This publication is available in Danish and in English.
In the event of any discrepancies, the Danish version shall be the governing text

August 15, 2007

ANNOUNCEMENT NO: 22

Q2 Interim Report 2007

Second quarter summary:

The financial results were below expectations for Headsets (continuing operations) and better than expected for Hearing Instruments and Audiologic Diagnostics Equipment (discontinuing operations).

Headsets
CC&O Headsets showed good results, mainly driven by the continuing strong performance in Europe.

Mobile Headsets showed weak results after a disappointing revenue development as GN experienced a sharp decline in the number of headsets sold to a large mobile phone manufacturer. However, GN secured several important programs with key clients. The ongoing restructuring of the business is proceeding in line with the strategy.

- Revenue declined to DKK 621 million from DKK 947 million in Q2 2006.
- Gross margin increased to 42% from 35% in Q2 2006.
- EBITA was DKK (36) million including restructuring costs of DKK (28) million, flat from DKK (36) million in Q2 2006.
- Profit before tax declined to DKK (45) million from DKK (30) million in Q2 2006.
- Cash flow from operations improved to DKK 82 million from DKK (67) million in Q2 2006.

Hearing Instruments and Audiologic Diagnostics Equipment
GN ReSound showed good results as a consequence of several successful product launches and the effect of the restructuring measures implemented last year.

- Revenue increased to DKK 842 million from DKK 812 million in Q2 2006 (organic growth of 8% in Hearing Instruments).
- Gross margin improved to 64% from 63% in Q2 2006.
- EBITA increased to DKK 129 million from DKK 101 million in Q2 2006.
- Cash flow from operations improved to DKK 161 million from DKK 69 million in Q2 2006.

The profit from discontinuing operations which includes GN ReSound and other discontinuing operations was DKK 149 million.

Full-year guidance
EBITA for CC&O Headsets: DKK 325-350 million; an increase of DKK 75-100 million as a continued strong performance is expected in Europe. EBITA for Mobile Headsets: DKK (125)-(175) million; reduced by DKK (75)-(100) million to due to lowered revenue expectations.

Following the decision of the German appeal court not to grant injunctive relief on the GN ReSound/Sonova transaction, GN expects to own GN Resound throughout 2007. As a consequence increased group function costs will negatively impact EBITA by an additional DKK (20) million and the full-year EBITA guidance for continuing operations is reduced from DKK 150-175 million to DKK 100-175 million.

The full-year profit from discontinuing operations is still expected to be DKK 400-450 million. This guidance indicates an EBITA in the range of DKK 500-550 million, calculated as if GN ReSound had been a part of the continuing operations.

GN ReSound sale update
On August 8, 2007, the appeal court (Oberlandesgericht) in Dusseldorf, Germany, decided that it does not have the power to grant injunctive relief in merger prohibition cases, since only the German Federal Cartel Office (Bundeskartellamt) can authorize parties to implement a merger before it has been cleared. The court decision only concerns the application for injunctive relief, which the court considers inadmissible, and is without prejudice to the main appeal proceedings that are still pending.

The share purchase agreement with Sonova contains a termination date of August 15, 2007 after which date each party can unilaterally terminate the transaction. Following the recent developments, Sonova has today sent a notification informing GN that they wish to terminate the transaction. GN has taken notice of the termination notified by Sonova, and acknowledges that Sonova according to the share purchase agreement can terminate the transaction.

GN will, nonetheless, continue to pursue the main appeal unilaterally. GN will in parallel pursue all possible strategic options including but not limited to an alternative transaction or a possible listing of GN in two separate entities.

Costs associated with the divestment of GN ReSound have so far amounted to payments of DKK 115 million which are included in Assets held for sale. This amount will substantially increase in line with additional work done on strategic alternatives and in line with the running costs of ongoing retention plans. In case that it is decided not to proceed with the divestment of GN ReSound, all transaction costs will be expensed immediately.

For further information, please contact:

Toon Bouten
CEO

GN Store Nord A/S
Tel: +45 45 75 00 00

Jens Due Olsen
Deputy CEO

GN Store Nord A/S
Tel: +45 45 75 00 00

Statement by the Supervisory Board and the Executive Management

The Supervisory Board and the Executive Management have today discussed and approved the interim earnings release for GN Store Nord A/S for the three months ended June 30, 2007, which has not been audited or reviewed.

This interim earnings release has been prepared in accordance with the recognition and measurement provisions of the International Financial Reporting Standards (IFRS) as adopted by the EU, see the paragraph on accounting policies. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for the interim reports of 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 results and financial position as at June 30, 2007 and of the Group's operations and cash flows for the three months ended June 30, 2007.

Ballerup, August 15, 2007.

Supervisory Board

Mogens Hugo
Chairman

Lise Kingo
Deputy Chairman

Jørgen Bardenfleth

William E. Hoover, Jr.

René Svendsen-Tune

Mike R. van der Wallen

Jens Bille Bergholdt

Nikolai Bisgaard

Leo Larsen

Executive Management

Toon Bouten
President & CEO

Jens Due Olsen

Outlook for 2007

Outlook for 2007 and Financial Highlights for 2006, Q2/2007 and Q2/ 2006

(DKK millions)	Outlook for 2007 (Aug. 15)	Outlook for 2007 (May 3)	2006	Q2 2007	Q2 2006	change Q2-o-Q2
	DKK/USD: 5.50	DKK/USD: 5.75	DKK/USD: 5.95	DKK/USD: 5.52	DKK/USD: 5.94	DKK/USD: (7.1)%
Continuing operations:						
Revenue						
Contact Center & Office Headsets incl. Hello Direct	approx. 1,600-1,700	approx. 1,550-1,700	1,587	369	386	(4.4)%
Mobile Headsets*	approx. 1,500	approx. 2,000-2,100	1,809	248	556	(55.4)%
Other			17	4	5	(20.0)%
GN total	**approx. 3,100-3,200**	**approx. 3,700**	**3,413**	**621**	**947**	**(34.4)%**
EBITA excluding non-recurring items						
Contact Center & Office Headsets	325-350	appprox. 250	234	61	48	27.1%
Mobile Headsets*	(125)-(175)	(50)-(75)	(125)	(50)	(18)	(177.8)%
Other	approx. (50)	approx. (30)	(39)	(19)	(11)	(72.7)%
GN total	**100-175**	**150-175**	**70**	**(8)**	**19**	**N/A**
EBITA including non-recurring items						
Contact Center & Office Headsets			103	61	(7)	N/A
Mobile Headsets			(184)	(78)	(18)	(333.3)%
Non-recurring items	(50)-(100)	(50)-(100)	-	-	-	-
Other			(39)	(19)	(11)	(72.7)%
GN total	**0-125**	**50-125**	**(120)**	**(36)**	**(36)**	**0%**
Amortization, net finance etc.						
GN total	**approx. (75)**	**approx. (50)**	**(34)**	**(9)**	**6**	**N/A**
EBT including non-recurring items						
GN total	**(75)-50**	**0-75**	**(154)**	**(45)**	**(30)**	**(50)%**
Cash flow from operating operations						
GN total	**no guidance**	**no guidance**	**231**	**82**	**(67)**	**N/A**
Discontinuing operations:						
Result from discontinuing operations	**400-450**	**400-450**	**403**	**149**	**135**	**10.4%**
Cash flow from operating activities						
Discontinuing operations	**no guidance**	**no guidance**	**260**	**161**	**69**	**133.3%**

*Incl. substantial uncertainty relating to OEM programs

Headsets (continuing operations)

The EBITA guidance for CC&O Headsets is increased by DKK 75-100 million due to the continuing good performance in Europe and slightly better-than-expected developments in Hello Direct, bringing the revenue forecast to DKK 1,600-1,700 million and EBITA to DKK 325-350 million. Hello Direct contributes with a revenue of approximately DKK 300 million and an EBITA of DKK 25 million to the CC&O Headsets guidance.

