

Christian Dior

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New records for the Christian Dior group in 2021
Organic revenue growth of 36%
Of which Fashion & Leather Goods +47% (and 51% in Q4 vs 2019)
Doubled operating profit

Paris, January 27th, 2022

Christian Dior recorded revenue of 64.2 billion euros in 2021, up 44% compared to 2020 and up 20% compared to 2019. Organic revenue growth was 36% compared to 2020 and 14% compared to 2019. The performance for the year confirms a return to strong growth momentum following the severe disruption to the first half of 2020 resulting from the global pandemic.

The Group's organic revenue growth of 22% in the fourth quarter compared to 2019 reflects the accelerated growth of its activities. Fashion & Leather Goods notably reached record levels over the period, recording organic revenue growth of 51% compared to 2019. The United States and Asia rose sharply over the course of the year, while Europe, which is experiencing a gradual recovery, returned to growth in the fourth quarter compared to 2019.

Profit from recurring operations stood at €17 139 million for 2021, more than double 2020, and up 49% compared to 2019. Operating margin reached 26.7%, up 8 points compared to 2020 and 5 points compared to 2019. Group share of net profit amounted to €4 946 million, up 156% compared to 2020 and up 68% compared to 2019. Operating free cash flow, which exceeded €13 billion, was more than twice that of both 2020 and 2019.

Highlights of 2021 include:

- A record year, especially for the major brands,
- Major success of champagne and cognac,
- Exceptional performance by the Fashion & Leather Goods business group, in particular Louis Vuitton, Christian Dior, Fendi, Celine and Loewe, which achieved record levels of revenue and profitability,
- Worldwide success of Christian Dior's *Sauvage* fragrance,
- Strong revenue growth in Asia and the United States and a gradual recovery in Europe,
- Successful integration, in its first year in the Group, of Tiffany, which produced a record performance,
- Good performance of the other Watches & Jewelry Maisons,
- Continued growth in online sales,
- Strong rebound of Sephora,
- Travel retail activities still held back by international travel,
- A record level of operating free cash flow,
- Gross capital expenditures over €3 billion.

Key figures

Euro Millions	2020	2021	Change 2021/2020	Change 2021/2019
Revenue	44 651	64 215	+ 44 %	+ 20 %
Profit from recurring operations	8 300	17 139	+ 106 %	+ 49 %
Group share of net profit	1 933	4 946	+ 156 %	+ 68 %
Operating free cash flow	6 093	13 518	+ 122 %	+ 117 %
Net financial debt	4 213	9 521	+ 126 %	+ 54 %
Total equity	36 244	46 367	+ 28 %	+ 30 %

Revenue by business group:

Euro Millions	2020	2021	Change 2021/2020		Change 2021/2019
			Reported	Organic*	Organic
Wines & Spirits	4 755	5 974	+ 26 %	+ 26 %	+ 9 %
Fashion & Leather Goods	21 207	30 896	+ 46 %	+ 47 %	+ 42 %
Perfumes & Cosmetics	5 248	6 608	+ 26 %	+ 27 %	- 1 %
Watches & Jewelry	3 356	8 964	+ 167 %	+ 40 %	+ 7 %
Selective Retailing	10 155	11 754	+ 16 %	+ 18 %	- 18 %
Other activities and eliminations	(70)	19	-	-	-
Total	44 651	64 215	+ 44 %	+ 36 %	+ 14 %

* with comparable structure and constant exchange rates. The structural impact for the Group compared to 2020 was +10% mainly related to the consolidation of Tiffany & Co. for the first time. The currency effect was -2%.

Profit from recurring operations by business group:

Euro Millions	2020	2021	Change 2021/2020	Change 2021/2019
Wines & Spirits	1 388	1 863	+ 34 %	+ 8 %
Fashion & Leather Goods	7 188	12 842	+ 79 %	+ 75 %
Perfumes & Cosmetics	80	684	x8.6	0 %
Watches & Jewelry	302	1 679*	x5.6	+ 128 %
Selective Retailing	(203)	534	na	- 62 %
Other activities and eliminations	(455)	(463)	-	-
Total	8 300	17 139	+ 106 %	+ 49 %

* non-comparable structure.

