

LVMH

First half
2022
results

July 26, 2022

Louis Vuitton

This document may contain certain forward looking statements which are based on estimations and forecasts. By their nature, these forward looking statements are subject to important risks and uncertainties and factors beyond our control or ability to predict, in particular those described in LVMH's Universal Registration Document which is available on the website (www.lvmh.com). These forward looking statements should not be considered as a guarantee of future performance, the actual results could differ materially from those expressed or implied by them. The forward looking statements only reflect LVMH's views as of the date of this document, and LVMH does not undertake to revise or update these forward looking statements. The forward looking statements should be used with caution and circumspection and in no event can LVMH and its Management be held responsible for any investment or other decision based upon such statements. The information in this document does not constitute an offer to sell or an invitation to buy shares in LVMH or an invitation or inducement to engage in any other investment activities.

H1 2022: excellent first half for LVMH

REVENUE

36.7 bn€

+ 21%

vs. H1 2021*

* Organic growth

PROFIT FROM RECURRING OPERATIONS

10.2 bn€

+ 34%

vs. H1 2021

OPERATING MARGIN

27.9%

+ 1.3 pt

vs. H1 2021

OPERATING FREE CASH FLOW

4.0 bn€

- 24%

vs. H1 2021

GEARING

21.1%

The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.

H1 2022: excellent first half for LVMH



Double-digit revenue growth in all business groups in a still disrupted environment

High comparison basis

Double-digit revenue growth in Europe, Japan and the US

Second quarter in line with start of year trends

Exceptional momentum in champagne and cognac





Strong progress of Fashion & Leather Goods business group, especially for **Louis Vuitton, Christian Dior, Fendi, Celine, Loro Piana** and **Loewe**

Excellent performance of **Tiffany and Bulgari**

Strong momentum of **fragrances**





Strong recovery for **Sephora**

DFS significantly impacted by **health restrictions in China**



01

Business group review

Louis Vuitton

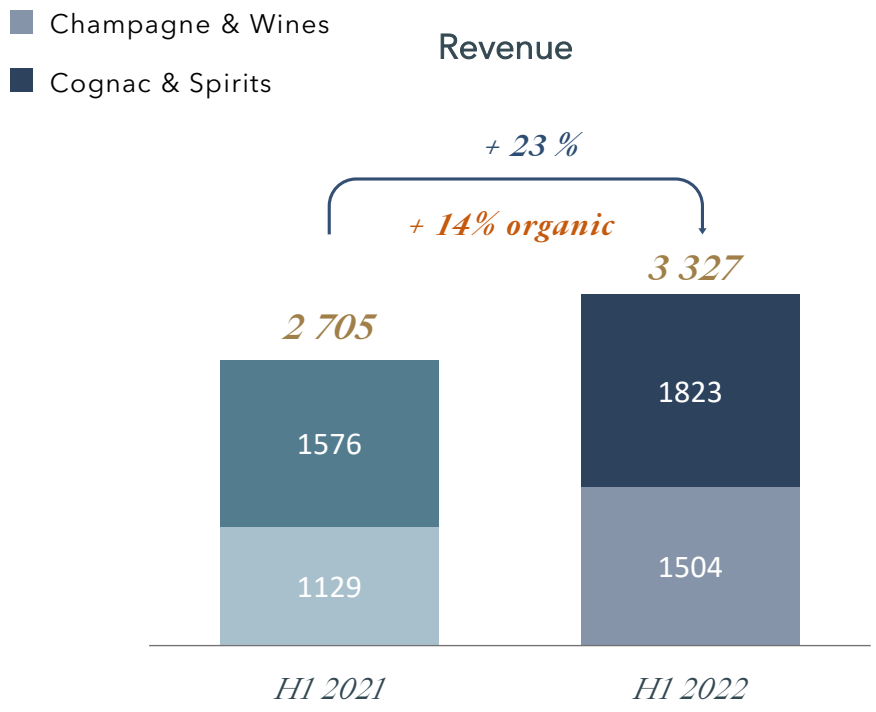
Wines & Spirits

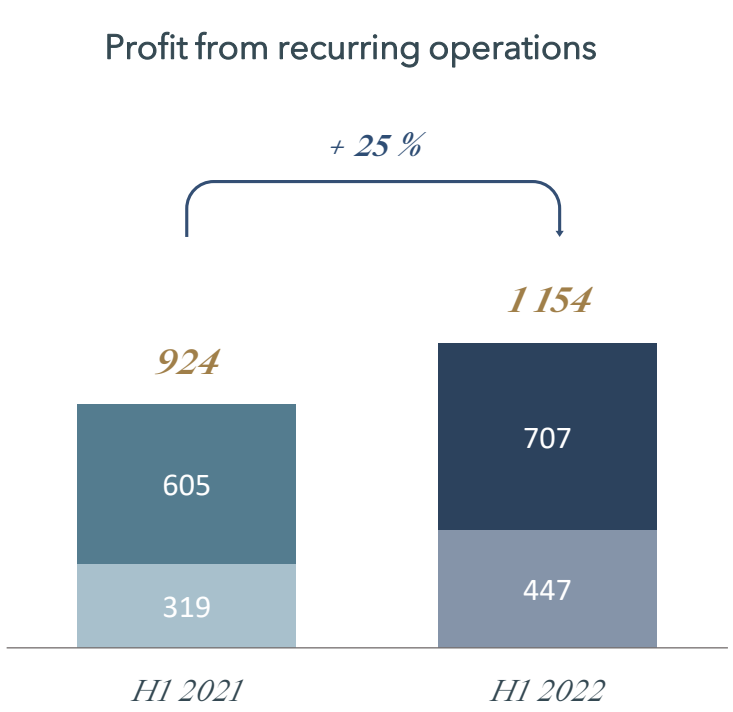


Ruinart

Wines & Spirits - Revenue up 23 % and profit from recurring operations up 25 %

Wines & Spirits – H1 2022 evolution of revenue and profit from recurring operations (in million of euros)





	H1 2021	H1 2022
Operating margin	*34.2%*	*34.7%*

Wines & Spirits - Excellent first half for Champagne brands; rebound of Hennessy in Q2



VOLUME CHAMPAGNE

+ 16 %

vs H1 2021

Champagne & Wines

Strong recovery in key markets

- Strong demand in the US and Europe led by restaurants reopening and tourism recovery
- Firm price increase policy
- Structure impact of Armand de Brignac, consolidated since May 2021
- Continued international development of Château d'Esclans
- Successful launch of *Château Galoupet Cru Classé* and *Galoupet Nomade*
- Agreement signed for the acquisition of Joseph Phelps Vineyards in Napa Valley, California



