VGR

// H1 2026

LVMH

LOUIS VUITTON DIOR FENDI MOËT & CHANDON TIFFANY&CO. BVLGARI

VGR MARKET INTELLIGENCE

VERYGOODRETAIL.AI

CONTENTS

Contents

01 Executive Summary....3
02 The period in figures....5
03 The restatement bridge....6
04 Growth composition....7
05 The estate....8
06 Margin architecture....9
07 Inventory....10
08 Working capital, cash and capital structure....11
09 Capital allocation and returns....11
10 Earnings quality....12
11 Guidance and the implied requirement....13
12 Disclosure delta and metrics not reported....13
13 The company's account, tested....14
14 Method, sources and precision....15

01

Executive Summary

Revenue fell 2.9% to €38,644m: currency took 5 points, about €1,990m, against organic growth of 2%, and Fashion and Leather Goods supplied €969m, 83.1%, of the €1,166m fall

LVMH reported first-half revenue of €38,644m against €39,810m, profit from recurring operations of €8,691m against €9,012m, an operating margin of 22.5% against 22.6%, and net profit, Group share, of €5,697m against €5,698m. Operating free cash flow was €4,100m against €4,032m. The company gives no numeric guidance for 2026 and has set an interim dividend of €5.50, the same as in 2025.

The company states the components of the fall in whole points: organic growth of 2%, exchange rates minus 5 points and scope minus 1 point, the last from the sale of DFS businesses in Greater China to China Tourism Group Duty Free in March 2026. On the €39,810m base, 5 points of currency is about €1,990m, bounded at €1,791m to €2,190m by the rounding, and 2 points of organic growth about €796m. At the central reading currency removed 2.5 times the revenue that organic growth added. The reported change moved from −5.9% in the first quarter to +0.1% in the second, and organic growth from 1% to 3%. Of the 6.0-point improvement in the reported rate, 2 points were organic and about 4 were currency and scope.

Fashion and Leather Goods revenue fell €969m, or 5.1%, to €18,146m; its organic change was −1% for the half, −2% in the first quarter and +1% in the second. Watches and Jewelry (+9% organic, +2.7% reported) and Selective Retailing (+5% organic, −2.5% reported after 3 points of scope) carried the organic growth. In euro, revenue fell in every region: Japan by 8.1%, France 4.9%, the United States 3.1% and Asia excluding Japan 0.5%. The third-quarter revenue release will show whether Fashion and Leather Goods organic growth stays positive after the second quarter's 1%.

Currency took €686m off profit from recurring operations, which fell €321m to €8,691m; net profit, Group share, held at €5,697m because net financial expense fell €323m

The company's bridge gives organic growth +€341m, currency −€686m and scope +€25m. The operating margin fell 15bp to 22.5%. The gross margin rose 27bp to 67.1%; marketing and selling expenses rose 24bp of revenue to 37.2%, and general and administrative expenses 18bp to 7.4%. Four business groups raised their margin: Wines and Spirits by 215bp, Watches and Jewelry 93bp, Selective Retailing 46bp and Perfumes and Cosmetics 24bp. Fashion and Leather Goods fell 58bp to 34.1% while its share of revenue fell to 47.0% from 48.0%. At prior-year weights the business-group margins added 13.1bp and the change in mix took 27.9bp.

Net financial expense fell to €112m from €435m. Note 26 sets out the two lines that moved: fair value adjustments of available-for-sale financial assets of €447m against €270m, +€177m, and a cost of foreign exchange derivatives of €89m against €194m, +€105m. With income tax €65m lower and minority interests €105m higher,

net profit, Group share, finished €1m below the first half of 2025. The fair value line is a market remeasurement; the 2026 full-year statements will show its second-half value against €565m in the second half of 2025.

