April 23, 2002
Announcement No. 10

GN Great Nordic
A World of Communications

Annual General Meeting of GN Great Nordic as

Please find enclosed the Chairman's Report submitted to the GN Great Nordic Annual General Meeting held on April 23, 2002.

For further information, please contact:

Jørn Kildegaard	Jens Due Olsen
President & CEO	Executive Vice President & CFO
GN Great Nordic	GN Great Nordic
Tel.: (+45) 72 111 888	Tel.: (+45) 72 111 888

GN Great Nordic Ltd.

Kongens Nytorv 26
P.O. Box 2167
DK-1016 Copenhagen K
Denmark
Tel: +45 72 111 888
Fax: +45 72 111 889
Internet: www.gn.com
E-mail: info@gn.com

Parent Company of the
Great Nordic Group
Central Co. Reg. No. 24257843

Chairman's Report

Last year, I began my report using these words: *change, development and continued progress*. Unfortunately, only the first two words were fitting for 2001. As you all know, last year's events were strongly dominated by the economic slump in the United States. Following a period of renewed optimism at the beginning of the second quarter, the slump spread to Europe and Asia, and after the terrorist attacks of September 11, the global economy slipped into an all-out recession.

These factors hit GN Great Nordic equally as hard as all other international technology companies around the world. Our several-year streak of earnings improvements not only ground to a halt; our earnings curve turned sharply downward, and GN Great Nordic reported completely unsatisfactory negative earnings before tax of DKK 9.6 billion.

STRATEGY

Before I continue my review of 2001, allow me to emphasize the strategic evolution GN Great Nordic has undergone in the last couple of years.

GN Great Nordic pursued and continues to pursue a focused strategy based on the divestment of SONOFON and a number of non-core activities, while also making acquisitions for the three technology companies in order to help them become global leaders in their respective industries.

Our strategy also involves spinning off NetTest in order to bring out the values of all parts of the Group, for the benefit of our shareholders.

You might say that our objective has been to change the company from a conglomerate with many different types of activities into three focused businesses each with a leading global market position.

We have now completed the first step of this strategy: all three businesses are among the global leaders in their respective fields and thus do not have to rely on making additional acquisitions, although that is still an option.

The NetTest spin-off still has not taken place, but this is due exclusively to market developments.

I would now like to give you a more detailed description of the principal factors that have influenced how we have implemented our strategy.

Although globally the number two player, GN Netcom was a relatively small operator, so we decided to acquire the third-, fourth-, fifth- and sixth-largest global players. This has made GN Netcom comparable in size with its main competitor, Plantronics. Before the setback in 2001, GN Netcom had clearly shown its ability to integrate company acquisitions as well as generate strong growth and earnings.

In the hearing aid business, the technology shift from analog to digital technology intensified the need for industry consolidation. That left us with a choice between divesting GN Danavox or making acquisitions. We chose to acquire four other medium-sized players in order to create a global industry leader, spending approximately of DKK 5 billion. These companies were not as profitable as our large and efficient competitors. Had they been, their market values would have been up to three times higher.

Consequently, our job was to merge the businesses and exploit the synergies; GN ReSound came quite far along in this process in 2001. Clearly, a successful completion of this process could potentially create substantial values for our shareholders.

The acquisition of Photonetics in 2000 was a key contribution to NetTest's technological platform, and it made the company a global leader in optical communications testing.

The acquisition took place under market conditions that were very different from today's: the general perception in the market at the time was that the optical segment would enjoy strong growth for many years to come. Therefore, this type of company also commanded a very high price. Like everyone else in the industry, we believed that the high growth rates in the optical segment would continue for many years.

Everyone agreed that buying Photonetics was a good opportunity at the time. However, subsequent market developments have shown all too clearly that the price we paid for Photonetics was much too high. There is no doubt, though, that Photonetics' technology has become at least as important as we anticipated at the time of acquisition, so strategically we did the right thing. Another important fact is that about one-third of the acquisition price was paid in GN stock at a price of DKK 185 per share.

