




NewWave
G R O U P

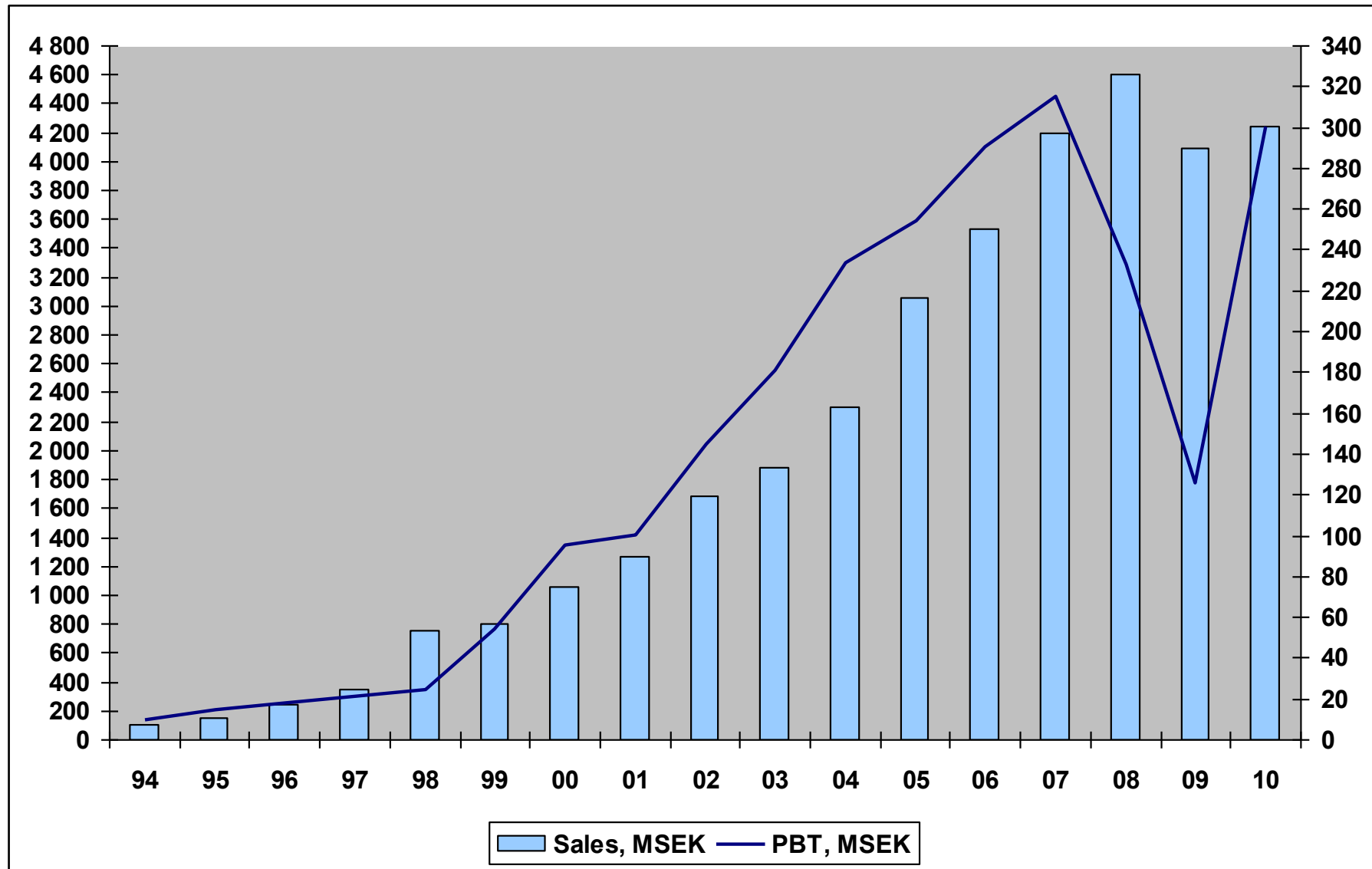
Presentation
11 November

Interim Report
July - September
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 17 countries

