

HERMÈS

Sales growth of 21.9% in the first half

The group's consolidated revenue in the first half of 2012 totalled €1,591.4 million, a rise of 21.9% at current exchange rates and of 15.4% at constant exchange rates.

During the second quarter, sales growth was 21.9% at current exchange rates. Despite the very high basis of comparison, sales continued to expand briskly both in the Group's own stores and in the wholesale channels.

Sales by sector and region

(at constant exchange rates, unless otherwise indicated)

In the first half of 2012, all regions registered growth:

- Non-Japan Asia (+25% driven by China, Singapore and Hong Kong) and Japan (+3%),
- France (+10%) and the rest of Europe (+21%),
- Americas (+9%), despite an exceptionally high basis of comparison in 2011 (+34%).

All business sectors registered increases, underpinned by the excellence of the group's know-how and a steady stream of new creations.

In Leatherwork & Saddlery, which continues to invest in expanding production capacity, sales continued to rise (up 10%).

Ready-to-wear & Fashion Accessories (up 21%) registered strong growth owing to the success of the spring-summer ready-to-wear collections and to fashion accessories.

Silk & Textiles delivered growth of 15%, driven by the sector's lavish collections.

Perfumes (up 13%) remained on an uptrend due to the success of *Terre d'Hermès* and to the introduction of *Voyage d'Hermès* perfume during the first quarter.

The Watch sector reaped the fruit of its ongoing investments in know-how, and jumped by 23%.

Other Hermès Sectors (Jewellery and Art of Living) turned in a remarkable performance in the first half (up 50%).

Significant events

As of end of June, currency fluctuations were favourable and had produced a positive impact of € 85 million on revenue.

During the first half, Hermès International continued to buy back shares for its employee share ownership schemes. The company bought back 89 582 shares for €21 million. At 30 June, it held 1 457 682 shares worth a total of €310 million, excluding shares covered by a liquidity contract. Most of these shares were purchased in connection with bonus share plans awarded to employees.

First-half results

First-half results will be published on 31 August 2012. Recurring operating income is expected to increase in line with revenue growth.

Outlook for 2012

It is difficult to make projections for the full year 2012 owing to uncertainties over the economic outlook and currency fluctuations.

However, given the sales performance in the first half, the group stands by its target for consolidated revenue growth of 10% over the full year at constant exchange rates. The underlying operating margin is expected to be between 2010 and the all-time high achieved in 2011.

During the second half, Hermès will continue to follow its strategy of expanding the distribution network, reinforcing production capacity and securing control over sourcing.

The 2012 theme of the year, "The gift of time", highlights the excellence reflected in the consummate skills of our saddlers, the meticulous precision of our watchmakers, the virtuosity of our engravers and the dedication to quality of all our craftsmen and designers. Without time, nothing lasting or beautiful could be brought into being.

INFORMATION BY GEOGRAPHICAL ZONES (1)

In M€	1st half		Evolutions	
	2012	2011	published	at constant exchange rates
France	255.8	232.2	10.2%	10.1%
Europe (Excl. France)	306.4	249.3	22.9%	21.2%
Total Europe	562.2	481.5	16.8%	15.9%
Japan	246.9	215.2	14.7%	3.2%
Asia Pacific (Excl. Japan)	506.8	375.6	34.9%	24.6%
Total Asia	753.7	590.9	27.6%	16.8%
Americas	248.8	212.2	17.3%	9.4%
Others	26.6	20.9	27.0%	26.6%
TOTAL	1 591.4	1 305.5	21.9%	15.4%

In M€	2nd quarter		Evolutions	
	2012	2011	published	at constant exchange rates
France	132.2	123.7	6.9%	6.8%
Europe (Excl. France)	155.8	131.6	18.4%	16.4%
Total Europe	288.0	255.3	12.8%	11.8%
Japan	127.0	112.6	12.7%	(1.1)%
Asia Pacific (Excl. Japan)	258.8	183.5	41.0%	26.9%
Total Asia	385.7	296.2	30.2%	16.2%
Americas	128.2	107.1	19.8%	8.2%
Others	12.5	9.8	27.1%	26.5%
TOTAL	814.5	668.4	21.9%	13.4%

(1) Sales by destination.

INFORMATION BY SECTORS

In M€	1st half		Evolutions	
	2012	2011	published	at constant exchange rates
Leathergoods & Saddlery (1)	739.5	630.1	17.4%	10.3%
Ready-to-wear & fashion accessories (2)	334.7	260.9	28.3%	21.1%
Silk & Textiles	182.9	151.0	21.1%	14.6%
Other Hermès Sectors (3)	69.5	44.1	57.6%	49.9%
Perfumes	89.5	78.8	13.7%	12.7%
Watches	77.8	59.3	31.2%	22.8%
Tableware	28.0	23.9	17.5%	14.1%
Other products (4)	69.4	57.5	20.7%	18.3%
TOTAL	1 591.4	1 305.5	21.9%	15.4%

In M€	2nd quarter		Evolutions	
	2012	2011	published	at constant exchange rates
Leathergoods & Saddlery (1)	381.0	327.2	16.4%	7.4%
Ready-to-wear & fashion accessories (2)	173.3	131.4	31.8%	22.0%
Silk & Textiles	90.3	72.4	24.7%	15.8%
Other Hermès Sectors (3)	37.7	23.1	63.1%	53.1%
Perfumes	40.4	37.8	6.8%	5.4%
Watches	40.7	31.4	29.6%	19.3%
Tableware	14.1	13.0	7.8%	3.6%
Other products (4)	37.0	31.9	16.1%	13.2%
TOTAL	814.5	668.4	21.9%	13.4%

(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,...).

REMINDER OF PREVIOUS PUBLICATIONS

INFORMATION BY GEOGRAPHICAL ZONES

In M€	1st quarter		Evolutions	
	2012	2011	published	at constant exchange rates
France	123.6	108.5	13.9%	13.9%
Europe (Excl. France)	150.6	117.7	28.0%	26.6%
Total Europe	274.2	226.2	21.2%	20.5%
Japan	119.9	102.6	16.9%	8.1%
Asia Pacific (Excl. Japan)	248.1	192.1	29.1%	22.4%
Total Asia	368.0	294.7	24.9%	17.4%
Americas	120.6	105.1	14.7%	10.7%
Others	14.1	11.1	27.0%	26.6%
TOTAL	776.9	637.1	21.9%	17.6%

(1) Sales by destination.

INFORMATION BY SECTORS

En M€	1st quarter		Evolutions	
	2012	2011	published	at constant exchange rates
Leathergoods & Saddlery (1)	358.4	302.9	18.3%	13.5%
Ready-to-wear & fashion accessories (2)	161.5	129.4	24.8%	20.2%
Silk & Textiles	92.7	78.6	17.8%	13.5%
Other Hermès Sectors (3)	31.7	21.0	51.5%	46.4%
Perfumes	49.1	40.9	20.0%	19.4%
Watches	37.1	27.9	33.1%	26.9%
Tableware	14.0	10.8	29.2%	26.9%
Other products (4)	32.4	25.6	26.4%	24.8%
TOTAL	776.9	637.1	21.9%	17.6%

(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.

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