

Continued strong growth with good profitability



April 1 – June 30, 2007

- Brand sales increased by 89 percent to SEK 414 million (218).
- The Group's net sales rose by 82 percent to SEK 87.8 million (48.4).
- The gross profit margin amounted to 55.6 percent (56.8).
- Operating profit rose by 143 percent to SEK 19.2 million (7.9).
- Profit after tax increased by 130 percent to SEK 13.9 million (6.0).
- Earnings per share increased by 116 percent to SEK 0.57 (0.26). Calculated after dilution, earnings per share amounted to SEK 0.56 (0.26).
- Distributions agreements were signed for the Björn Borg brand in Australia, Austria and France.

January 1 – June 30, 2007

- Brand sales increased by 81 percent to SEK 927 million (511).
- The Group's net sales rose by 69 percent to SEK 206.5 million (122.6).
- The gross profit margin amounted to 52.6 percent (51.7).
- Operating profit rose by 121 percent to SEK 50.6 million (22.9).
- Profit after tax increased by 116 percent to SEK 36.5 million (16.9).
- Earnings per share increased by 106 percent to SEK 1.52 (0.74). Calculated after dilution, earnings per share amounted to SEK 1.50 (0.73).

Comment from the President

"We are especially gratified that the figures in this, our first report after listing on the Stockholm Stock Exchange, continue to be strong. I am also pleased that we are further strengthening our international presence by welcoming three new markets to the Björn Borg network," says Nils Vinberg, President of Björn Borg.

SEK million	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	July 2006– juni 2007	Full-year 2006
Brand sales	414	218	927	511	1,820	1,404
Net sales	87.8	48.4	206.5	122.6	408.5	324.6
Gross profit margin, %	55.6	56.8	52.6	51.7	51.4	50.7
Operating profit	19.2	7.9	50.6	22.9	109.6	81.9
Operating margin, %	21.8	16.3	24.5	18.7	26.8	25.2
Profit after tax	13.9	6.0	36.5	16.9	78.1	58.5
Earnings per share, SEK*	0.57	0.26	1.52	0.74	3.25	2.55
Earnings per share after dilution, SEK**	0.56	0.26	1.50	0.73	3.21	2.53

* Earnings per share in relation to the weighted average number of shares during the period restated after the split on April 27, 2007.

** Earnings per share adjusted for any dilution effect after the split on April 27, 2007.

President's comment

We are pleased to announce another very strong quarter for both the Björn Borg brand and the Group. It is nice to receive acknowledgement that we continue to do the right things: that our collections, collaboration with our partners, stores and long-term branding efforts are really working.

Clothing – with our largest product group, underwear – continues to gain ground in established markets, where our position is already strong. This fall we look forward to an exciting international launch in men's clothing.

We are also pleased with the progress during the quarter for the shoes product area, which was able to recoup its sales decline earlier in the year. We are now working to further build the shoe business and increase its penetration internationally.

Although established markets are still driving Björn Borg's strong growth, new markets will eventually become more important to the brand's expansion. We are now entering three attractive countries – Australia, Austria and France – where experienced local distributors are planning to launch sales this fall. We see good opportunities for Björn Borg in these markets, but as with England and Germany we will begin on a small scale. Our presence in England and Germany is gradually increasing, even though we would have preferably seen a higher growth rate there.

In May Björn Borg was listed on the Stockholm Stock Exchange. While this did not require any major changes in our core operations, it does make us more visible and transparent. One positive effect is that we have a larger share of institutional owners and nearly 2,000 new shareholders – in total almost 5,000 – who we of course warmly welcome.

Nils Vinberg
President

Operations

Brand sales

Estimated brand sales, i.e., sales of Björn Borg products at the consumer level including VAT based on reported wholesale sales, amounted to SEK 414 million (218) during the second quarter, an increase of 89 percent year-to-year. During the first half year estimated brand sales amounted to SEK 927 million (511). On a rolling 12-month basis, brand sales amounted to SEK 1,820 million.

