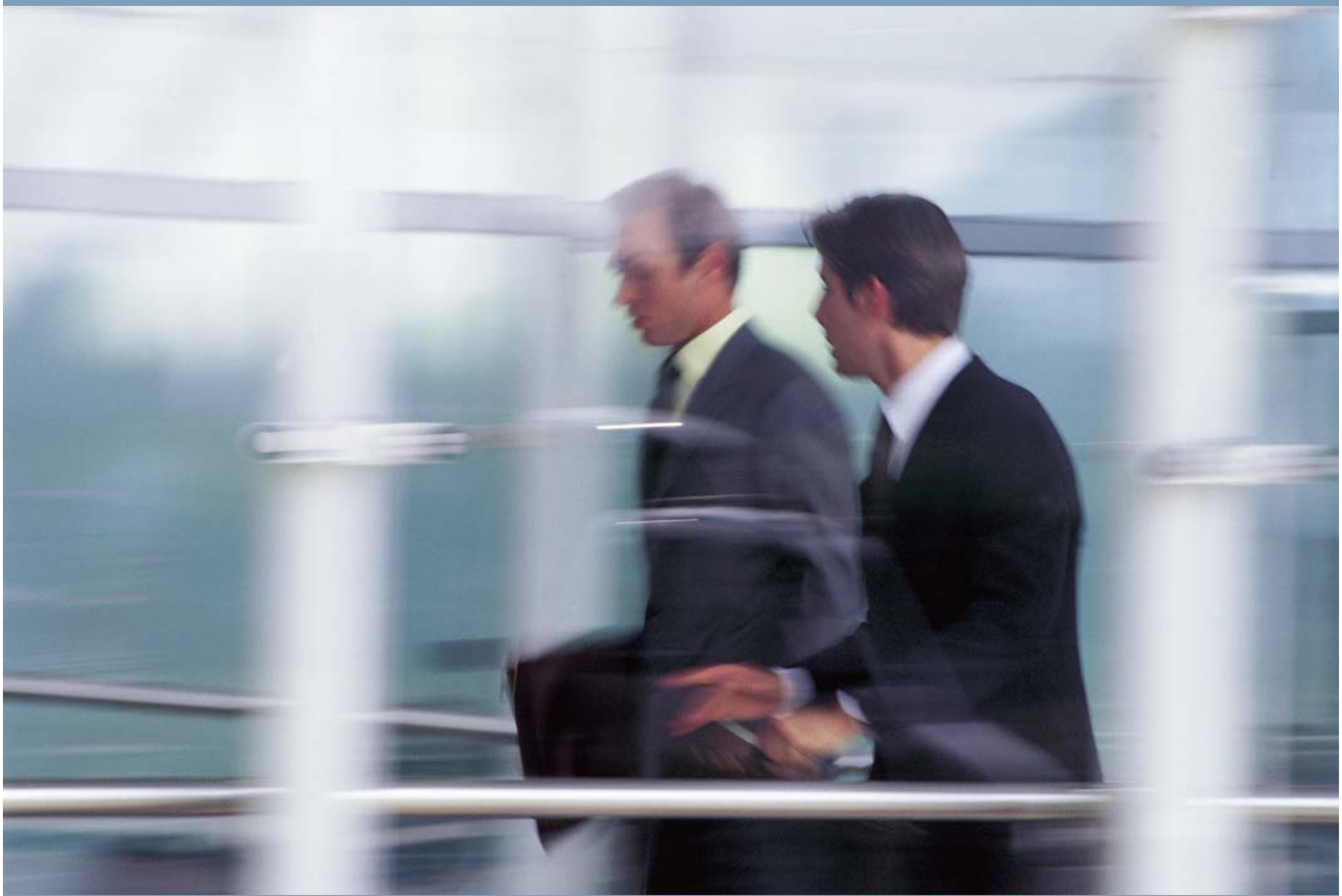
Great Nordic
A World of Communications

Financial Annual Report 2001



Corporate Profile, Vision, Goals and Strategy

Corporate Profile

GN Great Nordic is an international group of companies focusing on intelligent solutions with a high technology content for personal communication. Our solutions provide better, safer and more comfortable communication between people.

GN Great Nordic operates on two closely-related global markets, on which the Group's two core businesses are both among the global leaders.

- GN Netcom – hands-free communication solutions, especially headsets.
- GN ReSound – hearing instruments and audiological test equipment.

Following several years of acquisitive and organic growth, NetTest has evolved into a leading supplier of systems for the testing, monitoring and management of optical and other communication networks. NetTest is outside GN Great Nordic's future business focus on personal communication. Therefore, the company intends to spin off NetTest for the benefit of the shareholders. Until that happens, GN Great Nordic will continue to retain and further develop the values in NetTest.

GN Great Nordic is headquartered in Denmark but operates globally on all relevant markets. The Group operates subsidiaries in 30 countries and has a presence in many other countries through distributors. The Group generates 97% of its revenue outside Denmark, with 47% deriving from the single most important market, the United States.

GN Great Nordic had an average of 6,213 employees in 2001, of which 2,481 were based in North America. The Group operates R&D centers in North America and Europe, and co-operates closely with core customers and industry interest groups to develop innovative products. A large share of production is outsourced, but the Group manufactures the most critical products itself at plants in North America, Europe and China.

Founded in 1869, GN Great Nordic is listed on both the Copenhagen and London stock exchanges. GN Great Nordic is included in the benchmark KFX-index on the Copenhagen Stock Exchange.

Vision

GN Great Nordic aims to generate a competitive return to its shareholders by developing, manufacturing and marketing intelligent solutions for personal communication, offering customers efficient communication solutions and developing its employees through a challenging environment.

Goals

The Group's goals for the 2002-2004 period are to

- Bring earnings and cash flows from operating activities in line with the best in the respective industries;
- Improve the companies' market positions through organic growth and acquisitions;
- Exploit GN Great Nordic's core competences, technologies and brands on related markets offering attractive growth and earnings opportunities; and
- Provide timely and adequate information to the stock market so as to create the necessary conditions for a fair market valuation.

Strategy

The highlights of GN Great Nordic's strategy for the 2002-2004 period are to

- Ensure efficient integration of company acquisitions in GN ReSound
- Ensure that GN Netcom continues to win market share while retaining its profitability in line with that of its competitors
- Develop the activities within hearing instruments, headsets, audiological test equipment and related business areas through organic and acquisitive growth
- Maintain technology leadership by developing, manufacturing and marketing innovative, high-tech products
- Utilize the synergies across the Group's companies while encouraging each company to act in a flexible and market-oriented manner
- Introduce performance-related incentive schemes for its management and employees
- Create an inspirational working environment for all employees through value-based management focusing on personal development of each manager and specialist employees
- Spin off NetTest for the benefit of GN Great Nordic shareholders, but until then to retain and further develop the values in NetTest.

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- In light of the financial results for the year, the Board of Directors proposes that no dividend be paid in respect of the financial year.

- Q4 revenue was DKK 1,710 million, with all group activities outperforming the expectations expressed at the start of the quarter, but the figure was 17% lower than for the same period of last year. Full-year revenue was DKK 7,319 million, which was a 5% improvement on 2000.

- The Group maintained the high level of investments in development activities, incurring DKK 696 million in development costs in 2001, equal to approximately 10% of revenue.

- Q4 EBITA was DKK (78) million, which was better than expected at the start of the quarter in spite of a DKK 95 million inventory write-down by NetTest, equal to 10% of NetTest's total inventories. This brought 2001 EBITA to DKK 198 million against DKK 795 million last year.

- NetTest and GN Netcom have made substantial cost adjustments after a year of difficult market conditions. For GN ReSound, accelerated integration of acquisitions also led to further restructuring. Consolidated restructuring costs were DKK 306 million in Q4 and DKK 393 million for the full year. Restructurings produced cost savings in 2001 and will reduce costs by more than DKK 600 million annually from 2002 onwards.

- Since the Q2 interim report was released, market valuations of companies comparable to NetTest's Optical Division have almost dropped by half. Against this background, the Group impaired a further DKK 2,500 million of goodwill and other intangibles relating to Photonetics in Q4, bringing full-year 2001 impairments of goodwill and other intangibles to DKK 8,563 million.

- After impairment of goodwill and other intangibles, earnings before tax and extraordinary items was DKK (9,642) million.

- Good results were achieved from an added focus on cash flows. Cash flows from operations were DKK 374 million in Q4 and DKK (65) million for the full year.

- This has reduced the Group's net interest-bearing debt from DKK 1,066 million at the end of Q3 to DKK 817 million at the end of Q4.

- GN Great Nordic still intends to spin off NetTest for the benefit of shareholders. Currently, the best way to do this is believed to be through a demerger. Spinning off NetTest is contingent on improvements in NetTest's market conditions, which will most likely not happen until in 2003. GN Great Nordic intends to apply for the necessary approvals in 2002, allowing for a demerger at an earlier point in time if permitted by market conditions.

- As part of the constitution of the Board of Directors in 1999, Elvar Vinum agreed to serve as chairman for a period of up to three years. This period has now expired, and Mr. Vinum has announced that he wishes to resign from the Board of Directors at the annual general meeting.

Outlook for 2002

- GN Great Nordic projects revenues – excluding NetTest – in the range of DKK 5 billion and EBITA of not less than DKK 350 million for 2002.

- As also experienced by many of NetTest's competitors, uncertainty regarding developments on NetTest's markets means that it is not possible to make a full-year forecast for NetTest. Q1 projections are for revenue of just over DKK 200 million and EBITA of approximately DKK (120) million, while revenue of just over DKK 300 million and an EBITA of just under DKK (75) million is expected for Q2. The extensive restructurings have brought breakeven revenue to just under DKK 1.6 billion in 2002 against DKK 2.5 billion in 2001. NetTest's second-half revenue is traditionally higher than the first-half figure.

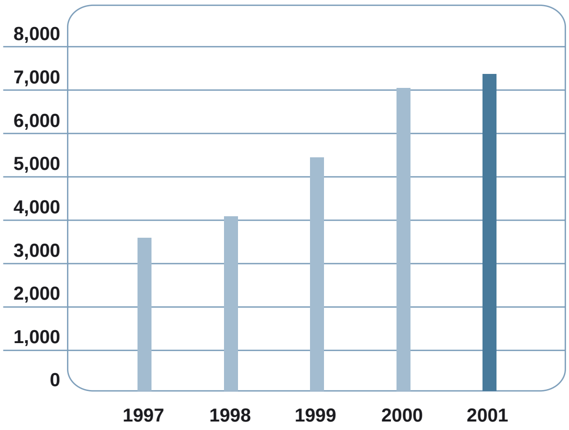
- In 2002, the Group expects goodwill amortization of almost DKK 500 million, restructuring costs of approximately DKK 125 million and financial items of just over DKK (100) million.

Consolidated Financial Highlights 1997-2001

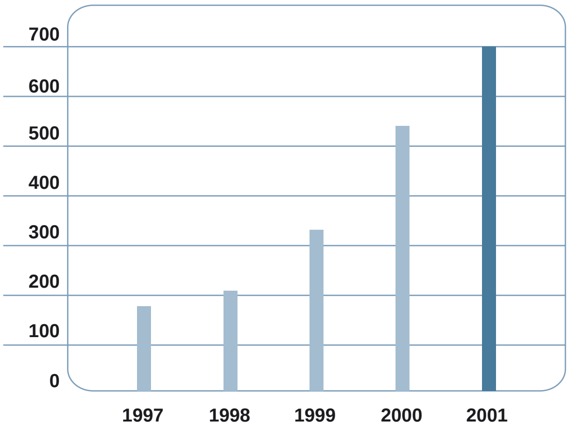
(DKK millions)	1997	1998	1999	2000	2001
Earnings - Statement of Income					
Net revenue	3,541	4,039	5,398	7,003	7,319
Earnings before results from subsidiaries and associated companies, interest and tax	91	145	452	144	(9,619)
Earnings before interest and tax	85	142	433	138	(9,624)
Earnings before tax	54	106	653	13,004	(9,642)
Net earnings	6	41	430	12,697	(9,176)
GN Great Nordic's share of net earnings	4	36	429	12,697	(9,176)
GN Great Nordic's share of net earnings excluding amortization and impairment of intangibles	184	167	551	13,212	137
Earnings - Investor-Specific Financial Highlights					
Earnings before interest, tax, depreciation and amortization of intangibles (EBITDA)	546	576	1,005	1,076	420
Earnings before interest, tax and amortization of intangibles (EBITA)	265	289	669	795	198
Earnings before interest and tax (EBIT)	85	142	433	125	(9,624)
Balance Sheet					
Capital stock (GN Great Nordic)	727	744	782	879	879
Shareholders' equity	2,518	2,426	3,098	19,698	10,708
Total assets	5,364	5,665	8,566	23,809	15,023
NetTest order backlog	81	124	213	808	350
Cash Flows					
Cash flows from operations	362	472	472	41	(65)
Cash flows from investments	(657)	(504)	(1,603)	(741)	(1,065)
Dividends					
Parent company dividends	87	89	117	132	0
Research and Development					
Research and development costs incurred during the year	171	202	326	536	696
Investments					
Plant and machinery	279	209	351	265	267
Real property including leasehold improvements	126	82	126	44	137
Telecommunication systems	187	230	6	-	-
Long-term intangibles excluding goodwill	69	96	221	336	535
Total (excluding company acquisitions)	661	617	704	645	939
Company acquisitions	205	369	1,777	14,258	184
Acquisition of associated companies	3	99	1	77	147
Total investments	869	1,085	2,482	14,980	1,270
Depreciation and amortization of long-term intangibles and tangibles	393	455	550	792	1,264
Impairment of long-term intangibles	128	80	10	124	8,509
Key ratios					
Parent company pay-out ratio	12.0%	12.0%	15.0%	15.0%	0
Dividend per DKK 4 share (in Danish kroner)	0.48	0.48	0.60	0.60	0.00
EBITA margin	7.5%	7.2%	12.4%	11.4%	2.7%
Return on invested capital	6.7%	6.6%	11.5%	5.5%	1.1%
Return on equity	0.9%	6.0%	15.0%	111.4%	(60.4)%
Equity ratio	52.3%	46.9%	36.2%	82.7%	71.3%
Key ratios					
Basic and fully diluted earnings per DKK 4 share (EPS)	0.12	0.83	2.21	62.99	(41.75)
Basic and fully diluted earnings per DKK 4 share (EPS) excluding amortization and impairment of intangibles (EPS)	1.20	1.57	3.32	66.30	2.92
Cash flow per DKK 4 share (CFPS)	2.11	2.41	2.41	0.20	(0.30)
Net asset value (per DKK 4 share)	14	14	16	90	49
Share price at year-end (per DKK 4 share)	23	46	72	141	50
Average number of DKK 4 shares (in thousands)	169,907	195,609	195,587	201,561	219,775
Employees					
Average number of employees	2,977	3,099	3,835	5,162	6,213

See page 62 for definitions of key ratios.

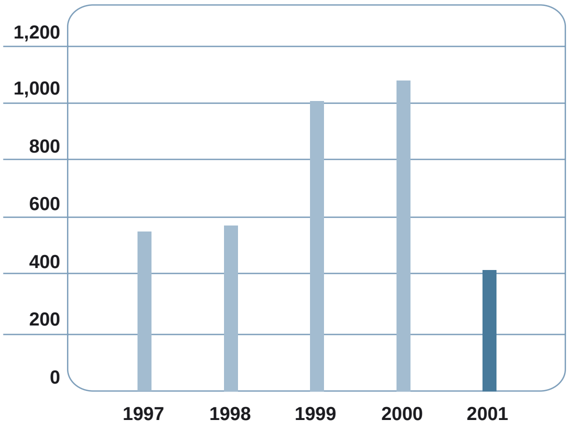
Total revenue (DKK millions)



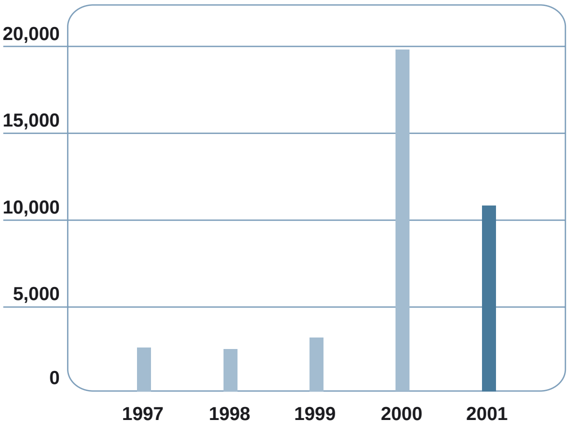
Research and development costs incurred for the year (DKK millions)



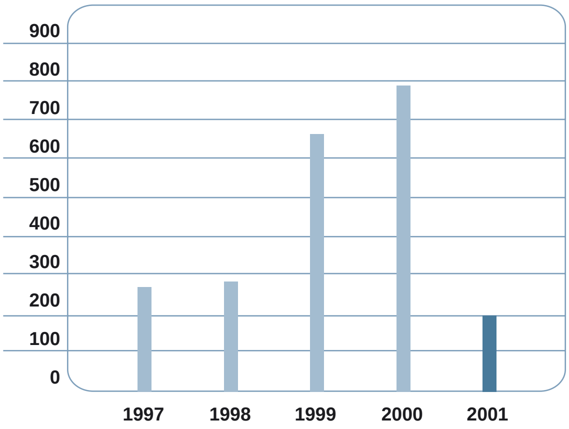
EBITDA (DKK millions)



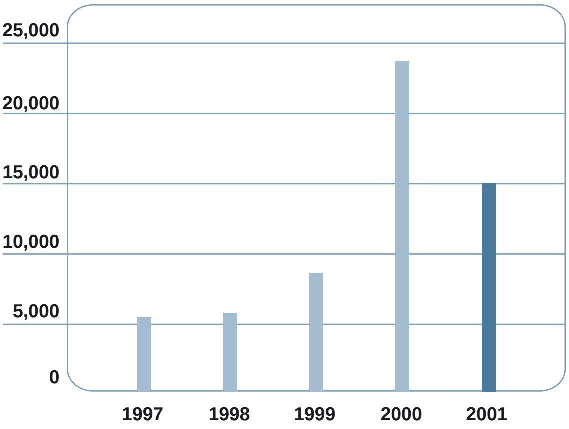
Shareholders' equity (DKK millions)



EBITA (DKK millions)



Total assets (DKK millions)



This financial report and full-year earnings release is complemented by the supplementary report "Shaping the Future" to make up GN Great Nordic's Annual Report 2001 forwarded to the shareholders ahead of the Annual General Meeting (AGM) to be held on April 23, 2002. The financial report was released on March 13, 2002.

As in 2000, the Annual Report is presented in accordance with international accounting standards and the Danish Financial Statements Act. For ease of comparison with the Group's foreign competitors, GN Great Nordic provides a range of supplementary financial data, which has been incorporated into the Directors' Report and is presented systematically on pages 24 thru 29.

Q4 Revenue and Earnings

GN Great Nordic generated revenue of DKK 1,710 million in Q4, which was more than expected at the start of the quarter. GN ReSound's revenue was in line with expectations, while both GN Netcom and NetTest outperformed revenue expectations. In spite of the still very difficult market conditions, especially for NetTest, the Group's revenue was in line with the figure for Q3.

Revenue fell by DKK 361 million relative to Q4 of 2000. The decline is the result of the business slump on the core market, the United States, most countries in Europe and Asia and the extremely adverse conditions on NetTest's markets. As a result, the Group did not experience the traditional strong Q4 2001 performance.

Combined, GN ReSound and GN Netcom achieved an EBITA of DKK 108 million, up from DKK 101 million in Q3 and DKK 34 million in Q2. The improvement confirms the potential of the two companies and confirms the value of the measures they have taken to strengthen their earnings, the effects of which will become more visible in 2002.

GN Netcom recorded better-than-expected earnings, driven mainly by continuing strong demand in the US for JABRA headsets for cell phones. GN ReSound achieved its earnings target, recording an EBITA margin of 8.9%, up from 7.6% in Q3. Relative to Q4 2000, GN ReSound has more than doubled its EBITA-margin.

In spite of a DKK 95 million write-down on inventories, equal to about 10% of total inventory value, NetTest came close to meeting the forecast of an EBITA of DKK (125) - (175) million announced by GN Great Nordic in November: NetTest reported an EBITA of DKK (180) million, as compared to DKK (49) million in Q3.

As expected, amortization of goodwill and other intangibles totaled DKK 156 million, against DKK 155 million in Q3. Restructuring costs were DKK 306 million, as compared to DKK 29 million in the previous quarter. The increase was due to provisions for restructurings planned and announced for 2002-2004 in GN ReSound and NetTest. The restructurings, which are discussed in greater detail in separate sections below, will reduce the companies' future break-even revenues significantly.

In Q2 2001, GN Great Nordic made an impairment of DKK 4,500 million on goodwill and other intangibles relating to Photonetics in NetTest. NetTest's markets have not improved in the meantime, and it is still unclear when the markets will recover. Also since then, the market valuation of companies directly or indirectly comparable to NetTest's Optical Division has decreased significantly. Consequently, in order to retain the high level of credibility in respect of the values reflected in the Group's accounts, a further DKK 2,500 million impairment on goodwill and other intangibles relating to Photonetics has been made at December 31, 2001.

Although the acquisition of Photonetics has truly strengthened NetTest in its technology leadership within the optical segment, the financial value of this strong strategic position cannot be assessed until after a number of years.

Net financial income was DKK 22 million. Earnings before tax and extraordinary items were DKK (3,066) million and the net income for the year was DKK (2,882) million.

The company successfully strengthened its cash conversion during the fourth quarter, as cash flows from operations were DKK 374 million and cash flows from operations and investments amounted to DKK 248 million. As a result, total net interest-bearing debt decreased by DKK 293 million during the quarter.

Full-Year Revenue and Earnings

Net earnings achieved in fiscal 2001 were a disappointment. GN Great Nordic suffered a severe blow from the recession that emerged in the US in Q4 of 2000 and which, following a period of renewed optimism early in the second quarter, spread to Europe and Asia in Q3 2001 only to accelerate further after September 11, 2001. NetTest suffered the greatest impact, as the order inflow and, gradually, revenue dipped sharply in Q2 following a Q1 performance of strong growth, especially in the optical segment.

GN Netcom also recorded an earnings decline due to the setback in the company's sales of headsets to call centers and offices.

In spite of a slight drop in Q4 sales of its high-end digital hearing instruments in the US, GN ReSound reported an improvement generally in line with expectations.

Substantial progress was made in other areas:

- The consolidation of recent years' acquisitions progressed according to plan, confirming the potential for improving GN Netcom's and GN ReSound's earnings, also in the short term;
- The strategy behind the acquisitions proved to be right, as all companies had sufficient size in a difficult year to quickly adapt and sharply reduce their costs without severely impairing their competitive strength or their future growth opportunities;
- The companies have generally maintained their market shares, while enhancing their positions in strategically important areas: GN Netcom in wireless headsets and mobile solutions and GN ReSound on the market for high-end hearing instruments;
- After taking firm and resolute action to adapt to the market situation, GN Netcom improved its earnings in the second half of the year. GN ReSound recorded improvements relative to the year earlier. Both companies achieved good results from optimizing production and logistics and thereby shortening the supply chain;
- New products such as GN ReSound's Canta7, GN Netcom's Bluetooth headset and NetTest's MasterQuest all showed that the individual companies are technology leaders in their respective fields;

- Substantial restructurings have accelerated the integration of companies acquired by NetTest and reduced the cost base substantially. Emerging from these efforts is an organization better equipped to directly meet customer requirements.

The Group recorded total revenue of DKK 7,319 million, a 5% improvement relative to 2000 and a 21% improvement when omitting SONOFON, which contributed DKK 972 million in 2000. GN Netcom recorded the highest growth rate at approximately 30%, while GN ReSound and NetTest grew by 29% and 28%, respectively. Growth in GN Netcom and GN ReSound was due to acquisitions made in 2000. Of the 28% sales improvement in NetTest, 5% was organic growth in the optical segment. Group revenue was higher than projected by GN Great Nordic in November, but substantially lower than expected at the beginning of 2001.

The Group contribution margin fell from 61% to 57%, mainly because SONOFON's high margins were included in the 2000 figure. In addition, GN Netcom's contribution margin fell slightly due to the full consolidation of JABRA and the Hello Direct sales channel in 2001, both business areas with lower contribution margins. Similarly, NetTest suffered a weaker operating margin because of write-downs on inventories and a shift in sales towards lower-margin products. On the other hand, the continued integration of company acquisitions and the added sales of digital hearing instruments helped to improve GN ReSound's contribution margin.

EBITA was DKK 198 million. The main reason for the improvement relative to the November forecast of DKK 100-150 million was GN Netcom's better than expected Q4 performance, especially on the market for headsets for cell phones. While improving its earnings in the second half of the year after taking extensive measures to adapt to market conditions, GN Netcom recorded a drop in its EBITA margin from 21.6% in 2000 to 6.7% in 2001. In spite of the challenging general conditions on GN Netcom's markets, the main factor depressing GN Netcom's earnings was the negative performance of the Hello Direct sales channel. As a result, Hello Direct has undergone extensive restructuring. Disregarding Hello Direct, the EBITA margin in GN Netcom was 15.0% in 2001 as compared to 23.4% in 2000.

GN ReSound increased its full-year EBITA margin from 6.4% to 7.0%, recording an improvement from 3.6% in Q4 2000 to 8.9% in Q4 2001. The advance was achieved in spite of the difficulties experienced by Beltone USA in Q1 related to a loss of dispensers and thereby of revenue in the US. Disregarding Beltone's US operations, GN ReSound achieved an EBITA margin of approximately 10% in 2001.

Finally, NetTest's EBITA margin fell from 13.0% in 2000 to (4.5)%. EBITA is generally stated net of non-recurring costs related to the planned IPO of NetTest. Of these costs, DKK 39 million was incurred by NetTest and DKK 18 million was incurred by the parent company.

Goodwill and Restructuring

At the end of the second quarter of 2001, the Group impaired DKK 6,000 million of goodwill and other intangibles such as patents, rights and know-how. The impairments were related to Photonetics, Beltone and Hello Direct, which were all acquired at a time when market valuations of comparable companies were higher than is the case today. Although the acquisition of Photonetics has truly strengthened NetTest in its technology leadership within the optical segment, the financial value of this strong strategic position cannot be assessed until after a number of years. In line with a number of international companies, GN Great Nordic decided impair goodwill and other intangibles due to the sharply reduced transparency in market demand for NetTest product.

As already mentioned, NetTest's markets have not improved since then, and it is still unclear when the markets will recover. Since the Q2 interim report was released, market valuations of companies directly or indirectly comparable to NetTest's Optical Division have dropped by more than half. Consequently, in order to retain the high level of credibility in respect of the values reflected in the Group's accounts, the Board of Directors has resolved to make a further DKK 2,500 million impairment loss on the carrying value of goodwill and other intangibles relating to Photonetics.

