

PRESS RELEASE

20 October 2010



Information from the Extraordinary General Meeting of H & M Hennes & Mauritz AB

On Wednesday 20 October H & M Hennes & Mauritz AB held an Extraordinary General Meeting under the chairmanship of the lawyer Sven Unger regarding the establishment of an incentive programme for all employees of the H&M Group.

The meeting resolved to mandate the Board of Directors to introduce an incentive programme known as the H&M Incentive Program, which will cover all employees of the H&M Group based on the same principles. The Board was further mandated to draw up the necessary detailed rules of the programme and otherwise to take the action required to implement the programme.

The programme was initiated by Stefan Persson and family, who will donate 4,040,404 H&M shares worth around SEK 1 billion to a newly formed Swedish foundation, Stiftelsen H&M Incentive Program (H&M Incentive Program Foundation).

Each year the foundation will normally receive an amount from the H&M Group which corresponds to 10 percent of the increase in dividend compared with the previous year's dividend. The foundation will manage the funds, which will be invested in H&M shares. However, its shareholding shall never exceed 5 percent of the total number of shares in H&M.

All employees throughout the H&M Group, in all countries, regardless of their position and salary level, will be included in the programme according to the same basic principle – based on length of employment, full-time or part-time. The number of years that the employee has worked for the company will be taken into account in the qualification period, which will be five years unless local rules require otherwise. Payouts will commence at the age of 62. However, it will also be possible for payouts to be made after ten years of employment – but no earlier than 2021.

A presentation of the programme can be found on H&M's website at www.hm.com.

The meeting approved the Board's proposal to supplement the guidelines on remuneration to senior executives with the following statement: 'Senior executives are entitled to the benefits provided under the H&M Incentive Program'.

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The information in this press release is that which H & M Hennes & Mauritz AB (publ) is required to disclose under Sweden's Securities Market Act. It was released for publication at 11.00 (CET) on 20 October 2010.

H & M Hennes & Mauritz AB (publ) was established in Sweden in 1947 and is quoted on NASDAQ OMX Stockholm. The company's business concept is to offer fashion and quality at the best price. In addition to H&M, the Group includes the brands COS, Monki, Weekday and Cheap Monday as well as H&M Home. Today the H&M Group has around 2,000 stores in 37 markets. In 2009, sales including VAT were SEK 118,697 million and the number of employees was around 76,000. For further information, visit www.hm.com.