

HERMES

Quarterly information report as at the end of September 2015

Growth in sales over the first nine months of 2015
+19% at current exchanges rates and +9% at constant exchange rates

Paris, 12 November 2015

At the end of September, the group's consolidated revenues reached € 443 million, up by 19%. At constant exchange rates, growth is 9%.

Progress in the third quarter remained solid (+15% at current exchanges rates and +8% at constant exchange rates), despite a challenging environment.

Sales by region at the end of September

(at comparable exchange rates, unless otherwise indicated)

At the end of September 2015, sales progressed in all regions:

- Japan (+19%) confirmed the excellent performance seen during the first six months of the year,
- Asia excluding Japan (+5%), which gained from the opening of the Maison Hermès in Shanghai in September 2014, improved in spite of a difficult context in Hong Kong, Macao and to a lesser extent in continental China,
- America (+7%) pursued its development in an uncertain environment. For memory, the comparison basis was particularly high in Q3 2014,
- Europe (+10%) posted a good performance in Group stores, particularly in France and Italy.

Sales by sector at the end of September

(at comparable exchange rates, unless otherwise indicated)

Growth in Leather Goods and Saddlery products (+12%) was sustained by the increase in production capacities at the two new sites in Isère and Charente. In Franche-Comté, a new workshop in Héricourt is now up and running and investments on a second site are ongoing.

Dynamic sales in Ready-to-wear and Accessories (+9%) stem mainly from the success of fashion accessories and the latest ready-to-wear collections.

The Silk and Textiles division (+3%), which is enhancing its collections with new formats and superb materials, recorded growth despite a challenging context in Greater China.

The Perfume division (+6%) continued its growth driven by *Terre d'Hermès* and the latest creations.

Watches (-2%), which were slightly down, are still penalized by wholesale business on a still difficult market, particularly in Asia excluding Japan.

Other Hermès business lines (+12%) continued their development, driven particularly by the success of Gold Jewellery.

Highlights

At the end of September, currency fluctuations were favourable, representing a positive impact of €98 million on revenues.

Over the first nine months of the year, Hermès International redeemed 8,696 shares for €2.9 million, excluding transactions completed within the framework of the liquidity contract.

Outlook

With the success of its unique business model, Hermès will continue its long-term development strategy based on creativity, maintaining control over know-how and securing supply.

Despite the economic, geopolitical and monetary uncertainties around the world, the group confirmed its medium-term goal for 2015, i.e. revenue growth at constant exchange rates of 8%. For the full year 2015, operational profitability should be lower than 2014 (31.5%) due to the diluting impact of currency fluctuations.

Ever loyal to its Parisian roots, Hermès invites us to stroll through 2015 with the eye of the loafer; taking a step back from the world around us to embrace it with our eyes wide open and enjoy a chance encounter, a pleasurable discovery or the benefits of a short break.

*The press release of the Sales at the end of September 2015 is available on the website group :
<http://finance.hermes.com>.*

Next events :

- February 10th, 2016 : publication of the 2015 Sales
- March 23rd, 2016 : publication of the 2015 Results
- April 28th, 2016 : publication of the first quarter 2016 Sales

INFORMATION BY GEOGRAPHICAL ZONE (1)

In millions of Euros	As of Sept 30th		Evolutions	
	2015	2014	Published	At constant exchange rates
France	499	461	8.3%	8.2%
Europe (excl. France)	632	559	12.9%	10.6%
Total Europe	1 131	1 020	10.8%	9.5%
Japan	422	341	23.8%	19.1%
Asia Pacific (excl. Japan)	1 226	999	22.7%	5.1%
Total Asia	1 648	1 340	23.0%	8.7%
Americas	609	481	26.6%	7.4%
Other	55	56	-2.2%	-2.7%
TOTAL	3 443	2 897	18.8%	8.5%

In millions of Euros	3rd quarter		Evolutions	
	2015	2014	Published	At constant exchange rates
France	171	153	11.5%	11.5%
Europe (excl. France)	225	188	19.3%	17.6%
Total Europe	396	342	15.8%	14.8%
Japan	143	120	18.6%	16.6%
Asia Pacific (excl. Japan)	384	337	13.8%	1.5%
Total Asia	526	457	15.1%	5.5%
Americas	205	174	17.8%	2.0%
Other	16	17	-8.3%	-8.6%
TOTAL	1 143	991	15.4%	7.9%

(1) Sales by destination.

INFORMATION BY SECTOR

In millions of Euros	As of Sept 30th		Evolutions	
	2015	2014	Published	At constant exchange rates
Leathergoods and Saddlery (1)	1 600	1 295	23.6%	11.9%
Ready-to-wear and Fashion accessories (2)	816	676	20.7%	9.4%
Silk and Textiles	359	319	12.6%	3.0%
Other Hermès sectors (3)	234	189	23.3%	12.1%
Perfumes	184	172	7.3%	6.0%
Watches	112	104	8.4%	-2.4%
Other products (4)	137	143	-4.3%	-7.7%
TOTAL	3 443	2 897	18.8%	8.5%

In millions of Euros	3rd quarter		Evolutions	
	2015	2014	Published	At constant exchange rates
Leathergoods and Saddlery (1)	533	454	17.4%	8.6%
Ready-to-wear and Fashion accessories (2)	282	235	19.7%	11.9%
Silk and Textiles	108	103	5.5%	-0.5%
Other Hermès sectors (3)	79	65	21.2%	12.7%
Perfumes	64	57	11.7%	10.7%
Watches	37	36	2.6%	-5.2%
Other products (4)	40	40	0.2%	-2.7%
TOTAL	1 143	991	15.4%	7.9%

(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	Q2 Report	S1 report	Q1 Report	Q2 Report	S1 report
France	155	173	328	146	162	308
Europe (excl. France)	192	214	407	183	188	371
Total Europe	348	387	735	329	349	679
Japan	142	138	280	117	104	221
Asia Pacific (excl. Japan)	417	425	842	329	333	662
Total Asia	559	563	1 122	446	437	883
Americas	195	209	404	150	157	307
Other	21	17	39	18	20	38
TOTAL	1 122	1 177	2 299	943	963	1 907

INFORMATION BY SECTOR

In millions of Euros	2015			2014		
	Q1 Report	Q2 Report	S1 report	Q1 Report	Q2 Report	S1 report
Leathergoods and Saddlery	511	556	1 067	410	431	841
Ready-to-wear and Fashion accessories	262	272	534	215	226	441
Silk and Textiles	134	117	251	114	102	216
Other Hermès sectors	72	83	155	60	64	124
Perfumes	62	58	120	61	54	115
Watches	36	39	75	33	34	67
Other products	45	52	97	50	53	103
TOTAL	1 122	1 177	2 299	943	963	1 907