

HERMES

Sales at end of June 2013

**Good sales momentum in the first half
Up 14.4% at constant rates and up 11.0% at current rates**

Paris, 18 July 2013

The group's consolidated revenue in the first half of 2013 totalled €1,767.2 million, a rise of 14.4% at constant exchange rates. Taking into account the negative impact of currency fluctuations, chiefly due to a weakening of the yen, growth was 11.0%.

In the second quarter, sales in group-owned shops were robust (up 16.7% at constant exchange rate) and wholesale sales maintained sustained growth (up 12.9% at constant exchange rates).

Sales by geographical region and by sector

(at constant exchange rates unless specified otherwise)

In the first half of 2013, growth was balanced in all regions of the world:

- Non-Japan Asia (+17%) maintained its momentum. Despite a less positive environment, the Chinese market continued to display great vitality.
- Japan (up 8%) confirmed the turnaround observed in the first quarter, and came back on track to sound growth.
- France (+13%) and the rest of Europe (+14%) posted remarkable performances in a difficult economic environment.
- The Americas (up 17%) had an excellent half-year.

Demand for Hermès items remains strong, impelled by great creativity. The expansion of the growth relays bore fruit, while the advancement of bag sales remains constrained by production capacity.

Leatherwork & Saddlery (up 10%) is continuing its investment in production capacities, with the expansion of the two factories opened in 2012 in Isère and Charente-Maritime, and with the plan to create two new facilities devoted to artisanal activities in the Franche-Comté region.

Ready-to-wear & Fashion Accessories, flush with the success of the latest ready-to-wear collections and fashion accessories, registered strong growth (up 21%).

The Silk and Textiles sector, with 13% growth, is benefiting from the great variety of its collections.

Perfumes (up 20%) remained on an uptrend. The new female perfume *Jour d'Hermès* was warmly received and *Terre d'Hermès* continued its growth.

The Watch sector (down 1%) was affected by the general downturn in the watch industry and the high basis for comparison of the previous year.

Other sectors (Jewellery and Art of Living) continued to show their great potential for expansion (+40 %).

Significant events

As of end of June, currency fluctuations were unfavourable and had produced a negative impact of €53 million on revenue.

Hermès International did not buy back any of its own shares during the first half of 2013, other than shares traded under the liquidity contract.

First-half results

First-half results will be published on 30 August 2013. Recurring operating income is expected to increase slightly faster than revenue.

Outlook for 2013

It is difficult to make projections for the full year 2013, owing to uncertainties concerning the economic outlook and currency fluctuations.

However, in light of the sales achieved in the first half of the year, consolidated sales at constant rates could slightly exceed the mid-term growth target of 10%. Depending on currency fluctuations, the current operating margin, expressed as a percentage of sales, could be close to the historical high achieved in 2012.

Hermès will continue to follow its strategy based on creativity, maintaining control over its know-how, expanding its distribution network, strengthening its production capacity and securing its sources of supply.

With its new theme of the year "*A sporting life!*" Hermès is resolutely focusing on energy and optimism in 2013. Since its origins, the House has been tapping the sports universe to feed its passion for movement, casual elegance and excellence. For Hermès, sport rises above obsession with performance; it is above all spirit, style and pleasure, and its light shines upon our collections as never before.

INFORMATION BY GEOGRAPHICAL ZONES (1)

In millions of Euros	As of June 30th		Evolutions	
	2013	2012	Published	At constants exchange rates
France	289,2	255,8	13,0%	13,0%
Europe (excl. France)	346,9	306,4	13,2%	14,3%
Total Europe	636,1	562,2	13,1%	13,7%
Japan	221,4	246,9	(10,3)%	8,0%
Asia Pacific (excl. Japan)	591,2	506,8	16,6%	16,9%
Total Asia	812,6	753,7	7,8%	14,0%
Americas	286,1	248,8	15,0%	16,5%
Other	32,4	26,6	22,1%	22,3%
TOTAL	1 767,2	1 591,4	11,0%	14,4%

