

*NewWave*  
G R O U P



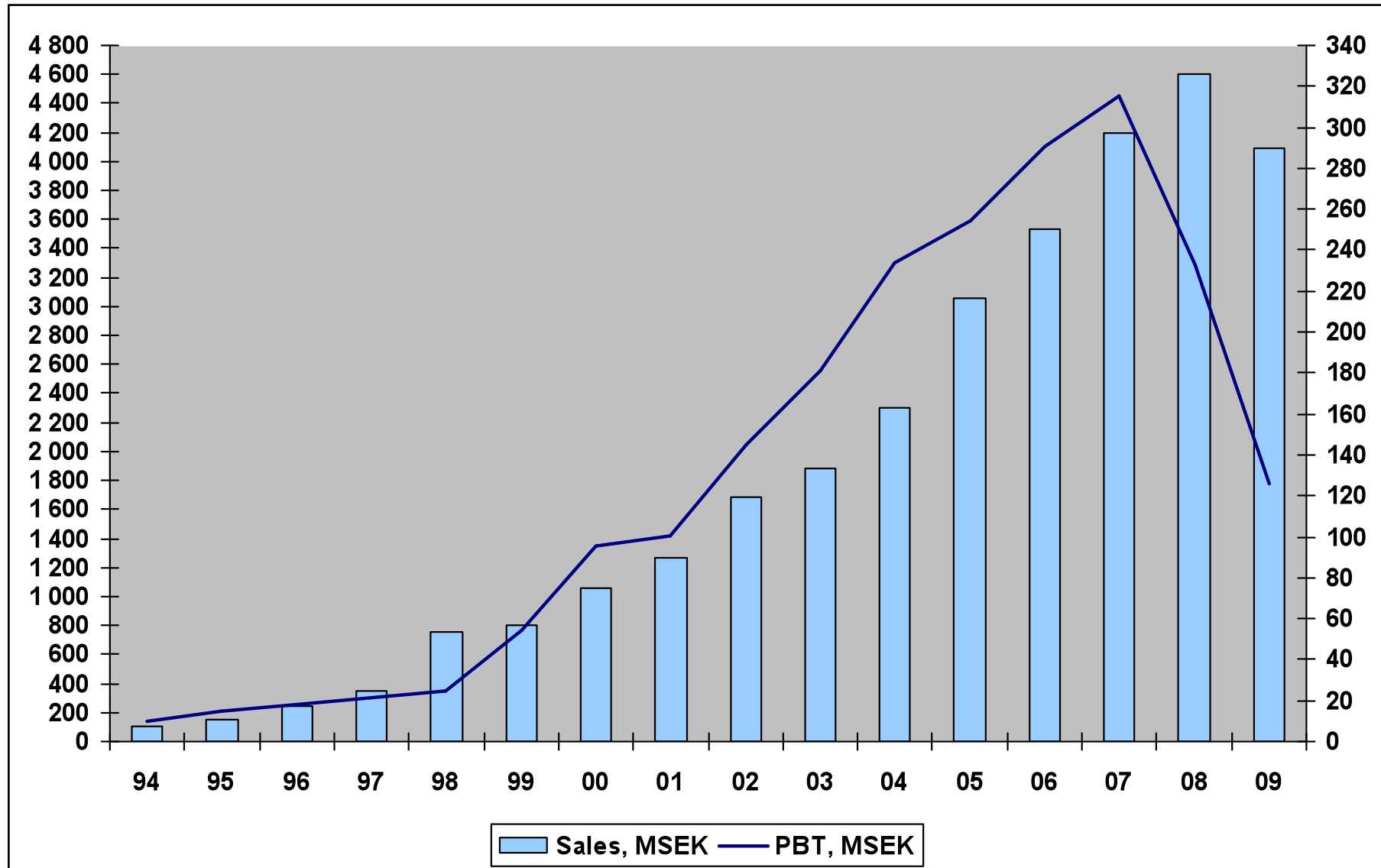
# This is New Wave Group

- New Wave Group is a **growth company**. We **create, acquire and develop brands and articles** for the Corporate Promo and Retail sales channels.
- We have three business areas: **Promo**; workwear, 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 in 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 had **strong growth** and **good margins**.

