

Translation

Struer, 9 January 2008

Interim report for the period 1 June – 30 November 2007 for Bang & Olufsen a/s

- The Group's overall turnover rose during the half year by DKK 97 million to DKK 2,166 million, an increase of 5 per cent. Medicom was included in the comparative figures for 2006/07 at DKK 74 million. The branded business increased during the financial year's first half year by DKK 162 million to DKK 2,127 million, an increase of 8 per cent.
- The Group's gross margin was 46.1 per cent compared to 47.3 per cent for the half year 2006/07. This is largely owing to changes to the product mix towards greater emphasis on TVs.
- Operating profit was DKK 166 million against DKK 240 million in the first half year last year. Results before tax totalled DKK 150 million against DKK 238 million last year, a reduction of DKK 88 million. The result was affected by non-recurrent expenditures and a negative change in the net effect of capitalisation totalling DKK 50 million.
- The second quarter's turnover for the branded business amounted to DKK 1,219 million, an increase of 8 per cent. The Group's turnover for the quarter was DKK 1,240 million, i.e. an increase of 4 per cent. Result before tax for the quarter totalled DKK 94 million against DKK 181 million last year.
- For the first half year, Denmark posted a 3 per cent rise in turnover, while North America saw a rise of 8 per cent. Germany is on a par with last year, while the UK disappointed with a decline of 6 per cent. Turnover growth of between 10 and 20 per cent was achieved in Norway, Switzerland, France and Asia-Pacific, while Expansion Markets rose by more than 30 per cent.
- During the first half year, Automotive achieved a turnover of DKK 47 million against DKK 38 million last year. Turnover for Enterprise totalled DKK 81 million against DKK 29 million last year. Turnover for ICEpower a/s totalled DKK 48 million against DKK 50 million last year.
- During the second quarter, the Group launched a new remote control, Beo5, an mp3-player, BeoSound 6, and a music mobile phone Serenata. 32 B1 shops were opened during the first half year.
- Due to the negative deviation in the first half year and despite a satisfactory turnover development in the A/V business during the first half year, the most recent month's disappointing trend in retail sales means that the Group does not expect to maintain the same growth in the second half year. Turnover for the 2007/08 financial year is expected to be in the region of DKK 4,450 and DKK 4,550 million, while operating profit is expected to be between DKK 385 and DKK 425 million. Result before tax is expected to be within the range of DKK 360 and DKK 400 million.

Jørgen Worning
Chairman

Torben Ballegaard Sørensen
President, CEO

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Main figures – Bang & Olufsen a/s Group
(unaudited and not reviewed by the company's auditor)

(DKK million)

Main figures for the period 1/6 – 30/11	2007/08	2006/07	
Net turnover	2,166.2	2,069.0	
Gross profit	998.5	978.7	
Gross margin	46.1 %	47.3 %	
Operating profit	165.9	239.9	
Result of investments in associated companies after tax	(3.1)	-	
Financial items, net	<u>(13.3)</u>	<u>(1.7)</u>	
Result before tax	149.5	238.2	
Tax on result for the period	<u>(39.7)</u>	<u>(71.8)</u>	
Result for the period	<u>109.8</u>	<u>166.4</u>	
Attributable to:			
Shareholders of the parent company	106.9	163.6	
Minority interests	<u>2.9</u>	<u>2.8</u>	
Result for the period	<u>109.8</u>	<u>166.4</u>	
Earnings per share			
Earnings per share, DKK	<u>9.4</u>	<u>13.9</u>	
Diluted earnings per share, DKK	<u>9.4</u>	<u>13.9</u>	
Balance sheet information	30/11 2007	31/5 2007	30/11 2006
Intangible assets	442.5	450.0	374.9
Tangible assets	652.6	617.9	663.4
Investment property	54.6	56.4	0.7
Financial assets	<u>106.7</u>	<u>125.2</u>	<u>67.8</u>
Total non-current assets	<u>1,256.4</u>	<u>1,249.5</u>	<u>1,106.8</u>
Inventories	829.1	694.3	782.5
Receivables	1,040.1	824.8	1,007.2
Cash	-	196.4	-
Non-current assets classified as held for sale	<u>-</u>	<u>-</u>	<u>39.8</u>
Total current assets	<u>1,869.2</u>	<u>1,715.5</u>	<u>1,829.5</u>
Total assets	<u>3,125.6</u>	<u>2,965.0</u>	<u>2,936.3</u>
Equity	1,479.3	1,681.9	1,655.4
Non-current liabilities	551.9	371.1	391.8
Current liabilities	<u>1,094.4</u>	<u>912.0</u>	<u>889.1</u>
Total equity and liabilities	<u>3,125.6</u>	<u>2,965.0</u>	<u>2,936.3</u>

Parentheses denote negative figures or amounts to be deducted.

