

FY 13 Annual Results

Ended March 31, 2013



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This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Words such as 'may', 'should', 'estimate', 'project', 'plan', 'believe', 'expect', 'anticipate', 'intend', 'potential', 'goal', 'strategy', 'target', 'will', 'seek', and similar expressions may identify forward-looking statements. Such forward-looking statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside the Group's control. Richemont does not undertake to update, nor does it have any obligation to provide updates of or to revise, any forward-looking statements.

FY13 Results

- Highlights
- Review of Operations
- Financial Review
- Organisational Highlights
- Areas of Focus and Conclusion
- Q&A Session

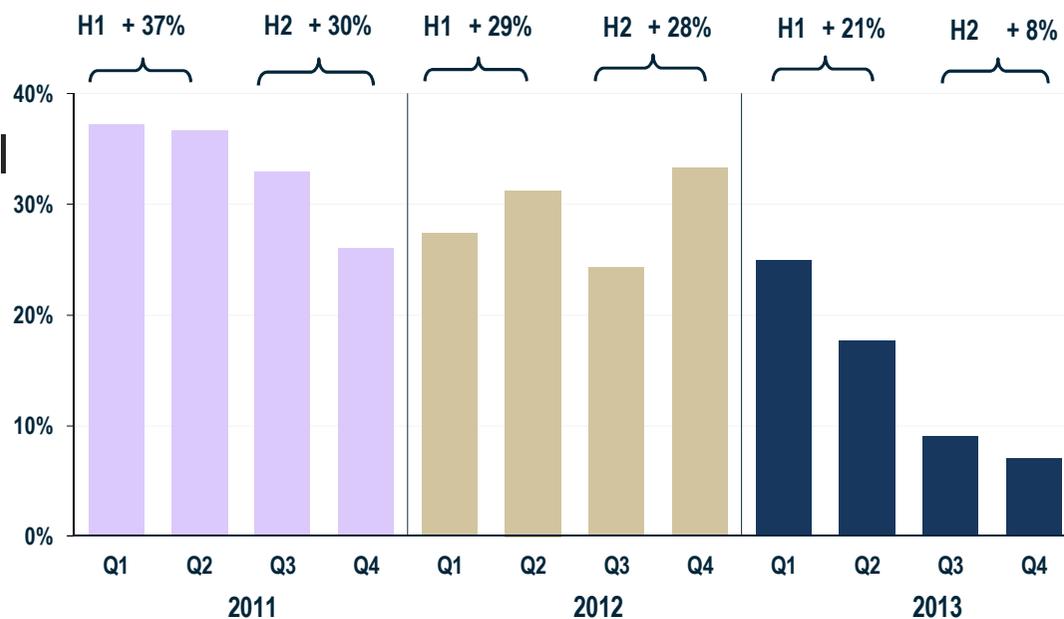


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Another Strong Year in a Contrasted & Volatile Environment

- Business environment marginally improving, in a continuously volatile environment overall
 - Increased weight of clientele from new markets and of tourism vs local clientele
 - Volatile currencies
- Mixed Swiss Watch Exports reflecting cautiousness of producers and retailers. 1st quarter of 2013 calendar year statistics show:
 - Good momentum in the US, moderate in Europe, Greater China down
 - High-end continues to outperform

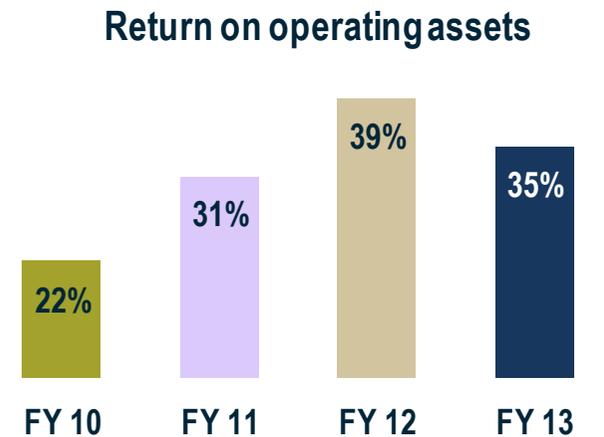
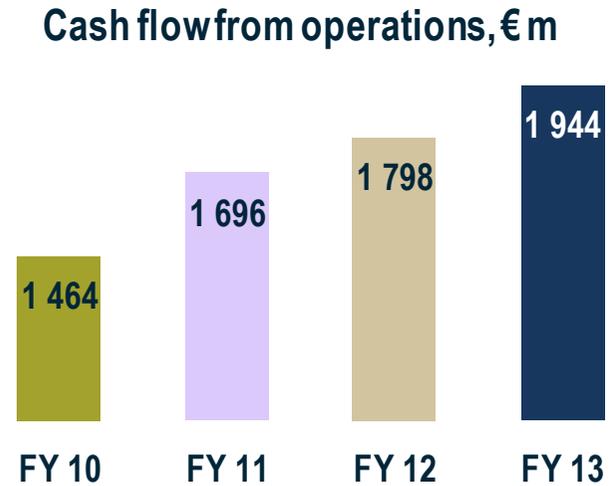
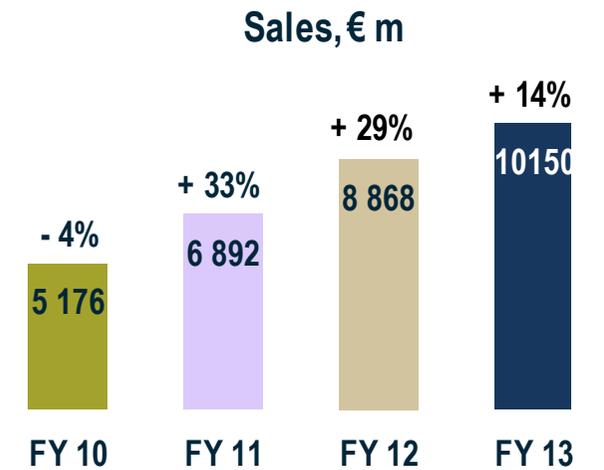
Reported Sales Trend (Y-o-Y % change)



Swiss Watch Exports	% change in value Jan-Mar 13	% change in value FY 13	CAGR 10 yr 03/03-03/13
< 1'500 CHF	12%	-1%	3%
> 1'500 CHF	11%	3%	11%
> 6'000 CHF	20%	10%	15%
Overall	11%	2%	8%

FY13 Key Figures

- Robust reported sales growth
 - € 10bn mark crossed
 - Soft landing since December low
- Improved operating margin at 23.9%
 - Operating profit + 18% at € 2 426m
- Further improvement of €146m in cash flow from operations to € 1 944m
- Return on operating assets remains above 30% after substantial investments



Review of Operations

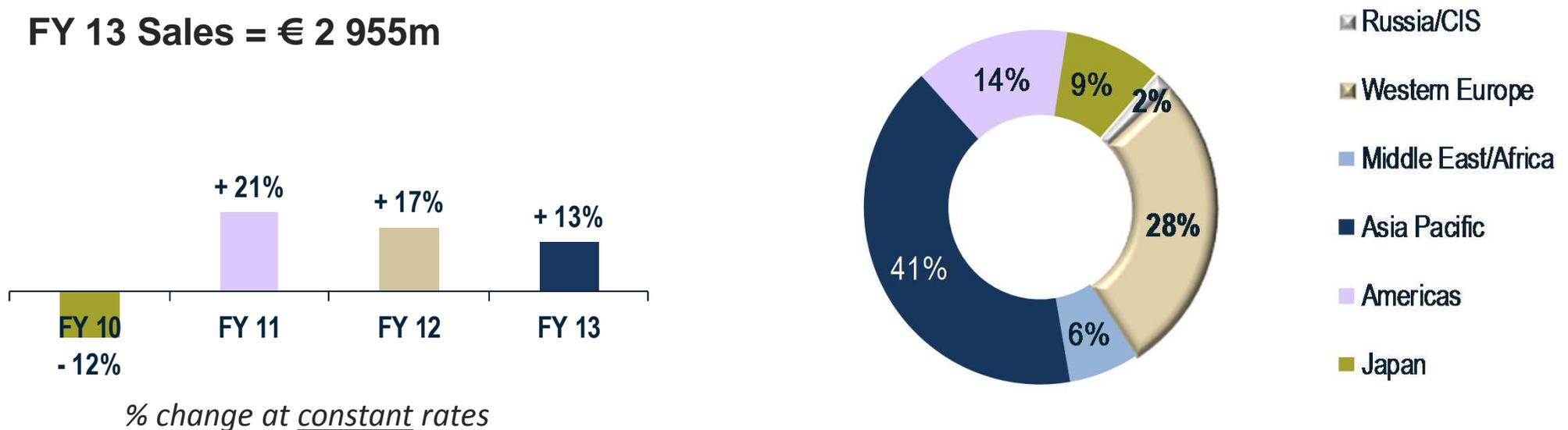


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FY13 Sales in Europe

- Good growth
- Driven by tourism, increasingly from Asia, favoured by a weak euro
- Demand from domestic clientele negative since Q3
- Supported by the Jewellery Maisons, the Specialist Watchmakers and Net-a-Porter

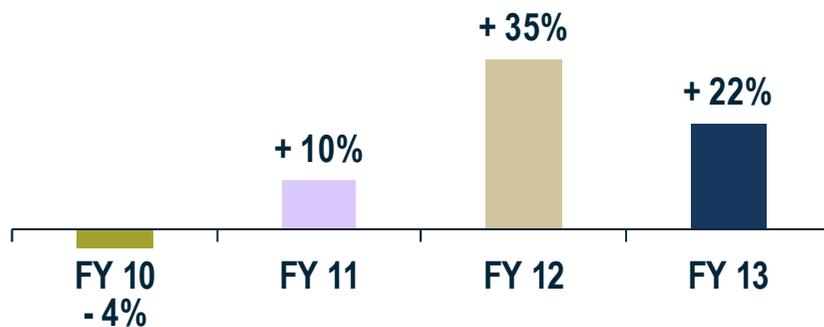
FY 13 Sales = € 2 955m



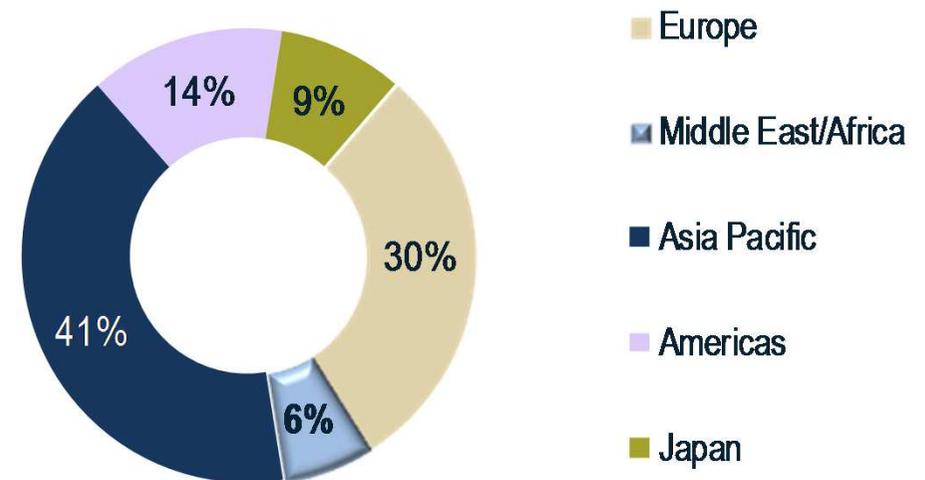
FY13 Sales in the Middle East and Africa