A substantial reduction in sales to a specific major mobile phone manufacturer and the derived impact on sales to various telecoms operators has led to a reduction in the revenue and EBITA guidance for Mobile Headsets. During the first and second quarters of 2007, GN won a number of important new OEM programs, but the large majority of these will not have effect until 2008. Revenue of approximately DKK 1,500 million and EBITA of DKK (125)-(175) million is now expected for Mobile Headsets. The revenue and earnings guidance in Mobile Headsets is subject to substantial uncertainty, as GN’s programs with effect in 2007 rely to a greater extent than usual on the timing and success of the relevant mobile phones.

In Q2 GN made a decision to exit the music market. As a consequence of this decision, the Q2 result includes non-recurring costs of DKK 28 million from mainly inventory write downs. The amount is part of the announced restructuring and non-recurring costs of DKK 50-100 million for the full year 2007.

As a consequence of the prolonged ownership of GN ReSound, group function costs are expected to increase from DKK 30 million to approximately DKK 50 million and the full-year EBITA guidance from continuing operations is reduced from approximately DKK 150-175 million to DKK 100-175 million, exclusive of restructuring and non-recurring costs which are unchanged at approximately DKK 50-100 million.

GN ReSound is now expected to remain under GN ownership throughout 2007, and this will impact the forecast for financial items, which previously reflected a potential sale by the end of the third quarter.

Investments in property, plant and equipment and in intangible assets, including in development projects, are still expected to be approximately DKK 250 million.

Discontinuing Operations

The full-year profit from discontinuing operations is unchanged and expected to be DKK 400-450 million. This figure reflects earnings after tax plus amortization/depreciation for calculating the profit or loss from discontinuing operations. The guidance indicates an EBITA in the range of DKK 500-550 million for GN ReSound, calculated as if GN ReSound had been a part of the continuing operations.

DPTG I/S, in which GN has a 75% ownership interest, is still a party to arbitration proceedings with Telekomunikacja Polska S.A. As previously announced, developments in the case have led DPTG I/S to claim DKK 5 billion for the period from 1994 to mid-2005. DPTG's agreement with TPSA covers the period 1994-2009. In 2005, the arbitration tribunal appointed an expert to estimate the relevant traffic volume and the related revenue. In November 2005, the appointed expert filed a preliminary report, which the parties have since commented on. In May 2007, the expert filed a second preliminary report for commenting by the parties. The second preliminary report has not led DTPG I/S to alter its claim of DKK 5 billion. The next hearing in the matter is set for December 2007.

As approximately 60% of both revenue and costs generated in US dollars or US dollar-related currencies, GN's long-term industrial competitiveness and its EBITA are resilient to likely US dollar fluctuations. Short-term fluctuations in the dollar would impact profit as and when products manufactured at a given exchange rate are sold at a different exchange rate at a later point in time. In the longer term, Asian currencies will take on added importance in terms of both revenue and costs.

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 2007 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 A/S.

Consolidated Financial Highlights

(DKK millions)	Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Earnings – Income statement in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU					
Revenue	**621**	947	**1,374**	1,862	3,413
Operating profit (loss)	**(38)**	(38)	**(34)**	17	(129)
Profit (loss) from ordinary activities before tax	**(45)**	(30)	**(56)**	22	(154)
Profit (loss) from continuing operations	**(3)**	(38)	**(11)**	(7)	(55)
Profit (loss) from discontinuing operations	**149**	135	**246**	170	403
Profit (loss) for the period	**146**	97	**235**	163	348
Earnings – Investor-specific highlights					
Earnings before depreciation, amortization and impairment (EBITDA)	**(6)**	(14)	**30**	62	(15)
Earnings before amortization and impairment of goodwill and other intangible assets acquired in company acquisitions (EBITA)	**(36)**	(36)	**(28)**	21	(120)
Balance sheet					
Share capital	**833**	879	**833**	879	855
Group equity	**5,063**	4,725	**5,063**	4,725	4,900
Total assets	**8,278**	8,217	**8,278**	8,217	8,227
Net interest-bearing debt (including discontinuing operations)	**(1,272)**	(1,339)	**(1,272)**	(1,339)	(1,387)
Cash flow					
Cash flow from operating activities (CFFO)	**82**	(67)	**219**	111	231
Cash flow from investing activities	**(56)**	(162)	**(109)**	(285)	(458)
Total cash flow from operating and investing activities	**26**	(229)	**110**	(174)	(227)
Development costs					
Development costs incurred for the period	**46**	56	**84**	96	179
Investments					
Plant and machinery etc.	**9**	20	**23**	37	214
Real property including leasehold improvements	**10**	114	**21**	160	148
Development projects, developed in-house	**21**	25	**40**	48	96
Other intangible assets excluding goodwill	**6**	22	**13**	38	52
Total (excluding company acquisitions)	**46**	181	**97**	283	510
Depreciation and impairment of property, plant and equipment and amortization of intangible assets	**56**	41	**107**	78	184
Impairment of intangible assets	**-**	-	**-**	-	-
Key ratios					
EBITA margin	(5.8)%	(3.8)%	(2.0)%	1.1 %	(3.5)%
Return on invested capital including goodwill (ROIC including goodwill)*	(2.2)%	(2.1)%	(1.7)%	1.2 %	(7.0)%
Return on equity	2.9 %	1.9 %	4.7 %	3.2 %	6.8 %
Equity ratio	61.2 %	57.5 %	61.2 %	57.5 %	59.6 %
Key ratios per share					
Earnings per share basic (EPS)	**0.72**	0.47	**1.16**	0.79	1.71
Earnings per share diluted (EPS diluted)	**0.72**	0.47	**1.16**	0.78	1.69
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc.	**0.77**	0.52	**1.26**	1.15	2.20
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc., diluted	**0.77**	0.51	**1.26**	1.14	2.18
Cash flow from operating activities per share (CFPS)	**0.40**	(0.33)	**1.07**	0.54	1.12
Book value per DKK 4 share	**24**	23	**24**	23	23
Share price at the end of the period	**65**	68	**65**	68	84
Employees					
Average number	**5,040**	5,638	**5,065**	5,690	5,483
Average number (continuing operations)	**1,724**	2,170	**1,704**	2,169	2,028

* For 2006 and 2007 calculated based on pro-forma balance sheets

Accounting policies
This interim earnings release has been prepared in accordance with the recognition and measurement provisions of the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish interim financial reporting requirements for listed companies.

The accounting policies are unchanged from those applied in the 2006 Annual Report.

The investor-specific statements are reviewed below.

Financial Results – Continuing Operations
Revenue was DKK 621 million versus DKK 947 million in Q2 2006. Mobile Headsets showed a significant decline in sales whereas CC&O Headsets showed a flat growth since the revenue reduction in US was off-set by strong performance in Europe.

Revenue was DKK 249 million in North America, DKK 321 million in Europe and DKK 51 million in Asia and the rest of the world.

New products and product upgrades launched in the past 24 months contributed almost 54% of overall revenue.

