

STOCK EXCHANGE ANNOUNCEMENT

Announcement no. 19 - 2006/07

November 23, 2006

INTERIM REPORT FOR THE SIX MONTHS ENDED OCTOBER 31, 2006

The Board of Directors of Thrane & Thrane has approved the company's interim report for the six months ended October 31, 2006 as attached. The interim financial statements are unaudited.

Thrane & Thrane completed the acquisition of Nera ASA's mobile satellite communication activities on October 10, 2006. Consequently, Nera SatCom AS has been consolidated effective from October 1, 2006. Comparative figures have not been restated to reflect the consolidation of Nera SatCom.

Thrane & Thrane is currently allocating the purchase price for Nera SatCom to assets and liabilities. Until this purchase price allocation has been completed, the entire excess value will be recognised under goodwill. The purchase price allocation will be reflected in the interim report for the nine months ended January 31, 2007.

Thrane & Thrane will review the interim report at an investor presentation to be held at 1:00 p.m. today. The meeting will be held at the Copenhagen Stock Exchange, Nikolaj Plads 6, DK-1007 Copenhagen K, Denmark.

Thrane & Thrane A/S

Waldemar Schmidt
Chairman

Henrik Lunde
CEO

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About Thrane & Thrane

Thrane & Thrane is the world's leading manufacturer of terminals and land earth stations for global mobile satellite and radio communication. Since its incorporation in 1981, the company has established a strong position within global mobile satellite services based on the Inmarsat system, and today it provides equipment for land-based, maritime and aeronautical use. The company's communication products are sold throughout the world under the brands Thrane & Thrane, Nera and SAILOR through distributors and partners and as OEM products. The company is listed on the Copenhagen Stock Exchange. More information about Thrane & Thrane can be found at: www.thrane.com.

SUMMARY OF H1 2006/07

- Revenue in H1 was DKK 448.8 million (DKK 385.9 million). Operating profit before integration costs was DKK 32.6 million (DKK 36.4 million), equivalent to an operating margin of 7.3% (9.4%). The company recorded a cash inflow from operating activities of DKK 88.0 million (DKK 46.0 million).
- Revenue in Q2 was DKK 251.6 million (DKK 241.7 million). Operating profit before integration costs was DKK 20.4 million (DKK 36.0 million).
- In H1, Thrane & Thrane completed the acquisition of Nera ASA's mobile satellite communication activities which comprised Nera's Norwegian subsidiary Nera SatCom AS and its German subsidiary European Satellite Link GmbH. Thrane & Thrane intends to divest the latter company, and has consequently only consolidated Nera SatCom.
- The acquisition price for Nera SatCom and European Satellite Link on a debt free, cash free basis was NOK 405 million in cash plus 472,000 new shares in Thrane & Thrane.
- Thrane & Thrane started shipping its new land mobile BGAN terminals, the EXPLORER™ 300, EXPLORER™ 700 and EXPLORER™ 527. Thrane & Thrane also received final approval from Inmarsat of the RAN satellite access stations for Inmarsat's BGAN system.
- Thrane & Thrane's subsidiary, Thrane & Thrane Airtime A/S, received official approval as an Inmarsat BGAN Distribution Partner.
- Thrane & Thrane still expects revenue of DKK 1,200-1,250 million for the full 2006/07 financial year (DKK 919 million), and an operating profit before integration costs of DKK 150-175 million (DKK 127 million).

This interim report has been prepared in a Danish-language and an English-language version. In the event of any discrepancies, the Danish version shall be the governing text.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

