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■ THIRD QUARTER 2001 EARNINGS RELEASE

At a meeting today, the Board of Directors of GN Great Nordic approved the Third Quarter Report 2001 for the Group, and is accordingly issuing the present Third Quarter 2001 Earnings Release.

Copenhagen, November 28, 2001.

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Elvar Vinum
Chairman

A complex, cursive handwritten signature in black ink, featuring multiple loops and a long, sweeping tail.

Jørn Kildegaard
President & CEO

Third Quarter Highlights:

- Revenue was DKK 1,682 million in the third quarter, which was 13% lower than in Q2 2001 and in line with the revenue for Q3 2000. The 9M revenue totaled DKK 5,609 million, a 14% increase from last year.
- The Q3 EBITA rose 20% relative to the Q2 figure to DKK 42 million. The Q3 2000 EBITA was DKK 174 million. Cash flow from operations was moderately positive.
- Impairment losses on goodwill and other intangibles were DKK 155 million, which was DKK 94 million less than in Q2 2001 and DKK 54 million more than in the same period of last year.
- Earnings before tax were DKK (183) million, as compared to DKK (6,269) million in Q2 2001, which was affected by DKK 6,000 million in impairment losses on goodwill and other intangibles and DKK 12,883 million as compared to the same period last year.
- GN Netcom earnings improved sharply relative to the second quarter. Strong growth in the cellular segment has more than offset the downturn in the call center and office segment.
- GN ReSound's Q3 revenue was in line with the Q2 figure, as expected, whereas the EBITA rose by 44% to DKK 56 million. Sales of digital Canta hearing instruments remain very satisfactory, and the integration of company acquisitions is proceeding according to plan.
- As previously announced, NetTest's revenue and earnings fell relative to the second quarter due to the general market slowdown.
- Consistently with its strategy of focusing on core activities, the Group has, as previously announced, sold its shares in oil and gas company Denerco, sold the portfolio of apartments and sold the activities in GN Comtext.

Expectations for 2001

- In light of the strong growth in the cellular segment, GN Netcom now forecasts full-year revenue of DKK 1,850-1,900 million and an EBITA margin of DKK 5.5%-6.5%, which is higher than the expectations announced by GN Great Nordic on October 16.
- For 2001, GN ReSound projects revenue of approximately DKK 2,850-2,900 million, an EBITA margin of approximately 7% for the full year and of approximately 9% for the fourth quarter. This represents a narrowing of the range forecast than the expectations announced by GN Great Nordic on October 16 and confirms the earnings increase in GN ReSound during 2001.
- NetTest projects revenues of DKK 2,200-2,300 million and an EBITA of DKK (50)-(100) million, which narrows the range announced by GN Great Nordic on October 16.
- GN Great Nordic now expects full-year revenue of just over DKK 7,000 million and an EBITA of DKK 100-150 million excluding costs related to the NetTest IPO, which is slightly better than the forecast announced on October 16.
- Earnings before tax and extraordinary items are still expected to be approximately DKK(7,000) million.

For additional information, please contact:

Jørn Kildegaard
President & CEO
Telephone +45 7211 1888

Jens Due Olsen
Executive Vice President
Telephone +45 7211 1888

Group Financial Highlights (DKK millions)	2001 3rd quarter Unaudited	2000 3rd quarter Unaudited	2001 Interim Unaudited	2000 Interim Unaudited
Earnings				
Total revenue	1,682	1,736	5,609	4,932
Earnings before interest, tax, depreciation, and amortization of goodwill and other acquired intangible assets (EBITDA)	103	227	384	714
Earnings before interest, tax, and amortization of goodwill and other acquired intangible assets (EBITA)	42	174	212	488
Amortization of acquired intangible assets	(181)	(132)	(6,751)	(243)
Income before taxes and extraordinary items	(139)	42	(6,539)	245
Earnings before tax (EBT)	(183)	12,883	(6,579)	13,048
Net income for the period	(155)	12,841	(6,297)	12,929
GN Great Nordic's share of net income for the period	(155)	12,841	(6,297)	12,929
GN Great Nordic's share of net income for the period excl. goodwill amortization	0	12,942	(5,649)	13,132
Balance Sheet				
Capital stock (GN Great Nordic)	879	820	879	820
Equity	13,327	17,571	13,327	17,571
Total assets	17,864	20,334	17,864	20,334
Cash Flow				
Cash flow from operations	28	152	(439)	239
Cash flow from investing activities	(253)	12,372	(939)	8,342
Research and Development				
Research and development costs incurred for the period	196	158	598	356
Investments				
Plant and machinery	43	94	264	412
Property	0	3	21	15
Intangible fixed assets	78	72	379	201
Total (excl. acquisitions)	121	169	664	628
Acquisition of companies	41	1,061	165	4,822
Acquisition of associated companies	130	0	130	0
Total investments	292	1,230	959	5,450
Depreciation and amortization	256	193	932	516
Impairment	(3)	0	6,016	1
Personnel				
Average number of employees	6,104	5,060	6,248	5,183
Key Figures				
Average number of DKK 4 shares (1,000 shares)	219,775	199,809	219,775	199,809
Earnings and fully diluted earnings per DKK 4 share (EPS)	(0.71)	64.27	(28.65)	64.70
Earnings and fully diluted earnings per DKK 4 share, excl. amortization of intangible assets and non-recurring items	0.12	64.93	2.07	65.92

