

NewWave

Presentation of
NewWave
G R O U P



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Q2 April–June 2004

Heavy growth

✓ Sales:

+27 % to SEK 595 (469) m

Profiling: +38 % to SEK 458 (333) m

Retailing: +2 % to SEK 138 (135) m

✓ Results:

+ SEK 13.4 m to SEK 70.1 (56.7) m

Profiling: + SEK 9.9 m to SEK 65.1 (55.2) m

Retailing: + SEK 3.5 m to SEK 5.0 (1.5) m

January–June 2004

✓ Sales:

+20 % to SEK 1 065 (884) m

Profiling: +29 % to SEK 742 (574) m

Retailing: +4 % to SEK 323 (310) m

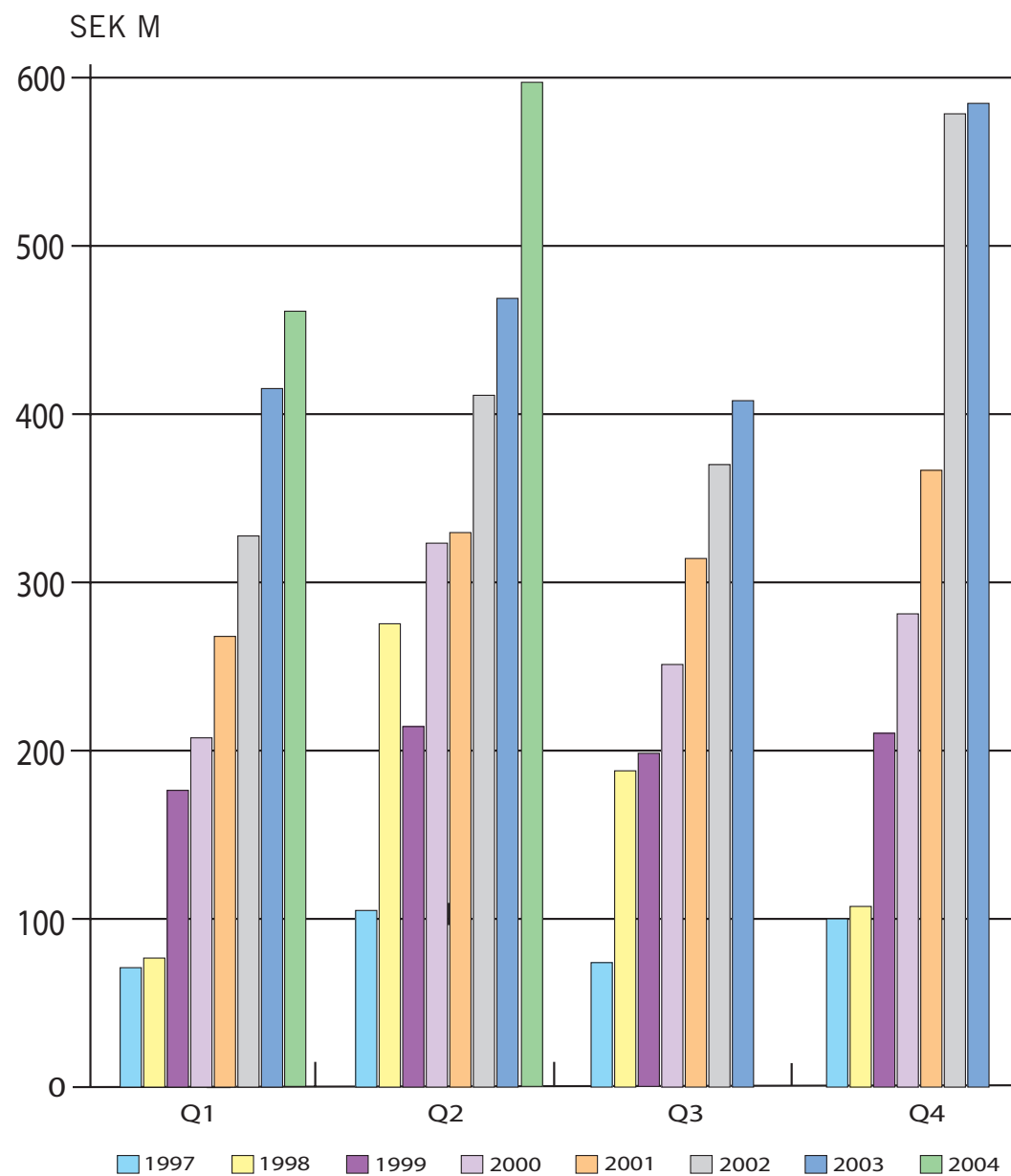
✓ Results:

