

# Christian Dior

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## *New record year for Christian Dior group in 2022*

- . Revenue 79 billion euros*
- . Profit from recurring operations 21 billion euros*
- . Both up 23%*
- . A strong social and economic footprint in France*

Paris, January 26<sup>th</sup>, 2023

Christian Dior group recorded revenue of €79.2 billion in 2022 and profit from recurring operations of €21.0 billion, both up 23%.

All business groups achieved significant organic revenue growth over the year (see table on page 3). Fashion & Leather Goods notably reached record levels, with organic revenue growth of 20%. Profit from recurring operations stood at €21.0 billion for 2022, up 23%. Operating margin remained at the same level as 2021. Group share of net profit was €5.8 billion, up 17% compared to 2021. Operating free cash flow surpassed €10 billion.

Europe, the United States and Japan rose sharply, benefiting from strong demand from local customers and the recovery of international travel. Asia was stable over the year due to developments in the health situation in China.

### Highlights of 2022 include:

- A record year despite the geopolitical and economic situation,
- Significant revenue growth for all business groups and market share gains worldwide,
- Strong growth in business in Europe, Japan and the United States,
- Good growth in Champagne and Cognac, based on a value creation strategy,
- A remarkable performance by the Fashion & Leather Goods business group, notably Louis Vuitton, Christian Dior Couture, Celine, Fendi, Loro Piana, Loewe and Marc Jacobs, which are gaining market share globally and reaching record levels of revenue and earnings,
- Louis Vuitton revenue surpassed 20 billion euros, for the first time,
- Strong growth in perfumes. The continued global success of Dior's *Sauvage*, once again world leader in 2022,
- Sustained creative momentum for all our Watches & Jewelry Maisons, in particular Tiffany, Bulgari and TAG Heuer,
- A remarkable rebound for Sephora, which confirmed its place as world leader in the distribution of beauty products,
- Operating investments of nearly €5 billion, mainly dedicated to the expansion of the store network, the development of production facilities and employment,
- Operating free cash flow of more than €10 billion.

### A strong social economic footprint in France and around the world:

- **39,000 young people recruited** worldwide in 2022.
- **In France, the Group recruited more than 15,000 people in 2022**, which makes it the leading private recruiter in the country.
- In 2022, the Group invested nearly **215 million euros** in training its employees.
- In France, **one job created directly by the Group generates four** for the French economy. That is equivalent to around 160,000 people working indirectly for the Group.
- **More than 500 stores and 110 manufacturing facilities and workshops** located across France.
- **The Group opens several manufacturing facilities each year in France**, notably for Louis Vuitton.
- **Five billion euros in corporation taxes** paid worldwide, almost half of which in France.
- **More than one billion euros invested in France** each year.
- On average over recent years, the **total fiscal footprint** (corporation tax + VAT + social charges) of the Group **in France is more than 4.5 billion euros per year**.
- The salaries of the group's employees are among the most competitive in their sector of activity.
- **Most of our employees in France benefit from profit-sharing, with an overall total for the group of 400 million euros in 2022.**
- **A leader in terms of transparency and performance** in matters concerning the protection of the climate, forests and water, as recognized by the CDP (Carbon Disclosure Project), a global not-for-profit environmental organization. LVMH is now **one of 12 companies in the world awarded a triple A rating**, out of more than 15,000 rated companies.

## Key figures

<i>Euro Millions</i>	<b>2021</b>	<b>2022</b>	<b>Change 2022/2021</b>
Revenue	64 215	79 184	+ 23 %
Profit from recurring operations	17 139	21 050	+ 23 %
Group share of net profit	4 946	5 797	+ 17 %
Operating free cash flow	13 518	10 110	- 25%
Net financial debt	9 521	8 867	- 7 %
Total equity	46 367	54 314	+ 17 %

## Revenue by business group:

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

\* with comparable structure and constant exchange rates. The structural impact for the Group was zero and the currency effect was +6 %.

