



GN Store Nord

Summer 2008

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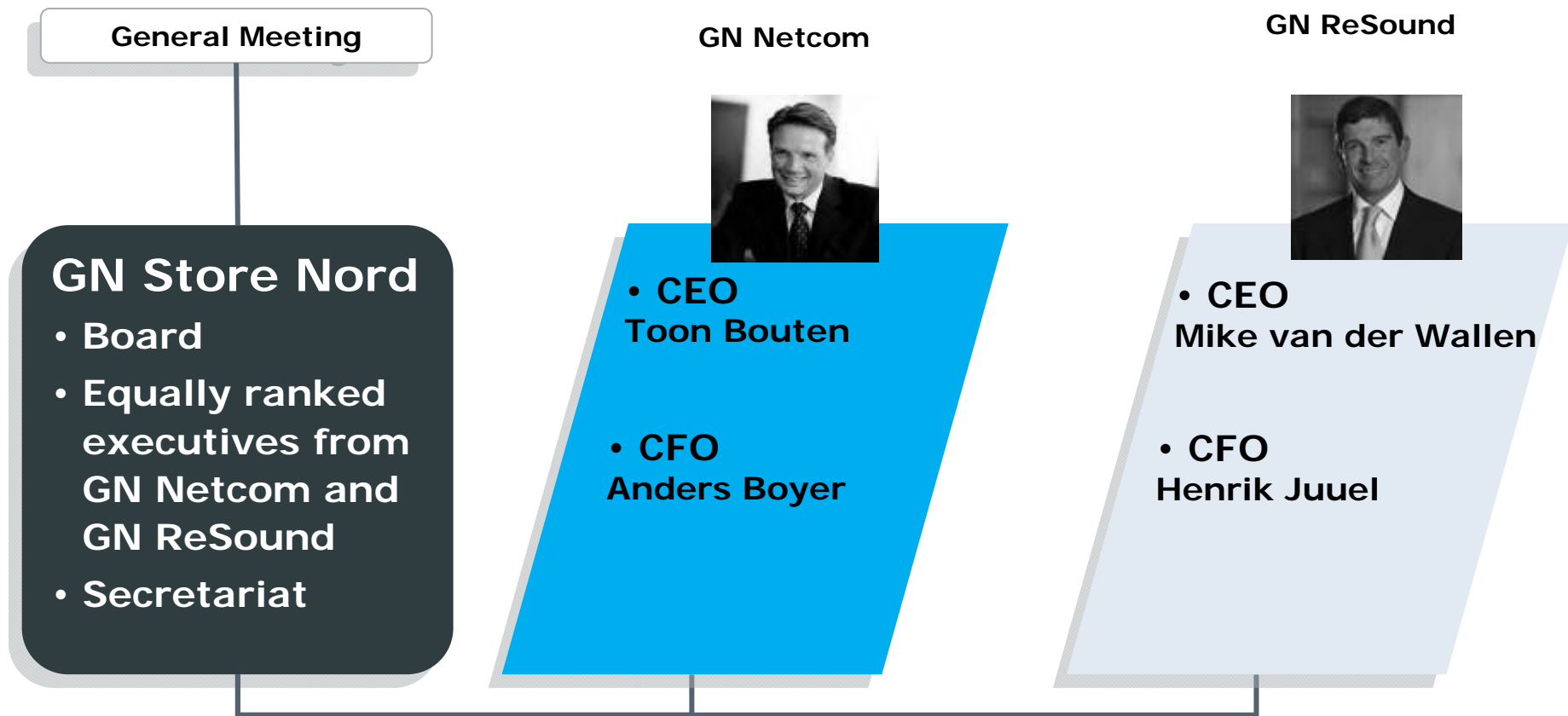


Safe Harbour Statement

The forward-looking statements in this interim report reflect management's current expectations of certain future events and financial results. Statements regarding 2008 are, of course, subject to risks and uncertainties which may result in material deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

Factors that may cause 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 governing GN's markets, changes in the demand for GN's products, competition, fluctuations in sub-contractor supplies, developments in class action and patent infringement litigation in the United States, and the integration of company acquisitions.

