RICHEMONT

COMPANY ANNOUNCEMENT

18 MAY 2018

RICHEMONT, THE SWISS LUXURY GOODS GROUP, ANNOUNCES ITS AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 MARCH 2018 AND PROPOSED DIVIDEND

Financial highlights

- Sales increased by 3% at actual rates and by 8% at constant rates to € 10 979 million. Excluding the impact of exceptional inventory buy-backs, sales grew by 7% at constant rates
- Strong retail performance reflecting solid jewellery and watch sales
- Double digit growth in mainland China, Hong Kong, Korea and Macau
- Operating profit grew by 5%; operating expenses rose by 2% excluding prior year's real estate gain
- Strong generation of cash flow from operations: increase of € 827 million to € 2 723 million
- Proposed dividend of CHF 1.90 per 1 A share/10 B shares, an increase of 6%

Key financial data (audited)

	For year ended 31 March		
	2018	2017	Change
Sales	**€ 10 979 m**	€ 10 647 m	+3%
Gross profit	**€ 7 150 m**	€ 6 799 m	+5%
Gross margin	**65.1 %**	63.9 %	+120 bps
Operating profit	**€ 1 844 m**	€ 1 764 m	+5%
Operating margin	**16.8 %**	16.6 %	+20bps
Profit for the year	**€ 1 221 m**	€ 1 210 m	+1%
Earnings per A share/10 B shares, diluted basis	**€ 2.158**	€ 2.141	+1%
Cash flow generated from operations	**€ 2 723 m**	€ 1 896 m	+ € 827 m
Net cash position	**€ 5 269 m**	€ 5 791 m	- € 522 m

Chairman's commentary

Overview of results

An improved macroeconomic environment, steady progress on Richemont's transformation agenda and a mixed currency environment marked the year under review. Sales increased by 3% at actual exchange rates, driven by high single digit growth in retail and double digit growth in Asia Pacific, with particular strength in our main markets, namely China, Hong Kong, Korea and Macau. Strong overall retail performance reflected solid jewellery and watch sales.

At the Jewellery Maisons, jewellery continued to perform strongly while watches benefited from easier comparatives and the successful relaunch of the 'Panthère' line, introducing one of Cartier's most iconic creations to a new generation. The Specialist Watchmakers continued to focus on optimising their distribution network and adapting their structures accordingly. Our approach to the grey market remains uncompromising. Over the period, we implemented further inventory buy-backs and strengthened the approach to managing sell-in versus sell-out at our multi-brand retail partners. Our Maisons grouped under 'Other' have focused on strengthening their leather and clothing offers, with first time collections launched under new creative directors at both Chloé and Dunhill.

An improvement in gross profit and tight cost control led to a 5% increase in operating profit. Excluding the one-time items in this year and the prior year, operating profit for the year would have increased by 10%. Profit for the year was broadly in line with prior year. Cash flow from operations improved to € 2 723 million. Following the acquisition of investment properties and a stake in travel retail specialist Dufry, net cash totalled € 5.3 billion at 31 March 2018.

Richemont's voluntary tender offer for the world's leading online luxury retailer YOOX NET-A-PORTER GROUP aims to accelerate our ability to satisfy today's sophisticated and globally dispersed clientele and demonstrates our commitment to developing a robust omnichannel proposition. Reflecting our view that travel retail spending will increase over time, we also invested in Dufry, a leading travel retail specialist listed on the SIX Swiss Exchange. In addition to continuing to address the challenges that affect our watch businesses, we further focused on developing our capabilities in leather goods.

Richemont continued to reinforce its teams and build expertise to ensure we have the depth of knowledge and skills needed to achieve its transformation. While we have recruited external capabilities where appropriate, the Group has also been able to leverage internal talent across Maisons and segments. These moves will play a critical role in preparing Richemont to meet the complex demands of a rapidly changing environment.

Dividend

In view of the cash flow generated and the strong net cash position, the Board has proposed a dividend of CHF 1.90 per 1 A share/10 B shares, up from CHF 1.80 per 1 A share/10 B shares last year.

