

# H&M ANNUAL GENERAL MEETING 2015

KARL-JOHAN PERSSON, CEO



H&M

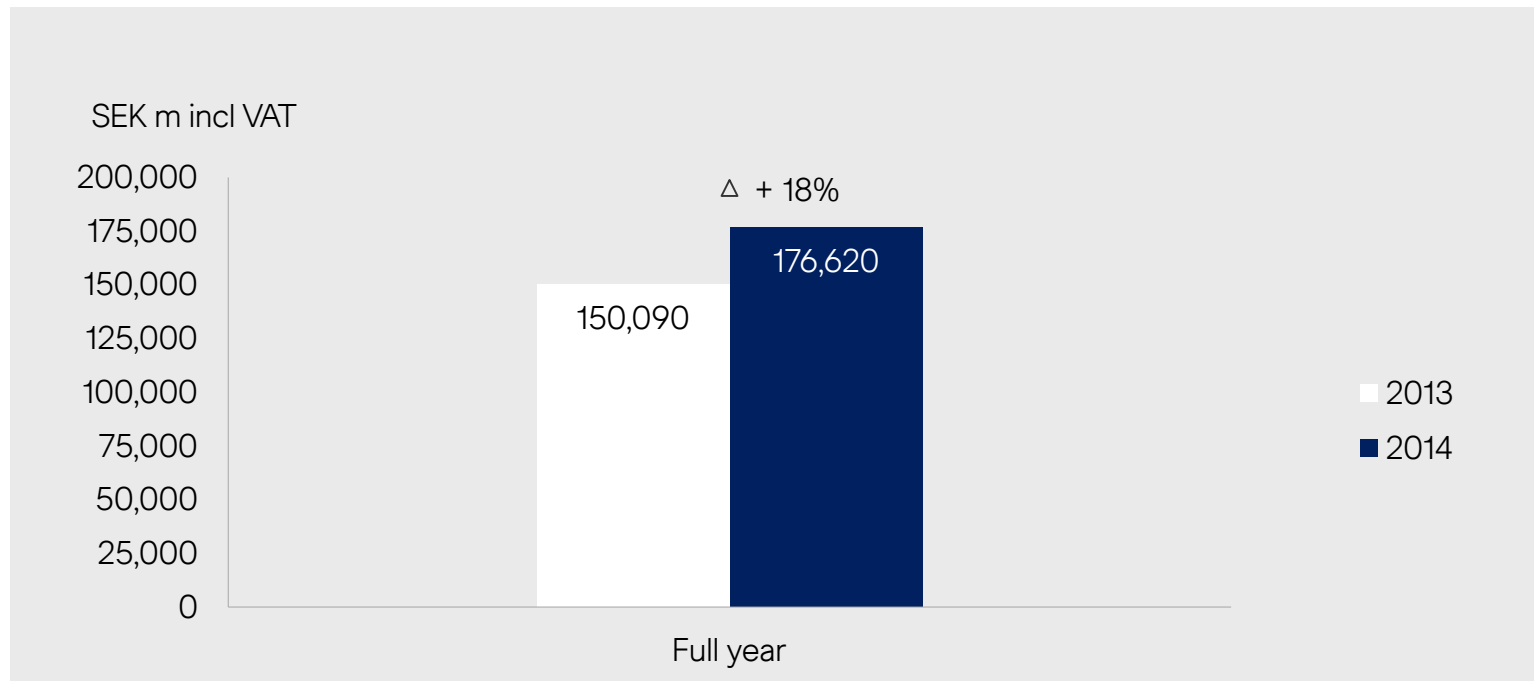


## 2014 IN BRIEF

- Strong sales and profit development
- Well-received collections for all Group brands
  - continued increase in market shares
- 379 new stores net; in total 3,511 stores globally
  - Australia and the Philippines new H&M markets
- Four new, large online markets
  - France, Italy, Spain and China
- Substantial long-term investments within IT and online and broadening of the product range
- Good cost control maintained