Inventories rose €1,525m in the half to €24,184m, 4.7% above June 2025 while cost of sales fell 3.7%; net financial debt rose €1,388m to €8,245m

Inventory equalled about 347 days of half-year cost of sales against 319 a year earlier, VGR arithmetic. Fashion and Leather Goods inventory rose 5.5% year on year against revenue down 5.1%. The June 2025 figure includes DFS businesses that are now in assets held for sale (€2,074m at 30 June 2026, not broken down), so the year-on-year rise is measured on a smaller perimeter. Working capital absorbed €2,446m against €1,990m, of which inventories €1,412m. Operating free cash flow of €4,100m met dividends paid of €3,991m but not the further €1,987m of equity-related outflows, mainly transactions in LVMH shares and €329m of minority purchases. Net financial debt was 11.8% of equity, against 9.9% at December 2025 and 15.2% a year earlier.

WHAT TO WATCH

Third-quarter 2026 revenue release; the date is not stated in the half-year documents. Organic revenue growth for the group and for Fashion and Leather Goods. A continuation is group growth of 3% or more with Fashion and Leather Goods positive, as in the second quarter; a break is group growth back at the first quarter's 1% or Fashion and Leather Goods negative.

Same release. The distance between reported and organic growth, 6.9 points in the first quarter and 2.9 points in the second. A continuation is a distance under 3 points; a break is a return above 5 points, which would put currency back ahead of organic growth.

2026 full-year results, date not stated. Inventories against €22,659m at 31 December 2025 and €24,184m at 30 June 2026, and profit from recurring operations for the second half against €8,743m in the second half of 2025. A continuation of the build is year-end inventory above €22,659m; a break is a figure at or below it.

VGR will publish the Q3 2026 analysis when the figures are released.

02

The period in figures

DISCLAIMER

This document is produced by VGR | Very Good Retail for information and discussion purposes only. It is not investment advice, nor an offer or solicitation to buy or sell any security. All figures are taken from the company's own published materials, cited throughout. VGR is not a licensed investment adviser. Readers should form their own view and take professional advice before acting. VGR accepts no liability for decisions taken on the basis of this document.

LVMH SE · EURONEXT PARIS: MC · FIRST HALF 2026 · EUR AS PUBLISHED

FINANCIAL YEAR ENDS 31 DECEMBER 2026 · PERIOD ENDED 30 JUNE 2026 · REPORTED 27 JULY 2026 · ANALYSIS 30 SEPTEMBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
−2.9%	**−2.5%**	**−3.6%**	**−0.02%**
38,644 vs 39,810	25,936 vs 26,610	8,691 vs 9,012	5,697 vs 5,698

GROSS MARGIN	OPERATING MARGIN	RoS
67.1%	**22.5%**	**14.7%**
from 66.8%	from 22.6%	from 14.3%

€m, half-year against the same half a year earlier; operating profit is the company's profit from recurring operations (operating profit €8,714m against €8,998m); net profit is Group share; changes, margins and RoS are VGR arithmetic; net profit change carried to two decimals because one decimal prints 0.0%

LVMH reports half-yearly under IAS 34 for a financial year that ends on 31 December. The condensed statements were approved on 27 July 2026 and carry the statutory auditors' limited review report of the same date. The table sets the reported lines beside the VGR basis used in the rest of this analysis.

€M	H1 26	H1 25	CHANGE
Revenue	38,644	39,810	**−2.9%**
organic growth, as disclosed	+2%		
Gross margin	25,936	26,610	**−2.5%**
Profit from recurring operations	8,691	9,012	**−3.6%**
Other operating income and expenses	23	(14)	+37
Operating profit	8,714	8,998	**−3.2%**

€M	H1 26	H1 25	CHANGE
Net financial income/(expense)	(112)	(435)	+323
Income taxes	(2,583)	(2,648)	+65
Minority interests	(322)	(217)	**−105**
Net profit, Group share	5,697	5,698	**−1**
Net cash from operating activities	7,647	7,881	**−3.0%**
Operating free cash flow	4,100	4,032	+1.7%
Net financial debt, 30 June	8,245	10,176	−1,931

Source: LVMH, Interim Financial Report, six months ended 30 June 2026: income statement p.20, cash flow p.24, net financial debt p.17 and p.3. Organic growth is disclosed in whole points. Changes are VGR arithmetic.

