



BJÖRN BORG

BJÖRN BORG AB INTERIM REPORT JANUARY - JUNE 2015

APRIL 1 - JUNE 30, 2015

- The Group's net sales increased by 2 percent to SEK 99.2 million (97.0). Excluding currency effects, sales fell by 5 percent.
- The gross profit margin was 53.0 percent (52.5).
- The operating loss amounted to SEK 1.7 million, compared with year-earlier profit of SEK 0.5 million.
- The loss after tax amounted to SEK 2.3 million, compared with year-earlier profit of SEK 2.2 million.
- Earnings per share before and after dilution amounted to SEK -0.04 (0.15).
- Brand sales* (excluding VAT) decreased by 3 percent to SEK 246 million (254). Excluding currency effects, the decrease was 5 percent.

JANUARY 1 - JUNE 30, 2015

- The Group's net sales decreased by 4 percent to SEK 230.3 million (239.8). Excluding currency effects, sales decreased by 11 percent.
- The gross profit margin was 53.4 percent (52.7).
- Operating profit amounted to SEK 11.2 million (19.6).
- Profit after tax amounted to SEK 12.6 million (17.6).
- Earnings per share before and after dilution amounted to SEK 0.57 (0.76).
- The comparative period in 2014 includes delayed shipments, which increased revenue in the first half-year by about SEK 25 million and operating profit by about SEK 12 million.
- Brand sales* (excluding VAT) increased by 1 percent to SEK 640 million (636). Excluding currency effects, brand sales decreased by 2 percent.

QUOTE FROM THE CEO

"The underlying performance of Björn Borg is in line with the objectives announced in our previous interim report, despite a somewhat weaker second quarter operating result," said CEO Henrik Bunge.

SEK million	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Net sales	99.2	97.0	230.3	239.8	529.3	538.8
Gross profit margin, %	53.0	52.5	53.4	52.7	53.2	52.9
Operating profit/loss	-1.7	0.5	11.2	19.6	47.5	56.0
Operating margin, %	neg	0.5	4.8	8.2	9.0	10.4
Profit/loss after tax	-2.3	2.2	12.6	17.6	42.5	47.6
Earnings per share before and after dilution, SEK	-0.04	0.15	0.57	0.76	1.75	1.94
Brand sales*	246	254	640	636	1,436	1,431

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



CEO'S COMMENT

The second quarter of the year met our expectations and results were in line with the company's business plan. Revenue increased slightly with good growth for the sports apparel collection and footwear. We are seeing positive development in our Nordic markets, but I am not satisfied with our development in the UK, which in Q2 lost ground compared with the same quarter in 2014. The performance of our stores is good, as previously reported, with sales for comparable units rising over 10 percent compared with Q2 2014. Our e-commerce business continues to generate good growth in line with our expectations.

Revenue and the gross profit margin both increased during the quarter. Key recruitments, increased marketing efforts and investments in e-commerce have raised operating expenses as planned by SEK 7.4 million. These actions feel well balanced and are absolutely necessary to develop the business as planned. As a whole, this produced an operating loss of SEK 1.7 million (+0.5) for the second quarter, which has always been the weakest quarter of the year.

My personal focus during the quarter was on the UK, where we now have a new plan in place, and on building up our sports apparel organization and ensuring growth in our retail business. We do many things well, but we have to be better at doing a few things exceptionally well.

Our team is currently working on a spectacular fashion show that will take place on the August 24 during Fashion Week in Stockholm. This is a way for us to present all product groups as one strong brand and present the Spring Summer 16 collection directly to targeted sports and fashion media and consumers.

Lastly, I would like to underscore that our performance during the first half-year strengthens my confidence that the company will reach the financial objectives announced in our last quarterly report.

Head coach
Henrik Bunge



OPERATIONS

BRAND SALES

Distributors and licensees reported slightly lower sales during the second quarter, mainly in underwear and bags. Brand sales (excluding VAT) decreased by 3 percent to SEK 246 million (254) for the second quarter, but increased by 1 percent to SEK 640 million (636) for the first half-year. Adjusted for currency effects, brand sales were down 5 percent for the quarter and 2 percent for the first half-year.

PRODUCT AREAS FIRST QUARTER 2015

Brand sales in the underwear product area fell by 2 percent in the first half-year. Underwear accounted for 57 percent (59) of brand sales.

Sports apparel saw a slight increase in brand sales. In the bags and eyewear product areas sales were essentially unchanged, while sales in the footwear product area rose. In total, sales of licensed products rose by 4 percent in the first half-year.

