IC COMPANYS A/S
INTERIM REPORT FOR H1 2010/11

Growth, earnings capacity and future investments

Consolidated revenue for H1 2010/11 rose by 13% to DKK 2,108 million. This revenue growth is built on growth in both the retail and wholesale segments. Operating profit amounted to DKK 265 million. To enhance future earnings capacity Management implemented a new structure for logistics and the organisation which led to non-recurring costs of DKK 16 million in Q2 2010/11. After having adjusted for total non-recurring costs of DKK 28 million, the Group achieved an expected EBIT margin of 13.9%.

- Consolidated revenue for H1 2010/11 amounted to DKK 2,108 million (DKK 1,865 million) which is an increase of 13% compared to last year. Consolidated revenue for Q2 2010/11 amounted to DKK 893 million corresponding to an increase of 14% compared to last year.
- Wholesale revenue amounted to DKK 1,301 million (DKK 1,156 million) which constitutes an increase of 13% compared to last year. Wholesale revenue for Q2 2010/11 rose by 15% to DKK 459 million compared to last year.
- Retail revenue amounted to DKK 807 million (DKK 710 million) and thus represents a 14% increase. Retail revenue for Q2 2010/11 rose by 12% to DKK 433 million.
- Gross profit amounted to DKK 1,267 million (DKK 1,157 million). The Group thus generated a gross margin of 60.1% (62.0%). The pending Canadian duty case had a negative impact on the gross margin by 0.6 percentage points for H1 2010/11. After having adjusted for this, the gross margin was thus reduced by 1.3 percentage points compared to last financial year. The gross margin for Q2 2010/11 was reduced by 0.7 percentage point to 61.1%.
- Capacity costs amounted to DKK 1,002 million (DKK 894 million) corresponding to an increase of 12%. The new implemented structure for logistics and the organisation during Q2 2010/11 led to non-recurring costs of DKK 16 million which resulted in rising capacity costs. After having adjusted for non-recurring costs, the cost efficiency amounted to 46.8% (47.9%) which is an improvement of 1.1 percentage points. The cost efficiency for Q2 2010/11 was improved by 1.3 percentage points to 55% after having adjusted for non-recurring costs.
- Operating profit amounted to DKK 265 million (DKK 263 million). The Group thus generated an EBIT margin of 12.6% (14.1%). After having adjusted for non-recurring costs, the EBIT margin for H1 2010/11 amounted to 13.9%. The EBIT margin for Q2 2010/11 was improved by 0.4 percentage points to 5.7% after having adjusted for non-recurring costs.
- Order intake for the summer collection 2011 is expected to record an increase of 10%.

Outlook for 2010/11

- Consolidated revenue for the financial year 2010/11 is still expected to attain DKK 3,900 - 4,000 million (unchanged). The existing pressure on the Group's gross margin as a consequence of rising sourcing costs and a more fierce competition in the wholesale market is expected to continue. On this basis, the operating profit for the financial year 2010/11 is expected to attain a level of DKK 320 - 360 million (unchanged).
- Investments in the region of DKK 130 - 150 million (unchanged) are expected primarily for an expansion of the distribution and sales promoting improvements of the IT platform.

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For further information, please contact:

Niels Mikkelsen
Chief Executive Officer
Phone: +45 3266 7721

Chris Bigler
Chief Financial Officer
Phone: +45 3266 7017

IC COMPANYS
HOME OF FASHION BRANDS

IC COMPANYS • RAFFINADERIVEJ 10 • DK-2300 COPENHAGEN S • PHONE. +45 32 66 77 88 • FAX +45 32 66 77 03
CVR NO. 6281 6414 • EMAIL HQRECEPTION@ICCOMPANYS.COM • WWW.ICCOMPANYS.COM

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK million	Q2 2010/11 3 months	Q2 2009/10 3 months	H1 2010/11 6 months	H1 2009/10 6 months	Traling 12 months**	Year 2009/10 12 months
INCOME STATEMENT						
Revenue	892.5	784.1	2,108.2	1,865.2	3,738.3	3,495.3
Gross profit	544.7	483.6	1,266.9	1,156.5	2,234.8	2,124.4
Operating profit before depreciation and amortisation (EBITDA)	68.6	72.0	322.7	319.0	415.9	412.2
Operating profit before goodwill write-down and special items	37.7	41.9	264.9	262.7	284.8	282.6
Operating profit (EBIT)	37.7	41.9	264.9	262.7	284.8	282.6
Net financial items	(2.7)	5.2	(7.1)	3.2	(15.5)	(5.2)
Profit for the period before tax	35.0	47.1	257.8	265.9	269.3	277.4
Profit for the period	26.0	45.6	189.8	205.3	220.3	235.8
Comprehensive income	43.6	64.1	161.8	204.0	206.9	249.1
BALANCE SHEET						
Total non-current assets	807.9	819.8	807.9	819.8	815.6	793.3
Total current assets	1,212.3	1,045.4	1,212.3	1,045.4	1,154.2	953.4
Total assets	2,020.2	1,865.2	2,020.2	1,865.2	1,969.8	1,746.7
Share capital	169.4	169.4	169.4	169.4	169.4	169.4
Total equity	711.7	700.0	711.7	700.0	761.3	747.2
Total non-current liabilities	242.9	48.4	242.9	48.4	387.8	196.6
Total current liabilities	1,065.6	1,116.8	1,065.6	1,116.8	820.6	802.9
CASH FLOW STATEMENT						
Cash flow from operating activities	222.0	353.0	80.4	245.6	259.2	424.4
Cash flow from investing activities	(26.0)	(28.9)	(50.4)	(46.4)	(126.5)	(122.5)
Cash flow from investments in property, plant and equipment	(15.9)	(25.8)	(35.3)	(37.0)	(90.4)	(92.1)
Total cash flow from operating and investing activities	196.0	324.1	30.0	199.2	132.7	301.9
Cash flow from financing activities	(133.9)	(180.5)	(146.9)	(184.3)	(6.9)	(44.3)
Net cash flow for the period	62.1	143.6	(116.9)	14.9	125.8	257.6
KEY RATIOS						
Gross margin (%)	61.0	61.7	60.1	62.0	59.8	60.8
EBITDA margin (%)	7.7	9.2	15.3	17.1	11.1	11.8
EBIT margin (%)	4.2	5.3	12.6	14.1	7.6	8.1
Return on equity (%)	3.6	6.8	26.0	34.0	28.9	37.5
Equity ratio (%)	35.2	37.5	35.2	37.5	38.7	42.8
Average invested capital including goodwill	1,237.0	1,273.8	1,129.9	1,143.5	1,165.1	1,173.5
Return on invested capital (%)	3.3	3.3	23.4	23.0	24.4	24.1
Net interest-bearing debt, end of period	360.7	348.1	360.7	348.1	360.7	243.4
Financial leverage (%)	50.7	49.7	50.7	49.7	47.4	32.6
SHARE-BASED RATIOS*						
Average number of shares excluding treasury shares, diluted (thousand)	16,290.2	16,403.4	16,290.2	16,446.7	16,343.9	16,397.8
Market price, end of period, DKK	280.0	179.5	280.0	179.5	280.0	176.0
Earnings per share, DKK	1.5	2.9	11.1	12.3	13.2	13.9
Diluted earnings per share, DKK	1.6	2.9	11.5	12.3	13.2	13.9
Diluted cash flow per share, DKK	13.6	21.5	4.9	14.9	15.9	25.9
Diluted net asset value per share, DKK	35.8	42.0	42.7	41.9	43.5	44.7
Diluted price earnings, DKK	173.8	62.4	24.3	14.6	21.3	12.7
EMPLOYEES						
Number of employees (full-time equivalent at the end of the period)	2,440	2,244	2,440	2,244	2,409	2,315

* The effect of IC Companys' programmes for share options and warrants has been included in the diluted values.
** Calculated by using the simple average balance.

