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November 6, 2007

ANNOUNCEMENT NO: 24

Q3 Interim Report 2007

Third Quarter Summary

The financial results for Headsets (continuing operations) improved strongly Y-o-Y; however the results were in the low end of expectations. As a consequence of a very long sales process, the financial results for Hearing Instruments and Audiologic Diagnostics Equipment (discontinuing operations) did not meet expectations.

Update on strategy and governance

- The Supervisory Board has decided to abandon the sales process concerning GN ReSound immediately and keep the activities within GN.
- A new governance structure will safeguard shareholder value and address GN's challenges. The two businesses will be run as separate entities. The Executive Management will consist of the heads of the two businesses – Headsets and GN ReSound – as equally ranked executives.
- Toon Bouten will remain CEO of the headset business whereas the position as CEO for GN ReSound will be filled as soon as possible. Following this new structure, GN Deputy CEO Jens Due Olsen will resign from GN's Executive Management as of today. GN ReSound CEO Jesper Mailind will remain in place until a new CEO takes over.

Headsets

- *CC&O Headsets:* Good overall organic growth with continued strong growth in Europe and in the Asia Pacific region. Continued disappointing growth and results in North America.
- *Mobile Headsets:* Organic growth improved significantly with results showing good progression but still affected by a low revenue level.
- GN signed a milestone supply chain agreement and the ongoing restructuring of the business is generally proceeding in line with the strategy.
- Revenue declined to DKK 673 million from DKK 711 million in Q3 2006 corresponding to flat organic growth due to currency fluctuations.
- The gross margin increased to 44% from 32% in Q3 2006.
- EBITA was DKK 12 million compared to DKK (126) million in Q3 2006.
- Profit before tax improved to DKK (6) million from DKK (131) million in Q3 2006.
- The cash flow from operations was DKK (22) million compared to DKK (119) million in Q3 2006.



Hearing Instruments and Audiologic Diagnostics Equipment

- *GN ReSound*: Negative growth primarily due both to lost customers and to customers delaying new orders because of the general uncertainty about the future ownership of GN ReSound.
- The Q3 results were also adversely affected by extraordinary costs of lawyers' fees and settlement costs relating to a lawsuit against GN ReSound.
- Revenue decreased to DKK 755 million from DKK 802 million in Q3 2006 (organic growth of (4)% in Hearing Instruments).
- The gross margin improved to 62% from 61% in Q3 2006. Gross margin is positively affected from the restructuring measures implemented last year.
- EBITA decreased to DKK 55 million from DKK 102 million in Q3 2006.
- The cash flow from operations was DKK 108 million against DKK 104 million in Q3 2006.

Full-year guidance

- EBITA for CC&O Headsets: approximately DKK 300 million; a decrease of DKK 25-50 million compared to the previous guidance.
- EBITA for Mobile Headsets: approximately DKK (150) million; i.e. in the mid point and hence unchanged compared to the previous guidance.
- Other Activities is unchanged at DKK (50) million.
- Accordingly, the full-year EBITA guidance for Headsets and Other Activities: approximately DKK 100 million; i.e. in the low end of the previous guidance.
- EBITA for GN ReSound: approximately DKK 400-450 million; reduced by DKK 100 million compared to the previous guidance.
- Costs associated to the strategic process will be expensed in 2007. Total costs amount to approximately DKK 275 million of which DKK 49 million were already expensed in Q3.
- In light of the decision to keep GN ReSound within GN, GN ReSound will be classified as continuing operations in the Interim Reports from Q4 2007 onwards as well as in the Annual Report for 2007.

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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 September 30, 2007, which has not been audited or reviewed.

This Interim Report 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 Report gives a true and fair view of the Group's assets, liabilities, financial results and financial position as at September 30, 2007 and of the Group's operations and cash flows for the three months ended September 30, 2007.

Ballerup, November 6, 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

Anders Boyer



STRATEGIC UPDATE

Background

In October 2006, following a highly competitive process, GN agreed to sell its Hearing Instruments and Audiologic Diagnostics Equipment operations to Sonova for DKK 15.5 billion in a transaction expected to yield an after-tax profit of at least DKK 10 billion. The sales price equaled 28 times EBITA in 2005 and was a reflection that significant synergies could be achieved through the creation of a Global Number One in hearing instruments. GN's Supervisory Board assessed that this extraordinary price would secure high returns to the shareholders realizing immediately a significant portion of the activities' future potential.

The transaction received all but one of the required competition authority approvals. In April 2007, the German Federal Cartel Office surprisingly decided to prohibit the transaction. GN appealed the decision and, in parallel to this main appeal, GN and Sonova applied for injunctive relief to close the transaction quickly since a normal time-consuming appeal process would damage GN's hearing instrument business. However, on August 8, the Court of Appeal - departing both from previous case law and European legal standards - decided that it did not have the power to grant injunctive relief. Consequently, Sonova abandoned the share purchase agreement.

Following this German obstruction, GN in the summer of 2007 pursued an intense strategic process in which all options have been explored carefully in co-operation with the financial advisers JP Morgan. Following this process, the Supervisory Board today decided to immediately abandon the sales process concerning GN ReSound and to keep the Hearing Instrument and Audiologic Diagnostics Equipment activities as part of GN, and to introduce a new governance structure in order to safeguard shareholder value and effectively address GN's challenges.

The Board's analysis

As part of the analysis, GN has obtained indicative offers for GN ReSound from several investors, which were predominantly financial sponsors. The German injunction against the Sonova transaction effectively blocks any solution involving major players within the hearing instrument industry and the financial sponsors' indicative offers demonstrate that they would be unable to achieve industrial synergies and offer a sufficient premium for future earnings potential. Based on this market check, the Supervisory Board is confident that a divestment is not in the best interest of the shareholders, as it would imply a discount compared to the long term potential of the business activities. GN, consequently, is better positioned with a continued and dedicated participation in the attractive hearing instruments industry.

Also, the Supervisory Board analysed a full de-merger of GN into two separate listed entities – a headset entity and a hearing instrument entity. While there would be benefits from a full de-merger, it is presently of paramount importance to stop the detrimental period of uncertainty, which has lasted now for 16 months and has begun to negatively impact GN ReSound. A de-merger would inevitably be time-consuming, occupy management resources, remove focus from the business, prolong the period of uncertainty and finally imply significant costs. Moreover, a de-merger would introduce the



two entities as stand-alone companies to the stock market at a time when both are in a turn-around situation and where all attention needs to be on developing the businesses.

New Governance Structure

In order to secure strict focus on the necessary operational improvements and increase transparency, the Supervisory Board will now implement a new governance structure. GN's two businesses will be run as separate entities. All the groundwork for this separation has already been done as part of the plan to divest GN ReSound to Sonova. The listed company GN Store Nord A/S will have a secretariat which will be kept to a minimum and handle areas such as group consolidation, investor relations, tax, legal affairs, treasury and risk management.

The structure implies that GN's Executive Management going forward consists of the heads of the two business entities – Headsets and GN ReSound respectively – as equally ranked executives. Toon Bouten is CEO of Headsets whereas the position as CEO of the GN ReSound will be filled as soon as possible. A search process is already ongoing.

The Supervisory Board's composition will be considered and proposals will be presented at the Annual General Meeting in 2008. While the Supervisory Board will continue to oversee GN's overall strategy, there are plans to add additional capabilities to the Boards of the two businesses to help them execute their operational strategies and address industry specific challenges.

Overall Strategy

The top priority for GN's hearing instrument business is to recapture customers and orders lost during the vacuum caused by the sales process and thereby restore market shares and growth in main markets. Investments in strengthening distribution will be considered in this context while organic growth will be based on GN ReSound's strong product pipeline with a series of launches planned for 2008 and onwards. Further, new management has already been put in place in key markets and will drive sales aggressively. At the same time, GN ReSound will continue its growth strategy in emerging markets, including in Asia, where the business is generating solid growth from well-established positions. A number of reengineering and business development projects in GN ReSound were put on hold during the sales process but they will now be re-started and will contribute to greater efficiency and reduced fixed costs while the necessary investments in developing new technologies for future product generations will be maintained.

