


BJÖRN BORG 

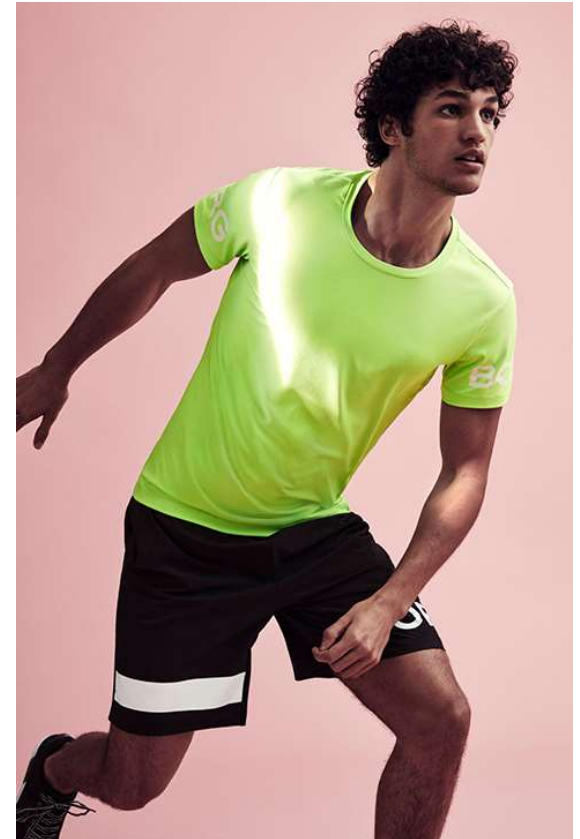
A woman with long brown hair and bangs, wearing a white tank top, is holding a white tennis racket. She is looking directly at the camera with a serious expression. The background is a solid light green color. The text 'Q2 2018' is overlaid in large white letters.

Q2 2018

HENRIK BUNGE CEO
DANIEL GROHMAN CFO

Q2 2018 SUMMARY

- Brand sales grew in the quarter with 9%. Growth across all product groups except bags that declined.
- Net sales grew with 4,1 percent, currency neutral growth of 1,2%.
- Sales growth driven by Sweden- and Finland wholesale business for Underwear and Apparel. Growth especially with Sports Retail customers.
- Own retail sales in Sweden and Finland developing well with comp growth of 15% and 14% respectively.
- E-commerce sales grew with 9% in the quarter.
- E-Tail customers developing well growing 34 percent in the quarter vs LY
- Benelux declining in the quarter, mainly in wholesales but also comp store decline with 6%.
- Strong gross profit margins, partly due to stronger EUR vs USD.
- Operating profit increased to 2,9 MSEK (-0,3) mainly due to strong GP margins compared to LY.



BJÖRN BORG 

Q2 2018

NET SALES 140,3 MSEK (134,8)

- + Wholesale business in Sweden and Finland
- + E-Tail wholesales business
- + E-Com
- + Retail comp growth in Sweden and Finland
- Benelux WHS and Retail
- Distributor sales to Norway and Denmark

OPERATING PROFIT 2,9 MSEK (-0,3)

- + Higher sales
- + Higher Gross Profit margin
- Higher OPEX of 6,9 MSEK partly related to reclassifications

ACCOUNTS 2018–2017

MSEK	Q2/18	Q2/17	+/-	1H-18	1H-17	+/-
Net sales	140,3	134,8	+4,1%	309,5	320,5	-3,4%
<i>Gross profit margin %</i>	<i>59,9</i>	<i>52,1</i>		<i>58,3</i>	<i>50,3</i>	
Operating expences ¹⁾	83,2	76,3	+9,1%	169,0	159,4	+6,1%
Operating profit	2,9	-0,3		18,0	6,5	
<i>Operating margin %</i>	<i>2,1</i>	<i>-0,2</i>		<i>5,8</i>	<i>2,0</i>	
Earnings per share, SEK	0,06	-0,11		0,66	0,07	

