

02



# H&M GROUP SIX-MONTH REPORT 2025







# H & M Hennes & Mauritz AB

## Six-month report 2025

### Second quarter (1 March 2025 – 31 May 2025)

- Sales in local currencies increased by 1 percent in the second quarter, with 4 percent fewer stores at the end of the quarter compared with the same point in time last year. Excluding these closures, sales increased by 3 percent. Converted into SEK, net sales amounted to SEK 56,714 m (59,605). Net sales in SEK were negatively affected by a currency translation effect of around 6 percentage points due to the strengthened Swedish krona.
- Gross profit amounted to SEK 31,425 m (33,569), which corresponds to a gross margin of 55.4 percent (56.3). The gross margin was negatively affected mainly by external factors such as a more expensive US dollar and high freight costs, which increased the cost of purchasing for the second quarter, but also by the company's investments in the customer offering. The external factors that had a negative impact on purchasing in the first half of the year are turning positive for the second half of the year.
- Selling and administrative expenses amounted to SEK 25,489 m (26,446). In local currencies these expenses increased by 2 percent.
- Operating profit amounted to SEK 5,914 m (7,098), corresponding to an operating margin of 10.4 percent (11.9). The decrease in operating profit was mainly attributable to the lower gross margin and negative currency translation effects.
- The result after tax amounted to SEK 3,962 m (5,064<sup>1</sup>), corresponding to SEK 2.48 (3.15<sup>1</sup>) per share.
- Cash flow from operating activities amounted to SEK 8,528 m (12,600). Cash and cash equivalents plus undrawn credit facilities were SEK 35,828 m (42,572).
- The composition of the stock-in-trade is good. During the quarter the stock-in-trade developed in a positive direction with a significantly lower growth rate of 1 percent compared to the first quarter's increase of 11 percent in local currencies. At the end of the second quarter the volume of goods was lower than at the same point in time last year. Higher purchasing costs explain the increase in stock-in-trade compared with the previous year.

### First half-year (1 December 2024 – 31 May 2025)

- In local currencies net sales increased by 1 percent in the first half of the year. Converted into SEK, the H&M group's net sales amounted to SEK 112,047 m (113,274).
- Gross profit amounted to SEK 58,594 m (61,224). This corresponds to a gross margin of 52.3 percent (54.0).
- Selling and administrative expenses amounted to SEK 51,427 m (52,010). In local currencies these expenses increased by 1 percent compared with the previous year.
- Operating profit amounted to SEK 7,117 m (9,175), corresponding to an operating margin of 6.4 percent (8.1). The decrease in operating profit was attributable in full to the lower gross margin, which was negatively affected by external factors such as a more expensive US dollar and higher freight costs, but also by markdowns and investments in the customer offering.
- The result after tax amounted to SEK 4,541 m (6,295<sup>1</sup>), corresponding to SEK 2.85 (3.91<sup>1</sup>) per share.
- Cash flow from operating profit amounted to SEK 12,729 m (16,567).

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- The H&M group's sales in the month of June 2025 are expected to increase by 3 percent in local currencies compared with the same month the previous year. The sales increase of 3 percent is impacted by a negative calendar effect of around one percentage point.
  - Environmental organisation Stand.earth rated the H&M group as the best company in the fashion industry for the group's work to phase out fossil fuels. The H&M group gained the highest overall score among leading brands in the fashion industry for its climate efforts.
  - The annual general meeting on 7 May 2025 resolved to authorise the board to decide on buybacks of the company's own class B shares in the period up to the 2026 annual general meeting for the purpose of adjusting the company's capital structure and enabling purchases of shares for the company's share-based incentive program. The board of directors has made the decision to buy back the company's own class B shares to ensure the delivery of class B shares to the participants in the company's long-term incentive program (LTIP). The cumulative number of shares that can be purchased is 1,100,000 shares, for a maximum cumulative amount of SEK 175 m.
  - H&M is opening its first stores and online in Brazil, a country with a population of more than 200 million, early in the second half of 2025.

*"Our plan, with its focus on the product offering, the shopping experience and brand, is again confirmed by the progress we see. The positive development in important areas such as online, H&M womenswear and H&M Move, as well as continued focus on good cost control, will contribute to a profitable sales development," says Daniel Erv r, CEO.*

1. See note 5.

# Comments by Daniel Ervér, CEO

Our plan, with its focus on the product offering, the shopping experience and brand, is again confirmed by the progress we see. The positive development in important areas such as online, H&M womenswear and H&M Move, as well as continued focus on good cost control, will contribute to a profitable sales development.

Sales in local currencies increased by 1 percent in the second quarter, with 4 percent fewer stores at the end of the quarter compared with the same point in time the previous year. Excluding these closures, sales increased by 3 percent. Moreover, the quarter is to be seen in light of the fact that the second quarter of 2024 was a strong quarter with a sales increase of 3 percent.

The quarter's result was negatively affected by higher purchasing prices as a result of a more expensive US dollar and higher freight costs, but also by the fact that we have continued to invest in the customer offering. Investments made to strengthen our customer offering and give customers even more value for money. The negative external factors that increased the costs of purchasing for the first half of the year are turning positive for the second half of the year.

Our plan, with its focus on the product offering, the shopping experience and the H&M brand, is confirmed by the progress we see in key parts of the business. With the customer offering at the centre, we have further strengthened the organisation's focus on product and customer experience. The improvements implemented in online, H&M womenswear and H&M Move, together with increased product availability and closer collaboration with

our suppliers, have continued to bring positive results. Portfolio brands also grew in the quarter and COS has developed particularly well. Some measures have a faster impact than others, but the direction is clear and during the year we continue to implement improvements in other parts of the business.

Our upgraded digital store is now rolled out and the response from customers is positive. In our omni-model we continue to integrate our physical and digital sales channels that complement and strengthen each other. We also continue to expand in growth markets. We look forward to opening both online and physical stores in Brazil in the second half of the year, and taking H&M's business concept – fashion and quality at the best price in a sustainable way – to a country that has a population of more than 200 million and a great interest in fashion.

The integration of sustainability into our daily operations continues to deliver results. The climate and environmental organisation Stand.earth ranks H&M as number one among 42 fashion companies in terms of reducing climate impact.