Q2 2007 gross profit was DKK 259 million against DKK 333 million in Q2 2006, and the gross margin improved to 42% from 35% in the year-earlier period. The overall increase in the gross margin was driven partly by gross margin improvements in CC&O Headsets and partly driven by the product mix with a higher share of CC&O Headsets revenue and a lower share of Mobile Headsets revenue, delivering substantially lower gross margin.

Selling and distribution costs amounted to DKK 145 million, compared to DKK 215 million in Q2 2006. This reflects discontinuation of the 2006 try-‘n’-buy campaigns and the ongoing restructuring of the business, with costs being adapted to the lowered revenue level. Development costs incurred were DKK 46 million, which was DKK 10 million lower than in the same period last year. In general, GN plans to maintain the current level of development activities.

Exclusive of the DKK 28 million write-downs on music products, the Q2 EBITA was DKK (8) million, compared to DKK (36) million in Q2 2006. Last year’s result was impacted by non-recurring costs of DKK 55 million relating to losses on the try-‘n’-buy campaigns.

Amortization of acquired intangible assets was DKK 2 million and net financial items for the quarter were DKK (7) million.

GN’s Q2 profit before tax was DKK (45) million against DKK (30) million in Q2 2006.

GN had an average of 1,724 employees during the quarter, against 2,170 in Q2 2006. The reduction reflects the discontinuation of Hello Direct’s try-‘n’-buy campaigns and the gradual adjustment of the organization to the lower revenue levels.

GN Store Nord A/S
Lautrupbjerg 7
P.O. Box 99
DK-2750 Ballerup
Tel.: +45 45 75 00 00
Fax: +45 45 75 00 09
www.gn.com
info@gn.com
Co. Reg. No. 24257843

GN is working on implementing the strategy presented on February 22. The new, market-oriented organization with four focused business units has been implemented and the number of employees has been adjusted to match the expected revenue level. Also, the development of two new product platforms for the Mainstream products has been completed and the products are on stream for mass production.

The important restructuring of GN's supply chain continues at a strong pace. However, negotiations with the initial partner have been stopped due to a change in ownership status. Negotiations with another potential partner have been reopened and a Letter of Intent has been signed. These actions are expected to result in a supply chain agreement before the end of the third quarter of 2007. The full implementation of the main partner strategy is still expected to be completed by the end of the second quarter 2008.

CC&O Headsets
CC&O Headsets, excluding Hello Direct, reported Q2 revenue of DKK 299 million and flat organic growth relative to the year-earlier period. Growth remained the strongest in Europe, CC&O Headsets' largest and most profitable region, where organic growth was 8%. Revenue in North America fell by 20% as the market declined further and as GN was impacted by back-log issues at the end of the quarter and underperformance by GN's sales activities. Corrective actions have been taken.

The overall CC&O Headsets revenue consisted of DKK 134 million from the contact center market and DKK 165 million from the office market (excluding Hello Direct).

Hello Direct generated revenue of DKK 70 million and was profitable, confirming, as in the first quarter, that Hello Direct's traditional business model has been stabilised since the unsuccessful try-'n'-buy campaigns were discontinued. Hello Direct's Q2 2006 revenue including the try-'n'-buy campaigns was DKK 82 million.

Revenue was DKK 138 million in North America, DKK 200 million in Europe and DKK 31 million in Asia and the rest of the world.

GN's new products have been well received by the market and the products have resulted in a Q2 innovation rate of 25%, compared to 10% in Q2 2006. Wireless products contributed 44% of Q2 revenue, compared to 36% in Q2 2006. The increase reflects GN's strong wireless product offering and a continuous recognition by end users of the benefits of wireless products.

The gross margin exclusive of Hello Direct was 67%, five percentage points higher than in Q2 2006. The increase reflects Europe's stronger contribution to revenue.

EBITA, exclusive of Hello Direct, was DKK 59 million (EBITA margin of 19.7%), compared to DKK 52 million (EBITA margin of 17.0%) in the same period last year. The change mainly reflects increased sales on the relatively more profitable European market. Inclusive of Hello Direct, CC&O Headsets achieved an EBITA of DKK 61 million (EBITA margin of 16.5%), compared to DKK (7) million and EBITA margin of (1.8%) in Q2 2006. The selling, distribution and administrative costs and the R&D costs incurred were DKK

165 million compared to DKK 231 million in Q2 2006, a DKK 66 million reduction mainly due to the lower level of business activity in Hello Direct.

Mobile Headsets
The revenue reduction in Mobile Headsets was disappointing. The Mobile Headsets business generated revenue of DKK 248 million, equal to negative organic growth of (54)% relative to the second quarter of last year. The decline was driven by lower sales to one specific mobile phone manufacturer following a sharp drop in the customer's sales of mobile phones. Furthermore, this also impacted sales of mobile headsets to key carriers.

Q2 Mobile Headset revenue breaks down as follows: DKK 79 million from Premier and DKK 169 million from Mainstream, of which DKK 61 million was from OEM customers.

Revenue was DKK 111 million in North America, DKK 117 million in Europe and DKK 20 million in Asia and the rest of the world.

Bluetooth enabled products constitute more than 85% of revenue. The innovation rate remained above 90%.

Gross margin excluding non-recurring costs was 15%. The gross margin improved from Q1 2007 and is expected to improve in line with the implementation of the announced supply chain strategy. After non-recurring costs (inventory write-downs related to music products) the gross margin was 6%.

EBITA was DKK (78) million ((31.5)%) against DKK (18) million ((3.2)%) in Q2 2006, and includes non-recurring costs from write-downs on music products totalling DKK 28 million (DKK 22 million in production costs and DKK 6 million in operating costs). The expensed selling, distribution and administrative costs and R&D costs incurred were DKK 89 million, a DKK 24 million reduction compared to Q2 2006.

GN won a number of new important OEM programs during the second quarter. Revenue derived from such OEM programs relies on a number of factors, such as bundle deals/in-the-box deals and the success and sales of the mobile phones with which the products are sold. These OEM programs, however, can contribute with substantial revenue in 2008, whereas the 2007 contribution is expected to be limited. In addition, substantial carrier and industry orders were won with revenue impact in the second half of this year and into 2008.

The restructuring of Mobile Headsets is progressing according to plan and a satisfactory business model in line with the announced strategy is achievable.

It is expected that profit margins will improve in the fourth quarter and into 2008 as production and the supply chain are outsourced to a new business partner and as the new products are rolled out on the shared product platforms.

Other Business Activities
The GN Great Nordic Telegraph Company reported Q2 revenue of DKK 4 million and an

EBITA of DKK 1 million. Group functions costs were higher than expected resulting from the fact that GN ReSound has not yet been sold.

Balance Sheet
Total assets amounted to DKK 8,278 million at June 30, 2007, compared to DKK 8,148 million at March 31, 2007. The item "Assets held for sale" of DKK 5,784 million consisted mainly of GN ReSound, which is still recognized as a single line item. Property, plant and equipment amounted to DKK 501 million, of which DKK 413 million related to GN's new corporate headquarters in Ballerup, Denmark

Relative to March 31, 2007, trade receivables have fallen from DKK 586 million to DKK 491 million. Inventories increased by DKK 60 million during the quarter to DKK 282 million. Cash and cash equivalents rose by DKK 30 million during the quarter to DKK 72 million.

Equity was DKK 5,063 million, compared to DKK 4,955 million at the end of the first quarter.

