Sales during the second quarter of 2008 amounted to MSEK 404 (389), operating profit amounted to MSEK 44 (39) and profit before tax to MSEK 44 (36). Net profit was reported as MSEK 31 (25) and profit per share after dilution was SEK 1.01 (0.81) for the same period.

Net sales for the period amounted to MSEK 787 (779). Operating profit was MSEK 75 (77) and profit before tax was MSEK 72 (73). Net profit amounted to MSEK 52 (51).

EBITA margin for the second quarter was 10.8 percent and for the period 9.5 percent.

Profit per share after dilution amounted to SEK 1.67 (1.64) for the first six months of the year.

A 4:1 share split was carried out with record date on 28 April.

Revised sales forecast for 2008.

HL Display

Interim report January-June 2008

Positive development during the second quarter

Sales for HL Display during the second quarter increased by 4 percent and the EBITA margin was 10.8 percent. In spite of a development in a positive direction the sales and profit growth is not yet in line with the long term objectives for the company.

Sales during the first six months of 2008 amounted to MSEK 787, an increase of one percent compared to the same period 2007. Operating profit during the first six months of 2008 amounted to MSEK 75, a decrease of two percent compared to the same period last year.

The gross margin had a positive development during the first six months, from 46 percent 2007 to 49 percent 2008. On the other hand the operating expenses and the freight costs had a negative development during the year. The reason for the improved gross margin is that efficiency of production has continued to increase, and that we introduced price increases at the year end.

Greater efficiency of production

Over the last few years, HL Display has introduced a raft of successful measures to increase efficiency of production, something which is continuing to show positive effects for the company. The range rationalization work that has been in progress over the last two years has resulted in longer production series, fewer tool changes and faster production processes.

Increased operating and freight costs have negative effect

After a two-year period with falling operational expenses in relation to net sales – a result of our concentrated efforts to increase resource utilization within the organization – operating expenses have increased again during the first half of 2008. This has affected profitability negatively during the period and has counteracted some of the positive effects of the increased gross margin. Work is ongoing to correct this. Primarily is the company's logistic set up and freight cost under evaluation.

Market and sales development

The development in the global retail industry has during the first half of 2008 been showing signs of a slowdown. It is HL Display's view that the primary reason for this is a more cautious attitude because of a general weakening business cycle. Usually HL Display is not affected by this type of tendency. However for the current year, we cannot exclude an indirect effect from the rather flat retail sales of our customers. Sales over the last six months have not fulfilled our expectations. On certain markets, not least in Western Europe, growth has been absent, and in some cases sales have decreased compared to the same period last year. In France, HL Display's single largest market, sales fell by 9 percent during the first six months.

Our work of reversing development in those sales companies that previously made losses has been successful. We can note that we fairly quickly achieved the result effects we wanted. On the other hand, it has taken longer than we initially believed to reverse sales development on these markets, among them large markets, such as the United Kingdom and Germany. Now the changes have been brought in, we have new sales company managers and new organizations in several of the countries, and our ambition is to be better able in future to benefit from the opportunities that exist on each market.

Positive development in the Nordic countries

As opposed to the development in Western Europe, sales in the Nordic countries have developed very positively, with growth of 19 percent, whereof 10 percent organic. As during 2007, development has been particularly strong in Norway, with a sales increase of 28 percent. It is very gratifying that we can record such growth in mature markets.

Continued growth in rapidly growing markets

The sales growth in Russia and Asia was 14 and 17 percent respectively. This is lower than last year, but still relatively good. In Russia radical changes have been made in order to create a platform for developing the business further. Today, the sales company in Russia has a new office, a new warehouse, the right organization and new systems. This means that we are confident of the future there.

Strengthened offering to the customer segment brand manufacturers

In conjunction with EuroShop, the world's largest international retailing trade fair, held in February, HL Display launched a number of new products, among them Hero Shelf and Side Kick. These products are primarily aimed at brand manufacturers. Together with the products that were included in the acquisition of Display Team in 2007, the new launches mean that we, as planned, have considerably strengthened our offering to brand manufacturers, a customer segment with good potential for HL Display.

