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2006



RICHMONT



Results Richard Lepeu

Maisons Sophie Cagnard-Fabrice

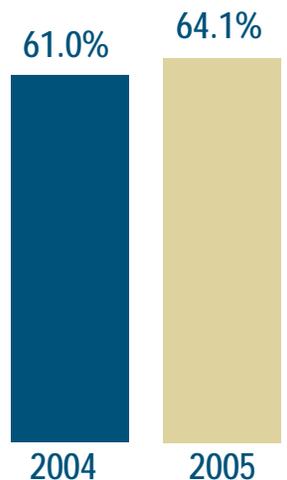
Conclusion Richard Lepeu

Overview

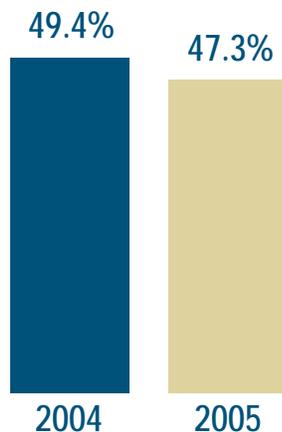
Sales	Up	16%
Operating profit	Up	68%
Net profit- parent & subsidiaries	Up	133%
Net profit- Group before non-recurring items	Up	51%
Net Profit- Group	Down	27%
Cash flow from operations		€175 m

Sales and Operating Profit

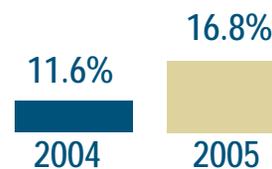
€ m	2004	2005	
Sales	1 718	1 990	+ 16%
Gross profit	1 048	1 275	+ 22%
Net operating expenses	- 849	- 941	+ 11%
Operating profit	199	334	+ 68%



