

# Christian Dior

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## *Significant improvement in trends in the third quarter of 2020 in Wines & Spirits and Fashion & Leather Goods*

Paris, October 15, 2020

**The Christian Dior group** recorded revenue of 30.3 billion euros in the first nine months of 2020, down 21%. On an organic basis, revenue declined 21% compared to the same period in 2019. Since the start of the year, the Group has demonstrated good resilience in an economic environment severely disrupted by the serious health crisis that led to the suspension of international travel and the closure of its stores and manufacturing sites in most countries over a period of several months.

Revenue was down 7% in the third quarter on an organic basis, reflecting a marked improvement in trends compared to the first half, notably a return to growth in Cognac and Fashion & Leather Goods. The encouraging signs of recovery observed in June for several of the Group's activities were confirmed in the third quarter in all regions, notably in the United States, and in Asia, which once again grew over the period.

Revenue by business group:

<i>In million euros</i>	<b>9 months 2020</b>	<b>9 months 2019</b>	<b>Change 2020 / 2019 First 9 months</b>		<b>Change Q3 2020 / Q3 2019 Organic*</b>
			<b>Reported</b>	<b>Organic*</b>	
Wines & Spirits	3 349	3 919	- 15 %	- 15 %	- 3 %
Fashion & Leather Goods	13 934	15 873	- 12 %	- 11 %	+ 12 %
Perfumes & Cosmetics	3 674	4 912	- 25 %	- 25 %	- 16 %
Watches & Jewelry	2 266	3 261	- 31 %	- 30 %	- 14 %
Selective Retailing	7 176	10 555	- 32 %	- 31 %	- 29 %
Other activities & eliminations	(51)	(122)	ns	ns	ns
<b>Total</b>	<b>30 348</b>	<b>38 398</b>	<b>- 21 %</b>	<b>- 21 %</b>	<b>- 7%</b>

\* with comparable structure and constant exchange rates. For the first 9 months of 2020, the currency effect for the Group was -1% and the structural impact was almost zero. For the third quarter of 2020, the currency effect for the Group was -3% and the structural impact was almost zero.

The **Wines & Spirits** business group saw its organic revenue decline by 15% over the first nine months of 2020 and by 3% in the third quarter. After a significant drop in volumes in the second quarter, the Champagne business saw an improvement in the third quarter in all regions. Hennessy cognac recorded a strong recovery in the third quarter, driven by VS ranges in the context of exceptional stimulus support for consumer demand in the United States. The Château d'Esclans and Château du Galoupet acquisitions, made in 2019, were integrated in 2020 for the first time, establishing a strong position for Moët Hennessy in the growing market for high-end rosé wines. A new high-end rum, Eminente, launched in the third quarter.

The **Fashion & Leather Goods** business group saw its organic revenue decline by 11% over the first nine months of 2020 in an environment marked by the closure of stores for several months. The third quarter saw a strong rebound in activity, with double-digit organic revenue growth. Louis Vuitton continued to display exceptional momentum and creativity, in all areas, from products to shows and customer events. During Fashion Week, the new collections were presented in an original format in the legendary renovated La Samaritaine building in Paris, as well as in Shanghai and Tokyo. The many highlights of the quarter included the Jacquard *Since 1854* canvas, inspired by the Maison's heritage, the iconic *Capucines* bag, reinterpreted by six great contemporary artists and the *LV Volt* jewelry collection. In addition, Louis Vuitton once again strengthened its production with the opening of a new workshop in France and continues its commitment to high quality craftsmanship and sustainability with responsible creativity. Christian Dior showed remarkable momentum. The many new products, such as the *Dior Bobby* bag and the knitted *Bar* jacket, were very well received. Following its success in Paris and London, the *Christian Dior, Designer of Dreams* exhibition opened in Shanghai. The other fashion brands also saw a good improvement in their activity in the third quarter, notably Fendi, Loewe and Celine.

The **Perfumes & Cosmetics** business group recorded a 25% decline in organic revenue in the first nine months of 2020. The major brands are showing good resistance in a sector marked by a fall in both makeup demand and purchases made by international travellers, partially offset by the development in skincare. Online sales grew steadily in the third quarter and there was a significant improvement in trends in stores as well. Parfums Christian Dior launched its new fragrance *J'adore Eau de Parfum Infinissime* and continues to develop *Prestige* and *Capture* skincare products. Guerlain recorded remarkable growth in skincare with the continued successes of *Abeille Royale* and *Orchidée Impériale*. The new skincare brand Fenty Skin, developed by Rihanna, is off to a very promising start.

