



LVMH

2022  
Annual Results

*January 26, 2023*

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A photograph of four children in a snowy forest. They are using Louis Vuitton trunks as sleds. One child is kneeling in the snow, another is sitting on a trunk on green skis, and two others are sitting on a trunk in the background. A fourth trunk with a roll of fabric is on blue skis in the foreground. The scene is set in a snowy landscape with evergreen trees in the background.

01

Bernard  
Arnault

# Record performance in 2022

**79.2bn€**  
2022 REVENUE  
+23%

**21.1bn€**  
2022 PROFIT FROM  
RECURRING OPERATIONS  
+23%

**Record performance**  
in a still disrupted  
environment

**Outstanding level**  
of operating free cash  
flow exceeding 10bn€

**Significant organic**  
revenue growth in  
all business groups

**Continued growth in**  
Europe, Japan and  
the US; Asia stable  
due to **health**  
situation in China



**Strong growth of**  
Fashion & Leather  
Goods business group,  
especially for **Louis**  
**Vuitton, Christian**  
**Dior, Celine, Fendi,**  
**Loro Piana, Loewe**  
and **Marc Jacobs**,  
reaching record levels  
of revenue and earnings



**Continued creative**  
momentum by all  
**Watches & Jewelry**  
**Maisons**, particularly  
Tiffany, Bulgari and  
TAG Heuer



**Outstanding growth**  
of **Wines & Spirits**,  
reflecting value  
creation strategy

**Strong rebound of**  
**Sephora**, reaffirming  
its leadership position  
as beauty products  
retailer

**DFS impacted by**  
**health situation in**  
**China**





# Ongoing progress in delivering on commitments

## Focusing on key action areas

### Respecting each one's dignity and individuality

**45 %**

of women working at Group key positions (vs. 23% in 2007) with an objective to reach 50% by 2025

### Transmitting our World heritage's savoir-faire

**> 2,000**

apprentices trained by the IME across 7 countries (France, Switzerland, Italy, Spain, Germany, Japan and the US), since its creation in 2014

### Supporting the safety and well-being of employees

**100 %**

of Maisons signed the LVMH "Health & Safety" Charter

### Committing to a better society

**> 1 million**

people helped throughout the year with €57m donated to charitable organizations, foundations or initiatives

## Putting the environment at the heart of creativity

### Creative circularity

**39 %**

of recycled raw materials in packaging (LIFE 360 objective by 2030: 70%)

### Biodiversity

**1.37 million**

hectares of preserved fauna and flora habitat (LIFE 360 objective by 2030: 5M hectares)

### Traceability

**100 % 71 % 91 % 99.5 %**

French vineyards Cotton Leather Diamonds

Strategic raw materials certified (LIFE 360 objective by 2026: 100%)

### Climate

**AAA**

CDP (Carbon Disclosure Project) Climate, Forest and Water rating

Data as of December 31, 2022

A photograph of five children in a snowy, mountainous landscape under a cloudy sky. They are gathered around a large wooden sled loaded with several Louis Vuitton trunks and bags. One child is standing at the front of the sled, while others are on top or around it, interacting with the luggage. The scene is bright and airy, with the sun visible through the clouds.

02

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## Business groups review

# *Wines & Spirits - Excellent performance for champagne; Hennessy driven by its value strategy*



## **Champagne & Wines** **Sustained growth in key markets**

- Strong demand in Europe, Japan and emerging countries led to increasing supply constraints
- Dynamic price increase policy
- First full year integration of Armand de Brignac
- Great performance of still wines, particularly Château d'Esclans
- Acquisition of Joseph Phelps Vineyards in Napa Valley, California



## **Cognac & Spirits** **Progress of Hennessy, driven by its value strategy**

- Exceptionally high comparison basis for Hennessy
- US impacted by logistic constraints at beginning of the year; impact of health crisis in China
- Strengthening of Hennessy and NBA partnership
- Strong progress of Glenmorangie and Ardbeg whiskies
- Excellent performance of Belvedere vodka, new campaign with actor Daniel Craig



# *Fashion & Leather Goods – Outstanding performance of our bigger brands, particularly Louis Vuitton, Christian Dior, Celine and Loewe*



## **Louis Vuitton**

**Outstanding performance driven by quality of products and links with art and culture**

- Major success of Nicolas Ghesquière's fashion shows
- Tribute fashion show in Paris and Bangkok, in memory of Virgil Abloh
- Inauguration of two new workshops in France
- 20-year anniversary celebration of iconic *Tambour* watch with launch of *Tambour Twenty*
- Opening of « LV dream » exhibition in Paris and New York



## **Christian Dior Couture**

**Great success of all product categories**

- Outstanding opening of Maison Dior 30 Avenue Montaigne in Paris, after three years of renovation
- Spectacular live fashion shows created by Maria Grazia Chiuri and Kim Jones
- « Diorisation » of Harrods in London at the end of the year
- « Christian Dior : Couturier du Rêve » exhibition travels to Tokyo



## **Celine**

Great impact of Hedi Slimane creations, image and desirability



## **Loewe**

Bold fashion shows designed by JW Anderson; strengthened store network in the US



## **Fendi**

Celebration of 25<sup>th</sup> anniversary of iconic bag *Baguette* at New York fashion show; two new workshops in Italy

**Loro Piana** Success of Loro Piana style and extreme quality of products

**Marc Jacobs** Impressive performance in the US; strong momentum of online sales

**Rimowa** Strong rebound with resumption of travel and expansion of own stores network



# Perfumes & Cosmetics – Ongoing success of perfume; impact of health situation in China and focus on selective distribution



