

RICHEMONT

Interim Report 2015

Cartier

Van Cleef & Arpels



Giampiero Bodino

A. LANGE & SÖHNE
GLASHÜTTE 1/SA

BAUME & MERCIER
MAISON D'HORLOGERIE GENEVE 1830

IWC

SCHAFFHAUSEN



JAEGER-LECOULTRE

OFFICINE PANERAI
FIRENZE 1860

PIAGET

RALPH LAUREN
WATCH AND JEWELRY CO.



ROGER DUBUIS
HORLOGER GENEVOIS



VACHERON CONSTANTIN
Manufacture Horlogère, Genève, depuis 1755.

MONT
BLANC

dunhill
LONDON

ALAÏA
PARIS

Chloé

LANCEL

PETER
MILLAR

PURDEY

SHANGHAI TANG
上海滩

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This document contains forward-looking statements as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Words such as 'may', 'should', 'estimate', 'project', 'plan', 'believe', 'expect', 'anticipate', 'intend', 'potential', 'goal', 'strategy', 'target', 'will', 'seek', and similar expressions may identify forward-looking statements.

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.

Financial highlights

- Sales increased by 15 % to € 5 821 million; a 3 % increase at constant exchange rates
- Strong sales through Maisons' own boutiques offset mixed wholesale sales, which were particularly weak in the Asia Pacific region
- Operating profit increased by 6 % to € 1 390 million
- Operating margin was resilient at 24 %
- Profit for the period increased by 22 % to € 1 103 million
- Solid cash flow from operations of € 1 055 million

Key financial data (unaudited)

	Six months ended 30 September 2015	Six months ended 30 September 2014 re-presented ¹	Change
Sales	€ 5 821 m	€ 5 073 m	+15%
Gross profit	€ 3 786 m	€ 3 349 m	+13%
Gross margin	65%	66%	- 100 bps
Operating profit	€ 1 390 m	€ 1 315 m	+6%
Operating margin	24%	26%	- 200 bps
Loss for the period from discontinued operations	€ (88) m	€ (10) m	
Profit for the period	€ 1 103 m	€ 907 m	+22%
Earnings per share, diluted basis	€ 1.949	€ 1.603	+22%
Cash flow generated from operations	€ 1 055 m	€ 1 008 m	+5%
Net cash position	€ 4 763 m	€ 4 276 m	€ 487 m

Note (1): the income statement has been re-presented to reflect discontinued operations (The NET-A-PORTER GROUP) as a separately identifiable item

Chairman's commentary

Richemont results for the first half were satisfactory. Strong growth in our Maisons' retail sales compensated for the decline in wholesale demand, which was principally driven by the Asia Pacific region. Jewellery sales grew strongly; this product area now accounts for one third of the Group's sales.

Tourist traffic represents an important part of the Group's sales. Our Maisons must be responsive to changing trends and continuously adapt to meet demand in various markets. The positive results seen during the period evidence the Maisons' capabilities in this respect.

The impact of exchange rate volatility, in particular the strengthening of the Swiss franc, was largely absorbed through price adjustments and administrative cost controls. Operating profit in the period increased by 6 %. This growth and the movements in currency gains and losses contributed to a net profit increase of 22 %.

Cash flow from operations remained solid, reflecting strict working capital management. Net cash at 30 September 2015 amounted to € 4.8 billion.

On 5 October, the merger of The NET-A-PORTER GROUP with YOOX Group announced in March of this year was completed. The all-share transaction has generated a one-time accounting gain of some € 620 million to be recognised during the second half of the current financial year. Following the merger, Richemont holds a non-controlling interest in the enlarged group.

In the month of October, sales decreased by 1 % at actual exchange rates. In constant currency terms, sales decreased by 6 %. The patterns seen in the first six months in terms of geography, product and channel mix were accentuated during the month, with growth in Europe and Japan, albeit at a lower rate, offsetting continuing weakness in Asia Pacific and the Americas. Jewellery continues to outperform the watch category, whilst retail sales remained stronger than the wholesale channel.

For the second half of the year, we expect the situation, particularly in wholesale, to continue to be challenging. Our Maisons will continue to pursue their differentiated marketing strategies with their planned investments, increasing the ability for each to react to a volatile environment. We remain optimistic for the long term as the demand in the retail environment remains healthy, demonstrating the continued desirability for the craftsmanship and quality of our Maisons.

Johann Rupert
Chairman

Compagnie Financière Richemont SA
Geneva, 6 November 2015

Financial review

SALES

In the six-month period, sales increased by 15 % at actual exchange rates or by 3 % at constant exchange rates. The increase reflected the continued demand for jewellery and to a lesser degree for leather goods and clothing, as well as the strong performance of the Maisons' own boutiques. Overall demand for watches was weak. In regional terms, Europe and Japan continued to report very strong growth, whereas Asia Pacific posted a significant decline, primarily due to weakness in Hong Kong and Macau. Further details of sales by region, distribution channel and business area are given in the Review of operations on pages 4 to 6.

GROSS PROFIT

Gross profit increased by 13 % and accounted for 65 % of sales. The 100 basis points margin decrease versus the prior period largely reflected the impact of the Swiss franc's appreciation and lower capacity utilisation, partly offset by the positive effects of other exchange rates and the growing proportion of retail sales.

OPERATING PROFIT

The increase in operating expenses reflected good cost control amid adverse exchange rate effects. Operating profit increased to € 1 390 million in the six-month period; at 24 %, the operating margin was resilient.

Compared to the 26 % increase in sales through the Maisons' own boutique networks, the 22 % growth in selling and distribution costs primarily reflected unfavourable exchange rate effects as well as depreciation charges linked to the opening of new boutiques in the prior year, and higher fixed rental costs. In the comparative period, communication expenses included the cost of participation in the *Biennale des Antiquaires et de la Haute-Joaillerie* in Paris. The current period did not include such costs; communication expenses increased by 7 %. The increase in administration costs was largely driven by the stronger Swiss franc.