The interim financial statements are unaudited

Thrane & Thrane Group

(DKK '000)	H1 2006/07	H1 2005/06	Q2 2006/07	Q2 2005/06	12 months 2005/06
Revenue	448,762	385,852	251,594	241,677	918,890
Gross profit	129,132	117,327	74,811	78,158	295,552
Operating profit	23,385	36,423	11,238	35,999	126,897
Profit before tax	17,637	32,170	4,256	33,071	116,181
Net profit for the period	11,743	26,468	2,057	21,905	87,475
Equity at end of period	688,982	464,315	688,982	464,315	533,646
Total assets	1,710,073	884,826	1,710,225	884,826	970,442
Capital employed	1,206,429	746,180	1,206,429	746,180	747,862
Development costs incurred	70,045	74,455	37,531	36,609	146,394
Development costs as a % of revenue	15.6%	19.3%	14.9%	15.1%	15.9%
Cash inflow/(outflow) from operating activities	87,953	46,034	56,249	(29,641)	160,327
Cash outflow from investing activities	(554,080)	(57,559)	(530,405)	(23,792)	(108,869)
Net cash inflow/(outflow) for the period	139,472	(32,373)	154,681	(50,734)	941
Organic revenue growth	9.1%	(19.3%)	(7.5%)	(3.9%)	0.2%
Operating margin	5.2%	9.4%	4.5%	14.9%	13.8%
Return on capital employed	3.1%	5.0%	1.5%	5.4%	17.7%
Equity ratio	40.3%	52.5%	40.3%	52.5%	55.0%
Earnings per share	2.3	5.6	0.4	4.6	18.1
Cash flow from operating activities per share	16.9	9.7	10.8	(6.2)	33.2
Dividend per share	-	-	-	-	5.5
Net asset value per share	127	98	127	98	109
Average number of employees	613	645	604	643	632

Definitions of ratios

Capital employed	=	Total assets less cash, tax asset and non-interest bearing debt
Development costs incurred	=	Cash applied in development before subsidies
Return on capital employed	=	Profit before financial items / Capital employed at beginning of period
Equity ratio	=	Equity at end of period / Total liabilities at end of period
Earnings per share	=	Net profit for the period / Average number of shares
Cash flow from operating activities per share	=	Cash flow from operating activities / Average number of shares
Net asset value per share	=	Equity at end of period / Number of shares at end of period

The financial ratios have been calculated in accordance with Recommendations & Ratios, 2005, issued by the Danish Society of Financial Analysts.

MANAGEMENT'S REVIEW

Financial review

Revenue in H1 was DKK 448.8 million (DKK 385.9 million). Operating profit before integration costs was DKK 32.6 million (DKK 36.4 million), equivalent to an operating margin of 7.3% (9.4%). Net profit for the period was DKK 11.7 million (DKK 26.5 million).

Revenue in Q2 was DKK 251.6 million (DKK 241.7 million). Operating profit before integration costs was DKK 20.4 million (DKK 36.0 million).

The company's performance in Q2 and the first half-year overall was adversely affected by costs related to the integration of Nera SatCom. Integration costs amounted to DKK 9.2 million, including severance payments to three senior executives of Nera SatCom. For the full 2006/07 financial year, integration costs are expected to total around DKK 50 million.

Cost of goods sold in the period amounted to DKK 266.3 million (DKK 233.1 million), equal to 59.3% of revenue (60.4%). Development costs charged to the income statement amounted to DKK 53.4 million against DKK 35.4 million in the same period of last year.

Sales and distribution costs amounted to DKK 46.2 million (DKK 39.2 million), while administrative expenses were DKK 50.3 million (DKK 41.7 million). Administrative expenses included some DKK 2 million incurred in celebrating Thrane & Thrane's 25th anniversary, and share-based payment of around DKK 3 million.

Financial items amounted to DKK 14.6 million in the reporting period, including DKK 5.9 million in interest accrued on the cash purchase price for Nera SatCom during the period from July 1, 2006 to October 9, 2006.

The company's bank debt increased from DKK 216.0 million to DKK 624.4 million during the period. Of this amount, DKK 25 million is payable by April 2007 and some DKK 100 million by October 2007.

The company reported a net cash inflow from operating activities of DKK 88.0 million (DKK 46.0 million). The total cash purchase price for Nera SatCom, consideration for cash funds and net working capital, and costs paid during the six-month period amounted to DKK 632.0 million. In connection with the acquisition of Nera SatCom, Thrane & Thrane took over cash holdings of DKK 130.7 million. The company raised loans totalling DKK 464.3 million in connection with the acquisition, and received proceeds of DKK 165.2 million from shares issued. The company reported a net cash inflow for the period of DKK 139.6 million (outflow of DKK 32.4 million).

