

Press release

TKH Group NV

Important strategic expansion for TKH in France

TKH provides further guidance for 2007

TKH announces that negotiations have reached the stage that justifies the expectation that TKH will acquire 100% of the shares in CAE Groupe, based in France.

CAE Groupe is active in ICT and electro-technical solutions in the TKH sectors Building and Industrial Solutions. Over 70% of revenues is realised in cable solutions. The company booked turnover of EUR 122.1 million and a normalised operational result (EBIT) of EUR 12 million in 2006. CAE has 300 employees.

Alexander van der Lof, CEO TKH: "This significant acquisition accelerates TKH's geographical development in Europe. CAE Groupe has a strong position in France under its own brand names. TKH will further position CAE's brand names within Europe. In addition, CAE's access to the total TKH portfolio creates interesting growth potential for both CAE and TKH."

The purchase price for the shares of CAE Groupe will be € 75 million. TKH will finance around 90% of the acquisition from available bank facilities. The remainder will be financed through the issue of shares, which will result in an increase in TKH's outstanding share capital of around 1%. The acquisition of CAE Groupe will have a positive impact on TKH's earnings per share in the second half of 2007.

This acquisition gives TKH a strong position in France. CAE Groupe has eight locations in France, with a good geographical spread and coverage across France. Around 80% of turnover is realised in France, while the remainder is largely generated in the rest of Europe.

The CAE Groupe portfolio is a perfect fit with that of TKH, which will create opportunities to add parts of the TKH range to the French offering, while parts of the CAE range could also be added in countries in which TKH is already active. Adding the TKH portfolio in the field of, among other things, video security systems, intercom, access monitoring, home networking and Fiber to the Home solutions, will create interesting growth potential.

In line with TKH strategy, CAE outsources 80% of the production of its solutions. In-house production within the CAE Groupe accounts for 20% of the activities and is concentrated in two locations, in northern Italy and France, where specialty cable respectively high-quality connectors for Local Area Networks and for industrial use are produced.



Outlook

Furthermore, TKH announces that net profit for the full year 2007, including the contribution of CAE Groupe after acquisition, is expected to be between 15% and 20% higher than in 2006.

The margin (ROS) in the segment tyre-building systems will, due to the high level of innovations and the related learning curve effects, be lower in 2007 than in 2006 and will be around 6 or 7%.

TKH's net profit for the first half of 2007 is expected to be around 10% higher than in the same period of 2006. TKH will publish its final first half figures on 31 August 2007.

Haaksbergen, 20 July 2007

Executive Board

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Agenda

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| 31 August 2007 | Publication of first-half 2007 results |
| 22 November 2007 | Trading update Q3 2007 |



Profile

TKH Group NV (TKH) is an internationally operating group of companies that as a solution supplier has specialised in creating and supplying 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 for innovative solutions. These activities are concentrated in three groups: the Technical Trading Group, the Cable Group and the Machinery Group.

At TKH it is the solutions that play the central role, not the kind of activity (group).

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

The Building Solutions comprise solutions ranging from efficient electrical engineering to ICT systems for the health care sector. In this segment TKH concentrates on cable systems and networks, intercom systems, nurse paging systems, access control and electricity distribution.

The Industrial Solutions consist of advanced solutions for production automation, car and truck tyre building systems and industrial applications in the field of speciality cable and cable accessories.

The 38 companies in the TKH Group are active all over the world. Its growth is concentrated on North West and Eastern Europe and Asia. In 2006 TKH secured a turnover of € 686 million with 2,961 employees.