

Borg and McEnroe in a new match

APRIL 1 – JUNE 30, 2011

- The Group's net sales increased by 1 percent to SEK 101.9 million (100.8). Excluding currency effects, sales rose by 11 percent.
- The gross profit margin decreased to 53.3 percent (55.1). The decrease is attributable to the operations of Björn Borg Sport.
- Operating profit amounted to SEK 8.2 million (13.9), a decrease of 41 percent. Investments in Björn Borg Sport and the British operations have reduced operating profit by SEK 4.7 million.
- Profit after tax amounted to SEK 6.5 million (10.8), a decrease of 40 percent.
- Earnings per share decreased to SEK 0.33 (0.43). Fully diluted earnings per share amounted to SEK 0.33 (0.42), a decrease of 21 percent.
- Brand sales (excluding VAT) decreased by 3 percent excluding currency effects. At current exchange rates, sales decreased by 7 percent to SEK 315 million (338).

JANUARY 1 – JUNE 30, 2011

- The Group's net sales increased by 2 percent to SEK 253.3 million (249.1). Excluding currency effects, sales rose by 8 percent.
- The gross profit margin decreased to 51.6 percent (53.0). The decrease is attributable to the operations of Björn Borg Sport.
- Operating profit amounted to SEK 36.6 million (50.0), a decrease of 27 percent. Investments in Björn Borg Sport and the British operations have reduced operating profit by SEK 8.5 million.
- Profit after tax amounted to SEK 27.1 million (36.5), a decrease of 26 percent.
- Earnings per share decreased to SEK 1.22 (1.45). Fully diluted earnings per share amounted to SEK 1.21 (1.43), a decrease of 15 percent.
- Brand sales (excluding VAT) decreased by 1 percent excluding currency effects. At current exchange rates, sales decreased by 7 percent to SEK 746 million (798).

QUOTE FROM THE CEO

"Sales excluding currency effects rose by 11 percent. Several of our new markets have developed strongly. Operating profit excluding the impact of our investments in Björn Borg Sport and in England was SEK 12.9 million compared with SEK 13.9 million in 2010, which is satisfactory given current market conditions. During the summer a highly publicized campaign, Björn ♥ John, was launched as an element in our branding work," said CEO Arthur Engel.

SEK million	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	July 2010 – June 2011	Full-year 2010
Net sales	101.9	100.8	253.3	249.1	540.1	536.0
Gross profit margin, %	53.3	55.1	51.6	53.0	52.9	53.6
Operating profit	8.2	13.9	36.6	50.0	112.6	126.0
Operating margin, %	8.0	13.8	14.4	20.1	20.8	23.5
Profit after tax	6.5	10.8	27.1	36.5	81.3	90.8
Earnings per share, SEK	0.33	0.43	1.22	1.45	3.39	3.61
Earnings per share after dilution, SEK	0.33	0.42	1.21	1.43	3.39	3.57
Brand sales*	315	338	746	798	1,681	1,733

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



CEO'S COMMENT

During the second quarter of the year we continued to focus on investments that we feel are essential to our future growth. This applies to the new Björn Borg Sport sportswear business in the Netherlands, our operations in England, e-commerce improvements and branding activities.

Total sales during the second quarter increased by 1 percent compared with 2010. Björn Borg Sport contributed to sales, at the same time that we were impacted again during the quarter by negative currency effects. Excluding currency effects, sales rose by 11 percent. Profit was adversely affected by a lower gross profit margin in Björn Borg Sport and increased costs for growth-oriented investments. Our other costs during the quarter were slightly lower than the same period of 2010.

New markets are growing

Development during the quarter in our larger markets has varied, with brand sales higher in Sweden and Belgium, unchanged in Norway, and lower in Denmark and the Netherlands. The majority of newer markets are performing well considering market conditions. In new markets where we have achieved continuity after working with the same distributor for several seasons, it is gratifying to see brand sales grow strongly. In this group of new markets, which includes Germany, Austria and Portugal, growth was over 150 percent for the first half-year, though from a low level compared with our larger markets.

