

## Higher full-year sales – weaker finish



### Fourth quarter, October 1 – December 31, 2008

- Brand sales\* decreased by 9 percent to SEK 594 million (651).
- The Group's net sales decreased by 6 percent to SEK 131.2 million (139.8).
- The gross profit margin was 54.1 percent (53.8).
- Operating profit decreased by 38 percent to SEK 26.0 million (42.3). Before non-recurring costs operating profit was SEK 31,0 million.
- Profit after tax decreased by 26 percent to SEK 22.8 million (30.3).
- Earnings per share decreased by 26 percent to SEK 0.91 (1.22). Fully diluted earnings per share amounted to SEK 0.91 (1.22).

### The period January 1 – December 31, 2008

- Brand sales\* increased by 10 percent to SEK 2,463 million (2,237).
- The Group's net sales rose by 6 percent to SEK 526.6 million (494.9).
- The gross profit margin was 53.8 percent (53.6).
- Operating profit decreased by 9 percent to SEK 128.8 million (142.1). Before non-recurring costs operating profit was 133,8 million.
- Profit after tax decreased by 3 percent to SEK 99.2 million (102.1).
- Earnings per share decreased by 5 percent to SEK 3.96 (4.18). Fully diluted earnings per share amounted to SEK 3.96 (4.17).
- The Board of Directors has decided to recommend that the Annual General Meeting approve a dividend of SEK

### Comment from the President

"The fourth quarter was weaker as a whole, but there were also positive signs in the form of continued interest in the brand. With tougher market conditions, it is even more important to be clearly positioned, which is why we are evaluating the company's future strategy. The challenge is to strengthen our position in the world by seeking out the right partners in the right locations and keeping in mind what we are best at – underwear," says President Arthur Engel.

SEK million	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
Brand sales*	594	651	2,463	2,237
Net sales	131.2	139.8	526.6	494.9
Gross profit margin, %	54.1	53.8	53.8	53.6
Operating profit	26.0	42.3	128.8	142.1
Operating margin, %	19.8	30.2	24.5	28.7
Profit after tax	22.8	30.3	99.2	102.1
Earnings per share, SEK**	0.91	1.22	3.96	4.18
Earnings per share after dilution, SEK***	0.91	1.22	3.96	4.17

\* Estimated total sales of Björn Borg products at the consumer level, including VAT, based on reported wholesale sales.

### President's comment

After three months as president of Björn Borg, one thing is certain: Björn Borg has a strong market position in underwear, and it is this position we want to defend as we develop the company and the brand going forward. We have already begun to steer our operations in this direction. At the same time, a strategic evaluation is under way to see how we can utilize our resources, know-how and potential in the best way possible, with the goal of successful development and long-term growth.

For Björn Borg, 2008 was a year of continued growth, but at a slower pace and with a decline in the fourth quarter. Development in our markets varied, with a downturn in some established markets such as Denmark and Norway, and continued positive development in several new markets. Even the Netherlands, one of Björn Borg's most established markets, continued to strengthen its position.

One of by far our most important responsibilities as we look ahead is to get to our new markets up to speed and at the same time strengthen the brand's position where we have been active for a while. We are therefore evaluating the network we currently have to see how we can improve relations with existing partners, but also look for new opportunities. The important thing is that our partners have their focus on underwear and have an established distribution network in their local market. As a consequence of the current evaluation, the agreement with our distributor in Germany has been terminated and the ones in France and Switzerland are about to be cancelled. We are looking carefully at our operations in the U.S. and how they can be developed. Recently we have reached agreements with experienced distributors in Italy and Greece that meet our requirements. Both countries will therefore become new markets for Björn Borg this fall.

For Björn Borg, 2009 will be a year distinguished by further investment in product development and new markets based on a clear strategy – and with a focus on costs. It will be a year of focusing and gathering forces in order to grow internationally as is our mission.