VOLUME HENNESSY

- 2 %

vs H1 2021

Cognac & Spirits

Rebound in Q2 linked to delivery catch-up

- Hennessy performance impacted by health restrictions in China and logistical disruptions in the US, offset by positive price effect
- Roll-out of Hennessy x NBA partnership in all markets
- Strong momentum of Glenmorangie and Ardbeg; successful launch of *Glenmorangie 18 ans Azuma Makoto* and *Ardbeg Fermutation*
- Excellent performance of Belvedere vodka

Fashion & Leather Goods

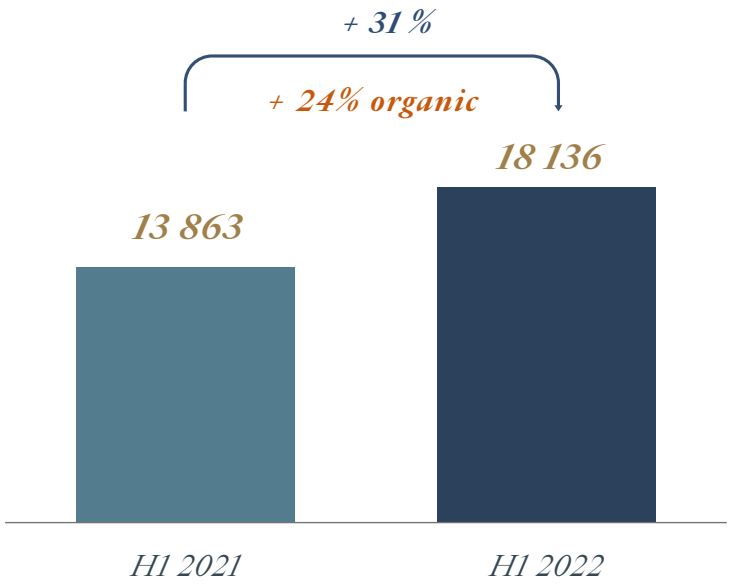


Christian Dior Couture

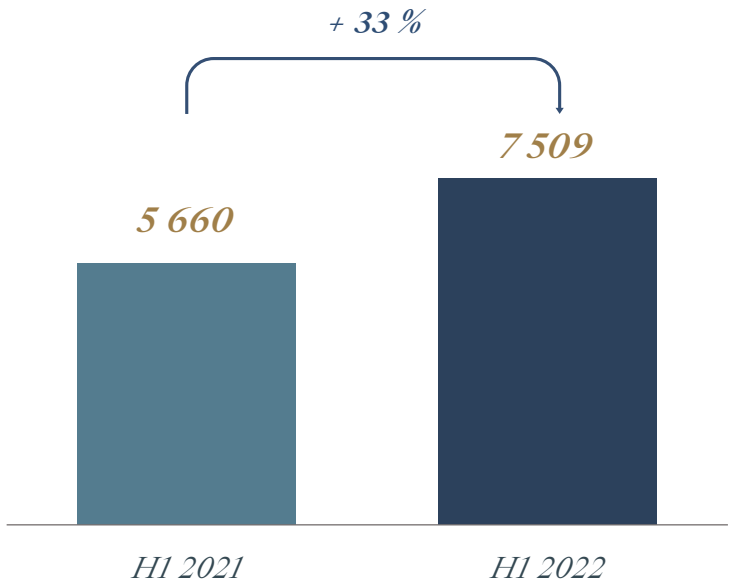
Fashion & Leather Goods - Revenue up 31 % and profit from recurring operations up 33 %

Fashion & Leather Goods – H1 2022 evolution of revenue and profit from recurring operations (in million of euros)

Revenue



Profit from recurring operations



	H1 2021	H1 2022
Operating margin	*40.8%*	*41.4%*

Fashion & Leather Goods - Outstanding performance, especially for Louis Vuitton, Christian Dior, Fendi, Celine, Loro Piana and Loewe



Louis Vuitton

Excellent first half, still driven by strong creativity

- Success of fashion shows created by Nicolas Ghesquière
- Final collection of Virgil Abloh presented in Paris and Bangkok, and exhibition in his honor at Louis Vuitton Foundation
- Inauguration in France of 2 new workshops, including one for precious leathers (Vendôme)
- Qualitative expansion of store network
- « 200 malles, 200 visionnaires » exhibition in Singapore



Christian Dior Couture

Outstanding growth in all product categories

- Unprecedented holistic experience in the historic 30 Montaigne store, reopened after 3 years of renovation
- Inspiring fashion shows imagined by Maria Grazia Chiuri and Kim Jones
- Continued success of *Lady Dior* bag
- New jewelry collection *La Rose Dior*







Fendi	Success of iconic bags *Peekaboo* and *Baguette*; planned opening of 2 new workshops in Italy in H2
Celine	Strong progress of ready-to-wear created by Hedi Slimane; success of new high-end leather line for *Triomphe* and *16* models
Loro Piana	Honoring the excellence of vicuña wool and the Maison's approach to safeguarding the species
Loewe	Strong creativity of Jonathan Anderson reflected in latest fashion shows
Marc Jacobs	Sustained growth of online sales; new offering around the Monogram
Kenzo	Excellent response to Nigo's first collection