PROFIT FOR THE PERIOD

Profit for the period increased by 22 % or € 196 million to € 1 103 million.

Compared with the increase in operating profit, the higher increase in net profit for the period largely reflected € 8 million of mark-to-market net losses in respect of currency hedging activities (2014: net losses of € 239 million) included in net finance income/(costs).

The loss from discontinued operations primarily relates to the settlement of incentive plans which occurred during the period under review. For the full year to 31 March 2016, the net income from discontinued operations is estimated at € 530 million.

Earnings per share increased by 22 % to € 1.949 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 period ended 30 September 2015 would be € 1 112 million (2014: € 910 million). Basic HEPS for the period was € 1.972 (2014: € 1.616). Diluted HEPS for the period was € 1.968 (2014: € 1.607). Further details regarding earnings per share and HEPS, including an itemised reconciliation, may be found in note 10 of the Group's condensed consolidated interim financial statements.

CASH FLOW

Cash flow generated from operations remained solid at € 1 055 million. The absorption of cash for working capital in the current period was € 558 million (2014: € 553 million), including no net absorption in inventories. The realised net impact of foreign exchange hedging activities on the cash flow for the period was an outflow of € 40 million (2014: inflow of € 13 million).

The net investment in tangible fixed assets during the period amounted to € 242 million, reflecting further selective investments in the Group's network of boutiques and in manufacturing facilities.

The 2015 dividend of CHF 1.60 per share was paid to 'A' and 'B' shareholders, net of withholding tax, in September. Due to timing differences, the equivalent dividend was paid to South African Depository Receipt holders in early October. The 35 % withholding tax on all dividends was remitted to the Swiss tax authorities in September. The cash outflow in the period amounted to € 759 million. The full-year outflow, including the October payments, is € 854 million (2014: € 650 million).

The Group acquired some 1.8 million 'A' shares during the six-month period to hedge executive stock options. The cost of these purchases was partly offset by proceeds from the exercise of stock options by executives and other activities related to the hedging programme, leading to a net outflow of € 97 million.

FINANCIAL STRUCTURE AND BALANCE SHEET

At the end of September, inventories amounted to € 5 206 million, representing 21 months of cost of sales. In value terms, the change during the six-month period reflected foreign exchange effects only.

At 30 September 2015, the Group's net cash position amounted to € 4 763 million. Compared with 31 March 2015, the position represents a decrease of € 656 million, reflecting the annual dividend payment. The Group's net cash position includes highly liquid, highly rated Money Market Funds, short-term bank deposits and medium-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.

Richemont's balance sheet remains strong, with shareholders' equity representing 74 % of total equity and liabilities.

Review of operations

Sales by region

in € millions	30 September 2015	30 September 2014 re-presented	Movement at	
			Constant exchange rates*	Actual exchange rates
Europe	1 943	1 547	+24%	+26%
Asia Pacific	1 972	2 030	-17%	-3%
Americas	883	744	+1%	+19%
Japan	534	358	+44%	+49%
Middle East and Africa	489	394	+4%	+24%
	5 821	5 073	+3%	+15%

* Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current period and the comparative period at the average exchange rates applicable for the financial year ended 31 March 2015.

EUROPE

Europe accounted for 33 % of overall sales. Sales growth in the region benefited from good levels of tourism, helped by the weakness of the euro versus the US dollar and other currencies. Retail sales to Europeans during the period showed good growth.

ASIA PACIFIC

Sales in the Asia Pacific region accounted for 34 % of the Group total, with Hong Kong and mainland China the two largest markets. The significant sales decline in Hong Kong and Macau during the period was partly offset by positive developments elsewhere. In particular, mainland China resumed growth with strong retail sales, largely offsetting challenging wholesale sales.

AMERICAS

The Americas region reported subdued demand overall, with lower watch sales offset by growing sales in jewellery, clothing and leather goods categories.

JAPAN

Japan reported strong momentum, both from local and tourist demand, helped by the favourable exchange rate movements.

MIDDLE EAST AND AFRICA

In spite of challenging comparative figures and unfavourable exchange rate movements, markets in the Middle East and Africa continued to report growth.

Sales by distribution channel

in € millions	30 September 2015	30 September 2014 re-presented	Movement at	
			Constant exchange rates*	Actual exchange rates
Retail	3 149	2 494	+13%	+26%
Wholesale	2 672	2 579	-6%	+4%
	5 821	5 073	+3%	+15%

* Movements at constant exchange rates are calculated by translating underlying sales in local currencies into euros in both the current period and the comparative period at the average exchange rates applicable for the financial year ended 31 March 2015.

RETAIL

Retail sales, comprising directly operated boutiques and e-commerce, increased by 26 %. With 54 % of Group sales, retail sales growth continues to exceed the growth in wholesale sales. The rates of sales growth in Europe and Japan were notable, reflecting strong demand across jewellery and leather goods.

The growth in retail sales partly reflected the positive impact of renovations and the addition of 26 internal boutiques to the Maisons' network, which reached 1 159 stores. The boutique openings during the period were primarily in tourist destinations.

Sales by distribution channel continued

WHOLESALE

The Group's wholesale business, including sales to franchise partners, reported slower growth. The period's performance reflected the caution of our Maisons' business partners, particularly in Asia Pacific where the environment continues to be challenging.

Sales and operating results by business area

JEWELLERY MAISONS

in € millions	30 September 2015	30 September 2014	Change
Sales	3 177	2 683	+18%
Operating results	1 101	973	+13%
Operating margin	34.7%	36.3%	-160 bps

Sales at the Jewellery Maisons – Cartier, Van Cleef & Arpels and Giampiero Bodino – grew by 18 % overall. Within their own boutique networks, the Maisons reported growth, including watch sales. Sales of their watch collections through the wholesale channel were lower in the period, primarily due to the challenging environment in certain Asia Pacific markets.

