H&M GROUP
Nine–month report
2026

Webcast and telephone conference

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The quarter in brief

→ Our long-term efforts have created a stronger and more profitable business

→ 10.6%* operating margin (8.6) in Q3
→ 9.0% operating margin over last 12 months (7.2)

→ 1% increase in sales in local currencies in Q3
→ 1% increase in sales estimated in September

** Including a positive one-off effect related to tariffs and goods imports*

Elevating our customer offering



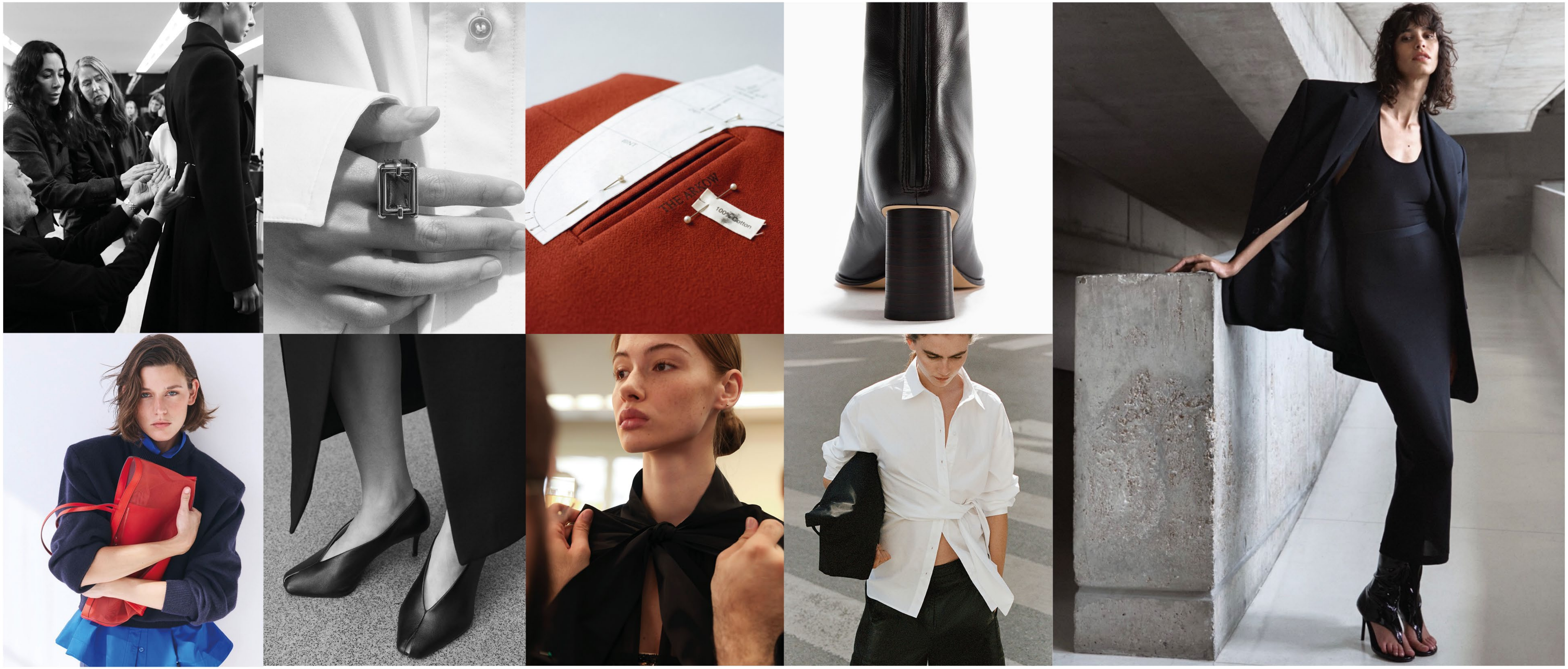

→ A firm focus on our strategic priorities – product, experience and brand

→ Improving relevance and precision across the value chain

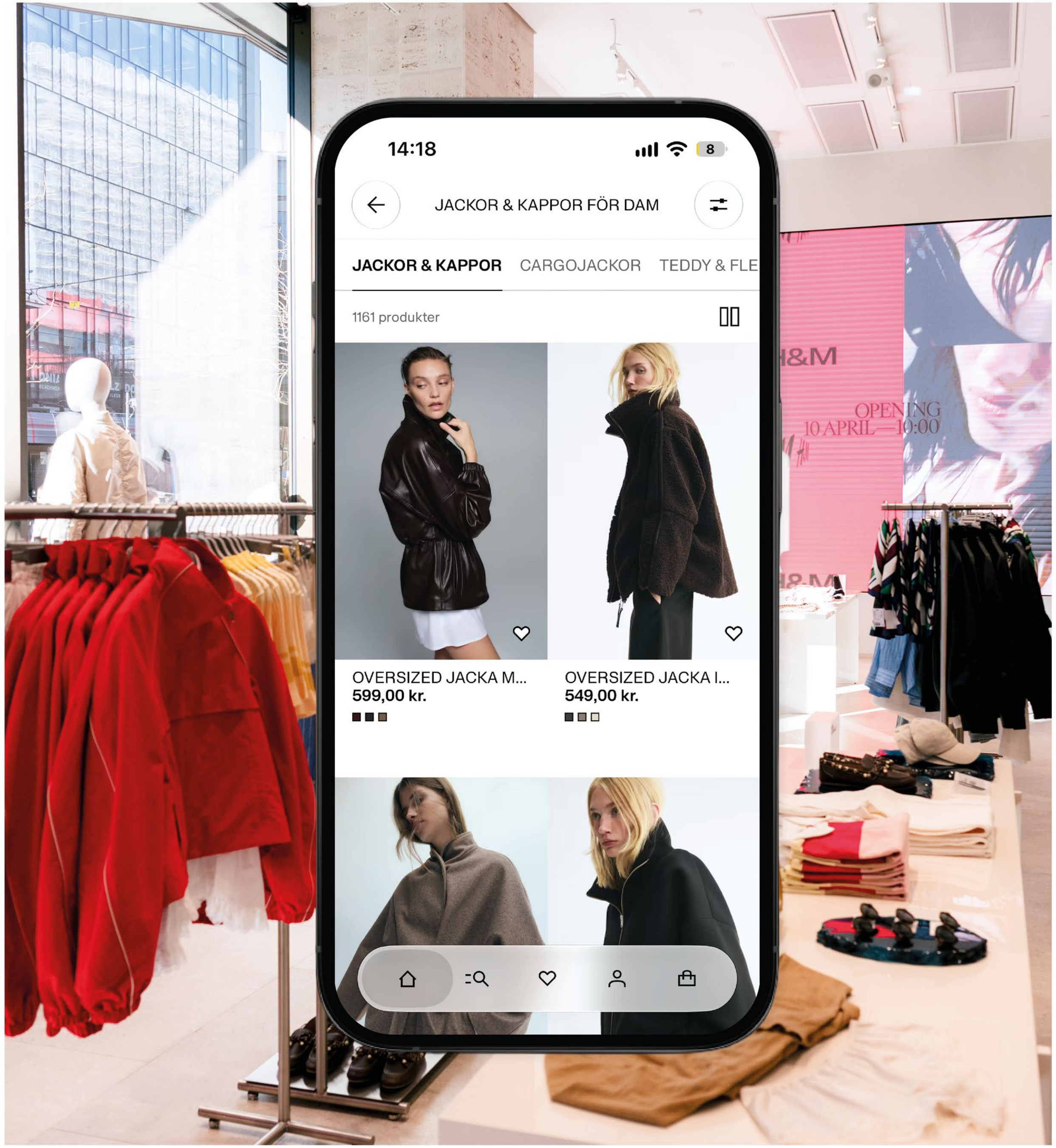
→ A faster, more flexible and customer-focused operation

