



H & M Hennes & Mauritz AB

TELEPHONE CONFERENCE 22 JUNE 2016

SIX-MONTH REPORT 2016



- **NILS VINGE**

INVESTOR RELATIONS

- **JYRKI TERVONEN**

CHIEF FINANCIAL OFFICER

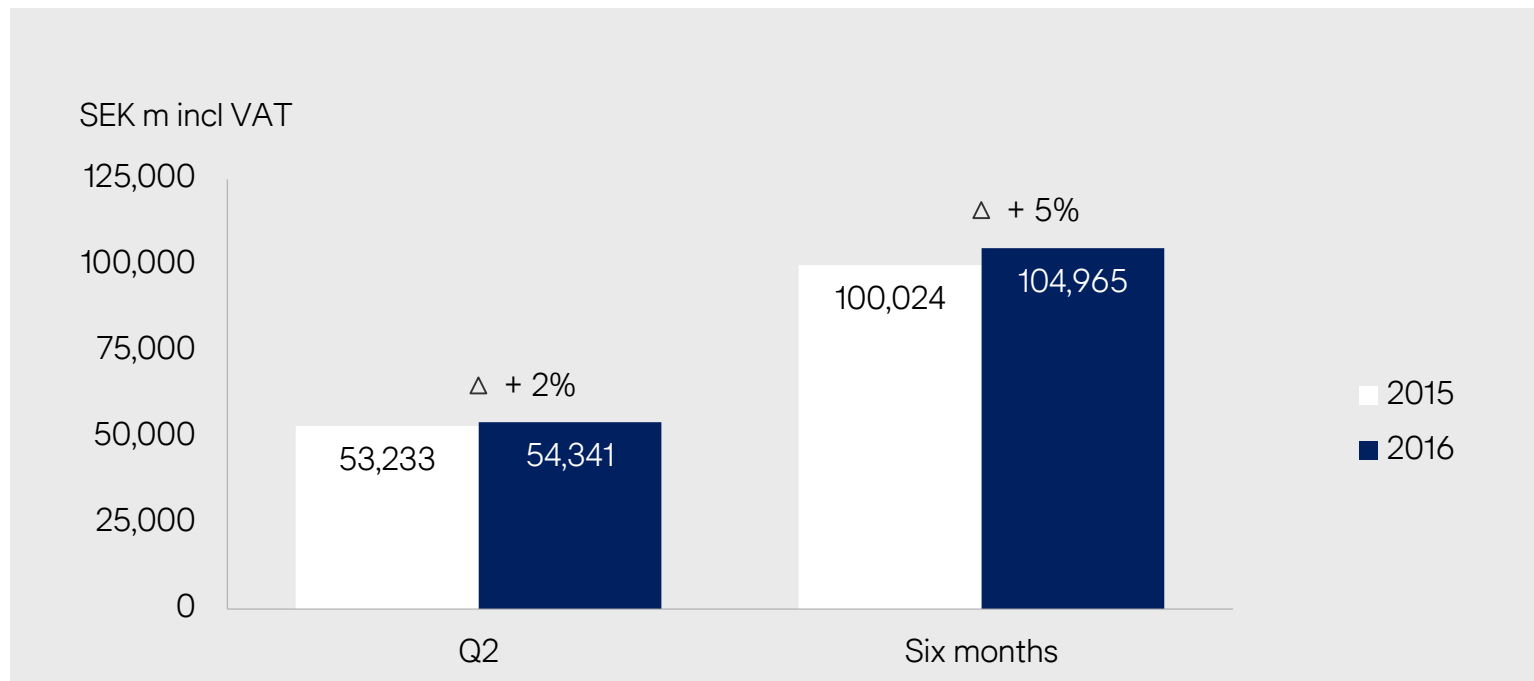


SECOND QUARTER 2016

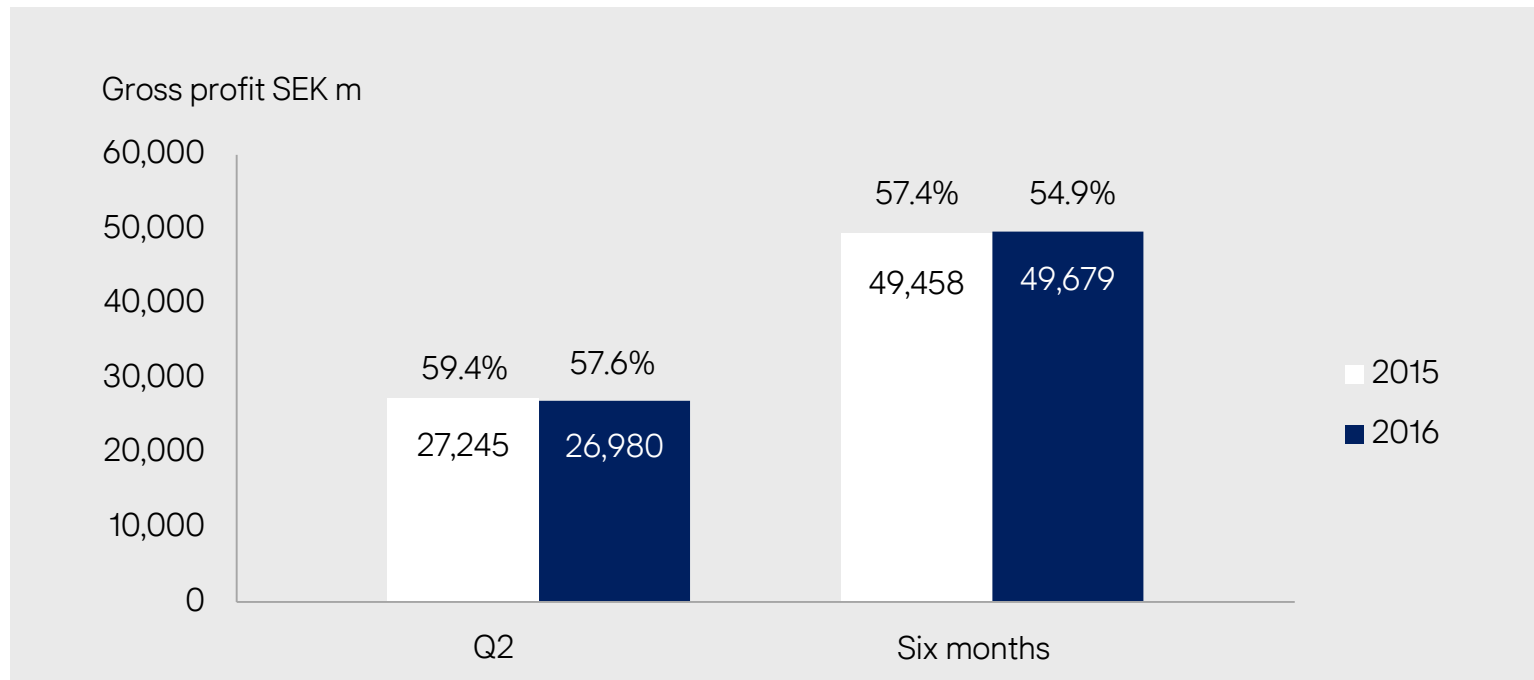
- Sales SEK 54,341 million including VAT
 - increase of 2% in SEK; +5% in local currencies
- Profit after financial items SEK 7,002 million (8,435)
- Continued substantial long-term investments within IT, online and new brands
- Continued focus to grow through physical stores and e-commerce
 - integration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



