

Q3



H&M GROUP NINE-MONTH REPORT 2025



H&M

H & M Hennes & Mauritz AB

Nine-month report 2025

Third quarter (1 June 2025 — 31 August 2025)

- Sales in local currencies increased by 2 percent in the third quarter, with 4 percent fewer stores at the end of the quarter compared with the same point in time last year. Converted into SEK, net sales amounted to SEK 57,017 m (59,011). Net sales in SEK were negatively affected by a currency translation effect of around 5 percentage points due to the strengthened Swedish krona.
- Gross profit amounted to SEK 30,143 m (30,133), which corresponds to a gross margin of 52.9 percent (51.1).
- Selling and administrative expenses decreased by 5 percent to SEK 25,167 m (26,602). In local currencies these expenses decreased by 1 percent.
- Operating profit increased by 40 percent to SEK 4,914 m (3,507), corresponding to an operating margin of 8.6 percent (5.9). An improved customer offering, an improved gross margin and good cost control have contributed to the increase in profit in the quarter.
- The result after tax increased to SEK 3,212 m (2,306¹), corresponding to SEK 2.01 (1.44¹) per share.
- Cash flow from operating activities increased to SEK 9,985 m (8,215).
- The stock-in-trade decreased by 9 percent to SEK 37,938 m (41,738) and the composition of the stock-in-trade is assessed to be good. Currency adjusted the stock-in-trade decreased by 3 percent compared with the previous year. The stock-in-trade in SEK represented 16.4 percent (17.8) of rolling 12 months sales.
- H&M opened its first store as well as online in Brazil at the end of August, which has been very well received by customers.

Nine months (1 December 2024 — 31 August 2025)

- In local currencies net sales increased by 2 percent in the first nine months of the financial year. Converted into SEK, the H&M group's net sales amounted to SEK 169,064 m (172,285).
- Gross profit amounted to SEK 88,737 m (91,357). This corresponds to a gross margin of 52.5 percent (53.0).
- Selling and administrative expenses amounted to SEK 76,594 m (78,612). In local currencies these expenses were on par with the previous year.
- Operating profit amounted to SEK 12,031 m (12,682), corresponding to an operating margin of 7.1 percent (7.4).
- The result after tax amounted to SEK 7,753 m (8,601¹), corresponding to SEK 4.86 (5.35¹) per share.
- Cash flow from operating activities amounted to SEK 22,714 m (24,782).

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- The autumn collections have been well received. In local currencies the H&M group's sales in the month of September 2025 are expected to be on par with the same month last year. Sales development in September 2025 should be seen in the light of high comparative figures from last year.
 - H&M ranks as number 1 out of 200 fashion companies in the latest *What Fuels Fashion?* report by Fashion Revolution, which evaluates companies transparency on decarbonisation and other sustainability areas.

4.9 billion

Operating profit Q3
SEK (3.5)

52.9%

Gross margin Q3
(51.1)

10.0 billion

Cash flow from
operating activities in Q3
SEK (8.2)

“We are taking further steps in the right direction. Through a stronger customer offering, an improved gross margin and good cost control, we have strengthened operating profit by 40 percent compared with the same quarter last year while also having reduced the stock-in-trade,” says Daniel Ervér, CEO.

1. See note 5.

Comments by Daniel Ervér, CEO

The positive sales trend continued in the third quarter. Sales increased by 2 percent in local currencies during the period, while at the same time the number of stores decreased by 4 percent at the end of the quarter compared with the same point in time last year.