Fashion and quality at the best price

→ Increased speed and responsiveness longer-term, with growing share of in-season buying
→ Enhanced quality and even more value for money
→ Decisions closer to customers, supported by data-driven insights



Relevant in every touchpoint



Creating a more seamless experience through:

→ A more productive store portfolio

→ Store tech upgrades

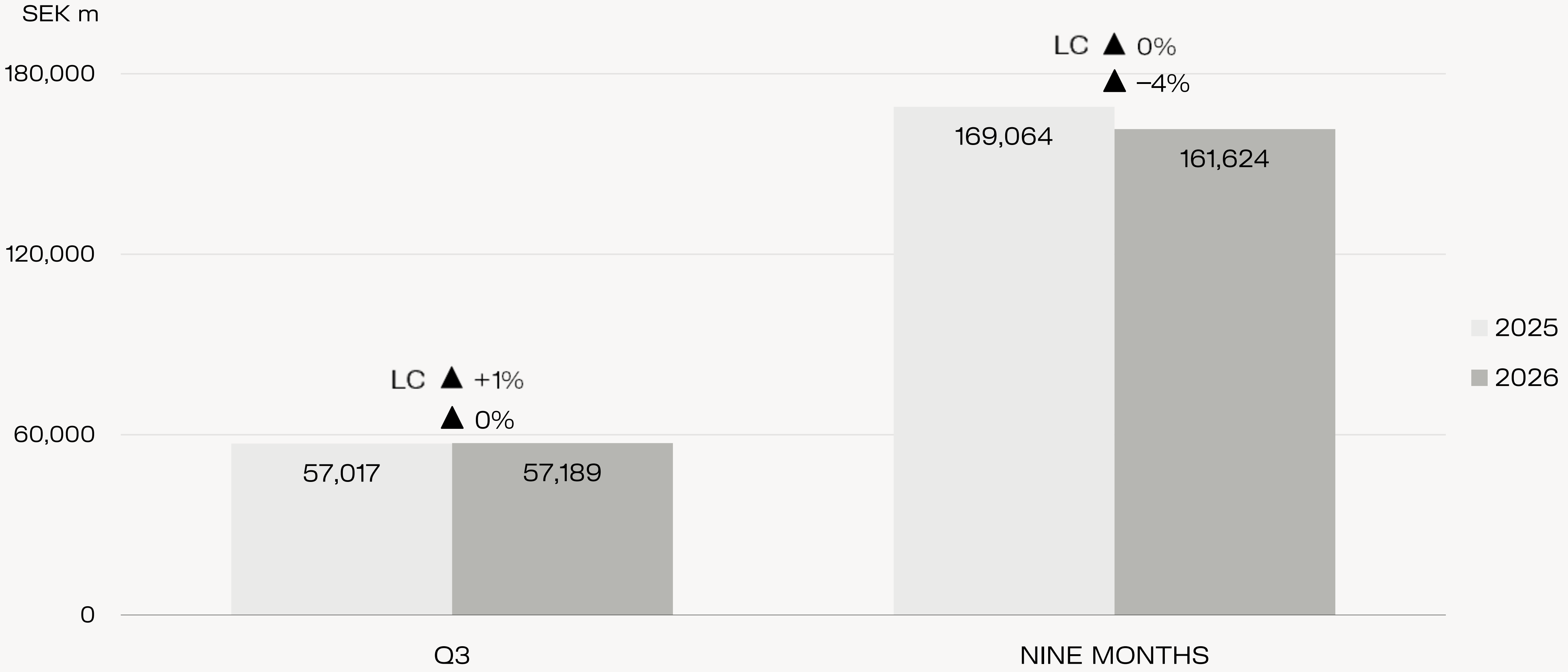
→ Stronger online personalisation and integration

