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May 4, 2005

ANNOUNCEMENT NO: 15

Q1 Interim Report 2005

First quarter highlights:

- Revenue improved to DKK 1,361 million from DKK 1,231 million in Q1 2004.
- EBITA rose to DKK 183 million from DKK 154 million in Q1 2004.
- Profit before tax increased to DKK 170 million from DKK 100 million in Q1 2004.
- Cash flows from operations rose to DKK 261 million from DKK 171 million in Q1 2004.

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Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management of GN Store Nord have today reviewed and adopted the interim earnings release for the three months ended March 31, 2005.

This interim earnings release is unaudited and has been prepared in accordance with the recognition and measurement provisions of the International Financial Reporting Standards (IFRS), see the paragraph on accounting policies, and Danish interim financial reporting requirements for listed companies.

We consider the accounting policies applied to be appropriate. In our opinion, the interim earnings release gives a true and fair view of the Group's assets, liabilities, financial position at March 31, 2005, as well as of the Group's operations and consolidated cash flows for the three months ended March 31, 2005.

Høje-Taastrup, May 4, 2005

Supervisory Board

Mogens Hugo Jørgensen
Chairman

Finn Junge-Jensen
Deputy Chairman

Jørgen Bardenfleth

Asger Domino

Per Harkjær

Lise Kingo

Jens Bille Bergholdt

Henrik Nielsen

John Radich

Executive Management

Jørn Kildegaard
President & CEO

Jens Due Olsen

Jesper Mailind



Outlook for 2005

GN reiterates the forecast for 2005 provided on February 21, 2005.

Outlook for 2005 and Financial Highlights for 2004, Q1/2005, Q1/2004

(DKK millions)	Outlook for 2005 DKK/USD: 5.75	2004** DKK/USD: 5.99	Q1/2005 DKK/USD: 5.68	Q1/2004** DKK/USD: 5.96	Change Q1-o-Q1 DKK/USD: (4.7)%
Revenue					
Contact Center & Office Headsets	at least 1,400	1,316	342	325	5.2%
Mobile Headsets	at least 1,300	1,198	292	150	94.7%
Hearing Instruments	approx. 2,700	2,670	641	662	(3.2)%
Audiologic Diagnostics Equipment	approx. 350	348	80	90	(11.1)%
GN total*	at least 5,700	5,548	1,361	1,231	10.6%
EBITA					
Contact Center & Office Headsets	19-21%	19.5%	20.8%	18.5%	2.3%p
Mobile Headsets	1-3%	1.7%	(2.7)%	(7.3)%	4.6%p
Hearing Instruments	20-22%	19.8%	19.8%	16.5%	3.3%p
Audiologic Diagnostics Equipment	moderate profit	(2.0)%	1.3%	3.3%	(2.0)%p
GN total*	800-850	727	183	154	18.8%
Amortization, etc.					
GN total*	approx. 70	195	13	54	(75.9)%
EBT					
GN total*	725-775	532	170	100	70.0%
Cash flow from operating activities					
GN total*	no guidance provided	959	261	171	52.6%

* Including "Other"

** Including amortization of goodwill

Group functions and GN Great Northern Telegraph Company are expected to impact EBITA by DKK (50) million. In addition, costs related to the new corporate headquarters amount to approximately DKK 20 million, including accelerated amortization of leasehold improvements in vacated premises amounting to DKK 10 million. No decision has yet been made on the final design of GN's new corporate headquarters in the Copenhagen suburb of Ballerup, or about any renovation and extension work that may be needed. Consistent with previous guidance, amortization of intangible assets from company acquisitions is expected to be DKK 30 million when calculated according to IFRS 3 Business Combinations, which applies as from the 2005 financial year. Goodwill is not amortized as from the 2005 financial year. Net financial items are expected to be an expense of approximately DKK 40 million, including the effects of the planned share buy-back program in the second quarter.

Investments in property, plant and equipment and in intangible assets including development projects are expected to be DKK 375 million, excluding any additional investments in the new corporate headquarters.

With about half of GN's revenue and around 60% of costs generated in USD or USD-related currencies, including CNY, GN's long-term industrial competitiveness and its EBITA are resilient to likely US dollar fluctuations.

Forward-Looking Statements

The forward-looking statements in this interim report reflect management's current expectations for certain future events and financial results. Statements regarding 2005 are, of course, subject to risks and uncertainties which may result in material deviations from expectations.

Factors that may cause the actual results to deviate materially from expectations include but are not limited to general economic developments and developments in the financial markets; technological developments; changes and amendments to legislation and regulations on GN's markets; changes in demand for GN's products; competition; shortages of components needed in production; and the integration of company acquisitions. This interim report should not be considered an offer to sell securities in GN Store Nord.



