



PRESS RELEASE

Contact person:
Telephone:
Internet including image archive:

Mats-Olof Ljungkvist, Board member
+46 (0)708 869 013
www.hl-display.com

2010-07-05

Statement by the Board of HL Display in relation to Ratos' public takeover offer to the shareholders of HL Display in accordance with the rules on mandatory offers

Background

This statement is issued by the Board of HL Display AB (publ) ("HL Display," or the "Company") in accordance with section II.19 of NASDAQ OMX Stockholm's Rules regarding public takeover offers on the stock market (the "Takeover Rules").

Ratos AB (publ) ("Ratos") has been a minority shareholder of HL Display since 2001. On 2 June 2010 Ratos announced an agreement with the major shareholder in HL Display, the Remius family, to unconditionally acquire all their shares of the Company (the "Acquisition"), representing 28.2 percent of the capital and 59.0 percent of the votes. The consideration pursuant to the Acquisition consists of 90 per cent. cash and 10 per cent. newly issued Ratos shares. Based on the volume weighted average price of the Ratos shares on 1 June 2010 (i.e the last day prior to the announcement of the Acquisition) the consideration pursuant to the Acquisition represents SEK 49 per HL Display share.

Added to Ratos' prior ownership, Ratos' ownership after the Acquisition amounted to 57.0 per cent of the capital and 79.1 percent of the votes. Following the announcement of the Acquisition Ratos has bought shares in the market and control, as per 2 July 2010, [3,652,096] shares of series A and [23,841,699] shares of series B, corresponding to [88.9] per cent. of the capital and [94.6] per cent. of the votes of HL Display.

Upon completion of the Acquisition, Ratos will own more than 30 per cent. of the votes in HL Display, which triggers an obligation to make a mandatory offer to the shareholders of HL Display in accordance with the rules on mandatory offers under the act (2006:451) concerning public takeover offers on the stock market. With reference to the price that the Remius family and Ratos agreed upon for the Acquisition, Ratos has offered to acquire all outstanding shares for cash payment of SEK 49 per share (the "Offer").

According to Ratos' press release, the Offer represents a premium of:

- 36 per cent. to the closing price of SEK 36.00 per HL Display's share on NASDAQ OMX on 1 June 2010, which was the last trading day prior to the announcement of the Offer, and
- 38 per cent. to the volume weighted average price of SEK 35.43 per HL Display share over the last 30 trading days prior to the announcement of the Offer.

The Offer values all outstanding shares of HL Display to approximately MSEK 1,516 on the basis that there are currently in total 30,939,088 outstanding shares in the Company.

The Offer is conditional solely upon the obtaining of all permits, approvals, and clearances by governmental or regulatory authorities or similar that are necessary for the Offer. The Offer is financed by available cash resources and credit facilities within Ratos.

Address:
HL Display AB (publ)
Box 1118
131 26 Nacka Strand
Sweden

Telephone:
+46(0)8-683 73 00
Organisation number:
556286-9957

Fax:
+46(0)8-683 73 01

E-mail:
info@hl-display.com
Website:
www.hl-display.com



As to the stock options and warrants issued by HL Display to senior executives within the group, the Swedish Securities Council has granted an exemption to the effect that those do not have to be included in the Offer. Ratos intends to liaise with HL Display and the option holders to find a solution to ensure all option holders a fair and equitable treatment.

According to the offer document published on 21 June 2010, the acceptance period runs between 23 June and 13 August 2010. Settlement is expected to take place 20 August 2010, but not before Ratos has received the regulatory approvals required for the completion of the Offer.

For further information regarding the Offer, reference is made to Ratos' offer document published on 21 June 2010.

Board procedures

The Board members Susanna Campbell and Stig Karlsson, both senior executives at Ratos, have not participated, and will not participate, in the HL Display Board's dealings with matters relating to the Offer. In light of the Acquisition, Anders Remius has not participated, and will not participate, in the Board's dealings with matters relating to the Offer.

The Board's recommendation and fairness opinion

The Board has based its recommendation on an assessment of factors that the Board has deemed relevant for an evaluation of the Offer, such as assumptions regarding HL Display's business, financial performance, expected future development and potential and related opportunities and risks. The Board has been advised by Navigo Partners AB as financial advisor and Ashurst as legal advisor in connection with its evaluation of the Offer. The Board notes that Ratos following the publication of the Offer has acquired 9,859,651 shares of series B in the market, and that Ratos' ownership now equals 88.9 per cent of the share capital and 94.6 percent of the votes in HL Display.

The Board's assessment is further based on a fairness opinion from Navigo Partners AB, obtained by the Board in accordance with section III.3 of the Takeover Rules, to the effect that, subject to the conditions and assumptions specified therein, Ratos' Offer to the shareholders of HL Display is fair, from a financial point of view. Navigo Partners AB's fairness opinion is attached hereto.

In light of the foregoing, the Board unanimously recommends HL Display's shareholders to accept the Offer made by Ratos.

According to the Takeover Rules, the Board shall also give its opinion on the impact that the implementation of the Offer may have on the Company, in particular with respect to employment, and its views on Ratos' strategic plans for the Company and the effects that these can be expected to have on employees and on the places where the Company conducts its business. It is the Board's assessment, based on the information provided by Ratos in connection with the Offer regarding Ratos' plans for HL Display, that there is no reason to believe that the Offer will result in any significant effects for HL Display, its business or for the employees.

