



NEWS RELEASE

Klarna delinquency rates drop as consumer health improves

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New York, July 31 2025 – Klarna, the global digital bank and flexible payments provider, today announced a continued improvement in repayment performance among its extensive consumer base of 100 million. A record number of transactions were repaid on time or early, across both higher and lower-value purchases, as consumers turn away from credit cards to Klarna’s fairer credit options for more and more of their everyday and big-ticket spending.

Globally, Klarna’s delinquency rate on Buy Now Pay Later (BNPL) loans fell to 0.88% for Q2 2025 — a 15 bps improvement from 1.03% in Q2 2024. Delinquencies on Klarna’s fixed-term Fair Financing product fell to 2.18% in Q2 2025, down from 2.20% last year. Typically used over 6–12 months for higher-value items across an increasingly diverse number of sectors like homeware and white goods, this product naturally sees a higher delinquency rate than short-term BNPL.

“More customers are paying us back on time or even early, with delinquency rates continuing to decline: proof that our model is working exactly as intended. When you build credit products that are fair, transparent, and designed with the consumer in mind, people make responsible choices,” said Sebastian Siemiatkowski, Klarna CEO and co-founder.

As consumer financial health improves across the board, Klarna is experiencing increased demand for its credit products across the spending spectrum — from Fair Financing for larger purchases to the Klarna Card for everyday spending. This trend shows that Klarna’s unique underwriting approach continues to make the right decisions for consumers and Klarna’s business.

Klarna’s Global Delinquencies Rate

Delinquency Rate - BNPL

Loans that became delinquent in Q2 2024: 1.03%

Loans that became delinquent in Q2 2025: 0.88%

YoY Change: ↓15bps

Delinquency Rate - Fair Financing

Loans that became delinquent in Q2 2024: 2.20%

Loans that became delinquent in Q2 2025: 2.18%

YoY Change: ↓2bps