Growth for the clothing product area was 110 percent during the quarter compared with the same period of the previous year. The shoes product area reported positive development during the second quarter, resulting in a slight increase in total sales for the first half year compared with the year before. The external product area for fragrances, which launched new product lines for men and women last spring, noted strong growth for the quarter, so did bags also, while eyewear declined slightly.

Growth is being generated almost entirely in established markets, with the Netherlands, Denmark and Norway growing the fastest. Sweden also had a strong sales trend during the quarter.

New markets

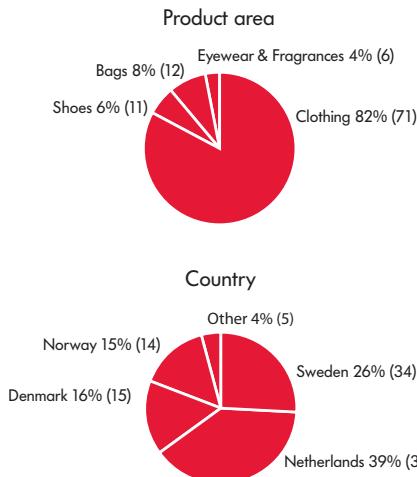
Björn Borg brand has signed agreements with distributors in Australia and Austria, and a letter of intent with a distributor in France. The introduction of the brand in these three markets is scheduled for the second half of 2007. Initially the underwear product area will be offered to retailers in these countries.

Björn Borg expects operations in the three new markets to have a very limited impact on the Group's sales and earnings in 2007, with an increasingly positive effect as marketing efforts grow.

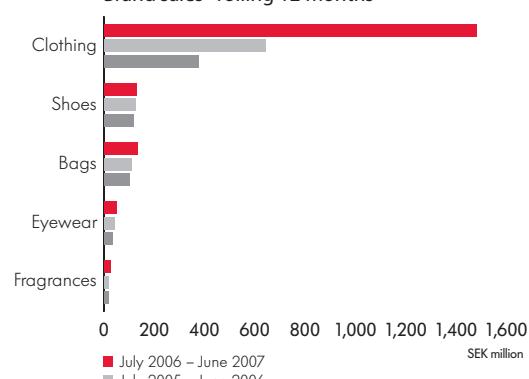
Björn Borg intends to maintain as its rule to provide information on any new markets in its interim reports, as long as that information is not considered price-sensitive and therefore must be announced in a press release.

Brand sales* of Björn Borg products first half year 2007.

Total SEK 927 million (511)



Brand sales* rolling 12 months



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

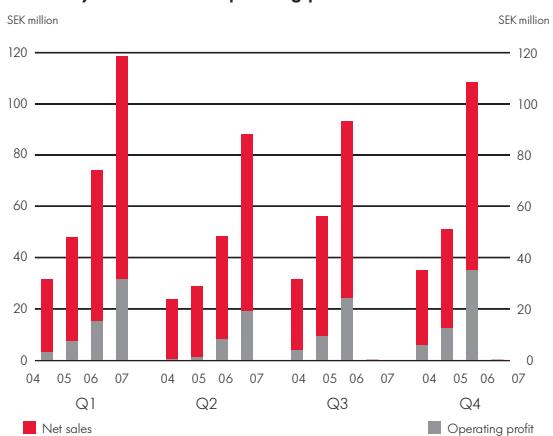
Concept stores

During the second quarter the Dutch franchisee opened two new concept stores. At the end of the period there were 29 (18) concept stores, of which 9 (6) are Group-owned. During the third quarter a new, Group-owned Björn Borg concept store will open in Stockholm, as previously announced. The Dutch franchisee is planning to open two more stores in the third quarter, while the Finnish distributor will be opening its first concept store in central Helsinki.

The Group's development

The Group developed very positively during the second quarter, with continued strong sales growth and earnings improvement.

