



Report – Q1 2009



This is New Wave Group

- New Wave Group is a **growth company**. We **create, acquire and develop brand articles** for the Corporate Promo- and Retail sales channels.
- We have three business areas: **Promo**; work wear, promo wear, and gifts & giveaways to independent promo companies, **Sports & Leisure** and **Gifts & Home Interior**, to consumers through resellers working with specialized stores.
- We operate through two sales channels; the **promo market** and the **retail market**. By being active on both these markets, the group achieves good **risk diversification**. We also achieve great **coordination advantages** since large portions of the assortment can be used for both sales channels.
- New Wave Group's competitive forces are **design, purchasing, logistics** and **marketing** of our brands.
- The products are mainly produced in Asia and to a lesser quantity in Europe.
- New Wave Group has since the start shown **strong growth** with **good margins**.

Business Area - Corporate Promo



Our vision is to

- *Become Europe's leading supplier of Corporate Promo Products by offering*
 - *A unique and complete concept to our resellers*
 - *High quality products and strong brands*
 - *High competence and service*

Business Area - Sports & Leisure

ANNIKA
CUTTER&BUCK.



CLIQUE

**CUTTER
& BUCK.**

CRAFT

EASTON

EXEL



**sköna
marie**



speedo

Our vision is to

- *Become the Nordic countries main supplier of Sports & Leisure Wear*
- *Develop Craft and Seger into international functional sportswear brands*
- *Develop Cutter & Buck into one of the world's leading brands within golf & leisure wear*

Business Area - Gifts & Home Interior

KOSTA
BODA
SWEDEN 1742



KOSTA LINNEWÄFVERI

Orrefors 

Orrefors JERNVERK



Our vision is to

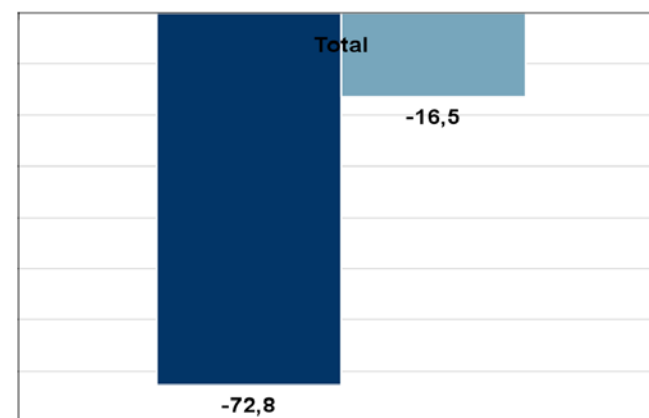
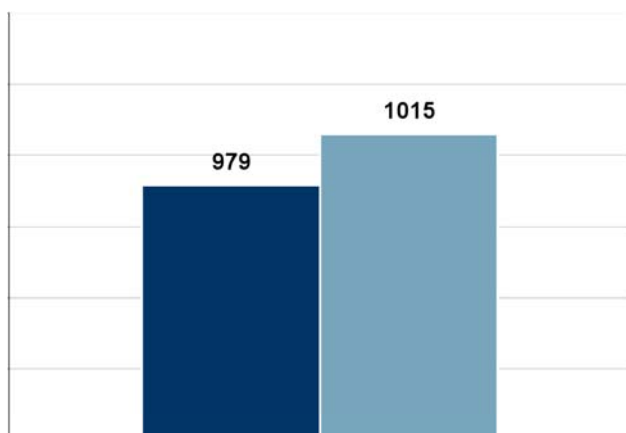
- *Develop Orrefors and Kosta Boda into world leading brands within glass & crystal*

Interim Report

Q1 2009

Consolidated Q1, January-March 2009

- **Sales -4% to MSEK 979 (1 015)**
 - The exchange rates have affected sales positively by MSEK 108.
- **Profit Before Tax MSEK -56.3 to MSEK -72.8 (-16.5)**
 - Result affected by MSEK 77.2 in restructuring costs



Comments Q1, January-March 2009

- **Sales -4% MSEK 979 (1 015)**
 - Weak market, primarily in Sweden and USA
 - Promo -7% and Gifts & Home Interior -4%
 - Sport & Leisure strong in Europe but weak in USA
 - Currency effect MSEK +108.