Wines & Spirits: very strong demand in the United States, in Asia and rebound in Europe

The **Wines & Spirits** business group recorded organic revenue growth of 26% in 2021 compared to 2020 and 9% compared to 2019. Profit from recurring operations was up 34% compared to 2020. The rebound in consumption, in an environment which was already seeing supply constraints, brought further impetus to the strategy of value creation. Champagne volumes were up compared to 2019. Growth was particularly strong in the United States and Europe, which benefited from the reopening of restaurants and the gradual recovery in regional tourism. The year marked the integration, from the third quarter onwards, of the prestigious Champagne House Armand de Brignac, in which LVMH holds a 50% stake. Hennessy cognac performed well with an increase in volumes compared to 2019, despite supply constraints. China and the United States experienced a strong rebound. Within the flourishing market for high-end rosé wines, Château d'Esclans enjoyed rapid growth and Château Galoupet continued its conversion to organic viticulture.

Fashion & Leather Goods: exceptional performances from Louis Vuitton, Christian Dior, Fendi, Celine and Loewe

The **Fashion & Leather Goods** business group recorded organic revenue growth of 47% in 2021 compared to 2020 and 42% compared to 2019. With organic revenue growth of 51% compared to 2019, the fourth quarter showed a sharp rise compared to previous quarters. Profit from recurring operations was up 79% compared to 2020 and 75% compared to 2019. The end of the year has been marked by the premature passing of Virgil Abloh, Men's Artistic Director of Louis Vuitton since March 2018. The Maison paid tribute to the life and legacy of this creative genius with the Miami fashion show, "Virgil Was Here". Louis Vuitton, which celebrated the 200th anniversary of the birth of its founder, enjoyed a remarkable performance, driven by the success of Nicolas Ghesquière's creations for the feminine universe of the Maison. Christian Dior Couture had an excellent year with exceptional growth in all its product categories among local customers. The latest fashion shows in Athens and Paris, highlighting the inspiring collections of Maria Grazia Chiuri and Kim Jones, received a tremendous reception. Following its huge success in Paris, London and Shanghai, the *Christian Dior, Designer of Dreams* exhibition was inaugurated in New York. Celine, thanks to Hedi Slimane and to the success of his collections, and Fendi, driven by the success of Kim Jones collections, had a record year. Loewe, energized by the talent of JW Anderson, and Marc Jacobs also performed particularly well.

Perfumes & Cosmetics: policy of selective distribution maintained, strong rebound in perfumes and rapid progress in skincare

The **Perfumes & Cosmetics** business group recorded organic revenue growth of 27% in 2021 compared to 2020. Organic revenue was stable compared to 2019. Profit from recurring operations was nearly nine times higher than 2020 and returned to 2019 levels. In an environment marked by a limited recovery in international travel and the closure of many points of sale over a period of several months, LVMH's major brands chose to maintain a policy of selective distribution, limiting promotions and growing online sales on their own website. Christian Dior benefited from the enormous success of *Miss Dior* and *Sauvage*. In 2021, *Sauvage* became the highest selling fragrance in the world (women's and men's lines included) which is a worldwide first for a male fragrance. The continued growth of the *Collection Privée* and the skincare lines *Prestige*, *Capture Totale* and *L'Or de Vie* also contributed to the progress of the Maison. Guerlain recorded excellent performance, driven by its *Abeille Royale* and *Orchidée Impériale* skincare lines. Maison Francis Kurkdjian continued to enjoy rapid growth momentum thanks to the ongoing success of *Rouge 540*, particularly in the United States. Officine Universelle Buly, which differentiates itself through its range of valuable, effective, and authentic products, joined LVMH.