...is Sweden's major supplier of sports articles, with brands
such as 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's 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

July – September 2011

- Sales amounted to SEK 1,101 million, which was 7% higher than last year in local currencies and 4% higher in SEK (SEK 1,061 million)
- Acquired units contributed by SEK 33 million (3%)
- Gross profit margin amounted to 46.4% (45.2%)
- Operating profit improved by SEK 21.5 million and amounted to SEK 106.2 million (SEK 84.7 million)
- Profit after tax amounted to SEK 73.4 million (SEK 55.5 million)
- Cash flow from operations SEK -100.0 million (SEK -41.5 million)

Comments July – September 2011

Sales +4%, SEK 1,101 million (SEK 1,061 million)

- Sales in local currencies +7% (currency effect SEK -39 million or -3%)
- Acquired unit Ahead contributed by SEK 33 million (3%)
- Promo increased, Sports & Leisure (excl Ahead) slightly above last year, Gifts & Home Furnishings weak
- The Nordic Countries and Northern Europe growth, weaker U.S. market (local currencies)
- Promo sales channel showing signs of growth, while retail is weaker

Operating Segments

- Promo +4% to SEK 398 million (SEK 382 million)
 - Nordic promo market stronger, weaker in Southern Europe
- Sports & Leisure +7% to SEK 538 million (SEK 503 million)
 - Ahead contributed SEK 33 million
 - Craft is growing well
 - Cutter & Buck weaker, mainly in the retail sales channel
- Gifts & Home Furnishings -6% to SEK 165 million (SEK 175 million)
 - Orrefors Kosta Boda, Swedish retail

Sales per Region

	JUL-SEP 2011	Part of turnover	JUL-SEP 2010	Part of turnover	Change MKR	%
Sweden	323	29%	304	29%	19	6
USA	273	25%	265	25%	8	3
Nordic count. ex Sweden	172	16%	171	16%	1	1
Central Europe	185	17%	182	17%	3	2
South Europe	98	9%	96	9%	2	2
Other countries	50	4%	43	4%	7	16
Total	1 101	100%	1 061	100%	40	4

Comments July – September 2011

- Operating margin amounted to 9.6% (8.0%)
- Profit margin amounted to 8.4% (7.3%)
- Result per share amounted to SEK 1.10 (SEK 0.83)