GN ReSound is presently underperforming relative to plans due to the vacuum following the sales process, and performance in the first half of 2008 is also expected to be negatively influenced by orders and customers lost during the process although this impact may be somewhat offset by product introductions. However, the Supervisory Board remains confident that GN ReSound can leverage its position as the global no. 4 in a growing high-margin industry and generate stronger growth and better margins.

GN's headset activities will pursue the strategy imposed in early 2007 and it has started to produce the required improvements of efficiency, quality, margins and cash flow. The strategy implies a comprehensive reengineering of the business through the introduction of a leaner and more market-oriented organization, cost cuttings, a general sharpening



and simplification of processes, introduction of new software and hardware platforms, and a new supply-chain setup implying total outsourcing of all manufacturing and substantial parts of logistics and a sharp reduction of the number of subcontractors, etc. This reengineering phase is expected to last until mid-2008 after which GN's headset activities will accelerate growth with frequent launches of innovative products targeting both new and existing customers without parallel growth in cost levels, capital expenditure and working capital.

The Supervisory Board is confident that the margin expansion experienced in Headsets in Q3 2007 will continue and sustain into 2008 and onwards. The headset activities have every possibility of developing into an attractive business targeting EBITA margins in the mid-20%-range in the Contact Centre segment, mid-10%-range in the Office segment and the mid-single digit and the low-single digit margin ranges in the two Mobile segments Premier and Mainstream.

Changes in GN's Management

As a consequence of GN's new governance structure, deputy CEO Jens Due Olsen resigns. Jens Due Olsen joined GN in 2001 as Group CFO and member of the Executive Management and served professionally in that position until August 2007. Most recently he has diligently anchored the sales process regarding GN ReSound. Since the sales process has now been abandoned, the Supervisory Board and Jens Due Olsen have reached a mutual understanding that – in light of GN's new governance structure – the timing was right for him to leave GN.

Consequently, CEO Toon Bouten and CFO Anders Boyer make up the Executive Management of GN until the above-mentioned governance structure has been implemented.

It has also been agreed that GN ReSound CEO Jesper Mailind will leave when GN has a new CEO in place to lead GN ReSound and GN Otometrics. Jesper Mailind joined GN in 1997 and became a member of the Executive Management in 2003. He has headed GN ReSound during the process of integrating the five companies acquired in 1999-2005 and has achieved substantial margin improvements. Following the agreement with Sonova in October 2006, it was already clear that Jesper Mailind would be leaving GN ReSound after a potential sale. The Supervisory Board fully understands that Jesper Mailind feels it is time for a change. He has now spent more than 10 years with the company and consequently we have agreed to part ways once the new CEO is in place.



Outlook for 2007

Outlook for 2007 and Financial Highlights for 2006, Q3/2007 and Q3/2006

(DKK million)	Outlook for 2007 (Nov. 6)	Outlook for 2007 (Aug. 15)	2006	Q3 2007	Q3 2006	change Q3-o-Q3
	DKK/USD: 5.25	DKK/USD: 5.50	DKK/USD: 5.95	DKK/USD: 5.42	DKK/USD: 5.86	DKK/USD: (7.5)%
Headsets and Other Activities						
Revenue						
Contact Center & Office Headsets incl. Hello Direct	approx. 1,550-1,600	approx. 1,600-1,700	1,587	366	349	5%
Mobile Headsets*	approx. 1,300	approx. 1,500	1,809	304	355	(14)%
Other			17	3	7	(57)%
GN total*	approx. 2,850-2,900	approx. 3,100-3,200	3,413	673	711	(5)%
EBITA excluding non-recurring items						
Contact Center & Office Headsets	approx. 300	325-350	234	48	21	129%
Mobile Headsets	approx. (150)	(125)-(175)	(125)	(38)	(44)	14%
Other	approx. (50)	approx. (50)	(39)	6	(3)	N/A
GN total*	approx. 100	100-175	70	16	(26)	N/A
EBITA including non-recurring items						
Contact Center & Office Headsets			103	47	(39)	N/A
Mobile Headsets			(184)	(41)	(84)	51%
Non-recurring items	(50)-(100)	(50)-(100)	-	-	-	-
Other			(39)	6	(3)	N/A
GN total	0-50	0-125	(120)	12	(126)	N/A
Amortization, net finance etc.						
GN total	approx. (75)	approx. (75)	(34)	(18)	(5)	260%
EBT including non-recurring items						
GN total	(75)-(25)	(75)-50	(154)	(6)	(131)	95%
Cash flow from operating operations						
GN total	no guidance	no guidance	231	(22)	(119)	N/A
GN ReSound (HI and ADE)						
Revenue*	approx. 3,200	-	3,353	755	802	(6)%
EBITA*	approx. 400-450	500-550	382	55	102	(46)%
Estimated transaction costs						
	approx. 275					

*uncertainty due to the ongoing restructuring in Headsets and the discontinued strategic process in GN ReSound

Headsets & Other Activities

CC&O Headsets expect EBITA at DKK 300 million. This is a reduction of DKK 25-50 million due to the continued disappointing development in North America. Due to the development in North America and the weakening of the USD versus DKK the CC&O Headsets revenue guidance is lowered to approximately DKK 1,550-1,600 million. The new revenue guidance however still implies more than 10% organic growth for Q4 driven by continued strong growth in Europe and Asia, improved performance in North America and supported by headsets sales related to Microsoft® Office Communicator 2007. Hello Direct is expected to contribute with revenue of approximately DKK 275-300 million and EBITA of around DKK 25 million to the CC&O Headsets guidance.

Mobile Headsets expects revenue of approximately DKK 1,300 million and EBITA of approximately DKK (150) million. This EBITA level is at the mid point of the previously guided range. Market observers have made a significant downward revision of the full-year market growth expectations for mobile headsets in general and this has led to the lowered revenue guidance. During the first three quarters of 2007, GN won a number of important new OEM programs, but a large majority of them will not take effect until late 2007 and 2008. The new revenue guidance implies that Mobile Headsets will deliver flat organic growth in Q4 2007 compared to Q4 2006 and 30% higher revenue than in Q3 2007. An EBITA in Q4 2007 of approximately break even is embedded in the guidance. The Mobile Headsets outlook remains subject to substantial uncertainty, as GN's current product programs to a certain extent rely on the timing and success of the relevant mobile phones.



Other costs are expected to be unchanged at approximately DKK 50 million.

The full-year EBITA guidance for CC&O Headsets, Mobile Headsets and Other Activities, previously guided together as continuing operations, is reduced from approximately DKK 100-175 million to approximately DKK 100 million, exclusive of restructuring and non-recurring costs which are unchanged at approximately DKK 50-100 million. The guidance is subject to uncertainty due to the ongoing restructuring of production, fulfillment and logistical services.

Amortization and net financial items are unchanged at DKK (75) million.

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

Hearing Instruments and Audiologic Diagnostics Equipment

Hearing Instruments and Audiologic Diagnostics Equipment previously guided together as GN ReSound under discontinued operations expects full year EBITA of DKK 400-450 million, which is DKK 100 million lower than previously expected. The reduction is a consequence of lowered full year revenue expectation, lawyers' fees and settlement costs in a lawsuit against GN ReSound. Revenue outlook in GN ReSound is subject to uncertainty due to the impact from the now discontinued strategic process. Given the situation and based on actual revenues in Q3 the new guidance is based on expected negative organic growth in Hearing Instruments in Q4 of between 6%-10%. On this basis the GN ReSound full year revenue guidance is approximately DKK 3,200 million. Audiologic Diagnostics Equipment is expected to contribute to the GN ReSound guidance with revenue of approximately DKK 325-350 million and EBITA of just below DKK 25 million.