The key ratios and share data have been calculated according to the recommendations in "Recommendations and Ratios 2010" 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.

Disclaimer
This announcement contains future-orientated statements regarding the Company's future development and results and other statements that are not historic facts. Such statements are based on the currently well-founded prerequisites and expectations of the Management that may prove erroneous. The actual results may deviate considerably from what has been outlined as planned, assumed, assessed or forecast in this announcement.

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.

SUMMARY

The target for the financial year 2010/11 is to generate growth and improve earnings capacity for the Group. As expected, the achieved results for H1 2010/11 underpin the fact that we can reach these targets. We still expect a revenue growth rate of 12-14% and an improved EBIT margin of 0.1-0.9% compared to the financial year 2009/10 (see above).

However, the above projections do not reflect our estimates of the Group's true earnings potential. To be able to harvest this potential in the future, we have looked into the issue of the Group's complex organisational structure. This has thus resulted in the implementation of a significant and extensive organisational change. Furthermore, structural changes in the Group's logistics have also been implemented. Both initiatives will increase the Group's future earnings capacity.

New structures in IC Companys

During Q2 2010/11 the Group implemented a full line organisation with an identical structure for all brands (cf. Company Announcement no. 21/2010). This new structure provides the brands with the full responsibility of the entire value chain, including own distribution. Some of the brands have over time not obtained sufficiently high earnings capacity. With this higher degree of responsibility and increased flexibility, the brands will be able to make the necessary prioritisations in order to obtain their true earnings potential. Furthermore, these changes have reduced the Group's complex organisational structure significantly and enhanced the internal transparency which makes it possible for the back-end platform comprising finance, IT, logistics and production to offer far better services to the brands.

The execution of the changes has been a comprehensive task; 600 employees changed reporting lines within a day's notice. Furthermore, all our internal systems had to be updated in order to reflect the new structure. We are therefore pleased to announce that the execution has been quick and efficient and has only incurred non-recurring costs of DKK 10 million. We expect that the new structure will lead to improved earnings capacity with effect from the financial year 2011/12.

Besides the organisational changes, the Group has also implemented changes in the logistics structure during Q2 2010/11 (cf. Company Announcement no. 7/2010). This has resulted in the closure of inefficient warehouses which have been replaced with a far more efficient warehouse facility.

The execution of these measures has led to non-recurring costs of DKK 6 million. It is still estimated that the synergy effect from this will attain gains at a level of DKK 15-20 million annually.

Continued growth and improved earnings capacity under strenuous conditions

Q2 2010/11 reflected the same positive development as seen in Q1 2010/11 and the Group thus generated revenue growth of 14%.

In general, we can see a sustainable development in the Group's growth. Both in Q1 and Q2 2010/11 the Group generated double-digit growth rates for the retail og wholesale segments, order intake and same-store sales in retail when not including the outlet function. After having adjusted for foreign currency translations, the Group generated revenue growth of 7% and 9% for Q1 and Q2, respectively. When putting this into perspective with the improved cost efficiency, it reflects that our growth initiatives are starting to generate operational leverage.

The Group will continue to expand controlled revenue. During Q2 2010/11 the Group had 13 new net-store openings resulting in 900 new square metres and a total of 498 stores.

The Group has in Q2 2010/11, as was the case in Q1, experienced a substantial pressure on the Group's gross margin which is attributable to the external factors influencing the Group's sourcing and wholesale market. Furthermore, as expected, the profitability was affected by the non-recurring costs relating to the implemented structural changes. After having adjusted for non-recurring costs, the underlying profitability has improved, however.

Last year the entire industry benefitted from a favourable development of external factors such as supplier capacity, transportation costs and raw materials. During the last year the development of these factors has shifted from very positive to negative. Raw material prices have risen substantially and the price on cotton is today at a historical high level.

The adverse effect from this development of the external factors has partly been reduced by the Group's ability to use more efficiently the enhanced control mechanisms implemented in the Group's collections.

At the same time we expect to improve the cost efficiency in the future as we have been able to during H1 2010/11. We have the necessary means to counter the challenging conditions in order to continue improving the Group's future earnings capacity.

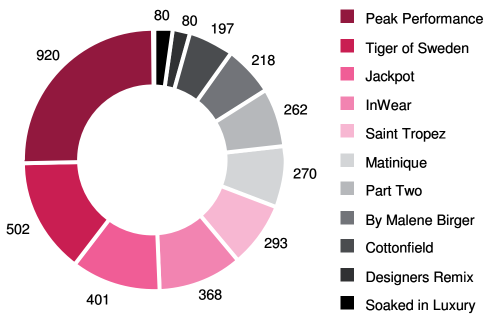
REVENUE DEVELOPMENT

Revenue for H1 2010/11 amounted to DKK 2,108 million (DKK 1,865 million) corresponding to an increase of 13% which is attributable to double-digit growth rates in both the retail and wholesale segments for Q1 and Q2 2010/11.

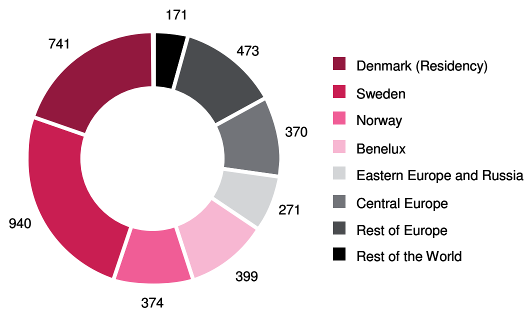
Revenue for H1 2010/11 has been affected positively by net store openings amounting to DKK 57 million and foreign currency translations by DKK 92 million. Since foreign currency exposure risks generally are hedged, the total gain, as a consequence of foreign currency fluctuations, is considerably lower. After having adjusted for foreign currency translations, the Group generated revenue growth of 7% and 9% for Q1 and Q2, respectively.

The Group's trailing 12 months revenue for Group brands is illustrated by brand and geographic breakdowns below.

Group brands measured by trailing 12 months revenue



Geographic segments measured by trailing 12 months revenue



Group brands

H1 2010/11 has been marked by a positive development where 10 out of 11 Group brands reported growth. The brands Tiger of Sweden, Matinique, By Malene Birger, Saint Tropez and Designers Remix have all reported double-digit growth rates.

For Q2 2010/11 the brands Peak Performance, Tiger of Sweden, Jackpot, Matinique, By Malene Birger and Designers Remix all generated double-digit growth rates.

Group geographic markets

All Group geographic markets, except from Rest of the World, reported growth for H1 2010/11. The segments Sweden, Norway, Eastern Europe and Russia, Central Europe as well as Rest of Europe reported double-digit growth.

After having experienced setbacks over an extended period the segment Denmark reported significant growth even though this growth rate did not attained the same level as reported by other Scandinavian markets. In both Sweden and Norway the consumers generally have a more positive outlook than consumers in Denmark. Furthermore, improved sales currencies have helped boost growth in Norway and Sweden. The segment Eastern Europe and Russia reported substantial growth which primarily is due to the expansion of Jackpot's retail distribution and the opening of a new franchise distribution in Russia.

The segments Sweden, Eastern Europe and Russia, Central Europe and Rest of Europe all reported double-digit growth rates for Q2 2010/11.