New stores

We will also continue to grow by adding more Björn Borg stores in Sweden and through our distributors abroad. During the quarter a new store was opened in Düsseldorf, Germany, along with our first store in Ljubljana, Slovenia through our Austrian distributor. In Sweden, we at the same time opened two Group-owned stores, in Täby Centrum (Stockholm) and Västra Frölunda (Göteborg).

Launch of first Björn Borg Sport collection

In June the first collection of Björn Borg Sport sportswear was presented at an event in the Netherlands well attended by distributors and major retailers – an important step in the efforts to establish Björn Borg Sport among current and new partners.

Campaign with Borg and McEnroe

In July we launched one of our biggest PR campaigns through a collaboration between the two tennis greats Björn Borg and John McEnroe. Their personally designed underwear, introduced at a well-attended press conference in connection with the Wimbledon tournament, has been launched in a majority of our markets in recent days. It is great to be able to showcase these two legends, at the same time that it naturally means a lot for our brand, as evidenced by the fantastic response in the media. Through the campaign, we have also contributed to a couple of charitable projects through the Patti and John McEnroe Foundation.

The challenge now facing us is to continue to grow in new markets and establish the Björn Borg brand. Today what we are seeing is that distributors generally have to remain diligent to produce results in a weak and uncertain European retail market and that inventories are rising slightly. In this climate, it is even more important that we work hard and effectively to design the right products and serve our partners, build our brand and invest in areas that will generate growth going forward.

Arthur Engel, Chief Executive Officer



OPERATIONS

Brand sales

Adjusted for currency effects in the form of a stronger SEK, brand sales (excluding VAT) decreased by 3 percent for the second quarter and by 1 percent for the first half-year. At current exchange rates, sales decreased by 7 percent to SEK 315 million (338) for the quarter and by 7 percent to SEK 746 million (798) for the first half-year.

Product areas first half-year 2011

Brand sales in the underwear product area decreased by 12 percent during the first half-year compared with the same period in 2010. Underwear accounted for 68 percent (72) of brand sales during the period.

Sales in the licensed footwear product area rose by 55 percent for the half-year as a whole.

Other licensed products reported mixed results, with clothing (women's clothing in the Netherlands, now part of Björn Borg Sport) and eyewear reporting decreases, while bags and fragrances grew slightly. As a whole, licensed product sales rose by 8 percent during the first half-year 2011, mainly due to the increase in the footwear product area.

Brand sales* of Björn Borg products January – June 2011. Total SEK 746 million (798)



* 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 products.
Licensed products: Footwear, bags, fragrances, eyewear and clothing (women's clothing in the Netherlands, now part of Björn Borg Sport).

Markets first half-year 2011

Smaller markets accounted for 11 percent (9) of total brand sales during the half-year. Among larger markets, Belgium reported strong growth and Sweden also noted an increase. Declines were noted in Norway, Denmark and the Netherlands. The Dutch distributor has begun to delay some shipments to its own stores, which has adversely affected retail sales in the Netherlands. Among smaller markets, Finland developed positively and Germany and Austria both posted strong sales trends.

The collections were sold to the new distributors in Italy and France during the first half-year and will result in brand sales during the second half-year.

During the half-year the Group expanded its own footwear distribution to include the Baltic countries.

Björn Borg stores

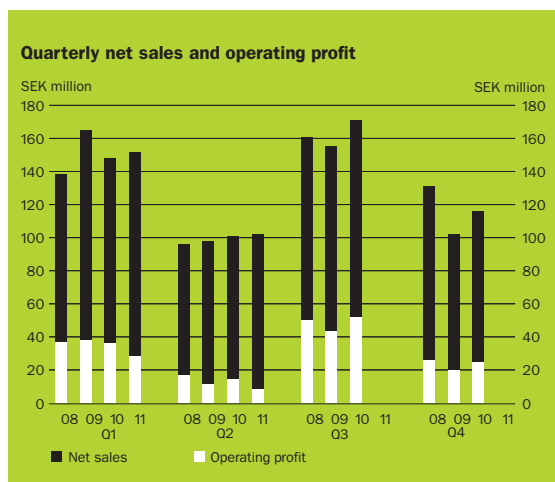
A new German store was opened on Königsallee, in Düsseldorf, and an initial store was opened in Ljubljana, Slovenia by the Austrian distributor. A fifth store was opened in Belgium. Two Group-owned stores were opened during the quarter, in Västra Frölunda, in Göteborg, and in Täby Centrum, in Stockholm. One net store was closed in the Netherlands during the quarter. There were a total of 29 Björn Borg stores in the Netherlands as of June 30. On the same date the total number of Björn Borg stores was 54 (46), of which 12 (10) are Group-owned.

