

RICHEMONT

COMPANY ANNOUNCEMENT FOR IMMEDIATE RELEASE

15 January 2015

TRADING UPDATE FOR THE THIRD QUARTER ENDED 31 DECEMBER 2014

Financial highlights

- Sales in the quarter were flat at constant exchange rates; sales increased by 4 % at actual rates
- Performance varied across regions and product lines
- Growth in Europe/Middle East and the Americas was offset by a significant decline in Asia Pacific

	October-December 2014 € m	October-December 2013 € m	Change at constant exchange rates versus prior period (%)	Change at actual exchange rates versus prior period (%)
Sales by region				
Europe	1 192	1 085	+ 9 %	+ 10 %
Asia Pacific	1 070	1 131	- 12 %	- 5 %
Americas	547	480	+ 7 %	+ 14 %
Japan	242	245	+ 2 %	- 2 %
Sales by distribution channel				
Retail	1 744	1 660	+ 2 %	+ 5 %
Wholesale	1 307	1 281	- 2 %	+ 2 %
Sales by business area				
Jewellery Maisons	1 565	1 521	- 1 %	+ 3 %
Specialist Watchmakers	816	817	- 4 %	0 %
Other	670	603	+ 7 %	+ 11 %
Total Sales				
	3 051	2 941	0 %	+ 4 %

Review of trading in the three-month period ended 31 December 2014 at constant exchange rates

Overall, third quarter trading was below the first six months of the year.

In Asia Pacific, the decline in sales reflected an unfavourable basis of comparison and a difficult trading environment in most markets, primarily in Hong Kong and Macau.

European sales benefitted from strong domestic sales and a return of visitors in the main tourist destinations, helped by favourable exchange rates.

The Americas region continued to report good growth, albeit at a slower pace than in the first six-month period. Sales were particularly driven by jewellery and the Net-a-Porter Group.

Soft domestic demand in Japan partly reflected the continued impact of the surge in purchases made ahead of the April 2014 sales tax increase. That surge led to a 47 % sales increase in the final quarter of the comparative financial year.

The period's overall performance reflected demand for jewellery, particularly through the retail channel.

Retail continued to outperform the wholesale channel. Retail sales were supported by selective store openings, jewellery sales and Net-a-Porter.

The Jewellery Maisons reported satisfactory sales growth in their own boutique networks. The retail network performance benefitted from jewellery sales in particular.

The decline in sales by the Group's Specialist Watchmakers reflected both caution on the part of business partners in the wholesale channel and a lower performance of some retail locations, most notably in Hong Kong and Macau.

In the Group's other businesses, the Net-a-Porter Group continued to report growth well above the Group average.

The Group's net cash position at 31 December 2014 amounted to € 4.9 billion (2013: € 4.3 billion).

Trading in the nine-month period ended 31 December 2014

Sales growth over the nine-month period to December was 2 % at constant exchange rates or 3 % at actual rates. Sales for the nine months ended 31 December 2014 are presented in Appendix 1a.

Corporate calendar

The Group's results for the current financial year will be announced on Friday, 22 May 2015.

The Company's annual general meeting will be held in Geneva on Wednesday, 16 September 2015.

Disclaimer

The financial information contained in this announcement is unaudited.

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About Richemont

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 four areas: **Jewellery Maisons**, being Cartier and Van Cleef & Arpels; **Specialist watchmakers**, being A. Lange & Söhne, Baume & Mercier, IWC Schaffhausen, Jaeger-LeCoultre, Officine Panerai, Piaget, Roger Dubuis and Vacheron Constantin, as well as the Ralph Lauren Watch and Jewelry joint venture and **Other**, being Alfred Dunhill, Chloé, Lancel, Montblanc and Net-a-Porter as well as other smaller Maisons and watch component manufacturing activities for third parties.

For its financial year ended 31 March 2014, Richemont reported sales of € 10 649 million. Operating profit for the year amounted to € 2 419 million.

Richemont 'A' shares are listed on the SIX Swiss Exchange, Richemont's primary listing, and are included in the Swiss Market Index ('SMI') of leading stocks. Richemont South African Depository Receipts are listed in Johannesburg, Richemont's secondary listing.

Appendix 1a: Sales for the nine months ended 31 December 2014

	April-December 2014 € m	April-December 2013 € m	Change at constant exchange rates versus prior period (%)	Change at actual exchange rates versus prior period (%)
Sales by region				
Europe	3 320	3 087	+ 7 %	+ 8 %
Asia Pacific	3 153	3 255	- 4 %	- 3 %
Americas	1 406	1 264	+ 11 %	+ 11 %
Japan	602	659	- 4 %	- 9 %
Sales by distribution channel				
Retail	4 595	4 407	+ 4 %	+ 4 %
Wholesale	3 886	3 858	0 %	+ 1 %
Sales by business area				
Jewellery Maisons	4 248	4 188	+ 1 %	+ 1 %
Specialist Watchmakers	2 441	2 404	+ 1 %	+ 2 %
Other	1 792	1 673	+ 6 %	+ 7 %
Total Sales				
	8 481	8 265	+ 2 %	+ 3 %

Appendix 1b: Foreign exchange rates

Average exchange rates against the euro	April-Dec 2014	April-Dec 2013
United States dollar	1.31	1.33
Japanese yen	140	132
Swiss franc	1.21	1.23

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 2014 are used to convert local currency sales into euros for the current three-month period, the current nine-month period and comparative figures. Exchange rate translation effects are thereby eliminated from the reported sales performance.