

Björn Borg – Q1 2008



The Group

Continued growth and very
good profitability

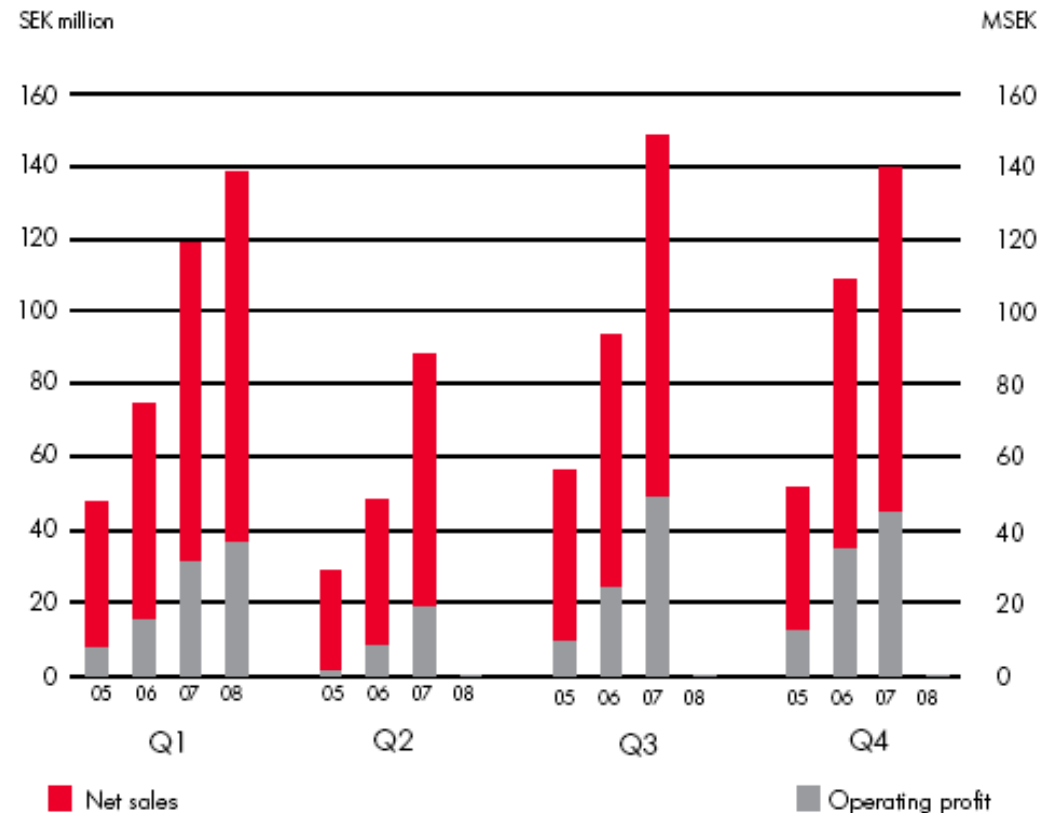


Development 2008

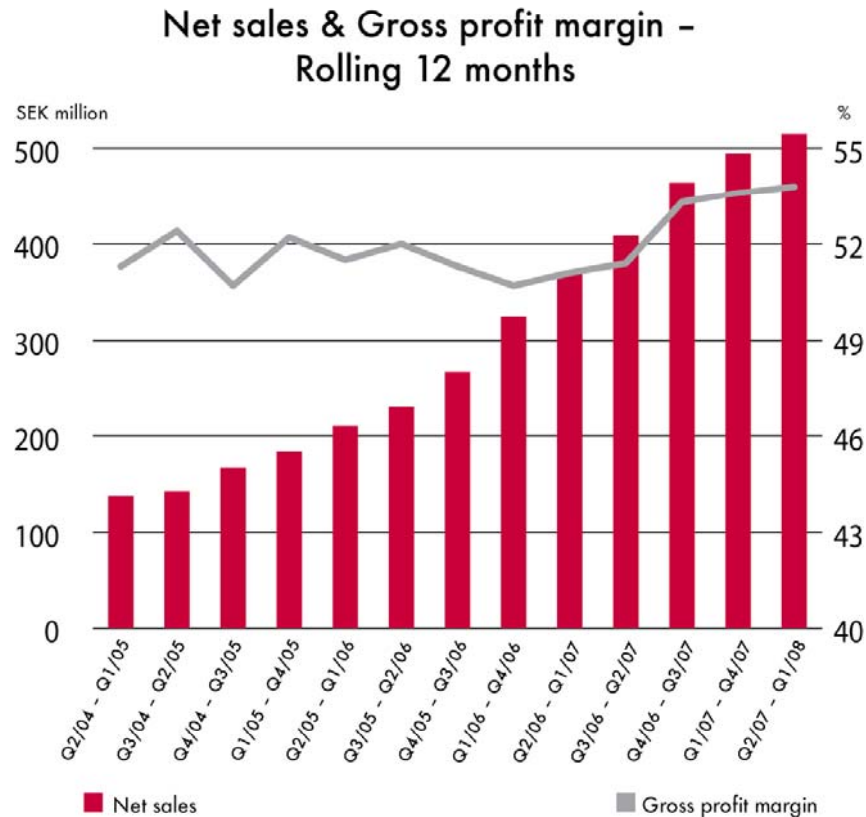
	Q1 2008	Q1 2007	+/-
• Brand sales SEK M	689	513	+34%
• Net sales SEK M	139	119	+17%
