

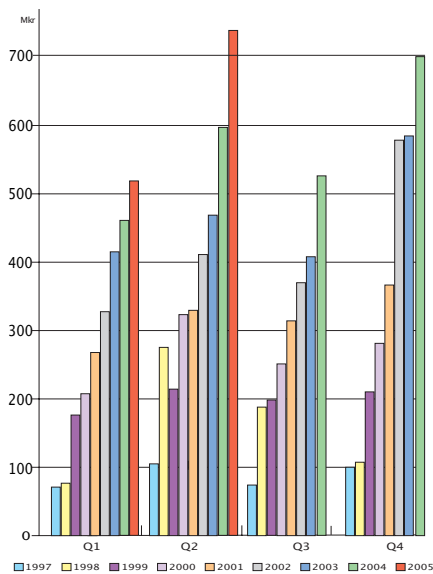
## *Interim Report for New Wave Group AB (publ)*

Q2 | JANUARY–JUNE 2005



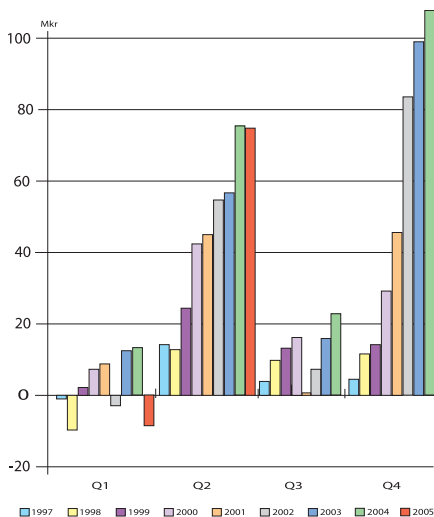
### ***Result increased with 13% to SEK 85.8 m. in second quarter (excl. acquired units)***

- Sales increased by 18 % to SEK 1 255 (1 065) m during January – June.
- Profit after net financial items decreased by SEK 27.5 m. to SEK 66.0 (93.5) m. Acquired units (Dahetra and Orrefors Kosta Boda) has a negative effect to the result with SEK 14,6 m. New Wave have a guaranty from the seller, Royal Scandinavia A/S, not to have any losses to the result for the period of June – December 2005. This means the most of the losses for acquired units will be refund during the rest of the year.
- The total cost for new establishments amounted to SEK 17.7 m.
- Profit after tax decreased to SEK 49,2 (70.8) m. and profit per share to SEK 1,55 (2,29) m..
- The Corporate Profiling business area's sales increased by 20 % to SEK 892 (742) m. Profit on EBITDA-level increased by SEK 4.5 m. to SEK 103.0 (98.5) m.
- The Retailing business area's sales increased by 12 % to SEK 363 (323) m. Profit on EBITDA-level decreased by SEK 30.2 m. to SEK -5.6 (24.5) m. The result from Orrefors Kosta Boda has a negative effect with SEK -9.9 m.
- New Wave Group has by the 1<sup>st</sup> of July acquired 51 % of the shares in Intraco group for about € 4 m. including an option to acquire the rest of the shares.
- New Wave earlier forecast about increased profit and sales for year 2005 remains. The high level of new establishments during year 2004 and 2005 estimates to give a result in Q4 on a high level.



## SALES

During January - June, sales increased by 18% to SEK 1 255 (1 065) m. The acquired groups Dahetra and Orrefors Kosta Boda contribution was SEK 99 m. The turn over during quarter 2 increased by 24 % and amounted to SEK 738 (596) m. In this total the acquired companies contribution was SEK 83 m.



## PROFIT

Profit after net financial items decreased by SEK 27,5 m. to SEK 66,0 (93,5) m. Acquired units (Dahetra and Orrefors Kosta Boda) has negative effect to the result with SEK 14,6 m. New Wave have a guaranty from the seller, Royal Scandinavia A/S, not to have any losses to the result for the period of June – December 2005. This means the most of the losses for acquired units will be refund during the rest of the year.

The total cost for new establishments amounted to SEK 17.7 m. Profit after net financial items for quarter 2 amounted to SEK 74.5 (75.9) m. This result is effected by acquired companies with SEK -11.3 m and new establishments with -6.4 m.

The gross profit margin decreased compared to the preceding year and amounted to 45.5 (46.0) %. The reasons is price reduction and deflation in certain group of products.

