

H & M Hennes & Mauritz AB

Three-month report

First quarter (1 December 2014 – 28 February 2015)

- Well-received collections for all brands in the H&M group resulted in good sales and increased market share. The H&M group's sales including VAT increased in local currencies by 15 percent during the first quarter. Converted into SEK, sales excluding VAT amounted to SEK 40,276 m (32,143), an increase of 25 percent.
- Gross profit increased by 26 percent to SEK 22,213 m (17,641), which corresponds to a gross margin of 55.2 percent (54.9).
- Profit after financial items increased by 35 percent to SEK 4,723 m (3,486).
- The group's profit after tax increased to SEK 3,613 m (2,649), corresponding to SEK 2.18 (1.60) per share, an increase of 36 percent.
- H&M's first store in Taipei, Taiwan, was very well received on its opening in mid-February.

Sales increase +25 %



H&M's opening in Taipei, Taiwan

- Sales in the period 1 March – 21 March 2015 increased by 9 percent in local currencies compared to the same period last year.
- The H&M group plans a net addition of around 400 new stores for the financial year 2014/2015. New markets for store expansion in 2015 are, Taiwan, which opened in February, Peru and Macau which will open towards the end of the first half-year, and South Africa and India, which will open during the second half-year.
- Nine new online markets will open in 2015: Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria and Belgium will open during the spring and Switzerland will open in the autumn.

SEK m	Q1 2015	Q1 2014
Net sales	40,276	32,143
Gross profit	22,213	17,641
<i>gross margin, %</i>	<i>55.2</i>	<i>54.9</i>
Operating profit	4,637	3,401
<i>operating margin, %</i>	<i>11.5</i>	<i>10.6</i>
Net financial items	86	85
Profit after financial items	4,723	3,486
Tax	-1,110	-837
Profit for the period	3,613	2,649
Earnings per share, SEK	2.18	1.60

Q1

Comments by Karl-Johan Persson, CEO

“We have made a very good start to 2015 – in terms of both sales and profits. Our attractive customer offering and strong expansion both through stores and online, as well as our work on continuous improvement, are among the reasons for increased market share gains and good profits.

During the first quarter we increased sales by 15 percent in local currencies and by 25 percent in SEK compared to the corresponding quarter last year. Profit after financial items increased by 35 percent to more than SEK 4.7 billion. We achieved this strong increase despite our continued long-term investments within areas such as online and IT with the aim of building an even stronger H&M for the future. It is very important to always be able to meet customers’ shopping demands and expectations in the fast digitalising development that is taking place in the retail market.

Already during the spring, we are opening eight new H&M online markets: Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria and Belgium. During the autumn we will also open our online store in Switzerland.

In February we opened in our latest store market, Taiwan, where we have had a very good reception since opening our first H&M store in Taipei. The next market in line is Peru, where we plan to open our first H&M store during the spring in Lima. In Macau in Asia we plan to open the first H&M store in the summer and an additional store will open later in 2015.

Another example of an exciting upcoming opening is our new flagship store on Herald Square in New York, which will be one of our largest stores in the group with an area of 5,700 square metres in total. So we have many interesting openings to look forward to – both as regards stores and online. In total, we plan to open 400 new stores net and nine new online markets this year, enabling us to reach more and more customers every day.

At the same time as this expansion is going ahead, we are continuing to broaden our product range and to develop further our various other brands COS, & Other Stories, Monki, Weekday and Cheap Monday, which are all becoming more and more established in the world of fashion. H&M Sport and our extended shoe range have been well received, and we will now launch them in more stores. And in the autumn we are looking forward to offering our customers our latest initiative, H&M Beauty – our new beauty concept that will be launched in an inspiring shopping environment which will further strengthen our customer offering.

As a part of our sustainability work we will shortly be launching our “H&M Conscious Exclusive” collection in 200 selected stores and online. We have set high sustainability goals; over the two last years, for example, we have almost doubled the share of more sustainable cotton used in our product range. If you want to know more about our sustainability work, our latest sustainability report “H&M Conscious Actions Sustainability Report 2014” will be available on hm.com as of 9 April.

