

Hemtex discloses the information provided herein pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication on May 4, 2010 at 7:00 a.m.

FIRST-QUARTER REPORT JANUARY 1, 2010 – MARCH 31, 2010

Including costs for closing down operations in Denmark and Norway operating loss amounted to SEK 99.8 M

All figures pertain to the Group unless otherwise stated. Comparisons in the first-quarter report refer to the corresponding period in the 2009 fiscal year, unless otherwise stated.

The first quarter (January 2010 – March 2010)

- Net sales amounted to SEK 269.9 M (290.1), down 7% compared with the year-earlier period.
- Sales in the Group's comparable stores were unchanged 0% (neg: 27). In local currencies sales trend were positive in all markets.
- Gross profit amounted to SEK 124.8 M (147.3), corresponding to a gross margin of 46.2% (50.8).
- Loss after tax amounted to SEK 80.1 M (loss: 32.6). A loss per share before dilution of SEK 1.95 (loss: 1.1).
- Operating cash flow after investments was negative SEK 32.1 M (neg: 19.9).
- Nine stores were closed during the first-quarter.
- Expenses of SEK 30.7 M for closing down operations in Denmark and Norway were charged against earnings.
- An operating loss of SEK 99.8 (loss: 41.7), including expenses for closing down operations in Denmark and Norway, was reported.

GROUP EARNINGS TREND (CONDENSED)

	3 months jan-march		Rolling 12 April-march	Abbreviated fiscal year may-dec
	2010	2009	2009/10	2009
Operating income, SEK M	270.9	291.6	1,288.9	924.7
Operating profit/loss, SEK M	- 99.8	- 41.7	- 278.9	- 148.0
Profit/loss before taxes, SEK M	- 100.9	- 45.3	- 284.2	- 151.6
Net profit/loss for the period, SEK M	- 80.1	- 32.6	- 234.6	- 121.3
Operating margin, %	- 37.0	- 14.4	- 21.9	- 16.1
Earnings/loss per share before dilution, SEK	- 1.95	- 1.11	- 5.97	- 3.04

”Focus on adjustment work towards the new Hemtex”

CEO'S COMMENTS

The launch of the new Hemtex in the Swedish and Finnish markets is approaching rapidly. On May 19, 2010, we will present the changes to the product range, the new store concept and a new visual identity at a capital market breakfast meeting in Stockholm. Accordingly, the company's efforts during the first quarter have been focused intently on and dominated by the necessary changes that Hemtex is undertaking.

We currently have a loyal customer base that we are nurturing and caring for. The purpose of the new Hemtex is to attract new target groups by expanding the offering. Customers should not visit a Hemtex store simply to make an essential purchase – visits should be just as much about being inspired and looking at new patterns, materials, functions and unexpected expressions. The core of the offering should be easy to recognize and appreciate, while the modern product range should be playful and sometimes even artistically challenging. As a result, the size of the steps in the price ladder will be significantly expanded.

The work on changing the offering and the product range strategy has been assigned considerable scope in the organization since the start of the year. It can be difficult to strike a balance between, on the one hand, focusing on the current situation and, on the other, managing a resource-intensive and extensive change-over process from the old to the new Hemtex. There is the risk that the customer offering may appear to lack focus and be less attractive than before during this transitional period. At the same time, it was important for us to gradually introduce the repositioning of the brand and thus raise the degree of caution in price offering.

Given this background, the year began weakly and the change process had an adverse impact on sales. Net sales declined 7% compared with the year-earlier period, of which approximately 3% was attributable to currency effects.

Meanwhile, the restructuring process is continuing in the Group. The Group's finances will gradually become more stable by means of increased cost control and adopting a consistent approach to unprofitable structures. Loss-making markets have impeded the development and growth potential of the Group and, accordingly, we intend to complete the divestment of the store portfolios in Denmark and Norway in September. Nonrecurring costs of SEK 30.7 M for the closure of Group stores in Norway and Denmark were charged against earnings. The review of the store portfolio in Finland is continuing and no decision has yet been made on the stores that may be closed.

All in all, focus on adjustment work toward the new Hemtex resulted in an operating loss of SEK 99.8 M (loss: 41.7).

Erik Gumabon,
President and Chief Executive Officer

SIGNIFICANT EVENTS

The Market

No new market figures were presented by the GFK market research organization during the reporting period.

Calendar year as the fiscal year

Effective January 1, 2010, Hemtex presents its financial statements according to the calendar year. Accordingly, figures for the year-earlier period have been restated to figures for the calendar year to facilitate comparisons.

Closing down operations in Denmark, Norway and Finland

During the quarter, the Board decided on the liquidation of the operations in Denmark and Norway as well as close cooperation with franchise stores in Poland. Costs of winding up operations in Denmark and Norway are charged against earnings by 30.7 million. The closures are expected to begin to pay off effects in the second half. In addition, a review of store base in Finland will take place with the goal of reducing by half the current population of 39 stores. This all together provides increased power and focus on activities in Sweden.