Income Statement

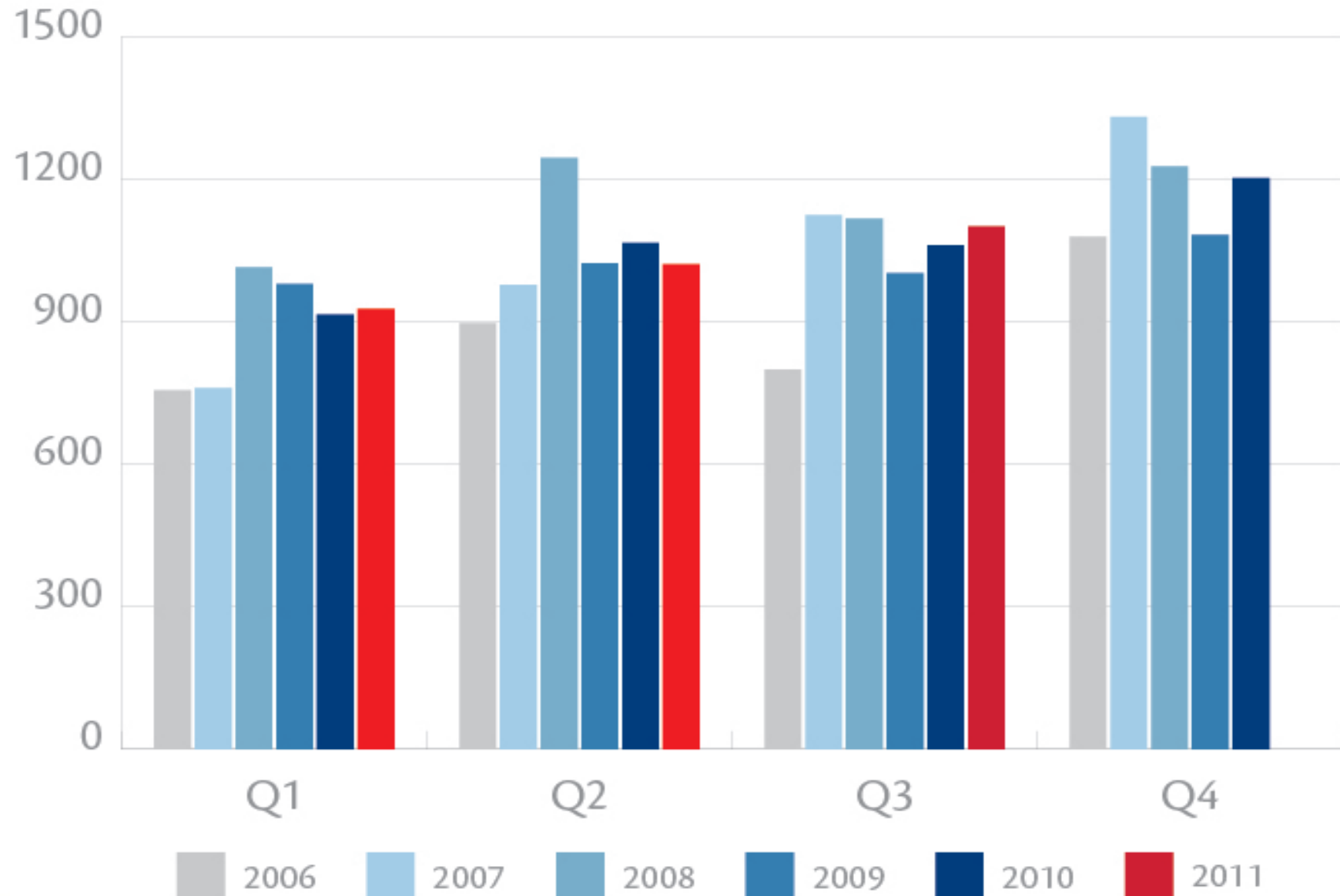
SEK Million	Jul-Sep 2011	Jul-Sep 2010
Income	1100.9	1060.7
Goods for resale	-590.2	-581.2
Gross profit	510.7	479.5
Other operating income	11.5	12.6
External costs	-231.4	-222.3
Personnel costs	-165.2	-161.1
Depreciation/amortization	-12.7	-14.2
Other operating costs	-6.7	-10.2
Associated companies	0.0	0.4
Operating profit	106.2	84.7
Financial income	1.1	0.6
Financial costs	-14.9	-8.3
Net financial items	-13.8	-7.7
Profit before tax	92.4	77.0
Tax on profit for the period	-19.0	-21.5
Profit for the period	73.4	55.5
Earnings per share before dilution	1.10	0.83