Arthur Engel  
President

### Operations

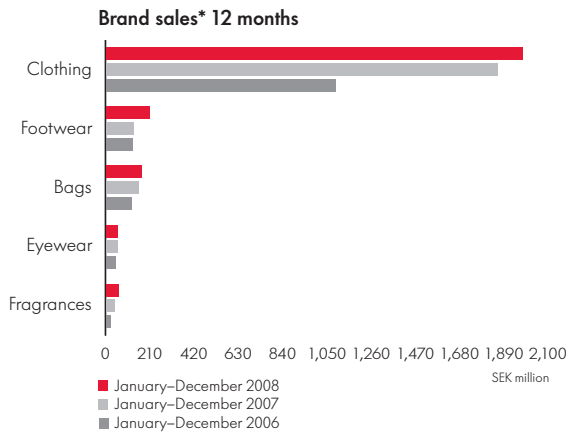
#### Brand sales

Estimated brand sales, i.e., sales of Björn Borg products at the consumer level, including VAT, based on reported wholesale sales, amounted to SEK 594 million (651) during the fourth quarter, a decrease of 9 percent year-to-year. For the full-year 2008 estimated brand sales amounted to SEK 2,463 million (2,237), an increase of 10 percent.

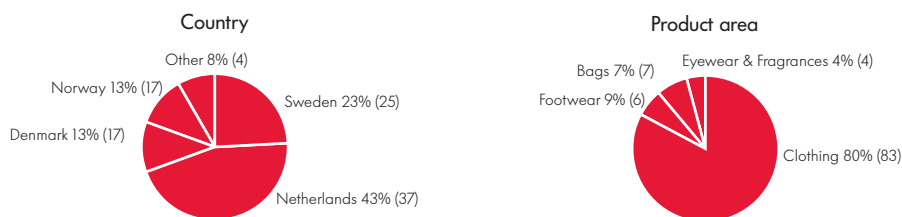
Brand sales in the clothing product area decreased by 10 percent during the fourth quarter compared with the same quarter last year, mainly due to lower sales in Denmark, Norway and Sweden in the women's underwear segment. For the full-year 2008 the clothing product area reported growth of 6 percent. Brand sales in the footwear product area decreased by 55 percent in the fourth quarter largely due to postponed deliveries. For the full-year the footwear product area reported growth of 58 percent.

The external product areas bags and fragrances noted substantial growth of 26 and 58 percent, respectively, during the fourth quarter. Brand sales for the eyewear product area decreased by approximately 25 percent, but generated growth of 3 percent for the full-year.

Among established markets, Belgium generated the highest growth during the fourth quarter, while the Netherlands remained unchanged year-to-year. The Nordic markets posted weaker results, with lower brand sales in a slowing market. Of the new markets, England, among others, reported continued good growth.



**Brand sales\* of Björn Borg products**  
January–December 2008. Total SEK 2,463 million (2,237)



\*Estimated total sales of Björn Borg products at the consumer level, including VAT, based on reported wholesale sales.

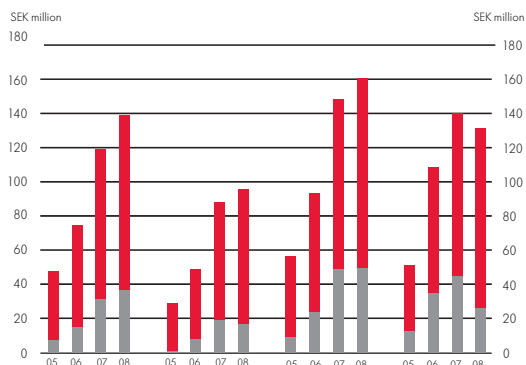
### Björn Borg stores

The Dutch franchisee opened two new stores during the fourth quarter and the Spanish distributor opened one store in Palma, Mallorca. As a result, there were 44 (36) Björn Borg stores at the end of the period, of which 11 (10) are Group-owned. A decision has been made to close the men's clothing store on Grev Turegatan in Stockholm in 2009 due to the increased focus on the underwear product group.

### The Group's development

Sales decreased during the fourth quarter with lower operating profit.

#### Quarterly net sales and operating profit



#### Net sales

##### Fourth quarter, October–December 2008

Group sales during the fourth quarter amounted to SEK 131.2 million (139.8), a decrease of 6 percent mainly due to lower sales in the Swedish distribution of clothing and footwear.

##### January–December 2008

Group sales amounted to SEK 526.6 million (494.9) during the year, an increase of 6 percent.

#### Profit

##### Fourth quarter, October–December 2008

The gross profit margin increased slightly during the fourth quarter to 54.1 percent (53.8).