Perfumes & Cosmetics

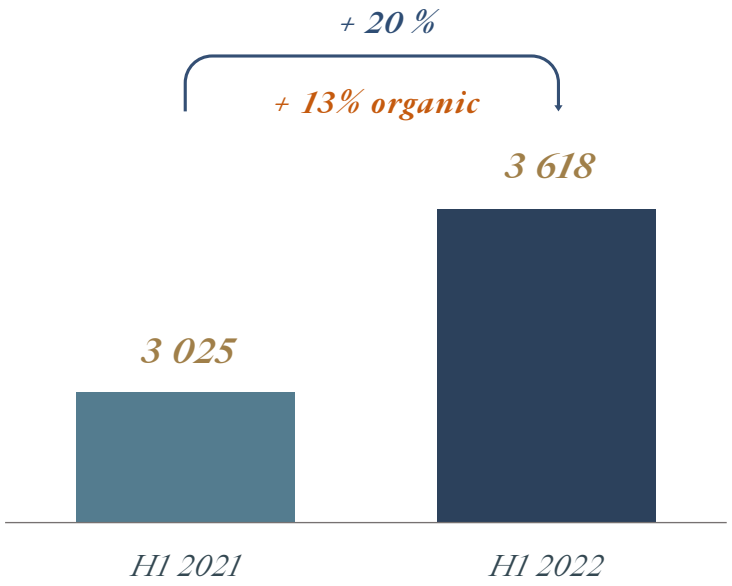


Parfums Christian Dior

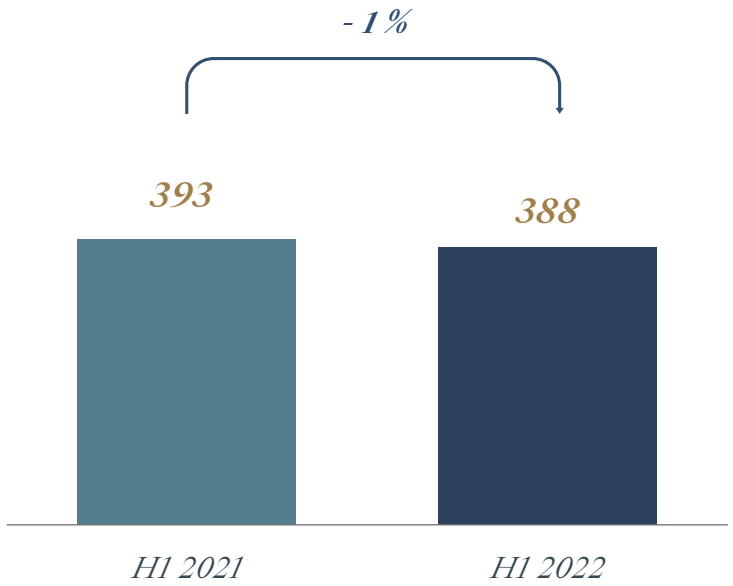
Perfumes & Cosmetics - Revenue up 20 % and profit from recurring operations down 1 %

Perfumes & Cosmetics – H1 2022 evolution of revenue and profit from recurring operations (in million of euros)

Revenue



Profit from recurring operations



	H1 2021	H1 2022
Operating margin	*13.0%*	*10.7%*

Perfumes & Cosmetics – Excellent momentum in Perfumes, rebound in makeup, impact of health restrictions in China, intensification of selectivity in distribution and limiting promotions









Parfums Christian Dior

Outstanding performance in all key markets

- Strong momentum in Europe and the US
- Continued success of perfumes *Sauvage* and *Miss Dior*
- Sustained growth in makeup with *Dior Addict* and *Forever* foundation
- Successful launch of face cleaner *La Mousse Off/On*
- Maintained selectivity in distribution
- Strategy for 2030 of responsible beauty « To only leave beauty as a legacy »

Guerlain	Continued success of iconic skin care line *Abeille Royale* Good growth of perfumes, especially *L'Art et la Matière* and *Aqua Allegoria* collections 1828 NFTs *Cryptobees* created to finance a permaculture garden in the Millière valley
Parfums Givenchy	Confirmed success of *L'Interdit*; new *Eau de Toilette Fraîche Irresistible*
Benefit	Rebound of services with return of store traffic
Maison Francis Kurkdjian	Creation of « Jardin du parfumeur » in collaboration with Château de Versailles
Make Up For Ever	Success of new undetectable foundation *HD Skin*
Officine Universelle Buly	Expansion of store network in Europe - Milan, Munich - and Japan

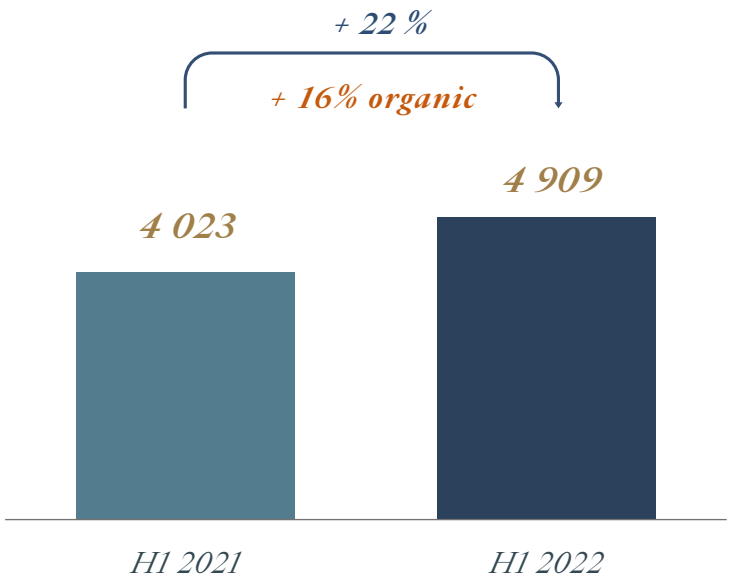
Watches & Jewelry



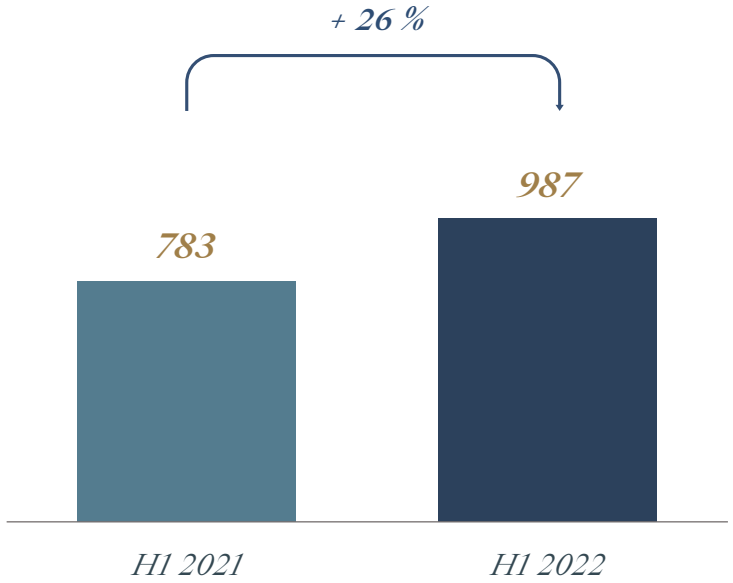
Watches & Jewelry - Revenue up 22 % and profit from recurring operations up 26 %

Watches & Jewelry – H1 2022 evolution of revenue and profit from recurring operations (in million of euros)

Revenue



Profit from recurring operations



	H1 2021	H1 2022
Operating margin	*19.5%*	*20.1%*

The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.