Björn Borg Sport

Since January 2011 Björn Borg has a subsidiary, Björn Borg Sport, for production of 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 GROUP'S DEVELOPMENT

Sales increased during the first half-year, but operating profit declined.



Sales

Second quarter, April – June 2011

Group sales during the second quarter amounted to SEK 101.9 million (100.8), an increase of 1 percent. Björn Borg Sport was the biggest contributor to the increase. Delivery delays have contributed to a decrease in product development. Wholesale operations noted a significant increase and retail sales rose slightly. On the brand side, revenues decreased as a result of slightly lower brand sales during the quarter. Excluding currency effects, net sales increased by 11 percent.

First half-year, January – June 2011

Group sales during the first half-year amounted to SEK 253.3 million (249.1), an increase of 2 percent. Björn Borg Sport was the biggest contributor to the increase, while the Group's footwear sales decreased after the operations were licensed out in 2010. Product development decreased as a result of lower order volumes from individual distributors as well as delivery delays, while wholesale operations noted a significant increase. Group retail sales noted a slight increase, while the brand side posted lower revenues as a result of lower brand sales during the half-year. Excluding currency effects, net sales increased by 8 percent.

Profit

Second quarter, April – June 2011

The gross profit margin decreased slightly during the second quarter to 53.3 percent (55.1). The margin within Björn Borg Sport is lower than in other operations, which contributed negatively to the Group's total margin. Excluding Björn Borg Sport, the margin instead would have risen slightly compared with the same period last year.

Operating profit decreased during the quarter by 41 percent to SEK 8.2 million (13.9) with an operating margin of 8.0 percent (13.8). Investments in Björn Borg Sport and the British operations reduced operating profit by SEK 3.3 million and SEK 1.4 million, respectively. Hence, operating profit net of these investments was SEK 12.9 million. Profit before tax decreased to SEK 8.9 million (14.6).

The newly started company Björn Borg Sport raised operating expenses by SEK 6.0 million (minority share SEK 3.0 million), of which SEK 2.7 million are one-off expenses in 2011. Excluding Björn Borg Sport and England, the Group's operating expenses decreased slightly compared with the same period of 2010.

First half-year, January – June 2011

The gross profit margin decreased slightly during the first half-year to 51.6 percent (53.0). As mentioned above, Björn Borg Sport contributed negatively to the Group's total margin. Excluding Björn Borg Sport, the margin instead would have risen slightly compared with the same period last year.

Operating profit decreased during the half-year by 27 percent to SEK 36.6 million (50.0) with an operating margin of 14.4 percent (20.1). Investments in Björn Borg Sport and the British operations reduced operating profit by SEK 6.3 million and SEK 2.2 million, respectively. Hence, operating profit net of these investments was SEK 45.1 million. Profit before tax decreased to SEK 36.9 million (50.1).

The newly started company Björn Borg Sport raised operating expenses by SEK 12.5 million (minority share SEK 6.1 million), of which SEK 6.2 million are one-off expenses limited to 2011. Further investments in personnel and the operations in the British market have led to higher operating expenses. Excluding Björn Borg Sport and England, the Group's operating expenses 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

Business segment	Revenue source	Sales, SEK thousands		Operating profit, SEK thousands		Operating margin	
		January – June		January – June		January – June	
		2011	2010	2011	2010	2011	2010
Brand	Royalties	37,267	41,077	6,621	8,815	18%	21%
Product development	Products	186,503	183,217	18,231	28,802	10%	16%
Wholesale operations	Wholesale revenues	107,965	95,128	17,828	17,023	17%	18%
Retail	Retailers	23,115	22,309	-6,092	-4,665	-26%	-21%
Less internal sales		-101,592	-92,582	-	-	-	-
Total		253,258	249,149	36,588	49,975	14%	20%

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 provides a clearer description 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

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

Net sales for the first half-year reached SEK 37.3 million (41.1), a decrease of 9 percent. External sales amounted to SEK 20.9 million (22.4). The decrease was mainly due to lower brand sales, as mentioned earlier in the report.

