

Registered Number 3008633

**VENDÔME LUXURY GROUP UK PENSION
TRUSTEES LIMITED**

**Report and Accounts
for the year ended 31 March 1998**



VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Report of the Directors for the year ended 31 March 1998

The directors submit their report and audited accounts for the year ended 31 March 1998.

Principal activities

The Company is the sole trustee of the Vendôme Luxury Group UK Pension Fund, and does not trade on its own account.

Results

The results of the Company for the year are set out in the profit and loss account on page 5 and the notes on pages 7 and 8.

Dividends

No interim dividends was paid in the year (1997: £Nil). The directors do not recommend the payment of a final dividend for the year ended 31 March 1998 (1997: £Nil).

Directors

The directors of the Company during the year and as at 31 March 1998 were:

Mr K C O Barton
Mr D G Coleridge - resigned 03.02.98
Mr R V D'Sa
Mr P A Dunnett
Miss H A Pettit
Mr J E K Pye
Mr P S Tilley - appointed 03.02.98
Mr J S T Tomlinson
Mrs P J Williams

In addition, Mr J S T Tomlinson resigned on 15 April 1998 and Mr M R Cornwall Jones was appointed director on 15 April 1998.

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Report of the Directors for the year ended 31 March 1998 - continued

Directors' interests

There are no individual interests of any director and their families in shares and options of the Company, its parent company or any of its subsidiary companies or fellow subsidiaries, as shown in the register kept in accordance with section 325 of the Companies Act 1985 as at 31 March 1998.

During the year no director had a material interest in any contract that was significant in relation to the Company's business.

Directors' responsibilities

The directors are required by United Kingdom company law to prepare accounts for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 31 March 1998. The directors also confirm that applicable accounting standards have been followed and that the accounts have been prepared on the going concern basis.

The directors are responsible for ensuring that proper accounting records are kept, and for taking reasonable steps, to both safeguard the assets of the Company and prevent and detect fraud and other irregularities.

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Report of the Directors for the year ended 31 March 1998 - continued

Auditors

An elective resolution is in force which negates the need to re-appoint the auditors annually.

By Order of the Board

A handwritten signature in black ink, appearing to be 'R Watson', with a large loop at the start and a horizontal line extending to the right.

Miss R Watson
Secretary
8 July 1998

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED**Report of the auditors to the members of
VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED**

We have audited the accounts on pages 5 to 8.

Respective responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

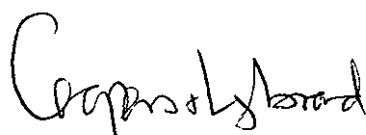
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company at 31 March 1998 and of the result of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Coopers & Lybrand**

Chartered Accountants and Registered Auditors

London

8 July 1998

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Profit and loss account for the year ended 31 March 1998

	1998	1997
	£	£
Profit on ordinary activities before taxation	-	-
Taxation on profit on ordinary activities	-	-
	<hr/>	<hr/>
Retained profit for the financial year	<hr/> <hr/>	<hr/> <hr/>

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year as stated above, and their historical cost equivalents.

All the company's activities are continuing.

The notes on pages 7 to 8 form an integral part of these accounts.

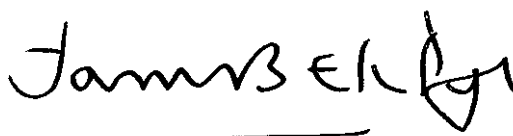
VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Balance sheet as at 31 March 1998

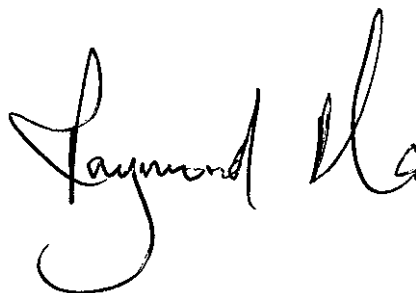
	Notes	1998 £	1997 £
Current assets			
Amount owing by immediate parent company		100	100
Net assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital	5	100	100
Equity shareholders' funds		<u>100</u>	<u>100</u>

The financial statements on pages 5 to 8 were approved by the board of directors on 8 July 1998 and were signed on its behalf by:

J E K Pye Director



R V D'Sa Director



The notes on pages 7 to 8 form an integral part of these accounts

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Notes to the accounts for the year ended 31 March 1998

1. Principal accounting policies

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied on a consistent basis, is set out below.

Basis of accounting

These accounts have been prepared in accordance with the historical cost convention.

Cash flow statement

No cash flow statement has been prepared as, in accordance with Financial Reporting Standard No.1 Revised, the Company is exempt from this requirement as it is a wholly owned subsidiary whose cash flows are included in the Vendôme Luxury Group PLC cash flow statement.

2. Auditors' remuneration

The auditors' remuneration for the year of £1,625 (1997: £1,500) has been borne by Vendôme Luxury Investments Limited.

3. Directors' emoluments

None of the directors who held office during the year received any emoluments in respect of their services to the Company (1997: £Nil).

4. Employee information

There were no employees during the year (1997: Nil).

VENDÔME LUXURY GROUP UK PENSION TRUSTEES LIMITED

Notes to the accounts

for the year ended 31 March 1998 - continued

5. Share capital	1998	1997
	£	£
Authorised, allotted, called up and fully paid: 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
6. Reconciliation of movements in shareholders' funds	1998	1997
	£	£
Opening equity shareholders' funds	100	2
New share capital issued	-	98
Closing equity shareholders' funds	<u>100</u>	<u>100</u>

7. Related party transactions

In accordance with Financial Reporting Standard No.8: Related Party Disclosure, the Company is exempt from disclosing transactions with entities that are part of the group, as it is a more than ninety per cent owned subsidiary undertaking of a parent whose consolidated financial statements are publicly available.

8. Ultimate holding company

The Company is a wholly owned subsidiary of Vendôme Luxury Group PLC (registered in England and Wales).

The directors regard Compagnie Financière Richemont AG, a listed company incorporated in Switzerland, to be the ultimate parent company. Shares representing 50% of the voting rights of that company are held by Compagnie Financière Rupert which for the purpose of Financial Reporting Standard No.8, is regarded by the directors as the controlling party.

Copies of the accounts of Compagnie Financière Richemont AG are available from its registered office at Rigistrasse 2, CH - 6300 Zug, Switzerland.