In uncertain times with cautious consumers we monitor macroeconomic and geopolitical developments closely and continuously adapt both the customer offering and the business to meet our customers' needs in the best way. We continue to strengthen the product offering and the experience both online and in our stores. With a clear plan, a strong financial position, good cost control and committed employees, we see good opportunities for long-term, sustainable and profitable growth.



# Sales

Sales in local currencies increased by 1 percent in the second quarter, with 4 percent fewer stores at the end of the quarter compared with the same point in time last year. Excluding these closures, sales increased by 3 percent. Converted into SEK, net sales amounted to SEK 56,714 m (59,605). Net sales in SEK were negatively affected by a currency translation effect of around 6 percentage points due to the strengthened Swedish krona.

The continued optimisation of the store portfolio, including store closures, had a negative impact on sales in the short term. At the beginning of the second quarter there were 125 fewer stores than at the same point in time last year and net store closures during the quarter amounted to 47 (19).

In local currencies, net sales increased by 1 percent in the first half of the year. Converted into SEK, the H&M group's net sales amounted to SEK 112,047 m (113,274)

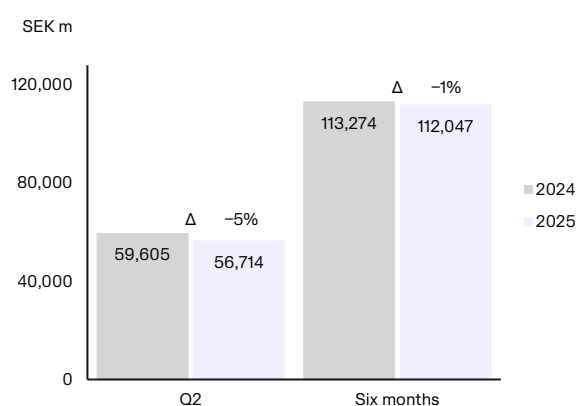
Online continued to perform well. Just over 30 percent of sales took place online in the second quarter.

Net sales for Portfolio brands increased in the second quarter by 3 percent in local currencies. Converted into

SEK, sales decreased by 2 percent. Net sales in the six-month period increased by 1 percent in local currencies and in SEK net sales were on par with the previous year.

The H&M group's sales in the month of June 2025 are expected to increase by 3 percent in local currencies compared with the same month the previous year. The sales increase of 3 percent is impacted by a negative calendar effect of around one percentage point.

## Net sales



Sales per region	Q2		Q2		Six months		Six months	
	SEK m		change in %		(Dec-May) SEK m		change in %	
	2025	2024	SEK	Local currencies	2025	2024	SEK	Local currencies
The Nordics	5,160	5,514	-6	-4	9,766	10,187	-4	-3
Western Europe	19,943	20,470	-3	1	37,899	37,765	0	1
Eastern Europe	5,080	5,561	-9	-5	9,826	10,142	-3	-2
Southern Europe	7,452	7,519	-1	7	14,815	14,403	3	7
North and South America	12,020	13,005	-8	3	25,222	25,733	-2	2
Asia, Oceania and Africa	7,059	7,536	-6	1	14,519	15,044	-3	-1
<b>Total</b>	<b>56,714</b>	<b>59,605</b>	<b>-5</b>	<b>1</b>	<b>112,047</b>	<b>113,274</b>	<b>-1</b>	<b>1</b>

Stores per region	New stores (net)		Number of stores	
	Six months 2025	31 May 2025	31 May 2024	
The Nordics	-9	371	381	
Western Europe	-11	1,005	1,033	
Eastern Europe	-2	477	478	
Southern Europe	-12	562	595	
North and South America	-6	753	750	
Asia, Oceania and Africa	-47	998	1,082	
<b>Total</b>	<b>-87</b>	<b>4,166</b>	<b>4,319</b>	

# Gross profit and gross margin

Gross profit and gross margin are a result of many factors, internal as well as external, and are mostly affected by the decisions that the H&M group takes in line with its strategy to always have the best combination of fashion, quality, price and sustainability.

Gross profit amounted to SEK 31,425 m (33,569) for the second quarter, corresponding to a gross margin of 55.4 percent (56.3).

The gross margin was negatively affected mainly by external factors such as a more expensive US dollar and high freight costs, which increased the cost of purchasing for the second quarter, but also by the company’s investments in the customer offering. Markdowns in relation to sales were on par with the previous year.

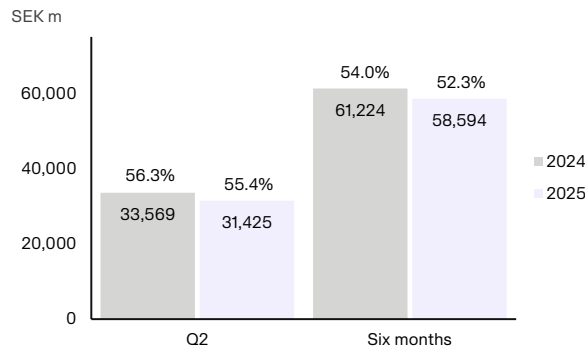
For the six-month period gross profit amounted to SEK 58,594 (61,224), corresponding to a gross margin of 52.3 percent (54.0).

For the goods that will be sold in the third quarter of 2025, the overall effect of external factors is expected to be

somewhat positive compared with the corresponding period the previous year. The negative external factors that increased the cost of purchasing for the first half of the year are thus turning to positive for the second half of the year.

The cost of markdowns in relation to sales in the third quarter is expected to be somewhat higher compared with the corresponding quarter the previous year.

## Gross profit and gross margin



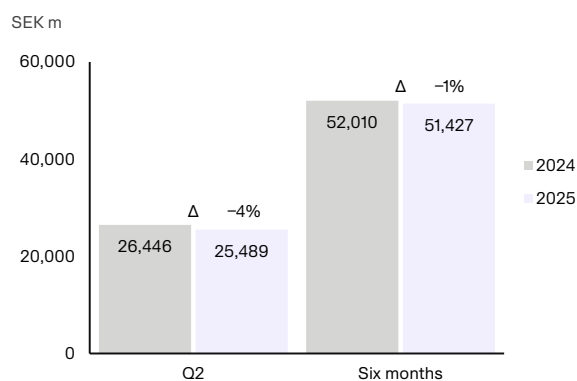


# Selling and administrative expenses

Selling and administrative expenses in the second quarter amounted to SEK 25,489 m (26,446). As a result of good operational cost control, the increase in selling and administrative expenses could be limited to 2 percent in local currencies. This despite inflationary pressures in the cost base and increased long-term investments in marketing compared with the second quarter the previous year.

