

Press release, February 2, 2007

Hemtex continues to increase its market share

During 2006, Hemtex, the leading chain of home-textile stores in the Nordic region, continued to enhance its position in the Swedish market for home textiles.

For the full year, Hemtex increased its share to 31.1% of the total market, reflecting growth of 5.5 percentage points compared with 2005. These figures were taken from the latest survey from market research company GfK.

Hemtex's market share grew continuously during the year, and the share during the second half of the year amounted to 31.7% – the highest level to date. The figures also show that the value of the Swedish market for home textiles grew by 3.6% during the year, with the growth rate slackening during the autumn.

“We have mainly noted increases in areas where we have focused distinctly on offering both volume products and a flow of new products, such as terry cloth, decorative cushions, ready-sewn curtains and accessories. A prominent design content, continuous news and inspirational stores are key success factors,” says Anders Jansson, President and Chief Executive Officer of Hemtex.

Hemtex's interim report for the period May 2006 – January 2007 will be published on Tuesday, March 6, 2007.

The year-end report for the 2006/2007 fiscal year will be published on June 14, 2007.

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Hemtex is the leading home textile retail chain in the Nordic region, with a total of 183 stores in January, of which 136 are in Sweden, 32 in Finland, nine in Denmark and six in Norway. Currently, 159 of the stores are owned by the Hemtex Group and 24 by franchise companies. All stores outside Sweden are owned by the Hemtex Group. Under a common brand, the stores sell home decorating products, with an emphasis on home textiles. Sales within the consumer operations (including franchise stores) amount to SEK 1.5 billion annually, excluding VAT. For the fiscal year ended October 31, 2006, the Hemtex Group's annual sales totaled SEK 1.3 billion.