New stores

During the first quarter, Januari 1 – March 31, 2010, the group opened one new store in Sweden. The store was established in Uppsala.

Cost rationalizations

During the first quarter, Hemtex reviewed its portfolio of stores in all countries and closed 9 stores of which 7 was in the Group. In Sweden, the Group closed stores in Stockholm, Göteborg, Charlottenberg and Ludvika. In Denmark one store was closed in Copenhagen. In Norway two store were closed one in Bergen and one in Kongsberg. In Poland the two remaining franchise stores were closed.

OPERATIONS

Product range and concept

The foundation of Hemtex's offering is an attractively priced and functional range of high-quality textile products. Hemtex's aim is to assume leadership in terms of the range of products offered in the home textile area and to provide the best service in the market. To maintain the leading position in terms of the product range, it is essential that the range is changed continuously. Accordingly, a forceful downsizing and concentration of the range was initiated during 2009. The

product range will contain a higher degree of fashion than in the past. In terms of the price ladder, a broadening will occur, because there will be more premium products than today. More innovations in the shape of new functions, new material and new material combinations will be launched. Hemtex will continue to focus on the best interests of its current core target group, while simultaneously widening its offering to also include new target groups. The offering to customers will comprise quality home textile products, represented by a more distinct base in the range. Private brands will account for most of the range. These items will be complemented by a limited range of market-leading brands from external suppliers. The Group's strong position in the home textile market will constitute solid ground for initiatives aimed at developing the range, work that will be assigned high priority within the organization.

Developed communications and new price strategy

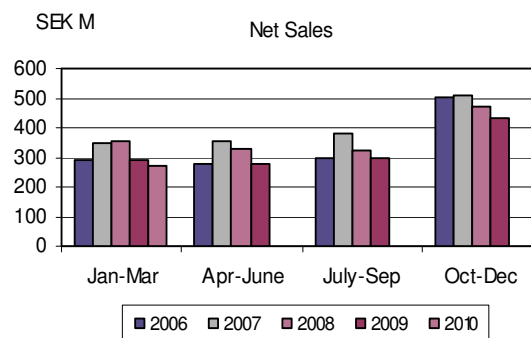
The aim of the communication strategy is to strengthen the Hemtex brand and thereby to increase its market impact. During 2010, Hemtex will gradually unveil changes towards a sharper identity. The focus will be shifted from the individual product towards increasing the inspiration to renew one's home more frequently. Hemtex has implemented a thorough review of its previous price strategy, which has resulted in reductions in the ordinary prices of a large variety of products. Reduced prices and sharper communications, combined with a refined range of products, will increase the impact of the Hemtex offering.

COMMENTS ON THE INCOME STATEMENT AND BALANCE SHEET

Net sales

The Group's net sales consist of consumer retail sales via proprietary stores and wholesale sales to franchise stores in the Hemtex chain.

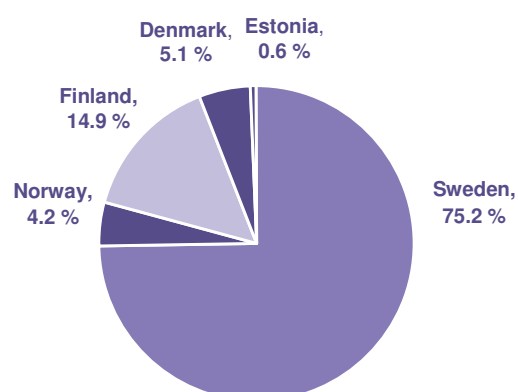
The Group's total net sales decreased during the first quarter by 7 % (decrease: 18.9) to SEK 269.9 M (290.1). In local currencies, net sales declined 4.1%.



Of the Group's net sales, Swedish operations accounted for sales of SEK 206.3 M (215.7), Finnish operations accounted for SEK 37.0 M (44.0), operations in Denmark for SEK 14.3 M (16.1), operations in Norway for SEK 10.8 M (12.2) and the operation in Estonia for SEK 1.5 M (2.1).

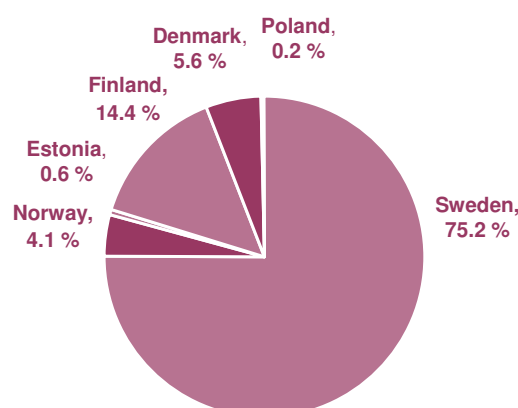
Other operating income amounted to SEK 1.1 M (1.5) and primarily comprised franchise fees and bonus payments from suppliers and business partners.

