

Introduction of Matching Shares Programme for a group of non-executive managerial employees

The board of directors of Bang & Olufsen a/s has decided to offer a group of non-executive managerial employees in the Bang & Olufsen group to participate in a Matching Shares Programme.

Under the Matching Shares Programme, the participating managerial employees are offered the opportunity to acquire shares in Bang & Olufsen a/s at their own cost ("Investment Shares") which after three years of ownership will provide the participating managerial employees with the right to receive 1–4 shares ("Matching Shares") in the company per Investment Share, subject to certain conditions having been fulfilled. The number of Matching Shares which the participating managerial employee will be entitled to receive (if any) is determined on the basis of the number of Investment Shares acquired and the performance of the company. The performance criteria will be determined by the Board of Directors and will primarily relate to the achievement of agreed targets with respect to the company's EBITDAC, turnover and CSI (Customer Satisfaction Index).

Participation in the Matching Shares Programme is offered to the managerial employees in order to ensure that the managerial employees stay focused on value creation and achievement of the company's long-term objectives.

For the managerial employees' participation in the Matching Shares Programme, the following guidelines apply:

Participation in the Matching Shares Programme is subject to the individual managerial employee acquiring Investment Shares in the company at a value that as a minimum corresponds to 3% of the relevant managerial employee's annual base salary ("Investment Requirement"). In order to observe the Investment Requirement, the managerial employee may either purchase shares at market price on NASDAQ OMX Copenhagen A/S during an open trading window prior to 1 November in the relevant year or transfer shares already owned by such managerial employee to the Matching Shares Programme.

A. The maximum number of Investment Shares which the participating managerial employee may transfer to the Matching Shares Programme will be determined at

the discretion of the Board of Directors, but may in no event exceed 10% of the managerial employee's annual base salary, equal to a total of 40,808 Investment Shares if applying a market value of DKK 64 per Investment Share.

- B. Three years after the participating managerial employees' acquisition of the Investment Shares, the company will free of charge provide such managerial employees with Matching Shares in the company. The number of Matching Shares granted to the participating managerial employees will depend on the number of Investment Shares acquired and the performance of the company during the three-year vesting period. However, Matching Shares will only be granted to the participating managerial employee if the following conditions have been fulfilled:
- i. The managerial employee has acquired a sufficient amount of Investment Shares to satisfy the Investment Requirement and has satisfied this requirement during the entire vesting period.
 - ii. The managerial employee has not for any reason lost his/her right to participate in the programme.
 - iii. The managerial employee is still employed with the company or has left the company as a good leaver (i.e. the managerial employee's employment has been terminated by the company without cause, due to the maximum retirement age or due to death, or the managerial employee's employment has been terminated by the managerial employee due to an applicable public or private pension scheme entering into force or due to the company's material breach of the employment relationship).
 - iv. The performance of the company meets the targets determined at the discretion of the Board of Directors.
 - v. The Matching Shares Programme has not been terminated.
- C. In lieu of Matching Shares, the company is entitled to provide the managerial employees with a cash amount corresponding to the value of the Matching Shares.

The theoretical market value of the participation of the managerial employees in the Matching Shares Programme is estimated to a maximum amount of DKK 3,421,400.99 as per the date of grant.

For further information, please contact:

Investor Relations Manager, Claus Højmark Jensen, Phone: +45 23 25 10 67