Prospectus dated 28 July 2017

Financière Agache

€50,000,000
1.204 per cent. Notes
due 1 August 2022

Issue Price: 100 per cent.

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*This document constitutes a prospectus (the "**Prospectus**") for the purposes of Article 5.3 of directive 2003/71/EC of the European Parliament and the Council dated 4 November 2003, as amended, and has been approved by the Luxembourg* Commission de Surveillance du Secteur Financier *("**CSSF**"). Pursuant to the provisions of Article 7(7) of the Luxembourg Act dated 10 July 2005, relating to prospectuses for securities, as amended, by approving this Prospectus, the CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer.*

*The €50,000,000 1.204 per cent. notes of Financière Agache (the "**Issuer**") maturing on 1 August 2022 (the "**Notes**") will be issued outside the Republic of France on 1 August 2017 (the "**Issue Date**").*

Interest on the Notes will accrue from, and including, 1 August 2017 at the rate of 1.204 per cent. per annum*, payable annually in arrear on 1 August each year, and for the first time on 1 August 2018 for the period from, and including, 1 August 2017 to, but excluding, 1 August 2018, as more fully described under Condition 3 "Interest" of the Terms and Conditions of the Notes.*

Unless previously redeemed or purchased and cancelled, in accordance with the terms and conditions of the Notes, the Notes will be redeemed at their principal amount on 1 August 2022. The Notes may, and in certain circumstances shall, be redeemed before this date, in whole only but not in part, at their principal amount, together with, if applicable, accrued interest, in particular in the event of any change in taxation as described under Condition 6 of the Terms and Conditions of the Notes "Taxation" or if any event occurs as described under Condition 8 of the Terms and Conditions of the Notes "Events of default". In addition, the Notes may be redeemed at the option of the Issuer, in whole but not in part (i) at any time in accordance with Condition 4(c) "Make Whole Redemption" of the Terms and Conditions of the Notes, (ii) starting from 1 May 2022 in accordance with Condition 4(d) "Residual Maturity Call Option" of the Terms and Conditions of the Notes, and (iii) in the event that twenty (20) per cent. or less of the initial aggregate principal amount of the Notes remain outstanding in accordance with Condition 4(e) "Squeeze Out Redemption" of the Terms and Conditions of the Notes.

The Notes will be issued in dematerialised bearer form (au porteur) *in the denomination of € 100,000. Title to the Notes will be evidenced by book entries* (inscription en compte) *in accordance with Articles L.211-3 and R. 211-1 of the French* Code monétaire et financier*. No physical document of title (including certificats représentatifs pursuant to Article R. 211-7 of the French Code monétaire et financier) will be issued in respect of the Notes.*

*The Notes will, upon issue, be inscribed on 1 August 2017 in the books of Euroclear France which shall credit the accounts of the Account Holders. "**Account Holders**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A./N.V. ("**Euroclear**").*

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the Official List and admitted to trading on the regulated market (within the meaning of directive 2004/39/EC as amended) of the Luxembourg Stock Exchange.

Neither the Notes nor the long-term debt of the Issuer are rated.

An investment in the Notes involves certain risks. Potential investors should review all the information contained or incorporated by reference in this document and, in particular, the information set out in the section entitled "Risk Factors" before making a decision to invest in the Notes.

Lead Manager

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

*The Issuer accepts responsibility for the information contained or incorporated by reference in this Prospectus. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in this Prospectus is in accordance with the facts and makes no omission likely to affect its import. This Prospectus comprises a prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended and the purpose of giving information with regard to the Issuer, the Issuer and its subsidiaries taken as a whole (the "**Group**") and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position profit and losses and prospects of the Issuer and the Group as well as the rights attached to the Notes.*

*Crédit Agricole Corporate and Investment Bank (the "**Lead Manager**") has not separately verified the information contained or incorporated by reference in this Prospectus. The Lead Manager does not make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Lead Manager that any recipient of this Prospectus or any other financial statements should purchase the Notes.*

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer of, or an invitation by (or on behalf of), any of the Issuer or the Lead Manager to subscribe or purchase any of the Notes.

No person is authorised to give any information or to make any representation related to the issue or to the sale of the Notes not contained or incorporated by reference in this Prospectus. Any information or representation not so contained or incorporated by reference herein must not be relied upon as having been authorised by or on behalf of the Issuer or the Lead Manager. The delivery of this Prospectus or any sale of Notes at any time does not imply (i) that there has been no change with respect to the Issuer or the Group, since the date hereof and (ii) that the information contained or incorporated by reference in it is correct as at any time subsequent to its date.

The Prospectus and any other information relating to the Issuer or the Notes are not intended to constitute any credit or other evaluation of the financial position of the Issuer or of the Notes and should not be considered as a recommendation by any of the Issuer or the Lead Manager to purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained or incorporated by reference in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. The Lead Manager does not undertake to review the financial or general condition of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or prospective investor in the Notes of any information coming to its attention. Investors should review, inter alia*, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or to purchase the Notes. Investors should in particular conduct their own analysis and evaluation of risks relating to the Issuer, its business, its financial condition and the issued Notes and consult their own financial or legal advisers about risks associated with investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances. Potential investors should read carefully the section entitled "Risk Factors" set out in this Prospectus before making a decision to invest in the Notes.*

The Lead Manager does not accept responsibility for the content of this Prospectus or for any other statement in connection with the Issuer or the Group.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction where, or to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offering or the sale of the Notes in certain jurisdictions may be restricted by law or regulation. The Issuer and the Lead Manager do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Lead Manager which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Note may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Note comes are required by the Issuer and the Lead Manager to inform themselves about, and to observe, any such restrictions. For a further description of certain restrictions on offers and sales of Notes and distribution of this Prospectus and of any other offering material relating to the Notes, see section "Subscription and Sale" below.

*The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). In accordance with U.S. laws, and subject to certain exceptions, the Notes may not be offered or sold within the United States (as defined in Regulation S under the Securities Act (the "**Regulation S**")).*

This Prospectus has not been submitted to the clearance procedures of the Autorité des Marchés Financiers.

*In this Prospectus, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EURO**", "**EUR**" or to "**euro**" are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.*

FORWARD-LOOKING STATEMENTS

This Prospectus includes or incorporates by reference forward-looking statements. All statements other than statements of historical facts included or incorporated by reference in this Prospectus, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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RISK FACTORS

The following are material risk factors relating to the offering of the Notes of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all the information set out in this Prospectus, including in particular the risk factors detailed below, and consult with their own financial and legal advisors as to the risks entailed by an investment in the Notes. The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. In addition, investors should be aware that the risks described may be combined and thus interrelated with one another. Prospective investors should make their own independent evaluations of all investment considerations and should also read the detailed information set out elsewhere in this Prospectus. The order in which the following risk factors are presented is not an indication of the likelihood of their occurrence. Terms defined in the section "Terms and Conditions of the Notes" of this Prospectus shall have the same meaning where used below.

1. Risks relating to the Issuer

Risks factors linked to the Issuer and its activity are mentioned under section "Business risk factors and insurance policy" (pages 15 to 20) in the *Rapport Annuel* 2016 (as defined in the section "Documents incorporated by reference" of this Prospectus incorporated by reference and include:

Strategic and operational risks:

- Group's image and reputation;
- Counterfeit and parallel retail networks;
- Contractual constraints;
- Anticipating changes in expectations of Group customers;
- International exposure of the Group;
- Consumer safety;
- Seasonality;
- Supply sources and strategic competencies;
- Information systems; and
- Industrial, environmental and climate risks.

Financial risks:

- Credit risk;
- Counterparty risk;
- Foreign exchange risk;
- Interest rate risk;
- Equity market risk;
- Commodity market risk;
- Liquidity risk; and
- Organization of foreign exchange, interest rate and equity market risk management.

Competition

The markets in which the Group is present are characterized by an increase in the number of actors and the number of products available.

Certain markets on which the Group operates, in particular in the areas of Wine and Spirits and Perfume and Cosmetics, are affected by a concentration of distribution networks that may induce a pressure on the prices and margins. On the Fashion and Leather Goods markets, competition is very active.

2. Risks linked to the Notes

(a) Investors

Potential investors should be experienced with respect to transactions on capital markets and notes and should understand the risks of transactions involving the Notes.

Potential Investors should reach an investment decision only after careful consideration of the information set forth in this Prospectus and general information relating to Notes.

Potential investors should ensure that they have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including any currency exchange risk due to the fact that the potential investor's currency is not Euro.

Potential investors should have sufficient knowledge of the nature of Notes, the merits and risks of investing in the relevant Notes and verify the suitability of such investment in light of their particular financial situation.

Potential investors should consult their own advisers as to make their own assessment of, the legal, tax, accounting and regulatory aspects of purchasing the Notes.

Potential investors should be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect their investment and their ability to bear the applicable risks.

Some potential investors are subject to restricting investment regulations. These potential investors should consult their legal counsel in order to determine whether investment in the Notes is authorised by law, whether such investment is compatible with their other borrowings and whether other selling restrictions are applicable to them.

(b) Risks related to the Notes generally

Legality of purchase

Neither the Issuer, the Lead Manager, nor any of their respective affiliates has or assumes responsibility for the lawfulness of the subscription or acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates, or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the potential profit of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional — domestic or foreign — parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Credit risk

Noteholders are exposed to the credit risk of the Issuer. Credit risk refers to the risk that the Issuer may be unable to meet its financial obligations under the Notes, thus creating a loss for the investor.

The Notes may be redeemed prior to maturity

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding as provided in Condition 6 of the Conditions of the Notes "Taxation", the Issuer may and, in certain circumstances shall, redeem all of the Notes then outstanding in accordance with such Condition.

Any early redemption by the Issuer may result, for the Noteholders (as defined in Condition 10 of the Terms and Conditions of the Notes "Representation of the Noteholders"), in a yield that is considerably lower than anticipated.

The Issuer may elect or be obliged to redeem the Notes in accordance with Conditions 4(b) "Redemption for taxation reasons", 4(c) "Make Whole Redemption", 4(d) "Residual Maturity Call Option", 4(e) "Squeeze Out Redemption" and Conditions 6(b).

In particular, with respect to the Squeeze Out Redemption at the option of the Issuer provided in Condition 4(e) of the Terms and Conditions of the Notes, there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform investors if and when the threshold of twenty (20) per cent. of the initial aggregate principal amount of the Notes has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Squeeze Out Redemption, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

These features may affect the market value of the Notes. In the case of any such redemption, the yield between buy-in and redemption may be lower than anticipated by Noteholders or the redemption amount of the Notes may be lower than the purchase price paid by the Noteholders. As a result, part of the Noteholders' capital invested could be lost which means Noteholders might not receive the full amount of the capital invested if they had paid a purchase price greater than par. Furthermore, in case of early redemption, Noteholders who choose to reinvest the funds they receive might only be able to reinvest in financial instruments with yields below those of the redeemed Notes.

Modification of the Terms and Conditions of the Notes

The Noteholders (as defined in the Terms and Conditions of the Notes) will be grouped automatically for the defence of their common interests in a *masse*, as defined in Condition 10 of the Terms and Conditions of the Notes "Representation of the Noteholders", and a general meeting of Noteholders can be held. The Terms and Conditions of the Notes permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant general meeting and Noteholders who voted in a manner contrary to the majority.

The general meeting of Noteholders may, subject to the provisions of Condition 10 of the Terms and Conditions of the Notes "Representation of the Noteholders", deliberate on any proposal relating to the modification of the Terms and Conditions of the Notes, notably on any proposal, whether for arbitration or settlement, relating to rights in controversy or which were subject of judicial decisions.

Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial or administrative decision or change to French law or administrative practice after the date of this Prospectus.

*The proposed European financial transactions tax ("**FTT**")*

On February 14, 2013, the European Commission published a proposal for a directive on a common financial transaction tax to be implemented in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (the "**Participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has a very broad scope and could, if introduced in its current form, impose a tax, generally of not less than 0.1% and determined by reference to the amount of consideration paid (or the market price of the relevant securities, whichever is higher), on certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of the Notes should, however, be exempt.

Under this proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes on the condition that at least one party is established in a Participating Member State and that a financial institution established in a Participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction. A person may be, or be deemed to be, ‘‘established’’ in a Participating Member State in a broad range of circumstances, including (a) for a financial institution, by transacting with a person established in a Participating Member State or (b) for any person, where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

The Council of the European Union on Economic and Financial Affairs indicated on 6 December 2016 that the ten Participating Member States (excluding Estonia) agreed on certain important measures that will form the core of the FTT. It is expected that work and discussions on the FTT will continue during the first half of 2017. However, the FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States also decide to participate and/or certain of the Participating Member States may decide to withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing, purchasing, holding and disposing of the Notes.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial notes such as the Notes. Potential investors are advised not to rely upon the tax overview contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, remuneration, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

French Insolvency Law

Holders of Notes will be automatically grouped for the defence of their common interests in a *masse*, as defined in Condition 10 of the Terms and Conditions of the Notes "Representations of the Noteholders". However, under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard (*sauvegarde*), an accelerated safeguard (*sauvegarde accélérée*) an accelerated financial safeguard (*sauvegarde financière accélérée*) or a judicial reorganisation procedure (*redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme and regardless of their governing law.

The Assembly deliberates on the proposed plan already voted by the creditors’ committee formed by credit institutions and other assimilated financial institutions having a claim against the debtor and, depending on the insolvency procedure, a suppliers’ committee for suppliers having a claim that represent more than 3 per cent. of the total amount of the claims of all the debtor’s suppliers in the relevant insolvency procedure. The draft plan submitted to the creditors’ committees and to the Assembly may notably:

- increase the liabilities (charges) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;

- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or

- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

The proposed plan takes into account the subordination agreements between the creditors entered into before the opening of the insolvency procedure.

Decisions of the Assembly will be taken by a two-third ($2/3^{rd}$) majority (calculated as a proportion of the debt securities held by the holders which have cast a vote at such Assembly). No quorum is required to hold the Assembly.

In respect of voting rights in both committees and noteholders’ Assembly, each creditor member of a creditors’ committee and each noteholder must, if applicable, inform the judicial administrator of the existence of any agreement relating to the exercise of its vote or providing for the full or partial payment of its claim by a third party, as well as of any subordination agreement. The judicial administrator shall then submit to the concerned creditor/noteholder a proposal for the computation methods of its voting rights in the relevant creditors’ committee/noteholders’ general assembly. In the event of a disagreement, the concerned creditor/noteholder or the judicial administrator may request that the matter be decided by the president of the relevant court in summary proceedings.

The holders of debt securities for which the proposed plan does not include any amendment to the payment terms or an integral payment in cash as from the order of the plan (*arrêté du plan*) or the admission of their receivables, do not participate to the vote.

The procedures, as described above or as they may be amended could have an adverse impact on holders of the Notes seeking repayment in the event that the Issuer or its subsidiaries were to be subject to French insolvency procedures.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Prospectus will not be applicable to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

Events of default

Under French law as applicable as at the date of this Prospectus, certain events referred to in Condition 8(d) may not be effective to cause the Notes to become immediately due and payable in accordance with the provisions of Condition 8 (*Events of default*).

(c) Risks related to the market generally

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including market interest and yield rates.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchange on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Notes.

Exchange rate risks

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of Euro or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. As a result, investors may receive less interest or principal than expected.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate, the market price of the Notes or certain investors’ right to receive interest or principal on the Notes.

Interest rate risks

The Notes bearing interest at a fixed rate, investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Rating

Neither the Notes nor the long-term debt of the Issuer are rated. One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

Interests of natural and legal persons involved in the issue

The Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, the Group and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Lead Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Lead Manager or its affiliates that have a lending relationship with the Issuer or other entities of the Group routinely hedge their credit exposure to the Issuer or, as the case may be, such other entities of the Group consistent with their customary risk management policies. Typically, the Lead Manager and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Lead Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the following documents, which have been filed with the *Commission de Surveillance du Secteur Financier* ("**CSSF**") in Luxembourg and which are incorporated by reference in, and shall be deemed to form part of, this Prospectus:

- the French language version of the *rapport annuel* (annual report) as of 31 December 2015 of the Issuer (the "***Rapport Annuel* 2015**") (available on http://www.financiereagache-finance.com/en/pdf/Financiere-Agache-Rapport-financier-annuel-2015_VF.pdf); and

- the French language version of the *rapport annuel* (annual report) as of 31 December 2016 of the Issuer (the "***Rapport Annuel* 2016**") (available on http://www.financiereagache-finance.com/en/pdf/2016.12.31-FA_Rapport-financier-annuel.pdf).

Copies of the documents incorporated by reference are available without charge (i) on the website of the Luxembourg Stock Exchange (www.bourse.lu), (ii) on the Issuer's website (http://www.financiereagache-finance.com) and (iii) upon request at the principal office of the Issuer or of the Paying Agent during normal business hours so long as any of the Notes is outstanding, as described in "General Information" below.

For the avoidance of doubt, the content of the website of the Issuer does not form part of the Prospectus.

The information incorporated by reference in this Prospectus shall be read in connection with the cross reference list below. The non incorporated parts of the documents incorporated by reference in this Prospectus shall not form part of this Prospectus and are not relevant for the investors. Any information not listed in the cross-reference table below but included in the documents incorporated by reference is given for information purposes only and is not required by the schedules of the European Regulation 809/2004/EC of 29 April 2004 (as amended).

Information incorporated by reference (Annex IX of the European Regulation 809/2004/EC (as amended))			
3.	**Risk factors**	**Document incorporated by reference**	**Page number**
3.1.	Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors"	*Rapport Annuel* 2016	15 to 20
4.	**Information about the Issuer**	**Document incorporated by reference**	**Page number**
4.1.	History and development		
4.1.5.	Recent events	*Rapport Annuel* 2016	6 and 30
5.	**Business Overview**	**Document incorporated by reference**	**Page number**
5.1.	Principal activities		
5.1.1	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed	*Rapport Annuel* 2016	6 to 15
5.1.2.	The basis for any statements in the registration document made by the issuer regarding its competitive position	*Rapport Annuel* 2016	6 to 15
6.	**Organisational structure**	**Document incorporated by reference**	**Page number**

Information incorporated by reference (Annex IX of the European Regulation 809/2004/EC (as amended))			
6.1.	If the issuer is part of a group, a brief description of the group and of the issuer's position within it	*Rapport Annuel* 2016	25 and 97
9.	**Administrative, management and supervisory bodies**	**Document incorporated by reference**	**Page number**
9.1.	Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	*Rapport Annuel* 2016	27 to 29
11.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	**Document incorporated by reference**	**Page number**
11.1	Issuer's audited annual financial statements		
	<u>Balance sheet</u> Annual financial statements Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 100 and 101 100 and 101 34 34
	<u>Profit and loss Account</u> Annual financial statements Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 102 and 103 102 and 103 32 32
	<u>Notes</u> Annual financial statements Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 105 to 112 105 to 113 38 to 97 37 to 96
	<u>Changes in equity</u> Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 35 35
	<u>Cash flow statements</u> Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 36 36
	<u>Auditors' report</u> Annual financial statements Consolidated financial statements	 *Rapport Annuel* 2016 *Rapport Annuel* 2015 *Rapport Annuel* 2016 *Rapport Annuel* 2015	 113 and 114 114 98 97
11.3	Other audited information	*Rapport Annuel* 2016 *Rapport Annuel* 2015	111 and 112 112 and 113
11.5	Legal and arbitration proceedings	*Rapport Annuel* 2016	93 and 94
11.6	A description of any significant change in the financial or trading position of	*Rapport Annuel* 2016	96

Information incorporated by reference (Annex IX of the European Regulation 809/2004/EC (as amended))			
	the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or an appropriate negative statement.		

TERMS AND CONDITIONS OF THE NOTES

*The terms and conditions of the Notes (the "**Conditions**") will be as follows:*

The issue outside the Republic of France of the €50,000,000 1.204 per cent. Notes maturing on 1 August 2022 (the "**Notes**") by Financière Agache (the "**Issuer**") was authorised pursuant to a resolution of the Board of Directors of the Issuer dated 28 April 2017 and a decision of Florian Ollivier, *Président-directeur général* of the Issuer, dated 27 July 2017.

The Notes are issued with the benefit of a fiscal agency agreement dated 1 August 2017 (the "**Fiscal Agency Agreement**") between the Issuer and Société Générale, as fiscal agent (the "**Fiscal Agent**" which expression shall, where the context so admits, include any successor for the time being as fiscal agent), paying agent (the "**Paying Agent**" which expression shall, where the context so admits, include any successor for the time being as paying agent) and calculation agent (the "**Calculation Agent**" which expression shall, where the context so admits, include any successor for the time being as calculation agent). A copy of the Fiscal Agency Agreement in the French language is available for inspection at the specified offices of the Paying Agent.

References below to the "**Noteholders**" are to the persons whose names appear in the account of the relevant Account Holder (as defined below) as being holders of the Notes. References below to "**Conditions**" are to the numbered paragraphs below.

1. Form, denomination and title

The Notes are issued on 1 August 2017 (the "**Issue Date**") in dematerialised bearer form in the denomination of € 100,000 each. Title to the Notes will be evidenced in accordance with Article L.211-3 and R. 211-1 of the French *Code monétaire et financier* by book-entries. No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in book entry form in the books of Euroclear France ("**Euroclear France**") which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "**Account Holders**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A./N.V. ("**Euroclear**").

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books.

2. Status of the Notes and Negative Pledge

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and (subject to such exceptions as are mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

So long as any of the Notes remains outstanding, the Issuer undertakes not to grant or permit to subsist any pledge, mortgage, lien or other form of security interest upon any of its properties, assets, revenues or rights, present or future to secure any Relevant Debt, unless the present Notes are equally and rateably secured therewith.

In this Condition "**Relevant Debt**" means any present or future indebtedness in the form of, or represented by, bonds or other securities issued by the Issuer which are for the time being, or are capable of being, quoted or ordinarily dealt in on any regulated stock exchange or other securities market.

3. Interest

The Notes bear interest from, and including, 1 August 2017 to, but excluding, 1 August 2022, at the rate of 1.204 per cent. *per annum*, payable annually in arrear on 1 August in each year. The first payment of interest will be made on 1 August 2018 for the period from, and including, 1 August 2017 to, but excluding, 1 August 2018.

Each Note will cease to bear interest from the due date for redemption, unless payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest at the rate of 1.204 per cent. *per annum* (both before and after judgment) until the day (included) on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder.

The amount of interest due in respect of each Note will be calculated by reference to the aggregate value of each Noteholder's holding, the amount of such payment being rounded to the nearest cent (half a cent being rounded upwards).

If interest is required to be calculated for a period of less than one year, it will be calculated on an actual/actual (ICMA) basis for each period, that is to say the actual number of calendar days elapsed during the relevant period divided by 365 (or by 366 if a February 29 is included in such period), the result being rounded to the nearest cent (half a cent being rounded upwards).

4. Redemption and purchase

(a) Final redemption

Unless previously redeemed or purchased and cancelled as provided below, the Notes will be redeemed at their principal amount on 1 August 2022 (the "**Final Redemption Date**").

(b) Redemption for Taxation Reasons

The Notes may, and in certain circumstances shall, be redeemed before the Final Redemption Date, in the event of any change occurring in taxation pursuant to the conditions provided in Condition 6.

(c) Make Whole Redemption

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and having given not less than fifteen (15) nor more than thirty (30) calendar days' notice in accordance with Condition 9 to the Noteholders and to the Fiscal Agent (which notice shall be irrevocable and shall specify the date fixed for redemption), have the option to redeem the Notes, in whole but not in part, at any time prior to their Final Redemption Date (the "**Optional Make Whole Redemption Date**") at their Optional Redemption Amount (as defined below) together with any accrued and unpaid interest up to, but excluding, the Optional Make Whole Redemption Date and any additional amounts.

The "**Optional Redemption Amount**" will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) one hundred (100) per cent. of the Principal Amount (as defined below) of the Notes and, (y) the sum of the then present values on the Optional Make Whole Redemption Date of (i) the Principal Amount (as defined below) of the Notes and (ii) of the remaining scheduled payments of interest of the Notes for the remaining term of the Notes (determined on the basis of the interest rate applicable to such Note from but excluding the Optional Make Whole Redemption Date), discounted to the Optional Make Whole Redemption Date on an annual basis (Actual / Actual ICMA) at the Early Redemption Rate plus an Early Redemption Margin.

On or no later than the Business Day immediately following the date on which the Optional Redemption Amount is calculated by the Calculation Agent, the Calculation Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of the Optional Redemption Amount.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

"**Early Redemption Margin**" means + 0.25 per cent. *per annum*.

"**Early Redemption Rate**" means the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth (4th) business day in Paris preceding the Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer, at 11.00 a.m. (Central European time (CET)) on the fourth (4th) business day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

"**Principal Amount**" means €100,000.