Reflecting the good cash flow performance, also in Hearing Instruments, net interest-bearing debt was reduced by DKK 125 million to DKK 1,272 million, against DKK 1,397 million at the beginning of the quarter.

Cash Flow
Cash flow from operations was DKK 82 million against of DKK (67) million in Q2 2006.

Cash flow from investments was DKK (56) million against DKK (162) million in Q2 2006. Investments in GN's new corporate headquarters amounted to DKK 20 million in Q2 2007, compared with DKK 103 million in the same period last year.

The free cash flow was DKK 26 million against DKK (229) million in Q2 2006.

Share Option Plans
There were a total of 2,550,933 outstanding share options (average strike price 61) at June 30, 2007, corresponding to 1.2% of the share capital. Members of the Executive Management held 352,339 options at an average strike price of 53, senior employees held 269,972 options (average strike price 72), while other employees held 1,928,622 share options (average strike price 61). The 'other employees' holding includes 1,313,402 share options held by employees of the discontinuing operations.

A total of 241,900 options were exercised in the second quarter. Members of the Executive Management did not exercise any options during the quarter.

Shareholdings
At August 15, 2007, members of the Supervisory Board and the Executive Management, respectively, held 38,210 and 5,100 shares in GN.

At June 30, 2007, GN held 4,882,082 treasury shares, equivalent to 2.3% of the 208,360,263 shares issued. The holding covers mainly the share option scheme.

The GN stock is 100% free float. Foreign investors hold about 30% of the shares, which is unchanged from December 31, 2006. Foreign ownership was higher before the German authorities prohibited the sale of GN ReSound. The Danish ATP pension fund has reported an ownership interest in excess of 5% of GN's share capital.

Hearing Instruments and Audiologic Diagnostics Equipment – Discontinuing Operations

GN ReSound generated profit from discontinuing operations of DKK 121 million, equal to EBITA of DKK 129 million, calculated as if GN ReSound had been a part of the continuing operations. This represents an increase of 28% Y-o-Y.

Q2 2007 revenue from GN ReSound was DKK 842 million. Hearing Instruments generated 8% organic growth relative to the year-earlier period. The growth is driven by successful launches of four new products at the beginning of the quarter, including the high-end hearing instrument ReSound Azure. The ReSound Azure has now been introduced in all major markets. In addition, the growth performance was improved by increased sales of entry-level products. This helped to raise the total number of units sold in Hearing Instruments by 15%. Finally, the growth in Hearing Instruments was positively impacted by strong organic growth in Interton.

The Q2 product launches constitutes the first of 12 new products GN ReSound is planning to launch globally this year under the ReSound or Beltone brands. This is the highest number of product launches in any year by GN's Hearing Instruments. The strong product portfolio renewal is the result of a strategy of consistently investing substantial amounts into product development. Accordingly, development costs incurred increased by 21% to DKK 103 million, compared with DKK 85 million in Q2 2006.

The gross margin in Hearing Instruments was 66%, compared with 64% in Q2 2006. The positive performance was due to an increased number of units sold with higher average sales prices in the high-end segment, the continued improvements relating to last year's closure of the facilities in Cork, Ireland and the restructuring measures in Interton. The improved gross margin materialized in spite of the diluting effect of the above-mentioned increased sales of entry-level products.

Total Q2 EBITA was DKK 129 million and the hearing instrument division's EBITA was DKK 127 million corresponding to an EBITA margin of 16.7%, compared to 13.4% in Q2 2006. The improved performance was due to increased gross profits. EBITA for Audiologic Diagnostics Equipment was DKK 2 million.

Other Discontinuing Operations

In a full and final settlement of the claim raised by GN against Axcel relating to Axcel's sale of NetTest in 2005 GN has received an amount of DKK 20 million in cash at the end of Q2 2007, with a net impact of DKK 28 million in profit from discontinuing operations.

The financial results as well as selected key figures for the discontinuing operations are provided in note 1 to the financial statements on pages 17-18.

Note	Income statement (DKK millions)	Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
	Consolidated					
	Revenue	621	947	1,374	1,862	3,413
	Production costs	(373)	(623)	(844)	(1,161)	(2,224)
	Gross profit	248	324	530	701	1,189
	Development costs	(47)	(47)	(85)	(81)	(151)
	Selling and distribution costs	(146)	(218)	(292)	(415)	(792)
	Management and administrative expenses	(93)	(98)	(187)	(189)	(379)
	Other operating income	-	1	-	1	4
	Operating profit (loss)	(38)	(38)	(34)	17	(129)
	Gains/losses on disposal of operations	-	2	-	7	12
	Profit (loss) before financial items	(38)	(36)	(34)	24	(117)
	Financial income	8	20	9	20	24
	Financial expenses	(15)	(14)	(31)	(22)	(61)
	Profit (loss) from continuing operations before tax	(45)	(30)	(56)	22	(154)
	Tax on profit (loss) from continuing operations	42	(8)	45	(29)	99
	Profit (loss) from continuing operations	(3)	(38)	(11)	(7)	(55)
1	Profit from discontinuing operations	149	135	246	170	403
	Profit (loss) for the period	146	97	235	163	348
	Earnings per share (EPS)					
	Earnings per share (EPS)	0.72	0.47	1.16	0.79	1.71
	Earnings per share, fully diluted (EPS diluted)	0.72	0.47	1.16	0.78	1.69
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	0.77	0.52	1.26	1.15	2.20
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	0.77	0.51	1.26	1.14	2.18
	Earnings per share, continuing operations					
	Earnings per share (EPS)	(0.01)	(0.19)	(0.05)	(0.03)	(0.27)
	Earnings per share, fully diluted (EPS diluted)	(0.01)	(0.19)	(0.05)	(0.03)	(0.27)
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	0.00	(0.18)	(0.02)	(0.01)	(0.24)
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	0.00	(0.17)	(0.02)	(0.01)	(0.23)

Note	Assets (DKK millions)	Consolidated June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
	Non-current assets				
	Goodwill	**445**	450	455	2,849
	Development projects, developed in-house	**113**	114	115	506
	Software	**64**	65	66	117
	Patents and rights	**2**	3	4	64
	Telecommunications systems	**23**	25	27	31
	Other intangible assets	**74**	77	79	332
	Total intangible assets	**721**	734	746	3,899
	Factory and office buildings	**394**	385	244	176
	Leasehold improvements	**6**	6	6	41
	Plant and machinery	**64**	69	73	96
	Operating assets and equipment	**28**	28	26	103
	Leased plant and equipment	**-**	-	-	2
	Assets under construction	**9**	15	152	239
	Total property, plant and equipment	**501**	503	501	657
	Investments in associates	**-**	-	-	98
	Other securities	**4**	4	4	6
	Other receivables	**11**	10	10	27
	Deferred tax assets	**221**	211	196	545
	Total other non-current assets	**236**	225	210	676
	Total non-current assets	**1,458**	1,462	1,457	5,232
	Current assets				
	Inventories	**282**	222	316	794
	Trade receivables	**491**	586	604	1,386
	Receivables from associates	**-**	-	-	28
	Receivables from discontinued operations	**72**	54	14	-
	Tax receivable	**16**	21	89	30
	Other receivables	**70**	78	73	352
	Prepayments	**33**	41	31	134
	Total receivables	**682**	780	811	1,930
	Cash and cash equivalents	**72**	42	47	261
1	**Assets held for sale**	**5,784**	5,642	5,596	-
	Total current assets	**6,820**	6,686	6,770	2,985
	Total assets	**8,278**	8,148	8,227	8,217

