

Christian Dior

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PRESS RELEASE

Operating profit up 32 %
Net profit up 45 %

The Christian Dior Group achieved strong growth in its consolidated results in the first half of 2006. Operating profit increased by 32% and the operating margin on sales increased by 2 points to 17%. Under the combined effect of the growth of operating profit and the improvement of the financial results, the net group share of profits grew at a rate of 45%.

(EUR millions)	<u>First half 2006</u>	<u>First half 2005</u>
. Revenue	7,287	6,466
. Profit from recurring operations	1,291	1,102
. Operating profit	1,249	945
. Net profit (Group Share)	334	230

LVMH achieved a 19% increase in its profit from recurring operations; having taken into account non-recurring operating income and expenses, growth reached 35 %.

Each of the business groups recorded double-digit growth in profit from recurring operations, a performance which is even more noteworthy in view of the strong growth in the first half of 2005.

In addition to Louis Vuitton, which again saw double-digit organic growth, we note the very strong momentum of Fendi, Parfums Christian Dior and the “Watches and Jewelry” business group.

Christian Dior Couture’s revenue increased by 9% to 329 million Euros in the first half of 2006. This new momentum comes after the 11% organic growth of the first half of 2005.

The 8 million Euros of operating profit include the cost of the investments in the network of boutiques over the first half of the year (8 openings) as well as the effect of less favourable exchange rates than in 2005.

Taking into account the outlook for the second half of 2006, the **Christian Dior Group** confirms its objective of a very significant increase in results for 2006.

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An interim dividend payment of 0.38 Euro per share will be paid on December 1, 2006.

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