Income Statement – Operating segments

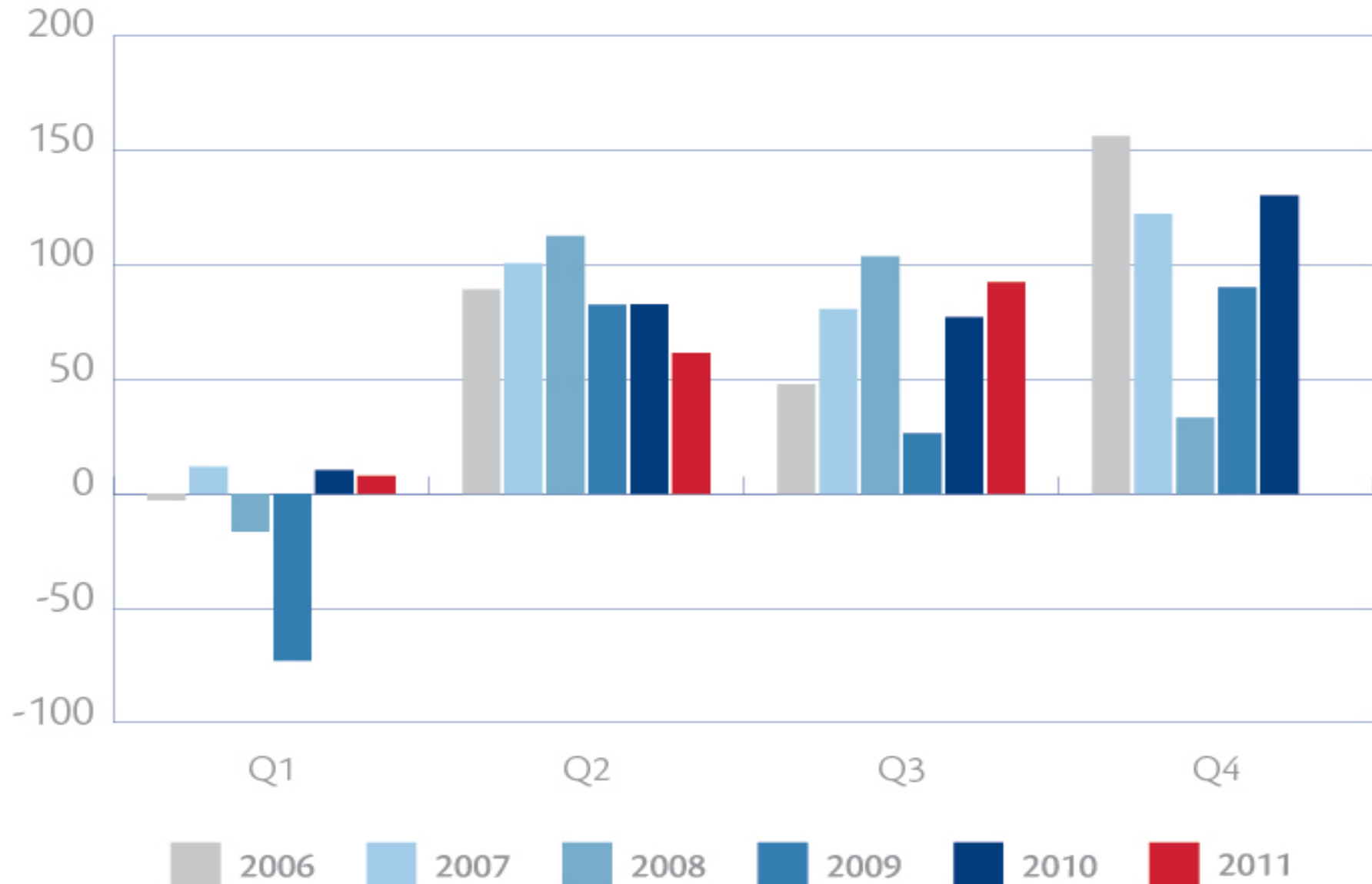
EBITDA

- Promo amounted to SEK 49.6 million (SEK 32.4 million)
 - +53%
- Sports & Leisure amounted to SEK 78.7 million (SEK 77.4 million)
 - Ahead SEK -2.0 million and more marketing activities
- Gifts & Home Furnishings amounted to SEK -9.4 million (SEK -10.9 million)
 - Lower turnover