Financial Results

As previously announced, GN Great Nordic's Q3 performance was affected by the substantial cyclical slowdown on NetTest markets, as uncertainty and reluctance to enter into new contracts was enhanced by the terrorist attacks on the United States and by the ensuing international conflict. On the other hand, GN Netcom's JABRA cellular segment had a positive impact on the consolidated results.

The Q3 consolidated revenue was DKK 1,682 million, which was in line with expectations and 13% lower than the Q2 figure. The decline was caused by a fall in NetTest revenue and by the divestment of GN Comtext. Disregarding SONOFON, which was included in the 2000 accounts until August 10 of that year, GN Great Nordic generated 42% growth for the first nine months of the year, bringing total 9M revenue to DKK 5,609 million. In the third quarter, the revenue excluding SONOFON was 8% higher than in Q3 2000.

A number of NetTest customers have postponed orders already placed as well as projected new orders, causing NetTest to record an EBITA of DKK (48) million for the third quarter. This DKK 110 million decline more than offset the DKK 66 million third quarter improvement by GN Netcom and GN ReSound.

Combined, GN Netcom and GN ReSound recorded a Q3 EBITA of DKK 101 million, up from DKK 35 million in Q2 2001. Although both companies have yet to meet GN Great Nordic's earnings targets, the improvement confirms their potential and the effect of the steps taken to enhance their earnings.

The improvement in GN Netcom earnings is based both on continued improvements in the JABRA cellular segment and on effect to date of the rationalization measures implemented this year. Q3 revenue improved a bit over the Q2 figure, because strong growth in the sales of headsets for cell phones more

than offsets lower-than-expected sales of headsets to the call center and office segment. The earnings improvement in GN ReSound is a result of the comprehensive efforts to restructure the production facilities, administrative functions and logistics of the acquired companies into fewer units. Sales of the new digital Canta hearing instruments continue very satisfactory.

Combined, EBITA for the three companies fell from DKK 97 million in Q2 to DKK 53 million in Q3. As previously explained, the decline was due exclusively to lower earnings by NetTest.

Amortization of goodwill and other intangibles was DKK 155 million in the third quarter, while restructuring costs were DKK 29 million. Due to the steps taken to restore profitability in NetTest, the restructuring costs were slightly higher than expected.

Net financial items and capital gains on shares totaled DKK (17) million. Included in this amount was a DKK 27 million gain from the sale of shares in oil and gas company Denerco A/S. In addition, the portfolio of apartments was sold at a gain of DKK 67 million and, finally, GN Comtext was divested with a negative impact of DKK (95) million. Having divested the property portfolio and GN Comtext, GN Great Nordic is now truly focused on its core businesses.

As a result, GN Great Nordic recorded overall earnings before tax and extraordinary items of DKK (183) million for the third quarter, and earnings after tax of DKK (155) million.

Balance Sheet

As has previously been announced, the Group made impairment charges on goodwill and other intangibles for a total of DKK 6,000 million in the first-half earnings release. The balance sheet for the third quarter includes more specific distribution of these impairment charges between specific intangibles and goodwill in general.

Total assets were DKK 17,864 million at September 30, 2001, compared to DKK 18,500 million at June 30, 2001.

Inventories and receivables fell from the beginning of the third quarter but remain high, especially because of the inventory build-up in NetTest made earlier in the year in anticipation of increased sales. Further improvements are expected to materialize in upcoming reporting periods.