+ SEK 14.1 m to SEK 83.3 (69.2) m

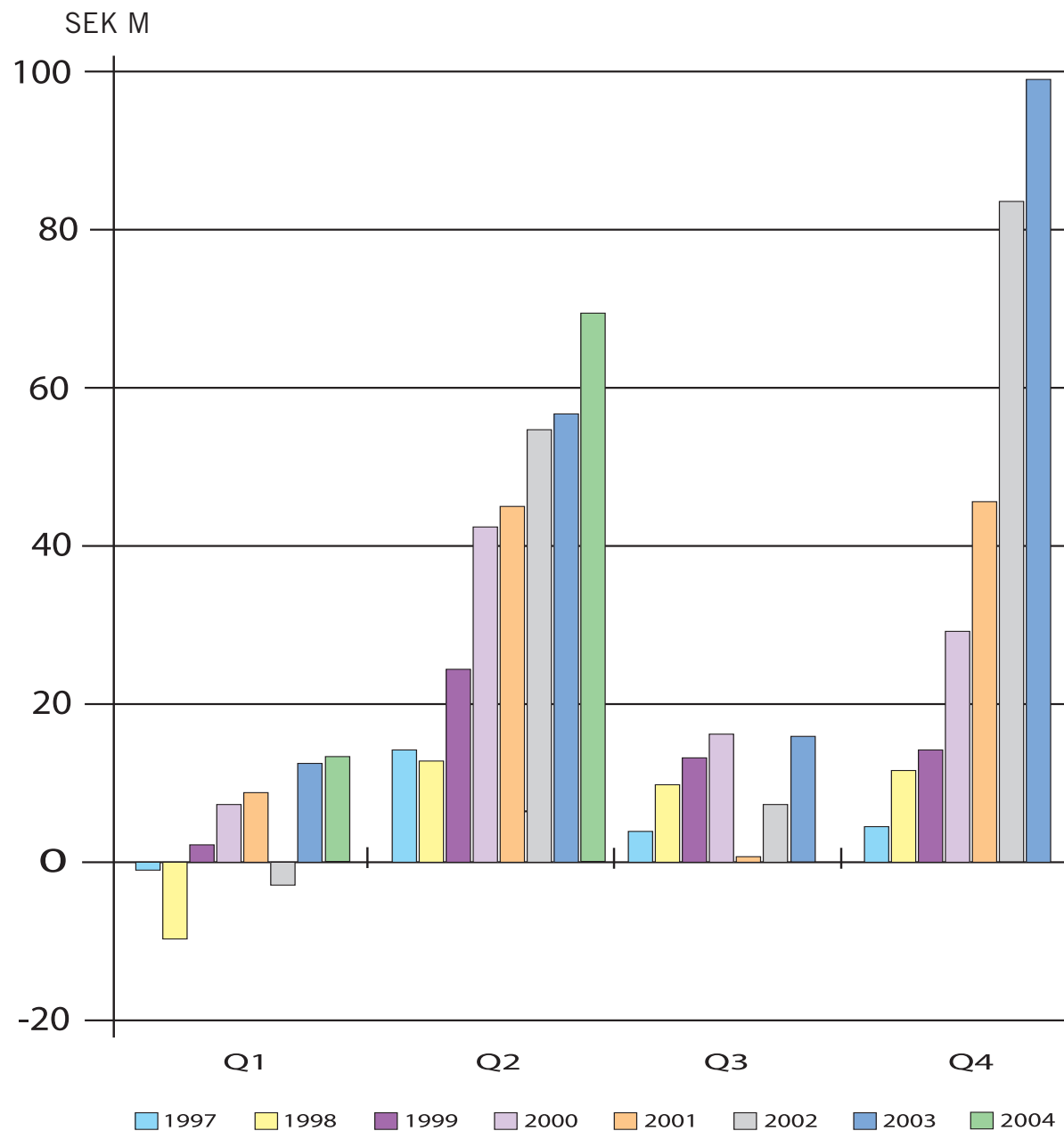
Profiling: + SEK 9.3 m to SEK 67.0 (57.7) m

Retailing: + SEK 4.8 m to SEK 16.3 (11.5) m

Sales



Profit/Loss after net financial items



Important events during Q2

- ✓ Acquisition of Jobman Workwear carried out.
- ✓ The integration of Swedish Match's promowear distribution (Texet) is according to plan.
- ✓ The establishment and sales start in Switzerland is very good.
- ✓ The establishments of more trademarks in Spain, Benelux and Italy are according to plan.
- ✓ Results are charged by approx. SEK 3.0 m for Q2, by Switzerland, China, ProJob, Jobman and the integration of Swedish Match (Texet).
- ✓ Continuously strong gross margin.
- ✓ New issue heavily oversubscribed.

