

Quarterly information report as at the end of September 2024

**Continued solid sales growth at the end of September
(+14% at constant exchange rates and +11% at current exchange rates)**

Paris, 24 October 2024

The group's consolidated revenue amounted to €11.2 billion at the end of September 2024, up 14% at constant exchange rates and 11% at current exchange rates compared to the same period in 2023.

In the third quarter, sales continued to rise and reached €3.7 billion, up 11% at constant exchange rates and 10% at current exchange rates. All regions are growing, despite a particularly high comparison basis in Europe and Asia-Pacific.

Axel Dumas, Executive Chairman of Hermès, said: *"In a more uncertain economic and geopolitical context, I want to thank all employees for the robust third-quarter performance, and our customers for their loyalty. Thanks to the singularity of its model, Hermès is continuing its recruitments and long-term investments."*

**Sales by geographical area at the end of September
(at constant exchange rates, unless otherwise indicated)**

At the end of September 2024, all the geographical areas posted solid growth, and the exclusive distribution network continued its development.

Asia excluding Japan (+7%) posted growth, supported by solid sales in Korea, Singapore, Australia and Thailand. The region is growing in the third quarter despite the downturn in traffic in Greater China observed since the end of the Chinese New Year, and a high base in the third quarter last year. The Shenzhen store in China reopened in October after renovation and expansion, following the Lee Gardens store reopening in Hong Kong in June. In August, the Collins Street store in Melbourne reopened after renovation.

Japan (+23%), after an excellent third quarter, confirmed its strong growth thanks to the loyalty of its local clients. The new Ginza Mitsukoshi store was inaugurated in Tokyo in June, after the Azadubai Hills store in February.

The Americas (+13%) continued their solid momentum in the third quarter, with growth close to the previous two quarters. The new Princeton store in New Jersey opened in April and online sales continued their development with their extension to Mexico in September.

Europe excluding France (+18%) achieved a remarkable performance, notably in the third quarter thanks to solid local demand and continued dynamics of tourist flows in all the countries of the region.

France (+14%) after a sustained third quarter confirmed its momentum despite a slight slowdown in traffic in the Parisian stores due to the Olympic games. The Nantes store reopened in June after being renovated.

Sales by sector at the end of September

(at constant exchange rates, unless otherwise indicated)

At the end of September 2024, all the métiers with the exception of the *Watches métier*, posted solid growth.

The *Leather Goods and Saddlery métier* (+17%) continued its solid growth. Demand remained sustained for both iconic models, which are constantly being reinvented, and for new models, such as the *Constance Élan* and *Bolide à dos* bags with a marked saddler spirit. Production capacity continued to increase, with the opening of the group's twenty-third leather goods workshop in Riom, in the Puy-de-Dôme, in September. This new facility reinforces the company's nine centres of expertise located across the national territory.

The *Ready-to-wear and Accessories sector* (+15%) confirmed its sustained momentum. The men's spring-summer 2025 fashion show, held at the Palais d'Iéna in June, was very well received. The women's spring-summer 2025 collection, was presented at the end of September at the Garde Républicaine. It is inspired by the workshop as a place of creation and offers a combination of soft leather and transparency.

The *Silk and Textiles sector* (+2%) grew in the third quarter, thanks to creations combining exceptional materials and *savoir-faire*.

Perfume and Beauty (+7%) achieved a steady growth in the third quarter. In September, the house successfully launched the new women's perfume, *Barénia*, imagined by Christine Nagel. This new fragrance bears the name of an heritage leather and is displayed in an object bottle inspired by the *Collier de chien* bracelet. Beauty enriched its offering with the second part of *Le Regard*, the *Trait Hermès*, composed of pencils for the eyes and the lips.

In a more challenging context, the *Watches métier* (-6%) was penalised by a high comparison base due to exclusive events in the third quarter last year. The *Hermès H08* collection continues to be well received.

