



H & M Hennes & Mauritz AB

PRESS CONFERENCE 30 JANUARY 2013

FULL-YEAR REPORT



- ▶ KARL-JOHAN PERSSON  
MANAGING DIRECTOR
- ▶ NILS VINGE  
INVESTOR RELATIONS MANAGER
- ▶ CATARINA MIDBY  
TREND COORDINATOR

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The H&M logo, consisting of the letters 'H' and 'M' in a stylized, red, italicized font, with an ampersand between them.



## 2012 IN BRIEF

- ▶ Sales increased by 11 percent in local currencies and by 1 percent in comparable units
- ▶ Strong customer offering
  - broad and varied collections with inspiring fashion for everyone
- ▶ Continued to gain market shares

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The H&M logo, consisting of the letters 'H' and 'M' in a stylized, red, italicized font, with an ampersand between them.



## 2012 IN BRIEF

- ▶ Long-term investments in several areas
  - online and IT
  - new fashion brand & Other Stories
  - broadening H&M's product range
- ▶ Cost control remains good
- ▶ Despite large long-term investments and negative currency translation effects, profit after tax increased by SEK 1 billion



# FINANCIAL DATA

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**H&M**

# SALES AND PROFITS

FOURTH QUARTER

SEK m	2012	2011
Sales including VAT	37,930	36,191
Sales excluding VAT	32,502	30,952
Gross profit	20,017	19,150
<i>Gross margin, %</i>	<i>61.6</i>	<i>61.9</i>
Selling and administrative expenses	-13,484	-12,485
Operating profit	6,533	6,665
<i>Operating margin, %</i>	<i>20.1</i>	<i>21.5</i>
Net interest income	103	137
Profit after financial items	6,636	6,802
Tax	-1,349	-1,445
Profit for the period	5,287	5,357
<i>Earnings per share (SEK)</i>	<i>3.19</i>	<i>3.24</i>