Income Statements

	6 months	6 months	12 months	12 months
	JAN-JUN	JAN-JUN	JUL-JUN	JAN-DEC
SEK m	2004	2003	2003/04	2003
Net sales	1 064.6	884.0	2 062.5	1 881.9
Other income	7.2	1.8	18.9	13.5*
Goods for resale	-574.5	-499.9	-1 121.8	-1 047.2
Gross profit	497.3	385.9	959.6	848.2
Gross margin	46.0%	43.5%	45.6%	44.4%
Other external costs	-210.5	-154.9	-390.7	-335.1
% of income	-19.8%	-17.5%	-18.9%	-17.8%
Personnel costs	-163.8	-129.9	-297.8	-263.9
% of income	-15.4%	-14.7%	-14.4%	-14.0%
Depreciation	-25.7	-18.5	-46.8	-39.6
Other costs	0.0	-3.9	-2.1	-4.5
Operating profit	97.3	78.7	222.2	205.1
Operating margin	9.1%	8.9%	10.8%	10.9%
Net financial items	-14.0	-9.5	-26.8	-23.8
Result after financial items	83.3	69.2	195.4	181.3
Tax for the period	-22.7	-17.9	-51.3	-46.5
Minority share	1.9	-1.0	1.6	-1.3
Profit for the period	62.5	50.3	145.7	133.5
Profit margin	5.9%	5.7%	7.1%	7.1%
Profit per share. SEK	4.00	3.47	10.05	9.21

Financial Highlights

SEK m	JAN-JUN 2004	JAN-JUN 2003	JAN-DEC 2003	JAN-DEC 2002	JAN-DEC 2001
Sales growth %	20.4	19.7	11.5	32.0	20.2
Employees	970.0	747.0	806.0	729.0	422.0
Gross profit margin %	46.0	43.4	45.0	42.0	40.6
Operating margin %	9.1	8.9	10.9	10.6	10.0
Profit margin %	5.9	5.6	7.1	6.2	6.4
Return on shareholders' equity %	17.5	19.4	23.8	22.0	20.9
Return on capital employed %	12.8	13.6	16.5	16.9	14.7
Solidity %	37.8	38.3	37.4	37.9	40.5
Net borrowings SEK m	859.1	663.8	670.6	629.0	519.7
Turnover of inventories. times	1.4	1.4	1.6	1.6	1.5
Net investments. SEK m	181.5	16.1	76.7	153.6	85.1
Cash flow before investments. SEK m	-47.6	7.9	72.7	160.7	94.5
Cash flow after investments. SEK m	-229.1	-8.2	-4.0	7.1	9.4
Shareholders' equity per share. SEK	52.07	36.42	42.25	35.26	29.99

Sales per country

	JAN-MAR	JAN-MAR	CHANGE	CHANGE
COUNTRY	2004	2003	SEK m	%
Sweden	465	413	52	13
Benelux	131	83	48	58
Finland	89	84	5	6
Norway	86	86	0	0
Italy	68	54	14	26
Germany	66	49	17	35
Spain	53	36	17	47
France	32	14	18	128
England	28	35	-7	-21
Switzerland	20	4	17	483
Denmark	9	7	2	23
Other	19	20	-1	-4
Total	1 065	884	181	20

New Wave's workwear investments

ProJob/Jobman: Differentiated profiling

Jobman: Belgium, Norway and Italy at the beginning of 2005

ProJob: Sales start in Sweden in August, Finland and Denmark at the end of 2005

Thereafter approx. 3 new countries/year.



Through ProJob/Jobman we will get:

- ✓ A wide range of workwear.
- ✓ An international distribution network → growth.
- ✓ High competence, not least within purchasing.
- ✓ Synergies with New Wave's other operations within purchasing, logistics and sales.

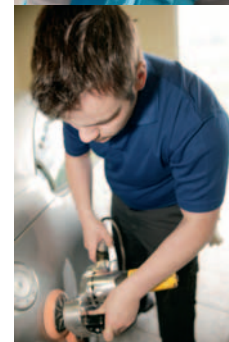
And

- ✓ We will be the only overall supplier within all of the three segments promowear, give-aways and workwear.
- ✓ We have a wide distribution network via current retailers within the Corporate Profiling business area.



