

## Olicom Reports Third Quarter 2001 Results

**Copenhagen, Denmark, November 12, 2001** - Olicom A/S (OTC Bulletin Board: OLCMF) ("Olicom" or "the Company") today announced a net loss of 15.9 million Danish kroner ("DKK"), or US\$ 2.0 million. The loss per share was DKK 0.92, or US\$ 0.11 per share. For the first nine months of 2001 the Company reported a net loss of DKK 27.3 million, or US\$ 3.4 million. Basic earnings per share during this period were DKK 1.57, or US\$ 0.19. All amounts expressed in dollar are calculated at the September 30, 2001, rate of exchange between the US dollar and the Danish krone.

As of September 30, 2001, Olicom had cash, cash equivalents and restricted cash of DKK 197.1 million, or US\$ 24.3 million. Shareholders' equity was DKK 212.0 million, or US\$ 26.1 million, at the end of September 2001, corresponding to DKK 12.22 per share, or US\$ 1.51 per share.

The Company now expects a net loss for 2001, exclusive of the results relating to the portfolio companies, in the range of DKK 5 million, or US\$ 600,000. This improvement from the previously expected net loss, exclusive of the results relating to the portfolio companies, of DKK 10 million, or US\$ 1.2 million, is primarily due to income from discontinued activities. The expectation is exclusive of possible income relating to Olicom's demand for the refund of customs duty totalling DKK 23 to 29 million, or US\$ 2.8 to 3.6 million plus interest. See also the Company's press release of May 14, 2001.

The most significant developments during the third quarter of 2001 were:

- In July 2001, Juize A/S was acquired by the UK public company RTS Networks PLC, at a value corresponding to the book value of the investment at the time of the transaction. The market value of Olicom's shares in RTS Networks, which partly were received as payment and partly were newly subscribed, have subsequently decreased considerably. As a matter of prudent accounting, the Company has chosen to write off the shareholding in RTS Networks which impacts the financial results negatively by DKK 7 million, or US\$ 860,000.
- Also in the month of July, the Company took part in an internationally syndicated investment in Hymite ApS. Hymite will provide complete solutions for manufacturing and packaging of optical modules deployed within the high growth telecommunications market. Hymite's concept for multifunctional optical modules will provide drastic cost savings compared to existing state-of-the-art technologies where components are deployed separately.

- In August 2001, Olicom made a syndicated investment in LH Comlog A/S. Comlog has developed fleet management software and a range of wireless data terminals based on Global System for Mobile Communications (GSM) and the Global Positioning System (GPS). With these terminals installed in their trucks and trailers the fleet management software enables fleet owners to track the location of their vehicles in real time as well as communicate with their drivers. Real time vehicle data and communication is the foundation for increased driver efficiency, better utilization of the equipment and improved customer satisfaction.
- Further, in August, the Company made its first investment outside Denmark in Swedish Scalado AB. Scalado has developed patent pending solutions for rendering and transferring digital image information independent of communication technology. Scalado's Image Zoom software minimizes the amount of data sent from a web server when a visitor views an image and provides unique zooming functionality. Both image presentations on the Internet and within the emerging market for mobile data communication will benefit from the minimization of bandwidth.

After the end of the quarter Olicom has made an investment in Mobite A/S. See the Company's announcement dated October 26, 2001.

"With active investments in 9 companies by now, we have made good progress towards our goal of a portfolio totalling 12 to 15 companies", says Boje Rinhart, President and CEO of Olicom. "In future, our effort will thus be even more concentrated on the growth of the portfolio companies, including the securing of additional financing to those companies which will require this. Already in 2002, we expect that some of the portfolio companies are ready for an exit".

### **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](http://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

