BANG & OLUFSEN A/S GROUP

Company announcement no. 13.09 – 16 January 2014

INTERIM REPORT 1ST HALF-YEAR 2013/14

1 JUNE 2013 – 30 NOVEMBER 2013

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BANG & OLUFSEN

Q2 HIGHLIGHTS

"In Q2, we managed to deliver revenue slightly above last year's level, despite a tough year-on-year comparison. Revenue was driven by increases in all segments and regions, with the European AV business as the only exception. The feedback and innovation awards given to the newly launched wireless speakers confirm Bang & Olufsen's leadership position in sound and design innovation. The quarter signals that the strategic transformation efforts and focused investment in innovation are starting to pay off and we maintain the guidance for the year", says CEO Tue Mantoni.

- The Group's revenue was DKK 822 million for the second quarter of the 2013/14 financial year compared to revenue of DKK 819 million in the same period last year.
- The B2C business recorded revenue of DKK 632 million in the second quarter of the 2013/14 financial year compared to DKK 635 million in the same period last year. Newly launched products and B&O PLAY products showed strong performance and were almost able to offset the decline in AV.
- B2C revenue in BRIC markets increased by 45 per cent. North America increased by 21 per cent, and revenue in the region Rest of World increased by 13 per cent. The positive development outside Europe was outweighed by a decline of 16 per cent in Europe.
- The B2B business recorded revenue of DKK 194 million in the second quarter of the 2013/14 financial year compared to revenue of DKK 182 million in the same period last year. Automotive grew by 6 per cent in the quarter, despite the same quarter last year being a tough comparison.
- The Group's gross margin for the second quarter of the 2013/14 financial year was 42.7 per cent compared to 43.7 per cent in the same period last year and 40.1 per cent in the first quarter of the current financial year. The gross margin in the same quarter last year was positively affected by indirect production costs from build-up of inventory.
- Capacity costs were DKK 321 million in the second quarter, compared to DKK 332 million in the second quarter last year. Distribution and marketing costs have increased due to a higher level of marketing activities in the high-season as well as the take-over of the distribution in China, whereas R&D costs decreased slightly.
- Earnings before interest and tax for the second quarter of the 2013/14 financial year were DKK 31 million compared to DKK 26 million in the same quarter last year.

- Free cash flow in the second quarter was negative at DKK 52 million compared to negative DKK 208 million in the same period last year. The Group's net working capital was DKK 630 million at the end of the second quarter of the 2013/14 financial year, compared to DKK 927 million at the end of the second quarter last year and DKK 545 at the end of the first quarter of the 2013/14 financial year.

- The Group's total revenue for the first six months of the 2013/14 financial year was DKK 1,388 million against DKK 1,419 million last year, corresponding to a decline of 2 per cent. Earnings before interest and tax for the first six months of the 2013/14 financial year were negative DKK 34 million against negative DKK 35 million last year. Free cash flow in the first six months of the 2013/14 financial year was negative DKK 121 million compared to negative DKK 352 million last year.

- After the end of the reporting period Bang & Olufsen participated at the Consumer Electronics Show in Las Vegas. Here, Bang & Olufsen launched the Form 2i and the BeoPlay H3 Golden Edition and announced the launch, later in spring, of the BeoSound Essence.

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A webcast will be hosted on 16 January 2014 at 10.00 CET. Access to the webcast is obtained through our home page www.bang-olufsen.com.

KEY FIGURES

Bang & Olufsen a/s – Group

	2nd quarter		YTD	
(DKK million)	2013/14	2012/13	2013/14	2012/13
Income statement:				
Revenue	822	819	1,388	1,419
Gross margin, %	42.7	43.7	41.7	42.5
Earnings before interest, taxes, depreciation, amortisation and capitalisation (EBITDAC)	36	40	(2)	10
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	120	106	146	123
Earnings before interest and tax (EBIT)	31	26	(34)	(35)
Financial items, net	(14)	(4)	(17)	(7)
Earnings before tax (EBT)	17	23	(51)	(41)
Earnings after tax	8	15	(45)	(32)
Financial position:				
Total assets	2,941	3,190	2,941	3,190
Share capital	393	393	393	393
Equity	1,585	1,772	1,585	1,772
Net interest-bearing debt	395	422	395	422
Net working capital	630	927	630	927
Cash flow:				
– from operating activities	3	(139)	32	(214)
– from investing activities	(55)	(69)	(154)	(139)
– free cash flow	(52)	(208)	(121)	(352)
– from financing activities	18	179	67	287
Cash flow for the period	(33)	(28)	(55)	(66)
Key figures:				
EBITDA-margin, %	14.6	12.9	10.5	8.7
EBIT-margin, %	3.7	3.2	(2.4)	(2.5)
NIBD/EBITDA ratio *)	2.4	1.2	2.4	1.2
Return on assets, %	1.1	1.0	(1.2)	(1.3)
Return on invested capital, excl. goodwill, %	5.1	4.4	4.8	3.9
Return on equity, %	0.5	0.9	(2.7)	(1.9)
Full time employees at the end of the period	2,091	2,142	2,091	2,142
Stock related key figures:				
Earnings per share (EPS), DKK	0.2	0.4	(1.1)	(0.9)
Earnings per share diluted (EPS-D), DKK	0.2	0.4	(1.1)	(0.9)
Price/Earnings	239	161	(42)	(76)

**) Calculated based on rolling 12m EBITDA*

MANAGEMENT REPORT

Group revenue for the quarter ended marginally above last year. Solid growth in markets outside Europe and sales through third party retail mitigated the adverse effect of the continued decline in the B2C revenue in Europe. B2B revenue grew 7 per cent, which was driven both by Automotive (6 per cent) and ICEpower (8 per cent). Group earnings before interest and tax improved to DKK 31 million from DKK 26 million last year.

Development in the second quarter

Revenue Q2 2013/14 (Q2 2012/13 in brackets)

B2C		B2B	
DKK 632m (DKK 635m)		DKK 194m (DKK 182m)	
AV	B&O PLAY	Automotive	ICEpower
DKK 464m (DKK 476m)	DKK 168m (DKK 159m)	DKK 164m (DKK 154m)	DKK 30m (DKK 28m)

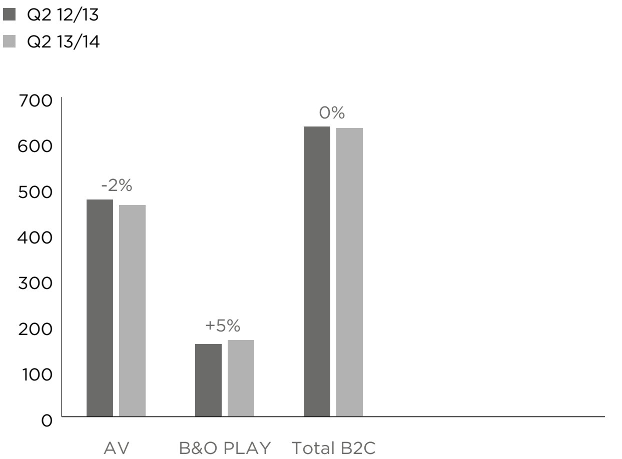
Revenue

The Group's revenue for the second quarter of the 2013/14 financial year was DKK 822 million, compared to DKK 819 million last year.