Annual General Meeting

At last year's Annual General Meeting in September 2017, a number of long-serving non-executive members of the Board, together with former senior executives, did not stand for re-election. As a result, shareholders of Compagnie Financière Richemont SA elected eight new directors to the Board, whose biographies may be found in the annual report. Following the changes on the Board level, Board Committee composition was reviewed.

The Audit Committee welcomed Mr Clay Brendish and Mr Guillaume Pictet as non-executive directors, given that Mr Yves-André Istel and Lord Renwick of Clifton did not stand for re-election.

The Compensation Committee is now composed of three new non-executive directors: Mr Clay Brendish (Committee Chairman), Mr Guillaume Pictet and Ms Maria Ramos, following the decisions of Lord Renwick of Clifton, Mr Istel and the Duke of Wellington not to stand for re-election.

At the Strategic Security Committee, Prof Schrempp and Lord Renwick of Clifton were succeeded by Mr Clay Brendish (as Chairman), Mr Anton Rupert, and Mr Jan Rupert.

No further changes to the Board of Compagnie Financière Richemont SA have been proposed this year.

Outlook

In line with Richemont's prudent balance sheet policy, we have recently taken advantage of a low interest rate environment to raise long-term debt to fund the development of our businesses as we continue to adapt and evolve. The support received from investors for Richemont's € 4 billion inaugural bond issue in March 2018 demonstrates the strength of our balance sheet and confidence in the quality of our assets and long-term growth opportunities.

While Richemont's unique portfolio of Maisons and other assets are well-positioned, our long-term approach does not preclude us from targeting strategic investments and divestments, as we have demonstrated over the past year. Our strong cash flow and balance sheet ensure we are equipped to realise the Group's full potential over the next 30 years.

I would like to thank Richemont's over 28,000 employees for the creativity, integrity and engagement they bring to the Group and its Maisons. We have grown considerably over the past three decades, thanks in no small part to our employees' individual contributions.

As I conclude this commentary, I would like to pay tribute to Azzedine Alaïa. We have lost a dear friend and colleague, and the industry has lost an exceptional talent. A source of inspiration to many, he has left an enduring creative legacy.

Johann Rupert
Chairman

Compagnie Financière Richemont SA
Geneva, 18 May 2018

Financial review

Sales

Sales for the year increased by 3% at actual exchange rates and by 8% at constant rates, mainly driven by jewellery. Excluding exceptional watch inventory buy-backs from multi-brand retail partners, amounting to € 203 million in the year under review and € 278 million in the prior year, sales at constant exchange rates rose by 7%.

At constant exchange rates all regions grew, with the exception of Europe. Asia Pacific enjoyed double digit growth; the Americas and Japan posted mid to high single digit sales increases before accounting for adverse exchange rate impacts. Retail performance was strong, reflecting solid jewellery and watch sales; wholesale sales declined.

Further details of sales by region, distribution channel and segment are given in the Review of Operations.

Gross profit

Gross profit increased by 5% to € 7 150 million in value terms. The gross margin improved by 120 basis points to 65.1%, with higher capacity utilisation and a larger share of retail compensating for a buy-back related charge of € 135 million. Adverse currency effects negatively impacted gross margin by 40 basis points compared to the previous year.

Operating profit

Operating profit grew by 5% with an operating margin of 16.8%. Excluding one-time net charges of respectively € 208 million in the year under review and € 109 million in the prior year, operating profit for the year would have increased by 10%. The current year's one-time charges primarily relate to inventory buy-backs and portfolio transactions.

Net operating expenses increased by 5% on a reported basis. When including the above mentioned charges, but excluding the prior year's gain on the sale of investment properties of € 178 million, net operating expenses increased by 2%. The 2% growth in selling and distribution expenses reflects strong retail sales, with associated higher variable expenses driving the expansion of the cost base, fixed selling and distribution expenses being in line with the previous year. Communication expenses declined by 1% and administrative expenses grew by 3%.

Profit for the year

Profit for the year rose by 1% to € 1 221 million. This increase reflects a higher operating profit and a higher effective tax rate. Net finance costs, at € 150 million, were broadly in line with the prior year.

Earnings per share (1 A share/10 B shares) increased by 1% to € 2.158 on a diluted basis.

