STOCK EXCHANGE ANNOUNCEMENT

IC Companys A/S – Interim Report Q1 2007/08

Revenue increased by 9% in the first quarter of the financial year. Operating profit achieved a 14% progress. The order intake for the first three of the four collections in 2007/08 is completed showing a combined growth of 13%. The revenue and operating profit guidance is retained.

At its meeting on 13 November 2007, the Board of Directors of IC Companys A/S considered and adopted the interim financial report for the period 1 July – 30 September 2007.

- As expected, revenue was DKK 1,190 million (DKK 1,096 million) representing a 9% growth.
- Gross profit came to DKK 725 million (DKK 639 million) corresponding to a 13% growth. Gross margin saw a 2.6 percentage point improvement to 60.9%. Of this improvement 2.3 percentage point is attributable to lower sourcing currencies.
- Operating profit increased by 14% to DKK 249 million DKK (DKK 219 million) equivalent to a 21.0% EBIT margin (20.0%).
- The order intake for the 2008 spring collection is completed by a 13% growth. The combined growth in order intake for three of the four 2007/08 collections reaches 13%.
- All distribution channels have achieved improved results. Same-store sales achieved a satisfactory 15% increase, and franchise revenue increased by 22%.

Full year guidance is retained

- The previously guided revenue growth of 12% -15% to DKK 3,750 – 3,850 million and a 30% - 40% growth in operating profit reaching DKK 440 - 480 million (EBIT margin 11.5% - 12.5%) is retained.
- Direct sales promoting investments in the form of showrooms, refurbishments and opening new stores will be carried through as announced in the region of DKK 130 - 140 million. In addition, previously planned investments in the IT platform and warehouse facilities in the region of DKK 20 - 30 million will also be carried out in the financial year 2007/08.
- The previously announced share buyback programme of DKK 200 million is retained. The first programme is expected to be initiated at the beginning of January 2008.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK million	Q1 2007/08 3 months	Q1 2006/07 3 months	2006/07 12 months
Income statement			
Revenue	1,190.4	1,095.7	3,353.8
Gross profit	724.8	638.6	1,982.9
Operating profit before depreciation & amortisation (EBITDA)	274.4	241.5	436.4
Operating profit before goodwill amortisation and special items	249.5	219.4	342.5
Operating profit (EBIT)	249.5	219.4	340.1
Net financial items	(5.1)	(2.9)	(19.7)
Profit before tax	244.4	216.5	320.4
Profit for the period	176.0	153.7	240.6
Balance sheet			
Non-current assets	825.5	831.5	816.1
Current assets	1,448.3	1,315.4	1,033.2
Total assets	2,273.8	2,146.9	1,849.3
Equity	731.9	735.5	566.6
Total liabilities	1,541.9	1,411.4	1,282.7
Cash flow statement			
Cash flow from operating activities	(114.7)	(147.7)	291.2
Cash flow from investing activities	(33.5)	(73.8)	(186.4)
Cash flow from operating and investing activities	(148.2)	(221.5)	104.8
Cash flow from financing activities	11.1	31.6	(261.5)
Cash flow for the period	(137.1)	(189.9)	(156.7)
Key ratios			
Gross margin (%)	60.9	58.3	59.1
EBITDA margin (%)	23.1	22.0	13.0
EBIT margin (%)	21.0	20.0	10.1
Return on equity (%)	27.1	23.4	42.0
Equity ratio (%)	32.2	34.3	30.6
Average capital employed including goodwill	1,348.4	1,253.3	1,126.5
Return on capital employed (%)	18.5	17.5	30.4
Net interest-bearing debt, end of period	694.0	642.4	557.6
Financial leaverage (%)	94.8	87.3	98.4
Share data*			
Diluted average number of shares excluding treasury shares (thousand)	17,715.9	18,268.8	18,126.8
Market price, end of period, DKK	359.0	344.0	318.0
Diluted earnings per share, DKK	9.7	8.3	12.9
Diluted cash flow per share, DKK	(6.5)	(8.1)	16.0
Diluted net asset value per share, DKK	40.6	39.9	31.5
Diluted price / earning, DKK	36.9	41.4	24.7
Employees			
Number of employees (full-time equivalents at the end of the period)	2,405	2,138	2,252

The key ratios and share data have been calculated according to the recommendations in "Recommendations and Ratios 2005" issued by the Danish Society of Financial Analysts. The equity ratio is calculated as the equity at period end divided by the total assets at period end.

