



H & M Hennes & Mauritz AB

# **PRESS CONFERENCE 25 SEPTEMBER 2014**

NINE-MONTH REPORT



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- **NILS VINGE**  
INVESTOR RELATIONS
- **CATARINA MIDBY**  
TREND EXPERT





## THIRD QUARTER 2014

- Sales +21% in SEK; +16% in local currencies
- Very well received collections and continued increase in market shares
- Strong sales at all brands
  - H&M, COS, & Other Stories, Monki, Weekday and Cheap Monday
- Substantial long-term investments
- Good cost control maintained
- Operating profit SEK 6,886 m (+20%)





# LONG-TERM INVESTMENTS

- Substantial investments within IT, online, new brands and the broadening of the product range.
  - important investments for the future
- Rapid expansion of H&M's online store
  - four new online markets 2014; France, Italy, Spain and China
  - additional 8-10 new online markets 2015



# H&M SHOP ONLINE

男士

## 单色情调

这个季节男性高雅气质中透露了叛逆青年的元素。  
出人意料的裁剪、对比鲜明的元素是这些时尚造型  
的关键。

▶ 即刻选购



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# FINANCIAL DATA



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# SALES AND PROFITS

THIRD QUARTER

SEK m	2014	2013
Sales excluding VAT	38,805	32,040
Gross profit	22,627	18,828
<i>gross margin, %</i>	58.3	58.8
Operating profit	6,886	5,755
<i>operating profit, %</i>	17.7	18.0
Net interest income	81	75
Profit after financial items	6,967	5,830
Tax	-1,671	-1,399
Profit for the period	5,296	4,431
<i>Earnings per share (SEK)</i>	3.20	2.68



# KEY DATA

SEK m	31 Aug 2014	31 Aug 2013
Stock-in-trade	17,940	15,329
Cash flow from current operations	18,007	14,974
Investments	6,348	5,340
Liquid funds and short-term investments	13,451	10,953
Return on equity*, %	46.1	43.4

\* rolling 12 months







## STORE EXPANSION

- 56 new stores net in the third quarter
  - 3,341 stores in 54 markets
  - H&M's new flagship store on Fifth Avenue opened 17 July
- 375 new stores net planned for 2014
  - The Philippines new H&M market in October; store opening in Manila
- New H&M markets 2015
  - India, South Africa, Peru, Taiwan and Macau



# H&M FIFTH AVENUE



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# H&M SPORT



**H&M**



# H&M SPORT

- Extended sports concept for women, men, youth and children
  - focus on function, fit, design and comfort
- In selected stores and online at [hm.com](https://www.hm.com)
  - very well received
  - gradual roll-out to more markets
  - further broadening of the sports range



# H&M SHOES



- Extended shoe range for women, men, youth and children
  - in selected stores and online at [hm.com](https://www.hm.com)
- A variety of styles in different price categories, all at H&M prices
  - focus on quality, materials and comfort
- Gradual launch starting autumn 2014
  - part of H&M's long-term investments



# H&M CONSCIOUS DENIM



**H&M**



# ALEXANDER WANG X H&M

- Established in the fashion world by constantly evolving the urban uniform
  - fashion forward tailoring and sporty looks
- Garments and accessories for both women and men
  - launch 6 November
  - in approx. 250 H&M stores
  - online at [hm.com](http://hm.com)





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