ProJob

- ✓ Sales start on August 15th.
- ✓ High quality and service with more design and functionality → high level.
- ✓ Swedish profile.
- ✓ Large request for "new" customer category. Accepted by key customers.
- ✓ More retailers will open shops.
- ✓ Powerful start: Full range; 166 different articles incl. colours and 100 excl. colours, 138-page catalogue, SEK 45 m in stock value.
- ✓ The right purchase prices and good products give us good margins.
- ✓ High visibility clothes (according to European standards) will be launched in January 2005 → covers all products areas.



Heavy growth 2004–2005

- ✓ Switzerland: Sales start January 15, 2004 – NWG:s best start so far!
- ✓ ProJob: Sales start August 15, 2004.
- ✓ Warehouse for Harvest/Printer in Spain March 1, 2004.
- ✓ Warehouse for Harvest/Printer in Switzerland September 1, 2004.
- ✓ Warehouse for Sagaform Profiling in Benelux September 1, 2004.
- ✓ D&J/Inside Out in Italy January 1, 2004.
- ✓ D&J/Inside Out in Spain July 1, 2004.
- ✓ Craft in Switzerland August 15, 2004, with its own distribution.

Heavy growth 2004–2005, continuation

Our pace has never been higher!

- ✓ Increased international focus from Craft.
- ✓ The Czech republic and Poland are prepared for start during next year.
- ✓ Last year's establishments in China take shape.
- ✓ Jobman will be introduced in Norway, Belgium and Italy at the year-end.
- ✓ ProJob will be introduced in Denmark and Finland at the year-end.
- ✓ Thereafter, workwear will be introduced in 2–3 countries/year.

Growth

- ✓ These establishments will increase the organic growth to 10–15% in approximately 6–12 months (+11% for Q2).

We have the capacity to make more acquisitions. This will give a high level of growth for the next-coming years.

Goal

- ✓ Profit: Increasing
- ✓ We are well prepared for the future and we feel optimistic!

Business idea

New Wave Group is a growing company that designs, acquires and develops quality articles for the profiling market (business market) and the consumers' market, mainly in the clothing, accessories and gifts areas.

New Wave Group concentrates on two business areas:

- ✓ The Retailing business area – the products are distributed via the retailing trade.
- ✓ The Profiling business area – the products are distributed via independent retailers to companies.

Synergies between the two business areas: design, product development, purchasing and distribution.

Strategic distribution – business areas

- ✓ Corporate Profiling 60–80 %.
Retailing 20–40 %.
- ✓ Risk spread.



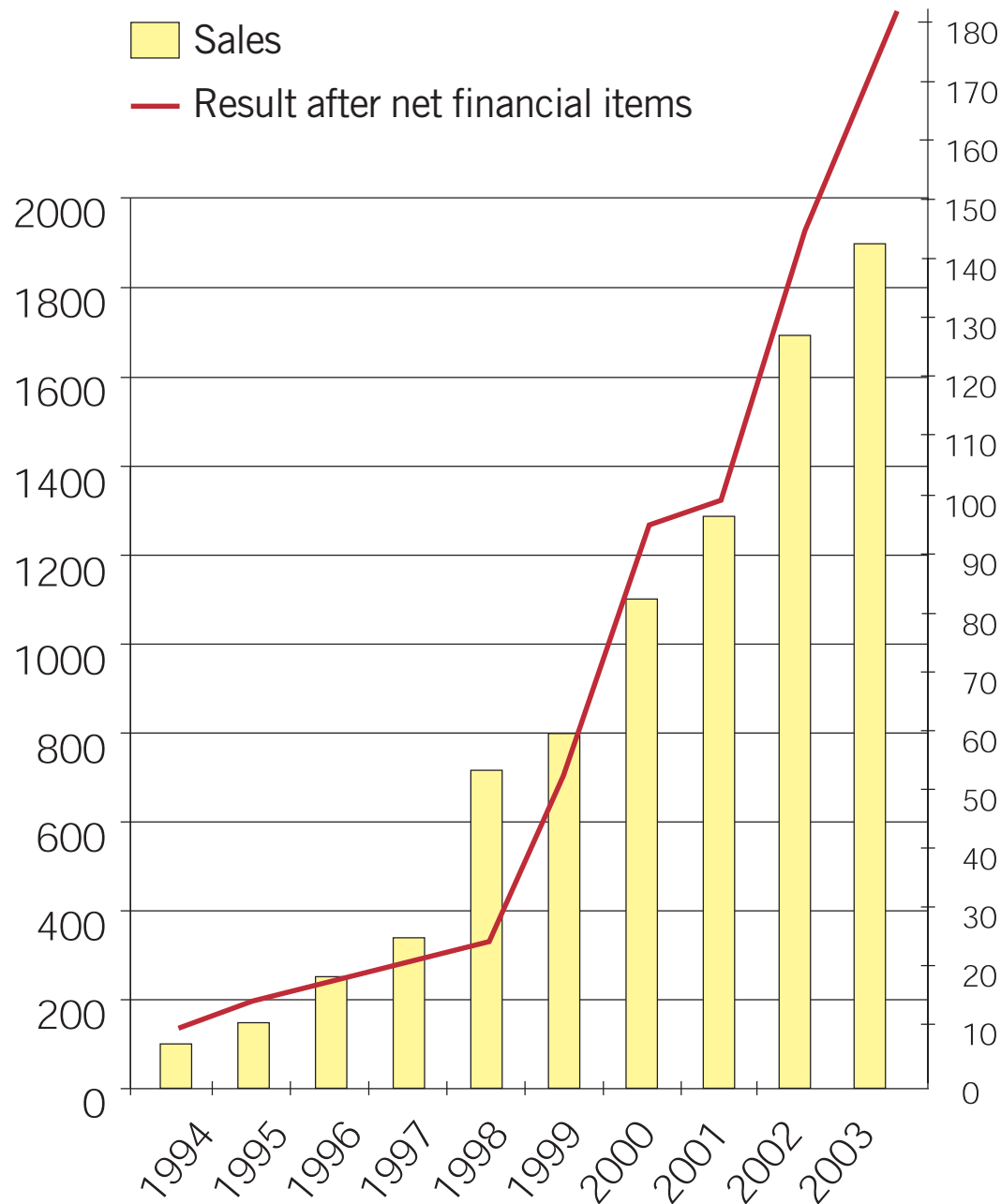
Did you know...