Development in equity 1/6 – 30/11	2007/08	2006/07
Equity as at 1 June	1,681.9	1,742.1
Equity and exchange rate adjustments in subsidiaries	3.6	3.0
Change in fair value of derivative financial instruments	(0.1)	0.4
Employee shares	10.4	10.8
Grant of share options	<u>5.2</u>	<u>(5.1)</u>
Net income recognised directly in equity	19.1	9.1
Retained earnings	<u>109.8</u>	<u>166.4</u>
Total recognised income and expenses for the period	<u>128.9</u>	<u>175.5</u>
Purchase of own shares	(100.2)	(89.8)
Sale of own shares	1.6	16.5
Dividend, own shares	14.0	11.3
Dividend paid	<u>(246.9)</u>	<u>(200.2)</u>
	<u>(331.5)</u>	<u>(262.2)</u>
Equity as at 30 November	<u>1,479.3</u>	<u>1,655.4</u>
Cash flow, main figures 1/6 – 30/11	2007/08	2006/07
Cash flow from operating activities	(0.3)	(101.1)
Cash flow from investment activities	(119.0)	(140.7)
Cash flow from financing activities	<u>(154.6)</u>	<u>(285.6)</u>
Cash flow for the period	<u>(273.9)</u>	<u>(527.4)</u>

Parentheses denote negative figures or amounts to be deducted.

Management's report

Comments on the development for the first half year

Bang & Olufsen a/s

For the first half year, overall turnover for the Bang & Olufsen a/s Group totalled DKK 2,166 million against DKK 2,069 million for the same period last year. This represents growth of DKK 97 million or 5 per cent. Medicom's turnover was included in the comparative figures at DKK 74 million for the same period last year.

The branded business recorded a turnover of DKK 2,127 million for the half year, i.e. an increase of DKK 162 million from DKK 1,965 million for the same period in the 2006/07 financial year. The increase equates to 8 per cent. This has been achieved despite exchange rate developments impacting negatively on turnover by DKK 27 million, equating to 1.3 per cent.

The Group's gross margin was 46.1 per cent against 47.3 per cent for the same period last year. The fall is largely owing to changes to the product mix where sales in the TV area grew relatively more than in other areas.

As planned, the Group maintained a high activity level within the field of product development. Development costs incurred totalled DKK 241 million against DKK 243 million last year. The net effect of capitalisation of development costs was negative at DKK 3 million, whereas it was positive at 22 million for the same period last year. When comparing the two half years, there is, therefore, a negative impact on the result for the current half year of DKK 25 million.

Distribution and marketing costs totalled DKK 520 million against DKK 448 million for the same period last year, which equates to an increase of DKK 72 million. As, following the close of the half year, an arbitration case went against Bang & Olufsen, a non-recurrent expenditure of DKK 25 million has been recognised in the profit and loss account. Of this, DKK 4 million is recognised under financial items.

Administration costs totalled DKK 69 million, which is on level with last year.

Operating profit for the half year was DKK 166 million against DKK 240 million last year.

Financial items, net amounted to a net expense of DKK 13 million against DKK 2 million for the same period last year. The increase is owing to a change in exchange rate adjustments equating to a negative impact on the result of DKK 4 million, statutory interest of 4 million and increased interest expenses stemming from the fact that the Group, as planned, has reduced its liquid funds.

The result before tax was a profit of DKK 150 million against DKK 238 million for the same period last year, i.e. a decrease of DKK 88 million. The result after tax was a profit of DKK 110 million against DKK 166 million last year.

Cash flow for the half year was negative at DKK 274 million whereas for the same period last year it was negative at DKK 527 million. The explanation is that the Group has maintained its investment level and that DKK 347 million was expended over the period in shareholder-related initiatives against DKK 290 million last year. In addition, a mortgage loan of DKK 200 million was raised during the second quarter.

Comments on the development during the second quarter

In the second quarter 2007/08, turnover for the Bang & Olufsen a/s Group totalled DKK 1,240 million against DKK 1,193 million last year, which equates to an increase of DKK 47 million or 4 per cent.

In the second quarter, turnover for the branded business increased by 8 per cent from DKK 1,132 million last year to DKK 1,219 million this year. The increase was achieved despite the fact that exchange rate developments had a negative impact on turnover at DKK 18 million, or 1.6 per cent.

The Group's gross margin for the quarter was 46.3 per cent against 48.1 per cent for the same quarter last year owing to changes to the product mix in favour of relatively larger TV sales.

