

HERMES

Hermès pursues solid growth in 2015

Sales rose +18% at current exchange rates and +8% at constant exchange rates

Paris, 10 February 2016

The Group's consolidated revenues amounted to €4,841 million in 2015, up +18%. At constant exchange rates, growth was +8%, in a challenging environment.

Growth remained solid in the fourth quarter (+15% at current exchanges rates and +7% at constant exchange rates), despite the impact of the recent events in France and, to a lesser extent, in Europe.

Sales by region and by sector

(at comparable exchange rates unless otherwise indicated)

The sustained rise in sales in 2015 in Group stores (+9%) was driven by growth in all the regions, despite a difficult context. Hermès continued to develop and to improve the quality of its distribution network.

Over 2015, all the regions posted growth

- Japan (+18%) confirmed the excellent performance achieved over the first nine months of the year,
- Asia excluding Japan (+5%) improved thanks to sales development in China, despite a difficult context in Hong Kong and Macao,
- America (+7%) pursued its growth, in spite of a contrasting environment and a high comparison basis. At the end of the year, a new flagship store opened in Miami and the Houston and Dallas stores were renovated and extended,
- Europe (+9%) performed well in the Group's stores, particularly with the renovation and extension of the Bond Street store in London and the Gum store in Moscow. France (+6%) fared remarkably well, despite the negative impact of year-end events.

The sectors confirmed their development thanks to ambitious creations

Growth in Leather Goods and Saddlery (+13%) was driven by sustained demand and the increase in production capacities at the two new sites in Isère and Charente, and the new workshop in Héricourt. Investments for a second site in Franche-Comté continue.

The Ready-to-wear and Accessories division (+8%) benefitted from the success of the latest ready-to-wear collections, especially that of Nadège Vanhee-Cybulski's first collections, and the dynamic fashion accessories sector, particularly shoes.

The Silk and Textiles sector (-1%), which was hard hit by the year-end events in France, suffered from slowing sales in Greater China but continued to develop in the other regions.

The Perfumes division (+3%) pursued its development thanks to the success of *Terre d'Hermès* and the new additions to the *Jardin* et *Hermessence* collections. For memory, the 2014 comparative included the launches of *Jour d'Hermès Absolu* and *Terre d'Hermès Eau très fraîche*.

Watches, which remained stable, continue to be penalized by wholesale business in a still challenging market, particularly in Asia excluding Japan.

Other Hermès sectors posted solid growth (+9%), due largely to the success of Gold Jewellery and development of the Home universe.

Highlights

At the end of December, currency fluctuations represent a positive impact of €389 million on revenues.

During 2015, Hermès International redeemed 10,539 shares for €3.5 million, excluding transactions completed within the framework of the liquidity contract.

2015 target results

The annual results will be published on 23 March 2016. For the full year 2015, operational profitability should be close to the 2014 figure (31.5%), despite the diluting impact of currency fluctuations.

Interim dividends

Given the available cash flow, the Executive Management decided on 9 February to pay an interim dividend of €1.50 per share. The ex-coupon date is set for 24 February and the payment date for 26 February 2016.

Outlook

Thanks to the success of its unique business model, Hermès will continue its long-term development strategy based on creativity, maintaining control over know-how and a singular communication.

Due to the economic, geopolitical and monetary uncertainties around the world, sales growth in 2016 could be below the medium-term goal of 8% revenue growth at constant exchange rates.

In 2016, Hermès will celebrate "nature at a gallop". Through horses, its very first customer, Hermès has developed a genuine and profound bond with nature, built on inspiration, admiration and respect. Nature inspires us by its vitality and the dazzling beauty of all the precious creations it offers, for which we will be eternally grateful.

*The press release on revenues at the end of December 2015 is available on the Group's website:
<http://finance.hermes.com>.*

Coming events:

- 23 March 2016: publication of the 2015 Results
- 28 April 2016: publication of Revenues Q1 2016
- 31 May 2016: General Meeting of Shareholders

INFORMATION BY GEOGRAPHICAL ZONE (1)

In millions of Euros	Fiscal Year		Evolutions	
	2015	2014	Published	At constant exchange rates
France	683.8	643.9	6.2%	6.2%
Europe (excl. France)	905.8	799.8	13.3%	10.8%
Total Europe	1,589.6	1,443.6	10.1%	8.7%
Japan	600.2	484.4	23.9%	18.3%
Asia Pacific (excl. Japan)	1,694.0	1,405.0	20.6%	5.1%
Total Asia	2,294.2	1,889.4	21.4%	8.5%
Americas	884.1	711.1	24.3%	6.8%
Other	73.2	74.5	-1.7%	-2.2%
TOTAL	4,841.0	4,118.6	17.5%	8.1%

