RICHEMONT

PRESS RELEASE FOR IMMEDIATE RELEASE

18 JULY 2007

MANAGEMENT STATEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2007

Richemont presents its management statement for the first three months of its current financial year.

Sales by business area

	April-June 2007 € m	April-June 2006 € m	Movement at Constant rates(1)	Movement at Actual rates(1)
Jewellery Maisons	638	604	+ 12 %	+ 6 %
Specialist watchmakers	367	310	+ 24 %	+ 18 %
Writing instrument Maisons	140	129	+ 12 %	+ 9 %
Leather and accessories Maisons	62	61	+ 7 %	+ 2 %
Other businesses	61	58	+ 11 %	+ 5 %
Total sales	1 268	1 162	+ 15 %	+ 9 %

In accordance with the listing requirements of SWX Swiss Exchange and the reporting requirements of the European Union Transparency Directive, which took effect in January 2007, Richemont presents its first Interim Management Report, covering the three-month period ended 30 June 2007.

The first quarter of the Group's financial year should not necessarily be taken as indicative of likely trends for the financial year as a whole. A large part of the Group's business is transacted in the quarter to 31 December each year. The quarter to 30 June, whilst typically representing between 20 and 25 per cent of the Group's annual sales, may not be representative of trends for subsequent quarters or the year as a whole.

This report is intended to provide investors with an overview of trading performance and any significant developments in the Group, not full quarterly financial reporting. Accordingly, no figures in respect of operating or attributable profit are provided in this report. Equally, no commentary is given here on the performance of the Group's principal associated company, British American Tobacco plc.

The information contained in this report has not been audited.

Overview

The first three months of the financial year saw a continuation of the good growth in sales of luxury products seen during the preceding twelve months. In the three month period, overall sales grew by 9 per cent at actual exchange rates. Underlying growth of 15 per cent at constant exchange rates was offset by the weakness of dollar-related currencies and the yen during the period.

Jewellery Maisons

Cartier and Van Cleef & Arpels, the Group's Jewellery Maisons, reported underlying sales growth of 12 per cent during the period. The Asia-Pacific region was a strong driver of growth, as was Europe. Japan saw modest growth at constant exchange rates.

Specialist watchmakers

The Group's specialist watchmakers continued to benefit from strong demand in all regions.

Writing instrument Maisons

Double digit growth at constant rates was achieved despite strong comparative figures linked to Montblanc's centenary in 2006.

(1) See appendix 1 for details of exchange rates used.

Leather and accessories Maisons

Alfred Dunhill reported sales growth of 7 per cent at constant exchange rates during the period, mainly driven by Europe and the Asia-Pacific region. Sales were only marginally ahead of last year on translation into euros.

Lancel's sales were marginally above the prior year at actual exchange rates.

Other businesses

Chloé continues to perform well overall, although the rate of growth in sales has slowed significantly as higher comparative figures apply.

Sales by geographic region

	April-June 2007 € m	April-June 2006 € m	Movement at Constant rates	Movement at Actual rates
Europe	555	492	+ 14 %	+ 13 %
Asia-Pacific	291	242	+ 28 %	+ 20 %
Americas	256	249	+ 10 %	+ 3 %
Japan	166	179	+ 5 %	- 7 %
Total sales	1 268	1 162	+ 15 %	+ 9 %

Europe

The overall increase of 13 per cent at actual exchange rates reflects good performances in all business areas.

Asia-Pacific

This region continued to report strong growth, which was evident in all business areas and all Maisons. Sales in the region represented 23 per cent of Group turnover in the quarter.

Americas

In the Americas region, underlying sales grew by 10 per cent with retail sales growing by 12 per cent at constant exchange rates.

Japan

The Japanese market remained challenging during the quarter. Although the specialist watchmakers saw good growth overall, the jewellery maisons experienced more modest underlying growth.

Sales by distribution channel

At actual exchange rates, the Group's retail sales increased by 11 per cent and wholesale sales increased by 8 per cent.

Financial position

The Group's overall financial situation did not change significantly during the quarter under review. The Group's net cash position at 30 June 2007 amounted to € 1 233 million, an increase of € 92 million over the situation at 31 March 2007. This reflected the receipt of the final dividend of £ 157 million from British American Tobacco in respect of its financial year ended 31 December 2006. This inflow was compensated by seasonal net cash outflows of some € 82 million in respect of operations together with the exercise of a call option to acquire 3 million Richemont 'A' units, linked to the Group's stock option plan.

British American Tobacco

At 30 June 2007, the Group's effective interest in British American Tobacco ('BAT') was 19.1 per cent. Based on the market price of ordinary shares on that date, the market value of the Group's interest in BAT amounted to € 9 800 million. Richemont equity accounts its interest in BAT; accordingly, the Group does not include turnover reported by BAT in its sales figures.

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Appendix 1

Foreign exchange rates		
	April-June	April-June
Average rates against the euro	2007	2006
United States dollar	1.35	1.26
Japanese yen	162.87	143.80
Swiss franc	1.65	1.56
Pound sterling	0.68	0.69

Actual exchange rates for the period are calculated using the average daily closing rates against the euro.

In terms of sales at constant exchange rates, average exchange rates for the year ended 31 March 2007 are used to convert local currency sales into euros for both the current three-month period and comparative figures. Exchange rate translation effects are thereby eliminated from the reported sales performance.

Notes for editors

Richemont owns a portfolio of leading international brands or 'Maisons', which are managed independently of one another, recognising their individuality and uniqueness. The businesses operate in five areas: Jewellery Maisons, being Cartier and Van Cleef & Arpels; Specialist watchmakers, which is made up of Jaeger-LeCoultre, Piaget, IWC, Baume & Mercier, Vacheron Constantin, Officine Panerai and A. Lange & Söhne; Writing instrument Maisons, being Montblanc and Montegrappa; Leather and accessories Maisons, being Alfred Dunhill and Lancel; and Other businesses, which includes, specifically, Chloé as well as other smaller Maisons and watch component manufacturing activities for third parties.

In addition to its luxury goods business, Richemont holds a 19.1 per cent interest in British American Tobacco. Richemont equity accounts its interest in British American Tobacco; accordingly, the Group does not include turnover reported by British American Tobacco in its sales figures.