The *Other Hermès sectors* (+17%), which include *Jewellery* and the *Home universe*, pursued their strong growth, illustrating the singularity and creativity of the house. The eighth *Haute Bijouterie* collection, *Les formes de la couleur*, was presented in September in Beijing after Paris in June.

A sustainable and responsible model

True to its commitment to local anchoring and job creation, the house inaugurated the Riom leather goods workshop in September. This new site will ultimately host 250 artisans trained locally with the house's exceptional know-how, following the installation in Riom since 2022, of the *École Hermès des savoir-faire* to pass on the expertise of the house's artisan saddler-leather workers. The establishment of the leather goods workshop in the former *Manufacture des Tabacs*, a former industrial site registered as a historic site and fully rehabilitated, reflects the house's approach of enhancing industrial heritage and minimizing the artificialisation of soils.

The sustainable and responsible dimension of the house's craftsmanship model was rewarded in August by S&P, with an increase in its rating up 11 points to 65/100. The MSCI rating agency also confirmed the house's AA rating in a context of increased regulatory constraints and transparency. These results demonstrate the commitments and values of the house.

Other highlights

At the end of September 2024, currency fluctuations represented a negative impact of €242 million on revenue.

During the first nine months, Hermès International redeemed 21,316 shares for €40 million, excluding transactions completed within the framework of the liquidity contract.

Outlook

In a more complex economic and geopolitical context, the group continues its development with confidence, thanks to the highly integrated artisanal model, the balanced distribution network, the creativity of collections and the loyalty of clients.

In the medium-term, despite the economic, geopolitical and monetary uncertainties around the world, the group confirms an ambitious goal for revenue growth at constant exchange rates.

Thanks to its unique business model, Hermès is pursuing its long-term development strategy based on creativity, maintaining control over know-how and singular communication.

In the Spirit of the Faubourg is the theme of the year. This place, the fruit of Emile Hermès' dream, is the beating heart of the house. It accompanies Hermès everywhere and inspires the effervescence and joyful spirit so dear to the house.

*The press release on Revenue at the end of September 2024 is available
on the group's website: <https://finance.hermes.com>.*

Upcoming events:

- 14 February 2025: 2024 full-year results publication
- 17 April 2025: Q1 2025 revenue publication
- 30 April 2025: General Meeting of shareholders

REVENUE BY GEOGRAPHICAL AREA ^(a)

<i>In €m</i>	At the end of September		Evolution /2023	
	2024	2023	Published	At constant exchange rates
France	1,045	916	14.2%	14.2%
Europe (excl. France)	1,554	1,327	17.1%	18.4%
Total Europe	2,600	2,243	15.9%	16.7%
Japan	1,053	939	12.1%	22.6%
Asia-Pacific (excl. Japan)	5,105	4,872	4.8%	7.0%
Total Asia	6,158	5,811	6.0%	9.5%
Americas	1,995	1,785	11.7%	12.8%
Other (Middle East)	456	223	104.4%	104.8%
TOTAL	11,208	10,063	11.4%	13.8%

<i>In €m</i>	3 rd quarter		Evolution /2023	
	2024	2023	Published	At constant exchange rates
France	365	323	13.1%	13.1%
Europe (excl. France)	584	492	18.8%	20.3%
Total Europe	949	814	16.5%	17.4%
Japan	360	304	18.5%	22.8%
Asia-Pacific (excl. Japan)	1,584	1,575	0.6%	1.0%
Total Asia	1,944	1,879	3.5%	4.6%
Americas	666	600	11.0%	13.4%
Other (Middle East)	145	72	102.2%	104.4%
TOTAL	3,704	3,365	10.1%	11.3%

^(a) Sales by destination.

