

Interim Report for New Wave Group AB (publ)

Q3 | JANUARY–SEPTEMBER 2007



Craft Pro Zero Extreme Crewneck and Underpant worn by Jens Byggmark, Swedish professional alpine skier.

Continued strong growth in profit.

THE PERIOD JANUARY 1 – SEPTEMBER 30 2007 COMPARED TO PRECEDING YEAR.

- Sales increased by 17 % to MSEK 2 863 (2 452).
- The operating margin improved and amounted to 8.9 (7.2) %
- The result after finance net improved by MSEK 58.8 to MSEK 192.9 (134.1).
- Acquired units have contributed with MSEK 342 in sales and MSEK 23.7 in result after finance net.
- The result after tax improved by MSEK 39.3 to MSEK 140.1 (100.8) and profit per share improved to SEK 2.11 (1.55).

THE PERIOD APRIL 1 – SEPTEMBER 30 2007 COMPARED TO PRECEDING YEAR.

- Sales increased by 41 % to MSEK 1 125 (800).
- Organic growth amounted to 6%.
- The operating margin improved and amounted to 9.6 (7.8) %
- The result after finance net improved by MSEK 32.7 to MSEK 80.6 (47.9).
- Acquired units have contributed with MSEK 282 in sales and MSEK 17.0 in result after finance net.
- The result after tax improved by MSEK 20.2 to MSEK 57.4 (37.2) and profit per share improved to SEK 0.87 (0.56).

SIGNIFICANT EVENTS

- The integration with Cutter & Buck is developing according to plan. Beside distribution and product synergies, we also expect significant cost synergies.
- The work with introducing Cutter & Buck's products in Europe and to launch the promo concept Clique/New Wave in USA is developing according to plan. The launch of these trademarks in respective markets, will commence during spring 2008

VIEWS ON 2007 AND 2008

- The sales and results for 2007 are expected to increase and exceed the preceding year.
- The organic growth is expected to continue to increase during both fourth quarter 2007 and for 2008.
- Also for 2008 the expectations are that New Wave will increase result and sales compared with 2007.

SALES

For the period January – September the sales increased by 17 % to MSEK 2 863 (2 452). Acquired units have contributed with MSEK 342. Due to the fact that the Swedish crown has appreciated in relation to the same period last year, means that the currency exchange rate has had a negative effect on sales by MSEK 26 (1%).

Organic growth, including acquired units, was 3%. During the first six months the growth in sales was effected by the preceding year's successful sales during the World Championships in football and the higher sales within the trading business.

For the period July – September the sales increased by 41 % to MSEK 1 125 (800), of which acquired units have contributed with MSEK 282. The organic growth amounted to 6% and this increase is mainly related to the European promo business area.

During the third quarter the sales for so called hard give-aways on the Swedish market has been lower than expected. The group's two companies selling hard give-aways on the Swedish market, DJ Frantextil and Saga-form, are subject to restructuring and their recovering is expected to be seen during the coming twelve months. The group's production unit at Dahetra AS in Denmark is also under restructuring with lower sales as a result. If we exclude the above mentioned companies together with the negative currency development, the organic growth was close to 10% in the third quarter.

In connection with the group's acquisition of Cutter & Buck, resources and investments have been rearranged in order to reach a stable and high future growth in the acquired unit but also to secure the synergies in this acquisition. This has had a negative effect on the organic growth during 2007, since the rearrangement has given lower market investments in other countries during 2007 compared to the plan. The decrease has been done to benefit the introduction of the Cutter & Buck brand in Europe and the Clique/New Wave brand in USA, which the management believes will generate high growth as from 2008. The mentioned activities mean that organic growth is expected to grow both during the fourth quarter 2007 and 2008.

PROFIT

For the period January – September, the result after finance net improved by MSEK 58.5 to MSEK 192.9 (134.1). Acquired units contributed with MSEK 23.7. The result after tax improved by MSEK 39.3 to MSEK 140.1 (100.8) and profit per share improved to SEK 2.11 (1.55).