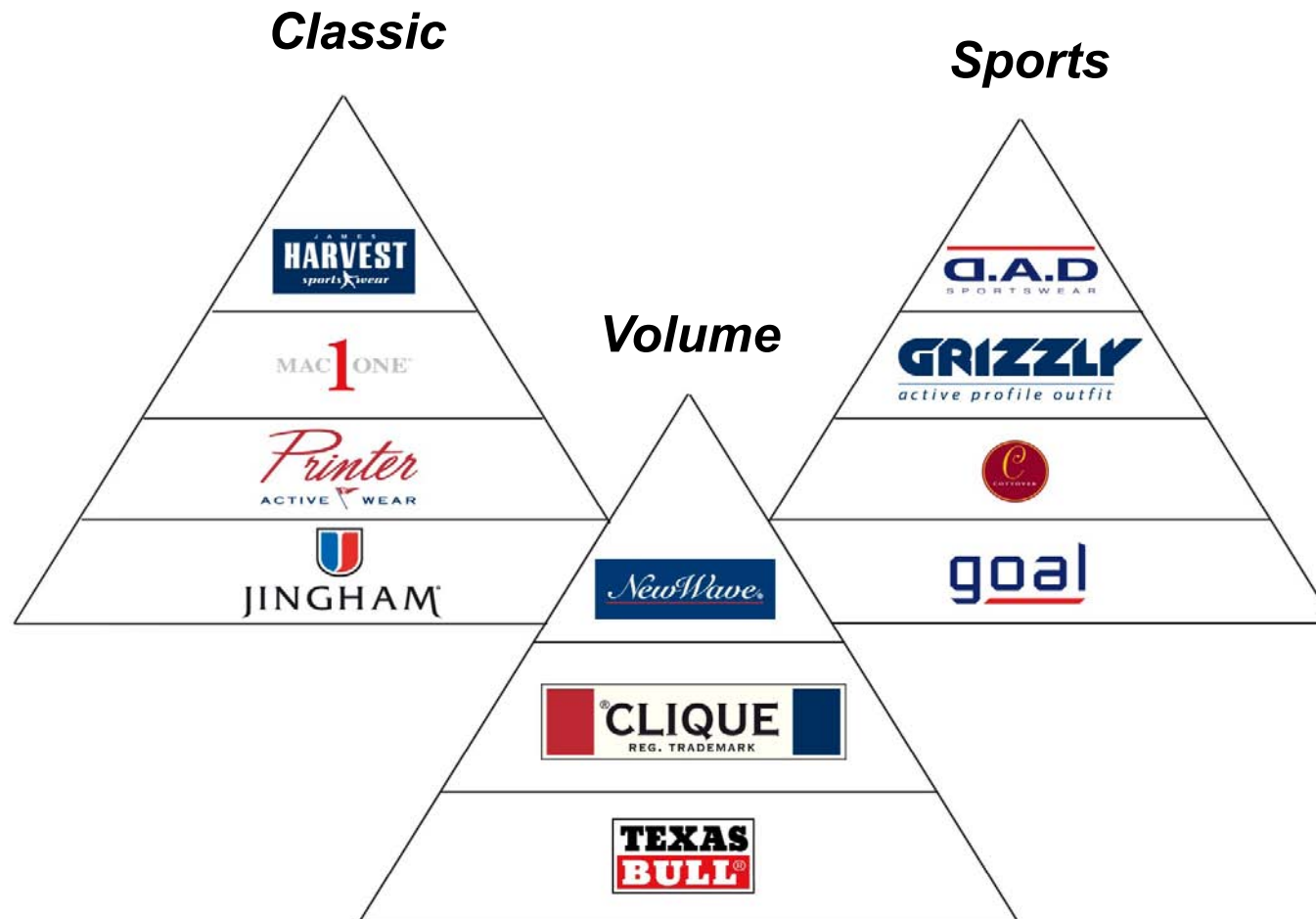
## New Wave Group...

- ... has more than 40 brands in its brand portfolio.
- ... has subsidiaries in 20 countries.
- ... is Sweden's largest supplier of sports articles, brands include Craft, Seger, Umbro, Speedo and Clique.
- ... is Europe's second largest supplier of promo articles with more than 18 fully owned brands.