REVENUE BY SECTOR

<i>In €m</i>	At the end of September		Evolution /2023	
	2024	2023	Published	At constant exchange rates
Leather Goods and Saddlery ⁽¹⁾	4,789	4,176	14.7%	17.3%
Ready-to-wear and Accessories ⁽²⁾	3,296	2,934	12.3%	14.8%
Silk and Textiles	646	648	(0.2%)	2.2%
Other Hermès sectors ⁽³⁾	1,421	1,239	14.7%	17.0%
Perfume and Beauty	388	367	5.9%	6.8%
Watches	434	473	(8.2%)	(6.2%)
Other products ⁽⁴⁾	233	226	3.3%	4.6%
TOTAL	11,208	10,063	11.4%	13.8%

<i>In €m</i>	3 rd quarter		Evolution /2023	
	2024	2023	Published	At constant exchange rates
Leather Goods and Saddlery ⁽¹⁾	1,573	1,396	12.7%	14.0%
Ready-to-wear and Accessories ⁽²⁾	1,134	1,012	12.1%	13.5%
Silk and Textiles	210	204	3.0%	4.0%
Other Hermès sectors ⁽³⁾	455	403	12.7%	13.6%
Perfume and Beauty	129	117	10.2%	10.6%
Watches	126	155	(18.9%)	(18.2%)
Other products ⁽⁴⁾	76	76	(0.0%)	0.6%
TOTAL	3,704	3,365	10.1%	11.3%

⁽¹⁾ The “Leather Goods and Saddlery” business line includes women’s and men’s bags, travel items, small leather goods and accessories, saddles, bridles and all equestrian objects and clothing.

⁽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, tanning...), as well as John Lobb, Saint-Louis and Puiforcat.

REMINDER – FIRST HALF 2024 KEY FIGURES

<i>In millions of euros</i>	H1 2024	2023	H1 2023
Revenue	7,504	13,427	6,698
<i>Growth at current exchange rates vs. n-1</i>	<i>12.0%</i>	<i>15.7%</i>	<i>22.3%</i>
<i>Growth at constant exchange rates vs. n-1</i> ⁽¹⁾	<i>15.1%</i>	<i>20.6%</i>	<i>25.2%</i>
Recurring operating income ⁽²⁾	3,148	5,650	2,947
<i>As a % of revenue</i>	<i>42.0%</i>	<i>42.1%</i>	<i>44.0%</i>
Operating income	3,148	5,650	2,947
<i>As a % of revenue</i>	<i>42.0%</i>	<i>42.1%</i>	<i>44.0%</i>
Net profit – Group share	2,368	4,311	2,226
<i>As a % of revenue</i>	<i>31.6%</i>	<i>32.1%</i>	<i>33.2%</i>
Operating cash flows	2,829	5,123	2,615
Operating investments	319	859	249
Adjusted free cash flows ⁽³⁾	1,776	3,192	1,720
Equity – Group share	15,052	15,201	13,249
Net cash position ⁽⁴⁾	9,477	10,625	9,326
Restated net cash position ⁽⁵⁾	10,033	11,164	9,848
Workforce (number of employees) ⁽⁶⁾	23,242	22,037	20,607

⁽¹⁾ Growth at constant exchange rates is calculated by applying, for each currency, the average exchange rates of the previous period to the revenue for the period.

⁽²⁾ Recurring operating income is one of the main performance indicators monitored by Group Management. It corresponds to operating income excluding non-recurring items having a significant impact that may affect understanding of the Group's economic performance.

⁽³⁾ Adjusted free cash flows are the sum of cash flows related to operating activities, less operating investments and the repayment of lease liabilities recognised in accordance with IFRS 16 (aggregates in the consolidated statement of cash flows).

⁽⁴⁾ Net cash position includes cash and cash equivalents presented under balance sheet assets, less bank overdrafts which appear under short-term borrowings and financial liabilities on the liabilities side. Net cash position does not include lease liabilities recognised in accordance with IFRS 16.

⁽⁵⁾ The restated net cash position corresponds to net cash plus cash investments that do not meet the IFRS criteria for cash equivalents due in particular to their original maturity of more than three months, less borrowings and financial liabilities.

⁽⁶⁾ The headcount relates to employees on permanent contracts and those on fixed-term contracts lasting more than 9 months.