ANNOUNCEMENT TO THE COPENHAGEN STOCK EXCHANGE

22 February 2007

IC Companys A/S – H1 interim report 2006/07

Revenue grew by 9% in H1. Operating profit for the period was DKK 233 million. The guidance on revenue for the full year is retained at DKK 3,400 million, whereas the guidance on operating profit for the full year is reduced to DKK 330 - 350 million (previously DKK 375 - 400 million).

At its meeting on 21 February 2007, the Board of Directors of IC Companys A/S considered and adopted the interim financial statements for the six months ended 31 December 2006.

- Revenue rose 9% to reach DKK 1,803 million (DKK 1,648 million). Revenue derived from own continuing brands was up by 13%.
- Gross profit was DKK 1,046 million (DKK 959 million), which translates into a gross margin of 58.0% (58.2%). The marginally lower gross margin was due to higher sourcing currency exchange rates than last year.
- Costs rose by 13% to DKK 813 million (DKK 718 million). This increase was due both to a higher level of activity and the Group's growth initiatives.
- Operating profit was DKK 233 million (DKK 241 million), equivalent to an EBIT margin of 12.9% (14.6%).

Full-year guidance for 2006/07 reduced; objectives for the 2007/08 financial year retained

- The Group expects revenue of DKK 3,400 million for the full year 2006/07.
- The decline in Jackpot is bigger than previously estimated. Adding the extraordinarily warm winter weather, which in particular has affected the Groups largest brand Peak Performance in the form of less sales growth and higher inventory writedowns in Q2 than planned, has led to a downgrade in the forecast of operating profit to DKK 330 - 350 million (EBIT margin 9.7% - 10.3%) from previously DKK 375 - 400 million (EBIT margin 11.0% - 11.8%).
- Operating investments in the region of DKK 130 - 140 million are still scheduled for 2006/07. In addition capital investments of DKK 50 million are expected.
- The projection of the free cash flow is reduced to DKK 170 - 200 million from DKK 230 - 250 million.
- The previously forecast DKK 200 million share buyback remains unchanged.
- The order intake for the fall 2007 collections is progressing as planned with expected double-digit growth. The order intake will be finally closed by mid-March 2007.
- The current three-year financial goal is retained of generating revenues in the region of DKK 3,800 million, an EBIT margin of 13-15% and a free cash flow of more than DKK 400 million, and for these targets to be reached in the 2007/08 financial year.

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FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK Million	Q2 2006/07 3 months	Q2 2005/06 3 months	H1 2006/07 6 months	H1 2005/06 6 months	2005/06 12 months
Income statement					
Revenue	707.5	673.7	1,803.2	1,648.2	3,022.0
Gross profit	407.3	401.0	1,045.9	958.9	1,767.5
Operating profit before depreciation & amortisation (EBITDA)	36.9	63.1	278.4	278.9	404.0
Operating profit before special items	13.4	43.6	232.8	240.7	302.5
Operating profit (EBIT)	13.4	43.6	232.8	240.7	322.8
Net financial items	(4.6)	(4.6)	(7.5)	(8.2)	(19.9)
Profit before tax	8.8	39.0	225.3	232.5	302.9
Profit for the period	6.3	27.7	160.0	165.1	224.4
Balance sheet					
Non-current assets	856.4	628.1	856.4	628.1	787.5
Current assets	999.4	864.6	999.4	864.6	877.5
Total assets	1,855.8	1,492.7	1,855.8	1,492.7	1,665.0
Equity	653.8	711.9	653.8	711.9	579.5
Total liabilities	1,202.0	780.8	1,202.0	780.8	1,085.5
Cash flow statement					
Cash flow from operating activities	315.2	221.3	167.4	147.5	326.3
Cash flow from investing activities	(42.5)	(26.9)	(116.2)	(47.2)	(141.8)
Cash flow from operating and investing activities	272.7	194.4	51.2	100.3	184.5
Cash flow from financing activities	(118.9)	7.6	(87.3)	12.0	(163.3)
Cash flow for the period	153.8	202.0	(36.1)	112.3	21.2
Key ratios					
Gross margin (%)	57.6	59.5	58.0	58.2	58.5
EBITDA margin (%)	5.2	9.4	15.4	16.9	13.4
EBIT margin (%)	1.9	6.5	12.9	14.6	10.7
Return on equity (%)	0.9	4.0	25.9	26.4	40.1
Equity ratio (%)	35.2	47.7	35.2	47.7	34.8
Average capital employed including goodwill	1,311.8	1,059.3	1,113.4	954.5	991.6
Return on capital employed (%)	1.0	4.1	20.9	25.2	30.5
Net interest-bearing debt, end of period	447.5	193.8	447.5	193.8	401.9
Financial leaverage (%)	68.4	27.2	68.4	27.2	69.3
Share data*					
Diluted average number of shares excluding treasury shares	18,308.2	18,793.1	18,287.4	18,755.6	18,648.4
Market price, end of period, DKK	380.0	331.0	380.0	331.0	344.5
Diluted earnings per share, DKK	0.4	1.5	8.7	8.8	11.9
Diluted cash flow per share, DKK	17.2	11.7	9.2	7.8	17.4
Diluted net asset value per share, DKK	35.7	37.7	35.7	37.7	31.4
Diluted price / earning, DKK	890.8	225.4	43.6	37.7	28.9
Employees					
Number of employees (full-time equivalents at the end of the period)	2,182	1,970	2,182	1,970	2,032

