Interim report for the period 1 June - 31 August 2010 for Bang & Olufsen a/s

- As expected, the Group's turnover for the first quarter of the 2010/11 financial year was DKK 562 million against DKK 565 million for the same period last year. Historically, the first quarter is not indicative for the year as a whole.
- Result before tax for the first quarter was negative at DKK 35 million against a negative result last year of DKK 53 million.
- The Group's gross margin for the first quarter of the 2010/11 financial year was 40.0 per cent against a gross margin of 39.9 per cent for the same period last year.
- The Automotive business area continued to advance in the first quarter of the 2010/11 financial year in that turnover totalled DKK 91 million against DKK 49 million for the same period last year.
- After the end of the first quarter, Bang & Olufsen signed a contract with German BMW for the development of first-class sound systems for a range of BMW vehicles over the coming years. The first concrete result of this co-operation is shown at the Paris Motor Show in the form of the new Bang & Olufsen High-End Surround Sound System for the BMW 6 Series concept car.
- Bang & Olufsen maintains the expectations that the 2010/11 financial year as a whole will result in a positive development in turnover and a positive result before tax based on a gross margin not deviating significantly from the level achieved in the 2009/10 financial year.

Brian Petersen Chairman Karl Kristian Hvidt Nielsen President, CEO

Management's report

Main figures – Bang & Olufsen a/s - Group	
(The interim report is unaudited and has not been reviewed by the company's auditor)	

(DKK million)

Main figures for the period 1/6 – 31/8	2010/11		2009/10
Net turnover	561.7		565.0
Gross profit	224.8		225.3
Gross margin	40.0 %		39.9 %
Operating loss	(29.3)		(52.5)
Result of investments in associates after tax Financial items, net	(2.9) (2.5)		(1.1) 0.8
Result before tax	(34.7)	-	(52.8)
Tax on result for the period	8.0	-	10.2
Result for the period	(26.7)	-	(42.6)
Attributable to:			
Shareholders of the parent company Minority interests	(26.7)		(42.7) 0.1
Result for the period	(26.7)	-	(42.6)
	(20.7)	-	(42.0)
Earnings per share	(0.7)		(1.2)
Earnings per share, DKK	(0.7)	-	(1.2)
Diluted earnings per share, DKK	(0.7)	-	(1.2)
Result for the period	(26.7)		(42.6)
Other comprehensive income, net of tax	(4.3)	_	6.2
Comprehensive income for the period	(31.0)	-	(36.4)
Balance sheet information	31/8 - 10	31/5 - 10	31/8 - 09
Intangible assets	552.3	546.5	491.8
Tangible assets	550.1	560.5	601.2
Investment property Financial assets	44.5 45.0	45.4 46.7	48.2 58.8
Deferred tax assets	45.0 151.0	46.7	119.0
Total non-current assets	1,342.9	1,339.5	1,319.0
Inventories	606.6	563.6	616.0
Receivables	413.5	490.6	454.6
Cash	147.4	253.6	156.7
Non-current assets classified as held for sale			15.7
Total current assets	1,167.5	1,307.8	1,243.0
Total assets	2,510.4	2,647.3	2,562.0
Equity	1,466.9	1,496.2	1,479.1
Non-current liabilities	373.5	377.7	417.4
Current liabilities	670.0	773.4	665.5
Total equity and liabilities	2,510.4	2,647.3	2,562.0

Parentheses denote negative figures or amounts to be deducted.

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Development in equity 1/6 – 31/8	2010/11	2009/10
Equity as at 1 June	1,496.2	1,516.7
Comprehensive income for the period	(31.0)	(36.4)
Costs related to capital increase Grant of share options	- 1.7	(2.6) 1.4
Equity as at 31 August	1,466.9	1,479.1
Cash flows, main figures 1/6 – 31/8	2010/11	2009/10
Cash flows from operating activities Cash flows from investment activities Cash flows from financing activities	(51.0) (45.7) (2.9)	(24.0) (60.7) (5.6)
Cash flows for the period	(99.6)	(90.3)

Parentheses denote negative figures or amounts to be deducted.

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Comments on developments in the first quarter

Turnover for the Bang & Olufsen a/s Group as a whole for the first quarter of 2010/11 was DKK 562 million against DKK 565 million for the same period last year.