The Group's external costs as part of sales increased and amounted to 21,3 (19,8) % of Group sales. The personnel costs increased and amounted to 16,8 (15,4) % of Group sales.

Depreciations have decreased by SEK 0,4 m. to SEK 15,9 (15,5) m. From 01-01-2005 goodwill is not allowed to be depreciated. On a yearly basis the values in stead should be tested in a impairment test. The values for year 2004 is adjusted for comparable reason. Acquired units that were not part of the Group the preceding year, account for SEK 2,0 m. of other depreciations.

## THE CORPORATE PROFILING BUSINESS AREA

The Corporate Profiling business area's sales increased by 20 % to SEK 892 (742) m. Profit on EBITDA-level increased by SEK 4,5 m. to SEK 103,0 (98,5) m.

## THE RETAILING BUSINESS AREA

The Retailing business area's sales decreased by 12 % to SEK 363 (323) m. Profit on EBITDA-level decreased by SEK 30,2 m. to SEK -5,6 (24,5) m and Orrefors Kosta Boda effects the result with SEK - 9,9 m.

## GEOGRAPHIC DISTRIBUTION

### Sweden

Sales increased by 7 % to SEK 499 (465) m. in Sweden. Orrefors Kost Boda contribution was SEK 28 m.

### Germany

Sales in Germany increased by 15 % to SEK 90 (78) m.

### Denmark

Sales in Denmark increased by 113 %, to SEK 51 (24) m. The sales is due to the acquisition of the Dahetra Group. Dahetra contribution was SEK 25 m. Projob and MacOne/Jingham will be launched in 2005.

### Norway

Sales in Norway increased by 26 % to SEK 108 (86) m. Dahetra contribution was SEK 11 m. Jobman will be launched in Norway in the beginning of 2005.

### Finland

Sales in Finland decreased by 1 %. Projob will be launched in Finland in 2005.

### Italy

Sales in Italy increased by 18 %. INsideOUT and Jobman will be launched in Italy in the beginning of 2005.

### Spain

Sales in Spain decreased by 5 % to SEK 21 m. The decrease is due to trading sales for some bigger retailing chain stores. Trading is sale of the customer's own brands, private label. This kind of sales is more uncertain than traditional profile sales. Craft and INsideOUT have been launched in Spain during the end of 2004.

### Benelux

Sales in Benelux increased by 18 % to SEK 143 (121) m. This autumn Sagaform was launched in Benelux and in 2005 Projob will be launched.

### Great Britain

Sales in Great Britain increased by 14 % to SEK 32 m. Establishment of a multi brand concept is starting up in Wales where many of the group's brands will be a part of. The concept is planned to start sales some-times during the autumn.

### France

Sales in France increased by 28 % to SEK 41 (32)m.

### Switzerland

Sales amounted to SEK 37 (20) m. Since September, Craft has been established in a company that is owned by New Wave to an extent of 51 %. The Craft establishment is according to schedule and it give a big loss which in whole is conciliated into the New Wave Group result.

### China

New Wave sells promowear and give-aways to the corporate market and Craft products to the sports trade locally in China.

## PURCHASING

New Wave has purchasing offices in Bangladesh, Vietnam, Hong Kong and China and since end of 2004 also in Turkey and Guandong in China. New Wave has a great focus on strengthen up the purchasing organization and since mid June is Joakim Holmberg the new CBO within New Wave Group with location in Shanghai. Joakim Holmberg previous employment was at Lindex where his position was CBO and he has worked the 11 last years in Asia.

## NEW ESTABLISHMENTS

The establishments in Switzerland, with sales start in 2004, has exceeded the expectations. During the second half of 2004 Craft has been introduced to the market via a company owned by New Wave Group SA to 51 %. Craft Suisse SA has contributed with a loss of SEK 5 m for 2005.

The launch of Projob goes according to plan and the retailers have been very pleased by the Projob collection. Projob will be launched in Denmark, Finland and Benelux during 2005.

The concept INsideOUT was launched in Italy and in Spain autumn 2004.

Jobman is launched in Norway, Italy, Germany and Holland during 2005.

Establishment of a multi brand concept is starting up in Wales where many of the group's brands will be a part of. The concept is planned to start sales some-times during the autumn. The same concept will be established in Ireland.

An establishment in Russia is planned. New Wave Group will hold 51% of the shares and management 49%. New Wave Russia will distribute the brands Clique/New Wave and Sagaform with deliveries to the clients from Sweden.