Group distribution channels

DKK million	Wholesale H1 2010/11 6 months	Wholesale H1 2009/10 6 months	Retail H1 2010/11 6 months	Retail H1 2009/10 6 months	Total H1 2010/11 6 months	Total H1 2009/10 6 months	Non-allocated H1 2010/11 6 months	Non-allocated H1 2009/10 6 months	Group total H1 2010/11 6 months	Group total H1 2009/10 6 months
Revenue	**1,300.8**	**1,155.6**	**807.4**	**709.6**	**2,108.2**	**1,865.2**	-	-	**2,108.2**	**1,865.2**
Growth (%)	*12.6*		*13.8*		*13.0*				*13.0*	
Operating profit	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(77.1)**	**(71.3)**	**264.9**	**262.7**
Profit margin (%)	*20.1*	*22.4*	*9.9*	*10.6*	*14.7*	*17.9*	-	-	*12.6*	*14.1*
Net financial items	-	-	-	-	-	-	(7.1)	3.2	(7.1)	3.2
Profit before tax	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(84.2)**	**(68.1)**	**257.8**	**265.9**
Tax on profit for the period	-	-	-	-	-	-	(68.0)	(60.6)	(68.0)	(60.6)
Profit for the period	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(152.2)**	**(128.7)**	**189.7**	**205.3**

DKK million	Wholesale Q2 2010/11 3 months	Wholesale Q2 2009/10 3 months	Retail Q2 2010/11 3 months	Retail Q2 2009/10 3 months	Total Q2 2010/11 3 months	Total Q2 2009/10 3 months	Non-allocated Q2 2010/11 3 months	Non-allocated Q2 2009/10 3 months	Group total Q2 2010/11 3 months	Group total Q2 2009/10 3 months
Revenue	**459.2**	**397.9**	**433.3**	**386.2**	**892.5**	**784.1**	**-**	**-**	**892.5**	**784.1**
Growth (%)	*15.4*		*12.2*		*13.8*				*13.8*	
Operating profit	**36.4**	**26.4**	**48.5**	**57.9**	**84.9**	**84.3**	**(47.2)**	**(42.4)**	**37.7**	**41.9**
Profit margin (%)	*7.9*	*6.6*	*11.2*	*15.0*	*9.5*	*10.8*	*-*	*-*	*4.2*	*5.4*
Net financial items	-	-	-	-	-	-	(2.7)	5.2	(2.7)	5.2
Profit before tax	**36.4**	**26.4**	**48.5**	**57.9**	**84.9**	**84.3**	**(49.9)**	**(37.2)**	**35.0**	**47.1**
Tax on profit for the period	-	-	-	-	-	-	(9.0)	(1.5)	(9.0)	(1.5)
Profit for the period	**36.4**	**26.4**	**48.5**	**57.9**	**84.9**	**84.3**	**(58.9)**	**(38.7)**	**26.0**	**45.6**

Wholesale segment

Total wholesale revenue for H1 2010/11 amounted to DKK 1,301 million (DKK 1,156 million) corresponding to an increase of 13%. Pre-order revenue increased by 9% while in-season sales rose by 16%. This includes franchise revenue which rose by 28% compared to last financial year.

Wholesale revenue for Q2 2010/11 amounted to DKK 459 million (DKK 398 million) corresponding to an increase of 15%. Pre-order revenue increased by 12% while in-season sales rose by 15%. This includes franchise revenue which rose by 39% compared to last financial year.

Profit for the wholesale segment rose by 1% to DKK 262 million (DKK 259 million) corresponding to a profit margin of 20.1% (22.4%) for H1 2010/11. The reduced profit margin is attributable to non-recurring costs and a significant pressure on the Group's gross margin as a consequence of rising sourcing costs and a more fierce competition in the wholesale market.

Profit for the wholesale segment for Q2 2010/11, which was also influenced by a substantial pressure on the gross margin, rose by 38% to DKK 36 million (DKK 26 million).

During Q2 2010/11 the Group opened 7 new franchise stores and closed down 2 stores. The Group thereby offers services for 158 franchise stores with a total store area of 23,900 square metres.

Franchise	Existing 31.12.2010 Stores	Opened last 3 months Stores	Closed last 3 months Stores
Denmark	22	-	-
Sweden	18	1	1
Norway	9	1	-
Benelux countries	22	-	-
Eastern Europe and Russia	30	4	-
Central Europe	34	-	-
Rest of Europe	11	1	-
Rest of the World	12	-	1
Total	**158**	**7**	**2**

The total order intake for the spring collection 2011 increased by 13% after having translated into reporting currency. It is expected that the total order intake for the Group, including Saint Tropez and Soaked in Luxury, for the summer collection 2011 will increase by 10%. The positive development of double-digit growth rates in order intake is thus maintained.

Retail segment

Total retail revenue for H1 2010/11 amounted to DKK 807 million (DKK 710 million) corresponding to an increase of 14%. Retail revenue was positively affected by net store openings of DKK 57 million. Same-store sales for H1 2010/11 increased by 4% when not including the outlet function. The outlet function reduced same-store sales by 3 percentage points as the Group had less surplus goods. The total retail sales per square metre on a trailing 12 months turnover basis amounted to DKK 33,700 (DKK 32,100 last quarter). The outlet revenue constituted 12% of the total retail revenue but did, however, reduce same-store sales as the Group had less surplus goods.

Retail revenue for Q2 2010/11 amounted to DKK 433 million (DKK 386 million) corresponding to an increase of 12%. Same-store sales for Q2 2010/11 increased by 4% when not including the outlet function.

Profit for the retail segment for H1 2010/11 rose by 6% to DKK 80 million (DKK 75 million) which is attributable to an improved gross margin and in spite of many new store openings. The Group's inventories have generally experienced a sound development. This should be seen as a result of enhanced buying procedures and optimised inventory management systems which have improved sales out of the stores. This development has caused noticeable less discounts since it has been possible to obtain better prices, in particular in the Group's outlet stores.

Profit for the retail segment for Q2 2010/11, which was also influenced by a substantial pressure on the gross margin, decreased by 16% to DKK 49 million (DKK 58 million). This mainly reflects the fact that both the gross margin and the cost efficiency are affected negatively by the Group's new stores.

During Q2 2010/11 the Group opened 9 new stores and 1 was closed. In total this results in a net influx of 500 square metres and brings the Group's total retail area to 51,400 square metres distributed between 340 stores.

Retail*	Existing 31.12.2010 Stores	Opened last 3 months Stores	Closed last 3 months Stores
Denmark	54	1	-
Sweden	32	3	-
Norway	10	-	-
Benelux countries	26	-	-
Eastern Europe and Russia	65	-	1
Central Europe	17	1	-
Rest of Europe	5	1	-
Rest of the World	2	-	-
Total	**211**	**6**	**1**

* 30 outlets constituting 7,600 square metres are included in the Group's own stores. During the past 3 months 3 outlets were opened and none were closed.

Retail	Existing 31.12.2010 Concessions	Opened last 3 months Concessions	Closed last 3 months Concessions
Denmark	26	2	-
Sweden	22	-	-
Norway	2	-	-
Benelux countries	27	1	-
Eastern Europe and Russia	-	-	-
Central Europe	-	-	-
Rest of Europe	1	-	-
Rest of the World	51	-	-
Total	**129**	**3**	**-**

For further details of Group segments, please see Note 4 Segment information.

EARNINGS DEVELOPMENT

Gross margin affected by the duty case and price pressure from suppliers and customers

Gross profit for H1 2010/11 amounted to DKK 1,267 million (DKK 1,157 million) corresponding to an increase of 10%. The pending Canadian duty case affected the profit for H1 2010/11 unfavourably by DKK 12 million.

Gross profit for Q2 2010/11 amounted to DKK 545 million (DKK 484 million) corresponding to an increase of 13%.

The gross margin for H1 2010/11 was 60.1% (62.0%) corresponding to 1.9 percentage points below the level for H1 2009/10. After having adjusted for the pending Canadian duty case, which affected the gross margin for H1 2010/11 unfavourably by 0.6 percentage points, the gross margin was thus 1.3 percentage points below the level for H1 2009/10.

