilities totaled 16.9 billion euros, down 2.4 billion euros from 19.3 billion euros as of year-end 2024. This change included the 1.7 billion euro decrease in the liability in respect of purchase commitments for minority interests' shares, which amounted to 6.3 billion euros, following changes in the metrics used to measure these commitments (0.6 billion euros), and the acquisition of an additional 9% stake in Loro Piana. It also included the 0.4 billion euro decrease in deferred tax liabilities and the 0.3 billion euro decrease in non-current provisions and other liabilities.

Lastly, other current liabilities decreased by 1.6 billion euros to 18.2 billion euros. This change mainly resulted from the decrease in operating payables due to exchange rate fluctuations (1.0 billion euros) and in connection with changes to the Group's businesses.

Net financial debt and equity

(EUR millions or as %)	**2025**	**2024**	**Change**
Long-term borrowings	12,418	12,091	327
Short-term borrowings and derivatives	7,940	10,724	(2,784)
Gross borrowings after derivatives	**20,358**	**22,815**	**(2,457)**
Cash, cash equivalents and current available for sale financial assets	(13,502)	(13,587)	85
Net financial debt	**6,857**	**9,228**	**(2,371)**
Equity	**68,949**	**69,287**	**(337)**
Net financial debt/Equity ratio	**9.9%**	**13.3%**	**3.4 pts**

Total equity amounted to 68.9 billion euros as of end-December 2025, down 0.3 billion euros from year-end 2024. Net profit for the fiscal year, after the distribution of dividends, had a 4.3 billion euro positive impact on this change. Conversely, net purchases of LVMH shares, arising in particular from the share buyback program approved in February 2025, and exchange rate fluctuations, particularly in relation to the US dollar, had negative impacts of 1.6 billion euros and 3.5 billion euros, respectively.

As of end-December 2025, net financial debt came to 6.9 billion euros and was equal to 9.9% of total equity, compared to 13.3% as of year-end 2024, down 3.4 points.

Gross borrowings after derivatives totaled 20.4 billion euros as of end-December 2025, down 2.5 billion euros compared with year-end 2024, arising from the issue of two bond tranches in May 2025 for a total of 2.0 billion euros, offset by the repayment of 2.5 billion euros in two bonds maturing during the fiscal year (1.5 billion euro bond issued in 2020 and 1.0 billion euro bond issued in 2023). Short-term negotiable debt securities (euro- and US dollar-denominated commercial paper [NEU CP and USCP]) outstanding decreased by 1.8 billion euros over the fiscal year. Cash, cash equivalents and current available for sale financial assets totaled 13.5 billion euros as of December 31, 2025, down 0.1 billion euros from 13.6 billion euros as of year-end 2024. Net financial debt thus decreased by 2.4 billion euros during the fiscal year.

As of December 31, 2025, in addition to 13.5 billion euros in cash, cash equivalents and current available for sale financial assets, the Group had access to undrawn confirmed credit lines totaling 10.8 billion euros. The latter amount exceeded the outstanding portion of its short-term negotiable debt securities (NEU CP and USCP) programs, which came to 5.4 billion euros as of end-December 2025.

8. COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT

(EUR millions)	2025	2024	Change
Cash from operations before changes in working capital	**24,941**	**27,220**	**(2,278)**
Cost of net financial debt: interest paid	(290)	(357)	67
Lease liabilities: interest paid	(545)	(483)	(62)
Tax paid	(4,656)	(5,531)	874
Change in working capital	(576)	(1,925)	1,349
Net cash from operating activities	**18,874**	**18,924**	**(50)**
Operating investments	(4,567)	(5,531)	964
Repayment of lease liabilities	(2,974)	(2,915)	(59)
Operating free cash flow(1)	**11,333**	**10,478**	**855**
Financial investments and purchase and sale of consolidated investments	(73)	(1,008)	935
Equity-related transactions	(9,848)	(7,719)	(2,129)
Change in cash before financing activities	**1,411**	**1,750**	**(339)**

Cash from operations before changes in working capital totaled 24,941 million euros for the fiscal year, down 2,278 million euros from 27,220 million euros a year earlier, mainly due to the decrease in operating profit.

After tax and interest paid on net financial debt and lease liabilities, and after the change in working capital, net cash from operating activities amounted to 18,874 million euros, remaining stable with respect to 18,924 million euros in fiscal year 2024.

Interest paid on net financial debt amounted to a net cash outflow of 290 million euros, compared to 357 million euros a year earlier; this change arose in particular from the favorable impact of lower average interest rates for the Group's short-term debt (mainly NEU CP and USCP).

Tax paid on operating activities came to 4,656 million euros, 874 million euros lower than the 5,531 million euros paid in 2024, in connection with the change in profit, despite the payment of the additional tax in France (661 million euros).

The change in working capital as of end-December 2025 generated a cash requirement of 576 million euros, 1,349 million euros lower than in 2024. The change in working capital in 2025 mainly arose from the increase in inventories (1,315 million euros). The increase in trade accounts payable and in other receivables and payables generated cash resources of 216 million euros and 303 million euros, respectively. Fashion and Leather Goods, Wines and Spirits and Perfumes and Cosmetics were the main contributors to the Group's cash requirements. The change in inventories reflected a balance between the ongoing actions taken to manage inventory levels and to meet anticipated future demand, in particular for Wines and Spirits, Fashion and Leather Goods and Selective Retailing.

Operating investments net of disposals resulted in an outflow of 4,567 million euros in fiscal year 2025, down 964 million euros compared to the outflow of 5,531 million euros in fiscal year 2024. Purchases of property, plant and equipment mainly included investments by the Group's brands – notably Louis Vuitton, Christian Dior, Tiffany and Sephora – in their retail networks. They also included investments by Parfums Christian Dior, the champagne houses and Hennessy in their production equipment, as well as investments relating to the Group's hospitality activities.

Repayment of lease liabilities totaled 2,974 million in 2025, up 59 million euros with respect to 2,915 million euros in 2024.

In fiscal year 2025, "Operating free cash flow"(1) amounted to a net inflow of 11,333 million euros, up relative to fiscal year 2024, mainly due to the change in working capital and the change in the level of operating investments and tax paid.

In 2025, financial investments accounted for an outflow of 73 million euros.

(1) "Operating free cash flow" is defined in the consolidated cash flow statement. In addition to net cash from operating activities, it includes operating investments and repayment of lease liabilities, both of which the Group considers as components of its operating activities.

Equity-related transactions generated an outflow of 9,848 million euros. A portion of this amount, 6,465 million euros, arose from dividends paid during the fiscal year by LVMH SE, excluding the amount attributable to treasury shares, as well as tax related to dividends paid between Group companies for 244 million euros and 414 million euros paid to minority interests in consolidated subsidiaries. Other equity-related transactions accounted for an additional outflow of 2,725 million euros, mainly due to transactions in LVMH shares, arising in particular from the share buyback program launched during the fiscal year as well as the acquisition of an additional stake in Loro Piana for 1.0 billion euros.

The cash requirement generated after all transactions relating to operating activities, investing activities and equity-related transactions thus totaled 1,411 million euros. Financing activities relating to loans and borrowings, as well as current available for sale financial assets, generated a net outflow of 2,074 million euros in the fiscal year. After the negative 247 million euro impact of exchange rate fluctuations on cash balances, the period-end cash balance was down 910 million euros compared to year-end 2024. It totaled 8,359 million euros as of the 2025 fiscal year-end.

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As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component figures.

CONSOLIDATED INCOME STATEMENT

(EUR millions, except for earnings per share)	Notes	2025	2024	2023
Revenue	24	**80,807**	**84,683**	**86,153**
Cost of sales		(27,279)	(27,918)	(26,876)
Gross margin		**53,528**	**56,765**	**59,277**
Marketing and selling expenses		(29,914)	(31,002)	(30,768)
General and administrative expenses		(5,934)	(6,220)	(5,714)
Income/(Loss) from joint ventures and associates	8	75	28	7
Profit from recurring operations	24	**17,755**	**19,571**	**22,802**
Other operating income and expenses	25	(656)	(664)	(242)
Operating profit		**17,099**	**18,907**	**22,560**
Cost of net financial debt		(348)	(442)	(367)
Interest on lease liabilities		(553)	(510)	(393)
Other financial income and expenses		500	160	(175)
Net financial income/(expense)	26	**(401)**	**(792)**	**(935)**
Income taxes	27	(5,476)	(5,157)	(5,673)
Net profit before minority interests		**11,222**	**12,958**	**15,952**
Minority interests	18	(344)	(408)	(778)
Net profit, Group share		**10,878**	**12,550**	**15,174**
Basic Group share of net earnings per share *(EUR)*	28	**21.86**	**25.13**	**30.34**
Number of shares on which the calculation is based		497,650,238	499,412,515	500,056,586
Diluted Group share of net earnings per share *(EUR)*	28	**21.85**	**25.12**	**30.33**
Number of shares on which the calculation is based		497,976,118	499,681,046	500,304,316

CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES

(EUR millions)	Notes	2025	2024	2023
Net profit before minority interests		**11,222**	**12,958**	**15,952**
Translation adjustments		(3,489)	1,470	(1,091)
Amounts transferred to income statement		6	(25)	(21)
Tax impact		-	-	-
	16.5, 18	**(3,483)**	**1,445**	**(1,112)**
Change in value of hedges of future foreign currency cash flows		789	11	477
Amounts transferred to income statement		(298)	(230)	(523)
Tax impact		(120)	50	13
		371	**(169)**	**(33)**
Change in value of the ineffective portion of hedging instruments (including cost of hedging)		(62)	(357)	(237)
Amounts transferred to income statement		194	253	362
Tax impact		(32)	26	(29)
		101	**(78)**	**96**
Gains and losses recognized in equity, transferable to income statement		**(3,011)**	**1,198**	**(1,049)**
Change in value of vineyard land	6	21	23	53
Amounts transferred to consolidated reserves		-	-	-
Tax impact		(7)	(2)	(11)
		14	**21**	**41**
Employee benefit obligations: Change in value resulting from actuarial gains and losses		27	73	30
Tax impact		(6)	(22)	(7)
		21	**51**	**23**
Change in value of non-current available for sale financial assets	9	44	-	-
Tax impact		(1)	-	-
		43	**-**	**-**
Gains and losses recognized in equity, not transferable to income statement		**77**	**72**	**64**
Total gains and losses recognized in equity		**(2,934)**	**1,270**	**(985)**
Comprehensive income		**8,288**	**14,228**	**14,967**
Minority interests		(211)	(483)	(749)
Comprehensive income, Group share		**8,077**	**13,745**	**14,218**

CONSOLIDATED BALANCE SHEET

Assets *(EUR millions)*	Notes	**2025**	**2024**	**2023**
Brands and other intangible assets	3	23,129	26,280	25,589
Goodwill	4	18,315	20,307	24,022
Property, plant and equipment	6	29,728	29,886	27,331
Right-of-use assets	7	14,860	16,620	15,679
Investments in joint ventures and associates	8	1,214	1,343	991
Non-current available for sale financial assets	9	1,891	1,632	1,363
Other non-current assets	10	983	1,106	1,017
Deferred tax		3,738	4,545	3,992
Non-current assets		**93,858**	**101,719**	**99,984**
Inventories and work in progress	11	22,659	23,669	22,952
Trade accounts receivable	12	4,332	4,730	4,728
Income taxes		758	986	533
Other current assets	13	8,840	8,455	7,723
Assets held for sale	2	2,796	-	-
Cash and cash equivalents	15	8,794	9,631	7,774
Current assets		**48,179**	**47,471**	**43,710**
Total assets		**142,037**	**149,190**	**143,694**

Liabilities and equity *(EUR millions)*	Notes	**2025**	**2024**	**2023**
Equity, Group share	16	67,472	67,517	61,017
Minority interests	18	1,477	1,770	1,684
Equity		**68,949**	**69,287**	**62,701**
Long-term borrowings	19	12,418	12,091	11,227
Non-current lease liabilities	7	13,384	14,860	13,810
Non-current provisions and other liabilities	20	3,546	3,856	3,880
Deferred tax		6,993	7,344	7,012
Purchase commitments for minority interests' shares	21	6,331	8,056	11,919
Non-current liabilities		**42,672**	**46,207**	**47,848**
Short-term borrowings	19	7,925	10,851	10,680
Current lease liabilities	7	2,634	2,972	2,728
Trade accounts payable	22	8,223	8,630	9,049
Income taxes		828	1,231	1,148
Current provisions and other liabilities	22	9,190	10,012	9,540
Liabilities held for sale	2	1,616	-	-
Current liabilities		**30,416**	**33,696**	**33,145**
Total liabilities and equity		**142,037**	**149,190**	**143,694**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR millions)	Number of shares	Share capital	Share premium account	Treasury shares	Cumulative translation adjustment	Revaluation reserves				Net profit and other reserves	Total equity		
						Available for sale financial assets	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments		Group share	Minority interests	Total
Notes		16.2	16.2	16.3	16.5							18	
As of December 31, 2022	**503,257,339**	**151**	**1,289**	**(1,293)**	**2,586**	**-**	**9**	**1,125**	**151**	**51,092**	**55,111**	**1,493**	**56,604**
Gains and losses recognized in equity					(1,062)		57	31	18		(956)	(29)	(985)
Net profit										15,174	15,174	778	15,952
Comprehensive income		**-**	**-**	**-**	**(1,062)**	**-**	**57**	**31**	**18**	**15,174**	**14,218**	**749**	**14,967**
Bonus share plan-related expenses										113	113	4	117
(Acquisition)/Disposal of LVMH shares				(1,420)						(122)	(1,542)	-	(1,542)
Retirement of LVMH shares	(1,208,939)		(759)	759							-	-	-
Capital increase in subsidiaries											-	19	19
Interim and final dividends paid										(6,251)	(6,251)	(513)	(6,764)
Changes in control of consolidated entities											-	10	10
Acquisition and disposal of minority interests' shares										(38)	(38)	(4)	(42)
Purchase commitments for minority interests' shares										(594)	(594)	(74)	(668)
As of December 31, 2023	**502,048,400**	**151**	**530**	**(1,953)**	**1,525**	**-**	**66**	**1,156**	**170**	**59,373**	**61,017**	**1,684**	**62,701**
Gains and losses recognized in equity					1,357		(228)	17	49		1,195	75	1,270
Net profit										12,550	12,550	408	12,958
Comprehensive income		**-**	**-**	**-**	**1,357**	**-**	**(228)**	**17**	**49**	**12,550**	**13,745**	**483**	**14,228**
Expenses related to bonus share and similar plans										187	187	4	191
(Acquisition)/Disposal of LVMH shares				(235)						(56)	(292)	-	(292)
Capital increase reserved for employees	200,000	-	53								53	-	53
Retirement of LVMH shares	(1,906,700)	(1)	(530)	1,585						(1,054)	-	-	-
Capital increase in subsidiaries											-	33	33
Interim and final dividends paid										(6,492)	(6,492)	(556)	(7,048)
Changes in control of consolidated entities											-	111	111
Acquisition and disposal of minority interests' shares										(237)	(237)	131	(106)
Purchase commitments for minority interests' shares										(465)	(465)	(120)	(585)
As of December 31, 2024	**500,341,700**	**150**	**53**	**(603)**	**2,881**	**-**	**(161)**	**1,173**	**218**	**63,806**	**67,517**	**1,770**	**69,287**
Gains and losses recognized in equity					(3,323)	42	447	14	18		(2,802)	(133)	(2,934)
Net profit										10,878	10,878	344	11,222
Comprehensive income		**-**	**-**	**-**	**(3,323)**	**42**	**447**	**14**	**18**	**10,878**	**8,076**	**211**	**8,288**
Expenses related to bonus share and similar plans										159	159	5	165
(Acquisition)/Disposal of LVMH shares				(1,548)						(69)	(1,617)	-	(1,617)
Retirement of LVMH shares	(2,654,760)	(1)	(53)	1,392						(1,338)	-	-	-
Capital increase in subsidiaries											-	13	13
Interim and final dividends paid										(6,463)	(6,463)	(415)	(6,878)
Changes in control of consolidated entities											-	(2)	(2)
Acquisition and disposal of minority interests' shares										5	5	(17)	(12)
Purchase commitments for minority interests' shares										(206)	(206)	(88)	(294)
As of December 31, 2025	**497,686,940**	**149**	**-**	**(759)**	**(442)**	**42**	**286**	**1,186**	**237**	**66,773**	**67,472**	**1,477**	**68,949**