New production lines in China

In February, manufacturing within the production method injection moulding started at the factory in Suzhou in China. This will further strengthen our price competitiveness in the region. Production in Karlskoga was augmented with the newly launched Hero Shelf and Side Kick, and certain products from the range acquired from Display Team, which were previously supplied by sub-contractors. At the same time, other labour-intensive production was moved to the factory in Suzhou.

In the annual report for 2007, we wrote about the ambition to start up production in Russia for the Russian market. Preparations are continuing, but are taking longer than expected. However, we hope that production can start towards the end of the year, and come into full operation during next year.

Acquisitions
The work in finding suitable acquisition candidates continues. A number of alternatives are being evaluated.

Focus on profitability and improved sales work
In conclusion, I note that our result for the first half year is equal to an EBITA margin of 9.5 percent to be compared with our long-term goal of 12 percent. We will continue to focus strongly on improving the profitability of the operation, by increased work on operating costs among others. At the same time, we have noted that sales development has been less good than expected and that we must improve our sales work, which is an important task for the remainder of 2008.

Stockholm, July 2008
Gérard Dubuy, Managing Director and CEO

Interim report

Net sales and result for the second quarter of 2008
Net sales for the Group amounted to MSEK 404 (389) for the second quarter, an increase of 4 percent compared to the same quarter 2007. Operating profit for the same period was MSEK 44 (39) and profit before tax amounted to MSEK 44 (36). The result has been affected by one-off costs amounting to MSEK 4 as a result of adaptation to agreements with a new employee counterpart. Net interest for the second quarter amounted to MSEK -1 (-2), while exchange rate effects amounted to MSEK 1 (-1).

Net sales and result for the first half of 2008
The Group's net sales amounted to MSEK 787 (779) for the first half, an increase of 1 percent compared to the same period in 2007. The change in the value of the krona vis-a-vis the export currencies has not affected net sales in comparison with last year.

Operating profit for the first six months was MSEK 75 (77) and profit before tax amounted to MSEK 72 (73). The change in value of the krona compared to last year has had a positive effect amounting to MSEK 2 on operating profit. Net interest for the period amounted to MSEK -1 (-5), while exchange rate effects amounted to MSEK -2 (2). 1.5 MSEK of the exchange rate effects is explained by the changeover to the current method. HL Display's most important export currencies are Euro, British pounds and Russian roubles.

Gross margin has improved, thanks to a favourable product mix and price increases introduced as from the year end. Raw material prices have remained high during the six month period. However, the efficiency improvements carried out at the factories have well counteracted any negative effects on the result. Expenses have increased with MSEK 24 or 8 percent in comparison with last year. Around MSEK 13 related to newly acquired subsidiaries and the building up of sales companies on growth markets. Around MSEK 4 are costs related to the retailing trade fair EuroShop, which is held every third year.

Sales growth by market
Sales on the markets in which HL Display operates has in total been weaker than expected during the first half of 2008. The exception has been the Nordic countries, which developed better than expected and showed a growth in sales of 19 percent. Sales in Western Europe decreased by 6 percent, mainly explained by turbulence in connection with organizational changes. Sales in Eastern Europe increased by 9 percent. Sales in Asia increased by 17 percent during the first six months of 2008.

Seasonal effects
HL Display is normally affected negatively by seasonal variations during December and January. The reason is that customers, who consist mainly of retailing companies, do not plan any changes during the Christmas shopping period. In 2007, Easter fell during the first quarter and in 2008 in the second quarter, which affects the comparison between the quarters.

Investments
During the first half, net investments in fixed assets totalled MSEK 19 (54). Net investments for 2007 included the acquisition of Display Team. Depreciation according to plan amounted to MSEK 19 (21).

Cash flow and financial position
As at 30 June 2008, liquidity amounted to MSEK 159 (147); at the start of the year to MSEK 177. Interest-bearing net receivables, which at the beginning of the year amounted to MSEK 49, amounted to MSEK 36 (8) on the balance sheet date. Dividend decided upon amounting to MSEK 43 (27) has been paid during the period. Cash flow from operating activities fell to MSEK 42 (75), primarily as a result of a negative change in working capital. Cash flow from operating activities for the second quarter amounted to MSEK 47 (34). Operational cash flow amounted to SEK 1,56 (2,39) per share; during the second quarter to SEK 1,44 (1,02). The equity ratio on the balance sheet date amounted to 53 (49) percent; at the beginning of the year to 53 percent.

