Not for distribution in the United States, Canada, Australia, Japan or South Africa
The offer described hereinafter may only be opened after the clearance of the French financial market authority (Autorité des marchés financiers)

PRESS RELEASE RELATING TO THE FILING OF

THE DRAFT RESPONSE OFFER DOCUMENT PREPARED BY

Christian Dior

IN RESPONSE TO
THE SIMPLIFIED MIXED OFFER
together with secondary
CASH SIMPLIFIED OFFER and
EXCHANGE SIMPLIFIED OFFER
within the overall limit of 66.11% in cash and 33.89% in Hermès International shares (2016 ex-dividend)

INITIATED BY

Semyrhamis
(a company of the Arnault Family Group)

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

This press release was prepared by Christian Dior and disseminated in accordance with Article 231-26 of the general regulations of the French financial market authority (*Autorité des marchés financiers*) (the "**AMF**").

This document is an unofficial English-language translation of the press release on the filing of the draft offer document.

This draft offer and the draft response offer document remain subject to review by the AMF.

The draft response offer document is available on the websites of Christian Dior (www.dior-finance.com) and of the AMF (www.amf-france.org) and may be obtained free of charge upon request to:

Christian Dior
30 avenue Montaigne
75008 Paris
France

In accordance with the provisions of article 231-28 of the general regulations of the AMF, information relating in particular to the legal, financial and accounting aspects of Christian Dior, will be made available to the public in the same manner as mentioned above, no later than the day preceding the opening of the Offer.

1 PRESENTATION OF THE OFFER

Pursuant to Section III of Book II and more specifically articles 233-1 *et seq.* of the general regulation of the AMF, Semyrhamis, a *société anonyme* having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 434 009 114 ("**Semyrhamis**" or the "**Initiator**") irrevocably offers to the shareholders of Christian Dior, a *société européenne*, having its registered office at 30 avenue Montaigne, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 582 110 987 ("**Christian Dior**" or the "**Company**"), other than the members of the Arnault Family Group (as defined hereafter), to acquire and/or exchange all of their Christian Dior shares (the "**Offer**").

The draft offer document relating to the Offer has been filed with the AMF by the Initiator on May 22nd, 2017 (the "**Draft Offer Document**").

1.1. Shares targeted by the Offer

The shares of the Company (the "**Shares**") are traded on the Euronext Paris market (Compartment A) ("**Euronext Paris**") under ISIN Code FR0000130403 (mnemonic CDI).

As of the date of the draft response offer document, the total number of existing Shares is equal to 180,507,516, representing 307,374,031 theoretical voting rights pursuant to Article 223-11 of the general regulation of the AMF.

At the date of the draft response offer document, Semyrhamis holds with the other members of the Arnault Family Group 133,714,971 Shares, representing 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company. In addition, Semyrhamis has not entered into any agreement, at the date hereof, which would enable it, on its own initiative to acquire any Shares.

The Offer is made for all existing Shares not already held by the Initiator and the other members of the Arnault Family Group, excluding treasury Shares to the exception of 370,795 treasury Shares that may be delivered as a result of a definitive allocation of free Shares or performance Shares or the exercise of Stock-Options (the "**Stock-Options**") in favour of beneficiaries other than the members of the Arnault Family Group (please refer to Section 2.5 of the Draft Offer Document for a description of the situation of holders of Stock Options, free shares and performance shares). As of the date of the draft response offer document the number of Shares targeted by the Offer is equal to 46,308,068 Shares, representing 25.65% of the existing share capital of the Company.

1.2. Terms of the Offer

The Offer primarily takes the form of a simplified mixed offer, completed by a secondary cash simplified offer and a secondary exchange simplified offer.

Under the primary simplified mixed offer, the Initiator offers to the shareholders of the Company to tender their Shares to the Offer and to receive in exchange 172 euros and 0.192 Hermès International share (2016 ex-dividend) for each Share, in accordance with the ratio described hereafter and within the limit of 8,891,150 Hermès shares (the "**Primary Offer**").

Shares of Hermès International[1] ("**Hermès**") are traded on Euronext Paris (Compartment A) under ISIN Code FR0000052292 (mnemonic RMS) (the "**Hermès Shares**").

