

To become the champion of fashion underwear



April 1 – June 30, 2009

- Brand sales (excluding VAT) increased by 1 percent to SEK 386 million (382).
- The Group's net sales increased by 2 percent to SEK 97.8 million (95.8).
- The gross profit margin decreased to 50.9 percent (55.9).
- Operating profit decreased to SEK 12.1 million (16.5).
- Profit after tax decreased to SEK 8.4 million (12.0).
- Earnings per share decreased to SEK 0.34 (0.48). Fully diluted earnings per share amounted to SEK 0.33 (0.48).

January 1 – June 30, 2009

- Brand sales (excluding VAT) increased by 6 percent to SEK 988 million (932).
- The Group's net sales increased by 12 percent to SEK 262.5 million (234.6).
- The gross profit margin decreased to 49.9 percent (53.5).
- Operating profit decreased to SEK 49.7 million (53.0).
- Profit after tax decreased to SEK 37.3 million (38.8).
- Earnings per share decreased to SEK 1.49 (1.55). Fully diluted earnings per share amounted to SEK 1.49 (1.54).

After the conclusion of the period

- In August an agreement was signed with a new distributor for the German market.
- The distribution agreement in England has been terminated effective August 19, 2009 and extends for an additional two years.

Comment from the President

"The Björn Borg brand continues to develop stably. The lower result of the quarter is affected by further investments in the U.S market. At the same time we are maintaining good control of our overall costs despite staying on the offensive. During the quarter we implemented changes in line with Björn Borg's new strategy, which places a greater focus on underwear. We are adapting the organization and, among other things, have recruited a creative director. We are also continuing to evaluate our partners and have recently signed a new distribution agreement for Germany," says President Arthur Engel.

| SEK million | April-June 2009 | April-June 2008 | Jan-June 2009 | Jan-June 2008 | July 2008- June 2009 | Full-year 2008 |
|--|--------------------|--------------------|------------------|------------------|-------------------------|-------------------|
| Brand sales* | 386 | 382 | 988 | 932 | 2,027 | 1,971 |
| Net sales | 97.8 | 95.8 | 262.5 | 234.6 | 554.5 | 526.6 |
| Gross profit margin, % | 50.9 | 55.9 | 49.9 | 53.5 | 52.1 | 53.8 |
| Operating profit | 12.1 | 16.5 | 49.7 | 53.0 | 125.5 | 128.8 |
| Operating margin, % | 12.4 | 17.2 | 18.9 | 22.6 | 22.6 | 24.5 |
| Profit after tax | 8.4 | 12.0 | 37.3 | 38.8 | 97.8 | 99.2 |
| Earnings per share, SEK | 0.34 | 0.48 | 1.49 | 1.55 | 3.90 | 3.96 |
| Earnings per share after dilution, SEK | 0.33 | 0.48 | 1.49 | 1.54 | 3.90 | 3.96 |

* Reported as of Q1 2009 as estimated total sales of Björn Borg products at the consumer level, excluding VAT, based on reported wholesale sales.

President's comment

In what remains a very tough market, we at Björn Borg continue to build our business in accordance with the updated strategy we adopted during the quarter, which places greater emphasis on our largest product area, underwear.

The Björn Borg brand continues to take steps forward in new markets. Our development in more established markets have been slightly weaker. Due to exchange rates, our gross margin was weaker than the same period last year. At the same time I would add that despite the development stage the company is currently in, we have maintained good control of our operating costs and have strong cash reserves.

Björn Borg's vision is to be the "champion of fashion underwear." This is based on two key components: innovative product development and stronger distribution. Naturally we have to have the structure and competence to facilitate our continued success. During the quarter we therefore strengthened our organization by hiring a creative director and a manager for Björn Borg's retail concept.

In product development, we recently introduced a new sports-inspired concept in men's underwear, Björn Borg Sport, and a new basic concept for women, Love all, scheduled for launch in stores in spring 2010.

Björn Borg's business model is based on committed, active distributors with investment resources who will represent the brand around the world. As I have said before, we are now reevaluating all our current distributors and have explicit requirements they must meet in order to work with Björn Borg. As a result of this work, we decided to terminate the cooperation with the current British distributor effective 2011, and we just signed up an experienced distributor for the German market.