Shareholders' equity was DKK 13,327 million at September 30, 2001, which was DKK 901 million lower than at June 30, 2001. The decline was due to the result for the period and, in particular, exchange rate adjustments of DKK 744 million resulting from the appreciation of USD against DKK.

Cash Flows

The Group recorded a cash outflow from operating activities of DKK 28 million in the third quarter against a cash outflow of DKK 236 million in Q2 2000. In light of the deficient growth on NetTest's markets, the amount of capital tied up in inventories remains high.

The cash outflow from investing activities was DKK (253) million, as compared to an outflow of DKK 426 million in Q2. Investing activities mainly consist of GN ReSound's acquisition of Ultravox Holdings Ltd., R&D projects in all of the Group's companies as well as tangible assets.

The DKK 225 million cash flow from operations and investments of the period was funded through additional long-term debt.

Major Corporate Transactions and Investments

In the third quarter, the Group invested DKK 43 million in tangible assets and DKK 78 million in intangibles, mainly development projects. By comparison, the corresponding figures were DKK 141 million and

DKK 192 million, respectively, in Q2 2001 and DKK 97 million and DKK 72 million, respectively, in Q3 2000. A single major investment was made as GN Great Nordic acquired a 25% interest in Ultravox Holdings Ltd. at a price of DKK 130 million.

Stock Option Plans

The Group maintains two stock option plans: the North American and the European stock option plans.

At the end of the second quarter, there were 3,886,055 outstanding options in these plans at an average strike price of 116.5. In the third quarter, a total of 1,972,250 options were awarded at an average strike price of 91.2. No stock options were exercised in the third quarter. The total number of outstanding options was reduced by 238,543 during the quarter due to employees leaving the company. At September 30, 2001, there were a total of 5,619,762 outstanding stock options in the two plans at a weighted average strike price of 109.1.

Expectations for 2001

Due to current economic trends, the forecasts for the full-year revenue and earnings are not based on expectations of a strong fourth quarter, as is otherwise normal for GN Great Nordic's companies. Instead, the forecasts are based on the assumption that the economic slump will continue. In addition the USD/DKK exchange rate is assumed to remain unchanged.

Based on the above, GN Great Nordic expects full-year revenues of just over DKK 7,000 million and an EBITA of DKK 100-150 million excluding costs related to the NetTest IPO. The expectation should be compared to full-year revenues of DKK 7,003 million and an EBITA of DKK 789 million last year.

Earnings before tax and extraordinary items are expected to be approximately DKK (7,000) million, as

compared to DKK 13,004 million in 2000. The substantial difference is mainly due to last year's divestment of SONOFON, which resulted in an accounting gain of DKK 12,836 million, and the 2001 impairment losses on goodwill and other intangibles totaling DKK 6,000 million.

This forecast represents an increase in revenue and earnings relative to the forecast issued in Announcement No. 21 and is due to GN Netcom's positive performance.

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 2001 are, of course, subject to risks and uncertainties which may result in material deviations from the outlook set forth above. Furthermore, some of these expectations are based on assumptions regarding future events, which may prove incorrect.

Factors that may cause the actual results to deviate materially from the expectations include, but are not limited to, general economic developments and developments in the financial markets, technological developments, changes and amendments to Danish, EU and US legislation and regulations, changes in the demand for the Group's products, competition, shortages of components needed in production (bottlenecks), especially components needed in the production of fiber-optic test equipment, and the integration of company acquisitions.

This interim report should not be considered as an offer to sell securities in GN Great Nordic or NetTest.

GN NETCOM

Financial Results

Revenue for the third quarter was DKK 471 million, which is 3% higher than the Q2 2001 figure and a 37% improvement on the revenue for Q3 2000. The improvement over the second quarter was driven especially by growth in sales of JABRA headsets for cell phones, whereas sales to the call center and office market through distributors and through the Hello Direct sales channel were slightly lower than expected due to the economic slowdown. Hello Direct's catalog sales were negatively impacted by irregular mail services resulting from the anthrax events in the United States.

The 9M revenue was DKK 1,433 million, as compared to DKK 960 million in the same period last year. The 49% improvement was due to last year's acquisitions of JABRA and Hello Direct.

EBITA was DKK 45 million in the third quarter, as compared to DKK (4) million in Q2 2001 and DKK 78 million in Q3 2000. The improvement from the second quarter had been anticipated and can be attributed to the improved revenue, the year's cost cuts now beginning to take effect and finally the Q2 negative impact of DKK 24 million on provisions for debtors and stocks.