In order to meet the expectations of the shareholders of Christian Dior who would like to benefit from a different proportion of Hermès Shares and/or cash, without, however, modifying the global

[1] A *société en commandite par actions*, having its registered office at 24 rue du Faubourg Saint-Honoré, 75008 Paris, registered with the Register of Commerce and Companies of Paris under number 572 076 396.

proportion of 66.11% in cash and 33.89%[2] in Hermès Shares, the Primary Offer is completed by a secondary simplified cash offer and a secondary simplified exchange offer (the "**Secondary Offers**"), under the following terms:

(i) Secondary simplified cash offer (the "**Secondary Cash Offer**"): within the limit of 66.11% in cash as set forth in section 2.3.3 of the Draft Offer Document, the Initiator offers to the shareholders of the Company to acquire their Shares, at a price of 260 euros for each Share.

(ii) Secondary simplified exchange offer (the "**Secondary Exchange Offer**"): within the limit of 33.89% in Hermès Shares as set forth in section 2.3.3 of the Draft Offer Document, the Initiator offers to the shareholders of the Company to exchange their Shares for Hermès Shares according to an exchange ratio of 0.566 Hermès Share (2016 ex-dividend)for each tendered Share.

Shareholders of Christian Dior may tender their Shares either (i) to the Primary Offer, (ii) to one/both of the Secondarily Offers, or (iii) to the Primary Offer and to one/both of the Secondarily Offers.

The Secondary Offers are, as the case may be, subject to a reduction mechanism in order to obtain:

- a total amount of cash equals to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer, had tendered them to the Primary Offer, and
- a total amount of Hermès Shares equal to the amount that would have been obtained if all the Christian Dior's shareholders tendering their Shares to the Offer, had tendered them to the Primary Offer.

Such reduction mechanism is further described in Section 2.3.3. of the Draft Offer Document.

The Hermès Shares delivered pursuant to the Offer will be delivered "2016 ex-dividend"[3]. In addition, no adjustment will be made by the Initiator in case of distribution by Hermès after the date of the draft response offer document.

1.3. <u>Details on the Offer</u>

The Offer shall be open for a period of fifteen (15) trading days.

The Offer is made according to the simplified procedure pursuant to Article 233-1 *et seq.* of the general regulation of the AMF.

The indicative timetable of the Offer is set forth in section 2.10 of the Draft Offer Document.

The Initiator will not implement a squeeze-out process pursuant to Article 237-14 et seq. of the general regulation of the AMF within 3 months following the completion of the Offer, regardless of the results of the Offer.

More generally, the Initiator intends to maintain the admission of the Shares for trading on Euronext Paris following the completion of the Offer and, depending on the results of the Offer, reserves the right to purchase Shares.

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[2] Percentages are rounded figures. The exact percentages are determined by the ratio between, on the one hand, the cash component of the Primary Offer, i.e. 172 euros, and in the other hand, the Hermès Shares component of the Primary Offer, i.e. 0.192, multiplied by 459.3 euros (Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017)

[3] Subject to the approval by the Annual General Meeting of Hermès on June 6th, 2017 of the 3.75 euros dividend for the financial year 2016, the balance of such dividend amounting to 2.25 euros is expected to be paid as of June 8th, 2017.

Pursuant to article 231-13 of the general regulation of the AMF, the draft offer and the draft offer document have been filed with the AMF on May 22nd, 2017 by Rothschild & Cie Banque, Crédit Agricole Corporate and Investment Bank ("CA-CIB"), Natixis and Société Générale acting as presenting banks.

It is specified that the content and irrevocable nature of the undertakings made by the Initiator in connection with the Offer are solely guaranteed by CA-CIB, Natixis and Société Générale.

The Offer, the Draft Offer Document and the draft response offer document are subject to review by the AMF.

2 CONTEXT AND REASONS OF THE OFFER

2.1 Context of the Offer

2.1.1 Composition of the Arnault Family Group

The Arnault family group, composed of the Arnault family and the following companies it controls, namely (i) Groupe Arnault, (ii) Financière Agache, (iii) le Peigné and (iv) the Initiator (the "**Arnault Family Group**"), directly and indirectly holds 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company.

