LVMH

TRANSLATION OF THE FRENCH
FINANCIAL DOCUMENTS

FISCAL YEAR ENDED DECEMBER 31, 2023

CONTENTS

EXECUTIVE AND SUPERVISORY BODIES;
STATUTORY AUDITORS AS OF DECEMBER 31, 2023 1
FINANCIAL HIGHLIGHTS 2
HIGHLIGHTS 4
SHARE CAPITAL AND VOTING RIGHTS AS OF DECEMBER 31, 2023 4

BUSINESS REVIEW AND COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LVMH GROUP 5

COMMENTS ON THE CONSOLIDATED INCOME STATEMENT 6
WINES AND SPIRITS 10
FASHION AND LEATHER GOODS 11
PERFUMES AND COSMETICS 13
WATCHES AND JEWELRY 14
SELECTIVE RETAILING 16
COMMENTS ON THE CONSOLIDATED BALANCE SHEET 18
COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT 19

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 21

CONSOLIDATED INCOME STATEMENT 22
CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES 23
CONSOLIDATED BALANCE SHEET 24
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 25
CONSOLIDATED CASH FLOW STATEMENT 26
SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 27

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

This document is a free translation into English of the original French “Documents financiers - 31 décembre 2023”, hereafter referred to as the “Financial Documents”. It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.

EXECUTIVE AND SUPERVISORY BODIES; STATUTORY AUDITORS AS OF DECEMBER 31, 2023

Board of Directors

Bernard Arnault
Chairman and Chief Executive Officer

Antonio Belloni
Group Managing Director

Antoine Arnault

Delphine Arnault

Dominique Aumont
Director representing the employees

Nicolas Bazire

Marie-Véronique Belloeil-Melkin
Director representing the employees

Sophie Chassat [1]

Charles de Croisset [1]
Lead Director

Clara Gaymard [1]

Marie-Josée Kravis [1]

Laurent Mignon [1]

Marie-Laure Sauty de Chalon [1]

Yves-Thibault de Silguy [1]

Natacha Valla [1]

Hubert Védrine [1]

Advisory Board members

Yann Arthus-Bertrand

Diego Della Valle

Lord Powell of Bayswater

Executive Committee

Bernard Arnault
Chairman and Chief Executive Officer

Antonio Belloni
Group Managing Director

Delphine Arnault
Christian Dior Couture

Nicolas Bazire
Development & Acquisitions

Pietro Beccari
Louis Vuitton

Stéphane Bianchi
Watches and Jewelry

Michael Burke
Strategic Advisor to the Chairman

Chantal Gaemperle
Human Resources & Synergies

Jean-Jacques Guiony
Finance

Christopher de Lapuente
Selective Retailing

Stéphane Rinderknech
Hospitality Excellence & Beauty

Philippe Schaus
Wines and Spirits

Jérôme Sibille
General Administration & Legal Affairs

Sidney Toledano
Fashion Group

Jean-Baptiste Voisin
Strategy

General Secretary

Marc-Antoine Jamet

Performance Audit Committee

Clara Gaymard [1]
Chairman

Charles de Croisset [1]

Marie-Laure Sauty de Chalon [1]

Yves-Thibault de Silguy [1]

Governance & Compensation Committee

Natacha Valla [1]
Chairman

Sophie Chassat [1]

Charles de Croisset [1]

Marie-Josée Kravis [1]

Ethics & Sustainable Development Committee

Yves-Thibault de Silguy [1]
Chairman

Delphine Arnault

Marie-Laure Sauty de Chalon [1]

Hubert Védrine [1]

Statutory Auditors

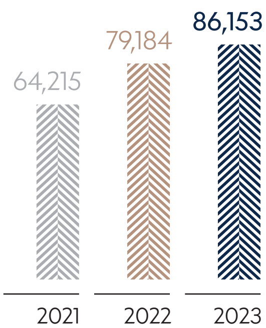
Deloitte & Associés
represented by Guillaume Troussicot and Bénédicte Sabadie

Mazars
represented by Isabelle Sapet and Simon Beillevaire

(1) Independent Director.

FINANCIAL HIGHLIGHTS

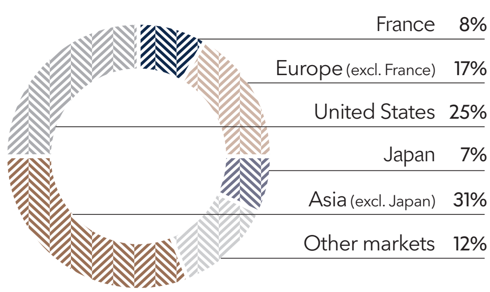
Revenue
(EUR millions)



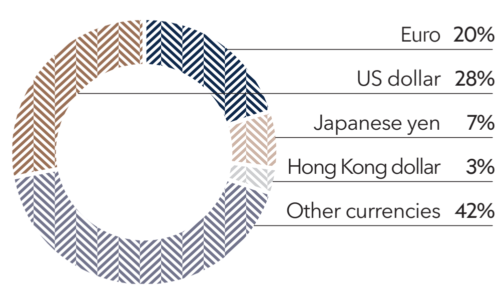
Change in revenue by business group *(EUR millions and percentage)*	**2023**	**2022**	**2023/2022 Change**		**2021**
			Published	**Organic (a)**	
Wines and Spirits	6,602	7,099	-7%	-4%	5,974
Fashion and Leather Goods	42,169	38,648	9%	14%	30,896
Perfumes and Cosmetics	8,271	7,722	7%	11%	6,608
Watches and Jewelry	10,902	10,581	3%	7%	8,964
Selective Retailing	17,885	14,852	20%	25%	11,754
Other activities and eliminations	324	281	-	-	19
Total	**86,153**	**79,184**	**9%**	**13%**	**64,215**

(a) On a constant consolidation scope and currency basis. The net impact of exchange rate fluctuations on Group revenue was -4% and the net impact of changes in the scope of consolidation was negligible. 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 9.

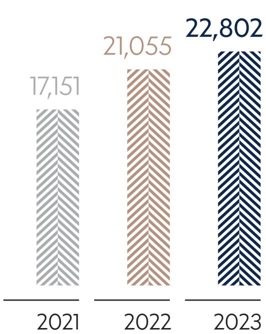
Revenue by geographic region of delivery



Revenue by invoicing currency

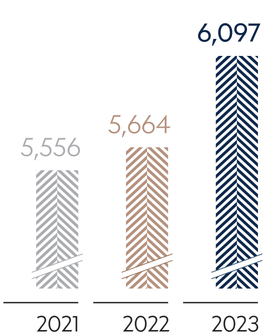


Profit from recurring operations
(EUR millions)

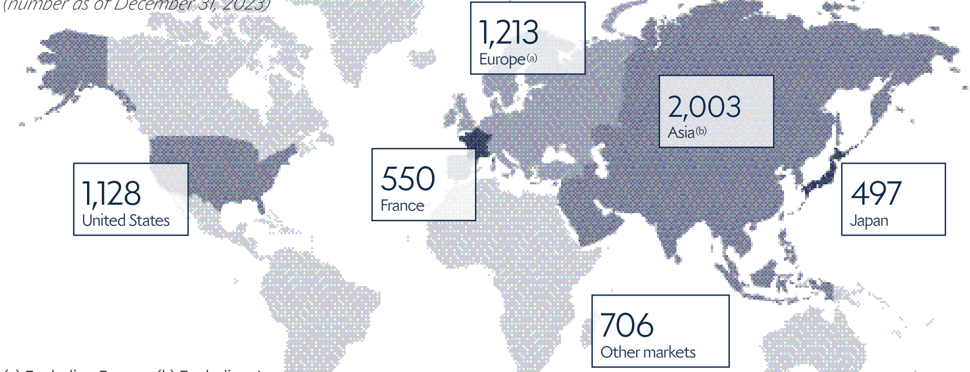


Profit from recurring operations by business group *(EUR millions)*	**2023**	**2022**	**2021**
Wines and Spirits	2,109	2,155	1,863
Fashion and Leather Goods	16,836	15,709	12,842
Perfumes and Cosmetics	713	660	684
Watches and Jewelry	2,162	2,017	1,679
Selective Retailing	1,391	788	534
Other activities and eliminations	(409)	(274)	(451)
Total	**22,802**	**21,055**	**17,151**

Stores
(number)

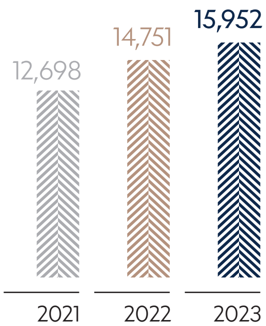


Geographic breakdown of stores
(number as of December 31, 2023)

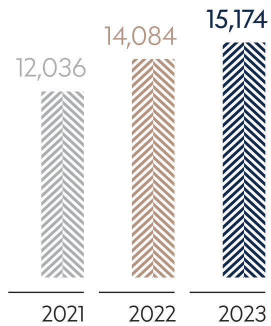


(a) Excluding France. (b) Excluding Japan.

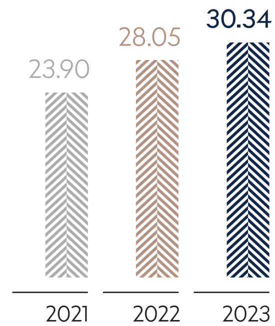
Net profit
(EUR millions)



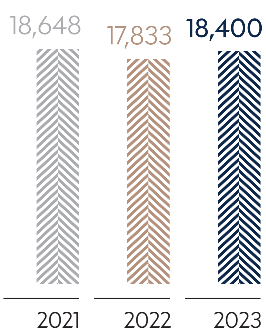
Net profit, Group share
(EUR millions)



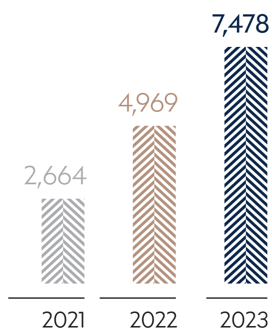
Basic Group share of net earnings per share
(EUR)



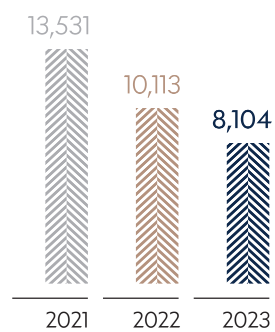
Net cash from operating activities
(EUR millions)



Operating investments
(EUR millions)

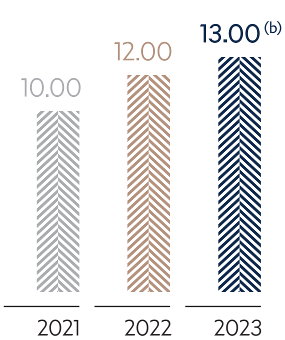


Operating free cash flow (a)
(EUR millions)



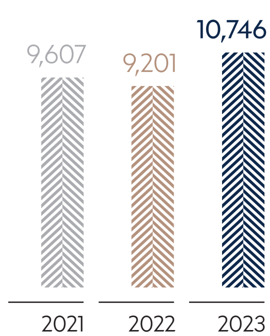
(a) See the consolidated cash flow statement on p. 26 for the definition of "Operating free cash flow".

Dividend per share (a)
(EUR)



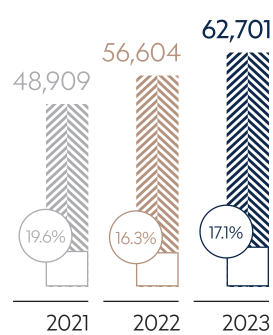
(a) Gross amount paid for the fiscal year, excluding the impact of tax regulations applicable to the recipient.
(b) Amount proposed at the Shareholders' Meeting of April 18, 2024.

Net financial debt (a)
(EUR millions)



(a) Excluding "Lease liabilities" and "Purchase commitments for minority interests' shares". See Note 19.1 to the condensed consolidated financial statements.

Equity and Net financial debt/Equity ratio
(EUR millions and percentage)



HIGHLIGHTS

Highlights of 2023 include:

Another record year despite a disrupted environment

- Strong organic revenue growth across all business groups except Wines and Spirits, and market share gains worldwide.
- Double-digit organic revenue growth in Europe, Japan and the rest of Asia.
- Negative currency impact in the second half of the year.
- Growth in champagne driven by the value strategy and a transitional year for cognac after two years of strong growth.
- Remarkable performance by the Fashion and Leather Goods business group, in particular Louis Vuitton, Christian Dior, Celine, Fendi, Loro Piana, Loewe and Marc Jacobs, which gained market share worldwide and achieved record levels of revenue and profits.
- Particularly strong momentum in fragrances and makeup across all regions, and ongoing global success of Dior's *Sauvage*, once again the world's best-selling fragrance in 2023.
- Robust growth in jewelry and powerful creative momentum for all the Watches and Jewelry Maisons, in particular Tiffany, Bulgari and TAG Heuer.
- Exceptional performance by Sephora, which confirmed its position as world leader in beauty retail.

2023 targets met under the LIFE 360 environmental program

- New circular services launched at most Group Maisons; research and innovation program focused on new materials; environmental training center (LIFE Academy).
- Tangible progress made towards targets for 2026 and 2030: 3.1 million hectares of flora and fauna habitat protected as of year-end 2023 (target: 5 million hectares by 2030); 63% improvement (up 16 points) in the proportion of renewable and low-carbon energy used in the Group's energy mix; 28% decrease in energy-related CO_2 emissions with respect to 2019.
- Launch of LIFE 360 Business Partners, a groundbreaking plan to assist suppliers and partners to accelerate the reduction of Scope 3 impacts, particularly in relation to raw materials and transport.

Major economic and social impact in France and around the world

- More than 213,000 employees worldwide as of year-end 2023 (including nearly 40,000 employees in France).
- France's largest private-sector recruiter.
- Preserving and passing on skills and expertise in more than 280 professions of excellence in design, craftsmanship and customer experience, with over 2,700 apprentices trained by LVMH's IME (Institut des Métiers d'Excellence) program since its launch in 2014, more than 8,000 employees worldwide hired by LVMH in these professions in 2023, and more than 3,500 positions to be filled in these professions at the Group's Maisons in France by year-end 2024.
- Over 1 billion euros invested in France every year.
- 118 production facilities and craft workshops in France, 26 in Italy.
- More than 6 billion euros in corporate tax paid worldwide in 2023, around half of which in France.
- Support for over 950 nonprofits and charitable foundations in 2023, with more than 65,000 Group employees taking part in a community involvement partnership.

SHARE CAPITAL AND VOTING RIGHTS AS OF DECEMBER 31, 2023

Shareholders	Number of shares	Number of voting rights (a)	% of share capital	% of voting rights (a)
Arnault family group	243,981,074	471,305,051	48.60	64.33
Other shareholders	258,067,326 (b)	261,329,171	51.40 (b)	35.67
Total	**502,048,400**	**732,634,222**	**100.00**	**100.00**

(a) Voting rights that may be exercised at Shareholders' Meetings.
(b) Including 2,535,094 treasury shares, i.e. 0.50% of the share capital.

BUSINESS REVIEW AND COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LVMH GROUP

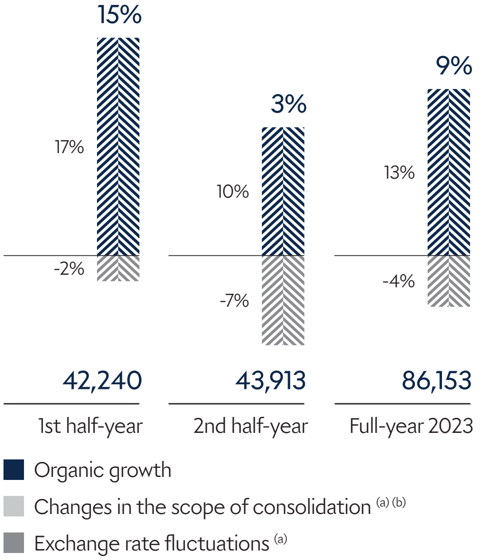
1.	COMMENTS ON THE CONSOLIDATED INCOME STATEMENT	6
2.	WINES AND SPIRITS	10
3.	FASHION AND LEATHER GOODS	11
4.	PERFUMES AND COSMETICS	13
5.	WATCHES AND JEWELRY	14
6.	SELECTIVE RETAILING	16
7.	COMMENTS ON THE CONSOLIDATED BALANCE SHEET	18
8.	COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT	19

1. COMMENTS ON THE CONSOLIDATED INCOME STATEMENT

1.1 Breakdown of revenue

Change in revenue per half-year period

(EUR millions and as %)



(a) The principles used to determine the impact of exchange rate fluctuations on the revenue of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 9.
(b) 0% in full-year 2023.

Revenue for the 2023 fiscal year was 86,153 million euros, up 9% from the previous fiscal year. It was adversely affected by 4 points as a result of many of the Group's invoicing currencies weakening on average against the euro, in particular the Chinese renminbi, the Japanese yen and the US dollar.

The following changes to the Group's consolidation scope took place after January 1, 2022: in the Wines and Spirits business group, the consolidation of Joseph Phelps Vineyards in August 2022 and of Château Minuty in February 2023; in the Perfumes and Cosmetics business group, the consolidation of Officine Universelle Buly as of January 1, 2022; in the Selective Retailing business group, the disposal of Starboard in December 2023. These changes in the scope of consolidation had a negligible effect on the Group's full-year revenue growth.

On a constant consolidation scope and currency basis, revenue increased by 13%.

Revenue by invoicing currency

(as %)	2023	2022	2021
Euro	20	19	17
US dollar	28	30	28
Japanese yen	7	7	7
Hong Kong dollar	3	2	3
Other currencies	42	42	45
Total	**100**	**100**	**100**

The breakdown of revenue by invoicing currency changed as follows with respect to the previous fiscal year: the contribution of the US dollar fell by 2 points to 28%, while the contributions of the euro and the Hong Kong dollar rose by 1 point each to 20% and 3%, respectively. The contributions of the Japanese yen and "Other currencies" remained stable at 7% and 42%, respectively.

Revenue by geographic region of delivery

(as %)	2023	2022	2021
France	8	8	6
Europe (excl. France)	17	16	15
United States	25	27	26
Japan	7	7	7
Asia (excl. Japan)	31	30	35
Other markets	12	12	11
Total	**100**	**100**	**100**

By geographic region of delivery, the relative contributions of Europe (excluding France) and Asia (excluding Japan) to Group revenue rose by 1 point each to 17% and 31%, respectively, while the contribution of the United States fell by 2 points to 25%. The contributions of France, Japan and "Other markets" held steady at 8%, 7% and 12%, respectively.

Revenue by business group

(EUR millions)	2023	2022	2021
Wines and Spirits	6,602	7,099	5,974
Fashion and Leather Goods	42,169	38,648	30,896
Perfumes and Cosmetics	8,271	7,722	6,608
Watches and Jewelry	10,902	10,581	8,964
Selective Retailing	17,885	14,852	11,754
Other activities and eliminations	324	281	19
Total	**86,153**	**79,184**	**64,215**

The breakdown of Group revenue by business group changed as follows: the contributions of Wines and Spirits and of Perfumes and Cosmetics fell by 1 point each to 8% and 9%, respectively, while that of Selective Retailing increased by 2 points to 21%. The contributions made by Fashion and Leather Goods, and Watches and Jewelry held steady at 49% and 13%, respectively.

Revenue for Wines and Spirits decreased by 7% based on published figures. Affected by a negative 5-point exchange rate impact, which was partially offset by the impact of changes in scope arising from the consolidation of Joseph Phelps Vineyards and Château Minuty, revenue for this business group was down 4% on a constant consolidation scope and currency basis. Revenue from champagne and wines remained stable based on published figures and increased by 2% on a constant consolidation scope and currency basis, while revenue from cognac and spirits was down 13% based on published figures and 10% on a constant consolidation scope and currency basis. The United States and China were the countries most affected by lower consumer demand.

Revenue for Fashion and Leather Goods increased by 14% in terms of organic growth and by 9% based on published figures. Europe, Japan and Asia all delivered an excellent performance, while revenue in the United States declined. Virtually all the brands achieved outstanding results.

Revenue for Perfumes and Cosmetics increased by 11% in terms of organic growth and by 7% based on published figures. The United States, Japan, Europe and the Middle East were the regions where revenue increased the most.

Revenue for Watches and Jewelry increased by 7% in terms of organic growth and by 3% based on published figures. The jewelry Maisons posted solid growth. The most buoyant regions were Europe, Asia, the Middle East and Japan.

Revenue for Selective Retailing increased by 25% in terms of organic growth and by 20% based on published figures. Sephora turned in an excellent performance in most regions, particularly in Europe and the United States, while DFS benefited from the recovery in international travel.

1.2 Profit from recurring operations

(EUR millions)	**2023**	**2022**	**2021**
Revenue	86,153	79,184	64,215
Cost of sales	(26,876)	(24,988)	(20,355)
Gross margin	59,277	54,196	43,860
Marketing and selling expenses	(30,768)	(28,151)	(22,308)
General and administrative expenses	(5,714)	(5,027)	(4,414)
Income/(Loss) from joint ventures and associates	7	37	13
Profit from recurring operations	**22,802**	**21,055**	**17,151**
Operating margin *(%)*	**26.5**	**26.6**	**26.7**

The Group's gross margin came to 59,277 million euros, up 9% compared to the previous fiscal year; as a percentage of revenue, the gross margin was 68.8%, up 0.4 points with respect to 2022.

Marketing and selling expenses totaled 30,768 million euros, up 9% based on published figures and up 13% on a constant consolidation scope and currency basis. The level of these expenses expressed as a percentage of revenue came to 35.7%, remaining stable with respect to the previous fiscal year.

This increase in marketing and selling expenses was mainly due to higher communications investments as well as the development of retail networks. Among these marketing and selling expenses, advertising and promotion expenses amounted to 12% of revenue, increasing by 10% on a constant consolidation scope and currency basis.

The geographic breakdown of stores is as follows:

(number)	**2023**	**2022**	**2021**
France	550	518	522
Europe (excl. France)	1,213	1,108	1,203
United States	1,128	1,054	1,014
Japan	497	496	477
Asia (excl. Japan)	2,003	1,829	1,746
Other markets	706	659	594
Total	**6,097**	**5,664**	**5,556**

General and administrative expenses totaled 5,714 million euros, up 14% based on published figures and up 15% on a constant consolidation scope and currency basis. They amounted to 6.6% of revenue.

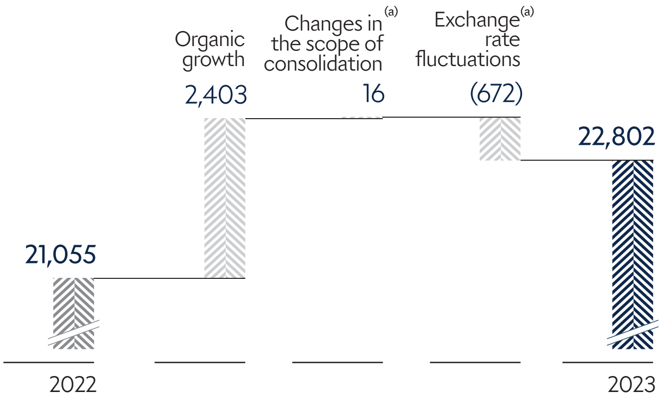
Profit from recurring operations by business group

(EUR millions)	**2023**	**2022**	**2021**
Wines and Spirits	2,109	2,155	1,863
Fashion and Leather Goods	16,836	15,709	12,842
Perfumes and Cosmetics	713	660	684
Watches and Jewelry	2,162	2,017	1,679
Selective Retailing	1,391	788	534
Other activities and eliminations	(409)	(274)	(451)
Total	**22,802**	**21,055**	**17,151**

The Group's profit from recurring operations was 22,802 million euros, up 8% from the previous fiscal year. The Group's operating margin as a percentage of revenue was 26.5%, with no notable change with respect to the previous fiscal year.

Change in profit from recurring operations

(EUR millions)



(a) The principles used to determine the impact of exchange rate fluctuations on the profit from recurring operations of entities reporting in foreign currencies and the impact of changes in the scope of consolidation are described on page 9.