The decision to cancel the strategic process regarding GN ReSound entails that all costs associated hereto will be expensed. These costs amount to approximately DKK 275 million, and include advisor fees, retention costs and severance payment to employees, and costs associated with splitting IT etc. into two separate functions. DKK 49 million related to the abandoned transaction with Sonova were already expensed in Q3 and the remaining costs will be expensed in Q4.

In light of the decision to keep GN ReSound within GN, GN ReSound will be classified as continuing operations in the Interim Reports for Q4 2007 onwards as well as in the Annual Report for 2007. Investor-specific statements for GN ReSound will be released later in November 2007.

DPTG

DPTG I/S, in which GN has a 75% ownership interest, is still a party to arbitration proceedings with Telekomunikacja Polska S.A (TPSA). As previously announced, developments in the case has 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. Early October 2007, the arbitration tribunal decided to ask a second expert to review the modeling. The next hearing in the matter is set for December 2007.

As approximately 60% of both revenue and costs is generated in US dollars or US dollar-related currencies, GN's long-term industrial competitiveness and EBITA are resilient to likely US dollar fluctuations. Short-term fluctuations in the US 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)	Q3 2007 (unaud.)	Q3 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	673	711	2,047	2,573	3,413
Operating profit (loss)	12	(128)	(22)	(111)	(129)
Profit (loss) from ordinary activities before tax	(6)	(131)	(62)	(109)	(154)
Profit (loss) from continuing operations	(10)	(120)	(21)	(127)	(55)
Profit (loss) from discontinuing operations	0	74	246	244	403
Profit (loss) for the period	(10)	(46)	225	117	348
Earnings – Investor-specific highlights					
Earnings before depreciation, amortization and impairment (EBITDA)	38	(99)	68	(37)	(15)
Earnings before amortization and impairment of goodwill and other intangible assets acquired in company acquisitions (EBITA)	12	(126)	(16)	(105)	(120)
Balance sheet					
Share capital	833	855	833	855	855
Group equity	4,875	4,711	4,875	4,711	4,900
Total assets	8,191	8,075	8,191	8,075	8,227
Net interest-bearing debt (including discontinuing operations)	(1,346)	(1,448)	(1,346)	(1,448)	(1,387)
Cash flow					
Cash flow from operating activities (CFFO)	(22)	(119)	197	(8)	231
Cash flow from investing activities	(48)	(59)	(157)	(344)	(458)
Total cash flow from operating and investing activities	(70)	(178)	40	(352)	(227)
Development costs					
Development costs incurred for the period	48	43	132	139	179
Restructuring costs					
Restructuring recognized in income statement	(4)	-	(4)	-	(2)
Restructurings, paid	(4)	-	(4)	-	-
Investments					
Plant and machinery etc.	12	11	35	48	214
Real property including leasehold improvements	7	69	28	229	148
Development projects, developed in-house	28	25	68	73	96
Other intangible assets excluding goodwill	6	12	19	50	52
Total (excluding company acquisitions)	53	117	150	400	510
Depreciation and impairment of property, plant and equipment and amortization of intangible assets					
Depreciation and impairment of property, plant and equipment and amortization of intangible assets	53	48	160	126	184
Impairment of intangible assets	-	-	-	-	-
Key ratios					
EBITA margin	1.8 %	(17.7)%	(0.8)%	(4.1)%	(3.5)%
Return on invested capital including goodwill (ROIC including goodwill)*	0.7 %	(6.9)%	(1.0)%	(5.9)%	(7.0)%
Return on equity	(0.2)%	(1.0)%	4.6 %	2.3 %	6.8 %
Equity ratio	59.5 %	58.3 %	59.5 %	58.3 %	59.6 %
Key ratios per share					
Earnings per share basic (EPS)	(0.05)	(0.22)	1.11	0.57	1.71
Earnings per share diluted (EPS diluted)	(0.05)	(0.22)	1.10	0.57	1.69
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc.	0.00	(0.17)	1.25	0.99	2.20
Earnings per share excluding amortization and impairment of intangible assets and restructurings, etc., diluted	0.00	(0.17)	1.25	0.98	2.18
Cash flow from operating activities per share (CFPS)	(0.11)	(0.58)	0.97	(0.04)	1.12
Book value per DKK 4 share	23	23	23	23	23
Share price at the end of the period	53	90	53	90	84
Employees					
Average number	4,890	5,315	5,001	5,565	5,483
Average number (continuing operations)	1,575	1,925	1,655	2,088	2,028

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



Accounting policies

This Interim Report 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 673 million versus DKK 711 million in Q3 2006. The decrease was primarily due to fluctuations in foreign exchange rates. CC&O Headsets improved from (2)% organic growth in Q2 to 8% in Q3 mainly driven by the continued strong performance in Europe. Mobile Headsets also improved from (54)% organic growth in Q2 to (12)% in Q3.

Revenue was DKK 295 million in North America, DKK 313 million in Europe and DKK 65 million in Asia and the rest of the world.

New products and product upgrades launched in the past 24 months contributed almost 58% of overall revenue.

Q3 2007 gross profit was DKK 294 million against DKK 229 million in Q3 2006, and the gross margin improved to 44% from 32% in the year-earlier period. The overall increase in the gross margin was primarily driven by a substantial increase in the gross margin of Mobile Headsets from 5% in Q3 2006 to 19% in Q3 2007. A change in the product mix with a higher share of CC&O Headsets revenue and a lower share of Mobile Headsets revenue also contributed to the gross margin increase.

The expensed selling, distribution and administrative costs amounted to DKK 209 million, compared to DKK 296 million in Q3 2006. This reflects the discontinuation of the 2006 try-'n'-buy campaigns and the ongoing restructuring of the business. Development costs incurred were DKK 48 million, which was DKK 5 million higher than in the same period of last year. In general, GN plans to maintain the current level of development activities but some R&D resources will be transferred from Mobile Headsets to CC&O Headsets.

Exclusive of DKK 4 million non-recurring costs related to the supply chain restructuring, Q3 EBITA was DKK 16 million, compared to DKK (126) million in Q3 2006. Last year's result was impacted by non-recurring costs of DKK (100) million relating to losses on the try-'n'-buy campaigns (DKK (60) million) and non-recurring inventory write downs in Mobile Headsets (DKK (40) million).

Amortization of acquired intangible assets was DKK 0 million and net financial items for the quarter were DKK (18) million.

GN's profit before tax was DKK (6) million against DKK (131) million in Q3 2006.



GN had an average of 1,575 employees during the quarter, against 1,925 in Q3 2006. The reduction reflects the discontinuation of Hello Direct's try-'n'-buy campaigns, the ongoing transfer of GN's own production staff to third parties and a general streamlining of the organisation.

Implementation of the strategy presented on February 22, 2007 continues as planned. The new, market-oriented organization with four focused business units has been implemented and the number of employees has been adjusted following a general streamlining of the organisation. Also, the development of two new product platforms for the Mainstream products has been completed and products on these platforms are currently being mass produced.

Further, as an important milestone in the restructuring of GN's headset supply chain, GN signed a supply chain agreement in late September through which it intends to expand its relationship with a major global electronics manufacturing services (EMS) provider to include production, fulfillment and other logistical services. As part of the expanded relationship, GN has started up fulfillment operations at the EMS provider's facility in the Czech Republic. The other two fulfillment centres in North America and Asia are expected to be started up during the first half of 2008 and fully operational before the high season in 2008.

CC&O Headsets

CC&O Headsets, excluding Hello Direct, reported Q3 revenue of DKK 293 million corresponding to an 9% organic growth relative to the year-earlier period and up from flat organic growth in Q2. Growth remained strong in Europe, CC&O Headsets' largest and most profitable region, where organic growth was 10%. The Asia Pacific region grew by 36% organically albeit from a low level. Revenue in North America was a disappointment however, falling by 9% organically as the market continued to decline and as the underperformance of GN's sales activities persisted. GN expects performance in North America to improve in Q4 and into 2008, as several changes has been made to the sales organisation including an expanded focus on and increase in the resources available to Contact Center resellers and other specialist tech channels.