Watches & Jewelry - Recovery of sales in jewelry and watches



Tiffany & Co.

Excellent first half

- International roll-out of *Knot* collection
- Sales record for High Jewelry collection *Blue Book*
- New pop-up store avenue Montaigne in Paris
- « Vision & Virtuosity » exhibition in Saatchi Gallery in London, celebrating Tiffany's 185th anniversary



Bulgari

Good growth despite effects of health restrictions in China

- Success of High Jewelry and High Watches collection *Eden: The Garden of Wonders*, associated with newly created NFT's
- New collection *Bzero1,* embellished with diamonds
- New record for ultra-thin watchmaking for *Octo Finissimo Ultra*
- Excellent performance of watches



TAG Heuer	New *TAG Heuer Carrera Plasma*, fusion of watchmaking and lab-grown diamonds
Hublot	Several new products and launch of 2 NFTs with Takashi Murakami
Zenith	New Master of Chronograph communication and CSR program « Zenith Horizon »
Chaumet	Collection of High Jewelry *Déferlante*; *Végétal* exhibition in Beaux-Arts of Paris
Fred	New *Force 10* bracelet with XL buckle

Selective Retailing

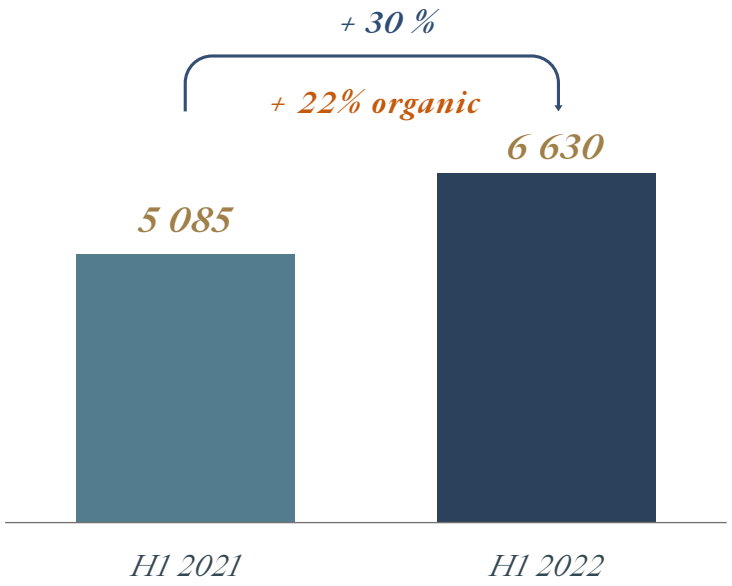


Sephora

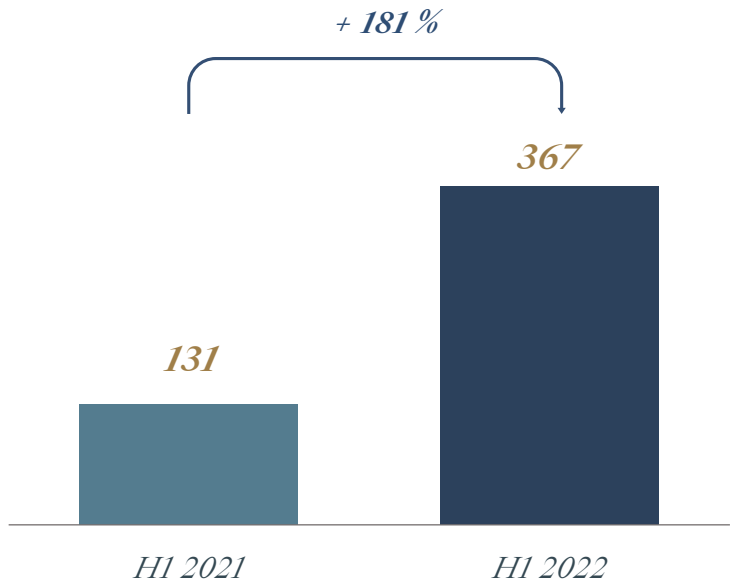
Selective Retailing - Revenue up 30 % and profit from recurring operations up 181 %

Selective Retailing – H1 2022 evolution of revenue and profit from recurring operations (in million of euros)

Revenue



Profit from recurring operations



	H1 2021	H1 2022
Operating margin	2.6%	5.5%

Selective Retailing - Excellent performance at Sephora; DFS strongly impacted by health restrictions in China



Sephora

Excellent performance

- Strong increase in store traffic
- Market share gains in key regions
- Continued investments in logistics and omnichannel strategy
- New stores in the US in partnership with Kohl's and opening of an iconic flagship store in Qatar
- Agreement signed for the disposal of subsidiary in Russia



DFS

Activity impacted by health restrictions in China

- Almost complete closure of important destinations such as Hong Kong and Macao
- Slow start of activity in Hainan
- Progressive reopening in Australia, Middle East and North America
- Good success of La Samaritaine Paris Pont-Neuf with both Parisians and tourists



Le Bon Marché

Sales exceeding H1 2019 levels

- Successfully attracting local clients and tourists
- Several cultural events: « Su » exhibition of Mehmet Ali Uysal artist, collaboration with Philippe Katerine, concerts
- Launch of digital platform dedicated to services and experiences

