Announcement

To the Copenhagen Stock Exchange and the press

Nørresundby, Denmark, 21 May 2003
Stock Exchange Announcement No. 8/2003
Number of pages: 18

Interim annual report for the first six months of 2002/03

Today, the Board of Directors has considered and adopted the interim annual report for the period 1 October 2002 to 31 March 2003.

The interim annual report is prepared according to the new Danish Financial Statements Act of 2001 and result for the period, opening balance sheet and comparative figures are adjusted in accordance with this, cf. review on pages 15 - 18.

Summary of the interim annual report for the first six months of 2002/03 for the RTX Telecom Group

- Net turnover amounts to DKK 95.5 million compared to DKK 98.1 million during the same period last year.
- Result before financial income and expenses (EBIT) amounts to DKK -1.9 million compared to a profit of DKK 1.9 million during the same period last year.
- The net profit after tax amounts to DKK 1.3 million compared to DKK 4.0 million during the first six months of 2001/02.
- RTX Telecom has entered an agreement with a leading semiconductor manufacturer regarding delivery of Intellectual Property for development of a GSM/TD-SCDMA chip set to the Chinese market.
- RTX Telecom has agreed on framework terms with an European customer regarding development of advanced GSM/GPRS mobile telephones.
- The Management still expects a net turnover of DKK 230 - 250 million and a result before financial income and expenses (EBIT) of 20 - 30 million for the financial year 2002/03.

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Competition is still very intense on most of the Group's main markets, whether within technological areas or on geographical markets. In accordance with the Management's strategic decisions, a major effort has been made to intensify the sales effort in order to meet competition. It is our evaluation that the effort has been rewarded with strengthened customer relations and more contract negotiations, specifically within the GSM/GPRS area.

The Group has employed significant resources on development of new technologies on its own expense. In the past six months, internal development resources have in particular been directed towards the technological areas GSM/GPRS, TD-SCDMA and Bluetooth^{TM} in Healthcare applications. The Management expects that the market situation for the RTX Telecom Group at the earlist will be normalised at the end of the calendar year 2003, and that the market in the long term will continue to be characterised by a large growth potential.

Press and analyst meeting

On 21 May 2003 at 14.00 a press and analyst meeting will be held at Radisson SAS Scandinavian Hotel, Amager Boulevard 70, 2300 Copenhagen S. At the meeting the company's management will comment on the Group's interim annual report for the first six months of 2002/03 and the expectations for the remaining part of the current financial year.

Yours sincerely,

Poul Lind	Jørgen Elbæk
Chairman of the Board	Managing Director

For questions and further information, please contact:
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Enclosures

- Financial highlights and key ratios of the Group
- Comments on the development during the first six months of 2002/03
- Profit and loss account
- Balance sheet
- Equity statement
- Cash flow statement
- Net turnover
- Extract from accounting policies.

Financial highlights and key ratios of the Group
(not audited)

DKK (million)	first six months 2002/03	first six months 2001/02
Income statement		
Net turnover	**95.5**	**98.1**
Cost of goods sold	14.5	20.0
Gross profit	**81.0**	**78.1**
Staff costs	56.3	52.7
Other external expenses	21.1	19.0
Depreciation	5.5	4.5
Result before financial income and expenses (EBIT)	**-1.9**	**1.9**
Net financial income and expenses	4.2	4.1
Profit before tax and extraordinary items	**2.3**	**6.0**
Tax	1.0	2.0
Profit for the period [1)]	**1.3**	**4.0**
Balance sheet		
Land and buildings	93.3	95.6
Other fixed assets	40.4	31.2
Fixed assets	**133.7**	**126.8**
Receivables	33.5	44.1
Other current assets	27.6	28.8
Cash at bank and in hand and securities	300.8	264.0
Current assets	**361.9**	**336.9**
Assets	**495.6**	**463.7**
Equity	**388.7**	**370.9**
Provisions	2.9	0.3
Interest-bearing liabilities	46.7	48.7
Suppliers	10.9	14.5
Other short-term liabilities	46.4	29.3
Provisions and liabilities	**106.9**	**92.8**
Equity, provisions and liabilities	**495.6**	**463.7**
Cash flow		
Changes in cash for the period	37.6	-1.6
Cash from operations	38.0	22.8
Capital investments	0.9	43.7
Paid by shareholders	0.7	0.7

