

Christian Dior

SOCIETE ANONYME AU CAPITAL DE 363 454 096 EUROS- 582 110 987 R.C.S PARIS

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PRESS RELEASE

STRONG GROWTH IN PROFIT FROM RECURRING OPERATIONS: + 16%

The Christian Dior Group achieved record revenue and profitability in 2005 and growth was enjoyed across all geographic regions, notably the United States, Asia and Europe. In spite of the very strong negative impact of exchange rates, profit from recurring operations rose 16% to 2,791 million Euros, increasing more rapidly than revenues, which themselves showed a strong 11% rise in growth.

EUR millions (IFRS)	2005	2004
Revenue	14,556	13,060
Profit from recurring operations	2,791	2,413
Net profit	1,654	1,443
<i>of which Group share</i>	<i>618</i>	<i>549</i>

LVMH recorded a 16% increase in profit from recurring operations amounting to 2,743 million Euros on revenue of 14 billion Euros. At constant exchange rates, the Group's profit from recurring operations increased by 22%.

The Group share of net profit increased by 21% compared to 2004, which was also a year of very strong growth. This increase is largely attributable to the Group's improved operating profitability and the reduction in financial expenses brought about by decreased levels of debt.

Christian Dior Couture's profit from recurring operations was up 6% to 53 million Euros. The increase in operating profit, obtained in spite of substantial investments in the network of boutiques over the course of 2005, confirms the strength of the brand and the desire to pursue its investment strategy with a view to increasing future profitability. Operating profit should increase significantly from 2006.

The boutique network has now risen to 194 stores.

The growth trends observed at the beginning of 2006 confirm the strong momentum of 2005. The **Christian Dior Group** has set itself an objective of a very significant growth in its results in 2006.

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A dividend increase of 20%, amounting to 1.16 Euro per share, will be proposed at the AGM on 11 May 2006. An interim payment of 0.32 Euro per share having been paid out on December 2, 2005, the balance of 0.84 Euro will be paid on May 18, 2006.

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