

H & M Hennes & Mauritz AB (publ) – Annual General Meeting 2009

Item 9 in accordance with the proposed agenda for the Annual General Meeting on 4 May 2009.

Resolution on distribution of the company's earnings as stated in the adopted balance sheet and establishment of the record date for the dividend.

The Board's proposal for the dividend and record date.

The Board of Directors proposes to the Annual General Meeting that a cash dividend of SEK 15.50 per share be paid.

The Board proposes 7 May 2009 as the record date for entitlement to dividend.

The dividend is expected to be paid out by Euroclear Sweden AB (formerly VPC AB) on 12 May 2009.

Funds at the disposal of the Annual General Meeting (SEK): 14,981,429,703

The Board and Managing Director propose that the shareholders are paid a dividend of SEK 15.50 per share	SEK	12,826,808,000
To be carried forward as retained earnings	SEK	2,154,621,703
Total	SEK	14,981,429,703

Statement by the Board of Directors concerning the proposed dividend

The Board of Directors has decided to propose to shareholders that the Annual General Meeting on 4 May 2009 resolve to pay a dividend of SEK 15.50 per share, amounting to SEK 12,826,808,000 in total.

This statement has been prepared in accordance with Chapter 18 § 4 of the Swedish Companies Act and forms the Board's assessment of whether the proposed distribution of earnings is justifiable with regard to what is stated in Chapter 17 § 3 second and third paragraphs of the Companies Act.

H&M's financial goal is to enable the company to continue enjoying good growth and to be prepared to exploit future business opportunities. It is essential that the expansion, as in the past, proceeds with the same high degree of financial strength and continued freedom of action.

In view of this, the Board of Directors of H & M Hennes & Mauritz AB has an established dividend policy stating that the total dividend should equal around half of the profit after taxes. In addition, the Board may propose that surplus liquidity can also be distributed.

The proposed distribution of earnings to the shareholders represents around 84 per cent of the Group's profit after tax and around 86 per cent of the funds at the disposal of the Annual General Meeting. The earnings to be distributed amount to less than the cash flow from current operations before changes in working capital. The Group's equity/assets ratio is 72.1 per cent before payment of the dividend and 62.8 per cent after payment of the dividend.

The parent company's equity includes no unrealised changes in value from the assessment of financial instruments at fair value.

The Board of Directors is of the opinion that the proposed distribution of earnings is justifiable taking into consideration the financial position and continued freedom of action of the Group and the parent company and observing the requirements that the nature and extent of the business, its risks and future expansion plans impose on the Group's and the parent company's equity and liquidity.

Stockholm, January 2009

The Board of Directors of H & M Hennes & Mauritz AB (publ)