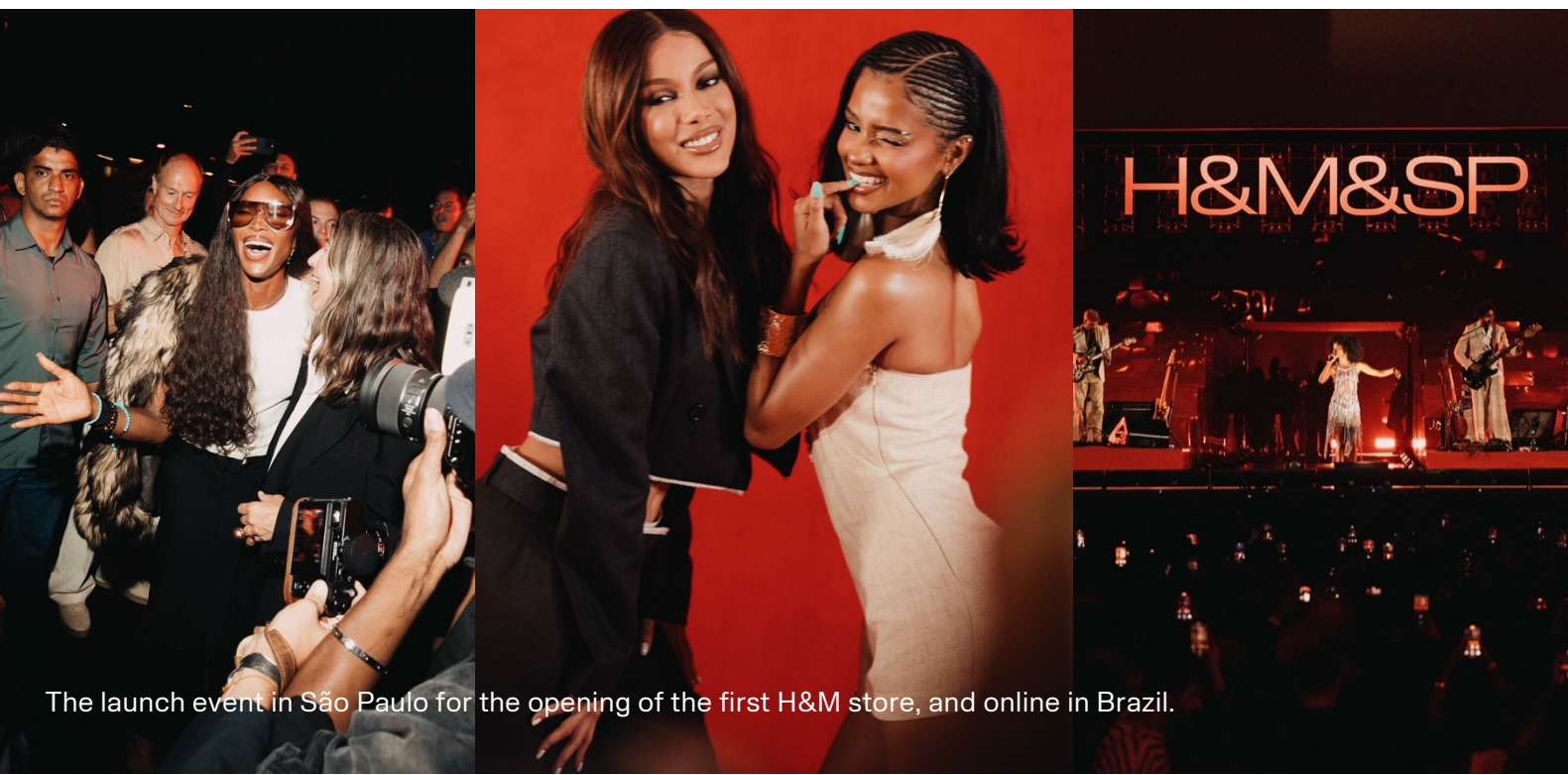
Through a stronger customer offering, an improved gross margin and good cost control, we have strengthened operating profit compared with the same quarter last year. The increase in profit shows that we are on the right track as a result of the progress we have made in our plan.

This is also reflected in the reception we received on the launch of H&M in Brazil in August. With the H&M brand's global strength and a locally relevant customer offering, we have taken an important step into a large fashion market. We see good potential to grow both in Brazil and elsewhere in Latin America.

In September we opened a new flagship store in Le Marais, Paris, with a specially curated assortment, presentation and interior design concept. This is a good example of how we are developing the customer experience but also

strengthening our brand. Another example is the upgrade of our digital store that was rolled out earlier this year. We are getting positive feedback from our customers and can see that the digital store has made an important contribution to the profitable growth in the quarter. We continue to focus fully on updating a large part of our stores globally, with improvements in layout, presentation and tech to further enhance the customer experience, while at the same time the physical and digital channels strengthen and complement each other.

In an environment of ongoing uncertainty with cautious consumers, all of us within the H&M group are consistently focusing on our customer offering – always giving the best value for money. Our strong culture, together with good cost control and flexibility, allows us to continue building a stable foundation for long-term, profitable and sustainable growth in an increasingly complex environment, while taking additional important steps towards our ambitious sustainability goals.



The launch event in São Paulo for the opening of the first H&M store, and online in Brazil.

Sales

Sales in local currencies increased by 2 percent in the third quarter, with 4 percent fewer stores at the end of the quarter compared with the same point in time last year. Converted into SEK, net sales amounted to SEK 57,017 m (59,011). Net sales in SEK were negatively affected by a currency translation effect of around 5 percentage points due to the strengthened Swedish krona.

The continued optimisation of the store portfolio has a negative impact on sales in the short term, with the closure of stores that are not sufficiently profitable, but new more profitable stores are successively being opened, which further strengthens the H&M group's long-term position. At the beginning of the third quarter there were 153 fewer stores than at the same point in time last year and at the end of the quarter there were 180 fewer stores than at the same point in time last year.

In local currencies, net sales increased by 2 percent in the first nine months of the financial year. Converted into SEK, the H&M group's net sales amounted to SEK 169,064 m (172,285).

