

Björn Borg – Q4 2007



The Group

A year of strong growth
and substantially higher
profit



 Bjorn Borg
SWEDISH SPORT

 Bjorn Borg
BJORNORG.COM

Development 2007

	Q4 2007	Full year 2007
• Brand sales SEK M	651 (483)	2,237 (1,404)
• Net sales SEK M	140 (108)	495 (324)
• <i>Gross profit margin</i> %	53.8 (52.8)	53.6 (50.7)
• Operating profit SEK M	42 (35)	142 (82)
• <i>Operating margin</i> %	30.2 (32.2)	28.7 (25.2)
• Earnings per share SEK	1.22 (1.05)	4.18 (2.55)

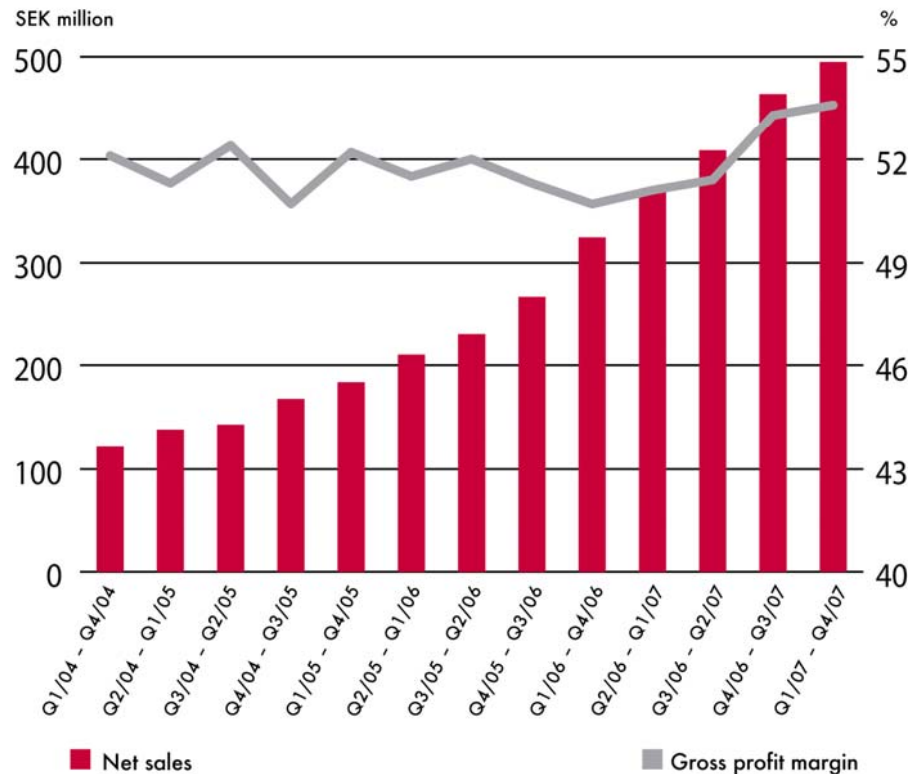
Continued growth

Quarterly net sales and operating profit



Strong net sales growth...