## Profit from recurring operations by business group:

<i>Euro Millions</i>	<b>2021</b>	<b>2022</b>	<b>Change 2022/2021</b>
Wines & Spirits	1 863	2 155	+ 16 %
Fashion & Leather Goods	12 842	15 709	+ 22 %
Perfumes & Cosmetics	684	660	- 3 %
Watches & Jewelry	1 679	2 017	+ 20%
Selective Retailing	534	788	+ 48 %
Other activities and eliminations	(463)	(279)	-
<b>Total</b>	<b>17 139</b>	<b>21 050</b>	<b>+ 23 %</b>

## **Wines & Spirits: record level of revenue and earnings**

The **Wines & Spirits** business group recorded revenue growth of 19% in 2022 (11% on an organic basis). Profit from recurring operations was up 16%. Champagne volumes were up 6%, driven by sustained demand leading to growing pressure on supplies. Momentum was particularly strong in Europe, Japan and in emerging markets, particularly in “high energy” channels and gastronomy. Hennessy cognac benefited from its value creation strategy. The dynamic policy of price increases offset the effects of the health situation in China, while the United States was affected at the start of the year by logistical disruptions. Still wines, in particular the Château d’Esclans rosé, achieved an excellent performance. Moët Hennessy strengthened its global portfolio of exceptional wines with the acquisition of the Joseph Phelps vineyard, one of the most renowned wine properties in Napa Valley, California.

## **Fashion & Leather Goods: exceptional performances by Louis Vuitton, Christian Dior Couture, Celine, Fendi, Loro Piana, Loewe and Marc Jacobs**

The **Fashion & Leather Goods** business group recorded revenue growth of 25% in 2022 (20% on an organic basis). Profit from recurring operations was up 22%. Louis Vuitton had an excellent year, again driven by its exceptional creativity, the quality of its products and its strong ties with art and culture. The women's ready-to-wear fashion shows created by Nicolas Ghesquière were extremely well-received. Many new products were unveiled in leather goods, jewelry and watches. Meanwhile, the new "LV Dream" exhibition in Paris pays tribute to 160 years of creative exchanges that fuel Louis Vuitton's spirit of innovation, and a new collaboration with Japanese artist Yayoi Kusama was unveiled, revisiting iconic creations of the Maison. Christian Dior Couture continued its remarkable growth trajectory across all its product lines. After three years of renovations, the Maison’s historic store at 30 avenue Montaigne, which reopened in Paris in early 2022, enjoyed huge success, offering a new experience of the highest refinement. Its fashion shows continued to offer exceptional moments, whether in Seville, Spain, for the women's collections of Maria Grazia Chiuri, or in Egypt at the foot of the Giza pyramids for the men's show imagined by Kim Jones. Celine experienced very strong growth thanks to the success of Hedi Slimane's creations and his extremely modern and precise vision, as did Loewe, driven by the strong creativity of J.W. Anderson. Fendi celebrated the 25<sup>th</sup> anniversary of its iconic *Baguette* bag in New York. Loro Piana, Rimowa and Marc Jacobs also had an excellent year.

## **Perfumes & Cosmetics: strong momentum in perfume and continued selective distribution**

The **Perfumes & Cosmetics** business group recorded revenue growth of 17% in 2022 (10% on an organic basis). Profit from recurring operations was slightly down as a result of a very selective policy of distribution to assert itself in the prestige universe. Christian Dior enjoyed a remarkable performance, strengthening its lead. *Sauvage* confirmed its position as the world's leading perfume, while the iconic women's fragrances *Miss Dior* and *J'adore*, enriched with its latest creation *Parfum d'Eau*, continued to grow. *Dior Addict* in make-up and *Prestige* in skincare also contributed to the rapid growth of the Maison. Guerlain sustained its growth, driven notably by the vitality of its *Abeille Royale* skincare, its *Aqua Allegoria* collection and its exceptional perfumes *L'Art et la Matière*. Parfums Givenchy benefited from the continued success of its fragrances. Fenty Beauty doubled its revenue thanks to the expansion of its distribution network and the success of its launches.