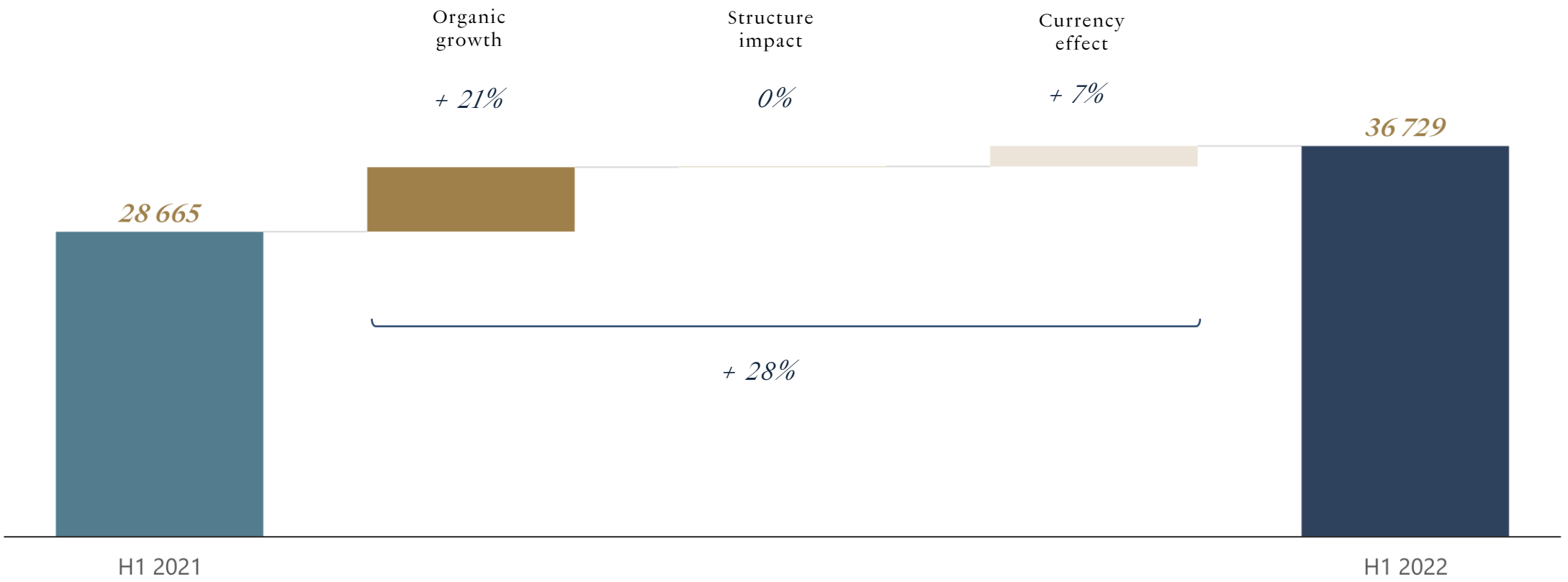


02

Consolidated key figures H1 2022

Organic revenue up 21% versus H1 2021

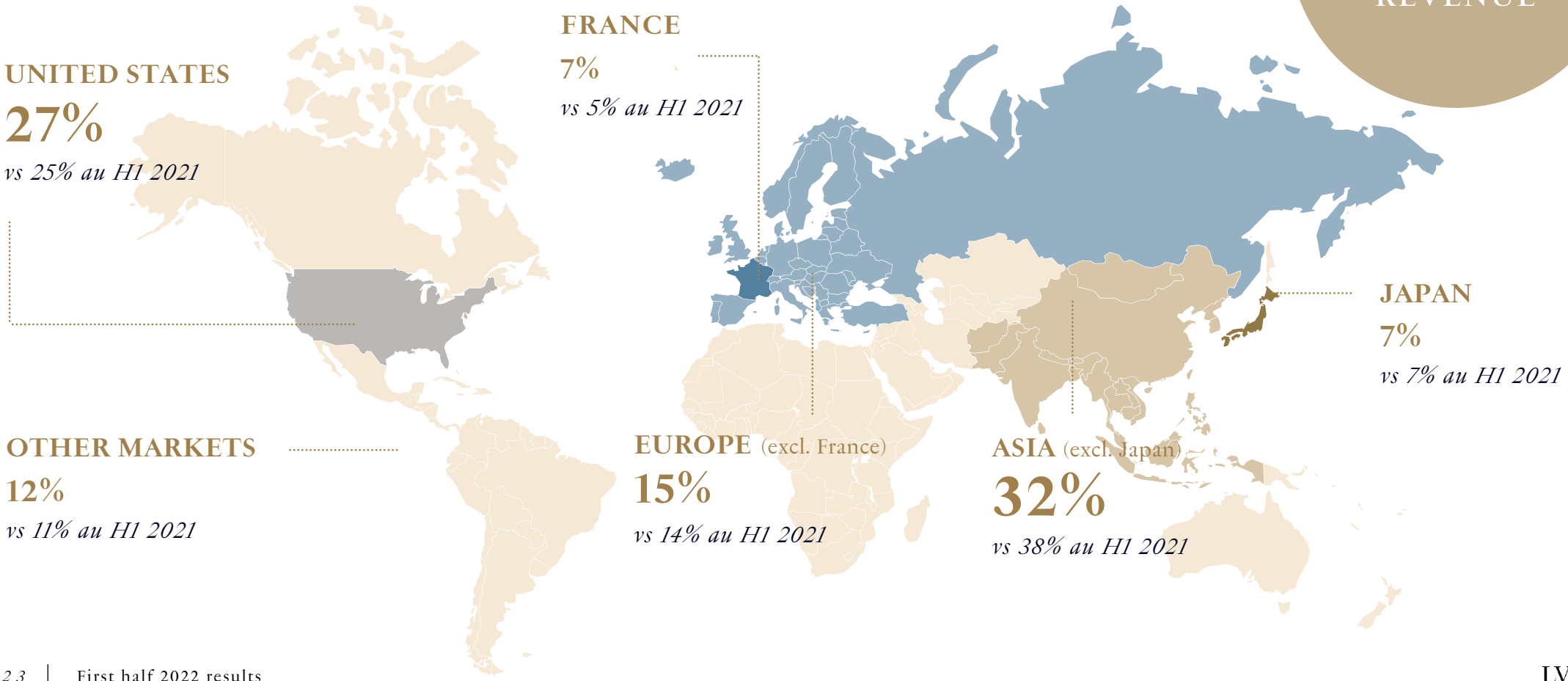
H1 2022 evolution of revenue (in million of euros)



Balanced geographic revenue mix

36.7 bn€
REVENUE

H1 2022 revenue breakdown by region (in % of total revenue)



