



NewWave
G R O U P

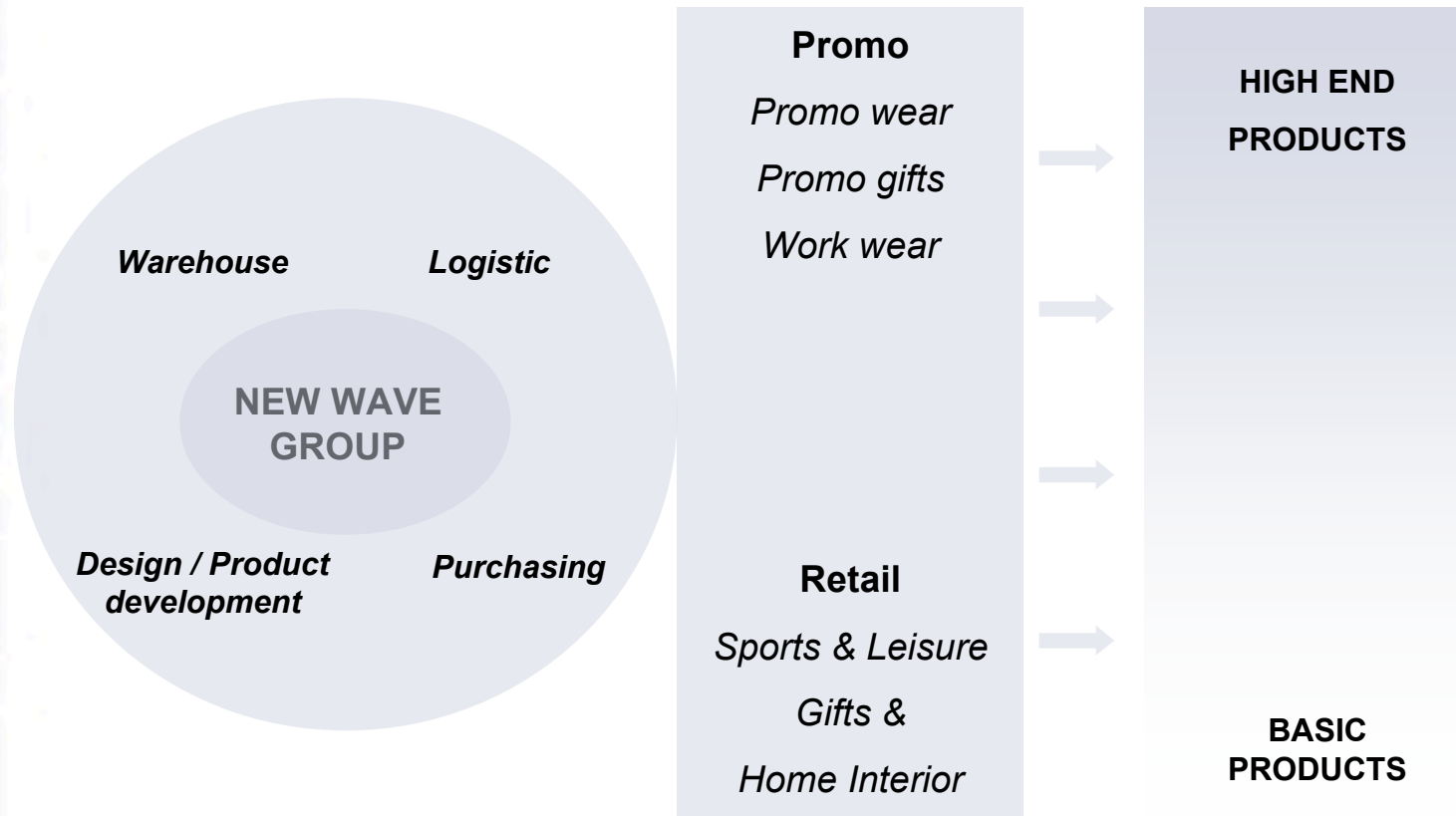
**Interim report
New Wave Group
Q2 2007**

Business idea

- New Wave Group designs, acquires and develops quality articles and trademarks for the promo and retail market, mainly in the clothing, accessories and gifts areas.
- New Wave Group concentrates on two business areas:
 - ✓ The Promo business area – the products are distributed via independent retailers to companies.
 - ✓ The Retail business area – the products are distributed via the retailing trade.