Exchange rate fluctuations had a negative overall impact of 672 million euros on profit from recurring operations compared to the previous fiscal year. This total comprises the following three items: (i) the impact of exchange rate fluctuations on export and import sales and purchases by Group companies, (ii) the change in the net impact of the Group's policy of hedging its commercial exposure to various currencies, and (iii) the impact of exchange rate fluctuations on the consolidation of profit from recurring operations of subsidiaries outside the eurozone.

Wines and Spirits

	2023	2022	2021
Revenue *(EUR millions)*	6,602	7,099	5,974
Profit from recurring operations *(EUR millions)*	2,109	2,155	1,863
Operating margin *(%)*	31.9	30.4	31.2

Profit from recurring operations for Wines and Spirits was 2,109 million euros, down 2% relative to December 31, 2022. Champagne and wines contributed 1,095 million euros, while cognac and spirits accounted for 1,014 million euros. The business group's operating margin as a percentage of revenue came to 31.9%.

Fashion and Leather Goods

	2023	2022	2021
Revenue *(EUR millions)*	42,169	38,648	30,896
Profit from recurring operations *(EUR millions)*	16,836	15,709	12,842
Operating margin *(%)*	39.9	40.6	41.6

Fashion and Leather Goods posted profit from recurring operations of 16,836 million euros, up 7% from the previous fiscal year. Louis Vuitton and Christian Dior Couture maintained an exceptional level of profitability. The business group's operating margin as a percentage of revenue was 39.9%.

Perfumes and Cosmetics

	2023	2022	2021
Revenue *(EUR millions)*	8,271	7,722	6,608
Profit from recurring operations *(EUR millions)*	713	660	684
Operating margin *(%)*	8.6	8.5	10.4

Profit from recurring operations for Perfumes and Cosmetics was up 8%, influenced by a highly selective distribution policy, and totaled 713 million euros. The business group's operating margin as a percentage of revenue was 8.6%.

Watches and Jewelry

	2023	2022	2021
Revenue *(EUR millions)*	10,902	10,581	8,964
Profit from recurring operations *(EUR millions)*	2,162	2,017	1,679
Operating margin *(%)*	19.8	19.1	18.7

Profit from recurring operations for Watches and Jewelry was 2,162 million euros, up 7% relative to December 31, 2022. The business group's operating margin as a percentage of revenue was 19.8%.

Selective Retailing

	2023	2022	2021
Revenue *(EUR millions)*	17,885	14,852	11,754
Profit from recurring operations *(EUR millions)*	1,391	788	534
Operating margin *(%)*	7.8	5.3	4.5

Profit from recurring operations for Selective Retailing was 1,391 million euros, up 76% relative to December 31, 2022, reflecting the exceptional performance achieved by Sephora worldwide and the recovery in international travel, which benefited DFS. The business group's operating margin as a percentage of revenue was 7.8%.

Other activities

The loss from recurring operations of "Other activities and eliminations" was 409 million euros, compared with a loss of 274 million euros in fiscal year 2022. In addition to headquarters expenses, this heading includes the results of the hotel and media divisions, Royal Van Lent yachts, and the Group's real estate activities.

1.3 Other income statement items

(EUR millions)	2023	2022	2021
Profit from recurring operations	22,802	21,055	17,151
Other operating income and expenses	(242)	(54)	4
Operating profit	22,560	21,001	17,155
Net financial income/(expense)	(935)	(888)	53
Income taxes	(5,673)	(5,362)	(4,510)
Net profit before minority interests	**15,952**	**14,751**	**12,698**
Minority interests	(778)	(667)	(662)
Net profit, Group share	**15,174**	**14,084**	**12,036**

"Other operating income and expenses" amounted to a net expense of 242 million euros, compared with 54 million euros in 2022. As of December 31, 2023, this item mainly included depreciation, amortization and impairment charges for brands, goodwill and investments in joint ventures and associates, as well as gains and losses on disposals, primarily that of Starboard carried out in December 2023.

The Group's operating profit was 22,560 million euros, up 7% from the previous fiscal year.

"Net financial income/(expense)" amounted to a net expense of 935 million euros as of December 31, 2023, compared with a net expense of 888 million euros as of December 31, 2022. This item comprised the following:

- the aggregate cost of net financial debt, which was a cost of 367 million euros, versus 17 million euros in the previous fiscal year, representing a negative change of 349 million euros, mainly due to the substantial and rapid increase in interest rates;
- interest on lease liabilities recognized under IFRS 16, which increased in particular due to the change in interest rates, amounting to an expense of 393 million euros, compared with an expense of 254 million euros a year earlier;
- other financial income and expenses, which amounted to a net expense of 175 million euros, compared to 618 million euros in fiscal year 2022. Included in this amount was the expense related to the cost of foreign exchange derivatives, 399 million euros, versus an expense of 358 million euros a year earlier. In addition, fair value adjustments of available for sale financial assets amounted to net income of 263 million euros, compared to a net expense of 225 million euros in 2022.

The Group's effective tax rate as of December 31, 2023 was 26.2%, down 0.5 points from December 31, 2022. In addition, the consequences of the international tax reform drawn up by the OECD relating to the global minimum tax, known as Pillar Two, applicable in France starting in fiscal year 2024, are not material.

Profit attributable to minority interests totaled 778 million euros, compared to 667 million euros in the previous fiscal year; this total mainly includes profit attributable to minority interests in Moët Hennessy.

The Group's share of net profit was 15,174 million euros, up 8% relative to 2022, when it totaled 14,084 million euros. This represented 18% of revenue, remaining stable with respect to fiscal year 2022.

Comments on the determination of the impact of exchange rate fluctuations and changes in the scope of consolidation

The impact of exchange rate fluctuations is determined by translating the financial statements for the fiscal year of entities with a functional currency other than the euro at the prior fiscal year's exchange rates, without any other restatements.

The impact of changes in the scope of consolidation is determined as follows:

- for the fiscal year's acquisitions, by deducting from revenue for the fiscal year the amount of revenue generated during that fiscal year by the acquired entities, as of their initial consolidation;
- for the prior fiscal year's acquisitions, by deducting from revenue for the fiscal year the amount of revenue generated over the months during which the acquired entities were not consolidated in the prior fiscal year;
- for the fiscal year's disposals, by adding to revenue for the fiscal year the amount of revenue generated by the divested entities in the prior fiscal year over the months during which those entities were no longer consolidated in the current fiscal year;
- for the prior fiscal year's disposals, by adding to revenue for the fiscal year the amount of revenue generated in the prior fiscal year by the divested entities.

Profit from recurring operations is restated in accordance with the same principles.

2. WINES AND SPIRITS

	2023	2022	2021
Revenue *(EUR millions)*	**6,602**	**7,099**	**5,974**
Of which: Champagne and wines	*3,461*	*3,474*	*2,793*
Cognac and spirits	*3,141*	*3,625*	*3,181*
Sales volumes *(in millions of bottles)*			
Champagne	66.5	70.9	66.8
Cognac	83.2	94.3	102.6
Other spirits	21.5	23.9	20.8
Still and sparkling wines	52.7	56.5	51.5
Revenue by geographic region of delivery *(%)*			
France	7	6	6
Europe (excl. France)	20	18	18
United States	32	37	38
Japan	6	6	5
Asia (excl. Japan)	21	20	21
Other markets	14	13	12
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**2,109**	**2,155**	**1,863**
Operating margin *(%)*	**32.0**	**30.4**	**31.2**

Highlights

Following an exceptional year in 2022, 2023 was marked by contrasting trends across different markets. Consumer demand waned in the United States and China, while Europe showed remarkable resilience, and Asia-Pacific, Latin America and the Caribbean continued to see strong growth, particularly in private sales and travel retail. Against this backdrop, Moët Hennessy pursued its value strategy, enhancing the appeal of its brands and diversifying its portfolio through product innovation and the integration of Château Minuty, confirming its leadership in the Provence rosé market. The desire to forge closer, more direct connections with end-consumers led to the opening of new points of sale, including the first Hennessy store in mainland China and the Cravan cocktail bar in the heart of Paris. Stepping up its commitment to sustainability, Moët Hennessy presented its Maisons' sustainable farming practices at the ChangeNOW summit, the world's largest event for sharing solutions for protecting the planet.

While maintaining a firm pricing policy as part of their value strategy, the champagne houses continued to achieve high sales volumes, achieving a record market share of Champagne-appellation shipments. **Moët & Chandon** benefited from the successful launch of its *Grand Vintage 2015* in the first half of the year, celebrating the Maison's 280 years of expertise and craftsmanship; in October, it unveiled *Collection Impériale Création No. 1*, the first cuvée of its "Haute Œnologie" (high winemaking) vision, inspiring a collaboration with American artist Daniel Arsham. **Dom Pérignon** had a record year, with the release of two new vintages and several creative collaborations, while **Veuve Clicquot** turned in an exceptional performance, buoyed by the launch of *La Grande Dame 2015*, and offered unforgettable experiences including a tasting of bottles aged underwater in the Baltic Sea. The Maison also reaffirmed its commitment to sustainable luxury and women's entrepreneurship through a collaboration with Stella McCartney. **Krug** saw significant growth, with new editions paired with its signature sources of inspiration: fine dining and music. **Ruinart** unveiled a major collaboration with artist Eva Jospin and launched *Blanc Singulier*, a new cuvée that highlights the impact of climate change. **Armand de Brignac** continued its integration into the Moët Hennessy portfolio of brands and expanded its sales into strategic markets, starting with Japan.

The still wine Maisons continued to consolidate their market presence, against a backdrop of normalizing demand in the United States following the post-pandemic surge. **Château d'Esclans** consolidated its leadership in Côtes-de-Provence wines, **Château Galoupet** obtained organic certification and **Château Minuty** joined the Moët Hennessy portfolio. **Chandon** saw a slight decrease in sales volumes in 2023, despite the success of its all-natural aperitif, *Chandon Spritz*.

In the first part of the year, **Hennessy** experienced a significant slowdown in sales in the United States, although the situation gradually recovered at the end of the year. The Maison was also affected by the effects of the Covid pandemic on Chinese New Year celebrations at the beginning of the year. Despite this, it still managed to extend its global leadership in the spirits category. The brand stepped up its commitment to sustainability through initiatives such as the decarbonization of its Cognac distillery and the "Living Landscapes" program aimed at planting hedges in the Cognac region.

Revenue for **Glenmorangie** and **Ardbeg** whiskies was affected by market conditions in the United States and China, but substantially exceeded pre-Covid levels, thanks to strong performance in travel retail and in dynamic markets such as Japan. The two Maisons continued to focus on innovation, with Ardbeg introducing gift sets showcasing its legendary history. **Belvedere** vodka reaffirmed its value strategy with the launch of *Belvedere 10*, an exceptional vodka designed for the nightlife market. The Maison also obtained organic farming certification in 2023. **Woodinville** expanded its retail presence in the United States, where it is now available in 35 states. **Volcán de mi Tierra** continued to develop its ultra-premium expression, partnering with Formula 1 in Las Vegas. Cuban rum-maker **Eminente** opened a "Casa Eminente" pop-up location in Paris.

Outlook

In an environment that remains uncertain, especially in the United States and China, and with shifts in consumer behavior, the business group is approaching 2024 with caution and pragmatism. It will continue to draw on the strengths of its dynamic teams and solid foundations, including its balanced geographic coverage and diverse portfolio of prestigious brands. The Maisons will continue to enhance their desirability through powerful product-focused initiatives including Armand de Brignac's launch of the *Blanc de Noirs* cuvée and Hennessy's release of new bottles, as well as promotional initiatives including Veuve Clicquot's partnership with the legendary Venice Simplon-Orient Express and a new creative collaboration for Dom Pérignon. Mindful of their rich heritage and environmental responsibility, they will continue to pursue their sustainability-focused roadmap, aimed at protecting biodiversity and reducing their carbon footprint. In the second half of the year, Moët Hennessy will welcome the world's leading experts in soil microbiology and sustainable winegrowing to its second World Living Soils Forum, to be held in October in Arles (southern France), aimed at sparking dialogue and stepping up the pace of scientific progress in these fields. Excellence, authenticity, innovation and sustainability remain the guiding principles for the Maisons in the Wines and Spirits business group: core values that reflect their mission – "Crafting Experiences" – as well as Moët Hennessy's vision of being the leader in luxury wines and spirits.

3. FASHION AND LEATHER GOODS

	2023	2022	2021
Revenue *(EUR millions)*	**42,169**	**38,648**	**30,896**
Revenue by geographic region of delivery *(%)*			
France	7	7	5
Europe (excl. France)	18	17	16
United States	17	21	21
Japan	10	9	9
Asia (excl. Japan)	39	36	41
Other markets	9	10	8
Total	**100**	**100**	**100**
Type of revenue *(% of total revenue)*			
Retail	95	95	94
Wholesale	5	5	6
Licenses	-	-	-
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**16,836**	**15,709**	**12,842**
Operating margin *(%)*	**39.9**	**40.6**	**41.6**

Highlights

The Fashion and Leather Goods business group continued to achieve strong growth. Its Maisons' ability to continuously reinvent themselves, its talented designers, its expert craftspeople, the quality-driven development of its stores and its teams' quest for excellence in elevating the customer experience all contributed to this momentum.

Louis Vuitton had another excellent year, buoyed by its exceptional creativity, its expert craftsmanship and its cultural dimension. The captivating fashion shows, singular aesthetics and bold vision of Nicolas Ghesquière, whose contract was renewed for a further five years, continued to elevate the desirability of the Maison's womenswear collections. Infusing ultra-contemporary romanticism with the spirit of sportswear, Louis Vuitton's Cruise show was held at Isola Bella on Italy's Lake Maggiore against a backdrop of baroque art and gardens, while the Maison's Spring/Summer 2024 Collection was unveiled in October within the walls of its future location at 103 Avenue des Champs-Élysées in Paris. The arrival of Pharrell Williams as Creative Director of Menswear marked the start of an exciting new chapter. His first fashion show, set on the stage of the Pont-Neuf bridge in Paris, was met with huge enthusiasm, garnering over 1.1 billion views on social media, an all-time record for the fashion industry. Designed by the two creative directors, the "Voyager" shows – for womenswear, held on the iconic Jamsugyo Bridge in Seoul, and for menswear, under the starlit skies of Hong Kong's Avenue of Stars – paid homage to Louis Vuitton's spirit of travel. The Maison continued to innovate across all its product categories and forge links with art and artists. *Malletage* quilting – inspired by the interior of Louis Vuitton's historic trunks – adorned the *GO-14* leather goods line, while the *Tambour* watch, worn by brand ambassador Bradley Cooper, was reinvented with a movement designed by the Maison's watch manufacturing facility. The fifth edition of *Artycapucines* revisited the iconic bag through the eyes of five international artists, and renowned architect Frank Gehry also lent his unique vision to an exclusive *Capucines* capsule collection released at Art Basel Miami Beach. The Maison held two highly successful exhibitions: *LV Dream*, which paid tribute to creative partnerships throughout its history, and *Malle Courrier*, which showcased the craftsmanship behind one of its most iconic models and was held at its founder's historic family home in Asnières. In keeping with its "Our Committed Journey" roadmap, Louis Vuitton teamed up with Australian conservation charity People For Wildlife to protect biodiversity in a 400,000-hectare natural area.

Christian Dior continued to deliver remarkable growth in all its product categories. Season after season, its shows reinvent the magic of the Dior name. Maria Grazia Chiuri continued to forge ties with cultures and craftsmanship from around the world: the Fall/Winter Collection, shown in Mumbai, extolled the art of embroidery through a collaboration with the Chanakya Ateliers in India, while the 2024 Cruise collection celebrated Mexican culture and one of its iconic figures, Frida Kahlo. Continuing her dialogue with artists, the designer entrusted the decor for the Winter 2023 Haute Couture show to Marta Roberti and the set design for her ready-to-wear show in Paris to Joana Vasconcelos. The show was held again in Shenzhen, China, with the livestream garnering over 200 million views. At the École Militaire in Paris, Kim Jones celebrated five years as Creative Director of Dior Homme with a boldly staged new show that paid tribute to the Maison's heritage. In another highlight, on the shores of Lake Como, Victoire de Castellane unveiled her new high jewelry collection, *Les Jardins de la Couture*, inspired by the encounter between two worlds close to Christian Dior's heart: couture and flowers. The year's innovations included the new *Plan de Paris* print, which was featured across a number of product categories and adorned the façade of the iconic Harrods department store in London during the summer. The end of the year saw store windows lit up with Dior's spectacular seasonal displays, including a large-scale display at Saks Fifth Avenue in New York, whose facade was bedecked with a captivating "Carousel of Dreams" – a testament to the Maison's long-standing ties with New York.

Celine had another record year, delivering strong growth in its established markets and taking direct control over distribution in South Korea. Driven by Hedi Slimane's bold creative vision, the Maison continued to elevate its desirability. Growth was fueled by the success of leather goods, especially the iconic *Triomphe* line, as well as the steady rise in ready-to-wear and the increasing popularity of its range of accessories. Celine continued to expand and renovate its network of stores in strategic locations like Tokyo Omotesando and the Miami Design District.

Fendi opened "Palazzos" in Seoul and Tokyo, featuring the brand's full range of products. At its Haute Couture show in July, the Maison debuted the first high jewelry collection designed by Delfina Delettrez-Fendi. In leather goods, the Maison unveiled new models including the *C'mon* and *Origami* bags. The *Hand in Hand* exhibitions, underscoring Fendi's commitment to craftsmanship, were met with great interest. The Maison showcased its commitment to Italian art through a collaboration with Galleria Borghese and an exhibition of works by artist Arnaldo Pomodoro.

Loro Piana confirmed its excellent momentum and gained market share. Capitalizing on its exceptional raw materials and singular craftsmanship, the Maison was buoyed by growth in leather goods and continued to innovate through new capsule collections including *Loro*, its first line made from 100% recycled cashmere. A new digital certification service was launched with the Aura Blockchain Consortium for its *The Gift of Kings®* merino wool. The Maison began to upgrade its store concept, renovating and expanding its network, the highlight of which was the reopening of its flagship store in Dubai and a new flagship in Thailand.

Very strong growth at **Loewe** was driven by a combination of key factors: JW Anderson's bold creativity, the Maison's authentic craftsmanship, and its shift further upmarket, as exemplified by the launch of the *Squeeze* bag. The Maison boosted awareness of its brand, outfitting stars like Beyoncé and Rihanna at events with a global audience, and benefited from the success of its collaborations with Studio Ghibli and ceramic artist Suna Fujita. It continued to expand its store network, opening new Casa Loewe stores in Tokyo Omotesando and Dubai, in particular.

Marc Jacobs maintained the strong momentum seen in 2022. Alongside buoyant growth at directly operated stores in the United States and the wholesale business in Europe, online sales continued to grow. The Maison made a strong impact on social media. Growth was driven by its flagship lines, in particular the leather version of its *Tote Bag*.

Givenchy's growth was driven by its directly operated stores, while its retail presence became more and more selective. 2023 saw the launch of the *Voyou* bag and continued growth in sales of the iconic *Shark Lock* boots. One of the highlights of the year was the joint presentation with Tiffany & Co. of the Maison's Haute Couture and high jewelry collections.

Kenzo developed and promoted its new positioning. Highlighting links between East and West, Nigo's Spring/Summer 2024 show was held in Paris between the Eiffel Tower and the Palais de Tokyo before stopping over in Shanghai.

Sustained growth at **Berluti** was fueled both by the Maison's timeless collections and by new products launched during the year. The *Lorenzo Drive* reinterpreted the classic driving shoe; the *Toile Marbeuf* design, a tribute to the Maison's rich heritage, adorned a new line of travel bags; and the *Passe-Temps* collection of exceptional items was launched in the run-up to the holiday season. The Maison also continued to expand its store network in China, South Korea and Japan.

As travel resumed, business at **Rimowa** picked up, buoyed by growing brand awareness and its iconic positioning, with communications focused on the sustainability of its products and the unconditional lifetime warranty offered on all Rimowa suitcases. A traveling exhibition celebrated the 125th anniversary of its founding. Highlights of the year included the launch of a new material for the Maison – leather – enveloping the *Distinct* carry-on suitcase.

At **Pucci**, Camille Miceli's first show was held under the arches of the Ponte Vecchio in Florence, where the Italian fashion house was originally founded.

Outlook

As the Fashion and Leather Goods Maisons approach the future, their ambition remains unchanged: to further elevate their desirability and press ahead with their strategy of responsible growth. The outlook for **Louis Vuitton** over the next few years is very strong thanks to the Maison's ongoing exceptional creative momentum and its constant reinvention through the lens of travel. Nicolas Ghesquière will continue to design the iconic collections and models that underpin the Maison's success. Pharrell Williams, an artist whose work spans multiple creative universes, has ushered in a new and extremely promising chapter for menswear. With its unceasing desire to surprise and blaze new trails, the Maison is pursuing a number of innovation and development projects. These include plans to eventually open its new showcase premises at 103 Avenue des Champs-Élysées, heralded by the giant *Monogram* trunk that will cover the building while construction work is underway. **Christian Dior** will continue to highlight its timeless modernity while referencing its unique heritage. Its ongoing growth will be underpinned by compelling initiatives including new store openings, pop-up locations and high-impact events. For example, until May 2024, Dior's gallery at its 30 Montaigne location in Paris will host a richly poetic exhibition dedicated to collaborations with women artists including Niki de Saint Phalle, Sarah Moon and Judy Chicago. **Celine** will focus on elevating its brand while maintaining its unique spirit of casual sophistication, and on expanding its stores. **Fendi** has several major store openings planned for 2024, including flagship stores in the Miami Design District and Cannes, and will expand its *Selleria* line of leather goods. **Loro Piana** will celebrate its 100th anniversary – an opportunity to look back on its history and showcase its exceptional materials and expertise. **Loewe** will highlight its Spanish roots and its creativity at its first exhibition outside Spain, to be held at the Shanghai Exhibition Center. **Marc Jacobs** will prioritize expanding its network of directly operated stores in the United States and ramping up its online sales. **Berluti** will be outfitting Team France for the opening ceremony of the Paris 2024 Olympic and Paralympic Games.

4. PERFUMES AND COSMETICS

	2023	2022	2021
Revenue *(EUR millions)*	**8,271**	**7,722**	**6,608**
Revenue by geographic region of delivery *(%)*			
France	9	9	9
Europe (excl. France)	21	20	19
United States	19	19	16
Japan	5	5	4
Asia (excl. Japan)	33	35	42
Other markets	13	12	10
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**713**	**660**	**684**
Operating margin *(%)*	**8.6**	**8.5**	**10.3**

Highlights

In a fiercely competitive market environment, growth in the Perfumes and Cosmetics business group was driven by a dynamic innovation strategy – backed by the scientific excellence of LVMH's research center – and an ongoing policy of highly selective retailing.

Parfums Christian Dior turned in a remarkable performance, reinforcing its leading positions in Europe, Japan and the Middle East, confirming its strong momentum in Southeast Asia, and continuing its advances in key countries like the United States and South Korea. Fragrances were buoyed by the Maison's sustained innovation policy and the ongoing success of its iconic product lines. *Sauvage* confirmed its position as the world's best-selling fragrance across all categories. *J'adore* and *Miss Dior* were enriched with new versions developed through the Maison's top-tier innovation program: *J'adore Parfum d'Eau*, the first long-lasting alcohol-free fragrance; *J'adore l'Or*, launched at the end of the year; and *Miss Dior Blooming Bouquet*, which achieved excellent results, especially in Asia. The success of *La Collection Privée Christian Dior* – a key collection in elevating the Maison's product range – was amplified by the summer launch of a new scent, *Dioriviera*, alongside the strong performance of star fragrance *Gris Dior*. Growth in makeup was fueled in particular by the new *Dior Addict Lip Maximizer* and *Forever Skin Correct*. Skincare performed well in the premium segment in Asia with the *Prestige* range, and was boosted by the launch of a new travel-friendly size for its *Dior Le Baume* multi-purpose cream. Parfums Christian Dior stepped up the expansion of its spa activity with several new spas, another edition of the "Dior Spa Cheval Blanc Cruise" experience on the Seine in Paris, and new pop-up locations, including the Splendido in Portofino and Timeo in Taormina. Backed by its omnichannel marketing strategy, which covers all traditional and digital channels and makes it one of the world's most desirable beauty brands, Dior saw rapid growth in its online sales. The expansion of its network of directly operated stores enabled the Maison to showcase its full range and offer exclusive products, such as the exceptional pieces designed by artist Jean-Michel Othoniel for *J'adore l'Or* and by the Baccarat crystal works for *Sauvage Elixir*. The Maison joined forces with WWF – the world's leading nature conservation organization – to help preserve and restore 15,000 hectares of wildlife habitats and green corridors in France and North America.

