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BoConcept Holding A/S
Mørupvej 16
DK-7400 Herning

Tel. +45 7013 1366
Fax +45 9626 7211

holding@boconcept.com
www.boconceptholding.com

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ANNOUNCEMENT OF FINANCIAL RESULTS FOR THE FIRST SIX MONTHS OF 2013/2014 FOR BOCONCEPT HOLDING A/S

BoConcept increased its activities in the first half of 2013/2014 – albeit less than expected. BoConcept has thus invested a substantial amount in marketing, implemented a new performance-driven management strategy, launched more products and continued its expansion. These initiatives will take full effect in the second half of 2013/2014.

Second quarter of 2013/2014 (1 August 2013 to 31 October 2013)

- Revenue was DKK 281.7 million, up by 1.3% compared with the same quarter last year
- Same-store-sales (order intake) fell by 0.3%
- The gross profit margin was 42.3%, compared with 42.5% last year
- EBIT amounted to DKK 7.0 million, corresponding to an EBIT percentage of 2.5%, versus 3.2% last year
- 13 new brand stores opened and 13 closed. The chain now consists of 255 stores
- The pipeline is still strong, with 17 stores in the pipeline scheduled to open in the second half of 2013/2014

First six months of 2013/2014 (1 May 2013 to 31 October 2013)

- Revenue was DKK 528.4 million, up 0.7% on the same period last year
- Same-store-sales (order intake) fell by 1.4%
- The gross profit margin was 42.2% compared with 43.7% last year
- EBIT was negative in the amount of DKK 4.7 million compared with a positive EBIT of DKK 18.3 million last year
- 18 stores opened and 15 have closed in the year to date
- The balance sheet total was DKK 607.3 million at 31 October 2013
- Cash flow before instalments on long term debt totalled a cash outflow of DKK 56.2 million, compared with a cash inflow of DKK 5.9 million last year

Forecast for the 2013/2014 financial year

The implementation of a new performance-driven management strategy and more product news are expected to have a positive effect on the level of activity in the chain in the second half of 2013/2014, which will offset the minor lag in revenue from the first half of 2013/2014 and the predicted greater negative effect from changed foreign exchange rates. Earnings will be at the lower end of the range, and more funds will be tied up in inventories to support sales, resulting in reduced anticipated cash flows.

- Revenue is expected to grow by about 4% per year due to additional revenue generated by the stores acquired in China
- Same-store-sales (order intake) will remain at the current level, corresponding to zero growth
- 35 new stores opened (net addition of ten)
- The EBIT percentage will be about 2.5%
- Cash outflow before instalments on long-term debt will total approximately DKK 30 million
- Investments (excluding start-up finance for franchisees) will amount to approximately DKK 30 million

Further information

For further information contact CEO Torben Paulin or CFO Hans Barslund, on tel. +45 7013 1366

2013/2014 FINANCIAL HIGHLIGHTS FOR THE GROUP

	Q2 2013/14	Q2 2012/13	YTD 2013/14	YTD 2012/13	1 May 2012 30 April 2013
Income statement (in DKK million)					
Revenue	281.7	278.1	528.4	524.8	1,026.1
Gross profit	119.2	118.3	223.2	229.5	445.8
Profit (loss) before interest and depreciation (EBITDA)	16.9	16.9	14.2	33.7	51.3
Profit (loss) before financial items (EBIT)	7.0	8.9	(4.7)	18.3	19.5
Financial items, net	(0.6)	(2.1)	(0.8)	(1.9)	(2.1)
Profit (loss) before tax	6.3	6.8	(5.4	16.4	17.4
Profit (loss) after tax	4.2	5.3	(4.4	11.8	11.3
Balance sheet (in DKK million)					
Non-current assets			269.4	244.9	240.2
Current assets			337.9	306.7	292.1
Balance sheet total			607.3	551.6	532.3
Equity at the end of the reporting period			221.0	231.3	228.0
Interest-bearing debt			131.0	88.2	74.7
Cash flow (in DKK million)					
Cash flow from operating activity			(24.4)	21.1	55.2
Cash flow from investing activities			(31.8)	(15.2)	(31.9)
Of this amount, net investments in property, plant and equipment			(11.5)	(10.0)	(16.5)
Cash flow before financing activities			(56.2)	5.9	23.4
Financial ratios					
Operating margin, percentage	2.5	3.2	(0.9)	3.5	1.9
Return on net assets (for the period), percentage			(0.8)	3.4	3.6
Cash flow as a percentage of revenue			(10.6)	1.1	2.3
Net working capital as a percentage of revenue			10.5	9.9	8.4
Earnings per share before tax	2.2	2.4	(1.9)	5.7	6.1
Book value			77	81	80
Return on equity before tax, percentage			(2.4)	7.6	5.0
Equity interest, percentage			36.4	41.9	42.8
Average number of full-time employees			610	580	586
Stock market ratios					
Dividend, DKK million			0.0	0.0	0.0
Market price			93.0	114.0	110
Share capital, DKK million			28.6	28.6	28.6
Price/book value			1.2	1.4	1.4
Price/earnings ratio			N/A	27.6	27.8

The interim financial statements, which have not been audited, cover the period from 1 May to 31 October 2013. The accounting policies applied in these interim financial statements are the same as those applied in the 2012/2013 annual report.