## **Watches & Jewelry: rapid growth in jewelry and watches**

The **Watches & Jewelry** business group recorded revenue growth of 18% in 2022 (12% on an organic basis). Profit from recurring operations was up 20%. Tiffany & Co. had a record year, driven by its increasing desirability. While its High Jewelry revenue doubled, the new *Lock* bracelet collection, rolled out in North America, enjoyed great success alongside other iconic lines. The “Vision & Virtuosity” exhibition at the Saatchi Gallery in London showcased 185 years of creativity and know-how of the Maison over the summer. Bvlgari confirmed its strong momentum, particularly in Europe, Japan and the United States. The iconic *Serpenti* line and the High Jewelry and High Watchmaking collections were the main growth drivers. The *Octo Finissimo Ultra* watch broke a new record of thinness. Chaumet had a good year and celebrated nature with its “Végétal” exhibition in Paris. Fred showed strong growth and launched its first retrospective exhibition at the Palais de Tokyo in Paris. In the watchmaking sector,

TAG Heuer unveiled, among other innovations, the *Carrera Plasma*, an avant-garde fusion of watchmaking and lab grown diamonds. As official timekeeper, Hublot enjoyed strong visibility during the 2022 Football World Cup. Zenith continued to expand its in-store and online distribution.

### **Selective Retailing: excellent performance by Sephora; DFS impacted by the health situation in China**

**Selective Retailing** revenue was up 26% in 2022 (17% on an organic basis). Profit from recurring operations was up 48%. With a strong rebound in activity in its stores, Sephora enjoyed a record performance in both revenue and earnings. Momentum was particularly strong in North America, Europe, the Middle East and in most Southeast Asian countries. Further investments were made into Sephora's omnichannel strategy in order to continuously improve its customers' purchasing experience both online and in-store. The network continued to expand notably due to the partnership with Kohl's in the United States. Sephora's Russian business was divested. DFS was still affected by the health situation in China. The flagship destinations of Hong Kong and Macau particularly suffered as a result of the suspension of domestic travel and the complete absence of tourists but just reopened in January. Le Bon Marché, which is growing strongly, continued to develop innovative concepts and benefit from the return of loyal French customers and international travellers.

### **Confidence in 2023**

With the month of January having started well and despite an uncertain geopolitical and economic environment, Christian Dior is confident in its ability to continue the growth observed in 2022. The Group will pursue its brand development focused strategy, underpinned by continued innovation and investment as well as a constant quest for desirability and quality in its products and their distribution.

Driven by the agility of its teams, their entrepreneurial spirit and its well diversified presence across businesses and geographic areas in which its customers are located, Christian Dior enters 2023 with confidence and once again, sets an objective of reinforcing its global leadership position in luxury goods.

### **Dividend 2022**

At the General Meeting of April 20, 2023, Christian Dior will propose a dividend of 12 euros per share. An interim dividend of 5 euros per share was paid on December 5 of last year. The balance of 7 euros will be paid on April 27, 2023.

*The Board of Directors met on January 26<sup>th</sup> to approve the financial statements for 2022. Audit procedures have been carried out and the audit report is being issued.*

*This financial release is available on our website [www.dior-finance.com](http://www.dior-finance.com)*

## APPENDIX

Financial statements for 2022 are included in the PDF version of the press release.

### Revenue by business group and by quarter

#### 2022 Revenue (Euro millions)

Year 2022	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	1 638	9 123	1 905	2 338	3 040	(41)	18 003
Second quarter	1 689	9 013	1 714	2 570	3 591	149	18 726
<b>First half</b>	<b>3 327</b>	<b>18 136</b>	<b>3 618</b>	<b>4 909</b>	<b>6 630</b>	<b>109</b>	<b>36 729</b>
Third quarter	1 899	9 687	1 959	2 666	3 465	79	19 755
<b>First nine months</b>	<b>5 226</b>	<b>27 823</b>	<b>5 577</b>	<b>7 575</b>	<b>10 095</b>	<b>189</b>	<b>56 485</b>
Fourth quarter	1 873	10 825	2 145	3 006	4 757	93	22 699
<b>Total 2022</b>	<b>7 099</b>	<b>38 648</b>	<b>7 722</b>	<b>10 581</b>	<b>14 852</b>	<b>282</b>	<b>79 184</b>

