H&M's Q2 sales beat expectations as it enjoys double-digit rise

By Sandra Halliday - 15 June 2022

H&M had good reason to be happy on Wednesday as it reported Q2 sales with a bigger than expected increase. The world’s second-largest fashion retailer had a good time of it in the March-to-May quarter with net sales rising a healthy 17% year on year, or 12% in local currencies.

They reached SEK54.5 billion (€5.12bn/£4.45bn/$5.35bn), which was higher than the roughly SEK52.8 billion analysts had forecast.

Frustratingly, the company — as usual — didn’t issue any commentary with the quarterly figures, although we hope to hear more when its first-half results for the period from 1 December to 31 May are released on June 29.

But the firm is clearly on the right track. Its Q2 figures come just a week after larger peer Inditex reported record quarterly profits on the back of healthy sales. They also come as an assortment of official country sales reports and other studies show that fashion retail is holding up surprisingly well in the face of a global cost-of-living crisis.

Earlier this week, a regular monthly UK online sales report described fashion as a sector “making up for lost time” and that appears to be apt as the categories that struggled during lockdowns are doing well now.

It appears that consumers around the world (for now) still feel the need to buy new clothes, accessories and shoes, even though many are reining-in some aspects of their spending as inflation takes off.