Note	Equity and Liabilities	Consolidated			
Note	(DKK millions)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
	Equity				
	Share capital	**833**	855	855	879
	Foreign exchange adjustments	**(1,633)**	(1,580)	(1,531)	(1,407)
	Proposed dividends for the year	**-**	-	-	-
	Retained earnings	**5,863**	5,680	5,576	5,253
	Total equity	**5,063**	4,955	4,900	4,725
	Non-current liabilities				
	Bank loans	**1,200**	1,200	1,250	1,258
	Capitalized lease obligations	**-**	-	-	2
	Other long-term payables	**-**	-	-	3
	Received prepayments	**-**	-	-	35
	Pension obligations and similar obligations	**1**	1	1	72
	Deferred tax	**55**	98	72	170
	Other provisions	**16**	14	21	134
	Total non-current liabilities	**1,272**	1,313	1,344	1,674
	Current liabilities				
	Repayment of long-term loans	**-**	-	-	4
	Bank loans	**112**	103	102	338
	Trade payables	**169**	152	220	457
	Tax payable	**-**	-	10	30
	Other payables	**261**	245	270	664
	Received prepayments	**-**	-	-	62
	Other provisions	**63**	70	55	226
		605	570	657	1,781
1	Liabilities associated with assets classified as held for sale	**1,338**	1,310	1,326	37
	Total current liabilities	**1,943**	1,880	1,983	1,818
	Total liabilities	**3,215**	3,193	3,327	3,492
	Total equity and liabilities	**8,278**	8,148	8,227	8,217

Note	Cash Flow Statement (DKK millions)	Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
	Operating activities					
	Operating profit (loss)	(38)	(37)	(34)	18	(129)
	Depreciation, amortization and impairment	56	42	107	78	184
	Other adjustments	(2)	(1)	25	3	12
	Cash flow from operating activities before changes in working capital	16	4	98	99	67
	Change in inventories	(69)	(86)	15	(41)	60
	Change in receivables	117	(21)	110	(6)	126
	Change in trade payables and other payables	36	45	(49)	76	(1)
	Total changes in working capital	84	(62)	76	29	185
	Cash flow from operating activities before financial items, restructurings and tax	100	(58)	174	128	252
	Interest and dividends, etc. received	-	-	-	-	15
	Interest paid	(15)	(7)	(27)	(13)	(61)
	Tax paid, net	(3)	(2)	72	(4)	25
	Cash flow from operating activities	82	(67)	219	111	231
	Investing activities					
	Acquisition of intangible assets excluding development projects	(3)	(33)	(11)	(38)	(51)
	Development projects, acquired and developed in-house	(21)	(25)	(40)	(48)	(97)
	Acquisition of property, plant and equipment	(32)	(108)	(61)	(203)	(368)
	Disposal of property, plant and equipment	-	4	3	4	9
	Sale of disposed operations, including liabilities settled in connection with disposal of activities, etc.	-	-	-	-	49
	Cash flow from investing activities	(56)	(162)	(109)	(285)	(458)
	Cash flow from operating and investing activities	26	(229)	110	(174)	(227)
	Financing activities					
	Repayment and increase of non-current liabilities	-	551	(50)	851	850
	Repayment and increase of short-term bank loans	9	41	10	(73)	(119)
	Share options exercised	7	2	14	23	60
	Acquisitions of treasury shares	-	(348)	-	(400)	(400)
	Paid dividends to shareholders	-	(21)	-	(124)	(124)
	Change in balances with discontinuing operations	(18)	(31)	(58)	(109)	69
	Foreign exchange adjustments etc.	10	26	(1)	28	(8)
	Cash flow from financing activities	8	220	(85)	196	328
	Net cash flow from continuing operations	34	(9)	25	22	101
1	**Net cash flow from discontinuing operations**	27	139	52	121	(100)
	Net cash flow	61	130	77	143	1
	Cash and cash equivalents beginning of the period	134	132	118	120	120
	Adjustment foreign exchange, cash and cash equivalents	1	(1)	1	(2)	(3)
	Cash and cash equivalents, beginning of the period	135	131	119	118	117
	Cash and cash equivalents in acquired companies	-	-	-	-	-
	Cash and cash equivalents, end of the period	196	261	196	261	118
	Of which :					
	Cash and cash equivalents, continuing operations	72	50	72	50	47
	Cash and cash equivalents, classified as assets held for sale	124	211	124	211	71

Consolidated

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

Statement of recognized income and expense	Consolidated				
(DKK millions)	Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Statement of recognized income and expense - items recognized directly in equity					
Actuarial gains (losses)	**-**	-	-	-	6
Foreign exchange adjustments, etc.	**(53)**	(223)	(102)	(321)	(445)
Issued share options	**1**	(1)	6	4	13
Tax on changes in equity	**7**	23	10	31	93
Total income and expense recognized directly in equity	**(45)**	(201)	(86)	(286)	(333)
Profit (loss) for the period	**146**	97	235	163	348
Total recognized income for the period	**101**	(104)	**149**	(123)	15
Of which:					
Total recognized income for the period, continuing operations	**(30)**	(79)	(23)	(55)	(46)
Total recognized income for the period, discontinuing operations	**131**	(25)	172	(68)	61

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, 2005	**879**	**(1,086)**	**132**	**5,424**	**5,349**
Development in equity during the period					
Total recognized income and expense, cf. the Statement of recognized income and expense	-	(321)	-	198	(123)
Share options exercised	-	-	-	23	23
Purchase of treasury shares	-	-	-	(400)	(400)
Paid dividends to shareholders	-	-	(124)	-	(124)
Dividends, treasury shares	-	-	(8)	8	-
Balance sheet total at June 30, 2006	**879**	**(1,407)**	**-**	**5,253**	**4,725**
Development in equity during the period					
Total recognized income and expense, cf. the Statement of recognized income and expense	-	(124)	-	262	138
Capital decrease	(24)	-	-	24	-
Share options exercised	-	-	-	37	37
Balance sheet total at December 31, 2006	**855**	**(1,531)**	**-**	**5,576**	**4,900**
Development in equity during the period					
Total recognized income and expense, cf. the Statement of recognized income and expense	-	(102)	-	251	149
Capital decrease	(22)	-	-	22	-
Share options exercised	-	-	-	14	14
Balance sheet total at June 30, 2007	**833**	**(1,633)**	**-**	**5,863**	**5,063**