CONSOLIDATED CASH FLOW STATEMENT

(EUR millions)	Notes	2025	2024	2023
I. OPERATING ACTIVITIES				
Operating profit		17,099	18,907	22,560
(Income)/Loss and dividends received from joint ventures and associates	8	13	29	42
Net increase in depreciation, amortization and provisions		4,858	4,568	4,146
Depreciation of right-of-use assets	7.1	3,143	3,228	3,031
Other adjustments and computed expenses		(172)	488	(259)
Cash from operations before changes in working capital		**24,941**	**27,220**	**29,520**
Cost of net financial debt: interest paid		(290)	(357)	(457)
Lease liabilities: interest paid		(545)	(483)	(356)
Tax paid		(4,656)	(5,531)	(5,730)
Change in working capital	15.2	(576)	(1,925)	(4,577)
Net cash from/(used in) operating activities		**18,874**	**18,924**	**18,400**
II. INVESTING ACTIVITIES				
Operating investments	15.3	(4,567)	(5,531)	(7,478)
Purchase and proceeds from sale of consolidated investments	2	149	(438)	(721)
Dividends received		21	9	5
Tax paid related to non-current available for sale financial assets and consolidated investments		-	-	-
Purchase and proceeds from sale of non-current available for sale financial assets	9	(243)	(579)	(116)
Net cash from/(used in) investing activities		**(4,640)**	**(6,539)**	**(8,310)**
III. FINANCING ACTIVITIES				
Interim and final dividends paid	15.4	(7,123)	(7,322)	(7,159)
Purchase and proceeds from sale of minority interests		(1,091)	(173)	(17)
Other equity-related transactions	15.4	(1,634)	(224)	(1,569)
Proceeds from borrowings	19	2,095	3,595	5,990
Repayment of borrowings	19	(4,228)	(3,676)	(3,968)
Repayment of lease liabilities	7.2	(2,974)	(2,915)	(2,818)
Purchase and proceeds from sale of current available for sale financial assets	14	59	(1)	144
Net cash from/(used in) financing activities		**(14,896)**	**(10,716)**	**(9,397)**
IV. EFFECT OF EXCHANGE RATE CHANGES		**(248)**	**80**	**(273)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV)		**(910)**	**1,749**	**420**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	15.1	**9,269**	**7,520**	**7,100**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15.1	**8,359**	**9,269**	**7,520**
TOTAL TAX PAID		**(4,901)**	**(5,790)**	**(6,106)**

Alternative performance measure

The following table presents the reconciliation between "Net cash from operating activities" and "Operating free cash flow" for the fiscal years presented:

(EUR millions)	2025	2024	2023
Net cash from operating activities	18,874	18,924	18,400
Operating investments	(4,567)	(5,531)	(7,478)
Repayment of lease liabilities	(2,974)	(2,915)	(2,818)
Operating free cash flow [(a)]	**11,333**	**10,478**	**8,104**

(a) Under IFRS 16, fixed lease payments are treated partly as interest payments and partly as principal repayments. For its own operational management purposes, the Group treats all lease payments as components of its "Operating free cash flow", whether the lease payments made are fixed or variable. In addition, for its own operational management purposes, the Group treats operating investments as components of its "Operating free cash flow".

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1. ACCOUNTING POLICIES

1.1 General framework and environment

The consolidated financial statements for fiscal year 2025 were established in accordance with the international accounting standards and interpretations (IAS/IFRS) adopted by the European Union and applicable on December 31, 2025. These standards and interpretations have been applied consistently to the fiscal years presented. The consolidated financial statements for fiscal year 2025 were approved by the Board of Directors on January 27, 2026. The consolidated financial statements presented are "condensed", which means that they only include notes that are significant or facilitate understanding of changes in the Group's business activity and financial position during the fiscal year.

They are taken from the full consolidated financial statements approved by the Board of Directors, which comprise all the notes required by IFRS as adopted by the European Union.

1.2 Changes in the accounting framework applicable to LVMH

Standards, amendments and interpretations for which application became mandatory in 2025

The application of standards, amendments and interpretations that took effect on January 1, 2025 did not have a material impact on the Group's financial statements.

Other changes in the accounting framework and standards for which application is mandatory with effect later than January 1, 2025

The impact of the application of IFRS 18 *Presentation and Disclosure in Financial Statements* – for which application is mandatory with effect from January 1, 2027 – is being assessed.

1.3 Taking into account climate change risks

The Group's current exposure to the consequences of climate change is limited. As such, at this stage, the impact of climate change on the financial statements is relatively non-material.

As part of the LIFE 360 program, which puts the Group's environmental strategy into practice, LVMH has launched a plan to transform its value chains.

The implementation of this program is reflected in LVMH's financial statements in the form of operating investments, research and development expenses and corporate philanthropy expenses. In addition, profit from recurring operations in particular will be affected by changes in raw material prices; production, transport and distribution costs; and costs related to the end-of-life phase of its products.

The short-term effects have been incorporated into the Group's strategic plans, which form the basis for conducting impairment tests on intangible assets with indefinite useful lives (see Note 5). The long-term effects of these changes are not quantifiable at this stage.

1.4 First-time adoption of IFRS

The first accounts prepared by the Group in accordance with IFRS were the financial statements for the year ended December 31, 2005, with a transition date of January 1, 2004. IFRS 1 allowed for exceptions to the retrospective application of IFRS at the transition date. The procedures implemented by the Group with respect to these exceptions include the following:

- business combinations: the exemption from retrospective application was not applied. The recognition of the merger of Moët Hennessy and Louis Vuitton in 1987 and all subsequent acquisitions were restated in accordance with IFRS 3; IAS 36 *Impairment of Assets* and IAS 38 *Intangible Assets* were applied retrospectively as of that date;
- foreign currency translation of the financial statements of subsidiaries outside the eurozone: translation reserves relating to the consolidation of subsidiaries that prepare their accounts in foreign currency were reset to zero as of January 1, 2004 and offset against "Other reserves".

1.5 Presentation of the financial statements

Definitions of "Profit from recurring operations" and "Other operating income and expenses"

The Group's main business is the management and development of its brands and trade names. "Profit from recurring operations" is derived from these activities, whether they are recurring or non-recurring, core or incidental transactions.

"Other operating income and expenses" comprises income statement items, which – due to their nature, amount or frequency – may not be considered inherent to the Group's recurring operations or its profit from recurring operations. This caption reflects in particular the impact of changes in the scope of consolidation, the impairment of goodwill, and the impairment and amortization of brands and trade names. It also includes any significant amounts relating to the impact of certain unusual transactions, such as gains or losses arising on the disposal of fixed assets, restructuring costs, costs in respect of disputes, or any other non-recurring income or expense that may otherwise distort the comparability of profit from recurring operations from one period to the next.

Cash flow statement

Net cash from operating activities is determined on the basis of operating profit, adjusted for non-cash transactions. In addition:

- dividends received are presented according to the nature of the underlying investments, thus in "Net cash from operating activities" for dividends from joint ventures and associates and in "Net cash from financial investments" for dividends from other unconsolidated entities;
- tax paid is presented according to the nature of the transaction from which it arises, thus in "Net cash from operating activities" for the portion attributable to operating transactions; in "Net cash from financial investments" for the portion attributable to transactions in available for sale financial assets, notably tax paid on gains from their sale; and in "Net cash from transactions relating to equity" for the portion attributable to transactions in equity, notably distribution taxes arising on the payment of dividends.

1.6 Use of estimates

Preparing the consolidated financial statements requires the use of assumptions, estimates or other forms of judgment to measure certain balance sheet and income statement items. This includes, but is not limited to, the valuation of intangible assets (see Notes 1.16 and 5), leases (see Notes 1.15 and 7) and purchase commitments for minority interests' shares (see Notes 1.13 and 21), as well as the estimation of provisions for contingencies and losses, uncertain tax positions (see Note 20) and impairment of inventories (see Notes 1.18 and 11). It also concerns deferred tax assets (see Note 27) and assets and liabilities held for sale (see Notes 1.12 and 2). Such assumptions, estimates or other forms of judgment made on the basis of the information available or the situation prevailing at the date at which the financial statements are prepared may subsequently prove different from actual events.

1.7 Methods of consolidation

The subsidiaries in which the Group holds a direct or indirect *de facto* or *de jure* controlling interest are fully consolidated.

Jointly controlled companies and companies where the Group has significant influence but no controlling interest are accounted for using the equity method. Although jointly controlled, those entities are fully integrated within the Group's operating activities. LVMH discloses their net profit, as well as that of entities using the equity method (see Note 8), on a separate line, which forms part of profit from recurring operations.

When an investment in a joint venture or associate accounted for using the equity method involves a payment tied to meeting specific performance targets, known as an earn-out payment, the estimated amount of this payment is included in the initial purchase price recorded in the balance sheet, with an offsetting entry under financial liabilities. Any difference between the initial estimate and the actual payment made is recorded as part of the value of investments in joint ventures and associates, without any impact on the income statement.

The assets, liabilities, income and expenses of the Wines and Spirits distribution subsidiaries held jointly with the Diageo group are consolidated only in proportion to the LVMH Group's share of operations (see Note 1.27).

The consolidation on an individual or collective basis of companies that are not consolidated (see "Companies not included in the scope of consolidation") would not have a significant impact on the Group's main aggregates.

1.8 Foreign currency translation of the financial statements of entities outside the eurozone

The consolidated financial statements are presented in euros; the financial statements of entities presented in a different functional currency are translated into euros:

- at the period-end exchange rates for balance sheet items;
- at the average rates for the period for income statement items.

Translation adjustments arising from the application of these rates are recorded in equity under "Cumulative translation adjustment".

In the event of hyperinflation, IAS 29 is applied.

1.9 Foreign currency transactions and hedging of exchange rate risks

Transactions of consolidated companies denominated in a currency other than their functional currencies are translated to their functional currencies at the exchange rates prevailing at the transaction dates.

Accounts receivable, accounts payable and debts denominated in currencies other than the entities' functional currencies are translated at the applicable exchange rates at the fiscal year-end. Gains and losses resulting from this translation are recognized:

- within "Cost of sales" for commercial transactions;
- within "Net financial income/(expense)" for financial transactions.

Foreign exchange gains and losses arising from the translation or elimination of intra-Group transactions or receivables and payables denominated in currencies other than the entity's functional currency are recorded in the income statement unless they relate to long-term intra-Group financing transactions, which can be considered equity-related transactions. In the latter case, translation adjustments are recorded in equity under "Cumulative translation adjustment".

Derivatives used to hedge commercial, financial or investment transactions are recognized in the balance sheet at their market value (see Note 1.10) at the balance sheet date. Changes in the value of the effective portions of these derivatives are recognized as follows:

- for hedges that are commercial in nature:
  - within "Cost of sales" for hedges of receivables and payables recognized in the balance sheet at the end of the period,
  - within equity under "Revaluation reserves" for hedges of future cash flows; this amount is transferred to cost of sales upon recognition of the hedged trade receivables and payables;
- for hedges relating to the acquisition of fixed assets: within equity under "Revaluation reserves" for hedges of future cash flows; this amount is transferred to the asset side of the balance sheet, as part of the initial cost of the hedged item when accounting for the latter, and then to the income statement in the event of the disposal or impairment of the hedged item;
- for hedges that are tied to the Group's investment portfolio (hedging the net worth of subsidiaries whose functional currency is not the euro): within equity under "Cumulative translation adjustment"; this amount is transferred to the income statement upon the sale or liquidation (whether partial or total) of the subsidiary whose net worth is hedged;
- for hedges that are financial in nature: within "Net financial income/(expense)", under "Other financial income and expenses".

Changes in the value of these derivatives related to forward points associated with forward contracts, as well as in the time value component of options, are recognized as follows:

- for hedges that are commercial in nature: within equity under "Revaluation reserves". The cost of the forward contracts (forward points) and of the options (premiums) is transferred to "Cost of foreign exchange derivatives" within "Net financial income/(expense)" upon realization of the hedged transaction;
- for hedges that are tied to the Group's investment portfolio or financial in nature: expenses and income arising from discounts or premiums are recognized in "Borrowing costs" on a pro rata basis over the term of the hedging instruments. The difference between the amounts recognized in "Net financial income/(expense)" and the change in the value of forward points is recognized in equity under "Revaluation reserves".

Market value changes of derivatives not designated as hedges are recorded within "Net financial income/(expense)".

See also Note 1.22 for the definition of the concepts of effective and ineffective portions.

1.10 Fair value measurement

Fair value (or market value) is the price that would be obtained from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants.

The assets and liabilities measured at fair value in the balance sheet are as follows:

	Approaches to determining fair value	**Amounts recorded at balance sheet date**
Vineyard land	Based on recent transactions in similar assets. See Note 1.14.	Note 6
Grape harvests	Based on purchase prices for equivalent grapes. See Note 1.18.	Note 11
Derivatives	Based on market data and according to commonly used valuation models. See Note 1.23.	Note 23
Borrowings hedged against changes in value due to interest rate fluctuations	Based on market data and according to commonly used valuation models. See Note 1.22.	Note 19
Liabilities in respect of purchase commitments for minority interests' shares priced according to fair value	Generally based on the market multiples of comparable companies. See Note 1.13.	Note 21
Available for sale financial assets	Quoted investments: price quotations at the close of trading on the balance sheet date. Unquoted investments: estimated net realizable value, either according to formulas based on market data or based on private quotations. See Note 1.17.	Note 9, Note 14
Cash and cash equivalents (SICAV and FCP funds)	Based on the liquidation value at the balance sheet date. See Note 1.20.	Note 15

No other assets or liabilities have been remeasured at market value at the balance sheet date.

1.11 Brands and other intangible assets

Only acquired brands and trade names that are well known and individually identifiable are recorded as assets based on their market values at their dates of acquisition.