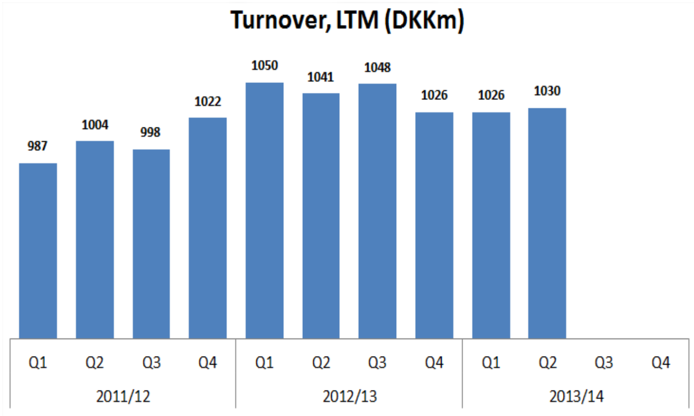
REVENUE TRENDS

Growth in brand store revenue undermined by declining exchange rates

BoConcept Holding's (BoConcept) revenue was DKK 281.7 million in the second quarter of the 2013/2014 financial year, which is DKK 3.6 million, or 1.3%, higher than the same period last year. Growth was due to a combination of brand store sales amounting to DKK 20.7 million, including DKK 10.0 million from acquired stores in China, and declining foreign exchange rates with respect to JPY and USD.

Revenue trends	DKK million
Actual, second quarter 2012/2013	278.1
Exchange rate effect	(12.4)
Net change, brand stores	20.7
Net change, studios	(4.7)
Actual, second quarter 2013/2014	281.7

Revenue trends	DKK million
Actual, 2012/2013, year to date	524.8
Exchange rate effect	(23.4)
Net change, brand stores	28.5
Net change, studios	(1.5)
Actual, 2013/2014, year to date	528.4



In the first six months of 2013/2014 revenue increased by DKK 3.6 million to reach DKK 528.4 million. The 0.7% growth was driven by brand store sales of 6.1%, which is slightly below budget, while foreign exchange rate fluctuations (JPY and USD) resulted in a revenue decline of DKK 23.4 million, which is more than was originally anticipated.

Progress, but continued local challenges in principal markets

The trends prevailing in the first quarter of 2013/2014 in BoConcept's regions generally continued to prevail. Trends in France were the main cause of declining European sales, with Germany, too, being characterised by some uncertainty. In our emerging markets progress was excellent, whereas the US market declined.

Revenue by region (in DKK million)	2013/14 Q2	2012/13 Q2	Index	2013/14 YTD	2012/13 YTD	Index
Europe	**167.7**	**177.3**	**94.6**	**310.4**	**326.2**	**95.2**
France	*38.2*	*46.4*	*82.3*	*64.7*	*77.8*	*83.2*
Germany	*34.6*	*30.5*	*113.4*	*64.6*	*56*	*115.4*
Middle East + Africa	**9.6**	**6.0**	**160.0**	**19.1**	**13.1**	**145.8**
North America	**33.8**	**36.8**	**91.8**	**67.2**	**69.4**	**96.8**
USA	*29.6*	*32.6*	*90.8*	*59.2*	*61.9*	*95.6*
Latin America	**17.9**	**10.9**	**164.2**	**33.7**	**23.6**	**142.8**
Asia and Australia	**52.7**	**47.1**	**111.9**	**98**	**92.6**	**105.8**
Japan	*31.7*	*31.7*	*100.0*	*57.9*	*63.4*	*91.3*
Total	**281.7**	**278.1**	**101.3**	**528.4**	**524.9**	**100.7**

BoConcept's activities in Germany are still going strong, although same-store-sales for the quarter were adversely affected by the political uncertainty resulting from the election to the federal parliament in September. However, with more stores in the chain, revenue continues to increase.

In the French market, conditions remain difficult and consumer confidence is low. However, campaign initiatives and higher marketing budgets are started up by both franchisees and BoConcept. The marketing push will continue for some months and is to intensify our promotional activities in connection with Bonjour Days in November, the largest and most important campaign event of the year in the furniture industry.

Our stores in the UK, Denmark and Sweden have all seen growth in same-store-sales in the second quarter of 2013/2014. Even though trade in durable consumer goods is characterised by a reluctance to buy in the three countries, the activity level is rising quarter by quarter.

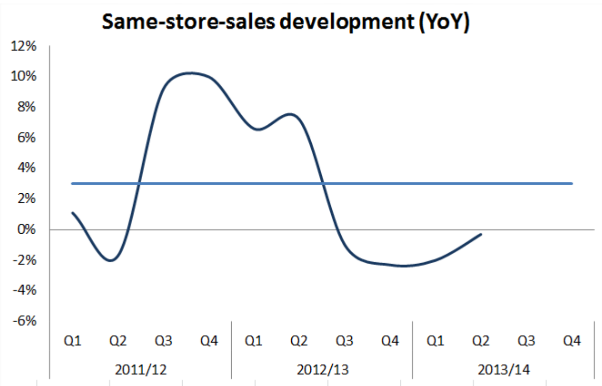
Revenue in North America fell relative to last year, also as a result of business interruptions caused by changes in our inventory and distribution set-up, but same-store-sales improved helped along by the market organisations' determined efforts. We expect the situation to return to normal in the third quarter of 2013/2014.

The progress we saw in Latin America gained additional momentum in the second quarter of 2013/2014, and the same happened in the Middle East where the number of stores is now back to normal.

The expansion of BoConcept's own stores in Japan remains very strong in terms of the local currency. In China BoConcept continues to strengthen its concept in its own stores and those operated by its franchisees, which ensures a higher traffic and boosts same-store-sales.

