STOCK EXCHANGE ANNOUNCEMENT

IC Companys A/S – Interim Report Q1 2008/09

At its meeting on 18 November 2008 The Board of Directors of IC Companys A/S considered and adopted the interim financial statements for the period 1 July – 30 September 2008.

- Revenue in the first quarter came to DKK 1,262 million (DKK 1,190 million) which corresponds to a 6% growth.
- Wholesale revenue rose by 5% to DKK 946 million (DKK 897 million). In-season sales are achieved at the same level as last year.
- Retail revenue increased by 5% to DKK 276 million (DKK 262 million). Same-store sales are achieved at the same level as last year.
- Gross profit in the first quarter came to DKK 754 million (DKK 725 million) which equals a 4% growth.
- Operating costs came in at DKK 524 million (DKK 475 million). The development is affected by restructuring costs totalling DKK 23 million concerning previously announced organisational changes.
- Operating profit in the first quarter is down 8% to DKK 230 million (DKK 249 million) corresponding to an EBIT margin of 18.3% (21.0%). Adjusted for restructuring costs, the cost efficiency is marginally improved as compared to last year.
- Order intake for the 2009 spring collections is completed showing a 1% setback as measured against last year. The total growth in order intake for 3 of a total of 4 seasons amounts to 5%.
- The Group has closed down its sourcing office in Copenhagen and has instead established new sourcing offices in Hanoi, Vietnam and Delhi, India. In cooperation with the office in Dhaka, Bangladesh, these offices will handle the sourcing for South Asia under joint regional management.

Downward adjustment of full year guidance

- The uncertain market situation is expected to continue throughout the remaining part of 2008/09 and results in an expectation of slightly lower revenue relative to 2007/08 (previously modest growth). The operating profit for the full year is now expected to be significantly lower than in 2007/08 (previously slightly below the level for 2007/08).

FURTHER INFORMATION

Niels Mikkelsen
Chief Executive Officer
Tel.: +45 3266 7721

Chris Bigler
Chief Financial Officer
Tel.: +45 3266 7017

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK million	Q1 2008/09 3 months	Q1 2007/08 3 months	2007/08 12 months
Income statement			
Revenue	1.261,6	1.190,4	3.737,2
Gross profit	754,0	724,8	2.258,8
Operating profit before depreciation & amortisation (EBITDA)	261,4	274,4	462,1
Operating profit before goodwill amortisation and special items	230,4	249,5	349,3
Operating profit before special items	230,4	249,5	340,1
Operating profit (EBIT)	230,4	249,5	349,3
Net financial items	(14,5)	(5,1)	(31,9)
Profit before tax	216,0	244,4	317,4
Profit for the period	152,7	176,0	224,0
Balance sheet			
Non-current assets	791,9	825,5	825,8
Current assets	1.578,6	1.448,3	1.106,5
Total assets	2.370,5	2.273,8	1.932,3
Equity	689,0	731,9	473,5
Total liabilities	1.681,5	1.541,9	1.458,8
Cash flow statement			
Cash flow from operating activities	(235,7)	(114,7)	340,1
Cash flow from investing activities	(33,2)	(33,5)	(138,4)
Cash flow from operating and investing activities	(268,9)	(148,2)	201,6
Cash flow from financing activities	(13,1)	11,1	(285,3)
Cash flow for the period	(282,0)	(137,1)	(83,7)
Key ratios			
Gross margin (%)	59,8	60,9	60,4
EBITDA margin (%)	20,7	23,1	12,4
EBIT margin (%)	18,3	21,0	9,3
Return on equity (%)	26,3	27,1	43,1
Equity ratio (%)	29,1	32,2	24,5
Average capital employed including goodwill	1.441,2	1.348,4	1.193,5
Return on capital employed (%)	16,0	18,5	29,3
Net interest-bearing debt, end of period	923,5	694,0	639,0
Financial leaverage (%)	134,0	94,8	135,0
Share data*			
Diluted average number of shares excluding treasury shares (thousand)	16.535,6	17.715,9	17.415,8
Market price, end of period, DKK	92,5	359,0	156,0
Diluted earnings per share, DKK	9,2	9,7	12,6
Diluted cash flow per share, DKK	(14,3)	(6,5)	19,5
Diluted net asset value per share, DKK	40,6	40,6	28,0
Diluted price / earning, DKK	10,0	36,9	12,4
Employees			
Number of employees (full-time equivalents at the end of the period)	2.517	2.405	2.441

