

Interim report for the period 1 June - 31 August 2011 for Bang & Olufsen a/s

- The Group's turnover for the first quarter of the 2011/12 financial year was DKK 599 million against DKK 562 million for the same period last year, equating to a growth of 7 per cent.
- Result before tax for the first quarter was negative at DKK 33 million against a negative result last year of DKK 35 million.
- The result is negatively affected by DKK 6 million in severance provisions related to the organisational changes following the implementation of the new corporate strategy.
- The Group's gross margin for the first quarter of the 2011/12 financial year was 38.6 per cent against a gross margin of 40.0 per cent for the same period last year. The lower gross margin is primarily due to costs related to the termination of products.
- The Group's turnover for the audio-video division for the first quarter of the 2011/12 financial year was DKK 480 million against DKK 457 million for the corresponding period last year, which equates to an increase of 5 per cent.
- The Automotive business area continued to advance in the first quarter of the 2011/12 financial year in that turnover totalled DKK 98 million against DKK 91 million for the same period last year.
- Bang & Olufsen maintains the expectations of a 2011/12 result before tax to be in the level of DKK 100 million based on a turnover level exceeding DKK 3,000 million.

Ole Andersen
Chairman

Tue Mantoni
President & CEO

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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	2011/12	2010/11	
Net turnover	598,6	561,7	
Gross profit	231,0	224,8	
Gross margin	38,6 %	40,0 %	
Operating loss	(28,5)	(29,3)	
Result of investments in associates after tax	(0,9)	(2,9)	
Financial items, net	<u>(3,2)</u>	<u>(2,5)</u>	
Result before tax	(32,6)	(34,7)	
Tax on result for the period	<u>5,6</u>	<u>8,0</u>	
Result for the period	<u>(27,0)</u>	<u>(26,7)</u>	
Attributable to:			
Shareholders of the parent company	(27,0)	(26,7)	
Minority interests	<u>-</u>	<u>-</u>	
Result for the period	<u>(27,0)</u>	<u>(26,7)</u>	
Earnings per share			
Earnings per share, DKK	<u>(0,7)</u>	<u>(0,7)</u>	
Diluted earnings per share, DKK	<u>(0,7)</u>	<u>(0,7)</u>	
Result for the period	(27,0)	(26,7)	
Other comprehensive income, net of tax	<u>2,6</u>	<u>(4,3)</u>	
Comprehensive income for the period	<u>(24,4)</u>	<u>(31,0)</u>	
Balance sheet information	31/8 - 11	31/5 - 11	31/8 - 10
Intangible assets	616,3	596,2	498,5
Tangible assets	512,4	507,8	526,4
Investment property	42,3	42,7	44,5
Financial assets	46,1	45,8	45,0
Deferred tax assets	<u>146,1</u>	<u>144,1</u>	<u>151,0</u>
Total non-current assets	<u>1.363,2</u>	<u>1.336,6</u>	<u>1.265,4</u>
Inventories	597,1	563,0	606,6
Receivables	450,4	419,5	413,5
Cash	<u>102,7</u>	<u>189,1</u>	<u>147,4</u>
Total current assets	<u>1.150,2</u>	<u>1.171,6</u>	<u>1.167,5</u>
Total assets	<u>2.513,4</u>	<u>2.508,2</u>	<u>2.432,9</u>
Equity	1.514,7	1.538,3	1.466,9
Non-current liabilities	314,5	319,0	373,5
Current liabilities	<u>684,2</u>	<u>650,9</u>	<u>592,5</u>
Total equity and liabilities	<u>2.513,4</u>	<u>2.508,2</u>	<u>2.432,9</u>

Parentheses denote negative figures or amounts to be deducted.

BANG & OLUFSEN A/S
12 OCTOBER 2011

Announcement No. 11.07
TRANSLATION

Development in equity 1/6 - 31/8	2011/12	2010/11
Equity as at 1 June	1.538,3	1.496,2
Comprehensive income for the period	(24,4)	(31,0)
Acquisition of minority shares Bo-Soft	(0,6)	-
Grant of share options	<u>1,4</u>	<u>1,7</u>
Equity as at 31 August	<u>1.514,7</u>	<u>1.466,9</u>

Cash flows, main figures 1/6 - 31/8	2011/12	2010/11
Cash flows from operating activities	(52,9)	(51,0)
Cash flows from investment activities	(87,5)	(45,7)
Cash flows from financing activities	<u>48,4</u>	<u>(2,9)</u>
Cash flows for the period	<u>(92,0)</u>	<u>(99,6)</u>

Parentheses denote negative figures or amounts to be deducted.