As mentioned, the year has got off to a very good start and we have great faith in our offering. Although the strong US dollar will affect our sourcing costs going forward, we will make sure that we always have the best customer offering in each individual market.”

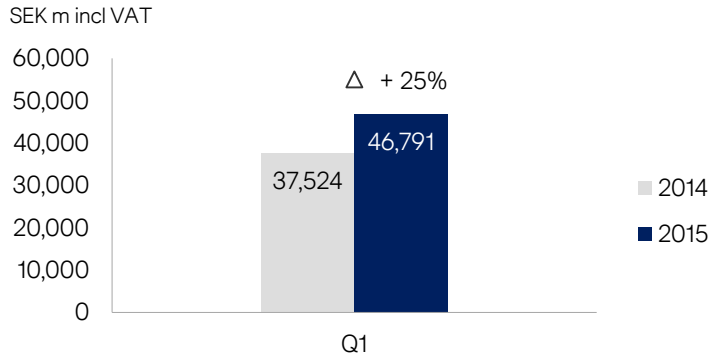


H&M Conscious Exclusive Collection

“We have made a very good start to 2015. Sales increased by 25 percent and profits by 35 percent in the first quarter.”

Sales

Well-received collections for all brands and continued strong expansion led to increased sales and continued market share gains for the H&M group in a fashion retail market that in many countries was still characterised by a challenging macroeconomic situation.



Sales including VAT converted into SEK increased by 25 percent to SEK 46,791 m (37,524) in the first quarter.

Sales excluding VAT increased by 25 percent to SEK 40,276 m (32,143).

Sales including VAT in local currencies increased by 15 percent.

The substantial difference between the sales increase in SEK and in local currencies is due to the continued weakness of the Swedish krona against most sales currencies in the group.

Currency translation effects arise when sales in local currencies are translated into the company's reporting currency, SEK. A positive currency translation effect arises when the Swedish krona weakens and a negative currency translation effect arises if the Swedish krona strengthens.



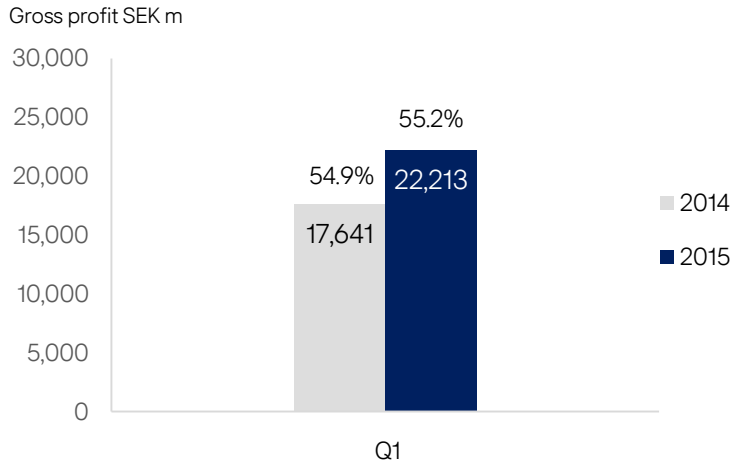
H&M Conscious Exclusive Collection

Sales in top ten markets, first quarter

	Q1 - 2015	Q1 - 2014	Change in %		28 Feb - 15	Q1 - 2015
	SEK m Inc. VAT	SEK m Inc. VAT	SEK	Local currency	Number of stores	New stores (net)
Germany	8,671	7,745	12	5	439	-1
USA	5,422	3,447	57	28	364	8
United Kingdom	3,486	2,602	34	17	253	0
France	3,182	2,694	18	11	205	0
China	2,148	1,392	54	28	278	8
Sweden	2,147	2,020	6	6	177	1
Italy	1,887	1,475	28	21	133	1
Spain	1,816	1,524	19	12	163	4
Netherlands	1,692	1,562	8	2	136	1
Switzerland	1,585	1,309	21	4	94	1
Others*	14,755	11,754	26	19	1,309	17
Total	46,791	37,524	25	15	3,551	40
* Whereof franchise	991	664	49	28	132	2

Gross profit and gross margin

H&M's gross profit and gross margin are a result of many different factors, internal as well as external, and are also affected by the decisions that H&M makes in line with its strategy to always have the best customer offering in each individual market - based on the combination of fashion, quality, price and sustainability.