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. Comparative figures which include number of shares have been adjusted with an adjustment factor of 0,9969 for the effect of employees' exercise of warrants.

DISCLAIMER

This announcement contains future-orientated statements regarding the Company's future development and results and other statements that are not historic facts. Such statements are based on the currently well-founded prerequisites and expectations of the management that may prove erroneous. The actual results may deviate considerably from what has been outlined as planned, assumed, assessed or forecast in this announcement.

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.

SUMMARY

In the first quarter of the financial year, the Group achieved a revenue advance constituting DKK 71 million, which corresponds to a 6% growth and a setback in earnings of DKK 19 million, amounting to 8%. The development is affected by restructuring costs totalling DKK 23 million concerning previously announced organisational changes. The underlying operation in the entire first quarter is thus marginally better than in 2007/08.

However, as a consequence of the market development the Group was compelled to defend the market position of our brands. The trend is expected to persist for the remaining part of 2008/09. For the remainder of the financial year, the Group therefore expects to achieve lower sell through at full price, higher discounts and increased inventory write downs relative to last year.

Against this background the Executive Board now expects slightly lower revenue relative to 2007/08 (previously modest growth). The operating profit for the full year is now expected to be significantly lower than in 2007/08 (previously slightly below the level for 2007/08).

REVENUE DEVELOPMENT

Revenue recorded DKK 1,262 million (DKK 1,190 million) which is equivalent to a 6% growth. Revenue is positively affected by net store openings and expansions by DKK 12 million and adversely affected by exchange rate conversions of DKK 7 million.

Sales performance for own brands:

DKK million	Q1 2008/09	Q1 2007/08	Growth
Peak Performance	339	301	13%
Tiger of Sweden	184	187	-2%
InWear	145	173	-16%
Jackpot	139	134	4%
Matinique	97	88	16%
Cottonfield	90	84	2%
By Malene Birger	75	62	21%
Part Two	74	63	18%
Saint Tropez	44	33	34%
Soaked in Luxury	33	30	12%
Designers Remix Collection	31	26	22%
Total own brands	**1.251**	**1.181**	**6%**

Encouraging double digit growth rates are recorded for Peak Performance, Matinique, Part Two, By Malene Birger, Saint Tropez, Soaked in Luxury and Designers Remix. Tiger of Sweden and InWear saw a setback of 2% and 16%, respectively.

Tiger of Sweden declined by 2%. A decline is expected for the full year 2008/09. A generational change was made in the management of Tiger of Sweden. The Brand Director and one executive employee will leave the brand at the end of the year. The Brand Finance Director leaves Tiger of Sweden at the end of January 2009. The new

Brand Director appointed has worked with Tiger of Sweden for 6 years, most recently as Export Manager. Further, two internal candidates are appointed to other executive posts. Combined, the new management of Tiger of Sweden represents 39 years of experience in the brand.

Sales performance for own brands market breakdown:

DKK million	Q1 2007/08	Q1 2006/07	Growth
Sweden	265	268	-1%
Denmark	236	212	11%
Norway	137	115	19%
Holland	91	92	-1%
Finland	69	58	20%
Germany	64	57	12%
Belgium	61	63	-3%
UK and Ireland	60	64	-7%
Switzerland	51	44	16%
Canada	37	36	3%
Poland	33	29	13%
Russia	23	17	38%
Austria	22	20	11%
France	18	16	11%
Spain	14	22	-35%
Other	70	68	2%
Total own brands	**1.251**	**1.181**	**6%**

Denmark, Norway, Finland, Germany, Schwitzerland, Poland, Austria, Russia and France all achieve double digit growth rates. Sweden, UK, Belgium and Spain decline.