Strengthening our brands through creativity, collaboration and innovation

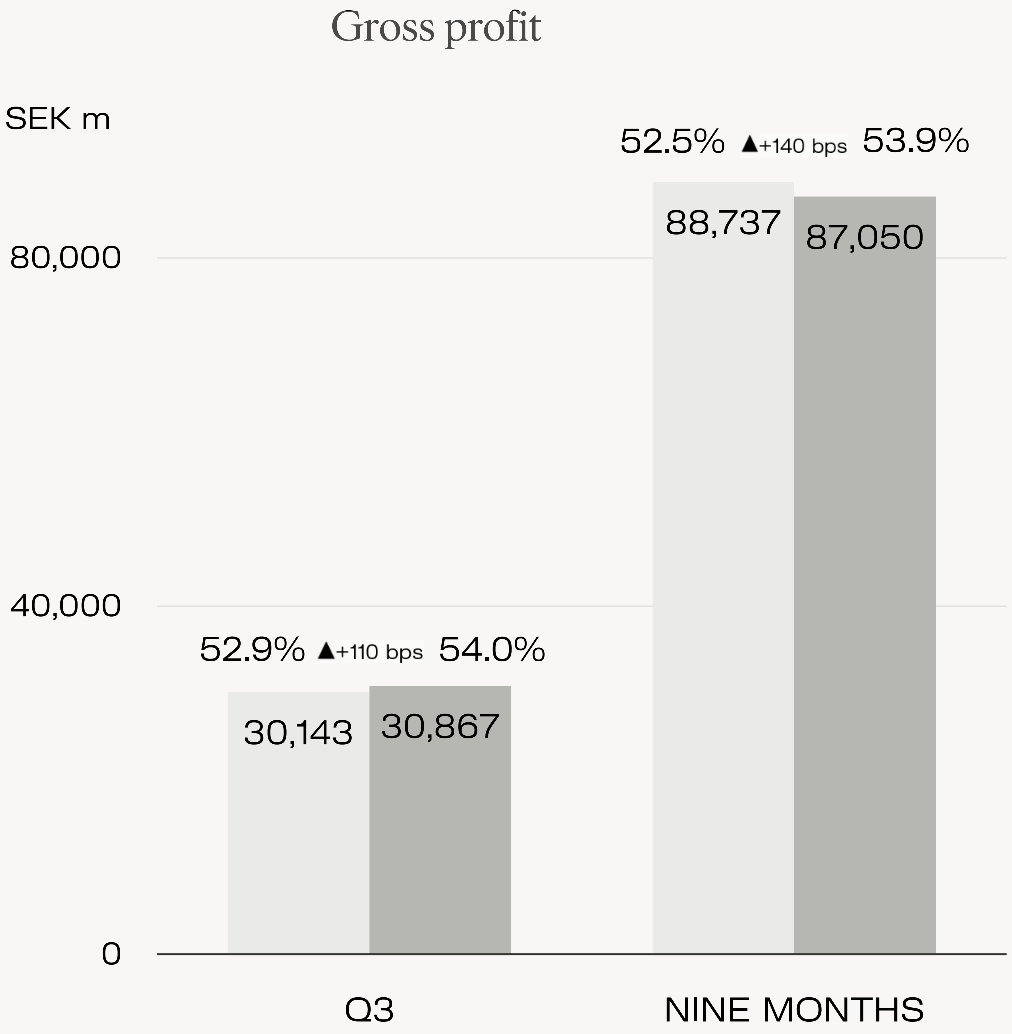
→ Making great fashion more accessible, with in-house design and strategic collaborations
→ Building stronger customer connections across audiences