The market

Thrane & Thrane recorded an increase in revenue of around DKK 63 million, which was 16% higher compared with the same period last year. Of the higher revenue, around DKK 28 million was

attributable to the acquisition of Nera SatCom, while DKK 35 million was generated by organic growth in the maritime and land mobile markets, in particular.

Revenue by market

DKK million	H1 2006/07	H1 2005/06	Change (%)	Q2 2006/07	Q2 2005/06	Change (%)
Maritime	256.8	222.6	15%	129.5	122.5	6%
% of revenue	57%	57%		52%	51%	
Land mobile	108.4	79.4	37%	70.5	60.1	17%
% of revenue	24%	21%		28%	25%	
Aeronautical	30.2	27.2	11%	18.5	19.3	(4%)
% of revenue	7%	7%		7%	8%	
Systems	53.4	56.7	(6%)	33.1	39.8	(17%)
% of revenue	12%	15%		13%	16%	
Total	448.8	385.9	16%	251.6	241.7	4%

Q2 revenue generated in the maritime, land mobile and aeronautical markets were in line with the year-earlier figure. The moderate growth in the maritime and land mobile markets was primarily attributable to the acquisition of Nera SatCom. As had been expected, systems revenue fell due to the high activity on the RAN project in 2005/06.

Maritime products

Revenue generated in the maritime market increased 15% in H1 to DKK 256.8 million (DKK 222.6 million).

Revenue was made up of DKK 171 million (DKK 142 million) from satellite communication equipment and DKK 86 million (DKK 81 million) from radio equipment. The higher revenue was driven by increased sales of Fleet and Inmarsat-C products and MF/HF radios.

Thrane & Thrane maintained its strong market position within Fleet products. Aiming at a further increase in sales, Thrane & Thrane launched a campaign in Q2 to attract new customers. The background was that Inmarsat expects to stop offering the Inmarsat-A service in late 2007, and the purpose of the campaign is to make it attractive for vessels to replace their existing Inmarsat-A terminals with Thrane & Thrane Fleet products.

In the Inmarsat-C market, Thrane & Thrane began shipping terminals for monitoring of fishing vessels in North America. These projects are expected to boost sales of Inmarsat-C equipment in the coming six months.

Thrane & Thrane introduced its upcoming handheld VHF radio and a new MF/HF radio at the international SMM 2006 exhibition held in Hamburg, Germany in Q2. Launched in a new design, the radios offer users a range of new, attractive features that make it easier to use radio products on board vessels. Thrane & Thrane expects to introduce the two products in Q2 2007.

Land mobile products

Revenue in the land mobile market was DKK 108.4 million (DKK 79.4 million), up 37% on the same period of 2005/06.

The increase in revenue was primarily driven by sales of the EXPLORER 500, EXPLORER 700 and EXPLORER 527 BGAN terminals. At September 30, 2006, Inmarsat had recorded around 5,500 active terminals on the BGAN system. Thrane & Thrane estimates that 50-60% of them are EXPLORER terminals.

The introduction of the EXPLORER 500 set new standards for the size and applications of mobile satellite communication equipment. The EXPLORER 500 has already become the preferred terminal among existing users of mobile satellite communication equipment. As was expected, the challenge is to increase awareness of the terminal's application potential among new groups of users.

The EXPLORER 700 also attracted great demand from professional users of mobile satellite communication. Thrane & Thrane had difficulty in meeting demand for the terminals during the reporting period.

The EXPLORER 527 targeting vehicles has been sold in the North American market only, and it will later be replaced by a new version based on the EXPLORER 700. However, due to the great interest in the 'vehicular EXPLORER 500', Thrane & Thrane intends to market the terminal to customers outside North America in the upcoming period.

The acquisition of Nera SatCom added a further BGAN terminal to Thrane & Thrane's product portfolio. The WorldPro 1000/1010 terminal, which is the smallest and lightest of Thrane & Thrane's BGAN terminals, offers data speeds up to 384 kbps.

Thrane & Thrane's subsidiary, Thrane & Thrane Airtime A/S, received official approval as an Inmarsat BGAN Distribution Partner. The approval means that the company can offer BGAN airtime in combination with the EXPLORER terminals.