Same-store-sales on a par with expectations
After a 2.0% decline in the first quarter of the financial year, same-store-sales improved to be a 0.3% decline in the second quarter of 2013/2014. The chain's total same-store-sales are still suffering heavily from the adverse conditions prevailing in France, although conditions have improved since the first quarter of 2013/2014. Since the beginning of the financial year, same-store-sales have declined by 1.4%. When adjusting for the effect in France, same-store-sales would have been up by 1.2%.

The main reason for this persistent challenge to same-store-sales is lack of traffic to the stores. For this reason we are intensifying our efforts to increase basket size and hit rate through sales training and optimisation of our collection and store appearance.



The 2014 collection launch was kicked off by a large-scale promotional campaign that differentiated our brand from the competitors' by taking a different and humorous approach. At the same time, BoConcept launched a new and significantly updated website which is much better at maintaining visitors' interest and driving better quality traffic to our stores.

Global strategic initiatives to improve performance

Since May 2013, BoConcept's management has been working hard to build on the group's strategy with a view to improving its sales performance. The idea is to transform BoConcept into an organisation that sets and realises targets that are even higher than before in order to exploit its full revenue and earnings potential.

The new elements in this strategy are especially targeted at increasing same-store-sales and making the organisation more effective in order to boost the store sales performance. These elements are organised into two new core initiatives.

The first initiative is implementation of a newly developed 'Breakthrough' management system throughout the organisation, a system to teach franchisees, managers, middle managers and others to set and realise these now much more ambitious goals through training, motivation and feedback to employees.

The other core element is the formulation of a number of development tracks intended to put BoConcept and its franchise chain on the road for significant growth. The tracks include anchoring of the Breakthrough system in the value and work base of the entire group; developing the collection; communication and service concepts; focusing on MCR as a success case; significantly increasing same-store-sales, improving the store opening model and concentrating more on greater efficiency throughout the value chain.

This strategy will be implemented throughout the organisation from design and product development to marketing, supply chain, IT etc. first and foremost also in the three BoConcept stores in London, Copenhagen and Sweden where the strategy ran as a pilot project from September to November 2013. The results were satisfactory. We expect the process, which is currently being rolled out onto all BoConcept's markets, to boost the level of activity in the second half of the 2013/2014 financial year.

BIG Business in Herning

BoConcept is developing its strategy on the basis of the introduction of the breakthrough leadership concept and the adoption of very ambitious objectives, which will change forever the way we view BoConcept's potential and raise the bar for what can be achieved by the stores and the group as a whole. The concept is designed to realise BoConcept's re-defined potential through a much more powerful leadership style, a clear definition of objectives, new optimisation initiatives and removal of unnecessary administrative noise in order to focus exclusively on sales and customers.

The breakthrough project was launched in the summer of 2013, followed by the management's determination of targets and strategies. After the breakthrough concept had been run as a pilot project in three stores in London, Copenhagen and Stockholm, which proved very successful, it was launched throughout the franchise chain in mid-November.

To secure the launch maximum penetration and impact, BoConcept invited franchisees from all its 58 markets to a kick-off and management training seminar in Herning entitled 'BIG Business' in mid-November 2013. For four whole days the 200 or so participants were introduced to the management's visions and strategy and worked intensively on management training, coaching and planning. They also prepared specific sales optimising initiatives and tools, which are now being implemented in the global chain with one overall and clear ambition: to kick-start a process that will give the chain's same-store-sales a considerable boost in the years ahead.

Many store openings in the second quarter of 2013/2014

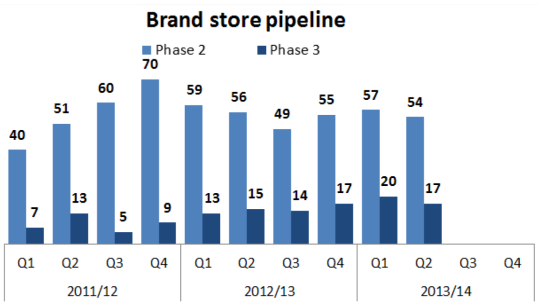
Brand stores accounted for 94% of BoConcept's revenues in the first quarter of 2013/2014; the remainder were generated by BoConcept Studios.

	2013/14YTD	2013/14 YTD	31 Oct. 2013			Pipeline 31 Oct. 2013	
	Openings	Closures	Stores	Own stores	Studios	Phase 2	Phase 3
Europe	**8**	**7**	**147**	**12**	**47**	**23**	**7**
France	1	1	31			5	0
Germany	5	0	21			3	2
UK	0	0	13	1	4	7	1
Spain	0	3	10	2	1		
Denmark	0	0	8	6			
Sweden	0	0	5	3	1	0	
Norway	0	0	0		16		
Middle East and Africa	**1**	**2**	**10**			**3**	**2**
North America	**3**	**0**	**30**	**2**		**5**	**0**
USA	3	0	26	2		5	0
Latin America	**1**	**0**	**20**			**6**	**3**
Asia	**5**	**6**	**48**	**13**		**17**	**5**
Japan	3	5	17	6		2	2
China	2	1	16	7		7	1
Total	**18**	**15**	**255**	**27**	**47**	**54**	**17**

13 new brand stores opened in August-October 2013. In October alone, the chain expanded by five stores, e.g. in Japan, France and Germany. During the same period, BoConcept sold two of its own stores in Poland, closed three in Spain and reported a net addition of two new own stores in Japan (Tokyo). Because September - with its collection update - is the most natural time to leave the chain, the number of closures is highest in the second quarter of the financial year.

In the first half of 2013/2014, we opened a total of 18 stores, five of which are located in Germany, three in the USA and three in Japan. After the scheduled store closures, primarily in Southern Europe and Japan, the net addition of stores to the chain for the 2013/2014 financial year was three. The chain consisted of 255 stores at 31 October 2013: 241 brand stores and 14 inspiration stores.

