



## Press release

15 December 2017

### The H&M group's sales development for the full-year 2017 including the fourth quarter 2017

The H&M group continued to grow globally during 2017 in a rapidly changing fashion industry. The H&M group's sales including VAT increased by 4 percent to SEK 231,744\* m (222,865) in the financial year of 2017. Sales excluding VAT amounted to SEK 199,987\* m (192,267). In local currencies, sales increased by 3 percent.

In the fourth quarter of 2017, i.e. during the period 1 September 2017 to 30 November 2017, sales including VAT amounted to SEK 58,454\* m (61,098). Sales excluding VAT amounted to SEK 50,390\* m (52,720), a decrease of 4 percent compared to the corresponding quarter last year. In local currencies, sales decreased by 2 percent.

The H&M group continued to grow during the year. However, the growth was dampened by the fact that the sales development in the fourth quarter was significantly below the company's own expectations. The H&M brand's online sales and sales of the group's other brands continued to develop well. Meanwhile, the quarter was weak for the H&M brand's physical stores, which were negatively affected by a continued challenging market situation with reduced footfall to stores due to the ongoing shift in the industry. In addition, there have been imbalances in parts of the H&M brand's assortment composition. In order to correct this, a number of actions have been taken. Moreover, the management team of the H&M brand has recently been strengthened.

In order to respond even quicker to customers' fast-changing behaviour the company's ongoing transformation journey is being accelerated. Among other things, this includes continued integration of the physical and digital stores, and intensifying the optimisation of the H&M brand's store portfolio – leading to more store closures and fewer openings.

#### Full-year report and capital markets day

The full-year report for 2017, i.e. 1 December 2016 to 30 November 2017, will be published at 08:00 CET on 31 January 2018, followed by a press conference and a telephone conference. During the capital markets day in Stockholm on 14 February 2018, which is intended for institutional investors, analysts and financial media, the H&M group will present the ongoing transformation journey in more detail.

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\*The amounts are provisional and may deviate slightly from the full-year report, covering the period 1 December 2016 to 30 November 2017, that will be published on 31 January 2018.

The information in this press release is that which H & M Hennes & Mauritz AB (publ) is required to disclose under the EU Market Abuse Regulation (596/2014 /EU). The information was submitted for publication by the abovementioned person at 08:00 CET on 15 December 2017. This press release, along with additional information about H&M, is available at [about.hm.com](http://about.hm.com).

*H & M Hennes & Mauritz AB (publ) was founded in Sweden in 1947 and is quoted on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. In addition to H&M, the group includes the brands COS, Monki, Weekday, Cheap Monday, & Other Stories, H&M Home as well as ARKET. The H&M group has 43 online markets and 4,739 stores in 69 markets including franchise markets as per 30 November 2017. In 2017, sales including VAT amounted to approximately SEK 232\* billion. The number of employees amounts to more than 161,000. For further information, visit [about.hm.com](http://about.hm.com).*



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