In Spain the Group's operations are primarily agent-based and the Group has tightened the credit lines and in the same process reviewed the customer portfolio, which has resulted in a revenue fall of 35% as compared to last year.

It is satisfactory that the Group's Russian partner after a year of consolidation records growth again.

Order intake

The order intake for the 2009 spring collections is completed showing a 1% setback. The combined order intake for three of a total of four seasons in the financial year 2008/09 is completed by a total growth of 5% relative to 2007/08:

Growth	Autumn, Winter & Spring 2008/09	12 months 2007/08	12 months 2006/07
Peak Performance	12%	16%	22%
Tiger of Sweden	11%	43%	5%
InWear	-20%	1%	11%
Jackpot	-7%	-15%	-10%
Matinique	0%	21%	16%
Cottonfield	-8%	8%	17%
By Malene Birger	21%	39%	32%
Part Two	19%	11%	14%
Soaked in Luxury	15%	10%	9%
Designers Remix Collection	20%	28%	68%
Total own brands	**5%**	**12%**	**12%**

Double digit growth rates are recorded for Peak Performance, Tiger of Sweden, Part Two, By Malene Birger, Soaked in Luxury and Designers Remix Collection. InWear, Jackpot and Cottonfield decline.

DISTRIBUTION CHANNELS

DKK million	Wholesale Q1 2008/09	Wholesale Q1 2007/08	Retail Q1 2008/09	Retail Q1 2007/08	Outlet Q1 2008/09	Outlet Q1 2007/08	Group Q1 2008/09	Group Q1 2007/08
Revenue	946	897	276	262	40	31	1.262	1.190
Growth	*5%*		*5%*		*29%*		*6%*	
Distribution channel profit/(loss)	**264**	**254**	**1**	**21**	**5**	**10**	**270**	**285**
Distribution channel profit margin	*27,9%*	*28,3%*	*0,4%*	*8,2%*	*11,4%*	*33,6%*	*21,4%*	*24,0%*
Unallocated corporate costs*							(39)	(36)
Operating profit							**230**	**249**
EBIT margin							*18,3%*	*21,0%*

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

Wholesale operation

First quarter wholesale revenue reached DKK 946 million (DKK 897 million) which equals a growth of 5%. The preorder revenue increased by 6% and the in-season sales achieved were retained at last year's level. This includes franchise revenue, which is up by 1%.

Profit margin increased by 4% to DKK 264 million (DKK 254 million) corresponding to a profit margin of 27.9% (28.3%).

Retail operation
In the first quarter, retail revenue came to DKK 276 million (DKK 262 million) which is the equivalent of a 5% growth. Revenue was positively affected by net store openings and expansions constituting DKK 12 million. In the first quarter, revenue in same-store sales (organic revenue development) was achieved at the same level as last year.

Retail profit in the first quarter was down DKK 20 million to DKK 1 million (DKK 21 million) which is the equivalent of a profit margin of 0.4% (8.2%). The development is attributable to higher discounts and increasing inventory write downs.

The Group's retail operations constitute 36,500 square metres distributed on 238 locations.

Outlet operation
Outlet revenue reached DKK 40 million (DKK 31 million) equivalent of a 29% growth. Outlet profit for the first quarter reduced DKK 5 million, which corresponds to a profit margin of 11.4% (33.6%).

EARNINGS DEVELOPMENT

Gross profit
For the first quarter, gross profit came to DKK 754 million (DKK 725 million), which corresponds to a 4% growth.

