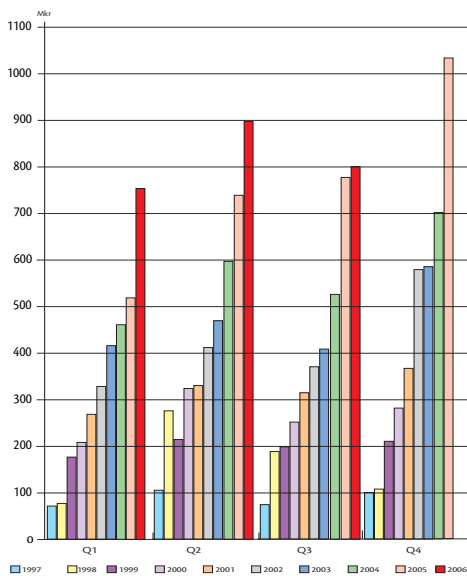


## *Interim Report for New Wave Group AB (publ)*

Q3 | JANUARY–SEPTEMBER 2006



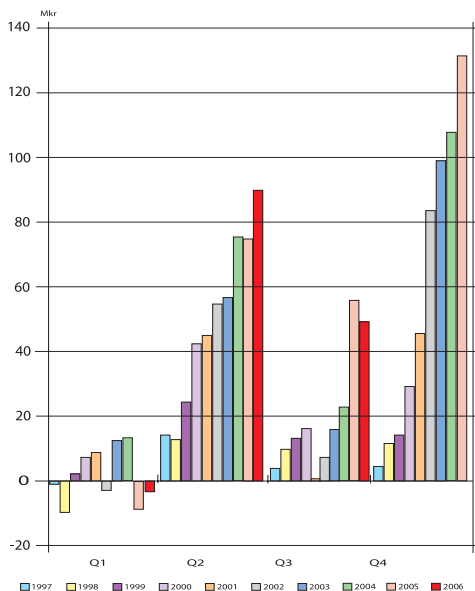
- Sales increased by 21 % to SEK 2 452 (2 029) M.
- Thereof acquired units contributed by SEK 245 M. This gives an organic growth of 9 %.
- The result after net finance improved by SEK 11.7 M to SEK 134.1 (122.4) M.
- The result after tax improved to SEK 100.8 (93.6) M and profit per share improved to SEK 1.55 (1.46).
- Cost for new establishments amounted to SEK 33.6 M, including cost for establishments around Orrefors Kosta Boda.
- Acquired units burdened the results after net financial items to the second quarter inclusive with SEK 21.3 M. The third quarter has not been affected by acquired units.
- The Corporate Profiling business area's sales increased by 11 % to SEK 1 484 (1 335) M. Profit on EBITDA-level increased by SEK 24.7 M to SEK 172.6 (147.9) M.
- The Retailing business area's sales increased by 39 % to SEK 968 (694) M. Profit on EBITDA-level increased by SEK 3.1 to SEK 32.6 (29.5) M.
- Third quarter sales increased by 3.4 % to SEK 800 (774) M and profit after net financial items decreased by SEK 8.5 M to SEK 47.9 (56.4) M.
- New Wave's previous forecast, with sales and results for 2006 expected to exceed the preceding year, remains.



## SALES

Sales increased by 21 % to SEK 2 452 (2 029) M during January – September, of which acquired units contributed with SEK 245 M. This gives an organic growth of 9 %. The currency exchange rate has contributed by SEK 7 M.

Third quarter sales increased by 3.4% to SEK 800 (774) M. During the third quarter last year Orrefors Kosta Boda delivered an order of SEK 12.5 M. This order was taken before the acquisition and had a negative margin. The mild spring has had a negative impact on sales of textile both within profile and retail and a delay of sales into the fourth quarter. The currency exchange rate has had a negative effect of SEK 6 M.



## PROFIT

The results after net finance improved by SEK 11.7 M to SEK 134.1 (122.4) M. The results after tax improved to SEK 100.8 (93.6) M and profit per share improved to SEK 1.55 (1.46). Acquired units burdened the results with SEK 21.3 M and the cost for new establishments amounted to SEK 33.6 M. The cost for new establishments also includes the new activities around Orrefors Kosta Boda. The acquired units are the Intraco group that is consolidated from

July 2005 and the Orrefors Kosta Boda group that is consolidated from June 2005, meaning that the third quarter was not effected by acquisitions.

