

INTERIM REPORT FOR THE PERIOD 1 JULY 2016 TO 31 MARCH 2017

Consolidated revenue for Q1-Q3 2016/17 amounted to DKK 2,256 million (DKK 2,156 million) corresponding to a growth rate of 4.6% or 5.6% measured in local currency. Revenue increased in both the wholesale channel as well as the retail channel – in the latter channel driven by new stores and e-commerce. The gross margin amounted to 56.3% compared to 56.7% last financial year. Costs increased by DKK 88 million mainly driven by sales-related costs as well as non-recurring costs. The consolidated operating profit for Q1-Q3 2016/17 amounted to DKK 228 million (DKK 269 million) resulting in an EBIT margin of 10.1% compared to 12.5% for Q1-Q3 2015/16.

We now expect to realize a revenue growth rate of 3-4% measured in local currency (previously 5-6%) and an EBIT margin of 4-5% (previously 6-7%) for the financial year 2016/17. At present, we expect to realize a minor revenue reduction and an improved EBIT margin for the financial year 2017/18.

Financial Performance Q3

	Revenue DKK million		Revenue growth		Operating profit DKK million		EBIT margin	
	Q3 2016/17	Q3 2015/16	Growth in local currency	Reported growth	Q3 2016/17	Q3 2015/16	Q3 2016/17	Q3 2015/16
Peak Performance	299	264	13.6%	13.3%	34	38	11.4%	14.4%
Tiger of Sweden	254	260	(1.8%)	(2.3%)	33	38	13.0%	14.6%
By Malene Birger	93	97	(4.0%)	(4.1%)	6	9	6.5%	9.3%
Premium brands	646	621	4.4%	4.0%	73	85	11.3%	13.7%
Other brands	92	90	1.9%	2.2%	(2)	(6)	(2.2%)	(6.7%)
Reportable segments	738	711	4.1%	3.8%	71	79	9.6%	11.1%
Unallocated items and eliminations	1	(1)	n.m	n.m	(23)	8	n.m	n.m
Total	739	710	4.4%	4.1%	48	87	6.5%	12.3%

Segment performance for Q3

- Peak Performance generated revenue for Q3 2016/17 of DKK 299 million (DKK 264 million) corresponding to a growth rate of 13.3% (13.6% measured in local currency) driven by both the wholesale channel as well as the retail channel. The operating profit amounted to DKK 34 million (DKK 38 million) corresponding to an EBIT margin of 11.4% (14.4%). The reduced margin was driven by both the gross margin as well as the cost ratio.
- Tiger of Sweden generated revenue for Q3 2016/17 of DKK 254 million (DKK 260 million) thus corresponding to a decrease of 2.3% (1.8% measured in local currency). Revenue from the wholesale channel declined due to lower in-season selling as well as conversion of franchise stores during Q1 2016/17. Revenue from the retail channel increased by 10.5% driven by both new and existing stores as well as e-commerce. The operating profit amounted to DKK 33 million (DKK 38 million) and was negatively impacted by non-recurring costs of DKK 5 million in connection with changes to the management team which exceeded the positive development of the gross margin. The EBIT margin thus amounted to 13.0% (14.6%).
- By Malene Birger generated revenue for Q3 2016/17 of DKK 93 million (DKK 97 million) corresponding to a decline of 4.1% (4.0% measured in local currency). This revenue reduction was primarily attributable to lower order intake on the spring collection whereas the retail revenue increased. The operating profit amounted to DKK 6 million (DKK 9 million). The EBIT margin declined to 6.5% (9.3%) due to higher costs whereas the gross margin improved.
- Revenue from the Group's Other brands increased by 2.2% (1.9% measured in local currency) to DKK 92 million for Q3 2016/17 (DKK 90 million). Growth was primarily driven by Saint Tropez. The operating loss amounted to DKK 2 million (loss of DKK 6 million) resulting in a negative EBIT margin of 2.2% (negative EBIT margin of 6.7%).

Group performance for Q3

- Consolidated revenue amounted to DKK 739 million (DKK 710 million) corresponding to a growth rate of 4.1% (4.4% measured in local currency). Growth was generated in the retail channel where new stores and high e-commerce growth contributed. The Group's total number of stores has not changed during Q3 2016/17.
- The gross profit increased to DKK 411 million (DKK 404 million) whereas the gross margin declined to 55.6% (56.9%) which was mainly attributable to higher discounts and inventory write-downs for the period.
- Capacity costs increased by DKK 46 million to DKK 363 million compared to Q3 2015/16. Approx. half of the cost increase is related to non-recurring costs, including DKK 19 million in respect of the completed structural changes of the Group's central functions. The remaining part of the cost increase was in general attributable to sales-related costs.
- The consolidated operating profit for Q3 2016/17 amounted to DKK 48 million (DKK 87 million) corresponding to an EBIT margin of 6.5% compared to 12.3% for Q3 2015/16.

Financial performance Q1-Q3

	Revenue DKK million		Revenue growth		Operating profit DKK million		EBIT margin	
	Q1-Q3 2016/17	Q1-Q3 2015/16	Growth in local currency	Reported growth	Q1-Q3 2016/17	Q1-Q3 2015/16	Q1-Q3 2016/17	Q1-Q3 2015/16
Peak Performance	914	826	11.6%	10.7%	145	137	15.9%	16.6%
Tiger of Sweden	763	755	2.4%	1.1%	94	98	12.3%	13.0%
By Malene Birger	269	277	(1.7%)	(2.9%)	10	22	3.7%	7.9%
Premium brands	1,946	1,858	5.9%	4.7%	249	257	12.8%	13.8%
Other brands	307	297	3.4%	3.4%	15	8	4.9%	2.7%
Reportable segments	2,253	2,155	5.6%	4.5%	264	265	11.7%	12.3%
Unallocated items and eliminations	3	1	n.m	n.m	(36)	4	n.m	n.m
Total	2,256	2,156	5.6%	4.6%	228	269	10.1%	12.5%

Segment performance Q1-Q3

- Revenue from Peak Performance for Q1-Q3 2016/17 increased by 10.7% (11.6% in local currency) to DKK 914 million (DKK 826 million) driven by both the wholesale channel as well as the retail channel, particularly from the retail channel where new stores especially in the Nordic region and strong e-commerce growth contributed. The operating profit amounted to DKK 145 million (DKK 137 million) corresponding to an EBIT margin of 15.9% (16.6%).
- Tiger of Sweden generated revenue of DKK 763 million for Q1-Q3 2016/17 (DKK 755 million) thus corresponding to an increase of 1.1% (2.4% measured in local currency). Growth was driven by a positive effect of approx. DKK 18 million caused by a shift in deliveries in Q1 as well as new stores opened during 2015/16 and e-commerce. The operating profit amounted to DKK 94 million (DKK 98 million) corresponding to an EBIT margin of 12.3% (13.0%).
- By Malene Birger's revenue for Q1-Q3 2016/17 declined by 2.9% to DKK 269 million (DKK 277 million). Measured in local currency, this amounted to a revenue decline of 1.7%. This development was driven by lower order intake as well as a negative development in physical stores during H1 2016/17. The operating profit amounted to DKK 10 million (DKK 22 million).
- Revenue from the Group's Other brands increased by 3.4% (3.4% measured in local currency) to DKK 307 million for Q1-Q3 2016/17 (DKK 297 million). Revenue increases were reported in both brands, in particular in Designers Remix. The operating profit amounted to DKK 15 million (DKK 8 million), and the EBIT margin amounted to 4.9% (2.7%) due to a higher gross margin.

