



H & M Hennes & Mauritz AB

PRESS CONFERENCE 27 SEPTEMBER 2012

NINE-MONTH REPORT



- ▶ KARL-JOHAN PERSSON
MANAGING DIRECTOR
- ▶ NILS VINGE
INVESTOR RELATIONS MANAGER
- ▶ ANN-SOFIE JOHANSSON
HEAD OF DESIGN





THE QUARTER IN BRIEF

- ▶ Strong customer offering
 - increased market share
- ▶ Market conditions still challenging
- ▶ Negative currency translation effects



THIRD QUARTER 2012

- ▶ Net sales SEK 28,806 m (+7%)
 - local currencies +10%
 - comparable units unchanged
- ▶ Gross profit SEK 16,771 m (+6%)
 - gross margin 58.2 percent (58.6%)
- ▶ Operating margin 16.7 percent (17.5%)
- ▶ Profit after tax SEK 3,622 m (+1%)

FINANCIAL DATA



H&M

SALES AND PROFITS

THIRD QUARTER

SEK m	2012	2011
Sales including VAT	33,568	31,511
Sales excluding VAT	28,806	26,912
Gross profit	16,771	15,766
<i>Gross margin, %</i>	<i>58.2</i>	<i>58.6</i>
Selling and administrative expenses	-11,969	-11,059
Operating profit	4,802	4,707
<i>Operating margin, %</i>	<i>16.7</i>	<i>17.5</i>
Net interest income	93	143
Profit after financial items	4,895	4,850
Tax	-1,273	-1,261
Profit for the period	3,622	3,589
<i>Earnings per share (SEK)</i>	<i>2.19</i>	<i>2.17</i>