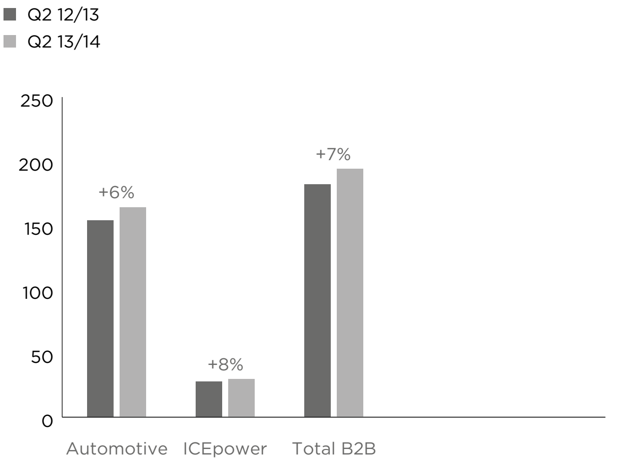
The B2C business, which consists of the AV and the B&O PLAY segments, recorded revenue of DKK 632 million in the second quarter of the 2013/14 financial year compared to revenue of DKK 635 million in the same period last year.

The AV segment recorded revenue of DKK 464 million in the second quarter of the 2013/14 financial year, compared to DKK 476 million last year, a decrease of 2 per cent. The new speakers BeoLab 17, BeoLab 18 and BeoLab 19 were launched late in the second quarter and have been very well received. Due to the timing of the launch, the new speakers only marginally impacted revenue in the quarter compared to the same period last

Revenue and growth by segment Q2 – B2C (DKK million)



Revenue and growth by segment Q2 – B2B (DKK million)



year where AV revenue, to a much higher degree, was favourably impacted by the launch of BeoVision 11.

B&O PLAY recorded revenue of DKK 168 million in the second quarter of the 2013/14 financial year compared to DKK 159 million in the same period last year, an increase of 5 per cent. Revenue in the second quarter last year was positively impacted by the launch of the BeoPlay A9. The growth in B&O PLAY was driven by sales through 3rd party distribution and e-commerce, where the newly launched BeoPlay H6 headphones did particularly well.

B2C revenue in Europe decreased by 16 per cent in the second quarter driven by a decline across the European markets.

BRIC markets grew by 45 per cent in the second quarter mainly driven by strong growth in Bang & Olufsen's own stores in Hong Kong and China.

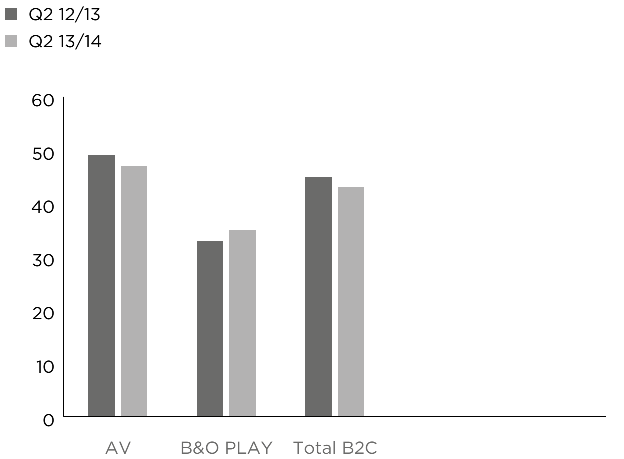
B2C revenue in North America increased by 21 per cent compared to the same quarter last year. Revenue in the Rest of World increased by 13 per cent.

The B2B business, which consists of the Automotive and ICEpower segments, recorded revenue of DKK 194 million in the second quarter of the 2013/14 financial year compared to revenue of DKK 182 million in the same period last year, which corresponds to an increase of 7 per cent.

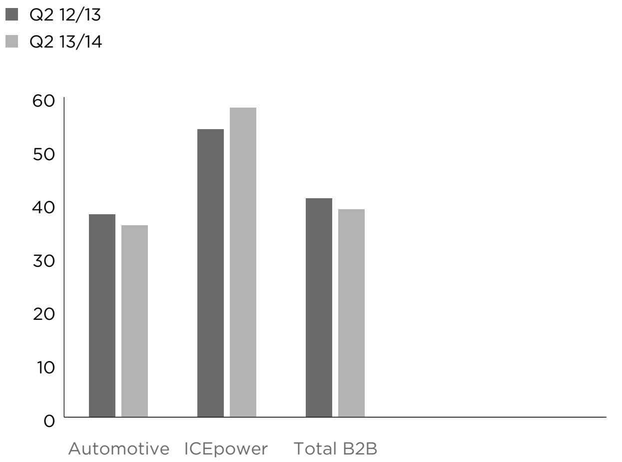
The Automotive segment recorded revenue of DKK 164 million in the second quarter of the 2013/14 financial year compared to DKK 154 million in the same period last year, corresponding to a growth of 6 per cent despite a high level of revenue in the same quarter last year. The growth continues to be driven by a combination of an increased number of car models as well as sales and marketing campaigns targeted at increasing take-rates.

The ICEpower segment recorded revenue of DKK 30 million in the second quarter of the 2013/14 financial year compared to DKK 28 million in the same period last year.

Gross margin by segment Q2 – B2C (%)



Gross margin by segment Q2 – B2B (%)



Gross margin

The Group's gross margin decreased to 42.7 per cent in the second quarter from a gross margin of 43.7 per cent in the second quarter of the 2012/13 financial year.

The gross margin in AV was 46.5 per cent in the second quarter of the financial year, compared to 48.7 per cent in the same quarter last year. The decrease in the gross margin is mainly due to a change in product mix, but is also affected by lower inventory levels which have a negative effect on indirect production costs recognised in valuation of inventory compared to the same period last year.

The gross margin for B&O PLAY in the second quarter of the 2013/14 financial year was 35.2 per cent against a gross margin of 32.8 per cent for the same period last year. The increase compared to the same quarter last year is mainly due to product mix as the newly launched products have a higher margin than the key products sold last year.

The gross margin within the Automotive segment in the second quarter of the 2013/14 financial year was 36.1 per cent against a gross margin of 38.4 per cent for the same period last year which is due to changed mix between advanced and premium sound systems.

The gross margin within the ICEpower segment was 58.0 per cent in the second quarter of the 2013/14 financial year against a gross margin of 53.9 per cent for the same period last year.

Capacity costs

During the second quarter of the 2013/14 financial year, the capacity costs decreased to DKK 321 million from DKK 332 million in the same period last year.

Distribution and marketing costs were DKK 199 million in the second quarter of the 2013/14 financial year compared to DKK 191 million in the same period last year. The increase of DKK 8 million is a result of increased marketing spend on newly launched products and a generally high level of marketing activities during the high-season. It is expected that increased marketing activities and the increased number of own stores will result in a higher level of distribution and marketing costs in the coming quarters compared to the same quarters last year.

Administration costs totalled DKK 22 million in the second quarter of the 2013/14 financial year which is on level with the second quarter of the 2012/13 financial year.

The Group incurred development costs of DKK 125 million for the second quarter of the 2013/14 financial year (of which DKK 84 million were capitalised) against DKK 131 million for the same period last year (of which DKK 66 million were capitalised). The activity level in product development remains high.

Expensed development costs (incl. amortisation and impairment losses) were DKK 100 million for the second quarter of the 2013/14 financial year, compared to DKK 117 million for the same period last year. Total amortisation charges and impairment losses on development projects were DKK 59 million compared to DKK 51 million last year. The increase in amortisation charges mainly relates to amortisation on completed Automotive projects. The net effect of capitalisation was positive DKK 25 million compared to a positive effect of DKK 14 million last year. The high level of capitalisation is due to the completion and near-completion of a number of development projects for recent and coming product launches.

In the second quarter of the 2013/14 financial year capitalised development costs were DKK 84 million, of which DKK 22 million relate to Automotive projects.

During the second quarter reimbursements of DKK 1 million were received from Automotive partners for development projects compared to DKK 6 million in the same period last year. The reimbursements received have been offset directly in intangible assets.