The **Watches & Jewelry** business group saw its organic revenue decline by 30% in the first nine months of 2020. The rebound in China was observed in the third quarter but did not prevent the overall activity from dropping by 14% in the period. Bvlgari unveiled a new line of *Barocko* fine jewelry. Its latest watch models, presented at the Geneva Watch Days, received an excellent reception from distributors. Chaumet launched its new *Perspectives* fine jewelry collection exploring the theme of architecture. In the watch sector, TAG Heuer celebrated its 160th anniversary with new models from the *Carrera* line. After the launch of its new Special Golf smartwatch, the Maison became the Official Partner of the Porsche Golf Cup France.

In **Selective Retailing**, organic revenue declined 31% in the first nine months of 2020. Sephora demonstrated good resilience during the health crisis which led to the closure of almost all its stores globally for nearly two months. Revenue improved in the third quarter. Sephora gained market share in its main countries, thanks in particular to the strong growth of its online sales. Supported by an innovative and varied offer, momentum within skincare

products was strong. DFS saw a significant decline in its activity in most destinations as a result of the suspension of international travel, which is showing no signs of improving.

## OUTLOOK

In a very turbulent context, marked by continuing economic and health uncertainties, the Christian Dior group will continue to exercise caution, strengthen its cost controls and selectivity in its investments. The Group will maintain a strategy focused on preserving the value of its brands, by continuing its marketing and communication investments and relying on the exceptional quality of its products and the reactivity of its organisation. The Group will rely on the power of its brands and the talent of its teams to further extend its global leadership in the luxury market in 2020.

The decision to pay an interim dividend will be discussed by the Board of Directors before the end of the month and announced thereafter.

LVMH filed its countersuit against Tiffany with the Delaware Chancery Court on September 28. To date, nine of the ten required regulatory authorisations have already been obtained and LVMH expects to receive approval from the European Commission by the end of October. The trial is scheduled for January 5, 2021.

*Aside from the items mentioned in this press release, there was no event or change during the quarter and as of today that could significantly impact the Group's financial structure. Regulated information related to this press release and the presentation are available on [www.dior-finance.com](http://www.dior-finance.com).*

## ANNEX

## Christian Dior group – Revenue by business group and by quarter

**2020 Revenue (Euro millions)**

<i>FY 2020</i>	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	<b>Total</b>
First Quarter	1 175	4 643	1 382	792	2 626	(22)	<b>10 596</b>
Second Quarter	810	3 346	922	527	2 218	(26)	<b>7 797</b>
<b>Total First Half</b>	<b>1 985</b>	<b>7 989</b>	<b>2 304</b>	<b>1 319</b>	<b>4 844</b>	<b>(48)</b>	<b>18 393</b>
Third Quarter	1 364	5 945	1 370	947	2 332	(3)	<b>11 955</b>
<b>Nine Months</b>	<b>3 349</b>	<b>13 934</b>	<b>3 674</b>	<b>2 266</b>	<b>7 176</b>	<b>(51)</b>	<b>30 348</b>

**2020 Revenue (organic growth versus the same period of 2019)**

<i>FY 2020</i>	Wines & Spirit	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	<b>Total</b>
First Quarter	-14%	-10%	-19%	-26%	-26%	-	<b>-17%</b>
Second Quarter	-33%	-37%	-40%	-52%	-38%	-	<b>-38%</b>
<b>Total First Half</b>	<b>-23%</b>	<b>-24%</b>	<b>-29%</b>	<b>-39%</b>	<b>-33%</b>	-	<b>-28%</b>
Third Quarter	-3%	+12%	-16%	-14%	-29%	-	<b>-7%</b>
<b>Nine Months</b>	<b>-15%</b>	<b>-11%</b>	<b>-25%</b>	<b>-30%</b>	<b>-31%</b>	-	<b>-21%</b>

**2019 Revenue (Euro millions)**

<i>FY 2019</i>	Wines & Spirit	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective Retailing	Other activities & eliminations	<b>Total</b>
First Quarter	1 349	5 111	1 687	1 046	3 510	(165)	<b>12 538</b>
Second Quarter	1 137	5 314	1 549	1 089	3 588	(133)	<b>12 544</b>
<b>Total First Half</b>	<b>2 486</b>	<b>10 425</b>	<b>3 236</b>	<b>2 135</b>	<b>7 098</b>	<b>(298)</b>	<b>25 082</b>
Third Quarter	1 433	5 448	1 676	1 126	3 457	176*	<b>13 316</b>
<b>Nine Months</b>	<b>3 919</b>	<b>15 873</b>	<b>4 912</b>	<b>3 261</b>	<b>10 555</b>	<b>(122)</b>	<b>38 398</b>

\* Includes all Belmond revenues for the period April to September 2019.

*This document is a free translation into English of the original French financial release dated October 15, 2020.  
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.*