First quarter gross margin was 59.8% (60.9%). The deterioration of 1.1 percentage points is attributable to higher discounts and increased inventory write downs relative to last year. Cottonfield inventory write downs related to Cottonfield Female account for DKK 5 million. The higher discounts and the inventory write downs have more than cancelled out the affect from lower sourcing currencies that seen in isolation have improved the gross margin by 2.0 percentage points. The effect on gross from shifts across channels was neutral as compared to last year.

The Group has closed down its sourcing office in Copenhagen and has instead established new sourcing offices in Hanoi, Vietnam and Delhi, India. In cooperation with the office in Dhaka, Bangladesh, these offices will handle the sourcing for South Asia under joint regional management. This initiative is driven by an aspiration to have a closer liaison and follow-up with the South Asian suppliers, which form an increasing part of the Group's sourcing. The initiative is cost-neutral vis-à-vis the current set-up, but it enhances the Group's opportunities to capitalise on the attractive price/quality ratio in this particular region. In 2007/08, the Group's sourcing in South Asia constituted 8% of the total sourcing.

Operating costs
Capacity costs amounted to DKK 524 million (DKK 475 million), and the cost rate increased by 1.5 percentage points to DKK 41.5%. As previously announced, this development is affected by the discontinuation of Cottonfield Female, the integration under joint management of Cottonfield and Jackpot for one, and InWear and Matinique for the other, and other restructuring costs constituting DKK 18 million (see note 6). Adjusted for these affects the cost rate is retained at the same level as last year.

With a view to ensuring earnings in the currently uncertain market situation, the Group focuses continually on improvements in cost efficiency.

Operating profit
Operating profit came to a profit of DKK 230 million (DKK 249 million) which corresponds to a setback of 8%. This development is affected by restructuring costs amounting to a total of DKK 23 million related to organisational changes previously announced.

Financial items
The financial items are decreased, as the Group last year achieved a profit from a currency/interest rate swap that aimed at hedging equity denominated in SEK. The financial costs increased DKK 4 million as a result of averagely higher utilisation of the Group's credit facilities and a higher interest rate level.

Income tax
Calculated tax costs amounting to DKK 63 million are recognised, which represents 29% of the pre-tax profit.

Net result
Net result for the first quarter decreased by 13% to DKK 153 million (DKK 176 million).

CASH FLOWS AND BALANCE SHEET

Cash flows
Cash flows from operating activities for the first quarter were an outflow of DKK 236 million (an outflow of DKK 115 million), a decrease of DKK 121 million as compared to last year. The development is attributable to decreased earnings and a significant increase in funds tied up in the Group's working capital as compared to last year. The Group has recently initiated a project that aims at reducing funds tied up in working capital. Further, the Group has tightened the general terms of payment.

First quarter gross investments constituted DKK 33 million, of which refurbishing stores and showrooms account for DKK 29 million.

The free cash flows from operating and investing activities were in the first quarter an outflow of DKK 269 million (an outflow of DKK 148 million), which represents a reduction of DKK 121 million relative to last year.

First quarter cash flows from financing activities were an outflow of DKK 13 million (an inflow of DKK 11 million). In July, share buyback constituted DKK 13 million.

The total cash flow for the first quarter was an outflow of DKK 282 million (an outflow of DKK 137 million).

Net interest-bearing debt
Consolidated net interest-bearing debt was DKK 924 million (DKK 694 million) which amounts to an increase of DKK 230 million relative to 30 September 2007. The Group's available committed credit lines amount to DKK 1,420 million.

Balance
Group assets increased DKK 97 million from DKK 2,274 million as at 30 September 2007 to DKK 2,371 million as at 30 September 2008.

Non-current assets decreased DKK 34 million relative to the same quarter last year. Consolidated deferred tax assets are reduced DKK 46 million to DKK 92 million as at 30 September 2008. The development is attributable to the utilisation of deferred assets in 2007/08 (DKK 18 million) and an adjustment of calculated tax of unrealised profits from forward currency contracts recognised directly over equity (DKK 28 million).