To comply with the South African practice of providing headline earnings per share ('HEPS') data, the relevant figure for headline earnings for the year ended 31 March 2018 would be € 1 339 million (2017: € 1 079 million). Basic HEPS for the year was € 2.373 (2017: € 1.913). Diluted HEPS for the year was € 2.367 (2017: € 1.909). Further details regarding earnings per share and HEPS, including an itemised reconciliation, may be found in note 28 of the Group's consolidated financial statements.

Cash flow

Cash flow generated from operations rose by € 827 million to € 2 723 million. The increase reflects a higher operating profit and lower working capital requirements (€ 234 million inflow compared to a € 29 million absorption in the prior year). In addition, the non-recurrence of a € 268 million one-time contribution made in the prior year to a defined benefit pension plan for UK-based employees contributed favourably.

Net investment in tangible fixed assets amounted to € 436 million. This is predominantly a result of selective investments relating to the renovation of existing boutiques in the Maisons' store network and investments in external points of sale with our multi-brand retail partners. The Group continued to invest in manufacturing operations, its central logistic centre in Switzerland and IT infrastructure.

The 2017 dividend of CHF 1.80 per A share and CHF 0.18 per B share was paid in September 2017 and amounted to CHF 1 016 million or € 918 million (2016: € 878 million).

During the year under review, the Group acquired some 1.9 million 'A' shares to hedge commitments under its executive stock options programme. The cost of these purchases, which was partly offset by proceeds from the exercise of stock options by executives and other activities linked to the currency hedging programme, led to a net cash outflow of € 71 million.

Balance sheet

Inventories at the year-end amounted to € 4 943 million (2017: € 5 302 million), representing 20.8 months of cost of sales, an improvement of 1.6 months compared to the prior year.

At 31 March 2018, the Group's net cash position amounted to € 5 269 million (2017: € 5 791 million). Most of the decrease versus the prior year can be attributed to an investment in Dufry, a Swiss leading travel retail specialist, the acquisition of investment properties as well as the internalisation of wholesale activity and external points of sales in Saudi Arabia and the United Arab Emirates. The Group's net cash position includes highly liquid, highly rated money market funds, short-term bank deposits and short-duration bond funds, primarily denominated in Swiss francs, euros and US dollars. Bank loans to finance local operating entities are denominated in their local currency.

Following the € 4 billion bond issue completed in March 2018, shareholders' equity represented 57% of total equity and liabilities, to be compared with 77% in the prior year.

Acquisition of the YOOX NET-A-PORTER GROUP

In March 2018, Richemont launched a voluntary tender offer for all issued and to be issued ordinary shares of YOOX NET-A-PORTER GROUP (YNAP) that the Group or its affiliates do not already own. On 17 May 2018, Richemont announced that the total number of YNAP shares tendered in the offer, together with those shares already held by the Group, amounted to 94.999% of YNAP's ordinary share capital. As such, the minimum acceptance level condition has been exceeded and the material adverse change condition (section 2 of Richemont's 17 May company announcement) being fulfilled, the offer is now unconditional.

As a result, Richemont will book a one-time, non-cash, accounting gain of approximately € 1.4 billion on its 49% equity-accounted interest in YNAP in its financial statements for the half-year ending 30 September 2018. The gain has been generated by the differential between the fair value of Richemont's stake and the € 1.1 billion carrying value on the balance sheet. The non-cash gain will be reported under share of post-tax results of equity accounted investments.

Proposed dividend

The Board has proposed a dividend of CHF 1.90 per 1 A share/10 B shares.

The dividend will be paid as follows:

	Gross dividend per 1A share/10B shares	Swiss withholding tax @ 35%	Net payable per 1A share/10B shares
Dividend	CHF 1.90	CHF 0.665	CHF 1.235

The dividend will be payable following the Annual General Meeting which is scheduled to take place in Geneva on Monday, 10 September 2018.

The last day to trade Richemont 'A' shares and Richemont South African Depository Receipts cum-dividend will be Tuesday, 18 September 2018. Both will trade ex-dividend from Wednesday, 19 September 2018.

The dividend on the Compagnie Financière Richemont SA 'A' shares will be paid on Friday, 21 September 2018. The dividend in respect of the 'A' shares is payable in Swiss francs.