Capitalised development costs and carrying amount
(DKK million) – Q2

2013/14	B2C	B2B	Total
Capitalised, net	59	25	84
Carrying amount, net	446	242	688

Capitalised development costs and carrying amount
(DKK million) – Q2

2012/13	B2C	B2B	Total
Capitalised, net	36	30	66
Carrying amount, net	425	215	640

Earnings before interest and tax for the second quarter of the 2013/14 financial year were DKK 31 million compared to DKK 26 million for the same period last year.

Earnings before tax for the second quarter of the 2013/14 financial year were DKK 17 million against DKK 23 million in the same period last year. Net financial items in the second quarter were negative DKK 14 million compared to negative DKK 4 million in the same period last year which mainly is due to exchange rate differences as a result of the devaluation of the CZK and the weakening of the HKD.

Development YTD

Revenue YTD 2013/14 (YTD 2012/13 in brackets)

B2C		B2B	
DKK 1,029m (DKK 1,075m)		DKK 367m (DKK 342m)	
AV	**B&O PLAY**	**Automotive**	**ICEpower**
DKK 743m (DKK 817m)	DKK 286m (DKK 258m)	DKK 314m (DKK 288m)	DKK 52m (DKK 54m)

Revenue

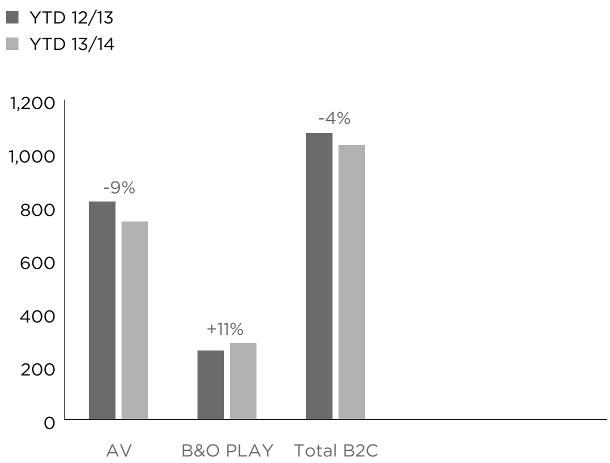
The Group's total revenue for the first half of the 2013/14 financial year was DKK 1,388 million against DKK 1,419 million last year, corresponding to a decline of 2 per cent.

Accumulated the B2C business recorded revenue of DKK 1,029 compared to DKK 1,075 million in the first half of the 2012/13 financial year, a decrease of 4 per cent. This was driven by a 9 per cent decline in AV, which was partly mitigated by an 11 per cent increase in B&O PLAY. The first six months last year were positively affected by the launch of the BeoVision 11 and the BeoPlay A9.

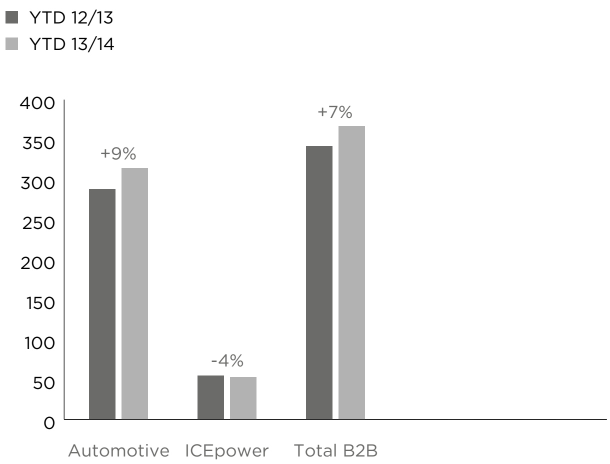
The B2B business recorded revenue of DKK 367 million compared to DKK 342 million in the first six months of the 2012/13 financial year, which corresponds to an increase of 7 per cent. This was driven by an increase of 9 per cent in the Automotive revenue.

Revenue in ICEpower declined by 4 per cent in the first six months of the 2013/14 financial year, compared to the same period last year.

Revenue and growth by segment YTD – B2C (DKK million)



Revenue and growth by segment YTD – B2B (DKK million)



Gross margin

The Group's gross margin was 41.7 per cent in the first six months of the 2013/14 financial year compared to a gross margin of 42.5 for the same period last year.

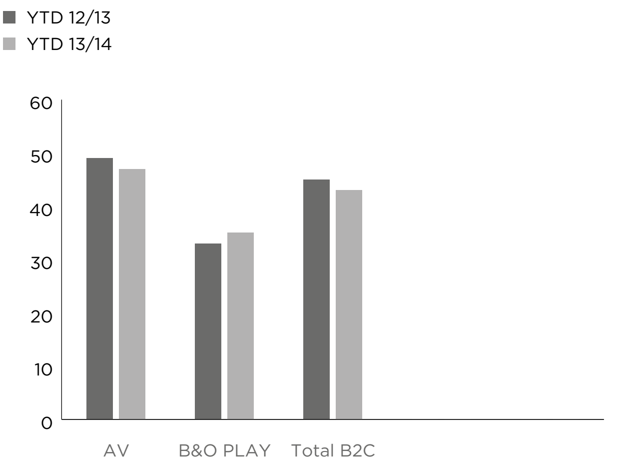
The gross margin in AV in the first six months of the 2013/14 financial year was 47.2 per cent compared to 48.4 per cent for the same period last year. The decrease in the gross margin is mainly due to a change in product mix, but is also affected by lower inventory levels which have a negative effect on indirect production costs recognised in inventory compared to the same period last year.

The gross margin for B&O PLAY in the first six months of the 2013/14 financial year was 31.3 per cent against a gross margin of 28.4 per cent in the same period last year. The increase compared to the same period last year is mainly due to product mix as the newly launched products have a higher margin than the key products sold last year.

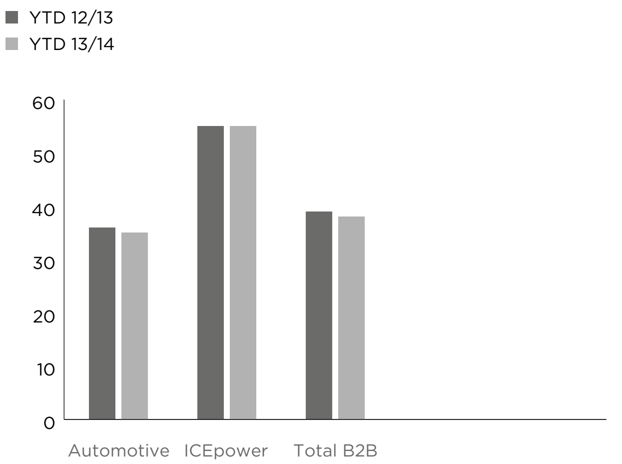
The gross margin in the Automotive segment in the first six months of the 2013/14 financial year was 34.8 per cent against a gross margin of 36.3 per cent for the same period last year which is due to product mix between advanced and premium sound systems.

The gross margin within the ICEpower segment was 54.8 per cent in the period against a gross margin of 54.5 per cent for first six months of the 2012/13 financial year.

Gross margin by segment YTD – B2C (%)



Gross margin by segment YTD – B2B (%)



Capacity costs

During the first six months of the 2013/14 financial year, Group capacity costs decreased by DKK 26 million to DKK 612 million.

Distribution and marketing expenses increased to DKK 371 million in the first six months compared to DKK 367 million in the same period last year. It is expected that increased marketing activities and the increased number of own stores will result in a higher level of distribution and marketing costs in the coming quarters.

Administration costs totalled DKK 44 million in the first six months of the 2013/14 financial year which is on level with the DKK 43 million incurred in the same period last year.

