



BJÖRN BORG

BJÖRN BORG AB INTERIM REPORT JANUARY – MARCH 2015

JANUARY 1 – MARCH 31, 2015

- The Group's net sales decreased by 8 percent to SEK 131.1 million (142.8). Excluding currency effects, sales were down 16 percent.
- The gross profit margin was 53.6 percent (52.8).
- Operating profit amounted to SEK 12.8 million (19.0).
- Profit after tax amounted to SEK 14.9 million (15.6).
- Earnings per share before and after dilution amounted to SEK 0.61 (0.62).
- The comparable period in 2014 includes delayed shipments, which increased quarterly revenue by about SEK 25 million and operating profit by about SEK 12 million.
- Brand sales* (excluding VAT) increased by 3 percent to SEK 394 million (382). Excluding currency effects, the decrease was 1 percent.

QUOTE FROM THE CEO

"During the quarter we began our shift to sports fashion, and I am especially pleased with our successful branding activity in Q1, 'First person lover.' We decided to present our collection with a computer game, where choosing various products from our collection gave the character different superpowers to use to battle evil forces in the world. The campaign delivered on all of our key indicators, the highlight of which is that we have now generated over 18 million views of the game," said Henrik Bunge, CEO.

SEK thousands	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Net sales	131,1	142,8	527,1	538,8
Gross profit margin, %	53,6	52,8	53,2	52,9
Operating profit	12,8	19,0	49,7	56,0
Operating margin, %	9,8	13,3	9,4	10,4
Profit after tax	14,9	15,6	46,8	47,6
Earnings per share, SEK	0,61	0,62	1,93	1,94
Brand sales*	394	382	1 444	1 431

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



CEO'S COMMENT

For the first quarter of 2015 we are reporting decreases in both sales and operating profit. Our sales are down 8% from the same quarter in 2014. The first quarter 2014 however includes about SEK 25 million in delayed shipments from 2013, as previously reported. Excluding those delayed shipments as well as positive currency effects we see a slight increase in sales. Our own operations in England and Finland have not delivered as expected, while our own e-com continues to generate good growth. We put a lot of focus on creating traffic to our webshop as well as increasing conversion (the share of visitors who actually completes a purchase). Our own comparable stores are also producing better than expected growth. In terms of operating profit, we are down SEK 6.2 million and closed Q1 at SEK 12.8 million (19.0). The main reasons were lower revenue compared with Q1 2014 with its extra revenue from delayed shipments, but also higher expenses for a stronger organization.

During the quarter we began our shift to sports fashion, and I am especially pleased with the successful branding activity in Q1, "First person lover." We decided to present our collection with the computer game, where choosing various products from the collection gave the character different superpowers to use to battle evil in the world. The campaign delivered on all of our key indicators, the highlight of which is that we have now generated over 18 million views of the game.

My personal focus during the quarter was on putting the organization in place and strengthening our team by adding expertise in sales, product development, design and retail sales. In addition, we devoted a lot of time to meeting key people from a number of the largest fashion and sporting goods chains in the Nordic region. Ultimately, it is people who make the difference.

Head coach
Henrik Bunge



OPERATIONS

BRAND SALES

Distributors and licensees saw slightly improved sales in the first quarter 2015, mainly in bags and footwear. As a result, brand sales (excluding VAT) rose by 3 percent to SEK 394million (382). Adjusted for currency effects, brand sales were down 1 percent for the quarter.

PRODUCT AREAS FIRST QUARTER 2015

Brand sales in the underwear product area improved by 1 percent in the first quarter. Underwear accounted for 52 percent (53) of brand sales.

Brand sales of sports apparel were unchanged. In the product areas for footwear and bags, sales increased, while sales of eyewear and fragrances declined. In total, sales of licensed products increased by 6 percent during the first quarter.

