

Press release

TKH Group NV (TKH)¹

Trading update 3rd quarter 2005

Net profit TKH Group up 35% in third quarter

- Turnover rises 18.7% to € 132.8 million in third quarter 2005 (Q3 2004: € 111.9 million).
- Operating result (EBIT) up 27.5% to € 7.9 million in third quarter 2005 (Q3 2004: € 6.2 million).
- Net profit increases by 34.7% to € 4.6 million in third quarter 2005 (Q3 2004: € 3.4 million).

Outlook

- Profit outlook raised: TKH Group expects net profit for the full year 2005, excluding one-off items, to be approximately 20% higher than in the full year 2004.
- In the fourth quarter 2005, a one-off tax gain of € 7.5 million will be realized.

Key figures (in € mln unless otherwise stated)

	Q3 2005	Q3 2004	Difference in %	Year to date 2005	Year to date 2004	Difference in %
Turnover	132.8	111.9	+ 18.7	391.9	324.0	+ 20.9
Operating result (EBIT)	7.9	6.2	+ 27.5	25.6	21.5	+ 18.8
Net profit	4.6	3.4	+ 34.7	16.2	13.1	+ 23.9
Net earnings per ordinary share (in €)				1.99	1.62	
ROS				6.5%	6.7%	

Alexander van der Lof, CEO of TKH: "We are pleased with the results achieved in the last quarter. The acquisitions, again, strongly contributed to the increase in turnover and results, also because of the improved performance of these companies within the TKH Group. Based on these developments and the expectations for the TKH Group in the fourth quarter we have raised the outlook for the full year 2005."

Developments third quarter

In the third quarter 2005 TKH Group's turnover increased by 18.7% to € 132.8 million. Organic growth amounted to 4%. Turnover for the Technical Trading Group and the Cable Group increased while the Machinery Group showed a lower turnover, partly because of the high delivery levels in the third quarter of 2004. The

¹ As of May 2005 N.V. Twentsche Kabel Holding was changed to TKH Group NV

acquisitions within the Technical Trading Group contributed substantially to the increased turnover. Also the Home Networking segment showed considerable growth. The turnover increase in the Cable Group was mostly secured outside the Netherlands, which is in line with the developments in the first half of 2005.

The operating result (EBIT) improved 27.5% to € 7.9 million in the third quarter. Operating result for both the Technical Trading Group and the Cable Group increased. The Machinery Group showed a decline in the operating result caused by the lower delivery levels.

As a result of the increased operating result and the lower tax burden, net profit rose 34.7% to € 4.6 million in the third quarter

Financial situation year to date

Turnover increased by 20.9% to € 391.9 million in the first nine months of 2005. The operating result in the first nine months improved 18.8% to € 25.6 million, while net profit rose 23.9% to € 16.2 million in the first nine months.

One-off gain fourth quarter

Agreement has been reached with the Dutch Revenue Services (Nederlandse Belastingdienst) regarding the fiscal treatment of the extraordinary depreciation of the investments in China within the consolidated annual financial statements of 2002. In accordance with the principles of valuation and determination of the result used by TKH Group, a one-off tax gain of € 7.5 million will be accounted for in the results of the fourth quarter 2005.

Outlook

Based on the results realized in the first nine months of 2005 and the developments in the fourth quarter, TKH Group expects net profit for the full year 2005, excluding one-off items, to be approximately 20% higher than in the full year 2004.

Haaksbergen, 24 November 2005

Executive Board

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Agenda

Thursday 9 March 2006:	Publication of annual figures 2005
Tuesday 2 May 2006:	Trading update Q1 2006
Wednesday 3 May 2006:	Annual General meeting of Shareholders
Thursday 24 August 2006:	Publication of interim results 2006

Profile

TKH Group NV (TKH) is an internationally operating group of companies that as a solution supplier has specialised in the development and delivery of innovative Telecom, Building and Industrial Solutions.

The activities in the form of technologies, know-how, products and added value such as consulting, development, assembly and delivery of systems, form the building blocks of innovative solutions. These activities are concentrated in three groups: the Technical Trading Group, Cable Group and Machinery Group.

At TKH solutions are key, not the kind of activities (groups).

The Telecom Solutions comprise solutions ranging from basic infrastructure to home networking applications, for both outdoor telecom and indoor telecom (ICT) markets.

The Building Solutions range from solutions in the area of efficient electrical engineering to ICT systems for the healthcare sector. In this segment TKH concentrates on cable systems and networks, intercom systems, care communication systems, access control systems and electricity distribution systems.

The Industrial Solutions consist of advanced solutions for product automation, car and truck tyre building systems and industrial applications for specialty cable and cable accessories.

With 33 companies operating worldwide, TKH is a global player. Its growth is concentrated in North-Western and Eastern Europe and Asia. In 2004 TKH achieved turnover of € 459.6 million with 2,541 employees.