Quarterly net sales and operating profit



Net sales

Second quarter, April-June 2007

Group sales during the second quarter amounted to SEK 87.8 million (48.4), an increase of 82 percent due to a continued strong sales growth by all business segments.

First half year, January-June 2007

Group sales during the first half year amounted to SEK 206.5 million (122.6), an increase of 69 percent.

Profit

Second quarter, April-June 2007

The gross profit margin in the second quarter decreased to 55.6 percent (56.8), mainly owing to increased clearance sales in Group-owned concept stores necessitated by renovations, though also due to a higher share of export sales. On a rolling 12-month basis the gross profit margin was 51.4 percent.

Operating profit amounted to SEK 19.2 million (7.9), with an operating margin of 21.8 percent (16.3). Profit after financial items improved to SEK 19.1 million (8.1) during the second quarter. The improvement is mainly attributable to substantially higher sales in Sweden and internationally.

Costs of approximately SEK 2.5 million incurred as a result of the Company's listing on the Stockholm Stock Exchange were charged to the second quarter.

Operating expenses decreased as a share of sales to 33.8 percent, against 40.5 percent in the same quarter of 2006.

First half year, January-June 2007

The gross profit margin in the first half year increased to 52.6 percent (51.7), largely due to the acquisition of the Björn Borg brand.

Operating profit amounted to SEK 50.6 million (22.9), with an operating margin of 24.5 percent (18.7). Profit after financial items improved to SEK 50.6 million (23.2) in the first half year.

The number of shares outstanding at the end of the period was 24,743,984. Earnings per share amounted to SEK 1.52 (0.74) for the first half year. Earnings per share calculated after the exercise of outstanding warrants amounted to SEK 1.50 (0.73).

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 concept stores.

Brand and other

Sales in the Brand segment primarily consist of royalty revenue, sales of services within the Björn Borg network and intra-Group services.

Net sales for the first half year reached SEK 47.7 million (29.9), an increase of 59 percent.

Operating profit amounted to SEK 12.1 million (4.6) for the first half year. Profit has improved mainly as a result of the strong sales trend in the network, though also from the acquisition of the Björn Borg trademark.

Product development

The Group has global responsibility for development, design and production of clothing and shoes. A licensee for clothing operates in the Benelux market.

The segment's net sales amounted to SEK 131.3 million (77.0) during the first half year, an increase of 71 percent.

The main reason for the significant growth is substantially higher exports in the clothing product area. The Netherlands, Denmark and Norway are the markets that have grown the most. Sweden also reported strong growth.

Operating profit rose to SEK 20.9 million (10.4) owing to the volume increase.

Distribution

The Björn Borg Group is the exclusive distributor in the clothing product area as well as the shoe product area in the Swedish market.

Net sales in the Distribution segment rose to SEK 75.4 million (48.3) during the first half year, or by 56 percent. Growth is mainly due to substantially higher sales in the clothing product area.

Operating profit rose to SEK 15.4 million (5.3), mainly due to higher sales.

Retail

The Björn Borg Group owns and operates seven concept stores in the Swedish market that sell clothing, shoes and bags. Moreover, Björn Borg operates two factory outlets.

Net sales in the Retail segment amounted to SEK 22.4 million (14.5) during the first half year, an increase of 54 percent. The increase for comparable stores was 27 percent.

Operating profit decreased to SEK 2.2 million (2.6), mainly due to the renovation of existing concept stores.

Intra-Group sales

Intra-Group sales amounted to SEK 70.3 million (47.2) during the first half year.



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 23.9 million (9.3) for the period January–June 2007. The changes in working capital are mainly attributable to the final settlement of the transfer of ownership rights to the Björn Borg trademark..

Total investments in tangible and intangible non-current assets amounted to SEK 6.9 million (0.5) during the period, the large part of which is attributable to the construction and renovation of concept stores.

Changes in financing activities are mainly due to new share issues, the dividend and the repayment of loans. The increase in cash & cash equivalents amounted to SEK 60.0 million (3.8) for the period January–June 2007.

