


NewWave
G R O U P

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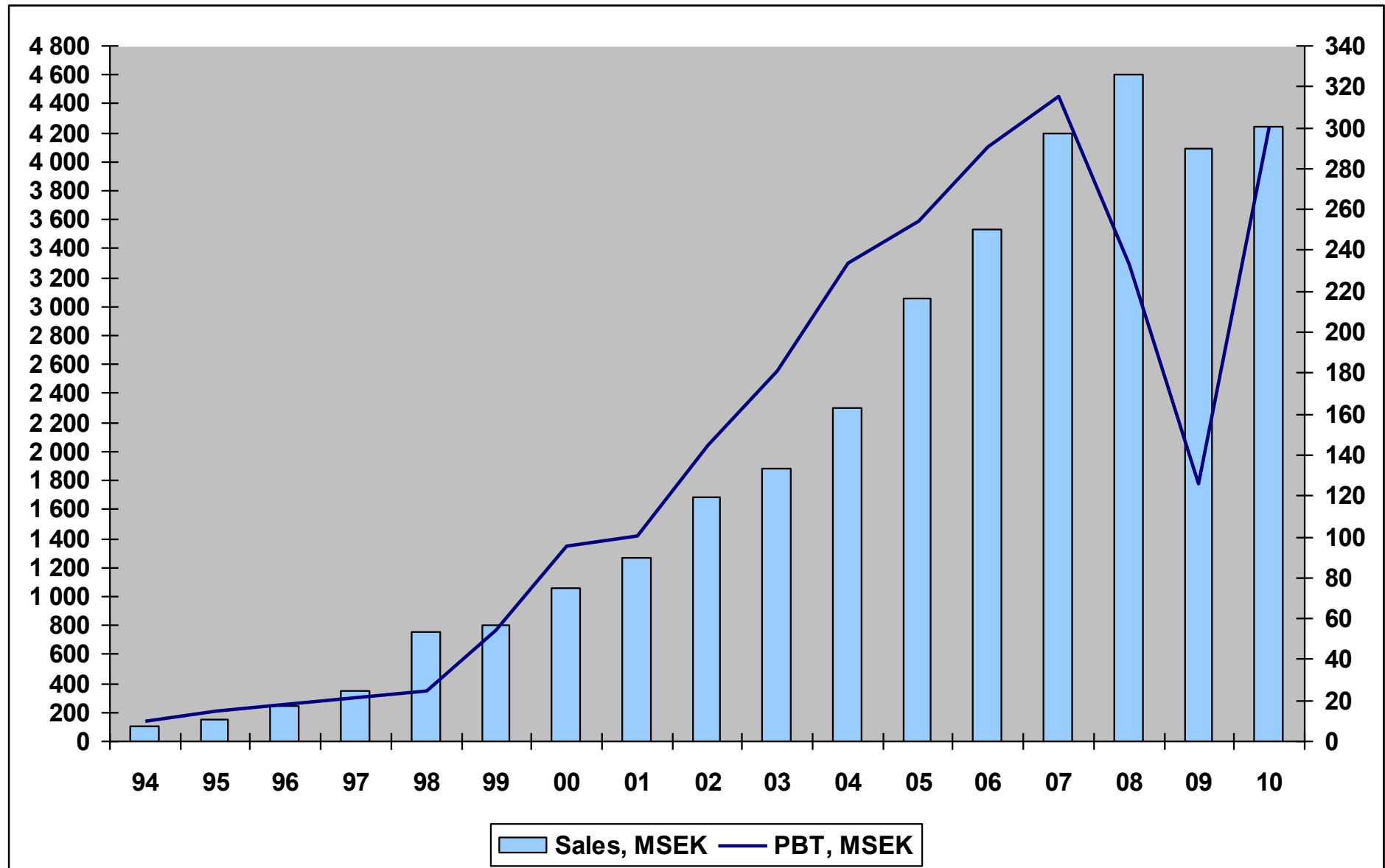
Presentation
12 August