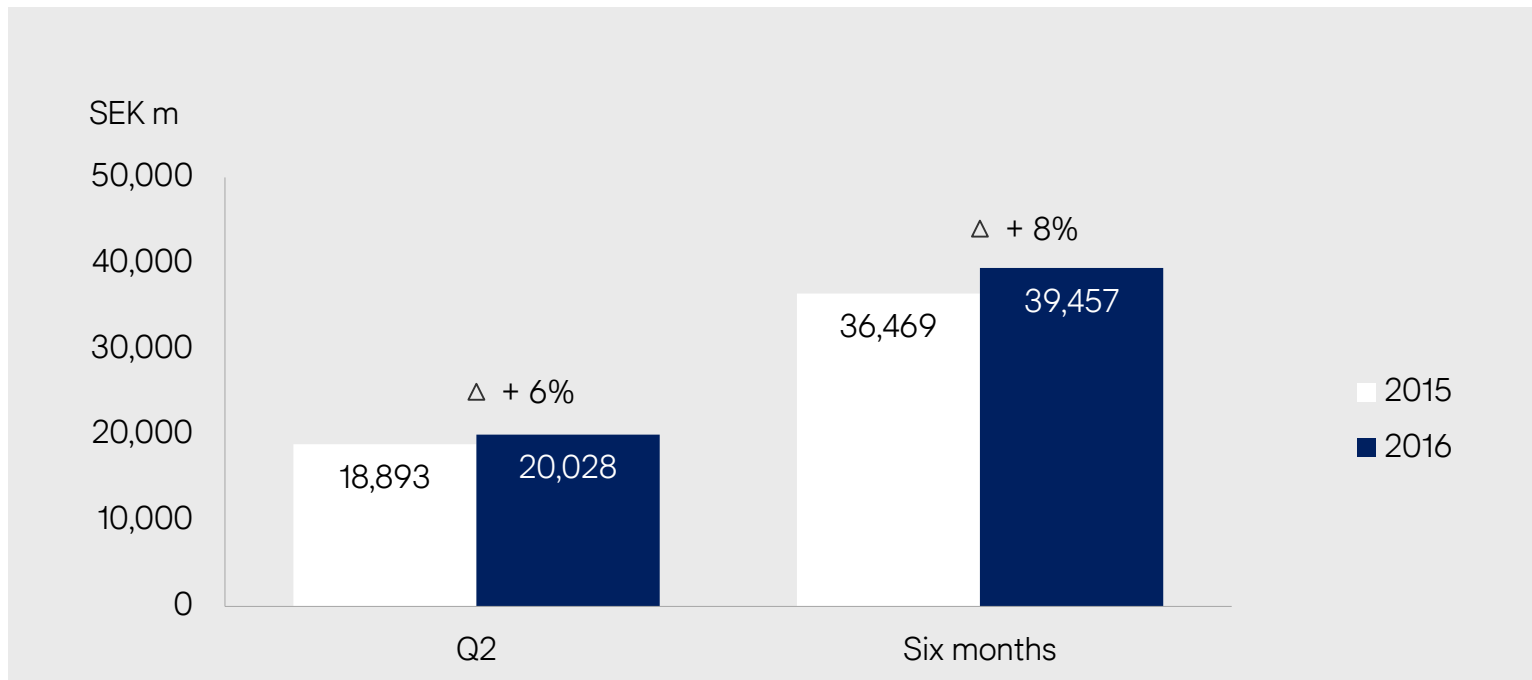
SALES



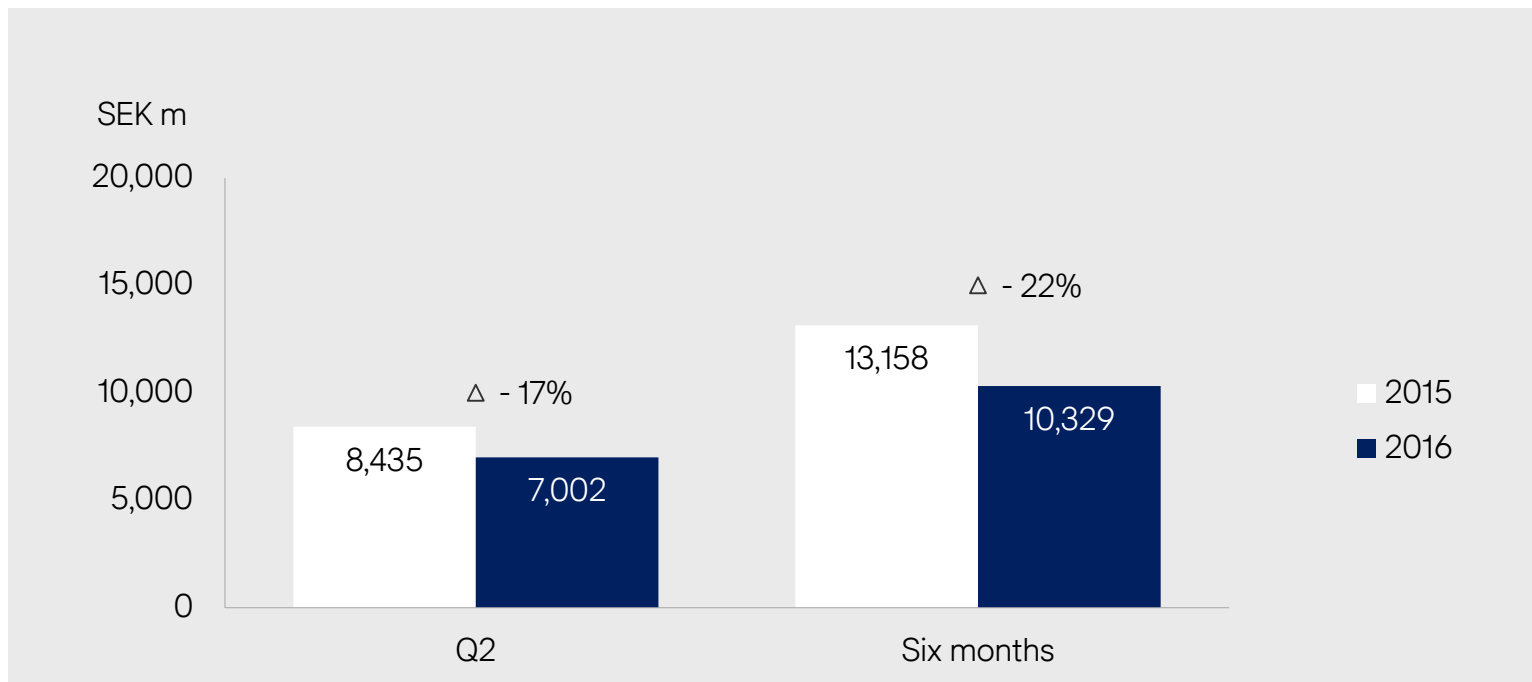
GROSS PROFIT AND GROSS MARGIN



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



