

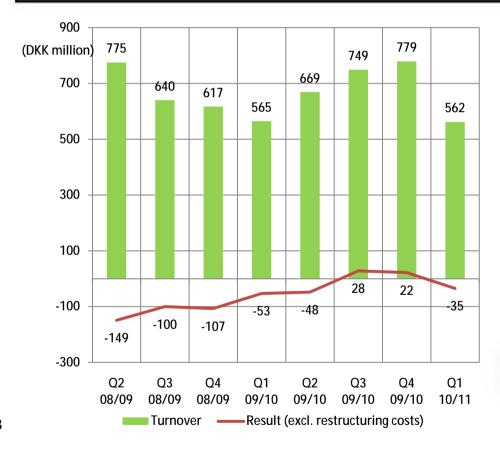
Headlines Q1 2010/11

• As expected, the Group's turnover for the first quarter of the 2010/11 financial year was DKK 562 million against DKK 565 million for the same period last year.

- Historically, the first quarter is not indicative for the year as a whole and the Group is committed to grow the business and has initiated a number of additional activities to be implemented up to the high season.
- Result before tax for the first quarter was negative at DKK 35 million against a negative result last year of DKK 53 million.
- The Group's gross margin for the first quarter of the 2010/11 financial year was 40.0 per cent against a gross margin of 39.9 per cent for the same period last year.
- The Automotive business area continued to advance in the first quarter of the 2010/11 financial year in that turnover totalled DKK 91 million against DKK 49 million for the same period last year. After the end of the first quarter, Bang & Olufsen signed a contract with German BMW for the development of first-class sound systems for a range of BMW vehicles over the coming years.
- Bang & Olufsen maintains the expectations that the 2010/11 financial year as a whole will result in a positive development in turnover and a positive result before tax based on a gross margin not deviating significantly from the level achieved in the 2009/10 financial year.

Development in turnover and result before tax

Q1 2010/11

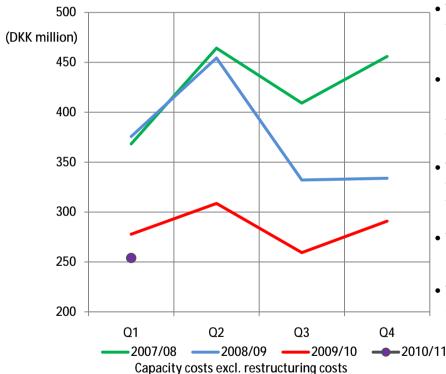


- The first quarter reflects a significant progress in sales within the Automotive business area and a decline in sales within the audio-video business.
- For the first quarter of the 2010/11 financial year, the Group's gross margin was 40.0 per cent against a gross margin of 39.9 per cent for the same period last year.
- Result before tax was negative at DKK 35 million for the first quarter against a negative result of DKK 53 million last year.

Audio-video business Q1 2010/11



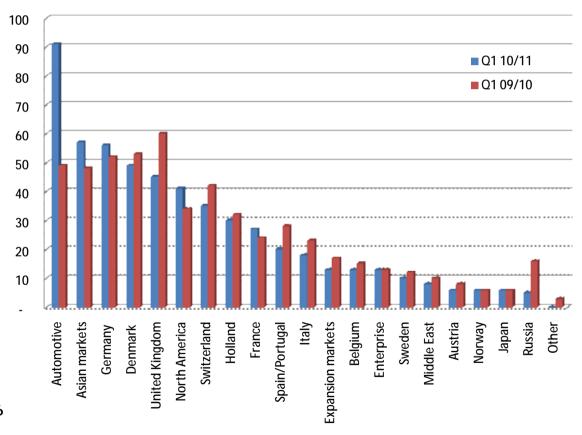
- The Group is committed to grow the audio-video business and has initiated a number of additional activities to be implemented up to the high season.
- The activities are implemented up to the high season where the effect is expected to be most significant.
- The activities include an increased marketing pressure and two significant product launches, which all in all are expected to have a positive effect on turnover.



- The Group has reduced its capacity costs by DKK 24 million from DKK 278 million for the same period last year to DKK 254 million.
- Distribution and marketing costs declined in the first quarter by DKK 10 million from DKK 170 million to DKK 160 million.
 Administration costs etc. amounted to DKK 19 million, which is on a par with the same period last year.
- The Group's development costs incurred were DKK 100 million for the first quarter of the financial year against DKK 99 million for the same period last year.
- The net effect of R&D capitalisation was DKK 15 million higher compared to the same period last year.
- The Group continues to expect to maintain a high level of activity within product development.

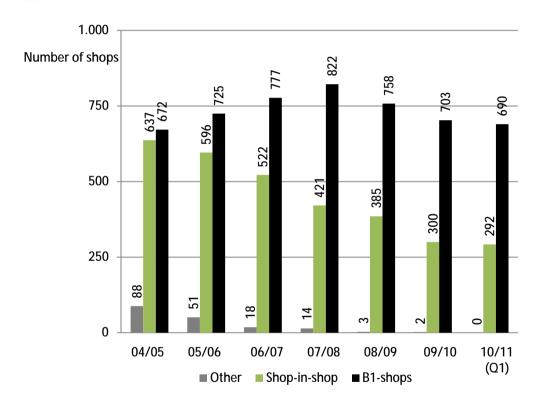
Development in turnover per market in the first quarter

Q1 2010/11



- The Automotive business area continued to advance in the first quarter of the 2010/11 financial year in that turnover totalled DKK 91 million against DKK 49 million for the same period last year.
- The Asian markets saw an increase of 18.8 per cent compared to the first quarter of the 2009/10 financial year.
- In the Group's main markets, Denmark and United Kingdom, sales declined by 6.8 per cent and 27.0 per cent respectively.
- The Group's third market, Germany, experienced an increase in sales of 7.6 per cent.

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- During the quarter, 6 B1-shops were opened or upgraded while 19 shops were either closed or converted to shop in shops.
- At the end of August 2010, there were 690 B1-shops worldwide compared to 703 at the end of the 2009/10 financial year – the net movement for the quarter thus amounts to -13 shops.
- As stated earlier, the Group has intensified the efforts to recruit new outlets and expects that the total number of B1-shops will not be significantly different at the end of the 2010/11 financial year compared to the end of the 2009/10 financial year.

Expectations for the 2010/11 financial year

Q1 2010/11

Product portfolio

The Group's objective for the 2010/11 financial year is to support the growth ambitions for the branded business through a continued high activity level within product development. The Group therefore expects that approximately 25 per cent of the Group's turnover within the audio and video business will be derived from new products, with "new" defined as sales in the first 12 months after the launch.

Distribution development

Based on the recent positive turnover development in the mature shops, the Group plans to intensify the efforts to recruit new outlets. The Group expects that the total number of B1-shops will not be significantly different at the end of the 2010/11 financial year compared to the end of the 2009/10 financial year.

Expectations for the Group result for 2010/11

Based on a continuing high activity level within product development and an increased marketing effort, Bang & Olufsen expects that the 2010/11 financial year as a whole will result in a positive development in turnover and a positive result before tax based on a gross margin not deviating significantly from the level achieved in the 2009/10 financial year.