Consolidated net sales during the most recent 12-month period per geographical market



During the most recent 12-month period, net sales at the consumer level (including franchise stores) decreased in all markets by 8.1 % to SEK 1.333 M (1.451).

The chain's net sales during the most recent 12-month period per geographical market



Sales trend in the Group's comparable stores

	3 months jan-mar 2010	3 months jan-mar 2009	Rolling 12 months april-march
Group	0%	-27%	-9%
Sweden	1%	-27%	-10%
Finland	1%	-34%	-15%
Denmark	11%	-36%	-13%
Norway	7%	-24%	-5%
Estonia	7%	-17%	-11%

In January-March, the sales trend for the Group's comparable stores was positive in all markets. The aim of the strategic initiatives that are now being implemented in the shape of product range renewal, a review of the store structure and revised and intensified brand building is to support the future sales trend in comparable stores.

Earnings

Consolidated gross profit (net sales less cost of goods sold) declined 15.3 % to SEK 124.8 M (147.3). The gross margin decreased to 46.2 % (50.8).

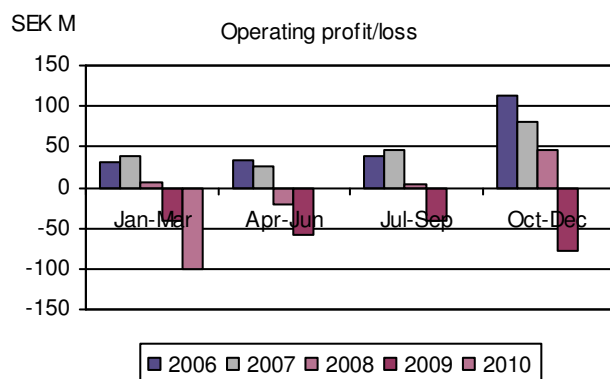
At present, the portion of direct purchases from producers slightly exceeds 78%. For the portion of purchasing from Asia the aim is 80% and the current level is 78%.

To reduce the currency risk, Hemtex hedges a substantial portion of the Group's contracted flows in foreign currency. The Group's finance policy stipulates that at least 65% of contracted flows must be hedged. In total, the exchange-rate differences that affected earnings during the period were positive, amounting to SEK 2.3 M (1.7). The change in value of outstanding forward contracts, applying IAS 39, had a negative impact of SEK 0.7 M on gross profit during the report period.

Operating expenses, excluding goods for resale and depreciation and impairment losses on tangible and intangible assets, amounted to SEK 200.3 M (179.1), of which SEK 18.6 M relates to closing down operations in Denmark and Norway. As a percentage of sales, these expenses amounted to 74.2% (61.7).

Of depreciation/amortization of tangible and intangible fixed assets, rental rights accounted for SEK 1.4 M (1.5) and other depreciation/amortization for SEK 24.0 M (9.8), of which SEK 12.1 M relates to closing down operations in Denmark and Norway

An operating loss of SEK 99.8 M (loss: 41.7) was reported, corresponding to an operating margin of minus 37.0% (minus 14.4). An operating loss of SEK 69.1 M (loss: 41.7), excluding divestment costs for operations in Denmark and Norway, was reported.



All markets reported operating losses during the first quarter. The results for the various markets are presented in the section on segment reporting on page 11 of this report.

The consolidated loss before tax amounted to SEK 100.9 M (loss: 45.3), resulting in a loss margin of 37.4% (minus: 15.6). The loss after tax amounted to SEK 80.1 M (loss: 32.6).

Investments

The Group's cash-impacting net investments totaled SEK 1.9 M (3.2) during the first quarter, of which SEK 0.0 M (0.0) pertained to store acquisitions, SEK 0.3 M (2.0) to investments in the establishment of new and refurbishment of existing stores and SEK 1.6 M (1.2) to other investments.

Cash flow

During the most recent three-month period, cash flow from operating activities decreased from minus SEK 16.7 M in the year-earlier period to minus SEK 3.2 M in 2009, primarily due to lower sales than expected. Cash flow after investments amounted to minus SEK 32.1 M (neg: 19.9) during the first quarter.

Risks and uncertainties

Hemtex's operations are exposed to a number of risks that are fully or partly beyond the control of the company and the Group, but that can impact sales and earnings. The Group is exposed to financial risks and operations-related risks. Examples of financial risks include liquidity, interest-rate and exchange-rate risks. Operational risks consist of business trends, competition, fashion and weather.

Hemtex AB is responsible for the Group's financial risk management. The target for Hemtex's financial policy is to

limit the short-term effects on the Group's earnings and cash flow caused by fluctuations in financial markets.

A more detailed description of these risks is presented in the 2009 Annual Report and on www.hemtex.com, Investor Relations.

