



CONTINUED POSITIVE TREND IN UNDERWEAR

APRIL 1 – JUNE 30, 2010

- The Group's net sales increased by 3 percent to SEK 100.8 million (97.8). Adjusted for exchange rate effects, sales rose by 6 percent to SEK 104.0 million (97.8).
- The gross profit margin increased to 55.1 percent (50.9).
- Operating profit amounted to SEK 13.9 million (12.1), an increase of 15 percent.
- Profit after tax amounted to SEK 10.8 million (8.4), an increase of 28 percent.
- Earnings per share increased to SEK 0.43 (0.34). Fully diluted earnings per share amounted to SEK 0.42 (0.33).
- Brand sales (excluding VAT) decreased by 3 percent to SEK 347 million (358).
- The operations in England will be taken over by the Group.
- Distribution is launched in Estonia, Latvia and Lithuania as well as Poland.

JANUARY 1 – JUNE 30, 2010

- The Group's net sales decreased by 5 percent to SEK 249.1 million (262.5). Adjusted for exchange rate effects, sales rose by 1 percent to SEK 265.7 million (262.5).
- The gross profit margin increased to 53.0 percent (49.9).
- Operating profit amounted to SEK 50.0 million (49.7), an increase of 1 percent.
- Profit after tax amounted to SEK 36.5 million (37.3), a decrease of 2 percent.
- Earnings per share decreased to SEK 1.45 (1.49). Fully diluted earnings per share amounted to SEK 1.43 (1.49).
- Brand sales (excluding VAT) decreased by 16 percent to SEK 807 million (960).

COMMENT FROM THE PRESIDENT

"A continued focus on our main area, underwear, stood out during the second quarter, which included the successful launch of our Kids collections for boys and girls and several successful product promotions. The trend has improved compared with the first quarter, and we were able to increase our sales and gross margin, while at the same time strengthening earnings. A solution is now in place for our British operations, where we are taking over ourselves to further develop this market. At the same time we are starting cooperations in Estonia, Latvia, Lithuania and Poland," says Arthur Engel.

SEK million	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	July 2009- June 2010	Full-year 2009
Net sales	100.8	97.8	249.1	262.5	506.6	519.9
Gross profit margin, %	55.1	50.9	53.0	49.9	52.9	51.3
Operating profit	13.9	12.1	50.0	49.7	112.9	112.6
Operating margin, %	13.8	12.4	20.1	18.9	22.3	21.7
Profit after tax	10.8	8.4	36.5	37.3	80.1	80.9
Earnings per share, SEK	0.43	0.34	1.45	1.49	3.19	3.22
Earnings per share after dilution, SEK	0.42	0.33	1.43	1.49	3.19	3.21
Brand sales*	347	358	807	960	1,719	1,872

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



PRESIDENT'S COMMENT

During the first half of 2010 we continued to work conscientiously to achieve a clearly stated vision – to be the best in the world in designer underwear. This means that we are concentrating on further developing our underwear collection, increasing the pace of product development and broadening our product range to new categories. It also includes continuously creating the best opportunities for our distributors to increase sales in their markets.

New products for women and men

The new products launched during the spring have done well. The Kids collections for boys and girls have generated great interest, and we see good opportunities for growth in this segment. Our first new product as part of a renewed focus on women, Love all, has performed well, and we had several successful product promotions during the quarter. When the stores now fill up with fall merchandise, constructed bras will be among the products we offer. Another new item is a new version of our classic boxers – and more are on the way. A steady flow of new products is one of the most important factors in attracting distributors and retailers as well as consumers.

First step eastward

In recent years we have strengthened Björn Borg's presence in important markets in western and northern Europe as well as in North America. We are now taking our first steps eastward through distribution in Estonia, Latvia, Lithuania and Poland. These are expansive markets which we believe can develop well in time. In France, we are continuing the process to find a new partner after the collaboration announced in the last interim report could not be finalized.

