

# Segment Disclosures Q4 2010



Income statement	GN Netcom		GN ReSound		Other*		Consolidated total	
	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)
(DKK million)								
<b>Revenue</b>	<b>580</b>	<b>468</b>	<b>855</b>	<b>757</b>	<b>2</b>	<b>2</b>	<b>1,437</b>	<b>1,227</b>
Production costs	(281)	(232)	(337)	(303)	-	-	(618)	(535)
<b>Gross profit</b>	<b>299</b>	<b>236</b>	<b>518</b>	<b>454</b>	<b>2</b>	<b>2</b>	<b>819</b>	<b>692</b>
Expensed development costs**	(48)	(38)	(72)	(67)	-	-	(120)	(105)
Selling and distribution costs**	(137)	(118)	(257)	(222)	-	-	(394)	(340)
Management and administrative expenses	(19)	(128)	(62)	(80)	(19)	(12)	(100)	(220)
Other operating income	1	-	1	2	1	(3)	3	(1)
<b>EBITA</b>	<b>96</b>	<b>(48)</b>	<b>128</b>	<b>87</b>	<b>(16)</b>	<b>(13)</b>	<b>208</b>	<b>26</b>
Amortization of other intangible assets acquired in company acquisitions	(2)	(1)	(5)	(6)	-	-	(7)	(7)
<b>Operating profit (loss)</b>	<b>94</b>	<b>(49)</b>	<b>123</b>	<b>81</b>	<b>(16)</b>	<b>(13)</b>	<b>201</b>	<b>19</b>
Gains (losses) on disposal of operations	-	-	-	2	-	-	-	2
Share of profit(loss) in associates	-	-	-	1	-	-	-	1
Financial items	(6)	-	(16)	(30)	2	9	(20)	(21)
<b>Profit (loss) before tax</b>	<b>88</b>	<b>(49)</b>	<b>107</b>	<b>54</b>	<b>(14)</b>	<b>(4)</b>	<b>181</b>	<b>1</b>
Tax on profit (loss)	(41)	(50)	(28)	(37)	9	6	(60)	(81)
<b>Profit (loss)</b>	<b>47</b>	<b>(99)</b>	<b>79</b>	<b>17</b>	<b>(5)</b>	<b>2</b>	<b>121</b>	<b>(80)</b>

Cash flow statement	GN Netcom		GN ReSound		Other*		Consolidated total	
	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)
(DKK million)								
Operating activities before changes in working capital	129	72	179	149	(32)	(8)	276	213
Cash flow from changes in working capital and restructuring/non-recurring costs paid	(75)	(2)	(45)	6	2	5	(118)	9
<b>Cash flow from operating activities before financial items and tax</b>	<b>54</b>	<b>70</b>	<b>134</b>	<b>155</b>	<b>(30)</b>	<b>(3)</b>	<b>158</b>	<b>222</b>
Cash flow from investing activities	(7)	(20)	(77)	(77)	(31)	(3)	(115)	(100)
<b>Cash flow from operating and investing activities before financial items and tax</b>	<b>47</b>	<b>50</b>	<b>57</b>	<b>78</b>	<b>(61)</b>	<b>(6)</b>	<b>43</b>	<b>122</b>
Tax and financial items	4	3	(19)	(35)	7	10	(8)	(22)
<b>Cash flow from operating and investing activities (free cash flow)</b>	<b>51</b>	<b>53</b>	<b>38</b>	<b>43</b>	<b>(54)</b>	<b>4</b>	<b>35</b>	<b>100</b>

Additional information	GN Netcom		GN ReSound		Other*		Consolidated total	
	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)	Q4 2010 (unaud.)	Q4 2009 (unaud.)
(DKK million)								
<b>Revenue Distributed Geographically</b>								
Europe	48%	46%	35%	41%	100%	100%	40%	43%
North America	42%	43%	40%	37%	0%	0%	41%	39%
Rest of world	10%	11%	25%	22%	0%	0%	19%	18%
Incurring development costs	(36)	(31)	(80)	(74)	-	-	(116)	(105)
Capitalized development costs	14	14	49	46	-	-	63	60
Amortization and depreciation of development costs**	(26)	(21)	(41)	(39)	-	-	(67)	(60)
<b>Expensed development costs</b>	<b>(48)</b>	<b>(38)</b>	<b>(72)</b>	<b>(67)</b>	<b>-</b>	<b>-</b>	<b>(120)</b>	<b>(105)</b>
EBITDA	103	(35)	153	110	(11)	(8)	245	67
Depreciation	(7)	(13)	(25)	(23)	(5)	(5)	(37)	(41)
<b>EBITA</b>	<b>96</b>	<b>(48)</b>	<b>128</b>	<b>87</b>	<b>(16)</b>	<b>(13)</b>	<b>208</b>	<b>26</b>
EBITA margin	16.6 %	(10.3)%	15.0 %	11.5 %	NA	NA	14.5 %	2.1 %
Number of employees, end of period	~850	~850	~3.650	~3.275	~25	~25	~4.525	~4.150

\* "Other" comprises Group Shared Services, the Telegraph Company, GN Ejendomme and eliminations.

\*\*Does not include share of amortization of other intangible assets acquired in company acquisitions, cf. the definition of EBITA.