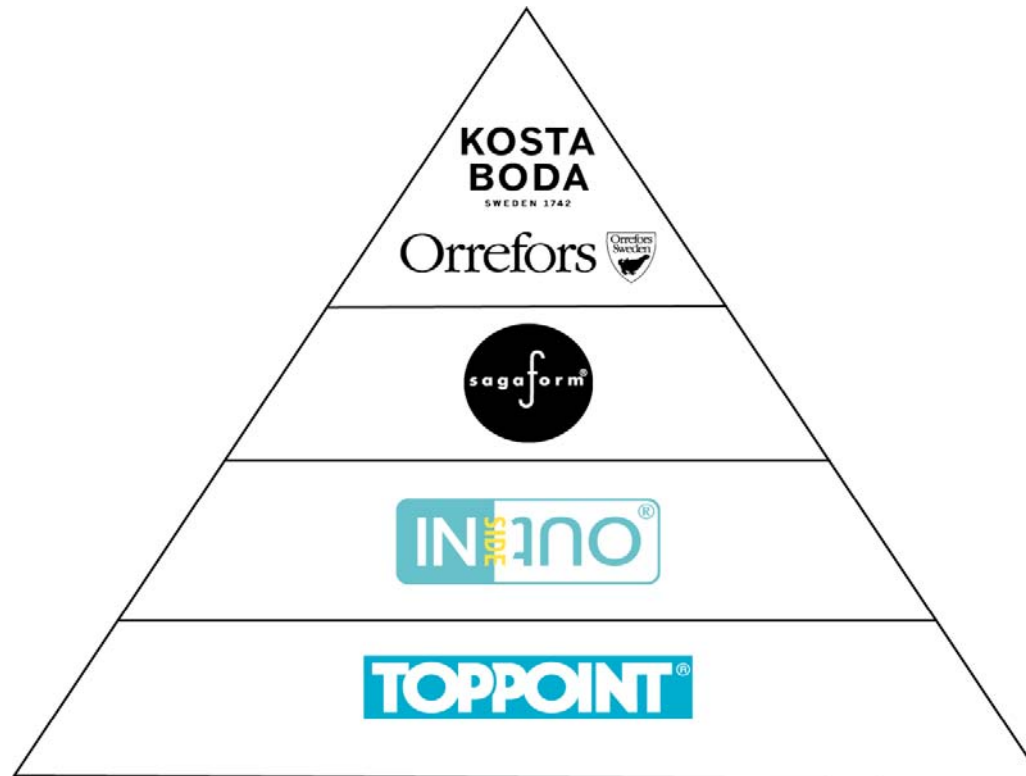
# Historical development



# Promo – promo wear



# Promo – gifts





## Promo - workwear



## Promo – workwear





# Vision - promo

Our vision is to become Europe's leading supplier of promo articles by offering:

- ✓ high quality products
- ✓ strong brands
- ✓ knowledge and service
- ✓ a superior overall concept to resellers

# Retail

- Specialised stores for gifts
- Home interior
- Home textiles
- Specialised stores for sports articles
- Specialised stores for shoes

# Retail

- New Wave's retail operation is divided into two categories:
  - Sports & Leisure
    - Fully owned brands
    - Licensed brands
  - Gifts & Home Interior
    - Fully owned brands

# Retail – Sports & Leisure

## *Fully owned brands*

**CRAFT** 

Functional sports wear

**CLIQUE**

Leisure wear, T-shirts etc.



Knitted socks, hats, etc.