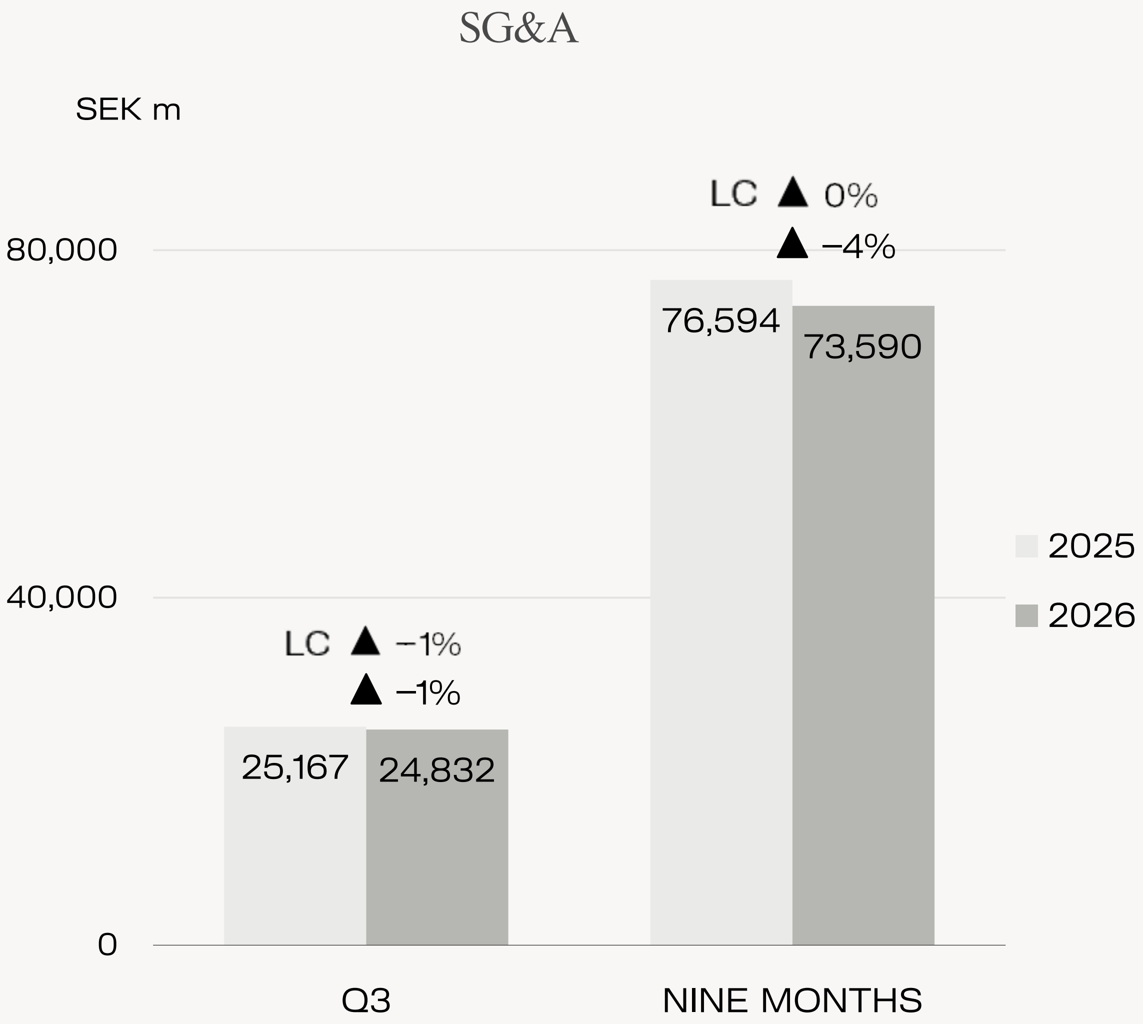
A return to growth in the quarter

→ Sales increased by 1% in local currencies, with year-on-year growth in five out of six regions