The gross margin has been affected by a favourably development in the Group's primary sales and sourcing currencies which were fixed in December 2009 in accordance with the Group's foreign currency hedging policy. This development has had a positive impact of 0.7 percentage points on the gross margin. Fewer discounts in the retail segment compared to H1 2009/10 have had a positive impact by 0.8 percentage points on the gross margin. The reason why the gross margin, in spite of a number of positive factors, is still below the level of last financial year can be ascribed the existing price pressure which is attributable to fierce competition in the wholesale market and a number of external factors affecting the Group's sourcing.

Last year the entire industry benefitted from a favourable development of external factors such as supplier capacity, transportation costs and raw materials. During the last 12 months the development of these factors has shifted from very positive to negative. Raw material prices have risen substantially and the price on cotton is today at a historical high level. The adverse effect from this development is partly absorbed by the Group's enhanced control mechanism.

The gross margin for Q2 2010/11 was 61.0% (61.7%) which was 0.7 percentage point below the level for Q2 2009/10.

Cost rate affected by non-recurring costs

Capacity costs for H1 2010/11 amounted to DKK 1.002 million (DKK 894 million) corresponding to an increase 12%.

The increase of capacity costs primarily stems from enhanced marketing efforts and new retail activities. The opening of new stores thus increases the cost base by DKK 46 million. Furthermore, foreign currency translations add DKK 33 million to the capacity costs.

The capacity costs were furthermore affected unfavourably by non-recurring costs of DKK 16 million during Q2 2010/11 which are attributable to severance payments in connection with the announced new organisational structure implemented in November 2010 and costs in connection with the opening of the new warehouse in Brøndby, Denmark, and the closure of warehouses in the Netherlands and Norway.

The capacity costs were positively affected by a compensation of DKK 8 million in connection with the termination of a lease agreement in Sweden which was recognised in Q1 2010/11.

As a consequence of the revenue having increased relatively more than the costs, the cost rate has been reduced by 0.4 percentage points to 47.5% (47.9%). After having adjusted for non-recurring costs, the cost rate was reduced by 1.1 percentage points to 46.8%.

Capacity costs for Q2 2010/11 amounted to DKK 507 million (DKK 442 million) corresponding to an increase of 15%. After having adjusted for non-recurring costs, the cost rate was reduced by 1.3 percentage points to 55.0% (56.3%).

Marginally improved operating profit

Operating profit for H1 2010/11 amounted to DKK 265 million (DKK 263 million) which corresponds to an increase of 1%. The EBIT margin was reduced by 1.5 percentage points to 12.6% (14.1%) due to lower gross margin, the pending Canadian duty case and non-recurring costs incurred as a consequence of the Group's organisational changes. After having adjusted for non-recurring costs, the EBIT margin was only reduced by 0.2 percentage points to 13.9%.

Operating profit for Q2 2010/11 amounted to DKK 38 million (DKK 42 million) which corresponds to a reduction of 10%. After having adjusted for the non-recurring costs, the operating profit was improved by 21% to DKK 51 million (DKK 42 million) which means that the EBIT margin was increased by 0.4 percentage points to 5.7% (5.3%).

Financial items

Net financial items for H1 2010/11 totalled costs of DKK 7 million (income of DKK 3 million). Compared to H1 2009/10 this difference is attributable to interest costs of DKK 1 million relating to the pending duty case in Canada. Net financial items for H1 2009/10 were affected favourably by an interest rate compensation of DKK 8 million deriving from the settlement of the two tax cases in Germany which was recognised in Q2 2009/10.

Net financial items for Q2 2010/11 totalled costs of DKK 3 million (income of DKK 5 million).

Tax

Calculated tax expense for H1 2010/11 was recognised in the amount of DKK 68 million (DKK 61 million) which corresponds to 26.4% of the profit before tax.

Net profit

Net profit for H1 2010/11 decreased by 7% to DKK 190 million (DKK 205 million).

Net profit for Q2 2010/11 decreased by 43% to DKK 26 million (DKK 46 million).

Comprehensive income

Comprehensive income for H1 2010/11 amounted to DKK 162 million (DKK 204 million). The comprehensive income was negatively affected by the net effect of the fair value adjustments deriving from the Group's foreign currency hedging instruments by DKK 35 million (negative adjustment of DKK 24 million) and positively affected by foreign currency translation adjustments regarding subsidiary companies by DKK 7 million (positive adjustment of DKK 23 million).

BALANCE SHEET AND CASH FLOW

Balance sheet

Group assets rose by DKK 155 million to DKK 2,020 million as at 31 December 2010 (DKK 1,865 million) which is attributable to an increase of the Group's current assets.

Non-current assets were reduced by DKK 12 million compared to last financial year.

The Group's deferred tax assets decreased by DKK 32 million to DKK 114 million as at 31 December 2010 of which DKK 13 million is attributable to the effect from calculated tax on unrealised losses on forward currency contracts recognised directly in other comprehensive income. The rest of the decrease is attributable to the use of loss carried forward.

The Group's intangible assets rose by DKK 26 million of which DKK 15 million is attributable to foreign currency translation adjustments of goodwill in Swedish companies and DKK 9 million to software and IT systems.

Current assets increased by DKK 167 million to DKK 1,212 million (DKK 1,045 million).

Inventories rose by DKK 75 million which is attributable to an increase in gross inventories of DKK 55 million as a consequence of increased activities and a reduction in write-downs of surplus goods of DKK 20 million. The reduced write-downs reflect a significantly improved age distribution of the inventory. Inventory turnover was 2.0 which is at the same level as the corresponding period last year.

Trade receivables rose by DKK 94 million to DKK 415 million (DKK 321 million). This increase reflects a combination of improved revenue and a change in revenue flows within Q2 2010/11 compared to Q2 2009/10. In 2010 significantly less deliveries were registered for the month October whereas the months November and December reported higher deliveries compared to 2009 which is a consequence of the Group's changed delivery structure. Write-downs of trade receivables decreased by DKK 19 million which reflects a significantly improved age distribution. Measured on days sales outstanding, a reduction of 7 days has been reported compared to the corresponding period last financial year.

Other receivables decreased by DKK 9 million to DKK 27 million.

Cash and cash equivalents were increased by DKK 9 million to DKK 123 million which is attributable to the fact that the Group's cash pools have been less effective for reducing current liabilities to credit institutions.

After adjusting for non-cash funds, the total working capital amounts to DKK 459 million which is an improvement of DKK 119 million compared to last financial year. The working capital constitutes 12% of the trailing 12 months revenue (10%).

Long-term liabilities increased by DKK 195 million to DKK 243 million (DKK 48 million) which is attributable to remortgaging of the loan on the Group's property located at Raffinaderivej, Denmark, amounting to DKK 140 million and the long-term liabilities of the debt relating to the acquisition of the remaining 49% of the shares in By Malene Birger A/S.

Current liabilities decreased by DKK 51 million to DKK 1,066 million (DKK 1,117 million). Liabilities to credit institutions have been reduced by DKK 119 million to DKK 344 million (DKK 463 million) which is attributable to the fact that the loan in the Group's property located at Raffinaderivej, Denmark, was under the process of being remortgaged at closing date last year (DKK 140 million) during at which time it was financed by short-term credit facilities.

Trade payables rose by DKK 18 million to DKK 304 million (DKK 286 million) primarily as a consequence of the increased activities and the change of delivery flows during the quarter under review.

Other debt increased by DKK 76 million to DKK 341 million (DKK 265 million) which is primarily attributable to an increase of unrealised loss on financial contracts of DKK 49 million.

Cash flow

Consolidated cash flow from operating activities for H1 2010/11 amounted to an inflow of DKK 80 million (inflow of DKK 246 million) which is DKK 166 million below consolidated cash flow for H1 2009/10. This reduction primarily reflects a substantial effect from last year relating to the task of reducing Group's working capital. During the financial year 2010/11 the working capital has reached a normalised level. Furthermore, this development was affected by an increased tied-up working capital relating to increased activities and a changed collection structure.