Gross margin

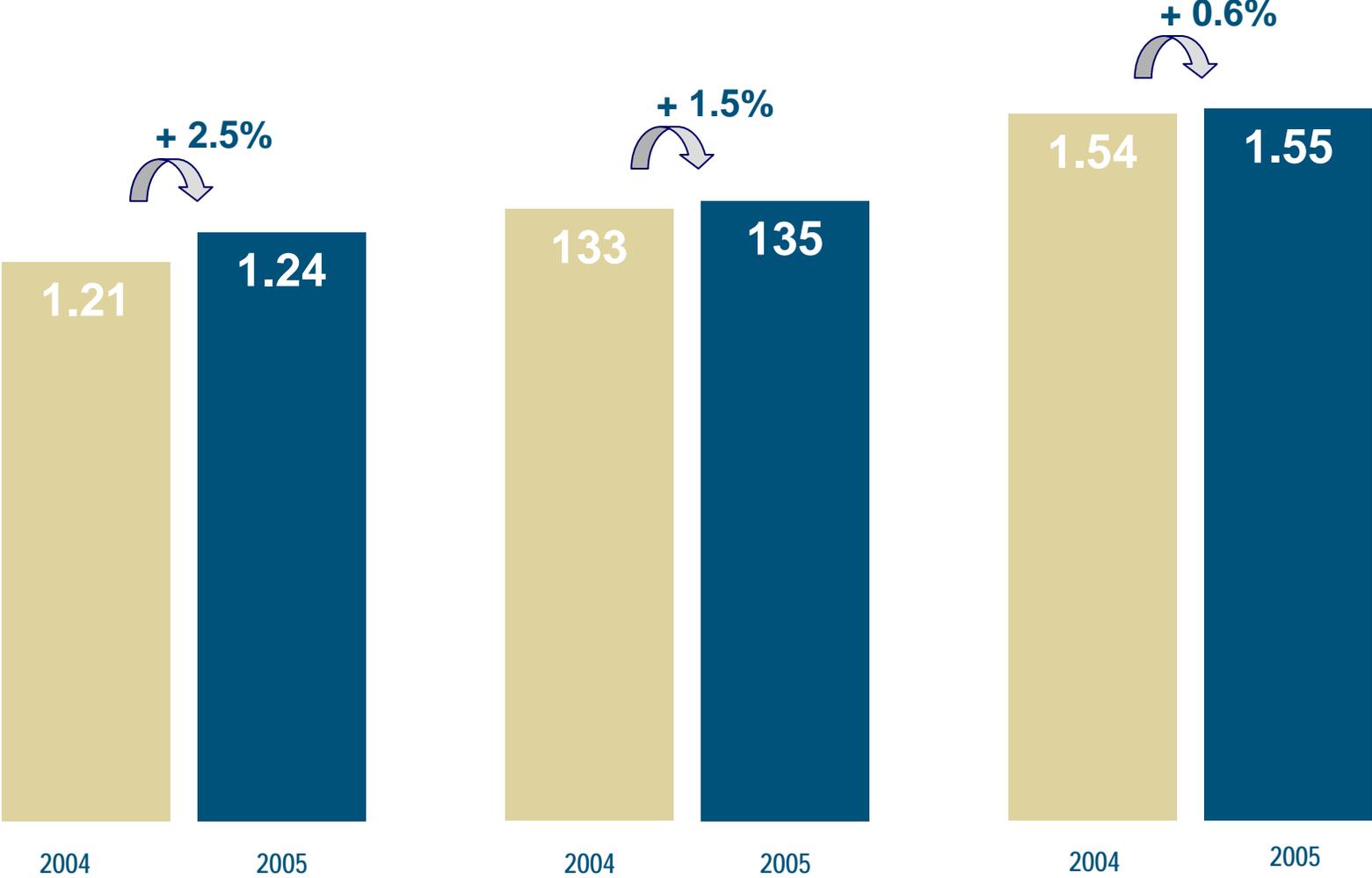


Net op expenses



Operating margin

Average Euro Rates - Sept 04 to Sept 05

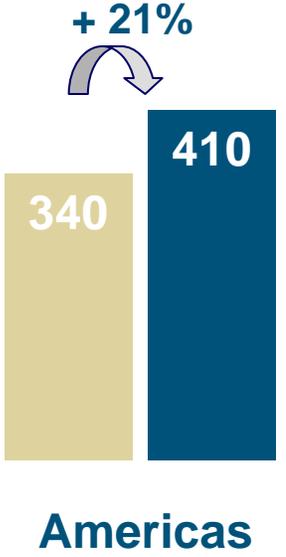
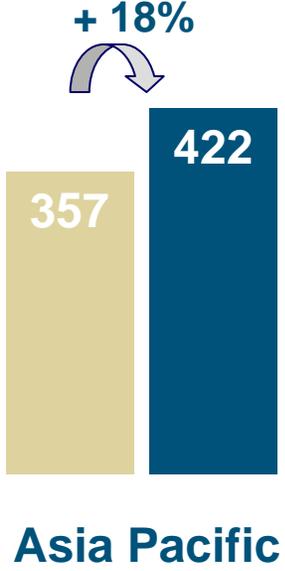
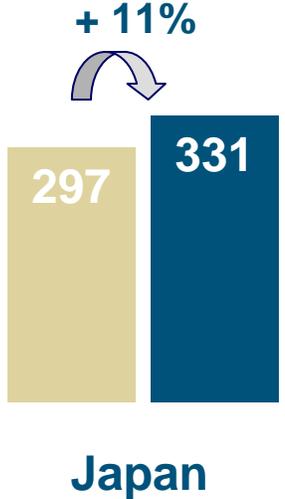
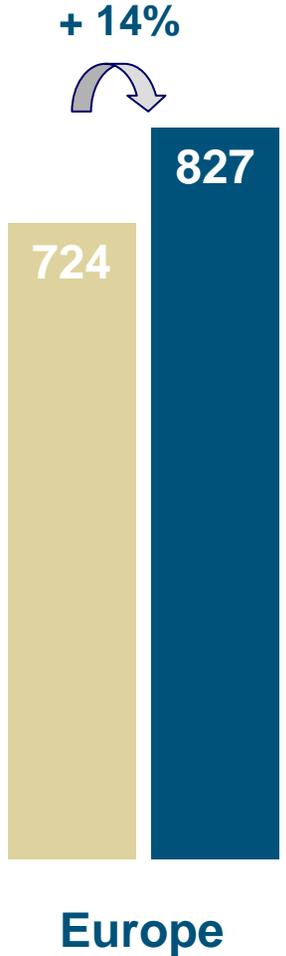
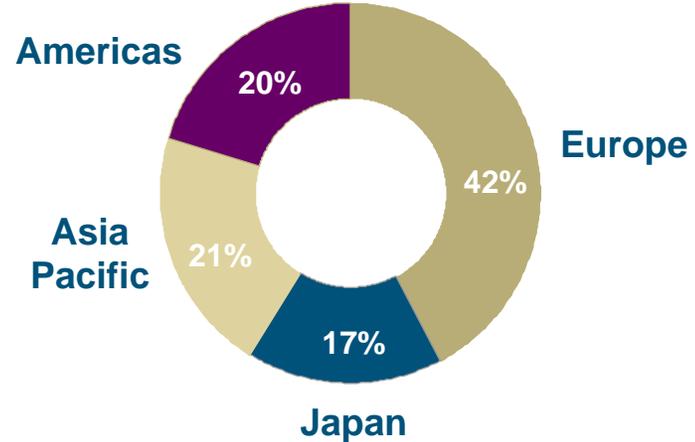