In millions of Euros	2nd quarter		Evolutions	
	2013	2012	Published	At constants exchange rates
France	151,3	132,2	14,4%	14,4%
Europe (excl. France)	178,7	155,8	14,7%	16,1%
Total Europe	330,0	288,0	14,6%	15,3%
Japan	111,1	127,0	(12,5)%	8,9%
Asia Pacific (excl. Japan)	299,2	258,8	15,6%	16,3%
Total Asia	410,3	385,7	6,4%	13,9%
Americas	153,1	128,2	19,4%	21,6%
Other	17,1	12,5	36,5%	36,8%
TOTAL	910,4	814,5	11,8%	16,0%

(1) Sales by destination.

INFORMATION BY SECTORS

In millions of Euros	As of June 30th		Evolutions	
	2013	2012	Published	At constants exchange rates
Leathergoods and Saddlery (1)	779,9	739,5	5,5%	9,9%
Ready-to-wear and fashion accessories (2)	395,6	334,7	18,2%	20,8%
Silk and Textiles	201,7	182,9	10,3%	12,9%
Other Hermès sectors (3)	94,7	69,5	36,3%	39,6%
Perfumes	106,7	89,4	19,3%	19,9%
Watches	74,9	77,8	(3,7)%	(1,0)%
Tableware	28,9	28,0	3,1%	5,2%
Other products (4)	84,7	69,5	21,9%	24,2%
TOTAL	1 767,2	1 591,4	11,0%	14,4%

In millions of Euros	2nd quarter		Evolutions	
	2013	2012	Published	At constants exchange rates
Leathergoods and Saddlery (1)	407,4	381,0	6,9%	12,3%
Ready-to-wear and fashion accessories (2)	207,8	173,3	19,9%	23,3%
Silk and Textiles	96,6	90,3	7,1%	10,4%
Other Hermès sectors (3)	48,1	37,7	27,5%	31,6%
Perfumes	48,9	40,3	21,5%	22,3%
Watches	40,4	40,7	(0,7)%	3,0%
Tableware	15,4	14,1	9,7%	12,3%
Other products (4)	45,7	37,1	23,0%	25,8%
TOTAL	910,4	814,5	11,8%	16,0%

(1) Leathergoods & Saddlery include bags & luggages, horse riding, memory holders 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 (1)

In millions of Euros	1st quarter		Evolutions	
	2013	2012	Published	At constants exchange rates
France	137,9	123,6	11,6%	11,6%
Europe (excl. France)	168,2	150,6	11,7%	12,4%
Total Europe	306,1	274,2	11,6%	12,0%
Japan	110,3	119,9	(8,0)%	7,0%
Asia Pacific (excl. Japan)	292,0	248,1	17,7%	17,4%
Total Asia	402,3	368,0	9,3%	14,0%
Americas	133,0	120,6	10,3%	11,1%
Other	15,4	14,1	9,3%	9,4%
TOTAL	856,8	776,9	10,3%	12,8%

(1) Sales by destination.

INFORMATION BY SECTORS

In millions of Euros	1st quarter		Evolutions	
	2013	2012	Published	At constants exchange rates
Leathergoods and Saddlery (1)	372,5	358,4	3,9%	7,3%
Ready-to-wear and fashion accessories (2)	187,8	161,5	16,3%	18,2%
Silk and Textiles	105,0	92,7	13,4%	15,3%
Other Hermès sectors (3)	46,6	31,7	46,8%	48,9%
Perfumes	57,8	49,1	17,6%	17,9%
Watches	34,5	37,1	(7,1)%	(5,3)%
Tableware	13,5	14,0	(3,4)%	(1,9)%
Other products (4)	39,1	32,4	20,7%	22,5%
TOTAL	856,8	776,9	10,3%	12,8%

(1) Leathergoods & Saddlery include bags & luggages, horse riding, memory holders 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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