As a whole, we have a platform for further expansion in place and the strength to get it done. We expect a tough fall and winter, but are working decisively to ensure the long-term success of Björn Borg.

Arthur Engel
President

Operations

Brand sales

Brand sales (excluding VAT) amounted to SEK 386 million (382) during the second quarter, an increase of 1 percent compared with the same quarter of 2008. During the first half-year brand sales amounted to SEK 988 million (932), an increase of 6 percent.

Product areas during the first half-year

Brand sales in the underwear product area rose by 2 percent during the first half-year compared with the same period in 2008. The same increase was reported for adjacent products. Sales in the footwear product area increased as a whole by 62 percent during the period following a major gain during the first quarter and a weaker second quarter. Sales of licensed products – bags, fragrances and eyewear – were largely unchanged. Underwear accounted for 62 percent of brand sales during the first half-year.

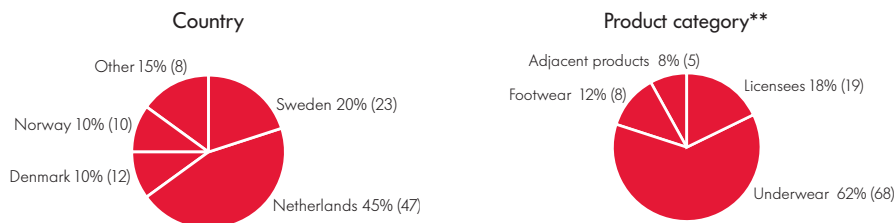
Markets during the first half-year

Brand sales in new markets continued to rise during the first half-year, though from low levels. Established markets underperformed. Norway and the Netherlands noted a slight sales increase during the first half-year, mainly in the underwear product area. Sweden and Denmark posted negative sales trends.

Björn Borg stores

The former men's store on Grev Turegatan in Stockholm was sold during the quarter, during which time no new Björn Borg stores were opened. At the end of the period there were 43 (39) Björn Borg stores, of which 10 (10) were Group-owned.

Brand sales* of Björn Borg products
January–June 2009. Total SEK 988 million (932)



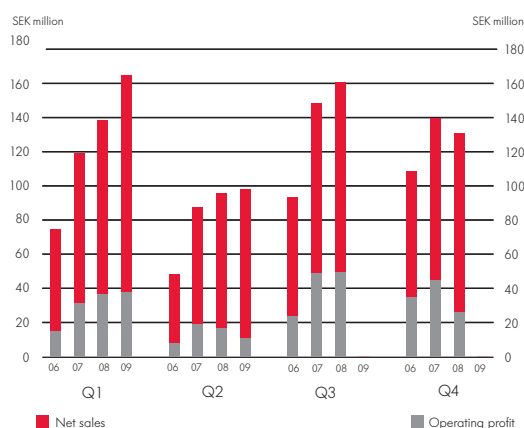
* Estimated total sales of Björn Borg products at the consumer level, excluding VAT, based on reported wholesale sales.

** Underwear: Men's and women's underwear, swimwear and socks. Adjacent products: Men's clothing. Licensees: Bags, fragrances, eyewear and women's clothing in the Netherlands.

The Group's development

Sales increased during the second quarter with lower operating profit.

Quarterly net sales and operating profit



Net sales

Second quarter, April-June 2009

Group sales during the second quarter amounted to SEK 97.8 million (95.8), an increase of 2 percent. The volume decreased during the quarter, which was compensated by a higher U.S. dollar rate.

First half-year, January-June 2009

Group sales during the first half-year amounted to SEK 262.5 million (234.6), an increase of 12 percent mainly due to the positive effect of the stronger dollar and higher footwear exports.

Profit

Second quarter, April-June 2009

The gross profit margin decreased during the second quarter to 50.9 percent (55.9) due to stronger dollar rate and decreased sales in the Swedish distribution operations.

Operating profit amounted to SEK 12.1 million (16.5) during the quarter with an operating margin of 12.4 percent (17.2). Profit before tax decreased during the period to SEK 11.9 million (16.6).

