

COMPANY ANNOUNCEMENT

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IC Companys launches initiatives to enhance growth and improve earnings capacity

A changed organisational structure, which provides each of IC Companys' 11 brands with the full responsibility of the entire value chain, including own distribution, will empower the brands with a higher degree of execution and decision-making capacity.

In November the Management of IC Companys will embark on the implementation of an organisational change which purpose is to promote enhanced growth and improved earnings capacity. The key element of the organisational change is that all of IC Companys' 11 brands will have the full responsibility of the entire value chain, including own distribution in the future while at the same time achieving a more efficient and less complex organisational structure.

All brands will continue to benefit from the synergies of the Group's shared platform within finance, IT, logistics and production as well as be under an obligation to comply with a number of corporate guidelines, best practices and streamlined processes which as defined by the Executive Board.

More responsibility to the brands in the future

The objective of the organisational change is to provide the brands with the best possible conditions to perform in while at the same time they may still draw on the vast know how, experience and strategic expertise offered by headquarters.

Chief Executive Officer Niels Mikkelsen comments;

"We have had a Group where 6 brands have performed under a matrix organisation with a shared sales platform and the remaining 5 brands have performed under a line organisation being fully responsible for their own distribution. When comparing the brands under the matrix organisation with those brands under the line organization, the latter group of brands has generally had a higher earnings capacity which has given food to thought."

Organisational change results in less complexity

Therefore IC Companys now implements a full line organisation with an identical structure for all brands giving them the full control of their own distribution.

Chief Executive Officer Niels Mikkelsen states that;

"Responsibility and powers of decision should be closely linked and for this reason we now empower the brands with the full responsibility of their entire value chain while at the same time we build up a Group which is far more transparent, flexible and efficient providing us with the edge of reacting quickly to market demands".

Focus on growth

The organisational change should be viewed in context with the growth initiatives implemented by IC Companys during 2009-10 of which the positive results are already reflected in the accounts of the Annual Report.

Chief Executive Officer Niels Mikkelsen comments;

"We have already accomplished very good results through our existing initiatives. Yet, it is still only a minor part of the Group which has obtained a sufficiently high earnings capacity. In my view, we have therefore only embarked on a journey towards achieving a growth oriented and competitive Group".

“By increasing the focus on providing the best possible conditions for all 11 brands, we are in a much stronger position to adapt for future markets and boost further growth in our brands while at the same time we create an interesting and innovative work place for our employees.”

The changed organisational structure will have no effect on the outlook for the financial year 2010/11.

IC Companys A/S

Niels Mikkelsen
Chief Executive Officer

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This announcement is a translation from the Danish language. In the event of any discrepancy between the Danish and English versions, the Danish version shall prevail.