The key ratios and share data have been calculated according to the recommendations in "Recommendations and Ratios 2005" issued by the Danish Society of Financial Analysts. The equity ratio is calculated as the equity at period end divided by the total assets at period end.

* The effect of IC Companys' programmes for share options and warrants has been included in the diluted values.

PERFORMANCE IN H1 2006/07

Introduction

The development in Q2 has been unsatisfactory. Revenue for continuing brands has only increased by 9% and operating profit has decreased by DKK 30 million to DKK 13 million.

The decline in Jackpot in Q2 and for the remaining part of 2006/07 will be bigger than previously estimated. Despite of a growth of 13% in Q2, Peak Performance has realized less sales than expected due to the extraordinarily warm winter weather.

In addition the Group has been bulking fall and winter goods based on higher growth expectations than realized, resulting in higher inventory writedowns in Q2 than previously estimated.

As disclosed in the announcement of the Q1 results the order intake for the remaining part of the financial year 2006/07 is lower than expected. This has resulted in a number of cost reduction initiatives for the remaining part of the financial year.

The combination of these developments has led to a downgrade in the forecast of operating profit to DKK 330 - 350 million (EBIT margin 9.7% - 10.3%) from previously DKK 375 - 400 million (EBIT margin 11.0% - 11.8%).

Sales Development

Revenue in H1 rose 9% to reach DKK 1,803 million (DKK 1,648 million). Revenue growth was favourably affected by net store openings which increased revenue by DKK 17 million, whilst currency translation reduced revenue by DKK 3 million.

Sales performance for own brands:

DKK million	Q2 2006/07	Q2 2005/06	Change	H1 2006/07	H1 2005/06	Change
Peak Performance	221	196	13%	495	402	23%
InWear	99	91	9%	279	240	16%
Jackpot	70	81	-14%	225	251	-10%
Tiger of Sweden	57	61	-7%	201	174	16%
Cottonfield	68	52	32%	145	127	14%
Matinique	55	45	20%	128	107	20%
Part Two	37	31	19%	95	89	7%
Saint Tropez	45	48	-6%	84	90	-7%
By Malene Birger	15	11	34%	58	42	37%
Soaked in Luxury	25	23	11%	55	47	17%
Designers Remix Collection	8	5	55%	23	14	60%
Total continuing brands	**700**	**644**	**9%**	**1,788**	**1,583**	**13%**
Part Two Man (PTM)	1	8	-85%	3	18	-82%
Sir of Sweden	0	8	-100%	0	18	-100%
Error	0	3	-82%	1	8	-87%
Total discontinued brands	**1**	**19**	**-96%**	**4**	**44**	**-90%**
Total own brands	**701**	**663**	**6%**	**1,792**	**1,627**	**10%**

Growth was generated in the Group's continuing brands in H1 2006/07 at a combined rate of 13%. Peak Performance, InWear, Tiger of Sweden, Cottonfield, Matinique, By Malene Birger, Soaked in Luxury and Designers Remix Collection all showed double-digit growth rates.

The planned closure of PTM (the Part Two men's line) and Error, plus the divestment of Sir of Sweden resulted in a combined revenue loss of DKK 40 million in H1 2006/07. Including the revenue loss for these brands, the combined growth rate was 10%.