Operating profit was affected by lower sales and lower gross profit in distribution operations while the stronger dollar rate affected the operating profit slightly positive in total.

Despite further investments in the U.S. market, and thanks to lower marketing and selling expenses, operating expenses were largely unchanged compared with the same quarter of 2008.

First half-year, January-June 2009

The gross profit margin decreased during the first half-year to 49.9 percent (53.5). Operating profit amounted to SEK 49.7 mil-

lion (53.0) with an operating margin of 18.9 percent (22.6). Profit before tax decreased during the period to SEK 51.1 million (53.9). Operating expenses remained fairly constant as a share of net sales, amounting to SEK 31.0 percent (30.9). The main reason for the lower gross profit margin was the stronger dollar and its impact on the Distribution segment in particular. Compared with the first half of 2008, operating profit was negatively affected by additional expenses for marketing investments in the U.S. and organizational changes to facilitate further expansion.

As of June 30, 2009 the company had 25,148,384 shares outstanding. Earnings per share before and after dilution amounted to SEK 1.49 (1.55) and SEK 1.49 (1.54), respectively.

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 Björn Borg 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 during the period reached SEK 68.3 million (53.9), an increase of 27 percent, which was mainly due to higher internal sales, though also to a lesser degree to increased brand sales.

Operating profit amounted to SEK 18.9 million (13.6) for the period. Profit was affected positively by higher sales in the network, but negatively by increased marketing expenses.

Product development

The Group has global responsibility for development, design and production of underwear, adjacent products and footwear.

The segment's net sales amounted to SEK 178.7 million (140.8) during the first half-year, an increase of 27 percent. The increase was primarily due to substantially higher footwear exports, mainly to the Netherlands, during the first quarter, but also the stronger dollar during the entire first half-year.

Operating profit increased to SEK 32.5 million (21.7) as a result of the increased exports and stronger dollar.

Distribution

The Björn Borg Group is the exclusive distributor of underwear, adjacent products and footwear in Sweden and the U.S.

Net sales in the Distribution segment decreased by 3 percent during the period to SEK 86.7 million (89.8). This was mainly due to a decline in Swedish underwear distribution.

The operating loss amounted to SEK 2.3 million, against a year-earlier profit of SEK 17.4 million. The decrease is mainly explained by market investments in the U.S., lower sales in Swedish underwear distribution and the stronger dollar, which affected gross profit negatively.

| SEK thousands | | Jan-June 2009 | Jan-June 2008 | Jan-June 2009 | Jan-June 2008 | Jan-June 2009 | Jan-June 2008 |
|---------------------|------------------------|----------------|----------------|------------------|------------------|------------------|------------------|
| Operating area | Revenue source | Sales | Sales | Operating profit | Operating profit | Operating margin | Operating margin |
| Brand and other | Royalties and services | 68,343 | 53,936 | 18,936 | 13,565 | 28% | 25% |
| Product development | Products | 178,654 | 140,791 | 32,492 | 21,668 | 18% | 15% |
| Distribution | Wholesale sales | 86,742 | 89,833 | -2,269 | 17,406 | -3% | 19% |
| Retail | Retailers | 22,472 | 21,957 | 554 | 376 | 2% | 2% |
| less internal sales | | -93,706 | -71,955 | - | - | - | - |
| Total | | 262,506 | 234,561 | 49,713 | 53,015 | 19% | 23% |



Retail

The Björn Borg Group owns and operates eight stores in the Swedish market that sell underwear, adjacent products, footwear and licensed products. Additionally, Björn Borg operates two factory outlets.

Net sales in the Retail segment amounted to SEK 22.5 million (22.0) during the second quarter, an increase of 2 percent. Comparable-store sales fell by 2 percent during the second quarter due to lower revenues from the factory outlets. Operating profit increased to SEK 0.6 million (0.4) and was affected positively by lower operating expenses coupled with higher sales.

Intra-Group sales

Intra-Group sales amounted to SEK 93.7 million (72.0) during the period.

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 35.3 million (26.2) for the period January–June 2009. The change in working capital was mainly due to a reduction in accounts payable.