03

The restatement bridge

Two items change the basis of comparison. Currency: the company puts the translation and transaction effect at minus 5 points of revenue and minus €686m of profit from recurring operations. Scope: the March 2026 sale of DFS businesses in Hong Kong and Macao, with partnerships in Japan and Indonesia, takes 1 point off group revenue and 3 points off Selective Retailing, and adds €25m to profit from recurring operations. The remaining DFS assets and liabilities are held for sale under IFRS 5. VGR restates revenue on the disclosed points; the euro amounts are bounded by the whole-point rounding.

H1 2025 TO H1 2026, €M	LOW	CENTRAL	HIGH
Revenue, H1 2025	39,810	39,810	39,810
Organic growth, 2% as disclosed	+597	+796	+995
Scope, −1 point	−199	−398	−597
Exchange rates, −5 points	−1,791	−1,990	−2,190
Revenue, H1 2026	38,644	38,644	38,644
Profit from recurring operations: organic		+341	
Profit from recurring operations: currency		−686	
Profit from recurring operations: scope		+25	

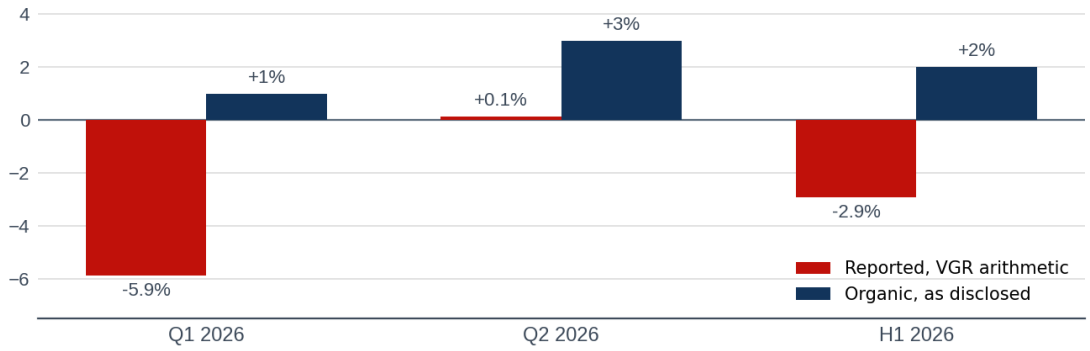
Source: LVMH, Interim Financial Report, six months ended 30 June 2026, p.6 and p.8. Revenue components are VGR arithmetic on whole-point disclosures and do not sum exactly; the profit bridge is the company's and sums to €8,692m against €8,691m.

04

Growth composition

Reported revenue fell 5.9% in Q1 and rose 0.1% in Q2

Revenue growth against the same period of 2025, reported and organic, %



Source: LVMH, Interim Financial Report H1 2026, note 24.3; release of 27 July 2026. Organic growth in whole points.

BUSINESS GROUP, €M	H1 26	H1 25	REPORTED	ORGANIC
Wines and Spirits	2,598	2,588	+0.4%	+5%
Fashion and Leather Goods	18,146	19,115	**−5.1%**	−1%
Perfumes and Cosmetics	3,914	4,082	**−4.1%**	0%
Watches and Jewelry	5,225	5,090	+2.7%	+9%
Selective Retailing	8,406	8,620	**−2.5%**	+5%
Other activities and eliminations	356	315		
Group	38,644	39,810	**−2.9%**	+2%

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, p.4 and note 24. Reported change is VGR arithmetic; organic growth as disclosed in whole points.

Quarterly organic growth by business group, from the release appendix: Fashion and Leather Goods −2% and +1%; Watches and Jewelry +7% and +11%; Selective Retailing +4% and +6%; Wines and Spirits +5% in both; Perfumes and Cosmetics

0% and −1%. Fashion and Leather Goods reported revenue fell 8.5% in the first quarter and 1.2% in the second.