Employees
The average number of employees during the period was 991 (949). The number of employees on the balance sheet date was 999 (956) and at the beginning of the year 972. The increase in employees is concentrated to the factory in Suzhou in China.

Information about risks and uncertainty factors
Variations in raw material prices and exchange rate differences constitute uncertainty factors, but not significant risks. For a closer description of the risks and uncertainty factors facing HL Display, please see the risk and sensitivity analysis on page 32 of the annual report for 2007.

Parent company
The parent company's result after financial items for the first half of 2008 amounted to MSEK -46 (-33). No significant changes have been noted in the income statement and balance sheet.

Annual general meeting
The Board's proposal for dividend for 2007 amounting to SEK 5.50 (3.50) per share was adopted by the annual general meeting, which was held on 2 April 2008. The AGM also decided to carry out a 4:1 share split, which means that each share gave entitlement to three new shares. The record date was 28 April and the total number of shares is now 30,939,088. Anna Ragén and Lars-Åke Rydh were elected as new members of the Board. Lis Remius resigned from the Board.

Prospects for the remainder of 2008
In the previous quarterly report the organic growth for 2008 was expected to fall within the interval 5-10 percent. Due to the uncertainty that today prevails on the market combined with the outcome for the first six months the forecast for present year is now being revised. Sales for 2008 are expected to be in line with 2007 or slightly above. As in the last few years, profitability will be prioritized. Further cost rationalization within freight and logistics is planned. HL Display plans to continue strengthening the company's offering and market position through acquisitions. A detailed forecast for the full year will be provided as usual in conjunction with the quarterly report for the third quarter.

Summary of consolidated income statement [1)]

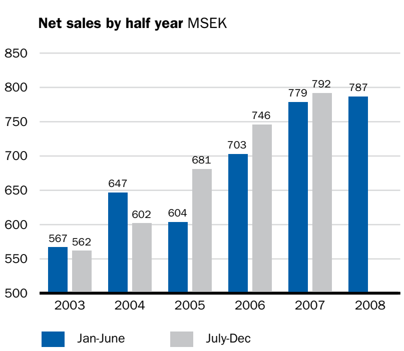
SEK (000s)	April-June 2008	April-June 2007	Jan-June 2008	Jan-June 2007	Jan-Dec 2007
Net Sales	403,647	388,628	786,969	779,458	1,571,181
Cost of goods sold/services sold	-204,107	-208,609	-403,225	-419,130	-833,768
Gross profit/loss	**199,540**	**180,019**	**383,744**	**360,328**	**737,413**
Selling expenses	-119,898	-102,913	-236,165	-207,768	-421,685
Administrative expenses	-28,495	-31,198	-58,834	-61,211	-123,533
Research and development expenses	-7,155	-7,880	-14,623	-16,715	-37,545
Other operating income/expenses	-390	1,388	726	1,941	5,890
Operating profit/loss	**43,602**	**39,416**	**74,848**	**76,575**	**160,540**
Financial income/expenses [3)]	2	-3,495	-2,974	-3,082	-5,852
Profit/loss before taxes	**43,604**	**35,921**	**71,874**	**73,493**	**154,688**
Income tax expense	-12,209	-10,965	-20,125	-22,783	-46,452
Profit/loss for the period	**31,396**	**24,956**	**51,750**	**50,710**	**108,236**
Attributable to:					
The parent company's shareholders	31,303	24,934	51,601	50,671	107,864
Minority interest	93	22	149	39	372
Net profit/loss for the period	**31,396**	**24,956**	**51,750**	**50,710**	**108,236**