US\$

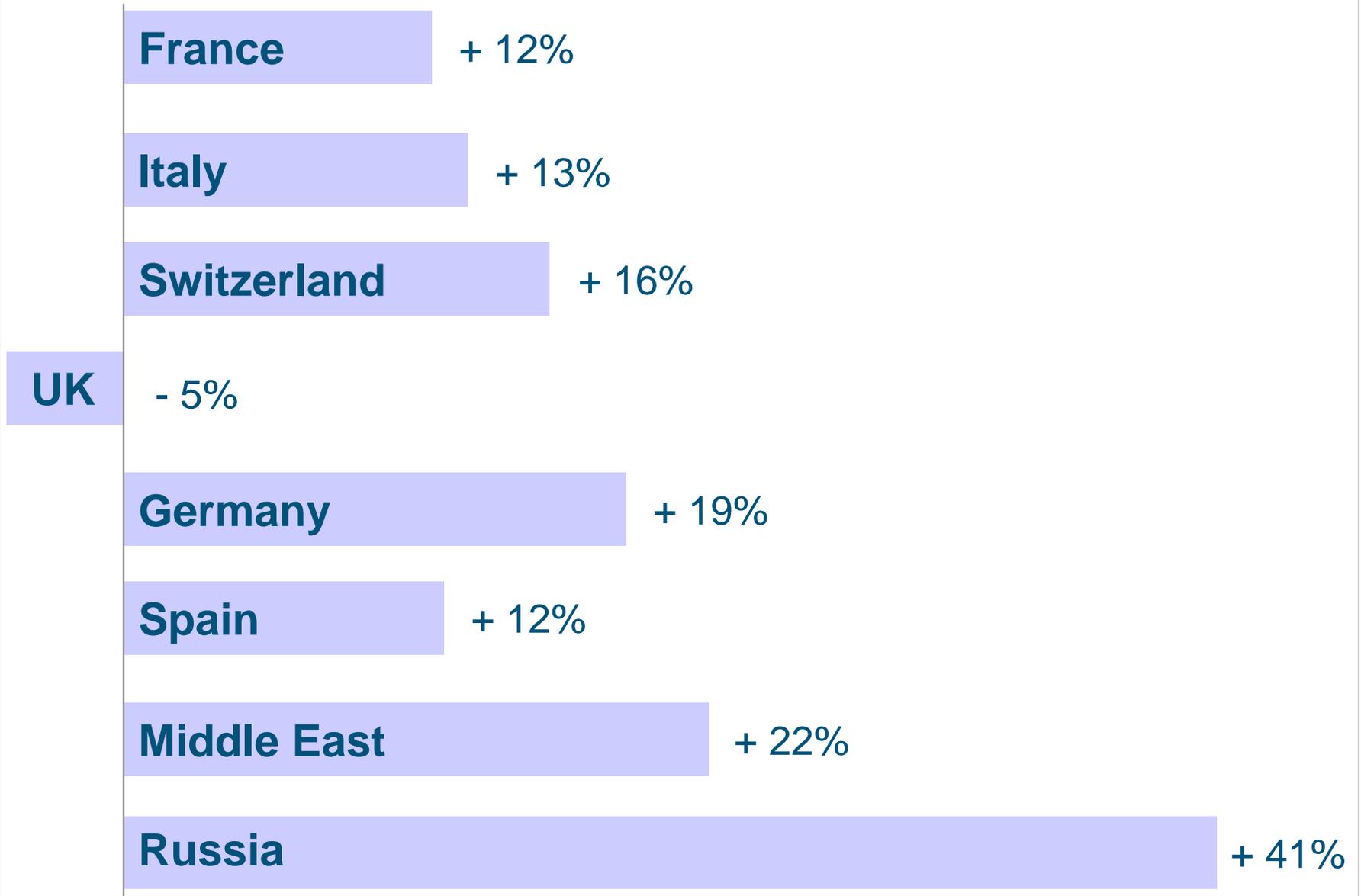
Yen

CHF

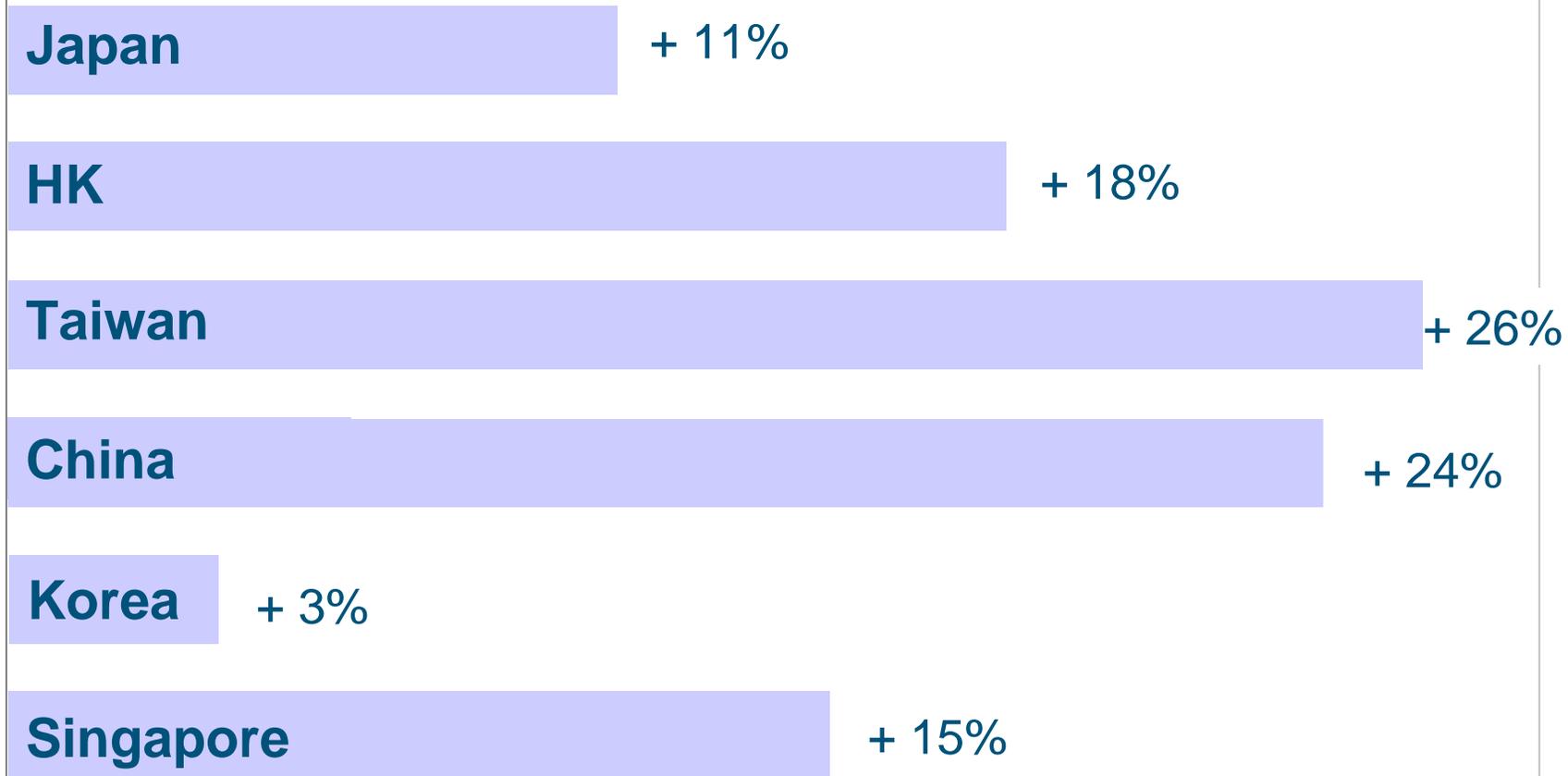
Sales by Region (historic rates)



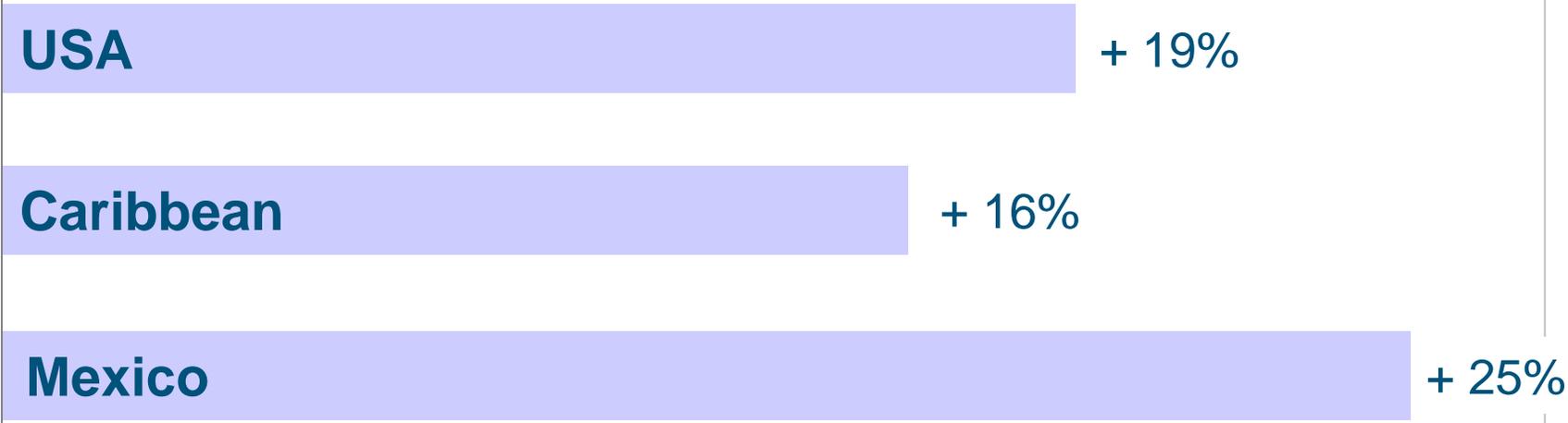
Sales in Europe and Middle East (historic exchange rates)