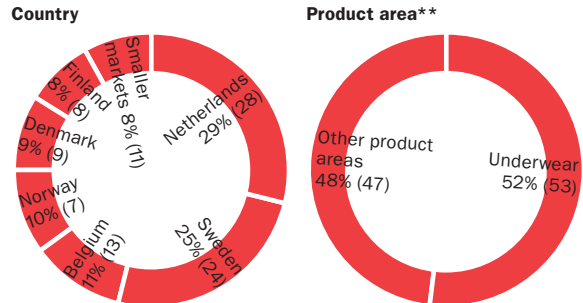
MARKETS FIRST QUARTER 2015

Among large markets, every country except Belgium saw growth. Norway reported the highest growth during the quarter. It was a tough quarter for Björn Borg's smaller markets, where even England lost ground compared with the previous year.

BJÖRN BORG STORES

No new Björn Borg stores were opened during the first quarter. The former German distributor closed its outlet in early 2015. As of March 31, 2015 there were a total of 40 (38) Björn Borg stores, of which 18 (17) are Group-owned.

BRAND SALES* OF BJÖRN BORG PRODUCTS JANUARY-MARCH 2015. TOTAL SEK 394 MILLION (382)



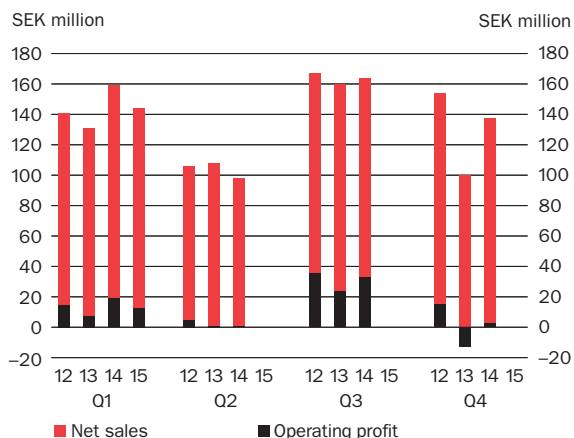
* Estimated total sales of Björn Borg products at the consumer level, excluding VAT, based on reported sales at the wholesale level.

** **Underwear:** Men's and women's underwear, swimwear, socks and adjacent products. **Other product areas:** Sports apparel, fragrances, footwear, bags and eyewear.

THE GROUP'S DEVELOPMENT

Sales were down during the first quarter with lower operating profit compared with the same period in 2014.

QUARTERLY NET SALES AND OPERATING PROFIT, 2012-2015



SALES

First quarter, January-March 2015

The Group's net sales amounted to SEK 131.1 million (142.8) during the first quarter, a decrease of 8 percent. The decrease excluding currency effects was 16 percent.

As previously announced, about SEK 25 million in shipments from both product companies was delayed at the end of 2013 until the first quarter 2014. As a result, the first quarter 2014 is not completely comparable with the first quarter 2015 in terms of either sales or operating profit. Adjusted for currency effects, quarterly net sales would have been about SEK 121 million, compared with about SEK 118 million for the first quarter 2014 excluding the delayed shipments. In other words, total sales grew by about 2-3 percent. The underlying spring/summer collections in the product companies for underwear and sports apparel generated higher revenue, but with a significant currency component. The British and Finnish wholesaling operations declined slightly during the quarter, as did the Swedish wholesale company for footwear. The Swedish wholesaling operations for underwear posted a decrease that was

overwhelmingly due to customer shipments planned in March but delivered during the second quarter. Group-owned retail operations had a very positive quarter and e-commerce reported continued growth. Royalties increased as a result of higher brand sales during the quarter.

PROFIT

First quarter, January-March 2015

The gross profit margin for the first quarter increased to 53.6 percent (52.8). The wholesale operations were adversely impacted by stronger foreign currencies. Excluding currency effects, the gross profit margin would have been 54.2 percent.

Lower revenue mainly in the underwear and sports apparel product companies, combined with higher operating expenses, contributed to a decrease in operating profit to SEK 12.8 million (19.0) during the quarter, despite an improved gross profit margin. The operating margin was 9.8 percent (13.3). Operating expenses excluding goods for resale were SEK 3.9 million higher year-on-year. A significant share of the increase is due to hirings by the Parent Company in design and production.

Net financial items amounted to SEK 5.0 million (0.9). The realized and unrealized return on investments, less interest on the bond loan, positively affected the Group's financial net by SEK 1.1 million (1.4). The remaining year-on-year increase is mainly due to the revaluation of financial assets and liabilities in foreign currency. Profit before tax decreased to SEK 17.8 million (20.0).