Consolidated financial highlights

(DKK millions)	Q1 2005 (unaud.)	Q1 2004 (unaud.)	Total 2004 (aud.)
Earnings – Income statement in accordance with International Financial Reporting Standards (IFRS)			
Revenue	1,361	1,231	5,548
Operating profit (loss) before share of profit (loss) in associates	176	97	502
Operating profit (loss)	176	103	530
Profit (loss) from ordinary activities before tax	170	100	532
Profit (loss) for the period	121	47	504
Profit (loss) for the period excluding amortization and impairment of goodwill and other intangible assets acquired in company acquisitions	129	104	729
Earnings – Investor-specific highlights			
Earnings before depreciation, amortization, impairment and restructurings and items of a non-recurring nature (EBITDA)	223	187	861
Earnings before amortization and impairment of goodwill and other intangible assets acquired in company acquisitions and restructurings and items of a non-recurring nature (EBITA)	183	154	727
Balance Sheet			
Share capital (GN Store Nord A/S)	879	879	879
Equity	4,716	4,590	4,627
Total assets	6,268	6,604	6,106
Net interest bearing debt	(204)	(660)	(245)
Cash flows			
Cash flows from operating activities	261	171	959
Cash flows from investing activities	(64)	(59)	(273)
Total cash flows from operating and investing activities	197	112	686
Development costs			
Development costs incurred for the period	72	66	307
Restructuring costs			
Restructurings, paid	6	9	40
Investments			
Plant and machinery etc.	22	26	121
Real property including leasehold improvements	4	6	99
Development projects, developed in-house	38	31	142
Other intangible assets excluding goodwill	5	2	41
Total (excluding company acquisitions)	69	65	403
Acquisition of associates	-	-	-
Total investments	69	65	403
Depreciation and impairment of property, plant and equipment and amortization of intangible assets	73	122	473
Key ratios			
EBITA margin	13.4%	12.5%	13.1%
Return on equity	2.6%	1.0%	11.1%
Equity ratio	75.2%	69.5%	75.8%
Key ratios per share			
Earnings per share (EPS)	0.58	0.23	2.38
Earnings per share, fully diluted (EPS)	0.57	0.23	2.36
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc. (EPS)	0.61	0.50	3.45
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc., fully diluted (EPS)	0.61	0.49	3.42
Cash flow from operating activities per share (CFPS)	1.22	0.80	4.50
Net asset value per DKK 4 share	22	22	22
Share price at the end of the period	66	44	59
Employees			
Average number	4,618	4,296	4,640



Accounting policies

This interim earnings release has been presented in accordance with the recognition and measurement provisions of the International Financial Reporting Standards (IFRS) and additional Danish interim financial reporting requirements for listed companies.

The interim earnings release has been prepared in accordance with the same accounting policies as applied in the 2004 Annual Report with the exception of the accounting treatment of business combinations, as effective from the first quarter of 2005 goodwill is no longer amortized. Total goodwill amortization in 2004 was DKK 195 million, as can be seen from the investor-specific income statement per quarterly period.

The following comments relate to the investor-specific statements:

Financial results

Organic growth remained high in the first quarter, driven by the sustained sales improvements of mobile headsets. As expected, hearing instrument sales were unchanged as a result of product launches by a number of competitors since the fall of 2004 and the anticipated revenue improvement from CC&O headsets materialized. Once again, new products and product upgrades launched in the past 24 months contributed more than 60% of overall revenue. The 5% depreciation of the US dollar against the Danish krone relative to Q1 2004 reduced revenue by DKK 45 million.

GN generated gross profit of DKK 749 million against DKK 685 million in Q1 2004. The improvement was based on the ever more efficient production, the new product portfolio and the DKK 130 million revenue improvement. The gross margin fell to 55% due to the surge in mobile headset sales (representing 21% of Q1 revenue).

GN's sales and distribution costs amounted to DKK 324 million, compared to DKK 289 million in Q1 2004. The improvement was a reflection of the generally intensified sales and marketing efforts to promote CC&O headsets, mobile headsets and hearing instruments. Giving greater priority to growth, GN will be allocating more resources, as much as DKK 150 million more than in 2004, to sales, marketing and development in 2005.

Q1 EBITA improved by 19% to DKK 183 million from DKK 154 million in Q1 2004. Costs related to the planned relocation to new corporate headquarters in 2005 and 2006 reduced EBITA by DKK 4 million.

Amortization of acquired intangible assets (excluding goodwill) was unchanged at DKK 7 million, compared to the year-earlier period. Net financial items of the quarter were an expense of DKK 6 million. The net interest-bearing debt fell by DKK 41 million during the first quarter to DKK 204 million at March 31, 2005 in spite of dividend payments and the current share buy-back program.

GN's Q1 profit before tax improved by 70% to DKK 170 million from DKK 100 million in Q1 2004.

GN had an average of 4,618 employees during the quarter, against 4,296 in Q1 2004.

