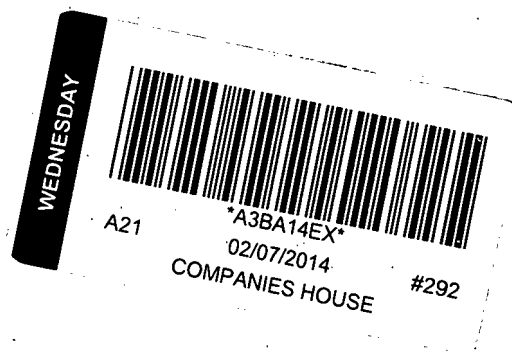


RICHEMONT INVESTMENTS

Registered number: 2803362

**Annual report
for the year ended 31 March 2014**



RICHEMONT INVESTMENTS (Registered number: 2803362)

Annual report for the year ended 31 March 2014

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RICHEMONT INVESTMENTS (Registered number: 2803362)

Director's Report for the year ended 31 March 2014

The Sole Director submits his report and the audited financial statements of Richemont Investments (the "Company") for the year ended 31 March 2014. The Company reports its financial results in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Principal activities

Richemont Investments is a private unlimited company incorporated in the United Kingdom under the Companies Act 2006. The Company is a United Kingdom resident investment holding company. The Company's registered office address is 15 Hill Street, London, W1J 5QT, United Kingdom.

The results for the year are set out in the Statement of Comprehensive Income on page 7 and show a pre-tax loss of £14,000 (2013: £11,000). Total shareholders' equity at 31 March 2014 was £786,000 (2013: £797,000).

Business environment and future outlook

The Company continued to act as an investment company and intermediate holding company. The subsidiaries of the Company, whilst holding title to intellectual property, can be considered dormant. Both the level of business and the year end position were as expected. No additional activity is anticipated for the foreseeable future.

Strategic Report

The Company is entitled to the small companies' regime exemption and so no Strategic Report has been prepared.

Key performance indicators

The directors of the Compagnie Financière Richemont S.A. Group (the "Group") manage the Group's operations on a divisional basis and monitor the performance of Richemont Investments at a consolidated level. For this reason, the Company's Director believes that analysis using key performance indicators for the Company is neither necessary nor appropriate for an understanding of the development, performance, or position of the business of Richemont Investments. The development, performance, and position of the Richemont brands, which includes the Company, is discussed on the Richemont website (www.richemont.com).

Principal risks and uncertainties

The directors of the Group manage the Group's risk centrally rather than at an individual business unit level. For this reason the Company's Sole Director believes that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance, or position of Richemont Investments' business.

The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report which can be obtained from the address given in note 13 of the financial statements.

Dividends

There were no dividends paid in the financial year (2013: £nil).

RICHEMONT INVESTMENTS (Registered number: 2803362)

Director's Report for the year ended 31 March 2014 (continued)

Sole Director

The Sole Director who held office during the year and up to the date of signing the financial statements was:

Mr R J Brooks

Secretary

The Secretary who held office throughout the year and subsequently was Ms J M Taylor.

Creditor payment policy

The current policy of the Company and the Group's United Kingdom subsidiaries concerning the payment of the majority of its trade creditors is:

- (a) to settle the terms of payment with those suppliers when agreeing the terms of each transaction;
- (b) to ensure that those suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- (c) to pay in accordance with its contractual and other legal obligations.

The payment policy applies to all payments to creditors for revenue and capital supplies of goods and services without exception.

Independent Auditors

In the absence of a notice proposing that their appointment be terminated, the auditors, PricewaterhouseCoopers CI LLP, will be deemed to be re-appointed for the next financial year.

By order of the board



Ms J M Taylor
Company Secretary

24 June 2014

RICHEMONT INVESTMENTS (Registered number: 2803362)

Statement of Director's Responsibilities in respect of the annual report and the financial statements

The Sole Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Sole Director to prepare financial statements for each financial year. Under that law the Sole Director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Sole Director must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Sole Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Sole Director has complied with the above requirements in the preparation of the financial statements.

The Sole Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

By order of the board


Ms J M Taylor
Company Secretary

24 June 2014

Independent auditors' report to the members of Richemont Investments

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Richemont Investments, comprise:

- the statement of financial position as at 31 March 2014;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended;
- the summary of significant accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRS as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

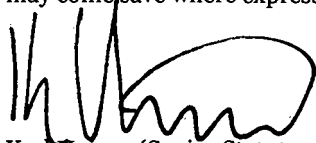
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.