* The effect of IC Companys' programmes for share options and warrants has been included in the diluted values. Comparative figures which include number of shares have been adjusted with an adjustment factor of 0,9969 for the effect of employees' exercise of warrants.

REVENUE DEVELOPMENT

Revenue was DKK 1,190 million (DKK 1,096 million) representing a 9% growth. The growth rate is satisfactory seen in the light of a time lag relative to last year in the first winter deliveries. Consequently, growth is projected to increase considerably in the second quarter of 2007/08. Time lags affect revenues primarily in InWear, Jackpot and Peak Performance and the Group's distributor in Russia and is combined in the region of DKK 45 million.

Revenue is further affected positively by scheduled net store openings and expansions amounting to DKK 19 million and adversely affected by exchange rate conversions of DKK 2 million.

Sales performance for own brands:

DKK million	Q1 2007/08	Q1 2006/07	Growth
Peak Performance	301	274	10%
Tiger of Sweden	187	144	30%
InWear	173	179	-4%
Jackpot	134	155	-14%
Matinique	88	73	20%
Cottonfield	84	77	9%
Part Two	63	59	6%
By Malene Birger	62	43	45%
Saint Tropez	33	38	-14%
Soaked in Luxury	30	30	-1%
Designers Remix Collection	26	15	70%
Total own brands	**1,181**	**1,087**	**9%**

The double-digit growth rates in Peak Performance, Tiger of Sweden, Matinique, By Malene Birger and Designers Remix Collection are satisfactory.

InWear realized a decline of 4%. The decline is collection specific, as the summer 2007 collection in particular did not meet the target, which had repercussions in both own retail and in-season sales. The autumn collection 2007 is progressing as planned.

The setback in Jackpot is caused solely by the brand's wholesale activity, where the distribution platform is adjusted to the positioning of the brand. However, it is satisfactory that the brand has achieved growth in eight consecutive months in own stores from March through October. Same-store sales for the first quarter exclusively showed a total growth of 37%.

Sales performance for own brands market breakdown:

DKK million	Q1 2007/08	Q1 2006/07	Growth
Sweden	268	250	7%
Denmark	212	184	15%
Norway	115	96	20%
Holland	92	99	-7%
UK and Ireland	64	64	0%
Belgium	63	54	17%
Finland	58	54	7%
Germany	57	52	10%
Switzerland	44	40	10%
Canada	36	31	16%
Poland	29	23	26%
Spain	22	28	-21%
Austria	20	19	5%
Russia	17	26	-35%
France	16	15	7%
Other	68	52	31%
Total own brands	**1,181**	**1,087**	**9%**

Denmark, Norway, Belgium, Germany, Switzerland, Canada and Poland all achieve double-digit growth rates.

The development in Holland does not meet the expectations. The Group has employed a new country manager, who is expected to join the Group 1 December 2007.

In Spain the group's operations are primarily agent-based and the Group has tightened credit lines and in the same process reviewed the customer portfolio, which has resulted in revenue fall. The setback in Spain is expected to continue throughout the full year 2007/08.

After several years of substantial growth, the Group's Russian partner is consolidating. Also, as projected first quarter revenue in Russia is affected by a delivery lag equivalent to revenue of DKK 10 million expected in the second quarter. For the full year 2007/08 zero growth is expected for Russia.

After several years of decline, Poland performs satisfactorily, which is substantiated by 26% growth. In Poland half of the revenue is attributable to Jackpot that seen in isolation progresses by 34%.