Third quarter profit decreased before tax by SEK 8.5 M to SEK 47.9 (56.4) M. The cost for establishments amounted to SEK 9.7 M. The result is affected negatively with an amount of SEK 3.1 M due to an insurance dispute. The dispute regards totally SEK 6.2 M and the District Court decided totally in favour of New Wave Group. However, the Court of Appeal dismissed New Wave Group's claim and overruled the District Court's decision. New Wave Group has appealed the Court of Appeal's decision to the Supreme Court and requested an order of certiorari. New Wave Group will also claim damages from the insurance broker that was responsible for the handling of the insurance in question. Until the Supreme Court has come to a decision regarding the requested order of certiorari and New Wave Group claim towards the insurance broker has been judged, the claim has been written down from SEK 6.2 M to SEK 3.1 M.

The gross margin increased to 47 (45.9) % for January – September and to 47 (46.6) % for the third quarter. The gross margin has been affected by higher margins in Orrefors Kosta Boda in relation to other New Wave companies and continuous improvements within the buying operations.

New Wave's external costs as part of sales increased and amounted to 23.3 (21.7) % of sales. The increase is mainly related to acquired units, of which Orrefors Kosta Boda has higher costs for marketing. The personnel costs decreased and amounted to 15.4 (16) % of sales.

Depreciation has increased by SEK 3 M to SEK 28.9 (25.9) M. Acquired units that were not part of the report for the same period in 2005, had SEK 2 M in depreciations.

Net financial items amounted to SEK -42.2 (-29.1) M for the period and SEK -14.8 (-13.6) M for the quarter.

The tax-rate for New Wave was 24.8 % for the period and 22.5 % for the quarter.

## THE CORPORATE SEGMENTS

### Profiling Business Area

The Profiling Business Area's sales increased by 11 % to SEK 1 484 (1 335) M. Profit on EBITDA-level increased by SEK 24.7 M to SEK 172.6 (147.9) M.

### The Retailing Business Area

The Retailing Business Area's sales increased by 39 % to SEK 968 (694) M. Profit on EBITDA-level increased by SEK 2.1 M to SEK 31.6 (29.5) M.

## NEW ESTABLISHMENTS

New Wave has launched and started several new establishments and most of these mean that we add more of existing trademarks and product assortments to already existing New Wave-companies. It normally takes between 12 – 24 months before an

establishment is profitable, depending on the market and organisation. The new establishments are:

Craft, which has been introduced in Switzerland.

New Wave's self developed workwear brand Projob has been launched in Denmark, Spain, Finland, Benelux, Great Britain, Germany, Italy, Switzerland and France.

Jobman has been fully launched in Norway and the launches in Italy, Germany and Holland has commenced.

Grizzly is stocked in Germany.

Clique was during the first quarter of 2006 stocked and launched in Austria.

A multi-brand concept, in which many of the New Wave brands are launched, in Wales. The same concept is established in Ireland, but with deliveries from Wales.

A joint venture in Russia, in which New Wave holds 51 % of the shares and the management holds 49 %, has been established. New Wave consolidates 100 % of the loss. New Wave has an option to buy the remaining shares.

New Wave and Clique are stocked in France.

The concept INsideOUT is launched in Italy and Spain.

Sagaform is launched in Belgium, Spain, England and the USA.

In October, Orrefors and Kosta Boda launched a small flagship store in Shanghai and two more will be opened before the yearend.

An assortment of textiles is launched under the trademark Kosta Linnewäveri this autumn. An assortment of metal products for kitchen and presents will be launched under the trademark Orrefors Jernverk. Moreover, both concepts are under development and the cost for this is taken on a running basis.