- Strong double-digit growth continuing
- Across the various countries
- Supported by premium watches and jewellery

FY 13 Sales = € 656m



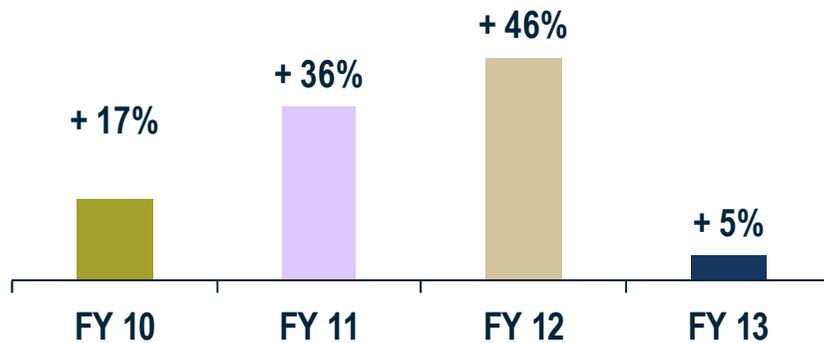
% change at constant rates



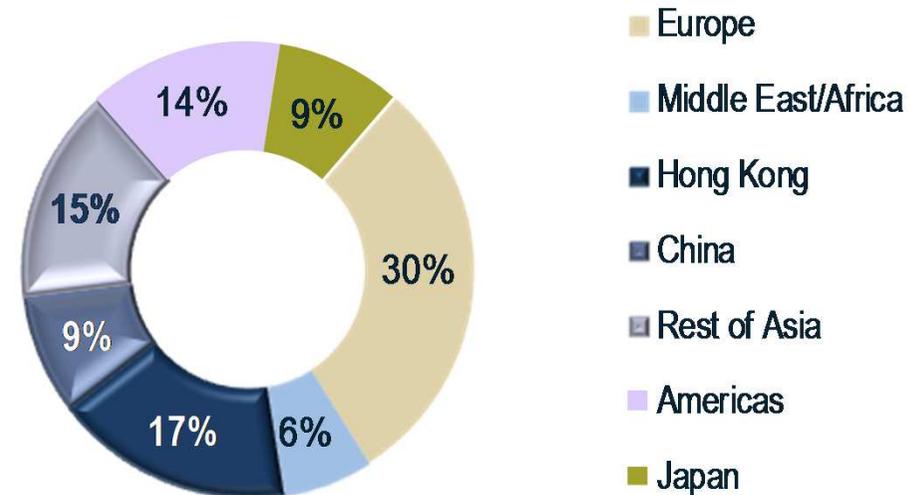
FY13 Sales in Asia Pacific

- Moderate growth after two exceptional years
- Weak euro favouring purchases in Europe to the detriment of China, down on last year; amplified by the change of government
- Macau, Korea & Taiwan growing fastest; HK regaining momentum
- Jewellery and RTW main performers

FY 13 Sales = € 4 162m



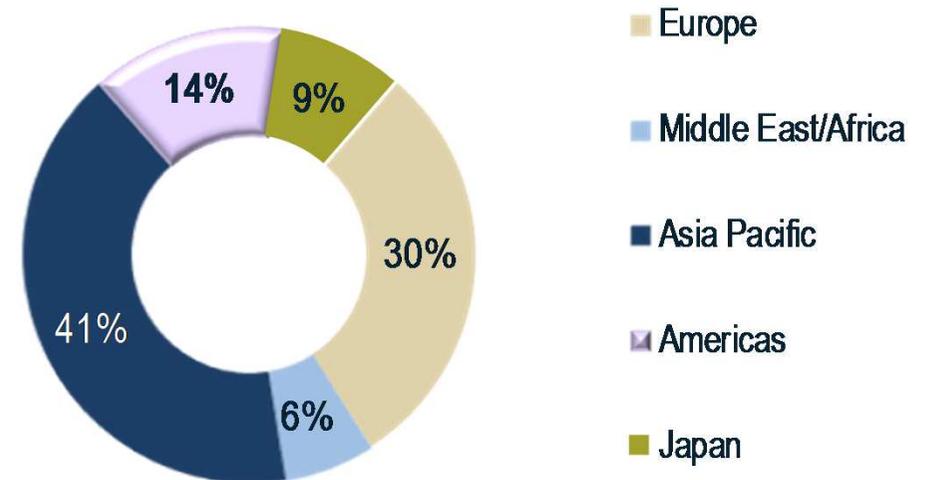
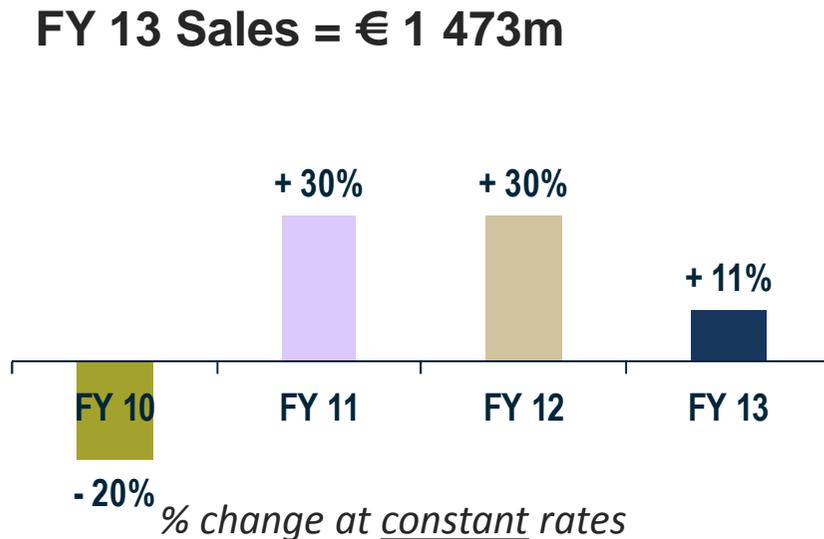
% change at constant rates



FY13 Sales in Americas

- Low double-digit sales growth after two outstanding years
 - Partially distorted by exceptional High Jewellery sales last year
 - Noteworthy contribution of the Specialist Watchmakers, Montblanc, Chloé, Net-a-Porter
- Momentum improving since Q3 and confirmed in Q4

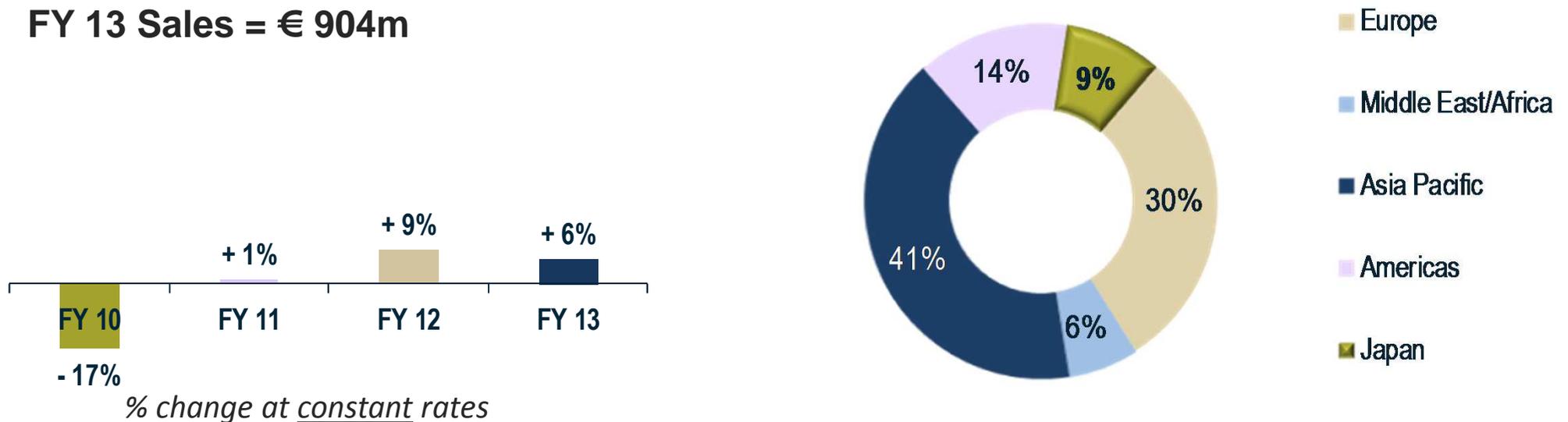
FY 13 Sales = € 1 473m



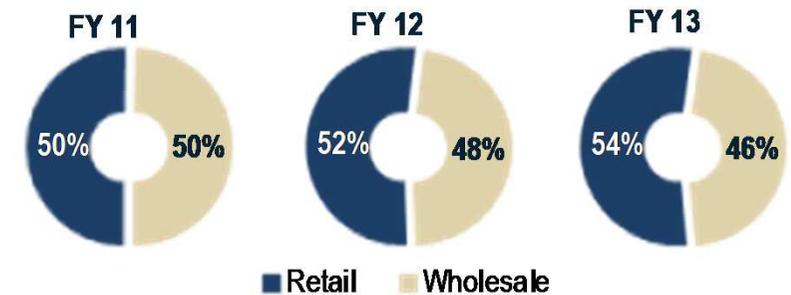
FY13 Sales in Japan

- Measured growth, with an improving momentum since Q4
- Ongoing good performance from the Jewellery Maisons & Specialist Watchmakers

FY 13 Sales = € 904m

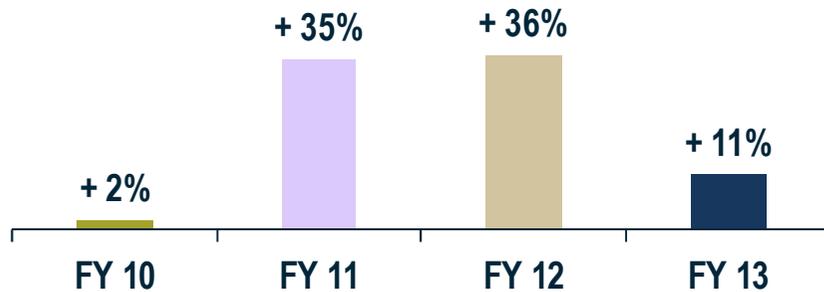


FY13 Sales by Network



- Ongoing increased weight of Retail, now accounting for 54% of Group sales
- Retail momentum partly reflects 66 net store openings and Net-a-Porter
- W/S performance reflects cautiousness regarding potential inventory build-up and network downsizing in Europe & USA

Retail € 5 440m



% change at constant rates

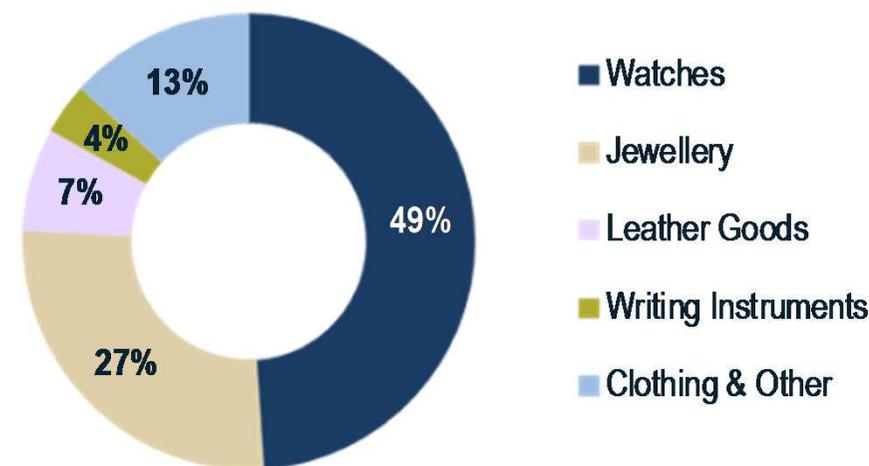
Wholesale € 4 710m



% change at constant rates

FY13 Sales by Product line

- Jewellery enjoys the best performance
- Watches, main contributor, show more moderate growth after two consecutive outstanding years
- Jewellery & watches, over 3/4 of Group sales



