



ANNUAL GENERAL MEETING 2014

- ▶ KARL-JOHAN PERSSON
MANAGING DIRECTOR



2013 IN BRIEF

- ▶ 12,000 new employees net in 2013
 - more than 116,000 employees in total
- ▶ Sales SEK 150,090 m (incl. VAT)
 - local currencies +9%
- ▶ Sales in fourth quarter +13% in local currencies
- ▶ Cost control remains good
- ▶ Operating margin 17.2% (18%)
- ▶ Profit after tax SEK 17.2 billion (16.9)



EXPANSION 2013

- ▶ 356 new stores net
 - in total 3,132 stores in 53 markets
- ▶ China and US largest expansion markets
- ▶ Launch of H&M's online store in the US
- ▶ New flagship stores, e.g. Times Square, New York and Via del Corso, Rome
- ▶ Five new H&M markets 2013
 - Chile, Lithuania, Serbia, Estonia and via franchise Indonesia





LONG-TERM INVESTMENTS

- ▶ Long-term investments within IT, online, new brands and broadening the product range
- ▶ Important investments for the future
 - further strengthen the market position
 - secure future expansion



& OTHER STORIES

- ▶ New fashion brand launched March 8, 2013
- ▶ Fantastic reception since launch
 - eight stores in seven countries during 2013
 - shop online via stories.com in ten European countries



H&M SPORT

- ▶ Extended sports concept for women, men and children
 - focus on function, fit, design and comfort
- ▶ Online and in selected stores in 18 countries since January 2014
 - further broadening of the product range
 - more stores and countries onwards
- ▶ H&M dresses the Swedish Olympic teams





H&M SHOP ONLINE

- ▶ Online sales an important complement to the stores
- ▶ Very good start for H&M's online store in the US
- ▶ Four new online markets planned for 2014
 - France open since March 13
 - Spain and Italy, early autumn
 - China, end of the year
- ▶ Global roll-out of the online store to continue



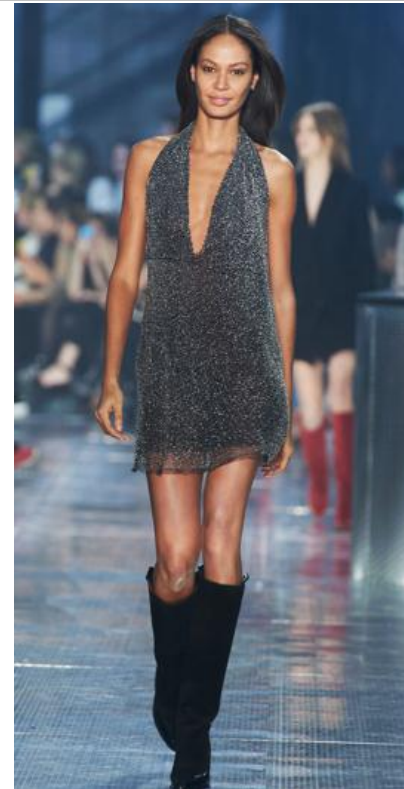
SPRING/SUMMER 2014



SPRING/SUMMER 2014



H&M STUDIO

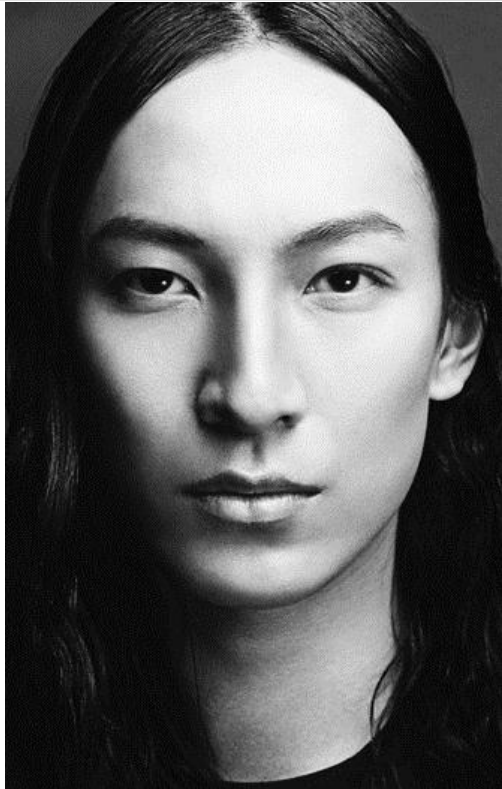


H&M STUDIO



ALEXANDER WANG x H&M





ALEXANDER WANG x H&M

- ▶ Established itself in the fashion world by constantly evolving the urban uniform
 - fashion forward tailoring and sporty looks
- ▶ Garments and accessories for both women and men
 - launched November 6
 - in approx. 250 H&M stores
 - online at hm.com





SUSTAINABLE DEVELOPMENT

- ▶ Increased use of more sustainable materials, e.g. organic cotton, recycled polyester, Tencel etc.
- ▶ Global "Garment Collecting" initiative
 - so far approx. 5,000 tons of garments collected for re-use and recycling
 - re-used fibers in jeans launched 2014, example of closing the loop for textiles





SUSTAINABLE DEVELOPMENT

- ▶ Integral part of H&M's operations
- ▶ H&M drives the development for better conditions in the textile industry
- ▶ Roadmap for a fair living wage
 - holistic approach to wage issue
 - includes e.g. improved purchasing practices, training and the possibility of wage negotiation
 - cooperation with IF Metall, SIDA and ILO





SUSTAINABLE DEVELOPMENT

- ▶ H&M Conscious Foundation
 - contribute to positive long-term change for people and communities where H&M operates
 - donation of SEK 500 m from the Persson family in 2013
- ▶ Relief efforts and support in three global development challenges;
 - clean water, education and strengthening women



SUSTAINABLE DEVELOPMENT





EXPANSION 2014-2015

- ▶ Approx. 375 new stores net planned 2014
 - China and US largest expansion markets
 - first H&M store in Hawaii
 - several new flagship stores
- ▶ New H&M markets 2014
 - Melbourne, Australia, open since April 5
 - the Philippines and India
- ▶ H&M to open in South Africa and Peru 2015



& other Stories



OTHER BRANDS

- ▶ The Group's other brands continue to expand
- ▶ & Other Stories opens in new countries 2014
 - Belgium, the Netherlands and US new markets for stores
 - US, Ireland and Austria new online markets
- ▶ H&M Home will expand to approx. 15 new markets 2014





COS

- ▶ 21 new stores during 2013
 - in total 91 stores in 21 markets by the end of the first quarter 2014
- ▶ Switzerland, South Korea, Australia and US new COS countries 2014
 - two stores in the US: New York and Los Angeles
 - COS shop online to open in US



LOOKING AHEAD

- ▶ Good sales in first quarter 2014
 - local currencies +12%
 - SEK +13%
 - continued increase in market shares
- ▶ A strong customer offering
 - fashion and quality at the best price
- ▶ Long-term investments continue





H & M Hennes & Mauritz AB