Group performance Q1-Q3

- Consolidated revenue amounted to DKK 2,256 million (DKK 2,156 million) corresponding to a growth rate of 4.6% (5.6% measured in local currency). Growth was generated in both the wholesale channel as well as the retail channel where new stores and high e-commerce growth contributed. The Group opened a net amount of 8 stores in Q1-Q3 2016/17.
- The gross profit amounted to DKK 1,269 million (DKK 1,222 million) corresponding to a gross margin of 56.3% (56.7%). The reduced margin is primarily attributable to larger discounts compared to last financial year.
- Capacity costs increased by DKK 88 million to DKK 1,041 million compared to Q1-Q3 2015/16. This increase was mainly driven by sales-related costs, primarily for new stores, as well as to a certain degree the non-recurring costs in respect of the previously mentioned structural changes and changes to the management team in Tiger of Sweden.
- The consolidated operating profit for Q1-Q3 2016/17 amounted to DKK 228 million (DKK 269 million) corresponding to an EBIT margin of 10.1% (12.5%).
- The working capital amounted to DKK 503 million corresponding to an increase of DKK 45 million compared to last financial year. This increase was primarily driven by higher inventories as well as trade receivables which was partly offset by a higher debt level. The working capital constituted 18.2% of the trailing twelve months revenue compared to 17.3% for the same period last financial year.

Updated outlook for the financial year 2016/17

Analysis carried out during the past two to three months has uncovered operational challenges in respect of the distribution as well as inventory overbuying leading to increased discounted sales. As a consequence of the decision to reduce the amount of discounted sales, primarily in Tiger of Sweden's wholesale distribution, a significantly negative effect on consolidated revenue is expected.

On the basis of the above, we now expect a revenue growth rate of 3-4% measured in local currency (previously 5-6%) for the financial year 2016/17. Based on the current exchange rates on the Group's primary sales currencies (SEK, NOK and GBP), this corresponds to a reported revenue growth rate of approx. 2-3% (previously 4-5%).

In addition to the above-mentioned negative effect on revenue, the decision to reduce discounted sales also entails inventory write-downs, which subsequently will have a negative effect on earnings. A number of initiatives to clean-up various parts of the wholesale and retail distribution at Tiger of Sweden and By Malene Birger will also have a negative effect on earnings. Therefore, the EBIT-margin, before considering the effect of non-recurring costs attributable to the implementation of the new structure in IC Group, is expected to attain a level of 5-6% (previously 7-8%).

The non-recurring costs attributable to the implementation of the new structure are still estimated to amount to approx. DKK 30 million leading to improved earnings of approx. DKK 30-40 million with effect from financial year 2017/18.

The EBIT margin is subsequently expected to attain a level of 4-5% (previously 6-7%) for the financial year 2016/17.

Investments for the financial year 2016/17 are expected to attain a level of 3-5% of the annual revenue (unchanged). These investments are undertaken to maintain existing assets – including store furniture and equipment – as well as in connection with new store openings.

Outlook for 2016/17	Realized 2015/16 (DKK million)	Most recent announcement	Current announcement	Status
Revenue growth (local currency)	1.9%	5-6%	3-4%	Changed
Revenue growth (reported)	1.0%	4-5%	2-3%	Changed
EBIT margin (prior to structural changes)	9.1%	7-8%	5-6%	Changed
EBIT margin (after structural changes)		6-7%	4-5%	Changed
Investments	3.0%	3-5% of revenue	3-5% of revenue	Unchanged

Preliminary outlook for the financial year 2017/18

At present, we expect to realize a minor revenue reduction and an improved EBIT margin for the financial year 2017/18 compared to the expected, realized EBIT margin for the financial year 2016/17 after costs for structural changes (4-5%). This is based on an expected moderate revenue and earnings growth in Peak Performance, a revenue reduction and considerable earnings decline in Tiger of Sweden as well as a flat performance in By Malene Birger.

Copenhagen, 17 May 2017

IC Group A/S

Peter Thorsen
Interim Group CEO

Alexander Martensen-Larsen
Group CFO

Information Meeting

IC Group will host an information meeting for investors, analysts and other stakeholders on Wednesday 17 May 2017 at 10.00 a.m. The information meeting will be held in English via audio cast and telephone, and it will be possible to raise questions online using the chat function or telephone. To participate in the information meeting online, please use the link below which is also available on our corporate website icgroup.net under Investors: <http://edge.media-server.com/m/p/xjxauhxr>

To participate in the telephone conference, please dial in using the below-listed telephone numbers:

+45 3271 1660 (Denmark)
+1 646 254 3367 (USA)
+44 (0) 20 3427 1901 (UK)

Forward-looking statements

This interim report contains forward-looking statements, including statements regarding the Group's future operating profit, financial position, inventory, cash flows, Group and brand strategies as well as plans for the future. Forward-looking statements include, without limitation, any statement that may predict, indicate or imply future results, performance or achievements, and may contain the words "believes", "expects", "estimates", "projects", "plans", "anticipates", "continues" and "intends" or any variations of such words or other words with similar meaning. The statements are based on Management's reasonable expectations and forecasts at the time of disclosure of the interim report. Any such statements are subject to risks and uncertainties, and a number of different factors of which many are beyond IC Group A/S' control can mean that the actual development and actual result will differ significantly from the expectations contained in the interim report. Without being exhaustive, such factors include general economics and commercial factors, including market and competitive matters, supplier issues and financial issues. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