...that New Wave Group through its trademarks (2003) sold approximately...

- ✓ 4.2 million one-coloured T-shirts in Sweden and 5.0 million in the rest of Europe?
- ✓ 480 thousand piqué shirts in Sweden and 1.7 million in the rest of Europe?
- ✓ 266 thousand shirts in Sweden and 520 thousand in the rest of Europe?
- ✓ 34 million promo pens in Europe?



New Wave – history



- ✓ **1990** • Sweden and Norway
- ✓ **1994** • Finland and Italy
- ✓ **1996** • Acquisition of Craft AB
- ✓ **1997** • Denmark, Spain and Germany
- ✓ **1998** • Acquisition of Hefa AB
- ✓ **1999** • Acquisition in Holland and England
- ✓ **2000** • Acquisition of Texet AB, establishments of Cyberwave and Make Your Own Design, and the subsidiary in France
- ✓ **2001** • Acquisition of Textwear A/S, and Sagaform AB, Seger AB
- ✓ **2002** • Acquisition of Frantextil AB, X-Tend B.V., Lensen Beheer B.V.
- ✓ **2003** • Establishment in China. Establishment of working clothes.
- ✓ **2003** • Establishment in Switzerland.
- ✓ **2004** • Acquisition of SMAP. Acquisition of DAD. Acquisition of Jobman.

Design and product development

Two of the most important things for a successful company within our line of business are good design (without concern taken to fashion) and good products.



Clique Bike – a classic design that's sold in over 1.2 million pieces.

Purchasing – quality control

New Wave Group has purchasing offices (with equipment for extensive quality control) in Sweden, China and Bangladesh. Producing products with a even, high quality is very important.



Vision – The Profiling business area

To become Europe's leading supplier of promotion products

by offering...

