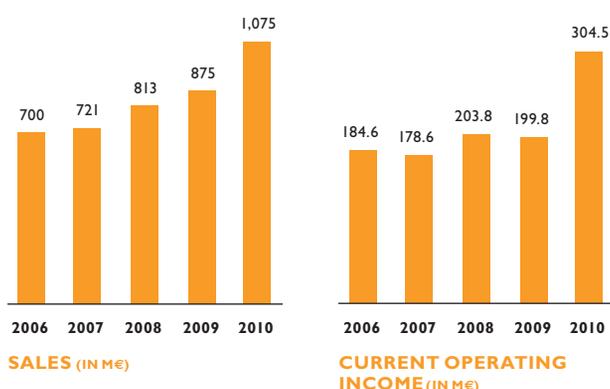


HERMÈS



Robust sales (+ 23%) and earnings (+ 55%) growth



STRONG SALES GROWTH IN THE FIRST HALF

Sales for the six months ended 30 June came to €1,074.7m, up 20% at constant exchange rates. Including the favourable currency impact, sales growth was 22.8%.

Sales growth was particularly robust for the group's own stores (up 25% at constant exchange rates), with Hermès sectors delivering a significant increase. Wholesale revenues, which in 2009 were adversely affected by distributors' inventory drawdowns, primarily in watches and perfumes, resumed on an uptrend.

SALES BY REGION AND BY SECTOR

(AT CONSTANT EXCHANGE RATES)

In Europe, sales were up by 17% in the first half, driven by excellent retail activity across all countries in the region.

In the Americas, the rebound initiated in the fourth quarter of 2009 continued throughout the first six months, with a rise of 26% at end-June. The first Hermès store dedicated to men on Madison Avenue in New York inaugurated at the beginning of the year met with resounding success.

In non-Japan Asia, sales remained on an impressive growth trend (+45%). Hermès continued to extend its distribution network and opened two new branches in China during the second quarter. In Japan, sales edged down 2%.

Silks & Textiles delivered a handsome performance. Sales advanced by 17%, underpinned by the success of the new women's silk collections, which were expanded to include exceptional new products in cashmere and silk.

Leather Goods and Saddlery remained on a very high growth trend (23%), fuelled by small leather accessories and leather bags.

Ready-to-Wear and Fashion Accessories delivered a rise of 18%, attributable primarily to the success of fashion accessories.

In Perfumes, sales were up 25%, boosted by the successful launch of Voyage d'Hermès during the month of March and by persistently strong demand for Terre d'Hermès.

After a difficult year in 2009, Watches registered a 33% surge while Tableware sales improved appreciably, with an 8% increase.

OPERATING INCOME AND NET INCOME UP SHARPLY

Operating income expanded by 52.4% to €304.5 million euros from €199.8 million in the first half of 2009. Operating margin was 28.3 % compared with 22.8% at 30 June 2009.

Consolidated net income amounted to €194.6 million euros compared with €125.4 million in the first half of 2009, a rise of 55.2 %.

Operating cash flow came to €241.3 million, up 42.4% on the €169.5 million registered in the six months to 30 June 2009. Net cash amounted to €355 million at 30 June 2010.

Investments in operating activities amounted to €50.7 million in the first half and were dedicated primarily to expanding the distribution network.

The Group did not buy back any of its own shares during the first half of 2010, other than shares traded under the liquidity contract.

Hermès had 8,173 employees at 30 June 2010. The Group created 116 new jobs during the first half, most of them in sales.

OUTLOOK FOR THE SECOND HALF

The growth rate registered in the first half cannot be extrapolated in the second half owing to a higher comparison basis. The target for sales growth at constant exchange rates could be around 12%. This target does not take into account eventual economic factors that could significantly alter the business environment.

Over the full year, current operating margin is expected to improve at least by 100 basis points compared with 2009, depending on currency trends.

Hermès will continue to follow its long-term strategy based on maintaining control over its know-how and distribution network. In 2010, Hermès will continue to invest in expanding its distribution network and plans to open and renovate some twenty branches. It will inaugurate a new store on rue de Sèvres in Paris at the end of the year.

During 2010 – the year of “Tales to be told” – Hermès' sales growth will continue to be driven by its ambitious, creative designs and by the vitality of its craftsmanship. This momentum will be sustained by rallying the distribution network's efforts to showcase our lavish collections and to highlight customer service – our strongest advantage in maintaining growth.

The statutory auditors have conducted a limited audit of the accounts.

The condensed 1st half consolidated financial statements will be available by no later than 31 August 2010 at the following Web address: www.hermes-international.com.