H & M Hennes & Mauritz AB

TELEPHONE CONFERENCE 26 JANUARY 2012

FULL-YEAR REPORT
NILS VINGE
INVESTOR RELATIONS MANAGER

JYRKI TERVONEN
CHIEF FINANCIAL OFFICER
FOURTH QUARTER 2011

- Net sales SEK 30,952 m (+4%)
  - local currencies +6%
  - comparable units -3%
- Gross profit SEK 19,150 m (+2%)
  - gross margin 61.9 percent (63.2%)
- Operating margin 21.5 percent (23.8%)
- Profit after financial items
  SEK 6,802 m (-5%)
- Profit after tax SEK 5,357 m (-2%)
- Earnings per share SEK 3.24
COTTON PRICES

Source: TradingEconomics.com; NYMEX
FULL-YEAR 2011

- Net sales SEK 109,999 m (+1%)
  - local currencies +8%
  - comparable units -1%
- Gross profit SEK 66,147 m (-3%)
  - gross margin 60.1 percent (62.9%)
- Operating margin 18.5 percent (22.7%)
- Profit after financial items SEK 20,942 m (-16%)
- Profit after tax SEK 15,821 m (-15%)
- Earnings per share SEK 9.56
EXPANSION 2011

- Net addition of 266 stores in 2010/11
  - 16 more than planned
  - five new markets
  - 2,472 stores in 43 markets
- Very positive reception in Romania, Croatia, Singapore and via franchise in Jordan and Morocco
- COS today has close to 50 stores in 9 markets
- COS and Monki online in 18 markets
EXPANSION 2012

- Planned net addition of approx. 275 new stores in 2012
  - China, the US and the UK largest growth markets
- Five new markets 2012
  - Bulgaria, Latvia and Malaysia
  - planned opening in Mexico, first store in Latin America
  - Thailand via franchise
- COS to Hong Kong, Italy, Finland and via franchise to Kuwait
- H&M shop online in the US during autumn
## KEY DATA

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<tr>
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<th>30 Nov 2011</th>
<th>30 Nov 2010</th>
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<tr>
<td>Stock-in-trade</td>
<td>13,819</td>
<td>11,487</td>
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<td>Cash flow from current operations</td>
<td>17,420</td>
<td>21,838</td>
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<td>Investments</td>
<td>5,174</td>
<td>4,959</td>
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<td>Liquid funds and short-term investments</td>
<td>21,277</td>
<td>24,858</td>
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<td>Dividend (SEK)</td>
<td>9.50*</td>
<td>9.50</td>
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<td>Return on equity, %</td>
<td>35.8</td>
<td>44.1</td>
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<td>Average number of employees**</td>
<td>64,874</td>
<td>59,440</td>
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* proposed dividend  
** converted into full-time positions
DAVID BECKHAM BODYWEAR

- New bodywear range
  - exclusively for H&M
- Sales start 2 February 2012
  - in all markets
  - in approx. 1,800 stores
  - online
- Long-term partnership with new launches seasonally
MARNI AT H&M

- One of fashion’s most loved labels
- Spring collection created by Consuelo Castiglioni
  - captures the essence of Marni
  - 40 garments and 30 accessories for women
  - 20 garments and 10 accessories for men
- Sales start 8 March
  - in approx. 260 stores
  - online