

Björn Borg – Q2 2008



Q2 in brief

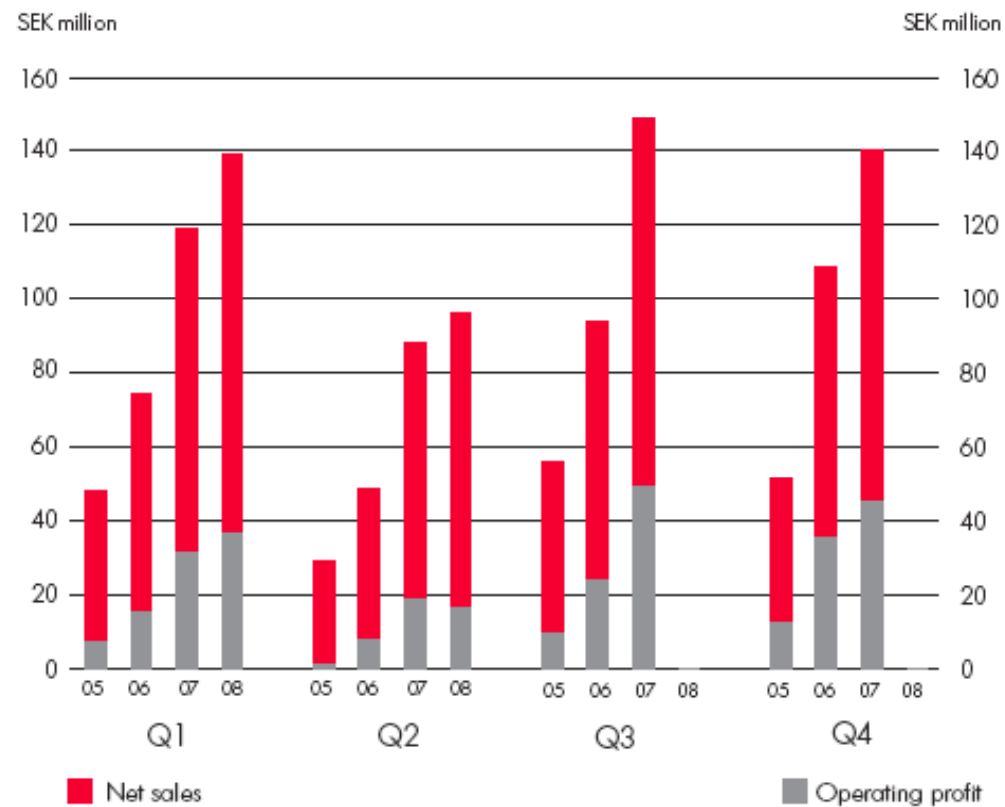
- Weaker market affects – but strong sales growth in several markets
- New markets grow – major rise in sales in England and Spain
- Large growth in the footwear product area
- Positive development in Swedish distribution
- Canada – new market