The group shall achieve synergies by coordinating design, product development, purchasing, and distribution of the groups brand portfolio.

Large companies synergies - small companies flexibilities



Strategy

- Establish and develop existing trademarks
- Establish new operations in new geographical markets
- Develop and acquire products and companies within the promo and retail business segment
- Spread the Group's values to newly established and acquired companies

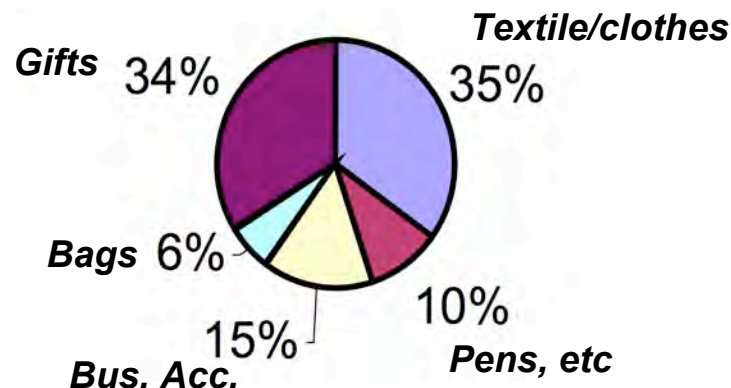
Vision - Promo

- 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 re-sellers

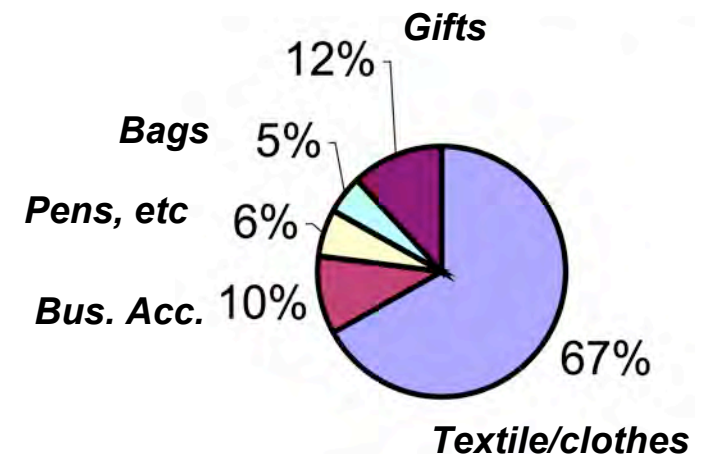
European promo market

- Fragmented market with a total size of SEK 112,000,000,000
- New Wave's turnover within corporate promo is SEK 2,146,000,000
- With only 2 % market share New Wave is the second biggest player in the European promo market

