

COMPANY ANNOUNCEMENT

27 March 2014

IC Companys is selling its Mid Market division to DK Company

Today IC Companys has entered into an agreement to sell its Mid Market division comprising of the four Mid Market brands InWear, Matinique, Part Two and Soaked in Luxury as well as the store concept COMPANYS to DK Company.

The divestment of the Mid Market division is an important strategic milestone to IC Companys. In the future the Companys may focus completely on the Premium segment under which the Company's three brands Tiger of Sweden, Peak Performance and By Malene Birger combined have realized an average revenue growth rate of 8% for the last three financial years and an EBIT margin of 8.2% for the financial year 2012/13. Unaudited comparative figures for continuing operations are presented in Appendix 1 attached to this announcement.

Pursuant to the agreement DK Company has acquired the entire Mid Market division including all trademarks and commercial rights, employees and retail stores. The four brands together with the COMPANYS concept operate in the Mid Market segment where DK Company has its primary business focus.

The Mid Market division generated a revenue of DKK 891 million and suffered an operating loss of DKK 37 million for the financial year 2012/13. However, after having adjusted for non-recurring costs, the division generated an operating profit of DKK 9 million.

DK Company's acquisition price consists of DKK 50 million in cash and 203,628,379 shares in the company DK Company A/S listed on the NASDAQ OMX Nordic, First North, corresponding to an equity share of 10.11% of the total share capital. Based on the closing price on 26 March 2014, the market value of the shares amounted to DKK 126 million.

Group CEO Mads Ryder commented:

"We firmly believe that IC Companys will achieve better results by focusing clearly on operating fashion and sports brands in the Premium segment which will constitute the core business in the future. This is an attractive market with strong growth rates and good earnings opportunities, which in particular Tiger of Sweden and By Malene Birger have experienced during the past few years. All three Premium brands have generated solid earnings and continue to hold large international growth potentials. At the same time we believe that the future potential of the Mid Market segment is better realized by DK Company as the owner."

The final closing of the agreement with DK Company is expected to take place by end June 2014. Subsequently, a transition period of six to twelve months will follow during which IC Companys will provide services to the divested business unit. FIH Partners, Plesner and PwC Transaction Services have provided consultancy services to IC Companys.

The agreement is not expected to affect the Group's outlook for the financial year 2013/14. Management expects the consolidated revenue from continuing operations for 2013/14 to attain a level of DKK 2,560 - 2,580 million and an operating profit of DKK 195 - 215 million. Investments are expected to attain a level of DKK 70 - 90 million.

IC Companys A/S

Mads Ryder
Group CEO

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Appendix 1

Last announced comparative figures for the Group's continuing operations (unaudited)

DKK million	Premium Outdoor H1 2013/14 6 months	Premium Contemp. H1 2013/14 6 months	Non-core business H1 2013/14 6 months	Cont. operations H1 2013/14 6 months
Total revenue	565.3	591.5	222.9	1,379.7
<i>Growth compared to 2012/13 (%)</i>	<i>0</i>	<i>2</i>	<i>1</i>	<i>5</i>
Operating profit before depreciation, amortisation and net financials (EBITDA)	104.0	70.1	21.2	195.3
<i>EBITDA margin (%)</i>	<i>18.4</i>	<i>11.9</i>	<i>9.5</i>	<i>14.2</i>
Depreciation, amortisation and impairment losses	(12.6)	(12.0)	(4.6)	(29.2)
Operating profit (EBIT)	91.4	58.1	16.6	166.1
<i>EBIT margin (%)</i>	<i>16.2</i>	<i>9.8</i>	<i>7.4</i>	<i>12.0</i>
DKK million	Premium Outdoor H1 2012/13 6 months	Premium Contemp. H1 2012/13 6 months	Non-core business H1 2012/13 6 months	Cont. operations H1 2012/13 6 months
Total revenue	563.9	528.1	220.6	1,312.6
Operating profit before depreciation, amortisation and net financials (EBITDA)	106.0	66.0	24.3	196.3
<i>EBITDA margin (%)</i>	<i>18.8</i>	<i>12.5</i>	<i>11.0</i>	<i>15.0</i>
Depreciation, amortisation and impairment losses	(13.7)	(12.2)	(5.5)	(31.4)
Operating profit (EBIT)	92.3	53.8	18.8	164.9
<i>EBIT margin (%)</i>	<i>16.4</i>	<i>10.2</i>	<i>8.5</i>	<i>12.6</i>
DKK million	Premium Outdoor 2012/13	Premium Contemp. 2012/13	Non-core business 2012/13	Cont. operations 2012/13
Total revenue	930.5	1,063.6	429.7	2,423.8
<i>Growth compared to 2011/12 (%)</i>	<i>(5)</i>	<i>18</i>	<i>3</i>	<i>6</i>
Operating profit before depreciation, amortisation and net financials (EBITDA)	95.5	120.9	41.1	257.5
<i>EBITDA margin (%)</i>	<i>10.3</i>	<i>11.4</i>	<i>9.6</i>	<i>10.6</i>
Depreciation and amortisation	(26.2)	(25.9)	(10.9)	(63.0)
Impairment losses	(0.4)	-	-	(0.4)
Operating profit (EBIT)	68.9	95.0	30.2	194.1
<i>EBIT margin (%)</i>	<i>7.4</i>	<i>8.9</i>	<i>7.0</i>	<i>8.0</i>
DKK million	Premium Outdoor 2011/12	Premium Contemp. 2011/12	Non-core business 2011/12	Cont. operations 2011/12
Total revenue	975.5	905.1	416.6	2,297.2
Operating profit before depreciation, amortisation and net financials (EBITDA)	85.4	119.7	13.6	218.7
<i>EBITDA margin (%)</i>	<i>8.8</i>	<i>13.2</i>	<i>3.3</i>	<i>9.5</i>
Depreciation and amortisation	(28.1)	(21.9)	(11.0)	(61.0)
Impairment losses	(2.5)	-	-	(2.5)
Operating profit (EBIT)	54.8	97.8	2.5	155.1
<i>EBIT margin (%)</i>	<i>5.6</i>	<i>10.8</i>	<i>0.6</i>	<i>6.8</i>

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.