Financial position and liquidity

The Björn Borg Group's cash & cash equivalents (net cash balance) amounted to SEK 119.6 million (61.9) at the end of the period. In addition, the Group has unutilized bank overdraft facilities of SEK 135.0 million. The equity/assets ratio was 65.6 percent (68.6).

Personnel

The average number of employees in the Group in the period January–June 2007 was 60 (49), of whom 30 are women.

Acquisition of Anteros Lagerhantering AB

On June 30, 2007 Björn Borg acquired 45.1 percent of the shares in the former associated company Anteros Lagerhantering AB. Following the acquisition it owns 90.1 percent of the shares. The acquisition has positively affected earnings by SEK 0.4 million due to the reversal of goodwill. The acquisition is not expected to have any further impact of significance on the Group's results of operations and financial position.

Annual General Meeting

The Annual General Meeting held on April 19, 2007 resolved to pay a dividend of SEK 18,241,188, or SEK 3 per share (SEK 0.75 per share after the split).

Furthermore, the meeting reelected board members Fredrik Lövstedt, Vilhelm Schottenius, Mats H Nilsson, Håkan Roos, Michael Storåkers, Lottie Svedenstedt and Nils Vinberg. Fredrik Lövstedt was appointed Chairman.

The Annual General Meeting also adopted new articles of association in order to implement the stock split and to change the Company's name.

Split and new share issues

The Annual General Meeting on April 19 approved a split of four (4) new shares for every one (1) old share on April 27, 2007.

The exercise of employee stock options in June 2007 led to the issuance of 422,400 new shares. The total number of shares in the Company thereafter amounted to 24,743,984.

Name change

The Parent Company, Worldwide Brand Management AB, changed its name to Björn Borg AB in May.

Stock market listing

Björn Borg AB was listed on May 7, 2007 on the OMX Nordic Exchange in Stockholm, Mid Cap list and is traded under the ticker symbol BORG.

Code of Corporate Governance

As of July 1, 2007 Björn Borg AB applies the Swedish Code of Corporate Governance. The Company will be fully harmonized with the code by the Annual General Meeting in April 2008.

Events after the balance sheet date

There are no significant events to report following the balance sheet date.

Parent Company

Björn Borg AB (publ) is primarily engaged in intra-Group activities. In addition, the 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 2007 amounted to SEK 5.5 million (4.3) and largely related to intra-Group activities. During the first half year the Parent Company's net sales amounted to SEK 11.9 million (9.7). Profit after financial items amounted to SEK -7.6 million (-3.5) for the second quarter and SEK -12.5 million (-5.1) for the first half year.

Cash & cash equivalents amounted to SEK 23.9 million (0). Investments during the first half year amounted to SEK 0.9 million (0.2) and related in large part to the renovation of new office space.

Significant risks and uncertainties

In its operations, the Björn Borg Group is exposed to risks and uncertainties, which are described in the listing prospectus dated April 23, 2007. For further information, refer to pages 4–5 in the prospectus (available in Swedish only). No additional risk factors besides those described there are anticipated for the remainder of 2007.

Transactions with related parties

During the year transactions have been completed on market terms with the former associated company Anteros Lagerhantering AB as well as Klockaren Fastighetsförvaltning i Varberg AB. For more detailed information, see page 42, note 11 of the annual report 2006.

Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34. The accounting principles applied during the period are the same as in 2006, which are described on pages 35–38 of the annual report. The interim report is abbreviated and does not contain all the information and disclosures in the annual report. The interim report should therefore be read together with the annual report for 2006.

Outlook 2007

It is not the Company's policy to issue earnings forecasts.