Operating profit amounted to SEK 26.0 million (42.3) during the quarter, with an operating margin of 19.8 percent (30.2). Profit before tax decreased during the period to SEK 28.7 million (42.7).

The lower operating profit compared to corresponding quarter 2007, is mainly explained by increased costs regarding market investments in the US but also by non-recurring costs of SEK 5 million. These costs include severance for the former president of SEK 3 million, and SEK 2 million regarding the closing of the men's clothing store in Grev Turegatan in Stockholm, leading to write-downs of lease and equipment.

##### January–December 2008

The gross profit margin during the year remained largely unchanged at 53.8 percent (53.6). Operating profit amounted to SEK 134.8 million (142.1) and the operating margin was 24.5 percent (28.7). Profit before tax decreased during the period to SEK 134.8 million (142.2). Operating expenses increased as a share of net sales to 29.4 percent, against 24.8 percent in the same period of

2007. The lower operating profit for the full-year was due to the same reasons as described for the fourth quarter, though also to the costs to strengthen the organization, for marketing in new markets and for new properties and stores.

The number of shares outstanding at the end of the period was 25,059,184. Earnings per share amounted to SEK 3.96 (4.18) for the period January–December 2008. On a fully diluted basis, earnings per share amounted to SEK 3.96 (4.17).

#### Development by business segment

The Group comprises a number of companies that operate under the Björn Borg brand on every level, from product development to distribution and consumer sales in its own concept stores.

#### Brand and other

Sales in the Brand and other segment primarily consist of royalty revenue, sales of services within the Björn Borg network and intra-Group services.

Net sales for the full-year reached SEK 142.3 million (126.6), an increase of 12 percent, of which 11 percent was external revenue.

Operating profit amounted to SEK 42.7 million (46.1) for the full-year. Profit was affected positively by higher sales in the network, but negatively by increased expenses to strengthen the organization and for office space.

#### Product development

The Group has global responsibility for development, design and production of clothing and footwear. A licensee for clothing operates in the Benelux market.

The segment's net sales amounted to SEK 337.2 million (300.7) for the full-year, an increase of 12 percent. The increase is primarily due to substantially higher footwear exports mainly to the Netherlands and to some extent to clothing.

Operating profit increased to SEK 50.0 million (38.4) as a result of increased exports.

#### Distribution

The Björn Borg Group is the exclusive distributor in the clothing and footwear product areas in the Swedish market.

Net sales in the Distribution segment rose to SEK 197.0 million (184.7) during the full-year, or by 4 percent. Growth is mainly due to higher clothing sales, but is also a result of the acquisition of Anteros Lagerhantering AB.

Operating profit decreased to SEK 27.5 million (39.6), mainly due to a weaker market and a stronger U.S. dollar during the fourth quarter, though also to marketing investments in the U.S.

#### Retail

The Björn Borg Group owns and operates nine stores in the Swedish market that sell clothing, shoes, bags and fragrances. Moreover, Björn Borg operates two factory outlets.

Net sales in the Retail segment amounted to SEK 55.0 million (60.2) for the full-year, a decrease of 9 percent. For comparable stores, sales decreased by 18 percent for the full-year and by 6 percent in the fourth quarter. Operating profit amounted to SEK 8.6 million (17.9). Measures have been taken to improve sales and earnings in Retail, including the appointment of a new management.

#### Intra-Group sales

Intra-Group sales amounted to SEK 204.9 million (177.4) during the year.

### Seasonal variations

The Björn Borg Group is active in an industry with seasonal variations. Sales and earnings vary by quarter. With the current product mix, the second quarter is generally the weakest in terms of profit. See the figure on quarterly net sales and operating profit on page 3.

### Investments and cash flow

Cash flow from operating activities in the Group amounted to SEK 87.0 million (107.7) for the full-year. The changes in working capital are mainly due to increases in accounts receivable and inventories.

Total investments in tangible and intangible non-current assets amounted to SEK 5.1 million (15.6) for the full-year, the large part of which is attributable to the reconstruction of stores and leasing agreements.

Changes in financing activities are largely due to the dividend and new share issue in 2007. For the period full-year 2008 cash & cash equivalents increased by SEK 54.1 million (127.9).