Semyrhamis holds directly 62.38% of the share capital and 71.92% of the theoretical voting rights of the Company.

The Arnault Family Group also holds, directly and indirectly, 8 955 471 Hermès Shares in portfolio representing 8.48% of the Hermès share capital, 8 771 914 Hermès shares being held by Semyrhamis and 183 557 Hermès shares being held, directly and indirectly, by other members of the Arnault Family Group.

2.1.2 A two-folds strategic project

On April 25th, 2017, the Arnault Family Group, Christian Dior and LVMH Moët Hennessy - Louis Vuitton ("**LVMH**") announced a two-fold strategic project, through a press release available on the website of each of Christian Dior (www.dior-finance.com), LVMH (www.lvmh.fr) and Semyrhamis (www.semyrhamis-finance.com):

(i) The strengthening of Fashion & Leather Goods division of LVMH through the acquisition of Grandville, holding 100% of the share capital and voting rights of Christian Dior Couture as well as other real estate assets operated by Christian Dior Couture (the "Disposal");

(ii) The simplification of the structures of the Christian Dior – LVMH group through the Offer.

Following the announcement, the AMF has published on April 25th 2017 a preoffer notice (n°217C0860) relating to the Company.

The Offer will (i) allow the Initiator to increase its shareholding in Christian Dior emphasizing the confidence of the Arnault Family Group in the long-term perspective of LVMH and its brands and (ii) represent a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

(a) Agreement relating to the Sale entered into between Christian Dior and LVMH

LVMH and Christian Dior, which holds directly and indirectly 40.94% of the share capital and 56.34% of the theoretical voting rights of LVMH, have entered into a non-binding Memorandum of Understanding on April 24th, 2017 regarding the contemplated disposal of the Christian Dior

Couture segment by Christian Dior to LVMH for an enterprise value of 6.5 billion euros[4], representing 15.6x adjusted last twelve months EBITDA[5] as of end of March 2017.

Christian Dior Couture

Christian Dior Couture is one of the most prestigious luxury brands in the world.

Its revenue doubled over the past five years. Furthermore, its profitability has improved over the same period, with an increase in profit from recurring operations of 24% per year.

Christian Dior Couture continued its growth momentum with last twelve months revenue (as of March 31st, 2017) in excess of 2 billion euros, an EBITDA[5] of 418 million euros and profit from recurring operations of 270 million euros[6].

A strategic transaction for LVMH

The contemplated Disposal will allow for the regrouping of Christian Dior Couture and Parfums Christian Dior brands, the latter being already part of LVMH Group.

The Disposal is expected to be accretive to LVMH earnings per share from the first year (+2.7% on a 2016 pro forma basis).

Following the acquisition, LVMH's gearing will increase from 12% as of December 31st, 2016 to 35% on a pro forma basis.

Support of the Boards of Directors of Christian Dior and LVMH

The Boards of Directors of Christian Dior and LVMH held on April 24th, 2017, were unanimously favorable to the signature of a Memorandum of Understanding, based notably on work of their respective financial advisors.

Signature of a final agreement

The Disposal was subject to the completion of a confirmatory due diligence. On May 18th, 2017, the works council of Christian Dior Couture has issued a favourable opinion on this project.

The signature of a final agreement (the "**Disposal Agreement**") has been approved as related-party transaction by the Boards of Directors of Christian Dior and LVMH held on May 22nd, 2017. In addition, a review of the financial terms of the transaction for both LVMH and Christian Dior will be led by two independent experts appointed by the Board of Directors of each party, it being specified that the independent expert appointed by the Company is also acting as independent expert with respect to the Offer.

Following meetings of the Board of Directors of Christian Dior and LVMH held on May 22nd, 2017, Christian Dior and LVMH announced, by a joint press release, the signature of the Disposal Agreement providing for (i) the transfer of entire share capital and voting rights of Grandville to LVMH, (ii) a price for Grandville shares of 6 billion euros, (iii) a vendor loan for a two years period, with the option of early redemption without penalty and an annual interest rate of 1% and (iv) the completion of the Disposal is subject to the clearance decision of the Offer by the AMF becoming effective, it being specified that in any case the completion of the Disposal shall not occur before July 3rd, 2017.