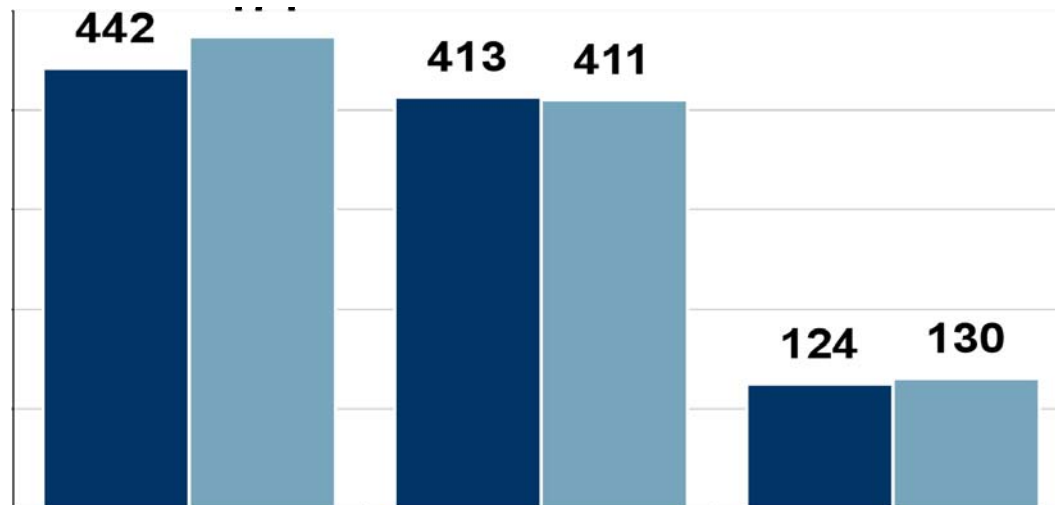
- **Gross margin 46.1 (47.6) %**
 - Restructuring costs Orrefors Kosta Boda MSEK -25, margin excl 48.6 (47.6)

Comments Q1, January-March 2009

- **Profit before tax -56.3 to -72.8 (-16.5)**
 - Lower volume and restructuring costs of MSEK 77.2
- **Operating margin -5.9 (1.5) %**
 - Restructuring costs
- **Res per share SEK -0.81 (-0.23)**

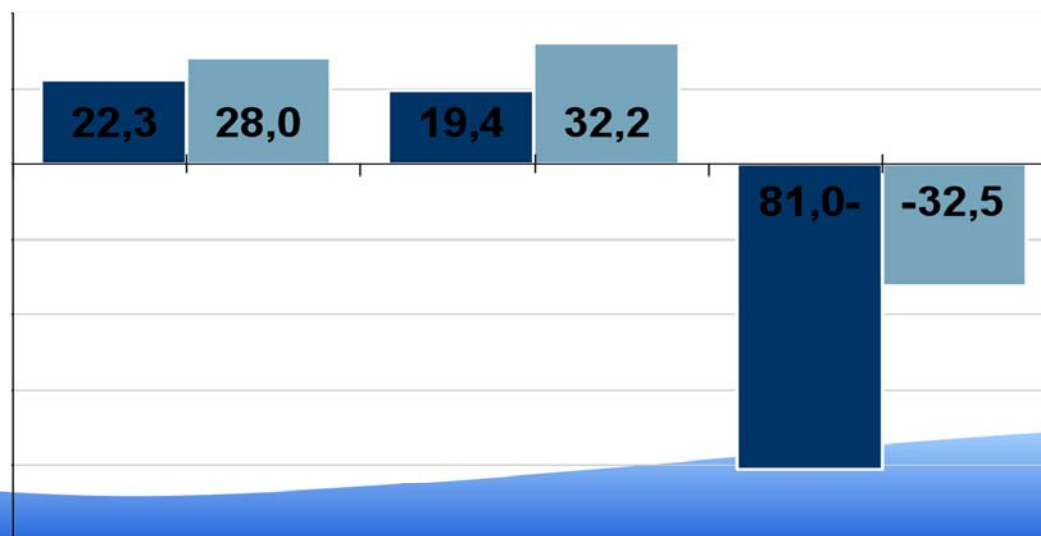
Business Areas – Sales, Jan-Mar 2009

- **Promo: -7% to MSEK 442 (474)**
 - Nordic countries weak, especially Sweden and Finland.
 - Switzerland positive
- **Sports & Leisure: +0% to MSEK 413 (411)**
 - Europe growth, USA weak
- **Gifts & Home Interior: -4% to MSEK 124 (130)**
 - Sweden Retail weak, China increasing