"**Reference Benchmark Security**" means the German government bond bearing interest at a rate of 1.75 per cent. *per annum* and maturing on 4 July 2022.

"**Reference Dealers**" means each of the four banks (that may include the Lead Manager) selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

"**Similar Security**" means a reference bond or reference bonds issued by the German Government having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

(d) *Residual Maturity Call Option*

The Issuer may, at its option, from and including the date falling 3 months before the Final Redemption Date to but excluding the Final Redemption Date, having given not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders and the Fiscal Agent in accordance with Condition 9 (which notice shall be irrevocable), redeem the outstanding Notes, in whole but not in part, at their principal amount together with interest accrued to but excluding the date of redemption.

(e) *Squeeze Out Redemption*

In the event that twenty (20) per cent. or less of the initial aggregate principal amount of the Notes (including any assimilated Notes issued pursuant to Condition 11) remains outstanding, the Issuer may, at its option but subject to having given not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders and the Fiscal Agent in accordance with Condition 9 (which notice shall be irrevocable), redeem the outstanding Notes, in whole but not in part, at their principal amount together with interest accrued to but excluding the date of redemption.

(f) *Purchases*

The Issuer may at any time purchase Notes in the open market or otherwise at any price. Notes so purchased by the Issuer may be held and resold in accordance with Article L.213-0-1 of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes.

(g) *Cancellation*

All Notes which are purchased for cancellation by, or on behalf of, the Issuer pursuant to this Condition 4 "Redemption and purchase" will forthwith be cancelled (together with rights to interest any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France.

Any Notes so cancelled may not be resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

5. Payments

(a) *Method of payment*

Payment of principal and interest in respect of the Notes will be made in Euro by credit or transfer to a Euro-denominated account, in accordance with tax provisions or with any other applicable laws or regulations, and subject to the provisions of Condition 6.

Such payments shall be made for the benefit of the Noteholders to the Account Holders (including Euroclear France, Euroclear and Clearstream) and all such payments so made to the relevant Account Holders shall discharge the liability of the Issuer under the Notes to the extent of the sums so paid.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 6. No commission or expenses shall be charged to the Noteholders in respect of such payments.

(b) *Payments on Business Days*

If any due date for payment of principal or interest or any other amount in respect of any Note is not a Business Day (as defined below), then the holder thereof shall not be entitled to payment of the amount due until the next following day which is a Business Day and the holder shall not be entitled to any interest or other additional sums in respect of such postponed payment.

In this Condition, "**Business Day**" means a day (except for Saturdays and Sundays) on which the Trans-European Automated Real Time Gross Settlement Express Transfer System (TARGET 2) is operating.

(c) *Fiscal Agent, Paying Agent and Calculation Agent*

The initial Fiscal Agent, Paying Agent and Calculation Agent and its specified office are as follows:

SOCIETE GENERALE
32, rue du Champ de Tir
CS 30812 44308 Nantes Cedex 3
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the Paying Agent or the Calculation Agent Agents and/or appoint another Fiscal Agent, Paying Agent or Calculation Agent, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Noteholders, in accordance with Condition 9, and *provided, however* that there will at all times be a Fiscal Agent and a Paying Agent having a specified office in a European city and (ii) a Calculation Agent being a leading investment bank active on the market.

6. Taxation

(a) All payments made by or on behalf of the Issuer on the Notes shall be made free and clear of, and without withholding or deduction for, any taxes or duties of whatever nature imposed, unless such withholding or deduction is required by law.

(b) If French law should require that payments of principal of, or interest on, any of the Notes be subject to deduction or withholding for or on account of any present or future taxes or duties of whatever nature, the Issuer shall, to the extent permitted by law, pay such additional amounts as will result in the receipt by the Noteholders of the amounts which would have been receivable by them in the absence of such requirement to deduct or withhold. However, if the Issuer would, as a result of any change in or in the application or interpretation of French laws or regulations, taking place after the Issue Date, be required to pay any such additional amounts and this obligation cannot be avoided by reasonable measures of the Issuer, then the Issuer may at any time, but at the earliest thirty (30) calendar days prior to such change becoming effective, redeem all of the outstanding Notes at their principal amount together with interest accrued until the date fixed for redemption.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 6.

Provisions mentioned above shall not apply:

(i) to taxes or duties a Noteholder is liable to in respect of such Note by reason of his or the beneficial owner of the Note having some present or former connection with France other than the mere holding of such Note; or

(ii) any taxes or duties deducted or withheld by reason of the failure by a Noteholder or the beneficial owner of the Note to comply with a written request or otherwise provided to the Noteholder or the beneficial owner to provide timely and accurate certification, information, documents or other evidence concerning the nationality, residence or identity of the Noteholder or beneficial owner of the Note, or to make any valid and timely declaration or similar claim or satisfy any certification information or other reporting requirement relating to such matters, in each case which is required by French law as a precondition to exemption from all or part of such taxes or duties; or

(iii) where such withholding or deduction is imposed pursuant to FATCA ,

where “**FATCA**” means:

(A) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations;

(B) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (A) above; or

(C) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (A) or (B) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

(c) If the Issuer is obliged to make such additional payments as defined in sub-paragraph (b) here above and if such payments are or would become prohibited by French law and if the obligation to make such additional payments cannot be avoided by reasonable measures of the Issuer, the Issuer will then be obliged to redeem all outstanding Notes at their principal amount, together with accrued interest until the date fixed for redemption, as the case may be, at the earliest thirty (30) calendar days prior to the change defined in sub-paragraph (b) here above becoming effective and at the latest on the date such additional payment would have been due.

(d) In the event of repayment in accordance with sub-paragraph (b) here above, the Issuer will publish, or cause to be published, a redemption notice, as described under Condition 9, at the earliest sixty (60) calendar days and at the latest thirty (30) calendar days prior to the date fixed for repayment. In the event of repayment in accordance with sub-paragraph (c) here above, the Issuer will publish, or cause to be published, a redemption notice, in the same conditions at the earliest sixty (60) calendar days and at the latest seven (7) calendar days prior to the date fixed for such repayment.

(e) Each Noteholder shall be responsible for supplying to the Paying Agent via the clearing systems, in a reasonable and timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the directive 2011/16/EU (as amended) or any other directive subsequently supplementing and/or replacing such directive 2011/16/EU, or any law implementing or complying with, or introduced in order to conform to such directive.

7. Prescription

All claims against the Issuer for the payment of principal or interest in respect of the Notes shall lapse after five (5) years from due date for payment thereof.

8. Events of default

The Representative (as defined in Condition 10), acting on behalf of the *Masse* (as defined in Condition 10), acting on its own or upon request of one or several Noteholder(s) representing, whether individually or collectively, at least ten (10) per cent. of the outstanding Notes, may, upon written notice given by registered letter with acknowledgment of receipt to the Issuer (copy to the Fiscal Agent) before all defaults shall have been cured, cause all, but not some only, of the Notes to become immediately due and payable, at their principal amount together with any accrued interest thereon until their actual redemption date:

(a) if the Issuer defaults in any payment of principal or interest on any Note on the due date thereof and such default continues for a period of more than fifteen (15) calendar days from such due date;

(b) if there is a default by the Issuer in the due performance of any other provision of the Conditions, and such default shall not have been cured within thirty (30) calendar days after receipt by the Issuer of written notice of such default;

(c) if the Issuer is dissolved, liquidated, merged, split or absorbed prior to the repayment in full of the Notes, except in the case of a merger pursuant to which the Issuer is the surviving entity or except in the case of a dissolution, liquidation, merger, split or absorption pursuant to which the obligations of the Issuer under the Notes are expressly assumed by the succeeding entity;

(d) if the Issuer or any of its Subsidiaries (as defined below) applies for the appointment of a *mandataire ad hoc* or has applied to enter into a conciliation procedure, or is subject to such application, or is subject to a safeguard proceeding, or a judgment is rendered for the judicial reorganisation, or for the judicial liquidation or for a judicial transfer of the whole of the business of the Issuer or any of its Subsidiaries or, to the extent permitted by applicable law, if the Issuer or any of its Subsidiaries is subject to any other similar proceedings;

(e) if the Issuer ceases to control, directly or indirectly, at least 35% of the voting rights normally exercisable at a general meeting (this percentage would be decreased down to 25% if double voting rights were suppressed under French law), or to hold, directly or indirectly, at least 25% of the share capital, of the company LVMH Moët Hennessy Louis Vuitton ("**LVMH**");

(f) if the company Groupe Arnault ceases, directly or indirectly, acting alone or in concert with others, to control the Issuer within the meaning of Article L.233-3 of the French *Code de commerce*; and

(g) any other present or future indebtedness of the Issuer or of one of its Subsidiaries, for borrowed money in excess of EUR 50,000,000 (or its equivalent in any other currency), whether individually or collectively, shall become due and payable prior to its stated maturity following the occurrence of an event of default thereunder, or any such indebtedness shall not be paid when due after expiration of any applicable grace period therefore, unless such payment (or the anticipated maturity thereof) is contested in good faith by the Issuer by appropriate proceedings.

In this Condition " **Subsidiaries** " means Semyrhamis, Christian Dior, Financière Jean Goujon and LVMH so long as they are controlled by the Issuer within the meaning of Article L.233-3 of the French *Code de commerce*.

9. Notices

Any notice to the Noteholders will be duly given if delivered to Euroclear France and published, so long as the Notes are listed on the Luxembourg Stock Exchange, (i) on the website of the Luxembourg Stock Exchange (www.bourse.lu) or (ii) in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort* or such other newspaper as the Fiscal Agent shall deem necessary to give fair and reasonable notice to the Noteholders).

Any notice to the Noteholders shall be deemed to have been given on the date of such publication or if published on different dates, on the date of the first publication.

10. Representation of the Noteholders

The Noteholders will be grouped automatically for the defence of their common interests in a *masse* (hereinafter referred to as the "***Masse***").

The *Masse* will be governed by the provisions of the French *Code de commerce* (with the exception of the provisions of Articles L.228-48, L.228-59, L.228-65, R.228-63, R.228-67 and R.228-69 thereof), subject to the following provisions:

(a) Legal personality

The *Masse* will be a separate legal entity by virtue of Article L.228-46 of the French *Code de commerce*, acting in part through a representative (the "**Representative**") and in part through a Noteholders' general meeting.

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

(b) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

(i) the Issuer, the members of its Board of Directors, its statutory auditors, its managers, its employees and their ascendants, descendants and spouses;

(ii) companies guaranteeing all or part of the obligations of the Issuer;

(iii) companies of which the Issuer possesses at least ten (10) per cent. of the share capital; and

(iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

DIIS Group
12, rue Vivienne
75002 Paris
Email : rmo@diisgroup.com

The Representative and the Issuer have, in a letter between them dated 27 June 2017, agreed arrangements in relation to costs and expenses incurred and to be incurred in relation to the services of the Representative, including a remuneration of €450 (VAT excluded) *per annum*, payable on 1 August of each year from 2017 to 2021 provided that the Notes remain outstanding at each such dates.

All interested Noteholders will at all times have the right to obtain the names and addresses of the initial Representative at the registered office of the Issuer and the specified offices of any of the Paying Agents.

(c) Powers of the Representative

The Representative shall, in the absence of any decision to the contrary of the Noteholders' general meeting, have the power to take all acts of management necessary for the defence of the common interests of the Noteholders. All legal proceedings against the Noteholders or initiated by them, in order to be justifiable, must be brought against the Representative or by him.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) Noteholders' general meetings

Noteholders' general meetings may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth ($1/30^{th}$) of outstanding Notes may address to the Issuer and the Representative a request for convocation of the general meeting; if such general meeting has not been convened within two (2) months from such demand, such Noteholders may commission one of themselves to petition the competent courts within the jurisdiction of the Court of Appeal of Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any general meeting or notices requiring the consent of the Noteholders through a consultation in writing (including by electronic means) will be published as provided under Condition 9 not less than fifteen (15) calendar days prior to the date of the general meeting.

Each Noteholder has the right to participate in meetings of the *Masse* in person or by proxy. Each Note carries the right to one (1) vote.

(e) Powers of general meetings

A general meeting is empowered to deliberate on the remuneration, dismissal and replacement of the Representative, and also may act with respect to any other matter relating to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

A general meeting may further deliberate on:

(i) any proposal relating to the modification of the Conditions, including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and

(ii) any merger (*fusion*) or demerger (*scission*) of the Issuer, to the extent the Issuer is not the surviving entity.

It is specified, however, that a general meeting may not increase amounts payable by the Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares.

The general meeting may validly deliberate on first convocation only if Noteholders present, represented or consulted hold at least one fifth ($1/5^{th}$) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions of the general meetings shall be taken by a majority of two thirds (2/3) of votes cast by the Noteholders attending such meeting, represented thereat or consulted in writing.

(f) *Notice of decisions*

Decisions of the meetings must be published in accordance with the provisions set out in Condition 9 not more than ninety (90) calendar days from the date thereof.

(g) *Information to the Noteholders*

Each Noteholder or representative thereof will have the right, during the fifteen (15) calendar day period preceding the general meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented or prepared for the general meeting. Those documents will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting or in the consultation in writing.

(h) *Expenses*

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including the remuneration of the Representative, expenses relating to convening and holding general meetings and, more generally, all administrative expenses resolved upon by a Noteholder's general meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

11. Further issues

The Issuer may from time to time without the consent of the Noteholders issue further notes to be assimilated with the Notes, provided that such further notes and the Notes shall carry identical rights in all respects (or in all respects except for the issue price and the first payment of interest thereon) and that the terms and conditions of such further notes shall provide for such assimilation.

In the case of such an assimilation, the holders of such further notes and the Noteholders will be grouped in a single *masse*. References in these Conditions to the Notes include any other notes issued pursuant to this Condition and assimilated with the Notes.

12. No hardship

The Issuer and the Noteholders acknowledge that the provisions of Article 1195 of the French *Code civil* shall not apply to these Conditions.

13. Governing law and jurisdiction

The Notes are governed by French law.

Any dispute arising out of or in connection with the Notes will be submitted to the competent courts within the jurisdiction of the Court of Appeal of Paris.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for general corporate purposes.

DESCRIPTION OF THE ISSUER

The Issuer is a *société anonyme* incorporated in France and governed by the Laws of France, with a share capital, as of 1st June 2017 of €50,773,632, having its registered office at 11, rue François 1er 75008 Paris, France, registered at the Companies and Commercial registry of Paris with number 775 625 767. Telephone: + 33 1 44 13 22 22.

The Issuer was created on 27 July 1887 and will end, unless extension decision, on 6 July 2036. Through its subsidiaries Christian Dior (which does not have any industrial activity on its own) and LVMH, group Financière Agache (the "**Financière Agache Group**") operates mostly in the field of luxury products.

Its activities are divided into five main areas of activities:

- Wines and Spirits;
- Fashion and Leather goods;
- Perfumes and Cosmetics;
- Watches and Jewellery; and
- Selective Retailing.

As of 31 December 2016, the Financière Agache Group headcount was 139,838.

1. The managing bodies

The Board of Directors is made of its Chief Executive Officer (*Président-directeur général*), Mr. Florian Ollivier, and four other directors: (i) Mr. Nicolas Bazire as Permanent representative (*représentant permanent*) of Groupe Arnault, (ii) Mr. Pierre De Andrea as Permanent representative (*représentant permanent*) of Montaigne Finance, (iii) Mr. Pierre Dehen as Permanent representative (*représentant permanent*) of GA Placements and (iv) Lord Powell of Bayswater. The information related to the members of the Board of Directors are mentioned under section "List of offices or positions exercised in all companies by company officer" (pages 27 to 29) in the *Rapport Annuel* 2016 of the Issuer incorporated by reference.

In addition, the Board of Directors has renewed the appointment of Mr. Nicolas Bazire as Managing Director (*Directeur général délégué*), on 2 April 2015. The information related to the Chief Executive Officer and the Managing Director are mentioned under section "List of offices or positions exercised in all companies by company officer" (pages 27 to 29) in the *Rapport Annuel* 2016 of the Issuer incorporated by reference.

The business address of each member of the Board of Directors, the Chief Executive Officer and the Managing Director is 11, rue François 1er 75008 Paris, France.

2. Conflicts of interests

To the Issuer's knowledge, there are no potential conflicts of interest between the private interests and/or other duties of members of the Board of Directors of the Issuer, Mr. Florian Ollivier as Chief Executive Officer and Mr. Nicolas Bazire as Managing Director, on the one hand, and the duties they owe to the Issuer, on the other hand.

3. Description of shareholding

The Issuer has a share capital of €50,773,632, as of 30 June 2017, divided into 3,173,352 shares with a nominal amount of €16.

The following is a list of the shareholding of the Issuer as of 30 June 2017 (shareholders holding more than 5% of the share capital or voting rights):

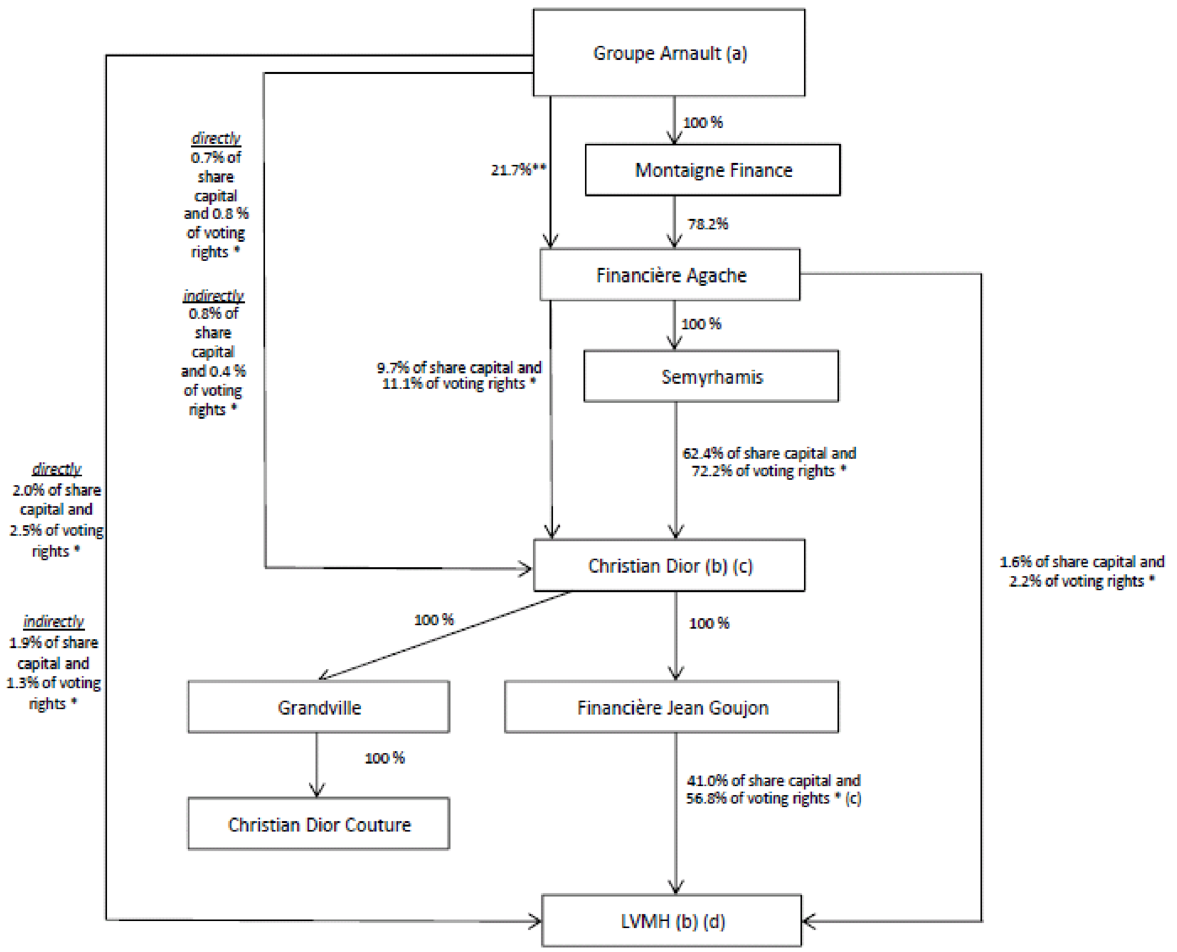
30 June 2017			
Shareholders	Number	% of share capital	% of voting rights
MONTAIGNE FINANCE* 41, avenue Montaigne 75008 Paris	2,480,010	78.2	78.2
GROUPE ARNAULT ** 41, avenue Montaigne 75008 Paris	573,151	18.1	18.1

* wholly owned subsidiary of Groupe Arnault

** a company controlled by the Arnault family

4. Simplified organisation chart

The following simplified organization chart summarizes the Financière Agache group's structure (direct and/or indirect stake) as of 31 December 2016:



*	Voting rights exercisable in Shareholder's Meetings
**	Directly and indirectly
(a)	Controlled by the Arnault family
(b)	The Companies' shares are listed on Euronext Paris
(c)	As of December 31, 2016, Groupe Arnault controls, directly and indirectly, 73.5% of the capital and 84.6% of the voting rights of Christian Dior
(d)	As of December 31, 2016, Groupe Arnault controls, directly and indirectly, 46.4% of the capital and 62.9% of the voting rights of LVMH

On 23 May 2017, Semyrhamis, a wholly owned subsidiary of the Issuer has filed with the *Autorité des Marchés Financiers* ("**AMF**") a simplified mixed offer for the acquisition of the Christian Dior shares which are not currently held by the members of the Arnault family group. This public offer takes primarily the form of a mixed offer consisting of €172 in cash and 0.192 Hermès International shares for each Christian Dior share, and is completed by two secondary offers, in cash and in Hermès shares respectively (the "**Offer**"). The Offer has been cleared by the AMF pursuant to its declaration of conformity dated June 6th, 2017 and its settlement and delivery shall take place on 12 July 2017.

In addition, LVMH and Christian announced on 23 May 2017 a strategic project consisting in the acquisition of Christian Dior Couture by LVMH from Christian Dior for an enterprise value of €6.5bn.

These two-fold strategic projects are further detailed in section "*Recent developments*" of this Prospectus and the press releases incorporated therein.

RECENT DEVELOPMENTS

Certain information included in the following press releases is forward looking. Important risk factors and uncertainties and factors beyond the control of the Issuer or ability to predict could therefore cause actual results to differ materially from those anticipated, projected or implied. This information only reflects the views of the Issuer as of the date of the relevant press release. No undue reliance should therefore be based on any such information, it being also understood that the Issuer undertakes no commitment to amend or update it after the admission to trading of the Notes.

The statements included in the following press releases regarding competitive positions are based on information coming from the companies issuing such press releases.

In consideration of the importance of Semyrhamis, Christian Dior and LVMH, the Issuer's main subsidiaries, in the financial position of the Issuer, this section includes recent developments relating to the Issuer, Semyrhamis, Christian Dior and LVMH.

LVMH Press Release dated 26 January 2017

LVMH

MOËT HENNESSY . LOUIS VUITTON

LVMH 2016 record results

Paris, 26 January 2017

LVMH Moët Hennessy Louis Vuitton, the world's leading luxury products group, recorded revenue of €37.6 billion in 2016, an increase of 5% over the previous year. Organic revenue growth was 6%.

In the fourth quarter, revenue increased by 9% compared to the same period of 2015. Organic growth was 8%. The American market remains on a good track as does Europe. Asia, excluding Japan, continued its good momentum.

Profit from recurring operations reached €7 billion in 2016, an increase of 6%, to which all business groups, apart from selective distribution, contributed. This result compares to 2015 which was itself a year of growth. Operating margin reached 18.7%. Group share of net profit was €3 981 million, representing growth of 11%.

Bernard Arnault, Chairman and CEO of LVMH, said: "LVMH achieved an excellent performance in 2016 within a context of geopolitical and economic instability. Continued innovation, entrepreneurial spirit and the quest for excellence: all Maisons continue to assert these core values while maintaining rigorous execution of their strategies on the ground. In an environment which remains uncertain, we can count on the appeal of our brands and the agility of our teams to strengthen, once again in 2017, our leadership in the universe of high quality products."