Jackpot has been declining for some time, and revenue was down by 10% year on year. The brand has gone through a necessary repositioning process and is now an updated brand. This has resulted in an adjustment of the distribution platform, and in this process more retailers and end customers have been lost than the number of new ones obtained. Going forward, the main challenge for Jackpot will be a rapid expansion of the brand's wholesale distribution and a sharp improvement in the exploitation of the brand's existing international store portfolio. A new brand director who has been appointed to manage the future efforts and turnaround will take up the position in the near future.

Retail sales of Peak Performance in Q2 showed lower growth than projected. This was among other things due to a less positive development in same-store-sales and in-season sales than projected due to the extraordinarily warm winter weather.

The decline in Tiger of Sweden sales in Q2 was due to the fact that Tiger of Sweden, as planned, delivered part of the winter collection in Q1. Tiger of Sweden recorded satisfactory growth at the rate of 16% for the full six-month period.

The decline in Saint Tropez was due to a number of temporary organisational issues, and Saint Tropez is expected to show growth for the full 2006/07 financial year.

As planned, sales of non-Group brands in our own retail stores was reduced by 46% from DKK 21 million to DKK 11 million.

Sales performance for own brands by market:

DKK million	H1 2006/07	H1 2005/06	Change
Sweden	413	388	6%
Denmark	330	284	16%
Holland	155	154	1%
Norway	149	113	31%
UK & Ireland	95	100	-5%
Belgium	94	86	10%
Finland	91	85	7%
Germany	87	80	9%
Switzerland	59	51	17%
Canada	46	44	5%
Spain	39	33	17%
Russia	33	27	22%
Poland	49	50	-3%
Austria	33	31	5%
France	25	20	25%
Other	94	81	17%
Total own brands	**1,792**	**1,627**	**10%**

Sales by country showed satisfactory growth. Double-digit growth rates were achieved in Denmark, Norway, Belgium, Switzerland, Spain, Russia and France in H1 2006/07. Only the UK and Poland saw minor declines in H1.

After several years of decline, 10% growth was generated in Belgium in H1. Matinique, Cottonfield, Part Two, Designers Remix Collection and Soaked in Luxury all grew by more than 20% in Belgium. However, Jackpot fell by 15% in the Belgian market in H1.

In the Netherlands, Matinique, Cottonfield, Designers Remix Collection and Soaked in Luxury all reported double-digit growth rates in H1. Jackpot and Part Two fell by 14% and 44% respectively. The fall in Part Two sales was solely caused by the brand's decision to pull out of a large retailer chain.

Poland was down by 3% in H1. This was primarily due to developments in Jackpot sales. However, it was satisfactory that Poland showed moderate growth of 3% in Q2, primarily driven by growth in Cottonfield and Peak Performance.

As a result of the continuing decline in the UK and Ireland, it has been decided to change the management, and the search for a new country manager has begun. The sales structure under a new country manager will focus more on brands and the sales representatives will be brand-dedicated and organised under a sales manager per brand for both markets.

The category 'Other' includes among other countries Italy, China, Japan, Iceland, Croatia and Greece, all of which showed double-digit growth rates.

Gross profit increased
The gross profit for H1 was DKK 1,046 million (DKK 959 million), and the gross margin was 58.0% (58.2%). The year-on-year fall by 0.2 percentage points was composed of several factors with opposite effects.

First, in H1 2006/07, the Group's sourcing currencies were hedged at a higher exchange rate than in the year-earlier period. Seen in isolation, this reduced the Group's gross margin by approximately 2.2 percentage points in H1. Secondly, the Group's inventories of the fall and winter collections are larger than projected, due to lower sales than planned, resulting in larger writedowns in H1.

Operating improvements largely offset the negative developments in the Group's sourcing currencies and the higher inventory writedowns. In the wholesale operation discounts and returns as a percentage of gross revenue fell, and the overall utilization of the wholesale order mass thus improved marginally. Moreover, the Group's gross margin on the retail operation rose by 1.1 percentage point year-on-year. If this improvement is adjusted for the adverse fluctuations in the Group's sourcing currencies, the underlying retail operating improvement was significant.

Increasing operating costs
Costs totalled DKK 813 million (DKK 718 million), and the cost ratio rose by 1.5 percentage points to reach 45.1%. The increase was caused both by a higher level of activity and the long-term growth initiatives announced in connection with the 2005/06 annual report.