Order intake

The order intake for the 2008 spring collections is completed by a combined 13% growth. The aggregate order intake for three of the four collections in the financial year 2007/08 is likewise completed by a combined 13% growth relative to 2006/07:

Growth	Autumn, winter & spring 2007/08	12 months 2006/07	12 months 2005/06
Peak Performance	15%	22%	16%
Tiger of Sweden	38%	5%	31%
InWear	2%	11%	2%
Jackpot	-18%	-10%	0%
Matinique	22%	16%	3%
Cottonfield	8%	17%	18%
Part Two	9%	14%	-1%
By Malene Birger	40%	32%	77%
Soaked in Luxury	13%	9%	12%
Designers Remix Collection	30%	68%	85%
Total own brands	**13%**	**12%**	**11%**

Peak Performance, Tiger of Sweden, Matinique, By Malene Birger, Soaked in Luxury and Designers Remix Collection all advance by double-digit growth rates.

The uncompleted order intake of the 2008 summer collections progresses as planned and completion is expected by a growth of 10% - 12%.

DISTRIBUTION CHANNELS

	Wholesale		Retail		Outlet		Group	
DKK million	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07
Revenue	894	854	265	211	31	31	1,190	1,096
Growth	*5%*		*26%*		-		*9%*	
Distribution channel profit/(loss)	**253**	**235**	**22**	**9**	**10**	**9**	**285**	**253**
Distribution channel profit margin	*28.4%*	*27.6%*	*8.3%*	*4.1%*	*33.6%*	*28.7%*	*24.0%*	*23.1%*
Unallocated corporate costs*							(36)	(34)
Operating profit							**249**	**219**
EBIT margin							*21.0%*	*20.0%*

* Unallocated corporate costs comprise IT, finance, HR and general management.

The financial overview of the distribution channels is adjusted in line with the Group's updated strategy according to which retail is no longer exclusively defined as wholesale support, but as a business area in its own right. In the future, the retail channel carries its proportional share of product and brand building costs that historically have been recognised in full in the wholesale operations. An overview of the consequences of this adjustment to the first quarter 2007/08 is included in note 6 to this interim report including revised comparative figures for 2006/07. The adjustment does not affect the outlet channel.

Wholesale operation

Wholesale revenue was DKK 894 million (DKK 854 million) representing a 5% growth. Preorder revenue increased by 5%, in-season sales rose by 5% and franchise revenue increased by 22%. Growth in preorder revenue is lower than growth in the order intake for autumn 2007, which reached 13%. This is, as forecast, a result of the lag of the first winter deliveries relative to last year, which entails a revenue postponement to second quarter 2007/08.

Wholesale profit increased by 8% to DKK 253 million (DKK 235 million) which corresponds to a wholesale profit margin of 28.4% (27.6%). The improved relative earnings are contributable to a higher wholesale channel gross margin derived from lower sourcing currencies and streamlined operation.

Retail operation
Retail revenue reached DKK 265 million (DKK 211 million) which represents a 26% growth. Revenue is affected positively by scheduled net store openings and expansions amounting to DKK 19 million. First quarter development in same-store sales (organic revenue development) achieved 15% growth.

First quarter retail profit improved significantly by 144% or DKK 13 million to DKK 22 million (DKK 9 million) equivalent to a profit margin of 8.3% (4.1%). Half of the 4.2 percentage point improvement is driven by a higher gross margin, whilst the remaining half is due to better operations. Retail earnings level has improved in 13 consecutive quarters.

The Group’s retail operations constitute 36,000 square metres distributed between 213 locations.

Outlet operation
Outlet revenue was DKK 31 million (DKK 31 million) maintaining last year’s level. First quarter outlet profit increased DKK 1 million representing a profit margin of 33.6% (28.7%).

EARNINGS DEVELOPMENT

Gross profit
Gross profit was DKK 725 million (DKK 639 million) which corresponds to a 13% growth.

Gross margin reached 60.9% (58.3%). The increase of 2.6 percentage point is primarily contributable to lower sourcing currencies that seen in isolation have improved gross margin by 2.3 percentage point. Shifts across channels and the underlying operational improvement have increased gross margin by 0.3 percentage point.