Cash flow from investing activities for H1 2010/11 amounted to an outflow of DKK 50 million (an outflow of DKK 46 million) which is attributable to increased investments of DKK 4 million.

Cash flow from financing activities for H1 2010/11 amounted to an outflow of DKK 147 million (an outflow of DKK 184 million) corresponding to a reduction of DKK 37 million. This reduction was affected positively by the fact that no remortgaging had taken place during the half year under review and negatively affected by dividends paid and other transactions with shareholders.

Total cash flow for H1 2010/11 amounted to an outflow of DKK 117 million (an inflow of DKK 15 million) corresponding to a reduction of DKK 132 million.

Cash situation

Consolidated net interest-bearing debt amounted to DKK 361 million (DKK 348 million) which represents an increase of DKK 13 million compared to 31 December 2009. Compared to last financial year the Group's cash flow was affected negatively by dividends paid amounting to DKK 73 million (DKK 6 million) and payment of the first down payment in connection with the acquisition of the remaining 49% of the shares in By Malene Birger A/S. It is still the Group's target to reduce its net-interest bearing debt.

As at 31 December 2010 consolidated credit facilities constituted a total of DKK 1,173 million in terms of withdrawal rights (DKK 1,392 million) of which an amount of DKK 410 million has been utilised in relation to current and non-current liabilities to financial institutions and an amount of DKK 86 million has been utilised for trade finance facilities and guarantees. Unutilised credit facilities thus amount to DKK 677 million. All credit guarantees, except from the Group's loan in the corporate head office, are standby credits which may be utilised with a day's notice. The utilisation of withdrawal rights has at no point in time during H1 2010/11 exceeded 66%, including provisions for trade finance facilities, bank guarantees, etc.

Equity

Equity as at 31 December 2010 rose by DKK 12 million to DKK 712 million (DKK 700 million). The increase is primarily attributable to profit for the trailing 12 months reduced by the dividends paid in respect of the financial year 2009/10 and other transactions with shareholders.

Equity ratio as at 31 December 2010 amounted to 35.2% (37.5%).

Changes in equity and the number of treasury shares are specified on page 18.

COMPANY ANNOUNCEMENTS FOR THE HALF YEAR

Transactions in the Company's shares and related securities by officers of IC Companys

On 11 August 2010, Executive Vice President and member of the Executive Board, Peter Fabrin exercised 10,000 share options at a total market value of DKK 1,190,000. The transaction was made at NASDAQ OMX Copenhagen.

On 11 August 2010, Chief Financial Officer and member of the Executive Board, Chris Bigler exercised 10,000 share options at a total market value of DKK 1,845,000. The transaction was made at NASDAQ OMX Copenhagen.

On 12 August 2010, Executive Vice President and member of the Executive Board, Peter Fabrin sold 10,000 shares at a total market value of DKK 2,210,000. The transaction was made at NASDAQ OMX Copenhagen.

On 13 August 2010, Chief Financial Officer and member of the Executive Board, Chris Bigler sold 10,000 shares at a total market value of DKK 2,240,000. The transaction was made at NASDAQ OMX Copenhagen.

Duty case between IC Companys A/S and the Canada Border Services Agency (CBSA)

The CBSA in Canada has performed a customs audit of the value for duty employed by IC Companys Canada Inc. when importing goods into the Canadian market. In this connection the CBSA concluded that IC Companys has employed a too low value for duty. Consequently, the CBSA has imposed IC Companys Canada Inc. to increase both its future value for duty as well as its value for duty with retrospective application for 4 years as from 14 September 2010.

The increase of the value for duty for the past 4 years has led to a non-recurring cost of DKK 15 million (adjusted to DKK 12 million) and accrued interest of DKK 4 million (adjusted to DKK 1 million) of which both items are fully tax deductible upon recognition of taxable income and have a deductible value of DKK 4 million (adjusted to DKK 3 million). The costs have been recognised in the consolidated accounts for Q1 2010/11.

IC Companys does not agree with the ruling from the CBSA and has appealed the case to the relevant authorities in Canada.

IC Companys launches initiatives to enhance growth and improve earnings capacity

In November 2010 the Management of IC Companys embarked 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 their 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.

The organisational change results in less complexity, since IC Companys implements a full line organisation for all brands giving them the full control of their own distribution.

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.

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.

Development of Extraordinary General Meeting of IC Companys A/S

At the Extraordinary General Meeting of IC Companys A/S held on 7 December 2010 Annette Brøndholt Sørensen was elected as new member of the Board of Directors of IC Companys A/S in accordance with the agenda for the meeting.

Annette Brøndholt Sørensen is working as Management Consultant with VS Consulting.

IC Companys A/S – Grant of warrants

In continuation of the 2009/10 result, the Board of Directors resolved at its meeting held on 16 December 2010 to grant 98,590 warrants to 35 executives. The warrants will be granted under the authorisation in article 5B of IC Companys' Articles of Association. The warrants granted entitle the holders to subscribe up to 98,590 shares within a window of 14 days on and after the Company's announcements of the Annual Reports 2012/13, 2013/14 and 2014/15. For further information, please see note 3 Sharebased remuneration

Events after the balance sheet day

No material events have taken place after the balance sheet date that have not been recognised or included in the interim report for H1 2010/11.

OUTLOOK FOR 2010/11

Consolidated revenue for the financial year 2010/11 is still expected to attain DKK 3,900 - 4,000 million (unchanged). The existing pressure on the Group's gross margin as a consequence of rising sourcing costs and a more fierce competition in the wholesale market is expected to continue. On this basis, the operating profit for the financial year 2010/11 is expected to attain a level of DKK 320 - 360 million (unchanged).

Investments in the region of DKK 130 - 150 million (unchanged) are expected primarily for an expansion of the distribution and sales promoting improvements of the IT platform.

Copenhagen, 9 February 2011

IC Companys A/S

Niels Martinsen	Niels Mikkelsen
Chairman of the Board of Directors	Chief Executive Officer

Contacts:

Niels Mikkelsen	Chris Bigler
Chief Executive Officer	Chief Financial Officer
Phone: +45 3266 7721	Phone: +45 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 2010 – 31 December 2010.

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 the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position as at 31 December 2010, and of the results of the Group's operations and cash flows in the period 1 July 2010 – 31 December 2010.

We further consider Management's review to be a true and fair presentation of the development in the Group's operations and financial matters, the profit for the period and of the Group's financial position as a whole and describes material risks and elements of uncertainty pertaining to the Group.

Copenhagen, 9 February 2011

Executive Board:

NIELS MIKKELSEN Chief Executive Officer	CHRIS BIGLER Chief Financial Officer	ANDERS CLEEMANN Executive Vice President	PETER FABRIN Executive Vice President

Board of Directors:

NIELS ERIK MARTINSEN Chairman	HENRIK HEIDEBY Deputy Chairman	OLE WENGEL Deputy Chairman
PER BANK	ANDERS COLDING FRIIS	ANNETTE BRØNDHOLT SØRENSEN