This interim report, announcement or presentation should not be considered an offer to sell or buy securities in GN Store Nord.





Strategic Platform



•Global no. 4 ~ 16% market share (units) in **Hearing Instruments**



•Global no. 1 in **Audiological Diagnostics Equipment**



•Global no. 2 ~ 30% market share in **CC&O Headsets**



•Global no. 1 ~ 20% market share in **Mobile Headsets**

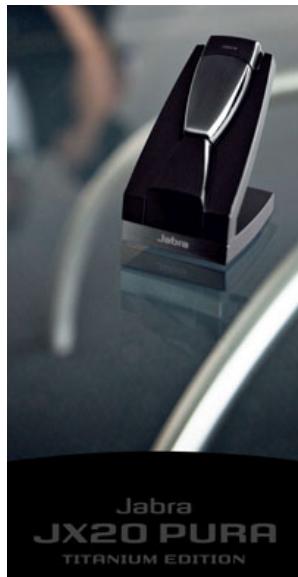


GN Netcom





GN Netcom Overview



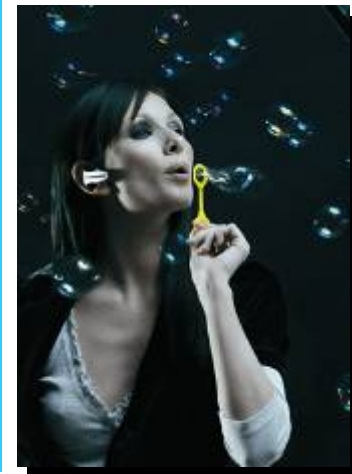
- Headset for contact centers, offices, pc, mobile phones and other devices
- Brand: Jabra (and OEM customers)
- Revenue 2007: DKK 2.811 million
- Approx. 1.200 employees



GN Netcom and the Headset Market

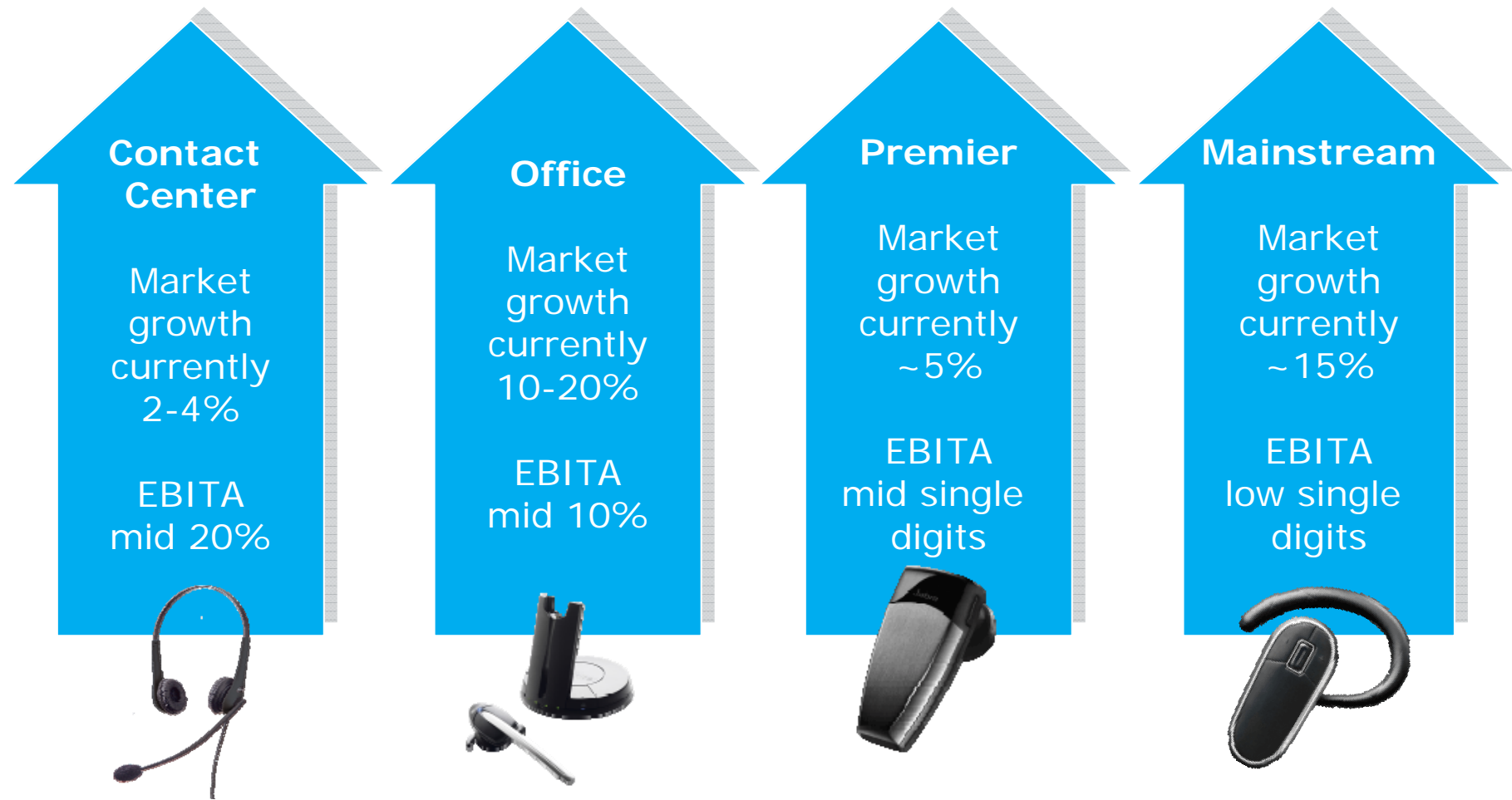
In 2007 GN Netcom manufactured approx. 29 million headsets and other devices. That is more than 55 units every minute round the year.