Current assets increased DKK 131 million to DKK 1,579 million (DKK 1,448 million). Cash funds decreased DKK 78 million to DKK 117 million (DKK 195 million). Inventory rose DKK 92 million to DKK 522 million (DKK 430 million). Trade receivables increased DKK 39 million to DKK 728 million (DKK 689 million).

Equity

Equity is at 30 September 2008 decreased DKK 43 million to DKK 689 million (DKK 732 million). The movements in equity and treasury shares are specified on page 13.

At the Annual General Meeting of the Company 22 October 2008, the proposal to pay dividends amounting to DKK 66 million was passed, and dividend was subsequently paid.

OUTLOOK 2008/09

The uncertain market situation is expected to continue throughout the remaining part of 2008/09 and results in an expectation of slightly lower revenue relative to 2007/08 (previously modest growth). The operating profit for the full year is now expected to be significantly lower than in 2007/08 (previously slightly below the level for 2007/08).

IC Companys A/S

Niels Martinsen
Chairman of the Board of Directors

Niels Mikkelsen
Chief Executive Officer

FURTHER INFORMATION

Niels Mikkelsen
Chief Executive Officer
Tel.: +45 3266 7721

Chris Bigler
Chief Financial Officer
Tel.: +45 3266 7017

STATEMENT BY THE MANAGEMENT

The Board of Directors and the Executive Board have considered and approved the interim financial report for the period 1 July 2008 - 30 September 2008.

The interim financial report is unaudited and has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU, cf. section on accounting polices and additional Danish interim reporting requirements for listed companies.

We consider the accounting policies applied to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position as at 31 March 2008, and of the results of the Group's operations and cash flows in the period 1 July 2008 – 30 September 2008.

We further consider management's review to be a true and fair presentation of the development in the Group's operations and financial matters, the profit of the period and of the Group's financial position as a whole and describes material risks and elements of uncertainty pertaining to the Group.

Copenhagen, 18 November 2008

Executive Board:

NIELS MIKKELSEN
Chief Executive Officer

CHRIS BIGLER
Chief Financial Officer

ANDERS CLEEMANN
Executive Brand Officer

Board of Directors:

NIELS ERIK MARTINSEN
Chairman

HENRIK HEIDEBY
Deputy Chairman

OLE WENGEL
Deputy Chairman

PER BANK

ANDERS COLDING FRIIS

INCOME STATEMENT

Note	DKK million	GROUP 1. kvartal 2008/09	1. kvartal 2007/08	12. mdr. 2007/08
2	**REVENUE**	**1.261,6**	**1.190,4**	**3.737,2**
6	Cost of sales	(507,6)	(465,6)	(1.478,4)
	GROSS PROFIT	**754,0**	**724,8**	**2.258,8**
3, 6	Staff costs	(251,3)	(226,2)	(931,2)
6	Depreciation, amortisation and writedown of fixed assets	(31,1)	(24,9)	(112,8)
6	Other operating expenses	(240,6)	(224,1)	(871,0)
	Other gains and losses	(0,6)	(0,1)	5,5
	OPERATING PROFIT	**230,4**	**249,5**	**349,3**
	Financial income	0,9	6,5	13,2
	Financial expenses	(15,3)	(11,6)	(45,1)
	PROFIT BEFORE TAX	**216,0**	**244,4**	**317,4**
	Income tax for the period	(63,3)	(68,4)	(93,4)
	PROFIT FOR THE PERIOD	**152,7**	**176,0**	**224,0**
	PROFIT ALLOCATION:			
	Equity holders of IC Companys A/S	142,2	172,4	218,7
	Minority interest	10,5	3,6	5,3
		152,7	**176,0**	**224,0**
	EARNINGS PER SHARE			
	Earnings per share DKK	8,5	9,8	12,6
	Diluted earnings per share DKK	9,2	9,7	12,6
	Specification of revenue:			
	Continuing brands	1.251,3	1.180,7	3.698,3
	Discontinued brands	-	0,1	0,4
	External brands	10,3	9,6	38,5
	Total revenue	**1.261,6**	**1.190,4**	**3.737,2**