## Parfums Christian Dior

### Strong momentum in all key markets

- *Sauvage*, worldwide leader in perfume in all categories
- Ongoing success of iconic perfumes *Miss Dior* and *J'Adore*
- Successful relaunch of *Dior Homme Sport*
- Enhanced *La Collection Privée* with first creations of Francis Kurkdjian
- New lipsticks, refillable *Dior Addict* and transfer-proof *Rouge Dior Forever*
- Vitality of premium skincare, especially *Prestige* and *L'Or de Vie*



**Guerlain** Strong momentum of *Aqua Allegoria* and *L'Art & La Matière*; success of skincare line *Abeille Royale*

**Parfums Givenchy** Confirmed success of *L'Interdit*; new *Eau de toilette fraîche* for *Irresistible*

**Benefit** Innovative *Brow Lamination* service, rolled-out in *EyeBrow Bars*; new collection of blush-powder *Wanderful World*

**Fresh** New serum *Tea Elixir*, boosting skin's resilience to stress



**Maison Francis Kurkdjian** Success of perfume *Baccarat Rouge 540* and successful launch of *724*

**Acqua di Parma** Excellent performance of *Home* collection; new best-seller *Colonia C.L.U.B*

**Officine Universelle Buly** Expansion in Japan (5 openings)

**Fenty Beauty** Extension of distribution and success of launches



# Watches & Jewelry – Rapid advances in jewelry and watches



## Tiffany

### A record year

- Great success of *Lock* collection launched in North America
- Development of two iconic lines *T* and *HardWear*
- Doubled revenue in High Jewelry
- Roll-out of new concept stores
- Reopening of Fifth Avenue flagship store in New York planned for H1 2023



## Bvlgari

### Strong momentum in own stores

- Good momentum of iconic line *Serpenti* and great success of High Jewelry collection *Eden: The Garden of Wonders*
- New record for slimmest watch for *Octo Finissimo Ultra*
- “Inside the Dream” movie on creation and manufacture of jewelry
- Launch of first contemporary art NFTs



- TAG Heuer** First solar-powered watch for *Aquaracer* and new *Carrera Plasma*, avant-garde fusion of watchmaking and lab-grown diamonds
- Hublot** Official Timekeeper of the 2022 Soccer World Cup; new third generation connected watch *Big Bang e FIFA World Cup Qatar 2022™*
- Chaumet** Record attendance for the « Végétal » exhibition at Palais des Beaux-Arts of Paris
- Fred** Very strong revenue growth; first retrospective exhibition of the Maison in Paris
- Zenith** Development of own store network and new markets for online sales



# *Selective Retailing - Excellent performance of Sephora, DFS still impacted by health crisis in China*



## **Sephora**

### **Record revenue and earnings**

- Market share gains
- Strong growth of in-store revenue
- Continued investments in logistics and omnichannel strategy
- Continued roll-out of Sephora in Kohl's stores in the US; inauguration of iconic store in Qatar and concept store « Store of the future » in Singapore
- Divestiture of subsidiary in Russia



## **DFS**

### **Activity still impacted by health situation in China**

- Hong Kong and Macau particularly impacted with suspension of domestic travel from China
- Opening of T Galleria in Queenstown in New Zealand
- Good performance in Japan and Middle-East
- Confirmed appeal of La Samaritaine Pont-Neuf in Paris with local and international customers



## **Le Bon Marché**

### **Solid momentum with revenue above 2019 level**

- Good growth of local and international clientele
- Several cultural events: exhibition « Su » of Mehmet Ali Uysal, collaboration with Philippe Katerine, concerts, immersive theater...
- Success of new digital platform of services and experiences



03

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# 2023 Outlook



# *2023 objective: further increase LVMH's global leadership position*



## **Creativity and excellence**

Stay true to our values and focus on creativity, quality and distribution of our products



## **Commitment**

Continue to execute on Group's commitments to preserve the environment and corporate responsibility

Support the prestige of France throughout the world



## **Entrepreneurial spirit**

Build upon the entrepreneurial spirit and agility of our organization

## **Confidence**

Continue growth momentum of our Maisons and build their desirability over the long-term



## **Digitalization**

Pursue further digitalization of our Maisons to enrich customers' experience online and in stores



## **Vigilance**

Maintain vigilance within current economic and geopolitical context and a still disrupted health situation, particularly in Asia





04

Jean-Jacques  
Guiony



*2022: a new record year, particularly for Fashion & Leather Goods business group*

REVENUE

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79.2<sub>bn€</sub>

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PROFIT FROM RECURRING OPERATIONS