Other establishments around Orrefors Kosta Boda, in which New Wave is the sole or majority shareholder, are Orrefors Kosta Hotell & Restaurang AB that will run hotel and restaurant business in Kosta and Orrefors, Orrefors Kosta Event AB that arranges events to increase the tourism in the area, NWC Factory Shop AB that is running New Wave's outlets selling New Wave articles. An outlet with the municipality jointly owned, with a total area of 4 900 m<sup>2</sup> has been built and will open this summer. Most of this new area has been let to external companies with attractive brands. Another 2 000 m<sup>2</sup> outlet has been opened during this summer for sales of products under other trademarks owned by New Wave companies within glass, china and metal. Other businesses that are or will be established in this area are:

A hotel where the real estate will be owned by a company with Lessebo as the majority owner and New Wave as the minority owner. A company in which New Wave is the majority owner and the management of the hotel and restaurant business is the minority owner will run the hotel. The hotel will have approximately 100 beds and will be ready during the autumn of 2007.

A crystal bar designed by Kjell Engman. An outdoor stage will be built for audiences and conferences.

One more outlet of approximately 11 000 m<sup>2</sup> will be built and mainly be let to external companies with attractive brands.

In the future a holiday village and camping site will be built.

These operations will contribute to the increase of the 1 million visitors of Glasriket of today as well as offer more to them. All establishments will be profitable on their own and meet New Wave's profit demands in the long term. Tourists are expected to visit the establishments during summer, while conferences will fill them during winter. Conference packages will be offered to companies via New Wave's retail network in Sweden and abroad.

The real estate is the largest investment, and it will be shared by New Wave and the real estate company of Lessebo.

#### **CAPITAL TIED UP**

During the period, capital tied up in goods has increased by SEK 204 M to SEK 1 671 (1 467) M. As a part of that, Orrefors Kosta Boda, as a production company with the main sales during autumn, increased by SEK 83 M. Accounts receivable decreased by SEK 28 M to SEK 681 (709) M.

#### **INVESTMENTS, FINANCING AND LIQUIDITY**

New Wave's cash-affecting net investments amounted during January – September to SEK -69 (-114) M. Cash flow amounted to SEK 24 (-318) M before investments and acquisitions and SEK -45 (-432) M after investments and acquisitions. Net debt increased by SEK 84 M for the period January – September and amounted to SEK 1 573 (1 489) M. New Wave's credit limits were approx. SEK 2 300 M as of 30 September 2006.

#### **PERSONNEL AND ORGANISATION**

The number of employees as of 30 September 2006 amounted to 2 144 (2 384) persons, of which 40 % were female and 60 % were male. A total of 823 persons were employed within production units. The production owned by New Wave belongs to Orrefors Kosta Boda, Seger, Dahetra and Toppoint.

#### **SUBSCRIPTION OPTIONS IN NEW WAVE GROUP AB (PUBL)**

New Wave has one outstanding program for subscription options. It expires in June 2008 and consist of 1 500 000 options with an exercise price of SEK 73.10.

#### **VIEWS ON THE FISCAL YEAR 2006**

Continued focus on getting new establishments profitable and on integration of the previously acquired companies into New Wave with increased profitability and improved cash flow during the fourth quarter. For 2006 the sales and results are expected to exceed the preceding year for the New Wave companies.

#### **THE PARENT COMPANY**

Sales amounted to SEK 62 (56) M. Profit after financial items amounted to SEK 5.8 (6) M. Net borrowings increased to SEK 1 014 M, of which SEK 751 M refer to subsidiaries. Net investments amounted to SEK 67 (105) M.

#### **ACCOUNTING PRINCIPLES**

This interim report has been prepared according to IAS 34 interim report and the annual report law as well as according to the Swedish Financial Accounting Standards Council's standards RR 32 regarding the parent company. Applied accounting principles are in accordance with the annual report for 2005.

#### **NOMINATION COMMITTEE**

The nomination committee for election of the board to the annual shareholders' meeting consists of the following members:

- Håkan Thylén, chairman of the board and convener.
- Torsten Jansson, CEO and the major shareholder.
- Britt Reigo, represents Robur – the second biggest shareholder.

#### **CALENDAR**

- 16 February 2007  
Yearend report for 2006
- 23 April 2007  
Interim report for Q1
- 11 May 2007  
Annual shareholders meeting
- 13 July 2007  
Interim report for Q2

Kungälv 27 October 2006  
New Wave Group AB (publ)  
Torsten Jansson  
CEO

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#### **ACCOUNTANT REPORT REGARDING AN OVERALL AUDIT**

To the board of New Wave Group AB (publ)

We have carried out an overall audit of the enclosed interim report for 1 January – 30 September 2006. The board and vice president are responsible for the drawing-up and presentation of this interim report according to IAS 34 and the annual report law. Our responsibility is to draw a conclusion about this interim report based on our overall audit.