Karl Hairon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Jersey

25 June 2014

RICHEMONT INVESTMENTS (Registered number: 2803362)

Statement of Comprehensive Income for the year ended 31 March 2014

	Note	2014 £'000	2013 £'000
Continuing operations			
Revenue		-	-
Administrative expenses		(14)	(11)
Operating loss and loss before taxation		<u>(14)</u>	<u>(11)</u>
Income tax	5	3	3
Loss for the year		<u>(11)</u>	<u>(8)</u>
Total comprehensive income for the year		<u>(11)</u>	<u>(8)</u>

The notes on pages 11 to 16 form an integral part of these financial statements.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Statement of Financial Position as at 31 March 2014

	Notes	2014 £'000	2013 £'000
Assets			
Non current assets			
Investments in subsidiaries	6	<u>34,115</u>	<u>34,115</u>
Current assets			
Trade and other receivables	7	3	3
Cash and cash equivalents	8	<u>794</u>	<u>806</u>
		797	809
Liabilities			
Current liabilities			
Trade and other payables	9	<u>(34,126)</u>	<u>(34,127)</u>
Net current liabilities		<u>(33,329)</u>	<u>(33,318)</u>
Net assets		<u>786</u>	<u>797</u>
Shareholders' equity			
Share capital	10	-	-
Other reserves		3	3
Retained earnings		<u>783</u>	<u>794</u>
Total shareholders' equity		<u>786</u>	<u>797</u>

The notes on pages 11 to 16 form an integral part of these financial statements.

The financial statements on pages 7 to 16 were approved by the Sole Director on 24 June 2014:



Mr R J Brooks
Director

RICHEMONT INVESTMENTS (Registered number: 2803362)

Statement of Changes in Equity for the year ended 31 March 2014

	Share capital	Revaluation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000
At 1 April 2012	-	3	802	805
Total comprehensive income for the year	-	-	(8)	(8)
At 1 April 2013	-	3	794	797
Total comprehensive income for the year	-	-	(11)	(11)
At 31 March 2014	-	3	783	786

The notes on pages 11 to 16 form an integral part of these financial statements.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Statement of Cash Flows for the year ended 31 March 2014

	Notes	2014 £'000	2013 £'000
Cash used in operating activities	8 (b)	<u>(12)</u>	<u>(7)</u>
Net decrease in cash and cash equivalents		(12)	(7)
Cash and cash equivalents at 1 April		806	813
Cash and cash equivalents at 31 March	8 (a)	<u><u>794</u></u>	<u><u>806</u></u>

The notes on pages 11 to 16 form an integral part of these financial statements.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014

1 Summary of significant accounting policies

These financial statements have been prepared on the going concern basis under the accounting policies set out below, which have been applied consistently and in accordance with applicable accounting standards.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. A summary of the more important accounting policies is set out below.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The financial statements have been prepared in accordance with the historical cost convention, subject to the revaluation of available for sale investments.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Exemption from preparing consolidated financial statements

As further explained in note 6, the Company is not required to prepare consolidated financial statements due to the exemption available under section 401 of the Companies Act 2006.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade and other payables

Payables are initially measured at fair value and subsequently measured at amortised cost.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014 (continued)

1 Summary of significant accounting policies (continued)

Share capital

Shares issued by the Company are classified as equity attributable to the Company's shareholders.

Taxation

The charge for current taxation is based on the results for the year as adjusted for income that is exempt and expenses that are not deductible using taxation rates that are applicable to the taxable income.

Deferred taxation is recognised in the Statement of Comprehensive Income except when it relates to items credited or charged directly to equity, in which case it is recognised in equity.

Deferred tax assets and liabilities

Deferred taxation is recognised using the balance sheet liability method for all temporary differences, unless specifically exempt, at tax rates that have been enacted or substantively enacted at the balance sheet date.

A deferred taxation asset represents the amount of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits. Deferred taxation assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

A deferred taxation liability represents the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred taxation liabilities are recognised for taxable temporary differences, unless specifically exempt.

Deferred taxation assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable income nor accounting profit.

Financial risk management

The Company's activities expose it to financial risks relating to liquidity.

(a) Liquidity risk

The Company has no significant liquidity risk as funding is generated through settlement of debt by fellow subsidiary companies and associated undertakings.

Changes to Accounting Policies and Disclosures

Certain new accounting standards issued by IASB and new interpretations issued by IFRIC are not yet effective for the year ended 31 March 2014 and have not been applied in preparing these financial statements. These standards and interpretations are not expected to have a material impact on the Company's financial statements.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014 (continued)

2 Auditors' remuneration

Auditors' remuneration for the year of £4,390 (2013: £4,260) has been borne by the Company.

3 Director's emoluments and interests

The Sole Director who held office during the year received no emoluments in respect of his services to the Company (2013: £nil). The Sole Director considers there are no other key management personnel.

4 Employee information

There were no employees during the year (2013: nil).

