

**Company Announcement No. 25/2008**  
**Copenhagen, Denmark**  
**August 28, 2008**

## **Financial results for First Half-year 2008**

Olicom A/S (“Olicom”) which trade on OMX Nordic Exchange in Copenhagen, today announced its financial results for first half-year 2008.

### **Financial Results in Accordance With Expectations and the Acquisition of Aktiv Gruppen Completed**

- The result of primary operations of DKK 2.3 million is in accordance with expectations
- The acquisition of Aktiv Gruppen was completed on June 30, 2008, and the associated share capital increase of approximately DKK 100 million was closed on July 11, 2008
- The financing of both the acquisition of Aktiv Gruppen and the development of its projects has been secured
- Group’s portfolio of investment properties is still expected to show a profit of the primary operations for 2008 in the order of DKK 5 million. The portfolio of development projects acquired from Aktiv Gruppen is expected to have a small positive impact on the results of primary operations.

## **Olicom Is Transforming to Become a Real-estate Company**

On March 12, 2008, Olicom made a share capital increase of DKK 128.3 million. The share capital increase was made through contribution in kind of the companies Castor Holding A/S (“Castor Holding”) and Nygade 29 – 39, Ikast ApS (“Nygade”) at a total value of DKK 100 million and through conversion of debt at an amount of DKK 28.3 million.

As Castor Holding’s real estate portfolio of business properties represents the financially most important activity in the three companies the international financial reporting standards (IFRS as approved by the EU) prescribe that the reporting is made based on Castor Holding being the continuing entity. This means that the reporting is made as if Castor Holding had acquired Olicom and Nygade and thus was the Group’s parent company. The interim financial statements in the present announcement thus primarily reflects the financial results for first half-year 2008 for Castor Holding, while the financial results for Olicom and Nygade only are included from March 12, 2008. The comparison figures for 2007 relate exclusively to Castor Holding.

In April, 2008, the Company made further share capital increases through a rights issue in the amount of DKK 70.4 million and an additional conversion of debt in the amount of DKK 4.0 million. The Company’s nominal share capital at June 30, 2008, was DKK 207.0 million.

## **Acquisition of Aktiv Gruppen**

On June 30, 2008, Olicom signed a definitive agreement on the acquisition of a portfolio of real-estate projects from Aktiv Gruppen (Aktiv Gruppen Holding A/S, Real Ejendomme A/S and Aktiv Gruppen Norge A/S) as described in Company Announcement No. 21 of June 24, 2008. In accordance with the final agreement Olicom takes over net assets excluding interest carrying debt of DKK 500 million. In addition a number of conditional and option based purchase agreements regarding future projects was taken over. The acquisition was financed by DKK 100 million in new equity and the remaining in assumed debt. The equity financed payment was provided through the issue of approximately 355 million new shares at an issue price of DKK 0.28 per share. These shares were subscribed by a limited number of professional investors (Company Announcement No. 23 of July 11, 2008) and application for listing of the shares will be made in the near future when the prospectus for the listing has been approved. As a result the Company’s shareholders’ equity is now approximately DKK 300 million, which constitute 26.5 per cent of total Group assets.

In connection with the signing of the definitive purchase agreement on June 30, 2008, Olicom assumed management of Aktiv Gruppen’s real-estate portfolio and Aktiv Gruppen’s balance sheet is therefore included in the Group’s balance sheet on June 30, 2008. Until the completion of the share capital increase the acquisition amount was financed through loans and cash at hand. From July 1, 2008, Aktiv Gruppen will be consolidated in the Olicom Group’s financial statements.

The transaction is in line with the Company's announced vision and through the transaction the Company will acquire an organization, which can manage and execute both the acquired project as well as the projects already owned. Olicom will thus become a significant player in the real-estate market with the opportunity to realize synergy effects. The portfolio to be acquired comprises both short and long term projects, which will strengthen Olicom's position and possibilities as regards both planning and further acquisitions. The increase in size following the acquisition is expected to improve Olicom's risk profile.

### **Financial Results for the First Half-year 2008**

The financial result for the first half-year is a loss of DKK 3.4 million. The shareholders' equity on June 30, 2008, was DKK 201.3 million.

The result of primary operation of DKK 2.3 million of the Group's real estate portfolio during first half-year 2008 was as expected. Various projects aimed at optimizing the occupancy rate and thus the value of the properties were started. A valuation will be made when the projects have been completed and their impact on the occupancy rate may be established. During the implementation period the costs of the projects are capitalized, but after completion the costs will either be expensed or added to the book value of the properties pending the result of the evaluation. The smaller properties in the portfolio are being offered for sale. As a result sales contracts at a total value of approximately DKK 5 million has been signed. No change to the valuation of the real estate portfolio has been made compared to the valuation that formed the basis for the contribution in kind, as no such change has been justified.