Our own operations in England

We have reached an agreement with the previous distributor in England and have decided to take over and further develop the British operations on our own. The brand is still in a buildup stage in the country, and long-term efforts are needed to go further. We have every opportunity to do so, and it will provide us with valuable input for our continued international expansion. With a country manager now joining us as a minority owner of the British subsidiary, we have dedicated leadership to help us drive the business forward. The take-over in England is an exception, and our business model which focuses on outside distributors otherwise remains firm.

Stable development during the quarter

During the second quarter the company's development was stable, as we had hoped. We are pleased to have been able to increase our sales and gross margin, at the same time that we are strengthening our earnings compared with the previous year. We can see a recovery in underwear sales in major markets, and in both Sweden and Denmark sales rose strongly compared with the previous year. We continue to work on new markets knowing that it takes time to create a strong position and that the competition is tough. Two smaller markets where Björn Borg has gained a solid foothold are Belgium and Finland.

On the whole, we believe that Björn Borg has good prospects to develop positively going forward – fully aware of the tough competition and economic uncertainty in Europe.

Arthur Engel, President



OPERATIONS

Brand sales

In the first quarter of 2009 the company transitioned from reporting brand sales including VAT to excluding VAT. In connection with this transition, inaccuracies arose regarding the second, third and fourth quarters of 2009. This has been corrected in this report. Previously reported figures can be found in the note to the quarterly data table on page 9.

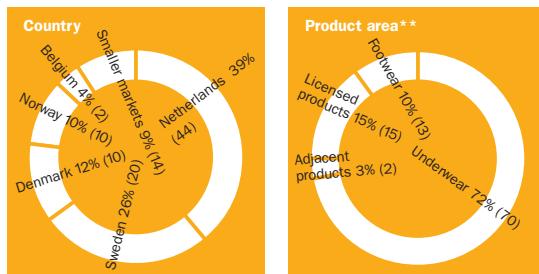
Brand sales (excluding VAT) for the second quarter 2010 decreased by 3 percent to SEK 347 million (358). For the first half-year 2010 as a whole, brand sales decreased by 16 percent to SEK 807 million (960). The decline is the result of lower underwear orders from distributors in early fall 2009. Brand sales were also slightly affected negatively by a stronger Swedish krona against the euro during the period.

Product areas in first half-year 2010

Brand sales in the underwear product area decreased by 13 percent in the first half-year as a whole, compared with the same period in 2009, after recovering during the second quarter compared with the first. Among larger markets, Sweden and Denmark posted increases during the quarter. Among smaller markets, Belgium and Finland continue to note strong sales trends. Underwear accounted for 72 percent (70) of brand sales during the quarter.

In the smaller product area, adjacent products – menswear – brand sales rose substantially during the first half-year compared with the same period of 2009, but from a low level.

Brand sales* of Björn Borg products January-June 2010. Total SEK 807 million (960)



* 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. **Licensed:** Bags, fragrances, eyewear and women's clothing in the Netherlands.

Sales in the footwear product area increased substantially during the second quarter, but for the half-year as a whole decreased by 32 percent.

In licensed products, sales decreased for bags, eyewear and the licensed women's collection in the Netherlands, while fragrances reported growth. As a whole, licensed product sales fell by 16 percent during the first half-year.

Markets in first half-year 2010

Among larger markets, Sweden reported an increase in total brand sales of 8 percent, while the Netherlands, Denmark and Norway posted negative sales trends for the half-year as a whole. Among smaller markets, Belgium and Finland continued to grow strongly. Brand sales in smaller markets, including Belgium, accounted for 13 percent (16) of total brand sales during the first half-year.

Björn Borg stores

No new Björn Borg stores were opened during the first half of 2010. At the end of the period there were 46 (43) Björn Borg stores, of which 10 (10) are Group-owned.

Agreement with British distributor

Björn Borg has decided to take over and further develop the operations in England after an agreement with the previous distributor was terminated in August 2009.

A new country manager has been appointed in England, and he intends to become a minority owner of the newly formed subsidiary. He has a background from senior positions at Speedo and Pringle in the British market.

Björn Borg will gradually take over the operations in England and be fully in control in the second quarter 2011. The takeover is expected to lead to a marginal increase in operating expenses during the second half of 2010.

