H&M GROUP NINE-MONTH REPORT 2026

H & M Hennes & Mauritz AB
Nine-month report 2026

"Our work – especially within purchasing, cost control and more efficient operations – has contributed to a more profitable business. Although sales developed in a positive direction during the quarter, we see further potential to increase sales going forward," says Daniel Ervér, CEO

Third quarter (1 June 2026— 31 August 2026)

- Net sales increased to SEK 57,189 m (57,017) in the third quarter. Sales in local currencies increased by 1 percent compared with the previous year, with around 2 percent fewer stores at the end of the quarter compared with the same point in time last year.
- Gross profit increased to SEK 30,867 m (30,143), which corresponds to a gross margin of 54.0 percent (52.9). The gross margin for the quarter was positively affected by one-time effects of approximately 1.6 percentage points from tariffs and goods imports that had increased the cost of goods sold in previous quarters.
- Selling and administrative expenses decreased by 1 percent to SEK 24,832 m (25,167). In local currencies these expenses decreased by 1 percent.
- Operating profit increased to SEK 6,037 m (4,914), corresponding to an operating margin of 10.6 percent (8.6). The operating margin in the quarter was positively affected by one-time effects of approximately 1.6 percentage points from tariffs and goods imports that had increased the cost of goods sold in previous quarters.
- The result after tax increased to SEK 4,098 m (3,212), corresponding to SEK 2.58 (2.01) per share.
- Cash flow from operating activities increased by 19 percent to SEK 11,908 m (9,985).
- Stock-in-trade amounted to SEK 39,355 m (37,938) and the composition of the stock-in-trade is good. The increase in the stock-in-trade is explained by the increased value of goods in transit, which is due to disruption in global supply chains as well as temporary effects from the consolidation work in the European logistics network.

Nine months (1 December 2025— 31 August 2026)

- The H&M group's net sales amounted to SEK 161,624 m (169,064). In local currencies net sales were in line with the first nine months of the previous financial year.
- Gross profit amounted to SEK 87,050 m (88,737), which corresponds to a gross margin of 53.9 percent (52.5).
- Selling and administrative expenses decreased by 4 percent to SEK 73,590 m (76,594). In local currencies these expenses were at the same level as in the previous year.
- Operating profit increased to SEK 13,462 m (12,031), corresponding to an operating margin of 8.3 percent (7.1).
- The result after tax increased to SEK 8,765 m (7,753), corresponding to SEK 5.53 (4.86) per share.
- Cash flow from operating activities increased by 17 percent to SEK 26,524 m (22,714).

54.4%	9.0%	+17%
Gross margin, rolling 12 months (53.0%)	**Operating margin rolling 12 months (7.2%)**	**Cash flow from operating activities, nine months**

Current quarter sales

- The H&M group's sales in the month of September 2026 are expected to increase by 1 percent in local currencies compared with the same month the previous year.

Comments by Daniel Ervér, CEO

Our work – especially within purchasing, cost control and more efficient operations – has contributed to a more profitable business. Although sales developed in a positive direction during the quarter, we see further potential to increase sales going forward.

Sales increased by 1 percent in local currencies. Our summer collections were well received and contributed to better sales development, particularly towards the end of the quarter. At the same time, sales were affected by, among other things, continued disruptions in the logistics network in Europe and in the global supply chain.

Operating profit including the positive one-time effect related to tariffs and goods imports strengthened to just over SEK 6 billion and the operating margin for the last 12-month period increased to 9.0 percent. The main driving forces behind the improved profitability over the past year is our work on purchasing, cost control and more efficient operations.

Work on our digital infrastructure took further steps during the quarter. Over time, this will give us better precision throughout the value chain, from product development and purchasing to allocation, marketing and sales. At the same time, we are making more decisions closer to the customer as the new simplified organisation comes into place.

We are also gradually increasing the proportion of in-season purchasing, to more quickly meet customers' demand for fashion and quality at the best price. Over time, this strengthens our position as a natural destination for both the latest fashion and timeless, updated key pieces. Through a more optimised store portfolio, more upgraded stores and a more personal digital experience, we are also elevating the customer experience as well as productivity in store and online.

As we move into autumn, the composition of the stock-in-trade is good and we are well placed to meet our customers' needs. At a time when consumers are affected by high living costs, we are gradually strengthening our customer offering through attractive and inspiring products, shopping experiences and brands. Initiatives in the supply chain, greater support from AI and committed employees allow us to increase relevance and precision throughout the business – which will help deliver even greater value for our customers.