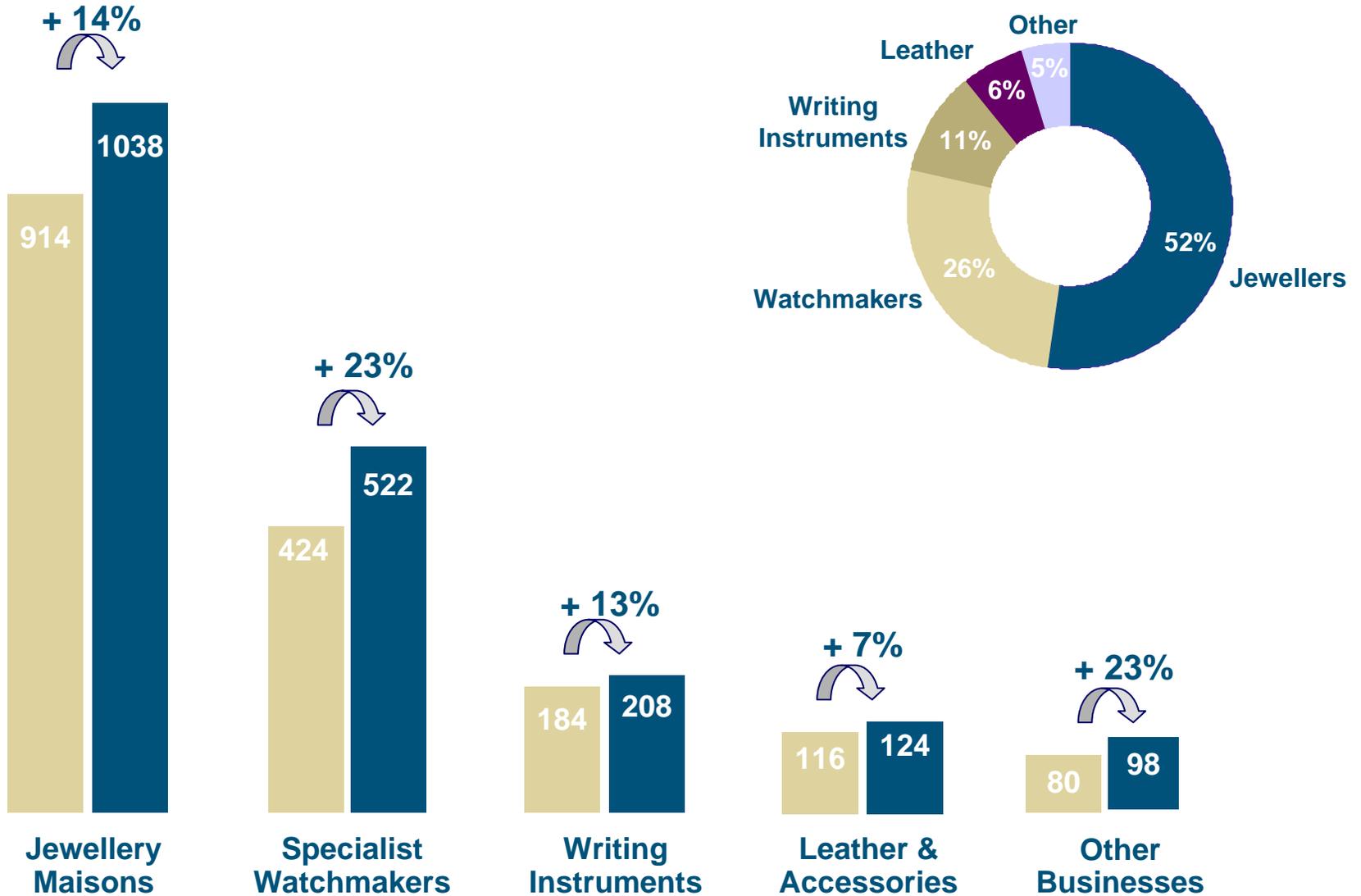
Sales in Asia (historic exchange rates)



Sales in Americas (historic exchange rates)

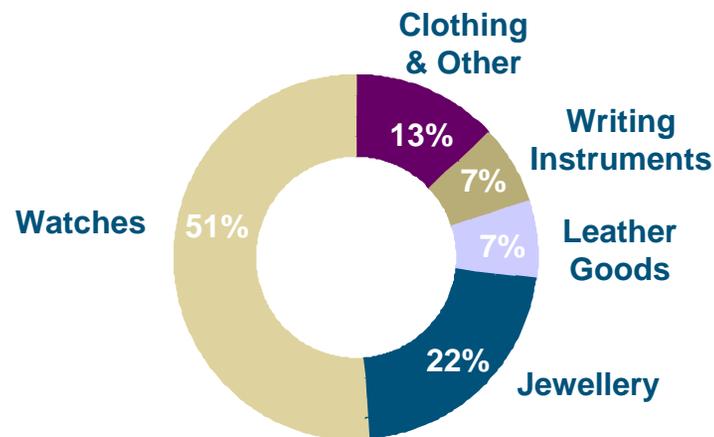


Sales by Business Area (historic rates)