Watches & Jewelry: strong rebound in own stores and successful integration of Tiffany

The **Watches & Jewelry** business group recorded revenue growth of 167% in 2021 compared to 2020 thanks to Tiffany, consolidated for the first time. Profit from recurring operations was almost six times higher than in 2020 and up 128% compared to 2019. For its first year in the Group, Tiffany saw record performance in terms of revenue, profits and cash flow, and increased its global attractiveness as a result of

its high impact innovations and collaborations. High-end Jewelry sales in particular reached an all-time high with the huge success of its annual High-End Jewelry *Blue Book* collection. Honouring its long tradition of expressing love and diversity, a global “About Love” campaign featuring Beyoncé and Jay-Z was launched. The revenue and profits achieved a sharp increase compared to 2019. Bvlgari enjoyed good momentum, driven by the growth of the iconic lines in its own stores. The Maison accelerated the selectivity of its multi-brand network distribution and expanded its own boutiques. Chaumet unveiled an exclusive diamond cut, the Taille Impératrice, and showcased its unique heritage through the “Joséphine and Napoléon” exhibition at the heart of the Maison’s iconic 12 place Vendôme address in Paris. In watchmaking, TAG Heuer inaugurated a major partnership with Porsche and successfully launched a Super Mario limited edition of its smartwatch for gaming enthusiasts. Hublot had an excellent performance, particularly in the United States and China. Fred continued its strong growth. The new products at Zenith have been highly successful.

Selective Retailing: good performance of Sephora; DFS still impacted by limited recovery in international travel

In **Selective Retailing**, organic revenue was up 18% compared to 2020 and down 18% compared to 2019 due to the impact of travel retail. Profit from recurring operations was back in positive territory in 2021. Sephora surpassed its 2019 level of activity, benefiting from the strong rebound in its stores and the continued momentum of its online sales. The expansion of its store network continued, mainly in China and the United States, notably following on from its major partnership with the American retailer Kohl’s. In addition to signing a partnership with the European online platform Zalando, Sephora acquired the British online distributor Feelunique, which specialises in prestige beauty. The health crisis continued to weigh on the activities of DFS due to the persistent weakness in the numbers of travelers. The T Gallerias in Macau nevertheless performed well thanks to growing demand from local customers and DFS launched operations in Hainan. La Samaritaine, which reopened in Paris in June after an ambitious renovation, saw an encouraging level of customer traffic. Le Bon Marché continued to develop innovative concepts and benefited from the return of a loyal French customer base. The 24S digital platform recorded strong growth, driven by the unique nature of its selection process and its Parisian market positioning.

Confident outlook for 2022

Within the context of a gradual recovery from the health crisis, Christian Dior group is confident in its ability to maintain its current growth momentum. The Group will continue to pursue a strategy focused on developing its brands building on strong innovation and investments as well as a constant quest for quality of their products, of their desirability and of their distribution.

Driven by the agility of its teams, their entrepreneurial spirit and its well diversified presence across its activities and the geographic areas in which it operates, Christian Dior group enters 2022 with confidence and, once again, sets an objective of reinforcing its global leadership position in luxury goods.

Dividend 2021

At the Annual General Meeting on April 21, 2022, Christian Dior will propose a dividend of 10 euros per share. An interim dividend of 3 euros per share was paid on December 2 of last year. The balance of 7 euros will be paid on April 28, 2022.

The Board of Directors met on January 27th to approve the financial statements for 2021. Audit procedures have been carried out and the audit report is being issued.

This financial release is available on our website www.dior-finance.com.

“This document may contain certain forward looking statements which are based on estimations and forecasts. By their nature, these forward looking statements are subject to important risks and uncertainties and factors beyond our control or ability to predict, in particular those described in Christian Dior’s Annual Report which is available on the website (www.dior-finance.com). These forward looking statements should not be considered as a guarantee of future performance, the actual results could differ materially from those expressed or implied by them. The forward looking statements only reflect Christian Dior’s views as of the date of this document, and Christian Dior does not undertake to revise or update these forward looking statements. The forward looking statements should be used with caution and circumspection and in no event can Christian Dior and its Management be held responsible for any investment or other decision based upon such statements. The information in this document does not constitute an offer to sell or an invitation to buy shares in Christian Dior or an invitation or inducement to engage in any other investment activities.”