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21.1<sub>bn€</sub>

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OPERATING FREE CASH FLOW

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10.1<sub>bn€</sub>

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OPERATING MARGIN

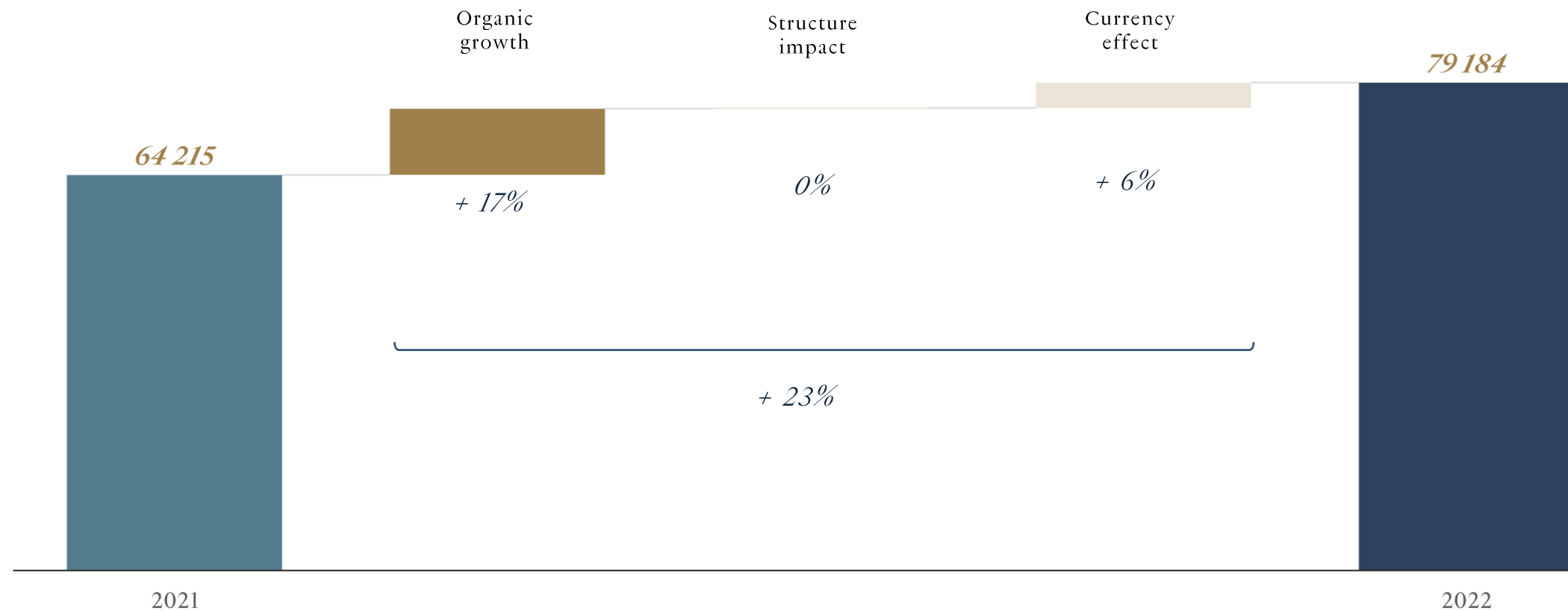
26.6%

GEARING

16.2%

# Revenue up 23%

## 2022 evolution of revenue (in million of euros)



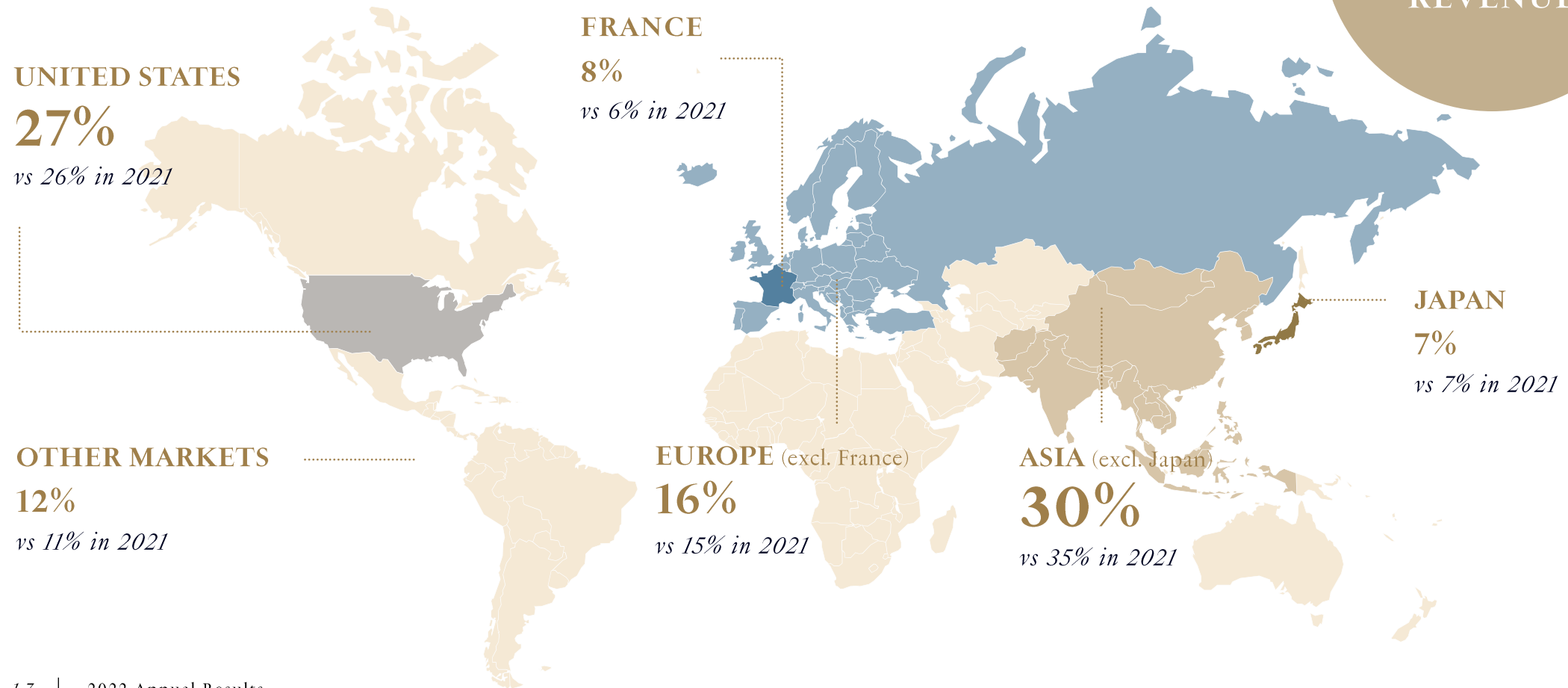
*The principles used to determine the net impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the net impact of changes in the scope of consolidation are described on page 11 of the Financial Document 2022.*