*Shona*  
**marie**

Children's and women's shoes

**CUTTER**  
  
**& BUCK.**

Golf and leisure wear

# Retail – Sports & Leisure

## *Licensed brands*



Football wear and equipment



Swimwear



# Retail – Gifts & Home Interior

## *Fully owned brands*

KOSTA LINNEWÄFVERI  
SWEDEN 1878

Gifts and home interior

Orrefors JERNVERK  
SWEDEN 1726

Gifts and home interior



Gifts and home interior

 Frantextil

Gifts and home interior

Orrefors 

Glass and crystal

KOSTA  
BODA  
SWEDEN 1742

Art glass

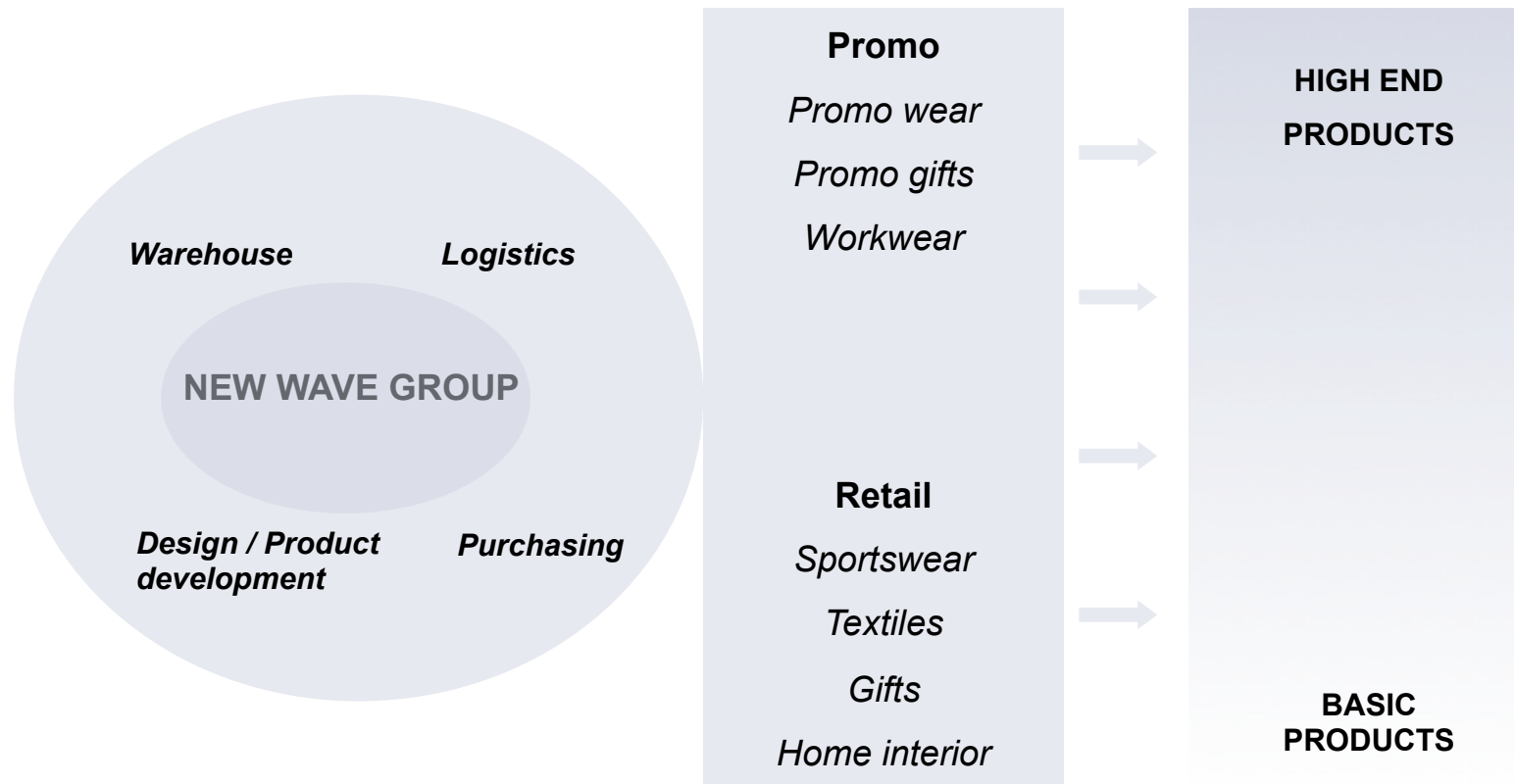


Glass

# Vision – Retail

- We shall become the Nordic countries' leading supplier of sports and leisure wear.
- Make the fully owned brands Craft and Seger internationally renowned functional sportswear brands.
- Develop Sagaform into one of Europe's leading brands on kitchenware, chinaware and gifts.
- Develop Orrefors and Kosta Boda into world leading glass and crystal suppliers .