Dahetra will take care of the brands Mac One and Jingham in Denmark.

The brands New Wave and Clique will be on stock in France.

Other launches last autumn was Sagaform and Craft which was sold and kept on stock in Belgium and Spain respectively.

## ACQUISITIONS

### *Dahetra*

New Wave Group has acquired Dahetra A/S with subsidiaries in Denmark, Sweden, Norway and Bangladesh. The fixed part of the purchase sum is approx. DKK 20 m with an additional purchase sum depending on the acquired group of companies' profit development during 2005 – 2009. DKK 10 m of the fixed part of the purchase sum is paid through a non-cash issue of new B-shares in New Wave Group for a share price of SEK 125 per share. The Dahetra group of companies shareholders equity is estimated to approx DKK 11 m, which result in a goodwill of about DKK 9 m, based on the initial fixed part of the purchase sum.

The Dahetra group is one of the leading actors in North Europe within printing on textile, transfer production and embroidery. The group has today 94 employees, active with sales, administration, design and production. The groups' turnover was approx. SEK 83 m during 2004 with a loss small loss. Dahetra will be consolidated with effect from 1 January 2005.

New Wave Group acquires the Dahetra group of companies with effect from 1 January 2005 and the acquisition is consolidated result wise into New Wave Group from the said date.

The acquisition means that New Wave Group has taken another large towards being a complete supplier by being able to provide both products and marking and there through provide the customers with a more attractive total offer than the competitors do. New Wave Group will also through Dahetra's low price concept "Hurricane" become very competitive within the low price segment of the profile market, a segment on which New Wave Group has not previously had a strong position and where a high growth potential is at hand.

### *The Orrefors Kosta Boda Group (OKB)*

1st of June New Wave Group entered into a share transfer agreement with Royal Scandinavia A/S in relation to an acquisition of 51 % of the shares in Orrefors Kosta Boda Holding AB with subsidiaries. Furthermore Royal Scandinavia A/S has given New Wave Group an option, which can be exercised during the period from 1 June 2005 inclusive until 31 December 2007, inclusive.

The purchase sum for the initial acquisition shall be equivalent to on the shares assignable part of the Orrefors Kosta Boda group of companies' shareholders equity on 31 May 2005. If the option to buy the remaining 49 % of the shares in Orrefors Kosta Boda Holding AB is exercised by New Wave Group the purchase sum will be equivalent to 49 % of OKB's equity as per 31 May 2005 plus an extra 5 % per year from 1 June 2005 until the date the shares are accessed.

Royal Scandinavia A/S has guaranteed that the OKB will not present a negative result during the period 1 June 2005 – 31 December 2005, which means that New Wave Group will be reimbursed for an eventual loss during the said period of time.

Magnus Andersson (previous MD Sagaform) has been appointed as Managing Director for OKB-group.

### New businesses:

New Wave Group will introduce a wide assortment of metal products for kitchen and presents under the

trademark ORREFORS SMIDE. Examples of such products are pots, pans and candlesticks. Moreover, New Wave Group will launch a wide assortment of textiles, such as table-cloths, runners and towels under the trademark BODA LINNEVÄFVERI.

"Glasriktet" in Småland, Sweden, today has approx. one million visitors each year. New Wave Group has already, since the acquisition 1 June, established two outlets and will establish more for sales of products sold under other trademarks owned by the New Wave group of companies.

### Distribution/Synergies:

New Wave Group believes that the acquisition will give the Orrefors Kosta Boda group of companies a relative large increase in sales within the promotional market.

On certain markets New Wave Group believe that the Orrefors Kosta Boda group of companies should be able to share sales staff with Sagaform which will result in a better penetration of the market, and this at lower costs.

The Orrefors Kosta Boda group of companies' annual sales in USA is approx. 21 MUSD. This gives New Wave Group a way in on the American market which will be utilised to, together with or through the Orrefors Kosta Boda group of companies, launch Sagaform in USA on both the retail market and the promotional market, within the next 6 – 24 months.

### Cost savings:

New Wave Group hope to, within 1 – 2 years, be able to achieve considerable cost savings within the OKB in relation to inter alia buying, logistics and marketing. More than 50 salaried employees within the OKB organisation have been reduced since the acquisition and there are for the moment an intensive work of renegotiations and cost cuttings in all areas.

### *OKBs effect to New Wave Group*

On the 30<sup>th</sup> of June New Wave Group consolidated a loss amounting to SEK 9,9 m. related to OKB.