For the six-month period, selling and administrative expenses amounted to SEK 51,427 m (52,010). In local currencies these expenses increased by 1 percent compared with the same period the previous year.

**Selling and administrative expenses**



# Operating profit and operating margin

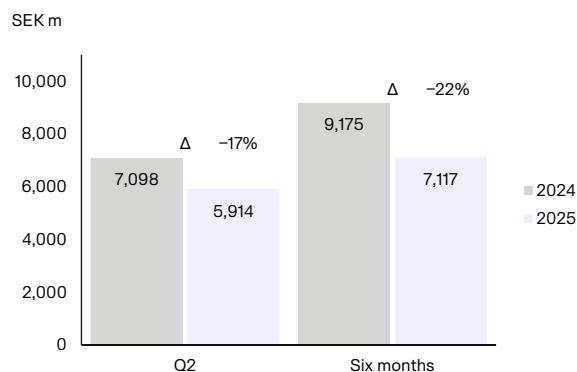
Operating profit in the second quarter amounted to SEK 5,914 m (7,098), corresponding to an operating margin of 10.4 percent (11.9). The decrease in operating profit was mainly attributable to the lower gross margin and negative currency translation effects as a result of the Swedish krona having strengthened against the subsidiaries' currencies.

The currency translation effect occurs on translation of income, expenses, liabilities and receivables from local currencies into SEK. Translation of the quarter's sales, gross profit and selling and administrative expenses from local currencies resulted in lower reported amounts in SEK.

The currency translation effect in the quarter had a negative impact on the operating margin as the part of the H&M group's cost base that is denominated in SEK does not decrease as a result of the strengthening of the Swedish krona.

Operating profit for the six-month period amounted to SEK 7,117 m (9,175), corresponding to an operating margin of 6.4 percent (8.1). The decrease in operating profit was attributable in full to the lower gross margin, which was mainly affected by negative external factors such as a more expensive US dollar and high freight costs, but also by markdowns and the company's investments in the customer offering.

## Operating profit





# Stock-in-trade

The stock-in-trade amounted to SEK 38,817 m (38,518) and increased by 1 percent both in SEK and currency adjusted compared with the previous year.

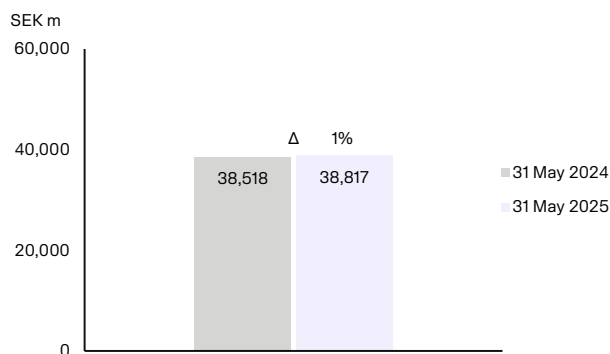
During the quarter the stock-in-trade developed in a positive direction with a significantly lower growth rate of 1 percent compared to the first quarter's increase of 11 percent in local currencies. At the end of the second quarter the volume of goods was lower than at the same point in time last year. Higher purchasing costs explain the increase in stock-in-trade compared with the previous year.

The composition of the stock-in-trade is good.

The stock-in-trade in SEK represented 16.6 percent (16.3) of rolling 12 months sales.

The investments in the supply chain and the integration of the sales channels continue. With a higher share of nearshoring, a more efficient and more flexible supply chain and more purchasing in season, there are opportunities for improvement of the stock-in-trade position in the second half of the year compared with the previous year. The company continues to plan for extended transport times and to manage disruption in the supply chain.

## Stock-in-trade



# Expansion through integrated channels

Expansion is taking place with a focus on increased omnichannel sales. Customers want to be inspired and have products available so that they can shop where, when and how they choose – in the stores, on the brands' own websites, on digital marketplaces and on social media.

Physical and digital stores continue to be the largest area for investments in the business also in 2025 to provide an even more inspiring shopping experience. Upgrades will continue during the year through openings, rebuilds, layout improvements and tech installations.

H&M is continuing its expansion in Latin America. Early in the second half of 2025 H&M is opening in Brazil, with its first stores as well as online. H&M is also opening its first store in El Salvador and in Venezuela in 2025. Paraguay will become a new H&M market, with the first store opening in 2026.

& Other Stories opened on the marketplace 29CM.com in South Korea in the second quarter. Arket is opening on 29CM.com marketplace in the second half of 2025.

The H&M group works continuously to adapt the store portfolio based on customers' behaviour in each market and

is contractually able to renegotiate or exit around a third of leases each year. Rebuilds and adjustments to areas and formats are also part of ongoing efforts relating to the store portfolio.

For 2025 the plan is to open around 80 new stores. Most of the openings will be in growth markets. Just over 200 stores are scheduled for closure during 2025, mainly in established markets. The closures include a large number of Monki stores. A few of these will be converted into Weekday stores and the remaining stores are planned to be closed.

## Store count and markets by brand

As at 31 May 2025 the H&M group had 4,166 (4,319) stores, i.e. the total number of stores has decreased by 153 stores compared with the same point in time the previous year, which corresponds to a reduction of around 4 percent. During the first six months of the current financial year 24 (43) new stores have opened and 111 (93) stores have closed. A total of 256 (264) of the group's stores are operated by franchise partners.

Number of stores	New stores (net)		Number of stores		Number of markets 31 May 2025	
	Q2 2025	Six months	31 May 2025	31 May 2024	Store	Online
H&M	-36	-71	3,706	3,832	78	60
COS	0	1	239	238	48	38
Monki	-11	-16	32	59	12	29
Weekday	0	0	46	49	14	29
& Other Stories	0	-1	69	71	25	32
ARKET	1	2	42	36	19	31
Afound	0	0	0	0	0	0 <sup>1</sup>
H&M HOME <sup>2</sup>	-1	-2	32	34	15	45
Sellpy	0	0	0	0	0	24
<b>Total</b>	<b>-47</b>	<b>-87</b>	<b>4,166</b>	<b>4,319</b>		

1. Afound had 7 online markets as at 31 May 2024.

2. Concept stores. H&M HOME is also available through shop-in-shop in 471 H&M stores.

COS, Monki, Weekday, & Other Stories and ARKET offer Global selling which enables customers in around 70 additional markets to shop online. The exact number of markets per brand that have this service varies.