Seen in isolation, operating profit for the second quarter totalled DKK 109 million, i.e. DKK 75 million less than the same quarter last year. Result before tax was DKK 94 million against DKK 181 million, i.e. a decrease of DKK 87 million. The result was affected by a negative net capitalisation effect and the above-mentioned non-recurrent expenditure. After tax, the result for the quarter was DKK 52 million against DKK 129 million last year.

Development in the markets

(Percentage changes are calculated in local currency to give a true and fair view of the actual development, while turnover figures are given in DKK.)

With the exception of the UK, the Group recorded a satisfactory development in turnover in its markets in the first half year.

- In Denmark, realised turnover for the first half year was DKK 266 million against DKK 259 million for the same period last year, equating to an increase of 3 per cent. In Sweden, turnover was at the same level as last year, while in Norway, turnover increased by 13 per cent. In the second quarter, turnover in Denmark was maintained at the same level as last year, while in Norway and Sweden, it increased by 20 and 21 per cent respectively.
- For the first half year, turnover in Germany was DKK 229 million against DKK 230 million for the first half year last year. During the same period, turnover in Switzerland and Austria rose by 17 and 3 per cent respectively. Seen in isolation, Germany achieved growth in turnover of 7 per cent in the second quarter, while Switzerland and Austria recorded growth of 24 and 23 per cent respectively.
- In the UK, turnover for the first half year was DKK 248 million against DKK 269 million last year equating to a decrease of 6 per cent. In the second quarter, the decline was 12 per cent. The decline in turnover in the UK is primarily due to the closure of a few B1 shops and shop in shops, while the remaining shops have shown a limited decline.
- In the first half year, turnover in Holland increased by 12 per cent and in Belgium by 5 per cent. In the second quarter, growth rates were 17 per cent in Holland and 14 per cent in Belgium.
- In Southern Europe, turnover in France for the first half year rose by 21 per cent and by 19 per cent in the second quarter. Growth in Italy was 7 per cent for the first half year and 9 per cent in the second quarter. Despite a decline of 7 per cent in the second quarter, Spain/Portugal achieved overall growth of 2 per cent for the first half year.

- During the first half of the financial year, North America achieved a turnover of DKK 120 million against 123 million last year. In local currency, this is an increase of 8 per cent. After a satisfactory first quarter characterised by growth, turnover for the second quarter was 2 per cent down on the same period last year in a more difficult retail environment.
- Asia/Pacific experienced a growth in turnover for the first half year of DKK 26 million to DKK 145 million, equating to 21 per cent. The region's advance in the second quarter alone was 15 per cent, and markets such as Australia, Korea, Singapore and Thailand all posted two digit growth rates.
- Expansion Markets, which include a number of Bang & Olufsen's overseas markets, achieved an overall increase in turnover for the first half year of 34 per cent, including 22 per cent in the second quarter. Russia continues to be the largest Expansion market.

Product launches

In the second quarter, Bang & Olufsen launched a new software based remote control, Beo5, which can be configured according to the individual customer's requirements. In addition, the mp3-player, BeoSound 6, was launched. Finally, in collaboration with Samsung, Bang & Olufsen launched the music mobile phone, Serenata.

The Group will launch a new loudspeaker, BeoLab 10, for large screen TVs in the fourth quarter. The fourth quarter will also see the launch of new patented picture calibration technology, which will further differentiate the company's plasma TV portfolio. Work on a new groundbreaking digital audio concept continues in the Group. This is expected to be launched in the beginning of the coming financial year.

Distribution development

During the first half year of the financial year, 47 B1 shops were upgraded or opened, while 15 shops were closed or converted to shop in shops.

Consequently, by the end of the first half year, there were 809 B1 shops worldwide compared to 777 at the end of the 2006/07 financial year and 733 at the end of November last year. The Group continues to expand its global distribution and the aim for the year is, as previously announced, a net addition of 50 B1 shops.

The share of turnover deriving from B1 shops is 79 per cent. The number of shop in shops is 498 against 522 at the end of the last financial year.

Organic growth in shops with at least two years of operations rose by 4 per cent in the first half year. This, however, varies significantly from market to market and from shop to shop.

Business-to-business business areas

Enterprise

Bang & Olufsen Enterprise, which comprises the Group's sales to hotels, recorded a turnover of DKK 81 million for the first half year against DKK 29

million for the same period last year. Orders received are highly satisfactory and order volumes for the coming year are good.