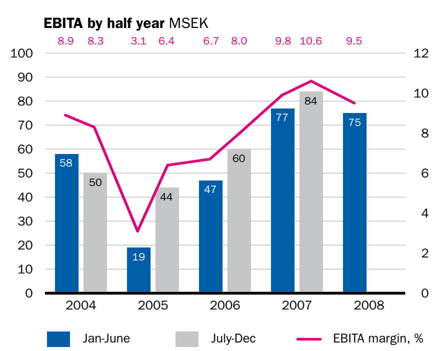
Data per share [2)]

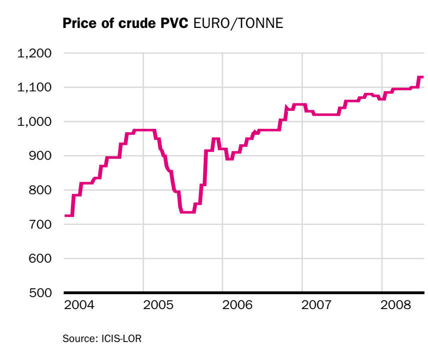
	April-June 2008	April-June 2007	Jan-June 2008	Jan-June 2007	Jan-Dec 2007
No. of shares	30,939,088	30,939,088	30,939,088	30,939,088	30,939,088
Weighted-average no. of shares	30,939,088	30,939,088	30,939,088	30,927,164	30,933,176
Weighted-average no. of shares after dilution	30,946,297	30,946,380	30,957,063	30,940,616	30,984,444
Earnings per share [5)]					
before dilution, SEK	1.01	0.81	1.67	1.64	3.49
after dilution, SEK	1.01	0.81	1.67	1.64	3.48
Share price at the end of period, SEK	40.50	47.75	40.50	47.75	48.75
Operational cash flow per share, SEK	1.44	1.02	1.56	2.39	5.29
P/E-ratio, Dec 31	–	–	–	–	13.98

Summary of income statement for parent company [1) 7)]

SEK (000s)	April-June 2008	April-June 2007	Jan-june 2008	Jan-June 2007	Jan-Dec 2007
Net Sales	7,871	5,768	16,602	12,934	100,505
Cost of services sold	-1,978	-10,272	-3,403	-10,190	-96,528
Gross profit/loss	**5,893**	**-4,504**	**13,199**	**2,744**	**3,977**
Selling expenses	-7,632	-8,412	-15,846	-15,778	-5,964
Administrative expenses	-22,217	-8,472	-44,680	-28,161	-13,035
Research and development expenses	-4,069	-3,658	-8,182	-7,208	-15,105
Other operating income/expenses	636	3,688	1,202	4,173	5,874
Operating profit/loss	**-27,389**	**-21,358**	**-54,307**	**-44,230**	**-24,253**
Financial income/expenses [3)]	6,738	10,530	8,560	11,595	121,782
Profit/loss before taxes	**-20,651**	**-10,828**	**-45,747**	**-32,635**	**97,529**
Income tax expense	2,661	369	9,650	6,391	-19,142
Profit/loss for the period	**-17,990**	**-10,459**	**-36,097**	**-26,244**	**78,387**







Summary of consolidated balance sheet

SEK (000s)	June 30, 2008	June 30, 2007	Dec 31, 2007
Intangible assets [8]	38,830	33,932	35,350
Property, plant and equipment	133,424	142,795	138,359
Financial assets	23,248	24,936	21,935
Total non-current assets	**195,502**	**201,663**	**195,644**
Inventories	170,935	147,614	153,585
Current receivables	377,134	346,882	365,389
Cash and cash equivalents	159,089	147,287	177,079
Total current assets	**707,159**	**641,783**	**696,053**
Total assets	**902,661**	**843,446**	**891,697**
Equity	483,424	414,583	474,865
Provisions	1,713	2,407	2,841
Non-current liabilities	114,454	117,546	111,444
Current liabilities	304,783	311,317	305,388
Total equity and liabilities	**902,661**	**843,446**	**891,697**