The operating results were well above the prior period and operating margin was resilient at 35 %. The decrease in operating margin primarily relates to anticipated manufacturing subactivity and cost increases relating to the Swiss franc.

SPECIALIST WATCHMAKERS

in € millions	30 September 2015	30 September 2014	Change
Sales	1 749	1 625	+8%
Operating results	402	461	-13%
Operating margin	23.0%	28.4%	-540 bps

The Specialist Watchmakers' sales increased by 8 % overall, with favourable exchange rate effects offsetting lower sales in local currencies. The decrease largely reflected cautious sentiment among business partners in the Asia Pacific region.

The lower demand for fine watches, together with the adverse impact on manufacturing costs as a consequence of the Swiss franc's appreciation, combined to reduce operating results. Under such challenging conditions, the operating margin for the period declined to 23 %.

OTHER

in € millions	30 September 2015	30 September 2014 re-presented	Change
Sales	895	765	+17%
Operating results	(11)	(17)	-35%
Operating margin	(1.2)%	(2.2)%	+100 bps

'Other' includes Montblanc, the Group's Fashion and Accessories businesses and the Group's watch component manufacturing activities. The prior period comparatives have been re-presented to reflect the reclassification of Net-a-Porter to discontinued operations.

The reported operating losses were reduced to € 11 million, primarily due to positive performances at Montblanc, Chloé and Peter Millar.

Review of operations continued

Sales and operating results by business area continued

CORPORATE COSTS

in € millions	30 September 2015	30 September 2014	Change
Corporate costs	(102)	(102)	
Central support services	(95)	(97)	-2%
Other operating income/(expense), net	(7)	(5)	

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.

Bernard Fornas
Co-Chief Executive Officer

Richard Lepou
Co-Chief Executive Officer

Gary Saage
Chief Financial Officer

Compagnie Financière Richemont SA
Geneva, 6 November 2015

Condensed consolidated statement of financial position

	Notes	30 September 2015 €m	31 March 2015 €m
Assets			
Non-current assets			
Property, plant and equipment		2 325	2 446
Goodwill		308	320
Other intangible assets		432	461
Investment property	5	191	70
Equity-accounted investments	6	120	115
Deferred income tax assets		694	701
Financial assets held at fair value through profit or loss		6	11
Other non-current assets		395	398
		4 471	4 522
Current assets			
Inventories		5 206	5 438
Trade and other receivables		1 276	1 071
Derivative financial instruments		29	41
Prepayments		153	140
Financial assets held at fair value through profit or loss		2 754	2 858
Cash at bank and on hand		4 281	5 654
Assets of disposal groups held for sale	7	777	726
		14 476	15 928
Total assets		18 947	20 450
Equity and liabilities			
Equity attributable to owners of the parent company			
Share capital		334	334
Treasury shares		(420)	(364)
Share option reserve		293	291
Cumulative translation adjustment reserve		2 780	3 306
Retained earnings		11 107	10 854
		14 094	14 421
Non-controlling interests		(20)	(1)
Total equity		14 074	14 420
Liabilities			
Non-current liabilities			
Borrowings		389	405
Deferred income tax liabilities		60	71
Employee benefits obligations		197	237
Provisions		81	96
Other long-term financial liabilities		134	133
		861	942
Current liabilities			
Trade and other payables		1 314	1 514
Current income tax liabilities		322	236
Borrowings		118	186
Derivative financial instruments		112	160
Provisions		160	277
Bank overdrafts		1 765	2 502
Liabilities of disposal groups held for sale	7	221	213
		4 012	5 088
Total liabilities		4 873	6 030
Total equity and liabilities		18 947	20 450

The notes on pages 11 to 25 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of comprehensive income

		Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	Notes	€m	€m
Sales	4	5 821	5 073
Cost of sales		(2 035)	(1 724)
Gross profit		3 786	3 349
Selling and distribution expenses		(1 440)	(1 179)
Communication expenses		(468)	(437)
Administrative expenses		(474)	(419)
Other operating (expense)/income	8	(14)	1
Operating profit		1 390	1 315
Finance costs	9	(79)	(265)
Finance income	9	155	48
Share of post-tax results of equity-accounted investments		(5)	(3)
Profit before taxation		1 461	1 095
Taxation	11	(270)	(178)
Profit for the period from continuing operations		1 191	917
Loss for the period from discontinued operations	7	(88)	(10)
Profit for the period		1 103	907
Other comprehensive income:			
Items that will never be reclassified to profit or loss			
Defined benefit plan actuarial gains/(losses)		33	(25)
Tax on defined benefit plan actuarial gains/(losses)		(7)	5
		26	(20)
Items that are or may be reclassified subsequently to profit or loss			
Currency translation adjustments			
– movement in the period		(526)	138
		(526)	138
Other comprehensive (loss)/income, net of tax		(500)	118
Total comprehensive income		603	1 025
Profit attributable to:			
Owners of the parent company		1 101	908
Non-controlling interests		2	(1)
		1 103	907
Total comprehensive income attributable to:			
Owners of the parent company		601	1 025
– continuing operations		703	1 017
– discontinued operations		(102)	8
Non-controlling interests		2	–
		603	1 025
Earnings per share attributable to owners of the parent company during the period (expressed in € per share)			
From profit for the year			
Basic	10	1.952	1.613
Diluted	10	1.949	1.603
From continuing operations			
Basic	10	2.115	1.631
Diluted	10	2.112	1.621

The notes on pages 11 to 25 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity

