



Olicom Reports First Quarter 2002 Results

Copenhagen, Denmark, April 24, 2002 - Olicom A/S (OTC Bulletin Board: OLCMF) (“Olicom” or “the Company”) today announced its financial results for first quarter 2002.

With effect from the current fiscal year, Olicom has decided to change the Company’s accounting policy regarding the valuation of its investments in affiliated companies. Up to now, such investments have been accounted for by the equity method of accounting at the pro rata share of the companies’ equity with addition of goodwill and deduction of amortization of goodwill. Going forward, the valuation will be made at the estimated market value. Planned operating losses will thus no longer automatically result in write-down of the valuation, as write-downs solely will be based on specific estimates of the market value of the investments. Increases in valuation may be recognized if independent documentation shows that a permanent increase in value has taken place.

It has been decided to change Olicom’s accounting policy in order to better be able to present a fair view of the Company’s assets, financial position and results. The change also facilitates comparison between the Company’s financial statements and those of other Danish and international venture capital companies, as it will bring Olicom’s accounting policy more in line with generally applied accounting principles for such companies.

For comparison reasons, the Company’s financial statements for 2001 have been adjusted in accordance with the new accounting policy. The adjusted financial statements record Shareholders’ equity at year-end 2001 to be 244.3 million Danish Kroner (“DKK”), or US\$ 28.8 million, which is DKK 16.3 million, or US\$ 1.9 million, more than reported in the financial statements for 2001.

For the first quarter of 2002, Olicom realized a net loss of DKK 3.9 million, or US\$ 455,000. The loss per share was DKK 0.22, or US\$ 0.03 per share. All amounts expressed in US dollars are calculated at the March 31, 2002, rate of exchange between the US dollar and the Danish krone.

As of March 31, 2002, Olicom had cash and restricted cash of DKK 172.0 million, or US\$ 20.2 million. Shareholders’ equity at March 31, 2002, was DKK 240.2 million, or US\$ 28.3 million, corresponding to DKK 13.93 per share or US\$ 1.64 per share.

Recognising the very slow development of the demand for software applications, which support companies' advanced use of handheld computers, etc., it was decided in the first quarter to wind up the affiliated company, Transynergy. Olicom's decision to wind up Transynergy is adversely affecting the first quarter results with DKK 4.0 million, or US\$ 470,000.

In general, during first quarter 2002, the Company's other affiliated companies performed as expected. Sifira, which develops and sells sophisticated messaging systems to phone companies, has experienced a great interest among potential customers in Denmark and Sweden and expects more, new contracts to be concluded soon.

Decuma, which sells software for handwriting recognition, entered into an agreement with HP Japan and expects more sales particularly in the Japanese and other Asiatic markets where the use of handwriting recognition instead of keyboards are especially advantageous.

Olicom expects that the results for 2002 will be negative in the range of DKK 20 million, or US\$ 2.5 million, compared to the earlier announced expectation of a negative result in the range of DKK 60 million, or US\$ 7,0 million. The changed expectation is solely due to the Company's changed accounting policy. As a precaution, potential gains from exits or increases in the value of affiliated companies have not been included in the expected results.

"We are convinced that the market conditions of the IT industry will improve considerably, but we are not certain when that will happen", says Boje Rinhart, CEO of Olicom. "We have therefore chosen a prudent policy, particularly focusing on maintaining a sound cash position. As a consequence, we have chosen not to make follow-up investments in affiliated companies which, like Transynergy, have been especially affected by the unfavourable market condition."

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)

	Three months ended March 31,		
	<u>2001</u>	<u>2002</u>	<u>2002</u>
	(Unaudited)	DKK (Unaudited)	Convenience translation USD (Unaudited)
Valuation adjustments, affiliated companies	(1,191)	(5,637)	(\$663)
Gross profit	<u>(1,191)</u>	<u>(5,637)</u>	<u>(663)</u>
Operating expenses			
General and administrative	4,288	4,334	510
Restructuring charges	<u>(199)</u>	<u>(3,981)</u>	<u>(469)</u>
Total operating expenses	<u>4,089</u>	<u>353</u>	<u>41</u>
Income/(loss) from operations before			
Interest and income taxes	(5,280)	(5,990)	(704)
Interest income and other, net	<u>2,241</u>	<u>2,126</u>	<u>250</u>
Income/(loss) before income taxes	(3,039)	(3,864)	(454)
Income taxes	<u>(720)</u>	<u>5</u>	<u>1</u>
Net Income/(loss)	(2,319)	(3,869)	(455)
Earnings/(loss) per share, basic	<u>(0.13)</u>	<u>(0.22)</u>	<u>(0.03)</u>
Earnings (loss) per share, diluted	<u>(0.13)</u>	<u>(0.22)</u>	<u>(0.03)</u>
Weighted average shares outstanding,			
including common stock equivalents, basic	<u>17,405</u>	<u>17,244</u>	<u>17,244</u>
Weighted average shares outstanding,			
including common stock equivalents, diluted	<u>17,405</u>	<u>17,244</u>	<u>17,244</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 8.499 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, US dollars.

OLICOM A/S

Condensed Consolidated Balance Sheets

(In thousands)

	December 31, <u>2001</u>	March 31, <u>2002</u>	March 31, <u>2002</u>
	DKK	DKK	Convenience translation USD
	(Audited)	(Unaudited)	(Unaudited)
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	148,288	156,289	\$18,389
Restricted cash	21,679	15,667	1,843
Accounts receivable	638	150	18
Prepaid expenses and other current assets	53,356	46,158	5,431
Total current assets	223,961	218,264	25,681
Long-term assets			
Investments, property and equipment, net	969	769	91
Investments in affiliated companies	58,291	58,741	6,911
<u>Total assets</u>	286,898	280,784	33,037
 <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
Current liabilities:			
Accounts payable and accrued liabilities	42,551	40,553	\$4,771
Total current liabilities	42,551	40,553	4,771
Shareholders' equity	244,347	240,231	28,266
<u>Total liabilities and shareholders' equity</u>	286,898	280,784	33,037

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Investments in Affiliated Companies as of March 31, 2002

	Shareholding (non-diluted)	Investment (DKK 1,000)
Danacell A/S	13.0%	929
Decuma AB	8.5%	4,984
GoPinocchio ApS	28.2%	3,560
Hymite A/S	16.9%	9,000
ITE ApS	50.0%	10,000
LH Comlog A/S	14.5%	6,250
Mobite A/S	17.2%	8,238
Scalado AB	22.2%	6,431
Sifira A/S	50.7%	11,793
Vizion Factory e-Learning A/S	4.8%	5,000
Investments in total		66,185
Write-down		(7,444)
Write-up		0
Investments in affiliated companies		58,741