#### 2022 Revenue (Organic change verses same period of 2021)

Year 2022	Wines & Spirits	Fashion & Leather Goods	Perfumes & Cosmetics	Watches & Jewelry	Selective retailing	Other activities and eliminations	Total
First quarter	+ 2 %	+ 30 %	+ 17 %	+ 19 %	+ 24 %	-	+ 23 %
Second quarter	+ 30%	+ 19 %	+ 8 %	+ 13 %	+ 20 %	-	+ 19 %
<b>First half</b>	<b>+ 14 %</b>	<b>+ 24 %</b>	<b>+ 13 %</b>	<b>+ 16 %</b>	<b>+ 22 %</b>	-	<b>+ 21 %</b>
Third quarter	+ 14 %	+ 22 %	+ 10 %	+ 16 %	+ 15 %	-	+ 19 %
<b>First nine months</b>	<b>+ 14 %</b>	<b>+ 24 %</b>	<b>+ 12 %</b>	<b>+ 16 %</b>	<b>+ 20 %</b>	-	<b>+ 20 %</b>
Fourth quarter	+ 4 %	+ 10 %	+ 5 %	+ 3 %	+ 12 %	-	+ 9 %
<b>Total 2022</b>	<b>+ 11 %</b>	<b>+ 20 %</b>	<b>+ 10 %</b>	<b>+ 12 %</b>	<b>+ 17 %</b>	-	<b>+ 17 %</b>

#### 2021 Revenue (Euro millions)

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

#### Alternative performance measures

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

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

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

AR: Annual Report as at December 31, 2022

*This document is a free translation into English of the original French financial release dated January 26<sup>th</sup>, 2023.*

*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.*

## 1. Consolidated income statement

<i>(EUR millions, except for earnings per share)</i>	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
<b>Revenue</b>	<b>79,184</b>	<b>64,215</b>	<b>44,651</b>
Cost of sales	(24,988)	(20,355)	(15,871)
<b>Gross margin</b>	<b>54,196</b>	<b>43,860</b>	<b>28,780</b>
Marketing and selling expenses	(28,150)	(22,306)	(16,790)
General and administrative expenses	(5,033)	(4,427)	(3,648)
Income/(loss) from joint ventures and associates	37	13	(42)
<b>Profit from recurring operations</b>	<b>21,050</b>	<b>17,139</b>	<b>8,300</b>
Other operating income and expenses	(54)	4	(333)
<b>Operating profit</b>	<b>20,996</b>	<b>17,143</b>	<b>7,967</b>
Cost of net financial debt	(15)	40	(38)
Interest on lease liabilities	(254)	(242)	(281)
Other financial income and expenses	(632)	254	(292)
<b>Net financial income/(expense)</b>	<b>(901)</b>	<b>52</b>	<b>(611)</b>
Income taxes	(5,393)	(4,531)	(2,385)
<b>Net profit before minority interests</b>	<b>14,702</b>	<b>12,664</b>	<b>4,970</b>
Minority interests	8,905	7,718	3,037
<b>Net profit, Group share</b>	<b>5,797</b>	<b>4,946</b>	<b>1,933</b>
<b>Basic Group share of net earnings per share (EUR)</b>	<b>32.13</b>	<b>27.41</b>	<b>10.72</b>
Number of shares on which the calculation is based	180,410,580	180,410,580	180,410,580
<b>Diluted Group share of net earnings per share (EUR)</b>	<b>32.11</b>	<b>27.40</b>	<b>10.70</b>
Number of shares on which the calculation is based	180,410,580	180,410,580	180,410,580