Note 1: Profit from Discontinuing Operations and Assets Held for Sale

	(DKK millions)	Consolidated Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
	Profit from discontinuing operations					
a)	Profit before tax, discontinuing operations*	148	143	285	182	417
	Termination of joint corporate functions	-	-	-	-	(14)
	Adjustment of other discontinuing activities	28	-	28	-	25
	Tax	(27)	(8)	(67)	(12)	(25)
	Total	**149**	**135**	**246**	**170**	**403**
	Earnings per share for discontinuing operations					
	Earnings per share (EPS)	0.73	0.66	1.21	0.82	1.98
	Earnings per share, fully diluted (EPS diluted)	0.73	0.65	1.21	0.81	1.96
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	0.77	0.69	1.28	1.16	2.43
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	0.77	0.69	1.28	1.15	2.41
	Assets held for sale					
b)	Assets, discontinuing operations	5,669	-	5,669	-	5,525
	Prepaid expenses regarding the sale of discontinuing operations	115	-	115	-	71
	Total	**5,784**	**-**	**5,784**	**-**	**5,596**
	Liabilities associated with assets held for sale					
c)	Liabilities, discontinuing operations	1,310	-	1,310	-	1,304
	Liabilities related to termination of joint corporate functions	7	-	7	-	8
	Other provisions	21	37	21	37	14
	Total	**1,338**	**37**	**1,338**	**37**	**1,326**
	Net cash flow from discontinuing operations					
	Cash flow from operating activities	161	69	158	37	260
	Cash flow from investing activities	(83)	85	(177)	24	(264)
	Cash flow from financing activities	(51)	(15)	71	60	(96)
	Total	**27**	**139**	**52**	**121**	**(100)**
	Investor related statements – discontinuing operations					
	Revenue					
	Hearing Instruments	760	729	1,491	1,493	3,032
	Audiologic Diagnostics Equipment	82	83	162	160	321
	Total	**842**	**812**	**1,653**	**1,653**	**3,353**
	Gross Profit					
	Hearing Instruments	503	468	972	931	1,909
	Audiologic Diagnostics Equipment	34	42	71	79	154
	Total	**537**	**510**	**1,043**	**1,010**	**2,063**
	EBITA					
	Hearing Instruments	127	98	248	148	377
	Audiologic Diagnostics Equipment	2	3	2	3	5
	Total	**129**	**101**	**250**	**151**	**382**

* According to IFRS 5 Assets held for sale no depreciations have been included for discontinuing operations in the first six months of 2007

a) Profit before tax – Discontinuing Operations

Income statement (DKK millions)	Consolidated Q2 2007 (unaud.)	Q2 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Revenue	842	812	1,653	1,653	3,353
Production costs	(305)	(310)	(610)	(659)	(1,320)
Gross profit	**537**	**502**	**1,043**	**994**	**2,033**
Development costs	(66)	(60)	(117)	(117)	(233)
Selling and distribution costs	(246)	(250)	(474)	(512)	(995)
Management and administrative expenses	(73)	(94)	(158)	(223)	(417)
Other operating income	2	(4)	5	(6)	(2)
Operating profit before share of profit (loss) in associates	**154**	**94**	**299**	**136**	**386**
Share of profit (loss) in associates	-	(5)	-	(5)	-
Operating profit	**154**	**89**	**299**	**131**	**386**
Gains/losses on disposal of operations	(2)	59	(2)	59	54
Profit before financial items	**152**	**148**	**297**	**190**	**440**
Financial income	7	-	11	14	39
Financial expenses	(11)	(5)	(23)	(22)	(62)
Profit before tax	**148**	**143**	**285**	**182**	**417**

b) **Assets – Discontinuing Operations**

Assets	Consolidated Proforma			
(DKK millions)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
Non-current assets				
Goodwill	2,262	2,290	2,304	2,380
Development projects	531	495	461	408
Software	65	65	63	51
Patents and rights	56	56	56	58
Other intangible assets	233	235	237	246
Total intangible assets	**3,147**	**3,141**	**3,121**	**3,143**
Factory and office buildings	99	99	98	99
Leasehold improvements	39	38	36	33
Plant and machinery	80	73	66	54
Operating assets and equipment	90	83	78	75
Leased plant and equipment	2	2	2	2
Assets under construction	-	-	1	-
Total property, plant and equipment	**310**	**295**	**281**	**263**
Investments in associates	57	58	64	98
Other securities	68	66	58	2
Other receivables	1	4	1	16
Deferred tax assets	483	479	498	380
Total other non-current assets	**609**	**607**	**621**	**496**
Total non-current assets	**4,066**	**4,043**	**4,023**	**3,902**
Current assets				
Inventories	**378**	**376**	**391**	**340**
Trade receivables	717	713	739	696
Receivables from associates	13	12	11	28
Tax receivable	43	17	12	36
Other receivables	206	193	172	208
Prepayments	122	120	106	114
Total receivables	**1,101**	**1,055**	**1,040**	**1,082**
Cash and cash equivalents	**124**	**92**	**71**	**211**
Total current assets	**1,603**	**1,523**	**1,502**	**1,633**
Total assets	**5,669**	**5,566**	**5,525**	**5,535**

c) **Liabilities – Discontinuing Operations**

Liabilities	Consolidated Proforma			
(DKK millions)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
Non-current liabilities				
Bank loan	-	-	-	8
Capitalized lease obligations	1	1	1	2
Other long-term payables	20	15	13	3
Received prepayments	36	35	37	35
Pension obligations and similar obligations	45	45	51	71
Deferred tax	113	56	56	50
Other provisions	64	59	60	103
Total non-current liabilities	**279**	**211**	**218**	**272**
Current liabilities				
Amounts owed to continuing operations	72	54	14	158
Repayment of long-term loans	1	2	3	4
Bank loans	154	226	150	188
Trade payables	165	167	232	146
Tax payable	27	29	93	82
Other payables	391	376	372	383
Received prepayments	65	64	63	62
Other provisions	156	159	159	203
Total current liabilities	**1,031**	**1,077**	**1,086**	**1,226**
Total liabilities	**1,310**	**1,288**	**1,304**	**1,498**

Investor-specific Income Statement per Quarterly Period - Continuing Operations

(DKK millions)	Q1 2006 (unaud.)	Q2 2006 (unaud.)	Q3 2006 (unaud.)	Q4 2006 (unaud.)	Q1 2007 (unaud.)	Q2 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Revenue	915	947	711	840	753	621	1,862	1,374	3,413
Production costs	(529)	(614)	(482)	(554)	(460)	(362)	(1,143)	(822)	(2,179)
Gross profit	**386**	**333**	**229**	**286**	**293**	**259**	**719**	**552**	**1,234**
Development costs	(40)	(56)	(43)	(40)	(38)	(46)	(96)	(84)	(179)
Selling and distribution costs	(195)	(215)	(207)	(166)	(145)	(145)	(410)	(290)	(783)
Management and administrative expenses	(82)	(86)	(89)	(66)	(76)	(73)	(168)	(149)	(323)
Other operating income	-	1	4	(1)	-	-	1	-	4
Operating profit (loss) before capitalization and amortization of development costs, depreciations, amortization and impairment of intangible assets acquired in company acquisitions	**69**	**(23)**	**(106)**	**13**	**34**	**(5)**	**46**	**29**	**(47)**
Capitalized development costs	23	25	24	24	19	21	48	40	96
Amortized development costs	(16)	(16)	(17)	(15)	(17)	(22)	(32)	(39)	(64)
EBITDA	**76**	**(14)**	**(99)**	**22**	**36**	**(6)**	**62**	**30**	**(15)**
Depreciation and amortization relating to:									
Production	(9)	(9)	(13)	(14)	(11)	(11)	(18)	(22)	(45)
Selling and distribution	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(4)
Administration	(9)	(12)	(13)	(22)	(16)	(18)	(21)	(34)	(56)
EBITA	**57**	**(36)**	**(126)**	**(15)**	**8**	**(36)**	**21**	**(28)**	**(120)**
Amortization of other intangible assets acquired in company acquisitions	(2)	(2)	(2)	(3)	(4)	(2)	(4)	(6)	(9)
Earnings before interest and tax (EBIT)	**55**	**(38)**	**(128)**	**(18)**	**4**	**(38)**	**17**	**(34)**	**(129)**
Gains (losses) on disposal of discontinuing operations	5	2	4	1	-	-	7	-	12
Financial items, net	(8)	6	(7)	(28)	(15)	(7)	(2)	(22)	(37)
Earnings before tax (EBT)	**52**	**(30)**	**(131)**	**(45)**	**(11)**	**(45)**	**22**	**(56)**	**(154)**
Margins:									
Gross profit margin	42.2 %	35.2 %	32.2 %	34.0 %	38.9 %	41.7 %	38.6 %	40.2 %	36.2 %
EBITA margin	6.2 %	(3.8)%	(17.7)%	(1.8)%	1.1 %	(5.8)%	1.1 %	(2.0)%	(3.5)%
EBITA margin, excluding capitalization and amortization of development costs	5.5 %	(4.8)%	(18.7)%	(2.9)%	0.8 %	(5.6)%	0.3 %	(2.1)%	(4.5)%