The guaranty from the seller will effect to turn this loss to at least a result amounting to zero by the 31<sup>st</sup> of December 2005.

The aim of New Wave is that Orrefors Kosta Boda-group, including the new activities New Wave are planning to establish into the acquisition, will contribute a small positive result for 2005 and that this positive effect should increase year by year. The goal is that by latest 2010 achieve a business margin on at least 10 %.

### *OKB balance by 30<sup>th</sup> of June 2005-07-14*

Fixed assets	157
Current assets	373
Total assets	530

Shareholders' equity	35
Interest-bearing liabilities	321
Interest-free liabilities	174
Total shareholders' equity and liabilities	530

### *This has been done since 1<sup>st</sup> of June*

New MD is nominated

More than 50 salaried employees have been reduced  
Investments is stopped

Salaries is negotiated

Purchasing contracts is negotiated

Establishing of two Outlets in "Glasriktet"

### *The Intraco Group*

New Wave Group has acquired 51 % of the shares in Intraco Holding B.V. for € 4 with an option to buy the remaining 49%.

The focus of the business of the Intraco group of companies is to, as a wholesaler, sell technically related promotional articles, such as phone-, computer- and technically related desktop accessories. Examples of successful product groups are USB-memories and SIM-card readers. The Intraco group is innovative in bringing out modern technical novelties on the promotional market.

The Intraco group of companies' turnover during 2004 was approx. € 8 m with a good profitability and the number of employees is approx. 30. The acquisition is consolidated result wise into New Wave Group from 1 July 2005, inclusive, and is expected to generate no effect or a minor positive effect on the result for the current year. Thereafter, the acquisition is expected to have a positive impact on the result.

## CAPITAL TIED UP

During the period, capital tied up in goods has increased by SEK 425 m. to SEK 1 349 (924) m., of which acquired units have contributed by SEK 257 m. Accounts receivable decreased by SEK 185 m. to SEK 625 (440) m, of which acquired units have contributed by SEK 136 m.

## INVESTMENTS, FINANCING AND LIQUIDITY

The Group's cash-affecting net investments amounted during January- June to SEK -79 (-181,5) m. Cash flow amounted before investments and acquisitions to -88,7 (-47,6) and SEK -166,5 (-229,1) m. after investments and acquisitions. Net borrowings amounted to SEK 1 366 (859) m. and credit limits amounted to approx. SEK 2 200 m. as at 30 June 2005.

## PERSONNEL AND ORGANISATION

The number of employees as at 30 June 2005 amounted to 2 384 (970) persons, of which 39 % were female and 61 % were male.

## SUBSCRIPTION OPTIONS IN NEW WAVE GROUP AB

New Wave has currently one outstanding program for subscription options for employees. It consists of 922 140 warrants with a buying price of SEK 58.60 and expires on June 30, 2006.

## VIEWS ON THE FISCAL YEAR 2005

New Wave is in an expansive phase with several establishments of current concepts in new markets that will lead future growth. These offensive establishments will give a high growth but have will have a negative impact on the result in 2005. Both sales and profit expects to increase for 2005, but due to all new establishments the risks within the prognosis are higher than previous years. New Wave Group has a guarantee that OKB will not present a negative result during the period 1 June 2005 – 31 December 2005.

As per 30 June New Wave Group consolidate a loss of SEK 9,9m from OKB.

## THE PARENT COMPANY

Sales amounted to SEK 35,2 (35,8) m. Profit after financial items amounted to SEK 6,9 (27,9) m. Net borrowings increased by SEK 340 m. and net investments amounted to SEK 70,7 (267,5) m.

## ACCOUNTING PRINCIPLES

This report is drawn up in accordance with the International Financial Reporting Standards IFRS.

### EFFECTS OF THE ADOPTION OF IFRS

The main changes in accounting principles concerning New Wave the elimination of goodwill amortization, financial instruments and minority. According to the transitional rules in IFRS 1 (First Time Adoption of IFRS) New Wave has opted to not apply IFRS 3 for old acquisitions. Comparable amounts concerning acquisitions made earlier than 2003 are not recalculated. Acquisitions carried out in 2004 have been reported in accordance with IFRS 3.

Goodwill amortization ends up 1<sup>st</sup> of January 2005 and impairment test will be taken in use. All comparable amounts are adjusted in the Quarterly statements. IAS 32 and 39 Financial Instruments will be applied from 1<sup>st</sup> of January 2005; no comparison is required for 2004.