Audit report

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

Income statement

The Group in summary

SEK thousands	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	July 2006– June 2007	Full-year 2006
Net sales	87,844	48,368	206,494	122,577	408,472	324,555
Cost of goods sold	-39,001	-20,899	-97,792	-59,253	-198,607	-160,068
Gross profit	48,843	27,469	108,702	63,324	209,866	164,487
Distribution expenses	-19,131	-12,547	-37,173	-25,412	-63,785	-52,024
Administrative expenses	-7,884	-5,183	-15,516	-10,831	-27,074	-22,388
Development expenses	-2,639	-1,865	-5,433	-4,202	-9,442	-8,211
Operating profit	19,188	7,874	50,578	22,878	109,564	81,864
Net financial items	-50	272	9	365	-820	-464
Profit before tax	19,139	8,145	50,587	23,243	108,744	81,400
Tax	-5,247	-2,113	-14,052	-6,340	-30,627	-22,915
Profit for the period	13,892	6,033	36,535	16,903	78,117	58,485
Profit attributable to minority interests	–	–	–	–	–	–
Profit attributable to Parent Company's shareholders	13,892	6,033	36,535	16,903	78,117	58,485
Earnings per share, SEK	0.57	0.26	1.52	0.74	3.25	2.55
Earnings per share after dilution, SEK	0.56	0.26	1.50	0.73	3.21	2.53
Number of shares	24,743,984	22,959,776	24,743,984	22,959,776	24,743,984	23,207,376
Weighted average number of shares	24,462,384	22,917,644	24,020,581	22,907,108	24,067,549	22,954,076
Effect of dilution	314,775	226,336	300,376	208,740	233,559	127,524
Weighted average number of shares after full dilution	24,777,159	23,143,980	24,320,957	23,115,848	24,301,108	23,081,600

Balance sheet

The Group in summary

SEK thousands	June 30 2007	June 30 2006	December 31 2006
Non-current assets			
Goodwill	13,944	13,944	13,944
Trademarks	187,532	–	187,532
Other intangible assets	1,064	–	950
Tangible non-current assets	11,566	2,018	6,331
Financial non-current assets	–	45	45
Total non-current assets	214,106	16,007	208,802
Current assets			
Inventories	23,994	17,449	22,036
Current receivables	50,264	42,832	58,194
Cash & cash equivalents	119,577	61,892	59,544
Total current assets	193,834	122,173	139,774
Total assets	407,940	138,180	348,576
Equity and liabilities			
Equity	267,680	94,824	138,054
Non-current liabilities	74,976	2,474	112,606
Accounts payable	17,756	13,173	20,691
Short-term provisions	–	1,900	2,900
Other current liabilities	47,528	25,810	74,324
Total equity and liabilities	407,940	138,180	348,576
Pledged assets	18,000	18,000	78,152
Contingent liabilities	2,018	1,900	2,018



Change in equity

SEK thousands	Jan-June 2007	Jan-June 2006	Full-year 2006
Opening balance	138,054	82,851	82,851
Option premium paid and subscribed shares	12,737	1,804	1,804
New share issue	98,500	421	2,070
Dividend	-18,241	-7,155	-7,155
Minority interest in equity	94	-	-
Profit for the period	36,535	16,903	58,485
Closing balance	267,680	94,824	138,054

Cash flow statement

The Group in summary

SEK thousands	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	Full-year 2006
Cash flow from operating activities					
Before change in working capital	12,772	7,036	35,634	19,277	83,192
Change in working capital	718	-293	-11,706	-10,027	-14,689
Cash flow from operating activities	13,490	6,743	23,927	9,250	68,503
Cash flow from investing activities					
Dividend	-18,241	-7,155	-18,241	-7,155	-7,155
Incentive program/new share issue	12,737	2,225	111,237	2,225	3,874
Change in loans	-	-	-50,000	-	50,000
Cash flow from financing activities	-5,504	-4,930	42,996	-4,930	46,719
Cash flow for the period	5,657	1,608	60,033	3,812	1,464
Cash & cash equivalents at beginning of period	113,920	60,284	59,544	58,080	58,080
Cash & cash equivalents at end of period	119,577	61,892	119,577	61,892	59,544

