



BJÖRN BORG

BJÖRN BORG AB INTERIM REPORT
JANUARY – MARCH 2011

New markets begin to grow

FIRST QUARTER, JANUARY 1 – MARCH 31, 2011

- The Group's net sales increased by 2 percent to SEK 151.3 million (148.4). Excluding currency effects, sales rose by 6 percent.
- The gross profit margin decreased to 50.4 percent (51.6).
- Operating profit amounted to SEK 28.4 million (36.0), a decrease of 21 percent.
- Profit after tax amounted to SEK 20.7 million (25.8), a decrease of 20 percent.
- Earnings per share decreased to SEK 0.89 (1.03). Fully diluted earnings per share amounted to SEK 0.88 (1.01).
- Brand sales (excluding VAT) increased by 1 percent excluding currency effects. Using current exchange rates sales decreased by 6 percent to SEK 431 million (461).
- A new subsidiary in the Netherlands, Björn Borg Sport, was established together with the Dutch distributor to produce fashionable and functional sportswear.
- In-house distribution of footwear in the Baltic countries was launched during the first quarter.

QUOTE FROM THE PRESIDENT

"During the first quarter of the year the Group's sales excluding currency effects rose by 6 percent year-on-year. We saw good growth in several of our new markets, which account for a growing share of total brand sales. The first quarter was highlighted by the startup of a new clothing company, Björn Borg Sport, where we see good future growth opportunities, as well as investments in our operations in England and e-commerce. The decrease in operating profit compared to last year is mainly a consequence of increased costs for these ventures" says Arthur Engel.

MSEK	January–March 2011	January–March 2010	April 2010– March 2011	Full-year 2010
Net sales	151.3	148.4	539.0	536.0
Gross profit margin, %	50.4	51.6	53.2	53.6
Operating profit	28.4	36.0	118.4	126.0
Operating margin, %	18.8	24.3	22.0	23.5
Profit after tax	20.7	25.8	83.4	90.8
Earnings per share, SEK	0.89	1.03	3.39	3.61
Earnings per share after dilution, SEK	0.88	1.01	3.39	3.57
Brand sales*	431	461	1,704	1,733

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



PRESIDENT'S COMMENT

During the first quarter Björn Borg noted a year-on-year sales increase of 6 percent excluding exchange rate effects. Our continued investments – mainly in the new clothing company Björn Borg Sport, our operations in England and e-commerce – raised costs as planned and is the main reason for the profit decrease during the quarter. These are important investments that we are making to ensure long-term growth.

New markets' share is growing

In our established markets, we had weaker sales during the quarter in the Netherlands and Denmark, while sales remained positive in Belgium and were unchanged in Sweden. In several of our new markets, such as Germany, Austria and Finland, we noted good growth and growing interest in the brand. Even England, where we have now fully taken over operations, has continued to develop positively, with a growing number of attractive retailers. It is gratifying that our new markets together account for a growing share of total brand sales.

Among new markets, we are most focused on the five largest countries in Western Europe and now have efficient distribution solutions in place in Germany, France, Italy and England. In Spain we are evaluating a new distributor that wants to further expand and have several potential partners. With our business model, distributors have overarching responsibility for their markets, while Björn Borg offers effective support and control. To strengthen this function for a growing number of markets, we bolstered the organization during the quarter by adding an experienced export manager.

Björn Borg stores are important to profile the brand in the right environment in both new and established markets. In April we opened a new store in Västra Frölunda, in Gothenburg, and we expect to add several new stores during the year in Sweden and abroad under the management of external distributors.

In January we launched a new venture in fashionable and functional sportswear called Björn Borg Sport, where we see good growth opportunities. The new company, which is co-owned with the Dutch distributor and management, has now begun operations.

Expanding footwear operations

The footwear operations licensed out in 2010 continue to develop strongly, and the new collections have been positively received. We are very pleased with how the operations are being managed by the licensee and see good opportunities for further growth and expansion, which would mean increased royalties for Björn Borg.

