

To registered shareholders
of Bang & Olufsen a/s

Struer, 07-09-2007

Annual General Meeting of Bang & Olufsen a/s

Bang & Olufsen a/s' Annual General Meeting will be held on Friday, 28 September 2007, at 16.30 at Struer Gymnasium, Jyllandsgade 2, Struer.

Agenda

1. Election of chairman.
2. The Board of Directors' report on the company's activities during the past year.
3. Presentation and approval of the audited accounts for the 2006/07 financial year, including the resolution concerning the discharge of the Management Board and Board of Directors' obligations.
4. Decision concerning the allocation of profits in accordance with the approved accounts.
5. Proposal by the Board of Directors:

The Board recommends to the Annual General Meeting:
 - a. that the Board is authorised to acquire – within 18 months from the date of the Annual General Meeting – up to 10 per cent of the company's share capital at a price which must not be more than 10 per cent above or below the most recent price quoted for the ordinary shares on OMX The Nordic Stock Exchange Copenhagen

- b. that a dividend of DKK 20.00 be paid per nominal DKK 10 share bringing the total dividend to approx. DKK 242 million. Last year, the dividend was DKK 16.00 per nominal share of DKK 10.00 equating to a payment of DKK 199 million.
- c. that the authorisation given to the Board of Directors under Article 4, paragraph 4 of the Articles, to issue employee shares, which was in force until 31 May 2007, is extended until 31 May, 2012, so that "2007" in Article 4 is changed to "2012". It is also proposed that the number of B shares (ordinary shares) that can be issued in accordance with the authorisation be increased to nominally DKK 2,500,000 and that the limit specified in the final point "although not below the price of 10.5", be removed from the relevant paragraph.

Following the proposed changes, Article 4, paragraph 4 of the Articles of Association will subsequently read as follows:

"Until May 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 remaining section of the provision in Article 4 of the Articles will be unchanged.

- d. that the final paragraph of Article 5 of the Articles of Association, which is a consequence of Værdipapircentralen's transfer of all register of shareholder activities to a 100% owned subsidiary be changed from:

"The company's register of shareholders will be maintained by Værdipapircentralen A/S, Helgeshøj Allé 61, P.O. Box 20, 2630 Taastrup".

to:

"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".

- e. that, as a consequence of the changed requirement regarding the preparation of the Annual Report, Article 11 of the Articles of Association be changed from:

"The Company's financial year runs from June 1 to May 31. The Annual Report for Bang & Olufsen a/s is prepared in accordance with the provisions applying to Class D companies under the Danish Financial Statements Act, Danish Accounting Standards and the requirements of the Copenhagen Stock Exchange with respect to reporting of listed companies."

to:

"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."

- f. that the following option proposal be approved:

"The Board of Directors prepares an option scheme for the Group's Management Board and for the senior management group in Denmark and abroad for approval at the Annual General Meeting. The Board of Directors is not included in the scheme. It is recommended that 88,500 options be apportioned as 13,500 to the Management Board and 75,000 to 33 senior staff. The strike price is fixed at 625 corresponding to the price level at the time of publication of the statement of accounts for 2006/07. According to Black & Scholes' formula the value is DKK 11.7 million as at 13 August, 2007. The value of the allotted options will not exceed 25 % of the individual's annual salary. The options can be used in August 2010 at the earliest and expire in August 2013."

If the above option proposal is approved by the Annual General Meeting, the following provisions will be adopted in the company's Articles of Association:

"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."

6. Pursuant to the Articles of Association's article 9, Torsten Erik Rasmussen and Preben Damgaard Nielsen are standing for election.

Torsten Erik Rasmussen does not wish to be re-elected.

The Board of Directors proposes that Preben Damgaard Nielsen be re-elected.

The Board of Directors also proposes the election of Niels Bjørn Christiansen to the Board of Directors.

Niels Bjørn Christiansen graduated with a B.Sc.E.E, Civil Engineer and has an MBA from Insead. He is Executive Vice President and Chief Operating Officer of Danfoss A/S.

Niels Bjørn Christiansen is Chairman, Vice Chairman and a member of the board of directors of a number of Danfoss companies in Denmark and abroad and is also a member of the boards of:

- o Axcel A/S
- o Business Minds
- o Foss A/S
- o TrygVesta

7. Election of auditors:
The Board of Directors proposes that Deloitte, Statsautoriseret Revisionsaktieselskab be re-elected.

8. Other matters.

The company's nominal share capital totals DKK 120,813,380, apportioned between A shares, (ordinary shares (multiple voting shares)), of nominally DKK 10,855,430 and B shares (ordinary shares) of nominally DKK 109,957,950. Each A share amount of DKK 10 carries 10 votes, while each B share of nominally DKK 10 carries 1 vote.

Admission cards for the Annual General Meeting can be obtained by forwarding the enclosed form by post or fax (no. + 45 43 58 88 67) to VP Investor Services A/S, to be received by VP Investor Services A/S no later than Monday, September 24, 2007, or by phoning VP Investor Services A/S, tel.: + 45 43 58 88 66 no later than Monday, September 24, 16:00.

Admission cards are also available from VP Investor Services A/S' website: www.uk.vp.dk/agm.

If you are unable to attend, Bang & Olufsen a/s' Board of Directors would be grateful if you would authorise the Board to cast your vote by proxy. In this case, you are requested to complete the proxy form, and, using the enclosed reply envelope, ensure that it is received by VP Investor Services A/S no later than Monday, September 24, 2007.

Owing to the lack of parking space at Struer Gymnasium, we can again offer coach transport to the car park at our main building ("Gården") to Struer Gymnasium and back. These coaches are available from 15.45 on September 28, 2007.

In connection with the Annual General Meeting, we would like to offer shareholders who are not employees, the opportunity to visit the assembly factory (factory 4) and/or the mechanics factory (factory 5).

Guided tours of both factories will run between 13.00 and 14.30.

There is also an opportunity to visit the main building ("Gården") between 14.00 and 16.00. As well as a demonstration of Bang & Olufsen's products, there will be briefing on Det Nye Struer Museum (The New Struer Museum) where Bang & Olufsen's history will be presented in a separate department.

If you wish to join the tours, please tick the appropriate section on the form.

Yours faithfully,
Bang & Olufsen a/s



Jørgen Worning
Chairman