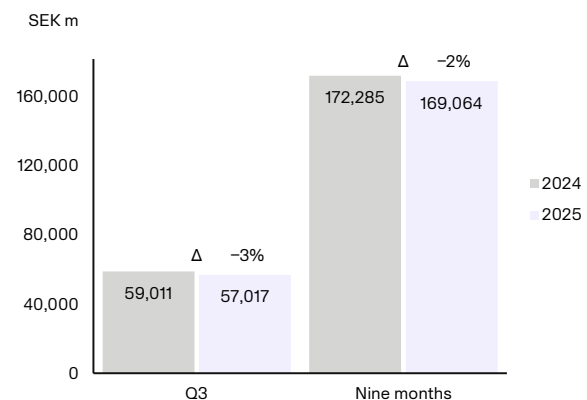
Online continued to perform well. Just over 30 percent of sales takes place online.

Net sales for portfolio brands increased in the third quarter by 1 percent in local currencies. This despite around

10 percent fewer stores at the end of the quarter compared with the same point in time the previous year. Converted into SEK, sales decreased by 4 percent. Net sales in the nine-month period increased by 1 percent in local currencies and decreased by 2 percent in SEK.

The autumn collections have been well received. In local currencies the H&M group's sales in the month of September 2025 are expected to be on par with the same month last year. Sales development in September 2025 should be seen in the light of high comparative figures from last year.

Net sales



Sales per region	Q3		Q3		Nine months		Nine months	
	SEK m		change in %		(Dec–Aug), SEK m		change in %	
	2025	2024	SEK	Local currencies	2025	2024	SEK	Local currencies
The Nordics	5,248	5,313	–1	0	15,014	15,500	–3	–2
Western Europe	19,863	19,731	1	3	57,762	57,496	0	2
Eastern Europe	5,425	5,417	0	3	15,251	15,559	–2	0
Southern Europe	7,946	8,252	–4	3	22,761	22,655	0	5
North and South America	12,085	13,124	–8	1	37,307	38,857	–4	2
Asia, Oceania and Africa	6,450	7,174	–10	–2	20,969	22,218	–6	–1
Total	57,017	59,011	–3	2	169,064	172,285	–2	2

Stores per region	Change in number of stores (net)		Number of stores	
	Nine months 2025	31 Aug 2025	31 Aug 2024	
The Nordics	–14	366	381	
Western Europe	–21	995	1,025	
Eastern Europe	–3	476	481	
Southern Europe	–14	560	593	
North and South America	–5	754	753	
Asia, Oceania and Africa	–78	967	1,065	
Total	–135	4,118	4,298	

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 increased to SEK 30,143 m (30,133) for the third quarter, corresponding to a gross margin of 52.9 percent (51.1).

The improvement work in the supply chain and external factors that influence purchasing costs strengthened the gross margin in the third quarter. Exchange rate gains also had a positive impact on the quarter's gross margin, while the same quarter last year was affected by exchange rate losses on intragroup liabilities and receivables.

The cost of markdowns in relation to sales was marginally higher than in the corresponding quarter last year.

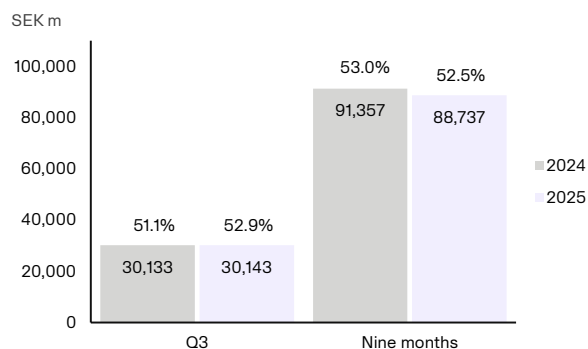
For the nine-month period gross profit amounted to SEK 88,737 m (91,357), corresponding to a gross margin of 52.5 percent (53.0).

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

somewhat positive compared with the corresponding period the previous year but less positive than the effect on the third quarter's gross margin, as tariff costs are expected to have an increased impact.

The cost of markdowns as a percentage of sales in the fourth quarter is expected to be somewhat higher compared with the corresponding quarter the previous year, partly because Black Friday falls one day earlier than in the previous year.

Gross profit and gross margin



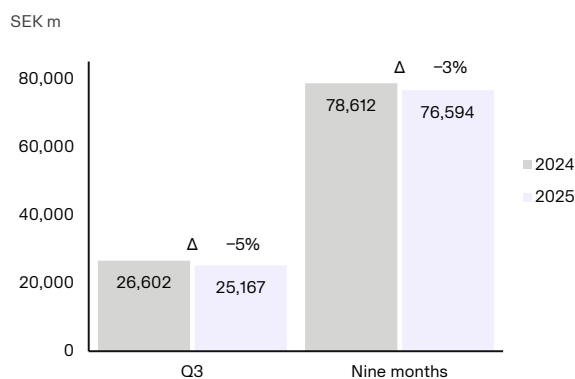
Selling and administrative expenses

Selling and administrative expenses in the third quarter decreased by 5 percent to SEK 25,167 m (26,602). As a result of good operational cost control, selling and administrative expenses were able to be reduced by 1 percent in local currencies. This despite inflationary pressures in the cost base.