H&M Spring Collection

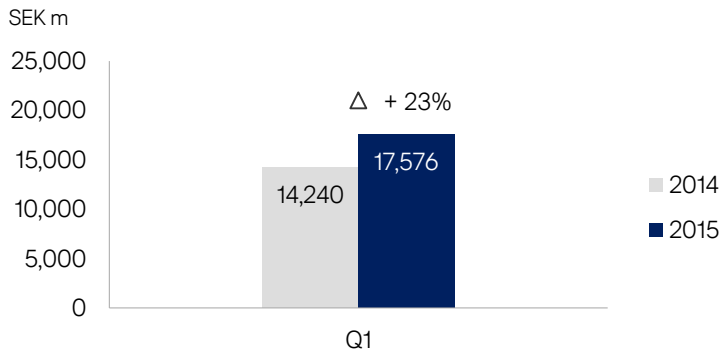
Gross profit increased by 26 percent to SEK 22,213 m (17,641) in the first quarter, corresponding to a gross margin of 55.2 percent (54.9).

Markdowns in relation to sales decreased by 0.3 percentage points in the first quarter 2015 compared to the corresponding quarter last year.

Overall, the market situation as regards external factors such as raw material prices, cost inflation, capacity at suppliers, purchasing currencies and transportation costs is considered to have been slightly negative, mostly due to increased cost inflation, during the purchasing period for the first quarter compared to the corresponding purchasing period the previous year.

The market situation as regards external factors for the purchasing period for the second quarter of 2015 is considered to be negative because the US dollar has strengthened substantially against most currencies, for example, the euro - since autumn 2014, and it will be even more negative for the purchasing periods for Q3 and Q4. Although the increasingly strong US dollar will result in gradually increased purchasing costs when sourcing for the coming quarters of 2015, H&M will still make sure it has the best customer offering in each individual market.

Selling and administration expenses

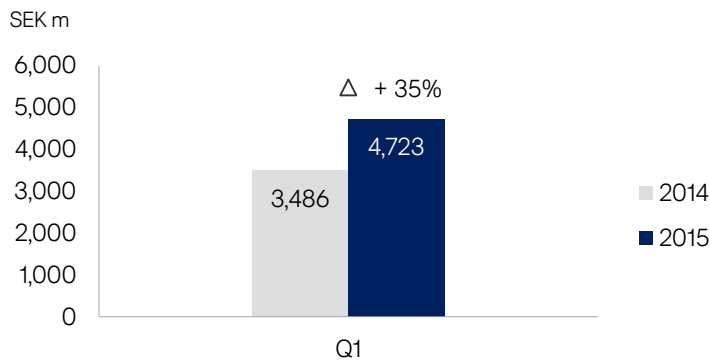


Cost control in the group remains good. For the first quarter in 2015, the selling and administrative expenses increased by 23 percent in SEK and 14 percent in local currencies compared to the first quarter last year. The increase is mainly due to the expansion and the long-term investments within IT and online, and to the broadening of the product range.



H&M Sport

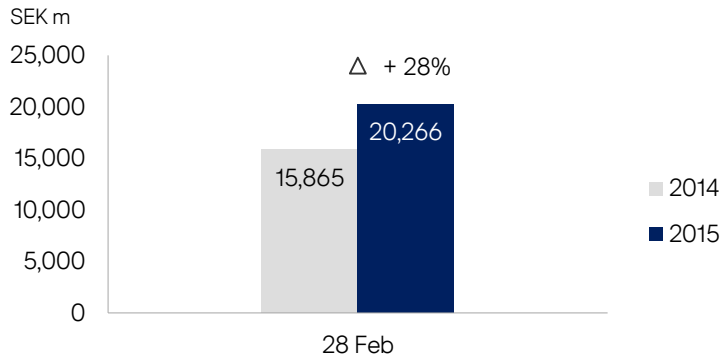
Profit after financial items



Profit after financial items increased to SEK 4,723 m (3,486), which is an increase of 35 percent. The increase in profits is mainly due to strong sales development and good cost control but also to positive currency translation effects.