**Balance sheet**

Total assets amounted to DKK 6,268 million at March 31, 2005, compared to DKK 6,106 million at December 31, 2004. Goodwill amounted to DKK 2,495 million, distributed on DKK 461 million from headset operations and DKK 2,034 million from hearing instruments and audiologic diagnostics equipment.

Inventories were DKK 478 million, compared to DKK 518 million at the end of 2004. Trade receivables were DKK 1,052 million, compared to DKK 947 million at December 31, 2004. GN expects to retain the working capital-to-revenue ratio at the present level for the rest of 2005. Additional progress is expected in the intermediate term, albeit not to the previous extent. Cash and cash equivalents rose to DKK 95 million during the quarter.

Equity stood at DKK 4,716 million, compared to DKK 4,627 million at the start of the quarter. Foreign exchange adjustments increased equity by DKK 168 million.

Cash flows

The cash flow from operations was DKK 261 million, up from DKK 171 million in Q1 2004, supported by the margin improvements and the ever more efficient supply chains. The cash flow from investments was DKK (64) million against DKK (59) million in Q1 2004.

The free cash flow was DKK 197 million against DKK 112 million in Q1 2004.

Share option plans

There were a total of 3,168,224 European and 2,256,895 American share options outstanding at March 31, 2005, corresponding to 2.5% of the share capital. Members of the Executive Management held 912,125 options at an average strike price of 44, senior employees held 1,181,059 options (average strike price 40), while other employees held 3,331,935 share options (average strike price 49).

Shareholdings

Members of the Supervisory Board and the Executive Management, respectively, held 47,283 and 33,010 shares in GN.

By April 27, 2005 GN held 10,451,949 treasury shares, equivalent to 4.8% of the share capital, part of which are in cover of the share option plan. The holding of treasury shares also includes 2,312,000 shares bought back under GN's share buyback program. The share buyback program runs until the end of June and involves the repurchase of shares for up to DKK 400 million. Since the buyback program was launched on March 15, 2005, GN has acquired treasury shares for a total of DKK 148,554,130 million.

Foreign investors hold more than 50% of the share capital in GN. Danish institutional investors hold an estimated 25% and private investors hold some 20% of the GN share capital.

New member of the Supervisory Board

At the annual general meeting held on March 14, Lise Kingo, who is executive vice president of Novo Nordisk, was elected to GN's Supervisory Board.



Contact Center & Office headsets

Revenue was up 5% to DKK 342 million from DKK 325 million in Q1 2004. Organic growth was 8%, reflecting the stronger demand on most non-EU markets, with the US office segment improving the most. Sales to the SOHO market in the US via Hello Direct were also up by 8% measured in constant exchange rates. Wireless products, such as the GN 9120, accounted for 33% of sales, up from 27% in Q1 2004. New products launched in the past 24 months contributed just over 35% of revenue. Due to the growing importance of the office segment, a higher pace of innovation will be required going forward.

The efforts to position GN in the US retail sector are progressing to plan. Most recently, GN signed an agreement with the Best Buy chain, and shipments will commence in the fall. GN plans to build a competitive platform in the retail sector by the end of 2005.

Revenue was DKK 154 million in North America, DKK 164 million in Europe and DKK 24 million in Asia and the rest of the world.

The CC&O headsets business reported EBITA of DKK 71 million (EBITA margin of 20.8%) in the first quarter, compared to DKK 60 million (18.5%) in Q1 2004.

Mobile headsets

Revenue nearly doubled to DKK 292 million, of which OEM sales accounted for 42%. Revenue from wireless headsets was DKK 236 million. Competition remains tough and OEM sales are difficult to forecast. Revenue from Jabra products generated more than 40% organic growth relative to Q1 2004.

Revenue was DKK 160 million in North America, DKK 112 million in Europe and DKK 20 million in Asia and the rest of the world.

EBITA was DKK (8) million (EBITA margin of (2.7%)) against DKK (11) million ((7.3%)) in Q1 2004, reflecting the large proportion of OEM sales and the strong expansion of the organization during 2004.

The aggregate cash flows from operations in the headsets business rose to DKK 109 million from DKK 99 million in Q1 2004.

Hearing instruments

Revenue fell to DKK 641 million from DKK 662 million in Q1 2004. Sales were unchanged when measured in constant exchange rates. The expected slowdown was mainly due to new product launches from a number of competitors in 2004. The gross margin improved to 64% from 59% in Q1 2004, lifted by the continuing efficiency improvements and the significant sales of premium products.

Sales of the open ReSoundAIR products were the highest in any quarter since the launch in May 2003. At the American Academy of Audiology Annual Convention & Expo in March, GN launched the ReSound Metrix, its new high-end product. The Resound Metrix is scheduled for launch on ten markets in May and June and will be introduced on the remaining markets after the summer holidays. GN also used the AAA Expo to launch the MIA mini-BTE device under the Beltone brand, which now offers a very competitive product portfolio. New products and product upgrades accounted for about 70% of sales.