Development by business segment

The Group consists of a total of 13 companies, nine of which operate under the Björn Borg brand on every level from product development to wholesaling and consumer sales in its own Björn Borg stores.

Brand

The Brand segment primarily consists of royalty revenue and expenses associated with the brand.

The business segment's operating revenue amounted to SEK 22.3 million (21.8) during the first quarter 2015. External operating revenue increased to SEK 11.5 million (9.7), in line with higher brand sales. It should be noted that the royalties Björn Borg Sport receives from its customers are also reported in the Brand segment.

Operating profit increased to SEK 6.4 million (4.9) for the quarter. The improved operating result is due to higher revenue. Operating expenses were in line with the previous year.

Business segment	Revenue source	Operating revenue, SEK thousands		Operating profit, SEK thousands		Operating margin, %	
		2015	2014	2015	2014	2015	2014
Brand	Royalties	22,283	21,820	6,432	4,939	29	23
Product development	Products	96,808	98,052	9,283	15,509	10	16
Wholesale	Wholesale revenue	58,542	62,319	1,685	4,394	3	7
Retail	Retailers	20,542	17,050	-4,572	-5,794	-22	-34
Less internal sales		-64,116	-56,232	-	-	-	-
Total		134,059	143,009	12,828	19,048	10	13

Product development

The Björn Borg Group has global responsibility for development, design and production of underwear and adjacent products as well as sports apparel through Björn Borg Sport.

The business segment's operating revenue amounted to SEK 96.8 million (98.1) during the first quarter 2015, a decrease of 1 percent. External operating revenue amounted to SEK 52.9 million (63.2). This decrease of 16 percent compared with the first quarter 2014 is mainly due to the previously announced shipment delays in both product companies in the comparable quarter in 2014. One of the reasons why the year-on-year decrease wasn't bigger was a significant currency effect, with a stronger USD positively affecting sales in this segment by over SEK 8 million.

Operating profit decreased to SEK 9.3 million (15.5) due to the lower sales and slightly higher operating expenses.

Wholesale

The Björn Borg Group is the exclusive wholesaler of underwear and adjacent products in Sweden, Finland and England as well as footwear in Sweden, Finland and the Baltic countries.

The business segment's operating revenue decreased by 6 percent to SEK 58.5 million (62.3) during the first quarter 2015. External operating revenue amounted to SEK 51.7 million (55.8). The British and Finnish operations and the Group's footwear wholesaling all reported slightly lower sales year-on-year. Swedish underwear wholesaling noted a bigger sales decline, but it was largely because some shipments of the spring/summer 2015 collections did not reach customers until the subsequent quarter.

Operating profit amounted to SEK 1.7 million (4.4) due to the lower sales, but also increased purchasing costs in a more expensive USD.

Retail

The Björn Borg Group owns and operates a total of 18 stores and factory outlets in Sweden, Finland and England that sell underwear, adjacent products, sports apparel and other licensed products. Björn Borg also sells online through www.bjornborg.com.

Operating revenue in the Retail segment increased by 20 percent during the first quarter to SEK 20.5 million (17.1). External net sales rose by 25 percent during the first quarter to SEK 18.0 million (14.4). The increase is mainly due to e-commerce, which continued to grow during the first quarter, although the Group-owned Swedish stores also developed positively during the period. Sales for outlets and comparable Björn Borg stores in Sweden increased by 12 percent year-on-year.

The operating loss for the first quarter 2015 was SEK 4.6 million, against a year-earlier loss of SEK 5.8 million. The improved result is due to higher revenue during the quarter, although operating expenses also increased slightly.

Intra-Group sales

Intra-Group sales for the first quarter 2015 amounted to SEK 64.1 million (56.2).

SEASONAL VARIATIONS

The Björn Borg Group is active in an industry with seasonal variations. Sales and earnings vary by quarter. See the figure on quarterly net sales and operating profit on page 4.