#### *Aim and extent of the overall audit*

We have conducted this audit according to the standards for overall audit (Standard för översiktlig granskning SÖG 2410 *Översiktlig granskning av finansiell delårsinformation utförd av företags valda revisorer*) published by FAR. An overall audit contains making inquiries, mainly to people responsible for financial and accounting issues, performing an analytic audit and taking other overall audit measures. The overall audit has a different aim and a far smaller extent compared to the aim and extent of audits according to the Swedish audit standards (Revisionsstandard i Sverige RS) and fine audit custom. The audit measures used at an overall audit make it impossible for us to assure that we are aware of all important circumstances that could have been identified had an audit been performed. The pronounced conclusion based on an overall audit therefore lacks the security that an audit would give.

#### *Conclusion*

Based on the overall audit, no circumstances that give us reason to believe that the attached interim report has not been drawn up according to IAS 34 and the annual report law have come up.

Kungälv 27 October 2006

Bjarne Fredriksson	Bertel Enlund
Authorised public accountant	Authorised public accountant
Ernst & Young AB	Ernst & Young AB

## Income Statements

SEK Mkr	9 month	9 month	12 month	12 month
	JAN-SEPT	JAN-SEPT	JAN-DEC	JAN-DEC
	2006	2005	2005	2004
Net sales	2 451.6	2 029.3	3 059.0	2 302.2
Goods for resale	-1 300.5	-1 097.7	-1 638.7	-1 246.4
<b>Gross profit</b>	<b>1 151.1</b>	<b>931.6</b>	<b>1 420.3</b>	<b>1 055.8</b>
Operating income*	13.0	13.9	25.8	20.0
Other external expenses	-570.6	-439.8	-653.9	-440.2
Personnel costs	-378.5	-325.7	-461.5	-341.1
Depreciation of tangible and intangible fixed assets	-28.9	-25.9	-31.5	-29.6
Other expenses	-9.7	-2.6	-3.5	-2.5
Shares in associated companies	-0.1	0.0	-0.1	0.2
<b>Operating profit</b>	<b>176.3</b>	<b>151.5</b>	<b>295.6</b>	<b>262.6</b>
Interest income	7.9	6.3	6.9	4.2
Interest costs	-50.1	-35.4	-48.5	-32.6
<b>Net financial items</b>	<b>-42.2</b>	<b>-29.1</b>	<b>-41.6</b>	<b>-28.4</b>
<b>Profit after financial items</b>	<b>134.1</b>	<b>122.4</b>	<b>254.0</b>	<b>234.2</b>
Tax on the profit for the period	-33.3	-28.8	-47.3	-61.3
<b>Profit/loss for the period</b>	<b>100.8</b>	<b>93.6</b>	<b>206.7</b>	<b>172.9</b>
<b>Related to:</b>				
Shareholders parent company	99.6	85.5	203.0	171.9
Minority share of net profit	1.2	8.1	3.7	1.0
	<b>100.8</b>	<b>93.6</b>	<b>206.7</b>	<b>172.9</b>
<b>Profit per share</b>				
Profit per share before dilution	1.55	1.46	3.22	2.80
Profit per share after dilution	1.51	1.44	3.17	2.74
Weighted number of shares before dilution	65 126 365	64 005 499	64 210 410	61 722 986
Weighted number of shares after dilution	66 575 991	65 075 196	65 306 999	63 143 988

\* Rate of exchange profit and capital gain.

