

Olicom Reports First Half 2001 Results

Copenhagen, Denmark, August 22, 2001 - Olicom A/S (OTC Bulletin Board: OLCMF) ("Olicom" or "the Company") today announced a net loss for the first six months of 2001 of 11.4 million Danish Kroner ("DKK"), or US\$1.3 million, which was better than previously-announced expectations. The loss per share was DKK 0.66 or US\$0.07 per share. All amounts expressed in U.S. dollars are calculated at the June 30, 2001, rate of exchange between the U.S. dollar and the Danish krone.

As of June 30, 2001, Olicom had cash, cash equivalents and restricted cash of DKK 236.7 million, or US\$26.9 million. Shareholders' equity at June 30, 2001, was DKK 227.9 million, or US\$25.9 million, corresponding to DKK 13.15 per share or US\$1.50 per share.

Exclusive of the results relating to the portfolio companies, the Company previously expected a net loss for 2001 in the range of DKK 15 million (\$1.7 million). Due to lower than expected operating expenses and income from discontinued activities, the Company now expects a net loss for 2001 of DKK 10 million (\$1.1 million), exclusive of the results relating to the portfolio companies. This expectation excludes any income, which may result from the Company's demand for refunds of custom duty that total DKK 23 to 29 million (\$2.6 to 3.3 million) plus interest. See also the Company's press release of May 14, 2001.

The most significant developments during the first six months of 2001 were:

- GoPinocchio ApS, which offers mobile CRM solutions, established a strategic alliance with IBM. Furthermore, GoPinocchio and the European Division of American MagneTek launched a Mobile Service Management solution, which includes technology to enable support technicians to correct errors and breakdowns in GSM and GPRS telephone masts without the need to be physically present at the energy stations that supply them. GoPinocchio also successfully demonstrated its event mobile SMS and WAP services at the Roskilde Festival, which is the world's largest music festival with more than 100,000 participants.

- Sifira A/S completed the development of its Unified Messaging Software, which is being offered to network operators as a hosted service. The system is scheduled to go into operation during the third quarter of 2001 with Danish mobile phone operator Telmore as its first customer.
- Transynergy A/S, which develops a suite of mobile Business to Employee enablers, has successfully completed its proof of concept demonstrating device independent access to corporate legacy systems and rich content from wireless devices. Transynergy expects to receive its first sales orders within few months.
- Juize A/S, which primary customer group is mobile Internet service providers, continued to be impacted by the generally cautious attitude on the part of such providers. In order to improve Juize's position in the market, it was decided to search for a strategic partner, which could help Juize to fully exploit its potential. The effort was successfully completed by the sale of Juize to RTS Networks on July 26, 2001.
- On June 11, 2001, Olicom acquired 50 per cent of Interactive Television Entertainment ApS ("ITE"). ITE, which in 2000 had net sales of DKK 66 million (USD 7.5 million), is especially known for its Hugo game character. Hugo games are today present in more than 30 geographical markets where ITE's world-leading interactive TV concept supports the sale of its games. More than four million copies of Hugo games have been sold to multiple game platforms, including PC, Sony Playstation, Nintendo Gameboy, Set Top Boxes based on the Open TV standard and Internet portals. ITE has proven its technical and creative skills on every well-known game platform for a number of years, and Olicom also sees great potential in ITE entering the market for entertainment on mobile phones and other handheld devices

After June 30, 2001, Olicom has made three further investments in the optical technology start-up Hymite ApS, in LH Comlog A/S, a wireless technology company that develops and markets fleet management systems, and in Swedish Scalado AB that has developed patent pending software to highly effective communication of graphical data over the Internet and the mobile Internet. All three investments are syndicated with leading Danish and international venture companies.

"The first six months of 2001 were marked by the general slowdown in the technology sector leading to longer decision cycles also in the venture capital business", said Boje Rinhart, President and Chief Executive Officer of Olicom. "Our new investments made at the start of the second half of 2001 demonstrate, however, our continued willingness to invest in promising ventures. Also we are satisfied that Olicom after only 15 months as a venture company is being accepted as a syndication partner by leading Danish and international colleagues."

About Olicom

Olicom initiates or participates in the development of new products and services that leverage leading-edge communications technologies, primarily with a focus on satisfying the needs of mobile data communication users. Business opportunities are identified both through Olicom's internal research and through the solicitation of ventures with start-up companies, which are offered seed and venture financing and access to the Company's established business network and infrastructure. More information about Olicom is available from the Company's SEC filings or by contacting the Company directly. Information is also available on the Company's Web site at www.olicom.com.

Olicom is a registered trademark.