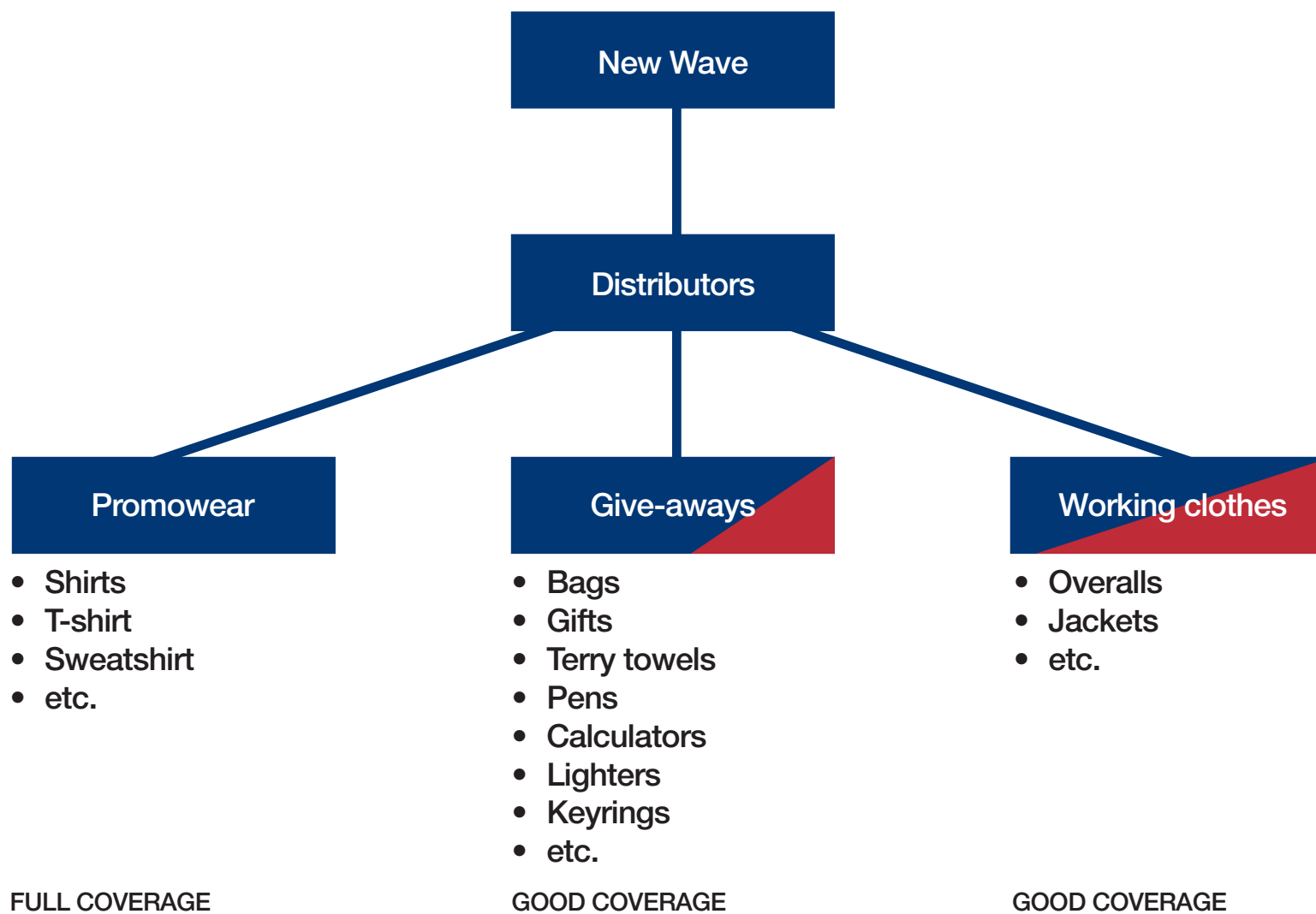
- ✓ good products.
- ✓ strong trademarks.
- ✓ high competence and service.
- ✓ a unique and complete concept for our retailers, including e-business and marketing solutions etc.

The total market covering the suppliers within the three areas promowear, gifts and working clothes in Europe amounts to between SEK 80 and 100 billion.