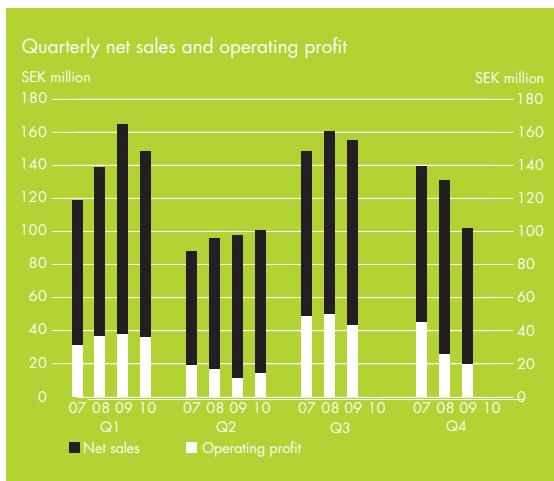
New markets

An agreement has been signed with a distributor for the Polish market, at the same time that a declaration of intent has been reached with a distributor for Estonia, Latvia and Lithuania. Sales to retailers in these markets have begun.

The process to restore distribution in France is continuing after the cooperation announced in the previous report could not be finalized.

THE GROUP'S DEVELOPMENT

Sales and operating profit increased during the second quarter.



Sales

Second quarter, April–June 2010

Group sales during the second quarter amounted to SEK 100.8 million (97.8), an increase of 3 percent. Sales were positively affected mainly by higher sales in the Swedish underwear wholesale operations, but also by a slight increase in footwear sales. Sales for Group-owned retail operations and the brand and other segment decreased slightly. Adjusted for exchange rate effects, net sales increased by 6 percent from SEK 97.8 million to SEK 104.0 million. The negative exchange rate effect amounted totally SEK 3.2 million.

First half-year, January–June 2010

Group sales during the first half-year amounted to SEK 249.1 million (262.5), a decrease of 5 percent. Sales were negatively affected by lower export sales to the Netherlands in the footwear product area during the first quarter, although this was offset somewhat by higher export in wholesale sales in the underwear product area. Sales for Group-owned retail operations decreased slightly. Adjusted for exchange rate effects, net sales increased by 6 percent from SEK 262.5 million to SEK 265.7 million. The negative exchange rate effect amounted totally SEK 16.6 million.

Profit

Second quarter, April–June 2010

The gross profit margin increased during the second quarter to 55.1 percent (50.9), which was largely due to a weaker USD, but also to some extent to increased sales of higher-margin products.

Operating profit amounted to SEK 13.9 million (12.1) during the quarter with an operating margin of 13.8 percent (12.4). Profit before tax increased during the period to SEK 14.6 million (11.9).

Operating profit was positively affected by increased sales and higher gross profit, at the same time that increased operating expenses contributed to the lower profit. Operating expenses increased the quarter due to an agreement reached with the current distributor in England, whereby Björn Borg will take over operations in the British market to further develop them on its own. Operating expenses for the quarter excluding expenses related to England were in line with the previous year.

First half-year, January–June 2010

The gross profit margin increased during the nine-month period to 53.0 percent (49.9). Operating profit amounted to SEK 50.0 million (49.7) with an operating margin of 20.1 percent (18.9). Profit before tax declined during the period to SEK 50.1 million (51.1). Operating expenses as a share of net sales amounted to 33.0 percent (31.0).

The main reason for the lower gross profit margin was the weaker USD compared with the same period of 2009. Increased operating expenses are attributable to the above-mentioned agreement with the British distributor. Further cost efficiencies, together with lower investments in the U.S., have compensated positively.

As of June 30, 2010 the company had 25,148,384 shares outstanding. Earnings per share before and after dilution amounted to SEK 1.45 (1.49) and SEK 1.43 (1.49), respectively.

Development by business segment

The Group consists of eight companies that operate under the Björn Borg brand on every level from product development to wholesaling 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 January–June reached SEK 59.4 million (68.3), a decrease of 13 percent. External sales amounted to SEK 23.6 million (30.4). The decrease was mainly due to lower brand sales in the underwear product area as well as the licensed product areas for bags and women's apparel.