Net sales & Gross profit margin - Rolling 12 months



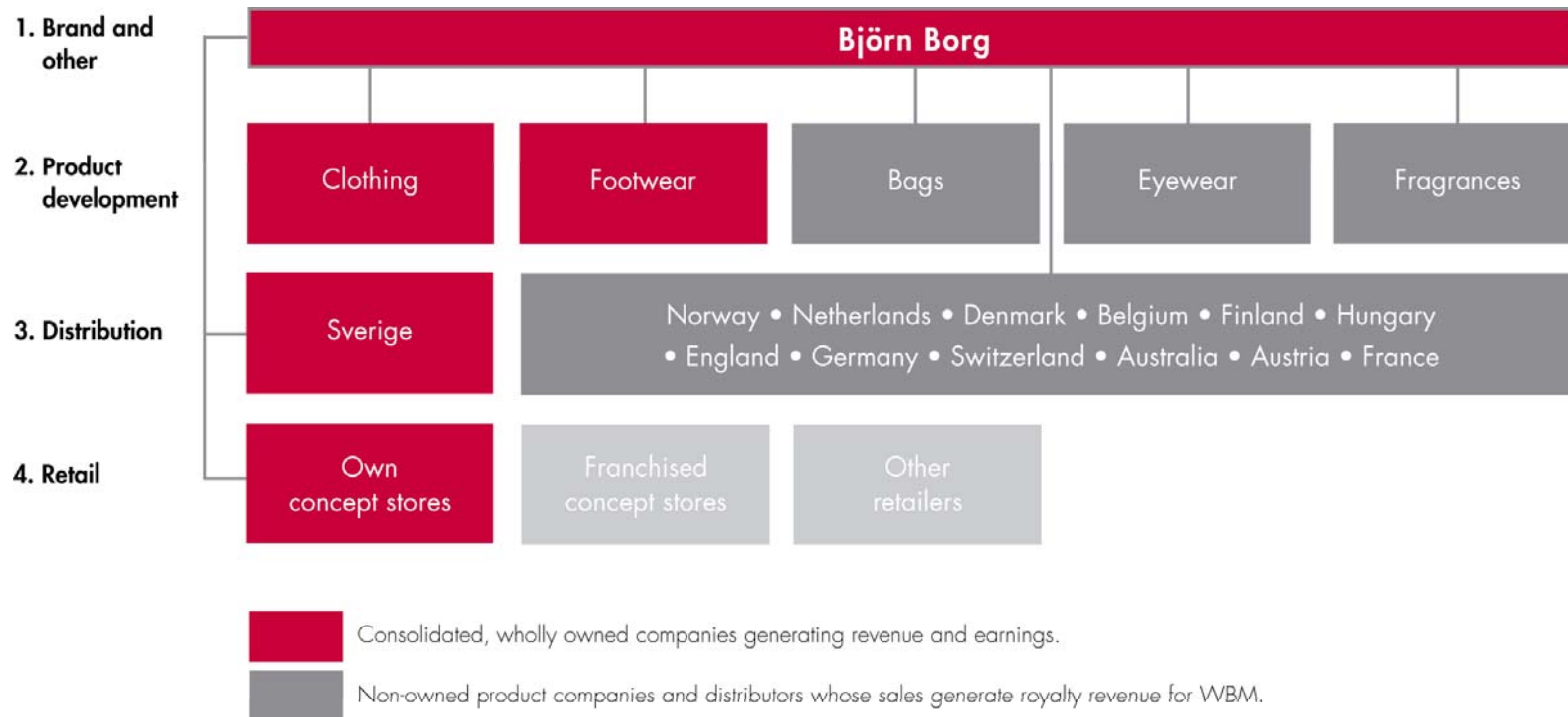
- Increased gross profit margin due to
 - Acquisition of the Björn Borg trademark
 - Weaker US dollar
 - Increased export in the footwear product area

...and higher profit

Operating profit & Operating margin -
Rolling 12 months



Business segments



Brand and other

Primarily royalty revenues, sales of services within the Björn Borg network and intra-group services

Full year

Net sales	SEK 127 M (79)
Operating profit	SEK 41 M (24)

- Growth from strong brand sales
- Profit improved also as a result of the acquisition of the Björn Borg trademark
- Currency: Invoicing in SEK, euro, NOK, DKR etc, costs of goods sold in the same currency

Product development

Development, design and production for the clothing and footwear product areas

Full year

Net sales SEK 301 M (205)

Operating profit SEK 43 M (23)

- Volume growth with major rise in export in the clothing product area – largest growth in Holland
- Currency: Invoicing in USD/HKD/euro, costs of goods sold in USD/HKD/euro

Distribution

Exclusive distributor in the clothing and footwear product areas in Sweden

Full year

Net sales	SEK 185 M (135)
Operating profit	SEK 40 M (21)

- Substantial increase of sales in the clothing product area
- Strong growth within footwear during Q4, +3% for full year
- Currency: Invoicing in SEK, costs of goods sold in USD/HKD/euro

Retail

Björn Borg owns and operates 10 concept stores in the Sweden, selling clothing, footwear, bags and fragrances.

Full year

Net sales	SEK 60 M (42)
Operating profit	SEK 18 M (13)

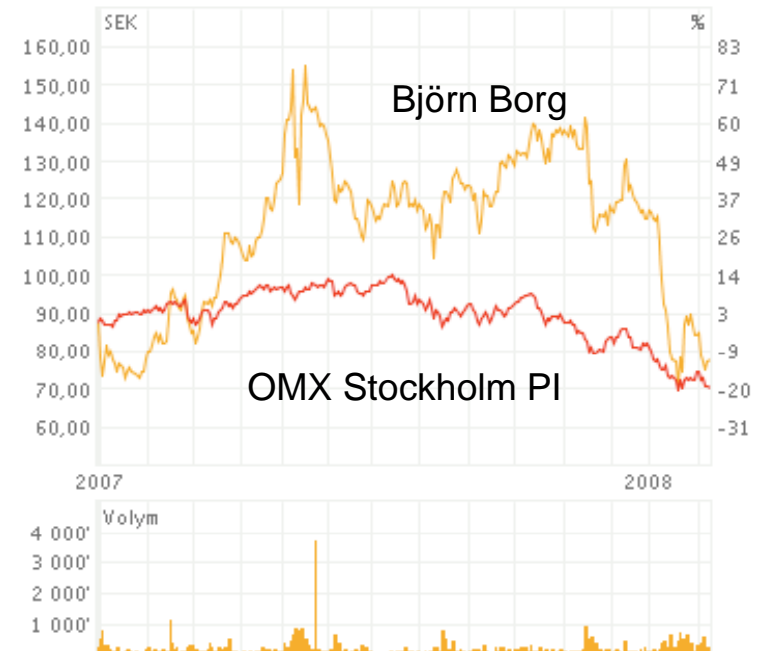
- 15% increase for comparable stores for full year
- +9% during Q4 and +7% in December, in a weakening market
- Currency: Invoicing in SEK, costs of goods sold in SEK