Sales

Net sales increased to SEK 57,189 m (57,017) in the third quarter. Sales in local currencies increased by 1 percent compared with the previous year, with around 2 percent fewer stores at the end of the quarter compared with the same point in time last year. Net sales in SEK were negatively affected by a currency translation effect of just under 1 percentage point due to the strengthened Swedish krona.

To strengthen the H&M group's long-term position and profitability further, the optimisation of the store portfolio is continuing. More stores are being updated and new stores are being opened, while some stores are being closed. At the beginning of the third quarter there were 128 fewer stores than at the same point in time last year and at the end of the quarter there were 95 fewer stores than at the same point in time last year. The comparison with the previous year is affected by the closure of all Monki stores in 2025. For full-year 2026, the sales effect from store optimisation is expected to be slightly positive.

The H&M group's net sales during the first nine months of the financial year amounted to SEK 161,624 m (169,064). In local currencies net sales were in line with the first nine months of the previous financial year.

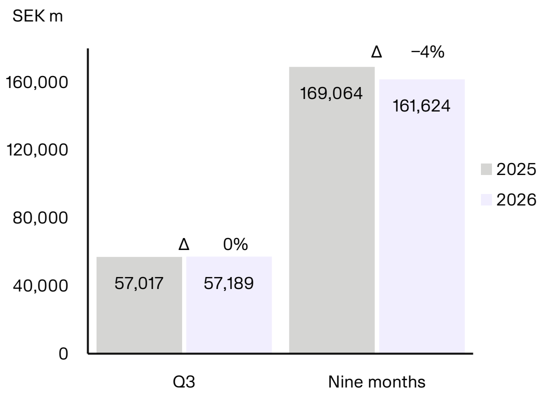
Online continued to grow. Just over 30 percent of sales takes place online.

For portfolio brands, net sales increased in the third quarter by 3 percent in local currencies compared with the corresponding period last year. Converted into SEK, net sales increased by 2 percentage points. Excluding Monki, sales for portfolio brands in local currencies increased by 4 percent in the third quarter 2026.

Net sales for portfolio brands during the nine-month period decreased by 2 percent in local currencies and by 6 percent in SEK. Net sales in SEK were negatively affected by a currency translation effect due to the strengthened Swedish krona. Excluding Monki, sales for portfolio brands in local currencies were in line with the first nine months of the previous financial year.

The H&M group's sales in the month of September 2026 are expected to increase by 1 percent in local currencies compared with the same month the previous year.

Net sales



Sales per region	Q3 SEK m		Q3 change in %		Nine months SEK m		Nine months change in %	
	2026	2025	SEK	Local currencies	2026	2025	SEK	Local currencies
The Nordics	5,595	5,248	7	6	15,244	15,014	2	2
Western Europe	19,414	19,863	−2	−1	54,946	57,762	−5	−2
Eastern Europe	5,431	5,425	0	1	14,839	15,251	−3	0
Southern Europe	7,764	7,946	−2	1	22,085	22,761	−3	3
North and South America	12,457	12,085	3	1	35,159	37,307	−6	−1
Asia, Oceania and Africa	6,528	6,450	1	4	19,351	20,969	−8	1
Total	**57,189**	**57,017**	**0**	**1**	**161,624**	**169,064**	**−4**	**0**

Stores per region	Change in number of stores (net)	Number of stores	
	Nine months 2026	31 Aug 2026	31 Aug 2025
The Nordics	–5	352	366
Western Europe	–9	985	995
Eastern Europe	–5	473	476
Southern Europe	3	566	560
North and South America	–8	761	754
Asia, Oceania and Africa	–54	886	967
Total	**–78**	**4,023**	**4,118**

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.

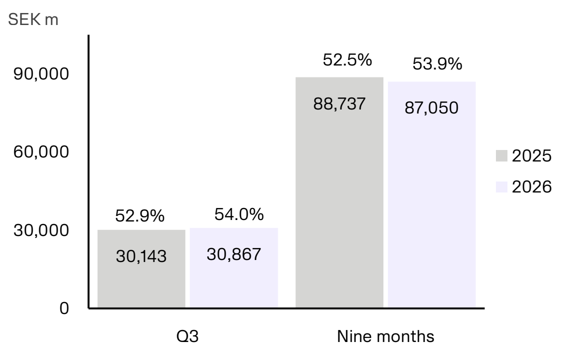
Gross profit increased to SEK 30,867 m (30,143) for the third quarter, which corresponds to a gross margin of 54.0 percent (52.9). The gross margin for the quarter was positively affected by one-time effects of approximately 1.6 percentage points from tariffs and goods imports that had increased the cost of goods sold in previous quarters. External factors had a slightly negative effect on purchasing costs in the quarter – mainly driven by increased freight costs. Costs for markdowns were in line with the previous year. Exchange rate changes for intragroup payables and receivables had a neutral impact on the quarter's gross margin, while the same quarter last year was positively affected by exchange rate gains.