INCOME STATEMENT

Note	DKK Million	Q2 2010/11 3 months	Q2 2009/10 3 months	H1 2010/11 6 months	H1 2009/10 6 months	Trailing 12 months
4	**Revenue**	**892.5**	**784.1**	**2,108.2**	**1,865.2**	**3,738.3**
4	Cost of sales	(347.8)	(300.5)	(841.3)	(708.7)	(1,503.5)
	Gross profit	**544.7**	**483.6**	**1,266.9**	**1,156.5**	**2,234.8**
	External costs	(209.8)	(183.3)	(438.2)	(392.9)	(830.5)
	Staff costs	(266.4)	(228.1)	(514.1)	(444.6)	(996.5)
	Other operating income/ expenses	0.1	(0.2)	8.1	-	8.1
	Depreciation, amortisation and impairment losses	(30.9)	(30.1)	(57.8)	(56.3)	(131.1)
	Operating profit	**37.7**	**41.9**	**264.9**	**262.7**	**284.8**
	Financial income	3.9	13.2	7.8	17.4	4.1
	Financial costs	(6.6)	(8.0)	(14.9)	(14.2)	(19.6)
	Profit before tax	**35.0**	**47.1**	**257.8**	**265.9**	**269.3**
	Tax on profit for the period	(9.0)	(1.5)	(68.0)	(60.6)	(49.0)
	Profit for the period	**26.0**	**45.6**	**189.8**	**205.3**	**220.3**
	Profit allocation:					
	Share holders of IC Companys A/S	26.2	47.2	187.9	202.7	214.9
	Minority interest	(0.2)	(1.6)	1.9	2.6	5.4
	Profit for the period	**26.0**	**45.6**	**189.8**	**205.3**	**220.3**
	Earnings per share					
	Earnings per share, DKK	1.5	2.9	11.1	12.3	12.7
	Diluted earnings per share, DKK	1.6	2.9	11.5	12.3	12.0

COMPREHENSIVE INCOME STATEMENT

DKK million	Q2 2010/11 3 months	Q2 2009/10 3 months	H1 2010/11 6 months	H1 2009/10 6 months	Trailing 12 months
Profit for the period	**26.0**	**45.6**	**189.8**	**205.3**	**220.3**
OTHER COMPREHENSIVE INCOME					
Foreign currency translation differences arising in connection with subsidiaries	(3.4)	(2.8)	7.2	22.5	39.0
Fair value adjustments on foreign currency hedging instruments	28.5	28.4	(47.8)	(31.7)	(41.2)
Tax on other comprehensive income	(7.6)	(7.1)	12.6	7.9	(11.2)
Total other comprehensive income, net	**17.6**	**18.5**	**(28.0)**	**(1.3)**	**(13.4)**
Total comprehensive income	**43.6**	**64.1**	**161.8**	**204.0**	**206.9**
Comprehensive income allocation:					
Share holders of IC Companys A/S	43.8	65.7	160.0	201.4	201.6
Minority interests	(0.2)	(1.6)	1.9	2.6	5.4
Total	**43.6**	**64.1**	**161.8**	**204.0**	**206.9**

BALANCE SHEET

ASSETS

Note	DKK million	31.12.2010	31.12.2009	30.06.2010
	NON-CURRENT ASSETS			
	Goodwill	201.7	184.4	194.3
	Software and IT systems	29.2	20.0	21.4
	Trademark rights	0.1	0.1	0.1
	Leasehold rights	19.4	20.7	19.6
	IT systems under development	0.9	-	13.6
	Total intangible assets	**251.3**	**225.2**	**249.0**
	Land and buildings	158.6	164.2	161.5
	Leasehold improvements	132.2	120.2	132.5
	Equipment and furniture	106.7	105.8	106.9
	Property, plant and equipment under construction	12.0	20.8	7.5
	Total property, plant and equipment	**409.5**	**411.0**	**408.4**
	Financial assets	33.2	37.5	36.0
	Deferred tax assets	113.9	146.1	99.9
	Total other non-current assets	**147.1**	**183.6**	**135.9**
	Total non-current assets	**807.9**	**819.8**	**793.3**
	CURRENT ASSETS			
5	Inventories	504.1	429.4	428.7
6	Trade receivables	414.6	321.0	262.1
	Tax receivable	42.3	47.2	30.2
7	Other receivables	27.4	35.9	55.8
	Prepayments	100.5	97.2	104.7
	Cash	123.4	114.7	71.9
	Total current assets	**1,212.3**	**1,045.4**	**953.4**
	TOTAL ASSETS	**2,020.2**	**1,865.2**	**1,746.7**

EQUITY AND LIABILITIES

Note	DKK million	31.12.2010	31.12.2009	30.06.2010
	EQUITY			
	Share capital	169.4	169.4	169.4
	Reserve for hedging transactions	(32.8)	(2.6)	2.4
	Translation reserve	(23.2)	(40.0)	(30.4)
	Retained earnings	582.5	562.8	591.9
	Equity attributable to share holders of the Parent Company	**695.9**	**689.6**	**733.3**
	Equity attributable to minority interests	**15.8**	**10.4**	**13.9**
	Total equity	**711.7**	**700.0**	**747.2**
	LIABILITIES			
	Retirement benefit obligations	7.0	4.8	6.9
	Deferred tax liabilities	51.9	41.1	47.5
	Provisions	-	2.5	2.2
	Other long-term debt	44.0	-	-
	Financial institutions	140.0	-	140.0
	Total non-current liabilities	**242.9**	**48.4**	**196.6**
	Financial institutions	344.1	462.8	175.3
	Trade payables	303.7	285.6	354.8
	Tax on profit for the period	9.3	43.0	12.3
	Calculated tax on profit for the period	68.0	60.6	-
8	Other debt	340.5	264.8	260.5
	Total current liabilities	**1,065.6**	**1,116.8**	**802.9**
	Total liabilities	**1,308.5**	**1,165.2**	**999.5**
	TOTAL EQUITY AND LIABILITIES	**2,020.2**	**1,865.2**	**1,746.7**

STATEMENT OF CHANGES IN EQUITY

DKK million	Share capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Total equity owned by Parent Company shareholders	Total equity owned by minority interests	Total
Equity at 1 July 2010	**169.4**	**2.4**	**(30.4)**	**591.9**	**733.3**	**13.9**	**747.2**
Profit for the period	-	-	-	187.9	187.9	1.9	189.8
Other comprehensive income	-	(35.2)	7.2	-	(28.0)	-	(28.0)
Total comprehensive income	**-**	**(35.2)**	**7.2**	**187.9**	**160.0**	**1.9**	**161.8**
Share buy-back programmes	-	-	-	(13.0)	(13.0)	-	(13.0)
Dividends payable	-	-	-	(73.0)	(73.0)	-	(73.0)
Recognition of share-based payments	-	-	-	3.7	3.7	-	3.7
Other transactions with shareholders	-	-	-	(115.0)	(115.0)	-	(115.0)
Equity at 31 December 2010	**169.4**	**(32.8)**	**(23.2)**	**582.5**	**695.9**	**15.8**	**711.7**

DKK million	Share capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Total equity owned by Parent Company shareholders	Total equity owned by minority interests	Total
Equity at 1 July 2009	**169.4**	**21.2**	**(62.5)**	**367.5**	**495.6**	**13.5**	**509.1**
Profit for the period	-	-	-	202.7	202.7	2.6	205.3
Other comprehensive income	-	(23.8)	22.5	-	(1.3)	-	(1.3)
Total comprehensive income	**-**	**(23.8)**	**22.5**	**202.7**	**201.4**	**2.6**	**204.0**
Share buy-back programmes	-	-	-	(10.6)	(10.6)	-	(10.6)
Dividends payable	-	-	-	-	-	(5.7)	(5.7)
Recognition of share-based payments	-	-	-	3.2	3.2	-	3.2
Equity at 31 December 2009	**169.4**	**(2.6)**	**(40.0)**	**562.8**	**689.6**	**10.4**	**700.0**

DEVELOPMENT IN TREASURY SHARES	
Treasury shares at 30 June 2010	500,672
Purchase of treasury shares	60,000
Treasury shares at 9 February 2011	**560,672**

Share capital amounts to DKK 169,428,070 in nominal value distributed between 16,942,807 shares with a nominal value of DKK 10.

