



To business editors:

Press release for immediate publication

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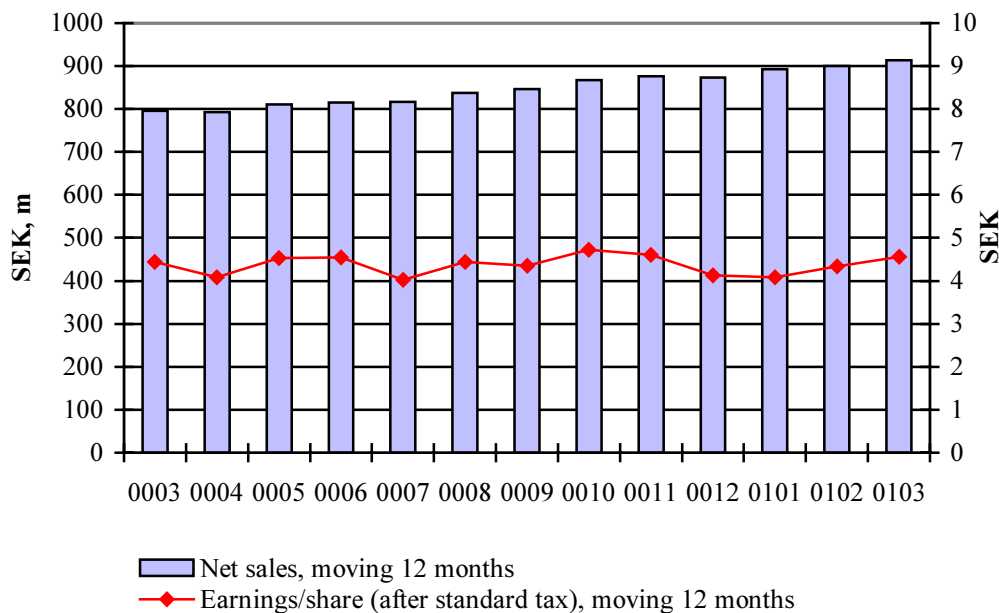
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Interim report January - March 2001 HL Display AB (publ)

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- Profit before tax was SEK 10.2 m (5.7).



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Interim report January to March 2001

Sales and profit

The Group's net sales during the period amounted to SEK 240.1m (200.5), an increase of 19.7 per cent from the corresponding period of 2000.

Of HL Display's total sales, 84 per cent are exported. Around 70 per cent of the Group's sales are dependent on currency fluctuations. 50 per cent is invoiced in currencies connected to Euro. The Swedish krona has been weak during the period which has meant that currency fluctuations contributed to the Group's net sales by 4.1 per cent or SEK 9.9 m.

The period's profit before tax was SEK 10.2 m (5.7).

Exchange rate effects improved profit before tax by SEK 4.2 m compared with the preceding year.

Relative to the same period of 2000, earnings were positively affected in an amount of SEK 1.8 m, since prices for the Group's primary raw material, PVC, has decreased.

A conscious effort to develop the organisation and methodology for product development is expected to create future innovations and thereby continued progress for HL Display.

Market

The launch of the Merchandising concept Optishop™, was a milestone in the history of HL Display. Still in the same niche as when started in 1954, the company has developed from being a producer of price-tag holders, via a Datastrip company to the leading Merchandising company in 2001. Through the competence within production, product development and sales organisation that has been built during the years, HL Display has today the requirements to meet the demands of its customers. Through geographical expansion, multinational customers can now be served in most of the local markets where they are present.

With this as a background, the upgrading of the sales force, through recruitment and education, has been strategically

important. Towards the end of 2001, this reorganisation to Key Account Management is expected to be completed in all the larger sales companies.

Acquisitions and sales

No new acquisitions or sales of companies were carried out during the period.

Investments

The period's net investments in fixed assets amounted to SEK 15.7 m (15.6). Depreciation according to plan totalled SEK 10.9 (9.2).

Financial position

Liquid funds amounted to SEK 24.5m (18.2) on March 31. The equity/assets ratio was 44.1 (46.9) per cent, compared with 47.6 per cent at year-end 2000.

Share data

Earnings per share after full tax amounted for the past 12-month period to SEK 3.80 (4.20). Shareholders' equity per share at the end of the period was SEK 30.48 (28.08). The total number of shares outstanding is 7,688,872.

Personnel

The average number of employees during the period was 817 (741), compared with 825 (759) at end of period.

Annual General Meeting of shareholder's

The proposed dividend of SEK 1.40 per share was decided by the Annual General meeting of shareholder's that was held March 19th 2001.

Outlook for the remainder of the year

For the full year of 2001 a profit improvement is expected, however not in level with the long-term goals. In the course of one business cycle HL Display should achieve an annual average growth rate of at least 20 per cent with a profit margin of between 10 and 15 per cent.