Amortization of goodwill and other intangibles amounted to DKK 804 million, against DKK 391 million the year before. One of the main reasons for the difference is the effects of the acquisitions of Photonetics, Hello Direct and Beltone in 2000.

GN Great Nordic took swift and decisive action in the face of the market deterioration, aligning company operations with lower demand and accelerating the integration of the businesses acquired in 2000. As a result, restructurings have been substantial and more extensive than expected, but this will also reduce future operating costs, leading to a permanent increase in net earnings.

Restructuring costs totaled DKK 393 million in 2001, as compared to DKK 89 million in 2000. Of this amount, DKK 217 million relates to activities executed in 2001 and DKK 176 million relates to provisions for planned and announced restructuring in 2002, 2003 and 2004. Restructuring costs amount to DKK 39 million in GN Netcom, DKK 153 million in GN ReSound and DKK 201 million in NetTest and are described in greater detail in the relevant company sections.

Financial Items

The Group recorded net financial income of DKK 1 million, which is lower than expected in the beginning of the year, due to an increase in interest expenses caused mainly by lower-than-expected earnings and a greater amount of capital tied up in inventories, especially in NetTest.

Financial income was positively impacted by a gain from the sale of shares, including shares in Denerco and Rostelecom.

Discontinuing Activities

The DKK (95) million loss on the sale of companies was due to a loss related to the divestment of the former GN Comtext.

In addition, discontinuing activities were impacted by the divestment of investment prop-

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Bluetooth™

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erty that is no longer considered a core business activity. Total gains from these divestments were DKK 76 million.

Net Earnings and Dividends

Earnings before tax and extraordinary items was DKK (9,642) million in 2001 against DKK 13,004 million in 2000, which figure was strongly influenced by the gains from the sale of SONOFON.

Tax is estimated as a positive amount of DKK 466 million, caused by a reduction in deferred taxes from the impairment of intangibles.

This brings the net earnings for the year to DKK (9,176) million, which will be transferred to reserves. In light of the financial results for the year, the Board of Directors recommends that the Annual General Meeting pass a resolution to not distribute dividends in respect of the 2001 fiscal year.

BALANCE SHEET

Total assets at December 31, 2001 were DKK 15,023 million against DKK 23,809 million the previous year. The difference relates to the impairments on goodwill and other intangibles totaling DKK 8,509 million.

Inventories increased by DKK 380 million to DKK 1,719 million in 2001. DKK 260 million of the increase was due to stock-building by NetTest based on expectations that the significant sales growth in Q1 would continue.

Inventory write-downs increased by DKK 112 million in 2001 to DKK 457 million. The increase relates exclusively to NetTest.

Trade receivables decreased by DKK 372 million to DKK 1,497 million by the end of the year, of which DKK 249 million was due to NetTest, DKK 100 million was due to GN Netcom, and DKK 78 million was due to the Telegraph Company and the divested company GN Comtext.

Finally, cash and cash equivalents decreased by DKK 480 million to DKK 740 million, and total interest-bearing debt rose from DKK 732 million to DKK 1,557 million.

Shareholders' equity was down from DKK 19,698 million at December 31, 2000 to DKK 10,708 million at December 31, 2001. The decline was due to the major impairment losses on goodwill included in the net income for the year as well as paid dividend of DKK 127 million, while exchange differences resulting from the appreciation of the dollar against the Danish krone added DKK 279 million to shareholders' equity. Backed by an equity ratio of 71%, GN Great Nordic remains financially strong.

INVESTMENTS AND TRANSACTIONS

The Group invested a total of DKK 939 million in long-term intangible and tangible assets in 2001 against DKK 645 million in 2000.

Net investments in intangibles amounted to DKK 535 million, mainly in R&D projects of DKK 443 million against DKK 291 million in 2000. The increase was mainly due to development projects in NetTest but GN Netcom and GN ReSound also increased their R&D investments during the year.

Investments in long-term tangible assets totaled DKK 404 million, of which DKK 125 million relates to leasehold improvements in NetTest and GN Netcom, in particular, while DKK 255 million relates to investments in plant and equipment.

Furthermore, GN Great Nordic acquired companies for a total of DKK 331 million in 2001, against DKK 14,335 million last year, which were paid by approximately 69% in cash and 31% by stock at an average price of DKK 170 per share. In 2001, GN ReSound acquired the outstanding 50% of the stock in Danish company AuditData, its Japanese distributor Dana Japan and 25% of the stock in Ultravox Holdings Ltd., the largest hearing aid dispenser in the UK.

The reduced volume of acquisitions in 2001 relative to 2000 reflects the critical mass that the Group's companies have achieved critical mass. Acquisitions are still an important tool for the company in achieving its strategic goals, and GN Great Nordic has the financial strength necessary to pursue its goals. However, in the future, a greater proportion of growth will be organic, with earnings growth taking top priority.

In 2001, GN Great Nordic sold the activities in GN Comtext, the entire portfolio of apartments and several minor equity stakes. All of these transactions were in line with the continuous focus on core business.

CASH FLOWS

Cash flows from operations were DKK (65) million against DKK 41 million in 2000, which is not satisfactory. The amount of capital tied up in inventories and trade receivables has been too high which in particular was caused by stock-building by NetTest early in 2001 in anticipation of a continuing high order inflow in Q1 and by GN Netcom's trade receivables being excessive.

Since June, GN Great Nordic has increased its focus on cash management including working capital management, and with satisfactory results. Cash flows from operations were DKK 568 million in the second half against DKK (633) million in the first half of the year. Working capital management has improved and, to further promote these efforts, GN Great Nordic has defined specific working capital targets in management's incentive schemes to complement the existing earnings targets. Additional improvements are expected in the future.

Cash flows from investments were DKK (1,065) million against DKK (741) million in 2000. The increase was mainly due to a growing number of development projects and investments in long-term tangible assets and financial assets. The Group intensified its development activities in 2001.

Cash flows from operations and investments total DKK 189 million in the second half against DKK (1,319) million in the first half, and DKK (1,130) million for all of 2001.

Total cash spending was also impacted by dividends items paid of DKK (127) million and other items of DKK 4 million.

The cash outflow was funded through additional bank debt of DKK 776 million and a drop in cash and cash equivalents of DKK 477 million. Through the added focus on cash flows, the Group reduced its net interest-bearing debt by DKK 293 million in Q4.

THE NEW GN GREAT NORDIC

Over the past two years, by making company divestments and enhancing its strategic focus, GN Great Nordic has successfully been transformed from being a conglomerate with seven business areas into a corporation focusing on personal communication solutions: hearing instruments and audiological test equipment in GN ReSound and headsets in GN Netcom.

In 2001, GN Netcom and GN ReSound

began cooperating on exchanging technologies. The arrangement extends mainly to the production facilities in China, where in the second half of 2002, the two companies will be opening a joint plant with up to as many as 1,000 employees and based on demand flow technology. The plant will be making extensive use of sub-contractors.

Finally, the Group has ownership interests in a small number of telecommunication systems in Eastern Europe. While this business provides stable earnings, the ownership interests are being reviewed on an ongoing basis.

NetTest Spin Off

GN Great Nordic also owns NetTest, which, providing test and measurement of networks, operates outside the future strategic focus area. As a result and as previously announced, the company will be spun off for the benefit of shareholders.

Following substantial preparations in the second half of 2000 and the first half of 2001, GN Great Nordic aimed to spin off NetTest and to have the company floated. At the time, it was the assessment that a listing on Nasdaq and on the Copenhagen Stock Exchange would provide an optimum valuation. Due to market developments, however, the process was initially postponed and eventually cancelled.

The current market for IPOs of technology companies does not allow for a listing of NetTest. An alternative approach is a tax-free demerger of GN Great Nordic in which GN Great Nordic is separated into two separate listed companies, and in which one share in the existing GN Great Nordic would be substituted by one share in NetTest and one share in the remaining "New GN Great Nordic".

A successful demerger would require that the two new companies would both have adequate financial strength. Under current market conditions, NetTest has a negative cash flow and would therefore require a substantial capital injection in order to continue the development activities that are so essential for it to retain its technology leadership.

GN Great Nordic is making a dedicated effort to execute a demerger of GN Great Nordic for the purpose of transferring the shares in NetTest to GN Great Nordic's shareholders. A successful demerger is contingent on improvements in NetTest's markets and, in turn, the stock market valuation of NetTest.

GN Great Nordic will take the necessary steps to apply for the necessary approvals, so the demerger documents can be submitted to the relevant authorities not later than June 30, 2002. However, the company believes that a demerger can probably not be carried out until in 2003.

ORGANISATION AND MANAGEMENT

On April 1, 2001, Jørn Kildegaard replaced Jørgen Lindegaard as President & CEO of GN Great Nordic. On June 1, 2001, Jens Due Olsen replaced Poul Erik Tofte as CFO and also became a member of the Executive Management.

As a natural next step following the sale of SONOFON in 2000 and the plans to separate NetTest, the parent company's head office functions were aligned to the new situation in the spring. The parent company now employs some 20 specialists, all of whom work in functions that are provided exclusively by the parent company.

GN Netcom, GN ReSound and NetTest strengthened critical functions in 2001, such as finance, financial management and IT, which have become increasingly important after recent years' growth. All three companies have strengthened their international management groups, and both GN ReSound and NetTest appointed new members to their executive management: Alan P. Dozier (Executive Vice President) and Carsten J. Fensholt (CFO and Executive Vice President) joined CEO Jesper Mailind, the Group President & CEO, to make up the new Executive Management of GN ReSound. Poul Erik Tofte was appointed new CFO of NetTest and joined CEO Jens Maaløe to form NetTest's Executive Management. Finally, Pernille Fabricius was appointed CFO of GN Netcom.

The employees held supplementary elections in November to appoint their representatives on GN Great Nordic's Board of Directors.

The new employee representative on the Board of Directors is Jens Bille Bergholdt, Corporate Treasury Director, who replaced Erik Winther. The new alternate member is Christian Tang-Jespersen, Vice President and General Counsel.

Staff Changes

The Group had 5,878 employees at December 31, 2001, down from approximately 6,000 at the start of the year. The average number of employees rose from 5,162 in 2000 to 6,213. The increase was due exclusively to the full consolidation in 2001 of acquisitions made in the second half of 2000. The number of employees was reduced towards the end of 2001 due to extensive restructuring in all companies. Moreover, jobs have been relocated from Europe and the United States to the production facilities in China.

Stock Option Plans

GN Great Nordic uses stock options to align employee objectives with shareholder objectives, including to attract and retain qualified employees. Options are awarded to managers and specialists working in key functions.

In the first half of the year, a program closed involving 122,020 options awarded in 1998 to seven senior employees at a strike price of 39. All options had been exercised by June 30, 2001.

In the two remaining programs, the US program and the European program, the US program has 2,138,250 options outstanding, awarded in 2000 at an average strike price of 128. In 2001, an additional 1,986,250 options were awarded at an average strike price of 88. No stock options were exercised in this program in 2001. At January 1, 2001, the European program had 948,606 options outstanding, awarded in 1999 and 2000 at an average strike price of 123. During 2001, an additional 985,100 options were awarded at an average strike price of 93. No stock options were exercised in the European program in 2001.

The total number of outstanding options at December 31, 2001 represented a market value of approximately DKK 75.5 million.

The stock options exercised are charged to shareholders' equity. The Group seeks to offset the effect on shareholders' equity on an ongoing basis through the sale of the part of the treasury stock earmarked to hedge stock option commitments.

GN Great Nordic expects to introduce a new stock option program in 2002, with awards in 2002 and the following years.

Q4 Revenue and Earnings

Q4 2001 revenue was DKK 497 million, which is 6% higher than the Q3 2001 figure and a 4% drop compared to Q4 2000. Revenue and earnings outperformed expectations at the start of the fourth quarter, and GN Netcom is believed to have strengthened its overall market position.

The strong sales of JABRA headsets for cell phones continued from the third quarter. Sales on the US market are driven by a highly diversified sales and distribution channel network and by a greater focus on safety while driving, but Europe is also reporting improvements. JABRA contributed 20% of GN Netcom's revenue in the fourth quarter, which was higher than expected and almost in line with the 24% share in Q3, when dealers were stocking up for Christmas sales.

Sales in Europe were generally higher than expected and in line with the Q4 2000 figure. On the other hand, US sales remain impacted by the economic downturn, and the Hello Direct sales channel continues to feel the impact of the anthrax scare, which has resulted in irregular mail services and skepticism regarding mail order catalogues.

EBITA was DKK 41 million against DKK 46 million in Q3 2001 and DKK 82 million in Q4 2000. Earnings were better than expected, due both to higher-than-expected sales and to the effect of restructuring and continued outsourcing of production and other tasks. The minor fall from the third quarter was due to lower earnings by Hello Direct.

Restructuring costs were DKK 14 million in the fourth quarter and were related to rationalization measures at the Washington, UK plant in connection with relocation of production to China.

Full-Year Revenue and Earnings

During the year, GN Netcom was severely impacted by the effects of the recession that emerged in the US in Q4 of 2000 and which, following a period of renewed optimism early in the second quarter, spread to Europe and Asia in Q3 2001. Backed by a good performance in the second half, GN Netcom still managed to generate revenue of DKK 1,930 million, an increase of more than 30% relative to 2000 triggered by the acquisitions of JABRA and Hello Direct in 2000.

As expected, the contribution margin decreased, from 58% in 2000 to 56% in 2001, due to the full consolidation of Hello Direct and JABRA, both with lower margins than the sales of headsets and accessories to call centers and offices. Since acquiring the two companies, GN Netcom has successfully lifted Hello Direct's operating margin from 40% to 46%, JABRA's operating margin from 47% to 52%, while also increasing the margins on sales of headsets to call centers and offices.

EBITA was DKK 129 million and the EBITA margin was 6.7%, which was substantially lower than expected at the start of 2001 but higher than anticipated at the start of Q4. JABRA has improved its earnings considerably, while Hello Direct incurred a loss. Excluding Hello Direct, with its full year revenues of DKK 548 million, GN Netcom's EBITA margin was 15.0% in 2001 against 23.4% in 2000. As a result, Hello Direct has been restructured extensively.

In Europe, sales of headsets to offices and call centers were only marginally lower than in 2000, as the European economies slumped later than and not as severely as the US economy. Market conditions were difficult in the UK and Germany, while most other European countries showed improvements. Sales to Eastern Europe, the Middle East and Africa are enjoying strong growth, but these emerging markets still only constitute a small share of revenues. Asia showed moderate growth.

GN Netcom in North America had a difficult year, especially with Hello Direct facing the same challenges as other direct sales channels. Sales are down due to the recession and the anthrax scare. As a result, costs have been reduced, productivity enhanced and an added effort is being made to launch projects aiming to move a part of the mail order sales to more profitable e-business channels. The proportion of GN Netcom products sold through Hello Direct is growing and is higher than expected.

Wireless solutions with higher average prices than traditional headsets are experiencing strong sales growth on all markets, especially in Europe. Sales of wireless headsets were up 106% to DKK 287 million from DKK 139 million in 2000.

GN Netcom generated 17% of revenue on the mobile and PC market segment against 7% in 2000, due to the full year consolidation of JABRA in 2001 compared to only five months in 2000, and due to its strong product portfolio, an optimized production and supply chain as well as strong relations with key distributors and retailers. During the fall, JABRA sold 1.0 – 1.5 million units per month, thereby achieving sufficient volume for production and supply chain cost efficiency. The US is undisputedly JABRA's core market. In Europe, however, 12 months after the establishment of a European JABRA business unit, revenues have reached not insignificant volumes, and a number of promising sales channels have been established.

GN Netcom Fourth Quarter and Full-Year Financial Performance

DKK millions	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q4 2000	2001 total	2000 total
Revenue	506	456	471	497	519	1,930	1,479
Gross profit	265	231	247	249	262	992	775
Earnings before interest, tax, depreciation and amortization (EBITDA)	61	12	59	55	92	187	346
Earnings before interest, tax and amortization (EBITA)	46	(4)	46	41	82	129	319
Earnings before interest and tax (EBIT)	12	(289)	36	2	53	(239)	272
Number of employees, end of period	1,025	1,080	1,021	944	1,031	944	1,031
EBITA margin	9.1%	(0.9%)	9.8%	8.2%	15.8%	6.7%	21.6%

Acquisitions

Effective January 1, 2001, GN Netcom acquired its Danish distributor Sensortech for a total of DKK 25 million. Expectations have been met and fair growth achieved in Denmark.

Restructuring

Restructuring costs were DKK 39 million in 2001, of which DKK 28 million related to restructurings in Hello Direct in February, May and August, and DKK 8 million related to restructurings implemented in the fourth quarter in Washington, UK in relation to the relocation of production to Xiamen, China.

The restructurings led to cost savings of DKK 60 million in the second half of 2001 and will result in annual cost savings of approximately DKK 130 million in 2002 and the following years.

Most of the restructurings involve costs of reducing staff, as GN Netcom laid off some 200 employees in 2001, corresponding to about 20% of its work force. GN Netcom does not expect any major restructurings in 2002.

GN Netcom continued to outsource relevant jobs in 2001, and together with GN ReSound opened joint production facilities in China on May 1. Construction of a new, state-of-the-art production facility in China is well under way. The work forces at the UK and US plants were reduced in 2001 and will be reduced further in 2002, as all high-volume production is moved to the Far East, and the other plants will manufacture short-run, more specialized product series.

In China, GN Netcom plans to introduce flow-line production and the plant will be making extensive use of sub-contractors in order to shorten the supply chain substantially. Freight and distribution will continue to be outsourced to a sub-contractor and distribution centers will be set up in North America, Europe and Asia.

Market Developments and Position

GN Netcom is believed to have strengthened its overall market position in 2001. GN Netcom was the only provider of a truly wireless solution on the European market, and GN Netcom has strengthened its position on an otherwise static market. On the mobile market, GN Netcom won market share in the US and Europe, whereas the share of the office and call center markets was largely unchanged.

The call center and office markets lost an estimated 20% of their aggregate value in 2001, declining to approximately DKK 4,400 million in manufacturers' prices. No major new players managed to gain a foothold on these two core markets in 2001.

Growth rates of 25%-30% have been forecast for headsets for cell phones and wireless telephones, PDAs (Personal Digital Assistants) and PCs in the years ahead. A number of discount providers are trying to penetrate the markets but GN Netcom is well positioned to remain competitive, with the strong JABRA brand being sold through about 30,000 US retailers and through the partnership with the Verizon Wireless and Sprint Cellular telcos. In Europe, efforts will be intensified further and JABRA also plans to set up a business unit in Singapore in 2002.

Products and Development Activities

Product development has been a top priority in 2001 with costs incurred of DKK 126 million against DKK 87 million in 2000. Of these amounts DKK 76 million were expensed against DKK 62 million in 2000. The company has three development centers with a total of 58 employees, but ceveral jobs and projects are outsourced on a turnkey basis.

Top priority was given to Bluetooth and, in October 2001, GN Netcom became the first company in the world to receive Bluetooth Version 1.1 certification for its new second-generation headset for cell phones. The headset will be launched in mid-2002 under the JABRA brand. In March, GN Netcom agreed to develop and manufacture Bluetooth™ based headsets for Motorola cell phones and these products are now shipping to Motorola. The company aim to sign similar agreements with other cell phone manufacturers.

The biggest news of the year for offices and call centers were the GN 2100 (new generation of lightweight headset) and the GN 8000 (amplifier connecting the headset with almost any telephone or PC). In addition, GN Netcom launched the GN 9000 (ultra wireless headset), the GN 2350 (plug-and-play headset and amplifier) and JABRA expanded its product range for the mobile market, launching new cell phone accessories, headsets for wireless telephones and two-way radios. In March, GN Netcom plans to launch three new Bluetooth headsets under the JABRA brand.

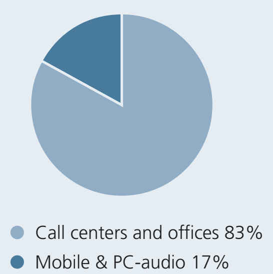
Strategy and Goals

GN Netcom's all-important goal is to create value for GN Great Nordic's shareholders through constant sales growth and growing profitability.

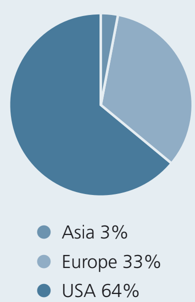
GN Netcom aims to win market share on the call center and office market through a steady launch of quality products with a high technology content. The company aims to surpass the accomplishments in the mobile segment of 2001 through continued penetration of sales channels in the US and Europe.

The unchanging focus on Bluetooth will dominate the new products to be developed in 2002, both on the call center and office market and on the mobile market under the JABRA brand. GN Netcom plans to use its leading position in Bluetooth technology to build substantial growth opportunities in the years ahead. R&D activities will also center on cost-competitive products with fast development times. Expectations for 2002 are presented on page 16.

Revenue by segment



Revenue, distributed geographically



Q4 Revenue and Earnings

Revenue for the fourth quarter was DKK 756 million, which was approximately 4% higher than the Q3 figure and 8% higher than Q4 2000. The fourth quarter revenue was generally in line with expectations apart from in the United States, where the economic downturn and the continued uncertainty caused a shift towards less expensive digital products.

GN ReSound generated an EBITA of DKK 67 million in Q4, as compared to DKK 55 million in Q3 and DKK 25 million in Q4 2000. The EBITA margin for the fourth quarter was 8.9%, against 7.6% in Q3 and 3.6% in Q4 2000.

Restructuring costs of DKK 101 million were expensed in Q4 2001, which was substantially higher than expected at the start of the quarter. The restructuring measures are explained in further detail below.

Full-Year Revenue and Earnings

In line with expectations, GN ReSound's revenue increased by approximately 29% from DKK 2,255 million last year to DKK 2,906 million for 2001. The increase was mainly due to last year's acquisitions of the Beltone and Philips hearing aids divisions.

GN ReSound's contribution margin was 60% against 59% last year. This was slightly lower than expected and was mainly the result of the surprise shift towards a greater revenue share for mid- and low-priced hearing instruments during the final four months of the year. The contribution margin improved over last year due to the effects of the ongoing restructurings and the higher proportion of digital products in overall sales this year.

EBITA was DKK 203 million, while the EBITA margin rose from 6.4% to 7.0% in line with the forecast provided at the end of the second quarter. Excluding Beltone and its DKK 406 million revenue, GN ReSound recorded an EBITA margin of approximately 10%.

The company's overall profit development was satisfactory. Although not experiencing strong growth on any individual market, GN ReSound has achieved considerable organic growth on most of its markets and won market shares. Organic growth exceeded 10% on a number of markets, the main ones being: Denmark, Germany, the UK, France, Spain, Australian and in GN ReSound in the United States.

Unfortunately, these positive effects are partly offset by Beltone's performance in the United States, where the number of dispensers in the US declined, leading to lower-than-expected sales for Beltone. The loss of dispensers began in the second half of 2000 and only stopped in the second quarter of 2001. Following intensive efforts targeting existing and potential Beltone dispensers, the Beltone network in the United States experienced a net inflow of dispensers in the second half.

Acquisitions

GN ReSound's effort to maintain its position among the leading suppliers of the hearing instrument industry is the key driver of the company's acquisitions. In February 2001, the company acquired Dana Japan for DKK 25.5 million as part of its strategy to control the sales and marketing of its products on all core markets.

For the same reason, in January 2001, GN ReSound acquired the outstanding 50% of the shares in AuditData, a Danish provider of software to hearing clinics and audiologists, for DKK 20 million.

GN ReSound also strengthened its position on the UK market by expanding the strategic alliance with Ultravox Holdings Ltd., whose more than 250 hearing clinics in the UK make its the largest hearing aid dispenser in Great Britain. GN ReSound acquired a 25% bloc of Ultravox shares in August for DKK 134 million

Restructuring

The continuing efforts to integrate acquired businesses and bring their earnings in line with the competition have led to a number of specific projects. With many of these projects announced and launched in 2001, the restructuring costs have increased from the previous estimate of DKK 85 million to DKK 153 million. Of this amount DKK 100 million is related to staff-related costs, DKK 41 million is related to lease commitments and DKK 12 million is related to obligations arising from cancellation of contracts, etc.

The restructuring costs involve projects already completed as well as projects decided upon and announced in 2001. Restructurings completed in 2001 totaled DKK 67 million, most of which involved the relocation of production facilities to China and restructuring of ReSound USA, Beltone USA and Viennatone in Austria. Major projects announced to the organization, but which have

GN Resound Fourth Quarter and Full-Year Financial Performance

DKK millions	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q4 2000	2001 total	2000 total
Revenue	701	725	724	756	702	2,906	2,255
Gross profit	355	361	346	371	328	1,433	1,089
Earnings before interest, tax, depreciation and amortization (EBITDA)	63	59	75	73	55	270	209
Earnings before interest, tax and amortization (EBITA)	43	38	55	67	25	203	144
Earnings before interest and tax (EBIT)	(44)	(1,311)	(24)	(96)	(125)	(1,475)	(146)
Number of employees, end of period	3,384	3,393	3,444	3,417	3,296	3,417	3,296
EBITA margin	6.1%	5.2%	7.6%	8.9%	3.6%	7.0%	6.4%

yet to be completed, include further restructuring of the three manufacturing facilities in the US, closing the last part of the plant in Austria and the relocation of part of production from the Netherlands to China in 2002. The expected costs of these planned and announced restructurings have been provided for in 2001.

When these changes have been fully implemented in 2003, the full effect of the restructuring cost incurred in 2001 will lead to total annual cost savings of approximately DKK 70 million. The restructurings will contribute to increasing GN ReSound's EBITA margin from the current level of 7.0% to approximately 9%-10% in 2002 and to a higher percentage in subsequent years.

GN ReSound expects restructuring costs of approximately DKK 50 million in 2002, which will help to further reduce the level of costs.

Market Developments and Position

The global market for hearing instruments, estimated to be worth USD 1.8 billion in 2001, has grown by 2%-4% p.a. by volume and 6%-8% p.a. by value in recent years. In 2001, due to the economic downturn, global market growth rates dropped to 2% by volume, while growth by value was slightly higher.

In the past few years, a shift in technology has moved the market from low-priced analog hearing instruments to digital units.

This trend continued in 2001, and digital hearing instruments now constitute more than half of GN ReSound's global revenue. Towards the end of the year, however, the US, German and Japanese markets all saw a shift from high-end to low-priced digital hearing instruments. The US market saw flat developments in 2001. This is partly an effect of September 11, although it has also become clear that that event merely accentuated a slump that had already begun.

The German and Japanese markets are also stagnant or slightly contracting, while most of GN ReSound's other markets are growing, both by volume and by value, relative to last year.

Aiming to strengthen its presence on the US market, GN Resound set up an alliance in June with Sonus, whose more than 790 dealers make it the largest hearing aid retailer in the United States.

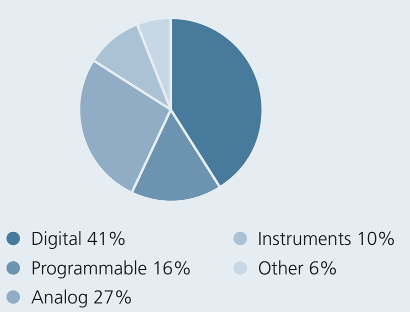
Products and Development Activities

GN ReSound incurred DKK 173 million in research and development costs in 2001, equal to 6% of total revenue, against DKK 87 million in 2000. Of these amounts DKK 107 million was expensed in 2001 against DKK 117 million in 2000. The result has been the 2001 launch of Canta, a complete digital product line covering two price segments.

