

HERMES

First quarter financial report (three months ended 31 March 2013)

Robust sales growth in the first quarter
+12.8% at constant exchange rates and +10.3% at current exchange rates

Paris, 22 April 2013

Revenues for the three months ended 31 March 2013 came to €856.8 million, a rise of 12.8% at constant exchange rates. Including the negative currency impact, growth was 10.3%.

Sales through the Group's own stores continued to expand briskly (+13.6% at constant exchange rates), driven by the success of the latest collections. Revenues from wholesale channels also delivered satisfactory growth (+9.9% at constant exchange rates).

First-quarter sales by region and sector

(at constant exchange rates, unless otherwise indicated)

In the first quarter, growth was dynamic in all geographic regions :

- Non-Japan Asia (+17%, driven by China, Macau and Taiwan) and Japan (+7%), where environment seems to become more positive,
- Americas, which continues to expand (+11%),
- Europe (+12%), despite a very high basis of comparison and a dull economic climate.

Everywhere demand for Hermès collections remains strong, favoured by a growing requirement for quality, personality and timelessness of objects and clothes.

Leather Goods and Saddlery registered an increase of 7%. With the build-up of the two workshops opened in 2012, the sector's production capacity will increase steadily over 2013.

The remarkable performance in sales of Ready-to-wear and Accessories (+18%) reflects the dynamic performance of the latter and of the ready-to-wear collections.

In Silk & Textiles, growth was 15%, fuelled by the highly successful new collections and the reinforcement of investments in production capacity.

Perfume sales expanded by 18%. Lines were enhanced by *Jour d'Hermès*, the new fragrance for women, which was greeted with very promising enthusiasm.

Watches (-5%) were adversely affected by a slowdown in the Chinese market in the beginning of the year and by the very high basis of comparison in the previous year (+27%).

Other Hermès sectors (Jewellery and Art of Living) continued to deliver exceptional growth (+49%).

Significant events during the first quarter

As of end of March, currency fluctuations were unfavourable and had produced a negative impact of €19 million on revenue.

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

Outlook for 2013

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 safeguarding 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 spirit, style and pleasure above all, and its spark ignites our collections as never before.

INFORMATION BY REGION (1)

In millions of euros	1st quarter		Change	
	2013	2012	Reported	At constant 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 SECTOR

In millions of euros	1st quarter		Change	
	2013	2012	Reported	At constant exchange rates
Leather Goods & Saddlery (1)	372.5	358.4	3.9%	7.3%
Ready-to-wear & Fashion Accessories (2)	187.8	161.5	16.3%	18.2%
Silk & 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) Leather Goods & Saddlery includes bags and luggage, saddlery and riding gear, diaries and small leather goods.

(2) Ready to Wear & Fashion Accessories includes men's and women's clothing, belts, jewellery accessories, gloves, hats and Hermès shoes.

(3) Other Hermès Sectors include Jewellery and Art of Living products.

(4) "Miscellaneous" products include John Lobb shoes and products manufactured for brands outside the Group (textile printing, perfumes, tanning etc.).