MARKETS FIRST HALF-YEAR 2015

Among large markets, Sweden and Norway saw good growth, while Belgium retreated. Finland, Denmark and the Netherlands reported slightly smaller changes than the previous year. Among smaller markets, it was a tough first half-year for England, which lost ground compared with the previous year.

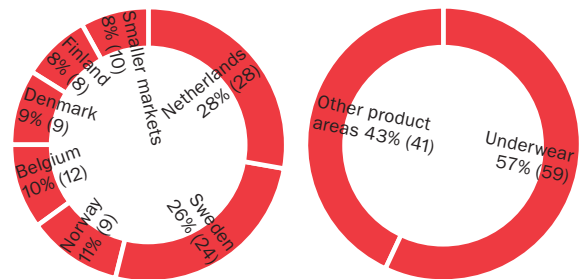
BJÖRN BORG STORES

The Björn Borg store in Linköping was closed during the second quarter. The distributor-operated store in Slovenia was closed as well. As of June 30, 2015 there were a total of 38 (38) Björn Borg stores, of which 17 (17) are Group-owned.

BRAND SALES* OF BJÖRN BORG PRODUCTS JANUARY-JUNE 2015. TOTAL SEK 640 MILLION (636)

Country

Product area**



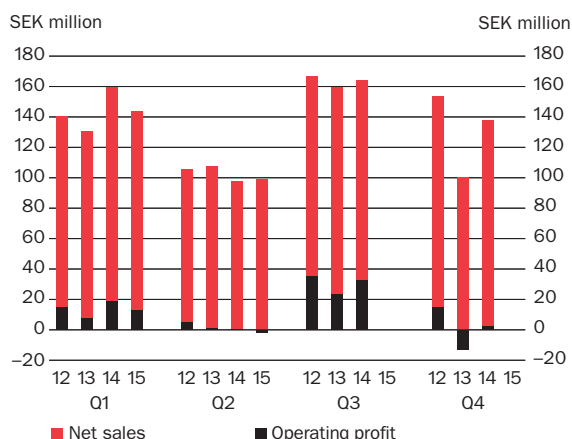
* Estimated total sales of Björn Borg products at the consumer level, excluding VAT, based on reported sales at the wholesale level.

** **Underwear:** Men's and women's underwear, swimwear, socks and adjacent products. **Other product areas:** Sports apparel, fragrances, footwear, bags and eyewear.

THE GROUP'S DEVELOPMENT

Net sales were higher during the second quarter, but operating profit decreased compared with the same period in 2014.

QUARTERLY NET SALES AND OPERATING PROFIT, 2012-2015



SALES

Second quarter, April-June 2015

The Group's net sales amounted to SEK 99.2 million (97.0) during the second quarter, an increase of 2 percent. Excluding currency effects, net sales fell by 5 percent.

The fall/winter collection for the sports apparel product company contributed positively to the sales increase. The corresponding underwear collection also grew year-on-year. A slightly higher share of shipments after mid-year meant lower revenue for the underwear product company in the second quarter. As in the first quarter, there was a significant positive currency effect. Swedish underwear wholesaling had a strong quarter (partly due to delayed Q1 shipments). The footwear wholesale company reported lower sales, and the British and Finnish operations also fell slightly during the quarter. Group-owned retail and e-commerce operations had another positive quarter with higher sales. Royalties fell slightly as a result of lower brand sales during the quarter.

First half-year, January-June 2015

The Group's net sales amounted to SEK 230.3 million (239.8) during the first half-year, a decrease of 4 percent. Excluding currency effects, sales declined by 11 percent.

The biggest single reason for the sales decrease, as announced in earlier reports, is that shipments of about SEK 25 million from both product companies were delayed at the end of 2013 until the first quarter 2014. Consequently, 2014 is not totally comparable with the first half-year 2015 in terms of sales or operating profit. Adjusted for the delayed shipments and currency effects, sales are practically unchanged compared with the first half-year 2014. The underlying fall/winter collections in the product companies for underwear and sports apparel reported sales increases, part of which will not be evident until the third quarter. For the first half-year there was a significant positive currency component. Sweden had a good first half-year with increases in underwear wholesaling as well as e-commerce and the Group-owned retail operations, while footwear wholesaling saw a decline. The British and Finnish wholesaling operations also retreated during the first half-year. Royalties increased marginally during the first half-year.

PROFIT

Second quarter, April-June 2015

The gross profit margin for the second quarter increased to 53.0 percent (52.5). Excluding currency effects, the margin would have been over 54 percent.

Despite higher sales and an improved gross profit margin during the quarter, higher operating expenses led to an operating loss of SEK 1.7 million, against year-earlier profit of SEK 0.5 million. A stronger organization compared with 2014 (including a new CEO and Sales Director), increased marketing efforts and higher sales expenses from a strongly growing e-commerce business are the biggest reasons for the increased operating expenses during the quarter.

