• KARL-JOHAN PERSSON  
  MANAGING DIRECTOR

• NILS VINGE  
  INVESTOR RELATIONS

• CATARINA MIDBY  
  TREND EXPERT
THIRD QUARTER 2014

- Sales +21% in SEK; +16% in local currencies
- Very well received collections and continued increase in market shares
- Strong sales at all brands
  - H&M, COS, & Other Stories, Monki, Weekday and Cheap Monday
- Substantial long-term investments
- Good cost control maintained
- Operating profit SEK 6,886 m (+20%)
LONG-TERM INVESTMENTS

- Substantial investments within IT, online, new brands and the broadening of the product range.
  - Important investments for the future
- Rapid expansion of H&M’s online store
  - Four new online markets 2014; France, Italy, Spain and China
  - Additional 8-10 new online markets 2015
男士
单色调

这个季节男性高雅气质中透露了叛逆青年的元素。出人意外的裁剪、对比鲜明的元素是这些时尚造型的关键。

H&M SHOP ONLINE
FINANCIAL DATA
## SALES AND PROFITS

### THIRD QUARTER

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales excluding VAT</td>
<td>38,805</td>
<td>32,040</td>
</tr>
<tr>
<td>Gross profit</td>
<td>22,627</td>
<td>18,828</td>
</tr>
<tr>
<td>( \text{g} \text{ross margin, %} )</td>
<td>58.3</td>
<td>58.8</td>
</tr>
<tr>
<td>Operating profit</td>
<td>6,886</td>
<td>5,755</td>
</tr>
<tr>
<td>( \text{operating profit, %} )</td>
<td>17.7</td>
<td>18.0</td>
</tr>
<tr>
<td>Net interest income</td>
<td>81</td>
<td>75</td>
</tr>
<tr>
<td>Profit after financial items</td>
<td>6,967</td>
<td>5,830</td>
</tr>
<tr>
<td>Tax</td>
<td>-1,671</td>
<td>-1,399</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>5,296</td>
<td>4,431</td>
</tr>
<tr>
<td>( \text{Earnings per share (SEK)} )</td>
<td>3.20</td>
<td>2.68</td>
</tr>
</tbody>
</table>
## KEY DATA

<table>
<thead>
<tr>
<th></th>
<th>31 Aug 2014</th>
<th>31 Aug 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock-in-trade</td>
<td>17,940</td>
<td>15,329</td>
</tr>
<tr>
<td>Cash flow from current operations</td>
<td>18,007</td>
<td>14,974</td>
</tr>
<tr>
<td>Investments</td>
<td>6,348</td>
<td>5,340</td>
</tr>
<tr>
<td>Liquid funds and short-term investments</td>
<td>13,451</td>
<td>10,953</td>
</tr>
<tr>
<td>Return on equity*, %</td>
<td>46.1</td>
<td>43.4</td>
</tr>
</tbody>
</table>

* rolling 12 months
STORE EXPANSION

- 56 new stores net in the third quarter
  - 3,341 stores in 54 markets
  - H&M’s new flagship store on Fifth Avenue opened 17 July
- 375 new stores net planned for 2014
  - The Philippines new H&M market in October; store opening in Manila
- New H&M markets 2015
  - India, South Africa, Peru, Taiwan and Macau
H&M FIFTH AVENUE
H&M SPORT

• Extended sports concept for women, men, youth and children
  - focus on function, fit, design and comfort
• In selected stores and online at hm.com
  - very well received
  - gradual roll-out to more markets
  - further broadening of the sports range
H&M SHOES

• Extended shoe range for women, men, youth and children
  – in selected stores and online at hm.com
• A variety of styles in different price categories, all at H&M prices
  – focus on quality, materials and comfort
• Gradual launch starting autumn 2014
  – part of H&M’s long-term investments
H&M CONSCIOUS DENIM
ALEXANDER WANG X H&M

- Established in the fashion world by constantly evolving the urban uniform
  - fashion forward tailoring and sporty looks
- Garments and accessories for both women and men
  - launch 6 November
  - in approx. 250 H&M stores
  - online at hm.com