- B2C: Headsets primarily to the mobile market
- B2B: Headsets primarily to the Office and contact center market
- OEM: Headsets for mobile-, PC- and PDA-manufacturers





The Headset Market





A variety of sales channels

Contact center headsets:

Via distributors or directly to contact centers

Office headsets:

Specialist distributors, telecom operators and retail chains

Small/home offices:

GN Netcom's own sales channel Hello Direct in the USA via mail order, online or by telephone

Mobile headsets:

Operator outlets and consumer electronics retail

OEM-customers



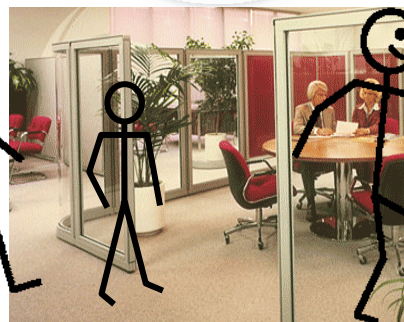


GN Netcom Office Headsets

- Around 200 million office workers in the Western world speak on the phone for at least two hours daily
- Less than 10% of these are today using a headset
- GN Netcom holds about 30% of the market for contact center and office headset



At the desk



In the office



On the road



At home



Contact Center Headsets

Market:

- Growth in the Contact Center market is expected to be low single digit – correlating with GDP
- Headset penetration in the segment is close to 100%
- Conversion from corded to wireless solutions offers potential

Jabra Contact Center Headsets:

- Durability to withstand the rigors of the toughest contact center environments.
- Designed with one or two speakers, noise cancelling microphone, and comfort for many hours of use
- Designed to ensure fit and comfort – and to protect hearing – meets stringent EU standards