Thrane & Thrane Airtime launched its e-business in Q2 and worked to finalise and implement the new model. Thrane & Thrane Airtime received initial orders from four new business partners, which had no prior relationship with the company, and which have access to new customers outside the traditional Inmarsat markets. With these four new business partners, Thrane & Thrane Airtime has taken the first steps towards reaching the goal of around 8,000-10,000 users in 2010/11 and achieving revenue of DKK 100-150 million.

Aeronautical products

Revenue generated in the aeronautical market increased 11% to DKK 30.2 million (DKK 27.2 million).

Revenue was primarily driven by sales of the Aero-HSD⁺, the primary customer being aircraft manufacturer Dassault Falcon Jet Corp. Thrane & Thrane continues to seek partnership agreements with other aircraft manufacturers, including Bombardier, Cessna, Gulfstream and Raytheon.

Aircraft manufacturers are showing strong interest in the development of aeronautical communication solutions. In response, Thrane & Thrane focuses on presenting to the aircraft manufacturers both its existing Aero-HSD⁺ solution and the upcoming broadband solutions it expects to offer aircraft manufacturers. Most recently, Thrane & Thrane held presentations at NBAA 2006, the largest aviation fair held each year in the USA.

The Aero-HSD⁺ is primarily marketed to owners of business jets through collaborative agreements with service and installation centres. One such service centre is Midcoast Aviation in the USA, which replaces communication systems in existing aircraft and also installs equipment in new aircraft. Midcoast Aviation mainly works with Bombardier aircraft, and in Q2 Thrane & Thrane received its first Aero-HSD⁺ order from Midcoast Aviation for installation in a new Bombardier aircraft.

Systems

Systems generated DKK 53.4 million in revenue (DKK 56.7 million), down 6% on the same period of 2005/06.

Early in the period, Thrane & Thrane received final approval of the RAN satellite access stations for Inmarsat's BGAN satellite system. Furthermore, Thrane & Thrane completed the work of preparing specifications and design for the further development of the RAN satellite access stations, enabling them to offer new broadband services for maritime (FleetBroadband) and aeronautical (SwiftBroadband) use and for land vehicular use (BGAN).

Thrane & Thrane signed a contract with Inmarsat in Q2 for implementing and testing the new broadband services on the RAN satellite access stations. Worth some DKK 45 million (USD 7.45 million), the contract is scheduled for completion in the second quarter of the 2007 calendar year.

Product development

Development costs amounted to DKK 53.4 million in the period (DKK 35.4 million). Maintenance and depreciation of existing products accounted for DKK 22.2 million and DKK 31.2 million, respectively. In addition, DKK 47.9 million was invested in the development of new products. Thrane & Thrane received DKK 4.2 million in funding from Inmarsat, bringing the net investment in new products to DKK 43.7 million.

During the reporting period, Thrane & Thrane's product development focused on the new broadband terminals for maritime and aeronautical use and for land vehicular use. At the same time, the company implemented and tested the equivalent broadband services on the RAN satellite access stations.

In the maritime area, Thrane & Thrane also started developing a new portfolio of VHF and MF/HF radios that will enhance the company's competitive strength and expertise within VHF and MF/HF equipment. Thrane & Thrane expects to introduce the first new VHF and MF/HF products in the second quarter of 2007.

Acquisition of Nera SatCom

Thrane & Thrane completed the acquisition of Nera ASA's mobile satellite communication activities on October 10, 2006. The acquisition price on a debt free, cash free basis was NOK 405 million in cash plus 472,000 new shares in Thrane & Thrane. Nera ASA sold its portfolio of shares in Thrane & Thrane in late October 2006.

Prior to closing the transaction, Thrane & Thrane obtained approvals from the European competition authorities following mandatory notifications of the acquisition. Some countries operate a system of voluntary notification, and their regulatory bodies may elect to investigate the matter after the acquisition has been completed. The UK competition authorities used this option and subsequently asked the EU Commission's Competition Directorate-General for an assessment. Thrane & Thrane believes a number of factors speak against the Commission making an assessment of the Nera SatCom acquisition. Thrane & Thrane expects a final decision before the end of Q3 2006/07.