The third quarter result after finance net improved by MSEK 32.7 to 80.6 (47.6) and acquired units contributed with MSEK 17.0.

The gross margin improved compared to the preceding year and amounted to 47.6 (47.0) % for the year to date numbers. The third quarter showed a gross margin of 47.4 (47.0) %. The improvement in gross margin is mainly related to better purchasing performance.

Other income increased to MSEK 27.7, of which MSEK 12.1 relates to the sale of property that was completed during the second quarter.

The group's external costs as part of sales decreased and amounted to 22.6 (23.3) %. Personnel costs as part of sales has increased marginally and amounted to 15.6

(15.4) %. The total increase in costs is mainly related to the acquired units.

Depreciation increased by MSEK 8.3 to MSEK 37.2 (28.9).

Net financial items amounted to MSEK -61.5 (-42.2). The increase is due to increased interest rates and higher net debt which relates to the acquisition of Cutter & Buck. The group's policy is to have a short duration, which has a swift effect on the costs when the interest rate changes.

The tax-rate for New Wave Group was 27.4 (24.8) %.

The operating margin was 8.9 (7.2) % and return on capital employed was 10.1 (8.5) %.

REPORT OF THE CORPORATE SEGMENTS

The Promo Business Area and The Retailing Business Area are primary segments. The channel of distribution is the basis, not the product or the geographical market. Many products are common for both segments, with common stock and assets. This makes the split of depreciation and finance net difficult. Therefore, New Wave has chosen to present the results for both business areas on EBITDA-level (Earning Before Interest, Tax and Depreciation), with the operating result adjusted for depreciation.

THE PROMO BUSINESS AREA

For the period January – September, the sales increased by 14 % to MSEK 1 685 (1 484) and profit on EBITDA-level increased by MSEK 74.1 to MSEK 246.7 (172.6). For the period July – September, the sales increased by 30% to MSEK 579 (444) and profit on EBITDA-level increased by MSEK 34.1 to MSEK 87.7 (53.6).

THE RETAILING BUSINESS AREA

For the period January – September, the sales increased by 22 % to MSEK 1 178 (968) and profit on EBITDA-level increased by MSEK 12.3 to MSEK 44.9 (32.6). For the period July – September, the sales increased by 53% to MSEK 546 (356) and profit on EBITDA-level increased by MSEK 14.9 to MSEK 36.5 (21.6).

PURCHASE

New Wave has purchase offices in Bangladesh, Vietnam and China with approximately 150 employees. The Shanghai office has been strengthened with more competence when it comes to textile, give-aways and workwear. A lot of resources have been spent on strengthening the competence and systems for follow-ups of quality and environmental issues, both when it comes to products and suppliers. The Bangladesh office has also been strengthened. To secure the increasing purchasing from India, a new office will be opened in Bangalore, south India, during the fourth quarter 2007.

The work with moving purchase related services into the offices in Asia is developing according to plan. At year end 2007, about 80% of the identified potential will have been moved. The strategy will give higher speed and lower costs. This work will continue during 2008.

Since 2005 the number of suppliers has decreased from 750 to approximately 400 and the goal is 300. Through fewer suppliers we will increase our strength in the purchasing market and make it easier for us to control and affect suppliers.

GEOGRAPHICAL DISTRIBUTION

Table for sales in areas Nordic countries, Mid-Europe, South Europe, USA and Other countries are presented on page 7.

New Wave has a continued strong market position in the Nordic countries, but is expecting the future growth to come from the rest of Europe where the market shares are small today. The sales growth during the period also show that the European market is growing, and specifically within the promo business area. The comparative numbers are affected by the preceding year's successful sales during the World Championships in football and higher sales within the trading business.

The sales in USA amounted to MSEK 445 (120) and the increase is mainly related to the acquisition of Cutter & Buck.

The increase in Other countries is mainly related to Russia and China.