Brands and trade names are chiefly valued using the forecast discounted cash flow method, or based on comparable transactions (i.e. using the revenue and net profit coefficients employed for recent transactions involving similar brands) or stock market multiples observed for related businesses. Other complementary methods may also be employed: the relief from royalty method, involving equating a brand's value with the present value of the royalties required to be paid for its use; the margin differential method, applicable when a measurable difference can be identified in the amount of revenue generated by a branded product in comparison with a similar unbranded product; and finally the equivalent brand reconstitution method involving, in particular, estimation of the amount of advertising and promotion expenses required to generate a similar brand.

Costs incurred in creating a new brand or developing an existing brand are expensed.

Brands, trade names and other intangible assets with finite useful lives are amortized over their estimated useful lives. The classification of a brand or trade name as an asset of finite or indefinite useful life is generally based on the following criteria:

- the brand or trade name's overall positioning in its market expressed in terms of volume of activity, international presence and reputation;
- its expected long-term profitability;
- its degree of exposure to changes in the economic environment;
- any major event within its business segment liable to compromise its future development;
- its age.

Amortizable lives of brands and trade names with finite useful lives range from 5 to 20 years, depending on their anticipated period of use.

Impairment tests are carried out for brands, trade names and other intangible assets using the methodology described in Note 1.16.

Research expenditure is not capitalized. New product development expenditure is not capitalized unless the final decision has been made to launch the product.

Intangible assets other than brands and trade names are amortized over the following periods:

- rights attached to sponsorship agreements and media partnerships are amortized over the life of the agreements, depending on how the rights are used;
- development expenditure is amortized over 3 years at most;
- software and websites are amortized over 1 to 8 years.

1.12 Changes in ownership interests in consolidated entities

When the Group takes *de jure* or *de facto* control of a business, its assets, liabilities and contingent liabilities are estimated at their market value as of the date when control is obtained; the difference between the cost of taking control and the Group's share of the market value of those assets, liabilities and contingent liabilities is recognized as goodwill.

The cost of taking control is the price paid by the Group in the context of an acquisition, or an estimate of this price if the transaction is carried out without any payment of cash, excluding acquisition costs, which are disclosed under "Other operating income and expenses".

The difference between the carrying amount of minority interests purchased after control is obtained and the price paid for their acquisition is deducted from equity.

Goodwill is accounted for in the functional currency of the acquired entity.

Goodwill is not amortized but is subject to annual impairment testing using the methodology described in Note 1.16. Any impairment expense recognized is included within "Other operating income and expenses".

In accordance with IFRS 5, if an asset (or asset group) meets the criteria to be classified as held for sale, it is presented within a separate "Assets held for sale" line item in the consolidated balance sheet, with any associated liabilities presented within "Liabilities held for sale". An asset classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

1.13 Purchase commitments for minority interests' shares

The Group has granted put options to minority shareholders of certain fully consolidated subsidiaries.

Pending specific guidance from IFRSs regarding this issue, the Group recognizes these commitments as follows:

- the value of the commitment at the balance sheet date appears in "Purchase commitments for minority interests' shares", as a liability on its balance sheet;
- the corresponding minority interests are canceled;
- for commitments granted prior to January 1, 2010, the difference between the amount of the commitments and canceled minority interests is maintained as an asset on the balance sheet under goodwill, as are subsequent changes in this difference. For commitments granted as from January 1, 2010, the difference between the amount of the commitments and minority interests is recorded in equity, under "Other reserves".

This recognition method has no effect on the presentation of minority interests within the income statement.

1.14 Property, plant and equipment

With the exception of vineyard land, the gross value of property, plant and equipment is recognized at acquisition cost.

Vineyard land is recognized at the market value at the balance sheet date. This valuation is based on official published data for recent transactions in the same region. Any difference compared to historical cost is recognized within equity in "Revaluation reserves". If the market value falls below the acquisition cost, the resulting impairment is charged to the income statement.

Buildings mostly occupied by third parties are reported as investment property, at acquisition cost. Investment property is thus not remeasured at market value.

The depreciable amount of property, plant and equipment comprises the acquisition cost of their components less residual value, which corresponds to the estimated disposal price of the asset at the end of its useful life.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. For leased assets, the depreciation period cannot be longer than that used for the calculation of the lease liability.

The estimated useful lives are as follows:

- buildings including investment property 20 to 100 years;
- machinery and equipment 3 to 25 years;
- leasehold improvements 3 to 10 years;
- producing vineyards 18 to 25 years.

Expenses for maintenance and repairs are charged to the income statement as incurred.

1.15 Leases

The Group has applied IFRS 16 *Leases* since January 1, 2019. The initial application was carried out using the "modified retrospective" approach to transition; see Note 1.2 to the 2019 consolidated financial statements for details of this initial application procedure for IFRS 16 and the impact of its initial application on the 2019 financial statements.

When entering into a lease, a liability is recognized in the balance sheet, measured at the discounted present value of future payments of the fixed portion of lease payments and offset against a right-of-use asset depreciated over the lease term. The amount of the liability depends to a large degree on the assumptions used for the lease term and, to a lesser extent, the discount rate. The Group's extensive geographic coverage means it encounters a wide range of different legal conditions when entering into contracts.

The lease term generally used to calculate the liability is the term of the initially negotiated lease, not taking into account any early termination options, except in special circumstances. When leases contain extension options, the term used for the calculation of the liability may include these periods, mainly when the anticipated period of use of the fixed assets, whether under a new or existing lease, is greater than the initial contractual lease term.

The lease term to be used in accounting for lease liabilities when the underlying assets are capitalized even though the obligation to make lease payments covers a period of less than twelve months is consistent with the anticipated period of use of the invested assets. Most often, this involves leases for retail locations that are automatically renewable on an annual basis.

The standard requires the discount rate to be determined for each lease using the incremental borrowing rate of the subsidiary entering into the lease. In practice, given the structure of the Group's financing – virtually all of which is held or guaranteed by LVMH SE – this incremental borrowing rate is generally the total of the risk-free rate for the currency of the lease, with reference to its term, and the Group's credit risk for this same currency and over the same term.

Leasehold rights and property, plant and equipment related to restoration obligations for leased facilities are presented within "Right-of-use assets" and subject to depreciation under the same principles as those described above.

The Group has implemented a dedicated IT solution to gather lease data and run the calculations required by the standard.

Since the application of IFRS 16 had a significant impact on the cash flow statement given the importance of fixed lease payments to the Group's activities, specific indicators are used for internal performance monitoring requirements and financial communication purposes in order to present consistent performance measures, independently of the fixed or variable nature of lease payments. One such alternative performance measure is "Operating free cash flow", which is calculated by deducting capitalized fixed lease payments in their entirety from cash flow. The reconciliation between "Net cash from operating activities" and "Operating free cash flow" is presented in the consolidated cash flow statement.

1.16 Impairment testing of fixed assets

Property, plant and equipment, intangible assets, and all leased fixed assets are subject to impairment testing whenever there is any indication that an asset may be impaired (particularly following major changes in the asset's operating conditions), and in any event at least annually in the case of intangible assets with indefinite useful lives (mainly brands, trade names and goodwill). When the carrying amount of assets with indefinite useful lives is greater than the higher of their value in use or market value, the resulting impairment loss is recognized within "Other operating income and expenses", allocated on a priority basis to any existing goodwill.

Value in use is based on the present value of the cash flows expected to be generated by these assets, taking into account their residual value. Market value is estimated by comparison with recent similar transactions or on the basis of valuations performed by independent experts for the purposes of a disposal transaction.

Cash flows are forecast at Group level for each business segment, defined as one or several brands or trade names under the responsibility of a dedicated management team; in general, a business segment as defined above corresponds to a Maison within the Group. Smaller-scale cash-generating units, such as a group of stores, may be distinguished within a particular business segment.

The forecast data required for the discounted cash flow method is based on annual budgets and multi-year business plans prepared by the management of the business segments concerned. Detailed forecasts cover a five-year period, which may be extended for brands undergoing strategic repositioning or whose production cycle exceeds five years. An estimated terminal value is added to the value resulting from discounted forecast cash flows, which corresponds to the capitalization in perpetuity of cash flows most often arising from the last year of the plan. Discount rates are set for each business segment with reference to companies engaged in comparable businesses. Forecast cash flows are discounted on the basis of the rate of return to be expected by an investor in the applicable business and an assessment of the risk premium associated with that business. When several forecast scenarios are developed, the probability of occurrence of each scenario is assessed.

1.17 Available for sale financial assets

Available for sale financial assets are classified as current or non-current based on their type.

Non-current available for sale financial assets comprise strategic and non-strategic investments whose estimated period and form of ownership justify such classification.

Current available for sale financial assets (presented in "Other current assets"; see Note 13) include temporary investments in shares, shares of SICAVs, FCPs and other mutual funds, excluding investments made as part of day-to-day cash management, which are accounted for as "Cash and cash equivalents" (see Note 1.20).

Available for sale financial assets are measured at their listed value at the fiscal year-end date in the case of quoted investments, and in the case of unquoted investments at their estimated net realizable value, assessed either according to formulas based on market data or based on private quotations at the fiscal year-end date.

Positive or negative changes in value are recognized under "Net financial income/(expense)" (within "Other financial income and expenses"; see Note 26) for all shares held in the portfolio during the reported periods. By way of exception, changes in the value of non-current available for sale financial assets may be recognized within "Other items of comprehensive income, not transferable to income statement".

1.18 Inventories and work in progress

Inventories other than wine produced by the Group are recorded at the lower of cost (excluding interest expense) and net realizable value; cost comprises manufacturing cost (finished goods) or purchase price, plus incidental costs (raw materials, merchandise).

Wine produced by the Group, including champagne, is measured on the basis of the applicable harvest market value, which is determined by reference to the average purchase price of equivalent grapes, as if the grapes harvested had been purchased from third parties. Until the date of the harvest, the value of grapes is calculated on a pro rata basis, in line with the estimated yield and market value.

Inventories are valued using either the weighted average cost or the FIFO method, depending on the type of business.

Due to the length of the aging process required for champagnes, spirits (cognac, whisky and rum, in particular) and wines, the holding period for these inventories generally exceeds one year. However, in accordance with industry practices, these inventories are classified as current assets.

Provisions for impairment of inventories are chiefly recognized for businesses other than Wines and Spirits. They are generally required because of product obsolescence (end of season or collection, expiration date approaching, etc.) or lack of sales prospects.

1.19 Trade accounts receivable, loans and other receivables

Trade accounts receivable, loans and other receivables are recorded at amortized cost, which corresponds to their face value. Impairment is recognized for the portion of loans and receivables not covered by credit insurance when such receivables are recorded, in the amount of the losses expected upon maturity. This reflects the probability of counterparty default and the expected loss rate, measured using historical statistical data, information provided by credit bureaus, or ratings by credit rating agencies, depending on the specific case.

The amount of long-term loans and receivables (i.e. those falling due in more than one year) is subject to discounting, the effects of which are recognized under "Net financial income/(expense)", using the effective interest method.

1.20 Cash and cash equivalents

Cash and cash equivalents comprise cash and highly liquid money-market investments subject to a negligible risk of changes in value over time.

Money-market investments are measured at their market value, based on price quotations at the close of trading and on the exchange rate prevailing at the fiscal year-end date, with any changes in value recognized as part of "Net financial income/(expense)".

1.21 Provisions

A provision is recognized whenever an obligation exists towards a third party resulting in a probable disbursement for the Group, the amount of which may be reliably estimated. See also Notes 1.25 and 20.

If the date at which this obligation is to be discharged is in more than one year, the provision amount is discounted, the effects of which are recognized in "Net financial income/(expense)" using the effective interest method.

1.22 Borrowings

Borrowings are measured at amortized cost, i.e. nominal value net of issue premiums and issuance costs, which are charged over time to "Net financial income/(expense)" using the effective interest method.

In the case of hedging against fluctuations in the value of borrowings resulting from changes in interest rates, both the hedged amount of borrowings and the related hedging instruments are measured at their market value at the balance sheet date, with any changes in those values recognized within "Net financial income/(expense)", under "Fair value adjustment of borrowings and interest rate hedges". See Note 1.10 regarding the measurement of hedged borrowings at market value. Interest income and expenses related to hedging instruments are recognized within "Net financial income/(expense)", under "Borrowing costs".

In the case of hedging against fluctuations in future interest payments, the related borrowings remain measured at their amortized cost while any changes in value of the effective hedge portions are taken to equity as part of "Revaluation reserves".

Changes in value of non-hedging derivatives, and of the ineffective portions of hedges, are recognized within "Net financial income/(expense)".

Net financial debt comprises short- and long-term borrowings, the market value at the balance sheet date of interest rate derivatives, less the amount at the balance sheet date of non-current available for sale financial assets used to hedge financial debt, current available for sale financial assets, cash and cash equivalents, in addition to the market value at that date of foreign exchange derivatives related to any of the aforementioned items.

1.23 Derivatives

The Group enters into derivative transactions as part of its strategy for hedging foreign exchange, interest rate and precious metal price risks.

To hedge against commercial, financial and investment foreign exchange risk, the Group uses options, forward contracts, foreign exchange swaps and cross-currency swaps. The time value of options, the forward point component of forward contracts and foreign exchange swaps, as well as the foreign currency basis spread component of cross-currency swaps are systematically excluded from the hedge relation. Consequently, only the intrinsic value of the instruments is considered a hedging instrument. Regarding hedged items (future foreign currency cash flows, commercial or financial liabilities and accounts receivable in foreign currencies, subsidiaries' equity denominated in a functional currency other than the euro), only their change in value in respect of foreign exchange risk is considered a hedged item. As such, aligning the hedging instruments' main features (nominal values, currencies, maturities) with those of the hedged items makes it possible to perfectly offset changes in value.

Derivatives are recognized in the balance sheet at their market value at the balance sheet date. Changes in their value are accounted for as described in Note 1.9 in the case of foreign exchange hedges and as described in Note 1.22 in the case of interest rate hedges.

Market value is based on market data and commonly used valuation models.

Derivatives with maturities in excess of 12 months are disclosed as non-current assets and liabilities.

1.24 LVMH shares

LVMH shares held by the Group are measured at their acquisition cost and recognized as a deduction from consolidated equity, irrespective of the purpose for which they are held.

In the event of disposal, the cost of the shares disposed of is determined by allocation category (see Note 16.3) using the FIFO method.

Gains and losses on disposal, net of income taxes, are taken directly to equity.

1.25 Pensions, contribution to medical costs and other employee benefit commitments

When plans related to retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments entail the payment by the Group of contributions to third-party organizations that assume sole responsibility for subsequently paying such retirement bonuses, pensions or contributions to medical costs, these contributions are expensed in the fiscal year in which they fall due, with no liability recorded on the balance sheet.

When the payment of retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments is to be borne by the Group, a provision is recorded in the balance sheet in the amount of the corresponding actuarial commitment (see Note 29). Changes in this provision are recognized as follows:

- the portion related to the cost of services rendered by employees and net interest for the fiscal year is recognized in profit from recurring operations for the fiscal year;
- the portion related to changes in actuarial assumptions and to differences between projected and actual data (experience adjustments) is recognized in gains and losses taken to equity.