	Equity attributable to owners of the parent company						Non-controlling interests	Total equity	
	Notes	Share capital €m	Treasury shares €m	Share option reserve €m	Cumulative translation adjustment reserve €m	Retained earnings €m	Total €m	€m	€m
Balance at 1 April 2014		334	(326)	309	1 338	10 309	11 964	(6)	11 958
Comprehensive income									
Profit for the period		–	–	–	–	908	908	(1)	907
Other comprehensive loss		–	–	–	137	(20)	117	1	118
		–	–	–	137	888	1 025	–	1 025
Transactions with owners of the parent company recognised directly in equity									
Net changes in treasury shares		–	(28)	–	–	(23)	(51)	–	(51)
Employee share option plan		–	–	11	–	–	11	–	11
Tax on share option plan		–	–	(29)	–	–	(29)	–	(29)
Acquisition of non-controlling interests		–	–	–	–	(2)	(2)	2	–
Dividends paid	15	–	–	–	–	(650)	(650)	–	(650)
		–	(28)	(18)	–	(675)	(721)	2	(719)
Balance at 30 September 2014		334	(354)	291	1 475	10 522	12 268	(4)	12 264
Balance at 1 April 2015		334	(364)	291	3 306	10 854	14 421	(1)	14 420
Comprehensive income									
Profit for the period		–	–	–	–	1 101	1 101	2	1 103
Other comprehensive income		–	–	–	(526)	26	(500)	–	(500)
		–	–	–	(526)	1 127	601	2	603
Transactions with owners of the parent company recognised directly in equity									
Net changes in treasury shares	17	–	(56)	–	–	(41)	(97)	–	(97)
Employee share option plan		–	–	12	–	–	12	–	12
Tax on share option plan		–	–	(10)	–	–	(10)	–	(10)
Acquisition of non-controlling interests		–	–	–	–	21	21	(21)	–
Dividends paid	15	–	–	–	–	(854)	(854)	–	(854)
		–	(56)	2	–	(874)	(928)	(21)	(949)
Balance at 30 September 2015		334	(420)	293	2 780	11 107	14 094	(20)	14 074

The notes on pages 11 to 25 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows

	<i>Notes</i>	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Cash flows from operating activities			
Cash flow generated from operations	12	1 055	1 008
Interest received		26	8
Interest paid		(34)	(15)
Taxation paid		(234)	(333)
Net cash generated from operating activities		813	668
Cash flows from investing activities			
Acquisition of subsidiary undertakings and other businesses, net of cash acquired	13	(122)	(21)
Acquisition of equity-accounted investments	6	(9)	(99)
Acquisition of property, plant and equipment		(245)	(214)
Proceeds from disposal of property, plant and equipment		3	13
Acquisition of intangible assets		(37)	(46)
Proceeds from disposal of intangible assets		2	3
Investment in financial assets held at fair value through profit and loss		(3 753)	(553)
Proceeds from disposal of financial assets held at fair value through profit and loss		3 859	876
Acquisition of other non-current assets		(33)	(40)
Proceeds from disposal of other non-current assets		13	13
Net cash used in investing activities		(322)	(68)
Cash flows from financing activities			
Proceeds from borrowings		60	72
Repayment of borrowings		(116)	(11)
Dividends paid	15	(759)	(569)
Payment for treasury shares	17	(144)	(103)
Proceeds from sale of treasury shares	17	47	52
Acquisition of non-controlling interests in a subsidiary		(126)	–
Capital element of finance lease payments		(1)	(1)
Net cash used in financing activities		(1 039)	(560)
Net change in cash and cash equivalents		(548)	40
Cash and cash equivalents at the beginning of the period		3 152	2 214
Exchange losses on cash and cash equivalents		(88)	–
Cash and cash equivalents at the end of the period		2 516	2 254

The notes on pages 11 to 25 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements at 30 September 2015

1. General information

Compagnie Financière Richemont SA ('the Company') and its subsidiaries (together 'Richemont' or 'the Group') is one of the world's leading luxury goods groups. The Group's interests encompass several of the most prestigious names in the industry including Cartier, Van Cleef & Arpels, Giampiero Bodino, Piaget, A. Lange & Söhne, Jaeger-LeCoultre, Vacheron Constantin, Officine Panerai, IWC, Baume & Mercier, Roger Dubuis, Montblanc, Alfred Dunhill, Lancel, Chloé, Azzedine Alaïa, Purdey, Shanghai Tang and Peter Millar.

The Company is registered in Bellevue, Geneva, Switzerland. Shares of the Company are listed and traded on SIX Swiss Exchange and are included in the Swiss Market Index ('SMI') of leading stocks. Depository Receipts in respect of Richemont shares are traded on the Johannesburg stock exchange operated by JSE Limited.

These unaudited condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 5 November 2015.

2. Basis of preparation

The condensed consolidated interim financial statements for the half year ended 30 September 2015 have been prepared in accordance with International Accounting Standard ('IAS') 34 *Interim Financial Reporting*. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2015 which were prepared in accordance with International Financial Reporting Standards ('IFRS').

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2015.

3. Accounting policies

Except as described below the accounting policies adopted are consistent with those described in the consolidated financial statements for the year ended 31 March 2015. The comparative condensed statement of comprehensive income has been re-presented to show separately the loss arising from discontinued operations (note 7).

Amendments to IFRSs effective for the financial year ending 31 March 2016 are not expected to have a material impact on the Group.

4. Segment information

(a) Information on reportable segments

Management has determined the operating segments based on the reports regularly reviewed by the chief operating decision maker ('CODM') in making strategic decisions. Each operating segment is managed separately by a dedicated Chief Executive Officer and management team allowing management to maintain and develop the specific identity of each Maison. These operating segments have been aggregated into reportable segments as follows:

- **Jewellery Maisons** – businesses whose heritage is in the design, manufacture and distribution of jewellery products; these comprise Cartier, Van Cleef & Arpels and Giampiero Bodino;
- **Specialist Watchmakers** – businesses whose primary activity includes the design, manufacture and distribution of precision timepieces. The Group's Specialist Watchmakers comprise Piaget, A. Lange & Söhne, Jaeger-LeCoultre, Vacheron Constantin, Officine Panerai, IWC, Baume & Mercier and Roger Dubuis.

