

RNB RETAIL AND BRANDS

Press release

Stockholm, 26 March 2013

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RNB RETAIL AND BRANDS RESOLVES ON TERMS FOR RIGHTS ISSUE

Summary

- Those who, on the record date 3 April 2013, are registered as shareholders in RNB Retail and Brands have preferential rights to subscribe for 40 new shares for every (1) share held
- The subscription price is SEK 0.07 per share, which, at full subscription, represents total rights issue proceeds of approx. SEK 463 million excluding costs related to the transaction
- The rights issue is fully guaranteed through subscription undertakings and underwriting commitments
- The subscription period runs from, and including, 8 April 2013 to, and including, 22 April 2013
- The rights issue is subject to approval by the Extraordinary General Meeting, which will be held on 27 March 2013

The rights issue

On 22 February 2013 RNB Retail and Brands AB (publ) ("RNB" or the "Company") announced the Board of Directors' resolution on a SEK 450 million new share issue with preferential rights for the Company's existing shareholders, subject to approval by the Extraordinary General Meeting.

The Board of Directors has now resolved on the subscription price and the terms of the rights issue. Those who on the record date 3 April 2013 are registered as shareholders in RNB have preferential rights to subscribe for 40 new shares for every (1) existing share held. Each (1) share in RNB entitles the holder to 4 subscription rights and (1) one subscription right entitles to subscription of 10 new shares. The subscription price has been set to SEK 0.07 per share, which assuming a fully subscribed rights issue corresponds to total proceeds of SEK 463 million before transaction costs. The subscription price corresponds to a discount of approximately 20 per cent compared to the theoretical ex-rights price, based on the closing price of the RNB share on 25 March 2013 on NASDAQ OMX Stockholm. Up to 6,617,010,040 new shares will be issued, which at full subscription represents a share capital increase of SEK 198,510,301.20 to a total of SEK 203,473,058.73.

The rights issue is subject to approval by the Extraordinary General Meeting, which will be held at 17.00 CET on 27 March 2013 at the Company's office on Regeringsgatan 29 in Stockholm. The notice to the Extraordinary General Meeting was given on 26 February 2013, was made public through a press release on 24 February 2013 and is available on the Company's web site www.rnb.se.

Subscription undertakings and underwriting commitments

Shareholders together representing approximately 32 per cent of the capital in the Company have declared their support for the rights issue and have undertaken to vote in favour of the rights issue at the Extraordinary General Meeting.

Shareholders have undertaken to subscribe for shares corresponding to approximately 32 per cent of the rights issue. Furthermore, existing shareholders have undertaken to underwrite an amount corresponding to approximately 40 per cent of the rights issue, meaning that shareholders have granted subscription undertakings and underwriting commitments in respect of approximately 72 per cent of the total rights issue.

The Company has in addition received underwriting commitments from an external consortium, including Carnegie Investment Bank, making the rights issue fully underwritten.

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Reduction of share capital and amendment to the articles of association

The Board of Directors' resolution on the rights issue requires a reduction of the Company's share capital without cancellation of shares, as well as an amendment to the articles of association with regards to the limits of the share capital and the number of shares. Following the terms of the rights issue resolved by the Board of Directors, the Extraordinary General Meeting will resolve on a reduction of the Company's share capital and an amendment to the articles of association in accordance with the following proposals.

- Item 8 on the agenda: alternative B, meaning that the company's share capital shall amount to not less than SEK 3,000,000 and not more than SEK 12,000,000;
- Item 9 on the agenda: alternative, D, meaning that the company's share capital shall be reduced by SEK 160,462,493.47;
- Item 10 on the agenda: alternative B, meaning that the company's share capital shall amount to not less than SEK 150,000,000 and not more than SEK 600,000,000 and that the number of shares shall be not less than 4,000,000,000 and not more than 16,000,000,000; and
- Item 13 on the agenda: alternative B, meaning that the number of shares shall be not less than 32,000,000 and not more than 128,000,000.

Consequently, the Board of Directors has resolved to withdraw its other alternative proposals. The reduction of the Company's share capital will result in the Company's share capital prior to the rights issue being reduced from SEK 165 425 251 to SEK 4,962,757.53 and that the quota value being reduced from SEK 1.00 to SEK 0.03. The rights issue will increase the Company's share capital by a maximum of SEK 198,510,310.20.

Preliminary timetable for the rights issue

27 March 2013	The Extraordinary General Meeting resolves on approval of the Board of Directors' rights issue resolution, reduction of share capital and amendment to the articles of association
28 March 2013	The RNB share is traded excluding subscription rights
3 April 2013	Record date for allotment of subscription rights
5 April 2013	Estimated date for publication of the prospectus
8-17 April 2013	Trading in subscription rights
8-22 April 2013	Subscription period (subscription through payment)
25 April 2013	Announcement of preliminary outcome

Advisors

Ovington Financial Partners and Carnegie are acting as financial advisors, Carnegie is sole manager and Advokatfirman Törngren Magnell is acting as legal adviser to RNB and Gernandt & Danielsson is acting as legal adviser to Carnegie in connection with the rights issue.

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RNB RETAIL AND BRANDS

RNB RETAIL AND BRANDS AB (publ) discloses the information provided here pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 26 March, 2013 08.00 CET.

RNB RETAIL AND BRANDS owns, operates and develops fashion, clothing, accessories, jewelry and cosmetics stores that focus on providing excellent service and a world-class shopping experience. Sales are mainly conducted in Scandinavia through the three store concepts Brothers & Sisters, JC and Polarn O. Pyret, as well as through shops in the department stores NK in Stockholm and Gothenburg. RNB RETAIL AND BRANDS has operation in 11 countries. RNB RETAIL AND BRANDS has been listed on the OMX Nordic Exchange since 2001.

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The rights issue is not intended for the public in or shareholders resident in the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa or any other jurisdiction where such persons participation is subject to any prospectus, registration or any other requirement than those applicable pursuant to Swedish law, or would violate applicable law or regulation in such jurisdiction. The subscription rights, the BTAs (interim shares) or the new shares relating to the rights issue have not been and will not be registered in accordance with United States Securities Act of 1933 (as amended), any United States state securities laws, or any provincial act in Canada. The subscription rights, the BTAs (interim shares) or the new shares allocated and offered pursuant to the rights issue may not, directly or indirectly, be transferred, distributed or offered for sale in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa or any other jurisdiction where the offering of subscription rights, the BTAs (interim shares) or the new shares is wholly or partially subject to legal restrictions.

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This press release contains forward-looking statements, which are statements related to future events. In this context, forward-looking statements often address RNB's expected future business and financial performance, and often contain words such as "expect", "anticipate", "intend", "plan", "believe", "seek", or "will".

Forward-looking statements by their nature address matters that are, to different degrees, uncertain and can be influenced by many factors, including the behaviour of financial markets, fluctuations in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of regulation and regulatory, investigative and legal actions; strategic actions; and numerous other matters of national, regional and global scale, including those of a political, economic, business and competitive nature. These factors may cause RNB's actual future results to be materially different than those expressed in its forward-looking statements. RNB does not undertake to update its forward-looking statements.