The decline in share prices and the market capitalization of technology companies has forced GN Great Nordic to make goodwill impairments totaling approximately DKK 8.5 billion. The impairments involved mainly Photonetics, and to a lesser extent, Hello Direct and Beltone. All three were acquired at a time when market valuations of comparable companies were much higher than is the case today. By making the impairment charges, we have aligned our book values with the current market values.

Spinoff

A year ago, I told you that we still had not seen any dark clouds on NetTest's horizon.

Shortly after our annual general meeting last year, almost all of NetTest's major customers cut back severely on their investment plans, causing a substantial decline in NetTest's order inflow in the next few quarters.

The company's management and Board of Directors took prompt action to strongly reduce costs when NetTest was also hit by the setback in the second quarter of 2001.

Over the past two years, we have invested substantial resources in preparing to spin off NetTest, and the company *is* ready to stand on its own two feet in terms of both technology and organization. In other words, we have made no changes whatsoever to our plans for a NetTest spinoff from GN Great Nordic in order to bring out the substantial values in both companies.

However, the primary purpose of spinning off NetTest is to create value for our shareholders: listing NetTest on a foreign stock exchange is not an attractive prospect at the moment. For this reason, we are aiming for a demerger, so the ownership of NetTest can be transferred directly to our shareholders.

However, a successful demerger is contingent on a substantial upswing in NetTest's markets. Thus, we believe that a successful demerger will probably not be possible until 2003.

Until the demerger, NetTest will, of course, receive the same attention and financial support and be subject to the same requirements as our two other companies.

I would now like to return to my review of 2001.

No one regrets more than I the fact that we failed to achieve the goals we announced at the beginning of the year, and that we are now presenting highly unsatisfactory financial results. We did, however, take swift action in response to the considerable changes to market conditions, including by altering our overall organization and making substantial cost adjustments. This process continues in 2002.

Our companies have taken firm, prudent and well-planned action. They have now made the necessary adjustments and are focusing on progressive, value-creating activities. With the changed market conditions, we have, like our major competitors, critically reassessed our assets, eliminating any doubts that our accounts should not provide a true and fair view of our operations.

In spite of the difficult market conditions and the unsatisfactory results, however, the following deserves to be emphasized:

All our companies have introduced comprehensive new product ranges: GN Netcom has launched 14 new products; GN ReSound has introduced new digital product lines with more than 20 different versions; and NetTest has launched more than 50 new products or product upgrades.

At the same time all three have successfully achieved growth and won market shares in key areas, in spite of the difficult market conditions.

The companies all reacted promptly to the economic setbacks, and we spent almost DKK 400 million in restructuring at Group level to reduce cost levels in 2001.

At Group level, we will achieve cost savings of more than DKK 600 million in 2002 as a result of restructurings made in 2001 and synergies from previous acquisitions, among other things.

Finally, I am happy to tell you that we have reaped the fruits of our efforts to improve our working capital management, with a reduction in net interest-bearing debt of almost DKK 300 million in the fourth quarter of 2001.

With respect to the price performance of GN Great Nordic shares, our share price performance has trailed that of the companies we normally compare ourselves to. Obviously, this is not satisfactory and it underlines the need for spinning off NetTest from GN Great Nordic.

Before I outline the consolidated financial highlights, I would like to draw your attention to our annual report, which we have divided into two parts this year:

- The Financial Annual Report, which is identical to the company's full-year earnings release;
- A forward-looking report, "Shaping the Future", which describes GN Great Nordic's vision, values, development, technology and markets, all the things that form the foundation for GN Great
- Nordic's future.

We have chosen to make this dual presentation in order to give our stake-holders as much insight into our company as possible, as early as possible. This also eliminates the need to make both a full-year earnings release and an annual report.

I will now review the consolidated financial highlights and refer to page 4 of the Financial Annual Report, which shows the consolidated financial high-lights (the statement of income).

THE GN GREAT NORDIC GROUP

Financials

The GN Great Nordic Group recorded total revenue of DKK 7.3 billion in 2001, a 5% improvement relative to 2000 and more than a 20% improvement when leaving out SONOFON, which contributed DKK 972 million in 2000.