Total investments in tangible and intangible non-current assets amounted to SEK 2.3 million (1.2) for the first half-year, the large part of which was attributable to a new enterprise system.

The decrease in cash & cash equivalents amounted to SEK 1.5 million for the first half-year 2009, against a decrease of SEK 12.4 million a year earlier.

Financial position and liquidity

The Björn Borg Group's cash & cash equivalents (net cash position) amounted to SEK 240.0 million (175.0) at the end of the period. Because of the company's strong financial position, the Board of Directors has decided to reduce the unutilized bank overdraft facility to SEK 20 million (125). The equity/assets ratio was 71.6 percent (70.4). The company has no interest-bearing liabilities.

Commitments and contingent liabilities

No changes were made with regard to pledged assets and contingent liabilities compared with December 31, 2008. For further information, see note 22 on page 44 of the annual report 2008.

Personnel

The average number of employees in the Group for the period January-June was 93 (86), of whom 58 were women.

Events after the balance sheet date

In August an agreement was signed with a new distributor for the German market. The new distributor has broad-based experience from recognized underwear brands and an established network of contacts at the retail level.

The distribution agreement in England has been terminated as of August 19, 2009 and extends for another two years. The aim is to remain active in the British market.

Number of shares

In connection with the expiration of a warrant program (2006:1) in June 2009, warrant holders in Björn Borg AB (publ) exercised their warrants to subscribe for Björn Borg shares, the number of which increased by 89,200. Following the increase, the number of shares in Björn Borg is 25,148,384.

Parent Company

Björn Borg AB (publ) is primarily engaged in intra-Group activities. In addition, the Parent 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 second quarter amounted to SEK 6.5 million (6.1). During the first half-year the Parent Company's net sales amounted to SEK 20.4 million (13.7). The loss before tax amounted to SEK 7.5 million for the second quarter, against a year-earlier loss of SEK 11.2 million. For the first six months the Parent Company reported a loss of SEK 11.6 million, compared with a year-earlier loss of SEK 14.6 million. Cash & cash equivalents amounted to SEK 177.5 million (9.7) on June 30. For the first half-year investments in tangible and intangible non-current assets amounted to SEK 1.4 million (0.4).

Significant risks and uncertainties

In its operations, the Björn Borg Group is exposed to risks and uncertainties. For further information, refer to pages 29-30 in the annual report 2008.

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 42 of the annual report 2008.

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The same accounting principles were applied during the period as in 2008, as described on pages 36–38 of the latest annual report, with the exceptions indicated below.

IAS 1 (Revised) Presentation of Financial Statements is effective January 1, 2009. The revised standard has affected the recognition of translation adjustments for foreign operations retroactively to December 31, 2008. These revenues and expenses were previously recognized directly in equity, but are now reported in a separate statement directly after the income statement. Another revision is the new terminology used in the financial reports. As of January 1, 2009 a new standard, IFRS 8 Operating Segments, takes effect. IFRS 8 is a disclosure standard and does not impact the Group's statement of comprehensive income, financial position, cash flow and changes in equity. The operating segments are unchanged compared with the latest annual report. None of the other new or amended standards and interpretations from IFRIC has had a significant impact on the financial position or results of the Group or the Parent Company.

Outlook 2009

As a policy, the company does not issue earnings forecasts.

Audit report

This interim report has not been reviewed by the company's auditors.