INTEGRATION OF ACQUISITIONS

New Wave acquired on June 8 Cutter & Buck Inc., a company listed on NASDAQ. The company is a leading supplier of exclusive golf- and sportswear in the USA. The integration work started immediately and is developing according to the plan that was established at the time for the acquisition.

Cutter & Buck Inc. develops, designs and markets exclusive golf- and sportswear with the trademarks "Cutter & Buck", "ANNIKA" and "CBUK". The company primarily sells its products to the golf and sports retailing area, corporate profiling suppliers as well as international distributors and license-holders. The company also sells to consumers by way of mail and e-mail orders from the wholly owned subsidiary Cutter & Buck Inc. Direct LLC. Cutter & Buck Inc.'s products are characterized by distinct and comfortable design, high quality and many details, and the company works closely with Annika Sörenstam through the trademark ANNIKA.

The merger of New Wave Group AB and Cutter & Buck Inc. will give Cutter & Buck Inc. a much larger product range for the American market and New Wave Group AB an exclusive trademark within golf- and sportswear to distribute in Europe. Only a small part of Cutter & Buck's sales take place outside of the USA, which gives important distribution synergies thanks to New Wave's wide distribution network in Europe, as well as Cutter & Buck's wide distribution network in the USA. Significant synergies are also expected within purchasing and product development where the purchases will be integrated with New Waves purchasing offices in Asia. Crafts unique competence within technical material will be used to develop Cutter & Bucks functional products, for example the introduction of rain clothes in functional "breathing material" for golf.

51% of the shares in Textet Poland Sp z o.o. were acquired July 1 for TEUR 186. The company had a turnover of MEUR 2.4 in 2006. New Wave has an option to acquire the remaining 49%. The integration work is developing according to plan.

NEW ESTABLISHMENTS

Several of the Group's brands within promowear, workwear and gifts are established in existing New Wave companies in Europe. New Wave has a high rate of establishment with several new start-ups during the last years. The goal is to implement most concepts where New Wave is established to achieve wide coverage and major market shares. It normally takes between 12 – 24 months before an establishment is profitable, depending on the market and organization.

New Waves product line Clique/New Wave within the promo business area, will be introduced to the American market during spring 2008. Corresponding introduction will be done with the Cutter & Buck brand; it will be introduced to the European market through New Waves distribution channels during spring 2008. The establishments will be done through separate sales forces, but significant market synergies will be obtained through existing distribution channels both in Europe and in USA. The above introductions will increase the capital tied up in stock both in USA and Europe, starting as from the end of 2007/ beginning 2008. Small increases in the marketing costs are also expected.

The brand Orrefors and Kosta Boda have during the quarter opened an additional 2 stores in Shanghai and New Wave now have 5 flagship-stores in Shanghai. Beside glass they also sell promo clothes through a wholly-owned subsidiary.

One more outlet of approximately 11.000 m2 has been built in Kosta and was opened on June 30, 2007. During the first days after opening, it received a very positive acceptance which has spread to the other outlets in Kosta. Most of the space has been let to external companies with attractive brands. During the quarter, the work regarding a new hotel with some 110 beds has started. It will be built in joint venture with the municipality and is expected to be ready spring 2009.

CAPITAL TIED UP

During the period, capital tied up in goods has increased by MSEK 380 to MSEK 1 899 (1 519) of which MSEK 201 is related Cutter & Buck. The corresponding increase in preceding year was MSEK 205. Accounts receivable increased by MSEK 122 to MSEK 867 (745) of which MSEK 135 is related to Cutter & Buck.

INVESTMENTS, FINANCING AND LIQUIDITY

The group's cash flow from operation amounted to MSEK -117 (24) and after investments MSEK -1 259 (-45). New Wave's cash-affecting net investments during January – September 2007 amounted to MSEK -1 142 (-69). Net debt increased by MSEK 1 123 and amounted to MSEK 2 440 (1 316). New Wave Group's credit limits were approximately MSEK 3 300 as of September 30 2007.