Seasonal fluctuations

As with other segments of the home furnishings industry, Hemtex's net sales, operating profit and cash flow from operating activities fluctuate throughout the year. This is because costs are relatively constant, while net sales vary. The Group's strongest earnings are normally generated during the final quarter of the fiscal year, meaning the period from October to December. However, Hemtex aims to reduce seasonal fluctuations on earnings through sales activities and improved work methods and staff planning in our stores.

Financial position

On March 31, 2010, cash and cash equivalents amounted to SEK 40.3 M (30.8). Net debt, defined as interest-bearing debt less cash and cash equivalents, decreased by SEK 118.4 M during the most recent 12-month period and amounted to SEK 117.6 M (236.0) at March 31, 2010. The net debt/equity ratio at March 31, 2010 was 37.6% (61.1).

The equity/assets ratio amounted to 46.0%, compared with 44.3% on the corresponding date in the preceding year. During the spring, Hemtex reviewed its total financing. In order to find the optimal solution for the company, discussions were pursued with banks and principal owners. This resulted in a higher share of long-term financing and the rights issue.

Inventories

On March 31, 2010, inventories amounted to SEK 166.4 M (307.3). This reduction derived from a strictly controlled purchasing strategy, whereby inventory levels at the end of the quarter were deemed to be in balance. Of total inventories, wholesale inventories accounted for SEK 58.1 M (87.9). At the end of March 2010, inventories per store within the Group averaged SEK 0.6 M (1.1).

Goodwill

The Hemtex Group's total goodwill recognized in the consolidated balance sheet at March 31, 2010 amounted to SEK 246.0 M (287.5). The valuation takes into consideration the Group's accrued earnings values for acquired operations and the strength of the Hemtex brand in these markets, established supplier contacts and the expertise of the Group's employees.

Earnings per share

A loss per share of SEK 1.95 (loss: 1.11) was reported before dilution and of SEK 1.95 (loss: 1.11) after dilution. Equity per share amounted to SEK 7.62 (13.16). The number of shares in Hemtex AB on March 31, 2010 was 41,072,360. The average number of shares during the report period was 41,072,360.

Average number of employees in the Group

The average number of employees in the Group during the first quarter was 759 (777). The decrease in the number of employees was due to the reduction in the number of stores.

Parent Company

Hemtex AB's net sales decreased during the report period to SEK 227.6 M (243.8). Net sales in Hemtex AB consist of consumer retail sales via proprietary stores and wholesale sales to subsidiaries and franchise stores. Of the net sales, sales in proprietary stores accounted for SEK 198.2 M (195.7) and wholesales for SEK 29.4 M (48.1).

After financial items, a loss of SEK 49.1 M (loss: 27.4) was reported. The Parent Company's cash-impacting net investments amounted to SEK 3.7 M (4.2).

The average number of employees in Hemtex AB during the first quarter was 521, compared with 533 employees in the preceding year.

OTHER

Events after the closing date

Hemtex will change its logistics partner to Aditro Logistics from June 30, 2011, meaning that the warehouse operations and distribution will be concentrated to Aditro Logistics in Jönköping.

Reporting dates

The interim report for January 1, 2010 to June 30, 2010 will be published on August 17, 2010. CET 07.00.

The interim report for January 1, 2010 to September 30, 2010, will be published on November 9, 2010. CET 07.00.

For information about future reports, refer to the financial calendar in the Investor Relations section on www.hemtex.com.

Accounting policies

This report has been compiled in accordance with IAS 34 Interim Reporting. The Annual Accounts Act and the Securities Markets Act have also been applied. In accordance with the description of new accounting policies for 2010 as contained in the 2009 Annual Report, a number of new standards and interpretations issued by the IFRIC became effective on or before January 1, 2010. These changes in standards and new interpretations have had no impact on the Group. In other respects, the same accounting and calculation principles were applied as in the most recent Annual Report.

For the Parent Company, the Annual Accounts Act and the Securities Markets Act have been applied, in accordance with the stipulations of the Swedish Financial Reporting Board's recommendation RFR 2.3, Interim Reporting for Legal Entities. The accounting and calculation principles used for the interim report were the same as those applied in the most recent Annual Report.

This report has not been reviewed by the company's auditors.

Borås, May 4, 2010
Hemtex AB

Board of directors

Further information

Erik Gumabon, President and CEO.

Ulf Segerström, CFO.

Manuel Ferrer, Head of Pressoffice: +46 (0) 706-66 02 59.