APPENDIX

Financial statements for 2021 are included in the PDF version of the press release.

Revenue by business group and by quarter

2021 Revenue (Euro millions)

<i>Year 2021</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	1 510	6 738	1 550	1 883	2 337	(59)	13 959
Second quarter	1 195	7 125	1 475	2 140	2 748	23	14 706
First half	2 705	13 863	3 025	4 023	5 085	(36)	28 665
Third quarter	1 546	7 452	1 642	2 137	2 710	25	15 512
First nine months	4 251	21 315	4 668	6 160	7 795	(12)	44 177
Fourth quarter	1 723	9 581	1 941	2 804	3 959	30	20 038
Total 2021	5 974	30 896	6 608	8 964	11 754	19	64 215

2021 Revenue (Organic change versus same period of 2020)

<i>Year 2021</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	+ 36 %	+ 52 %	+ 18 %	+ 35 %	- 5 %	-	+ 30 %
Second quarter	+ 55 %	x 2.2	+ 67 %	x 2.2	+ 31 %	-	+ 84 %
First half	+ 44 %	+ 81 %	+ 37 %	+ 71 %	+ 12 %	-	+ 53 %
Third quarter	+ 10 %	+ 24 %	+ 19 %	+ 18 %	+ 15 %	-	+ 20 %
First nine months	+ 30 %	+ 57 %	+ 30 %	+ 49 %	+ 13 %	-	+ 40 %
Fourth quarter	+ 18 %	+ 28 %	+ 20 %	+ 21 %	+ 30 %	-	+ 27 %
Total 2021	+ 26 %	+ 47 %	+ 27 %	+ 40 %	+ 18 %	-	+ 36 %

2021 Revenue (Organic change versus same period of 2019)

<i>Year 2021</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	+ 17 %	+ 37 %	- 4 %	+ 1 %	- 30 %	-	+ 8 %
Second quarter	+ 7 %	+ 40 %	- 1 %	+ 9 %	- 19 %	-	+ 14 %
First half	+ 12 %	+ 38 %	- 3 %	+ 5%	- 25 %	-	+ 11 %
Third quarter	+ 7 %	+ 38 %	0 %	+ 1 %	- 19 %	-	+ 11 %
First nine months	+ 10 %	+ 38 %	- 2 %	+ 4 %	- 23 %	-	+ 11 %
Fourth quarter	+ 4 %	+ 51 %	+ 1 %	+ 18 %	- 5 %	-	+ 22 %
Total 2021	+ 9 %	+ 42 %	- 1 %	+ 7 %	- 18 %	-	+ 14 %

2020 Revenue (Euro millions)

<i>Year 2020</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	1 175	4 643	1 382	792	2 626	(22)	10 596
Second quarter	810	3 346	922	527	2 218	(26)	7 797
First half	1 985	7 989	2 304	1 319	4 844	(48)	18 393
Third quarter	1 364	5 945	1 370	947	2 332	(3)	11 955
First nine months	3 349	13 934	3 674	2 266	7 176	(51)	30 348
Fourth quarter	1 406	7 273	1 574	1 090	2 979	(19)	14 303
Total 2020	4 755	21 207	5 248	3 356	10 155	(70)	44 651

2019 Revenue (Euro millions)

<i>Year 2019</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	1 349	5 111	1 687	1 046	3 510	(165)	12 538
Second quarter	1 137	5 314	1 549	1 089	3 588	(133)	12 544
First half	2 486	10 425	3 236	2 135	7 098	(298)	25 082
Third quarter	1 433	5 448	1 676	1 126	3 457	176*	13 316
First nine months	3 919	15 873	4 912	3 261	10 555	(122)	38 398
Fourth quarter	1 657	6 364	1 923	1 144	4 236	(52)	15 272
Total 2019	5 576	22 237	6 835	4 405	14 791	(174)	53 670

* Includes all Belmond revenue for the period from April to September 2019.