Interim Report
April - June
2011

This is New Wave Group

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- New Wave Group is a **growth company**. We **design, acquire and develop brands and products** in the **corporate promotion, gifts and home furnishings** sectors.
 - Our three main business areas are: **Promo**; promo wear, workwear and gifts sold to independent promo resellers, **Sports & Leisure** and **Gifts & Home Furnishings**, to consumers through retailers who work with specialized stores.
 - We are active in two sales channels; the **promo wear market** and the **retail market**. By being active in both markets the Group achieves **good risk diversification**. We also achieve great **synergy advantages** since major parts of our product range can be used in both sales channels.
 - New Wave Group's strengths are **design, purchasing, logistics and marketing** of our brands.
 - The products are mainly produced in Asia and to a certain, lesser extent in Europe.
 - New Wave Group has since the start had **strong growth** and **good margins**.

Historical Development



New Wave Group...

...has more than 40 brands

...has subsidiaries in 20 countries

...is Sweden's major supplier of sports articles, with brands like
Craft, Seger, Umbro, Speedo and Clique

...is the second largest supplier of promo products in Europe
with 18 fully owned brands

Promo

- Promowear
- Gifts and giveaways
- Workwear

Vision – Promo

Our vision is to become Europe and North America's leading supplier of promo products by offering:

- ✓ High quality products
- ✓ Strong brands
- ✓ High knowledge and service
- ✓ A superior overall concept to our resellers

Expansion through:

- ✓ Acquisitions
- ✓ Geographical expansion of existing brands/concepts
- ✓ New establishments abroad

Retail

- ✓ Gifts retail
- ✓ Home furnishings
- ✓ Home textiles
- ✓ Sports retail
- ✓ Shoe retail

Retail

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

Vision – Retail

- ✓ Become the Nordic regions leading supplier of sports and leisurewear
- ✓ Make Craft and Seger international functional sportswear brands
- ✓ Develop Orrefors and Kosta Boda into world leading glass and crystal suppliers

Expansion

- ✓ Sports & Leisure – through acquisitions and geographical expansion
- ✓ Gifts & Home Furnishings – no expansion until we reach satisfactory profitability, downsize if necessary

April – June 2011

- ❑ Sales amounted to SEK 1 021 million, which was 3% higher than last year in local currencies and 4% lower in SEK (SEK 1 065 million).
- ❑ Gross profit margin amounted to 48.8 (47.1) %
- ❑ Profit after tax amounted to SEK 72.7 million (SEK 87.9 million), incl non-recurring items of SEK 30.5 million.
 - Excluding non-recurring items SEK 103.2 million (+17%)
- ❑ Profit after tax amounted to SEK 37.3 million (SEK 59.4 million),
 - Excluding non-recurring items SEK 66.0 million
- ❑ Cash flow from operations SEK 26.2 million (SEK 117.5 million)

Comments April – June 2011

□ Sales -4 %, SEK 1 021 million (SEK 1 065 million)

- Sales in local currencies +3% (currency effect SEK -74 million or -7%)
- Promo increased, Sports & Leisure on par with last year, Gifts & Home Furnishings weak
- The Nordic Countries, Europe growth, weaker U.S. market (local currencies)
- Growth in Promo Sales Channel while retail is weaker

□ Business Areas

- Corporate Promo +-0% to SEK 482 million (SEK 483 million)
 - Improved promo market in most of our markets
- Sports & Leisure -9% to SEK 368 million (SEK 404 million)
 - Craft good growth, specially in the Promo sales channel
 - Cutter & Buck weaker, mostly in the Retail sales channel
- Gifts & Home Interior -5% to SEK 171 million (SEK 179 million)
 - Orrefors Kosta Boda, retail Sweden

Sales per region

	APR-JUN 2011	Part of turnover	APR-JUN 2010	Part of turnover	Change MSEK	%
Sweden	328	32%	318	30%	10	3
USA	200	20%	257	24%	-57	-22
Nordic count. excl Swe	173	17%	174	16%	-1	-1
Mid-Europe	177	17%	173	16%	4	2
South Europe	113	11%	112	11%	1	1
Other countries	30	3%	31	3%	-1	-3
Total	1 021	100%	1 065	100%	-44	-4