Further investments in growth

When we look ahead, we see a continued impact from higher production costs, currency effects and uncertainty in several markets in Europe. This is something we are going to address. For Björn Borg it is very much a question of continuing to invest wisely in future growth. This includes intensified branding and marketing activities, where we must be cost effective and smart to achieve the greatest possible impact. We are careful to think and act long-term and see many opportunities going forward.

Arthur Engel, President



OPERATIONS

Brand sales

Adjusted for currency effects in the form of a stronger Swedish krona, brand sales (excluding VAT) increased by 1 percent for the quarter. Using current exchange rates sales decreased by 6 percent to SEK 431 million (461).

Product areas first quarter 2011

Brand sales in the underwear product area fell by 4 percent excluding currency effects and by 12 percent using current exchange rates, during the quarter year-on-year. Underwear accounted for 64 percent (68) of brand sales during the period.

Sales in the licensed footwear product area rose by 54 percent for the quarter as a whole.

Other licensed products reported mixed results, with clothing (women's clothing in the Netherlands, now part of Björn Borg Sport), bags and eyewear reporting decreases, while fragrances grew. As a whole, licensed product sales rose by 6 percent during the first quarter 2011, mainly due to the increase in the footwear product area.

Markets first quarter 2011

New markets accounted for 11 percent (8) of total brand sales during the quarter. Among established markets,

Belgium reported strong growth during the quarter, while declines were noted in Norway, Denmark and the Netherlands. The important Swedish market was practically unchanged compared with the first quarter 2010. Among new markets, Germany posted a strong sales trend and also Finland developed positively.

As announced in the previous report, Björn Borg signed the letters of intent with new distributors in Italy and France during the first quarter 2011.

During the quarter the Group expanded its own footwear distribution to include the Baltic countries.

Test phase for new markets

In recent years Björn Borg has expanded to a number of new markets in cooperation with external distributors. The Group has tightened its criteria for new distributors in terms of resources, contact networks and experience. As of 2011 Björn Borg has introduced a two-year test period on cooperations with new distributors in order to evaluate market conditions and the distributor's opportunity and ability to cultivate the market. During this introductory stage we assess the market's future development potential.

Björn Borg stores

In total The Netherlands opened one new store during the quarter and as of March 31 they had 30 Björn Borg stores. Also during the quarter, a first store was opened in Chile. As of March 31 there were a total of 50 (46) Björn Borg stores, of which 10 (10) are Group-owned. After the conclusion of the quarter a Group-owned store was opened in Västra Frölunda, in Gothenburg.

Björn Borg Sport

In January 2011 Björn Borg established a subsidiary to produce fashionable and functional sportswear together with the Dutch distributor. The creation of a separate, Netherlands-based clothing business is another element in the strategy to focus on the core business – underwear – in Stockholm. The new company builds on the Dutch clothing concept within Björn Borg, where an established business with broad-based experience has successfully managed the women's clothing company on a licensed basis. The clothing collections, both women's and men's, will focus on functional yet distinctly fashionable sportswear. The products will be sold to distributors in Björn Borg's existing markets, with an initial emphasis on larger markets. The investment is expected to increase the Group's operating expenses by about SEK 10 million in 2011 (refers to Björn Borg's ownership interest of 51 percent).

Brand sales* of Björn Borg products Jan–March 2011. Total SEK 431 million (461)



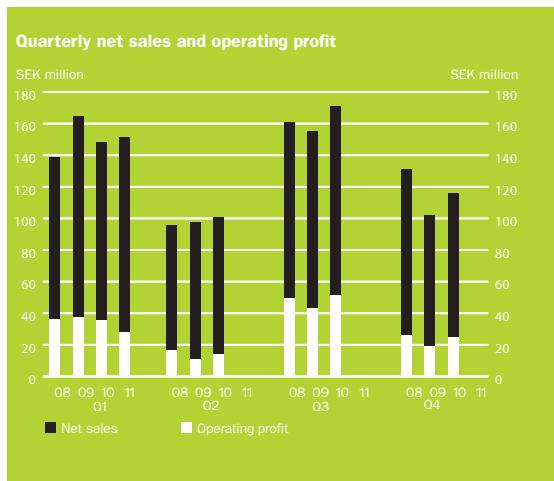
* Estimated total sales of Björn Borg products at the consumer level, excluding VAT, based on reported wholesale sales.