# *A well balanced geographic revenue mix*

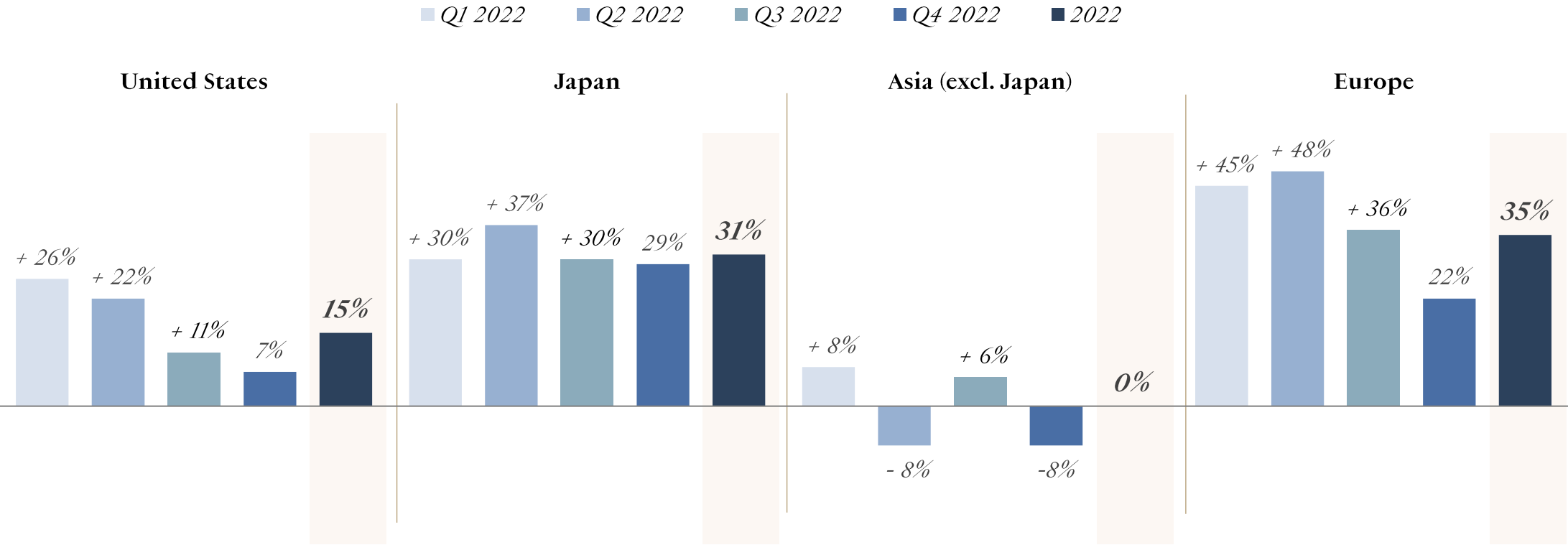
*2022 revenue breakdown by region (in %)*

**79.2bn€**  
REVENUE



# Sharp increase of revenue in Europe, the US, and Japan; Asia still impacted in Q4 by health situation in China

Quarterly revenue change by region (in %) organic change versus same period of 2021



# Double-digit organic revenue growth in all business groups

*2022 revenue by business group* (in million of euros)

			2022 vs 2021	
	2021	2022	Reported	Organic*
<i>Wines &amp; Spirits</i>	5 974	7 099	+ 19%	+ 11%
<i>Fashion &amp; Leather Goods</i>	30 896	38 648	+ 25%	+ 20%
<i>Perfumes &amp; Cosmetics</i>	6 608	7 722	+ 17%	+ 10%
<i>Watches &amp; Jewelry</i>	8 964	10 581	+ 18%	+ 12%
<i>Selective Retailing</i>	11 754	14 852	+ 26%	+ 17%
<i>Other activities &amp; eliminations</i>	19	282	-	-
<b>Total LVMH</b>	<b>64 215</b>	<b>79 184</b>	<b>+ 23%</b>	<b>+ 17%</b>

\* with comparable structure and exchange rates. The structural impact for the Group compared to 2021 was flat and the currency effect was +6%.