Net financial items amounted to SEK 0.1 million (3.4). The realized and unrealized return on investments, less interest on the bond loan, positively affected the Group's financial net by SEK 1.9 million (0.8). The year-on-year decrease is mainly due to the revaluation of financial assets and liabilities in foreign currency. The loss before tax was SEK 1.6 million, compared with year-earlier profit of SEK 3.9 million.

Business segment	Revenue source	Operating revenue, SEK thousands		Operating profit, SEK thousands		Operating margin, %	
		2015	2014	2015	2014	2015	2014
Brand	Royalties	35,944	35,631	7,900	8,284	22%	23%
Product development	Products	168,118	166,076	12,456	20,725	7%	12%
Wholesale	Wholesale revenues	96,604	100,839	-4,027	-2,141	-4%	-2%
Retail	Retailers	45,080	37,835	-5,163	-7,298	-11%	-19%
Less internal sales		-108,533	-100,016				
Total		237,213	240,365	11,166	19,570	5%	8%

First half-year, January–June 2015

The gross profit margin for the first half-year increased to 53.4 percent (52.7). Excluding currency effects, the margin would have still been 54 percent.

Despite an improved gross profit margin, lower sales and increased operating expenses during the first half-year reduced operating profit to SEK 11.2 million (19.6). A stronger organization compared with 2014 (including a new CEO and a Sales Director in place in the first half-year 2015), increased marketing efforts and higher sales expenses from a strongly growing e-commerce business are the biggest reasons for the increased operating expenses during the first half-year.

Net financial items amounted to SEK 5.0 million (4.1). The realized and unrealized return on investments, less interest on the bond loan, positively affected the Group's financial net by SEK 3.0 million (2.2). The remaining year-on-year increase is mainly due to the revaluation of financial assets and liabilities in foreign currency. Profit before tax decreased to SEK 16.2 million (23.7).

Development by business segment

The Group consists of a total of 13 companies, nine of which operate under the Björn Borg brand on every level from product development to wholesaling and consumer sales in its own Björn Borg stores.

Brand

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

The business segment's operating revenue amounted to SEK 35.9 million (35.6) during the first half-year 2015. External operating revenue increased to SEK 18.2 million (16.3) despite slightly lower brand sales. Royalties as a percentage vary between product categories, because of which there isn't always an exact correlation between royalties and brand sales. It should be noted that the royalties Björn Borg Sport receives from its customers are also reported in the Brand segment.

Increased operating expenses reduced operating profit to SEK 7.9 million (8.3) for the half-year.

Product development

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

The business segment's operating revenue amounted to SEK 168.1 million (166.1) during the first half-year 2015, an increase of 1 percent. External operating revenue amounted to SEK 96.5 million (104.6). The decrease of 8 percent compared with the first half-year 2014 is due to the extra revenue of about SEK 25 million in the comparable period in 2014 from the shipment delays in 2013. The reason why the year-on-year decrease wasn't bigger was a significant positive currency effect, but also because the 2015 underwear collections have grown in total compared with the 2014 collections.

Operating profit decreased to SEK 12.5 million (20.7) due to the lower sales and slightly higher operating expenses.

Wholesale

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

The business segment's operating revenue decreased by 4 percent to SEK 96.6 million (100.8) during the first half-year 2015. External operating revenue amounted to SEK 82.8 million (87.4). The British and Finnish operations and footwear wholesaling saw lower sales year-on-year. Swedish underwear wholesaling instead reported higher sales during the half-year.

The operating loss amounted to SEK 4.0 million, against a year-earlier loss of SEK 2.1 million, due to the lower sales, but also to increased sourcing costs in a more expensive USD, among other currencies.

Retail

The Björn Borg Group owns and operates a total of 17 stores and factory outlets in Sweden, Finland and England that sell underwear, sports apparel, adjacent products and other licensed products. Björn Borg also sells online through www.bjornborg.com.

Operating revenue in the Retail segment increased by 19 percent during the first half-year 2015 to SEK 45.1 million (37.8). External net sales rose by 24 percent during the period to SEK 39.6 million (32.0). The increase is mainly due to continued strong performance in e-commerce during the half-year, but also because the Group-owned Swedish stores developed positively during the period. Sales for outlets and comparable Björn Borg stores in Sweden rose by 10 percent year-on-year.

The operating loss for the first half-year 2015 amounted to SEK 5.2 million, against a year-earlier loss of SEK 7.3 million. The improved result is due to higher revenue during the period, despite that operating expenses increased slightly.

Intra-Group sales

Intra-Group sales for the first half-year 2015 amounted to SEK 108.5 million (100.0).