Automotive

Turnover for Bang & Olufsen Automotive for the first half year was DKK 47 million against DKK 38 million for the same period last year. In the second quarter, turnover totalled DKK 31 million against DKK 20 million for the second quarter 2006/07. Bang & Olufsen's sound systems are now available for the A5/S5, A8/S8 and R8 Audi models. The sound systems have also been launched for Audi Q7 and A4. In mid-December, Bang & Olufsen announced a partnership with Aston Martin.

Bang & Olufsen ICEpower a/s

Turnover for the first half year for Bang & Olufsen ICEpower was DKK 48 million against DKK 50 million for the same period last year. The stagnation is owing to the fact that sales on the project side were lower during the second quarter, and that two new products were only launched in the second half year. Research and product development activity is being maintained at a high level, and on the sales side a subsidiary was established in Japan in the first half year 2007/2008. Result before tax for the half year was DKK 2 million against DKK 10 million for the corresponding period last year.

Associated companies

Bang & Olufsen Medicom a/s

Bang & Olufsen Medicom a/s is recognised under the item Result of investments in associated companies after tax with a negative result after tax of DKK 3 million. In the first half year 2006/07, Medicom was included in the Group's figures with a turnover of DKK 74 million and a profit DKK 3 million.

Expectations for the financial year

In August 2007, expectations for the current financial year were as follows:

"For the 2007/08 financial year, expectations are for turnover growth of approx. 8 per cent, with turnover reaching DKK 4,700-4,800 million. Operating profit is expected to be in the region of DKK 560-590 million, and the result before tax is expected to increase to between DKK 540-570 million".

In terms of turnover, the start of the third quarter, was characterised by a decline in the US and Europe, while the overseas markets and Enterprise continue to show good growth. Despite a satisfactory turnover development in the A/V business during the first half year, the most recent month's disappointing trend in retail sales means that the Group does not expect to maintain the same growth in the second half year.

Owing to the TV-weighted product mix, the gross margin for the full year is expected to be around 1 per cent below last year. The net effect of capitalised development costs is expected to have a negative impact on the result at DKK 25-30 million compared to last year. Moreover, the result is affected by the non-recurrent expenditure of DKK 25 million.

ICEpower is expected to increase sales in the second half year and to achieve a turnover of DKK 120 million for the full financial year and a result before tax in the region of DKK 24-28 million.

In Automotive, sales of certain models are expected to take place slightly later than planned. The take-rate remains uncertain for the new models, and turnover for the year is expected to be around DKK 140 million. Significant development costs continue to be incurred.

On the basis of the above, turnover for the 2007/08 financial year is expected to be in the region of DKK 4,450 and DKK 4,550 million, while operating profit is expected to be between DKK 385 and DKK 425 million. Result before tax is expected to be between DKK 360 and DKK 400.

Statement by the Management

The Board of Directors and the Management have today discussed and approved the interim report for 1 June to 30 November 2007 for Bang & Olufsen a/s. The interim report is presented in accordance with IAS 34 and further Danish requirements to the presentation of interim reports for listed companies. The interim report has not been audited or examined by the company's auditors.

We consider the accounting policies applied to be appropriate so that the interim report provides a true and fair view of the Group's assets, liabilities, financial position, result and cash flow.

Struer, 9 January 2008

The Board of Directors of Bang & Olufsen a/s

Jørgen Worning

Lars Brorsen

Peter Skak Olufsen

Preben Damgaard Nielsen

Thorleif Krarup

Niels B. Christiansen

Knud Olesen

Jesper Olesen

Anette Revsgaard Sejbjerg

The Board of Management of Bang & Olufsen a/s

Torben Ballegaard Sørensen

Peter Thostrup

Profit and loss account 1/6 – 30/11

Bang & Olufsen a/s

(DKK million)

	Group			
	1/9 - 30/11 2007/08	1/9 - 30/11 2006/07	1/6 - 30/11 2007/08	1/6 - 30/11 2006/07
Net turnover	1,239.8	1,193.0	2,166.2	2,069.0
Production costs	(666.3)	(619.6)	(1,167.7)	(1,090.3)
Gross profit	573.5	573.4	998.5	978.7
Development costs	(119.4)	(107.6)	(243.7)	(221.8)
Distribution and marketing costs	(300.1)	(245.8)	(520.0)	(447.8)
Administration costs etc.	(44.8)	(36.0)	(68.9)	(69.2)
Operating profit	109.2	184.0	165.9	239.9
Result of investments in associated companies after tax	(2.3)	-	(3.1)	-
Financial income	4.5	2.5	8.9	8.6
Financial costs	(17.7)	(5.8)	(22.2)	(10.3)
Financial items, net	(13.2)	(3.3)	(13.3)	(1.7)
Result before tax	93.7	180.7	149.5	238.2
Tax on result for the period	(42.0)	(51.5)	(39.7)	(71.8)
Result for the period	51.7	129.2	109.8	166.4
Attributable to:				
Shareholders of the parent company	49.3	127.4	106.9	163.6
Minority interests	2.4	1.8	2.9	2.8
	51.7	129.2	109.8	166.4
Earnings per share				
Earnings per share, DKK	4.3	10.9	9.4	13.9
Diluted earnings per share, DKK	4.3	10.9	9.4	13.9