The Group contribution margin fell from 61% in 2000 to 57% in 2001. Several factors explain the decline: the sale of SONOFON, which contributed high margins in the 2000 accounts; GN Netcom's full-year consolidation of JABRA and Hello Direct in 2001, both business areas with lower contribution margins. Finally, NetTest suffered declining contribution margins, although that was mainly due to write-downs on inventories. The write-downs were due to very low turnover rates for parts of the inventory.

EBITA was DKK 198 million, which was unfortunately considerably lower than the expectations we announced at the beginning of the year, although we finished the year on a better note than we had anticipated at the end of the third quarter.

The Group's total assets were DKK 15,023 million at the end of 2001, compared to DKK 23,809 million at 31 December 2000. The reduction in total assets relates mainly to the impairments on goodwill and other intangibles.

Like a number of other international technology companies, we decided, as I have already mentioned, to impair goodwill and other intangibles, such as patents, rights and know-how, by a total of DKK 8.5 billion. The impairments involved mainly Photonetics, by DKK 7 billion, and to a lesser extent Hello Direct and Beltone. All three were acquired at a time when market valuations of comparable companies were much higher than is the case today. By making the impairment charges, we have aligned the Group's book values with the current market values.

Shareholders' equity was down from DKK 19,698 million to DKK 10,708 million at December 31, 2001, but backed by an equity ratio of 71%, GN Great Nordic remains financially strong.

Cash flows from operations were DKK (65) million against DKK 41 million in 2000. This is not satisfactory, but it is an area that receives our undivided attention. In the second half of 2001, we strengthened our efforts to optimize the management and utilization of our working capital, and we have already achieved some very tangible results. For example, the cash flow from operations improved to DKK 374 million in the fourth quarter. This is a substantial improvement compared to last year.

We expect to continue this positive performance in 2002, supported by new incentive programs, in which the cash flow plays an equally important role in bonus calculations as other earnings results.

As a result of the negative business cycle, the three companies have implemented extensive organizational and cost restructurings. More than 20% of GN Great Nordic's total staff have been directly affected by these measures.

We have retained our high levels of investment in research and development. We are a technology-intensive business and we aim to retain technology leadership in the segments we operate in.

In 2001, we invested almost DKK 700 million in product development. This is over DKK 150 million more than last year's figure; partly because of the company acquisitions made in 2000, of course. We believe that this emphasizes our commitment to retaining technology leadership and provides expectations for the continued successful launch of a number of new products in the next few years. Therefore, as you can see, we stand well-prepared for when economic recovery sets in.

Earnings before tax and extraordinary items was DKK (9,642) million in 2001 against DKK 13,004 million in 2000, when we enjoyed the gains of nearly DKK 13 billion from the sale of SONOFON. Net earnings for the year were DKK (9,176) million, which amount we propose be transferred to reserves.

Finally, we focused on divesting a number of non-core activities in 2001.

The company sold its portfolio of Danish apartments in 2001 and after we sold a property in the UK at a gain of DKK 46 million in the beginning of 2002, GN Great Nordic no longer has rental property in its portfolio. In 2001, we also sold ownership interests, including in the oil company Denerco and the final stakes in GN Comtext. Finally, we decided not to invest further in the GN Great Northern Telegraph Company, as this business area does not seem to hold any attractive opportunities in the years ahead.

These divestments mean that we can pool all of our strength in GN ReSound, GN Netcom and NetTest.

Dividend

Considering the unsatisfactory results for the year, the Board of Directors recommends to the annual general meeting that *no* dividend be paid in respect of the fiscal year.

I will now review the highlights of the three businesses in 2001 and present our expectations for 2002.

GN NETCOM

I'll start with GN Netcom, our company that develops, manufactures and markets headsets and other hands-free communications solutions. GN Netcom has three business units:

JABRA: headsets and other accessory solutions for cellphones.

GN Netcom: headsets and accessories for the global office and call center market.

Hello Direct: an important sales channel for offices and small businesses in the United States. Hello Direct sells GN Netcom products and selected solutions from other manufacturers.

Financials

In 2001 GN Netcom was severely affected by the recession in the United States and its subsequent impact on major European markets. Call center and office markets fell by nearly 20% during the first two quarters of the year and have since been flat.

Nevertheless, sales rose by 30% to just over DKK 1.9 billion, but that was still 20% less than expected at the beginning of the year. The improvement was due to the full-year consolidation of JABRA and Hello Direct in 2001.