• <i>Gross profit margin %</i>	51.9	50.4	
• Operating profit SEK M	37	31	+16%
• <i>Operating margin %</i>	26.3	26.5	
• Earnings per share SEK	1.07	0.96	+12%

Continued growth

Quarterly net sales and operating profit

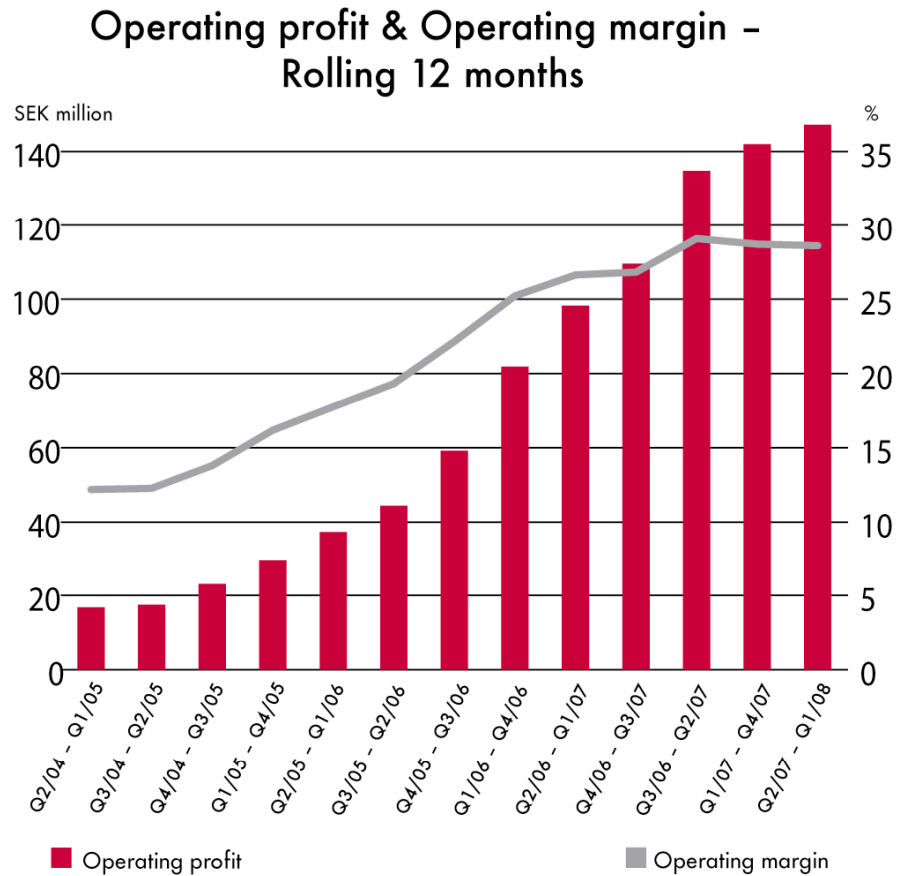


Strong net sales growth...