# SALES AND PROFITS

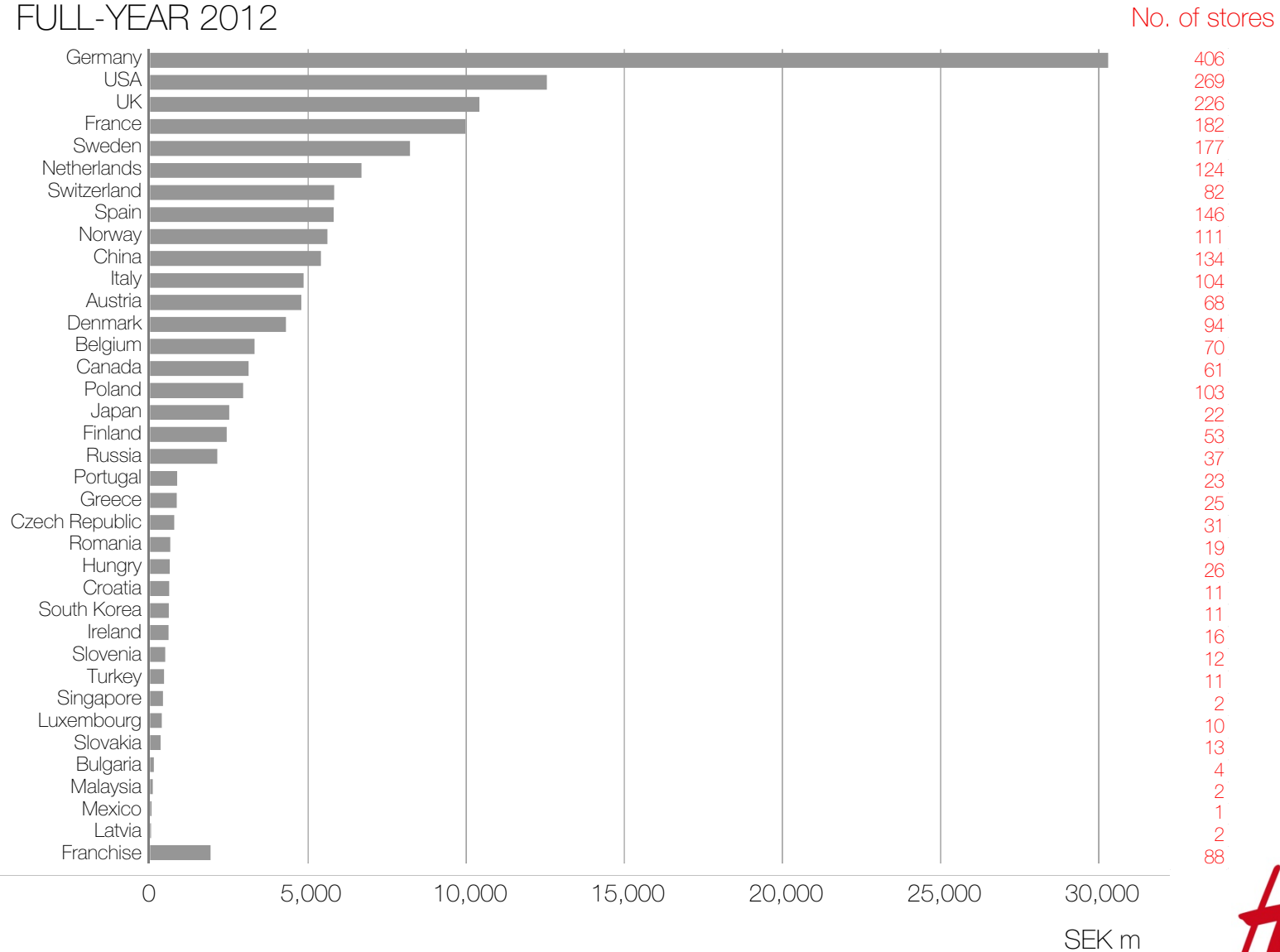
FULL-YEAR

SEK m	2012	2011
Sales including VAT	140,948	128,810
Sales excluding VAT	120,799	109,999
Gross profit	71,871	66,147
<i>Gross margin, %</i>	<i>59.5</i>	<i>60.1</i>
Selling and administrative expenses	-50,117	-45,768
Operating profit	21,754	20,379
<i>Operating margin, %</i>	<i>18.0</i>	<i>18.5</i>
Net interest income	531	563
Profit after financial items	22,285	20,942
Tax	-5,418	-5,121
Profit for the period	16,867	15,821
<i>Earnings per share (SEK)</i>	<i>10.19</i>	<i>9.56</i>