For the nine-month period gross profit amounted to SEK 87,050 m (88,737), corresponding to a gross margin of 53.9 percent (52.5).

For the goods being sold in the fourth quarter of 2026, the overall effect of external factors is assessed to be somewhat negative compared with the corresponding period the previous year.

The cost of markdowns as a percentage of sales in the fourth quarter 2026 is expected to increase somewhat compared with the corresponding quarter the previous year. This reflects the fact that the campaign period in November leading up to Black Friday has become longer and more extensive, while at the same time Cyber Monday this year falls in November.

Gross profit and gross margin

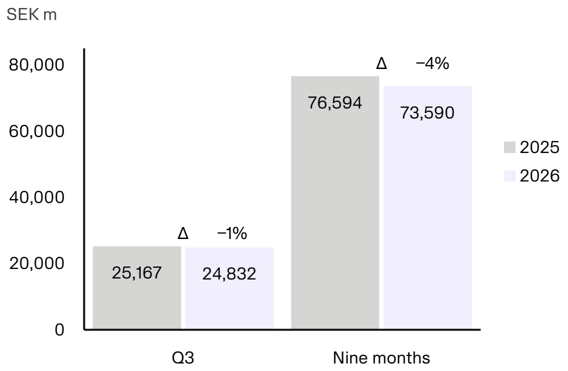


Selling and administrative expenses

Selling and administrative expenses decreased by 1 percent to SEK 24,832 m (25,167) in the third quarter. In local currencies these expenses decreased by 1 percent.

For the nine-month period, selling and administrative expenses decreased by 4 percent to SEK 73,590 m (76,594). In local currencies these expenses were in line with the corresponding period last year, and excluding the one-time costs in the second quarter relating to the implementation of organisational changes in the company's sales markets and central sales organisations, selling and administrative expenses in local currencies decreased by 1 percent in the nine-month period.

Selling and administrative expenses



Operating profit and operating margin

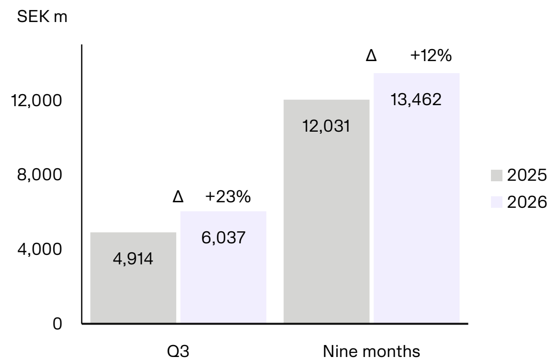
Operating profit in the third quarter increased to SEK 6,037 m (4,914), corresponding to an operating margin of 10.6 percent (8.6). The operating margin in the quarter was positively affected by one-time effects of approximately 1.6 percentage points from tariffs and goods imports that had increased the cost of goods sold in previous quarters.

Operating profit for the nine-month period increased to SEK 13,462 m (12,031), corresponding to an operating margin of 8.3 percent (7.1). Excluding the one-time costs in the second quarter and excluding one-time effects from tariffs and goods imports in the third quarter, operating profit for the nine-month period increased to SEK 13,206 m (12,031), corresponding to an operating margin of 8.2 percent (7.1).

The improvement in operating profit and margin is mainly due to a stronger gross margin and good cost control.

The operating margin for the rolling 12 months was 9.0 percent (7.2).

Operating profit



Stock-in-trade

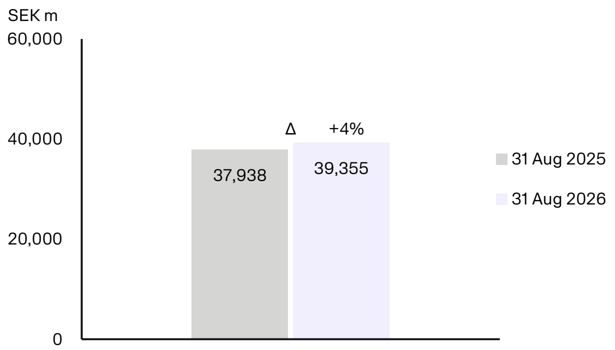
The stock-in-trade amounted to SEK 39,355 m (37,938). Currency adjusted the stock-in-trade increased by 9 percent. The stock-in-trade in SEK represented 17.8 percent (16.4) of rolling 12 months sales.

