

# H&M Group

## Press release

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16 March 2020

### The H&M group's sales development in the first quarter 2020

In the first quarter 2020, i.e. in the period 1 December 2019 to 29 February 2020, the H&M group's net sales increased by 8 percent to SEK 54,948 m (51,015). In local currencies net sales increased by 5 percent.

Sales development in the second half of the quarter was negatively impacted by the outbreak of the COVID-19 virus, particularly in China. From 1 December 2019 to 23 January 2020 sales in China increased by 27 percent in local currency. However, demand then decreased significantly as a result of the rapid development of the virus and therefore H&M group's sales in China decreased by 24 percent in the quarter as a whole. At its peak, 334 of the group's 518 stores in China were closed in February.

Excluding China, Hong Kong, Singapore, Macau, Japan and Taiwan the H&M group's sales in the quarter increased by 7 percent in local currencies.

So far in March sales have been negatively affected mainly in Europe as a consequence of the continued spread of the virus. The situation in every country is changing rapidly. Following decisions by the authorities, all of the group's stores are temporarily closed in Italy since the past few days and during the weekend all stores were also closed temporarily in Poland, Spain, the Czech Republic, Bulgaria, Belgium, France and partly in Greece. All of the group's stores in Austria, Luxembourg, Bosnia-Herzegovina, Slovenia and Kazakhstan are closing from Monday. The online store remains open. In China sales have gradually started to recover as the situation in the country has improved.

The H&M group is working extensively to manage the COVID-19 situation, the highest priority being the safety of employees and customers. While the H&M group's transformation work continues at full speed, all activities in the company are now being carefully evaluated – including from a cost and risk perspective – so as to be able to mitigate the negative effects associated with the virus as far as possible. Further information will be provided when the interim report for Q1 is published on 3 April.

*The amounts are provisional and may deviate slightly from the three-month report, covering the period 1 December 2019 – 29 February 2020, that will be published on 3 April 2020.*

### Communication in conjunction with the three-month report

The three-month report, i.e. 1 December 2019 – 29 February 2020, will be published at 08:00 CEST on 3 April 2020. A telephone conference for the financial market and media will be held in English at 09:00 CEST, hosted by CEO Helena Helmersson, CFO Adam Karlsson and Head of IR Nils Vinge. For login details to the telephone conference please register at [hmgroupp.com](http://hmgroupp.com) or via this link: <http://emea.directeventreg.com/registration/2174391>

To book interviews with CEO Helena Helmersson and Head of IR Nils Vinge in conjunction with the three-month report on 3 April 2020, please contact: Kristina Stenvinkel, Communications Director, telephone: +46 8 796 39 08, e-mail: [stenvinkel@hm.com](mailto:stenvinkel@hm.com).

Helena Helmersson, CEO

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For more information from the H&M group and press images visit [hmgroupp.com/media](http://hmgroupp.com/media).

The information in this press release is that which H & M Hennes & Mauritz AB (publ) is required to disclose under the EU Market Abuse Regulation (596/2014 /EU). The information was submitted for publication by the abovementioned person at 08.00 CET on 16 March 2020. This press release, along with additional information about the H&M group, is available at [hmgroup.com](http://hmgroup.com).

H & M Hennes & Mauritz AB (publ) was founded in Sweden in 1947 and is quoted on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. In addition to H&M, the group includes the brands COS, Monki, Weekday, & Other Stories, H&M HOME and ARKET as well as Afound. The H&M group has 51 online markets and more than 5,000 stores in 74 markets including franchise markets. In 2019, net sales were SEK 233 billion. The number of employees amounts to approximately 179,000. For further information, visit [hmgroup.com](http://hmgroup.com).