



To business editors:

## Press release for immediate publication

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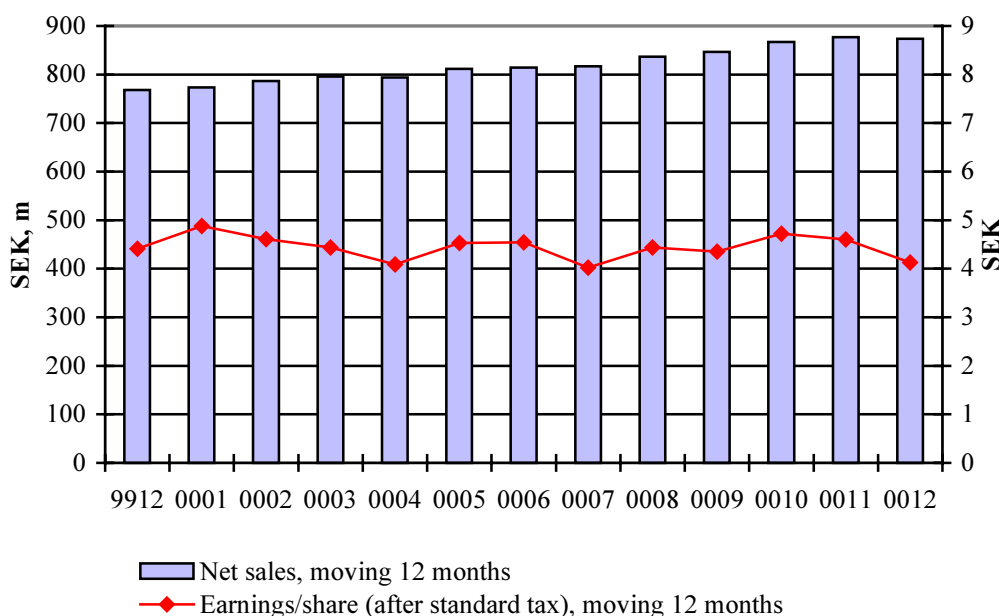
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## Year end report of 2000 HL Display AB (publ)

- Consolidated sales rose by 13.7 per cent to SEK 873.9 m (768.5).
- Profit before tax totalled SEK 44.1 m (47.1).
- Proposed dividend SEK 1.40 (1.30) per share.



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# Year end report of 2000

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## Sales and earnings

The Group's net sales amounted to SEK 873.9 m (768.5), an increase of 13.7 per cent compared to 1999. Of HL Display's total sales, 84 per cent consists of exports. During the fourth quarter, sales amounted to SEK 231.4 m (200.5).

The December sales developed very weakly, amounting to SEK 12 m below expectations. As a consequence, the forecast published in October, of net sales of SEK 880 m and profit before tax of around SEK 50 m for year 2000, could not be reached.

The full year 2000 profit before tax was SEK 44.1 m (47.1). The fourth quarter profit was SEK 8.1 m (5.7).

The funds allocated to the Group from the pension insurance company SPP, were reported in full according to the notice from SPP. This has increased the Group's accumulated profit by a total of SEK 4.5 m. Earnings were negatively affected by SEK 8.6 m by the sharp rise in prices for the Group's primary raw material, PVC, relative to 1999.

Compared to 1999, exchange rate effects increased profit before tax by SEK 2.5 m.

## Market

The European market is undergoing a consolidation process through mergers and acquisitions, in many cases across national borders. In the resulting large chains that are emerging, profiling and display purchasing decisions are moved higher up in the organisations.

Through HL Display's new Key Account Management-organisation, along with the newly launched Merchandising concept Optishop<sup>TM</sup>, the demands of these customers can be met. These actions have been taken to position HL Display as the market leader within the merchandising sector in Europe.

The introduction of this organisation and the marketing of Optishop<sup>TM</sup> has, despite a positive growth in sales, taken longer than expected, and is not yet finished. There is a large future sales potential within the area of merchandising as HL Display is breaking new ground in Europe.

## Acquisitions and sales

No new acquisitions or sales of companies were made during the year. New subsidiaries have been founded in Singapore and Ukraine. The Asian market will be approached from Singapore.

## Investments

The year's net investments in fixed assets amounted to SEK 58.1m (67.9), out of which SEK 0 m (8.5) is attributable to acquisitions. Investments include capitalised lease contracts of SEK 1.1 m (12.1). Depreciation according to plan during the year amounted to SEK 40.2m (31.3).

## Financial position

Liquid funds increased during the year as a result of increased borrowing and amounted to SEK 31.2m (22.9) on December 31.

The equity/assets ratio was 47.6 per cent, compared with 51.6 per cent at year-end 1999.

## Prospects for 2001

The change process that the company is pursuing has taken longer than expected. Nevertheless the long term goals for growth and profitability over time remain. HL Display should increase sales by at least 20 per cent per year on average over a business cycle, with an average net margin of 10-15 per cent. For 2001 higher profits can be expected, although not in line with the long-term goal.