PERSONNEL AND ORGANISATION

The number of employees as of September 30, 2007 was 2 303 (2 144) persons, of which 42 % were female and 58 % were male. A total of 971 employees were employed within production units. The production owned by New Wave belongs to Orrefors Kosta Boda, Seger, Dahe-tra, Toppoint and Cutter & Buck (embroidery).

SUBSCRIPTION OPTIONS IN NEW WAVE GROUP AB (PUBL)

New Wave has two outstanding programs for subscription options. One expires in June 2008 and consists of 1 500 000 options with an exercise price of SEK 73.10. The options were subscribed in June 2005 with a premium of SEK 9.00.

The second program was introduced during July 2007. That program contain 2 000 000 options and will expire in June 2010. The exercise price is set to SEK 102,50 and the options were subscribed with a premium of SEK 7,00.

VIEWS ON THE FISCAL YEAR 2007 AND 2008

Continued focus on improving the profitability in new establishments, concentrate the buying and integrate the acquired companies; among them Cutter & Buck. For 2007 the sales and results are expected to increase compared to preceding year.

– The organic growth is expected to continue to increase during both fourth quarter 2007 and for 2008.

– Also for 2008 the expectations are that New Wave will increase result and sales compared with 2007.

THE PARENT COMPANY

Sales amounted to MSEK 64 (62). Profit after financial items amounted to MSEK -15,7 (5,8). Net borrowings amounted to MSEK 1 979, of which MSEK 556 refer to financing to subsidiaries. Net investments amounted to MSEK 1 109 (67), of which the majority relates to the acquisition of Cutter & Buck. Total assets amounted to MSEK 3 152 (1 972) total equity amounted to MSEK 699 (728).

RISKS AND RISK CONTROL

New Wave with its international operations is continually exposed to different financial risks. These financial risks are currency exposure, borrowings and interest exposure as well as liquidity and credit exposure. The group has a financial policy for dealing with financial risk in order to minimize their effect on the result. For a more detailed description regarding risks, we refer to the annual report 2006; www.nwg.se/Annual reports. The reported risks are assessed to be unchanged in all essential ways.

ACCOUNTING PRINCIPLES

This report has been prepared according to IAS 34 interim report and the annual report law as well as according to the Swedish Financial Accounting Standards Council's standards RR 32 regarding the parent company. Applied accounting principles are in accordance with the annual report for 2006.

CALENDAR

- February 20, 2008
Year end report 2007
- April 21, 2008
Interim report for Q1
- May 20, 2008 (new date, prior date May 16)
Annual Shareholders Meeting 2008

Gothenburg October 26, 2007
New Wave Group AB (publ)
The Board of Directors and CEO

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The information in this Interim Report is that which New Wave is required to disclose under the Securities Exchange and clearing Operations Act and/or the Financial Instruments Trading Act. It was released for publication at 07:00 CET on October 26, 2007.

AUDITORS REVIEW REPORT

We have reviewed this report for the period January 1st to September 30th, 2007 for New Wave Group AB (publ). The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing in Sweden, RS, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Gothenburg October 26, 2007