The increase in the stock-in-trade is explained by the increased value of goods in transit, which is due to disruption in global supply chains as well as temporary effects from the consolidation work in the European logistics network.

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

The investments in the supply chain and the integration of the sales channels continue. A higher share of product purchases in current season, and a more efficient and more flexible supply chain, create the conditions for improved product availability for the customer even with a lower volume of stock, which also contributes positively to cash flow through a lower level of tied-up working capital. The logistics network continues to be optimised through both openings and closures of warehouses. During 2026 and 2027 new warehouses in Europe will gradually be taken into use, thereby securing growth capacity, good product availability and flexibility between the sales channels.

Stock-in-trade



Expansion with 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 2026 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 2026 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 optimisation of the store portfolio continues with store openings, closures and rebuilds, thereby further strengthening the H&M group's long-term position. For the full-year 2026 the sales effect is expected to be slightly positive. In 2026 the plan is to open around 90 new stores, while around 170 stores are planned for closure. Openings are planned in all regions and most of the openings will be in growth markets. In addition to this, the digital expansion into new markets and channels continues.
The company is continuing its expansion in Latin America. In the third quarter the first two H&M stores in Paraguay opened, and in 2027 H&M will also open in Argentina via franchise with the first store in the Alto Palermo shopping centre in Buenos Aires. Malta and Azerbaijan will become new H&M markets in the fourth quarter of 2026. ARKET will open its first store in Lithuania in the fourth quarter of 2026.

Store count and markets by brand

As at 31 August 2026 the H&M group had 4,023 (4,118) stores, i.e. the total number of stores has decreased by 95 (180) stores compared with the same point in time the previous year, which corresponds to a reduction of around 2 (4) percent. During the first nine months of the current financial year 59 (36) new stores have opened and 137 (171) stores have closed. A total of 247 (253) of the group's stores are operated by franchise partners.

Number of stores	Change in number of stores (net)		Total number of stores		Number of markets 31 Aug 2026	
	Q3 2026	Nine months	31 Aug 2026	31 Aug 2025	Store	Online
H&M	–20	–81	3,579	3,680	82	62
COS	5	11	257	238	50	38
Monki	0	0	0	17	0	29
Weekday	0	0	44	43	14	29
& Other Stories	0	–1	65	66	24	32
ARKET	4	6	59	42	23	31
H&M HOME[1]	–4	–13	19	32	11	45
Sellpy	0	0	0	0	0	24
Total	**–15**	**–78**	**4,023**	**4,118**		

1.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 increased by 17 percent to SEK 26,524 m (22,714) in the nine-month period, mainly as a result of increased profit and a decrease in operating working capital.

The H&M group's liquidity remains very good. As at 31 August 2026 cash and cash equivalents amounted to SEK 26,507 m (20,363). In addition, the group has undrawn credit facilities of SEK 17,810 m (19,853). The total liquidity buffer, i.e. cash and cash equivalents plus undrawn credit facilities, amounted to SEK 44,317 m (40,216).

Operating working capital

The change in operating working capital during the quarter was SEK 2,869 m (3,391). At the end of the quarter the operating working capital had improved compared with the previous year to SEK 17,131 m (19,859). The increase in the closing balance of the stock-in-trade at 31 August 2026 compared with the corresponding point in time last year consisted of goods in transit. This also meant that accounts payable increased.

Financing

Net debt including lease liabilities in relation to EBITDA amounted to 1.3 (1.4) with a net cash position of SEK 5,309 m (3,257). 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 21,196 m (17,106) as at 31 August 2026. The average maturity of interest-bearing liabilities was 4.8 (4.0) years as at 31 August 2026.

A maturity analysis of outstanding interest-bearing liabilities and undrawn credit facilities as at 31 August 2026 is given in the table below.

Operating working capital SEK m	2026-08-31	2025-08-31	2025-11-30
Accounts receivable	3,988	4,084	6,411
Stock-in-trade	39,355	37,938	35,427
Accounts payable	−26,212	−22,163	−20,826
Total operating working capital	**17,131**	**19,859**	**21,012**

Liquidity and debt financing Year	Bonds (EMTN)	Loans from credit institutions	Unused credit facilities
2026	–	48	–
2027	–	641	3,339
2028	–	–	–
2029	5,566	–	14,471
2030	–	3,500	–
2031	5,875	–	–
2032	–	–	–
2033	5,566	–	–
Total SEK m	**17,007**	**4,189**	**17,810**

Tax

The group's tax rate for the financial year 2026 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) has been used to calculate tax expense on the earnings in each period excluding the 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.