Key highlights from 2016 include:

- Record revenue and profit from recurring operations
- Growth in the United States, Europe and Asia
- Good performance of Wines & Spirits in all regions
- The success of both iconic and new products at Louis Vuitton, where profitability remains at an exceptional level
- Progress at Fendi
- The sale of Donna Karan and the acquisition of Rimowa, leader in luggage of excellence

- Good momentum at Parfums Christian Dior driven by successful product innovations
- Market share gains at Bvlgari and TAG Heuer
- Growth at Sephora which strengthened its position in all its markets and in digital
- Free cash flow of €3 974 million, an increase of 8%
- Gearing of 12% at end of December 2016

Key figures:

Euro millions	2015	2016	% change
Revenue	35 664	37 600	+ 5%
Profit from recurring operations	6 605	7 026	+ 6%
Group share of net profit	3 573	3 981	+ 11%
Free cash flow*	3 679	3 974	+ 8%
Net financial debt	4 235	3 265	- 23%
Total equity	25 799	27 903	+ 8%

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

Revenue by business group:

Euro millions	**2015**	**2016**	**% change 2016/2015**	
			Reported	**Organic***
Wines & Spirits	4 603	4 835	+ 5%	+ 7%
Fashion & Leather Goods	12 369	12 775	+ 3%	+ 4%
Perfumes & Cosmetics	4 671	4 953	+ 6%	+ 8%
Watches & Jewelry	3 308	3 468	+ 5%	+ 5%
Selective Retailing	11 193	11 973	+ 7%	+ 8%
Other activities and eliminations	(480)	(404)	-	-
Total LVMH	**35 664**	**37 600**	**+ 5%**	**+ 6%**

**With comparable structure and exchange rates.*

Profit from recurring operations by business group:

Euro millions	2015	2016	% change
Wines & Spirits	1 363	1 504	+ 10 %
Fashion & Leather Goods	3 505	3 873	+ 10 %
Perfumes & Cosmetics	524	551	+ 5 %
Watches & Jewelry	432	458	+ 6 %
Selective Retailing	940	919	- 2 %
Other activities and eliminations	(159)	(279)	-
Total LVMH	**6 605**	**7 026**	**+ 6%**

Wines & Spirits: good year with progress in the United States and rebound in shipments to China

The **Wines & Spirits** business group recorded an increase in organic revenue of 7 %. On a reported basis, revenue growth was 5 %. Profit from recurring operations increased by 10 %. With volumes up 3%, solid growth continues for champagne and prestige cuvees performed particularly well. Hennessy cognac enjoyed an excellent year with 10% volume growth. The American market is growing well and China saw better momentum after a tough 2015 due to destocking by distributors. Other spirits, Glenmorangie and Belvedere, continued their growth.

Fashion & Leather Goods: good performance of Louis Vuitton, other brands strengthened their positions

The **Fashion & Leather Goods** business group recorded organic revenue growth of 4% in 2016. On a reported basis, revenue growth was 3 %. Profit from recurring operations increased by 10%. Louis Vuitton had a good year driven by the level of creativity across all its businesses. The continued success of its iconic product range and the strong demand for recent creations such as the new luggage designed by Marc Newson and the Louis Vuitton fragrances, all contributed to this growth. Fendi recorded robust growth crossing the symbolic revenue threshold of 1 billion euros during the year. Loro Piana continued to expand its distribution network and opened a flagship store in Paris. Céline, Loewe and Kenzo all continued to grow. Marc Jacobs continued to work on changes to its collection. Donna Karan was sold in December to the American G-III group. Rimowa, world leader in luggage of excellence, joined the LVMH group.

Perfumes & Cosmetics: continued success of innovations; excellent performance in makeup

The **Perfumes & Cosmetics** business group recorded organic revenue growth of 8%. On a reported basis, revenue growth was 6%. Profit from recurring operations increased by 5%. The inauguration of the new atelier for the creation of fragrances, Les Fontaines Parfumées, at Grasse was a highlight of the year. Parfums Christian Dior grew market share in all regions, driven by the worldwide success of *Sauvage* and the vitality of its iconic perfumes *J'adore* and *Miss Dior*. The progress of makeup also contributed to the Maison's excellent performance. Guerlain benefitted from the successful launch of its new makeup collection inspired by its fragrance *La Petite Robe Noire*. Benefit experienced strong growth driven by the success of its new collection for eyebrows. Make Up For Ever, Fresh and Kat Von D performed well.

Watches & Jewelry: market share gains for Bvlgari and TAG Heuer

The **Watches & Jewelry** business group recorded organic revenue growth of 5%. On a reported basis, revenue growth was 5%. Profit from recurring operations increased by 6%. Bvlgari continued to gain market share with enhancements to its *Serpenti, Diva and B.zero1* lines. Growth continued in China, Korea and in the Middle East. TAG Heuer grew despite a difficult market for watches, gained market share and benefitted from the success of its new collections and its connected watch. Hublot accelerated its development in Asia and recorded the best year in its history. Chaumet continued to move its product lines upmarket and inaugurated a new boutique concept in Hong Kong.

Selective Retailing: good performance at Sephora, DFS impacted by a difficult tourism context in Asia

The **Selective Retailing** business group recorded organic revenue growth of 8%. On a reported basis, revenue growth was 7%. Profit from recurring operations declined by 2%. Sephora gained market share across all regions and once again recorded double-digit growth in both revenue and profits. More than a hundred stores were opened in 2016 including notably a flagship store in the World Trade Center in New York and major renovations in Boston and Singapore. Its online offer accelerated with the launch in six new countries. DFS continued to face a difficult environment, notably in Hong Kong. The expansion into new destinations continued. The opening of the T Galleria in Angkor in Cambodia and one in Venice, Italy were the highlights of the year.

Cautiously confident for 2017

Despite a climate of geopolitical and currency uncertainties, LVMH is well-equipped to continue its growth momentum across all business groups in 2017. The Group will maintain a strategy focused on developing its brands by continuing to build on strong innovation and a constant quest for quality in their products and their distribution.

Driven by the agility of its teams, their entrepreneurial spirit, the balance of its different businesses and geographic diversity, LVMH enters 2017 with caution but has, once again, set an objective of increasing its global leadership position in luxury goods.

Dividend increase of 13%

At the Annual Shareholders' Meeting on April 13, 2017, LVMH will propose a dividend of €4 per share, an increase of 13%. An interim dividend of €1.40 per share was paid on December 1 of last year. The balance of €2.60 per share will be paid on April 21, 2017.

The LVMH Board met on 26 January 2017 to approve the financial statements for 2016. Audit procedures have been carried out and the audit report is being issued. Regulated information related to this press release, the presentation of annual results and the report "Financial Documents" are available at www.lvmh.fr.

APPENDIX

LVMH - Revenue by business group and by quarter

2016 Revenue (Euro millions)

FY 2016	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	**Total**
First Quarter	1 033	2 965	1 213	774	2 747	(112)	**8 620**
Second Quarter	1 023	2 920	1 124	835	2 733	(67)	**8 568**
Total First Half	**2 056**	**5 885**	**2 337**	**1 609**	**5 480**	**(179)**	**17 188**
Third Quarter	1 225	3 106	1 241	877	2 803	(114)	**9 138**
Nine months	**3 281**	**8 991**	**3 578**	**2 486**	**8 283**	**(293)**	**26 326**
Fourth Quarter	1 554	3 784	1 375	982	3 690	(111)	**11 274**
Total 2016	**4 835**	**12 775**	**4 953**	**3 468**	**11 973**	**(404)**	**37 600**

2016 Revenue (Organic growth versus same period of 2015)

FY 2016	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	**Total**
First Quarter	+ 6%	0%	+9%	+7%	+4%	-	+3%
Second Quarter	+ 13%	+1%	+6%	+2%	+7%	-	+4%
Total First Half	**+9%**	**0%**	**+8%**	**+4%**	**+5%**	**-**	**+4%**
Third Quarter	+4%	+5%	+10%	+2%	+8%	-	**+6%**
Nine months	**+7%**	**+2%**	**+8%**	**+4%**	**+6%**	**-**	**+5%**
Fourth Quarter	+7%	+9%	+7%	+8%	+11%	-	**+8%**
Total 2016	**+7%**	**+4%**	**+8%**	**+5%**	**+8%**	**-**	**+6%**

2015 Revenue (Euro millions)

FY 2015	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics*	Watches & Jewelry	Selective Retailing*	Other activities & eliminations	**Total**
First Quarter	992	2 975	1 129	723	2 648	(144)	**8 323**
Second Quarter	938	2 958	1 099	829	2 627	(67)	**8 384**
Total First Half	1 930	5 933	**2 228**	1 552	5 275	**(211)**	**16 707**
Third Quarter	1 199	2 939	1 143	852	2 603	(155)	**8 581**
Nine months	**3 129**	**8 872**	**3 371**	**2 404**	**7 878**	**(366)**	**25 288**
Fourth Quarter	1 474	3 497	1 300	904	3 315	(114)	**10 376**
Total 2015	**4 603**	**12 369**	**4 671**	**3 308**	**11 193**	**(480)**	**35 664**

*Reclassification of cosmetics company Kendo from Selective retailing to Perfumes and Cosmetics

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The notes to consolidated accounts are included in 2016 Financial documents, available on our Internet site www.lvmh.com

CONSOLIDATED INCOME STATEMENT

(EUR millions, except for earnings per share)	**Notes**	**2016**	**2015**	**2014**
Revenue	23	**37,600**	**35,664**	**30,638**
Cost of sales		(13,039)	(12,553)	(10,801)
Gross margin		**24,561**	**23,111**	**19,837**
Marketing and selling expenses		(14,607)	(13,830)	(11,744)
General and administrative expenses		(2,931)	(2,663)	(2,373)
Income (loss) from joint ventures and associates	7	3	(13)	(5)
Profit from recurring operations	23-24	**7,026**	**6,605**	**5,715**
Other operating income and expenses	25	(122)	(221)	(284)
Operating profit		**6,904**	**6,384**	**5,431**
Cost of net financial debt		(83)	(78)	(115)
Other financial income and expenses		(349)	(336)	3,062
Net financial income (expense)	26	**(432)**	**(414)**	**2,947**
Income taxes	27	(2,109)	(1,969)	(2,273)
Net profit before minority interests		**4,363**	**4,001**	**6,105**
Minority interests	17	(382)	(428)	(457)
Net profit, Group share		**3,981**	**3,573**	**5,648**
Basic Group share of net earnings per share *(EUR)*	28	**7.92**	**7.11**	**11.27**
Number of shares on which the calculation is based		502,911,125	502,395,491	501,309,369
Diluted Group share of net earnings per share *(EUR)*	28	**7.89**	**7.08**	**11.21**
Number of shares on which the calculation is based		504,640,459	504,894,946	503,861,733

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CONSOLIDATED BALANCE SHEET

ASSETS *(EUR millions)*	**Notes**	**2016**	**2015**	**2014**
Brands and other intangible assets	3	13,335	13,572	13,031
Goodwill	4	10,401	10,122	8,810
Property, plant and equipment	6	12,139	11,157	10,387
Investments in joint ventures and associates	7	770	729	519
Non-current available for sale financial assets	8	744	574	580
Other non-current assets	9	777	552	489
Deferred tax		2,058	1,945	1,436
Non-current assets		**40,224**	**38,651**	**35,252**
Inventories and work in progress	10	10,546	10,096	9,475
Trade accounts receivable	11	2,685	2,521	2,274
Income taxes		280	384	354
Other current assets	12	2,343	2,355	1,916
Cash and cash equivalents	14	3.544	3,594	4,091
Current assets		**19,398**	**18,950**	**18,110**
Total assets		**59,622**	**57,601**	**53,362**

LIABILITIES AND EQUITY *(EUR millions)*	**Notes**	**2016**	**2015**	**2014**
Share capital	15.1	152	152	152
Share premium account	15.1	2,601	2,579	2,655
Treasury shares and LVMH share-settled derivatives	15.2	(520)	(240)	(374)
Cumulative translation adjustment	15.4	1,165	1,137	492
Revaluation reserves		1,049	949	1,019
Other reserves		17,965	16,189	12,171
Net profit, Group share		3,981	3,573	5,648
Equity, Group share		26,393	24,339	21,763
Minority interests	17	1,510	1,460	1,240
Total equity		**27,903**	**25,799**	**23,003**
Long-term borrowings	18	3,932	4,511	5,054
Non-current provisions	19	2,342	1,950	2,291
Deferred tax		4,137	4,685	4,392
Other non-current liabilities	20	8,498	7,957	6,447
Non-current liabilities		**18,909**	**19,103**	**18,184**
Short-term borrowings	18	3,447	3,769	4,189
Trade accounts payable	21.1	4,184	3,960	3,606
Income taxes		428	640	549
Current provisions	19	352	421	332
Other current liabilities	21.2	4.399	3,909	3,499
Current liabilities		**12,810**	**12,699**	**12,175**
Total liabilities and equity		**59,622**	**57,601**	**53,362**

The notes to consolidated accounts are included in 2016 Financial documents, available on our Internet site www.lvmh.com

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

[EUR millions]	Number of shares	Share capital	Share premium account	Treasury shares and LVMH-share settled derivatives	Cumulative translation adjustment	Revaluations reserves: Available for sale financial assets	Revaluations reserves: Hedges of future foreign currency cash flows	Revaluations reserves: Vineyard land	Revaluations reserves: Employee benefit commit-ments	Net profit and other reserves	Total equity: Group share	Total equity: Minority interests	Total equity: Total
Notes		15.1		15.2	15.4							17	
As of December 31, 2013	**507,793,661**	**152**	**3,849**	**[451]**	**[8]**	**2,855**	**136**	**946**	**[37]**	**19,437**	**26,879**	**1,028**	**27,907**
Gains and losses recognized in equity					500	[2,648]	[122]	[15]	[96]	-	[2,381]	108	[2,273]
Net profit										5,648	5,648	457	6,105
Comprehensive income		**-**	**-**	**-**	**500**	**[2,648]**	**[122]**	**[15]**	**[96]**	**5,648**	**3,267**	**565**	**3,832**
Stock option plan and similar expenses										37	37	2	39
[Acquisition]/disposal of treasury shares and LVMH share-settled derivatives				27						[17]	10	-	10
Exercise of LVMH share subscription options	980,323		59								59	-	59
Retirement of LVMH shares	[1,062,271]		[50]	50							-	-	-
Capital increase in subsidiaries											-	3	3
Interim and final dividends paid										[1,579]	[1,579]	[328]	[1,907]
Distribution in kind of Hermès shares[a]			[1,203]							[5,652]	[6,855]	-	[6,855]
Changes in control of consolidated entities										[5]	[5]	11	6
Acquisition and disposal of minority interests' shares										[2]	[2]	32	30
Purchase commitments for minority interests' shares										[48]	[48]	[73]	[121]
As of December 31, 2014	**507,711,713**	**152**	**2,655**	**[374]**	**492**	**207**	**14**	**931**	**[133]**	**17,819**	**21,763**	**1,240**	**23,003**
Gains and losses recognized in equity					645	[103]	[25]	33	25	-	575	130	705
Net profit										3,573	3,573	428	4,001
Comprehensive income		**-**	**-**	**-**	**645**	**[103]**	**[25]**	**33**	**25**	**3,573**	**4,148**	**558**	**4,706**
Stock option plan and similar expenses										35	35	2	37
[Acquisition]/disposal of treasury shares and LVMH share-settled derivatives				23						[13]	10	-	10
Exercise of LVMH share subscription options	552,137		35								35	-	35
Retirement of LVMH shares	[1,124,740]		[111]	111							-	-	-
Capital increase in subsidiaries											-	89	89
Interim and final dividends paid										[1,659]	[1,659]	[229]	[1,888]
Changes in control of consolidated entities										[9]	[9]	1	[8]
Acquisition and disposal of minority interest's shares										5	5	[3]	2
Purchase commitments for minority interest's shares										11	11	[198]	[187]
As of December 31, 2015	**507,139,110**	**152**	**2,579**	**[240]**	**1,137**	**104**	**[11]**	**964**	**[108]**	**19,762**	**24,339**	**1,460**	**25,799**
Gains and losses recognized in equity					28	23	19	113	[55]	-	128	52	180
Net profit										3,981	3,981	382	4,363
Comprehensive income		**-**	**-**	**-**	**28**	**23**	**19**	**113**	**[55]**	**3,981**	**4,109**	**434**	**4,543**
Stock option plan and similar expenses										39	39	2	41
[Acquisition]/disposal of treasury shares and LVMH share-settled derivatives				[322]						[21]	[343]	-	[343]
Exercise of LVMH share subscription options	907,929		64								64	-	64
Retirement of LVMH shares	[920,951]		[42]	42							-	-	-
Capital increase in subsidiaries											-	41	41
Interim and final dividends paid										[1,811]	[1,811]	[272]	[2,083]
Changes in control of consolidated entities										[5]	[5]	22	17
Acquisition and disposal of minority interests' shares										[56]	[56]	[35]	[91]
Purchase commitments for minority interests' shares										57	57	[142]	[85]
As of December 31, 2016	**507,126,088**	**152**	**2,601**	**[520]**	**1,165**	**127**	**8**	**1,077**	**[163]**	**21,946**	**26,393**	**1,510**	**27,903**

[a] See Note 8 to the 2014 consolidated financial statements.

The notes to consolidated accounts are included in 2016 Financial documents, available on our Internet site www.lvmh.com

CONSOLIDATED CASH FLOW STATEMENT

[EUR millions]	Notes	2016	2015	2014
I. OPERATING ACTIVITIES AND OPERATING INVESTMENTS				
Operating profit		6,904	6,384	5.431
Income/[loss] and dividends from joint ventures and associates	7	18	27	26
Net increase in depreciation, amortization and provisions		2,143	2.081	1.895
Other computed expenses		[177]	[456]	[188]
Other adjustments		[155]	[91]	[84]
Cash from operations before changes in working capital		**8,733**	**7,945**	**7,080**
Cost of net financial debt: interest paid		[59]	[75]	[116]
Income taxes paid		[1,923]	[1,807]	[1,639]
Net cash from operating activities before changes in working capital		**6,751**	**6,063**	**5,325**
Change in working capital	14.2	[512]	[429]	[718]
Net cash from operating activities		**6,239**	**5,634**	**4,607**
Operating investments	14.3	[2,265]	[1,955]	[1,775]
Net cash from operating activities and operating investments [free cash flow]		**3,974**	**3,679**	**2,832**
II. FINANCIAL INVESTMENTS				
Purchase of non-current available for sale financial assets [a]	8, 13	[28]	[78]	[57]
Proceeds from sale of non-current available for sale financial assets	8	91	68	160
Dividends received		6	4	69
Income taxes paid related to financial investments and consolidated investments		[461]	[265]	[237]
Impact of purchase and sale of consolidated investments		310	[240]	[167]
Net cash from [used in] financial investments		**[82]**	**[511]**	**[232]**
III. TRANSACTIONS RELATING TO EQUITY				
Capital increases of LVMH SE	15.1	64	35	59
Capital increases of subsidiaries subscribed by minority interests	17	41	81	3
Acquisition and disposals of treasury shares and LVMH share-settled derivatives	15.2	[352]	1	1
Interim and final dividends paid by LVMH SE[b]	15.3	[1,810]	[1,671]	[1,619]
Income taxes paid related to interim and final dividends paid		[145]	[304]	[79]
Interim and final dividends paid to minority interests in consolidated subsidiaries	17	[267]	[228]	[336]
Purchase and proceeds from sale of minority interests	2	[95]	[4]	10
Net cash from [used in] transactions relating to equity		**[2,564]**	**[2,090]**	**[1,961]**
Change in cash before financing activities		**1,328**	**1,078**	**639**
IV. FINANCING ACTIVITIES				
Proceeds from borrowings	18.1	913	1,008	2,407
Repayment of borrowings	18.1	[2,134]	[2,443]	[2,100]
Purchase and proceeds from sale of current available for sale financial assets [a]	8,13	[113]	[3]	[106]
Net cash from [used in] financing activities		**[1,334]**	**[1,438]**	**201**
V. EFFECT OF EXCHANGE RATE CHANGES		[47]	[33]	27
NET INCREASE [DECREASE] IN CASH AND CASH EQUIVALENTS [I+II+III+IV+V]		**[53]**	**[393]**	**867**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**14.1**	**3,390**	**3,783**	**2,916**
CASH AND CASH EOUIVALENTS AT END OF PERIOD	**14.1**	**3,337**	**3,390**	**3,783**
TOTAL INCOME TAXES PAID		**[2,529]**	**[2,376]**	**[1,955]**

[a] The cash impact of non-current available for sale financial assets used to hedge net financial debt [see Note 18] is presented under "IV. Financing activities" as "Purchase and proceeds from sale of current available for sale financial assets".

[b] The distribution in kind of Hermès shares in 2014 had no impact on cash, apart from related income tax effects. See Note 8 to the 2014 consolidated financial statements.

LVMH

LVMH Moët Hennessy Louis Vuitton is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Mercier, Château d'Yquem, Domaine du Clos des Lambrays, Château Cheval Blanc, Hennessy, Glenmorangie, Ardbeg, Belvedere, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Cape Mentelle, Newton, Bodega Numanthia and Ao Yun. Its Fashion and Leather Goods division includes Louis Vuitton, Céline, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Nicholas Kirkwood, Loro Piana and Rimowa. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Kenzo Parfums, Perfumes Loewe, as well as other promising cosmetic companies (BeneFit Cosmetics, Make Up For Ever, Acqua di Parma and Fresh). LVMH is also active in selective retailing as well as in other activities through DFS, Sephora, Le Bon Marché, La Samaritaine, Royal Van Lent and Cheval Blanc hotels. LVMH's Watches and Jewelry division comprises Bvlgari, TAG Heuer, Chaumet, Dior Watches, Zenith, Fred, Hublot and De Beers Diamond Jewellers Ltd, a joint venture created with the world's leading diamond group.

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CHRISTIAN DIOR Press Release dated 9 February 2017

Christian Dior

30 avenue Montaigne

PARIS

F-75008

PHONE +33 (0) 1 44 13 22 22

Paris, February 9, 2017

2016 RESULTS

In 2016, the **Christian Dior group** recorded revenue of 39.5 billion euros, up 5% at actual exchange rates and 6% at constant structure and exchange rates. Profit from recurring operations was 7.3 billion euros, up 6%.

The Group share of net profit was 1.8 billion euros.

Free cash flow before financial investments, transactions relating to equity and financing activities, was 4.0 billion euros.

The financial highlights of the period were as follows:

Consolidated financial highlights *(EUR millions)*	**December 31, 2016 (12 calendar months)[(a)]**	**December 31, 2015 (12 calendar months)[(a)]**	**Change**
Revenue	39,501	37,511	+5%
Profit from recurring operations	7,252	6,827	+6%
Net profit	4,594	4,074	+13%
Net profit, Group share	1,764	1,537	+15%
Free cash flow[(b)]	4,003	3,607	+11%
Net financial debt	4,753	5,841	-19%
Equity	30,084	27,638	+9%

(a) Limited review without a report issued by the Statutory Auditors
(b) Before financial investments, transactions relating to equity and financing activities

In 2016, **Christian Dior Couture** posted revenue of 1,936 million euros, up 3% at actual exchange rates and 5% at constant exchange rates compared to 2015. Retail sales revenue growth was up 3% at actual exchange rates and 5% at constant exchange rates. Profit from recurring operations was 252 million euros, up 5%.

LVMH recorded revenue of 37.6 billion euros in 2016, up 5% at actual exchange rates and 6% at constant structure and exchange rates with respect to 2015. Profit from recurring operations reached 7.0 billion euros in 2016, an increase of 6%, to which all business groups, apart from selective distribution, contributed. This result compares to 2015 which was itself a year of growth. Operating margin reached 18.7%. Group share of net profit was 3,981 million euros, representing growth of 11%.

For LVMH, the key highlights from 2016 include:

- Record revenue and profit from recurring operations
- Growth in the United States, Europe and Asia
- Good performance of Wines & Spirits in all regions
- The success of both iconic and new products at Louis Vuitton, where profitability remains at an exceptional level
- Progress at Fendi
- The sale of Donna Karan and the acquisition of Rimowa, leader in luggage of excellence
- Good momentum at Parfums Christian Dior driven by successful product innovations
- Market share gains at Bvlgari and TAG Heuer
- Growth at Sephora which strengthened its position in all its markets and in digital

Revenue and profit from recurring operations by business group for the **Christian Dior group** for the 12- month calendar year ended December 31, 2016 were as follows:

REVENUE

(EUR millions)	**December 31, 2016 (12 calendar months) [a]**	**December 31, 2015 (12 calendar months) [a]**	**Change at actual exchange rates**	**Organic growth [b]**
Christian Dior Couture	1,936	1,872	+3%	+5%
Wines and Spirits	4,835	4,603	+5%	+7%
Fashion and Leather Goods	12,775	12,369	+3%	+4%
Perfumes and Cosmetics	4,953	4,671	+6%	+8%
Watches and Jewelry	3,468	3,308	+5%	+5%
Selective Retailing	11,973	11,193	+7%	+8%
Other activities and eliminations	(439)	(505)	-	-
Total	**39,501**	**37,511**	**+5%**	**+6%**

(a) Limited review without a report issued by the Statutory Auditors
(b) At constant structure and exchange rates.