Range coverage

Existing
Possible

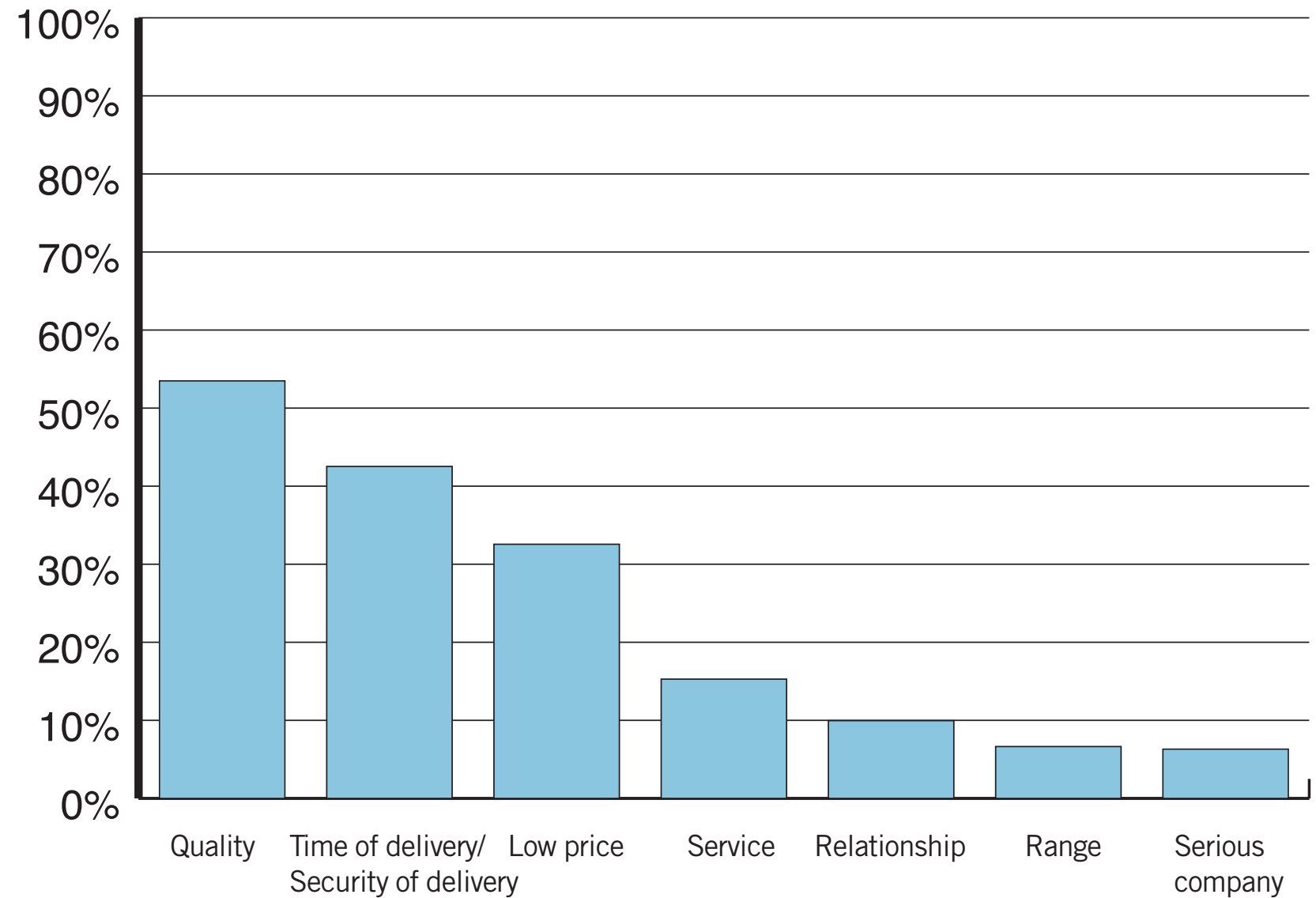


Turnover for the profiling and gifts market

	Estimated total market* SEK m	New Wave's prof. sales 2002	New Wave's market share
Sweden	2 944	482	15.8%
Norway	1 472	100	7.5%
Finland	1 693	83	5.1%
Denmark	1 472	15	1.0%
Germany	22 816	54	0.2%
England	16 928	35	0.3%
France	16 928	15	0.1%
Italy	11 040	103	0.8%
Spain	11 040	48	0.3%
Benelux	7 341	220	1.9%
Portugal	2 208	0	0.0%
Switzerland	2 061	0	0.0%
Austria	2 318	0	0.0%
Total	100 262	1 155	

*Light workwear is also part of this segment.

End-users' demands on retailers



The following owned trademarks are distributed within the Corporate Profiling business area:



Vision – The Retailing business area

- ✓ To become the Nordic countries' main supplier of sports- and leisurewear.
- ✓ To become one of the main suppliers of quality shoes and gifts.
- ✓ To develop the owned trademarks Craft and Seger into international trademarks on functional sportswear.



The Retailing business area

These owned trademarks are distributed within the Retailing business area:

- ✓ **CRAFT** – functional sportswear
- ✓ **CLIQUE** – basicwear, T-shirts etc, for the sports trade.
- ✓ **baz** – basic ware, T-shirts etc, for the everyday commodities trade.
- ✓ **SEGER** – socks, caps etc.
- ✓ **PAX** – children's shoes
- ✓ **mari:DC** – ladies' shoes
- ✓ **sagaform** – gifts
- ✓ **NELSON** – domestic textile products
- ✓ **Queen Anne** – domestic textile products



The Retailing business area

The following licence or agent trademarks are distributed in Sweden:

- ✓ **NORDICA** – skiing equipment
- ✓ **Rollerblade** – inlines
- ✓ **exel** – indoor bandy and skiing equipment
- ✓ **UMBRO** – football clothes and equipment