12 months	€ m	FY 13	FY 12	Constant rates	Actual rates
Watches		4 968	4 404	+ 8%	+ 13%
Jewellery		2 726	2 248	+ 16%	+ 21%
Leather Goods		742	721	-	+ 3%
Writing Instruments		370	357	-	+ 4%
Clothing & Other		1 344	1 138	+ 13%	+ 18%
Total sales		10 150	8 868	+ 9%	+ 14%

FY13 Maisons Highlights

- Outstanding profit & profitability at the Jewellery Maisons and Specialist Watchmakers
 - Most Maisons in our core business generated a contribution margin above 25%
- Montblanc Maison, double-digit profitability broadly in line with last year
- Profits at the Fashion & Accessories Maisons affected by soft sales momentum
- Ongoing progress at the Net-a-Porter Group during another year of structural expansion

FY13 Performance – Jewellery Maisons

- Outstanding performance driven by strong sales, pricing power, favourable currencies and improved retail efficiency
- Impressive performance of jewellery compensating lower growth of watches
- Cartier and Van Cleef & Arpels both enjoyed stronger profitability leading to an all time high operating contribution of 35%
- Growing importance of Van Cleef & Arpels, now 2nd largest contributor to Group profits

12 months	€ m	FY 13	FY 12	Actual rates
Sales		5 206	4 590	+ 13%
Operating contribution		1 818	1 510	+ 20%
Contribution margin		35%	33%	+ 200bps

FY13 Performance – Specialist Watchmakers

- Most Maisons enjoyed a sharp increase in sales
- Positive currencies, pricing power, improved manufacturing efficiencies & channels' profitability led to a substantial increase in profitability
- Annual operating contribution margin reached an all time high of 27% of sales

12 months	€ m	FY 13	FY 12	Actual rates
Sales		2 752	2 323	+ 18%
Operating contribution		733	539	+ 36%
Contribution margin		27%	23%	+ 340bps

FY13 Performance – Montblanc Maison

- Moderate sales growth driven by watches and currencies
- Momentum impacted by importance of domestic Chinese and local Western Europeans, weight of writing instruments and reduced wholesale distribution
- Operating contribution of 16% broadly in line with last year

12 months	€ m	FY 13	FY 12	Actual rates
Sales		766	723	+ 6%
Operating contribution		120	119	+ 1%
Contribution margin		16%	16%	- 80bps

FY13 Performance – Other

- Lower profits & profitability at the Fashion & Accessories Maisons compensated by improved profitability at the Net-a-Porter Group
- Stable performance at non branded operations except for case manufacturing

12 months	€ m	FY 13	FY 12	Actual rates
Sales		1 426	1 232	+ 16%
Operating contribution		- 38	- 27	- 41%
Contribution margin		- 3%	- 2%	- 50bps

Financial Review



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FY13 Operating Profit

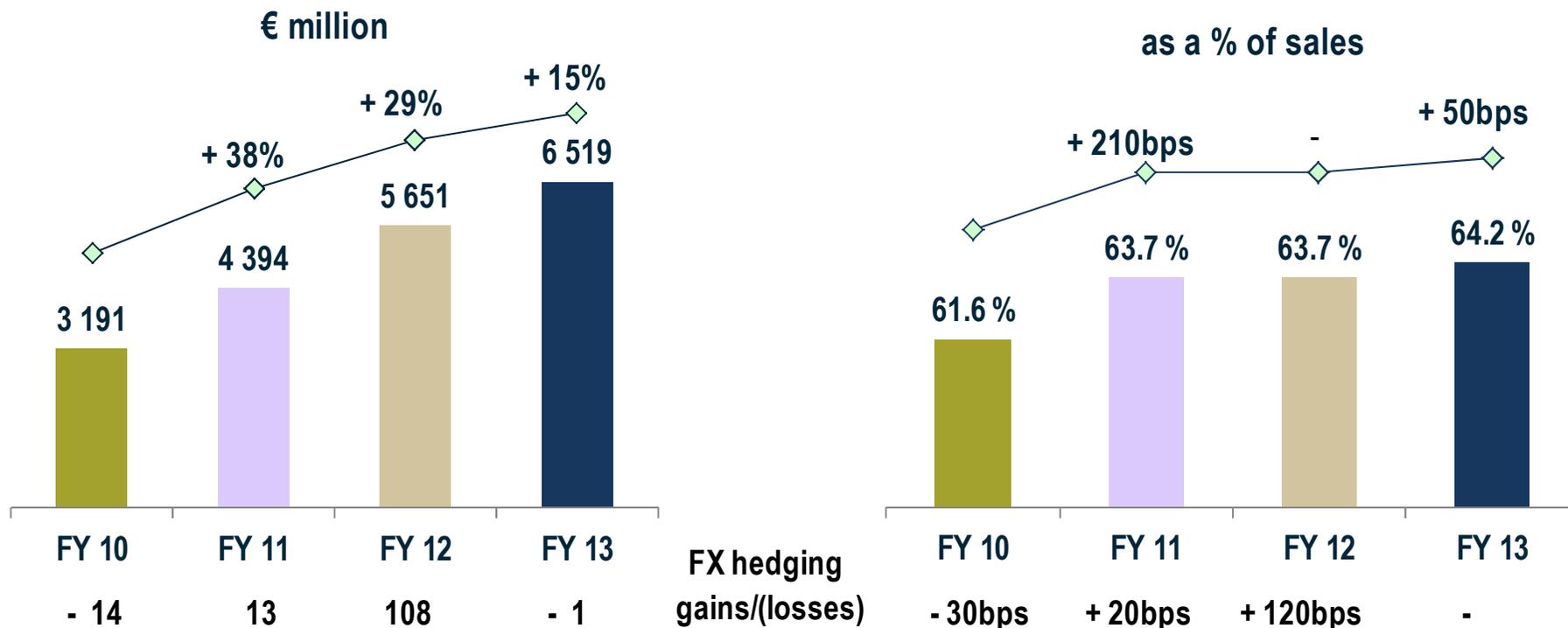
- Up 18%, above sales growth of 14%
 - Driven by improved gross profit and contained expense growth
- 80 basis point gain in operating margin

12 months	€ m	FY 13	FY 12	Annual change
Sales		10 150	8 868	+ 14%
Gross profit		6 519	5 651	+ 15%
Net operating expenses		- 4 093	- 3 603	+ 14%
Selling and distribution expenses		- 2 265	- 1 961	+ 16%
Communication expenses		- 939	- 854	+ 10%
Administration expenses		- 876	- 745	+ 18%
Other income/(expense)		- 13	- 43	
Operating profit		2 426	2 048	+ 18%
Gross margin percentage		64.2%	63.7%	
Operating margin		23.9%	23.1%	

FY13 Gross Profit

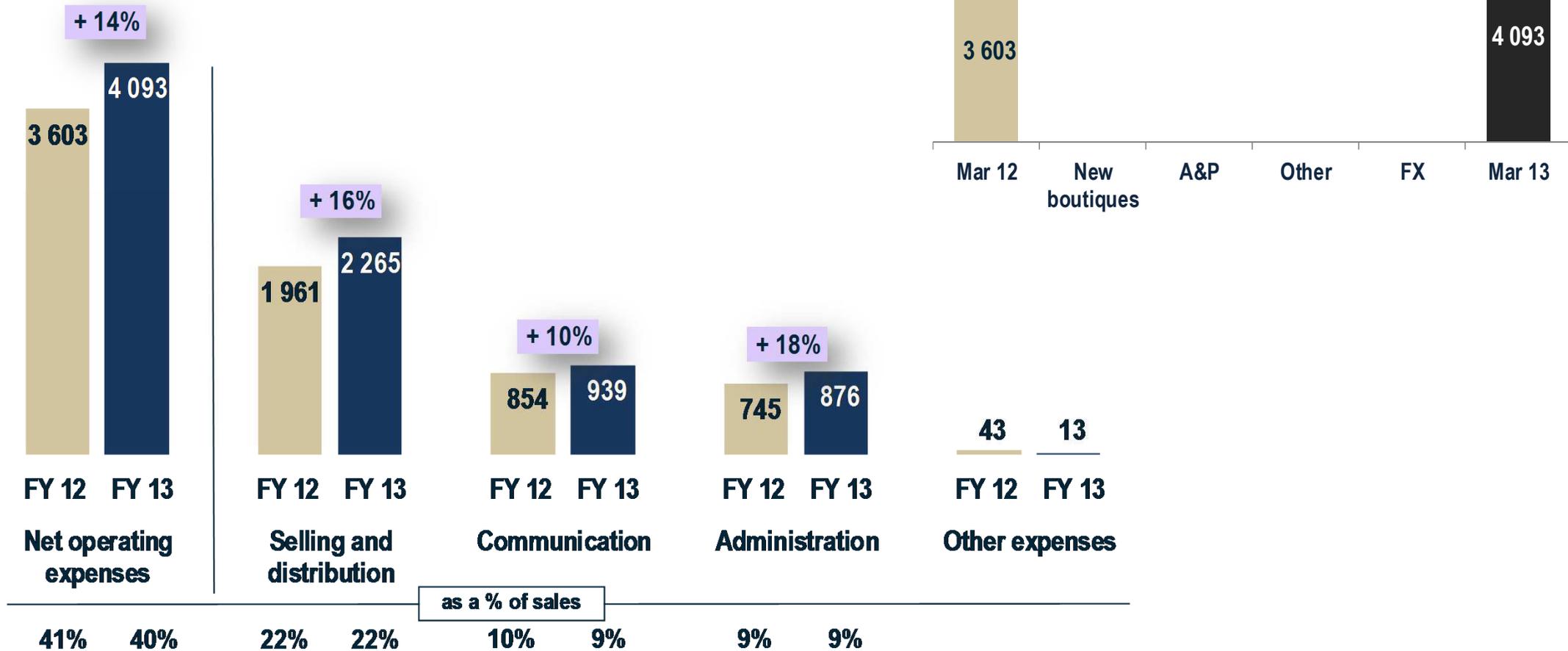
■ Gross profit expansion

- Reflecting pricing power, positive fx and improved channel profitability
- Despite high precious material prices and the non-recurring €108m fx hedging gain in FY12



FY13 Operating Expenses

- Growth in operating expenses in line with sales growth
- Increase at constant currency as planned



FY13 Profit

- Net profit up 30% driven by higher EBIT and lower net finance costs

12 months	€ m	FY 13	FY 12	Annual change
Operating profit		2 426	2 048	+ 18%
Net finance costs		- 47	- 235	
Profit before taxation		2 379	1 813	+ 31%
Taxation		- 370	- 264	+ 40%
Share of post taxation results of equity-accounted investments		- 4	- 9	
Profit for the year		2 005	1 540	+ 30%
of which non-controlling interests		8	4	
profit margin		19.8%	17.4%	