Shareholders and dividend

- Listed at OMX Nordic Exchange
Mid cap on May 7, 2007
- 5,800 shareholders at year-end

Dividend 2007

- Suggested dividend 1.50 SEK (0.75)
 - Yield 1,9%



The brand



 Bjorn Borg
SWEDISH SPORT

 Bjorn Borg
BJORNORG.COM

One brand – five product areas

Brand sales 2007
SEK 2,237 MSEK (1,404)



Clothing 83% (78)

Footwear 6% (9)

Bags 7% (9)

Eyewear & perfume 4% (4)

Björn Borg AB

Independent companies in the network

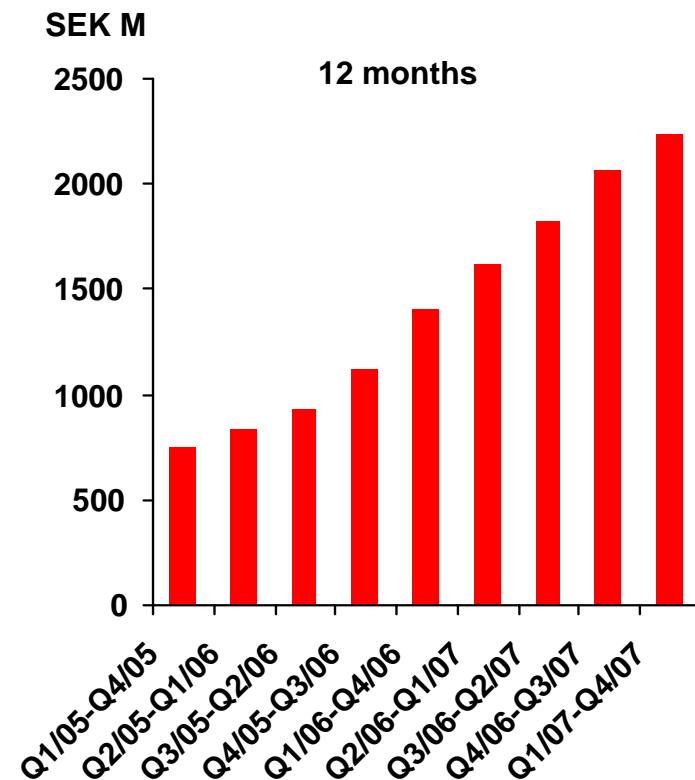
Strong growth in brand sales

Q4

- Brand sales SEK 651 M, +35%
 - Clothing SEK 576 M, +39%

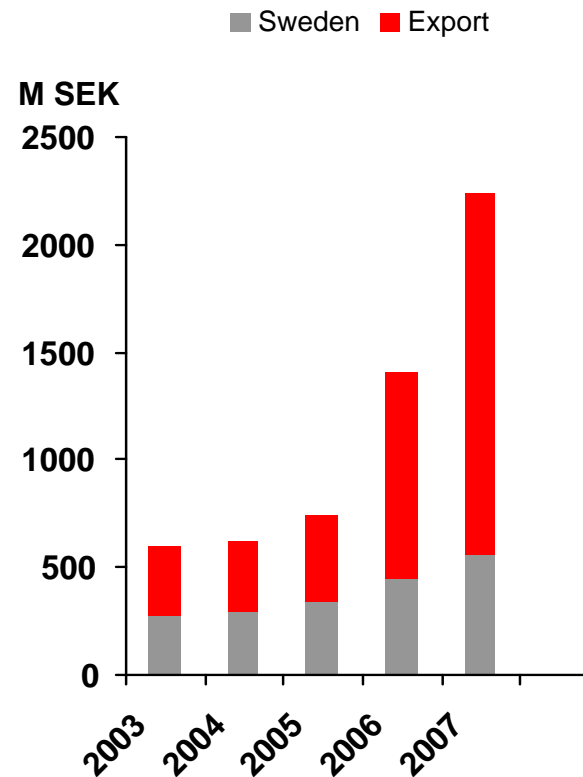
2007

- Brand sales SEK 2 237 M, +59%
 - Clothing SEK 1,859 M, +71%



Major rise in exports

- Export share has increased from appr 50% 2003 to 75% 2007
- 15 markets in total