Revenue was DKK 254 million in North America, DKK 293 million in Europe and DKK 94 million in Asia and the rest of the world.

Hearing instruments reported Q1 EBITA of DKK 127 million (EBITA margin of 19.8%), compared to DKK 109 million (16.5%) in Q1 2004.

Audiologic diagnostics equipment

Revenue fell by just over 10% relative to Q1 2004 to DKK 80 million due to the discontinued deliveries to the NHS in the UK. The newly appointed management is streamlining the organization, the product portfolio as well as production, and many semimanufactures are now being manufactured in China.

Weak demand in the United States was offset by improved selling conditions on several other markets.

Revenue was DKK 13 million in North America, DKK 59 million in Europe and DKK 8 million in Asia and the rest of the world.

The audiologic diagnostics equipment business generated EBITA of DKK 1 million (EBITA margin of 1.3%) in the first quarter, compared to DKK 3 million (3.3%) in Q1 2004.

The aggregate cash flows from operations in the hearing instrument and audiologic diagnostics equipment businesses were DKK 139 million compared to DKK 52 million in Q1 2004.

Other business activities

The GN Great Nordic Telegraph Company reported Q1 revenue of DKK 7 million and an EBITA of DKK 2 million.

Through the 75% ownership interest in DPTG I/S, GN is still a party to arbitration proceedings with Telekomunikacja Polska S.A. involving the principles for calculating traffic statistics in Poland's NSL fiber-optic telecommunications system, for which DPTG holds the rights to part of net revenues.

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Income statement	Consolidated		
(DKK millions)	Q1 2005 (unaud.)	Q1 2004 (unaud.)	Total 2004 (aud.)
Revenue	1,361	1,231	5,548
Production costs	(624)	(557)	(2,647)
Gross profit	737	674	2,901
Development costs	(60)	(64)	(272)
Selling and distribution costs	(328)	(292)	(1,235)
Management and administrative expenses	(167)	(165)	(677)
Other operating income	1	1	10
Amortization and impairment of goodwill and other intangible assets acquired in company acquisitions	(7)	(57)	(225)
Operating profit (loss) before share of profit (loss) in associates	176	97	502
Share of profit (loss) in associates	-	6	28
Operating profit (loss)	176	103	530
Gains/losses on disposal of discontinuing operations	-	-	39
Profit (loss) before interest income and expense and similar items	176	103	569
Interest income and similar items	15	11	32
Interest expense and similar items	(21)	(14)	(69)
Profit (loss) from ordinary activities before tax	170	100	532
Tax on profit (loss) from ordinary activities	(49)	(53)	(28)
Profit (loss) for the period	121	47	504
Earnings per share (EPS)	0.58	0.23	2.38
Earnings per share, fully diluted (EPS)	0.57	0.23	2.36
Earnings per share excluding amortization and impairment of intangible assets and restructuring etc. (EPS)	0.61	0.50	3.45
Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted (EPS)	0.61	0.49	3.42



Assets	Consolidated		
(DKK millions)	March 31 2005 (unaud.)	March 31 2004 (unaud.)	Dec. 31 2004 (aud.)
Non-current assets			
Goodwill	2,495	2,785	2,381
Development projects, developed in-house	388	343	376
Software, acquired	3	1	3
Software, developed in-house	96	90	103
Patents and rights	77	87	80
Telecommunications systems	39	48	41
Other intangible assets	247	283	241
Total intangible assets	3,345	3,637	3,225
Factory and office buildings	198	123	195
Leasehold improvements	51	58	53
Plant and machinery	95	87	94
Operating assets and equipment	84	71	79
Leased plant and equipment	4	7	4
Telecommunications systems	-	-	-
Plant under construction	5	2	4
Total property, plant and equipment	437	348	429
Investments in associates	137	180	137
Other securities	5	7	6
Other receivables	30	34	30
Deferred tax assets	364	345	418
Total investments	536	566	591
Total non-current assets	4,318	4,551	4,245
Current assets			
Inventories	478	626	518
Trade receivables	1,052	982	947
Receivables from associates	7	1	6
Tax receivable	35	44	21
Other receivables	207	161	216
Prepayments	76	101	86
Total receivables	1,377	1,289	1,276
Listed securities	-	16	-
Cash and cash equivalents	95	122	67
Total current assets	1,950	2,053	1,861
Total assets	6,268	6,604	6,106