The second quarter 2007/08 is likewise expected to see a material gross margin improvement as a result of lower sourcing currencies, whereas the improvement will be less pronounced in the second half year of 2007/08. As previously announced, the effect of sourcing currencies is projected to improve gross margin by combined 1.5 – 1.8 percentage point for the full year 2007/08 measured against 2006/07.

Operating costs
Operating costs were DKK 475 million (DKK 423 million), and the cost rate increased by 1.3 percentage point to 39.9%. The increase is caused by the projected lag in the first winter deliveries which seen isolated has affected the cost rate negatively by 1.5 percentage point.

Operating profit
Operating profit generated a net profit of DKK 249 million (DKK 219 million) constituting a progress of 14%.

Financial items
Financial income is increased as a result of a gain on interest rate swaps used to set off equity denominated in SEK. The financial expenses increased by DKK 5 million as a result of increased use of credit facilities and a higher interest level.

Income tax
Tax costs amounting to DKK 68 million are recognised, which represents 28% of the pre-tax profit.

Net result
The quarterly net result increased by 15% to DKK 176 million (DKK 154 million).

BALANCE SHEET AND LIQUIDITY

Cash flows
Cash flows from operating activities were an outflow of DKK 115 million (DKK -148 million) which represents a year-on-year improvement of DKK 33 million. This is attributable to profit and a time lag in the realisation of working capital measured against last year.

Gross investments came to DKK 34 million, of which refurbishing stores and showrooms account for DKK 26 million.

The free cash flow from operating and investing activities was consequently an outflow of DKK 148 million (DKK -222 million), equivalent to an improvement of DKK 74 million relative to last year.

First quarter cash flows from financing activities were an inflow of DKK 11 million (DKK 32 million). Proceeds from exercise of share-based payment plans amount to DKK 26 million. Repurchased treasury shares account for DKK 15 million.

The total cash flow for the quarter was an outflow of DKK 137 million (DKK -190 million).

Net interest-bearing debt
Consolidated net interest-bearing debt was DKK 694 million (DKK 642 million) which amounts to an increase of DKK 52 million relative to 30 September 2006.

Balance
Group assets increased by DKK 127 million from DKK 2,147 million as at 30 September 2006 to DKK 2,274 million DKK as at 30 September 2007.

Non-current assets are reduced by DKK 6 million measured against first quarter last year. Consolidated deferred net tax assets are reduced by DKK 56 million to DKK 108 million as at 30 September 2007 (DKK 164 million). This is mainly attributable to a DKK 16 million adjustment of tax rates and the utilisation of deferred assets in 2006/07 of DKK 33 million.

Current assets increased by DKK 133 million or 10% to DKK 1,448 million (DKK 1,315 million). Cash and cash equivalents increased by DKK 67 million or 52% to DKK 195 million (DKK 128 million). This is caused by the time lag in payments outlined in the annual report for 2006/07. Inventory rose by DKK 55 million or 14% to DKK 430 million (DKK 375 million) which is a result of increased activities, averagely lower inventory writedowns and the aforementioned planned lag of the first winter deliveries. Trade receivables increased by DKK 37 million or 6% to DKK 689 million (DKK 652 million).

Equity
Equity is at 30 September 2007 reduced by DKK 4 million to DKK 732 million DKK (DKK 736 million).

At the Company's Annual General Meeting on 24 October 2007 the proposal to pay dividend of DKK 70 million was adopted and the dividend was subsequently paid.

Movements in equity and treasury shares are specified on page 13.

OUTLOOK 2007/08

The previously guided revenue growth of 12% - 15% to DKK 3.750 - 3.850 million and a 30% - 40% growth in operating profit reaching DKK 440 - 480 million (EBIT margin 11.5% - 12.5%) is retained.

Direct sales promoting investments in the form of showrooms, refurbishments and opening new stores will be carried through unchanged in the region of DKK 130 - 140 million. In addition, investments in the IT platform and warehouse facilities in the region of DKK 20 - 30 million will also be carried out in the financial year 2007/08.

The previously announced share buyback programme of DKK 200 million is retained. Initiation of the first programme is scheduled at the beginning of January 2008.