[4] Including the value of other real estate assets operated by Christian Dior Couture and indirectly held by Grandville.

[5] Adjusted EBITDA, pro forma of Christian Dior expenses borne by the purchaser post-Disposal, and before income/(loss) from joint ventures and associates.

[6] Adjusted for expenses of Christian Dior borne by the purchaser post-Disposal and after income / (loss) from joint ventures and associates .

(b) Draft Offer

The Initiator, a company of the Arnault Family Group, which holds directly and indirectly 74.08% of the share capital and 84.68% of the theoretical voting rights of Christian Dior, informed the Board of Directors of Christian Dior of its intention to file the draft Offer. The Board of Directors of Christian Dior which took place on April 24th, 2017 (i) unanimously welcomed the principle and the terms of the contemplated transaction, (ii) decided to set up an ad hoc committee (the "**Committee**"), composed of three independent directors, in charge of monitoring the conduct of the independent expert's mission and (iii) appointed, based on the proposal by the ad hoc committee, Finexsi, represented by Olivier Peronnet and Olivier Courau, as independent expert, in accordance with article 261-1 I, 1° and 4° of the general regulation of the AMF.

The Board of Directors of the Initiator has approved the filing of the draft Offer on May 22nd, 2017.

Based on the report of the independent expert and on the opinion of the ad hoc committee, the Board of Directors of Christian Dior held on May 22nd, 2017, has examined the draft Offer and unanimously, Mr. Bernard Arnault and Mrs. Delphine Arnault having not taken part in the vote, recommended that shareholders of Christian Dior tender their Shares to the Offer. The reasoned opinion of the Board of Directors of Christian Dior on the Offer is contained within section 3 of this document.

2.2 Reasons of the Offer

As indicated in section 2.1.2, the Offer is part of a two-fold strategic project aiming at (i) the strengthening of Fashion & Leather Goods division of LVMH through the Disposal and (ii) the simplification of the structures of the Christian Dior – LVMH group. On the date of announcement, the terms of the Offer represented a premium of 14.7%[7] over the close share price of Christian Dior, 18.6% over the 1-month volume-weighted average price[8], 25.9% over the 3-month volume-weighted average price[8] and 32.8% over the 6-month volume-weighted average price[8], in line with its net asset value of the Company. As a consequence, the Offer represents a liquidity opportunity for the shareholders of Christian Dior, in a context of the Shares currently trading at all-time highs.

3 REASONED OPINION OF THE BOARD OF DIRECTORS

The Committee has presented conclusions of its work to the board of directors of the Company and took them into consideration in its reasoned opinion.

The extract of the minutes including the reasoned opinion is reproduced below:

« *On May 22th, 2017, the Board of Directors met at headquarters, under the chairmanship of Mr. Bernard Arnault, in order to deliver a reasoned opinion on the merits of the Offer and its consequences for the Company, its shareholders and its employees, in accordance with Article 231-19 of the General Regulation of the AMF.*

All directors were present or represented at the meeting, namely:

- *Mr. Bernard Arnault, Chairman of the Board of Directors,*
- *Mr. Sidney Toledano, Chief Executive Officer and Vice-Chairman,*
- *Mrs. Delphine Arnault,*

[7] Based on Hermès closing share price as of April 24th, 2017, adjusted by 2.25 euros, representing the balance of the 3.75 euros dividend for the financial year 2016, which will be proposed at the Annual General Meeting of Hermès on June 6th, 2017, i.e., 459.30 euros.

[8] Volume-weighted average share prices of Christian Dior as of April 24th 2017, adjusted for dividend distribution for share prices prior to April 19th, 2017

- *Mrs. Helène Desmarais,*
- *Mr. Renaud Donnedieu de Vabres,*
- *Mrs. Ségolène Gallienne,*
- *Mr. Christian de Labriffe,*
- *Mrs. Maria Luisa Loro Piana.*

Mr. Jaime de Marichalar y Sáenz de Tejad, censor, also attended the meeting of the Board.