Balance sheet

Assets

Bang & Olufsen a/s

(DKK million)

	Group		
	30/11-07	31/05-07	30/11-06
Intangible assets			
Goodwill	44.8	44.8	18.0
Acquired rights	41.7	44.4	9.2
Completed development projects	257.8	244.6	239.4
Development projects in progress	98.2	116.2	108.3
Total intangible assets	442.5	450.0	374.9
Tangible assets			
Land and buildings	248.3	252.1	323.9
Plant and machinery	212.5	203.8	193.5
Other equipment	76.0	70.7	52.4
Leasehold improvements	27.4	29.1	24.5
Tangible assets in progress and prepayment for tangible assets	88.4	62.2	69.1
Total tangible assets	652.6	617.9	663.4
Investment property	54.6	56.4	0.7
Financial assets			
Investments in associated companies	12.7	15.8	6.0
Deferred tax assets	25.2	21.2	20.0
Other financial receivables	68.8	88.2	41.8
Total financial assets	106.7	125.2	67.8
Total non-current assets	1,256.4	1,249.5	1,106.8
Inventories	829.1	694.3	782.5
Receivables			
Trade receivables	923.2	743.2	900.7
Receivables from associated companies	-	1.8	-
Income tax receivables	44.1	27.0	28.4
Other receivables	44.4	30.0	54.6
Prepayments	28.4	22.8	23.5
Total receivables	1,040.1	824.8	1,007.2
Cash	-	196.4	-
Non-current assets classified as held for sale	-	-	39.8
Total current assets	1,869.2	1,715.5	1,829.5
Total assets	3,125.6	2,965.0	2,936.3

Balance sheet

Equity and liabilities

Bang & Olufsen a/s

(DKK million)

	Group		
	30/11-07	31/05-07	30/11-06
Equity			
Share capital	120.8	120.8	124.5
Share premium	-	14.6	14.6
Translation reserve	(33.8)	(17.3)	(9.6)
Reserve for cash flow hedges	-	0.1	0.4
Retained earnings	1,386.6	1,557.7	1,519.6
Equity attributable to shareholders of the parent company	1,473.6	1,675.9	1,649.5
Minority interests	5.7	6.0	5.9
Total equity	1,479.3	1,681.9	1,655.4
Non-current liabilities			
Pensions	9.7	9.7	15.3
Deferred tax	71.4	67.8	61.3
Provisions	99.1	97.0	101.5
Mortgage loans	284.0	93.4	100.4
Loans from banks etc.	80.9	97.1	113.3
Other non-current liabilities	6.8	6.1	-
Total non-current liabilities	551.9	371.1	391.8
Current liabilities			
Mortgage loans, short term part	16.4	14.0	13.8
Loans from banks etc., short term part	32.5	32.4	32.5
Other loans from banks	117.0	39.5	24.9
Provisions	36.7	33.3	23.3
Trade payables	280.2	216.4	266.7
Income tax	91.7	122.3	81.0
Other payables	426.8	356.2	350.9
Deferred income	93.1	97.9	81.4
	1,094.4	912.0	874.5
Liabilities regarding non-current assets classified as held for sale	-	-	14.6
Total current liabilities	1,094.4	912.0	889.1
Total liabilities	1,646.3	1,283.1	1,280.9
Total equity and liabilities	3,125.6	2,965.0	2,936.3

Cash flow for the period 1/6 – 30/11

Bang & Olufsen a/s

(DKK million)