# The larger Group's synergies – the smaller companies' flexibility



## April - June 2010

- ❑ Sales amounted to SEK 1 065 million, which was 9% higher then previous year in local currencies and 4 % higher in SEK (SEK 1 023 million).
- ❑ Operational profit amounted to SEK 87.9 (95.4) million
  - ❑ *Previous year includes one-time income of SEK 16,4 million*
- ❑ Profit after tax SEK 59.4 (60.5) million
  - ❑ *Previous year includes one-time income of SEK 12,1 million*
- ❑ Cash flow from operations amounted to SEK 117 (373) million
- ❑ Equity ratio increased to 42.4 (35.8) %
- ❑ Net debt to equity ratio decreased to 86.7 (129.7) %

# Comments April-June 2010

## ❑ Sales 4 %, SEK 1 065 (1 023) million

- Sales in local currencies +9% (currency effect SEK -53 million or -5 %)
- USA and Sweden are showing growth, Mid Europe is stable while South Europe is weak.
- The activity within sales channel Promo is improving and showing growth but still on a low level. Sales channel Retail has done better

## ❑ Affärsområden

- Promo -2 % to SEK 483 (490) million
  - Sweden is showing growth, Mid Europe stable/small growth while South Europe weak.
- Sport & Leisure +9 % to SEK 404 (370) million
  - Growth in Cutter & Buck. Both sales channels are improving
  - Craft is in line with py (growth in most countries but decreasing in Denmark)
- Gifts & Homeinterior +10 % to SEK 179 (162) million
  - Kosta Boda Art Hotel
  - Orrefors Kosta Bodas exportmarkets weak and Sagaform promo sales



# Sales per region

	3 mths apr-jun 2010	Part of sales	3 mths apr-jun 2009	Part of sales	Change in SEK million	Change in %
Nordic countries	492	46%	462	45%	30	6%
Mid Europe	173	16%	188	18%	-15	-8%
South Europe	112	11%	130	13%	-18	-14%
North America	258	24%	209	20%	49	23%
Other countries	31	3%	33	3%	-2	-6%
<b>Totalt</b>	<b>1 066</b>	<b>100%</b>	<b>1 022</b>	<b>100%</b>	<b>44</b>	<b>4%</b>

# Comments April-June 2010

## ❑ Operating margin 8.3 (9.3) %

- *Previous year include a one-time income that amounted to SEK 16,4 million ( gives 7.7 % instead of 9.3 %)*

## ❑ Profit margin 7.8 (8.1) %

- *Previous year include a one-time income that amounted to SEK 16,4 million (gives 6.5 % instead of 8.1%)*

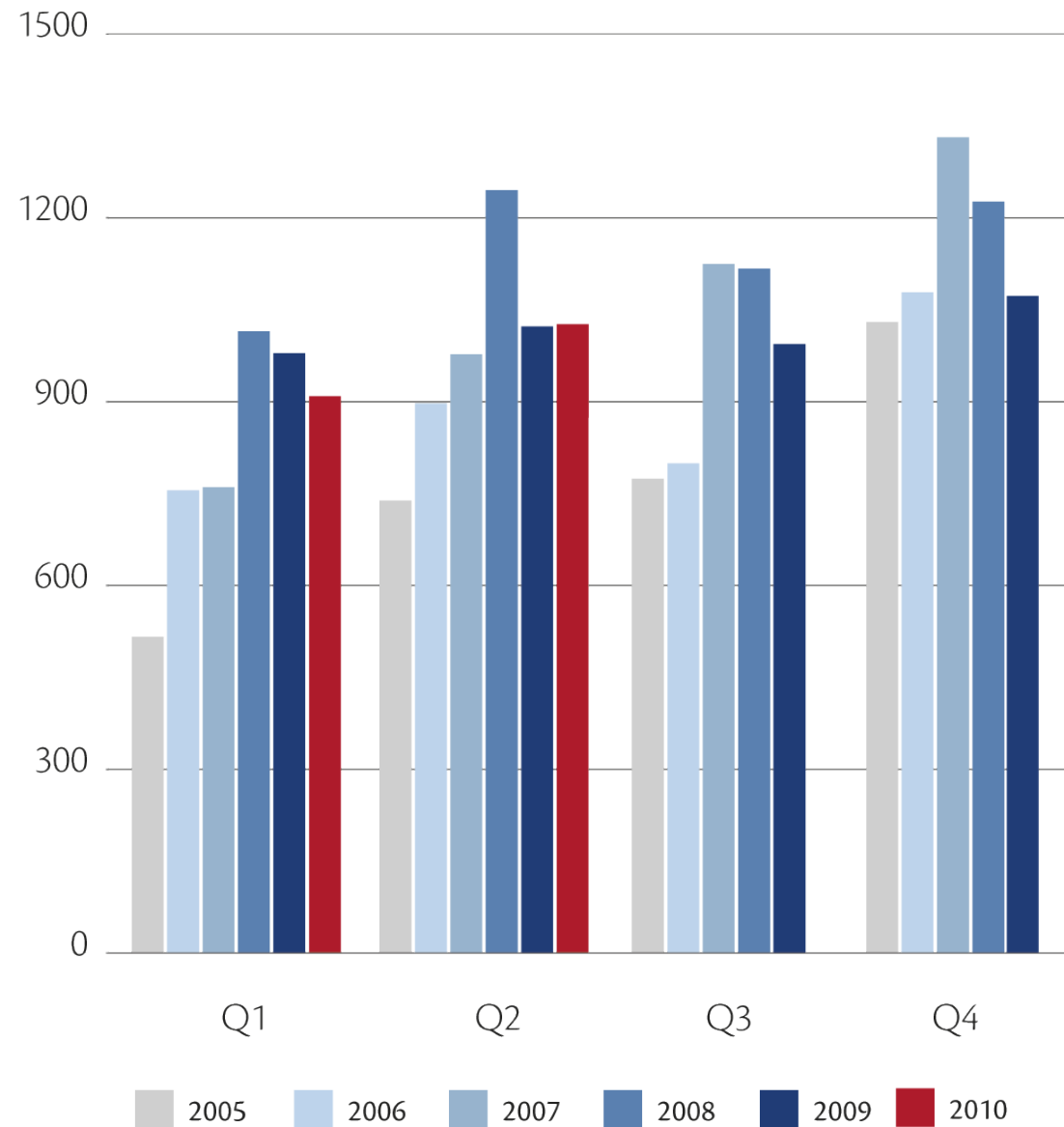
## ❑ Profit after tax amounted to 59.4 (60.5) mkr