*European Promo market
- product mix*



New Wave's product mix



Promo Wear

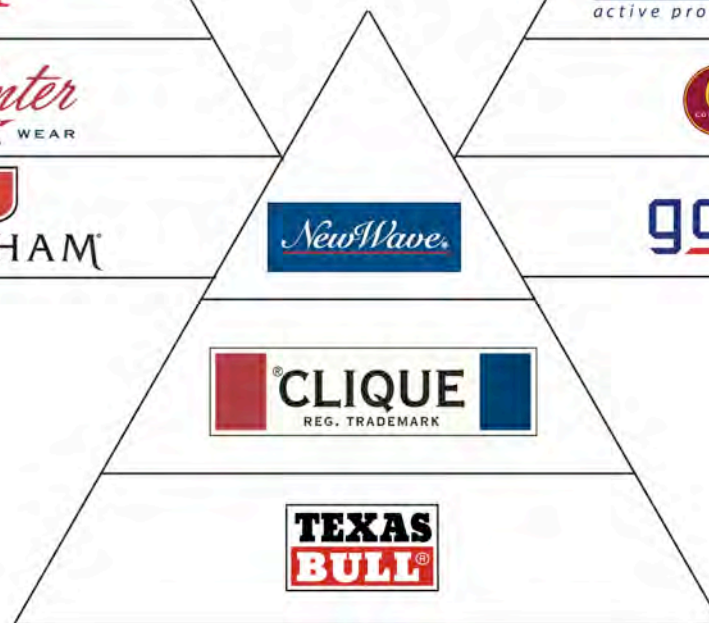
Classic



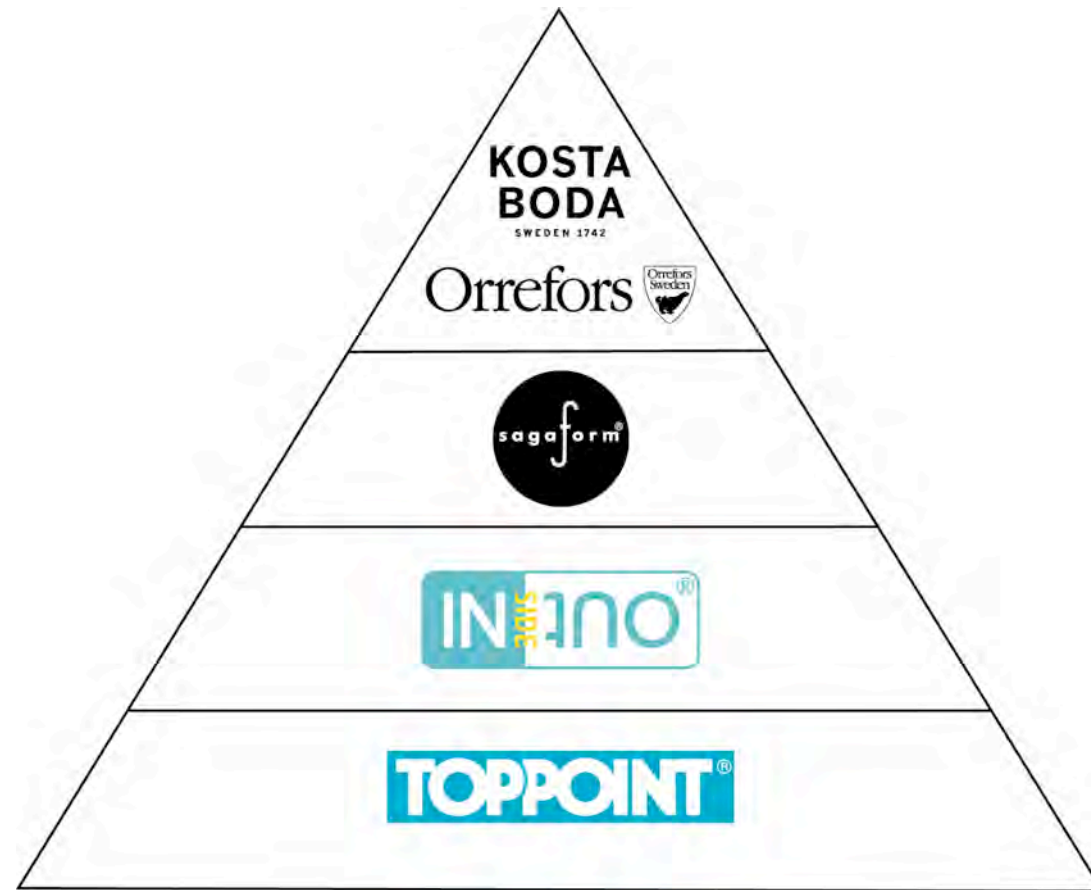
Sports



General



Promo Gifts



Promo Work wear



Vision – Retail

- To become the Nordic countries main supplier of sports and leisure wear.
- To develop Orrefors and Kosta Boda into the leading trademarks in the world within glass and crystal.
- To develop Sagaform into one of the leading trademarks in Europe on kitchen, china and gifts.
- To develop the owned trademarks Craft and Seger into international trademarks on functional sportswear
- To develop Cutter & Buck into one of the leading trademarks in the world within golf and leisure wear.



Retail

- New Wave's retail area is divided into two categories
 - Sports & Leisure
 - Owned trademarks
 - Licensed trademarks
 - Gifts and Home Interior
 - Owned trademarks

Sports & Leisure

Owned trademarks:

CRAFT

Functional sportswear

**CUTTER
& BUCK.**

Golf and leisure wear

CLIQUE

Basic wear, T-shirts etc



Socks, caps etc



Children shoes

Licensed trademarks:



Hockey equipment

exel

Indoor bandy and skiing equip.



Football clothes and equip.