SEASONAL VARIATIONS

The Björn Borg Group is active in an industry with seasonal variations. Sales and earnings vary by quarter. See the figure on quarterly net sales and operating profit on page 4.

INVESTMENTS AND CASH FLOW

The Group's cash flow from operating activities amounted to SEK -12.1 million (4.6) during the first half-year 2015, mainly due to lower earnings during the period. The inventory buildup in the first half-year 2015 was higher than the same period in 2014, which contributed to increased tied-up working capital. This is a temporary effect, however, resulting from a higher share of goods in transit at midyear 2015.

Total investments in tangible and intangible non-current assets amounted to SEK 0.8 million (0.8) for the period.

FINANCIAL POSITION AND LIQUIDITY

The Björn Borg Group's cash & cash equivalents and investments amounted to SEK 156.8 million (176.8) at the end of the period, while interest-bearing liabilities (the bond loan) amounted to SEK 176.8 million (188.4).

In April 2012 the company issued a bond loan on Nasdaq Stockholm that carries an annual coupon rate corresponding to the 3-month STIBOR rate +3.25 percentage points, maturing in April 2017. After transaction expenses of about SEK 1.1 million for the bond loan and bond repurchases with a book value of SEK 22.1 million as of June 30, 2015, the carrying amount of the bond loan was SEK 176.8 million as of June 30, 2015.

The surplus liquidity from the issuance of the bond loan is placed in interest-bearing financial instruments, highly liquid corporate bonds, within the framework of the financial policy laid down by the Board of Directors. As of June 30 investments had been made in bonds with a book value of SEK 111.1 million, which represents the fair value on the same date, compared with SEK 133.1 million on December 31, 2014. The amount excludes repurchased bonds. As a rule, bonds in foreign currency are hedged.

COMMITMENTS AND CONTINGENT LIABILITIES

As a commitment for the above-mentioned bond loan, the company has pledged to ensure that the ratio between the

Group's net debt and operating profit before depreciation and amortization does not exceed 3.00 on the last day of each quarter and that the Group maintains an equity/assets ratio of at least 30 percent at any given time. As of June 30, 2015 the ratio was 0.36 (0.30) and the equity/assets ratio was 46.2 percent (44.3). A complete description of commitments and conditions of the bond loan is provided in the prospectus, which is available on the company's website and from the Swedish Financial Supervisory Authority.

No changes were otherwise made with regard to pledged assets and contingent liabilities compared with December 31, 2014.

PERSONNEL

The average number of employees in the Group was 130 (144) for the 12-month period ended June 30, 2015, of whom 66 percent (65) are women. The decrease is attributable to the discontinued operations in China and the divestment of the inventory management company Anteros.

TRANSACTIONS WITH RELATED PARTIES

With the exception of the purchase of warrants by senior management, there have not been any transactions with related parties during the period.

SIGNIFICANT RISKS AND UNCERTAINTIES

In its operations the Björn Borg Group is exposed to risks and uncertainties. Information on the Group's risks and uncertainties can be found on pages 74-75 and in note 3 in the annual report 2014.

EVENTS AFTER THE BALANCE SHEET DATE

Following the conclusion of the reporting period the parent company raised a convertible debenture loan for employees in Swedish Group companies. There are no other significant events to report following the conclusion of the reporting 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 Sport BV, Björn Borg Inc. and Björn Borg Services AB. In addition, the company owns 80 percent of the shares in Björn Borg UK, 75 percent of the shares in Björn Borg (China) Ltd and 75 percent of the shares in Björn Borg Finland Oy.

The Parent Company's net sales amounted to SEK 13.0 million (16.4) during the second quarter and SEK 26.2 million (29.7) for the first half-year.

The loss before tax amounted to SEK 9.0 million for the second quarter, against a year-earlier loss of SEK 2.1 million, while the loss before tax for the first half-year was SEK 19.6 million, against a year-earlier loss of SEK 11.2 million. Cash & cash equivalents and investments amounted to SEK 114.1 million (150.5) as of June 30, 2015. For the first six months of the year investments in tangible and intangible non-current assets amounted to SEK 0.3 million (0.1).

NUMBER OF SHARES

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

FINANCIAL OBJECTIVES

The Board of Directors of Björn Borg has established a business plan for the period 2015-2019 with the following long-term financial objectives for operations:

- By the financial year 2019 the Group will reach sales of SEK 1 billion with an operating margin of 15 percent
- An annual dividend of at least 50 percent of net profit
- The equity/assets ratio should not fall below 35 percent.

Comments to the financial objectives:

The sales objective for 2019 corresponds to average annual organic growth of 13 percent with 2014 as the starting year. The sales increase is expected to come from new product groups in sports fashion as well as expanded geographical distribution within all the product groups.

