

Björn Borg – Q3 2008



Q3 in brief

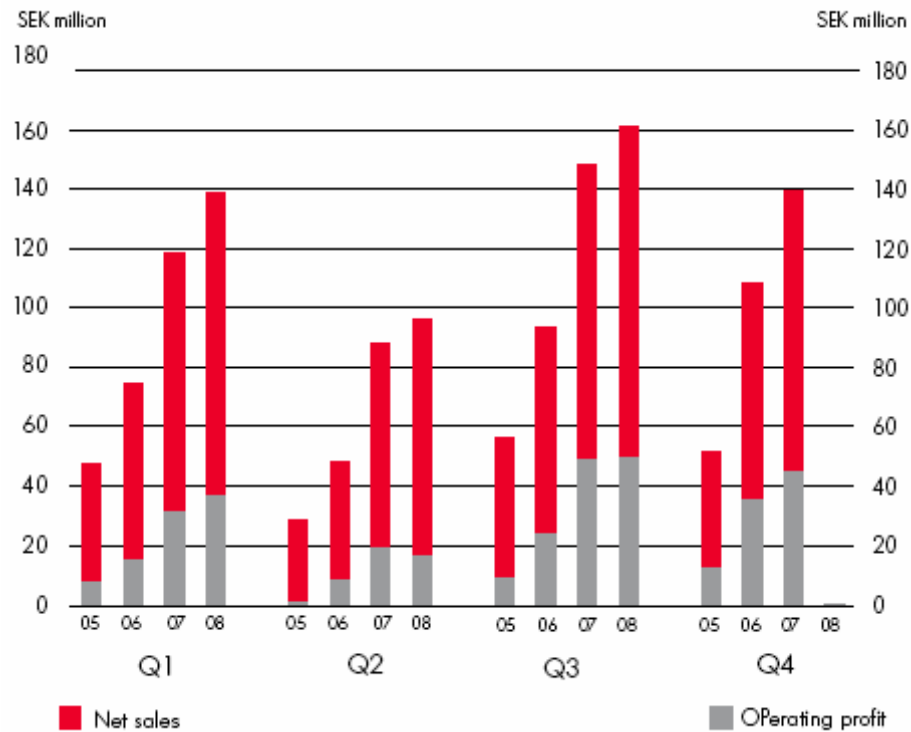
- Continued sales and profit growth in a weaker market
- New markets grow – major rise in sales and number of retailers in Spain and England
- Large growth in the footwear product area – clothing down 2 percent
- Arthur Engel new President of Björn Borg and Henrik Fischer new International Sales Director and Vice President

