

Bang & Olufsen a/s announces expectations for the financial year

Bang & Olufsen a/s expects a turnover in the region of DKK 3,100 to DKK 3,300 million for the 2008/09 financial year as a whole. Result before tax is expected to be between DKK -260 to DKK -380 million.

The estimate is partly based on Bang & Olufsen's expectations to the interim report for the first half of the 2008/09 financial year which will be announced on Thursday 15 January 2009. The Group expects a turnover for the first half year of approximately DKK 1,533 million with a result before tax of approximately DKK -207 million.

When Bang & Olufsen announced its future strategy on 21 October, the Group did not set out an estimate for the financial year as a whole stating that: "Traditionally, the Group's turnover in November and December is significantly above average. This, combined with the recent turbulence in financial markets, has increased uncertainties. As a result the Group will not give an estimate until the publication of the interim report for the half year on 15 January 2009."

The expectations, which have now been determined by the Group, are based on the following main factors:

- So far, Group turnover for the peak season, November and December, has not met expectations.
- Global market developments remain challenging and are characterised by uncertainty.

Moreover, exchange rate developments have negatively affected the result.

In view of the new situation, Bang & Olufsen intends to initiate a number of restructuring measures with immediate effect, the costs of which have not been incorporated into the published estimate. These measures are additional to the cost adjustments of DKK 160 million, which have already been implemented in continuation of the Group's presentation of its future strategy on Tuesday 21 October and which will take their full, positive effect during the second half of the current financial year.

BANG & OLUFSEN A/S
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The restructuring initiatives, combined with a stronger product launch programme, aim to support the Group's objective to break even during the 2009/10 financial year.

Jørgen Worning
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