The dividend in respect of Richemont South African Depository Receipts will be payable on Thursday, 27 September 2018. The South African Depository Receipt dividend is payable in rand to residents of the South African Common Monetary Area ('CMA') but may, dependent upon residence status, be payable in Swiss francs to non-CMA residents. Further details regarding the dividend payable to South African Depository Receipt holders may be found in a separate announcement dated 18 May 2018 on SENS, the Johannesburg stock exchange news service.

Review of operations

Sales by region

in € millions	31 March 2018	31 March 2017	Movement at: Constant exchange rates*	Actual exchange rates
Europe	**2 986**	3 068	-2%	-3%
Asia Pacific	**4 352**	3 903	+17%	+12%
Americas	**1 805**	1 781	+8%	+1%
Japan	**980**	1 010	+6%	-3%
Middle East and Africa	**856**	885	+2%	-3%
	10 979	10 647	+8%	+3%

* Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current year and the comparative year at the average exchange rates applicable for the financial year ended 31 March 2017.

The following comments on Group sales refer to year-on-year movements at constant exchange rates unless otherwise stated.

Europe

In the year under review, Europe accounted for 27% of overall sales. Full year sales declined by 2%, adversely impacted by the relative strength of the euro, inventory buy-backs in the fourth quarter of the year, tight inventory control at the external points of sale of the Group's multi-brand retail partners and the optimisation of the wholesale distribution network. Sales in France contracted and were in line with prior year in Switzerland. The United Kingdom enjoyed good growth. Sales of all product lines were broadly in line or positive, compared to prior year, with the exception of watches. Retail sales growth was subdued, whilst sales in the wholesale channel declined.

Asia Pacific

Sales in Asia Pacific registered strong broad-based double digit growth. This performance was led by China, Hong Kong, Korea and Macau, and, at product level, driven by jewellery and watches. Both retail and wholesale channels saw double digit growth.

The region accounted for 40% of Group sales.

Americas

Sales in the Americas grew by 8%, driven by strong retail sales, supported by jewellery and clothing. Retail sales also reflected increased online sales and the favourable full year impact of the reopening of the Cartier flagship store in New York in September 2016. Wholesale and watch sales both declined, impacted by inventory management initiatives. The region's contribution to Group sales amounted to 16%.

Japan

Japan posted a 6% increase in sales, favourably impacted by increased tourism purchases. The year under review also benefited from softer comparative figures and the full year contribution from the reopened Cartier and the newly opened Piaget and Van Cleef & Arpels flagship stores, all in Ginza, Tokyo.

Good sales growth in jewellery, watches as well as in the retail channel more than offset the decline in wholesale sales.

Middle East and Africa

Sales in the Middle East and Africa increased by 2%, benefiting primarily from higher tourist spending but were adversely impacted by inventory buy-backs and geopolitical uncertainties. Jewellery, watches and writing instruments posted moderate growth.

Sales by distribution channel

in € millions	31 March 2018	31 March 2017	Movement at: Constant exchange rates*	Actual exchange rates
Retail	**6 914**	6 389	+14%	+8%
Wholesale	**4 065**	4 258	-1%	-5%
	10 979	10 647	+8%	+3%

* Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current year and the comparative year at the average exchange rates applicable for the financial year ended 31 March 2017.

The following comments on Group sales refer to year-on-year movements at constant exchange rates unless otherwise stated.

Retail

The contribution of retail sales, through the Maisons' online stores and 1 123 directly operated boutiques, has increased to 63% of Group sales, up from 60% in the prior year.

The double digit growth generated in the retail channel was fuelled by jewellery and watches with six net store openings including the internalisation of external points of sales.

All regions experienced double digit growth, with the exception of Europe, which posted subdued growth.

Wholesale

The Group's wholesale business, including sales to franchise partners, reported a 1% decline. All regions other than Asia Pacific showed lower sales. Sales were impacted by the previously described watch inventory management initiatives.

Sales and operating result by segment

Jewellery Maisons

in € millions	31 March 2018	31 March 2017	Change
Sales	**6 447**	5 927	+9%
Operating result	**1 926**	1 682	+15%
Operating margin	**29.9%**	28.4%	+150 bps

At actual exchange rates, sales at Cartier and Van Cleef & Arpels were driven by high single digit growth in jewellery and double digit growth in watches, on the back of the prior year's exceptional inventory buy-backs and the success of the relaunched Panthère collection, both at Cartier. The performance of the Jewellery Maisons' directly operated boutiques and, regionally, Asia Pacific and the Americas were particularly noteworthy.