Consolidated statement of comprehensive income

Condensed

| SEK thousands | April-June 2009 | April-June 2008 | Jan-June 2009 | Jan-June 2008 | July 2008- June 2009 | Full-year 2008 |
|--|--------------------|--------------------|------------------|------------------|-------------------------|-------------------|
| Net sales | 97,832 | 95,813 | 262,506 | 234,561 | 554,501 | 526,556 |
| Cost of goods sold | -48,008 | -42,260 | -131,534 | -109,063 | -265,529 | -243,058 |
| Gross profit | 49,824 | 53,553 | 130,972 | 125,498 | 288,971 | 283,498 |
| Distribution expenses | -25,203 | -24,793 | -54,392 | -48,253 | -111,518 | -105,380 |
| Administrative expenses | -9,620 | -9,325 | -20,301 | -18,318 | -39,115 | -37,133 |
| Development expenses | -2,870 | -2,940 | -6,567 | -5,912 | -12,889 | -12,234 |
| Operating profit | 12,131 | 16,493 | 49,713 | 53,015 | 125,449 | 128,751 |
| Net financial items | -260 | 100 | 1,403 | 837 | 6,637 | 6,071 |
| Profit before tax | 11,871 | 16,594 | 51,116 | 53,852 | 132,086 | 134,822 |
| Tax | -3,469 | -4,646 | -13,791 | -15,079 | -34,332 | -35,620 |
| Profit for the period | 8,402 | 11,948 | 37,325 | 38,773 | 97,754 | 99,202 |
| Profit/loss for the period attributable to | | | | | | |
| Parent Company's shareholders | 8,405 | 11,956 | 37,302 | 38,775 | 97,737 | 99,210 |
| Minority interests | 3 | 8 | -23 | 2 | -17 | 8 |
| Other comprehensive income | | | | | | |
| Translation adjustments for foreign operations | 245 | - | 476 | - | - | -536 |
| Total comprehensive income for the period | 8,647 | 11,948 | 37,801 | 38,773 | 97,754 | 98,666 |
| Total comprehensive income for the period attributable to | | | | | | |
| Parent Company's shareholders | 8,650 | 11,956 | 37,778 | 38,775 | 97,737 | 98,674 |
| Minority interests | 3 | 8 | -23 | 2 | -17 | 8 |
| Earnings per share, SEK | 0.34 | 0.48 | 1.49 | 1.55 | 3.90 | 3.96 |
| Earnings per share after dilution, SEK | 0.33 | 0.48 | 1.49 | 1.54 | 3.90 | 3.96 |
| Number of shares | 25,148,384 | 25,041,584 | 25,148,384 | 25,041,584 | 25,088,917 | 25,059,184 |
| Weighted average number of shares | 25,088,917 | 25,038,517 | 25,074,051 | 25,037,751 | 25,059,284 | 25,041,134 |
| Effect of dilution* | 114,010 | 55,239 | 0 | 60,663 | 0 | 34,366 |
| Weighted average number of shares after full dilution | 25,202,927 | 25,093,757 | 25,074,051 | 25,098,414 | 25,059,284 | 25,075,500 |

* Björn Borg has two outstanding incentive programs based on warrants in Björn Borg AB: option schemes 2008:1 and 2008:2.
For more detailed information, see page 41 of the annual report 2008.

Consolidated statement of financial position

Condensed

| SEK thousands | June 30 2009 | June 30 2008 | Dec 31 2008 |
|-------------------------------------|-----------------|-----------------|----------------|
| Non-current assets | | | |
| Goodwill | | 13,944 | 13,944 |
| Trademarks | | 187,532 | 187,532 |
| Other intangible assets | | 1,815 | 818 |
| Tangible non-current assets | | 13,578 | 17,113 |
| Total non-current assets | 216,869 | 219,407 | 218,538 |
| Current assets | | | |
| Inventories | 36,523 | 22,685 | 33,752 |
| Current receivables | 89,219 | 71,980 | 106,197 |
| Cash & cash equivalents | 239,957 | 175,049 | 241,498 |
| Total current assets | 365,699 | 269,714 | 381,447 |
| Total assets | 582,569 | 489,121 | 599,985 |
| Equity and liabilities | | | |
| Equity | 416,982 | 344,271 | 413,803 |
| Deferred tax liabilities | 35,354 | 31,599 | 32,884 |
| Other non-current liabilities | 43,852 | 52,515 | 46,816 |
| Accounts payable | 30,168 | 37,923 | 45,489 |
| Other current liabilities | 56,213 | 22,813 | 60,993 |
| Total equity and liabilities | 582,569 | 489,121 | 599,985 |