In accordance with best governance practices, Mr. Bernard Arnault and Mrs. Delphine Arnault abstained from voting on the reasoned opinion.

In particular, the Board of Directors took into consideration the following documents:

- *the draft offer document of the Initiator to be filed with the French financial market authority (Autorité des Marchés Financiers "AMF"), including in particular the context of and the reasons for the Offer, the intentions of the Initiator, the characteristics of the Offer, and the assessment criteria of the price of the Offer;*

- *the draft response offer document of the Company, including in particular the reminder of the principal terms and conditions of the Offer and the information concerning the Company, to be filed with the AMF;*

- *the report of the independent expert reproduced in the draft response offer document of the Company, drafted by Finexsi in accordance with the provisions of Article 261-1 of the General Regulation of the AMF;*

The Board of Directors first noted that:

- *the Arnault Family Group holds directly and indirectly – in particular through the Initiator – 74.08% of the share capital and 84.68% of the theoretical voting rights of the Company;*

- *the Offer, which is conducted in a friendly context and will be open for a period of 15 trading days, is a voluntary offer for all shares of the Company not currently held by the Arnault Family Group, excluding the treasury shares with the exception of certain shares likely to be transferred in the event of a definitive allocation of free shares or performance shares or in the event of the exercise of stock options;*

- *in respect of the Offer, the Initiator principally offers shareholders of the Company to tender their Shares to the Offer and to receive, in consideration for a tendered Share, EUR 172 and 0.912 Hermès International share (2016 stripped coupon). This Primary Offer (the "**Primary Offer**") is secondarily accompanied by a simplified public offer and a simplified public exchange offer allowing shareholders (each within the limits of the draft offer document of the Initiator):*

    - *to opt for a payment exclusively in cash and to receive EUR 260 for 1 share of the Company tendered to the Offer (the "**Secondary Cash Offer**");*

    - *to opt for a payment exclusively in Hermès International shares and to receive 0.566 Hermès International share for 1 share of the Company tendered to the Offer (the "**Secondary Exchange Offer**");*

- *the Offer is conducted as part of the strategic project announced by the Company and LVMH on April 25th, 2017, which includes, in addition to the Offer, the strengthening of the Fashion and Leather goods division of the LVMH group with the acquisition of Christian Dior Couture from Christian Dior for an enterprise value of €6.5 billion;*

- *the Offer allows minority shareholders to benefit from immediate liquidity at a price which is within the higher assessment range resulting from the valuation criteria. Therefore, the Primary Offer allows a premium of 14.7% over the closing share price as of April 24th, 2017 of €226.9 (highest recorded), of 18.6% over the 1-month average share price, of 25.9% over the 3-month average share price and of 32.8% over the 6-month average share price (these average prices being weighted by volume);*

- *the Primary Offer and the Secondary Exchange Offer also offer the possibility, for those shareholders who wish to do so, to exchange their shares for Hermès shares.*

The Board of Directors then noted the principal intentions of the Initiator for the next twelve months as follows:

- *the Initiator does not intend to modify the Company's strategy, provided that following the sale, the Company will have as its principal asset a direct and indirect participation of 40.94% of the share capital and 56.34% of the voting rights of LVMH;*

- *the Initiator intends to continue the Company's policy with respect to social relationships and human resources management, provided that the Company does not have employees;*

- *the Initiator does not anticipate any recomposition of the Board of Directors;*

- *upon completion of the Offer, the Initiator reserves the right to suggest to the Company that its dividend distribution be adapted in accordance with the evolution of the results, provided that as soon as the Sale price is fully paid by LVMH to the Company, the Initiator intends to propose to the Company to distribute all or part of the amounts received by the Company;*

- *upon completion of the Offer, the Initiator will not implement a squeeze-out procedure ("procédure de retrait obligatoire") within the meaning of Articles 237-14 and following of the General Regulation of the AMF, within three (3) months following the close of the Offer, regardless of the Offer's results. More generally, the Initiator intends to maintain the admission to trading the Shares on Euronext Paris upon completion of the Offer, and depending on the results of the Offer, reserves the right to purchase Shares.*

