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VENDÔME LUXURY GROUP (UK) B.V.
(incorporated in the Netherlands)
Registered number: FC 020752

Registered in the United Kingdom under the name
Vendôme Luxury Group (UK) B.V.

Annual report
for the year ended 31 March 2005



VENDÔME LUXURY GROUP (UK) B.V.

Annual report for the year ended 31 March 2005

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VENDÔME LUXURY GROUP (UK) B.V.

Directors' report for the year ended 31 March 2005

The directors submit their report and the audited financial statements of the company for the year ended 31 March 2005.

Principal activities

The company is an investment company.

Review of business and future developments

The company did not trade during the year ended 31 March 2005 and no activity is anticipated for the foreseeable future.

Dividends

No interim dividend was paid during the year (2004: £nil). The directors do not recommend the payment of a final dividend for the year ended 31 March 2005 (2004: £nil).

Directors

The directors who held office during the year and as at 31 March 2005 were:

Mr R J Brooks

Mr C K R Last

(resigned 16 July 2004)

Mr W S G Lawrence

Directors' interests

At no time during the year was the company, its holding companies or its fellow subsidiaries, a party to any arrangement to enable the directors of the company to acquire benefits by means of acquisition of shares in or debentures of the company or any other body corporate.

Auditors

A resolution to re-appoint the auditors will be proposed at the annual general meeting.

By order of the board



W S G Lawrence
Secretary


31 January 2006


VENDÔME LUXURY GROUP (UK) B.V.

Balance sheet as at 31 March 2005 before appropriation of result

	Notes	2005 £'000	2004 £'000
Current assets			
Debtors: amounts falling due within one year	6	34,054	34,054
Total assets less current liabilities		<u>34,054</u>	<u>34,054</u>
Shareholders' equity			
Called up and paid in share capital	7	1,963	1,912
Share premium account	8	32,125	32,125
Retained earnings	8	(34)	17
Total shareholders' equity		<u>34,054</u>	<u>34,054</u>

The financial statements on pages 3 to 7 were approved by the board of directors on 31 January 2006 and were signed on its behalf by:


W S G Lawrence
Director


R J Brooks
Director

The notes on pages 4 to 6 form an integral part of these financial statements.

VENDÔME LUXURY GROUP (UK) B.V.

Notes to the financial statements for the year ended 31 March 2005

1 General

The company is a wholly owned subsidiary of Richemont Investments (registered in England and Wales), whose United Kingdom ultimate parent company is Richemont Holdings (UK) Limited.

In connection with the disclosure requirements on subsidiaries, use has been made of the exemption referred to in article 408, Book 2, Title 9 of the Dutch Civil Code.

The accounts of the company are included in the Richemont Holdings (UK) Limited consolidated financial statements. The consolidated financial statements of Richemont Holdings (UK) Limited for the year ended 31 March 2005 are attached to these accounts.

The directors regard Compagnie Financière Richemont SA, 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 FRS 8, is regarded by the directors as the controlling party.

Copies of the accounts of Compagnie Financière Richemont SA are available from its registered office at 8 Boulevard James-Fazy, CH-1201, Geneva, Switzerland.

2 Accounting policies

These financial statements have been prepared under the accounting policies set out below and in accordance with applicable accounting standards in the Netherlands.

Basis of accounting

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

Functional currency

The company's operating role is within the United Kingdom where sterling is the currency of the economic environment. The functional currency of the company is sterling, effective from 1 September 1997, which was the date that the company became resident in the United Kingdom.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. Differences on exchange are included in operating profit with the exception of differences on retranslation of share capital, which are taken directly to reserves. Transactions in foreign currencies are translated into sterling at the actual rate of exchange ruling at the date of the transaction.

VENDÔME LUXURY GROUP (UK) B.V.

Notes to the financial statements for the year ended 31 March 2005 - continued

3 Directors' emoluments

None of the directors who held office during the year received any emoluments in respect of their services to the company (2004: *£nil*).

4 Employee information

There were no direct employees during the year (2004: *nil*).

5 Profit/(loss) on ordinary activities before taxation

Auditors' remuneration of £3,000 (2004: £3,000) has been borne by a fellow Compagnie Financière Richemont group company.

6 Debtors

	2005 £'000	2004 £'000
Amounts owed by group undertakings	<u>34,054</u>	<u>34,054</u>

7 Share capital

	2005 £'000	2004 £'000
Authorised:		
100,000 (2004: 100,000) ordinary shares of €45 each	<u>3,092</u>	<u>3,012</u>
Allotted, called up and fully paid:		
63,490 (2004: 63,490) ordinary shares of €45 each		
At 1 April 2004	1,912	1,972
Exchange difference on revaluation of share capital	51	(60)
At 31 March 2005	<u>1,963</u>	<u>1,912</u>

The Company has two classes of shares, "A" shares (representing 28% of the Company's called up share capital) and "B" shares (representing 72% of the Company's called up share capital). Following a group reorganisation during the year ending 31 March 1998 the two classes of shares have substantially the same rights and consequently they have not been shown separately in the table above.

VENDÔME LUXURY GROUP (UK) B.V.

Notes to the financial statements for the year ended 31 March 2005 - continued

8 Reserves

	Share premium account £'000	Retained earnings £'000
As at 1 April 2004	32,125	17
Exchange difference on revaluation of share capital	-	(51)
At 31 March 2005	32,125	(34)

VENDÔME LUXURY GROUP (UK) B.V.

Other information

1. Appropriation of the net result for the year

According to article 14 of the company's Articles of Association, the result is at the disposal of the General Meeting of Shareholders.