Earlier this year, GN Netcom announced more than 200 layoffs, equal to almost 20% of the company's staff. No restructuring costs were incurred in the third quarter, compared to DKK 10 million in the preceding quarter.

The 9M EBITA was DKK 88 million, as compared to DKK 237 million in the same period last year.

The Market

The economic slump continues to impact the US call center and office market and is increasingly affecting

the European markets as well. Headset demand in these segments has dropped relative to the levels of the first six months of the year, and there are no signs of recovery in the short term. Even with the slowdown, GN Netcom is not experiencing any price pressure on its call center and office user products.

The improvement in the market for hands-free solutions for cell phones that set in during the second quarter has continued into the third quarter. The hands-free market offers a large growth potential; it comprised 24% of GN Netcom's Q3 revenue, bringing the year-to-date figure to about 14%.

The strongest growth rates were seen in the United States. Effective November 1, 2001, New York State introduced a law requiring people using their cell phones while driving to have hands-free solutions in their vehicle. About 40 other US states are considering similar legislation, which is expected to boost sales of equipment such as JABRA's EarSet, which combines a microphone and speaker in a miniature unit that fits in the ear. According to the Cellular Telecommunications and Internet Association (CTIA), there are about 120 million cell phone subscribers in the United States, and approximately 85% of them use their cell phone while driving but less than 20% use hands-free installation sets.

The markets for wireless headsets for offices and call centers are also improving; this is expected to remain a key growth area. GN Netcom sales of wireless headsets to call centers, offices and the SOHO (Small Office Home Office) segment totaled DKK 121 million for the first nine months: a 131% improvement over the same period in 2000.

GN Netcom is still believed to have a substantially greater market share in the fast-growing segment of wireless headsets than in traditional headsets.

New Products

GN Netcom launched a number of new JABRA products for the cellular market. The new product portfolio includes cell phone accessories as well as wireless cell phone headsets and two-way radio transmitters. This is consistent with the strategy to expand into related high-growth market segments.

Earlier this year, GN Netcom launched a number of new product lines for call centers and offices. All products were well received by the market and are showing good sales performances. An upgraded line of JABRA products targeting the hands-free market was also well received.

Outlook for 2001

Due to the improved sales of headsets for cell phones, GN Great Nordic has upgraded the forecast for GN Netcom's full-year revenue and earnings.

The new forecast is for full-year revenues of DKK 1,850-1,900 million and an EBITA margin of DKK 5.5%-6.5%, which is higher than the expectations announced by GN Great Nordic on October 16. In addition, restructuring costs of DKK 30 million are expected. In 2000, by comparison, revenues were DKK 1,479 million and the EBITA margin 22%.

GN RESOUND

Financial Results

Revenue for the third quarter was DKK 724 million, which was in line with the Q2 figure. Sales rose by approximately 9% compared to the same period last year. Q3 sales have generally been as expected, apart from in the United States, where business activity has dropped since September 11.

Sales of Canta, the new digital product line, remain satisfactory, and have increased as Canta has been launched on additional markets in Europe and Asia.

The 9M revenue was DKK 2,150 million, as compared to DKK 1,553 million in the same period of 2000. The improvement of more than 38% was due to last year's acquisitions of Beltone and Philips' hearing aid division.

AuditData, a GN Otometrics subsidiary in the GN ReSound Group, has won a contract to supply the National Health Service (NHS) in the UK with the AuditBase management system. This is a framework contract open to all 250 NHS Trusts (independent government-owned units that own and operate one or more hospitals) in England, Wales and Northern Ireland. Some 36 of the hospital trusts have already purchased AuditBase. The GN Otometrics business unit is the global market leader in systems and equipment for audiological diagnosis.

GN ReSound achieved an EBITA of DKK 56 million in the third quarter, as compared to DKK 39 million in Q2 2001 and DKK 57 million in Q3 2000. The improvement from Q2 was in line with expectations and was based on savings realized from the integration of company acquisitions. The increase is satisfactory, considering the fact that Beltone has still not met expectations in the US after a number of dispensers in that market discontinued their contracts early in the year.

The number of Beltone dispensers in the US increased again in the third quarter. However, the improvement is not sufficient to provide satisfactory profits in the US for 2001. Beltone's performance in Europe and Japan was satisfactory.

Restructuring costs of DKK 19 million were incurred in the third quarter. As expected, this was slightly less than in Q2. These costs were especially related to the planned restructuring at Beltone's head office in Chicago, the ongoing transfer of production to China and local changes that have become necessary after the new distribution center was set up in Cork, Ireland.