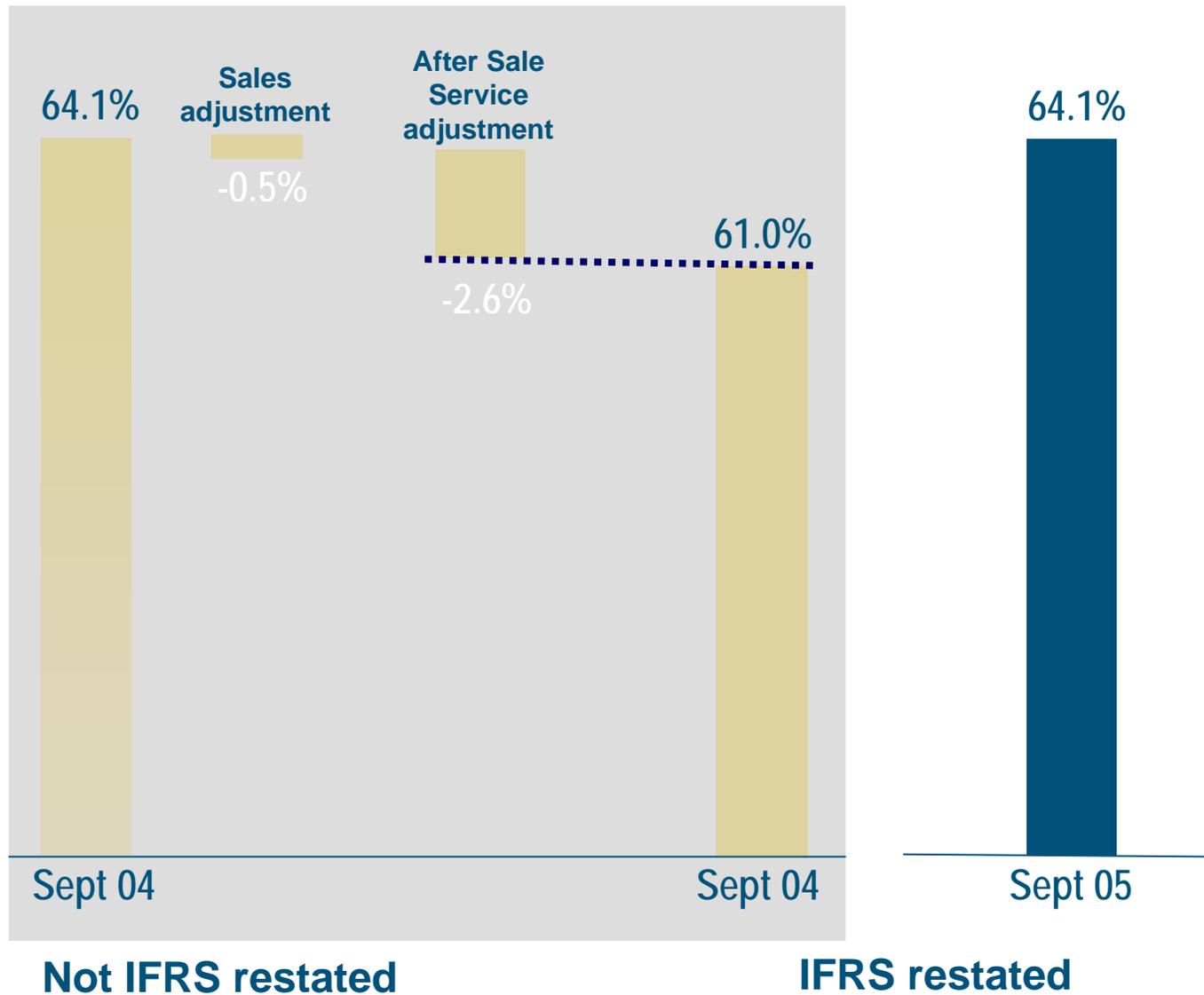


Sales by Product Line

€ m	2004	2005	
Jewellery	368	437	+ 19%
Watches	858	1 012	+ 18%
Writing Instruments	130	137	+ 5%
Leather goods	117	141	+ 21%
Clothing and Other	245	263	+ 7%