IC COMPANYS A/S

Niels Martinsen Chairman of the Board of Directors	Henrik Theilbjørn President & CEO

CONTACTS:

Henrik Theilbjørn, President & CEO
Tel.: 3266 7646

Chris Bigler, Chief Financial Officer
Tel.: 3266 7017

STATEMENT BY THE MANAGEMENT

The Board of Directors and the Executive Board have considered and approved the interim financial report for the period 1 July 2007 - 30 September 2007.

The interim financial report is unaudited and has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU, cf. section on accounting policies and additional Danish interim reporting requirements for listed companies.

We consider the accounting policies applied to be appropriate to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2007, and of the results of the Group's operations and cash flows in the period 1 July 2007 – 30 September 2007.

Copenhagen, 13 November 2007

EXECUTIVE BOARD:

HENRIK THEILBJØRN
President & CEO

MIKKEL V. OLESEN
Chief Operating Officer

BOARD OF DIRECTORS:

NIELS ERIK MARTINSEN
Chairman

HENRIK HEIDEBY
Deputy Chairman

OLE WENGEL
Deputy Chairman

ANDERS COLDING FRIIS

NIELS HERMANSEN

INCOME STATEMENT

Note	DKK million	GROUP Q1 2007/08	Q1 2006/07	12 months 2006/07
2, 6	**REVENUE**	**1,190.4**	**1,095.7**	**3,353.8**
	Cost of sales	(465.6)	(457.1)	(1,370.9)
	GROSS PROFIT	**724.8**	**638.6**	**1,982.9**
3	Staff costs	(226.2)	(196.6)	(807.2)
	Depreciation, amortisation and writedown of fixed assets	(24.9)	(22.1)	(96.3)
	Other operating expenses	(224.1)	(204.1)	(755.5)
	Other gains and losses	(0.1)	3.6	16.2
	OPERATING PROFIT	**249.5**	**219.4**	**340.1**
	Financial income	6.5	3.5	16.9
	Financial expenses	(11.6)	(6.4)	(36.6)
	PROFIT BEFORE TAX	**244.4**	**216.5**	**320.4**
	Income tax for the period	(68.4)	(62.8)	(79.8)
	PROFIT FOR THE PERIOD	**176.0**	**153.7**	**240.6**
	PROFIT ALLOCATION:			
	Equity holders of IC Companys A/S	172.4	151.6	235.0
	Minority interest	3.6	2.1	5.6
		176.0	**153.7**	**240.6**
	EARNINGS PER SHARE			
	Earnings per share DKK	9.8	8.4	13.1
	Diluted earnings per share DKK	9.7	8.3	12.9
	Specification of revenue:			
	Continuing brands	1,180.7	1,087.2	3,322.0
	Discontinued brands	0.1	3.5	7.2
	External brands	9.6	5.0	24.6
	Total revenue	**1,190.4**	**1,095.7**	**3,353.8**

BALANCE SHEET – ASSETS

Note	DKK million	GROUP 30.09.2007	GROUP 30.09.2006	GROUP 30.06.2007
	NON-CURRENT ASSETS			
	Goodwill	201.7	203.4	201.0
	Software and IT systems	22.1	23.1	24.0
	Trademark rights	0.2	0.2	0.2
	Leasehold rights	21.0	21.6	20.6
	Intangible assets	245.0	248.3	245.8
	Land and buildings	177.0	158.2	177.6
	Leasehold improvements	100.9	86.1	100.2
	Equipment and furniture	117.8	94.0	122.8
	Property, plant and equipment under construction	20.0	38.6	8.2
	Property, plant and equipment	415.7	376.9	408.8
	Financial assets	27.2	23.1	24.4
	Deferred tax assets	137.6	183.2	137.1
	Other non-current assets	164.8	206.3	161.5
	Total non-current assets	**825.5**	**831.5**	**816.1**
	CURRENT ASSETS			
4	Inventories	429.7	375.3	466.4
5	Trade receivables	689.2	651.5	266.6
	Income tax receivable	3.5	2.5	3.1
	Other receivables	56.3	79.2	54.3
	Prepayments	75.1	79.0	97.9
	Cash and cash equivalents	194.5	127.9	144.9
	Total current assets	**1,448.3**	**1,315.4**	**1,033.2**
	TOTAL ASSETS	**2,273.8**	**2,146.9**	**1,849.3**