Financial highlights and key ratios of the Group (continued) (not audited)

Key ratios	**first six months 2002/03**	**first six months 2001/02**
Growth in net turnover (percentage)	-2.6	-4.2
Operating margin (percentage)	-2.0	1.9
Equity ratio (percentage)	78.4	80.0
Average number of shares [2)] (1,000)	9,551	9,490
Employment		
Number of employees at the end of period	243	230
Average number of employees	243	233
Net turnover per employee (DKK 1,000)	393	421
Profit before financial income and expenses per employee (DKK 1,000)	-8	8
Share data, DKK per share at DKK 5		
Profit for the period (EPS)	0.1	0.4
Cash from operations	4.0	2.3
Equity value	42.3	40.6

Note: The Group's financial year runs from 1 October to 30 September.
The stated key ratios have been calculated in accordance with "Recommendations and Ratios 1997" issued by the Danish Association of Financial Analysts.
1) The Group's extraordinary items amounted to DKK 0 in the stated interim annual report for the first six months.
2) Including all outstanding warrants, a total of 402,000 warrants at DKK 5, issued in January and December 2000, May 2001, January 2002 and December 2002 respectively to key employees and which, upon full conversion, can be converted into 402,000 shares at DKK 5 in the period 1 June 2003 to 4 February 2008.

Comments on the development during the first six months of 2002/03

Profit for the period

During the first six months of the financial year 2002/03 (1 October - 31 March), the Group achieved a net turnover of DKK 95.5 million compared to DKK 98.1 million during the same period last year. Thereby net turnover has declined with 2.6%. Net turnover has been realised in a continued difficult market characterised by intense competition and slowdown among several of the Group's customers.

Income from development tasks for the account of customers amounting to DKK 40.4 million showed a decline of 27.2% compared to the same period last year.

During the first six months of 2002/03, development at the company's own expense of the Group's technology platforms has also been very intense and has seized significant development resources. The development effort has been most intense within GSM/GPRS, TD-SCDMA and Bluetooth™ in Healthcare applications.

Royalty income amounting to DKK 25.4 million continues to show a rising trend and is 139.4% higher compared to the level during the same period last year (DKK 10.6 million). The increase in income is due to a rising production among several of the Group's customers.

Sales of the company's own products etc. amounts to DKK 29.7 million which is DKK 2.3 million, or 7.2%, below the level during the same period last year. The change is in essential due to a decline in the sale of Bluetooth™ RF testers.

At 31 March 2003, the Group employed 243 employees, 199 of which are engineers and technical staff. Compared to the same time last year, the total number of employees has increased by 13 persons. The Group shows caution with new appointments, which has caused a net decline of 3 employees during the six months. Staff costs increased to DKK 56.3 million, which is 6.7% higher than during the same period last year.

Other external expenses have increased by 11.1% to DKK 21.1 million.

As a consequence of the continued strategic commitment to increase the Group's know-how and technological development capacity within the specific technological areas, the intense development at the company's own expense has put a strain on the half-yearly profit. In the long term this effort is assessed as being a condition for the Group's continued growth in sales and earnings, however in the short term this means a strain on the profit.

The half-yearly profit before financial income and expenses was DKK -1.9 million compared to a profit of DKK 1.9 million during the first six months of the financial year 2001/02.

During the first six months of 2002/03, the subsidiary Penell has realised a loss before tax of DKK 4.4 million. The result primarily appears as a result of a disappointing sale during the period. Though, significant investments in adding new competences have been entered and these competences are expected to be commercialised during the financial year 2003/04 and the following years.

Net financials were an income of DKK 4.2 million compared to DKK 4.1 million during the same period last year. The major part of the Group's cash funds is invested in short-term securities and deposits in banks.

Profit for the period after tax was DKK 1.3 million compared to a profit of DKK 4.0 million during the first six months of 2001/02.

Balance sheet and cash flows

At 31 March 2003, the Group's balance sheet total amounted to DKK 495.6 million equivalent to an increase of DKK 31.9 million compared to the same time last year. The increase in the balance sheet total comprises an increase of fixed assets of DKK 6.9 million whereas current assets have increased with DKK 25.0 million.

Of the balance sheet total of DKK 495.6 equity amounts to DKK 388.7 million equal to 78.4%.