# Cash flow, working capital and financing

## Cash flow and liquidity

Cash flow from operating activities in the six-month period amounted to SEK 12,729 m (16,567). Cash flow was affected mainly by lower operating profit, higher working capital and higher tax payments. The previous year's cash flow was supported during the corresponding period by a refund of preliminary tax.

The H&M group's liquidity remains very good. As at 31 May 2025 cash and cash equivalents amounted to SEK 16,262 m (24,246). In addition, the group has undrawn credit facilities of SEK 19,566 m (18,326). The total liquidity buffer, i.e. cash and cash equivalents plus undrawn credit facilities, amounted to SEK 35,828 m (42,572).

## Operating working capital

Operating working capital amounted to SEK 23,250 m (20,394). Accounts receivable increased somewhat in the first quarter of 2025 compared with the previous year, mainly due to a calendar effect.

Extended transport times associated with the situation in the Red Sea continued to affect inventory as orders are brought forward to ensure the collections' availability at the right time.

The decrease in accounts payable compared with the previous year was driven by lower purchase of goods and currency translation effects.

## Financing

Net debt including lease liabilities in relation to EBITDA amounted to 1.5 (1.3) with a net financial debt of SEK 605 m (-7,961). Debt levels are within the target range of 1.0 – 2.0 for the capital structure target Net debt/EBITDA.

Interest-bearing liabilities in the form of commercial papers, bonds and loans from credit institutions amounted to SEK 16,867 m (16,286) as at 31 May 2025. The average maturity of interest-bearing liabilities was 3.8 (5.0) years following utilisation of short-term financing.

A maturity analysis of outstanding interest-bearing liabilities and undrawn credit facilities as at 31 May 2025 is given in the table below.

Operating working capital	2025-05-31	2024-05-31	2024-11-30
SEK m			
Accounts receivable	3,947	2,807	5,631
Stock-in-trade	38,817	38,518	40,348
Accounts payable	-19,514	-20,931	-24,417
<b>Total operating working capital</b>	<b>23,250</b>	<b>20,394</b>	<b>21,562</b>

Liquidity and debt financing	Commercial papers	Bonds (EMTN)	Loans from credit institutions	Unused credit facilities
Year				
2025	2,900	–	461	–
2026	–	–	2,114	2,174
2027	–	–	–	3,261
2028	–	–	161	–
2029	–	5,444	–	14,131
2030	–	–	–	–
2031	–	5,787	–	–
<b>Total SEK m</b>	<b>2,900</b>	<b>11,231</b>	<b>2,736</b>	<b>19,566</b>

# Tax

The group's tax rate for the financial year 2025 is expected to be 25 – 26 percent based on known circumstances. For the first three quarters of the year a tax rate of 25 percent (25) is planned to be used to calculate tax expense on the earnings in each period excluding result from investments in associated companies and joint ventures.

The final tax rate depends on, among other things, the results of the group's various companies, the corporate tax rates in each country, non-deductible costs and tax expense relating to previous years.

# Share buybacks

Following implementation of the resolution passed by the annual general meeting on 7 May 2025 to cancel 6,050,850 class B treasury shares repurchased as part of H&M's buyback programme, the total number of shares in H&M is 1,604,491,375 shares – of which 194,400,000 are class A shares and 1,410,091,375 are class B shares – and the total number of votes is 3,354,091,375, as communicated in a press release on 30 May 2025. Following the cancellation of the repurchased class B shares H&M holds no treasury shares.

The board of directors has decided to use the buyback authorisation from the 2025 annual general meeting to initiate a buyback programme for a maximum of 1,100,000 of its own class B shares for a maximum cumulative amount of SEK 175 m, to ensure the delivery of class B shares to the participants in the company's long-term incentive program (LTIP). The buyback programme starts on 26 June 2025 and continues until no later than 17 July 2025 inclusive. For more information about the buyback programme see the separate press release issued on 26 June 2025.

# Current quarter

The H&M group's sales in the month of June 2025 are expected to increase by 3 percent in local currencies compared with the same month the previous year. The sales increase of 3 percent is impacted by a negative calendar effect of around one percentage point.

The cost of markdowns in relation to sales in the third quarter is expected to be somewhat higher compared with the corresponding quarter the previous year.

The company is closely monitoring developments in global trade and trade restrictions. With good flexibility in the supply chain and through the pricing of the customer offering there are opportunities to adapt the business to changed conditions.



# Risks and uncertainties

Risks may be due to events in the outside world and affect a certain sector or market, or they may be associated with the group's own business. The H&M group carries out regular risk analysis for both operational and financial risks. Operational risks are mainly associated with the business and the external risks that affect the group. Business decisions determine whether action is to be taken to reduce the likelihood of the risk in question occurring and if so, to what extent. Business decisions also determine the extent to which the consequences of a risk that has occurred may be mitigated.

There are external risks and uncertainties affecting the H&M group that are related to the shift in the industry, fashion, competitors, logistics resources, information security and cyber security, sustainability issues, weather, macroeconomics and geopolitical events, foreign currencies, taxes, customs duty, and various regulations and ordinances, but also in connection with expansion into new markets, the launch of new concepts and how the brands are managed. More detailed information concerning the financial risks is given in the H&M group's annual and sustainability report.

# Communication in conjunction with the six-month report

The six-month report, i.e., 1 December 2024 – 31 May 2025, will be published at 08:00 CEST on 26 June 2025, followed by a combined press and telephone conference at 09:00 CEST for the financial market and media, hosted by CEO Daniel Ervér, CFO Adam Karlsson and Head of IR Joseph Ahlberg. A presentation of the report followed by a Q & A session will be held in English.

