

HERMÈS

Sales for the six months to 30 June 2011

Revenue up 22% in the first half

Consolidated revenue in the first half of 2011 totalled €1,305.5 million, a rise of 22% at current exchange rates and of 21% at constant exchange rates. The excellent performance registered during the first three months of the year persisted throughout the second quarter.

During the second quarter, sales remained strong both for the Group's own stores (up 23% at constant exchange rates) and in the wholesale segment (up 19% at constant exchange rates).

Sales by sector and region

(at constant exchange rates, unless otherwise indicated)

Growth was driven by the United States and China, with solid momentum across all geographic regions other than Japan, where revenues remained stable in spite of the catastrophic events in March. The distribution network continued to expand with the opening of six new branches.

Sales growth was robust in France (21%), propelled by the success of the new store on rue de Sèvres in Paris opened in late 2010, and in the rest of Europe (20%), which benefited from the acquisition of two concessions in Moscow in May.

Growth was exceptionally high in the Americas (up 34%) and in non-Japan Asia (up 30%).

All business sectors delivered substantial growth, underpinned by ongoing innovation and creativity.

In Silks & Textiles, sales moved up 29%, buoyed by the sector's lavish collections and persistently high communication expenditure.

In Leather Goods & Saddlery, sales advanced by 15% under the impetus of small leather goods and leather bags.

In Perfumes, sales momentum was resilient, following the launch of *Un Jardin sur le toit* during the first quarter, with growth of 18%.

Clothing and Accessories registered a 31% rise owing to the success of the spring-summer ready-to-wear collections and to fashion accessories.

Lastly, in Watches (up 30%), Jewellery, (up 30%) and Tableware (up 25%), sales staged a spectacular rebound.

First-half results

First-half results will be published on 31 August 2011. Operating profit should register a significantly higher growth than sales. After the gain on the disposal of the equity investment in Jean-Paul Gaultier House, the

pre-tax profit margin is expected to register a strong growth compared to the first half of 2010, with a four to five percentage point rise.

Outlook for 2011

It is difficult to make projections for the full year 2011 owing to uncertainties over the economic outlook and currency fluctuations.

However, given the excellent, better-than-expected performance in the second-quarter, the target range for consolidated revenue growth over the full year at constant exchange rates is 12% to 14%. The underlying operating margin is expected to be close to the record-high achieved in 2010.

Hermès will not deviate from its long-term strategy of maintaining control over its know-how and distribution network. In 2011, Hermès will continue to invest in expanding its distribution network and plans to open more than ten branches.

The theme for 2011, "Hermès Contemporary Artisan", focuses on the excellence and authenticity of the expertise in craftsmanship that is the foundation on which the house has built its success over time, and that will continue to underpin it in the future.

INFORMATION BY SECTORS

In millions of Euros	1 st Half		Evolutions	
	2011	2010	published	at constant exchange rates
<i>Distribution via the Hermès exclusive network :</i>				
Silk & Textiles	151.0	117.3	28.8%	29.0%
Leathergoods & Saddlery (1)	630.1	547.7	15.0%	14.5%
Ready-to-wear & fashion accessories (2)	260.9	201.0	29.8%	30.5%
Other Hermès Sectors (3)	44.1	34.9	26.1%	25.6%
Subtotal	1 086.1	901.0	20.5%	20.4%
<i>Distribution via specialist outlets :</i>				
Perfumes	78.8	67.0	17.6%	17.6%
Watches	59.3	45.5	30.3%	30.0%
Tableware	23.9	19.1	25.0%	25.1%
Subtotal	161.9	131.6	23.1%	23.0%
Other products (4)	57.5	42.1	36.6%	35.7%
TOTAL	1 305.5	1 074.7	21.5%	21.3%

(1) Leathergoods & Saddlery include bags & luggages, horse riding, diaries and small leather goods.

(2) Ready-to-wear and fashion accessories include ready-to-wear, men and women, belts, accessories jewellery, gloves, hats and Hermès shoes.

(3) Other Hermès sectors include jewellery and products of the art of living department.