GN ReSound's 9M EBITA was DKK 137 million, up from DKK 120 million in the same period of last year. The improvement confirms the ongoing earnings enhancement.

The Market

Although the market for hearing instruments is only slightly cyclical, the US market fell by 2% in unit sales compared to Q3 2000. The setback is particularly due to the economic downturn that has followed September 11. German market sales volumes were higher than in Q3 2000, which brought German growth rates back to their usual high level after the Q2 slowdown.

In June, GN ReSound set up an alliance with Sonus, whose 790 dispensers make it the largest hearing aid retailer in the United States. The collaboration is developing as planned.

GN ReSound also enhanced its position on the UK market by expanding the strategic alliance with Ultravox Holdings Ltd., whose more than 250 hearing clinics make it the largest hearing aid dispenser in the UK and Ireland. GN ReSound acquired a 25% stake in Ultravox in August, and the two companies have signed an agreement for future shipments. Sales of GN ReSound products through Ultravox increased in the third quarter.

Sales to the European and the Asian markets were generally satisfactory during the third quarter, and GN ReSound launched the Canta products on new markets in Southern Europe and Asia during this period. Production capacity has been increased to meet the full demand for the Canta products. The authorities in the key French market have not yet approved the product, but the company expects to receive the approval at around the turn of the year.

New Products

In August, Beltone introduced its virtual AVE™ (Audio Verification Equipment) product in Europe, successfully launching it on the German market. With AVE™, the focus is on the user: it is designed to provide a better hearing aid fit through a recreation of a number of real-world sounds in an interactive sound environment. Launched in the United States and Japan earlier this year, AVE™ is the first virtual fitting system on the market, and it is currently being used by a number of dispensers.

Integrating Company Acquisitions

Most of the planned relocation of hearing aid production from Austria to China has now been completed, and the transfer of production from Chicago to China has begun. In addition, GN ReSound has an ongoing major restructuring program involving Beltone's production and administrative facilities in the US.

Outlook for 2001

The full-year revenue is expected to reach approximately DKK 2,850-2,900 million, as compared to DKK 2,255 million last year. With digital hearing instruments representing a steadily growing share of sales, the Q4 gross margin is expected to improve. Overall, the company expects an EBITA margin of just over 7% for the full year and of approximately 9% for the fourth quarter. In addition, restructuring costs are expected to reach approximately DKK 85 million. This represents a narrowing of the range forecast than the expectations announced by GN Great Nordic on October 16 and serves to emphasize earnings increase in GN ReSound during 2001.

NETTEST

Financial Results

Revenue for the third quarter was DKK 475 million, which is 32% lower than the Q2 2001 figure but 8% higher than the revenue of DKK 440 million reported in Q3 2000.

The weaker revenue was caused by a lower-than-expected order intake, a slight increase in order cancellations and by postponement of already placed orders. Accordingly, NetTest has been impacted by the significant slump that has hit all manufacturers of network and test equipment.

NetTest recorded 9M revenue of DKK 1,890 million compared to DKK 1,082 million in the same period last year. The substantial improvement of 75% was mainly due to the acquisition of the French company Photonetics.

Optical layer revenue was DKK 373 million in the third quarter, as compared to DKK 562 million in Q2 2001 and DKK 275 million in Q3 2000. Photonetics suffered the largest decline relative to the second quarter, as revenue fell by more than 50% after a strong order intake provided an otherwise good start to the year. Total 9M revenue in the optical layer was DKK 1,482 million, a 124% improvement from the same period last year. The strong growth was driven both by the acquisition of Photonetics and by organic growth from increasing sales of test equipment to manufacturers of fiber optic cables early in the year.

Network layer revenue was DKK 102 million in the third quarter, as compared to DKK 139 million in Q2 2001 and DKK 165 million in Q3 2000. Sales were impacted by orders being postponed and a weaker order intake. The 9M revenue for this segment was DKK 408 million, which is slightly lower than last year.

The NetTest EBITA was DKK (48) million in the third quarter compared to DKK 62 million in Q2 2001 and DKK 51 million in Q3 2000. The 9M EBITA was DKK 77 million, as compared to DKK 85 million in the same period of last year. As costs have declined during the period, the weaker earnings relative to the second quarter were entirely due to lower revenues.