Cash flow from operations amounted to a positive amount of DKK 38.0 million which is an increase of DKK 15.2 million compared to the same period last year. The increase compared to last year is significantly influenced by the achieved changes in working capital, mainly lower money tie-ups in receivables and larger short-term liabilities. The increased short-term liabilities can mainly be related to a received compensation from a French customer. The compensation amount has not yet been recognised as revenue.

Cash flow from investments, consisting of investments in intangible assets and tangible assets, amounted to DKK 0.9 million compared with DKK 43.7 million during the first six months of 2001/02. Cash flows in the previous six months of 2001/02 were significantly influenced by enlargement of the premises in Nørresundby.

Cash flow from financing amounted to DKK 0.5 million compared to DKK 19.3 million during the first six months of 2001/02. Cash flows in the previous six months of 2001/02 were significantly influenced by raising of long-term mortgage loans at an amount of DKK 20.0 million.

During the first six months of 2002/03, the net effect of cash flows were an increase in cash funds at an amount of DKK 37.6 million. At the end of the first six months of 2002/03, cash funds, including securities, amounted to DKK 300.8 million.

Accounting policies

Accounting policies have been changed as from the financial year 2002/03 as a consequence of the implementation of the new Danish Financial Statements Act. Please see pages 15 - 18 for review.

Penell A/S

Penell is a 100% owned subsidiary which employed 18 employees at the end of the half-year, 31 March 2003.

Penell has continued its adding of new technology concurrently with the company's focus on new international potential customers. In particular, Penell has invested substantially in developing an advanced and dedicated communication platform which is suitable for wireless transfer of data via a secure transmission line. This solution especially focuses on the high demands which are made to data security within the Healthcare market, including hospitals. It will be possible to use this platform as a basis of own products which can be produced and delivered by the Group to suppliers of brands.

During the last six months, Penell has extended its sales organisation for the purpose of promoting entry of additional contracts. In addition, the Group plans to strengthen Penell's business basis and future technological development in an extended cooperation with RTX Telecom.

Partly based on negative market conditions and partly based on the substantial adding of technology, Penell only achieved a net turnover of DKK 2.1 million during the first six months of 2002/03. The result after tax was a loss of DKK 3.1 million. At 31 March 2003, equity in Penell A/S amounted to DKK 10.0 million.

Important events during the first six months of 2002/03

Litigation

On 15 January 2002, the first court instance, Le Tribunal de Commerce de Paris, has ruled in a case which RTX Telecom brought against a French customer. In the ruling of the court, the customer was obligated to pay compensation at an amount of DKK 23.8 million to RTX Telecom.

The customer has paid the compensation to RTX Telecom, however the customer has also appealed the ruling. Therefore, RTX Telecom does not consider the case as concluded and the company has for the present recognised the received compensation as a liability in the company's balance sheet. Provided the current insecurity is eliminated or reduced later on, the company will reassess the accounting.

Cooperation agreement with vertical pre-production management GmbH

In November 2002, RTX Telecom and the Austrian company, vertical pre-production management GmbH entered a cooperation agreement regarding development of two complete designs for mobile telephones. According to the agreement, it will from 2003 be possible to offer manufactures of mobile telephones fully-developed solutions with possibility of various designs, colours and user interface. The two solutions include both the traditional European design as well as the folding model, which is preferred in the USA and Asia.

Events after 1 April 2003

Cooperation with chip supplier in the TD-SCDMA technology area

RTX Telecom has entered an agreement regarding development of a state-of-the-art GSM/TD-SCDMA chip set to the Chinese 3rd generation standard. The agreement is entered with a leading supplier of chip set to mobile telephones and the TD-SCDMA part of the chip set will, according to the agreement, be based on RTX Telecom's know-how and Intellectual Property (IP). It is expected that the cooperation will generate the first chip set in the world for use to development of commercial TD-SCDMA hand sets.

Based on the agreement, RTX Telecom is now able to enter customer contracts regarding development of competitive hand set designs which will be ready for type approval and mass production at the latest in the summer of 2004. Already at the end of 2003, the chip set is expected to be available in proto types.

The Group has worked with the TD-SCDMA technology since 2000 and is considered as one of the world's leading development houses in the area. In August 2002, RTX Telecom signed its first TD-SCDMA customer contract. RTX Telecom still expects that China will distribute TD-SCDMA licences to mobile operators.

