

Christian Dior

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FINANCIAL RELEASE

The **Christian Dior group** achieved revenue of 31.0 billion euros for the fiscal year from July 1, 2013 to June 30, 2014, generating profit from recurring operations of 6.0 billion euros. Consolidated net profit was 3.9 billion euros and the Group share of net profit was 1.4 billion euros. Free cash flow (before financial investments, transactions relating to equity and financing activities) amounted to 2.4 billion euros for the fiscal year. ^(a)

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

Revenue (EUR millions)	1 st half-year (July 1 - Dec. 31, 2013) ^{(b)(c)}	2 nd half-year (January 1 - June 30, 2014) ^{(b)(d)}	12-month fiscal year (July 1, 2013 - June 30, 2014) ^{(a)(b)}	Period from July 1, 2012 to June 30, 2013 ^{(b)(e)}	Change at actual exchange rates	Organic growth ^(f)
Christian Dior Couture	758	747	1,505	1,324	+14%	+19%
Wines and Spirits	2,379	1,685	4,064	4,186	-3%	+3%
Fashion and Leather Goods	5,171	5,030	10,201	9,981	+2%	+5%
Perfumes and Cosmetics	1,913	1,839	3,752	3,690	+2%	+7%
Watches and Jewelry	1,474	1,302	2,776	2,803	-1%	+5%
Selective Retailing	4,723	4,400	9,123	8,504	+7%	+12%
Other activities and eliminations	(231)	(206)	(437)	(368)	-	-
Total	16,187	14,797	30,984	30,120	+3%	+7%

^(a) Audit procedures in progress

^(b) Figures do not take into account IFRS 10 and 11 (on consolidation) which, for Christian Dior, will apply only as of the fiscal year beginning July 1, 2014 (see Appendix 2 for pro forma figures restated to reflect the application of IFRS 10 and 11)

^(c) Figures for the first half of the fiscal year (July 1 - December 31, 2013) underwent limited review procedures with a report issued by the Statutory Auditors on the half-year consolidated financial information

^(d) Figures for the second half of the fiscal year (January 1 - June 30, 2014) underwent limited review procedures with no report issued

^(e) 12-month pro forma audited figures

^(f) With comparable structure and constant exchange rates. The structural impact, essentially linked to the integration of Loro Piana, is +1% and the exchange rate impact is -5%

Profit from recurring operations (EUR millions)	1 st half-year (July 1 - Dec. 31, 2013) ^{(b)(c)}	2 nd half-year (January 1 - June 30, 2014) ^{(b)(d)}	12-month fiscal year (July 1, 2013 - June 30, 2014) ^{(a)(b)}	Period from July 1, 2012 to June 30, 2013 ^{(b)(e)}	Change at actual exchange rates
Christian Dior Couture	108	84	192	139	+38%
Wines and Spirits	828	463	1,291	1,306	-1%
Fashion and Leather Goods	1,643	1,490	3,133	3,245	-3%
Perfumes and Cosmetics	214	204	418	411	+2%
Watches and Jewelry	219	112	331	331	-
Selective Retailing	494	391	885	888	-
Other activities and eliminations	(102)	(98)	(200)	(233)	-
Total	3,404	2,646	6,050	6,087	-1%

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^(e) 12-month pro forma audited figures

Highlights of the second half of the fiscal year (January 1 - June 30, 2014) include:

- Good resilience in Europe and continued growth in the United States and Asia,
- Strong negative exchange rate effect, particularly on Fashion and Leather Goods and on Watches and Jewelry activities,
- Continued exceptional growth for Christian Dior Couture, particularly at its network of directly operated stores (up 19% at constant exchange rates compared to the same period in 2013), thanks to the excellence of its products,
- Wines and Spirits' performance impacted by continued destocking by distributors in China,
- The qualitative development of Louis Vuitton, where profitability remains at an exceptional level,
- Continued investment in the fashion brands,
- Strong innovation momentum at Parfums Christian Dior,
- Sustained investment in communication for Watches and Jewelry,
- Excellent performance of Sephora and continued expansion plan of DFS,
- Cash from operations before changes in working capital of 3.3 billion euros,
- Net debt to equity ratio of 26% as of the end of June 2014.