NORDICA

Skiing equip.



Inlines

Gifts and Home Interior

KOSTA LINNEWÄFVERI
SWEDEN 1878

Gifts, interior design

Orrefors JERNVERK
SWEDEN 1726

Gifts, interior design



Gifts, interior design

 Frantextil

Gifts, interior design

Orrefors 

Crystal and glass

KOSTA
BODA
SWEDEN 1742

Glass



Glass

NewWave

Financial statements Q2 2007

NewWave
GROUP

Q2 April – June 2007

- Sales

- +9% to MSEK 978 (897)
- Organic growth, i.e. excl. Cutter & Buck, amounted to 2%
- Promo:+3% to 632 (584)
- Retail:+10% to 346 (313)

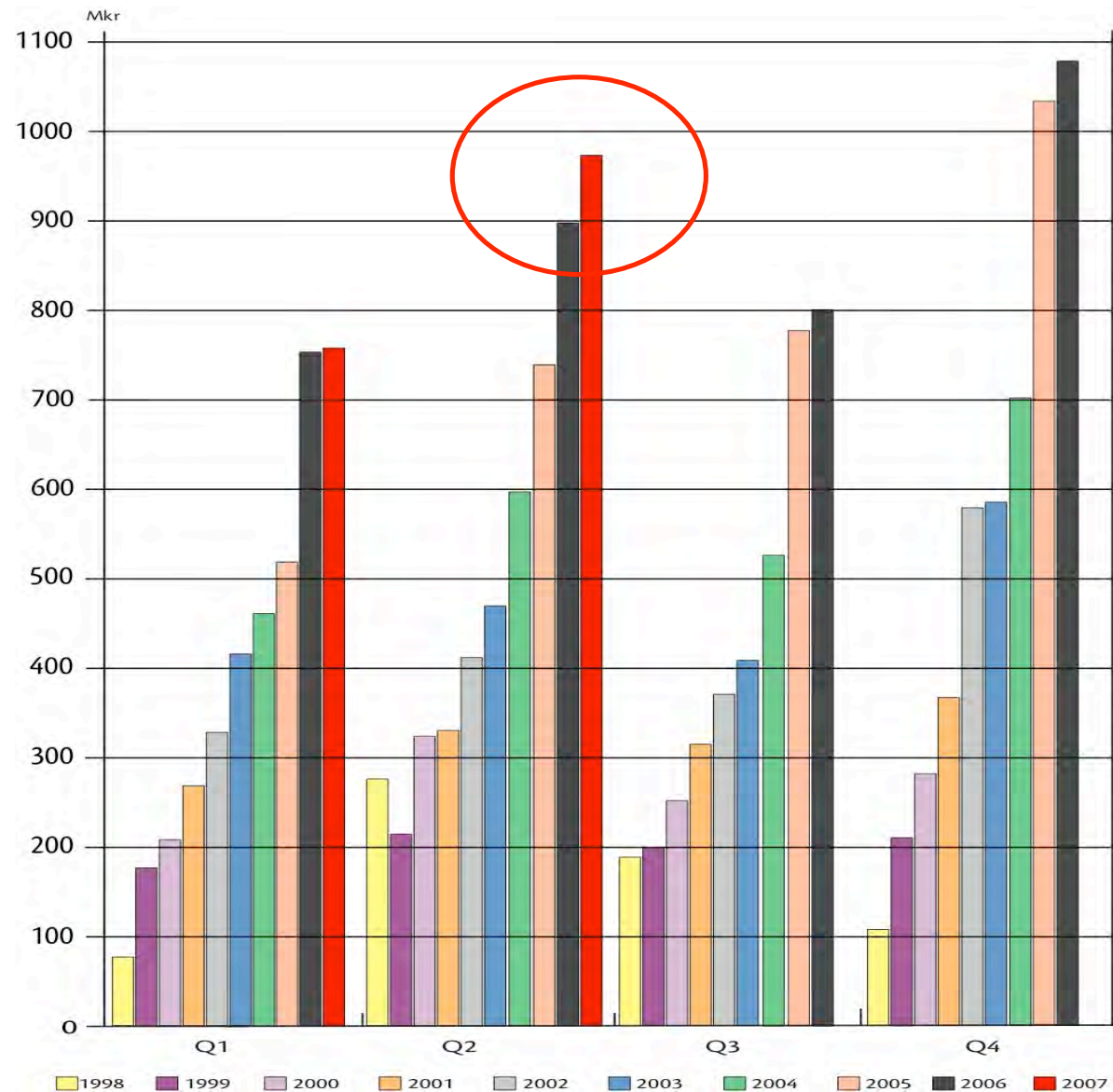
- Profit

- MSEK +11.4 to MSEK 100.5 (89.1)
- Cutter & Buck contributed with MSEK 6.7
- Promo: EBITDA MSEK +3.7 to MSEK 119.0 (115.3)
- Retail: EBITDA MSEK +13.4 to MSEK 11.0 (-2.4)