Location: H&M's head office in Stockholm, Mäster Samuelsgatan 49, 3rd floor, Ljussgården. The event will be broadcasted online and questions can also be asked by telephone. For log in details please register:  
<https://app.webinar.net/vwELGVnGex6>

To book interviews for media in conjunction with the full-year report on 26 June 2025, please contact: Anna Frosch Nordin, Head of Media Relations, telephone +46 73 432 93 14, [anna.froschnordin@hm.com](mailto:anna.froschnordin@hm.com).

***Please note that the combined press and telephone conference starts at 09:00 CEST. Also note that there will not be a separate telephone conference in the afternoon CEST.***

## Calendar

25 September 2025	Nine-month report, 1 Dec 2024 – 31 Aug 2025
29 January 2026	Full-year report, 1 Dec 2024 – 30 Nov 2025
26 March 2026	Three-month report, 1 Dec 2025 – 28 Feb 2026
26 March 2026	Annual and Sustainability report 2025
5 May 2026	Annual general meeting 15:00, Erling Persson Hall, Aula Medica, Solna

This six-month report has not been audited by the company's auditors.

Stockholm, 25 June 2025  
Board of Directors

## Contact

Joseph Ahlberg, Head of IR	+46 73 465 93 92
Daniel Ervér, CEO	+46 8 796 55 00 (switchboard)
Adam Karlsson, CFO	+46 8 796 55 00 (switchboard)
H & M Hennes & Mauritz AB (publ)	
SE-106 38 Stockholm	
Phone: +46 8 796 55 00, e-mail: <a href="mailto:info@hm.com">info@hm.com</a>	
Registered office: Stockholm, Reg. No. 556042-7220	

For more information about the H&M group visit [hmgroup.com](http://hmgroup.com).

Information in this interim report is that which H & M Hennes & Mauritz AB (publ) is required to disclose under the EU Market Abuse Regulation (EU) No 596/2014. The information was submitted for publication by the abovementioned persons at 08:00 (CEST) on 26 June 2025. This interim report and other information about the H&M group are available at [hmgroup.com](http://hmgroup.com).

H & M HENNES & MAURITZ AB (PUBL) was founded in Sweden in 1947 and is listed on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. The group's brands are H&M (including H&M HOME, H&M Move and H&M Beauty), COS, Weekday (including Cheap Monday and Monki), & Other Stories, ARKET, Singular Society and Sellpy. The group also includes several ventures. For further information, visit [hmgroup.com](http://hmgroup.com).



# Assurance by the board of directors and CEO

The board of directors and chief executive officer hereby provide an assurance that the half-year report for 1 December 2024 – 31 May 2025 provides a true and fair view of the parent company's and the group's business, position and earnings, and also describes the significant risks and uncertainties faced by the parent company and the companies in the group.

Stockholm 25 June 2025

Karl-Johan Persson  
Chair of the Board

Klas Balkow  
Board member

Keith Barker  
Board member

Anders Dahlvig  
Board member

Tim Gahnström  
Board member

Agneta Gustafsson  
Board member

Danica Kragic Jensfelt  
Board member

Lena Patriksson Keller  
Board member

Helena Saxon  
Board member

Christian Sievert  
Board member

Christina Synnergren  
Board member

Daniel Ervér  
Chief Executive Officer

# Group income statement in summary

SEK m	Note	Q2 (Mar–May)		Six months (Dec–May)		Full-year (Dec–Nov)
		2025	2024	2025	2024	2024
Net sales	3	56,714	59,605	112,047	113,274	234,478
Cost of goods sold	4	–25,289	–26,036	–53,453	–52,050	–109,179
<b>Gross profit</b>		<b>31,425</b>	<b>33,569</b>	<b>58,594</b>	<b>61,224</b>	<b>125,299</b>
<i>Gross margin, %</i>		<i>55.4</i>	<i>56.3</i>	<i>52.3</i>	<i>54.0</i>	<i>53.4</i>
Selling expenses	4	–23,127	–23,894	–46,242	–46,537	–97,153
Administrative expenses	4	–2,362	–2,552	–5,185	–5,473	–10,762
Result from investments in associated companies and joint ventures		–22	–25	–50	–39	–78
<b>Operating profit</b>		<b>5,914</b>	<b>7,098</b>	<b>7,117</b>	<b>9,175</b>	<b>17,306</b>
<i>Operating margin, %</i>		<i>10.4</i>	<i>11.9</i>	<i>6.4</i>	<i>8.1</i>	<i>7.4</i>
Net financial items		–623	–430	–1,064	–901	–1,863
<b>Profit after financial items</b>		<b>5,291</b>	<b>6,668</b>	<b>6,053</b>	<b>8,274</b>	<b>15,443</b>
Tax <sup>1</sup>		–1,329	–1,604	–1,512	–1,979	–3,859
<b>PROFIT FOR THE PERIOD<sup>1</sup></b>		<b>3,962</b>	<b>5,064</b>	<b>4,541</b>	<b>6,295</b>	<b>11,584</b>
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB <sup>1</sup>		3,977	5,077	4,567	6,316	11,621
Non-controlling interest		–15	–13	–26	–21	–37
Earnings per share, SEK <sup>1 2</sup>		2.48	3.15	2.85	3.91	7.21
Average number of shares outstanding, thousands <sup>2</sup>		1,604,491	1,610,542	1,604,491	1,613,999	1,611,695

For information about depreciation, amortisation and write-downs, see note 4.

1. Regarding restated figures for financial year 2024 see Note 5 Restated figures attributable to amendments to IAS 12.

2. Before and after dilution, excluding own shares.

# Consolidated statement of comprehensive income

SEK m	Note	Q2 (Mar–May)		Six months (Dec–May)		Full-year (Dec–Nov)
		2025	2024	2025	2024	2024
<b>PROFIT FOR THE PERIOD<sup>1</sup></b>		<b>3,962</b>	<b>5,064</b>	<b>4,541</b>	<b>6,295</b>	<b>11,584</b>
<b>Other comprehensive income</b>						
<b>Items that are or may be reclassified to profit or loss</b>						
Translation differences		–2,640	761	–3,375	525	717
Change in hedging reserves		601	–983	1,135	–939	–589
Tax attributable to change in hedging reserves		–124	202	–234	193	121
Share of OCI related to associated companies and joint ventures		0	0	0	0	0
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of defined benefit pension plans		1	2	15	–57	–73
Tax related to the above remeasurement		0	–1	–4	14	18
Remeasurement of financial assets	2	–494	81	–863	60	299
<b>Other comprehensive income</b>		<b>–2,656</b>	<b>62</b>	<b>–3,326</b>	<b>–204</b>	<b>493</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD<sup>1</sup></b>		<b>1,306</b>	<b>5,126</b>	<b>1,215</b>	<b>6,091</b>	<b>12,077</b>
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB <sup>1</sup>		1,321	5,139	1,241	6,112	12,114
Non-controlling interest		–15	–13	–26	–21	–37