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CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(SEK 000s)

	3 months Jan 1-Mar 31		Rolling 12 April-March	Abbreviated fiscal year May-Dec
	2010	2009	2009/10	2009
Net sales	269,888	290,077	1,275,061	916,836
Other operating income	<u>1,059</u>	<u>1,493</u>	<u>13,837</u>	<u>7,883</u>
Total operating income	270,947	291,570	1,288,898	924,719
<i>Operating expenses</i>				
Goods for resale	- 145,112	- 142,814	- 648,175	- 450,339
Other external costs	- 113,471	- 93,984	- 454,295	- 306,800
Personnel expenses	- 86,822	- 85,106	- 351,505	- 234,991
Depreciation/impairment losses on tangible and intangible assets	<u>- 25,378</u>	<u>- 11,325</u>	<u>- 113,845</u>	<u>- 80,631</u>
Operating profit/loss	- 99,836	- 41,659	- 278,922	- 148,042
<i>Result from financial items</i>				
Other interest income and similar items	2	51	26	90
Interest expenses and similar items	<u>- 1,079</u>	<u>- 3,674</u>	<u>- 5,343</u>	<u>- 3,633</u>
Total result from financial items	- 1,077	- 3,623	- 5,317	- 3,543
Profit/loss before tax	- 100,913	- 45,282	- 284,239	- 151,585
Tax on profit for the period	<u>20,851</u>	<u>12,665</u>	<u>49,685</u>	<u>30,320</u>
Net profit/loss for the period	- 80,062	- 32,617	- 234,554	- 121,265
<i>Other comprehensive income</i>				
Translation differences	1,089	- 673	1,707	436
<i>Other comprehensive income for the period</i>	<u>1,089</u>	<u>- 673</u>	<u>1,707</u>	<u>436</u>
Total comprehensive income for the period	- 78,973	- 33,290	- 232,847	- 120,829
Earnings/ loss per share before dilution, SEK	- 1.95	- 1.11	- 5.97	- 3.04
Earnings/ loss per share after dilution, SEK	- 1.95	- 1.11	- 5.97	- 3.04
Number of shares outstanding on the closing date	41,072,360	29,337,400	41,072,360	41,072,360
Average number of shares outstanding				
before dilution	41,072,360	29,337,400	39,270,453	39,824,821
after dilution	41,072,360	29,337,400	39,270,453	39,824,821

GROUP KEY RATIOS

	3 months Jan 1-Mar 31		Rolling 12 April-March	Abbreviated fiscal year May-Dec
	2010	2009	2009/10	2009
Sales growth, %	- 7.0	- 18.9	- 10.1	- 9.4
Sales growth, comparable stores, %	0.1	- 27.5	- 8.6	- 9.2
Gross profit margin, %	46.2	50.8	49.2	50.9
Operating margin, %	- 37.0	- 14.4	- 21.9	- 16.1
Profit margin, %	- 37.4	- 15.6	- 22.3	- 16.5
Return on equity, %	- 90.8	- 32.4	- 67.1	- 48.8
Return on capital employed, %	- 77.4	- 24.5	- 49.6	- 36.4
Return on operating capital, %	- 88.1	- 26.5	- 53.0	- 40.1
Equity/asset ratio, %	46.0	44.3	46.0	49.7
Cash flow after investments, SEK M	- 32.1	- 19.9	- 41.0	37.8
Number of warrants outstanding, 000s	240.0	240.0	240.0	240.0
Cash flow after investments per share, SEK	- 0.78	- 0.68	- 1.04	0.95
Shareholders' equity per share, SEK	7.62	13.16	7.62	9.55
Number of full-year employees			759	768

CONSOLIDATED CASH-FLOW STATEMENT (CONDENSED)

	3 months Jan 1-Mar 31		Abbreviated fiscal year May-Dec
(SEK 000s)	2010	2009	2009
Cash flow from operating activities before changes in working capital	- 71,344	- 42,915	- 60,334
Cash flow from changes in working capital			
Inventories	52,082	- 13,600	89,695
Operating receivables	4,804	38,463	7,398
Non-interest bearing liabilities	- 15,698	1,389	10,079
Cash flow from operating activities	- 30,156	- 16,663	46,838
Cash flow from investing activities	- 1,944	- 3,215	- 8,993
Cash flow for the period after investments	- 32,100	- 19,878	37,845
Cash flow from financing activities	- 11,299	- 19,933	23,421
Cash flow for the period	- 43,399	- 39,811	61,266
Net debt at the end of the period	117,639	235,989	83,340

CONSOLIDATED BALANCE SHEET (CONDENSED)

(SEK 000s)	March 31		Dec 31
	2010	2009	2009
Intangible fixed assets ¹⁾	293,469	339,747	293,896
Tangible fixed assets	71,121	130,023	95,223
Financial assets	59,618	29,692	39,091
Inventories	166,394	307,325	220,856
Current receivables	49,756	34,457	53,818
Cash and cash equivalents	40,276	30,783	85,738
Total assets	680,634	872,027	788,622
Shareholders' equity	313,106	385,955	392,079
Long-term liabilities ²⁾	92,346	67,905	101,425
Short-term liabilities ²⁾	275,182	418,167	295,118
Total equity and liabilities	680,634	872,027	788,622
¹⁾ Of which, goodwill	246,043	287,548	246,043
²⁾ Of which, interest-bearing liabilities	157,701	266,772	169,078

