H&M announces raft of global store closures

By Sandra Halliday - 1 April 2022

H&M’s Q1 results this week weren’t too bad given the challenges it has had to face in recent periods, but the firm is still looking hard at its operations and has announced that it will close 240 stores globally in the year ahead.

However, it will also open 95 new stores, so the net loss of shops overall will be 145.

The openings will happen in “growth markets” and with its results, it had also talked about moving into new markets. But the closures will “mainly be in established markets”.

While the end of Covid restrictions in most markets means the company’s store estate has been back up and running, it's had to shutter 185 of its stores temporarily due to the Russia-Ukraine conflict.

Russia had been its sixth-largest market and represented 4% of its sales. The closures already crimped sales in Q1 and Q2 doesn’t look like being any better.