Due to a growing international sales volume, Peak Performance is investing in establishing a regionalised sales structure, in increasing its sales resources and marketing costs, and in retail operations. Moreover, the brand is increasing its focus on the golf segment through the efforts of a dedicated sales and design team. Overall, these initiatives increased costs by DKK 23 million compared with the same six-month period last year.

Other long-term growth initiatives increased total costs by DKK 21 million.

The acquisition of the Norwegian distributor of Peak Performance further increased costs by DKK 12 million.

The remaining developments in costs combined with a lower-than-projected order intake for 2006/07 has, as was announced in the Q1 report, resulted in steps to reduce costs during the remaining part of the financial year.

Profit development
Operating profit fell by 3% to DKK 233 million (DKK 241 million). The profit was lower than planned and is not satisfactory.

This performance, which results in a reduction of the Group's guidance for the full year, was primarily caused by the decrease in Jackpot sales and generally larger-than-planned inventory writedowns as a result of the extraordinarily warm winter weather.

The performance compared with last year should also be seen in the perspective of the Group's long-term growth initiatives which, as mentioned above, resulted in a year-on-year increase in costs alone by DKK 44 million.

Net financials amounted to a net expense of DKK 8 million (DKK 8 million) in spite of higher average drawings on the credit limit and a higher interest rate level. The favourable trend was due to a gain of DKK 6 million on a currency swap intended to hedge the Group's currency risk on equity in Swedish kroner.

An estimated tax charge of DKK 65 million was recognised, equivalent to 29% of the profit before tax. Net profit for the period was down by 3% to DKK 160 million (DKK 165 million).

Distribution channels

Wholesale operation

Wholesale revenue was DKK 1,263 million (DKK 1,144 million), equivalent to a 10% increase. 9 out of 11 brands reported double-digit growth rates. Jackpot and Saint Tropez reported unsatisfactory declines in wholesale revenue of 12% and 6% respectively.

The segment profit of the wholesale operation was DKK 196 million (DKK 219 million), equivalent to a profit margin of 15.5% (19.2%). The decrease in relative earnings was due to a lower gross margin for the wholesale channel as a result of the higher sourcing currency exchange rates. This effect more than offset the underlying operating improvements in the form of fewer discounts and returns. The Group's growth initiatives also increased costs in the wholesale channel.

In-season sales in H1 2006/07 showed a satisfactory 21% year-on-year growth. Tiger of Sweden, Cottonfield, InWear, Matinique, Soaked in Luxury and Designers Remix Collection in particular were driving this trend with growth rates of more than 30%.

The order intake for the fall 2007 collection, which started in the beginning of January, is progressing as planned with expected double-digit growth. The order intake will be finally closed by mid-March 2007.

Retail operation

Retail revenue rose 8% to reach DKK 473 million (DKK 436 million). Net store openings had a favourable effect on revenue of DKK 17 million. Same-store sales rose by 7% in H1 (organic sales growth), which was lower than projected. However, this performance should be seen in light of the extraordinarily warm winter weather.

Same-store-sales varied for the different brands. It was satisfactory that InWear, Matinique and Part Two recorded growth rates of more than 20% in same-store-sales, whereas Jackpot and Saint Tropez both reported 7% drops in same-store-sales.

The H1 segment profit of the retail operation improved by DKK 14 million to DKK 87 million (DKK 73 million), equivalent to a profit margin of 18.4% (16.6%).

The improvement is due to better sell-through, resulting in fewer discounts and surplus products. This was achieved through better products, better sourcing and better merchandising. To this should be added the positive effect of the closure of a number of unprofitable stores. The earnings level of the retail operation has now improved for ten consecutive quarters.

Eleven stores were closed during H1, and 44 new stores were opened, 29 of which are concessions. Out of the concessions opened, 12 are part of an agreement with a leading Dutch department store, and five concessions were attributable to a conversion of a Companys concept store in Denmark. The acquisition of the Peak Performance distributor in Norway has increased the retail portfolio by three stores. A net of three stores were opened during Q2. The retail portfolio (concessions and stand-alone stores) now totals 262 stores.