STATEMENT OF CHANGES IN EQUITY

(SEK 000s)	3 months Jan 1-Mar 31		Abbreviated fiscal year May-Dec
	2010	2009	2009
Total shareholders' equity at the beginning of the period	392,079	419,245	352,915
New share issue	-	-	159,993
Net profit/loss	- 78,973	- 33,290	- 120,829
Total shareholders' equity at the end of the period	313,106	385,955	392,079

SEGMENT REPORTING

Net sales per operating segment (SEK 000s)	3 months Jan-Mar		Rolling 12 Apr-Dec	Abbreviated fiscal year May-Dec
	2010	2009	2009/10	2009
Sweden	206,272	215,690	959,324	687,616
Finland	36,982	44,023	189,367	138,225
Denmark	14,355	16,088	64,627	46,601
Norway	10,785	12,159	54,179	39,206
Estonia	1,494	2,117	7,564	5,188
Total	269,888	290,077	1,275.061	916,836

Operating profit/loss per operating segment (SEK 000s)	3 months Jan-Mar		Rolling 12 April-March	Abbreviated fiscal year May-Dec
	2010	2009	2009/10	2009
Sweden	- 43,248	- 17,215	- 140,119	- 73,598
Finland	- 12,291	- 13,181	- 44,750	- 28,236
Denmark	- 14,016	- 2,736	- 38,803	- 24,373
Norway	- 29,769	- 7,845	- 54,681	- 20,794
Estonia	- 512	- 682	- 569	- 1,041
Total	- 99,836	- 41,659	- 278,922	- 148,042

Operating margin per operating segment (SEK 000s)	3 months Jan-Mar		Rolling 12 April-March	Abbreviated fiscal year May-Dec
	2010	2009	2009/10	2009
Sweden	- 21.0	- 8.0	- 14.6	- 10.7
Finland	- 33.2	- 29.9	- 23.6	- 20.4
Denmark	- 97.6	- 17.0	- 60.0	- 52.3
Norway	- 276.0	- 64.5	- 100.9	- 53.0
Estonia	- 34.3	- 32.2	- 7.5	- 20.1
Total	- 37.0	- 14.4	- 21.9	- 16.1

The segments' operating profit/loss includes earnings from retail operations in each market and the earnings of Swedish wholesale operations from sales to each market. Profit from sales to franchisees is reported under the Swedish segment.

NUMBER OF STORES

	December 31					March 31	
	2005	2006	2007	2008	2009	2009	2010
Sweden	66	112	121	123	126	125	123
Finland	20	32	39	41	39	41	39
Denmark	8	9	9	11	10	11	9
Norway	-	6	12	14	12	14	10
Estonia	-	-	1	3	2	3	2
Total stores in the Group	94	159	182	192	189	194	183
Franchise stores in Sweden	54	24	23	23	21	23	21
Franchise stores in Poland	-	-	2	3	2	3	0
Franchise stores in Denmark	-	-	-	2	2	2	2
Total stores in the chain	148	183	207	220	214	222	206

QUARTERLY EARNINGS – GROUP

SEK M	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1
Net sales	331.8	324.3	471.8	290.1	276.2	296.4	432.6	269.9
Other operating income	5.3	1.2	4.7	1.5	5.8	2.6	4.4	1.1
Total operating income	337.0	325.5	476.6	291.6	281.9	299.0	437.0	270.9
<i>Operating expenses</i>								
Goods for resale	- 169.4	- 144.4	- 203.4	- 142.8	- 140.9	- 149.8	- 212.4	- 145.1
Other external costs	- 90.5	- 94.2	- 113.4	- 94.0	- 100.4	- 101.8	- 138.7	- 113.5
Personnel expenses	- 85.6	- 72.4	- 101.5	- 85.1	- 83.6	- 87.5	- 93.6	- 86.8
Depreciation/amortization of tangible and intangible assets	- 12.0	- 11.5	- 12.3	- 11.3	- 16.1	- 11.7	- 60.7	- 25.4
Operating profit/loss	- 20.3	3.1	46.0	- 41.7	- 59.1	- 51.7	- 68.3	- 99.8
<i>Operating margin, %</i>	<i>- 6.1</i>	<i>1.0</i>	<i>9.7</i>	<i>- 14.4</i>	<i>- 21.4</i>	<i>- 17.4</i>	<i>- 15.8</i>	<i>- 37.0</i>
Result from financial items	- 2.4	- 2.6	- 4.0	- 3.6	- 1.3	- 1.5	- 1.5	- 1.1
Profit/loss after financial items	- 22.8	0.5	42.0	- 45.3	- 60.3	- 53.2	- 69.8	- 100.9
Tax on profit for the period	5.9	0.1	11.8	12.7	1.5	12.0	18.3	20.8
Net profit/loss for the period	- 16.9	0.3	30.2	- 32.6	- 61.8	- 41.2	- 51.5	- 80.1

