

Christian Dior

CONSOLIDATED STATEMENTS

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CONSOLIDATED HIGHLIGHTS

millions of euros	1998	1999	2000	2001	2002
Net sales	7,130	8,758	11,867	12,567	13,168
Income from operations	1,181	1,551	1,967	1,548	2,034
Income before taxes	969	1,415	1,652	597	1,264
Net current income before goodwill amortization, Group share	184	295	320	75	287
Net income, Group share	47	264	251	(95)	178

euros

Net current income per share before goodwill amortization	1.04	1.63	1.77	0.41	1.58
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millions of euros

Balance sheet total	21,422	26,330	28,435	29,228	26,802
Shareholders' equity	3,724	3,887	3,972	3,788	3,793
Cash flow	517	922	1,140	884	1,528

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CONSOLIDATED BALANCE SHEET AT DECEMBER 31 in millions of euros

ASSETS	Notes	2002	2001	2000
Current assets				
Cash and cash equivalents	5	855	834	730
Short-term investments	5	61	623	1,326
Treasury shares	4	641	1,143	1,370
Trade accounts receivable and equivalents	5	1,373	1,577	1,676
Net deferred taxes	24	558	503	269
Inventories and work in progress	6-50	3,522	3,727	3,431
Other short-term receivables	7	1,315	1,534	1,616
Total current assets		8,325	9,941	10,418
Fixed assets				
Financial assets				
Investments in companies accounted for by the equity method	8	71	81	24
Other investment securities	9	1,233	1,705	2,051
Other financial assets		522	478	413
		1,826	2,264	2,488
Property, plant and equipment	10	6,855	7,120	5,802
Amortizations		(2,614)	(2,489)	(2,045)
		4,241	4,631	3,757
Goodwill	11	4,628	4,406	4,099
Amortizations		(1,224)	(1,115)	(505)
		3,404	3,291	3,594
Brands and other intangible assets	12	9,368	9,392	8,364
Depreciations and amortizations		(362)	(291)	(186)
		9,006	9,101	8,178
Total fixed assets		18,477	19,287	18,017
Total assets	50-51	26,802	29,228	28,435

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LIABILITIES	Notes	2002 after assignment	2002 before assignment	2001 after assignment	2000 after assignment
Short-term liabilities					
Current financial debt	15	360	360	340	331
Short-term financial borrowings	14	3,114	3,114	4,447	5,818
Bank overdrafts	14	504	504	603	619
		3,978	3,978	5,390	6,768
Trade accounts payable		1,484	1,484	1,450	1,341
Other short-term liabilities	15	2,746	2,650	2,763	2,856
		4,230	4,134	4,213	4,197
Total short-term liabilities		8,208	8,112	9,603	10,965
Long-term deferred taxes	24	127	127	171	114
Medium and long-term liabilities					
Repackaged notes	16	222	222	284	346
Financial debt, less current portion	15	4,555	4,555	5,402	3,499
Other medium and long-term liabilities and provisions	17	1,151	1,151	1,322	1,165
Total medium and long-term liabilities		5,928	5,928	7,008	5,010
Minority interests	18	8,746	8,746	8,658	8,374
Shareholders' equity					
Capital		363	363	363	363
Consolidated reserves		3,534	3,503	3,493	3,673
Cumulative translation adjustment		(104)	(104)	(68)	(64)
Income for the period		0	178	0	–
Interim dividend paid		0	(51)	0	–
Total shareholders' equity	18	3,793	3,889	3,788	3,972
Total liabilities		26,802	26,802	29,228	28,435

The notes are an integral part of the consolidated financial statements.