If this commitment is partially or fully funded by payments made by the Group to external financial organizations, these dedicated funds are deducted from the actuarial commitment recorded in the balance sheet.

The actuarial commitment is calculated based on assessments that are specifically designed for the country and the Group company concerned. In particular, these assessments include assumptions regarding discount rates, salary increases, inflation, life expectancy and staff turnover.

1.26 Current and deferred tax

The tax expense comprises current tax payable by consolidated companies, deferred tax resulting from temporary differences, and the change in uncertain tax positions.

Deferred tax is recognized in respect of temporary differences arising between the value of assets and liabilities for purposes of consolidation and the value resulting from the application of tax regulations.

Deferred tax is measured on the basis of the income tax rates enacted at the balance sheet date; the effect of changes in rates is recognized during the periods in which changes are enacted.

Future tax savings from tax losses carried forward are recorded as deferred tax assets on the balance sheet and impaired if they are deemed not recoverable; only amounts for which future use is deemed probable are recognized.

Deferred tax assets and liabilities are not discounted.

Taxes payable in respect of the distribution of retained earnings of subsidiaries give rise to provisions if distribution is deemed probable.

1.27 Revenue recognition

Definition of revenue

Revenue mainly comprises retail sales within the Group's store network (including e-commerce websites) and wholesale sales to agents and distributors. Sales made in stores owned by third parties are treated as retail transactions if the risks and rewards of ownership of the inventories are retained by the Group.

Direct sales to customers are mostly made through retail stores in Fashion and Leather Goods and Selective Retailing, as well as certain Watches and Jewelry and Perfumes and Cosmetics brands. The Group recognizes revenue when title transfers to third-party customers, which is generally at the time of purchase by retail customers.

Wholesale sales mainly concern the Wines and Spirits businesses, as well as certain Perfumes and Cosmetics and Watches and Jewelry brands. The Group recognizes revenue when title transfers to third-party customers.

Revenue includes shipment and transportation costs re-billed to customers only when these costs are included in products' selling prices as a lump sum.

Sales of services, mainly involved in the Group's "Other activities" segment, are recognized as the services are provided.

Revenue is presented net of all forms of discount. In particular, payments made in order to have products referenced or, in accordance with agreements, to participate in advertising campaigns with the distributors, are deducted from related revenue.

Provisions for product returns

Perfumes and Cosmetics companies and, to a lesser extent, Fashion and Leather Goods and Watches and Jewelry companies may accept the return of unsold or outdated products from their customers and distributors. Retail sales, and in particular online sales, also result in product returns from customers.

Where these practices are applied, revenue is reduced by the estimated amount of such returns, and a provision is recognized within "Other current liabilities" (see Note 22.2), along with a corresponding entry made to inventories. The estimated rate of returns is based on historical statistical data.

Businesses undertaken in partnership with Diageo

A significant proportion of revenue for the Group's Wines and Spirits businesses is generated within the framework of distribution agreements with Diageo, generally taking the form of shared entities that sell and deliver both groups' products to customers. The income statement and balance sheet of these entities is apportioned between LVMH and Diageo based on distribution agreements. According to those agreements, the assets, liabilities, income, and expenses of such entities are consolidated only in proportion to the Group's share of operations.

1.28 Advertising and promotion expenses

Advertising and promotion expenses include the costs of producing advertising media, purchasing media space, manufacturing samples, publishing catalogs and, in general, the cost of all activities designed to promote the Group's brands and products.

Advertising and promotion expenses are recorded within marketing and selling expenses upon receipt or production of goods or upon completion of services rendered.

1.29 Bonus share and similar plans

The expected benefit granted to recipients under bonus share plans is calculated on the basis of the closing share price on the day before the Board of Directors' meeting at which the plan is instituted, less the amount of dividends expected to accrue during the vesting period. For any bonus share plans subject to performance conditions, the expense for the fiscal year includes provisional allocations for which the conditions are deemed likely to be met.

For all plans, the amortization expense is apportioned on a straight-line basis in the income statement over the vesting period, with a corresponding impact on reserves in the balance sheet.

For any cash-settled compensation plans index-linked to the change in the LVMH share price, the benefit granted to recipients over the vesting period is estimated at each balance sheet date based on the LVMH share price at that date and is charged to the income statement on a pro rata basis over the vesting period, with a corresponding balance sheet impact on provisions. Between that date and the settlement date, the consequences of revisions to estimates resulting from the change in the LVMH share price are recorded in the income statement.

For the LVMH Shares plan, the fair value of the benefit granted to employees (discount and matching employer contribution) is calculated on the basis of the share price on the date the shares are allocated.

1.30 Earnings per share

Earnings per share are calculated based on the weighted average number of shares outstanding during the fiscal year, excluding treasury shares.

Diluted earnings per share are calculated based on the weighted average number of shares before dilution and adding the weighted average number of shares that would result from the exercise of any diluting instrument during the fiscal year. It is assumed for the purposes of this calculation that the funds received from the exercise of options, plus the amount not yet expensed for bonus share and similar plans (see Note 1.29), would be employed to buy back LVMH shares at a price corresponding to their average trading price over the fiscal year.

2. CHANGES IN OWNERSHIP INTERESTS IN CONSOLIDATED ENTITIES

Loro Piana

On July 31, 2025, LVMH raised its stake in Loro Piana to 94% after acquiring a 9% stake from minority shareholders for 1.0 billion euros.

No other significant changes in ownership interests in consolidated companies took place in fiscal year 2025.

DFS

In January 2026, LVMH finalized the sale of a significant portion of DFS' businesses as part of its plan to divest from DFS. Consequently, the assets and liabilities related to this business, for a net amount of 1.2 billion euros, were reclassified under "Assets and liabilities held for sale" (see Notes 1.12 and 24) in the consolidated balance sheet as of December 31, 2025, in particular the trade name valued at 1.5 billion euros. The 0.5 billion euro estimated loss was recognized within "Other operating income and expenses" (see Note 25). In 2025, revenue for DFS came to 1,494 million euros.

3. BRANDS, TRADE NAMES AND OTHER INTANGIBLE ASSETS

(EUR millions)			2025	2024	2023
	Gross	Amortization and impairment	Net	Net	Net
Brands	21,691	(737)	20,954	21,855	21,485
Trade names	313	(48)	265	2,467	2,336
License rights	110	(105)	5	11	17
Software, websites	4,413	(3,274)	1,139	1,230	1,035
Other	1,577	(809)	768	716	717
Total	**28,104**	**(4,974)**	**23,129**	**26,280**	**25,589**

The carrying amounts of brands, trade names and other intangible assets changed as follows during the fiscal year:

Gross value *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2024	**22,664**	**4,205**	**4,398**	**1,910**	**33,177**
Acquisitions	-	-	284	535	819
Disposals and retirements	(53)	-	(192)	(416)	(661)
Changes in the scope of consolidation	-	-	-	1	1
Translation adjustment	(921)	(451)	(170)	(37)	(1,578)
Reclassifications [(a)]	-	(3,441)	92	(305)	(3,653)
As of December 31, 2025	**21,691**	**313**	**4,413**	**1,687**	**28,104**

Amortization and impairment *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2024	**(809)**	**(1,737)**	**(3,168)**	**(1,182)**	**(6,896)**
Amortization expense	(4)	-	(534)	(212)	(750)
Impairment expense	-	(487)	(2)	(20)	(509)
Disposals and retirements	53	-	193	416	661
Changes in the scope of consolidation	-	-	-	-	-
Translation adjustment	23	214	126	23	386
Reclassifications [(a)]	-	1,962	111	61	2,134
As of December 31, 2025	**(737)**	**(48)**	**(3,274)**	**(915)**	**(4,974)**
Carrying amount as of December 31, 2025	**20,954**	**265**	**1,139**	**772**	**23,129**

(a) The amounts presented in "Reclassifications" mainly comprise DFS assets reclassified under "Assets held for sale" as of December 31, 2025 (see Note 2).

Translation adjustments mainly related to brands and trade names recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2025.

4. GOODWILL

(EUR millions)			2025	2024	2023
	Gross	Impairment	Net	Net	Net
Goodwill arising on consolidated investments	19,133	(1,205)	17,928	19,068	18,340
Goodwill arising on purchase commitments for minority interests' shares	386	-	386	1,239	5,682
Total	**19,520**	**(1,205)**	**18,315**	**20,307**	**24,022**

Changes in net goodwill during the fiscal years presented break down as follows:

(EUR millions)			2025	2024	2023
	Gross	Impairment	Net	Net	Net
As of January 1	**22,047**	**(1,740)**	**20,307**	**24,022**	**24,782**
Changes in the scope of consolidation	5	3	8	156	713
Changes in purchase commitments for minority interests' shares	(900)	-	(900)	(4,378)	(1,235)
Changes in impairment	-	(135)	(135)	(12)	-
Translation adjustment	(1,049)	84	(965)	520	(237)
Other movements, including transfers [(a)]	(584)	584	-	-	-
As of December 31	**19,520**	**(1,205)**	**18,315**	**20,307**	**24,022**

(a) The amounts presented in "Other movements, including transfers" comprise DFS goodwill reclassified under "Assets held for sale" as of December 31, 2025 (see Note 2).

See Note 21 for goodwill arising on purchase commitments for minority interests' shares.

Translation adjustments mainly related to goodwill recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2025.

5. IMPAIRMENT TESTING OF INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Brands, trade names and other intangible assets with indefinite useful lives as well as the goodwill arising on acquisition were subject to annual impairment testing as of December 31, 2025. No individually material impairment losses were recognized in fiscal year 2025 following these tests (see Note 25).

6. PROPERTY, PLANT AND EQUIPMENT

(EUR millions)			2025	2024	2023
	Gross	Depreciation and impairment	Net	Net	Net
Land	8,252	(24)	8,228	8,527	7,950
Vineyard land and producing vineyards [a]	3,171	(144)	3,027	3,038	2,948
Buildings	8,778	(3,202)	5,575	5,586	5,263
Investment property	374	(58)	316	319	316
Leasehold improvements, machinery and equipment	23,709	(15,611)	8,098	7,728	6,653
Assets in progress	2,098	(12)	2,086	2,320	2,080
Other property, plant and equipment	3,057	(659)	2,398	2,368	2,121
Total	**49,439**	**(19,711)**	**29,728**	**29,886**	**27,331**
Of which: Historical cost of vineyard land	*1,011*	-	*1,011*	*1,030*	*924*

(a) Almost all of the carrying amount of "Vineyard land and producing vineyards" corresponds to vineyard land.

Changes in property, plant and equipment during the fiscal year broke down as follows:

Gross value *(EUR millions)*	Vineyard land and producing vineyards	Land and buildings	Investment property	Leasehold improvements, machinery and equipment			Assets in progress	Other property, plant and equipment	Total
				Stores and hospitality sites	Production, logistics	Other			
As of December 31, 2024	**3,179**	**17,555**	**375**	**16,135**	**4,759**	**2,577**	**2,394**	**2,993**	**49,967**
Acquisitions	7	361	5	1,018	197	163	2,023	77	3,851
Change in the market value of vineyard land	21	-	-	-	-	-	-	-	21
Disposals and retirements	(8)	(200)	-	(712)	(98)	(133)	(9)	(43)	(1,202)
Changes in the scope of consolidation	-	(23)	-	(3)	1	-	-	-	(25)
Translation adjustment	(46)	(572)	(10)	(1,192)	(102)	(118)	(109)	(71)	(2,220)
Other movements, including transfers [a]	18	(91)	4	1,171	164	(119)	(2,201)	100	(954)
As of December 31, 2025	**3,171**	**17,030**	**374**	**16,418**	**4,921**	**2,371**	**2,098**	**3,057**	**49,439**

Depreciation and impairment *(EUR millions)*	Vineyard land and producing vineyards	Land and buildings	Investment property	Leasehold improvements, machinery and equipment			Assets in progress	Other property, plant and equipment	Total
				Stores and hospitality sites	Production, logistics	Other			
As of December 31, 2024	**(141)**	**(3,441)**	**(56)**	**(10,934)**	**(3,183)**	**(1,626)**	**(74)**	**(626)**	**(20,081)**
Depreciation expense	(9)	(369)	(4)	(1,683)	(318)	(226)	-	(93)	(2,703)
Impairment expense	-	(32)	-	12	(3)	4	17	-	(3)
Disposals and retirements	3	156	-	708	93	136	1	42	1,138
Changes in the scope of consolidation	-	4	-	2	(1)	-	-	-	6
Translation adjustment	3	133	1	778	60	86	3	17	1,081
Other movements, including transfers [a]	-	323	-	301	(5)	190	42	1	852
As of December 31, 2025	**(144)**	**(3,227)**	**(58)**	**(10,817)**	**(3,358)**	**(1,436)**	**(12)**	**(659)**	**(19,711)**
Carrying amount as of December 31, 2025	**3,027**	**13,803**	**316**	**5,601**	**1,563**	**935**	**2,086**	**2,398**	**29,728**

(a) The amounts presented in "Other movements, including transfers" mainly comprise DFS assets reclassified under "Assets held for sale" as of December 31, 2025 (see Note 2).

"Other property, plant and equipment" included in particular the works of art owned by the Group.

As of December 31, 2025, purchases of property, plant and equipment mainly included investments by the Group's Maisons – notably Louis Vuitton, Christian Dior Couture, Tiffany and Sephora – in their retail networks. They also included investments by Parfums Christian Dior and the champagne houses in their production equipment, as well as investments relating to the Group's hospitality activities.

Translation adjustments on property, plant and equipment mainly related to fixed assets recognized in US dollars, Chinese renminbi and pounds sterling, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2025.

7. LEASES

7.1 Right-of-use assets

Right-of-use assets break down as follows, by type of underlying asset:

(EUR millions)			2025	2024	2023
	Gross	Depreciation and impairment	Net	Net	Net
Stores	20,413	(8,970)	11,444	12,984	12,206
Offices	3,740	(1,524)	2,215	2,300	2,253
Other	1,468	(522)	946	1,043	896
Capitalized fixed lease payments	**25,621**	**(11,016)**	**14,605**	**16,327**	**15,355**
Leasehold rights	904	(648)	255	292	323
Total	**26,524**	**(11,664)**	**14,860**	**16,620**	**15,679**

The carrying amounts of right-of-use assets changed as follows during the fiscal year:

(EUR millions)	Capitalized fixed lease payments				Leasehold rights	Total
	Stores	Offices	Other	Total		
As of December 31, 2024	**12,984**	**2,300**	**1,043**	**16,327**	**292**	**16,620**
New leases entered into	2,351	343	288	2,982	12	2,994
Changes in assumptions	387	82	31	500	-	500
Leases ended or canceled	(60)	(12)	(13)	(84)	2	(82)
Depreciation expense	(2,555)	(390)	(167)	(3,113)	(56)	(3,169)
Impairment expense	38	2	(18)	22	4	26
Changes in the scope of consolidation	-	-	-	-	-	-
Translation adjustment	(925)	(107)	(74)	(1,107)	(4)	(1,110)
Other movements, including transfers [(a)]	(776)	(2)	(145)	(923)	5	(918)
As of December 31, 2025	**11,444**	**2,215**	**946**	**14,605**	**255**	**14,860**

(a) The amounts presented in "Other movements, including transfers" mainly comprise DFS right-of-use assets reclassified under "Assets held for sale" as of December 31, 2025 (see Note 2).