** Underwear: Men's and women's underwear, swimwear, socks and adjacent

Licensed products: Footwear, bags, fragrances, eyewear and clothing (women's clothing in the Netherlands, going forward Björn Borg Sport).

THE GROUP'S DEVELOPMENT

Sales increased during the first quarter, but operating profit declined.



Sales

First quarter, January–March 2011

Group sales during the first quarter amounted to SEK 151.3 million (148.4), an increase of 2 percent. Björn Borg Sport was the biggest contributor to the increase, while the Group's footwear sales decreased after been licensed out in 2010. Sales in product development and wholesale operations rose slightly, while the Group's retail sales were practically unchanged. Brand segment sales decreased during the quarter as a consequence of lower brand sales. Excluding currency effects, net sales increased by 6 percent.

Profit

First quarter, January–March 2011

The gross profit margin decreased slightly during the first quarter to 50.4 percent (51.6). The margin within Björn Borg Sport is lower than in other operations, which contributed negatively to the Group's total margin. Excluding new operations (Björn Borg Sport and Björn Borg UK) and currency effects, the margin instead would have risen slightly compared with the same period last year.

Operating profit decreased during the quarter by 21 percent to SEK 28.4 million (36.0) with an operating margin of 18.8 percent (24.3). Profit before tax decreased to SEK 28.0 million (35.4).

Increased expenses due to the startup of Björn Borg Sport adversely affected the Group's operating profit. The new company raised operating expenses by SEK 6.5 million (minority share SEK 3.2 million), of which SEK 3.5 million are one-off expenses in 2011. Excluding Björn Borg Sport, operating profit amounted to SEK 31.4 million. Further investments in personnel and the British operations have led to higher operating expenses. Excluding new operations, the Group's operating expenses have decreased slightly compared with the same period of 2010.

Development by business segment

The Group consists of ten 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.

As of January 1, 2011 the company has streamlined the segment previously called "Brand and other," which also included the Parent Company's sales and expenses. The segment is now called "Brand" and comprises only brand-related operations, which the company believes provide a clearer view of this segment. The Parent Company's income statement has been divided by segment based on various distribution keys; 2010 figures have been restated in accordance with this new basis of distribution. Moreover, the U.S. operations, which today are limited to e-commerce, have been shifted from Wholesale operations to Retail, similar to the international e-commerce operations that are already part of the Retail segment.

Brand

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

Net sales for the first quarter reached SEK 21.7 million (23.8), a decrease of 9 percent. External sales amounted to SEK 12.8 million (14.1). The decrease was mainly due to lower brand sales, as mentioned earlier in the report.

Operating profit amounted to SEK 4.4 million (5.4), a decrease of 18 percent for the quarter. The operating profit was a consequence of the lower net sales. Operating expenses are otherwise in line with the same period of 2010.

Product development

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

The business segment's net sales amounted to SEK 106.6 million (100.5) during the first quarter, an increase of 6 percent. External sales amounted to SEK 75.7 million

Business segment	Revenue source	Sales, SEK thousands		Operating profit, SEK thousands		Operating margin	
		January–March 2011	2010	January–March 2011	2010	January–March 2011	2010
Brand	Royalties	21,699	23,789	4,448	5,419	20%	23%
Product development	Products	106,563	100,471	13,583	19,896	13%	20%
Wholesale operations	Wholesale sales	64,434	61,283	13,314	13,193	21%	22%
Retail	Retailers	11,898	12,090	-2,947	-2,471	-25%	-20%
Less internal sales		-53,273	-49,254	-	-	-	-
Total		151,321	148,379	28,398	36,037	19%	24%

(75.7), unchanged compared with the first quarter 2010. Björn Borg Sport has contributed positively to sales, while a weaker USD had a negative effect.