# SALES PER MARKET

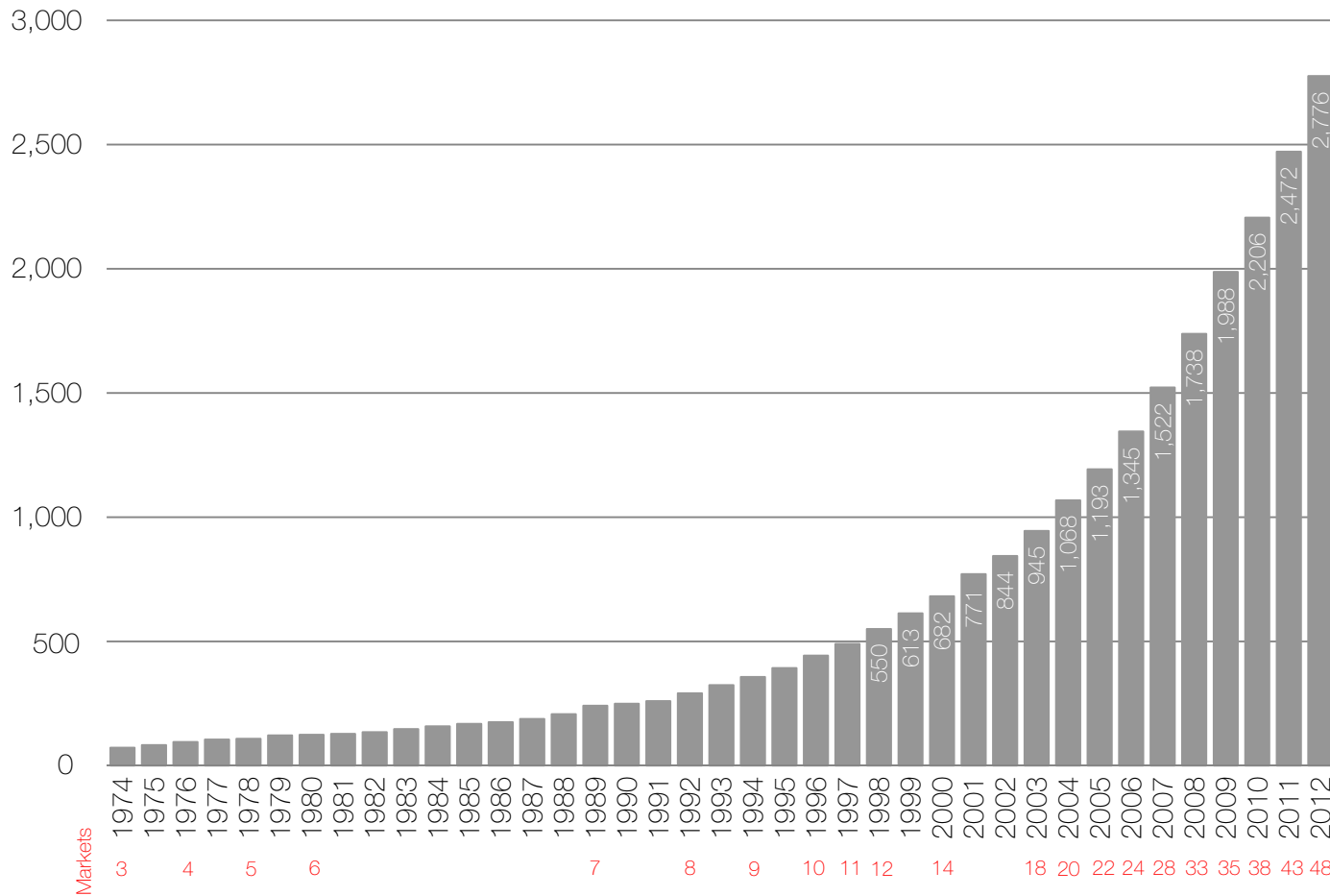
FULL-YEAR 2012





# STORE EXPANSION

No. of stores



# KEY DATA

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SEK m	30 Nov 2012	30 Nov 2011
Stock-in-trade	15,213	13,819
Cash flow from current operations	18,900	17,420
Investments	6,827	5,174
Liquid funds and short-term investments	17,143	21,277
Dividend (SEK)	9.50*	9.50
Return on equity, %	38.4	35.8
Average number of employees**	72,276	64,874