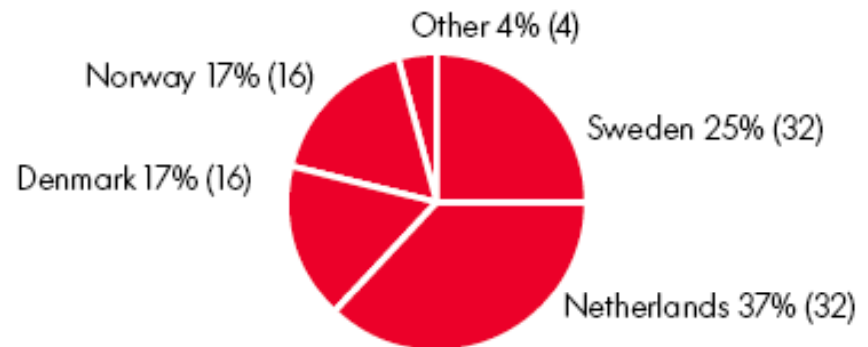
Established markets

Holland, Sweden, Denmark, Norway, Finland, Belgium, Hungary

- Growth still mainly from established markets
- Largest growth in numbers from Holland
- Belgium largest growth in percent, 142% but from a low level
- Strong sales also in Sweden, +25%

But...

... not reasonable to expect continued sales at the same high growth rate in established markets



Newly established markets

England, Germany, Switzerland

- Positive development in England during the quarter – stood for nearly 1% of brand sales during Q4
- Further steps in Germany, launch at fashion chain Peek & Cloppenburg
- Planned sales start at a few retailers in Switzerland Q1 2008



New markets 2007

Australia, Austria and France

- Introduction with the underwear product group
- Several selected retailers in France – prestigious Galeries Lafayette started sales in Q4
- Launch in Australia at several David Jones department stores
- Launch in Austria at a number of retailers



New markets 2007

US

- Business planning for introduction in the US has started, and a subsidiary was established during fourth quarter
- Further development through subsidiary or external distributor
- Ambition to start sales during 2008

Spain

- Planned start of sales during first quarter 2008
- Launch and PR activities



Successful sales channels

Björn Borg concept stores

- 36 concept stores in total
 - 10 own and 26 franchise

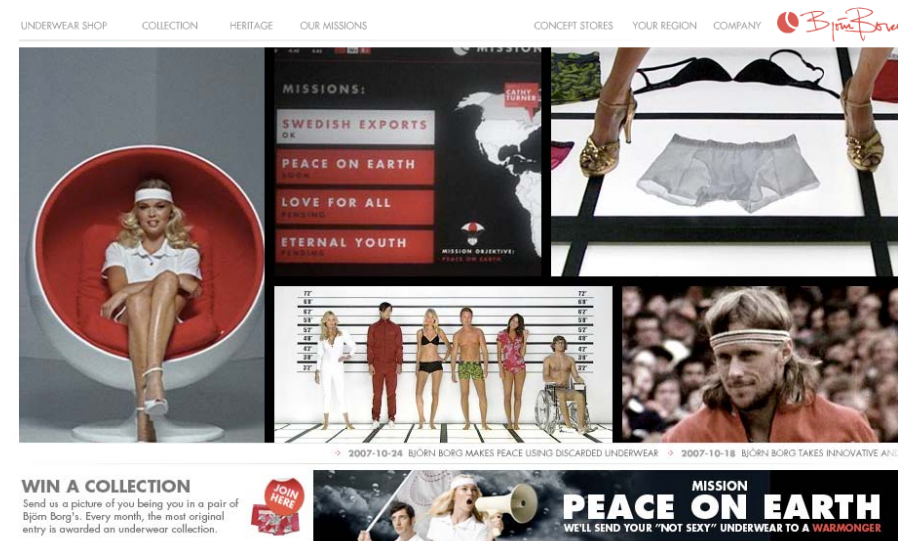
Selected retailers

- Large and established fashion department stores and chains
- Selfridges, Galeries Lafayette, Harvey Nichols, Bijenkorf, NK, David Jones, Citadium...



bjornborg.com

- Launch in October
- Largest market communication effort during 2007
- Webshop mainly to expand physical distribution in new markets
- Interactive campaigns



- Film

Björn Borg – going forward

- **Markets** – Goal 3-5 new markets 2007-2009, 5 signed
 - Increase growth in newly established markets
- **Products** – Product broadening with new categories
- **Concept stores** – Further concept store development
- **Brand** – Strengthen international brand exposure

...and hard work for future wins



Step by step towards our vision

”Our vision is to consolidate the Björn Borg brand as a globally established fashion brand.”





Thank you!