

Christian Dior

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PRESS RELEASE

Excellent results in the first half of 2008 Organic revenue growth of 11% Further operating margin increase

In the first half of 2008, the **Christian Dior Group** achieved revenues of 8.2 billion euros, recording organic growth of 11%. This performance reflects the continued momentum of all business groups.

Profit from recurring operations rose to 1,542 million euros, an increase of 6 %. This performance was achieved in an unfavourable economic and currency environment and compares with a strong first half result in 2007.

Group share of net profit rose to 352 million euros versus 358 million euros in the first half of 2007.

(in millions of euros)	<u>First half of 2008</u>	<u>First half of 2007</u>
• Revenue	8,152	7,768
• Profit from recurring operations	1,542	1,460
• Operating profit	1,511	1,423
• Group share of net profit	352	358

LVMH revenue rose to 7.8 billion euros in the first half of 2008, reflecting organic growth of 12%. Profit from recurring operations increased to 1,541 million euros, up 7% at current exchange rates and up 19% at constant exchange rates. LVMH has again recorded an increase in its current operating margin, which now stands at 20% of sales.

LVMH group share of net profit was 891 million euros.

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Highlights of the first half of 2008 were:

- A good balance between growth in historical and emerging markets,
- Market share gains with all the brands, achieving strong momentum notably with double-digit organic revenue growth at Louis Vuitton, whose operating margin continues to be at an exceptional level,
- Strong growth in Wines & Spirits in the second quarter,
- Notable progress in Perfumes & Cosmetics and at Sephora,
- Major improvement in the profitability of Perfumes & Cosmetics and Watches & Jewelry.

Christian Dior Couture revenue for the first half were 366 million euros, an increase of 5% at constant exchange rates. The growth in sales has remained strong in emerging markets (Middle East, China and Russia) as well as in Europe.

This growth, which compares with a 16% revenue increase (at constant exchange rates) in the first half of 2007, attests to the strength of the Brand in an uncertain economic environment. Operating profit, which amounts to 7 million euros, includes the charges incurred in the first half as a result of the reorganisation of the supply chain and the costs of network renovation.

In an uncertain economic and monetary environment, the **Christian Dior Group** will continue to grow thanks to both the numerous product launches planned before the end of the year and to its geographic expansion. These factors allow the Group to confirm its objective of a tangible increase in its 2008 results.

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An interim dividend payment of 0.44 euro per share will be paid on December 2, 2008

Regulated information related to this press release is available on our internet site www.dior-finance.com

The information on the financial position and the accounting information in the tables presented in this press release has been approved by the Board of Directors and by the statutory auditors (limited review).