

Strategy Overview & Conclusion



RICHEMONT

Richemont's Goals & Strategy

- Grow the value of our Company
- Sustainable growth in dividends
- Sustainable growth in Free Cash Flow

How?

- **Build sustainable demand for our products**
 - **Desirability**
 - **Integrity and Esteem**
 - **Awareness**
 - **Relevance / Vitality**
- **This is building Brand Equity, which leads to better Pricing Power**

This Approach Requires

- Further support for creativity and communication
- Further Capex in production and R&D
- Further Capex for boutiques
- Our preference is to build goodwill and Brand Equity rather than to buy it

April 2011 Sales

- **By network**

- **+35% at cc: retail + 45%, wholesale + 27%**

- **By region**

- **Japan: up single digit**
- **Asia Pacific, Europe and Americas: up double-digit**

Conclusion: Core Strengths

- Premium portfolio of prestigious Maisons
- Leadership in prestige jewellery & watches
- Significant growth potential driven by universal appeal of European high quality goods
- Broad based exposure to clientele from growth and established markets
- Strong balance sheet