- *Previous year include a one-time income that amounted to SEK 12,1 million (gives SEK 48.4 million instead of 60.5)*
- *Result per share SEK 0.90 (0.91 and excl py one-time income 0.73)*

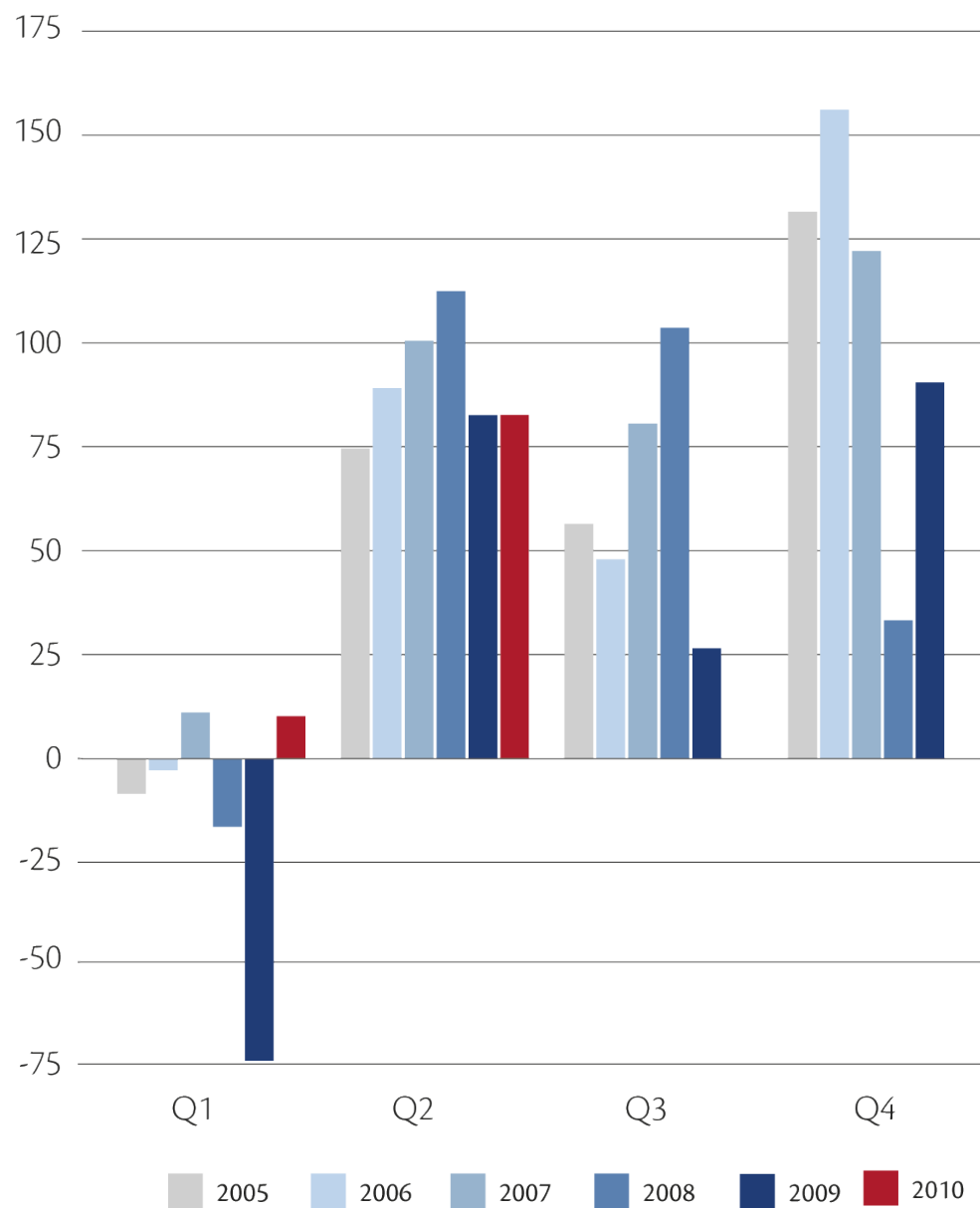
# Income statement

<b>SEK Million</b>	<b>3 mths april-june 2010</b>	<b>3 mths april-june 2009</b>
Net sales	1 065,3	1 022,9
Goods for resale	-563,7	-519,3
<b>Gross profit</b>	<b>501,6</b>	<b>503,6</b>
Other income	5,1	22,0
External costs	-230,6	-220,1
Personnel costs	-171,7	-182,8
Depreciation/amorization	-15,1	-19,0
Other costs	-1,4	-8,3
<b>Operating result</b>	<b>87,9</b>	<b>95,4</b>
Financial income	1,5	0,7
Financial costs	-6,6	-13,5
<b>Net financial items</b>	<b>-5,1</b>	<b>-12,8</b>
<b>Profit before tax</b>	<b>82,8</b>	<b>82,6</b>
Tax on profit for the period	-23,4	-22,1
<b>Profit for the period</b>	<b>59,4</b>	<b>60,5</b>
Profit per share before dilution	0,90	0,91

# Sales (in SEK million)



# Profit before tax, SEK million





# Cash flow

## April-Juni 2010

SEK Million	3 mths april-june 2010	3 mths april-june 2009
Cash flow from operating act. before changes in working capital	82,4	65,3
Changes in working capital	35,1	308,1