MULTI-YEAR REVIEW

	2005	2006	2007	2008	2009	Rolling 12 Apr-Mar 2009/10
Net sales, SEK M	1,041.1	1,363.9	1,596.6	1,485.7	1,295.2	1,275.1
Net sales growth, %	38.4	31.0	17.1	- 6.9	- 12.8	- 10.1
Gross profit margin, %	45.5	51.1	53.7	53.6	50.1	49.2
Operating profit/loss, SEK M	162.3	216.2	190.0	35.5	- 220.8	- 278.9
Operating margin, %	15.6	15.8	11.9	2.4	- 17.0	- 21.9
Net profit/loss, SEK M	118.4	157.9	132.8	15.5	- 187.1	- 234.6
Cash flow after investments, SEK M	1.5	- 54.3	- 91.4	60.5	- 28.4	41.0
Return on equity, %	43.8	38.1	28.4	3.5	- 46.1	- 67.1
Return on capital employed, %	55.6	46.5	29.1	5.1	- 34.9	- 49.6
Return on operating capital, %	91.1	63.2	33.9	5.4	- 39.8	- 53.0
Return on total capital, %	36.0	31.5	20.9	3.8	- 25.8	- 35.9
Equity/assets ratio, %	63.1	57.2	46.7	45.3	49.7	46.0
Net debt/EBITDA, times	- 0.7	0.0	0.9	2.6	- 0.7	- 0.7
Capital turnover ratio, times	5.8	4.0	2.8	2.3	2.3	2.4
Earnings/ loss per share before dilution, SEK	4.43	5.63	4.62	0.53	- 5.14	- 5.97
Earnings/ loss per share after dilution, SEK	4.43	5.63	4.62	0.53	- 5.14	- 5.97
Cash flow after investments per share, SEK	0.06	- 1.94	- 3.18	2.06	- 0.79	- 1.04
Equity per share, SEK	13.16	16.41	16.23	14.29	9.55	7.62
Number of full-year employees	381	531	711	787	768	759

Figures for 2005-2009 have been restated to the calendar year.

PARENT COMPANY'S CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

	3 months Jan 1-March 31		Abbreviated fiscal year May–Dec
(SEK 000s)	2010	2009	2009
Net sales	227,567	243,847	768,769
Other operating income	<u>2,483</u>	<u>2,642</u>	<u>12,534</u>
Total operating income	230,050	246,489	781,303
<i>Operating expenses</i>			
Goods for resale	- 132,549	- 136,027	- 412,170
Other external costs	- 71,853	- 64,819	- 286,452
Personnel expenses	- 61,845	- 60,508	- 175,589
Depreciation/amortization of tangible and intangible assets	<u>- 13,122</u>	<u>- 11,591</u>	<u>- 55,514</u>
Operating profit/loss	- 49,319	- 26,456	- 148,422
<i>Result from financial items</i>	-	-	- 35,246
Other interest income and similar items	1,216	- 2,565	4,666
Interest expenses and similar items	<u>- 1,041</u>	<u>- 3,505</u>	<u>- 3,359</u>
Total result from financial items	175	- 940	- 33,939
Profit/loss after financial items	- 49,144	- 27,396	- 182,361
Appropriations	<u>-</u>	<u>-</u>	<u>21,801</u>
Profit/loss before tax	- 49,144	- 27,396	- 160,560
Tax	<u>12,780</u>	<u>7,657</u>	<u>22,718</u>
Net profit/loss for the period	- 36,364	- 19,739	- 137,842
<i>Other comprehensive income</i>			
Translation differences	208	- 37	73
<i>Other comprehensive income for the period</i>	<u>208</u>	<u>- 37</u>	<u>73</u>
Total comprehensive income for the period	- 36,156	- 19,776	- 137,769

PARENT COMPANY'S BALANCE SHEET (CONDENSED)

(SEK 000s)	March 31		December 31
	2010	2009	2009
Intangible fixed assets ¹⁾	237,210	273,730	240,867
Tangible fixed assets	55,768	77,080	61,426
Financial assets	49,878	36,590	37,119
Inventories	133,701	216,285	174,119
Current receivables	139,513	184,395	152,012
Cash and cash equivalents	<u>25,692</u>	<u>18,139</u>	<u>43,792</u>
Total assets	641,762	806,219	709,335
Shareholders' equity	288,457	330,400	324,613
Untaxed reserves	37,067	58,867	37,067
Provisions	6,228	5,328	6,228
Long-term liabilities ²⁾	75,625	30,000	84,688
Short-term liabilities ²⁾	<u>234,385</u>	<u>381,624</u>	<u>256,739</u>
Total equity and liabilities	641,762	806,219	709,335
¹⁾ Of which, goodwill	190,932	223,182	194,317
²⁾ Of which, interest-bearing liabilities	155,325	251,280	165,906

PARENT COMPANY'S STATEMENT OF CHANGES IN EQUITY

(SEK 000s)	3 months 1 jan-31 mar		Abbreviated fiscal year maj-dec
	2010	2009	2009
Total shareholders' equity at the beginning of the period	324,613	350,176	302,389
New share issue	-	-	159,993
Dividend	-	-	-
Net profit/loss	<u>- 36,156</u>	<u>- 19,776</u>	<u>- 137,769</u>
Total shareholders' equity at the end of the period	288,457	330,400	324,613

THE HEMTEX SHARE

On March 31, 2010, Hemtex AB's share capital amounts to SEK 102,7 M, represented by 41,072,360 shares each with a quotient value of SEK 2.50. Each share entitles the holder to one vote at General Meetings and all shares carry equal rights to participation in the Company's assets and profits. For up-to-date information on the Hemtex share, reference is made to Investor Relations at www.hemtex.com.