Business Areas – EBITDA, Jan-Mar 2009

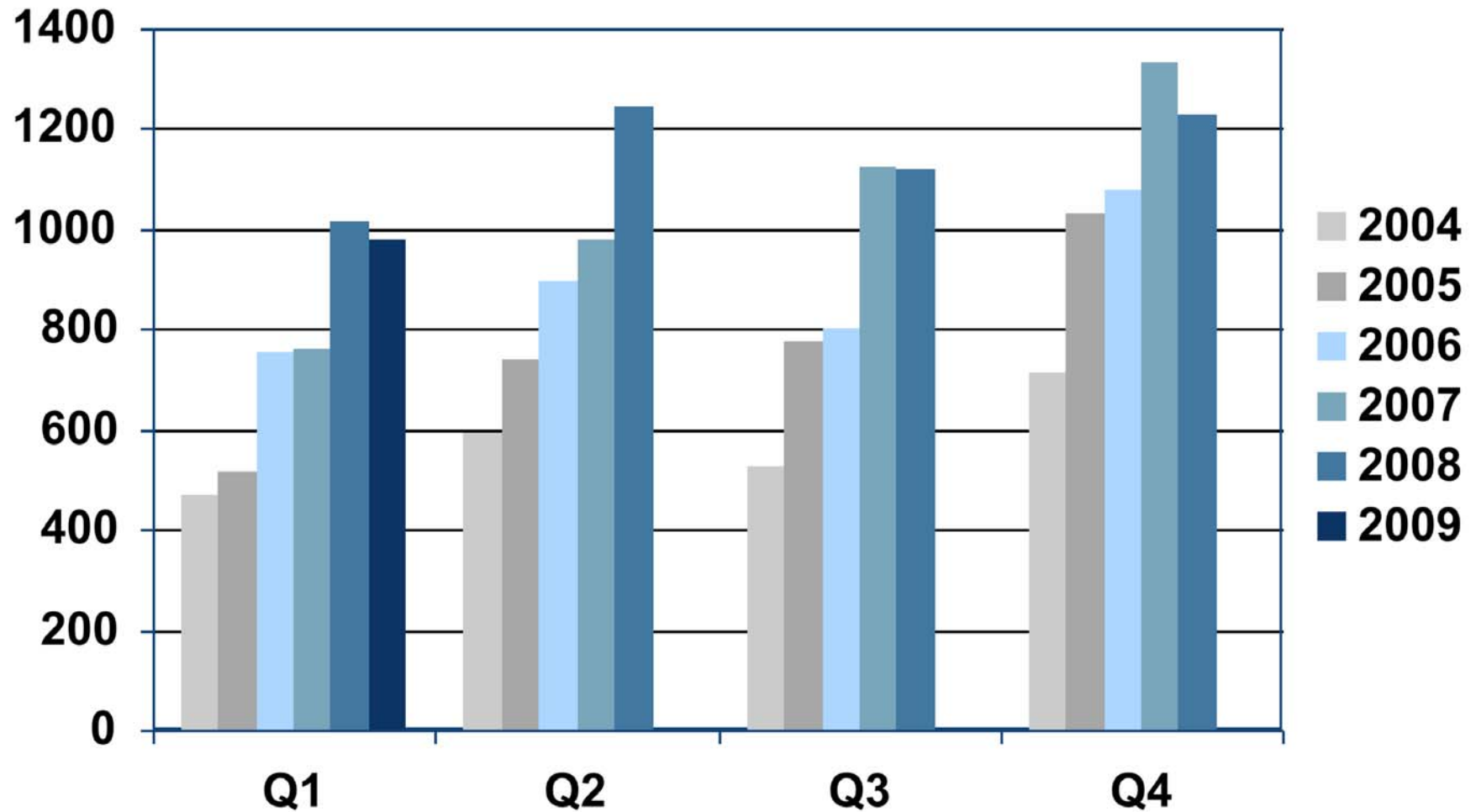
- **Promo: MSEK -5.6 to MSEK 22.3 (28.0)**
 - Volume related
- **Sports & Leisure: MSEK -12.8 to MSEK 19.4 (32.2)**
 - Restructuring costs in Cutter & Buck MSEK 7.1
 - Margin and costs
- **Gifts & Home Interior: MSEK -48.5 to MSEK-81.0 (-32.5)**
 - Restructuring costs in Orrefors Kosta Boda MSEK 70.1
 - Orrefors Kosta Boda and retail Sweden.