	Group	
	2007/08	2006/07
Result for the period	109.8	166.4
Depreciations, amortisations and impairment losses	119.1	112.2
Adjustments	75.3	89.5
Change in working capital	(213.8)	(394.2)
Interest received etc.	8.9	8.6
Interest paid etc.	(22.2)	(10.3)
Income tax paid	(77.4)	(73.3)
Cash flow from operating activities	(0.3)	(101.1)
Purchase of intangible non-current assets	(63.5)	(69.2)
Purchase of tangible non-current assets	(95.4)	(68.1)
Sale of tangible non-current assets	20.5	2.0
Change in financial receivables	19.4	(5.4)
Cash flow from investment activities	(119.0)	(140.7)
Proceeds from long-term loans	200.0	-
Repayment of long-term loans	(23.1)	(23.4)
Dividend paid	(246.9)	(200.2)
Purchase of own shares	(100.2)	(89.8)
Sale of own shares	1.6	16.5
Dividend, own shares	14.0	11.3
Cash flow from financing activities	(154.6)	(285.6)
Changes in cash and cash equivalents	(273.9)	(527.4)
Cash and cash equivalents 1 June	156.9	502.5
Cash and cash equivalents 30 November	(117.0)	(24.9)

Equity statement

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
Equity 1 June 2006	124.5	14.6	(4.7)	-	1,603.6	4.1	1,742.1
Equity and exchange rate adjustments in subsidiaries	-	-	(4.9)	-	7.9	-	3.0
Change in fair value of derivative financial instruments	-	-	-	0.4	-	-	0.4
Employee shares	-	-	-	-	10.8	-	10.8
Grant of share options	-	-	-	-	(5.1)	-	(5.1)
Net income recognised directly in equity	-	-	(4.9)	0.4	13.6	-	9.1
Retained earnings	-	-	-	-	163.6	2.8	166.4
Total recognised income and expense for the period	-	-	(4.9)	0.4	177.2	2.8	175.5
Purchase of own shares	-	-	-	-	(89.8)	-	(89.8)
Sale of own shares	-	-	-	-	16.5	-	16.5
Dividend, own shares	-	-	-	-	11.3	-	11.3
Dividend paid regarding 2005/06	-	-	-	-	(199.2)	(1.0)	(200.2)
	-	-	-	-	(261.2)	(1.0)	(262.2)
Equity 31 November 2006	124.5	14.6	(9.6)	0.4	1,519.6	5.9	1,655.4
Equity 1 June 2007	120.8	14.6	(17.3)	0.1	1,557.7	6.0	1,681.9
Equity and exchange rate adjustments in subsidiaries	-	-	(16.5)	-	20.1	-	3.6
Change in fair value of derivative financial instruments	-	-	-	(0.1)	-	-	(0.1)
Employee shares	-	-	-	-	10.4	-	10.4
Grant of share options	-	-	-	-	5.2	-	5.2
Net income recognised directly in equity	-	-	(16.5)	(0.1)	35.7	-	19.1
Retained earnings	-	-	-	-	106.9	2.9	109.8
Total recognised income and expense for the period	-	-	(16.5)	(0.1)	142.6	2.9	128.9
Option for minority interest	-	-	-	-	0.3	(0.3)	-
Purchase of own shares	-	-	-	-	(100.2)	-	(100.2)
Sale of own shares	-	-	-	-	1.6	-	1.6
Transfer	-	(14.6)	-	-	14.6	-	-
Dividend, own shares	-	-	-	-	14.0	-	14.0
Dividend paid regarding 2006/07	-	-	-	-	(244.0)	(2.9)	(246.9)
	-	(14.6)	-	-	(313.7)	(3.2)	(331.5)
Equity 31 November 2007	120.8	-	(33.8)	-	1,386.6	5.7	1,479.3

Specifications for the interim report for the period 1/6 – 30/11

Accounting principles applied

The interim report for Bang & Olufsen a/s is prepared in accordance with IAS 34 and further Danish information requirements to the presentation of interim reports for listed companies. Further Danish information requirements to the presentation of interim reports are issued in the interim report announcement and by the OMX Nordic Exchange Copenhagen A/S. IFRS is implemented so that the interim report is also within the provisions in the International Financial Reporting Standards that have been endorsed by the European Union. Accounting principles applied and methods of computation in the interim report are unchanged compared with the financial report 2006/07.

Some new or amended Standards and interpretations are effective for the financial year 2007/08. The assessment of the management is that these Standards and Interpretations will not have significant influence on the annual report.

Interim report for the parent company has not been prepared.