Operating profit amounted to SEK 6.6 million (8.8), a decrease of 25 percent for the half-year. 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 186.5 million (183.2) during the first half-year, an increase of 2 percent. External sales amounted to SEK 127.0 million (132.7), a decrease of 4 percent compared with the first half-year 2010. Björn Borg Sport has contributed positively to sales, while a weaker U.S. dollar had a negative effect.

Operating profit decreased to SEK 18.2 million (28.8) as a result of increased expenses for Björn Borg Sport, among other factors.

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 13 percent during the half-year to SEK 108.0 million (95.1). External sales amounted to SEK 83.6 million (73.7).

Operating profit amounted to SEK 17.8 million (17.0). 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 ten 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 23.1 million (22.3)

during the half-year, an increase of 4 percent. External sales increased by 7 percent to SEK 21.7 million (20.3). The Björn Borg stores and outlets both reported higher sales. For comparable stores, sales were largely unchanged. E-commerce noted sales growth, but from a low level.

The operating loss for the half-year amounted to SEK 6.1 million, against a year-earlier loss of SEK 4.7 million, which was due to increased operating expenses attributable to the web venture and the opening of two new stores.

Intra-Group sales

Intra-Group sales amounted to SEK 101.6 million (92.6) 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 2.4 million (14.1) for the first half-year 2011. Large shipments at the end of the period led to an increase in working capital tied up in inventory and accounts receivable as well as a decrease in tied-up capital through increased accounts payable compared with December 31, 2010. The company does not believe that credit risk has risen as a result of the increased accounts receivable as of the closing date. Net tied-up working capital rose by SEK 28.1 million. The increase in inventories compared with June 30, 2010 relates to, among other things, a higher volume of goods en route to customers, returned goods from previous distributors and a larger footwear inventory.

Total investments in tangible and intangible non-current assets amounted to SEK 12.4 million (5.8) 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 half-year cash & cash equivalents and short-term investments decreased by SEK 142.0 million (-126.5). This is mainly due to the distribution to shareholders of SEK 130.8 million (125.7) during the period, which has decreased equity.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash & cash equivalents and short-term investments amounted to SEK 89.5 million (170) at the end of the period. The equity/assets ratio was 68.3 percent (70.7). 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 half-year 2011 was 105 (94), of whom 65 (60) were women.

TRANSACTIONS WITH RELATED PARTIES

Board Member Fabian Månsson acquired 4 percent of the shares in the subsidiary Björn Borg Sport during the first half-year 2011. 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

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

PARENT COMPANY

Björn Borg AB (publ) is primarily engaged in intra-Group activities. The company also owns 100 percent of the shares in Björn Borg Brands AB, Björn Borg Footwear AB, Björn Borg 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 second quarter amounted to SEK 6.7 million (6.3). During the first half-year the Parent Company's net sales amounted to SEK 18.2 million (18.3).

The loss before tax amounted to SEK 12.0 million for the second quarter (against a year-earlier loss of SEK 18.7 million) and SEK 19.9 million for the first six months (against a loss of SEK 20.8 million for the first half-year 2010). Cash & cash equivalents and short-term investments amounted to SEK 44.8 million (124.9) on June 30, 2011. Investments in tangible and intangible non-current assets for the period amounted to SEK 1.0 million (0.7).

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 2010.

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.