OUTLOOK

Despite an uncertain European economic environment, the Christian Dior group will continue to gain market share thanks to the numerous product launches planned in the coming months and its geographic expansion in promising markets, while continuing to manage costs.

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

As of this date, no events or changes likely to significantly affect the Group's financial structure took place during the period.

The annual financial statements as of June 30, 2014 will be approved by the Board of Directors at its meeting in October, which will be followed by the publication of a financial release.

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

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, which 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.

- **APPENDIX 1** - Revenue by business group and by period, excluding application of IFRS 10 and 11
- **APPENDIX 2** - Pro forma revenue and profit from recurring operations by business group and by period, taking into account application of IFRS 10 and 11

APPENDIX 1

Christian Dior group - Revenue by business group and by period, excluding application of IFRS 10 and 11 (*) IFRS 10 and 11 (on consolidation) will apply, for Christian Dior, only as of the fiscal year beginning July 1, 2014

Fiscal year ended June 30, 2014 (12 months)

<i>(EUR millions)</i>	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	Total
Period from July 1 to September 30, 2013	369	1,032	2,428	879	677	2,101	(109)	7,377
Period from October 1 to December 31, 2013	389	1,347	2,743	1,034	797	2,622	(122)	8,810
Period from January 1 to March 31, 2014	357	896	2,639	941	624	2,231	(102)	7,586
Period from April 1 to June 30, 2014	390	789	2,391	898	678	2,169	(104)	7,211
Total	1,505	4,064	10,201	3,752	2,776	9,123	(437)	30,984

Corresponding periods in the previous year

<i>(EUR millions)</i>	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	Total
Period from July 1 to September 30, 2012	325	1,006	2,523	898	690	1,862	(90)	7,214
Period from October 1 to December 31, 2012	340	1,372	2,747	988	803	2,427	(110)	8,567
Period from January 1 to March 31, 2013	316	979	2,383	932	624	2,122	(99)	7,257
Period from April 1 to June 30, 2013	343	829	2,328	872	686	2,093	(69)	7,082
Total	1,324	4,186	9,981	3,690	2,803	8,504	(368)	30,120

Fiscal year ended June 30, 2013 (2 months)

<i>(EUR millions)</i>	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	Total
Total	237	541	1,600	551	467	1,406	(34)	4,768

Fiscal year ended April 30, 2013 (12 months)

<i>(EUR millions)</i>	Christian Dior Couture	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other activities and eliminations	Total
Period from May 1 to July 31, 2012	323	843	2,413	805	733	1,834	(49)	6,902
Period from August 1 to October 31, 2012	309	1,177	2,463	1,000	714	1,880	(102)	7,441
Period from November 1, 2012 to January 31, 2013	339	1,324	2,760	951	724	2,477	(111)	8,464
Period from February 1 to April 30, 2013	318	864	2,300	922	655	2,112	(97)	7,074
Total	1,289	4,208	9,936	3,678	2,826	8,303	(359)	29,881

(*) Values rounded to the nearest whole number

APPENDIX 2

Christian Dior group - Pro forma revenue and profit from recurring operations by business group and by period (*)

Pro forma figures restated to reflect the application of IFRS 10 and 11 (on consolidation) which, for Christian Dior, will apply only as of the fiscal year beginning July 1, 2014.

REVENUE

Periods from January 1 to June 30, 2014

(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, 2014	357	888	2,639	941	609	2,222	(100)	7,556
Period from April 1 to June 30, 2014	390	789	2,391	898	663	2,160	(105)	7,186
Total	747	1,677	5,030	1,839	1,272	4,382	(205)	14,742

Periods from January 1 to June 30, 2013

(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, 2013	316	967	2,383	932	610	2,113	(96)	7,225
Period from April 1 to June 30, 2013	343	828	2,328	872	670	2,085	(71)	7,055
Total	659	1,795	4,711	1,804	1,280	4,198	(167)	14,280

PROFIT FROM RECURRING OPERATIONS

Period from January 1 to June 30, 2014

(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
Total	84	461	1,487	204	112	398	(95)	2,651

Period from January 1 to June 30, 2013

(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
Total	57	539	1,493	200	155	412	(94)	2,762

(*) Values rounded to the nearest whole number