Ernst & Young AB

Sven-Arne Gårdh

Authorized Public Accountant

Bjarne Fredriksson

Authorized Public Accountant

Income Statements

SEK M	9 months	9 months	12 months	12 months
	JAN-SEPT	JAN-SEPT	JAN-DEC	JAN-DEC
	2007	2006	2006	2005
Net sales	2 862.6	2 451.6	3 530.5	3 059.0
Goods for resale	-1 499.6	-1 300.5	-1 839.6	-1 638.7
Gross profit	1 363.0	1 151.1	1 690.9	1 420.3
Other income*	27.7	13.0	23.1	25.8
External costs	-647.0	-570.6	-793.4	-653.9
Personnel costs	-447.5	-378.5	-522.2	-461.5
Depreciation of tangible and intangible fixed assets	-37.2	-28.9	-40.1	-31.5
Other costs	-4.6	-9.7	-13.6	-3.5
Share of associated companies result	0	0	0.1	-0.1
Operating profit	254.4	176.3	344.8	295.6
Interest income	7.5	7.9	9.4	6.9
Interest costs	-69.0	-50.1	-64.0	-48.5
Net financial items	-61.5	-42.2	-54.6	-41.6
Profit after financial items	192.9	134.1	290.2	254.0
Tax on profit for the period	-52.8	-33.3	-63.1	-47.3
Profit/loss for the period	140.1	100.8	227.1	206.7
Related to:				
Equity holders of the parent company	138.4	99.6	225.7	203.0
Minority interest	1.7	1.2	1.4	3.7
	140.1	100.8	227.1	206.7
Profit per share				
Profit per share before dilution	2.11	1.55	3.47	3.22
Profit per share after dilution	2.11	1.51	3.46	3.17
Weighted number of shares before dilution	66 343 543	65 126 365	65 430 660	64 210 410
Weighted number of shares after dilution	66 421 868	66 575 991	65 681 234	65 306 999

* Rate of exchange profit and capital gain

Quarterly Income Statements

SEK M	2007				2006				2005				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	760.4	977.5	1124.7	1078.9	755.3	896.7	799.6	1078.9	516.5	738.6	774.2	1 029.7	468.8	595.8	525.3	712.3
Goods for resale	-399.5	-508.3	-591.8	-539.1	-407.7	-468.8	-424.0	-539.1	-288.6	-395.5	-413.6	-541.0	-256.7	-317.8	-298.0	-374.0
Gross profit	360.9	469.2	532.9	539.8	347.6	427.9	375.6	539.8	227.9	343.1	360.6	488.7	212.1	278.0	227.3	338.3
Gross profit %	47.5	48.0	47.4	50.0	46.0	47.7	47.0	50.0	44.1	46.5	46.6	47.5	45.2	46.7	43.3	47.5
Other income	2.3	18.6	6.8	10.1	1.8	5.5	5.7	10.1	2.6	1.9	9.4	11.9	3.1	4.1	5.6	7.2
External costs	-189.7	-204.7	-252.6	-222.9	-199.9	-184.4	-186.2	-222.9	-122.0	-145.8	-172.0	-214.1	-105.5	-105.0	-106.2	-123.7
Personnel costs	-134.1	-150.2	-163.2	-143.7	-129.4	-132.3	-116.8	-143.7	-99.8	-110.5	-115.4	-135.8	-78.8	-85.0	-81.4	-95.9
Depreciations	-10.7	-10.1	-16.4	-11.2	-9.4	-9.3	-10.2	-11.2	-7.4	-8.5	-10.0	-5.6	-7.5	-8.0	-7.8	-6.4
Other costs	-2.0	-2.9	0.3	-3.8	-0.8	-3.7	-5.3	-3.8	-1.3	1.3	-2.6	-0.9	0.0	0.0	-2.7	0.2
Share of associated companies result	-	-	-	0.2	-	-	-0.1	0.2	-	-	-	-0.1	-	-	-	0.2
Operating profit/loss	26.7	119.9	107.8	168.5	9.9	103.7	62.7	168.5	0.0	81.5	70.0	144.1	23.4	84.1	34.8	119.9
Interest income	1.4	2.0	4.1	1.5	2.0	4.2	1.7	1.5	5.2	0.9	0.3	0.5	0.7	0.0	1.6	1.2
Interest expenses	-16.3	-21.4	-31.3	-13.9	-14.8	-18.8	-16.5	-13.9	-13.7	-7.9	-13.9	-13.0	-6.5	-8.2	-7.8	-9.1
Result after financial items	11.8	100.5	80.6	156.1	-2.9	89.1	47.9	156.1	-8.5	74.5	56.4	131.6	17.6	75.9	28.6	112.0
Tax	-3.1	-26.5	-23.2	-29.8	0.8	-23.4	-10.7	-29.8	1.3	-18.1	-12.0	-18.5	-4.3	-18.4	-6.9	-31.8
Profit/loss for the period	8.7	74.0	57.4	126.3	-2.1	65.7	37.2	126.3	-7.2	56.4	44.4	113.1	13.3	57.5	21.7	80.2
Profit per share																
Profit per share before dilution	0.13	1.12	0.87	1.90	-0.04	1.02	0.56	1.90	-0.11	0.88	0.69	1.75	0.22	0.93	0.35	1.30
Profit per share after dilution	0.13	1.11	0.86	1.90	-0.04	0.99	0.55	1.90	-0.11	0.88	0.68	1.72	0.22	0.92	0.35	1.30
Weighted number of shares before dilution	66 343 543	66 343 543	66 343 543	66 343 543	64 517 776	64 517 776	66 343 543	66 343 543	63 665 348	63 903 044	64 005 499	64 517 776	59 160 848	61 772 986	61 447 142	61 722 986
Weighted number of shares after dilution	66 404 915	66 549 703	66 448 692	66 553 928	66 003 728	66 040 365	67 719 546	66 553 928	64 102 822	64 001 750	65 075 196	65 843 709	60 123 100	62 276 636	62 575 992	61 838 990

