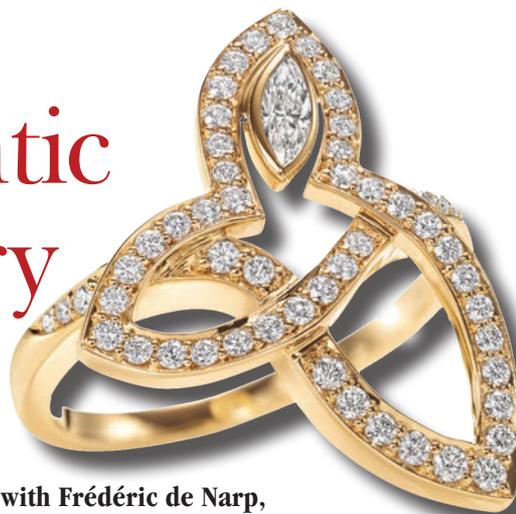
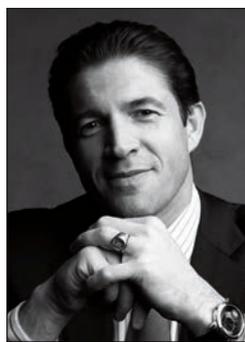


Lifestyle Authentic Luxury



An Interview with Frédéric de Narp,
President and Chief Executive Officer, Harry Winston, Inc.

EDITORS' NOTE Frédéric de Narp assumed his current post at Harry Winston in January of 2010. Before this, he served as the President and CEO of Cartier North America. He began his career in luxury retail nearly 20 years ago at Cartier in Japan and worked in various positions with the company in Tokyo, Switzerland, and Italy, before moving to New York in 2005 to oversee Cartier North America.



Frédéric de Narp

COMPANY BRIEF A specialist diamond enterprise with assets in the mining and retail segments of the diamond industry, Harry Winston Diamond Corporation (www.harrywinston.com) supplies rough diamonds to the global market from the Diavik Diamond Mine, in which it has a 40 percent ownership interest. Harry Winston, Inc., the company's luxury arm, is a premier diamond jeweler and luxury watchmaker with salons in key locations including New York, Paris, London, Beijing, Tokyo, and Beverly Hills.

Harry Winston is well known for exquisite jewelry, but how much of a focus has the watch business been for you and what is the range of that offering?

Harry Winston is still a relatively new player in fine watch-making, having only launched our first timepiece in 1989. When you look at what has been achieved in such a short time, it is a real testament to the level of focus we have applied to developing this area of the business. Harry Winston has only produced 4,000 watches per year, although we have the capacity to produce more. Our watches have been predominately aimed at timepiece collectors and have been extremely exclusive or limited edition series introduced at higher price points. While focusing on highly complicated movements has helped us earn our place in the field, we are now expanding our selection to include watches for everyday wear. During BaselWorld in March, we introduced the Harry Winston Midnight Collection, which has been a fantastic success. This series offers very elegant and refined timepieces for both men and women, and will allow us to triple the number of watches sold by Harry Winston during the next four years.

How has your method for producing fine jewelry pieces evolved?

Tradition is an important aspect of our DNA and remains an integral part of our focus as we bring the company into the future. We continue to produce our unique high jewelry pieces in our workshop above the Fifth Avenue salon, using the pioneering techniques that define our legacy of style. Our newest collection, Lily Cluster by Harry Winston, evolves the iconic Winston Cluster for the next generation of fine jewelry clients. The idea was to create a unique and high quality collection for everyday wear. With a starting price of \$5,000, it is slightly more accessible for Harry Winston, but still matches our high standards for design and craftsmanship.

Harry Winston has been making an effort to make its salons less intimidating and more welcoming. How challenging has that been?

When a client comes to Harry Winston, it is to celebrate a meaningful moment in their life. We have always relied on a very personal experience between sales executive and client working together to find the perfect jewel. It is important to us to visually replicate the warmth of this experience in the overall look of our salons. Last year, I asked Bill Sofield, a Cooper-Hewitt National Design Award winner, to oversee the development of our new retail concept. Beginning with the façade, the salon is more transparent and welcoming for clients. We streamlined the interior, creating dedicated areas for timepieces, bridal, jewelry, and high jewelry. So a young couple in search of a beautiful \$6,000 engagement ring will feel comfortable in their surroundings while, in a private room, there may be a client viewing an exceptional \$1.5 million necklace. The first concept salon opened in Las Vegas in February and will eventually be rolled out worldwide. We're also in the process of renovating our historic Fifth Avenue flagship, Winston's corporate and creative headquarters for many years. It will be a great moment when the restoration is complete.

The high awareness of the brand might suggest that you run a rather extensive operation, but that isn't the case. What are your plans for expansion?

We currently have 20 retail salons around the world, more than half of which are in the United States and Japan. So quite literally, there is a world of opportunity for Harry Winston right now. We

have mapped out a clear strategy to develop our global footprint, starting this year with the opening of a major flagship salon in Shanghai, as well as new salons in Dubai and Russia, with more to come. It is important to note that while we plan to expand, for Harry Winston, we are not looking to be mass. Our goal remains to maintain the exclusivity of the brand, while ensuring we are able to accommodate our new and existing clients worldwide with the exceptional level of products and service that Harry Winston is known for.

Has this role been what you expected and are you enjoying it?

To me there is no brand that comes close to Harry Winston in terms of quality, exclusivity, or authenticity; nor one more celebrated for its incredible heritage. Mr. Winston was a fearless pioneer with a rare talent to recognize only the exceptional. This is embedded in our DNA. Throughout the company's nearly 80-year history, over a third of the largest and most famous gemstones on earth have at one time or another called Harry Winston home, which is unbelievable when you think about it. But Mr. Winston recognized that the power of these gems went well beyond their monetary value. His generosity was as unique and rare as the jewels he collected. In the late 1940s, he created the Court of Jewels, where he toured his most famous gems around the U.S., to raise money for philanthropic causes. In 1958, in perhaps the industry's greatest act of generosity, he donated the most famous diamond in the world, the Hope Diamond, to the Smithsonian, to share his passion and curiosity for gems with people who could not otherwise afford them. This gift was not only the start of the National Gem Collection for America, but the start of a commitment for the company to focus on giving back at the highest level. Last year, we launched the Harry Winston Hope Foundation, which commits a minimum of 5 percent of the company's pre-tax profits to support educational causes around the world. It's this ability to think higher, and this legacy of aiming for only the exceptional that makes this job at Harry Winston most exciting and fulfilling for me. Before I joined the company, it was always clear to me that this brand had perhaps the greatest potential for growth within the luxury industry. After a year and a half, I believe that even more so today; I constantly marvel at the incredible opportunities we have yet to pursue. ●

Harry Winston Midnight Collection Watch (left); Lily Cluster (center); Harry Winston concept salon - Las Vegas (right)