



H & M Hennes & Mauritz AB

PRESS CONFERENCE 19 JUNE 2013

SIX-MONTH REPORT



- ▶ KARL-JOHAN PERSSON
MANAGING DIRECTOR
- ▶ NILS VINGE
INVESTOR RELATIONS MANAGER
- ▶ ANN-SOFIE JOHANSSON
CREATIVE HEAD OF DESIGN





THE QUARTER IN BRIEF

- ▶ Continued challenging for the fashion retail industry
- ▶ Sales +5% in local currencies
 - comparable units -4%
- ▶ Large negative currency translation effects
 - the Swedish krona continues to strengthen
 - sales including VAT SEK 36,923 m



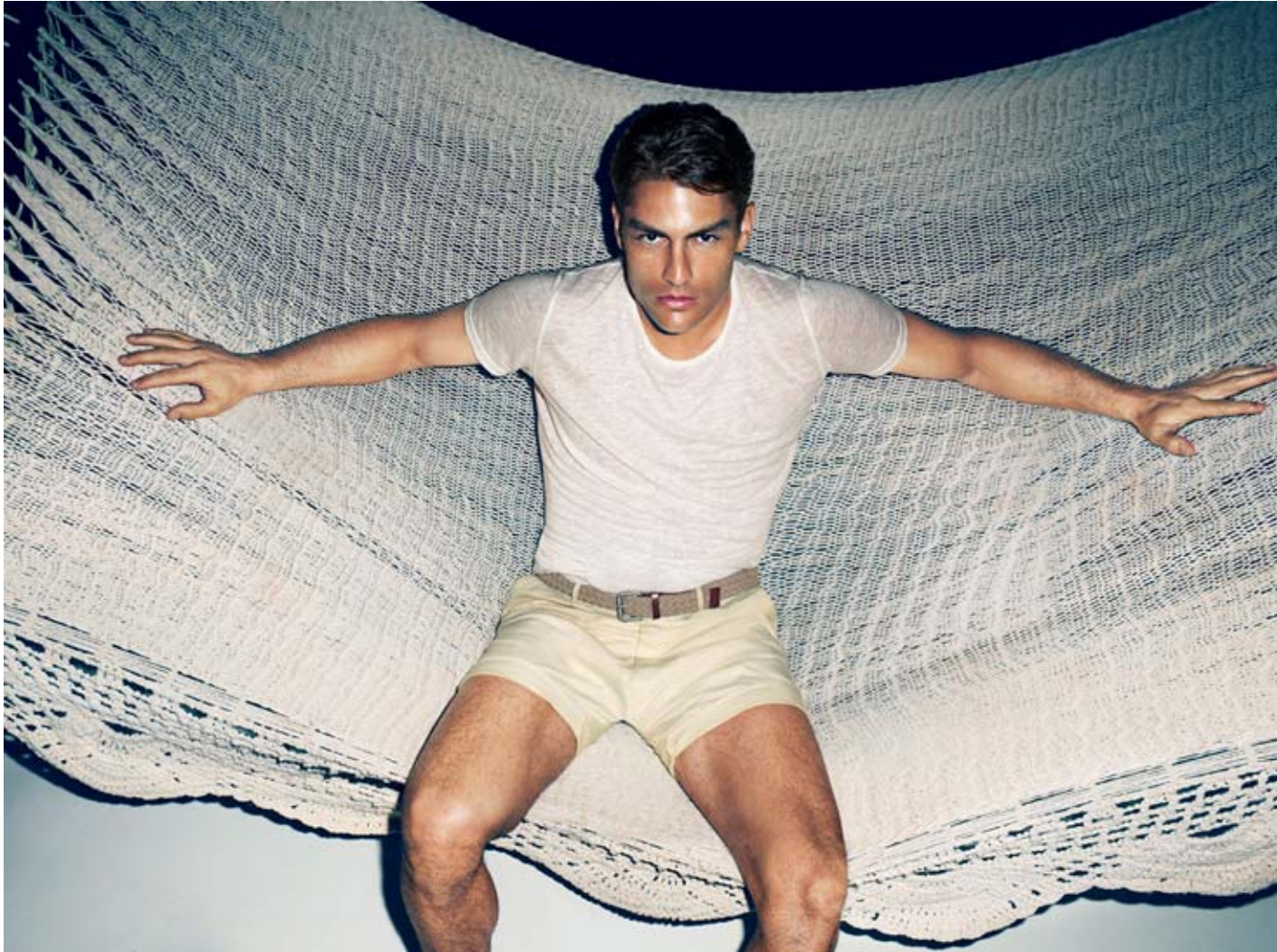


THE QUARTER IN BRIEF

- ▶ Long-term investments in several areas
 - IT and online
 - new fashion brand & Other Stories
 - broadening H&M's product range
- ▶ Cost control remains good
- ▶ Profit after tax SEK 4,655 m