Operating profit decreased to SEK 13.6 million (19.9) as a result of increased expenses for Björn Borg Sport.

Wholesale operations

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

Net sales in wholesale operations increased by 5 percent during the quarter to SEK 64.4 million (61.3). External sales amounted to SEK 51.8 million (48.1).

Operating profit amounted to SEK 13.3 million (13.2). A weaker USD has affected gross profit and operating profit positively, while the investment in the British operations has raised operating expenses.

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 as well as a web shop in the U.S. and one for international sales.

Net sales in Retail amounted to SEK 11.9 million (12.1) during the quarter, a decrease of 2 percent. External sales increased by 6 percent, however, to SEK 11.1 million (10.5). The Björn Borg stores and outlets both reported higher sales. E-commerce also noted sales growth, but from a low level.

The operating loss for the quarter amounted to SEK 2.9 million, against a year-earlier loss of SEK 2.5 million, which was due to a lower gross profit margin from the year's first sales promotion as well as increased operating expenses from the web investment and renovation of two stores, among other things.

Intra-Group sales

Intra-Group sales amounted to SEK 53.3 million (49.3) for 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 22.8 million (-2.8) for the first quarter 2011. Current assets including accounts receivable and current liabilities including accounts payable have increased significantly compared with December 31, 2010, but net tied-up working capital has risen by only SEK 2.9 million. The increase in inventories compared with March 31, 2010 relates to, among other things, a higher volume of goods en route to

customers as well as goods from previous distributors. The company estimates that there is currently no need for any write-downs on these goods from previous distributors.

Total investments in tangible and intangible non-current assets amounted to SEK 7.0 million (2.1) for the period, the large part of which relates to the establishment of Björn Borg Sport in the Netherlands and store renovations. During the first quarter cash & cash equivalents and short-term investments increased by SEK 14.7 million, mainly due to a positive operating result after deducting the period's investments.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash & cash equivalents and short-term investments amounted to SEK 246.1 million (407.6) at the end of the period. The equity/assets ratio was 72.0 percent (63.2). The company has no interest-bearing liabilities.

COMMITMENTS AND CONTINGENT LIABILITIES

No changes were made with regard to pledged assets and contingent liabilities compared with December 31, 2010.

PERSONNEL

The average number of employees in the Group during the first quarter 2011 was 100 (91), of whom 63 (58) were women.

TRANSACTIONS WITH RELATED PARTIES

Board Member Fabian Månsson acquired 4 percent of the shares in the subsidiary Björn Borg Sport during the quarter. No other 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 2010.

EVENTS AFTER THE BALANCE SHEET DATE

After the conclusion of the report period the company opened a new Björn Borg store in Västra Frölunda.

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, Björn Borg Footwear AB, Björn Borg Inc. and Björn Borg Services AB (dormant). In addition, the company owns 80 percent of the shares in Björn Borg UK and 51 percent of the shares in Björn Borg Sport BV.

The Parent Company's net sales for the first quarter amounted to SEK 11.5 million (12.0). The loss before tax amounted to SEK 7.9 million for the first quarter 2011, compared with a year-earlier loss of SEK 2.2 million. Cash & cash equivalents and short-term investments amounted to SEK 203.5 million (125.5) on March 31, 2011. For the period investments in tangible and intangible non-current

assets amounted to SEK 0.1 million (0.4).

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 2011–2014 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 2011.

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

ANNUAL GENERAL MEETING

The Annual General Meeting, which was held on April 14, 2011, resolved to pay a distribution of SEK 5.20 per share to the shareholders for the year 2010. Monika Elling, Fredrik Lövstedt, Fabian Måansson, Mats H Nilsson, Vilhelm Schottenius, Michael Storåkers, Nils Vinberg and Kerstin Hessius were reelected to the Board of Directors with Fredrik Lövstedt as Chairman of the Board.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Annual Accounts Act, RFR 1 Additional Accounting Regulations for Consolidated Groups (December 2010) and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and RFR 2 Accounting in Legal Entities (December 2010).