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, 2011 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

SEK thousands	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	July 2010 – June 2011	Full-year 2010
Net sales	101,937	100,770	253,258	249,149	540,149	536,040
Cost of goods sold	-47,556	-45,230	-122,582	-117,033	-254,394	-248,844
Gross profit	54,381	55,540	130,676	132,116	285,755	287,196
Distribution expenses	-30,627	-27,659	-61,887	-53,451	-115,079	-106,643
Administrative expenses	-12,858	-10,281	-25,752	-21,471	-45,317	-41,037
Development expenses	-2,706	-3,661	-6,449	-7,219	-12,742	-13,511
Operating profit	8,190	13,939	36,588	49,975	112,617	126,005
Net financial items	713	705	348	97	-1,759	-2,010
Profit before tax	8,903	14,644	36,936	50,073	110,858	123,995
Tax	-2,445	-3,891	-9,818	-13,541	-29,509	-33,232
Profit for the period	6,458	10,753	27,118	36,532	81,349	90,763
Profit attributable to:						
Parent Company's shareholders	8,413	10,750	30,779	36,533	85,143	90,897
Minority interests	-1,956	3	-3,660	-1	-3,794	-134
Other comprehensive income						
Translation adjustments for foreign operations	-42	46	-61	-196	388	253
Total comprehensive income for the period	6,416	10,799	27,058	36,336	81,737	91,017
Total comprehensive income for the period attributable to						
Parent Company's shareholders	8,371	10,796	30,718	36,337	85,532	91,151
Minority interests	-1,956	3	-3,660	-1	-3,794	-134
Earnings per share, SEK	0.33	0.43	1.22	1.45	3.39	3.61
Earnings per share after dilution, SEK	0.33	0.42	1.21	1.43	3.39	3.57
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	25,148,384	25,148,384	25,148,384	25,148,384	25,148,384
Effect of dilution*	176,751	317,239	267,609	349,165	-	321,818
Weighted average number of shares after full dilution	25,325,135	25,465,623	25,415,993	25,497,549	25,148,384	25,470,202

* Björn Borg has an incentive program, 2008:2, based on warrants in Björn Borg. For more detailed information, see page 53 of the annual report 2010.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Condensed

SEK thousands	June 30 2011	June 30 2010	December 31 2010
Non-current assets			
Goodwill	13,944	13,944	13,944
Trademarks	187,532	187,532	187,532
Other intangible assets	6,291	6,840	6,858
Tangible non-current assets	10,541	9,811	7,808
Deferred tax assets	6,438	9,046	6,438
Total non-current assets	224,746	227,173	222,580
Current assets			
Inventories, etc.	36,308	25,327	26,239
Current receivables	123,532	103,379	85,344
Short-term investments	37,268	-	35,567
Cash & cash equivalents	52,259	169,986	194,275
Total current assets	249,367	298,692	341,425
Total assets	474,113	525,865	564,005
Equity and liabilities			
Equity	324,001	371,549	427,276
Deferred tax liabilities	49,870	42,525	48,189
Other non-current liabilities	31,960	37,806	34,724
Accounts payable	20,590	29,234	9,987
Other current liabilities	47,692	44,751	43,829
Total equity and liabilities	474,113	525,865	564,005

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Condensed

SEK thousands	Equity attributable to Parent Company's shareholders	Non- controlling interests	Total equity
Opening balance, January 1, 2010	460,842	114	460,956
Total comprehensive income for the period	36,337	-1	36,336
Dividend for 2009	-125,742	-	-125,742
Closing balance, June 30, 2010	371,437	113	371,549
Opening balance, January 1, 2010	460,842	114	460,956
Total comprehensive income for the year	91,150	-134	91,017
Dividend for 2009	-125,742	-	-125,742
Non-controlling interests 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	30,718	-3,660	27,058
Distribution 2010	-130,772	-	-130,772
Non-controlling interests that arose through formation of subsidiaries	-	438	438
Closing balance, June 30, 2011	326,196	-2,196	324,001

