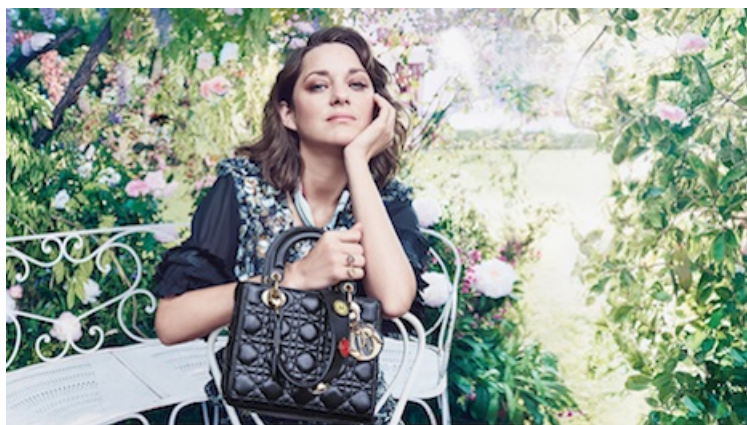


APPAREL AND ACCESSORIES

LVMH to control Christian Dior outright after \$13B buyout

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My Lady Dior bag

By STAFF REPORTS

Luxury goods conglomerate LVMH has offered 6.5 billion euros, or \$7.06 billion at current exchange rates, including debts, to Christian Dior Group to become the French fashion brand's sole owner.

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In a complex financial deal, LVMH will buy the Christian Dior Couture brand from the Christian Dior holding company to strategically simplify the conglomerate's luxury business. Bringing Christian Dior fully under the LVMH umbrella will make the French house the second-largest brand within the group, behind Louis Vuitton.

All in one house

Before the offer, the Christian Dior holding group oversaw 100 percent of Christian Dior Couture along with LVMH, in which the holding company had a 41 percent stake.

Dior's holding group was responsible for the brand's fashion, accessories and jewelry lines while its beauty and fragrances were executed by LVMH.

LVMH's buyout of the Christian Dior holding group combines the two entities to create a single brand.

French billionaire Bernard Arnault's deal to bring Christian Dior fully under LVMH is part of a 12 billion euro, or \$13 billion at current exchange rates, to simplify his interests, a demand long held by the conglomerate's investors.

Mr. Arnault, chairman and chief executive of LVMH, along with his family, control a 47 percent stake in the conglomerate. Mr. Arnault has offered to buy the 25.9 percent of Christian Dior holding company it does not already own.

Mr. Arnault has offered approximately 260 euros, or \$283 at current exchange, per share.



Dior spring 2017 campaign

"This project represents an important milestone for the group," Mr. Arnault said in a statement. "The corresponding transactions will allow the simplification of the structures, long requested by the market, and the strengthening of LVMH's Fashion & Leather Goods division thanks to the acquisition of Christian Dior Couture, one of the most iconic brands worldwide.

"They illustrate the commitment of my family group and emphasize its confidence in the long term perspective of LVMH and its brands," he said. "I am delighted to announce this project today and thus continue and reinforce the development of LVMH in France and worldwide."

Christian Dior is a very strong brand and news of the deal resulting in LVMH shares rising nearly 5 percent. Dior shares increased by 13 percent when the news was announced.

In July 2016, Dior confirmed Maria Grazia Chiuri as its artistic director of haute couture, ready-to-wear and accessories collections for women ([see story](#)).