### Financial position and liquidity

The Björn Borg Group's cash & cash equivalents (net cash balance) amounted to SEK 241.5 million (187.4) at year-end. In addition, the Group has unutilized bank overdraft facilities of SEK 120.0 million. The equity/assets ratio was 69.0 percent (67.3).

### Commitments and contingent liabilities

No changes were made with regard to pledged assets and contingent liabilities compared with December 31, 2007. For further information, see note 24 on page 48 of the annual report 2007.

### Personnel

On November 3 Arthur Engel took over as President of Björn Borg, while former President Nils Vinberg became Vice Chairman of the Board. At the same time Henrik Fischer took up the post of International Sales Director and Vice President.

The average number of employees in the Group for the period January-December was 88 (76), of whom 59 are women.

### Events after the balance sheet date

After the reporting period, the agreements with the distributors in Germany, France and Switzerland have been terminated. At the same time letters of intent have been signed with distributors in Italy and Greece regarding launch in these markets.

### Incentive program

Björn Borg's Extraordinary General Meeting on November 13, 2008 resolved to adopt an incentive program for the newly appointed President and Vice President. The meeting resolved to issue 1,250,000 warrants, each entitling the holder to subscribe for one (1) new share in Björn Borg AB. In total, 1,250,000 warrants were subscribed. The warrant premium was set at SEK 6.25 and the strike price is SEK 48.84. The option premium was paid in December 2008.

### Annual General Meeting

The Annual General Meeting of Björn Borg AB will be held at 5 pm (CET) on Thursday, April 23, 2009 in Stockholm. The location will be announced in the notice of the meeting.

### Annual report

The annual report for 2008 will be available on the company's website in the week of March 22, 2009.

### Parent Company

Björn Borg AB (publ) is primarily engaged in intra-Group activities. In addition, the Company owns 100 percent of the shares in Björn Borg Brands AB and Björn Borg Footwear Holding AB.

The Parent Company's net sales for the fourth quarter amounted to SEK 22.6 million (22.5). For the full-year the Parent Company's net sales amounted to SEK 50.6 million (44.6). The loss before tax amounted to SEK -0.7 million (10.6) for the fourth quarter and SEK -16.5 million (-5.6) for the full-year. Cash & cash equivalents amounted to SEK 220.3 million (180.3). For the full-year investments in tangible and intangible non-current assets amounted to SEK 0.8 million (6.8).

### Dividend

The Board of Directors has decided to recommend a dividend of SEK 1.50 (1.50) per share for the financial year 2008, corresponding to 38 percent (37) of net income.

### Significant risks and uncertainties

In its operations, the Björn Borg Group is exposed to risks and uncertainties, which are described in the annual report 2007. For further information, refer to pages 33-34 in the annual report. No additional risk factors have been identified other than those described there.

### Transactions with related parties

During the period transactions were executed on market terms with Klockaren Fastighetsförvaltning i Varberg AB. For more detailed information, see note 11 on page 45 of the annual report 2007.

### Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34. The accounting principles applied during the period are the same as in 2007, as described on pages 40-42 of the annual report 2007. The year-end report is abbreviated and does not contain all the information and disclosures in the annual report 2007. The year-end report should therefore be read together with the annual report 2007.

### Outlook 2009

It is not the Company's policy to issue earnings forecasts.

### Audit report

This interim report has been reviewed by the company's auditors. Their review report can be found on page 9.