Agreement on framework terms with customer on development of GSM/GPRS mobile telephones

In May 2003, RTX Telecom has agreed on framework terms with an European customer regarding development of advanced GSM/GPRS mobile telephones based on Motorola's i.250 GSM/GPRS platform. The basis of the development project is an innovative concept from the customer which makes a unique design and flexible production possible of telephones for varied purposes. It is expected that RTX Telecom is assigned responsibility for the total development of the telephones.

The contractual sum for the development project will represent a two-digit amount running into millions in Danish kroner. The parties agree on the conditions in the co-operation, however the formal approval of the final development agreement has not yet been received.

Prospects for the financial year 2002/03

The Group maintains the expected net turnover and earnings for the financial year 2002/03, which ends on 30 September 2003. In accordance with the expectations which were announced at the annual general meeting on 25 February 2003, the Group still expects a net turnover of DKK 230 - 250 million and a profit before financial income and expenses (EBIT) of DKK 20 - 30 million. Revenue from the above mentioned GSM/GPRS is included in the estimate.

The international market trends are currently weak, and in general there is great reservation as regards investment decisions among the Group's customers. Thereby, market conditions are very difficult, and for instance unexpected postponements of decisions among the Group's customers may have a significant influence on net turnover and earnings in the financial year 2002/03.

As at 31 March 2003, the non-revenue recognised volume of orders amounts to DKK 38.8 million which is a reduction of DKK 6.5 million compared to the same time last year.

As at 31 March 2003, the non-revenue recognised volume of orders is declined with DKK 1.4 million compared to the non-revenue recognised volume of orders at the end of the financial year 2001/02.

Profit and loss account
(not audited)

(DKK 1,000)	Group first six months 2002/03	Group first six months 2001/02	Parent company first six months 2002/03	Parent company first six months 2001/02
Net turnover	95,531	98,120	93,479	92,142
Cost of goods sold	(14,504)	(19,978)	(14,504)	(19,978)
Other external expenses	(21,123)	(19,011)	(19,588)	(17,311)
Staff costs	(56,270)	(52,719)	(52,346)	(48,672)
Depreciation	(5,570)	(4,551)	(4,590)	(3,556)
Result before financial income and expenses (EBIT)	**(1,936)**	**1,861**	**2,451**	**2,625**
Result before tax in subsidiary	0	0	(4,412)	(706)
Financial income	6,166	7,611	6,137	7,553
Financial expenses	(1,981)	(3,504)	(1,927)	(3,504)
Profit before tax	**2,249**	**5,968**	**2,249**	**5,968**
Tax on profit for the period	(997)	(1,959)	(997)	(1,959)
Profit for the period	**1,252**	**4,009**	**1,252**	**4,009**

Balance sheet at 31 March
(not audited)

Assets (DKK 1,000)	Group 2003	Group 2002	Parent company 2003	Parent company 2002
Licence rights	150	250	150	250
Goodwill	11,101	15,451	0	0
Intangible fixed assets	**11,251**	**15,701**	**150**	**250**
Land and buildings	93,297	95,590	93,297	95,590
Machinery and equipment	14,295	14,794	13,914	14,213
Tangible fixed assets	**107,592**	**110,384**	**107,211**	**109,803**
Capital investment in subsidiary	0	0	9,978	13,745
Other capital investments	14,172	0	14,172	0
Deposits	716	698	716	698
Fixed asset investments	**14,888**	**698**	**24,866**	**14,443**
Fixed assets	**133,731**	**126,783**	**132,227**	**124,496**
Raw materials and consumables	1,021	753	1,021	753
Manufactured goods and goods for resale	5,672	3,208	5,672	3,208
Inventories	**6,693**	**3,961**	**6,693**	**3,961**
Trade and service receivables	33,548	44,116	33,403	42,466
Third-party development projects in progress	7,599	0	6,211	0
Accounts receivable with subsidiary	0	0	95	266
Corporation tax	2,506	12,809	1,182	12,597
Deferred tax assets	0	1,680	0	1,302
Other receivables	8,521	8,306	8,521	8,306
Prepayments and accrued income	2,257	2,027	2,257	2,027
Receivables	**54,431**	**68,938**	**51,669**	**66,964**
Securities	**210,647**	**208,514**	**210,647**	**208,514**
Cash at bank and in hand	**90,119**	**55,503**	**89,287**	**51,307**
Current assets	**361,890**	**336,916**	**358,296**	**330,746**
Assets	**495,621**	**463,699**	**490,523**	**455,242**