Operating profit amounted to SEK 8.1 million (18.9), a decrease of 57 percent for the period. Profit was affected by the lower sales, but also by expenses attributable to the takeover of the British operations.

Business segment	Revenue source	Sales, SEK thousands		Operating profit, SEK thousands		Operating margin	
		Jan-June 2010	Jan-June 2009	Jan-June 2010	Jan-June 2009	Jan-June 2010	Jan-June 2009
Brand and other	Royalties and services	59,370	68,343	8,115	18,936	14%	28%
Product development	Products	169,497	178,654	33,833	32,492	20%	18%
Wholesale operations	Wholesale sales	92,840	86,743	11,169	-2,269	12%	-3%
Retail	Retailers	20,024	22,472	-3,141	554	-16%	2%
Less internal sales		-92,582	-93,706	-	-	-	-
Total		249,149	262,506	49,975	49,713	20%	19%

Product development

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

The business segment's net sales amounted to SEK 169.5 million (178.7) during the period January-June, a decrease of 5 percent. External sales amounted to SEK 131.8 million (136.0). The decrease was mainly due to lower footwear exports to the Netherlands, but also to a large extent to a lower USD, at the same time that sales were positively affected by an underlying volume increase in the underwear product area.

Operating profit increased to SEK 33.8 million (32.5) as a result of the improved gross profit margin.

Wholesale operations

The Björn Borg Group is the exclusive wholesaler for the underwear, adjacent products and footwear product areas in Sweden and the U.S.

Net sales in wholesale operations increased by 7 percent during the period January-June to SEK 92.8 million (86.7). External sales were unchanged at SEK 73.7 million (73.7).

Operating profit amounted to SEK 11.2 million (-2.3). The increase was due to a lower USD, which affected gross profit positively, and lower investments in the U.S.

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 and a web shop.

Comparable net sales in the Retail business segment amounted to SEK 20.0 million (22.5) during the period January-June, a decrease of 11 percent. For the period April-June sales amounted to SEK 9.8 million (10.6), a decrease of 7 percent. Continued weakness in several large stores affected sales negatively. The outlets reported stronger development than during the first quarter.

The operating loss for the period January-June amounted to SEK 3.1 million, against a year-earlier profit of SEK 0.6 million, attributable to the lower sales and renovation of a store in Stockholm.

Intra-Group sales

Intra-Group sales amounted to SEK 92.6 million (93.7) 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 4.

INVESTMENTS AND CASH FLOW

Cash flow from operating activities in the Group amounted to SEK 14.1 million (35.3) for the period January-June 2010. The decrease is mainly due to higher working capital caused by an increase in accounts receivable from delayed invoicing, but at the same time was offset to some extent by increased accounts payable.

Total investments in tangible and intangible non-current assets amounted to SEK 5.8 million (2.2) for the first half-year, the large part of which was attributable to a new web

platform, but also a store renovation and a new enterprise system. During the first half-year Björn Borg Services AB was acquired. The acquisition amounted to SEK 9.0 million, excluding Björn Borg Services' cash and transaction expenses.

For the first half-year 2010 cash & cash equivalents decreased by SEK 126.5 million (-1.5), which was mainly due to an increased dividend to the shareholders. In 2010, SEK 125.7 million was distributed to the shareholders, compared with SEK 37.6 million in 2009.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash & cash equivalents (net cash position) amounted to SEK 170.0 million (240.0) at the end of the period. The equity/assets ratio was 70.7 percent (71.6). The company has no interest-bearing liabilities.

The credit of SEK 125 million that was obtained in the first quarter in connection with the acquisition of Björn Borg Services AB was repaid during the second quarter.

Net financial items were affected negatively during the first half-year 2010 by a weaker USD compared with the same period of 2009, which resulted in negative exchange rate differences.