### **IT Portfolio Companies**

Through the co-operation with IVS A/S the Company holds shares in LH Comlog A/S, Hymite A/S, and Scalado AB. All of the three portfolio companies have during the year performed in accordance with the Company's expectations.

### **Aktiv Gruppen's Project Portfolio**

The project portfolio acquired from Aktiv Gruppen is dominated by 4 major projects of which three in Denmark and one in Norway.

In an area close to Skejby Hospital and a coming University Hospital approximately 1,900 residencies in individual houses as well as apartments are being planned. The project is divided into several phases, and the Company's ownership of each phase will vary between close to 30% and up to approximately 50%, with the remaining parts being owned by local investors. The first development tasks will at the earliest be initiated in 2009.

In co-operation with the Municipality of Herning an area of 7 - 8 million square meters will be developed as an extension of the existing city. It has recently been decided to build a new hospital in an area close by. The project's first phase comprises development of a residential area comprising 945 plots for individual houses with extensive leisure facilities including a major lake, golf course and a dome for skiing. The development will be carried out by a company in which the Municipality of Herning holds 40% and Aktiv Gruppen holds 60%. The project is in the planning phase and the initial development works are expected to be initiated by the end of 2008 with the first detailed zoning plan being approved in April 2009.

In St. Rørbæk near Frederikssund a new town with approximately 6,400 residencies comprising both individual houses and apartments is being planned. The new town's centre will be a coming commuter train station and a shopping mall. The project is expected to be executed in phases over a 15 year period. The project is in the planning phase and the initial development tasks will at the earliest be initiated in 2010.

On the Justnes peninsula near Kristiansand in Norway infrastructure and building plans are established for a town development comprising 1,075 dwellings, which are expected to be build over a 10 year period. The project has started and the first phase comprising 51 individual houses and a building site for 36 apartments has been sold.

In addition to the projects described above the portfolio comprises approximate 30 other smaller and mid-sized projects situated at Zealand, Funen and Jutland. The projects mainly comprise dwellings but also a couple of business projects are included. The portfolio also comprises a renovation and sales project for Dansk Folkeferie's vacation centers some of which are uniquely situated at some of Denmark's most attractive bathing beaches.

During the first half-year of 2008, which is not included in Olicom's financial statements, Aktiv Gruppen experienced an expected slow-down in sales particularly regarding housing projects. With regard to the major projects under development significant progress has been made regarding both the Herning project and the Norwegian project. In Herning efforts to complete the zoning plan are on schedule and Norway infrastructure and other works are progressing as well.

### **Expectations for 2008**

Group's current portfolio of investment properties is still expected to show a profit of the primary operations for 2008 in the order of DKK 5 million excluding possible valuation adjustments. The IT venture investments will only impact the result of primary operations through possible valuation adjustments. The portfolio of development projects acquired from Aktiv Gruppen is expected to have a small positive impact on the results of primary operations. Financial items are expected to show a net-expense in the order of DKK 10 million.

### **Statement by the Board of Directors and Management**

The Board of Directors and Management have today considered and approved the Interim Report for the period January 1 – June 30, 2008 for Olicom A/S.

The Interim Report, which has not been audited, has been drawn up in accordance with the provisions in IFRS as approved by the EU and additional provisions for listed Danish companies. The accounting policies applied are considered as appropriate so that the Interim Report under the stated assumptions gives a true and fair view of Olicom A/S' assets, liabilities and financial position as of June 30, 2008 and of the Group's results for the period January 1 – June 30, 2008.

**Forward Looking Statements**

This announcement contains forward looking statements, which are subject to risks and uncertainties, which may cause actual results to differ from the anticipated results.

**Attachments**

Summary of Income Statement and Balance Sheet follow.

**About Olicom**

Further information about Olicom can be found at [www.olicom.com](http://www.olicom.com) or obtained by contacting CEO Per Brøndum Andersen tel. +45 4527 0000 or e-mail [pba@olicom.com](mailto:pba@olicom.com).

