KARL-JOHAN PERSSON
MANAGING DIRECTOR

NILS VINGE
INVESTOR RELATIONS MANAGER

ANN-SOFIE JOHANSSON
DESIGN
THE QUARTER IN BRIEF

- Sales +13% in local currencies
- Continued long-term investments in areas such as IT, online, new brands, and broadening the product range
- Cost control remains good
- Profit after financial items +11% to SEK 7.3 billion
FINANCIAL DATA
# SALES AND PROFITS

**FOURTH QUARTER**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales including VAT</td>
<td>42,610</td>
<td>37,930</td>
</tr>
<tr>
<td>Sales excluding VAT</td>
<td>36,495</td>
<td>32,502</td>
</tr>
<tr>
<td>Gross profit</td>
<td>22,189</td>
<td>20,017</td>
</tr>
<tr>
<td><strong>Gross margin, %</strong></td>
<td>60.8</td>
<td>61.6</td>
</tr>
<tr>
<td>Selling and administrative expenses</td>
<td>-14,929</td>
<td>-13,484</td>
</tr>
<tr>
<td>Operating profit</td>
<td>7,260</td>
<td>6,533</td>
</tr>
<tr>
<td><strong>Operating margin, %</strong></td>
<td>19.9</td>
<td>20.1</td>
</tr>
<tr>
<td>Net interest income</td>
<td>77</td>
<td>103</td>
</tr>
<tr>
<td>Profit after financial items</td>
<td>7,337</td>
<td>6,636</td>
</tr>
<tr>
<td>Tax</td>
<td>-1,729</td>
<td>-1,349</td>
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<tr>
<td>Profit for the period</td>
<td>5,608</td>
<td>5,287</td>
</tr>
<tr>
<td><strong>Earnings per share (SEK)</strong></td>
<td>3.39</td>
<td>3.19</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>Sales including VAT</td>
<td>150,090</td>
<td>140,948</td>
</tr>
<tr>
<td>Sales excluding VAT</td>
<td>128,562</td>
<td>120,799</td>
</tr>
<tr>
<td>Gross profit</td>
<td>76,033</td>
<td>71,871</td>
</tr>
<tr>
<td>Gross margin, %</td>
<td>59.1</td>
<td>59.5</td>
</tr>
<tr>
<td>Selling and administrative expenses</td>
<td>-53,865</td>
<td>-50,117</td>
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<tr>
<td>Operating profit</td>
<td>22,168</td>
<td>21,754</td>
</tr>
<tr>
<td>Operating margin, %</td>
<td>17.2</td>
<td>18.0</td>
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<tr>
<td>Net interest income</td>
<td>358</td>
<td>531</td>
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<tr>
<td>Profit after financial items</td>
<td>22,526</td>
<td>22,285</td>
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<tr>
<td>Tax</td>
<td>-5,374</td>
<td>-5,418</td>
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<tr>
<td>Profit for the period</td>
<td>17,152</td>
<td>16,867</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>10.36</td>
<td>10.19</td>
</tr>
</tbody>
</table>
SALES PER MARKET

FULL-YEAR 2013

No. of stores

Germany 418
USA 335
France 197
UK 245
Sweden 177
Netherlands 130
China 205
Spain 156
Norway 114
Switzerland 87
Italy 116
Austria 72
Denmark 62
Belgium 97
Poland 73
Canada 122
Japan 66
Russia 39
Finland 51
Greece 58
Portugal 27
Romania 27
Czech Republic 28
South Korea 38
Hungary 16
Turkey 33
Croatia 20
Ireland 13
Singapore 19
Slovenia 6
Malaysia 12
Singapore 10
Slovakia 7
Mexico 13
Chile 3
Bulgaria 3
Latvia 1
Serbia 11
Lithuania 3
Estonia 2
Franchise 2

SEK m
## KEY DATA

<table>
<thead>
<tr>
<th></th>
<th>30 Nov 2013</th>
<th>30 Nov 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock-in-trade</td>
<td>16,695</td>
<td>15,213</td>
</tr>
<tr>
<td>Cash flow from current operations</td>
<td>23,840</td>
<td>18,900</td>
</tr>
<tr>
<td>Investments</td>
<td>8,027</td>
<td>6,827</td>
</tr>
<tr>
<td>Liquid funds and short-term investments</td>
<td>17,224</td>
<td>17,143</td>
</tr>
<tr>
<td>Dividend (SEK)</td>
<td>9.50*</td>
<td>9.50</td>
</tr>
<tr>
<td>Return on equity, %</td>
<td>38.5</td>
<td>38.4</td>
</tr>
<tr>
<td>Average number of employees**</td>
<td>81,099</td>
<td>72,276</td>
</tr>
</tbody>
</table>

* proposed dividend  
** converted to full-time positions
EXPANSION 2013

- Continued strong expansion
  - 356 new stores net during 2013
  - in total 3,132 stores in 53 countries
- China and the US largest expansion markets
  - new flagship store at Times Square, New York for example
- Five new H&M markets 2013
  - Chile, Lithuania, Serbia, Estonia and via franchise Indonesia
EXPANSION 2014-2015

- Approx. 375 new stores planned 2014
  - China and the US largest expansion markets
  - several new flagship stores
- New H&M markets 2014
  - Melbourne, Australia, during the first half year
  - Manila, Philippines, during the second half year
  - a further couple of new markets planned at the end of the year
- H&M will open in South Africa in 2015
H&M ONLINE

- Online sales an important complement to the stores
- Very good start for H&M’s online store in the US
- Global roll-out of online continues
- Four new online markets planned for 2014
  - France new online market spring/summer
  - additional three large markets planned later in the year
COS

- Strong performance in 2013
  - 21 new stores and four new markets
  - in total 85 stores in 20 markets
- Several new markets during 2014
  - USA, South Korea, Australia and Switzerland
  - COS online will open in the US
& OTHER STORIES

- Fantastic reception since the launch in March 2013
- Today eight stores in seven countries
  - online via stories.com in ten markets
- Continued expansion during 2014
  - Belgium and the Netherlands new markets for stores
  - Austria and Ireland new online markets
H&M SPORT

- Extended sports concept for women, men and children
  - focus on function, fit, design and comfort
  - Go Gold launched in January 2014
- H&M dresses the Swedish Olympic Team
  - collection created by H&M’s designers together with Swedish Olympic athletes
H&M SPORT
SPRING FASHION