REGION OF DELIVERY, €M	H1 26	H1 25	CHANGE	SHARE H1 26
France	3,072	3,230	**−4.9%**	7.9%
Europe excluding France	6,632	6,719	**−1.3%**	17.2%
United States	9,687	10,002	**−3.1%**	25.1%
Japan	2,987	3,249	**−8.1%**	7.7%
Asia excluding Japan	11,059	11,114	**−0.5%**	28.6%
Other countries	5,207	5,496	**−5.3%**	13.5%

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, note 24.2. Changes and shares are VGR arithmetic in euro; no organic rate by region is disclosed, and Asia includes the DFS scope effect.

05

The estate

STORES	30 JUN 26	31 DEC 25	30 JUN 25
France	533	539	543
Europe excluding France	1,253	1,255	1,245
United States	1,237	1,232	1,222
Japan	511	520	508
Asia excluding Japan	1,832	1,905	1,991
Other markets	851	832	804
Total	6,217	6,283	6,313

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, p.7. Openings, closures, selling area and like-for-like sales are not disclosed.

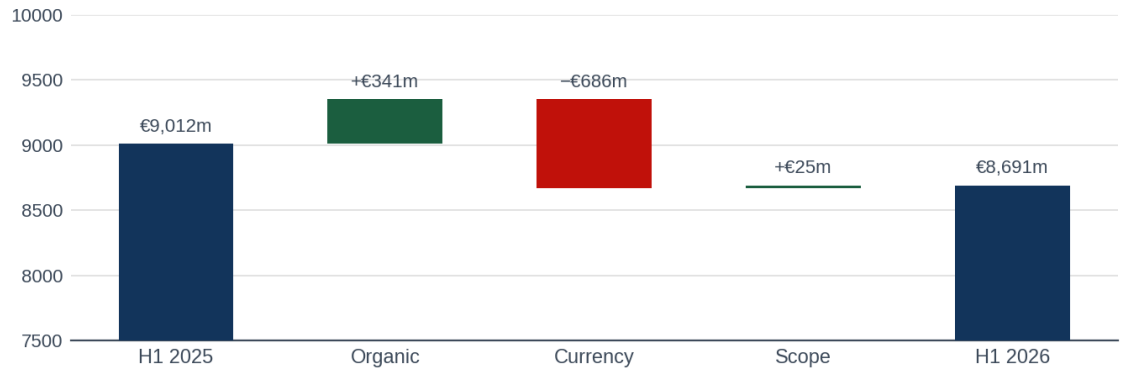
The store count fell by 96 in twelve months; Asia excluding Japan fell by 159, in the period of the DFS disposals. The company puts sales in its own stores, e-commerce included, at about 78% of revenue, unchanged. Without selling area or like-for-like sales, revenue per store or per square metre is not calculable, and the Growth Composition Index is not computed.

06

Margin architecture

Currency took €686m off profit from recurring operations

Profit from recurring operations, H1 2025 to H1 2026, €m (axis starts at €7,500m)



Source: LVMH, Interim Financial Report H1 2026, p.8. Components sum to €8,692m; €1m is the company's rounding.

% OF REVENUE	H1 26	H1 25	CHANGE
Gross margin	67.1%	66.8%	+27bp
Marketing and selling expenses	37.2%	37.0%	**−24bp**
General and administrative expenses	7.4%	7.3%	**−18bp**
Joint ventures and associates	0.1%	0.1%	0bp
Profit from recurring operations	22.5%	22.6%	**−15bp**

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, income statement p.20. VGR arithmetic; the steps sum to −15bp within 1bp of rounding. Both years are as reported; the company defines no adjusted margin.