Profits are still being affected by the costs of long-term investments in areas such as IT and online; these costs were higher in the first quarter of 2015 compared with the corresponding quarter last year. H&M will continue to make long-term investments in order to further strengthen the H&M Group's market position and secure future expansion, and the costs in 2015 will be at a higher level than in 2014. The costs of these investments may be divided unequally between the quarters.

Stock-in-trade



COS in Tokyo, Japan

Stock-in-trade amounted to SEK 20,266 m (15,865), an increase of 28 percent in SEK and 23 percent in local currencies compared to the same time the previous year.

The composition and the level of the stock-in-trade are deemed to be good. The increase in the stock-in-trade is mainly due to the store and online expansion and to the strengthening of the US dollar which has affected purchasing costs and thus the value of the stock-in-trade.

The stock-in-trade amounted to 12.7 percent (12.0) of sales excluding VAT, rolling 12 months and 24.5 percent (24.0) of total assets.

Expansion

H&M remains positive as regards future expansion and the group's business opportunities. The strong expansion continues both through stores and online.

H&M's growth target remains intact. The growth target is to increase the number of stores by 10–15 percent per year with continued high profitability.

For full-year 2015 a net addition of around 400 new stores is planned. Most new stores in 2015 are planned to open in China and the US. There are also still great opportunities for expansion in other existing markets as well as in new markets.

Taiwan, Peru, Macau, South Africa and India are planned to become new H&M markets in 2015. The first H&M store in Taipei, Taiwan, which opened in February, was very well received. Later in the first half-year the first H&M stores plan to open in Lima, Peru and in Macau. Openings in South Africa and India are planned to take place during the second half of the year.

The group is continuing to work on the global roll-out of H&M's online store. In 2015 H&M plans to open nine new online markets: Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria and Belgium will open during the spring and Switzerland will open in the autumn.

The expansion continues for the group's other brands COS, Monki, Weekday, Cheap Monday and & Other Stories. The main focus for expansion will be on COS and & Other Stories, which will open more stores in 2015 than in 2014. This expansion will mainly take place in existing markets. COS will open in at least three new markets this year. In February a COS franchise store opened in Bahrain. During the autumn the first COS stores will open in Luxembourg and in Prague, in the Czech Republic.

H&M Home is also continuing its rapid expansion in 2015, with around a hundred new H&M Home departments and around 10 new H&M Home markets planned for the year.

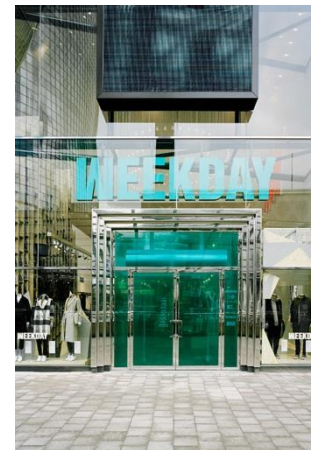
H&M Sport, H&M Beauty and the extended shoe range are examples of ongoing long-term investments in broadening H&M's product range.

In autumn 2015 H&M Beauty will be launched – H&M's new and broad concept for make-up, body care and hair care with high quality value-for-money products in a specially produced design. H&M Beauty, which will replace H&M's current own-brand cosmetics, will already this year be launched in approximately 900 H&M stores in around 40 markets as well as online.

Store count by brand

In the first quarter, the group opened 50 (72) stores and closed 10 (12) stores, i.e. a net increase of 40 (60) new stores. The group had 3,551 (3,192) stores as of 28 February 2015, of which 132 were franchise stores.