ANNUAL GENERAL MEETING

The Annual General Meeting held on May 11, 2015 resolved to pay a distribution of SEK 1.50 (1.50) per share to shareholders for the financial year 2014.

Directors Kerstin Hessius, Fredrik Löfstedt, Mats H Nilsson, Martin Bjäringer, Isabelle Ducellier and Nathalie Schuterman were reelected, with Fredrik Löfstedt as Chairman of the Board. Anders Slettengren stepped down as a Director. Heiner Olbrich was elected as a new Director.

The Meeting adopted the Board of Directors' proposal for a long-term incentive plan involving the issuance and transfer of convertible debentures and warrants. The incentive plan encompasses a convertible debenture plan for all employees in Swedish Group companies and a warrant plan for senior management. According to the convertible debenture plan, Björn Borg will raise a convertible debenture loan in a nominal amount of up to SEK 34,800,000, corresponding to up to 580,000 convertible debentures, which upon conversion can be converted into up to 580,000 shares in the company.

All members of senior management who received the offer chose to participate in both the warrant plan and the convertible debenture plan.

ACCOUNTING PRINCIPLES

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Annual Accounts Act on interim reporting and RFR 2 Accounting in Legal Entities. The accounting principles applied in the interim report conform to the accounting principles applied in the preparation of the consolidated accounts and annual report for 2014, as described on page 91 in the annual report 2014.

New and amended accounting principles

New or amended IFRS and IFRIC interpretations effective as of January 1, 2015 have not had a material effect or impact on the interim report or consolidated financial statements.

AUDIT REPORT

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

OUTLOOK 2015

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

CONSOLIDATED INCOME STATEMENT CONDENSED

SEK thousands	Note	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Net sales		99,199	96,969	230,280	239,752	529,281	538,753
Other operating revenue		3,954	387	6,933	613	12,063	5,744
Operating revenue		103,153	97,356	237,213	240,365	541,345	544,497
Goods for resale		-46,603	-46,013	-107,372	-113,453	-247,479	-253,560
Other external expenses	1	-30,262	-23,651	-61,703	-54,095	-130,340	-122,732
Staff costs		-25,016	-25,026	-51,163	-48,635	-105,145	-102,617
Depreciation/amortization of tangible/ intangible non-current assets		-1,706	-1,921	-3,567	-3,848	-8,596	-8,877
Other operating expenses		-1,228	-223	-2,242	-764	-2,239	-761
Operating profit		-1,662	522	11,166	19,570	47,546	55,950
Net financial items		77	3,417	5,030	4,132	8,097	7,198
Profit before tax		-1,585	3,939	16,196	23,702	55,642	63,148
Tax		-689	-1,723	-3,605	-6,076	-13,103	-15,577
Profit for the period		-2,274	2,216	12,591	17,623	42,539	47,572
Profit for the period attributable to:							
Parent Company's shareholders		-1,033	3,777	14,419	19,172	44,081	48,835
Non-controlling interests		-1,241	-1,561	-1,828	-1,549	-1,542	-1,263
Earnings per share before and after dilution, SEK		-0.04	0.15	0.57	0.76	1.75	1.94
Number of shares		25,148,384	25,148,384	25,148,384	25,148,384	25,148,348	25,148,384

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED

SEK thousands	Note	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Net profit for the period		-2,274	2,216	12,591	17,623	42,539	47,572
OTHER COMPREHENSIVE INCOME							
Components that may be reclassified to profit or loss							
Translation difference for the period		1,002	-2,264	-2,975	-2,251	-7,776	-7,052
Total other comprehensive income for the period		1,002	-2,264	-2,975	-2,251	-7,776	-7,052
Total comprehensive income for the period		-1,272	-48	9,616	15,372	34,763	40,520
Total comprehensive income for the period attributable to							
Parent Company's shareholders		-182	2,055	12,028	17,488	38,256	43,717
Non-controlling interests		-1,090	-2,103	-2,412	-2,116	-3,493	-3,197

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED

SEK thousands	Note	June 30 2015	June 30 2014	Dec 31 2014
Non-current assets				
Goodwill		19,108	19,097	19,265
Trademarks		187,532	187,532	187,532
Other intangible assets		3,373	3,950	4,390
Tangible non-current assets		9,303	14,495	12,334
Long-term receivable	2	8,900	11,600	9,800
Deferred tax assets		31,398	31,335	31,713
Total non-current assets		259,614	268,009	265,034
Current assets				
Inventories		55,845	45,041	40,381
Accounts receivable		62,387	58,446	68,232
Other current receivables		25,837	35,398	19,573
Investments	2	111,061	148,752	133,147
Cash & cash equivalents		45,722	28,052	85,080
Total current assets		300,852	315,689	346,414
Total assets		560,466	583,698	611,447
Equity and liabilities				
Equity		258,902	258,298	285,708
Deferred tax liabilities		39,000	40,850	38,350
Other non-current liabilities		9,443	20,616	13,292
Bond loan	2	176,780	188,377	187,738
Accounts payable		31,664	35,531	25,064
Other current liabilities		44,677	40,026	61,295
Total equity and liabilities		560,466	583,698	611,447