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## 2. Consolidated statement of comprehensive gains and losses

<i>(EUR millions)</i>	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
<b>Net profit before minority interests</b>	<b>14,702</b>	<b>12,664</b>	<b>4,970</b>
Translation adjustments	1,311	2,178	(1,645)
Amounts transferred to income statement	(32)	(4)	(11)
Tax impact	(4)	17	(10)
	<b>1,275</b>	<b>2,191</b>	<b>(1,666)</b>
Change in value of hedges of future foreign currency cash flows <sup>(a)</sup>	28	281	73
Amounts transferred to income statement	290	(303)	(123)
Tax impact	(73)	127	(112)
	<b>245</b>	<b>105</b>	<b>(162)</b>
Change in value of the ineffective portion of hedging instruments	(309)	(375)	(209)
Amounts transferred to income statement	340	237	232
Tax impact	(11)	33	(9)
	<b>21</b>	<b>(105)</b>	<b>14</b>
<b>Gains and losses recognized in equity, transferable to income statement</b>	<b>1,542</b>	<b>2,191</b>	<b>(1,814)</b>
Change in value of vineyard land	(72)	52	(3)
Amounts transferred to consolidated reserves	-	-	-
Tax impact	18	(12)	3
	<b>(53)</b>	<b>40</b>	<b>-</b>
Employee benefit obligations: change in value resulting from actuarial gains and losses	301	251	(20)
Tax impact	(77)	(58)	6
	<b>223</b>	<b>193</b>	<b>(14)</b>
<b>Gains and losses recognized in equity, not transferable to income statement</b>	<b>170</b>	<b>233</b>	<b>(14)</b>
<b>Gains and losses recognized in equity</b>	<b>1,712</b>	<b>2,423</b>	<b>(1,829)</b>
<b>Comprehensive income</b>	<b>16,414</b>	<b>15,087</b>	<b>3,141</b>
Minority interests	9,941	9,180	1,926
<b>Comprehensive income, Group share</b>	<b>6,473</b>	<b>5,907</b>	<b>1,215</b>

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



### 3. Consolidated balance sheet

#### Assets

<i>(EUR millions)</i>	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Brands and other intangible assets	24,565	23,684	16,143
Goodwill	23,250	24,371	14,508
Property, plant and equipment	22,414	19,543	17,575
Right-of-use assets	14,609	13,699	12,515
Investments in joint ventures and associates	1,066	1,084	990
Non-current available for sale financial assets	1,109	1,363	739
Other non-current assets	1,187	1,054	845
Deferred tax	3,661	3,156	2,325
<b>Non-current assets</b>	<b>91,861</b>	<b>87,954</b>	<b>65,640</b>
Inventories and work in progress	20,319	16,549	13,016
Trade accounts receivable	4,258	3,787	2,756
Income taxes	375	338	401
Other current assets	7,550	5,606	3,846
Cash and cash equivalents	7,588	8,122	20,358
<b>Current assets</b>	<b>40,090</b>	<b>34,402</b>	<b>40,377</b>
<b>Total assets</b>	<b>131,951</b>	<b>122,356</b>	<b>106,017</b>

#### Liabilities and equity

<i>(EUR millions)</i>	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Equity, Group share	19,038	15,372	11,270
Minority interests	35,276	30,995	24,974
<b>Equity</b>	<b>54,314</b>	<b>46,367</b>	<b>36,244</b>
Long-term borrowings	10,380	12,165	14,065
Non-current lease liabilities	12,776	11,887	10,665
Non-current provisions and other liabilities	3,866	3,945	3,288
Deferred tax	6,553	6,302	5,079
Purchase commitments for minority interests' shares	12,489	13,677	10,991
<b>Non-current liabilities</b>	<b>46,064</b>	<b>47,976</b>	<b>44,088</b>
Short-term borrowings	9,375	8,091	11,005
Current lease liabilities	2,632	2,387	2,163
Trade accounts payable	8,788	7,086	5,098
Income taxes	1,224	1,275	721
Current provisions and other liabilities	9,554	9,174	6,698
<b>Current liabilities</b>	<b>31,573</b>	<b>28,013</b>	<b>25,685</b>
<b>Total liabilities and equity</b>	<b>131,951</b>	<b>122,356</b>	<b>106,017</b>