The acquisition of Nera's mobile satellite communication activities comprised Nera SatCom AS and its wholly-owned German subsidiary European Satellite Link GmbH (ESL). After signing the agreement to acquire Nera's mobile satellite communication activities, Thrane & Thrane investigated how ESL could best be fitted into Thrane & Thrane's strategy going forward. The conclusion was that ESL could not profitably be integrated into Thrane & Thrane because such integration would, among other things, position ESL as a direct competitor to Thrane & Thrane's existing distributors. Consequently, Thrane & Thrane intends to divest ESL.

Following the acquisition of Nera's mobile satellite communication activities, Thrane & Thrane began the process of integrating Nera SatCom into Thrane & Thrane. As part of this process

- Nera SatCom's CEO, Stig-Are Mogstad, resigned at his own request.
- The organisation was changed, and a local management team was set up, with each member of the team reporting to Denmark. The management team constitutes the day-to-day management in Norway.

- A process was initiated, aiming to reduce the number of employees by about 30. The aim is for the employee cut-back to be in place within three months of the acquisition.
- A shared IT network, common e-mail platform etc. was set up.
- Nera SatCom AS changed its name to Thrane & Thrane Norge AS.

Integration efforts in the upcoming period will focus on, among other things, implementing a new branding strategy and merging distribution channels. The integration process is expected to be completed in the late summer of 2007.

Warrant programme

Thrane & Thrane's Board of Directors wishes to issue 92,250 warrants to members of the company's Management Board, management employees and key employees, comprising 30,000 warrants to three members of the Management Board and 62,250 warrants to 85 other employees.

Accordingly, the Board of Directors has resolved to issue 62,250 warrants to management employees and key employees. Four management employees are awarded 3,000 warrants each, while the other 81 employees are awarded a total of 50,250 warrants. The award of warrants to each of the four management employees is subject to their continuous holding of at least 1,500 Thrane & Thrane shares during the vesting period.

The warrants confer a right, but not an obligation, on the holders to subscribe shares in Thrane & Thrane up to a nominal value of DKK 1,245,000. The warrants vest over one year and are exercisable for four years after vesting. The subscription price is based on the price of Thrane & Thrane shares five days after the award date.

Following the award, a total of 311,544 warrants are outstanding, equivalent to 5.8% of the share capital.

Warrants are expected to be awarded to the Management Board after the ordinary general meeting to be held in June 2007, at which the Board of Directors intends to ask for authorisation, pursuant to article 3.A.3 of the company's articles of association, to issue new warrants. The award of warrants to each of the three members of the Management Board is subject to their continuous holding of at least 10,000 Thrane & Thrane shares during the vesting period.

Increase of share capital

The warrants vested in the period entitled members of the Board of Directors and employees of Thrane & Thrane to subscribe a total of 27,270 shares of DKK 20 nominal value each. The exercise increased the company's share capital by a nominal amount of DKK 545,400.

In connection with the acquisition of Nera's mobile satellite communication activities, Thrane & Thrane issued 472,000 new shares of DKK 20 nominal value each, corresponding to a total increase

of the share capital by a nominal value of DKK 9,440,000. In addition, 8,613 new free bonus shares of DKK 20 nominal value each were issued in Q2 to 576 employees, corresponding to an increase of the share capital by a nominal value of DKK 172,260. The bonus shares were a gift to the employees on the occasion of Thrane & Thrane's 25th anniversary.

Thus, a total of 507,883 new shares were issued during the reporting period, corresponding to a total increase of the share capital by DKK 10,157,660 nominal value. At October 31, 2006, Thrane & Thrane thus had a total nominal share capital of DKK 108,247,600, divided into 5,412,380 shares of DKK 20 each.

Outlook

Thrane & Thrane still expects revenue of DKK 1,200-1,250 million for the full 2006/07 financial year (DKK 919 million), and an operating profit before integration costs of DKK 150-175 million (DKK 127 million). Integration costs are still expected to total around DKK 50 million.

This guidance is subject to some uncertainty as the allocation of the purchase price on acquired assets pursuant to IFRS 3 may result in depreciation of assets not included in the above figures.