Comments April – June 2011

- ❑ **Operating margin amounted to 7.1% (8.3%)**
 - Excluding non-recurring items 10.1%

- ❑ **Profit margin amounted to 6.0% (7.8%)**
 - Excluding non-recurring items 9.0%

- ❑ **Result per share amounted to SEK 0.55 (SEK 0.90)**
 - Excluding posts affecting comparability SEK 0.99

Income Statement

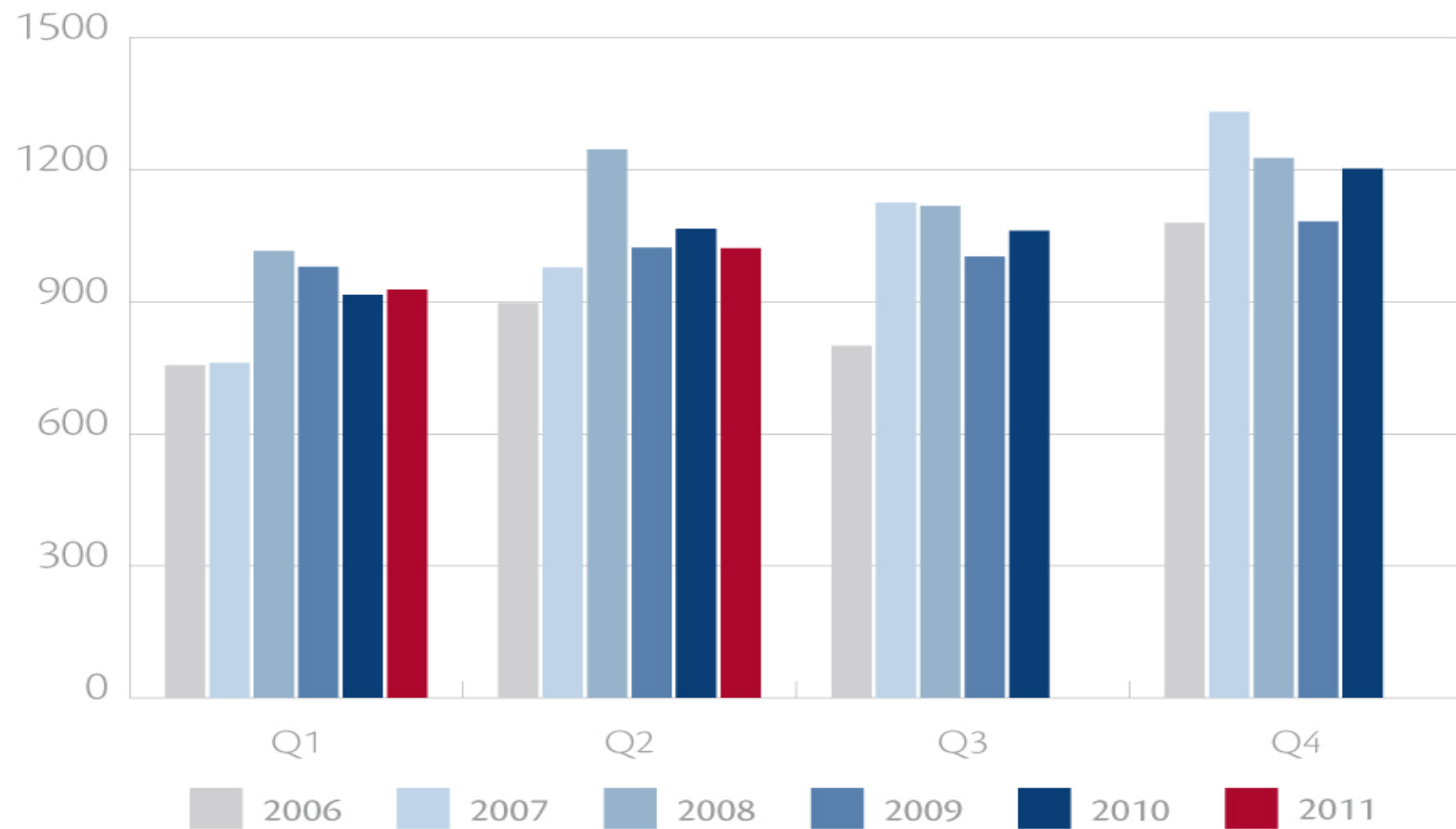
SEK Million	3 mths Apr-Jun 2011	3 mths Apr-Jun 2010
Net sales	1020.9	1065.3
Goods for resale	-522.7	-563.7
Gross profit	498.2	501.6
Other operating income	8.4	5.1
External costs	-241.6	-230.6
Personnel costs	-173.2	-171.7
Depreciation/amortization	-13.2	-15.1
Other operating costs	-5.5	-1.5
Associated companies	-0.4	0.1
Operating profit	72.7	87.9
Financial income	1.0	1.5
Financial costs	-12.2	-6.6
Net financial items	-11.2	-5.1
Profit before tax	61.5	82.8
Tax on profit for the period	-24.2	-23.4
Profit for the period	37.3	59.4
Earnings per share before dilution	0.55	0.90