SALES AND PROFITS

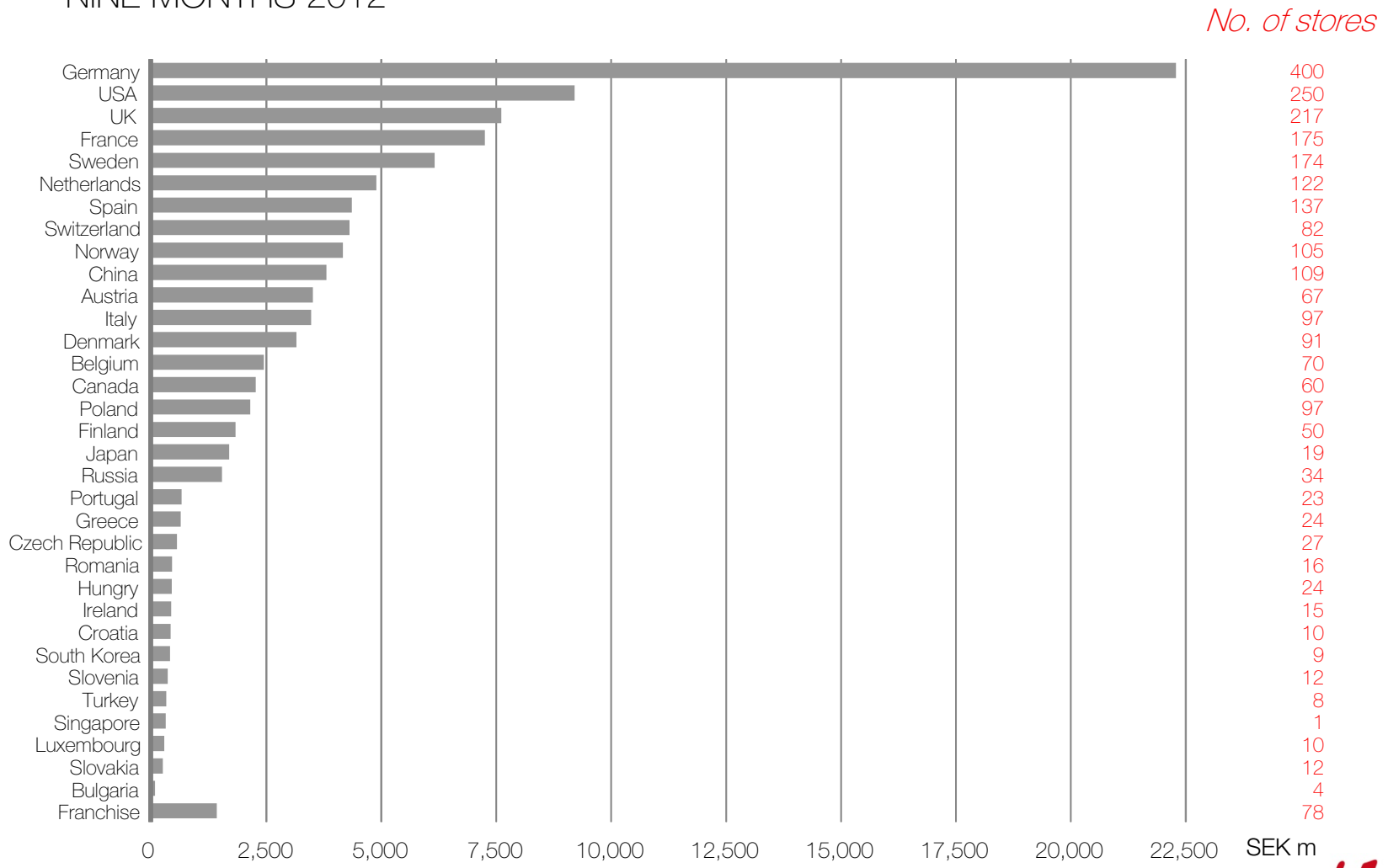
NINE MONTHS

SEK m	2012	2011
Sales including VAT	103,018	92,619
Sales excluding VAT	88,297	79,047
Gross profit	51,854	46,997
<i>Gross margin, %</i>	<i>58.7</i>	<i>59.5</i>
Selling and administrative expenses	-36,633	-33,283
Operating profit	15,221	13,714
<i>Operating margin, %</i>	<i>17.2</i>	<i>17.3</i>
Net interest income	428	426
Profit after financial items	15,649	14,140
Tax	-4,069	-3,676
Profit for the period	11,580	10,464
<i>Earnings per share (SEK)</i>	<i>7.00</i>	<i>6.32</i>



SALES PER MARKET

NINE MONTHS 2012



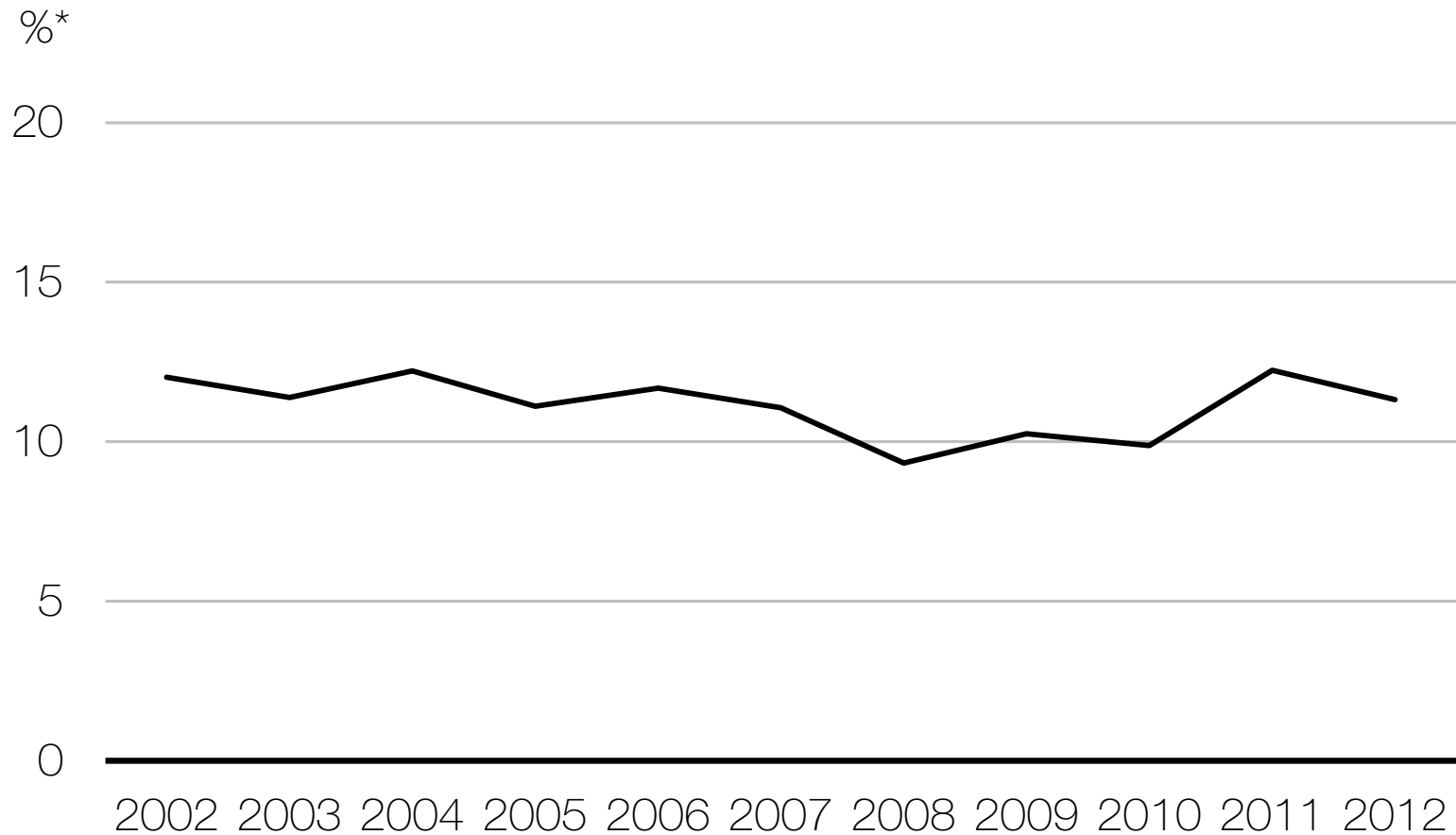
KEY DATA

SEK m	31 Aug 2012	31 Aug 2011
Stock-in-trade	13,501	13,310
Cash flow from current operations	13,044	11,226
Investments	4,313	3,288
Liquid funds and short-term investments	13,552	16,895
Return on equity*, %	44.3	41.1