Number of shares

The total number of shares in H&M, including treasury shares, is 1,598,873,003 and the number of shares outstanding, excluding treasury shares, as at 31 August 2026 is 1,596,373,003. H&M holds 2,500,000 class B treasury shares to secure delivery of class B shares to the participants in the company's long-term incentive programmes LTIP 2025 and LTIP 2026.

Current quarter

The H&M group's sales in the month of September 2026 are expected to increase by 1 percent in local currencies compared with the same month the previous year.

The cost of markdowns as a percentage of sales in the fourth quarter 2026 is expected to increase somewhat compared with the corresponding quarter the previous year.

The company is closely monitoring developments in the Middle East and the implications for global trade. With good flexibility in the supply chain and a low proportion of air freight, there are opportunities to adapt flows of goods to changed conditions.

Risks and uncertainties

The H&M group's risk exposure is shaped by both global market changes and internal business development. To ensure robust governance, the company works proactively and continuously to identify, assess and mitigate operational and financial risks.

The company's operational risks are closely linked to business processes and external factors that may affect the group's delivery capacity and efficiency. Ongoing risk assessment supports informed business decisions and enables early action.

Risk management is fully integrated into planning and governance, giving the company the ability to respond quickly to changes in the outside world and strengthen the group's resilience.

The H&M group is highly affected by external risks linked to the industry's rapid shifts, changing consumer behaviour, geopolitical tensions that affect the stability of the supply chain and increased complexity around cybersecurity. In addition, operational risks arise and are mitigated on an ongoing basis in connection with expansion into new markets, the launch of new concepts and the development of the company's brands.

Detailed information on financial and sustainability risks can be found in the H&M group's annual and sustainability report.

Communication in conjunction with the nine-month report

The nine-month report, 1 December 2025 – 31 August 2026, will be published at 08:00 CEST on 24 September 2026. A webcast and telephone conference will follow at 09:00 CEST and will be held in English for the financial market and media. Participants will be CEO Daniel Ervér, CFO Adam Karlsson and Head of IR Joseph Ahlberg.

Webcast

Register via this link to follow the webcast and view the presentation: https://edge.media-server.com/mmc/p/oeq5wq3y

To ask a question

Join by telephone to be able to ask a question, please register here: https://register-conf.media-server.com/register/BIee0caaf3d5d143dfa2e5d66babb8fbc5

Interviews for media

To book interviews for media in conjunction with the nine-month report on 24 September 2026, please contact: Anna Frosch Nordin, Head of Media Relations, telephone +46 73 432 93 14, anna.froschnordin@hm.com.

Calendar

28 January 2027	Full-year report, 1 Dec 2025 – 30 Nov 2026
24 March 2027	Three-month report, 1 Dec 2026 – 28 Feb 2027
24 March 2027	Annual and sustainability report 2026
5 May 2027	Annual general meeting at 15:00, Erling Persson Hall, Aula Medica, Solna

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Stockholm, 23 September 2026
Board of Directors

For more information about the H&M group visit hmgroup.com.

This document is a translation of the Swedish original. In case of any discrepancy, the Swedish original will prevail.

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 24 September 2026. This interim report and other information about the H&M group are available at 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, 2025 – August 31, 2026. 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, September 23, 2026

Deloitte AB

Didrik Roos
Authorized Public Accountant

Group income statement in summary

		Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
SEK m	Note	2026	2025	2026	2025	2025
Net sales	3	57,189	57,017	161,624	169,064	228,285
Cost of goods sold	4	–26,322	–26,874	–74,574	–80,327	–106,464
Gross profit		**30,867**	**30,143**	**87,050**	**88,737**	**121,821**
Gross margin, %		*54.0*	*52.9*	*53.9*	*52.5*	*53.4*
Selling expenses	4	–22,302	–22,700	–65,465	–68,942	–93,023
Administrative expenses	4	–2,530	–2,467	–8,125	–7,652	–10,269
Result from investments in associated companies and joint ventures		2	–62	2	–112	–134
Operating profit		**6,037**	**4,914**	**13,462**	**12,031**	**18,395**
Operating margin, %		*10.6*	*8.6*	*8.3*	*7.1*	*8.1*
Net financial items		–574	–592	–1,776	–1,656	–2,193
Profit after financial items		**5,463**	**4,322**	**11,686**	**10,375**	**16,202**
Tax		–1,365	–1,110	–2,921	–2,622	–4,117
PROFIT FOR THE PERIOD		**4,098**	**3,212**	**8,765**	**7,753**	**12,085**
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB		4,123	3,229	8,833	7,796	12,158
Non-controlling interest		–25	–17	–68	–43	–73
Earnings per share, SEK[1]		2.58	2.01	5.53	4.86	7.58
Average number of shares outstanding, thousands[1]		1,596,373	1,603,820	1,596,987	1,604,266	1,604,033

