

Press release

TKH Group NV

Trading update 3rd quarter 2007

TKH net profit in first nine months up 17%

- Turnover third quarter 2007 increases 23.7%, 10.1% of this organic.
- Net profit third quarter 2007 up 22.2% to €8.8 million.
- Order book specialty cable solutions reaches record level.
- Integration of CAE Groupe, acquired in July, progressing well.
- Innovation Machinery Group rewarded with substantial order intake of €56 million in third quarter.

Outlook

- TKH repeats its forecast of an increase in net profit for the full-year 2007 of around 15% to 20% compared with 2006.

Key figures (in €million unless otherwise stated)

	Q3 2007	Q3 2006	Δ in %	nine months 2007	nine months 2006	Δ in %
Turnover	208.9	168.8	+ 23.7	593.7	487.5	+21.8
Operating result (EBIT)	14.8	11.9	+ 24.4	40.6	35.3	+14.9
Net profit	8.8	7.2	+ 22.2	26.2	22.4	+ 17.0
Net profit per ordinary share (in ")				0.77	0.67	+ 14.9
ROS				6.8%	7.2%	

Alexander van der Lof, CEO TKH: "Our innovative strength has allowed us to attain good positions in promising areas such as the medical sector, the security sector and the tyre manufacturing sector. Our innovations in these sectors have led to a strong increase in order intake in the third quarter and a strengthening of our market position, which has created a solid basis for growth in 2008."

Developments in the third quarter

In the third quarter of 2007, TKH saw its turnover rise by 23.7% to € 208.9 million. Organic turnover growth was 10.1%. Within the Technical Trading Group, the acquisitions made a considerable contribution to the increased turnover, but organic growth was also positive at 9.6%. Turnover at the Cable Group increased strongly due to a further increase in demand for high-grade cable systems in the industrial sector. The Machinery Group's third quarter turnover was virtually the same as last year. Order intake reached a record level in the third quarter 2007, largely due to newly introduced innovations which were received positively in the market.

The operating result (EBIT) increased by 24.4% to " 14.8 million in the third quarter. Both the Technical Trading Group and the Cable Group realised a strong increase in operating result. The operating result of the Machinery Group came out on a lower level. The higher cost level, as a result of the high proportion of innovations and the activities in the US, continued to have a negative effect in the third quarter, as they did in the second quarter.

Net profit increased by 22.2% to " 8.8 million in the third quarter.

Results for the first nine months

Turnover in the first nine months of 2007 increased by 21.8% to " 593.7 million. The organic turnover growth was 14.0%. The operating result in the first nine months of the year increased by 14.9% to " 40.6 million, while net profit in the same period rose 17.0% to " 26.2 million.

Outlook

The market conditions for the Technical Trading Group and the Cable Group are positive. The Machinery Group is now also developing positively as a result of the strongly reduced costs related to the high proportion of innovations. Based on the results the TKH group realised in the first nine months of 2007 and the developments to date in the fourth quarter, TKH reiterates its forecast that net profit for the full-year 2007 will increase by around 15% to 20% compared with the full-year 2006.

Haaksbergen, 21 November 2007

Executive Board

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Key dates

12 March 2008	Publication annual results 2007
6 May 2008	Trading update Q1 2008
7 May 2008	Annual General Meeting of Shareholders
29 August 2008	Publication first-half results 2008
20 November 2008	Trading update Q3 2008

Profile

Technical solutions provider, TKH Group NV (TKH) is an internationally operating Group of companies 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 the solutions 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 43 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.