BoConcept provided six stores with start-up finance totalling DKK 13.5 million in the first half of 2013/2014. Investments through the Location Involvement programme thus totalled DKK 24.3 million in the first six months of 2013/2014 and amounted to DKK 22.1 million net at the balance sheet date.



The number of new store openings in the first six months of 2013/2014 testifies to a massive focus on expansion in the country organisations which continues to fill the pipeline. Despite the many new store openings in the second quarter of 2013/2014, we had 17 stores in phase three of the pipeline scheduled to open this financial year.

The new store openings will be spread across several markets. Accordingly, we are planning new store openings in Germany, to open more of our own stores in Japan (Osaka and Kobe), and we are also looking to expand in our growth markets in Latin America and the Middle East/Africa. The pipelines in China and the USA are also gaining momentum.

PROFIT TRENDS

Higher revenues generated by brand stores increased the earnings contribution in the second quarter of 2013/2014. However, this increase was undermined by changes in foreign exchange rates, resulting in a quarterly profit marginally below last year's.

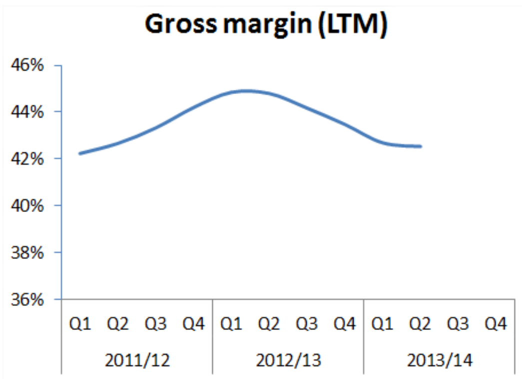
(In DKK million)	Q2 2012/13	Business model and other	Fewer own stores	China	Currency	Q2 2013/14
Revenue	278.0	7.3	(1.3)	10.0	(12.4)	281.7
Production costs	(159.7)	(4.2)	0.0	(0.7)	2.1	(162.5)
Gross profit(loss)	118.3	3.2	(1.3)	9.3	(10.3)	119.2
Capacity costs	(109.3)	1.1	2.1	(10.1)	3.9	(112.3)
Operating profit(loss)	9.0	4.3	0.8	(0.8)	(6.4)	6.9
As % of revenue	3.2%	58.1%				2.4%

Earnings in the first half of the 2013/2014 financial year were affected by the allocation of greater resources to acquire stores in China, concept development, marketing and provisions for losses on debtors in the first quarter of 2013/2014, whereas the performance for the second quarter was as predicted.

(In DKK million)	Year-to-date 2012/13	Business model and other	Fewer own stores	China	Currency	Year-to-date 2013/14
Revenue	524.8	12.5	(2.5)	17.0	(23.4)	528.4
Production costs	(295.3)	(10.4)	0.0	(2.6)	3.1	(305.2)
Gross profit(loss)	229.5	2.1	(2.5)	14.4	(20.3)	223.2
Capacity costs	(211.2)	(8.0)	3.9	(19.8)	7.2	(227.9)
Operating profit(loss)	18.3	(5.9)	1.4	(5.4)	(13.1)	(4.7)
As % of revenue	3.5%	(47.2)%				(0.9)%

JPY trend has negative impact on gross profit margin

Our gross profit percentage was 42.3% in the second quarter of 2013/2014 compared with 42.5% in the same quarter last year, which - as usual - was affected by the distribution of catalogues to the chain with a low contribution margin. The changes in foreign exchange rates and fewer own stores (excluding China) have had an adverse impact on our gross margin, whereas the addition of stores in China and efficiency improvements have had the opposite effect.



The gross profit for the 2013/2014 financial year was 42.2% compared with 43.7% in the previous year. The declining JPY rate had a negative effect on our margin to the tune of 20 basis points as BoConcept makes no purchases in this currency. The fact that our American warehousing and distribution facility was less effective than usual caused a decline of five basis points in the gross margin. While the sale of own stores reduced our gross margin by three basis points in the six months under review relative to last year, it was boosted by 13 basis points due to our acquisition of seven stores in China.

The sourcing ratio was 79% of revenue at the end of October 2013.

Capacity costs were normalised in the second quarter of 2013/2014
Capacity costs were DKK 112.3 million in the second quarter of 2013/2014, or 39.8% of revenue, compared with 39.3% the year before. Capacity costs rose by DKK 16.7 million to reach DKK 227.9 million in the 2013/2014 financial year, corresponding to 43.1% of revenue, versus 40.2% last year.

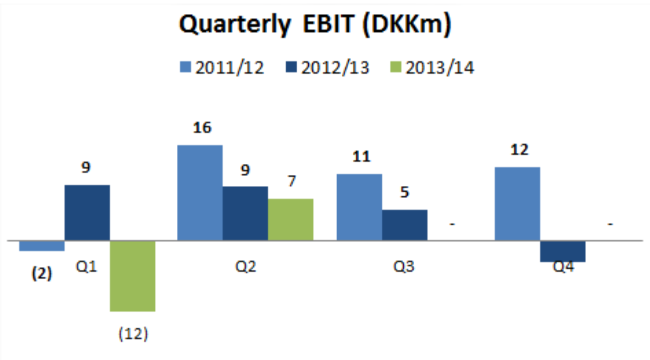
In the second quarter of 2013/2014, distribution costs increased by DKK 3 million on last year, corresponding to 30.9% of revenue. In the first six months of 2013/2014 the item increased by DKK 13.9 million to reach DKK 177.1 million. Provisions for bad debts of DKK 5.5 million for the second quarter of 2013/2014 were on a par with last year, and in the year to date the item amounts to DKK 15.3 million compared with DKK 10.7 million last year.