Based on market developments last year and well into the second quarter of 2001, NetTest had built an organization primed for future growth and with substantial overheads, including for sales and marketing, R&D and administrative functions. NetTest reacted to the market slowdown by laying off more than 400 employees, reducing its staff to about 1,400.

The cost reductions will only have full impact next year with expected cost savings of approximately DKK 225 million. The steps taken this year will result in restructuring costs of approximately DKK 75 million.

Layoffs were made primarily within production and administration. The layoffs were structured so as to leave the most critical functions in sales and marketing unaffected. Nevertheless, NetTest's investments in new product development are virtually unchanged.

In spite of the necessary layoffs, NetTest's competitive strength is believed to be undiminished. This was most recently confirmed when, following a comprehensive qualification process, NetTest was selected as a global preferred supplier to Alcatel S.A., a leading global provider of high-speed networks, optical networks and equipment.

The Market

Traffic volumes on telecom networks continue to surge, primarily driven by growth in Internet usage.

Nevertheless, uncertainty and the poor investment

climate continued to dominate the markets in the third quarter. NetTest normally enjoys a substantial order intake in the month of September, after two summer months of limited business activity. This year, however, the order intake almost discontinued following the terrorist attacks in the United States on September 11. Consequently, the Q3 order intake was DKK 321 million, an increase compared to the same period last year, but a 49% drop from the Q2 figure of DKK 635 million.

Market uncertainty continued in October, as equipment manufacturers and telcos were still very reluctant to place new orders. Several of these customers announced plans to cut costs and reduce investments in order to improve their financial situation.

In the optical layer, manufacturers of fiber-optic cables are seeing very little business activity, and several of them have announced temporary plant shutdowns. However, customers that have installed fiber-optic networks are still generating some business activity. In the network segment, solutions optimizing customer revenues and network efficiency are attracting a great deal of attention. Quality of service provided to customers has become a core competitive parameter for the telcos.

Current investment decisions made by NetTest customers are almost exclusively targeted at optimizing short-term return on investments, whereas strategic and long-term projects take low priority. However, a number of customers have also indicated that, given the growth in network traffic, the time for making new investments is steadily approaching.

New Products

NetTest launched several new products in the third quarter: the company became the first provider to offer GPRS (General Packet Radio Service) monitor-

ing as part of the MasterQuest management system. NetTest has also introduced GPRS-based quality-of-service tests and the LITE 3000 handheld device has been upgraded to support GPRS for fast Internet access from GSM cellular networks.

In optical network testing, the new CMA 4000s 50dB module enables NetTest to test longer fiber-optic cables than any other provider. The product also has passive optical network testing facilities. Also on the optical side, NetTest's tunable laser and MICS component have been upgraded to offer some of the best technical features on the market, catering specifically to the market demand for greater bandwidth.

Finally, new functionalities have been added to the interWATCH protocol analyzer, including testing of IP (Internet Protocol), voice-over IP and MPLS (Multi-protocol Label Switching) on 2.5 gigabit/sec networks as well as UMTS analysis and monitoring, making interWATCH one of the strongest tools in the growing market for high-speed networks.

Outlook for 2001

As already mentioned, NetTest does not expect the usual seasonal fluctuations to provide a strong fourth quarter this year. NetTest thus projects revenues of DKK 2,200-2,300 million and an EBITA of DKK(50)-(100) million.

The new projection should be compared to full-year 2000 revenues and EBITA figures of DKK 1,817 million and DKK 240 million, respectively.

OTHER GROUP OPERATIONS

GN Comtext was sold to EasyLink Corp. effective July 1. As part of the sale, GN Great Nordic made provisions of DKK 95 million in cover of a number of obligations. These provisions still apply and the sale of GN Comtext is therefore still expected to have a negative impact on GN Great Nordic's income before tax by DKK 95 million and by approximately DKK 65 million after tax.

The GN Great Northern Telegraph Company reported revenue of DKK 14 million and an EBITA of DKK 3 million for the third quarter, bringing revenue to DKK 47 million and an EBITA of DKK 11 million for the year to date. The company's business operations continue to develop as planned.

APPLIED ACCOUNTING POLICIES

This third quarter earnings release is unaudited and has been prepared in accordance with the accounting policies applied in the Annual Report 2000.