## Quarterly Income Statements

SEK m	2006				2005				2004			
	Quarter	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	755.3	896.7	799.6	516.5	738.6	774.2	1 029.7	468.8	595.8	525.3	712.3	
Goods for resale	-407.7	-468.8	-424.0	-288.6	-395.5	-413.6	-541.0	-256.7	-317.8	-298.0	-374.0	
<b>Gross profit</b>	<b>347.6</b>	<b>427.9</b>	<b>375.6</b>	<b>227.9</b>	<b>343.1</b>	<b>360.6</b>	<b>488.7</b>	<b>212.1</b>	<b>278.0</b>	<b>227.3</b>	<b>338.3</b>	
<b>Gross profit %</b>	<b>46.0</b>	<b>47.7</b>	<b>47.0</b>	<b>44.1</b>	<b>46.5</b>	<b>46.6</b>	<b>47.5</b>	<b>45.2</b>	<b>46.7</b>	<b>43.3</b>	<b>47.5</b>	
Other income	1.8	5.5	5.7	2.6	1.9	9.4	11.9	3.1	4.1	5.6	7.2	
External costs	-199.9	-184.4	-186.3	-122.0	-145.8	-172.0	-214.2	-105.5	-105.0	-106.2	-123.5	
Personnel costs	-129.4	-132.3	-116.8	-99.8	-110.5	-115.4	-135.8	-78.8	-85.0	-81.4	-95.9	
Depreciations	-9.4	-9.3	-10.2	-7.4	-8.5	-10.0	-5.6	-7.5	-8.0	-7.8	-6.4	
Other costs	-0.8	-3.7	-5.2	-1.3	1.3	-2.6	-0.9	0.0	0.0	-2.7	0.2	
	-	-	-0.1	-	-	-	-	-	-	-	-	
<b>Operating profit/loss</b>	<b>9.9</b>	<b>103.7</b>	<b>62.7</b>	<b>0.0</b>	<b>81.5</b>	<b>70.0</b>	<b>144.1</b>	<b>23.4</b>	<b>84.1</b>	<b>34.8</b>	<b>119.9</b>	
Interest income	2.0	4.2	1.7	5.2	0.9	0.3	0.5	0.7	0.0	1.6	1.2	
Interest expenses	-14.8	-18.8	-16.5	-13.7	-7.9	-13.9	-13.0	-6.5	-8.2	-7.8	-9.1	
<b>Result after financial items</b>	<b>-2.9</b>	<b>89.1</b>	<b>47.9</b>	<b>-8.5</b>	<b>74.5</b>	<b>56.4</b>	<b>131.6</b>	<b>17.6</b>	<b>75.9</b>	<b>28.6</b>	<b>112.0</b>	
Tax	0.8	-23.4	-10.7	1.3	-18.1	-12.0	-18.5	-4.3	-18.4	-6.9	-31.8	
<b>Profit/loss for the period</b>	<b>-2.1</b>	<b>65.7</b>	<b>37.2</b>	<b>-7.2</b>	<b>56.4</b>	<b>44.4</b>	<b>113.1</b>	<b>13.3</b>	<b>57.5</b>	<b>21.7</b>	<b>80.2</b>	
<b>Profit per share</b>												
Profit per share before dilution	-0.04	1.01	0.55	-0.11	0.88	0.69	1.75	0.22	0.93	0.35	1.30	
Profit per share after dilution	-0.04	0.99	0.55	-0.11	0.88	0.68	1.72	0.22	0.92	0.35	1.30	
Weighted number of shares before dilution	64 517 776	64 517 776	66 343 543	63 665 348	63 903 044	64 005 499	64 517 776	59 160 848	61 772 986	61 447 142	61 722 986	
Weighted number of shares after dilution	66 003 728	66 040 365	67 719 546	64 102 822	64 001 750	65 075 196	65 843 709	60 123 100	62 276 636	62 575 992	61 838 990	