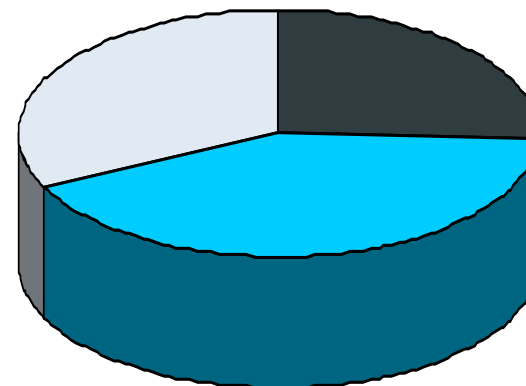
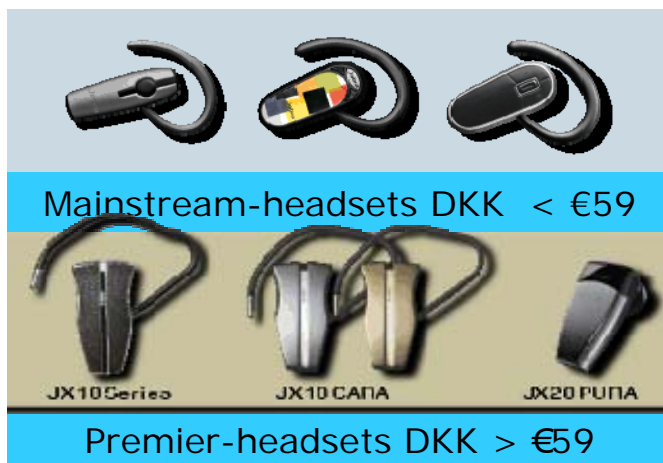
Ergonomics

- ensuring healthy work routines



Mobile Headsets

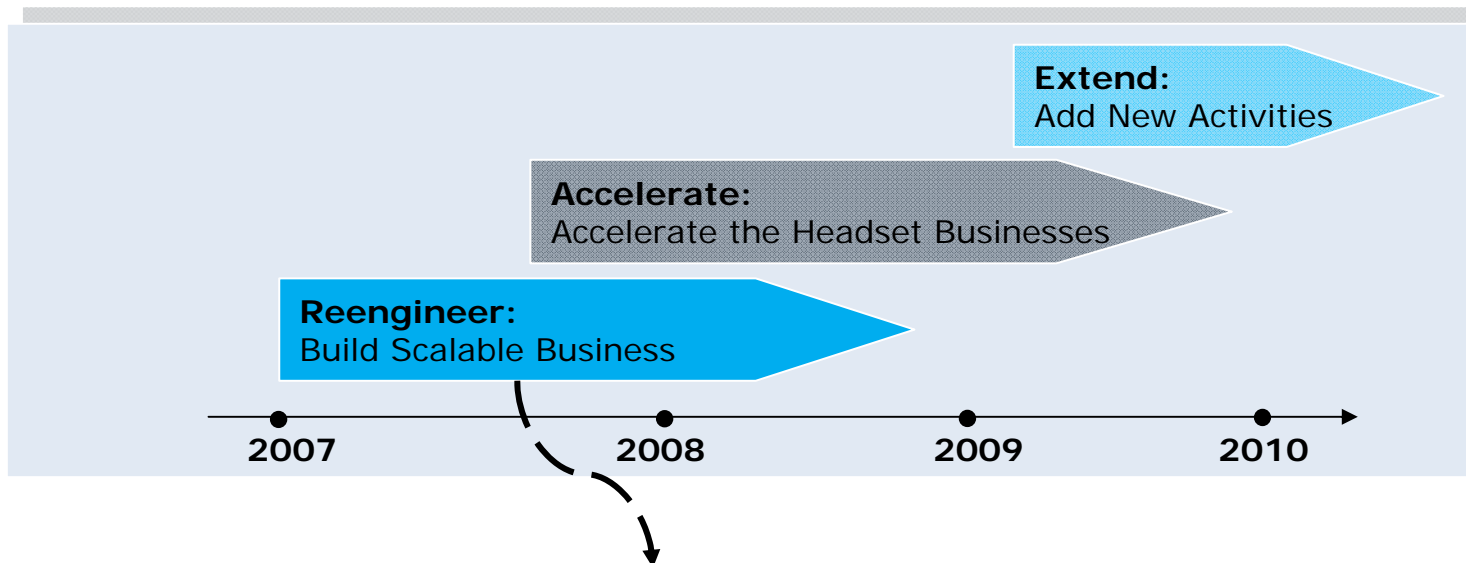
- In 2008 the global market for Bluetooth headsets is estimated at approx. 84 million units
- Expected to grow to 118 million units in 2010
- GN Netcom is the largest provider of headset to the mobile market with an estimated market share of approx. 20%



■ Premier DKK 326 million
■ Mainstream DKK 540 million
□ OEM DKK 413 mio.