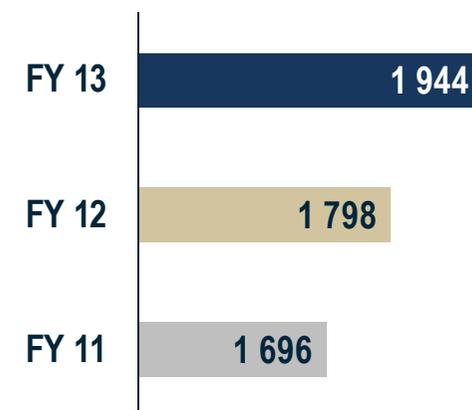
FY13 Net Finance Costs

- Non cash gains generated thanks to a somewhat stronger € versus CHF
- Higher financial expense due to long term secured loan

12 months	€ m	FY 13	FY 12	Annual change
Financial (expense)/income, net		- 19	4	- 23
Non-cash gains/(losses) on Euro denominated liquid bond funds		19	- 169	188
Net losses on monetary items and hedging activities		- 92	- 115	23
Fair value adjustments		45	45	-
Net finance costs		- 47	- 235	188

FY13 Cashflow from Operations

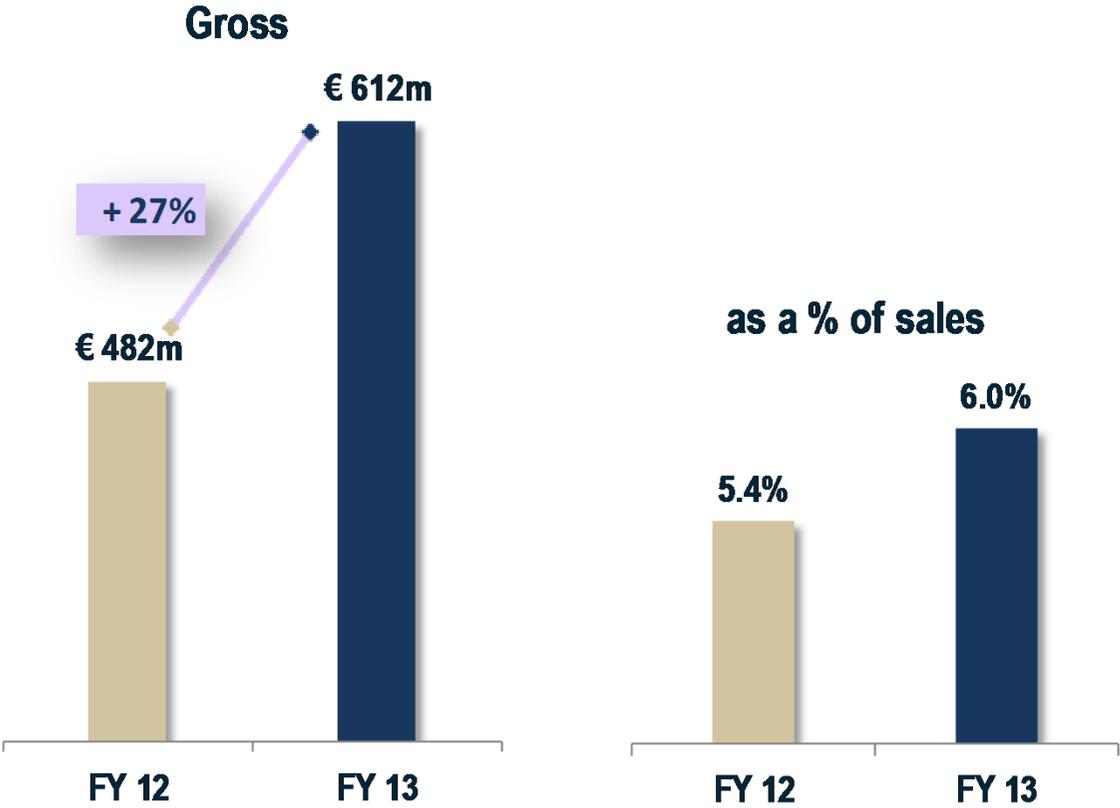
- Further increase in cashflow from operations
- Increases in working capital reflect higher planned inventories and receivables
- Receivable portfolio remains healthy



12 months	€ m	FY 13	FY 12	Annual change
Operating profit		2 426	2 048	378
Depreciation and amortisation		383	334	49
Other items		73	- 13	86
Movement in working capital		- 938	- 571	- 367
Cash flow from operations		1 944	1 798	146

FY13 Capital Expenditure

- Capital expenditure on track



Cartier – Village Mall, Rio de Janeiro, Brazil



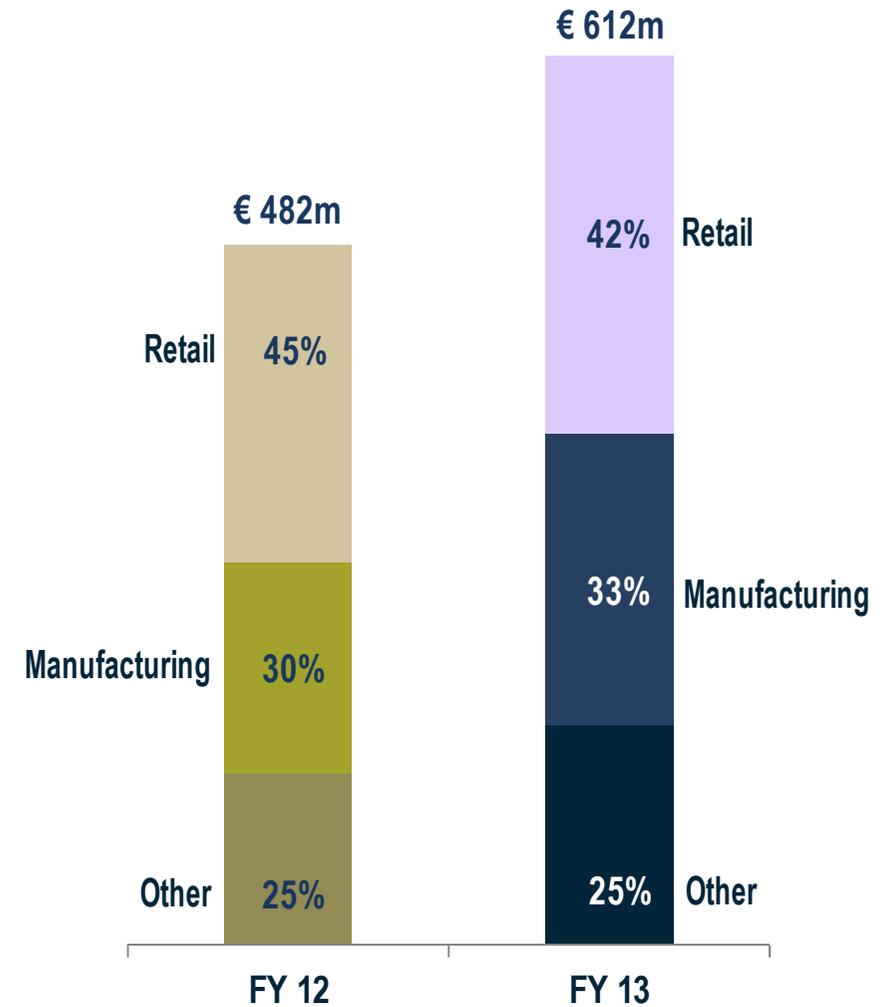
Vacheron Constantin – Rue de la Paix, Paris, France

FY13 Capital Expenditure

- Increased weight given to manufacturing
 - 43% of the year-on-year increase
 - 33% of Group capex vs 30% a year ago



Officine Panerai – Neuchâtel, Switzerland

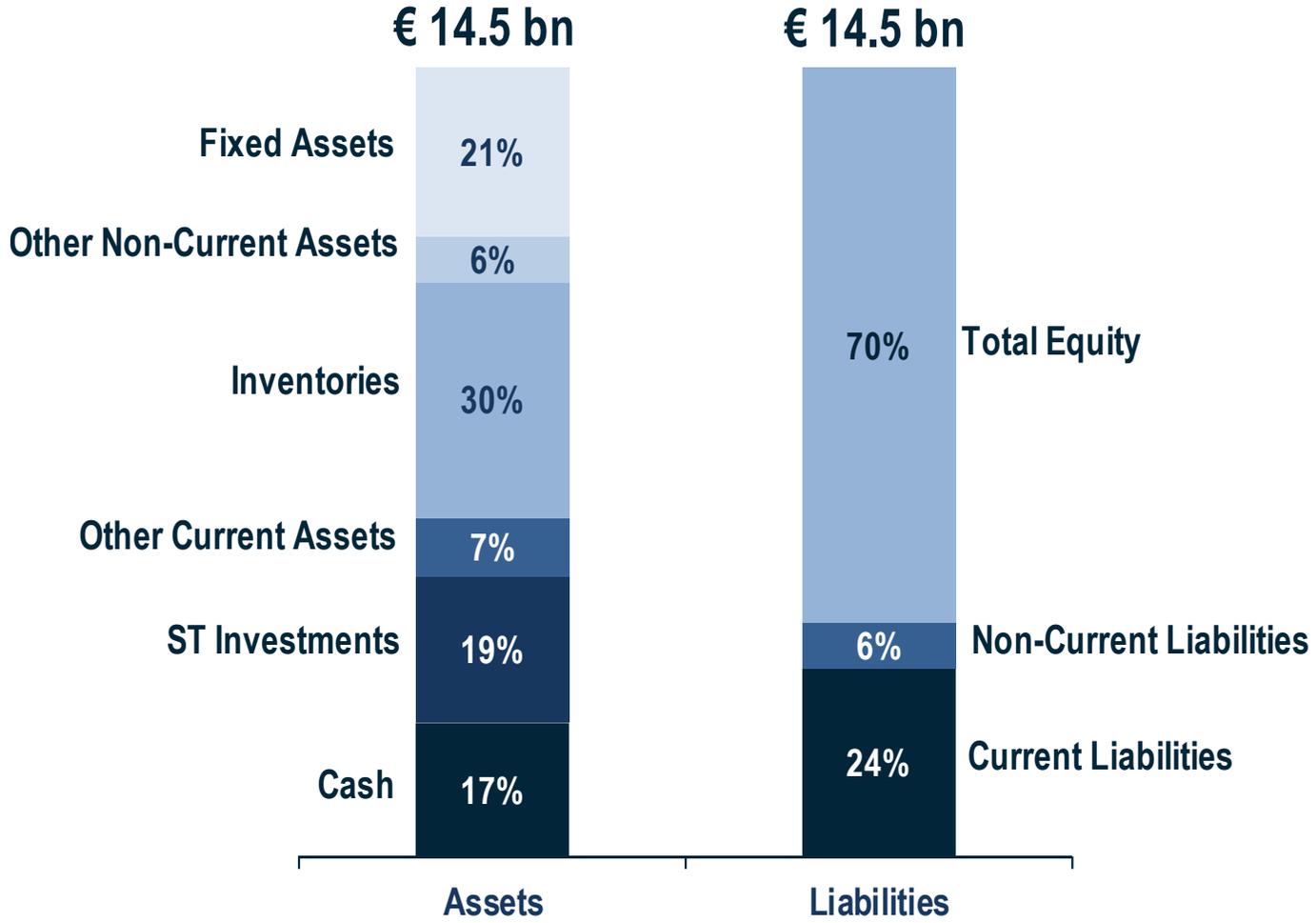


FY13 Free Cashflow

- Modest decline reflects higher income taxes and higher investment programme

12 months	€ m	FY 13	FY 12	Annual change
Cash flow from operations		1 944	1 798	146
Net change in tangible assets		- 524	- 398	- 126
Net change in intangible assets		- 70	- 60	- 10
Acquisition of investment property		- 18	- 53	35
Net change in non-current assets		- 36	- 24	- 12
Taxation paid		- 361	- 317	- 44
Net interest (paid)/received		- 15	10	- 25
Total free cash inflow		920	956	- 36