"New leases entered into" involved store leases, in particular for Louis Vuitton, Christian Dior Couture, Celine, Tiffany and Loewe. They also included leases of office space, mainly for Louis Vuitton and Tiffany. Changes in assumptions mainly resulted from adjustments to estimated lease terms. These two types of changes led to corresponding increases in right-of-use assets and lease liabilities.

Translation adjustments mainly related to leases recognized in US dollars, Japanese yen and Hong Kong dollars, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2025.

7.2 Lease liabilities

Lease liabilities break down as follows:

(EUR millions)	**2025**	**2024**	**2023**
Non-current lease liabilities	13,384	14,860	13,810
Current lease liabilities	2,634	2,972	2,728
Total	**16,018**	**17,832**	**16,538**

The change in lease liabilities during the fiscal year breaks down as follows:

(EUR millions)	**Stores**	**Offices**	**Other**	**Total**
As of December 31, 2024	**14,099**	**2,633**	**1,101**	**17,832**
New leases entered into	2,315	339	280	2,934
Principal repayments	(2,441)	(355)	(143)	(2,938)
Change in accrued interest	4	3	1	7
Leases ended or canceled	(78)	(14)	(12)	(105)
Changes in assumptions	408	81	31	520
Changes in the scope of consolidation	-	-	-	-
Translation adjustment	(1,025)	(125)	(85)	(1,235)
Other movements, including transfers[(a)]	(830)	(4)	(164)	(998)
As of December 31, 2025	**12,452**	**2,558**	**1,009**	**16,018**

(a) The amounts presented in "Other movements, including transfers" mainly comprise DFS lease liabilities reclassified under "Liabilities held for sale" as of December 31, 2025 (see Note 2).

The following table presents the contractual schedule of disbursements for lease liabilities as of December 31, 2025:

(EUR millions)		**As of December 31, 2025 Total minimum future payments**
Maturity:	2026	2,990
	2027	2,702
	2028	2,295
	2029	1,974
	2030	1,635
	Between 2031 and 2035	4,847
	Between 2036 and 2040	1,041
	Thereafter	680
Total minimum future payments		**18,163**
Impact of discounting		(2,145)
Total lease liability		**16,018**

7.3 Breakdown of lease expense

The lease expense for the fiscal year breaks down as follows:

(EUR millions)	2025	2024	2023
Depreciation and impairment of capitalized fixed lease payments	3,091	3,168	2,980
Interest on lease liabilities	553	510	393
Capitalized fixed lease expense	**3,644**	**3,678**	**3,373**
Variable lease payments	2,184	2,509	2,788
Short-term leases and/or low-value leases	644	582	548
Other lease expenses	**2,828**	**3,091**	**3,336**
Total	**6,471**	**6,769**	**6,710**

In certain countries, leases for stores entail the payment of both minimum amounts and variable amounts, especially for stores with lease payments indexed to revenue. As required by IFRS 16, only the minimum fixed lease payments are capitalized. "Other lease expenses" mainly relate to variable lease payments.

For leases not required to be capitalized, there is little difference between the expense recognized and the payments made.

8. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

(EUR millions)	2025		2024		2023	
	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*
Share of net assets of joint ventures and associates as of January 1	**1,343**	***498***	**991**	***495***	**1,066**	***496***
Share of net profit/(loss) for the period	75	*20*	28	*18*	7	*4*
Dividends paid	(86)	*(22)*	(55)	*(11)*	(50)	*(9)*
Changes in the scope of consolidation	(15)	*3*	379	-	63	-
Capital increases subscribed	13	*1*	22	*11*	11	*5*
Translation adjustment	(89)	*(19)*	30	*9*	(16)	*(6)*
Impairment of goodwill and brands recognized by joint ventures and associates	(15)	*(3)*	(67)	*(26)*	(98)	
Other, including transfers	(12)	*1*	15	*2*	8	*5*
Share of net assets of joint ventures and associates as of December 31	**1,214**	***479***	**1,343**	***498***	**991**	***495***

Impairment of goodwill and brands recognized by joint ventures and associates is presented within "Other operating income and expenses" in the consolidated income statement (see Note 25).

In 2024, changes in the scope of consolidation mainly resulted from the Group's additional investment in MDD SAS – previously presented within "Non-current available for sale financial assets" (see Note 9) – as well as the strategic partnership entered into with Accor to develop Orient Express.

9. NON-CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS

(EUR millions)	2025	2024	2023
As of January 1	**1,632**	**1,363**	**1,109**
Acquisitions	304	638	212
Disposals at net realized value	(50)	(50)	(30)
Changes in market value [(a)]	29	47	211
Changes in the scope of consolidation	8	(376)	(120)
Translation adjustment	(23)	11	(19)
Reclassifications	(10)	-	-
As of December 31	**1,891**	**1,632**	**1,363**

(a) Including 44 million euros recognized within "Other items of comprehensive income" and -14 million euros recognized within "Net financial income/(expense)" (see Note 1.17).

Changes in the scope of consolidation in 2024 related to the initial consolidation of various acquisitions carried out prior to December 31, 2023 but that had not yet been consolidated as of that date, as well as the consolidation using the equity method of an investment that was previously classified as a non-current available for sale financial asset (see Note 8).

In accordance with the agreement entered into in September 2024 with Remo Ruffini, Chairman and CEO of Moncler, LVMH raised its stake to 21.95% of the share capital and voting rights in Double R, the holding company that controls Moncler, owned by Mr. Ruffini. Double R holds an 18.23% stake in Moncler.

As of December 31, 2025, securities to be consolidated constituted a relatively non-material amount; most of these investments will be consolidated in 2026.

10. OTHER NON-CURRENT ASSETS

(EUR millions)	2025	2024	2023
Warranty deposits	541	602	577
Derivatives [(a)]	88	105	99
Loans and receivables	222	271	243
Other	132	127	98
Total	**983**	**1,106**	**1,017**

(a) See Note 23.

11. INVENTORIES AND WORK IN PROGRESS

(EUR millions)			2025	2024	2023
	Gross	**Impairment**	**Net**	**Net**	**Net**
Wines and *eaux-de-vie* in the process of aging	7,592	(77)	7,515	7,035	6,582
Other raw materials and work in progress	5,200	(1,011)	4,189	4,373	4,559
	12,792	**(1,088)**	**11,704**	**11,408**	**11,141**
Goods purchased for resale	2,920	(342)	2,578	2,757	2,650
Finished products	10,591	(2,214)	8,377	9,504	9,161
	13,511	**(2,556)**	**10,955**	**12,261**	**11,811**
Total	**26,303**	**(3,644)**	**22,659**	**23,669**	**22,952**

The change in net inventories for the fiscal years presented breaks down as follows:

(EUR millions)			2025	2024	2023
	Gross	Impairment	Net	Net	Net
As of January 1	**27,280**	**(3,611)**	**23,669**	**22,952**	**20,319**
Change in gross inventories	1,315	-	1,315	1,114	4,230
Impact of provision for returns [(a)]	(11)	-	(11)	3	(10)
Impact of marking harvests to market	(23)	-	(23)	(43)	54
Changes in provision for impairment	-	(803)	(803)	(834)	(986)
Changes in the scope of consolidation	-	-	-	97	(80)
Translation adjustment	(1,509)	203	(1,306)	376	(571)
Other, including reclassifications [(b)]	(748)	566	(182)	3	(5)
As of December 31	**26,303**	**(3,644)**	**22,659**	**23,669**	**22,952**

(a) See Note 1.27.
(b) The amounts presented in "Other, including reclassifications" comprise DFS inventories reclassified under "Assets held for sale" as of December 31, 2025 (see Note 2).

The impact of marking harvests to market on Wines and Spirits' cost of sales and value of inventory is as follows:

(EUR millions)	2025	2024	2023
Impact of marking the period's harvest to market	(2)	(27)	62
Impact of inventory sold during the period	(21)	(16)	(8)
Net impact on cost of sales for the period	**(23)**	**(43)**	**54**
Net impact on the value of inventory as of December 31	**70**	**93**	**136**

See Notes 1.10 and 1.18 on the method of marking harvests to market.

Translation adjustments on inventories mainly related to inventories recognized in US dollars, Japanese yen and Chinese renminbi, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2025.

12. TRADE ACCOUNTS RECEIVABLE

(EUR millions)	2025	2024	2023
Trade accounts receivable, nominal amount	4,466	4,856	4,843
Provision for impairment	(134)	(125)	(115)
Net amount	**4,332**	**4,730**	**4,728**

The change in trade accounts receivable for the fiscal years presented breaks down as follows:

(EUR millions)			2025	2024	2023
	Gross	Impairment	Net	Net	Net
As of January 1	**4,856**	**(125)**	**4,730**	**4,728**	**4,258**
Changes in gross receivables	(213)	-	(213)	(137)	695
Changes in provision for impairment	-	(16)	(16)	(15)	(19)
Changes in the scope of consolidation	1	-	1	83	27
Translation adjustment	(284)	4	(280)	34	(217)
Reclassifications	106	3	109	38	(17)
As of December 31	**4,466**	**(134)**	**4,332**	**4,730**	**4,728**

The trade accounts receivable balance is comprised essentially of receivables from wholesalers or agents, who are limited in number and with whom the Group maintains long-term relationships.

13. OTHER CURRENT ASSETS

(EUR millions)	2025	2024	2023
Current available for sale financial assets [a]	4,708	3,956	3,490
Derivatives [b]	677	319	543
Tax accounts receivable, excluding income taxes	1,651	2,029	1,833
Advances and payments on account to vendors	333	281	326
Prepaid expenses	727	839	681
Other receivables	745	1,031	850
Total	**8,840**	**8,455**	**7,723**

(a) See Note 14.
(b) See Note 23.

14. CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS

The carrying amount of current available for sale financial assets changed as follows during the fiscal years presented:

(EUR millions)	2025	2024	2023
As of January 1	**3,956**	**3,490**	**3,552**
Acquisitions	1	1	17
Disposals at net realized value	(60)	-	(161)
Changes in market value [a]	811	466	82
Changes in the scope of consolidation	-	-	-
Translation adjustment	-	-	-
Reclassifications	-	-	-
As of December 31	**4,708**	**3,956**	**3,490**
Of which: Historical cost of current available for sale financial assets	*3,023*	*3,055*	*3,071*

(a) Recognized within "Net financial income/(expense)" (see Note 26).

15. CASH AND CHANGE IN CASH

15.1 Cash and cash equivalents

(EUR millions)	2025	2024	2023
Term deposits (less than 3 months)	2,569	2,200	1,388
SICAV and FCP funds	934	566	283
Ordinary bank accounts	5,291	6,865	6,103
Cash and cash equivalents per balance sheet	**8,794**	**9,631**	**7,774**

The reconciliation between cash and cash equivalents as shown in the balance sheet and net cash and cash equivalents appearing in the cash flow statement is as follows:

(EUR millions)	2025	2024	2023
Cash and cash equivalents	8,794	9,631	7,774
Bank overdrafts	(434)	(361)	(255)
Net cash and cash equivalents per cash flow statement	**8,359**	**9,269**	**7,520**

15.2 Change in working capital

The change in working capital breaks down as follows for the fiscal years presented:

(EUR millions)	Notes	2025	2024	2023
Change in inventories and work in progress	11	(1,315)	(1,114)	(4,230)
Change in trade accounts receivable	12	213	137	(695)
Change in customer deposits and amounts owed to customers	22	9	106	24
Change in trade accounts payable	22	215	(664)	434
Change in other receivables and payables		303	(389)	(107)
Change in working capital [(a)]		**(576)**	**(1,925)**	**(4,577)**

(a) Increase/(Decrease) in cash and cash equivalents.

15.3 Operating investments

Operating investments comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2025	2024	2023
Purchase of intangible assets	3	(819)	(837)	(1,000)
Purchase of property, plant and equipment	6	(3,851)	(4,715)	(6,807)
Change in accounts payable related to fixed asset purchases		63	29	324
Initial direct costs	7	12	4	(53)
Net cash used in purchases of fixed assets		**(4,595)**	**(5,519)**	**(7,536)**
Net cash from fixed asset disposals		38	21	136
Guarantee deposits paid and other cash flows related to operating investments		(10)	(33)	(78)
Operating investments [(a)]		**(4,567)**	**(5,531)**	**(7,478)**

(a) Increase/(Decrease) in cash and cash equivalents.

15.4 Interim and final dividends paid and other equity-related transactions

Interim and final dividends paid comprise the following elements for the fiscal years presented:

(EUR millions)	2025	2024	2023
Interim and final dividends paid by LVMH SE	(6,465)	(6,492)	(6,251)
Interim and final dividends paid to minority interests in consolidated subsidiaries	(414)	(571)	(532)
Tax paid related to interim and final dividends paid [(a)]	(244)	(259)	(376)
Interim and final dividends paid	**(7,123)**	**(7,322)**	**(7,159)**

(a) Tax paid related to interim and final dividends paid exclusively related to intra-Group dividends; see Note 27.

Other equity-related transactions comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2025	2024	2023
Capital increases of LVMH SE	16	-	53	-
Capital increases of subsidiaries subscribed by minority interests		6	35	15
Acquisition and disposal of LVMH shares	16	(1,640)	(312)	(1,584)
Other equity-related transactions		**(1,634)**	**(224)**	**(1,569)**

16. EQUITY

16.1 Equity

(EUR millions)	Notes	2025	2024	2023
Share capital	16.2	149	150	151
Share premium account	16.2	-	53	530
LVMH shares	16.3	(759)	(603)	(1,953)
Cumulative translation adjustment	16.5	(442)	2,881	1,525
Revaluation reserves		1,751	1,230	1,392
Other reserves		55,894	51,256	44,199
Net profit, Group share		10,878	12,550	15,174
Equity, Group share		**67,472**	**67,517**	**61,017**

16.2 Share capital and share premium account

As of December 31, 2025, the share capital consisted of 497,686,940 fully paid-up shares (500,341,700 as of December 31, 2024 and 502,048,400 as of December 31, 2023), with a par value of 0.30 euros per share, including 247,156,822 shares with double voting rights (236,764,193 as of December 31, 2024 and 233,120,916 as of December 31, 2023); double voting rights are attached to registered shares held for more than three years.

Changes in the share capital and share premium account, in value and in terms of number of shares, break down as follows:

(EUR millions)				2025	2024	2023
	Number			Amount	Amount	Amount
		Share capital	Share premium account	Total		
As of January 1	**500,341,700**	**150**	**53**	**203**	**681**	**1,440**
Capital increase as part of the LVMH Shares employee share ownership plan	-	-	-	-	53	-
Retirement of LVMH shares	(2,654,760)	(1)	(53)	(54)	(531)	(759)
As of period-end	**497,686,940**	**149**	**-**	**149**	**203**	**681**

Retirement of LVMH shares had an impact of 1,392 million euros in fiscal year 2025, including 54 million euros charged to the share capital and share premium account, and 1,338 million euros charged to "Other reserves".

