

RICHMONT

PRESS RELEASE

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FOR IMMEDIATE RELEASE

RICHEMONT SELLS 0.6 PERCENT EFFECTIVE INTEREST IN BRITISH AMERICAN TOBACCO TO REMGRO LIMITED

Richemont, the Swiss luxury goods group, announces that it has marginally reduced its interest in British American Tobacco p.l.c. ('BAT') through the indirect sale of 12,854,457 BAT shares to its joint venture partner, Remgro Limited ('Remgro').

This transaction follows an approach by Remgro to Richemont. Richemont agreed to effect the transaction at a modest premium to the market price prevailing on 25 February 2005, with net proceeds to Richemont amounting to £ 124.9 million (€ 181.2 million). Richemont will realise an exceptional gain of some € 80 million in its financial year ending 31 March 2005 as a result of the transaction.

Richemont and Remgro hold their BAT shares through a joint-venture vehicle, R&R Holdings SA. As a result of the transaction, Richemont's effective interest in BAT will decrease from 18.8 per cent to 18.2 per cent.

Because Richemont and Remgro are considered to be related parties, the Board of Compagnie Financière Richemont SA constituted a Committee of Independent Directors to consider Remgro's request. A fairness opinion in respect of the terms of the transaction was provided to the Committee and the Board by Deutsche Bank. The transaction was then approved by both the Committee and the Board.

Richemont owns a portfolio of leading international brands including Cartier, Van Cleef & Arpels, Alfred Dunhill, Montblanc and Lancel as well as prestigious watch manufacturers Jaeger-LeCoultre, Piaget, Baume & Mercier, IWC, Vacheron Constantin, A. Lange & Söhne and Officine Panerai.

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