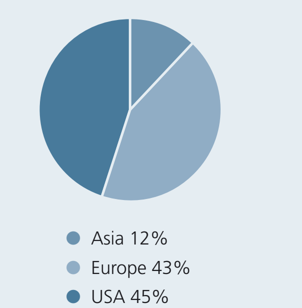
The company's strategic goal is for new products to be substantial contributors to overall revenues within 12 months of their market launch. The Canta launch already met this goal in 2001 and product sales continue to grow.

Together with the unique AVENUE™ fitting system developed by Beltone to integrate simulated hearing experiences with the process of fitting a hearing aid, the Canta product series represent the advanced stage of the GN ReSound Group's personal communications solutions.

Revenue by product, 2001



Revenue, distributed geographically



GN Otometrics incorporates all of GN ReSound's activities in audiological and measuring equipment. In mid-2001, GN Otometrics launched the Itera audiometer, whose design has revolutionized the market standard.

The new product has attracted a lot of attention and sales are exceeding expectations. The market for audiological measuring equipment is estimated to total USD 150 million, of which 50% is constituted by the United States. GN Otometrics is a global market leader with approximately 25% of the market, and it is the assessment that the company continues to gain market share on its main competitors. The market growth rate was slightly below 5% in 2001.

Strategy and Goals

GN ReSound's principal strategic goal is to create value for GN Great Nordic's shareholders by improving its EBITA margin and move up among the best in the business by completing the integration of company acquisitions and achieving synergies. In the short term, the company intends to achieve this goal by, among other things, consolidating production on fewer units by expanding the factory units in China and Ireland, through optimizing the global distribution center in Ireland and by reducing the complexity of the group's product range.

In addition, GN ReSound aims to retain or enhance its market share through continued organic growth, the development of new, competitive products and by steadily developing the relationships with major retailers

Finally, the company plans to continuously develop its IT and logistics systems as well as the organization itself so as to support the company on a global scale.

GN ReSound strengthened relevant key positions of its organization during the year.

Expectations for 2002 are presented on page 16.

Q4 Revenue and Earnings
Revenue for the fourth quarter was DKK 437 million, which was approximately 8% lower than the Q3 figure and approximately 40% lower than the same period last year.

Q4 revenues were higher than the forecast announced by GN Great Nordic in November 2001, mainly due to stronger-than-expected sales in the network segment.

NetTest's EBITA was DKK (180) million in the fourth quarter, as compared to DKK (49) million in Q3 and DKK 155 million in Q4 2000. Based on expectations of continued growth in demand in the optical segment, NetTest signed purchase orders with a number of external suppliers of critical components. NetTest received shipments of these components after market conditions had deteriorated. The unsatisfactory performance was mainly due to inventory write-downs of DKK 95 million and provisions for trade receivables of DKK 10 million. As a result, the Q4 EBITA margin was (41.2%) against (10.3%) in Q3. The Q4 2000 EBITA margin was 21.1%.

Representing about 10% of the total inventory, the inventory write-down was triggered by a poor stock turnover ratio and an assessment that parts of the stocks could be difficult to sell.

The Q4 order inflow was DKK 321 million, which was in line with the Q3 figure, but lower than last year's inflow of DKK 597 million. At December 31, 2001, NetTest's order backlog was DKK 350 million against DKK 808 million at December 31, 2000.

NetTest expensed restructuring costs of DKK 190 million in the fourth quarter. These costs are explained in further detail below.

Full-Year Revenue and Earnings
NetTest generated revenue of DKK 2,327 million in 2001, which was better than the forecast announced in November 2001, but substantially lower than the company expected at the start of the year. The figure represents a 28% increase from last year's revenue of DKK 1,817 million. NetTest reported an organic growth of 5% in 2001.

The contribution margin was 51% against 57% last year. The lower margin was mainly due to the write-downs on inventories and to a minor extent a shift in sales towards lower-margin products.

EBITA was DKK (104) million against DKK 236 million last year, while the EBITA margin fell from 13.0% to (4.5%), or slightly lower than forecast in November. In 2001, NetTest made a DKK 7,000 million impairment on goodwill and other intangibles related to Photonetics. The impairment was made in order to maintain the high level of credibility in the values reflected in the Group's accounts and was caused by the reduced short-term growth forecasts for the fiber optic industry, which in turn caused the stock markets to lower their valuation of comparable companies by a substantial margin.

Revenue from the optical segment improved by approximately 53% to DKK 1,767 million. Organic growth was about 18%. Market activity was very strong in the first half due to substantial sales of test equipment to manufacturers of fiber optic cables expanding their production facilities. The market for on-site test equipment was also strong during this period, as both existing and new telecoms operators expanded their networks.

The network segment suffered a drop in revenues of approximately 16% to DKK 560 million from DKK 664 million in 2000. Early in the year, test equipment for network expansion was in very high demand. During the year, however, the telecoms operators refocused from network expansion to optimizing traffic on existing networks. At the same time, capital became a scarce resource and customers began to focus on buying system solutions to optimize their existing networks.

Restructuring
NetTest was severely affected by the significant slump that hit all manufacturers of network and test equipment. The slump occurred for two reasons: Towards the end of the second quarter, equipment supplier customers lowered their forecasts substantially. The September 11 terrorist attacks also added to the uncertainty. NetTest responded to the challenge through firm and decisive action, adapting the organization to the changed market conditions. As a result, approximately 400 employees were laid off, corresponding to more than 20% of the work force. The company had almost 1,500 employees at December 31, 2001.

The integration of new acquisitions has been accelerated. This applies especially to manufacturing of test equipment and additional integration activities are expected within this area in 2002. As part of the integration process, restructuring costs for 2001 increased from the forecast of DKK 75 million to DKK 201 million, of which DKK 111

NetTest Fourth Quarter and Full-Year Financial Performance

DKK millions	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q4 2000	2001 total	2000 total
Revenue	714	701	475	437	736	2,327	1,817
Gross profit	329	335	232	108	364	1,004	925
Earnings before interest, tax, depreciation and amortization (EBITDA)	79	77	(27)	(158)	173	(29)	269
Earnings before interest, tax and amortization (EBITA)	63	62	(49)	(180)	155	(104)	236
Earnings before interest and tax (EBIT)	(87)	(4,590)	(137)	(2,985)	(11)	(7,799)	37
Number of employees, end of period	1,742	1,835	1,787	1,484	1,515	1,484	1,515
EBITA margin	8.8%	8.8%	(10.3%)	(41.2%)	21.1%	(4.5%)	13.0%

million has been incurred. Restructuring cost components were: DKK 83 million in staff-related costs, DKK 68 million in lease commitments and DKK 50 million in write-downs due to excess capacity. The restructurings are expected to reduce costs by a further DKK 425 million in 2002 and by almost DKK 500 million once the restructurings have been fully implemented reducing break-even revenue (EBITA) for 2002 to approximately DKK 1.6 billion against DKK 2.5 billion in 2001.

NetTest expects to incur further restructuring costs of approximately DKK 75 million in 2002 related to the consolidation of fiber optic production processes and the consolidation of development resources.

Market Developments and Position

In spite of strong growth in telecom network traffic and in particular Internet traffic, NetTest's markets have been characterized by uncertainty and a poor investment climate since the second quarter.

The global economic downturn became more severe after September 11. This led to almost a virtual stop to new orders for NetTest during the rest of September, effectively cutting the Q3 order inflow in half relative to the Q2 figure. The fourth quarter order inflow was in line with Q3.

The low level of business activity continues in the optical segment. Several manufacturers of fiber optic cables decided to shut down plants for shorter periods of time. Fiber optic networks already installed were put in operation, however.

In the network segment, solutions optimizing network efficiency and helping customers secure and retain revenue streams are attracting a great deal of attention. At the same time, quality of service provided to customers has become a greater competitive parameter for the telecommunications companies.

In November 2001, NetTest announced that Alcatel had appointed NetTest as a global preferred supplier. This will be an important reference agreement for NetTest when other telecommunication companies begin to make similar agreements for sourcing technologies from a preferred supplier. This is NetTest's first global agreement that includes the company's entire product range.

NetTest is still believed to be among the absolute leaders within optical communications testing.

Products and Development Activities

Product development remains a top priority: R&D costs incurred equaled 17% of revenue at DKK 398 million against DKK 274 million in 2000. Of these amounts, DKK 173 million was expensed in 2001 against DKK 128 million in 2000.

NetTest launched a number of new products in its three business segments during the year.

QUESTfiber, a new, improved fiber optic system solution was introduced and given a good reception by the market in 2001. In addition, a new device has been launched for automatic handling of optical fibers in connection with optical fiber and component testing. Finally, the company introduced a number of products for telcos to optimize their existing telecom networks and for the installation and operational start-up of future GPRS (General Packet Radio Service) networks.

NetTest is the first provider to offer GPRS monitoring as part of a management system. MasterQuest is also designed to test quality of service using GPRS. The LITE 3000 handheld unit has been upgraded to support GPRS.

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.

Strategy and Goals

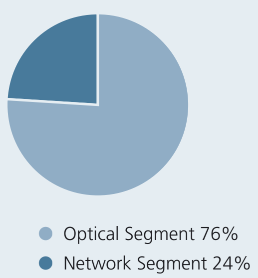
NetTest's strategic goal is to maximize long-term shareholder value and accordingly, the company plans to maintain a substantial level of R&D activity in order to secure a strong position for when the market recovers.

Effective January 1, 2002, NetTest became a more market-oriented organization aiming to serve customer needs within three strategic market segments: manufacturing and lab, network, and systems.

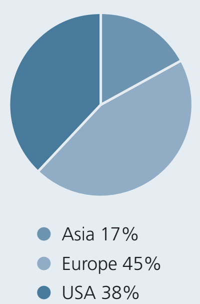
The longer-term objective is to become a top-three provider in each of these segments. NetTest already holds a strong position in parts of two of the segments. The company plans to maintain its substantial research and development activities.

Expectations for 2002 are presented on page 16.

Revenue by Segment



Revenue, distributed geographically



Other Group Operations

The GN Great Nordic Telegraph Company enjoyed satisfactory operations in 2001, generating revenue of DKK 67 million, which was slightly above expectations at the beginning of the year. EBITA was DKK 31 million, against DKK 91 million in 2000, the latter figure being positively impacted by the accelerated non-recurring payments from the Denmark-Russia cable system.

The company does not expect to make any further investment in the Telegraph Company business area.

Until it was divested, GN Comtext contributed revenue of DKK 93 million and an EBITA of DKK 4 million. A liability of DKK 22 million was recognized in connection with the sale and phase-out of this business activity, bringing the total recognized loss to DKK 95 million.

Until the sale of the entire apartment portfolio, GN Ejendomme contributed DKK 15 million in revenue and an EBITA of DKK 5 million.

EVENTS AFTER THE BALANCE SHEET DATE

In January 2002, GN Great Nordic sold its property at St. Helen's Place in London for DKK 69 million, providing GN Great Nordic with an accounting gain of DKK 46 million in 2002. Following the transaction, GN Great Nordic no longer owns investment property.

Apart from the factors described in this annual report, no events have occurred since December 31, 2001 that are of material importance to the company's financial position. Similarly, it is believed that no changes of material importance have occurred on the financial markets, including developments in interest rates or exchange rates that are of material importance to the Group's financial position.

OUTLOOK FOR 2002

GN Netcom

GN Netcom projects another difficult year in 2002, with zero growth on the call center market, slight growth on the office market and improved growth on the mobile market. Consequently, the company plans to implement tight cost controls, while continuing to make substantial investments in product development and IT. GN Netcom intends to retain its leading position in wireless solutions and to gain a commercial edge from its Bluetooth technology leadership by setting up agreements with OEM partners, wireless carriers and retail channels.

Distribution in the core business will be expanded. Hello Direct is positioned for renewed profitable growth on the back of initiatives already implemented, and JABRA will increase its penetration in the United States while continuing to build a presence in Europe and Asia.

GN Netcom projects Q1 revenue of more than DKK 400 million and, for the full year, revenue of approximately DKK 1.9-2.1 billion and an EBITA margin of 9%-11%. Since JABRA now carries a greater weighting in GN Netcom's results, and considering the general assumptions of an economic recovery in the second half of 2002, seasonal fluctuations will be greater than in 2001.

GN ReSound

In 2002, GN ReSound expects to take substantial additional steps in integrating and consolidating the businesses acquired, focusing strongly on continuing to adapt its production in the US, closing the plant in Austria and relocating a part of the Dutch manufacturing facilities to GN ReSound's new state-of-the-art factory in China.

The ongoing launch of digital products is expected to provide revenue growth, with stronger earnings growth due to consolidation synergies and higher profit margins for digital products.

GN ReSound holds a strong position in the US, the world's largest market for hearing instruments. A recovery of the US market is essential for the company to achieve its targets for 2002.

GN ReSound projects Q1 revenue of more than DKK 700 million. The company projects full-year revenue of DKK 2.9-3.1 billion and an EBITA margin of 9%-10%. Seasonal fluctuations are expected to be unchanged from previous years. Restructuring costs are expected to total approximately DKK 50 million.

NetTest

NetTest's markets have shown signs of weakening further in early 2002, especially as a result of several new telecommunication companies suspending payments or going bankrupt. At the same time, the more established national carriers have been reluctant to approve and release their budgets for 2002.

Against this background, NetTest plans to initiate additional lay-offs of approximately 200 employees in the first quarter, which will lead to lower costs as 2002 progresses. The restructuring measures of 2001 and 2002 are expected to reduce costs by DKK 425 million in 2002 and by almost DKK 500 million when fully implemented. This will lead to an estimated break-even revenue (EBITA) in NetTest of just less than DKK 1.6 billion in 2002, or well below the 2001 break-even revenue (EBITA) of approximately DKK 2.5 billion.

As a result, Q1 revenue is projected to be just over DKK 200 million and EBITA to be approximately DKK (120) million. The company expects Q2 revenue of just over DKK 300 million and EBITA of slightly below DKK (75) million. NetTest expects to incur restructuring costs of DKK 75 million at the beginning of 2002 involving planned but not yet announced costs related to integrating the fiber optics production and consolidating the development activities.

NetTest's second-half revenue is traditionally higher than the first-half figure, but the uncertain market conditions make it extremely difficult to predict developments in the final six months of the year.

The Group

Projections for the Group are based on unchanged exchange rates and rebound in economic conditions, especially in the United States, but not on a considerable improvement. GN Great Nordic projects Q1 2002 revenue – excluding NetTest – of just over DKK 1.1 billion. Including NetTest, revenue is expected to be just over DKK 1.3 billion.

The Telegraph Company and GN Comtext contributed EBITA of approximately DKK 35 million in 2001, but are expected to reach break-even in 2002.

For the full year, GN Great Nordic projects revenues – excluding NetTest – in the range of DKK 5 billion and an EBITA of not less than

DKK 350 million. The projection should be compared to full-year revenues excluding NetTest of DKK 4,992 million and EBITA excluding NetTest of DKK 302 million in 2001.

Given the uncertainty dominating NetTest's markets, it is currently not possible to provide a qualified earnings estimate extending beyond the first six months of the year. Implemented and planned rationalization measures will lead to break-even revenue (EBITA) in NetTest of almost DKK 1.6 billion, or well below the 2001 break-even revenue (EBITA) of approximately DKK 2.5 billion.

The consolidated amortization of goodwill and other intangibles is expected to be approximately DKK 500 million, while net financial expenses are projected at just over DKK 100 million. Restructuring costs are expected to drop to approximately DKK 125 million as a result of the extensive measures implemented in 2001. In addition, Group earnings will be favorably impacted by DKK 46 million from the sale of the property at St. Helen's Place in London.

The cash flow improvements achieved in the second half of 2001 are expected to continue, although there will be seasonal fluctuations.

Forward-looking statements

The forward-looking statements in this annual report reflect management's current expectations for certain future events and financial results. Statements regarding 2002 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 expectations include but are not limited to general economic developments and developments on 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; and the integration of company acquisitions. See the description of risk factors.

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

RISK FACTORS

The following factors are of particular relevance in 2002 and in the years to follow, and they will play a key role in the expectations regarding the Group's developments. Recurring factors are the global economic situation and especially the development of the American economy as well as the integration of acquired companies. This list is not exhaustive and the risk factors are not ranked in any order of priority.

COMPANY-SPECIFIC RISKS

GN Netcom

In the beginning of 2001, GN Netcom experienced a drastic deterioration of market conditions in which the direct sales channel Hello Direct especially was adversely affected, while the core business involving headsets for call centers and office environments also suffered. It is crucial for GN Netcom that the market for headsets for call centers and offices does not deteriorate further, that sales through Hello Direct grow, that JABRA can maintain and expand its collaboration with important sales channels, and that GN Netcom can maintain its technological advantage in wireless products.

GN ReSound

GN ReSound's integration of five companies is proceeding satisfactorily, but there remain a number of projects that will tightly knit together GN ReSound as one unit with earnings at the same level as the best in the industry. In this regard, it is essential that Beltone's earnings increase significantly and that the consolidation of production and the improvement of the company's supply chain management system proceed according to plan. Finally, it is crucial that GN ReSound can continue to sell digital hearing aids at satisfactory prices.

NetTest

NetTest had to accept that fact that, since the middle of the second quarter of 2001, telecommunications operators and service providers have been extremely reluctant to establish and expand communications systems. This hastened NetTest's integration of acquired units and entailed substantial restructuring costs. It is important for NetTest that the integration and restructuring continue to proceed as planned and that the market situation gradually improves during the course of 2002, as it is expected to do.

GENERAL RISKS

Product Development

Operating on markets driven by rapid technological development, the GN companies rely on generating revenue from new products in order to achieve the projected financial results.

Intangibles

Like a number of its competitors, GN Great Nordic has impaired goodwill and other intangible assets. At the end of 2001, goodwill and other intangibles amounted to approximately DKK 8.7 billion. The value of these assets depends on the companies' ability to generate earnings and cash flow in the future.

The Group operates on markets where future earnings are contingent on new products and technologies being developed. Consequently. it is necessary for the Group to protect the knowledge gained through development activities and production. Where possible, the Group takes out patents and monitors for any infringement by competitors. Due to the competition on the markets, on which the Group operates, the Group may become involved in litigation regarding patent infringements.

The Global Economy, Including the US Economy

It remains uncertain when the current economic downturn will end and the economy will recover. This is certainly the case in the United States, where the economy was stagnant throughout 2001 and actually contracted after September 11. About half of the Group's revenues derive from the United States. Continuing economic stagnation in the US will therefore have a substantial effect on the GN Great Nordic Group.

Recruiting and Retaining Employees

Having skilled and motivated employees constitutes a critical factor, and GN Great Nordic's future growth depends on the Group's ability to attract and retain qualified employees. GN Great Nordic operates on markets where innovation time is constantly becoming shorter and where the demands on the ability and will to change increase daily. Innovative thinking, customer focus and the conversion of ideas and thinking to sustainable development are therefore crucial skills for the Group and the individual employee. Option programs for managers, together with competitive salaries, are important in attracting and retaining key employees.

Environmental Factors

The Group's direct impact on the environment is modest. GN Great Nordic's companies either conduct very light industrial manufacturing and services or manufacture high-tech, software-based products and services, and these activities entail only modest discharge into the environment or none at all. On the basis of the Group's environmental policy, GN Great Nordic works continually to reduce the impact on the environment of the manufacture of its products. In the environmental area, GN Great Nordic aims to accomplish the following:

- Contribute to a sustainable development and to continually improve its activities on the environmental and energy conservation front.
- If possible, to exceed the local requirements when they are below Danish standards
- In the future, to use life-cycle analyses to improve processes and products.

Financial Risks and Liquidity

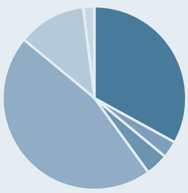
GN Great Nordic manages financial risks centrally and coordinates the Group's liquidity management, including capital-raising and the placement of surplus funds. GN Great Nordic sets targets for liquid reserves in the form of surplus cash and "committed" credit facilities that the Group must have available at any given time.

The Group's financial policy stipulates a low risk profile, so currency, interest-rate and credit risks arise only on the basis of commercial conditions. The use of financial instruments is regulated by a written policy adopted by the board of directors as well as by in-house business procedures that define limits on amounts and the types of financial instrument that may be used, among other things.

Interest-Rate Risks

The Group's interest rate risk at the close of 2001 was limited. At the end of the year, the Group's interest-bearing debt amounted to DKK 1,557 million, which was denominated mainly in Danish kroner. The large majority of this amount had a duration of less than six months. Most of the Group's liquid holdings of DKK 740 million are placed in short fixed-term deposit agreements.

Revenue for 2001, distributed geographically



- Europe 33%
- Denmark 3%
- Nordic region 4%
- North and South America 47%
- Asia 12%
- Rest of world 1%

Credit Risks

The Group manages credit risks on financial counterparties by requiring that the counterparties must have a satisfactory rating from agencies such as Moody's and Standard & Poor's. In addition, it is the Group's policy never to have an exposure to a single financial counterparty for more than 2.5% of its shareholders' equity.

Currency Risks

Of GN Great Nordic's revenue, 97% came from countries other than Denmark. The revenue came from a number of countries, although the majority came from countries linked to the US dollar and the euro. A significant portion of production costs, purchasing of components and other costs is settled in the same currencies, and this reduces currency exposure considerably. In addition, a portion of the direct export revenue from Denmark is invoiced in Danish kroner. The Group's objective is to hedge at least 50% of the coming year's net cash exposure on an ongoing basis if it judges that the exposure could have a significant effect on the Group's financial result. Currency exposure is hedged primarily by means of forward contracts.

The largest currency exposure related to these cash flows is DKK 200 million exposed to the DKK/EUR rate of exchange, and the risk of sharp fluctuations in this exchange rate is currently estimated to be very modest. Other cash flows currency exposures are modest.

As a general rule, GN Great Nordic does not hedge currency risk on net investment in foreign subsidiaries. Any market value adjustment is charged directly to equity in accordance with the accounting policies.

As mentioned, the Group has currency exposure only in connection with commercial conditions and does not raise loans or place surplus liquidity in foreign currency unless doing so reduces the Group's currency exposure or the transaction is hedged in the same currency.

The GN Great Nordic Stock

Capital stock consisted of 219,775,063 shares of DKK 4 nominal value each for a total nominal value of DKK 879,100,252.

GN Great Nordic has one class of shares only. Each share of DKK 4 nominal value carries one vote at annual general meetings. However, no shareholder may vote directly or by proxy representing more than 7.5% of the company's capital stock at any given time.

The stock is listed on the Copenhagen and London stock exchanges.

On the Copenhagen Stock Exchange, the stock is registered under securities ID code DK 001027263-2, and the same code is used by the international clearing houses Cedel and Euroclear.

The GN Great Nordic stock ended the year at a share price of DKK 50, which was 65% lower than the price at December 31, 2000.

GN Great Nordic was the fifth-most traded stock on the Copenhagen Stock Exchange in 2001, with a turnover of DKK 38.5 billion. The monthly turnover averaged DKK 3.2 billion. This corresponded to a turnover rate of about 26% each month, making GN Great Nordic again in 2001 the most liquid stock in the KFX index.

As one of the 20 most traded stocks on the Copenhagen Stock Exchange, GN Great Nordic is part of the KFX index and was a 2.0% component of the index at year-end. At December 31, 2001, the company's market capitalization was DKK 10.9 billion, versus DKK 30.9 billion at December 31, 2000.

Shareholders

At January 31, 2002, there were 43,812 registered shareholders listed by name in the company's capital stock ledger. Two shareholders had informed GN Great Nordic that they hold more than 5% of the company's capital stock: the Labour Market Supplementary Pension fund (ATP) holding 9.96% and LD Pensions holding 5.16%. The ten largest registered shareholders held 34.01% in aggregate.

The company has a broad group of international shareholders. Foreign investors are estimated to hold a total of 30%-40% of the company's stock. An estimated 70%-80% of the capital stock is owned by institutional investors in Denmark and abroad.

GN Great Nordic directors and management hold less than 1% of the capital stock; the treasury stock totals 8,465,889 shares, equal to 3.85% of the capital stock.

GN Great Nordic applies stock option plans to create value and to retain highly qualified employees in order to provide the company with optimum conditions for retaining or extending its market position. Stock options are awarded to managers
and employees in selected key functions.
At December 31, 2001, a total of 665 employees, equal to more than 10% of the staff, were eligible for the company's stock option plan. A total of 5,369,057 options are outstanding, corresponding to 2.4% of the capital stock. The options have an average strike price of DKK 108 and may generally
be exercised no earlier than three years and no later than five years after the date of grant.
The options had an estimated market value of DKK 75.5 million at December 31, 2001.

Annual General Meeting

The Annual General Meeting of the Corporation will be held on April 23, 2002 at 3:30 pm at the Radisson SAS, Falkonér Centeret, Falkoner Allé 9, DK-2000 Frederiksberg.

At the meeting, the chairman will make his report on the company's performance. and the audited annual report will be presented for approval. The proposal for covering the loss for the year will be as included in the audited annual report. The Board of Directors recommends that no dividends be distributed for the fiscal year 2001.

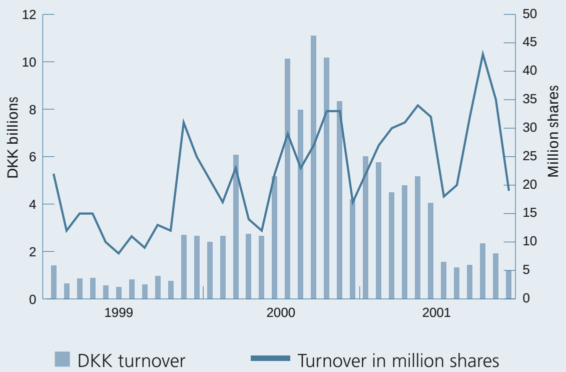
The usual authorization for purchase of treasury stock will be sought.

A comprehensive amendment of the By-laws of the Corporation will be proposed. The most important amendments proposed are as follows:

1) Delisting of the secondary listing of the Corporation on the London Stock Exchange. The reason for delisting from the London Stock Exchange is that the majority of the shares of the Corporation are traded at the Copenhagen Stock Exchange and that delisting will be cost-saving for the Corporation.
2) Update of the objects of the Corporation.
3) Implementation of the concept of annual report as set out in the new Danish Company Accounts Act. Also, a new Article 25 will be introduced, providing that the annual report in its entirety is now to be approved by the annual general meeting.
4) Amendment of the deadline for the annual general meeting in accordance with

Share Price Performance

Monthly Turnover of GN Great Nordic stock (DKK billions)



the latest amendments of the Danish Public Companies Act. The annual general meeting is now to be held before the end of April and as a result any proposals are to be submitted no later than February 1.