BALANCE SHEET – EQUITY AND LIABILITIES

	GROUP		
DKK million	**30.09.2007**	**30.09.2006**	**30.06.2007**
EQUITY			
Equity attributable to equity holders of the parent	721.2	731.9	559.5
Minority interest	10.7	3.6	7.1
Total equity	**731.9**	**735.5**	**566.6**
LIABILITIES			
Deferred tax liabilities	29.2	19.5	29.0
Retirement benefit obligations	5.9	8.6	5.1
Financial institutions	168.0	168.0	168.0
Capitalised lease liability	-	8.8	-
Non-current liabilities	203.1	204.9	202.1
Financial institutions	720.5	551.8	534.5
Capitalised lease liability	-	41.7	-
Trade payables	230.6	233.8	296.8
Income tax	32.3	38.4	38.9
Calculated income tax on the profit for the period	68.4	62.8	-
Provisions	-	1.4	-
Other debt	287.0	276.6	210.4
Current liabilities	1,338.8	1,206.5	1,080.6
Total liabilities	**1,541.9**	**1,411.4**	**1,282.7**
TOTAL EQUITY AND LIABILITIES	**2,273.8**	**2,146.9**	**1,849.3**

MOVEMENTS IN EQUITY – GROUP

DKK million	Share capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Proposed dividend	Minority interest	Total
Equity at 1 July 2007	**183.9**	**(4.7)**	**(10.7)**	**320.8**	**70.2**	**7.1**	**566.6**
Profit for the period	-	-	-	172.4	-	3.6	176.0
Currency translations of subsidiaries	-	-	1.3	-	-	-	1.3
Issue of share-based payment plans	1.1	-	-	25.3	-	-	26.4
Recognition of share-based payments	-	-	-	1.8	-	-	1.8
Gain/loss on derivative financial instruments	-	(24.9)	-	-	-	-	(24.9)
Share buy back	-	-	-	(15.3)	-	-	(15.3)
Equity at 30 September 2007	**185.0**	**(29.5)**	**(9.4)**	**505.0**	**70.2**	**10.7**	**731.9**

DKK million	Share capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Proposed dividend	Minority interest	Total
Equity at 1 July 2006	**188.5**	**(17.2)**	**(8.6)**	**347.6**	**67.7**	**1.5**	**579.5**
Profit for the period	-	-	-	151.6	-	2.1	153.7
Currency translations of subsidiaries	-	-	1.1	-	-	-	1.1
Issue of share-based payment plans	-	-	-	6.6	-	-	6.6
Recognition of share-based payments	-	-	-	1.3	-	-	1.3
Gain/loss on derivative financial instruments	-	18.6	-	-	-	-	18.6
Share buy back	-	-	-	(25.3)	-	-	(25.3)
Equity at 30 September 2006	**188.5**	**1.4**	**(7.5)**	**481.8**	**67.7**	**3.6**	**735.5**

Development in treasury shares	
Treasury shares 30 June 2007	853,607
Executive option plan exercised	(40,000)
Share buyback for employee option plan before 30 September 2007	45,000
Share buyback for employee option plan after 30 September 2007	38,000
Treasury shares 13 November 2007	**896,607**

At the Annual General Meeting of the company 24 October 2007, the proposal of the Board of Directors to reduce the share capital by the number of shares repurchased under the share buyback programme carried out from 24 November 2006 to 29 June 2007 was adopted. The decision is filed with the Commerce and Companies Agency. Provided that no material claims are raised within 3 months from publication, the reduction of the share capital is expected to be effected upon expiry of the 3 months' term. After the reduction the number of own shares will be 310.682.

