



H & M Hennes & Mauritz AB

# TELEPHONE CONFERENCE 25 JUNE 2015

SIX-MONTH REPORT



- **NILS VINGE**

INVESTOR RELATIONS

- **JYRKI TERVONEN**

CHIEF FINANCIAL OFFICER

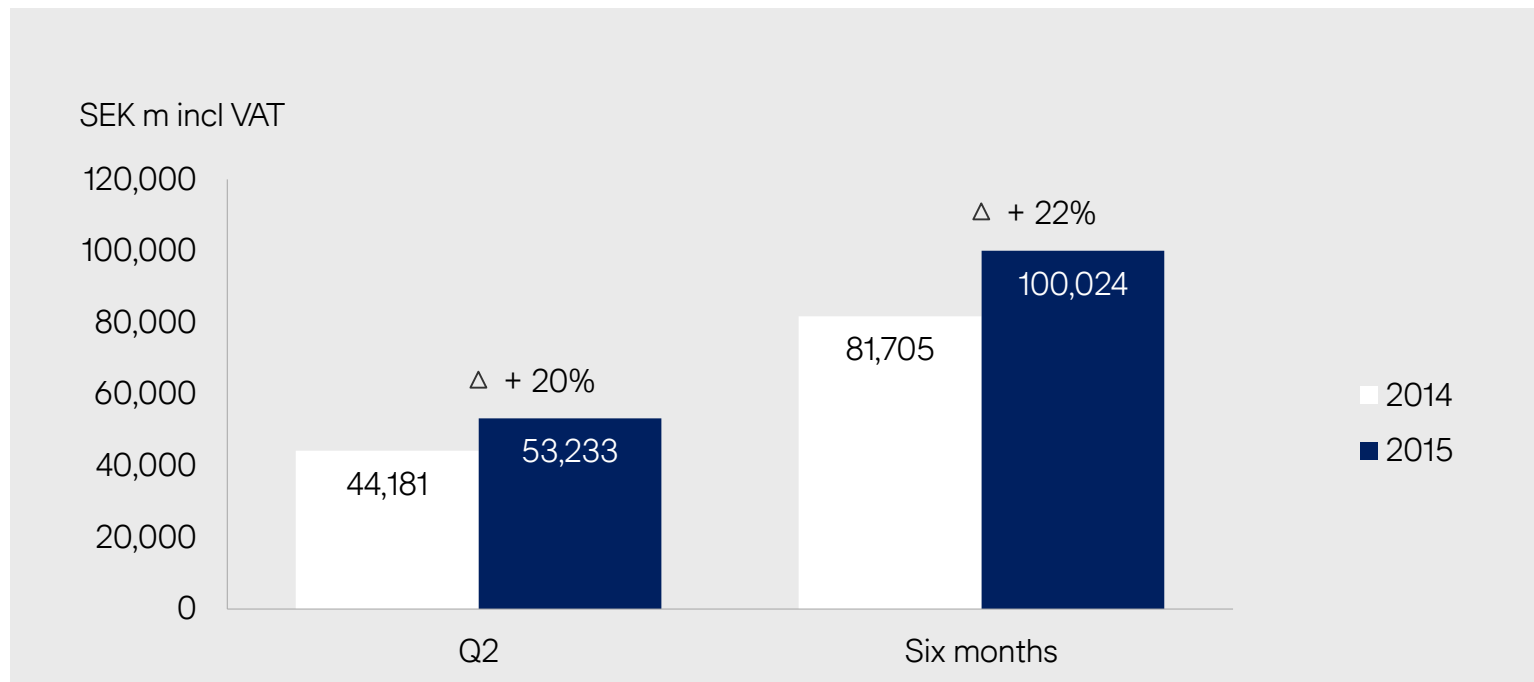




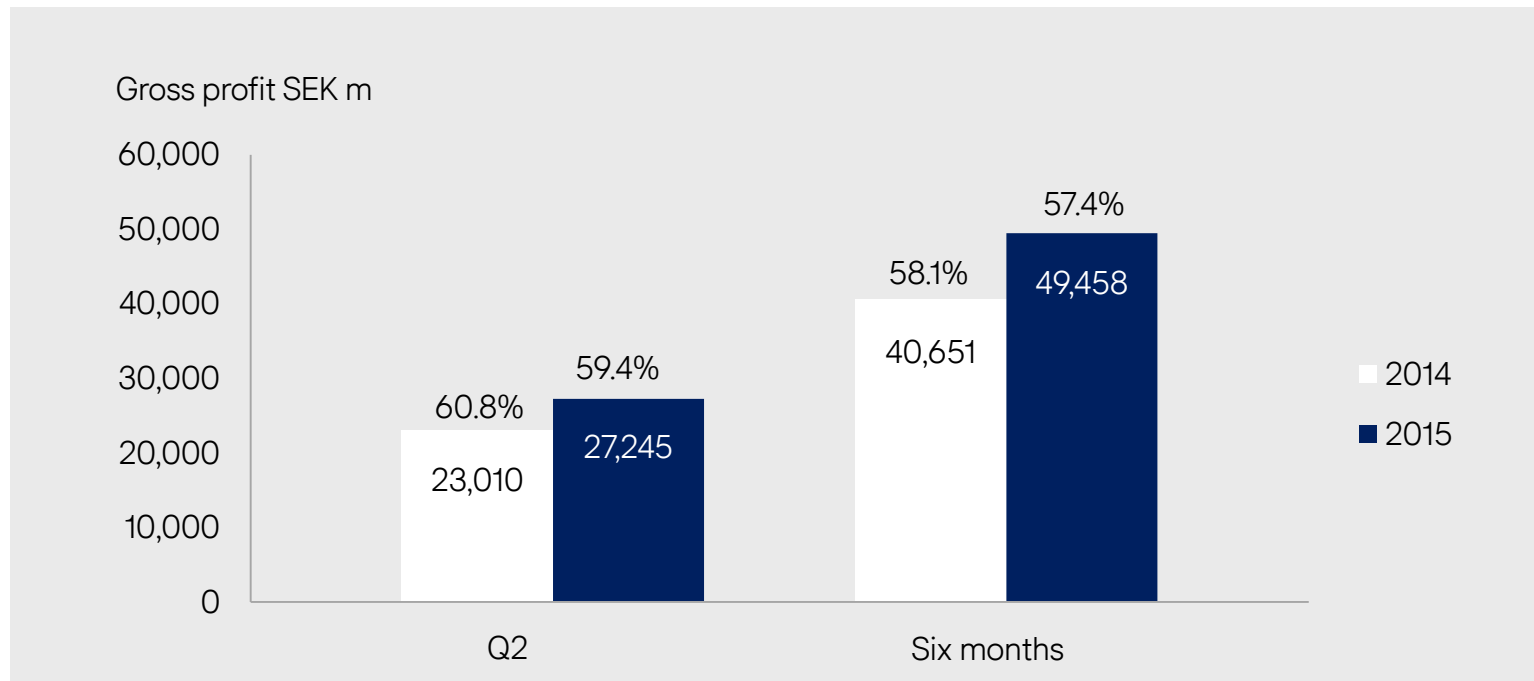
# FIRST HALF YEAR 2015

- Sales exceed SEK 100 billion, including VAT
  - 22% increase in SEK; +12% in local currencies
  - well-received collections for all Group brands
  - strong expansion continues in stores and online
- Substantial long-term investments within IT and online; and broadening of the product range
- Good cost control maintained
- Profit after tax increased 19% to SEK 10,066 m

