

Hemtex

This press release may not be made public or distributed, directly or indirectly, in the US, Canada, Australia, Japan, Hong Kong or New Zealand.

Press release, April 21, 2009

Hemtex's Extraordinary Shareholders' Meeting approved the rights issue

The Extraordinary Shareholders' Meeting of Hemtex AB (publ) today approved the Board of Directors' resolution of April 6, 2009 on a rights issue in Hemtex with preferential rights for existing shareholders. According to the terms of the rights issue, which were set by the Board of Directors on April 17, 2009, each shareholder has a preferential right to subscribe for two new shares for every five existing shares held. The subscription price is SEK 14 per share and the total proceeds from the rights issue will be approximately SEK 164 million.

Where all shares have not been subscribed for by virtue of subscription rights, the Board of Directors shall resolve on the allocation of shares subscribed for without subscription rights. Allocation shall firstly be made to those that subscribed for shares by virtue of subscription rights, regardless of whether or not the subscriber was a shareholder on the record date and, in case of over subscription, in relation to the number of subscription rights used for subscription of shares and, where this is not possible, by drawing of lots. Secondly, allocation shall be made to others that have applied for subscription without subscription rights and, in case they cannot receive full allocation, in relation to the number of shares that each has applied for subscription and, where this is not possible, by drawing of lots. Thirdly, allocation shall be made to the underwriter, Hakon Invest AB.

As a result of the rights issue Hemtex's share capital will increase by not more than SEK 29,337,400 and the maximum number of new shares is 11,734,960.

The record day at Euroclear Sweden AB for participation in the rights issue is April 24, 2009. The last day of trading in Hemtex shares, including the right to participate in the rights issue, is April 21, 2009. The prospectus is expected to be distributed on or about April 27, 2009. Subscription will take place during the subscription period of April 29 – May 13, 2009 or such later date as resolved by the Board of Directors.

Financial and legal advisers

Swedbank Markets is Hemtex's financial adviser and Gernandt & Danielsson is the legal adviser.

For further information, please contact:

Mats Olsson, Chairman of the Board of Hemtex AB: +46-(0)705-12 20 48,
Göran Ydstrand, President and Chief Executive Officer: +46-(0)738-26 85 50, or
Tommy Svensson, CFO: +46-(0)702-10 80 69.

Please visit the Hemtex website: www.hemtex.se

This press release contains the type of information that Hemtex is obligated to disclose in accordance with the Swedish Financial Instruments Trading Act (1991:980) and the Swedish Securities Markets Act (2007:528). This information was submitted for publication at (approximately) 17.45 CET on April 21, 2009.

Hemtex is the leading home textile chain in the Nordic region, with a total of 223 stores in April 2009, of which 148 were in Sweden, 42 in Finland, 13 in Denmark, 14 in Norway, three in Estonia and three in Poland. Of these stores, 195 are owned by the Hemtex Group and 28 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 1.49 billion, excluding value added tax. On January 31, 2009, the Hemtex Group's annual sales amounted to SEK 1.44 billion.

IMPORTANT INFORMATION

The information in this press release is not intended for distribution, publication or disclosure, directly or indirectly, in or into the United States, Canada, Australia, Hong Kong, Japan or New Zealand.

The information in this press release shall not be regarded as an offer to sell shares or a request to acquire shares. Nor will any sale of the securities referred to herein be permissible in any jurisdiction where such an offer, request or sale would not be lawful without registration or applicable exemption from registration pursuant to the securities legislation of such a jurisdiction. A prospectus concerning the rights issue presented in this press release and the subsequent listing of new shares on NASDAQ OMX Stockholm will be prepared and submitted to the Swedish Financial Supervisory Authority for approval and registration.

The information in this press release does not constitute an offering of Hemtex securities in the US; nor will the securities be offered or sold in the absence of registration or exemption from registration pursuant to the American Securities Act of 1933, as well as the rules and regulations under this act. There is no intention of registering any part of an offering of Hemtex securities in the US or of implementing a public offering of shares in the US.

The information in this press release may not be forwarded or distributed to any third party; nor may it be reproduced in any manner. It is not permissible to forward, distribute, reproduce or disclose this information, in full or in part. Failure to observe these directives could constitute a breach of the American Securities Act of 1933 or applicable laws in other jurisdictions.