The Group incurred development costs of DKK 226 million for the first six months of the 2013/14 financial year (of which DKK 147 million were capitalised) against DKK 240 million (of which DKK 113 million were capitalised) for the same period last year. Total amortisation charges and impairment losses on development projects were DKK 119 million compared to DKK 102 million last year.

The net effect of capitalisation was positive DKK 29 million compared to a positive effect of DKK 11 million last year, hence resulting in an positive impact from capitalisation of DKK 18 million on the first six months of the 2013/14 financial year compared to the same period last year.

During the first six months of the 2013/14 financial year, the Groups capitalisation rate was 65 per cent compared to 47 per cent during the same period last year. The high level of capitalisation is due to the completion and near-completion of a number of projects in relation to recent and coming product launches.

In the first six months of the 2013/14 financial year the capitalised development costs were DKK 147 million, of which DKK 40 million relate to Automotive projects.

During the first six months reimbursements of DKK 4 million were received from Automotive partners for development projects compared to DKK 6 million in the same period last year. The reimbursements received have been offset directly in intangible assets.

Earnings before interest and tax for the first six months were negative DKK 34 million against negative DKK 35 million in the same period last year.

Earnings before tax for the first six months were negative DKK 51 million against negative DKK 41 million in the same period last year. Net financial items in the six months were negative DKK 17 million against negative DKK 7 million in the same period last year which mainly is due to exchange rate differences as a result of the devaluation of the CZK and the weakening of the HKD.

Development in balance sheet items and cash flow
Free cash flow in the second quarter was negative DKK 52 million compared to negative DKK 208 million in the same period last year. In the first six months of the financial year 2013/14 Bang & Olufsen generated a free cash flow of negative DKK 121 million compared to negative DKK 352 million in the same period last year. In the first six months free cash flow was positively affected by DKK 50 million relating to sale of tools developed for and sold to Automotive partners for recent product launches (zero last year). The negative cash flow in the second quarter was mainly due to the launch of new products late in the quarter which, as expected, resulted in a high level of trade receivables at the end of the quarter.

At the end of the second quarter the Group's net working capital decreased to DKK 630 million from DKK 927 million at the end of the second quarter of the 2012/13 financial year and DKK 545 million at the end of the first quarter of the 2013/14 financial year. The increase compared to the previous quarter mainly relates to, as mentioned above, an increase in trade receivables which is normal in the high season.

The net interest bearing debt decreased to DKK 395 million from DKK 422 million by the end of the second quarter of the 2012/13 financial year, but increased from DKK 343 million at the end of the first quarter of the financial year 2013/14. The increase compared to the previous quarter is primarily caused by higher net working capital.

The Group's equity has decreased from DKK 1,641 million to DKK 1,585 million which mainly is due to the negative earnings after tax.

The Group equity ratio was 54 per cent at the end of the second quarter of the 2013/14 financial year against 60 per cent at the end of the 2012/13 financial year.

Capitalised development costs and carrying amount
(DKK million) – YTD

2013/14	B2C	B2B	Total
Capitalised, net	102	45	147
Carrying amount, net	446	242	688

Capitalised development costs and carrying amount
(DKK million) – YTD

2012/13	B2C	B2B	Total
Capitalised, net	61	52	113
Carrying amount, net	425	215	640

Distribution development

Revenue development by region in the second quarter
In the second quarter of the 2013/14 financial year revenue in Region Europe decreased by DKK 75 million to DKK 380 million – corresponding to 16 per cent. There is continued major focus on the restructuring of the distribution network in Europe.

Revenue in North America increased by DKK 8 million to DKK 49 million which is 21 per cent higher than the same quarter last year.

BRIC markets grew by DKK 28 million to DKK 91 million, corresponding to an increase of 45 per cent mainly driven by strong growth in Bang & Olufsen's own stores in Hong Kong and China. BRIC is now 16 per cent of revenue YTD compared to 11 per cent of revenue last year, whereas Europe makes up a smaller part of the business compared to last year.

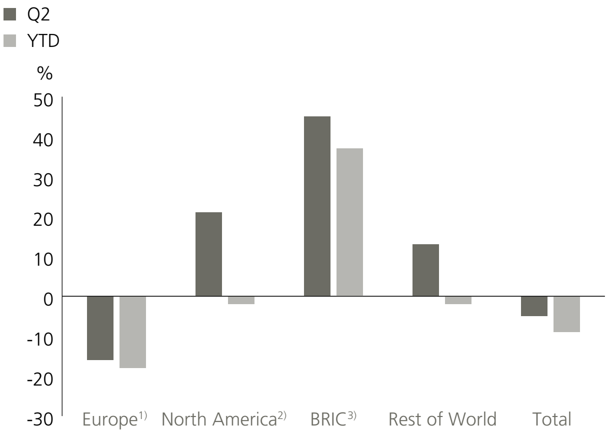
Revenue in Rest of World increased from DKK 63 million for the same period last year to DKK 70 million, or an increase of 13 per cent.

Revenue through third party channels was DKK 43 million compared to DKK 16 million for the same period last year, or an increase of DKK 27 million. The revenue continues to be driven by a significant increase in the number of new third party retailers.

Revenue development by region YTD
Europe recorded revenue of DKK 601 million in the first six months of the 2013/14 financial year, compared to DKK 734 million in the same period last year, a decline of 18 per cent.

North America recorded revenue of DKK 81 million for the first six months of the 2013/14 financial year, compared to DKK 83 million last year. Hence the second quarter revenue almost mitigated the low level of revenue in the first quarter.

Revenue development by region (Q2 and YTD)



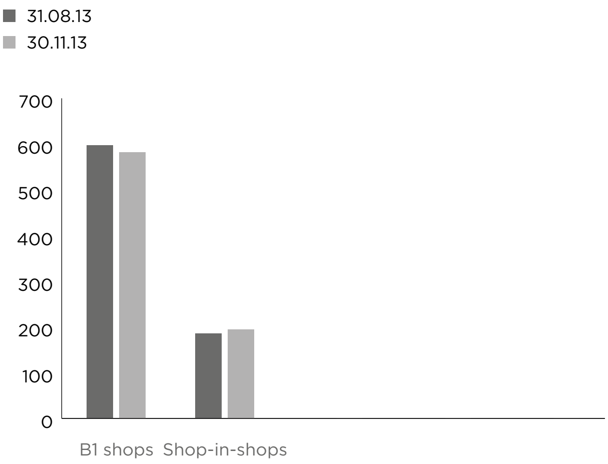
BRIC recorded revenue of DKK 157 million in the first six months of the 2013/14 financial year, which is an increase of 37 per cent. The increase is mainly driven by Bang & Olufsen's own stores in Hong Kong and China, where organic growth and new stores are the main growth contributors.

Rest of World recorded revenue of DKK 116 million in the first six months of the 2013/14 financial year, compared to DKK 118 million last year, i.e. a slight decrease.

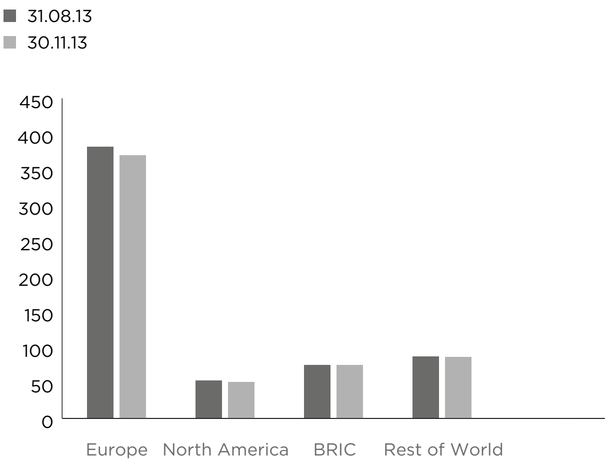
Revenue through third party channels increased by DKK 48 million to DKK 75 million in the first six months of the 2013/14 financial year, compared to DKK 27 million last year. The revenue continues to be driven by an increase in the number of new third party retailers.