## Balance Sheets

SEK m	30-sep 2006	30-sep 2005	31-dec 2005	31-dec 2004
<b>Assets</b>				
Intangible fixed assets	141.4	77.4	138.3	12.9
Goodwill	381.5	370.7	371.8	340.9
Fixed assets	338.4	363.9	319.9	216.4
Other long-term receivables	98.0	61.5	95.8	45.9
<b>Total fixed assets</b>	<b>959.3</b>	<b>873.5</b>	<b>925.8</b>	<b>616.1</b>
Stock	1 671.4	1 497.9	1 466.8	971.9
Accounts receivable	681.1	652.2	708.5	482.4
Other short-term receivables	137.4	180.3	147.5	77.1
Liquid funds	105.3	90.8	133.8	84.1
<b>Total current assets</b>	<b>2 595.2</b>	<b>2 421.2</b>	<b>2 456.6</b>	<b>1 615.5</b>
<b>TOTAL ASSETS</b>	<b>3 554.5</b>	<b>3 294.7</b>	<b>3 382.4</b>	<b>2 231.6</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>	<b>1 209.3</b>	<b>1 064.5</b>	<b>1 144.0</b>	<b>910.6</b>
Long term loans	1 649.9	1 633.8	1 540.3	515.9
Other long term liabilities	109.3	61.2	104.4	57.3
<b>Total long term liabilities</b>	<b>1 759.2</b>	<b>1 695.0</b>	<b>1 644.7</b>	<b>573.2</b>
Short term loans	29.1	74.2	82.2	454.4
Other liabilities	556.9	461.0	511.5	293.4
<b>Total short term liabilities</b>	<b>586.0</b>	<b>535.2</b>	<b>593.7</b>	<b>747.8</b>
<b>Total liabilities</b>	<b>2 345.2</b>	<b>2 230.2</b>	<b>2 238.4</b>	<b>1 321.0</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3 554.5</b>	<b>3 294.7</b>	<b>3 382.4</b>	<b>2 231.6</b>
<b>Changes in equity</b>				
Opening balance	1 144.0	910.6	910.6	614.8
New accounting principle	-	-	-	-13.6
Adjusted opening balance	1 144.0	910.6	910.6	601.2
Translation difference	-20.3	19.0	23.9	-2.8
Cash flow hedge	0.3	3.7	-3.6	-
Equity change minority	-10.9	28.8	-2.9	5.1
Profit/loss related to the shareholdersaktieägare	99.6	85.5	203.0	171.9
Profit/loss related to the minority	1.2	8.1	3.7	1.0
Dividends	-58.1	-47.3	-47.5	-36.3
New issue	53.5	44.0	44.0	169.7
Option premiums	-	12.1	12.8	0.8
	<b>1 209.3</b>	<b>1 064.5</b>	<b>1 144.0</b>	<b>910.6</b>

# Cash Flow Analysis

	1 jan - 30 sep 2006	1 jan - 30 sep 2005	1 jan - 31 dec 2005	1 jan - 31 dec 2004
<b>SEK Mkr</b>				
<b>Current operation</b>				
Profit/loss before financial items	176.3	143.9	295.6	242.4
Justering för poster som inte ingår i kassaflödet	34.3	20.1	17.9	48.5
Gained interest	7.9	6.3	6.9	4.4
Paid interest	-50.1	-35.4	-48.5	-32.6
Paid income	-41.4	-46.5	-53.7	-72.6
<b>Cash flow from current operations before changes in working capital</b>	<b>127.0</b>	<b>88.4</b>	<b>218.2</b>	<b>190.1</b>
<b>Cash flow from changes in working capital</b>				
Increase of stock	-200.8	-275.4	-244.7	-170.6
Increase/decrease of current receivables	45.4	-76.3	-90.1	-4.4
Increase/decrease of accounts payables	52.7	-54.3	19.2	-12.8
<b>Cash flow from operation</b>	<b>24.3</b>	<b>-317.6</b>	<b>-97.4</b>	<b>2.3</b>
<b>Investments</b>				
Investment of material assets	-51.4	-27.0	-79.6	-33.9
Sales of material assets	0	0	0.4	0.5
Investment of immaterial assets	-3.9	0.0	-8.9	-32.9
Subsidiary acquisitions*	-6.4	-87.3	-88.3	-175.6
Investment of financial assets	-7.2	0	-45.0	-3.5
Sales of financial assets	0	0	1.2	0
<b>Cash flow from investments</b>	<b>-68.9</b>	<b>-114.3</b>	<b>-220.2</b>	<b>-245.4</b>
<b>Cash flow after investments</b>	<b>-44.6</b>	<b>-431.9</b>	<b>-317.6</b>	<b>-243.1</b>
<b>Financial payments</b>				
New issue	53.5	44.0	44.0	149.7
Options premium	-	12.1	-	-
Increase of loans	23.9	424.4	365.2	192.1
Utbetald utdelning till moderbolagets aktieägare	-58.1	-47.3	-47.5	-36.3
<b>Cash flow from financial payments</b>	<b>19.3</b>	<b>433.2</b>	<b>361.7</b>	<b>305.5</b>
Cash flow of the year	-25.3	1.3	44.1	62.4
Opening cash balance	133.8	84.1	84.1	21.9
Currency translation difference in cash	-3.2	5.4	5.6	-0.2
<b>Ending cash balance</b>	<b>105.3</b>	<b>90.8</b>	<b>133.8</b>	<b>84.1</b>