PROFIT FROM RECURRING OPERATIONS

(EUR millions)	**December 31, 2016 (12 calendar months) [a]**	**December 31, 2015 (12 calendar months) [a]**	**Change**
Christian Dior Couture	252	240	+5%
Wines and Spirits	1,504	1,363	+10%
Fashion and Leather Goods	3,873	3,505	+10%
Perfumes and Cosmetics	551	524	+5%
Watches and Jewelry	458	432	+6%
Selective Retailing	919	940	-2%
Other activities and eliminations	(305)	(177)	
Total	**7,252**	**6,827**	**+6%**

(a) Limited review without a report issued by the Statutory Auditors

Outlook: cautiously confident for 2017

Despite a climate of geopolitical and currency uncertainties, the **Christian Dior group** is well-equipped to continue its growth momentum across all business groups in 2017. The Group will maintain a strategy focused on developing its brands by continuing to build on strong innovation and a constant quest for quality in their products and their distribution.

Driven by the agility of its teams, their entrepreneurial spirit and the balance of its different businesses and geographic diversity, the Christian Dior group enters 2017 with caution but has, once again, set an objective of increasing its global leadership position in luxury goods.

* *
*

APPROVAL FOR PUBLICATION OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

(6-month fiscal year due to the change in the fiscal year-end approved at the Shareholders' Meeting of December 1, 2015)

The **Christian Dior group** achieved revenue of 21.4 billion euros for the 6-month fiscal year from July 1 to December 31, 2016, up 8% at actual exchange rates and 7% at constant structure and exchange rates with respect to the half-year from July 1 to December 31, 2015. Profit from recurring operations was 4.2 billion euros, up 12%. The Group share of net profit was 1.1 billion euros.

Free cash flow for the fiscal year, before financial investments, transactions relating to equity and financing activities, was 3.3 billion euros.

The Board of Directors met on February 9, 2017 to approve the financial statements for the fiscal year ended December 31, 2016. Audit procedures have been carried out and the audit report is being issued.

At the Shareholders' Meeting of April 13, 2017, the payment of a gross cash dividend of 1.40 euros per share will be proposed in respect of the fiscal year ended December 31, 2016, which will be paid as of April 21, 2017.

To date, no events or changes have occurred which could significantly modify the Group's financial structure.

The main aggregates for the fiscal year ended December 31, 2016 were as follows:

Consolidated financial highlights *(EUR millions)*	**Fiscal year from July 1, 2016 to December 31, 2016 (6 months)** [(a)]	**Half-year from July 1, 2015 to December 31, 2015 (6 months)** [(b)]	**Change**
Revenue	21,436	19,903	+8%
Profit from recurring operations	4,238	3,778	+12%
Net profit	2,724	2,294	+19%
Net profit, Group share	1,058	863	+23%
Free cash flow[(c)]	3,305	2,961	+12%
Net financial debt	4,753	5,841	-19%
Equity	30,084	27,638	+9%

(a) Audit procedures carried out, audit report being issued

(b) Limited review with a report issued by the Statutory Auditors on the financial information for the first half of the 2015/2016 fiscal year

(c) Before financial investments, transactions relating to equity and financing activities

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

Revenue *(EUR millions)*	**Fiscal year from July 1, 2016 to December 31, 2016 (6 months) (a)**	**Half-year from July 1, 2015 to December 31, 2015 (6 months) (b)**	**Change at actual exchange rates**	**Organic growth**
Christian Dior Couture	1,043	961	+9%	+10%
Wines and Spirits	2,779	2,673	+4%	+5%
Fashion and Leather Goods	6,890	6,436	+7%	+7%
Perfumes and Cosmetics	2,616	2,443	+7%	+8%
Watches and Jewelry	1,859	1,756	+6%	+5%
Selective Retailing	6,493	5,918	+10%	+9%
Other activities and eliminations	(244)	(284)	-	-
Total	**21,436**	**19,903**	**+8%**	**+7%**

(a) *Audit procedures carried out, audit report being issued*
(b) *Limited review with a report issued by the Statutory Auditors on the financial information for the first half of the 2015/2016 fiscal year*

Profit from recurring operations *(EUR millions)*	**Fiscal year from July 1, 2016 to December 31, 2016 (6 months) (a)**	**Half-year from July 1, 2015 to December 31, 2015 (6 months) (b)**	**Change**
Christian Dior Couture	178	135	+33%
Wines and Spirits	939	881	+7%
Fashion and Leather Goods	2,243	1,844	+22%
Perfumes and Cosmetics	279	275	+1%
Watches and Jewelry	253	227	+11%
Selective Retailing	509	507	0%
Other activities and eliminations	(163)	(91)	-
Total	**4,238**	**3,778**	**+12%**

(a) *Audit procedures carried out, audit report being issued*
(b) *Limited review with a report issued by the Statutory Auditors on the financial information for the first half of the 2015/2016 fiscal year*

* *
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APPENDIX 1: Revenue by business group and by period (12 calendar months)

APPENDIX 2: Revenue by business group and by quarter (6-month fiscal year ended December 31, 2016)

This announcement constitutes regulated information, and is available on the Company's website (www.dior-finance.com).

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

*This document is a free translation into English of the original French "*Communiqué financier*" dated February 9, 2017.*
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.

APPENDIX 1

Christian Dior group - Revenue by business group and by period (12 calendar months)

Periods from January 1 to December 31, 2016

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Period from January 1 to March 31, 2016	429	1,033	2,965	1,213	774	2,747	(120)	**9,041**
Period from April 1 to June 30, 2016	464	1,023	2,920	1,124	835	2,733	(75)	**9,024**
Period from July 1 to September 30, 2016	502	1,225	3,106	1,241	877	2,803	(122)	**9,632**
Period from October 1 to December 31, 2016	541	1,554	3,784	1,375	982	3,690	(122)	**11,804**
Total	**1,936**	**4,835**	**12,775**	**4,953**	**3,468**	**11,973**	**(439)**	**39,501**

Periods from January 1 to December 31, 2015

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics(*)	Watches and Jewelry	Selective Retailing(*)	Other activities and eliminations(*)	**Total**
Period from January 1 to March 31, 2015	433	992	2,975	1,129	723	2,648	(149)	**8,751**
Period from April 1 to June 30, 2015	478	938	2,958	1,099	829	2,627	(72)	**8,857**
Period from July 1 to September 30, 2015	471	1,199	2,939	1,143	852	2,603	(161)	**9,046**
Period from October 1 to December 31, 2015	490	1,474	3,497	1,300	904	3,315	(123)	**10,857**
Total	**1,872**	**4,603**	**12,369**	**4,671**	**3,308**	**11,193**	**(505)**	**37,511**

(*)*Taking into account the reclassification of the Kendo cosmetics company from Selective Retailing to Perfumes and Cosmetics*

APPENDIX 2

Christian Dior group - Revenue by business group and by quarter (6-month fiscal year ended December 31, 2016)

Fiscal year ended December 31, 2016

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Quarter from July 1 to September 30, 2016	502	1,225	3,106	1,241	877	2,803	(122)	**9,632**
Quarter from October 1 to December 31, 2016	541	1,554	3,784	1,375	982	3,690	(122)	**11,804**
Total	**1,043**	**2,779**	**6,890**	**2,616**	**1,859**	**6,493**	**(244)**	**21,436**

Organic revenue growth *(as%)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Quarter from July 1 to September 30, 2016	+8%	+4%	+5%	+10%	+2%	+8%	-	**+6%**
Quarter from October 1 to December 31, 2016	+12%	+7%	+9%	+7%	+8%	+11%	-	**+8%**
Total	**+10%**	**+5%**	**+7%**	**+8%**	**+5%**	**+9%**	**-**	**+7%**

First half of the 2015/2016 fiscal year

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics(*)	Watches and Jewelry	Selective Retailing(*)	Other activities and eliminations(*)	**Total**
Quarter from July 1 to September 30, 2015	471	1,199	2,939	1,143	852	2,603	(161)	**9,046**
Quarter from October 1 to December 31, 2015	490	1,474	3,497	1,300	904	3,315	(123)	**10,857**
Total	**961**	**2,673**	**6,436**	**2,443**	**1,756**	**5,918**	**(284)**	**19,903**

(*)Taking into account the reclassification of the Kondo cosmetics company from Selective Retailing to Perfumes and Cosmetics

LVMH Press Release dated 20 March 2017

LVMH
MOËT HENNESSY . LOUIS VUITTON

Maison
Francis Kurkdjian
Paris

Paris, March 20, 2017

MAISON FRANCIS KURKDJIAN

JOINS THE LVMH GROUP

Motivated by a shared vision of French perfume making and the creativity that inspires it, LVMH and Maison Francis Kurkdjian have announced their association in order to jointly pursue the long-term development of the fragrance House. Under the agreement LVMH will acquire a majority share in Maison Francis Kurkdjian. Marc Chaya and Francis Kurkdjian will continue in their current roles as Chief Executive Officer and Creative Director, respectively, and will remain shareholders of the company.

Maison Francis Kurkdjian has since its founding in 2009 created contemporary fragrances characterized by excellence, savoir-faire and audacity. Consistent with the vision of the two founders, Maison Francis Kurkdjian is emblematic of a new generation of exclusive and atypical fragrance Houses. The House's fragrance collection is conceived as a "fragrance wardrobe". Committed to uncompromising quality in the unique tradition of French fine perfumery, the House at the same time proposes a contemporary vision of the art of creating and wearing perfume. Maison Francis Kurkdjian is currently present in 40 countries and in 2016 became a member of the Comité Colbert, the association that promotes French luxury and *art de vivre* around the world.

Internationally-renowned perfumer Francis Kurkdjian has designed visionary fragrances that meld exacting quality and contemporary flair for leading names in beauty and fashion. He has in particular collaborated with several LVMH Houses, including Acqua di Parma, Christian Dior, Guerlain and, most recently, Kenzo. For more than 20 years he has explored new creative territories in fragrances through his own bespoke fragrance atelier, collaborations with artists and pop-up installations. Francis Kurkdjian received the honorary title of Chevalier des Arts et Lettres in 2008. A former partner at Ernst & Young in Paris, Marc Chaya has been part of the perfumer-manager duo that has led Maison Francis Kurkdjian since they founded it in 2009.

The acquisition by LVMH of a majority interest in Maison Francis Kurkdjian will allow the fragrance House to pursue its growth, in particular in international markets, fully respecting its distinctive character, uncompromising quality standards and creative freedom.

"*We share the same spirit of creativity, excellence and entrepreneurial drive as the LVMH Group. This rapprochement is built on a shared vision and we will continue to guide the future of our House as part of an exceptional Group,*" says Marc Chaya, co-founder of Maison Francis Kurkdjian.

"*I have always championed my personal conception of beauty and respect for the métier of perfumer-creator. Maison Francis Kurkdjian lets me freely express my inspirations. LVMH clearly understands the nature of our Maison, and the Group's approach to custom-crafted creativity guarantees that our distinctive identity will thrive for the long-term,*" adds Francis Kurkdjian, Creative Director and perfumer of Maison Francis Kurkdjian.

"*I am delighted to welcome Maison Francis Kurkdjian to the LVMH Group. Their avant-garde spirit and the quality of their creations give this fragrance House great potential and a promising future,*" says Bernard Arnault, Chairman and Chief Executive Officer of LVMH.

About LVMH

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About Maison Francis Kurkdjian

Maison Francis Kurkdjian was born in 2009 from the encounter between Francis Kurkdjian, a renowned master-perfumer with scores of successful creations to his name, and Marc Chaya, ex Ernst & Young advisory partner. Together, they fulfilled their desire for a sensual, generous and multi-facetted landscape of free expression, creating a new emblem of French know-how and lifestyle.

Maison Francis Kurkdjian has since developed into a key player in the luxury fragrance market with presence in nearly 500 ultra selective retail locations in more than 40 countries.

The Maison Francis Kurkdjian collection is sketched like a fragrance wardrobe, with myriad of facets of emotions. Designed in the tradition of luxury French perfumery, it advocates nevertheless a contemporary vision of the art of creating and wearing perfume. Maison Francis Kurkdjian has been a member of Comité Colbert since January 2016.

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LVMH Press Release dated 10 April 2017

LVMH
MOËT HENNESSY . LOUIS VUITTON

LVMH: REVENUE GROWTH IN 2017 FIRST QUARTER

Paris, April 10th 2017

LVMH Moët Hennessy Louis Vuitton, the world's leading high quality products group, recorded revenue of 9.9 billion Euros for the first quarter 2017, an increase of 15%. Organic revenue growth* was 13% compared to the same period of 2016, an increase attributable to all business groups. Positive growth was achieved in Asia, Europe and the US.

During the first quarter, LVMH benefited from a favourable comparison base, particularly in Europe, where activity was affected last year by the impact of the November 2015 attacks in Paris. The trend currently observed cannot reasonably be extrapolated for the full year.

Revenue by business group:

In million euros	Q1 2017	Q1 2016	% change Q1 2017/2016	
			Reported	**Organic***
Wines & Spirits	1 196	1 033	+ 16%	+ 13%
Fashion & Leather Goods	3 405	2 965	+ 15%	+ 15%
Perfumes & Cosmetics	1 395	1 213	+ 15%	+ 12%
Watches & Jewelry	879	774	+ 14%	+ 11%
Selective Retailing	3 154	2 747	+ 15%	+ 11%
Other activities and eliminations	(145)	(112)	-	-
Total	**9 884**	**8 620**	**+ 15%**	**+ 13%**

**with comparable structure and constant exchange rates.*

The **Wines & Spirits** business group recorded organic revenue growth of 13% in the first quarter of 2017. Champagne volumes increased by 7% over the period. Europe and the US markets continued to grow. Hennessy cognac saw volumes increase significantly which could impact the availability of stocks for the rest of the year. Momentum remains positive in the United States, while demand in China confirms the trends of 2016.

The **Fashion & Leather Goods** business group achieved organic growth of 15% in the first quarter of 2017. Louis Vuitton achieved a good start to the year, driven by creative momentum in all of its businesses. The recent Autumn-Winter show in the Marly courtyard at the Louvre was very well received. Fendi continues its good performance, supported by its leather and ready-to-wear lines. Céline, Kenzo, Loewe and Berluti showed progress. Givenchy announced the arrival of a new Artistic Director. Marc Jacobs continued its product lines changes and its restructuring. Rimowa, which recently joined the LVMH Group, will be consolidated as of the second quarter.

In **Perfumes & Cosmetics**, organic revenue growth was 12% in the first quarter of 2017. Parfums Christian Dior recorded good growth with the success of its make-up and the continued vitality of its perfumes *J'adore* and *Sauvage*. At Guerlain, the launch of the new women's fragrance *Mon Guerlain*, embodied by Angelina Jolie, was a highlight of the quarter. Parfums Givenchy benefited from the success of its lipstick lines, which had rapid development in Asia. Kat Von D, launched exclusively in January at Sephora in France, is growing well. Maison Francis Kurkdjian is joining the LVMH Group.

The **Watches & Jewelry** business group recorded organic revenue growth of 11% in the first quarter of 2017. Bvlgari gained market share and continued to innovate with new models in its emblematic jewelry lines. TAG Heuer successfully launched its new *Connected Modular 45* watch. Several innovations presented by LVMH's watch brands at the Baselworld watch fair were given an excellent reception, including a new edition of the *Autavia* by TAG Heuer, the new *Octo Finissimo Automatic* and *Serpenti Skin* watches by Bvlgari and the *Defy El Primero 21* by Zenith.

In **Selective Retailing**, organic revenue growth was 11% in the first quarter of 2017. Sephora gained market share around the world and continues to record revenue growth. The US market is growing well, China confirmed the trend already observed at the end of 2016. Momentum at DFS in Asia improved while the *T Gallerias* opened in Cambodia and Italy in 2016, continued their development.

In a particularly uncertain environment, LVMH will continue to focus its efforts on developing its brands, maintain strict control over costs and target its investments on the quality, excellence and innovation of its products and their distribution. The Group will rely on the talent and motivation of its teams, diversification of its businesses and good geographical balance of its revenue to reinforce, once again in 2017, its global leadership position in luxury goods.

During the quarter and to date, no events or changes have occurred which could significantly modify the Group's financial structure.
Regulated information related to this press release and presentation are available on our internet site www.lvmh.com

LVMH
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CHRISTIAN DIOR Press Release dated 11 April 2017

Christian Dior

30 avenue Montaigne

PARIS

F-75008

PHONE +33 (0) 1 44 13 22 22

Paris, April 11, 2017

FIRST QUARTER 2017 REVENUE

In the first quarter of the 2017 fiscal year, the **Christian Dior group** recorded revenue of 10.4 billion euros, up 15% at actual exchange rates compared to the period from January 1 to March 31, 2016. Organic revenue growth was 13%, with all business groups contributing to this increase.

During the first quarter, the Group benefited from a favourable comparison base, particularly in Europe, where activity was affected last year by the impact of the November 2015 attacks in Paris. The trend currently observed cannot reasonably be extrapolated for the full year.

The change in revenue at actual exchange rates was as follows:

(EUR millions)	**First quarter 2017**	**Period from January 1 to March 31, 2016**
Christian Dior Couture	506	429
LVMH	9,884	8,620
Other activities and eliminations	(10)	(8)
Total	**10,380**	**9,041**

For the first quarter of 2017, **Christian Dior Couture** posted revenue of 506 million euros, up 18% at actual exchange rates and 17% at constant exchange rates compared with the same period in 2016. Retail sales revenue grew by 19% at actual exchange rates and 18% at constant exchange rates. During the quarter, the first Spring/Summer 2017 Ready-to-Wear and Accessories collections designed by the new Creative Director for women's fashion were very well received.

In the first quarter of 2017, LVMH recorded revenue of 9,884 million euros, up 15%. Organic growth was 13% compared to the same period of 2016. Positive growth was achieved in Asia, Europe and the United States.

Revenue of the Christian Dior group, by business group, was as follows:

(EUR millions)	**Fiscal quarter 2017**	**Period from January 1 to March 31, 2016**	**Change at actual exchange rates**	**Organic growth[(a)]**
Christian Dior Couture	506	429	+18%	+17%
Wines and Spirits	1,196	1,033	+16%	+13%
Fashion and Leather Goods	3,405	2,965	+15%	+15%
Perfumes and Cosmetics	1,395	1,213	+15%	+12%
Watches and Jewelry	879	774	+14%	+11%
Selective Retailing	3,154	2,747	+15%	+11%
Other activities and eliminations	(155)	(120)	-	-
Total	**10,380**	**9,041**	**+15%**	**+13%**

(a) At constant structure and exchange rates

OUTLOOK

In a particularly uncertain environment, the **Christian Dior group** will continue to focus its efforts on developing its brands, maintain strict control over costs and target its investments on the quality, excellence and innovation of its products and their distribution. The Group will rely on the talent and motivation of its teams, diversification of its businesses and good geographical balance of its revenue to reinforce, once again in 2017, its global leadership position in luxury goods.

During the quarter and to date, no events or changes have occurred which could significantly modify the Group's financial structure.

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*

*This document is a free translation into English of the original French "*Communiqué*" dated April 11, 2017. 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.*

This announcement constitutes regulated information, and is available on the Company's website (www.dior-finance.com).

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

LVMH Press Release dated 13 April 2017

LVMH
MOËT HENNESSY . LOUIS VUITTON

2016 DIVIDEND

Paris, Thursday April 13, 2017

At the Annual Shareholders' Meeting of LVMH Moët Hennessy Louis Vuitton held on Thursday April 13, 2017, approval was given for the payment of a dividend for financial year 2016 of 4 Euros per share.

Taking into account the 1.40 Euros paid on Thursday December 1, 2016, the balance of 2.60 Euros will be paid on Friday April 21, 2017. The last trading day with dividend rights is Tuesday April 18, 2017.

LVMH
LVMH Moët Hennessy Louis Vuitton is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Mercier, Château d'Yquem, Domaine du Clos des Lambrays, Château Cheval Blanc, Hennessy, Glenmorangie, Ardbeg, Belvedere, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Cape Mentelle, Newton, Bodega Numanthia and Ao Yun. Its Fashion and Leather Goods division includes Louis Vuitton, Céline, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Nicholas Kirkwood, Loro Piana and Rimowa. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Kenzo Parfums, Perfumes Loewe, BeneFit Cosmetics, Make Up For Ever, Acqua di Parma, Fresh, Kat Von D and Maison Francis Kurkdjian. LVMH's Watches and Jewelry division comprises Bvlgari, TAG Heuer, Chaumet, Dior Watches, Zenith, Fred and Hublot. LVMH is also active in selective retailing as well as in other activities through DFS, Sephora, Le Bon Marché, La Samaritaine, Royal Van Lent and Cheval Blanc hotels.

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	DGM Conseil	
	Hugh Morrison / Charlotte McMullen	
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	Michele Calcaterra / Matteo Steinbach	
Italy:	**SEC and Partners**	+39 02 62 49 991
	James Fingeroth / Molly Morse / Anntal Silver	
US:	**Kekst & Company**	+1 212 521 4800

CHRISTIAN DIOR Press Release dated 14 April 2017

Christian Dior

30 avenue Montaigne

PARIS

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PHONE +33 (0) 1 44 13 22 22

Paris, April 14, 2017

FINANCIAL RELEASE

DIVIDEND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

At the Annual Shareholders' Meeting of Christian Dior, held on Thursday, April 13, 2017, approval was given for the payment of a gross cash dividend of 1.40 Euro per share for the fiscal year ended December 31, 2016.

It will be paid on Friday, April 21, 2017. The last trading date with dividend rights will be Tuesday, April 18, 2017.

This press release is available on the website www.dior-finance.com.

CHRISTIAN DIOR and LVMH Press Release dated 25 April 2017

Christian Dior

LVMH

MOËT HENNESSY . LOUIS VUITTON

PROJECT AIMING AT

SIMPLIFYING CHRISTIAN DIOR – LVMH GROUP STRUCTURES

REGROUPING THE ENTIRE DIOR BRAND WITH LVMH

AND

OFFER BY THE ARNAULT FAMILY GROUP

ON PUBLICLY HELD CHRISTIAN DIOR SHARES

The Arnault Family Group, Christian Dior and LVMH Moët Hennessy - Louis Vuitton announce a two-fold strategic project:

- The simplification of the structures through a simplified public offer by the Arnault Family Group for Christian Dior shares it does not currently hold. This public offer would primarily take the form of a mixed offer consisting of €172 in cash and 0.192 Hermès International[1] (“Hermès”) shares for each Christian Dior share, and would be completed by two secondary offers, in cash and in Hermès shares respectively;
- The strengthening of Fashion & Leather Goods division of LVMH through the acquisition of Christian Dior Couture from Christian Dior for an enterprise value of €6.5bn.

The main features of the project are the following:

- The public offer values each Christian Dior share at €260[2];
- It represents a premium of 14.7% over the closing share price as of April 24th, 2017 and 18.6% over the 1-month average share price[3];
- This public offer values Christian Dior at its Net Asset Value;
- The acquisition of Christian Dior Couture allows its integration within LVMH;
- Christian Dior is among the most iconic brands worldwide and benefits from a high growth potential;
- Christian Dior Couture’s enterprise value of €6.5bn represents a 15.6x EBITDA[4] multiple;
- It ensures the regrouping of the entire Dior brand, further enhancing synergies between Christian Dior Couture and Parfums Christian Dior;
- It will be accretive to LVMH earnings per share from the first year;
- These transactions demonstrate the greater commitment of the Arnault Family Group;
- They result in a simplification of the structures.

The Arnault Family Group intends to file the proposed public offer subject to conclusion of the financing under satisfactory terms.

The Boards of Directors of Christian Dior and LVMH are unanimously favorable to the contemplated transactions and appointed independent experts to review their terms.

« This project represents an important milestone for the Group. The corresponding transactions will allow the simplification of the structures, long requested by the market, and the strengthening of LVMH’s Fashion & Leather Goods division thanks to the acquisition of Christian Dior Couture, one of the most iconic brands worldwide. They illustrate the commitment of my family group and emphasize its confidence in the long-term perspectives of LVMH and its brands. I am delighted to announce this project today and thus continue and reinforce the development of LVMH in France and worldwide. » says Bernard Arnault.

1. Public offer by the Arnault Family Group for Christian Dior shares

Terms of the offer

Semyrhamis, a company of the Arnault Family Group, which holds directly and indirectly 74.1% of the share capital and 84.9% of voting rights of Christian Dior (Euronext Paris: CDI FP), informed the Board of Directors of Christian Dior of its intention to file a simplified public offer soon for all Christian Dior shares not currently held by the Arnault Family Group.