Balance Sheet Strength



Dividends

- FY13 dividend of CHF 1/share
- Increase celebrates the 25 years of Richemont and illustrates strong increase in profits and objective to grow dividends steadily over the long term



Organisational Highlights

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Major Commercial Developments

- Ongoing strategy focused on multi-channel distribution
 - Retail, internal & external
 - Multibrand external distribution
 - E-commerce
- Great focus on selectivity and productivity
 - Selective expansion continues
 - Priority given to tourist destinations, Asia Pacific & the Specialist Watchmakers
 - Identify & promote attractive up-and-coming luxury shopping destinations (Miami Design District, Abu Dhabi Cultural District, Paris Palais des Capucines)
- Strengthen relationships with key watch trade partners
 - Bucherer in Paris; Wempe in China
 - Joint-venture with Baume & Mercier and Chow Tai Fook
 - Deployment of web interface communication tool

Major Commercial Developments

- Continued investments in distribution platforms, pioneering new markets
 - Brazil
 - India
 - Ukraine
 - Hong Kong (Net-a-Porter)
- Online initiatives
 - E-commerce pilot projects in the USA
 - To be extended to Europe for a selection of Maisons
 - Net-a-Porter: website localisation (French, German and Mandarin)

Manufacturing Developments

- Major step up in investments in manufacturing, mainly in watch and jewellery
 - C.€600m over FY12 - FY14
 - Major projects by FY14: Cartier, Vacheron Constantin, Officine Panerai
- Main objectives
 - Enhanced capacity, integration, flexibility
 - High performance operations
 - Innovative products & processes
- Expected benefits
 - Capacity to meet future growth and secure availability of critical components
 - Improved control on costs and headcount
 - Competitive advantages by staying abreast of product & process innovation

Areas of Focus & Conclusion



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Areas of Focus

- Closer review of our Maisons portfolio
- Increase leadership and market share in the thriving jewellery market
 - Unbranded segment = c.80% of the c. €55bn market for jewellery priced at > €1'500
- Increase differentiation
- Adapt distribution strategy to very fast evolving environment
- Developing staff loyalty, preserving craftsmanship, attracting and grooming talents
- Diversifying revenue streams through E-commerce

April 2013 Sales

- Improved sales trend
 - + 13% at constant currencies, +12% reported versus +29% in April 2012
 - Broad based regional growth in all regions except for Asia Pacific which saw modest growth
- Challenging basis of comparison until September 2013

Conclusion: Core Strengths

- Premium portfolio of authentic & prestigious Maisons
- Sustainable growth potential over the long-term
 - Driven by universal appeal of European high quality products
- Focus on sustainability
 - Performance
 - Cash flow generation and return on assets
 - Responsible sourcing, product, commercial & human resources strategies
- Improved business model with stronger organization to confront uncertain times
- Strong balance sheet



Q&A Session

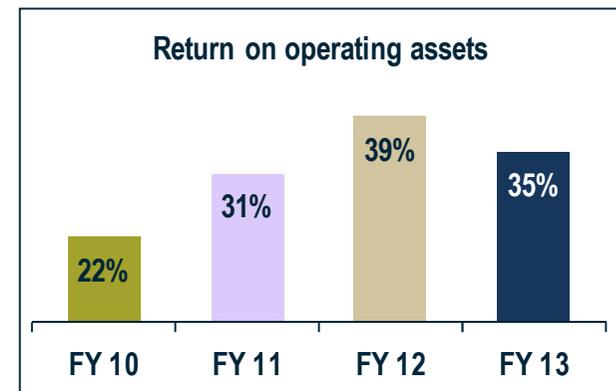
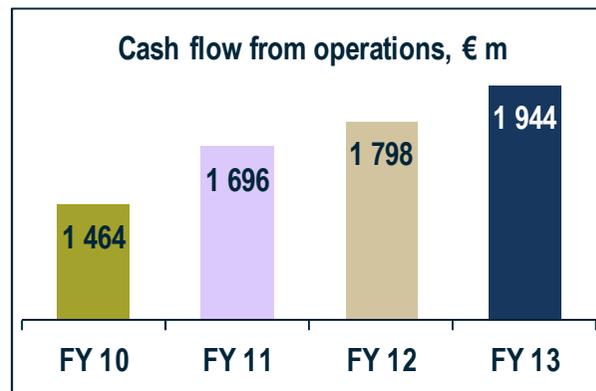
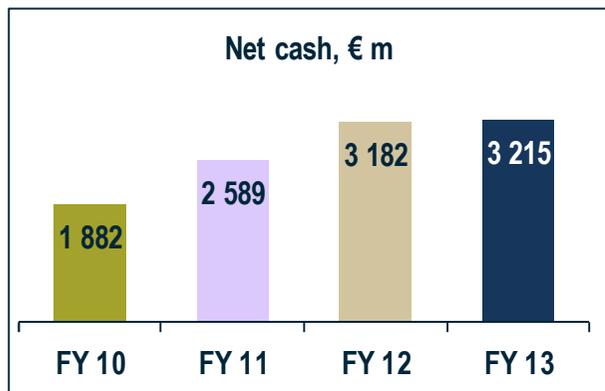
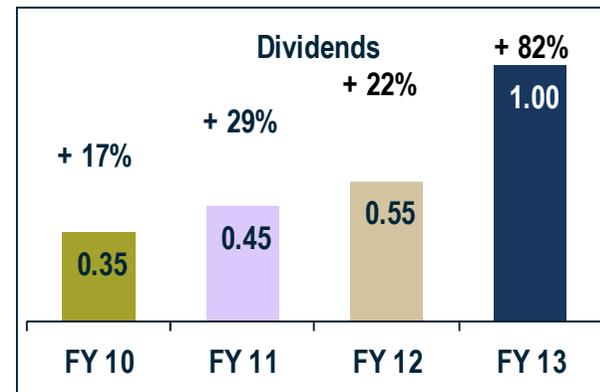
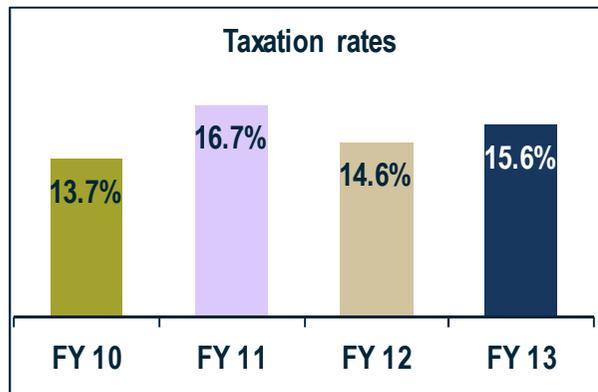
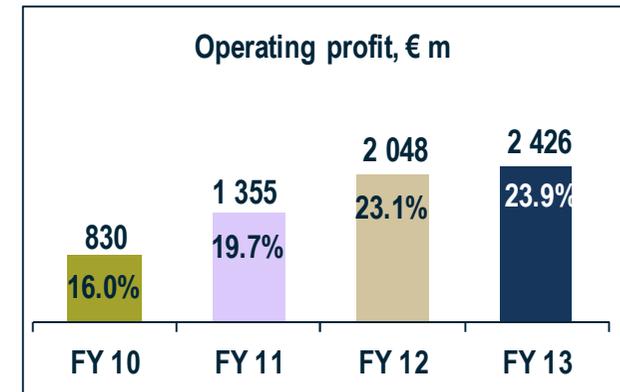
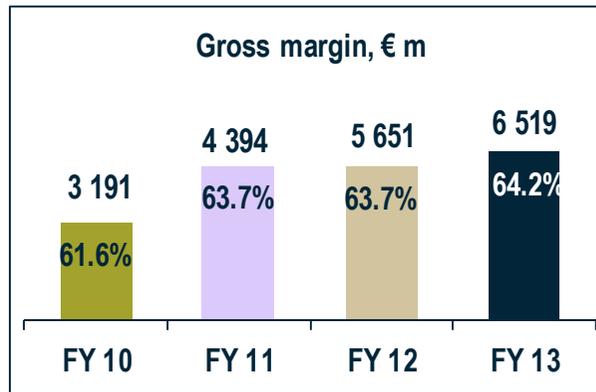
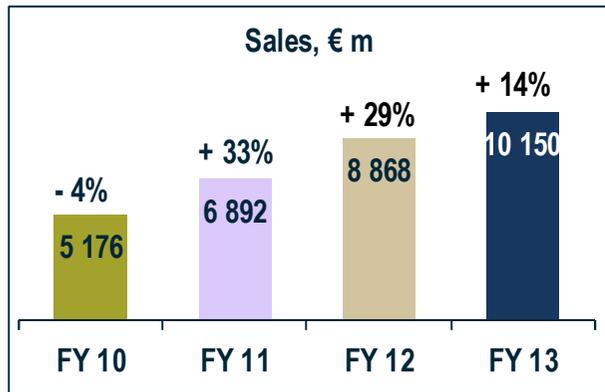
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Appendix



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Financial Highlights



Hedging Policy

- 70% of our forecasted net foreign currency cash flow exposure arising in USD block, HKD, JPY,CNY is hedged versus CHF and Euro
- In the case of USD, the net exposure takes into account purchases of precious metals and precious stones
- Hedges are entered into each month in respect of forecast net exposures arising one year forward
- Different types of hedging contracts are used including pure forward contracts and option based contracts
- Realised and unrealised gain/loss on all other derivative contracts are released to FX differences in investment income/expense line (foreign exchange gain/loss – other derivatives)

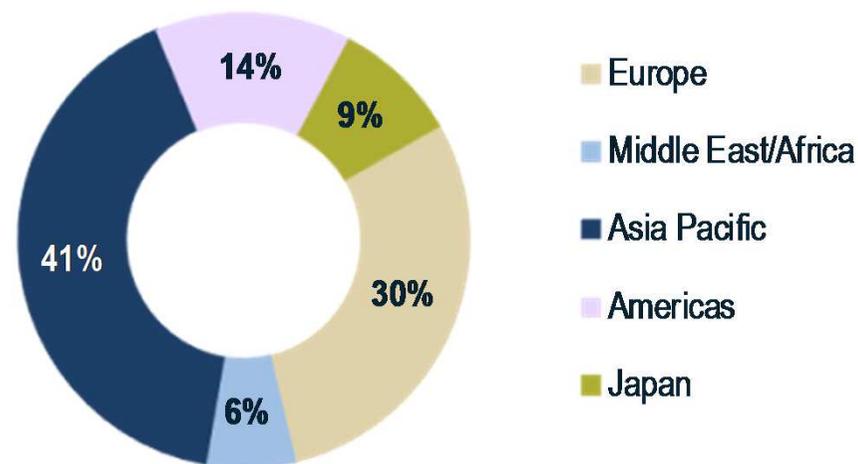
Foreign Currency Hedging Contracts

versus the CHF	12 months average		12 months average
	Hedge rate to March 13	Actual rate to March13	Hedge rate to March 14
YEN	89	88	89
US \$	0.89	0.94	0.93
HK \$	8.74	8.25	8.35
CNY	7.16	6.69	6.84