BUSINESS GROUP	MARGIN H1 26	MARGIN H1 25	CHANGE	PRO CHANGE €M
Wines and Spirits	22.4%	20.3%	+215bp	+58
Fashion and Leather Goods	34.1%	34.7%	**−58bp**	**−441**
Perfumes and Cosmetics	10.7%	10.4%	+24bp	**−8**
Watches and Jewelry	15.9%	15.0%	+93bp	+69

BUSINESS GROUP	MARGIN H1 26	MARGIN H1 25	CHANGE	PRO CHANGE €M
Selective Retailing	10.6%	10.2%	+46bp	+17
Group	22.5%	22.6%	**−15bp**	**−321**

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, p.4 and note 24.1. Margins and changes are VGR arithmetic on profit from recurring operations.

The fall of 15bp divides into a rate effect of +13.1bp, the business groups' own margin changes at prior-year revenue weights, and a mix effect of −27.9bp. Fashion and Leather Goods carries a margin 11.6 points above the group's and fell to 47.0% of revenue from 48.0%. Had its margin held at 34.7%, its profit from recurring operations would have been €6,300m rather than €6,195m. The gross margin rose while revenue fell; the release attributes no amount of it to hedging, which the company treats within the €686m currency effect.

07

Inventory

INVENTORIES, €M	30 JUN 26	31 DEC 25	30 JUN 25	CHANGE Y/Y
Wines and Spirits	8,748	8,451	8,425	+3.8%
Fashion and Leather Goods	5,516	5,120	5,226	+5.5%
Perfumes and Cosmetics	1,055	983	1,017	+3.7%
Watches and Jewelry	5,756	5,432	5,549	+3.7%
Selective Retailing	3,129	2,749	3,029	+3.3%
Group	24,184	22,659	23,090	+4.7%

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, note 24.1 and balance sheet p.22; other activities and eliminations not shown. Changes are VGR arithmetic.

Inventory rose 4.7% year on year and 6.7% on December while cost of sales fell 3.7%. On half-year cost of sales, inventory was about 347 days against 319, bounded at 345 and 317 on a 181-day half; the increase of about 28 days is material under the method. Wines and Spirits holds 36.2% of group inventory, mostly ageing stock. The change in working capital included €1,412m for inventories; the company describes the build as a balance between managing inventory levels and meeting

anticipated demand. No markdown, provision or ageing figure is disclosed for the half.

08

Working capital, cash and capital structure

€M	H1 26	H1 25	CHANGE
Cash from operations before working capital	12,055	12,287	**−233**
Tax paid	(1,571)	(2,043)	+472
Change in working capital	(2,446)	(1,990)	**−456**
Net cash from operating activities	7,647	7,881	**−235**
Operating investments	(2,061)	(2,360)	+298
Repayment of lease liabilities	(1,486)	(1,489)	+4
Operating free cash flow	4,100	4,032	+67
Dividends paid	(3,991)	(4,060)	+69
Other equity-related transactions and minorities	(1,987)	(1,307)	**−680**

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, cash flow p.24 and comments p.17–18. Changes in the first seven rows are as printed by the company and differ from arithmetic on the printed levels by up to €1m; the last two rows are VGR arithmetic.

Lower tax paid, €472m, offset most of the €456m larger working capital outflow. Operating free cash flow equalled 72.0% of net profit, Group share, against 70.8%. Net financial debt rose €1,388m in the half to €8,245m, 11.8% of equity of €69,694m. Gross borrowings after derivatives were €20,447m against cash and current financial assets of €12,202m. Trade receivables fell to €3,941m from €4,257m a year earlier and trade payables rose to €7,906m from €7,736m.

09

Capital allocation and returns

OPERATING INVESTMENTS, €M	H1 26	H1 25	CHANGE
Wines and Spirits	88	115	**−27**
Fashion and Leather Goods	864	1,018	**−154**

OPERATING INVESTMENTS, €M	H1 26	H1 25	CHANGE
Perfumes and Cosmetics	165	197	**−32**
Watches and Jewelry	287	461	**−174**
Selective Retailing	268	268	0
Other and holding companies	397	302	+95
Group	2,061	2,360	**−299**

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, note 24.1. Group total includes eliminations; the rows sum to €2,062m and €2,359m, the company's rounding. Changes are VGR arithmetic.