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CONSOLIDATED STATEMENT OF INCOME

in millions of euros, except for earnings per share expressed in euros

	<i>Notes</i>	2002	2001	2000
Net Sales	<i>22-50-51</i>	13,168	12,567	11,867
Cost of sales		(4,712)	(4,764)	(4,313)
Gross margin		8,456	7,803	7,554
Design expenses	<i>20</i>	(31)	(25)	(55)
Marketing and selling expenses		(4,924)	(4,743)	(4,305)
General and administrative expenses		(1,467)	(1,487)	(1,227)
Income from operations	<i>50-51</i>	2,034	1,548	1,967
Financial income	<i>22</i>	(333)	(499)	(467)
Dividends from unconsolidated investments		8	16	45
Other income and expenses - net	<i>25</i>	(445)	(468)	107
Income before income taxes		1,264	597	1,652
Income taxes	<i>24</i>	(356)	(194)	(635)
Income from companies accounted for under the equity method	<i>8</i>	(18)	(42)	(34)
Net income before amortization of goodwill and unusual items (Group's share: 2002: 287; 2001: 75; 2000: 320)		890	361	983
Amortization of goodwill	<i>25</i>	(253)	(159)	(131)
Net income before unusual items (Group's share: 2002: 178; 2001: 5; 2000: 262)		637	202	852
Unusual items	<i>26</i>	0	(199)	35
Net income		637	3	887
Minority interests		(459)	(98)	(636)
Net income - Group share		178	(95)	251
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Net income per share before amortization of goodwill and unusual items		1.58	0.41	1.77
Number of shares used as basis for calculation (1)		181,727,048	181,721,048	181,261,048
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Fully diluted earnings per share before amortization of goodwill and unusual items		1.58	0.41	1.76
Number of shares used as basis for calculation (1)		181,727,048	181,723,825	181,665,063

(1) Numbers adjusted to reflect the four for one stock split of July 2000.

The notes are an integral part of the consolidated financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOW

millions of euros

	2002	2001	2000
I - OPERATING ACTIVITIES			
Net income, group share	178	(95)	251
Minority interests in net income	459	98	636
Elimination of income from companies accounted for by the equity method	18	42	34
Dividends received from equity companies	(1)	4	2
Amortization and net long-term and short-term provisions	700	1,672	292
Net gain (loss) on sale of fixed assets or treasury shares	174	(837)	(75)
Net cash provided by operating activities before changes in current assets and liabilities	1,528	884	1,140
Change in current assets	117	(403)	(697)
Change in short-term debts	309	47	384
Change in working capital requirements	426	(356)	(313)
Net cash provided by operating activities ①	1,954	528	827
II - INVESTMENT ACTIVITIES			
Purchases of intangible assets	(88)	(135)	(75)
Purchases of plant, property and equipment	(538)	(949)	(822)
Purchases of equity investments	(51)	(417)	(447)
Changes in debt on purchases of fixed asset	(53)	244	56
Sale of non-financial fixed assets	203	149	85
Change in receivables on disposals of fixed assets	0	0	1
Impact of reclassification of equity interests and investment securities	0	(677)	817
Disposal of unconsolidated investments	92	2,122	1,195
Changes in other financial assets	(185)	(181)	(192)
Impact in changes in consolidation	(160)	(895)	(547)
Net cash provided by investing activities ②	(780)	(739)	71
III - FINANCING ACTIVITIES			
Proceeds from issuance of common stock	13	42	11
Issuance of bonds and other financial debt	661	2,300	3,077
Principal repayments on short-term borrowings and long-term debt	(2,400)	(2,477)	(2,616)
Change in current accounts	(109)	304	370
Changes in listed securities	182	880	(1,071)
Net cash provided by financing activities ③	(1,653)	1,049	(229)
IV - ACQUISITION AND DISPOSAL OF LVMH/DIOR SHARES ④	500	(33)	(370)
V - DIVIDENDS PAID IN THE PERIOD ⑤	(363)	(508)	(384)
VI - IMPACT OF EXCHANGE RATE DIFFERENCES ⑥	18	(12)	(9)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ① + ② + ③ + ④ + ⑤ + ⑥	(324)	285	(94)
Cash and cash equivalents at beginning of year (net of bank overdrafts)	611	326	420
Cash and cash equivalents at year end (net of bank overdrafts)	287	611	326
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(324)	285	(94)

The statement of cash flows shows the change in cash (net of bank overdrafts) and cash equivalents consisting of short-term investments that can be readily converted into cash, excluding, since January 1, 2001, listed securities. Figures from previous periods have been adjusted to allow comparisons with the data presented.