INVESTMENTS AND CASH FLOW

The Group's cash flow from operating activities amounted to SEK -0.5 million (-8.9) in the first quarter 2015. A lower operating result year-on-year was accompanied by a smaller increase in tied-up working capital. The main reason for the change in tied-up working capital is that accounts receivable increased during the first quarter 2014 due to the previously announced shipment delays at the end of 2013, while they instead decreased as planned in the first quarter 2015.

Total investments in tangible and intangible non-current assets amounted to SEK 0.3 million (0.6) for the period.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash & cash equivalents and investments amounted to SEK 214.2 million (208.0) at the end of the period, with interest-bearing liabilities (bond loan) of SEK 185.0 million (193.1).

In April 2012 the company issued a bond loan on Nasdaq Stockholm that carries an annual coupon rate corresponding to the 3-month STIBOR rate +3.25 percentage points, maturing in April 2017. After transaction expenses of about SEK 1.0 million for the bond loan and corporate bond repurchases with a nominal value of SEK 14 million, the carrying amount of the bond loan was SEK 185.0 million as of March 31, 2015.

The surplus liquidity from the issuance of the bond loan is placed in interest-bearing financial instruments, highly liquid corporate bonds, within the framework of the financial policy laid down by the Board of Directors. As of March 31 investments had been made in bonds with a book value of SEK 132.6 million, which represents the fair value on the same date, compared with SEK 133.1 million on December 31, 2014. As a rule, bonds in foreign currency are hedged.

COMMITMENTS AND CONTINGENT LIABILITIES

As a commitment for the above-mentioned bond loan, the company has pledged to ensure that the ratio between the Group's net debt and operating profit before depreciation and amortization does not exceed 3.00 on the last day of each quarter and that the Group maintains an equity/assets ratio of at least 30 percent at any given time. As of March 31, 2015 the ratio was -0.50 (-0.39), i.e., a positive net cash balance, and the equity/assets ratio was 49.7 percent (48.4). A complete description of commitments and conditions of the bond loan is provided in the prospectus, which is available on the company's website and from the Swedish Financial Supervisory Authority.

No changes were otherwise made with regard to pledged assets and contingent liabilities compared with December 31, 2014.

PERSONNEL

The average number of employees in the Group was 130 (152) for the 12-month period ended March 31, 2015, of whom 67 percent (64) are women. The decrease is due to the discontinued operations in China and the divestment of the inventory management company Anteros.

RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the period.

SIGNIFICANT RISKS AND UNCERTAINTIES

In its operations the Björn Borg Group is exposed to risks and uncertainties. Information on the Group's risks and uncertainties can be found on pages 74-75 and in note 3 in the annual report 2014.

EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events to report following the conclusion of the reporting period.

PARENT COMPANY

Björn Borg AB (publ) is primarily engaged in intra-Group activities. The company also owns 100 percent of the shares in Björn Borg Brands AB, Björn Borg Footwear AB, Björn Borg Sport BV, Björn Borg Inc. and Björn Borg Services AB. In addition, the company owns 80 percent of the shares in Björn Borg UK, 75 percent of the shares in Björn Borg (China) Ltd and 75 percent of the shares in Björn Borg Finland Oy.

The Parent Company's net sales for the first quarter amounted to SEK 13.2 million (13.3).

The loss before tax amounted to SEK 10.7 million for the first quarter, against a year-earlier loss of SEK 9.1 million. Cash & cash equivalents and investments amounted to SEK 143.2 million (174.1) as of March 31, 2015. For the period, investments in tangible and intangible non-current assets amounted to SEK 0.1 million (0.1).

NUMBER OF SHARES

Björn Borg currently has 25,148,384 shares outstanding.

FINANCIAL OBJECTIVES

The Board of Directors of Björn Borg has established a business plan for the period 2015-2019 with the following long-term financial objectives for operations:

- By the financial year 2019 the Group will reach sales of SEK 1 billion with an operating margin of 15 percent
- An annual dividend of at least 50 percent of net profit
- The equity/assets ratio should not fall below 35 percent.

Comments to the financial objectives:

The sales objective for 2019 corresponds to average annual organic growth of 13 percent. The sales increase is expected to come from new product groups in sports fashion as well as expanded geographical distribution within all the product groups.