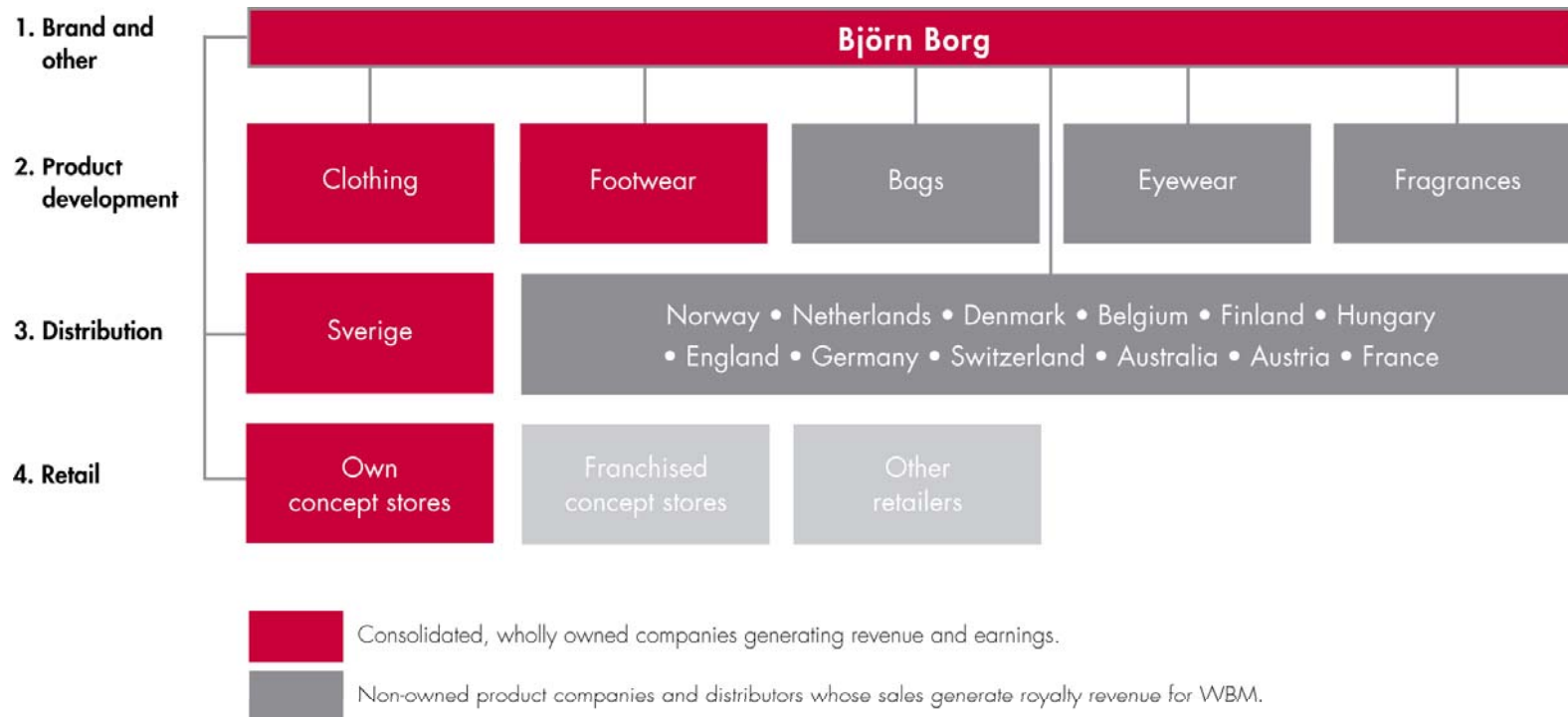


- Increased gross profit margin mainly due to weaker US dollar

...and growth in operating profit



Business segments



Brand and other

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

Q1 2008

Net sales	SEK 31.0 M (26.3)	+18%
Operating profit	SEK 13.1 M (10.8)	+22%

- Growth from strong brand sales in the network
- Costs for start up operations in the US
- Currency: Invoicing in SEK, Euro, NOK, DKK etc, costs of goods sold in the same currency

Product development

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

Q1 2008

Net sales	SEK 75.9 M (80.6)	-6%
Operating profit	SEK 8.9 M (9.7)	-8%

- Sales decrease mainly due to a weaker USD but also from a decrease in inventories in the Swedish distribution operation
- Cost increase related to new markets – support functions, market activities – and clothing product development
- 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

Q1 2008

Net sales	SEK 58,7 M (49.4)	+19%
Operating profit	SEK 14,8 M (10.6)	+40%

- Substantial increase of sales in the clothing product area
- Profit growth also from a weaker dollar
- 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.