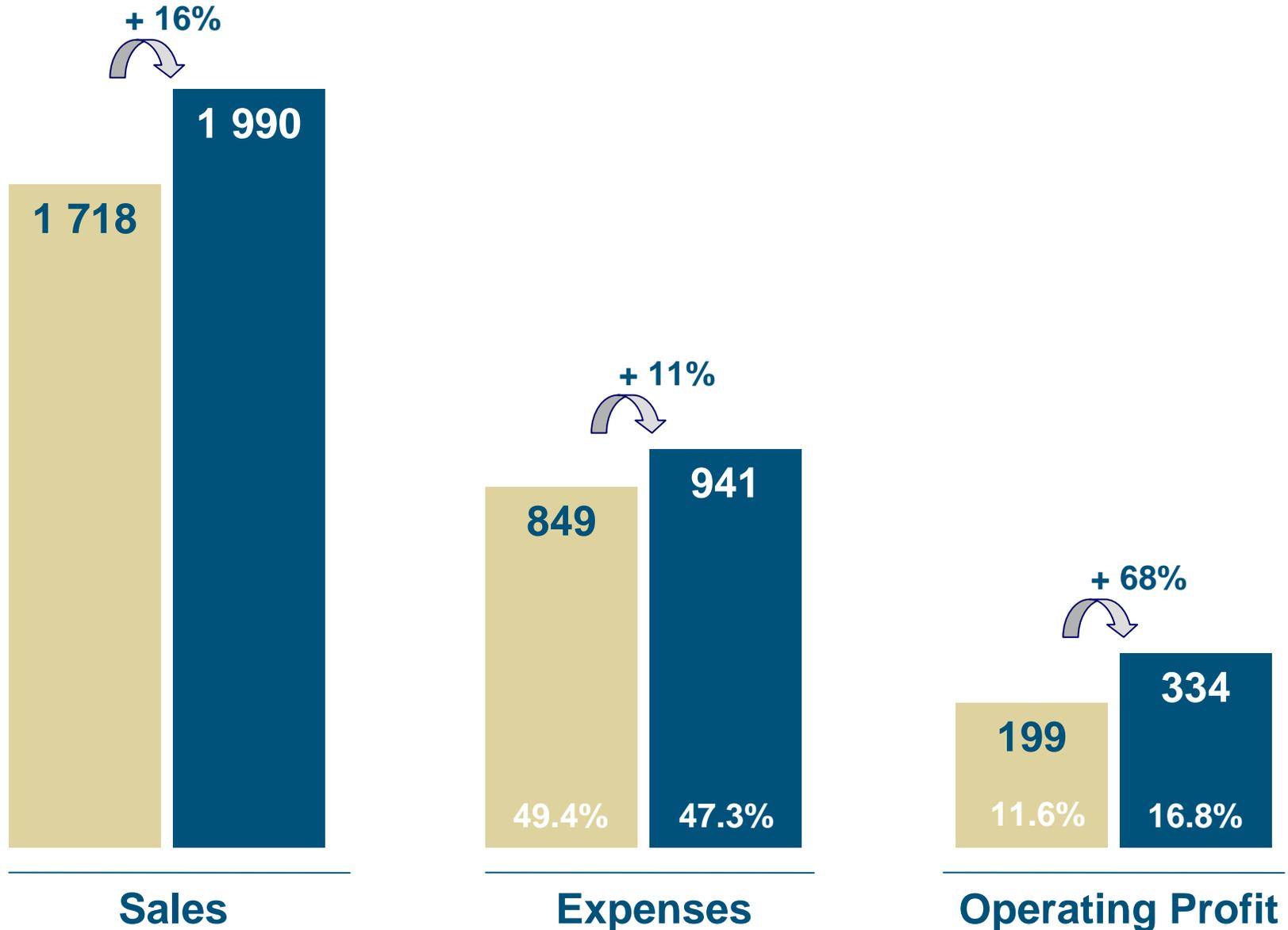
Gross Margin



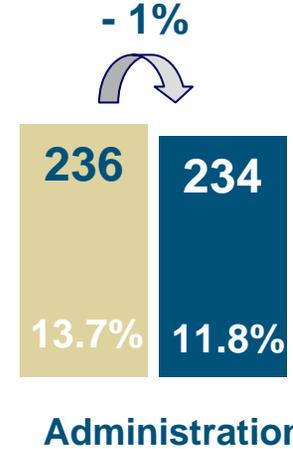
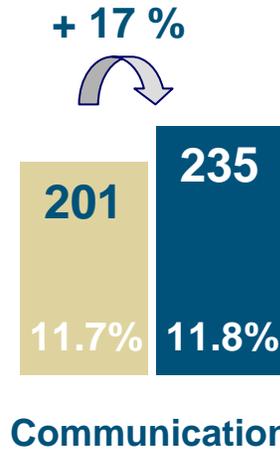
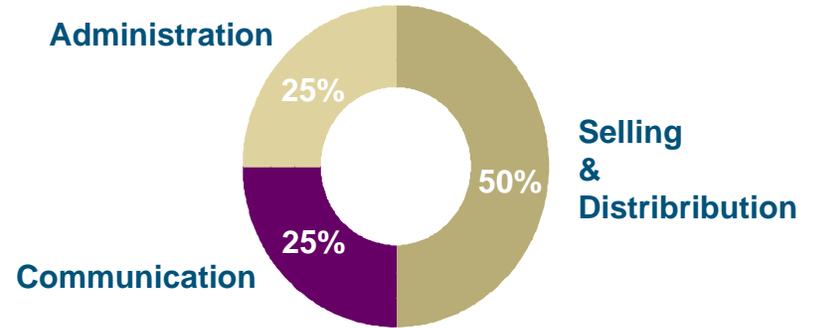
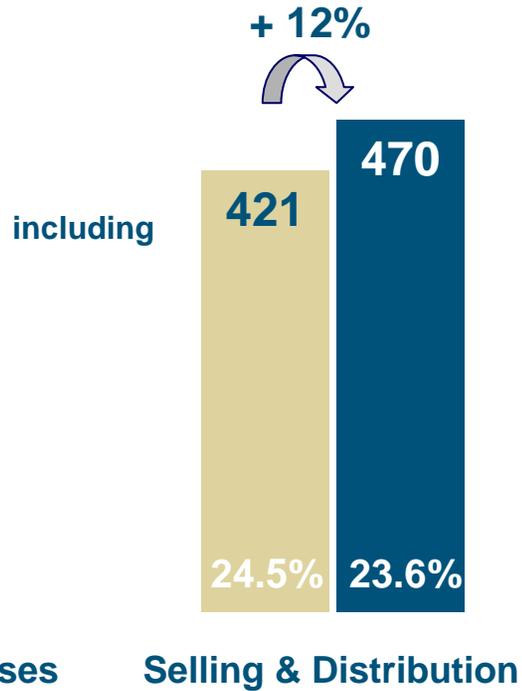
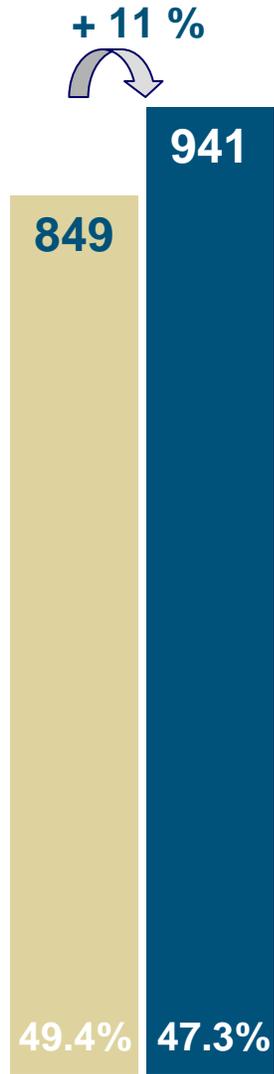
Foreign Currency Hedging Contracts as at 30 September 2005

Versus the CHF	6 months average hedge rate to Sept 05	6 months average actual rate to Sept 05	6 months average hedge rate to March 06
YEN	87	87	88
US \$	1.22	1.25	1.18
HK \$	6.3	6.2	6.4

Sales and Operating Profit



Operating Expenses



Operating Profit by Business Area

€ m				Margin	
	2004	2005		2004	2005
Jewellery Maisons	213	283	+ 33%	23%	27%
Specialist Watchmakers	72	118	+ 64%	17%	23%
Writing Instruments	17	28	+ 65%	9%	13%
Leather & Accessories	- 25	- 26	- 4%	- 22%	- 21%
Other businesses	- 1	- 2	-	- 1%	- 2%
Operating contribution	276	401	+ 45%		
Corporate costs	- 77	- 67	- 13%		
Operating profit	199	334	+ 68%		

Maisons



Jewellery Maisons

Cartier



Double digit growth across all geographical areas

Star performers: *Panther* jewellery, *Pasha 42* and *Tankissime* watches

Successful launches of *Caresse d'orchidées* and *Pasha* jewellery

Caresse d'orchidées



Pasha jewellery and watch



Tankissime

Jewellery Maisons

Cartier

**Consolidate Cartier leadership
in jewellery & watches**

**Continue to drive accessories,
a growth area**

Refined marketing campaign



Santos 100 chrono



Ebony Desk clock



Panther bag



Santos sunglasses

RICHEMONT



Capitalise on spectacular events

Panther launch, Moscow

Invest in production capacity



Caresse d'orchidées launch, NY



Renovated Harrods

Increase visibility in retail and wholesale



Chengdu



Double digit sales, positive operating contribution

Launch of a Bijoux collection: *Boutonnière*

Launch of the High Jewellery collection *Pierres de caractère* to mark the brand's centenary