Outlet operation
Revenue from the outlet operation fell by 1% to DKK 67 million (DKK 68 million). The segment profit of the outlet operation rose by DKK 8 million in H1, equivalent to an increase in the profit margin by 12.3 percentage points to 24.1% (11.8%).

The improvement of relative earnings in the outlet operation was obtained through a better product mix and flow of products to the stores, which helped achieve lower discounts.

The outlet operation is an integral part of the Group's business model for profitable sale of residual post-season products. The Group operates 22 outlet stores.

Cash flows
The cash flow from operating activities in H1 increased by DKK 19 million to DKK 167 million (DKK 148 million). This was due to less working capital. The increase in the Group's inventories and debtors as a result of increased activity was more than offset by an increase in current liabilities.

Gross investments in H1 totalled DKK 116 million (DKK 59 million). Of these investments, DKK 49 million related to the refurbishment and maintenance of the Group's retail stores and showrooms; DKK 19 million related to the refurbishment and maintenance of the Group head office at Raffinaderivej; and DKK 27 million related to goodwill in connection with the acquisition of the Peak Performance distributor in Norway.

The cash flow from financing activities in H1 was an outflow of DKK 87 million (an inflow of DKK 12 million). The Group distributed a dividend of DKK 68 million and bought back shares for DKK 53 million during the period.

The net cash flow in H1 was an outflow of DKK 36 million (an inflow of DKK 112 million).

Net interest-bearing debt
The Group's net interest-bearing debt was DKK 448 million (DKK 194 million), or DKK 254 million higher than at 31 December 2005. Of this amount, DKK 168 million was new long-term debt raised in connection with the acquisition of the Group's head office and financing of improvements.

Balance sheet
Consolidated assets were up DKK 363 million from DKK 1,493 million at 31 December 2005 to reach DKK 1,856 million at 31 December 2006. The increase was due to movements in both non-current and current assets.

Non-current assets rose by DKK 228 million year-on-year. Most of this increase was attributable to the acquisition of the Group head office (Raffinaderivej) and improvements made to the building. The remainder of the increase was attributable to an increase in goodwill as a result of the acquisition of the Peak Performance distributor in Norway and the sourcing agent in Turkey. Investments in the renovation of existing stores and in new stores, as well as the current renovation of the Group's head office, further increased non-current assets.

Short-term assets rose by DKK 135 million, and inventories grew by DKK 48 million year-on-year, The increase in inventories was due to an increase in surplus products primarily driven by lower-than-projected sales of Jackpot and Peak Performance. Trade receivables rose by 13% as a result of increased activity.

Movements in equity

DKK Million	2006/07	2005/06
Equity as at 1 July	**579.5**	**538.5**
Profit for the period	160.0	165.1
Currency translation of subsidiaries	(8.2)	-
Proceeds from issue of share-based payment plans	24.2	19.3
Recognition of share-based payments	2.5	2.0
Value adjustment of currency hedging instruments	16.7	(13.0)
Dividends paid	(67.7)	-
Share buyback	(53.2)	-
Equity as at 31 December	**653.8**	**711.9**

At 31 December 2006, equity had decreased by DKK 58 million to DKK 654 million equivalent to an equity ratio of 35.2% (47.7%).

At the company's annual general meeting held on 25 October 2006, a resolution was passed to declare a dividend of DKK 68 million, which has subsequently been paid out.

In the autumn of 2006, members of the Executive Board, other executives and key employees exercised their share incentive plans, which resulted in an increase of equity by DKK 24 million. During the period, the Group used forward exchange contracts with a negative market value, which had been recognised in equity at 30 June 2006.

The Group completed the share buyback programme for 2005/06 of DKK 200 million in July 2006 and has started up an equivalent programme for 2006/07. This has reduced equity by DKK 53 million.

Reduction of the share capital
At the annual general meeting held on 25 October 2006, a resolution was adopted to reduce the company's share capital by DKK 5,658,750 nominal value, equivalent to the number of shares, 565,875, that had been bought back under the share buyback programmes during the period from 1 January to 31 July 2006.

After the end of the three-month period for announcement through the Danish Commerce and Companies Agency, the reduction of the share capital was registered on 29 January 2007. A number of shares equivalent to the reduction of capital, 565,875 shares, has been cancelled.

After the completion of the reduction, the company's share capital is DKK 183,934,980 nominal value, consisting of 18,393,498 shares of DKK 10 nominal value each. The company's holding of treasury shares has been reduced by the cancelled shares, a total of 565,875 shares, and totalled 469,552 shares at 21 February 2007, equivalent to 2,6% of the company's share capital.