5) Implementation of rules in the new Article 25 pursuant to the new Company Accounts Act, providing that the Corporation is to have two state-authorized public accountants or one state-authorized public accountant if legislation affords such possibility. As of the fiscal year 2005, one state-authorized public accountant may be appointed pursuant to the new Company Accounts Act.
6) Amendment of the rules on sending out the annual report. In the future the annual report will not be sent to all shareholders registered by name, but only to shareholders who have requested a copy of the annual report.
7) Prolongation of the authorization granted to the Board of Directors to issue employee stock.
8) Implementation of rules on the statute of limitations as regards dividends not claimed by a shareholder.
9) Amendment of the rules on calling an annual general meeting to the effect that, in the future, calling of a meeting will be published only once in one or more Danish national papers and possibly in foreign papers if decided by the Board of Directors.
10) Abandonment of the rule requiring a quorum of one fourth for amendments to the Bylaws, etc. The amendment is motivated by practical considerations as the number of shareholders may make it difficult to gather one fourth of the shareholders.
11) Determination of the term for directors elected by the Annual General Meeting. In the future, directors will be elected for a term of one year.
12) Abandonment of the rules set out in Article 25 of the Bylaws on appropriation of net income.
13) Abandonment of the general rules set out in Article 27.

As part of the constitution of the Board of Directors in 1999, Elvar Vinum agreed to serve as chairman for a period of up to three years.

This period has now expired, and Mr. Vinum has announced that he wishes to resign from the Board of Directors at the Annual General Meeting.

Investor relations

GN Great Nordic maintains relations with investors and analysts in order to ensure that the price of GN Great Nordic stock always reflects the company's current situation and expectations.

By promoting an open and active dialog, GN Great Nordic seeks to provide all stock market participants with timely and adequate information about the company's financial position, operations and its long-term strategies.

The company's investor relations department is in charge of maintaining and developing contact with Danish and international investors and analysts, including through meetings, presentations and capital markets days. Whenever possible, presentations will be available on the company's Web site.

The company held about 200 investor presentations in 2001.

Contact with Investors and Analysts

Peter W. Kruse, Vice President
Telephone: (+45) 7211-1840
e-mail: pwk@gn.com

Analysts who follow the GN Great Nordic stock on a regular basis are listed on the www.gn.com Web site and at the bottom of this page.

The company's Web site, www.gn.com, contains earnings releases and announcements to the Copenhagen Stock Exchange,
a presentation of the stock, stock price performance, major investor presentations and other key information. The company plans to develop the Web site on an ongoing basis, to add relevant information and tools for investors, analysts and other stakeholders.

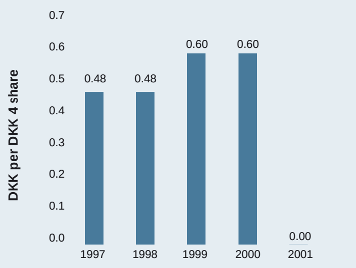
GN Great Nordic's electronic information service invites all interested parties to register on

Broker	Analyst	Telephone	E-mail
Alfred Berg	Thomas Steen Hansen	+45 3396 1935	thomas.hansen@alfredberg.dk
Alm. Brand Børs	Rasmus Købjorg	+45 3330 7066	rasmus.koejborg@almbrand-bank.dk
Carnegie	Michael Clemens	+45 3288 0267	mclemens@carnegie.dk
Cheuvreux Nordic	Jeff Saul	+44 207 621 5177	jsaul@indocdv.com
Credit Lyonnais Securities	Emmanuel Bousquet	+44 207 214 56709	emmanuel.bousquet@creditlyonnais.co.uk
Danske Securities	Poul Ernst Jessen	+45 3344 0948	poul.jessen@danskesecurities.com
Deutsche Bank	Claus Bo Larsen	+44 207 545 3803	claus-bo.larsen@db.com
Enskilda Securities	Kenneth Graversen	+45 3317 7425	kenneth.graversen@enskilda.se
Goldman Sachs International	Massey Lopes	+44 207 552 2995	massey.lopes@gs.com
Gudme Raaschou/WestLB Panmure	Peter Nyborg Moltke	+45 3344 9081	p.moltke@gr.dk
Jyske Bank	Per Hansen	+45 8922 3708	peha@jyskebank.dk
Nordea Securities	Claus Wiinblad	+45 3333 1574	claus.wiinblad@nordeasecurities.com
Spar Nord	Claus Juul	+45 9634 4279	cjl@sparnord.dk
Svenska Handelsbanken	Robert Gärtner	+45 3341 8613	roga03@handelsbanken.se
Sydbank	Holger Smitt	+45 3369 7855	holger.smitt@sydbank.dk
UBS Warburg	Ben Cohen	+44 207 568 8383	ben.cohen@ubsw.com

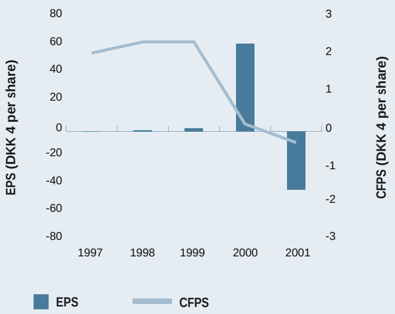
www.gn.com to receive by e-mail all announcements to the Copenhagen Stock Exchange, quarterly earnings releases or any other information immediately following its released to the general public. All information will be available in a Danish and an English-language version.

In 2001, GN Great Nordic offered direct transmission from all teleconferences held in connection with quarterly and half-year earnings releases. This allows investors and other stakeholders to see or hear the presentations via the Internet or by telephone.

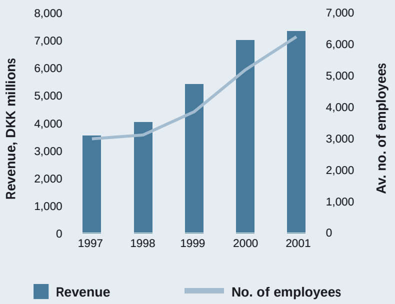
Dividend paid per GN Great Nordic share 1997 – 2001



Result (EPS) and Cash Flow (CFPS) per share DKK 4 1997 – 2001



Revenue and no. of employees



Announcements to the Copenhagen Stock Exchange

March 6, 2002, announcement no. 5
Publication of Statement of Accounts 2001

February 19, 2002, announcement no. 4
GN Netcom Capital Markets Day

January 30, 2002, announcement no. 3
GN Great Nordic Continues to Divest Non-Core Business Activities, Selling Property in London

January 11, 2002, announcement no. 2
Dates Concerning Annual Report 2001, AGM 2002 and Quarterly Reports 2002

January 10, 2002, announcement no. 1
GN Netcom Receives World's First Bluetooth™ Certification for Second Generation Headset

November 28, 2001, announcement no. 25
Third Quarter 2001 Earnings Release

November 27, 2002, announcement no. 24
Changes to GN Great Nordic's Board of Directors

November 22, 2001, announcement no. 23
AuditData of the GN ReSound Group Wins Major UK Contract

November 14, 2002, announcement no. 22
Publication of Q3 Results

October 16, 2001, announcement no. 21
Revised Full-Year Outlook

August 29, 2001, announcement no. 20
Second Quarter Report 2001

August 22, 2001, announcement no. 19
GN ReSound Sets Up Partnership With the Largest Hearing Aid Dispenser Group in the UK

August 17, 2001, announcement no. 18
Press Meeting and Teleconference at GN Great Nordic

August 14, 2001, announcement no. 17
GN Great Nordic Continues to Divest Non-Core Business Activities, Selling Its Portfolio of Apartments

July 20, 2001, announcement no. 16
NetTest Announces Patent Suit in the United States

July 13, 2001, announcement no. 15
GN Great Nordic Continues to Divest Non-Core Buisness Activities, Selling GN Comtext

July 4, 2001, announcement no. 14
GN Great Nordic Continues to Divest Non-Core Business Activities

June 1, 2001 announcement no. 13
GN ReSound in Alliance With the Largest US Hearing Aid Retailer

May 31, 2001, announcement no. 12
First Quarter Report 2001

May 16, 2001, announcement no. 11
Publication of First-Quarter Financial Statements, 2000 Comparative Figures and Notification of Teleconference

April 26, 2001, announcements no. 10 and 9
Annual General Meeting of GN Great Nordic as

March 28, 2001, announcement no. 8
2000 Statement of Accounts

March 27, 2001, announcement no. 7
Investors' and Press Meeting at GN Great Nordic

March 20, 2001, announcement no. 6
GN Netcom Concludes Cooperation Agreement on Bluetooth™ Technology

March 16, 2001, announcement no. 5
GN Great Nordic Appoints New CFO

February 27, 2001, announcement no. 4
Publication of Statement of Accounts 2000

February 2, 2001, announcement no. 3
GN ReSound Acquires Japanese Distributor

January 23, 2001, announcement no. 2
New Management April 1, 2001

January 4, 2001, announcement no. 1
GN ReSound Acquires Software Company AuditData

Financial Calendar 2002

April 2	Notice to Convene the Annual General Meeting
April 2	Print Version of Annual Report Expected to be Mailed to Shareholders
April 23	Annual General Meeting
May 22	First Quarter Earnings Release
August 29	Second Quarter Earnings Release
November 28	Third Quarter Earnings Release

Management Endorsement and Auditors' Report

At a meeting today, the Board of Directors and the Executive Management of GN Great Nordic considered and adopted the GN Great Nordic as Annual Report for 2001. The Annual Report is presented in accordance with International Accounting Standards and other rules imposed by the Copenhagen Stock Exchange on the presentation of financial statements by Danish listed companies. We consider the accounting policies to be appropriate to the effect that the Annual Report gives a true and fair view of the Group's and the parent company's assets and liabilities, financial position and results of operations. We recommend that the Annual Report be adopted by the Annual General Meeting.

Copenhagen March 13, 2002

Executive Management

Jørn Kildegaard President & CEO	Jens Due Olsen Koncerndirektør

Board of Directors

Elvar Vinum Chairman	Mogens Hugo Jørgensen Deputy Chairman	Jens Bille Bergholdt
Peter Foss	Erik Boye Jensen	Finn Junge-Jensen
Lars Jesper Pontoppidan	Preben Schou	Cato F. Sverdrup

Auditors' Report

We have audited the consolidated financial statements and the parent company financial statements of GN Great Nordic as for the fiscal year ended December 31, 2001 as presented by the Board of Directors and the Executive Management.

Basis of opinion

We planned and conducted our audit in accordance with generally accepted Danish auditing principles and international standards on auditing (ISA) to obtain reasonable assurance that the financial statements are free from material misstatement.

Based on an evaluation of materiality and risk, we tested, during the audit, the basis and documentation for the amounts and disclosures in the financial statements. Our audit included an assessment of the accounting policies applied and estimates made. In addition, we evaluated the overall adequacy of the information disclosed in the financial statements.

Our audit did not give rise to any qualifications.

Opinion

In our opinion the consolidated financial statements and the parent company financial statements have been prepared in accordance with the accounting provisions of Danish legislation and international accounting standards (IASs) and present fairly, in all material respects, the assets and liabilities, financial position and results for the year of the Group and the parent company.

Copenhagen March 13, 2002

KPMG C. Jespersen

Kurt Gimsing State Authorized Public Accountant	Michael Sten Larsen State Authorized Public Accountant

Deloitte & Touche
Statsautoriseret Revisionsaktieselskab

Erik Holst Jørgensen State Authorized Public Accountant	Jørgen Holm Andersen State Authorized Public Accountant

Board of Directors

Elvar Vinum
Chairman

Mogens Hugo Jørgensen
President and CEO, C.W. Obel A/S
Deputy Chairman

Cato F. Sverdrup
Civil Engineer

Peter Foss
President, Foss A/S

Finn Junge-Jensen
Dean, Copenhagen Business School

Preben Schou
President & CEO

Erik Boye Jensen
Senior Engineer, GN Great Northern
Telegraph Company

Jens Bille Bergholdt
Corporate Treasury Director,
GN Great Nordic

Lars Jesper Pontoppidan
Toolmaker, GN ReSound

Executive Management

Jørn Kildegaard
President & CEO

Jens Due Olsen
Executive Vice President

Relationship between the Annual Report and Investor-Specific Statements

As already explained, the Directors' Report includes a number of investor-specific key figures selected by GN Great Nordic to provide easy comparison with the Group's foreign competitors. On this and the following pages (pp. 24-29), the relationship between investor-specific information and the Annual Report is explained in detail.

The principal change is that GN Great Nordic adjusts for amortization and items of a non-recurring nature on the basis of Earnings Before Interest, Tax and Amortization (EBITA) as defined in IAS standards. Adjustments are mainly made for:

- Amortization and write-downs of goodwill and other intangibles acquired, as these are not included in the definition of EBITA.

- Write-downs on other fixed assets which according to the IAS model income statement are attributed to the costs of individual functions, including manufacturing, selling and distribution costs, and management and administrative costs, but which are considered to be nonrecurring items in an investor-specific income statement.

- Special write-downs on receivables, which in an IAS statement are included under costs by function, are also considered nonrecurring items.

- Restructuring costs, which in the IAS statement are deducted from EBIT but which are considered nonrecurring items and thus should not be charged against EBITA.

- Other nonrecurring items, such as the costs related to the NetTest IPO, which in an IAS income statement are included in management and administrative expenses.

- The share of profit from associated companies which is not considered a part of EBITA.

The EBITA figure is then adjusted for depreciation and write-downs of long-term tangible assets, resulting in the EBITDA key figure.

Business Area Operations

The statements contain earnings of the three core businesses – GN Netcom, GN ReSound and NetTest – as well as SONOFON (for 2000) and other businesses for the last eight quarterly periods.

The presentation also centers on EBITDA and EBITA, and performance is shown through changes in revenue, production costs and overheads excluding depreciation/amortization, write-downs, etc.

The relationship between EBITA and EBITDA and the item EBIT is also provided for each of the companies.

Cash Flow Statement by Quarterly Period and by Business Area

The statements also provide quarter-on-quarter changes in cash flows from operating activities, investing activities and financing activities.

The presentation and the method of calculation applied are identical to what is used in the IAS cash flow statement.

To better show changes in cash flows per business area, cash flows from operating activities are shown both net of and including working capital.

Investor-Specific Statement of Income per Quarterly Period

(DKK millions)	Q1 2000 (unaud.)	Q2 2000 (unaud.)	Q3 2000 (unaud.)	Q4 2000 (unaud.)	FY 2000 total (aud.)	Q1 2001 (unaud.)	Q2 2001 (unaud.)	Q3 2001 (unaud.)	Q4 2001 (unaud.)	FY 2001 total (aud.)
Net revenue	1,490	1,706	1,736	2,071	7,003	1,983	1,944	1,682	1,710	7,319
Production costs	(697)	(838)	(787)	(1,037)	(3,359)	(999)	(977)	(842)	(957)	(3,775)
Gross profit	**793**	**868**	**949**	**1,034**	**3,644**	**984**	**967**	**840**	**753**	**3,544**
Research and development costs including amortization and depreciation	(98)	(36)	(127)	(54)	(315)	(105)	(82)	(88)	(81)	(356)
Sales and distribution costs	(311)	(396)	(358)	(400)	(1,465)	(435)	(489)	(446)	(482)	(1,852)
Management and administrative costs	(153)	(187)	(235)	(232)	(807)	(251)	(251)	(197)	(226)	(925)
Other operating income	1	3	5	10	19	2	1	(1)	7	9
Earnings before interest, tax, depreciation and amortization of intangibles (EBITDA)	**232**	**252**	**234**	**358**	**1,076**	**195**	**146**	**108**	**(29)**	**420**
Ordinary depreciation and write-downs relating to:										
Production	(61)	(64)	(15)	(39)	(179)	(16)	(15)	(22)	(9)	(62)
Sales and distribution	(6)	(7)	(8)	(6)	(27)	(6)	(8)	(7)	(17)	(38)
Administration	(11)	(18)	(29)	(17)	(75)	(34)	(33)	(32)	(23)	(122)
Earnings before interest, tax and amortization and impairment of intangibles (EBITA)	**154**	**163**	**182**	**296**	**795**	**139**	**90**	**47**	**(78)**	**198**
Share of earnings from associated companies	(2)	(1)	(7)	4	(6)	(4)	(4)	3	-	(5)
Amortization of goodwill	(32)	(52)	(76)	(156)	(316)	(193)	(195)	(139)	(135)	(662)
Amortization of other intangibles acquired	(9)	(10)	(24)	(32)	(75)	(51)	(54)	(16)	(21)	(142)
Restructuring	-	(8)	(31)	(50)	(89)	(27)	(31)	(29)	(306)	(393)
Impairments	-	-	(1)	(183)	(184)	-	(6,019)	3	(2,547)	(8,563)
Costs related to NetTest IPO	-	-	-	-	-	-	(51)	(5)	(1)	(57)
Earnings before interest and tax	**111**	**92**	**43**	**(121)**	**125**	**(136)**	**(6,264)**	**(136)**	**(3,088)**	**(9,624)**
Gain on the sale of property	1	3	-	41	45	7	1	68	-	76
Gains/losses on companies divested	-	-	12,835	1	12,836	-	-	(95)	-	(95)
Capital gains on stocks	54	(5)	(22)	(11)	16	-	-	17	12	29
Financial income	22	5	83	82	192	32	27	(12)	95	142
Financial expenses	(56)	(62)	(56)	(36)	(210)	(30)	(33)	(22)	(85)	(170)
Earnings before tax	**132**	**33**	**12,883**	**(44)**	**13,004**	**(127)**	**(6,269)**	**(180)**	**(3,066)**	**(9,642)**
Tax	(53)	(24)	(42)	(188)	(307)	(23)	277	28	184	466
Net earnings	**79**	**9**	**12,841**	**(232)**	**12,697**	**(150)**	**(5,992)**	**(152)**	**(2,882)**	**(9,176)**
Minority interests' share of net earnings for period	-	-	-	-	-	-	-	-	-	-
GN Great Nordic's share of net earnings	**79**	**9**	**12,841**	**(232)**	**12,697**	**(150)**	**(5,992)**	**(152)**	**(2,882)**	**(9,176)**
Amortization and write-off of development projects included in „Research and development costs" amount to:	(22)	(27)	(38)	(13)	(100)	(33)	(39)	(40)	(44)	(156)

Relationship to „2001 Statement of Income":

	FY 2000 total (aud.)	FY 2001 total (aud.)
Earnings before interest and tax, see page 35	138	(9,624)
Reversal of amortization and impairment of goodwill and other intangibles acquired	515	9,313
Reversal of provisions for loss on financial receivables included in „Administrative costs"	30	40
Reversal of impairment of telecommunications system, etc. included in „Production costs"	17	14
Reversal of share of earnings from associated companies	6	5
Reversal of restructuring costs	89	393
Cost of NetTest IPO included under „Administrative costs"	-	57
Earnings before interest, tax and amortization and impairment of intangibles (EBITA)	**795**	**198**
Reversal of depreciation and write-downs of tangible assets	281	222
Earnings before interest, tax, depreciation and amortization of intangibles (EBITDA)	**1,076**	**420**

Relative to previous quarterly earnings releases, a few reclassifications have been made for line items within individual quarters.
Net earnings for the individual quarters are unchanged.

Quarterly Statement of Cash Flows, 2001

(DKK millions)	Q1 2001 (unaud.)	Q2 2001 (unaud.)	Q3 2001 (unaud.)	Q4 2001 (unaud.)	Q4 2000 (unaud.)	FY 2001 total (aud.)	FY 2000 total (aud.)
Operating Activities							
EBIT, see page 25	(136)	(6,264)	(136)	(3,088)	(121)	(9,624)	125
Depreciation, amortization and write-downs	332	6,317	299	2,865	440	9,813	956
Other adjustments	68	(38)	(5)	171	(172)	196	64
Cash flow from operations before change in working capital	**264**	**15**	**158**	**(52)**	**147**	**385**	**1,145**
Change in inventories	(266)	(266)	26	52	(33)	(454)	(498)
Change in receivables	(175)	40	145	327	(25)	337	(158)
Change in trade payables and other debt	(24)	(72)	(114)	(37)	(168)	(247)	(39)
Total change in working capital	**(465)**	**(298)**	**57**	**342**	**(226)**	**(364)**	**(695)**
Cash flow from operations before financial items and tax	**(201)**	**(283)**	**215**	**290**	**(79)**	**21**	**450**
Interest and dividends, etc. received	19	21	(3)	37	97	74	168
Interest paid	(17)	(27)	(14)	(59)	(62)	(117)	(174)
Tax paid, net	(32)	(113)	(4)	106	(154)	(43)	(403)
Cash flows from operations	**(231)**	**(402)**	**194**	**374**	**(198)**	**(65)**	**41**
Investing Activities							
Development projects, acquired and developed in-house	(101)	(120)	(72)	(150)	(55)	(443)	(291)
Net acquisition of other long-term intangible and tangible assets	(124)	(198)	(41)	(68)	256	(431)	(346)
Net purchases of long-termfinancial assets	15	(44)	(90)	7	(19)	(112)	(31)
Purchase/sale of listed securities	-	-	4	19	46	23	275
Acquisition of companies	(55)	(69)	(41)	(2)	(9,320)	(167)	(13,966)
Sale of investment property	5	5	1	77	-	88	49
Divestment of discontinuing activities	-	-	(14)	(9)	9	(23)	13,569
Cash flows from investments	**(260)**	**(426)**	**(253)**	**(126)**	**(9,083)**	**(1,065)**	**(741)**
Cash flows from operations and investments	**(491)**	**(828)**	**(59)**	**248**	**(9,281)**	**(1,130)**	**(700)**
Financing Activities							
Increase of long-term debt	-	450	300	-	-	750	2,750
Increase of short-term bank debt	106	34	80	(52)	(256)	168	(276)
Treasury stock	30	9	-	-	142	39	77
Proceeds from stock issue	-	-	-	-	2,710	-	4,077
Stock options settled	-	(5)	(2)	-	(74)	(7)	(218)
Repayment and reduction of long-term debt	9	(59)	(46)	(46)	(1,132)	(142)	(5,068)
Dividends paid to shareholders	-	(127)	-	-	-	(127)	(117)
Exchange differences	58	136	(267)	45	(5)	(28)	(28)
Cash flows from financing activities	**203**	**438**	**65**	**(53)**	**1,385**	**653**	**1,197**
Net cash flows	**(288)**	**(390)**	**6**	**195**	**(7,896)**	**(477)**	**497**
Cash funds at start of period	1,220	929	539	545	9,116	1,220	723
Exchange differences, cash funds at start of period	(3)	-	-	-	-	(3)	-
Cash funds at start of period	**1,217**	**929**	**539**	**545**	**9,116**	**1,217**	**723**
Cash funds at end of period	**929**	**539**	**545**	**740**	**1,220**	**740**	**1,220**

Cash Flows by Business Area

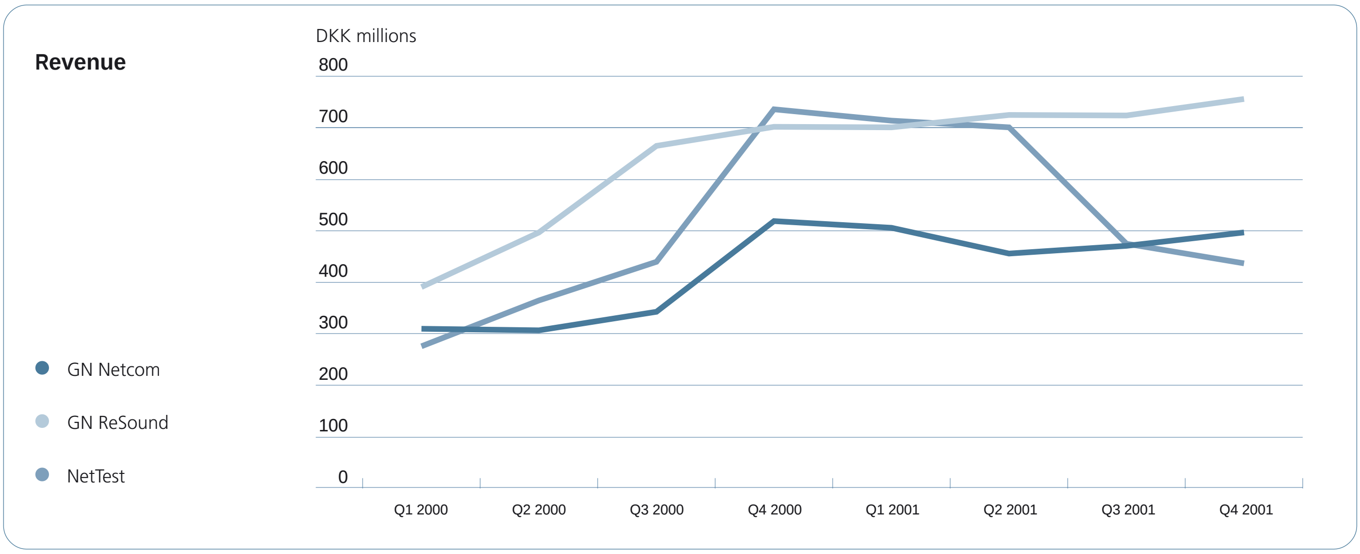
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q4 2000	FY 2001 total	FY 2000 total
Cash flows from operations							
GN Netcom	(9)	(91)	106	95		101	287
GN ReSound	(190)	(84)	63	57		(154)	(99)
NetTest	(205)	(255)	100	(55)		(415)	(15)
Total	**(404)**	**(430)**	**269**	**97**		**(468)**	**173**
Cash flows from investments							
GN Netcom	(41)	(47)	(67)	(39)		(194)	(1,520)
GN ReSound	(133)	(64)	(165)	(71)		(433)	(3,449)
NetTest	(185)	(218)	(56)	(102)		(561)	(9,682)
Total	**(359)**	**(329)**	**(288)**	**(212)**		**(1,188)**	**(14,651)**
Cash flows from operations and investments							
GN Netcom	(50)	(138)	39	56		(93)	(1,233)
GN ReSound	(323)	(148)	(102)	(14)		(587)	(3,548)
NetTest	(390)	(473)	44	(157)		(976)	(9,697)
Total	**(763)**	**(759)**	**(19)**	**(115)**		**(1,656)**	**(14,478)**

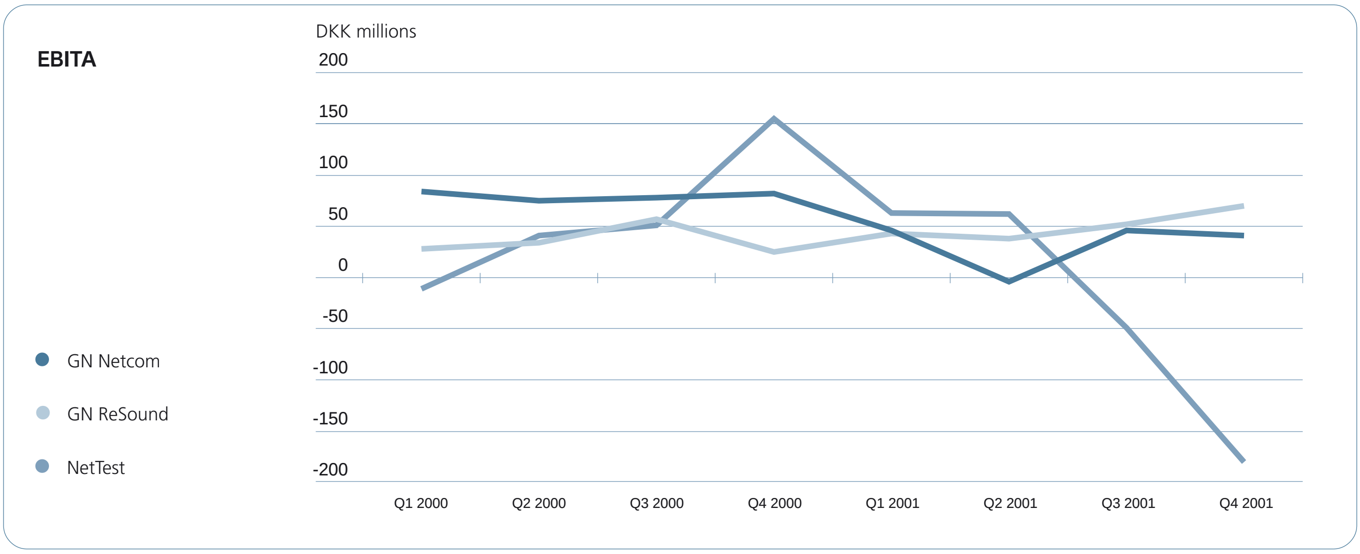
Relative to previous quarterly earnings releases, exchange differences for Q2 and Q3 2001 have been reclassified from working capital to cash flows from financing activities.