# Good quarterly evolution on high comparison basis

*Organic revenue change by business group* (en %) *versus same period of 2021*

2022 vs 2021	Q1 2022	Q2 2022	H1 2022	Q3 2022	Q4 2022	H2 2022	FY 2022
<i>Wines &amp; Spirits</i>	+ 2%	+ 30%	+ 14%	+ 14%	+ 4%	+ 9%	+ 11%
<i>Fashion &amp; Leather Goods</i>	+ 30%	+ 19%	+ 24%	+ 22%	+ 10%	+ 15 %	+ 20%
<i>Perfumes &amp; Cosmetics</i>	+ 17%	+ 8%	+ 13%	+ 10%	+ 5%	+ 7%	+ 10%
<i>Watches &amp; Jewelry</i>	+ 19%	+ 13%	+ 16%	+ 16%	+ 3%	+ 9%	+ 12%
<i>Selective Retailing</i>	+ 24%	+ 20%	+ 22%	+ 15%	+ 12%	+ 14%	+ 17%
<b>Total LVMH</b>	<b>+ 23%</b>	<b>+ 19%</b>	<b>+ 21%</b>	<b>+ 19%</b>	<b>+ 9%</b>	<b>+ 13%</b>	<b>+ 17%</b>

# Group share of net profit exceeded 14 billion euros in 2022

## *Summarized income statement* (in million of euros)

	2021	2022	Change vs 2021
<i>Revenue</i>	64 215	<b>79 184</b>	+ 23%
<i>Gross margin</i>	43 860	<b>54 196</b>	+ 24%
<i>Marketing and selling expenses</i>	(22 308)	(28 151)	+ 26%
<i>General and administrative expenses</i>	(4 414)	(5 027)	+ 14%
<i>Equity investment income</i>	13	37	-
<i>Profit from recurring operations</i>	17 151	<b>21 055</b>	+ 23%
<i>Other operating income and expenses</i>	4	(54)	ns
<i>Operating profit</i>	17 155	<b>21 001</b>	+ 22%
<i>Net financial income (expenses)</i>	53	(888)	-
<i>Income taxes</i>	(4 510)	(5 362)	+ 19%
<i>Net profit before minority interests</i>	12 698	<b>14 751</b>	+ 16%
<i>Minority interests</i>	(662)	(667)	
<b>Group share of net profit</b>	12 036	<b>14 084</b>	+ 17%



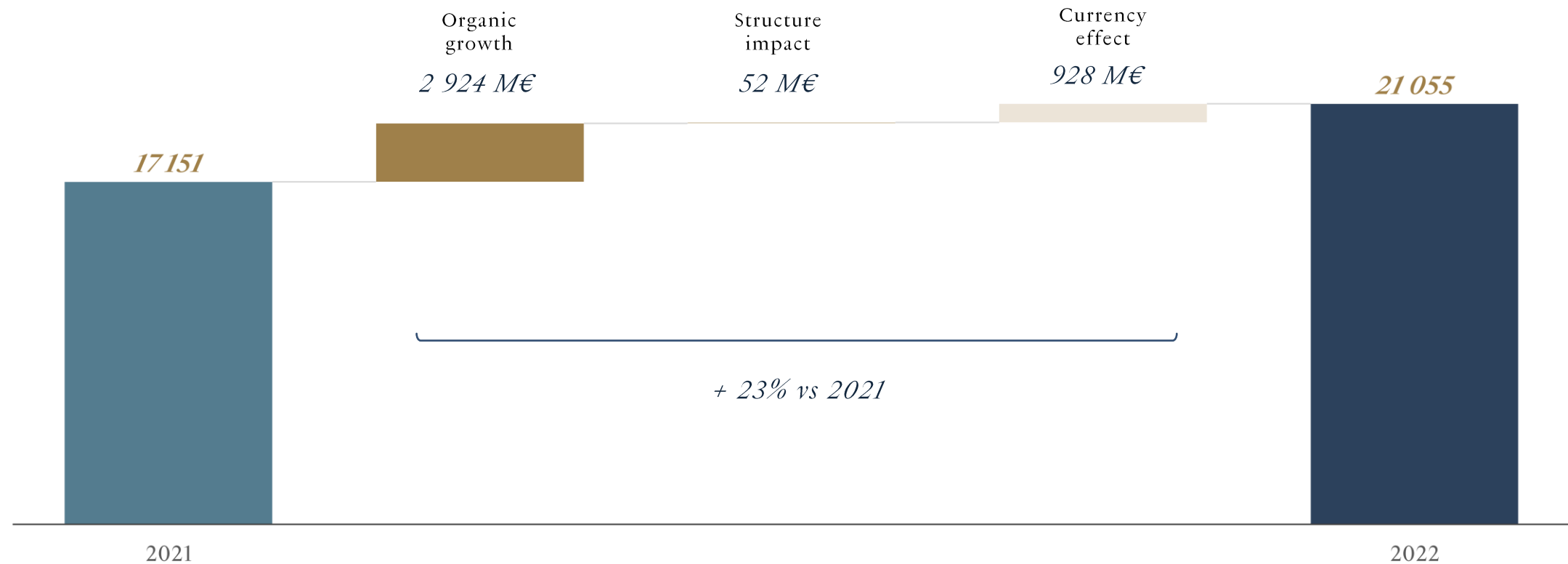
# Profit from recurring operations over 21 billion euros up 23% versus 2021

*Profit from recurring operations by business group* (in million of euros)

	2021	2022	Variation vs 2021
<i>Wines &amp; Spirits</i>	1 863	<b>2 155</b>	+ 16%
<i>Fashion &amp; Leather Goods</i>	12 842	<b>15 709</b>	+ 22%
<i>Perfumes &amp; Cosmetics</i>	684	<b>660</b>	- 3%
<i>Watches &amp; Jewelry</i>	1 679	<b>2 017</b>	+ 20%
<i>Selective Retailing</i>	534	<b>788</b>	+ 48%
<i>Other activities &amp; eliminations</i>	(451)	<b>(274)</b>	ns
<b>Total LVMH</b>	17 151	<b>21 055</b>	<b>+ 23%</b>
<i>Operating margin (%)</i>	26.7%	<b>26.6%</b>	-

# *Strong operational improvement and positive currency impact*

*Evolution of profit from recurring operations* (in million of euros)





