# Interim report for the period 1 June - 31 August 2008 for Bang & Olufsen a/s

- Group turnover for the first quarter of the 2008/09 financial year totalled DKK 757 million against DKK 926 million last year. Turnover for the branded business was DKK 742 million against DKK 908 million for the same period last year, i.e. in line with expectations.
- Result before tax was negative at DKK 58 million against a profit of DKK 56 million for the first quarter 2007/08.
- In the first quarter, which is not usually indicative of the year as a whole, the Group's three largest markets, the UK, Germany and Denmark, recorded a decline in turnover of DKK 104 million. Growth, however, was sustained in Russia, Expansion Markets and the Middle East as well as the Automotive business area with an overall advance in turnover of DKK 43 million.
- A new, overall plan for the Group's strategy and cost structure will be presented at the end of October.
- Bang & Olufsen maintains its expectations for the 2008/09 financial year, i.e. to post an operating profit and a result before tax on the same level as, or above, the result for the previous financial year, based on an expected lower turnover than in the 2007/08 financial year. However, the recent instability of the financial markets combined with the traditional seasonal fluctuations of Bang & Olufsen increases the uncertainty of the expectations.

Jørgen Worning Chairman Karl Kristian Hvidt Nielsen President, CEO

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### Main figures – Bang & Olufsen a/s Group (unaudited and not reviewed by the company's auditor)

#### (DKK million)

Main figures for the period 1/6 – 31/8	2008/09	2007/08
Net turnover	757.2	926.4
<b>Gross profit</b> Gross margin	320.8 42.4 %	425.0 <i>45.9</i> %
<b>Operating profit</b> Result of investments in associated companies after tax Financial items, net	(51.5) (3.0) (3.7)	56.7 (0.8) (0.1)
<b>Result before tax</b> Tax on result for the period	(58.2) <u>9.8</u>	55.8 2.3
Result for the period	(48.4)	58.1
Attributable to: Shareholders of the parent company Minority interests <b>Result for the period</b>	(49.5) <u>1.1</u> (48.4)	57.6 0.5 58.1
<b>Earnings per share</b> Earnings per share, DKK Diluted earnings per share, DKK	(4.4)	5.0

Balance sheet information	31/8 2008	31/5 2008	31/8 2007
Intangible assets	441.4	417.2	445.2
Tangible assets	657.9	655.7	635.7
Investment property	51.9	52.8	55.5
Financial assets	63.3	58.3	88.7
Deferred tax assets	29.9	22.7	27.1
Total non-current assets	1,244.4	1,206.7	1,252.2
Inventories	768.7	801.4	701.2
Receivables	675.5	702.1	813.9
Cash	117.5	107.1	151.1
<b>Total current assets</b>	1,561.7	1,610.6	1,666.2
Total assets	2,806.1	2,817.3	2,918.4
Equity	1,418.3	1,483.8	1,709.7
Non-current liabilities	506.7	494.4	357.1
Current liabilities	881.1	839.1	851.6
Total equity and liabilities	2,806.1	2,817.3	2,918.4

Parentheses denote negative figures or amounts to be deducted.

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Development in equity 1/6 – 31/8	2008/09	2007/08
Equity as at 1 June	1,483.8	1,681.9
Equity and exchange rate adjustments in subsidiaries Change in fair value of derivative financial instruments	(0.5)	0.7 (0.1)
Net income recognised directly in equity Retained earnings	(0.5) (48.4)	0.6 58.1
Total recognised income and expenses for the period	(48.9)	58.7
Purchase of 10 % equity interest in ICEpower a/s Grant of share options Purchase of own shares Sale of own shares	(23.0) 2.6 - 3.8 (16.6)	2.7 (35.2) 1.6 (30.9)
Equity as at 31 August Cash flow, main figures 1/6 – 31/8	1,418.3 <b>2008/09</b>	1,709.7 <b>2007/08</b>
Cash flow from operating activities Cash flow from investment activities Cash flow from financing activities Cash flow for the period	12.5 (120.4) (2.8) (110.7)	96.5 (62.8) (39.5) (5.8)

Parentheses denote negative figures or amounts to be deducted.

# Management's report

## Bang & Olufsen a/s

## Comments on the development for the first quarter

Turnover for the Bang & Olufsen a/s Group for the first quarter 2008/09 was DKK 757 million against DKK 926 million last year. This represents a decline in turnover of DKK 169 million, or 18 per cent.