Thrane & Thrane A/S

INCOME STATEMENT

The interim financial statements are unaudited

Thrane & Thrane Group

(DKK '000)	H1 2006/07	H1 2005/06	Q2 2006/07	Q2 2005/06	12 months 2005/06
Revenue	448,762	385,852	251,594	241,677	918,890
Cost of sales					
- Cost of goods sold	(266,264)	(233,109)	(148,123)	(143,885)	(547,980)
- Development costs	(53,366)	(35,416)	(28,660)	(19,634)	(75,358)
Gross profit	129,132	117,327	74,811	78,158	295,552
Distribution costs	(46,215)	(39,186)	(25,018)	(21,085)	(84,102)
Administrative expenses	(50,346)	(41,718)	(29,369)	(21,074)	(84,553)
Integration costs	(9,186)	-	(9,186)	-	-
Operating profit	23,385	36,423	11,238	35,999	126,897
Financial income	8,812	2,276	2,838	604	2,820
Financial expenses	(14,560)	(6,529)	(9,820)	(3,532)	(13,536)
Profit on ordinary activities before tax	17,637	32,170	4,256	33,071	116,181
Tax on profit on ordinary activities	(5,894)	(5,702)	(2,199)	(11,166)	(28,706)
Net profit for the period	11,743	26,468	2,057	21,905	87,475

Statement of changes in equity

(DKK'000)	Share capital	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total
Equity at April 30, 2005	94,712	(715)	349,531	23,608	467,136
Fair value adjustment of hedge instruments before tax	-	-	(5,663)	-	(5,663)
Hedging of cash flows	-	-	(23,677)	-	(23,677)
Exchange adjustment of subsidiaries	-	495	-	-	495
Share-based payment	-	-	1,710	-	1,710
Other income	-	-	1,024	-	1,024
Tax on equity entries	-	-	9,596	-	9,596
Net gain/(loss) recognised directly in equity	-	495	(17,010)	-	(16,515)
Net profit for the year	-	-	60,500	26,975	87,475
Total recognised gains and losses	-	495	43,490	26,975	70,960
Dividend to shareholders	-	-	-	(23,608)	(23,608)
Capital increases	3,378	-	15,780	-	19,158
Equity at April 30, 2006	98,090	(220)	408,801	26,975	533,646
Fair value adjustment of hedge instruments before tax	-	-	552	-	552
Hedging of cash flows	-	-	(4,081)	-	(4,081)
Exchange adjustment of subsidiaries	-	(1,126)	-	-	(1,126)
Share-based payment	-	-	4,969	-	4,969
Other income	-	-	-	-	-
Tax on equity entries	-	-	986	-	986
Net gain/(loss) recognised directly in equity	-	(1,126)	2,426	-	1,300
Net profit for the period	-	-	11,743	-	11,743
Total recognised gains and losses	-	(1,126)	14,169	-	13,043
Dividend to shareholders	-	-	54	(26,975)	(26,921)
Capital increases	10,158	-	159,056	-	169,214
Equity at October 31, 2006	108,248	(1,346)	582,080	-	688,982

BALANCE SHEET

The interim financial statements are unaudited

Thrane & Thrane Group

(DKK '000)	Oct. 31, 2006	Oct. 31, 2005	April 30, 2005
ASSETS			
Fixed assets			
Intangible assets			
Software	10,946	10,310	11,975
Completed development projects	139,010	98,631	111,804
Development projects in progress	137,944	151,065	152,670
Goodwill	590,297	124,820	124,820
	878,197	384,826	401,269
Property, plant and equipment			
Land and buildings	18,864	19,774	19,233
Airplanes	300	2,384	1,284
Plant and machinery	19,826	25,538	21,680
Other fixtures and fittings, tools and equipment	16,248	9,123	11,863
Plant and equipment in progress	2,556	935	324
	57,794	57,754	54,384
Financial assets			
Deposits	7,007	7,101	7,214
Deferred tax asset	26,455	5,327	4,959
Equity investments for sale	14,755	-	-
	48,217	12,428	12,173
Total non-current assets	984,208	455,008	467,826
Current assets			
Inventories	268,894	192,528	221,385
Receivables			
Trade receivables	266,988	170,017	244,459
Contract work in progress	13,659	55,028	1,854
Other receivables	3,238	1,164	4,464
Prepayments	15,743	8,105	7,553
Income taxes	-	2,976	5,030
	299,628	237,290	263,360
Cash	157,343	-	17,871
Total current assets	725,865	429,818	502,616
TOTAL ASSETS	1,710,073	884,826	970,442