Development 2008

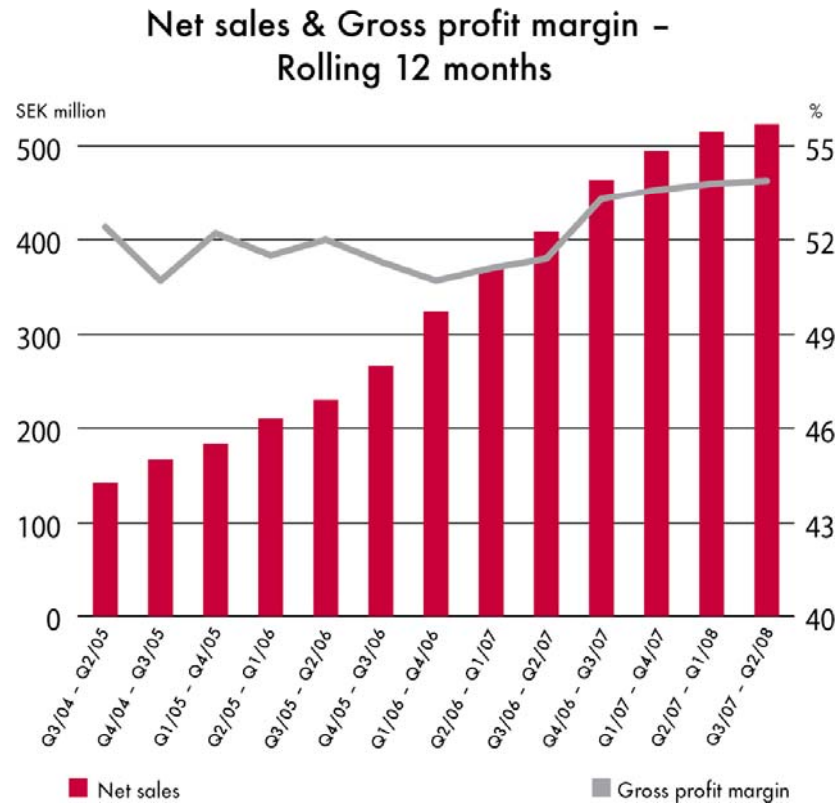
	Q2 08	Q2 07	+/-	H1 08	H1 07	+/-
• Brand sales SEK M	477	414	+15%	1165	927	+26%
• Net sales SEK M	95.8	87.8	+9%	235	206	+14%
• Gross profit margin %	55.9	55.6		53.5	52.6	
• Operating expenses SEK M	37.0	29.6	+25%	72.5	58.1	+25%
• Operating profit SEK M	16.5	19.2	-14%	53.0	50.6	+5%
• Operating margin %	17.2	21.8		22.6	24.5	
• Earnings per share SEK	0.48	0.57	-16%	1.55	1.52	+2%

Continued net sales growth

Quarterly net sales and operating profit

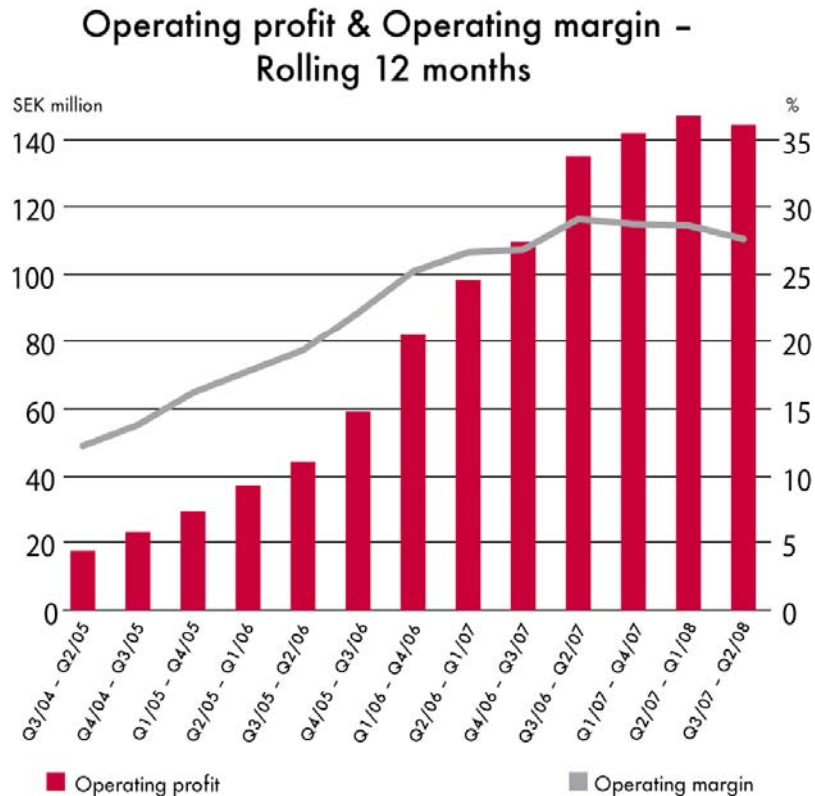


Gross profit margin remains high



- Positive effect on gross profit margin from weaker US dollar
- Negative effect from increased export in the footwear product area

Higher costs affect profit and margin



- Higher costs related mainly to an upgraded organization and new markets
 - Office, staff, product development
 - Sales and marketing costs in new markets, primarily in the US

Brand and other

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

6 months 2008

Net sales	SEK 53.9 M (47.7)	+13%
Operating profit	SEK 13.6 M (12.1)	+12%

- Growth from rise in brand sales in the network
- Higher costs for
 - start up operations and sales activities, mainly in the US
 - higher costs due to adaption of organization to expansion – office and staff