ANNUAL GENERAL MEETING

The Annual General Meeting for the financial year 2014 will be held at 6:00 pm (CET) on May 11, 2015 in Stockholm. The Board of Directors has decided to recommend to the AGM a distribution of SEK 1.50 per share for the financial year 2014, corresponding to 77 percent of net profit. As proposed, the distribution would be paid through an automatic redemption, where every share is divided into one common share and one redemption share. The redemption shares will then automatically be redeemed for SEK 1.50 per share. Payment for the redemption shares, contingent on the approval of the AGM, is expected to be made around June 12, 2015.

The Board of Directors' proposal corresponds to a transfer to shareholders of SEK 37.7 million (37.7). A distribution of SEK 1.50 per share was paid for 2013, corresponding to 175 percent of net profit.

ACCOUNTING PRINCIPLES

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Annual Accounts Act on interim reporting and RFR 2 Accounting in Legal Entities. The accounting principles applied in the interim report conform to the accounting principles applied in the preparation of the consolidated accounts and annual report for 2014, as described on page 91 in the annual report 2014.

New and amended accounting principles

New or amended IFRS and IFRIC interpretations effective as of January 1, 2015 have not had a material effect or impact on the interim report or consolidated financial statements.

AUDIT REPORT

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

OUTLOOK 2015

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

CONSOLIDATED INCOME STATEMENT CONDENSED

SEK thousands	Note	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Net sales		131,081	142,783	527,051	538,753
Other operating revenue		2,978	226	8,496	5,744
Operating revenue		134,059	143,009	535,547	544,497
Goods for resale		-60,769	-67,440	-246,889	-253,560
Other external expenses	1	-31,441	-30,444	-123,729	-122,732
Staff costs		-26,147	-23,609	-105,155	-102,617
Depreciation/amortization of tangible/intangible non-current assets		-1,861	-1,927	-8,811	-8,877
Other operating expenses		-1,014	-541	-1,233	-761
Operating profit		12,828	19,048	49,730	55,950
Net financial items		4,954	939	11,212	7,198
Profit before tax		17,781	19,987	60,942	63,148
Tax		-2,916	-4,356	-14,137	-15,577
Profit for the period		14,865	15,631	46,805	47,572
Profit for the period attributable to:					
Parent Company's shareholders		15,452	15,643	48,643	48,835
Non-controlling interests		-587	-12	-1,838	-1,263
Earnings per share before and after dilution, SEK		0.61	0.62	1.93	1.94
Number of shares		25,148,384	25,148,384	25,148,384	25,148,384

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED

SEK thousands	Note	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Net profit for the period		14,865	15,631	46,805	47,572
OTHER COMPREHENSIVE INCOME					
Components that may be reclassified to profit or loss					
Translation difference for the period		-3,977	-212	-10,817	-7,052
Accumulated translation difference reclassified to profit or loss for discontinued operations		-	-	-	-
Total other comprehensive income for the period		-3,977	-212	-10,817	-7,052
Total comprehensive income for the period		10,888	15,419	35,988	40,520
Total comprehensive income for the period attributable to					
Parent Company's shareholders		12,210	15,431	40,495	43,717
Non-controlling interests		-1,322	-12	-4,507	-3,197

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED

SEK thousands	Note	March 31 2015	March 31 2014	Dec 31 2014
Non-current assets				
Intangible assets				
Goodwill		19,144	18,966	19,265
Trademarks		187,532	187,532	187,532
Other intangible assets		3,889	4,375	4,390
Tangible non-current assets		11,144	15,593	12,334
Long-term receivable	2	8,900	12,500	9,800
Deferred tax assets		31,471	31,131	31,713
Total non-current assets		262,080	270,097	265,034
Current assets				
Inventory				
Accounts receivable		46,794	41,193	40,381
Other current receivables		54,413	62,812	68,232
Investments	2	19,659	30,064	19,573
Cash & cash equivalents		132,596	180,175	133,147
		81,615	27,836	85,080
Total current assets		335,078	342,080	346,414
Total assets		597,158	612,177	611,447
Equity and liabilities				
Equity		296,596	296,069	285,708
Deferred tax liabilities		38,012	39,970	38,350
Other non-current liabilities		11,417	22,162	13,292
Bond loan	2	184,995	193,086	187,738
Accounts payable		13,528	13,489	25,064
Other current liabilities		52,610	47,401	61,295
Total equity and liabilities		597,158	612,177	611,447