Consolidated (DKK millions)	2001 3rd quarter Unaudited	2000 3rd quarter Unaudited	2001 Interim Unaudited	2000 Interim Unaudited
Total revenue	1,682	1,736	5,609	4,932
Production costs	(864)	(842)	(2,871)	(2,462)
Gross profit	818	894	2,738	2,470
Research and development costs	(88)	(87)	(275)	(261)
Sales and distribution costs	(453)	(366)	(1,391)	(1,085)
Management and administration costs	(232)	(265)	(800)	(633)
Costs related to NetTest IPO	(5)	-	(56)	-
Other operating revenue	(1)	5	2	9
Share of income from associated companies	3	(7)	(6)	(12)
Earnings before interest, tax and amortization	42	174	212	488
Amortization of acquired intangible assets	(16)	(24)	(121)	(43)
Goodwill amortization	(139)	(77)	(527)	(160)
Restructuring	(29)	(31)	(87)	(39)
Impairment losses	3	(0)	(6,016)	(1)
Earnings before interest and tax	(139)	42	(6,539)	245
Gains on sale of property	68	1	76	4
Gains on sale of companies	(95)	12,835	(95)	12,835
Capital gains on shares	17	(22)	17	27
Financial income	4	83	47	110
Financial expenses	(38)	(56)	(85)	(173)
Income before tax and extraordinary items	(183)	12,883	(6,579)	13,048
Tax on income before tax	28	(42)	282	(119)
Net income for the period	(155)	12,841	(6,297)	12,929
Minority interests' share of net income for the period	-	-	-	-
GN Great Nordic's share of net income for the period	(155)	12,841	(6,297)	12,929

Assets (DKK millions)	2001 30 Sept Unaudited	2001 30 June Unaudited	2001 31 March Unaudited	2000 31 Dec	2000 30 Sept Unaudited
Noncurrent Assets					
Goodwill	9,429	9,536	14,817	14,598	6,173
Development projects	780	1,107	1,471	1,418	429
Software	78	85	105	98	31
Patents and rights	165	291	446	449	177
Telecommunications systems	90	94	97	100	104
Other intangible assets	485	503	583	563	422
Total intangible assets	11,027	11,616	17,519	17,226	7,336
Rental properties	19	34	31	31	40
Leasehold properties	-	-	-	-	-
Factory and office buildings	297	276	220	194	155
Plant and machinery	205	217	184	162	115
Operating assets and equipment	197	212	203	196	146
Leased plant and equipment	8	7	5	5	0
Telecommunications systems	20	21	22	24	46
Plant under construction	11	28	40	18	8
Total tangible assets	757	795	705	630	510
Investments in associated companies	188	56	64	82	57
Receivables in associated companies	-	-	-	-	-
Other securities	57	38	51	44	14
Other receivables and bank deposits	542	612	540	543	-
Deferred tax assets	134	142	125	121	171
Total financial assets	921	848	780	790	242
Total noncurrent assets	12,705	13,259	19,004	18,646	8,088
Current Assets					
Inventories	1,901	1,929	1,662	1,368	1,131
Trade accounts	1,770	1,917	1,964	1,840	1,456
Receivables from associated companies	17	12	11	5	6
Tax receivables	355	338	305	326	182
Other receivables	410	330	311	249	187
Prepayments	144	142	152	124	91
Total receivables	2,696	2,739	2,743	2,544	1,922
Listed stocks and bonds	17	34	29	31	6,017
Cash and cash equivalents	545	539	929	1,220	3,176
Total current assets	5,159	5,241	5,363	5,163	12,246
Total Assets	17,864	18,500	24,367	23,809	20,334

Liabilities (DKK millions)	2001 30 Sept Unaudited	2001 30 June Unaudited	2001 31 March Unaudited	2000 31 Dec	2000 30 Sept Unaudited
Stockholders' Equity					
Capital stock	879	879	879	879	820
Additional paid-in fund	4,170	4,170	4,170	4,170	1,519
Revaluation surplus	1	2	1	1	39
Exchange differences	149	893	567	128	77
Other reserves	8,128	8,284	14,399	14,520	15,116
Total equity	13,327	14,228	20,016	19,698	17,571
Minority Interests	-	-	-	-	-
Provisions					
Provisions for pension commitments and similar commitments	35	37	36	21	12
Deferred tax	385	407	687	694	82
Other provisions	464	398	484	452	596
Total provisions	884	842	1,207	1,167	690
Debt					
Mortgage debt	6	7	7	5	3
Bank debt	1,169	876	555	509	395
Capitalized leasing obligations	4	4	7	5	2
Other debt	605	626	568	529	4
Total long-term debt	1,784	1,513	1,137	1,048	404
Repayment of long-term debt	17	18	5	19	3
Bank debt	419	339	305	199	339
Trade payables	634	644	765	694	448
Payable to associated companies	1	1	0	0	1
Tax	117	90	103	96	69
Other debt	567	694	720	779	729
Accruals and deferred income	114	131	109	109	80
Total current liabilities	1,869	1,917	2,007	1,896	1,669
Total debt	3,653	3,430	3,144	2,944	2,073
Total Liabilities	17,864	18,500	24,367	23,809	20,334