In the third quarter last year, selling and administrative expenses were affected by wind down costs for Afound and a higher level of marketing costs.

For the nine-month period, selling and administrative expenses amounted to SEK 76,594 m (78,612). In local currencies these expenses were on par with the previous year.

Selling and administrative expenses



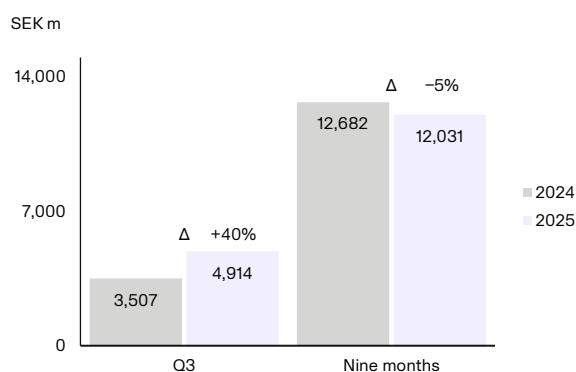
Operating profit and operating margin

Operating profit increased to SEK 4,914 m (3,507), corresponding to an operating margin of 8.6 percent (5.9). An improved customer offering, an improved gross margin and good cost control have contributed to the increase in profit in the quarter.

Translation of the quarter's sales and expenses from local currencies resulted in lower reported amounts in SEK and had a negative impact on the operating margin in the quarter, 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 nine-month period amounted to SEK 12,031 m (12,682), corresponding to an operating margin of 7.1 percent (7.4).

Operating profit



Stock-in-trade

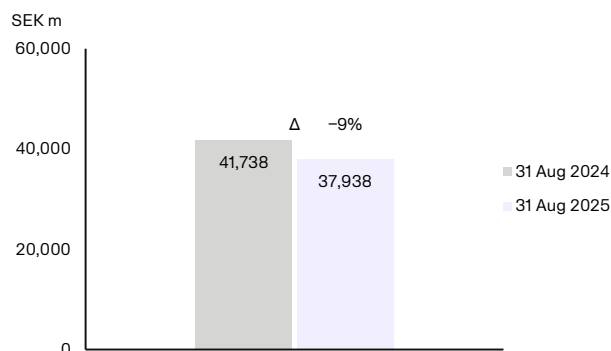
The stock-in-trade decreased by 9 percent to SEK 37,938 m (41,738). Currency adjusted the stock-in-trade decreased by 3 percent compared with the previous year.

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

The stock-in-trade in SEK represented 16.4 percent (17.8) of rolling 12 months sales.

The investments in the supply chain and the integration of the sales channels continue. With a higher share of product purchases in current season, and a more efficient and more flexible supply chain, there are opportunities for improvement of the stock-in-trade position again in the fourth quarter 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 in 2025 to provide an even more inspiring shopping experience. 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. During the year work continues to update a large part of the stores through improvements in layout, presentation and tech, to further strengthen the customer experience and the interaction between our channels.

The continued optimisation of the store portfolio has a negative impact on sales in the short term, with the closure of stores that are not sufficiently profitable, but new more profitable stores are successively being opened, which further strengthens the H&M group's long-term position. Just over 200 stores are scheduled for closure during 2025, mainly in established markets. The closures include a large number of Monki stores. Some of these will be converted into Weekday stores. For 2025 the plan is to open more than 80 new stores. Most of the openings will be in growth markets.

The company is continuing its expansion in Latin America. H&M opened in Brazil at the end of August, with its first store as well as online, soon to be followed by a further two stores opening in the fourth quarter of 2025. Four more stores in Brazil, with the first in Rio de Janeiro, are so far contracted to open in 2026. H&M also opened its first store in El Salvador via franchise in September and in addition will open in Venezuela via franchise in the fourth quarter of 2025. Paraguay will become a new H&M market in 2026, and H&M will also open its first store in Malta via franchise in the first half of 2026.

Arket opened on the marketplace 29CM.com in South Korea in the third quarter. & Other Stories and Arket will be launched on Zalando in October 2025. COS is opening its first store in India in the fourth quarter of 2025.

Store count and markets by brand

As at 31 August 2025 the H&M group had 4,118 (4,298) stores, i.e. the total number of stores has decreased by 180 stores compared with the same point in time the previous year, which corresponds to a reduction of around 4 percent. During the first nine months of the current financial year 36 (61) new stores have opened and 171 (132) stores have closed. A total of 253 (259) of the group's stores are operated by franchise partners.