Guerlain continued its growth, buoyed in particular by solid momentum in fragrances and makeup. The sustainability-focused *Aqua Allegoria* collection was expanded with the *Aqua Allegoria Forte* range of intense scents. *L'Art et la Matière* also added a new fragrance, *Jasmin Bonheur*, available in a limited art edition designed in collaboration with Maison Matisse. This collection, which embodies the Maison's excellence in high-end perfumery, has seen revenue double in just two years. Growth in makeup was driven in particular by the launch of *Terracotta Le Teint*, a foundation with an innovative texture, which was very successful in Europe. Skincare was buoyed in the second half of the year by the launch of the *Abeille Royale* day and night creams. Guerlain reaffirmed its commitment to important causes, developing its "Women for Bees" program in Mexico and Rwanda, in partnership with UNESCO and a number of local NGOs. It also launched major sustainable design initiatives focused on its products.

Parfums Givenchy achieved robust growth in fragrances. The brand's star fragrance, *L'Interdit*, confirmed its excellent potential and helped it gained market share. The Maison also benefited from the successful relaunch of *Gentleman*, another iconic fragrance line, with its new *Gentleman Society* edition, and from strong sales of *Irresistible*, driven by its *Rose Velvet* version. **Benefit** confirmed its leadership position in brow beauty and mascara with its new *Fluff Up* and *Fan Fest*, and continued to successfully roll out its brow lamination service. The Maison innovated with *The Porefessional Pore Care*, a new collection of six skincare products developed to minimize the look of pores. **Fresh** launched

Black Tea Age Renewal Cream and expanded its premium *Crème Ancienne* line with a new white truffle serum. In another initiative, **Make Up For Ever** expanded its star range, *HD Skin*, launching a powder foundation version developed in collaboration with the Maison's community of professional makeup artists. At **Kenzo Parfums**, growth was driven by innovative new additions to *Flower by Kenzo*, the Maison's star fragrance range, including the new *Ikebana* scent, inspired by the Japanese art of flower arrangement, and by the reinvented *Kenzo Homme*. **Maison Francis Kurkdjian** continued its ultra-selective expansion into new, high-potential markets. The successful launch of the *Aqua Media* eau de parfum enriched a fragrance wardrobe already buoyed by the popularity of *Baccarat Rouge 540*, *Gentle Fluidity*, *Grand Soir* and *Oud Satin Mood*. The Maison inaugurated the "Perfumer's Garden" at the Palace of Versailles as part of a long-term corporate giving program. **Acqua di Parma** was boosted by the major success of its *Zafferano* fragrance, featuring a freshly original blend of warm saffron and bright citrus notes. The Maison celebrated exceptional Italian craftsmanship with its *Arancia La Spugnatura* limited edition. **Loewe Perfumes** achieved record-high revenue and launched a strategy aimed at elevating its brand, expanding internationally and gaining greater control over its distribution channels. **Fenty Beauty** posted solid growth, driven by successful product launches, in particular its *Hella Thicc* volumizing mascara. The Maison continued to expand its distribution channels. For **Officine Universelle Buly**, 2023 was a year of olfactory inventiveness, with the launch of a collection of water-based fragrances inspired by the botanical scents and flavors of a vegetable garden. The Maison opened a new boutique in Dubai and a Buly café in Kobe (Japan).

Outlook

While remaining vigilant, as called for by the current environment, LVMH's Maisons will continue to invest selectively in their strengths: product excellence and desirability, accelerated innovation and a selective approach to retail networks. **Parfums Christian Dior** continues to be driven by its values of creativity and excellence, as well as its desire to inspire dreams, transforming each brand interaction into an unforgettable experience. The Maison will continue to infuse its icons with bold, passionate, elegant innovations: in fragrances, with *Miss Dior*, *J'adore* and *Sauvage*; in makeup, with *Rouge Dior*, *Addict* and *Forever*; and in premium skincare, with its flagship *Prestige* line. With regard to its retail channels, the Maison will remain highly selective and continue to elevate the customer experience in terms of both products and services. Starting in early 2024, **Guerlain** will benefit from innovations in its *Abeille Royale* and *Orchidée Impériale* skincare lines. **Parfums Givenchy** will aim to boost growth in fragrances. A number of innovations will drive growth at **Kenzo Parfums**. **Acqua di Parma** will reaffirm its positioning as a vibrant, sophisticated brand offering a range of exceptional fragrances, objects and services. **Maison Francis Kurkdjian** will continue to build on its ability to craft unprecedented olfactory experiences. **Fresh** will celebrate the 20th anniversary of its *Crème Ancienne* premium skincare line. **Benefit** will continue to innovate, particularly in its signature brow range, with new, ultra-high-precision tools. **Make Up For Ever** will reaffirm its expertise in foundation. **Loewe Perfumes** will expand its market presence in the United States.

5. WATCHES AND JEWELRY

	2023	2022	2021
Revenue *(EUR millions)*	**10,902**	**10,581**	**8,964**
Revenue by geographic region of delivery *(%)*			
France	3	3	2
Europe (excl. France)	15	15	15
United States	23	26	25
Japan	11	11	11
Asia (excl. Japan)	34	32	36
Other markets	14	13	11
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**2,162**	**2,017**	**1,679**
Operating margin *(%)*	**19.8**	**19.1**	**18.7**

Highlights

The Watches and Jewelry business group maintained its strong growth momentum, driven by its bold innovation strategy and master craftsmanship. LVMH's Maisons continued to focus on the selective expansion of their retail networks, promotional events and partnerships with artists and athletes in connection with their collections. They also actively developed their range of corporate social responsibility initiatives.

Tiffany & Co. embarked on a new chapter in its 187-year history with the reopening of its legendary New York flagship, which was fully renovated and is now known as "The Landmark". The remarkable location offers a unique, immersive brand experience and received an enthusiastic welcome. Spanning 10 floors, The Landmark not only heralds a new era for Tiffany – it also raises the bar for the entire luxury industry. It has inspired a new aesthetic concept that the Maison has begun to roll out worldwide, starting with iconic locations including the Dubai Mall, Tokyo Omotesando and Palo Alto, California. The launch of *Out of the Blue* – the first *Blue Book* high jewelry collection designed by Nathalie Verdeille, Tiffany's new Creative Director for Jewelry –

reaffirmed the Maison's preeminent position in the world's most coveted diamonds and gemstones. The advertising campaign for this exceptional collection featured a series of pieces that paid tribute to the works of Jean Schlumberger, the Maison's first jewelry designer, modeled by actress Anya Taylor-Joy. The Maison continued the global release of its new *Lock* collection, inspired by this modern symbol of love and its unbreakable bonds, introducing new styles accompanied by a revamped marketing campaign. With daring and ingenuity, Tiffany entered into new creative collaborations with brands, individuals and institutions that share its values of expert craftsmanship, creativity, integrity and excellence. The limited-edition *Rimowa x Tiffany* travel cases, with their diamond-inspired design, and the jewelry and sculpture collaboration with contemporary artist Daniel Arsham are just a few examples of this constant desire to collaborate to create beautiful designs and never stop surprising customers.

Bulgari had an excellent year, with especially strong growth in high jewelry and high-end watches. The new *Mediterranea* jewelry and watch collection, presented in Venice, was inspired by an imaginary journey exploring the vast range of beauty, cultures and traditions of the Mediterranean, and achieved record-breaking revenue. High-profile events celebrating the 75th anniversary of its iconic *Serpenti* line were held in a number of cities around the world, further elevating the Maison's image. Bulgari introduced *Cabochon*, a new, highly contemporary and organic jewelry collection, directly inspired by ancient Roman jewelry, which had a great debut during the end-of-year holiday season. In watches, Bulgari expanded the *Octo Finissimo* collection and relaunched *Octo Roma* to target a younger, more urban demographic. To enhance its desirability among young Millennials, the Maison joined forces with the legendary racing simulation video game series Gran Turismo to create new editions of its *Bulgari Aluminium* watch. *Serpenti* continued to achieve strong growth, joining the ranks of the most iconic women's watches, from more everyday models, like the *Serpenti Tubogas* and *Seduttori*, to the most exclusive, with *Serpenti Misteriosi Cleopatra*, which won the prestigious Geneva Watchmaking Grand Prix in the highly sought-after "Jewelry Watch" category. A new marketing campaign featuring Anne Hathaway, Zendaya, Lisa, YiFei and Priyanka Chopra was launched during the year. A flagship store was opened in Hong Kong at One Peking Road and several other stores were opened and renovated, including Ginza 6 and Omotesando in Tokyo, and Costa Mesa in California. The Maison scaled up its presence in the luxury hotel sector with new hotels in Tokyo and Rome.

TAG Heuer celebrated the 60th anniversary of its *Carrera* collection with the launch of the *Carrera Glassbox* and a media campaign built around the film *The Chase for Carrera* starring Ryan Gosling. Two new models were added to the *Carrera Plasma* line – a fusion of watchmaking and synthetic diamonds – while the addition of 42mm models rounded out the collection of smartwatches. The *Chronosprint*, available in gold and steel versions, was launched as part of the partnership with Porsche. The Maison relocated its Fifth Avenue store in New York and launched a new partnership with cutting-edge racing yacht Flying Nikka.

Highlights of the year for **Hublot** included a collaboration with artist Takashi Murakami on a collection of 13 unique NFTs, each one entitling the holder to one of 13 *Classic Fusion Takashi Murakami* watches, and the launch of the *MP-15 Takashi Murakami* high-tech masterpiece. The Maison enriched its collections with innovative high-tech and high-end timepieces such as the *Big Bang Tourbillon Automatic Yellow Neon Saxem* in bright, fluorescent yellow – a world first – the *MP-13 Tourbillon Bi-Axis Retrograde* and the *Big Bang Tourbillon SR-A by Samuel Ross*. Hublot served as the official timekeeper for the FIFA Women's World Cup. At the end of the year, construction began on its new watch manufacturing facility.

Zenith enriched its *Defy* collection with the *Defy Skyline Skeleton* and a new version of its *Defy Extreme*, developed in partnership with the Extreme E electric vehicle racing championship. The year's other highlights included the launch of the new *Pilot* line and a new marketing campaign for its best-selling *Chronomaster Sport*. As part of its "Horizon" CSR program, the Maison released a new timepiece to support the fight against breast cancer and announced the launch of a women's mentoring project.

Chaumet continued to post significant growth. Reflecting the Maison's love for nature, with iconic botanical motifs like wheat ears and contemporary designs based on the texture of bark, the new *Les Jardins de Chaumet* high jewelry collection generated record sales. The *Bee My Love* collection, interpreted across a diverse range of jewelry, saw more rapid growth, particularly among younger customers. Chaumet's *A Golden Age* exhibition of designs from the 60s and 70s, held at its 12 Vendôme location, was a huge success. The Maison also launched several new cultural and social outreach initiatives, including the Chaumet Echo Culture Awards, celebrating women who promote culture, and a partnership with France's Mobilier National (state furniture and furnishings agency) aimed at introducing children to the world of fine craftsmanship through encounters with the Maison's artisans.

Fred achieved another year of strong growth. Highlights of 2023 included the Maison's first collaboration with the French Open tennis tournament and the opening of the *Fred: Jewelry Designer* exhibition in Seoul. In June, the Maison lent its support to the World Games held in Berlin and organized by the Special Olympics, an organization dedicated to the empowerment of people with intellectual disabilities through sports.

Repossi was buoyed by marketing campaigns for its iconic *Antifer*, *Serti sur Vide* and *Berbère* collections. The new *La Ligne* collection joined the Maison's range of high jewelry designs.

Outlook

In 2024, the Watches and Jewelry business group will aim to maintain its growth and continue gaining market share. Given the current tensions and uncertainties, the Watches and Jewelry Maisons will continue to manage costs and remain selective in their investments. The business group will continue to prioritize innovating and enhancing the desirability of its collections, opening and renovating directly operated stores, and expanding production capacity to accommodate the growth of its brands.

Sustainability and responsibility will remain core components of their strategies. **Tiffany & Co.** will ramp up its store network renovation program, continuing the worldwide rollout of its new store concept inspired by The Landmark. Backed by upcoming marketing campaigns and inspiring new customer experiences, the Maison will maintain its strategy aimed at elevating its core collections to the status of icons and showcasing the unique creativity of its high jewelry designs. **Bulgari** will celebrate its 140th anniversary. A new high-end jewelry and watch collection will be unveiled. The Maison will continue to promote its iconic *Serpenti* line, while relaunching *B.zero1* and expanding its new *Cabochon* collection. 2024 will also see the renewal of Bulgari's partnership with Save The Children, which has helped over 2.5 million children in need since 2009 thanks to more than 100 million euros in donations from the Maison over the period.

TAG Heuer will expand its range designed in partnership with Porsche while continuing to promote its *Carrera* and *Aquaracer* collections. The Maison will pursue its strategy of opening directly operated stores while gradually taking direct control over its distribution in South Korea. As the official timekeeper of UEFA Euro 2024, **Hublot** will launch a marketing campaign with its brand ambassador Kylian Mbappé. New models will be unveiled over the course of the year, particularly in the *Big Bang* collection. As well as adding innovative new designs to its *Chronomaster* and *Defy* lines, **Zenith** will expand upon its *Icons* collection of restored vintage pieces with the launch of a new theme inspired by its *Pilot* watches. **Chaumet** will continue to showcase its history and its rich creative heritage while promoting its iconic collections.

6. SELECTIVE RETAILING

	2023	2022	2021
Revenue *(EUR millions)*	**17,885**	**14,852**	**11,754**
Revenue by geographic region of delivery *(%)*			
France	11	12	12
Europe (excl. France)	9	9	9
United States	46	44	39
Japan	1	1	-
Asia (excl. Japan)	15	16	24
Other markets	18	18	16
Total	**100**	**100**	**100**
Profit from recurring operations *(EUR millions)*	**1,391**	**788**	**534**
Operating margin *(%)*	**7.8**	**5.3**	**4.5**

Highlights

The Selective Retailing business group's strong growth was mainly driven by exceptional momentum at Sephora and the gradual return of travelers to a number of key destinations for DFS.

Sephora achieved another historic year, both in terms of sales and profit, continuing to gain market share. It saw exceptional performances in most of its markets, with double-digit growth in North America, Europe, the Middle East, Southeast Asia and new fast-rising markets such as Latin America. Growth was driven primarily by makeup, followed by haircare, skincare and fragrances. In terms of channels, e-commerce growth remained very solid, but the strongest growth came from the store network, driven by higher traffic, new openings, renovations and an elevated customer experience. The Maison continued to invest in its omnichannel strategy and further expanded its store network, with more than a hundred store openings in 2023. In the United States, Sephora's partnership with Kohl's continued to be highly successful, well ahead of expectations and with major benefits for both companies. Sephora also continued to develop its new experience-focused store concept in Asia, with a major renovation of its Shanghai and Wuhan flagships in China. Another major event was the reopening of the Champs-Élysées flagship store in Paris, which was fully renovated for the first time in its history, reflecting the Maison's special focus on sustainability and energy consumption. Sephora continued to invest in new markets. In the United Kingdom, two stores were opened – in the Westfield White City and Westfield Stratford City malls – with results that very substantially exceeded expectations. In India, an exclusive partnership was entered into with Reliance to operate a number of stores, with the aim of transforming the country's promising prestige beauty industry. Throughout the year, Sephora pushed innovation to record levels to delight its ever-growing beauty community of over 160 million loyal customers. The "Sephoria" event launched in the United States became a global phenomenon, with successful events held in New York, Paris and Shanghai. The Maison also continued to innovate in digital and technology to optimize the customized beauty advice it can offer its customers, such as in identifying the perfect skin tone for their foundation. Sephora pursued its commitment to advance diversity, equity and inclusion, including a program in the United States aimed at supporting beauty entrepreneurs and founders of color by featuring their brands more prominently among the Maison's range of products. For the first time, Sephora also partnered with Selena Gomez's Rare Beauty to help people facing mental health challenges, with 100% of Rare Beauty sales made at Sephora on World Mental Health Day donated to the Rare Impact Fund. Sephora was also the sponsor of *Woman*, an immersive exhibition drawn from the movie by Anastasia Mikova and Yann Arthus-Bertrand, sharing the voice of thousands of women from across the world.

DFS focused its efforts on the gradual return of travelers from mainland China after borders were reopened following the Covid pandemic. Business rapidly recovered in nearby destinations Hong Kong and Macao, and did so more gradually in other Asian locations. Preparing for the full recovery expected in its key markets, the Maison rounded out its teams and its marketing initiatives. The year's highlights included the celebration of the reopening of the iconic Waikiki Galleria in Hawaii, where DFS has been operating for the past 60 years; the launch of the "Explore New Dimensions" beauty initiative, featuring new interactive consultation experiences driven by artificial intelligence; the inauguration of the Maison's concession at Chongqing Jiangbei Airport, its first location in mainland China; and the announcement of plans for its most ambitious project yet, to be completed by 2026, at Yalong Bay (Sanya) on the island of Hainan in China, where DFS will feature more than 1,000 luxury brands at stores spanning a total floor area of more than 128,000 square meters. DFS also unveiled the latest editions of its annual *Masters of Wines and Spirits* and *Masters of Time* exhibitions, held at Macao's City of Dreams and Four Seasons, respectively. In Paris, La Samaritaine celebrated the second anniversary of its reopening and confirmed its appeal amid the increase in customer traffic driven by travelers from Asia. As part of its digital strategy, DFS launched a new customer loyalty program called DFS Circle.

Le Bon Marché, in addition to its highly loyal Parisian clientele, saw an influx of customers from elsewhere in France and international visitors. The department store's revenue reached a record high. The year saw the opening of a new jewelry department, strong growth in the beauty department and the expansion of its range of responsible and sustainable products across all categories. L'Institut, its exclusive beauty and wellness center opened in 2022, turned in a very strong performance. Business was spurred by a rich array of events. The highlight of the beginning of the year was the *Sangam* exhibition by Indian artist Subodh Gupta. The *Au Bonheur des Dames* immersive theatre performance, which played to a full house for months in a row, was extended until the end of April. To celebrate the tenth anniversary of its founding, French fashion brand Sézane – the department store's guest of honor – offered an exclusive pop-up collection as part of the *Les Bons Marchés de l'Eté* exhibition. Starting in September, Le Bon Marché welcomed Rossy de Palma and her colorful world for the *Olé Olé Le Bon Marché* exhibition. After nightfall, the store was the stage for an exclusive new show entitled *Entre Chiens et Louves*, co-produced with circus troupe Cirque Le Roux, featuring a masterfully poetic blend of art, theatre, dance and circus performance. In a resounding tribute to French cuisine, culinary expertise and authentic, local products, La Grande Épicerie de Paris celebrated its 100th anniversary with a flurry of creative collaborations and an eye-catching program of events.

In December, LVMH announced it had entered into a strategic agreement for the sale of its majority stake in Cruise Line Holdings Co. (the holding company for the Starboard & Onboard Cruise Services business). LVMH remains a substantial minority shareholder in this new company.

Outlook

The Selective Retailing Maisons are entering 2024 with the ambition of reaffirming their distinctive identities and continuing to offer the world's best shopping experiences, innovating and building loyalty across all channels. **Sephora** will continue to build on its unique strengths: its vibrant community of passionate employees and loyal customers, its exceptional expertise in curating brands and products, and its omnichannel and in-store retail excellence. The Maison will pursue the global deployment of some of its most exciting brands and products while accelerating its commitment to clean and responsible beauty, with a new clean beauty program that will be progressively rolled out around the world. New stores will be opened in North America, China, Europe and Latin America, and a major store renovation program in the United States will help better reflect American customers' new expectations. Sephora will continue to invest in technology and digital, with the ambition of offering the best app in the prestige beauty industry to its customers around the world. 2024 will also be an exceptional year for Sephora, a partner of the Torch Relay as part of LVMH's partnership with the Paris 2024 Olympic and Paralympic Games. The Maison will also continue to step up its commitment to diversity, equity and inclusion, with initiatives dedicated to both its employees and its communities. While remaining vigilant and maintaining tight control over its allocation of resources, **DFS** aims to continue expanding in its key locations of Hong Kong and Macao. The opening of a new store on Senado Square in central Macao and the renovation of its stores in Hong Kong will contribute to achieving this objective. While continuing to invest in further elevating its range of products and services, the Maison will keep expanding its retail network, in particular at new spaces within Los Angeles International Airport. **Le Bon Marché** will continue to enhance the quality of its exclusive selection and its customer experience, while capitalizing on its profile as a trend-setting department store and its unique cultural dimension. The highlight of early 2024 will be the *Aux Beaux Carrés: Travaux in situ* exhibition of works by French artist Daniel Buren.

7. COMMENTS ON THE CONSOLIDATED BALANCE SHEET

(EUR millions)	2023	2022	Change
Intangible assets	49,611	50,213	(602)
Property, plant and equipment	27,331	23,055	4,275
Right-of-use assets	15,679	14,615	1,064
Other non-current assets	7,363	7,022	341
Non-current assets	**99,984**	**94,906**	**5,078**
Inventories	22,952	20,319	2,633
Cash and cash equivalents	7,774	7,300	474
Other current assets	12,983	12,121	863
Current assets	**43,710**	**39,740**	**3,970**
Assets	**143,694**	**134,646**	**9,048**

(EUR millions)	2023	2022	Change
Equity	62,701	56,604	6,097
Long-term borrowings	11,227	10,380	848
Non-current lease liabilities	13,810	12,776	1,034
Other non-current liabilities	22,811	23,343	(532)
Non-current liabilities	**110,549**	**103,103**	**7,447**
Short-term borrowings	10,680	9,359	1,321
Current lease liabilities	2,728	2,632	97
Other current liabilities	19,737	19,552	184
Current liabilities	**33,145**	**31,543**	**1,602**
Liabilities and equity	**143,694**	**134,646**	**9,049**

LVMH's consolidated balance sheet totaled 143.7 billion euros as of end-December 2023, up 9.0 billion euros from December 31, 2022.

Intangible assets totaled 49.6 billion euros, down 0.6 billion euros from year-end 2022. The negative 1.2 billion euro impact of the revaluation of purchase commitments for minority interests and the negative 0.5 billion euro impact of exchange rate fluctuations on the intangible assets of entities outside the eurozone were partly offset by the positive 0.8 billion euro impact of changes in the scope of consolidation and by the 0.3 billion euro impact of investments, net of amortization charges and disposals. The impact of exchange rate fluctuations mainly arose from changes in the US-dollar-to-euro exchange rate over the period. The impact of changes in the scope of consolidation mainly resulted from the acquisition of a controlling interest in Château Minuty and in Platinum Invest during the fiscal year.

Property, plant and equipment were up 4.3 billion euros and totaled 27.3 billion euros as of the fiscal year-end. This increase resulted from 4.4 billion euros in investments, net of depreciation charges and disposals (the comments on the cash flow statement provide further information on investments), as well as an additional 0.2 billion euro increase due to changes in the scope of consolidation during the fiscal year. These effects were partly offset by the 0.4 billion euro impact of negative exchange rate fluctuations in the period.

Right-of-use assets totaled 15.7 billion euros, up 1.1 billion euros from December 31, 2022. The 0.4 billion euro adverse effect of exchange rate fluctuations between January 1 and December 31, 2023 was offset by the effect of new leases entered into and of updating lease liabilities during the terms of leases, which was 1.6 billion euros higher than depreciation for the fiscal year. Store leases represented the majority of right-of-use assets, for a total of 12.2 billion euros.

Other non-current assets increased by 0.3 billion euros, amounting to 7.4 billion euros, due to the 0.2 billion euro increase in the market value of non-current available for sale financial assets and the 0.3 billion euro increase in deferred tax assets.

Inventories were up 2.6 billion euros, mainly due to increased business activity during the fiscal year, partially offset by the negative 0.6 billion euro impact of exchange rate fluctuations. See also the "Comments on the consolidated cash flow statement" section.

Other current assets increased by 0.9 billion euros, mainly due to the following changes: 0.5 billion euros resulting from the increase in trade accounts receivable, and 0.4 billion euros from the increase in tax receivables.