Turnover in the branded business totalled DKK 742 million against DKK 908 million for the first quarter last year. The decline can largely be ascribed to the large geographical markets in the consumer segment, while a business area such as Automotive continued to record turnover growth.

Of the DKK 166 million decline in turnover in the branded business, DKK 104 million was accounted for by the Group's three largest markets, the UK, Germany and Denmark.

The Group's gross margin for the quarter was 42.4 per cent compared to 45.9 per cent for the same quarter last year. This is owing to the fact that some of the production costs are fixed costs that remain at last year's level, thus contributing to a decrease in the gross margin. In addition, the change in the product mix towards increased sales of TVs on which the Group historically has a lower gross margin compared to other parts of the product portfolio continues.

Gross profit was DKK 321 million against DKK 425 million in the first quarter 2007/08.

Expensed development costs increased by DKK 15 million from DKK 123 million to DKK 138 million as a result of the continuing high activity level within the A/V business. The net effect of capitalisation had a positive effect on the result by DKK 20 million for the quarter against a negative effect for the same quarter last year of DKK 2 million.

Distribution and marketing costs increased during the quarter by DKK 8 million. This is largely due to the increased losses on receivables and provisions to counter such losses.

The first quarter's result before tax was negative at DKK 58 million against a positive result of DKK 56 million last year. After tax, the result for the quarter was negative at DKK 48 million against a profit of DKK 58 million last year.

Cash flow for the period was negative at DKK 111 million against a negative cash flow of DKK 6 million last year. Cash flow from operating activities continued to be positive at DKK 13 million against DKK 97 million for the same period last year. Cash flow was also affected by the Group's purchase of the remaining 10 per cent of the shares in Bang & Olufsen ICEpower a/s. These shares were acquired for DKK 23 million.

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### Development in the markets

As expected and as announced in the Annual Financial Statement Release dated 13 August, 2008, the market situation during the first months of the financial year 2008/09 remained challenging. It should be expected that turnover for the first half year will be at a lower level than last year. This, however, should be seen against the fact that the first quarters of the past financial year, in terms of turnover, were the best since the start of the new millennium.

As previously announced, turnover growth and an improvement in the results are not expected until the second half year at the earliest on the basis of the planned product launches.

For the first quarter of 2008/09, turnover for the Group's three largest markets, the UK, Germany and Denmark totalled DKK 230 million, which is DKK 104 million less than for the same quarter last year. As mentioned above, this should, however, be seen on the backdrop of the strong performance in the first quarter of the past financial year.

By contrast, a positive development in turnover was maintained in geographical markets such as Russia, Expansion Markets and the Middle East which delivered an increase in turnover of DKK 15 million. In addition, the Automotive business area saw an increase in turnover of DKK 28 million.

### **Distribution development**

During the quarter, 5 B1 shops were opened or upgraded, while 15 shops were closed or converted to shop in shops.

By the end of August 2008, there were 812 B1 shops worldwide against 822 at the end of the 2007/08 financial year. As a consequence, the net movement for the quarter was -10 shops. Although the Group expects this trend to continue, the number of new shops in Asia and Expansion Market is expected to increase.

The share of turnover from B1 shops remains unchanged at 81 per cent. The number of shop-in-shops is 407 against 421 at the close of the previous financial year.

### **Business-to-business areas**

#### Enterprise

Bang & Olufsen Enterprise, which encompasses the Group's sales to luxury hotels across the world as well as to development projects in the Middle East and Asia, achieved a turnover of DKK 19 million for the first quarter 2008/09 against a turnover of DKK 38 million last year. The fall reflects time-related differences as the business area is characterised by project sales. The order book for this business area continues to be highly satisfactory. In the final month of the quarter, August, Bang & Olufsen announced the biggest ever single order for the business area in the form of a contract with a property development company in Dubai. Over the next three years, the contract will generate turnover of at least DKK 50 million. Shortly after the close of the quarter, Bang & Olufsen announced a further major order for Dubai. The Group will supply products for a two-digit million sum for more than 100 villas in Jumeirah Golf Estates, one of the world's most prestigious golf projects.