However, two other key factors were also contributors to growth.

First of all, JABRA recorded *very* satisfactory sales in the United States in the second half, selling between 1.0 and 1.5 million units per month during several of the autumn months. JABRA now contributes nearly 20% of GN Netcom's revenue. We are currently positioning JABRA in Europe so that it will be able to repeat its success from the US market, and we are in the process of establishing JABRA in Asia.

Secondly, GN Netcom is reaping the benefits from the many years we focused on developing high-tech headsets, which has put us in the lead on the international markets. Sales of *wireless* headsets have more than doubled and were worth close to DKK 300 million in 2001. Wireless headsets generally command higher selling prices and margins than traditional headsets and that makes this development even more gratifying.

On the earnings side, GN Netcom did better than we hoped in November. The company had a good second half of the year, as we reaped the benefits of the cost cuts made at the beginning of the year and as JABRA sales improved.

GN Netcom's EBITA was DKK 129 million, equal to an EBITA margin of 6.7%.

Not including Hello Direct, GN Netcom's EBITA margin was 15% in 2001, against 24% in 2000, which is certainly not a bad performance in a weak market.

As one of the strongest sales channels for small and medium-sized businesses in the United States, Hello Direct plays an important strategic role in GN Netcom's progress on the North American market.

Hello Direct was GN Netcom's greatest challenge in 2001, because the business was hit both by the US recession and the anthrax scare. Since much of its sales are based on mail order catalogs, the company experienced substantial difficulties because its customers, understandably, to some extent threw out mail items that they had not specifically asked for or were not expecting to receive, such as Hello Direct catalogs.

GN Great Nordic
A World of Communications

To correct this situation, we have helped Hello Direct reduce costs, increase productivity and speed up the process of moving sales to e-commerce. Hello Direct already had a substantial e-commerce business and possessed know-how that we can use in GN Netcom's other operations.

GN Netcom incurred restructuring costs of DKK 39 million. Much of our work in this respect was aimed at Hello Direct, but the amount also includes the costs of the ongoing relocation of production to China. We have been rewarded for our efforts. We achieved cost savings of DKK 60 million in the final two quarters of the year, and effective from this year, savings will amount to DKK 130 million per year. GN Netcom does not expect any major restructurings in 2002.

We have opted to maintain our high level of product development activities, even in a difficult year. In 2001, GN Netcom spent DKK 126 million on research and development, corresponding to DKK 6.50 for every DKK 100 in revenue, against DKK 5.90 kroner last year – and we are getting our money's worth! GN Netcom launched 14 new products last year. New products are generally making a growing contribution to our revenue.

Thanks to these efforts, GN Netcom is a leading player in wireless technology. We have focused specifically on Bluetooth™, a technology that enables wireless communications between all types of electronic equipment and is supported by the world's leading IT equipment and cellphone manufacturers.

GN Great Nordic Ltd.

Kongens Nytorv 26
P.O. Box 2167
DK-1016 Copenhagen K
Denmark
Tel: +45 72 111 888
Fax: +45 72 111 889
Internet: www.gn.com
E-mail: info@gn.com

Parent Company of the Great Nordic Group
Central Co. Reg. No. 24257843

GN Netcom was the first to launch a headset based on Bluetooth technology. In March 2001, we were also the first to sign an agreement with one of the world's leading cellphone manufacturers. I am talking about Motorola and the headset GN Netcom developed for them. Sales are satisfactory and what is unique about the agreement is that it does not involve any kind of exclusivity. This, I believe, truly shows how attractive GN Netcom has become as a Bluetooth partner. We also expect to sign similar agreements with other important cellphone manufacturers.

We also develop products for our own brands. At the CeBIT fair in March, JABRA presented three new Bluetooth headsets, products that combine advanced technology with advanced design. The three products have attracted a lot of deserved attention, and sales prospects for the rest of this year and next year are promising.

Outlook for 2002

For 2002, one of our main tasks will be to exploit our technological advantage in Bluetooth and to expand our commercial lead. That is why we will be both introducing more new products and expanding our sales channels.