Comments on developments in the first quarter

Turnover for the Bang & Olufsen a/s Group as a whole for the first quarter of 2011/12 was DKK 599 million against DKK 562 million for the same period last year.

Net turnover according to business area

(DKK million)	1/6 – 31/8 2011/12	1/6 - 31/8 2010/11
Branded business	577	549
Non-branded business	24	15
Intra-Group turnover	(2)	(2)
Total net turnover	599	562

The turnover in the branded business totalled DKK 577 million in the first quarter of the 2011/12 financial year against DKK 549 million last year. The increase in turnover can be related to the audio-video division and the Automotive business area. The Group's turnover for the audio-video division for the first quarter of the 2011/12 financial year was DKK 480 million against DKK 457 million for the corresponding period last year, which equates to an increase of 5 per cent. The Automotive business area continued to advance in the first quarter of the 2011/12 financial year in that turnover totalled DKK 98 million against DKK 91 million for the same period last year.

The turnover in the non-branded business, which covers Bang & Olufsen ICEpower, increased by DKK 9 million or 60 per cent. The increase in turnover should be seen in the light of a soft comparison base as the turnover in the previous year's first quarter was negatively affected by the critical supply situation for components.

For the first quarter of the 2011/12 financial year, the Group's gross margin was 38.6 per cent against a gross margin of 40.0 per cent for the same period last year. The lower gross margin is primarily due to costs related to the termination of products.

The result before tax for the first quarter of the 2011/12 financial year was negative at DKK 33 million against a negative result of DKK 35 million for the same period last year. The result is negatively affected by DKK 6 million in severance provisions related to the organisational changes following the implementation of the new corporate strategy.

The Group's capacity costs increased by DKK 6 million compared to last year from DKK 254 million to DKK 260 million. The increase in capacity costs can be related to an increase in development costs of DKK 16 million, which is in accordance with the Group's ambition to maintain a high activity level within the product development area. Focus is on the Group's launches in the audio-video business, development of new sound systems for partners within the Automotive business area and completion of the work on the Group's digital platform. The distribution and marketing costs fell by DKK 12 million from DKK 160 million last year to 148 million this year due to general cost savings.

The net effect of capitalization of development costs was positive at DKK 26 million compared to DKK 25 million last year. Incurred development costs were DKK 117 million whereas incurred development costs last year were DKK 100 million.

Reimbursements for development projects from Automotive partners of DKK 1 million were received in the first quarter of the 2011/12 financial year. The received reimbursements have not been recognized in the profit and loss account as in accordance with the Group's accounting policies, they have been directly offset against intangible assets.

The Group's cash flows from operating activities were negative at DKK 53 million compared to negative DKK 51 million for the same period last year.

Developments in the markets

In the first quarter of the 2011/12 financial year, the Group's main markets Germany and Denmark increased turnover by 19 per cent and 14 per cent respectively while the third main market, United Kingdom, remained unchanged compared to last year.

The Asian markets saw an increase in turnover of 14 per cent and Switzerland and North America saw increases of 16 per cent and 11 per cent respectively.

Southern Europe saw a decline in turnover where particularly Spain and Italy decreased by 27 per cent and 26 per cent respectively.

Product launches

In the first quarter of the 2011/12 financial year, the Group launched a new audio product and a new video product.

BeoSound 5 Encore, which was launched in July, builds on the proud design heritage of BeoSound 5. It offers easy access to more than 13,000 internet radio stations from all over the world. In addition to internet radio, BeoSound 5 Encore can browse and play music from a plethora of sources; a connected hard disc, a NAS server, a computer, a USB stick or a handheld device. BeoSound 5 Encore has been well received by customers and reviewers and is expected to attract new customers to the Bang & Olufsen brand.

In August, the BeoVision 7 family was extended with the launch of BeoVision 7-55 3D. The 3D version of BeoVision 7-55 is a supplement to the existing BeoVision 4-85 3D and BeoVision 4-103 3D. The new TV offers integrated Blu-ray player as well as a second-to-none sound and picture experience.