5 Taxation

Analysis of charge in the year:

	2014	2013
	£'000	£'000
Current tax	(3)	(3)
Deferred tax	-	-
Taxation	(3)	(3)

Taxation reconciliation

	2014	2013
	£'000	£'000
Loss on ordinary activities before taxation	(14)	(11)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013: 24%)	(3)	(3)
Effects of:		
Group relief surrendered	3	3
Consideration received for losses surrendered as group relief	(3)	(3)
Total taxation	(3)	(3)

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014 (continued)

6 Investments in subsidiary undertakings

	2014	2013
Cost	£'000	£'000
At 1 April	73,641	73,641
Disposal	(39,483)	-
At 31 March	35,158	73,641
Provision for impairment		
At 1 April	(39,526)	(39,526)
Disposal	39,483	-
At 31 March	(43)	(39,526)
Carrying value		
At 31 March	34,115	34,115

During the year Alfred Dunhill International BV was liquidated, the investment had been fully provided for.

At 31 March 2014 the Company's principal immediate subsidiary undertakings were:

Subsidiary undertaking	Place of incorporation	Holding of ordinary share capital (%)	Nature of business
Vendôme Luxury Group (UK) BV	Netherlands	100%	Investment company
Alfred Dunhill Lighters Limited	England and Wales	100%	Investment company
Alfred Dunhill International Limited	England and Wales	100%	Investment company
Richemont Limited	Luxembourg	100%	Investment company

The financial statements contain information about Richemont Investments as an individual Company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption under section 401 of the Companies Act 2006 (for non-EEA parents) from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent, Compagnie Financière Richemont S.A., a company incorporated in Switzerland.

7 Trade and other receivables

	2014	2013
	£'000	£'000
Amounts due from subsidiary undertakings	3	3

The fair value of trade and other receivables approximates their carrying value. Substantially all balances are denominated in Pound Sterling.

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014 (continued)

8 Cash and cash equivalents

(a) Cash and cash equivalents

	2014	2013
	£'000	£'000
Cash at bank	794	806

(b) Reconciliation of operating profit to net cash inflow from operating activities:

	2014	2013
	£'000	£'000
Operating loss	(14)	(11)
Increase in trade and other receivables	-	-
(Decrease)/increase in trade and other payables	(1)	1
Tax received	3	3
Cash used in operating activities	(12)	(7)

9 Trade and other payables

	2014	2013
	£'000	£'000
Accruals	10	12
Amounts owed to subsidiary undertakings	34,116	34,115
	34,126	34,127

The fair value of trade and other payables approximates their carrying value. Substantially all balances are denominated in Pound Sterling.

10 Share capital

	2014	2013
	£'000	£'000
Authorised:		
8,990,000 (2013: 8,990,000) ordinary shares of £1 each	8,990	8,990
1,010,000 (2013: 1,010,000) ordinary shares of £0.0001 each	-	-
	8,990	8,990
Allotted, called up and fully paid:		
Nil (2013: nil) ordinary shares of £1 each	-	-
1,010,000 (2013: 1,010,000) ordinary shares of £0.0001 each	-	-
	-	-

RICHEMONT INVESTMENTS (Registered number: 2803362)

Notes to the financial statements for the year ended 31 March 2014 (continued)

11 Deferred taxation

The Company has an unrecognised deferred tax asset of £413,000 (2013: £453,000). This has not been recognised in the financial statements as the Director does not believe the asset to be recoverable, given that the Company is not forecast to be profitable in future periods and interest income is not anticipated.

	Not recognised		Recognised	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Depreciation in excess of capital allowances, not provided	-	(1)	-	-
Unutilised trading losses	(413)	(452)	-	-
Deferred tax asset	(413)	(453)	-	-

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries and joint ventures. As the earnings are continually reinvested by the group and there is no intention for these entities to pay dividends, no tax is expected to be payable on them in the foreseeable future.

12 Related party transactions

Details of dividends paid are shown in the Director's report. During the year, the Company held the following balances with fellow subsidiaries:

Balances with related party		Receivable £'000	Payable £'000
Fellow subsidiaries	2014	3	(34,116)
Fellow subsidiaries	2013	3	(34,115)

Key management compensation and other related party transactions are disclosed in note 3, Director's emoluments. The Sole Director does not consider there to be any other members of key management. The Company has not entered into any other related party transactions as defined by IAS 24.

13 Ultimate controlling party

The Company is a wholly owned subsidiary of Richemont Holdings (UK) Limited (registered in England and Wales). The Sole Director regards Compagnie Financière Richemont S.A., a listed company incorporated in Switzerland, to be the ultimate controlling party. Copies of the financial statements of Compagnie Financière Richemont S.A. are available from its registered office at 50 Chemin de la Chênaie, 1293 Bellevue, Geneva, Switzerland.

14 Post balance sheet events

On 19 March 2014 the UK government announced that the corporate tax rate would be reduced from 23% to 21% with effect from 1 April 2014. In accordance with the requirements set out in IAS 12 'Income taxes', the rate of 21% is used as a basis for the calculation of the deferred taxes stated.