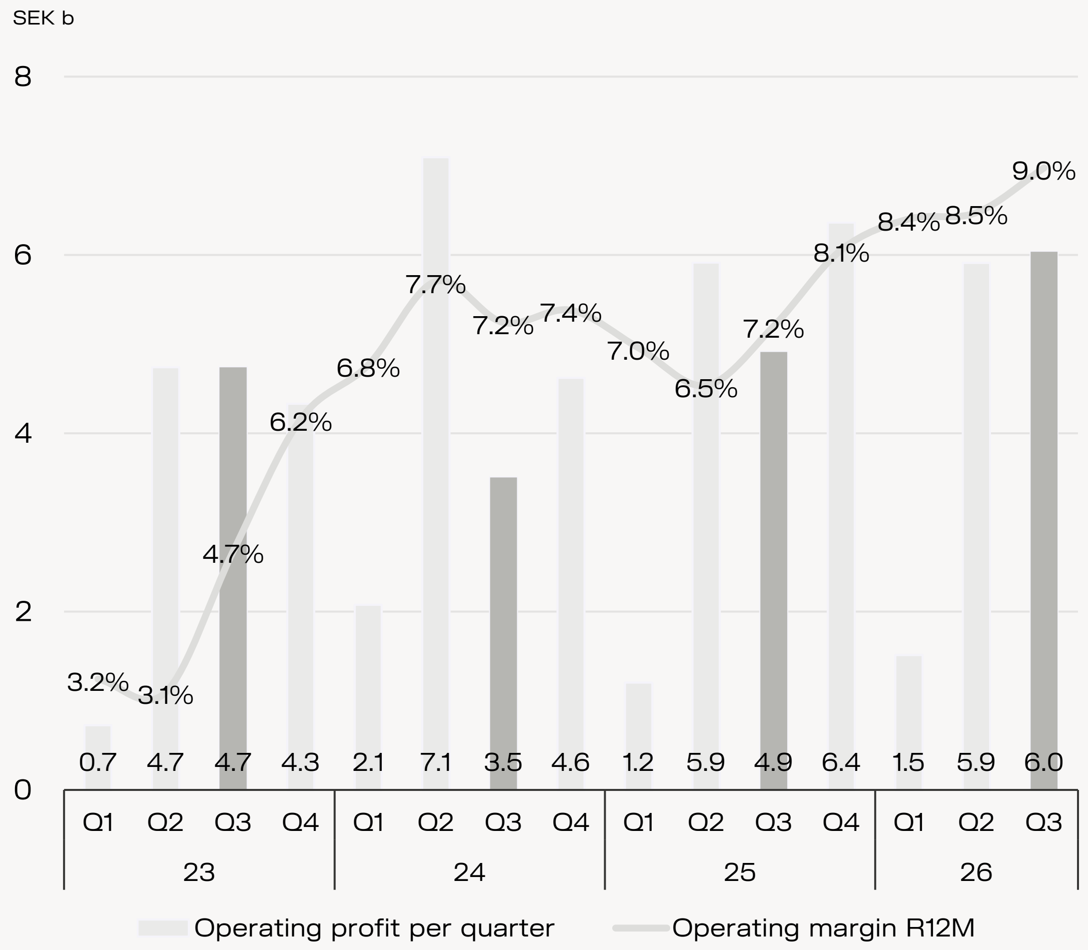
Disciplined cost control and solid profit development