Balance Sheets

SEK Mk	30-Sep 2007	30-Sep 2006	31-Dec 2006	31-Dec 2005
ASSETS				
Intangible fixed assets	413.4	141.4	140.1	138.3
Goodwill	756.7	381.5	375.6	371.8
Fixed assets	368.6	338.4	345.0	319.9
Other long-term receivables	161.2	98.0	105.8	95.8
Total fixed assets	1 699.9	959.3	966.5	925.8
Stock	1 898.8	1 671.4	1 519.3	1 466.8
Accounts receivable	867.4	681.1	745.2	708.5
Other short-term receivables	183.6	137.4	134.3	147.5
Liquid funds	157.4	105.3	114.2	133.8
Total current assets	3 107.2	2 595.2	2 513.0	2 456.6
Total assets	4 807.1	3 554.5	3 479.5	3 382.4
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	1 330.6	1 209.3	1 310.7	1 144.0
Long term loans	2 592.7	1 649.9	1 373.5	1 540.3
Other long term liabilities	197.9	109.3	109.6	104.4
Total long term liabilities	2 790.6	1 759.2	1 483.1	1 644.7
Short term loans	4.4	29.1	57.1	82.2
Other liabilities	681.5	556.9	628.6	511.5
Total short term liabilities	685.9	586.0	685.7	593.7
Total liabilities	3 476.5	2 345.2	2 168.8	2 238.4
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4 807.1	3 554.5	3 479.5	3 382.4
Changes in equity				
Opening balance	1 310.7	1 144.0	1 144.0	910.6
Translation difference	-65.7	-20.3	-53.7	23.9
Cash flow hedges	-2.7	0.3	-3.0	-3.6
Equity change in minority	2.1	-10.9	0.9	-2.9
Profit/loss related to the shareholders	139.3	99.6	225.7	203.0
Profit/loss related to the minority interest	1.7	1.2	1.4	3.7
Dividend	-66.3	-58.1	-58.1	-47.5
New issue	-	53.5	53.5	44.0
Option premiums	11.5	-	-	12.8
	1 330.6	1 209.3	1 310.7	1 144.0