[1] Europe covers Denmark, Norway, Sweden, United Kingdom, Netherlands, Belgium, Germany, Switzerland, Austria, Spain, Italy and France.
[2] North America covers USA, Canada and Mexico.
[3] BRIC covers Brazil, Russia, India, China, Taiwan, Hong Kong and Korea.

Number of B1 shops and shop-in-shops



B1 shops by region



Development in the number of shops

Bang & Olufsen continues to focus the distribution on fewer, more productive stores in order to, together with the retail network, invest in service, events, marketing, store design and other customer focused activities, which will further strengthen the customer experience and ensure a stronger long-term growth for Bang & Olufsen and the network.

By the end of the second quarter, there were 582 B1 shops across the world against 597 at the end of the first quarter of the 2013/14 financial year. Thus, the net movement for the second quarter was a net reduction of 15 shops, with 13 openings and 28 closures.

By the end of November 2013, there were 370 B1 shops in Europe against 382 at the end of the first quarter 2013/14. The net movement in Europe for the second quarter therefore amounts to a reduction of 12 shops, with 8 openings and 20 closures.

In North America, there were 51 B1 shops, against 53 at the end of the first quarter of the financial year 2013/14. The movement in North America for the second quarter was one opening and three closures.

In the BRIC markets the number of B1 shops were at 75 unchanged compared to the end of the first quarter of the financial year 2013/14. The movement for the second quarter is one opening and one closure.

In Rest of World there were 86 B1 shops against 87 at the end of the first quarter of the financial year 2013/14. The movement for the second quarter amounts to three openings and four closures.

At the end of the second quarter of the 2013/14 financial year, Sparkle Roll had opened 42 dedicated B&O PLAY stores across China, i.e. an increase of 15 from the 27 opened at the end of the first quarter of the financial year 2013/14.

By the end of November 2013 the total number of shop-in-shops, including the B&O PLAY stores operated by Sparkle Roll, was 196 against 186 at the end of the first quarter of the financial year 2013/14.

For the second quarter of the 2013/14 financial year year-on-year organic revenue decline in Bang & Olufsen shops with more than 24 months of operations was four per cent for B1 shops and 14 per cent for shop-in-shops.

Product launches

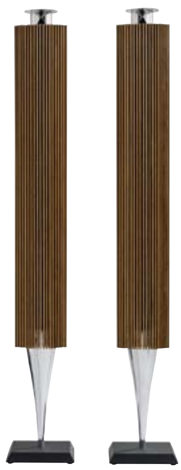
Immaculate Wireless Sound & WiSA
Bang & Olufsen has launched three new speakers under its Immaculate Wireless Sound concept in the second quarter of the 2013/14 financial year. Sound that is reproduced as the artist intended it to be has long been a Bang & Olufsen hallmark. With Immaculate Wireless sound, Bang & Olufsen brings this tradition of acoustic authenticity into the wireless age for the first time ever.

The new speakers run on the new WiSA (Wireless Speaker and Audio Association) wireless open standard. With WiSA-compliant transmitters and receivers integrated into the physical and digital design, Bang & Olufsen now delivers unparalleled acoustic performance in a wireless surround setup.

BeoLab 17
In late October Bang & Olufsen launched its first compact wireless speaker, BeoLab 17. The all-digital, active speaker utilizes the new WiSA standard which makes it possible to link wirelessly to any TV, Blu-ray player or set-top box with a WiSA-compliant transmitter – for example the updated BeoVision 11 television. BeoLab 17 offers a lot of placement options.

BeoLab 19
BeoLab 19 was launched in late October, and it is the world's first subwoofer that is compliant with the new WiSA standard. Two custom-made 8" drivers, each paired with its own dedicated 160-watt class D amplifier, are placed back to back in separate enclosures to minimize interaction. Using what Bang & Olufsen calls the Acoustic Balance Principle, the drivers operate in-phase to coordinate equal-but-opposite forces and eliminate unwanted vibrations.

BeoLab 18
Bang & Olufsen launched the BeoLab 18 in November. BeoLab 18 builds on the success of the brand's iconic column speakers, but reaches into the future with all-new components, a re-engineered digital sound engine, Bang & Olufsen's acoustic lens tweeter and the new WiSA standard for high-end wireless. The most striking visual feature is its lamella front, available in black and white composite as well as solid oak. BeoLab 18 has been awarded the International CES Best of Innovations 2014 Award in High Performance Home Audio.



Automotive
In September Bang & Olufsen launched the Bang & Olufsen Sound System for the new Audi A3 Cabriolet. The system features 13 active loudspeakers and delivers a total output of 625 watts.

The Group's expectations to the 2013/14 financial year are unchanged

The 2013/14 financial year is the third year of the transition phase in the "Leaner, Faster, Stronger" strategy. The key focus for the year is to continue to build a strong foundation that will prepare Bang & Olufsen for future growth, while ensuring a significant improvement in the financial results.

Continued challenging market conditions in Europe is likely to have a negative impact on consumer confidence and continue to create headwind for the overall AV market in the 2013/14 financial year, and hence have an adverse effect on the general demand for products across all of Bang & Olufsen's segments.

The most important focus areas in the 2013/14 financial year are the rejuvenation and strengthening of the Bang & Olufsen product portfolio and the transformation of the retail network, while continuing to grow Automotive and B&O PLAY, albeit at a reduced rate. It is expected that this will lead to revenue moderately above the level of the 2012/13 financial year.

A continued focus on operational and sourcing efficiencies and an increased share of sales of high margin products are expected to increase the gross margin to a level slightly above the level in the 2012/13 financial year.

Capacity costs excluding the increased costs of own retail are expected to be reduced. The costs related to own retail will increase compared to the 2012/13 financial year in particular due to the takeover of the retail operations in China.

The EBIT margin is expected to show significant improvement compared to the 2012/13 financial year to a level around zero. However, the EBIT margin is highly sensitive to the development in the revenue.

Subsequent events

After the end of the reporting period Bang & Olufsen participated at the Consumer Electronics Show in Las Vegas. Here, Bang & Olufsen launched the Form 2i and the BeoPlay H3 Golden Edition and announced the launch, later in spring, of the BeoSound Essence.

MANAGEMENT'S STATEMENT

We have today considered and approved the interim report for the period 1 June 2013 – 30 November 2013 for Bang & Olufsen a/s.

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, as endorsed by the EU and further Danish disclosure requirements for interim reports for listed companies.

It is our opinion that the interim report provides a true and fair view of the Group's assets, liabilities and financial position as at 30 November 2013 and the results of the Group's operations and cash flows for the period 1 June 2013 – 30 November 2013.

It is also our opinion that the management report gives a true and fair view of developments in the Group's activities and financial situation, the earnings for the period and the Group's financial position in general as well as a description of the most significant risks and uncertainties to which the Group is exposed.