BALANCE SHEET – ASSETS

Note	DKK million	GROUP 30.09.2008	GROUP 30.09.2007	GROUP 30.06.2008
	NON-CURRENT ASSETS			
	Goodwill	193,9	201,7	198,2
	Software and IT systems	25,9	22,1	30,5
	Trademark rights	0,2	0,2	0,2
	Leasehold rights	21,1	21,0	22,5
	IT-systems and development	-		1,0
	Intangible assets	241,1	245,0	252,4
	Land and buildings	172,5	177,0	174,6
	Leasehold improvements	105,7	100,9	108,0
	Equipment and furniture	125,3	117,8	129,8
	Property, plant and equipment under construction	28,7	20,0	11,5
	Property, plant and equipment	432,3	415,7	423,9
	Financial assets	26,7	27,2	25,6
	Deferred tax assets	91,9	137,6	123,9
	Other non-current assets	118,6	164,8	149,5
	Total non-current assets	**791,9**	**825,5**	**825,8**
	CURRENT ASSETS			
4	Inventories	521,5	429,7	532,4
5	Trade receivables	727,8	689,2	296,7
	Income tax receivable	4,3	3,5	1,6
	Other receivables	128,4	56,3	35,0
	Prepayments	79,9	75,1	108,8
	Cash and cash equivalents	116,6	194,5	132,0
	Total current assets	**1.578,6**	**1.448,3**	**1.106,5**
	TOTAL ASSETS	**2.370,5**	**2.273,8**	**1.932,3**

BALANCE SHEET – EQUITY AND LIABILITIES

	GROUP		
DKK million	**30.09.2008**	30.09.2007	**30.06.2008**
EQUITY			
Equity attributable to equity holders of the parent	670,0	721,2	465,0
Minority interest	19,0	10,7	8,5
Total equity	**689,0**	**731,9**	**473,5**
LIABILITIES			
Deferred tax liabilities	43,5	29,2	44,9
Retirement benefit obligations	6,1	5,9	5,7
Financial institutions	168,0	168,0	168,0
Capitalised lease liability	-	-	-
Non-current liabilities	217,7	203,1	218,6
Financial institutions	872,1	720,5	603,0
Capitalised lease liability	(0,0)	-	-
Trade payables	207,6	230,6	313,8
Income tax	28,2	32,3	45,4
Calculated income tax on the profit for the period	63,3	68,4	-
Provisions	(0,0)	-	-
Other debt	292,7	287,0	278,0
Current liabilities	1.463,8	1.338,8	1.240,2
Total liabilities	**1.681,5**	**1.541,9**	**1.458,8**
TOTAL EQUITY AND LIABILITIES	**2.370,5**	**2.273,8**	**1.932,3**

MOVEMENTS IN EQUITY

DKK million	Share-capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Total	Minority interest	Total
Equity at 1 July 2008	**179,2**	**(22,1)**	**(23,9)**	**331,8**	**465,0**	**8,5**	**473,5**
Currency translations of subsidiaries	-	-	(11,2)	-	**(11,2)**	-	**(11,2)**
Gain/loss on derivative financial instruments	-	85,2	-	-	**85,2**	-	**85,2**
Netincome(loss) recognised directly on equity	-	85,2	(11,2)	-	**74,0**	-	**74,0**
Profit for the year	-	-	-	142,2	**142,2**	10,5	**152,7**
Total recognised income for the year	-	85,2	(11,2)	142,2	**216,2**	10,5	**226,7**
Share buy back	-	-	-	(13,1)	**(13,1)**	-	**(13,1)**
Recognition of share-based payments	1,9	-	-	-	**1,9**	-	**1,9**
Issue of share-based payment plans							
Equity at 30 september 2008	**181,1**	**63,1**	**(35,1)**	**460,9**	**670,0**	**19,0**	**689,0**