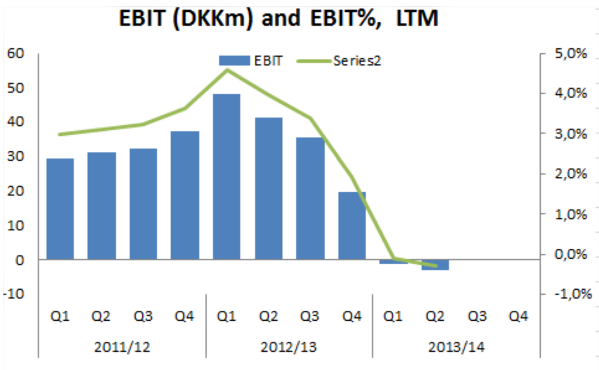
The group's administrative expenses were DKK 22.7 million in the second quarter of 2013/2014, or 8.0% of revenue, compared with 7.4% the year before. Administrative expenses rose by DKK 4.8 million to reach DKK 48.2 million, or 9.1% of revenue, for the first half of the 2013/2014 financial year.

In the second quarter of 2013/2014, BoConcept closed own stores and moved its warehousing set-up to the USA, which resulted in non-recurring costs of DKK 2.5 million, which have been recognised under 'other operating expenses'.

Positive, but modest operating income in the second quarter of 2013/2014
BoConcept's operating profit (EBIT) was DKK 7.0 million, or 2.5% of revenue, in the second quarter of 2013/2014 compared with DKK 8.9 million, or 3.2% of revenue, in the same period last year.

BoConcept suffered operating losses totalling DKK 4.7 million after the first quarter. The losses had been anticipated.





After financial expenses net amounting to DKK 0.8 million, the group made pre-tax losses of DKK 5.4 million for the first six months of 2013/2014 compared with a profit of DKK 16.4 million last year. Even though the financial results coincide with the management's forecast after the acquisition of the Chinese activities, declining foreign exchange rates and increased marketing costs, it is unsatisfactory.

BALANCE SHEET

Investments in China and co-financing of new stores
The balance sheet total was DKK 607.3 million at 31 October 2013, or DKK 75.0 million more than at the beginning of the financial year.

Of the increase, DKK 29.2 million is attributable to non-current assets, including the increase related to the acquisition of master rights and the acquisition of stores in China and investments in the Location Involvement programme.

Rise in receivables increased capital tie-up in net working capital
Net working capital was DKK 109.2 million at the balance sheet date, compared with DKK 102.9 million last year, or 10.5% and 9.9% respectively of the revenue earned in the past twelve months.

Inventories increased marginally compared with last year to reach DKK 134.1 million whereas receivables stood at DKK 159.8 million at the balance sheet date, an increase of DKK 23.9 million on last year. The increase is attributable to debtor days increasing to 52 in the first six months of 2013/2014 compared with 48 for the entire past financial year.

On the liabilities side, trade payables and prepayments from customers have risen as a result of the recognition of the Chinese activities.

Interest-bearing debt increased
At the balance sheet date, the group's equity amounted to DKK 221.0 million, equivalent to an equity ratio of 36.4%.

The group's interest-bearing debt totalled DKK 131.0 million at the end of October 2013, compared with DKK 88.2 million in the previous year. The main reasons for the increase are seasonal fluctuations and a high investment level. Outstanding liabilities may be broken down into non-current liabilities of DKK 61.6 million and current liabilities of DKK 70.7 million.

The group had DKK 19.0 million in cash at the balance sheet date and unused credit facilities totalling DKK 50.5 million.

CASH FLOW

Cash outflows as a result of operating losses, larger working capital and increased investments in expansion
After the first six months of 2013/2014 cash flow from operating activities was a cash outflow of DKK 24.4 million as opposed to a cash inflow of DKK 21.1 million at the same time last year. The main reasons are operating losses and more funds tied up in working capital, especially in the first quarter of 2013/2014.

In the first six months of 2013/2014 BoConcept increased its investments in the Local Involvement programme and the acquisition of Chinese activities. Net investments for the year to date totalled DKK 31.8 million compared with DKK 15.2 million last year. Accordingly, cash flow before instalments on long term debt totalled a cash outflow of DKK 56.2 million, compared with a cash inflow of DKK 5.9 million last year.

Hands-on management ensures strong growth in Japan

After challenging market conditions for a number of years, conditions in Japan are now gradually improving. Regional Director Kim Mølholm and Country Manager Shinoda Akinao took advantage of the improved conditions by implementing an extensive clear-out and restructuring of the Japanese set-up. This brought about significant cost reductions in own stores and in the market organisation, and franchisees who fail to adhere to the concept have been tackled - with notable results.

'For the market as a whole, the top line has not actually changed much, but the difference in performance between individual stores is enormous. In our six own stores in Japan we have concentrated fully on adherence to the concept, which has given same-store-sales a considerable boost. At the same time, we have succeeded in cutting 30% of costs by renegotiating leases, closing an expensive location and optimising our staff composition. These measures have dramatically increased our earning power,' says Shinoda Akinao.

However, some franchise stores have performed weakly. Kim Mølholm has responded by closing stores that did not adhere to the concept, for instance in Osaka, and opened own stores instead, operated by BoConcept staff. 'The potential for optimisation is enormous here, and it is absolutely vital that we exploit our brand position and market opportunities to the full. With this in mind, we have opened five new own stores in the past three months. The combination of own stores in key locations and franchise stores in other areas proved to be the way to go, and we will therefore follow this expansion strategy in Japan in future,' says Mølholm.

EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

BoConcept Holding A/S held an extraordinary general meeting on 1 November 2013 (see our announcement no. 9 of 2013 dated 10 October 2013 and notice bearing the same date) with the purpose of electing new members to the supervisory board, as Ebbe Pelle Jacobsen, Rolf Eriksen and Morten Windfeldt Jensen wished to resign.

CEO Peter Thorsen, Kirk & Thorsen A/S, CEO Henrik Burkal, REMA 1000 Danmark A/S and Reitan Distribution A/S and CEO Preben Bager (former CEO of Nobia) joined the supervisory board.

FORECAST FOR 2013/2014

Larger investments in support of sales initiatives will reduce cash flows

BoConcept's activity levels were lower than budgeted in the first six months of 2013/2014, primarily as a result of challenging market conditions in France, uncertainty in Germany and delivery problems in the USA. At the same time revenue was adversely affected by the continued decline in USD and JPY.

To counteract these trends, BoConcept has invested a great deal in marketing and implemented a new performance-driven management strategy targeted at substantially increasing the chain's performance. Since May, BoConcept has also been making a determined effort to optimise its product development cycle so that more products from the January and the Effect campaigns can be produced more quickly than before.

The implementation of a new performance-driven management strategy and additional campaign products are expected to have a positive effect on the level of activity in the chain in the second half of 2013/2014, thus offsetting the slight lag in revenue from the first half of 2013/2014 and the predicted larger-scale negative effect of changes in foreign exchange rates. Against this background, we maintain our previous revenue forecast for the 2013/2014 financial year.

As regards expansion, BoConcept's attractive concept and the high level of activity in its market organisations ensure a high number of openings and a large supply of qualified potential franchisees to the pipeline. This supports our expectations of opening 35 new stores and adding a net number of ten brand stores this financial year.

Overall, we expect revenue for the 2013/2014 financial year to continue to increase by about DKK 40 million from our acquisition in China whereas same-store-sales will be 0%. The trend in the USD and the JPY rates will reduce group revenue by an estimated DKK 38 million (compared with previously DKK 31 million) and will have a negative effect on EBIT to the tune of DKK 13 million (previously DKK 11 million). Profit trends will be strengthened in the second half of 2013/2014 following high marketing costs and approximately DKK 5 million in restructuring costs incurred in the first six months of the financial year. The EBIT percentage for the 2013/2014 financial year is now expected to be at the low end of the previously announced range of 2.5-3.0%. To promote sales, BoConcept will increase its inventory in several product groups and introduce major updates in its board furniture range. In combination with substantial investments in the group's own stores, this will mean that the group's cash outflow before instalments on long-term debt will be about DKK 30 million, as opposed to the previously announced DKK 0 in the 2013/2014 financial year.

Our forecast is based on current market conditions and exchange rates.

Forecast for the 2013/2014 financial year

	Forecast 2013/14	Actual 2012/13
Revenue growth	Approx. 4%	0% (DKK 1,026 million)
Same-store-sales (order intake)	0%	2.5%
Change, brand stores	(net increase:	24 openings (net reduction: 3)
EBIT margin		1.9%
Cash flow as a percentage of revenue	(3)%	2.3%
Investments	DKK 30 million	DKK 32 million

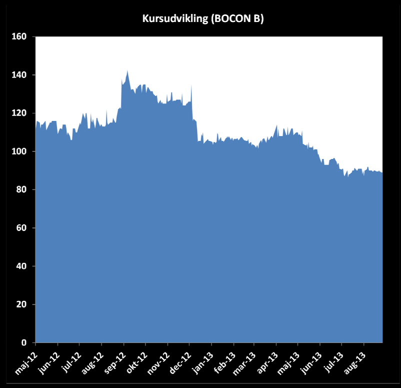
INVESTOR INFORMATION

Stock exchange announcements from 1 May 2013 to 31 October 2013

08.05.2013	BoConcept announces downward adjustment of forecast, cost-cutting measures and organisational restructuring
26.06.2013	Announcement of 2012/2013 financial results
08.06.2013	Financial calendar - update
07.08.2013	Notice of general meeting of shareholders of BoConcept Holding A/S
29.08.2013	Quarterly review, first quarter of 2013/2014
02.09.2013	Revised articles of association
10.10.2013	Change in supervisory board composition
10.10.2013	Notice of extraordinary meeting of shareholders of BoConcept Holding A/S
01.11.2013	Minutes of extraordinary general meeting

Vocabulary

Brand store:	BoConcept store
Same-store-sales:	Revenue trend compared with sales trend in one particular store from one year to the next
Traffic:	Number of visitors/customers in the store
Hit rate:	The share of potential customers finding a product to buy
Basket size:	The size of the individual order
Pipeline:	Stores for which contracts to open have been signed



Financial calendar

11 March 2014 Q3 announcement 2013/2014

Investor contact

Hans Barslund, Vice President and CFO
Telephone: (+45) 7013 1366

Further information

For additional information on BoConcept and to subscribe to investor news go to www.boconcept.com/IR

This announcement of quarterly financial results was prepared in Danish and translated into English. In case of inconsistencies between the Danish announcement and the English translation, the Danish shall prevail.