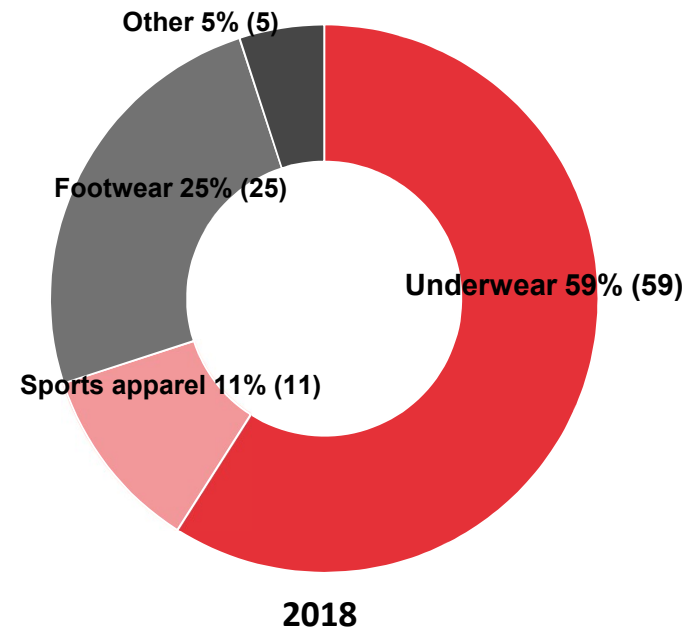
¹⁾ Excluding goods

Accumulated, the operating expenses increased 1,8% excluding fx effects and re-classification of costs from COGS to OPEX.

DEVELOPMENT BY PRODUCT AREA

YTD Q2

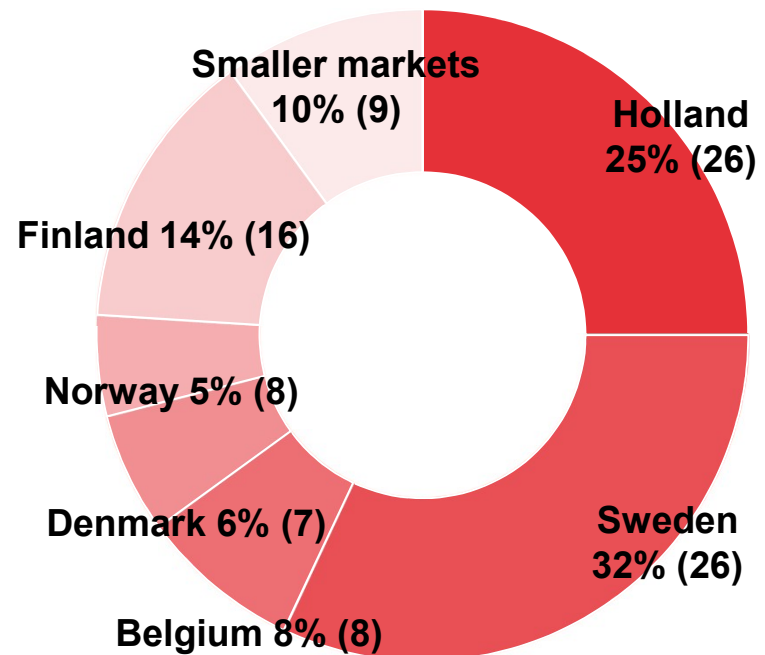
- Brand sales grew in the quarter with 9%. Growth across all product groups except bags that declined.
- Excluding currency effects brand sales grew 4%.
- Among the smaller product groups eyewear and homewear are growing.