### Automotive

Bang & Olufsen Automotive, which produces and sells exclusive sound systems for the automobile industry, achieved a turnover of DKK 44 million for the first quarter against a turnover of DKK 16 million for the same period in the 2007/08 financial year. The area remains an investment and development area and is developing as planned. During the first quarter of the financial year, Bang & Olufsen announced that, over the coming years, the Group is to supply sound systems for further Audi models. Moreover, in early August, it was announced that the Group had entered into a new partnership with Mercedes-AMG. The partnership with Aston Martin is also developing positively and according to schedule. Shortly after the end of the first quarter, Bang & Olufsen announced that the Group is ready to launch its first sound system for Aston Martin DBS. BeoSound DBS will be standard in Aston Martin DBS.

### Bang & Olufsen ICEpower a/s

Turnover for Bang & Olufsen ICEpower a/s totalled DKK 19 million against DKK 22 million in 2007/08. The first quarter witnessed a landmark event in that in July, Bang & Olufsen secured full ownership of the company. As ICEpower's ground-breaking technology is used in a wide range of products across Bang & Olufsen's product portfolio, it is of great strategic importance for the Group to have full control of the company.

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## Expectations for the financial year 2008/09

The first quarter proceeded as expected. Historically, developments during the first quarter, the weakest quarter of the financial year, are not indicative of the rest of the year.

At the end of the 2007/08 financial year, the Group expressed its expectations for the current financial year as follows:

"Market conditions for the 2008/09 financial year are expected to remain challenging. The first two months of the financial year are below last year's level.

Growth and an improvement to the results can at the earliest be expected in the second half year where the planned product launches will begin to take effect. The Group expects to be able to maintain its gross margin, and work will continue to focus on the Group's cost structure.

On that backdrop, Bang & Olufsen expects to post an operating profit and a result before tax on the same level as, or above, the result for the previous financial year based on an expected lower turnover than in the 2007/08 financial year."

On the basis of the realised result for the quarter, the Group maintains the above expectations.

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## Statement by the Management

The Board of Directors and the Management have today considered and adopted the interim report for the period 1 June to 31 August 2008 for Bang & Olufsen a/s.

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, as endorsed by the European Union as well as further Danish requirements to the presentation of financial statements for listed companies.

We consider the applied accounting policies to be appropriate so that the interim report provides a true and fair view of the Group's assets, liabilities and financial position as at 31 August 2008 and as well as the Group's result of the activities and cash flow for the period 1 June to 31 August 2008.

We believe that the management's report gives a fair presentation of the developments in the Group's activities and finances, results for the period and of the Group's financial position in general as well as a fair description of the most significant risks and uncertainties to which the Group is exposed.

Struer, 9 October 2008

The Board of Directors for Bang & Olufsen a/s

Jørgen Worning Chairman Lars Brorsen Vice Chairman Peter Skak Olufsen

Thorleif Krarup

Niels B. Christiansen

Rolf Eriksen

Knud Olesen

Jesper Olesen

Anette Revsgaard Sejbjerg

The Board of Management for Bang & Olufsen a/s

Karl Kristian Hvidt Nielsen President, CEO

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## Profit and loss account

#### Bang & Olufsen a/s

(DKK million)	Group	
	1/6 - 31/8 2008/09	1/6 - 31/8 2007/08
<b>Net turnover</b> Production costs	<b>757.2</b> (436.4)	<b>926.4</b> (501.4)
Gross profit	320.8	425.0
Development costs Distribution and marketing costs Administration costs etc.	(118.1) (228.2) (26.0)	(124.3) (219.9) (24.1)
Operating profit	(51.5)	56.7
Result of investments in associated companies after tax	(3.0)	(0.8)
Financial income Financial costs	3.3 (7.0)	4.4 (4.5)
Financial items, net	(3.7)	(0.1)
Result before tax	(58.2)	55.8
Tax on result for the period	9.8	2.3
Result for the period	(48.4)	58.1
Attributable to:		
Shareholders of the parent company Minority interests	(49.5) 1.1	57.6 0.5
	(48.4)	58.1
Earnings per share		
Earnings per share, DKK	(4.4)	5.0
Diluted earnings per share, DKK	(4.4)	5.0