IFRS2 Share Based Payment will have no effect on the New Wave Group. The share-related compensation program (stock option program) within New Wave are not converted by IFRS2.

## CALENDAR

- October 27 2005  
Interim report for Q3
- February 17 2006  
Year End report 2005
- April 26 2006  
Interim report for Q1

Stockholm the 15<sup>th</sup> of July 2005  
New Wave Group AB (publ)  
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CEO

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## Income Statements

SEK m	6 Months JAN-JUNE 2005	6 Months JAN-JUNE 2004	12 Months JAN-DEC 2004	12 Months JAN-DEC 2003
<b>Net sales</b>	<b>1255.1</b>	<b>1064.6</b>	<b>2 302.2</b>	<b>1 881.9</b>
Other income	4.5	7.2	20.0	13.5
<b>Operating expenses</b>				
Goods for resale	-684.1	-574.5	-1246.4	-1047.2
Other external expenses	-267.8	-210.5	-440.2	-335.1
Personnel costs	-210.3	-163.8	-341.1	-263.9
Depreciation of tangible and intangible fixed assets	-15.9	-15.5	-29.6	-23.6
Other expenses	0.0	0.0	-2.5	-4.5
<b>Operating profit</b>	<b>81.5</b>	<b>107.5</b>	<b>262.4</b>	<b>221.1</b>
<b>Net financial items</b>	<b>-15.5</b>	<b>-14.0</b>	<b>-28.2</b>	<b>-23.8</b>
<b>Profit after financial items</b>	<b>66.0</b>	<b>93.5</b>	<b>234.2</b>	<b>197.3</b>
Tax on the profit for the period	-16.8	-22.7	-61.3	-46.5
<b>Profit/loss for the period</b>	<b>49.2</b>	<b>70.8</b>	<b>172.9</b>	<b>150.8</b>
<b>Profit per share</b>				
Profit per share before dilution	1.55	2.29	5.60	5.10
Profit per share after dilution	1.54	2.27	5.48	5.08
Weighed number of shares before dilution	31 644 156	30 861 493	30 861 493	29 580 424
Weighed number of shares after dilution	32 000 875	31 138 318	31 571 994	29 698 378

## Quarterly Income Statements (SEK m.)

Quarter	2005		2004				2003			
	Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	516.5	738.6	468.8	595.8	525.3	712.3	415.2	468.8	413.2	584.7
Other income	2.6	1.9	3.1	4.1	5.6	7.2	0.4	1.4	-0.3	12.0
Goods for resale	-288.6	-395.5	-256.7	-317.8	-298.0	-374.0	-239.4	-260.5	-236.6	-310.7
Gross profit/loss	230.5	345.0	215.2	282.1	232.9	345.5	176.2	209.7	176.3	286.0
Gross profit %	44.1	46.15	45.2	46.7	43.3	47.5	42.3	44.4	42.7	46.9
External costs	-122.0	-145.8	-105.5	-105.0	-106.2	-123.5	-83.1	-71.8	-84.5	-95.7
Personnel costs	-99.8	-110.5	-78.8	-85.0	-81.4	-95.9	-63.4	-66.5	-59.2	-74.8
Depreciations	-7.4	-8.5	-7.5	-8.0	-7.8	-6.4	-6.6	-4.9	-6.4	-5.7
Other costs	-1.3	1.3	0.0	0.0	-2.7	0.2	-2.0	-0.4	-1.9	-0.2
<b>Operating profit/loss</b>	<b>0.0</b>	<b>81.5</b>	<b>23.4</b>	<b>84.1</b>	<b>34.8</b>	<b>119.9</b>	<b>21.1</b>	<b>66.1</b>	<b>24.3</b>	<b>109.6</b>
Interest income	5.2	0.9	0.7	0.0	1.6	1.2	0.6	0.7	0.8	0.6
Interest expenses	-13.7	-7.9	-6.5	-8.2	-7.8	-9.1	-5.7	-6.6	-6.7	-7.5
<b>Result after financial items</b>	<b>-8.5</b>	<b>74.5</b>	<b>17.6</b>	<b>75.9</b>	<b>28.6</b>	<b>112.0</b>	<b>16.0</b>	<b>60.2</b>	<b>18.4</b>	<b>102.7</b>
Minority share	1.3	-18.1	-4.3	-18.4	-6.9	-31.8	-3.1	-14.8	-4.1	-24.5
<b>Profit/loss for the period</b>	<b>-7.2</b>	<b>56.4</b>	<b>13.3</b>	<b>57.5</b>	<b>21.7</b>	<b>80.2</b>	<b>12.9</b>	<b>45.4</b>	<b>14.3</b>	<b>78.2</b>