We anticipate only slight growth in the call center and office markets in 2002, and our main task will therefore be to win new market shares, continuing where we left off in 2001. We expect stronger growth in the mobile market, and our goal will be to achieve even better results than JABRA did in 2001. JABRA is a unique brand for us, and, in the United States alone, its products are sold through more than 30,000 retailers and all the major telecom carriers.

Overall, we project a full-year revenue of DKK 1.9-2.1 billion and an EBITA margin of 9%-11%: in other words, a fair improvement on 2001.

Great Nordic
A World of Communications

GN Great Nordic Ltd.

Kongens Nytorv 26
P.O. Box 2167
DK-1016 Copenhagen K
Denmark
Tel: +45 72 111 888
Fax: +45 72 111 889
Internet: www.gn.com
E-mail: info@gn.com

Parent Company of the Great Nordic Group
Central Co. Reg. No. 24257843

GN RESOUND

GN ReSound is today one of the world's leading providers of high-tech solutions for the hearing-impaired. GN ReSound is the result of mergers of five medium-sized hearing aid producers: GN Danavox, ReSound, Beltone, Philips and Viennatone.

Of course, you do not just amalgamate five small independent groups of companies, each with its own characteristics, technology, corporate culture and set of values, into a single unit and expect to have a successful operation from day one. Achieving synergies in this kind of exercise requires a carefully planned and targeted effort in order not to lose values or momentum, and it goes without saying that it also takes time.

It is encouraging to see that GN ReSound's integration process is proceeding according to plan and that the company also implemented a number of important measures in 2001 that will enable it to achieve its strategic goals, including an earnings capacity among the best in the industry.

Financials

GN ReSound generated revenue of DKK 2.9 billion in 2001, a 30% increase over 2000. This substantial improvement was mainly a result of the acquisitions of the Beltone and Philips hearing aid divisions in the second half of 2000.

Growth in the global market for hearing instruments has been moderate in recent years, but a current trend is the growing proportion of digital hearing instruments in most countries.

GN ReSound achieved good organic growth on most of its markets in 2001. In some of them, organic growth even exceeded 10%.

Unfortunately, this good performance was offset by disappointing developments for Beltone USA. This was especially the case in the first half of 2001, when we saw a declining number of dispensers and flagging sales, a trend that had already begun towards the end of 2000. Our hard work and targeted efforts have now ensured an upward swing, and Beltone is now reporting a net increase in dispensers.

GN ReSound's contribution margin was 60%, compared to 59% last year. This was less than we had anticipated, one reason being an unexpected shift towards less-expensive hearing instruments during the final quarter of the year that was a result of the general economic downturn.

The full-year EBITA was DKK 203 million, and the EBITA margin rose from 6.4% to 7.0%. The EBITA margin improved consistently from quarter to quarter during the year, rising from 3.6% in the fourth quarter of 2000 to 8.9% in the fourth quarter of 2001.

Restructuring costs in 2001 were DKK 153 million. The costs incurred will help to improve the EBITA margin as early as this year from its current level of 7% to 9% or 10%. When fully implemented in 2003, the restructurings will contribute to annual cost savings of approximately DKK 70 million and a further improvement of the EBITA margin.

Finally, I would like to mention that GN ReSound incurred DKK 173 million in R&D costs in 2001, equal to about 6% of its revenue.

In order for GN ReSound to achieve its strategic goals, it is essential that the company maintains its technology leadership, a leadership position rooted in the decision the company made in 1996 to go against the technological trends in the industry at the time and develop a programmable digital chip platform instead.

This proved to be a landmark decision, because this is the reason GN Re-Sound can now develop new hearing instrument models simply by revising the software algorithm without having to make changes to the chip. This en-ables the company both to develop new products at lower costs and to bring them to market faster.

This technology is the core component of products such as the Canta7, Canta4, Danalogic, Digital 5000 and Newtone, and it is undoubtedly the key to our technology leadership. It is also thanks to this technology that we were able to launch new Canta digital hearing aids and a new digital product line under the Beltone brand only last week.

It is, of course, essential that we retain this leadership position by developing new, competitive products.

