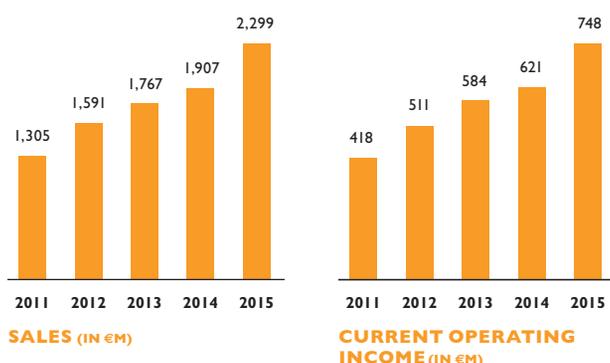


# HERMÈS



## Solid growth in sales and results



The group's consolidated turnover for the first semester reached €2 299 million, an increase of 21% at current exchange rates. Excluding consideration of the positive currency impact, the growth amounts to 9%. The operating income, up 20%, amounted to €748 million (32.5% of sales) and net income reached €483 million (21% of sales).

### SALES BY REGION AT THE END OF JUNE

(AT COMPARABLE EXCHANGE RATES UNLESS INDICATED OTHERWISE)

In the first semester, the turnover increased in all regions of the world:

- Japan (+20%) generated an excellent performance over the first six months of the year, thanks to its selective distribution network;
- Asia excluding Japan (+7%) is maintaining its dynamism, despite the difficult context in Hong Kong and Macau;
- in America (+10%), where the enlarged and renovated Seattle store reopened in June, the development potential has been confirmed;
- Europe (+7%) generated a good performance in the Group's stores.

### SALES BY SECTOR AT THE END OF JUNE

(AT COMPARABLE EXCHANGE RATES UNLESS INDICATED OTHERWISE)

The growth of Leather Goods and Saddlery (+14%) was remarkable. Its development was supported by the ramp-up of the production capacities of the two new sites that opened in Charente and in Isère in June, as well as by the construction project for two new production units in Franche-Comté.

The Ready-to-wear and Accessories division (+8%) benefited from the success of its latest collections, notably in fashion accessories.

The Silk & Textiles business line (+5%) is continuing to enhance its offer of exceptional products, while growing within a more difficult context in Greater China.

Perfumes, that in the first half of 2014 benefited from the launches of *Jour d'Hermès absolu* and *Terre d'Hermès eau très fraîche*, improved by +4%.

Watches (-1%) declined slightly within a general environment of a downturn in the watchmaking industry. During the watchmaking trade fair in Basel, the business line presented its new model *Slim d'Hermès*, which received a very warm welcome.

The other Hermès business lines (+12%), including Jewellery, Art of Living and Hermès Tableware, are continuing their development and confirming themselves as springboards for growth, despite a particularly high comparison basis.

### OPERATING INCOME ROSE 20%

Operating income grew 20% to €748 million compared to €621 million in the first half of 2014. Despite the dilutive impact of currency fluctuations, operational profitability remained high at 32.5% of sales, close to the level reached at the end of June 2014 (32.6% of sales). Group consolidated net income amounted to €483 million, representing 21% of sales. The operating cash flow (€574 million) permitted to finance all operational and financial investments (€101 million), working capital needs (€108 million) and payment of the ordinary dividend (€308 million). After payment of the exceptional dividend (€522 million), net cash amounted to €952 million as at 30 June 2015.

In the first semester, Hermès International bought back 6,652 shares for €2.2 million, outside of transactions as part of the liquidity contract.

Hermès employed 11,857 people at the end of June 2015, of which 7,164 are in France.

### OUTLOOK 2015

Thanks to the success of its unique company model, Hermès will continue its long-term development strategy based on creativity, control of know-how and safeguarding its procurements.

Despite economic, geopolitical and monetary uncertainties around the world, the Group is maintaining its medium-term objective of increasing the turnover at constant rates in the area of 8%. For 2015, operational profitability should be lower than 2014 (31.5%) owing to the negative impact of currency fluctuations.

True to its Parisian roots, Hermès invites us to look at 2015 through the eyes of a loafer. A loafer is capable of heading off the beaten track and looking at the world with eyes wide-open and savour a chance encounter, the joy of discovery, and even the benefits of a little break.

The summary interim consolidated accounts have been audited by the statutory auditors in accordance with applicable regulations and can be found at: <http://finance.hermes.com>.