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.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK million	Q3 2016/17 3 months	Q3 2015/16 3 months	Q1-Q3 2016/17 9 months	Q1-Q3 2015/16 9 months	Year 2015/16 12 months
INCOME STATEMENT					
Revenue	739	710	2,256	2,156	2,665
Gross profit	411	404	1,269	1,222	1,513
Operating profit before depreciation and amortization (EBITDA)	66	104	280	315	306
Operating profit (EBIT)	48	87	228	269	243
Net financials	(2)	(5)	(8)	(5)	(7)
Profit for the period before tax	46	92	220	275	247
Profit for the period of continuing operations	36	70	171	211	192
Profit for the period of discontinued operations	-	-	-	4	3
Profit for the period	36	70	171	215	195
STATEMENT OF FINANCIAL POSITION					
Total assets			1,510	1,419	1,444
Average invested capital including goodwill			888	837	736
Net working capital			503	458	314
Total equity			852	741	740
Net interest-bearing debt, end of period			98	90	25
STATEMENT OF CASH FLOW					
Cash flow from operating activities	26	(42)	63	83	183
Cash flow from investing activities	(17)	125	(57)	89	55
Investments in property, plant and equipment	(17)	(17)	(53)	(41)	(81)
Free cash flow	9	83	6	172	238
Cash flow from financing activities	-	(244)	(79)	(319)	(319)
Net cash flow for the period	9	(161)	(73)	(147)	(81)
KEY RATIOS (%)					
Revenue growth	4.1	(1.3)	4.6	0.5	1.0
Gross margin	55.6	56.9	56.3	56.7	56.8
Cost ratio	49.1	44.6	46.1	44.2	47.7
EBITDA margin	8.9	14.6	12.4	14.6	11.5
EBIT margin	6.5	12.3	10.1	12.5	9.1
Tax rate	21.7	23.9	22.3	23.3	22.2
Return on equity			21.5	25.4	23.5
Equity ratio			56.4	52.2	51.2
Return on invested capital ¹⁾			22.7	30.1	33.0
Net working capital in proportion to revenue ²⁾			18.2	17.3	11.8
Cash conversion			-	0.8	1.0
Financial gearing			11.5	12.1	3.4
SHARE-BASED RATIOS					
Average number of shares excluding treasury shares, diluted (1,000)	16,745	16,646	16,733	16,623	16,678
Share price, end of period, DKK	164.5	212.0	164.5	212.0	172.0
Earnings per share, DKK	2.2	4.2	10.0	12.8	11.6
Diluted earnings per share, DKK	2.2	4.2	10.0	12.8	11.6
Diluted cash flow per share, DKK	1.6	(2.5)	3.8	5.0	11.0
Diluted net asset value per share, DKK			50.2	44.1	44.0
Diluted price/earnings, DKK			16.5	16.6	14.8
EMPLOYEES					
Number of employees (calculated as FTEs, end of period)			1,165	1,114	1,146
NUMBER OF STORES (OWN STORES)					
Retail stores			122	106	115
Concessions			43	42	42

1) Return on invested capital is calculated as trailing 12 months EBIT's share of invested capital.

2) Trailing 12 months revenue.

Key ratios have been calculated according to the recommendations set out in "Recommendations & Financial Ratios 2016" issued by the Danish Society of Financial Analysts.

MATERIAL EVENTS

New management structure in IC Group

As informed in Company Announcement no. 8/2017, the Board of Directors has now concluded on the Group's future management structure.

Consequently, Peter Thorsen will step down as Interim Group CEO of IC Group A/S. As informed previously, Peter Thorsen will take up the role as Deputy Chairman of the Board of Directors where he together with Henrik Heideby will form the Chairmanship in preparation for taking over the role as Chairman and Henrik Heideby as Deputy Chairman at the next general meeting.

Alexander Martensen-Larsen has been appointed new CEO of IC Group A/S with effect from 1 June 2017. Since January 2008, Alexander has held various management positions as well as directorships within the Group, most recently as Group CFO since September 2015.

As part of the new management structure, the CEOs of each of the three Premium brands; Peak Performance, Tiger of Sweden and By Malene Birger will be responsible for the financial performance and development of their respective business units whereas the CEO of IC Group will be responsible for ensuring maximum value creation for the Group as a whole. They will all report directly to the Board of Directors.

FINANCIAL PERFORMANCE

PeakPerformance®

Peak Performance has its origin in alpine skiing and is one of the largest manufacturers of technical and functional sports and fashion wear in the Nordic region today. Learn more about Peak Performance at: peakperformance.com

Financial performance of Peak Performance

Peak Performance generated revenue of DKK 299 million for Q3 2016/17 (DKK 264 million) corresponding to a growth rate of 13.3% (13.6% measured in local currency). Revenue from the wholesale channel increased to DKK 175 million (DKK 160 million) corresponding to a growth rate of 9.4%. However, revenue from the wholesale channel in Q3 2015/16 was negatively impacted by DKK 10 million due to timing effects between Q3 and Q4. Revenue from the retail channel increased by 19.2% to DKK 124 million (DKK 104 million) driven by new stores in particular in the Nordic region as well as high e-commerce growth – the same trend that was registered in H1 2016/17.

Revenue for Q1-Q3 2016/17 increased by DKK 88 million to DKK 914 million corresponding to a growth rate of 10.7% (11.6% measured in local currency) driven by the wholesale channel as well as the retail channel.

Peak Performance closed a small store in Stockholm and converted it into a showroom during Q3 2016/17. No stores were opened during the same period. The same-store revenue increased by 16.2% driven by high e-commerce growth. Peak Performance opened a net amount of 6 stores during Q1-Q3 2016/17. The same-store growth rate for Q1-Q3 2016/17 amounted to 10.5% and was also driven by e-commerce growth.

In the Nordic region revenue increases were reported for all markets during Q3 2016/17 whereas revenue growth from Rest of Europe was driven by markets in the Alps region. Revenue from outside Europe, which primarily derives from Canada, also increased during Q3 2016/17.

The gross margin on sold products for Q3 2016/17 was improved, however, the effect was diluted by higher discounts and inventory write-downs during the period resulting in a lower gross margin. Costs for the period increased partly driven by store openings and partly by higher marketing costs. The cost ratio for Q3 2016/17 also increased compared to last financial year.

The operating profit for Q3 2016/17 amounted to DKK 34 million (DKK 38 million), and the EBIT margin declined by 3.0 percentage points to 11.4%. The operating profit for Q1-Q3 2016/17 improved by DKK 8 million whereas the EBIT margin decreased by 0.7 percentage points to 15.9%. The gross margin was at the same level as last financial year whereas costs primarily increased due to the store expansion.

DKK million	Q3	Q3	Change, %	Q1-Q3	Q1-Q3	Change, %
	2016/17 3 months	2015/16 3 months		2016/17 9 months	2015/16 9 months	
Revenue	299	264	13.3	914	826	10.7
Wholesale and franchise	175	160	9.4	592	553	7.1
Retail, e-commerce and outlets	124	104	19.2	322	273	17.9
Revenue growth in local currency (%)	13.6			11.6		
Same-store growth (%)	16.2			10.5		
Operating profit before depreciation and amortization (EBITDA)	39	43	(9.3)	159	150	6.0
EBITDA margin (%)	13.0	16.3		17.4	18.2	
Depreciations, amortization and impairment losses	(5)	(5)	-	(14)	(13)	7.7
Operating profit (EBIT)	34	38	(10.5)	145	137	5.8
EBIT margin (%)	11.4	14.4		15.9	16.6	-

Own stores	Number of stores	Number of stores	Change
	31 March 2017	31 March 2016	
Retail stores	45	34	11
Concessions	1	1	-
Total	46	35	11



Tiger of Sweden is strongly rooted in the classic tailoring traditions, manufacturing fashion wear for men and women with a strong and confident profile characterized by "a different cut". Learn more about Tiger of Sweden: tigerofsweden.com

Financial performance of Tiger of Sweden

Revenue in Tiger of Sweden declined by 2.3% (1.8% measured in local currency) for Q3 2016/17 and amounted to DKK 254 million compared to DKK 260 million in Q3 2015/16. This reduced revenue was driven by the wholesale channel where lower in-season selling and conversion of two franchise stores during Q1 2016/17 led to a revenue decline of 7.6%. On the other hand, revenue from the retail channel increased by 10.5% driven by a positive effect from store openings, higher same-store revenue, partly due to prolonged sales periods, as well as e-commerce growth.