BRAND SALES PER MARKET

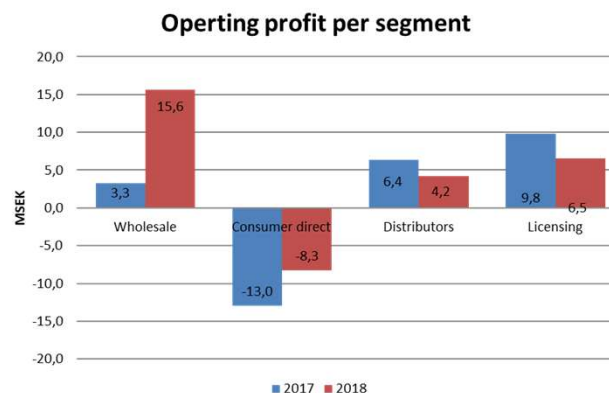
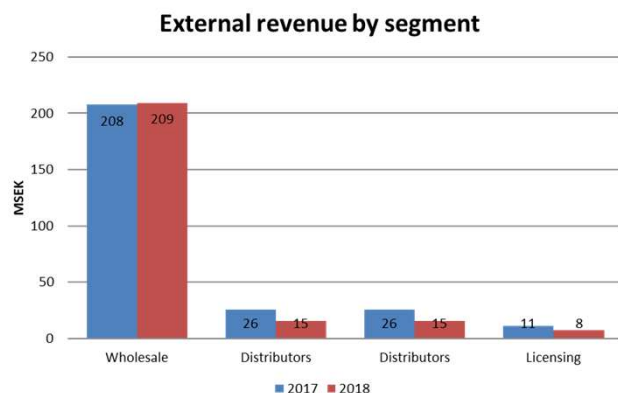
BRAND SALES DEVELOPMENT 2018

- Sweden is showing strong growth.
- Other main markets are declining vs LY.
- Norway and Denmark large decline.



NEW SEGMENT REPORTING FROM 2018

The new segments correspond to the company's primary revenue sources: Licensing, Distributors, Wholesale and Consumer Direct. Comparable figures for 2017 have been restated and are comparable with the new segmentation.



- In the Wholesales segment one non-comparable effect is that the group handed back distribution of Footwear in Denmark to the licensee from Jan 2018. Excluding this, the segment rose 4 percent. Growth driven by sports retail in Sweden and e-tailer customers across all markets. E-tailer growth is 26% or the first half year.
- Consumer direct growth (+4%) is related to a strong own E-Com development of +28%. Own retail business is declining with 7 percent and 5 percent for comparable stores. The comparable development by market is positive in Sweden and Finland growing 5 and 4 percent respectively while Benelux stores declined with 11 percent. Also the UK store declined.
- Distributor sales decline (-41%) due to a steep reduction of sales to Denmark and Norway.
- Licensing business declined vs LY due to that last year included a one-off revenue of approx 4,1 MSEK. Adjusted for the on-off, sales rose 3 percent driven by footwear, eyewear and home product groups while bags decline.





BJÖRN BORG 

TOP 10 PRIORITIES 2018

1
**BRAND
HEAT**

2
**PERFORMANCE
MANAGEMENT**

3
**WORLD CLASS
COLLECTION**



ONLINE
ATTACK



WHOLESAL
EXCELLENCE



CITY
ATTACK



RETAIL
EXCELLENCE



NO 1.
UNDERWEAR



SUPPLY CHAIN
EXCELLENCE



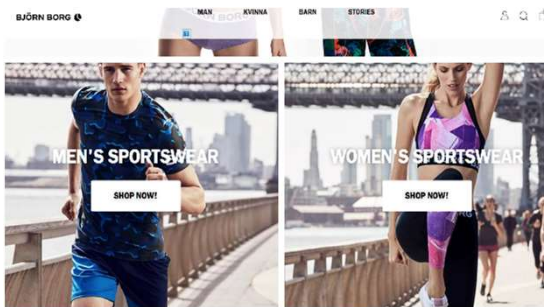
SYSTEM
EXCELLENCE



ONLINE
ATTACK

ONLINE ATTACK IS DIVIDED IN THREE DIFFERENT PROJECT, BUT WITH ONE CENTRALIZED STEERING GROUP

E-com



Compound Annual Growth Rate 2013-2017

+29%

Q1+Q2 2018 +28%

Market places



Untapped potential

Good start with Afound.

Launch Direct to consumer with Amazon during the fall.

E-tailers



Compound Annual Growth Rate 2013-2017

+27%

Q1+Q2 2018 +26%

Underlying online market growth 2013-2017 20%

THANK YOU