



H & M Hennes & Mauritz AB

PRESS CONFERENCE 22 JUNE 2016

SIX-MONTH REPORT 2016



- **KARL-JOHAN PERSSON**

CEO

- **NILS VINGE**

INVESTOR RELATIONS

- **ANN-SOFIE JOHANSSON**

CREATIVE ADVISOR



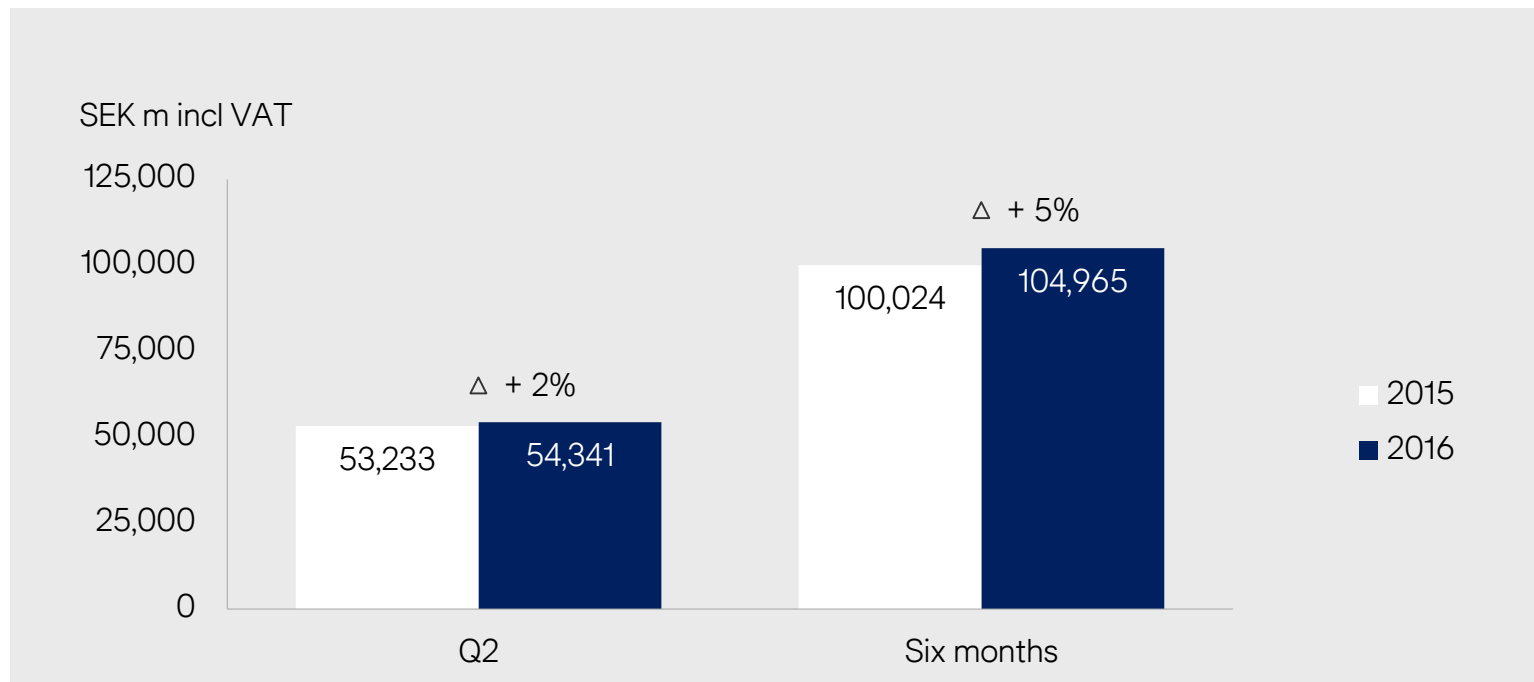


SECOND QUARTER 2016

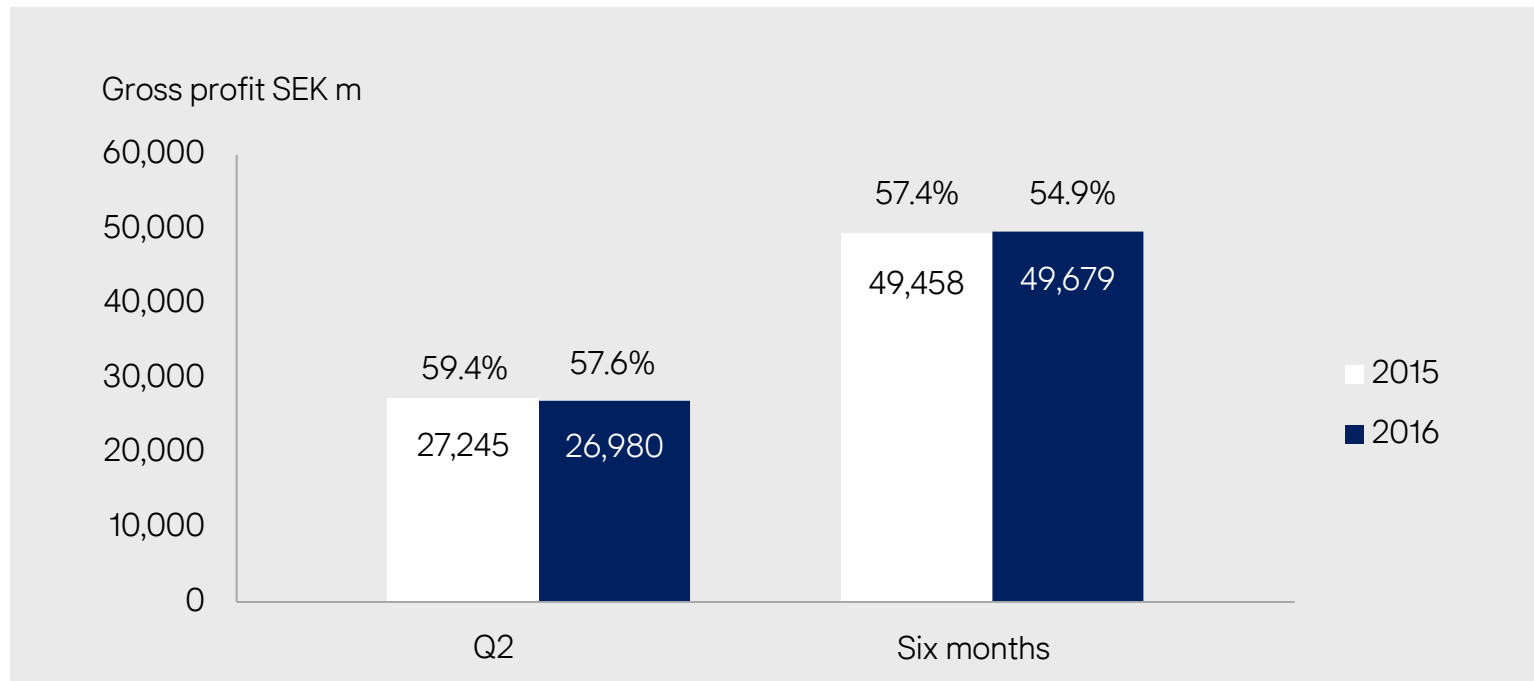
- Sales SEK 54,341 million including VAT
 - increase of 2% in SEK; +5% in local currencies
- Profit after financial items SEK 7,002 million (8,435)
- Continued substantial long-term investments within IT, online and new brands
- Continued focus to grow through physical stores and e-commerce
 - integration between stores and e-commerce