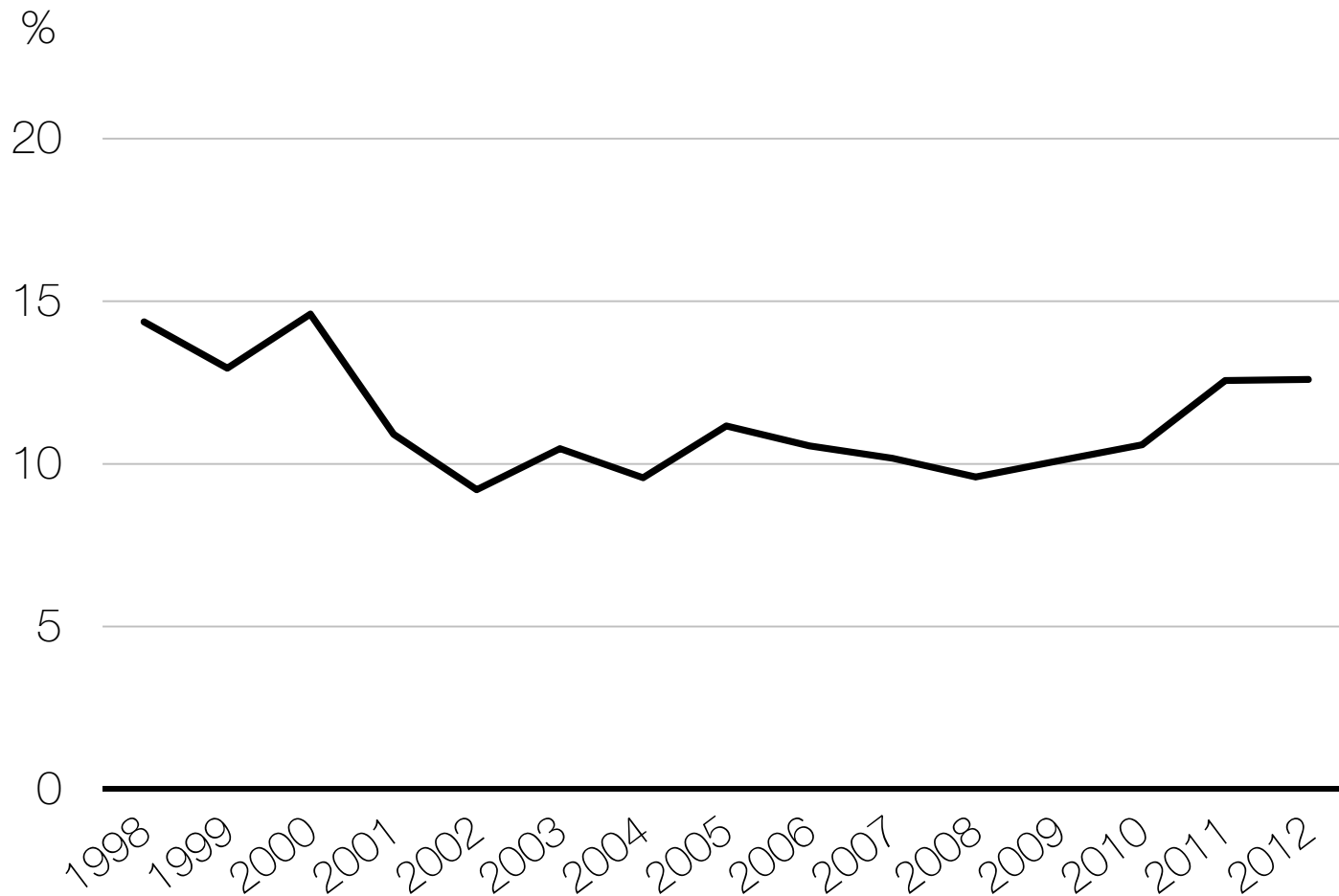
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\* proposed dividend

\*\* converted to full-time positions



# STOCK-IN-TRADE / SALES





## EXPANSION 2012

- ▶ 304 new stores net in 2012
  - 29 more than planned
  - five new markets
  - 2,776 stores in 48 countries
  - 10,000 new employees
- ▶ Very positive reception in the new markets Bulgaria, Latvia, Malaysia, Thailand and Mexico
- ▶ The other brands continue to grow, COS in particular
  - 19 new COS stores and six new markets





# EXPANSION 2013

- ▶ Approx. 325 new stores are planned in 2013
  - China and USA largest expansion markets
- ▶ Five new markets 2013
  - Chile, Estonia, Lithuania and Serbia
  - Indonesia via franchise
- ▶ H&M grows in online sales
  - completely mobile-adapted H&M shop online
  - launch of H&M shop online in USA planned for summer 2013





## & OTHER STORIES

- ▶ To launch in ten European countries spring 2013
- ▶ Wide range of shoes, bags, accessories, beauty products and clothes for women
- ▶ Wide price range, carefully chosen qualities and great attention to detail
- ▶ Stores open at the best business locations in Barcelona, Berlin, Copenhagen, London, Milan, Paris and Stockholm
- ▶ Shop online in ten European countries at [stories.com](http://stories.com)

**H&M**



# SUSTAINABILITY

- ▶ Sustainability – an integral part of H&M's operations
- ▶ Cutting edge partnership with WWF
  - three year global collaboration
  - new water strategy for H&M
- ▶ Global garment collecting initiative in selected stores in 48 markets
  - recycling and reusing of garments
  - launch February 2013
  - collaboration with I:Collect



# BRICK LANE BIKES



**H&M**



# CONSCIOUS COLLECTION



**H&M**

# CONSCIOUS EXCLUSIVE

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**H&M**

# SPRING FASHION

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**H&M**

# SPRING FASHION

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