COMMITMENTS AND CONTINGENT LIABILITIES

No changes were made with regard to pledged assets and contingent liabilities compared with December 31, 2009. An agreement has been reached on the previously reported dispute with the English distributor regarding undelivered shipments, which affected profit for the period April-June 2010. For further information, see note 22 on page 56 of the annual report 2009.

PERSONNEL

The average number of employees in the Group for the first half-year was 94 (93), of whom 60 (58) were women.

TRANSACTIONS WITH RELATED PARTIES

No transactions were executed with related parties.

SIGNIFICANT RISKS AND UNCERTAINTIES

In its operations, the Björn Borg Group is exposed to risks and uncertainties. For further information, refer to pages 37-38 in the annual report 2009.

EVENTS AFTER THE BALANCE SHEET DATE

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

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 amounted to SEK 6.3 million (6.5). During the first half-year net sales amounted to SEK 18.3 million (20.4). The loss before tax amounted to SEK 18.7 million for the second quarter, against a year-earlier loss of SEK 7.5 million, and SEK 20.8 million for the first six months, against a year-earlier loss of SEK 11.6 million. Cash & cash equivalents amounted to SEK 124.9 million (177.5) on June 30, 2010. For the period investments in tangible and intangible non-current assets amounted to SEK 0.7 million (1.4).

NUMBER OF SHARES

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

FINANCIAL OBJECTIVES

The financial objectives of Björn Borg's operations for the period 2010–2014 are as follows:

- Average annual organic growth of at least 10 percent
- An average annual operating margin of at least 20 percent
- An annual dividend of at least 50 percent of net profit
- Long-term cash reserves equivalent to 10–20 percent of annual sales

Comments to the financial objectives:

The long-term objective will be achieved if established markets grow slightly below the average growth target and new markets provide stronger growth. At the start of the period sales growth could fall below the target, since several new markets are being added.

Surplus liquidity generated by meeting the new financial objectives will be distributed gradually over the forecast period, starting in 2010.

Operating investments are expected to fall in the range of 2–5 percent of net sales depending on the addition of any new concept stores.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.3 Accounting in Legal Entities.

The same accounting principles were applied during the period as in 2009, as described on page 47 of the annual report 2009, with the exceptions indicated below.

The new and revised IFRS and the interpretations from IFRIC applied by the Group as of January 1, 2010 have not had a significant impact on the Group's results or financial position, with the exception of IFRS 3 Business Combinations, according to which the transaction expenses in connection with acquisitions are not included in acquisition value and instead are treated as overhead and recognized through profit or loss. According to RFR 2.3, some of the changes which were introduced in IAS 1 2009 and applied in the consolidated financial statements shall also be applied in the Parent Company. Due to these changes, a separate statement of total comprehensive income and a statement of changes in equity are presented for the Parent Company in this interim report.

AUDIT REPORT

This interim report has been reviewed by the company's auditors.

OUTLOOK 2010

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



CONSOLIDATED INCOME AND TOTAL COMPREHENSIVE INCOME

Condensed

SEK thousands	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	July 2009- June 2010	Full-year 2009
Net sales	100,770	97,832	249,149	262,506	506,558	519,915
Cost of goods sold	-45,230	-48,008	-117,033	-131,534	-238,769	-253,271
Gross profit	55,540	49,824	132,116	130,972	267,789	266,644
Distribution expenses	-27,659	-25,203	-53,451	-54,392	-101,449	-102,390
Administrative expenses	-10,281	-9,620	-21,471	-20,301	-39,634	-38,463
Development expenses	-3,661	-2,870	-7,219	-6,567	-13,849	-13,197
Operating profit	13,939	12,131	49,975	49,713	112,857	112,594
Net financial items	705	-260	97	1,403	-2,242	-936
Profit before tax	14,644	11,871	50,073	51,116	110,615	111,658
Tax	-3,891	-3,469	-13,541	-13,791	-30,503	-30,756
Profit for the period	10,753	8,402	36,532	37,325	80,109	80,902
Profit/loss attributable to:						
Parent Company's shareholders	10,750	8,405	36,533	37,302	80,051	80,867
Minority interests	3	-3	-1	-23	58	35
Other comprehensive income						
Translation adjustments for foreign operations	46	245	-196	476	172	844
Total comprehensive income for the period	10,799	8,647	36,336	37,801	80,281	81,746
Total comprehensive income for the period attributable to						
Parent Company's shareholders	10,796	8,650	36,337	37,778	80,223	81,711
Minority interests	3	-3	-1	-23	58	35
Earnings per share, SEK	0.43	0.34	1.45	1.49	3.19	3.22
Earnings per share after dilution, SEK	0.42	0.33	1.43	1.49	3.19	3.21
Number of shares	25,148,384	25,148,384	25,148,384	25,148,384	25,148,384	25,148,384
Weighted average number of shares	25,148,384	25,088,917	25,148,384	25,074,051	25,133,517	25,111,217
Effect of dilution*	317,239	114,010	349,165	-	-	118,910
Weighted average number of shares after full dilution	25,465,623	25,202,927	25,467,549	25,074,051	25,133,517	25,230,128