Distribution development

During the first quarter 14 B1-shops were opened or upgraded, while 22 shops were closed or converted to shop-in-shops. At the end of August 2011 there were 682 B1-shops compared to 690 at the end of the 2010/11 financial year. The turnover share for B1-shops is 83 per cent.

The number of shop-in-shops is 262 against 265 at the end of 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 5 million for the first quarter compared to a turnover of DKK 13 million in the corresponding period last financial year. Enterprise is a project-based business and the first quarter is therefore not necessarily indicative of the full-year performance.

Automotive

Bang & Olufsen Automotive, which produces and sells exclusive sound systems for the car industry, recorded a turnover of DKK 98 million against DKK 91 million for the same period in 2010/11. The improvement should be seen in the light of a tough comparison base as the previous year's first quarter recorded significant growth driven by launch volumes on sound systems for Audi A8, Mercedes-Benz SLS AMG and Aston Martin Rapide.

Bang & Olufsen Automotive continues to increase the activity within development of innovative solutions and will launch several new products during the financial year.

In connection with the IAA motor show in Frankfurt in September, Bang & Olufsen presented a sound system for the Mercedes-Benz Viano Vision Pearl concept car.

Furthermore, Audi presented Bang & Olufsen Advanced Sound in the Audi S6, Audi S7 and Audi S8.

Bang & Olufsen ICEpower a/s

For the first quarter of the 2011/12 financial year, turnover for Bang & Olufsen ICEpower a/s was DKK 24 million against DKK 15 million in 2010/11, equating to an increase of DKK 9 million or 60 per cent. The increase in turnover should be seen in the light of an easy comparison base as the turnover in the previous year's first quarter was negatively affected by a critical supply situation for components.

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, offer 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 2011/12 financial year

Bang & Olufsen maintains the expectations of a 2011/12 result before tax to be in the level of DKK 100 million based on a turnover level exceeding DKK 3,000 million.

The Group's objective for the 2011/12 financial year is to support the growth ambitions within the branded business through a continued high activity level within product development. The Group therefore expects that approximately 30 per cent of the Group's turnover from the audio and video business will derive from new products and major product updates, with "new" defined as sales in the first 12 months after the launch.

The report contains statements relating to expectations for future developments, including future turnover and operating results 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.

Statement by the management

We have today considered and approved the interim report for the period 1 June - 31 August 2011 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 2011 and the results of the Group's operations and cash flows for the period 1 June - 31 August 2011.

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, 12 October 2011

The Board of Directors for Bang & Olufsen a/s

Ole Andersen
Chairman

Alberto Torres
Deputy Chairman

Peter Skak Olufsen

Rolf Eriksen

Jesper Jarlbæk

Jim Hagemann Snabe

Knud Olesen

Jesper Olesen

Per Østergaard Frederiksen

The Board of Management for Bang & Olufsen a/s

Tue Mantoni
President & CEO

Henning Beier Beck
Executive Vice President, CFO

Christian Winther
Executive Vice President

John Bennett-Therkildsen
Executive Vice President

Profit and loss account

Bang & Olufsen a/s

(DKK million)

		Group	
		1/6 - 31/8 2011/12	1/6 - 31/8 2010/11
Notes			
	Net turnover	598,6	561,7
	Production costs	(367,6)	(336,9)
	Gross profit	231,0	224,8
2	Development costs	(91,0)	(75,4)
	Distribution and marketing costs	(147,8)	(160,1)
	Administration costs etc.	(20,7)	(18,6)
	Operating loss	(28,5)	(29,3)
	Result of investments in associates after tax	(0,9)	(2,9)
3	Financial income	1,6	2,4
4	Financial costs	(4,8)	(4,9)
	Financial items, net	(3,2)	(2,5)
	Result before tax	(32,6)	(34,7)
	Tax on result for the period	5,6	8,0
	Result for the period	(27,0)	(26,7)
Attributable to:			
	Shareholders of the parent company	(27,0)	(26,7)
	Minority interests	-	-
		(27,0)	(26,7)
Earnings per share			
	Earnings per share, DKK	(0,7)	(0,7)
	Diluted earnings per share, DKK	(0,7)	(0,7)

Statement of comprehensive income

Bang & Olufsen a/s

(DKK million)