Alternative performance measures

For the purposes of its financial communication, in addition to the accounting aggregates defined by IAS / IFRS, the Christian Dior group uses alternative performance measures established in accordance with the AMF's position DOC-2015-12.

The table below lists these measures and the reference to their definition and their reconciliation with the aggregates defined by IAS / IFRS in published documents.

Measures	Reference to published documents
Operating free cash-flow	AR (consolidated financial statements, consolidated cash-flow statement)
Net financial debt	AR (Notes 1.23 and 19 of the appendix to the consolidated financial statements)
Gearing	AR (Part 7, Comments on Consolidated Balance Sheet)
Organic growth	AR (Part 1, Comments on the Consolidated Income Statement)

AR : 2021 Annual Report

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1. Consolidated income statement

<i>(EUR millions, except for earnings per share)</i>	2021	2020	2019
Revenue	64,215	44,651	53,670
Cost of sales	(20,355)	(15,871)	(18,123)
Gross margin	43,860	28,780	35,547
Marketing and selling expenses	(22,306)	(16,790)	(20,206)
General and administrative expenses	(4,427)	(3,648)	(3,877)
Income/(loss) from joint ventures and associates	13	(42)	28
Profit from recurring operations	17,139	8,300	11,492
Other operating income and expenses	4	(333)	(231)
Operating profit	17,143	7,967	11,261
Cost of net financial debt	40	(38)	(116)
Interest on lease liabilities	(242)	(281)	(290)
Other financial income and expenses	254	(292)	(170)
Net financial income/(expense)	52	(611)	(577)
Income taxes	(4,531)	(2,385)	(2,874)
Net profit before minority interests	12,664	4,970	7,810
Minority interests	7,718	3,037	4,872
Net profit, Group share	4,946	1,933	2,938
Basic Group share of net earnings per share (EUR)	27.41	10.72	16.29
Number of shares on which the calculation is based	180,410,580	180,410,580	180,318,638
Diluted Group share of net earnings per share (EUR)	27.40	10.70	16.27
Number of shares on which the calculation is based	180,410,580	180,410,580	180,318,638

2. Consolidated statement of comprehensive gains and losses

<i>(EUR millions)</i>	2021	2020	2019
Net profit before minority interests	12,664	4,970	7,810
Translation adjustments	2,178	(1,645)	298
Amounts transferred to income statement	(4)	(11)	1
Tax impact	17	(10)	11
	2,191	(1,666)	309
Change in value of hedges of future foreign currency cash flows ^(a)	281	73	(16)
Amounts transferred to income statement	(303)	(123)	25
Tax impact	127	(112)	(3)
	105	(162)	6
Change in value of the ineffective portion of hedging instruments	(375)	(209)	(211)
Amounts transferred to income statement	237	232	241
Tax impact	33	(9)	(7)
	(105)	14	23
Gains and losses recognized in equity, transferable to income statement	2,191	(1,814)	338
Change in value of vineyard land	52	(3)	42
Amounts transferred to consolidated reserves	-	-	-
Tax impact	(12)	3	(11)
	40	-	31
Employee benefit obligations: change in value resulting from actuarial gains and losses	251	(20)	(167)
Tax impact	(58)	6	39
	193	(14)	(128)
Gains and losses recognized in equity, not transferable to income statement	233	(14)	(97)
Gains and losses recognized in equity	2,423	(1,829)	240
Comprehensive income	15,087	3,141	8,050
Minority interests	9,180	1,926	5,019
Comprehensive income, Group share	5,907	1,215	3,031

(a) In 2021, this amount includes 477 million euros relating to foreign exchange hedges implemented in anticipation of the acquisition of Tiffany shares and included in the value of the investment.