In order to determine which operating segments share similar economic characteristics and thus meet the criteria for aggregation, management has focused on the distribution network, product mix and gross margin of the Maisons.

Other operating segments include Montblanc, Alfred Dunhill, Lancel, Chloé, Peter Millar, Purdey, textile brands and other manufacturing entities. None of these segments meet the quantitative thresholds for determining reportable segments. The comparative figures have been re-presented for the reclassification of the results of The NET-A-PORTER GROUP to discontinued operations (note 7).

The entire product range of a particular Maison, which may include jewellery, watches, writing instruments, clothing and leather goods, is reflected in the sales and operating result for that segment.

The non-separable costs of operating multi-brand regional platforms are allocated to individual operating segments using allocation keys most relevant to the nature of the expense being allocated.

Unallocated corporate costs represent the costs of the Group's corporate operations which are not attributed to the segments.

Performance measurement is based on segment contribution before corporate costs, interest and tax, as management believes that such information is most relevant in evaluating the results of segments relative to other entities that operate within similar markets.

Notes to the condensed consolidated interim financial statements continued

4. Segment information continued

(a) Information on reportable segments continued

Inter-segment transactions between different fiscal entities are transacted at prices that reflect the risk and rewards transferred and are entered into under normal commercial terms and conditions. Inter-segment transactions within the same fiscal entity are transacted at cost. All such transactions are eliminated in the reports reviewed by the CODM.

The segment results are as follows:

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Externalsales		
Jewellery Maisons	3 177	2 683
Specialist Watchmakers	1 749	1 625
Other	895	765
	5 821	5 073

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Operating result		
Jewellery Maisons	1 101	973
Specialist Watchmakers	402	461
Other	(11)	(17)
	1 492	1 417
Unallocated corporate costs	(102)	(102)
Consolidated operating profit before finance and tax	1 390	1 315
Finance costs	(79)	(265)
Finance income	155	48
Share of post-tax results of equity-accounted investments	(5)	(3)
Profit before taxation	1 461	1 095
Taxation	(270)	(178)
Profit for the period from continuing operations	1 191	917

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Depreciation and amortisation costs included within the segment operating results		
Jewellery Maisons	93	77
Specialist Watchmakers	73	57
Other	57	49
Unallocated	39	31
	262	214

4. Segment information continued

(a) Information on reportable segments continued

The segment assets which are reviewed by the CODM comprise inventories and trade debtors.

	At 30 September 2015 €m	At 31 March 2015 €m
Segment assets		
Jewellery Maisons	3 202	3 253
Specialist Watchmakers	1 944	1 935
Other	949	930
	6 095	6 118
Total segment assets	6 095	6 118
Property, plant and equipment	2 325	2 446
Goodwill	308	320
Other intangible assets	432	461
Investment property	191	70
Equity-accounted investments	120	115
Deferred income tax assets	694	701
Financial assets at fair value through profit or loss	2 760	2 869
Other non-current assets	395	398
Other receivables	387	391
Derivative financial instruments	29	41
Prepayments	153	140
Cash at bank and on hand	4 281	5 654
Assets of disposal groups held for sale	777	726
Total assets	18 947	20 450

The CODM also reviews additions to property, plant and equipment, other intangible assets, and investment property as follows:

	Six months to 30 September 2015 €m	Six months to 30 September 2014 re-presented €m
Additions to non-current assets:		
Property, plant and equipment, other intangible assets and investment property		
Jewellery Maisons	93	54
Specialist Watchmakers	60	70
Other	51	32
Unallocated	56	68
	260	224

Notes to the condensed consolidated interim financial statements continued

4. Segment information continued

(b) Information about geographical areas

Each operating segment operates on a worldwide basis. External sales presented in the four main geographical areas where the Group's operating segments operate are as follows:

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Europe	1 943	1 547
France	523	385
Switzerland	351	292
Germany, Italy and Spain	531	402
Other Europe	538	468
Middle East and Africa	489	394
Asia	2 506	2 388
China/Hong Kong	1 214	1 205
Japan	534	358
Other Asia	758	825
Americas	883	744
USA	685	578
Other Americas	198	166
	5 821	5 073

Sales are allocated based on the location of the wholesale customer, the boutique or the shipping address for on-line transactions.

The total non-current assets other than financial instruments and deferred tax assets located in Switzerland, the Company's domicile, and the rest of the world are as follows:

	At 30 September 2015	At 31 March 2015
	€m	€m
Switzerland	1 905	1 978
United Kingdom	192	189
USA	308	323
Rest of the world	1 215	1 164
	3 620	3 654

Segment assets are allocated based on where the assets are located.

(c) Information about products

External sales by product are as follows:

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Watches	2 803	2 650
Jewellery	1 993	1 531
Leather goods	336	282
Clothing	222	175
Writing instruments	188	172
Other	279	263
	5 821	5 073

5. Investment property

	Property fund €m	Other €m	Total €m
1 April 2014			
Cost	71	276	347
Depreciation	(1)	(1)	(2)
Net book value at 1 April 2014	70	275	345
Exchange adjustments	–	26	26
Depreciation	–	(1)	(1)
Reclassification to asset held for sale	–	(300)	(300)
31 March 2015			
Cost	71	–	71
Depreciation	(1)	–	(1)
Net book value at 31 March 2015	70	–	70
	Property fund €m	Other €m	Total €m
1 April 2015			
Cost	71	–	71
Depreciation	(1)	–	(1)
Net book value at 1 April 2015	70	–	70
Depreciation	(1)	–	(1)
Acquisition through business combinations (note 13)	122	–	122
30 September 2015			
Cost	193	–	193
Depreciation	(2)	–	(2)
Net book value at 30 September 2015	191	–	191

The Investment Property which was reclassified to assets held for sale in the comparative period was sold in October 2014.