Tiger of Sweden generated revenue of DKK 763 million for Q1-Q3 2016/17 (DKK 755 million) corresponding to a growth rate of 1.1% (2.4% measured in local currency). Despite of a positive effect of approx. DKK 18 million caused by a shift in deliveries in Q1, revenue from the wholesale channel declined due to lower in-season selling. However, revenue from the retail channel increased where new stores opened during last financial year and high e-commerce growth contributed.

Tiger of Sweden did not open or close any stores during Q3 2016/17. The same-store revenue increased by 15.7% driven by growth reported in the physical stores and in particular from e-commerce. During Q1-Q3 2016/17, Tiger of Sweden opened a net amount of 1 store, and the same-store revenue increased by 3.1% driven by e-commerce.

During Q3 2016/17, revenue from the Nordic region declined by 4.3% of which a part may be ascribed to the lower exchange rate of SEK compared to Q3 2015/16, since more than half of the brand's total revenue is realized in Sweden. Furthermore, the development in the Nordic region was negatively affected by lower in-season selling to the wholesale customers. Revenue from Rest of Europe increased by 9.5% primarily driven by growth reported in the German market. Revenue from outside Europe, which accounts for a marginal share of the brand's total revenue, remained at the same level.

The gross margin declined during Q3 2016/17 as a consequence of higher discounts and inventory write-downs. The cost ratio increased due to store openings and non-recurring costs of DKK 5 million in respect of changes to the management team.

The operating profit for Q3 2016/17 declined by DKK 5 million to DKK 33 million corresponding to an EBIT margin of 13.0% compared to 14.6% in Q3 2015/16. The operating profit for Q1-Q3 2016/17 declined by 4 million to DKK 94 million, and the EBIT margin was thus reduced to 12.3% (13.0%). This margin development is attributable to a higher cost ratio which was not compensated fully by the improved gross margin.

DKK million	Q3	Q3	Change, %	Q1-Q3	Q1-Q3	Change, %
	2016/17 3 months	2015/16 3 months		2016/17 9 months	2015/16 9 months	
Revenue	254	260	(2.3)	763	755	1.1
Wholesale and franchise	170	184	(7.6)	481	492	(2.2)
Retail, e-commerce and outlets*	84	76	10.5	282	263	7.2
Revenue growth in local currency (%)	(1.8)			2.4		
Same-store growth (%)	15.7			3.1		
Operating profit before depreciation and amortization (EBITDA)	37	43	(14.0)	106	109	(2.8)
EBITDA margin (%)	14.6	16.5		13.9	14.4	
Depreciations, amortization and impairment losses	(4)	(5)	(20.0)	(12)	(11)	9.1
Operating profit (EBIT)	33	38	(13.2)	94	98	(4.1)
EBIT margin (%)	13.0	14.6		12.3	13.0	

*revenue from Vinåker Factory Outlet (Multibrand outlet) accounted for DKK 28 million in Q3 2016/17 (DKK 29 million) as well as DKK 113 million in Q1-Q3 2016/17 (DKK 113 million).

Own stores	Number of stores 31 March 2017	Number of stores 31 March 2016	Change
	Retail stores	20	
Concessions	19	19	-
Total	39	37	2

BY MALENE BIRGER

By Malene Birger is a Danish high-profile design brand with an international appeal offering affordable luxury to women. Learn more about By Malene Birger at: bymalenebirger.com

Financial performance of By Malene Birger

Revenue for Q3 2016/17 decreased by 4.1% (4.0% measured in local currency) to DKK 93 million (DKK 97 million). This decline was driven by a revenue reduction in the wholesale channel of 6.7% due to lower order intake on the spring collection. On the other hand, revenue from the retail channel increased by 4.5% driven by a higher same-store revenue in physical stores.

Revenue for Q1-Q3 2016/17 declined by 2.9% (1.7% measured in local currency) to DKK 269 million (DKK 277 million) which was primarily attributable to lower order intake in the wholesale channel as well as a negative development in the physical stores during H1 2016/17.

By Malene Birger did not open or close any stores during Q3 2016/17. The same-store revenue increased by 2.7% and was driven by the physical stores whereas e-commerce reported an unchanged revenue level. During Q1-Q3 2016/17, By Malene Birger opened a net amount of 1 store, and the same-store revenue declined by 2.2% due to a negative development in the physical stores while e-commerce increased.

Revenue increased in all three Nordic core markets; Denmark, Sweden and Norway during Q3 2016/17 whereas revenue from Rest of Europe declined. Revenue from outside Europe primarily declined due to lower revenue reported in Japan.

The gross margin increased during Q3 2016/17 driven by improved product margins which were partly diluted by higher discounts during the period. Costs were higher which was mainly attributable to increased staff costs in connection with the strengthening of both the sales as well as marketing organizations.

The operating profit for Q3 2016/17 amounted to DKK 6 million corresponding to a decline of DKK 3 million, and the EBIT margin was reduced by 2.8 percentage points to 6.5% as a consequence of a higher cost ratio. By Malene Birger generated an operating profit for Q1-Q3 2016/17 of DKK 10 million (DKK 22 million) corresponding to an EBIT margin of 3.7% (7.9%). The gross margin deteriorated due to higher discounts whereas costs increased as a consequence of non-recurring costs in Q2 2016/17 as well as the previously mentioned strengthening of the sales and marketing organizations.

DKK million	Q3	Q3	Change, %	Q1-Q3	Q1-Q3	Change, %
	2016/17	2015/16		2016/17	2015/16	
	3 months	3 months		9 months	9 months	
Revenue	93	97	(4.1)	269	277	(2.9)
Wholesale and franchise	70	75	(6.7)	192	196	(2.0)
Retail, e-commerce and outlets	23	22	4.5	77	81	(4.9)
Revenue growth in local currency (%)	(4.0)			(1.7)		
Same-store growth (%)	2.7			(2.2)		
Operating profit before depreciation and amortization (EBITDA)	8	11	(27.3)	16	27	(40.7)
EBITDA margin (%)	8.6	11.3		5.9	9.7	
Depreciations, amortization and impairment losses	(2)	(2)	-	(6)	(5)	20.0
Operating profit (EBIT)	6	9	-	10	22	(54.5)
EBIT margin (%)	6.5	9.3		3.7	7.9	-

Own stores	Number of stores	Number of stores	Change
	31 March 2017	31 March 2016	
Retail stores	10	9	1
Concessions	6	6	-
Total	16	15	1

The Group

Revenue

Consolidated revenue for Q3 2016/17 increased by DKK 29 million to DKK 739 million corresponding to a growth rate of 4.1% (4.4% measured in local currency) primarily driven by Peak Performance.

