

HERMES

Quarterly information report at the end of March 2014

Dynamic sales in the first quarter
+14.7% at constant exchange rates and +10.1% at current rates

Paris, 29 April 2014

The group's consolidated turnover for the first quarter amounted to €943.5 million, an improvement of 14.7% at constant exchange rates. After taking into account the negative currency impact, growth is 10.1%.

Sales increase in the group's stores is noteworthy (+16.7% at constant exchange rates).

Activity as at end of March by geographical zone

(data using comparable exchange rates unless otherwise indicated)

In the first quarter of 2014, sales grew in all geographical zones:

- Japan had an exceptional performance (+22%), augmented by advance purchases related to price and VAT increases;
- Non-Japan Asia (+18%) confirms its positive trend in all countries, particularly in China,
- America bears out its strong potential (+18%),
- In Europe, (+8%), activity remains sustained in a difficult economic environment.

Activity by sector as at end of March

(data using comparable exchange rates unless otherwise indicated)

The Leathergoods and Saddlery division (+16%) continued the development of its production capacities, with the ramp-up of the two new sites opened in 2012 in Isère and Charente. The construction of two new manufacturing plants in Franche-Comté has also been confirmed.

Ready-to-wear and Accessories (+19%) benefited from the dynamism and inspiration of the latest collections.

The Silk and Textiles sector (+14%) posted excellent results thanks to the new formats offered in its exceptional materials range.

Perfumes (+6%), which had benefited from the launch of the new women's fragrance *Jour d'Hermès* in the first quarter of 2013, are consolidating their progression.

Watchmaking's latest innovations were excellently received at the Basel clock and watch trade show, and remains stable in a perennially difficult market.

Other Hermès sectors (+17%), which comprise Hermès Jewellery, Art of Living and Tableware, continue their development.

Significant events in the first quarter

As at end of March, the evolution of exchange rates generated a negative impact of €40 million on the turnover.

In the first quarter, Hermès International bought back 7,232 shares for €1.8 million, excluding operations carried out under the liquidity contract.

2014 outlook

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

In 2014, our company will focus on the theme of metamorphosis: precious metals becoming objects in the skilled hands of craftsmen. Above all it is our company's unwavering determination to continually reinvent itself in order to push the limits of excellence.

INFORMATION BY GEOGRAPHICAL ZONES (1)

In millions of Euros	1st quarter		Evolutions	
	2014	2013	Published	At constant exchange rates
France	146.0	137.9	5.9%	5.9%
Europe (excl. France)	183.2	168.2	8.9%	9.5%
Total Europe	329.2	306.1	7.5%	7.9%
Japan	116.7	110.3	5.8%	21.7%
Asia Pacific (excl. Japan)	329.3	292.0	12.8%	17.7%
Total Asia	446.0	402.3	10.9%	18.8%
Americas	150.1	133.0	12.9%	17.9%
Other	18.1	15.4	17.8%	17.9%
TOTAL	943.5	856.8	10.1%	14.7%

(1) Sales by destination.

INFORMATION BY SECTORS

In millions of Euros	1st quarter		Evolutions	
	2014	2013	Published	At constant exchange rates
Leathergoods and Saddlery (1)	409.9	372.5	10.0%	15.5%
Ready-to-wear and fashion accessories (2)	214.6	187.8	14.3%	19.1%
Silk and Textiles	114.5	105.0	9.0%	13.6%
Other Hermès sectors (3)	60.5	53.8	12.4%	17.2%
Perfumes	60.8	57.8	5.3%	5.9%
Watches	32.8	34.5	-4.8%	-0.1%
Other products (4)	50.3	45.4	10.9%	12.4%
TOTAL	943.5	856.8	10.1%	14.7%

Tableware sales are from now on included in Other Hermès sectors (for La Table Hermès) and in Other products (for Saint Louis and Puiforcat). The effect of this reclassification is presented retrospectively.

(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 Hermès Maison products (art of living and La Table Hermès)

(4) Other products include John Lobb shoes, Saint-Louis, Puiforcat, Shang Xia as well as production activities realized for third parties (textile printing, perfumes, tanning,...).