Bang & Olufsen a/s

(DKK million)

	Group			
	1/9 - 30/11 2007/08	1/9 - 30/11 2006/07	1/6 - 30/11 2007/08	1/6 - 30/11 2006/07
Development costs				
Expensed development costs before capitalisation	118.1	115.0	240.6	243.4
Of which capitalised	(34.3)	(32.9)	(64.1)	(68.6)
Amortisations and impairment losses on development projects	35.6	25.5	67.2	47.0
Development costs recognised in the profit and loss account	<u>119.4</u>	<u>107.6</u>	<u>243.7</u>	<u>221.8</u>
Financial income				
Interest income from banks	1.1	1.4	2.5	4.3
Interest income from associated companies	0.1	-	0.1	-
Exchange rate gains, net	(0.1)	(0.2)	-	1.4
Other financial income	3.4	1.3	6.3	2.9
Financial income	<u>4.5</u>	<u>2.5</u>	<u>8.9</u>	<u>8.6</u>
Financial costs				
Interest costs on mortgage loans	3.5	2.7	5.2	4.6
Interest costs on bank loans etc.	4.2	1.5	5.3	3.1
Exchange rate losses, net	2.9	-	2.9	-
Other financial costs	7.1	1.6	8.8	2.6
Financial costs	<u>17.7</u>	<u>5.8</u>	<u>22.2</u>	<u>10.3</u>
Tax on result for the period				
Calculated tax on result for the period	(36.1)	(49.4)	(52.5)	(69.7)
Adjustment regarding previous years	(5.9)	(2.1)	(5.9)	(2.1)
Reduction of the corporation tax rate from 28 to 25	-	-	18.7	-
Tax on result for the period	<u>(42.0)</u>	<u>(51.5)</u>	<u>(39.7)</u>	<u>(71.8)</u>
Adjustments				
Change in other provisions			6.2	7.9
Financial income etc.			(8.9)	(8.6)
Financial costs etc.			22.2	10.3
Result of investments in associated companies after tax			3.1	-
Gain on sale of non-current assets			-	(1.4)
Tax on result for the period			39.7	71.8
Various adjustments			13.0	9.5
Adjustments			<u>75.3</u>	<u>89.5</u>
Change in working capital				
Change in receivables			(208.6)	(264.6)
Change in inventories			(134.8)	(226.6)
Change in accounts payables etc.			129.6	97.0
Change in working capital			<u>(213.8)</u>	<u>(394.2)</u>

Key figures

Bang & Olufsen a/s, Group

(DKK million)	2007/08	2006/07
Key figures		
EBITDA	282	352
EBITDA-margin, %	13	17
Profit ratio (EBIT), %	8	12
Return on assets, %	6	9
Return on invested capital, excl. goodwill, %	16	21
Return on equity, %	7	10
Current ratio	1.7	2.1
Equity ratio, %	47	56
Financial gearing	0.4	0.2
Net turnover / Invested capital excl. goodwill	1	1
Intrinsic value per share (nom. DKK 10), DKK	122	133
Quotation as at 30 November	504	683
Price/earnings	54	49
Price/earnings, diluted	54	49
Quotation / Intrinsic value per share	4.1	5.1
Number of shares (multiple voting shares and ordinary shares)	12,081,338	12,450,925
Number of own shares (multiple voting shares and ordinary shares)	767,787	746,169
Average number of circulating shares	11,407,847	11,759,918
Average number of circulating shares - diluted	11,407,847	11,759,918

Definitions of key figures:

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

Main and key figures are prepared in accordance with IFRS and "Recommendations and Key Figures 2005" from The Danish Society of Financial Analysts.

The period 1/6 to 30/11 2007

(DKK million)	Branded business	Non-branded business			B&O a/s Group
	Bang & Olufsen	B&O Medicom a/s	B&O ICEpower a/s	Other/ eliminations	
Net turnover	2,127.0	-	48.2	(9.0)	2,166.2
Internal turnover	(4.2)	-	(4.8)	9.0	-
External turnover	<u>2,122.8</u>	<u>-</u>	<u>43.4</u>	<u>-</u>	<u>2,166.2</u>
Operating profit	<u>159.2</u>	<u>-</u>	<u>6.7</u>	<u>-</u>	<u>165.9</u>
Result before tax	<u>150.4</u>	<u>(3.1)</u>	<u>2.2</u>	<u>-</u>	<u>149.5</u>

The period 1/6 to 30/11 2006

(DKK million)	Branded business	Non-branded business			B&O a/s Group
	Bang & Olufsen	B&O Medicom a/s	B&O ICEpower a/s	Other/ eliminations	
Net turnover	1,965.4	74.9	49.7	(21.0)	2,069.0
Internal turnover	(15.2)	(0.7)	(5.1)	21.0	-
External turnover	<u>1,950.2</u>	<u>74.2</u>	<u>44.6</u>	<u>-</u>	<u>2,069.0</u>
Operating profit	<u>225.8</u>	<u>4.0</u>	<u>10.1</u>	<u>-</u>	<u>239.0</u>
Result before tax	<u>225.0</u>	<u>3.1</u>	<u>10.1</u>	<u>-</u>	<u>238.2</u>

Parentheses denote negative figures or amounts to be deducted.