Struer, 16 January 2014

Executive Management:

Tue Mantoni
President & CEO

Henning Bejer Beck
Executive Vice President & CFO

Board of Directors:

Ole Andersen
Chairman

Jim Hagemann Snabe
Deputy Chairman

Jesper Jarlbæk

André Loesekrug-Pietri

Rolf Eriksen

Majken Schultz

Knud Olesen

Jesper Olesen

Per Østergaard Frederiksen

CONSOLIDATED INCOME STATEMENT

		2nd quarter		**YTD**		**FY**
(DKK million)	Note	2013/14	2012/13	2013/14	2012/13	2012/13
Revenue		**822.0**	**819.0**	**1,388.4**	**1,419.4**	**2,813.9**
Production costs		(470.7)	(461.2)	(810.1)	(816.6)	(1,718.0)
Gross profit		**351.3**	**357.8**	**578.3**	**602.8**	**1,095.9**
Gross margin, %		42.7	43.7	41.7	42.5	38.9
Development costs	3	(99.6)	(117.0)	(196.9)	(228.8)	(442.4)
Distribution and marketing costs		(199.3)	(191.3)	(371.2)	(366.5)	(754.0)
Administration costs		(21.7)	(23.3)	(43.7)	(42.6)	(85.9)
Earnings before interest and tax (EBIT)		**30.7**	**26.2**	**(33.5)**	**(35.1)**	**(186.4)**
Share of result after tax in associated companies		-	0.6	-	0.6	1.3
Financial income		1.6	1.8	3.1	4.4	8.6
Financial costs		(15.6)	(5.7)	(20.4)	(11.2)	(33.2)
Financial items, net		(14.0)	(3.9)	(17.2)	(6.8)	(24.7)
Earnings before tax (EBT)		**16.7**	**22.9**	**(50.8)**	**(41.3)**	**(209.7)**
Income tax for the period		(8.8)	(7.5)	5.8	9.5	51.3
Earnings for the period		**7.9**	**15.4**	**(45.0)**	**(31.8)**	**(158.4)**
Earnings attributable to:						
Shareholders in the parent company		7.9	15.4	(45.0)	(31.8)	(158.4)
Earnings per share						
Earnings per share (EPS) and earnings per share from continuing operations, DKK		0.2	0.4	(1.1)	(0.9)	(4.3)
Diluted earnings per share (EPS-D) and diluted earnings per share from continuing operations, DKK		0.2	0.4	(1.1)	(0.9)	(4.3)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2nd quarter		YTD		FY
(DKK million)	2013/14	2012/13	2013/14	2012/13	2012/13
Earnings for the period	**7.9**	**15.4**	**(45.0)**	**(31.8)**	**(158.4)**
Items that may be reclassified subsequently to the income statement:					
Exchange rate adjustment of investments in foreign subsidiaries	(5.5)	(3.2)	(9.4)	2.4	(3.0)
Change in fair value of derivative financial instruments used as cash flow hedges	(1.5)	(3.9)	(4.9)	(9.3)	(4.7)
Transfer to the income statement of fair value adjustments of derivative financial instruments used as cash flow hedges, realised cash flows:					
Transfer to revenue	0.3	(1.6)	0.9	(6.2)	(5.8)
Transfer to production costs	(0.6)	1.2	(0.8)	5.6	6.2
Income tax on items that may be reclassified to the income statement	0.5	1.1	1.2	2.5	1.1
Items that will not be reclassified to the income statement:					
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	(2.7)
Income tax on items that will not be reclassified to the income statement	-	-	-	-	0.7
Other comprehensive income, net of tax	**(6.9)**	**(6.4)**	**(13.0)**	**(5.0)**	**(8.3)**
Total comprehensive income for the period	**1.0**	**9.0**	**(58.0)**	**(36.8)**	**(166.7)**
Total comprehensive income attributable to:					
Shareholders in the parent company	1.0	9.0	(58.0)	(36.8)	(166.7)

CONSOLIDATED BALANCE SHEET

(DKK million)	30/11/13	30/11/12	31/5/13
Goodwill	56.5	47.8	51.9
Acquired rights	17.2	25.1	20.7
Completed development projects	456.1	430.7	484.7
Development projects in progress	231.9	209.0	178.2
Intangible assets	**761.7**	**712.6**	**735.4**
Land and buildings	184.3	205.2	198.2
Plant and machinery	133.8	147.3	155.6
Other equipment	33.7	30.1	24.4
Leasehold improvements	37.4	20.2	30.2
Tangible assets in course of construction and prepayments of tangible assets	26.1	76.1	67.5
Tangible assets	**415.3**	**478.9**	**475.9**
Investment property	**39.3**	**40.6**	**40.0**
Investments in associates	7.0	5.6	7.0
Other financial receivables	46.2	40.4	43.3
Financial assets	**53.2**	**46.0**	**50.3**
Deferred tax assets	**193.1**	**216.5**	**183.3**
Total non-current assets	**1,462.6**	**1,494.6**	**1,484.9**
Inventories	**634.0**	**848.2**	**572.1**
Trade receivables	549.5	628.6	443.9
Receivables from associates	2.3	5.0	1.8
Corporation tax receivable	28.2	15.8	23.8
Other receivables	52.8	40.7	41.7
Prepayments	35.8	54.8	43.2
Receivables	**668.6**	**744.9**	**554.4**
Cash	**176.0**	**101.8**	**145.9**
Total current assets	**1,478.6**	**1,694.9**	**1,272.4**
Total assets	**2,941.2**	**3,189.5**	**2,757.3**

CONSOLIDATED BALANCE SHEET

(DKK million)	30/11/13	30/11/12	31/5/13
Share capital	392.7	392.7	392.7
Translation reserve	12.7	27.5	22.1
Reserve for cash flow hedges	(0.8)	(1.2)	4.0
Retained earnings	1,180.3	1,352.6	1,221.2
Total equity	**1,584.9**	**1,771.6**	**1,640.0**
Pensions	13.2	10.7	13.2
Deferred tax	15.5	41.6	13.8
Provisions	58.9	71.4	57.9
Mortgage loans	202.6	209.5	206.1
Other non-current liabilities	3.0	1.0	3.1
Total non-current liabilities	**293.2**	**334.2**	**294.1**
Mortgage loans	6.9	7.0	6.8
Loans from banks	220.0	260.0	150.0
Overdraft facilities	141.0	47.2	56.2
Provisions	29.0	51.7	39.4
Trade payables	386.2	323.1	295.3
Corporation tax payable	22.5	67.1	25.5
Other liabilities	229.2	275.4	226.9
Deferred income	28.3	52.2	23.1
Total current liabilities	**1,063.1**	**1,083.7**	**823.2**
Total liabilities	**1,356.2**	**1,417.9**	**1,117.3**
Total equity and liabilities	**2,941.2**	**3,189.5**	**2,757.3**