At the end of Q3, GN started shipping VoIP Jabra Headsets optimized for Microsoft® Office Communicator 2007. GN's wireless Jabra GN9330 USB OC headset and the Jabra GN9350 OC headset are the first long-range wireless DECT headsets optimized for Microsoft® Office Communicator 2007. The headsets feature wideband sound quality as well as plug-'n'-play capabilities and a wireless range of up to 100 meters. The two wireless headsets join the corded Jabra GN2000 USB OC in a series of optimized Jabra headsets that offer full compatibility with Office Communicator 2007. Financially, the headsets for Microsoft® Office Communicator 2007 had only limited effect on the Q3 results but are expected to have a positive effect from Q4 2007 onwards.

The CC&O Headsets revenue consisted of approximately DKK 134 million from the contact center market and DKK 159 million from the office market (excluding Hello Direct).

Hello Direct generated revenue of DKK 73 million representing 9% organic growth. The business was profitable, confirming, as in the two first quarters of 2007, that Hello Direct's traditional business model has been stabilised.



Revenue was DKK 150 million in North America, DKK 178 million in Europe and DKK 38 million in Asia and the rest of the world.

In Q3, GN had an innovation rate of 23%, compared to 17% in Q3 2006. Wireless products contributed 45% of Q3 revenue, compared to 41% in Q3 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 66%, four percentage points higher than in Q3 2006. The gross margin improvement was due to Europe's stronger contribution.

Due to summer holiday season in Europe, CC&O Headsets revenue and consequently also earnings are normally lower in the third quarter than the other quarters of the year. EBITA, exclusive of Hello Direct and non-recurring costs of DKK 1 million, was DKK 41 million (EBITA margin of 14.0%), equal to DKK 39 million (EBITA margin of 14.2%) in the same period of last year. Inclusive of Hello Direct, CC&O Headsets achieved an EBITA of DKK 47 million corresponding to an EBITA margin of 12.8%, compared to DKK (39) million and an EBITA margin of (11.2)% in Q3 2006. Last year's results were impacted by non-recurring costs of DKK 60 million. The selling, distribution and administrative costs and the R&D costs incurred were DKK 173 million compared to DKK 235 million in Q3 2006, a DKK 62 million reduction mainly due to last year's losses in Hello Direct.

Mobile Headsets

The Mobile Headsets business generated revenue of DKK 304 million, equal to negative organic growth of (12)% relative to the third quarter of last year. Organic growth improved from (54)% in Q2. The negative organic growth in Q3 reflected lower sales in the Mainstream segment including to one specific mobile phone manufacturer following a sharp drop in the customer's sales of mobile phones. Revenue from Premier products also suffered from the general market shift towards the lower end of the mobile headset market.

Q3 Mobile Headset revenue breaks down as follows: DKK 58 million from Premier and DKK 246 million from Mainstream, of which DKK 119 million was from OEM customers.

Revenue was DKK 146 million in North America, DKK 131 million in Europe and DKK 27 million in Asia and the rest of the world.

Bluetooth enabled products constitute most of the revenue. The innovation rate remained above 90%.

Gross margin was 19% compared to 16% in Q3 2006 adjusted for one-offs. The gross margin has increased following general improvements.

EBITA was DKK (38) million ((12.5)%) before non-recurring costs of DKK 3 million compared to DKK (44) million ((12.4)%) in Q3 2006 before non-recurring costs of DKK 40 million. The selling, distribution and administrative costs and R&D costs incurred amounted to DKK 96 million, and were roughly unchanged from Q3 2006. The Mainstream business improved significantly and achieved a positive EBITA in Q3 2007.



During the first three quarters of 2007, GN has won a number of new important OEM programs. 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. GN's current portfolio of OEM programs is spread across a number of large accounts with a good mix of new and established programs.

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

Other Activities

The GN Great Nordic Telegraph Company and other activities reported Q3 revenue of DKK 3 million. Other Business Activities which include costs related to shared functions, reported an EBITA of DKK 6 million. The positive EBITA was due to among others reversal of certain depreciation charges on GN's corporate headquarters.

Balance Sheet

Total assets amounted to DKK 8,191 million at September 30, 2007, compared to DKK 8,278 million at June 30, 2007. The item "Assets held for sale" of DKK 5,637 million consisted mainly of GN ReSound, which is recognized as a single line item. Property, plant and equipment amounted to DKK 498 million, of which DKK 417 million related to GN's corporate headquarters in Ballerup, Denmark.

Relative to June 30, 2007, trade receivables have increased to DKK 563 million from DKK 491 million mainly reflecting the higher activity level in Q3. In order to prepare for the traditional high season in Q4, inventories increased by DKK 99 million during the quarter to DKK 381 million. Cash and cash equivalents fell by DKK 1 million during the quarter to DKK 71 million.

Equity was DKK 4,875 million, compared to DKK 5,063 million at the end of the second quarter.

Net interest-bearing debt increased to DKK 1,346 million compared to DKK 1,272 million at the end of the second quarter, partly as a result of the inventory build up in preparation for the high season.

Cash Flow

Cash flow from operations was DKK (22) million against DKK (119) million in Q3 2006.

Cash flow from investments was DKK (48) million against DKK (59) million in Q3 2006. Investments in GN's new corporate headquarters amounted to DKK 5 million in Q3 2007, compared with DKK 62 million in the same period last year.

The free cash flow was DKK (70) million against DKK (178) million in Q3 2006.

Share Option Plans

There were a total of 2,530,933 outstanding share options (average strike price 61) at September 30, 2007, corresponding to 1.2% of the share capital. Members of the



Executive Management (incl. Jens Due Olsen) 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 1,908,622 share options (average strike price 61). The 'other employees' holding includes 1,298,402 share options held by employees of GN ReSound.

A total of 20,000 options were exercised in the third quarter. Members of the Executive Management did not exercise any options during the quarter.

Shareholdings

At November 6, 2007, members of the Supervisory Board and the Executive Management, respectively, held 38,210 and 15,669 shares in GN.

At September 30, 2007, GN held 4,862,082 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 relative to June 30, 2007. 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 before tax of DKK 86 million, equal to an EBITA of DKK 55 million, calculated as if GN ReSound had been treated as continuing operations in Q3 2007.

Q3 2007 revenue from GN ReSound was DKK 755 million. Hearing Instruments were negatively impacted by the strategic process and generated (4)% organic growth relative to the year-earlier period. Unit growth was flat. Based on a detailed list of lost revenue country for country, GN estimates that revenue growth on a full year basis will be negatively affected by at least 5 percentage points with the second half of the year being the most affected.

At the EUHA congress in October 2007 GN ReSound introduced a new super power product for people with a very severe hearing impairment. This brings the total number of launches in the year to date to 9 plus 5 product extensions. GN has previously indicated that a total of 12 new products would be launched globally this year under the ReSound or Beltone brands. GN ReSound is ready to launch new products when it is believed the company gets the needed attention among the dispensers which means that some launches might be postponed into early 2008. The company has a strong pipeline for 2008 which is the result of the strategy of consistently investing substantial amounts into product development. Accordingly, development costs incurred increased by 13% to DKK 78 million, compared to DKK 69 million in Q3 2006.

The gross margin in Hearing Instruments was 64%, compared with 63% in Q3 2006. The positive performance was primarily due to last year's restructuring measures in Interton.

Total Q3 EBITA was DKK 55 million and the hearing instrument division's EBITA was DKK 53 million corresponding to an EBITA margin of 7.8%, compared to 14.6% in Q3



2006. The deteriorated performance was due to the negative revenue growth and extraordinary costs in terms of lawyer's fees and settlement costs in a lawsuit against GN ReSound involving patent infringement regarding digital hearing aids. The parties have agreed not to disclose the settlement amount.