CASH FLOW STATEMENT

DKK million	Q2 2010/11 3 months	Q2 2009/10 3 months	H1 2010/11 6 months	H1 2009/10 6 months	Trailing 12 months
CASH FLOW FROM OPERATING ACTIVITIES					
Operating profit	37.7	41.9	264.9	262.7	284.8
Reversed depreciation and impairment losses and gain/loss on sale of non-current assets	30.9	30.1	57.8	56.3	131.1
Share-based payments recognised in income	2.1	1.7	3.7	3.2	5.8
Other adjustments	(31.8)	(9.4)	(12.3)	4.8	6.4
Change in working capital	195.7	306.3	(215.4)	(47.2)	(117.2)
Cash flow from operating activities before financial items	**234.6**	**370.6**	**98.7**	**279.8**	**310.9**
Financial income received	3.2	5.0	11.4	9.2	20.8
Financial costs paid	(8.1)	(8.0)	(13.7)	(14.2)	(26.7)
Cash flow from ordinary activities	**229.7**	**367.6**	**96.4**	**274.8**	**305.0**
Tax paid	(7.7)	(14.6)	(16.0)	(29.2)	(45.8)
Total cash flow from operating activities	**222.0**	**353.0**	**80.4**	**245.6**	**259.2**
CASH FLOW FROM INVESTING ACTIVITIES					
Investments in intangible assets	(11.0)	(5.3)	(15.8)	(8.3)	(39.4)
Investments in property, plant and equipment	(15.9)	(25.8)	(35.3)	(37.0)	(90.4)
Change in deposits and other financial assets	0.6	1.7	(0.1)	(2.1)	1.4
Purchase and sale of other non-current assets	0.2	0.5	0.8	1.0	1.9
Total cash flow from investing activities	**(26.0)**	**(28.9)**	**(50.4)**	**(46.4)**	**(126.5)**
Total cash flow from operating and investing activities	**196.0**	**324.1**	**30.0**	**199.2**	**132.7**
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds in connection with raising of long-term loan	-	-	-	-	140.0
Repayment of long-term loan	-	(168.0)	-	(168.0)	-
Other transactions with shareholders	(60.9)	-	(60.9)	-	(60.9)
Share buy-back programmes	-	(6.8)	(13.0)	(10.6)	(13.0)
Dividends paid	(73.0)	(5.7)	(73.0)	(5.7)	(73.0)
Total cash flow from financing activities	**(133.9)**	**(180.5)**	**(146.9)**	**(184.3)**	**(6.9)**
NET CASH FLOW FOR THE PERIOD	**62.1**	**143.6**	**(116.9)**	**14.9**	**125.8**
CASH AND CASH EQUIVALENTS					
Cash and cash equivalents, beginning of period	(283.7)	(491.9)	(103.4)	(365.1)	(348.1)
Foreign currency translation adjustment of cash and cash equivalents, beginning of period	0.9	0.2	(0.4)	2.1	1.6
Net cash flow for the period	62.1	143.6	(116.9)	14.9	125.8
Cash and cash equivalents, end of period	**(220.7)**	**(348.1)**	**(220.7)**	**(348.1)**	**(220.7)**

The cash flow statement may not be concluded based solely on the announced financial statements.

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.

The accounting policies applied in the interim report are unchanged as compared to the accounting policies applied in the Annual Report for 2009/10. We refer to the Annual Report for 2009/10 for a detailed description of the accounting policies.

The implemented reclassifications in the notes have not had any effect on the income statement, balance sheet and equity in the comparison year and are regarded as insignificant.

2. Seasonability

The Group's business segments are 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 the retail segment. The Group's wholesale peak quarters are historically Q1 and Q3. Revenue and operating profit before tax thus 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 remuneration

Warrant grants in 2010/11 for executive employees
In continuation of the 2009/10 result, the Board of Directors has resolved under the authorisation in article 5B of IC Companys' Articles of Association to grant 98,590 warrants to 35 executives.

The warrants granted entitle the holders to subscribe up to 98,590 shares within a window of 14 days on and after the Company's announcements of the Annual Reports for 2012/13, 2013/14 and 2014/15. The warrants become void at the discontinuation of the employment if they are not exercisable at this point in time.

By the use of the Black & Scholes model and under the assumption of an exercise price of DKK 263.8, a volatility of 46% per annum and a risk-free rate of return of 2.7% per annum, the market value of the warrants granted is assessed to DKK 8.9 million. The fair value constitutes 10% to 30% of the fixed salary of the individual executives as a benchmark. The fair value of the warrant programmes will be recognised in the income statement over the expected life of the option.

Share option grants in 2010/11 for the Executive Board
As announced in the Annual Report 2009/10, the Board of Directors has resolved to grant 30,000 share options to Chief Executive Officer Niels Mikkelsen, 10,000 share options to Chief Financial Officer Chris Bigler, 10,000 share options to Executive Vice President Anders Cleemann and 10,000 share options to Executive Vice President Peter Fabrin.

The share options granted represent the right, against payment in cash, to buy a number of shares equivalent to the share options granted. The shares may be acquired immediately after the Company's announcements of the Annual Reports for 2010/11, 2011/12 or 2012/13. The share options become void at the discontinuation of the employment if they are not exercisable at this point in time.

By the use of the Black & Scholes model and under the assumption of an exercise price of DKK 237.3, a volatility of 46% per annum and a risk-free rate of return of 2.7% per annum, the market value of the share options is assessed to DKK 3.5 million. The fair value constitutes 21% to 29% of the fixed salary of the individual executive officer. The fair value of the share option programmes will be recognised in the income statement over the expected life of the option.

Exercise of share options in 2010/11
The Executive Vice President Peter Fabrin and the Chief Financial Officer Chris Bigler have each exercised 10,000 share options, cf. Company Announcement no. 12/2010.

The share option programmes for the present Executive Board comprised 271,353 outstanding share options as at 30 June 2010.

After including the share option grants of 60,000 share options and deducting the exercise of 20,000 share options, the share option programmes for the present Executive Board comprised 311,353 outstanding share options as at 31 December 2010.

4. Segment information

Business segments
Reporting to the Group's Management is based on the Group's two distribution channels:

Wholesale
The business segment consists of wholesale to store owners. The segment consists of sales to wholesale customers and franchise partners and to a limited extent sourcing performed on behalf of external customers.

Retail
The business segment consists of sales to consumers. The segment consists of sales via own retail stores, concessions, outlet stores and E-commerce.

Management estimates operation profits of business segments separately in order to make decisions in relation to resource allocation and performance measurement. The segment results are evaluated on the basis of operating results, which are calculated by the same methods as in the consolidated financial statements. Financial income, costs and corporate taxes are calculated at Group level and are not allocated to operating segments.

No material trade or other transactions take place between the business segments. Revenue from external customers, which is reported to Management, is measured by the same methods as in the income statement. Cost allocation between business segments is made on an individual basis with the addition of some, systematically allocated indirect costs to show the profitability of the business segments.

No individual customer accounts for more than 10% of revenue.