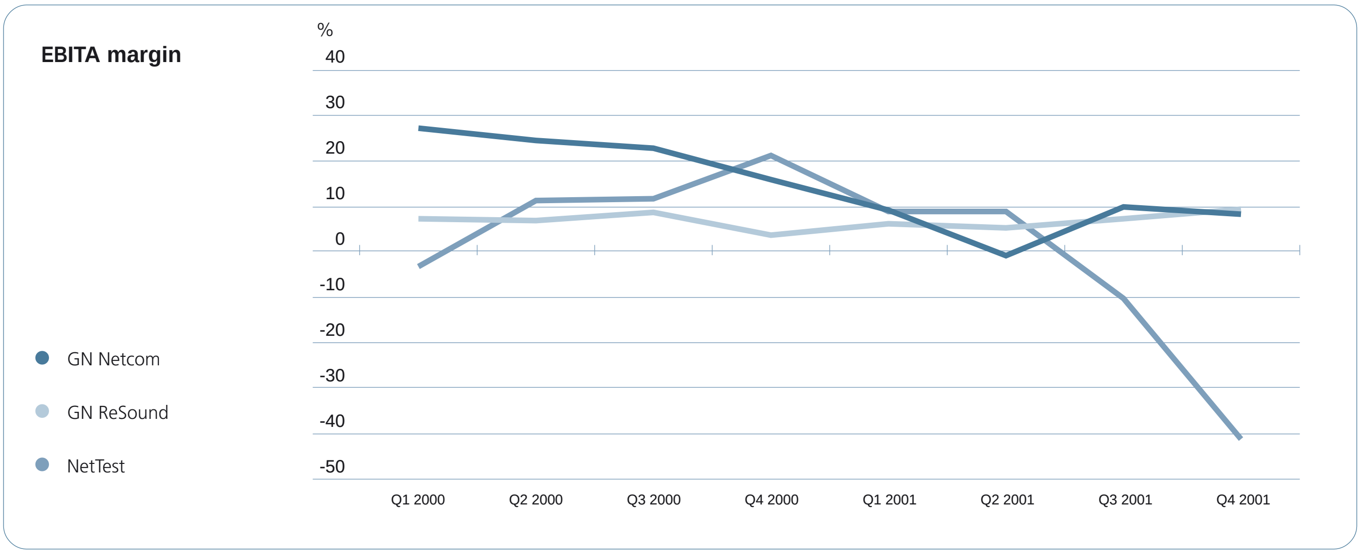
(DKK millions)	Q1 2000 (unaud.)	Q2 2000 (unaud.)	Q3 2000 (unaud.)	Q4 2000 (unaud.)	FY 2000 total (aud.)	Q1 2001 (unaud.)	Q2 2001 (unaud.)	Q3 2001 (unaud.)	Q4 2001 (unaud.)	FY 2001 total (aud.)	2001 vs 2000 Q4	2001 vs 2000 FY
Revenue												
GN Netcom	310	307	343	519	1,479	506	456	471	497	1,930	(4.2)%	30.5%
GN ReSound	391	497	665	702	2,255	701	725	724	756	2,906	7.7%	28.9%
NetTest	276	365	440	736	1,817	714	701	475	437	2,327	(40.6)%	28.1%
Total	**977**	**1,169**	**1,448**	**1,957**	**5,551**	**1,921**	**1,882**	**1,670**	**1,690**	**7,163**	**(13.6)%**	**29.0%**
SONOFON	381	409	182	-	972	-	-	-	-	-	-	-
Other	132	128	101	115	476	64	62	14	20	160	(82.6)%	(66.4)%
Production Costs												
GN Netcom	141	143	163	257	704	241	225	224	248	938	(3.5)%	33.2%
GN ReSound	195	250	347	374	1,166	346	364	378	385	1,473	2.9%	26.3%
NetTest	133	172	215	372	892	385	366	243	329	1,323	(11.6)%	48.3%
Total	**469**	**565**	**725**	**1,003**	**2,762**	**972**	**955**	**845**	**962**	**3,734**	**(4.1)%**	**35.2%**
SONOFON	163	176	84	-	423	-	-	-	-	-	-	-
Other	63	62	44	24	193	29	24	-	-	53	-	(72.5)%
Gross Profit												
GN Netcom	169	164	180	262	775	265	231	247	249	992	(5.0)%	28.0%
GN ReSound	196	247	318	328	1,089	355	361	346	371	1,433	13.1%	31.6%
NetTest	143	193	225	364	925	329	335	232	108	1,004	(70.3)%	8.5%
Total	**508**	**604**	**723**	**954**	**2,789**	**949**	**927**	**825**	**728**	**3,429**	**(23.7)%**	**22.9%**
SONOFON	218	233	98	-	549	-	-	-	-	-	-	-
Other	69	66	57	91	283	35	38	14	20	107	(78.0)%	(62.2)%
Gross Margin												
GN Netcom	54.5%	53.4%	52.5%	50.5%	52.4%	52.4%	50.7%	52.4%	50.1%	51.4%		
GN ReSound	50.1%	49.7%	47.8%	46.7%	48.3%	50.6%	49.8%	47.8%	49.1%	49.3%		
NetTest	51.8%	52.9%	51.1%	49.5%	50.9%	46.1%	47.8%	48.8%	24.7%	43.1%		
Total	**52.0%**	**51.7%**	**49.9%**	**48.7%**	**50.2%**	**49.4%**	**49.3%**	**49.4%**	**43.1%**	**47.9%**		
SONOFON	57.2%	57.0%	53.8%	-	56.5%	-	-	-	-	-		
Other	52.3%	51.6%	56.4%	79.1%	59.5%	54.7%	61.3%	100.0%	100.0%	66.9%		
Overheads excluding depreciation and write-downs on long-term tangible assets												
GN Netcom	80	83	96	170	429	204	219	188	194	805	14.1%	87.6%
GN ReSound	156	203	248	273	880	292	302	271	298	1,163	9.2%	32.2%
NetTest	152	146	167	191	656	250	258	259	266	1,033	39.3%	57.5%
Total	**388**	**432**	**511**	**634**	**1,965**	**746**	**779**	**718**	**758**	**3,001**	**19.6%**	**52.7%**
SONOFON	110	151	78	1	340	-	-	-	-	-	-	-
Other	49	47	37	14	147	23	20	5	4	52	(71.4)%	(64.6)%
EBITDA												
GN Netcom	89	81	84	92	346	61	12	59	55	187	(40.2)%	(46.0)%
GN ReSound	40	44	70	55	209	63	59	75	73	270	32.7%	29.2%
NetTest	(9)	47	58	173	269	79	77	(27)	(158)	(29)	-	-
Total	**120**	**172**	**212**	**320**	**824**	**203**	**148**	**107**	**(30)**	**428**	**-**	**(48.1)%**
SONOFON	108	82	20	(1)	209	-	-	-	-	-	-	-
Other	20	19	20	77	136	12	18	9	16	55	(79.2)%	(59.6)%
Ordinary depreciation and write-downs												
GN Netcom	5	6	6	10	27	15	16	13	14	58	40.0%	114.8%
GN ReSound	12	10	13	30	65	20	21	20	6	67	(80.0)%	3.1%
NetTest	2	6	7	18	33	16	15	22	22	75	22.2%	127.3%
Total	**19**	**22**	**26**	**58**	**125**	**51**	**52**	**55**	**42**	**200**	**(27.6)%**	**60.0%**
SONOFON	51	53	19	(1)	122	-	-	-	-	-	-	-
Other	9	18	6	(1)	32	4	4	4	7	19	-	(40.6)%
EBITA												
GN Netcom	84	75	78	82	319	46	(4)	46	41	129	(50.0)%	(59.6)%
GN ReSound	28	34	57	25	144	43	38	55	67	203	168.0%	41.0%
NetTest	(11)	41	51	155	236	63	62	(49)	(180)	(104)	-	-
Total	**101**	**150**	**186**	**262**	**699**	**152**	**96**	**52**	**(72)**	**228**	**-**	**(67.4)%**
SONOFON	57	29	1	-	87	-	-	-	-	-	-	-
Other	11	1	14	78	104	8	14	5	9	36	(88.5)%	(65.4)%
EBITA margin												
GN Netcom	27.1%	24.4%	22.7%	15.8%	21.6%	9.1%	(0.9)%	9.8%	8.2%	6.7%		
GN ReSound	7.2%	6.8%	8.6%	3.6%	6.4%	6.1%	5.2%	7.6%	8.9%	7.0%		
NetTest	(4.0)%	11.2%	11.6%	21.1%	13.0%	8.8%	8.8%	(10.3)%	(41.2)%	(4.5)%		
Total	**10.3%**	**12.8%**	**12.8%**	**13.4%**	**12.6%**	**7.9%**	**5.1%**	**3.1%**	**(4.3)%**	**3.2%**		
SONOFON	15.0%	7.1%	0.5%	-	9.0%	-	-	-	-	-		
Other	8.3%	0.8%	13.9%	67.8%	21.8%	12.5%	22.6%	35.7%	45.0%	22.5%		

Quarterly Operations by Business Area, 2001

(DKK millions)	FY 2000 GN Netcom	FY 2000 GN ReSound	FY 2000 NetTest	FY 2000 SONOFON/ Other	FY 2001 GN Netcom	FY 2001 GN ReSound	FY 2001 NetTest	FY 2001 Other
Relationship to „Segmental Information“								
Earnings before interest and tax, see „Segmental Information“ pages 56 and 58	272	(146)	37	70	(239)	(1,475)	(7,798)	5
Reversal of amortization and impairment of goodwill and other intangibles acquired	39	257	201	18	329	1,529	7,455	-
Reversal of provisions for loss on financial receivables included in „Administrative costs“	-	2	-	28	-	-	-	7
Reversal of impairment of telecommunications system, etc. included in „Production costs“	-	-	-	16	-	-	-	14
Reversal of share of earnings from associated companies	-	(1)	(2)	10	-	(4)	(1)	10
Reversal of restructuring costs	8	32	-	49	39	153	201	-
Reversal of cost of NetTest IPO included under „Administrative costs“	-	-	-	-	-	-	39	-
Earnings before interest, tax and amortization and impairment of intangibles (EBITA)	**319**	**144**	**236**	**191**	**129**	**203**	**(104)**	**36**
Reversal of depreciation and write-downs of tangible assets	27	65	33	154	58	67	75	19
Earnings before interest, tax, depreciation and amortization of intangibles (EBITDA)	**346**	**209**	**269**	**345**	**187**	**270**	**(29)**	**55**


Revenue
DKK millions
800
700
600
500
400
300
200
100
0
GN Netcom
GN ReSound
NetTest
Q1 2000
Q2 2000
Q3 2000
Q4 2000
Q1 2001
Q2 2001
Q3 2001
Q4 2001


EBITA
DKK millions
200
150
100
50
0
-50
-100
-150
-200
GN Netcom
GN ReSound
NetTest
Q1 2000
Q2 2000
Q3 2000
Q4 2000
Q1 2001
Q2 2001
Q3 2001
Q4 2001


EBITA margin
%
40
30
20
10
0
-10
-20
-30
-40
-50
GN Netcom
GN ReSound
NetTest
Q1 2000
Q2 2000
Q3 2000
Q4 2000
Q1 2001
Q2 2001
Q3 2001
Q4 2001

General

Consolidated and parent company financial statements are presented in accordance with the provisions of the International Accounting Standards (IASs), the Danish Financial Statements Act, and the guidelines laid down by the Copenhagen Stock Exchange for the financial reporting of listed companies.

The consolidated and parent company financial statements are presented in accordance with the same accounting policies applied in previous years, with the exception of changes made to the treatment of financial instruments resulting from the adoption of IAS 39 as from the 2001 fiscal year.

IAS 39 defines specific criteria for the treatment of financial instruments used to hedge transactions and where such criteria are not met, realized and unrealized capital gains are included under financial items on the statement of income.

The change in accounting policies has reduced the income before tax for the year by DKK 2 million, increased the tax charge by DKK 1 million, while shareholders' equity was reduced by DKK 1 million at January 1, 2001. In accordance with the provisions for adopting IAS 39, comparative figures have not been restated.

The presentation of the statement of income has been adopted to international accounting trends of 2001 and comparative figures have been restated accordingly. The restatement of figures does not imply a change in accounting policies applied.

Basis of Consolidation

The consolidated financial statements relate to the parent company, GN Great Nordic as, and the companies (subsidiaries) in which the parent company directly or indirectly exercises a controlling interest. Other companies in which the Group exercises a significant interest are regarded as associated companies. Group companies are listed on page 61.

The consolidated financial statements are prepared as a summary of the financial statements for the parent company and those of the individual subsidiaries, all of which are presented in accordance with the Group's accounting policies. Intercompany income and expenses, outstandings, dividends, and unrealized internal gains are eliminated.

In the consolidation, the book value of shares held by the parent company in subsidiaries is set off against their equity, and minority shareholders' interests in equity are stated separately.

Projects and companies established as joint ventures with joint control are consolidated pro rata.

The acquisition method is applied when new companies are acquired: i.e. the identifiable assets and liabilities acquired are measured in the balance sheet at their fair value on the date of acquisition. Provisions are recognized for obligations associated with restructuring in the acquired company when the decision is made and announced at the time of acquisition. The impact of tax on any revaluations or provisions for obligations made is recognized.

When the acquisition price exceeds the fair value of the net assets acquired, including provisions for restructuring obligations in a company acquired, a positive differential is included as goodwill. Goodwill is amortized systematically in accordance with an individual assessment of the asset's expected useful life, which may not, however, exceed 20 years. In the year of acquisition, amortization is included on a pro rata basis. If the differential is negative (negative goodwill), the amount is presented under provisions for obligations and systematically included in the statement of income over the useful life of the depreciable assets. However, negative goodwill that exceeds the value of non-monetary assets is included in the year of acquisition.

The acquisition value of goodwill is adjusted for any changes to the purchase price after the acquisition.

Reversal of provisions for restructuring obligations stated in the goodwill calculation reduces the value of the goodwill. Furthermore, if it becomes apparent that the fair value of assets and liabilities acquired on the date of acquisition differs from the values provided in the statement of goodwill, goodwill is adjusted before the end of the fiscal year following the year of acquisition. All other subsequent adjustments are recognized in the statement of income.

Acquired or divested Group companies are included in the consolidated financial statements for the period they were owned by the Group. Comparative figures are not adjusted to reflect the acquisition or divestment of Group companies.

Gains or losses from divestment of Group companies are stated as the difference between the sales price and the book value of net assets at the date of disposal, including non-amortized goodwill, and divestment costs. Gains or losses are recognized in the statement of income.

Translation of Foreign Currency

Foreign currency transactions (buying or selling) are translated into local currency at exchange rates in effect on the date of the transaction.

Exchange differences arising between the date of transaction and the date of payment are recognized in the statement of income as investment items.

Receivables and payables in foreign currency are measured at the year-end exchange rate. Exchange gains or losses are recognized in the statement of income under financial items.

In the consolidated financial statements, the statements of income of independent foreign subsidiaries are translated into Danish kroner at average rates of exchange for the year, and assets and liabilities are translated at year-end exchange rates. Goodwill arising from the acquisition of a company and possible market value adjustments in the book value of assets and liabilities arising from the acquisition of such foreign entity are included in the acquiring company using the official exchange rate applying on the date of acquisition.

Exchange differences arising from adjusting foreign entities' equity at the beginning of the year to year-end rates and from adjusting foreign entities' statements of income from average rates to year-end rates are recognized as an adjustment to equity.

Exchange rate adjustments of outstandings or hedging contracts that effectively hedge the equity investment in foreign subsidiaries are taken directly to equity.

Transactions made by foreign entities which are integral to the operations of the parent company are translated into Danish kroner as if the transactions had been made by the parent company.

Basic and Diluted Earnings Per Share
Basic per share (EPS) is calculated by dividing the net earnings for the year by the weighted average number of outstanding shares for the year. Diluted EPS is found by adding to the weighted average number of outstanding shares the number of additional shares of common stock that would be outstanding if these potentially diluted shares had been issued.

Public Grants
Public grants relate to grants and funding for R&D activities, investment grants, etc.

Grants for R&D activities which are expensed directly to the statement of income are booked under development costs so that they correspond to the costs for which they compensate.

Grants for the acquisition of assets and development activities that are capitalized are set off against the cost price of the assets for which grants are awarded.

Forgivable loans provided by public bodies for funding development activities are treated as loans until the terms for remission of the loan have been met.

Pensions
Commitments relating to defined benefits schemes are measured for actuarial purposes by discounting future estimated pension payments. Fixed pension contributions (defined contribution schemes) are recognized in the statement of income together with changes in provisions for defined benefit scheme obligations.

STATEMENT OF INCOME

Net Revenue
Income from the sale of goods and services is recognized in the statement of income provided that they were delivered before year-end. Extended warranties and maintenance contracts are recognized during the term of the contract. Telecommunications income and royalties are recognized as income in the year to which they relate. Net revenue is stated after deduction of customer discounts and bonuses.

For contracts in progress charged to third parties, the sales value of production during the year is included in net revenue.

Production Costs
Production costs are based on the cost prices of the goods sold during the year. The cost price includes raw materials, consumables, direct payroll costs and indirect production costs such as maintenance and depreciation and write-downs of production plant and the operation, administration, and management of factories. Also included is inventory write-downs.

R&D Costs
R&D costs comprise costs, salaries, and the depreciation of operating assets and equipment which are directly or indirectly attributable to the Group's research and development activities.

Research costs are expensed in the year in which they are incurred. Expenses for development projects which are clearly defined and identifiable; where the level of technical utilization, sufficient resources and a potential future market or business opportunity for the company can be demonstrated; and where the intention is to manufacture, market or utilize the results of the project are stated as an asset from the date on which the above-mentioned conditions were satisfied and when the net current value of future earnings is expected to exceed the development costs incurred. The cost price of such development projects includes direct payroll costs, materials, and other direct and indirect costs attributable to the development projects. Amortization and write-downs of such capitalized development projects are included in R&D costs. Other development costs are included when incurred.

Sales and Distribution Costs
Sales and distribution costs are the costs associated with the sale and distribution of products and services, including salaries, sales commissions, advertising and marketing costs, depreciation and write-downs, etc.

Management and Administrative Costs
Management and administration costs comprise the costs of administrative personnel and management, office costs, depreciation and write-downs, etc. Also included are losses on receivables.

Other Operating Income/Expenses
Other operating income/expenses include gains/losses on the sale of tangible assets (plant, machinery, operating assets, and equipment), etc.

Amortization and Write-Down of Goodwill and Other Acquired Long-Term Intangibles Assets
Amortization of long-term intangible assets acquired includes amortization of intangible assets identified as separate assets and included in the transaction value of company acquisitions.

Restructuring
Restructuring costs relating to acquired companies are included in the statement of goodwill when a decision to restructure has been taken and announced on the date of acquisition.

Other restructuring costs are provided in the balance sheet and expensed through the statement of income as and when decided upon and announced.

Results of Subsidiaries and Associated Companies
The parent company statement of income includes a proportional share of the pretax earnings/loss reported by individual subsidiaries and associated companies less the year's amortization of goodwill.

The consolidated statement of income includes a proportional share of the pretax earnings/loss reported by individual associated companies less the year's amortization of goodwill. The proportional share of the tax charge is recorded under taxation.

Financial Items
Financial income and expenses include interest income relating to the fiscal year. Dividends on securities, but not dividends from subsidiaries and associated companies, are included as received. The cost of a loan agreement is fully recognized in the year of borrowing.

Financial items also include the costs of funding capital leases, impairment of long-term financial assets, realized and unrealized adjustments for derivatives, securities which are current assets, and foreign exchange items.

Unrealized gains on securities are distributed to the allocation of profits under revaluation reserves.

Extraordinary Items
Extraordinary items include income and expenses which are clearly distinct from the Group's ordinary activities and which are therefore neither frequent nor regular.

Tax
The parent company and a number of Danish and foreign subsidiaries are jointly taxed in Denmark. The parent company makes provisions for and pays the total Danish tax charge for these companies' taxable income; the parent company also makes provisions for deferred tax for the Danish companies. Jointly taxed companies participate in the tax prepayment scheme.

The tax charge on taxable earnings for the year is recognized in the statement of income together with the adjustment of the deferred tax provision for the year. Withholding tax on dividends received from foreign subsidiaries is recognized in the year the dividend is received. The estimated tax is allocated to ordinary income, extraordinary income or to equity items.

Premiums, deductions and remunerations are stated under financial items when paid or received.

Tax payable is stated under short-term debt and deferred tax under provisions.

Tax receivable is stated under receivables, while negative deferred tax is stated under long-term financial assets.

Provision for deferred tax is recognized according to the liability method for all temporary differences between the accounting values and tax values of assets and liabilities. Deferred tax also includes the tax value of deficits in jointly taxed foreign companies which can be clawed back when disposing of shareholdings or when Danish joint taxation is no longer applicable.

Tax charges arising from the sale of shares in subsidiaries or associated companies are not included on the balance sheet if the shares are not expected to be sold within a short period of time.

The tax value of loss carry-forwards is included in the deferred tax provision if it is probable that such deficits can be utilized within the next few years.

The tax value of loss carry-forwards or negative deferred taxes is recognized as assets when it is probable that they will reduce tax payments in the years to follow.

No deferred tax liability is stated for goodwill unless it is amortizable/deductible for tax purposes.

Deferred tax is calculated on the basis of current tax rules and at the rate expected to apply when temporary differences are equalized. Changes in deferred tax provisions due to amended tax rates are recognized in the statement of income.

BALANCE SHEET

Long-Term Intangible Assets
Long-term intangible assets are measured at cost less accumulated amortization and impairments.

Long-term intangible assets include telecommunications systems which are not in the legal ownership of the Group, but to whose revenues the Group is contractually entitled.

Amortization of the following long-term intangible assets is on a straight-line basis over the useful lives of the assets:

Goodwill .... up to 20 years
Development projects .... 2-5 years
Software .... 3-5 years
Patents, licenses, trademarks
and other intellectual property
rights .... up to 20 years

The amortization period of goodwill is determined on the basis of management experience in the Group's business areas and reflects management's best estimate of the expected useful life of the goodwill.

Amortization of telecommunications systems reflects utilization during the period in the form of actual traffic as compared to total forecasted traffic over the term of the contract. The carrying value of a telecommunications system may, however, not exceed what it would have been if amortization had been calculated on a straight-line basis over the asset's expected useful life (contract term).
The expected useful life for

Telecommunications systems ... 5-15 years

The period of amortization for intangible assets is assessed when financial statements are prepared.

Gains or losses on the disposal of long-term intangible assets are stated as the difference between the sales price less cost of sales and the carrying value at the date of sale, and are recognized in the statement of income as other operating income or other operating costs.

Long-Term Tangible Assets
Property, telecommunications systems, machinery, equipment, etc. are measured at cost less depreciation and impairments.

Cost includes purchase price and cost of materials, components, subcontractor services, direct payroll costs, and indirect production costs. Interest charges and other borrowing costs are not included in the cost price.

Telecommunications systems which are in the legal ownership of the Group are classified as tangible assets.

Until they become operational, telecommunications projects are stated in the balance sheet under tangible assets as plant under construction. After becoming operational, such projects are transferred to telecommunications systems under long-term tangible assets or intangible assets depending on the nature of the contract.

The cost price of finance lease assets is calculated as the market value or the net present value of future lease payments at the date of purchase, if this is lower. Capital lease assets are recognized in the balance sheet and depreciated as other tangible assets.

Depreciation of tangible assets is on a straight-line basis over the useful lives of the assets. In calculating depreciation on property, an estimated scrap value is included.

Tangible assets are depreciated over the following expected lives:

Buildings and installations ..... 10-50 years
Leasehold improvements .... 5-20 years
Plant and machinery .... 3-15 years
Operating assets and
equipment .... 2-7 years

Land is not depreciated. Depreciation of telecommunications systems reflects utilization during the period in the form of actual traffic as compared to total forecasted traffic over the term of the contract. The carrying value of a telecommunications system may, however, not exceed what it would have been if depreciation had been calculated on a straight-line basis over the asset's expected useful life (contract term).
The expected useful life for

Telecommunications systems ... 5-15 years

Gains or losses on the disposal or scrapping of a tangible asset are calculated as the difference between sales price less dismantling, disposal, and reestablishment costs and the carrying value and are included in other operating income/expenses.

Impairments
The carrying value of both tangible and intangible assets is estimated when financial statements are prepared. If there is a need to make impairments, then the carrying value is reduced to the higher of the net selling price or the value in use. The value in use is the present value of estimated future net income expected from use of the asset.

Long-Term Financial Assets
Investments in subsidiaries are measured in the parent company accounts in accordance with the equity method, as the proportionate share of the equity of the subsidiaries less unrealized intercompany profits on inventories and tangible assets and plus unamortized goodwill.

Investments in associated companies are measured in the parent company balance sheet and the consolidated balance sheet and are computed under the equity method as the proportionate share of the equity of the associated companies less a proportionate share of unrealized intercompany profits on inventories and tangible assets and plus unamortized goodwill.

Subsidiaries and associated companies with negative equity for accounting purposes are stated at 0 (zero); receivables from these companies are written down by the parent company's/Group's share of the negative equity. If such negative equity exceeds receivables, the remaining balance is stated under provisions.

Net revaluations of holdings in subsidiaries and associated companies are stated under equity as revaluation reserves according to the equity method.