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONDENSED

SEK thousands	Equity attributable to Parent Company's shareholders	Non- controlling interests	Total equity
Opening balance, January 1, 2014	294,180	-13,533	280,650
Total comprehensive income for the period	15,431	-12	15,419
Closing balance, March 31, 2014	309,611	-13,545	296,069
Opening balance, January 1, 2014	294,180	-13,533	280,650
Total comprehensive income for the year	43,717	-3,197	40,520
Distribution for 2013	-37,723	-	-37,723
Offset issue in subsidiary	-	9,466	9,466
Acquisition of minority shares	-9,822	2,619	-7,203
Closing balance, December 31, 2014	290,353	-4,645	285,708
Opening balance, January 1, 2015	290,353	-4,645	285,708
Total comprehensive income for the period	12,210	-1,322	10,888
Closing balance, March 31, 2015	302,563	-5,967	296,596

CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED

SEK thousands	January- March 2015	January- March 2014	Full-year 2014
Cash flow from operating activities			
Before changes in working capital	15,840	30,629	63,363
Changes in working capital	-16,330	-39,501	-8,629
Cash flow from operating activities	-490	-8,872	54,734
Investments in intangible non-current assets	-136	-106	-1,428
Investments in tangible non-current assets	-192	-474	-1,353
Divestments of non-current assets	74	-	-
Investments/divestments	-85	-43,043	-106
Cash flow from investing activities	-339	-43,623	-2,887
Distribution	-	-	-37,723
Acquisition of minority shares	-	-	-1,410
Amortization of loans	-1,875	-1,961	-7,434
Repurchase of bond loan	-2,902	-	-5,833
Cash flow from financing activities	-4,777	-1,961	-52,400
Cash flow for the period	-5,606	-54,456	-553
Cash & cash equivalents at beginning of year	85,080	82,304	82,304
Translation difference in cash & cash equivalents	2,141	-12	3,329
Cash & cash equivalents at end of period	81,615	27,836	85,080

NYCKELTAL GROUP

SEK thousands	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Gross profit margin, %	53.6	52.8	53.2	52.9
Operating margin, %	9.8	13.3	9.4	10.4
Profit margin, %	13.6	14.0	11.6	11.7
Return on capital employed, %	13.5	8.1	13.5	14.8
Return on average equity, %	16.4	4.0	16.4	17.2
Profit attributable to Parent Company's shareholders	15,452	15,643	48,643	48,835
Equity/assets ratio, %	49.7	48.4	49.7	46.7
Equity per share, SEK	11.79	11.77	11.79	11.36
Investments in intangible non-current assets	136	106	1,458	1,428
Investments in tangible non-current assets	192	474	1,071	1,353
Business combinations	-	-	1,410	1,410
Depreciation, amortization and impairment losses for the period	-1,861	-1,927	-8,811	-8,877
Average number of employees	-	-	130	129

SUMMARY BY SEGMENT GROUP

SEK thousands	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Operating revenue				
Brand				
External revenue	11,495	9,650	39,329	37,484
Internal revenue	10,788	12,170	39,615	40,997
	22,283	21,820	78,944	78,481
Product development				
External revenue	52,859	63,150	223,462	233,755
Internal revenue	43,949	34,902	132,111	123,063
	96,808	98,052	355,573	356,818
Wholesale				
External revenue	51,694	55,847	188,496	192,649
Internal revenue	6,848	6,472	27,746	27,369
	58,542	62,319	216,242	220,018
Retail				
External revenue	18,013	14,362	84,259	80,609
Internal revenue	2,529	2,688	11,427	11,586
	20,542	17,050	95,686	92,195
Less internal sales	-64,116	-56,232	-210,899	-203,015
Operating revenue	134,059	143,009	535,546	544,497
Operating profit				
Brand	6,432	4,939	21,062	19,569
Product development	9,283	15,509	28,599	34,825
Wholesale	1,685	4,394	3,572	6,282
Retail	-4,572	-5,794	-3,503	-4,726
Operating profit	12,828	19,048	49,730	55,950

Reconciliation between operating profit and profit before tax

The difference between operating profit for segments for which information must be disclosed, SEK 12,828 thousand (19,048), and profit before tax, SEK 17,781 thousand (19,987), is net financial items, SEK 4,954 thousand (939).