The € 244 million increase in operating result reflects robust sales and cost control as well as the non-recurrence of the € 151 million one–time charges in the prior year. Consequently, operating margin improved by 150 basis points to 29.9%.

Specialist Watchmakers

in € millions	31 March 2018	31 March 2017	Change
Sales	**2 714**	2 879	-6%
Operating result	**262**	226	+16%
Operating margin	**9.7%**	7.8%	+190 bps

The 6% decline in Specialist Watchmakers' sales reflects inventory control measures, including buy-backs, and distribution optimisation initiatives undertaken in the year under review. Wholesale sales registered a double digit decrease, with Europe, the Americas and Middle East and Africa particularly impacted. Excluding inventory buy-backs in both years, sales would have been broadly in line. Sales in the Specialist Watchmakers' directly operated boutiques enjoyed a double digit increase, sustained by strong demand for watches and Piaget jewellery. Sales in Asia Pacific posted growth.

Higher capacity utilisation, a larger share of retail and tight cost control led to a 16% improvement in the operating result to € 262 million, notwithstanding the € 203 million sales reduction linked to inventory buy-backs. Consequently, the operating margin for the period increased by 190 basis points to 9.7%.

Other

in € millions	31 March 2018	31 March 2017	Change
Sales	**1 818**	1 841	-1%
Operating result	**(65)**	110	n/a
Operating margin	**-3.6%**	6.0%	n/a

'Other' includes Montblanc, the Group's Fashion & Accessories businesses, its watch component manufacturing and real estate activities.

Sales were broadly in line with prior year, with growth in Europe and Asia Pacific. The year was marked by continued positive performances at Montblanc and Peter Millar.

In the year under review, the operating result included one-time charges of € 37 million (FY17: € 114 million net gain), relating to the write down of assets at Shanghai Tang and Lancel. Excluding one-time items in both years, operating losses would have been € 28 million in the current year and € 4 million in the prior year.

Corporate costs

in € millions	31 March 2018	31 March 2017	Change
Corporate costs	**(279)**	(254)	+10%
Central support services	**(233)**	(234)	-0%
Other operating income/(expense), net	**(46)**	(20)	n/a

Corporate costs represent the costs of central management, marketing support and other central functions (collectively central support services), as well as other expenses and income which are not allocated to specific business areas. The majority of corporate costs are incurred in Switzerland. Excluding transaction costs relating to portfolio investments, corporate costs grew by 3%.

The Group's consolidated financial statements of comprehensive income, of cash flows and of financial position are presented in Appendix 1. Richemont's audited consolidated financial statements for the year may be found on the Group's website at https://www.richemont.com/investorrelations/reports.html

Johann Rupert
Chairman

Burkhart Grund
Chief Finance Officer

Appendix 1

Consolidated statement of comprehensive income statement for the year ended 31 March

	2018 €m	2017 €m
Sales	**10 979**	10 647
Cost of sales	**(3 829)**	(3 848)
Gross profit	**7 150**	6 799
Selling and distribution expenses	**(3 094)**	(3 044)
Communication expenses	**(1 106)**	(1 119)
Administrative expenses	**(1 047)**	(1 015)
Other operating (expense)/income	**(59)**	143
Operating profit	**1 844**	1 764
Finance costs	**(335)**	(233)
Finance income	**185**	73
Share of post-tax results of equity-accounted investments	**(41)**	(34)
Profit before taxation	**1 653**	1 570
Taxation	**(432)**	(360)
Profit for the year	**1 221**	1 210
Other comprehensive income:		
Items that will never be reclassified to profit or loss		
Defined benefit plan actuarial gain/(losses)	**32**	(99)
Tax on defined benefit plan actuarial losses	**(7)**	(20)
Share of other comprehensive income of equity-accounted investments	**–**	–
	25	(119)
Items that are or may be reclassified subsequently to profit or loss		
Currency translation adjustments		
– movement in the year	**(1 063)**	279
– reclassification to profit or loss	**(49)**	–
Loss on cash flow hedge	**(53)**	–
Tax on cash flow hedge	**9**	–
Share of other comprehensive income of equity-accounted investments	**(10)**	–
	(1 166)	279
Other comprehensive income, net of tax	**(1 141)**	160
Total comprehensive income	**80**	1 370
Profit attributable to:		
Owners of the parent company	**1 221**	1 210
Non-controlling interests	**–**	–
	1 221	1 210
Total comprehensive income attributable to:		
Owners of the parent company	**80**	1 370
Non-controlling interests	**–**	–
	80	1 370
Earnings per A share/10 B shares attributable to owners of the parent company during the year (expressed in € per share)		
From profit for the year		
Basic	**2.164**	2.145
Diluted	**2.158**	2.141