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This statement shall in all respects be governed by and construed in accordance with Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts.

Nacka July 5, 2010

HL Display AB (publ)

The Board

Further information

For further information please contact Mats-Olof Ljungkvist, director of HL Display AB.

Tel. +46 708 869 013, mats-olof.ljungkvist@atos.se

HL Display provides the information in this press release in accordance with the Act (2007:528) on the securities market. The information was submitted for publication 5 July 2010 at 08:40.

HL Display is Europe's leading merchandising company. With more than 50 years experience, the company is experts at displaying products in stores in a way that increases sales and makes the store work more efficient, at the same time as providing end consumers with all the information required to make a purchasing decision. HL Display aims primarily at three customer segments: retail food, retail non-food and brand manufacturers.

HL Display' innovations have a proven record of establishing new standards on the market, all over the world. The company is represented on 46 markets in Western and Eastern Europe and in Asia with head office in Nacka, Stockholm. Net sales amounted to MSEK 1,360 in 2009. The HL Display share is quoted on the Nasdaq OMX Stockholm Small Cap list.

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Organization number:
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Fax:
+46(0)8-683 73 01

E-mail:
info@hl-display.com
Website:
www.hl-display.com

HL Display AB (publ)
Cylindervägen 18
13125 Nacka Strand

4 July 2010

The Board of HL Display AB (publ) ("HL Display," or the "Company") has requested an opinion from Navigo Partners AB ("Navigo Partners") regarding the fairness, from a financial perspective, as of the date hereof, of the terms of the takeover offer set out below.

The Board was informed on 2 June 2010 that Ratos AB (publ) ("Ratos") had reached an agreement with the largest shareholder of HL Display, the Remius family, to unconditionally acquire all their shares in the Company. Resulting from the transaction Ratos' holding in the Company increased to 57.0 per cent. of the capital and 79.1 per cent. of the votes. In connection with the acquisition of the Remius family's shares, Ratos has launched a mandatory offer to all shareholders of HL Display at a price of SEK 49.00 in cash for each share in HL Display (the "Offer"), which amount shall be reduced by any dividends or other value transfer to the shareholders prior to the settlement of the Offer.

With reference to a statement by the Swedish Securities Council, the Offer exempts holders of stock options or warrants issued by HL Display. Ratos has declared that it intends to engage with the option holders in order to find a solution to ensure a fair and equitable treatment.

In connection with this opinion, Navigo Partners has, *inter alia*, taken the following into consideration:

- i) Ratos' offer document published on 21 June 2010;
- ii) financial statements for HL Display for the financial years 2007-2009, and the quarterly report for the period 1 January to 31 March 2010;
- iii) the CEO's reports to the Board of HL Display in 2010 and other internal financial reports including select parts of the budget for the financial year 2010;
- iv) strategy documents for HL Display from 2009 and management's forecasts for HL Display and its business for the years 2010-2013;
- v) discussions with senior executives of HL Display regarding the historic and current operations of the business, financial position, investment needs and future prospects for HL Display;
- vi) official data from NASDAQ OMX Stockholm regarding prices and turnover of HL Display's shares;
- vii) official information from NASDAQ OMX Stockholm regarding certain public offers for shares listed on NASDAQ OMX Stockholm;
- viii) data, *inter alia* from external sources, regarding public companies comparable to HL Display, and the terms of acquisitions of companies comparable to HL Display;
- ix) additional circumstances concerning the historical and current operations of HL Display, and other factors that Navigo Partners have deemed relevant or appropriate as a basis for this opinion; and
- x) that Ratos after the publication of the Offer has acquired 9,859,651 shares of series B in the market, and that Ratos' holding as of 21 June 2010 equals to 88.9 percent of the share capital and 94.6 per cent. of the votes in HL Display.

The information on which this opinion is based has been obtained either from publicly available sources or been provided to Navigo Partners by HL Display for the purpose of this opinion. Navigo Partners has relied on this information being complete and accurate, without undertaking any independent verification.

In respect of financial forecasts and other forward-looking information, we have assumed that such information, at the time of preparation, reasonably reflects the best available estimates and judgments by HL Display's management regarding the company's future financial performance and development, without undertaking any independent assessment.

This opinion is based on current market, economic, financial and other conditions and information that has been collected by and provided to Navigo Partners up until the date of this opinion. Events or circumstances that occur or become known after the date of this opinion can render the opinion obsolete. Navigo Partners assumes no obligation to update or revise this opinion to reflect such events or circumstances.

Our opinion does not address the relative merits of the Offer as compared to any alternative business transaction or stand-alone alternative that might be available to HL Display or any other investment opportunities available to the shareholders of HL Display. Further, our opinion does not constitute a recommendation to any shareholder of HL Display as to whether or not such shareholders should accept the Offer.

This opinion is solely directed to the Board of HL Display. No other party has the right to rely or otherwise establish any rights on the basis of this opinion. This opinion may not, without written approval from Navigo Partners, be conveyed to or be used by anyone else or for any other purpose.

This statement shall be construed in accordance with substantive Swedish law. Disputes regarding this statement shall be settled exclusively by Swedish courts.

Navigo Partners' fees for this assignment are not dependent on the value of the consideration in the Offer, the extent to which the Offer is accepted or whether or not the Offer is completed.

Based on the foregoing, it is Navigo Partners assessment, as of the date hereof, that the Offer to the shareholders of HL Display is fair from a financial point of view.

Yours sincerely,

Navigo Partners AB