# 2022 financial result impacted by evolution of financial markets

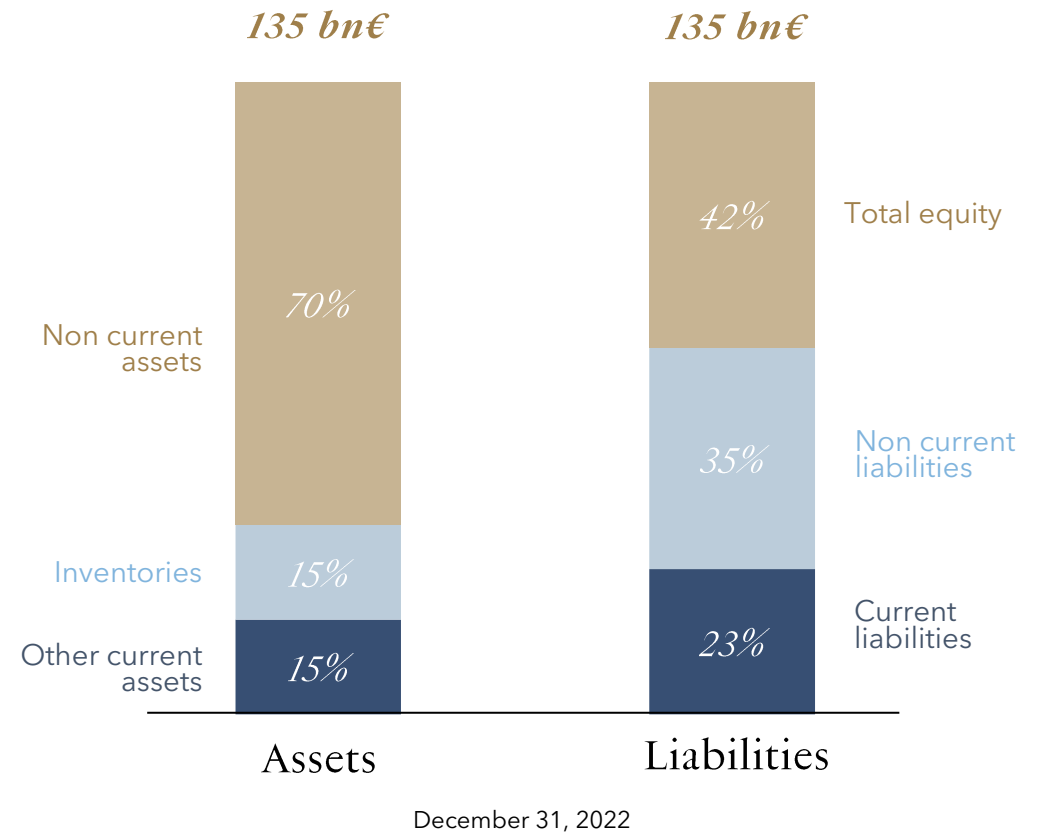
## *Change in net financial result* (in million of euros)

	2021	2022	Change (M€)
<i>Cost of net financial debt</i>	41	(17)	- 58
<i>Interest on lease liabilities</i>	(242)	(254)	- 12
<i>Cost of currency derivatives</i>	(206)	(358)	- 152
<i>Fair value adjustment of available for sale financial assets</i>	499	(225)	- 724
<i>Other items</i>	(39)	(34)	+ 5
<b>Net financial result</b>	<b>53</b>	<b>(888)</b>	<b>- 941</b>

# Strong financial structure

## Changes compared to December 31, 2021

- Stable intangible assets, positive currency and structure effects offset impact of revaluation of purchase commitments of minority interests
- Increased tangible assets principally linked to investments in store network, production facilities and acquisitions of real estate
- Increased inventories to support progress in business activity and inflation expectations
- Progress in total equity linked to increased net result and impact of currency change
- Share buybacks