Notes to the condensed consolidated interim financial statements continued

6. Equity-accounted investments

	€m
At 1 April 2014	13
Exchange adjustments	10
Acquisition of equity-accounted investments	100
Disposal of equity-accounted investments	(3)
Dividend received	(1)
Share of post-tax results	(12)
Share of losses offset against long-term receivable from an equity-accounted investment	8
At 31 March 2015	115
Exchange adjustments	(3)
Acquisition of equity-accounted investments	9
Share of post-tax results	(5)
Share of losses offset against long-term receivable from an equity-accounted investment	4
At 30 September 2015	120

The value of equity-accounted investments at 30 September 2015 includes goodwill of € 7 million (31 March 2015: € 7 million).

The Group's principal equity-accounted investments at 30 September 2015 are as follows:

			% interest held	Country of incorporation	Country of operation
Greubel Forsey SA	Watchmaker	Associate	20.0	Switzerland	Switzerland
Rouages SA	Watch component manufacturer	Associate	34.7	Switzerland	Switzerland
Schwab-Feller AG	Watch component manufacturer	Associate	20.0	Switzerland	Switzerland
Les Cadraniers de Genève SA	Watch component manufacturer	Joint venture	50.0	Switzerland	Switzerland
Fook Ming Watch Limited	Distributor of watch products	Joint venture	50.0	Hong Kong	Hong Kong
Laureus World Sports Awards Limited	Sports Awards	Joint venture	50.0	United Kingdom	Worldwide
Ralph Lauren Watch & Jewelry Company Sàrl	Watchmaker	Joint venture	50.0	Switzerland	Worldwide
Dalloz Pre-Setting SAS	Jewellery manufacturer	Joint venture	33.3	France	France
New Bond Street JV Jersey Unit Trust	Investment property	Joint venture	48.4	United Kingdom	United Kingdom

7. Assets and liabilities of disposal groups held for sale

(a) The NET-A-PORTER GROUP

On 31 March 2015, the Group announced that it had entered into a binding, conditional agreement to sell its controlling interest in The NET-A-PORTER GROUP, which would be merged with YOOX SpA (a company registered in Italy) in an all-share transaction in which the Group would receive 50% of the share capital of the combined entity's listed parent company. The Group's voting rights would be restricted to 25% of the total voting rights of the combined entity. At 30 September 2015, the business met the criteria of IFRS 5 *Non-current assets held for sale and discontinued operations* to be classified as held for sale and, as it is considered to be a separate, major line of business, it is reported as a discontinued operation.

The transaction was completed on 5 October 2015 (note 20) and consequently the deconsolidation of The NET-A-PORTER GROUP will only happen as of this date.

7. Assets and liabilities of disposal groups held for sale continued

(a) The NET-A-PORTER GROUP continued

The results of the discontinued operation included in profit for the period are set out below. The comparative statement of comprehensive income has been re-presented to show the discontinued operations separately from continuing operations. The Group expects that the fair value less costs to sell of the business will be higher than the aggregate carrying amount of the related assets and liabilities and has therefore not recognised any impairment losses during the period.

	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Sales	484	357
Expenses	(563)	(361)
Operating loss	(79)	(4)
Finance costs	(6)	–
Finance income	–	2
Loss before taxation from discontinued operations	(85)	(2)
Taxation	(3)	(8)
Loss after taxation from discontinued operations	(88)	(10)

The cumulative income recognised in Other Comprehensive Income in relation to the disposal group is as follows:

	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Currency translation adjustments	36	22
Cumulative income recognised in other comprehensive income	36	22

Cash flows used in discontinued operations are as follows:

	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Net cash used in operating activities	(226)	(4)
Net cash used in investing activities	(10)	(5)
	(236)	(9)

Notes to the condensed consolidated interim financial statements continued

7. Assets and liabilities of disposal groups held for sale continued

(a) The NET-A-PORTER GROUP continued

The major classes of assets and liabilities of the disposal group at 30 September 2015 and at 31 March 2015 are as follows:

	30 September 2015	31 March 2015
	€m	€m
Property, plant and equipment	73	74
Goodwill	325	331
Other intangible assets	12	12
Deferred tax assets	16	13
Other non-current assets	2	2
Inventories	274	234
Trade and other receivables	48	49
Prepayments	19	11
Assets of disposal group held for sale	769	726
Provisions	(21)	(18)
Deferred tax liabilities	(2)	(2)
Other long-term financial liabilities	(8)	(9)
Trade and other payables	(121)	(117)
Accruals and deferred income	(61)	(56)
Current tax liabilities	(8)	(11)
Liabilities of disposal group held for sale	(221)	(213)
Net assets of disposal group held for sale	548	513

(b) Other

During the period, the Group also completed negotiations for the disposal of certain assets held by its manufacturing entities as part of an asset deal. The transaction is expected to complete before March 2016. At 30 September 2015, these assets met the criteria of IFRS 5 to be classified as held for sale, however, as they do not represent a separate, major line of business, the results arising from these operations are not shown separately as a discontinued operation. The total value of these assets at 30 September 2015 is € 8 million.

8. Other operating (expense)/income

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Royalty income	15	15
Royalty expenses	(2)	(2)
Investment property rental income	5	4
Investment property costs	(9)	(2)
Amortisation of other intangible assets acquired on business combinations	(8)	(8)
Write-down of assets of disposal groups held for sale	(10)	-
Other expense	(5)	(6)
	(14)	1

9. Finance costs and income

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Finance costs:		
Interest expense:		
– bank borrowings	(17)	(15)
– other financial expenses	(12)	(3)
Mark-to-market adjustment in respect of hedging activities	(8)	(239)
Net loss on financial instruments at fair value through profit or loss:		
– designated on initial recognition	–	(8)
– held for trading	(7)	–
Loss on remeasurement of put option liability on non-controlling interests	(35)	–
Finance costs	(79)	(265)
Finance income:		
Interest income:		
– bank, other deposits, and money market and government bond funds	22	8
– other financial income	3	1
Net foreign exchange gains on monetary items	130	39
Finance income	155	48
Net finance income/(costs)	76	(217)

Gains and losses on all derivatives are included in net finance costs.