GROUP CASH FLOW STATEMENT

DKK million	Q1 2007/08	Q1 2006/07	12 months 2006/07
	GROUP		
CASH FLOW FROM OPERATING ACTIVITIES			
Operating profit	249.5	219.4	340.1
Reversed depreciation and impairment losses and profit/(loss) on sale of non-current assets	25.1	22.4	95.9
Reversed cost for share-based payment plans	1.8	1.3	6.0
Other adjustments	(3.6)	1.7	(1.0)
Change in working capital	(372.6)	(386.2)	(93.1)
Cash flow from operating activities before financial items	(99.8)	(141.4)	347.9
Financial income received	4.2	3.4	16.4
Financial expenses paid	(11.9)	(6.0)	(36.4)
Cash flow from ordinary activities	(107.5)	(144.0)	327.9
Income tax paid	(7.2)	(3.7)	(36.7)
Total net cash flow from operating activities	**(114.7)**	**(147.7)**	**291.2**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of activities etc.	-	(37.0)	(37.0)
Purchase of intangible assets	(2.5)	(4.2)	(17.3)
Purchase of property, plant and equipment	(27.8)	(29.6)	(133.6)
Change in deposits and other financial assets	(3.3)	-	(2.2)
Purchase and sale of other non-current assets	0.1	(3.0)	3.7
Total net cash flow from investing activities	**(33.5)**	**(73.8)**	**(186.4)**
Total net cash flow from operating- and investing activities	**(148.2)**	**(221.5)**	**104.8**
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from non-current financial liabilities raised	-	50.3	7.5
Share buyback	(15.3)	(25.3)	(225.5)
Dividends paid	-	-	(67.7)
Proceeds from excercise of share-based payment plans	26.4	6.6	24.2
Total net cash flow from financing activities	**11.1**	**31.6**	**(261.5)**
CASH FLOW FOR THE PERIOD	**(137.1)**	**(189.9)**	**(156.7)**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents, beginning of period	(389.6)	(233.4)	(233.4)
Currency translation adjustment of cash, beginning of period	0.7	(0.6)	0.5
Cash flow for the period	(137.1)	(189.9)	(156.7)
Cash and cash equivalents, end of period	**(526.0)**	**(423.9)**	**(389.6)**

NOTES

1. ACCOUNTING POLICIES

The interim financial report is prepared in accordance with IAS 34 ”Interim Financial Reporting” and additional Danish disclosure requirements to the interim financial reports for listed companies.

It is the first time that the Group presents an interim financial report in accordance with IAS 34, which compared to previous interim reports has entailed a more detailed presentation of statement of movements in equity and more detailed notes for specific areas. Comparative figures in the interim financial report are adjusted to reflect the changed presentation.

The accounting policies applied in the interim financial report are unchanged with respect to the Company’s Annual Report for 2006/07. For more information on the accounting policies, we refer to our Annual Report for 2006/07.

2. SEASONALITY

The Group’s business area is influenced by seasonal fluctuations. These fluctuations are attributable to seasonality in deliveries to wholesale customers and a sales season of the Group’s products that varies over the year in retail and outlet operations. The Group’s wholesale peak quarters are historically first and third quarter, respectively. By association, revenue and operating profit vary in the various reporting periods, and interim financial reports are not necessarily indicative of future trends. Results of the individual quarters are therefore not reliable sources in terms of projecting the Group’s development.

3. SHAREBASED COMPENSATION

Stock option grants 2007/08

As reported in detail in the Annual Report for 2006/07, 66 executives and key employees have been granted stock options. The grant is performance-based and calculated on a proportion from 10% - 30% of the wage of the individual employee, which via a Black & Scholes calculation granted a specific number of options to the employee in question. The calculation is based on a future volatility of 23% per annum, an expected yield percentage of 1.3% and a risk-free interest rate of 4.1%. The total grant constituted 237,769 stock options, that each entitles the holder to acquire one existing share of DKK 329.39 per share and 5% per annum is added to the exercise price. The exercise price was calculated as the average share price the last five trading days prior to the grant. The options cannot be exercised until after the publication of the Annual Report for 2009/10 and no later than after the publication of the Annual Report for 2012/13. The aggregate market value of the plan is DKK 10 million which will be amortized over the term.

Exercise of stock options in 2007/08

The executive stock option plan (2 persons) comprised at 30 June 2007 160,000 unexercised stock options. On 12 September 2007, the Executive Board exercised 40,000 stock options, after which unexercised executive stock options constitute 120,000.