EBITA for Audiologic Diagnostics Equipment was DKK 2 million.

Other Discontinuing Operations

DKK (49) million was expensed in Q3 comprising costs related to the now abandoned Sonova transaction and accrued cost related to retention programs. The amount was expensed under discontinued operations but does not affect GN ReSound's financial results.

The financial results as well as selected key figures for the discontinuing operations are provided in note 1 to the financial statements on pages 22-23.



Income statement		Consolidated				
Note	(DKK millions)	Q3 2007 (unaud.)	Q3 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
	Revenue	673	711	2,047	2,573	3,413
	Production costs	(389)	(495)	(1,233)	(1,656)	(2,224)
	Gross profit	284	216	814	917	1,189
	Development costs	(46)	(37)	(131)	(118)	(151)
	Selling and distribution costs	(144)	(207)	(436)	(622)	(792)
	Management and administrative expenses	(82)	(104)	(269)	(293)	(379)
	Other operating income	-	4	-	5	4
	Operating profit (loss)	12	(128)	(22)	(111)	(129)
	Gains/losses on disposal of operations	-	4	-	11	12
	Profit (loss) before financial items	12	(124)	(22)	(100)	(117)
	Financial income	-	7	9	27	24
	Financial expenses	(18)	(14)	(49)	(36)	(61)
	Profit (loss) from continuing operations before tax	(6)	(131)	(62)	(109)	(154)
	Tax on profit (loss) from continuing operations	(4)	11	41	(18)	99
	Profit (loss) from continuing operations	(10)	(120)	(21)	(127)	(55)
1	Profit from discontinuing operations	0	74	246	244	403
	Profit (loss) for the period	(10)	(46)	225	117	348
	Earnings per share (EPS)					
	Earnings per share (EPS)	(0.05)	(0.22)	1.11	0.57	1.71
	Earnings per share, fully diluted (EPS diluted)	(0.05)	(0.22)	1.10	0.57	1.69
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	0.00	(0.17)	1.25	0.99	2.20
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	0.00	(0.17)	1.25	0.98	2.18
	Earnings per share, continuing operations					
	Earnings per share (EPS)	(0.05)	(0.59)	(0.10)	(0.63)	(0.27)
	Earnings per share, fully diluted (EPS diluted)	(0.05)	(0.58)	(0.10)	(0.61)	(0.27)
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	(0.03)	(0.58)	(0.05)	(0.59)	(0.24)
	Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	(0.03)	(0.57)	(0.05)	(0.58)	(0.23)



Assets		Consolidated				
Note	(DKK millions)	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
	Non-current assets					
	Goodwill	427	445	450	455	2,856
	Development projects, developed in-house	118	113	114	115	528
	Software	60	64	65	66	116
	Patents and rights	1	2	3	4	61
	Telecommunications systems	21	23	25	27	30
	Other intangible assets	69	74	77	79	329
	Total intangible assets	696	721	734	746	3,920
	Factory and office buildings	398	394	385	244	172
	Leasehold improvements	7	6	6	6	41
	Plant and machinery	59	64	69	73	97
	Operating assets and equipment	26	28	28	26	104
	Leased plant and equipment	-	-	-	-	2
	Assets under construction	8	9	15	152	305
	Total property, plant and equipment	498	501	503	501	721
	Investments in associates	-	-	-	-	99
	Other securities	4	4	4	4	6
	Other receivables	11	11	10	10	24
	Deferred tax assets	219	221	211	196	639
	Total other non-current assets	234	236	225	210	768
	Total non-current assets	1,428	1,458	1,462	1,457	5,409
	Current assets					
	Inventories	381	282	222	316	834
	Trade receivables	563	491	586	604	1,243
	Receivables from associates	-	-	-	-	8
	Receivables from discontinued operations	14	72	54	14	-
	Tax receivable	3	16	21	89	36
	Other receivables	60	70	78	73	324
	Prepayments	34	33	41	31	123
	Total receivables	674	682	780	811	1,734
	Cash and cash equivalents	71	72	42	47	98
1	Assets held for sale	5,637	5,784	5,642	5,596	-
	Total current assets	6,763	6,820	6,686	6,770	2,666
	Total assets	8,191	8,278	8,148	8,227	8,075



Equity and Liabilities		Consolidated				
Note	(DKK millions)	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
	Equity					
	Share capital	833	833	855	855	855
	Foreign exchange adjustments	(1,810)	(1,633)	(1,580)	(1,531)	(1,383)
	Retained earnings	5,852	5,863	5,680	5,576	5,239
	Total equity	4,875	5,063	4,955	4,900	4,711
	Non-current liabilities					
	Bank loans	1,250	1,200	1,200	1,250	1,209
	Capitalized lease obligations	-	-	-	-	2
	Other long-term payables	-	-	-	-	18
	Received prepayments	-	-	-	-	36
	Pension obligations and similar obligations	1	1	1	1	66
	Deferred tax	72	55	98	72	235
	Other provisions	14	16	14	21	151
	Total non-current liabilities	1,337	1,272	1,313	1,344	1,717
	Current liabilities					
	Repayment of long-term loans	-	-	-	-	2
	Bank loans	89	112	103	102	335
	Trade payables	226	169	152	220	300
	Tax payable	11	-	-	10	46
	Other payables	297	261	245	270	615
	Received prepayments	-	-	-	-	63
	Other provisions	54	63	70	55	249
		677	605	570	657	1,610
1	Liabilities associated with assets classified as held for sale	1,302	1,338	1,310	1,326	37
	Total current liabilities	1,979	1,943	1,880	1,983	1,647
	Total liabilities	3,316	3,215	3,193	3,327	3,364
	Total equity and liabilities	8,191	8,278	8,148	8,227	8,075



Cash Flow Statement		Consolidated				
Note	(DKK millions)	Q3 2007 (unaud.)	Q3 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Operating activities						
	Operating profit (loss)	12	(131)	(22)	(113)	(129)
	Depreciation, amortization and impairment	53	48	160	126	184
	Other adjustments	(9)	45	16	48	12
	Cash flow from operating activities before changes in working capital	56	(38)	154	61	67
	Change in inventories	(104)	(32)	(89)	(73)	60
	Change in receivables	(80)	149	30	143	126
	Change in trade payables and other payables	101	(207)	52	(131)	(1)
	Total changes in working capital	(83)	(90)	(7)	(61)	185
	Cash flow from operating activities before financial items, restructurings and tax	(27)	(128)	147	-	252
	Interest and dividends, etc. received	3	11	3	11	15
	Interest paid	(20)	-	(47)	(13)	(61)
	Restructurings, paid	(4)	-	(4)	-	-
	Tax paid, net	26	(2)	98	(6)	25
	Cash flow from operating activities	(22)	(119)	197	(8)	231
Investing activities						
	Acquisition of intangible assets excluding development projects	(8)	(12)	(19)	(50)	(51)
	Development projects, acquired and developed in-house	(28)	(25)	(68)	(73)	(97)
	Acquisition of property, plant and equipment	(12)	(74)	(73)	(277)	(368)
	Disposal of property, plant and equipment	-	3	3	7	9
	Sale of disposed operations, including liabilities settled in connection with disposal of activities, etc.	-	49	-	49	49
	Cash flow from investing activities	(48)	(59)	(157)	(344)	(458)
	Cash flow from operating and investing activities	(70)	(178)	40	(352)	(227)
Financing activities						
	Repayment and increase of non-current liabilities	50	(58)	-	793	850
	Repayment and increase of short-term bank loans	(23)	22	(13)	(51)	(119)
	Share options exercised	3	5	17	28	60
	Acquisitions of treasury shares	-	-	-	(400)	(400)
	Paid dividends to shareholders	-	-	-	(124)	(124)
	Change in balances with discontinuing operations	58	225	-	116	69
	Foreign exchange adjustments etc.	2	(30)	1	(2)	(8)
	Cash flow from financing activities	90	164	5	360	328
	Net cash flow from continuing operations	20	(14)	45	8	101
1	Net cash flow from discontinuing operations	(54)	(149)	(2)	(28)	(100)
	Net cash flow	(34)	(163)	43	(20)	1
	Cash and cash equivalents beginning of the period	196	261	118	120	120
	Adjustment foreign exchange, cash and cash equivalents	(1)	-	-	(2)	(3)
	Cash and cash equivalents, beginning of the period	195	261	118	118	117
	Cash and cash equivalents, end of the period	161	98	161	98	118
	Of which :					
	Cash and cash equivalents, continuing operations	71	33	71	33	47
	Cash and cash equivalents, classified as assets held for sale	90	65	90	65	71

