

APPAREL AND ACCESSORIES

## Herms sees 29pc growth due to watches, ready-to-wear demand

July 29, 2022



*Herms is looking at a bright second half of the year after witnessing solid growth in the first half of 2022. Image credit: Herms*

By LUXURY DAILY NEWS SERVICE

French fashion house Herms has reported earnings of \$5.48 billion for the first half of 2022, up 29 percent compared to last year.

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The brand cites demand for its watches and ready-to-wear fashion categories as major contributors to this overall growth. Sales in the second quarter reached \$2.71 billion with a high level of activity in all the business lines.

"The very dynamic results over the first six months of the year testify to the growth across our 16 mtiers and the strong desirability of our objects, designed by craftsmen with a sustainable approach, without compromising on quality," said Axel Dumas, executive chairman of Herms, in a statement.

"In a still unstable context, we are moving forward with confidence, faithful to our role as a responsible and committed company to our employees and our partners."

Off to a good start

Over the first half of 2022, all the geographical areas posted strong growth, with strong resilience from Asia despite the ongoing health-related restrictions in China.

Sales in the group's stores rose 23 percent, while wholesale activity saw a 25 percent increase in sales.

Asia, excluding Japan, saw a 15 percent increase in sales revenue. Greater China saw some recovery in June after COVID-related restrictions in April and May.



*The renovated Hermès boutique in Macao. Image credit: Hermès*

After the reopening of the renovated Pacific Place store in Hong Kong and One Central store in Macao at the beginning of the year ([see story](#)), the brand opened a new store in Zhengzhou at the end of March, in the Henan province in China.

Japan posted a significant 20 percent increase in sales revenue. In June, the first edition of La Fabrique de la Igret exhibition was held in Tokyo.

The Americas and Europe, excluding France, sustained momentum as both regions posted increases of 34 percent. France recorded revenue up 41 percent year-over-year.

The leather goods and saddlery business posted 12 percent growth for the first half of the year, driven by expected demand and an increase in production capacities. The company plans to open five new workshops over the next five years: Louviers and Sormonne sites in 2023, the Riom site in 2024 and the L'Isle-d'Espagnac and Loupes sites in 2025 and 2026.

The ready-to-wear and accessories division saw a significant 36 percent increase, due to the popularity of the women's fall/winter 2022 show in March and the men's spring/summer 2023 collection reveal in June.

The silk and textiles business line achieved a 29 percent increase in revenue, while perfume and beauty posted a 23 percent increase due to the launches of new collections such as the new chapter of Plein Air, Terre d'Hermès Eau Givre and Eau de Basilic Pourpre.

The watches business saw a massive 55 percent increase in revenue, due to the development of timepieces such as the Arceau Le temps voyageur and the success of classic models such as Heure H and Cape Cod.

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