Average Rates against the CHF

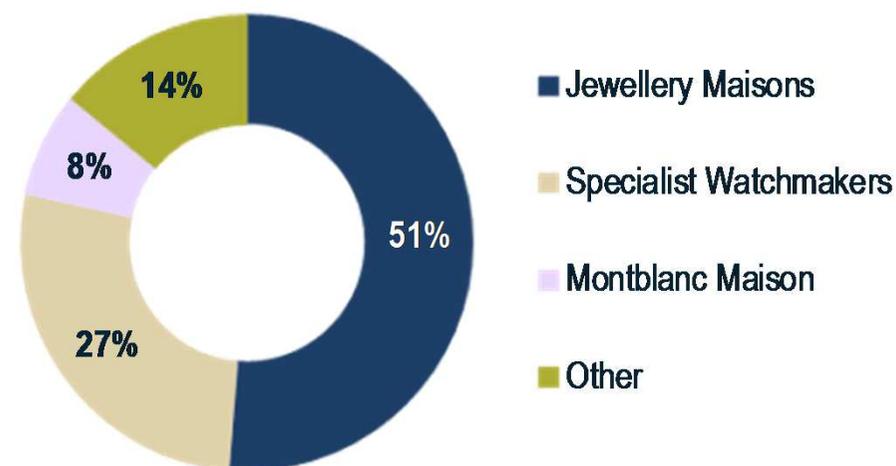
	12 months to 31 March 2013	12 months to 31 March 2012
YEN	88	84
US \$	0.94	0.95
HK \$	8.25	8.18
CNY	6.69	6.68

FY13 Sales by Region



12 months	€ m	FY 13	FY 12	Constant rates	Actual rates
Europe		2 955	2 589	+ 13%	+ 14%
Middle East/Africa		656	509	+ 22%	+ 29%
Asia Pacific		4 162	3 684	+ 5%	+ 13%
Americas		1 473	1 253	+ 11%	+ 18%
Japan		904	833	+ 6%	+ 9%
Total sales		10 150	8 868	+ 9%	+ 14%

FY13 Sales by Business Area



12 months	€ m	FY 13	FY 12	Constant rates	Actual rates
Jewellery Maisons		5 206	4 590	+ 8%	+ 13%
Specialist Watchmakers		2 752	2 323	+ 13%	+ 18%
Montblanc Maison		766	723	+ 2%	+ 6%
Other		1 426	1 232	+ 11%	+ 16%
Total sales		10 150	8 868	+ 9%	+ 14%

FY13 Reported Operating Result by Business Area

12 months	€ m	FY 13	FY 12	Annual change	
Jewellery Maisons		1 818	1 510	+ 20%	69%
Specialist Watchmakers		733	539	+ 36%	28%
Montblanc Maison		120	119	+ 1%	4%
Other		- 38	- 27	- 41%	-1%
Operating contribution		2 633	2 141	+ 23%	100%
Corporate costs		- 207	- 93		
Central support services		- 188	- 170	+ 11%	
Other operating (expense)/income		- 19	77		
Operating profit		2 426	2 048	+ 18%	

FY13 Group Results

12 months	€ m	FY 13	FY 12	Annual change
Sales		10 150	8 868	+ 14%
Cost of sales		- 3 631	- 3 217	+ 13%
Gross profit		6 519	5 651	+ 15%
Net operating expenses		- 4 093	- 3 603	+ 14%
Operating profit		2 426	2 048	+ 18%
Net finance costs		- 47	- 235	- 80%
Share of post taxation results of equity-accounted investments		- 4	- 9	
Profit before taxation		2 375	1 804	+ 32%
Taxation		- 370	- 264	+ 40%
Profit for the year		2 005	1 540	+ 30%
Cash flow from operations		1 944	1 798	+ 146m
Net cash		3 215	3 182	+ 33m

Summary Balance Sheet

	€ m	FY 13	FY 12
Non-current assets		3 944	3 183
Current assets		10 553	8 587
Non-current liabilities		- 826	- 481
Current liabilities		- 3 456	- 2 725
Equity attributable to owners of the parent company		- 10 216	- 8 555
Non-controlling interests		1	- 9
Equity		- 10 215	- 8 564
including			
Net cash		3 215	3 182

Inventory

	€ m	FY 13	FY 12	Annual change	
Finished goods		2 689	2 274	415	+ 18%
Raw materials and work in progress		1 637	1 395	242	+ 17%
Total		4 326	3 669	657	+ 18%

	Rotation	FY 13	FY 12
Number of months of COGS		16.7	15.8

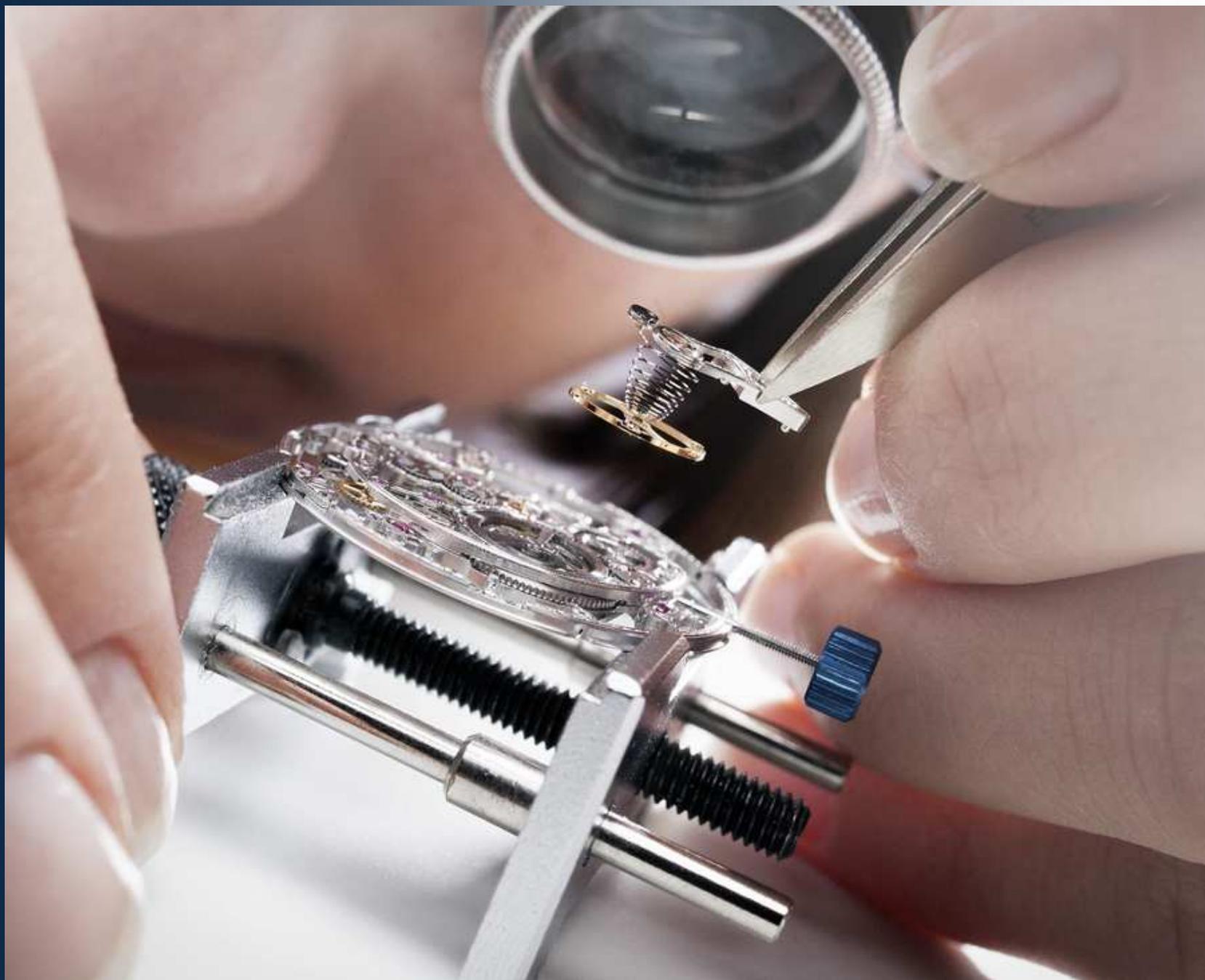
Retail Network

	March 2013	Internal	External	vs PY Internal	vs PY External	March 2012 ²
Montblanc	433	228	205	+ 5	+ 7	421
Cartier	288	192	96	- 2	- 8	298
Alfred Dunhill	234	146	88	+ 6	+ 3	225
Chloé	179	90	89	+ 13	-	166
Lancel	124	76	48	- 3	+ 1	126
Van Cleef & Arpels	98	63	35	+ 3	+ 5	90
Piaget	87	61	26	+ 4	+ 1	82
IWC	65	37	28	+ 15	+ 8	42
Jaeger-LeCoultre	52	32	20	+ 9	-	43
Officine Panerai	52	26	26	+ 11	+ 5	36
Shanghai Tang	42	22	20	- 6	- 1	49
Others ¹	86	41	45	+ 11	+ 22	53
Total	1 740	1 014	726	+ 66	+ 43	1 631

¹ Others: Vacheron Constantin, A. Lange & Söhne, Baume & Mercier, Roger Dubuis, Purdey, Azzedine Alaïa, Peter Millar

² The definition of an external boutique has been revised to include franchise locations within third party retailers. March 2012 counts have been restated to the new definition.

Maisons



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FY13 Jewellery Maisons

- Double-digit growth in reported sales primarily led by
 - Europe, the Middle-East and Retail
 - Jewellery across the board; particularly the iconic *Love* & *Trinity* lines as well as the new *Juste un clou* bijou line and *Dépaysement* HJ collection
 - Gold, High Jewellery and Fine Watchmaking watches
- Further selectivity in distribution to protect exclusivity and enhance productivity
 - Relatively stable retail network, benefitting from major boutique renovations & extensions (e.g. Milan Montenapoleone, Paris Galeries Lafayette)
 - Further streamlining of the wholesale network (-140 POS), notably in Europe and airports
- Substantial investment in watch and jewellery manufacturing
 - Legitimacy enhanced at SIHH13 with the innovative ID2 watch
- Impacting PR initiatives
 - Launch of HJ collection *Dépaysement* (155 unique pieces) at Paris Biennale des Antiquaires
 - 420 pieces admired at the Museo Thyssen, Madrid by over 100'000 visitors