Net turnover according to business area

(DKK million)	1/6 – 31/8 2010/11	1/6 - 31/8 2009/10
Branded business	548.2	550.8
Non-branded business	15.4	16.4
Intra-Group turnover	(1.9)	(2.2)
Total net turnover	561.7	565.0

The Group's turnover level for the first quarter reflects a significant progress in sales within the Automotive business area and a decline in sales within the audio-video area. For the first quarter, the audio-video area was negatively affected both by the low season and by the fact that the soccer World Cup contributed to an increase in sales of especially video products in the fourth quarter of the 2009/10 financial year.

For the first quarter of the 2010/11 financial year, the Group's gross margin was 40.0 per cent against a gross margin of 39.9 per cent for the same period last year.

Result before tax was negative at DKK 35 million for the first quarter against a negative result of DKK 53 million last year.

The Group has reduced its capacity costs by DKK 24 million from DKK 278 million for the same period last year to DKK 254 million. Distribution and marketing costs declined in the first quarter by DKK 10 million from DKK 170 million to DKK 160 million. Administration costs etc. amounted to DKK 19 million, which is on a par with the same period last year.

The Group's development costs incurred were DKK 100 million for the first quarter of the financial year against DKK 99 million for the same period last year. The Group continues to expect to maintain a high level of activity within the product development area with focus on the Group's launches in 2010/11, the development of new sound systems for partners within the Automotive business area and the continued development of the Group's joint digital platform, which, going forward, will constitute the technological foundation for the Group's products across the product portfolio.

The net effect of capitalisation was positive at DKK 25 million. Expensed development costs were DKK 75 million against expensed development costs for the same period last year of DKK 90 million, where the net effect of capitalisation was positive at DKK 10 million.

The Group's cash flows from operating activities were negative at DKK 51 million against a negative DKK 24 million for the same period last year. This is primarily owing to changes in the working capital.

Developments in the markets

The Asian markets saw an increase of 18.8 per cent compared to the first quarter of the 2009/10 financial year. In the Group's main markets, Denmark and the UK, sales declined by 6.8 per cent and 27.0 per cent respectively. The Group's remaining main market, Germany, experienced an increase in sales of 7.6 per cent.

Product launches

After the end of the quarter, the Group launched BeoLab 6002 and BeoLab 8002, which replace BeoLab 6000 and BeoLab 8000 respectively. To ensure that the speaker concepts continue to be at the leading edge in respect of acoustic performance, the Group has updated its iconic loudspeakers with minor design changes and a number of technical improvements. BeoLab 6000 and BeoLab 8000, therefore, now come with 2 x 125 watt amplifiers from Bang & Olufsen ICEpower, new speaker units and a smaller coil due to the amplifiers from Bang & Olufsen ICEpower.

Distribution development

During the quarter, 6 B1-shops were opened or upgraded while 19 shops were either closed or converted to shop-in-shops.

At the end of August 2010, there were 690 B1-shops worldwide compared to 703 at the end of the 2009/10 financial year. The net movement for the quarter thus amounts to -13 shops. Based on the recent positive turnover development in the mature shops, the Group has intensified the efforts to recruit new outlets and consequently expects that the total number of B1-shops will not be significantly different at the end of the 2010/11 financial year compared to the end of the 2009/10 financial year.

The share of turnover in B1-shops increased by 2 per cent to 84 per cent. The number of shop-inshops is 292 against 300 at the end of the last financial year.

Business-to-business areas

Enterprise

Bang & Olufsen Enterprise, which comprises the Group's sales to luxury hotels throughout the world as well as to construction projects in among others the Middle East and Asia, recorded a turnover of DKK 13 million for the first quarter which is on a par with the turnover for the first quarter of the 2009/10 financial year.

The majority of the turnover from Bang & Olufsen Enterprise continues to derive from Europe.

Automotive

Bang & Olufsen Automotive, which produces and sells exclusive sound systems for the car industry, recorded a turnover of DKK 91 million for the first quarter against a turnover of DKK 49 million for the same period of the 2009/10 financial year. This equates to an increase of 85.7 per cent. The strong

growth is owing to the increase in the global car sales coupled with Bang & Olufsen's launch of a range of new sound systems for Audi, Mercedes-Benz and Aston Martin over the past year.