Summary of balance sheet parent company

SEK (000s)	June 30, 2008	June 30, 2007	Dec 31, 2007
Intangible assets	8,988	8,504	10,026
Property, plant and equipment	218	453	321
Financial assets	95,946	87,206	94,319
Total non-current assets	**105,152**	**96,163**	**104,666**
Current receivables	235,848	221,733	340,728
Cash and cash equivalents	-3,199	2,036	2,089
Total current assets	**232,649**	**223,769**	**342,817**
Total assets	**337,801**	**319,932**	**447,483**
Equity	249,119	232,243	327,528
Non-current liabilities	39,752	29,904	39,752
Current liabilities	48,930	57,785	80,203
Total equity and liabilities	**337,801**	**319,932**	**447,483**

Summary of consolidated cash flow statement

SEK (000s)	April-June 2008	April-June 2007	Jan-June 2008	Jan-June 2007	Jan-Dec 2007
Operating profit/loss	43,601	39,416	74,848	76,575	160,540
Depreciation	9,264	10,918	18,633	21,404	39,515
Other items not affecting liquidity	286	-5,447	-419	-3,818	-7,948
Interest received	523	470	1,166	1,277	4,085
Interest paid	-1,577	-4,295	-3,232	-6,908	-9,072
Income tax paid	-3,292	-8,779	-14,937	-16,093	-38,989
Change in working capital	-1,899	1,981	-34,238	3,007	-10,468
Cash flow from operating activities	**46,906**	**34,264**	**41,821**	**75,444**	**137,663**
Investing activities	-7,471	-22,455	-11,141	-52,553	-67,575
– whereof aquisition of subsidiary, net	-652	–	-652	-21,990	-36,550
– whereof sale of real estate	–	–	3,465	–	3,585
Financing activities	-43,395	-2,643	-45,095	-38,848	-56,625
Cash flow for the period	**-3,960**	**9,166**	**-14,415**	**-15,957**	**13,463**

Change in shareholder's equity

SEK (000s)	June 30, 2008	June 30, 2007	Dec 31, 2007
Opening balance	474,865	387,756	387,756
Dividend	-42,541	-27,072	-27,072
Profit/loss of the period	51,750	50,710	108,236
Cash flow hedge reserve	766	1,166	580
New share issue through warrants	–	1,793	654
Warrant premiums paid	–	–	1,615
Equity-settled share-based instruments	230	230	460
Translation difference [4]	-1,646	–	2,636
Closing balance	**483,424**	**414,583**	**474,865**

Key figures the last five years

SEK (000s)	2008	2007	2006	2005	2004
Profit/loss after taxes (Jan-June)	51,750	50,710	26,459	14,475	35,163
Earnings per share after taxes (Jan-June), SEK	1.67	1.64	0.84	0.22	0.96
Return on capital (M12), %	18.5	17.3	11.6	9.2	6.7
Return on shareholders' equity (M12), %	24.3	22.5	16.9	9.0	5.5
Equity/assets ratio (30 June), %	53.4	49.2	45.9	41.5	39.1

Key figures the last five quarters

SEK (000s)	Q 2 2008	Q 1 2008	Q 4 2007	Q 3 2007	Q 2 2007
Net sales	403,647	383,322	413,372	378,351	388,628
Operating profit/loss	43,602	31,246	48,752	35,213	39,416
Profit/loss before taxes	43,604	28,270	48,073	33,122	35,921
EBITA-margin, %	10.8	8.2	11.8	9.3	10.2
No. of employees, end of period	999	974	972	966	956

Key figures for the Group [1)]