Number of stores	Change in number of stores (net)		Number of stores		Number of markets	
	Q3 2025	Nine months	31 Aug 2025	31 Aug 2024	31 Aug 2025	
					Store	Online
H&M	-26	-97	3,680	3,814	79	61
COS	-1	0	238	236	48	38
Monki	-15	-31	17	56	9	29
Weekday	-3	-3	43	47	14	29
& Other Stories	-3	-4	66	71	25	32
ARKET	0	2	42	39	19	31
Afound	0	0	0	0	0	0 ¹
H&M HOME ²	0	-2	32	35	15	45
Sellpy	0	0	0	0	0	24
Total	-48	-135	4,118	4,298		

1. Afound had 7 online markets as at 31 August 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 nine-month period amounted to SEK 22,714 m (24,782). Compared with the previous year, cash flow was positively affected mainly by lower stock-in-trade and negatively mainly by higher tax payments and lower operating liabilities.

The H&M group's liquidity remains very good. As at 31 August 2025 cash and cash equivalents amounted to SEK 20,363 m (23,698). In addition, the group has undrawn credit facilities of SEK 19,853 m (18,140). The total liquidity buffer, i.e. cash and cash equivalents plus undrawn credit facilities, amounted to SEK 40,216 m (41,838).

Operating working capital

Operating working capital amounted to SEK 19,859 m (18,875). In the third quarter changes in working capital

made a positive contribution to cash flow of SEK 1,684 m (27), mainly driven by the decrease in stock-in-trade.

Financing

Net debt including lease liabilities in relation to EBITDA amounted to 1.4 (1.3) with a net cash position of SEK 3,257 m (9,396). 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 17,106 m (14,303) as at 31 August 2025. The average maturity of interest-bearing liabilities was 4.0 (5.5) years.

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

Operating working capital	2025-08-31	2024-08-31	2024-11-30
SEK m			
Accounts receivable	4,084	2,969	5,631
Stock-in-trade	37,938	41,738	40,348
Accounts payable	-22,163	-25,832	-24,417
Total operating working capital	19,859	18,875	21,562

Liquidity and debt financing	Commercial papers	Bonds (EMTN)	Loans from credit institutions	Unused credit facilities
Year				
2025	1,500	–	304	–
2026	–	–	2,293	2,206
2027	–	–	–	3,309
2028	–	–	118	–
2029	–	5,515	–	14,338
2030	–	–	1,500	–
2031	–	5,876	–	–
Total SEK m	1,500	11,391	4,215	19,853

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) was 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

During the period 26 June – 17 July 2025 the group repurchased shares as part of the share buyback programme initiated by the board of directors to secure delivery of class B shares for the company's long-term incentive programme (LTIP 2025). In total 1,100,000 class B shares were repurchased for a total sum of SEK 149,421,284.39.

Current quarter

The autumn collections have been well received. In local currencies the H&M group's sales in the month of September 2025 are expected to be on par with the same month last year. Sales development in September 2025 should be seen in the light of high comparative figures from last year.

The cost of markdowns as a percentage of sales in the fourth quarter is expected to be somewhat higher compared with the corresponding quarter the previous year, partly because Black Friday falls one day earlier than in 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 nine-month report

The nine-month report, i.e., 1 December 2024 – 31 August 2025, will be published at 08:00 CEST on 25 September 2025, followed by a telephone conference at 09:00 CEST for the financial market and media. The telephone conference will be held in English, hosted by CEO Daniel Ervér, CFO Adam Karlsson and Head of IR Joseph Ahlberg.

For log in details for the telephone conference please register via this link:
<https://app.webinar.net/AyMP5R65YbW>

To book interviews for media in conjunction with the nine-month report on 25 September 2025, please contact:
Anna Frosch Nordin, Head of Media Relations, telephone +46 73 432 93 14, anna.froschnordin@hm.com.

Calendar

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

Stockholm, 24 September 2025
Board of Directors

Contact

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For more information about the H&M group visit
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 25 September 2025. This interim report and other information about the H&M group are available at 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.

Review report

H & M Hennes & Mauritz AB (Publ), corporate identity number 556042-7220

Introduction

We have reviewed the interim report for H&M Hennes & Mauritz AB (publ) for the period December 1, 2024 – August 31, 2025. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 24 September 2025

