

LVMH acquires the Swiss watchmaker Hublot

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LVMH Moët Hennessy Louis Vuitton, the world's leading luxury group, announces that it has signed an agreement to acquire the Hublot group, a top of the range watchmaker enjoying very strong growth.

LVMH will acquire Hublot from Mr Carlo Crocco, who founded the group in 1980, and a company controlled by Mr Jean-Claude Biver, who has managed Hublot since 2004.

Hublot is a brand that is highly complementary to LVMH's existing watch portfolio comprising TAG Heuer, the world leader in prestigious sport watches and chronographs, the Swiss Watch Manufacturer Zenith, Dior Montres, Louis Vuitton watches sold exclusively in Louis Vuitton stores, and the watch collections of jewellers Chaumet, Fred and De Beers.

STRONG GROWTH POTENTIAL

Hublot, which has its headquarters and workshops near Geneva, has started building a factory at Nyon to accommodate its expansion plans. Having grown at a rapid pace since 2004, the brand achieved net revenue of more than CHF150 million in 2007 with an excellent profitability. A very significant increase in revenue is expected in 2008.

Today, Hublot has a very selective and efficient distribution network which is limited to 300 stores worldwide.

Hublot has a well-balanced geographic footprint spanning Switzerland, Spain, France, Germany, the US, Latin America, Middle East, Russia, Japan, Hong Kong, Singapore... The brand has recently been launched in China and India and has strong growth potential in Asia, Japan, North America and in certain European markets.

EXCEPTIONAL WATCHES AND CHRONOGRAPHS

Hublot offers ranges of exceptional quality watches that are innovative, very differentiated and combining fusions of materials, precious metals, (gold, platinum,...) technological metals (titanium, tantalum...), ceramics, diamonds and natural rubber.

The renowned *Big Bang* collection includes models equipped with automatic movements whose prices range from €8,000 (steel and ceramic) to over €300,000, integrating precious metals and technical complexity.

A new *Big Bang* collection for women was launched at the last Basel watch fair with great success.

Finally, the traditional classic line has been recently redesigned using natural rubber, zircon, gold and ceramics.

Carlo Crocco, founder of Hublot, said : *"I am happy that Hublot, an innovative brand since its creation, is joining the LVMH group, the world leader in luxury goods, whose creative passion is without any doubt a value that I have always shared."*

Jean-Claude Biver, the architect of the success of the *Big Bang* collection and the recent strong growth of Hublot, commented: *"I am delighted that Hublot will be able to benefit from LVMH's support and strategic leadership in the luxury goods industry and so maximise its growth potential in the years to come. I am happy to be pursuing this adventure and to be able to contribute to the development of LVMH's watchmaking division alongside Philippe Pascal."*

Philippe Pascal, Chief Executive Officer of LVMH's Watches & Jewelry business group, added: *"Hublot is a strategic and very complementary acquisition. Its high-end positioning, selective distribution, financial performance and growth potential make Hublot a 'rising star'. Hublot will strengthen our Watches & Jewelry business group which, over the last three years, has been growing strongly. We are very happy that Jean-Claude Biver will, along with the management team of Hublot, continue on this remarkable journey and contribute his considerable expertise to our development in this promising sector."*

The regulatory information relating to this announcement is available on the website www.lvmh.fr

About LVMH

LVMH Moët Hennessy Louis Vuitton is the world's leading luxury goods group. The Group is represented in Wines and Spirits by a portfolio of brands that includes Moët & Chandon, Dom Pérignon, Veuve Clicquot Ponsardin, Krug, Ruinart, Château d'Yquem, Hennessy, Glenmorangie, Ardbeg, Belvedere Vodka, Chopin, 10 Cane, Chandon, Cloudy Bay, Terrazas de los Andes, Cheval des Andes, Green Point, Cape Mentelle, Newton.

Its Fashion and Leather Goods division includes Louis Vuitton, the world's leading luxury brand, as well as Celine, Loewe, Kenzo, Givenchy, Thomas Pink, Fendi, Emilio Pucci, Donna Karan, Marc Jacobs, Berluti, StefanoBi as well as eLUXURY, the authoritative online source for luxury goods on the Internet. LVMH is present in the Perfumes and Cosmetics sector with Parfums Christian Dior, Guerlain, Parfums Givenchy, Parfums Kenzo, Parfums Loewe as well as other promising cosmetic companies (BeneFit Cosmetics, Make Up For Ever, Acqua di Parma and Fresh). LVMH is also active in selective retailing through DFS, Sephora in Europe and the United States, Le Bon Marché and la Samaritaine. LVMH's Watches and Jewelry division comprises TAG Heuer, Chaumet, Christian Dior Watches, Zenith, Fred and De Beers Diamond Jewellers Limited, a joint venture created with the world's leading diamond group.

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