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



Statement of recognized income and expense		Consolidated			
(DKK millions)	Q3 2007 (unaud.)	Q3 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.	(177)	24	(279)	(297)	(445)
Issued share options	3	5	9	9	13
Tax on changes in equity	(7)	(2)	3	29	93
Total income and expense recognized directly in equity	(181)	27	(267)	(259)	(333)
Profit (loss) for the period	(10)	(46)	225	117	348
Total recognized income for the period	(191)	(19)	(42)	(142)	15
Of which:					
Total recognized income for the period, continuing operations	(58)	(100)	(81)	(155)	(46)
Total recognized income for the period, discontinuing operations	(133)	81	39	13	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	-	(297)	-	155	(142)
Capital decrease	(24)	-	-	24	-
Share options exercised	-	-	-	28	28
Purchase of treasury shares	-	-	-	(400)	(400)
Paid dividends to shareholders	-	-	(124)	-	(124)
Dividends, treasury shares	-	-	(8)	8	-
Balance sheet total at September 30, 2006	855	(1,383)	-	5,239	4,711
Development in equity during the period					
Total recognized income and expense, cf. the Statement of recognized income and expense	-	(148)	-	305	157
Share options exercised	-	-	-	32	32
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	-	(279)	-	237	(42)
Capital decrease	(22)	-	-	22	-
Share options exercised	-	-	-	17	17
Balance sheet total at September 30, 2007	833	(1,810)	-	5,852	4,875



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

(DKK millions)	Consolidated				
	Q3 2007 (unaud.)	Q3 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Profit from discontinuing operations					
a) Profit before tax, discontinuing operations*	86	77	371	259	417
Costs regarding the sale of discontinuing operations	(45)	-	(45)	-	-
Termination of joint corporate functions	(4)	-	(4)	-	(14)
Adjustment of other discontinuing activities	-	-	28	-	25
Tax	(37)	(3)	(104)	(15)	(25)
Total	0	74	246	244	403
Earnings per share for discontinuing operations					
Earnings per share (EPS)	0.00	0.37	1.21	1.20	1.98
Earnings per share, fully diluted (EPS diluted)	0.00	0.36	1.21	1.18	1.96
Earnings per share excluding amortization and impairment of intangible assets and restructuring etc.	0.03	0.41	1.31	1.58	2.43
Earnings per share excluding amortization and impairment of intangible assets and restructuring etc., fully diluted	0.03	0.40	1.30	1.56	2.41
Assets held for sale					
b) Assets, discontinuing operations	5,533	-	5,533	-	5,525
Prepaid expenses regarding the sale of discontinuing operations	104	-	104	-	71
Total	5,637	-	5,637	-	5,596
Liabilities associated with assets held for sale					
c) Liabilities, discontinuing operations	1,258	-	1,258	-	1,304
Liabilities related to termination of joint corporate functions	6	-	6	-	8
Other provisions	38	37	38	37	14
Total	1,302	37	1,302	37	1,326
Net cash flow from discontinuing operations					
Cash flow from operating activities	108	104	266	141	260
Cash flow from investing activities	(101)	(52)	(278)	(28)	(264)
Cash flow from financing activities	(61)	(201)	10	(141)	(96)
Total	(54)	(149)	(2)	(28)	(100)
Investor related statements – discontinuing operations					
Revenue					
Hearing Instruments	676	732	2,167	2,225	3,032
Audiologic Diagnostics Equipment	79	70	241	230	321
Total	755	802	2,408	2,455	3,353
Gross Profit					
Hearing Instruments	436	462	1,408	1,393	1,909
Audiologic Diagnostics Equipment	35	29	106	108	154
Total	471	491	1,514	1,501	2,063
EBITA					
Hearing Instruments	53	107	301	255	377
Audiologic Diagnostics Equipment	2	(5)	4	(2)	5
Total	55	102	305	253	382

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

a) Profit before tax – Discontinuing Operations

(DKK millions)	Consolidated				
	Q3 2007 (unaud.)	Q3 2006 (unaud.)	YTD 2007 (unaud.)	YTD 2006 (unaud.)	Total 2006 (aud.)
Income statement					
Revenue	755	802	2,408	2,455	3,353
Production costs	(284)	(319)	(894)	(978)	(1,320)
Gross profit	471	483	1,514	1,477	2,033
Development costs	(66)	(55)	(183)	(172)	(233)
Selling and distribution costs	(238)	(239)	(712)	(751)	(995)
Management and administrative expenses	(90)	(95)	(248)	(318)	(417)
Other operating income	3	2	8	(4)	(2)
Operating profit before share of profit (loss) in associates	80	96	379	232	386
Share of profit (loss) in associates	-	(1)	-	(6)	-
Operating profit	80	95	379	226	386
Gains/losses on disposal of operations	-	(4)	(2)	55	54
Profit before financial items	80	91	377	281	440
Financial income	22	(10)	33	4	39
Financial expenses	(16)	(4)	(39)	(26)	(62)
Profit before tax	86	77	371	259	417



b) Assets – Discontinuing Operations

Assets (DKK millions)	Consolidated Proforma				
	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
Non-current assets					
Goodwill	2,176	2,262	2,290	2,304	2,386
Development projects	554	531	495	461	422
Software	70	65	65	63	45
Patents and rights	56	56	56	56	56
Other intangible assets	227	233	235	237	245
Total intangible assets	3,083	3,147	3,141	3,121	3,154
Factory and office buildings	98	99	99	98	99
Leasehold improvements	40	39	38	36	34
Plant and machinery	89	80	73	66	59
Operating assets and equipment	91	90	83	78	73
Leased plant and equipment	2	2	2	2	2
Assets under construction	1	-	-	1	-
Total property, plant and equipment	321	310	295	281	267
Investments in associates	56	57	58	64	99
Other securities	73	68	66	58	2
Other receivables	1	1	4	1	13
Deferred tax assets	460	483	479	498	379
Total other non-current assets	590	609	607	621	493
Total non-current assets	3,994	4,066	4,043	4,023	3,914
Current assets					
Inventories	367	378	376	391	363
Trade receivables	706	717	713	739	705
Receivables from continuing operations	-	-	-	-	45
Receivables from associates	13	13	12	11	8
Tax receivable	43	43	17	12	40
Other receivables	207	206	193	172	214
Prepayments	113	122	120	106	108
Total receivables	1,082	1,101	1,055	1,040	1,120
Cash and cash equivalents	90	124	92	71	65
Total current assets	1,539	1,603	1,523	1,502	1,548
Total assets	5,533	5,669	5,566	5,525	5,462

c) Liabilities – Discontinuing Operations

Liabilities (DKK millions)	Consolidated Proforma				
	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
Non-current liabilities					
Bank loans	-	-	-	-	9
Capitalized lease obligations	1	1	1	1	2
Other long-term payables	19	20	15	13	18
Received prepayments	35	36	35	37	36
Pension obligations and similar obligations	39	45	45	51	65
Deferred tax	113	113	56	56	50
Other provisions	60	64	59	60	112
Total non-current liabilities	267	279	211	218	292
Current liabilities					
Amounts owed to continuing operations	14	72	54	14	-
Repayment of long-term loans	1	1	2	3	2
Bank loans	167	154	226	150	178
Trade payables	131	165	167	232	168
Tax payable	29	27	29	93	84
Other payables	427	391	376	372	353
Received prepayments	64	65	64	63	63
Other provisions	158	156	159	159	190
Total current liabilities	991	1,031	1,077	1,086	1,038
Total liabilities	1,258	1,310	1,288	1,304	1,330