Revenue from the wholesale channel was unchanged compared to last financial year and was negatively affected by lower in-season selling in Tiger of Sweden as well as lower order intake in By Malene Birger. Revenue from the retail channel increased by 11.3% attributable to new stores and high e-commerce growth, in particular in Peak Performance and Tiger of Sweden. The same-store growth rate amounted to 9.9% and was driven by e-commerce. Revenue from the Group's Other brands increased by 2.2% (1.9% measured in local currency) to DKK 92 million for Q3 2016/17 (DKK 90 million). The growth was driven by Saint Tropez.

Consolidated revenue for Q1-Q3 2016/17 amounted to DKK 2,256 million (DKK 2,156 million) corresponding to a growth rate of 4.6% (5.6% measured in local currency). Revenue growth was realized in the wholesale channel and, in particular, in the retail channel where high e-commerce growth and new stores contributed. Revenue from the Group's Other brands increased by 3.4% (3.4% measured in local currency) to DKK 307 million for Q1-Q3 2016/17 (DKK 297 million). Revenue increased in both brands, but in particular in Designers Remix.

In total, Group brands opened a net amount of 8 stores in Q1-Q3 2016/17 compared to 7 stores for Q1-Q3 2015/16. The same-store revenue for Q1-Q3 2016/17 increased by 3.2% compared to the same period last financial year.

Gross margin

The gross profit for Q3 2016/17 increased to DKK 411 million (DKK 404 million) whereas the gross margin declined by 1.3 percentage points to 55.6%. The lower gross margin is attributable to higher discounts and inventory write-downs for the period.

The gross profit for Q1-Q3 2016/17 amounted to DKK 1,269 million (DKK 1,222 million) while the gross margin declined to 56.3% (56.7%). The reduced margin is primarily attributable to higher discounts compared to last financial year.

Capacity costs

Capacity costs increased by DKK 46 million to DKK 363 million in Q3 2016/17, and the cost ratio increased by 4.5% to 49.1%. The majority of the previously mentioned structural changes of the Group's central functions were implemented during Q3 2016/17, and in this connection non-recurring costs of DKK 19 million were recognized. Also Tiger of Sweden recognized non-recurring costs in respect of its changes to the management team of approx. DKK 5 million. Finally, in Q3 2015/16 capacity costs were positively affected to the amount of DKK 4 million by a gain from the sale of the former Group headquarters in Copenhagen. Approx. half of the cost increase is thus attributable to non-recurring costs whereas the remaining part of the cost increase is primarily attributable to sales-related costs – including DKK 16 million for new stores opened during 2016/17 as well as 2015/16.

Capacity costs for Q1-Q3 2016/17 amounted to DKK 1,041 million which is an increase of DKK 88 million. The cost ratio increased by 1.9 percentage points to 46.1%. This increase was mainly driven by sales-related costs – primarily for new stores – as well as non-recurring costs in respect of the above-mentioned structural changes of the Group's central functions and changes to the management team in Tiger of Sweden.

Operating profit (EBIT)

Consolidated operating profit for Q3 2016/17 amounted to DKK 48 million compared to DKK 87 million for Q3 2015/16 corresponding to an EBIT margin of 6.5% compared to 12.3% for the same period last financial year. This development is particularly attributable to the previously mentioned non-recurring costs.

Consolidated operating profit for Q1-Q3 2016/17 amounted to DKK 228 million (DKK 269 million), and the EBIT margin declined to 10.1% (12.5%) as a consequence of a higher cost ratio.

Profit for the period

Consolidated profit for Q3 2016/17 amounted to 36 million (DKK 70 million) whereas the consolidated profit for Q1-Q3 2016/17 amounted to DKK 171 million (DKK 215 million).

Net working capital

The working capital amounted to DKK 503 million corresponding to an increase of DKK 45 million compared to 2015/16, primarily driven by higher inventories as a consequence of products for new stores, higher levels of products on stock as well as lower than expected sales. The working capital constituted 18.2% of the trailing twelve months revenue compared to 17.3% for the same period last financial year.

Statement of cash flows

Cash flow from operating activities for Q1-Q3 2016/17 amounted to an inflow of DKK 63 million which is DKK 20 million lower compared to the same period last financial year and which is attributable to a lower operating profit. Cash flow from investing activities amounted to an outflow of DKK 57 million (an inflow of DKK 89 million) whereas last financial year was affected positively by the sale of shares in DK Company as well as the sale of the Company's previous headquarters located in Copenhagen, Denmark. Investments have been placed in both existing and new stores as well as IT. Consolidated free cash flow thus amounted to an inflow of DKK 6 million (an inflow of DKK 172 million).

Changes in equity and equity ratio

Equity as at 31 March 2017 amounted to DKK 852 million (30 June 2016: DKK 740 million). This increase was driven by profit for the period as well as other comprehensive income which was partly offset by the paid dividend of DKK 85 million. Subsequently, the equity ratio as at 31 March 2017 amounted to 56.4% (30 June 2016: 51.2%).

CONSOLIDATED INCOME STATEMENT

Note	DKK million	Q3 2016/17 3 months	Q3 2015/16 3 months	Q1-Q3 2016/17 9 months	Q1-Q3 2015/16 9 months	Year 2015/16 12 months
4	Revenue	739	710	2,256	2,156	2,665
	Cost of sales	(328)	(306)	(987)	(934)	(1,152)
	Gross profit	411	404	1,269	1,222	1,513
	Other external costs	(170)	(158)	(502)	(474)	(626)
	Staff costs	(175)	(145)	(487)	(438)	(587)
	Other operating income	-	3	-	5	6
	Operating profit before depreciation and amortization (EBITDA)	66	104	280	315	306
	Depreciation, amortization and impairment losses	(18)	(17)	(52)	(46)	(63)
	Operating profit (EBIT)	48	87	228	269	243
	Income from investments in associates	-	10	-	11	11
	Financial income	1	-	3	8	9
	Financial costs	(3)	(5)	(11)	(13)	(16)
	Profit before tax of continuing operations	46	92	220	275	247
	Tax on profit for the period of continuing operations	(10)	(22)	(49)	(64)	(55)
	Profit for the period of continuing operations	36	70	171	211	192
	Profit for the period of discontinued operations*	-	-	-	4	3
	Profit for the period	36	70	171	215	195
	Profit allocation:					
	Shareholders of IC Group A/S	37	70	167	213	193
	Non-controlling interests	(1)	-	4	2	2
	Profit for the period	36	70	171	215	195
	Earnings per share, DKK	2.2	4.2	10.0	12.8	11.6
	Diluted earnings per share, DKK	2.2	4.2	10.0	12.8	11.6
	Earnings per share of continuing operations, DKK	2.2	4.2	10.0	12.6	11.4
	Diluted earnings per share of continuing operations, DKK	2.2	4.2	10.0	12.6	11.4