* Björn Borg has two outstanding incentive programs based on warrants: 2008:1 and 2008:2. For more detailed information, see page 53 of the annual report 2009.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Condensed

SEK thousands	June 30 2010	June 30 2009	December 31 2009
Non-current assets			
Goodwill	13,944	13,944	13,944
Trademarks	187,532	187,532	187,532
Other intangible assets	6,840	1,815	3,437
Tangible non-current assets	9,811	13,578	11,150
Deferred tax assets	9,046	-	-
Total non-current assets	227,173	216,869	216,063
Current assets			
Inventories, etc.	25,327	36,523	26,455
Current receivables	103,379	89,219	65,719
Cash & cash equivalents	169,986	239,957	296,484
Total current assets	298,692	365,699	388,657
Total assets	525,865	582,569	604,720
Equity and liabilities			
Equity	371,549	416,982	460,956
Deferred tax liabilities	42,525	35,354	40,011
Other non-current liabilities	37,806	43,852	40,889
Accounts payable	29,234	30,168	15,480
Other current liabilities	44,751	56,213	47,385
Total equity and liabilities	525,865	582,569	604,720

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Condensed

SEK thousands	Jan-June 2010	Jan-June 2009	Full-year 2009
Opening balance	460,956	413,803	413,803
New share issues	–	2,966	2,996
Dividend	–125,742	–37,589	–37,589
Total comprehensive income for the period	36,336	37,801	81,746
Total comprehensive income for the period	371,549	416,982	460,956

CONSOLIDATED STATEMENT OF CASH FLOWS

Condensed

SEK thousands	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Full-year 2009
Cash flow from operating activities					
Before change in working capital	1,703	4,339	30,049	39,006	69,246
Change in working capital	15,126	18,162	–15,983	–3,675	24,873
Cash flow from operating activities	16,829	22,500	14,066	35,330	94,119
Investments in intangible non-current assets	–3,289	–364	–3,861	–1,262	–3,160
Investments tangible non-current assets	–423	–383	–1,915	–985	–1,380
Company acquisition	50	–	–9,046	–	–
Cash flow from investing activities	–3,662	–747	–14,822	–2,248	–4,540
Dividend	–125,742	–37,589	–125,742	–37,589	–37,589
Incentive programs/new share issues	–	2,966	–	2,966	2,996
Change in loans	–125,000	–	–	–	–
Cash flow from financing activities	–250,742	–34,623	–125,742	–34,623	–34,593
Cash flow for the period	–237,575	–12,870	–126,498	–1,541	54,986
Cash & cash equivalents at beginning of period	407,561	252,827	296,484	241,498	241,498
Cash & cash equivalents at end of period	169,986	239,957	169,986	239,957	296,484