10. Earnings per share

10.1. Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent company by the weighted average number of shares in issue during the period, excluding shares purchased by the Group and held in treasury.

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
Profit from continuing operations attributable to owners of the parent company (€ millions)	1 193	918
Loss from discontinued operations attributable to owners of the parent company (€ millions)	(92)	(10)
Total attributable to owners of the parent company (€ millions)	1 101	908
Weighted average number of shares in issue (millions)	564.0	563.0
Basic earnings per share from continuing operations	2.115	1.631
Basic earnings per share from discontinued operations	(0.163)	(0.018)
Total basic earnings per share	1.952	1.613

Notes to the condensed consolidated interim financial statements continued

10. Earnings per share continued

10.2. Diluted

Diluted earnings per share is calculated adjusting the weighted average number of shares outstanding, which assumes conversion of all dilutive potential shares. The Group has only one category of dilutive potential shares: share options.

The calculation is performed for the share options to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
Profit from continuing operations attributable to owners of the parent company (€ millions)	1 193	918
Loss from discontinued operations attributable to owners of the parent company (€ millions)	(92)	(10)
Total profit attributable to the owners of the parent company (€ millions)	1 101	908
Weighted average number of shares in issue (millions)	564.0	563.0
Adjustment for share options (millions)	1.0	3.3
Weighted average number of shares for diluted earnings per share (millions)	565.0	566.3
Diluted earnings per share from continuing operations	2.112	1.621
Diluted earnings per share from discontinued operations	(0.163)	(0.018)
Total diluted earnings per share	1.949	1.603

10.3. Headline earnings per share

The presentation of headline earnings per share as an alternative measure to earnings per share is required under the JSE listing requirements.

	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Profit attributable to owners of the parent company	1 101	908
Loss on disposal of non-current assets	1	2
Write-down of assets of disposal group held for sale	10	–
Headline earnings	1 112	910
	Six months to 30 September 2015 millions	Six months to 30 September 2014 millions
Weighted average number of shares:		
– basic	564.0	563.0
– diluted	565.0	566.3
	€ per share	€ per share
Headline earnings per share:		
– basic	1.972	1.616
– diluted	1.968	1.607

11. Taxation

Income tax expense is recognised based on management's best estimate of the annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The effective tax rate from continuing operations for the period ended 30 September 2015 was 18.4 % (2014: 17.0 %).

12. Cash flow generated from operations

	Six months to 30 September 2015	Six months to 30 September 2014 re-presented
	€m	€m
Operating profit	1 390	1 315
Operating loss from discontinued operations	(79)	(4)
Depreciation of property, plant and equipment	222	183
Depreciation of investment property	1	1
Amortisation of other intangible assets	48	49
Loss on disposal of property, plant and equipment	2	2
Profit on disposal of intangible assets	(1)	–
Increase in long-term provisions	9	8
Decrease in retirement benefit obligations	(1)	(5)
Non-cash items	22	12
Increase in inventories	–	(269)
Increase in trade receivables	(241)	(211)
Increase in other receivables and prepayments	(48)	(126)
(Decrease)/increase in current liabilities	(236)	29
Increase in long-term liabilities	7	11
(Decrease)/increase in derivative financial instruments	(40)	13
Cash flow generated from operations	1 055	1 008

13. Business combinations

During the six months to 30 September 2015 the Group concluded several business combinations, including the acquisition of two retail investment properties in Paris and Vancouver as part of the Group's property fund. None of these transactions were individually significant to the Group. The details that follow are presented on an aggregate basis.

Fair value of assets acquired

	Business operations €m
Investment property	122
Inventory	2
Fair value of net assets acquired	124
Purchase consideration – cash paid	124
Deposit paid in year to 31 March 2015	(3)
Payment of amounts deferred in prior periods	1
Cash outflow on acquisitions	122

The fair value of certain acquired inventory and intangibles is provisional pending finalisation of the valuation work for those items.

The contribution of the acquired businesses to sales and to net profit in the period and for the full six-month period was insignificant.

Acquisition-related transaction costs of € 8 million were expensed in the period to 30 September 2015.

Notes to the condensed consolidated interim financial statements continued

14. Related-party transactions

There has been no significant change in the nature and magnitude of the related-party transactions and relationships during the period. Full details of related-party transactions will be included in the 2016 annual consolidated financial statements.

15. Dividends

On 16 September 2015 shareholders approved a dividend of CHF 1.60 per share (2014: CHF 1.40).

The dividend related cash flows in the period were:

	Six months to 30 September 2015 €m	Six months to 30 September 2014 €m
Total dividend	854	650
Payments not completed at 30 September		
– dividend on depositary receipts	(95)	(81)
Cash outflow in period	759	569

16. Financial commitments and contingent liabilities

At 30 September 2015, the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material losses will arise.

17. Treasury shares

The Group holds treasury shares to hedge its obligation arising under the Group stock option plan.

During the current period the Group acquired 1 790 000 treasury shares directly in the open market for € 144 million. In the same period the Group delivered 1 913 276 treasury shares for proceeds of € 47 million in settlement of options exercised in the period and traded options exercised in previous periods.

18. Share-based payments

Equity-settled share option plan

The Group has a long-term share-based compensation plan whereby executives are awarded options to acquire shares at the market price on the date of grant. Awards under the stock option plan vest over periods of four to six years and have expiry dates, the date after which unexercised options lapse, of nine years from the date of grant. The executive must remain in the Group's employment until vesting. The options granted as from 2008 onwards include a performance condition correlated to other luxury goods companies upon which vesting is conditional.

During the period ended 30 September 2015, awards of 1 229 526 options were granted (31 March 2015: 1 270 826) at an exercise price of CHF 83.30 (2014: CHF 94.00).