Cartier



Biennale collection bracelet

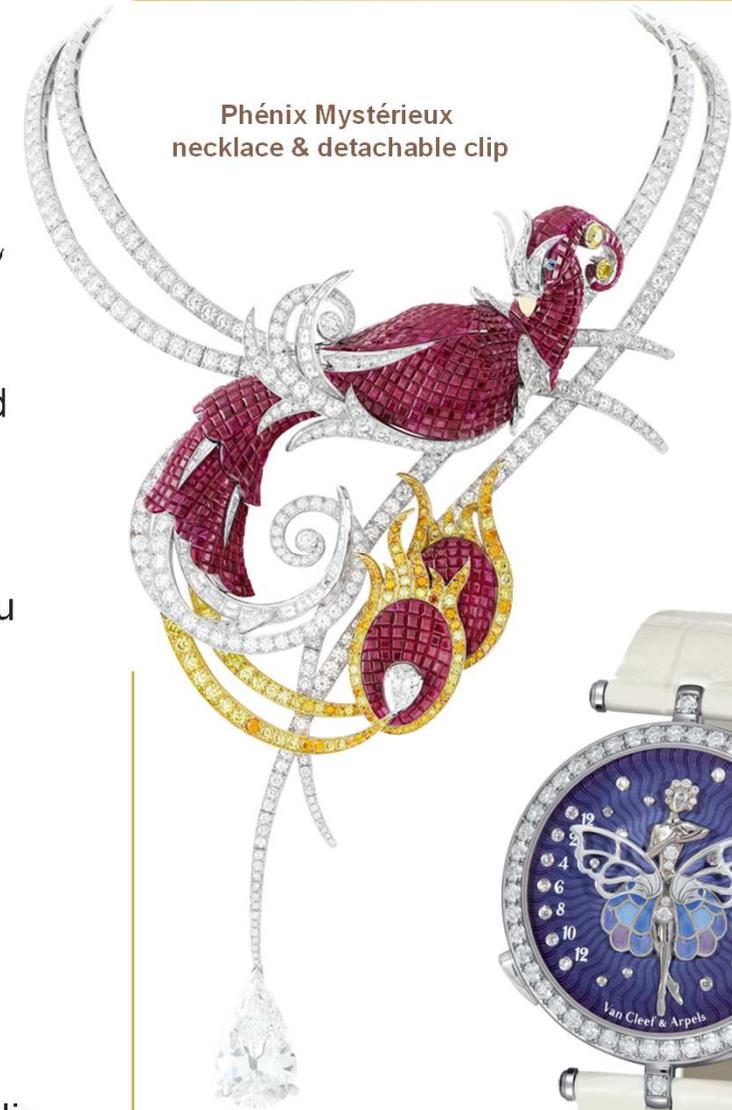


*Ballon Bleu,
steel on leather*

FY13 Jewellery Maisons

- Stellar performance across segments
 - Success of the *Palais de la Chance* High Jewellery collection launched at the Paris Biennale des Antiquaires
 - Remarkable development of the *Alhambra*, *Perlée* and *Two Butterfly (Between the Finger ring)* jewellery collections
 - Significant demand for timepieces (e.g. *Iconic*, *Exclusive*, *Poetic Complications*TM); new *Pierre Arpels* timepiece for men well received
 - Driven by most regions and Retail
- Ongoing distribution upgrade
 - Major store renovations / extensions completed (e.g. Geneva Rue du Rhône, Beverly Hills Rodeo Drive, Moscow Stoleshnikov)
 - Main openings: Sao Paulo Iguatemi in Brazil, Mall of the Emirates in Dubai and Galeries Lafayette in Paris
- Great media coverage of high-end events & initiatives
 - *Palais de la Chance* High Jewellery launch events in Paris
 - Opening of the renovated workshops on place Vendôme
 - “*L’Art de la Haute Joaillerie*” exhibition at the Paris Arts décoratifs museum after “*Timeless Beauty*” at the Shanghai MOCA museum
 - New jewellery school “*l’Ecole Van Cleef & Arpels*” opened to the public for short-term sessions

Van Cleef & Arpels



Phénix Mystérieux
necklace & detachable clip



Lady Arpels
Ballerine Enchantée

FY13 Main Product Launches

Cartier

High Jewellery

- *Dépaysement, Biennale*

Jewellery

- *Juste un Clou*
- *Trinity Couleurs & Rubans*
- *Love Forever*
- *Cartier Naturellement*

Watches

- *Fine Watchmaking*
- *High Jewellery watches*
- *Tank Anglaise in Gold & Steel*
- *Ballon Bleu, steel on leather; new 33 mm*

Van Cleef & Arpels

High Jewellery

- *Bals de Légende*
- *Palais de la Chance*

Jewellery

- *Couleurs de Paradis*
- *Limited Edition Alhambra Vintage, Bois d'Amourette & Magic Sèvres porcelain*

Watches

- *Pierre Arpels*
- *Extraordinary dials - Palais de la Chance*
- *Poetic Wish (Poetic Complications)*

FY13 Specialist Watchmakers

- Double-digit reported sales growth driven by
 - Americas, Europe, Middle-East and jewellery
 - Continued success of *Altiplano*, 2nd “*Couture Précieuse*” collection (exhibited at the Paris Biennale des Antiquaires with 71 pieces)
 - *Piaget Rose* jewellery & watch collection celebrating its 30th anniversary
- SIHH 2013 highlights
 - Innovative complications such as the new *Emperador Coussin Minute Repeater* illustrates Piaget’s know-how in in-house watchmaking. This movement sets a double record for slenderness (caliber 4.8mm; case 9.4mm)
 - *Limelight Gala*, a dazzling jewellery watch
- Distribution initiatives
 - Promising debut of the USA pilot E-commerce website with a selection of watches and jewellery best-sellers
 - 5 net stores openings with the new retail concept enhancing Piaget as a watchmaker and a jeweller (e.g. HK flagship in the Mandarin Oriental)
- PR activities
 - Worldwide *Piaget Rose* events, active digital campaign and support of Empress Joséphine Rose garden at the Château de la Malmaison
 - CSR initiatives launched in Peru with a telemedecine project



FY13 Specialist Watchmakers

- Remarkable growth in spite of shortages; geographically broad-based and driven by
 - Retail
 - The *Patrimony* line, its most important line, and the *Atelier Cabinotiers*' special orders for collectors
 - The *Malte* tonneau-shaped watches supported by an itinerary exhibition celebrating its 100th anniversary around the world
 - The new *Les Univers Infinis* collection, enhancing "Master craftsman" 's reputation
- New plant for the production of components in the Vallée de Joux and extension of the Geneva manufacturing facilities under way
- Further distribution upgrade
 - First boutiques in Paris, Beverly Hills and Taiwan
 - Number of 3rd party POS further reduced to c.300
- Support of several cultural international institutions – notably
 - The National Institute for Arts & Crafts (INMA) in France, Walpole in the UK, the Fondazione dei Mestieri d'Arte in Italy as well as the London Royal Ballet School and Paris Opera Ballet



Vacheron Constantin – rue de la Paix, Paris, France

FY13 Main Product Launches

PIAGET

Watches

- *Altiplano skeleton; Mini Altiplano serties 24mm*
- *Gouverneur*
- *Rejuvenated Tradition Gold*
- *Mini tonneau*
- *Couture Précieuse*
- *Piaget Polo black*

Jewellery/ High Jewellery

- *Couture Précieuse HJ*
- *Possession Only You*
- *Piaget Rose*



VACHERON CONSTANTIN
Manufacture Horlogère. Genève, depuis 1755.

Watches

- *Patrimony Traditionnelle 14-day tourbillon*
- *Malte 100th Anniversary Edition*
- *Malte Tourbillon*
- *Malte small seconds*
- *Métiers d'Art "Les Univers Infinis"*
- *Métiers d'Art "Legend of the Chinese Zodiac"*

FY13 Specialist Watchmakers

- Commendable growth rate led by Europe, Asia Pacific & Americas
- Outstanding performance of Complications & Iconic products:
 - The 1815 timepiece family, focus of the year, with the *1815 Up/Down* and the *1815 Rattrapante Perpetual Calendar*
 - The *Grand Complication*, the most complicated and exclusive A. Lange & Söhne timepiece
 - New versions of the *Lange 1*: the *Grand Lange 1*, and the limited edition *Grand Lange 1 "Lumen"* with a semi-transparent dial
- The most selective distribution network
 - Just above 200 multi-brand POS
 - First boutiques in Paris and Abu Dhabi
- PR activities included the sponsorship of:
 - The Concorso d'Eleganza Villa d'Este, a renowned contest for beauty & elegant design of classic cars
 - The Dresden State Art Collections



FY13 Specialist Watchmakers

- Substantial sales growth across regions, more limited in Europe
- Growth fuelled mainly by best selling lines
 - Growing demand for Complications, especially the iconic *Excalibur Double Tourbillon Skeleton*
 - Good market response to new *Excalibur 42* model
 - Positive sell out of the new *Velvet* ladies watch line
- Market presence continually improving
 - New corporate identity
 - International retail expansion with new boutiques in China, Macau, Dubai & Abu Dhabi
 - Opening of new territories (Taiwan, South Africa)



FY13 Main Product Launches

A. LANGE & SÖHNE
GLASHÜTTE I/SA

Watches

- *1815 Up/Down; 1815 Rattrapante Perpetual Calendar*
- *Grand Lange 1 (WG); Grand Lange 1 "Lumen"*
- *Saxonia Annual Calendar (PL); Saxonia Automatic Jewellery*
- *Richard Lange Boutique Edition*



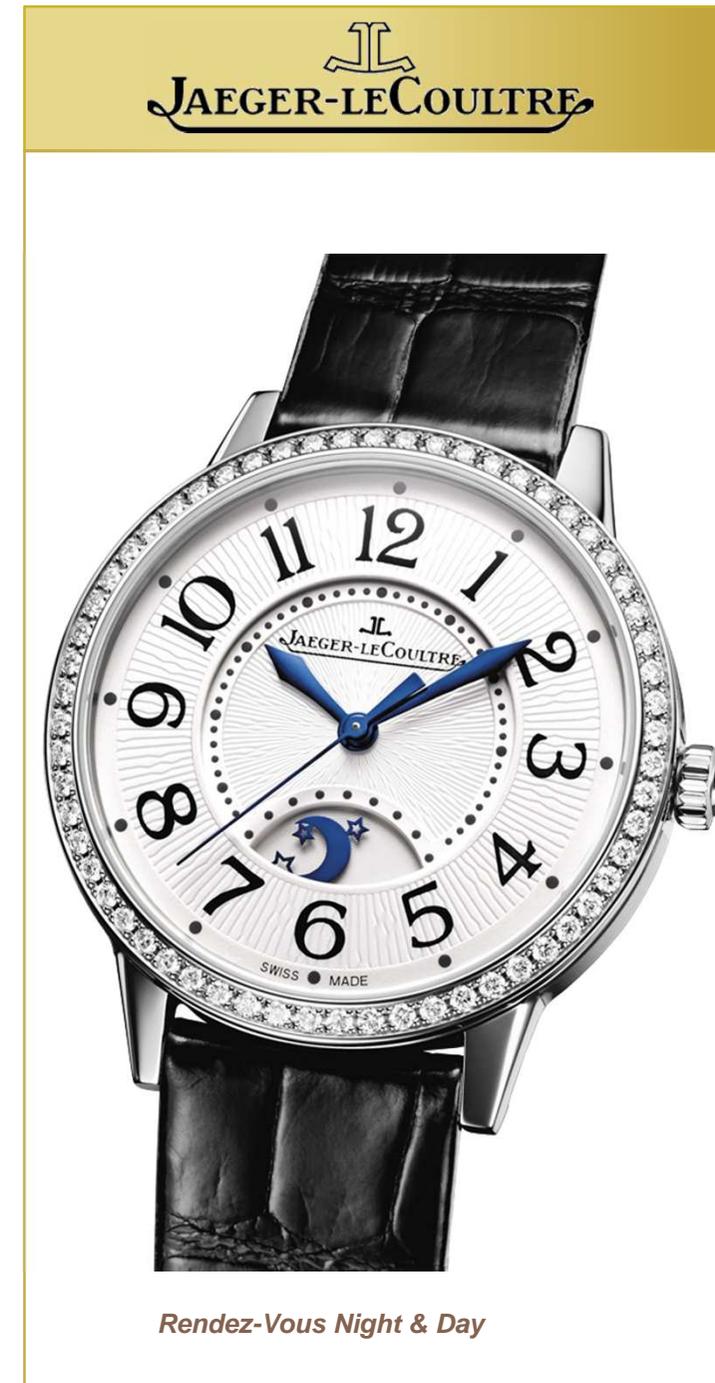
ROGER DUBUIS
HORLOGER GENEVOIS

Watches

- *Excalibur 42*
- *Velvet*
- *Pulsion*

FY13 Specialist Watchmakers

- Outstanding sales growth, balanced among geographies and product lines
- Product-wise driven by
 - The *Jubilee* Collection Set celebrating the Maison's 180th Anniversary
 - The new feminine line "*Rendez-Vous*" starting on a very high note
 - Models with a round classic shape
- Continued distribution upgrade
 - New stores: e.g. Moscow Stoleshnikov, Las Vegas Wynn, Abu Dhabi Etihad Towers
 - Major extension of the Paris place Vendôme boutique
 - W/S network reduced by over 100 POS
- Preparing for future growth with enlarged production capacity