Consolidated statement of cash flow for the year ended 31 March

	2018 € m	2017 € m
Operating profit	**1 844**	1 764
Depreciation of property, plant and equipment	**454**	467
Depreciation of investment property	**2**	–
Amortisation of other intangible assets	**83**	94
Impairment of property, plant and equipment	**–**	2
Loss on disposal of property, plant and equipment	**13**	11
Loss/(profit) on disposal of intangible assets	**5**	(5)
Profit on disposal of investment property	**–**	(195)
Increase in long-term provisions	**14**	44
Increase/(decrease) in retirement benefit obligations	**6**	(287)
Non-cash items	**68**	30
Decrease in inventories	**16**	123
Decrease in trade receivables	**3**	42
(Increase)/decrease in other receivables and prepayments	**(80)**	5
Increase/(decrease) in current liabilities	**318**	(90)
Increase in long-term liabilities	**17**	12
Decrease in derivative financial instruments	**(40)**	(121)
Cash flow generated from operations	**2 723**	1 896
Interest received	**72**	78
Interest paid	**(68)**	(69)
Dividend from equity-accounted investments	**3**	2
Taxation paid	**(346)**	(288)
Net cash generated from operating activities	**2 384**	1 619
Cash flows from investing activities		
Acquisition of subsidiary undertakings and other businesses, net of cash acquired	**(113)**	(3)
Proceeds from disposal of subsidiary undertakings, net of cash	**(14)**	370
Acquisition of equity-accounted investments	**(64)**	(55)
Proceeds from disposal of, and capital distributions from, equity-accounted investments	**19**	–
Acquisition of property, plant and equipment	**(444)**	(536)
Proceeds from disposal of property, plant and equipment	**8**	15
Acquisition of intangible assets	**(43)**	(63)
Proceeds from disposal of intangible assets	**9**	14
Acquisition of investment property	**(213)**	–
Investment in money market and externally managed funds	**(6 832)**	(4 183)
Proceeds from disposal of money market and externally managed funds	**4 999**	3 988
Acquisition of other non-current assets	**(631)**	(36)
Proceeds from disposal of other non-current assets and investments	**20**	14
Net cash used in investing activities	**(3 299)**	(475)
Cash flows from financing activities		
Proceeds from borrowings	**3 992**	101
Corporate bond issue transaction costs	**(17)**	–
Settlement of cash flow hedging derivative instrument	**(55)**	–
Repayment of borrowings	**(82)**	(131)
Dividends paid	**(918)**	(878)
Acquisition of treasury shares	**(141)**	(95)
Proceeds from sale of treasury shares	**70**	47
Contributions received from non-controlling interests	**6**	–
Capital element of finance lease payments	**(2)**	(2)
Net cash used in financing activities	**2 853**	(958)
Net change in cash and cash equivalents	**1 938**	**186**
Cash and cash equivalents at the beginning of the year	**2 765**	2 548
Exchange (losses)/gains on cash and cash equivalents	**(199)**	31
Cash and cash equivalents at the end of the year	**4 504**	2 765