Share buyback programme
As previously announced the Group expects to buy back shares of approximately DKK 200 million in the period from 24 November 2006 to 30 June 2007.

The first programme of DKK 75 million was completed 21 February 2007. At its meeting on 21 February 2007, the Board of Directors of IC Companys A/S decided to initiate the next programme of DKK 75 million. This programme commences 22 February 2007 and runs until 23 May 2007.

OUTLOOK FOR THE FULL YEAR 2006/07 AND 2007/08

Full-year guidance for 2006/07 reduced
The development in Q2 has been unsatisfactory. Revenue for continuing brands has only increased by 9% and operating profit has decreased by DKK 30 million to DKK 13 million.

The decline in Jackpot in Q2 and for the remaining part of 2006/07 will be bigger than previously estimated. Despite of a growth of 13% in Q2, Peak Performance has realized less sales than expected due to the extraordinarily warm winter weather.

In addition the Group has been bulking fall and winter goods based on higher growth expectations than realized, resulting in higher inventory writedowns in Q2 than previously estimated.

As disclosed in the announcement of the Q1 results the order intake for the remaining part of the financial year 2006/07 is lower than expected. This has resulted in a number of cost reduction initiatives for the remaining part of the financial year.

The combination of these developments has led to a downgrade in the forecast of operating profit to DKK 330 - 350 million (EBIT margin 9.7% - 10.3%) from previously DKK 375 - 400 million (EBIT margin 11.0% - 11.8%). The projection of the free cash flow is reduced to DKK 170 - 200 million from DKK 230 - 250 million.

The Group projects revenue of DKK 3,400 million for 2006/07 and operating investments in the range of DKK 130 - 140 million are scheduled. Furthermore, capital investments of DKK 50 million are expected for the 2006/07 financial year.

The previously forecast DKK 200 million share buyback remains unchanged.

Objectives for the 2007/08 financial year retained
The current three-year financial goal is retained of generating revenues in the region of DKK 3,800 million, an EBIT margin of 13-15% and a free cash flow of more than DKK 400 million, and for these targets to be reached in the 2007/08 financial year.

This objective is to be seen in the perspective of expectations of double digit growth in order intake for the fall collection 2007, an improvement in the gross margin from improved sourcing currencies, continuing better retail performance, the effect of the initiated long term growth and efficiency initiatives.

IC Companys A/S

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This announcement is a translation from the Danish language. In the event of any discrepancy between the Danish and English versions, the Danish version shall prevail.

MANAGEMENT'S STATEMENT ON THE INTERIM REPORT

The Board of Directors and the Executive Board today considered and approved the interim report of IC Companys A/S for the six months ended 31 December 2006.

The interim report, which is unaudited, is presented in accordance with the recognition and measurement provisions of the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish interim financial reporting requirements for listed companies.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the Group's assets, liabilities, and financial position as at 31 December 2006 and of the results of the Group's operations and cash flows for the six months ended 31 December 2006.

Copenhagen, 21 February 2007

Executive Board:

HENRIK THEILBJØRN
President & CEO

MIKKEL V. OLESEN
Chief Operating Officer

Board of Directors:

NIELS ERIK MARTINSEN
Chairman

HENRIK HEIDEBY
Deputy Chairman

OLE WENGEL
Deputy Chairman

ANDERS COLDING FRIIS

NIELS HERMANSEN

LEIF JUUL JØRGENSEN

DISTRIBUTION CHANNELS

DKK million	Wholesale Q2 2006/07	Wholesale Q2 2005/06	Retail Q2 2006/07	Retail Q2 2005/06	Outlet Q2 2006/07	Outlet Q2 2005/06	Group Q2 2006/07	Group Q2 2005/06
Revenue	410	402	262	236	36	36	708	674
Distribution channel profit	**(28)**	**15**	**66**	**57**	**7**	**2**	**45**	**74**
Distribution channel profit margin	*-6.8%*	*3.8%*	*25.0%*	*24.0%*	*20.1%*	*5.5%*	*6.4%*	*11.0%*
Unallocated corporate costs*							(32)	(30)
Operating profit							**13**	**44**
EBIT margin							*1.9%*	*6.5%*