Bang & Olufsen a/s

(DKK million)

	2007/08 Quarterly results				2007/08 Accumulated quarterly results			
	1 quarter	2 quarter	3 quarter	4 quarter	1 quarter	2 quarter	3 quarter	4 quarter
Net turnover	926.4	1,239.8			926.4	2,166.2		
Gross profit	425.0	573.5			425.0	998.5		
Operating profit	56.7	109.2			56.7	165.9		
Result of investments in associated companies after tax	(0.8)	(2.3)			(0.8)	(3.1)		
Financial items, net	(0.1)	(13.2)			(0.1)	(13.3)		
Result before tax	55.8	93.7			55.8	149.5		
Tax on result for the period	2.3	(42.0)			2.3	(39.7)		
Result for the period	58.1	51.7			58.1	109.8		
Of which minority interests' share	(0.5)	(2.4)			(0.5)	(2.9)		
Shareholders of the parent company's share of result for the period	57.6	49.3			57.6	106.9		

	2006/07 Quarterly results				2006/07 Accumulated quarterly results			
	1 quarter	2 quarter	3 quarter	4 quarter	1 quarter	2 quarter	3 quarter	4 quarter
Net turnover	876.0	1,193.0	1,217.6	1,089.1	876.0	2,069.0	3,286.6	4,375.7
Gross profit	405.3	573.4	568.9	486.1	405.3	978.7	1,547.6	2,033.7
Operating profit	55.9	184.0	175.2	114.9	55.9	239.9	415.1	530.0
Gain on sale of shares in subsidiary	-	-	-	11.5	-	-	-	11.5
Result of investments in associated companies after tax	-	-	-	(1.1)	-	-	-	(1.1)
Financial items, net	1.6	(3.3)	(4.5)	(9.8)	1.6	(1.7)	(6.2)	(16.0)
Result before tax	57.5	180.7	170.7	115.5	57.5	238.2	408.9	524.4
Tax on result for the period	(20.3)	(51.5)	(51.9)	(28.2)	(20.3)	(71.8)	(123.7)	(151.9)
Result for the period	37.2	129.2	118.8	87.3	37.2	166.4	285.2	372.5
Of which minority interests' share	(1.0)	(1.8)	(0.6)	(1.7)	(1.0)	(2.8)	(3.4)	(5.1)
Shareholders of the parent company's share of result for the period	36.2	127.4	118.2	85.6	36.2	163.6	281.8	367.4

Parentheses denote negative figures.

Turnover branded business

(DKK million)	Turnover 1/6-30/11 2007/08	Turnover 1/6-30/11 2006/07	Growth in local currency	Turnover 1/9-30/11 2007/08	Turnover 1/9-30/11 2006/07	Growth in local currency
Denmark	266	259	3 %	137	136	1 %
United Kingdom	248	269	(6) %	137	162	(12) %
Germany	229	230	-	135	126	7 %
Switzerland	156	140	17 %	90	76	24 %
Asian markets, excl. Japan	145	119	21 %	73	63	15 %
Holland	137	123	12 %	81	69	17 %
Spain/Portugal	124	122	2 %	70	75	(7) %
Expansion Markets	124	93	34 %	77	63	22 %
North America	120	123	8 %	62	71	(2) %
France	114	94	21 %	63	53	19 %
Italy	97	91	7 %	74	68	9 %
Enterprise*	81	29	175 %	43	21	104 %
Sweden	55	55	-	36	30	21 %
Belgium	53	50	5 %	33	29	14 %
Automotive	47	38	23 %	31	20	57 %
Norway	36	31	13 %	25	19	20 %
Austria	30	29	3 %	19	15	23 %
Middle East	28	22	26 %	15	12	27 %
Japan	24	25	7 %	12	11	11 %
Telephone distribution	5	6	-	2	4	-
Other	4	2	-	2	1	-
Turnover to non-branded business	4	15	-	2	8	-
Total branded business	<u>2,127</u>	<u>1,965</u>		<u>1,219</u>	<u>1,132</u>	

* Enterprise handles the turnover to the hotel sector.

Parentheses denote negative figures.

Distribution development

Shop segment	Number of shops per 30/11-07	Change in the period 1/6-07– 30/11-07	Share of turnover per segment 2007/08	Share of turnover per segment 2006/07
B1	809	32	79 %	75 %
Shop in shop	498	(24)	21 %	25 %
Other	<u>14</u>	<u>(4)</u>	<u>0 %</u>	<u>0 %</u>
Total	<u>1,321</u>	<u>4</u>	<u>100 %</u>	<u>100 %</u>

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.