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, 2014	294,180	-13,533	280,650
Total comprehensive income for the period	17,488	-2,116	15,372
Distribution for 2013	-37,723	-	-37,723
Closing balance, June 30, 2014	273,946	-15,649	258,298
Opening balance, January 1, 2014	294,180	-13,533	280,650
Total comprehensive income for the year	43,717	-3,197	40,520
Distribution for 2013	-37,723	-	-37,723
Offset issue in subsidiary	-	9,466	9,466
Acquisition of minority shares	-9,822	2,619	-7,203
Closing balance, December 31, 2014	290,353	-4,645	285,708
Opening balance, January 1, 2015	290,353	-4,645	285,708
Total comprehensive income for the period	12,028	-2,412	9,616
Distribution for 2014	-37,723	-	-37,723
Issuance of warrants	1,300	-	1,300
Closing balance, June 30, 2015	265,959	-7,057	258,902

CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED

SEK thousands	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	Full-year 2014
Cash flow from operating activities					
Before changes in working capital	-4,544	3,056	11,296	20,945	63,363
Changes in working capital	-7,087	10,633	-23,417	-16,300	-8,629
Cash flow from operating activities	-11,630	13,689	-12,120	4,645	54,734
Investments in intangible non-current assets	-	-28	-136	-130	-1,428
Investments in tangible non-current assets	-427	-179	-619	-655	-1,353
Divestments of non-current assets	-	-	74	-	-
Investments/divestments	23,929	32,145	23,844	-10,890	-106
Cash flow from investing activities	23,502	31,938	23,163	-11,675	-2,887
Distribution	-37,723	-37,723	-37,723	-37,723	-37,723
Acquisition of minority shares	-	-	-	-	-1,410
Amortization of loans	-1,875	-1,961	-3,750	-3,760	-7,434
Issuance of warrants	1,200	-	1,200	-	-
Repurchase of bond loan	-8,376	-4,870	-11,278	-4,870	-5,833
Cash flow from financing activities	-46,774	-44,554	-51,551	-46,353	-52,400
Cash flow for the period	-34,902	1,073	-40,508	-53,383	-553
Cash & cash equivalents at beginning of period	81,615	27,836	85,080	82,304	82,304
Translation difference in cash & cash equivalents	-991	-857	1,150	-869	3,329
Cash & cash equivalents at end of period	45,722	28,052	45,722	28,052	85,080

KEY FIGURES GROUP

SEK thousands	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Gross profit margin, %	53.0	52.5	53.4	52.7	53.2	52.9
Operating margin, %	-1.7	0.5	4.8	8.2	9.0	10.4
Profit margin, %	-1.6	4.1	7.0	9.9	10.5	11.7
Return on capital employed, %	14.8	10.5	14.8	10.5	14.8	14.8
Return on average equity, %	17.0	11.4	17.0	11.4	17.0	17.2
Profit attributable to Parent Company's shareholders	-1,033	3,777	14,419	19,172	44,081	48,835
Equity/assets ratio, %	46.2	44.3	46.2	44.3	46.2	46.7
Equity per share, SEK	10.29	10.27	10.29	10.27	10.29	11.36
Investments in intangible non-current assets	-	28	136	130	1,434	1,428
Investments in tangible non-current assets	427	179	619	655	1,317	1,353
Business combinations	-	-	-	-	1,410	1,410
Depreciation, amortization and impairment losses for the period	-1,706	-1,921	-3,567	-3,848	-8,596	-8,777
Average number of employees	-	-	-	-	130	129