Unlisted securities are measured at market value, where such value can be reliably stated, or at cost.

Inventories
Raw materials and merchandise are measured at cost using the FIFO formula. Finished goods and work in progress are measured at cost using the FIFO formula. Cost includes direct materials and payroll, as well as indirect production costs. Inventories are written down at the lower of cost or net realizable value.

Receivables
Receivables are measured at the value of the amounts expected to be received. Noncurrent receivables are measured at amortized cost using the effective rate of interest at the time the item is recognized as a receivable. If the capital value of the expected future payments from the receivable item is lower than the carrying value, the carrying value is written down to the capital value.

Contracts in progress charged to third parties are measured at the sales value of the proportion of the contract completed at the balance sheet date. Completion is calculated as the ratio of deposited resources to the total calculated resources for the contract. Provisions for loss on a contract is set against the sales value and is calculated as the total loss on the contract irrespective of the work actually completed. Amounts invoiced in respect of work completed are deducted from the sales value, while amounts invoiced in excess of the work completed are carried as prepayments under short-term debt.

Treasury Stock
The proceeds from buying and selling treasury stock are recorded directly in shareholders' equity under other reserves.

Securities
Listed bonds and shares which are current assets are measured at official quoted year-end values.

Other provisions
Provisions are made when the Group has an obligation as a result of past events during the fiscal year or in previous years and it is probable that settling such an obligation will require an outflow of the company's financial resources.

Other provisions associated with acquisitions include provisions for restructuring obligations regarding acquired businesses when the restructuring is decided upon and publicly announced no later than on the date of acquisition and when the obligation is recognized in the goodwill statement.

Other provisions for restructuring include obligations relating to the acquiring company as part of the acquisition, as well as those restructurings that relate to publicly announced decisions to restructure existing business units. Such provisions are recognized in the statement of income.

On the acquisition of companies, provision is made for the conditional consideration when it is considered probable that the conditions will be met.

A general warranty is given against defects in design, materials and workmanship for a period of from one to three years from delivery and completion. Provisions are made for projected future warranty costs when the related income is included in net revenue.

Debt
Debt is measured at the cost of the outstanding balance at the balance sheet date, including interest due. Noncurrent debt obligations with a fixed term of maturity, for a fixed amount and with fixed repayment dates are measured at amortized cost in accordance with the effective interest method. Where these requirements are not met, debt is measured at cost.

Derivative instruments are measured at market value.

The capitalized obligation on the remaining term of finance leases is carried in the balance sheet as a debt.

Other Rental and Lease Matters
When contracts for renting and leasing buildings and equipment are of an operational nature, rental and lease payments are recognized in the statement of income for the period to which they relate.

The remaining rental and leasing obligations under such contracts are disclosed under contingent liabilities.

Derivatives
Forward currency contracts and other derivative financial instruments are initially recognized in the balance sheet at cost and subsequently remeasured at their fair value and recognized under other debt or other receivables. Derivatives are only considered as used for hedging purposes if the following conditions are met:

- There must be a clear correlation between the purchase/sale of the derivative and the accounting items hedged at the time of the transaction or the future transaction. The derivative must be expected to effectively hedge the accounting item during its entire term.

- The derivative must have effectively hedged the accounting item hedged throughout the fiscal year and at the balance sheet date or the future transaction. If the effectiveness of the hedge cannot be determined, the derivative is not recognized as a hedge for accounting purposes.

Unrealized and realized market value adjustments and exchange differences relating to derivatives used to hedge future purchase or sales transactions are included in a special item under shareholders' equity and recognized in the statement of income together with the hedged item upon realization of the cash flows hedged. Unrealized and realized market value adjustments and exchange differences that cannot be attributed to hedging of future purchase or sales transactions are recognized as financial items in the statement of income.

Gains or losses on derivatives used to hedge capital investments are included in the cost of the investment.

If the conditions for using a financial instrument in a hedging transaction are not met, the instrument is measured at market value and recognized under other debt or other receivables, and realized and unrealized market value adjustments and exchange differences are recognized under financial items in the statement of income.

Incentive Plans
When stock options are issued to Group employees at an exercise price corresponding to not less than the quoted price of GN Great Nordic stock at the time awarded, the theoretical value of the options is not included in the statement of income. Stock options exercised are charged to shareholders' equity.

CASH FLOW STATEMENT
The consolidated cash flow statement is prepared according to the indirect method on the basis of the Group's earnings before interest and tax. The cash flow statement shows the Group's cash flows for the year divided in to cash flow from operations, investments and financing activities, and how these cash flows have affected cash funds.

The cash flow effect from the acquisition and sale of subsidiaries is only included for the period in which these companies were owned by the Group.

Cash flow from operations comprises cash flow from the year's operations adjusted for non-cash items and changes in working capital. Working capital comprises current assets excluding items stated as cash funds and excluding tax receivable, as well as short-term debt less repayment of long-term debt, bank debt and tax payable.

Cash flow from investments includes the purchase and sale of non-current assets, including holdings in companies and property for sale.

Cash flow from financing activities includes payments to and from shareholders and the contracting and repayment of short-term and long-term debt not included in working capital.

Cash funds relate to liquid funds and securities with short residual terms and insignificant risk.

SEGMENTAL INFORMATION
Segmental information is provided on sectors (primary segment) and geographical markets (secondary segment). Segmental information is in compliance with Group accounting policies and with the Group's internal financial management.

Noncurrent assets are long-term tangible and intangible assets.

Current assets include inventories, receivables from sales, and other receivables.

Parent Company			Statement of Income	Group	
2000	**2001**	Note	(DKK millions)	**2001**	2000
74	25	1	Net revenue	7,319	7,003
(22)	-	2,4	Production costs	(3,851)	(3,555)
52	**25**		**Gross profit**	**3,468**	**3,448**
-	-	2,3,4	Research and development costs	(356)	(315)
-	-	2,4	Sales and distribution costs	(1,890)	(1,492)
(123)	(153)	2,4,6	Management and administrative costs	(1,144)	(912)
1	-		Other operating income	9	19
-	-	5	Amortization and impairment of goodwill and other acquired long-term intangible assets	(9,313)	(515)
(8)	-	7	Restructuring	(393)	(89)
(78)	**(128)**		**Earnings before results from subsidiaries and associated companies, interest and tax**	**(9,619)**	**144**
(103)	(9,777)	8	Share of earnings from subsidiaries	-	-
16	(10)	9	Share of earnings from associated companies	(5)	(6)
(165)	**(9,915)**		**Earnings before interest and tax**	**(9,624)**	**138**
12,865	29	10	Gains/losses from divestment of discontinued activities	(19)	12,881
12,700	**(9,886)**		**Earnings before financial items**	**(9,643)**	**13,019**
405	344	11	Financial income	171	208
(101)	(100)	12	Financial expenses	(170)	(223)
13,004	**(9,642)**		**Earnings before tax**	**(9,642)**	**13,004**
(307)	466	13	Tax	466	(307)
12,697	**(9,176)**		**Net earnings**	**(9,176)**	**12,697**
-	-		Minority interests' share of net earnings	-	-
12,697	**(9,176)**		**GN Great Nordic's share of net earnings**	**(9,176)**	**12,697**
			Basic and diluted earnings per share of DKK 4 (EPS)	(41.75)	62.99
			Basic and diluted earnings per share of DKK 4 excluding amortization and write-downs on intangibles (EPS)	2.92	66.30

Accounts – Balance Sheet at December 31 – Assets

Parent Company			Assets	Group	
2000	**2001**	Note	(DKK millions)	**2001**	2000
			Noncurrent assets		
-	-		Goodwill	7,051	14,598
-	-		Development projects, acquired	20	982
-	-		Development projects, developed in-house	750	436
-	-		Software, acquired	24	7
1	-		Software, developed in-house	80	91
-	-		Patents and rights	171	449
44	36		Telecommunications systems	85	100
-	-		Other long-term intangible assets	492	563
45	**36**	14	**Total long-term intangible assets**	**8,673**	**17,226**
-	-		Investment properties	21	31
-	-		Factory and office buildings	125	108
-	-		Leasehold improvements	170	86
-	-		Plant and machinery	169	162
4	2		Operating assets and equipment	198	196
-	-		Leased plant and equipment	12	5
24	-		Telecommunications systems	8	24
-	-		Plant under construction	7	18
28	**2**	15	**Total long-term tangible assets**	**710**	**630**
6,659	8,893		Investments in subsidiaries	-	-
12,971	3,933		Receivables from subsidiaries	-	-
50	45		Investments in associated companies	186	82
8	-		Other securities	12	44
25	143		Other receivables and bank deposits	515	543
-	-	17	Deferred tax assets	324	121
19,713	**13,014**	16	**Total long-term financial assets**	**1,037**	**790**
19,786	**13,052**		**Total noncurrent assets**	**10,420**	**18,646**
			Current assets		
-	**-**	18	**Inventories**	**1,719**	**1,339**
111	87		Trade receivables	1,497	1,869
-	-		Receivables from subsidiaries	6	5
270	180	19	Tax receivables	278	326
60	12		Other receivables	250	249
-	-		Prepayments	103	124
441	**279**	20	**Total receivables**	**2,134**	**2,573**
31	**10**		**Listed stocks**	**10**	**31**
152	**31**		**Cash and cash equivalents**	**740**	**1,220**
624	**320**		**Total current assets**	**4,603**	**5,163**
20,410	**13,372**		**Total assets**	**15,023**	**23,809**

Parent Company 2000	Parent Company 2001	Note	Liabilities (DKK millions)	Group 2001	Group 2000
			Shareholders' equity		
879	879		Capital stock	879	879
4,170	4,170		Additional paid-in capital	4,170	4,170
1	1		Revaluation reserves	1	1
585	-		Net revaluation - equity method	-	-
55	31		Exchange differences	407	128
14,008	5,627		Other reserves	5,251	14,520
19,698	**10,708**		**Total shareholders' equity**	**10,708**	**19,698**
-	**-**		**Minority interests**	**-**	**-**
			Provisions		
1	1	21	Provisions for pension commitments and similar commitments	17	21
237	201	22	Deferred tax	331	694
7	98	23	Other provisions	563	452
245	**300**		**Total provisions**	**911**	**1,167**
			Debt		
-	-		Mortgage debt	5	5
300	1,050		Bank debt	1,145	509
-	-		Capitalized lease commitments	4	5
-	132		Other debt	478	529
300	**1,182**	24	**Total long-term debt**	**1,632**	**1,048**
112	1,052		Amounts owed to subsidiaries	-	-
-	-		Repayment of long-term debt	13	19
-	22		Bank debt	394	199
20	8		Trade payables	500	694
-	-		Payable to associated companies	-	-
-	-	25	Tax payable	80	96
35	100		Other debt	708	779
-	-		Accruals and deferred income	77	109
167	**1,182**		**Total current liabilities**	**1,772**	**1,896**
467	**2,364**		**Total debt**	**3,404**	**2,944**
20,410	**13,372**		**Total liabilities**	**15,023**	**23,809**
		26	Collateral security		
		27	Lease commitments		
		28	Contingent liabilities and other financial obligations		
		29	Financial instruments		
		30	Outstanding shares and treasury stock		
		31	Related party transactions		
		32	Public grants		
		33	Incentive programs		

Note	Statement of Cash Flows (DKK millions)	Group 2001	Group 2000
	Operating activities		
	Earnings before interest and tax	(9,624)	138
	Depreciation, amortization and write-downs	9,813	943
34	Other adjustments	196	64
	Cash flow from operating activities before change in working capital	**385**	**1,145**
	Change in inventories	(454)	(498)
	Change in receivables	337	(158)
	Change in trade payables and other debt	(247)	(39)
	Total change in working capital	**(364)**	**(695)**
	Cash flow from operations before financial items and tax	**21**	**450**
	Interest and dividends, etc. received	74	168
	Interest paid	(117)	(174)
	Tax paid, net	(43)	(403)
	Cash flows from operations	**(65)**	**41**
	Investing activities		
	Acquisition of long-term intangible assets excluding development projects	(92)	(64)
	Development projects, acquired and developed in-house	(443)	(291)
	Purchase of long-term tangible assets	(404)	(353)
	Purchase of long-term financial assets	(191)	(31)
	Disposals of long-term intangible assets	14	26
	Disposals of long-term tangible assets	51	45
	Disposals of long-term financial assets	79	0
	Purchase/sale of listed securities	23	275
35	Acquisition of companies	(167)	(13,966)
	Sale of investment property	88	49
36	Disposal of discontinuing activities	(23)	13,569
	Cash flows from investments	**(1,065)**	**(741)**
	Cash flows from operations and investments	**(1,130)**	**(700)**
	Financing activities		
	Increase of long-term debt	750	2,750
	Increase of short-term bank debt	168	(276)
	Treasury stock	39	77
	Proceeds from stock issue	0	4,077
	Stock options settled	(7)	(218)
	Repayment and reduction of long-term debt	(142)	(5,068)
	Dividends paid to shareholders	(127)	(117)
	Exchange differences	(28)	(28)
	Cash flows from financing activities	**653**	**1,197**
	Net cash flows	**(477)**	**497**
	Cash funds at January 1	1,220	723
	Exchange differences, cash funds at January 1	(3)	0
	Cash funds at January 1	**1,217**	**723**
	Cash funds at December 31	**740**	**1,220**

The statement of cash flows can not be derived using only the other accounting data provided in this report.

Group (DKK millions)	Capital stock (in shares of DKK 4 each)	Additional paid-in capital	Revaluation reserves	Net revaluation equity method	Exchange differences	Other reserves	Total shareholders’ equity Dec. 31
Balance at December 31, 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)
Stock options settled	-	-	-	-	-	(218)	(218)
Treasury stock	-	-	-	-	-	77	77
Tax on changes in shareholders’ equity	-	-	-	-	-	33	33
Exchange differences, etc.	-	-	-	-	51	-	51
Balance at December 31, 2000	**879**	**4,170**	**1**	**-**	**128**	**14,520**	**19,698**
				-			
Balance at December 31, 2000	**879**	**4,170**	**1**	**-**	**128**	**14,520**	**19,698**
Effect of change in accounting policies	-	-	-	-	-	(1)	(1)
Net income for the year	-	-	-	-	-	(9,176)	(9,176)
Paid dividend	-	-	-	-	-	(127)	(127)
Treasury stock	-	-	-	-	-	39	39
Stock options settled	-	-	-	-	-	(7)	(7)
Tax on changes in shareholders’ equity	-	-	-	-	-	3	3
Exchange differences, etc.	-	-	-	-	279	-	279
Balance at December 31, 2001	**879**	**4,170**	**1**	**-**	**407**	**5,251**	**10,708**

Parent Company (DKK millions)	Capital stock (in shares of DKK 4 each)	Additional paid-in capital	Revaluation reserves	Net revaluation equity method	Exchange differences	Other reserves	Total shareholders’ equity Dec. 31
Balance at December 31, 1999	**782**	**190**	**80**	**1,090**	**(12)**	**968**	**3,098**
Stock issue	97	3,980	-	-	-	-	4,077
Transfer	-	-	(79)	(505)	-	584	-
Net income for the year	-	-	-	-	-	12,697	12,697
Paid dividend	-	-	-	-	-	(117)	(117)
Stock options settled	-	-	-	-	-	(95)	(95)
Movement in shareholders’ equity in subsidiaries	-	-	-	-	-	(62)	(62)
Tax on changes in shareholders’ equity	-	-	-	-	-	33	33
Exchange differences, etc.	-	-	-	-	67	-	67
Balance at December 31, 2000	**879**	**4,170**	**1**	**585**	**55**	**14,008**	**19,698**
Balance at December 31, 2000	**879**	**4,170**	**1**	**585**	**55**	**14,008**	**19,698**
Effect of change in accounting policies	-	-	-	-	-	(1)	(1)
Transfer	-	-	-	(585)	5	580	-
Net income for the year	-	-	-	-	-	(9,176)	(9,176)
Paid dividend	-	-	-	-	-	(127)	(127)
Stock options settled	-	-	-	-	-	(3)	(3)
Treasury stock	-	-	-	-	-	9	9
Movement in shareholders’ equity in subsidiaries	-	-	-	-	-	334	334
Tax on changes in shareholders’ equity	-	-	-	-	-	3	3
Exchange differences, etc.	-	-	-	-	(29)	-	(29)
Balance at December 31, 2000	**879**	**4,170**	**1**	**-**	**31**	**5,627**	**10,708**

Note Contents

Parent Company 2000	Parent Company 2001	Notes - Statement of Income (DKK millions)	Group 2001	Group 2000
		Note 1: Net Revenue		
		Net revenue is distributed as follows:		
-	-	Products	7,157	5,616
71	25	Services	153	1,374
3	-	Rent	9	13
74	**25**	**Total**	**7,319**	**7,003**
		Total revenue by geographic area:		
3	-	Denmark	218	1,056
-	-	Rest of Nordic region	293	399
71	25	Rest of Europe	2,418	2,152
-	-	North and South America	3,414	2,743
-	-	Asia	861	568
-	-	Other	115	85
74	**25**	**Total**	**7,319**	**7,003**
		Note 2: Employee and Personnel Costs		
		Personnel Costs		
(45)	(27)	Wages, salaries and fees	(2,055)	(1,637)
(1)	(1)	Pensions	(50)	(44)
-	-	Other social security contributions	(288)	(162)
(46)	**(28)**	**Total**	**(2,393)**	**(1,843)**
		Of which:		
(2)	(2)	Remuneration to the parent company's Board of Directors	(2)	(2)
(8)	(6)	Remuneration to the parent company's Executive Management	(6)	(8)

The parent company's Executive Management receives separate bonus based on earnings before tax. This bonus contributed DKK 0 million (2000: DKK 2 million) to Executive Management's remuneration for the year.

Parent Company 2000	Parent Company 2001		Group 2001	Group 2000
52	40	**Average number of employees**	6,213	5,162

Staff in pro-rata consolidated companies are stated as the Group's share

Incentive programs

The Group's incentive programs are specified and described in note 33.

Note 3: Research and Development Costs

Development costs are capitalized when the related projects satisfy a number of conditions and show a probability of future earnings.

The relationship between incurred and expensed research and development costs is as follows:

Parent Company 2000	Parent Company 2001		Group 2001	Group 2000
-	-	Research and development costs incurred	(696)	(536)
-	-	Development costs capitalized as development projects	443	291
-	-	Amortization of capitalized development costs	(126)	(81)
-	-	Grants and tax refunds	23	11
-	**-**	**Total research and development costs expensed**	**(356)**	**(315)**

Parent Company 2000	Parent Company 2001		Notes - Statement of Income (DKK millions)	Group 2001	Group 2000
		Note 4:	***Depreciation and write-downs***		
			Depreciation and write-downs and write-downs for the year on long-term tangible assets and amortization of in-house development projects and software is stated in the statement of income as follows:		
(19)	-		Production costs	(76)	(164)
-	-		Research and development costs	(156)	(100)
-	-		Sales and distribution costs	(38)	(27)
(7)	(11)		Management and administrative costs	(122)	(110)
-	-		Restructuring	(68)	-
(26)	**(11)**		**Total**	**(460)**	**(401)**
		Note 5:	***Amortization and Impairment of Goodwill and Other Acquired Long-Term Intangible Assets***		
-	-		Amortization of goodwill	(662)	(316)
-	-		Amortization of other long-term intangible assets	(142)	(75)
-	-		Impairment of goodwill	(7,225)	(50)
-	-		Impairments, development projects	(917)	(48)
-	-		Impairments, patents and rights	(261)	-
-	-		Impairments, other long-term intangible assets	(106)	(26)
-	**-**		**Total**	**(9,313)**	**(515)**
		Note 6:	***Fees to Auditors Appointed by the Annual General Meeting***		
			Audit Fees		
(1)	(1)		KPMG C, Jespersen		
-	-		Deloitte & Touche		
(1)	**(1)**		**Total**		
			Non-Audit Services		
(2)	(3)		KPMG C, Jespersen		
-	-		Deloitte & Touche		
(2)	**(3)**		**Total**		
		Note 7:	***Restructuring***		
(8)	-		Severance pay, post-employment pay, outplacement costs, etc.	(219)	(53)
-	-		Loss-making contracts related to unutilized leases, etc.	(110)	-
-	-		Write-downs, production plant	(50)	(21)
-	-		Other loss-making contracts	(14)	(15)
(8)	**-**		**Total**	**(393)**	**(89)**
		Note 8:	***Share of Earnings before Tax in Subsidiaries***		
351	131		Share of earnings		
(155)	(9,246)		Share of loss		
(299)	(662)		Amortization of goodwill		
(103)	**(9,777)**		**Total**		
		Note 9:	***Share of Earnings before Tax in Associated Companies***		
40	-		Share of earnings	10	-
(3)	(4)		Share of loss	(5)	(3)
(21)	(6)		Amortization of goodwill	(10)	(3)
16	**(10)**		**Total**	**(5)**	**(6)**

Parent Company 2000	Parent Company 2001	Notes - Statement of Income (DKK millions)	Group 2001	Group 2000
		Note 10: Gains/Losses from Divestment of Discontinued Activities		
-	-	Loss relating to divestment of GN Maritime (GN Comtext)	(95)	-
36	29	Gain on divestment of investment property	76	45
12,829	-	Gain on the divestment of SONOFON	-	12,829
-	-	Other	-	7
12,865	**29**	**Total**	**(19)**	**12,881**
		Note 11: Financial Income		
270	297	Interest income from subsidiaries	-	-
51	8	Interest income from bank accounts, etc.	74	94
-	-	Dividends	-	1
37	-	Interest income from bonds	-	37
16	29	Capital gains on stocks	29	16
28	-	Capital gains on bonds	-	28
-	9	Profit on financial instruments	12	-
3	1	Exchange gains	56	32
405	**344**	**Total**	**171**	**208**
		Note 12: Financial Expenses		
(5)	(64)	Interest charges for subsidiaries	-	-
(95)	(35)	Interest charges for banking services	(117)	(174)
-	-	Losses on financial instruments	(4)	-
(1)	(1)	Exchange losses	(49)	(36)
-	-	Write-down on financial receivables	-	(13)
(101)	**(100)**	**Total**	**(170)**	**(223)**
		Note 13: Tax		
-	-	Danish tax payable	-	-
-	-	Tax payable on foreign activities	(104)	(169)
(229)	33	Deferred tax adjustment	585	(150)
(89)	433	Share of tax in subsidiaries	-	-
-	-	Share of tax in associated companies	-	(1)
16	-	Change in tax rate	(2)	16
-	-	Exchange differences	1	(1)
(5)	-	Prior-year tax adjustment	(14)	(2)
(307)	**466**	**Total**	**466**	**(307)**
		Breakdown of tax rate	**%**	**%**
		Danish tax rate	30	32
		Variance in foreign subsidiaries	(1)	-
		Non-taxable income and non-deductible expenses,	-	-
		including tax-free gain from the divestment of SONOFON	-	(33)
		Non-deductible goodwill amortization and impairment	(24)	1
		Valuation allowances	2	2
		Utilization of non-capitalized loss carry-forwards	(1)	-
		Other, including prior-year adjustments	(1)	-
		Effective tax rate	**5**	**2**

The parent company paid DKK 0 million (Group: DKK 159 million) in corporation tax, including tax on account for the year against DKK 270 million (Group: DKK 403 million) in 2000. The parent company received reimbursement of corporation tax of DKK 101 million (Group: DKK 116 million) previously paid on account against DKK 0 million (Group: DKK 2 milion) in 2000.

Notes - Balance Sheet

Note 14: Long-Term Intangible Assets

Group

(DKK millions)	Goodwill	Development projects, acquired	Development projects, in-house	Software, acquired	Software developed in-house	Patents and rights	Telecoms systems	Other	Total
Cost of acquisition at January 1	15,310	1,010	960	24	145	662	216	605	18,932
Additions from acquisitions	-	-	8	-	-	-	-	-	8
Additions	147	-	443	25	63	4	-	-	682
Disposals	(211)	-	(30)	(2)	(13)	(60)	(8)	-	(324)
Exchange differences	247	(2)	(35)	1	6	11	-	29	257
Cost of acquisition at year-end	15,493	1,008	1,346	48	201	617	208	634	19,555
Amortization and impairments	(712)	(28)	(524)	(17)	(54)	(213)	(116)	(42)	(1,706)
Additions from acquisitions	-	-	(2)	-	-	-	-	-	(2)
Amortization	(662)	(71)	(126)	(6)	(28)	(29)	(15)	(42)	(979)
Disposals	168	-	30	-	11	60	8	-	277
Impairments	(7,225)	(887)	(30)	-	(51)	(261)	-	(55)	(8,509)
Reversed impairments	-	-	-	-	-	1	-	-	1
Exchange differences	(11)	(2)	56	(1)	1	(4)	-	(3)	36
Amortization and impairments at year-end	(8,442)	(988)	(596)	(24)	(121)	(446)	(123)	(142)	(10,882)
Carrying value at year-end 2001	**7,051**	**20**	**750**	**24**	**80**	**171**	**85**	**492**	**8,673**

Parent Company

(DKK millions)	Software developed in-house	Telecoms systems	Total
Cost of acquisition at January 1	2	76	78
Additions from acquisitions	-	-	-
Additions	-	-	-
Disposals	-	-	-
Exchange differences	-	-	-
Cost of acquisition at year-end	2	76	78
Amortization and impairment losses	(1)	(32)	(33)
Additions from acquisitions	-	-	-
Amortization	(1)	(8)	(9)
Disposals	-	-	-
Impairments	-	-	-
Reversed impairments	-	-	-
Exchange differences	-	-	-
Amortization and impairments at year-end	(2)	(40)	(42)
Carrying value at year-end 2001	**-**	**36**	**36**

Other long-term intangible assets of DKK 492 million consist of DKK 202 million in customer bases, DKK 265 milion in trademarks and DKK 25 million in non-competition clauses.

