



To business editors:

Press release for immediate publication

Contact persons:

Anders Remius, MD and Kent Hertzell, Financial Director

Telephone:

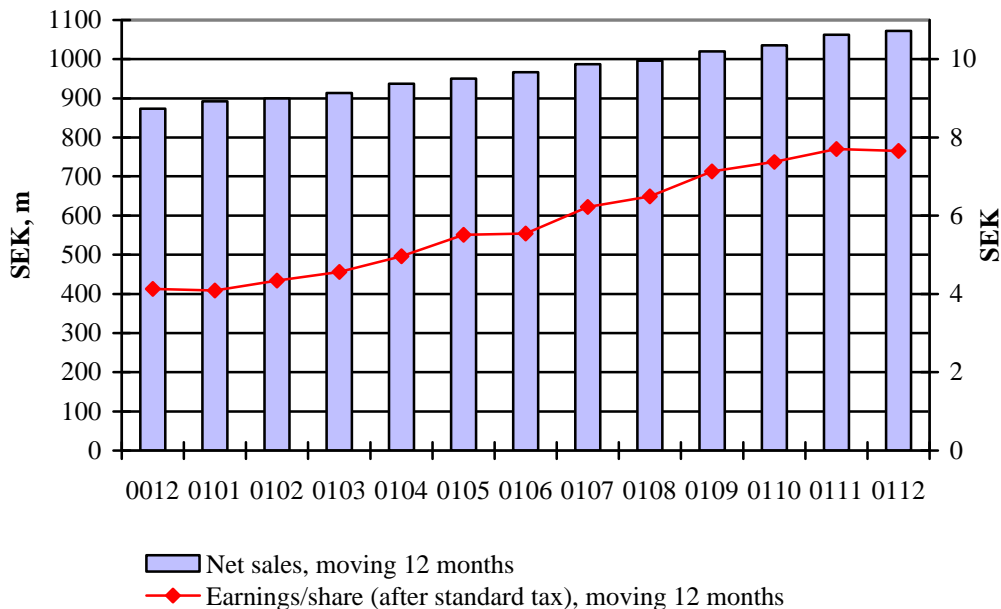
+46 (0)8-683 73 00

Internet:

www.hl-display.com

Year end report of 2001 HL Display AB (publ)

- The Group's net sales improved by 23 per cent to SEK 1 072 m (874).
- Profit before tax increased by 86 per cent to SEK 82 m (44).
- Proposed dividend SEK 1.55 (1.40) per share.



Address:
HL Display AB (publ)
Horisontvägen 26
128 34 Skarpnäck
SWEDEN

Telephone:
+46 8-683 73 00

Telefax:
+46 8-683 73 01

E-mail:
info@hl-display.com
Internet:
www.hl-display.com

Year End report 2001

Sales and profit

The Group's net sales increased in 2001 to SEK 1 072 m (874), an increase of 23 per cent compared with last year. Adjusted for currency effects the growth rate was 19 per cent.

Operating profit for the year was SEK 83 (48) m and the profit before tax was SEK 82 m (44). The profit margin was 8 (5) per cent.

The weakening of the Swedish Krona towards HL Display's export currencies after hedging, affected the operating year-end profit positive by SEK 14 m. This is the isolated, positive effect on earnings of the weakening of the SEK against the export currencies since January 1st 2001. That is, without taking into account the management decisions, for example pricing or purchasing, that might have been influenced by the development of the exchange ratios. The effect arose in principal as a consequence of the weakened Swedish Krona towards the Euro.

HL Display has hedged a part of the expected inflow of Euro. The total contract, with due date in January 2003, amounted at period end to €29 m.

The price of PVC, the group's most important raw material, has decreased during 2001 compared to the record levels of 2000. From a historical perspective, the average price in 2001 can be considered as normal.

In comparison with last year should be considered that HL Display in 2000 had received a refund of SEK 4.5 m from the insurance company Alecta (SPP).