GN Store Nord A/S
Lautrupbjerg 7
P.O. Box 99
DK-2750 Ballerup
Tel.: +45 45 75 00 00
Fax: +45 45 75 00 09
www.gn.com
info@gn.com
Co. Reg. No. 24257843

Quarterly Operations by Business Area - Continuing Operations

(DKK millions)	Q1 2006 (unaud.)	Q2 2006 (unaud.)	Q3 2006 (unaud.)	Q4 2006 (unaud.)	Q1 2007 (unaud.)	Q2 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Revenue									
Contact Center & Office Headsets	447	386	349	405	400	369	833	769	1,587
Mobile Headsets	463	556	355	435	349	248	1,019	597	1,809
Other *	5	5	7	-	4	4	10	8	17
GN total	**915**	**947**	**711**	**840**	**753**	**621**	**1,862**	**1,374**	**3,413**
Gross profit									
Contact Center & Office Headsets	286	229	205	246	255	240	515	495	966
Mobile Headsets	95	98	18	40	34	15	193	49	251
Other *	5	6	6	-	4	4	11	8	17
GN total	**386**	**333**	**229**	**286**	**293**	**259**	**719**	**552**	**1,234**
Overheads excluding development costs and depreciation and amortization of assets									
Contact Center & Office Headsets	(186)	(205)	(217)	(152)	(147)	(148)	(391)	(295)	(760)
Mobile Headsets	(82)	(82)	(71)	(74)	(71)	(60)	(164)	(131)	(309)
Other *	(9)	(13)	(4)	(7)	(3)	(10)	(22)	(13)	(33)
GN total	**(277)**	**(300)**	**(292)**	**(233)**	**(221)**	**(218)**	**(577)**	**(439)**	**(1,102)**
Expensed development costs									
Contact Center & Office Headsets	(13)	(22)	(16)	(12)	(16)	(23)	(35)	(39)	(63)
Mobile Headsets	(20)	(26)	(21)	(19)	(20)	(24)	(46)	(44)	(86)
Other *	-	1	1	-	-	-	1	-	2
GN total	**(33)**	**(47)**	**(36)**	**(31)**	**(36)**	**(47)**	**(80)**	**(83)**	**(147)**
EBITDA									
Contact Center & Office Headsets	87	2	(28)	82	92	69	89	161	143
Mobile Headsets	(7)	(10)	(74)	(53)	(57)	(69)	(17)	(126)	(144)
Other *	(4)	(6)	3	(7)	1	(6)	(10)	(5)	(14)
GN total	**76**	**(14)**	**(99)**	**22**	**36**	**(6)**	**62**	**30**	**(15)**
Depreciation									
Contact Center & Office Headsets	(8)	(9)	(11)	(12)	(10)	(8)	(17)	(18)	(40)
Mobile Headsets	(7)	(8)	(10)	(15)	(9)	(9)	(15)	(18)	(40)
Other *	(4)	(5)	(6)	(10)	(9)	(13)	(9)	(22)	(25)
GN total	**(19)**	**(22)**	**(27)**	**(37)**	**(28)**	**(30)**	**(41)**	**(58)**	**(105)**
EBITA									
Contact Center & Office Headsets	79	(7)	(39)	70	82	61	72	143	103
Mobile Headsets	(14)	(18)	(84)	(68)	(66)	(78)	(32)	(144)	(184)
Other *	(8)	(11)	(3)	(17)	(8)	(19)	(19)	(27)	(39)
GN total	**57**	**(36)**	**(126)**	**(15)**	**8**	**(36)**	**21**	**(28)**	**(120)**
EBITA-margin									
Contact Center & Office Headsets	17.7 %	(1.8)%	(11.2)%	17.3 %	20.5 %	16.5 %	8.6 %	18.6 %	6.5 %
Mobile Headsets	(3.0)%	(3.2)%	(23.7)%	(15.6)%	(18.9)%	(31.5)%	(3.1)%	(24.1)%	(10.2)%
GN total	**6.2 %**	**(3.8)%**	**(17.7)%**	**(1.8)%**	**1.1 %**	**(5.8)%**	**1.1 %**	**(2.0)%**	**(3.5)%**

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

Expensed Development Costs – Continuing Operations

(DKK millions)	Q1 2006 (unaud.)	Q2 2006 (unaud.)	Q3 2006 (unaud.)	Q4 2006 (unaud.)	Q1 2007 (unaud.)	Q2 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Incurred developments costs*									
Contact Center & Office Headsets	(16)	(26)	(18)	(17)	(15)	(17)	(42)	(32)	(77)
Mobile Headsets	(24)	(31)	(26)	(23)	(23)	(29)	(55)	(52)	(104)
Other	-	1	1	-	-	-	1	-	2
GN total	**(40)**	**(56)**	**(43)**	**(40)**	**(38)**	**(46)**	**(96)**	**(84)**	**(179)**
Capitalized development costs									
Contact Center & Office Headsets	9	9	8	10	7	6	18	13	36
Mobile Headsets	14	16	16	14	12	15	30	27	60
GN total	**23**	**25**	**24**	**24**	**19**	**21**	**48**	**40**	**96**
Amortized development costs									
Contact Center & Office Headsets	(6)	(5)	(6)	(5)	(8)	(12)	(11)	(20)	(22)
Mobile Headsets	(10)	(11)	(11)	(10)	(9)	(10)	(21)	(19)	(42)
GN total	**(16)**	**(16)**	**(17)**	**(15)**	**(17)**	**(22)**	**(32)**	**(39)**	**(64)**

*) Incurred development costs do not include share of amortization of other intangible assets acquired in company acquisitions.