Outlook for 2002

GN ReSound is on track and is developing according to plan. Our focus in 2002 will be on integrating and consolidating company acquisitions. One of our most important jobs will be to adapt production in the US, close the plant in Austria and run in the new factory in Xiamen, China.

GN ReSound projects a full-year revenue of DKK 2.9-3.1 billion and an EBITA margin of 9%-10%. As you can see, we expect to make significant progress in our ongoing efforts to integrate and consolidate company acquisi-tions. Combined with the continuing launch of digital products, these efforts will help improve GN ReSound’s earnings.

NETTEST

In my review of the GN Great Nordic businesses, the turn has now come to NetTest, one of the world’s leading providers of instruments, systems and other services for testing and optimizing networks.

The company supplies network operators, data communications operators, manufacturers of network accessories and component producers with solutions for telecom network testing, helping to repair errors and optimize productivity in some of today's most advanced and complex networks.

NetTest suffered a severe blow in the second half of 2001. Never before in NetTest's history have we seen such an abrupt slowdown in the market. After the first quarter of strong growth, especially in the optical segment, revenue fell sharply. Let me say this, however: We believe that the trend has now bottomed out, but there are still a number of uncertainties that make it difficult to predict when we will see a market turnaround.

More than anything, the rapid proliferation of the Internet is what drives growth on NetTest's markets, and that is the reason we still say 'when' the markets recover, not 'if' they recover. We estimate that the annual growth in Internet traffic is still at some 100% to 150%. Obviously, this creates demand for bandwidth and thereby for NetTest's products.

NetTest's wide range of product offerings is an unconditional competitive advantage in attracting and retaining customers with multiple needs. This is the philosophy behind the company's product launches in 2001, and it will also be the principal idea in its comprehensive plan for new product launches and solutions in 2002.

NetTest has maintained the high level of investment in R&D in order to ensure that the company is well prepared when the market recovers. In 2001, the company spent DKK 398 million, or almost 17% of its revenue, on product development. Backed by the investment in R&D and the technologies acquired from Photonetics and other companies, NetTest will continue to launch a number of new products in 2002, a few of which will be groundbreaking.

At the same time, the NetTest organization has moved its focus from technology to customers.

The new organizational structure enables NetTest to better utilize the new opportunities that are beginning to emerge in the market, and which we expect to take on increasing importance in the years ahead.

Financials

NetTest generated a 28% improvement in revenue to more than DKK 2.3 billion in 2001, mainly due to the acquisition of Photonetics. However, the revenue reported was substantially lower than we had expected at the beginning of the year.

Revenue in the optical segment rose by 53% to DKK 1.8 billion, while it fell 16% to DKK 560 million in the network segment.

There were long leadtimes for optical components at the end of 2000 and the beginning of 2001 and, expecting the strong growth to continue, NetTest concluded long-term supply contracts at the time, as did most other players in the industry. Unfortunately, this resulted in the economic slump in the second quarter of the year causing substantial inventory build-ups during the first half.

At the end of the year, we decided to write down the inventories by 10%, and that has depressed our contribution margins. We realized that because of the slow inventory turnover, there was a risk that we could suddenly be stocking products that no longer met market requirements.

EBITA was DKK (104) million against DKK 236 million last year, while the EBITA margin fell from 13.0% in 2000 to (4.5)% in 2001.

NetTest spent DKK 201 million on restructurings in 2001. This is expected to reduce the company's costs by DKK 425 million in 2002 and by almost DKK 500 million once the restructurings have been fully implemented.

We expect that by adjusting its optical production, which will result in further cost savings, NetTest will incur further restructuring costs of approximately DKK 75 million in 2002.

Clearly, NetTest's performance in 2001 was unsatisfactory. The company certainly did not meet the expectations we had for it and which we continued to maintain until May.

The market then took a very rapid, negative turn and, unfortunately, it was not possible to adapt the company to the new conditions at the same pace. As a result, the operating profit was highly unsatisfactory.

The changed market conditions also meant that the market values of companies in the optical segment fell substantially. In line with a number of major competitors, we therefore impaired the value of goodwill and other intangible assets. Accordingly, we have impaired the value of goodwill and intangible assets in Photonetics by DKK 7 billion.