Retail development: Ginza, NY, Beijing, Moscow



« Pierres de caractère » necklace



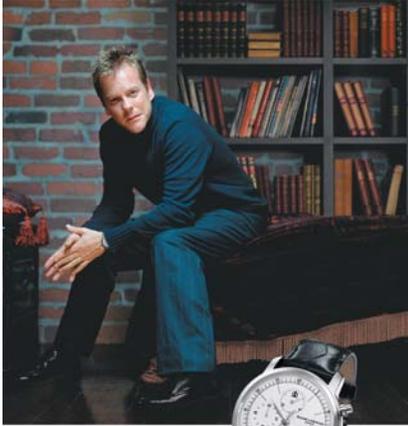
New website



Boutonnière ring

Specialist Watchmakers

BAUME & MERCIER
GENEVE • 1830



Classima Executive



Diamant

**Very good growth in the US
and Asia Pacific**

New advertising campaign

JAEGER-LECOULTRE

**Impressive growth
worldwide**

**Eagerly awaited Master
Minute Repeater**

**Visible PR events and
sponsorships**



Reverso Leone d'oro

RICHEMONT

Specialist Watchmakers

IWC

INTERNATIONAL WATCH CO. SCHAFFHAUSEN
SWITZERLAND, SINCE 1868

**Exceptionally high double
digit sales across all
product lines and markets**



Portuguese FA Jones

OFFICINE PANERAI
FIRENZE 1860

**Very strong worldwide
growth**

The 1st 8 days Panerai caliber



Radiomir GMT 8 days

RICHEMONT

Specialist Watchmakers

A. LANGE & SÖHNE
GLASHÜTTE I/SA



Tourbograph
"Pour le mérite"

Impressive growth

**Success of the
*Lange 1 TimeZone***

A new Tourbograph



VACHERON CONSTANTIN



St Gervais with
250 hours power reserve

**Excellent sell out of 250th
anniversary pieces**

**Exceptional masterpieces
confirm Maison at pinnacle of
High Technical Horology**

RICHEMONT

Specialist Watchmakers

Excellent growth in watches

Launch of the *Possession* watch and the *Garden of the Senses* jewellery

PIAGET
Genève



Possession watch



Possession watch



Garden of the Senses

RICHEMONT

Writing Instrument Manufacturers

**MONT
BLANC**

Solid growth, driven by Asia and Americas, and retail worldwide

Strong growth in watches, notably the *Timewalker* range

Recently launched lady silver jewellery off to a good start



Timewalker GMT



**Montblanc company
in China now
operational**

RICHEMONT

Leather & Accessories



Leather now biggest selling product category

Success of new *Motorities* leather/canvas line



Motorities

Confidential

Japan challenging

Asia Pacific growing at double digit rate

China joint venture



Confidential



Double digit growth in sales,
strong wholesale in Asia



Success of the *Kangourou* bag



Kangourou bag

Opening of the
Champs Elysées



Ceinture bag

Other businesses

Chloé

Triple digit growth

Exceptional retail & wholesale performance across all geographic areas

Remarkable success of *Paddington* bag

Worldwide retail network expansion



Paddington bag



Silverado bag



Bracelet bag

RICHMONT

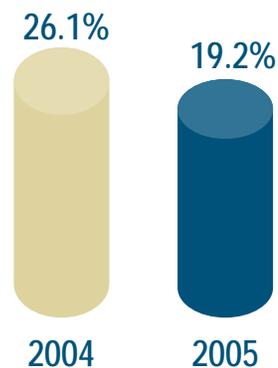


Net profit and cash flow

RICHEMONT

Net Profit from parent & subsidiaries

€ m	2004	2005	
Operating profit	199	334	+ 68%
Net investment income/expense	- 42	-	
Profit before taxation	157	334	+ 113%
Taxation	- 41	- 64	
Net profit from parent & subsidiaries	116	270	+ 133%



Taxation rate



Profitability

British American Tobacco



**BRITISH AMERICAN
TOBACCO**

Effective interest as at 30 September 2005

390 036 627 ordinary shares

18.5%

Richemont share of BAT - IFRS

- 58%

Richemont share of BAT excluding non-recurring items

+ 16%

Dividends received - ordinary shares

€247m

Net Profit

€ m	2004	2005	
Net profit - parent & subsidiaries	116	270	+ 133%
Share of post taxation results of BAT	611	259	- 58%
Share of post-tax adjusted profit of BAT	240	278	
Share of non-recurring (expenses)/income of BAT	371	-19	
Net profit - Group ex. non-recurring items	356	537	+ 51%
Net profit - Group	727	529	- 27%

Cash Flow from Operations

€ m	2004	2005
Operating profit	199	334
Depreciation	66	63
Non-cash items	8	19
Movement in working capital	- 168	- 241
Cash flow from operations	105	175

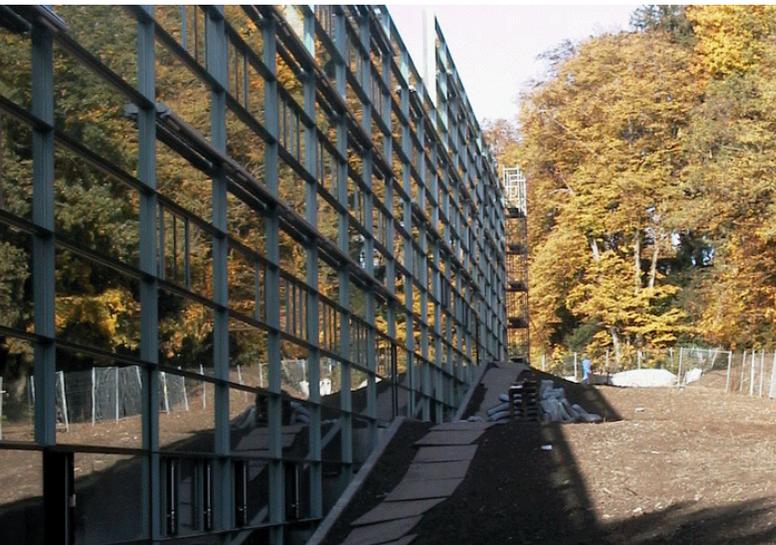
Free Cash Flow

€ m	2004	2005
Cash flow from operations	105	175
Net acquisition of fixed assets	- 41	- 95
Taxation paid and Other	- 41	- 30
Free cash flow from subsidiaries	23	50
BAT dividends	272	247
BAT preference shares proceeds	828	0
Free cash inflow	1 123	297