# Operating free cash flow exceeded 10 billion euros in 2022

## *Analysis of free cash flow operations* (in million of euros)

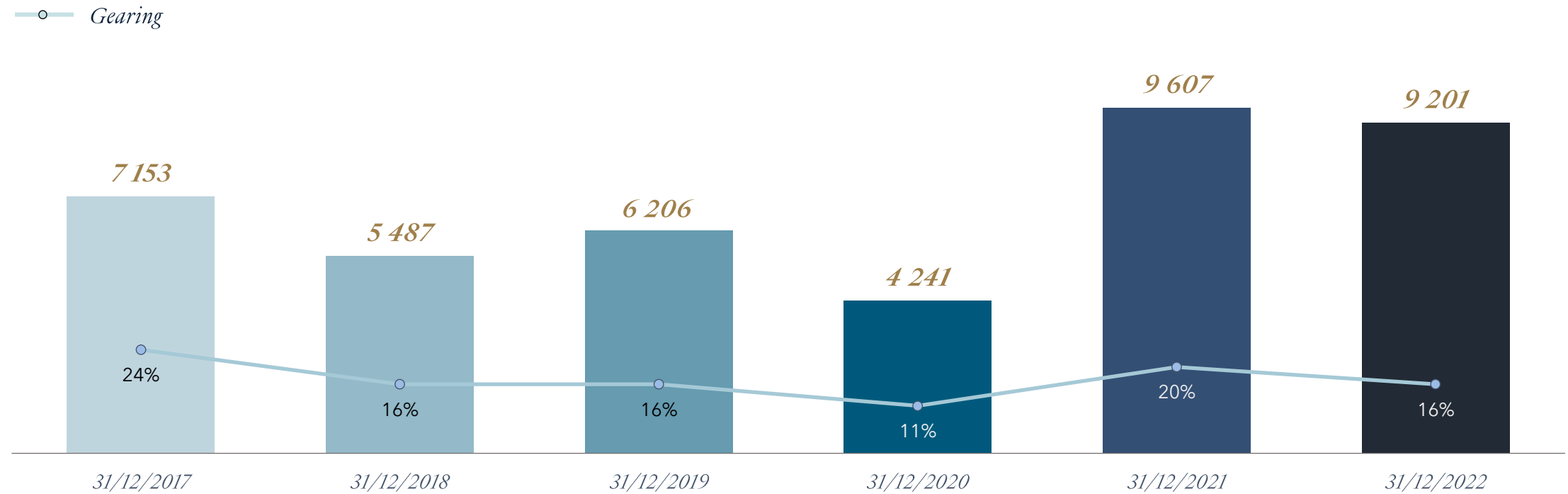
	2021	2022	Change (M€)
<i>Cash from operations before changes in working capital</i>	22 621	<b>26 770</b>	4 149
<i>Cost of net financial debt: interest paid</i>	71	(74)	(145)
<i>Lease liabilities: interest paid</i>	(231)	(240)	(9)
<i>Tax paid</i>	(4 239)	(5 604)	(1 365)
<i>Change in working capital</i>	426	(3 019)	(3 445)
<i>Net cash from operating activities</i>	18 648	<b>17 833</b>	(815)
<i>Operating investments</i>	(2 664)	(4 969)	(2 305)
<i>Repayment of lease liabilities</i>	(2 453)	(2 751)	(298)
<b>Operating free cash flow*</b>	13 531	<b>10 113</b>	<b>(3 418)</b>

\* Before available for sale financial assets and investments, transactions relating to equity and financing activities.



# Gearing of 16%

*Net financial debt* (in million of euros)



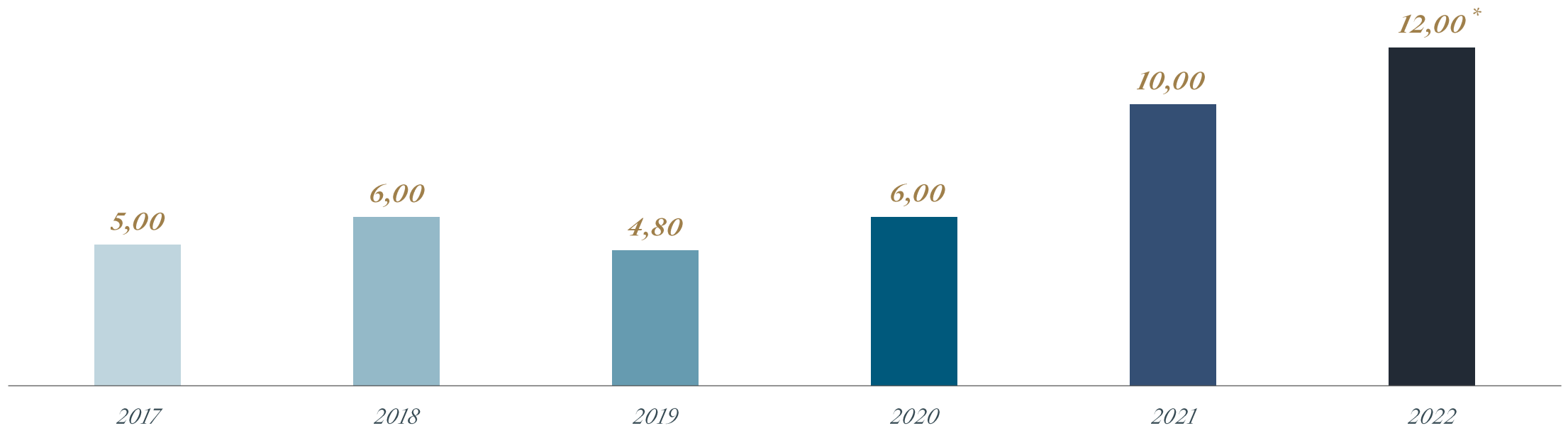
# *2022 dividend of 12 euros*

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*Gross dividend per share* (in euros)

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Average annual growth rate over 5 years **+19 %**



\* Will be proposed at the Annual General Meeting of April 20, 2023

A photograph of four children in a snowy, mountainous landscape. They are gathered around a large wooden sled loaded with several Louis Vuitton trunks and bags. One child is standing on the sled, another is leaning over it, and two others are on the ground. The sky is blue with large, white clouds. A semi-transparent white box is overlaid on the right side of the image, containing the text '05' and 'Annex'.