UMBRO

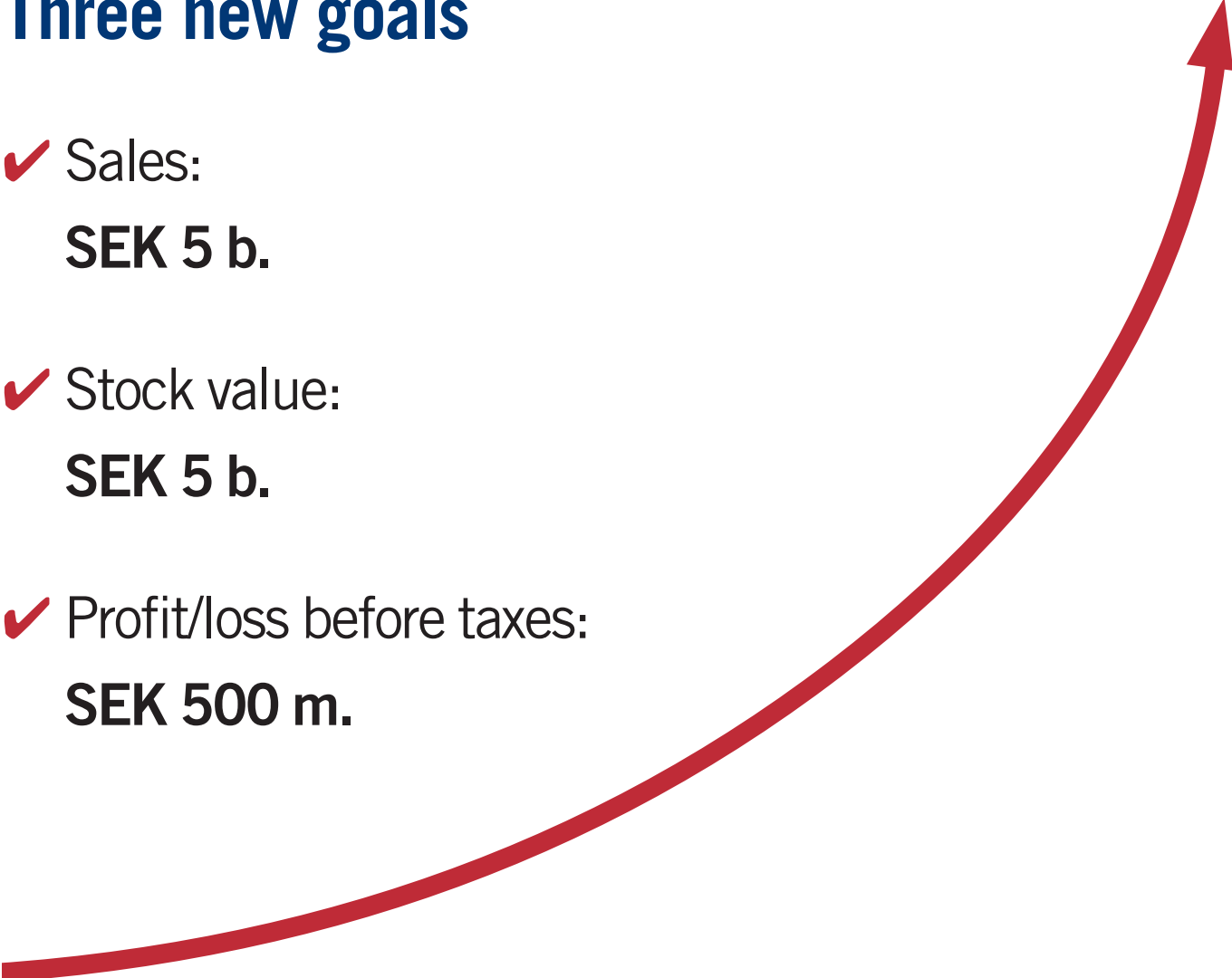
2003–2008

New Wave's success factors

- ✓ Early integration
- ✓ Economies of scale
- ✓ Synergies between the business areas
- ✓ Leads progress
- ✓ Good service/quality
- ✓ The customer is the most important
- ✓ The "New Wave culture"

Three new goals

- ✓ Sales:
SEK 5 b.
- ✓ Stock value:
SEK 5 b.
- ✓ Profit/loss before taxes:
SEK 500 m.



...and without these goals, which might seem crazy now, we will not be able to come as far as we plan to in the future! When we have reached these goals, or just before we reach them, we will have new goals!

**We hope that everybody who buys our
products is a content customer
and we want you to know that if you choose
to invest in New Wave Group
we promise that we will
take care of your investment
in the best possible way through long-term
thinking, growth,
stability and hard work!**

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