3. Consolidated balance sheet

Assets

<i>(EUR millions)</i>	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Brands and other intangible assets	23,684	16,143	16,335
Goodwill	24,371	14,508	14,500
Property, plant and equipment	19,543	17,575	17,878
Right-of-use assets	13,699	12,515	12,409
Investments in joint ventures and associates	1,084	990	1,074
Non-current available for sale financial assets	1,363	739	915
Other non-current assets	1,054	845	1,546
Deferred tax	3,156	2,325	2,274
Non-current assets	87,954	65,640	66,932
Inventories and work in progress	16,549	13,016	13,717
Trade accounts receivable	3,787	2,756	3,450
Income taxes	338	401	406
Other current assets	5,606	3,846	3,264
Cash and cash equivalents	8,122	20,358	6,062
Current assets	34,402	40,377	26,898
Total assets	122,356	106,017	93,830

Liabilities and equity

<i>(EUR millions)</i>	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Equity, Group share	15,372	11,270	10,880
Minority interests	30,995	24,974	24,837
Equity	46,367	36,244	35,717
Long-term borrowings	12,165	14,065	5,450
Non-current lease liabilities	11,887	10,665	10,373
Non-current provisions and other liabilities	3,945	3,288	3,811
Deferred tax	6,302	5,079	5,094
Purchase commitments for minority interests' shares	13,677	10,991	10,735
Non-current liabilities	47,976	44,088	35,462
Short-term borrowings	8,091	11,005	7,627
Current lease liabilities	2,387	2,163	2,172
Trade accounts payable	7,086	5,098	5,814
Income taxes	1,275	721	729
Current provisions and other liabilities	9,174	6,698	6,308
Current liabilities	28,013	25,685	22,651
Total liabilities and equity	122,356	106,017	93,830

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4. Consolidated statement of changes in equity

(EUR millions)	Number of shares	Share capital	Share premium account	Christian Dior treasury shares	Cumulative translation adjustment	Revaluation reserves				Net profit and other reserves	Total equity		
						Available for sale financial assets	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments		Group share	Minority interests	Total
As of January 1, 2019	180,507,516	361	194	(34)	243	-	(53)	462	(35)	13,090	14,228	22,115	36,343
Gains and losses recognized in equity					119	-	10	10	(46)	-	93	147	240
Net profit										2,938	2,938	4,872	7,810
Comprehensive income					119	-	10	10	(46)	2,938	3,031	5,019	8,050
Expenses related to bonus shares and similar plans										34	34	42	76
(Acquisition)/disposal of Christian Dior treasury shares				17						(12)	6	-	6
Capital increase in subsidiaries										-	-	95	95
Interim and final dividends paid										(6,386)	(6,386)	(2,263)	(8,649)
Changes in control of consolidated entities										1	1	26	27
Acquisition and disposal of minority interests' shares					-	-	-	(1)	-	(30)	(30)	9	(21)
Purchase commitments for minority interests' shares										(2)	(2)	(206)	(208)
As of Dec. 31, 2019	180,507,516	361	194	(17)	362	-	(43)	471	(81)	9,632	10,880	24,837	35,717
Gains and losses recognized in equity					(640)	-	(73)	-	(5)	-	(718)	(1,111)	(1,829)
Net profit										1,933	1,933	3,037	4,970
Comprehensive income					(640)	-	(73)	-	(5)	1,933	1,215	1,926	3,141
Expenses related to bonus shares and similar plans										26	26	36	62
(Acquisition)/disposal of Christian Dior treasury shares										-	-	-	-
Capital increase in subsidiaries										-	-	54	54
Interim and final dividends paid										(830)	(830)	(1,733)	(2,563)
Changes in control of consolidated entities										(13)	(13)	(10)	(23)
Acquisition and disposal of minority interests' shares					-	-	-	-	-	(88)	(88)	(29)	(117)
Purchase commitments for minority interests' shares										80	80	(107)	(27)
As of Dec. 31, 2020	180,507,516	361	194	(17)	(278)	-	(116)	471	(86)	10,740	11,270	24,974	36,244
Gains and losses recognized in equity					857	-	18	12	74	-	961	1,462	2,423
Net profit										4,946	4,946	7,718	12,664
Comprehensive income					857	-	18	12	74	4,946	5,907	9,180	15,087
Expenses related to bonus shares and similar plans										52	52	80	132
(Acquisition)/disposal of Christian Dior treasury shares										-	-	-	-
Capital increase in subsidiaries										-	-	12	12
Interim and final dividends paid										(1,263)	(1,263)	(2,498)	(3,761)
Changes in control of consolidated entities										(18)	(18)	373	355
Acquisition and disposal of minority interests' shares					-	-	-	1	-	(568)	(567)	(947)	(1,514)
Purchase commitments for minority interests' shares										(9)	(9)	(179)	(188)
As of Dec. 31, 2021	180,507,516	361	194	(17)	579	-	(98)	484	(12)	13,880	15,372	30,995	46,367