In millions of Euros	4th quarter		Evolutions	
	2015	2014	Published	At constant exchange rates
France	184.6	182.7	1.0%	1.0%
Europe (excl. France)	274.1	240.6	14.0%	11.6%
Total Europe	458.7	423.2	8.4%	7.0%
Japan	178.0	143.4	24.1%	16.2%
Asia Pacific (excl. Japan)	468.1	405.8	15.4%	5.2%
Total Asia	646.1	549.2	17.7%	8.2%
Americas	275.1	230.2	19.5%	5.8%
Other	18.5	18.6	-0.1%	-0.6%
TOTAL	1,398.5	1,221.2	14.5%	7.2%

(1) Sales by destination.

INFORMATION BY SECTOR

In millions of Euros	Fiscal Year		Evolutions	
	2015	2014	Published	At constant exchange rates
Leathergoods and Saddlery (1)	2,274.3	1,842.1	23.5%	12.6%
Ready-to-wear and Fashion accessories (2)	1,100.6	933.6	17.9%	7.8%
Silk and Textiles	521.2	482.3	8.1%	-0.5%
Other Hermès sectors (3)	331.9	280.9	18.2%	8.5%
Perfumes	241.4	230.8	4.6%	3.3%
Watches	163.2	148.1	10.2%	0.1%
Other products (4)	208.5	200.8	3.8%	-0.2%
TOTAL	4,841.0	4,118.6	17.5%	8.1%

In millions of Euros	4th quarter		Evolutions	
	2015	2014	Published	At constant exchange rates
Leathergoods and Saddlery (1)	673.9	547.4	23.1%	14.3%
Ready-to-wear and Fashion accessories (2)	284.7	257.6	10.5%	3.7%
Silk and Textiles	162.4	163.8	-0.8%	-7.2%
Other Hermès sectors (3)	98.3	91.5	7.4%	1.0%
Perfumes	57.2	59.1	-3.2%	-4.5%
Watches	50.8	44.4	14.4%	6.3%
Other products (4)	71.2	57.4	24.2%	18.5%
TOTAL	1,398.5	1,221.2	14.5%	7.2%

(1) The “Leather Goods and Saddlery” business line includes bags, riding, diaries and small leather goods.

(2) The “Ready-to-wear and Accessories” business line includes Hermès Ready-to-wear for men and women, belts, costume jewellery, gloves, hats and shoes.

(3) The “Other Hermès business lines” include Jewellery and Hermès home products (Art of Living and Hermès Tableware).

(4) The “Other products” include the production activities carried out on behalf of non-group brands (textile printing, perfumes, tanning...), as well as the John Lobb, Saint-Louis, Puiforcat and Shang Xia products.

REMINDER OF PREVIOUS PUBLICATIONS

INFORMATION BY GEOGRAPHICAL ZONE

In millions of Euros	2015					2014				
	Q1 Report t	Q2 Report	S1 repor t	Q3 repor t	YTD 09/12	Q1 Report	Q2 Report	S1 report	Q3 report	YTD 09/12
France	155	173	328	171	499	146	162	308	153	461
Europe (excl. France)	192	214	407	225	632	183	188	371	188	559
Total Europe	348	387	735	396	1 131	329	349	679	342	1 020
Japan	142	138	280	143	422	117	104	221	120	341
Asia Pacific (excl. Japan)	417	425	842	384	1 226	329	333	662	337	999
Total Asia	559	563	1 122	526	1 648	446	437	883	457	1 340
Americas	195	209	404	205	609	150	157	307	174	481
Other	21	17	39	16	55	18	20	38	17	56
TOTAL	1 122	1 177	2 299	1 143	3 443	943	963	1 907	991	2 897

INFORMATION BY SECTOR

In millions of Euros	2015					2014				
	Q1 Report	Q2 Report	S1 report	Q3 repor t	YTD 09/12	Q1 Report	Q2 Report	S1 repor t	Q3 repor t	YTD 09/12
Leathergoods and Saddlery	511	556	1 067	533	1 600	410	431	841	454	1 295
Ready-to-wear and Fashion accessories	262	272	534	282	816	215	226	441	235	676
Silk and Textiles	134	117	251	108	359	114	102	216	103	319
Other Hermès sectors	72	83	155	79	234	60	64	124	65	189
Perfumes	62	58	120	64	184	61	54	115	57	172
Watches	36	39	75	37	112	33	34	67	36	104
Other products	45	52	97	40	137	50	53	103	40	143
TOTAL	1 122	1 177	2 299	1 143	3 443	943	963	1 907	991	2 897