Brand	New Stores (Net)	Total No of stores (28 Feb)	
	Q1 - 2015	2015	2014
H&M	34	3,295	2,984
COS	3	117	91
Monki	1	93	84
Weekday	-1	21	21
& Other Stories	3	20	8
Cheap Monday	0	5	4
Total	40	3,551	3,192



Weekday in Rotterdam, the Netherlands

Store count by region

Region	New Stores (Net)	Total No of stores (28 Feb)	
	Q1 - 2015	2015	2014
Europe	12	2,560	2,512
Asia & Oceania	16	544	302
North & South America	12	447	378
Total	40	3,551	3,192

Current quarter

Sales in the period 1 March – 21 March 2015 increased by 9 percent in local currencies compared to the same period last year.

Tax

The H&M group's tax rate is expected to be approximately 22.5 – 23.5 percent for the financial year of 2014/2015. However, in the first quarter an estimated tax rate of 23.5 percent has been used, which is also expected to be used for the second and third quarters of 2015. The final outcome of the tax rate depends on the results of the group's various companies and the corporate tax rates in each country.

Accounting principles

The group applies International Financial Reporting Standards (IFRS) as adopted by the EU. This report has been prepared according to IAS 34 Interim Financial Reporting as well as the Swedish Annual Accounts Act.

The accounting principles and calculation methods applied in this report are unchanged from those used in the preparation of the annual report and consolidated financial statements for 2012/2013 which are described in Note 1 – Accounting principles, except as regards IAS 19.

IAS 19, Employee Benefits, revised – this standard was applied by H&M for the first time in the 2013/2014 financial year. Up to and including the 2012/2013 financial year the group recognised actuarial gains and losses in profit and loss. With the application of the revised IAS 19, these are recognised in other comprehensive income. Comparison



figures for the 2012/2013 financial year have been restated in accordance with the changed accounting principle.

H & M Hennes & Mauritz AB's financial instruments consist of accounts receivable, other receivables, cash and cash equivalents, accounts payable, accrued trade payables, interest-bearing securities and currency derivatives. Currency derivatives are measured at fair value based on input data corresponding to level 2 of IFRS 7. Other financial assets and liabilities have short terms. It is therefore judged that the fair values of these financial instruments are approximately equal to their book values.

The parent company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, which essentially involves applying IFRS. In accordance with RFR 2, the parent company does not apply IAS 39 to the measurement of financial instruments; nor does it capitalise development expenditure.

For definitions see the Annual Report.

Risks and uncertainties

A number of factors may affect H&M's results and business. Many of these can be dealt with through internal routines, while certain others are affected more by external influences. There are risks and uncertainties related to fashion, weather situations, negative macro-economic changes, external factors in production countries, climate changes, trade interventions and foreign currency but also in connection with expansion into new markets, the launch of new concepts, changes in consumer behaviour and how the brand is managed.

For a more detailed description of risks and uncertainties, refer to the Administration Report and to Note 2 in the Annual Report and Consolidated Accounts for 2013.

Calendar

29 April 2015	Annual General Meeting 2015, Victoriahallen, Stockholm International fairs at 3 p.m.
25 June 2015	Half-year report, 1 Dec 2014 – 31 May 2015
24 September 2015	Nine-month report, 1 Dec 2014 – 31 August 2015
28 January 2015	Full-year report, 1 Dec 2014 – 30 November 2015

The Three-month report has not been audited by the company's auditors.

Stockholm, 23 March 2015
Board of Directors

The information in this interim report is that which H & M Hennes & Mauritz AB (publ) is required to disclose under Sweden's Securities Market Act. It will be released for publication at 8.00 (CET) on 24 March 2015. This interim report, and other information about H&M, is available at www.hm.com

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H & M Hennes & Mauritz AB (publ) was founded in Sweden in 1947 and is quoted on NASDAQ OMX Stockholm. The company's business concept is to offer fashion and quality at the best price. In addition to H&M, the group includes the brands COS, Monki, Weekday, Cheap Monday, & Other Stories as well as H&M Home. The H&M group has more than 3,500 stores in 57 markets including franchise markets. In 2014, sales including VAT amounted to more than SEK 176.6 billion and the number of employees was more than 132,000. For further information, visit www.hm.com.