UNITED STATES
27%
vs 25% au H1 2021

FRANCE
7%
vs 5% au H1 2021

JAPAN
7%
vs 7% au H1 2021

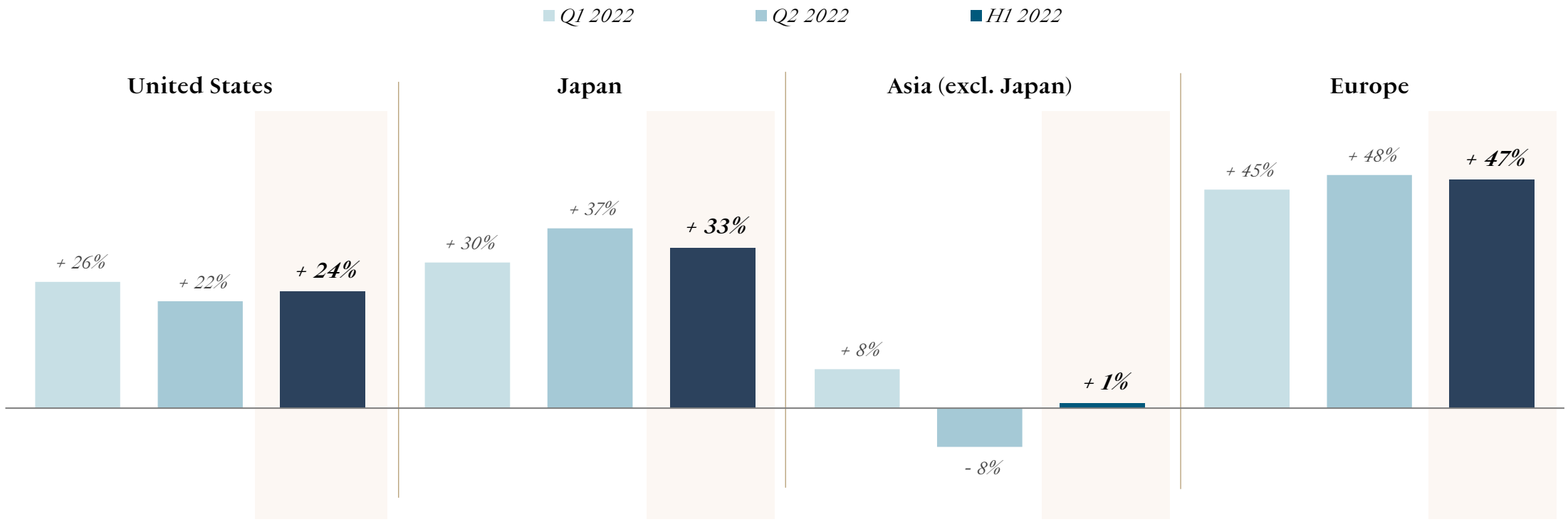
OTHER MARKETS
12%
vs 11% au H1 2021

EUROPE (excl. France)
15%
vs 14% au H1 2021

ASIA (excl. Japan)
32%
vs 38% au H1 2021

Strong revenue increases in Europe, the US and Japan; Asia impacted in Q2 by health restrictions in China

Quarterly organic revenue change by region (in %), *versus same period of 2021*



Double-digit organic revenue growth in all business groups

H1 2022 revenue by business group (in million of euros)

			H1 2022 vs H1 2021	
	H1 2021	*H1 2022*	Reported	Organic*
Wines & Spirits	2 705	**3 327**	+ 23%	+ 14%
Champagne & Wines	*1 129*	*1 504*	*+ 33%*	*+ 24%*
Cognac & Spirits	*1 576*	*1 823*	*+ 16%*	*+ 7%*
Fashion & Leather Goods	13 863	**18 136**	+ 31%	+ 24%
Perfumes & Cosmetics	3 025	**3 618**	+ 20%	+ 13%
Watches & Jewelry	4 023	**4 909**	+ 22%	+ 16%
Selective Retailing	5 085	**6 630**	+ 30%	+ 22%
Other activities and eliminations	(36)	**109**	-	-
Total LVMH	**28 665**	**36 729**	**+ 28%**	**+ 21%**

* with comparable structure and exchange rates. The structural impact for the Group compared to H1 2021 was almost flat and the currency effect was +7%.

Good progress in Q2 for all business groups on high comparison basis

Quarterly organic revenue change by business group (in %), *versus same period of 2021*

	Q1 2022	*Q2 2022*	*H1 2022*
Wines & Spirits	+ 2%	+ 30%	+ 14%
Fashion & Leather Goods	+ 30%	+ 19%	+ 24%
Perfumes & Cosmetics	+ 17%	+ 8%	+ 13%
Watches & Jewelry	+ 19%	+ 13%	+ 16%
Selective Retailing	+ 24%	+ 20%	+ 22%
Total LVMH	**+ 23%**	**+ 19%**	**+ 21%**

Group share of net profit up 23% versus H1 2021

Summarized income statement (in million of euros)

	*H1 2021**	*H1 2022*	Change vs H1 2021
Revenue	28 665	**36 729**	+ 28%
Gross margin	19 558	**25 311**	+ 29%
Marketing and selling expenses	(9 808)	(12 701)	+ 29%
General and administrative expenses	(2 108)	(2 378)	+ 13%
Equity investment income	(21)	3	-
Profit from recurring operations	7 621	**10 235**	+ 34%
Other operating income and expenses	(34)	(108)	+ 218 %
Operating profit	7 587	**10 127**	+ 33%
Net financial income (expenses)	12	(798)	-
Income taxes	(2 012)	(2 385)	+ 19%
Net profit before minority interests	5 588	**6 943**	+ 24%
Minority interests	(287)	(412)	
Group share of net profit	**5 300**	**6 532**	**+ 23%**

** The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.*

Profit from recurring operations over 10 billion euros up 34% versus H1 2021

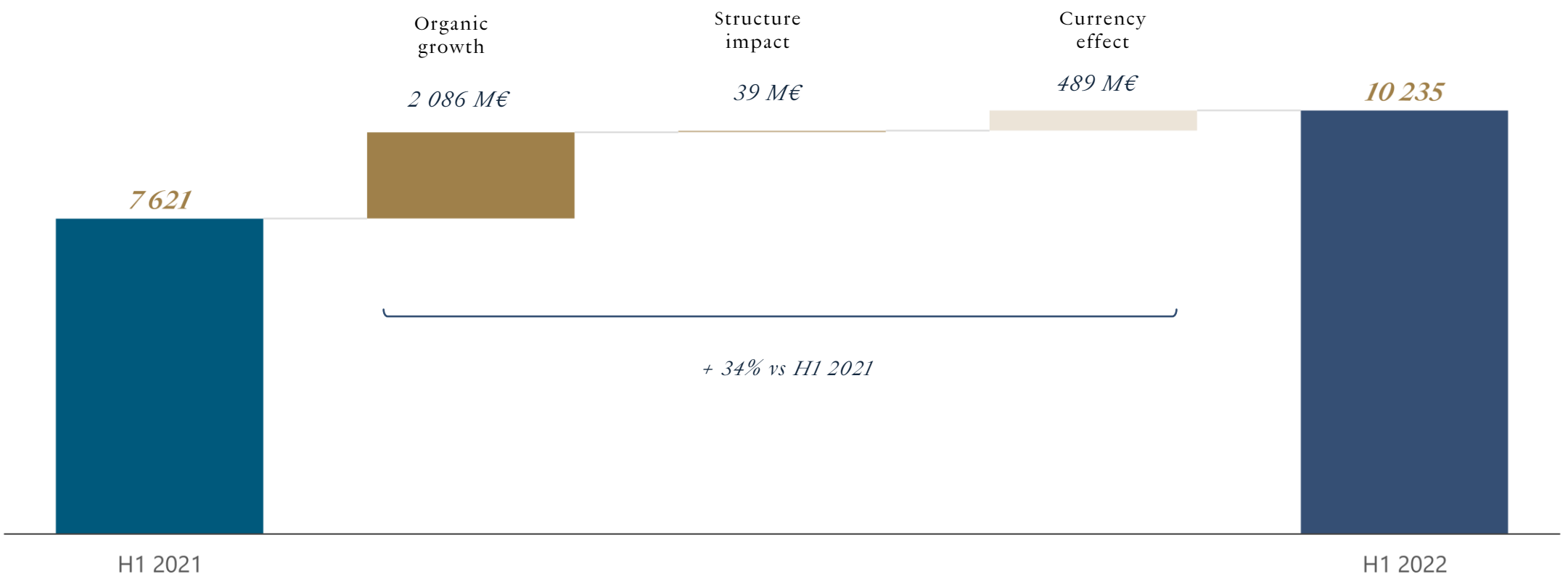
Profit from recurring operations by business group (in million of euros)