Operating investments fell to 5.3% of revenue from 5.9%. Shareholders received €3,991m of dividends and the company spent on LVMH shares within €1,658m of other equity-related transactions; the interim dividend of €5.50 is payable on 3 December 2026. No return on capital employed is disclosed for the half, and VGR does not compute one on half-year profit.

10

Earnings quality

€M	H1 26	H1 25	CHANGE
Profit from recurring operations	8,691	9,012	**−321**
Other operating income and expenses	23	(14)	+37
Cost of net financial debt	(192)	(211)	+19
Interest on lease liabilities	(261)	(278)	+17
Cost of foreign exchange derivatives	(89)	(194)	+105
Fair value adjustment, available-for-sale financial assets	447	270	+177
Other financial items	(17)	(21)	+4
Income taxes	(2,583)	(2,648)	+65
Minority interests	(322)	(217)	**−105**
Net profit, Group share	5,697	5,698	**−1**

Source: LVMH, Interim Financial Report, six months ended 30 June 2026, income statement p.20, notes 25 and 26. Other financial items combine dividends received and other items, net; the H1 2025 column carries the company's €1m rounding.

Profit from recurring operations fell €321m and net profit, Group share, €1m. The €320m narrowing sits below the operating line: €282m from the fair value adjustment and the lower cost of foreign exchange derivatives, €40m from lower interest and other financial items, €37m from other operating items and €65m from tax, against €105m more to minority interests, 5.3% of net profit against 3.7%. The effective tax rate was 30.0% against 30.9%. Other operating income of €23m includes €55m of other items, net, whose composition is not disclosed, and €29m of restructuring costs.

11

Guidance and the implied requirement

ITEM	STATUS	DETAIL
Numeric guidance for 2026	None	The release states that the group "remains confident"; no range is given
VGR prior	None	This is the first LVMH period in the VGR archive; no earlier guidance to score
Interim dividend	Stated	€5.50, payable 3 December 2026, equal to the 2025 interim
Reference: 2026 profit equal to 2025	VGR arithmetic	Second-half profit from recurring operations of €9,064m against €8,743m in the second half of 2025, +3.7%

LVMH results release, Paris, 27 July 2026; Source: LVMH, Interim Financial Report, six months ended 30 June 2026. The reference line is arithmetic on disclosed figures, not a company target.

12

Disclosure delta and metrics not reported

METRIC	STATUS
Revenue and inventory by business group	Disclosed, notes 24.1 and 24.3
Revenue by region in euro and stores by region	Disclosed, note 24.2 and p.7
Organic growth by region	Not disclosed; the release describes regions in words only
Like-for-like sales, selling area, openings and closures	Not disclosed

METRIC	STATUS
Middle East revenue or its effect in euro	Not disclosed; the release gives Q2 organic growth of 4% excluding it
Profit from recurring operations by quarter or by region	Not disclosed
Composition of the currency effect on profit	Three items named, amounts not disclosed
Numeric guidance	Not given

Source: LVMH, Interim Financial Report, six months ended 30 June 2026; LVMH results release, Paris, 27 July 2026.

Three inconsistencies were found in the source and are resolved in favour of the statements. Other financial income and expenses is €341m and €54m in the income statement and €340m and €55m in the comments on page 9. The comments say the US dollar's share of invoicing "fell by 1 point to 28%"; the table prints 28% for both halves. The highlights charts on page 3 list values out of the order of their date labels. The profit bridge on page 8 is a chart without printed labels on each bar; VGR assigns the three amounts in the order of the legend, and the total reconciles.