Balance sheet at 31 March
(not audited)

Equity and liabilities (DKK 1,000)	Group 2003	Group 2002	Parent company 2003	Parent company 2002
Share capital	45,893	45,677	45,893	45,677
Share premium account	294,652	294,186	294,652	294,186
Revaluation reserve	0	0	0	0
Retained earnings	48,114	31,032	48,114	31,032
Equity	**388,659**	**370,895**	**388,659**	**370,895**
Deferred tax	2,521	0	2,364	0
Other provisions	350	350	350	350
Provisions	**2,871**	**350**	**2,714**	**350**
Mortgage debt	44,728	46,566	44,728	46,566
Suppliers	0	6,000	0	0
Long-term liabilities other than provisions	**44,728**	**52,566**	**44,728**	**46,566**
Current portion of long-term debt	5,411	2,106	2,061	2,106
Third-party development projects in progress	0	5,644	0	5,644
Suppliers	7,527	8,493	7,373	8,240
Other payables	22,604	23,645	21,167	21,441
Accruals and deferred income	23,821	0	23,821	0
Short-term liabilities other than provisions	**59,363**	**39,888**	**54,422**	**37,431**
Liabilities other than provisions	**104,091**	**92,454**	**99,150**	**83,997**
Equity and liabilities	**495,621**	**463,699**	**490,523**	**455,242**

Equity statement
(not audited)

(DKK 1,000)	Group first six months 2002/03	Group first six months 2001/02	Parent company first six months 2002/03	Parent company first six months 2001/02
Share capital at 1 October	45,677	45,482	45,677	45,482
Employee share issue	216	195	216	195
Share capital at 31 March	**45,893**	**45,677**	**45,893**	**45,677**
Share premium at 1 October	294,176	293,701	294,176	293,701
Share premium on share issue	518	544	518	544
Costs relating to application for listing and issue	(60)	(182)	(60)	(182)
Tax value of costs paid	18	123	18	123
Share premium at 31 March	**294,652**	**294,186**	**294,652**	**294,186**
Revaluation reserve at 1 October	1,028	2,451	1,028	2,451
Transferred to retained earnings 1 October	(1,028)	(2,451)	(1,028)	(2,451)
Revaluation reserve at 31 March	**0**	**0**	**0**	**0**
Retained earnings at 1 October	43,494	27,577	43,494	27,577
Transferred from revaluation reserve	1,028	2,451	1,028	2,451
Accumulated effect at the beginning of the year in change of accounting policies	564	(3,545)	564	(3,545)
Adjusted retained earnings at 1 October	45,086	26,483	45,086	26,483
Tax value of favourable element concerning employee shares	1,286	917	1,286	917
Profit for the period	1,252	4,009	1,252	4,009
Net adjustment of hedging instruments	700	(538)	700	(538)
Tax value of adjustment of hedging instruments	(210)	161	(210)	161
Retained earnings at 31 March	**48,114**	**31,032**	**48,114**	**31,032**
Total equity	**388,659**	**370,895**	**388,659**	**370,895**

The share capital of DK 45,893,005 consists of 9,178,601 shares of DKK 5.

No shares confers any special rights.

Cash flow statement
(not audited)

(DKK 1,000)	Group first six months 2002/03	Group first six months 2001/02	Parent company first six months 2002/03	Parent company first six months 2001/02
Profit before financial income and expenses	(1,936)	1,861	2,451	2,625
Depreciation	5,570	4,551	4,590	3,556
Working capital changes	22,080	15,831	23,257	15,194
Cash flows from operating activities before net financials	**25,714**	**22,243**	**30,298**	**21,375**
Financial income	6,166	7,611	6,137	7,553
Financial expenses	(1,981)	(3,504)	(1,927)	(3,504)
Corporation taxes paid	8,120	(3,563)	8,120	(3,563)
Cash flows from operations	**38,019**	**22,787**	**42,628**	**21,861**
Intangible assets, net	2,650	0	0	0
Tangible fixed assets, net	(3,542)	(43,822)	(3,505)	(43,864)
Fixed asset investments	(18)	169	(18)	169
Cash flows from investments	**(910)**	**(43,653)**	**(3,523)**	**(43,695)**
Proceeds from capital increase, net	674	680	674	680
Net adjustment of hedging instruments	700	(538)	700	(538)
Raising of long-term liabilities	14,104	19,962	14,104	19,962
Instalment and repayment on long-term liabilities	(14,940)	(791)	(14,940)	(791)
Cash flows from financing activities	**538**	**19,313**	**538**	**19,313**
Changes in cash during the period	**37,647**	**(1,553)**	**39,643**	**(2,521)**
Cash at the beginning of the period	263,119	265,570	260,291	262,342
Cash at the end of the period	**300,766**	**264,017**	**299,934**	**259,821**