Development 2008

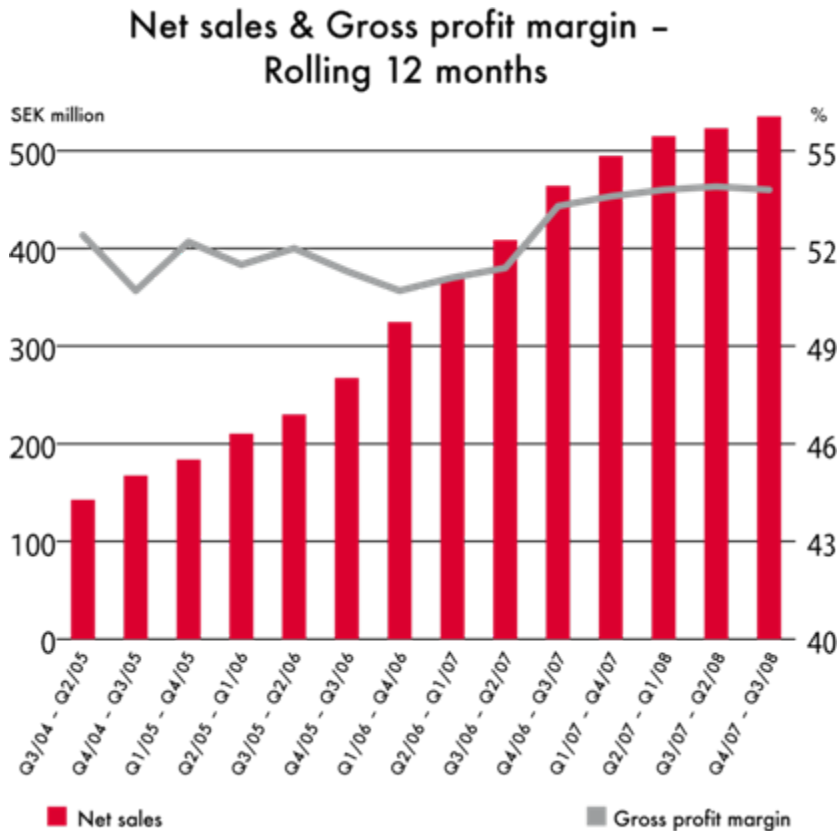
	Q3 08	Q3 07	+/-	9M 08	9M 07	+/-
• Brand sales SEK M	704	659	+7%	1,869	1,584	+18%
• Net sales SEK M	160.8	148.6	+8%	395.3	355.1	+11%
• Gross profit margin %	54.1	54.6		53.7	53.4	
• Operating expenses SEK M	37.3	31.8	+17%	109.8	90.0	+22%
• Operating profit SEK M	49.7	49.2	+1%	102.7	99.8	+3%
• Operating margin %	30.9	33.1		26.0	28.1	
• Earnings per share SEK	1.50	1.42	+6%	3.05	2.96	+3%

Continued net sales growth

Quarterly net sales and operating profit

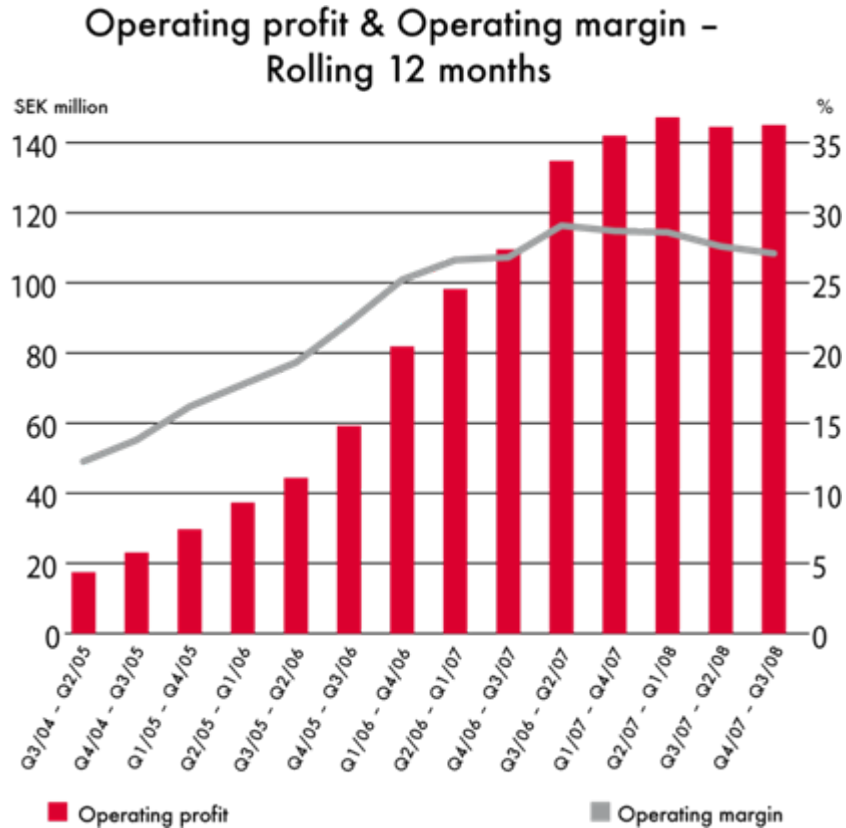


Gross profit margin remains high



- 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

Brand and other

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

9 months 2008

Net sales	SEK 97.3 M (82.0)	+19%
Operating profit	SEK 31.3 M (31.9)	-2%

- Sales growth from increased brand sales in the network
- Higher costs for start up operations, sales activities and adaption of organization to expansion
- 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