# Income statement

## The Group in summary

SEK thousands	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
<b>Net sales</b>	<b>131,233</b>	<b>139,795</b>	<b>526,556</b>	<b>494,886</b>
Cost of goods sold	-60,202	-64,527	-243,058	-229,841
<b>Gross profit</b>	<b>71,031</b>	<b>75,268</b>	<b>283,498</b>	<b>265,045</b>
Distribution expenses	-31,367	-23,009	-105,380	-81,493
Administrative expenses	-10,115	-7,290	-37,133	-30,619
Development expenses	-3,500	-2,711	-12,234	-10,858
<b>Operating profit</b>	<b>26,049</b>	<b>42,258</b>	<b>128,751</b>	<b>142,075</b>
Net financial items	2,644	461	6,071	152
<b>Profit before tax</b>	<b>28,693</b>	<b>42,719</b>	<b>134,822</b>	<b>142,227</b>
Tax	-5,904	-12,386	-35,620	-40,136
<b>Profit for the period</b>	<b>22,789</b>	<b>30,333</b>	<b>99,202</b>	<b>102,091</b>
<b>Profit attributable to minority interests</b>	<b>27</b>	<b>-29</b>	<b>8</b>	<b>-29</b>
<b>Profit attributable to Parent Company's shareholders</b>	<b>22,816</b>	<b>30,304</b>	<b>99,210</b>	<b>102,062</b>
Earnings per share, SEK	0.91	1.22	3.96	4.18
Earnings per share after dilution, SEK	0.91	1.22	3.96	4.17
Number of shares	25,059,184	25,036,984	25,059,184	25,036,984
Weighted average number of shares	25,047,451	24,841,651	25,041,134	24,406,699
Effect of dilution*	7,005	86,397	34,366	83,461
Weighted average number of shares after full dilution	25,054,456	24,928,048	25,075,500	24,490,160

\* Björn Borg has three outstanding incentive programs based on warrants in Björn Borg AB: option schemes 2006:2, 2008:4 and 2008:5. For more detailed information, see page 45 of the annual report 2007, the interim report for the second quarter of 2008 and page 4 in this year-end report.

# Balance sheet

## The Group in summary

SEK thousands	December 31 2008	December 31 2007
<b>Non-current assets</b>		
Goodwill	13,944	13,944
Trademarks	187,532	187,532
Other intangible assets	1,696	941
Tangible non-current assets	15,366	17,817
<b>Total non-current assets</b>	<b>218,538</b>	<b>220,234</b>
<b>Current assets</b>		
Inventories	33,752	24,640
Current receivables	106,197	77,093
Cash & cash equivalents	241,498	187,423
<b>Total current assets</b>	<b>381,447</b>	<b>289,156</b>
<b>Total assets</b>	<b>599,985</b>	<b>509,390</b>
<b>Equity and liabilities</b>		
Equity	413,803	342,943
Deferred tax liabilities	32,884	28,607
Other non-current liabilities	46,816	52,515
Accounts payable	45,489	23,140
Other current liabilities	60,993	62,184
<b>Total equity and liabilities</b>	<b>599,985</b>	<b>509,390</b>

# Change in equity

## The Group in summary

SEK thousands	Full-year 2008	Full-year 2007
Opening balance	342,943	138,054
Incentive programs	9,055	22,480
New share issue	694	98,500
Dividend	-37,555	-18,241
Minority interest in equity	-6	88
Translation difference	-536	-
Profit for the period	99,210	102,062
Closing balance	413,803	342,943

# Cash flow statement

## The Group in summary

SEK thousands	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
<b>Cash flow from operating activities</b>				
Before change in working capital	48,611	42,099	123,214	130,311
Change in working capital	5,554	2,364	-36,260	-22,610
<b>Cash flow from operating activities</b>	<b>54,165</b>	<b>44,463</b>	<b>86,954</b>	<b>107,701</b>
<b>Cash flow from investing activities</b>	<b>-173</b>	<b>-1,756</b>	<b>-5,073</b>	<b>-15 560</b>
Dividend	-	-	-37,555	-18,241
Incentive programs/new share issues	8,397	9,742	9,749	120,980
Amortization loans	-	-	-	-67 001
<b>Cash flow from financing activities</b>	<b>8,397</b>	<b>9,742</b>	<b>-27,806</b>	<b>35,738</b>
<b>Cash flow for the period</b>	<b>62,389</b>	<b>52,449</b>	<b>54,075</b>	<b>127,879</b>
Cash & cash equivalents at beginning of period	179,109	134,974	187,423	59,544
<b>Cash &amp; cash equivalents at end of period</b>	<b>241,498</b>	<b>187,423</b>	<b>241,498</b>	<b>187,423</b>