Notes - Balance Sheet

Note 15: Long-Term Tangible Assets

Group

(DKK millions)	Investment Property	Factory and Office Buildings	Leasehold Improvements	Plant and Machinery	Operating Assets and Equipment	Leased Plant and Equipment	Telecoms Systems	Plant under Construction	Total
Cost of acquisition at January 1	31	184	153	741	557	7	55	18	1,746
Additions through company acquisitons	-	12	1	1	1	9	-	-	24
Additions	-	12	125	143	112	3	-	9	404
Disposals and transfers to current assets	(12)	(2)	(43)	(16)	(113)	(1)	(14)	-	(201)
Transfers	-	-	19	(2)	2	-	-	(19)	-
Exchange differences	2	-	5	11	46	1	-	-	65
Cost of acquisition at year-end	21	206	260	878	605	19	41	8	2,038
Depreciation and write-downs at January 1	-	(76)	(67)	(579)	(361)	(2)	(31)	-	(1,116)
Depreciation	-	(8)	(26)	(83)	(79)	(3)	(3)	-	(202)
Impairments	-	-	(20)	(50)	-	-	(13)	-	(83)
Disposals and transfers to current assets	-	1	28	16	71	-	14	-	130
Transfers	-	1	-	-	(1)	-	-	-	-
Exchange differences	-	1	(5)	(13)	(37)	(2)	-	(1)	(57)
Depreciation and write-downs at year-end	-	(81)	(90)	(709)	(407)	(7)	(33)	(1)	(1,328)
Carrying value at year-end	**21**	**125**	**170**	**169**	**198**	**12**	**8**	**7**	**710**

Carrying value for properties in Denmark	-	59
Latest official valuation of properties	1	104

Parent Company

(DKK millions)	Investment Property	Operating Assets and Equipment	Telecoms Systems	Total
Cost of acquisition at January 1	-	11	41	52
Additions	-	1	-	1
Disposals	-	(2)	(41)	(43)
Exchange differences	-	-	-	-
Cost of acquisition at year-end	-	10	-	10
Depreciation and write-downs at January 1	-	(7)	(17)	(24)
Depreciation	-	(1)	(1)	(2)
Disposals	-	-	2	2
Impairments reversed	-	-	16	16
Exchange differences	-	-	-	-
Depreciation and write-downs at year-end	-	(8)	-	(8)
Carrying value at year-end 2001	**-**	**2**	**-**	**2**

Carrying value for properties in Denmark	-
Latest official valuation of properties	1

GN Great Nordic divested the remaining part of the investment property portfolio in 2002.

Notes - Balance Sheet

Note 16: Long-Term Financial Assets

Group

(DKK millions)	Investments, Associated Companies	Other Securities	Other Receivables and Bank Deposits	Total
Cost of acquisition at January 1	98	38	581	717
Additions through company acquisitions	-	-	4	4
Additions	147	2	174	323
Disposals, sale	(24)	(2)	(234)	(260)
Transfers	-	(25)	34	9
Exchange differences	(1)	-	6	5
Cost of acquisition at December 31	220	13	565	798
Valuation allowances at January 1	(16)	6	(38)	(48)
Additions through company acquisitions	-	-	-	-
Share of net income	(5)	-	-	(5)
Dividend	(10)	-	-	(10)
Impairments	-	-	-	-
Reversal of impairments	4	(6)	15	13
Valuation allowances	-	-	(40)	(40)
Reversal of valuation allowances	31	(1)	13	43
Transfers	(41)	-	-	(41)
Exchange differences	(2)	-	-	(2)
Valuation allowances at year-end	(39)	(1)	(50)	(90)
Net asset value at year-end 2001	181	12	515	708
Of which companies with a negative net asset value	5	-	-	5
Carrying value at year-end 2001	**186**	**12**	**515**	**713**
Non-amortized goodwill totals	171	-	-	-

Parent Company

(DKK millions)	Investments in Subsidiaries	Receivables from Subsidiaries	Investments, Associated Companies	Other Securities	Other Receivables and Bank Deposits	Total
Cost of acquisition at January 1	7,090	12,988	57	2	35	20,172
Additions through company acquisitions	-	-	-	-	-	-
Additions, capital contribution	11,646	-	6	-	174	11,826
Disposals, sale	(517)	(8,981)	-	(2)	(36)	(9,536)
Exchange differences	(132)	-	-	-	3	(129)
Cost of acquisition at December 31	18,087	4,007	63	-	176	22,333
Valuation allowances at January 1	(448)	-	(7)	6	(10)	(459)
Share of net income	(9,344)	-	(10)	-	-	(9,354)
Dividend	-	-	-	-	-	-
Impairments	-	-	-	-	(33)	(33)
Reversal of impairments	-	-	-	-	10	10
Valuation allowances	(52)	-	-	-	-	(52)
Reversal of valuation allowances	59	-	-	(6)	-	53
Exchange differences	425	-	(1)	-	-	424
Valuation allowances at year-end	(9,360)	-	(18)	-	(33)	(9,411)
Net asset value at year-end 2001	8,727	4,007	45	-	143	12,922
Of which companies with a negative net asset value	166	(74)	-	-	-	92
Carrying value at year-end 2001	**8,893**	**3,933**	**45**	**-**	**143**	**13,014**
Non-amortized goodwill totals	-	-	56	-	-	-

Group companies are listed on page 61.

Parent Company 2000	Parent Company 2001	Notes - Balance Sheet (DKK millions)	Group 2001	Group 2000
		Note 17: Deferred Tax Assets		
-	-	Deferred tax assets at January 1	121	114
-	-	Change in tax rate	14	-
-	-	Change for the year	188	13
-	-	Disposals, divestment of discontinued activities	(1)	(14)
-	-	Additions from acquisitions	-	6
-	-	Exchange differences	2	2
-	**-**	**Deferred tax assets at year-end**	**324**	**121**
		See note 22 for specification.		
		Note 18: Inventories		
-	-	Raw materials and consumables	898	657
-	-	Contracts in progress	161	160
-	-	Finished goods and merchandise	660	522
-	**-**	**Total**	**1,719**	**1,339**
-	-	The above includes write-downs amounting to	457	345
-	-	Value of inventory, stated at net realizable value	-	-
		Note 19: Tax Receivable		
6	270	Receivable at January 1	326	21
-	11	Prior-year adjustments	25	(7)
-	-	Acquisitions	(5)	34
-	-	Tax on income for the year	18	6
-	(101)	Received during year	(116)	(2)
270	-	Transferred from tax payable	9	270
(6)	-	Exchange differences and other adjustments	21	4
270	**180**	**Total**	**278**	**326**
		Tax receivable for 2001 includes tax paid of DKK 179 million related to an increase of prior-year taxable income. See note 28.		
		Note 20: Receivables		
		Receivables falling due after more than one year		
15	41	Receivables from the sale of goods and services	78	54
-	-	Receivables from associated companies	-	-
-	-	Tax receivable	18	-
-	-	Other receivables	17	26
-	-	Prepayments	1	-
15	**41**	**Total**	**114**	**80**
		Contracts in progress charged to third parties		
		Receivables from the sale of goods and services include contracts in progress charged to third parties as follows:		
-	-	Contracts in progress charged to third parties	270	209
-	-	Contracts in progress charged to third parties invoiced on account	(248)	(180)
-	**-**	**Total**	**22**	**29**
-	-	Profit recognized in contracts in progress charged to third parties	139	104

Parent Company		Notes - Balance Sheet	Group	
2000	**2001**	(DKK millions)	**2001**	2000
		Note 21: Pension Obligations and Similar Obligations		
		Movements in pension obligations in 2001:		
1	1	Balance at January 1	21	21
-	-	Additions through acquisitions	9	1
-	-	Provided in 2001	4	4
-	-	Consumed in 2001	(17)	(6)
-	-	Exchange differences	-	1
1	**1**	**Balance at year-end**	**17**	**21**

Defined Contribution Plans

The Group's pensions plans cover certain groups of employees in Denmark and abroad. These are generally defined contribution pension plans. The Group funds the arrangements through regular premium payments to independent insurance companies responsible for the pension obligations. For the Group's employees in North America, the pension contributions are paid into special pension funds. After pension contributions have been paid into defined contribution plans, the Group has no further pension obligations to employees or retired staff. Pension contributions into defined contribution plans are recognized when paid. In 2001, DKK 46 million (in 2000: DKK 40 million) was recognized in respect of defined contribution pension plans.

Defined Benefit Plans

For some members of management in foreign subsidiaries and for surviving relatives of employees/executives, the Group has agreed to make certain payments, e.g. old age pension as a fixed amount or a fixed percentage of the employee's final salary. No insurance coverage exists for these obligations. The uncovered pension obligations calculated at net present value are recognized in the consolidated balance sheet for a total of DKK 16 million.

In addition, the Group has uncovered pension obligations for a total of DKK 255 million, which are offset by reserved pension funds of DKK 273 million. The difference of DKK 18 million is included under "Other Receivables".

DKK 4 million (in 2000: DKK 4 million) has been recognized in the statement of income in cover of uncovered pension obligations.

The net present value is arrived at by way of an actuarial calculation assuming a rate of interest of 9% and future pay increases of 4.5%. The total obligation in the balance sheet has been arrived at by discounting expected future payments by 8%.

Severance Payments

Employees in Austria and France are entitled to severance payments. Employees receive severance payments corresponding to a multiple of their monthly pay, based on their salary plus variables such as overtime and bonus payments. Maximum severance payments amount to 12 times the monthly salary. The obligation is recognized in the balance sheet at DKK 1 million.

The Group has no other pension obligations or similar obligations to its employees.

Parent Company 2000	Parent Company 2001	Notes - Balance Sheet (DKK millions)	Group 2001	Group 2000
		Note 22: Deferred Tax		
52	237	Deferred tax at January 1	694	67
15	-	Prior-year adjustments	18	(32)
-	-	Additions through acquisitions	2	546
230	(33)	Changes involving net income	(397)	163
(11)	-	Change in applied accounting policies	-	(11)
(16)	-	Change of tax rate	16	(16)
(33)	(3)	Tax on changes in shareholders' equity	(3)	(33)
-	-	Exchange differences	1	10
237	**201**	**Total**	**331**	**694**

Specification of deferred tax assets and deferred tax	Deferred Tax Assets	Deferred Tax
Long-term intangible assets	200	444
Long-term tangible assets	122	39
Financial assets	8	-
Current assets	149	37
Provisions	170	2
Short-term debt	161	5
Loss carry-forwards	954	-
Reversal of tax benefit arising from loss	-	224
Valuation allowances	(1,039)	-
Other	45	26
Total	**770**	**777**
Set-off within legal tax units and jurisdictions	(446)	(446)
Deferred tax assets/deferred tax at year-end	**324**	**331**
Tax value of loss carry-forwards abroad which are not included in tax assets	855	678

A substantial share hereof stems from acquisitions of companies.
Loss carry-forwards are lost between 2002 and 2019.

Tax assets not previously recognized, but utilized during the year: Loss carry-forwards	103	-

Valuation allowances are based on the Group's expectations as to the probability that a tax asset can be utilized within a period of up to five years.

Notes - Balance Sheet

Note 23: Other Provisions

Group

(DKK millions)	Restructuring in companies acquired	Other restructuring	Warranty provisions	Other provisions	Total
Other provisions at January 1	58	2	137	255	452
Transfers	(5)	5	32	-	32
Additions	-	174	117	130	421
Consumed	(33)	(3)	(126)	(175)	(337)
Provisions reversed	-	-	(4)	(18)	(22)
Exchange differences	3	-	6	8	17
Other provisions at year-end	**23**	**178**	**162**	**200**	**563**

Provisions for restructuring purposes of DKK 201 million concern restructurings based on detailed plans prepared by management, which have been discussed with and announced to the employee groups affected and others. The provision is for severance payments, post-employment pay, loss-making contracts, including for leases etc., to be expensed before the end of 2004.

Warranty provisions concern products sold by GN Netcom, GN Resound and NetTest supplied with from one to three-year warranties. The provision has been calculated on the basis of historical warranty costs of the Group's products. The provision is expected to be spent within the next three years.

Included in other provisions is the full conditional purchase consideration relating to the acquisitions of Optran and AGC, totaling DKK 62 million, and related to acquisitions made by GN ReSound, for an amount of DKK 47 million. The purchase amounts have been recognized, because it is considered likely that the conditions of the purchase agreements will be met. The provisions are expected to be spent within the next one to four years.

Other provisions also include obligations to take back goods. These provisions are expected to be spent within the next 12-24 months.

Parent Company 2000	Parent Company **2001**		Notes - Balance Sheet (DKK millions)	Group **2001**	Group 2000
		Note 24:	***Long-Term Debt***		
-	-		Long-term debt falling due for repayment more than five years from the balance sheet date	8	22
		Note 25:	***Tax Payable***		
-	-		Tax payable at January 1	96	31
-	-		Prior-year adjustments	12	1
-	-		Acquisitions	-	20
(270)	-		Tax on income for the year	122	179
270	-		Paid during year	(159)	(403)
-	-		Transferred tax receivables	9	270
-	-		Exchange differences, etc.	-	(2)
-	**-**		**Total**	**80**	**96**

Parent Company 2000	Parent Company 2001	Notes - Supplementary Information (DKK millions)	Group 2001	Group 2000
		Note 26: Collateral Security		
-	-	Property other than mortgage debt	10	5

Loans totaling DKK 30 million have been secured by mortgage against Photonetics' activities. This mortgage is defined as, but not limited to, Photonetics' customer base, existing agreements, equipment used to operate the company, and the right for the lender to continue operations under the company's legal name. The loan agreements include certain covenants. The company was in compliance with all these covenants as of December 31, 2001.

The Group has deposited DKK 324 million of the purchase consideration for the Photonetics acquisition into a frozen bank account. The amount will remain in the frozen account until November 10, 2002. Interest income from the frozen account goes to the seller of Photonetics.

The Group has also paid DKK 132 million of the purchase consideration for the acquisition of Ultravox Holdings Ltd. into a frozen bank account, which has been provided as security for payment. The account will remain frozen until the amount is released at the seller's motion within a maximum of five years. Interest income from the frozen account goes to the seller.

Parent Company 2000	Parent Company 2001	(DKK millions)	Group 2001	Group 2000
		Note 27: Lease Commitments		
		Future lease commitments are distributed as follows:		
		Capital leases:		
-	-	Less than one year	2	2
-	-	Between one and five years	2	3
-	-	More than five years	-	-
-	**-**	**Total**	**4**	**5**
		Capital leases concern leasing of operational assets and equipment.		
		Operating leases:		
-	-	Less than one year	125	99
2	2	Between one and five years	336	262
1	1	More than five years	216	244
3	**3**	**Total**	**677**	**605**

Operating leases primarily concern leasing of property on market terms in Denmark, the United States, Canada, the UK and France. The residual terms amount to between nine and 15 years. Lease payments concerning operating leases recognized in the statement of income amount to DKK 132 million (in 2000: DKK 80 million). In 2001, DKK 1 million (in 2000: DKK 0 million) was booked as income in connection with sub-leasing of property.

Parent Company 2000	Parent Company 2001	(DKK millions)	Group 2001	Group 2000
		Note 28: Contingent Liabilities and Other Financial Obligations		
5	-	Guarantees, warranties and other liabilities	34	47
-	-	Guarantee provided to acquirer in relation to divested company	21	-
5	**-**	**Total**	**55**	**47**

Outstanding Lawsuits and Arbitration Proceedings

GN Great Nordic and its subsidiaries and associated companies are parties to various lawsuits and arbitration proceedings, including various cases involving patent infringements. The outcome of cases pending is not expected to be of material importance to the Group's financial position.

Management is not aware of any legal proceedings being threatened or pending which could affect the Group's financial position.

The local tax authorities have increased the Group's joint taxation income for the years 1993 – 1997 by a not unsubstantial amount concerning the right to deduct depreciation charges from investments in cable projects in Eastern Europe. GN Great Nordic considers the tax authorities' claim to be unfounded and has referred the case to the Danish National Tax Tribunal. Tax based on the tax authorities' allegations is not recognized in the financial statements.

GN Great Nordic has paid the levy due to the increase imposed by the Copenhagen corporate tax authorities. The tax paid is included in receivables in the amount of DKK 179 million (in 2000: DKK 168 million).

Notes - Supplementary Information

(Note 28 continued)

Conditional Purchase Consideration relating to Acquisitions

According to concluded acquisition agreements, the Group is under an obligation, provided certain conditions are met, to pay a further DKK 995 million in purchase consideration in addition to the amounts stated in the balance sheet relating to company acquisitions. This amount is not included in the balance sheet, as it is not considered likely that the amount will fall due for payment. The amount covers an obligation involving DKK 840 million expires on May 10, 2002 and an obligation involving DKK 155 million expires on January 1, 2003.

Note 29: Financial Instruments

Principal financial instruments

(DKK millions)	Less than one year	Between one and five years	More than five years	Total	Of which at fixed rates	Average effective rate of interest
Financial assets						
Other receivables and bank deposits (long term)	324	191	-	515	-	-
Receivables from the sale of goods and services	1,419	78	-	1,497	-	-
Other receivables	601	36	-	637	-	-
Listed stocks	10	-	-	10	-	-
Cash and cash equivalents	740	-	-	740	-	3.0% - 4.0%
Financial liabilities						
Mortgage debt	-	5	-	5	5	-
Long-term bank debt	-	1,137	8	1,145	46	„IBOR“ -based
Other long-term debt	324	158	-	482	-	-
Trade payables	500	-	-	500	-	-
Short-term bank debt	407	-	-	407	-	„IBOR“ -based
Other debt	865	-	-	865	-	-

Effective rates of interest stated on the basis of actual interest rates at December 31, 2001. The market value of listed stocks is DKK 10 million. For the other financial assets and liabilities, the market value equals the book value.

Derivatives

Open forward currency contracts that do not meet the accounting criteria for hedging purposes and which involve expected future transactions:	Principal in relevant currency at December 31, 2001	Principal in DKK millions	Market value adjusted via the statement of income (DKK millions)
Currency sold:			
USD	6 million	48	2
Currency bought	-	-	-
-			

Open forward currency contracts that meet the accounting criteria for hedging purposes and which involve net investments:	Principal in relevant currency at December 31, 2001	Principal in DKK millions	Market value adjusted via the statement of income (DKK millions)
Currency sold:			
CAD	10 million	53	1
EUR	21 million	156	1
USD	58 million	492	(77)
Currency bought	-	-	-
-			

For a presentation of financial risk as well as currency, interest-rate and credit risk, see the Directors' Report.

Notes - Supplementary Information

Note 30: Outstanding Shares and Treasury Stock

	Outstanding shares (thousands)	Treasury stock (thousands)	Total number of shares (thousands)	Nominal value of outstanding shares (DKK thousands)	Nominal value of treasury stock (DKK thousands)	Nominal value of capital stock (DKK thousands)	Treasury stock as a percentage of capital stock
Number of shares at January 1, 2001	210,845	8,930	219,775	843,380	35,720	879,100	4.06%
Options exercised in 2001	-	-	-	-	-	-	-
Stock sold by GN Great Nordic as	464	(464)	-	1,856	(1,856)	-	-
Number of shares at December 31, 2001	**211,309**	**8,466**	**219,775**	**845,236**	**33,864**	**879,100**	**3.85%**

The treasury stock had a market value of DKK 420.5 million at December 31, 2001. Sale of treasury stock involves financing of purchase consideration for a company acquired previously and cover of stock options exercised.

Note 31: Related-Party Transactions

The Company's related parties are the Board of Directors and Executive Management of the GN Great Nordic Group as well as significant shareholders in the parent company GN Great Nordic.

No agreements or any other transactions have been entered into with the Company, in which the Board of Directors or Executive Management have had a financial interest besides transactions stemming from conditions of employment.

Trade between the Company and the GN Great Nordic Group companies takes place on market terms.

No agreements or any other transactions have been entered into with the Company in which a significant shareholder has had a financial interest.

Parent Company 2000	Parent Company 2001	Notes - Supplementary Information (DKK millions)	Group 2001	Group 2000
		Note 32: Public Grants		
		The GN Great Nordic Group has received tax credits		
-	-	relating to research and development activities in the amount of	23	11

GN Great Nordic received no other public grants in 2001 or 2000.

Notes - Supplementary Information

Note 33: Incentive Plans

Original Management Stock Option Plan

In 1998, a small number of senior employees were awarded 430,065 stock options to subscribe for shares of DKK 4 par value each at a price of DKK 39 per share. The stock options were exercisable from August 2000 to July 2001 and exercise was contingent on continued employment in the GN Great Nordic Group. Option holders were entitled to receive cash in settlement of the options.

	Plan total		Of which to Exec. Management		Of which to senior employees		Of which to others	
	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price
Outstanding stock options at January 1, 2001	122,020	39	34,000	39	88,020	39	-	-
Stock options awarded during year	-	-	-	-	-	-	-	-
Stock options exercised during year	(122,020)	39	(34,000)	39	(88,020)	39	-	-
Stock options terminated during year/corrections	-	-	-	-	-	-	-	-
Outstanding stock options at December 31, 2001	-	-	-	-	-	-	-	-
Market value of stock options awarded during year at time of award	DKK - millions		DKK - millions		DKK - millions		DKK - millions	
Market value of outstanding stock options	DKK - millions		DKK - millions		DKK - millions		DKK - millions	

The European Plan

In 1999, GN Great Nordic authorized that GN Great Nordic stock options be awarded to European employees. A total of 1,192,965 stock options were awarded at a price of DKK 44 (par value DKK 4 per share), which was the average price in the month following publication of the 1998 annual report. In 2000, a further 1,046,265 shares were awarded to the same employees at prices of from DKK 147 to DKK 194 per share. The stock options can be exercised after three years from the award date with an exercise period of two years. Exercise is contingent on a 6% annual increase in the GN Great Nordic stock price and on continued employment.

	Plan total		Of which to Exec. Management		Of which to senior employees		Of which to others	
	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price
Outstanding stock options at January 1, 2001	948,606	123	116,250	148	333,630	118	498,726	115
Stock options awarded during year	985,100	93	130,000	93	337,901	92	517,199	93
Stock options exercised during year	-	-	-	-	-	-	-	-
Stock options terminated during year/corrections	(33,449)	-	(75,000)	-	-	-	41,551	-
Outstanding stock options at December 31, 2001	1,900,257	108	171,250	119	671,531	105	1,057,476	106
Market value of stock options awarded during year at time of award	DKK 44.6 million		DKK 6.6 million		DKK 16.3 million		DKK 21.7 million	
Market value of outstanding stock options	DKK 27.1 million		DKK 2.5 million		DKK 10.1 million		DKK 14.5 million	

The American Plan

In 2000, the Annual General Meeting of GN Great Nordic authorized an international stock option plan similar to corresponding plans in North America. Under this plan, managers and specialists working for the North American companies were awarded a total of 2,142,150 stock options at prices of from DKK 120 to DKK 196 per share. Twenty per cent of the options awarded can be exercised in each of the first two years and the remaining options in the third year after being awarded. Exercise is contingent on continued employment in the GN Great Nordic Group. The exercise period expires in April 2005.

	Plan total		Of which to Exec. Management		Of which to senior employees		Of which to others	
	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price
Outstanding stock options at January 1, 2001	2,138,250	128	-	-	981,110	125	1,157,140	130
Stock options awarded during year	1,986,250	88	-	-	939,500	89	1,046,750	86
Stock options exercised during year	-	-	-	-	-	-	-	-
Stock options terminated during year/corrections	(655,700)	112	-	-	(305,360)	112	(350,340)	112
Outstanding stock options at December 31, 2001	3,468,800	108	-	-	1,615,250	107	1,853,550	109
Market value of stock options awarded during year at time of award	DKK 83.1 million		DKK - millions		DKK 36.5 million		DKK 46.6 million	
Market value of outstanding stock options	DKK 48.4 million		DKK - millions		DKK 23.4 million		DKK 25.0 million	

Total incentive plans	Plan total		Of which to Exec. Management		Of which to senior employees		Of which to others	
	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price	Stock options	Exercise price
Outstanding stock options at January 1, 2001	3,208,876	124	150,250	124	1,402,760	119	1,655,866	126
Stock options awarded during year	2,971,350	90	130,000	93	1,277,401	90	1,563,949	89
Stock options exercised during year	(122,020)	39	(34,000)	39	(88,020)	39	-	-
Stock options terminated during year/corrections	(689,149)	-	(75,000)	-	(305,360)	-	(308,789)	-
Outstanding stock options at December 31, 2001	5,369,057	108	171,250	107	2,286,781	107	2,911,026	108
Market value of stock options awarded during year at time of award	DKK 127.7 million		DKK 6.6 million		DKK 52.8 million		DKK 68.3 million	
Market value of outstanding stock options	DKK 75.5 million		DKK 2.5 million		DKK 33.5 million		DKK 39.5 million	

No stock options have been awarded to members of GN Great Nordic's Board of Directors.

Obligations under the plan are met through the Company's treasury stock. The market value of this stock was DKK 420.5 million (8,466,000 shares at a price of DKK 50 each) at December 31, 2001. The total option exercise price was DKK 580.7 million.

The market value of the stock options has been calculated using Black & Scholes-based models. The market value of the outstanding stock options at the balance sheet date is calculated on the basis of underlying market prices on the final business day of the year, whereas the market value of options awarded during the year is based on the underlying market prices on the award date. All calculations are based on volatility in line with the historic volatility of the GN Great Nordic stock of the last three years. The group of "senior employees" consists of vice presidents of GN Great Nordic, the respective managements of GN Netcom, GN ReSound, NetTest and the Telegraph Company as well as the respective managements of the largest local subsidiaries.

Notes - Statement of Cash Flows		Group	
(DKK millions)		**2001**	2000
Note 34:	***Other Adjustments***		
	Gain/loss on sale of long-term fixed assets	(1)	2
	Share of income from associated companies	5	6
	Inventory write-downs	110	120
	Provisions for bad debts	44	55
	Increase in provisions	38	(119)
	Total	**196**	**64**
Note 35:	***Company Acquisitions***		
	Long-term intangible assets	(6)	(1,850)
	Long-term tangible assets	(24)	(241)
	Long-term financial assets	(1)	-
	Current assets	(105)	(1,313)
	Provisions	1	320
	Deferred tax	1	540
	Debt	97	1,534
	Net assets	(37)	(1,010)
	Group goodwill	(147)	(13,099)
	Cash and cash equivalents in company acquisitions	17	143
	Net purchase amount	**(167)**	**(13,966)**
Note 36:	***Divestment of Discontinued Activities***		
	Long-term intangible assets	-	773
	Long-term tangible assets	4	1,110
	Current assets	52	365
	Provisions	-	(2)
	Deferred tax	(1)	(1,513)
	Debt	55	733
	Net assets	(73)	12,836
	Cash and cash equivalents in discontinuing activities	(5)	-
	Net sales amount	**(23)**	**13,569**

Secondary Segment - Geographic Distribution

	Long-term assets		**Current assets**		**Total assets**		**Investment in long-term assets**		**Acquisitions**	
(DKK millions)	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Denmark	1,221	935	739	859	1,960	1,794	247	453	41	14
Other Nordic region	45	41	90	99	135	140	5	-	13	130
Other Europe	3,255	10,479	1,276	1,919	4,531	12,398	268	117	51	9,408
North and South America	5,801	7,160	2,197	2,081	7,998	9,241	405	58	19	4,545
Asia	98	31	301	205	399	236	14	17	60	-
Other	-	-	-	-	-	-	-	-	-	12
Total	10,420	18,646	4,603	5,163	15,023	23,809	939	645	184	14,109

Table indicates the physical location of assets. Geographic distribution of net revenue is shown in note 1.