## Balance Sheets

SEK M	30-jun 2005	30-jun 2004	31-dec 2004	31-dec 2003
<b>Assets</b>				
Intangible fixed assets	77.3	14.7	14.2	17.3
Goodwill	340.7	354.9	340.9	265.0
Other fixed assets	414.7	259.8	262.7	232.4
Stock	1349.2	924.3	971.9	677.8
Accounts receivable	624.5	440.4	482.4	378.8
Other short-term receivables	118.6	132.4	71.3	67.3
Liquid funds	111.2	42.2	84.1	21.9
<b>Total assets</b>	<b>3036.2</b>	<b>2 168.7</b>	<b>2 227.5</b>	<b>1 660.5</b>
<b>Total liabilities and shareholders' equity</b>				
Shareholders' equity	987.1	819.9	910.6	630.8
Interest-bearing liabilities	1476.8	901.3	970.3	714.4
Interest-free liabilities	572.3	447.5	346.6	315.3
<b>Total liabilities and shareholders' equity</b>	<b>3036.2</b>	<b>2 168.7</b>	<b>2 227.5</b>	<b>1 660.5</b>
<b>Change in shareholders' equity</b>				
Shareholders' equity	886.4	612.6	612.6	511.2
Effects of change of accounting principle	-	-	-9.5	-
Shareholders' equity after change of accounting principle	886.4	612.6	603.1	511.2
Effects of change of IFRS <sup>1</sup>	41.9	-3.8	4.1	2.2
Adjusted balance brought forward	928.3	608.8	607.2	513.4
Option premium (personnel option)	-	0.8	0.8	4.5
Translation difference	21.7	5.8	-2.7	-11.2
Effects from derivative and similar	-8.8	-	-	-
New issue	44.0	170.0	169.7	-
Profit/loss for the period <sup>2</sup>	49.2	70.8	171.9	149.5
Dividend	-47.3	-36.3	-36.3	-25.4
<b>Shareholders' equity</b>	<b>987.1</b>	<b>819.9</b>	<b>910.6</b>	<b>630.8</b>

<sup>1</sup> The item includes minority share with SEK 25.9 (0.3; 8.2; 2.2) m.

<sup>2</sup> Profit/loss for the period includes SEK 7.2 (-1.9; -1.0; -1.3) m belonging to minority share.



## Cash Flow Analysis

SEK m	1 jan - 30 jun 2005	1 jan - 30 jun 2004	1 jan - 31 dec 2004	1 jan - 31 dec 2003	1 jan - 31 dec 2002
<i>Current operation</i>					
Profit/loss before financial items	81.4	98.4	242.4	205.1	179.3
<i>Items not included in cash flow</i>					
Change in pension allocations	-	-	0.4	0.2	-
Translation difference	-5.4	-0.3	0.1	1.4	-0.1
Depreciations	15.9	25.8	49.7	39.6	36.7
Capital gain from fixed assets	-2.0	-1.1	-1.8	-1.1	-
Gained interest	6.1	1.6	4.4	2.7	2.1
Paid interest	-21.6	-15.6	-32.6	-26.5	-36.2
Paid income	-23.0	-30.2	-72.6	-47.7	-41.0
<b>Cash flow from current operations before changes in working capital</b>	<b>51.4</b>	<b>78.6</b>	<b>190.0</b>	<b>173.7</b>	<b>140.8</b>
Changes in working capital	-140.1	-126.2	-187.7	-97.7	19.9
<b>Cash flow after changes in working capital</b>	<b>-88.7</b>	<b>-47.6</b>	<b>2.3</b>	<b>76.0</b>	<b>160.7</b>
Subsidiary acquisitions*	-53.6	-137.1	-175.6	-7.1	-111.4
Investments in fixed assets	-24.2	-45.3	-70.7	-79.1	-41.6
Net sales of fixed assets	-	0.9	0.9	4.8	-0.6
Amortization long-term claim	-	-	-	1.5	0.4
<b>Cash flow from investments</b>	<b>-77.8</b>	<b>-181.5</b>	<b>-245.4</b>	<b>-79.9</b>	<b>-153.2</b>
Amortization long-term receivable	-	-	-	-	0.4
Raised loans	191.5	114.6	191.7	38.5	16.3
New issue	44.0	150.8	149.7	-	-
Paid dividend	-	20.0	-	-	-
Dividend paid	-47.3	-36.3	-36.3	-25.4	-21.8
Cash flow from financing	188.2	249.1	305.1	13.1	-5.1
<b>Cash flow for the year</b>	<b>21.7</b>	<b>20.0</b>	<b>62.0</b>	<b>9.2</b>	<b>2.4</b>
Liquid funds at the beginning of the year	84.1	21.9	21.9	14.2	12.1
Rate difference in liquid funds	5.4	0.3	0.2	-1.4	0.1
Liquid funds at the end of the year	111.2	42.2	84.1	22.0	14.2
*The item includes:					
Goodwill	-12.1	-	-41.7	-7.1	-79.5
Brands	-48.0	-	-	-	-
Working capital	-228.2	-199.4	-196.2	-	-77.0
Fixed assets	-119.9	-9.0	-9.0	-	-50.1
Transferred loans	342.8	71.3	71.3	-	95.2
Paid with non-cash issue	12.1	-	-	-	-
<b>Effect on the cash flow</b>	<b>-53.3</b>	<b>-137.1</b>	<b>-175.6</b>	<b>-7.1</b>	<b>-111.4</b>