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## 4. Consolidated statement of changes in equity

(EUR millions)	Number of shares	Share capital	Share premium account	Christian Dior treasury shares	Cumulative translation adjustment	Revaluation reserves				Net profit and other reserves	Total equity		
						Available for sale financial assets	Hedges of future foreign currency cash flows and cost of hedging	Vineyard land	Employee benefit commitments		Group share	Minority interests	Total
<b>As of Dec. 31, 2019</b>	<b>180,507,516</b>	<b>361</b>	<b>194</b>	<b>(17)</b>	<b>362</b>	<b>-</b>	<b>(43)</b>	<b>471</b>	<b>(81)</b>	<b>9,632</b>	<b>10,880</b>	<b>24,837</b>	<b>35,717</b>
Gains and losses recognized in equity					(640)	-	(73)	-	(5)	-	(718)	(1,111)	(1,829)
Net profit										1,933	1,933	3,037	4,970
<b>Comprehensive income</b>					<b>(640)</b>	<b>-</b>	<b>(73)</b>	<b>-</b>	<b>(5)</b>	<b>1,933</b>	<b>1,215</b>	<b>1,926</b>	<b>3,141</b>
Expenses related to bonus shares and similar plans										26	26	36	62
(Acquisition)/disposal of Christian Dior treasury shares										-	-	-	-
Capital increase in subsidiaries										-	-	54	54
Interim and final dividends paid										(830)	(830)	(1,733)	(2,563)
Changes in control of consolidated entities										(13)	(13)	(10)	(23)
Acquisition and disposal of minority interests' shares						-	-	-	-	(88)	(88)	(29)	(117)
Purchase commitments for minority interests' shares										80	80	(107)	(27)
<b>As of Dec. 31, 2020</b>	<b>180,507,516</b>	<b>361</b>	<b>194</b>	<b>(17)</b>	<b>(278)</b>	<b>-</b>	<b>(116)</b>	<b>471</b>	<b>(86)</b>	<b>10,740</b>	<b>11,270</b>	<b>24,974</b>	<b>36,244</b>
Gains and losses recognized in equity					857	-	18	12	74	-	961	1,462	2,423
Net profit										4,946	4,946	7,718	12,664
<b>Comprehensive income</b>					<b>857</b>	<b>-</b>	<b>18</b>	<b>12</b>	<b>74</b>	<b>4,946</b>	<b>5,907</b>	<b>9,180</b>	<b>15,087</b>
Expenses related to bonus shares and similar plans										52	52	80	132
(Acquisition)/disposal of Christian Dior treasury shares										-	-	-	-
Capital increase in subsidiaries										-	-	12	12
Interim and final dividends paid										(1,263)	(1,263)	(2,498)	(3,761)
Changes in control of consolidated entities										(18)	(18)	373	355
Acquisition and disposal of minority interests' shares						-	-	1	-	(568)	(567)	(947)	(1,514)
Purchase commitments for minority interests' shares										(9)	(9)	(179)	(188)
<b>As of Dec. 31, 2021</b>	<b>180,507,516</b>	<b>361</b>	<b>194</b>	<b>(17)</b>	<b>579</b>	<b>-</b>	<b>(98)</b>	<b>484</b>	<b>(12)</b>	<b>13,880</b>	<b>15,372</b>	<b>30,995</b>	<b>46,367</b>
Gains and losses recognized in equity					506	-	103	(18)	85	-	676	1,036	1,712
Net profit										5,797	5,797	8,905	14,702
<b>Comprehensive income</b>					<b>506</b>	<b>-</b>	<b>103</b>	<b>(18)</b>	<b>85</b>	<b>5,797</b>	<b>6,473</b>	<b>9,941</b>	<b>16,414</b>
Expenses related to bonus shares and similar plans										53	53	79	132
(Acquisition)/disposal of Christian Dior treasury shares										-	-	-	-
Capital increase in subsidiaries										-	-	28	28
Interim and final dividends paid										(2,165)	(2,165)	(3,905)	(6,070)
Changes in control of consolidated entities										3	3	10	13
Acquisition and disposal of minority interests' shares						2	-	(1)	2	(536)	(531)	(1,068)	(1,599)
Purchase commitments for minority interests' shares										(166)	(166)	(804)	(970)
<b>As of Dec. 31, 2022</b>	<b>180,507,516</b>	<b>361</b>	<b>194</b>	<b>(17)</b>	<b>1,087</b>	<b>-</b>	<b>4</b>	<b>468</b>	<b>75</b>	<b>16,866</b>	<b>19,038</b>	<b>35,276</b>	<b>54,314</b>