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## **Balance** sheet

## Assets

## Bang & Olufsen a/s

(DKK million)		Group	
	31/8 - 08	31/5 - 08	31/8 - 07
Intangible assets			
Goodwill	44.8	44.8	44.8
Acquired rights	45.1	41.1	43.1
Completed development projects	191.7	218.8	250.8
Development projects in progress	159.8	112.5	106.5
Total intangible assets	441.4	417.2	445.2
Tangible assets			
Land and buildings	274.2	274.4	249.1
Plant and machinery	204.4	221.8	204.4
Other equipment	51.2	50.0	68.0
Leasehold improvements	27.9	28.7	27.9
Tangible assets in progress and prepayment for tangible assets	100.2	80.8	86.3
Total tangible assets	657.9	655.7	635.7
Investment property	51.9	52.8	55.5
investment property	51.3	52.0	
Financial assets			
Investments in associated companies	6.3	6.3	15.0
Other financial receivables	57.0	52.0	73.7
Total financial assets	63.3	58.3	88.7
Deferred tax assets	29.9	22.7	27.1
Total non-current assets	1,244.4	1,206.7	1,252.2
Inventories	768.7	801.4	701.2
Receivables			
Trade receivables	543.0	593.0	702.6
Receivables from associated companies	-	-	8.1
Income tax receivables	55.0	39.7	33.7
Other receivables	28.6	38.9	34.5
Prepayments	48.9	30.5	35.0
Total receivables	675.5	702.1	813.9
Cash	117.5	107.1	151.1
Total current assets	1,561.7	1,610.6	1,666.2
Total assets	2,806.1	2,817.3	2,918.4

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## **Balance** sheet

## Equity and liabilities

## Bang & Olufsen a/s

		Group	
	31/8 - 08	31/5 - 08	31/8 - 07
<b>Equity</b> Share capital Share premium Translation reserve	120.8 14.6 (34.3)	120.8 14.6 (42.9)	120.8 14.6 (20.1)
Reserve for cash flow hedges Retained earnings	- 1,310.9	- 1,379.2	- 1,588.3
Equity attributable to shareholders of the parent company Minority interests	1,412.0 6.3	1,471.7 12.1	1,703.6 6.1
Total equity	1,418.3	1,483.8	1,709.7
Non-current liabilities			
Pensions Deferred tax Provisions Mortgage loans Loans from banks etc. Other non-current liabilities	9.5 79.3 77.3 234.8 99.2 6.6	9.5 64.2 77.3 235.7 101.1 6.6	9.7 58.4 96.6 88.9 97.4 6.1
Total non-current liabilities	506.7	494.4	357.1
Current liabilities Mortgage loans, short term part Loans from banks etc., short term part Other loans from banks Provisions Trade payables Payables to associated companies Income tax Other payables Deferred income Total current liabilities	8.5 42.9 174.8 45.9 159.3 2.7 52.4 300.6 94.0 881.1	8.5 42.9 53.7 46.0 216.0 1.8 66.3 320.0 83.9 839.1	14.0 30.7 - 33.3 189.9 - 131.1 359.9 92.7 851.6
Total liabilities	1,387.8	1,333.5	1,208.7
Total equity and liabilities	2,806.1	2,817.3	2,918.4

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## Cash flow statement for the period 1/6 - 31/8

## Bang & Olufsen a/s

	Group		
	2008/09	2007/08	
Result for the period	(48.4)	58.1	
Depreciations, amortisations and impairment losses	73.2	64.9	
Adjustments	16.0	1.8	
Change in working capital Interest received etc.	6.5 3.3	(17.3) 4.4	
Interest paid etc.	(7.0)	4.4 (4.5)	
Income tax paid	(31.1)	(10.9)	
Cash flow from operating activities	12.5	96.5	
Purchase of intangible non-current assets	(57.7)	(30.2)	
Purchase of tangible non-current assets	(37.7)	(47.6)	
Sale of tangible non-current assets	3.0	0.5	
Purchase of 10 % equity interest in ICEpower a/s	(23.0)	-	
Change in financial receivables	(5.0)	14.5	
Cash flow from investment activities	(120.4)	(62.8)	
Repayment of long-term loans	(2.8)	(5.9)	
Purchase of own shares	-	(35.2)	
Sale of own shares		1.6	
Cash flow from financing activities	(2.8)	(39.5)	
Changes in cash and cash equivalents	(110.7)	(5.8)	
Cash and cash equivalents 1 June	53.4	156.9	
Cash and cash equivalents 31 August	(57.3)	151.1	