Equity and liabilities	Consolidated		
(DKK millions)	March 31 2005 (unaud.)	March 31 2004 (unaud.)	Dec. 31 2004 (aud.)
Equity			
Share capital	879	879	879
Foreign exchange adjustments	(1,396)	(1,195)	(1,564)
Proposed dividends for the year	-	132	132
Retained earnings	5,233	4,774	5,180
Total equity	4,716	4,590	4,627
Non-current liabilities			
Bank loans	57	609	111
Capitalized lease obligations	4	7	4
Other long-term payables	6	2	1
Received prepayments	29	25	28
Pension obligations and similar obligations	18	16	17
Deferred tax	12	53	5
Other provisions	114	88	129
Total non-current liabilities	240	800	295
Current liabilities			
Repayment of long-term loans	1	4	1
Bank loans	241	169	200
Trade payables	329	303	275
Amounts owed to associates	-	-	3
Tax payable	24	61	23
Other payables	496	434	495
Received prepayments	41	34	33
Other provisions	180	209	154
Total current liabilities	1,312	1,214	1,184
Total liabilities	1,552	2,014	1,479
Total equity and liabilities	6,268	6,604	6,106



Cash flow statement	Consolidated			
	(DKK millions)	Q1 2005 (unaud.)	Q1 2004 (unaud.)	Total 2004 (unaud.)
Operating activities				
Operating profit (loss)	176	103	530	
Depreciation, amortization and impairment	73	122	473	
Other adjustments	54	34	88	
Cash flow from operating activities before changes in working capital	303	259	1,091	
Change in inventories	27	(24)	25	
Change in receivables	(68)	(49)	(122)	
Change in trade payables and other payables	21	12	100	
Total changes in working capital	(20)	(61)	3	
Cash flow from operating activities before interest income and expense and similar items, restructurings and tax	283	198	1,094	
Interest and dividends, etc. received	2	2	10	
Interest paid	(6)	(12)	(48)	
Restructurings, paid	(6)	(9)	(40)	
Tax paid, net	(12)	(8)	(57)	
Cash flows from operating activities	261	171	959	
Investments				
Acquisition of intangible assets excluding development projects	(6)	(2)	(41)	
Development projects, acquired and developed in-house	(37)	(31)	(142)	
Acquisition of property, plant and equipment	(26)	(32)	(217)	
Investments	(1)	(4)	(8)	
Disposal of intangible assets	-	3	-	
Disposal of property, plant and equipment	-	3	22	
Disposal of investments	4	4	11	
Acquisition/disposal of listed securities	2	-	16	
Disposal of discontinuing operations etc.	-	-	86	
Cash flows from investing activities	(64)	(59)	(273)	
Cash flows from operating and investing activities	197	112	686	
Financing activities				
Increase of short-term liabilities	39	(27)	3	
Repayment and reduction of non-current liabilities	(50)	(50)	(550)	
Share options exercised	1	-	8	
Paid dividends to shareholders	(103)	-	(127)	
Purchase of treasury shares	(51)	-	-	
Foreign exchange adjustments etc.	(6)	18	(23)	
Cash flows from financing activities	(170)	(59)	(689)	
Net cash flows	27	53	(3)	
Cash and cash equivalents beginning of the period	67	70	70	
Foreign exchange adjustments, cash and cash equivalents, beginning of the period	1	(1)	-	
Cash and cash equivalents, beginning of the period	68	69	70	
Cash and cash equivalents, end of the period	95	122	67	

The statement of cash flows cannot be derived using only the other accounting data.



Consolidated equity					
(DKK millions)	Share capital (shares of DKK 4 each)	Foreign exchange adjustments	Proposed dividends for the year	Retained earnings	Total equity
Balance sheet total at December 31, 2003	879	(1,278)	132	4,740	4,473
Equity movement in the period					
Foreign exchange adjustments	-	83	- -	-	83
Tax on changes in equity	-	-	-	(15)	(15)
Net income recognised directly in equity	-	83	-	(15)	68
Profit (loss) for the period	-	-	-	47	47
Total income for the period	-	83	-	32	115
Granted share options	-	-	-	2	2
Balance sheet total at March 31, 2004	879	(1,195)	132	4,774	4,590
Equity movement in the period					
Foreign exchange adjustments	-	(369)	-	-	(369)
Tax on changes in equity	-	-	-	58	58
Net income recognised directly in equity	-	(369)	-	58	(311)
Profit (loss) for the period	-	-	132	325	457
Total income for the period	-	(369)	132	383	146
Granted share options	-	-	-	10	10
Exercised share options	-	-	-	8	8
Paid dividends to shareholders	-	-	(127)	-	(127)
Dividends, treasury shares	-	-	(5)	5	-
Balance sheet total at December 31, 2004	879	(1,564)	132 -	5,180	4,627
Equity movement in the period					
Foreign exchange adjustments	-	168	-	-	168
Tax on changes in equity	-	-	-	(28)	(28)
Net income recognised directly in equity	-	168	-	(28)	140
Profit (loss) for the period	-	-	- -	121	121
Total income for the period	-	168	-	93	261
Granted share options	-	-	-	5	5
Exercised share options	-	-	-	1	1
Purchase of treasury shares	-	-	-	(51)	(51)
Paid dividends to shareholders	-	-	(127)	-	(127)
Dividends, treasury shares	-	-	(5)	5	-
Balance sheet total at March 31, 2005	879	(1,396)	- -	5,233	4,716