	Group	
	1/6 - 31/8 2011/12	1/6 - 31/8 2010/11
Notes		
Result for the period	(27,0)	(26,7)
Exchange rate adjustment of investments in foreign subsidiaries	3,5	8,5
Change in fair value of derivative financial instruments used as cash flow hedges	2,4	(22,3)
Transfer to the profit and loss account of fair value adjustments of derivative financial instruments used as cash flow hedges:		
Transfer to net turnover	(2,9)	7,5
Transfer to production costs	(0,7)	(2,2)
Tax on other comprehensive income	0,3	4,2
Other comprehensive income, net of tax	2,6	(4,3)
Comprehensive income for the period	(24,4)	(31,0)
Attributable to:		
Shareholders of the parent company	(24,4)	(31,0)
Minority interests	-	-
	(24,4)	(31,0)

Balance sheet

Assets

Bang & Olufsen a/s

(DKK million)

Notes	Group		
	31/8 - 11	31/5 - 11	31/8 - 10
Intangible assets			
Goodwill	44,8	44,8	44,8
Acquired rights	34,3	37,7	43,8
Completed development projects	315,8	191,7	214,9
Development projects in progress	<u>221,4</u>	<u>322,0</u>	<u>195,0</u>
Total intangible assets	<u>616,3</u>	<u>596,2</u>	<u>498,5</u>
Tangible assets			
Land and buildings	222,9	227,8	239,2
Plant and machinery	165,1	164,0	196,4
Other equipment	32,8	31,3	32,2
Leasehold improvements	15,4	15,6	21,4
Tangible assets in progress and prepayment for tangible assets	<u>76,2</u>	<u>69,1</u>	<u>37,2</u>
Total tangible assets	<u>512,4</u>	<u>507,8</u>	<u>526,4</u>
Investment property	<u>42,3</u>	<u>42,7</u>	<u>44,5</u>
Financial assets			
Investments in associates	5,7	5,7	5,3
Other financial receivables	<u>40,4</u>	<u>40,1</u>	<u>39,7</u>
Total financial assets	<u>46,1</u>	<u>45,8</u>	<u>45,0</u>
Deferred tax assets	<u>146,1</u>	<u>144,1</u>	<u>151,0</u>
Total non-current assets	<u>1.363,2</u>	<u>1.336,6</u>	<u>1.265,4</u>
Inventories	<u>597,1</u>	<u>563,0</u>	<u>606,6</u>
Receivables			
Trade receivables	370,9	365,2	342,7
Receivables from associates	6,0	1,7	1,3
Income tax receivables	16,3	13,3	21,1
Other receivables	36,0	24,3	26,0
Prepayments	<u>21,2</u>	<u>15,0</u>	<u>22,4</u>
Total receivables	<u>450,4</u>	<u>419,5</u>	<u>413,5</u>
Cash	<u>102,7</u>	<u>189,1</u>	<u>147,4</u>
Total current assets	<u>1.150,2</u>	<u>1.171,6</u>	<u>1.167,5</u>
Total assets	<u>2.513,4</u>	<u>2.508,2</u>	<u>2.432,9</u>

Balance sheet

Equity and liabilities

Bang & Olufsen a/s

(DKK million)

Notes	Group		
	31/8 - 11	31/5 - 11	31/8 - 10
Equity			
Share capital	362,4	362,4	362,4
Share premium	-	-	232,1
Translation reserve	28,6	25,1	21,6
Reserve for cash flow hedges	(12,1)	(10,9)	(22,0)
Retained earnings	<u>1.135,8</u>	<u>1.161,1</u>	<u>871,3</u>
Equity attributable to shareholders of the parent company	1.514,7	1.537,7	1.465,4
Minority interests	-	0,6	1,5
Total equity	<u>1.514,7</u>	<u>1.538,3</u>	<u>1.466,9</u>
Non-current liabilities			
Pensions	9,0	9,0	7,8
Deferred tax	4,2	8,1	4,9
Provisions	82,5	81,5	84,7
Mortgage loans	217,9	219,5	224,7
Loans from banks etc.	-	-	51,0
Other non-current liabilities	<u>0,9</u>	<u>0,9</u>	<u>0,4</u>
Total non-current liabilities	<u>314,5</u>	<u>319,0</u>	<u>373,5</u>
Current liabilities			
Mortgage loans	6,4	6,4	4,6
Loans from banks etc.	50,0	-	42,8
Overdraft facilities	52,8	47,7	5,3
Provisions	55,2	56,4	52,5
Trade payables	202,4	199,8	184,0
Income tax	22,7	21,7	19,2
Other payables	261,7	303,9	284,1
Deferred income	<u>33,0</u>	<u>15,0</u>	<u>-</u>
Total current liabilities	<u>684,2</u>	<u>650,9</u>	<u>592,5</u>
Total liabilities	<u>998,7</u>	<u>969,9</u>	<u>966,0</u>
Total equity and liabilities	<u>2.513,4</u>	<u>2.508,2</u>	<u>2.432,9</u>