SEK (000s)	6 months June 2008	6 months June 2007	6 months June 2006	12 months July 2007-June 2008	12 months July 2006-June 2007	12 months July 2005-June 2006	Full year 2007
Net sales	786,969	779,458	702,507	1,578,692	1,525,089	1,383,716	1,571,181
Operating profit/loss	74,848	76,575	47,092	158,813	136,210	91,014	160,540
Profit/loss before taxes [3)]	71,874	73,493	38,903	153,069	126,844	79,657	154,688
Profit/loss after taxes [3)]	51,750	50,710	26,459	109,276	86,125	54,438	108,236
EBITA, %	9.5	9.8	6.7	10.1	8.9	6.6	10.3
Profit margin, %	9.1	9.4	5.5	9.7	8.3	5.8	9.8
Equity/assets ratio, %	53.4	49.2	45.9	53.4	49.2	45.9	53.3
Net investments, SEK m (excl. re-classification leasing contracts)	18.6	53.8	15.1	35.0	70.4	34.0	70.2
Return on total capital, %	–	–	–	18.5	17.3	11.6	18.6
Return on equity after tax, %	–	–	–	24.3	22.5	16.9	25.2
Return on capital employed, %	–	–	–	28.9	25.3	17.5	27.6
Shareholders' equity per share, SEK	15.57	13.32	11.30	15.57	13.36	11.30	15.26
Earnings per share after taxes, SEK [5)]	1.67	1.64	0.84	3.51	2.77	1.82	3.49
Earnings per share after dilution and taxes, SEK [5)]	1.67	1.64	0.84	3.51	2.77	1.82	3.48

1) This interim report for the Group has been drawn up in accordance with IAS 34 Interim reporting and RR31 Interim reporting for groups of companies. Unless otherwise is stated, the accounting and valuation principles in the report are the same as in HL Display's annual accounts for 2007, in which principles and definitions are shown. The parent company has drawn up its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR2 Accounting for legal entities.
2) The number of shares and key ratios have been adjusted in accordance with the 4:1 share split, which was carried out on 28 April 2008.
3) Of which translation difference on 30 June 2008: MSEK -, 30 June 2007: MSEK 1.5, 31 December 2007: MSEK -.
4) A new translation method (the current method) has been applied since the fourth quarter of 2007.
5) Profit per share is calculated as profit after tax relating to the parent company's owners divided by the total weighted number of shares before/after dilution.
6) Cash flow analyses before exchange rate adjustment of monetary items.
7) There are transactions with associated companies in the form of consultancy services carried out by XLENT Consulting Group, amounting to MSEK 7.8 (8.3). Please also see HL Display's annual report for 2007, note 37.
8) Of which goodwill on 30 June 2008: MSEK 27.9, 30 June 2007: MSEK 22.9, 31 December 2007: MSEK 23.4.

The contents of this report have not been the subject of examination by the company's auditors.

The Board and the Managing Director confirm that the interim report provides a true overview of the parent company and the Group's operation, position and result and describes significant risks and uncertainty factors facing the parent company and the companies that are part of the Group.

The information was released for publication on 16 July 2008 at 8.40 am.

Stockholm, July 16, 2008

Anders Remius
Chairman of the Board

Jan-Ove Hallgren
Member of the Board

Stig Karlsson
Member of the Board

Mats-Olof Ljungkvist
Member of the Board

Åke Modig
Member of the Board

Anna Ragén
Member of the Board

Lars-Åke Rydh
Member of the Board

Magnus Jonsson
Member of the Board, Employee Repr.

Kent Mossberg
Member of the Board, Employee Repr.

Gérard Dubuy
Member of the Board, Managing Director and CEO

The HL Display share

The HL Display share was listed in 1993 and is currently quoted on the OMX Nordic Exchange's Small Cap list. As at 30 June 2008 the share capital in HL Display totalled SEK 38,673,860, divided among 30,939,088 shares, of which 3,652,096 are class A shares and 27,286,992 class B shares. Each share has a quotient value of SEK 1.25. Class A shares carry one vote and class B shares 1/10 of a vote. All shares provide equal entitlement to a share of the company's assets and profits. A block of shares amounts to 200 shares.

Share price development

HL Display's share price decreased by 16.9 percent during the first six months of 2008 while SIX General Index decreased by 20.8 percent. Since its Stock Exchange launch in 1993, the share's value has increased by 1,027 percent from SEK 3.59 (corrected for bonus issues and split) to SEK 40.50 on June 30 2008. During the same period SIX General Index increased by 227.5 percent. During 2008 HL Display's peak price has been SEK 53.50 and its lowest SEK 38.50. As of June 30th 2008, HL Display's Stock Exchange value was MSEK 1,102.

Trade volumes

During the first half of 2008, 928,000 (1,878,192) shares were traded at a value of MSEK 41 (89), corresponding to 3 (7) percent of the total number of HL Display shares.