Deloitte AB

Didrik Roos
Authorized Public Accountant

Group income statement in summary

SEK m	Note	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
		2025	2024	2025	2024	2024
Net sales	3	57,017	59,011	169,064	172,285	234,478
Cost of goods sold	4	–26,874	–28,878	–80,327	–80,928	–109,179
Gross profit		30,143	30,133	88,737	91,357	125,299
<i>Gross margin, %</i>		<i>52.9</i>	<i>51.1</i>	<i>52.5</i>	<i>53.0</i>	<i>53.4</i>
Selling expenses	4	–22,700	–24,167	–68,942	–70,704	–97,153
Administrative expenses	4	–2,467	–2,435	–7,652	–7,908	–10,762
Result from investments in associated companies and joint ventures		–62	–24	–112	–63	–78
Operating profit		4,914	3,507	12,031	12,682	17,306
<i>Operating margin, %</i>		<i>8.6</i>	<i>5.9</i>	<i>7.1</i>	<i>7.4</i>	<i>7.4</i>
Net financial items		–592	–422	–1,656	–1,323	–1,863
Profit after financial items		4,322	3,085	10,375	11,359	15,443
Tax ¹		–1,110	–779	–2,622	–2,758	–3,859
PROFIT FOR THE PERIOD¹		3,212	2,306	7,753	8,601	11,584
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB ¹		3,229	2,318	7,796	8,634	11,621
Non-controlling interest		–17	–12	–43	–33	–37
Earnings per share, SEK ^{1 2}		2.01	1.44	4.86	5.35	7.21
Average number of shares outstanding, thousands ²		1,603,820	1,610,542	1,604,266	1,612,843	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	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
		2025	2024	2025	2024	2024
PROFIT FOR THE PERIOD¹		3,212	2,306	7,753	8,601	11,584
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
Translation differences		98	–1,099	–3,277	–574	717
Change in hedging reserves		–585	1,144	550	205	–589
Tax attributable to change in hedging reserves		121	–235	–113	–42	121
Share of OCI related to associated companies and joint ventures		0	0	0	0	0
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit pension plans		6	–128	21	–185	–73
Tax related to the above remeasurement		–1	32	–5	46	18
Remeasurement of financial assets	2	–29	–36	–892	24	299
Other comprehensive income		–390	–322	–3,716	–526	493
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD¹		2,822	1,984	4,037	8,075	12,077
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB ¹		2,839	1,996	4,080	8,108	12,114
Non-controlling interest		–17	–12	–43	–33	–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	2025-08-31	2024-08-31	2024-11-30
ASSETS				
Non-current assets				
Intangible non-current assets		7,958	9,015	8,730
Right-of-use assets		52,042	53,639	57,062
Other property, plant and equipment		29,071	26,276	29,158
Non-current financial assets	2	2,457	2,960	3,288
Other non-current assets		5,658	6,924	6,249
		97,186	98,814	104,487
Current assets				
Stock-in-trade		37,938	41,738	40,348
Current receivables	2	16,374	16,373	18,039
Cash and cash equivalents		20,363	23,698	17,340
		74,675	81,809	75,727
TOTAL ASSETS		171,861	180,623	180,214

EQUITY AND LIABILITIES				
Equity ^{1 2}		39,217	43,238	46,211
Non-current leasing liabilities ³		45,447	46,337	50,361
Other non-current liabilities ^{1 3}		15,863	17,586	16,992
Current leasing liabilities ⁴		11,820	11,959	12,476
Other current liabilities ⁴		59,514	61,503	54,174
TOTAL EQUITY AND LIABILITIES		171,861	180,623	180,214

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 39,163 m (43,176) and to non-controlling interests to SEK 54 m (62).

3. Interest-bearing non-current liabilities amount to SEK 58,953 m (61,340) and excluding leases to SEK 13,506 m (14,779), of which provisions for pensions were SEK 498 m (701).

4. Interest-bearing current liabilities amount to SEK 11,820 m (11,959) and excluding leases to SEK 4,097 m (0).

Group changes in equity in summary

SEK m	2025-08-31	2024-08-31	2024-11-30
Shareholders' equity at the beginning of the financial year¹	46,211	47,510	47,510
Total comprehensive income for the period ¹	4,037	8,075	12,077
Transactions with non-controlling interests	28	0	-40
Dividend	-10,910	-10,468	-10,456
Repurchase of shares	-149	-1,879	-2,880
Shareholders' equity at the end of the period¹	39,217	43,238	46,211

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	Nine months (Dec–Aug)	Nine months (Dec–Aug)
	2025	2024
Operating activities		
Profit after financial items ¹	10,375	11,359
Adjustment for non-cash items		
– Provisions for pensions	84	141
– Other provisions	–5	367
– Depreciation, amortisation and write-downs	15,860	16,278
– Other non-cash items	112	63
Taxes paid	–2,921	–1,333
Cash flow from operating activities before changes in working capital	23,505	26,875
Cash flow from changes in working capital		
Operating receivables	–396	23
Stock-in-trade	785	–4,708
Operating liabilities	–1,180	2,592
Cash flow from operating activities	22,714	24,782
Investing activities		
Investments in intangible fixed assets	–997	–1,010
Investments in tangible fixed assets	–6,248	–6,049
Other investments	–137	–514
Cash flow from investing activities	–7,382	–7,573
Financing activities		
Change in interest-bearing liabilities	3,462	–3,057
Amortisation lease	–9,287	–9,467
Capital contributions non-controlling interests	28	0
Dividend	–5,455	–5,235
Repurchase of shares	–149	–1,927
Cash flow from financing activities	–11,401	–19,686
CASH FLOW FOR THE PERIOD	3,931	–2,477
Cash and cash equivalents at beginning of the financial year	17,340	26,398
Cash flow for the period	3,931	–2,477
Exchange rate effect	–908	–223
Cash and cash equivalents at end of the period	20,363	23,698

1. Interest paid for the group amounts to SEK 477 m (520). Interest expense related to leases amounts to SEK 1,478 m (1,493) for the group. Received interest for the group amounts to SEK 298 m (690).