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## Equity statement

#### Bang & Olufsen a/s, Group

(DKK million)	Equity	y attributable to	shareholders of	the parent com	oany	Minority interests	Total
	Share capital	Share premium	Translation reserve	Reserve for cash flow hedges	Retained earnings		Equity Group
Equity 1 June 2007	120.8	14.6	(17.3)	0.1	1,557.7	6.0	1,681.9
Equity and exchange rate adjustments in subsidiaries Change in fair value of derivative financial instruments	-	-	(2.8)	- (0.1)	3.5	-	0.7 (0.1)
Net income recognized directly in equity Retained earnings	-	-	(2.8)	(0.1)	3.5 57.6	- 0.5	0.6
Total recognised income and expense for the period	-	-	(2.8)	(0.1)	61.1	0.5	58.7
Grant of share options Option for minority interest Purchase of own shares Sale of own shares	-	- - -	- - -	- - -	2.7 0.4 (35.2) 1.6	(0.4)	2.7 - (35.2) 1.6
		-	-	-	(30.5)	(0.4)	(30.9)
Equity 31 August 2007	120.8	14.6	(20.1)	-	1,588.3	6.1	1,709.7
Equity 1 June 2008	120.8	14.6	(42.9)	-	1,379.2	12.1	1,483.8
Equity and exchange rate adjustments in subsidiaries			8.6	-	(9.1)	-	(0.5)
Net income recognized directly in equity Retained earnings	-	-	8.6	-	(9.1) (49.5)	- 1.1	(0.5) (48.4)
Total recognised income and expense for the period	-	-	8.6	-	(58.6)	1.1	(48.9)
Purchase of 10 % equity interest in ICEpower a/s Grant of share options Sale of own shares				-	(16.1) 2.6 3.8 (9.7)	(6.9)	(23.0) 2.6 3.8 (16.6)
Equity 31 August 2008	120.8	14.6	(34.3)		1,310.9	6.3	1,418.3
Equity 51 August 2000	120.0	14.0	(34.5)	-	1,510.9	0.5	1,410.5

## Specifications for the interim report for the period 1/6 - 31/8

#### Accounting principle applied

The interim report for Bang & Olufsen a/s is prepared in accordance with IAS 34 and further Danish information requirements for the presentation of financial statements for listed companies. Further Danish information requirements to the presentation of interim reports are issued in the interim report announcement and by the OMX Nordic Exchange Copenhagen A/S. IFRS is implemented so that the interim report is also within the provisions in the International Financial Reporting Standards that have been endorsed by the European Union. Accounting principles applied and methods of computation in the interim report are unchanged compared with the financial report 2007/08.

Some new or amended Standards and Interpretations are effective for the financial year 2008/09. The assessment of the management is that these Standards and Interpretations will not have significant influence on the annual report.

Interim report for the parent company has not been prepared.

#### Bang & Olufsen a/s

(DKK million)	Gro	oup
	1/6 - 31/8	1/6 - 31/8
Development costs	2008/09	2007/08
Expensed development costs before capitalisation Of which capitalised Amortisations and impairment losses on development projects	138.3 (54.0) 33.8	122.5 (29.8) 31.6
Development costs recognized in the profit and loss account	118.1	124.3
Financial income		
Interest income from banks Interest income from associated companies Exchange rate gains, net Other financial income Financial income	1.0 - 0.1 2.2 3.3	1.4 0.1 - 2.9 4.4
Financial costs		
Interest costs on mortgage loans Interest costs on bank loans etc. Exchange rate losses, net Other financial costs	2.8 3.7 - 0.5	1.7 1.1 - 1.7
Financial costs	7.0	4.5
Tax on result for the period		
Calculated tax on result for the period Reduction of the corporation tax rate from 28 to 25	9.8	(16.4) 18.7
Tax on result for the period	9.8	2.3
Adjustments		
Change in other liabilities Financial income etc. Financial costs etc. Result of investments in associated companies after tax Gain on sale of non-current assets Tax on result for the period Various adjustments Adjustments	(0.1) (3.3) 7.0 3.0 (0.4) 9.8 - -	(0.4) (4.4) 4.5 0.8 - (2.3) 3.6 1.8
Change in working capital		
Change in receivables Change in inventories Change in accounts payables etc. Change in working capital	60.3 32.7 (86.5) 6.5	17.6 (6.9) (28.0) (17.3)