Product development

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

6 months 2008

Net sales	SEK 140.8 (131.3)	+7%
Operating profit	SEK 21.7 M (20.9)	+1%

- Rise in sales from export growth
- Footwear product area increased with almost 100 percent – large growth in Holland and Denmark.
- Cost increase related to product development and new markets – support functions, market activities

Distribution

Exclusive distributor in the clothing and footwear product areas in Sweden

6 months 2008

Net sales	SEK 89.8 M (75.4)	+19%
Operating profit	SEK 17.4 M (15.4)	+13%

- Continued good sales growth in the clothing product area

Retail

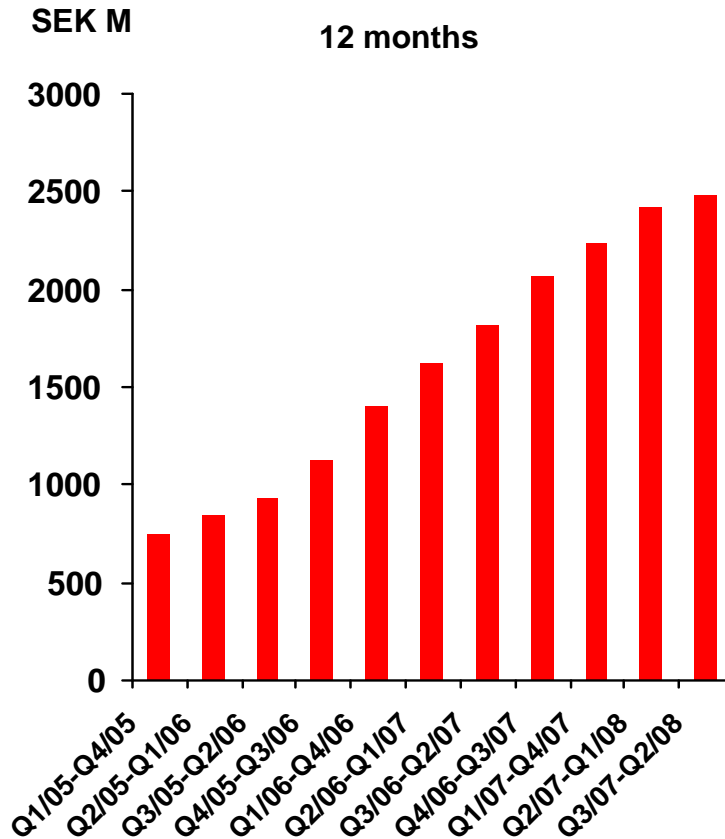
Björn Borg owns and operates 10 concept stores in Sweden, selling clothing, footwear, bags and fragrances.

6 months 2008

Net sales	SEK 22.0 M (22.4)	-2%
Operating profit	SEK 0.4 M (2.2)	-82%

- Net sales -13% like for like
- A new concept store for clothing to open in Stockholm in Q3

Still good growth in brand sales



Q2 2008

- Brand sales SEK 477 M, +15%
- Clothing SEK 395 M, +15%

Rolling 12 months

- Brand sales SEK 2,416 M

Established markets

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

- Largest growth in Holland and Finland
- Weaker development in the other Nordic countries



New markets

England, Germany, Switzerland

- Continued strong development in England during the quarter, with multiplied sales and several new retailers
- Weaker development in Germany
- New retailers in Switzerland

Australia, Austria, France and Spain

- Positive sales development in all four markets – but still small volumes
- Sales start in Spain during Q1 2008 with positive response, large rise in sales and number of retailers during Q2

The US and Canada

The US

Preparations are under way and according to plan

- Trade show in Las Vegas
- A showroom has opened in Soho, New York
- Ambition to start sales during 2008

Björn Borg to Canada

- Agreement with an established Canadian distributor about introduction of the brand in Canada
- Launch planned to winter 2008/2009



Conclusions

- Weaker market – but strong sales growth in several markets
- Costs under control
- Large growth in footwear product area
- Positive development in Swedish distribution
- Canada – new market
- US are under way and according to plan
- One own concept store and four new franchise stores will open Q3



Thank you!