1. Regarding restated figures for financial year 2024 see Note 5 Restated figures attributable to amendments to IAS 12.



# Group balance sheet in summary

SEK m	Note	2025-05-31	2024-05-31	2024-11-30
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible non-current assets		8,289	9,090	8,730
Property, plant and equipment		27,988	25,739	29,158
Right-of-use assets		51,270	56,125	57,062
Non-current financial assets	2	2,567	2,898	3,288
Other non-current assets		5,720	7,060	6,249
		<b>95,834</b>	<b>100,912</b>	<b>104,487</b>
<b>Current assets</b>				
Stock-in-trade		38,817	38,518	40,348
Current receivables		17,380	16,065	18,039
Cash and cash equivalents		16,262	24,246	17,340
		<b>72,459</b>	<b>78,829</b>	<b>75,727</b>
<b>TOTAL ASSETS</b>		<b>168,293</b>	<b>179,741</b>	<b>180,214</b>
<b>EQUITY AND LIABILITIES</b>				
Equity <sup>1 2</sup>		36,520	41,254	46,211
Long-term liabilities <sup>1</sup>		14,435	17,185	16,992
Long-term leasing liabilities <sup>3</sup>		44,599	48,612	50,361
Short-term liabilities <sup>4</sup>		60,924	60,331	54,174
Current leasing liabilities <sup>4</sup>		11,815	12,359	12,476
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>168,293</b>	<b>179,741</b>	<b>180,214</b>

1. Regarding restated figures for financial year 2024 see Note 5 Restated figures attributable to amendments to IAS 12.

2. Equity attributable to the shareholders of H & M Hennes & Mauritz AB amounts to SEK 36,475 m (41,187) and to non-controlling interests to SEK 45 m (67).

3. Interest-bearing long-term liabilities amount to SEK 56,469 m (63,389) and excluding leases to SEK 11,870 m (14,777), of which provisions for pensions were SEK 477 m (520).

4. Interest-bearing short-term liabilities amount to SEK 17,289 m (14,388) and excluding leases to SEK 5,474 m (2,029).

# Group changes in equity in summary

SEK m	2025-05-31	2024-05-31	2024-11-30
<b>Shareholders' equity at the beginning of the financial year<sup>1</sup></b>	<b>46,211</b>	<b>47,510</b>	<b>47,510</b>
Total comprehensive income for the period <sup>1</sup>	1,215	6,091	12,077
Transactions with non-controlling interests	4	0	-40
Dividend	-10,910	-10,468	-10,456
Repurchase of shares	-	-1,879	-2,880
<b>Shareholders' equity at the end of the period<sup>1</sup></b>	<b>36,520</b>	<b>41,254</b>	<b>46,211</b>

1. Regarding restated figures for financial year 2024 see Note 5 Restated figures attributable to amendments to IAS 12.

# Group cash flow statement in summary

SEK m	Six months (Dec–May)	Six months (Dec–May)
	2025	2024
<b>Operating activities</b>		
Profit after financial items <sup>1</sup>	6,053	8,274
<b>Adjustment for non-cash items</b>		
– Provisions for pensions	58	79
– Other provisions	16	360
– Depreciation, amortisation and write-downs	10,690	10,832
– Other non-cash items	50	39
Taxes paid	–1,663	–897
<b>Cash flow from operating activities before changes in working capital</b>	<b>15,204</b>	<b>18,687</b>
<b>Cash flow from changes in working capital</b>		
Operating receivables	–1,025	12
Stock-in-trade	–30	–1,054
Operating liabilities	–1,420	–1,078
<b>Cash flow from operating activities</b>	<b>12,729</b>	<b>16,567</b>
<b>Investing activities</b>		
Investments in intangible fixed assets	–649	–411
Investments in tangible fixed assets	–3,843	–3,476
Other investments	–138	–352
<b>Cash flow from investing activities</b>	<b>–4,630</b>	<b>–4,239</b>
<b>Financing activities</b>		
Change in interest-bearing liabilities	3,376	–1,028
Amortisation lease	–6,223	–6,326
Capital contributions non-controlling interests	4	–
Dividend	–5,455	–5,235
Repurchase of shares	–	–1,927
<b>Cash flow from financing activities</b>	<b>–8,298</b>	<b>–14,516</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>–199</b>	<b>–2,188</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>17,340</b>	<b>26,398</b>
Cash flow for the period	–199	–2,188
Exchange rate effect	–879	36
<b>Cash and cash equivalents at end of the period</b>	<b>16,262</b>	<b>24,246</b>

1. Interest paid for the group amounts to SEK 285 m (370). Interest expense related to leases amounts to SEK 972 m (992) for the group. Received interest for the group amounts to SEK 193 m (461).