Warrants exercised in 2007/08

On 26 September 2007 executive employees in IC Companys exercised 112,059 warrants at 10 DKK nominal value granted in previous financial years. The share capital is increased by DKK 1,120,590 nominal value. The subscription price per share was DKK 173.50 without pre-emptive rights for other shareholders or others. The company proceeds of the subscription amounted to 19,442,237 DKK.

4. INVENTORIES

	GROUP		
DKK million	30 September 2007	30 September 2006	30 June 2007
Raw materials and consumables	17.2	12.0	29.5
Finished goods and goods for resale	365.1	317.0	292.6
Goods in transit	47.4	46.3	144.3
Inventories total	**429.7**	**375.3**	**466.4**

	GROUP		
DKK million	30 September 2007	30 September 2006	30 June 2007
Write-downs at 1 July	90.9	93.2	93.2
Write-downs, additions	8.7	5.5	47.6
Write-downs, reversals	(21.9)	(17.4)	(49.9)
Write-downs total	**77.7**	**81.3**	**90.9**

5. TRADE RECEIVABLES

Movements in allowance for bad debt:

	GROUP		
DKK million	30 September 2007	30 September 2006	30 June 2007
Allowance 1 July	37.0	44.1	44.1
Change in allowance	14.2	(1.1)	8.2
Realised (loss)/gain	(4.1)	(0.2)	(15.3)
Allowance total	**47.1**	**42.8**	**37.0**

6. CHANGE IN THE OVERVIEW OF DISTRIBUTION CHANNELS

The financial overview of the distribution channels is adjusted in line with the Group's updated strategy according to which retail is no longer exclusively defined as wholesale support, but a business area in its own right. In the future, the retail channel defrays its proportional share of product and brand building marketing costs that historically have been recognised in full in the wholesale operations.

The figures below illustrate the consequences of this change in the first quarter, in which costs of DKK 17 million and DKK 12 million are transferred from wholesale to retail in 2007/08 and 2006/07, respectively.

New method:

	Wholesale		Retail		Outlet		Group	
DKK million	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07
Revenue	894	854	265	211	31	31	1,190	1,096
Growth	*5%*		*26%*		-		*9%*	
Distribution channel profit/(loss)	**253**	**235**	**22**	**9**	**10**	**9**	**285**	**253**
Distribution channel profit margin	*28.4%*	*27.6%*	*8.3%*	*4.1%*	*33.6%*	*28.7%*	*24.0%*	*23.1%*
Unallocated corporate costs*							(36)	(34)
Operating profit							**249**	**219**
EBIT margin							*21.0%*	*20.0%*

Old method:

	Wholesale		Retail		Outlet		Group	
DKK million	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07	Q1 2007/08	Q1 2006/07
Revenue	894	854	265	211	31	31	1,190	1,096
Growth	*5%*		*26%*		-		*9%*	
Distribution channel profit/(loss)	**236**	**223**	**39**	**21**	**10**	**9**	**285**	**253**
Distribution channel profit margin	*26.4%*	*26.1%*	*14.7%*	*10.2%*	*33.6%*	*28.7%*	*24.0%*	*23.1%*
Unallocated corporate costs*							(36)	(34)
Operating profit							**249**	**219**
EBIT margin							*21.0%*	*20.0%*

* Unallocated corporate costs comprise IT, finance, HR and general management.

Adjusted comparative figures for the remaining quarters in 2006/07:

	Wholesale			Retail		
DKK million	Q2 2006/07	Q3 2006/07	Q4 2006/07	Q2 2006/07	Q3 2006/07	Q4 2006/07
Revenue	410	728	316	262	211	231
Growth	*2%*	*6%*	*20%*	*11%*	*18%*	*25%*
Distribution channel profit/(loss)	**(12)**	**178**	**(18)**	**50**	**(1)**	**20**
Distribution channel profit margin	*-3.0%*	*24.3%*	*-5.6%*	*19.2%*	*-0.7%*	*8.5%*