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## 5. Consolidated cash flow statement

(EUR millions)	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
<b>I. OPERATING ACTIVITIES</b>			
Operating profit	20,996	17,143	7,967
(Income)/loss and dividends received from joint ventures and associates	26	41	64
Net increase in depreciation, amortization and provisions	3,219	3,136	3,478
Depreciation of right-of-use assets	3,007	2,691	2,572
Other adjustments and computed expenses	(483)	(400)	(91)
<b>Cash from operations before changes in working capital</b>	<b>26,765</b>	<b>22,611</b>	<b>13,990</b>
Cost of net financial debt: interest paid	(73)	68	(62)
Lease liabilities: interest paid	(240)	(231)	(290)
Tax paid	(5,603)	(4,239)	(2,397)
Change in working capital	(3,019)	426	(369)
<b>Net cash from operating activities</b>	<b>17,830</b>	<b>18,636</b>	<b>10,873</b>
<b>II. INVESTING ACTIVITIES</b>			
Operating investments	(4,969)	(2,664)	(2,478)
Purchase and proceeds from sale of consolidated investments	(809)	(13,226)	(536)
Dividends received	7	10	12
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	(149)	(99)	63
<b>Net cash from/(used in) investing activities</b>	<b>(5,920)</b>	<b>(15,979)</b>	<b>(2,939)</b>
<b>III. FINANCING ACTIVITIES</b>			
Interim and final dividends paid	(6,465)	(3,967)	(2,685)
Purchase and proceeds from sale of minority interests	(2,010)	(1,117)	(163)
Other equity-related transactions	12	4	39
Proceeds from borrowings	3,774	251	17,499
Repayment of borrowings	(3,891)	(6,763)	(5,024)
Repayment of lease liabilities	(2,751)	(2,453)	(2,302)
Purchase and proceeds from sale of current available for sale financial assets	(1,165)	(1,393)	69
<b>Net cash from/(used in) financing activities</b>	<b>(12,495)</b>	<b>(15,438)</b>	<b>7,433</b>
<b>IV. EFFECT OF EXCHANGE RATE CHANGES</b>	<b>55</b>	<b>498</b>	<b>(1,052)</b>
<b>Net increase/(decrease) in cash and cash equivalents (I+II+III+IV)</b>	<b>(530)</b>	<b>(12,283)</b>	<b>14,315</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>7,918</b>	<b>20,201</b>	<b>5,886</b>
<b>Cash and cash equivalents at end of period</b>	<b>7,388</b>	<b>7,918</b>	<b>20,201</b>
<b>Total tax paid</b>	<b>(5,959)</b>	<b>(4,465)</b>	<b>(2,527)</b>

## 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)	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Net cash from operating activities	17,830	18,636	10,873
Operating investments	(4,969)	(2,664)	(2,478)
Repayment of lease liabilities	(2,751)	(2,453)	(2,302)
<b>Operating free cash flow<sup>(a)</sup></b>	<b>10,110</b>	<b>13,518</b>	<b>6,093</b>

(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”.

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