QUARTERLY DATA GROUP

SEK thousands	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013
Net sales	131,081	135,278	163,723	96,969	142,783	100,269	159,791	107,771
Gross profit margin, %	53.6	54.1	52.4	52.5	52.8	52.5	51.7	50.1
Operating profit/loss	12,828	3,559	32,821	522	19,048	-12,534	23,610	860
Operating margin, %	9.8	2.6	20.0	0.5	13.3	neg	14.8	0.8
Profit/loss after financial items	17,781	5,612	33,834	3,939	19,987	-9,399	22,695	4,467
Profit margin, %	13.6	4.1	20.7	4.1	14.0	neg	14.2	4.1
Earnings per share before/after dilution, SEK	0.61	0.18	1.00	0.15	0.62	-0.40	0.74	0.23
Number of Björn Borg stores at end of period	40	41	38	38	38	38	54	57
of which Group-owned Björn Borg stores	18	18	17	17	17	17	16	17
Brand sales	394,206	342,904	452,422	253,976	382,081	331,665	482,268	275,379

PARENT COMPANY INCOME STATEMENT CONDENSED

SEK thousands	Note	January- March 2015	January- March 2014	April 2014- March 2015	Full-year 2014
Net sales		13,173	13,293	59,557	59,677
Other operating revenue		121	40	720	639
Operating revenue		13,294	13,333	60,277	60,316
Goods for resale		–	–29	–2,118	–2,147
Other external expenses	1	–10,575	–12,802	–45,460	–47,687
Staff costs		–10,753	–7,481	–34,955	–31,683
Depreciation/amortization of tangible/intangible non-current assets		–473	–564	–2,034	–2,125
Other operating expenses		–69	–41	–847	–819
Operating loss		–8,576	–7,584	–25,137	–24,145
Result from shares in subsidiaries		–	–	67,395	67,395
Net financial items		–2,110	–1,509	–12,267	–11,666
Profit/loss after financial items		–10,686	–9,093	29,991	31,584
Group contributions received		–	–	30,246	30,246
Appropriations		–	–	874	874
Profit/loss before tax		–10,686	–9,093	61,111	62,704
Tax		–	–	1,275	1,275
Profit/loss for the period		–10,686	–9,093	62,386	63,979
Other comprehensive income		–	–	–	–
Total comprehensive income for the period		–10,686	–9,093	62,386	63,979

PARENT COMPANY BALANCE SHEET CONDENSED

SEK thousands	Note	March 31 2015	March 31 2014	Dec 31 2014
Non-current assets				
Intangible non-current assets		354	584	393
Tangible non-current assets		2,488	4,179	2,849
Long-term receivable	2	8,900	12,500	9,800
Deferred tax		961	–	961
Shares in Group companies		335,331	321,243	335,331
Total non-current assets		348,034	338,506	349,334
Current assets				
Receivables from Group companies		400,671	182,321	392,513
Current receivables		13,811	10,594	14,143
Investments	2	132,596	180,175	133,147
Cash & cash equivalents		10,624	–	48,081
Total current assets		557,702	373,090	587,884
Total assets		905,736	711,596	937,218
Equity and liabilities				
Equity		133,457	108,794	144,143
Untaxed reserves		1,014	1,888	1,014
Deferred tax		–	314	–
Bond loan	2	184,995	193,086	187,738
Other non-current liabilities	2	5,792	–	5,792
Due to Group companies		554,603	378,761	573,668
Accounts payable		4,520	4,401	4,725
Bank overdraft facilities		–	6,065	–
Other current liabilities		21,355	18,287	20,138
Total equity and liabilities		905,736	711,596	937,218