CONSOLIDATED CASH FLOW STATEMENT

		2nd quarter		YTD		FY
(DKK million)	Note	2013/14	2012/13	2013/14	2012/13	2012/13
Earnings for the period		7.9	15.4	(45.0)	(31.8)	(158.4)
Amortisation, depreciation and impairment losses		89.7	79.3	179.1	158.5	331.9
Adjustments for non-cash items	4	(5.6)	(2.6)	(18.6)	(15.0)	(68.0)
Change in receivables		(155.8)	(251.6)	(97.5)	(115.0)	80.5
Change in inventories		0.7	8.2	(61.8)	(183.3)	92.8
Change in trade payables etc.		81.6	18.0	97.7	(17.3)	(117.9)
Cash flows from operations		18.5	(133.3)	53.9	(203.9)	160.9
Interest received and paid, net		(13.9)	(3.9)	(17.2)	(6.8)	(24.7)
Income tax paid		(1.5)	(1.9)	(4.3)	(2.9)	(9.7)
Cash flows from operating activities		**3.1**	**(139.1)**	**32.4**	**(213.6)**	**126.5**
Purchase of intangible non-current assets		(85.5)	(65.0)	(155.2)	(113.1)	(263.2)
Purchase of tangible non-current assets		(23.1)	(16.4)	(52.1)	(38.2)	(83.8)
Sale of tangible non-current assets		42.6	-	52.7	0.1	4.8
Received reimbursements, intangible non-current assets		1.2	5.6	3.7	6.1	10.9
Change in financial receivables		10.1	7.3	(2.9)	6.3	3.3
Cash flows from investing activities		**(54.7)**	**(68.5)**	**(153.7)**	**(138.8)**	**(328.1)**
Free cash flow		**(51.6)**	**(207.6)**	**(121.4)**	**(352.4)**	**(201.5)**
Repayment of long-term loans		(1.7)	(1.6)	(3.4)	(3.0)	(6.6)
Proceeds from short-term borrowings		20.0	-	70.0	110.0	-
Capital increase		-	180.4	-	180.4	178.7
Purchase of own shares		-	-	-	(1.3)	(1.3)
Sale of own shares		-	0.5	-	0.5	0.5
Cash flow from financing activities		**18.3**	**179.3**	**66.6**	**286.6**	**171.2**
Change in cash and cash equivalents		**(33.3)**	**(28.3)**	**(54.8)**	**(65.8)**	**(30.3)**
Cash and cash equivalents, opening balance		68.2	82.8	89.7	121.3	121.3
Exchange rate adjustment, cash and cash equivalents		0.1	0.1	0.1	(0.9)	(1.4)
Cash and cash equivalents, closing balance		**35.0**	**54.6**	**35.0**	**54.6**	**89.7**
Cash and cash equivalents:						
Cash		176.0	101.8	176.0	101.8	145.9
Current overdraft facilities		(141.0)	(47.2)	(141.0)	(47.2)	(56.2)
Cash and cash equivalents, closing balance		**35.0**	**54.6**	**35.0**	**54.6**	**89.7**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(DKK million)	30/11/13	30/11/12	31/5/13
Equity, opening balance	**1,640.0**	**1,626.0**	**1,626.0**
Earnings for the period	(45.0)	(31.8)	(158.4)
Other comprehensive income, net of tax	(13.0)	(5.0)	(8.3)
Comprehensive income for the period	(58.0)	(36.8)	(166.7)
Capital increase	-	179.0	178.7
Grant of share options	2.9	4.2	2.8
Purchase of own shares	-	(1.3)	(1.3)
Sale of own shares	-	0.5	0.5
Equity, closing balance	**1,584.9**	**1,771.6**	**1,640.0**

NOTES

1 ACCOUNTING PRINCIPLES

The interim report for Bang & Olufsen a/s is prepared as a condensed set of financial statements in accordance with IAS 34 'Interim Financial Reporting', as endorsed by the European Union and further Danish disclosure requirements for interim reports for listed companies. The interim report has not been audited or reviewed by the company's external auditors. An interim report for the parent company has not been prepared. The interim report is stated in Danish krone (DKK) which is the functional currency of the parent company.

The Annual Report 2012/13 contains a full description of applied accounting principles.

Bang & Olufsen a/s has from 1 June 2013 implemented Amendment to IAS 1 'Presentation of Financial Statements' regarding Presentation of Other Comprehensive Income and IAS 19 'Employee benefits (amended 2011)'. Only the changes to IAS 19 regarding pension obligations have an effect on recognition and measurement. The implementation of IAS 19 'Employee benefits (amended 2011)' means that Bang & Olufsen no longer is using the corridor method for actuarial gains and losses. All changes to the expected pension obligations and to the plan assets will be recognised in other comprehensive income. Previously the corridor method allowed delayed recognition of certain actuarial gains and losses. The comparative numbers for financial year 2012/13 have been restated, and accumulated actuarial gains and losses as at 31 May 2011 have been recognized directly in equity per 1 June 2012. The effect on the opening equity was DKK 0.6 million, the effect on result after tax and on total comprehensive income for the financial year 2012/13 was positive DKK 1.4 million and negative DKK 2.0 million respectively.

Other accounting principles and computation methods applied in the interim report are unchanged compared to the principles applied in the 2012/13 Annual Report.

2 SIGNIFICANT ESTIMATES AND ASSESSMENTS BY MANAGEMENT

The preparation of interim reports requires that management makes estimates and assessments which affect the application of accounting principles and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The material estimates that management makes when applying the accounting principles of the Group, and the material uncertainty connected with these estimates and assessments are unchanged in the preparation of the interim report compared to the preparation of the Annual Report as at 31 May 2013.

3 DEVELOPMENT COSTS

	2nd quarter		**YTD**		**FY**
(DKK million)	2013/14	2012/13	2013/14	2012/13	2012/13
Incurred development costs before capitalisation	124.5	131.2	225.7	239.7	475.8
Hereof capitalised	(84.3)	(65.5)	(147.3)	(113.1)	(250.8)
Incurred development costs after capitalisation	40.2	65.7	78.4	126.6	225.0
Capitalisation (%)	*67.7*	*49.9*	*65.3*	*47.2*	*52.7*
Total amortisation charges and impairment losses on development projects	59.4	51.3	118.5	102.2	217.4
Development costs recognised in the consolidated income statement	**99.6**	**117.0**	**196.9**	**228.8**	**442.4**

NOTES

4 ADJUSTMENTS FOR NON-CASH ITEMS IN THE CASH FLOW STATEMENT

	2nd quarter		YTD		FY
(DKK million)	2013/14	2012/13	2013/14	2012/13	2012/13
Change in other liabilities	(5.4)	(19.2)	(8.6)	(16.8)	(39.0)
Financial items, net	13.9	3.9	17.2	6.8	24.7
Share of result after tax in associated companies	-	(0.6)	-	(0.6)	(2.6)
Gain/loss on sale of non-current assets	-	(0.2)	1.4	(0.4)	(1.2)
Tax on earnings for the period	8.8	7.5	(5.8)	(9.5)	(51.8)
Various adjustments	(22.9)	6.0	(22.8)	5.5	1.9
Adjustment for non-cash items	**(5.6)**	**(2.6)**	**(18.6)**	**(15.0)**	**(68.0)**

5 SEGMENT INFORMATION

	2nd quarter		YTD		Change, %
(DKK million)	2013/14	2012/13	2013/14	2012/13	YTD
Revenue by segment and business area					
Consumer business (B2C):					
AV	464.0	475.7	743.3	817.3	(9)
B&O PLAY	167.8	159.3	285.6	257.9	11
Total consumer business (B2C)	631.8	635.0	1,028.9	1,075.2	(4)
Business to business (B2B):					
Automotive	163.9	153.9	314.4	287.6	9
ICEpower	30.0	27.7	52.2	54.4	(4)
Total business to business (B2B)	193.9	181.6	366.6	342.0	7
Elimination of internal revenue	(2.8)	(2.9)	(6.1)	(6.8)	-
Exchange rate adjustments	(0.9)	5.3	(1.0)	9.0	-
Revenue, Group	**822.0**	**819.0**	**1,388.4**	**1,419.4**	**(2)**
Gross margin by business area, %					
Consumer business (B2C):					
AV	46.5	48.7	47.2	48.4	
B&O PLAY	35.2	32.8	31.3	28.4	
Business to business (B2B):					
Automotive	36.1	38.4	34.8	36.3	
ICEpower	58.0	53.9	54.8	54.5	
Gross margin %, Group	**42.7**	**43.7**	**41.7**	**42.5**	