DKK million	Share-capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Total	Minority interest	Total
Equity at 1 July 2007	**183,9**	**(4,7)**	**(10,7)**	**391,0**	**559,5**	**7,1**	**566,6**
Currency translations of subsidiaries	-	-	1,3	-	**1,3**	-	**1,3**
Gain/loss on derivative financial instruments	-	(24,9)	-	-	**(24,9)**	-	**(24,9)**
Netincome(loss) recognised directly on equity	-	(24,9)	1,3	-	**(23,6)**	-	**(23,6)**
Profit for the year	-	-	-	172,4	**172,4**	3,6	**176,0**
Total recognised income for the year	-	(24,9)	1,3	172,4	**148,8**	3,6	**152,4**
Share buy back	-	-	-	(15,3)	**(15,3)**	-	**(15,3)**
Recognition of share-based payments		-	-	1,8	**1,8**	-	**1,8**
Issue of share-based payment plans	1,1			25,3	**26,4**		**26,4**
Equity at 30 september 2007	**185,0**	**(29,6)**	**(9,4)**	**575,2**	**721,2**	**10,7**	**731,9**

Development in treasury shares	
Treasury shares 30 June 2008	1.318.882
Share buy back juli 2008	78.625
Treasury shares 19 November 2008	**1.397.507**

At the Annual General Meeting of the company 22 October 2008, the proposal of the Board of Directors to reduce the share capital by the number of shares repurchased under the share buyback programme carried out from 3. januar 2008 to 29 Juli 2008 was adopted. The decision is filed with the Commerce and Companies Agency. Provided that no material claims are raised within 3 months from publication, the reduction of the share capital is expected to be effected upon expiry of the 3 months' term. After the reduction the number of own shares will be 420682.

GROUP CASH FLOW STATEMENT

DKK million	GROUP Q1 2007/08	Q1 2006/07	12 months 2006/07
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit	230,4	249,5	349,3
Reversed depreciation and impairment losses and profit/(loss) on sale of non-current assets	31,7	25,1	112,8
Reversed cost for share-based payment plans	1,9	1,8	6,2
Other adjustments	16,1	(3,6)	(2,3)
Change in working capital	(485,1)	(372,6)	(39,8)
Cash flow from operating activities before financial items	(205,0)	(99,8)	426,2
Financial income received	0,8	4,2	12,9
Financial expenses paid	(15,5)	(11,9)	(45,3)
Cash flow from ordinary activities	(219,7)	(107,5)	393,8
Income tax paid	(16,0)	(7,2)	(53,8)
Total net cash flow from operating activities	**(235,7)**	**(114,7)**	**340,1**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of activities etc.	-	-	-
Purchase of intangible assets	(0,9)	(2,5)	(26,7)
Purchase of property, plant and equipment	(34,3)	(27,8)	(113,9)
Change in deposits and other financial assets	0,4	(3,3)	(1,2)
Purchase and sale of other non-current assets	1,6	0,1	3,4
Total net cash flow from investing activities	**(33,2)**	**(33,5)**	**(138,4)**
Total net cash flow from operating- and investing activities	**(268,9)**	**(148,2)**	**201,6**
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from non-current financial liabilities raised	-	-	-
Share buyback	(13,1)	(15,3)	(237,8)
Dividends paid	-	-	(73,9)
Proceeds from excercise of share-based payment plans	-	26,4	26,4
Total net cash flow from financing activities	**(13,1)**	**11,1**	**(285,3)**
CASH FLOW FOR THE PERIOD	**(282,0)**	**(137,1)**	**(83,7)**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents, beginning of period	(471,0)	(389,6)	(389,6)
Currency translation adjustment of cash, beginning of period	(2,4)	0,7	2,3
Cash flow for the period	(282,0)	(137,1)	(83,7)
Cash and cash equivalents, end of period	**(755,4)**	**(526,0)**	**(471,0)**

NOTES

1. ACCOUNTIG POLICIES

The interim financial report is prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements to the interim financial reports for listed companies.