GROUP INCOME STATEMENT (SEK m)

	Q1 2015	Q1 2014	1 Dec 2013- 30 Nov 2014
Sales including VAT	46,791	37,524	176,620
Sales excluding VAT	40,276	32,143	151,419
Cost of goods sold	-18,063	-14,502	-62,367
GROSS PROFIT	22,213	17,641	89,052
<i>Gross margin, %</i>	55.2	54.9	58.8
Selling expenses	-16,125	-13,107	-58,525
Administrative expenses	-1,451	-1,133	-4,944
OPERATING PROFIT	4,637	3,401	25,583
<i>Operating margin, %</i>	11.5	10.6	16.9
Interest income	87	86	328
Interest expense	-1	-1	-16
PROFIT AFTER FINANCIAL ITEMS	4,723	3,486	25,895
Tax	-1,110	-837	-5,919
PROFIT FOR THE PERIOD	3,613	2,649	19,976

All profit for the year is attributable to the shareholders of the parent company H & M Hennes & Mauritz AB.

Earnings per share, SEK*	2.18	1.60	12.07
Number of shares, thousands*	1,655,072	1,655,072	1,655,072
Depreciation, total	1,556	1,208	5,045
of which cost of goods sold	177	135	568
of which selling expenses	1,279	998	4,159
of which administrative expenses	100	75	318

* Before and after dilution.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK m)

	Q1 2015	Q1 2014	1 Dec 2013- 30 Nov 2014
PROFIT FOR THE PERIOD	3,613	2,649	19,976
Other comprehensive income			
<i>Items that have been transferred or may be transferred to net profit</i>			
Translation differences	1,878	-306	1,979
Change in hedging reserves	-150	-6	185
Tax attributable to change in hedging reserves	36	1	-44
<i>Items that have not been and will not be reclassified to net profit</i>			
Revaluations relating to defined benefit pension plans	-	-	-148
Tax attributable to the above revaluation	-	-	35
OTHER COMPREHENSIVE INCOME	1,764	-311	2,007
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	5,377	2,338	21,983

All comprehensive profit is attributable to the shareholders of the parent company H & M Hennes & Mauritz AB.

GROUP BALANCE SHEET IN SUMMARY (SEK m)

ASSETS	28 Feb - 2015	28 Feb - 2014	30 Nov 2014
Fixed assets			
Intangible fixed assets	3,408	2,416	2,962
Tangible fixed assets	28,537	22,208	26,948
Financial assets	3,187	2,220	2,946
	35,132	26,844	32,856
Current assets			
Stock-in-trade	20,266	15,865	19,403
Current receivables	7,150	5,037	6,645
Short-term investments, 4-12 months	7,627	7,579	2,602
Cash and cash equivalents	12,399	10,647	14,091
	47,442	39,128	42,741
TOTAL ASSETS	82,574	65,972	75,597
EQUITY AND LIABILITIES			
Equity	56,933	47,586	51,556
Long-term liabilities*	3,805	3,018	3,738
Current liabilities**	21,836	15,368	20,303
TOTAL EQUITY AND LIABILITIES	82,574	65,972	75,597

* Only provisions for pensions are interest-bearing.

** No current liabilities are interest-bearing.

CHANGE IN GROUP EQUITY IN SUMMARY (SEK m)

	28 Feb - 2015	28 Feb - 2014	30 Nov 2014
Shareholders' equity at the beginning of the period	51,556	45,248	45,248
Total comprehensive income for the period	5,377	2,338	21,983
Overdue bonus share rights	-	-	48
Dividend	-	-	-15,723
Shareholders' equity at the end of the period	56,933	47,586	51,556

GROUP CASH FLOW STATEMENT (SEK m)

	Q1 - 2015	Q1 - 2014
Current operations		
Profit after financial items*	4,723	3,486
Provisions for pensions	25	15
Depreciation	1,556	1,208
Tax paid	-1,978	-1,744
Cash flow from current operations before changes in working capital	4,326	2,965
Cash flow from changes in working capital		
Current receivables	231	100
Stock-in-trade	-442	753
Current liabilities	825	-1,147
CASH FLOW FROM CURRENT OPERATIONS	4,940	2,671
Investment activities		
Investment in intangible fixed assets	-507	-200
Investment in tangible fixed assets	-1,725	-1,388
Change in short-term investments, 4 - 12 months	-4,930	-4,273
Other investments	-87	11
CASH FLOW FROM INVESTMENT ACTIVITIES	-7,249	-5,850
CASH FLOW FOR THE PERIOD	-2,309	-3,179
Cash and cash equivalents at beginning of the financial year	14,091	13,918
Cash flow for the period	-2,309	-3,179
Exchange rate effect	617	-92
Cash and cash equivalents at end of the period**	12,399	10,647

* Interest paid for the group amounts to SEK 1 m (1).

