

Announcement

To NASDAQ OMX Copenhagen A/S and the press

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Interim report for the first quarter of 2011/12 (the period 1 October 2011 to 31 December 2011)

Growth in revenue and profit in RTX Telecom

The Supervisory Board of RTX Telecom A/S has today considered and adopted the Group's interim report for the first quarter of the financial year 2011/12 (covering the period 1 October 2011 to 31 December 2011).

Summary of the interim report of the RTX Telecom Group for the first quarter of 2011/12

- Group revenue amounts to DKK 44.3 million compared to DKK 39.3 million in the same period last year, which is an increase in revenue of 12.6%.
- RTX Products' external revenue increases with DKK 1.0 million in the first quarter compared to the same period last year.
- Considerable increase in revenue in RTX Technology in first quarter amounts to DKK 4.7 million equal to a growth of 29% compared to last year. The growth is due to increased activity within customer financed development projects and continued growth within the ODM business.
- Operating profit (EBIT) amounts to DKK 1.5 million compared to a loss of DKK 1.1 million in the same period last year.
- Gross margin increased from 61.4% in the first quarter of 2010/11 to 63.9% in the first quarter of 2011/12.
- Profit after tax amounts to DKK 1.5 million compared to a loss of DKK 2.4 million in the same period last year.
- The Group's cash flow from operations is in the first quarter of 2011/12 negative with DKK 1.8 million.

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- The Group maintains its expectations to the financial year 2011/12, with revenue in the range of DKK 205-225 million, and an operating profit (EBIT) from continuing operations in the range of DKK 10-12 million.

The result for the first quarter is thus in line with Management's expectations.

The Group has continued focus on own development projects, and the Management expects that these investments and the ongoing completion of more development projects in 2011/12 will contribute to ensure that the Group achieves its revenue and profit goal for the financial year.

Yours sincerely,
RTX Telecom A/S

Jens Alder
Chairman

Jesper Mailind
President & CEO

Questions and further information:
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Please visit RTX Telecom's website at: www.rtx.dk

Appendices

Interim report for the first quarter of 2011/12 comprising:

- Group financial highlights and key ratios
- Management's review
- Group income statement
- Group balance sheet
- Group equity statement
- Group cash flow statement
- Notes

GROUP FINANCIAL HIGHLIGHTS AND KEY RATIOS (not audited)

Amounts in DKK m	Q1 2011/12	Q1 2010/11	Financial year 2010/11
Income statement items			
Revenue	44.3	39.3	204.9
Gross profit	28.3	24.2	118.7
Operating profit/loss (EBIT)	1.5	-1.1	9.0
Net financials	0.1	0.8	-1.3
Profit/loss before tax	1.5	-0.3	7.7
Profit/loss from continuing operations	1.5	-0.3	6.3
Profit/loss from discontinued operations	0	-2.1	-2.3
Profit/loss for the period	1.5	-2.4	3.9
Balance sheet items			
Cash and current asset investments	65.0	72.6	66.9
Total assets	216.9	217.6	233.1
Equity	154.2	142.8	151.9
Liabilities	62.6	74.8	81.2
Other key figures			
Development cost financed by RTX before capitalisation	7.1	5.7	25.7
Depreciation, amortisation and impairment	1.5	0.6	3.3
Cash flows from operations	-1.8	3.6	17.0
Cash flows from investments	-2.0	-15.2	-11.2
Investments in property, plant and equipment	0.0	0.1	0.8
Increase/decrease in cash and cash equivalents	-4.2	-14.3	1.0
Key ratios			
Growth in net turnover (percentage)	12.6	-14.7	-7.2
Profit margin (percentage)	3.3	-2.8	4.4
Return on invested capital (percentage) ²⁾	1.6	-3.1	9.2
Return on equity (percentage) ²⁾	1.1	-0.2	4.2
Equity ratio (percentage)	71.1	65.6	65.2
Employment			
Average number of full-time employees, continuing operations	161	159	167
Revenue per employee ¹⁾ (DKK '000)	275	247	1,227
Operating profit/loss per employee ¹⁾ ('000)	9	-7	54
Shares			
Average number of shares in circulation ('000)	9,289	9,289	9,289
Average number of diluted shares ('000)	9,793	9,289	9,793
Share data, DKK per share at DKK 5			
Profit/loss for the period (EPS) ¹⁾	0.2	-0.3	0.4
Profit/loss for the period, diluted (DEPS) ¹⁾	0.2	-0.3	0.4
Dividends	0	0	0
Equity value	16.6	15.4	16.3
Listed price	12.2	11.3	11.7

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 2010" issued by the Danish Association of Financial Analysts. Definitions of the key ratios used are stated in the annual report for 2010/11.