Cash include cash at bank and in hand and securities (current asset investments).

Net turnover
(not audited)

(DKK 1,000)	Group		Parent company	
	first six months 2002/03	first six months 2001/02	first six months 2002/03	first six months 2001/02
Net turnover distributed on technologies and own products etc.				
Cordless	27,825	34,933	26,120	29,050
Cellular	24,525	19,911	24,525	19,911
Bluetooth	13,441	11,227	13,191	11,516
Own products etc.	29,740	32,049	29,643	31,665
Total	**95,531**	**98,120**	**93,479**	**92,142**
Net turnover distributed on geographical areas				
Denmark	11,354	20,942	9,761	14,964
Other European countries	68,032	66,909	67,894	66,909
Asia	3,336	5,228	3,336	5,228
North America	12,809	5,041	12,488	5,041
Total	**95,531**	**98,120**	**93,479**	**92,142**

Net turnover is distributed on geographical areas according to the customers geographical address.

Net turnover in the Group distributed on type of income

(DKK 1,000)	first six months 2002/03	Share	first six months 2001/02	Share
Development tasks	40,380	42%	55,456	56%
Royalty	25,411	27%	10,615	11%
Own products etc.	29,740	31%	32,049	33%
Total net turnover in the Group	**95,531**	**100%**	**98,120**	**100%**

Extract from accounting policies

The interim annual report for the Group and the parent company is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class D, Danish accounting standards and the requirements otherwise imposed by the Copenhagen Stock Exchange relating to the presentation of financial statements for listed companies.

Changes in accounting policies

In relation to incorporation of the new Danish Financial Statements Act the accounting policies have been changed as follows:

Own development projects

Development costs comprise external costs, salaries and depreciation which are directly and indirectly attributable to the Group's development projects.

Clearly defined and identifiable development projects, for which the technical rate of utilisation, adequate resources and a potential future market can be established, and where the intention is to manufacture, market or apply the project, are recognised as intangible fixed assets provided costs can be calculated reliably and sufficient certainty exists that future earnings can cover manufacturing costs, sales expenses, administrative expenses and development costs. Other development costs are recognised in the profit and loss account as incurred.

Capitalised development costs are measured at cost less accumulated depreciation or recoverable amount in case this is lower.

After completion of the development project the development costs are depreciated on a straight-line basis over the assessed time of economic life, which can equal up to 20 years.

The Management assesses that the paid costs on the Group's own development projects only in special cases will fulfil the demands for capitalisation.

Previously, development costs for own development projects were charged to the profit and loss account as incurred.

Inventories

Raw materials and consumables as well as commodities are measured at cost using the FIFO method.

Manufactured goods are measured at cost using the FIFO method. Cost comprises direct production costs such as raw materials and consumables plus direct pay of wages in the production as well as indirect production costs.

Regarding inventories where the expected selling price less any completion costs and costs for executing sales (net realisable value) is lower than the cost price, write-down is performed to the net realisable value.

Previously inventories were recognised as cost or net realisable value in case this was lower than the cost price.

Third-party development projects in progress

Third-party development projects in progress are measured at market value of the performed work. The selling price is measured based on the stage of completion on the balance sheet date and the total estimated income from the individual projects in progress.

The individual projects in progress are recognised in the balance sheet under receivables or liabilities depending on the net value of the selling price less the performed invoicing of milestones and prepayments.

Previously, sales revenue concerning projects in progress paid by customers were, as a principal rule, recognised in accounting concurrently with rate invoicing when achieving milestones, which were related to objectively defined stages in the project.

Financial liabilities
At the time of borrowing, financial liabilities (mortgage debt etc) are measured at the proceeds received less transaction costs incurred, and they are subsequently measured at amortised cost.