	*H1 2021**	*H1 2022*	Change vs H1 2021
Wines & Spirits	924	**1 154**	+ 25%
Champagne & Wines	*319*	*447*	*+ 40%*
Cognac & Spirits	*605*	*707*	*+ 17%*
Fashion & Leather Goods	5 660	**7 509**	+ 33%
Perfumes & Cosmetics	393	**388**	- 1%
Watches & Jewelry	783	**987**	+ 26%
Selective Retailing	131	**367**	+ 181%
Other activities and eliminations	(270)	**(170)**	ns
Total LVMH	**7 621**	**10 235**	**+ 34%**
Operating margin (%)	26.6%	**27.9%**	+ 1.3 pt

** The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.*

Strong operational improvement and positive currency impact

Evolution of profit from recurring operations (in millions of euros)



Financial result impacted by the evolution of financial markets

Change in net financial result (in million of euros)

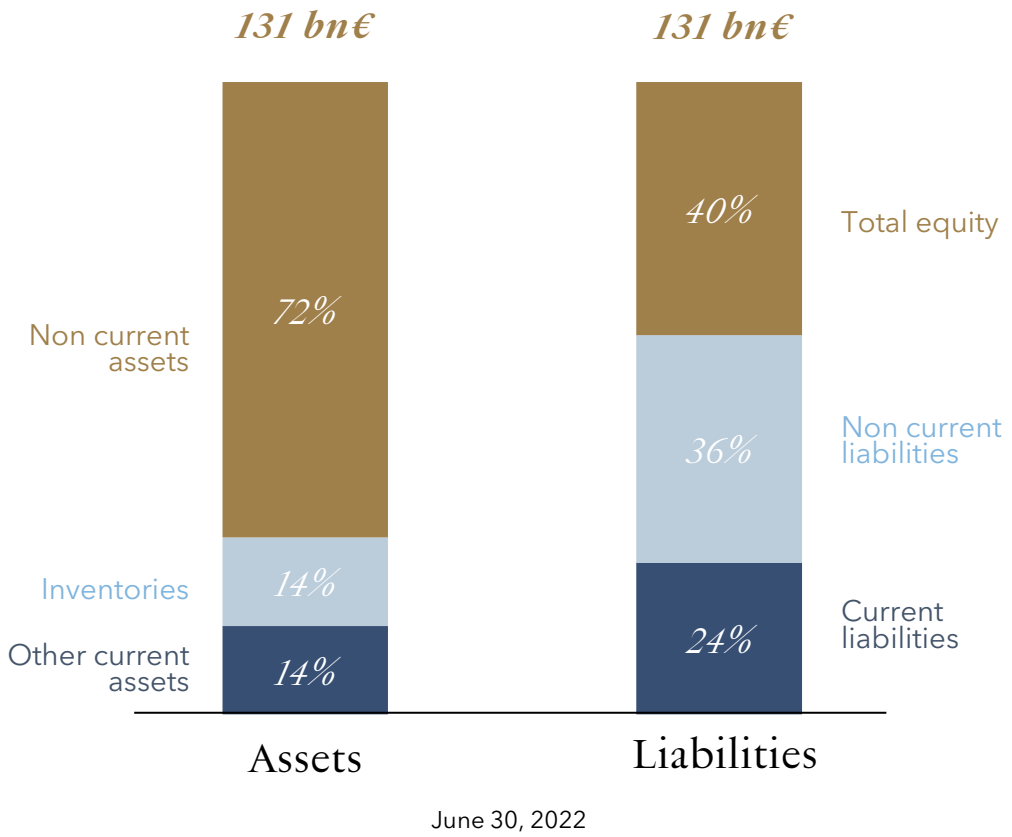
	*H1 2021**	*H1 2022*	Change (M€)
Cost of net financial debt	22	**2**	- 20
Interest on lease liabilities	(127)	**(116)**	+ 11
Cost of currency derivatives	(97)	**(98)**	- 1
Fair value adjustment of available for sale financial assets	235	**(564)**	- 799
Others	(20)	**(22)**	- 2
Net financial result	**12**	**(798)**	**- 810**

** The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.*

Strong financial structure

Changes compared to December 31, 2021

- Stable tangible assets, positive currency effects offset impact of revaluation of purchase commitments of minority interests
- Increased inventories to support progress in business activity
- Progress in total equity linked to increased net result and impact of currency changes
- Increased net debt principally due to the payment of the final dividend, increased capital expenditures and the habitual seasonality of cash flow



Operating free cash flow over 4 billion euros

Analysis of free cash flow operations (in million of euros)