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY CONDENSED

SEK thousands	January- March 2015	January- March 2014	Full-year 2014
Opening balance	144,143	117,887	117,887
Distribution	–	–	–37,723
Total comprehensive income for the period	–10,686	–9,093	63,979
Closing balance	133,457	108,794	144,143

SUPPLEMENTARY DISCLOSURES

NOTE 1 OTHER EXTERNAL EXPENSES

SEK thousands	Group		Parent Company	
	Jan-Mar 2015	Jan-Mar 2014	Jan-Mar 2015	Jan-Mar 2014
Cost of premises	6,873	6,891	2,703	2,220
Selling expenses	8,460	6,265	438	490
Marketing expenses	8,831	9,168	4,349	5,662
Administrative expenses	6,140	7,229	2,319	3,897
Other	1,137	891	766	533
Total	31,441	30,444	10,575	12,802

NOTE 2 FINANCIAL ASSETS AND LIABILITIES

- Level 1 fair value is determined using observable (unadjusted) quoted prices on an active market for identical assets and liabilities.
- Level 2 fair value is determined using valuation models based on other observable inputs for the asset or liability other than quoted prices included in level 1.
- Level 3 fair value is determined using valuation models where significant inputs are based on non-observable data.

Securities held for trading relate to investments in corporate bonds quoted on Nasdaq Stockholm and have been measured at their quoted prices. Forward exchange contracts are measured according to level 2 based on observable information as of the closing date with respect to exchange rates and market interest rates for the remaining maturities.

Net investments in the company's portfolio of corporate bonds amounted to SEK 924 thousand during the quarter.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

SEK thousands	Level 1	Level 2	Level 3
Securities held for trading	132,585		
Derivatives held for trading		11	
Contingent consideration (liability)			–5,792
Net	132,585	11	–5,792

Björn Borg has recognized a liability for the contingent consideration to the sellers of the minority interest in Björn Borg Sport BV at fair value. The amount as of March 31, 2015 was SEK 5,792 thousand (0) and is included in level 3. The carrying amount of financial instruments recognized at amortized cost corresponds to the fair value as of March 31, 2015, with the exception of the bond loan, the fair value of which amounted to SEK 179,955 thousand, compared with a carrying amount of SEK 184,995 thousand.

In 2013 the company granted the Dutch distributor an interest-bearing loan of SEK 17 million maturing on March 31, 2017 with quarterly amortizations of SEK 900,000 beginning on December 31, 2013.

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

Stockholm, May 11, 2015

Fredrik Lövestedt
Chairman

Martin Bjäringer
Board member

Isabelle Ducellier
Board member

Kerstin Hessius
Board member

Mats H Nilsson
Board member

Nathalie Schuterman
Board member

Anders Slettengren
Board member

Henrik Bunge
CEO

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 (per rolling 12-month period) plus financial expenses as a percentage of average capital employed.

RETURN ON EQUITY

Net profit (per rolling 12-month period) 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.

2015 CALENDAR

Interim report, January-June 2015 August 12, 2015
Interim report, January-September 2015 November 6, 2015
Year-end report for 2015 February 19, 2016

FINANCIAL REPORTS

Financial reports can be downloaded from the company's website, www.bjornborg.com or ordered by telephone +46 8 506 33 700 or by e-mail info@bjornborg.com.

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ABOUT THE BJÖRN BORG GROUP

The Group owns the Björn Borg trademark and its core business is underwear and sportswear. It also offers footwear, luggage & bags and eyewear through licensees. Björn Borg products are sold in around thirty markets, of which Sweden and the Netherlands are the largest. The Björn Borg Group has operations at every level from branding to consumer sales in its own Björn Borg stores. Total sales of Björn Borg products in 2014 amounted to about SEK 1.4 billion, excluding VAT, at the consumer level. Group net sales amounted to SEK 539 million in 2014, with an average of 129 employees. The Björn Borg share has been listed on Nasdaq Stockholm since 2007.

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Björn Borg is required to make public the information in this year-end report in accordance with the Securities Market Act. The information was released for publication on May 11, 2015 at 6:00 pm (CET).