DKK million	Wholesale H1 2006/07	Wholesale H1 2005/06	Retail H1 2006/07	Retail H1 2005/06	Outlet H1 2006/07	Outlet H1 2005/06	Group H1 2006/07	Group H1 2005/06
Revenue	1,263	1,144	473	436	67	68	1,803	1,648
Distribution channel profit	**196**	**219**	**87**	**73**	**16**	**8**	**299**	**300**
Distribution channel profit margin	*15.5%*	*19.2%*	*18.4%*	*16.6%*	*24.1%*	*11.8%*	*16.6%*	*18.2%*
Unallocated corporate costs*							(66)	(59)
Operating profit							**233**	**241**
EBIT margin							*12.9%*	*14.6%*

* Unallocated corporate costs comprise IT, finance, HR and general management.

INCOME STATEMENT

DKK million	GROUP Q2 2006/07	Q2 2005/06	H1 2006/07	H1 2005/06	12 months 2005/06
REVENUE	**707.5**	**673.7**	**1,803.2**	**1,648.2**	**3,022.0**
Cost of sales	(300.2)	(272.7)	(757.3)	(689.3)	(1,254.5)
GROSS PROFIT	**407.3**	**401.0**	**1,045.9**	**958.9**	**1,767.5**
Staff costs	(194.1)	(172.3)	(390.7)	(341.4)	(711.1)
Depreciation, amortisation and writedown of fixed assets	(23.5)	(19.5)	(45.6)	(38.2)	(81.2)
Other operating expenses	(179.9)	(164.8)	(384.0)	(340.2)	(683.7)
Other gains and losses	3.6	(0.8)	7.2	1.6	11.0
Special items	-	-	-	-	20.3
OPERATING PROFIT	**13.4**	**43.6**	**232.8**	**240.7**	**322.8**
Financial income	9.6	2.9	13.1	5.7	7.5
Financial expenses	(14.2)	(7.5)	(20.6)	(13.9)	(27.4)
PROFIT BEFORE TAX	**8.8**	**39.0**	**225.3**	**232.5**	**302.9**
Income tax for the period	(2.5)	(11.3)	(65.3)	(67.4)	(78.5)
PROFIT FOR THE PERIOD	**6.3**	**27.7**	**160.0**	**165.1**	**224.4**
PROFIT ALLOCATION					
Equity holders of IC Companys A/S	7.8	27.7	159.4	165.1	222.9
Minority interest	(1.5)	-	0.6	-	1.5
	6.3	**27.7**	**160.0**	**165.1**	**224.4**
Diluted earnings per share DKK	0.4	1.5	8.7	8.8	11.9
Specification of revenue:					
Continuing brands	699.6	643.9	1,787.6	1,583.0	2,932.7
Discontinued brands	1.7	19.3	4.2	43.9	53.9
External brands	6.2	10.5	11.4	21.3	35.4
Total revenue	**707.5**	**673.7**	**1,803.2**	**1,648.2**	**3,022.0**

BALANCE SHEET – ASSETS

	GROUP		
DKK million	**31.12.2006**	**31.12.2005**	**30.06.2006**
NON-CURRENT ASSETS			
Goodwill	206.8	169.9	176.6
Software and IT systems	19.9	19.7	22.4
Trademark rights	0.2	0.3	0.2
Leasehold rights	20.4	26.0	22.3
Intangible assets	247.3	215.9	221.5
Land and buildings	182.7	30.6	159.7
Leasehold improvements	100.6	102.2	87.1
Equipment and furniture	112.7	68.4	83.7
Property, plant and equipment under construction	9.0	17.8	31.2
Property, plant and equipment	405.0	219.0	361.7
Shares	0.2	0.2	0.2
Deposits, etc.	20.8	26.1	21.6
Deferred tax assets	183.1	166.9	182.5
Other non-current assets	204.1	193.2	204.3
Total non-current assets	**856.4**	**628.1**	**787.5**
CURRENT ASSETS			
Inventories	380.6	332.2	391.1
Trade receivables	329.8	291.4	207.7
Income tax receivable	3.7	17.8	9.7
Other receivables	39.0	51.6	76.3
Prepayments	92.3	65.4	93.1
Cash and cash equivalents	154.0	106.2	99.6
Total current assets	**999.4**	**864.6**	**877.5**
TOTAL ASSETS	**1,855.8**	**1,492.7**	**1,665.0**

