<u>Press Release - 2013</u>

In accordance with the AFEP/MEDEF Corporate Governance Code, Hermès International is disclosing information on all elements of the compensation of its Executive Chairmen, present and deferred.

• COMPENSATION AND BENEFITS IN KIND

Principles

Article 17 of the Articles of Association provides for each Executive Chairman to receive certain compensation, together with possible additional compensation, the maximum amount of which is determined by the Ordinary General Meeting with the unanimous approval of the active partners. In accordance with these provisions:

- *The gross annual compensation* of each Executive Chairman provided by the Articles of Association is capped at 0.20% of the Company's consolidated income before tax in the previous financial year.

  Within the ceiling set forth above, which amounts to €2,200,466 based on the 2012 accounts, the Management Board of the Active Partner Émile Hermès SARL sets the actual amount of the annual compensation of each Executive Chairman provided by the Articles of Association;

- The Ordinary General Meeting of 31 May 2001 decided to allocate *additional compensation* to each Executive Chairman, at that time subject to a ceiling of €457,347.05. This ceiling, which can only be adjusted upwards, is indexed each year to growth in the Company's consolidated revenue for the previous financial year at constant exchange rates and on the same scope of consolidation, by comparison with revenue for the next to last financial year;

  Within the limits of the ceiling defined above, which is €1,575,205 based on the 2012 accounts, the Management Board of Émile Hermès SARL, the sole Active Partner, sets the actual amount of the additional annual compensation of each Executive Chairman.

2013 compensation and benefits in kind

At its meeting of 20 March 2013, the Management Board of Emile Hermès SARL decided to set the Executive Chairmen's compensation for 2013 as follows

- *gross annual compensation provided by the Articles of Association* of €2,200,466 for Emile Hermès SARL and of €1,228,176 for Mr Patrick Thomas;

- *gross annual additional compensation* of €1,575,205 for Emile Hermès SARL and of €1,147,824 for Mr Patrick Thomas.

Mr Patrick Thomas has the use of company car, which is his sole benefit in kind.

At the meeting of the Supervisory Board on 20 March 2013, the Compensation, Appointments and Governance Committee stated that it had ascertained that the compensation of the Executive Chairmen was in accordance with the Articles of Association and with the decisions of the Active Partner.

• OTHER COMPONENTS OF COMPENSATION

Pension plan

Mr Patrick Thomas is eligible for the top-up pension scheme set up in 1991 for the benefit of the company's management executives.
As from 2012, the amount of annual benefits received under this top-up pension scheme is capped at eight times the ceiling under the state Social Security regime.

Mr Patrick Thomas is also eligible for the supplementary defined-contribution pension scheme set up for the benefit of all employees of the Group's French companies. The maximum pension, including payments under the basic, top-up and supplementary schemes, cannot under any circumstance exceed 70% of the most recent annual compensation (as provided by the Articles of Association plus additional compensation).

It is a fundamental condition of the pension regulations that in order to benefit from the scheme, beneficiaries must have reached the end of their professional career with the company and be eligible to draw pension benefits under the basic state Social Security regime.

Deferred compensation obligations

The Company has agreed to pay Mr Patrick Thomas an amount equal to 24 months' total compensation (the sum of his compensation provided by the Articles of Association and additional compensation), in the event that his appointment as Executive Chairman is terminated. This commitment, which is contingent on certain reasons for termination, is subject to meeting certain performance conditions.

This commitment was made by decision of the Supervisory Board at its meeting on 19 March 2008 and was approved by the Combined General Meeting on 3 June 2008.

Options to subscribe for and to purchase shares - Bonus shares

No options to subscribe for or to purchase shares were granted to Mr Patrick Thomas in 2012.

Mr Patrick Thomas was awarded 30,060 performance shares in 2012.

Mr Patrick Thomas's rights to the performance shares will be fully vested only providing that at least two of the following three criteria are met in 2012 and in 2013: revenues, operating income and operating cash flow must register a positive change by comparison with the previous years (2011 and 2012 respectively).

Mr Patrick Thomas has formally undertaken not to use any hedging instruments associated with any of the share subscription options, share purchase options or performance shares (free shares) that have been or will be awarded to him by the Company for serving in his office, for as long as he holds a corporate office within the Company.

Pursuant to Article L225-185, paragraph 4 of the Code de Commerce, at its meeting on 23 January 2008, the Supervisory Board decided that Mr Patrick Thomas could sell no more than 50% of shares in the Company obtained from the exercise of stock options before the end of his term of office as Executive Chairman. This measure was confirmed and extended to shares obtained through the award of free shares by the Supervisory Board at its meeting of 27 June 2012.

Contract of employment

In order to comply fully with the AFEP/MEDEF Corporate Governance Code, on 16 July 2012, Mr Patrick Thomas decided to abandon, with immediate effect, his employment contract, which had been suspended automatically in September 2004 at the time of his appointment as executive chairman of Hermès International.

The Company's corporate governance practices and all components of the Executive Chairmen's compensation will be set out in detail in the Company's 2012 Registration Document.