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# Key figures

## Bang & Olufsen a/s, Group

(DKK million)	2007/08	2006/07
Key figures		
EBITDA	19	121
EBITDA-margin, %	2	13
Profit ratio (EBIT), %	(7)	6
Return on assets, %	(2)	2
Return on invested capital, excl. goodwill, %	1	7
Return on equity, %	(3)	3
Current ratio	1.8	2.0
Equity ratio, %	51	59
Financial gearing	0.3	0.0
Net turnover / Invested capital excl. goodwill	0.4	0.6
Intrinsic value per share (nom. DKK 10), DKK	117	142
Quotation as at 31 August	232	595
Price/earnings	(53)	118
Price/earnings, diluted	(53)	118
Quotation / Intrinsic value per share	2.0	4.2
Number of shares (multiple voting shares and ordinary shares)	12,081,338	12,081,338
Number of own shares (multiple voting shares and ordinary shares)	747,987	677,291
Average number of circulating shares	11,315,686	11,456,984
Average number of dilutive share options outstanding	0	6,449
Average number of circulating shares - diluted	11,315,686	11,463,433

Parentheses denote negative figures.

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## Definitions of key figures:

EBITDA:	Result before interests, tax, depreciations, amortisations and impairment losses
EBITDA-margin:	<u>Result before interests, tax, depreciations, amortisations and impairment losses x 100</u> Net turnover
Profit ratio (EBIT):	Operating profit x 100 Net turnover
Rate of return:	Operating profit x 100 Average operational assets
Return on invested capital, excl. goodwill:	Operating profit before depreciation and goodwill write offs Average invested capital, excl. goodwill
Return on equity:	Bang & Olufsen a/s' share of result for the period x 100 Average equity, excl. minority interests
Current ratio:	<u>Current assets</u> Current liabilities
Equity ratio:	Equity, end of period x 100 Total equity and liabilities, end of period
Financial gearing:	Interest bearing debt (net) end of period Equity, end of period
Net turnover/invested capital, excl. goodwill:	<u>Net turnover * 100</u> Average invested capital, excl. goodwill
Earnings per share (nom. DKK 10), DKK:	Result after tax Average number of circulating shares
Diluted earnings per share (nom. DKK 10), DKK:	<u>Result after tax</u> Average number of circulating shares - diluted
Intrinsic value per share (nom. DKK 10), DKK:	<u>Equity, end of year</u> Number of shares, end of period
Price/earnings:	Quotation Earnings per share (nom. DKK 10)
Price/earnings, diluted:	<u>Ouotation</u> Diluted earnings per share (nom. DKK 10)

Main and key figures from 2004/05 and onwards have been prepared in accordance with IFRS and "Recommendations and Key Figures 2005" from The Danish Society of Financial Analysts. Main and key figures for the previous years are prepared in accordance with "Recommendations and Key Figures 1997" from The Danish Society of Financial Analysts and with the company's previous accounting principles applied based on the Financial Statements Act.

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#### The period 1/6 2008 to 31/8 2008

	Branded business	Non-brand	led business		
(DKK million)	Bang & Olufsen	B&O Medicom a/s	B&O ICEpower a/s	Other/ eliminations	B&O a/s Group
Net turnover Internal turnover	742.4 (2.6)	-	19.1 (1.7)	(4.3) 4.3	757.2
External turnover	739.8		17.4		757.2
Operating profit	(52.2)		0.7		(51.5)
Result before tax	(53.7)	(3.0)	(1.5)		(58.2)

#### The period 1/6 2007 to 31/8 2007

	Branded business	Non-brand	ed business		
(DKK million)	Bang & Olufsen	B&O Medicom a/s	B&O ICEpower a/s	Other/ eliminations	B&O a/s Group
Net turnover Internal turnover	908.3 (2.2)	-	22.2 (1.9)	(4.1) 4.1	926.4
External turnover	906.1	-	20.3	-	926.4
Operating profit	52.9		3.8		56.7
Result before tax	55.0	(0.8)	1.6		55.8

Parentheses denote negative figures or amounts to be deducted.