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

1. Before and after dilution, excluding own shares.

Consolidated statement of comprehensive income

SEK m	Note	Q3 (Jun–Aug) 2026	Q3 (Jun–Aug) 2025	Nine months (Dec–Aug) 2026	Nine months (Dec–Aug) 2025	Full-year (Dec–Nov) 2025
PROFIT FOR THE PERIOD		**4,098**	**3,212**	**8,765**	**7,753**	**12,085**
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
Translation differences		1,824	98	1,178	–3,277	–3,556
Change in hedging reserves		–507	–585	–670	550	513
Tax attributable to change in hedging reserves		104	121	138	–113	–106
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		69	6	108	21	55
Tax related to the above remeasurement		–17	–1	–27	–5	–14
Remeasurement of financial assets	2	–39	–29	–575	–892	–1,052
Other comprehensive income		**1,434**	**–390**	**152**	**–3,716**	**–4,160**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD[1]		**5,532**	**2,822**	**8,917**	**4,037**	**7,925**
Attributable to:						
The shareholders of H & M Hennes & Mauritz AB		5,557	2,839	8,985	4,080	7,998
Non-controlling interest		–25	–17	–68	–43	–73

Group balance sheet in summary

SEK m	Note	2026-08-31	2025-08-31	2025-11-30
ASSETS				
Non-current assets				
Intangible non-current assets		7,079	7,958	7,747
Right-of-use assets		52,124	52,042	52,094
Other property, plant and equipment		31,922	29,071	30,440
Non-current financial assets	2	1,528	2,457	2,045
Other non-current assets		5,993	5,658	5,452
		98,646	**97,186**	**97,778**
Current assets				
Stock-in-trade		39,355	37,938	35,427
Current receivables	2	16,545	16,374	16,160
Cash and cash equivalents		26,507	20,363	20,908
		82,407	**74,675**	**72,495**
TOTAL ASSETS		**181,053**	**171,861**	**170,273**
EQUITY AND LIABILITIES				
Equity[1]		39,559	39,217	42,947
Non-current leasing liabilities[2]		45,720	45,447	44,903
Other non-current liabilities[2]		22,999	15,863	20,820
Current leasing liabilities[3]		12,113	11,820	11,969
Other current liabilities[3]	2	60,662	59,514	49,634
TOTAL EQUITY AND LIABILITIES		**181,053**	**171,861**	**170,273**

1. Equity attributable to the shareholders of H & M Hennes & Mauritz AB amounts to SEK 39,489 m (39,163) and to non-controlling interests to SEK 70 m (54).
2. Interest-bearing non-current liabilities amount to SEK 66,676 m (58,953) and excluding leases to SEK 20,956 m (13,506), of which provisions for pensions were SEK 346 m (498).
3. Interest-bearing current liabilities amount to SEK 12,700 m (15,917) and excluding leases to SEK 587 m (4,097).

Group changes in equity in summary

SEK m	2026-08-31	2025-08-31	2025-11-30
Shareholders' equity at the beginning of the financial year	**42,947**	**46,211**	**46,211**
Total comprehensive income for the period	8,917	4,037	7,925
Transactions with non-controlling interests	103	28	31
Dividend	–11,344	–10,910	–10,906
Repurchase of shares	–1,064	–149	–314
Shareholders' equity at the end of the period	**39,559**	**39,217**	**42,947**

Group cash flow statement in summary

SEK m	Nine months (Dec–Aug) 2026	Nine months (Dec–Aug) 2025
Operating activities		
Profit after financial items[1]	11,686	10,375
Adjustment for non-cash items		
– Provisions for pensions	55	84
– Other provisions	1,099	–5
– Depreciation, amortisation and write-downs	14,648	15,860
– Other non-cash items	–2	112
Taxes paid	–2,556	–2,921
Cash flow from operating activites before changes in working capital	**24,930**	**23,505**
Cash flow from changes in working capital		
Operating receivables	1,707	–396
Stock-in-trade	–3,581	785
Operating liabilities	3,468	–1,180
Cash flow from operating activities	**26,524**	**22,714**
Investing activities		
Investments in intangible fixed assets	–617	–997
Investments in tangible fixed assets	–4,883	–6,248
Other investments	–50	–137
Cash flow from investing activities	**–5,550**	**–7,382**
Financing activities		
Change in interest-bearing liabilities	63	3,462
Amortisation lease	–8,932	–9,287
Capital contributions non-controlling interests	103	28
Dividend	–5,672	–5,455
Repurchase of shares	–1,124	–149
Cash flow from financing activities	**–15,562**	**–11,401**
CASH FLOW FOR THE PERIOD	**5,412**	**3,931**
Cash and cash equivalents at the beginning of the financial year	**20,908**	**17,340**
Cash flow for the period	5,412	3,931
Exchange rate effect	187	–908
Cash and cash equivalents at the end of the period	**26,507**	**20,363**

1. Interest paid for the group amounts to SEK 635 m (477). Interest expense related to leases amounts to SEK 1,559 m (1,478) for the group. Received interest for the group amounts to SEK 418 m (298).