Five year summary

Nine months, 1 December – 31 August

	2021	2022	2023	2024	2025
Net sales, SEK m	142,154	161,120	173,385	172,285	169,064
Change net sales from previous year in SEK, %	6	13	8	–1	–2
Change net sales previous year in local currencies, %	13	8	0	0	2
Operating profit, SEK m	8,996	6,348	10,205	12,682	12,031
Operating margin, %	6.3	3.9	5.9	7.4	7.1
Depreciation, amortisation and write-downs for the period, SEK m	16,781	16,788	16,725	16,278	15,860
Profit after financial items, SEK m	8,297	5,753	9,094	11,359	10,375
Profit after tax, SEK m ¹	6,389	4,430	7,147	8,601	7,753
Cash and cash equivalents, SEK m	35,298	27,547	24,971	23,698	20,363
Stock-in-trade, SEK m	36,867	47,141	40,358	41,738	37,938
Equity, SEK m ¹	64,409	54,071	47,878	43,238	39,217
Average number of shares outstanding, thousands ²	1,655,072	1,653,960	1,629,687	1,612,843	1,604,266
Earnings per share, SEK ^{1 2}	3.86	2.68	4.39	5.35	4.86
Cash flow from operating activities per share, SEK ²	22.48	11.02	15.18	15.37	14.16
Number of shares outstanding as of the closing day, thousands ²	1,655,072	1,645,494	1,629,687	1,610,542	1,603,391
Equity per share, SEK ^{1 2}	38.92	32.86	29.38	26.85	24.46
Share of risk-bearing capital, % ¹	36.9	30.4	27.3	25.3	24.1
Equity/assets ratio, % ¹	34.8	28.2	25.5	23.9	22.8
Total number of stores	4,856	4,664	4,375	4,298	4,118
Rolling 12 months					
Average number of shares outstanding, thousands ²	1,655,072	1,654,237	1,637,189	1,616,373	1,605,254
Earnings per share, SEK ^{1 2}	5.36	5.47	3.84	6.32	6.72
Return on equity, % ¹	15.1	15.3	12.3	22.3	26.0
Return on capital employed, % ¹	9.6	10.1	9.3	15.0	14.9

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	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
Net sales	591	593	1,706	1,721	2,364
Gross profit	591	593	1,706	1,721	2,364
Administrative expenses	–32	–34	–110	–133	–170
Operating profit	559	559	1,596	1,588	2,194
Net financial items ¹	537	940	952	1,435	10,060
Profit after financial items	1,096	1,499	2,548	3,023	12,254
Year-end appropriations	–	–	–	–	–1,287
Tax	–115	–90	–317	–312	–217
PROFIT FOR THE PERIOD	981	1,409	2,231	2,711	10,750

1. Revenue from interests in group companies is included for the quarter at SEK 534 m (1,066) and for the nine-month period at SEK 1,009 m (1,617).

Parent company statement of comprehensive income

SEK m	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
PROFIT FOR THE PERIOD	981	1,409	2,231	2,711	10,750
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit pension plans	2	–7	4	–7	–14
Tax related to the above remeasurement	–1	1	–1	1	3
Other comprehensive income	1	–6	3	–6	–11
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	982	1,403	2,234	2,705	10,739

Parent company balance sheet in summary

SEK m	2025-08-31	2024-08-31	2024-11-30
ASSETS			
Non-current assets			
Property, plant and equipment	123	133	130
Other non-current assets	1,464	2,043	1,463
	1,587	2,176	1,593
Current assets			
Current receivables	25,524	23,557	26,942
Cash and cash equivalents	4	0	–
	25,528	23,557	26,942
TOTAL ASSETS	27,115	25,733	28,535
EQUITY AND LIABILITIES			
Equity	4,938	6,717	13,763
Untaxed reserves	17	17	17
Non-current liabilities ¹	12,532	13,327	13,176
Current liabilities ²	9,628	5,672	1,579
TOTAL EQUITY AND LIABILITIES	27,115	25,733	28,535

1. All non-current liabilities are interest-bearing.

2. Interest-bearing current liabilities amount to SEK 3,500 m (0). 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 2,303 m (2,691) as at 31 August 2025, the largest investments being Klarna at SEK 847 m (766), Sheertex at SEK 164 m (575) and Instabee at SEK 155 m (188). The effect of measurement of the group's other shares and interests is reported in other comprehensive income and amounts to SEK -29 m (-36) for the third quarter.