Quarterly Cash Flow – Continuing Operations

(DKK millions)	Q1 2006 (unaud.)	Q2 2006 (unaud.)	Q3 2006 (unaud.)	Q4 2006 (unaud.)	Q1 2007 (unaud.)	Q2 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Operating activities									
Operating profit (loss)	55	(37)	(131)	(18)	4	(38)	18	(34)	(129)
Depreciation, amortization and impairment	36	42	48	58	51	56	78	107	184
Other adjustments	4	(1)	45	(34)	27	(2)	3	25	12
Cash flow from operating activities before changes in working capital	**95**	**4**	**(38)**	**6**	**82**	**16**	**99**	**98**	**67**
Change in inventories	45	(86)	(32)	133	84	(69)	(41)	15	60
Change in receivables	15	(21)	149	(17)	(7)	117	(6)	110	126
Change in trade payables and other payables	31	45	(207)	130	(85)	36	76	(49)	(1)
Total changes in working capital	**91**	**(62)**	**(90)**	**246**	**(8)**	**84**	**29**	**76**	**185**
Cash flow from operating activities before financial items, restructurings and tax	**186**	**(58)**	**(128)**	**252**	**74**	**100**	**128**	**174**	**252**
Interest and dividends, etc. recieved	(6)	(7)	11	(44)	(12)	(15)	(13)	(27)	(46)
Tax paid, net	(2)	(2)	(2)	31	75	(3)	(4)	72	25
Cash flow from operating activities	**178**	**(67)**	**(119)**	**239**	**137**	**82**	**111**	**219**	**231**
Investing activities									
Development projects, acquired and developed in-house	(23)	(25)	(25)	(24)	(19)	(21)	(48)	(40)	(97)
Acquisitions of other intangible and tangible assets, net	(100)	(137)	(83)	(90)	(34)	(38)	(237)	(72)	(410)
Sale of disposed operations, including liabilities settled in connection with disposal of activities, etc.	-	-	49	-	-	-	-	-	49
Cash flow from investing activities	**(123)**	**(162)**	**(59)**	**(114)**	**(53)**	**(59)**	**(285)**	**(112)**	**(458)**
Cash flow from operating and investing activities	**55**	**(229)**	**(178)**	**125**	**84**	**23**	**(174)**	**107**	**(227)**
Financing activities									
Increase/decrease in current liabilities	(114)	41	22	(68)	1	9	(73)	10	(119)
Acquisitions of treasury shares	(52)	(348)	-	-	-	-	(400)	-	(400)
Share options exercised	21	2	5	32	7	7	23	14	60
Increase/decrease in non-current liabilities	300	551	(58)	57	(50)	-	851	(50)	850
Paid dividends to shareholders	(103)	(21)	-	-	-	-	(124)	-	(124)
Change in balances with discontinuing operations	(78)	(31)	225	(47)	(40)	(18)	(109)	(58)	69
Foreign exchange adjustments etc.	2	26	(30)	(6)	(11)	10	28	(1)	(8)
Cash flow from financing activities	**(24)**	**220**	**164**	**(32)**	**(93)**	**8**	**196**	**(85)**	**328**
Net cash flow from continuing operations	**31**	**(9)**	**(14)**	**93**	**(9)**	**31**	**22**	**22**	**101**
Net cash flow from discontinuing operations	(18)	139	(149)	(72)	25	27	121	52	(100)
Net cash flow	**13**	**130**	**(163)**	**21**	**16**	**58**	**143**	**74**	**1**
Cash and cash equivalents beginning of the period	120	132	261	98	118	134	120	118	120
Adjustment foreign currency, cash and cash equivalents	(1)	(1)	-	(1)	-	1	(2)	1	(3)
Cash and cash equivalents, beginning of the period*	**119**	**131**	**261**	**97**	**118**	**135**	**118**	**119**	**117**
Cash and cash equivalents in acquired companies	-	-	-	-	-	-	-	-	-
Cash and cash equivalents, end of the period*	**132**	**261**	**98**	**118**	**134**	**196**	**261**	**196**	**118**

* Cash and Cash Equivalents at the beginning and end of period includes both continuing and discontinuing operations

Quarterly Cash Flow Statement by Business Area

(DKK millions)	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	YTD 2006	YTD 2007	2006 Total
Cash flow from operating activities before changes in working capital									
Headsets	99	13	(40)	10	80	21	112	101	82
Other	(4)	(9)	2	(4)	2	(5)	(13)	(3)	(15)
Total	**95**	**4**	**(38)**	**6**	**82**	**16**	**99**	**98**	**67**
Cash flow from operating activities before financial items, restructurings and tax									
Headsets	170	(14)	(105)	194	61	152	156	213	245
Other	16	(44)	(23)	58	13	(52)	(28)	(39)	7
Total	**186**	**(58)**	**(128)**	**252**	**74**	**100**	**128**	**174**	**252**
Cash flow from operating activities									
Headsets	154	(33)	(100)	170	96	133	121	229	191
Other	24	(34)	(19)	69	41	(51)	(10)	(10)	40
Total	**178**	**(67)**	**(119)**	**239**	**137**	**82**	**111**	**219**	**231**
Cash flow from investing activities									
Headsets	(44)	(40)	(35)	(49)	(29)	(30)	(84)	(59)	(168)
Other	(79)	(122)	(24)	(65)	(24)	(26)	(201)	(50)	(290)
Total	**(123)**	**(162)**	**(59)**	**(114)**	**(53)**	**(56)**	**(285)**	**(112)**	**(458)**
Cash flow from operating and investing activities									
Headsets	110	(73)	(135)	121	67	103	37	170	23
Other	(55)	(156)	(43)	4	17	(77)	(211)	(60)	(250)
Total	**55**	**(229)**	**(178)**	**125**	**84**	**26**	**(174)**	**107**	**(227)**

Pro Forma balance – Continuing Operations

Assets (DKK millions)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
	Consolidated			
Non-current assets				
Goodwill	445	450	455	469
Development projects, developed in-house	113	114	115	98
Software	64	65	66	66
Patents and rights	2	3	4	6
Telecommunications systems	23	25	27	31
Other intangible assets	74	77	79	86
Total intangible assets	**721**	**734**	**746**	**756**
Factory and office buildings	394	385	244	77
Leasehold improvements	6	6	6	8
Plant and machinery	64	69	73	42
Operating assets and equipment	28	28	26	28
Assets under construction	9	15	152	239
Total property, plant and equipment	**501**	**503**	**501**	**394**
Other securities	4	4	4	4
Other receivables	11	10	10	11
Deferred tax assets	221	211	196	165
Total other non-current assets	**236**	**225**	**210**	**180**
Total non-current assets	**1,458**	**1,462**	**1,457**	**1,330**
Current assets				
Inventories	**282**	**222**	**316**	**454**
Trade receivables	491	586	604	690
Receivables from discontinued operations	72	54	14	158
Tax receivable	16	21	89	47
Other receivables	70	78	73	144
Prepayments	33	41	31	19
Total receivables	**682**	**780**	**811**	**1,058**
Cash and cash equivalents	**72**	**42**	**47**	**50**
Assets held for sale	**5,784**	**5,642**	**5,596**	**5,535**
Total current assets	**6,820**	**6,686**	**6,770**	**7,097**
Total assets	**8,278**	**8,148**	**8,227**	**8,427**

Equity and Liabilities (DKK millions)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	June 30 2006 (unaud.)
	Consolidated			
Equity				
Share capital	833	855	855	879
Foreign exchange adjustments	(1,633)	(1,580)	(1,531)	(1,407)
Proposed dividends for the year	-	-	-	-
Retained earnings	5,863	5,680	5,576	5,253
Total equity	**5,063**	**4,955**	**4,900**	**4,725**
Non-current liabilities				
Bank loans	1,200	1,200	1,250	1,250
Pension obligations and similar obligations	1	1	1	1
Deferred tax	55	98	72	120
Other provisions	16	14	21	31
Total non-current liabilities	**1,272**	**1,313**	**1,344**	**1,402**
Current liabilities				
Bank loans	112	103	102	150
Trade payables	169	152	220	311
Tax payable	-	-	10	-
Other payables	261	245	270	281
Other provisions	63	70	55	23
	605	570	657	765
Liabilities associated with assets classified as held for sale	1,338	1,310	1,326	1,535
Total current liabilities	**1,943**	**1,880**	**1,983**	**2,300**
Total liabilities	**3,215**	**3,193**	**3,327**	**3,702**
Total equity and liabilities	**8,278**	**8,148**	**8,227**	**8,427**