# Five year summary

## Six months, 1 December – 31 May

	2021	2022	2023	2024	2025
Net sales, SEK m	86,569	103,670	112,488	113,274	112,047
Change net sales from previous year in SEK, %	4	20	9	1	–1
Change net sales previous year in local currencies, %	12	15	1	0	1
Operating profit, SEK m	2,724	5,446	5,466	9,175	7,117
Operating margin, %	3.1	5.3	4.9	8.1	6.4
Depreciation, amortisation and write-downs for the period, SEK m	11,325	10,602	10,998	10,832	10,690
Profit after financial items, SEK m	2,204	5,064	4,721	8,274	6,053
Profit after tax, SEK m <sup>1</sup>	1,697	3,899	3,828	6,295	4,541
Cash and cash equivalents, SEK m	23,434	26,571	20,169	24,246	16,262
Stock-in-trade, SEK m	35,866	41,504	38,802	38,518	38,817
Equity, SEK m <sup>1</sup>	55,640	56,183	44,902	41,254	36,520
Average number of shares outstanding, thousands <sup>2</sup>	1,655,072	1,655,072	1,629,687	1,613,999	1,604,491
Earnings per share, SEK <sup>1 2</sup>	1.03	2.36	2.35	3.91	2.85
Cash flow from operating activities per share, SEK <sup>2</sup>	12.22	7.61	7.66	10.26	7.93
Number of shares outstanding as of the closing day, thousands <sup>2</sup>	1,655,072	1,655,072	1,629,687	1,610,542	1,604,491
Equity per share, SEK <sup>1 2</sup>	33.62	33.95	27.55	25.61	22.76
Share of risk-bearing capital, % <sup>1</sup>	34.7	32.3	26.5	24.2	23.1
Equity/assets ratio, % <sup>1</sup>	32.4	30.2	24.7	23.0	21.7
Total number of stores	4,913	4,702	4,399	4,319	4,166
<b>Rolling 12 months</b>					
Average number of shares outstanding, thousands <sup>2</sup>	1,655,072	1,655,072	1,637,189	1,621,186	1,606,948
Earnings per share, SEK <sup>1 2</sup>	3.63	7.98	2.13	6.93	6.14
Return on equity, % <sup>1</sup>	11.1	23.6	6.9	26.0	25.3
Return on capital employed, % <sup>1</sup>	6.9	14.6	6.1	15.9	13.8

1. Regarding restated figures for financial year 2024 see Note 5 Restated figures attributable to amendments to IAS 12.

2. Before and after dilution, excluding own shares.

For definitions and explanations of the alternative performance measures in this report, see page 162–164 in the annual and sustainability report for the 2024 financial year.



# Parent company income statement in summary

SEK m	Q2 (Mar–May)		Six months (Dec–May)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
Net sales	585	590	1,115	1,128	2,364
<b>Gross profit</b>	<b>585</b>	<b>590</b>	<b>1,115</b>	<b>1,128</b>	<b>2,364</b>
Administrative expenses	–39	–67	–78	–99	–170
<b>Operating profit</b>	<b>546</b>	<b>523</b>	<b>1,037</b>	<b>1,029</b>	<b>2,194</b>
Net financial items <sup>1</sup>	427	167	415	495	10,060
<b>Profit after financial items</b>	<b>973</b>	<b>690</b>	<b>1,452</b>	<b>1,524</b>	<b>12,254</b>
Year-end appropriations	–	–	–	–	–1,287
Tax	–103	–133	–202	–222	–217
<b>PROFIT FOR THE PERIOD</b>	<b>870</b>	<b>557</b>	<b>1,250</b>	<b>1,302</b>	<b>10,750</b>

1. Revenue from interests in group companies is included for the quarter at SEK 475 m (149) and for the six-month period at SEK 475 (551).

# Parent company statement of comprehensive income

SEK m	Q2 (Mar–May)		Six months (Dec–May)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
<b>PROFIT FOR THE PERIOD</b>	<b>870</b>	<b>557</b>	<b>1,250</b>	<b>1,302</b>	<b>10,750</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of defined benefit pension plans	0	2	2	0	–14
Tax related to the above remeasurement	0	0	0	0	3
<b>Other comprehensive income</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>–11</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>870</b>	<b>559</b>	<b>1,252</b>	<b>1,302</b>	<b>10,739</b>

# Parent company balance sheet in summary

SEK m	2025-05-31	2024-05-31	2024-11-30
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	125	135	130
Other non-current assets	1,463	1,799	1,463
	<b>1,588</b>	<b>1,934</b>	<b>1,593</b>
<b>Current assets</b>			
Current receivables	24,416	23,760	26,942
Cash and cash equivalents	4	35	–
	<b>24,420</b>	<b>23,795</b>	<b>26,942</b>
<b>TOTAL ASSETS</b>	<b>26,008</b>	<b>25,729</b>	<b>28,535</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	4,106	5,315	13,763
Untaxed reserves	17	17	17
Long-term liabilities <sup>1</sup>	10,984	13,160	13,176
Short-term liabilities <sup>2</sup>	10,901	7,237	1,579
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26,008</b>	<b>25,729</b>	<b>28,535</b>

1. All long-term liabilities are interest-bearing.

2. Interest-bearing current liabilities amount to SEK 4,900 m (1,750). Dividend to be paid amounts to SEK 5,455 m (5,234).

## Note 1. Accounting principles

The group applies International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee as adopted by the EU. This report has been prepared according to IAS 34 Interim Financial Reporting, the Swedish Financial Reporting Board's Recommendation RFR 1 Supplementary Rules for Consolidated Financial Statements and the Swedish Annual Accounts Act.

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.

The accounting principles and calculation methods applied in this report are unchanged from those used in the preparation of the annual and sustainability report and consolidated financial statements for 2024. No new or revised IFRS standards or interpretations applied from 1 December 2024 have had any significant impact on the consolidated financial statements.

For a more detailed description of the accounting principles applied to the group and the parent company in this interim report, see the notes of the annual and sustainability report for the 2024 financial year.

## Note 2. Financial instruments

The H&M group's financial instruments consist mainly of shares and interests, accounts receivable, other receivables, cash and cash equivalents, accounts payable, interest-bearing securities and liabilities, and currency derivatives.

Measurement principles and classification of financial instruments are unchanged from the information disclosed in note 24 in the annual and sustainability report for 2024.

Shares are measured at fair value, either through profit or loss or through other comprehensive income. Where holdings of shares are assessed to be strategic, the H&M group has chosen to recognise changes in value in other comprehensive income.

The value of other shares and interests based on level 3 inputs according to IFRS 13 amounts in total to SEK 2,388 m (2,606) as at 31 May 2025, the largest investments being Klarna at SEK 853 m (766), Instabee at SEK 189 m (188) and Colorfix SEK 148 m (183). The effect of measurement of the group's other shares and interests is reported in other comprehensive income and amounts to SEK -494 m (81) for the second quarter.

Currency derivatives are measured at fair value based on level 2 inputs in the IFRS 13 hierarchy. As at 31 May 2025 forward contracts with a positive market value amount to SEK 1,537 m (521), reported under other current receivables. Forward contracts with a negative market value amount to SEK 1,852 m (602), which is recognised in other current liabilities.

In hedge accounting, derivatives are classified as cash flow hedges or as fair value hedges. As at 31 May 2025 the nominal amount of outstanding interest rate swaps was SEK 0 m (5,730).