After the close of the first quarter, Bang & Olufsen signed a contract with German BMW for the development of first-class sound systems for a range of BMW vehicles over the coming years. The first concrete result of this co-operation is shown at the Paris Motor Show until 17 October in the form of the new Bang & Olufsen High-End Surround Sound System for the BMW 6 Series concept car. The new sound system, which comprises 16 fully active loudspeakers, has a subwoofer placed under each front seat. In addition, there are seven mid-range drivers and seven tweeters, which together create a balanced listening experience.

Bang & Olufsen ICEpower a/s

For the first quarter of 2010/11, turnover for Bang & Olufsen ICEpower a/s was DKK 15 million against DKK 16 million in 2009/10.

Bang & Olufsen ICEpower a/s supplies patented amplifier technology combining high efficiency with low energy consumption and fantastic sound quality. As the ICEpower amplifier has extremely high energy efficiency, it allows for more compact constructions which, in turn, offers greater design freedom. In addition, the reduced heat generation means that the life of the electronic components is increased.

A significant part of the turnover continues to derive from sales of standard amplifier modules and customised solutions for quality manufacturers in the global audio market. Moreover, Bang & Olufsen ICEpower a/s receives royalties from the sale of amplifier technology and acoustic solutions for major OEM partners, including the computer manufacturer ASUS.

Expectations for the 2010/11 financial year

Product portfolio

The Group's objective for the 2010/11 financial year is to support the growth ambitions for the branded business through a continued high activity level within product development. The Group, therefore expects that approximately 25 per cent of the Group's turnover within the audio and video business will be derived from new products, with "new" defined as sales in the first 12 months after the launch.

Distribution development

Based on the recent positive turnover development in the mature shops, the Group plans to intensify the efforts to recruit new outlets. The Group expects that the total number of B1-shops will not be significantly different at the end of the 2010/11 financial year compared to the end of the 2009/10 financial year.

Expectations for the Group result for 2010/11

Based on a continuing high activity level within product development and an increased marketing effort, Bang & Olufsen expects that the 2010/11 financial year as a whole will result in a positive development in turnover and a positive result before tax based on a gross margin not deviating significantly from the level achieved in the 2009/10 financial year.

Risk factors

The interim report contains statements regarding expectations for future development, especially future turnover and operating results as well as expected business-related events. Such statements are uncertain and involve risks since many factors, some of which will be out of Bang & Olufsen's control, could mean that actual developments differ significantly from the expectations contained in the interim report. Without being exhaustive, such factors include general economic and business conditions, including market and competitive issues, supplier relations and financial conditions in the form of currency, interest rates, credit and liquidity risks.

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Statement by the management

We have today considered and approved the interim report for the period 1 June 2010 - 31 August 2010 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 31 August 2010 and the results of the Group's operations and cash flows for the period 1 June 2010 - 31 August 2010.

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 result 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, 8 October 2010

The Board of Directors for Bang & Olufsen a/s

Brian Petersen Chairman Niels B. Christiansen Deputy Chairman Peter Skak Olufsen

Rolf Eriksen

Ole Andersen

Tue Mantoni

Knud Olesen

Jesper Olesen

Anette Revsgaard Sejbjerg

The Board of Management for Bang & Olufsen a/s

Karl Kristian Hvidt Nielsen President & CEO

Henning Beier Beck Executive Vice President, CFO Christian Winther Executive Vice President John Bennett-Therkildsen Executive Vice President

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Profit and loss account

Bang & Olufsen a/s

		Gro	pup
N1 . 1		1/6 - 31/8 2010/11	1/6 - 31/8 2009/10
Notes	Net turnover Production costs	561.7 (336.9)	565.0 (339.7)
	Gross profit	224.8	225.3
2	Development costs Distribution and marketing costs Administration costs etc.	(75.4) (160.1) (18.6)	(89.6) (169.6) (18.6)
	Operating loss	(29.3)	(52.5)
	Result of investments in associates after tax	(2.9)	(1.1)
3 4	Financial income Financial costs	2.4 (4.9)	6.3 (5.5)
	Financial items, net	(2.5)	0.8
	Result before tax	(34.7)	(52.8)
	Tax on result for the period	8.0	10.2
	Result for the period	(26.7)	(42.6)
	Attributable to:		
	Shareholders of the parent company Minority interests	(26.7)	(42.7) 0.1
		(26.7)	(42.6)
	Earnings per share		
	Earnings per share, DKK	(0.7)	(1.2)
	Diluted earnings per share, DKK	(0.7)	(1.2)