Outlook for 2002

Our expectations for NetTest are influenced by the substantial uncertainty characterizing the market right now. There is nothing we would rather do, but I am afraid that we are unable to give you a qualified estimate for market developments. This is the reason why we refrain from issuing forecasts more than two quarters into the future, just like all of NetTest's competitors.

For the first quarter, we expect NetTest to generate revenue of just over DKK 200 million and a negative EBITA of approximately DKK 120 million. For the second quarter, we expect revenue of just over DKK 300 million and a negative EBITA of approximately DKK 75 million.

NetTest's second-half revenue is traditionally higher than the first-half figure, but it is extremely difficult to predict developments in the second half of 2002.

GN GREAT NORDIC GROUP – OUTLOOK FOR 2002

This means that, reluctantly, we have decided to announce full-year forecasts for the GN Great Nordic Group exclusive of NetTest. Given the uncertainty about developments on NetTest’s markets, we feel that indicating full-year expectations for 2002 would not constitute a serious and responsible approach on our part.

For 2002, GN Great Nordic projects revenue – excluding NetTest – in the range of DKK 5 billion and an EBITA of not less than DKK 350 million, against just over DKK 300 million exclusive of NetTest in 2001.

CORPORATE GOVERNANCE

The Board is submitting a proposal to thoroughly amend the company’s Articles of Association. The proposed changes involve compliance with the amended Danish Companies Act and the new Danish Company Accounts Act.

We recommend that the company’s objects be updated to better reflect the company’s activities.

Secondly, we intend to change the flow of communications with our shareholders to make it more efficient and less expensive. The Board recommends that the company delist its secondary listing on the London Stock Exchange as most of the turnover in the company’s shares is generated on the Copenhagen Stock Exchange; that the annual report be forwarded only to shareholders who have requested a copy; and that the notice to convene a general meeting be published in at least one daily newspaper.

The Board also proposes that the rule for defining a quorum be amended so as to simplify the implementation of material resolutions such as amendments to the Articles of Association without the need to hold two general meetings.

Finally, we propose that all directors be elected for a term of one year.

Allow me to touch briefly now on the current debate on corporate governance. Over the years, GN Great Nordic's Board of Directors and Executive Management have regularly discussed the business procedures and practices necessary to ensure that GN Great Nordic achieves its goals and meets its obligations to shareholders, employees, the public authorities and other stakeholders.

The Group's management has also listened to the current debate, including to the Nørby Committee's report and recommendations.

For an easy and uncomplicated overview of this issue, I refer to pages 16 thru 19 of "Shaping the Future", the forward-looking part of our annual report. On these pages, we provide a systematic review of all recommendations and our company's practice, such as the Copenhagen Stock Exchange has requested companies to do in their 2002 reports.

As previously announced, I am resigning from the Board of Directors at this general meeting, pursuant to the agreement that I would serve as chairman for a period of up to three years.

The Board intends to carry out a generational change in the years ahead, while ensuring that the Board commands competencies that are best suited for the new GN Great Nordic. The Board believes that in carrying out its duties, it must have competencies relating to sales and marketing, international business management, and technology.

This is our motivation for recommending that Mr. Per Harkjær be elected to the Board, as he will contribute strong competency in marketing and international branding.

As part of the generational change, Mr. Cato Sverdrup and Mr. Preben Schou have announced that they will not be seeking re-election to the Board next year and two years from now, respectively.

A THANK YOU TO THE EMPLOYEES AND MANAGEMENT

Finally, I would like to thank the employees for their strong efforts and commitment in a year that presented major challenges for our company. I also wish to convey my gratitude to the company's management for all their hard work this year – the results of which, unfortunately, did not do justice to their considerable efforts – and to my colleagues on the Board for your excellent and loyal collaboration. I would also like to thank Erik Boye Jensen and Jesper Pontoppidan, both of whom are resigning from the Board. It has been a great pleasure working with all of you.

To sum up, let me repeat that I am confident that the three companies of the GN Great Nordic Group have sufficient critical mass and a strong technological foundation to continue developing in the future.

In other words, the Group is well prepared for the opportunities and challenges of 2002 and the years ahead.

All three companies are among the global market leaders and play an active role in niche segments that are attractive and offer promising growth opportunities in the future.

Thank you!