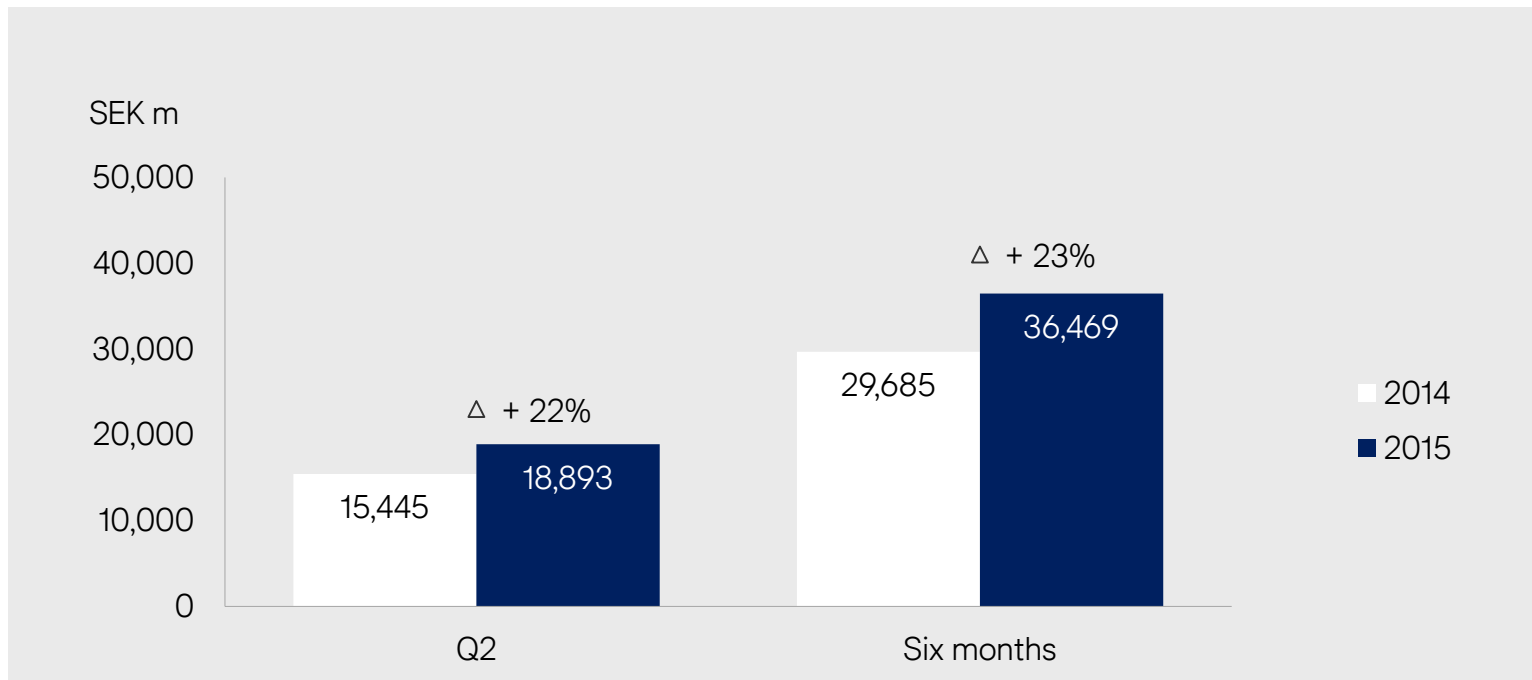
# SALES



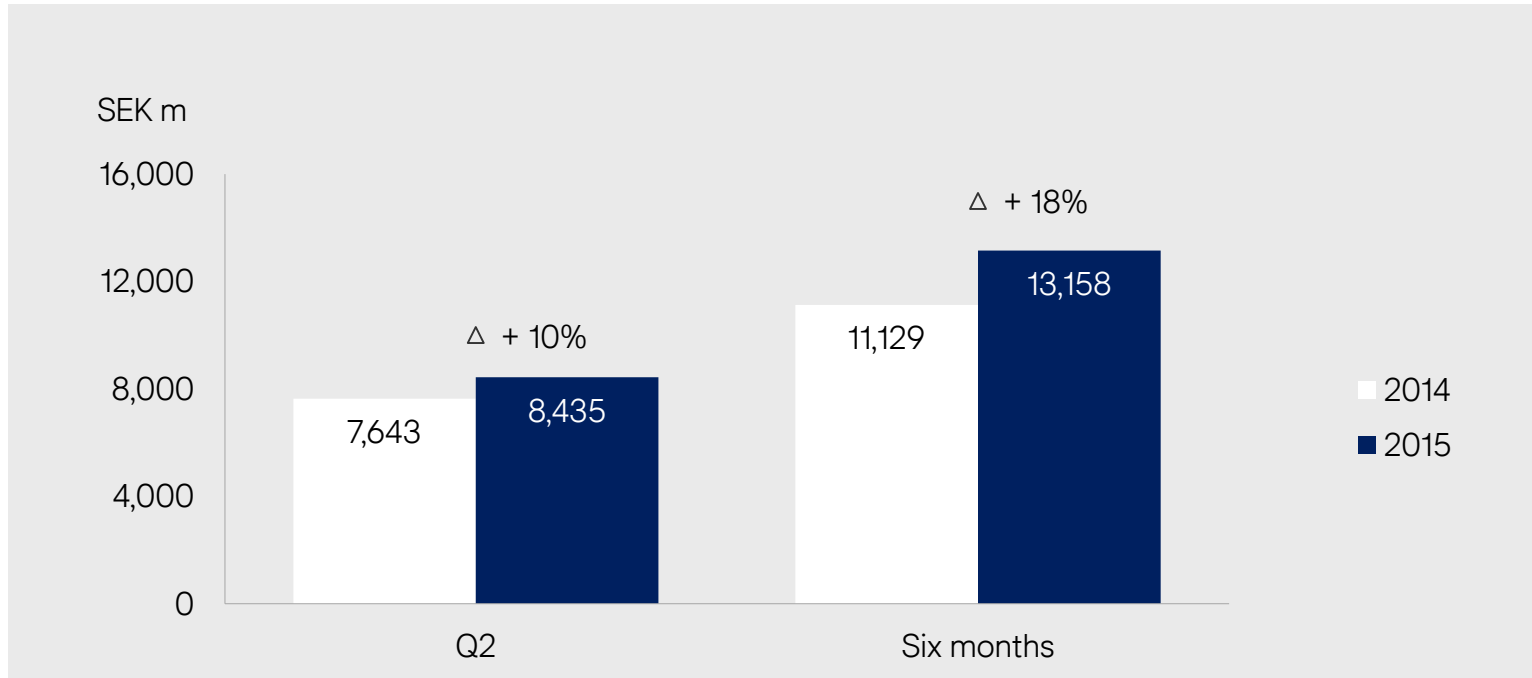
# GROSS PROFIT AND GROSS MARGIN



# SELLING AND ADMINISTRATION EXPENSES



# PROFIT AFTER FINANCIAL ITEMS



# SALES AND PROFITS

## SECOND QUARTER

SEK m	2015	2014
Net sales	45,867	37,827
Gross profit	27,245	23,010
<i>gross margin, %</i>	59.4	60.8
Operating profit	8,352	7,565
<i>operating margin, %</i>	18.2	20.0
Net financial items	83	78
Profit after financial items	8,435	7,643
Tax	-1,982	-1,834
Profit for the period	6,453	5,809
<i>Earnings per share, SEK</i>	3.90	3.51