SUMMARY BY SEGMENT

GROUP

SEK thousands	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Operating revenue						
Brand						
External revenue	6,727	6,633	18,222	16,282	39,423	37,484
Internal revenue	6,934	7,179	17,722	19,349	39,370	40,997
	13,661	13,812	35,944	35,631	78,793	78,481
Product development						
External revenue	43,647	41,488	96,506	104,639	225,622	233,755
Internal revenue	27,663	26,535	71,612	61,437	133,238	123,063
	71,310	68,023	168,118	166,076	358,860	356,818
Wholesale						
External revenue	31,150	31,601	82,844	87,446	188,046	192,649
Internal revenue	6,911	6,920	13,760	13,393	27,736	27,369
	38,062	38,521	96,604	100,839	215,783	220,018
Retail						
External revenue	21,629	17,635	39,641	31,998	88,253	80,609
Internal revenue	2,909	3,149	5,438	5,837	11,187	11,586
	24,538	20,784	45,080	37,835	99,440	92,195
Less internal sales	-44,417	-43,784	-108,533	-100,016	-211,532	-203,015
Operating revenue	103,153	97,356	237,213	240,365	541,344	544,497
Operating profit						
Brand	1,468	3,346	7,900	8,284	19,185	19,569
Product development	3,174	5,216	12,456	20,725	26,557	34,825
Wholesale	-5,713	-6,537	-4,027	-2,141	4,395	6,282
Retail	-591	-1,503	-5,163	-7,298	-2,591	-4,726
Operating profit	-1,662	522	11,166	19,570	47,546	55,950

Reconciliation between operating profit and profit before tax

The difference between operating profit for segments for which information must be disclosed, SEK 11,166 thousand (19,570), and profit before tax, SEK 16,218 thousand (23,702), is net financial items, SEK 5,053 thousand (4,132).

QUARTERLY DATA

GROUP

SEK thousands	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Net sales	99,199	131,081	135,278	163,723	96,969	142,783	100,269	159,791
Gross profit margin, %	53.0	53.6	54.1	52.4	52.5	52.8	52.5	51.7
Operating profit/loss	-1,662	12,828	3,559	32,821	522	19,048	-12,534	23,610
Operating margin, %	neg	9.8	2.6	20.0	0.5	13.3	neg	14.8
Profit/loss after financial items	-1,585	17,781	5,612	33,834	3,939	19,987	-9,399	22,695
Profit margin, %	neg	13.6	4.1	20.7	4.1	14.0	neg	14.2
Earnings per share before/after dilution, SEK	-0.04	0.61	0.18	1.00	0.15	0.62	-0.40	0.74
Number of Björn Borg stores at end of period	38	40	41	38	38	38	38	54
of which Group-owned Björn Borg stores	17	18	18	17	17	17	17	16
Brand sales	249,063	394,206	342,904	452,422	253,976	382,081	331,665	482,268

PARENT COMPANY INCOME STATEMENT CONDENSED

SEK thousands	Note	April-June 2015	April-June 2014	Jan-June 2015	Jan-June 2014	July 2014- June 2015	Full-year 2014
Net sales		12,995	16,446	26,168	29,739	56,106	59,677
Other operating revenue		2,148	-1,218	2,269	-1,178	4,086	639
Operating revenue		15,143	15,228	28,437	28,561	60,192	60,316
Goods for resale		-	-43	-	-72	-2,075	-2,147
Other external expenses	1	-12,412	-8,773	-22,987	-21,575	-49,099	-47,687
Staff costs		-10,039	-7,518	-20,792	-14,999	-37,476	-31,683
Depreciation/amortization of tangible/ intangible non-current assets		-458	-543	-931	-1,107	-1,949	-2,125
Other operating expenses		-62	-3	-131	-44	-906	-819
Operating loss		-7,828	-1,652	-16,404	-9,236	-31,313	-24,145
Result from shares in subsidiaries		-	-	-	-	67,395	67,395
Net financial items		-1,133	-445	-3,243	-1,954	-12,955	-11,666
Profit/loss after financial items		-8,961	-2,097	-19,647	-11,190	23,127	31,584
Group contributions received		-	-	-	-	30,246	30,246
Appropriations		-	-	-	-	874	874
Profit/loss before tax		-8,961	-2,097	-19,647	-11,190	54,247	62,704
Tax		-	-	-	-	1,275	1,275
Profit/loss for the period		-8,961	-2,097	-19,647	-11,190	55,522	63,979
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-8,961	-2,097	-19,647	-11,190	55,522	63,979

PARENT COMPANY BALANCE SHEET CONDENSED

SEK thousands	Note	June 30 2015	June 30 2014	Dec 31 2014
Non-current assets				
Intangible non-current assets		329	516	393
Tangible non-current assets		2,289	3,733	2,849
Long-term receivable	2	8,900	11,600	9,800
Deferred tax		961	-	961
Shares in Group companies		335,331	321,243	335,331
Total non-current assets		347,810	337,092	349,334
Current assets				
Receivables from Group companies		398,770	127,610	392,513
Current receivables		15,412	14,961	14,143
Investments	2	111,061	148,752	133,147
Cash & cash equivalents		3,027	1,735	48,081
Total current assets		528,270	293,058	587,884
Total assets		876,080	630,150	937,218
Equity and liabilities				
Equity		88,073	68,974	144,143
Untaxed reserves		1,014	1,888	1,014
Deferred tax		-	314	-
Bond loan	2	176,780	188,377	187,738
Other long-term liabilities	2	5,792	-	5,792
Due to Group companies		582,375	346,967	573,668
Accounts payable		3,025	8,122	4,725
Other current liabilities		19,021	15,508	20,138
Total equity and liabilities		876,080	630,150	937,218