After review and consideration of these elements, the Chairman of the Board asks Olivier Peronnet, representing Finexsi, invited to the meeting of the Board, to present his report showing that:

- *the Offer, established on a voluntary basis, is being conducted as part of the reorganization and the simplification of the capital ownership and control of the Arnault Family Group over the share capital of LVMH, and of the integration of Christian Dior Couture in the brand portfolio of the LVMH group;*

- *the Offer allows access to liquidity for the shareholders of Christian Dior at a price, on the eve of the announcement (April 24, 2017), of €260.2 (Primary Offer) and €260.0 (Secondary Offers) per Christian Dior share, subject to the following comments:*
    - *the price is within the range of the revalued net asset determined on the basis of:*
        - *an evaluation of LVMH in line with the highest stock market price prior to the announcement, and beyond its DCF evaluation on the basis of the analysts' consensus; and*

        - *the €6 billion sale price of Christian Dior Couture;*

    - *it reflects a 15% premium on its share price of April 24, 2017 of € 226.9, its highest recorded level;*

    - *it reflects a premium on the other secondary criteria of the targeted share prices of the analysts and of the dividend's update;*

- *furthermore, the partial payment terms of the main branch in Hermes shares (0.192 Hermes shares plus €172) implies a limited exposure to the possible decrease of the share price of such company, of which its free float will be increased up to a maximum of 8% of its share capital. For the shareholder who chooses the secondary offer exclusively in Hermes shares (0.566 Hermes share for one Christian Dior share), his exposure to the current Hermes share price would be increased, but he would benefit from a favorable parity with the Christian Dior share compared to the historical parity of their stock market prices;*

- *the transfer of Christian Dior Couture by Christian Dior to LVMH concurrent with the Offer constitutes a related transaction which has been subjected by Finexsi to an Independent Expert's conclusive report as to the fairness of the €6 billion price agreed between the parties to the transaction. To the best knowledge of Finexsi, there are no other agreements or transactions related to the Offer likely to call into question the fair treatment of the shareholders in the financial sense;*

- *ultimately, the valuation works conducted and the aforementioned considerations lead Finexsi to conclude that the terms of the Offer for the Christian Dior SE shares are fair for its shareholders.*

Once the presentation is over, the Chairman of the Board invites Mr. Christian de Labriffe to present, on behalf of the Committee, the report of the Committee, which was made available to the directors, together with the main conclusions relating to the conditions of the Offer, pursuant to which:

- *the chosen approach to evaluate the countervalue offered is relevant. On the eve of the announcement (on April 24th, 2017, it stands at €260.2 for the Primary Offer, at €260.0 for the Secondary Exchange Offer and at €260.0 for the Secondary Cash Offer;*

- *the revalued net asset appeared as the most relevant method to value the Company within the framework of the Offer, the Committee noting that, with regard, the offered price is within the revalued net asset range at the date of the Offer announcement (April 25th, 2017) and furthermore achieves a very high bonus level compared to the various stock market averages across various periods of reference (between 15% to 33% depending on the case);*

- *the terms and conditions of the Offer are fair for the shareholders and the Committee thus recommends that the Board of Directors issues a favorable opinion on the Offer.*

With regard to the elements above, the Board of Directors, upon deliberation, decided, unanimously, that the Offer is in the interest of the Company, its employees and its shareholders and recommends that the shareholders of the Company bring their shares to the Offer. »

4 INTENTIONS OF MEMBERS OF THE BOARD OF DIRECTORS

The extract of the minutes including the intentions of members of the board of directors of the Company is reproduced below:

"*The Chairman of the Board of Directors indicates to the Board that the Company must prepare a response offer document which notably specifies the intentions of the members of the Board of Directors to tender or not their shares to the Offer.*

The Chairman reminds that as mambers of the Arnault Family Group, neither he nor Mrs. Delphine Arnault will tender their shares to the Offer.