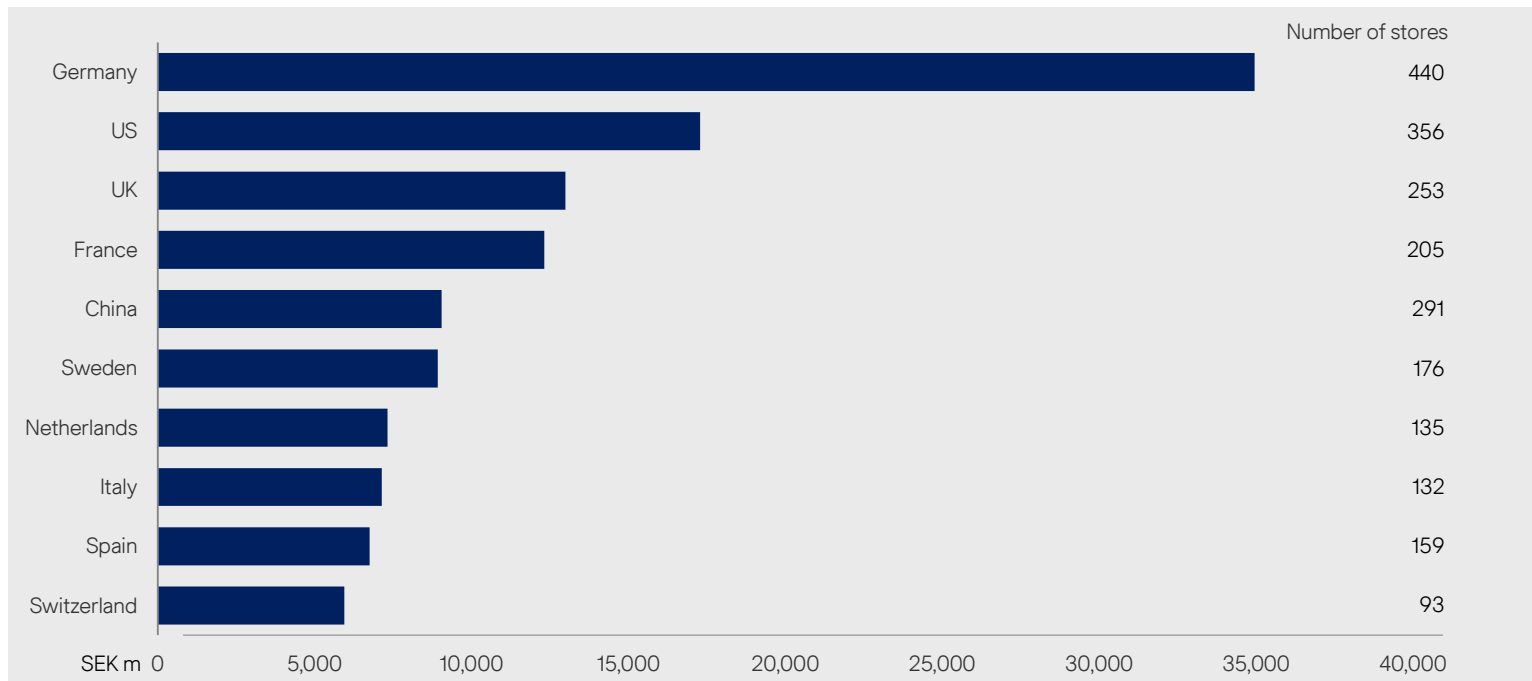


# SALES

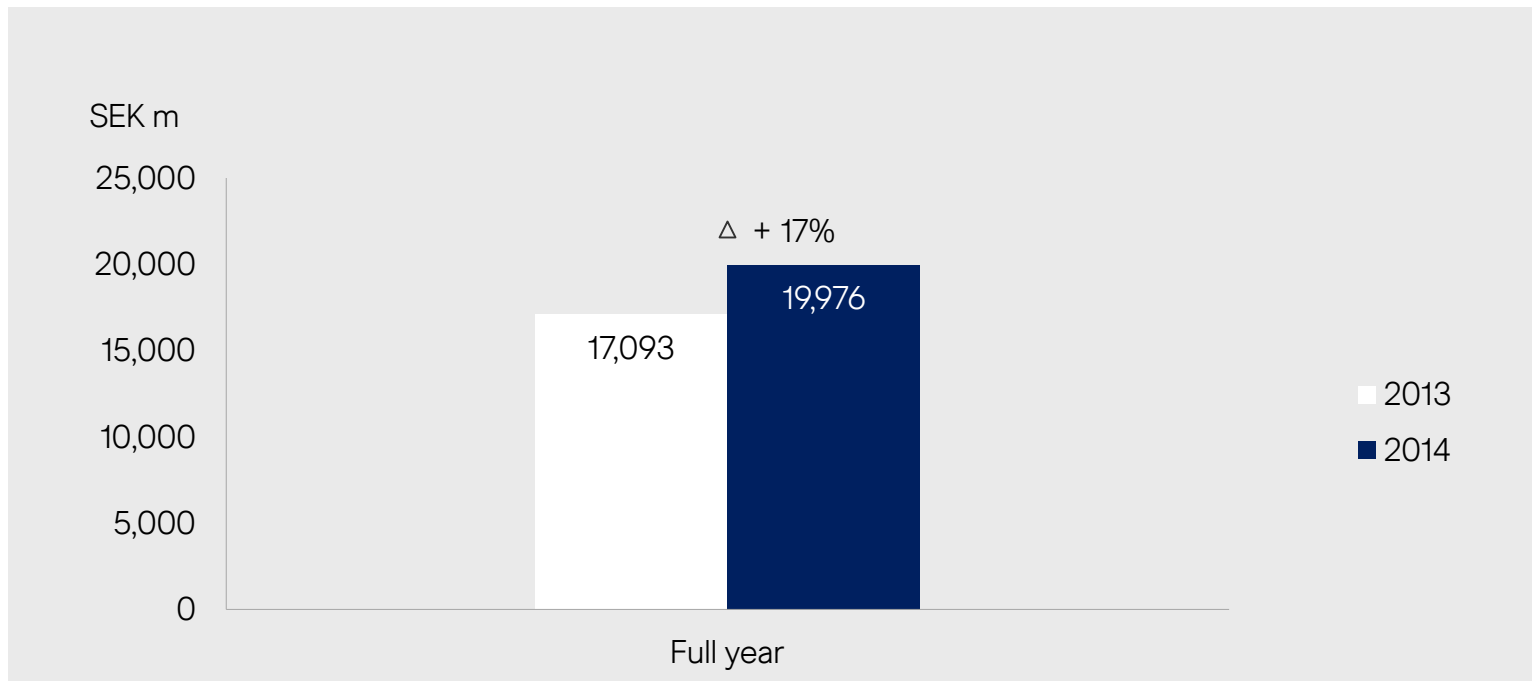


# SALES PER MARKET

TEN LARGEST MARKETS, FULL YEAR 2014



# PROFIT AFTER TAX



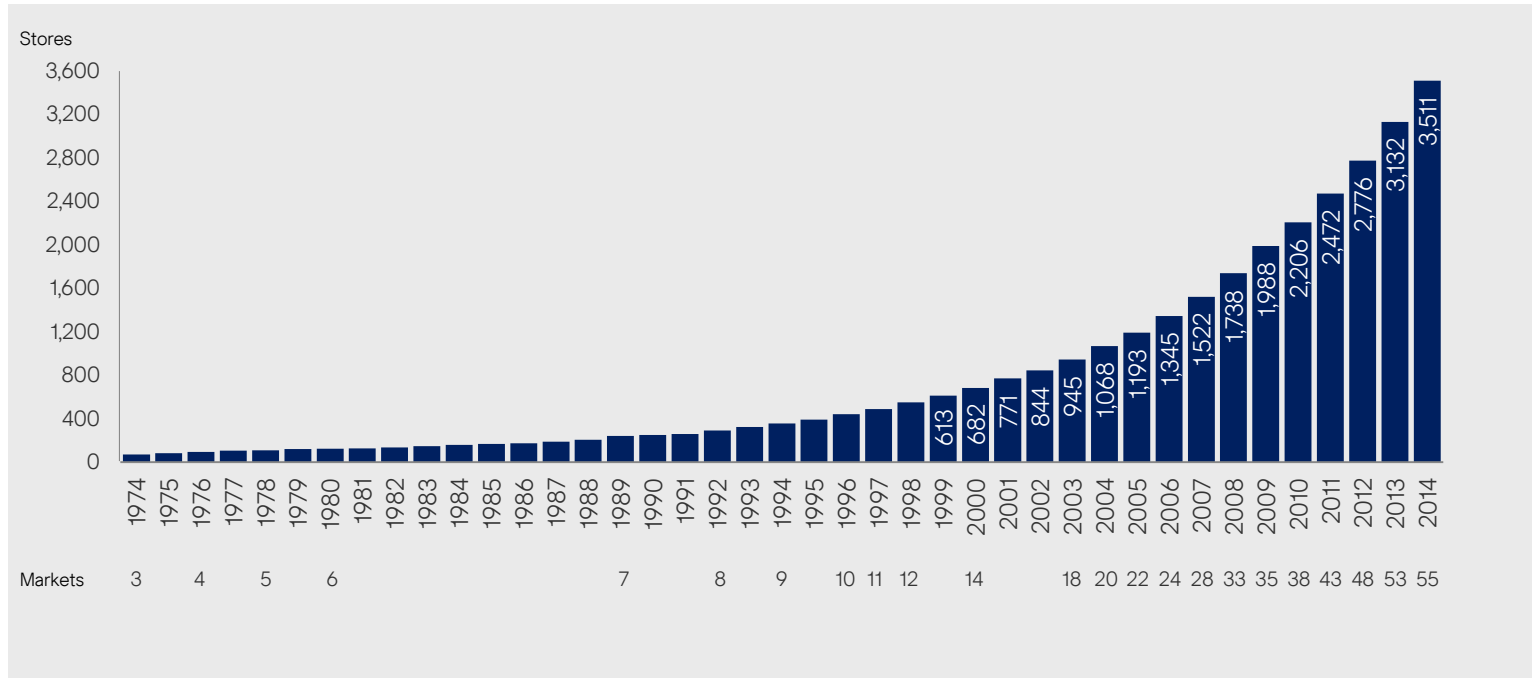


# OUR EMPLOYEES AND THE H&M SPIRIT

- H&M is guided by strong, shared values
- Committed employees and the H&M spirit
  - key to H&M's success
- 132,000 employees globally
  - over 16,000 new jobs created within H&M in 2014
- H&M Incentive Program (HIP)
  - for all H&M employees; regardless of salary, position, full-time or part-time
  - SEK 303 million allocated to HIP for 2014



# STORE EXPANSION



\*IPO 1974





# STORE EXPANSION 2015

- Approx. 400 new stores in total planned for 2015
  - within target of 10-15% new stores net per year
- New H&M markets in 2015
  - first H&M store in Taipei, Taiwan, very well received since opening in February
  - Peru, Macau, South Africa and India to open during the year
- Largest expansion planned in China and the US







# OUR FASHION BRANDS

- H&M's expansion also includes & Other Stories, COS, Monki, Weekday and Cheap Monday