Consolidated balance sheet at 31 March

	2018 €m	2017 €m
Assets		
Non-current assets		
Property, plant and equipment	**2 325**	2 558
Goodwill	**297**	298
Other intangible assets	**370**	391
Investment property	**222**	12
Equity-accounted investments	**1 308**	1 307
Deferred income tax assets	**604**	724
Financial assets held at fair value through profit or loss	**447**	7
Other non-current assets	**401**	430
	5 974	5 727
Current assets		
Inventories	**4 943**	5 302
Trade and other receivables	**995**	996
Derivative financial instruments	**18**	20
Prepayments	**151**	163
Financial assets held at fair value through profit or loss	**5 057**	3 481
Cash at bank and on hand	**8 401**	4 450
Assets of disposal group held for sale	**19**	21
	19 584	14 433
Total assets	**25 558**	20 160
Equity and liabilities		
Equity attributable to owners of the parent company		
Share capital	**334**	334
Treasury shares	**(520)**	(432)
Hedge and share option reserve	**302**	327
Cumulative translation adjustment reserve	**1 892**	3 004
Retained earnings	**12 623**	12 296
	14 631	15 529
Non-controlling interests	**7**	–
Total equity	**14 638**	15 529
Liabilities		
Non-current liabilities		
Borrowings	**4 288**	402
Deferred income tax liabilities	**8**	8
Employee benefits obligation	**68**	98
Provisions	**73**	91
Other long-term financial liabilities	**168**	132
	4 605	731
Current liabilities		
Trade and other payables	**1 634**	1 508
Current income tax liabilities	**359**	365
Borrowings	**4**	53
Derivative financial instruments	**90**	67
Provisions	**312**	215
Bank overdrafts	**3 897**	1 685
Liabilities of disposal group held for sale	**19**	7
	6 315	3 900
Total liabilities	**10 920**	4 631
Total equity and liabilities	**25 558**	20 160

Presentation

The results will be presented via a live webcast on 18 May 2018, starting at 09:30 (CET). The direct link is available from 07:30 (CET) at: https://www.richemont.com. The presentation may be viewed using a mobile device.

- Live telephone connection: call one of these numbers 10 minutes before the start of the presentation:
  - Europe +41 58 310 50 00
  - USA +1 631 570 5613
  - UK +44 207 107 0613
  - South Africa +27 11 589 8373 / 0800 992 635 (toll free)
- An archive of the audio webcast will be available at 15:00 (CET) the same day from:
  - https://www.richemont.com/investor-relations/results-presentations.html
- A transcript of the webcast will be available at 15:00 (CET) on 22 May 2018 from:
  - https://www.richemont.com/investor-relations/results-presentations.html

Statutory information

- The Richemont 2018 Annual Report will be published on 1 June 2018 and will be available for download from the Group's website at https://www.richemont.com/investor-relations/reports.html. Copies may be obtained from the Company's registered office or by contacting the Company via the website at https://www.richemont.com/about-richemont/contact.html

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About Richemont

Richemont owns a portfolio of leading international 'Maisons' which are recognised for their distinctive heritage, craftsmanship and creativity. The Group operates in three segments: Jewellery Maisons, being Cartier and Van Cleef & Arpels and Giampiero Bodino; Specialist Watchmakers, being A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Officine Panerai, Piaget, Roger Dubuis and Vacheron Constantin; and Other, including Alfred Dunhill, Azzedine Alaïa, Chloé, Lancel, Montblanc and Peter Millar as well as watch component manufacturing activities.

For the financial year ended 31 March 2018, Richemont reported sales of € 10 979 million, operating profit of € 1 844 million and profit for the year of € 1 221 million.

'A' shares issued by Compagnie Financière Richemont SA are listed and traded on SIX Swiss Exchange, the Company's primary listing, (Reuters 'CFR.VX'/Bloomberg 'CFR:VX'/ISIN CH0210483332) and are included in the Swiss Market Index ('SMI') of leading stocks. The Swiss 'Valorennummer' is 21048333. Richemont's 'A' shares are registered. The share register is managed by Computershare Schweiz AG, the registrar.

South African depository receipts in respect of Richemont 'A' shares are traded on the Johannesburg stock exchange operated by JSE Limited, the Company's secondary listing (Reuters 'CFRJ.J'/Bloomberg 'CFR:SJ'/ISIN CH0045159024).

Disclaimer

This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not guarantees of future performance. Richemont's forward-looking statements are based on management's current expectations and assumptions regarding the Company's business and performance, the economy and other future conditions and forecasts of future events, circumstances and results. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. 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.