05

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## Annex



*Organic revenue change by region and by quarter* (in %)

<b>2022 vs 2021</b>	<i>Q1 2022</i>	<i>Q2 2022</i>	<i>H1 2022</i>	<i>Q3 2022</i>	<i>Q4 2022</i>	<i>H2 2022</i>	<i>2022</i>
<i>United States</i>	+ 26%	+ 22%	+ 24%	+ 11%	+ 7%	+ 9%	+ 15%
<i>Japan</i>	+ 30%	+ 37%	+ 33%	+ 30%	+ 29%	+ 30%	+ 31%
<i>Asia (excl. Japan)</i>	+ 8%	- 8%	+ 1%	+ 6%	- 8%	- 2%	0%
<i>Europe</i>	+ 45%	+ 48%	+ 47%	+ 36%	+ 22%	+ 28%	+ 35%
<b>Total LVMH</b>	+ 23%	+ 19%	+ 21%	+ 19%	+ 9%	+ 13%	+ 17%

<b>2021 vs 2020</b>	<i>Q1 2021</i>	<i>Q2 2021</i>	<i>H1 2021</i>	<i>Q3 2021</i>	<i>Q4 2021</i>	<i>H2 2021</i>	<i>2021</i>
<i>United States</i>	+ 23%	x 2.1	+ 60%	+ 28%	+ 34%	+ 32%	+ 44%
<i>Japan</i>	+ 8%	x 2.1	+ 42%	+ 15%	+ 26%	+ 21%	+ 29%
<i>Asia (excl. Japan)</i>	+ 86%	+ 55%	+ 70%	+ 12%	+ 16%	+ 14%	+ 37%
<i>Europe</i>	- 9%	+ 87%	+ 25%	+ 23%	+ 33%	+ 28%	+ 27%
<b>Total LVMH</b>	+ 30%	+ 84%	+ 53%	+ 20%	+ 27%	+ 24%	+ 36%

## Organic revenue change by business group (in %)

2022 vs 2021	Q1 2022	Q2 2022	H1 2022	Q3 2022	Q4 2022	H2 2022	2022
<i>Wines &amp; Spirits</i>	+ 2%	+ 30%	+ 14%	+ 14%	+ 4%	+ 9%	+ 11%
<i>Fashion &amp; Leather Goods</i>	+ 30%	+ 19%	+ 24%	+ 22%	+ 10%	+ 15 %	+ 20%
<i>Perfumes &amp; Cosmetics</i>	+ 17%	+ 8%	+ 13%	+ 10%	+ 5%	+ 7%	+ 10%
<i>Watches &amp; Jewelry</i>	+ 19%	+ 13%	+ 16%	+ 16%	+ 3%	+ 9%	+ 12%
<i>Selective Retailing</i>	+ 24%	+ 20%	+ 22%	+ 15%	+ 12%	+ 14%	+ 17%
<b>Total LVMH</b>	<b>+ 23%</b>	<b>+ 19%</b>	<b>+ 21%</b>	<b>+ 19%</b>	<b>+ 9%</b>	<b>+ 13%</b>	<b>+ 17%</b>

2021 vs 2020	Q1 2021	Q2 2021	H1 2021	Q3 2021	Q4 2021	H2 2021	2021
<i>Wines &amp; Spirits</i>	+ 36%	+ 55%	+ 44%	+ 10%	+ 18%	+ 14%	+ 26%
<i>Fashion &amp; Leather Goods</i>	+ 52%	x 2.2	+ 81%	+ 24%	+ 28%	+ 26%	+ 47%
<i>Perfumes &amp; Cosmetics</i>	+ 18%	+ 67%	+ 37%	+ 19%	+ 20%	+ 19%	+ 27%
<i>Watches &amp; Jewelry</i>	+ 35%	x 2.2	+ 71%	+ 18%	+ 21%	+ 20%	+ 40%
<i>Selective Retailing</i>	- 5%	+ 31%	+ 12%	+ 15%	+ 30%	+ 24%	+ 18%
<b>Total LVMH</b>	<b>+ 30%</b>	<b>+ 84%</b>	<b>+ 53%</b>	<b>+ 20%</b>	<b>+ 27%</b>	<b>+ 24%</b>	<b>+ 36%</b>

## Revenue by business group (in million of euros)

2022	Champagne & Wines	Cognac & Spirits	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	Total
Q1 2022	706	932	1 638	9 123	1 905	2 338	3 040	(41)	18 003
Q2 2022	798	891	1 689	9 013	1 714	2 570	3 591	149	18 726
H1 2022	1 504	1 823	3 327	18 136	3 618	4 909	6 630	109	36 729
Q3 2022	894	1 005	1 899	9 687	1 959	2 666	3 465	79	19 755
Q4 2022	1 076	797	1 873	10 825	2 145	3 006	4 757	93	22 699
H2 2022	1 970	1 802	3 772	20 512	4 104	5 673	8 222	172	42 455
2022	3 474	3 625	7 099	38 648	7 722	10 581	14 852	282	79 184

2021	Champagne & Wines	Cognac & Spirits	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	Total
Q1 2021	549	961	1 510	6 738	1 550	1 883	2 337	(59)	13 959
Q2 2021	580	615	1 195	7 125	1 475	2 140	2 748	23	14 706
H1 2021	1 129	1 576	2 705	13 863	3 025	4 023	5 085	(36)	28 665
Q3 2021	694	852	1 546	7 452	1 642	2 137	2 710	25	15 512
Q4 2021	970	753	1 723	9 581	1 941	2 804	3 959	30	20 038
H2 2021	1 664	1 605	3 269	17 033	3 583	4 941	6 669	55	35 550
2021	2 793	3 181	5 974	30 896	6 608	8 964	11 754	19	64 215

As table totals are calculated based on unrounded figures, there may be slight discrepancies between these totals and the sum of their component figures.



A wide-angle photograph of a snowy landscape under a bright blue sky with large, white, fluffy clouds. In the foreground, a wooden sleigh is loaded with several brown Louis Vuitton trunks. Five people, dressed in dark winter clothing, are gathered around the sleigh; one person is standing on top of the trunks, while others are pushing or pulling the sleigh. To the left, a person is running through the snow. The background shows a line of snow-covered trees and distant snow-capped hills.

LVMH