Disclaimer

This announcement contains forward-looking statements and forecasts relating, among other things, to profit, balance sheet total and cash flow. BoConcept Holding stresses that the above forecast is subject to considerable uncertainty with respect to the level of activity we will see in the future due to dramatically reduced market transparency and revenue visibility. The revenue generated by the franchise chain and BoConcept will thus be sensitive to fluctuations in macro-economic factors such as GNP growth, home sales, consumer confidence and trends in disposable income. Should these variables deteriorate, the franchise chain will have even tougher sales conditions to contend with, and the senior management's expectations with respect to future financial trends may thus not be achieved.

MANAGEMENT STATEMENT

The supervisory and executive boards today considered and adopted the interim report of BoConcept Holding A/S for the period 1 May to 31 October 2013.

The interim report is presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies. The interim report has not been audited or reviewed.

We consider the accounting policies applied expedient and the estimates adequate. Furthermore, in our view, the overall presentation of the interim report gives a true and fair view of the company's financial affairs. In our opinion, the interim report gives a true and fair view of the group's assets, liabilities and financial position and of the results of the group's operations and cash flow for the reporting period.

Herning, 5 December 2013

Executive board

Torben Paulin CEO	Hans Barslund CFO

Supervisory board

Viggo Mølholm Chairman	Peter Thorsen Deputy Chairman
Henrik Burkal	Preben Bager
Poul Brændgaard	Joan Bjørnholdt Nielsen

Consolidated income statement

	01.08. - 31.10 2013/2014 DKK'000	01.08. - 31.10 2012/2013 DKK'000	01.05. - 31.10. 2013/2014 DKK'000	01.05. - 31.10. 2012/2013 DKK'000
Revenue	281.709	278.055	528.406	524.825
Production costs	-162.487	-159.772	-305.179	-295.351
Gross profit	119.222	118.283	223.227	229.474
Distribution costs	-87.161	-84.183	-177.134	-163.221
Administrative expenses	-22.662	-20.544	-48.166	-43.359
Other operating income	71	84	112	84
Other operating expenses	-2.507	-4.710	-2.714	-4.710
Operating profit/loss	6.963	8.930	-4.675	18.268
Financial income	1.025	892	1.641	1.916
Financial expenses	-1.647	-3.009	-2.404	-3.793
Operating profit/loss before tax	6.341	6.813	-5.438	16.391
Tax on profit/loss for the year	-2.106	-1.496	1.080	-4.580
Profit/loss for the period	4.235	5.317	-4.358	11.811
Broken down as follows:				
Boconcept Holding A/S shareholders	4.324	5.317	-3.870	11.811
Minority interests	-88	0	-487	0
	4.236	5.317	-4.357	11.811
Earnings per share				
Earnings per share	1,51	1,88	-1,36	5,78
Earnings per diluted share	1,51	1,87	-1,36	5,76

Consolidated total income

Profit/loss for the period	4.235	5.317	-4.358	11.811
Revaluation of hedging instruments	177	-793	916	-793
Foreign currency translation, foreign units	-1.871	-3.896	-2.860	846
	2.541	628	-6.302	11.864
Broken down as follows:				
BoConcept Holding A/S shareholders	1.751	628	-6.693	11.864
Minority interests	-88	0	-487	0
	1.663	628	-7.180	11.864
Earnings per share				
Earnings per share	0,61	0,22	-2,35	4,18
Earnings per diluted share	0,61	0,22	-2,35	4,17

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Consolidated balance sheet

Q1	31.10.13 DKK'000	31.10.12 DKK'000	30.04.13 DKK'000
ASSETS			
Goodwill	18.147	8.250	8.082
Master rights	40.828	34.507	34.507
Software	13.385	18.766	17.071
Intangible assets in progress	7.214	594	5.340
Total intangible assets	79.574	62.117	65.000
Land and buildings	68.597	73.976	71.715
Leasehold improvements	23.021	13.310	13.687
Plant and machinery	12.964	18.598	15.624
Fixtures and operating equipment	5.668	9.374	8.074
Fixtures and operating equipment in progress	5.409	2.413	3.504
Total property, plant and equipment	115.659	117.671	112.604
Deferred tax	31.583	34.533	32.875
Other financial assets	27.382	12.773	15.119
Deposits	15.209	17.778	14.606
Total other non-current assets	74.174	65.084	62.600
Total non-current assets	269.407	244.872	240.204
Inventories	134.142	131.295	106.105
Trade receivables	159.830	135.905	144.036
Other receivables	24.907	21.223	21.574
Cash	19.059	18.264	20.359
Total current assets	337.938	306.687	292.074
TOTAL ASSETS	607.345	551.559	532.278

	31.10.13 DKK'000	31.10.12 DKK'000	30.04.13 DKK'000
LIABILITIES AND EQUITY			
Share capital	28.621	28.621	28.621
Translation reserve	-4.180	1.716	-1.320
Hedging reserve	-267	-793	-1.183
Retained earnings	196.839	201.738	201.914
Dividend proposed	0	0	0
BoConcept Holding A/S shareholders' share of equity	221.013	231.282	228.032
Minority interests	-278	0	0
Total equity	220.735	231.282	228.032
Deferred tax	44.509	46.580	44.509
Employee debentures	1.299	2.674	1.299
Mortgage credit institutions and banks	60.323	47.993	45.990
Total non-current liabilities	106.131	97.247	91.798
Employee debentures	1.375	0	1.375
Mortgage credit institutions and banks	69.363	37.499	26.029
Trade payables	106.020	87.272	90.241
Prepayment from customers	30.832	22.907	19.923
Income tax payable	6.792	14.693	7.558
Other payables	66.097	60.659	67.322
Total current liabilities	280.479	223.030	212.448
Total liabilities	386.610	320.277	304.246
TOTAL LIABILITES AND EQUITY	607.345	551.559	532.278