Primary Segment 2001 – Business Areas and Activities

Statement of Income 2001 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi-nations	Core Business Areas	Other activities	Dis-continuing activities	Group Total
External net revenue	1,921	2,902	2,327	9	7,159	67	93	7,319
Internal net revenue	9	4	-	(13)	-	-	-	-
Net revenue	1,930	2,906	2,327	(4)	7,159	67	93	7,319
Production costs	(957)	(1,496)	(1,343)	12	(3,784)	(15)	(52)	(3,851)
Gross profit	973	1,410	984	8	3,375	52	41	3,468
Research and development costs	(76)	(107)	(173)	-	(356)	-	-	(356)
Sales and distribution costs	(554)	(677)	(638)	-	(1,869)	-	(21)	(1,890)
Management and administrative costs	(215)	(425)	(319)	(125)	(1,084)	(44)	(16)	(1,144)
Other operating income	1	2	3	-	6	3	-	9
Amortization and impairment of goodwill and other acquired long-term intangible assets	(329)	(1,529)	(7,455)	-	(9,313)	-	-	(9,313)
Restructuring	(39)	(153)	(201)	-	(393)	-	-	(393)
Earnings before results from subsidiaries and associated companies, interest and tax	(239)	(1,479)	(7,799)	(117)	(9,634)	11	4	(9,619)
Share of earnings from associated companies	-	4	1	-	5	(10)	-	(5)
Earnings before interest and tax	(239)	(1,475)	(7,798)	(117)	(9,629)	1	4	(9,624)
Gains/losses from divestment of discontinuing activities	-	-	-	76	76	-	(95)	(19)
Earnings before financial items	(239)	(1,475)	(7,798)	(41)	(9,553)	1	(91)	(9,643)
Financial income	32	48	29	25	134	37	-	171
Financial expenses	(124)	(125)	(157)	262	(144)	(22)	(4)	(170)
Earnings before tax	(331)	(1,552)	(7,926)	246	(9,563)	16	(95)	(9,642)

Assets 2001 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi-nations	Core Business Areas	Other activities	Dis-continuing activities	Group Total
Noncurrent assets								
Goodwill	794	3,686	2,571	-	7,051	-	-	7,051
Development projects, acquired	-	-	20	-	20	-	-	20
Development projects, developed in-house	66	169	515	-	750	-	-	750
Software, acquired	-	-	24	-	24	-	-	24
Software, developed in-house	59	20	-	1	80	-	-	80
Patents and rights	24	90	57	-	171	-	-	171
Telecommunications systems	-	-	-	-	-	85	-	85
Other long-term intangible assets	173	278	41	-	492	-	-	492
Total long-term intangible assets	1,116	4,243	3,228	1	8,588	85	-	8,673
Investment properties	-	-	-	21	21	-	-	21
Factory and office buildings	-	74	44	7	125	-	-	125
Leasehold improvements	18	44	108	-	170	-	-	170
Plant and machinery	35	67	66	1	169	-	-	169
Operating assets and equipment	42	62	90	4	198	-	-	198
Leased plant and equipment	-	7	5	-	12	-	-	12
Telecommunications systems	-	-	-	4	4	4	-	8
Plant under construction	-	-	8	(1)	7	-	-	7
Total long-term tangible assets	95	254	321	36	706	4	-	710
Investments in associated companies	5	130	5	-	140	46	-	186
Other securities	3	9	-	-	12	-	-	12
Other receivables and bank deposits	32	-	324	143	499	16	-	515
Deferred tax assets	117	95	146	(34)	324	-	-	324
Total long-term financial assets	157	234	475	109	975	62	-	1,037
Total noncurrent assets	1,368	4,731	4,024	146	10,269	151	-	10,420
Current assets								
Inventories	319	535	865	-	1,719	-	-	1,719
Trade receivables	303	575	469	(11)	1,336	161	-	1,497
Receivables from subsidiaries	5	8	-	(278)	(265)	264	1	-
Receivables from associated companies	-	4	-	-	4	2	-	6
Tax receivables	18	6	61	179	264	-	14	278
Other receivables	34	150	47	8	239	9	2	250
Prepayments	20	58	25	-	103	-	-	103
Total receivables	380	801	602	(102)	1,681	436	17	2,134
Listed stocks	-	-	-	10	10	-	-	10
Cash and cash equivalents	112	340	181	37	670	32	38	740
Total current assets	811	1,676	1,648	(55)	4,080	468	55	4,603
Total assets	2,179	6,407	5,672	91	14,349	619	55	15,023

Restructuring 2001 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Restructuring costs for the year relate to:								
Severance pay, post-employment pay outplacement costs, etc.	(36)	(100)	(83)	-	(219)	-	-	(219)
Loss-making contracts relating to unutilised leases, etc.	(1)	(41)	(68)	-	(110)	-	-	(110)
Write-downs, production plant	-	-	(50)	-	(50)	-	-	(50)
Other loss-making contracts	(2)	(12)	-	-	(14)	-	-	(14)
Total	(39)	(153)	(201)	-	(393)	-	-	(393)

Statement of Cash Flows 2001 (DKK millions)	GN Netcom	GN ReSound	NetTest	Øvrige/ elimi- neringer	Hoved- forretnings- områder	Andre aktiviteter	Ophørende aktiviteter	Group Total
Cash flows from operations	101	(154)	(415)	323	(145)	80	-	(65)
Cash flows from investments	(147)	(322)	(552)	146	(875)	-	-	(875)
Cash flows from operations and investments	(46)	(476)	(967)	469	(1,020)	80	-	(940)
Cash flows from company acquisitions/divestments	(47)	(111)	(9)	-	(167)	-	(23)	(190)
Total cash flows	(93)	(587)	(976)	469	(1,187)	80	(23)	(1,130)

Liabilities 2001 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Shareholders' equity								
Capital stock	30	60	850	(302)	638	39	202	879
Additional paid-in capital	204	2,660	9,625	(8,358)	4,131	28	11	4,170
Revaluation reserves	-	-	-	1	1	-	-	1
Net revaluation - equity method	-	-	3	(3)	-	-	-	-
Exchange differences	(4)	15	(54)	448	405	-	2	407
Other reserves	85	1,290	(7,107)	11,055	5,323	273	(345)	5,251
Total shareholders' equity	315	4,025	3,317	2,841	10,498	340	(130)	10,708
Minority interests	-	-	-	-	-	-	-	-
Provisions								
Provisions for pension commitments and similar commitments	-	15	1	1	17	-	-	17
Deferred tax	73	102	70	68	313	18	-	331
Other provisions	38	322	197	1	558	5	-	563
Total provisions	111	439	268	70	888	23	-	911
Debt					-			
Mortgage debt	-	3	2	-	5	-	-	5
Bank debt	-	22	34	1,089	1,145	-	-	1,145
Capitalized lease commitments	-	-	4	-	4	-	-	4
Other debt	6	15	324	133	478	-	-	478
Total long-term debt	6	40	364	1,222	1,632	-	-	1,632
Repayment of long-term debt	-	1	12	-	13	-	-	13
Bank debt	20	20	64	227	331	-	63	394
Trade payables	82	220	184	8	494	-	6	500
Payable to associated companies	1,501	1,297	1,208	(4,226)	(220)	139	81	-
Tax payable	38	37	45	(40)	80	-	-	80
Other debt	106	271	191	(12)	556	117	35	708
Accruals and deferred income	-	57	19	1	77	-	-	77
Total current liabilities	1,747	1,903	1,723	(4,042)	1,331	256	185	1,772
Total debt	1,753	1,943	2,087	(2,820)	2,963	256	185	3,404
Total liabilities	2,179	6,407	5,672	91	14,349	619	55	15,023

Discontinuing activities were, in 2001, GN Maritime (GN Comtext) and, in 2000, SONOFON.
Property rental activities included in „Other / Eliminations" for both years.

Primary Segment 2000 – Business Areas and Activities

Statement of Income 2000 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
External net revenue	1,474	2,252	1,817	12	5,555	151	1,297	7,003
Internal net revenue	5	3	-	(8)	-	-	-	-
Net revenue	1,479	2,255	1,817	4	5,555	151	1,297	7,003
Production costs	(723)	(1,195)	(903)	(15)	(2,836)	(5)	(714)	(3,555)
Gross profit	756	1,060	914	(11)	2,719	146	583	3,448
Research and development costs	(62)	(117)	(128)	-	(307)	-	(8)	(315)
Sales and distribution costs	(281)	(456)	(408)	-	(1,145)	-	(347)	(1,492)
Management and administrative costs	(94)	(362)	(142)	(86)	(684)	(40)	(188)	(912)
Other operating income	-	17	-	1	18	1	-	19
Amortization and impairment of goodwill and other acquired long-term intangible assets	(39)	(257)	(201)	-	(497)	(60)	42	(515)
Restructuring	(8)	(32)	-	-	(40)	(10)	(39)	(89)
Earnings before results from subsidiaries and associated companies, interest and tax	272	(147)	35	(96)	64	37	43	144
Share of earnings from associated companies	-	1	2	1	4	(6)	(4)	(6)
Earnings before interest and tax	272	(146)	37	(95)	68	31	39	138
Gains/losses from divestment of discontinuing activities	-	-	7	12,874	12,881	-	-	12,881
Earnings before financial items	272	(146)	44	12,779	12,949	31	39	13,019
Financial income	11	34	7	124	176	29	3	208
Financial expenses	(20)	(193)	(134)	207	(140)	(7)	(76)	(223)
Earnings before tax	263	(305)	(83)	13,110	12,985	53	(34)	13,004

Assets 2000 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Noncurrent assets								
Goodwill	1,051	4,817	8,792	(62)	14,598	-	-	14,598
Development projects, acquired	-	-	982	-	982	-	-	982
Development projects, developed in-house	46	97	293	-	436	-	-	436
Software, acquired	-	-	7	-	7	-	-	7
Software, developed in-house	81	8	-	2	91	-	-	91
Patents and rights	34	106	309	-	449	-	-	449
Telecommunications systems	-	-	-	-	-	100	-	100
Other long-term intangible assets	197	318	48	-	563	-	-	563
Total long-term intangible assets	1,409	5,346	10,431	(60)	17,126	100	-	17,226
Investment properties	-	-	-	31	31	-	-	31
Factory and office buildings	-	54	46	8	108	-	-	108
Leasehold improvements	20	15	51	-	86	-	-	86
Plant and machinery	36	52	73	1	162	-	-	162
Operating assets and equipment	43	71	71	7	192	-	4	196
Leased plant and equipment	-	-	5	-	5	-	-	5
Telecommunications systems	-	-	-	(10)	(10)	34	-	24
Plant under construction	-	-	18	-	18	-	-	18
Total long-term tangible assets	99	192	264	37	592	34	4	630
Investments in associated companies	-	9	5	23	37	45	-	82
Other securities	28	8	-	8	44	15	(15)	44
Other receivables and bank deposits	-	-	518	10	528	-	15	543
Deferred tax assets	55	15	52	(3)	119	2	-	121
Total long-term financial assets	83	32	575	38	728	62	-	790
Total noncurrent assets	1,591	5,570	11,270	15	18,446	196	4	18,646
Current assets								
Inventories	283	452	605	(1)	1,339	-	-	1,339
Trade receivables	403	527	718	(18)	1,630	198	41	1,869
Receivables from subsidiaries	12	7	1	(216)	(196)	196	-	-
Receivables from associated companies	-	4	-	(6)	(2)	7	-	5
Tax receivables	39	4	7	263	313	2	11	326
Other receivables	21	50	78	65	214	4	31	249
Prepayments	35	64	18	1	118	-	6	124
Total receivables	510	656	822	89	2,077	407	89	2,573
Listed stocks	-	-	-	31	31	-	-	31
Cash and cash equivalents	193	395	185	359	1,132	37	51	1,220
Total current assets	986	1,503	1,612	478	4,579	444	140	5,163
Total assets	2,577	7,073	12,882	493	23,025	640	144	23,809

Restructuring 2000 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Restructuring costs for the year relate to:								
Severance pay, post-employment pay outplacement costs, etc.	(6)	(32)	-	-	(38)	(8)	(7)	(53)
Loss-making contracts relating to unutilised leases, etc.	-	-	-	-	-	-	-	-
Write-downs, production plant	-	-	-	-	-		(21)	(21)
Other loss-making contracts	(2)	-	-	-	(2)	(2)	(11)	(15)
Total	**(8)**	**(32)**	**-**	**-**	**(40)**	**(10)**	**(39)**	**(89)**

Statement of Cash Flows 2000 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Cash flows from operations	287	(99)	(15)	(322)	(149)	134	56	41
Cash flows from investments	(123)	(124)	(353)	256	(344)	-	-	(344)
Cash flows from operations and investments	164	(223)	(368)	(66)	(493)	134	56	(303)
Cash flows from company acquisitions/divestments	(1,397)	(3,325)	(9,329)	13,725	(326)	(100)	29	(397)
Total cash flows	**(1,233)**	**(3,548)**	**(9,697)**	**13,659**	**(819)**	**34**	**85**	**(700)**

Liabilities 2000 (DKK millions)	GN Netcom	GN ReSound	NetTest	Other/ elimi- nations	Core Business Areas	Other activities	Dis- continuing activities	Group Total
Shareholders' equity								
Capital stock	30	3,938	70	(3,375)	663	18	198	879
Additional paid-in capital	40	-	105	4,014	4,159	-	11	4,170
Revaluation reserves	-	-	-	1	1	-	-	1
Net revaluation - equity method	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	128	128	-	-	128
Other reserves	527	154	256	13,534	14,471	271	(222)	14,520
Total shareholders' equity	**597**	**4,092**	**431**	**14,302**	**19,422**	**289**	**(13)**	**19,698**
Minority interests	-	-	-	-	-	-	-	-
Provisions			-					
Provisions for pension commitments and similar commitments	-	19	-	2	21	-	-	21
Deferred tax	87	22	543	24	676	18	-	694
Other provisions	41	306	80	18	445	7	-	452
Total provisions	**128**	**347**	**623**	**44**	**1,142**	**25**	**-**	**1,167**
Debt					-			
Mortgage debt	-	3	2	-	5	-	-	5
Bank debt	-	22	48	422	492	-	17	509
Capitalized lease commitments	1	1	4	(1)	5	-	-	5
Other debt	5	6	518	-	529	-	-	529
Total long-term debt	**6**	**32**	**572**	**421**	**1,031**	**-**	**17**	**1,048**
Repayment of long-term debt	-	2	17	-	19	-	-	19
Bank debt	37	14	37	109	197	-	2	199
Trade payables	145	188	304	20	657	2	35	694
Payable to associated companies	1,474	2,022	10,560	(14,264)	(208)	148	60	-
Tax payable	16	29	50	1	96	-	-	96
Other debt	174	298	228	(140)	560	176	43	779
Accruals and deferred income	-	49	60	-	109	-	-	109
Total current liabilities	**1,846**	**2,602**	**11,256**	**(14,274)**	**1,430**	**326**	**140**	**1,896**
Total debt	**1,852**	**2,634**	**11,828**	**(13,853)**	**2,461**	**326**	**157**	**2,944**
Total liabilities	**2,577**	**7,073**	**12,882**	**493**	**23,025**	**640**	**144**	**23,809**

Other Directorships held by the Board of Directors and Executive Management

Board of Directors

Elvar Vinum
Chairman of the Board of Directors

Deputy Chairman of the Board of Directors of:
Topdanmark A/S
Member of the Board of Directors of:
Incentive A/S
Investeringsforeningen Danske Invest
Danske Invest Administration A/S

Mogens Hugo Jørgensen
President & CEO of C.W. Obel A/S
Deputy Chairman

Chairman of the Board of Directors of:
A/S Motortramp
Dampskibsselskabet Norden A/S
Member of the Board of Directors of:
Skandinavisk Holding A/S
Skandinavisk Tobakskompagni A/S
Fritz Hansen A/S
Nordea A/S

Peter Foss
President & CEO of Foss A/S

Chairman of the Board of Directors of:
FOSS Electric A/S
Member of the Board of Directors of:
N. Foss & Co. A/S

Erik Boye Jensen
Chief Engineer, GN Great Northern Telegraph Company

Elected by the employees of GN Great Nordic as

Jens Bille Bergholdt
Corporate Treasury Director, GN Store Nord

Elected by the employees of GN Great Nordic as

Lars Jesper Pontoppidan
Toolmaker in GN ReSound

Elected by the Group employees

Cato F. Sverdrup
Civil Engineer

Finn Junge-Jensen
Dean of the Copenhagen Business School
Member of the Board of Directors of:
PLS Consult A/S
Teknologisk Innovation A/S
Symbion A/S
Digital Audio A/S

Preben Schou
President & CEO, B. Sc. (Econ.)

Chairman of the Board of Directors of:
Siemens A/S
Member of the Board of Directors of:
Brødrene Hartmann A/S

Executive Management

Jørn Kildegaard
President & CEO

Chairman of the Board of Directors of:
Glunz & Jensen A/S
Trykko Pack A/S
Member of the Board of Directors of:
NEG Micon A/S

Jens Due Olsen
Executive Vice President & CFO

Member of the Board of Directors of:
Cryptomathic A/S

Capital Interests in Subsidiaries and Associated Companies

	Currency	Contributed stock	Owner-ship (%)
GN Store Nord as	**DKK**	**879,100,252**	**N/A**
GN Netcom as, Denmark	**DKK**	**30,100,000**	**100**
GN Netcom Ltd., Great Britain	GBP	1,000,000	100
GN Netcom (UK) Limited, Great Britain	GBP	100,000	100
GN Nordkom GmbH, Germany	DEM	100,000	100
GN Netcom S.A., France	FRF	524,800	100
GN Netcom (Canada) Inc., Canada	CAD	350,000	100
GN Netcom Australia Pty. Ltd., Australia	AUD	100,000	100
GN Netcom K.K., Japan	JPY	10,000,000	100
GN Netcom Inc., US	USD	35,865,003	100
GN Netcom Asia Ltd., Hong Kong	HKD	1,000,000	100
GN Netcom (Xiamen) Ltd., China	CNY	16,554,400	100
GN Netcom (Iberica) S.A., Spain	ESP	11,000,000	100
GN Transistor AB, Sweden	SVE	5,100,000	100
Hello Direct, US	USD	100,100	100
GN Netcom (Italia) S.r.l., Italy	ITL	20,000,000	100
GN Netcom (Singapore) Pte Ltd, Singapore	SGD	200,000	100
▲ QuBiT A/S, Denmark	DKK	269,231	35
NetTest as, Denmark	**DKK**	**850,000,000**	**100**
NetTest (Finans) A/S	DKK	10,000,000	100
NetTest GmbH, Germany	DEM	100,000	100
NetTest Ltd., Great Britain	GBP	50,000	100
NetTest (UK) Ltd., Great Britain	GBP	875,000	100
NetTest Pty Ltd., Australia	AUD	2,000,000	100
NetTest Wholesale (Pty) Ltd., Australia	AUD	12	100
NetTest Equipment España S.A., Spain	EUR	601,000	100
NetTest S.p.A., Italy	EUR	258,200	100
NetTest (Canada) Inc., Canada	CAD	16,700,000	100
NetTest (New York) Inc., US	USD	2,900,100	100
NetTest (Oregon) Inc., US	USD	5,762,434	100
NetTest (Boston) Inc., US	USD	30	100
NetTest (Denmark) A/S, Denmark	DKK	500,000	100
NetTest (China) Co., Ltd, China	RMB	14,900,820	100
NetTest (Hong Kong) Ltd., Hong Kong	HKD	10,000	100
GN Resources International (CZ) A/S, Czech Republic	CZK	65,000,000	50
NetTest do Brazil Ltda., Brazil	BRL	14,989,442	100
NetTest S.A.S., France	EUR	657,741,615	100
NetTest Photonics SAS, France	EUR	5,550,300	100
Photon Sub SAS, France	EUR	38,113	100
Photonetics Ltd., Great Britain	GBP	100,000	100
Photonetics Inc., US	USD	10	100
NetTest (Sverige) AB, Sweden	SEK	100,000	100
NetTest Pte Ltd., Singapore	SGD	100,000	100
NetTest de Mexico C.V. de S.A., Mexico	MXN	50,000	100
NetTest K.K., Japan	JPY	10,000,000	100
GN Cable System as, Denmark	**DKK**	**500,000**	**100**
● Danish Polish Telecommunications Group I/S, Denmark	DKK	N/A	75
● Danish Russian Telecommunications Group I/S, Denmark	DKK	N/A	50
● Danish Baltic Telecommunications Group I/S, Denmark	DKK	N/A	50
GN Store Nord Paging as, Denmark	**DKK**	**1,000,000**	**100**
CJSC RTC Page, Russia	RUR	10,000	20
GN Store Nord Payphones as, Denmark	**DKK**	**1,000,000**	**100**
CJSC Online Resource Center, Russia	RUR	7,600	48.7
GN Great Northern Gateway as, Denmark	**DKK**	**15,000,000**	**100**
GN Great Nordic Telco as, Denmark	**DKK**	**500,000**	**100**
MMT BIS S.A., Moldova	**MDL**	**49,328,788**	**67**
Voxtel S.A., Moldova	USD	32,460,000	20.17
GN Ejendomme as, Denmark	**DKK**	**111,000,000**	**100**
GN Ejendomsaktieselskabet Kgs. Nytorv 26, Denmark	DKK	9,000,000	100
GN Great Britain Ltd., Great Britain	**GBP**	**21,000,005**	**100**
GN Investments Ltd., Great Britain	GBP	6,260,000	100

	Currency	Contributed stock	Owner-ship (%)
GN ReSound as, Denmark	**DKK**	**60,000,000**	**100**
GN US Holdings Inc., US	USD	21,000,000	100
GN ReSound Corporation, US	USD	110,000	100
GN Resound Danmark as, Denmark	DKK	600,000	100
GN Resound (Norge) A/S, Norway	NOK	2,000,000	100
GN ReSound GmbH Höertechnologie, Germany	DEM	4,229,000	100
GN ReSound GmbH, Germany	DEM	580,000	100
Madsen GmbH Audiologische Messtechnik, Germany	DEM	250,000	100
GN ReSound B.V., Netherlands	NLG	1,500,000	100
GN ReSound AG, Switzerland	CHF	420,000	100
GN Danavox Inc., US	USD	4,995,000	100
GN Resound do Brazil Ltda., Brazil	BRL	274,406	100
GN ReSound AB, Sweden	SEK	100,000	100
GN ReSound SAS, France	FRF	2,921,518	100
GN ReSound Ltd., Great Britain	GBP	7,376,000	100
GN ReSound Ireland Holdings Ltd., Ireland	IEP	260,002	100
GN ReSound Ireland Ltd., Ireland	IEP	260,002	10
GN ReSound GDC Ltd., Ireland	EUR	300,000	100
GN ReSound Ireland Sales Ltd., Ireland	IEP	100	100
GN ReSound China Ltd., China	CNY	16,000,000	100
GN ReSound Pty. Ltd., Australia	AUD	4,000,002	100
GN ReSound NV, Belgium	BEF	20,000,000	100
GN ReSound NZ Ltd, New Zealand	NZL	2,500,000	100
GN Resound Italia SRL, Italy	ITL	190,000,000	100
▲ GN ReSound Ltd, Hong Kong	HKD	7,800,000	50
GN Resound, Canada (Branch)	N/A	N/A	N/A
GN Resound, Singapore (rep. office)	N/A	N/A	N/A
GN Resound SL, Spain	ESP	150,000,000	100
▲ ReSound Asia Ltd, British Virgin Islands	USD	800,000	50
▲ Danavox Hungary	HUF	1,000,000	19
Danplex A/S, Denmark	DKK	27,500,000	100
Viennatone Hearing Technology GmbH, Austria	ATS	27,000,000	100
▲ Viennatone S.A. de C.V., Mexico	USD	1,000	49
▲ HIMSA A/S, Denmark	DKK	1,000,000	25
AuditData A/S, Denmark	DKK	600,000	100
AuditData GmbH, Germany	DEM	50,000	100
▲ K/S Himpp, Denmark	DKK	99,990,570	33.03
▲ Himpp A/S, Denmark	DKK	1,800,000	33.33
GN Otometrics A/S, Denmark	DKK	20,500,000	100
GN Otometrics Verwaltungs GmbH	EUR	50,000	100
GN Otometrics GmbH & Co. KG	DEM	800,000	100
GN Otometrics Holding GmbH	EUR	1,800,000	100
Beltone Electronics LLC, US	USD	350,000,100	100
Beltone Electronics of Canada Ltd., Canada	CAD	10,000	100
Beltone Espana S.A., Spain	EUR	66,111	100
Beltone Deutchland GmbH, Germany	EUR	77,074	100
Beltone Europe Holding ApS, Denmark	DKK	200,000	100
Beltone Audiologic France, France	EUR	650,000	100
Beltone Austria GmbH	ATS	500,000	100
Beltone Danmark A/S, Denmark	DKK	500,000	100
Beltone Norge AS, Norway	NOK	100,000	100
Beltone Schweiz GmbH, Switzerland	CHF	20,000	100
Beltone Netherlands B.V., Netherlands	EUR	45,000	100
Beltone Sverige AB, Sweden	SEK	110,000	100
GN DanaJapan K.K., Japan	JPY	499,000,000	100
▲ Ultravox Holdings Ltd., Great Britain	GBP	8,594	25.01

GN af 18. maj 2000 A/S, Denmark	**DKK**	**50,500,000**	**100**
GN af 19. januar 1998 A/S, Denmark	**DKK**	**511,013,000**	**100**
GN af 20. januar 1998 A/S, Denmark	**DKK**	**460,325,000**	**100**

▲ Indicates associated companies.
● Indicates associated companies under joint control. These are consolidated pro rata. The joint control is based on agreements on exercising voting rights, joint management, and on possession and divestment of ownership interests, etc.
The partnerships (I/S) stated on the list do not publish financial statements subject to S. 2, f of the Danish Company Accounts Act, as they are included in the consolidated financial statements for GN Great Nordic as.
A few minor companies without business operations have been omitted from the list.

Glossary and Key Figures

In this annual report the following accounting abbreviations are used:

EBITDA
Earnings Before Interest, Tax, Depreciation and Amortization of goodwill and other acquired intangible assets.

EBITA
Earnings Before Interest, Tax and Amortization of goodwill and other acquired intangible assets.

EBIT
Earnings Before Interest and Tax.

Key Ratio Definitions

EBITA margin:	=	Earnings before interst tax, amortization and impairment of acquired intangibles (EBITA) x 100 / Net revenue
Return on average equity	=	GN Great Nordic's share of net earnings x 100 / Average shareholders' equity
Equity ratio	=	Shareholders' equity x 100 / Total assets
Return on invested capital	=	Earnings before interest, tax, amortization and impairment of acquired intangibles (EBITA x 100) / Average invested capital
Basic and fully diluted earnings per DKK 4 share (EPS)	=	GN Great Nordic's share of net earnings / Average number of shares, fully diluted
Basic and fully diluted earnings per DKK 4 share (EPS) excluding amortization and impairment of intangibles (EPS)	=	GN Great Nordic's share of earnings before amortization and impairment of intangibles acquired, restructurings and other write-downs / Average number of shares, fully diluted
Cash flow per share	=	Cash flows from operations / Average number of shares
Net asset value per share	=	Shareholders' equity / Number of shares
Capital invested	=	Total assets excluding long-term financial assets, cash and cash equivalents and listed shares

The ratios have been calculated in accordance with Recommendations & Ratios issued by the Danish Association of Financial Analysts. For return on invested capital, see "Return on invested capital 1" listed in Recommendations & Ratios. Key ratios have not been adjusted for treasury stock.

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