RICHEMONT

PRESS RELEASE FOR IMMEDIATE RELEASE

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RICHEMONT REPORTS FIVE MONTHS SALES AT ANNUAL GENERAL MEETING

Ahead of its Annual General Meeting to be held later today in Geneva, Richemont announces that its sales for the five months ended 31 August 2011 increased by 29 % at actual exchange rates. At constant exchange rates, sales increased by 35 %.

	Change at constant exchange rates versus prior year	Change at actual exchange rates versus prior year
Sales by region		
Europe	+ 22 %	+ 21 %
Asia-Pacific	+ 59 %	+ 46 %
Americas	+ 41 %	+ 26 %
Japan	+ 8 %	+ 7 %
Sales by distribution channel		
Retail	+ 44 %	+ 37 %
Wholesale	+ 27 %	+ 22 %
Sales by business area		
Jewellery Maisons	+ 41 %	+ 34 %
Specialist Watchmakers	+ 34 %	+ 28 %
Montblanc Maison	+ 15 %	+ 10 %
Other	+ 30 %	+ 24 %
Total	+ 35 %	+ 29 %

On a region-by-region basis, sales growth in Europe was robust, reflecting purchases made by local clients as well as travellers. The Asia-Pacific region continues to report very strong sales growth. This stems from sustained consumer confidence in that region, further boosted by the Maisons' investments in their distribution networks. Sales growth in the Americas was also notable. Sales in Japan increased, despite the aftermath of the natural disasters which struck that country in March.

Retail sales enjoyed a higher momentum than wholesale sales thanks to a good performance in the Maisons' boutiques, the expansion of their retail networks, particularly in the Asia-Pacific region, and strong growth at NET-A-PORTER.

All Maisons enjoyed solid growth, in particular the Jewellery Maisons with their well-established retail networks.

Richemont expects its sales and operating profit for the first six months of this year to be significantly higher than the comparative period.

Based on the strengthening of the Swiss Franc between March 2011 and today, the Group will incur a significant translation loss on its cash balances. Further, the accounting gain recognised in the comparative period relating to the acquisition of Net-A-Porter of € 101 million will not re-occur. Accordingly, Richemont expects attributable profit to be broadly in line with the prior year despite a significantly higher operating profit.

Mr Johann Rupert, Executive Chairman and Group Chief Executive Officer, commented:

"The rest of the financial year is difficult to predict. The problems of fiscal deficits generally and Euro zone difficulties in particular are likely to act as a drag on business prospects for companies in the period ahead, especially if the growth markets are affected. To hope for a continuation of the current good trading levels in such circumstances may be over-optimistic. In addition, we must keep in mind the demanding comparative figures against which sales in the coming six months will be measured.

Moreover, the impact of the Swiss franc's appreciation against the euro and other major currencies obviously poses a challenge for all Swiss exporters. For Richemont, with a significant production base, our headquarters and many of our Maisons located in Switzerland, the stronger Swiss franc will continue to be negative for our cost of sales and operating expenses, maintaining negative pressure on our margins.

It is reassuring that our Group continues to enjoy a strong financial position: the net cash position at 31 August 2011 was € 2.6 billion. The strength of our balance sheet, our continuing cost discipline and the agility of our Maisons means that we will continue to maintain our investment plans and face the foreseeable future with cautious optimism."

Richemont's interim results for the six-month period to 30 September 2011 will be released on 11 November 2011.

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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 Jaeger-LeCoultre, Piaget, IWC, Baume & Mercier, Vacheron Constantin, Officine Panerai, A. Lange & Söhne and Roger Dubuis, as well as the Ralph Lauren Watch and Jewelry joint venture; **Montblanc Maison**; and **Other,** being Alfred Dunhill, Chloé, Lancel and NET-A-PORTER.COM as well as other smaller Maisons and watch component manufacturing activities for third parties.

For its financial year ended 31 March 2011, Richemont reported sales of € 6 892 million. Operating profit for the year amounted to € 1 355 million.