Investor-specific income statement per quarterly period

(The accounting abbreviations EBITDA and EBITA are not defined in International Financial Reporting Standards (IFRS) or the Danish Financial Statements Act)

(DKK millions)	Q1 2004 (unaud.)	Q2 2004 (unaud.)	Q3 2004 (unaud.)	Q4 2004 (unaud.)	Q1 2005 (unaud.)	Total 2004 (aud.)
Revenue	1,231	1,383	1,457	1,477	1,361	5,548
Production costs	(546)	(634)	(743)	(680) *	(612)	(2,603)
Gross profit	685	749	714	797	749	2,945
Development costs	(66)	(72)	(65)	(104) *	(72)	(307)
Selling and distribution costs	(289)	(302)	(300)	(330) *	(324)	(1,221)
Management and administrative expenses	(146)	(152)	(149)	(154) *	(143)	(601)
Other operating income	1	-	6	3	1	10
Operating profit (loss) before capitalization and amortization of development costs, amortization and impairment of intangible assets acquired in company acquisitions	185	223	206	212	211	826
Capitalized development costs	32	36	28	46	38	142
Amortized development costs	(30)	(25)	(24)	(28)	(26)	(107)
EBITDA	187	234	210	230	223	861
Ordinary depreciation and amortization relating to:						
Production	(11)	(10)	(11)	(12)	(12)	(44)
Selling and distribution	(3)	(3)	(4)	(4)	(4)	(14)
Administration	(19)	(17)	(19)	(21)	(24)	(76)
EBITA	154	204	176	193	183	727
Share of profit (loss) in associates	6	10	9	3	-	28
Amortization of goodwill	(50)	(51)	(47)	(47)	-	(195)
Amortization of other intangible assets acquired in company acquisitions	(7)	(8)	(8)	(7)	(7)	(30)
Earnings before interest and tax (EBIT)	103	155	130	142	176	530
Gains/(losses) on disposal of discontinuing operations	-	9	-	30	-	39
Capital gains/(losses) on shares, dividends	3	(1)	-	-	2	2
Interest income and similar items	8	9	6	7	13	30
Interest expense and similar items	(14)	(20)	(19)	(16)	(21)	(69)
Earnings before tax (EBT)	100	152	117	163	170	532
Margins:						
Gross profit margin	55.6%	54.2%	49.0%	54.0%	55.0%	53.1%
EBITA-margin	12.5%	14.8%	12.1%	13.1%	13.4%	13.1%
EBITA-margin, excl. capitalization and amortization of development costs	12.3%	14.0%	11.8%	11.8%	12.6%	12.5%

*) The above accounting items for Q4 2004 include provision for rental obligations relating to vacation of leases in the amount of DKK 30 million. The rental obligation is distributed by function.



Quarterly Operations by Business Area

(The accounting abbreviations EBITDA and EBITA are not defined in International Financial Reporting Standards (IFRS))