FY13 Specialist Watchmakers

- Strong growth across regions and products
 - Successful *Pilot* line
 - Strong demand maintained for the *Portuguese & Portofino* lines
 - New *Ingenieur* range well received at SIHH13
- Pursuit of selective distribution strategy versus the trade and expansion of boutique network
 - 15 new internal boutiques, including Zurich Bahnhofstrass and new flagship boutiques on NY Madison Av and Beijing
- Meaningful investment in production capacities & capabilities
 - Focus on the development and production of IWC-manufactured movements and Haute Horlogerie innovations
- Improved Maison exposure and visibility
 - Strengthening of High Watchmaking positioning: launch of Haute Horlogerie *Ingenieur Constant-Force Tourbillon* timepiece
 - Continued commitment to the world of sports (F1, Volvo Ocean Race / Laureus Sport for Good Foundation) and arts (film festivals in Cannes and Dubai)
 - New partnership with the MERCEDES AMG PETRONAS Formula One™ Team to boost the *Ingenieur* launch



FY13 Main Product Launches



Watches

- *Master Grande Tradition Gyrotourbillon 3 Jubilee*
- *Master Grande Tradition Tourbillon Cylindrique à Quantième Perpétuel Jubilee*
- *Master Ultra Thin Jubilee*
- *Rendez-Vous*
- *Rendez-vous Celestial*
- *Duomètre Unique Travel Time*
- *Grande Reverso Ultra Thin Duoface Blue*

IWC

INTERNATIONAL WATCH CO. SCHAFFHAUSEN
SWITZERLAND, SINCE 1868

Watches

- *Big Pilot TOP GUN*
- *Pilot Chronograph TOP GUN*
- *Pilot Mark XVII*
- *Pilot Chronograph*
- *Big Pilot Watch Perpetual Calendar TOP GUN*
- *Spitfire Chronograph*
- *Spitfire Perpetual Calendar Digital Date-Month*

FY13 Specialist Watchmakers

- Sharp sales growth particularly driven by Europe, Asia Pacific and Retail
- Balanced among product lines
 - Increasing appeal of the *Manifattura* collection (in-house movements) now generating over 60% of sales
 - Success of the newly introduced *Radiomir 1940* line with two exclusive special editions (with the distinctive historic 47mm case)
- Continued distribution upgrade
 - 16 new stores incl. HK, Macao and Taipei led to a total of 52 stores
 - Leaner W/S distribution to provide an hyper selective & highly qualified dealers network
- New manufacturing site near Neuchâtel to be opened end of 2013
 - Will help meet future capacity needs and greater integration level
- Visibility and Maison equity raised further through new panerai.com website and a more active digital strategy

OFFICINE
PANERAI



Radiomir 1940 Oro rosso

FY13 Specialist Watchmakers

- Sales penalised by a high exposure to the domestic Western clientele and still low exposure to Chinese demand, both at home & abroad
- Losses primarily attributable to challenging trading environment accentuated by high wholesale exposure and cautious posture of retailers
- Action plan
 - Joint-Venture with Chow Tai Fook to develop presence in China, operational June 2013
 - *Clifton* collection for men recently introduced after pre-launch in Greater China and positive feedback at SIHH13
 - Trying to capture tourists in Europe through development of “tourists POS” in Europe such as Bucherer Palais Capucines in Paris and Gubelin in Luzern

BAUME & MERCIER
MAISON D'HORLOGERIE GENEVE 1830



Clifton Automatic
M0A10054

FY13 Main Product Launches

OFFICINE PANERAI

Watches

- *Luminor 1950 Tourbillon GMT Ceramica*
- *Luminor 1950 Submersible Amagnetic 47mm
3 Days Automatic Titanium*
- *Radiomir 1940, 47mm*
- *Radiomir California 3 Days, 47mm*
- *Radiomir 3 days, 45 mm Composite*

BAUME & MERCIER MAISON D'HORLOGERIE GENEVE 1830

Watches

- *Clifton*
- *Capeland, 44mm*
- *Linea, 32mm*
- *Hampton Lady Small*

FY13 Montblanc Maison

- Moderate sales growth reflecting challenging environment in China and contrasted product performance
 - Watches outperformed with double digit sales growth, across all regions, supported by the new slimmer *Star Classique*, *Star Classique Automatic* and *TimeWalker*
 - Sales of writing instruments were flat, partially affected by the ongoing reduction in the number of external POS
- Continued upgrade of distribution
 - Focus on store renovations with 5 net internal openings
 - Promising debut of the E-commerce platform in the US (already n°2 store in the USA, attracting new clientele) and Europe
 - Penetration of Brazil further strengthened by take over of former distributor
- Noteworthy initiatives
 - Increased presence on digital media through the “World Second” watch initiative
 - Long-term commitment to children’s education and UNICEF via the “Signature for Good 2013” initiative. This program features a special series of Montblanc products



FY13 Fashion & Accessories

- Modest sales growth thanks to Japan and Europe
- Good growth in menswear, specifically in tailoring, counterbalancing softer leather sales
- The Maison “Homes” (London, Shanghai, HK and Tokyo) and 6 net internal store openings helped Retail achieve a positive performance
 - New stores included Las Vegas Caesar's Palace, Shenyang Forum 66 and HK Ocean Centre

ALFRED DUNHILL

*Saltaire
Bag*



RICHMONT

FY13 Main Product Launches



Writing Instruments

- *Albert Einstein and Abraham Lincoln Limited Editions*
- *Meisterstück Signature for Good*

Watches

- *Star Classique*
- *TimeWalker Chronovoyager UTC*
- *Rieussec Open Home Time*

Leather

- *La Vie de Bohème*
- *Meisterstück Signature for Good*

ALFRED DUNHILL

Leather

- *Saltaire LLG*
- *Windsor Grey LLG*

FY13 Fashion & Accessories

- Sales broadly flat, affected by the concentration of the business in the French domestic market
- New management continues to prioritise upgrading of product offer, quality, production and distribution
 - “*L de Lancel*” – launched mid-March – is already catching a significant part of new clients; likely to become an iconic pillar
 - The new advertising campaign – also introduced in March – seems well perceived
 - “French Flair” enjoys a continued success
- New flagship store opened at Louvre Carousel (France) doing well

LANCEL
PARIS 1876

L de Lancel new advertising campaign



FY13 Fashion & Accessories

- Good growth in sales driven by Europe and Americas
- New *Alice* bag meeting good response while fragrances continued on a high note
- Satisfactory performance of RTW
- Further improvement in retail network
 - 13 net openings
 - New store concept inaugurated with new flagship in Paris, St Honoré
 - New DOS include NY Soho, Las Vegas Wynn and Shenyang Forum 66
- First exhibition at the Palais de Tokyo, Paris, celebrating 60 years of creation, followed by the launch of Anniversary iconic pieces, featured in selective department stores



New store concept – rue 253 St Honoré, Paris, France

FY13 Main Product Launches

LANCEL
PARIS 1876

Leather

- *L de Lancel*
- *Exotics*
- *Adjani small bag, croco pattern*
- *Canaille*

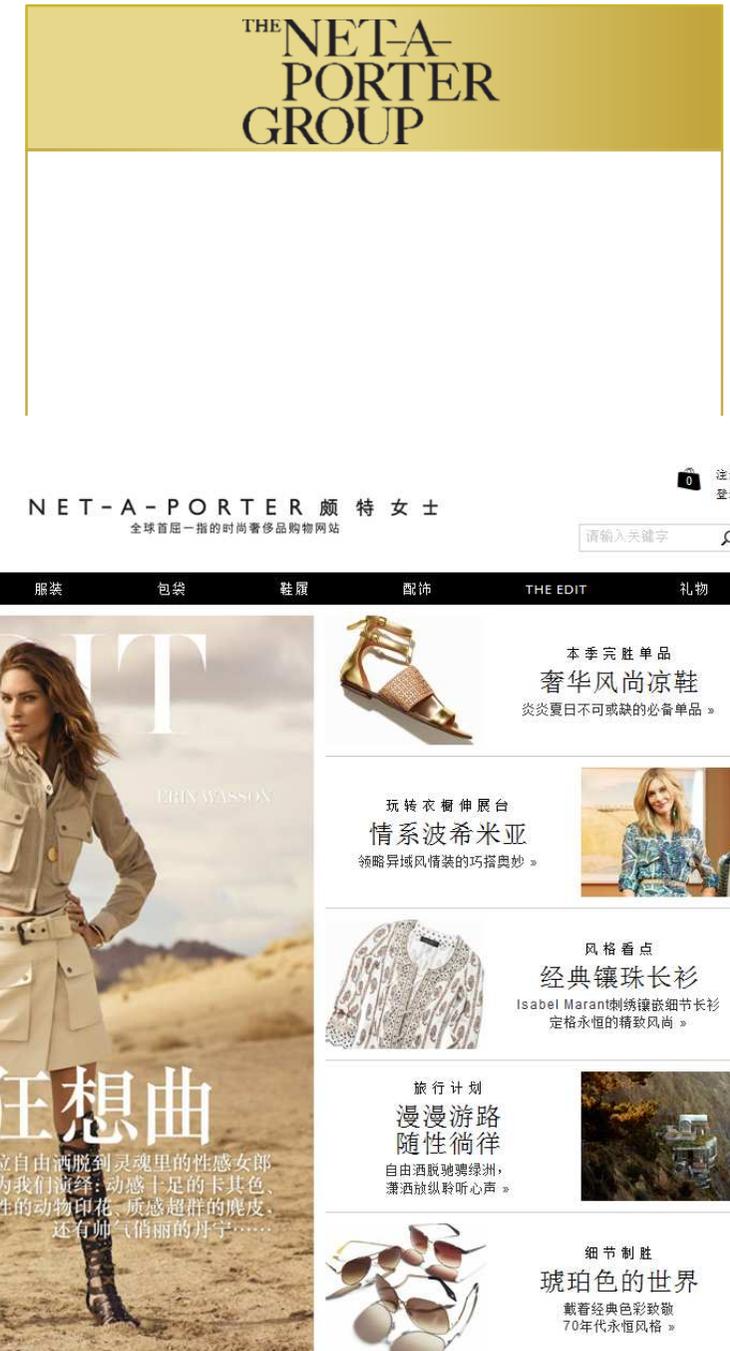
Chloé

Leather

- *Alice bag*
- *Alyson bag*
- *Vanessa bag*
- *Amelia bag*

FY13 Fashion & Accessories

- Growth above Group rate, normalising to top Group performers' level
 - Europe and Americas equally strong
 - NET-A-PORTER, the OUTNET and MR PORTER progressed well
- Many initiatives operational this March to generate future growth
 - Website localisation (French, German and Mandarin) for NET-A-PORTER
 - New Beauty category at NET-A-PORTER
 - HK distribution centre to service the Asian markets within 48h



RICHMONT