Lease liabilities recognized in accordance with IFRS 16 were up 1.1 billion euros relative to December 31, 2022, with a 1.6 billion euro increase arising from net new leases offset by a 0.4 billion euro decrease arising from exchange rate fluctuations, in particular.

Other non-current liabilities totaled 22.8 billion euros, down 0.5 billion euros from 23.3 billion euros as of year-end 2022. This change included the 0.6 billion euro impact of the decrease in the liability in respect of purchase commitments for minority interests' shares, which amounted to 11.9 billion euros, following changes in the metrics used to measure these commitments. It also included the 0.1 billion euro increase in deferred tax liabilities.

Lastly, other current liabilities increased by 0.2 billion euros to 19.7 billion euros. This increase mainly resulted from the increase in operating payables, related to the Group's increased business activity.

Net financial debt and equity

(EUR millions or as %)	2023	2022	Change
Long-term borrowings	11,227	10,380	847
Short-term borrowings and derivatives	10,783	9,673	1,110
Gross borrowings after derivatives	**22,010**	**20,053**	**1,957**
Cash, cash equivalents and current available for sale financial assets	(11,264)	(10,852)	(412)
Net financial debt	**10,746**	**9,201**	**1,545**
Equity	**62,701**	**56,604**	**6,097**
Net financial debt/Equity ratio	**17.1%**	**16.3%**	**0.8 pts**

Total equity amounted to 62.7 billion euros as of end-December 2023, up 6.1 billion euros from year-end 2022. Net profit for the fiscal year, after the distribution of dividends, contributed 9.2 billion euros to this increase. Conversely, (i) the 1.1 billion euro impact of exchange rate fluctuations, particularly with regard to the US dollar; (ii) the 1.4 billion euro impact of net purchases of LVMH shares, mainly due to the share buyback program set up during the fiscal year; and (iii) the 0.7 billion euro impact of the revaluation of purchase commitments for minority interests' shares had a negative impact on equity.

As of end-December 2023, net financial debt came to 10.7 billion euros and was equal to 17.1% of total equity, compared to 16.3% as of year-end 2022, up 0.8 points.

Gross borrowings after derivatives totaled 22.0 billion euros as of end-December 2023, up 2.0 billion euros compared with year-end 2022. This increase arose from two opposing effects. The first was the repayment of 1.6 billion euros in two bonds maturing in the first half of 2023 (0.7 billion euro bond issued in 2019 and 0.7 billion pound sterling bond issued in 2020), offset by the issue of several bonds during the fiscal year (1 billion euro bond issued in April, maturing in 2025; 1 billion euro bond issued in September, maturing in 2025; 1.5 billion euro bond issued in September, maturing in 2033). The second was euro- and US dollar-denominated commercial paper (ECP and USCP) outstanding, which remained stable over the period. Cash, cash equivalents, and current available for sale financial assets totaled 11.3 billion euros as of December 31, 2023, remaining relatively stable with respect to their 10.8 billion euro level as of year-end 2022. Net financial debt thus increased by 1.5 billion euros during the fiscal year.

As of December 31, 2023, in addition to the amount of 11.3 billion euros in cash, cash equivalents and current available for sale financial assets, the Group had access to undrawn confirmed credit lines totaling 11.1 billion euros. The latter amount exceeded the outstanding portion of its euro- and US dollar-denominated commercial paper (ECP and USCP) programs, which came to 7.3 billion euros as of end-December 2023.

8. COMMENTS ON THE CONSOLIDATED CASH FLOW STATEMENT

(EUR millions)	2023	2022	Change
Cash from operations before changes in working capital	**29,520**	**26,770**	**2,749**
Cost of net financial debt: interest paid	(457)	(74)	(382)
Lease liabilities: interest paid	(356)	(240)	(117)
Tax paid	(5,730)	(5,604)	(125)
Change in working capital	(4,577)	(3,019)	(1,558)
Net cash from operating activities	**18,400**	**17,833**	**567**
Operating investments	(7,478)	(4,969)	(2,509)
Repayment of lease liabilities	(2,818)	(2,751)	(68)
Operating free cash flow (1)	**8,104**	**10,113**	**(2,009)**
Financial investments and purchase and sale of consolidated investments	**(832)**	**(950)**	**118**
Equity-related transactions	**(8,745)**	**(8,729)**	**(16)**
Change in cash before financing activities	**(1,474)**	**433**	**(1,907)**

(1) "Operating free cash flow" is defined in the consolidated cash flow statement. In addition to net cash from operating activities, it includes operating investments and repayment of lease liabilities, both of which the Group considers as components of its operating activities.

Cash from operations before changes in working capital totaled 29,520 million euros for the fiscal year, up 2,749 million euros from 26,770 million euros a year earlier, mainly due to the increase in operating profit.

After tax and interest paid on net financial debt and lease liabilities, and after the change in working capital, net cash from operating activities amounted to 18,400 million euros, compared with 17,833 million euros in fiscal year 2022.

Interest paid on net financial debt amounted to a net cash outflow of 457 million euros, compared to 74 million euros a year earlier, due to the significant increase in interest rates over the past year.

Tax paid on operating activities came to 5,730 million euros, 125 million euros more than the 5,604 million euros paid in 2022, in connection with the increase in business activity and profit.

The change in working capital as of end-December 2023 resulted in a cash requirement of 4,577 million euros, 1,558 million euros higher than in 2022. The high change in working capital in 2023 mainly arose from the increase in inventories (4,230 million euros) and in trade accounts receivable (695 million euros); these effects were partly offset by the increase in trade accounts payable (434 million euros). The Fashion and Leather Goods, Watches and Jewelry, and Wines and Spirits business groups were the main drivers of these increases. These changes mainly arose from the surge in business activity during the fiscal year, except for Wines and Spirits, and in anticipation of future growth, which requires the Group to build inventories and secure access to certain critical supplies.

Operating investments net of disposals resulted in an outflow of 7,478 million euros in fiscal year 2023, up 2,509 million euros compared to the outflow of 4,969 million euros in fiscal year 2022. Purchases of property, plant and equipment mainly included investments by the Group's brands – notably Louis Vuitton, Christian Dior, Tiffany and Sephora – in their retail networks. They also included purchases of buildings in Paris and London in particular, as well as investments by the champagne houses, Hennessy and Louis Vuitton in their production equipment.

Repayment of lease liabilities totaled 2,818 million euros in 2023, up 68 million euros with respect to 2,751 million euros in 2022.

In fiscal year 2023, "Operating free cash flow" [1] amounted to a net inflow of 8,104 million euros, down relative to fiscal year 2022, mainly due to substantial operating investments and the change in working capital.

In 2023, financial investments accounted for an outflow of 832 million euros, including an outflow of 721 million euros for purchases of consolidated investments, mainly in Château Minuty and Platinum Invest.

Equity-related transactions generated an outflow of 8,745 million euros. A portion of this amount, 6,251 million euros, arose from dividends paid during the fiscal year by LVMH SE, excluding the amount attributable to treasury shares, as well as tax related to dividends paid between Group companies for 376 million euros and 532 million euros paid to minority interests in consolidated subsidiaries. Other equity-related transactions generated an additional outflow of 1,584 million euros, mainly due to transactions in LVMH shares under the share buyback program set up during the fiscal year.

The cash requirement generated after all transactions relating to operating activities, investing activities and equity-related transactions thus totaled 1,474 million euros. Financing activities relating to loans and borrowings, as well as current available for sale financial assets, generated a net inflow of 2,167 million euros in the fiscal year, mainly due to bond issues during the period, net of repayments made in 2023. After the negative 273 million euro impact of exchange rate fluctuations on cash balances, the period-end cash balance was up 420 million euros compared to year-end 2022. It totaled 7,520 million euros as of the fiscal year-end.

(1) "Operating free cash flow" is defined in the consolidated cash flow statement. In addition to net cash from operating activities, it includes operating investments and repayment of lease liabilities, both of which the Group considers as components of its operating activities.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT	**22**
CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES	**23**
CONSOLIDATED BALANCE SHEET	**24**
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	**25**
CONSOLIDATED CASH FLOW STATEMENT	**26**
SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	**27**

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

CONSOLIDATED INCOME STATEMENT

(EUR millions, except for earnings per share)	Notes	2023	2022	2021
Revenue	24	**86,153**	**79,184**	**64,215**
Cost of sales		(26,876)	(24,988)	(20,355)
Gross margin		**59,277**	**54,196**	**43,860**
Marketing and selling expenses		(30,768)	(28,151)	(22,308)
General and administrative expenses		(5,714)	(5,027)	(4,414)
Income/(Loss) from joint ventures and associates	8	7	37	13
Profit from recurring operations	24	**22,802**	**21,055**	**17,151**
Other operating income and expenses	25	(242)	(54)	4
Operating profit		**22,560**	**21,001**	**17,155**
Cost of net financial debt		(367)	(17)	41
Interest on lease liabilities		(393)	(254)	(242)
Other financial income and expenses		(175)	(617)	254
Net financial income/(expense)	26	**(935)**	**(888)**	**53**
Income taxes	27	(5,673)	(5,362)	(4,510)
Net profit before minority interests		**15,952**	**14,751**	**12,698**
Minority interests	18	(778)	(667)	(662)
Net profit, Group share		**15,174**	**14,084**	**12,036**
Basic Group share of net earnings per share *(EUR)*	28	**30.34**	**28.05**	**23.90**
Number of shares on which the calculation is based		500,056,586	502,120,694	503,627,708
Diluted Group share of net earnings per share *(EUR)*	28	**30.33**	**28.03**	**23.89**
Number of shares on which the calculation is based		500,304,316	502,480,100	503,895,592

CONSOLIDATED STATEMENT OF COMPREHENSIVE GAINS AND LOSSES

(EUR millions)	Notes	2023	2022	2021
Net profit before minority interests		**15,952**	**14,751**	**12,698**
Translation adjustments		(1,091)	1,303	2,177
Amounts transferred to income statement		(21)	(32)	(4)
Tax impact		-	(4)	17
	16.5, 18	**(1,112)**	**1,267**	**2,190**
Change in value of hedges of future foreign currency cash flows [(a)]		477	28	281
Amounts transferred to income statement		(523)	290	(303)
Tax impact		13	(73)	127
		(33)	**245**	**105**
Change in value of the ineffective portion of hedging instruments (including cost of hedging)		(237)	(309)	(375)
Amounts transferred to income statement		362	340	237
Tax impact		(29)	(11)	33
		96	**21**	**(105)**
Gains and losses recognized in equity, transferable to income statement		**(1,049)**	**1,534**	**2,190**
Change in value of vineyard land	6	53	(72)	52
Amounts transferred to consolidated reserves		-	-	-
Tax impact		(11)	18	(12)
		41	**(53)**	**40**
Employee benefit obligations: Change in value resulting from actuarial gains and losses		30	301	251
Tax impact		(7)	(77)	(58)
		23	**223**	**193**
Gains and losses recognized in equity, not transferable to income statement		**64**	**170**	**233**
Total gains and losses recognized in equity		**(985)**	**1,705**	**2,423**
Comprehensive income		**14,967**	**16,456**	**15,121**
Minority interests		(749)	(755)	(762)
Comprehensive income, Group share		**14,218**	**15,701**	**14,359**

(a) In 2021, this amount included 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.

CONSOLIDATED BALANCE SHEET

Assets *(EUR millions)*	Notes	**2023**	**2022**	**2021**
Brands and other intangible assets	3	25,589	25,432	24,551
Goodwill	4	24,022	24,782	25,904
Property, plant and equipment	6	27,331	23,055	20,193
Right-of-use assets	7	15,679	14,615	13,705
Investments in joint ventures and associates	8	991	1,066	1,084
Non-current available for sale financial assets	9	1,363	1,109	1,363
Other non-current assets	10	1,017	1,186	1,054
Deferred tax		3,992	3,661	3,156
Non-current assets		**99,984**	**94,906**	**91,010**
Inventories and work in progress	11	22,952	20,319	16,549
Trade accounts receivable	12	4,728	4,258	3,787
Income taxes		533	375	338
Other current assets	13	7,723	7,488	5,606
Cash and cash equivalents	15	7,774	7,300	8,021
Current assets		**43,710**	**39,740**	**34,301**
Total assets		**143,694**	**134,646**	**125,311**

Liabilities and equity *(EUR millions)*	Notes	**2023**	**2022**	**2021**
Equity, Group share	16	61,017	55,111	47,119
Minority interests	18	1,684	1,493	1,790
Equity		**62,701**	**56,604**	**48,909**
Long-term borrowings	19	11,227	10,380	12,165
Non-current lease liabilities	7	13,810	12,776	11,887
Non-current provisions and other liabilities	20	3,880	3,902	3,980
Deferred tax		7,012	6,952	6,704
Purchase commitments for minority interests' shares	21	11,919	12,489	13,677
Non-current liabilities		**47,848**	**46,498**	**48,413**
Short-term borrowings	19	10,680	9,359	8,075
Current lease liabilities	7	2,728	2,632	2,387
Trade accounts payable	22	9,049	8,788	7,086
Income taxes		1,148	1,211	1,267
Current provisions and other liabilities	22	9,540	9,553	9,174
Current liabilities		**33,145**	**31,543**	**27,989**
Total liabilities and equity		**143,694**	**134,646**	**125,311**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR millions)	Number of shares	Share capital	Share premium account	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 commit-ments		Group share	Minority interests	Total
Notes		16.2	16.2	16.3	16.5							18	
As of December 31, 2020	**504,757,339**	**152**	**2,225**	**(260)**	**(692)**	**-**	**(283)**	**1,139**	**(231)**	**35,363**	**37,412**	**1,417**	**38,829**
Gains and losses recognized in equity					2,073		43	29	178		2,323	101	2,423
Net profit										12,036	12,036	662	12,698
Comprehensive income		**-**	**-**	**-**	**2,073**	**-**	**43**	**29**	**178**	**12,036**	**14,359**	**763**	**15,122**
Bonus share plan-related expenses										126	126	6	132
(Acquisition)/disposal of LVMH shares				(652)						(92)	(744)	-	(744)
Exercise of LVMH share subscription options											-	-	-
Retirement of LVMH shares											-	-	-
Capital increase in subsidiaries											-	12	12
Interim and final dividends paid										(3,527)	(3,527)	(428)	(3,956)
Changes in control of consolidated entities										(42)	(42)	397	355
Acquisition and disposal of minority interests' shares										(443)	(443)	(211)	(654)
Purchase commitments for minority interests' shares										(22)	(22)	(166)	(188)
As of December 31, 2021	**504,757,339**	**152**	**2,225**	**(912)**	**1,380**	**-**	**(239)**	**1,167**	**(53)**	**43,399**	**47,119**	**1,790**	**48,909**
Gains and losses recognized in equity					1,206		249	(43)	204		1,617	88	1,705
Net profit										14,084	14,084	667	14,751
Comprehensive income		**-**	**-**	**-**	**1,206**	**-**	**249**	**(43)**	**204**	**14,084**	**15,701**	**755**	**16,456**
Bonus share plan-related expenses										127	127	5	132
(Acquisition)/disposal of LVMH shares				(1,316)						(54)	(1,370)	-	(1,370)
Retirement of LVMH shares	(1,500,000)		(936)	936							-	-	-
Capital increase in subsidiaries											-	28	28
Interim and final dividends paid										(6,024)	(6,024)	(382)	(6,406)
Changes in control of consolidated entities										7	7	6	13
Acquisition and disposal of minority interests' shares										(48)	(48)	(138)	(186)
Purchase commitments for minority interests' shares										(399)	(399)	(571)	(970)
As of December 31, 2022	**503,257,339**	**151**	**1,289**	**(1,293)**	**2,586**	**-**	**9**	**1,125**	**151**	**51,092**	**55,111**	**1,493**	**56,604**
Gains and losses recognized in equity					(1,062)		57	31	18		(956)	(29)	(985)
Net profit										15,174	15,174	778	15,952
Comprehensive income		**-**	**-**	**-**	**(1,062)**	**-**	**57**	**31**	**18**	**15,174**	**14,218**	**749**	**14,967**
Bonus share plan-related expenses										113	113	4	117
(Acquisition)/disposal of LVMH shares				(1,420)						(122)	(1,542)	-	(1,542)
Retirement of LVMH shares	(1,208,939)		(759)	759							-	-	-
Capital increase in subsidiaries											-	19	19
Interim and final dividends paid										(6,251)	(6,251)	(513)	(6,764)
Changes in control of consolidated entities											-	10	10
Acquisition and disposal of minority interests' shares										(38)	(38)	(4)	(42)
Purchase commitments for minority interests' shares										(594)	(594)	(74)	(668)
As of December 31, 2023	**502,048,400**	**151**	**530**	**(1,953)**	**1,525**	**-**	**66**	**1,156**	**170**	**59,373**	**61,017**	**1,684**	**62,701**

CONSOLIDATED CASH FLOW STATEMENT

(EUR millions)	Notes	2023	2022	2021
I. OPERATING ACTIVITIES				
Operating profit		22,560	21,001	17,155
(Income)/Loss and dividends received from joint ventures and associates	8	42	26	41
Net increase in depreciation, amortization and provisions		4,146	3,219	3,139
Depreciation of right-of-use assets	7.1	3,031	3,007	2,691
Other adjustments and computed expenses		(259)	(483)	(405)
Cash from operations before changes in working capital		**29,520**	**26,770**	**22,621**
Cost of net financial debt: interest paid		(457)	(74)	71
Lease liabilities: interest paid		(356)	(240)	(231)
Tax paid		(5,730)	(5,604)	(4,239)
Change in working capital	15.2	(4,577)	(3,019)	426
Net cash from/(used in) operating activities		**18,400**	**17,833**	**18,648**
II. INVESTING ACTIVITIES				
Operating investments	15.3	(7,478)	(4,969)	(2,664)
Purchase and proceeds from sale of consolidated investments	2	(721)	(809)	(13,226)
Dividends received		5	7	10
Tax paid related to non-current available for sale financial assets and consolidated investments		-	-	-
Purchase and proceeds from sale of non-current available for sale financial assets	9	(116)	(149)	(99)
Net cash from/(used in) investing activities		**(8,310)**	**(5,920)**	**(15,979)**
III. FINANCING ACTIVITIES				
Interim and final dividends paid	15.4	(7,159)	(6,774)	(4,161)
Purchase and proceeds from sale of minority interests		(17)	(351)	(435)
Other equity-related transactions	15.4	(1,569)	(1,604)	(552)
Proceeds from borrowings	19	5,990	3,774	251
Repayment of borrowings	19	(3,968)	(3,891)	(6,413)
Repayment of lease liabilities	7.2	(2,818)	(2,751)	(2,453)
Purchase and proceeds from sale of current available for sale financial assets	14	144	(1,088)	(1,393)
Net cash from/(used in) financing activities		**(9,397)**	**(12,685)**	**(15,156)**
IV. EFFECT OF EXCHANGE RATE CHANGES		**(273)**	**55**	**498**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV)		**420**	**(717)**	**(11,989)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	15.1	**7,100**	**7,817**	**19,806**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	15.1	**7,520**	**7,100**	**7,817**
TOTAL TAX PAID		**(6,106)**	**(5,933)**	**(4,464)**

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)	2023	2022	2021
Net cash from operating activities	18,400	17,833	18,648
Operating investments	(7,478)	(4,969)	(2,664)
Repayment of lease liabilities	(2,818)	(2,751)	(2,453)
Operating free cash flow [(a)]	**8,104**	**10,113**	**13,531**

(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”.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1.	ACCOUNTING POLICIES	28
2.	CHANGES IN OWNERSHIP INTERESTS IN CONSOLIDATED ENTITIES	36
3.	BRANDS, TRADE NAMES AND OTHER INTANGIBLE ASSETS	37
4.	GOODWILL	38
5.	IMPAIRMENT TESTING OF INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES	38
6.	PROPERTY, PLANT AND EQUIPMENT	39
7.	LEASES	40
8.	INVESTMENTS IN JOINT VENTURES AND ASSOCIATES	42
9.	NON-CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS	42
10.	OTHER NON-CURRENT ASSETS	43
11.	INVENTORIES AND WORK IN PROGRESS	43
12.	TRADE ACCOUNTS RECEIVABLE	44
13.	OTHER CURRENT ASSETS	44
14.	CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS	45
15.	CASH AND CHANGE IN CASH	45
16.	EQUITY	46
17.	BONUS SHARE AND SIMILAR PLANS	49
18.	MINORITY INTERESTS	50
19.	BORROWINGS	51
20.	PROVISIONS AND OTHER NON-CURRENT LIABILITIES	53
21.	PURCHASE COMMITMENTS FOR MINORITY INTERESTS’ SHARES	54
22.	TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	54
23.	FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT	55
24.	SEGMENT INFORMATION	58
25.	OTHER OPERATING INCOME AND EXPENSES	61
26.	NET FINANCIAL INCOME/(EXPENSE)	62
27.	INCOME TAXES	63
28.	EARNINGS PER SHARE	63
29.	PROVISIONS FOR PENSIONS, CONTRIBUTION TO MEDICAL COSTS AND OTHER EMPLOYEE BENEFIT COMMITMENTS	64
30.	OFF-BALANCE SHEET COMMITMENTS	64
31.	EXCEPTIONAL EVENTS AND LITIGATION	65
32.	RELATED-PARTY TRANSACTIONS	65
33.	SUBSEQUENT EVENTS	65

1. ACCOUNTING POLICIES

1.1 General framework and environment

The consolidated financial statements for fiscal year 2023 were established in accordance with the international accounting standards and interpretations (IAS/IFRS) adopted by the European Union and applicable on December 31, 2023. These standards and interpretations have been applied consistently to the fiscal years presented. The consolidated financial statements for fiscal year 2023 were approved by the Board of Directors on January 25, 2024. The consolidated financial statements presented are “condensed”, which means that they only include notes that are significant or facilitate understanding of changes in the Group’s business activity and financial position during the fiscal year.

They are extracted from the consolidated financial statements approved by the Board of Directors, which include all the notes to the financial statements required under IFRS, as adopted in the European Union.

1.2 Changes in the accounting framework applicable to LVMH

The application of standards, amendments and interpretations that took effect on January 1, 2023 did not have a material impact on the Group’s financial statements, in particular the amendments to IAS 12 establishing a temporary exception to the recognition of deferred tax resulting from the international tax reform (Pillar Two). Furthermore, the application of IFRS 17 Insurance Contracts to the Group’s operations did not have a material impact.

1.3 Taking into account climate change risks

The Group’s current exposure to the consequences of climate change is limited. As such, at this stage, the impact of climate change on the financial statements is not material.

As part of the LIFE 360 program, which puts the Group’s environmental strategy into practice, LVMH has launched a plan to transform its value chains.

The implementation of this program is reflected in LVMH’s financial statements in the form of operating investments, research and development expenses and corporate philanthropy expenses. In addition, profit from recurring operations in particular will be affected by changes in raw material prices; production, transport and distribution costs; and costs related to the end-of-life phase of its products.

The short-term effects have been incorporated into the Group’s strategic plans, which form the basis for conducting impairment tests on intangible assets with indefinite useful lives (see Note 5). The long-term effects of these changes are not quantifiable at this stage.

1.4 First-time adoption of IFRS

The first accounts prepared by the Group in accordance with IFRS were the financial statements for the year ended December 31, 2005, with a transition date of January 1, 2004. IFRS 1 allowed for exceptions to the retrospective application of IFRS at the transition date. The procedures implemented by the Group with respect to these exceptions include the following:

- business combinations: the exemption from retrospective application was not applied. The recognition of the merger of Moët Hennessy and Louis Vuitton in 1987 and all subsequent acquisitions were restated in accordance with IFRS 3; IAS 36 Impairment of Assets and IAS 38 Intangible Assets were applied retrospectively as of that date;
- foreign currency translation of the financial statements of subsidiaries outside the eurozone: translation reserves relating to the consolidation of subsidiaries that prepare their accounts in foreign currency were reset to zero as of January 1, 2004 and offset against “Other reserves”.

1.5 Presentation of the financial statements

Definitions of “Profit from recurring operations” and “Other operating income and expenses”

The Group’s main business is the management and development of its brands and trade names. “Profit from recurring operations” is derived from these activities, whether they are recurring or non-recurring, core or incidental transactions.