Five year summary
Nine months, 1 December – 31 August

	2022	2023	2024	2025	2026
Net sales, SEK m	161,120	173,385	172,285	169,064	161,624
Change net sales from previous year in SEK, %	13	8	–1	–2	–4
Change net sales previous year in local currencies, %	8	0	0	2	0
Operating profit, SEK m	6,348	10,205	12,682	12,031	13,462
Operating margin, %	3.9	5.9	7.4	7.1	8.3
Depreciation, amortisation and write-downs for the period, SEK m	16,788	16,725	16,278	15,860	14,648
Profit after financial items, SEK m	5,753	9,094	11,359	10,375	11,686
Profit after tax, SEK m	4,430	7,147	8,601	7,753	8,765
Cash and cash equivalents, SEK m	27,547	24,971	23,698	20,363	26,507
Stock-in-trade, SEK m	47,141	40,358	41,738	37,938	39,355
Equity, SEK m	54,071	47,878	43,238	39,217	39,559
Average number of shares outstanding, thousands[1]	1,653,960	1,629,687	1,612,843	1,604,266	1,596,987
Earnings per share, SEK[1]	2.68	4.39	5.35	4.86	5.53
Cash flow from operating activities per share, SEK[1]	11.02	15.18	15.37	14.16	16.61
Number of shares outstanding as of the closing day, thousands[1]	1,645,494	1,629,687	1,610,542	1,603,391	1,596,373
Equity per share, SEK[1]	32.86	29.38	26.85	24.46	24.78
Share of risk-bearing capital, %	30.4	27.3	25.3	24.1	22.9
Equity/assets ratio, %	28.2	25.5	23.9	22.8	21.8
Total number of stores	4,664	4,375	4,298	4,118	4,023
Rolling 12 months					
Average number of shares outstanding, thousands[1]	1,654,237	1,637,189	1,616,373	1,605,254	1,599,104
Earnings per share, SEK[1]	5.47	3.84	6.32	6.72	8.25
Return on equity, %	15.3	12.3	22.3	26.0	33.3
Return on capital employed, %	10.1	9.3	15.0	14.9	17.5

1. Before and after dilution, excluding own shares.

For definitions and explanations of the alternative performance measures in this report, see page 183–184 in the annual and sustainability report for the 2025 financial year.

Parent company income statement in summary

	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
SEK m	2026	2025	2026	2025	2025
Net sales	581	591	1,663	1,706	2,340
Gross profit	**581**	**591**	**1,663**	**1,706**	**2,340**
Administrative expenses	–42	–32	–102	–110	–122
Operating profit	**539**	**559**	**1,561**	**1,596**	**2,218**
Net financial items[1]	–53	537	–17	952	11,529
Profit after financial items	**486**	**1,096**	**1,544**	**2,548**	**13,747**
Year-end appropriations	–	–	–	–	–780
Tax	–100	–115	–310	–317	–297
PROFIT FOR THE PERIOD	**386**	**981**	**1,234**	**2,231**	**12,670**

1. Revenue from interests in group companies is included for the quarter at SEK 0 m (534) and for the nine-month period at SEK 40 m (1,009).

Parent company statement of comprehensive income

	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
SEK m	2026	2025	2026	2025	2025
PROFIT FOR THE PERIOD	**386**	**981**	**1,234**	**2,231**	**12,670**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit pension plans	2	2	2	4	2
Tax related to the above remeasurement	0	–1	0	–1	0
Other comprehensive income	**2**	**1**	**2**	**3**	**2**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**388**	**982**	**1,236**	**2,234**	**12,672**