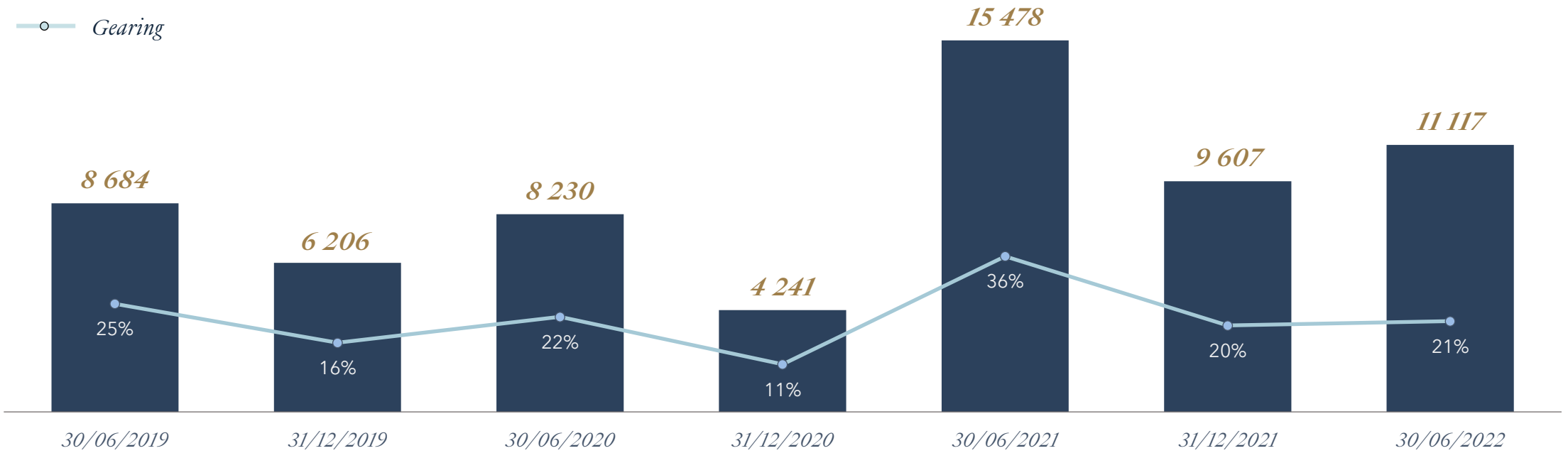
	*H1 2021**	*H1 2022*	Change (M€)
Cash from operations before changes in working capital	10 137	**12 932**	2 795
Cost of net financial debt: interest paid	39	(24)	(63)
Lease liabilities: interest paid	(118)	(113)	5
Tax paid	(1 593)	(2 638)	(1 045)
Change in working capital	(783)	(2 891)	(2 108)
Net cash from operating activities	7 682	**7 266**	(416)
Operating investments	(1 181)	(1 882)	(701)
Repayment of lease liabilities	(1 202)	(1 338)	(136)
Operating free cash flow**	**5 299**	**4 046**	**(1 253)**

** The financial statements as of June 30, 2021 have been restated to reflect the impact of the final allocation of the purchase price of Tiffany.*

*** Before available for sale financial assets and investments, transactions relating to equity and financing activities.*

Gearing of 21.1%

Net financial debt (in million of euros)



- Interim dividend of €5.00 per share to be paid on December 5th, 2022


03
Conclusion
Louis Vuitton

2022 Outlook: further strengthen LVMH's global leadership



Vigilance
Maintain vigilance in current geopolitical context and given continued disruption due to health situation

Confidence
Continue growth momentum of our brands and build upon their long-term desirability





Creativity and excellence
Stay true to our values with particular attention to creativity, quality and distribution of our products

Digitalization
Continue the digitalization of our brands to enrich the experience offered to our customers both online and in our stores





Engagement
Accentuate the Group's commitment to environmental protection and social responsibility



04

Annex

Louis Vuitton

Organic revenue change by region and by quarter (in %)

2022 vs 2021	*Q1 2022*	*Q2 2022*	*H1 2022*
United States	+ 26%	+ 22%	+ 24%
Japan	+ 30%	+ 37%	+ 33%
Asia (excl. Japan)	+ 8%	- 8%	+ 1%
Europe	+ 45%	+ 48%	+ 47%
Total LVMH	**+ 23%**	**+ 19%**	**+ 21%**

2021 vs 2020	*Q1 2021*	*Q2 2021*	*H1 2021*
United States	+ 23%	x 2,1	+ 60%
Japan	+ 8%	x 2,1	+ 42%
Asia (excl. Japan)	+ 86%	+ 55%	+ 70%
Europe	- 9 %	+ 87%	+ 25%
Total LVMH	**+ 30%**	**+ 84%**	**+ 53%**

Organic revenue change by business group and by quarter (in %)

2022 vs 2021	*Q1 2022*	*Q2 2022*	*H1 2022*
Wines & Spirits	+ 2%	+ 30%	+ 14%
Fashion & Leather Goods	+ 30%	+ 19%	+ 24%
Perfumes & Cosmetics	+ 17%	+ 8%	+ 13%
Watches & Jewelry	+ 19%	+ 13%	+ 16%
Selective Retailing	+ 24%	+ 20%	+ 22%
Total LVMH	**+ 23%**	**+ 19%**	**+ 21%**

2021 vs 2020	*Q1 2021*	*Q2 2021*	*H1 2021*
Wines & Spirits	+ 36%	+ 55%	+ 44%
Fashion & Leather Goods	+ 52%	x 2,2	+ 81%
Perfumes & Cosmetics	+ 18%	+ 67%	+ 37%
Watches & Jewelry	+ 35%	x 2,2	+ 71%
Selective Retailing	- 5%	+ 31%	+ 12%
Total LVMH	**+ 30 %**	**+ 84%**	**+ 53%**

Revenue by business group and by quarter (in million of euros)

2022	Champagne & Wines	Cognac & Spirits	*Wines & Spirits*	*Fashion & Leather Goods*	*Perfumes & Cosmetics*	*Watches & Jewelry*	*Selective Retailing*	*Other activities & eliminations*	Total
Q1 2022	706	932	1 638	9 123	1 905	2 338	3 040	(41)	18 003
Q2 2022	798	891	1 689	9 013	1 714	2 570	3 591	149	18 726
H1 2022	**1 504**	**1 823**	**3 327**	**18 136**	**3 618**	**4 909**	**6 630**	**109**	**36 729**

2021	Champagne & Wines	Cognac & Spirits	*Wines & Spirits*	*Fashion & Leather Goods*	*Perfumes & Cosmetics*	*Watches & Jewelry*	*Selective Retailing*	*Other activities & eliminations*	Total
Q1 2021	549	961	1 510	6 738	1 550	1 883	2 337	(59)	13 959
Q2 2021	580	615	1 195	7 125	1 475	2 140	2 748	23	14 706
H1 2021	**1 129**	**1 576**	**2 705**	**13 863**	**3 025**	**4 023**	**5 085**	**(36)**	**28 665**

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