Key figures for the Group ¹⁾

SEK (000s)	3 months Jan - March 2001	3 months Jan - March 2000	3 months Jan - March 1999	12 months April 2000 - Mar 2001	12 months April 1999 - Mar 2000	12 months April 1998 - Mar 1999	Full year 2000
Net sales	240 055	200 503	173 376	913 473	795 578	671 049	873 921
Operating profit	8 336	8 538	9 684	47 529	54 255	62 280	47 731
Profit before tax	10 196	5 670	5 529	48 621	47 266	60 810	44 095
Profit margin, %	4.2	2.8	3.2	5.3	5.9	9.1	5.0
Equity/assets ratio, %	44.1	46.9	49.7	44.1	46.9	49.7	47.6
Investments, SEK m	15.7	15.6	19.4	58.2	64.1	67.3	58.1
Return on capital, %	-	-	-	11.4	12.6	18.2	11.0
Return on shareholders' equity, %	-	-	-	13.0	15.8	20.4	11.6
Shareholders' equity per share, SEK	-	-	-	30.48	28.08	25.19	31.07
Earnings per share after standard tax, SEK	-	-	-	4.56	4.44	5.69	4.13
Earnings per share after full tax, SEK	-	-	-	3.80	4.20	4.89	3.48

Summary of consolidated income statement

	Jan - March	Jan - March	Change in	Full year
SEK (000s)	2001	2000	percent	2000
Net sales	240 055	200 503	+ 19.7%	873 921
Cost of goods sold	-136 772	-107 843	+ 26.8%	-494 366
Gross profit	103 283	92 660	+ 11.5%	379 555
Selling expenses	-54 545	-48 256	+ 13.0%	-196 190
Administrative expenses	-33 357	-28 985	+ 15.1%	-113 752
Development expenses	-6 920	-7 515	-7.9%	-26 902
Other operating income/expenses	-125	634	-	5 020
Operating profit	8 336	8 538	-2.4%	47 731
Financial income and expenses ²⁾	1 860	-2 868	-164.9%	-3 636
Profit before tax	10 196	5 670	79.8%	44 095
Tax ³⁾	-3 971	-1 911	107.8%	-17 348
Net profit	6 225	3 759	65.6%	26 747

Summary of consolidated balance sheet

SEK (000s)	March 31, 2001	March 31, 2000	December 31, 2000
Intangible fixed assets ⁴⁾	19 080	19 670	20 371
Tangible fixed assets	161 460	144 705	155 508
Financial fixed assets	10 474	10 220	10 220
Total fixed assets	191 014	174 595	186 099
Inventories	103 443	81 372	99 694
Current receivables	212 341	185 836	184 769
Cash and bank	24 541	18 225	31 238
Total current assets	340 325	285 433	315 701
Total assets	531 339	460 028	501 800
Shareholders' equity ⁵⁾	234 379	215 928	238 919
Provisions	17 107	14 433	16 997
Long-term liabilities	109 831	96 556	93 727
Current liabilities	170 022	133 111	152 157
Total shareholders' equity and liabilities	531 339	460 028	501 800

Summary of consolidated cashflow statement ⁶⁾

SEK (000s)	Jan - March 2001	Jan - March 2000	Full year 2000
Operating profit	8 336	8 538	47 731
Depreciation	10 921	9 183	40 197
Other items not affecting liquidity ²⁾	1 664	-854	1 090
Interest received	1 283	719	1 530
Interest paid	-2 324	-1 504	-7 550
Income tax paid	-5 697	-797	-11 471
Change in working capital	-12 656	-18 829	-20 648
Cash flow from operating activities	1 527	-3 544	50 879
Investing activities	-16 553	-15 610	-58 543
Financing activities	8 329	14 444	15 296
Cash flow for the period	-6 697	-4 710	7 632

1) See Annual Report for definitions

2) Of which, translation differences as per 31/03/01, SEK 1.0 m (31/03/00, SEK -1.1 m, 31/12/99, SEK 0.1 m)

3) Estimated full tax

4) Whereof goodwill as per 31/03/01, SEK 6.2 m (31/03/00, SEK 9.3 m; 31/12/00, SEK 7.0 m)

5) The changes of shareholder's equity is only consisting of the periods profit after estimated full tax and dividends to shareholders, as per 31/03/01, SEK 10.8 m , 31/03/00, SEK 10.0 m

6) Cash flow analyses as per 31/03/01 and 31/03/00 before exchange difference on liquid assets.

Reporting dates:

Monthly report	4 months 2001	16.05.2001
Monthly report	5 months 2001	15.06.2001
Interim report	6 months 2001	16.07.2001
Monthly report	7 months 2001	15.08.2001
Monthly report	8 months 2001	17.09.2001
Interim report	9 months 2001	16.10.2001
Monthly report	10 months 2001	15.11.2001
Monthly report	11 months 2000	17.12.2001

For the Board of Directors:
Stockholm, April 18th, 2001



Anders Remius
Managing Director and CEO