KEY FIGURES

Group

SEK thousands	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	July 2009- June 2010	Full-year 2009
Gross profit margin, %	55.1	50.9	53.0	49.9	52.9	51.3
Operating margin, %	13.8	12.4	20.1	18.9	22.3	21.7
Profit margin, %	14.5	12.1	20.1	19.5	21.8	21.5
Return on capital employed, %	24.5	29.8	24.5	29.8	24.5	20.9
Return on average equity, %	20.3	25.7	20.3	25.7	20.3	18.5
Profit attributable to Parent Company's shareholders	10,750	8,405	36,533	37,302	81,051	80,867
Earnings per share, SEK	0.43	0.34	1.45	1.49	3.19	3.22
Earnings per share after dilution, SEK	0.42	0.33	1.43	1.49	3.19	3.21
Number of shares	25,148,384	25,148,384	25,148,384	25,148,384	25,148,384	25,148,384
Weighted average number of shares	25,148,384	25,088,917	25,148,384	25,074,051	25,133,517	25,111,217
Effect of dilution	317,239	114,010	349,165	–	–	118,910
Weighted average number of shares after dilution	25,465,623	25,202,927	25,497,549	25,074,051	25,133,517	25,230,128
Equity/assets ratio, %	70.7	71.6	70.7	71.6	70.7	76.2
Equity per share, SEK	14.77	16.58	14.77	16.62	14.77	18.33
Investments in intangible non-current assets	3,289	364	3,861	1,262	5,759	3,160
Investments in tangible non-current assets	423	383	1,915	985	2,310	1,380
Investments in financial non-current assets	–50	–	9,046	–	–	–
Depreciation and impairment losses for the period	–1,614	–1,984	–3,712	–3,959	–6,777	–7,024
Average number of employees	94	93	94	93	93	92

SUMMARY BY SEGMENT

Group

SEK thousands	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	July 2009- June 2010	Full-year 2009
Operating revenue						
Brand and other						
External sales	8,511	10,681	23,593	30,370	48,159	54,936
Internal sales	15,051	13,886	35,778	37,973	81,146	83,341
	23,563	24,567	59,370	68,343	129,305	138,277
Product development						
External sales	56,857	54,296	131,810	136,009	253,192	257,391
Internal sales	21,182	14,416	37,687	42,646	76,829	81,788
	78,039	68,712	169,497	178,654	330,021	339,179
Wholesale						
External sales	25,605	22,269	73,722	73,655	153,169	153,102
Internal sales	7,095	5,052	19,118	13,087	46,744	40,713
	32,700	27,322	92,840	86,742	199,913	193,815
Retail						
External sales	9,796	10,585	20,024	22,472	52,037	54,485
Internal sales	–	–	–	–	6	6
	9,796	10,585	20,024	22,472	52,043	54,491
Less internal sales	–43,329	–33,354	–92,582	–93,706	–204,724	–205,847
Operating revenue	100,770	97,832	249,149	262,506	506,558	519,915
Operating profit						
Brand and other	–4,595	1,662	8,115	18,936	33,120	43,942
Product development	16,204	13,772	33,833	32,492	52,327	50,984
Wholesale	3,360	–4,730	11,169	–2,269	23,073	9,635
Retail	–1,030	1,427	–3,141	554	4,337	8,032
Operating profit	13,939	12,131	49,975	49,713	112,857	112,594

QUARTERLY DATA

Group

SEK thousands	02 2010	01 2010	04 2009	03 2009	Q2 2009	01 2009	04 2008	Q3 2008
Net sales								
Net sales	100,770	148,379	102,247	155,162	97,832	164,674	131,233	160,762
Gross profit margin, %	55.1	51.6	55.7	50.8	50.9	49.3	54.1	54.1
Operating profit	13,939	36,037	19,427	43,454	12,131	37,582	26,049	49,688
Operating margin, %	13.8	24.3	19.0	28.0	12.4	22.8	19.8	30.9
Profit after financial items	14,644	35,429	19,712	40,830	11,871	39,245	28,693	52,277
Profit margin, %	14.5	23.9	19.3	26.3	12.1	23.8	21.9	32.5
Earnings per share, SEK	0.43	1.03	0.54	1.20	0.34	1.15	0.91	1.50
Earnings per share after dilution, SEK	0.42	1.01	0.53	1.19	0.33	1.15	0.91	1.50
Number of Björn Borg stores at end of period	46	46	46	45	43	44	44	41
of which Björn Borg-owned stores	10	10	10	10	10	11	11	11
Brand sales	347,300	460,156	410,053*	501,629*	358,037*	602,183	475,806	562,835