19. Financial instruments: Fair values and risk management

The Group's financial risk management objectives and policies are consistent with those described in the consolidated financial statements for the year ended 31 March 2015.

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their level in the fair value hierarchy.

	Carrying amount				Fair value				
	Designated at fair value	Held for trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 September 2015	€m	€m	€m	€m	€m	€m	€m	€m	€m
Financial assets measured at fair value									
Unlisted investments	6	–	–	–	6			6	6
Investments in externally managed funds	–	1 881	–	–	1 881	1 881			1 881
Investments in money market and government bond funds	873	–	–	–	873		873		873
Derivatives	–	29	–	–	29		29		29
	879	1 910	–	–	2 789				
Financial assets not measured at fair value									
Non-current loans and receivables	–	–	14	–	14				
Non-current lease deposits	–	–	136	–	136				
Trade and other receivables	–	–	1 276	–	1 276				
Cash and cash equivalent	–	–	4 281	–	4 281				
	–	–	5 707	–	5 707				
Financial liabilities measured at fair value									
Derivatives	–	(112)	–	–	(112)		(112)		(112)
Financial liabilities not measured at fair value									
Fixed rate borrowings	–	–	–	(362)	(362)		(381)		(381)
Floating rate borrowings	–	–	–	(116)	(116)				
Finance lease obligations	–	–	–	(29)	(29)				
Other long-term financial liabilities	–	–	–	(134)	(134)				
Trade and other payables	–	–	–	(1 164)	(1 164)				
Bank overdraft	–	–	–	(1 765)	(1 765)				
	–	–	–	(3 570)	(3 570)				

Notes to the condensed consolidated interim financial statements continued

19. Financial instruments: Fair values and risk management continued

	Carrying amount				Fair value				
	Designated at fair value	Held for trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
31 March 2015	€m	€m	€m	€m	€m	€m	€m	€m	€m
Financial assets measured at fair value									
Listed investments	5	–	–	–	5	5			5
Unlisted investments	6	–	–	–	6			6	6
Investments in money market and government bond funds	2 858	–	–	–	2 858		2 858		2 858
Derivatives	–	41	–	–	41		41		41
	2 869	41	–	–	2 910				
Financial assets not measured at fair value									
Non-current loans and receivables	–	–	13	–	13				
Non-current lease deposits	–	–	143	–	143				
Trade and other receivables	–	–	1 071	–	1 071				
Cash and cash equivalent	–	–	5 654	–	5 654				
	–	–	6 881	–	6 881				
Financial liabilities measured at fair value									
Derivatives	–	(160)	–	–	(160)		(160)		(160)
Financial liabilities not measured at fair value									
Fixed rate borrowings	–	–	–	(378)	(378)		(373)		(373)
Floating rate borrowings	–	–	–	(183)	(183)				
Finance lease obligations	–	–	–	(30)	(30)				
Other long-term financial liabilities	–	–	–	(133)	(133)				
Trade and other payables	–	–	–	(1 385)	(1 385)				
Bank overdraft	–	–	–	(2 502)	(2 502)				
	–	–	–	(4 611)	(4 611)				

The Group does not disclose the fair value for financial instruments where the carrying value is a reasonable approximation of the fair value.

19. Financial instruments: Fair values and risk management continued

Valuation techniques

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price for financial assets held by the Group is the current bid price. These instruments are included in Level 1 and comprise investments in externally managed funds made up of listed bonds.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, maximising the use of observable market data, where available, and relying as little as possible on entity-specific estimates.

If all significant inputs are observable the instrument is included as Level 2; if one or more of the significant inputs is not based on observable market data then the instrument is included as Level 3.

Specific valuation techniques used for Level 2 financial instruments include:

- Interest rate swaps are valued on the basis of discounted cash flows. The variable flows are determined for each payment date using forward interest rate curves.
- Currency forwards are measured based on observable spot exchange rates, the term interest rates of the respective currencies and the currency basis spread between the respective currencies.

The nominal value of the investments in money market and government bond funds approximates the fair value, as the maximum average life is 120 days and the maximum average maturity is 60 days. These instruments are included in Level 2.

Level 3 financial instruments consist entirely of small investments in unlisted equities, the value of which did not change in the period to 30 September 2015.

20. Events after the reporting period

On 5 October 2015, the sale of the Group's controlling interest in The NET-A-PORTER GROUP was completed in an all-share transaction in which the Group received 50% of the share capital of the listed parent entity of the combined YOOX Net-a-Porter group. The Group's voting rights are limited to 25% under the terms of the merger agreement. This transaction generated a gain, after costs to sell, of approximately € 623 million, which will be included in profit from discontinued operations in the annual financial statements for the year ended 31 March 2016. As from 5 October 2015, the investment in YOOX Net-a-Porter will be accounted for as an investment in associate.

Exchange rates

The results of the Group's subsidiaries which do not report in euros have been translated at the following average rates of exchange against the euro. The balance sheets of those subsidiaries have been translated into euros at the closing rates set out below.

Exchange rates against the euro

	Six months to 30 September 2015	Six months to 30 September 2014
Average		
United States dollar	1.11	1.35
Japanese yen	135	139
Swiss franc	1.06	1.22

	30 September 2015	31 March 2015
Closing		
United States dollar	1.12	1.26
Japanese yen	134	138
Swiss franc	1.09	1.21

Statutory information

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'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 SIX SAG 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 'CFR.JJ'/Bloomberg 'CFR:SJ'/ISIN CH0045159024).

The closing price of the Richemont 'A' share on 30 September 2015 was CHF 75.70 and the market capitalisation of the Group's 'A' shares on that date was CHF 39 515 million. Over the preceding six-month period, the highest closing price of the 'A' share was CHF 86.85 (21 May) and the lowest closing price was CHF 68.85 (24 August).

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