	Nine months			Three months		
	Ended September 30,		Convenience translation (In thousands DKK) (Unaudited)	Ended September 30,		Convenience translation USD
	<u>2000</u>	<u>2001</u>		<u>2000</u>	<u>2001</u>	
<b>Income/(loss) from affiliated company</b>	(1,358)	(28,664)	(\$3,531)	(982)	(18,648)	(\$2,297)
Net sales	73,972	0	\$0	2,084	0	\$0
Cost of sales	40,262	0	\$0	2,401	0	\$0
Special charges related to inventories	(14,451)	0	\$0	(1,035)	0	\$0
<b>Gross profit</b>	<u>46,803</u>	<u>(28,664)</u>	<u>(3,531)</u>	<u>(264)</u>	<u>(18,648)</u>	<u>(2,297)</u>
<b>Operating expenses</b>						
Sales and marketing	3,299	0	\$0	0	0	\$0
Research and development	430	0	\$0	0	0	\$0
General and administrative	30,042	13,186	\$1,624	5,674	3,804	\$469
Restructuring charges	1,696	(3,657)	(\$450)	(594)	(3,213)	(\$396)
Total operating expenses	<u>35,467</u>	<u>9,529</u>	<u>1,174</u>	<u>5,080</u>	<u>591</u>	<u>73</u>
<b>Income/(loss) from operations before interest and income taxes</b>	11,336	(38,193)	(4,705)	(5,344)	(19,239)	(2,370)
Income from sale of activities	50,930	3,018	\$372	0	561	\$69
Interest income and other, net	<u>24,699</u>	<u>6,612</u>	<u>\$814</u>	<u>6,921</u>	<u>2,141</u>	<u>\$264</u>
<b>Income/(loss) before income taxes</b>	<u>86,965</u>	<u>(28,563)</u>	<u>(3,518)</u>	<u>1,577</u>	<u>(16,537)</u>	<u>(2,037)</u>
Income taxes	<u>3,173</u>	<u>(1,230)</u>	<u>(\$152)</u>	<u>2,753</u>	<u>(635)</u>	<u>(\$78)</u>
<b>Net income/(loss)</b>	<u>83,792</u>	<u>(27,333)</u>	<u>(3,366)</u>	<u>(1,176)</u>	<u>(15,902)</u>	<u>(1,959)</u>
<b>Earnings/(loss) per share, basic</b>	<u>4.71</u>	<u>(1.57)</u>	<u>(0.19)</u>	<u>(0.07)</u>	<u>(0.92)</u>	<u>(0.11)</u>
<b>Earnings/(loss) per share, diluted</b>	<u>4.71</u>	<u>(1.57)</u>	<u>(0.19)</u>	<u>(0.07)</u>	<u>(0.92)</u>	<u>(0.11)</u>
<b>Weighted average shares outstanding including common stock equivalents, basic</b>	<u>17,772</u>	<u>17,361</u>	<u>17,361</u>	<u>17,664</u>	<u>17,314</u>	<u>17,314</u>
<b>Weighted average shares outstanding including common stock equivalents, diluted</b>	<u>17,796</u>	<u>17,361</u>	<u>17,361</u>	<u>17,707</u>	<u>17,314</u>	<u>17,314</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 8,1182 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

<b><u>ASSETS</u></b>	<b>December 31</b>		<b>September 30</b>	<b>September 30</b>
	<b>2000</b>		<b>2001</b>	<b>2001</b>
	<b>DKK</b> (Audited)	<b>DKK</b> (Unaudited)		<b>Convenience translation USD</b> (Unaudited)
<b>Current assets:</b>				
Cash and cash equivalents	213,586	171,935		\$21,179
Restricted cash	64,049	25,161		3,099
Accounts receivable	2,956	707		87
Prepaid expenses and other current assets	5,784	7,621		939
<b>Total current assets</b>	<b>286,375</b>	<b>205,424</b>		<b>25,304</b>
<b>Fixed assets:</b>				
Tangible fixed assets				
Investments, property and equipment, net	188	1,541		190
<b>Total Tangible fixed assets</b>	<b>188</b>	<b>1,541</b>		<b>190</b>
Financial assets				
Investments in affiliated companies	20,681	38,311		4,719
Amounts owing from affiliated companies	0	15,868		1,955
<b>Total Financial assets</b>	<b>20,681</b>	<b>54,179</b>		<b>6,674</b>
<b>Total fixed assets</b>	<b>20,869</b>	<b>55,720</b>		<b>6,864</b>
<b>Total assets</b>	<b>307,244</b>	<b>261,144</b>		<b>32,168</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Current liabilities:				
Accounts payable and accrued liabilities	65,171	49,118		\$6,051
<b>Total current liabilities</b>	<b>65,171</b>	<b>49,118</b>		<b>6,051</b>
Shareholders' equity	242,073	212,026		26,117
<b>Total liabilities and shareholders' equity</b>	<b>307,244</b>	<b>261,144</b>		<b>32,168</b>

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Affiliated companies as of September 30, 2001 are:

<b>Company</b>	<b>Holding (Non diluted)</b>	<b>Investment (DKK 1,000)</b>
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
Hymite ApS	13%	5,000
LH Comlog A/S	15%	6,250
Scalado AB	22%	6,254
<b>Total investment in affiliated companies</b>		<b>53,053</b>
Goodwill depreciation and share of operating results		14,742
<b>Book value of affiliated companies</b>		<b>38,311</b>