<b>Cash flow from operating activities</b>	<b>117,5</b>	<b>373,4</b>
Investing activities	-6,7	-0,3
<b>Cash flow after investing activities</b>	<b>110,8</b>	<b>373,1</b>
Financial activities	-106,8	-349,4
<b>Cash flow for the period</b>	<b>4,0</b>	<b>23,7</b>

# January - June 2010

- ❑ Sales amounted to SEK 1 981 million, which was 5% higher than previous year in local currencies and -1 % lower in SEK (2 002 million).
- ❑ Operating profit amounted to SEK 104.8 million (38.1)
  - ❑ *Previous year was charged with a net of SEK 60.8 million (restructuring costs deducted with capital gains)*
- ❑ Profit after tax amounted to SEK 67.0 million (7.2)
  - ❑ *Previous year was charged with a net of SEK 44.1 million (restructuring costs deducted with capital gains)*
- ❑ Cash flow from operating activities amounted to SEK 183 million (235)

# Comments January-June 2010

## ❑ Sales -1 %, SEK 1 981 million (2 002)

- Sales in local currencies +5% (currency effect SEK -119 million or -6 %)
- USA and Sweden has growth, Mid Europe stable but South Europe weak.
- Activity within sales channel Promo is improving and has growth but still on a low level. Sales channel Retail has done better.