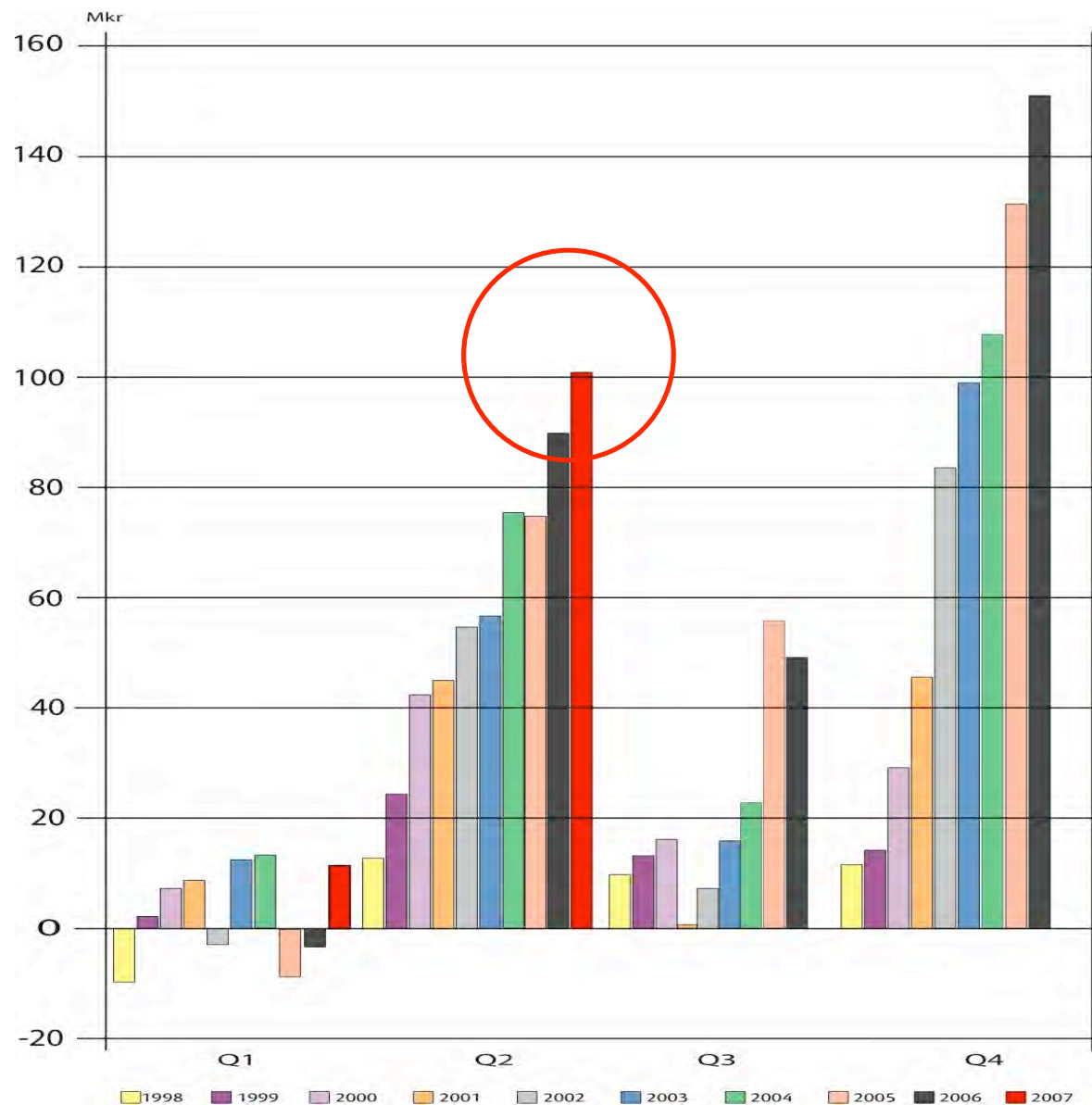
Comments Q2

- Acquisition of Cutter & Buck finalized
- Cutter & Buck contributed with MSEK 60 in sales and MSEK 6.7 in result after finance net
- Sales affected by:
 - World Champion in soccer last year
 - Lower trading orders
- Continued improved gross margin 48.0% (47.7%)
- Improved operating profit 12.3% (11.6%)

Sales



Result after finance net



Q2 January – June 2007

● Sales

- +5% to MSEK 1 738 (1 652).
- Organic growth, i.e. excl Cutter & Buck, amounted to 2%
- Promo:+6% to MSEK 1 106 (1 040)
- Retail:+3% to MSEK 632 (612)

● Profit

- MSEK +26.1 to MSEK 112.3 (86.2)
- Cutter & Buck contributed with MSEK 6.7 after finance net
- Promo: EBITDA MSEK +28.7 to MSEK 159.0 (130.3)
- Retail: EBITDA MSEK +6.4 to MSEK 8.4 (2.0)

Geographical allocation of turnover

	JAN - JUN 2007	Part of turnover	JAN - JUN 2006	Part of turnover	Change MSEK	%
Nordic countries	951	55%	953	58%	-3	0
Central Europé	391	22%	386	23%	5	1
South Europé	190	11%	194	12%	-4	-2
USA	131	8%	65	4%	66	102
Other countries	76	4%	54	3%	22	41
Totalt	1 738	100%	1 652	100%	86	5

Key numbers

Key numbers	JAN - JUN 2007	JAN - JUN 2006	JAN - DEC 2006	JAN - DEC 2005
Sales growth %	5,2	31,6	15,4	32,9
No of employees	2 247	2 197	2 207	2 032
Gross margin %	47,8	46,9	47,9	46,4
Operating margin %	8,4	6,7	9,8	9,7
Profit marginal %	6,5	5,2	8,2	8,3
Return on equity %	12,7	11,2	18,7	20,3
Return on capital employed %	9,2	8,6	12,9	13,0
Equity ratio %	28,0	33,3	37,7	33,8
Net Debt	2 383,4	1 516,5	1 316,4	1 488,7
Stock turnover times/year	1,2	1,2	1,2	1,5
Cash flow before investments	-106,1	52,1	281,3	-97,4