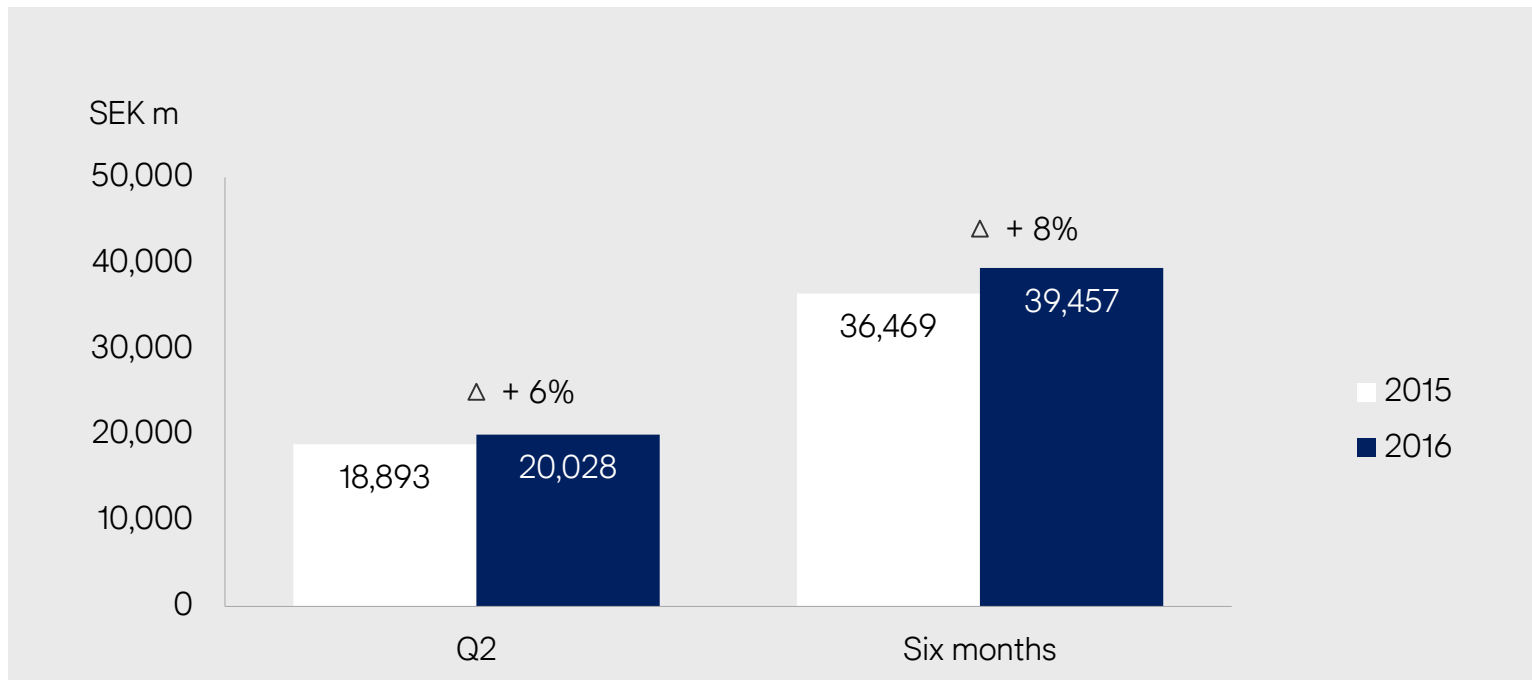
SALES



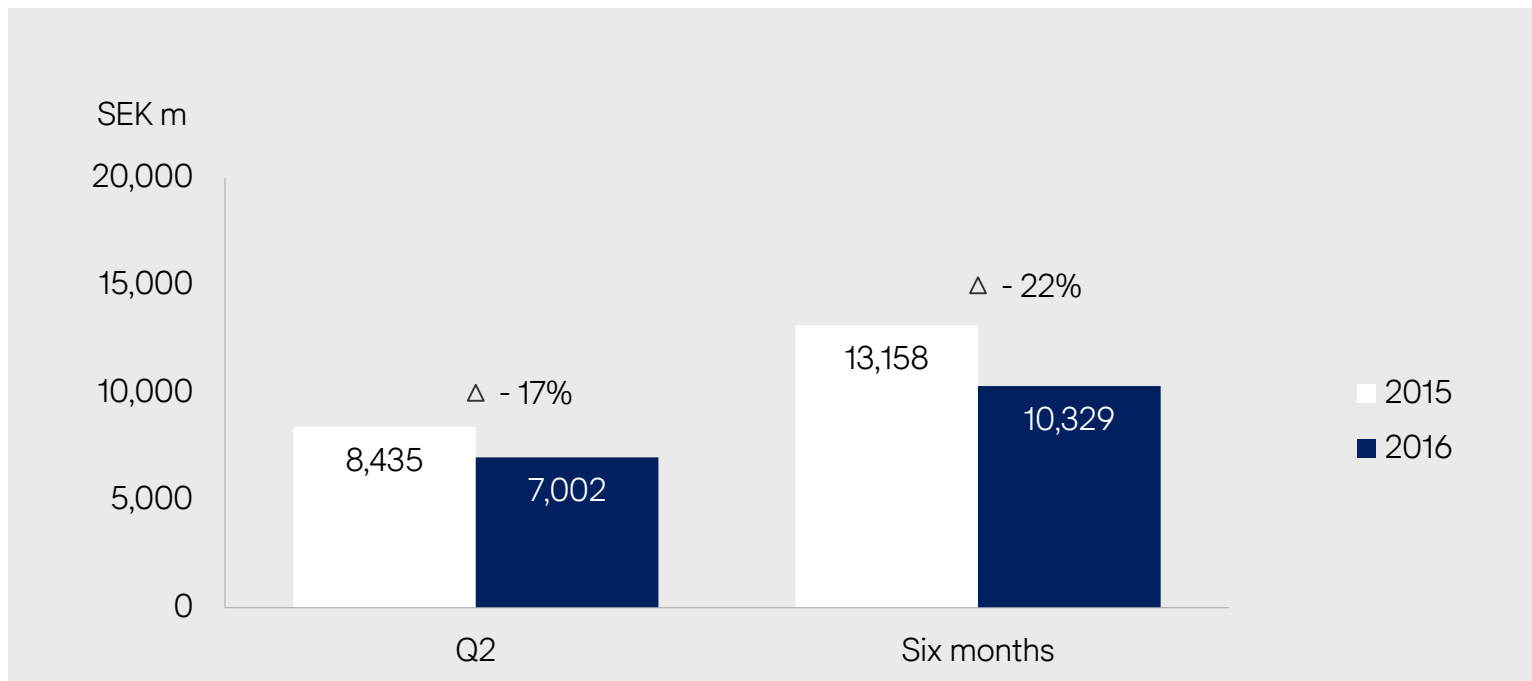
GROSS PROFIT AND GROSS MARGIN



SELLING AND ADMINISTRATIVE EXPENSES



PROFIT AFTER FINANCIAL ITEMS



SALES AND PROFITS

SECOND QUARTER

SEK m	2016	2015
Net sales	46,874	45,867
Gross profit	26,980	27,245
<i>gross margin, %</i>	57.6	59.4
Operating profit	6,952	8,352
<i>operating margin, %</i>	14.8	18.2
Net financial items	50	83
Profit after financial items	7,002	8,435
Tax	-1,645	-1,982
Profit for the period	5,357	6,453
<i>Earnings per share, SEK</i>	3.24	3.90