Formerly, financial liabilities were measured at nominal value.

Derivative financial instruments
Derivative financial instruments (forward exchange contracts and options) are measured at current value and recognised in the balance sheet under other receivables or other payables. Assets and liabilities hedged by such instruments are translated using the exchange rates at the balance sheet date. If the instruments have been entered to hedge future transactions, the change in value of these instruments is classified directly as equity until the hedged transactions are carried through. If the instruments have been entered to hedge assets or liabilities recognised at the balance sheet date, the value adjustment is recognised in the profit and loss account together with the change in value of the hedged asset or hedged liability.

Formerly, derivatives incurred for hedging of future transactions were not recognised in the balance sheet, but solely disclosed in a note to the interim annual report, while hedged assets and liabilities were translated at the hedging rate.

Dividends
Dividends are recognised as a special item under equity. When dividends are adopted at the annual general meeting dividends are recognised as a liability. Previously, dividends, which were expected declared at the annual general meeting, were recognised as short-term liabilities other than provisions.

Other changes
In addition to the above changes, minor editorial changes have been made to the description of accounting policies.

Effect of the changes in accounting policies
The aggregated effect of the changes in accounting policies is an increase of DKK 7,115,000 on the pre-tax profit for the period. The period’s tax resulting from the changes amounts to DKK 2,134,000, after which the net profit for the period is improved by DKK 4,981,000. The balance sheet total increases by DKK 6,276,000, whereas equity at 31 March 2003 increases by DKK 6,035,000.

The effect of each change is specified below:

(DKK 1,000)	Pre-tax profit	Tax on the period's profit	Profit for the period	Balance sheet total	Equity
Before change of accounting policies for the first six months of 2002/03	**(4,866)**	**1,137**	**(3,729)**	**489,345**	**382,624**
Own development projects	0	0	0	0	0
Inventories	29	(9)	20	96	67
Third-party development projects in progress	7,086	(2,125)	4,961	7,599	5,320
Mortgage debt	0	0	0	0	0
Derivative financial instruments	0	0	0	925	648
Changes in corporation taxes	0	0	0	(2,344)	0
Total adjustments for the first six months of 2002/03	**7,115**	**(2,134)**	**4,981**	**6,276**	**6,035**
After change of accounting policies for the first six months of 2002/03	**2,249**	**(997)**	**1,252**	**495,621**	**388,659**

Before change of accounting policies for the first six months of 2001/02	**5,806**	**(1,910)**	**3,896**	**461,864**	**374,704**
Own development projects	0	0	0	0	0
Inventories	(4)	1	(3)	31	22
Third-party development projects in progress	166	(50)	116	-	(3,951)
Mortgage debt	0	0	0	0	0
Derivative financial instruments	0	0	0	172	120
Changes in deferred tax and corporation taxes	0	0	0	1,632	0
Total adjustments for the first six months of 2001/02	**162**	**(49)**	**113**	**1,835**	**(3,809)**
After change of accounting policies for the first six months of 2001/02	**5,968**	**(1,959)**	**4,009**	**463,699**	**370,895**

Basic of accounts

Comparative figures and the financial highlights and key ratios for the first six months of 2001/02 and 2002/03 shown on pages 3 and 4 are adjusted to reflect the changes in accounting policies.

Apart from the above policies, the interim annual report has been presented applying the same accounting policies as were used last year.

Brackets in the format indicate a negative amount or an amount, which must be deducted, or a negative sign.

Segment information

The RTX Telecom Group develops, manufactures and markets wireless services and products and the Group only has one business segment - wireless communication. Within the segment wireless communication, the Group is currently working with three general technologies and own products etc.

Net turnover distributed on technologies and own products etc, as well as geographical areas, are included in the enclosure with the distribution of net turnover on page 14.

This announcement includes statements on expectations for the Group's future financial position. These statements might be influenced by risk and uncertainty factors, and consequently the actual development might be different from the expectations indicated. These risk factors include a number of factors such as general business and financial conditions, dependence on co-operators and exchange rate and interest rate fluctuations etc. Risk and uncertainty factors are further described in the financial statements for 2001/02.

This announcement of the interim annual report for the first six months of 2002/03 has been prepared in a Danish-language and an English-language version. The English-language version is a translation of the Danish-language version. In the event of any inconsistency between the Danish version and this announcement, the Danish version shall prevail.