

**Articles of Association
for Bang & Olufsen a/s
CVR.nr. 41 25 79 11**

Article 1.

The company's name is Bang & Olufsen a/s.

Article 2.

The registered office of the Company is situated in the municipality of Struer.

Article 3.

The company's objective as owner of the Bang & Olufsen brand name is primarily to own shares in the subsidiaries and to exercise its voting rights and other shareholder rights with regard to fully as well as partly owned subsidiaries and to provide such services for the subsidiaries as the Board deems appropriate.

In addition the company's objective is to, directly or indirectly, own holdings in other companies within industry, commerce and provision of services and to exercise any other type of activity which, in the view of the Board of Directors, is linked to such activities.

Article 4.

The share capital of the Company shall be DKK 120,813,380 of which DKK 10,855,430 is class A-shares and DKK 109,957,950 shall be class B-shares. The share capital is fully paid up.

The class A-share capital as well as the class B-share capital is divided into shares of DKK 10 or multiples thereof.

Capital increases may take place by an increase of the class B-share capital only or by a simultaneous increase of the class A-share capital and class B-capital subject to the ratio between the two classes prior to any such increase. In the event of any other capital increases, apart from the issue of bonus shares, the following shall apply:

- a. Where the increase is of class B-share capital only the shareholders of class A-shares and class B-shares shall have a preferential right of subscription on equal terms in proportion to their shareholdings.
- b. Where there is a simultaneous increase of the class A-share capital and class B-share capital the shareholders of class A-shares shall have a preferential right of subscription with regard to the new class A-shares and the shareholders of class B-shares shall have a preferential right of subscription with regard to the new class B-shares.

Until May 31, 2012, the Board of Directors is authorised, in one or more stages, to increase the company's ordinary share capital by up to DKK 2,500,000 through the issue of shares offered to staff of the Bang & Olufsen Group at a price corresponding to the current market price or lower, and on terms to be decided by the company's Board of Directors.

The increase will take place through a cash payment without any right of subscription in respect of the shareholders. The new shares issued in accordance with the above sub-section will be negotiable instruments issued to the bearer. There will be no limitations on the transferability of the shares and no shareholder has the right to have his/her shares redeemed in total or in part. In all respects, the new shares will carry the same rights as existing shares.

The new shares are entitled to dividend and carry other rights in the company from a date to be decided by the Board of Directors, although not later than on year following registration.

The Board of Directors may implement the necessary changes to the Articles of Association in connection with a capital increase in accordance with the above resolution.

Article 5.

No shareholder shall be obliged to allow his shares to be redeemed.

A shares shall not be negotiable instruments.

B shares shall be negotiable instruments.

There shall be no limitation to the transferability of A nor B shares.

Apart from the stipulations in Article 4 on preferential subscription rights and in Article 8 on voting rights, no share shall carry special rights.

A shares shall be registered by name and shall be entered in the Company's register of shareholders.

B shares shall be issued to bearer but may be registered in the name of the holder.

The company's register of shareholders will be maintained by VP Investor Services A/S (VP Services A/S), Helgeshøj Allé 61, P.O. Box 20, 2630 Taastrup.

Article 6.

The Company's shares may be cancelled without court order pursuant to the provisions applying at any time to non-negotiable and negotiable instruments, respectively.

Article 7.

General meetings of the Company shall be held in Copenhagen or in Struer as decided by the Board of Directors.

General meetings shall be convened by the Board of Directors by notification inserted in the Danish Official Gazette, in a local daily newspaper, in a Copenhagen daily newspaper, and in any other way as stipulated by current legislation.

Notification shall furthermore be given by letter to all shareholders listed in the register of shareholders who have requested such notification.

Notification shall be made at no less than 2 weeks' and not more than 4 weeks' notice.

The agenda of the ordinary general meeting shall comprise the following items:

1. Election of chairman of the meeting.
2. Presentation of the Board of Directors' report.
3. Presentation and adoption of the audited annual report.
4. Decision concerning the allocation of profits or treatment of loss in accordance with the adopted annual report.
5. Proposals, if any, from the Board of Directors or shareholders.
6. Election of members of the Board of Directors.
7. Election of auditors.
8. Any other business.

The Company's ordinary general meeting shall be held annually before the end of September.

Proposals by shareholders of subjects to be considered at the ordinary general meeting shall have been received by the Board of Directors no later than on August 15.