Q2

Consolidated cash flow statement

	1.5. - 31.10. 2013/2014 DKK'000	1.5. - 31.10. 2012/2013 DKK'000
Revenue and other operating income	528.518	524.909
Operating expenses	-533.193	-506.641
Depreciation and amortisation	18.877	15.510
Change in net working capital	-37.793	-9.302
Cash flow from operating activities before financial items	-23.591	24.476
Interest income etc.	1.641	1.916
Interest paid	-1.886	-4.896
Income tax paid	-539	-404
Cash flow from operating activities	-24.375	21.092
Acquisition of intangible assets	-10.496	-3.516
Sale of intangible assets	0	0
Acquisition of property, plant and equipment	-11.495	-9.968
Sale of property, plant and equipment	3	68
Acquisition of financial assets	-10.625	-3.596
Sale of financial assets	788	1.826
Acquisition of companies	0	0
Sale of companies	0	0
Cash flow for investing activities	-31.825	-15.186
Cash flow before financing activities	-56.200	5.906
Instalments on long-term debt	-4.753	-4.100
Incuring af long-term debt	17.932	0
Shareholders:		
Capital increase	0	0
Sale of treasury shares	58	216
Acquisition of treasury shares	0	0
Dividend paid	0	-5.670
Cash flow from financing activities	13.237	-9.554
Cash inflow/outflow for the year	-42.963	-3.648
Cash and cash equivalents less short-term bank debt, beg. of year	-888	-9.133
Revaluation of cash and cash equivalents	-518	1.103
Cash and cash equivalents at year-end	-44.369	-11.678

The amount may be broken down as follows:

Cash without restrictions	19.059	18.264
Short-term debt to credit institutions	-63.428	-29.942
	-44.369	-11.678

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Consolidated equity movements

Q1

	Share capital	Translation reserve	Hedging reserve	Retained earnings	Dividend proposed	Total
Equity 1 May 2012	28.621	870	0	189.657	5.724	224.872
Acquisition of treasury share				0		0
Sale of treasury shares				216		216
Distributed dividend				0	-5.724	-5.724
Dividend proposed					0	0
Dividend treasury shares				54	0	54
Costs of share options				0		0
Total earnings and costs for the period		846	-793	11.811		11.864
Equity 31 October 2012	28.621	1.716	-793	201.738	0	231.282
Equity 1 May 2013	28.621	-1.320	-1.183	201.914	0	228.032
Acquisition of treasury share				0		0
Sale of treasury shares				58		58
Distributed dividend				0	0	0
Dividend proposed				0	0	0
Dividend treasury shares				0		0
Costs of share options				-1.263		-1.263
Total earnings and costs for the period		-2.860	916	-3.870		-5.814
Equity 31 October 2013	28.621	-4.180	-267	196.839	0	221.013

Q2

1. Accounting policies applied

The interim report has been prepared in accordance with IAS 34's 'Presentation of interim reports' as adopted by the EU. Further, the interim report has been prepared in accordance with the additional Danish disclosure requirements for interim reports of listed companies.

Except for the effect of new IAS/IFRSs implemented in the reporting period, accounting policies applied remain unchanged compared to the annual report for 2012/2013, to which reference is made.

The annual report for 2012/2013 contains a detailed description of the accounting policies applied.

New IAS/IFRS implemented in the reporting period

No new standards and interpretations have been implemented during the reporting period.

For further information on the above-mentioned standards and interpretations, please see page 36 in the annual report for 2012/2013.

2. Estimates and judgements

The preparation of interim reports requires the management to make financial estimates and judgments affecting the accounting policies applied and the included assets, liabilities, earnings and expenditure. Actual results may differ from these estimates and judgments.

Material estimates made by the management by applying the group's accounting policies and the estimated insecurity involved are the same as the ones used in connection with the preparation of the annual report at 30 April 2013.

3. Segments

The identified reportable segment constitutes all of the group's external revenue, produced from the sale of furniture, home furnishings and accessories. The reportable segment is identified on the basis of the group's internal management structure, from which follows the duty to report to the main decision-makers, the executive board. As permitted under IFRS 8, the reportable segment is also a consolidation of the operational segments in the BoConcept group.

Profit, revenue and costs are recognised according to the same principles in the segment information and in the group's annual financial statements. Segment information may be gleaned from the group's income statement, balance sheet and cash flow statement.

4. Tax on profit for the year

The group's effective tax rate for the reporting period in 2013/2014 is 28% - the same as for the same reporting period in 2012/2013.

The effective tax rate of 28% comprises tax on profit for the period of 25% and non-deductible costs and additional tax abroad as a result of international joint taxation of 3%.

5. Related parties

BoConcept's related parties have not changed compared to the disclosures of the annual report for 2012/2013.

In the reporting period no extraordinary transactions were concluded with relating partners. No extraordinary transactions were concluded with relating partners in the same period last year either.

6. Re-classification of items

The following main item re-classifications have been effected for the comparative figures for 2012/2013 and 2011/2012 respectively:

	2012/2013			
	Q1	Q2 acc.	Q3 acc.	Q4 acc.
Production costs	-877	-1.048	-2.662	-2.862
Distribution costs	4.183	7.964	13.770	18.834
Administrative expenses	-3.306	-6.916	-11.108	-15.972
Control	0	0	0	0

	2011/2012			
	Q1	Q2 acc.	Q3 acc.	Q4 acc.
Production costs	-1.320	-2.167	-2.860	-3.597
Distribution costs	4.191	7.869	11.838	16.325
Administrative expenses	-2.871	-5.702	-8.978	-12.728
Control	0	0	0	0