The same accounting and valuation principles have been applied during the year as in 2010, as described on page 47 of the annual report 2010, 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.

AUDIT REPORT

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

OUTLOOK 2011

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

CONSOLIDATED INCOME AND TOTAL COMPREHENSIVE INCOME

Condensed

TSEK	January–March	January–March	April 2010–	Full-year
	2011	2010	March 2011	2010
Net sales	151,321	148,379	538,983	536,040
Cost of goods sold	–75,026	–71,803	–252,068	–248,844
Gross profit	76,295	76,576	286,915	287,196
Distribution expenses	–31,260	–25,792	–112,111	–106,643
Administrative expenses	–12,894	–11,190	–42,741	–41,037
Development expenses	–3,743	–3,557	–13,697	–13,511
Operating profit	28,398	36,037	118,366	126,005
Net financial items	–365	–608	–1,767	–2,010
Profit before tax	28,033	35,429	116,599	123,995
Tax	–7,373	–9,650	–33,232	–33,232
Profit for the period	20,660	25,779	83,367	90,763
Profit attributable to:				
Parent Company's shareholders	22,365	25,782	85,203	90,897
Minority interests	–1,705	–3	–1,836	–134
Other comprehensive income				
Translation adjustments for foreign operations	–19	–242	476	253
Total comprehensive income for the period	20,641	25,537	83,843	91,017
Total comprehensive income for the period attributable to				
Parent Company's shareholders	22,346	25,450	85,679	91,150
Minority interests	–1,705	–3	–1,836	–134
Earnings per share, SEK	0.89	1.03	3.39	3.61
Earnings per share after dilution, SEK	0.88	1.01	3.39	3.57
Number of shares	25,148,384	25,148,384	25,148,384	25,148,384
Weighted average number of shares	25,148,384	25,148,384	25,148,384	25,148,384
Effect of dilution*	330,473	377,505	–	321,818
Weighted average number of shares after full dilution	25,478,857	25,525,889	25,148,384	25,470,202

* 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 2010.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Condensed

SEK thousands	March 31 2011	March 31 2010	December 2010
Non-current assets			
Goodwill	13,944	13,944	13,944
Trademarks	187,532	187,532	187,532
Other intangible assets	6,614	3,826	6,858
Tangible non-current assets	9,425	10,728	7,808
Deferred tax assets	6,438	9,096	6,438
Total non-current assets	223,953	225,126	222,580
Current assets			
Inventories, etc.	31,131	23,584	26,239
Current receivables	121,264	113,961	85,344
Short-term investments	37,096	–	35,567
Cash & cash equivalents	208,964	407,561	194,275
Total current assets	398,455	545,106	341,425
Total assets	622,408	770,232	564,005
Equity and liabilities			
Equity	448,356	486,493	427,276
Deferred tax liabilities	49,304	41,634	48,189
Other non-current liabilities	33,563	39,405	34,724
Amounts owed to credit institutions	–	125,000	–
Accounts payable	31,997	28,696	9,987
Other current liabilities	59,188	49,004	43,829
Total equity and liabilities	622,408	770,232	564,005

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Condensed

SEK thousands	Equity attributable to Parent company's shareholders	Holdings without control	Total equity
Opening balance, January 1, 2009	460,842	114	460,956
Total comprehensive income for the year	25,540	-3	25,537
New share issues	-	-	-
Dividend for 2008	-	-	-
Closing balance, March 31, 2009	486,382	111	486,493
Opening balance, January 1, 2010	460,842	114	460,956
Total comprehensive income for the year	91,150	-134	91,017
New share issues	-	-	-
Dividend for 2009	-125,742	-	-125,742
Holdings without control that arose through formation of subsidiaries	-	1,046	1,046
Closing balance, December 31, 2010	426,250	1,026	427,276
Opening balance, January 1, 2011	426,250	1,026	427,276
Total comprehensive income for the year	22,346	-1,705	20,641
New share issues	-	-	-
Holdings without control that arose through formation of subsidiaries	-	438	438
Closing balance, March 31, 2011	448,596	-241	448,356