* rolling 12 months



STOCK-IN-TRADE / SALES



* rolling 12 months





EXPANSION 2012

- ▶ 54 new stores net in Q3
 - total 2,629 stores
- ▶ Today H&M is in 46 countries
- ▶ Expansion rate for 2012 increased to 300 stores net from previously planned 275
- ▶ Five new markets 2012
 - Fantastic response in Bulgaria, Latvia and Malaysia
 - Thailand via franchise
 - Mexico at end of year
- ▶ COS in six new markets 2012





EXPANSION 2013

- ▶ Several new markets in 2013
 - H&M opens first store in South America in Santiago de Chile
 - H&M to Estonia and Lithuania
 - Indonesia via franchise
- ▶ All brands are growing
 - COS to Norway
 - Monki and Weekday to Japan
 - Monki to France



& OTHER STORIES



H&M



SUSTAINABILITY

- ▶ H&M's sustainability work at the forefront globally
- ▶ World's largest user of organic cotton
- ▶ Strict chemical restrictions
- ▶ Further increased efforts in Bangladesh
 - Focus on wages: need for annual reviews and increased minimum wages
 - Increase children's access to school and education via All for Children with UNICEF



AUTUMN / WINTER FASHION



H&M

AUTUMN / WINTER FASHION

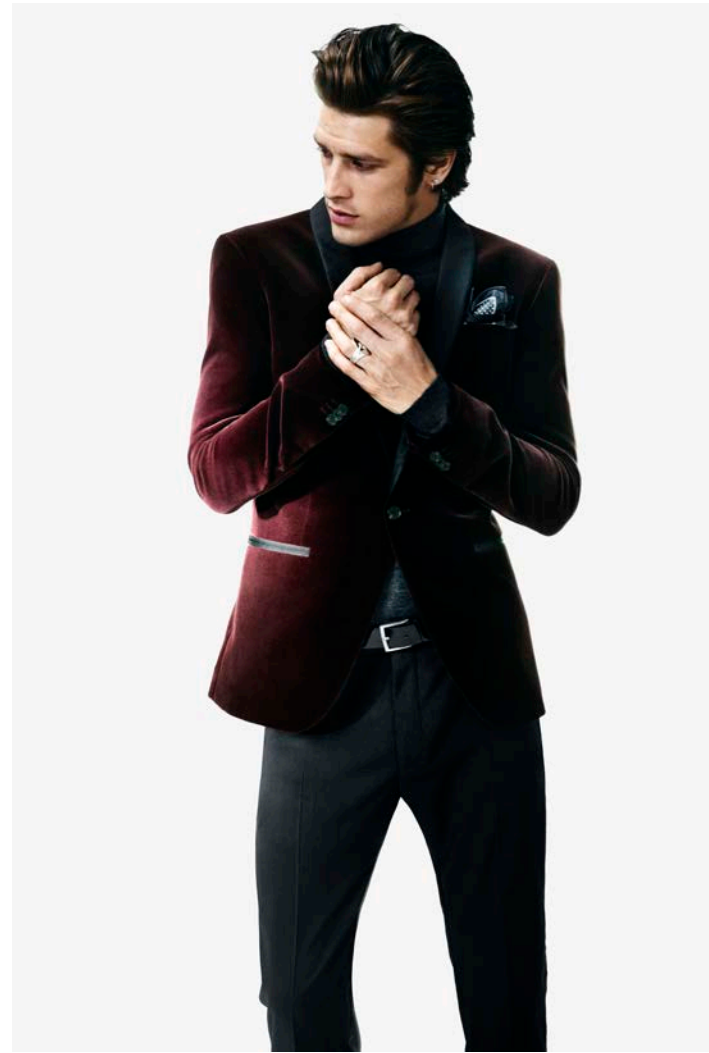


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AUTUMN / WINTER FASHION



AUTUMN / WINTER FASHION



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AUTUMN / WINTER FASHION



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ANNA DELLO RUSSO



- ▶ Anna Dello Russo, legendary Fashion Director and fashion icon
- ▶ Unique accessories collection for H&M
 - glamorous and affordable accessories
 - precious, playful and personal style
 - jewellery, sunglasses, shoes and bags
- ▶ Sales start 4 October
 - in approx. 140 H&M stores
 - online

MAISON MARTIN MARGIELA



- ▶ Special pieces from one of the most important and influential fashion houses
- ▶ Re-edition of Margiela's most iconic garments and accessories for women and men
- ▶ Launch 15 November
 - in approx. 230 H&M stores
 - online

ALL FOR CHILDREN



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