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.)	Q3 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Revenue	915	947	711	840	753	621	673	2,573	2,047	3,413
Production costs	(529)	(614)	(482)	(554)	(460)	(362)	(379)	(1,625)	(1,201)	(2,179)
Gross profit	386	333	229	286	293	259	294	948	846	1,234
Development costs	(40)	(56)	(43)	(40)	(38)	(46)	(48)	(139)	(132)	(179)
Selling and distribution costs	(195)	(215)	(207)	(166)	(145)	(145)	(139)	(617)	(429)	(783)
Management and administrative expenses	(82)	(86)	(89)	(66)	(76)	(73)	(70)	(257)	(219)	(323)
Other operating income	-	1	4	(1)	-	-	-	5	-	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)	37	(60)	66	(47)
Capitalized development costs	23	25	24	24	19	21	27	72	67	96
Amortized development costs	(16)	(16)	(17)	(15)	(17)	(22)	(26)	(49)	(65)	(64)
EBITDA	76	(14)	(99)	22	36	(6)	38	(37)	68	(15)
Depreciation and amortization relating to:										
Production	(9)	(9)	(13)	(14)	(11)	(11)	(10)	(31)	(32)	(45)
Selling and distribution	(1)	(1)	(1)	(1)	(1)	(1)	-	(3)	(2)	(4)
Administration	(9)	(12)	(13)	(22)	(16)	(18)	(16)	(34)	(50)	(56)
EBITA	57	(36)	(126)	(15)	8	(36)	12	(105)	(16)	(120)
Amortization of other intangible assets acquired in company acquisitions	(2)	(2)	(2)	(3)	(4)	(2)	-	(6)	(6)	(9)
Earnings before interest and tax (EBIT)	55	(38)	(128)	(18)	4	(38)	12	(111)	(22)	(129)
Gains (losses) on disposal of discontinuing operations	5	2	4	1	-	-	-	11	-	12
Financial items, net	(8)	6	(7)	(28)	(15)	(7)	(18)	(9)	(40)	(37)
Earnings before tax (EBT)	52	(30)	(131)	(45)	(11)	(45)	(6)	(109)	(62)	(154)
Margins:										
Gross profit margin	42.2 %	35.2 %	32.2 %	34.0 %	38.9 %	41.7 %	43.7 %	36.8 %	41.3 %	36.2 %
EBITA margin	6.2 %	(3.8)%	(17.7)%	(1.8)%	1.1 %	(5.8)%	1.8 %	(4.1)%	(0.8)%	(3.5)%
EBITA margin, excluding capitalization and amortization of development costs	5.5 %	(4.8)%	(18.7)%	(2.9)%	0.8 %	(5.6)%	1.5%	(5.0)%	(0.9)%	(4.5)%



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.)	Q3 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Revenue										
Contact Center & Office Headsets	447	386	349	405	400	369	366	1,182	1,135	1,587
Mobile Headsets	463	556	355	435	349	248	304	1,374	901	1,809
Other *	5	5	7	-	4	4	3	17	11	17
GN total	915	947	711	840	753	621	673	2,573	2,047	3,413
Gross profit										
Contact Center & Office Headsets	286	229	205	246	255	240	233	720	728	966
Mobile Headsets	95	98	18	40	34	15	58	211	107	251
Other *	5	6	6	-	4	4	3	17	11	17
GN total	386	333	229	286	293	259	294	948	846	1,234
Overheads excluding development costs and depreciation and amortization of assets										
Contact Center & Office Headsets	(186)	(205)	(217)	(152)	(147)	(148)	(154)	(608)	(449)	(760)
Mobile Headsets	(82)	(82)	(71)	(74)	(71)	(60)	(67)	(235)	(198)	(309)
Other *	(9)	(13)	(4)	(7)	(3)	(10)	12	(26)	(1)	(33)
GN total	(277)	(300)	(292)	(233)	(221)	(218)	(209)	(869)	(648)	(1,102)
Expensed development costs										
Contact Center & Office Headsets	(13)	(22)	(16)	(12)	(16)	(23)	(26)	(51)	(65)	(63)
Mobile Headsets	(20)	(26)	(21)	(19)	(20)	(24)	(21)	(67)	(65)	(86)
Other *	-	1	1	-	-	-	-	2	-	2
GN total	(33)	(47)	(36)	(31)	(36)	(47)	(47)	(116)	(130)	(147)
EBITDA										
Contact Center & Office Headsets	87	2	(28)	82	92	69	53	61	214	143
Mobile Headsets	(7)	(10)	(74)	(53)	(57)	(69)	(30)	(91)	(156)	(144)
Other *	(4)	(6)	3	(7)	1	(6)	15	(7)	10	(14)
GN total	76	(14)	(99)	22	36	(6)	38	(37)	68	(15)
Depreciation										
Contact Center & Office Headsets	(8)	(9)	(11)	(12)	(10)	(8)	(6)	(28)	(24)	(40)
Mobile Headsets	(7)	(8)	(10)	(15)	(9)	(9)	(11)	(25)	(29)	(40)
Other *	(4)	(5)	(6)	(10)	(9)	(13)	(9)	(15)	(31)	(25)
GN total	(19)	(22)	(27)	(37)	(28)	(30)	(26)	(68)	(84)	(105)
EBITA										
Contact Center & Office Headsets	79	(7)	(39)	70	82	61	47	33	190	103
Mobile Headsets	(14)	(8)	(84)	(68)	(66)	(78)	(41)	(116)	(185)	(184)
Other *	(8)	(11)	(3)	(17)	(8)	(19)	6	(22)	(21)	(39)
GN total	57	(36)	(126)	(15)	8	(36)	12	(105)	(16)	(120)
EBITA-margin										
Contact Center & Office Headsets	17.7 %	(1.8)%	(11.2)%	17.3 %	20.5 %	16.5 %	12.8 %	2.8 %	16.7 %	6.5 %
Mobile Headsets	(3.0)%	(3.2)%	(23.7)%	(15.6)%	(18.9)%	(31.5)%	(13.5)%	(8.4)%	(20.5)%	(10.2)%
GN total	6.2 %	(3.8)%	(17.7)%	(1.8)%	1.1 %	(5.8)%	1.8 %	(4.1)%	(0.8)%	(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.)	Q3 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Incurring development costs*										
Contact Center & Office Headsets	(16)	(26)	(18)	(17)	(15)	(17)	(19)	(60)	(51)	(77)
Mobile Headsets	(24)	(31)	(26)	(23)	(23)	(29)	(29)	(81)	(81)	(104)
Other *	-	1	1	-	-	-	-	2	-	2
GN total	(40)	(56)	(43)	(40)	(38)	(46)	(48)	(139)	(132)	(179)
Capitalized development costs										
Contact Center & Office Headsets	9	9	8	10	7	6	6	26	19	36
Mobile Headsets	14	16	16	14	12	15	21	46	48	60
GN total	23	25	24	24	19	21	27	72	67	96
Amortized development costs										
Contact Center & Office Headsets	(6)	(5)	(6)	(5)	(8)	(12)	(13)	(17)	(33)	(22)
Mobile Headsets	(10)	(11)	(11)	(10)	(9)	(10)	(13)	(32)	(32)	(42)
GN total	(16)	(16)	(17)	(15)	(17)	(22)	(26)	(49)	(65)	(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.)	Q3 2007 (unaud.)	YTD 2006 (unaud.)	YTD 2007 (unaud.)	2006 Total (aud.)
Operating activities										
Operating profit (loss)	57	(37)	(131)	(18)	4	(38)	12	(111)	(22)	(129)
Depreciation, amortization and impairment	36	42	48	58	51	56	53	126	160	184
Other adjustments	2	(1)	45	(34)	27	(2)	(9)	46	16	12
Cash flow from operating activities before changes in working capital	95	4	(38)	6	82	16	56	61	154	67
Change in inventories	45	(86)	(32)	133	84	(69)	(104)	(73)	(89)	60
Change in receivables	15	(21)	149	(17)	(7)	117	(80)	143	30	126
Change in trade payables and other payables	31	45	(207)	130	(85)	36	101	(131)	52	(1)
Total changes in working capital	91	(62)	(90)	246	(8)	84	(83)	(61)	(7)	185
Cash flow from operating activities before financial items, restructurings and tax	186	(58)	(128)	252	74	100	(27)	0	147	252
Interest and dividends, etc. received	(6)	(7)	11	(44)	(12)	(15)	(17)	(2)	(44)	(46)
Paid restructuring	-	-	-	-	-	-	(4)	-	(4)	-
Tax paid, net	(2)	(2)	(2)	31	75	(3)	26	(6)	98	25
Cash flow from operating activities	178	(67)	(119)	239	137	82	(22)	(8)	197	231
Investing activities										
Development projects, acquired and developed in-house	(23)	(25)	(25)	(24)	(19)	(21)	(28)	(73)	(68)	(97)
Acquisitions of other intangible and tangible assets, net	(100)	(137)	(83)	(90)	(34)	(35)	(20)	(320)	(89)	(410)
Sale of disposed operations, including liabilities settled in connection with disposal of activities, etc.	-	-	49	-	-	-	-	49	-	49
Cash flow from investing activities	(123)	(162)	(59)	(114)	(53)	(56)	(48)	(344)	(157)	(458)
Cash flow from operating and investing activities	55	(229)	(178)	125	84	26	(70)	(352)	40	(227)
Financing activities										
Increase/decrease in current liabilities	(114)	41	22	(68)	1	9	(23)	(51)	(13)	(119)
Acquisitions of treasury shares	(52)	(348)	-	-	-	-	-	(400)	-	(400)
Share options exercised	21	2	5	32	7	7	3	28	17	60
Increase/decrease in non-current liabilities	300	551	(58)	57	(50)	-	50	793	-	850
Paid dividends to shareholders	(103)	(21)	-	-	-	-	-	(124)	-	(124)
Change in balances with discontinuing operations	(78)	(31)	225	(47)	(40)	(18)	58	116	-	69
Foreign exchange adjustments etc.	2	26	(30)	(6)	(11)	10	2	(2)	1	(8)
Cash flow from financing activities	(24)	220	164	(32)	(93)	8	90	360	5	328
Net cash flow from continuing operations	31	(9)	(14)	93	(9)	34	20	8	45	101
Net cash flow from discontinuing operations	(18)	139	(149)	(72)	25	27	(54)	(28)	(2)	(100)
Net cash flow	13	130	(163)	21	16	61	(34)	(20)	43	1
Cash and cash equivalents beginning of the period	120	132	261	98	118	134	196	120	118	120
Adjustment foreign currency, cash and cash equivalents	(1)	(1)	-	(1)	1	1	(1)	(2)	-	(3)
Cash and cash equivalents, beginning of the period*	119	131	261	97	118	135	195	118	118	117
Cash and cash equivalents, end of the period*	132	261	98	118	134	196	161	98	161	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