Income statement – business area

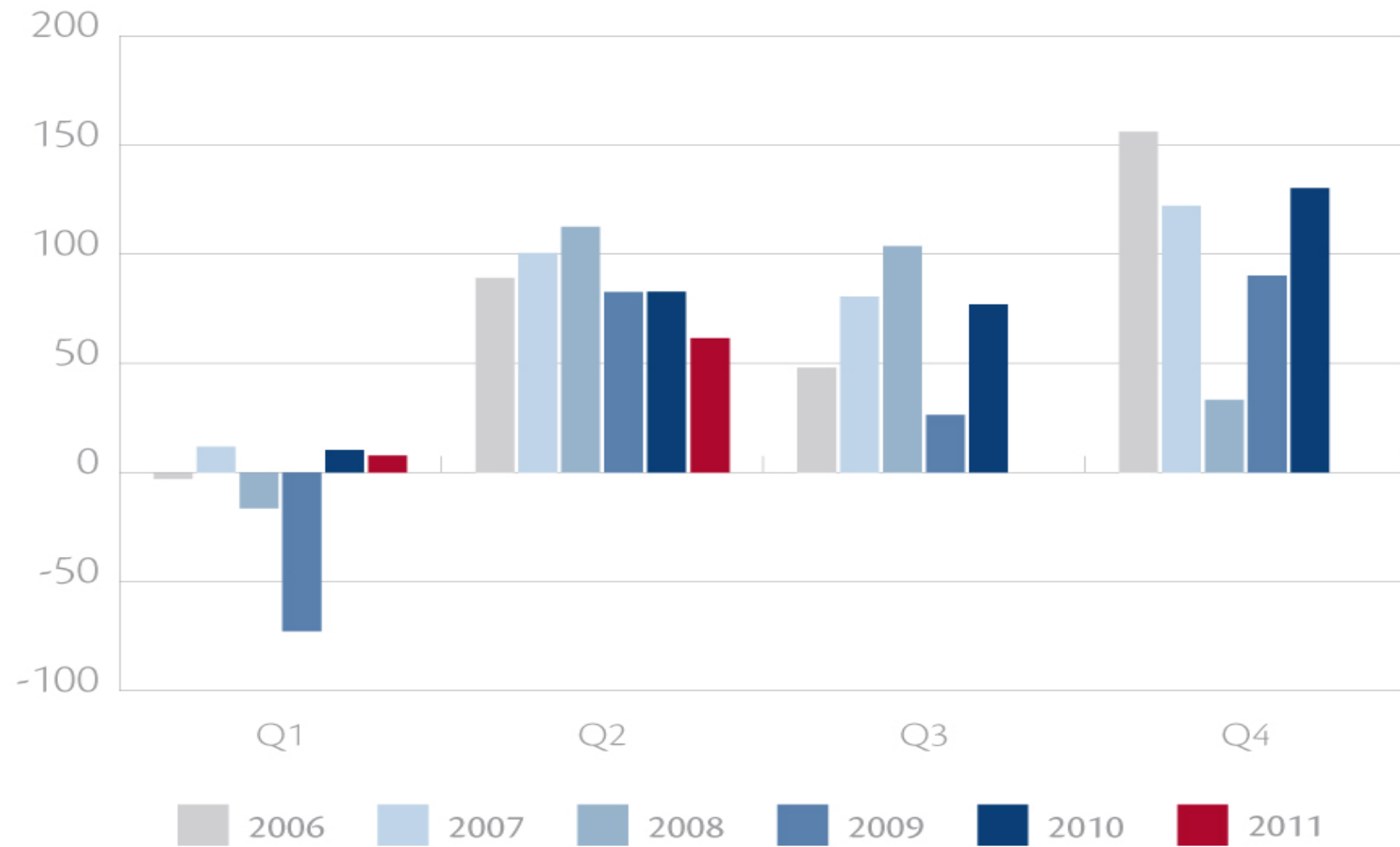
□ EBITDA

- Corporate Promo amounted to SEK 74.8 million (SEK 77.3 million)
 - Excl non-recurring item SEK 98.3 million (+27%).
- Sports & Leisure amounted to SEK 25.9 million (SEK 30.1 million)
 - Lower sales
- Gifts & Home Furnishings amounted to SEK -14.8 million (SEK -4.4 million)
 - Excl non-recurring item SEK -7.8 million
 - Lower sales

Sales



Profit before tax



Cash Flow April – June 2011

SEK Million	3 mths Apr-Jun 2011	3 mths Apr-Jun 2010
Cash flow from operating act before changes in working capital	62.0	82.4
Changes in working capital	-35.8	35.1
Cash flow from operating activities	26.2	117.5
Investing activities	-19.6	-6.7
Cash flow after investing activities	6.6	110.8
Financial activities	-30.6	-106.8
Cash flow for the period	-24.0	4.0

January – June 2011

- ❑ Sales amounted to SEK 1 948 million, which was 5% higher than last year in local currencies and 2% lower in SEK (SEK 1 981 million)
- ❑ Operating profit amounted to SEK 90.4 million (SEK 104.8 million)
 - Excluding non-recurring items SEK 120.9 million (+15%)
- ❑ Profit after tax amounted to SEK 43.0 million (SEK 67.0 million)
 - Excluding posts non-recurring items SEK 71.7 million (+7%)
- ❑ Cash flow from operations SEK -116.4 million (SEK 182.9 million)
- ❑ Equity ratio increased to 43.8 (42.4) %