Key figures

The Group

SEK thousands	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	July 2006– June 2007	Full-year 2006
Gross profit margin, %	55.6	56.8	52.6	51.7	51.4	50.7
Operating margin, %	21.8	16.3	24.5	18.7	26.8	25.2
Profit margin, %	21.8	16.8	24.5	19.0	26.6	25.1
Return on capital employed, %	6.7	7.9	29.2	22.3	48.4	45.0
Return on average equity, %	6.8	6.8	33.1	19.0	43.1	53.0
Net profit for the period	13,892	6,033	36,535	16,903	78,117	58,485
Earnings per share, SEK *	0.57	0.26	1.52	0.74	3.25	2.55
Earnings per share after dilution, SEK**	0.56	0.26	1.50	0.73	3.21	2.53
Number of shares	24,743,984	22,959,776	24,743,984	22,959,776	24,743,984	23,207,376
Weighted average number of shares	24,462,384	22,917,644	24,020,581	22,907,108	24,067,549	22,954,076
Effect of dilution	314,775	226,336	300,376	208,740	233,559	127,524
Weighted average number of shares after dilution	24,777,159	23,143,980	24,320,957	23,115,848	24,301,108	23,081,600
Equity/assets ratio, %	65.6	68.6	65.6	68.6	65.6	39.6
Equity per share	10.82	4.13	10.82	4.13	10.82	5.95
Investments in intangible assets	225	0	225	0	188,756	188,531
Investments in tangible assets	2,059	205	6,620	509	11,658	5,547
Depreciation for the period	-977	-326	-1,528	-554	-2,303	-1,329
Average number of employees	60	49	60	49	63	52

* Earnings per share in relation to the weighted average number of shares during the period restated after the split on April 27, 2007.

** Earnings per share adjusted for any dilution effect after the split on April 27, 2007.



Summary by segment

The Group

SEK thousands	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	July 2006– June 2007	Full-year 2006
Net sales						
Brand and other						
External sales	11,045	4,511	22,709	11,074	38,308	26,673
Internal sales	10,423	7,781	25,031	18,869	58,766	52,604
	21,468	12,292	47,740	29,944	97,073	79,277
Product development						
External sales	42,989	24,183	95,894	52,784	179,513	136,403
Internal sales	7,728	7,073	35,399	24,189	79,375	68,166
	50,717	31,256	131,293	76,973	258,888	204,569
Distribution						
External sales	21,682	11,942	65,524	44,169	140,571	119,216
Internal sales	4,339	1,334	9,871	4,111	21,333	15,574
	26,021	13,276	75,394	48,280	161,904	134,790
Retail						
External sales	12,128	7,732	22,368	14,549	50,081	42,263
Internal sales	–	–	–	–	–	–
	10,517	7,732	22,368	14,549	50,081	42,263
Eliminations	-22,490	-16,188	-70,301	-47,169	-159,474	-136,344
Net sales	87,844	48,368	206,494	122,577	408,472	324,555
Operating profit						
Brand and other	1,340	-2,174	12,119	4,630	31,665	24,175
Product development	11,242	6,602	20,913	10,363	33,556	23,006
Distribution	4,787	1,593	15,362	5,296	31,419	21,353
Retail	1,820	1,852	2,185	2,589	12,926	13,330
Operating profit	19,189	7,873	50,579	22,878	109,565	81,864

Quarterly data

The Group

SEK thousands	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005
Brand sales	414,043	513,345	483,273	409,305	217,998	292,643	206,898	219,378
Net sales	87,844	118,650	108,537	93,442	48,368	74,209	51,247	56,083
Gross profit margin, %	55.6	50.4	52.8	46.9	56.8	48.3	58.7	46.7
Operating profit	19,188	31,390	34,994	23,991	7,874	15,005	12,739	9,573
Operating margin, %	21.8	26.5	32.2	25.7	16.3	20.2	24.9	17.1
Profit after financial items	19,139	31,448	34,147	24,010	8,145	15,098	13,622	9,731
Profit margin, %	21.8	26.5	31.5	25.7	16.8	20.3	25.8	16.7
Earnings per share, SEK	0.57	0.96	1.06	0.75	0.26	0.47	0.42	0.31
Earnings per share after dilution, SEK	0.56	0.94	1.04	0.74	0.26	0.47	0.42	0.31
Number of stores at end of period	29	26	24	21	18	17	17	17
of which own stores	9	9	8	7	6	6	6	6