“Other operating income and expenses” comprises income statement items, which – due to their nature, amount or frequency – may not be considered inherent to the Group’s recurring operations or its profit from recurring operations. This caption reflects in particular the impact of changes in the scope of consolidation, the impairment of goodwill and the impairment and amortization of brands and trade names. It also includes any significant amounts relating to the impact of certain unusual transactions, such as gains or losses arising on the disposal of fixed assets, restructuring costs, costs in respect of disputes, or any other non-recurring income or expense that may otherwise distort the comparability of profit from recurring operations from one period to the next.

Cash flow statement

Net cash from operating activities is determined on the basis of operating profit, adjusted for non-cash transactions. In addition:

- dividends received are presented according to the nature of the underlying investments, thus in “Net cash from operating activities” for dividends from joint ventures and associates and in “Net cash from financial investments” for dividends from other unconsolidated entities;

- tax paid is presented according to the nature of the transaction from which it arises, thus in "Net cash from operating activities" for the portion attributable to operating transactions; in "Net cash from financial investments" for the portion attributable to transactions in available for sale financial assets, notably tax paid on gains from their sale; and in "Net cash from transactions relating to equity" for the portion attributable to transactions in equity, notably distribution taxes arising on the payment of dividends.

1.6 Use of estimates

For the purpose of preparing the consolidated financial statements, the measurement of certain balance sheet and income statement items requires the use of assumptions, estimates or other forms of judgment. This is particularly true of the valuation of intangible assets (see Notes 1.16 and 5); the measurement of leases (see Notes 1.15 and 7) and purchase commitments for minority interests' shares (see Notes 1.13 and 21); the determination of the amount of provisions for contingencies and losses, and uncertain tax positions (see Note 20) or for impairment of inventories (see Notes 1.18 and 11); and, if applicable, deferred tax assets (see Note 27). Such assumptions, estimates or other forms of judgment made on the basis of the information available or the situation prevailing at the date at which the financial statements are prepared may subsequently prove different from actual events.

1.7 Methods of consolidation

The subsidiaries in which the Group holds a direct or indirect *de facto* or *de jure* controlling interest are fully consolidated.

Jointly controlled companies and companies where the Group has significant influence but no controlling interest are accounted for using the equity method. Although jointly controlled, those entities are fully integrated within the Group's operating activities. LVMH discloses their net profit, as well as that of entities using the equity method (see Note 8), on a separate line, which forms part of profit from recurring operations.

When an investment in a joint venture or associate accounted for using the equity method involves a payment tied to meeting specific performance targets, known as an earn-out payment, the estimated amount of this payment is included in the initial purchase price recorded in the balance sheet, with an offsetting entry under financial liabilities. Any difference between the initial estimate and the actual payment made is recorded as part of the value of investments in joint ventures and associates, without any impact on the income statement.

The assets, liabilities, income and expenses of the Wines and Spirits distribution subsidiaries held jointly with the Diageo group are consolidated only in proportion to the LVMH group's share of operations (see Note 1.27).

The consolidation on an individual or collective basis of companies that are not consolidated (see "Companies not included in the scope of consolidation") would not have a significant impact on the Group's main aggregates.

1.8 Foreign currency translation of the financial statements of entities outside the eurozone

The consolidated financial statements are presented in euros; the financial statements of entities presented in a different functional currency are translated into euros:

- at the period-end exchange rates for balance sheet items;
- at the average rates for the period for income statement items.

Translation adjustments arising from the application of these rates are recorded in equity under "Cumulative translation adjustment".

1.9 Foreign currency transactions and hedging of exchange rate risks

Transactions of consolidated companies denominated in a currency other than their functional currencies are translated to their functional currencies at the exchange rates prevailing at the transaction dates.

Accounts receivable, accounts payable and debts denominated in currencies other than the entities' functional currencies are translated at the applicable exchange rates at the fiscal year-end. Gains and losses resulting from this translation are recognized:

- within "Cost of sales" for commercial transactions;
- within "Net financial income/(expense)" for financial transactions.

Foreign exchange gains and losses arising from the translation or elimination of intra-Group transactions or receivables and payables denominated in currencies other than the entity's functional currency are recorded in the income statement unless they relate to long-term intra-Group financing transactions, which can be considered equity-related transactions. In the latter case, translation adjustments are recorded in equity under "Cumulative translation adjustment".

Derivatives used to hedge commercial, financial or investment transactions are recognized in the balance sheet at their market value (see Note 1.10) at the balance sheet date. Changes in the value of the effective portions of these derivatives are recognized as follows:

- for hedges that are commercial in nature:
  - within "Cost of sales" for hedges of receivables and payables recognized in the balance sheet at the end of the period,
  - within equity under "Revaluation reserves" for hedges of future cash flows; this amount is transferred to cost of sales upon recognition of the hedged trade receivables and payables;

- for hedges relating to the acquisition of fixed assets: within equity under “Revaluation reserves” for hedges of future cash flows; this amount is transferred to the asset side of the balance sheet, as part of the initial cost of the hedged item when accounting for the latter, and then to the income statement in the event of the disposal or impairment of the hedged item;
- for hedges that are tied to the Group’s investment portfolio (hedging the net worth of subsidiaries whose functional currency is not the euro): within equity under “Cumulative translation adjustment”; this amount is transferred to the income statement upon the sale or liquidation (whether partial or total) of the subsidiary whose net worth is hedged;
- for hedges that are financial in nature: within “Net financial income/(expense)”, under “Other financial income and expenses”.

Changes in the value of these derivatives related to forward points associated with forward contracts, as well as in the time value component of options, are recognized as follows:

- for hedges that are commercial in nature: within equity under “Revaluation reserves”. The cost of the forward contracts (forward points) and of the options (premiums) is transferred to “Cost of foreign exchange derivatives” within “Net financial income/(expense)” upon realization of the hedged transaction;
- for hedges that are tied to the Group’s investment portfolio or financial in nature: expenses and income arising from discounts or premiums are recognized in “Borrowing costs” on a pro rata basis over the term of the hedging instruments. The difference between the amounts recognized in “Net financial income/(expense)” and the change in the value of forward points is recognized in equity under “Revaluation reserves”.

Market value changes of derivatives not designated as hedges are recorded within “Net financial income/(expense)”.

See also Note 1.22 for the definition of the concepts of effective and ineffective portions.

1.10 Fair value measurement

Fair value (or market value) is the price that would be obtained from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants.

The assets and liabilities measured at fair value in the balance sheet are as follows:

	Approaches to determining fair value	**Amounts recorded at balance sheet date**
Vineyard land	Based on recent transactions in similar assets. See Note 1.14.	Note 6
Grape harvests	Based on purchase prices for equivalent grapes. See Note 1.18.	Note 11
Derivatives	Based on market data and according to commonly used valuation models. See Note 1.23.	Note 23
Borrowings hedged against changes in value due to interest rate fluctuations	Based on market data and according to commonly used valuation models. See Note 1.22.	Note 19
Liabilities in respect of purchase commitments for minority interests’ shares priced according to fair value	Generally based on the market multiples of comparable companies. See Note 1.13.	Note 21
Available for sale financial assets	Quoted investments: price quotations at the close of trading on the balance sheet date. Unquoted investments: estimated net realizable value, either according to formulas based on market data or based on private quotations. See Note 1.17.	Note 9, Note 14
Cash and cash equivalents (SICAV and FCP funds)	Based on the liquidation value at the balance sheet date. See Note 1.20.	Note 15

No other assets or liabilities have been remeasured at market value at the balance sheet date.

1.11 Brands and other intangible assets

Only acquired brands and trade names that are well known and individually identifiable are recorded as assets based on their market values at their dates of acquisition.

Brands and trade names are chiefly valued using the forecast discounted cash flow method, or based on comparable transactions (i.e. using the revenue and net profit coefficients employed for recent transactions involving similar brands) or stock market multiples observed for related businesses. Other complementary methods may also be employed: the relief from royalty method, involving equating a brand's value with the present value of the royalties required to be paid for its use; the margin differential method, applicable when a measurable difference can be identified in the amount of revenue generated by a branded product in comparison with a similar unbranded product; and finally the equivalent brand reconstitution method involving, in particular, estimation of the amount of advertising and promotion expenses required to generate a similar brand.

Costs incurred in creating a new brand or developing an existing brand are expensed.

Brands, trade names and other intangible assets with finite useful lives are amortized over their estimated useful lives. The classification of a brand or trade name as an asset of finite or indefinite useful life is generally based on the following criteria:

- the brand or trade name's overall positioning in its market expressed in terms of volume of activity, international presence and reputation;
- its expected long-term profitability;
- its degree of exposure to changes in the economic environment;
- any major event within its business segment liable to compromise its future development;
- its age.

Amortizable lives of brands and trade names with finite useful lives range from 5 to 20 years, depending on their anticipated period of use.

Impairment tests are carried out for brands, trade names and other intangible assets using the methodology described in Note 1.16.

Research expenditure is not capitalized. New product development expenditure is not capitalized unless the final decision has been made to launch the product.

Intangible assets other than brands and trade names are amortized over the following periods:

- rights attached to sponsorship agreements and media partnerships are amortized over the life of the agreements, depending on how the rights are used;
- development expenditure is amortized over 3 years at most;
- software and websites are amortized over 1 to 5 years.

1.12 Changes in ownership interests in consolidated entities

When the Group takes *de jure* or *de facto* control of a business, its assets, liabilities and contingent liabilities are estimated at their market value as of the date when control is obtained; the difference between the cost of taking control and the Group's share of the market value of those assets, liabilities and contingent liabilities is recognized as goodwill.

The cost of taking control is the price paid by the Group in the context of an acquisition, or an estimate of this price if the transaction is carried out without any payment of cash, excluding acquisition costs, which are disclosed under "Other operating income and expenses".

The difference between the carrying amount of minority interests purchased after control is obtained and the price paid for their acquisition is deducted from equity.

Goodwill is accounted for in the functional currency of the acquired entity.

Goodwill is not amortized but is subject to annual impairment testing using the methodology described in Note 1.16. Any impairment expense recognized is included within "Other operating income and expenses".

1.13 Purchase commitments for minority interests' shares

The Group has granted put options to minority shareholders of certain fully consolidated subsidiaries.

Pending specific guidance from IFRSs regarding this issue, the Group recognizes these commitments as follows:

- the value of the commitment at the balance sheet date appears in "Purchase commitments for minority interests' shares", as a liability on its balance sheet;
- the corresponding minority interests are canceled;
- for commitments granted prior to January 1, 2010, the difference between the amount of the commitments and canceled minority interests is maintained as an asset on the balance sheet under goodwill, as are subsequent changes in this difference. For commitments granted as from January 1, 2010, the difference between the amount of the commitments and minority interests is recorded in equity, under "Other reserves".

This recognition method has no effect on the presentation of minority interests within the income statement.

1.14 Property, plant and equipment

With the exception of vineyard land, the gross value of property, plant and equipment is stated at acquisition cost.

Vineyard land is recognized at the market value at the balance sheet date. This valuation is based on official published data for recent transactions in the same region. Any difference compared to historical cost is recognized within equity in "Revaluation reserves". If the market value falls below the acquisition cost, the resulting impairment is charged to the income statement.

Buildings mostly occupied by third parties are reported as investment property, at acquisition cost. Investment property is thus not remeasured at market value.

The depreciable amount of property, plant and equipment comprises the acquisition cost of their components less residual value, which corresponds to the estimated disposal price of the asset at the end of its useful life.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. For leased assets, the depreciation period cannot be longer than that used for the calculation of the lease liability.

The estimated useful lives are as follows:

- buildings including investment property: 20 to 100 years;
- machinery and equipment: 3 to 25 years;
- leasehold improvements: 3 to 10 years;
- producing vineyards: 18 to 25 years.

Expenses for maintenance and repairs are charged to the income statement as incurred.

1.15 Leases

The Group has applied IFRS 16 Leases since January 1, 2019. The initial application was carried out using the "modified retrospective" approach to transition. See Note 1.2 to the 2019 consolidated financial statements for details of this initial application procedure for IFRS 16 and the impact of its initial application on the 2019 financial statements.

When entering into a lease, a liability is recognized in the balance sheet, measured at the discounted present value of future payments of the fixed portion of lease payments and offset against a right-of-use asset depreciated over the lease term. The amount of the liability depends to a large degree on the assumptions used for the lease term and, to a lesser extent, the discount rate. The Group's extensive geographic coverage means it encounters a wide range of different legal conditions when entering into contracts.

The lease term generally used to calculate the liability is the term of the initially negotiated lease, not taking into account any early termination options, except in special circumstances. When leases contain extension options, the term used for the calculation of the liability may include these periods, mainly when the anticipated period of use of the fixed assets, whether under a new or existing lease, is greater than the initial contractual lease term.

The lease term to be used in accounting for lease liabilities when the underlying assets are capitalized even though the obligation to make lease payments covers a period of less than twelve months is consistent with the anticipated period of use of the invested assets. Most often, this involves leases for retail locations that are automatically renewable on an annual basis.

The standard requires that the discount rate be determined for each lease using the incremental borrowing rate of the subsidiary entering into the lease. In practice, given the structure of the Group's financing – virtually all of which is held or guaranteed by LVMH SE – this incremental borrowing rate is generally the total of the risk-free rate for the currency of the lease, with reference to its term, and the Group's credit risk for this same currency and over the same term.

Leasehold rights and property, plant and equipment related to restoration obligations for leased facilities are presented within "Right-of-use assets" and subject to depreciation under the same principles as those described above.

The Group has implemented a dedicated IT solution to gather lease data and run the calculations required by the standard.

Since the application of IFRS 16 had a significant impact on the cash flow statement given the importance of fixed lease payments to the Group's activities, specific indicators are used for internal performance monitoring requirements and financial communication purposes in order to present consistent performance measures, independently of the fixed or variable nature of lease payments. One such alternative performance measure is "Operating free cash flow", which is calculated by deducting capitalized fixed lease payments in their entirety from cash flow. The reconciliation between "Net cash from operating activities" and "Operating free cash flow" is presented in the consolidated cash flow statement.

1.16 Impairment testing of fixed assets

Property, plant and equipment, intangible assets, and all leased fixed assets are subject to impairment testing whenever there is any indication that an asset may be impaired (particularly following major changes in the asset's operating conditions), and in any event at least annually in the case of intangible assets with indefinite useful lives (mainly brands, trade names and goodwill). When the carrying amount of assets with indefinite useful lives is greater than the higher of their value in use or market value, the resulting impairment loss is recognized within "Other operating income and expenses", allocated on a priority basis to any existing goodwill.

Value in use is based on the present value of the cash flows expected to be generated by these assets, taking into account their residual value. Market value is estimated by comparison with recent similar transactions or on the basis of valuations performed by independent experts for the purposes of a disposal transaction.

Cash flows are forecast at Group level for each business segment, defined as one or several brands or trade names under the responsibility of a dedicated management team; in general, a business segment as defined above corresponds to a Maison within the Group. Smaller-scale cash-generating units, such as a group of stores, may be distinguished within a particular business segment.

The forecast data required for the discounted cash flow method is based on annual budgets and multi-year business plans prepared by the management of the business segments concerned. Detailed forecasts cover a five-year period, which may be extended for brands undergoing strategic repositioning or whose production cycle exceeds five years. An estimated terminal value is added to the value resulting from discounted forecast cash flows, which corresponds to the capitalization in perpetuity of cash flows most often arising from the last year of the plan. Discount rates are set for each business group with reference to companies engaged in comparable businesses. Forecast cash flows are discounted on the basis of the rate of return to be expected by an investor in the applicable business and an assessment of the risk premium associated with that business. When several forecast scenarios are developed, the probability of occurrence of each scenario is assessed.

1.17 Available for sale financial assets

Available for sale financial assets are classified as current or non-current based on their type.

Non-current available for sale financial assets comprise strategic and non-strategic investments whose estimated period and form of ownership justify such classification.

Current available for sale financial assets (presented in “Other current assets”; see Note 13) include temporary investments in shares, shares of SICAVs, FCPs and other mutual funds, excluding investments made as part of day-to-day cash management, which are accounted for as “Cash and cash equivalents” (see Note 1.20).

Available for sale financial assets are measured at their listed value at the fiscal year-end date in the case of quoted investments, and in the case of unquoted investments at their estimated net realizable value, assessed either according to formulas based on market data or based on private quotations at the fiscal year-end date.

Positive or negative changes in value are recognized under “Net financial income/(expense)” (within “Other financial income and expenses”; see Note 26) for all shares held in the portfolio during the reported periods.

1.18 Inventories and work in progress

Inventories other than wine produced by the Group are recorded at the lower of cost (excluding interest expense) and net realizable value; cost comprises manufacturing cost (finished goods) or purchase price, plus incidental costs (raw materials, merchandise).

Wine produced by the Group, including champagne, is measured on the basis of the applicable harvest market value, which is determined by reference to the average purchase price of equivalent grapes, as if the grapes harvested had been purchased from third parties. Until the date of the harvest, the value of grapes is calculated on a pro rata basis, in line with the estimated yield and market value.

Inventories are valued using either the weighted average cost or the FIFO method, depending on the type of business.

Due to the length of the aging process required for champagnes, spirits (cognac, whisky and rum, in particular) and wines, the holding period for these inventories generally exceeds one year. However, in accordance with industry practices, these inventories are classified as current assets.

Provisions for impairment of inventories are chiefly recognized for businesses other than Wines and Spirits. They are generally required because of product obsolescence (end of season or collection, expiration date approaching, etc.) or lack of sales prospects.

1.19 Trade accounts receivable, loans and other receivables

Trade accounts receivable, loans and other receivables are recorded at amortized cost, which corresponds to their face value. Impairment is recognized for the portion of loans and receivables not covered by credit insurance when such receivables are recorded, in the amount of the losses expected upon maturity. This reflects the probability of counterparty default and the expected loss rate, measured using historical statistical data, information provided by credit bureaus, or ratings by credit rating agencies, depending on the specific case.

The amount of long-term loans and receivables (i.e. those falling due in more than one year) is subject to discounting, the effects of which are recognized under “Net financial income/(expense)”, using the effective interest method.

1.20 Cash and cash equivalents

Cash and cash equivalents comprise cash and highly liquid money-market investments subject to an insignificant risk of changes in value over time.

Money-market investments are measured at their market value, based on price quotations at the close of trading and on the exchange rate prevailing at the fiscal year-end date, with any changes in value recognized as part of “Net financial income/(expense)”.

1.21 Provisions

A provision is recognized whenever an obligation exists towards a third party resulting in a probable disbursement for the Group, the amount of which may be reliably estimated. See also Notes 1.25 and 20.

If the date at which this obligation is to be discharged is in more than one year, the provision amount is discounted, the effects of which are recognized in "Net financial income/(expense)" using the effective interest method.

1.22 Borrowings

Borrowings are measured at amortized cost, i.e. nominal value net of issue premiums and issuance costs, which are charged over time to "Net financial income/(expense)" using the effective interest method.

In the case of hedging against fluctuations in the value of borrowings resulting from changes in interest rates, both the hedged amount of borrowings and the related hedging instruments are measured at their market value at the balance sheet date, with any changes in those values recognized within "Net financial income/(expense)", under "Fair value adjustment of borrowings and interest rate hedges". See Note 1.10 regarding the measurement of hedged borrowings at market value. Interest income and expenses related to hedging instruments are recognized within "Net financial income/(expense)", under "Borrowing costs".

In the case of hedging against fluctuations in future interest payments, the related borrowings remain measured at their amortized cost while any changes in value of the effective hedge portions are taken to equity as part of "Revaluation reserves".

Changes in value of non-hedging derivatives, and of the ineffective portions of hedges, are recognized within "Net financial income/(expense)".

Net financial debt comprises short- and long-term borrowings, the market value at the balance sheet date of interest rate derivatives, less the amount at the balance sheet date of non-current available for sale financial assets used to hedge financial debt, current available for sale financial assets, cash and cash equivalents, in addition to the market value at that date of foreign exchange derivatives related to any of the aforementioned items.

1.23 Derivatives

The Group enters into derivative transactions as part of its strategy for hedging foreign exchange, interest rate and precious metal price risks.

To hedge against commercial, financial and investment foreign exchange risk, the Group uses options, forward contracts, foreign exchange swaps and cross-currency swaps. The time value of options, the forward point component of forward contracts and foreign exchange swaps, as well as the foreign currency basis spread component of cross-currency swaps are systematically excluded from the hedge relation. Consequently, only the intrinsic value of the instruments is considered a hedging instrument. Regarding hedged items (future foreign currency cash flows, commercial or financial liabilities and accounts receivable in foreign currencies, subsidiaries' equity denominated in a functional currency other than the euro), only their change in value in respect of foreign exchange risk is considered a hedged item. As such, aligning the hedging instruments' main features (nominal values, currencies, maturities) with those of the hedged items makes it possible to perfectly offset changes in value.

Derivatives are recognized in the balance sheet at their market value at the balance sheet date. Changes in their value are accounted for as described in Note 1.9 in the case of foreign exchange hedges and as described in Note 1.22 in the case of interest rate hedges.

Market value is based on market data and commonly used valuation models.

Derivatives with maturities in excess of 12 months are disclosed as non-current assets and liabilities.

1.24 Treasury shares

LVMH shares held by the Group are measured at their acquisition cost and recognized as a deduction from consolidated equity, irrespective of the purpose for which they are held.

In the event of disposal, the cost of the shares disposed of is determined by allocation category (see Note 16.3) using the FIFO method.

Gains and losses on disposal, net of income taxes, are taken directly to equity.

1.25 Pensions, contribution to medical costs and other employee benefit commitments

When plans related to retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments entail the payment by the Group of contributions to third-party organizations that assume sole responsibility for subsequently paying such retirement bonuses, pensions or contributions to medical costs, these contributions are expensed in the fiscal year in which they fall due, with no liability recorded on the balance sheet.

When the payment of retirement bonuses, pensions, contributions to medical costs, or other employee benefit commitments is to be borne by the Group, a provision is recorded in the balance sheet in the amount of the corresponding actuarial commitment (see Note 29). Changes in this provision are recognized as follows:

- the portion related to the cost of services rendered by employees and net interest for the fiscal year is recognized in profit from recurring operations for the fiscal year;

- the portion related to changes in actuarial assumptions and to differences between projected and actual data (experience adjustments) is recognized in gains and losses taken to equity.

If this commitment is partially or fully funded by payments made by the Group to external financial organizations, these dedicated funds are deducted from the actuarial commitment recorded in the balance sheet.

The actuarial commitment is calculated based on assessments that are specifically designed for the country and the Group company concerned. In particular, these assessments include assumptions regarding discount rates, salary increases, inflation, life expectancy and staff turnover.

1.26 Current and deferred tax

The tax expense comprises current tax payable by consolidated companies, deferred tax resulting from temporary differences, and the change in uncertain tax positions.

Deferred tax is recognized in respect of temporary differences arising between the value of assets and liabilities for purposes of consolidation and the value resulting from the application of tax regulations.

Deferred tax is measured on the basis of the income tax rates enacted at the balance sheet date; the effect of changes in rates is recognized during the periods in which changes are enacted.

Future tax savings from tax losses carried forward are recorded as deferred tax assets on the balance sheet and impaired if they are deemed not recoverable; only amounts for which future use is deemed probable are recognized.

Deferred tax assets and liabilities are not discounted.

Taxes payable in respect of the distribution of retained earnings of subsidiaries give rise to provisions if distribution is deemed probable.

1.27 Revenue recognition

Definition of revenue

Revenue mainly comprises retail sales within the Group's store network (including e-commerce websites) and wholesale sales through agents and distributors. Sales made in stores owned by third parties are treated as retail transactions if the risks and rewards of ownership of the inventories are retained by the Group.

Direct sales to customers are mostly made through retail stores in Fashion and Leather Goods and Selective Retailing, as well as certain Watches and Jewelry and Perfumes and Cosmetics brands. The Group recognizes revenue when title transfers to third-party customers, which is generally at the time of purchase by retail customers.

Wholesale sales mainly concern the Wines and Spirits businesses, as well as certain Perfumes and Cosmetics and Watches and Jewelry brands. The Group recognizes revenue when title transfers to third-party customers.

Revenue includes shipment and transportation costs re-billed to customers only when these costs are included in products' selling prices as a lump sum.

Sales of services, mainly involved in the Group's "Other activities" segment, are recognized as the services are provided.