\*The item includes:

Goodwill	-4.9	-34.0	-46.1	-41.7
Brands	-	-48.0	-112.0	-
Working capital	-6.2	-214.2	-192.2	-196.2
Fixed assets	-0.1	-154.2	-87.7	-9.0
Transferred loans	4.8	351.0	361.8	71.3
Paid with non-cash issue	-	12.1	-12.1	-

**Effect on the cash flow**      **-6.4**      **-87.3**      **-88.3**      **-175.6**

## Financial highlights

	IFRS				Swedish standard	
	JAN-SEPT 2006	JAN-SEPT 2005	JAN - DEC 2005	JAN - DEC 2004	JAN - DEC 2003	JAN - DEC 2002
Sales growth %	20,8	27,6	32,9	22,3	11,5	32,0
Number of employees	2 144	2 389	2 032	1 269	806	729
Gross profit margin %	47,0	45,9	46,4	45,9	44,4	42,0
Operating margin before depreciation %	8,4	8,7	10,7	12,7	13,0	12,8
Operating margin %	7,2	7,5	9,7	11,4	10,9	10,6
Profit margin %	5,5	6,0	8,3	10,2	9,6	8,6
Netto margin %	4,1	4,6	6,8	7,5	7,1	6,2
Return on shareholders' equity %	12,0	12,8	20,3	22,7	23,8	22,0
Return on capital employed %	8,5	9,1	13,0	16,6	16,5	16,9
Equity ratio %	34,0	32,3	33,8	40,8	37,4	37,9
Net dept - Equity ratio %	140,7	152,0	130,1	97,3	113,1	123,0
Net liabilities SEK m	1 573,7	1 617,9	1 488,7	886,2	692,5	629,0
Interest cover ratio times	3,7	4,5	6,2	8,2	7,8	4,8
Rate of capital turnover times	0,9	1,0	1,2	1,2	1,2	1,3
Rate of stock turnover times	1,1	1,3	1,5	1,5	1,6	1,6
Net investments SEK m	24,3	-317,6	-97,4	2,3	75,9	160,7
Cash flow before investments SEK m	-68,9	114,3	220,2	245,4	80,0	153,6
Cash flow after investments SEK m	-44,6	-431,9	-317,6	-243,1	-4,0	7,4
Shareholders' equity per share SEK	18,57	16,63	17,82	14,75	10,57	8,90
Shareh. equity per share after dilution SEK Kr	18,16	16,36	17,38	14,42	10,52	8,64
Value per share SEK	-	-	88,00	63,75	37,50	18,75
Share price SEK	-	-	0,90	0,75	0,63	0,44
P/E-ratio	-	-	27,33	25,93	16,30	10,45
P/S-ratio	-	-	1,85	1,71	1,16	0,65
Rate/Shareholders' equity	-	-	4,94	4,45	3,56	2,15

## Sales by Country

SEK m	JAN-SEP 2006	Part of turnover	JAN-SEP 2005	SEK m	Change %
Sweden	976	40%	821	155	19
Benelux	248	10%	219	29	13
Norway	214	9%	174	40	23
Germany	167	7%	148	19	13
Italy	143	6%	117	26	22
Finland	135	6%	126	9	7
USA	122	5%	65	57	88
Denmark	96	4%	78	18	23
Switzerland	74	3%	58	16	28
England	72	3%	51	21	41
Spain	70	3%	65	5	8
France	58	2%	58	0	0
Others	77	3%	49	28	57
<b>Total</b>	<b>2 452</b>	<b>100%</b>	<b>2 029</b>	<b>423</b>	<b>21</b>

## Definitions

### RETURN ON SHAREHOLDERS' EQUITY

Profit/loss after full tax as a percentage of the average shareholders' equity.

### RETURN ON CAPITAL EMPLOYED

Profit/loss after net financial items plus financial costs in percent of capital employed in average.