CONSOLIDATED STATEMENT OF CASH FLOWS

Condensed

SEK thousands	January–March 2011	January–March 2010	Full-year 2010
Cash flow from operating activities			
Before change in working capital	25,711	28,347	99,486
Change in working capital	-2,879	-31,109	-26,733
Cash flow from operating activities			
Investments in intangible non-current assets	-3,793	-572	-4,878
Investments in tangible non-current assets	-3,257	-	-2,498
Investments in financial non-current assets	-	-9,096	-9,046
Sale of tangible non-current assets	436	-1,492	161
Short-term placement	-1,529	-	-35,567
Reversal of deferred tax assets	-	-	2,608
Cash flow from investing activities			
Dividend	-	-	-125,742
Change in loans	-	125,000	-
Cash flow from financing activities			
Cash flow for the period			
Cash & cash equivalents at beginning of period	194,275	296,484	296,484
Cash & cash equivalents at end of period	208,964	407,561	194,275

KEY FIGURES

Group

SEK thousands	January–March 2011	January–March 2010	April 2010–March 2011	Full-year 2010
Gross profit margin, %	50.4	51.6	53.2	53.6
Operating margin, %	18.8	24.3	22.0	23.5
Profit margin, %	18.5	23.9	21.6	23.1
Return on capital employed, %	21.0	18.3	21.0	25.7
Return on average equity, %	18.2	16.6	18.2	20.5
Profit attributable to Parent Company's shareholders	22,365	25,782	85,203	90,897
Equity/assets ratio, %	72.0	63.2	72.0	75.8
Equity per share, SEK	17.83	19.34	17.83	16.99
Investments in intangible non-current assets	3,793	572	8,096	4,878
Investments in tangible non-current assets	3,257	1,492	4,263	2,498
Investments in financial non-current assets	-	9,096	9,046	9,046
Depreciation and impairment losses for the period	-5,232	-2,098	-10,269	-7,136
Average number of employees	100	91	100	100

SUMMARY BY SEGMENT

Group

SEK thousands	January–March 2011	January–March 2010	April 2010– March 2011	Full-year 2010
Operating revenue				
Brand and other				
External revenue	12,770	14,108	48,244	49,582
Internal revenue	8,928	9,681	39,321	40,074
	21,699	23,789	87,565	89,655
Product development				
External revenue	75,712	75,683	271,165	271,135
Internal revenue	30,851	24,789	129,923	123,861
	106,563	100,471	401,088	394,997
Wholesale				
External revenue	51,769	48,126	169,090	165,447
Internal revenue	12,665	13,157	49,011	49,503
	64,434	61,283	218,101	214,950
Retail				
External revenue	11,070	10,462	50,484	49,876
Internal revenue	828	1,627	3,165	3,963
	11,898	12,090	53,649	53,839
Less internal sales	-53,273	-49,254	-221,420	-217,401
Operating revenue	151,321	148,379	538,983	536,040
Operating profit				
Brand and other	4,448	5,419	22,085	23,057
Product development	13,583	19,896	60,937	67,249
Wholesale	13,314	13,193	37,477	37,356
Retail	-2,947	-2,471	-2,133	-1,657
Operating profit	28,398	36,037	118,366	126,005