FINANCIAL DATA



H&M

SALES AND PROFITS

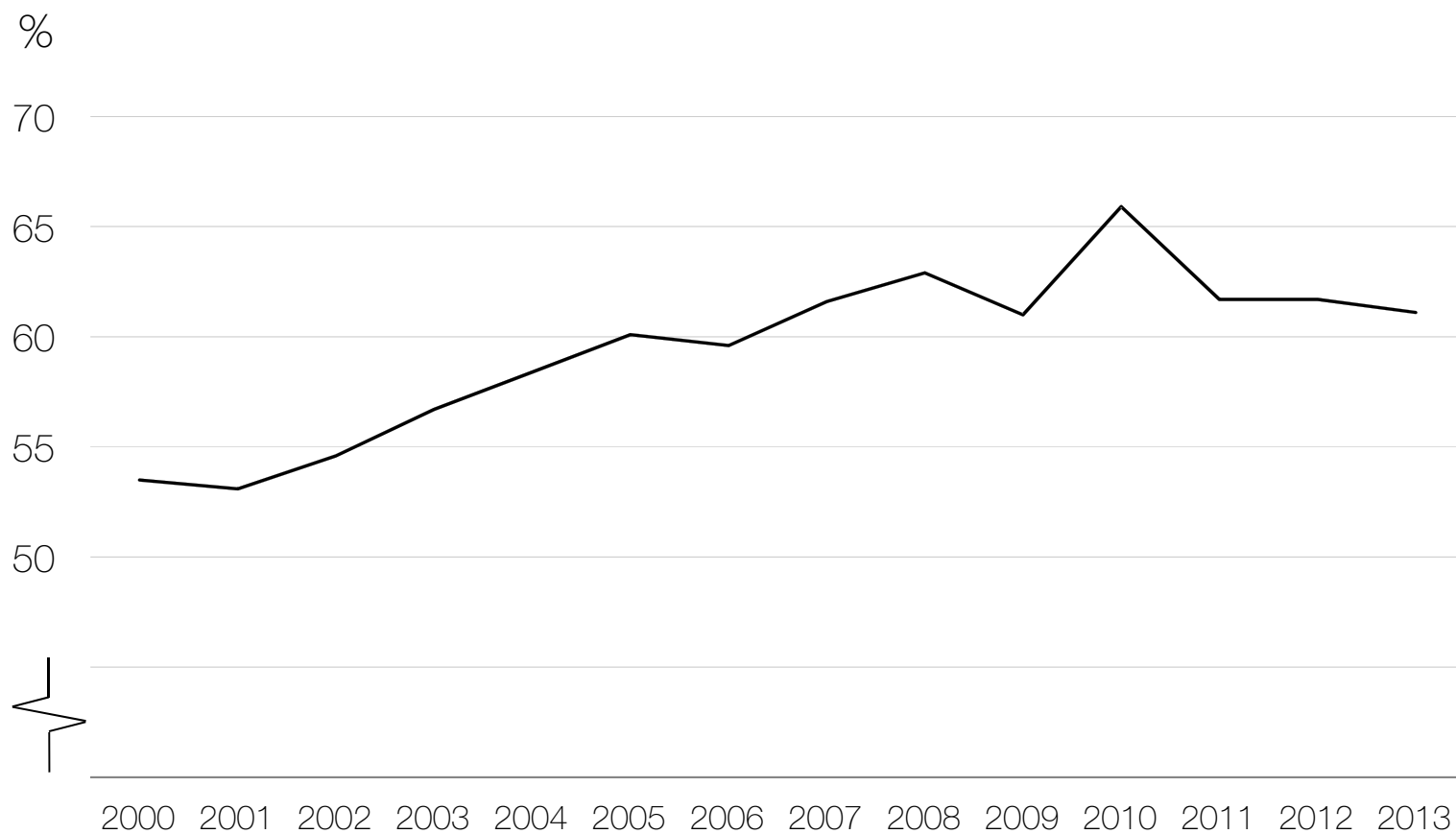
SECOND QUARTER

SEK m	2013	2012
Sales including VAT	36,923	36,947
Sales excluding VAT	31,635	31,658
Gross profit	19,337	19,546
<i>Gross margin, %</i>	<i>61.1</i>	<i>61.7</i>
Selling and administrative expenses	-13,314	-12,653
Operating profit	6,023	6,893
<i>Operating margin, %</i>	<i>19.0</i>	<i>21.8</i>
Net interest income	102	160
Profit after financial items	6,125	7,053
Tax	-1,470	-1,834
Profit for the period	4,655	5,219
<i>Earnings per share (SEK)</i>	<i>2.81</i>	<i>3.15</i>



GROSS MARGIN

SECOND QUARTER



KEY DATA

SEK m	31 May 2013	31 May 2012
Stock-in-trade	12,667	11,299
Cash flow from current operations	11,218	10,668
Investments	3,375	2,620
Liquid funds and short-term investments	9,061	13,543
Return on equity*, %	45.0	48.0

* rolling 12 months





EXPANSION

- ▶ Approx. 350 new stores net for full-year 2013
- ▶ 90 new stores net in Q2
 - in total 2,908 stores in 49 markets
- ▶ Strong expansion in Asia
- ▶ First H&M store in the southern hemisphere in Chile
 - later this year Estonia, Lithuania, Serbia and via franchise Indonesia
- ▶ H&M opens in Australia in 2014





EXPANSION

- ▶ Continued online expansion
 - launch of H&M shop online in the US in August
 - continue to work with global roll-out of H&M's shop online
- ▶ H&M expands with all brands
 - COS, Monki, Weekday and Cheap Monday
 - H&M Home to new countries





& OTHER STORIES

- ▶ Fantastic reception from the customers
- ▶ Stores have opened in seven big cities, Barcelona, Berlin, Copenhagen, London, Milan, Paris and Stockholm
- ▶ Shop online in ten European countries on stories.com





H&M SPORT

- ▶ Extended sports concept for women, men and children in the beginning of 2014
 - in H&M's online markets and selected stores
- ▶ H&M dresses Olympic teams
 - Winter Olympics and Paralympics in Sochi 2014 and Summer Olympics and Paralympics in Rio de Janeiro 2016
 - collection developed by H&M's design team in collaboration with Swedish Olympians



AUTUMN FASHION



H&M

MAURITZ ARCHIVE COLLECTION



H&M



ISABEL MARANT

- ▶ Revolutionized the fashion industry and defined the chic Parisian woman
- ▶ Feminine and relaxed look with rock 'n' roll spirit and bohemian French touch
- ▶ Available from 14 November
 - in approx. 250 H&M stores
 - online
- ▶ Clothing and accessories for women, men and teenagers





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