Overall Strategy Plan



- A market-oriented Business Stream organization
- Less employees
- Cost cuttings
- New product platforms and less stand-alone products
- New supply chain set up started including one main partner
- This reengineering phase is expected to last until late 2008



GN ReSound



The **smallest**  **thing** can make the biggest difference.



GN ReSound Overview

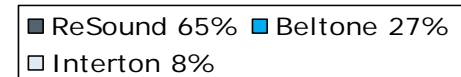
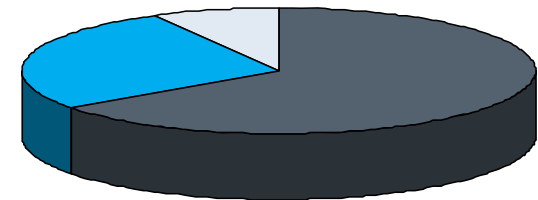
- Hearing instruments for most types of hearing loss
- 2007 revenue was DKK 3,155 million
- In 2007 GN ReSound (incl. GN Otometrics) spent DKK 373 million on research and development
- In 2007 GN ReSound manufactured approx. 1.4 million hearing instruments at GN ReSound's factory in Xiamen, China
- Approx. 3,400 employees



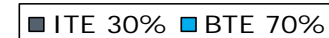
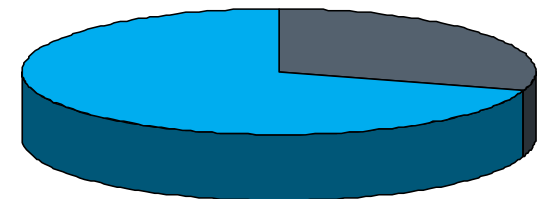


- Strong position with independent dispensers
- Beltone-network in USA
- Leading position in rapidly growing markets, such as China, India, Brazil and other developing countries
- Main sales channels are large international retailers, independent hearing aid dispensers and public tenders in the UK and Scandinavia

Revenue distributed on brands:



Revenue split between ITE/BTE:





Product Categories



ITE



BTE



IOT

ITE: In The Ear

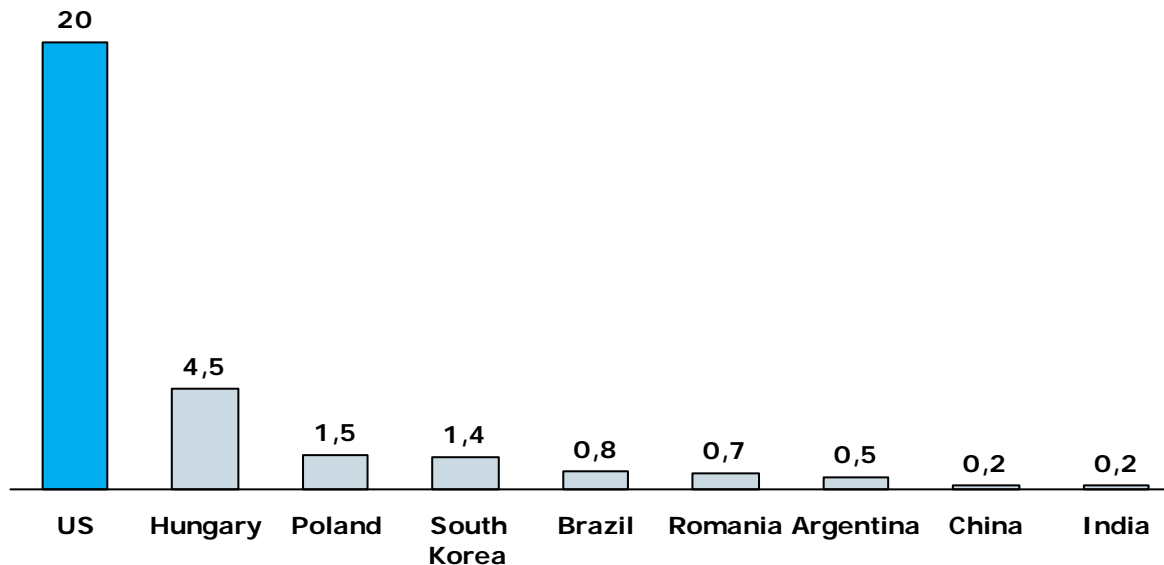
BTE: Behind The Ear

IOT: Invisible Open Technology (completely new category introduced by GN ReSound in April 2008)



Strong Position in Emerging Markets

No. of people with hearing instruments per 1,000 persons



Emerging markets will have an increasing impact:

- Strong economic growth
- Emergence of middle classes
- Fast growing populations
- Rising life expectancy
- Improved hearing healthcare delivery
- Increased consumer awareness

January 1, 2008 GN ReSound acquired 51% of the shares in the Indian distributor GN Resound India Private Ltd. and is now the sole owner of the company with 100 employees, a network of 8 branch offices and close to 350 dealers.



Very Attractive Industry

**Estimated
actual market
2007:
~ 8.5 million units
DKK 15-20 billion**

Ageing population

Demographic trends in main markets are favorable to the hearing aid industry as population is ageing

Higher prevalence

World hearing loss prevalence expected to increase

Improving adaption rates

Adoption rates are likely to be boosted due to the elimination of some of the main obstacles

Improving binaural fitting rates

Expected to approach ~ 80% in the developed countries

Additional replacements cycles

Reduction in the average age of the first time users and increased life expectancy

Developing countries potential

Represent significant market potential



Turnaround Program Initiated late 2007

The aim of the program is to accelerate profitable growth and increase cost efficiency

Accelerate Profitable Growth

- New flatter regional sales organization implemented
- Further capitalizing on product launches
- Winning back accounts and expanding distribution
- Investing in building new infrastructure in emerging markets

Finalize integration and streamline

- Full integration of Interton into GN ReSound
- One single location for Interton and GN ReSound in Germany
- Reduction and streamlining of back-office functions in the US executed in Q4 2007



Audiologic Diagnostics Equipment



- World's leading manufacturer of hearing and balance instrumentation
- Fitting and testing focuses on solutions for hearing care professionals dispensing hearing instruments
- Hearing and Balance assessment
- Brands: Madsen, Aurical og ICS
- 2007 revenue: DKK 332 million
- Introduced the first completely portable and handheld audiologic diagnostics equipment





GN Store Nord Q1 Summary

- The Q1 financial results were in line with expectations.
- Revenue was DKK 1,411 million. Exchange rate fluctuations impacted revenue by (6)% compared to Q1 2007.
- GN Netcom generated revenue of DKK 636 million corresponding to an organic growth of (8)%. EBITA in GN Netcom was DKK 8 million excluding non-recurring costs of DKK 5 million.
- GN ReSound reported revenue of DKK 772 million corresponding to a positive organic growth of 1%. EBITA in GN ReSound was DKK 31 million.
- Henrik Juuel appointed new CFO in GN ReSound.
- 75% owned DPTG I/S claim against TPSA is DKK 5 billion. The chairman of the arbitration tribunal has been replaced. The next hearing has been postponed.



Outlook 2008

Revenue (DKK/USD 4.75)	(DKK million – ~ figures)
GN Netcom	>2,700
GN ReSound	~3,000
GN Total*	~5,700
EBITA (excl. non-recurring costs)	
GN Netcom	125-175
GN ReSound	250-300
Other	~(30)
GN Total*	~ 350-450
Non-recurring costs in GN Netcom	~(75)
Amortization, finance etc.	~(125)
EBT*	~150-250
* Uncertainty due to the substantial changes being made in both GN Netcom and GN ReSound	
Investments**	~700

** incl. capitalized R&D excl. acquisitions



Thank you