13

The company's account, tested

CLAIM	DISPOSITION
"Growth accelerated in the second quarter", organic growth of 3% (release)	Supported by the disclosed figures: organic 1% in Q1 and 3% in Q2; reported −5.9% and +0.1%
Q2 organic growth of 4% "excluding the impact of the conflict in the Middle East" (release)	Not verifiable from the disclosure: no Middle East revenue is published
Profit from recurring operations down 4% "due to the negative impact of exchange rate fluctuations" (report p.7)	Supported by the disclosed figures: currency −€686m against a total fall of €321m
Operating margin "remained high at 22.5%" (release)	Supported by the disclosed figures: −15bp
Group share of net profit "stable" (release)	The disclosed figures show a different weighting: −€1m, after +€177m of fair value gains on financial assets and +€105m lower derivative costs

CLAIM	DISPOSITION
Fashion and Leather Goods margin "remained very high, at 34.1%" (report p.8)	Partially supported: the level is confirmed; the margin fell 58bp
"The United States saw growth accelerate" (release)	Not verifiable from the disclosure: US revenue in euro fell 3.1%; no organic rate by region
The inventory change reflects managing levels and anticipated demand (report p.18)	Not verifiable from the disclosure: no ageing, provision or demand figure

LVMH results release, Paris, 27 July 2026; Source: LVMH, Interim Financial Report, six months ended 30 June 2026. Dispositions are VGR's; arithmetic in LVMH_H1_2026_Source_Figures.md, PART 3.

14

Method, sources and precision

Primary source: the Interim Financial Report for the six months ended 30 June 2026 (IAS 34, limited review), with the release of 27 July 2026 for quarterly organic growth and the company's claims. Fifteen cross-foot checks were run across the income statement, business groups, quarters, regions, inventories, the cash flow statement, net financial debt and note 26; all reconcile to within €1m of rounding.

FIGURE	PRECISION
Growth rates, margins and bp changes on disclosed €m	Exact
Revenue effect of currency, scope and organic growth	Bounded by whole-point disclosure
Rate and mix effects on the operating margin	Exact at prior-year weights
Days of inventory on half-year cost of sales	Bounded: 345 to 347 days (317 to 319 a year earlier)
Organic growth by region; revenue per store	Not calculable: not disclosed

VGR arithmetic, lvmh_crossfoot.py.

PEER, FIRST HALF 2026	REPORTED REVENUE GROWTH	NOTE
LVMH	−2.9%	organic +2%
Moncler Group	+5%	+9% at constant exchange rates
Brunello Cucinelli	+9.5%	
Prada Group	+11.2%	includes Versace

VGR archive analyses of each company's H1 2026 release, figures as recorded there and not re-verified in this document.

Every VGR-derived percentage carries one decimal place and basis points are printed whole. Rates the company discloses in whole points, organic growth and the currency and scope effects, are printed as disclosed. Arithmetic was carried out at full precision and rounded only for printing.

VGR | VERY GOOD RETAIL

Made with the supervision of Pau Almar.

METHODOLOGY

VGR Standardised Financial Analysis Methodology v5.

Revised 30 September 2026 to methodology v5; first published 17 August 2026.

PRIMARY SOURCE

LVMH Moët Hennessy Louis Vuitton SE, Interim Financial Report, six-month period ended June 30, 2026, statements approved by the Board of Directors on 27 July 2026. https://lvmh-com.cdn.prismic.io/lvmh-com/CmJbUDA5Jzsdufho_LVMH_2026Firsthalffinancialreport.pdf. Results release, Paris, 27 July 2026: https://lvmh-com.cdn.prismic.io/lvmh-com/HpVUWE8YyscbnlXI_LVMH2026HalfYearResults_Pressrelease.pdf

WORKING RECORD

LVMH_H1_2026_Source_Figures.md and lvmh_crossfoot.py. Figures in euro as published; nothing converted.

DISCLAIMER

This document is produced by VGR | Very Good Retail for information and discussion purposes only. It is not investment advice, nor an offer or solicitation to buy or sell any security. All figures are taken from the company's own published materials, cited throughout. VGR is not a licensed investment adviser. Readers should form their own view and take professional advice before acting. VGR accepts no liability for decisions taken on the basis of this document.