BALANCE SHEET – EQUITY AND LIABILITIES

	GROUP		
DKK million	**31.12.2006**	**31.12.2005**	**30.06.2006**
EQUITY			
Equity attributable to equity holders of the parent	651.7	711.9	578.0
Minority interest	2.1	-	1.5
Total equity	**653.8**	**711.9**	**579.5**
LIABILITIES			
Deferred tax liabilities	19.7	10.6	19.9
Retirement benefit obligations	8.8	9.3	8.3
Financial institutions	168.0	-	117.5
Capitalised lease liability	8.7	49.7	8.8
Non-current liabilities	205.2	69.6	154.5
Financial institutions	424.1	247.5	333.0
Capitalised lease liability	0.7	2.8	42.2
Trade payables	235.2	183.5	287.4
Income tax	35.9	14.2	47.5
Calculated income tax on the profit for the period	65.3	67.4	-
Provisions	1.4	4.3	1.5
Other debt	234.2	191.5	219.4
Current liabilities	996.8	711.2	931.0
Total liabilities	**1,202.0**	**780.8**	**1,085.5**
TOTAL EQUITY AND LIABILITIES	**1,855.8**	**1,492.7**	**1,665.0**

IC COMPANYS
HOME OF FASHION BRANDS

CONSOLIDATED CASH FLOW STATEMENT

DKK million	Q2 2006/07	Q2 2005/06	H1 2006/07	H1 2005/06	12 months 2005/06
	GROUP				
CASH FLOW FROM OPERATING ACTIVITIES					
Operating profit	13.4	43.6	232.8	240.7	322.8
Reversed depreciation and impairment losses and profit/(loss) on sale of non-current assets	21.7	20.3	44.1	36.7	64.0
Reversed cost for share-based payment plans	1.3	1.0	2.5	2.0	4.6
Other adjustments	(12.4)	(2.4)	(10.6)	(3.2)	3.8
Change in working capital	300.5	170.4	(85.7)	(112.2)	(21.6)
Cash flow from operating activities before financial items	324.5	232.9	183.1	164.0	373.6
Financial income received	9.7	0.8	13.0	3.4	12.7
Financial expenses paid	(14.0)	(5.4)	(20.0)	(10.8)	(26.0)
Cash flow from ordinary activities	320.2	228.3	176.1	156.6	360.3
Income tax paid	(5.0)	(7.0)	(8.7)	(9.1)	(34.0)
Total net cash flow from operating activities	**315.2**	**221.3**	**167.4**	**147.5**	**326.3**
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition of activities etc.	-	-	(37.0)	-	(5.5)
Purchase of intangible assets	(0.3)	(3.4)	(4.5)	(7.0)	(5.9)
Purchase of property, plant and equipment	(44.5)	(22.4)	(74.1)	(51.7)	(145.4)
Purchase and sale of other non-current assets	2.3	(1.1)	(0.6)	11.5	15.0
Total net cash flow from investing activities	**(42.5)**	**(26.9)**	**(116.2)**	**(47.2)**	**(141.8)**
Total net cash flow from operating- and investing activities	**272.7**	**194.4**	**51.2**	**100.3**	**184.5**
CASH FLOW FROM FINANCING ACTIVITIES					
Net proceeds from non-current financial liabilities raised	(40.8)	(5.6)	9.4	(7.3)	(8.6)
Share buyback	(27.9)	-	(53.2)	-	(174.1)
Dividends paid	(67.7)	-	(67.7)	-	-
Proceeds from excercise of share-based payment plans	17.5	13.2	24.2	19.3	19.4
Total net cash flow from financing activities	**(118.9)**	**7.6**	**(87.3)**	**12.0**	**(163.3)**
CASH FLOW FOR THE PERIOD	**153.8**	**202.0**	**(36.1)**	**112.3**	**21.2**
CASH AND CASH EQUIVALENTS					
Cash and cash equivalents, beginning of period	(423.9)	(343.4)	(233.4)	(253.8)	(253.8)
Currency translation adjustment of cash, beginning of period	-	0.1	(0.6)	0.2	(0.8)
Cash flow for the period	153.8	202.0	(36.1)	112.3	21.2
Cash and cash equivalents, end of period	**(270.1)**	**(141.3)**	**(270.1)**	**(141.3)**	**(233.4)**