The year in brief

For the first time in HL Display's history, sales exceeded one billion SEK. HL Display is the leading supplier of in-store communication and merchandising in Europe.

The trends in the retail market, with increased internationalisation and consolidation through mergers, have continued. During the year the work to adapt HL Display's organisation to meet this development has given positive results, and the process is ongoing in the same direction.

The product offering has been further developed, above all within different merchandising category solutions.

The production in the Swedish plants has been restructured to achieve shorter lead-times, higher service levels and improved profitability.

Acquisitions and new establishments

During 2001 HL Display has acquired an injection moulding plant in Karlskoga from Mikron Technologies. New sales companies have been established in Slovenia and Slovakia.

Investments

Net investments in fixed assets during the year amounted to SEK 48 (58) m. Depreciation according to plan totalled SEK 47 (40) m.

Financial position

Liquid funds increased during the year as a result of improved cash flow and increased loans. Liquid funds amounted to SEK 65 m (32) as at 31 December 2001. The equity/assets ratio was 45 per cent compared to 48 per cent at year-end 2000.

At an extraordinary general meeting, held in November, a decision was made to issue warrants and offer them to 17 senior managers of HL Display. If all the warrants will be used, the number of shares will increase by 49 200, corresponding to 0,6 per cent of the share capital. The program will be due in February 2006.

Personnel

The average number of employees was 855 (773) and 892 (805) at end of the period.

Dividend, AGM and Annual Report

The Board proposes a dividend for 2001 of SEK 1.55 (1.40) per share.

The Annual General Meeting will be held the 18th of March at 4 p.m. at Näringslivets Hus, Storgatan 19, Stockholm. The annual report for 2001 will be distributed during week 8.

Outlook for 2002

The long-term target for growth and profitability remains. 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 between 10 and 15 per cent. The Board foresee a continuing favourable development for the present year.

Key figures for the Group¹⁾

SEK (000s)	Jan - Dec 2001	Jan - Dec 2000	Jan - Dec 1999
Net sales	1 071 934	873 921	768 451
Operating profit	83 031	47 731	55 401
Profit before tax	81 831	44 095	47 125
Profit margin, %	7.6	5.0	6.1
Equity/assets ratio, %	44.7	47.6	51.6
Investments, SEK m	47.5	58.1	67.9
Return on capital, %	16.0	11.0	12.9

Year End report of 2001

Summary of consolidated income statement

	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec	Jan - Dec
SEK (000s)	2001	2000	2001	2000	1999
Net sales	283 430	231 445	1 071 934	873 921	768 451
Cost of goods sold	-156 171	-134 197	-582 015	-494 366	-415 643
Gross profit	127 259	97 248	489 919	379 555	352 808
Selling expenses	-60 600	-53 132	-237 436	-196 190	-167 185
Administrative expenses	-38 048	-31 378	-140 248	-113 752	-105 641
Development expenses	-8 909	-7 171	-30 589	-26 902	-24 581
Other operating income/expenses	355	2 132	1 385	5 020	-
Operating profit	20 057	7 699	83 031	47 731	55 401
Financial income and expenses ²⁾	-6 162	387	-1 200	-3 636	-8 276
Profit before tax	13 895	8 086	81 831	44 095	47 125
Tax ³⁾	179	-5 153	-26 318	-17 348	-14 848
Net profit	14 074	2 933	55 513	26 747	32 277

Data per share

	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec	Full year
	2001	2000	2001	2000	1999
Number of shares	7 688 872	7 688 872	7 688 872	7 688 872	7 688 872
Number of shares after dilution	7 692 803	7 688 872	7 688 872	7 688 872	7 688 872
Earnings per share after full tax, SEK	1.83	0.38	7.22	3.48	4.20
Earnings per share after dilution and full tax, SEK	1.83	0.38	7.22	3.48	4.20
Earnings per share after standard tax, SEK	1.30	0.77	7.66	4.13	4.41
Share price at the end of period	128.00	73.00	128.00	73.00	161.00
P/E-ratio, Dec 31 2000	-	-	17.73	20.98	38.35
Cash flow per share, SEK	5.71	2.47	4.26	0.99	-1.91
P/CE-ratio, Dec 31 2000	-	-	30.07	73.74	neg

