

Rights issue in RNB RETAIL AND BRANDS AB

- Rights issue of shares in RNB RETAIL AND BRANDS AB ("RNB") with the intention of raising approximately SEK 350 million before transaction costs
- Subscription price and exchange ratio will be announced through a press release from RNB on August 21, 2008
- Subscription period from September 2, 2008 until and including September 18, 2008
- The rights issue is subject to approval at an Extraordinary Shareholders' Meeting to be held on August 25, 2008
- Declarations of intentions to subscribe to 100 percent of the rights issue have been received

On June 18, 2008 it was stated in the interim report for the period September 2007 – May 2008 that the development within JC and J-Store has been weak and the operating performances at Illum in Copenhagen and Steen & Ström in Oslo have not been satisfactory. Due to the negative development the Company has reached an inadequate leverage level. In order to strengthen the company's financial position and create conditions for future aggressive action, the Board of Directors of RNB today resolved on a rights issue with the intention of raising approximately SEK 350 million before transaction costs. The new issue resolution by the Board of Directors is subject to approval at an Extraordinary Shareholders' Meeting to be held on August 25, 2008.

The record day at the Swedish Central Securities Depository, VPC AB, for participation in the rights issue will be August 28, 2008. Subscription shall take place during the subscription period between September 2 – September 18, 2008, or such later date as decided by the Board of Directors.

The Board of Directors or anyone appointed among the members of the Board of Directors has been authorized to, no later than five days prior to the record day, determine the maximum amount that the company's share capital can be increased with, the number of shares to be issued and the price to be paid for each new share. Information regarding the subscription price, total increase of share capital, number of shares and therewith also the exchange ratio will be announced in a press release from the Company on August 21, 2008.

An Extraordinary Shareholders' Meeting for the Board of Directors' rights issue resolution is to be held on August 25, 2008. Notice to attend the Extraordinary Shareholders' Meeting is made public in a press release today and will be advertised separately in the newspapers Post- och Inrikes Tidningar (the Swedish Official Gazette) and Svenska Dagbladet.

Certain large shareholders and members of the RNB Board of Directors and management team, together representing approximately 39 percent of the shares in the company, support the rights issue and have expressed their intention to, in addition to vote in favour of the rights issue, use the subscription rights received due to their current ownership and subscribe for new shares. Moreover, certain shareholders, among others, have expressed their intentions to guarantee subscription for shares at a total value of SEK 213 million, corresponding to approximately 61 percent of the rights issue. Consequently, declarations of intentions to subscribe to 100 percent of the rights issue have been received. The above

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mentioned declarations of intentions have been received on the condition that the final terms and conditions for the rights issue are deemed to be satisfactory.

The time schedule for the rights issue is intended to be as follows:

August 21, 2008: Exchange ratio and subscription price will be announced in a press release.

August 25, 2008: The Extraordinary Shareholders' Meeting decides on the resolution of the Board of Directors regarding the rights issue.

August 26, 2008: First day of trading in the share excluding right to participate in the rights issue.

August 28, 2008: Record day for participation in the new share issue.

September 2 – 15, 2008: Trading in subscription rights.

September 2 – 18, 2008: Subscription period.

Financial and legal advisors

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The information has been made public according to the securities and market act and the financial instruments trading act. This information was published at 12:00 on July 18, 2008.

This press release may not be announced, published or disseminated, directly or indirectly, in the United States of America, Canada, Japan or Australia. Nothing in this press release shall be deemed to constitute an offer to invest or otherwise deal in shares in RNB. The contemplated share issue will to be directed to persons domiciled or resident in the United States, Canada, Japan or Australia, or any other country where participation requires further prospectuses or other offer documentation, registrations or other measures than what follows from Swedish law, except under applicable exemption. No securities in RNB will be registered pursuant to the United States Securities Act of 1933 or any provincial act in Canada.