## ❑ Business areas

- Promo -5 % to SEK 881 million (927)
  - The nordic countries Sweden and Norway has growth, Mid Europe stable/ small growth while South Europe is weak.
- Sport & Leisure +-0 % SEK 784 million (785)
  - Growth in Cutter & Buck. Both sales channels are improving
  - Craft in line with py (increase in most countries but decrease in Denmark)
- Gifts & Homeinterior +9 % to SEK 316 million (290)
  - Kosta Boda Art Hotel
  - Orrefors Kosta Bodas export markets weak and Sagaform promo sales

# Sales per region

	6 mths jan-jun 2010	Part of sales	6 mths jan-jun 2009	Part of sales	Change in SEK million	Change in %
Nordic countries	900	45%	866	43%	34	4%
Mid Europe	350	18%	385	19%	-35	-9%
South Europe	214	11%	251	13%	-37	-15%
North America	432	22%	414	21%	18	4%
Other countries	85	4%	86	4%	-1	-1%
<b>Totalt</b>	<b>1 981</b>	<b>100%</b>	<b>2 002</b>	<b>100%</b>	<b>-21</b>	<b>-1%</b>

# Comments Januari-June 2010

## ❑ Operating margin 5.3 (1.9) %

- *Previous year was charged with a net of SEK 60.8 million (restructuring costs deducted with capital gains)*

## ❑ Profit margin 4.7 (0.5) %

- *Previous year was charged with a net of SEK 60.8 million (restructuring costs deducted with capital gains)*

## ❑ Profit after tax amounted to SEK 67.0 (7.2) mkr

- *Previous year was charged with a net of SEK 44,1 million (one-time items)*
- *Resultat per share SEK 1.01 (0.11)*

# Income statement

SEK Million	6 mths jan-june 2010	6 mths jan-june 2009
Net sales	1 980,6	2 002,4
Goods for resale	-1 041,6	-1 047,4
<b>Gross profit</b>	<b>939,0</b>	<b>955,0</b>
Other income	10,2	44,8
External costs	-471,0	-487,8
Personnel costs	-338,7	-414,0
Depreciation/amorization	-30,0	-37,5
Other costs	-4,7	-22,4
<b>Operating result</b>	<b>104,8</b>	<b>38,1</b>
Financial income	2,5	5,0
Financial costs	-14,2	-33,3
<b>Net financial items</b>	<b>-11,7</b>	<b>-28,3</b>
<b>Profit before tax</b>	<b>93,1</b>	<b>9,8</b>
Tax on profit for the period	-26,1	-2,6
<b>Profit for the period</b>	<b>67,0</b>	<b>7,2</b>
Result per share before dilution	1,01	0,11

# Cash flow

## Januari-June 2010

SEK Million	6 mths jan - june 2010	6 mths jan - june 2009
Cash flow from operating act. before changes in working capital	102,5	-15,1
Changes in working capital	80,4	249,8
<b>Cash flow from operating activities</b>	<b>182,9</b>	<b>234,7</b>
Investing activities	-22,7	-6,6
<b>Cash flow after investing activities</b>	<b>160,2</b>	<b>228,1</b>
Financial activities	-163,8	-323,2
<b>Cash flow for the period</b>	<b>-3,6</b>	<b>-95,1</b>

# Stock

## □ Amounted to SEK 1 579 million per 30 June 2010

— Goods for resale	SEK 1 384 million (1 936)
— Raw materials, good in transit etc	SEK 195 million (145)
— Provision for obsolete goods	SEK 61 million (88)

....but stock per 30 juni to low in certain segments. We expect an improvement during the next quarters.



# Financial highlights – summary

	1 jan - 30 june 2010	1 jan - 30 june 2009
Sales growth %	-1,1	-11,4
Number of employees	2 159	2 370
Gross margin %	47,4	47,7
Operating margin bef. depreciation %	6,8	3,8
Operating margin %	5,3	1,9
Profit margin %	4,7	0,5
Return on equity %	7,4	0,8
Return on capital employed %	6,0	2,0
Equity ratio %	42,4	35,8
Net debt %	86,7	129,7
Net debt SEK Million	1 621,9	2 352,1
Stock turnover - times	1,3	1,0
Cash flow bef investments SEK Million	182,9	234,8
Net investments SEK Million	-22,7	-6,6
Cash flow after investments SEK Million	160,2	228,2
Equity per share SEK	28,19	27,33

# Outlook for 2010-2012

- 2010
  - We expect profit growth and a higher turnover than 2009
  - Positive cash-flow
- 2011-2012
  - Sales and earnings growth. Better focus on cash flow than previous years.

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!