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[1]These shares are held by the groupe Arnault and will be offered ex-dividend given the proposed offer timeline

[2]Based on Hermès International closing share price as of April 24th, 2017, adjusted for planned detachment of balance of 2016 dividend

[3]Volume-weighted average share prices of Christian Dior as of April 24th 2017, adjusted for dividend distribution for share prices up until April 18th, 2017

[5]Adjusted last twelve months EBITDA as of March 31st, 2017, pro forma of Christian Dior Couture expenses ascribed to Christian Dior

The contemplated transaction would primarily take the form of a simplified mixed public offer, completed by a secondary cash offer and a secondary exchange offer, within the overall limit of €8.0bn in cash and 8.9 million Hermès shares (Euronext Paris: RMS FP) currently held by Arnault Family Group, under the following terms:

- Primary mixed offer: €172 and 0.192 Hermès shares for each Christian Dior share;
- Secondary cash offer: €260 for each Christian Dior share; and
- Secondary exchange offer: 0.566 Hermès shares for each Christian Dior share.

Secondary offers provide Christian Dior shareholders with a higher degree of flexibility with regards to the terms of their participation to the offer.

Christian Dior shares tendered to the primary mixed offer will be fully served upon the terms of this offer. The orders tendered to the secondary offers will be subject to a reduction mechanism, as the case may be, in such a way that the overall proportion of €172 in cash and 0.192 Hermès share for each Christian Dior share tendered is respected. Christian Dior shares which could not be served in the secondary offers due to this reduction mechanism will be deemed tendered to the primary mixed offer.

The proposed offer will be filed with the French financial market authority (*Autorité des marchés financiers*), subject to the conclusion by the initiator of the financing under satisfactory terms. The public offer and offer documentation, once filed, will remain subject to the clearance (*décision de conformité*) by the French financial market authority (*Autorité des marchés financiers*).

Semyrhamis does not intend to implement a squeeze-out within 3 months following completion of the offer.

The offer to Christian Dior shareholders reflects a value in line with the company's Net Asset Value

Based on a value per Hermès share corresponding to its closing share price as of April 24th, 2017, the offer values each Christian Dior share at €260[1].

[1]Based on Hermès International closing share price as of April 24th, 2017, adjusted for planned detachment of balance of 2016 dividend

The terms of the contemplated offer represent a premium of:

- over the close share price as of April 24th, 2017: 14.7%
- over the 1-month volume-weighted average price[1]: 18.6%
- over the 3-month volume-weighted average price[1]: 25.9%

Based on the assumptions below, the Net Asset Value of Christian Dior is estimated at €251 - 263 per share, in line with the terms of the offer:

	1-month VWAP[1]	3-month VWAP[1]
Value of 41% equity stake in LVMH held by Christian Dior	**€42.7bn**	**€40.4bn**
+ Enterprise value of Christian Dior Couture[2]	€6.5bn	€6.5bn
- Net financial debt at level of Christian Dior	€(1.5)bn	€(1.5)bn
- Other[3]	€(0.2)bn	€(0.2)bn
Net Asset Value	**€47.5bn**	**€45.2bn**
Net Asset Value per share	**€263**	**€251**

The offer will represent a liquidity opportunity for Christian Dior shareholders, in a context of Christian Dior shares currently trading at all-time highs.

Support of Christian Dior's Board of Directors

After an initial review of the key terms of the contemplated offer, the Board of Directors of Christian Dior which took place on April 24th, 2017:

- unanimously welcomed the principle and the terms of the contemplated transaction;
- decided to set up an ad hoc committee, composed of three independent directors, which will be in charge of monitoring the conduct of the independent expert's mission (see below); and
- appointed, based on the proposal by the ad hoc committee, Finexsi, represented by Olivier Peronnet, as independent expert, in accordance with article 261-1 of the General Regulation of the French financial market authority (*Autorité des Marchés Financiers*). Based on the report of the independent expert and on the opinion of the ad hoc committee, the Board of Directors of Christian Dior will provide its reasoned opinion once the proposed offer is filed.

Indicative timetable

The filing of the proposed offer is expected end of May 2017.

The French financial market authority's (*Autorité des marchés financiers*) clearance (*décision de conformité*) and launch of the offer are expected in June 2017.

The acceptance period of the offer would last three weeks.

[1]Volume-weighted average share price, adjusted for dividend distribution for share prices up until April 18th, 2017
[2]Including the value of other real estate assets operated by Christian Dior Couture and held by Grandville, the shares of which will be disposed
[3]Other assets, liabilities and adjustments at level of Christian Dior

2. *Strengthening of LVMH's Fashion & Leather Goods division by the acquisition of one of the most iconic brands worldwide*

LVMH (Euronext Paris: MC FP) and Christian Dior, which holds directly and indirectly 41.0% of the share capital and 56.8% of voting rights of LVMH, have signed a Memorandum of Understanding on April 24th, 2017 regarding the contemplated disposal of Christian Dior Couture[1] by Christian Dior to LVMH for an enterprise value of €6.5bn, representing 15.6x adjusted last twelve months EBITDA as of end of March 2017. The transaction will be financed by a vendor loan granted to LVMH with a maximum maturity of 24 months, allowing LVMH to refinance at the appropriate time, based on market conditions.

Christian Dior Couture

Founded by Monsieur Dior 70 years ago, Christian Dior Couture has been the inspiration for global fashion since its creation. It is one of the most prestigious brands worldwide. Its unique positioning encompasses most high quality product categories, such as Leather, *Haute Couture*, men's and women's Ready-to-wear, Jewelry and Shoes, and relies on exceptional *savoir-faire*. Dior's creations are distributed almost exclusively within its proprietary worldwide network of 198 stores. This network represents 93% of the brand's revenue and ensures comprehensive control over its distribution and brand image. Christian Dior Couture owns a portfolio of strategic real estate assets in prime locations, notably its historic store on *Avenue Montaigne*, the New Bond Street, London[2] store and the new Ginza store in Tokyo[2].

Revenue doubled over the past five years: this dynamic illustrates its growth potential for the upcoming years. Furthermore, its profitability has improved over the same period, with an increase in profit from recurring operations of 24% per year.

Christian Dior Couture continued its growth momentum with last twelve months revenue (as of March 31st, 2017) in excess of €2bn, an EBITDA of €418m[3] and profit from recurring operations of €270m[4].

A strategic transaction for LVMH

The contemplated acquisition of Christian Dior Couture will allow LVMH to incorporate one of the most emblematic brands worldwide. It will allow for the regrouping of Christian Dior Couture and Parfums Christian Dior brands, the latter being already part of LVMH Group.

On the strength of its history and favorable prospects, Christian Dior Couture will be a source of growth for LVMH. The development of Christian Dior Couture will be notably supported over the coming years by a new creative momentum and significant investments already completed, notably in America, China and Japan.

The acquisition will be accretive (+2.7% on a pro forma basis) to LVMH earnings per share from the first year.

Following the acquisition, LVMH's gearing will increase from 12% as of December 31, 2016 to 35% on a pro forma basis.

Prior steps before the signing of a final disposal agreement

LVMH's acquisition of Grandville, which owns Christian Dior Couture as well as other real estate assets operated by Christian Dior Couture, is subject to compliance with processes of information / consultation of employees' representative bodies of Christian Dior Couture, the completion of a confirmatory due diligence and finalization of the legal documentation, to be submitted for approval to the boards of Christian Dior and LVMH as related-party transaction. In addition, a review of the financial terms of the transaction for both LVMH and Christian Dior will be led by two independent experts appointed by the Board of Directors of each party.

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[1]Includes Grandville (100%-owned by Christian Dior) and its subsidiary, Christian Dior Couture

[2]Jointly held by Grandville

[3]Adjusted EBITDA, pro forma of Christian Dior expenses ascribable to Christian Dior Couture, and before income / (loss) from joint ventures and associates

[4]Adjusted for expenses of Christian Dior ascribable to Christian Dior Couture and after income / (loss) from joint ventures and associates

Support of the Boards of Directors of Christian Dior and LVMH

The Boards of Directors of Christian Dior and LVMH held on April 24th, 2017, were unanimously favorable to the signature of a Memorandum of Understanding, based notably on work of their respective financial advisors.

Indicative timeline

The closing of the transaction is expected for the second half of 2017 subject to compliance of the offer for Christian Dior shares.

Other information regarding the conference call with analysts and investors

Tuesday April 25th, 2017
Conference call with analysts and investors at 12:00 PM CET

• Conference call number

FR: +33 1 70 77 09 40
UK: +44 2030432441
US Free: +1 8669075925

• Replay call number

FR: +33 1 72 00 15 00
UK: +44 2033679460
US: +1 8776423018
REF: 308548#

Christian Dior
Christian Dior, listed on Euronext Paris, controls two primary assets: a 41% stake in the capital of LVMH (representing 57% of the voting rights) and 100% of Christian Dior Couture. The House of Dior, created in 1946 by Monsieur Christian Dior, owns a unique savoir-faire in Haute Couture, Ready-To-Wear, Leather Goods and Jewelry. The brand occupies an emblematic position in absolute luxury, rooted in creativity and product excellence.

LVMH
LVMH Moët Hennessy Louis Vuitton is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Mercier, Château d'Yquem, Domaine du Clos des *Lambrays, Château Cheval Blanc, Hennessy, Glenmorangie, Ardbeg, Belvedere, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Cape Mentelle, Newton, Bodega Numanthia and Ao Yun. Its Fashion and Leather Goods division includes Louis Vuitton, Céline, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Nicholas Kirkwood, Loro Piana and Rimowa. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Kenzo Parfums, Perfumes Loewe, BeneFit Cosmetics, Make Up For Ever, Acqua di Parma, Fresh, Kat Von D and Maison Francis Kurkdjian. LVMH's Watches and Jewelry division comprises Bvlgari, TAG Heuer, Chaumet, Dior Watches, Zenith, Fred and Hublot. LVMH is also active in selective retailing as well as in other activities through DFS, Sephora, Le Bon Marché, La Samaritaine, Royal Van Lent and Cheval Blanc hotels.*

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Pursuant to the commission implementing regulation (EU) 2016/1055 of June 29th, 2016 laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council, this press release may contain inside information and has been sent to the authorized broadcaster of Christian Dior and LVMH on April 25th, 2017 at 7:30 AM CET.

This document is a free translation into English of the original French "Communiqué financier" dated April 25th, 2017. 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.

CHRISTIAN DIOR and LVMH Press Release dated 23 May 2017

THIS DOCUMENT MAY NOT BE RELEASED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA

Christian Dior

LVMH
MOËT HENNESSY . LOUIS VUITTON

FILING OF THE PUBLIC OFFER ON CHRISTIAN DIOR

DISPOSAL OF CHRISTIAN DIOR COUTURE

Paris – May 23rd 2017,

Semyrhamis (a company of the Arnault Family Group) filed, on May 22nd, 2017, with the French financial market authority (*Autorité des marchés financiers*) the simplified mixed offer for all Christian Dior shares not currently held by the Arnault Family Group according to the terms described on April 25th, 2017. This filing follows the execution of a syndicated facilities agreement for the purpose of proceeding with the offer.

Based on the independent expert's conclusions which confirm that the offer is fair and further to the release of the favorable opinion of the ad hoc committee composed of independent directors, the Board of directors of Christian Dior, held on May 22nd, 2017, has unanimously recommended that Christian Dior shareholders tender their shares to the offer.

In addition, Christian Dior Couture's works council (*Comité d'entreprise*) has released a favorable opinion on the proposed disposal of Christian Dior Couture[1] to LVMH. Therefore and after having reviewed the respective independent experts' conclusions which confirm the fairness of the transaction's price and further to the release of the respective ad hoc committees' favorable opinion, the Board of directors of LVMH and Christian Dior have unanimously approved the execution of the definitive acquisition agreement through which Christian Dior Couture[1] will be acquired by LVMH at an enterprise value of €6.5bn.

These operations represent an important step towards the implementation of this strategic project. It allows, subject to the condition of the clearance by the French financial market authority (*Autorité des marchés financiers*), to confirm the timetable announced on April 25th, 2017, which planned for the offer to open in June 2017.

As a reminder, the main terms of the public offer by Semyrhamis, presented on April, 25th 2017, are the following:

- Primary mixed offer: €172 and 0.192 Hermès International share for each Christian Dior share;
- Secondary cash offer: €260 for each Christian Dior share; and
- Secondary exchange offer: 0.566 Hermès International share for each Christian Dior share.

Christian Dior
Christian Dior, listed on Euronext Paris, controls two primary assets: a 41% stake in the capital of LVMH (representing 57% of the voting rights) and 100% of Christian Dior Couture.

The House of Dior, created in 1946 by Monsieur Christian Dior, owns a unique savoir-faire in Haute Couture, Ready-To-Wear, Leather Goods and Jewelry. The brand occupies an emblematic position in absolute luxury, rooted in creativity and product excellence.

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[1]Includes Grandville (100% owned by Christian Dior) and its subsidiary Christian Dior Couture.

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SEMYRHAMIS Press Release dated 23 May 2017

Non-binding unofficial English translation of French original, for information purposes only

Not for distribution in the United States, Canada, Australia, Japan or South Africa
This press release does not constitute an offer to purchase any securities. The offer described hereinafter may only be opened after the clearance of the French financial markets authority (Autorité des marchés financiers)

PRESS RELEASE RELATING TO THE FILING OF
THE DRAFT SIMPLIFIED MIXED OFFER
together with secondary
CASH SIMPLIFIED OFFER and
EXCHANGE SIMPLIFIED OFFER
within the overall limit of 66.11% in cash and 33.89% in Hermès International shares (2016 ex-dividend)

FOR THE SHARES OF

Christian Dior

INITIATED BY

Semyrhamis

(a company of the Arnault Family Group)

PRESENTED BY

Rothschild

PRESENTING BANK

AND

CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK   NATIXIS   SOCIETE GENERALE Corporate & Investment Banking

PRESENTING AND GUARANTEEING BANKS

TERMS OF THE OFFER	
Primary simplified mixed offer:	172 euros and 0.192 Hermès International ordinary share (2016 ex-dividend) for each Christian Dior share
Secondary simplified cash offer:	260 euros for each Christian Dior share
Secondary simplified exchange offer:	0.566 Hermès International ordinary share (2016 ex-dividend) for each Christian Dior share

DURATION OF THE OFFER

15 trading days

The timetable of the offer will be determined by the French financial market authority (*Autorités des marches financiers*) (the "**AMF**") in accordance with its general regulation

This press release has been established and released by Semyrhamis in accordance with the provisions of article 231-16 of the general regulation of the AMF.

This document is an unofficial English-language translation of the press release relating to the filing of the draft offer document.

This draft offer and the draft offer document remain subject to review by the AMF.

The draft offer document is available on the websites of Semyrhamis (www.semyrhamis-finance.com) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

Semyrhamis
30 avenue Montaigne
75008 Paris

Rothschild & Cie Banque
23 bis avenue de Messine
75008 Paris

Crédit Agricole Corporate and Investment Bank
12 Place des États-Unis
92120 Montrouge

Natixis
47 quai d'Austerlitz
75013 Paris

Société Générale
Corporate Finance
75886 Paris Cedex 18

In accordance with article 231-28 of the general regulation of the AMF, information relating in particular to the legal, financial and accounting aspects of Semyrhamis will be made available to the public in the same manner as mentioned above no later than the day preceding the opening of the offer.

1. PRESENTATION OF THE OFFER

1.1 Presentation of the Offer and description of the Initiator

Pursuant to Section III of Book II and more specifically articles 233-1 1° *et seq*. of the general regulation of the AMF, Semyrhamis, a *société anonyme* having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 434 009 114 ("**Semyrhamis**" or the "**Initiator**") irrevocably offers to the shareholders of Christian Dior, a *société européenne*, having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 582 110 987 ("**Christian Dior**" or the "**Company**"), other than the members of the Arnault Family Group (as defined hereafter), to acquire and/or exchange all of their Christian Dior shares pursuant to the terms and conditions set forth below (the "**Offer**").

The shares of the Company (the "**Shares**") are traded on the Euronext Paris market (Compartment A) ("**Euronext Paris**") under ISIN Code FR0000130403 (mnemonic CDI).

In the context of the primary simplified mixed offer and of the secondary simplified exchange offer, Semyrhamis would deliver ordinary shares (2016 ex-dividend) of Hermès International[1] ("**Hermès**") held in portfolio, in the proportions described below within the limit of 8,891,150 Hermès shares. Hermès shares are traded on Euronext Paris (Compartment A) under ISIN Code FR0000052292 (mnemonic RMS) (the "**Hermès Shares**").

Under the primary simplified mixed offer (the "**Primary Offer**"), Semyrhamis offers to the shareholders of Christian Dior to tender their Shares to the Offer and to receive, in consideration for each Share:

(i) 172 euros; and

(ii) 0.192 Hermès Shares (2016 ex-dividend).

[1] A *société en commandite par actions*, having its registered office at 24 rue du Faubourg Saint-Honoré, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 572 076 396.

In order to meet the expectations of the shareholders of Christian Dior who would like to benefit from a different proportion of Hermès Shares and/or cash, without, however, modifying the global proportion of 66.11%[2] in cash and 33.89%[2] in Hermès Shares, the Primary Offer is completed by a secondary simplified cash offer and a secondary simplified exchange offer (the "**Secondary Offers**"), under the following terms:

(i) Secondary simplified cash offer (the "**Secondary Cash Offer**"): within the limit of 66.11% in cash, Semyrhamis offers to the shareholders of the Company to acquire their Shares, at a price of 260 euros for each tendered Share.

(ii) Secondary simplified exchange offer (the "**Secondary Exchange Offer**"): within the limit of 33.89% in Hermès Shares, Semyrhamis offers to the shareholders the Company to exchange their Shares for Hermès Shares according to an exchange ratio of 0.566 Hermès Share (2016 ex-dividend) for each tendered Share.

Shareholders of Christian Dior may tender their Shares either (i) to the Primary Offer, (ii) to one/both of the Secondary Offers, or (iii) to the Primary Offer and to one/both of the Secondary Offers.

The Secondary Offers are, as the case may be, subject to a reduction mechanism in order to obtain:

- a total amount of cash equals to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer had tendered them to the Primary Offer, and

- a total amount of Hermès Shares equal to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer had tendered them to the Primary Offer.

Such reduction mechanism is further described in Section 2.3.3 of the draft offer document.

As of the date of the draft offer document, the total number of existing Shares is equal to 180,507,516, representing 307,374,031 theoretical voting rights pursuant to Article 223-11 of the general regulation of the AMF.

At the date of the draft offer document, Semyrhamis holds with the other members of the Arnault Family Group 133,714,971 Shares, representing 74.08% of the existing share capital and 84.68% of the theoretical voting rights of Christian Dior. In addition, Semyrhamis has not entered into any agreement, at the date hereof, which would enable it, on its own initiative to acquire any Shares.

It is also indicated that neither the Initiator nor the other members of the Arnault Family Group have, in the past twelve months, bought any Shares at a price higher than the consideration offered in the Offer.

The Offer is made for all existing Shares not already held by the Initiator and the other members of the Arnault Family Group, excluding treasury Shares to the exception of 370,795 treasury Shares that may be delivered as a result of a definitive allocation of free Shares or performance Shares or the exercise of Stock-Options (the "**Stock-Options**") granted to executive officers and employees other than the members of the Arnault Family Group (please refer to Section 2.5 of the draft offer document for a description of the situation of holders of Stock Options, free shares and performance shares). As of the date of the draft offer document and to the knowledge of the Initiator, the number of Shares targeted by the Offer is equal to 46,308,068 Shares, representing 25.65% of the existing share capital of Christian Dior.

The Hermès Shares delivered pursuant to the Offer will be delivered "2016 ex-dividend[3]". In addition, no adjustment of the terms and conditions of the Offer will be made by the Initiator in case of distribution by Hermès after the date of the draft offer document.

The Offer is made according to the simplified procedure pursuant to Article 233-1 *et seq.* of the general regulation of the AMF.

The Offer will be open for a period of fifteen (15) trading days.

Pursuant to article 231-13 of the general regulation of the AMF, the draft offer and the draft offer document have been filed with the AMF on May 22nd, 2017 by Rothschild & Cie Banque, Crédit Agricole Corporate and Investment Bank ("**CA-CIB**"), Natixis and Société Générale acting as presenting banks (the "**Presenting Banks**").

It is specified that the content and irrevocable nature of the undertakings made by the Initiator in connection with the Offer are solely guaranteed by CA-CIB, Natixis and Société Générale.

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[2]Percentages are rounded figures. The exact percentages are determined by the ratio between, on the one hand, the cash component of the Primary Offer, i.e. 172 euros, and in the other hand, the Hermès Shares component of the Primary Offer, i.e. 0.192, multiplied by 459.3 euros (Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017)

[3] Subject to the approval by the Annual General Meeting of Hermès on June 6th, 2017 of the 3.75 euros dividend for the financial year 2016, the balance of such dividend amounting to 2.25 euros is expected to be paid as of June 8th, 2017.

In accordance with article 231-28 of the general regulation of the AMF, information relating in particular to the legal, financial and accounting aspects of Semyrhamis will be made available to the public in the same manner as mentioned above no later than the day preceding the opening of the offer.

1.2 Background and reasons for the Offer

1.2.1 Background of the Offer

1.1.2.1 Shareholding of the Arnault Family Group

The Arnault family group, composed of the Arnault family and the following companies it controls, namely (i) Groupe Arnault, (ii) Financière Agache, (iii) le Peigné and (iv) the Initiator (the "**Arnault Family Group**"), directly and indirectly holds 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company.

Semyrhamis holds directly 62.38% of the share capital and 71.92% of the theoretical voting rights of the Company.

The composition of the share capital and theoretical voting rights of the Company, as of May 20th, 2017, are presented below:

Shareholders	Number of Shares	Number of theoretical voting rights	% of share capital	% of theoretical voting rights
Arnault Family Group of which :	133,714,971	260,287,308	74.08	84.68
Arnault Family	1,107,771	1,397,021	0.61	0.45
Groupe Arnault	1,177,933	2,355,866	0.65	0.77
Financière Agache	17,458,700	34,102,410	9.67	11.09
Initiator	112,599,333	221,060,777	62.38	71.92
Le Peigné	1,371,234	1,371,234	0.76	0.45
Other shareholders	45,937,273	46,231,451	25.45	15.04
Treasury Shares	855,272	855,272	0.47	0.28
Total	**180,507,516**	**307,374,031**	**100.00**	**100.00**

The Arnault Family Group also holds, directly and indirectly, in its portfolio 8,955,471 Hermès Shares representing 8.48% of the Hermès share capital, 8,771,914 Hermès shares held by Semyrhamis and 183,557 Hermès shares held, directly and indirectly, by other members of the Arnault Family Group.

1.1.2.2 A two-fold strategic project

On April 25th, 2017, the Arnault Family Group, Christian Dior and LVMH Moët Hennessy - Louis Vuitton ("**LVMH**") announced a two-fold strategic project, through a press release available on the website of each of Christian Dior (www.dior-finance.com), LVMH (www.lvmh.fr) and Semyrhamis (www.semyrhamis-finance.com):

(i) The strengthening of Fashion & Leather Goods division of LVMH through the acquisition of Grandville, holding 100% of the share capital and voting rights of Christian Dior Couture as well as other real estate assets operated by Christian Dior Couture (the "**Disposal**");

(ii) The simplification of the structures of the Christian Dior – LVMH group through the Offer.

Following the announcement, the AMF has published on April 25th 2017 a preoffer notice (n°217C0860) relating to the Company.

The Offer will (i) allow the Initiator to increase its shareholding in Christian Dior emphasizing the confidence of the Arnault Family Group in the long-term perspective of LVMH and its brands and (ii) represent a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

(a) Agreement relating to the Sale entered into between Christian Dior and LVMH

LVMH and Christian Dior, which holds directly and indirectly 40.94% of the share capital and 56.34% of theoretical voting rights of LVMH, have entered into a non-binding Memorandum of Understanding on April 24th, 2017 regarding the contemplated disposal of the Christian Dior Couture division by Christian Dior to LVMH for an enterprise value of 6.5 billion euros[4], representing 15.6x adjusted last twelve months EBITDA[5] as of end of March 2017.

Christian Dior Couture

Christian Dior Couture is one of the most prestigious luxury brands in the world.

Revenue doubled over the past five years. Furthermore, its profitability has improved over the same period, with an increase in profit from recurring operations of 24% per year.

Christian Dior Couture continued its growth momentum with last twelve months revenue (as of March 31st, 2017) in excess of 2 billion euros, an EBITDA[5] of 418 million euros and profit from recurring operations of 270 million euros[6].

A strategic transaction for LVMH

The contemplated Disposal will allow for the regrouping of Christian Dior Couture and Parfums Christian Dior brands, the latter being already part of LVMH Group.

The Disposal is expected to be accretive to LVMH earnings per share from the first year (+2.7% on a 2016 pro forma basis).

Following the acquisition, LVMH's gearing will increase from 12% as of December 31st, 2016 to 35% on a pro forma basis.

Support of the Boards of Directors of Christian Dior and LVMH

The Boards of Directors of Christian Dior and LVMH held on April 24th, 2017, were unanimously favorable to the signature of a Memorandum of Understanding, based notably on work of their respective financial advisors.