Cash Flow Analysis

SEK M	1 jan - 30 Sep 2007	1 jan - 30 Sep 2006	1 jan - 31 Dec 2006	1 jan - 31 Dec 2005
Current operation				
Profit/loss before financial items	254.4	176.3	344.8	295.6
Items not included in cash flow	18.8	34.3	41.8	17.9
Received interest	7.5	7.9	9.4	6.9
Paid interest	-69.0	-50.1	-63.9	-48.5
Paid income tax	-95.9	-41.4	-32.4	-53.7
Cash flow from current operations before changes in working capital	115.8	127.0	299.7	218.2
Cash flow from changes in working capital				
Increase of stock	-155.3	-200.8	-48.7	-244.7
Increase/decrease of current receivables	28.3	45.4	-27.0	-90.1
Increase/decrease of accounts payables	-105.6	52.7	57.3	19.2
Cash flow from operation	-116.8	24.3	281.3	-97.4
Investments				
Investments in material assets	-61.1	-51.4	-41.9	-79.6
Sales of material assets	31.4	0	3.1	0.4
Investments in immaterial assets	-1.2	-3.9	3.3	-8.9
Acquisition of subsidiaries*	-1 089.6	-6.4	-6.4	-88.3
Investments in financial assets	-22.0	-7.2	-7.4	-45.0
Sales of financial assets	0	0	0.0	1.2
Cash flow from investments	-1 142.5	-68.9	-49.3	-220.2
Cash flow after investments	-1 259.3	-44.6	232.0	-317.6
Financial activities				
New issue	-	53.5	53.5	44.0
Raise of loans	1 356.1	23.9	-	365.2
Amortization of loans	0	0	-241.8	0
Option premium	11.5	-	-	-
Dividend	-66.3	-58.1	-58.1	-47.5
Cash flow from financial activities	1 301.3	19.3	-246.4	361.7
Cash flow for the year	42.0	-25.3	-14.4	44.1
Opening cash balance	114.2	133.8	133.8	84.1
Currency translation	1.2	-3.2	-5.2	5.6
Closing cash balance	157.4	105.3	114.2	133.8
*The item includes:				
Goodwill	-404.0	-4.9	-4.9	-46.1
Trademarks	-251.0	-	-	-112.0
Customer relations	-15.0	-	-	-
Working capital	-206.6	-6.2	-6.2	-192.2
Fixed assets	-42.2	-0.1	-0.1	-87.7
Transferred loans	-170.8	4.8	4.8	361.8
Paid through non-cash issue	-	-	-	-12.1
Effect on the cash flow	-1 089.6	-6.4	-6.4	-88.3

Financial highlights

	JAN-SEP 2007	JAN-SEP 2006	JAN-DEC 2006	JAN-DEC 2005
Sales growth %	16.8	20.8	15.4	32.9
Number of employees	2 303	2 144	2 207	2 032
Gross profit margin %	47.6	47.0	47.9	46.4
Operating margin before depreciation %	10.2	8.4	10.9	10.7
Operating margin %	8.9	7.2	9.8	9.7
Profit margin %	6.7	5.5	8.2	8.3
Net margin %	4.9	4.1	6.4	6.8
Return on shareholders' equity %	14.4	12.0	18.7	20.3
Return on shareholders' equity %	10.1	8.5	12.9	13.0
Equity ratio %	27.7	34.0	37.7	33.8
Net debt - Equity ratio %	183.4	140.7	100.4	130.1
Net liabilities SEK M	2 439.6	1 573.7	1 316.4	1 488.7
Interest cover ratio times	3.8	3.7	5.5	6.2
Capital turnover times	1.0	0.9	1.0	1.2
Stock turnover times	1.2	1.1	1.2	1.5
Cash flow before investments SEK M	-116.8	24.3	281.3	-97.4
Net investments SEK M	-1 142.5	-68.9	49.3	220.2
Cash flow after investments SEK M	-1 259.3	-44.6	232.0	-317.6
Shareholders' equity per share SEK	20.06	18.57	20.03	17.82
Shareh. equity per share after dilution SEK	20.03	18.16	19.96	17.38
Share 31 december SEK	-	-	77.25	88.00
Dividend/share SEK	-	-	1.00	0.90
P/E-ratio	-	-	22.26	27.33
P/S-ratio	-	-	1.43	1.85
Rate/Shareholders' equity	-	-	3.86	4.94

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 after financial items as a percentage of sales.