*Q3 2015/16: Income of DKK 4 million and costs of DKK nil; 2015/16: Income of DKK 4 million and costs of DKK 1 million.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Note	DKK million	Q3 2016/17 3 months	Q3 2015/16 3 months	Q1-Q3 2016/17 9 months	Q1-Q3 2015/16 9 months	Year 2015/16 12 months
	Profit for the period	36	70	171	215	195
	OTHER COMPREHENSIVE INCOME					
	<i>Items to be reclassified to the income statement when certain conditions are met:</i>					
	Other comprehensive income from associates	-	(2)	-	(2)	(2)
	<i>Hedging transactions:</i>					
	Fair value adjustments, gain/loss on financial instruments related to cash flow hedges	(20)	(44)	27	(10)	27
	Reclassification to income statement, gains/loss on financial instruments related to realized cash flow hedges	5	3	(8)	(58)	(61)
	Tax on hedging transactions which may be reclassified to the income statement	4	9	(4)	15	7
	<i>Foreign currency translation adjustments:</i>					
	Foreign currency translation adjustments, foreign subsidiaries and intercompany loans	1	(1)	5	(3)	(9)
	Other comprehensive income after tax	(10)	(35)	20	(58)	(38)
	Total comprehensive income	26	35	191	157	157
	Allocation of comprehensive income for the period:					
	Shareholders of IC Group A/S	27	35	187	155	155
	Non-controlling interests	(1)	-	4	2	2
	Total	26	35	191	157	157

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Note	DKK million	31 March 2017	31 March 2016	30 June 2016
	ASSETS			
	NON-CURRENT ASSETS			
	Intangible assets	251	266	260
	Property, plant and equipment	148	111	134
	Financial assets	21	23	24
	Deferred tax	51	64	58
	Total non-current assets	471	464	476
	CURRENT ASSETS			
5	Inventories	361	306	425
6	Trade receivables	401	386	284
	Tax receivable	62	88	57
	Other receivables	61	47	33
	Prepayments	76	58	85
7	Cash and cash equivalents	78	70	84
	Total current assets	1,039	955	968
	TOTAL ASSETS	1,510	1,419	1,444

Note	DKK million	31 March 2017	31 March 2016	30 June 2016
	EQUITY AND LIABILITIES			
	EQUITY			
	Share capital	171	171	171
	Reserve for hedging transactions	29	(12)	14
	Translation reserve	(57)	(56)	(62)
	Retained earnings	698	631	610
	Equity attributable to shareholders of the Parent Company	841	734	733
	Equity attributable to non-controlling interests	11	7	7
	Total equity	852	741	740
	LIABILITIES			
	Retirement benefit obligations	8	8	9
	Deferred tax	11	35	12
	Provisions	7	5	6
	Total non-current liabilities	26	48	27
7	Current liabilities to credit institutions	176	160	109
	Trade payables	151	166	317
	Tax payable	48	83	52
	Other liabilities	208	187	178
	Provisions	49	34	21
	Total current liabilities	632	630	677
	Total liabilities	658	678	704
	TOTAL EQUITY AND LIABILITIES	1,510	1,419	1,444

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK million	Share Capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Proposed dividend	Equity owned by shareholders of ICG A/S	Equity owned by non-controlling interests	Total equity
Equity at 1 July 2016	171	14	(62)	525	85	733	7	740
Profit for the period	-	-	-	167	-	167	4	171
Other comprehensive income after tax	-	15	5	-	-	20	-	20
Total comprehensive income	-	15	5	167	-	187	4	191
Transactions with owners:								
Dividend of treasury shares	-	-	-	-	(2)	(2)	-	(2)
Dividend paid	-	-	-	-	(83)	(83)	-	(83)
Share-based payments	-	-	-	2	-	2	-	2
Exercise of warrants ¹⁾	-	-	-	4	-	4	-	4
Changes in equity during the period	-	15	5	173	(85)	108	4	112
Equity at 31 March 2017	171	29	(57)	698	-	841	11	852

DKK million	Share Capital	Reserve for hedging transactions	Translation reserve	Retained earnings	Proposed dividend	Equity owned by shareholders of ICG A/S	Equity owned by non-controlling interests	Total equity
Equity at 1 July 2015	170	41	(53)	653	68	879	5	884
Profit for the period	-	-	-	213	-	213	2	215
Other comprehensive income after tax	-	(53)	(3)	(2)	-	(58)	-	(58)
Total comprehensive income	-	(53)	(3)	211	-	155	2	157
Transactions with owners:								
Reclassification	-	-	-	2	(2)	-	-	-
Dividend paid	-	-	-	-	(66)	(66)	-	(66)
Extraordinary dividend paid	-	-	-	(244)	-	(244)	-	(244)
Share-based payments	-	-	-	2	-	2	-	2
Exercise of share options and warrants	1	-	-	7	-	8	-	8
Changes in equity during the period	1	(53)	(3)	(22)	(68)	(145)	2	(143)
Equity at 31 March 2016	171	(12)	(56)	631	-	734	7	741

DKK million	Shares
DEVELOPMENT IN TREASURY SHARES	
Treasury shares at 1 July 2016	442,572
Treasury shares at 31 March 2017	442,572

- 1) As announced in Company Announcement no. 17/2016, the Company's share capital was increased by DKK 346,110 due to exercise of warrants. The capital increase corresponds to 0.2% of the share capital. After the capital increase, IC Group A/S' share capital amounts to nominally DKK 170,908,580.

In October 2016, the Company distributed an ordinary dividend of approx. DKK 85 million (DKK 68 million) corresponding to DKK 5 per share (DKK 4 per share).

Pursuant to the authorization in the Remuneration Policy, the Board of Directors of IC Group A/S decided in October 2016 to initiate a programme granting performance shares to members of the Group's Global Management Team as well as other selected executives. The programme is offered to a total number of 29 participants. The total number of performance shares granted under the programme may vary from 0 to 79,901. Please see Company Announcement no. 22/2016 for further information.

CONSOLIDATED STATEMENT OF CASH FLOWS

Note	DKK million	Q3 2016/17 3 months	Q3 2015/16 3 months	Q1-Q3 2016/17 9 months	Q1-Q3 2015/16 9 months	Year 2015/16 12 months
	CASH FLOW FROM OPERATING ACTIVITIES					
	Operating profit, continuing operations	48	87	228	269	243
	Operating profit, discontinued operations	-	-	-	4	3
	Operating profit	48	87	228	273	246
	Other adjustments	30	11	81	58	66
	Change in working capital	(33)	(125)	(190)	(195)	(61)
	Cash flow from ordinary operating activities	45	(27)	119	136	251
	Financial income received	1	3	3	5	3
	Financial costs paid	(1)	-	(4)	(6)	(6)
	Cash flow from operating activities	45	(24)	118	135	248
	Tax paid	(19)	(18)	(55)	(52)	(65)
	Total cash flow from operating activities	26	(42)	63	83	183
	CASH FLOW FROM INVESTING ACTIVITIES					
	Investments in intangible assets	-	(2)	(6)	(15)	(10)
	Investments in property, plant and equipment	(17)	(17)	(53)	(41)	(81)
	Sale of activities and associates	-	144	-	144	144
	Change in other financial assets	-	-	2	1	2
	Total cash flow from investing activities	(17)	125	(57)	89	55
	Total free cash flow	9	83	6	172	238
	CASH FLOW FROM FINANCING ACTIVITIES					
	Repayment on non-current liabilities	-	-	-	(17)	(17)
	Dividends paid	-	(244)	(83)	(310)	(310)
	Exercise of share options and warrants	-	-	4	8	8
	Total cash flow from financing activities	-	(244)	(79)	(319)	(319)
	NET CASH FLOW FOR THE PERIOD	9	(161)	(73)	(147)	(81)
	CASH AND CASH EQUIVALENTS					
	Cash and cash equivalents, beginning of period	(107)	71	(25)	58	58
	Foreign currency translation adjustment of cash and cash equivalents	-	-	-	(1)	(2)
	Net cash flow for the period	9	(161)	(73)	(147)	(81)
	Cash and cash equivalents, end of period	(98)	(90)	(98)	(90)	(25)