NOTES

5 SEGMENT INFORMATION (CONTINUED)

	2nd quarter		**YTD**		**Change, %**
(DKK million)	2013/14	2012/13	2013/14	2012/13	YTD
Revenue by region					
Consumer business (B2C)					
Bang & Olufsen distribution:					
Europe	379.6	454.4	601.1	733.8	(18)
North America	49.0	40.6	80.6	82.6	2
BRIC	90.6	62.5	156.7	114.0	37
Rest of world	69.5	61.5	115.6	117.8	(2)
Total Bang & Olufsen distribution	588.7	619.1	954.0	1,048.2	(9)
3rd party distribution and e-commerce:					
B&O PLAY	43.1	15.9	74.9	27.0	177
Total 3rd party distribution and e-commerce	43.1	15.9	74.9	27.0	177
Total consumer business (B2C)	**631.8**	**635.0**	**1,028.9**	**1,075.2**	**(4)**
Business to business (B2B)					
Automotive	163.9	153.9	314.4	287.6	9
ICEpower	30.0	27.7	52.2	54.4	(4)
Total business to business (B2B)	**193.9**	**181.6**	**366.6**	**342.0**	**7**
Elimination of internal revenue	(2.8)	(2.9)	(6.1)	(6.8)	-
Exchange rate adjustments	(0.9)	5.3	(1.0)	9.0	-
Revenue, Group	**822.0**	**819.0**	**1,388.4**	**1,419.4**	**(2)**

(DKK million)	B2C		B2B			
YTD 2013/14	AV	B&O PLAY	Automotive	ICEpower	Adjustments	Total
Revenue	743.3	285.6	314.4	52.2	(7.1)	1,388.4
Production costs	(392.5)	(196.2)	(205.0)	(23.6)	7.1	(810.1)
Gross profit	350.8	89.4	109.4	28.6	-	578.3
Unallocated costs	-	-	-	-	-	(629.0)
Earnings before tax	-	-	-	-	-	(50.8)

NOTES

6 SHOPS BY REGION – BANG & OLUFSEN DISTRIBUTION (B1 AND SHOP-IN-SHOP)

Number (units)	30/11/13	31/8/13	31/5/13	30/11/12
B1				
Europe	370	382	402	426
North America	51	53	51	50
BRIC	75	75	73	74
Rest of world	86	87	85	87
	582	**597**	**611**	**637**

Number (units)	30/11/13	31/8/13	31/5/13	30/11/12
SHOP-IN-SHOP				
Europe	147	153	199	218
North America	5	4	4	2
BRIC*)	43	28	17	1
Rest of world	1	1	1	1
	196	**186**	**221**	**222**

**) includes Sparkle Roll dedicated B&O PLAY stores*

NOTES

7 BUSINESS COMBINATION

As of 1 June 2013 Bang & Olufsen has taken over 20 shops from the previous master dealer Richcom in China (including Beijing and Shanghai). This is expected to lead the way for further expansion and stronger control of distribution in the BRIC region.

(DKK million)	**2013/14** Richcom
The assumed fair value of acquired assets and liabilities is as follows:	
Other equipment	2.7
Total non-current assets	**2.7**
Inventories	20.3
Total current assets	**20.3**
Acquired net assets	**23.0**
The purchase price is as follows:	
Cash	35.9
Total purchase price	**35.9**
Goodwill	**12.9**
Expected cash flow for acquisition:	
Cash payment	35.9
Less cash and cash equivalents in acquired business	0.0
Expected cash outflow for acquisition	**35.9**

At the time of acquisition a purchase price has been paid which exceeds the fair value of the acquired identifiable assets. This positive difference (goodwill) can primarily be justified by expected synergy effects between the acquired activities and the Group's existing activities and future growth prospects. These synergies are not recognised separately from goodwill as they are not separately identifiable.

APPENDIX 1

Earnings by quarter 2013/14:

	2013/14			
(DKK million)	Q1	Q2	Q3	Q4
Revenue	**566.4**	**822.0**		
Gross profit	**227.0**	**351.4**		
Earnings before interest and tax (EBIT)	**(64.2)**	**30.7**		
Share of result after tax in associated companies	-	-		
Financial items, net	(3.3)	(14.0)		
Earnings before tax (EBT)	**(67.5)**	**16.7**		
Income tax for the period	14.7	(8.8)		
Earnings for the period	**(52.8)**	**7.9**		

Accumulated earnings by quarter 2013/14:

	2013/14			
(DKK million)	Q1	Q2	Q3	Q4
Revenue	**566.4**	**1,388.4**		
Gross profit	**227.0**	**578.3**		
Earnings before interest and tax (EBIT)	**(64.2)**	**(33.6)**		
Share of result after tax in associated companies	-	-		
Financial items, net	(3.3)	(17.2)		
Earnings before tax (EBT)	**(67.5)**	**(50.8)**		
Income tax for the period	14.7	5.8		
Earnings for the period	**(52.8)**	**(45.0)**		

APPENDIX 1

Earnings by quarter 2012/13:

(DKK million)	2012/13 Q1	Q2	Q3	Q4
Revenue	**600.4**	**819.0**	**654.6**	**739.9**
Gross profit	**245.0**	**357.8**	**228.3**	**264.8**
Earnings before interest and tax (EBIT)	**(61.3)**	**26.2**	**(114.3)**	**(37.0)**
Share of result after tax in associated companies	-	0.6	0.6	0.1
Financial items, net	(2.9)	(3.9)	(11.6)	(6.2)
Earnings before tax (EBT)	**(64.2)**	**22.9**	**(125.3)**	**(43.1)**
Income tax for the period	17.0	(7.5)	34.6	7.2
Earnings for the period	**(47.2)**	**15.4**	**(90.7)**	**(35.9)**

Accumulated earnings by quarter 2012/13:

(DKK million)	2012/13 Q1	Q2	Q3	Q4
Revenue	**600.4**	**1,419.4**	**2,074.0**	**2,813.9**
Gross profit	**245.0**	**602.8**	**831.1**	**1,095.9**
Earnings before interest and tax (EBIT)	**(61.3)**	**(35.1)**	**(149.4)**	**(186.4)**
Share of result after tax in associated companies	-	0.6	1.2	1.3
Financial items, net	(2.9)	(6.8)	(18.4)	(24.7)
Earnings before tax (EBT)	**(64.2)**	**(41.3)**	**(166.6)**	**(209.7)**
Income tax for the period	17.0	9.5	44.1	51.3
Earnings for the period	**(47.2)**	**(31.8)**	**(122.5)**	**(158.4)**

ADDITIONAL INFORMATION

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Financial calendar

Friday 11 April 2014	Interim report (3rd quarter 2013/14)
Wednesday 13 August 2014	Annual Report 2013/14
Wednesday 10 September 2014	Annual General Meeting 2013/14
Thursday 2 October 2014	Interim report (1st quarter 2014/15)

Safe Harbour statement

The report contains statements relating to expectations for future developments, including future revenue and earnings, as well as expected business-related events. Such statements are uncertain and carry an element of risk since many factors, of which some are beyond Bang & Olufsen's control, can mean that actual developments will deviate significantly from the expectations expressed in the report. Without being exhaustive, such factors include among others general economic and commercial factors, including market and competitive matters, supplier issues and financial issues in the form of foreign exchange, interest rates, credit and liquidity risks.

Applicable version

The interim report has been translated from Danish. In case of doubt the Danish version shall apply at all times.

About Bang & Olufsen

Bang & Olufsen was founded in Struer, Denmark, in 1925 by Peter Bang and Svend Olufsen, two innovative, young engineers devoted to high quality audio reproduction. Since then, the brand has become an icon of performance and design excellence through its long-standing craftsmanship tradition and the strongest possible commitment to high-tech research and development. Still at the forefront of domestic technology, Bang & Olufsen has extended its comprehensive experience with integrated audio and video solutions for the home to other areas such as the hospitality and automotive industries in recent years. Consequently, its current product range epitomises seamless media experiences in the home as well as in the car and on the move.

For additional information refer to www.bang-olufsen.com.