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

Bang & Olufsen a/s

(DKK million)

Notes	Group	
	2011/12	2010/11
Result for the period	(27,0)	(26,7)
Depreciation, amortisation and impairment losses	59,4	56,1
5 Adjustments	1,9	(15,7)
6 Change in working capital	<u>(82,0)</u>	<u>(61,8)</u>
Cash flows from operating loss	(47,7)	(48,1)
Interest received etc.	1,6	2,4
Interest paid etc.	(4,8)	(4,9)
Income tax paid	<u>(2,0)</u>	<u>(0,4)</u>
Cash flows from operating activities	<u>(52,9)</u>	<u>(51,0)</u>
Purchase of intangible non-current assets	(51,0)	(49,1)
Purchase of tangible non-current assets	(34,1)	(14,9)
Purchase of financial non-current assets	(3,4)	-
Sale of tangible non-current assets	0,8	-
Received reimbursements, intangible non-current assets	0,5	16,6
Change in financial receivables	<u>(0,3)</u>	<u>1,7</u>
Cash flows from investment activities	<u>(87,5)</u>	<u>(45,7)</u>
Repayment of long-term loans	(1,6)	(2,9)
Proceeds from borrowings	<u>50,0</u>	<u>-</u>
Cash flows from financing activities	<u>48,4</u>	<u>(2,9)</u>
Changes in cash and cash equivalents	(92,0)	(99,6)
Cash and cash equivalents 1 June	141,4	241,7
Exchange rate cash	<u>0,5</u>	<u>-</u>
Cash and cash equivalents 31 August	<u>49,9</u>	<u>142,1</u>

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 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	<u>362,4</u>	<u>232,1</u>	<u>21,6</u>	<u>(22,0)</u>	<u>871,3</u>	<u>1,5</u>	<u>1.466,9</u>
Equity 1 June 2011	362,4	-	25,1	(10,9)	1.161,1	0,6	1.538,3
Comprehensive income for the period	-	-	3,5	(1,2)	(26,7)	-	(24,4)
Acquisition of minority shares Bo-Soft	-	-	-	-	-	(0,6)	(0,6)
Grant of share options	-	-	-	-	1,4	-	1,4
Equity 31 August 2011	<u>362,4</u>	<u>-</u>	<u>28,6</u>	<u>(12,1)</u>	<u>1.135,8</u>	<u>-</u>	<u>1.514,7</u>

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 2010/11 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 2011/12 financial year. The management assesses that these Standards and Interpretations will not have any material impact on the annual report.

An interim report for the parent company has not been prepared.

Bang & Olufsen a/s

(DKK million)

	<u>Group</u>	
	1/6 - 31/8 2011/12	1/6 - 31/8 2010/11
2. Development costs		
Development costs incurred before capitalisation	116,9	99,9
Amount hereof capitalised	(56,2)	(48,8)
Total amortisation and impairment losses on development projects	<u>30,3</u>	<u>24,3</u>
Development costs recognised in the profit and loss account	<u>91,0</u>	<u>75,4</u>

3. Financial income

Interest income from banks etc.	0,2	-
Exchange rate gains, net	-	0,2
Other financial income	<u>1,4</u>	<u>2,2</u>
Financial income	<u>1,6</u>	<u>2,4</u>

4. Financial costs

Interest costs on bank loans etc.	1,3	1,0
Interest costs on mortgage loans	2,3	3,5
Exchange rate loss, net	0,5	-
Other financial costs	<u>0,7</u>	<u>0,4</u>
Financial costs	<u>4,8</u>	<u>4,9</u>

5. Adjustments

Change in other liabilities	2,6	(0,2)
Financial income etc.	(1,6)	(2,4)
Financial costs etc.	4,8	4,9
Result of investments in associates after tax	0,9	2,9
Gain/loss on sale of non-current assets	-	0,3
Tax on result for the period	(5,6)	(8,0)
Various adjustments	<u>0,8</u>	<u>(13,2)</u>
Adjustments	<u>1,9</u>	<u>(15,7)</u>