Consolidated statement of changes in equity

Condensed

| SEK thousands | January–June 2009 | January–June 2008 | Full-year 2008 |
|---|----------------------|----------------------|-------------------|
| Opening balance | 413,803 | 342,943 | 342,943 |
| Incentive programs | – | – | 9,055 |
| New share issues | 2,966 | 110 | 694 |
| Dividend | –37,589 | –37,555 | –37,555 |
| Total comprehensive income for the period | 37,801 | 38,773 | 98,666 |
| Closing balance | 416,982 | 344,271 | 413,803 |

Consolidated statement of cash flows

Condensed

| SEK thousands | April–June 2009 | April–June 2008 | Jan–June 2009 | Jan–June 2008 | Full-year 2008 |
|---|--------------------|--------------------|------------------|------------------|-------------------|
| Cash flow from operating activities | | | | | |
| Before change in working capital | 4,339 | 15,075 | 39,006 | 38,406 | 123,214 |
| Change in working capital | 18,162 | –8,211 | –3,675 | –12,168 | –36,260 |
| Cash flow from operating activities | 22,500 | 6,864 | 35,330 | 26,238 | 86,954 |
| Cash flow from investing activities | –747 | –718 | –2,248 | –1,167 | –5,073 |
| Dividend | –37,589 | –37,555 | –37,589 | –37,555 | –37,555 |
| Incentive programs/new share issues | 2,966 | 110 | 2,966 | 110 | 9,749 |
| Cash flow from financing activities | –34,623 | –37,445 | –34,623 | –37,445 | –27,806 |
| Cash flow for the period | –12,870 | –31,299 | –1,541 | –12,374 | 54,075 |
| Cash & cash equivalents at beginning of period | 252,827 | 206,348 | 241,498 | 187,423 | 187,423 |
| Cash & cash equivalents at end of period | 239,957 | 175,049 | 239,957 | 175,049 | 241,498 |

Key figures

Group

| SEK thousands | April–June 2009 | April–June 2008 | Jan–June 2009 | Jan–June 2008 | July 2008– juni 2009 | Full-year 2008 |
|--|--------------------|--------------------|------------------|------------------|-------------------------|-------------------|
| Gross profit margin, % | 50.9 | 55.9 | 49.9 | 53.5 | 52.1 | 53.8 |
| Operating margin, % | 12.4 | 17.2 | 18.9 | 22.6 | 22.6 | 24.5 |
| Profit margin, % | 12.1 | 17.3 | 19.5 | 23.0 | 23.8 | 25.6 |
| Return on capital employed, % | 2.5 | 4.3 | 10.6 | 14.2 | 29.8 | 28.8 |
| Return on average equity, % | 2.2 | 3.5 | 9.8 | 11.3 | 25.7 | 26.2 |
| Profit attributable to Parent Company's shareholders | 8,405 | 11,956 | 37,302 | 38,775 | 97,737 | 99,210 |
| Earnings per share, SEK* | 0.34 | 0.48 | 1.49 | 1.55 | 3.90 | 3.96 |
| Earnings per share after dilution, SEK | 0.33 | 0.48 | 1.49 | 1.54 | 3.90 | 3.96 |
| Number of shares | 25,148,384 | 25,041,584 | 25,148,384 | 25,041,584 | 25,088,917 | 25,059,184 |
| Weighted average number of shares | 25,088,917 | 25,038,517 | 25,074,051 | 25,037,751 | 25,059,284 | 25,041,134 |
| Effect of dilution | 114,010 | 55,239 | 0 | 60,663 | 0 | 34,366 |
| Weighted average number of shares after dilution | 25,202,927 | 25,093,757 | 25,074,051 | 25,098,414 | 25,059,284 | 25,075,500 |
| Equity/assets ratio, % | 71.6 | 70.4 | 71.6 | 70.4 | 71.6 | 69.0 |
| Equity per share, SEK | 16.58 | 13.75 | 16.62 | 13.75 | 16.58 | 16.51 |
| Investments in intangible assets | 364 | 0 | 1,262 | 0 | 3,462 | 2,200 |
| Investments in tangible assets | 383 | 718 | 985 | 1,167 | 2,691 | 2,873 |
| Depreciation and impairment losses for the period | –1,984 | –1,194 | –3,959 | –2,351 | –8,584 | –6,976 |
| Average number of employees | 93 | 86 | 93 | 86 | 95 | 88 |