Summary of consolidated balance sheet

SEK (000s)	Dec 31, 2001	Dec 31, 2000	Dec 31, 1999
Intangible fixed assets ⁴⁾	15 204	20 371	19 209
Tangible fixed assets	161 668	155 508	138 803
Financial fixed assets	20 870	10 220	10 229
Total fixed assets	197 742	186 099	168 241
Inventories	115 689	99 694	78 988
Current receivables	256 007	184 769	160 208
Cash and bank	65 201	31 238	22 935
Total current assets	436 897	315 701	262 131
Total assets	634 639	501 800	430 372
Shareholders' equity	283 667	238 919	222 168
Provisions	26 121	16 997	14 051
Long-term liabilities	118 389	93 727	71 207
Current liabilities	206 462	152 157	122 946
Total shareholders' equity and liabilities	634 639	501 800	430 372

Year End report of 2001

Change in shareholder's equity

SEK (000s)	Dec 31, 2001	Dec 31, 2000	Dec 31, 1999
Opening balance	238 919	222 168	199 887
Dividends paid	-10 765	-9 996	-9 996
Net profit of the period	55 513	26 747	32 277
Closing balance	283 667	238 919	222 168

Key figures the last five quarters

SEK (000s)	Q 4 2001	Q 3 2001	Q 2 2001	Q 1 2001	Q 4 2000
Net Sales	283 430	276 590	271 859	240 055	231 445
Profit after financial items	13 895	32 066	25 674	10 196	8 086
No. of employees end of period	892	855	839	825	805

Summary of consolidated cash flow statement

SEK (000s)	Oct - Dec 2001	Oct - Dec 2000	Jan - Dec 2001	Jan - Dec 2000	Jan - Dec 1999
Operating profit	20 057	7 699	83 031	47 731	55 401
Depreciation	12 678	11 456	46 572	40 197	31 255
Other items not affecting liquidity ²⁾	-221	490	57	1 090	-4 598
Interest received	-647	69	1 622	1 530	1 425
Interest paid	-2 378	-2 261	-8 905	-7 550	-4 923
Income tax paid	-3 961	-2 298	-22 396	-11 471	-29 007
Change in working capital	15 251	20 076	-36 352	-20 648	-2 259
Cash flow from operating activities	40 779	35 231	63 629	50 879	47 294
Investing activities	-10 136	-20 160	-50 965	-58 543	-57 367
Financing activities	13 278	3 942	20 062	15 296	-4 623
Cash flow for the period	43 921	19 013	32 726	7 632	-14 696

Notes

- 1) See HL Display's Annual Report 2000 for definitions of key ratios and accounting principles.
- 2) Of which, translation differences as per 31/12/01: SEK 2.1 m, 31/12/00: SEK 0.1 m, 31/12/99: SEK -3.8 m. Currency effects during the fourth quarter 2001 amounted to SEK -3.6 m.
- 3) Estimated full tax
- 4) Whereof goodwill as per 31/12/01: SEK 4.7 m, 31/12/00: SEK 7.0 m; 31/12/99: SEK 9.7 m.

For the Board of Directors:
Stockholm, January 22nd 2002


Anders Remius
Managing Director and CEO

Reporting dates:

Monthly report	1 month 2002	15.02.2002
Monthly report	2 months 2002	18.03.2002
Annual General Meeting		18.03.2002
Interim report	3 months 2002	16.04.2002
Monthly report	4 months 2002	15.05.2002
Monthly report	5 months 2002	17.06.2002
Interim report	6 months 2002	16.07.2002