Net investments	-1 094,9	39,4	49,3	220,2
Cash flow after investments	-1 201,0	12,7	232,0	-317,6
Equity per share	20,17	18,20	20,03	17,82

Important events after Q2

- 3 years partnership agreement signed with COOP
 - Well established business relationship since 2003 through Clique distribution now extended to a long-term co-operation.
 - New Wave brands; Clique, Craft, Seger, Umbro etc will be exposed to more than 1 billion visitors per week in Coop Forum stores.
 - New Wave is enthusiastic about the opportunity with such an interesting business and profit potential
- 51% acquired of Texet Poland for TEUR 186. Sales was MEUR 2.4 in 2006. Option to acquire the remaining shares.

Cutter & Buck Synergies with New Wave

- **Product development:**

- Using Craft's knowledge on technical fabric for sports and rain wear

- **Product portfolio**

- Widen C&B's product portfolio with Clique and New Wave, complimentary

- **Assortment**

- A new exclusive assortment for New Wave in Europe

Cutter & Buck Synergies with New Wave

- **Purchase:**

- Integration with New Wave's buying offices. Will reduce buying prices with some \$7m (-08) \$12m (-09)

- **Cost saving:**

- De-listed from NASDAQ \$3,5m (-08)

- **Distribution**

- Distribution of Clique and New Wave in US via Cutter & Buck's existing clients and attract new clients to Cutter & Buck
- Distribution of Cutter & Buck in Europe via New Wave's existing clients and attracting new clients

Cutter & Buck

Extra costs

- **Working capital**

- Need to build up stock in US and Europe = increase in working capital with approx. MSEK 50 – 75.