16.3 LVMH shares

The portfolio of LVMH shares is allocated as follows:

(EUR millions)		2025	2024	2023
	Number	Amount	Amount	Amount
Bonus share plans	979,649	567	589	352
Shares held for bonus share and similar plans [(a)]	**979,649**	**567**	**589**	**352**
Liquidity contract	20,500	13	13	16
Shares pending retirement	295,779	177	-	1,585
LVMH shares	**1,295,928**	**759**	**603**	**1,953**

(a) See Note 17 regarding bonus share and similar plans.

The market value of LVMH shares held under the liquidity contract as of December 31, 2025 amounted to 13 million euros.

In February 2025, a share buyback program was approved by LVMH, aimed at acquiring its own shares for a maximum amount of 1 billion euros over a period beginning on February 24, 2025 and potentially extending until November 28, 2025. At the end of this program, 1,899,397 shares totaling 1,000 million euros had been acquired.

In March 2023, a share buyback program was approved by LVMH, aimed at acquiring its own shares for a maximum amount of 1.5 billion euros over a period beginning on March 1, 2023 and potentially extending until July 20, 2023. At the end of this program, 1,791,189 shares totaling 1,500 million euros had been acquired.

The portfolio movements of LVMH shares during the fiscal year were as follows:

(number of shares or EUR millions)	Number	Amount	Impact on cash
As of December 31, 2024	**968,882**	**603**	
Purchase of shares	3,525,467	1,863	(1,862)
Vested bonus shares	(149,214)	(93)	-
Retirement of LVMH shares	(2,654,760)	(1,392)	-
Disposals at net realized value	(394,447)	(222)	222
Gain/(Loss) on disposal	-	-	-
As of December 31, 2025	**1,295,928**	**759**	**(1,640)**

16.4 Dividends paid by the parent company, LVMH SE

In accordance with French regulations, dividends are taken from the profit for the fiscal year and the distributable reserves of the parent company, after deducting applicable withholding tax and the value attributable to treasury shares. As of December 31, 2025, the distributable amount was 29,561 million euros; after taking into account the proposed dividend distribution in respect of the 2025 fiscal year, it was 25,828 million euros.

(EUR millions)	2025	2024	2023
Interim dividend for the current fiscal year (2025: 5.50 euros; 2024: 5.50 euros; 2023: 5.50 euros)	2,737	2,751	2,761
Impact of treasury shares	(7)	(5)	(14)
Gross amount disbursed for the fiscal year	**2,730**	**2,746**	**2,747**
Final dividend for the previous fiscal year (2024: 7.50 euros; 2023: 7.50 euros; 2022: 7.00 euros)	3,751	3,751	3,514
Impact of treasury shares	(17)	(4)	(11)
Gross amount disbursed for the previous fiscal year	**3,734**	**3,747**	**3,503**
Total gross amount disbursed during the fiscal year [(a)]	**6,465**	**6,492**	**6,251**

(a) Excluding the impact of tax regulations applicable to the recipient.

A total gross dividend of 13 euros per share in respect of fiscal year 2025 will be proposed at the Shareholders' Meeting of April 23, 2026. Taking into account the interim dividend paid in December 2025, the final dividend is 7.5 euros per share, representing a total of 3,733 million euros before deduction of the amount attributable to treasury shares held at the ex-dividend date.

16.5 Cumulative translation adjustment

The change in "Cumulative translation adjustment" recognized within "Equity, Group share", net of hedging effects of net assets denominated in foreign currency, breaks down as follows by currency:

(EUR millions)	**2025**	**Change**	**2024**	**2023**
US dollar	(147)	(2,438)	2,291	1,013
Swiss franc	1,172	27	1,145	1,214
Japanese yen	(437)	(253)	(184)	(140)
Hong Kong dollar	241	(194)	435	318
Pound sterling	(86)	(98)	12	(79)
Other currencies	(986)	(367)	(619)	(603)
Foreign currency net investment hedges	(198)	-	(198)	(198)
Total, Group share	**(442)**	**(3,323)**	**2,881**	**1,525**

17. BONUS SHARE AND SIMILAR PLANS

17.1 Bonus share plans

The number of provisional allocations of shares awarded changed as follows during the fiscal years presented:

(number of shares)	**2025**	**2024**	**2023**
Provisional allocations as of January 1	**658,239**	**538,067**	**668,795**
Provisional allocations for the period	363,533	290,944	227,006
Shares vested during the period	(149,214)	(161,235)	(345,068)
Shares expired during the period	(40,131)	(9,537)	(12,666)
Provisional allocations as of period-end	**832,427**	**658,239**	**538,067**

Four bonus share plans, each containing several tranches, were set up during the fiscal year. The main characteristics of these plans are as follows:

Plan commencement date	**Number of shares awarded initially**	***Of which: Performance shares***	**Vesting period**	**LVMH closing share price the day before the grant date of the plans**	**Average unit value of provisionally allocated bonus shares**
January 28, 2025	10,000	-	1 year	754.80	741.80
January 28, 2025	28,000	*28,000*	3 years and 2 months	754.80	715.57
January 28, 2025	64,800	*64,800*	1 year	754.80	741.80
April 17, 2025	30,500	*30,500*	2 years and 11 months	485.20	445.57
April 17, 2025	15,000	-	1 year	485.20	472.12
July 24, 2025	30,000	*30,000*	2 years and 8 months	479.95	448.57
October 23, 2025	155,733	*155,733*	3 years	623.20	584.14
October 23, 2025	29,500	*29,500*	2 years and 5 months	623.20	591.69
Total	**363,533**	***338,533***			

Vested share allocations were settled in existing shares held.

17.2 Expense for the period

(EUR millions)	2025	2024	2023
Bonus share plans	165	127	117
Employee share ownership plan: LVMH Shares	-	64	-
Expense for the period	**165**	**191**	**117**

18. MINORITY INTERESTS

(EUR millions)	2025	2024	2023
As of January 1	**1,770**	**1,684**	**1,493**
Minority interests' share of net profit	344	408	778
Dividends paid to minority interests	(415)	(556)	(513)
Impact of changes in control of consolidated entities	(2)	111	10
Impact of acquisition and disposal of minority interests' shares	(17)	131	(4)
Capital increases subscribed by minority interests	13	33	19
Minority interests' share in gains and losses recognized in equity	(133)	75	(29)
Minority interests' share in bonus share plan-related expenses	5	4	4
Impact of changes in minority interests with purchase commitments	(88)	(120)	(74)
As of December 31	**1,477**	**1,770**	**1,684**

The change in minority interests' share in gains and losses recognized in equity breaks down as follows:

(EUR millions)	Cumulative translation adjustment	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments	Minority interests' share in cumulative translation adjustment and revaluation reserves
As of December 31, 2022	**201**	**(6)**	**268**	**(20)**	**443**
Changes during the fiscal year	(50)	6	10	5	(29)
As of December 31, 2023	**151**	**-**	**278**	**(15)**	**414**
Changes during the fiscal year	88	(19)	4	3	75
As of December 31, 2024	**239**	**(20)**	**282**	**(13)**	**489**
Changes during the fiscal year	(160)	25	-	2	(133)
As of December 31, 2025	**79**	**5**	**282**	**(10)**	**356**

Minority interests are composed primarily of Diageo's 34% stake in Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy") and the 39% stake held by Mari-Cha Group Ltd in DFS. Since the 34% stake held by Diageo in Moët Hennessy is subject to a purchase commitment, it is reclassified at the period-end within "Purchase commitments for minority interests' shares" under "Other non-current liabilities" and is therefore excluded from the total amount of minority interests at the period-end. See Note 1.13 and Note 21 below.

Dividends paid to Diageo in fiscal year 2025 amounted to 141 million euros in respect of fiscal year 2024. Net profit attributable to Diageo for fiscal year 2025 was 177 million euros, and its share in accumulated minority interests (before recognition of the purchase commitment granted to Diageo) came to 4,341 million euros as of December 31, 2025. As of that date, the condensed consolidated balance sheet of Moët Hennessy was as follows:

(EUR billions)	**2025**
Property, plant and equipment and intangible assets	6.5
Other non-current assets	0.9
Non-current assets	**7.4**
Inventories and work in progress	8.4
Other current assets	1.7
Cash and cash equivalents	1.7
Current assets	**11.8**
Total assets	**19.2**

(EUR billions)	**2025**
Equity	12.6
Non-current liabilities	2.3
Equity and non-current liabilities	**15.0**
Short-term borrowings	2.0
Other current liabilities	2.2
Current liabilities	**4.2**
Total liabilities and equity	**19.2**

No dividends were paid to Mari-Cha Group Ltd in 2025. Net profit attributable to Mari-Cha Group Ltd for fiscal year 2025 was a loss of 94 million euros, and its share in accumulated minority interests as of December 31, 2025 came to 1,017 million euros.

19. BORROWINGS

19.1 Net financial debt

(EUR millions)	**2025**	**2024**	**2023**
Bonds and Euro Medium-Term Notes (EMTNs)	12,210	11,611	11,027
Bank borrowings	209	480	200
Long-term borrowings	**12,418**	**12,091**	**11,227**
Bonds and Euro Medium-Term Notes (EMTNs)	1,310	2,507	2,685
Current bank borrowings	506	329	338
Short-term negotiable debt securities [(a)]	5,439	7,190	7,291
Other borrowings and credit facilities	152	411	152
Bank overdrafts	434	362	254
Accrued interest	84	51	(40)
Short-term borrowings	**7,925**	**10,851**	**10,680**
Gross borrowings	**20,344**	**22,942**	**21,907**
Interest rate risk derivatives	27	73	96
Foreign exchange risk derivatives	(12)	(200)	7
Gross borrowings after derivatives	**20,358**	**22,815**	**22,010**
Current available for sale financial assets [(b)]	(4,708)	(3,956)	(3,490)
Cash and cash equivalents [(c)]	(8,794)	(9,631)	(7,774)
Net financial debt	**6,857**	**9,228**	**10,746**

(a) Euro- and US dollar-denominated commercial paper (NEU CP and USCP).
(b) See Note 14.
(c) See Note 15.1.

Net financial debt does not include purchase commitments for minority interests' shares (see Note 21) or lease liabilities (see Note 7).

The change in gross borrowings after derivatives during the fiscal year breaks down as follows:

(EUR millions)	As of December 31, 2024	Impact on cash [a]	Translation adjustment	Impact of market value changes	Changes in the scope of consolidation	Reclassifications and other	As of December 31, 2025
Long-term borrowings	12,091	2,040	(139)	35	1	(1,609)	12,418
Short-term borrowings	10,851	(3,960)	(568)	8	(6)	1,600	7,925
Gross borrowings	**22,942**	**(1,920)**	**(707)**	**43**	**(5)**	**(9)**	**20,344**
Derivatives	(127)	(2)	5	139	-	-	15
Gross borrowings after derivatives	**22,815**	**(1,921)**	**(702)**	**181**	**(5)**	**(9)**	**20,358**

(a) Including 2,095 million euros in respect of proceeds from borrowings, 4,228 million euros in respect of repayment of borrowings and 73 million euros due to an increase in bank overdrafts.

During fiscal year 2025, LVMH repaid the 1,500 million euro bond issued in April 2020 and the 1,000 million euro bond issued in April 2023.

In addition, under its EMTN program, in May 2025 LVMH carried out a bond issue in two tranches: a 1,100 million euro tranche maturing in March 2029, with a coupon of 2.625%; and a 900 million euro tranche maturing in March 2032, with a coupon of 3.00%.

19.2 Breakdown of gross borrowings by payment date and type of interest rate

(EUR millions)		Gross borrowings			Impact of derivatives			Gross borrowings after derivatives		
		Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
Maturity:	December 31, 2026	1,665	6,260	7,925	-	(1)	(2)	1,665	6,258	7,923
	December 31, 2027	1,902	29	1,931	(928)	983	55	975	1,012	1,986
	December 31, 2028	1,806	-	1,806	(238)	199	(38)	1,568	199	1,767
	December 31, 2029	2,107	-	2,107	-	-	-	2,107	-	2,107
	December 31, 2030	863	-	863	-	-	-	863	-	863
	December 31, 2031	1,505	-	1,505	-	-	-	1,505	-	1,505
	Thereafter	4,210	(4)	4,206	-	-	-	4,210	(4)	4,206
Total		**14,059**	**6,285**	**20,344**	**(1,166)**	**1,181**	**15**	**12,893**	**7,466**	**20,358**

See Note 23.3 regarding the market value of interest rate risk derivatives.

The breakdown by quarter of gross borrowings falling due in 2025 is as follows:

(EUR millions)	Falling due in 2026
First quarter	5,978
Second quarter	1,231
Third quarter	163
Fourth quarter	552
Total	**7,925**

19.3 Breakdown of gross borrowings by currency after derivatives

The purpose of foreign currency borrowings is to finance the development of the Group's activities outside the eurozone, as well as the Group's assets denominated in foreign currency.

(EUR millions)	2025	2024	2023
Euro	13,358	14,347	15,647
US dollar	3,803	3,953	4,048
Swiss franc	785	651	375
Japanese yen	226	150	4
Other currencies	2,186	3,715	1,936
Total [(a)]	**20,358**	**22,815**	**22,010**

(a) The amounts presented above include the impact of swaps to convert Group-level financing into subsidiaries' functional currencies, whether these subsidiaries are borrowers or lenders in the currency concerned.

19.4 Undrawn confirmed credit lines and covenants

As of December 31, 2025, undrawn confirmed credit lines, including bilateral credit facilities, came to 10.8 billion euros; this amount exceeded the outstanding portion of the short-term negotiable debt securities (NEU CP and USCP) programs, which together totaled 5.4 billion euros.

In connection with certain credit lines, the Group may undertake to maintain certain financial ratios. As of December 31, 2025, no significant credit lines were concerned by these provisions.

20. PROVISIONS AND OTHER NON-CURRENT LIABILITIES

Non-current provisions and other liabilities comprise the following:

(EUR millions)	2025	2024	2023
Non-current provisions	1,496	1,632	1,529
Uncertain tax positions	1,346	1,348	1,438
Derivatives [(a)]	70	105	130
Employee profit sharing	112	129	132
Other liabilities	521	642	650
Non-current provisions and other liabilities	**3,546**	**3,856**	**3,880**

(a) See Note 23.

Provisions concern the following types of contingencies and losses:

(EUR millions)	2025	2024	2023
Provisions for pensions, medical costs and similar commitments	627	650	609
Provisions for contingencies and losses	870	982	920
Non-current provisions	**1,496**	**1,632**	**1,529**
Provisions for pensions, medical costs and similar commitments	14	14	17
Provisions for contingencies and losses	672	653	578
Current provisions	**686**	**667**	**595**
Total	**2,182**	**2,299**	**2,125**

Provisions changed as follows during the fiscal year:

(EUR millions)	As of December 31, 2024	Increases	Amounts used	Amounts released	Changes in the scope of consolidation	Other [a]	As of December 31, 2025
Provisions for pensions, medical costs and similar commitments	664	149	(113)	(3)	-	(57)	641
Provisions for contingencies and losses	1,634	624	(329)	(264)	-	(124)	1,541
Total	**2,298**	**773**	**(442)**	**(267)**	**-**	**(180)**	**2,182**

(a) Including the impact of translation adjustment and change in revaluation reserves. See Note 29 regarding "Provisions for pensions, medical costs and similar commitments".