Summary by segment

Group

| SEK thousands | April–June 2009 | April–June 2008 | Jan–June 2009 | Jan–June 2008 | July 2008– June 2009 | Full-year 2008 |
|----------------------------|--------------------|--------------------|------------------|------------------|-------------------------|-------------------|
| Operating revenue | | | | | | |
| Brand and other | | | | | | |
| External sales | 10,681 | 10,318 | 30,370 | 25,347 | 62,295 | 57,272 |
| Internal sales | 13,886 | 12,584 | 37,973 | 28,589 | 94,404 | 85,020 |
| | 24,567 | 22,902 | 68,343 | 53,936 | 156,699 | 142,292 |
| Product development | | | | | | |
| External sales | 54,296 | 47,674 | 136,009 | 107,953 | 278,664 | 250,608 |
| Internal sales | 14,416 | 17,225 | 42,646 | 32,838 | 96,387 | 86,579 |
| | 68,712 | 64,899 | 178,654 | 140,791 | 375,051 | 337,187 |
| Distribution | | | | | | |
| External sales | 22,269 | 27,004 | 73,655 | 79,305 | 158,006 | 163,655 |
| Internal sales | 5,052 | 4,119 | 13,087 | 10,529 | 35,871 | 33,312 |
| | 27,322 | 31,123 | 86,742 | 89,833 | 193,876 | 196,967 |
| Retail | | | | | | |
| External sales | 10,585 | 10,817 | 22,472 | 21,957 | 55,536 | 55,021 |
| Internal sales | – | – | – | – | 6 | 6 |
| | 10,585 | 10,817 | 22,472 | 21,957 | 55,542 | 55,027 |
| Less internal sales | –33,354 | –33,928 | –93,706 | –71,955 | –226,667 | –204,916 |
| Operating revenue | 97,832 | 95,813 | 262,506 | 234,561 | 554,500 | 526,556 |
| Operating profit | | | | | | |
| Brand and other | 1,662 | 450 | 18,936 | 13,565 | 48,028 | 42,656 |
| Product development | 13,772 | 12,792 | 32,492 | 21,668 | 60,833 | 50,009 |
| Distribution | –4,730 | 2,589 | –2,269 | 17,405 | 7,799 | 27,475 |
| Retail | 1,427 | 663 | 554 | 376 | 8,789 | 8,611 |
| Operating profit | 12,131 | 16,493 | 49,713 | 53,014 | 125,449 | 128,751 |

Quarterly data

Group

| SEK thousands | Q2 2009 | Q1 2009 | Q4 2008 | Q3 2008 | Q2 2008 | Q1 2008 | Q4 2007 | Q3 2007 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|
| Brand sales | 385,637 | 602,183 | 475,378 | 562,835 | 381,246 | 551,062 | 520,690 | 527,296 |
| Net sales | 97,832 | 164,674 | 131,233 | 160,762 | 95,813 | 138,748 | 139,795 | 148,597 |
| Gross profit margin, % | 50.9 | 49.3 | 54.1 | 54.1 | 55.9 | 51.9 | 53.8 | 54.6 |
| Operating profit | 12,131 | 37,582 | 26,049 | 49,688 | 16,493 | 36,521 | 42,258 | 49,238 |
| Operating margin, % | 12.4 | 22.8 | 19.8 | 30.9 | 17.2 | 26.3 | 30.2 | 33.1 |
| Profit after financial items | 11,871 | 39,245 | 28,693 | 52,277 | 16,594 | 37,258 | 42,719 | 48,920 |
| Profit margin, % | 12.1 | 23.8 | 21.9 | 32.5 | 17.3 | 26.9 | 30.6 | 32.9 |
| Earnings per share, SEK | 0.34 | 1.15 | 0.91 | 1.50 | 0.48 | 1.07 | 1.22 | 1.42 |
| Earnings per share after dilution, SEK | 0.33 | 1.15 | 0.91 | 1.50 | 0.48 | 1.07 | 1.22 | 1.41 |
| Number of Björn Borg stores at end of period | 43 | 44 | 44 | 41 | 39 | 36 | 36 | 33 |
| of which Björn Borg-owned stores | 10 | 11 | 11 | 11 | 10 | 10 | 10 | 10 |

