

28 October, 2008

Press release

Notice of Extraordinary General Meeting

The Board of Directors of Björn Borg AB (publ) has today decided to convene an Extraordinary General Meeting, to be held on 13 November 2008 at 4 pm, at the company's premises, Skrapan, Götgatan 78 in Stockholm.

As previously announced, the meeting is convened to decide on an incentive programme for the newly appointed President of Björn Borg, Arthur Engel, and the Vice President and International Sales Director Henrik Fischer.

The notice, including information on the proposed incentive programme, is in its entirety appended to this press release.

For further information, please contact:

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About Björn Borg

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 around fifteen markets, of which Sweden and Holland are the largest. The Björn Borg Group has operations at every level from branding to consumer sales in its own concept stores. Total sales of Björn Borg products in 2007 amounted to approximately SEK 2.2 billion at the consumer level. Group net sales amounted to SEK 495 million as per December 31, 2007, with 79 employees. The Björn Borg share is listed on the OMX Nordic Exchange in Stockholm since May 7, 2007.

This is a non-official translation of the Swedish original version. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Notice of Extraordinary General Meeting of Björn Borg AB (publ)

The shareholders of Björn Borg AB (publ), Org. Reg. No. 556658-0683, are hereby invited to attend the extraordinary general meeting, to be held on Thursday, 13 November 2008, at 4 p.m. at the company's premises, Götgatan 78, Stockholm, Sweden (Skrapan, on the 23 rd floor).

Notification of attendance

Shareholders who wish to attend the meeting must, firstly, be listed in the shareholders' register maintained by VPC AB (the Swedish Central Securities Depository) on Friday, 7 November 2008, and secondly, give notice of their intention to attend the meeting no later than on Friday, 7 November 2008, 4 p.m. Notification shall be given by mail to Björn Borg AB, Götgatan 78, 28 tr, 118 30 Stockholm, by telephone 08-506 33 700, or by e-mail: stamma@bjornborg.com. Name, personal number/corporate registration number, address, telephone number and any accompanying persons, should be stated when notification is given.

Representatives of shareholders and corporate representatives shall deliver authorization documents to Björn Borg AB ("Björn Borg") well in advance of the extraordinary general meeting. Proxy forms are available on the company website, www.bjornborg.com.

In order to attend the meeting, shareholders with custodian registered shares must have such shares temporary registered in their own names, in the shareholders' register maintained by VPC AB. This procedure, so-called voting rights registration, must have been effected on Friday, 7 November 2008, which means that the shareholders must inform the custodian well in advance before this date.

Proposed agenda

1. Opening of the meeting
2. Election of the chairman of the meeting
3. Preparation and approval of the voting list
4. Election of one or two persons to check the minutes
5. Determination of whether the meeting has been duly convened
6. Approval of the agenda
7. The proposal by the board of directors regarding resolution on issue of warrants in order to form an incentive programme for newly appointed senior executives and approval of transfer of the warrants to the senior executives
8. Closing of the meeting

Proposals

Item 7 - The proposal by the board of directors regarding resolution on issue of warrants in order to form an incentive programme for newly appointed senior executives

In order to form a new incentive programme for the senior executives Arthur Engel (President), and Henrik Fischer (Vice President) the board of directors proposes that the extraordinary general meeting resolves to issue 1,250,000 warrants, each entitling the holder to subscribe for one (1) new share in Björn Borg.

For the incentive programme the following main conditions shall apply:

I Right to subscription of warrants and period for subscriptions of warrants

The right to subscribe the warrants shall, with deviation from shareholders' preferential rights, solely belong to Björn Borg's wholly-owned group company Björn Borg Brands AB. Oversubscription must not happen, Björn Borg Brands AB shall have the right and obligation, after subscription of the warrants, to transfer the warrants as described in item III below.

Subscription of the warrants shall be made by Björn Borg Brands AB and take place no later than by November 24, 2008. The warrants shall be issued free of charge to Björn Borg Brands AB.

II Share subscription period and price

Subscription for shares in Björn Borg by exercising the warrants can take place in May and November each year during the period May 1, 2009 – November 30, 2012. Such subscription shall take place at a price corresponding to 130 % of the average final share price at OMX Nordic Exchange Stockholm during the period commencing on 17 November 2008 and ending on 1 December 2008. Days when no trading takes place shall not be taken into account for purposes of the calculation.

The subscription price and the number of shares to which each warrant entitles the holder, may be recalculated in connection with share issues etc. according to customary recalculation terms.

III Transfer of the warrants

Björn Borg Brands AB shall transfer the warrants to persons pursuant to what is stated below.

Right to acquire the warrants shall pursuant to the board of directors' instructions fall to (i) Arthur Engel (President) with a maximum of 750,000 warrants and (ii) Henrik Fischer (Vice President) with a maximum of 500,000 warrants.

The warrants shall be transferred at market price, calculated by an external valuer according to the so-called Black & Scholes model.

IV Increase of share capital; dilution

The share capital of the company will at full subscription and full exercise of the proposed warrants be increased by SEK 390,625. Such an increase corresponds to a dilution of the shareholders' shareholdings by approximately 4,71 %, calculated on a fully diluted basis with respect to previously issued warrants, except for warrants that are still owned by Björn Borg Brands AB. The latter warrants, which entitles to subscription of 344,700 shares will be cancelled.

The corresponding dilution will upon full exercise of the proposed warrants and the above-mentioned still outstanding warrants resulting from previous incentive programmes, in the aggregate amount to almost 5,69 %.

The Group has no other expenses for the incentive programme than administrative expenses as regards to consultants etc. in connection with the production of the decision documentation and the resolution on issue of warrants etc.

V Reasons for deviating from the shareholders' preferential rights etc.

The board of directors has assessed that it is to the benefit for Björn Borg and its shareholders that the two newly appointed senior executives take part in the development of the group by way of being offered to acquire warrants in an incentive programme in the way that has been stated above. A personal long-term shareholding commitment amongst the individuals that are entitled to subscribe is likely to stimulate an intensified commitment to the business, the earnings trend, increase the motivation and the sense of solidarity with the company.

VI Special authorization for the chairman of the board

The company's chairman of the board is authorized to make such minor adjustments of the resolution by the extraordinary general meeting that may prove to be necessary in connection with registration measures with the Swedish Companies Registration Office and VPC AB.

VII Special voting requirements

The board of directors' proposal requires a resolution by the meeting that is supported by shareholders representing at least 9/10 of both votes cast and the shares represented at the meeting in order to be valid.

Number of shares and votes

There are in the aggregate 25,041,584 shares and votes outstanding in Björn Borg.

Available documents

The board of directors' complete proposals for decisions with respect to items 7 on the agenda and the documentation pursuant to the Companies Act Chapter 14, Section 8, will be available to the shareholders at the headquarters of the company as from 30 October 2008, and will also be distributed to shareholders that has requested it, and that have informed of its postal address.

Stockholm, October 2008
The Board of Directors