Compulsory reporting of segments

DKK million	Wholesale H1 2010/11 6 months	Wholesale H1 2009/10 6 months	Retail H1 2010/11 6 months	Retail H1 2009/10 6 months	Total H1 2010/11 6 months	Total H1 2009/10 6 months	Non-allocated H1 2010/11 6 months	Non-allocated H1 2009/10 6 months	Group total H1 2010/11 6 months	Group total H1 2009/10 6 months
Revenue	**1,300.8**	**1,155.6**	**807.4**	**709.6**	**2,108.2**	**1,865.2**	**-**	**-**	**2,108.2**	**1,865.2**
Group brands	1,295.1	1,154.4	792.9	694.4	2,088.0	1,848.8	-	-	2,088.0	1,848.8
Other brands	5.7	1.2	14.5	15.2	20.2	16.4	-	-	20.2	16.4
Gross profit	**713.2**	**670.9**	**553.7**	**485.6**	**1,266.9**	**1,156.5**	**-**	**-**	**1,266.9**	**1,156.5**
Profit margin (%)	*54.8*	*58.1*	*68.6*	*68.4*	*60.1*	*62.0*	*-*	*-*	*60.1*	*62.0*
Operating profit	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(77.1)**	**(71.3)**	**264.9**	**262.7**
Profit margin (%)	*20.1*	*22.4*	*9.9*	*10.6*	*16.2*	*17.9*	*-*	*-*	*12.6*	*14.1*
Net financial items	-	-	-	-	-	-	(7.1)	3.2	(7.1)	3.2
Profit before tax	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(84.2)**	**(68.1)**	**257.8**	**265.9**
Tax on profit for the period	-	-	-	-	-	-	(68.0)	(60.6)	(68.0)	(60.6)
Profit for the period	**261.8**	**258.6**	**80.2**	**75.4**	**342.0**	**334.0**	**(152.2)**	**(128.7)**	**189.8**	**205.3**

Compulsory reporting of segments

DKK million	Wholesale Q2 2010/11 3 month	Wholesale Q2 2009/10 3 months	Retail Q2 2010/11 3 months	Retail Q2 2009/10 3 months	Total Q2 2010/11 3 months	Total Q2 2009/10 3 months	Non-allocated Q2 2010/11 3 months	Non-allocated Q2 2009/10 3 months	Group total Q2 2010/11 3 months	Group total Q2 2009/10 3 months
Revenue	459.2	397.9	433.3	386.2	892.5	784.1	-	-	892.5	784.1
Group brands	458.2	396.9	424.8	377.9	883.0	774.8	-	-	883.0	774.8
Other brands	1.0	1.0	8.5	8.3	9.4	9.3	-	-	9.4	9.3
Gross profit	238.8	208.1	305.9	275.5	544.7	483.6	-	-	544.7	483.6
Profit margin (%)	*52.0*	*52.3*	*70.6*	*71.3*	*61.0*	*61.7*	-	-	*61.0*	*61.7*
Operating profit	36.4	26.4	48.5	57.9	84.9	84.3	(47.2)	(42.3)	37.7	41.9
Profit margin (%)	*7.9*	*6.6*	*11.2*	*15.0*	*9.5*	*10.8*	-	-	*4.2*	*5.3*
Net financial items	-	-	-	-	-	-	(2.7)	5.2	(2.7)	5.2
Profit before tax	36.4	26.4	48.5	57.9	84.9	84.3	(49.9)	(37.2)	35.0	47.1
Tax on profit for the period	-	-	-	-	-	-	(9.0)	(1.5)	(9.0)	(1.5)
Profit for the period	36.4	26.4	48.5	57.9	84.9	84.3	(58.9)	(38.7)	26.0	45.6

Geographic information

Revenue is allocated to the geographic areas based on the customer's geographic location. Allocation of assets is made based on the geographic location of the assets.

Assets are measured by the same method as in the balance sheet.

In all material aspects, geographic breakdown of Group revenue and assets can be done as follows:

			Revenue				Compulsory reporting of assets*			
DKK million	H1 2010/11 6 months	H1 2009/10 6 months	growth H1 2010/11 6 months	growth H1 2009/10 6 months	share H1 2010/11 6 months	share H1 2009/10 6 months	31.12.10	31.12.09	share 31.12.10	share 31.12.09
Denmark (Residency)	407.8	373.7	9%	(11%)	19%	20%	332.8	339.4	48%	51%
Sweden	529.1	436.4	21%	-	25%	23%	195.5	170.4	28%	25%
Norway	211.4	180.4	17%	(7%)	10%	10%	19.6	20.1	3%	3%
Benelux countries	222.9	219.8	17%	(21%)	7%	7%	46.5	46.9	7%	7%
Central Europe	232.0	204.7	13%	(7%)	11%	11%	37.9	34.3	6%	5%
Rest of Europe	258.3	220.9	17%	(19%)	12%	12%	22.1	20.6	3%	3%
Rest of the World	98.5	102.6	(4%)	10%	5%	5%	10.1	9.3	1%	1%
Total	**2,108.2**	**1,865.2**	**13%**	**(9%)**	**100%**	**100%**	**693.9**	**673.7**	**100%**	**100%**

			Revenue				Compulsory reporting of assets*			
DKK million	Q2 2010/11 3 months	Q2 2009/10 3 months	growth Q2 2010/11 3 months	growth Q2 2009/10 3 months	share Q2 2010/11 3 months	share Q2 2009/10 3 months	31.12.10	31.12.09	share 31.12.10	share 31.12.09
Denmark (Residency)	187.8	177.9	6%	1%	21%	23%	332.8	339.4	48%	51%
Sweden	229.9	186.4	23%	14%	26%	24%	195.5	170.4	28%	25%
Norway	79.7	74.5	7%	30%	9%	10%	19.6	20.1	3%	3%
Benelux countries	95.7	91.1	5%	(12%)	11%	12%	29.4	32.7	4%	5%
Eastern Europe and Russia	73.6	64.6	14%	(12%)	8%	8%	46.5	46.9	7%	7%
Central Europe	93.6	73.0	28%	(12%)	10%	9%	37.9	34.3	5%	5%
Rest of Europe	97.3	66.5	46%	(29%)	11%	8%	22.1	20.6	3%	3%
Rest of the World	34.9	50.1	(30%)	51%	4%	6%	10.1	9.3	1%	1%
Total	**892.5**	**784.1**	**14%**	**0%**	**100%**	**100%**	**693.9**	**673.7**	**100%**	**100%**

*Compulsory reporting of assets consist of non-current assets excluding deferred tax assets.

The Group sells clothing within a number of brands all characterised as "fashion wear". As a result, no Group products or services differentiate by comparison and separate information on products or services are consequently not provided.

5. Inventories

DKK million	31.12.2010	31.12.2009	30.06.2010
Raw material and consumables	22.0	13.7	22.0
Finished goods and goods for resale	324.1	295.7	279.9
Goods in transit	158.0	120.0	126.8
Total inventories	**504.1**	**429.4**	**428.7**

Movements in inventory write-downs for the period:

DKK million	31.12.2010	31.12.2009	30.06.2010
Inventory write-downs at 1 July	130.1	155.1	155.1
Write-down for the period, addition	40.1	25.8	46.4
Write-down for the period, reversals	(48.1)	(38.8)	(71.4)
Total write-downs	**122.1**	**142.1**	**130.1**

6. Trade receivables

DKK million	31.12.2010	31.12.2009	30.06.2010
Not yet due	282.4	190.6	172.0
Due, 1-60 days	104.4	96.4	69.2
Due, 61-120 days	36.9	41.2	37.6
Due more than 120 days	50.0	70.8	55.5
Gross trade receivables	**473.7**	**399.0**	**334.3**

Change in write-downs regarding trade receivables:

DKK million	31.12.2010	31.12.2009	30.06.2010
Write-downs at 1 July	72.2	81.8	81.8
Change in write-downs for the period	(7.4)	10.7	18.2
Realised loss/gain for the period	(5.7)	(14.5)	(27.8)
Total write-downs	**59.1**	**78.0**	**72.2**

7. Other receivables

DKK million	31.12.2010	31.12.2009	30.06.2010
Receivables from third party stores	2.3	5.1	2.5
Credit card receivables	10.5	9.9	5.3
Unrealised gain on financial instruments	-	-	30.6
Sundry receivables	14.6	20.9	17.4
Total other receivables	**27.4**	**35.9**	**55.8**

8. Other debt

DKK million	31.12.2010	31.12.2009	30.06.2010
VAT, customs and tax deducted from income at source	67.0	67.8	62.0
Salaries, social security costs and holiday allowance payable	117.3	123.9	123.2
Unrealised loss on financial instruments	56.9	7.5	-
Severance payments	13.9	12.2	15.0
Other costs payable	85.4	53.4	60.3
Total other debt	**340.5**	**264.8**	**260.5**