Parent Company income statement

Condensed

| SEK thousands | April–June 2009 | April–June 2008 | Jan–June 2009 | Jan–June 2008 | July 2008– June 2009 | Full-year 2008 |
|-----------------------------------|--------------------|--------------------|------------------|------------------|-------------------------|-------------------|
| Net sales | 6,464 | 6,054 | 20,440 | 13,699 | 51,040 | 50,630 |
| Cost of goods sold | -1,001 | -1,275 | -2,406 | -1,650 | -6,701 | -6,975 |
| Gross profit | 5,463 | 4,779 | 18,034 | 12,049 | 44,339 | 43,655 |
| Distribution expenses | -9,267 | -9,240 | -20,078 | -17,368 | -40,263 | -40,235 |
| Administrative expenses | -3,564 | -3,554 | -7,722 | -6,680 | -15,486 | -15,475 |
| Development expenses | -1,426 | -1,422 | -3,089 | -2,672 | -6,194 | -6,190 |
| Operating profit/loss | -8,794 | -9,436 | -12,855 | -14,671 | -17,603 | -18,245 |
| Net financial items | 1,295 | -1,770 | 1,250 | 88 | 4,781 | 1,716 |
| Profit/loss before tax | -7,500 | -11,206 | -11,605 | -14,583 | -12,823 | -16,529 |
| Appropriations | - | - | - | - | -104 | -104 |
| Tax | 1,972 | 3,138 | 3,052 | 4,083 | 3,258 | 4,424 |
| Profit/loss for the period | -5,527 | -8,068 | -8,553 | -10,500 | -9,669 | -12,209 |

Parent Company balance sheet

Condensed

| SEK thousands | June 30 2009 | June 30 2008 | Dec 31 2008 |
|-------------------------------------|-----------------|-----------------|----------------|
| Non-current assets | | | |
| Intangible non-current assets | 1,241 | - | - |
| Tangible non-current assets | 4,700 | 6,028 | 5,543 |
| Shares in Group companies | 54,497 | 54,497 | 54,497 |
| Total non-current assets | 60,438 | 60,525 | 60,040 |
| Current assets | | | |
| Receivables from Group companies | 33,238 | 98,898 | 59,551 |
| Current receivables | 11,976 | 11,410 | 6,971 |
| Cash & cash equivalents | 177,485 | 9,651 | 220,348 |
| Total current assets | 222,699 | 119,959 | 286,870 |
| Total assets | 283,137 | 180,484 | 346,910 |
| Equity and liabilities | | | |
| Equity | 106,628 | 135,449 | 149,782 |
| Untaxed reserves | 7,359 | 7,254 | 7,359 |
| Due to Group companies | 157,783 | 27,237 | 173,048 |
| Accounts payable | 3,391 | 7,069 | 7,713 |
| Other current liabilities | 7,976 | 3,475 | 9,008 |
| Total equity and liabilities | 283,137 | 180,484 | 346,910 |

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 through its own Björn Borg stores. Total sales of Björn Borg products in 2008 amounted to approximately SEK 2 billion at the consumer level. Group net sales amounted to SEK 527 million in 2008, with 88 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, excluding VAT, based on reported wholesale sales.

The Board of Directors and the President certify that the semiannual report provides a true and fair overview of the operations, financial position and results of the Group and the Parent Company and describes the substantial risks and uncertainties faced by the Parent Company and companies in the Group.

Björn Borg AB (publ)
Stockholm, August 20, 2009

Fredrik Lövestedt
Chairman

Nils Vinberg
Vice Chairman

Wilhelm Schottenius
Board Member

Monika Elling
Board Member

Michael Storåkers
Board Member

Mats H Nilsson
Board Member

Fabian Månsson
Board Member

Arthur Engel
President and CEO



Upcoming information dates

The interim report January–September 2009 will be released on November 12, 2009.

The year-end report for 2009 will be released on February 11, 2010.



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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 August 20, 2009 at 7:30 a.m. (CET).