(DKK millions)	Q1 2004 (unaud.)	Q2 2004 (unaud.)	Q3 2004 (unaud.)	Q4 2004 (unaud.)	Q1 2005 (unaud.)	Total 2004 (aud.)
Revenue						
Contact Center & Office Headsets	325	337	314	340	342	1,316
Mobile Headsets	150	292	418	338	292	1,198
Hearing Instruments	662	667	643	698	641	2,670
Audiologic Diagnostics Equipment	90	83	78	97	80	348
Other *	4	4	4	4	6	16
GN total	1,231	1,383	1,457	1,477	1,361	5,548
Gross profit						
Contact Center & Office Headsets	202	224	194	220	222	840
Mobile Headsets	41	76	84	91	74	292
Hearing Instruments	390	402	393	438	412	1,623
Audiologic Diagnostics Equipment	48	43	39	51	35	181
Other *	4	4	4	(3) **	6	9
GN total	685	749	714	797	749	2,945
Overheads excluding development costs and depreciation and amortization of non-current assets						
Contact Center & Office Headsets	(126)	(130)	(131)	(126)	(131)	(513)
Mobile Headsets	(35)	(47)	(57)	(69)	(63)	(208)
Hearing Instruments	(237)	(236)	(213)	(219)	(235)	(905)
Audiologic Diagnostics Equipment	(27)	(31)	(29)	(35)	(25)	(122)
Other *	(9)	(10)	(13)	(32) **	(12)	(64)
GN total	(434)	(454)	(443)	(481)	(466)	(1,812)
Expensed development costs						
Contact Center & Office Headsets	(9)	(8)	(9)	(9)	(10)	(35)
Mobile Headsets	(13)	(11)	(11)	(15)	(15)	(50)
Hearing Instruments	(27)	(31)	(27)	(38)	(27)	(123)
Audiologic Diagnostics Equipment	(15)	(11)	(14)	(17)	(8)	(57)
Other *	-	-	-	(7) **	-	(7)
GN total	(64)	(61)	(61)	(86)	(60)	(272)
EBITDA						
Contact Center & Office Headsets	69	86	54	85	81	294
Mobile Headsets	(9)	18	16	7	(4)	32
Hearing Instruments	126	135	153	181	150	595
Audiologic Diagnostics Equipment	6	1	(4)	(1)	2	2
Other *	(5)	(6)	(9)	(42) **	(6)	(62)
GN total	187	234	210	230	223	861
Ordinary depreciation and amortization						
Contact Center & Office Headsets	(9)	(9)	(9)	(10)	(10)	(37)
Mobile Headsets	(2)	(2)	(3)	(5)	(4)	(12)
Hearing Instruments	(17)	(15)	(18)	(17)	(23)	(67)
Audiologic Diagnostics Equipment	(3)	(2)	(2)	(2)	(1)	(9)
Other *	(2)	(2)	(2)	(3) **	(2)	(9)
GN total	(33)	(30)	(34)	(37)	(40)	(134)
EBITA						
Contact Center & Office Headsets	60	77	45	75	71	257
Mobile Headsets	(11)	16	13	2	(8)	20
Hearing Instruments	109	120	135	164	127	528
Audiologic Diagnostics Equipment	3	(1)	(6)	(3)	1	(7)
Other *	(7)	(8)	(11)	(45) **	(8)	(71)
GN total	154	204	176	193	183	727
EBITA-margin						
Contact Center & Office Headsets	18.5 %	22.8 %	14.3 %	22.1 %	20.8 %	19.5 %
Mobile Headsets	(7.3)%	5.5 %	3.1 %	0.6 %	(2.7)%	1.7 %
Hearing Instruments	16.5 %	18.0 %	21.0 %	23.5 %	19.8 %	19.8 %
Audiologic Diagnostics Equipment	3.3 %	(1.2)%	(7.7)%	(3.1)%	1.3 %	(2.0)%
Other *	(175.0)%	(200.0)%	(275.0)%	(1,125.0)%	(133.3)%	(443.8)%
GN total	12.5 %	14.8 %	12.1 %	13.1 %	13.4 %	13.1 %

*) "Other" comprises the Telegraph Company, GN Ejendomme, corporate staff, corporate finance and eliminations.

**) The above accounting items for Q4 2004 include provision for rental obligations relating to vacation of leases in the amount of DKK 30 million. The rental obligation is distributed by function, and included in "Other".



Expensed development costs						
(DKK millions)	Q1 2004 (unaud.)	Q2 2004 (unaud.)	Q3 2004 (unaud.)	Q4 2004 (unaud.)	Q1 2005 (unaud.)	2004 Total (aud.)
Incurring development costs						
Contact Center & Office Headsets	(7)	(9)	(6)	(15)	(10)	(37)
Mobile Headsets	(10)	(10)	(10)	(18)	(13)	(48)
Hearing Instruments	(35)	(40)	(36)	(48)	(40)	(159)
Audiologic Diagnostics Equipment	(14)	(13)	(13)	(16)	(9)	(56)
Other *	-	-	-	(7) **	-	(7)
GN total	(66)	(72)	(65)	(104)	(72)	(307)
Capitalized development costs						
Contact Center & Office Headsets	3	5	2	11	4	21
Mobile Headsets	6	6	7	10	7	29
Hearing Instruments	16	19	16	22	22	73
Audiologic Diagnostics Equipment	7	6	3	3	5	19
Other *	-	-	-	-	-	-
GN total	32	36	28	46	38	142
Amortized development costs						
Contact Center & Office Headsets	(5)	(4)	(5)	(5)	(4)	(19)
Mobile Headsets	(9)	(7)	(8)	(7)	(9)	(31)
Hearing Instruments	(8)	(10)	(7)	(12)	(9)	(37)
Audiologic Diagnostics Equipment	(8)	(4)	(4)	(4)	(4)	(20)
Other *	-	-	-	-	-	-
GN total	(30)	(25)	(24)	(28)	(26)	(107)

Development in selected balance sheet items						
(DKK millions)	Dec. 31 2003 (unaud.)	March 31 2004 (unaud.)	June 30 2004 (unaud.)	Sept. 30 2004 (unaud.)	Dec. 31 2004 (aud.)	March 31 2005 (unaud.)
Goodwill						
GN Netcom	515	515	506	488	441	461
GN ReSound	2,261	2,270	2,235	2,157	1,940	2,034
GN total	2,776	2,785	2,741	2,645	2,381	2,495
Development projects, acquired and developed in-house						
GN Netcom	70	66	66	62	70	69
GN ReSound	277	277	288	298	306	319
GN total	347	343	354	360	376	388
Inventories						
GN Netcom	198	178	185	248	212	180
GN ReSound	424	448	397	354	306	298
GN total	622	626	582	602	518	478
Trade receivables						
GN Netcom	333	346	430	491	367	444
GN ReSound	563	583	568	565	535	563
Other	62	53	50	48	45	45
GN total	958	982	1,048	1,104	947	1,052
Trade payables						
GN Netcom	88	125	204	223	151	195
GN ReSound	175	155	152	101	106	115
Other	26	23	17	19	18	19
GN total	289	303	373	343	275	329

*) "Other" comprises Telegraph Company, GN Ejendomme, corporate staff, corporate finance and eliminations.