Other financial assets and liabilities are measured at amortised cost. Measurement at fair value would decrease the group's liabilities to credit institutions by around SEK 100 m. The decrease is due to general interest rate increases since debt was issued. The fair values of other financial instruments are assessed to be approximately equal to their book values.



## Note 3. Segment reporting

SEK m	Six months (Dec–May)	Six months (Dec–May)
	2025	2024
<b>Asia and Oceania</b>		
External net sales	13,848	14,453
Operating profit	58	629
<b>Operating margin, %</b>	<b>0.4</b>	<b>4.4</b>
<b>Europe and Africa<sup>1</sup></b>		
External net sales	72,976	73,087
Operating profit	4,261	4,205
<b>Operating margin, %</b>	<b>5.8</b>	<b>5.8</b>
<b>North and South America</b>		
External net sales	25,223	25,734
Operating profit	641	153
<b>Operating margin, %</b>	<b>2.5</b>	<b>0.6</b>
<b>Group Functions</b>		
Net sales to other segments	35,441	36,811
Operating profit	2,157	4,188
<b>Operating margin, %</b>	<b>6.1</b>	<b>11.4</b>
<b>Eliminations</b>		
Net sales to other segments	–35,441	–36,811
<b>Total</b>		
External net sales	112,047	113,274
Operating profit	7,117	9,175
<b>Operating margin, %</b>	<b>6.4</b>	<b>8.1</b>
Net financial items	–1,064	–901
<b>Profit after financial items</b>	<b>6,053</b>	<b>8,274</b>

1. South Africa

## Note 4. Depreciations, amortisations and write-downs

SEK m	Q2 (Mar–May)		Six months (Dec–May)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
<b>DEPRECIATIONS AND AMORTISATIONS</b>					
<b>Intangible non-current assets and property, and equipment excluding right-of-use assets</b>					
Cost of goods sold	240	234	473	468	965
Selling expenses	1,642	1,810	3,388	3,604	7,236
Administrative expenses	96	93	190	191	383
<b>Total</b>	<b>1,978</b>	<b>2,137</b>	<b>4,051</b>	<b>4,263</b>	<b>8,584</b>
<b>Right-of-use assets</b>					
Cost of goods sold	240	319	592	649	1,262
Selling expenses	2,714	2,867	5,623	5,707	11,322
Administrative expenses	117	105	232	212	430
<b>Total</b>	<b>3,071</b>	<b>3,291</b>	<b>6,447</b>	<b>6,568</b>	<b>13,014</b>
<b>Total depreciations and amortisations</b>	<b>5,049</b>	<b>5,428</b>	<b>10,498</b>	<b>10,831</b>	<b>21,598</b>
<b>WRITE-DOWNS AND LOSSES AT DISPOSALS</b>					
<b>Intangible non-current assets and property, and equipment excluding right-of-use assets</b>					
Cost of goods sold	34	5	34	6	80
Selling expenses	95	–9 <sup>1</sup>	126	–13 <sup>1</sup>	266
Administrative expenses	6	3	8	8	20
<b>Total</b>	<b>135</b>	<b>–1</b>	<b>168</b>	<b>1</b>	<b>366</b>
<b>Right-of-use assets</b>					
Cost of goods sold	–	–	–	–	–
Selling expenses	–3 <sup>1</sup>	–	–3 <sup>1</sup>	–	288
Administrative expenses	–6 <sup>1</sup>	–	27	–	–
<b>Total</b>	<b>–9</b>	<b>–</b>	<b>24</b>	<b>–</b>	<b>288</b>
<b>Total write-downs and losses at disposals</b>	<b>126</b>	<b>–1</b>	<b>192</b>	<b>1</b>	<b>654</b>
<b>TOTAL DEPRECIATIONS, AMORTISATIONS, AND LOSSES AT DISPOSALS</b>	<b>5,175</b>	<b>5,427</b>	<b>10,690</b>	<b>10,832</b>	<b>22,252</b>

1. Release of unused provisions for store closures.

## Note 5. Restated figures attributable to amendments to IAS 12

Equity as at 31 May 2024 and profit for the second quarter and for the six-month period 2024 have been adjusted as a consequence of the retrospective restatement of deferred tax relating to right-of-use assets and lease liabilities arising from the entry into force, effective from the 2024 financial year, of the amendment to IAS 12 Income Taxes concerning Deferred Tax related to Assets and Liabilities arising from a Single Transaction. For adjustments made for full-year 2024, see note 12 in the annual and sustainability report for 2024.

In the Five year summary the years 2021–2022 have not been restated.

For the financial year 2024 the following values have been adjusted accordingly:

Group income statement and balance sheet	Q2 (Mar–May)		
	New restated value	Reported value	Change, SEK m
	2024, SEK m	2024, SEK m	
Tax	–1,604	–1,673	69
Profit after tax/profit for the period	5,064	4,995	69
Total comprehensive income	5,126	5,057	69
Profit for the period attributable to the shareholders of H & M Hennes & Mauritz AB	5,077	5,008	69
Earnings per share, SEK	3.15	3.11	0.04

Group income statement and balance sheet	Six months (Dec–May)		
	New restated value	Reported value	Change, SEK m
	2024, SEK m	2024, SEK m	
Tax	–1,979	–2,078	99
Profit after tax/profit for the period	6,295	6,196	99
Total comprehensive income	6,091	5,992	99
Profit for the period attributable to the shareholders of H & M Hennes & Mauritz AB	6,316	6,217	99
Long-term liabilities	17,185	17,193	–8
Shareholders' equity at the beginning of the financial year	47,510	47,601	–91
Equity	41,254	41,246	8
Earnings per share, SEK	3.91	3.85	0.06

Key financial ratios	Six months (Dec–May)	
	New restated value	Reported value
	2024	2024
Equity per share, SEK	25.61	25.57
Return on equity, %	26.0	22.8
Return on capital employed, %	15.9	15.7
Share of risk-bearing capital, %	24.2	24.2
Equity-asset ratio, %	23.0	22.9
Earnings per share, SEK <sup>1</sup>	6.93	6.87

1. Rolling 12 months.



## Note 6. Events after the closing date

There have been no significant events after the closing date that effects the financial reporting.





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