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY CONDENSED

SEK thousands	Jan-June 2015	Jan-June 2014	Full-year 2014
Opening balance	144,143	117,887	117,887
Distribution	-37,723	-37,723	-37,723
Issuance of warrants	1,300	-	-
Total comprehensive income for the period	-19,647	-11,190	63,979
Closing balance	88,073	68,974	144,143

SUPPLEMENTARY DISCLOSURES

NOTE 1 OTHER EXTERNAL EXPENSES

SEK thousands	Group		Parent Company	
	Jan-June 2015	Jan-June 2014	Jan-June 2015	Jan-June 2014
Cost of premises	14,343	13,062	5,684	4,341
Selling expenses	13,973	10,883	2,464	1,540
Marketing expenses	18,367	15,037	8,487	7,557
Administrative expenses	11,751	11,749	5,128	7,036
Other	3,269	3,364	1,224	1,101
Total	61,703	54,095	22,987	21,575

NOTE 2 FINANCIAL ASSETS AND LIABILITIES

- Level 1 fair value is determined using observable (unadjusted) quoted prices on an active market for identical assets and liabilities.
- Level 2 fair value is determined using valuation models based on other observable inputs for the asset or liability other than quoted prices included in level 1.
- Level 3 fair value is determined using valuation models where significant inputs are based on non-observable data.

Securities held for trading relate to investments in corporate bonds quoted on Nasdaq Stockholm and have been measured at their quoted prices. Forward exchange contracts are measured according to level 2 based on observable information as of the closing date with respect to exchange rates and market interest rates for the remaining maturities.

Net divestments in the company's portfolio of corporate bonds amounted to SEK 22,445 thousand during the first half-year.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

SEK thousands	Level 1	Level 2	Level 3
Securities held for trading	110,861		
Derivatives held for trading		200	
Contingent consideration (liability)			-5,792
Net	110,861	200	-5,792

Björn Borg has recognized a liability for the contingent consideration to the sellers of the minority interest in Björn Borg Sport BV at fair value. The amount as of June 30, 2015 was SEK 5,792 thousand (0) and is included in level 3. The carrying amount of financial instruments recognized at amortized cost corresponds to the fair value as of June 30, 2015, with the exception of the bond loan, the fair value of which amounted to SEK 173,950 thousand, compared with a carrying amount of SEK 176,780 thousand.

In 2013 the company granted the Dutch distributor an interest-bearing loan of SEK 17 million maturing on March 31, 2017 with quarterly amortizations of SEK 900,000 beginning on December 31, 2013. The loan is temporarily (since December 31, 2014) paying interest only as part of the agreement to acquire the minority interest in Björn Borg Sport BV.

The Board of Directors and the CEO 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 12, 2015

Fredrik Lövestedt
Chairman

Martin Bjäringer
Board member

Isabelle Ducellier
Board member

Kerstin Hessius
Board member

Mats H Nilsson
Board member

Heiner Olbrich
Board member

Nathalie Schuterman
Board member

Henrik Bunge
CEO

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

RETURN ON EQUITY

Net profit (per 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.

2015 CALENDAR

Interim report, January-September 2015 November 6, 2015
Year-end report for 2015 February 19, 2016

FINANCIAL REPORTS

Financial reports can be downloaded from the company's website, www.bjornborg.com or ordered by telephone +46 8 506 33 700 or by e-mail info@bjornborg.com.

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ABOUT THE BJÖRN BORG GROUP

The Group owns the Björn Borg trademark and its core business is sports apparel and underwear. It also offers footwear, bags and eyewear through licensees. Björn Borg products are sold in around thirty markets, of which Sweden and the Netherlands are the largest. The Björn Borg Group has operations at every level from branding to consumer sales in its own Björn Borg stores. Total sales of Björn Borg products in 2014 amounted to about SEK 1.4 billion, excluding VAT, at the consumer level. Group net sales amounted to SEK 539 million in 2014, with an average of 129 employees. The Björn Borg share has been listed on Nasdaq Stockholm since 2007.

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Björn Borg is required to make public the information in this year-end report in accordance with the Securities Market Act. The information was released for publication on August 12, 2015 at 07:30 am (CET).