Extraordinary general meetings shall be held when the Board of Directors or one of the Company's auditors finds it expedient. An extraordinary general meeting shall be convened – within 14 days – when a specified subject to be considered has been submitted in writing by shareholders representing 1/10 of the share capital.

The notification convening a general meeting shall state the subjects to be considered at the general meeting. If proposals for amendments to the Articles of Association are to be considered, the notification of the meeting shall include a statement of the most important details of such proposals.

No later than 8 days prior to the Annual General Meeting, the agenda for the Meeting and intended proposals in their entirety, as well as, in respect of ordinary general meetings, the annual report and the Board of Directors' report shall be available at the offices of the Company for inspection by the shareholders, and the aforesaid material shall at the same time be sent to each registered shareholder, who has requested it.

Article 8.

The general meeting of the Company shall be conducted by a chairman of the meeting elected by the meeting.

All voting shall be by a written ballot, unless the general meeting has unanimously adopted a motion submitted by the chairman for the meeting to vote otherwise.

Each A share amount of DKK 10 shall carry 10 votes.

Each B share amount of DKK 10 shall carry 1 vote.

Voting rights on shares acquired by transfer cannot be exercised unless the share in question has been registered in the name of the shareholder in the Company's register by the time when the Annual Meeting of Shareholders is adjourned, or if the shareholder before that time has notified and documented his acquisition.

Attendance at the general meeting and exercising of voting rights shall be subject to the shareholder having requested no less than 5 days in advance – and with regard to voting rights having provided evidence thereof – and obtained an admission card, which card in the case of shareholders entitled to vote shall also state the number of votes to which the shareholder is entitled.

All matters considered at the general meeting shall be settled by simple majority vote.

For the adoption of resolutions on amendments to the Articles of Association or on the dissolution of the Company it is required that at least 2/3 of the share capital is represented at the general meeting and that the resolution is passed by at least 2/3 of both the votes cast and of the share capital carrying voting rights represented at the general meeting. Should 2/3 of the share capital not be represented at the general meeting, but the resolution proposed be passed by 2/3 of both the votes cast and of the share capital carrying voting rights represented at the general meeting, a new general meeting shall be convened as soon as possible at which the resolution proposed may be passed by 2/3 of the votes cast, regardless of the proportion of the share capital represented.

Powers of attorney in respect of attendance at the first general meeting shall, unless expressly revoked, remain valid for the second general meeting. Where a proposal for amendment to the Articles of Association has been submitted or adopted by the Board of Directors, the proposal may be finally adopted at a single general meeting by a 2/3 majority of both the votes cast and of the share capital carrying voting rights represented at the general meeting, regardless of the proportion of the share capital represented.

C.f. the Companies Act Section 69b, guidelines have been approved for incentive payments by the Management Board. These guidelines are available on the company's website.

Article 9.

The supreme authority of the Company shall be a Board of Directors consisting of between 4 and 8 members elected by the general meeting, and of any representatives elected by the Company employees pursuant to statutory provisions.

The section of the Board of Directors elected at the general meeting retire each year at the ordinary general meeting. Re-election may take place.

After the ordinary general meeting the Board of Directors shall meet and elect a Chairman.

The Board of Directors shall set up an executive committee which is to attend to such business as the Board of Directors may refer to it on the responsibility of the Board of Directors.

The Board of Directors shall appoint the Company's Management consisting of between 1 and 5 members.

The Board of Directors may confer powers of procuration, individually or jointly.

Resolutions made by the Board of Directors shall be adopted by simple majority vote.

In the event of a tied vote the Chairman shall hold the casting vote.

The members of the Board of Directors shall receive a fixed remuneration the size of which shall be determined by the general meeting, and in addition they may be granted emoluments by the general meeting, subject to the provisions of the Danish Companies Act.

Article 10.

Power to bind the Company shall be held by the Chairman jointly with another member of the Board of Directors or a member of the Management; by two members of the Board of Directors jointly with a member of the Management; or by two members of the Management jointly.

Article 11.

The Company's financial year runs from June 1 to May 31. The Annual Report for Bang & Olufsen a/s is presented in accordance with International Financial Reporting Standards as endorsed by the European Union as well as further Danish requirements on the presentation of financial statements for listed companies.

Article 12.

The Company's accounts shall be audited by one or two state-authorized public accountants elected for one year at a time by the general meeting.

September 26th, 2008