Signature of a final agreement

The Disposal was subject to the completion of a confirmatory due diligence. On May 18th, 2017, the works council of Christian Dior Couture has issued a favourable opinion on the project.

The signature of a final agreement (the "**Disposal Agreement**") has been approved as related-party transaction by the Boards of Directors of Christian Dior and LVMH held on May 22nd, 2017. In addition, a review of the financial terms of the transaction for both LVMH and Christian Dior will be led by two independent experts appointed by the Board of Directors of each party, it being specified that the independent expert appointed by the Company is also acting as independent expert with respect to the Offer.

Following meetings of the Board of Directors of Christian Dior and LVMH held on May 22nd, 2017, Christian Dior and LVMH announced, by a joint press release, the signature of the Disposal Agreement providing for (i) the transfer of all the entire share capital and voting rights of Grandville to LVMH, (ii) a price for Granville shares of 6 billion euros, (iii) a vendor loan for a two years period, with the option of early redemption without penalty and an annual interest rate of 1% and (iv) the completion of the Disposal subject to the clearance decision of the Offer by the AMF becoming definitive, it being specified that in any case the completion of the Disposal shall not occur before July 3rd, 2017.

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[4]Including the value of other real estate assets operated by Christian Dior Couture and indirectly held by Grandville.
[5]Adjusted EBITDA, pro forma of Christian Dior expenses borne by the purchaser post-Disposal, and before income/(loss) from joint ventures and associates.

(b) Draft Offer

The Initiator, a company of the Arnault Family Group, which holds directly and indirectly 74.08% of the share capital and 84.68% of theoretical voting rights of Christian Dior, informed the Board of Directors of Christian Dior of its intention to file the draft Offer. The Board of Directors of Christian Dior which took place on April 24th, 2017 (i) unanimously welcomed the principle and the terms of the contemplated transaction, (ii) decided to set up an ad hoc committee, composed of three independent directors, in charge of monitoring the conduct of the independent expert's mission and (iii) appointed, based on the proposal by the ad hoc committee, Finexsi, represented by Olivier Peronnet and Olivier Courau, as independent expert, in accordance with article 261-1 I, 1° and 4° of the general regulation of the AMF.

The Board of Directors of the Initiator has approved the filing of the draft Offer on May 22nd, 2017.

Based on the report of the independent expert and on the opinion of the ad hoc committee, the Board of Directors of Christian Dior held on May 22nd, 2017, has examined the draft Offer and unanimously, Mr. Bernard Arnault and Ms. Delphine Arnault having not taken part in the vote, recommended that shareholders of Christian Dior tender their Shares to the Offer. The reasoned opinion of the Board of Directors of Christian Dior on the Offer is included in the draft response document filed with the AMF on May 22nd, 2017.

1.2.2 Reasons of the Offer

As indicated in section 1.2.1.2, the Offer is part of a two-fold strategic project aiming at (i) the strengthening of Fashion & Leather Goods division of LVMH through the Disposal and (ii) the simplification of the structures of the Christian Dior – LVMH group. On the date of announcement, the terms of the Offer represented a premium of 14.7%[6] over the close share price of Christian Dior, 18.6% over the 1-month volume-weighted average price[7], 25.9% over the 3-month volume-weighted average price[8] and 32.8% over the 6-month volume-weighted average price[8], in line with the net asset value of the Company. As a consequence, the Offer represents a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

1.3 Other characteristics and terms of the Offer

1.3.1 Treatment of Fractional Shares

No fractional Hermès Share may be issued in connection with the Offer. The Christian Dior shareholders who will tender to the Offer a number of Shares which does not entitle them to a whole number of Hermès Shares will be considered as having expressly agreed to participate in the mechanism to resell fractional Hermès Shares described below for the Hermès Shares to which they are entitled.

In return for fractional Hermès Shares, the Christian Dior shareholders will receive a cash amount (in EUR rounded to the next EUR, it being noted that 0.5 euro cent will be rounded to 1 euro cent) equal to such fractional Hermès Shares multiplied by the average price of one Hermès Share, net of costs, resulting from the divestment of all the fractional Hermès Shares.

To this end, an authorized intermediary designated by the Initiator will sell the Fractional Hermès Shares on the market on the account of the Christian Dior shareholders. The divestment of all the Fractional Hermès Shares (with their number being rounded up to the next unit, as provided by Euronext Paris) will occur at the latest ten (10) trading days following the closing of the Offer. The cash amount will be paid to the Christian Dior shareholders as soon as possible following this date.

Under no circumstances will any interest be paid on the cash amount to be received by the Christian Dior shareholders in return for fractional Hermès Shares, even in the event of late payment of this amount.

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[5] Adjusted EBITDA, pro forma of Christian Dior expenses borne by the purchaser post-Disposal, and before income/(loss) from joint ventures and associates.

[6] Adjusted for expenses of Christian Dior borne by the purchaser post-Disposal and after income / (loss) from joint ventures and associates

[7] Based on Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017, i.e., 459.30 euros

[8] Volume-weighted average share prices of Christian Dior as of April 24th 2017, adjusted for dividend distribution for share prices until April 18th, 2017 (inclusive).

1.3.2. Adjustment of the Terms of the Offer in the event of a distribution by Christian Dior of an ex-dividend before the closing of the Offer

The conditions of any adjustment of the terms of the Offer are described in Section 2.4 of the draft offer document.

It is specified that no adjustment will be made by the Initiator in case of any distribution by Hermès, including the payment of the 2016 dividend balance.

1.3.3. Situation of holders of Stock Options, free shares and performance shares and shares held in employee savings plan

The situation of holders of Stock Options, free shares and performance shares and shares held in employee savings plans is described in Section 2.5 of the draft offer document.

1.3.4 Liquidity Mechanism

Should the liquidity be significantly reduced following the Offer, the Initiator reserves the right to put in place a liquidity mechanism under which the Initiator would undertake to acquire:

- the free shares and the performance shares, still subject to a vesting period at the date of the end of the Offer acceptance period;
- the Non-transferable free Shares ;
- the Blocked Shares in PEE ;
- the Shares for which the benefit of the provisions set forth in article 885 I quarter of the French tax code, is subject to a tax holding period until a date later than the end of the Offer; and
- the Shares to be remitted upon the exercise of Stock Options which have not been exercised at the date of the end of the Offer acceptance period.

The liquidity mechanism would take the form of a bilateral contract providing for (i) a call granted by the Initiator to the relevant beneficiaries and (ii) a put granted by the relevant beneficiaries to the Initiator. The exercise price would be in line with the Offer price indexed by reference to the evolution of the LVMH share price as from the closing of the Offer.

1.3.5 Financing terms of the Offer

Assuming that all of the Shares targeted by the Offer are tendered to the offer, the total amount of the cash portion that would have to be paid by the Initiator to the holders of the Shares which had tendered their Shares to the Offer (excluding commissions and ancillary costs) would amount to €8bn.

In this respect, the Initiator has concluded with several banks a credit agreement relating to the financing comprising several credit lines, with different maturities and amortization characteristics, of an amount of about €8.5bn aimed at financing the Offer: (i) one credit line of an amount of about €5bn with a maturity of 18 months and an extension option of 6 months to be exercised by the Initiator and (ii) credit lines of an amount of about €3.5bn with a maturity of 5 years with or without extension options of one year.

Those credit lines go with a renewable multi-currency credit line of an amount of €500M with a maturity of 5 years aimed at financing the general needs of the Initiator and the Company.

1.3.6. Fees of the shareholders

No fees shall be reimbursed and no commission shall be paid by the Initiator to any intermediary of the shareholders of the Company or to any person tendering its shares to the Offer.

Also, the Company shall not pay or reimburse the financial transaction tax of article 235 ter ZD of the French Tax Code owed by the shareholders of the Company in relation to the Hermès Share received in exchange in the context of the Offer.

1.3.7 Restrictions Applicable to the Offer outside France

The Offer is made to shareholders in France and outside France, provided that the law and regulation to which they are subject permits them to do so without imposing the Initiator to make further formalities.

The shareholders of Christian Dior are invited to refer to the draft offer document for more details relating to the restrictions applicable to the Offer outside France.

2. PRESENTATION OF THE OFFER

2.1 Financial, commercial and industrial strategy and future activity

The Offer should not have any impact on the strategy and future activity of the Company, it being specified that following the Disposal, the Company will have, as sole material asset, a direct and indirect interest in LVMH representing 40.94% of the share capital and 56.34% of the theoretical voting rights of LVMH.

2.2 Intentions regarding employment

The Initiator intends to ensure continuity of the Company's policy with respect to labor relations and human resource management, it being specified that the Company has no employee.

2.3 Dividend distribution policy

At of the date of the draft offer document, the Initiator has been informed of the intention of the Board of Directors of the Company to consider the possibility to distribute, based on the 2017 half year accounts, in the last quarter of 2017, an interim dividend with respect to the fiscal year ended December 31st, 2017, of an amount per share equal to the interim dividend per share paid by LVMH in the second half-year of 2017. The ex dividend date will occur, as the case may be, between the date of settlement-delivery of the Offer and December 31, 2017.

The Initiator reserves its right to recommend to the Company to modify the Company's distribution depending on the evolution of its results. It is specified that once the price of the Disposal has been fully paid by LVMH to the Company pursuant to the terms and conditions of the vendor loan described in section 1.2.1.2, the Initiator intends to recommend to the Company to distribute all or part of the amounts received. Any distribution of dividend will have to be approved by the relevant corporate bodies of the Company and will be implemented in accordance with applicable laws and the Articles of Association.

2.4 Synergies

The increase of the Initiator's shareholding in Christian Dior through the Offer does not result in new synergy opportunities for Christian Dior.

2.5 Intention to maintain the admission of the Shares on Euronext Paris

The Initiator will not implement a squeeze-out process pursuant to Article 237-14 et seq. of the general regulation of the AMF within 3 months following the completion of the Offer, regardless of the results of the Offer.

More generally, the Initiator intends to maintain the admission of the Shares for trading on Euronext Paris following the completion of the Offer and, depending on the results of the Offer, reserves the right to purchase Shares.

2.6 Intentions regarding merger

There is no intention to effect a merger with respect to the Company after the closing of the offer.

2.7 Intentions regarding the composition of the board of directors of the Company

The Initiator does not intend to modify the composition of the Board of Directors of the Company.

2.8 Benefits for the Company, the Initiator and their shareholders

(i) Benefits for the Company and its shareholders

As indicated in section 1.2.1.2, the Offer is part of a two-fold strategic project aiming at (i) the strengthening of Fashion & Leather Goods division of LVMH through the Disposal and (ii) the simplification of the structures of the Christian Dior – LVMH group.

The Offer will represent a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

The terms of the Offer represent a premium of:

- over the close share price of Christian Dior: 14.7%[7]
- over the 1-month volume-weighted average price[8]: 18.6%
- over the 3-month volume-weighted average price[8]: 25.9%; and
- over the 6-month volume-weighted average price[8]: 32.8%

The elements provided to appraise the consideration offered in connection with the Offer are described in section 3 of the draft offer document.

(ii) Benefits for the Initiator and its shareholders

The Offer allow the Initiator to increase its shareholding in Christian Dior emphasizing the confidence of the Arnault Family Group in the long-term perspective of LVMH and its brands.

3. INDICATIVE TIMETABLE OF THE OFFER

Prior to the opening of the Offer, the AMF and Euronext Paris will issue notices announcing the opening date and the calendar of the Offer.

This timetable is indicative and subject to the approval of the AMF:

May 22nd, 2017	Filing of the draft offer document with the AMF Filing of the draft response document with the AMF
May 23rd, 2017	Publication of notices informing the availability of Semyrhamis's offer document and Christian Dior's response document
May 23rd, 2017	Making Semyrhamis's draft offer document available to the public and publishing it on the AMF website (www.amf-france.org) and on the website of the Initiator (www.semyrhamis-finance.com)
May 23rd, 2017	Making Christian Dior's draft response document available to the public and publishing it on the AMF website (www.amf-france.org) and on the website of the Christian Dior (www.dior-finance.com)
June 6th, 2017	Publication of the declaration of conformity of the Offer by the AMF with approval of Semyrhamis's Offer document Approval of Christian Dior's response document

June 7th, 2017	Filing of Semyrhamis's information relating to the legal, financial and accounting situations with the AMF Filing of Christian Dior's information relating to the legal, financial and accounting situations with the AMF
June 7th, 2017	Publication of notices informing the availability of Semyrhamis's Offer document and Christian Dior's response document and other information
June 7th, 2017	Making Semyrhamis's Offer document and Christian Dior's response document available to the public
June 7th, 2017	Making Semyrhamis's and Christian Dior's information relating to the legal, financial and accounting situations available to the public
June 8th, 2017	Opening of the Offer
June 28th, 2017	Closing of the Offer
July 4th, 2017	Publication of the final results of the Offer by the AMF
July 12th, 2017	Settlement and delivery of the Offer

Lastly, a payment in cash will be subsequently made in relation to the fractional Shares (please refer to section 1.3.1).

4. SUMMARY OF THE ELEMENTS OF ASSESSMENT OF THE CONSIDERATION OF THE OFFER

The elements provided to appraise the terms of the Primary Offer, the Secondary Cash Offer and the Secondary Exchange Offer have been prepared by the Presenting banks of the Offer on behalf of the Offeror. These elements have been established on the basis of a multi-criteria analysis according to the commonly used valuation methodologies, taking into account the specificities of Christian Dior as well as its two main assets, a 41% stake in LVMH and 100% of the Christian Dior Couture division. As a result, the assessment does not aim at providing an intrinsic valuation of Christian Dior, LVMH or Christian Dior Couture but solely to assess the terms of the Offer as regards to the multi-criteria analysis.

		Implied premia		
	€ per share	**Primary Offer**	**Secondary Cash Offer**	**Secondary Exchange Offer**
Offered price (€)		**260.2**	**260.0**	**260.0**
Share price				
Close as of April 24, 2017	226.9	+14.7%	+14.6%	+14.6%
1-month VWAP	219.3	+18.6%	+18.5%	+18.5%
3-month VWAP	206.7	+25.9%	+25.8%	+25.8%
6-month VWAP	195.9	+32.8%	+32.7%	+32.7%
6-month low	171.0	+52.2%	+52.1%	+52.1%
6-month high	226.9	+14.7%	+14.6%	+14.6%
NAV				
High	276.3	(5.8)%	(5.9)%	(5.9)%
Low	243.1	+7.0%	+6.9%	+6.9%

Target prices				
High	249.0	+4.5%	+4.4%	+4.4%
Average	231.7	+12.3%	+12.2%	+12.2%
Low	200.0	+30.1%	+30.0%	+30.0%
DDM				
High	242.8	+7.2%	+7.1%	+7.1%
Average	232.1	+12.1%	+12.0%	+12.0%
Low	222.3	+17.0%	+17.0%	+16.9%

5. CONTACTS

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CHRISTIAN DIOR Press Release dated 23 May 2017

Non-binding unofficial English translation of French original, for information purposes only

Not for distribution in the United States, Canada, Australia, Japan or South Africa
The offer described hereinafter may only be opened after the clearance of the French financial market authority (Autorité des marchés financiers)

PRESS RELEASE RELATING TO THE FILING OF

THE DRAFT RESPONSE OFFER DOCUMENT PREPARED BY

Christian Dior

IN RESPONSE TO
THE SIMPLIFIED MIXED OFFER
together with secondary
CASH SIMPLIFIED OFFER and
EXCHANGE SIMPLIFIED OFFER
within the overall limit of 66.11% in cash and 33.89% in Hermès International shares (2016 ex-dividend)

INITIATED BY

Semyrhamis
(a company of the Arnault Family Group)

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

This press release was prepared by Christian Dior and disseminated in accordance with Article 231-26 of the general regulations of the French financial market authority (*Autorité des marchés financiers*) (the "**AMF**").

This document is an unofficial English-language translation of the press release on the filing of the draft offer document.

This draft offer and the draft response offer document remain subject to review by the AMF.

The draft response offer document is available on the websites of Christian Dior (www.dior-finance.com) and of the AMF (www.amf-france.org)and may be obtained free of charge upon request to:

Christian Dior
30 avenue Montaigne
75008 Paris
France

In accordance with the provisions of article 231-28 of the general regulations of the AMF, information relating in particular to the legal, financial and accounting aspects of Christian Dior, will be made available to the public in the same manner as mentioned above, no later than the day preceding the opening of the Offer.

1. PRESENTATION OF THE OFFER

Pursuant to Section III of Book II and more specifically articles 233-1 *et seq.* of the general regulation of the AMF, Semyrhamis, a *société anonyme* having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 434 009 114 ("**Semyrhamis**" or the "**Initiator**") irrevocably offers to the shareholders of Christian Dior, a *société européenne*, having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 582 110 987 ("**Christian Dior**" or the "**Company**"), other than the members of the Arnault Family Group (as defined hereafter), to acquire and/or exchange all of their Christian Dior shares (the "**Offer**").

The draft offer document relating to the Offer has been filed with the AMF by the Initiator on May 22nd, 2017 (the "**Draft Offer Document**").

1.1. Shares targeted by the Offer

The shares of the Company (the "**Shares**") are traded on the Euronext Paris market (Compartment A) ("**Euronext Paris**") under ISIN Code FR0000130403 (mnemonic CDI).

As of the date of the draft response offer document, the total number of existing Shares is equal to 180,507,516, representing 307,374,031 theoretical voting rights pursuant to Article 223-11 of the general regulation of the AMF.

At the date of the draft response offer document, Semyrhamis holds with the other members of the Arnault Family Group 133,714,971 Shares, representing 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company. In addition, Semyrhamis has not entered into any agreement, at the date hereof, which would enable it, on its own initiative to acquire any Shares.

The Offer is made for all existing Shares not already held by the Initiator and the other members of the Arnault Family Group, excluding treasury Shares to the exception of 370,795 treasury Shares that may be delivered as a result of a definitive allocation of free Shares or performance Shares or the exercise of Stock-Options (the "**Stock-Options**") in favour of beneficiaries other than the members of the Arnault Family Group (please refer to Section 2.5 of the Draft Offer Document for a description of the situation of holders of Stock Options, free shares and performance shares). As of the date of the draft response offer document the number of Shares targeted by the Offer is equal to 46,308,068 Shares, representing 25.65% of the existing share capital of the Company.

1.2. Terms of the Offer

The Offer primarily takes the form of a simplified mixed offer, completed by a secondary cash simplified offer and a secondary exchange simplified offer.

Under the primary simplified mixed offer, the Initiator offers to the shareholders of the Company to tender their Shares to the Offer and to receive in exchange 172 euros and 0.192 Hermès International share (2016 ex-dividend) for each Share, in accordance with the ratio described hereafter and within the limit of 8,891,150 Hermès shares (the "**Primary Offer**").

Shares of Hermès International[1] ("**Hermès**") are traded on Euronext Paris (Compartment A) under ISIN Code FR0000052292 (mnemonic RMS) (the "**Hermès Shares**").

In order to meet the expectations of the shareholders of Christian Dior who would like to benefit from a different proportion of Hermès Shares and/or cash, without, however, modifying the global proportion of 66.11% in cash and 33.89%[2] in Hermès Shares, the Primary Offer is completed by a secondary simplified cash offer and a secondary simplified exchange offer (the "**Secondary Offers**"), under the following terms:

(i) Secondary simplified cash offer (the "**Secondary Cash Offer**"): within the limit of 66.11% in cash as set forth in section 2.3.3 of the Draft Offer Document, the Initiator offers to the shareholders of the Company to acquire their Shares, at a price of 260 euros for each Share.

[1] A *société en commandite par actions*, having its registered office at 24 rue du Faubourg Saint-Honoré, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 572 076 396.

[2] Percentages are rounded figures. The exact percentages are determined by the ratio between, on the one hand, the cash component of the Primary Offer, i.e. 172 euros, and in the other hand, the Hermès Shares component of the Primary Offer, i.e. 0.192, multiplied by 459.3 euros (Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017)

(ii) Secondary simplified exchange offer (the "**Secondary Exchange Offer**"): within the limit of 33.89% in Hermès Shares as set forth in section 2.3.3 of the Draft Offer Document, the Initiator offers to the shareholders of the Company to exchange their Shares for Hermès Shares according to an exchange ratio of 0.566 Hermès Share (2016 ex-dividend)for each tendered Share.

Shareholders of Christian Dior may tender their Shares either (i) to the Primary Offer, (ii) to one/both of the Secondarily Offers, or (iii) to the Primary Offer and to one/both of the Secondarily Offers.

The Secondary Offers are, as the case may be, subject to a reduction mechanism in order to obtain:

- a total amount of cash equals to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer, had tendered them to the Primary Offer, and
- a total amount of Hermès Shares equal to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer, had tendered them to the Primary Offer.

Such reduction mechanism is further described in Section 2.3.3. of the Draft Offer Document.

The Hermès Shares delivered pursuant to the Offer will be delivered "2016 ex-dividend"[3]. In addition, no adjustment will be made by the Initiator in case of distribution by Hermès after the date of the draft response offer document.

1.3. Details on the Offer

The Offer shall be open for a period of fifteen (15) trading days.

The Offer is made according to the simplified procedure pursuant to Article 233-1 *et seq*. of the general regulation of the AMF.

The indicative timetable of the Offer is set forth in section 2.10 of the Draft Offer Document.

The Initiator will not implement a squeeze-out process pursuant to Article 237-14 et seq. of the general regulation of the AMF within 3 months following the completion of the Offer, regardless of the results of the Offer.

More generally, the Initiator intends to maintain the admission of the Shares for trading on Euronext Paris following the completion of the Offer and, depending on the results of the Offer, reserves the right to purchase Shares.

Pursuant to article 231-13 of the general regulation of the AMF, the draft offer and the draft offer document have been filed with the AMF on May 22nd, 2017 by Rothschild & Cie Banque, Crédit Agricole Corporate and Investment Bank ("CA-CIB"), Natixis and Société Générale acting as presenting banks.

It is specified that the content and irrevocable nature of the undertakings made by the Initiator in connection with the Offer are solely guaranteed by CA-CIB, Natixis and Société Générale.

The Offer, the Draft Offer Document and the draft response offer document are subject to review by the AMF.

2. CONTEXT AND REASONS OF THE OFFER

2.1 Context of the Offer

2.1.1 Composition of the Arnault Family Group

The Arnault family group, composed of the Arnault family and the following companies it controls, namely (i) Groupe Arnault, (ii) Financière Agache, (iii) le Peigné and (iv) the Initiator (the "**Arnault Family Group**"), directly and indirectly holds 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company.

Semyrhamis holds directly 62.38% of the share capital and 71.92% of the theoretical voting rights of the Company.

The Arnault Family Group also holds, directly and indirectly, 8 955 471 Hermès Shares in portfolio representing 8.48% of the Hermès share capital, 8 771 914 Hermès shares being held by Semyrhamis and 183 557 Hermès shares being held, directly and indirectly, by other members of the Arnault Family Group.

[3]Subject to the approval by the Annual General Meeting of Hermès on June 6th, 2017 of the 3.75 euros dividend for the financial year 2016, the balance of such dividend amounting to 2.25 euros is expected to be paid as of June 8th, 2017

2.1.2 A two-folds strategic project

On April 25th, 2017, the Arnault Family Group, Christian Dior and LVMH Moët Hennessy - Louis Vuitton ("**LVMH**") announced a two-fold strategic project, through a press release available on the website of each of Christian Dior (www.dior-finance.com), LVMH (www.lvmh.fr) and Semyrhamis (www.semyrhamis-finance.com):

(i) The strengthening of Fashion & Leather Goods division of LVMH through the acquisition of Grandville, holding 100% of the share capital and voting rights of Christian Dior Couture as well as other real estate assets operated by Christian Dior Couture (the "Disposal");

(ii) The simplification of the structures of the Christian Dior – LVMH group through the Offer.

Following the announcement, the AMF has published on April 25th 2017 a preoffer notice (n°217C0860) relating to the Company.

The Offer will (i) allow the Initiator to increase its shareholding in Christian Dior emphasizing the confidence of the Arnault Family Group in the long-term perspective of LVMH and its brands and (ii) represent a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

(a) Agreement relating to the Sale entered into between Christian Dior and LVMH

LVMH and Christian Dior, which holds directly and indirectly 40.94% of the share capital and 56.34% of the theoretical voting rights of LVMH, have entered into a non-binding Memorandum of Understanding on April 24th, 2017 regarding the contemplated disposal of the Christian Dior Couture segment by Christian Dior to LVMH for an enterprise value of 6.5 billion euros[4], representing 15.6x adjusted last twelve months EBITDA[5] as of end of March 2017.

Christian Dior Couture

Christian Dior Couture is one of the most prestigious luxury brands in the world.

Its revenue doubled over the past five years. Furthermore, its profitability has improved over the same period, with an increase in profit from recurring operations of 24% per year.