6. Change in working capital

Change in receivables	(23,6)	77,0
Change in inventories	(34,1)	(43,0)
Change in accounts payables etc.	<u>(24,3)</u>	<u>(95,8)</u>
Change in working capital	<u>(82,0)</u>	<u>(61,8)</u>

Key figures

(DKK million)

2011/12 2010/11

7. Key figures

EBITDA	30,9	26,8
EBITDA-margin, %	5,2	4,8
Profit ratio, %	(4,8)	(5,2)
Return on assets, %	(1,3)	(1,3)
Return on invested capital, excl. goodwill, %	0,1	(0,2)
Return on equity, %	(1,8)	(1,8)
Current ratio	1,7	1,7
Equity ratio, %	60,3	58,4
Financial gearing	0,1	0,1
Net interest-bearing debt	224,4	181,0
Net turnover/Invested capital excl. goodwill	0,4	0,4
Intrinsic value per share (nom. DKK 10), DKK	41,8	40,4
Quotation as at 31 August	64,0	46,5
Price/earnings	(85,7)	(63,0)
Price/earnings, diluted	(85,7)	(63,0)
Quotation/Intrinsic value per share	1,5	1,2
Number of shares, end of the period	36.244.014	36.244.014
Number of own shares, end of the period	42.650	90.372
Average number of shares in circulation	36.201.364	36.153.642
Average number of shares in circulation - diluted	36.201.364	36.153.642

Parentheses denote negative figures.

Definitions of key figures:

EBITDA:	Result before interests, tax, depreciation, amortisation, impairment losses and result of investments in associates after tax
EBITDA-margin:	$\frac{\text{EBITDA} \times 100}{\text{Net turnover}}$
Profit ratio (EBIT):	$\frac{\text{Operating profit/loss} \times 100}{\text{Net turnover}}$
Return on assets:	$\frac{\text{Operating profit/loss} \times 100}{\text{Average operational assets}}$
EBITA:	Result before interests, tax, amortisation, impairment losses on intangible assets and result of investments in associates after tax
Return on invested capital, excl. goodwill:	$\frac{\text{EBITA} \times 100}{\text{Average invested capital, excl. goodwill}}$
Return on equity:	$\frac{\text{Result for the period, excl. minority interests} \times 100}{\text{Average equity, excl. minority interests}}$
Current ratio:	$\frac{\text{Current assets}}{\text{Current liabilities}}$
Equity ratio:	$\frac{\text{Equity, end of period, excl. minority interests} \times 100}{\text{Total equity and liabilities, end of period}}$
Financial gearing:	$\frac{\text{Interest bearing debt (net) end of period}}{\text{Equity, end of period}}$
Net turnover/invested capital, excl. goodwill:	$\frac{\text{Net turnover}}{\text{Average invested capital, excl. goodwill}}$
Earnings per share (nom. DKK 10), DKK:	$\frac{\text{Result for the period, excl. minority interests}}{\text{Average number of shares in circulation}}$
Diluted earnings per share (nom. DKK 10), DKK:	$\frac{\text{Result for the period, excl. minority interests}}{\text{Average number of shares in circulation - diluted}}$
Intrinsic value per share (nom. DKK 10), DKK:	$\frac{\text{Equity, end of period, excl. minority interests}}{\text{Number of shares, end of period}}$
Price / earnings:	$\frac{\text{Quotation}}{\text{Earnings per share (nom. DKK 10)}}$
Price/earnings, diluted:	$\frac{\text{Quotation}}{\text{Diluted earnings per share (nom. DKK 10)}}$

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 2011 to 31/8 2011

(DKK million)	Branded business	Non-branded business		Total segments
	Bang & Olufsen	Bang & Olufsen Medicom a/s	Bang & Olufsen ICEpower a/s	
Net turnover	573,4	-	24,3	597,7
Internal turnover	-	-	(2,0)	(2,0)
External turnover	573,4	-	22,3	595,7
Result before tax	(38,3)	(0,9)	6,6	(32,6)

The period 1/6 2010 to 31/8 2010

(DKK million)	Branded business	Non-branded business		Total segments
	Bang & Olufsen	Bang & Olufsen Medicom a/s	Bang & Olufsen ICEpower a/s	
Net turnover	536,4	-	15,4	551,8
Internal turnover	-	-	(1,9)	(1,9)
External turnover	536,4	0,0	13,5	549,9
Result before tax	(32,0)	(2,9)	0,2	(34,7)

Reconciliation of segment information	1/6 - 31/8 2011/12	1/6 - 31/8 2010/11
Net turnover, total segments	597,7	551,8
Effect of differences in exchange rates used in the internal management accounting	2,9	11,8
Elimination of internal turnover	(2,0)	(1,9)
Net turnover, Group	598,6	561,7
Result before tax, total segments	(32,6)	(34,7)
Result before tax, Group	(32,6)	(34,7)

Parentheses denote negative figures or amounts to be deducted.