Sales



Profit before tax



Cash Flow July – September 2011

SEK Million	3 mths Jul-Sep 2011	3 mths Jul-Sep 2010
Cash flow from operating act before changes in working capital	112.6	115.5
Changes in working capital	-212.6	-157.0
Cash flow from operating activities	-100.0	-41.5
Investing activities	-161.3	-19.0
Cash flow after investing activities	-261.3	-60.5
Financial activities	339.8	50.9
Cash flow for the period	78.5	-9.6

January – September 2011

- Sales amounted to SEK 3,049 million, which was 6% higher than last year in local currencies and slightly higher than last year in SEK (SEK 3,041 million)
- Acquired unit Ahead had a SEK 33 million (1%) turnover
- Operating profit amounted to SEK 196.6 million (SEK 189.5 million)
 - Excluding posts affecting comparability SEK 227.1 million (+20%)
- Profit after tax amounted to SEK 116.4 million (SEK 122.5 million)
 - Excluding posts affecting comparability SEK 138.1 million (+13%)

January – September 2011

- Cash flow from operations SEK -216.4 million (SEK 141.4 million)
- Equity ratio amounted to 41.3% (42.4%)
- Net debt to equity ratio increased to 93.9% (87.9%)
- Net debt to working capital ratio decreased to 81.0% (82.1%)

Comments January – September 2011

- **Sales +-0 %, SEK 3,049 million (SEK 3,041 million)**
 - Sales in local currencies +6% (currency effect SEK -174 million or -6%)
 - Acquired unit Ahead contributed by SEK 33 million (1%)
 - Promo good development in the Nordic countries, Sports & Leisure growth in the Nordic countries and Northern Europe, Gifts & Home Furnishings weak (local currencies)
 - The Nordic countries and most of the European countries are showing signs of growth, while the U.S. market is weaker (local currencies)
 - Promo sales channel showing signs of growth, while retail is weaker
- **Operating Segments**
 - Promo +2% to SEK 1,291 million (SEK 1,263 million)
 - Improved promo market in most of our markets
 - Sports & Leisure +1% to SEK 1,295 million (SEK 1,287 million)
 - Ahead SEK 33 million
 - Craft is having good growth
 - Cutter & Buck growth in promo sales channel, retail weaker
 - Gifts & Home Furnishings -6% to SEK 463 million (SEK 491 million)
 - Orrefors Kosta Boda, Swedish retail

Sales per Region

	JAN-SEP 2011	Part of turnover	JAN-SEP 2010	Part of turnover	Change MSEK	%
Sweden	923	30%	885	29%	38	4
USA	644	21%	697	23%	-53	-8
Nordic countries	496	16%	490	16%	6	1
Central Europe	559	19%	555	19%	4	1
South Europe	314	10%	310	10%	4	1
Other countries	113	4%	104	3%	9	9
Total	3 049	100%	3 041	100%	8	0

Comments January – September 2011

- **Operating margin amounted to 6.5% (6.2%)**
 - Excluding non-recurring items 7.4%
- **Profit margin amounted to 5.3% (5.6%)**
 - Excluding non-recurring items 6.3 %
- **Result per share amounted to SEK 1.73 (SEK 1.84)**
 - Excluding non-recurring items SEK 2.06

Income Statement

SEK Million	9 mths Jan-Sep 2011	9 mths Jan-Sep 2010
Income	3049.4	3041.3
Goods for resale	-1606.8	-1622.8
Gross profit	1442.6	1418.5
Other operating income	32.5	22.8
External costs	-714.5	-693.3
Personnel costs	-506.6	-499.8
Depreciation/amorization	-37.0	-44.2
Other operating costs	-20.1	-15.6
Associated companies	-0.3	1.1
Operating profit	196.6	189.5
Financial income	3.7	3.1
Financial costs	-38.6	-22.5
Net financial items	-34.6	-19.4
Profit before tax	161.7	170.1
Tax on profit for the period	-45.3	-47.6
Profit for the period	116.4	122.5
Result per share before dilution	1.73	1.84