Provisions for contingencies and losses correspond to the estimate of the impact on assets and liabilities of risks, disputes (see Note 31), or actual or probable litigation arising from the Group's activities; such activities are carried out worldwide, within what is often an imprecise regulatory framework that is different for each country, changes over time and applies to areas ranging from product composition and packaging to relations with the Group's partners (distributors, suppliers, shareholders in subsidiaries, etc.).

Non-current liabilities related to uncertain tax positions include an estimate of the risks, disputes, and actual or probable litigation related to the income tax computation. The Group's entities in France and abroad may be subject to tax inspections and, in certain cases, to rectification claims from local administrations. A liability is recognized for these rectification claims, together with any uncertain tax positions that have been identified but not yet officially notified, the amount of which is regularly reviewed in accordance with the criteria of the application of IFRIC 23 *Uncertainty over Income Tax Treatments*.

21. PURCHASE COMMITMENTS FOR MINORITY INTERESTS' SHARES

As of December 31, 2025, purchase commitments for minority interests' shares mainly included the put option granted by LVMH to Diageo for its 34% share in Moët Hennessy for 80% of the fair value of Moët Hennessy at the exercise date of the option. This option may be exercised at any time subject to a six-month notice period. The fair value of this commitment is based on Moët Hennessy's discounted future cash flows, calculated according to the method described in Note 1.16.

Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy") hold the LVMH Group's investments in the Wines and Spirits businesses, with the exception of the equity investments in Château d'Yquem, Château Cheval Blanc, Clos des Lambrays and Colgin Cellars, and excluding certain champagne vineyards.

Purchase commitments for minority interests' shares also include commitments relating to minority shareholders in Loro Piana (6%), and distribution subsidiaries in various countries, mainly in the Middle East.

22. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

22.1 Trade accounts payable

The change in trade accounts payable for the fiscal years presented breaks down as follows:

(EUR millions)	2025	2024	2023
As of January 1	**8,630**	**9,049**	**8,788**
Changes in trade accounts payable	216	(670)	428
Changes in amounts owed to customers	(20)	30	24
Changes in the scope of consolidation	(11)	87	-
Translation adjustment	(372)	137	(175)
Reclassifications	(218)	(3)	(17)
As of December 31	**8,223**	**8,630**	**9,049**

22.2 Current provisions and other liabilities

(EUR millions)	2025	2024	2023
Current provisions [a]	686	667	595
Derivatives [b]	88	208	149
Employees and social security	2,629	2,818	2,671
Employee profit sharing	299	339	317
Taxes other than income taxes	1,295	1,535	1,393
Advances and payments on account from customers	1,120	1,131	1,167
Provision for product returns [c]	550	650	646
Deferred payment for non-current assets	884	907	936
Deferred income	244	257	291
Loyalty programs and gift cards	780	786	651
Other lease liabilities and subsidies	369	430	431
Other liabilities	245	284	293
Total	**9,190**	**10,012**	**9,540**

(a) See Note 20.
(b) See Note 23.
(c) See Note 1.27.

23. FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT

23.1 Organization of foreign exchange, interest rate and equity market risk management

Financial instruments are mainly used by the Group to hedge risks arising from Group activity and protect its assets.

The management of foreign exchange and interest rate risk, in addition to transactions involving shares and financial instruments, is centralized.

The Group has implemented a stringent policy and rigorous management guidelines to manage, measure and monitor these market risks.

These activities are organized based on a segregation of duties between risk measurement (middle office), hedging (front office), administration (back office) and financial control.

The backbone of this organization is an integrated information system that allows transactions to be checked quickly.

The Group's hedging strategy is presented to the Performance Audit Committee. Hedging decisions are made according to an established process that includes regular presentations to the Group's Executive Committee and detailed documentation.

Counterparties are selected based on their rating and in accordance with the Group's risk diversification strategy.

23.2 Summary of derivatives

Derivatives are recorded in the balance sheet for the amounts and in the captions detailed as follows:

(EUR millions)			Notes	2025	2024	2023
Interest rate risk	Assets:	Non-current		3	4	2
		Current		19	23	23
	Liabilities:	Non-current		(39)	(86)	(100)
		Current		(10)	(14)	(21)
			23.3	**(27)**	**(73)**	**(96)**
Foreign exchange risk	Assets:	Non-current		85	101	97
		Current		592	273	509
	Liabilities:	Non-current		(31)	(20)	(31)
		Current		(75)	(189)	(126)
			23.4	**571**	**164**	**450**
Other risks	Assets:	Non-current		-	-	-
		Current		66	24	10
	Liabilities:	Non-current		-	-	-
		Current		(3)	(5)	(2)
			23.5	**63**	**19**	**9**
Total	Assets:	Non-current	10	88	105	99
		Current	13	677	319	543
	Liabilities:	Non-current	20	(70)	(105)	(130)
		Current	22	(88)	(208)	(149)
				607	**111**	**363**

Derivatives used to manage "Other risks" mainly concern futures and/or options contracts to hedge the price of certain precious metals, in particular gold.

23.3 Derivatives used to manage interest rate risk

The aim of the Group's debt management policy is to adapt the debt maturity profile to the characteristics of the assets held and its repayment capacity, to curb borrowing costs and to protect net profit from the impact of significant changes in interest rates.

For these purposes, the Group uses interest rate swaps and options.

Derivatives used to manage interest rate risk outstanding as of December 31, 2025 break down as follows:

(EUR millions)	Nominal amounts by maturity				Market value [a] [b]			
	Less than 1 year	From 1 to 5 years	More than 5 years	Total	Future cash flow hedges	Fair value hedges	Not allocated	Total
Interest rate swaps:								
Floating-rate payer	-	1,174	-	1,174	-	(32)	-	(32)
Interest rate swaps:								
Fixed-rate payer	-	-	-	-	-	-	-	-
Foreign currency swaps:								
Euro-rate payer	-	974	-	974	-	-	5	5
Foreign currency swaps:								
Euro-rate receiver	-	-	-	-	-	-	-	-
Interest rate options	-	500	-	500	-	-	-	-
Total					**-**	**(32)**	**5**	**(27)**

(a) Gain/(Loss).
(b) See Note 1.10 regarding the methodology used for market value measurement.

23.4 Derivatives used to manage foreign exchange risk

A significant portion of Group companies' sales to customers and to their own distribution subsidiaries as well as certain purchases are denominated in currencies other than their functional currency; the majority of these foreign currency-denominated cash flows are intra-Group cash flows. Hedging instruments are used to reduce the foreign exchange risks arising from the fluctuations of currencies against the exporting and importing companies' functional currencies, and are allocated to either trade receivables or payables (fair value hedges) for the fiscal year, or to transactions anticipated for future fiscal years (hedges of future cash flows).

Future foreign currency-denominated cash flows are broken down as part of the budget preparation process and are hedged progressively over a period not exceeding one year unless a longer period is justified by probable commitments. As such, and according to market trends, identified foreign exchange risks are hedged using forward contracts or options.

In addition, the Group is exposed to foreign exchange risk with respect to the Group's net assets, as it owns assets denominated in currencies other than the euro. This foreign exchange risk may be hedged either partially or in full through foreign currency borrowings or by hedging the net worth of subsidiaries outside the eurozone, using appropriate financial instruments with the aim of limiting the impact of foreign currency fluctuations against the euro on consolidated equity.

Derivatives used to manage foreign exchange risk outstanding as of December 31, 2025 break down as follows:

(EUR millions)	Nominal amounts by fiscal year of allocation [a]				Market value [b] [c]			
	2025	2026	Thereafter	Total	Future cash flow hedges	Fair value hedges	Not allocated	Total
Options purchased								
Call USD	-	4	-	4	-	-	-	-
Put JPY	-	1	-	1	-	-	-	-
Put CNY	-	23	-	23	-	-	-	-
	-	**28**	**-**	**28**	**-**	**-**	**-**	**-**
Collars								
Written USD	244	4,818	-	5,062	240	12	2	254
Written JPY	282	1,588	-	1,870	151	30	5	186
Written GBP	60	512	-	571	11	1	-	13
Written HKD	11	439	-	450	24	-	1	25
Written CNY	66	2,266	-	2,332	67	4	-	72
	663	**9,623**	**-**	**10,286**	**493**	**48**	**8**	**549**
Forward exchange contracts								
USD	-	165	-	165	1	-	-	1
JPY	-	158	-	158	8	-	-	8
KRW	35	36	-	71	2	-	-	1
BRL	1	67	-	68	-	(2)	-	(2)
Other	(10)	156	-	146	(2)	(1)	-	(3)
	26	**581**	**-**	**607**	**8**	**(3)**	**-**	**5**
Foreign exchange swaps								
USD	98	(750)	-	(652)	-	(24)	-	(24)
GBP	-	908	(974)	(66)	-	(38)	-	(38)
JPY	16	(45)	98	68	-	85	-	85
CNY	33	662	-	696	-	(2)	-	(2)
HKD	20	(174)	-	(154)	-	(1)	-	(1)
Other	-	1,339	-	1,339	-	(4)	-	(4)
	167	**1,940**	**(876)**	**1,230**	**-**	**16**	**-**	**16**
Total	**856**	**12,172**	**(876)**	**12,151**	**502**	**61**	**8**	**570**

(a) Sale/(Purchase).
(b) See Note 1.10 regarding the methodology used for market value measurement.
(c) Gain/(Loss).

23.5 Financial instruments used to manage other risks

The Group's investment policy is designed to take advantage of a long-term investment horizon. Occasionally, the Group may invest in equity-based financial instruments with the aim of enhancing the dynamic management of its investment portfolio.

The Group is exposed to risks of share price changes either directly (as a result of its holding of subsidiaries, equity investments and current available for sale financial assets) or indirectly (as a result of its holding of funds, which are themselves partially invested in shares).

The Group may also use equity-based derivatives to synthetically create an economic exposure to certain assets, to hedge cash-settled compensation plans index-linked to the LVMH share price, or to hedge certain risks related to changes in the LVMH share price. As of December 31, 2025, there were no equity-based derivatives outstanding.

The Group – mainly through its Watches and Jewelry business group – may be exposed to changes in the prices of certain precious metals, such as gold, platinum and silver. In certain cases, in order to ensure visibility with regard to production costs, hedges may be implemented. This is achieved either by negotiating the forecast price of future deliveries of alloys with precious metal refiners, or the price of semi-finished products with producers; or by entering into hedges with top-ranking banks. In the latter case, hedges consist of futures and/or options, with cash payment on delivery. With a nominal value of 217 million euros, derivatives outstanding relating to the hedging of precious metal prices as of December 31, 2025 had a positive market value of 63 million euros. A uniform 1% decrease in these financial instruments' underlying assets' prices as of December 31, 2025 would have a negative net impact on the Group's consolidated reserves of 9 million euros. They will mature in 2026.

24. SEGMENT INFORMATION

The Group's brands and trade names are organized into six business groups. Four business groups – Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, and Watches and Jewelry – comprise brands dealing with the same category of products that use similar production and distribution processes. Information on Louis Vuitton, Bvlgari and Tiffany is presented according to the brand's main business, namely the Fashion and Leather Goods business group for Louis Vuitton and the Watches and Jewelry business group for Bvlgari and Tiffany. The Selective Retailing business group comprises the Group's own-label retailing activities. The "Other and holding companies" business group comprises brands and businesses that are not associated with any of the above-mentioned business groups, particularly the media division, the Dutch luxury yacht maker Royal Van Lent, hospitality activities and holding or real estate companies.

24.1 Information by business group

Fiscal year 2025

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [a] [f]	Total
Sales outside the Group	5,352	37,720	7,067	10,350	18,277	2,041	-	80,807
Intra-Group sales	6	50	1,107	136	71	68	(1,438)	-
Total revenue	**5,358**	**37,770**	**8,174**	**10,486**	**18,348**	**2,109**	**(1,438)**	**80,807**
Profit from recurring operations	1,016	13,209	727	1,514	1,780	(477)	(14)	17,755
Other operating income and expenses	(25)	(17)	(13)	(72)	(561)	32	-	(656)
Depreciation, amortization and impairment expenses	(332)	(3,114)	(557)	(1,186)	(1,838)	(394)	178	(7,243)
Of which: Right-of-use assets	*(35)*	*(1,681)*	*(179)*	*(549)*	*(760)*	*(116)*	*176*	*(3,143)*
Other	*(297)*	*(1,433)*	*(378)*	*(637)*	*(1,078)*	*(278)*	*2*	*(4,100)*
Intangible assets and goodwill [b]	2,423	14,227	1,691	19,893	1,483	1,732	(5)	41,444
Right-of-use assets	202	8,790	718	3,064	2,461	1,002	(1,377)	14,860
Property, plant and equipment	4,303	8,264	963	2,847	1,507	11,851	(7)	29,728
Inventories and work in progress	8,451	5,120	983	5,432	2,749	197	(272)	22,659
Other operating assets [c] [f]	1,485	2,954	1,492	1,719	3,536	2,470	19,689	33,345
Total assets	**16,864**	**39,354**	**5,848**	**32,954**	**11,736**	**17,253**	**18,028**	**142,037**
Equity	-	-	-	-	-	-	68,949	68,949
Lease liabilities	223	9,405	799	3,175	2,653	1,149	(1,385)	16,018
Other liabilities [d] [f]	1,864	7,090	2,866	2,282	5,496	1,893	35,578	57,069
Total liabilities and equity	**2,087**	**16,495**	**3,665**	**5,457**	**8,149**	**3,042**	**103,142**	**142,037**
Operating investments [e]	(222)	(2,027)	(385)	(869)	(516)	(552)	3	(4,567)

Fiscal year 2024

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [a]	Total
Sales outside the Group	5,853	40,990	7,281	10,458	18,167	1,934	-	84,683
Intra-Group sales	10	70	1,137	118	95	68	(1,498)	-
Total revenue	**5,862**	**41,060**	**8,418**	**10,577**	**18,262**	**2,002**	**(1,498)**	**84,683**
Profit from recurring operations	1,356	15,230	671	1,546	1,385	(625)	8	19,571
Other operating income and expenses	(31)	(508)	(16)	(4)	(129)	22	-	(664)
Depreciation, amortization and impairment expenses	(310)	(2,922)	(548)	(1,100)	(1,531)	(450)	159	(6,702)
Of which: Right-of-use assets	*(34)*	*(1,637)*	*(181)*	*(549)*	*(874)*	*(110)*	*159*	*(3,228)*
Other	*(275)*	*(1,285)*	*(367)*	*(551)*	*(657)*	*(340)*	-	*(3,475)*
Intangible assets and goodwill [b]	3,512	14,193	1,770	21,569	3,742	1,807	(5)	46,587
Right-of-use assets	214	9,079	745	3,051	3,978	905	(1,353)	16,620
Property, plant and equipment	4,442	8,032	987	2,915	1,698	11,819	(8)	29,886
Inventories and work in progress	8,240	5,621	1,066	5,873	3,030	141	(302)	23,669
Other operating assets [c]	1,712	3,363	1,655	1,850	970	2,169	20,709	32,428
Total assets	**18,119**	**40,288**	**6,223**	**35,258**	**13,419**	**16,841**	**19,042**	**149,190**
Equity	-	-	-	-	-	-	69,287	69,287
Lease liabilities	236	9,631	819	3,156	4,319	1,023	(1,351)	17,832
Other liabilities [d]	1,935	7,659	3,031	2,461	4,474	1,886	40,625	62,071
Total liabilities and equity	**2,171**	**17,290**	**3,850**	**5,617**	**8,793**	**2,909**	**108,560**	**149,190**
Operating investments [e]	(332)	(2,150)	(477)	(939)	(631)	(1,002)	-	(5,531)

