



**NOTICE OF EXTRAORDINARY GENERAL MEETING OF
H & M HENNES & MAURITZ AB (publ)**

Shareholders of H & M Hennes & Mauritz AB (publ) are invited to an Extraordinary General Meeting to be held on Wednesday 20 October 2010 at 10 a.m. in the Grünwald Hall at the Stockholm Concert Hall, Kungsgatan 43, Stockholm.

NOTICE OF ATTENDANCE

Shareholders who wish to attend the meeting shall

both be entered in the company's register of shareholders kept by Euroclear Sweden AB (formerly VPC AB) in their own name (not nominee-registered) by 14 October 2010,

and notify their intention to attend the meeting by 14 October 2010 in writing to the address H & M Hennes & Mauritz AB, Carola Echarti-Ardéhn, 106 38 Stockholm, Sweden, by telephone to +46 (0)8-796 55 00, by fax to +46 (0)8-796 55 44 or on the company's website at www.hm.com/extrastamma. The attendance of any assistants is to be notified to the same addresses etc. by the same date.

Shareholders must state in the notice their name, civil identity number or corporate registration number, telephone number (daytime) as well as the number of shares held. In order to attend the meeting shareholders whose shares are nominee-registered must have their shares temporarily re-registered with Euroclear Sweden AB in their own name. Such re-registration must be complete by 14 October 2010. In order to re-register shares in time, shareholders should make the request via their nominee in good time before this date. Such registration may be temporary. Passes for those attending will be sent out when notice of attendance is received. A proxy form is available at www.hm.com/extrastamma.

AGENDA

1. Opening of the meeting.
2. Election of a chairman for the meeting.
3. Establishment and approval of voting list.
4. Approval of the agenda.
5. Election of people to check the minutes.
6. Examination of whether the meeting was duly convened.
7. The Board's proposal for the establishment of an incentive programme for all employees of the H&M Group.
8. The Board's proposed supplement to the "Guidelines for remuneration to senior executives".
9. Closing of the meeting.

RESOLUTIONS PROPOSED

Item 7. The Board's proposal for the establishment of an incentive programme for all employees of the H&M Group.

Background

Stefan Persson and family have made it known to the company's Board of Directors that they intend to make a donation in January 2011 for the formation of a Swedish foundation, STIFTELSEN H&M INCENTIVE PROGRAM (the Foundation), with a view to creating the basis of an incentive programme for all employees of the H&M Group in all the countries in which it operates (the Programme). The donation, which is subject to the general meeting of shareholders mandating the Board of Directors to establish the Programme, will comprise 4,040,404 class B shares in H & M Hennes & Mauritz AB, with an equivalent value of SEK 1 billion at the closing price on 6 September 2010.

It is proposed that the Programme be designed in the main as follows. All employees throughout the H&M Group – regardless of their position – will be included in the Programme according to the same principles, based on length of employment. The number of years that the employee has worked for the company will be taken into account in the qualification period which, unless local rules require otherwise, will be five years. Payments will commence once the employee has reached 62 years of age. It will also be possible, however, for payments to be made after ten years of employment – but no earlier than 2021.

Since H&M operates in many different countries, there may be local variations as a result of differences in laws and regulations in areas such as tax and employment law to which the Programme must be adapted.

In addition to the initial donation from Stefan Persson and family, which will be allocated to those entitled to shares gradually over time, it is proposed that – until the general meeting of shareholders resolves otherwise – an amount equivalent to 10 percent of the increase in H & M Hennes & Mauritz AB's dividend relative to the previous year's dividend will be transferred annually from the H&M Group into the Programme. The original donation and the funds transferred into the Programme over time will be managed by the Foundation, which will invest in H&M shares. The Foundation's shareholding in H & M Hennes & Mauritz AB shall be limited to 5 percent.

The Foundation's assets may only be used for the benefit of employees of the H&M Group. The Board of Directors of H & M Hennes & Mauritz AB shall appoint all the members of the Board of the Foundation.

The annual cost of the Programme to the Group will depend on the increase in the company's dividend compared with the previous year's dividend.

For example, if the Programme had been effective previously: since the increase in dividend between 2009 and 2010 was SEK 414 million, the cost to the Group in 2010 would have been around SEK 41 million (i.e. SEK 0.025 per share).

Note that in 2010 H&M implemented a 2:1 share split. The above example is based on the new number of shares, which is 1,655,072,000.

Proposed resolution

The Board of Directors proposes that the general meeting of shareholders mandates the Board to establish an incentive programme, the H&M INCENTIVE PROGRAM, in accordance with what has been proposed, to draw up the necessary detailed rules of the Programme and otherwise to take the actions required to implement the Programme.

Item 8. The Board's proposed supplement to the "Guidelines for remuneration to senior executives".

Background

The proposal to establish an incentive programme covers all employees of the H&M Group, including senior executives. The principles are the same for all employees, not only as regards the qualification period but also the size of the allocation and terms of payment.

"Guidelines for remuneration to senior executives" effective until the 2011 Annual General Meeting were adopted at the Annual General Meeting held on 29 April 2010.

Proposed resolution

The Board proposes that the meeting now resolve to supplement these Guidelines with a new second paragraph: "Senior executives are entitled to the benefits provided under the H&M Incentive Program."

Number of shares and votes

The total number of shares in H&M is 1,655,072,000. The total number of votes is 3,404,672,000.

Stockholm, September 2010
The Board of Directors

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Press pictures and background information for editorial use can be downloaded from www.hm.com

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 08.00 (CET) on 20 September, 2010.
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The notice of the Extraordinary General Meeting will be published on 20 September on the company's website www.hm.com, Investor Relations, Extraordinary General Meeting and on 22 September 2010 in the newspapers DN, SvD and Post och Inrikes Tidningar on the website of Bolagsverket, the Swedish Companies Registration Office.

H & M Hennes & Mauritz AB (publ) was founded 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. 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.