The interim report has been presented according to the provisions on recognition and measurement laid down in the International Financial Reporting Standards (IFRS). The interim report has been presented applying the same accounting policies as were applied in the annual report for 2010/11.

1) Not annualised.

2) Annualised.

MANAGEMENT'S REVIEW

Comments on the development in the first quarter of the financial year 2011/12

Activities

The Group has for the first quarter of the financial year 2011/12 achieved growth for both business units.

RTX Products increased revenue compared to the first quarter of 2010/11. The increase is primarily related to the Group's new IP DECT VoIP system. The product is still in its launching phase and generates growth compared to the same period last year. The general economic climate and uncertainty leads to some reluctance among the business unit's large Enterprise customers, where revenue in the first quarter is only on level with the previous year. Within this customer segment, RTX Products commenced in the financial year 2010/11 the development of a new range of wireless IP based handsets. The development activities will continue in 2011/12, and RTX Products has in the first quarter of 2011/12 announced that the business unit has signed a major contract with a global partner concerning this new range of IP based handsets. It is expected that the impact on revenue from the first product covered by the contract will be recognized in the Group's fourth quarter.

In first quarter, RTX Products experienced a minor decrease in the product segment, which includes the Group's Skype product. As previously announced, a new Skype phone is moving towards the final development phase and is expected to be launched at the beginning of the Company's third quarter.

RTX Technology has in the first quarter of 2011/12 increased revenue compared to the first quarter of 2010/11. The growth is due to an increase in customer financed development projects, and increase in revenue within the ODM business, where revenue is based on modules for integration in the customer's product. Revenue from test systems is on level with the first quarter last year.

The order book for the second quarter of 2011/12 seems to develop positively for RTX Technology compared to the second quarter of 2010/11. A considerable part of the business unit's revenue is however dependent on the customers' ability and will to invest in new technology and product pipeline, and the macro economic conditions are therefore expected to make it difficult to maintain the existing level of activity in the remaining quarters of the financial year. Consequently, the Management expects a second half-year in the business unit somewhat below the existing activity level.

Comments on Group financial figures for the first quarter of 2011/12

In the first quarter of the financial year 2011/12, the Group achieved revenue of DKK 44.3 million compared to DKK 39.3 million in the same period last year, equal to an increase in revenue of 12.6%. Both of the Group's business units achieved growth in the first quarter. RTX Technology achieved growth in revenue of DKK 4.7 million, as net revenue increased from DKK 16.1 million to DKK 20.8 million in the first quarter of the financial year, equal to an increase of 29.0%. RTX Products achieved growth in external net revenue of DKK 1.0 million, as net revenue increased from DKK 22.0 million to DKK 23.0 million, equal to an increase of 4.5%. The non allocated segment revenue amounted in first quarter of 2011/12 to DKK 0.4 million compared to DKK 1.1 million the year before.

Other external expenses and staff costs total DKK 27.3 million, which is on level with the same period in 2010/11.

DKK 1.9 million of the total development costs in the first quarter of 2011/12 fulfil the internal criteria for capitalization. Amortization on development projects amounts to DKK 0.9 million. The net effect of capitalized development costs thus affects the result for the first quarter of 2011/12 with DKK 1.0 million, compared to DKK 3.0 million in the first quarter of 2010/11.

Operating profit (EBIT) for the first quarter of 2011/12 amounted to DKK 1.5 million compared to a loss of DKK 1.1 million in the same period last year.

Net financials amounted to an income of DKK 0.1 million compared to an income of DKK 0.9 million in the same period last year.

The Group profit for the first quarter of 2011/12 amounted to DKK 1.5 million compared to a loss of DKK 0.3 million for the same period in 2010/11.

The profit for the period for the first quarter of 2011/12 totally amounted to DKK 1.5 million compared to a loss of DKK 2.4 million for the same period in 2010/11.

The Group's equity increased to DKK 154.2 million in the first quarter of 2011/12. The profit for the period has increased equity with DKK 1.5 million, while other equity postings like exchange rate adjustments and impact from share based remuneration have affected equity positively with DKK 0.9 million.

The equity ratio is 71.1%, which is an increase of 5.5 percentage points compared to the same period last year.

On 31 December 2011, the Group's total assets amounted to DKK 216.9 million, equivalent to a decline of DKK 0.7 million compared to the same period last year. The decrease in assets can be divided into an increase in long-term assets of DKK 8.5 million, and a decrease in short-term assets of DKK 9.2 million.

The cash flows from Operations in the first quarter of 2011/12 amounted to DKK -1.8 million.