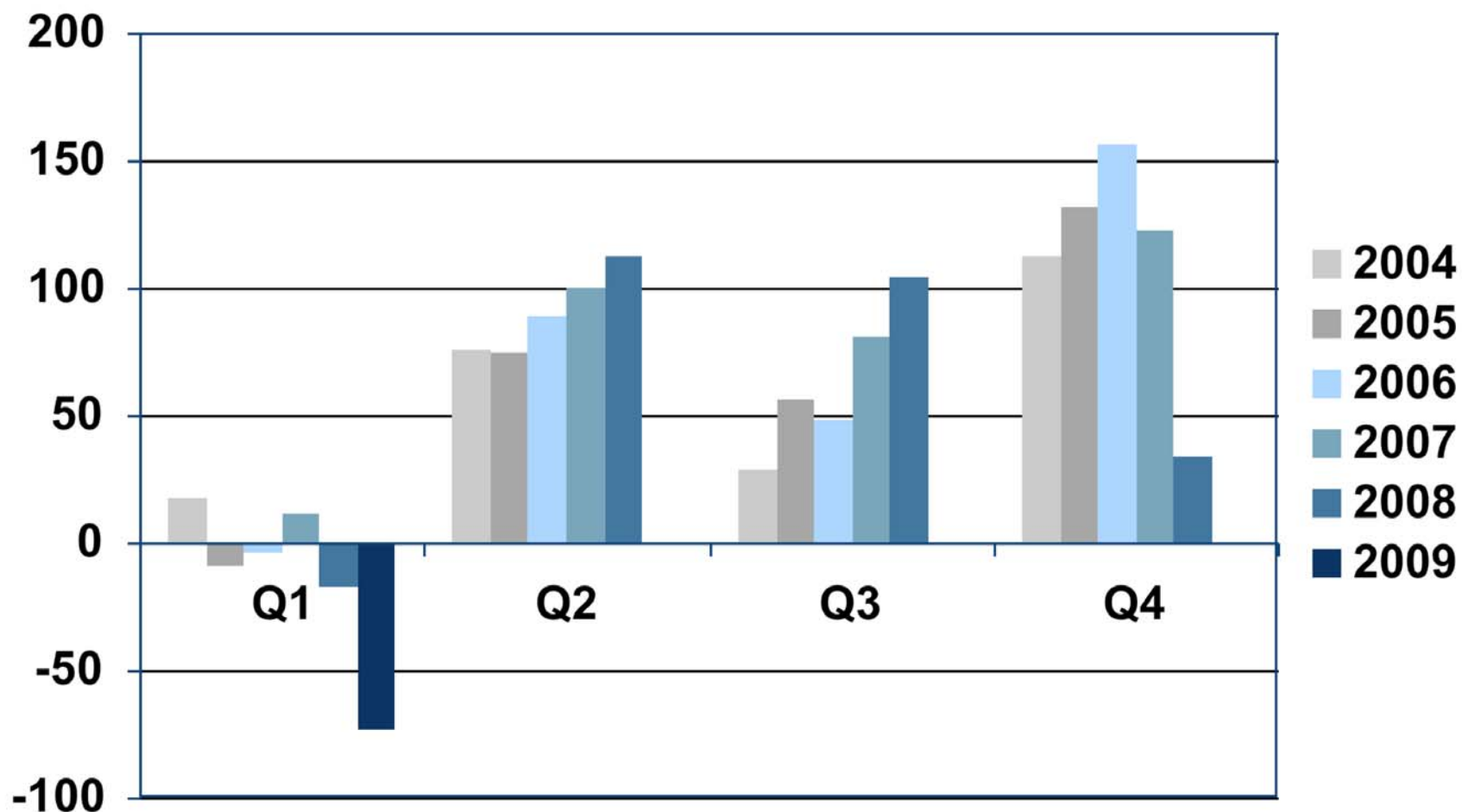
Geographical Allocation of Turnover

	JAN-MAR 2009	Part of turnover	JAN-MAR 2008	Part of turnover	Change MSEK	%
Nordic countries	404	41%	456	45%	-52	-12
Mid Europé	197	20%	189	19%	8	4
South Europé	120	12%	118	12%	2	2
USA	205	21%	211	21%	-6	-3
Other countries	53	5%	39	4%	13	33
Totalt	979	100%	1 015	100%	-36	-4

Sales



Result After Finance Net



Income Statement

	3 mths JAN-MAR 2009	3 mths JAN-MAR 2008
SEK Mkr		
Net sales	979,5	1 015,0
Goods for resale	-528,1	-532,3
Gross margin	451,4 46,1%	482,7 47,6%
Other operating income	22,9	6,2
External costs	-267,7	-277,4
Personnel costs	-231,2	-178,6
Depreciation and amortization	-18,5	-12,5
Other costs	-14,7	-4,8
Andelar i intresseföretags resulta	0,5	0,0
Operating profit	-57,3 -5,8%	15,6 1,5%
Net financial items	-15,5	-32,1
Profit before tax	-72,8 -7,4%	-16,5 -1,6%
Tax for the period	19,5	1,5
Net result	-53,3 -5,4%	-15,0 -1,5%
Net result / share bef dilution	-0,81	-0,23

Financial Highlights

	JAN - MAR 2009	JAN - MAR 2008	JAN - DEC 2008	JAN - DEC 2007
Sales growth %	-3,5	33,5	9,8	18,8
Gross margin %	46,1	47,6	48,5	47,6
Operating margin before depreciation %	-4,0	2,8	9,4	11,0
Operating margin %	-5,9	1,5	8,0	9,7
Net profit margin %	-5,4	-1,5	3,2	5,5
Return on equity %	-12,0	-4,4	9,2	17,1
Return on capital employed %	-4,8	2,0	9,0	12,8
Equity ratio %	33,4	27,3	34,1	29,9
Net debt %	148,9	196,5	140,5	163,9
Net debt SEK Mkr	2 683,8	2 550,5	2 576,3	2 357,0
Stock turnover - times	0,9	1,1	1,2	1,3
Csh flow before investments SEK Mkr	-138,7	-188,7	-268,0	83,0
Net investments SEK Mkr	-6,3	-15,8	-65,2	-1 165,7
Cash flow after investments SEK Mkr	-145,0	-204,5	-333,2	-1 082,7
Equity per share SEK Kr	27,16	19,57	27,64	21,68

CEO comments

- Market **conditions** during the quarter were **tough** with regard to sales, with decreases both in the business area Promo and Gifts & Home interior. The **strength of having several business areas and distribution channels** is clear, as they are affected differently and at different times during changes in the economy. Sport & Leisure continued to grow during the quarter, especially Craft, which shows strong development both in sales and result.
- The **restructuring of Orrefors Kosta Boda** has both started and ended during the quarter, completely in **line with our expectations**.
- We now **start to see results** of all the activities undertaken over the past year with regard to **working capital** which aims at lower stock levels and improvements in cash flow. The operational cash flow improved during the quarter by MSEK 50. Improvements in the stock levels are expected to be seen in the second quarter.
- In summary, the actual result for the quarter is **in line with our expectations**.

Views on 2009

Market conditions are still difficult to predict due to the uncertainty in the economy.

New Wave expects profits before tax in line with 2008 but the sales are not expected to reach the previous year.

The second half of the year will be stronger than the first half in profits. The reason is over all cost savings but especially Orrefors Kosta Boda is effecting.

**We aim to make everyone who buys our products
a happy customer.**

**If you choose to invest in New Wave Group,
we want you to know that
we promise to take care of your investment
in the best possible way we know how —
through long-term thinking, growth, stability, and hard work!**