### GROSS MARGIN

Sales for the period, less product costs, as a percentage of sales.

### RATE OF CAPITAL TURNOVER

Sales divided by the average Balance Sheet total.

### OPERATING MARGIN

Operating profit/loss after depreciation as a percentage of sales.

### NET DEBT/EQUITY RATIO

Interest-bearing liabilities, less interest bearing assets, as a percentage of shareholders' equity.

### CAPITAL EMPLOYED

Balance Sheet total reduced by interest-free liabilities and interest-free provisions.

### PROFIT MARGIN

Profit/loss after financial items as a percentage of sales.

### NET MARGIN

Net result as a percentage of sales.

## New Wave's share

The share capital in New Wave amounted to SEK 199 030 629 distributed among a total of 66 343 543 shares, each with a quota value of SEK 3.00. The shares carry identical rights to the Company's assets and profits. Each Series A share is entitled to ten votes and each Series B share is entitled to one vote. New Wave's Series B shares have since December 11, 1997, been listed at the Stockholm Stock Exchange and are now listed on the Mid Cap list. A trading lot amounts to 100 shares.

### DIVIDEND

The Board's aim is that the dividend will account for at least 30 % of the Group's profit after taxes over a trade cycle.

### SHAREHOLDERS

The number of shareholders amounted to 12 511 (7 668) on September 30th. Institutional investors accounted for 38 % of the capital and 10 % of the votes. At the same time, the ten largest shareholders held 63 % of the capital and 88 % of the votes. Non-Swedish shareholders accounted for 8 % of the capital and 3 % of the votes.

### NEW WAVE'S TEN MAJOR SHAREHOLDERS 2006-09-30

SHAREHOLDER	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Torsten Jansson	21 933 405	208 285 556	33.1%	80.5%
Robur	6 039 299	6 039 299	9.1%	2.3%
Fjärde AP-Fonden	4 165 900	4 165 900	6.3%	1.6%
AMF Pension	3 122 500	3 122 500	4.7%	1.2%
OKOBank OY	1 699 200	1 699 200	2.6%	0.7%
Lannebo fonder	1 432 320	1 432 320	2.2%	0.6%
Skandia Fonder	950 627	950 627	1.4%	0.4%
Domani AB	903 960	903 960	1.4%	0.3%
Livförsäkringsaktiefonderna Skandia	892 062	892 062	1.3%	0.3%
SEBs småbolagsfond	836 772	836 772	1.3%	0.3%
<b>Total</b>	<b>41 976 045</b>	<b>228 328 196</b>	<b>63.3%</b>	<b>88.3%</b>

### SHAREHOLDER DISTRIBUTION IN NEW WAVE 2006-09-30

	NUMBER OF SHARES	NUMBER OF VOTES	CAPITAL %	VOTES %
Sverige	61 163 764	251 672 884	92.2%	97.3%
Ägare bosatta utanför Sverige, exkl.USA	4 674 706	6 474 706	7.0%	2.5%
USA	505 073	505 073	0.8%	0.2%
<b>Total</b>	<b>66 343 543</b>	<b>258 652 663</b>	<b>100.0%</b>	<b>100.0%</b>

## *New Wave in brief*

New Wave is a growing company that focuses on delivering promowear, gifts and workwear to companies, as well as clothes, shoes, gifts and textiles to consumers through retailers. This is done through the establishment, acquisition and development of brands within the areas mentioned above.

New Wave serves two separate business areas, firstly the market for corporate identity products through independent retailers, secondly the consumer market through gifts, sports and shoe retailers. By operating in both these market segments, New Wave can spread its risks favourably. Economies of scale are also achieved since large parts of the product range are common for both business areas.

The competitiveness of New Wave lies mainly within design, purchasing and marketing of our own brands. The products are manufactured mainly in Asia and to a lesser degree in Europe. The Group's most well known brands are Orrefors, Kosta Boda, Craft, Sagaform, Seger, Grizzly, DAD Sportswear, Hurricane, New Wave, Clique, James Harvest Sportswear, Printer Active Wear, Toppoint, Mac One, Jingham, Jobman and Pax, as well as Umbro, Nordica, and Rollerblade under licence.

New Wave has from the start shown substantial growth with good margins.

*NewWave*  
G R O U P

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