# Key figures

## Group

SEK thousands	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
Gross profit margin, %	54.1	53.8	53.8	53.6
Operating margin, %	19.8	30.2	24.5	28.7
Profit margin, %	21.9	30.6	25.6	28.7
Return on capital employed, %	6.0	12.3	28.8	40.0
Return on average equity, %	6.0	12.6	26.2	42.4
Net profit for the period	22,815	30,304	98,209	102,062
Earnings per share, SEK*	0.91	1.22	3.96	4.18
Earnings per share after dilution, SEK**	0.91	1.22	3.96	4.17
Number of shares	25,059,184	25,036,984	25,059,184	25,036,984
Weighted average number of shares**	25,047,451	24,841,651	25,041,134	24,406,699
Effect of dilution	7,005	86,397	34,366	83,461
Weighted average number of shares after dilution	25,054,456	24,928,048	25,075,500	24,490,160
Equity/assets ratio, %	69.0	67.3	69.0	67.3
Equity per share, SEK	16.51	13.70	16.51	13.70
Investments in intangible assets	0	0	2,200	225
Investments in tangible assets	173	1,756	2,873	15,290
Depreciation and impairment losses for the period	-3,235	-1,258	-6,976	-4,121
Average number of employees	88	76	88	76

\* Earnings per share in relation to the weighted average number of shares during the period restated after the split on April 27, 2007.

\*\* Earnings per share adjusted for any dilution effect after the split on April 27, 2007.



# Summary by segment

## Group

SEK thousands	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
<b>Operating revenue</b>				
<b>Brand and other</b>				
External sales	12,684	14,217	57,272	51,529
Internal sales	32,307	30,410	85,020	75,113
	<b>44,991</b>	<b>44,627</b>	<b>142,549</b>	<b>126,642</b>
<b>Product development</b>				
External sales	66,366	62,296	250,608	225,371
Internal sales	22,037	24,167	86,579	75,291
	<b>88,403</b>	<b>86,463</b>	<b>337,187</b>	<b>300,662</b>
<b>Distribution</b>				
External sales	34,872	44,276	163,655	157,774
Internal sales	13,012	7,141	33,312	26,877
	<b>47,884</b>	<b>51,417</b>	<b>196,967</b>	<b>184,651</b>
<b>Retail</b>				
External sales	17,311	19,006	55,021	60,212
Internal sales	–	111	6	111
	<b>17,311</b>	<b>19,117</b>	<b>55,027</b>	<b>60,323</b>
<b>Eliminations</b>	<b>–67,356</b>	<b>–61,829</b>	<b>–204,916</b>	<b>–177,392</b>
<b>Operating revenue</b>	<b>131,233</b>	<b>139,795</b>	<b>526,556</b>	<b>494,886</b>
<b>Operating profit</b>				
Brand and other	11,401	14,276	42,656	46,145
Product development	11,246	9,354	50,009	38,371
Distribution	–2,014	10,594	27,475	39,626
Retail	5,417	8,034	8,611	17,933
<b>Operating profit</b>	<b>26,049</b>	<b>42,258</b>	<b>128,751</b>	<b>142,075</b>

# Quarterly data

## Group

SEK thousands	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007
Brand sales	594,222	703,544	476,558	688,828	650,862	659,121	414,043	513,345
Net sales	131,233	160,762	95,813	138,748	139,795	148,597	87,844	118,650
Gross profit margin, %	54.1	54.1	55.9	51.9	53.8	54.6	55.6	50.4
Operating profit	26,049	49,688	16,493	36,521	42,258	49,238	19,188	31,390
Operating margin, %	19.8	30.9	17.2	26.3	30.2	33.1	21.8	26.5
Profit after financial items	28,693	52,277	16,594	37,258	42,719	48,920	19,139	31,448
Profit margin, %	21.9	32.5	17.3	26.9	30.6	32.9	21.8	26.5
Earnings per share, SEK	0.91	1.50	0.48	1.07	1.22	1.42	0.57	0.96
Earnings per share after dilution, SEK	0.91	1.50	0.48	1.07	1.22	1.41	0.56	0.94
Number of concept stores at end of period	44	41	39	36	36	33	29	26
of which Björn Borg-owned stores	11	11	10	10	10	10	9	9