Christian Dior Couture continued its growth momentum with last twelve months revenue (as of March 31st, 2017) in excess of 2 billion euros, an EBITDA[5] of 418 million euros and profit from recurring operations of 270 million euros[6].

A strategic transaction for LVMH

The contemplated Disposal will allow for the regrouping of Christian Dior Couture and Parfums Christian Dior brands, the latter being already part of LVMH Group.

The Disposal is expected to be accretive to LVMH earnings per share from the first year (+2.7% on a 2016 pro forma basis).

Following the acquisition, LVMH's gearing will increase from 12% as of December 31st, 2016 to 35% on a pro forma basis.

Support of the Boards of Directors of Christian Dior and LVMH

The Boards of Directors of Christian Dior and LVMH held on April 24th, 2017, were unanimously favorable to the signature of a Memorandum of Understanding, based notably on work of their respective financial advisors.

Signature of a final agreement

The Disposal was subject to the completion of a confirmatory due diligence. On May 18th, 2017, the works council of Christian Dior Couture has issued a favourable opinion on this project.

The signature of a final agreement (the "**Disposal Agreement**") has been approved as related-party transaction by the Boards of Directors of Christian Dior and LVMH held on May 22nd, 2017. In addition, a review of the financial terms of the transaction for both LVMH and Christian Dior will be led by two independent experts appointed by the Board of Directors of each party, it being specified that the independent expert appointed by the Company is also acting as independent expert with respect to the Offer.

[4]Including the value of other real estate assets operated by Christian Dior Couture and indirectly held by Grandville.
[5]Adjusted EBITDA, pro forma of Christian Dior expenses borne by the purchaser post-Disposal, and before income/(loss) from joint ventures and associates.
[6]Adjusted for expenses of Christian Dior borne by the purchaser post-Disposal and after income / (loss) from joint ventures and associates

Following meetings of the Board of Directors of Christian Dior and LVMH held on May 22nd, 2017, Christian Dior and LVMH announced, by a joint press release, the signature of the Disposal Agreement providing for (i) the transfer of entire share capital and voting rights of Grandville to LVMH, (ii) a price for Grandville shares of 6 billion euros, (iii) a vendor loan for a two years period, with the option of early redemption without penalty and an annual interest rate of 1% and (iv) the completion of the Disposal is subject to the clearance decision of the Offer by the AMF becoming effective, it being specified that in any case the completion of the Disposal shall not occur before July 3rd, 2017.

(b) Draft Offer

The Initiator, a company of the Arnault Family Group, which holds directly and indirectly 74.08% of the share capital and 84.68% of the theoretical voting rights of Christian Dior, informed the Board of Directors of Christian Dior of its intention to file the draft Offer. The Board of Directors of Christian Dior which took place on April 24th, 2017 (i) unanimously welcomed the principle and the terms of the contemplated transaction, (ii) decided to set up an ad hoc committee (the "**Committee**"), composed of three independent directors, in charge of monitoring the conduct of the independent expert's mission and (iii) appointed, based on the proposal by the ad hoc committee, Finexsi, represented by Olivier Peronnet and Olivier Courau, as independent expert, in accordance with article 261-1 I, 1° and 4° of the general regulation of the AMF.

The Board of Directors of the Initiator has approved the filing of the draft Offer on May 22nd, 2017.

Based on the report of the independent expert and on the opinion of the ad hoc committee, the Board of Directors of Christian Dior held on May 22nd, 2017, has examined the draft Offer and unanimously, Mr. Bernard Arnault and Mrs. Delphine Arnault having not taken part in the vote, recommended that shareholders of Christian Dior tender their Shares to the Offer. The reasoned opinion of the Board of Directors of Christian Dior on the Offer is contained within section 3 of this document.

2.2 Reasons of the Offer

As indicated in section 2.1.2, the Offer is part of a two-fold strategic project aiming at (i) the strengthening of Fashion & Leather Goods division of LVMH through the Disposal and (ii) the simplification of the structures of the Christian Dior – LVMH group. On the date of announcement, the terms of the Offer represented a premium of 14.7%[7] over the close share price of Christian Dior, 18.6% over the 1-month volume-weighted average price[8], 25.9% over the 3-month volume-weighted average price[8] and 32.8% over the 6-month volume-weighted average price, in line with its net asset value of the Company. As a consequence, the Offer represents a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

3. REASONED OPINION OF THE BOARD OF DIRECTORS

The Committee has presented conclusions of its work to the board of directors of the Company and took them into consideration in its reasoned opinion.

The extract of the minutes including the reasoned opinion is reproduced below:

« *On May 22th, 2017, the Board of Directors met at headquarters, under the chairmanship of Mr. Bernard Arnault, in order to deliver a reasoned opinion on the merits of the Offer and its consequences for the Company, its shareholders and its employees, in accordance with Article 231-19 of the General Regulation of the AMF.*

All directors were present or represented at the meeting, namely:

- *Mr. Bernard Arnault, Chairman of the Board of Directors,*
- *Mr. Sidney Toledano, Chief Executive Officer and Vice-Chairman,*
- *Mrs. Delphine Arnault,*
- *Mrs. Helène Desmarais,*
- *Mr. Renaud Donnedieu de Vabres,*
- *Mrs. Ségolène Gallienne,*
- *Mr. Christian de Labriffe,*
- *Mrs. Maria Luisa Loro Piana.*

[7] Based on Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017, i.e., 459.30 euros.
[8] Volume-weighted average share prices of Christian Dior as of April 24th 2017, adjusted for dividend distribution for share prices prior to April 19th, 2017

Mr. Jaime de Marichalar y Sáenz de Tejad, censor, also attended the meeting of the Board.

In accordance with best governance practices, Mr. Bernard Arnault and Mrs. Delphine Arnault abstained from voting on the reasoned opinion.

In particular, the Board of Directors took into consideration the following documents:

- *the draft offer document of the Initiator to be filed with the French financial market authority (Autorité des Marchés Financiers "AMF"), including in particular the context of and the reasons for the Offer, the intentions of the Initiator, the characteristics of the Offer, and the assessment criteria of the price of the Offer;*

- *the draft response offer document of the Company, including in particular the reminder of the principal terms and conditions of the Offer and the information concerning the Company, to be filed with the AMF;*

- *the report of the independent expert reproduced in the draft response offer document of the Company, drafted by Finexsi in accordance with the provisions of Article 261-1 of the General Regulation of the AMF;*

The Board of Directors first noted that:

- *the Arnault Family Group holds directly and indirectly – in particular through the Initiator – 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company;*

- *the Offer, which is conducted in a friendly context and will be open for a period of 15 trading days, is a voluntary offer for all shares of the Company not currently held by the Arnault Family Group, excluding the treasury shares with the exception of certain shares likely to be transferred in the event of a definitive allocation of free shares or performance shares or in the event of the exercise of stock options;*

- *in respect of the Offer, the Initiator principally offers shareholders of the Company to tender their Shares to the Offer and to receive, in consideration for a tendered Share, EUR 172 and 0.912 Hermès International share (2016 stripped coupon). This Primary Offer (the "**Primary Offer**") is secondarily accompanied by a simplified public offer and a simplified public exchange offer allowing shareholders (each within the limits of the draft offer document of the Initiator):*

    - *to opt for a payment exclusively in cash and to receive EUR 260 for 1 share of the Company tendered to the Offer (the "**Secondary Cash Offer**");*

    - *to opt for a payment exclusively in Hermès International shares and to receive 0.566 Hermès International share for 1 share of the Company tendered to the Offer (the "**Secondary Exchange Offer**");*

- *the Offer is conducted as part of the strategic project announced by the Company and LVMH on April 25th, 2017, which includes, in addition to the Offer, the strengthening of the Fashion and Leather goods division of the LVMH group with the acquisition of Christian Dior Couture from Christian Dior for an enterprise value of €6 .5 billion;*

- *the Offer allows minority shareholders to benefit from immediate liquidity at a price which is within the higher assessment range resulting from the valuation criteria. Therefore, the Primary Offer allows a premium of 14.7% over the closing share price as of April 24th, 2017 of €226.9 (highest recorded), of 18.6% over the 1-month average share price, of 25.9% over the 3-month average share price and of 32.8% over the 6-month average share price (these average prices being weighted by volume);*

- *the Primary Offer and the Secondary Exchange Offer also offer the possibility, for those shareholders who wish to do so, to exchange their shares for Hermès shares.*

The Board of Directors then noted the principal intentions of the Initiator for the next twelve months as follows:

- *the Initiator does not intend to modify the Company's strategy, provided that following the sale, the Company will have as its principal asset a direct and indirect participation of 40.94% of the share capital and 56.34% of the voting rights of LVMH;*

- *the Initiator intends to continue the Company's policy with respect to social relationships and human resources management, provided that the Company does not have employees;*

- *the Initiator does not anticipate any recomposition of the Board of Directors;*

- *upon completion of the Offer, the Initiator reserves the right to suggest to the Company that its dividend distribution be adapted in accordance with the evolution of the results, provided that as soon as the Sale price is fully paid by LVMH to the Company, the Initiator intends to propose to the Company to distribute all or part of the amounts received by the Company;*

- *upon completion of the Offer, the Initiator will not implement a squeeze-out procedure ("procédure de retrait obligatoire") within the meaning of Articles 237-14 and following of the General Regulation of the AMF, within three (3) months following the close of the Offer, regardless of the Offer's results. More generally, the Initiator intends to maintain the admission to trading the Shares on Euronext Paris upon completion of the Offer, and depending on the results of the Offer, reserves the right to purchase Shares.*

After review and consideration of these elements, the Chairman of the Board asks Olivier Peronnet, representing Finexsi, invited to the meeting of the Board, to present his report showing that:

- *the Offer, established on a voluntary basis, is being conducted as part of the reorganization and the simplification of the capital ownership and control of the Arnault Family Group over the share capital of LVMH, and of the integration of Christian Dior Couture in the brand portfolio of the LVMH group;*

- *the Offer allows access to liquidity for the shareholders of Christian Dior at a price, on the eve of the announcement (April 24, 2017), of €260.2 (Primary Offer) and €260.0 (Secondary Offers) per Christian Dior share, subject to the following comments:*

    - *the price is within the range of the revalued net asset determined on the basis of:*

        - *an evaluation of LVMH in line with the highest stock market price prior to the announcement, and beyond its DCF evaluation on the basis of the analysts' consensus; and*

        - *the €6 billion sale price of Christian Dior Couture;*

    - *it reflects a 15% premium on its share price of April 24, 2017 of € 226.9, its highest recorded level;*

    - *it reflects a premium on the other secondary criteria of the targeted share prices of the analysts and of the dividend's update;*

- *furthermore, the partial payment terms of the main branch in Hermes shares (0.192 Hermes shares plus €172) implies a limited exposure to the possible decrease of the share price of such company, of which its free float will be increased up to a maximum of 8% of its share capital. For the shareholder who chooses the secondary offer exclusively in Hermes shares (0.566 Hermes share for one Christian Dior share), his exposure to the current Hermes share price would be increased, but he would benefit from a favorable parity with the Christian Dior share compared to the historical parity of their stock market prices;*

- *the transfer of Christian Dior Couture by Christian Dior to LVMH concurrent with the Offer constitutes a related transaction which has been subjected by Finexsi to an Independent Expert's conclusive report as to the fairness of the €6 billion price agreed between the parties to the transaction. To the best knowledge of Finexsi, there are no other agreements or transactions related to the Offer likely to call into question the fair treatment of the shareholders in the financial sense;*

- *ultimately, the valuation works conducted and the aforementioned considerations lead Finexsi to conclude that the terms of the Offer for the Christian Dior SE shares are fair for its shareholders.*

Once the presentation is over, the Chairman of the Board invites Mr. Christian de Labriffe to present, on behalf of the Committee, the report of the Committee, which was made available to the directors, together with the main conclusions relating to the conditions of the Offer, pursuant to which:

- *the chosen approach to evaluate the countervalue offered is relevant. On the eve of the announcement (on April 24th, 2017, it stands at €260.2 for the Primary Offer, at €260.0 for the Secondary Exchange Offer and at €260.0 for the Secondary Cash Offer;*

- *the revalued net asset appeared as the most relevant method to value the Company within the framework of the Offer, the Committee noting that, with regard, the offered price is within the revalued net asset range at the date of the Offer announcement (April 25th, 2017) and furthermore achieves a very high bonus level compared to the various stock market averages across various periods of reference (between 15% to 33% depending on the case);*

- *the terms and conditions of the Offer are fair for the shareholders and the Committee thus recommends that the Board of Directors issues a favorable opinion on the Offer.*

With regard to the elements above, the Board of Directors, upon deliberation, decided, unanimously, that the Offer is in the interest of the Company, its employees and its shareholders and recommends that the shareholders of the Company bring their shares to the Offer. »

4 INTENTIONS OF MEMBERS OF THE BOARD OF DIRECTORS

The extract of the minutes including the intentions of members of the board of directors of the Company is reproduced below:

"*The Chairman of the Board of Directors indicates to the Board that the Company must prepare a response offer document which notably specifies the intentions of the members of the Board of Directors to tender or not their shares to the Offer.*

The Chairman reminds that as mambers of the Arnault Family Group, neither he nor Mrs. Delphine Arnault will tender their shares to the Offer.

He also specifies that:

- *members of the board of directors will not tender to the Offer their 200 shares which they are required to hold during the entire duration of their mandate in accordance with the bylaws of the Company;*

- *Semyrhamis has indicated that it reserves the right to put in place a liquidity mechanism in favor of beneficiaries of stock-options and/or free shares or performance shares which would not tender their shares to the Offer due to the specific applicable legal regime. This liquidity mechanism would take the form of a bilateral contract providing for (i) a call granted by Semyrhamis to the relevant beneficiaries and (ii) a call granted by the relevant beneficiaries to Semyrhamis. The exercise price would be in line with the Offer price indexed by reference to the evolution of the LVMH share price as from the closing of the Offer.*

Each of Mrs. Hélène Desmarais, Mrs. Ségolène Gallienne, Mr. Renaud Donnedieu de Vabres and Mr. Christian de Labriffe declares not holding shares other than directors shares.

Mr. Toledano has indicated to the board of directors of the Company that all of its shares are subject to retention programs applicable to the management and to a specific legal provisions justifying that he will not tender its Shares to the Offer and acknowledges the intention of Semyrhamis in relation to the implementation of a liquidity mechanism.

The Board of Directors takes note of the intentions of each of the members of the Board".

5 INTENTIONS OF THE COMPANY REGARDING THE TREASURY SHARES

The Company has decided not to tender to the Offer the 855,272 Shares that it holds.

6 CONCLUSION OF THE REPORT OF THE INDEPENDENT EXPERT

Pursuant to articles 261-1 I, 1° and 4° of the general regulation of the AMF, Finexsi, represented by Olivier Perronet and Olivier Courau, was appointed as independent expert by the board of directors of the Company held on April 24th, 2017, in order to deliver a report on the financial conditions of the Offer. The report is reproduced in the draft response offer document.

The conclusion of this report are as follows:

"*This Offer, which is being made on a voluntary basis, forms part of the reorganisation and simplification of the Arnault Family Group's ownership and control of LVMH, and the integration of CHRISTIAN DIOR COUTURE into the LVMH group's brand portfolio.*

The Offer gives CHRISTIAN DIOR SE shareholders access to full liquidity at a price of €260 (Secondary Cash Offer) or partial liquidity at a counter value of €260.2 (Primary Offer). This price and this counter value call for the following comments:

- *they lie within the Net Asset Value range based on*
    - *a valuation of LVMH that is above its highest market price before the announcement and above its DCF valuation on the basis of analyst consensus forecasts and*
    - *the €6 billion selling price for the CHRISTIAN DIOR COUTURE division;*
- *they reflect a 15% premium to the all-time high share price of CHRISTIAN DIOR SE of €226.9 reached on 24/04/2017;*
- *they reflect a premium to figures obtained using other secondary methods based on analyst target prices and discounted dividends.*

In addition, the terms of the Primary Offer, which involves payment taking place partly in HERMES shares (0.192 HERMES shares plus €172), imply limited exposure to any decrease in HERMES' share price, and HERMES' free float will increase to 8% of its share capital. For shareholders selecting the Secondary Exchange Offer consisting of HERMES shares alone (0.566 HERMES shares per CHRISTIAN DIOR SE share), their exposure to HERMES' current share price would be greater, but they would benefit from a CHRISTIAN DIOR SE/HERMES exchange ratio that is favourable compared with the historic ratio between the two companies' share prices.

CHRISTIAN DIOR'S sale of its CHRISTIAN DIOR COUTURE division to LVMH, taking place concomitantly with the Offer, is a related transaction on which we have prepared an independent appraiser's report, which concludes that the €6 billion price agreed by the parties to the transaction is fair. To our knowledge, there are no other agreements or transactions related to the Offer that may call into question the fair treatment of the shareholders from a financial point of view.

The valuation work we have done and the aforementioned considerations lead us to conclude that the terms of the Offer for CHRISTIAN DIOR SE shares are fair for its shareholders".

In addition, Finexsi was also appointed as independent expert by the board of directors of the Company held on April 24th, 2017, in order to deliver a report on the financial conditions of the Disposal. The report is reproduced in the draft response offer document.

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SEMYRHAMIS Press Release dated 7 June 2017

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This press release does not constitute an offer to purchase any securities.

PRESS RELEASE DATED JUNE 7th, 2017

SIMPLIFIED MIXED OFFER
together with secondary
CASH SIMPLIFIED OFFER and
EXCHANGE SIMPLIFIED OFFER
within the overall limit of 66.11% in cash and 33.89% in Hermès International shares (2016 ex-dividend)

FOR THE SHARES OF

Christian Dior

INITIATED BY

Semyrhamis

(a company of the Arnault Family Group)

PRESENTED BY

Rothschild

PRESENTING BANK

AND

CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK NATIXIS SOCIETE GENERALE Corporate & Investment Banking

PRESENTING AND GUARANTEEING BANKS

AVAILABILITY OF THE OFFER DOCUMENT AND INFORMATION RELATING IN PARTICULAR TO THE LEGAL, FINANCIAL AND ACCOUNTING CHARACTERISTICS OF SEMYRHAMIS

TERMS OF THE OFFER

Primary simplified mixed offer:	172 euros and 0.192 Hermès International ordinary share (2016 ex-dividend) for each Christian Dior share
Secondary simplified cash offer:	260 euros for each Christian Dior share
Secondary simplified exchange offer:	0.566 Hermès International ordinary share (2016 ex-dividend) for each Christian Dior share

DURATION OF THE OFFER
15 trading days

This press release was prepared and distributed by Semyrhamis in accordance with the provisions of articles 231-27 2° and 231-28 of the general regulations of the *Autorité des marches financiers* (the "**AMF**").

In accordance with the provisions of article L. 621-8 of the monetary and financial code and article 231-23 of its general regulations, the AMF has, in application of its declaration of conformity of the simplified public offer dated June 6th, 2017, affixed visa No. 17-255 dated June 6th, 2017 on the offer document prepared by Semyrhamis relating the simplified public offer for the Christian Dior shares (the "**Offer**").

In accordance with article 231-28 of the general regulation of the AMF, information relating in particular to the legal, financial and accounting aspects of Semyrhamis was filed with the AMF on June 6th, 2017 and made available to the public as of today.

These information and the offer document are available on the websites of Semyrhamis (www.semyrhamis-finance.com) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

Semyrhamis 30 avenue Montaigne 75008 Paris		**Rothschild & Cie Banque** 23 bis avenue de Messine 75008 Paris
Crédit Agricole Corporate and Investment Bank 12 Place des États-Unis 92120 Montrouge	**Natixis** 47 quai d'Austerlitz 75013 Paris	**Société Générale** Corporate Finance 75886 Paris Cedex 18

Prior to the opening of the Offer acceptance period, the AMF and Euronext Paris will respectively publish a notice announcing the opening of the Offer and the timetable (*avis d'ouverture et de calendrier*) and a notice announcing the terms and timetable of the Offer.

CONTACTS

Investors' contacts		
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	Toll number	+33 1.8122.4462
	D.F. King	
Media contacts		
France :	Michel Calzaroni / Olivier Labesse / Thomas Roborel de Climens / Hugues Schmitt **DGM Conseil**	+ 33 1.4070.1189
Royaume-Uni :	Hugh Morrison / Charlotte McMullen **Montfort Communications**	+44 7921.881.800
Italie :	Michele Calcaterra / Matteo Steinbach **SEC and Partners**	+39 02 6249991

Disclaimer

This press release was prepared for informational purpose only. It is not an offer to the public and it is not for diffusion in any other country than France. The diffusion of this press release, the Offer and its acceptance may be subject to specific regulations or restrictions in certain countries. The Offer is not made for persons subject to such restrictions, neither directly nor indirectly, and may not be accepted in any way from a country where the Offer would be subject to such restrictions. Consequently, persons in possession of this press release shall inquire about potential applicable local restrictions and comply with them. Semyrhamis excludes all liability in the event of any breach of the applicable legal restrictions by any person.

CHRISTIAN DIOR Press Release dated 7 June 2017

Not for distribution in the United States, Canada, Australia, Japan or South Africa

PRESS RELEASE DATED JUNE 7th, 2017

SIMPLIFIED MIXED OFFER
together with secondary
CASH SIMPLIFIED OFFER and
EXCHANGE SIMPLIFIED OFFER
within the overall limit of 66.11% in cash and 33.89% in Hermès International shares (2016 ex-dividend)

FOR THE SHARES OF

Christian Dior

INITIATED BY

Semyrhamis
(a company of the Arnault Family Group)

AVAILABILITY OF THE RESPONSE OFFER DOCUMENT AND INFORMATION RELATING IN PARTICULAR TO THE LEGAL, FINANCIAL AND ACCOUNTING CHARACTERISTICS OF CHRISTIAN DIOR

This press release was prepared and distributed by Christian Dior in accordance with the provisions of articles 231-27 3° and 231-28 of the general regulations of the *Autorité des marches financiers* (the « **AMF** »).

In accordance with the provisions of article L.621-8 of the monetary and financial code and article 231-26 of its general regulations, the AMF affixed visa no. 17-256 dated June 6th, 2017 on the response offer document prepared by Christian Dior relating to the public simplified offer initiated by Semyrhamis for the shares of Christian Dior (the « **Offer** »).

In accordance with the provisions of article 231-28 of the general regulations of the AMF, information relating in particular to the legal, financial and accounting aspects of Christian Dior, was filed with the AMF on June 6th, 2017 and made available to the public as of today.

These information and the response offer document are available on the websites of Christian Dior (www.dior-finance.com) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

Christian Dior
30 avenue Montaigne
75008 Paris
France

Prior to the opening of the Offer acceptance period, the AMF and Euronext Paris will respectively publish a notice announcing the opening and the timetable of the Offer (*avis d'ouverture et de calendrier*) and a notice announcing the terms and timetable of the Offer.

CONTACTS

Individual investors' contacts

	Free-toll number	+33 800 916 566
	Toll number	+33 1.8122.4462
	D.F. King	

Media contacts

France :	Michel Calzaroni / Olivier Labesse / Thomas Roborel de Climens / Hugues Schmitt **DGM Conseil**	+ 33 1.4070.1189
Royaume-Uni :	Hugh Morrison / Charlotte McMullen **Montfort Communications**	+44 7921.881.800
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CHRISTIAN DIOR Press Release dated 12 June 2017

Christian Dior

30 avenue Montaigne

PARIS

F-75008

PHONE +33 (0) 1 44 13 22 22

Paris, June 12, 2017

FINANCIAL RELEASE
DETACHMENT OF COUPON

Notes issued as part of a EUR 500,000,000 bond issue
Maturity: June 19, 2019
Fixed rate: 1.375%
ISIN: FR0011991371

Pursuant to the terms and conditions of the bond issue mentioned above:

- Coupon 3 will be detached and paid on June 19, 2017 (pursuant to Article 3 of the Terms and Conditions of the Notes):

- Interest amount: EUR 1,375 per EUR 100,000 denomination

The paying agent is BNP Paribas Securities Services.

Regulatory disclosures pertaining to the information provided in this press release are available at www.dior-finance.com.

LVMH

MOËT HENNESSY . LOUIS VUITTON

LVMH: Organic revenue growth of 12% in the first half of 2017

Paris, 26 July 2017

LVMH Moët Hennessy Louis Vuitton, the world's leading luxury products group, recorded revenue of €19.7 billion in the first half of 2017, an increase of 15%. Organic revenue growth was 12% compared to the same period in 2016. All geographic areas continue to progress well. During the first half of the year, the Group benefited from a favourable comparison base, particularly in Asia but also in France, where activity was impacted last year by a decline in tourism. The current trends cannot reasonably be extrapolated for the full year.

In the second quarter, revenue increased by 15% compared to the same period in 2016, with the notable integration for the first time of Rimowa. Organic revenue growth was 12%.