Revenue is presented net of all forms of discount. In particular, payments made in order to have products referenced or, in accordance with agreements, to participate in advertising campaigns with the distributors, are deducted from related revenue.

Provisions for product returns

Perfumes and Cosmetics companies and, to a lesser extent, Fashion and Leather Goods and Watches and Jewelry companies may accept the return of unsold or outdated products from their customers and distributors. Retail sales, and in particular online sales, also result in product returns from customers.

Where these practices are applied, revenue is reduced by the estimated amount of such returns, and a provision is recognized within "Other current liabilities" (see Note 22.2), along with a corresponding entry made to inventories. The estimated rate of returns is based on historical statistical data.

Businesses undertaken in partnership with Diageo

A significant proportion of revenue for the Group's Wines and Spirits businesses is generated within the framework of distribution agreements with Diageo, generally taking the form of shared entities that sell and deliver both groups' products to customers; the income statement and balance sheet of these entities is apportioned between LVMH and Diageo based on distribution agreements. According to those agreements, the assets, liabilities, income, and expenses of such entities are consolidated only in proportion to the Group's share of operations.

1.28 Advertising and promotion expenses

Advertising and promotion expenses include the costs of producing advertising media, purchasing media space, manufacturing samples, publishing catalogs and, in general, the cost of all activities designed to promote the Group's brands and products.

Advertising and promotion expenses are recorded within marketing and selling expenses upon receipt or production of goods or upon completion of services rendered.

1.29 Bonus share and similar plans

The expected gain for bonus share plans is calculated on the basis of the closing share price on the day before the Board of Directors' meeting at which the plan is instituted, less the amount of dividends expected to accrue during the vesting period. For any bonus share plans subject to performance conditions, the expense for the fiscal year includes provisional allocations for which the conditions are deemed likely to be met.

For all plans, the amortization expense is apportioned on a straight-line basis in the income statement over the vesting period, with a corresponding impact on reserves in the balance sheet.

For any cash-settled compensation plans index-linked to the change in the LVMH share price, the gain over the vesting period is estimated at each balance sheet date based on the LVMH share price at that date and is charged to the income statement on a pro rata basis over the vesting period, with a corresponding balance sheet impact on provisions. Between that date and the settlement date, the change in the expected gain resulting from the change in the LVMH share price is recorded in the income statement.

1.30 Earnings per share

Earnings per share are calculated based on the weighted average number of shares outstanding during the fiscal year, excluding treasury shares.

Diluted earnings per share are calculated based on the weighted average number of shares before dilution and adding the weighted average number of shares that would result from the exercise of any diluting instrument during the fiscal year. It is assumed for the purposes of this calculation that the funds received from the exercise of options, plus the amount not yet expensed for bonus share and similar plans (see Note 1.29), would be employed to buy back LVMH shares at a price corresponding to their average trading price over the fiscal year.

2. CHANGES IN OWNERSHIP INTERESTS IN CONSOLIDATED ENTITIES

Minuty

In January 2023, Moët Hennessy took a majority stake in the share capital of Minuty SAS and acquired control of the company's wine-growing assets. Château Minuty is renowned worldwide for its rosé wine, which has been a *Grand Cru Classé* since 1955, and is located in Gassin on the peninsula of Saint-Tropez (France).

Starboard & Onboard Cruise Services

In December 2023, LVMH sold an 80% stake in Cruise Line Holdings Co. – the holding company of the Starboard & Onboard Cruise Services businesses – to a group of private investors.

Other

In September 2023, LVMH acquired a majority stake in the Platinum Invest group, a French high jewelry manufacturer, in order to reinforce its production capacity, in particular for Tiffany.

In September 2023 and November 2023, Thélios acquired all the shares in the companies that own the iconic French and American eyewear brands Vuarnet and Barton Perreira, respectively.

LVMH Métiers d'Art acquired a majority stake in Spanish tannery Verdeveleno in October 2023, and in December 2023 it acquired all the shares in Menegatti, an Italian company specializing in the production of metal parts.

In May 2023, LVMH entered into an agreement to acquire a majority stake in Nuti Ivo SpA, an Italian company founded in 1955, specializing in leather-working. After receiving the approval of the Italian competition authorities, the acquisition was completed in January 2024.

Equity investments newly consolidated in 2023 did not have a significant impact on revenue or profit from recurring operations for the fiscal year.

3. BRANDS, TRADE NAMES AND OTHER INTANGIBLE ASSETS

(EUR millions)			2023	2022	2021
	Gross	**Amortization and impairment**	**Net**	**Net**	**Net**
Brands	22,297	(812)	21,485	21,545	20,873
Trade names	3,972	(1,636)	2,336	2,410	2,285
License rights	115	(98)	17	23	53
Software, websites	3,946	(2,912)	1,035	926	849
Other	1,568	(851)	717	528	490
Total	**31,897**	**(6,309)**	**25,589**	**25,432**	**24,551**

The carrying amounts of brands, trade names and other intangible assets changed as follows during the fiscal year:

Gross value *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2022	**22,350**	**4,103**	**3,603**	**1,338**	**31,394**
Acquisitions	-	-	352	648	1,000
Disposals and retirements	-	-	(164)	(104)	(268)
Changes in the scope of consolidation	110	-	(9)	15	116
Translation adjustment	(163)	(132)	(56)	4	(346)
Reclassifications	-	-	220	(219)	-
As of December 31, 2023	**22,297**	**3,972**	**3,946**	**1,682**	**31,897**

Amortization and impairment *(EUR millions)*	**Brands**	**Trade names**	**Software, websites**	**Other intangible assets**	**Total**
As of December 31, 2022	**(805)**	**(1,693)**	**(2,677)**	**(787)**	**(5,963)**
Amortization expense	(7)	-	(454)	(259)	(720)
Impairment expense	-	-	3	(1)	2
Disposals and retirements	-	-	164	104	268
Changes in the scope of consolidation	-	-	10	(2)	8
Translation adjustment	-	57	40	(2)	95
Reclassifications	-	-	4	(1)	2
As of December 31, 2023	**(812)**	**(1,636)**	**(2,912)**	**(949)**	**(6,309)**
Carrying amount as of December 31, 2023	**21,485**	**2,336**	**1,035**	**733**	**25,589**

Translation adjustments mainly related to brands and trade names recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2023.

4. GOODWILL

(EUR millions)			2023	2022	2021
	Gross	Impairment	Net	Net	Net
Goodwill arising on consolidated investments	20,030	(1,690)	18,340	17,883	16,834
Goodwill arising on purchase commitments for minority interests' shares	5,682	-	5,682	6,899	9,070
Total	**25,712**	**(1,690)**	**24,022**	**24,782**	**25,904**

Changes in net goodwill during the fiscal years presented break down as follows:

(EUR millions)			2023	2022	2021
	Gross	Impairment	Net	Net	Net
As of January 1	**26,785**	**(2,003)**	**24,782**	**25,904**	**16,042**
Changes in the scope of consolidation	431	282	713	604	6,879
Changes in purchase commitments for minority interests' shares	(1,235)	-	(1,235)	(2,204)	2,467
Changes in impairment	-	-	-	(27)	(78)
Translation adjustment	(268)	31	(237)	504	595
As of December 31	**25,712**	**(1,690)**	**24,022**	**24,782**	**25,904**

See Note 21 for goodwill arising on purchase commitments for minority interests' shares.

Changes in the scope of consolidation mainly resulted from the acquisitions of Minuty, Platinum Invest, Barton Perreira and Vuarnet. See Note 2.

Translation adjustments mainly related to goodwill recognized in US dollars, based on fluctuations in the US dollar-to-euro exchange rate between January 1 and December 31, 2023.

5. IMPAIRMENT TESTING OF INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Brands, trade names and other intangible assets with indefinite useful lives as well as the goodwill arising on acquisition were subject to annual impairment testing as of December 31, 2023. No significant impairment expenses were recognized in fiscal year 2023, as no events likely to lead to significant impairment took place during the fiscal year.

6. PROPERTY, PLANT AND EQUIPMENT

(EUR millions)			2023	2022	2021
	Gross	**Depreciation and impairment**	**Net**	**Net**	**Net**
Land	7,972	(22)	7,950	5,511	4,804
Vineyard land and producing vineyards [(a)]	3,084	(136)	2,948	2,729	2,623
Buildings	8,318	(3,055)	5,263	4,823	4,145
Investment property	366	(51)	316	434	321
Leasehold improvements, machinery and equipment	20,880	(14,227)	6,653	5,773	5,114
Assets in progress	2,125	(45)	2,080	1,809	1,302
Other property, plant and equipment	2,719	(598)	2,121	1,977	1,886
Total	**45,465**	**(18,135)**	**27,331**	**23,055**	**20,193**
Of which: Historical cost of vineyard land	*924*	-	*924*	*760*	*608*

(a) Almost all of the carrying amount of "Vineyard land and producing vineyards" corresponds to vineyard land.

Changes in property, plant and equipment during the fiscal year broke down as follows:

Gross value *(EUR millions)*	**Vineyard land and producing vineyards**	**Land and buildings**	**Investment property**	**Leasehold improvements, machinery and equipment**			**Assets in progress**	**Other property, plant and equipment**	**Total**
				Stores and hotels	**Production, logistics**	**Other**			
As of December 31, 2022	**2,861**	**13,201**	**478**	**13,298**	**3,943**	**2,244**	**1,810**	**2,541**	**40,377**
Acquisitions	83	2,553	2	1,163	218	182	2,449	176	6,824
Change in the market value of vineyard land	53	-	-	-	-	-	-	-	53
Disposals and retirements	(14)	(104)	(113)	(709)	(76)	(166)	(6)	(14)	(1,202)
Changes in the scope of consolidation	82	77	-	(53)	33	(2)	1	1	139
Translation adjustment	(13)	(174)	(3)	(432)	(14)	(42)	(38)	(17)	(735)
Other movements, including transfers	33	738	3	1,042	141	109	(2,090)	33	9
As of December 31, 2023	**3,084**	**16,291**	**366**	**14,309**	**4,245**	**2,326**	**2,125**	**2,719**	**45,465**

Depreciation and impairment *(EUR millions)*	**Vineyard land and producing vineyards**	**Land and buildings**	**Investment property**	**Leasehold improvements, machinery and equipment**			**Assets in progress**	**Other property, plant and equipment**	**Total**
				Stores and hotels	**Production, logistics**	**Other**			
As of December 31, 2022	**(132)**	**(2,867)**	**(43)**	**(9,446)**	**(2,680)**	**(1,588)**	**(1)**	**(564)**	**(17,322)**
Depreciation expense	(9)	(331)	(6)	(1,335)	(264)	(194)	-	(71)	(2,209)
Impairment expense	(1)	(6)	-	(5)	(2)	-	(45)	(1)	(60)
Disposals and retirements	2	100	3	706	73	163	-	18	1,066
Changes in the scope of consolidation	2	(11)	-	47	(19)	3	-	-	22
Translation adjustment	1	41	-	293	6	31	1	5	379
Other movements, including transfers	-	(4)	(5)	(12)	(14)	10	-	14	(10)
As of December 31, 2023	**(136)**	**(3,077)**	**(51)**	**(9,753)**	**(2,899)**	**(1,575)**	**(45)**	**(598)**	**(18,135)**
Carrying amount as of December 31, 2023	**2,948**	**13,213**	**316**	**4,556**	**1,346**	**750**	**2,080**	**2,121**	**27,331**

“Other property, plant and equipment” includes in particular the works of art owned by the Group.

As of December 31, 2023, purchases of property, plant and equipment mainly included investments by the Group’s Maisons – notably Louis Vuitton, Christian Dior, Tiffany and Sephora – in their retail networks. They also included investments by the champagne houses, Hennessy and Louis Vuitton in their production equipment, as well as investments relating to the Group’s hotel activities. In addition, buildings were acquired in Paris and London by the Group’s holding companies and Maisons, mainly in order to operate stores in them.

At the end of April 2023, Tiffany’s iconic store on Fifth Avenue in New York reopened after several years of renovation.

Translation adjustments on property, plant and equipment mainly related to fixed assets recognized in US dollars, Japanese yen and Chinese renminbi, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2023.

7. LEASES

7.1 Right-of-use assets

Right-of-use assets break down as follows, by type of underlying asset:

(EUR millions)			2023	2022	2021
	Gross	Depreciation and impairment	Net	Net	Net
Stores	20,377	(8,171)	12,206	11,202	10,636
Offices	3,405	(1,151)	2,253	2,274	1,991
Other	1,286	(390)	896	856	771
Capitalized fixed lease payments	**25,068**	**(9,713)**	**15,355**	**14,332**	**13,398**
Leasehold rights	915	(592)	323	283	307
Total	**25,984**	**(10,305)**	**15,679**	**14,615**	**13,705**

The carrying amounts of right-of-use assets changed as follows during the fiscal year:

(EUR millions)	Capitalized fixed lease payments				Leasehold rights	Total
	Stores	Offices	Other	Total		
As of December 31, 2022	**11,202**	**2,274**	**856**	**14,332**	**283**	**14,615**
New leases entered into	2,900	621	164	3,686	78	3,763
Changes in assumptions	753	45	40	838	-	838
Leases ended or canceled	(99)	(2)	-	(100)	-	(101)
Depreciation expense	(2,477)	(377)	(137)	(2,991)	(55)	(3,046)
Impairment expense	4	7	-	11	4	15
Changes in the scope of consolidation	-	(7)	(2)	(9)	-	(9)
Translation adjustment	(335)	(40)	(23)	(398)	-	(399)
Other movements, including transfers	259	(268)	(3)	(12)	14	2
As of December 31, 2023	**12,206**	**2,253**	**896**	**15,355**	**323**	**15,679**

“New leases entered into” involved store leases, in particular for Louis Vuitton, Christian Dior Couture, Tiffany and Fendi. They also included leases of office space, mainly for Louis Vuitton, Christian Dior Couture and Sephora. Changes in assumptions mainly resulted from adjustments to estimated lease terms. These two types of changes led to corresponding increases in right-of-use assets and lease liabilities.

Translation adjustments mainly related to leases recognized in US dollars, Japanese yen and Chinese renminbi, based on fluctuations in the exchange rates of these currencies with respect to the euro between January 1 and December 31, 2023.

7.2 Lease liabilities

Lease liabilities break down as follows:

(EUR millions)	2023	2022	2021
Non-current lease liabilities	13,810	12,776	11,887
Current lease liabilities	2,728	2,632	2,387
Total	**16,538**	**15,408**	**14,275**

The change in lease liabilities during the fiscal year breaks down as follows:

(EUR millions)	Stores	Offices	Other	Total
As of December 31, 2022	**12,024**	**2,530**	**854**	**15,408**
New leases entered into	2,861	602	163	3,626
Principal repayments	(2,338)	(320)	(118)	(2,777)
Change in accrued interest	27	8	2	37
Leases ended or canceled	(142)	(5)	(1)	(147)
Changes in assumptions	750	46	40	835
Changes in the scope of consolidation	(1)	(9)	(2)	(11)
Translation adjustment	(352)	(44)	(24)	(420)
Other movements, including transfers	254	(262)	(4)	(12)
As of December 31, 2023	**13,083**	**2,546**	**910**	**16,538**

The following table presents the contractual schedule of disbursements for lease liabilities as of December 31, 2023:

(EUR millions)		As of December 31, 2023 Total minimum future payments
Maturity:	2024	3,041
	2025	2,749
	2026	2,379
	2027	1,997
	2028	1,661
	Between 2029 and 2033	4,630
	Between 2034 and 2038	1,283
	Thereafter	1,005
Total minimum future payments		**18,746**
Impact of discounting		(2,208)
Total lease liability		**16,538**

7.3 Breakdown of lease expense

The lease expense for the fiscal year breaks down as follows:

(EUR millions)	2023	2022	2021
Depreciation and impairment of capitalized fixed lease payments	2,980	2,950	2,634
Interest on lease liabilities	393	254	242
Capitalized fixed lease expense	**3,373**	**3,204**	**2,876**
Variable lease payments	2,788	2,445	1,702
Short-term leases and/or low-value leases	548	458	506
Other lease expenses	**3,336**	**2,902**	**2,208**
Total	**6,710**	**6,107**	**5,084**

In certain countries, leases for stores entail the payment of both minimum amounts and variable amounts, especially for stores with lease payments indexed to revenue. As required by IFRS 16, only the minimum fixed lease payments are capitalized. "Other lease expenses" mainly relate to variable lease payments.

For leases not required to be capitalized, there is little difference between the expense recognized and the payments made.

8. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

(EUR millions)	2023		2022		2021	
	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*	Net	*Of which: Joint arrangements*
Share of net assets of joint ventures and associates as of January 1	**1,066**	***496***	**1,084**	***432***	**990**	***426***
Share of net profit/(loss) for the period	7	*4*	37	*4*	14	*1*
Dividends paid	(50)	*(9)*	(60)	*(9)*	(54)	*(9)*
Changes in the scope of consolidation	63	-	30	*31*	95	-
Capital increases subscribed	11	*5*	28	*26*	3	*2*
Translation adjustment	(16)	*(6)*	15	*8*	36	*11*
Impairment of goodwill and brands recognized by joint ventures and associates	(98)	-	-	-	-	-
Other, including transfers	8	*5*	(69)	*3*	-	-
Share of net assets of joint ventures and associates as of December 31	**991**	***495***	**1,066**	***496***	**1,084**	***432***

Impairment of goodwill and brands is presented within "Other operating income and expenses" in the consolidated income statement (see Note 25).

9. NON-CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS

(EUR millions)	2023	2022	2021
As of January 1	**1,109**	**1,363**	**739**
Acquisitions	212	369	569
Disposals at net realized value	(30)	(98)	(107)
Changes in market value (a)	211	(125)	153
Changes in the scope of consolidation	(120)	(410)	(3)
Translation adjustment	(19)	10	12
As of December 31	**1,363**	**1,109**	**1,363**

(a) Recognized within "Net financial income/(expense)" and, in 2021, partly within "Other operating income and expenses" (see Note 26).

As of December 31, 2023, securities to be consolidated amounted to 106 million euros (see Note 2). Most of these investments will be consolidated as of December 31, 2024.

Changes in the scope of consolidation in 2023 mainly related to the initial consolidation of various acquisitions carried out prior to December 31, 2022 but that had not yet been consolidated as of that date.

10. OTHER NON-CURRENT ASSETS

(EUR millions)	2023	2022	2021
Warranty deposits	577	554	482
Derivatives [(a)]	99	97	55
Loans and receivables	243	444	413
Other	98	91	103
Total	**1,017**	**1,186**	**1,054**

(a) See Note 23.

11. INVENTORIES AND WORK IN PROGRESS

(EUR millions)			2023	2022	2021
	Gross	Impairment	Net	Net	Net
Wines and *eaux-de-vie* in the process of aging	6,630	(48)	6,582	5,932	5,433
Other raw materials and work in progress	5,454	(895)	4,559	4,187	2,885
	12,085	**(943)**	**11,141**	**10,120**	**8,319**
Goods purchased for resale	2,962	(312)	2,650	2,410	1,951
Finished products	11,078	(1,917)	9,161	7,790	6,279
	14,040	**(2,229)**	**11,811**	**10,200**	**8,230**
Total	**26,124**	**(3,172)**	**22,952**	**20,319**	**16,549**

The change in net inventories for the fiscal years presented breaks down as follows:

(EUR millions)			2023	2022	2021
	Gross	Impairment	Net	Net	Net
As of January 1	**23,042**	**(2,723)**	**20,319**	**16,549**	**13,016**
Change in gross inventories	4,230	-	4,230	4,169	1,567
Impact of provision for returns [(a)]	(10)	-	(10)	(17)	34
Impact of marking harvests to market	54	-	54	24	(35)
Changes in provision for impairment	-	(986)	(986)	(574)	(447)
Changes in the scope of consolidation	(90)	11	(80)	53	1,808
Translation adjustment	(642)	71	(571)	129	605
Other, including reclassifications	(460)	455	(5)	(13)	1
As of December 31	**26,124**	**(3,172)**	**22,952**	**20,319**	**16,549**

(a) See Note 1.27.

The impact of marking harvests to market on Wines and Spirits' cost of sales and value of inventory is as follows:

(EUR millions)	2023	2022	2021
Impact of marking the period's harvest to market	62	40	(12)
Impact of inventory sold during the period	(8)	(16)	(23)
Net impact on cost of sales for the period	**54**	**24**	**(35)**
Net impact on the value of inventory as of December 31	**136**	**82**	**93**

See Notes 1.10 and 1.18 on the method of marking harvests to market.

12. TRADE ACCOUNTS RECEIVABLE

(EUR millions)	2023	2022	2021
Trade accounts receivable, nominal amount	4,843	4,369	3,914
Provision for impairment	(115)	(111)	(127)
Net amount	**4,728**	**4,258**	**3,787**

The change in trade accounts receivable for the fiscal years presented breaks down as follows:

(EUR millions)			2023	2022	2021
	Gross	Impairment	Net	Net	Net
As of January 1	**4,369**	**(111)**	**4,258**	**3,787**	**2,756**
Changes in gross receivables	695	-	695	394	613
Changes in provision for impairment	-	(19)	(19)	6	(16)
Changes in the scope of consolidation	28	(1)	27	42	254
Translation adjustment	(218)	1	(217)	49	164
Reclassifications	(31)	14	(17)	(20)	16
As of December 31	**4,843**	**(115)**	**4,728**	**4,258**	**3,787**

The trade accounts receivable balance is comprised essentially of receivables from wholesalers or agents, who are limited in number and with whom the Group maintains long-term relationships.

13. OTHER CURRENT ASSETS

(EUR millions)	2023	2022	2021
Current available for sale financial assets [(a)]	3,490	3,552	2,544
Derivatives [(b)]	543	462	258
Tax accounts receivable, excluding income taxes	1,833	1,602	1,210
Advances and payments on account to vendors	326	386	315
Prepaid expenses	681	613	503
Other receivables	850	875	777
Total	**7,723**	**7,488**	**5,606**

(a) See Note 14.
(b) See Note 23.

14. CURRENT AVAILABLE FOR SALE FINANCIAL ASSETS

The net value of current available for sale financial assets changed as follows during the fiscal years presented:

(EUR millions)	**2023**	**2022**	**2021**
As of January 1	**3,552**	**2,544**	**752**
Acquisitions	17	1,449	1,692
Disposals at net realized value	(161)	(360)	(296)
Changes in market value [(a)]	82	(81)	394
Changes in the scope of consolidation	-	-	-
Translation adjustment	-	-	2
Reclassifications	-	-	-
As of December 31	**3,490**	**3,552**	**2,544**
Of which: Historical cost of current available for sale financial assets	*3,071*	*3,199*	*2,117*

(a) Recognized within "Net financial income/(expense)" (see Note 26).

15. CASH AND CHANGE IN CASH

15.1 Cash and cash equivalents

(EUR millions)	**2023**	**2022**	**2021**
Term deposits (less than 3 months)	1,388	1,001	1,828
SICAV and FCP funds	283	287	477
Ordinary bank accounts	6,103	6,013	5,717
Cash and cash equivalents per balance sheet	**7,774**	**7,300**	**8,021**

The reconciliation between cash and cash equivalents as shown in the balance sheet and net cash and cash equivalents appearing in the cash flow statement is as follows:

(EUR millions)	**2023**	**2022**	**2021**
Cash and cash equivalents	7,774	7,300	8,021
Bank overdrafts	(255)	(200)	(204)
Net cash and cash equivalents per cash flow statement	**7,520**	**7,100**	**7,817**

15.2 Change in working capital

The change in working capital breaks down as follows for the fiscal years presented:

(EUR millions)	Notes	**2023**	**2022**	**2021**
Change in inventories and work in progress	11	(4,230)	(4,169)	(1,567)
Change in trade accounts receivable	12	(695)	(394)	(613)
Change in balance of amounts owed to customers	22	24	6	27
Change in trade accounts payable	22	434	1,532	1,576
Change in other receivables and payables		(107)	8	1,002
Change in working capital [(a)]		**(4,577)**	**(3,019)**	**426**

(a) Increase/(Decrease) in cash and cash equivalents.