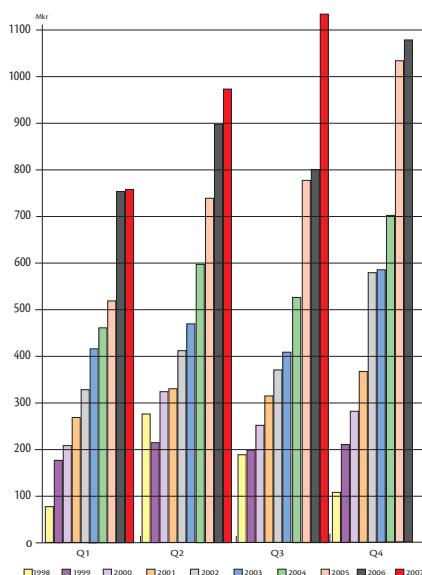
NET MARGIN

Net result as a percentage of sales.

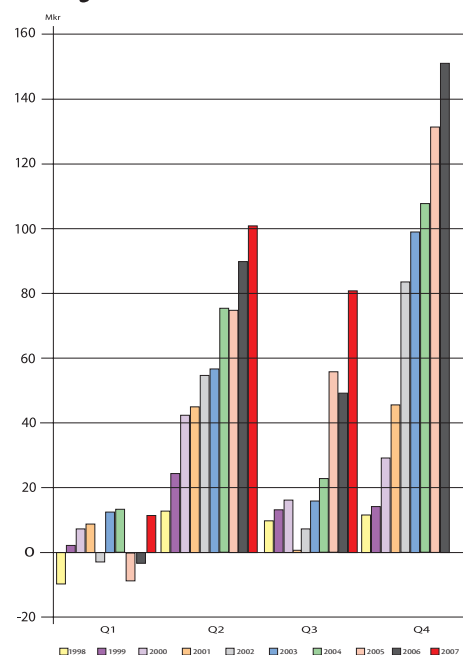
Sales per area

	JAN - SEP		Part of turnover	JAN - SEP		CHANGE	
	2007	2006		2006	Part of turnover	SEK M	%
Nordic countries	1 431	1 412	50%	58%	19	1	
Mid-Europe	619	587	22%	24%	32	6	
Southern Europa	285	287	10%	12%	-2	-1	
USA	445	120	16%	5%	325	271	
Other countries	83	46	3%	2%	37	80	
Total	2 863	2 452	100%	100%	411	17	

Sales



Profit



New Wave's share

The share capital in New Wave amounted to SEK 199 030 629 distributed among a total of 66 343 543 shares, each with a quota value of SEK 3.00. 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 Mid Cap 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 12 218 (12 511) on September 30th. Institutional investors accounted for 45% of the capital and 12% of the votes. At the same time, the ten largest shareholders held 66% of the capital and 90% of the votes. Non-Swedish shareholders accounted for 8% of the capital and 3% of the votes.

NEW WAVE'S TEN MAJOR SHAREHOLDERS 2007-09-30

SHAREHOLDER	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Torsten Jansson thru companies	21 455 905	207 825 025	32.3%	81.0%
Fjärde AP-Fonden	5 170 700	5 170 700	7.8%	2.0%
Robur	4 861 484	4 861 484	7.3%	1.9%
AFA Försäkringar	2 255 300	2 255 300	3.4%	0.9%
Andra AP-Fonden	2 103 447	2 103 447	3.2%	0.8%
Svenska Handelsbanken	2 072 143	2 072 143	3.1%	0.8%
Danske Fonder	1 771 300	1 771 300	2.7%	0.7%
AMF Pension	1 507 600	1 507 600	2.3%	0.6%
SEB fonder	1 458 392	1 458 392	2.2%	0.6%
Lannebo Fonder	1 242 100	1 242 100	1.9%	0.5%
Total	43 898 371	230 267 491	66.2%	89.7%

SHAREHOLDER DISTRIBUTION IN NEW WAVE 2007-06-30

	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Sweden	60 711 181	249 150 301	91.5%	97.1%
Outside Sweden. excl.USA	5 098 873	6 898 873	7.7%	2.7%
USA	533 489	533 489	0.8%	0.2%
Total	66 343 543	256 582 663	100.0%	100.0%

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, Cutter & Buck, 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, and Rollerblade under licence.

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



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