He also specifies that:

- *members of the board of directors will not tender to the Offer their 200 shares which they are required to hold during the entire duration of their mandate in accordance with the bylaws of the Company;*

- *Semyrhamis has indicated that it reserves the right to put in place a liquidity mechanism in favor of beneficiaries of stock-options and/or free shares or performance shares which would not tender their shares to the Offer due to the specific applicable legal regime. This liquidity mechanism would take the form of a bilateral contract providing for (i) a put granted by Semyrhamis to the relevant beneficiaries and (ii) a call granted by the relevant beneficiaries to Semyrhamis. The exercise price would be in line with the Offer price indexed by reference to the evolution of the LVMH share price as from the closing of the Offer.*

Each of Mrs. Hélène Desmarais, Mrs. Ségolène Gallienne, Mr. Renaud Donnedieu de Vabres and Mr. Christian de Labriffe declares not holding shares other than directors shares.

Mr. Toledano has indicated to the board of directors of the Company that all of its shares are subject to retention programs applicable to the management and to a specific legal provisions justifying that he will not tender its Shares to the Offer and acknowledges the intention of Semyrhamis in relation to the implementation of a liquidity mechanism.

The Board of Directors takes note of the intentions of each of the members of the Baord".

5 INTENTIONS OF THE COMPANY REGARDING THE TREASURY SHARES

The Company has decided not to tender to the Offer the 855,272 Shares that it holds.

6 CONCLUSION OF THE REPORT OF THE INDEPENDENT EXPERT

Pursuant to articles 261-1 I, 1° and 4° of the general regulation of the AMF, Finexsi, represented by Olivier Perronet and Olivier Courau, was appointed as independent expert by the board of directors of the Company held on April 24th, 2017, in order to deliver a report on the financial conditions of the Offer. The report is reproduced in the draft response offer document.

The conclusion of this report are as follows:

"*This Offer, which is being made on a voluntary basis, forms part of the reorganisation and simplification of the Arnault Family Group's ownership and control of LVMH, and the integration of CHRISTIAN DIOR COUTURE into the LVMH group's brand portfolio.*

The Offer gives CHRISTIAN DIOR SE shareholders access to full liquidity at a price of €260 (Secondary Cash Offer) or partial liquidity at a counter value of €260.2 (Primary Offer). This price and this counter value call for the following comments:

- *they lie within the Net Asset Value range based on*
  - *a valuation of LVMH that is above its highest market price before the announcement and above its DCF valuation on the basis of analyst consensus forecasts and*
  - *the €6 billion selling price for the CHRISTIAN DIOR COUTURE division;*
- *they reflect a 15% premium to the all-time high share price of CHRISTIAN DIOR SE of €226.9 reached on 24/04/2017;*
- *they reflect a premium to figures obtained using other secondary methods based on analyst target prices and discounted dividends.*

In addition, the terms of the Primary Offer, which involves payment taking place partly in HERMES shares (0.192 HERMES shares plus €172), imply limited exposure to any decrease in HERMES' share price, and HERMES' free float will increase to 8% of its share capital. For shareholders selecting the Secondary Exchange Offer consisting of HERMES shares alone (0.566 HERMES shares per CHRISTIAN DIOR SE share), their exposure to HERMES' current share price would be greater, but they would benefit from a CHRISTIAN DIOR SE/HERMES exchange ratio that is favourable compared with the historic ratio between the two companies' share prices.

CHRISTIAN DIOR'S sale of its CHRISTIAN DIOR COUTURE division to LVMH, taking place concomitantly with the Offer, is a related transaction on which we have prepared an independent appraiser's report, which concludes that the €6 billion price agreed by the parties to the transaction is fair. To our knowledge, there are no other agreements or transactions related to the Offer that may call into question the fair treatment of the shareholders from a financial point of view.

The valuation work we have done and the aforementioned considerations lead us to conclude that the terms of the Offer for CHRISTIAN DIOR SE shares are fair for its shareholders".

In addition, Finexsi was also appointed as independent expert by the board of directors of the Company held on April 24th, 2017, in order to deliver a report on the financial conditions of the Disposal. The report is reproduced in the draft response offer document.

8 CONTACTS

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