** Cash and cash equivalents and short-term investments 4-12 months at the end of the period amounted to SEK 20,026 m (18,226).

SALES INCLUDING VAT BY MARKET AND NUMBER OF STORES**Q1, 1 December - 28 February**

Market	Q1 - 2015	Q1 - 2014	Change in %		28 Feb - 15	Q1 - 2015	
	SEK m	SEK m	SEK	Local currency	No. of stores	New stores	Closed stores
Sweden	2,147	2,020	6	6	177	1	
Norway	1,386	1,283	8	7	118		
Denmark	1,256	1,141	10	3	98		1
United Kingdom	3,486	2,602	34	17	253		
Switzerland	1,585	1,309	21	4	94	1	
Germany	8,671	7,745	12	5	439	1	2
Netherlands	1,692	1,562	8	2	136	1	
Belgium	988	869	14	7	77		1
Austria	1,258	1,174	7	1	73		
Luxembourg	100	95	5	-1	10		
Finland	661	621	6	0	59		1
France	3,182	2,694	18	11	205	1	1
USA	5,422	3,447	57	28	364	9	1
Spain	1,816	1,524	19	12	163	6	2
Poland	930	799	16	11	140		
Czech Republic	250	198	26	20	43		
Portugal	304	253	20	13	30		
Italy	1,887	1,475	28	21	133	1	
Canada	790	598	32	19	73	1	
Slovenia	121	107	13	6	12		
Ireland	243	172	41	33	21	1	
Hungary	276	220	25	21	35		
Slovakia	124	92	35	27	16	1	
Greece	379	287	32	24	31	1	
China	2,148	1,392	54	28	278	9	1
Hong Kong	478	370	29	5	21		
Japan	762	666	14	7	53	2	
Russia	580	557	4	53	75	4	
South Korea	255	180	42	19	22		
Turkey	404	224	80	60	30		
Romania	384	248	55	45	38		
Croatia	169	159	6	1	14		
Singapore	265	195	36	16	10		
Bulgaria	101	73	38	30	16		
Latvia	65	34	91	81	6		
Malaysia	278	150	85	62	19	1	
Mexico	248	149	66	51	9	3	
Chile	115	68	69	57	1		
Lithuania	62	26	138	123	7	1	
Serbia	74	41	80	79	5		
Estonia	64	41	56	49	6		
Australia	202				3		
Philippines	152				5	2	
Taiwan	40				1	1	
Franchise	991	664	49	28	132	2	
Total	46,791	37,524	25	15	3,551	50	10

FIVE YEAR SUMMARY

Q1, 1 December - 28 February

	2011	2012	2013	2014	2015
Sales including VAT, SEK m	28,708	32,503	33,146	37,524	46,791
Sales excluding VAT, SEK m	24,503	27,832	28,392	32,143	40,276
Change from previous year in SEK, %	-1	14	2	13	25
Change from previous year in local currencies, %	9	13	6	12	15
Operating profit, SEK m	3,408	3,526	3,130	3,401	4,637
Operating margin, %	13.9	12.7	11.0	10.6	11.5
Depreciation for the period, SEK m	808	911	1,030	1,208	1,556
Profit after financial items, SEK m	3,538	3,701	3,234	3,486	4,723
Profit after tax, SEK m	2,618	2,739	2,458	2,649	3,613
Cash and cash equivalents and short-term investments, SEK m	24,355	22,029	18,959	18,226	20,026
Stock-in-trade, SEK m	10,822	12,397	13,825	15,865	20,266
Equity, SEK m	45,587	45,852	45,625	47,586	56,933
Number of shares, thousands*	1,655,072	1,655,072	1,655,072	1,655,072	1,655,072
Earnings per share, SEK*	1.58	1.65	1.49	1.60	2.18
Shareholders' equity per share, SEK*	27.54	27.70	27.57	28.75	34.40
Cash flow from current operations per share, SEK*	0.46	1.34	2.28	1.61	2.98
Share of risk-bearing capital, %	81.4	79.1	78.4	76.2	73.0
Equity/assets ratio, %	79.9	77.6	75.1	72.1	68.9
Total number of stores	2,212	2,491	2,818	3,192	3,551
Rolling twelve months					
Earnings per share, SEK*	10.61	9.63	10.02	10.48	12.65
Return on shareholders' equity, %	39.3	34.9	36.3	37.2	40.1
Return on capital employed, %	52.3	45.8	47.3	48.5	51.5