## Financial highlights

	JAN-JUN 2005	JAN-JUN 2004	JAN-DEC 2004	JAN-DEC 2003	JAN-DEC 2002	JAN-DEC 2001
Sales growth %	17.9	20.4	22.3	11.5	32.0	20.2
Number of employees	2 384.0	970.0	1 269.0	806.0	729.0	422.0
Gross profit margin %	45.5	46.0	45.9	44.4	42.0	40.5
Operating margin before depreciation %	7.8	11.5	11.8	13.0	12.2	11.2
Operating margin %	6.5	10.1	10.5	10.9	10.6	10.0
Profit margin %	3.9	6.6	6.6	7.1	6.2	6.4
Return on shareholders' equity %	10.5	19.8	20.3	23.8	22.0	20.9
Return on capital employed %	7.6	14.2	11.7	16.5	16.9	14.7
Equity ratio %	32.8	37.8	40.5	37.4	37.9	40.5
Net dept - Equity ratio %	137.2	105.4	100.0	113.1	123.0	119.5
Net liabilities SEK m	1 365.6	859.1	886.2	692.5	629.0	519.7
Interest cover ratio times	5.3	6.7	5.7	7.8	4.8	4.1
Rate of capital turnover times	0.5	1.1	1.2	1.2	1.3	1.4
Rate of stock turnover times	1.3	1.4	1.5	1.6	1.6	1.5
Net investments SEK m	-77.8	181.5	245.4	80.0	153.6	85.1
Cash flow before investments SEK m	-88.7	-47.6	2.3	76.0	160.7	94.5
Cash flow after investments SEK m	-166.5	-229.1	-243.1	-4.0	7.1	9.4
Shareholders' equity per share SEK	31.46	26.57	28.72	21.13	17.80	15.00
Shareh. equity per share after dilution SEK	31.11	26.33	28.20	21.04	17.27	14.92
Value per share SEK	-	-	127.50	75.00	37.50	37.50
Share price SEK	-	-	1.45	1.25	0.88	0.75
P/E-ratio	-	-	25.93	16.30	10.45	13.30
P/S-ratio	-	-	1.71	1.16	0.65	0.85
Rate/Shareholders' equity	-	-	4.45	3.56	2.15	2.50

## Definitions

### RETURN ON SHAREHOLDERS' EQUITY

Profit/loss after full tax as a percentage of the average shareholders' equity.

### RETURN ON CAPITAL EMPLOYED

Profit/loss after net financial items plus financial costs in percent of capital employed in average.

### GROSS MARGIN

Sales for the period, less product costs, as a percentage of sales.

### RATE OF CAPITAL TURNOVER

Sales divided by the average Balance Sheet total.

### OPERATING MARGIN

Operating profit/loss after depreciation as a percentage of sales.

### NET DEBT/EQUITY RATIO

Interest-bearing liabilities, less interest bearing assets, as a percentage of shareholders' equity.

### CAPITAL EMPLOYED

Balance Sheet total reduced by interest-free liabilities and interest-free provisions.

### PROFIT MARGIN

Profit/loss before tax as a percentage of sales.