## Share data

Earnings per share after full tax amounted to SEK 3.48 (4.20). Shareholders' equity per share at the end of the year was SEK 31.07 (28.89). The total number of shares outstanding is 7,688,872.

## Personnel

The average number of employees during the year was 773 (706), and the number of employees on December 31 was 805 (713).

## Dividend, AGM and Annual Report

The Board proposes a dividend for 2000 of SEK 1.40 (1.30) per share.

The Annual General Meeting will be held the 19<sup>th</sup> of March. at 4:00 p.m., at Industrihuset, Storgatan 19, Stockholm. The annual report for 2000 will be distributed during week 7.

## Key figures for the Group

SEK (000s)	Jan - Dec 2000	Jan - Dec 1999	Change in per cent	Jan -Dec 1998
Net sales	873 921	768 451	+ 13.7	646 646
Operating profit	47 731	55 401	-13.8	69 042
Profit before tax	44 095	47 125	-6.4	70 969
Profit margin %	5.0	6.1	-18.0	11.0
Equity/asset ratio, %	47.6	51.6	-7.8	52.0
Investments, SEK m	58.1	67.9	-14.4	63.6
Return on capital, %	11.0	12.9	-14.7	21.9
Return on shareholders' equity, %	11.6	15.3	-24.2	24.5
Shareholders' equity per share, SEK	31.07	28.89	+ 7.5	26.00
Earnings per share after standard tax, SEK	4.13	4.41	-6.3	6.65
Earnings per share after full tax, SEK	3.48	4.20	-17.1	5.81

## Summary of consolidated income statement

SEK (000s)	Jan - Dec 2000	Jan - Dec 1999	Change in percent	Jan - Dec 1998
Net sales	873 921	768 451	+ 13.7%	646 646
Cost of goods sold	-494 366	-415 643	+ 18.9%	-317 326
<b>Gross profit</b>	<b>379 555</b>	352 808	+ 7.6%	329 320
Selling expenses	-196 190	-167 185	+ 17.3%	-147 669
Administrative expenses	-113 752	-105 641	+ 7.7%	-91 412
Development expenses	-26 902	-24 581	+ 9.4%	-21 197
Other income/cost	5 020	-	-	-
<b>Operating profit</b>	<b>47 731</b>	55 401	-13.8%	69 042
Financial income and expenses <sup>2)</sup>	-3 636	-8 276	-	1 927
<b>Profit before tax</b>	<b>44 095</b>	47 125	-6.4%	70 969
Tax <sup>3)</sup>	-17 348	-14 848	16.8%	-26 325
<b>Net profit</b>	<b>26 747</b>	32 277	-17.1%	44 644

## Summary of consolidated balance sheet

SEK (000s)	December 31, 2000	December 31, 1999	December 31, 1998
Fixed assets	186 099	168 241	131 584
Current assets	315 701	262 131	253 053
<b>Total assets</b>	<b>501 800</b>	<b>430 372</b>	<b>384 637</b>
Shareholders' equity	238 919	222 168	199 887
Provisions	16 997	14 051	18 167
Long-term liabilities	93 727	71 207	56 391
Current liabilities	152 157	122 946	110 192
<b>Total shareholders' equity and liabilities</b>	<b>501 800</b>	<b>430 372</b>	<b>384 637</b>

## Summary of consolidated cash flow statement <sup>4)</sup>

SEK (000s)	Jan -Dec 2000	Jan -Dec 1999	Jan -Dec 1998
Operating profit	47 731	55 401	69 042
Depreciation	40 197	31 255	25 520
Other items not included in <sup>the</sup> cash flow	1 818	-4 598	15 752
Interest income, paid	1 530	1 425	2 248
Interest expenses, paid	-7 550	-4 923	-3 556
Income tax, paid	-11 471	-29 007	-27 296
Change in working capital	-20 648	-2 259	-45 588
<b>Cash flow from operations</b>	<b>51 607</b>	<b>47 294</b>	<b>36 122</b>
Cash flow from investments	-58 600	-57 367	-71 713
Cash flow from financing, dividend etc	15 296	-4 623	13 198
<b>Change in liquid funds</b>	<b>8 303</b>	<b>-14 696</b>	<b>-22 393</b>

1) See Annual Report for definitions

2) Of which, translation differences as per 31/12/00, SEK 0.1 m, (31/12/99, SEK -3.8 m, 31/12/98. SEK -3.6 m)

3) Estimated full tax and minority

4) Cash flow analyses as per 31/12/00 before exchange difference on liquid assets.

For the Board of Directors:  
Stockholm, January 23<sup>rd</sup> 2001



Anders Remius  
Managing Director and CEO

### Reporting dates:

Monthly report	1 month 2001	15.02.2001
Monthly report	2 months 2001	19.03.2001
Shareholders' meeting		19.03.2001
Interim report	3 months 2001	18.04.2001
Monthly report	4 month 2001	16.05.2001
Monthly report	5 months 2001	15.06.2001
Interim report	6 months 2001	16.07.2001
Monthly report	7 month 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