15.3 Operating investments

Operating investments comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2023	2022	2021
Purchase of intangible assets	3	(1,000)	(685)	(580)
Purchase of property, plant and equipment	6	(6,807)	(4,397)	(2,675)
Change in accounts payable related to fixed asset purchases		324	161	221
Initial direct costs	7	(53)	(27)	(37)
Net cash used in purchases of fixed assets		**(7,536)**	**(4,948)**	**(3,071)**
Net cash from fixed asset disposals		136	73	444
Guarantee deposits paid and other cash flows related to operating investments		(78)	(94)	(37)
Operating investments [(a)]		**(7,478)**	**(4,969)**	**(2,664)**

(a) Increase/(Decrease) in cash and cash equivalents.

15.4 Interim and final dividends paid and other equity-related transactions

Interim and final dividends paid comprise the following elements for the fiscal years presented:

(EUR millions)	2023	2022	2021
Interim and final dividends paid by LVMH SE	(6,251)	(6,025)	(3,527)
Interim and final dividends paid to minority interests in consolidated subsidiaries	(532)	(421)	(408)
Tax paid related to interim and final dividends paid [(a)]	(376)	(329)	(226)
Interim and final dividends paid	**(7,159)**	**(6,774)**	**(4,161)**

(a) Tax paid related to interim and final dividends paid exclusively related to intra-Group dividends; see Note 27.

Other equity-related transactions comprise the following elements for the fiscal years presented:

(EUR millions)	Notes	2023	2022	2021
Capital increases of LVMH SE	16	-	-	-
Capital increases of subsidiaries subscribed by minority interests		15	12	4
Acquisition and disposal of LVMH shares	16	(1,584)	(1,616)	(556)
Other equity-related transactions		**(1,569)**	**(1,604)**	**(552)**

16. EQUITY

16.1 Equity

(EUR millions)	Notes	2023	2022	2021
Share capital	16.2	151	151	152
Share premium account	16.2	530	1,289	2,225
LVMH shares	16.3	(1,953)	(1,293)	(912)
Cumulative translation adjustment	16.5	1,525	2,586	1,380
Revaluation reserves		1,392	1,286	875
Other reserves		44,199	37,007	31,363
Net profit, Group share		15,174	14,084	12,036
Equity, Group share		**61,017**	**55,111**	**47,119**

16.2 Share capital and share premium account

As of December 31, 2023, the share capital consisted of 502,048,400 fully paid-up shares (503,257,339 as of December 31, 2022 and 504,757,339 as of December 31, 2021), with a par value of 0.30 euros per share, including 233,120,916 shares with double voting rights (231,307,286 as of December 31, 2022 and 238,140,651 as of December 31, 2021). Double voting rights are attached to registered shares held for more than three years.

Changes in the share capital and share premium account, in value and in terms of number of shares, break down as follows:

(EUR millions)				2023	2022	2021
	Number			Amount	Amount	Amount
		Share capital	Share premium account	Total		
As of January 1	**503,257,339**	**151**	**1,289**	**1,440**	**2,376**	**2,376**
Retirement of LVMH shares	(1,208,939)	-	(759)	(759)	(936)	-
As of period-end	**502,048,400**	**151**	**530**	**681**	**1,440**	**2,376**

16.3 LVMH shares

The portfolio of LVMH shares is allocated as follows:

(EUR millions)		2023	2022	2021
	Number	Amount	Amount	Amount
Bonus share plans	606,392	352	520	597
Shares held for bonus share and similar plans [(a)]	**606,392**	**352**	**520**	**597**
Liquidity contract	22,000	16	14	15
Shares pending retirement	1,906,702	1,585	759	300
LVMH shares	**2,535,094**	**1,953**	**1,293**	**912**

(a) See Note 17 regarding bonus share and similar plans.

The market value of LVMH shares held under the liquidity contract as of December 31, 2023 amounted to 16 million euros.

In December 2021, LVMH announced the implementation of a share buyback program aimed at acquiring its own shares for a maximum amount of 300 million euros over a period beginning on December 21, 2021 and potentially extending until February 15, 2022. The program ended on January 14, 2022 following the acquisition of 417,261 shares, all of which were to be retired.

In May 2022, a new share buyback program was launched by LVMH aimed at acquiring its own shares for a maximum amount of 1 billion euros over a period beginning on May 17 and potentially extending until November 15, 2022. The program ended on November 15, 2022 following the acquisition of 1,625,050 shares corresponding to the amount of 1 billion euros, all of which were to be retired.

In March 2023, LVMH announced the implementation of a share buyback program aimed at acquiring its own shares for a maximum amount of 1.5 billion euros over a period beginning on March 1, 2023 and potentially extending until July 20, 2023. At the end of this program, 1,791,189 shares totaling 1,500 million euros had been acquired.

The portfolio movements of LVMH shares during the fiscal year were as follows:

(number of shares or EUR millions)	Number	Amount	Impact on cash
As of December 31, 2022	**2,180,399**	**1,293**	
Share purchases	2,285,143	1,881	(1,878)
Vested bonus shares	(345,068)	(168)	-
Retirement of LVMH shares	(1,208,939)	(759)	-
Disposals at net realized value	(376,441)	(294)	294
Gain/(Loss) on disposal	-	1	-
As of December 31, 2023	**2,535,094**	**1,953**	**(1,584)**

16.4 Dividends paid by the parent company LVMH SE

In accordance with French regulations, dividends are taken from the profit for the fiscal year and the distributable reserves of the parent company, after deducting applicable withholding tax and the value attributable to treasury shares. As of December 31, 2023, the distributable amount was 25,673 million euros; after taking into account the proposed dividend distribution in respect of the 2023 fiscal year, it was 21,908 million euros.

(EUR millions)	2023	2022	2021
Interim dividend for the current fiscal year (2023: 5.50 euros; 2022: 5.00 euros; 2021: 3.00 euros)	2,761	2,516	1,514
Impact of treasury shares	(14)	(11)	(3)
Gross amount disbursed for the period	**2,747**	**2,505**	**1,511**
Final dividend for the previous fiscal year (2022: 7.00 euros; 2021: 7.00 euros; 2020: 4.00 euros)	3,514	3,533	2,019
Impact of treasury shares	(11)	(14)	(3)
Gross amount disbursed for the previous fiscal year	**3,503**	**3,519**	**2,016**
Total gross amount disbursed during the period (a)	**6,251**	**6,025**	**3,527**

(a) Excluding the impact of tax regulations applicable to the recipient.

The final dividend for fiscal year 2023, as proposed at the Shareholders' Meeting of April 18, 2024, is 7.50 euros per share, representing a total of 3,765 million euros before deduction of the amount attributable to treasury shares held at the ex-dividend date.

16.5 Cumulative translation adjustment

The change in "Cumulative translation adjustment" recognized within "Equity, Group share", net of hedging effects of net assets denominated in foreign currency, breaks down as follows by currency:

(EUR millions)	2023	Change	2022	2021
US dollar	1,013	(680)	1,693	747
Swiss franc	1,214	170	1,044	928
Japanese yen	(140)	(120)	(20)	71
Hong Kong dollar	318	(189)	507	532
Pound sterling	(79)	44	(123)	25
Other currencies	(603)	(286)	(317)	(616)
Foreign currency net investment hedges (a)	(198)	-	(198)	(307)
Total, Group share	**1,525**	**(1,062)**	**2,586**	**1,380**

(a) Including: -144 million euros with respect to the US dollar, -118 million euros with respect to the Hong Kong dollar, and -223 million euros with respect to the Swiss franc. These amounts remain unchanged since June 30, 2022 and include the tax impact.

17. BONUS SHARE AND SIMILAR PLANS

17.1 Share subscription option plans

No share subscription option plans were in effect during the fiscal years presented.

17.2 Bonus share plans

The number of provisional allocations of shares awarded changed as follows during the fiscal years presented:

(number of shares)	**2023**	**2022**	**2021**
Provisional allocations as of January 1	**668,795**	**666,515**	**824,733**
Provisional allocations for the period	227,006	189,404	397,377
Shares vested during the period	(345,068)	(175,499)	(544,706)
Shares expired during the period	(12,666)	(11,625)	(10,889)
Provisional allocations as of period-end	**538,067**	**668,795**	**666,515**

Seven bonus share plans were set up during the fiscal year. The main characteristics of these plans are as follows:

Plan commencement date	**Number of shares awarded initially**	***Of which: Performance shares***	**Vesting period of rights**	**LVMH share price the day before the grant date**	**Unit value of provisional allocations**
January 26, 2023	1,359	*1,359*	2 years and 9 months	792.3	760.1
January 26, 2023	1,000	-	1 year	792.3	780.1
April 20, 2023	13,752	-	1 year	885.0	872.6
July 25, 2023	15,000	*15,000*	4 years and 8 months	857.6	797.9
July 25, 2023	20,000	*20,000*	5 years and 6 months	857.6	783.0
October 26, 2023	140,895	*140,895*	3 years	679.1	639.4
October 26, 2023	35,000	*35,000*	4 years and 5 months	679.1	619.0
Total	**227,006**	***212,254***			

Vested share allocations were delivered in existing shares held.

17.3 Expense for the period

(EUR millions)	**2023**	**2022**	**2021**
Expense for the period for bonus share plans	117	132	132

18. MINORITY INTERESTS

(EUR millions)	2023	2022	2021
As of January 1	**1,493**	**1,790**	**1,417**
Minority interests' share of net profit	778	667	662
Dividends paid to minority interests	(513)	(382)	(428)
Impact of changes in control of consolidated entities	10	6	397
Impact of acquisition and disposal of minority interests' shares	(4)	(138)	(211)
Capital increases subscribed by minority interests	19	28	12
Minority interests' share in gains and losses recognized in equity	(29)	88	101
Minority interests' share in bonus share plan-related expenses	4	5	6
Impact of changes in minority interests with purchase commitments	(74)	(571)	(166)
As of December 31	**1,684**	**1,493**	**1,790**

The change in minority interests' share in gains and losses recognized in equity breaks down as follows:

(EUR millions)	Cumulative translation adjustment	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments	Minority interests' share in cumulative translation adjustment and revaluation reserves
As of December 31, 2020	**22**	**18**	**267**	**(53)**	**254**
Changes during the fiscal year	118	(43)	11	14	101
As of December 31, 2021	**140**	**(24)**	**278**	**(39)**	**355**
Changes during the fiscal year	61	18	(10)	19	88
As of December 31, 2022	**201**	**(6)**	**268**	**(20)**	**443**
Changes during the fiscal year	(50)	6	10	5	(29)
As of December 31, 2023	**151**	**-**	**278**	**(15)**	**414**

Minority interests are composed primarily of Diageo's 34% stake in Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy") and the 39% stake held by Mari-Cha Group Ltd in DFS. Since the 34% stake held by Diageo in Moët Hennessy is subject to a purchase commitment, it is reclassified at the period-end within "Purchase commitments for minority interests' shares" under "Other non-current liabilities" and is therefore excluded from the total amount of minority interests at the period-end. See Note 1.13 and Note 21 below.

Dividends paid to Diageo in fiscal year 2023 amounted to 241 million euros in respect of fiscal year 2022. Net profit attributable to Diageo for fiscal year 2023 was 480 million euros, and its share in accumulated minority interests (before recognition of the purchase commitment granted to Diageo) came to 4,281 million euros as of December 31, 2023. As of that date, the condensed consolidated balance sheet of Moët Hennessy was as follows:

(EUR billions)	2023
Property, plant and equipment and intangible assets	6.4
Other non-current assets	1.0
Non-current assets	**7.4**
Inventories and work in progress	7.6
Other current assets	1.7
Cash and cash equivalents	2.0
Current assets	**11.4**
Total assets	**18.8**

(EUR billions)	2023
Equity	12.5
Non-current liabilities	2.4
Equity and non-current liabilities	**14.9**
Short-term borrowings	1.8
Other current liabilities	2.1
Current liabilities	**3.9**
Total liabilities and equity	**18.8**

No dividends were paid to Mari-Cha Group Ltd in 2023. Net profit attributable to Mari-Cha Group Ltd for 2023 was a loss of 38 million euros, and its share in accumulated minority interests as of December 31, 2023 came to 1,173 million euros.

19. BORROWINGS

19.1 Net financial debt

(EUR millions)	2023	2022	2021
Bonds and Euro Medium-Term Notes (EMTNs)	11,027	10,185	11,872
Bank borrowings	200	194	293
Long-term borrowings	**11,227**	**10,380**	**12,165**
Bonds and Euro Medium-Term Notes (EMTNs)	2,685	1,486	3,072
Current bank borrowings	338	222	377
Euro- and US dollar-denominated commercial paper	7,291	7,247	4,172
Other borrowings and credit facilities	152	144	191
Bank overdrafts	254	200	203
Accrued interest	(40)	60	61
Short-term borrowings	**10,680**	**9,360**	**8,075**
Gross borrowings	**21,907**	**19,739**	**20,241**
Interest rate risk derivatives	96	144	(6)
Foreign exchange risk derivatives	7	170	(63)
Gross borrowings after derivatives	**22,010**	**20,053**	**20,172**
Current available for sale financial assets [(a)]	(3,490)	(3,552)	(2,544)
Cash and cash equivalents [(b)]	(7,774)	(7,300)	(8,021)
Net financial debt	**10,746**	**9,201**	**9,607**

(a) See Note 14.
(b) See Note 15.1.

Net financial debt does not include purchase commitments for minority interests' shares (see Note 21) or lease liabilities (see Note 7).

The change in gross borrowings after derivatives during the fiscal year breaks down as follows:

(EUR millions)	As of December 31, 2022	Impact on cash [(a)]	Translation adjustment	Impact of market value changes	Changes in the scope of consolidation	Reclassifications and other	As of December 31, 2023
Long-term borrowings	10,380	3,531	(2)	44	49	(2,775)	11,227
Short-term borrowings	9,359	(1,637)	(35)	1	241	2,751	10,680
Gross borrowings	**19,739**	**1,894**	**(37)**	**45**	**290**	**(24)**	**21,907**
Derivatives	314	15	1	(226)	(1)	-	103
Gross borrowings after derivatives	**20,053**	**1,909**	**(36)**	**(181)**	**289**	**(24)**	**22,010**

(a) Including 5,990 million euros in respect of proceeds from borrowings, 3,968 million euros in respect of repayment of borrowings and 55 million euros due to an increase in bank overdrafts.

During the first half of 2023, LVMH repaid the 700 million euro bond issued in 2019, as well as the 700 million pound sterling bond issued in 2020. The hedging swaps associated with the latter bond were unwound on redemption.

In addition, LVMH carried out three bond issues under its EMTN program:

- in April 2023, a 1,000 million euro bond maturing in October 2025, with a coupon of 3.375%;
- in September 2023, a 1,000 million euro bond maturing in September 2029, with a coupon of 3.25%;
- in September 2023, a 1,500 million euro bond maturing in September 2033, with a coupon of 3.50%.

19.2 Breakdown of gross borrowings by payment date and type of interest rate

(EUR millions)		Gross borrowings			Impact of derivatives			Gross borrowings after derivatives		
		Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
Maturity:	December 31, 2024	2,919	7,761	10,680	(295)	315	20	2,624	8,076	10,701
	December 31, 2025	2,586	-	2,586	(1)	-	(1)	2,585	-	2,585
	December 31, 2026	1,410	-	1,410	(19)	-	(19)	1,391	-	1,391
	December 31, 2027	946	-	946	(885)	994	109	61	994	1,055
	December 31, 2028	1,776	-	1,776	(213)	208	(5)	1,562	208	1,771
	December 31, 2029	1,004	-	1,004	-	-	-	1,004	-	1,004
	Thereafter	3,505	-	3,505	-	-	-	3,505	-	3,505
Total		**14,147**	**7,761**	**21,908**	**(1,414)**	**1,517**	**104**	**12,733**	**9,278**	**22,012**

See Note 23.3 regarding the market value of interest rate risk derivatives.

The breakdown by quarter of gross borrowings falling due in 2024 is as follows:

(EUR millions)	Falling due in 2024
First quarter	6,017
Second quarter	3,881
Third quarter	151
Fourth quarter	631
Total	**10,680**

19.3 Breakdown of gross borrowings by currency after derivatives

The purpose of foreign currency borrowings is to finance the development of the Group's activities outside the eurozone, as well as the Group's assets denominated in foreign currency.

(EUR millions)	2023	2022	2021
Euro	15,647	14,836	17,576
US dollar	4,048	4,564	2,845
Swiss franc	375	(26)	588
Japanese yen	4	309	453
Other currencies	1,936	371	(1,290)
Total (a)	**22,010**	**20,053**	**20,172**

(a) The amounts presented above include the impact of swaps to convert Group-level financing into subsidiaries' functional currencies, whether these subsidiaries are borrowers or lenders in the currency concerned.

19.4 Undrawn confirmed credit lines and covenants

As of December 31, 2023, undrawn confirmed credit lines came to 11.1 billion euros. This amount exceeded the outstanding portion of the euro- and US dollar-denominated commercial paper (ECP and USCP) programs, which totaled 7.3 billion euros as of December 31, 2023. In connection with certain credit lines, the Group may undertake to maintain certain financial ratios. As of December 31, 2023, no significant credit lines were concerned by these provisions.

20. PROVISIONS AND OTHER NON-CURRENT LIABILITIES

Non-current provisions and other liabilities comprise the following:

(EUR millions)	2023	2022	2021
Non-current provisions	1,529	1,529	1,771
Uncertain tax positions	1,438	1,400	1,404
Derivatives [(a)]	130	206	45
Employee profit sharing	132	123	105
Other liabilities	650	644	656
Non-current provisions and other liabilities	**3,880**	**3,902**	**3,980**

(a) See Note 23.

Provisions concern the following types of contingencies and losses:

(EUR millions)	2023	2022	2021
Provisions for pensions, medical costs and similar commitments	609	622	915
Provisions for contingencies and losses	920	907	856
Non-current provisions	**1,529**	**1,529**	**1,771**
Provisions for pensions, medical costs and similar commitments	17	17	17
Provisions for contingencies and losses	578	539	582
Current provisions	**595**	**556**	**598**
Total	**2,125**	**2,085**	**2,369**

Provisions changed as follows during the fiscal year:

(EUR millions)	As of December 31, 2022	Increases	Amounts used	Amounts released	Changes in the scope of consolidation	Other [(a)]	As of December 31, 2023
Provisions for pensions, medical costs and similar commitments	639	136	(109)	(1)	3	(41)	627
Provisions for contingencies and losses	1,445	513	(274)	(165)	7	(28)	1,498
Total	**2,085**	**649**	**(383)**	**(166)**	**10**	**(70)**	**2,125**

(a) Including the impact of translation adjustment and change in revaluation reserves. See Note 29 regarding "Provisions for pensions, medical costs and similar commitments".

Provisions for contingencies and losses correspond to the estimate of the impact on assets and liabilities of risks, disputes (see Note 32), or actual or probable litigation arising from the Group's activities; such activities are carried out worldwide, within what is often an imprecise regulatory framework that is different for each country, changes over time and applies to areas ranging from product composition and packaging to relations with the Group's partners (distributors, suppliers, shareholders in subsidiaries, etc.).

Non-current liabilities related to uncertain tax positions include an estimate of the risks, disputes, and actual or probable litigation related to the income tax computation. The Group's entities in France and abroad may be subject to tax inspections and, in certain cases, to rectification claims from local administrations. A liability is recognized for these rectification claims, together with any uncertain tax positions that have been identified but not yet officially notified, the amount of which is regularly reviewed in accordance with the criteria of the application of IFRIC 23 Uncertainty over Income Tax Treatments.

21. PURCHASE COMMITMENTS FOR MINORITY INTERESTS' SHARES

As of December 31, 2023, purchase commitments for minority interests' shares mainly included the put option granted by LVMH to Diageo for its 34% share in Moët Hennessy for 80% of the fair value of Moët Hennessy at the exercise date of the option. This option may be exercised at any time subject to a six-month notice period. The fair value of this commitment was calculated by applying the share price multiples of comparable firms to Moët Hennessy's consolidated operating results.

Moët Hennessy SAS and Moët Hennessy International SAS ("Moët Hennessy") hold the LVMH group's investments in the Wines and Spirits businesses, with the exception of the equity investments in Château d'Yquem, Château Cheval Blanc, Clos des Lambrays and Colgin Cellars, and excluding certain champagne vineyards.

Purchase commitments for minority interests' shares also include commitments relating to minority shareholders in Loro Piana (15%), and distribution subsidiaries in various countries, mainly in the Middle East.

22. TRADE ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

22.1 Trade accounts payable

The change in trade accounts payable for the fiscal years presented breaks down as follows:

(EUR millions)	**2023**	**2022**	**2021**
As of January 1	**8,788**	**7,086**	**5,098**
Changes in trade accounts payable	428	1,532	1,576
Changes in amounts owed to customers	24	6	27
Changes in the scope of consolidation	-	62	243
Translation adjustment	(175)	81	226
Reclassifications	(17)	21	(85)
As of December 31	**9,049**	**8,788**	**7,086**

22.2 Current provisions and other liabilities

(EUR millions)	**2023**	**2022**	**2021**
Current provisions (a)	595	556	598
Derivatives (b)	149	300	195
Employees and social security	2,671	2,448	2,244
Employee profit sharing	317	266	226
Taxes other than income taxes	1,393	1,261	1,101
Advances and payments on account from customers	1,167	1,224	1,079
Provision for product returns (c)	646	653	648
Deferred payment for non-current assets	936	787	907
Deferred income	291	275	230
Loyalty programs and gift cards	651	543	451
Other lease liabilities and subsidies	431	321	324
Other liabilities	293	919	1,170
Total	**9,540**	**9,553**	**9,174**

(a) See Note 20.
(b) See Note 23.
(c) See Note 1.27.

23. FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT

23.1 Organization of foreign exchange, interest rate and equity market risk management

Financial instruments are mainly used by the Group to hedge risks arising from Group activity and protect its assets.

The management of foreign exchange and interest rate risk, in addition to transactions involving shares and financial instruments, is centralized.

The Group has implemented a stringent policy and rigorous management guidelines to manage, measure and monitor these market risks.

These activities are organized based on a segregation of duties between risk measurement (middle office), hedging (front office), administration (back office) and financial control.

The backbone of this organization is an integrated information system that allows transactions to be checked quickly.

The Group's hedging strategy is presented to the Performance Audit Committee. Hedging decisions are made according to an established process that includes regular presentations to the Group's Executive Committee and detailed documentation.

Counterparties are selected based on their rating and in accordance with the Group's risk diversification strategy.

23.2 Summary of derivatives

Derivatives are recorded in the balance sheet for the amounts and in the captions detailed as follows:

(EUR millions)			Notes	2023	2022	2021
Interest rate risk	Assets:	Non-current		2	-	4
		Current		23	34	31
	Liabilities:	Non-current		(100)	(159)	(25)
		Current		(21)	(19)	(5)
			23.3	**(96)**	**(144)**	**6**
Foreign exchange risk	Assets:	Non-current		97	97	51
		Current		509	421	218
	Liabilities:	Non-current		(31)	(47)	(20)
		Current		(126)	(277)	(182)
			23.4	**450**	**193**	**68**
Other risks	Assets:	Non-current		-	-	-
		Current		10	7	9
	Liabilities:	Non-current		-	-	-
		Current		(2)	(3)	(8)
			23.5	**9**	**4**	**1**
Total	Assets:	Non-current	10	99	97	55
		Current	13	543	462	258
	Liabilities:	Non-current	20	(130)	(206)	(45)
		Current	22	(149)	(300)	(195)
				363	**53**	**74**

Derivatives used to manage "Other risks" mainly concern futures and/or options contracts to hedge the price of certain precious metals, in particular silver, gold and platinum.

23.3 Derivatives used to manage interest rate risk

The aim of the Group's debt management policy is to adapt the debt maturity profile to the characteristics of the assets held and its repayment capacity to curb borrowing costs, and to protect net profit from the impact of significant changes in interest rates.

For these purposes, the Group uses interest rate swaps and options.

Derivatives used to manage interest rate risk outstanding as of December 31, 2023 break down as follows:

(EUR millions)	Nominal amounts by maturity				Market value (a) (b)			
	Less than 1 year	From 1 to 5 years	More than 5 years	Total	Future cash flow hedges	Fair value hedges	Not allocated	Total
Interest rate swaps, floating-rate payer	300	1,178	-	1,478	-	(102)	-	(102)
Interest rate swaps, fixed-rate payer	-	-	-	-	-	-	-	-
Foreign currency swaps, euro-rate payer	-	978	-	978	-	-	5	5
Foreign currency swaps, euro-rate receiver	-	-	-	-	-	-	-	-
Interest rate options	-	400	-	400	-	-	-	-
Total					**-**	**(102)**	**5**	**(97)**

(a) Gain/(Loss).
(b) See Note 1.10 regarding the methodology used for market value measurement.

