

Company Announcement No. 10/2007
Copenhagen, Denmark
October 25, 2007

Financial results for Q3 2007

Copenhagen, Denmark, October 25, 2007: Olicom A/S, which trade on OMX Nordic Exchange in Copenhagen, today announced its financial results for Q3 2007.

New Main Activity

As also announced in the Company's annual report for 2006, the Company has entered an agreement with ADR NR. 1904 ApS ("ADR") on a share issue and the acquisition from ADR of a real estate portfolio. The agreement is conditional upon approval of the terms of the share issue by an extraordinary shareholders' meeting expected to take place mid November 2007. Under the agreement ADR will secure the funding of Olicom's operations until the completion of the share issue. After the planned share issue Olicom's future main activity will be real estate investments. The Company's existing IT venture capital investments are expected to be held until exits are achieved. The share issue is expected to comprise a share capital increase in the amount of app. DKK 200 million of which app. DKK 65 million will be offered as a rights issue and another DKK 133 million will be a directed issue. Through the directed issue debt of app. DKK 28 million will be converted to share capital, DKK 5 million will be paid in cash and the Company will acquire 11 business properties predominantly located in Denmark having a net value of app. DKK 100 million. The gross value of the properties of DKK 300 million has mainly been determined based on valuations provided by independent experts. The subscription price is expected to be equal to the nominal value of the shares, which is DKK 0.25 per share. The Company expects that the prospectus for the rights issue will be completed and approved allowing the issue to take place early 2008.

Q3 Report

The Board of Directors and Management have today considered and approved the Interim Report for the period January 1 – September 30, 2007 for Olicom A/S.

The Interim Report, which has not been audited, has been drawn up in accordance with the provisions in IFRS and additional provisions for companies listed on OMX Nordic Exchange in Copenhagen. 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 September 30, 2007 and of the Group's results for the period January 1 – September 30, 2007.

The financial statements for the period January 1 – June 30, 2007, which have been prepared under the assumption that the abovementioned plan is carried through, show a loss of DKK 6.8 million. The shareholders' equity as of June 30, 2007, is negative by DKK 10.1 million.

In July 2007 the EC Court has ruled in favour of Olicom in a case concerning payment of import duty regarding combined modem and network cards, which the Company manufactured in the late 1990s. The case is now finally settled by the Danish courts, which as expected by Olicom, followed the ruling of the EC Court. Therefore, the Company has received a refund of previously paid import duty of DKK 2 million plus interest of DKK 1.1 million. The amounts are booked as income in Q3 2007.

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. During the quarter Scalado raised additional capital from its existing shareholders and Olicom subscribed its proportional share at an amount of DKK 1.3 million.

Expectations for 2007

Provided that the shareholders' meeting in Olicom approves the preconditions for implementing the agreement with ADR, the Company's future activities will predominantly be real-estate investments. In 2007 the Company expects to incur administrative and financial costs of DKK 10 – 11 million and income from discontinued business of more than DKK 3 million, resulting in a net loss of app. DKK 7 - 8 million. In addition the Company's result may be impacted by non-recurrent costs related to the implementation of the new business plan and by losses or gains resulting from write-downs and write-ups of the value of the existing investment portfolio. The result of the new investment activities is not expected to be significant to the 2007 result as such investments will only impact the last quarter of the year.

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 or obtained by contacting CEO Per Brøndum Andersen tel. +45 4527 0000 or e-mail pba@olicom.com.

Attachments – Summary of Income Statement for The Group

	Nine months ended September 30,		Three months ended September 30,	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
	(DKK 1,000 except amounts per share) (Unaudited)			
Valuation adjustments, portfolio companies	3,672	0	(8)	0
Gross result	3,672	0	(8)	0
General and administrative expenses	6,704	3,858	1,154	1,179
Income/(loss) from ordinary primary operations	(3,032)	(3,858)	(1,162)	(1,179)
Other income	1,017	481	318	102
Other expenses	1,017	481	318	102
Income/(loss) from ordinary operations	(3,032)	(3,858)	(1,162)	(1,179)
Financial income	464	160	147	3
Financial expenses	(3,882)	(6,465)	(1,344)	(560)
Currency gains and losses, net	310	(45)	(39)	252
Ordinary result before income tax	(6,140)	(10,208)	(2,398)	(1,484)
Income taxes	0	0	0	0
Income/(loss) continued operations	(6,140)	(10,208)	(2,398)	(1,484)
Result before tax from discontinued operations	(77,825)	3,380	0	3,116
Tax from discontinued operations	0	0	0	0
Income/(loss) discontinued operations	(77,825)	3,380	0	3,116
<u>Net income/(loss)</u>	<u>(83,965)</u>	<u>(6,828)</u>	<u>(2,398)</u>	<u>1,632</u>
Earnings/(loss) per share, basic	(4.84)	(0.40)	(0.14)	0.09
Earnings/(loss) per share, diluted	(4.84)	(0.40)	(0.14)	0.09
Weighted average shares outstanding, basic	17,357	17,357	17,357	17,357
Weighted average shares outstanding, diluted	17,357	17,357	17,357	17,357

Attachments – Summary of Balance Sheet for The Group

	December 31 <u>2006</u>	September 30 <u>2007</u>
	(DKK 1,000)	
	(audited)	(unaudited)
<u>Assets</u>		
Property and equipment, net	53	28
Investments in portfolio companies	23,078	24,245
Investments in associated companies	65	65
Long-term assets	23,196	24,338
Accounts receivable	66	69
Outstanding amounts, portfolio companies	7,895	7,854
Prepaid expenses and other current assets	205	973
Current assets	8,166	8,896
Cash and cash equivalents	18	704
<u>Total assets</u>	<u>31,380</u>	<u>33,938</u>
 <u>Liabilities and shareholders' equity</u>		
Shareholders' equity	(3,269)	(10,097)
Financial accounts payable	28,017	35,137
Banks	209	3,543
Accounts payable and accrued liabilities	6,423	5,355
Liabilities	34,649	44,035
<u>Liabilities and shareholders' equity</u>	<u>31,380</u>	<u>33,938</u>

Attachments – Statement of Equity

STATEMENT OF EQUITY

(DKK 1,000)	<u>Common shares</u>	<u>Additional paid-in capital</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at January 1, 2005	4,339	0	171,831	176,170
Disposal treasury shares			3,226	3,226
Share-based payment			1,177	1,177
Net income (loss)			(98,528)	(98,528)
Balance at January 1, 2006	<u>4,339</u>	<u>0</u>	<u>77,706</u>	<u>82,045</u>
Net income (loss)			<u>(85,314)</u>	<u>(85,314)</u>
Balance at January 1, 2007	4,339	0	(7,608)	(3,269)
Net income (loss) year to date			<u>(6,828)</u>	<u>(6,828)</u>
Balance at September 30, 2007	<u>4,339</u>	<u>0</u>	<u>(14,436)</u>	<u>(10,097)</u>