Consolidated Statement of Cash Flows (DKK millions)	2001 3rd quarter Unaudited	2000 3rd quarter Unaudited	2001 Interim Unaudited	2000 Interim Unaudited
Operating Activities				
EBIT	(139)	63	(6,539)	266
Depreciation, amortization, etc.	299	193	6,948	516
Other adjustments	(32)	71	(79)	67
Interest, dividends, etc. received	(3)	(7)	37	111
Interest paid	(14)	(45)	(58)	(148)
Tax paid	26	(79)	(42)	(250)
Change in receivables	62	(127)	10	(84)
Change in inventories	(57)	(94)	(506)	(341)
Change in payables, etc.	(114)	177	(210)	102
Cash flow from operating activities	28	152	(439)	239
Investing Activities				
Acquisition of intangible assets	(78)	(194)	(379)	(295)
Disposal of intangible assets	-	10	-	10
Acquisition of tangible assets and real property	(43)	(165)	(285)	(536)
Disposal of tangible assets and real property	-	-	8	20
Acquisition of financial assets	(108)	-	(132)	-
Change in listed securities	17	240	14	229
Acquisition of companies	(41)	(1,079)	(165)	(4,646)
Divestment of companies	-	13,560	-	13,560
Cash flow from investing activities	(253)	12,372	(939)	8,342
Free cash flow	(225)	12,524	(1,378)	8,581
Financing Activities				
Proceeds from share issue	-	-	-	1,367
Treasury stock/stock options settled	(2)	127	32	(209)
Change in long-term debt	159	(1,266)	584	(1,229)
Change in short-term bank debt	74	(2,910)	214	(5)
Dividends paid to shareholders	-	-	(127)	(112)
Cash flow from financing activities	231	(4,049)	703	(188)
Net cash flow	6	8,475	(675)	8,393
Cash funds at January 1	539	641	1,220	723
Cash funds at September 30	545	9,116	545	9,116

Consolidated (DKK millions)	Share Capital (in shares of DKK 4)	Additional paid-in- fund	Revaluation surplus	Exchange differences	Other reserves	Total equity
Balance at year-end 1999	782	190	80	77	1,985	3,114
Implication due to change of accounting policies	-	-	-	-	(16)	(16)
Adjusted balance at year-end 1999	782	190	80	77	1,969	3,098
Stock issue	97	3,980	-	-	-	4,077
Transfer	-	-	(79)	-	79	-
Net income for the year	-	-	-	-	12,697	12,697
Paid dividend	-	-	-	-	(117)	(117)
Treasury stock	-	-	-	-	77	77
Tax of changes in capital and reserves	-	-	-	-	33	33
Stock options settled	-	-	-	-	(218)	(218)
Exchange differences etc.	-	-	-	51	-	51
Balance at year-end 2000	879	4,170	1	128	14,520	19,698
Net income for the period	-	-	-	-	(150)	(150)
Treasury stock	-	-	-	-	29	29
Exchange differences etc.	-	-	-	439	-	439
Balance at March 31, 2001	879	4,170	1	567	14,399	20,016
Transfer	-	-	1	-	(1)	0
Net income for the period	-	-	-	-	(5,992)	(5,992)
Paid dividend	-	-	-	-	(127)	(127)
Treasury stock	-	-	-	-	10	10
Stock options settled	-	-	-	-	(5)	(5)
Exchange differences etc.	-	-	-	326	-	326
Balance at June 30, 2001	879	4,170	2	893	8,284	14,228
Transfer	-	-	(1)	-	1	-
Net income for the period	-	-	-	-	(155)	(155)
Adjustment for stock options settled during period	-	-	-	-	(2)	(2)
Exchange differences etc.	-	-	-	(744)	-	(744)
Balance at September 30, 2001	879	4,170	1	149	8,128	13,327

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Kongens Nytorv 26

P.O. Box 2167

1016 Copenhagen K

Tel: +45 72 111 888

Fax: +45 72 111 889

www.gn.com

info@gn.com

wap.gn.com