* Because brand sales for the full-year 2009 have been changed to correct the previously reported figures, quarterly brand sales for 2009 have been updated. Previously reported figures: Q2 2009 = 385,637, Q3 2009 = 566,423, Q4 2009 = 422,121

PARENT COMPANY INCOME STATEMENT

Condensed

SEK thousands	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	July 2009- June 2010	Full-year 2009
Net sales	6,274	6,464	18,293	20,440	45,462	47,608
Cost of goods sold	−93	−1,001	−127	−2,406	−128	−2,407
Gross profit	6,181	5,463	18,166	18,034	45,334	45,201
Distribution expenses	−14,829	−9,267	−24,366	−20,078	−45,114	−40,826
Administrative expenses	−5,704	−3,564	−9,372	−7,722	−17,352	−15,702
Development expenses	−2,281	−1,426	−3,749	−3,089	−6,941	−6,281
Operating profit/loss	−16,633	−8,794	−19,320	−12,855	−24,073	−17,608
Dividend from subsidiary	−	−	−	−	−	100,000
Net financial items	−2,021	1,295	−1,508	1,250	−784	1,975
Profit/loss before tax	−18,654	−7,500	−20,828	−11,605	−24,856	84,367
Tax	4,866	1,972	5,438	3,073	6,381	4,017
Profit/loss for the period	−13,788	−5,527	−15,390	−8,531	−18,475	88,383
Other comprehensive income	−	−	−	−	−	−
Total comprehensive income for the period	−13,788	−5,527	−15,390	−8,531	−18,475	88,383

PARENT COMPANY BALANCE SHEET

Condensed

SEK thousands	Jan-June 2010	Jan-June 2009	Full-year 2009
Non-current assets			
Intangible non-current assets	1,914	1,241	1,694
Tangible non-current assets	3,582	4,700	4,238
Shares in Group companies	316,585	54,497	54,497
Total non-current assets	322,082	60,438	60,428
Current assets			
Receivables from Group companies	85,662	33,238	88,903
Current receivables	12,564	11,976	5,703
Cash & cash equivalents	124,924	177,485	287,657
Total current assets	223,150	222,699	382,263
Total assets	545,232	283,137	442,691
Equity and liabilities			
Equity	73,606	106,628	214,738
Untaxed reserves	7,359	7,359	7,359
Due to Group companies	451,196	157,783	207,835
Accounts payable	1,440	3,391	1,840
Other current liabilities	11,631	7,976	10,919
Total equity and liabilities	545,232	283,137	442,691

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Condensed

SEK thousands	Jan-June 2010	Jan-June 2009	Full-year 2009
Opening balance	214,738	149,782	149,782
New share issues	−	2,966	2,966
Dividend	−125,742	−37,589	−37,589
Group contributions	−	−	15,191
Tax effect of Group contributions	−	−	−3,995
Total comprehensive income for the period	−15,390	−8,531	88,383
Closing balance	73,606	106,628	214,738

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

Return on equity

Net profit (over a 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.

The Board of Directors and the President 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, August 19, 2010

Fredrik Lövstedt
Chairman

Nils Vinberg
Vice Chairman

Monika Elling
Board Member

Kerstin Hessius
Board Member

Fabian Månsson
Board Member

Mats H Nilsson
Board Member

Vilhelm Schottenius
Board Member

Michael Storåkers
Board Member

Arthur Engel
President and CEO

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 2009 are estimated SEK 1.9 billion at the consumer level, excluding VAT. Group net sales amounted to SEK 520 million in 2009, with 92 employees at year-end. The Björn Borg share is listed on NASDAQ OMX Nordic, Mid Cap list, since May 7, 2007.



Upcoming information dates

The interim report January–September 2010 will be released on November 11, 2010.

The year-end report for 2010 will be released on February 10, 2011.

Annual Report March 2011.

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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 19, 2010 at 7:30 a.m. (CET).