9. Turnover branded business

	Turnover 1/6 - 31/8 2011/12	Turnover 1/6 - 31/8 2010/11	Growth in local currency
Automotive	98	91	7.7 %
Germany	67	56	18.9 %
Asian markets, excl. Japan	65	57	14.0 %
Denmark	56	49	14.0 %
Switzerland	49	35	16.1 %
United Kingdom	47	45	(0.5) %
North America	40	41	10.7 %
Holland	29	30	(2.1) %
France	25	27	(7.5) %
Spain/Portugal	15	20	(26.8) %
Italy	13	18	(26.0) %
Russia	13	5	169.3 %
Belgium	12	13	(6.0) %
Expansion markets, excl. Russia	10	13	(20.4) %
Sweden	9	10	(13.6) %
Austria	8	6	42.0 %
Japan	6	6	(9.9) %
Enterprise *	5	13	(61.5) %
Middle East	5	8	(38.3) %
Norway	5	6	(24.2) %
Total branded business	577	549	

* Enterprise comprises turnover to the hotel sector etc.

Parentheses denote negative figures.

10. Distribution development

Shop segment	<u>Number of shops per August 31, 2011</u>	<u>Change in the period 1/6-11 - 31/08-11</u>	<u>Turnover share 2011/12</u>	<u>Turnover share 2010/11</u>
B1	682	(8)	83 %	84 %
Shop in shop	262	(3)	17 %	16 %
Other	1	0	0 %	0 %
Total	945	(11)	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 10 per cent for B1-shops and 25 per cent for shop-in-shops.

* The amounts are unaudited.

Appendix 1

(DKK million)

	2011/12				2011/12			
	1 quarter	Quarterly results		4 quarter	1 quarter	Accumulated quarterly results		
		2 quarter	3 quarter		2 quarter	3 quarter	4 quarter	
Net turnover	598,6				598,6			
Gross profit	231,0				231,0			
Operating loss	(28,5)				(28,5)			
Result of investments in associates after tax	(0,9)				(0,9)			
Financial items, net	(3,2)				(3,2)			
Result before tax	(32,6)				(32,6)			
Tax on result for the period	5,6				5,6			
Result for the period	(27,0)				(27,0)			
Of which minority interests' share	-				-			
Shareholders of the parent company's share of result for the period	(27,0)				(27,0)			

	2010/11				2010/11			
	1 quarter	Quarterly results		4 quarter	1 quarter	Accumulated quarterly results		
		2 quarter	3 quarter		2 quarter	3 quarter	4 quarter	
Net turnover	561,7	774,5	820,1	710,6	561,7	1.336,2	2.156,3	2.866,9
Gross profit	224,8	326,0	326,4	278,3	224,8	550,8	877,2	1.155,5
Operating profit / loss	(29,3)	37,0	35,7	16,4	(29,3)	7,7	43,4	59,8
Result of investments in associates after tax	(2,9)	4,1	(2,4)	1,4	(2,9)	1,2	(1,2)	0,2
Financial items, net	(2,5)	(4,7)	(3,0)	(9,7)	(2,5)	(7,2)	(10,2)	(19,9)
Result before tax	(34,7)	36,4	30,3	8,1	(34,7)	1,7	32,0	40,1
Tax on result for the period	8,0	(8,3)	(2,4)	(9,4)	8,0	(0,3)	(2,7)	(12,1)
Result for the period	(26,7)	28,1	27,9	(1,3)	(26,7)	1,4	29,3	28,0
Of which minority interests' share	0,0	(0,5)	(0,4)	(0,2)	0,0	(0,5)	(0,9)	(1,1)
Shareholders of the parent company's share of result for the period	(26,7)	27,6	27,5	(1,5)	(26,7)	0,9	28,4	26,9

Parentheses denote negative figures.