CONSOLIDATED STATEMENT OF CASH FLOWS

Condensed

SEK thousands	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	Full-year 2010
Cash flow from operating activities					
Before change in working capital	4,818	1,703	30,529	30,049	99,486
Change in working capital	-25,217	15,126	-28,096	-15,983	-26,733
Cash flow from operating activities	-20,399	16,829	2,433	14,066	72,753
Investments in intangible non-current assets	-2,932	-3,289	-6,725	-3,861	-4,878
Investments in tangible non-current assets	-2,430	-423	-5,687	-1,915	-2,498
Investments in financial non-current assets	-	50	-	-9,046	-9,046
Sale of tangible non-current assets	-	-	436	-	161
Short-term placement	-172	-	-1,701	-	-35,567
Reversal of deferred tax assets	-	-	-	-	2,608
Cash flow from investing activities	-5,534	-3,662	-13,677	-14,822	-49,220
Dividend/distribution	-130,772	-125,742	-130,772	-125,742	-125,742
Amortization of loans	-	-125,000	-	-	-
Cash flow from financing activities	-130,772	-250,742	-130,772	-125,742	-125,742
Cash flow for the period	-156,705	-237,575	-142,016	-126,498	-102,209
Cash & cash equivalents at beginning of period	208,964	407,561	194,275	296,484	296,484
Cash & cash equivalents at end of period	52,259	169,986	52,259	169,986	194,275

KEY FIGURES

Group

SEK thousands	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	July 2010 – June 2011	Full-year 2010
Gross profit margin, %	53.3	55.1	51.6	53.0	52.9	53.6
Operating margin, %	8.0	13.8	14.4	20.1	20.8	23.5
Profit margin, %	8.7	14.5	14.6	20.1	20.5	23.1
Return on capital employed, %	29.5	24.5	29.5	24.5	29.5	26.4
Return on average equity, %	24.5	20.3	24.5	20.3	24.5	20.5
Profit attributable to Parent Company's shareholders	8,413	10,750	30,779	36,533	85,143	90,897
Equity/assets ratio, %	68.3	70.7	68.3	70.7	68.3	75.8
Equity per share, SEK	12.88	14.77	12.88	14.77	12.88	16.99
Investments in intangible non-current assets	2,932	3,289	6,725	3,861	7,741	4,878
Investments in tangible non-current assets	2,430	423	5,687	1,915	6,270	2,498
Investments in financial non-current assets	-	-50	-	9,046	-	9,046
Depreciation and impairment losses for the period	-4,572	-1,614	-9,803	-3,712	-13,227	-7,136
Average number of employees	105	94	105	94	111	100

SUMMARY BY SEGMENT

Group

SEK thousands	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	July 2010 – June 2011	Full-year 2010
Operating revenue						
Brand and other						
External revenue	8,114	8,282	20,885	22,390	48,076	49,582
Internal revenue	7,455	9,006	16,383	18,687	37,770	40,074
	15,569	17,288	37,267	41,077	85,846	89,655
Product development						
External revenue	51,293	57,029	127,005	132,712	265,429	271,135
Internal revenue	28,647	25,716	59,498	50,505	132,854	123,861
	79,940	82,745	186,503	183,217	398,283	394,997
Wholesale						
External revenue	31,860	25,541	83,629	73,667	175,409	165,447
Internal revenue	11,671	8,304	24,336	21,462	52,378	49,503
	43,531	33,845	107,965	95,128	227,787	214,950
Retail						
External revenue	10,669	9,918	21,740	20,380	51,235	49,876
Internal revenue	547	302	1,375	1,929	3,409	3,963
	11,216	10,220	23,115	22,309	54,644	53,839
Less internal sales	-48,319	-43,329	-101,592	-92,582	-226,410	-217,401
Operating revenue	101,937	100,770	253,258	249,149	540,149	536,040
Operating profit						
Brand	2,173	3,396	6,621	8,815	20,862	23,057
Product development	4,648	8,906	18,231	28,802	56,678	67,249
Wholesale	4,514	3,831	17,828	17,023	38,160	37,356
Retail	-3,145	-2,194	-6,092	-4,665	-3,083	-1,657
Operating profit	8,190	13,939	36,588	49,975	112,617	126,005