Income statement

Parent Company in summary

SEK thousands	April-June 2007	April-June 2006	Jan-June 2007	Jan-June 2006	July 2006– June 2007	Full-year 2006
Net sales	5,534	4,309	11,874	9,734	31,357	29,217
Cost of goods sold	-441	-206	-1,589	-1,395	-4,474	-4,280
Gross profit	5,093	4,103	10,285	8,338	26,883	24,937
Distribution expenses	-8,347	-4,939	-14,567	-8,765	-21,121	-15,320
Administrative expenses	-3,210	-1,900	-5,603	-3,371	-8,123	-5,892
Development expenses	-1,284	-760	-2,241	-1,349	-3,250	-2,357
Operating profit	-7,748	3,496	-12,126	5,147	-5,611	1,368
Net financial items	141	-10	-331	26	-526	-170
Profit before tax	-7,608	-3,506	-12,457	-5,122	-6,137	1,198
Tax	2,130	-452	3,488	1,434	1,554	-500
Profit for the period	-5,477	-3,958	-8,969	-3,687	-4,583	698

Balance sheet

Parent Company in summary

SEK thousands	June 30 2007	June 30 2006	December 31 2006
Non-current assets			
Non-current assets			
Tangible non-current assets	1,189	379	465
Shares in Group companies	54,497	54,497	54,497
Total non-current assets	55,686	54,876	54,962
Current assets			
Receivables from Group companies	125,273	48,443	115,402
Current receivables	4,246	1,211	1,170
Cash & cash equivalents	23,919	38	36,167
Total current assets	153,439	49,692	152,739
Total assets	209,125	104,568	207,701
Equity and liabilities			
Equity	165,782	79,061	85,243
Untaxed reserves	5,955	5,955	5,955
Non-current liabilities, credit institutions	–	–	40,000
Due to Group companies	28,462	5,943	51,961
Accounts payable	5,173	3,079	3,885
Short-term provisions	–	1,900	–
Other current liabilities	3,753	8,629	20,657
Total equity and liabilities	209,125	104,568	207,701

About the Björn Borg Group

The Group owns the Björn Borg trademark and currently has operations in five product areas: clothing, shoes, bags, eyewear and fragrances. Björn Borg products are sold in ten markets in Europe, of which Sweden and the Netherlands are the largest. Operations are conducted through a network of product and distribution companies which are either formally part of the Group or independent companies with licenses for product areas and geographical markets. The Björn Borg Group has its operations at every level from branding to consumer sales in its own concept stores. Björn Borg's business model allows geographical and product expansion with minimal operational risk and capital investment, at the same time that control over the brand rests with the Company. In total, sales of Björn Borg products in 2006 amounted to approximately SEK 1.4 billion at the consumer level. Group net sales amounted to SEK 325 million in 2006, with 64 employees. Björn Borg has been listed on First North since December 2004. The Company was listed on the OMX Nordic Exchange Mid Cap list on 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 average 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, including VAT, based on reported wholesale sales.

The Board of Directors and the President assure that the interim report provides a fair and accurate overview of the operations, financial position and results of the Parent Company and the Group, and that it describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, August 16, 2007

Fredrik Lövstedt
Chairman

Vilhelm Schottenius
Vice Chairman

Mats H Nilsson
Board Member

Håkan Roos
Board Member

Michael Storåkers
Board Member

Lottie Svedenstedt
Board Member

Nils Vinberg
Board Member, President and Chief Executive Officer

Upcoming information dates
Interim report January–September 2007 will be released on November 15, 2007
Year-end report 2007 will be released on February 13, 2008

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