Except for historical information contained herein, the matters discussed in this news release may contain forward-looking statements that reflect the Company's current expectations and projections about its future results, performance, prospects and opportunities. These forward-looking statements are based on information currently available to the Company and are subject to a number of risks, uncertainties and other factors that could cause its actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Among the risks, uncertainties and other factors that could cause results to differ are uncertain market conditions, the successful implementation of the Company's new strategic direction; the Company's need to continue to identify and acquire interests in suitable portfolio companies; intense competition among capital providers to acquire interests in technology companies; the dependence of the Company on the financial and operating success of the enterprises in which it invests or participates; and existing and future regulations affecting the Company's business, the businesses of its portfolio companies or technology generally. Further information may be found in Olicom's periodic filings with the U.S. Securities and Exchange Commission (SEC), including the most recent reports on Form 20-F and 6-K, which identify important risk factors related to the Company's business that could cause actual results, performance, prospects or opportunities to materially differ from those contained in the forward-looking statements.

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Statements of Income and Balance Sheet follow

OLICOM A/S

Condensed Consolidated Statements of Income

(In thousands except for amounts per share)

	Six months ended June 30,		
	<u>2000</u>	<u>2001</u>	<u>2001</u>
			Convenience translation
	DKK		USD
	(Unaudited)	(Unaudited)	(Unaudited)
Income/(loss) from affiliated companies	(376)	(10,016)	(\$1,139)
Net sales	71,888	0	0
Cost of sales	37,861	0	0
Special charges related to inventories	(13,416)	0	0
Gross profit	<u>47,067</u>	<u>(10,016)</u>	<u>(1,139)</u>
Operating expenses			
Sales and marketing	3,299	0	0
Research and development	430	0	0
General and administrative	24,368	9,382	1,067
Restructuring charges	2,290	(444)	(51)
Total operating expenses	<u>30,387</u>	<u>8,938</u>	<u>1,016</u>
Income/(loss) from operations before interest and income taxes	16,680	(18,954)	(2,155)
Income from sale of activities	50,930	2,456	279
Interest income and other, net	17,778	4,472	509
Income/(loss) before income taxes	<u>85,388</u>	<u>(12,026)</u>	<u>(1,367)</u>
Income taxes	420	(595)	(68)
Net Income/(loss)	<u>84,968</u>	<u>(11,431)</u>	<u>(1,299)</u>
Earnings/(loss) per share, basic	<u>4.77</u>	<u>(0.66)</u>	<u>(0.07)</u>
Earnings (loss) per share, diluted	<u>4.76</u>	<u>(0.66)</u>	<u>(0.07)</u>
Weighted average shares outstanding including common stock equivalents, basic	<u>17,827</u>	<u>17,364</u>	<u>17,364</u>
Weighted average shares outstanding including common stock equivalents, diluted	<u>17,844</u>	<u>17,364</u>	<u>17,364</u>

The balance sheets and statements of income include a convenience translation for the most recent reporting period by applying the quarter-end exchange rate of DKK 8.7899 per US\$ 1.00. This translation should not be construed to imply that the DKK amounts actually represent, or have been or could have been converted to, U.S. dollars.

OLICOM A/S

Condensed Consolidated Balance Sheets

(In thousands)

	December 31, <u>2000</u>	June 30, <u>2001</u>	March 31, <u>2001</u>
	DKK	DKK	Convenience translation USD
	(Audited)	(Unaudited)	(Unaudited)
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	213,586	201,510	\$22,925
Restricted cash	64,049	35,182	4,003
Accounts receivable	2,956	709	81
Prepaid expenses and other current assets	5,784	15,298	1,740
Total current assets	286,375	252,699	28,749
Investments, property and equipment, net	188	1,268	144
Investments in affiliated companies *)	20,681	27,862	3,170
<u>Total assets</u>	<u>307,244</u>	<u>281,829</u>	<u>32,063</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:			
Accounts payable and accrued liabilities	65,171	53,951	\$6,138
Total current liabilities	65,171	53,951	6,138
Shareholders' equity	242,073	227,878	25,925
<u>Total liabilities and shareholders' equity</u>	<u>307,244</u>	<u>281,829</u>	<u>32,063</u>

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*) Affiliated companies as of 30 June 2001 are:

Company	Holding (Non diluted)	Investment (DKK 1,000)
Juize A/S	34%	5,963
VizionFactory e-learning A/S	5%	5,000
Transynergy A/S	50%	5,196
Sifira A/S	51%	11,793
GoPinocchio ApS	28%	3,560
Interactive Television Entertainment ApS	50%	10,000
Total investment in affiliated companies		41,512
Goodwill depreciation and share of operating results		13,651
Book value of affiliated companies		27,861