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(31.0) (36.4)

Statement of comprehensive income

Bang & Olufsen a/s

		Group	
Notes		1/6 - 31/8 2010/11	1/6 - 31/8 2009/10
Notes	Result for the period	(26.7)	(42.6)
	Exchange rate adjustment of investments in foreign subsidiaries Change in fair value of derivative financial instruments	8.5	5.5
	used as cash flow hedges Transfer to the profit and loss account of fair value adjustments of derivative financial instruments used as cash flow hedges:	(22.3)	0.5
	Transfer to net turnover	7.5	0.4
	Transfer to production costs Tax on other comprehensive income	(2.2)	(0.2)
	Other comprehensive income, net of tax	(4.3)	6.2
	Comprehensive income for the period	(31.0)	(36.4)
	Attributable to:		
	Shareholders of the parent company Minority interests	(31.0)	(36.5) 0.1

Announcement No. 10.07 TRANSLATION

Balance sheet

Assets

Bang & Olufsen a/s

	(DKK million)		Group	
		31/8 - 10	31/5 - 10	31/8 - 09
Notes	Intangible assets			
	Goodwill	44.8	44.7	44.7
	Acquired rights	43.8	46.0	49.5
	Completed development projects	214.9	249.1	209.1
	Development projects in progress	248.8	206.7	188.5
	Total intangible assets	552.3	546.5	491.8
	Tangible assets			
	Land and buildings	239.2	240.9	253.4
	Plant and machinery	196.4	209.4	213.9
	Other equipment	32.2	34.9	44.4
	Leasehold improvements	21.4	23.2	29.3
	Tangible assets in progress and			
	prepayment for tangible assets	60.9	52.1	60.2
	Total tangible assets	550.1	560.5	601.2
	Investment property	44.5	45.4	48.2
	Financial assets			
	Investments in associates	5.3	5.3	8.3
	Other financial receivables	39.7	41.4	50.5
	Total financial assets	45.0	46.7	58.8
	Deferred tax assets	151.0	140.4	119.0
	Total non-current assets	1,342.9	1,339.5	1,319.0
	Inventories	606.6	563.6	616.0
	Receivables			
	Trade receivables	342.7	417.9	379.8
	Receivables from associates	1.3	1.5	1.0
	Income tax receivables	21.1	21.2	22.3
	Other receivables	26.0	27.6	23.2
	Prepayments	22.4	22.4	28.3
	Total receivables	413.5	490.6	454.6
	Cash	147.4	253.6	156.7
	Non-current assets classified as held for sale			15.7
	Total current assets	1,167.5	1,307.8	1,243.0
	Total assets	2,510.4	2,647.3	2,562.0
	10(41 433613	2,510.4	2,047.3	2,302.0

Announcement No. 10.07 TRANSLATION

Balance sheet

Equity and liabilities

Bang & Olufsen a/s

(DKK million)	Group		
Natas	31/8 - 10	31/5 - 10	31/8 - 09
Notes Equity			
Share capital	362.4	362.4	362.4
Share premium	232.1	232.1	232.1
Translation reserve	21.6	13.1	(36.2)
Reserve for cash flow hedges	(22.0)	(5.0)	(0.1)
Retained earnings	871.3	892.1	918.5
Equity attributable to shareholders of the parent company	1,465.4	1,494.7	1,476.7
Minority interests	, 1.5	, 1.5	2.4
Total equity	1,466.9	1,496.2	1,479.1
Non-current liabilities			
Pensions	7.8	7.8	7.0
Deferred tax	4.9	6.2	4.3
Provisions	84.7	78.2	76.4
Mortgage loans	224.7	225.8	229.2
Loans from banks etc.	51.0	52.8	93.8
Other non-current liabilities	0.4	6.9	6.7
Total non-current liabilities	373.5	377.7	417.4
Current liabilities			
Mortgage loans	4.6	4.6	6.5
Loans from banks etc.	42.8	42.8	32.6
Overdraft facilities	5.3	11.9	1.9
Provisions	52.5 184.0	52.7 259.4	59.6 194.2
Trade payables Income tax	184.0	259.4 20.0	23.7
Other payables	312.6	323.3	285.1
Deferred income	49.0	58.7	61.9
Total current liabilities	670.0	773.4	665.5
Total current habilities	670.0	775.4	005.5
Total liabilities	1,043.5	1,151.1	1,082.9
Total equity and liabilities	2,510.4	2,647.3	2,562.0