QUARTERLY DATA

Group

SEK thousands	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Net sales	151,321	115,893	170,998	100,770	148,379	102,247	155,162	97,832
Gross profit margin, %	50.4	56.3	52.6	55.1	51.6	55.7	50.8	50.9
Operating profit	28,398	24,513	51,516	13,939	36,037	19,427	43,454	12,131
Operating margin, %	18.8	21.2	30.1	13.8	24.3	19.0	28.0	12.4
Profit after financial items	28,033	24,150	49,772	14,644	35,429	19,712	40,830	11,871
Profit margin, %	18.5	20.8	29.1	14.5	23.9	19.3	26.3	12.1
Earnings per share, SEK	0.89	0.70	1.46	0.43	1.03	0.54	1.20	0.34
Earnings per share after dilution, SEK	0.88	0.70	1.44	0.42	1.01	0.53	1.19	0.33
Number of Björn Borg stores at end of period	50	47	46	46	46	46	45	43
of which Björn Borg-owned stores	10	10	10	10	10	10	10	10
Brand sales	431,029	428,234	506,572	338,253	460,156	410,053*	501,629*	358,037*

* 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 = SEK 385,637, Q3 2009 = SEK 566,423, Q4 2009 = SEK 422,121.

PARENT COMPANY INCOME STATEMENT

Condensed

SEK thousands	January–March 2011	January–March 2010	April 2010– March 2011	Full-year 2010
Net sales	11,466	12,019	45,265	45,818
Cost of goods sold	–49	–34	–384	–368
Gross profit	11,417	11,985	44,881	45,450
Distribution expenses	–10,771	–9,537	–45,977	–44,742
Administrative expenses	–4,143	–3,668	–17,683	–17,208
Development expenses	–1,658	–1,467	–7,073	–6,883
Operating profit/loss	–5,155	–2,687	–25,852	–23,383
Dividend from subsidiary	–	–	–	100,000
Net financial items	–2,761	513	–11,104	–7,829
Profit before tax	–7,916	–2,174	–36,956	68,788
Appropriations	–	–	818	818
Tax	–	572	7,440	8,011
Profit for the period	–7,916	–1,602	–28,698	77,617
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–7,916	–1,602	–28,698	77,617

PARENT COMPANY BALANCE SHEET

Condensed

SEK thousands	March 31 2011	March 31 2010	December 31 2010
Non-current assets			
Intangible non-current assets	1,570	1,784	1,686
Tangible non-current assets	2,498	4,071	2,830
Shares in Group companies	321,227	316,635	320,771
Total non-current assets	325,295	322,490	325,287
Current assets			
Receivables from Group companies	53,908	83,782	47,801
Current receivables	5,717	7,658	4,597
Short-term investments	37,096	–	35,567
Cash & cash equivalents	166,421	125,481	181,742
Total current assets	263,142	216,921	269,707
Total assets	588,437	539,411	594,994
Equity and liabilities			
Equity	181,258	213,136	189,174
Untaxed reserves	6,540	7,359	6,540
Amounts owed to credit institutions	–	125,000	–
Amounts owed to Group companies	385,785	179,320	383,256
Accounts payable	2,067	4,298	2,913
Other current liabilities	12,787	10,298	13,111
Total equity and liabilities	588,437	539,411	594,994

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Condensed

SEK thousands	January–March 2011	January–March 2010	Full-year 2010
Opening balance	189,174	214,738	214,738
New share issues	–	–	–
Dividend	–	–	–125,742
Group contributions	–	–	30,611
Tax effect of Group contributions	–	–	–8,050
Total comprehensive income for the period	–7,916	–1,602	77,617
Closing balance	181,258	213,126	189,174

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, May 4, 2011

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, which owns the Björn Borg trademark, is focused on underwear. Through licensees it also offers clothing, footwear, bags, eyewear and fragrances. Björn Borg products are sold in around twenty markets, of which Sweden and the Netherlands are the largest. 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 2010 amounted to about SEK 1.7 billion at the consumer level, excluding VAT. Group net sales amounted to SEK 536 million in 2010, with 100 employees. The Björn Borg share is listed on NASDAQ OMX Nordic in Stockholm since 2007.



Upcoming information dates

The interim report January–June 2011 will be released on August 23, 2011.
The interim report January–September 2011 will be released on November 10, 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 May 4, 2011 at 7:30 am (CET).