9 months 2008

Net sales	SEK 248.8 (214.2)	+16%
Operating profit	SEK 38.8 M (29.0)	+14%

- Rise in sales from export growth
- Footwear product area increased with almost 100 percent – large growth in Holland and Denmark
- 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

9 months 2008

Net sales	SEK 149.1 M (133.2)	+12%
Operating profit	SEK 29.5 M (29.0)	+2%

- Continued good sales growth in the clothing product area
- Currency: Invoicing in SEK, costs of goods sold in USD/HKD/euro

Retail

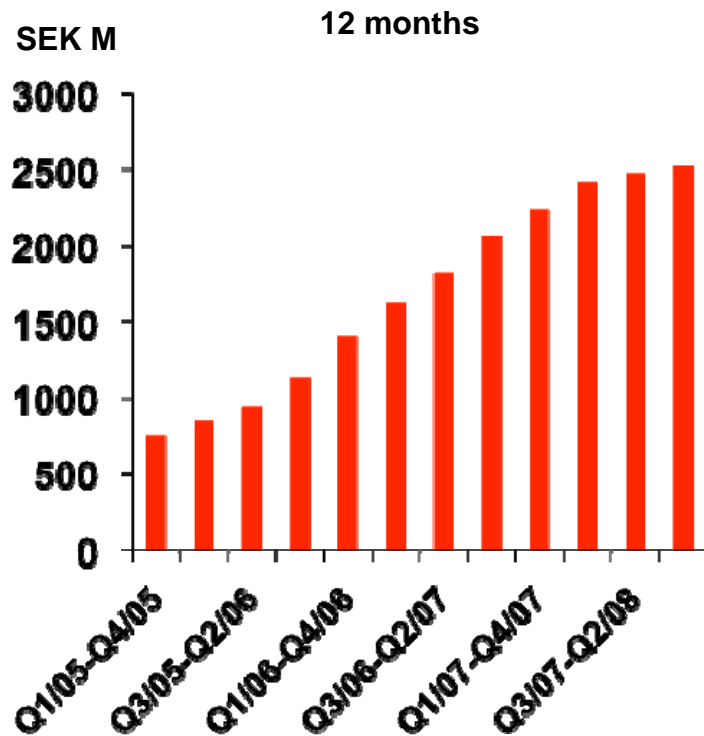
Björn Borg owns and operates 11 Björn Borg stores in Sweden, selling clothing, footwear, bags and fragrances.

9 months 2008

Net sales	SEK 37.7 M (41.2)	-8%
Operating profit	SEK 3.2 M (9.9)	-68%

- Net sales -16% like for like
- A new concept store for clothing opened in Stockholm
- Take action for better sales and results, for example will new management be appointed
- Currency: Invoicing in SEK, costs of goods sold in SEK

Still good growth in brand sales



Q3 2008

- Brand sales SEK 704 M, +7%
 - Clothing SEK 206 M, –2%

Rolling 12 months

- Brand sales SEK 2,522 M

Established markets

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

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



New markets

England, Germany, Switzerland, Australia, Austria, France, Spain

- Continued strong development in Spain and England during the quarter, with multiplied sales and several new retailers
- Development in Germany and France below expectations
 - review of how to increase penetration in these markets
- Increases sales in Switzerland, Australia, Austria
 - but still small volumes

The US and Canada

The US

Introduction according to plan

- A showroom has opened in Soho, New York
- First orders delivered to a number of retailers

Björn Borg to Canada

- Sales start planned in [december]



Conclusions

- Continued sales and profit growth
– costs under control
- Weaker market – but good sales growth in several markets
- Large growth in footwear product area
- Positive development in Swedish distribution
- Sales start in the US and Canada during the end of year



Thank you!