Parent company balance sheet in summary

SEK m	2026-08-31	2025-08-31	2025-11-30
ASSETS			
Non-current assets			
Property, plant and equipment	118	123	124
Other non-current assets	1,458	1,464	1,458
	1,576	**1,587**	**1,582**
Current assets			
Current receivables	38,905	25,524	35,145
Cash and cash equivalents	0	4	0
	38,905	**25,528**	**35,145**
TOTAL ASSETS	**40,481**	**27,115**	**36,727**
EQUITY AND LIABILITIES			
Equity	4,041	4,938	15,215
Untaxed reserves	16	17	16
Non-current liabilities[1]	20,019	12,532	17,902
Current liabilities[2]	16,405	9,628	3,594
TOTAL EQUITY AND LIABILITIES	**40,481**	**27,115**	**36,727**

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

2. Interest-bearing current liabilities amount to SEK 0 m (3,500). Dividend to be paid amounts to SEK 5,672 m (5,455).

Not 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 2025. No new or revised IFRS standards or interpretations applied from 1 December 2025 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 2025 financial year.

Not 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 2025.

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.

Since the IPO in September 2025 the value of the holding in Klarna has been based on the share price, which is a level 1 input according to IFRS 13, and the fair value amounts to SEK 180 m as at 31 August 2026. The value as at 31 August 2025 was based on level 3 inputs according to IFRS 13 and amounts in total to SEK 847 m.

The value of other shares and interests based on level 3 inputs according to IFRS 13 amounts in total to SEK 1,246 m (1,457) as at 31 August 2026, the largest investments being Colorifix at SEK 171 m (147), Printify at SEK 126 m (129) and Instabee at SEK 125 m (155). The effect of measurement of the group's other shares and interests is reported in other comprehensive income and amounts to SEK –39 m (–29) 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 2026 forward contracts with a positive market value amount to SEK 635 m (570), reported under other current receivables. Forward contracts with a negative market value amount to SEK 663 m (843), which is recognised in other current liabilities.

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 600 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.

Not 3. Segment reporting

SEK m	Nine months (Dec–Aug) 2026	Nine months (Dec–Aug) 2025
Asia and Oceania		
External net sales	18,410	20,022
Operating profit	302	244
Operating margin, %	**1.6**	**1.2**
Europe and Africa[1]		
External net sales	108,054	111,735
Operating profit	5,464	5,623
Operating margin, %	**5.1**	**5.0**
North and South America		
External net sales	35,160	37,307
Operating profit	1,958	1,111
Operating margin, %	**5.6**	**3.0**
Group Functions		
Net sales to other segments	51,787	54,975
Operating profit	5,738	5,053
Operating margin, %	**11.1**	**9.2**
Eliminations		
Net sales to other segments	–51,787	–54,975
Total		
External net sales	161,624	169,064
Operating profit	13,462	12,031
Operating margin, %	**8.3**	**7.1**
Net financial items	–1,776	–1,656
Profit after financial items	**11,686**	**10,375**

1. South Africa

Not 4. Depreciations, amortisations and write-downs

	Q3 (Jun–Aug)		Nine months (Dec–Aug)		Full-year (Dec–Nov)
SEK m	2026	2025	2026	2025	2025
DEPRECIATIONS AND AMORTISATIONS					
Intangible non-current assets and property, and equipment excluding right-of-use assets					
Cost of goods sold	202	236	585	709	951
Selling expenses	1,529	1,618	4,476	5,006	6,604
Administrative expenses	80	94	242	284	383
Total	**1,811**	**1,948**	**5,303**	**5,999**	**7,938**
Right-of-use assets					
Cost of goods sold	322	299	959	891	1,220
Selling expenses	2,605	2,733	7,789	8,356	10,821
Administrative expenses	101	111	317	343	447
Total	**3,028**	**3,143**	**9,065**	**9,590**	**12,488**
Total depreciations and amortisations	**4,839**	**5,091**	**14,368**	**15,589**	**20,426**
WRITE-DOWNS AND LOSSES AT DISPOSALS					
Intangible non-current assets and property, and equipment excluding right-of-use assets					
Cost of goods sold	34	6	78	40	72
Selling expenses	66	85	190	211	398
Administrative expenses	6	0	12	8	42
Total	**106**	**91**	**280**	**259**	**512**
Right-of-use assets					
Cost of goods sold	–	–	–	–	–
Selling expenses	–	–6[1]	–	–9[1]	181
Administrative expenses	–	–6[1]	–	21	21
Total	–	**–12**	–	**12**	**202**
Total write-downs and losses at disposals	**106**	**79**	**280**	**271**	**714**
TOTAL DEPRECIATIONS, AMORTISATIONS, WRITE-DOWNS AND LOSSES AT DISPOSALS	**4,945**	**5,170**	**14,648**	**15,860**	**21,140**

1. Release of unused provisions for store closures.

Not 5. Events after the closing date

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


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ARKET


WEEKDAY


H&M


H&M HOME