Currency derivatives are measured at fair value based on level 2 inputs in the IFRS 13 hierarchy. As at 31 August 2025 forward contracts with a positive market value amount to SEK 570 m (753), reported under other current receivables. Forward contracts with a negative market value amount to SEK 843 m (778), 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 August 2025 the nominal amount of outstanding interest rate swaps was SEK 0 m (554).

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

	Nine months (Dec–Aug)	Nine months (Dec–Aug)
SEK m	2025	2024
Asia and Oceania		
External net sales	20,022	21,343
Operating profit	244	786
Operating margin, %	1.2	3.7
Europe and Africa¹		
External net sales	111,735	112,084
Operating profit	5,623	4,771
Operating margin, %	5.0	4.3
North and South America		
External net sales	37,307	38,858
Operating profit	1,111	597
Operating margin, %	3.0	1.5
Group Functions		
Net sales to other segments	54,975	57,709
Operating profit	5,053	6,528
Operating margin, %	9.2	11.3
Eliminations		
Net sales to other segments	–54,975	–57,709
Total		
External net sales	169,064	172,285
Operating profit	12,031	12,682
Operating margin, %	7.1	7.4
Net financial items	–1,656	–1,323
Profit after financial items	10,375	11,359

1. South Africa

Note 4. Depreciations, amortisations and write-downs

SEK m	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
	2025	2024	2025	2024	2024
DEPRECIATIONS AND AMORTISATIONS					
Intangible non-current assets and property, and equipment excluding right-of-use assets					
Cost of goods sold	236	253	709	721	965
Selling expenses	1,618	1,790	5,006	5,395	7,236
Administrative expenses	94	96	284	287	383
Total	1,948	2,139	5,999	6,403	8,584
Right-of-use assets					
Cost of goods sold	299	319	891	968	1,262
Selling expenses	2,733	2,823	8,356	8,530	11,322
Administrative expenses	111	93	343	304	430
Total	3,143	3,235	9,590	9,802	13,014
Total depreciations and amortisations	5,091	5,374	15,589	16,205	21,598
WRITE-DOWNS AND LOSSES AT DISPOSALS					
Intangible non-current assets and property, and equipment excluding right-of-use assets					
Cost of goods sold	6	20	40	25	80
Selling expenses	85	34	211	21	266
Administrative expenses	0	5	8	14	20
Total	91	59	259	60	366
Right-of-use assets					
Cost of goods sold	–	–	–	–	–
Selling expenses	–6 ¹	13	–9 ¹	13	288
Administrative expenses	–6 ¹	–	21	–	–
Total	–12	13	12	13	288
Total write-downs and losses at disposals	79	72	271	73	654
TOTAL DEPRECIATIONS, AMORTISATIONS, AND LOSSES AT DISPOSALS	5,170	5,446	15,860	16,278	22,252

1. Release of unused provisions for store closures.

Note 5. Restated figures attributable to amendments to IAS 12

Equity as at 31 August 2024 and profit for the third quarter and for the nine-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	Q3 (Jun–Aug)		
	New restated value	Reported value	Change, SEK m
	2024, SEK m	2024, SEK m	
Tax	–779	–778	–1
Profit after tax/profit for the period	2,306	2,307	–1
Total comprehensive income	1,984	1,985	–1
Profit for the period attributable to the shareholders of H & M Hennes & Mauritz AB	2,318	2,319	–1
Total comprehensive income attributable to the shareholders of H & M Hennes & Mauritz AB	1,996	1,997	–1
Earnings per share, SEK	1.44	1.44	0.00

Group income statement and balance sheet	Nine months (Dec–Aug)		
	New restated value	Reported value	Change, SEK m
	2024, SEK m	2024, SEK m	
Tax	–2,758	–2,856	98
Profit after tax/profit for the period	8,601	8,503	98
Total comprehensive income	8,075	7,977	98
Profit for the period attributable to the shareholders of H & M Hennes & Mauritz AB	8,634	8,536	98
Total comprehensive income attributable to the shareholders of H & M Hennes & Mauritz AB	8,108	8,010	98
Other non-current liabilities	17,586	17,593	–7
Shareholders' equity at the beginning of the financial year	47,510	47,601	–91
Equity	43,238	43,231	7
Earnings per share, SEK	5.35	5.29	0.06

Key financial ratios	Nine months (Dec–Aug)	
	New restated value	Reported value
	2024	2024
Equity per share, SEK	26.85	26.84
Return on equity, %	22.3	22.1
Return on capital employed, %	15.0	15.0
Share of risk-bearing capital, %	25.3	25.3
Equity-asset ratio, %	23.9	23.9
Earnings per share, SEK ¹	6.32	6.26

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.



ARKET



&OTHER
STORIES





WEEKDAY





H&M