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

Bang & Olufsen a/s

	Grou	qu
Notes	2010/11	2009/10
 Result for the period Depreciation, amortisation and impairment losses Adjustments Change in working capital 	(26.7) 56.1 (15.7) (61.8)	(42.6) 62.8 (15.6) (26.9)
Cash flows from operating loss	(48.1)	(22.3)
Interest received etc. Interest paid etc. Income tax paid	2.4 (4.9) (0.4)	6.3 (5.5) (2.5)
Cash flows from operating activities	(51.0)	(24.0)
Purchase of intangible non-current assets Purchase of tangible non-current assets Sale of intangible non-current assets Received reimbursements, intangible non-current assets Change in financial receivables Cash flows from investment activities	(49.1) (14.9) - 16.6 1.7 (45.7)	(41.7) (30.6) 1.6 - 10.0 (60.7)
Costs related to capital increase Repayment of long-term loans Cash flows from financing activities	(2.9) (2.9)	(2.6) (3.0) (5.6)
Changes in cash and cash equivalents	(99.6)	(90.3)
Cash and cash equivalents 1 June	241.7	245.1
Cash and cash equivalents 31 August	142.1	154.8

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Statement of changes in equity

Bang & Olufsen a/s, Group

(DKK million)	Equity attributable to shareholders of the parent company				Minority interests	Total	
	Share capital	Share premium	Translation reserve	Reserve for cash flow hedges	Retained earnings		Equity Group
Equity 1 June 2009	362.4	232.1	(39.6)	(1.0)	960.5	2.3	1,516.7
Comprehensive income for the period	-	-	3.4	0.9	(40.8)	0.1	(36.4)
Costs related to capital increase Grant of share options	-	-	-	-	(2.6) 1.4	-	(2.6) 1.4
Equity 31 August 2009	362.4	232.1	(36.2)	(0.1)	918.5	2.4	1,479.1
Equity 1 June 2010	362.4	232.1	13.1	(5.0)	892.1	1.5	1,496.2
Comprehensive income for the period	-	-	8.5	(17.0)	(22.5)	-	(31.0)
Grant of share options		-		-	1.7		1.7
Equity 31 August 2010	362.4	232.1	21.6	(22.0)	871.3	1.5	1,466.9

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Notes to the interim report for the period 1/6 - 31/8

1. Accounting principles applied

The interim report for Bang & Olufsen a/s is prepared as a condensed set of financial statements in accordance with IAS 34, as endorsed by the European Union and further Danish disclosure requirements for interim reports for listed companies. Accounting principles applied and methods of computation in the interim report are unchanged compared to the accounting principle applied in the 2009/10 annual report, which is according to International Financial Reporting Standards as endorsed by the European Union.

Some new or amended Standards and Interpretations are effective for the 2010/11 financial year. The management assesses that these Standards and Interpretations will not have any material impact on the annual report.

Interim report for the parent company has not been prepared.

Bang & Olufsen a/s

	Group	
2. Development costs	1/6 - 31/8 2010/11	1/6 - 31/8 2009/10
Development costs incurred before capitalisation Amount hereof capitalised Total amortisation and impairment losses on development projects	99.9 (48.8) 24.3	99.4 (38.3) 28.5
Development costs recognised in the profit and loss account	75.4	89.6

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Bang & Olufsen a/s

(DKK million)	Group	
3. Financial income	1/6 - 31/8 2010/11	1/6 - 31/8 2009/10
Interest income from banks etc. Exchange rate gains, net Other financial income	0.2	0.5 4.9 0.9
Financial income	2.4	6.3
4. Financial costs		
Interest costs on bank loans etc. Interest costs on mortgage loans Other financial costs Financial costs	1.0 3.5 0.4	1.1 3.7 <u>0.7</u>
	4.9	5.5
5. Adjustments		
Change in other liabilities Financial income etc. Financial costs etc. Result of investments in associates after tax Gain/loss on sale of non-current assets Tax on result for the period Various adjustments	(0.2) (2.4) 4.9 0.3 (8.0) (13.2)	(7.8) (6.3) 5.5 1.1 1.0 (10.2) 1.1
Adjustments	(15.7)	(15.6)
6. Change in working capital		
Change in receivables Change in inventories Change in accounts payables etc. Change in working capital	77.0 (43.0) (95.8) (61.8)	36.5 (22.7) (40.7) (26.9)