The accounting policies applied in the interim financial report are unchanged with respect to the Company's Annual Report for 2007/08. For more information on the accounting policies, we refer to our Annual Report for 2007/08. A few reclassifications are made in the notes to the financial statements, which have had no affect on the income statement, the balance sheet and the equity in the comparative year.

2. SEASONABILITY

The Group's business area is influenced by seasonal fluctuations. These fluctuations are attributable to seasonality in deliveries to wholesale customers and a sales season of the Group's products that varies over the year in retail and outlet operations. The Group's wholesale peak quarters are historically first and third quarter. By association, revenue and operating profit vary in the various reporting periods, and interim financial reports are not necessarily indicative of future trends. Results of the individual quarters are therefore not reliable sources in terms of projecting the Group's development.

3. SHAREBASED REMUNERATION

Stock option grants in 2008/09
The Executive stock option programme comprised 130,000 stock options as at 30 June 2008.

The Board of Directors granted Anders Cleemann 30,000 stock options after his appointment to the Executive Team. The stock options granted give admittance to – in immediate continuation of the company's release of the annual report for 2008/09, 2009/10 and 2010/11 – against payment in cash – to buy 10,000 shares annually.

By the use of the Black & Scholes model and under the assumption of an exercise price of DKK 163 plus 5% per annum, a volatility of 25 per cent annually, an expected yield percentage of 2.8% and a risk-free rate of return of 4.40 per cent annually, the market value of the stock options can be assessed to DKK 0.3 million.

The Board of Directors has also granted Peter Fabrin 30,000 stock options. The stock options granted give admittance to – in immediate continuation of the company's release of the annual report for 2008/09, 2009/10 and 2010/11 11 – against payment in cash – to buy 10,000 shares annually.

By the use of the Black & Scholes model, and under the assumption of an exercise price of DKK 113 plus 5% per annum, a volatility of 35 per cent annually, an expected yield percentage of 4.1% and a risk-free rate of return of 4.0 per cent annually, the market value of the stock options can be assessed to DKK 0.3 million.

4. INVENTORY

DKK million	GROUP 30.09.2008	GROUP 30.09.2007	GROUP 30.06.2008
Raw materials and consumables	18,5	17,2	35,3
Finished goods and goods for resale	455,8	365,1	361,7
Goods in transit	47,2	47,4	135,4
Inventories total	**521,5**	**429,7**	**532,4**

DKK million	GROUP 30.09.2008	GROUP 30.09.2007	GROUP 30.06.2008
Write-downs at 1 July	98,6	90,9	90,9
Write-downs, additions	14,2	8,7	62,7
Write-downs, reversals	(13,6)	(21,9)	(55,0)
Write-downs total	**99,2**	**77,7**	**98,6**

5. TRADE RECEIVABLES

Movements in allowance for bad debt:

DKK million	GROUP 30.09.2008	GROUP 30.09.2007	GROUP 30.06.2008
Allowance 1 July	50,8	29,4	29,4
Change in allowance	3,6	3,8	35,6
Realised (loss)/gain	(2,2)	(1,1)	(14,2)
Allowance total	**52,2**	**32,1**	**50,8**

6. RESTRUCTURING COSTS

DKK million	GROUP 30.09.2008	GROUP 30.09.2007	GROUP 30.06.2008
Cost of sales	5,0	-	-
Staff costs	13,4	-	-
Depreciation, amortisation and writedown of fixed assets	1,0	-	-
Other operating expenses	3,8	-	-
			-
Write-downs total	**23,2**	**-**	**-**

First quarter profit is affected by non-recurring costs in connection with the integration under joint management of, for one, Cottonfield and Jackpot, and for the other, InWear and Matinique and the discontinuation of Cottonfield Female.