- **Finance net**

- Interest cost for new bank debt is approx MSEK 40 (using current interest rate levels)

Cutter & Buck – P&L

(historical in TUSD)

Year ended 30 April	2004	2005	2006	2007
Net sales	128 374	126 560	131 298	140 450
COSG	69 784	65 954	71 632	75 521
Gross Profit	58 590	60 606	59 666	64 929
Gross Margin	45,6%	47,9%	45,4%	46,2%
Selling, administrative and general costs	49 983	48 532	51 047	55 546
EBIT	8 607	12 074	8 619	9 383
EBIT-margin	6,7%	9,5%	6,6%	6,7%
Depreciation	4 179	2 904	2 875	2 765
EBITDA	12 786	14 978	11 494	12 148
EBITDA Margin	10,0%	11,8%	8,8%	8,6%

Cutter & Buck Proforma 1/1 – 8/6-07

Sales: +450 MSEK to 2 188 (1 652)
PTP: +6,8 MSEK to 119 (86,2)

Cutter & Buck

Summary – financial impact

In MSEK	<u>2008</u>	<u>2009</u>
Purchase	47,0	80,0
Cost savings	<u>23,5</u>	<u>23,5</u>
Total savings	70,5	103,5
Interest costs	-40,0	-40,0
Working capital increase	-50,0	-75,0

- In addition to the above items, we expect additional synergies in the product development and revenues in relation to distribution;

- Clique and New Wave in US
- Cutter & Buck in Europe

Views of 2007

- Result and turnover above last year
- Fully Integrate Cutter & Buck in the coming 12 months
- New acquisitions in profiling / retailing
- Rollout of Clique and New Wave in USA
- Rollout of Cutter & Buck in Europe



How to reach growth?

- Increase competitiveness
 - ✓ Better buying
 - ✓ Better logistic
 - ✓ Co-operation between and within different concepts
- Continues organic growth
- Establishment of existing brands through existing subsidiaries
- Entering new countries
 - ✓ Poland
 - ✓ Greece
 - ✓ Eastern Europe
- Acquisitions in Promo / Retailing

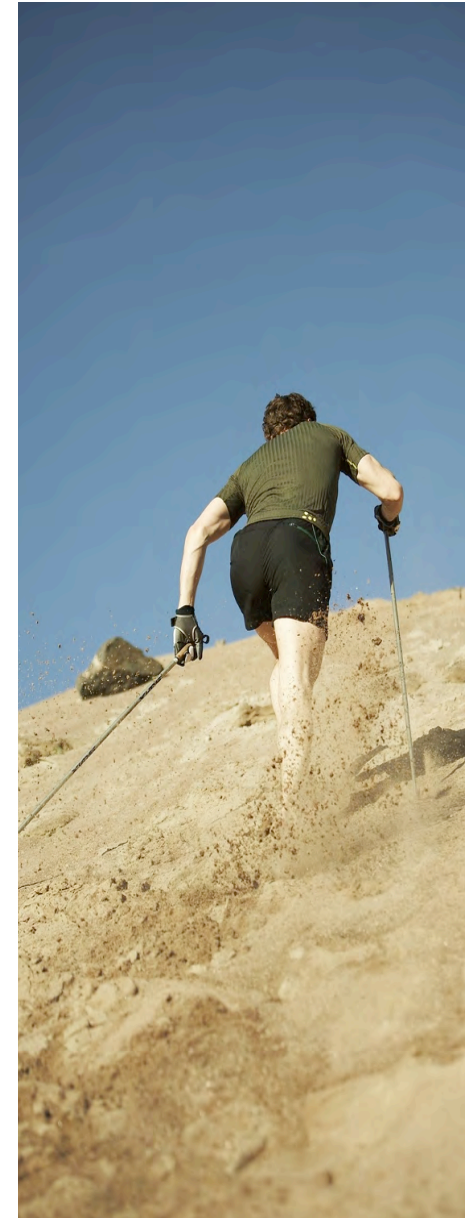
Vision

Since start in 1990, New Wave has delivered:

- An average annual turnover growth of 35%
- An yearly increased financial net result of 36%

Our vision is to reach within a foreseen future:

- A turnover of SEK 10 billion
- A profit before taxes of SEK 1 billion
- A total value of SEK 10 billion in total stock exchange price



**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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