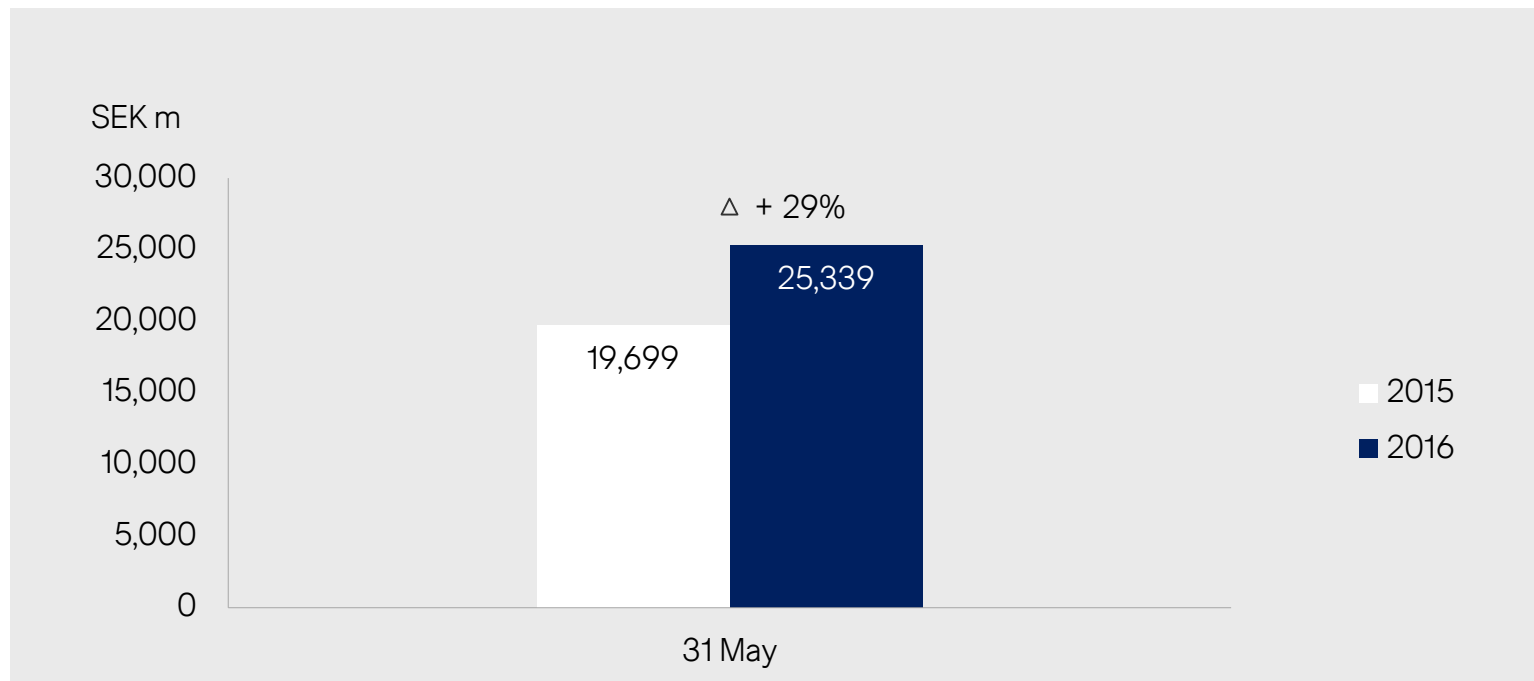
KEY DATA

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



& OTHER STORIES, TURIN





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