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Key figures

Bang & Olufsen a/s, Group

(DKK million)	2010/11	2009/10
7. Key figures		
EBITDA	27	10
EBITDA-margin, %	5	2
Profit ratio, %	(5)	(9)
Return on assets, %	(1)	(2)
Return on invested capital, excl. goodwill, %	(0)	(1)
Return on equity, %	(2)	(3)
Current ratio	1.7	1.9
Equity ratio, %	58	58
Financial gearing	0.1	0.1
Net interest-bearing debt	181	207
Net turnover/Invested capital excl. goodwill	0.4	0.4
Intrinsic value per share (nom. DKK 10), DKK	40	41
Quotation as at 31 August	47	67
Price/earnings	(63)	(56)
Price/earnings, diluted	(63)	(56)
Quotation/Intrinsic value per share	1.2	1.6
Number of shares, end of the period	36,244,014	36,244,014
Number of own shares, end of the period	90,372	110,076
Average number of shares in circulation	36,153,642	36,133,938
Average number of shares in circulation - diluted	36,153,642	36,133,938

Parentheses denote negative figures.

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Definitions of key figures:

EBITDA:	Result before interests, tax, depreciation, amortisation, impairment losses and result of investments in associates after tax
EBITDA-margin:	EBITDA x 100 Net turnover
Profit ratio (EBIT):	<u>Operating profit/loss x 100</u> Net turnover
Return on assets:	<u>Operating profit/loss x 100</u> Average operational assets
EBITA:	Result before interests, tax, amortisation, impaiment losses on intangible assets and result of investments in associates after tax
Return on invested capital, excl. goodwill:	EBITA x 100 Average invested capital, excl. goodwill
Return on equity:	<u>Result for the period, excl. minority interests x 100</u> Average equity, excl. minority interests
Current ratio:	<u>Current assets</u> Current liabilities
Equity ratio:	Equity, end of period, excl. minority interests 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</u> Average invested capital, excl. goodwill
Earnings per share (nom. DKK 10), DKK:	<u>Result for the period, excl. minority interests</u> Average number of shares in circulation
Diluted earnings per share (nom. DKK 10), DKK:	Result for the period, excl. minority interests Average number of shares in circulation - diluted
Intrinsic value per share (nom. DKK 10), DKK:	<u>Equity, end of period, excl. minority interests</u> Number of shares, end of period
Price / earnings:	<u>Quotation</u> Earnings per share (nom. DKK 10)
Price/earnings, diluted:	Quotation Diluted earnings per share (nom. DKK 10)

Main and key figures are prepared in accordance with IFRS and "Recommendations and Key Figures 2010" from The Danish Association of Financial Analysts, except from those that are not defined in there. Comparison figures are adjusted.

8. Segment information

The period 1/6 2010 to 31/8 2010

	Branded business	Non-branded bu		
(DKK million)	Bang & Olufsen	Bang & Olufsen Medicom a/s	Bang & Olufsen ICEpower a/s	Total segments
Net turnover Internal turnover	536.4	-	15.4 (1.9)	551.8 (1.9)
External turnover	536.4		13.5	549.9
Result before tax	(32.0)	(2.9)	0.2	(34.7)

The period 1/6 2009 to 31/8 2009

	Branded business	Non-branded business					
(DKK million)	Bang & Olufsen	Bang & Olufsen Medicom a/s	Bang & Olufsen ICEpower a/s	Total segments			
Net turnover Internal turnover	549.9	-	16.4 (2.2)	566.3 (2.2)			
External turnover	549.9		14.2	564.1			
Result before tax	(53.5)	(1.0)	1.7	(52.8)			
Reconciliation of segment	information		1/6 - 31/8 2010/11	1/6 - 31/8 2009/10			
Net turnover, total segments Effect of differences in exchange rates used in the internal management accounting Elimination of internal turnover			551.8 11.8 (1.9)	566.3 0.9 (2.2)			
Net turnover, Group			561.7	565.0			
Result before tax, total segme	ents		(34.7)	(52.8)			
lesult before tax, Group			(34.7)	(52.8)			

Parentheses denote negative figures or amounts to be deducted.