Income Statement – Operating segments

EBITDA

- Promo amounted to SEK 149.0 million (SEK 123.4 million)
 - Excl. non-recurring items SEK 171.5 million (+39%)
- Sports & Leisure amounted to SEK 141.0 million (SEK 147.9 million)
 - Ahead SEK -2 million
 - Lower turnover (excl Ahead)
 - Increased sales and marketing efforts
- Gifts & Home Furnishings amounted to SEK -56.4 million (SEK -37.6 million)
 - Excl. non-recurring items SEK -49.4 million
 - Lower turnover and margins

Cash Flow January – September 2011

SEK Million	9 mths Jan - Sep 2011	9 mths Jan - Sep 2010
Cash flow from operating act before changes in working capital	164.5	218.0
Changes in working capital	-380.9	-76.6
Cash flow from operating activities	-216.4	141.4
Investing activitites	-208.0	-41.7
Cash flow after investing activities	-424.4	99.7
Financial activities	446.9	-112.9
Cash flow for the period	22.5	-13.2

Stock

- **Amounted to SEK 2,034 million (SEK 1,623 million) as of 30 September, 2011**

— Merchandise on stock	1,844	(1,424) SEK million
— Raw materials etc.	190	(199) SEK million
— Provision for obsolescence	71	(70) SEK million

The increase is planned since historically we have had too little merchandise on stock in some segments and therefore have not been able to meet our customers needs.

Financial Highlights – Summary

	9 months Jan-Sep 2011	9 months Jan-Sep 2010	12 months Jan-Dec 2010	12 months Jan-Dec 2009
Sales growth, %	0.3	1.2	3.8	-11.2
Number of employees	2 387	2 174	2 196	2 203
Gross profitmargin, %	47.3	46.6	47.1	46.5
Operating margin before depreciation, %	7.7	7.7	9.1	5.9
Operating margin, %	6.5	6.2	7.7	4.2
Profitmargin, %	5.3	5.6	7.1	3.1
Return on shareholders' equity, %	7.8	9.2	12.1	4.9
Return on capital employed, %	7.1	7.2	9.4	4.3
Equityratio, %	41.3	42.4	44.8	41.0
Netdebt- Equityratio, %	93.9	87.9	72.8	96.3
Netdebt- working capital ratio, %	81.0	82.1	75.3	87.7
Netdebt, SEK million	1902.6	1594.1	1406.6	1740.8
Stock turnover, times	1.2	1.3	1.4	1.1
Cash flow before investments, SEK million	-216.4	141.4	343.6	806.3
Netinvestments, SEK million	-208.0	-41.7	-57.6	-23.0
Cash flow after investments, SEK million	-424.4	99.7	286.0	783.3
Shareholders' equityper share, SEK	30.54	27.34	29.14	27.24

Acquisition of AHEAD

- On 29 July we acquired the entire operation and all assets of the American cap and apparel company Ahead for USD 23.8 million. The Acquisition was made through subsidiaries in the U.S. and Switzerland.
- The majority of the acquisition is financed in USD
- Ahead was founded in 1995 and has its head office in New Bedford, Mass.
- The company has been very successful in the golf segment with high quality caps, but also matching apparel. Ahead offers products in four categories:
 - Men's wear
 - Caps
 - The golf collection "Heavey Metal"
 - The golf collection "Kate Lord"



Acquisition of AHEAD

- The company had a USD 32 million turnover in 2010 and an operating profit of USD 2.7 million. The company has 217 employees.
- Turnover higher during the first six months of the year, lower during the second half
- Consolidated from the day of acquisition and has contributed SEK 33 million in sales and SEK -2 million profit before tax
- Pro forma from the beginning of the year:
 - Sales SEK 167 million
 - Profit before tax SEK 6 million higher

Views on 2011

We expect a higher turnover and a somewhat better result than 2010.

Incoming deliveries will be moved forward because of the Chinese New Year, which means that our stock levels will be higher than normal at the end of the financial year.

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!