Share split

The AGM, held on April 2, 2008, resolved to increase the number of shares in the company through a 4:1 share split, in which one share is replaced by four new shares of the same type. Record date was April 28, 2008.

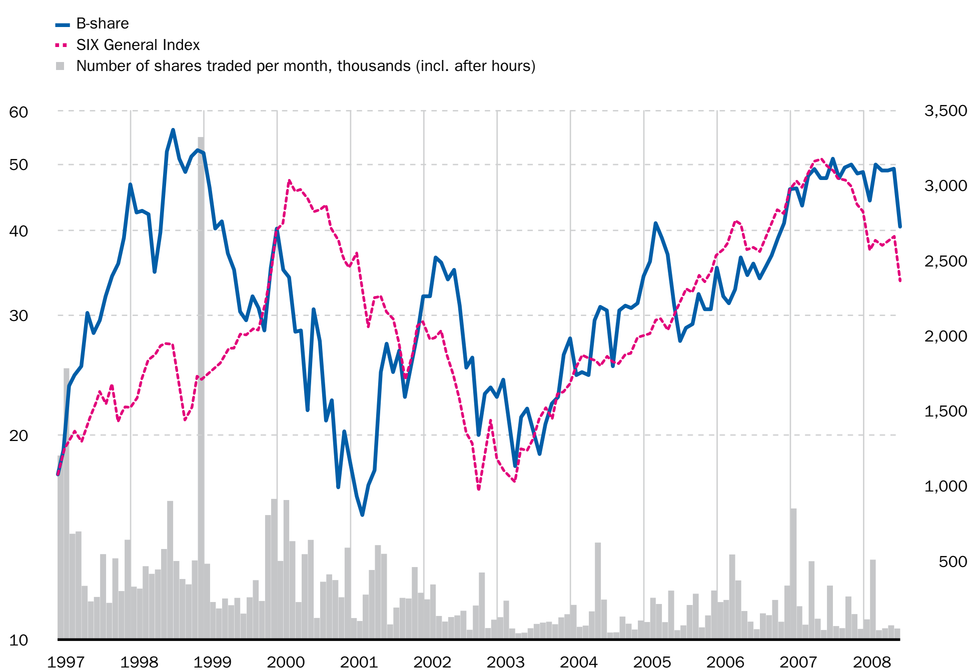
Shareholders

As of June 30th 2008 the number of shareholders was 1,770 (1,885). The proportion of institutional shareholders is estimated at 61 (56) percent of capital and the proportion of foreign shareholders is 4 (2) percent. 53 (80) percent of all shareholders in HL Display each owned less than 500 shares. In terms of capital, the biggest shareholders as of June 30th 2008 were: Ratos Förvaltnings AB with 28.8 percent, the Remius family with 28.4 percent, and Lannebo Fonder with 9.8 percent.

Dividend policy

HL Display's board of directors has agreed that a more aggressive dividend policy will be applied in future. In the long term it is the board's intention that the dividend ratio will be the equivalent of 30 to 50 percent of the profit per share after taxes. This year's dividend was SEK 5.50 (3.50) per share.

Share price development



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HL Display is a leading, international supplier of products and solutions for in-store communication and merchandising to the food and non-food retail sectors. The company is also a major supplier of products and solutions to brand manufacturers for product display on shelves and in other parts of stores.

The company has 32 sales companies in 31 countries in Western and Eastern Europe, and Asia. The five largest markets are found in France, UK, Sweden, Russia and Norway. Distributors are used in a further 14 countries.

HL Display shall be a market-leading growth company with good profitability and value growth for shareholders. Profitability shall be prioritised.

HL Display's long-term financial goals for the group are an EBITA-margin (Earnings before interest, taxes and amortizations) of at least 12 percent and an organic growth of between 5-10 percent.

HL Display has 1,000 employees in 31 countries. The HL Display share was listed in 1993 and is currently quoted on the OMX Nordic Exchange's Small Cap list.

Reporting dates 2008

Interim report, 9 months	October 22, 2008
Year-end report	January 22, 2009

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