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5. Consolidated cash flow statement

(EUR millions)	2021	2020	2019
I. OPERATING ACTIVITIES			
Operating profit	17,143	7,967	11,261
(Income)/loss and dividends received from joint ventures and associates	41	64	(10)
Net increase in depreciation, amortization and provisions	3,136	3,478	2,700
Depreciation of right-of-use assets	2,691	2,572	2,408
Other adjustments and computed expenses	(400)	(91)	(266)
Cash from operations before changes in working capital	22,611	13,990	16,092
Cost of net financial debt: interest paid	68	(62)	(137)
Lease liabilities: interest paid	(231)	(290)	(239)
Tax paid	(4,239)	(2,397)	(2,845)
Change in working capital	426	(369)	(1,154)
Net cash from operating activities	18,636	10,873	11,718
II. INVESTING ACTIVITIES			
Operating investments	(2,664)	(2,478)	(3,294)
Purchase and proceeds from sale of consolidated investments	(13,226)	(536)	(2,478)
Dividends received	10	12	8
Tax paid related to non-current available for sale financial assets and consolidated investments	-	-	(1)
Purchase and proceeds from sale of non-current available for sale financial assets	(99)	63	(104)
Net cash from/(used in) investing activities	(15,979)	(2,939)	(5,869)
III. FINANCING ACTIVITIES			
Interim and final dividends paid	(3,967)	(2,685)	(8,796)
Purchase and proceeds from sale of minority interests	(1,117)	(163)	(48)
Other equity-related transactions	4	39	88
Proceeds from borrowings	251	17,499	2,837
Repayment of borrowings	(6,763)	(5,024)	(2,310)
Repayment of lease liabilities	(2,453)	(2,302)	(2,187)
Purchase and proceeds from sale of current available for sale financial assets	(1,393)	69	2,060
Net cash from/(used in) financing activities	(15,438)	7,433	(8,358)
IV. EFFECT OF EXCHANGE RATE CHANGES	498	(1,052)	39
Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)	(12,283)	14,315	(2,469)
Cash and cash equivalents at beginning of period	20,201	5,886	8,355
Cash and cash equivalents at end of period	7,918	20,201	5,886
Total tax paid	(4,465)	(2,527)	(2,997)

Alternative performance measure

The following table presents the reconciliation between “Net cash from operating activities” and “Operating free cash flow” for the fiscal years presented:

(EUR millions)	2021	2020	2019
Net cash from operating activities	18,636	10,873	11,718
Operating investments	(2,664)	(2,478)	(3,294)
Repayment of lease liabilities	(2,453)	(2,302)	(2,187)
Operating free cash flow^(a)	13,518	6,093	6,237

(a) Under IFRS 16, fixed lease payments are treated partly as interest payments and partly as principal repayments. For its own operational management purposes, the Group treats all lease payments as components of its “Operating free cash flow”, whether the lease payments made are fixed or variable. In addition, for its own operational management purposes, the Group treats operating investments as components of its “Operating free cash flow”.