Cash flow from operating activities before changes in working capital										
Headsets	99	13	(40)	10	80	21	41	72	142	82
Other	(4)	(9)	2	(4)	2	(5)	15	(11)	12	(15)
Total	95	4	(38)	6	82	16	56	61	154	67
Cash flow from operating activities before financial items, restructurings and tax										
Headsets	170	(14)	(105)	194	61	152	(53)	51	160	245
Other	16	(44)	(23)	58	13	(52)	26	(51)	(13)	7
Total	186	(58)	(128)	252	74	100	(27)	-	147	252
Cash flow from operating activities										
Headsets	154	(33)	(100)	170	96	133	(45)	21	184	191
Other	24	(34)	(19)	69	41	(51)	23	(29)	13	40
Total	178	(67)	(119)	239	137	82	(22)	(8)	197	231
Cash flow from investing activities										
Headsets	(44)	(40)	(35)	(49)	(29)	(30)	(39)	(119)	(98)	(168)
Other	(79)	(122)	(24)	(65)	(24)	(26)	(9)	(225)	(59)	(290)
Total	(123)	(162)	(59)	(114)	(53)	(56)	(48)	(344)	(157)	(458)
Cash flow from operating and investing activities										
Headsets	110	(73)	(135)	121	67	103	(84)	(98)	86	23
Other	(55)	(156)	(43)	4	17	(77)	14	(254)	(46)	(250)
Total	55	(229)	(178)	125	84	26	(70)	(352)	40	(227)



Pro Forma balance – Continuing Operations

Assets (DKK millions)	Consolidated				
	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
Non-current assets					
Goodwill	427	445	450	455	470
Development projects, developed in-house	118	113	114	115	106
Software	60	64	65	66	71
Patents and rights	1	2	3	4	5
Telecommunications systems	21	23	25	27	30
Other intangible assets	69	74	77	79	84
Total intangible assets	696	721	734	746	766
Factory and office buildings	398	394	385	244	73
Leasehold improvements	7	6	6	6	7
Plant and machinery	59	64	69	73	38
Operating assets and equipment	26	28	28	26	31
Assets under construction	8	9	15	152	305
Total property, plant and equipment	498	501	503	501	454
Other securities	4	4	4	4	4
Other receivables	11	11	10	10	11
Deferred tax assets	219	221	211	196	260
Total other non-current assets	234	236	225	210	275
Total non-current assets	1,428	1,458	1,462	1,457	1,495
Current assets					
Inventories	381	282	222	316	471
Trade receivables	563	491	586	604	538
Receivables from discontinued operations	14	72	54	14	-
Tax receivable	3	16	21	89	33
Other receivables	60	70	78	73	110
Prepayments	34	33	41	31	15
Total receivables	674	682	780	811	696
Cash and cash equivalents	71	72	42	47	33
Assets held for sale	5,637	5,784	5,642	5,596	5,463
Total current assets	6,763	6,820	6,686	6,770	6,663
Total assets	8,191	8,278	8,148	8,227	8,158
Equity and Liabilities					
(DKK millions)	Sept. 30 2007 (unaud.)	June 30 2007 (unaud.)	March 31 2007 (unaud.)	Dec. 31 2006 (aud.)	Sept. 30 2006 (unaud.)
Equity					
Share capital	833	833	855	855	855
Foreign exchange adjustments	(1,810)	(1,633)	(1,580)	(1,531)	(1,383)
Proposed dividends for the year	-	-	-	-	-
Retained earnings	5,852	5,863	5,680	5,576	5,239
Total equity	4,875	5,063	4,955	4,900	4,711
Non-current liabilities					
Bank loans	1,250	1,200	1,200	1,250	1,200
Pension obligations and similar obligations	1	1	1	1	1
Deferred tax	72	55	98	72	185
Other provisions	14	16	14	21	39
Total non-current liabilities	1,337	1,272	1,313	1,344	1,425
Current liabilities					
Bank loans	89	112	103	102	157
Trade payables	226	169	152	220	132
Amounts owed to discontinued operations	-	-	-	-	45
Tax payable	11	-	-	10	-
Other payables	297	261	245	270	262
Other provisions	54	63	70	55	59
Total current liabilities	677	605	570	657	655
Liabilities associated with assets classified as held for sale	1,302	1,338	1,310	1,326	1,367
Total current liabilities	1,979	1,943	1,880	1,983	2,022
Total liabilities	3,316	3,215	3,193	3,327	3,447
Total equity and liabilities	8,191	8,278	8,148	8,227	8,158