# Income statement

## Parent Company in summary

SEK thousands	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
<b>Net sales</b>	<b>22,598</b>	<b>22,522</b>	<b>50,630</b>	<b>44,595</b>
Cost of goods sold	-3,418	-1,621	-6,975	-4,707
<b>Gross profit</b>	<b>19,180</b>	<b>20,901</b>	<b>43,655</b>	<b>39,888</b>
Distribution expenses	-13,814	-6,884	-40,235	-29,563
Administrative expenses	-5,313	-2,648	-15,475	-11,370
Development expenses	-2,125	-1,059	-6,190	-4,548
<b>Operating profit</b>	<b>-2,072</b>	<b>10,310</b>	<b>-18,245</b>	<b>-5,593</b>
Net financial items	1,398	290	1,716	12
<b>Profit before tax</b>	<b>-674</b>	<b>10,600</b>	<b>-16,529</b>	<b>-5,581</b>
Appropriations	-104	-	-104	-
<b>Tax</b>	<b>-15</b>	<b>-4,045</b>	<b>4,424</b>	<b>486</b>
<b>Profit for the period</b>	<b>-793</b>	<b>6,555</b>	<b>-12,209</b>	<b>-5,095</b>

# Balance sheet

## Parent Company in summary

SEK thousands	December 31 2008	December 31 2007
<b>Non-current assets</b>		
Tangible non-current assets	5,543	6,460
Shares in Group companies	54,497	54,497
<b>Total non-current assets</b>	<b>60,040</b>	<b>60,957</b>
<b>Current assets</b>		
Receivables from Group companies	59,551	39,913
Current receivables	6,971	8,766
Cash & cash equivalents	220,348	180,269
<b>Total current assets</b>	<b>286,870</b>	<b>228,948</b>
<b>Total assets</b>	<b>346,910</b>	<b>289,905</b>
<b>Equity and liabilities</b>		
Equity	149,782	187,477
Untaxed reserves	7,359	7,254
Due to Group companies	173,048	81,807
Accounts payable	7,713	5,694
Other current liabilities	9,008	7,673
<b>Total equity and liabilities</b>	<b>346,910</b>	<b>289,905</b>

### About the Björn Borg Group

The Group owns the Björn Borg trademark and has operations in five product areas: clothing, footwear, bags, eyewear and fragrances. Björn Borg products are sold in fifteen markets, of which Sweden and the Netherlands are the largest. Operations are managed through a network of product and distribution companies which are either part of the Group or are independent companies with licenses for product areas and geographical markets. The Björn Borg Group has operations at every level from branding to consumer sales in its own Björn Borg stores. Total sales of Björn Borg products in 2008 amounted to approximately SEK 2.5 billion at the consumer level. Group net sales amounted to SEK 527 million in 2008, with 86 employees at year-end. The Björn Borg share is listed on NASDAQ OMX Nordic, Mid Cap list, since May 7, 2007.





## Definitions

### Gross profit margin

Net sales less cost of goods sold divided by net sales.

### Operating margin

Operating profit as a percentage of net sales.

### Profit margin

Profit before tax as a percentage of net sales.

### Equity/assets ratio

Equity as a percentage of total assets.

### Return on capital employed

Profit after financial items plus financial expenses as a percentage of average capital employed.

### Return on equity

Net profit according to the income statement as a percentage of average equity. Average equity is calculated by adding equity at January 1 to equity at December 31 and dividing by two.

### Earnings per share

Earnings per share in relation to the weighted average number of shares during the period.

### Earnings per share after dilution

Earnings per share adjusted for any dilution effect.

### Brand sales

Estimated total sales of Björn Borg products at the consumer level, including VAT, based on reported wholesale sales.

The Board of Directors and the President have proved this year-end report, covering the period from January 1, 2008 to December 31, 2009, to be published on February 18, 2009.

Björn Borg AB (publ)  
Stockholm, February 18, 2009

Arthur Engel  
President and CEO

## Review report

### Introduction

We have reviewed the year-end report for Björn Borg AB (publ) for the period January 1-December 31, 2008. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity." A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally

accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, February 18, 2009  
Deloitte AB

Håkan Pettersson  
Authorized Public Accountant

Tommy Mårtensson  
Authorized Public Accountant



### Upcoming information dates

The Annual General Meeting will be held on April 23, 2009.  
The interim report January–March 2009 will be released on May 15, 2009.  
The interim report January–June 2009 will be released on August 20, 2009.  
The interim report January–September 2009 will be released on November 12, 2009.



### For further information, please contact:

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Björn Borg is required to make public the information in this report in accordance with the Securities Market Act.  
The information was released for publication on February 18, 2009 at 7:30 a.m. (CET).