- Strong development for COS since launch in 2007
  - 117 stores in 27 markets (February 2015)
  - online in 19 markets
- & Other Stories very well received since launch in 2013
  - 20 stores in 10 markets (February 2015)
  - online in 13 markets





# H&M ONLINE

- Rapid expansion of H&M's online store, hm.com
- Nine new H&M online markets 2015
  - Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria and Belgium opened during spring
  - 21 online markets in total (April 2015)
  - Switzerland to open online in autumn
- COS, & Other Stories, Monki, Weekday and Cheap Monday
  - all brands available online in several markets





# H&M HOME

- H&M Home offers a wide range of home textiles
  - collections complemented by decorative items in materials such as glass, metal and wood
  - well received in stores and online
- Continued rapid expansion in 2015
  - approx. 100 new H&M Home departments
  - approx. 10 new markets





# BROADENING H&M'S PRODUCT RANGE

- Product range broadened with H&M Sport and extended shoe range
- H&M Beauty to launch in autumn 2015
  - new, broad concept for make-up, body care and hair care
  - initially approx. 900 stores in approx. 40 markets
  - online at [hm.com](http://hm.com)



# SUSTAINABLE DEVELOPMENT



**H&M**

# SUSTAINABLE DEVELOPMENT



- Sustainability an investment in the customer offering
- Increased use of more sustainable cotton in the product range
  - H&M world's largest user of organic cotton
- Long-term goal to close the loop for textile fibres
  - more than 14,000 tonnes of used clothing collected for re-use and recycling
- Aim to use energy from renewable sources only
  - reduced greenhouse gas emissions in 2014
- Public supplier list extended
- Roadmap for fair living wages in the textile industry



# SUSTAINABLE DEVELOPMENT



**H&M**

**CONSCIOUS  
ACTIONS**

—  
**Sustainability  
Report 2014**

**H&M**

# H&M CONSCIOUS EXCLUSIVE







# FIRST QUARTER 2015

- Strong first quarter 2015
  - well-received collections
  - sales +25% in SEK; +15% in local currencies
- Substantial long-term investments within IT and online and the broadening of the product range
- Good cost control maintained
- Profit after financial items SEK 4,723 m; +35%



H & M Hennes & Mauritz AB