* Before and after dilution.

Definition on key figures see annual report.

SEGMENT REPORTING (SEK m)

	Q1 - 2015	Q1 - 2014
Asia and Oceania		
External net sales	5,056	3,372
Operating profit	126	285
Operating margin, %	2.5	8.5
Europe		
External net sales	29,057	24,776
Operating profit	-708	684
Operating margin, %	-2.4	2.8
North and South America		
External net sales	6,163	3,995
Operating profit	-3	-229
Operating margin, %	-0.0	-5.7
Group Functions		
Net sales to other segments	17,807	14,281
Operating profit	5,222	2,661
Eliminations		
Net sales to other segments	-17,807	-14,281
Total		
External net sales	40,276	32,143
Operating profit	4,637	3,401
Operating margin, %	11.5	10.6

PARENT COMPANY INCOME STATEMENT (SEK m)

	Q1 2015**	Q1 2014	1 Dec 2013- 30 Nov 2014
External sales excluding VAT	1	2	47
Internal sales excluding VAT*	766	1,899	8,764
GROSS PROFIT	767	1,901	8,811
Selling expenses	0	-524	-2,982
Administrative expenses	49	-1,276	-5,316
OPERATING PROFIT	816	101	513
Dividend from subsidiaries	483	-	15,701
Interest income	9	19	59
Interest expense	-1	-3	-25
PROFIT AFTER FINANCIAL ITEMS	1,307	117	16,248
Year-end appropriations	-	-	-10
Tax	-181	-26	-130
PROFIT FOR THE PERIOD	1,126	91	16,108

* Includes royalty received from group companies.

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME (SEK m)

	Q1 2015**	Q1 2014	1 Dec 2013- 30 Nov 2014
PROFIT FOR THE PERIOD	1,126	91	16,108
Other comprehensive income			
<i>Items that have not been and will not be reclassified to net profit</i>			
Revaluations relating to defined benefit pension plans	-	-	-24
Tax attributable to the above revaluation	-	-	5
OTHER COMPREHENSIVE INCOME	-	-	-19
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,126	91	16,089

** To simplify administration and internal follow-up, with effect from 1 December 2014 all central functions in Sweden were brought together in one company, H & M Hennes & Mauritz GBC AB. Due to this, the majority of the revenues and costs in the parent company were transferred to H & M Hennes & Mauritz GBC AB.

PARENT COMPANY BALANCE SHEET IN SUMMARY (SEK m)

	28 Feb - 2015	28 Feb - 2014	30 Nov 2014
ASSETS			
Fixed assets			
Tangible fixed assets	613	508	648
Financial fixed assets	1,649	1,403	1,553
	2,262	1,911	2,201
Current assets			
Current receivables	10,481	12,131	11,997
Short-term investments, 4-12 months	6,009	4,117	2,602
Cash and cash equivalents	428	706	2,314
	16,918	16,954	16,913
TOTAL ASSETS	19,180	18,865	19,114
EQUITY AND LIABILITIES			
Equity	18,387	16,938	17,261
Untaxed reserves	464	454	464
Long-term liabilities*	223	213	223
Current liabilities**	106	1,260	1,166
TOTAL EQUITY AND LIABILITIES	19,180	18,865	19,114

* Relates to provisions for pensions.

** No current liabilities are interest-bearing.