Shareholders

At March 31, 2009, Hemtex AB had 3,170 shareholders. The information in the table below pertains to the circumstances at that date according to the share register maintained by Euroclear Sweden AB.

Owner	Total no. of shares	Share of voting rights and capital
Hakon Invest AB	28,138,798	68.5%
AB Industrivärden	5,131,146	12.5%
Bomax AS	2,052,400	5.0%
Trollhassel AB m.fl.	608,945	1.5%
SIX SIS AG	436,075	1.1%
EFG Private Bank S.A., W8IMY	326,512	0.8%
SEB Private Bank S.A.; NQI	224,504	0.6%
AB Pernini m. fl.	200,450	0.5%
Löfman, Michael	139,045	0.3%
Pernvik & Pernvik AB m.fl.	130,300	0.3%
Other shareholders	3,684,185	8.9%
Total	41,072,360	100.0%

Ownership structure					
Number of shares	Number of owners	% of all owners	Number of shares	% of capital	
1 - 200	1,399	44.1%	134,460	0.3%	
201 - 1,000	1,342	42.3%	628,689	1.5%	
1,001 - 10,000	360	11.4%	980,849	2.4%	
10,001 - 100,000	60	1.9%	2,077,756	5.1%	
100,001 -	9	0.3%	37,250,606	90.7%	
Total	3,170	100.0%	41,072,360	100.0%	

Distribution of owners	Share of voting rights and capital
Foreign owners	8.9%
Swedish owners	91.1%
of whom, legal entities	93.7%
Private individuals	6.3%

Updated information concerning owners, ownership structure and distribution of owners is available at Investor Relations, www.hemtex.com

DEFINITIONS

Capital employed – The balance-sheet total less non-interest bearing liabilities including deferred tax liabilities.

Cash flow after investments – Profit before depreciation/amortization plus/minus financial items less tax paid plus/minus changes in operating capital minus investments.

Cash flow after investments per share – Cash flow after investments divided by the average number of shares outstanding during the period.

Comparable stores – Stores that have been operational for more than 12 months.

Earnings per share – Profit after tax divided by the average number of shares outstanding during the period.

Earnings per share after dilution – Profit after tax divided by the average number of shares outstanding on the closing date as well as warrants outstanding adjusted for possible dilution effects.

EBITDA – Operating profit excluding depreciation/amortization and impairment losses.

Equity/assets ratio – Shareholders' equity as a percentage of total assets.

Gross profit margin – Net sales for the period less the cost of goods sold as a percentage of net sales.

Hemtex – "Hemtex" refers to the Hemtex brand or to the entire retail chain including the stores operated by franchisees.

Hemtex AB – Refers to the legal entity Hemtex AB that is the Parent Company of the Group and the franchisor in the Hemtex franchise system.

Net debt – Interest-bearing liabilities less cash and bank balances.

Net debt/equity ratio – Interest-bearing liabilities less cash and bank balances as a percentage of shareholders' equity.

Net debt/EBITDA – Interest-bearing liabilities divided by EBITDA.

Number of annual employees – The total number of hours of attendance divided by the normal working hours for the particular country.

Operating capital – Total assets less cash and cash equivalents. Other interest-bearing assets and non-interest bearing liabilities.

Operating margin – Operating profit as a percentage of net sales for the period.

Profit margin – Profit before tax as a percentage of net sales for the period.

Rate on capital turnover – Sales divided by average operating capital.

Return on capital employed – Return before tax plus financial expenses as a percentage of average capital employed.

Return on equity – Profit after tax as a percentage of average shareholders' equity.

Return on operating capital – Operating profit as a percentage of average operating capital.

Shareholders' equity per share – Shareholders' equity divided by the number of shares on the closing date.

Hemtex is the leading home textile chain in the Nordic region, with a total of 204 stores in May 2010, of which 144 were in Sweden, 39 in Finland, 11 in Denmark, 8 in Norway and two in Estonia. Of these stores, 181 are owned by the Hemtex Group and 23 by franchisees. Under a joint brand, the stores sell home-decor products with a focus on home textiles. Sales at the consumer level (including franchise stores) totaled SEK 1,33 billion, excluding value added tax. On March 31, 2010, the Hemtex Group's annual sales amounted to SEK 1,29 billion.