(4) Other products include John Lobb shoes as well as production activities realized for third parties (textile printing, perfumes, tanning,...).

INFORMATION BY GEOGRAPHICAL ZONES (1)

In millions of Euros	1 st Half		Evolutions	
	2011	2010	published	at constant exchange rates
France	232.2	192.3	20.8%	20.8%
Europe (Excl. France)	249.3	205.1	21.6%	19.6%
Total Europe	481.5	397.3	21.2%	20.2%
Japan	215.2	203.7	5.7%	0.1%
Asia Pacific (Excl. Japan)	375.6	291.4	28.9%	30.2%
Total Asia	590.9	495.2	19.3%	17.8%
Americas	212.2	165.7	28.1%	33.9%
Others (2)	20.9	16.5	26.6%	26.1%
TOTAL	1 305.5	1 074.7	21.5%	21.3%

(1) Sales by geographical zones are by destination.

(2) Including sales to airline companies.

INFORMATION BY SECTORS

In millions of Euros	2 nd quarter		Evolutions	
	2011	2010	published	at constant exchange rates
<i>Distribution via the Hermès exclusive network :</i>				
Silk & Textiles	72.4	56.9	27.2%	32.8%
Leathergoods & Saddlery	327.2	299.9	9.1%	12.6%
Ready-to-wear & fashion accessories	131.4	97.9	34.3%	41.1%
Other Hermès Sectors	23.1	18.0	28.7%	31.8%
Subtotal	554.2	472.6	17.3%	21.6%
<i>Distribution via specialist outlets :</i>				
Perfumes	37.8	36.3	4.1%	4.7%
Watches	31.4	25.5	23.1%	27.0%
Tableware	13.0	9.4	38.3%	41.4%
Subtotal	82.3	71.3	15.4%	17.4%
Other products	31.9	23.0	38.6%	39.0%
TOTAL	668.4	566.9	17.9%	21.8%

INFORMATION BY GEOGRAPHICAL ZONES

In millions of Euros	2 nd quarter		Evolutions	
	2011	2010	published	at constant exchange rates
France	123.7	101.4	22.0%	22.0%
Europe (Excl. France)	131.6	109.9	19.7%	18.4%
Total Europe	255.3	211.3	20.8%	20.2%
Japan	112.6	112.0	0.5%	(0.1)%
Asia Pacific (Excl. Japan)	183.5	147.6	24.4%	33.3%
Total Asia	296.2	259.6	14.1%	18.8%
Americas	107.1	88.2	21.5%	34.6%
Others (2)	9.8	7.9	24.7%	24.4%
TOTAL	668.4	566.9	17.9%	21.8%

REMINDER OF PREVIOUS PUBLICATIONS

INFORMATION BY SECTORS

In millions of Euros	1 st quarter		Evolutions Published
	2011	2010	
<i>Distribution via the Hermès exclusive network :</i>			
Silk & Textiles	78,6	60,4	30,3%
Leathergoods & Saddlery	302,9	247,9	22,2%
Ready-to-wear & fashion accessories	129,4	103,2	25,5%
Other Hermès Sectors	21,0	16,9	23,4%
Subtotal	531,9	428,4	24,2%
<i>Distribution via specialist outlets :</i>			
Perfumes	40,9	30,6	33,6%
Watches	27,9	20,0	39,5%
Tableware	10,8	9,7	12,0%
Subtotal	79,6	60,3	32,1%
Other products	25,6	19,0	34,1%
TOTAL	637,1	507,7	25,5%

INFORMATION BY GEOGRAPHICAL ZONES

In millions of Euros	1 st quarter		Evolutions Published
	2011	2010	
France	108,5	90,9	19,4%
Europe (Excl. France)	117,7	95,1	23,7%
Total Europe	226,2	186,0	21,6%
Japan	102,6	91,7	11,9%
Asia Pacific (Excl. Japan)	192,1	143,9	33,5%
Total Asia	294,7	235,6	25,1%
Americas	105,1	77,5	35,6%
Others (2)	11,1	8,6	28,3%
TOTAL	637,1	507,7	25,5%