QUARTERLY DATA

Group

SEK thousands	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Net sales	101,937	151,321	115,893	170,998	100,770	148,379	102,247	155,162
Gross profit margin, %	53.3	50.4	56.3	52.6	55.1	51.6	55.7	50.8
Operating profit	8,190	28,398	24,513	51,516	13,939	36,037	19,427	43,454
Operating margin, %	8.0	18.8	21.2	30.1	13.8	24.3	19.0	28.0
Profit after financial items	8,903	28,033	24,150	49,772	14,644	35,429	19,712	40,830
Profit margin, %	8.7	18.5	20.8	29.1	14.5	23.9	19.3	26.3
Earnings per share, SEK	0.33	0.89	0.70	1.46	0.43	1.03	0.54	1.20
Earnings per share after dilution, SEK	0.33	0.88	0.70	1.44	0.42	1.01	0.53	1.19
Number of Björn Borg stores at end of period	54	50	47	46	46	46	46	45
of which Björn Borg-owned stores	12	10	10	10	10	10	10	10
Brand sales	314,967	431,029	428,234	506,572	338,253	460,156	410,053 *	501,629 *

* 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 385,637,000, Q3 2009 = SEK 566,423,000, Q4 2009 = SEK 422,121,000.

PARENT COMPANY INCOME STATEMENT**Condensed**

SEK thousands	April – June 2011	April – June 2010	Jan – June 2011	Jan – June 2010	July 2010 – June 2011	Full-year 2010
Net sales	6,701	6,274	18,167	18,293	45,692	45,818
Cost of goods sold	-320	-93	-369	-127	-611	-368
Gross profit	6,381	6,181	17,797	18,166	45,081	45,450
Distribution expenses	-10,258	-14,829	-21,029	-24,366	-41,405	-44,742
Administrative expenses	-3,946	-5,704	-8,089	-9,372	-15,925	-17,208
Development expenses	-1,578	-2,281	-3,235	-3,749	-6,370	-6,883
Operating profit/loss	-9,401	-16,633	-14,556	-19,320	-18,619	-23,383
Dividend from subsidiary	-	-	-	-	100,000	100,000
Net financial items	-2,626	-2,021	-5,388	-1,508	-11,709	-7,829
Profit before tax	-12,027	-18,654	-19,944	-20,828	69,672	68,788
Appropriations	-	-	-	-	818	818
Tax	5,245	4,866	5,245	5,438	7,818	8,011
Profit for the period	-6,782	-13,788	-14,699	-15,390	78,308	77,617
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-6,782	-13,788	-14,699	-15,390	78,308	77,617

PARENT COMPANY BALANCE SHEET**Condensed**

SEK thousands	June 30 2011	June 30 2010	December 31 2010
Non-current assets			
Intangible non-current assets	1,453	1,914	1,686
Tangible non-current assets	2,963	3,582	2,830
Shares in Group companies	321,227	316,585	320,771
Total non-current assets	325,643	322,082	325,287
Current assets			
Receivables from Group companies	78,990	85,662	47,801
Current receivables	8,431	12,564	4,597
Short-term investments	37,268	-	35,567
Cash & cash equivalents	7,568	124,924	181,742
Total current assets	132,256	223,150	269,707
Total assets	457,900	545,232	594,994
Equity and liabilities			
Equity	38,458	73,606	189,174
Untaxed reserves	6,540	7,359	6,540
Amounts owed to Group companies	399,392	451,196	383,256
Accounts payable	5,395	1,440	2,913
Other current liabilities	8,115	11,631	13,111
Total equity and liabilities	457,900	545,232	594,994

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY**Condensed**

SEK thousands	Jan – June 2011	Jan – June 2010	Full-year 2010
Opening balance	189,174	214,738	214,738
Dividend/distribution	-130,772	-125,742	-125,742
Group contributions	-	-	30,611
Tax effect of Group contributions	-	-	-8,050
Total comprehensive income for the period	-19,944	-15,390	77,617
Closing balance	38,458	73,606	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.

Björn Borg AB (publ)
Stockholm, August 23, 2011

Fredrik Lövestedt
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 – September 2011 will be released on November 10, 2011.

The year-end report for 2011 will be released on February 9, 2012.

Annual Report March 2012.

For further information, please contact:

Arthur Engel, President and CEO, telephone +46 8 506 33 700

Magnus Teeling, CFO, telephone +46 8 506 33 700

Björn Borg AB
Götgatan 78
SE-118 30 Stockholm
www.bjornborg.com

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 23, 2011 at 7:30 am (CET).