The key figures as per 30<sup>th</sup> of June is effected by the acquisition of Orrefors Kosta Boda-group witch is consolidated from the 1<sup>st</sup> of June 2005. This means that 100 % of OKBs Balance is included, but only the turn over from one month and a loss amounting to SEK 9,9 m.

## Sales by Country (SEK m.)

COUNTRY	JAN - JUNE 2005	JAN - JUNE 2004	SEK M	CHANGE %
Sweden	499	465	34	7
Benelux	143	121	22	18
Norway	108	86	22	26
Germany	90	78	12	15
Finland	88	89	-1	-1
Italy	80	68	12	18
Denmark	51	24	27	114
Spain	45	47	-2	-4
Franc	41	32	9	28
Switzerland	37	20	17	85
England	32	28	4	14
Other	25	7	18	257
USA	16		16	N/A
Total	1 255	1 065	190	18

## New Wave's share

The share capital in New Wave amounted to SEK 189 864 936 distributed among a total of 31 644 156 shares, each with a par value of SEK 6.00. The shares carry identical rights to the Company's assets and profits. Each Series A share is entitled to ten votes and each Series B share is entitled to one vote. New Wave's Series B shares have since December 11, 1997, been listed at the Stockholm Stock Exchange and are now listed on the O list. A trading lot amounts to 100 shares.

### DIVIDEND

The Board's aim is that the dividend will account for at least 30 % of the Group's profit after taxes over a trade cycle.

### SHAREHOLDERS

The number of shareholders amounted to 7 574 (5 098) on June 30th. Institutional investors accounted for 34 % of the capital and 8.2 % of the votes. At the same time, the ten largest shareholders held 62 % of the capital and 8.2 % of the votes. Non-Swedish shareholders accounted for 8.6 % of the capital and 2.8 % of the votes.

#### NEW WAVE'S TEN MAJOR SHAREHOLDERS 2005-06-30

SHAREHOLDER	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Torsten Jansson	10 929 750	104 114 310	34.5%	79.7%
Robur	2 909 362	2 909 362	9.2%	2.2%
AMF Pension	1 500 000	1 500 000	4.7%	1.1%
Fjärde AP-Fonden	1 105 600	1 105 600	3.5%	0.8%
Tredje AP Fonden	842 300	842 300	2.7%	0.6%
Andra AP Fonden	835 706	835 706	2.6%	0.6%
SEBs småbolagsfond	799 736	799 736	2.5%	0.6%
Livförsäkrings AB Skandia	681 456	681 456	2.2%	0.5%
OKOBank OY	610 300	610 300	1.9%	0.5%
Domani AB	451 980	451 980	1.4%	0.3%
	<b>20 666 190</b>	<b>113 850 750</b>	<b>65.3%</b>	<b>87.1%</b>

#### SHAREHOLDER DISTRIBUTION IN NEW WAVE 2005-06-30

	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Sverige	29 194 793	124 449 353	92.3%	95.2%
Outside Sweden except USA	2 255 204	3 155 204	7.1%	2.4%
USA	194 159	194 159	0.6%	0.1%
<b>Total</b>	<b>31 644 156</b>	<b>130 678 716</b>	<b>100.0%</b>	<b>97.8%</b>



## *New Wave in brief*

New Wave is a growing company that focuses on delivering promowear, gifts and workwear to companies, as well as clothes, shoes, gifts and textiles to consumers through retailers. This is done through the establishment, acquisition and development of brands within the areas mentioned above.

New Wave serves two separate business areas, firstly the market for corporate identity products through independent retailers, secondly the consumer market through gifts, sports and shoe retailers. By operating in both these market segments, New Wave can spread its risks favourably. Economies of scale are also achieved since large parts of the product range are common for both business areas.

The competitiveness of New Wave lies mainly within design, purchasing and marketing of our own brands. The products are manufactured mainly in Asia and to a lesser degree in Europe. The Group's most well known brands are Orrefors, Kosta Boda, Craft, Sagaform, Seger, Grizzly, DAD Sportswear, Hurricane, New Wave, Clique, James Harvest Sportswear, Printer Active Wear, Toppoint, Mac One, Jingham, Jobman and Pax, as well as Umbro, Nordica, Rollerblade, Rudy Concept, and Exel under licence.

New Wave has from the start shown substantial growth with good margins.

*New Wave  
Dressing people, marketing companies.*

*NewWave*  
G R O U P

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