Q1 2008

Net sales	SEK 11.1M (10.2)	+9%
Operating profit	SEK –0.3 M (0.4)	

- 7% decrease for comparable stores, +9% in total
- Currency: Invoicing in SEK, costs of goods sold in SEK

The brand



 Bjorn Borg
SWEDISH SPORT

 Bjorn Borg
BJORNORG.COM

One brand – five product areas

Brand sales Q1 2008
SEK 689 MSEK (513)



Clothing 80% (80)

Footwear 11% (9)

Bags 6% (6)

Eyewear & Fragrance 3% (5)

Björn Borg AB

Independent companies in the network

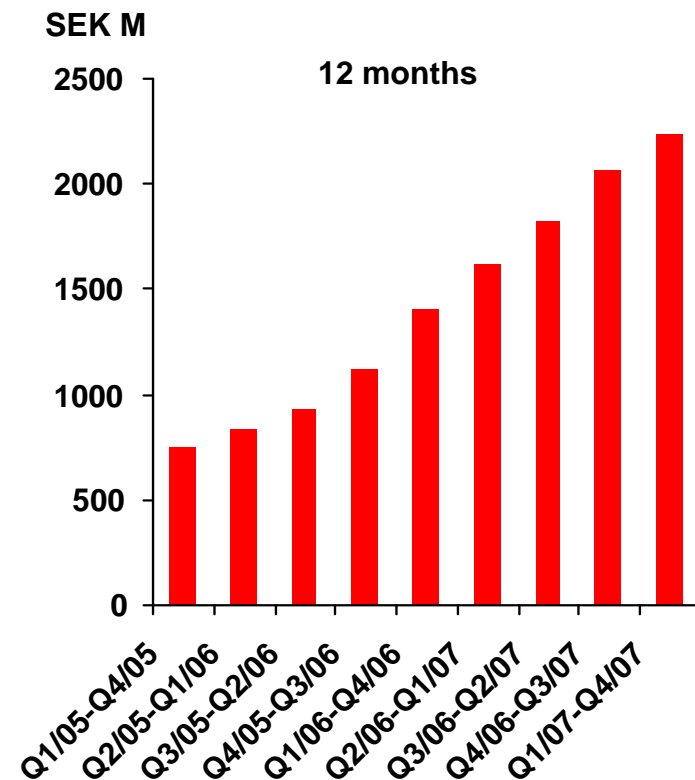
Strong growth in brand sales

Q1 2008

- Brand sales SEK 689 M, +34%
 - Clothing SEK 412 M, +33%

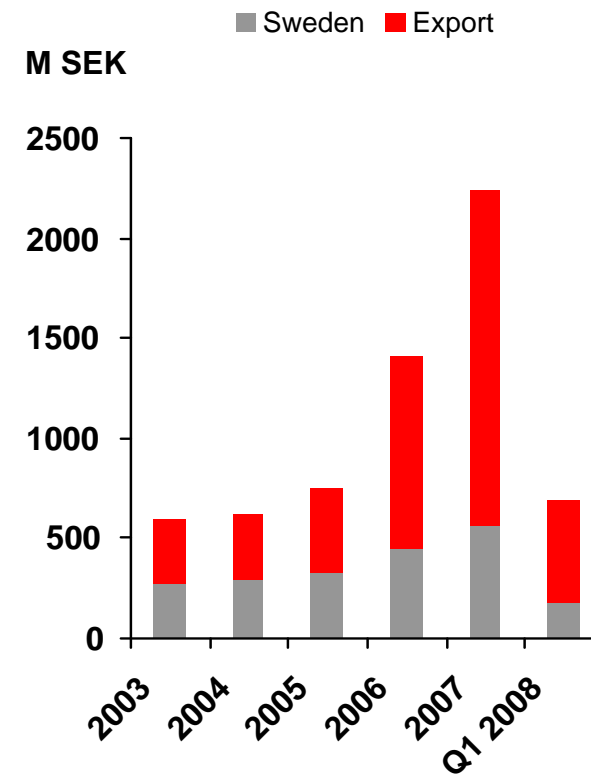
Rolling 12 months

- Brand sales SEK 2,416 M



Major rise in exports

- Export share has increased from appr 50% 2003 to 75% Q1 2008
- 14 markets in total