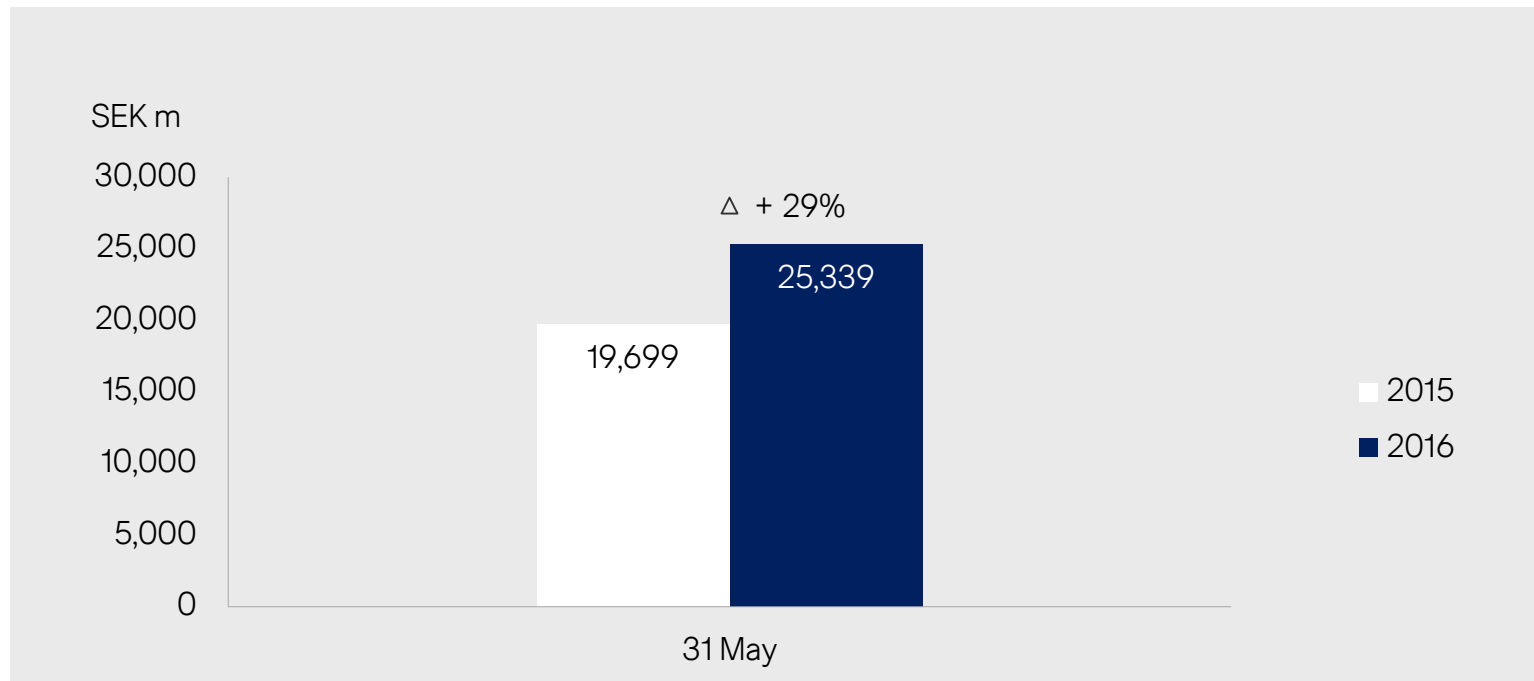
KEY DATA

SEK m	31 May 2016	31 May 2015
Stock-in-trade	25,339	19,699
Cash flow from current operations	12,566	13,596
Investments	5,633	4,710
Cash and cash equivalents and short-term investments	8,387	10,293
Return on shareholders' equity, % *	39.0	50.3

* rolling twelve months



STOCK-IN-TRADE





EXPANSION H&M ONLINE

- H&M's e-commerce to a further 11 markets in 2016
 - Ireland, Croatia, Slovenia, Estonia, Latvia, Lithuania, Luxembourg, Japan and Greece opened during spring
 - Canada and South Korea to open in autumn
 - e-commerce in 34 markets by end of 2016
- Continued fast roll-out of e-commerce planned in 2017



STORE EXPANSION

- Approx. 425 new stores net planned for 2016
 - 153 new stores net opened in the first half year
 - total of 4,077 stores (31 May)
- Three new markets for H&M in 2016
 - Puerto Rico opened 9 June, very good reception
 - New Zealand and Cyprus to open in autumn
 - H&M in a total of 64 markets before end 2016
- For 2017 four to five new H&M markets are planned
 - one of which will be Colombia





OUR BRANDS

- H&M, & Other Stories, COS, Monki, Weekday and Cheap Monday
 - several clearly defined fashion brands which complement each other well
- Five new markets planned for COS in 2016
- & Other Stories, Weekday and Monki also expanding in existing and new markets



COS, LONDON



H&M

& OTHER STORIES, TURIN





H&M



KENZO x H&M

- H&M in designer collaboration with KENZO 2016
 - Carol Lim and Humberto Leon, KENZO's creative directors
- Collections and accessories for women and men
 - bold colours and vivid prints
 - global influences and traditions are remixed and fused with the energy of the street
- Launching 3 November 2016
 - approx. 250 H&M stores and online at hm.com



A graphic for a Kenzo x H&M collaboration. The background is a vibrant, abstract pattern of green, pink, and black brushstrokes. In the center, the Kenzo logo is rendered in white, featuring its characteristic multi-lined letters and a circular 'PARIS' emblem. To the right of the Kenzo logo is a white 'X' symbol, and further right is the H&M logo in a white, stylized font.

KENZO PARIS X H&M

3. NOV. 2016

The H&M logo in red, stylized font, positioned in the bottom right corner of the overall image.

H&M



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