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9. Turnover branded business

	Turnover 1/6 - 31/8 2010/11	Turnover 1/6 - 31/8 2009/10	Growth in local currency	
Automotive	91	49	85.7 %	
Asian markets, excl. Japan	57	48	18.8 %	
Germany	56	52	7.6 %	
Denmark	49	53	(6.8) %	
United Kingdom	45	60	(27.0) %	
North America	41	34	8.4 %	
Switzerland	35	42	(29.2) %	
Holland	30	32	(7.9) %	
France	27	24	10.8 %	
Spain/Portugal	20	28	(28.0) %	
Italy	18	23	(22.3) %	
Expansion markets, excl. Russia	13	17	(23.9) %	
Belgium	13	15	(17.0) %	
Enterprise *	13	13	-	
Sweden	10	12	(29.4) %	
Middle East	8	10	(17.2) %	
Austria	6	8	(31.1) %	
Norway	6	6	(19.7) %	
Japan	6	6	(11.9) %	
Russia	5	16	(69.9) %	
Other	(1)	3	(120.0) %	
Total branded business	548	551		

* Enterprise comprises turnover to the hotel sector etc.

Parentheses denote negative figures.

10. Distribution development

Shop segment	Number of shops per <u>31/8-10</u>	Change in the period <u>1/6-10 – 31/8-10</u>	Share of turnover per segment 2010/11	Share of turnover per segment 2009/10
B1	690	(13)	84 %	82 %
Shop-in-shop	292	(8)	16 %	18 %
Other	1	(1)		
Total	983	(22)	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 in Bang & Olufsen shops with more than 24 months of operations was for the period -8 % for B1-shops and -11 % for shop-in-shops.

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Appendix 1

(DKK million)

(DKK million)		2010 Quarterl			Ac	2010 cumulated q		lts
	1 quarter	2 quarter	, 3 quarter	4 quarter	1 quarter	2 quarter	3 quarter	4 quarter
Net turnover	561.7				561.7			
Gross profit	224.8				224.8			
Operating loss Result of investments in	(29.3)				(29.3)			
associates after tax Financial items, net	(2.9) (2.5)				(2.9) (2.5)			
Result before tax Tax on result for the period	(34.7) 8.0				(34.7) 8.0			
Result for the period Of which minority interests' share	(26.7)				(26.7)			
Shareholders of the parent company's share of result for the period	(26.7)				(26.7)			
	2009/10 Quarterly results			2009/10 Accumulated quarterly results				
	1 quarter	2 quarter	3 quarter	4 quarter	1 quarter	2 quarter	3 quarter	4 quarter
Net turnover	565.0	668.5	748.7	779.3	565.0	1,233.5	1,982.2	2,761.5
Gross profit	225.3	254.2	290.9	319.1	225.3	479.5	770.4	1,089.5
Operating profit / loss Result of investments in	(52.5)	(41.1)	31.6	28.2	(52.5)	(93.6)	(62.0)	(33.8)
associates after tax Financial items, net	(1.1) 0.8	(0.4) (6.1)	(0.5) (2.7)	(4.7) (1.1)	(1.1) 0.8	(1.5) (5.3)	(2.0) (8.0)	(6.7) (9.1)
Result before tax Tax on result for the period	(52.8) 10.2	(47.6) 14.0	28.4 (10.4)	22.4 2.9	(52.8) 10.2	(100.4) 24.2	(72.0) 13.8	(49.6) 16.7
Result for the period Of which minority interests' share	(42.6) (0.1)	(33.6) (0.6)	18.0 (0.5)	25.3 (0.3)	(42.6) (0.1)	(76.2) (0.7)	(58.2) (1.2)	(32.9) (1.5)
Shareholders of the parent company's share of result for the period	(42.7)	(34.2)	17.5	25.0	(42.7)	(76.9)	(59.4)	(34.4)

Parentheses denote negative figures.