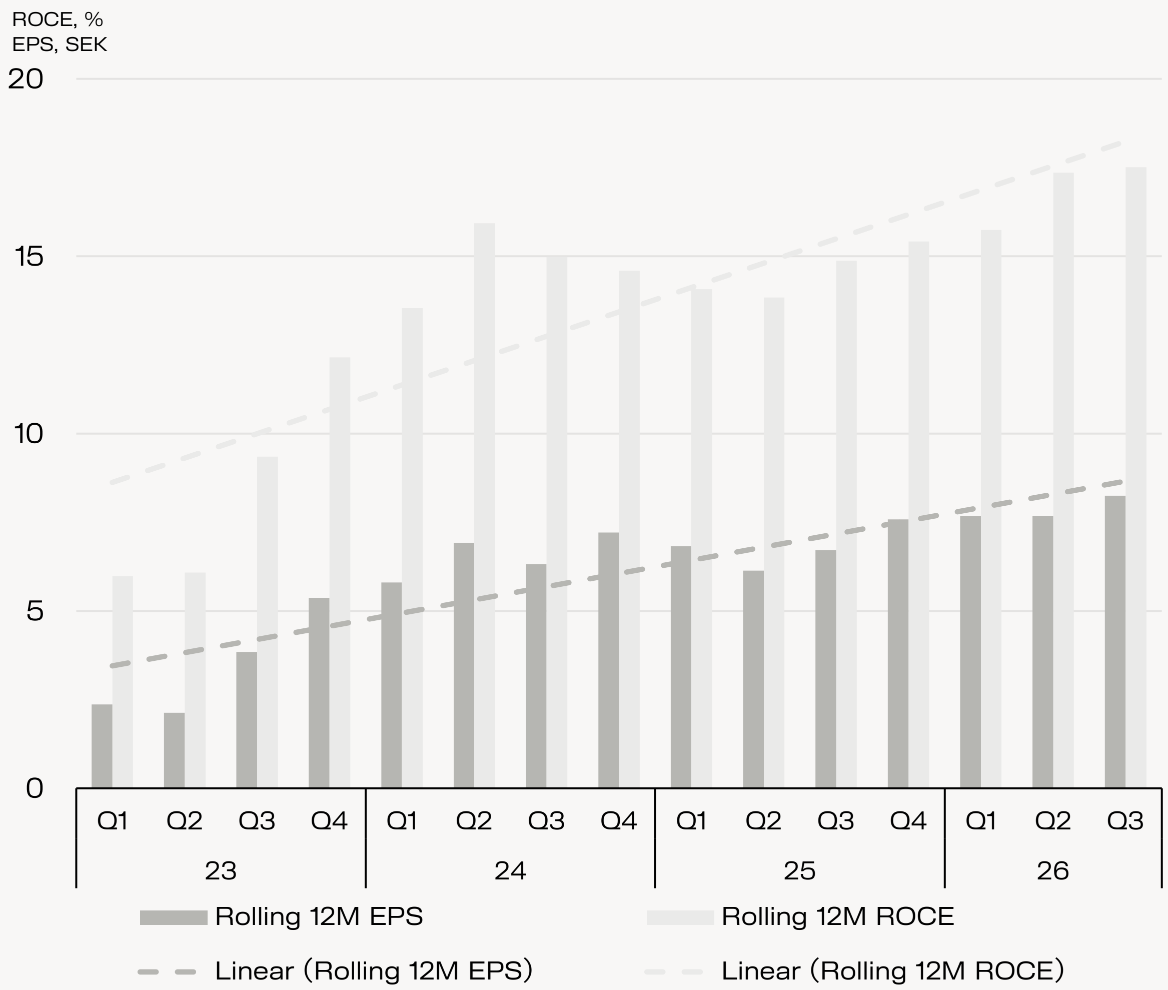




A stronger and more resilient H&M group

→ EBIT reached 9% with a gross margin of 54.4% over rolling 12 months
→ EPS rolling 12 months grew by 23% vs LY, and was the main driver for the ROCE improvement of 18%





Financial Outlook

Gross margin

→ External factors expected to be somewhat negative in Q4, with higher cost for transport

→ Markdowns are expected to be somewhat higher in Q4 than in the same period last year

Selling and administrative expenses

→ Somewhat increased cost pressure for remainder of the year

→ Ambition to grow SG&A at the low end of the guided range for the FY 2026 of low single digit growth in local currencies

Inventory

→ Delays from Q3 affecting opening balance in Q4

→ Prudent buying for US in comp figures from H2 2025

Capital expenditure

→ Lower end of investment frame of 9-10 SEK billion

→ Focus on store portfolio and tech infrastructure

Cash flow

→ Majority of remaining provisions recognized in Q2 expected to be settled in the fourth quarter

Business Outlook

→ Creating even greater customer value through product, experience and brand

→ Increasing speed and precision across the value chain

→ Relevant in every touchpoint, with the latest fashion and current essentials


Q&A

Thank you

This presentation is developed as supporting material for the third quarter results. In case of any discrepancy between this presentation and the report, the Swedish original nine-month report shall prevail.