Net Capital Expenditure



Cartier, 13 Paix



Richemont HQ, Bellevue

€127 m



€95 m

45 m

Retail

40 m

Other, net

10 m

Manufacturing

Mar 05

Sept 05

Net Cash

€ m	2004	2005
Free cash inflow	1 123	297
Dividends paid	- 157	- 553
Other movements, net	- 132	- 20
Net cash generated	834	- 276
Closing net cash	203	384



PIAGET

Conclusion

RICHEMONT

Conclusion

Sustained sales + 16%

Nearly all brands growing at double digits

Improved operating margin to 16%

Costs down to 47% of Group sales

Strong cash flow



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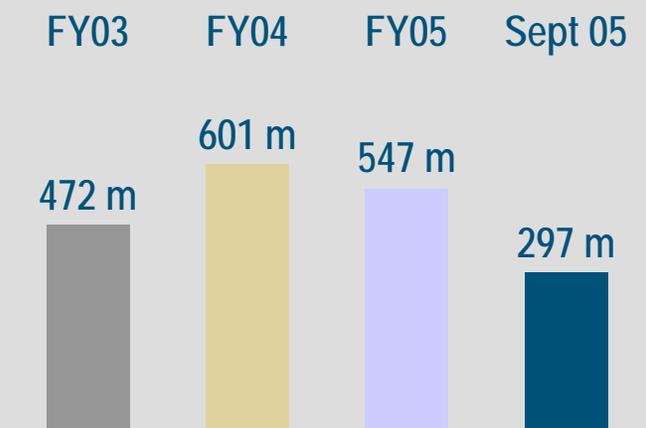
RICHMONT



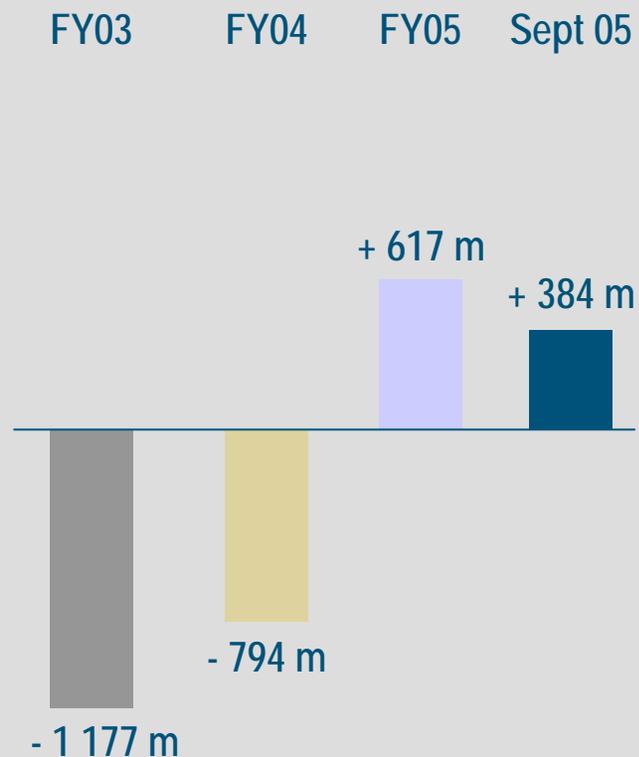
Appendix

RICHEMONT

Free cash inflow



Net cash / borrowings



Inventory

€ m	2004	2005
Finished goods	1 015	1043
Raw materials & work in progress	462	601
Total	1 477	1 644

Rotation (cost of goods sold)	2004	2005
Total	13.2	14.4

Reconciliation of Sales and Operating Profit- Sept 2004

€m	Swiss GAAP		IFRS
Sales	1 739	- 21	1 718
Cost of sales	- 625	- 45	- 670
Gross profit	1 114	- 66	1 048
Selling & distribution expenses	- 435	14	- 421
Communication expenses	- 201	-	- 201
Administrative expenses	- 270	34	- 236
Other operating income	-	9	9
Operating profit	208	- 9	199
Net investment income/-expense	3	- 45	- 42
Share of post-tax profit of associated	408	203	611
Share of post-tax adjusted profit of associated undertaking	130	110	240
Share of nonrecurring income of associated undertaking	278	93	371
Profit before taxation	619	149	768
Taxation	- 38	- 3	- 41
Net profit	581	146	727

Retail Network

	March 05	+ Internal	+ External	= Total	Sept. 05	of which internal
Internal	577	- 14		- 14	563	
External	364		57	57	421	
Total	941	- 14	57	43	984	
Cartier	224	3	4	7	231	157
Montblanc	247	6	8	14	261	160
Alfred Dunhill	173	- 3	6	3	176	78
Lancel	118	- 1	27	26	144	64
Van Cleef & Arpels	44	- 1	1		44	34
Piaget	38	3	1	4	42	24
Hackett	28	- 28		- 28		
Chloé	25	5	3	8	33	24
Other *	44	2	7	9	53	22
Total	941	-14	57	43	984	563

* Others : Vacheron, Panerai, JLC, IWC, Purdey, Shanghai Tang, Old England, Montegrappa

Retail Network China

	Boutiques					Corners		
	Beijing	Shanghai	Other Mainland Cities	Hong Kong/Macau	TOTAL	Mainland China	Hong Kong/Macau	TOTAL
Dunhill	3	4	19	8	34	40	1	41
Cartier	2	2	6	8	18	58	8	66
Lancel	1	3	6	5	15	36	9	45
Montblanc	2	2	2	7	13	102	18	120
Piaget	2	1	2	3	8	24	37	61
S.Tang	1	3		4	8			0
VCA	1			4	5	1	2	3
JLC	1	1	1	1	4	40	21	61
VC	1	1	1	1	4	16	26	42
Panerai		1		1	2	3	9	12
IWC				1	1	17	29	46
Chloé				1	1		2	2
Others	1			1	2	5	4	9
Baume M.					0	42	41	83
TOTAL	15	18	37	45	115			

Mainland China

2.5% of Group Sales

Profitable

Own distribution subsidiaries by March 06

40 staff

14 brands

70 external boutiques in 22 cities

More than 250 POS in 47 cities

BAUME & MERCIER
GENEVE · 1830

Cartier

dunhill

IWC
INTERNATIONAL WATCH CO. SCHAFFHAUSEN
SWITZERLAND, SINCE 1868

JAEGER-LECOULTRE

LANCEL
PARIS

MONT
BLANC

1912
Montegrappa

OFFICINE PANERAI
FIRENZE 1860

PIAGET
Genève

SHANGHAI TANG
1911

VACHERON CONSTANTIN

Chloé

Van Cleef & Arpels



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