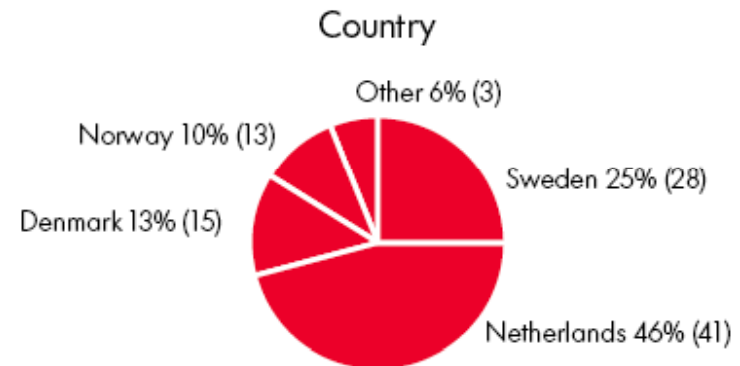
Established markets

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

- Growth still mainly from established markets
- Largest growth in numbers from Netherlands and Finland, 50% resp 56%
- Strong sales also in Sweden, +20%

But, as noted before,...

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



Newly established markets

England, Germany, Switzerland

- Strong development in England during the quarter
- Weaker development in Germany
- Sales started in Switzerland at a few retailers during Q1 2008



New markets 2007

Australia, Austria and France

- Positive sales development in all three markets – but still small volumes



New markets 2007

US

- Preparations are under way and according to plan
 - Logistics ready
 - Sales staff recruited
 - Trade show in Las Vegas planned in August
 - A showroom is being prepared to open in New York in the near future
- Ambition to start sales during 2008

Spain

- Sales started during Q1 2008 with positive response
- Launch and PR activities

Successful sales channels

Björn Borg concept stores

- 36 concept stores in total
 - 10 own and 26 franchise
- 5 new franchise stores planned to open Q2

Selected retailers

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



Interactive campaigns

UNDERWEAR SHOP COLLECTION HERITAGE OUR MISSIONS MEET US CONCEPT STORES YOUR REGION COMPANY 



PEACE ON EARTH

JOIN OUR STRUGGLE! CHOOSE A **WARMONGER**, AND WE'LL SEND HIM OLD, "NEED SOXX" UNDERWEAR. WHEN HE GETS SHOWERED WITH WORN OUT AND DEPRESSING UNDERWEAR, HE'LL GET THE MESSAGE, FEEL BAD AND EMBRACE PEACE!

AS SEEN ON YouTube

FIRST DELIVERY MADE
EXTRA! SEE IT HERE >

19719 PAIRS OF  WAITING TO BE DELIVERED SO RIGHT NOW

DO YOU KNOW ANOTHER WARMONGER WHO DESERVES A DELIVERY? >



SWEDISH EXPORTS - LIVE!



PEACE ON EARTH - LIVE!



TOP PAPAZZIS EXPOSED - LIVE!



LOVE FOR ALL

Going forward – challenges

Stimulate sales growth

- Increase growth in new and newly established markets
 - The Group – strong collections, brand building efforts and support
 - Distributors – local market knowledge and contacts, marketing activities
- Maintain the strong position in established markets
 - Increase sales of clothing and footwear
 - Selective broadening of distribution
- Evaluate new interesting markets to enter



Going forward – challenges

Build the brand's attraction

- Innovative and cost efficient brand building activities
- Develop website and interactive multi channel campaigns
- Control and support to strengthen a united brand message

Act as a true international fashion brand

- Increase international exposure – fairs and fashion shows etc



Going forward – challenges

Develop and broaden our product range

- Launch of new underwear range
- The first ecological collection of underwear in progress

Further concept store development

- Open additional concept stores at prime locations in existing markets
- Open concept stores in large fashion cities



Our success factors

Build on the heritage – and develop for the future

- Strong brand
- Efficient business model
- Attractive collections and design





Thank you!