- ❑ Net debt to equity ratio decreased to 83.3 (86.7) %

Comments January – June 2011

□ Sales -2%, SEK 1 948 million (SEK 1 981 million)

- Sales in local currencies +5% (currency effect SEK -136 million or -7%)
- Promo, Sports & Leisure growth and Gifts & Home Furnishings weak (local currencies)
- All our geographical regions are showing signs of growth (local currencies)
- Growth in the Promo sales channel, while Retail is weaker

□ Business Areas

- Corporate Promo +1% to SEK 894 million (SEK 881 million)
 - Improved promo market in most of our markets
- Sports & Leisure -3% to SEK 757 million (SEK 784 million)
 - Signs of good growth in Craft, especially in the promo sales channel
 - Cutter & Buck; growth in the promo sales channel, retail weaker
- Gifts & Home Furnishings -6% to SEK 298 million (SEK 316 million)
 - Orrefors Kosta Boda, Swedish retail

Sales per region

	JAN-JUN 2011	Part of turnover	JAN-JUN 2010	Part of turnover	Change MSEK		%
Sweden	600	31%	581	29%	19		3
USA	371	19%	432	22%	-61		-14
Nordic countries ex Swe	324	17%	319	16%	5		2
Mid-Europe	374	19%	374	19%	0		0
South Europe	216	11%	214	11%	2		1
Other countries	64	3%	61	3%	3		5
Total	1 949	100%	1 981	100%	-32		-2

Comments January – June 2011

- ❑ **Operating margin amounted to 4.6% (5.3%)**
 - Excluding non-recurring items 6.2%

- ❑ **Profit margin amounted to 3.6% (4.7%)**
 - Excluding non-recurring items 5.1%