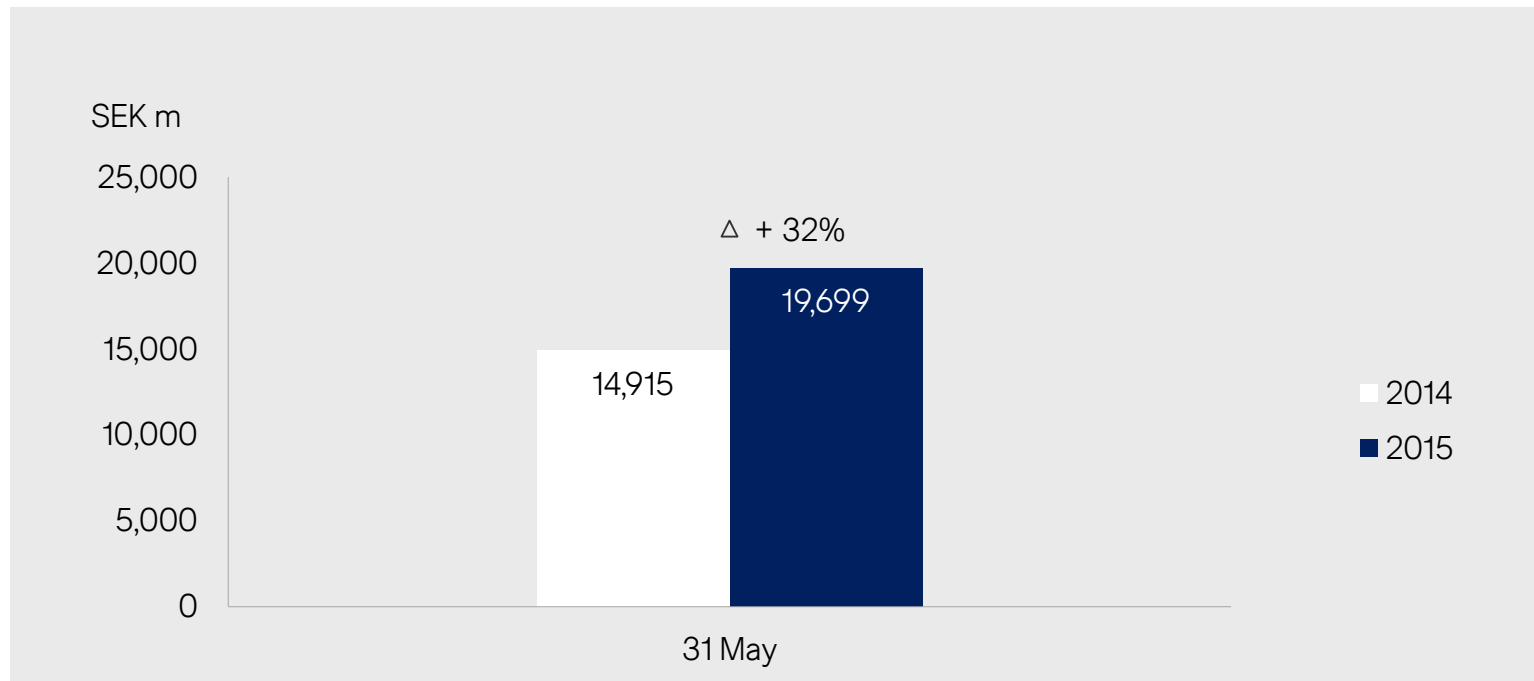
# KEY DATA

SEK m	31 May 2015	31 May 2014
Stock-in-trade	19,699	14,915
Cash flow from current operations	13,596	11,919
Investments	4,710	3,931
Cash and cash equivalents and short-term investments	10,293	9,592
Return on shareholders' equity, % *	50.3	50.5

\* rolling twelve months



# STOCK-IN-TRADE





# STORE EXPANSION 2015

- Net addition of approximately 400 new stores planned for 2015
  - China and the US largest expansion markets
  - H&M's largest store to date opened in May on Herald Square in New York; very well received
- 128 new stores net opened during first half year
  - total of 3,639 stores in 58 markets
- Five new H&M markets 2015
  - very good reception in Taiwan, Peru and Macau
  - South Africa and India to open in late 2015





# OUR FASHION BRANDS

- H&M's expansion also includes & Other Stories, COS, Monki, Weekday and Cheap Monday
- More new stores planned for & Other Stories and COS in 2015 compared with 2014
  - expansion mainly in existing markets
- At least four new markets for COS 2015
  - Bahrain, opened via franchise in February
  - Luxembourg, the Czech Republic and Canada during autumn





# H&M ONLINE

- Rapid expansion of H&M's online store, hm.com
- Nine new online markets in 2015
  - Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria and Belgium opened during spring
  - Switzerland to open in autumn
- H&M online in 22 markets in total (autumn 2015)





# H&M BEAUTY

- New broad concept for makeup, body care and hair care
- High quality at the best price in beautiful design
  - wide selection of colours and trends
- To launch gradually starting July 2015
  - approx. 900 stores in approx. 40 markets
  - online at [hm.com](http://hm.com)
- Complemented with a Conscious line of Ecocert-products for body and hair, and a Premium line





H&M



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