23.4 Derivatives used to manage foreign exchange risk

A significant portion of Group companies' sales to customers and to their own distribution subsidiaries as well as certain purchases are denominated in currencies other than their functional currency; the majority of these foreign currency-denominated cash flows are intra-Group cash flows. Hedging instruments are used to reduce the foreign exchange risks arising from the fluctuations of currencies against the exporting and importing companies' functional currencies, and are allocated to either trade receivables or payables (fair value hedges) for the fiscal year, or to transactions anticipated for future fiscal years (hedges of future cash flows).

Future foreign currency-denominated cash flows are broken down as part of the budget preparation process and are hedged progressively over a period not exceeding one year unless a longer period is justified by probable commitments. As such, and according to market trends, identified foreign exchange risks are hedged using forward contracts or options.

In addition, the Group is exposed to foreign exchange risk with respect to the Group's net assets, as it owns assets denominated in currencies other than the euro. This foreign exchange risk may be hedged either partially or in full through foreign currency borrowings or by hedging the net worth of subsidiaries outside the eurozone, using appropriate financial instruments with the aim of limiting the impact of foreign currency fluctuations against the euro on consolidated equity.

Derivatives used to manage foreign exchange risk outstanding as of December 31, 2023 break down as follows:

(EUR millions)	Nominal amounts by fiscal year of allocation [(a)]				Market value [(b)(c)]			
	2023	2024	Thereafter	Total	Future cash flow hedges	Fair value hedges	Not allocated	Total
Options purchased								
Call USD	-	127	-	127	1	-	-	1
Put JPY	-	20	-	20	-	-	-	-
Put CNY	-	190	-	190	-	-	-	-
Other	-	11	-	11	3	-	-	3
	-	**348**	**-**	**348**	**4**	**-**	**-**	**4**
Collars								
Written USD	242	6,066	428	6,736	157	7	-	164
Written JPY	146	1,573	120	1,838	77	14	-	92
Written GBP	51	647	43	740	9	-	-	9
Written HKD	13	588	45	646	19	-	-	19
Written CNY	274	3,239	217	3,730	118	30	-	149
	726	**12,113**	**852**	**13,691**	**381**	**52**	**-**	**433**
Forward exchange contracts								
USD	121	428	-	548	4	12	-	16
JPY	-	9	-	9	-	-	-	-
KRW	52	-	-	52	-	-	-	-
BRL	1	64	-	65	-	(5)	-	(5)
Other	(112)	127	-	15	-	2	-	2
	62	**627**	**-**	**689**	**4**	**10**	**-**	**13**
Foreign exchange swaps								
USD	116	(3,632)	17	(3,499)	-	(6)	-	(6)
GBP	2	492	(655)	(162)	-	(32)	-	(32)
JPY	7	(169)	222	60	-	60	-	60
CNY	72	1,227	-	1,299	-	16	-	16
HKD	15	(1,090)	-	(1,075)	-	(24)	-	(24)
Other	-	1,007	21	1,028	-	(13)	-	(13)
	212	**(2,164)**	**(396)**	**(2,348)**	**-**	**-**	**-**	**-**
Total	**999**	**10,924**	**457**	**12,380**	**389**	**61**	**-**	**450**

(a) Sale/(Purchase).
(b) See Note 1.10 regarding the methodology used for market value measurement.
(c) Gain/(Loss).

23.5 Financial instruments used to manage other risks

The Group's investment policy is designed to take advantage of a long-term investment horizon. Occasionally, the Group may invest in equity-based financial instruments with the aim of enhancing the dynamic management of its investment portfolio.

The Group is exposed to risks of share price changes either directly (as a result of its holding of subsidiaries, equity investments and current available for sale financial assets) or indirectly (as a result of its holding of funds, which are themselves partially invested in shares).

The Group may also use equity-based derivatives to synthetically create an economic exposure to certain assets, to hedge cash-settled compensation plans index-linked to the LVMH share price, or to hedge certain risks related to changes in the LVMH share price. As of December 31, 2023, there were no equity-based derivatives outstanding.

The Group – mainly through its Watches and Jewelry business group – may be exposed to changes in the prices of certain precious metals, such as silver, gold and platinum. In certain cases, in order to ensure visibility with regard to production costs, hedges may be implemented. This is achieved either by negotiating the forecast price of future deliveries of alloys with precious metal refiners, or the price of semi-finished products with producers; or by entering into hedges with top-ranking banks. In the latter case, hedges consist of futures and/or options, with cash payment on delivery. With a nominal value of 189 million euros, derivatives outstanding relating to the hedging of precious metal prices as of December 31, 2023 had a positive market value of 9 million euros. A uniform 1% change in those financial instruments' underlying assets' prices as of December 31, 2023 would have a negative net impact on the Group's consolidated reserves of 2 million euros. They will mature in 2024.

24. SEGMENT INFORMATION

The Group's brands and trade names are organized into six business groups. Four business groups – Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, and Watches and Jewelry – comprise brands dealing with the same category of products that use similar production and distribution processes. Information on Louis Vuitton, Bulgari and Tiffany is presented according to the brand's main business, namely the Fashion and Leather Goods business group for Louis Vuitton and the Watches and Jewelry business group for Bulgari and Tiffany. The Selective Retailing business group comprises the Group's own-label retailing activities. The "Other and holding companies" business group comprises brands and businesses that are not associated with any of the above-mentioned business groups, particularly the media division, the Dutch luxury yacht maker Royal Van Lent, hotel operations and holding or real estate companies.

24.1 Information by business group

Fiscal year 2023

(EUR millions)	**Wines and Spirits**	**Fashion and Leather Goods**	**Perfumes and Cosmetics**	**Watches and Jewelry**	**Selective Retailing**	**Other and holding companies**	**Eliminations and not allocated (a)**	**Total**
Sales outside the Group	6,587	42,089	7,126	10,811	17,781	1,759	-	86,153
Intra-Group sales	14	80	1,145	91	104	61	(1,496)	-
Total revenue	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,820**	**(1,496)**	**86,153**
Profit from recurring operations	2,109	16,836	713	2,162	1,391	(397)	(12)	22,802
Other operating income and expenses	(15)	(117)	(25)	(5)	(109)	27	-	(242)
Depreciation, amortization and impairment expenses	(274)	(2,599)	(507)	(1,012)	(1,377)	(388)	138	(6,018)
Of which: Right-of-use assets	*(31)*	*(1,475)*	*(164)*	*(536)*	*(851)*	*(113)*	*138*	*(3,031)*
Other	*(242)*	*(1,124)*	*(343)*	*(476)*	*(526)*	*(276)*	-	*(2,987)*
Intangible assets and goodwill (b)	2,540	14,142	1,542	20,668	3,404	7,320	(5)	49,611
Right-of-use assets	221	8,124	644	2,562	4,182	926	(982)	15,679
Property, plant and equipment	4,248	7,099	897	2,411	1,695	10,988	(8)	27,331
Inventories and work in progress	7,703	5,635	1,118	5,758	2,966	94	(323)	22,952
Other operating assets (c)	1,712	3,529	1,561	1,761	949	1,666	16,943	28,121
Total assets	**16,425**	**38,529**	**5,763**	**33,160**	**13,197**	**20,994**	**15,626**	**143,694**
Equity	-	-	-	-	-	-	62,701	62,701
Lease liabilities	239	8,474	700	2,637	4,444	1,023	(978)	16,538
Other liabilities (d)	2,114	7,841	2,938	2,482	4,196	1,738	43,146	64,455
Total liabilities and equity	**2,353**	**16,315**	**3,638**	**5,119**	**8,640**	**2,761**	**104,870**	**143,694**
Operating investments (e)	(538)	(3,025)	(432)	(871)	(571)	(2,041)	(1)	(7,478)

Fiscal year 2022

(EUR millions)	**Wines and Spirits**	**Fashion and Leather Goods**	**Perfumes and Cosmetics**	**Watches and Jewelry**	**Selective Retailing**	**Other and holding companies**	**Eliminations and not allocated** [(a)]	**Total**
Sales outside the Group	7,086	38,576	6,701	10,512	14,774	1,536	-	79,184
Intra-Group sales	13	72	1,021	70	79	50	(1,304)	-
Total revenue	**7,099**	**38,648**	**7,722**	**10,581**	**14,852**	**1,586**	**(1,304)**	**79,184**
Profit from recurring operations	2,155	15,709	660	2,017	788	(267)	(7)	21,055
Other operating income and expenses	(12)	(7)	(12)	(5)	(208)	190	-	(54)
Depreciation, amortization and impairment expenses	(261)	(2,431)	(480)	(994)	(1,427)	(291)	112	(5,772)
Of which: Right-of-use assets	*(34)*	*(1,422)*	*(160)*	*(523)*	*(883)*	*(96)*	*112*	*(3,007)*
Other	*(227)*	*(1,008)*	*(321)*	*(471)*	*(544)*	*(194)*	-	*(2,766)*
Intangible assets and goodwill [(b)]	8,861	13,937	1,696	20,594	3,609	1,522	(5)	50,213
Right-of-use assets	234	7,138	646	2,277	4,284	922	(886)	14,615
Property, plant and equipment	3,822	5,397	839	2,005	1,688	9,312	(8)	23,055
Inventories and work in progress	6,892	4,793	1,033	5,051	2,805	72	(327)	20,319
Other operating assets [(c)]	1,674	3,297	1,493	1,720	775	1,436	16,048	26,443
Total assets	**21,483**	**34,562**	**5,707**	**31,646**	**13,161**	**13,264**	**14,823**	**134,646**
Equity	-	-	-	-	-	-	56,604	56,604
Lease liabilities	247	7,426	695	2,363	4,537	1,019	(879)	15,408
Other liabilities [(d)]	2,161	7,731	2,953	2,583	3,651	1,743	41,812	62,634
Total liabilities and equity	**2,408**	**15,157**	**3,648**	**4,946**	**8,188**	**2,762**	**97,537**	**134,646**
Operating investments [(e)]	(440)	(1,872)	(409)	(654)	(523)	(1,074)	1	(4,969)

Fiscal year 2021

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations and not allocated [(a)]	Total
Sales outside the Group	5,965	30,844	5,711	8,872	11,680	1,142	-	64,215
Intra-Group sales	9	52	897	92	74	27	(1,150)	-
Total revenue	**5,974**	**30,896**	**6,608**	**8,964**	**11,754**	**1,169**	**(1,150)**	**64,215**
Profit from recurring operations	1,863	12,842	684	1,679	534	(436)	(15)	17,151
Other operating income and expenses	(26)	(47)	(17)	(4)	(53)	151	-	4
Depreciation, amortization and impairment expenses	(228)	(2,142)	(443)	(860)	(1,399)	(294)	113	(5,253)
Of which: Right-of-use assets	*(32)*	*(1,291)*	*(149)*	*(410)*	*(836)*	*(89)*	*110*	*(2,698)*
Other	*(196)*	*(851)*	*(294)*	*(449)*	*(563)*	*(205)*	*3*	*(2,555)*
Intangible assets and goodwill [(b)]	10,688	13,510	1,417	19,726	3,348	1,766	-	50,455
Right-of-use assets	153	6,755	556	1,922	4,142	841	(665)	13,705
Property, plant and equipment	3,450	4,569	752	1,730	1,667	8,032	(8)	20,193
Inventories and work in progress	6,278	3,374	831	3,949	2,410	41	(335)	16,549
Other operating assets [(c)]	1,597	2,807	1,281	1,409	747	1,060	15,508	24,409
Total assets	**22,167**	**31,016**	**4,838**	**28,737**	**12,313**	**11,741**	**14,500**	**125,311**
Equity	-	-	-	-	-	-	48,909	48,909
Lease liabilities	164	6,894	594	1,985	4,362	931	(656)	14,275
Other liabilities [(d)]	1,843	6,800	2,770	2,471	3,050	1,992	43,202	62,128
Total liabilities and equity	**2,007**	**13,694**	**3,364**	**4,456**	**7,412**	**2,923**	**91,454**	**125,311**
Operating investments [(e)]	(328)	(1,131)	(290)	(458)	(370)	(89)	1	(2,664)

(a) Eliminations correspond to sales between business groups; these generally consist of sales to Selective Retailing from other business groups. Selling prices between the different business groups correspond to the prices applied in the normal course of business for sales transactions to wholesalers or retailers outside the Group.
(b) Intangible assets and goodwill correspond to the carrying amounts shown in Notes 3 and 4.
(c) Assets not allocated include available for sale financial assets, other financial assets, and current and deferred tax assets.
(d) Liabilities not allocated include financial debt, current and deferred tax liabilities, and liabilities related to purchase commitments for minority interests' shares.
(e) Increase/(Decrease) in cash and cash equivalents.

24.2 Information by geographic region

Revenue by geographic region of delivery breaks down as follows:

(EUR millions)	2023	2022	2021
France	6,830	6,071	4,111
Europe (excl. France)	14,145	12,717	9,860
United States	21,764	21,542	16,591
Japan	6,314	5,436	4,384
Asia (excl. Japan)	26,577	23,785	22,365
Other countries	10,523	9,632	6,904
Revenue	**86,153**	**79,184**	**64,215**

Operating investments by geographic region are as follows:

(EUR millions)	2023	2022	2021
France	3,575	1,891	1,054
Europe (excl. France)	1,318	905	520
United States	1,095	955	313
Japan	202	133	82
Asia (excl. Japan)	844	761	488
Other countries	444	324	207
Operating investments	**7,478**	**4,969**	**2,664**

No geographic breakdown of segment assets is provided since a significant portion of these assets consists of brands and goodwill, which must be analyzed on the basis of the revenue generated by these assets in each region, and not in relation to the region of their legal ownership.

24.3 Quarterly information

Quarterly revenue by business group breaks down as follows:

(EUR millions)	Wines and Spirits	Fashion and Leather Goods	Perfumes and Cosmetics	Watches and Jewelry	Selective Retailing	Other and holding companies	Eliminations	Total
First quarter	1,694	10,728	2,115	2,589	3,961	341	(394)	21,035
Second quarter	1,486	10,434	1,913	2,839	4,394	491	(351)	21,206
Third quarter	1,509	9,750	1,993	2,524	4,076	512	(399)	19,964
Fourth quarter	1,912	11,257	2,250	2,951	5,454	476	(352)	23,948
Total for 2023	**6,602**	**42,169**	**8,271**	**10,902**	**17,885**	**1,820**	**(1,496)**	**86,153**
First quarter	1,638	9,123	1,905	2,338	3,040	282	(322)	18,003
Second quarter	1,689	9,013	1,714	2,570	3,591	441	(291)	18,726
Third quarter	1,899	9,687	1,959	2,666	3,465	443	(364)	19,755
Fourth quarter	1,873	10,825	2,145	3,006	4,757	420	(327)	22,699
Total for 2022	**7,099**	**38,648**	**7,722**	**10,581**	**14,852**	**1,586**	**(1,304)**	**79,184**
First quarter	1,510	6,738	1,550	1,883	2,337	215	(274)	13,959
Second quarter	1,195	7,125	1,475	2,140	2,748	280	(257)	14,706
Third quarter	1,546	7,452	1,642	2,137	2,710	330	(305)	15,512
Fourth quarter	1,723	9,581	1,941	2,804	3,959	344	(314)	20,038
Total for 2021	**5,974**	**30,896**	**6,608**	**8,964**	**11,754**	**1,169**	**(1,150)**	**64,215**

25. OTHER OPERATING INCOME AND EXPENSES

(EUR millions)	2023	2022	2021
Net gains/(losses) on disposals	(102)	(210)	9
Restructuring costs	(9)	3	-
Remeasurement of shares acquired prior to their initial consolidation	2	232	119
Transaction costs relating to the acquisition of consolidated companies	(14)	(25)	(18)
Impairment or amortization of brands, trade names, goodwill and other fixed assets	(105)	(50)	(89)
Other items, net	(14)	(3)	(16)
Other operating income and expenses	**(242)**	**(54)**	**4**

See Notes 5 and 8 for impairment and amortization expenses recorded in 2023.

In 2023, "Net gains/(losses) on disposals" mainly related to the disposal of the 80% stake in Cruise Line Holdings Co. (see Note 2).

In 2022, "Net gains/(losses) on disposals" mainly related to Sephora's sale of its subsidiary in Russia, which was finalized in October 2022. In 2022, the remeasurement of shares acquired prior to their initial consolidation resulted from the acquisition of the remaining 60% stake in Mongoual SA, in which the Group previously held a 40% stake, recognized under "Investments in joint ventures and associates".

26. NET FINANCIAL INCOME/(EXPENSE)

(EUR millions)	**2023**	**2022**	**2021**
Borrowing costs	(580)	(128)	4
Income from cash, cash equivalents and current available for sale financial assets	212	113	40
Fair value adjustment of borrowings and interest rate hedges	1	(2)	(3)
Cost of net financial debt	**(367)**	**(17)**	**41**
Interest on lease liabilities	**(393)**	**(254)**	**(242)**
Dividends received from non-current available for sale financial assets	5	8	10
Cost of foreign exchange derivatives	(399)	(358)	(206)
Fair value adjustment of available for sale financial assets	263	(225)	499
Other items, net	(43)	(42)	(49)
Other financial income and expenses	**(175)**	**(618)**	**254**
Net financial income/(expense)	**(935)**	**(888)**	**53**

Income from cash, cash equivalents and current available for sale financial assets comprises the following items:

(EUR millions)	**2023**	**2022**	**2021**
Income from cash and cash equivalents	136	49	27
Income from current available for sale financial assets [(a)]	77	65	13
Income from cash, cash equivalents and current available for sale financial assets	**212**	**113**	**40**

(a) Including 60 million euros related to dividends received as of December 31, 2023 (50 million euros as of December 31, 2022 and 9 million euros as of December 31, 2021).

The fair value adjustment of borrowings and interest rate hedges is attributable to the following items:

(EUR millions)	**2023**	**2022**	**2021**
Hedged financial debt	(60)	139	82
Hedging instruments	60	(135)	(80)
Unallocated derivatives	1	(6)	(5)
Fair value adjustment of borrowings and interest rate hedges	**1**	**(2)**	**(3)**

The cost of foreign exchange derivatives breaks down as follows:

(EUR millions)	**2023**	**2022**	**2021**
Cost of commercial foreign exchange derivatives	(405)	(348)	(196)
Cost of foreign exchange derivatives related to net investments denominated in foreign currency	-	(12)	3
Cost and other items related to other foreign exchange derivatives	5	3	(13)
Cost of foreign exchange derivatives	**(399)**	**(358)**	**(206)**

27. INCOME TAXES

(EUR millions)	2023	2022	2021
Total tax expense per income statement	(5,673)	(5,362)	(4,510)
Tax on items recognized in equity	(34)	(147)	89

The effective tax rate is as follows:

(EUR millions)	2023	2022	2021
Profit before tax	21,625	20,113	17,208
Total tax expense	(5,673)	(5,362)	(4,510)
Effective tax rate	**26.2%**	**26.7%**	**26.2%**

The Group's effective tax rate was 26.2% for fiscal year 2023, compared with 26.7% in fiscal year 2022.

The international tax reform drawn up by the OECD, known as Pillar Two, aimed in particular at establishing a minimum tax rate of 15%, will take effect in France starting in fiscal year 2024. The Group has launched a project to measure the impact of this reform and to coordinate the processes necessary to ensure compliance with its obligations. In light of the current state of regulations in the countries in which the Group is located, and subject to future regulatory specifications, the financial consequences mainly concern countries in the Middle East, and are not significant.

28. EARNINGS PER SHARE

	2023	2022	2021
Net profit, Group share *(EUR millions)*	**15,174**	**14,084**	**12,036**
Average number of shares outstanding during the fiscal year	502,290,188	504,157,339	504,757,339
Average number of treasury shares held during the fiscal year	(2,233,602)	(2,036,645)	(1,129,631)
Average number of shares on which the calculation before dilution is based	**500,056,586**	**502,120,694**	**503,627,708**
Basic earnings per share *(EUR)*	**30.34**	**28.05**	**23.90**
Average number of shares outstanding on which the above calculation is based	500,056,586	502,120,694	503,627,708
Dilutive effect of bonus share plans	247,730	359,406	267,884
Other dilutive effects	-	-	-
Average number of shares on which the calculation after dilution is based	**500,304,316**	**502,480,100**	**503,895,592**
Diluted earnings per share *(EUR)*	**30.33**	**28.03**	**23.89**

The LVMH share buyback program that began on December 21, 2021 ended on January 14, 2022; the LVMH shares acquired under this program are taken into account in calculating earnings per share before dilution. Shares remaining to be acquired at the period-end are not taken into account in calculating diluted earnings per share, in respect of "Other dilutive effects".

No events occurred between December 31, 2023 and the date at which the financial statements were approved for publication that would have significantly affected the number of shares outstanding or the potential number of shares.

29. PROVISIONS FOR PENSIONS, CONTRIBUTION TO MEDICAL COSTS AND OTHER EMPLOYEE BENEFIT COMMITMENTS

The French retirement reform passed in April 2023 has a negligible impact on the Group's benefit commitments.

No other significant events concerning provisions for pensions and other benefit commitments occurred during the fiscal year.

The expense recognized in the fiscal years presented for provisions for pensions, contribution to medical costs and other employee benefit commitments is as follows:

(EUR millions)	**2023**	**2022**	**2021**
Service cost	122	136	130
Net interest cost	23	15	15
Actuarial gains and losses	1	(3)	-
Changes in plans	4	8	(1)
Total expense for the fiscal year for defined-benefit plans	**150**	**157**	**145**

30. OFF-BALANCE SHEET COMMITMENTS

30.1 Purchase commitments

(EUR millions)	**2023**	**2022**	**2021**
Grapes, wines and *eaux-de-vie*	3,463	3,138	2,843
Other purchase commitments for raw materials	803	810	759
Industrial and commercial fixed assets	1,432	1,173	715
Investments in joint venture shares and non-current available for sale financial assets	367	181	317

Some Wines and Spirits companies have contractual purchase arrangements with various local producers for the future supply of grapes, still wines and *eaux-de-vie*. These commitments are valued, depending on the nature of the purchases, on the basis of the contractual terms or known fiscal year-end prices and estimated production yields.

See also Note 2.

As of December 31, 2023, the maturity schedule of these commitments was as follows:

(EUR millions)	**Less than 1 year**	**From 1 to 5 years**	**More than 5 years**	**Total**
Grapes, wines and *eaux-de-vie*	907	2,195	361	3,463
Other purchase commitments for raw materials	369	433	-	803
Industrial and commercial fixed assets	591	704	137	1,432
Investments in joint venture shares and non-current available for sale financial assets	367	-	-	367

30.2 Collateral and other guarantees

As of December 31, 2023, these commitments broke down as follows:

(EUR millions)	**2023**	**2022**	**2021**
Securities and deposits	643	415	415
Other guarantees	327	328	162
Guarantees given	**970**	**744**	**577**
Guarantees received	**(42)**	**(53)**	**(65)**

The maturity dates of these commitments are as follows:

(EUR millions)	**Less than 1 year**	**From 1 to 5 years**	**More than 5 years**	**Total**
Securities and deposits	522	80	41	643
Other guarantees	128	150	49	327
Guarantees given	**650**	**231**	**89**	**970**
Guarantees received	**(19)**	**(20)**	**(3)**	**(42)**

30.3 Other commitments

The Group is not aware of any significant off-balance sheet commitments other than those described above.

31. EXCEPTIONAL EVENTS AND LITIGATION

To the best of the Company's knowledge, there are no pending or impending administrative, judicial or arbitration procedures that are likely to have, or have had over the twelve-month period under review, any significant impact on the Group's financial position or profitability.

32. RELATED-PARTY TRANSACTIONS

No significant related-party transactions occurred during the fiscal year.

33. SUBSEQUENT EVENTS

No significant subsequent events occurred between December 31, 2023 and January 25, 2024, the date at which the financial statements were approved for publication by the Board of Directors.

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