Fiscal year 2023

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [a]	Total
Sales outside the Group	6,587	42,089	7,126	10,811	17,781	1,759	-	86,153
Intra-Group sales	14	80	1,145	91	104	61	(1,496)	-
Total revenue	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,820**	**(1,496)**	**86,153**
Profit from recurring operations	2,109	16,836	713	2,162	1,391	(397)	(12)	22,802
Other operating income and expenses	(15)	(117)	(25)	(5)	(109)	27	-	(242)
Depreciation, amortization and impairment expenses	(274)	(2,599)	(508)	(1,012)	(1,377)	(388)	138	(6,018)
Of which: Right-of-use assets	*(32)*	*(1,475)*	*(165)*	*(536)*	*(852)*	*(113)*	*138*	*(3,031)*
Other	*(242)*	*(1,124)*	*(343)*	*(476)*	*(526)*	*(276)*	-	*(2,987)*
Intangible assets and goodwill [b]	7,775	14,162	1,746	20,668	3,626	1,638	(5)	49,611
Right-of-use assets	221	8,124	644	2,562	4,182	926	(982)	15,679
Property, plant and equipment	4,248	7,099	897	2,411	1,695	10,988	(8)	27,331
Inventories and work in progress	7,703	5,635	1,118	5,758	2,966	94	(323)	22,952
Other operating assets [c]	1,712	3,529	1,561	1,761	949	1,666	16,943	28,121
Total assets	**21,660**	**38,549**	**5,967**	**33,160**	**13,419**	**15,311**	**15,626**	**143,694**
Equity	-	-	-	-	-	-	62,701	62,701
Lease liabilities	239	8,474	700	2,637	4,444	1,023	(978)	16,538
Other liabilities [d]	2,114	7,841	2,938	2,482	4,196	1,738	43,146	64,455
Total liabilities and equity	**2,353**	**16,315**	**3,638**	**5,119**	**8,640**	**2,761**	**104,870**	**143,694**
Operating investments [e]	(538)	(3,025)	(432)	(871)	(571)	(2,041)	(1)	(7,478)

(a) Eliminations correspond to sales between business groups; these generally consist of sales to Selective Retailing from other business groups. Selling prices between the different business groups correspond to the prices applied in the normal course of business for sales transactions to wholesalers or retailers outside the Group.
(b) Intangible assets and goodwill correspond to the carrying amounts shown in Notes 3 and 4.
(c) Assets not allocated include available for sale financial assets, other financial assets, and current and deferred tax assets.
(d) Liabilities not allocated include financial debt, current and deferred tax liabilities, and liabilities related to purchase commitments for minority interests' shares.
(e) Increase/(Decrease) in cash and cash equivalents.
(f) "Other operating assets", "Other liabilities" and "Not allocated" include in particular "Assets and liabilities held for sale" related to DFS (see Note 2), the details of which are as follows:

(EUR millions)	Selective Retailing	Not allocated	Total
Property, plant and equipment and intangible assets	1,584	-	1,584
Right-of-use assets	907	-	907
Current and deferred tax	-	14	14
Inventories	183	-	183
Other assets	83	25	108
Assets held for sale	**2,757**	**39**	**2,796**
Lease liabilities	1,023	-	1,023
Current and deferred tax	-	289	289
Other liabilities	304	-	304
Liabilities held for sale	**1,327**	**289**	**1,616**

24.2 Information by geographic region

Revenue by geographic region of delivery breaks down as follows:

(EUR millions)	2025	2024	2023
France	6,732	7,009	6,830
Europe (excl. France)	14,530	14,538	14,145
United States	20,686	21,554	21,764
Japan	6,378	7,475	6,314
Asia (excl. Japan)	21,389	23,246	26,577
Other countries	11,091	10,861	10,523
Revenue	**80,807**	**84,683**	**86,153**

Operating investments by geographic region are as follows:

(EUR millions)	2025	2024	2023
France	1,536	1,653	3,575
Europe (excl. France)	948	1,062	1,318
United States	763	999	1,095
Japan	328	473	202
Asia (excl. Japan)	668	918	844
Other countries	324	425	444
Operating investments	**4,567**	**5,531**	**7,478**

No geographic breakdown of segment assets is provided since a significant portion of these assets consists of brands and goodwill, which must be analyzed on the basis of the revenue generated by these assets in each region, and not in relation to the region of their legal ownership.

24.3 Quarterly information

Quarterly revenue by business group breaks down as follows:

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations	Total
First quarter	1,305	10,108	2,178	2,482	4,189	455	(406)	20,311
Second quarter	1,283	9,006	1,904	2,608	4,431	609	(341)	19,499
Third quarter	1,330	8,497	1,958	2,319	3,992	526	(342)	18,280
Fourth quarter	1,441	10,159	2,134	3,077	5,735	519	(348)	22,717
Total for 2025	**5,358**	**37,770**	**8,174**	**10,486**	**18,348**	**2,109**	**(1,438)**	**80,807**
First quarter	1,417	10,490	2,182	2,466	4,175	361	(397)	20,694
Second quarter	1,391	10,281	1,953	2,685	4,457	552	(336)	20,983
Third quarter	1,386	9,151	2,012	2,386	3,927	587	(373)	19,076
Fourth quarter	1,669	11,139	2,270	3,041	5,703	500	(392)	23,930
Total for 2024	**5,862**	**41,060**	**8,418**	**10,577**	**18,262**	**2,002**	**(1,498)**	**84,683**
First quarter	1,694	10,728	2,115	2,589	3,961	341	(394)	21,035
Second quarter	1,486	10,434	1,913	2,839	4,394	491	(351)	21,206
Third quarter	1,509	9,750	1,993	2,524	4,076	512	(399)	19,964
Fourth quarter	1,912	11,257	2,250	2,951	5,454	476	(352)	23,948
Total for 2023	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,820**	**(1,496)**	**86,153**

25. OTHER OPERATING INCOME AND EXPENSES

(EUR millions)	2025	2024	2023
Net gains/(losses) on disposals	127	(199)	(102)
Restructuring costs	(50)	(70)	(9)
Remeasurement of shares acquired prior to their initial consolidation	-	1	2
Transaction costs relating to the acquisition of consolidated companies	(2)	(10)	(14)
Impairment or amortization of brands, trade names, goodwill and other fixed assets	(720)	(422)	(105)
Other items, net	(12)	35	(14)
Other operating income and expenses	**(656)**	**(664)**	**(242)**

"Net gains/(losses) on disposals" mainly related to DFS' disposal of its joint ventures and associates, particularly in the Middle East.

Impairment and amortization expenses in 2025 mainly related to DFS with respect to the sale finalized in January 2026 (see Note 2) and the closure of a number of markets. See also Notes 4, 5, 6, 7 and 8 for impairment and amortization expenses recorded in 2025.

26. NET FINANCIAL INCOME/(EXPENSE)

(EUR millions)	2025	2024	2023
Borrowing costs	(598)	(676)	(580)
Income from cash, cash equivalents and current available for sale financial assets	249	231	212
Fair value adjustment of borrowings and interest rate hedges	1	2	1
Cost of net financial debt	**(348)**	**(442)**	**(367)**
Interest on lease liabilities	**(553)**	**(510)**	**(393)**
Dividends received from non-current available for sale financial assets	21	9	5
Cost of foreign exchange derivatives	(306)	(282)	(399)
Fair value adjustment of available for sale financial assets	835	481	263
Other items, net	(49)	(48)	(43)
Other financial income and expenses	**500**	**160**	**(175)**
Net financial income/(expense)	**(401)**	**(792)**	**(935)**

Income from cash, cash equivalents and current available for sale financial assets comprises the following items:

(EUR millions)	2025	2024	2023
Income from cash and cash equivalents	164	151	136
Income from current available for sale financial assets[(a)]	85	81	77
Income from cash, cash equivalents and current available for sale financial assets	**249**	**231**	**212**

(a) Including 67 million euros related to dividends received as of December 31, 2025 (51 million euros as of December 31, 2024 and 60 million euros as of December 31, 2023).

The fair value adjustment of borrowings and interest rate hedges is attributable to the following items:

(EUR millions)	2025	2024	2023
Hedged financial debt	(46)	(21)	(60)
Hedging instruments	46	21	60
Unallocated derivatives	1	2	1
Fair value adjustment of borrowings and interest rate hedges	**1**	**2**	**1**

The cost of foreign exchange derivatives breaks down as follows:

(EUR millions)	2025	2024	2023
Cost of commercial foreign exchange derivatives	(278)	(276)	(405)
Cost of foreign exchange derivatives related to net investments denominated in foreign currency	(1)	-	-
Cost and other items related to other foreign exchange derivatives	(27)	(7)	5
Cost of foreign exchange derivatives	**(306)**	**(282)**	**(399)**

27. INCOME TAXES

(EUR millions)	2025	2024	2023
Current income taxes for the fiscal year	(4,855)	(5,416)	(6,059)
Current income taxes relating to previous fiscal years	-	-	8
Current income taxes	**(4,855)**	**(5,416)**	**(6,051)**
Change in deferred income taxes	(651)	259	378
Impact of changes in tax rates on deferred income taxes	29	-	-
Deferred income taxes	**(622)**	**259**	**378**
Total tax expense per income statement	**(5,476)**	**(5,157)**	**(5,673)**
Tax on items recognized in equity	**(167)**	**52**	**(34)**

The effective tax rate is as follows:

(EUR millions)	2025	2024	2023
Profit before tax	16,698	18,115	21,625
Total tax expense	(5,476)	(5,157)	(5,673)
Effective tax rate	**32.8%**	**28.5%**	**26.2%**

The Group's effective tax rate was 32.8% in 2025, compared with 28.5% in 2024 and 26.2% in 2023. As of December 31, 2025, the effective tax rate was up 4.3 points from December 31, 2024, mainly due to the additional tax applicable in France for fiscal year 2025 and certain non-deductible expenses.

The international tax reform drawn up by the OECD, known as Pillar Two, aimed in particular at establishing a minimum tax rate of 15%, took effect in France starting in fiscal year 2024. The financial consequences mainly concern countries in the Middle East for relatively non-material amounts.

28. EARNINGS PER SHARE

	2025	2024	2023
Net profit, Group share *(EUR millions)*	**10,878**	**12,550**	**15,174**
Average number of shares outstanding during the fiscal year	499,690,748	500,814,852	502,290,188
Average number of treasury shares held during the fiscal year	(2,040,510)	(1,402,337)	(2,233,602)
Average number of shares on which the calculation before dilution is based	**497,650,238**	**499,412,515**	**500,056,586**
Basic earnings per share *(EUR)*	**21.86**	**25.13**	**30.34**
Average number of shares outstanding on which the above calculation is based	497,650,238	499,412,515	500,056,586
Dilutive effect of bonus share plans	325,880	268,531	247,730
Other dilutive effects	-	-	-
Average number of shares on which the calculation after dilution is based	**497,976,118**	**499,681,046**	**500,304,316**
Diluted earnings per share *(EUR)*	**21.85**	**25.12**	**30.33**

No events occurred between December 31, 2025 and the date at which the financial statements were approved for publication that would have significantly affected the number of shares outstanding or the potential number of shares.

29. PROVISIONS FOR PENSIONS, CONTRIBUTION TO MEDICAL COSTS AND OTHER EMPLOYEE BENEFIT COMMITMENTS

The expense recognized in the fiscal years presented for provisions for pensions, contribution to medical costs and other employee benefit commitments is as follows:

(EUR millions)	2025	2024	2023
Service cost	139	137	122
Net interest cost	20	19	23
Actuarial gains and losses	-	7	1
Changes to and wind-up of plans	7	14	4
Total expense for the fiscal year for defined-benefit plans	**166**	**177**	**150**

No significant events concerning provisions for pensions and other benefit commitments occurred during the fiscal year.

30. OFF-BALANCE SHEET COMMITMENTS

30.1 Purchase commitments

(EUR millions)	2025	2024	2023
Grapes, wines and *eaux-de-vie*	3,010	3,486	3,463
Other purchase commitments for raw materials	722	701	803
Industrial and commercial fixed assets	1,882	2,403	1,432
Investments in joint venture shares and non-current available for sale financial assets [(a)]	442	661	367

(a) See also Note 2.

Some Wines and Spirits companies have contractual purchase arrangements with various local producers for the future supply of grapes, still wines and *eaux-de-vie*. These commitments are valued, depending on the nature of the purchases, on the basis of the contractual terms or known fiscal year-end prices and estimated production yields.

Purchase commitments for industrial and commercial fixed assets include multi-annual commitments to purchase services in the field of communications and marketing.

As of December 31, 2025, the maturity schedule of these commitments was as follows:

(EUR millions)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Grapes, wines and *eaux-de-vie*	454	2,444	112	3,010
Other purchase commitments for raw materials	378	304	40	722
Industrial and commercial fixed assets	519	801	562	1,882
Investments in joint venture shares and non-current available for sale financial assets	377	60	5	442

30.2 Collateral and other guarantees

As of December 31, 2025, these commitments broke down as follows:

(EUR millions)	2025	2024	2023
Securities and deposits	720	716	643
Other guarantees	334	337	327
Guarantees given	**1,054**	**1,052**	**970**
Guarantees received	**(95)**	**(91)**	**(42)**

The maturity dates of these commitments are as follows:

(EUR millions)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Securities and deposits	243	424	53	720
Other guarantees	145	142	47	334
Guarantees given	**388**	**566**	**100**	**1,054**
Guarantees received	**(56)**	**(32)**	**(6)**	**(95)**

30.3 Other commitments

The Group is not aware of any significant off-balance sheet commitments other than those described above.

31. EXCEPTIONAL EVENTS AND LITIGATION

To the best of the Company's knowledge, there are no pending or impending administrative, judicial or arbitration procedures that are likely to have, or have had over the twelve-month period under review, any significant impact on the Group's financial position or profitability.

32. RELATED-PARTY TRANSACTIONS

No significant related-party transactions occurred during the fiscal year.

33. SUBSEQUENT EVENTS

No significant subsequent events occurred between December 31, 2025 and January 27, 2026, the date at which the financial statements were approved for publication by the Board of Directors.

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