**) The above accounting items for Q4 2004 include provision for rental obligations relating to vacation of leases in the amount of DKK 30 million. The rental obligation is distributed by function, and included in "Other".



Quarterly statement of cash flows

(DKK millions)	Q1 2004 (unaud.)	Q2 2004 (unaud.)	Q3 2004 (unaud.)	Q4 2004 (unaud.)	Q1 2005 (unaud.)	2004 Total (aud.)
Operating activities						
Earnings before interest and tax (EBIT)	103	155	130	142	176	530
Depreciation, amortization and impairment	122	116	114	121	73	473
Other adjustments	34	26	-	28	54	88
Cash flow from operating activities before changes in working capital	259	297	244	291	303	1,091
Change in inventories	(24)	23	(33)	59	27	25
Change in receivables	(49)	(118)	(16)	61	(68)	(122)
Change in trade payables and other payables	12	58	43	(13)	21	100
Total changes in working capital	(61)	(37)	(6)	107	(20)	3
Cash flow from operating activities before interest income and expense and similar items, restructurings and tax	198	260	238	398	283	1,094
Interest and dividends, etc. received	2	3	1	4	2	10
Interest paid	(12)	(10)	(14)	(12)	(6)	(48)
Restructurings, paid	(9)	(9)	(13)	(9)	(6)	(40)
Tax paid, net	(8)	(14)	(11)	(24)	(12)	(57)
Cash flows from operating activities	171	230	201	357	261	959
Investments						
Development projects, acquired and developed in-house	(31)	(37)	(29)	(45)	(37)	(142)
Acquisition of other intangible assets and property, plant and equipment, net	(28)	(32)	(53)	(48)	(32)	(161)
Acquisition/disposal of investments, net	-	1	-	2	3	3
Acquisition/disposal of listed securities	-	16	-	-	2	16
Disposal of property	-	-	-	(75)	-	(75)
Disposal of discontinuing operations etc.	-	9	-	77	-	86
Cash flows from investing activities	(59)	(43)	(82)	(89)	(64)	(273)
Cash flows from operating and investing activities	112	187	119	268	197	686
Financing activities						
Increase of short-term liabilities	(27)	34	(45)	41	39	3
Purchase of treasury share	-	-	-	-	(51)	-
Share options exercised	-	5	2	1	1	8
Repayment and reduction of non-current liabilities	(50)	(100)	(91)	(309)	(50)	(550)
Dividends paid	-	(127)	-	-	(103)	(127)
Foreign exchange adjustments etc.	18	(5)	(15)	(21)	(6)	(23)
Cash flows from financing activities	(59)	(193)	(149)	(288)	(170)	(689)
Net cash flows	53	(6)	(30)	(20)	27	(3)
Cash and cash equivalents, beginning of the period	70	122	117	87	67	70
Foreign exchange adjustments, Cash and cash equivalents	(1)	1	-	-	1	-
Cash and cash equivalents, beginning of the period	69	123	117	87	68	70
Cash and cash equivalents, end of the period	122	117	87	67	95	67

Quarterly Statement of Cash Flow by Business Area

Cash flow from operating activities before changes in working capital						
GN Netcom	88	142	87	96	104	413
GN ReSound	175	162	164	207	202	708
Other	(4)	(7)	(7)	(12)	(3)	(30)
GN total	259	297	244	291	303	1,091
Cash flow from operating activities before interest income and expense and similar items, restructurings and tax						
GN Netcom	112	85	52	146	129	395
GN ReSound	80	191	188	262	154	721
Other	6	(16)	(2)	(10)	-	(22)
GN total	198	260	238	398	283	1,094
Cash flows from operating activities						
GN Netcom	99	67	31	113	109	310
GN ReSound	52	161	158	244	139	615
Other	20	2	12	-	13	34
GN total	171	230	201	357	261	959
Cash flows from investing activities						
GN Netcom	(13)	(24)	(37)	(49)	(22)	(123)
GN ReSound	(46)	(44)	(46)	(40)	(43)	(176)
Other	-	25	1	-	1	26
GN total	(59)	(43)	(82)	(89)	(64)	(273)
Cash flows from operating and investing activities						
GN Netcom	86	43	(6)	64	87	187
GN ReSound	6	117	112	204	96	439
Other	20	27	13	-	14	60
GN total	112	187	119	268	197	686