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(DKK million)

(DKK million)		2008 Quarterly	/ results			2008 Accumulated qu	uarterly results	
	1 quarter	2 quarter	3 quarter	4 quarter	1 quarter	2 quarter	3 quarter	4 quarter
Net turnover	757.2				757.2			
Gross profit	320.8				320.8			
<b>Operating profit</b> Result of investments in	(51.5)				(51.5)			
associated companies after tax Financial items, net	(3.0) (3.7)				(3.0) (3.7)			
<b>Result before tax</b> Tax on result for the period	<b>(58.2)</b> 9.8				<b>(58.2)</b> 9.8			
<b>Result for the period</b> Of which minority interests' share	<b>(48.4)</b>				<b>(48.4)</b> (1.1)			
Shareholders of the parent company's share of result for the period	(49.5)				(49.5)			
	1 quarter	2007 Quarterly 2 quarter		4 quarter	1 guarter	2007 Accumulated qu 2 quarter		4 guarter
Net turnover	926.4	1,239.8	1,040.9	884.9	926.4	2,166.2	3,207.1	4,092.0
Gross profit	425.0	573.5	483.2	410.7	425.0	998.5	1,481.7	1,892.4
Operating profit	56.7	109.2	53.5	(24.7)	56.7	165.9	219.4	194.7

-								
<b>Operating profit</b> Result of investments in	56.7	109.2	53.5	(24.7)	56.7	165.9	219.4	
associated companies after tax	(0.8)	(2.3)	(4.7)	(3.4)	(0.8)	(3.1)	(7.8)	
Financial items, net	(0.1)	(13.2)	(7.7)	(8.8)	(0.1)	(13.3)	(21.0)	
Result before tax	55.8	93.7	41.1	(36.9)	55.8	149.5	190.6	
Tax on result for the period	2.3	(42.0)	(13.8)	12.1	2.3	(39.7)	(53.5)	
<b>Result for the period</b> Of which minority interests' share	<b>58.1</b> (0.5)	<b>51.7</b> (2.4)	<b>27.3</b> (1.1)	<b>(24.8)</b> (3.6)	<b>58.1</b> (0.5)	<b>109.8</b> (2.9)	<b>137.1</b> (4.0)	
Shareholders of the parent company's share of result								
for the period	57.6	49.3	26.2	(28.4)	57.6	106.9	133.1	

Parentheses denote negative figures.

(11.2)

(29.8)

153.7

(41.4)

112.3 (7.6)

104.7

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#### Turnover branded business

(DKK million)	Turnover 1/6-31/8 2008/09	Turnover 1/6-31/8 2007/08	Growth in local currency
United Kingdom	79	111	(16.4) %
Germany	79	94	(16.1) %
Denmark	72	129	(44.5) %
Asian markets, excl. Japan	71	72	(1.5) %
Switzerland	52	66	(23.3) %
Holland	51	57	(10.9) %
Automotive	44	16	178.7 %
North America	41	58	(20.2) %
Spain/Portugal	36	54	(34.7) %
France	35	51	(30.9) %
Russia	32	22	41.8 %
Expansion Markets, excl. Russia	29	25	17.6 %
Italy	22	23	(5.0) %
Enterprise	19	38	(50.9) %
Belgium	17	20	(13.1) %
Sweden	15	19	(20.6) %
Middle East	14	13	13.4 %
Austria	11	11	(5.0) %
Norway	9	12	(25.5) %
Japan	8	13	(32.9) %
Other	4	2	-
Turnover non-branded business	2	2	-
Total branded business	742	908	-

Parentheses denote negative figures.

#### **Distribution development**

Shop segment	Number of shops per <u>31/8-08</u>	Change in the period <u>1/6-08 – 31/8-08</u>	Share of turnover per segment 2008/09	Share of turnover per segment 2007/09
B1	812	(10)	81 %	81 %
Shop in shop	407	(14)	19 %	19 %
Other	6	(8)	0 %	0 %
Total	1,225	(32)	100 %	100 %

Definitions of shop segments:

B1	Shops, which are dedicated retailers of Bang & Olufsen products.
Shop in shop	Shops with a dedicated sales area for bang & Olufsen products.
Other	Shops without a dedicated sales area for Bang & Olufsen products.

Parentheses denote negative figures.

The organic growth for Bang & Olufsen shops, which have been in operation for more than 24 months, was for the period -21 per cent for B1 shops and -23 per cent for shop in shops.