

Press release, December 18, 2008

Hemtex appoints new President and CEO

The Board of Directors of Hemtex AB has decided to appoint Göran Ydstrand as the Hemtex Group's new President and CEO.

Göran Ydstrand worked at IKEA for 28 years, during which time he was President of its Swedish operations for four years, manager for the development of the IKEA textile product range for six years and was based in Singapore for six years as President of Purchasing in Asia. Most recently, Ydstrand has worked as an advisor to Bergendahl & Son AB.

"Göran Ydstrand has extensive knowledge of the retail trade and has worked with product ranges, purchasing and sales both in Sweden and internationally. He has considerable industry experience in interior design in general and textile products in particular and has a leadership style characterized by openness and participation. Under Göran's leadership, the Board of Directors sees enormous opportunities for Hemtex to refine its customer offering in terms of concept development and operational matters and thus to eventually return to the established profitability targets," says Mats Olsson, Chairman of Hemtex AB.

"Hemtex, the leading home textiles operator in the Nordic region, is an exciting company with a strong business concept. I see excellent opportunities for development and growth at Hemtex, and it will be stimulating to tackle this challenge along with my colleagues," Ydstrand says.

Göran Ydstrand will assume his new position on March 1, 2009, at which time Board member Kia Orback Pettersson will step down as acting President.

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Please visit Hemtex's website: www.hemtex.com

Hemtex is the leading home textile retail chain in the Nordic region with a total of 220 stores in December 2008, of which 146 are in Sweden, 41 in Finland, 13 in Denmark, 14 in Norway, three in Estonia and three in Poland. Of these stores, 192 are owned by the Hemtex Group and 28 by franchisees. 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 1.57 billion annually, excluding VAT. The Hemtex Group's annual sales during the year ended October 31, 2008 totaled SEK 1.51 billion.