## Attachments – Summary of Income Statement for The Group

### Income Statement (unaudited)

(in DKK 1,000 except amounts per share)

	January 1 – June 30	
	<u>2008</u>	<u>2007</u>
Rental income from real estate portfolio	7,328	6,920
Valuation adjustments of investment portfolio	0	0
<b>Income from primary operations</b>	<b>7,328</b>	<b>6,920</b>
Other income from operations	662	1,183
Other operational expenses	-4,339	-3,281
Staff Expenses	-1,385	-1,015
<b>Result of primary operations before valuation adjustments</b>	<b>2,266</b>	<b>3,807</b>
Valuation adjustment properties	0	52
Valuation adjustment mortgage debt	0	0
Profit from sale of receivable and properties	0	-211
<b>Result of primary operations before interest</b>	<b>2,266</b>	<b>3,648</b>
Financial income items	1,526	32
Financial expense items	-7,226	-3,690
<b>Result of primary operations before tax</b>	<b>-3,434</b>	<b>-10</b>
Tax for the period	0	-469
<b><u>Result for the period</u></b>	<b><u>-3,434</u></b>	<b><u>-479</u></b>
<b>Result per share</b>	<b>-0.01</b>	<b>-0.03</b>
<b>Weighted average shares outstanding</b>	<b>441,641</b>	<b>17,347</b>

## Attachments – Summary of Balance Sheet for The Group

### Balance Sheet

(in DKK 1,000)	June 30 2008 <u>(unaudited)</u>	December 31 2007 <u>(audited)</u>
<b>ASSETS</b>		
Goodwill	33,067	0
<b>Intangible assets</b>	<b>33,067</b>	<b>0</b>
Properties	299,800	266,455
Other fixed assets	4,681	7
<b>Fixed assets</b>	<b>304,481</b>	<b>266,462</b>
Investments in portfolio companies	24,245	0
Investments in associated companies	85	0
Other financial long-term assets	53,127	0
<b>Financial long-term assets</b>	<b>77,457</b>	<b>0</b>
<b>Long-term assets</b>	<b>415,005</b>	<b>266,462</b>
Work in progress	573,657	0
Receivables from sales and services	26,873	2,226
Receivables from portfolio companies	8,435	0
Other receivables	55,292	21,935
Deferred tax	9,328	0
<b>Short-term assets</b>	<b>673,585</b>	<b>24,161</b>
<b>Cash</b>	<b>46,428</b>	<b>21</b>
<b><u>TOTAL ASSETS</u></b>	<b><u>1,135,018</u></b>	<b><u>290,644</u></b>

**Attachments – Summary of Balance Sheet for The Group  
Balance Sheet**

(in DKK 1,000)	<b>June 30 2008 <u>(unaudited)</u></b>	<b>December 31 2007 <u>(audited)</u></b>
<b>LIABILITIES</b>		
Group shareholders' equity	201,335	94,994
Minority interets	259	
<b>Shareholders' equity</b>	<b>201,594</b>	<b>94,994</b>
Deferred tax	24,998	22,500
Other reserves	18,417	0
<b>Reserves</b>	<b>43,415</b>	<b>22,500</b>
Mortgage debt	210,490	97,464
Other long-term debt	30,000	30,000
<b>Long-term debt</b>	<b>240,490</b>	<b>127,464</b>
Financial institutions	464,863	29,394
Other short-term payables	184,656	16,292
<b>Short-term liabilities</b>	<b>649,519</b>	<b>45,686</b>
<b><u>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>	<b><u>1,135,018</u></b>	<b><u>290,644</u></b>



## Attachments – Statement of Equity

### STATEMENT OF EQUITY

(in DKK 1,000)

	<u>Share Capital</u>	<u>Premium on share issue</u>	<u>Retained earnings and other reserves</u>	<u>Total</u>
<b>Balance at January 1, 2007</b>	<b>25,000</b>	<b>0</b>	<b>61,166</b>	<b>86,166</b>
Share capital increase	3,000	7,000		10,000
Currency adjustment foreign entities			-185	-185
Net income/loss 2007			-987	-987
<b>Balance at January 1, 2008</b>	<b>28,000</b>	<b>7,000</b>	<b>59,994</b>	<b>94,994</b>
Change acquiring entity	67,000		-67,000	0
Net income/loss for the period			-3,434	-3,434
Share capital increase	70,378			70,378
Conversion of debt	3,962			3,962
Currency adjustment foreign entities			-127	-127
Contribution in kind, Nygade	5,000		1,079	6,079
Contribution in kind, Olicom	4,341			4,341
Contribution in kind, conversion of debt	28,327			28,327
Cost of share issue			-3,185	-3,185
<b>Balance at June 30, 2008</b>	<b>207,008</b>	<b>7,000</b>	<b>-12,673</b>	<b>201,335</b>