Profit from recurring operations was €3 640 million for the first half of 2017, an increase of 23%. Operating margin reached 18.5%, an increase of 1 percentage point. Group share of net profit amounted to € 2 119 million, an increase of 24%.

Bernard Arnault, Chairman and CEO of LVMH, commented:

"LVMH has enjoyed an excellent first half, to which all our businesses contributed. In the current climate of geopolitical and economic instability, creativity and quality, the founding values of our Group, have more than ever become benchmarks for all. The increasing digitalization of our activities furthermore reinforces the quality of the experience we bring to our customers. In an environment that remains uncertain, we approach the second half of the year with caution. We will remain vigilant and rely on the entrepreneurial spirit and talent of our teams to further increase our leadership in the world of high quality products in 2017."

Highlights of the first half of 2017 include:
- Double-digit increases in revenue and profit from recurring operations;
- Good growth in Europe, Asia and the United States;
- A good start to the year for Wines and Spirits;
- Outstanding momentum at Louis Vuitton; profitability remains at an exceptional level;
- LVMH's planned acquisition of Christian Dior Couture, one of the world's most iconic brands, finalized on July 3;
- Integration of Rimowa, a leader in premium-class luggage;
- Success of the new products at Christian Dior;
- Growth at Bvlgari and excellent response to TAG Heuer's new products;
- Continued strengthening of Sephora's omnichannel strategy;
- Cash from operations before changes in working capital of €4.5 billion, an increase of 23%
- Net debt to equity ratio of 14% as of the end of June 2017.

Key figures

Euro millions	**First half 2016**	**First half 2017**	**% change**
Revenue	17 188	19 714	+ 15 %
Profit from recurring operations	2 959	3 640	+ 23 %
Group share of net profit	1 711	2 119	+ 24 %
• Cash from operations*	3 650	4 501	+ 23 %
• Net Financial Debt	5 303	3 957	- 25 %
• Total Equity	26 073	28 292	+ 9%

* Before changes in working capital.

Revenue by business group:

Euro millions	**First half 2016**	**First half 2017**	**% change**	
			Reported	**Organic***
Wines & Spirits	2 056	2 294	+ 12 %	+ 10 %
Fashion & Leather Goods	5 885	6 899	+ 17 %	+ 14 %
Perfumes & Cosmetics	2 337	2 670	+ 14 %	+ 12 %
Watches & Jewelry	1 609	1 838	+ 14%	+ 13 %
Selective Retailing	5 480	6 280	+ 15%	+ 12 %
Other activities and eliminations	(179)	(267)	-	-
Total LVMH	**17 188**	**19 714**	**+ 15 %**	**+ 12 %**

* With comparable structure and constant exchange rates. The exchange rate impact is +2% and the structural impact is +1%.

Profit from recurring operations by business group:

Euro millions	**First half 2016**	**First half 2017**	**% change**
Wines & Spirits	565	681	+ 21 %
Fashion & Leather Goods	1 630	2 192	+ 34 %
Perfumes & Cosmetics	272	292	+ 7 %
Watches & Jewelry	205	234	+ 14 %
Selective Retailing	410	441	+ 8 %
Other activities and eliminations	(123)	(200)	-
Total LVMH	**2 959**	**3 640**	**+ 23 %**

Wines & Spirits: good start to the year with solid growth in the United States, and improved momentum in China

The **Wines & Spirits** business group recorded organic revenue growth of 10%. On a reported basis, revenue rose 12% and profit from recurring operations increased by 21%. The business group reaffirmed its commitment to innovation with many initiatives across the brands. All the champagne Houses have performed well. Europe and the United States were particularly dynamic. Hennessy cognac continued to show strong growth in the US market, while demand is recovering in China. The second half of the year is expected to experience a slowdown in volume growth given the existing supply constraints.

Fashion & Leather Goods: good creative momentum at Louis Vuitton and further strengthening of other brands

The **Fashion & Leather Goods** business group recorded organic revenue growth of 14%. On a reported basis, revenue increased 17% and profit from recurring operations was up 34%. The momentum at Louis Vuitton, driven by its exceptional creativity, was demonstrated across all its product categories. The Cruise Collection presented at the Miho Museum in Kyoto, Japan, was a great illustration of this. The launch of new models resulting from the collaboration with the artist Jeff Koons and the cult New York skatewear brand, Supreme, were the highlights of the first half. Fendi continued its strong growth and enriched its leather goods lines, notably with the new *Kan-I* model. Loro Piana strengthened its presence in Asia with several openings. Céline, Loewe and Kenzo experienced good growth. Marc Jacobs strengthened its product offering and continued its restructuring. Other brands continued to grow. Rimowa, which joined the LVMH Group, is consolidated for the first time in the first half-year accounts.

Perfumes & Cosmetics: continuous innovation and strong growth in make-up

The **Perfumes & Cosmetics** business group posted organic revenue growth of 12%. On a reported basis, revenue grew 14% and profit from recurring operations was up 7%. Christian Dior showed strong growth momentum, sustained by the vitality of its iconic fragrances *J'adore* and *Miss Dior*, the continued success of *Sauvage* and the performance of its latest makeup creations. Guerlain enjoyed a successful launch of its new perfume, *Mon Guerlain*, represented by Angelina Jolie. Parfums Givenchy experienced rapid growth in makeup, especially its line of lipsticks. Benefit continued to roll out its *Brow Collection*.

Watches & Jewelry: **good first half for Bvlgari and successful development of TAG Heuer in its core range**

The **Watches & Jewelry** business group recorded organic revenue growth of 13%. On a reported basis, revenue growth was 14% and profit from recurring operations was up 14%. Bvlgari enjoyed an excellent first half and continued to gain market share. This dynamic is notable in both jewelry and watchmaking, especially in China and Europe, thanks to the success of the iconic *Serpenti* and *B-Zero 1* lines and the new *Octo Finissimo* watch. TAG Heuer experienced solid revenue growth in a tough watch market. The new products created in its flagship *Carrera, Aquaracer* and *Formula 1* collections were very successful and a new generation of the smart watch was launched. Hublot continued its growth.

Selective Retailing: growth at Sephora and improved momentum of DFS in Asia

The **Selective Retailing** business group posted organic revenue growth of 12%. On a reported basis, sales growth was 15% and profit from recurring operations was up 8%. Sephora continued to make progress and reinforced its omnichannel strategy. While increasing its share of online sales, Sephora continued to invest in extending its network and renovating existing stores, particularly in New York and Dubai. Le Bon Marché developed a new online shopping experience by launching its digital platform 24 Sèvres. DFS experienced better momentum in Asia, while the T Galleria, which opened in 2016 in Cambodia and Italy, continued to develop.

Outlook 2017

Despite the context of geopolitical and currency uncertainties, LVMH will continue to pursue gains in market share through the numerous product launches planned before the end of the year and its geographic expansion in promising markets, while continuing to manage costs.

Our strategy of focusing on quality across all our activities, combined with the dynamism and unparalleled creativity of our teams, will enable us to reinforce, once again in 2017, LVMH's global leadership position in luxury goods.

An interim dividend of 1.60 Euro will be paid on December 7th, 2017.

Regulated information related to this press release, the half year results presentation and the half year financial statement are available on our internet site www.lvmh.com

Limited review procedures have been carried out, the related report will be issued following the Board meeting.

ANNEXE

LVMH – Revenue by business group and by quarter

First Half 2017

(Euro millions)	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	**Total**
First quarter	1 196	3 405	1 395	879	3 154	(145)	**9 884**
Second quarter	1 098	*3 494	1 275	959	3 126	(122)	**9 830**
Total revenue	**2 294**	**6 899**	**2 670**	**1 838**	**6 280**	**(267)**	**19 714**

* Including the entire revenue of Rimowa of the first half of 2017.

First Half 2017 (organic growth compared to the first half 2016)

	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	**Total**
First quarter	+13%	+15%	+12%	+11%	+11%	-	**+13%**
Second quarter	+6%	+13%	+13%	+14%	+12%	-	**+12%**
Total revenue	**+10%**	**+14%**	**+12%**	**+13%**	**+12%**	**-**	**+12%**

First Half 2016

(Euro millions)	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	**Total**
First quarter	1 033	2 965	1 213	774	2 747	(112)	**8 620**
Second quarter	1 023	2 920	1 124	835	2 733	(67)	**8 568**
Total revenue	**2 056**	**5 885**	**2 337**	**1 609**	**5 480**	**(179)**	**17 188**

LVMH

LVMH Moët Hennessy Louis Vuitton is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Mercier, Château d'Yquem, Domaine du Clos des Lambrays, Château Cheval Blanc, Hennessy, Glenmorangie, Ardbeg, Belvedere, Woodinville, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Cape Mentelle, Newton, Bodega Numanthia and Ao Yun. Its Fashion and Leather Goods division includes Louis Vuitton, Christian Dior Couture, Céline, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Marc Jacobs, Berluti, Nicholas Kirkwood, Loro Piana and Rimowa. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Kenzo Parfums, Perfumes Loewe, BeneFit Cosmetics, Make Up For Ever, Acqua di Parma, Fresh, Kat Von D and Maison Francis Kurkdjian. LVMH's Watches and Jewelry division comprises Bvlgari, TAG Heuer, Chaumet, Dior Watches, Zenith, Fred and Hublot. LVMH is also active in selective retailing as well as in other activities through DFS, Sephora, Le Bon Marché, La Samaritaine, Royal Van Lent and Cheval Blanc hotels.

"Certain information included in this release is forward looking and is subject to important risks and uncertainties and factors beyond our control or ability to predict, that could cause actual results to differ materially from those anticipated, projected or implied. It only reflects our views as of the date of this presentation. No undue reliance should therefore be based on any such information, it being also agreed that we undertake no commitment to amend or update it after the date hereof."

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CHRISTIAN DIOR Press Release dated 26 July 2017

Christian Dior

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Paris, July 26, 2017

RESULTS FOR THE FIRST HALF OF 2017

In the first half of 2017, the **Christian Dior group** recorded revenue of 20.7 billion euros, up 15% at actual exchange rates and 12% on a constant consolidation scope and currency basis.

During the first half of the year, the Group benefited from a favorable comparison base, particularly in Asia but also in France, where activity was affected last year by a decline in tourism. The trend currently observed cannot reasonably be extrapolated to the full year.

Profit from recurring operations was 3.7 billion euros, up 24%.

The Group share of net profit was 0.9 billion euros.

Cash from operations before changes in working capital was 4.7 billion euros, up 24%.

Free cash flow before financial investments, transactions relating to equity and financing activities was 1.2 billion euros.

The net financial debt to equity ratio was 17% as of June 30, 2017.

The financial highlights of the period were as follows:

Consolidated financial highlights *(EUR millions)*	**First half of 2017** [(a)]	**Half-year from January 1, 2016 to June 30, 2016** [(b)]	**Change**
Revenue	20,744	18,065	+15%
Profit from recurring operations	3,738	3,014	+24%
Net profit	2,377	1,870	+27%
Net profit, Group share	900	706	+27%
Cash from operations before changes in working capital	4,684	3,782	+24%
Free cash flow [(c)]	1,184	699	+69%
Net financial debt	5,258	6,777	-22%
Equity	30,774	28,129	+9%
Net financial debt to equity ratio	17%	24%	-

[(a)] *Limited review procedures; Statutory Auditors' report in the process of being issued*
[(b)] *Limited review procedures without a report issued by the Statutory Auditors*
[(c)] *Before financial investments, transactions relating to equity and financing activities*

In the first half of 2017, **Christian Dior Couture** posted revenue of 1,047 million euros, up 17% at both actual and constant exchange rates. The Ready-to-Wear, Leather Goods, Accessories and Jewelry collections were a success, thanks to the creativity of the House of Dior's design teams and its exceptional expertise. Retail sales revenue from directly operated boutiques grew by 19% at actual exchange rates and 18% at constant exchange rates. All regions contributed to this growth. Christian Dior Couture posted first-half profit from recurring operations of 117 million euros, up 58%.

In the first half of 2017, **LVMH** recorded revenue of 19.7 billion euros, up 15% at actual exchange rates and 12% on a constant consolidation scope and currency basis compared to the first half of 2016. All geographic regions remained well on track.
Profit from recurring operations for the first half of 2017 was 3,640 million euros, up 23%. The current operating margin was 18.5%, an increase of 1 percentage point. The Group's share of net profit was 2,119 million euros, up 24%.

For LVMH, the highlights of the first half of 2017 included:

- double-digit increases in revenue and profit from recurring operations;
- good growth in Europe, Asia and the United States;
- a good start to the year for Wines and Spirits;
- outstanding momentum at Louis Vuitton, with profitability remaining at an exceptional level;
- integration of Rimowa, a leader in premium-class luggage;
- success of the new products at Parfums Christian Dior;
- growth at Bvlgari;
- excellent response to TAG Heuer's new products;
- continued strengthening of Sephora's omnichannel strategy.

Revenue and profit from recurring operations by business group for the **Christian Dior group** were as follows:

REVENUE

(EUR millions)	**First half of 2017** [(a)]	**Half-year from January 1, 2016 to June 30, 2016** [(b)]	**Change at actual exchange rates**	**Organic growth** [(c)]
Christian Dior Couture	1,047	893	+17%	+17%
Wines and Spirits	2,294	2,056	+12%	+10%
Fashion and Leather Goods	6,899	5,885	+17%	+14%
Perfumes and Cosmetics	2,670	2,337	+14%	+12%
Watches and Jewelry	1,838	1,609	+14%	+13%
Selective Retailing	6,280	5,480	+15%	+12%
Other activities and eliminations	(284)	(195)	-	-
Total	**20,744**	**18,065**	**+15%**	**+12%** [(d)]

[(a)] *Limited review procedures; Statutory Auditors' report in the process of being issued*
[(b)] *Limited review procedures without a report issued by the Statutory Auditors*
[(c)] *On a constant consolidation scope and currency basis*
[(d)] *Exchange rate impact: 2%; impact of changes in scope: 1%*

PROFIT FROM RECURRING OPERATIONS

(EUR millions)	**First half of 2017** [(a)]	**Half-year from January 1, 2016 to June 30, 2016** [(b)]	**Change**
Christian Dior Couture	117	74	+58%
Wines and Spirits	681	565	+21%
Fashion and Leather Goods	2,192	1,630	+34%
Perfumes and Cosmetics	292	272	+7%
Watches and Jewelry	234	205	+14%
Selective Retailing	441	410	+8%
Other activities and eliminations	(219)	(142)	-
Total	**3,738**	**3,014**	**+24%**

[(a)] *Limited review procedures; Statutory Auditors' report in the process of being issued*
[(b)] *Limited review procedures without a report issued by the Statutory Auditors*

Events subsequent to June 30, 2017

On July 3, 2017, as part of the recent transactions to simplify the Group's structure and pursuant to the terms of the memorandum of understanding signed on April 24, 2017, Christian Dior SE sold 100% of its Christian Dior Couture branch (including Grandville and its subsidiary Christian Dior Couture) to LVMH for a net amount of 6 billion euros, based on an enterprise value of 6.5 billion euros. The sale price was paid by LVMH on July 26, 2017.

Interim dividend

The Board of Directors of Christian Dior met on July 26, 2017 and decided on the payment, on December 7, 2017, of an interim cash dividend of a gross amount of 1.60 euros per share.

Outlook for 2017

Despite the context of geopolitical and currency uncertainties, the **Christian Dior group** will continue to pursue gains in market share thanks to the numerous product launches planned before the end of the year and its geographic expansion in promising markets, while continuing to manage costs.

Our strategy of focusing on quality across all our activities, combined with the dynamism and unparalleled creativity of our teams, will enable us to reinforce, once again in 2017, the Christian Dior group's global leadership position in luxury goods.

*   *
*

This document is a free translation into English of the original French "Communiqué" *dated July 26, 2017. 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.*

APPENDIX: Revenue by business group and by quarter

This announcement constitutes regulated information and is available on the Company's website (www.dior-finance.com).

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

Christian Dior group – Revenue by business group and by quarter

First half of 2017

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Quarter from January 1 to March 31, 2017	506	1,196	3,405	1,395	879	3,154	(155)	**10,380**
Quarter from April 1 to June 30, 2017	541	1,098	(*) 3,494	1,275	959	3,126	(129)	**10,364**
Total	**1,047**	**2,294**	**6,899**	**2,670**	**1,838**	**6,280**	**(284)**	**20,744**

(*) Including all revenue from Rimowa for the first half of 2017

Organic revenue growth *(as %)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Quarter from January 1 to March 31, 2017	+17%	+13%	+15%	+12%	+11%	+11%	-	**+13%**
Quarter from April 1 to June 30, 2017	+16%	+6%	+13%	+13%	+14%	+12%	-	**+12%**
Total	**+17%**	**+10%**	**+14%**	**+12%**	**+13%**	**+12%**	**-**	**+12%**

Half-year from January 1 to June 30, 2016

Revenue *(EUR millions)*	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	**Total**
Quarter from January 1 to March 31, 2016	429	1,033	2,965	1,213	774	2,747	(120)	**9,041**
Quarter from April 1 to June 30, 2016	464	1,023	2,920	1,124	835	2,733	(75)	**9,024**
Total	**893**	**2,056**	**5,885**	**2,337**	**1,609**	**5,480**	**(195)**	**18,065**

TAXATION

*The following is an overview limited to certain tax considerations in France and in Luxembourg relating to the Notes and is included herein solely for information purposes. It specifically contains information on taxes withheld at source on the income from the securities that may apply, with respect to France, to the beneficial owners of the Notes who are not French resident under French tax law, not shareholders of the Issuer nor related with the latter within the meaning of Article 39, 12° of the French tax code (Code général des impôts) ("**CGI**") and will not receive interest within the meaning of French tax law through a fixed base or a permanent establishment located in France, in connection with a complete business cycle (cycle commercial complet) completed in France or in connection with a business or a profession conducted in France. This overview is based on the laws or their interpretation in force in France and in Luxembourg as of the date of this Prospectus and is subject to any changes in law or in their interpretation, possibly with retroactive effect. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes and must in any event also comply with the tax legislation in force in their State of residence, as modified, as the case may be, by the international tax agreement signed by France and that State.*

French withholding tax

Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the mandatory withholding tax set out under Article 125 A III of the CGI unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the CGI (a "**Non-Cooperative State**") and irrespective of the Noteholder's residence for tax purposes or registered headquarters, subject, however, to the provisions of international tax agreements.

The Non-Cooperative States list is published by a ministerial decision (*arrêté*) which is updated at least once a year.

If such payments of interest or other revenues under the Notes are made in a Non-Cooperative State, a 75% mandatory withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) pursuant to Article 125 A III of the CGI.

Furthermore, pursuant to Article 238 A of the CGI, interest and other revenues on the Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account opened in a financial institution established in such Non-Cooperative State. Any such non-deductible interest or other revenues can be requalified, under certain conditions, as a constructive dividend as per the provisions of Articles 109 *et seq.* of the CGI. In this case, such interest and other revenues may be subject to the withholding tax provided for in paragraph 2 of Article 119 *bis* of the CGI at the rate of 30% or 75%, subject to the more favorable provisions of an applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% mandatory withholding tax on interest and other products provided for by Article 125 A III of the CGI nor, to the extent the relevant interest and other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the non-deductibility of interest and other revenues provided for by Article 238 A of the CGI nor the withholding tax set out under Article 119 *bis* 2 of the CGI resulting from such non-deductibility will apply in respect of the a particular issue of debt instruments provided that the issuer can prove that the principal purpose and effect of such issue was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the French tax administrative guidelines (*Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211 n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 n°70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320 n°10), an issuer of debt instruments benefits from the Exception without such issuer having to provide any evidence supporting the main purpose and effect of the issue of the debt instruments if such debt instruments are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign market authority;

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

To the extent the Notes qualify as debt securities under French commercial law and to the extent they qualify under items (ii) and/or (iii) *supra*, payment of interest and other revenues on the Notes will, in principle, not be subject to the withholding tax set forth in Article 125 A III of the CGI. Moreover, under the same conditions and to the extent that the relevant interest and other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, interest and other revenues paid by the Issuer to the Noteholders in respect of the Notes will not be subject, pursuant to the abovementioned French tax administrative guidelines, to the related non-deductibility rules set forth under Article 238 A of the CGI and, as a result, will not be subject to the withholding tax set forth under Article 119 *bis* 2 of the CGI solely on account of their being paid or accrued to a person domiciled or established in a Non-Cooperative State or paid on an account opened in a financial institution established in such a Non-Cooperative State.

Luxembourg withholding tax

Under Luxembourg general tax laws currently in force and subject to the exception below, there is no withholding tax on payments of principal, premium or interest, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes.

Under the Luxembourg law of 23 December 2005, as amended, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 20%.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement (the "**Subscription Agreement**") dated 28 July 2017, Crédit Agricole Corporate and Investment Bank (the "**Lead Manager**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to procure the subscription and the payment for the Notes at an issue price equal to 100 per cent. of the aggregate principal amount of the Notes, less any applicable commission. The Subscription Agreement entitles, in certain circumstances, the Lead Manager to terminate the Subscription Agreement.

General restrictions

No action has been or will be taken by the Issuer or the Lead Manager (to their best knowledge) in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

France

The Lead Manager has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France the Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors acting for their own account (*investisseurs qualifiés agissant pour compte propre*), all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1, D. 744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*.

United States of America

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities law of any U.S. state. The Notes may not be offered or sold, directly or indirectly, within the United States otherwise than in accordance with applicable U.S. Securities laws and regulations. The Notes are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S ("**Regulation S**"). Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until forty (40) days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer (whether participating in the offering or not) may violate the registration requirements of the Securities Act.

United Kingdom

The Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving, the United Kingdom.

Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, the Lead Manager has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, the Lead Manager has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Prospectus and any other document relating to the Notes in the Republic of Italy except:

(1) to "qualified investors", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**") and defined in Article 34-*ter*, paragraph 1, let. (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"); or

(2) in any other circumstances where an express exemption from compliance with the offer restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and

(b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Provisions relating to the secondary market in the Republic of Italy

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy, Article 100-*bis* of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, where the Notes are placed solely with "qualified investors" and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

GENERAL INFORMATION

1. The Notes have been accepted for clearance through Clearstream (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg), Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgium) and Euroclear France (66, rue de la Victoire, 75009 Paris, France) with the common code 165779401. The International Securities Identification Number (ISIN) for the Notes is FR0013275385.

2. The issue of the Notes has been authorised pursuant to resolutions of the Board of Directors of the Issuer dated 28 April 2017 and a decision of Florian Ollivier, *Président-directeur général* of the Issuer, dated 27 July 2017.

3. The Issuer has obtained all necessary consents, approvals and authorisations in France in connection with the issue and performance of the Notes.

4. Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the Official List and admitted to trading on the regulated market (within the meaning of directive 2004/39/EC as amended) of the Luxembourg Stock Exchange.

5. The statutory auditors of the Issuer for the period covered by the historical financial information are Ernst & Young et Autres (1-2, place des Saisons, 92400 Courbevoie - Paris la Défense 1, France) and Mazars (Tour Exaltis, 61 rue Henri-Régnault, 92400 Courbevoie). Ernst & Young et Autres and Mazars have audited and rendered audit reports on the financial statements of the Issuer for each of the financial years ended 31 December 2015 and 31 December 2016. Ernst & Young Audit and Mazars belong to the Compagnie Régionale des Commissaires aux Comptes de Versailles.

6. The total expenses related to the admission to trading of the Notes are estimated to €6,200.

7. The yield of the Notes is 1.204 per cent. *per annum*, as calculated at the Issue Date on the basis of the issue price of the Notes.

8. As far as the Issuer is aware, no person, other than the Issuer, involved in the offer of the Notes has an interest material (apart from the fees payable to the Lead Manager) to the issue.

9. Except as disclosed on page 96 of the *Rapport Annuel* 2016, at the date of this Prospectus, there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2016.

10. At the date of this Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2016.

11. The Issuer has not entered into, at the date of this Prospectus, contracts outside the ordinary course of the Issuer's business, which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of Notes in respect of the Notes being issued.

12. Except as disclosed on pages 93 and 94 of the *Rapport Annuel* 2016, during a period covering at least the previous twelve (12) months, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

13. To the Issuer's knowledge, at the date of this Prospectus, there are no conflicts of interest between the private interests and/or other duties of members of the Board of Directors of the Issuer and the duties they owe to the Issuer.

14. So long as any of the Notes remain outstanding, copies of this Prospectus, the documents incorporated by reference in this Prospectus, the Fiscal Agency Agreement, the *statuts* (by-laws) of the Issuer and the audited consolidated account of the Issuer for the two latest fiscal years ended 31 December 2015 and 31 December 2016 will be available for inspection and will be obtainable, free of charge, at the specified offices for the time being of the Paying Agents during normal business hours. This Prospectus and all the documents incorporated by reference in this Prospectus are also available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

ISSUER

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