DKK million	31 March 2017	31 March 2016	30 June 2016
<i>Cash and cash equivalents in the statement of cash flows comprise:</i>			
Cash	78	70	84
Current liabilities to credit institutions	(176)	(160)	(109)
Cash and cash equivalents, cf. statement of cash flows	(98)	(90)	(25)

NOTES

1. Accounting policies

This interim financial report is prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

The accounting policies applied in this interim report are unchanged as compared to the accounting policies applied in the Annual Report 2015/16 and are in accordance with the International Financial Reporting Standard (IFRS) as adopted by the EU. We refer to the Annual Report 2015/16 (chapter 1) for a detailed description of the accounting policies. A number of reclassifications and adjustments of the comparative figures have been made.

IC Group has implemented all new and amended standards (IFRS) and interpretations (IFRIC) as endorsed by the EU and which are effective for the financial year 1 July 2016 – 30 June 2017. This implementation has had no impact on the recognition and measurement of the Group's assets and liabilities.

Significant accounting estimates and assumptions

In the preparation of this interim report, the Management of IC Group makes a number of significant accounting estimates and assumptions that may affect the reported values of assets, liabilities, income, costs, cash flows and related information at the reporting date. The accounting estimates and assumptions which Management considers to be material for the preparation and understanding of the interim report appear from chapter 1 of the Annual Report 2015/16 and relate to, e.g., intangible assets, inventories, trade receivables and tax.

2. Seasonality

The Group's business segments are influenced by seasonal fluctuations relating to seasonal deliveries to wholesale customers as well as a sales season of the Group's products that varies during the course of the year in the retail segment. The Group's wholesale peak quarters are historically Q1 and Q3, respectively. Revenue and operating profit before tax thus vary in the various reporting periods for which reason they are not necessarily indicative of future trends. The results of the individual quarters are therefore not reliable sources in terms of projecting the Group's development.

3. Fair value measurement

Financial instruments measured at fair value in the statement of financial position are divided into three levels in the fair value hierarchy:

- **Level 1** – Listed prices in an active market for identical instruments
- **Level 2** – Listed prices in an active market for identical assets and liabilities or other methods of measurement where all substantial inputs are based on market observables
- **Level 3** – Method of measurement where substantial inputs may not be based on market observables

DKK million		31 March 2017		31 March 2016		30 June 2016	
	Item	Level 2	Level 3	Level 2	Level 3	Level 2	Level 3
Unlisted shares and bonds	Financial assets	-	8	-	7	-	7
Derivative financial instruments (trading portfolio)	Financial assets	-	-	-	1	-	-
Financial assets at fair value recognized through the income statement		-	8	-	8	-	7
Financial assets used for hedging purposes	Other receivables	45	-	14	-	20	-
Financial liabilities used for hedging purposes	Other liabilities	8	-	29	-	1	-

No transfers between the levels of the fair value hierarchy have taken place during Q1-Q3 2016/17.

4. Segment information

Business segments

Reporting to the Executive Board, which is considered to be the Chief Operating Decision Maker, is based on the Group's three core business units; Peak Performance, Tiger of Sweden and By Malene Birger. Other brands comprise Saint Tropez and Designers Remix.

Unallocated items and eliminations

In all material respects, "Unallocated items and eliminations" include;

- income and costs in Group functions which are not allocated to the Group's business segments;
- intercompany eliminations; and
- any differences arising between costs invoiced to Group brands and realized costs in the Group's Premium service functions.

DKK million	Peak Performance Q3 2016/17 3 months	Tiger of Sweden Q3 2016/17 3 months	By Malene Birger Q3 2016/17 3 months	Premium brands Q3 2016/17 3 months	Other brands Q3 2016/17 3 months	Total Q3 2016/17 3 months
Total revenue	299	254	93	646	92	738
Wholesale and franchise	175	170	70	415	58	473
Retail, e-commerce and outlets	124	84	23	231	34	265
Growth compared to 2015/16 (%)	13.3	(2.3)	(4.1)	4.0	2.2	3.8
Growth in local currency compared to 2015/16 (%)	13.6	(1.8)	(4.0)	4.4	1.9	4.1
Operating profit before depreciation and amortization (EBITDA)	39	37	8	84	-	84
EBITDA margin (%)	13.0	14.6	8.6	13.0	-	11.4
Depreciations, amortization and impairment losses	(5)	(4)	(2)	(11)	(2)	(13)
Operating profit/loss (EBIT)	34	33	6	73	(2)	71
EBIT margin (%)	11.4	13.0	6.5	11.3	(2.2)	9.6
Reconciliation of segment information of continuing operations						
Operating profit (EBIT), reportable segments						71
Unallocated items and eliminations						(23)
Operating profit (EBIT)						48
Financial income						1
Financial costs						(3)
Profit before tax						46
Tax on profit for the period						(10)
Profit for the period						36

DKK million	Peak Performance Q3 2015/16 3 months	Tiger of Sweden Q3 2015/16 3 months	By Malene Birger Q3 2015/16 3 months	Premium brands Q3 2015/16 3 months	Other brands Q3 2015/16 3 months	Total Q3 2015/16 3 months
Total revenue	264	260	97	621	90	711
Wholesale and franchise	160	184	75	419	54	473
Retail, e-commerce and outlets	104	76	22	202	36	238
Operating profit/loss before depreciation and amortization (EBITDA)	43	43	11	97	(5)	92
EBITDA margin (%)	16.3	16.5	11.3	15.6	(5.6)	12.9
Depreciations, amortization and impairment losses	(5)	(5)	(2)	(12)	(1)	(13)
Operating profit/loss (EBIT)	38	38	9	85	(6)	79
EBIT margin (%)	14.4	14.6	9.3	13.7	(6.7)	11.1
Reconciliation of segment information of continuing operations						
Operating profit (EBIT), reportable segments						79
Unallocated items and eliminations						8
Operating profit (EBIT)						87
Income from investments in associates						10
Financial income						-
Financial costs						(5)
Profit before tax						92
Tax on profit for the period						(22)
Profit for the period						70