BALANCE SHEET - CONTINUED

The interim financial statements are unaudited

Thrane & Thrane Group

(DKK '000)	Oct. 31, 2006	Oct. 31, 2005	April 30, 2005
EQUITY AND LIABILITIES			
Equity			
Share capital	108,248	95,055	98,090
Exchange adjustment reserve	(1,346)	-	(220)
Retained earnings	582,080	369,260	408,801
Proposed dividend	-	-	26,975
Total equity	688,982	464,315	533,646
Deferred tax	71,206	68,972	89,658
Provisions	9,371	7,285	19,556
Credit institutions	498,640	150,515	101,429
Non-current liabilities	579,217	226,772	210,643
Current liabilities			
Credit institutions	125,800	65,443	50,800
Provisions	35,460	-	15,388
Prepayments from customers	25,180	1,229	1,207
Trade payables	143,749	86,473	103,790
Income taxes	20,354	5,238	189
Other payables	77,083	29,382	50,383
Deferred income	14,248	5,974	4,396
Current liabilities	441,874	193,739	226,153
Total liabilities	1,021,091	420,511	436,796
TOTAL EQUITY AND LIABILITIES	1,710,073	884,826	970,442

CASH FLOW STATEMENT

The interim financial statements are unaudited

Thrane & Thrane Group

(DKK '000)	H1 2006/07	H1 2005/06	Q2 2006/07	Q2 2005/06	12 months 2005/06
Revenue	448,762	385,852	251,594	241,677	918,890
Costs	(375,266)	(318,107)	(212,723)	(189,085)	(726,240)
Cash generated from operations (operating activities) before change in working capital	73,496	67,745	38,871	52,592	192,650
Change in inventories	(3,939)	(15,807)	3,167	5,661	(44,664)
Change in receivables	33,472	11,143	(15,325)	(64,188)	(23,319)
Change in trade payables, etc.	(9,327)	(12,794)	36,519	(20,778)	51,175
Change in working capital	20,206	(17,458)	24,361	(79,305)	(16,808)
Cash generated from operations (operating activities)	93,702	50,287	63,232	(26,713)	175,842
Financial income	8,812	2,276	2,838	604	2,820
Financial expenses	(14,561)	(6,529)	(9,821)	(3,532)	(13,536)
Cash generated from operations (ordinary activities)	87,953	46,034	56,249	(29,641)	165,126
Income tax paid	-	-	-	-	(4,799)
Cash inflow from operating activities	87,953	46,034	56,249	(29,641)	160,327
Investments					
Intangible assets	(46,140)	(55,657)	(24,597)	(23,049)	(101,310)
Property, plant and equipment	(6,690)	(1,902)	(4,558)	(743)	(7,559)
Net acquisition of activities	(631,949)	-	(631,949)	-	-
Cash taken over on acquisition	130,699	-	130,699	-	-
Cash outflow from investing activities	(554,080)	(57,559)	(530,405)	(23,792)	(108,869)
Cash inflow/(outflow) before financing	(466,127)	(11,525)	(474,156)	(53,433)	51,458
Financing					
Debt repayment	-	-	199	-	(50,306)
Proceeds from borrowings	464,326	-	464,326	-	2,431
Subscription of new shares upon exercise of warrants	4,014	2,355	-	2,355	19,157
Capital increase on acquisition of Nera SatCom	165,200	-	165,200	-	-
Dividend paid	(26,921)	(23,608)	-	-	(23,608)
Other adjustments	(905)	405	(823)	344	1,684
Cash inflow/(outflow) from financing activities	605,714	(20,848)	628,902	2,699	(50,642)
Net cash inflow/(outflow)	139,587	(32,373)	154,746	(50,734)	816
Exchange adjustment of cash and cash equivalents at beginning of period	(115)	-	(65)	-	125
Cash inflow/(outflow) for the period	139,472	(32,373)	154,681	(50,734)	941
Cash and cash equivalents at beginning of period	17,871	16,930	2,662	35,292	16,930
Cash and cash equivalents at end of period	157,343	(15,443)	157,343	(15,442)	17,871