- ❑ **Result per share amounted to SEK 0.63 (SEK 1.01)**
 - Excluding non-recurring items SEK 1.06

Income Statement

SEK Million	6 mths Jan-Jun 2011	6 mths Jan-Jun 2010
Net sales	1948.5	1980.6
Goods for resale	-1016.6	-1041.6
Gross profit	931.9	939.0
Other operating income	21.0	10.2
External costs	-483.1	-471.0
Personnel costs	-341.4	-338.7
Depreciation/amorization	-24.3	-30.0
Other operating costs	-13.4	-5.4
Associated companies	-0.3	0.7
Operating profit	90.4	104.8
Financial income	2.6	2.5
Financial costs	-23.7	-14.2
Net financial items	-21.1	-11.7
Profit before tax	69.3	93.1
Tax on profit for the period	-26.3	-26.1
Profit for the period	43.0	67.0
Result per share before dilution	0.63	1.01

Income statement – business area

□ EBITDA

- Corporate Promo amounted to SEK 99.4 million (SEK 91.0 million)
 - Excl non-recurring item SEK 122.9 million (+35%).
- Sports & Leisure amounted to SEK 62.3 million (SEK 70.5 million)
 - Lower turnover
 - Higher sales- and marketing activities
- Gifts & Home Furnishings amounted to SEK -47.0 million (SEK -26.7 million)
 - Excl non-recurring item SEK -40.0 million
 - Lower turnover and margins

Cash Flow January – June 2011

SEK Million	6 mths Jan - Jun 2011	6 mths Jan - Jun 2010
Cash flow from operating act before changes in working capital	39.4	102.5
Changes in working capital	-155.8	80.4
Cash flow from operating activities	-116.4	182.9
Investing activities	-46.7	-22.7
Cash flow after investing activities	-163.1	160.2
Financial activities	107.1	-163.8
Cash flow for the period	-56.0	-3.6

Stock

□ Amounted to SEK 1 778 million (SEK 1 579 million) per 30 June, 2011

— Merchandise on stock	SEK 1 571 million (SEK 1 384 million)
— Raw materials etc.	SEK 207 million (SEK 195 million)
— Provision for obsolescence	SEK 61 million (SEK 61 million)

Supply conditions are continually improving.

Financial Highlights – Summery

	6 mths Jan - Jun 2011	6 mths Jan - Jun 2010	12 mths Jan - Dec 2010	12 mths Jan - Dec 2009
Sales growth %	-1.6	-1.1	3.8	-11.2
Number of employees	2 162	2 159	2 196	2 203
Gross margin %	47.8	47.4	47.1	46.5
Operating margin bef. depreciation %	5.9	6.8	9.1	5.9
Operating margin %	4.6	5.3	7.7	4.2
Profitmargin %	3.6	4.7	7.1	3.1
Return on equity%	4.8	7.4	12.1	4.9
Return on capital employed %	5.2	6.0	9.4	4.3
Equityratio %	43.8	42.4	44.8	41.0
Netdebt/Equityratio %	83.3	86.7	72.8	96.3
NetdebtSEK million	1591.1	1621.9	1406.6	1740.8
Stock turnover - times	1.2	1.3	1.4	1.1
Cash flow bef investments SEK million	-116.4	182.9	343.6	806.3
Netinvestments SEK million	-46.7	-22.7	-57.6	-23.0
Cash flow after investments SEK million	-163.1	160.2	286.0	783.3
Equityper share SEK	28.78	28.19	29.14	27.24

Events after the end of the quarter

Acquisition of AHEAD

- ❑ **Acquiring the entire operation and all assets in the American cap and clothing company Ahead for USD 17.4 million, as well as accounts receivable amounting to roughly USD 5 million**
- ❑ **In 2010, the company 's turnover was about USD 32 million and the operating profit USD 2.7 million**
- ❑ **Sales are stronger first six month, somewhat lower the second half year.**
- ❑ **Consolidated from 1 August.**

Views on 2011 - 2014

2011 – We expect a higher turnover and a somewhat better profit

2012-2014 – Sales increase and better result

Better focus on cash flow than in previous years

We strive to make everyone who buys our products
happy customers.

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!