	Peak Performance Q1-Q3 2016/17 9 months	Tiger of Sweden Q1-Q3 2016/17 9 months	By Malene Birger Q1-Q3 2016/17 9 months	Premium brands Q1-Q3 2016/17 9 months	Other brands Q1-Q3 2016/17 9 months	Total Q1-Q3 2016/17 9 months
DKK million						
Total revenue	914	763	269	1,946	307	2,253
Wholesale and franchise	592	481	192	1,265	177	1,442
Retail, e-commerce and outlets	322	282	77	681	130	811
Growth compared to 2015/16 (%)	10.7	1.1	(2.9)	4.7	3.4	4.5
Growth in local currency compared to 2015/16 (%)	11.6	2.4	(1.7)	5.9	3.4	5.6
Operating profit before depreciation and amortization (EBITDA)	159	106	16	281	20	301
EBITDA margin (%)	17.4	13.9	5.9	14.4	6.5	13.4
Depreciations, amortization and impairment losses	(14)	(12)	(6)	(32)	(5)	(37)
Operating profit (EBIT)	145	94	10	249	15	264
EBIT margin (%)	15.9	12.3	3.7	12.8	4.9	11.7
Reconciliation of segment information of continuing operations						
Operating profit (EBIT), reportable segments						264
Unallocated items and eliminations						(36)
Operating profit (EBIT)						228
Financial income						3
Financial costs						(11)
Profit before tax						220
Tax on profit for the period						(49)
Profit for the period						171

	Peak Performance Q1-Q3 2015/16 9 months	Tiger of Sweden Q1-Q3 2015/16 9 months	By Malene Birger Q1-Q3 2015/16 9 months	Premium brands Q1-Q3 2015/16 9 months	Other brands Q1-Q3 2015/16 9 months	Total Q1-Q3 2015/16 9 months
DKK million						
Total revenue	826	755	277	1,858	297	2,155
Wholesale and franchise	553	492	196	1,241	164	1,405
Retail, e-commerce and outlets	273	263	81	617	133	750
Operating profit before depreciation and amortization (EBITDA)	150	109	27	286	13	299
EBITDA margin (%)	18.2	14.4	9.7	15.4	4.4	13.9
Depreciations, amortization and impairment losses	(13)	(11)	(5)	(29)	(5)	(34)
Operating profit (EBIT)	137	98	22	257	8	265
EBIT margin (%)	16.6	13.0	7.9	13.8	2.7	12.3
Reconciliation of segment information of continuing operations						
Operating profit (EBIT), reportable segments						265
Unallocated items and eliminations						4
Operating profit (EBIT)						269
Income from investments in associates						11
Financial income						8
Financial costs						(13)
Profit before tax						275
Tax on profit for the period						(64)
Profit for the period						211

	Q3 2016/17 3 months	Q3 2015/16 3 months	Q1-Q3 2016/17 9 months	Q1-Q3 2015/16 9 months
DKK million				
Segment revenue (reportable segments)	738	711	2,253	2,155
Unallocated items and eliminations	1	(1)	3	1
Total revenue, cf. income statement	739	710	2,256	2,156

5. Inventories

DKK million	31 March 2017	31 March 2016	30 June 2016
Raw material and consumables	43	42	54
Finished goods and goods for resale	363	304	295
Goods in transit	12	14	133
Total inventories, gross	418	360	482
Changes in inventory write-downs for the period:			
Write-downs at 1 July	57	53	53
Write-downs for the period, addition	22	21	30
Write-downs for the period, reversals	(22)	(20)	(26)
Total inventory write-downs	57	54	57
Total inventories, net	361	306	425
Write-downs (%)	14	15	12

6. Trade receivables

DKK million	31 March 2017	31 March 2016	30 June 2016
Not yet due	345	320	226
Due, 1-60 days	31	48	36
Due, 61-120 days	6	4	6
Due more than 120 days	19	14	16
Total trade receivables, net	401	386	284
Change in trade receivables write-downs for the period:			
Write-downs at 1 July	26	39	39
Change in write-downs for the period	7	2	2
Realized loss for the period	(2)	(12)	(15)
Total write-downs	31	29	26

7. Net interest-bearing debt

DKK million	31 March 2017	31 March 2016	30 June 2016
Net interest-bearing debt comprises:			
Current liabilities to credit institutions	176	160	109
Interest-bearing debt, gross	176	160	109
Cash	78	70	84
Net interest-bearing debt	98	90	25

8. Related parties

As at 31 March 2017, the Group accepted a loan from one of its executives amounting to DKK 2 million (DKK nil). Besides this, no transactions with the Board of Directors, the Executive Board and other executives have taken place other than payment of ordinary remuneration.

9. Events after the reporting period

No material events have taken place after the reporting period that have not been recognized or otherwise included in this interim report. Furthermore, we refer to the section "Material events" in the Management Commentary.

STATEMENT BY THE MANAGEMENT

The Board of Directors and the Executive Board have today considered and approved the interim report of IC Group A/S for the period 1 July 2016 – 31 March 2017. This interim financial report is prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU, cf. chapter on accounting policies and additional Danish disclosure requirements for interim reports of listed companies. This interim report is unaudited and has not been reviewed by the Group's auditors.

In our opinion, we consider the applied accounting policies to be appropriate to the effect that this interim report gives a true and fair view of the Group's assets, liabilities and financial position at 31 March 2017 and of the results of the Group's operations and cash flows for the period 1 July 2016 – 31 March 2017.

Furthermore, we consider the Management Commentary (on page 1-9) to give a true and fair review of the development of the Group's operations and financial affairs, profit for the period and of the Group's financial position for the period as a whole as well as a description of the most significant risks and uncertainty factors that the Group is facing.

Apart from the information set out in this interim report, there have been no changes to the Group's significant risks and uncertainties that have not been disclosed in the Annual Report 2015/16.

Copenhagen, 17 May 2017

The Executive Board:

PETER THORSEN
Interim Group CEO

ALEXANDER MARTENSEN-LARSEN
Group CFO

The Board of Directors:

HENRIK HEIDEBY
Chairman

ANDERS COLDING FRIIS
Deputy Chairman

NIELS ERIK MARTINSEN
Deputy Chairman

MICHAEL HAUGE SØRENSEN
Board member

PETER THORSEN
Board member

CONNY KALCHER
Board member

JÓN BJÖRNSSON
Board member

CORPORATE INFORMATION

IC GROUP'S CORPORATE INFORMATION

Share capital	170,908,580	Address	IC Group A/S
Number of shares	17,090,858		12 Adelgade
Share class	One class		1304 Copenhagen K
ISIN code	DK0010221803		Denmark
Business Reg. No. (CVR)	62816414		Phone: +45 32 66 77 88
			Fax: +45 32 66 77 03
Reuter ticker	IC.CO		E-mail: info@icgroup.net
Bloomberg ticker	IC DC		Homepage: icgroup.net

SUPPLEMENTARY GROUP AND SEGMENT DATA

The announced financial figures and supplementary Group and segment data are available on the corporate website at: <http://www.icgroup.net/investors/results-reports/quarterly-data-file/>

FINANCIAL CALENDAR



31 August
2017



27 September
2017

INVESTOR RELATIONS CONTACT

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