The Group's cash and short-term asset investments less bank debt amounted to DKK 62.6 million on 31 December 2011, which is a decrease of DKK 2.9 million compared to the same period last year.

Prospects for the financial year 2011/12

The Group maintains its expectations to the financial year 2011/12, with revenue in the range of DKK 205-225 million, and an operating profit (EBIT) in the range of DKK 10-12 million.

Risks and uncertainties relating to the rest of the financial year 2011/12

Statements about the future

The above statements on the Group's future conditions, including in particular future revenue and operating profit/loss (EBIT), reflect the Management's current expectations and are subject to risks. These statements might be influenced by a number of risks and uncertainty factors, and consequently, the actual development might be different from the expectations indicated. These risks and uncertainty factors include – but are not limited to include – a number of factors such as general business and financial conditions, dependence on co-operators, delivery time of components, integration of acquired enterprises as well as exchange rate and interest rate fluctuations

Financial calendar

Expected dates for publication of financial information until 31 January 2013:

14 May 2012	Interim annual report for first six months of 2011/12
20 August 2012	Interim annual report for third quarter of 2011/12
21 November 2012	Annual report for 2011/12
January 2013	Interim annual report for first quarter of 2012/13 and Annual General Meeting

STATEMENT BY THE MANAGEMENT ON THE INTERIM REPORT

The Supervisory Board and the Executive Board have today considered and adopted the interim report of RTX Telecom A/S for the first quarter of the financial year 2011/12 (covering the period 1 October 2011 to 31 January 2011).

The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and further Danish disclosure requirements for interim reporting for listed companies. The interim report has not been audited or reviewed by the Company's auditor.

We consider the applied accounting policies appropriate for the interim report to provide, in our opinion, a true and fair view of the Group's assets, liabilities and financial position at 31 December 2011 and of its financial performance and cash flows for the first quarter of 2011/12.

We consider Management's review to give a true and fair view of the Group's activities and finances, profit/loss for the period and the Group's financial position as a whole, as well as a true and fair description of the most material risks and uncertainties facing the Group.

Nørresundby, 30 January 2012

Executive Board

Jesper Mailind
President & Chief Executive Officer

Supervisory Board

Jens Alder
Chairman of the Board

Peter Thostrup
Deputy Chairman

Jørgen Dalby-Jakobsen
Employee Representative

Jens Hansen

Rune Strøm Jensen
Employee Representative

Karsten Vandrup

GROUP INCOME STATEMENT (not audited)

<u>Amounts in DKK '000</u>	<u>Note</u>	<u>Q1 2011/12</u>	<u>Q1 2010/11</u>	<u>Financial year 2010/11</u>
Revenue	3	44,290	39,343	204,887
Value of work transferred to assets	4	1,927	2,991	12,306
Costs of sales etc.		(16,008)	(15,191)	(86,179)
Other external expenses		(6,445)	(7,307)	(35,530)
Staff costs		(20,851)	(20,300)	(83,149)
Depreciation, amortisation and impairment	4	<u>(1,461)</u>	<u>(632)</u>	<u>(3,291)</u>
Operating profit/loss (EBIT)		1,452	(1,096)	9,044
Financial income	5	443	1,156	983
Financial expenses	5	<u>(358)</u>	<u>(317)</u>	<u>(2,285)</u>
Profit/loss before tax from continuing operations		1,537	(257)	7,742
Tax of profit/loss for the period from continuing operations		<u>(38)</u>	<u>0</u>	<u>(1,481)</u>
Profit/loss from continuing operations		1,499	(257)	6,261
Profit/loss from discontinued operations		<u>0</u>	<u>(2,119)</u>	<u>(2,320)</u>
Profit/loss for the period		<u>1,499</u>	<u>(2,376)</u>	<u>3,941</u>
Earnings per share				
Continuing and discontinued operations (DKK)		0.2	(0.3)	0.4
Continuing and discontinued operations, diluted (DKK)		0.2	(0.3)	0.4
Continuing operations (DKK)		0.2	(0.1)	0.7
Continuing operations, diluted (DKK)		0.2	(0.1)	0.6

GROUP BALANCE SHEET (not audited)

Amounts in DKK '000

Assets	31 Dec. 2011	31 Dec. 2010	30 Sept. 2011
Own development projects	15,281	5,811	14,240
Licenses	0	0	0
Goodwill	<u>7,797</u>	<u>7,797</u>	<u>7,797</u>
Total intangible assets	<u>23,078</u>	<u>13,608</u>	<u>22,037</u>
Land and buildings	75,671	77,502	76,129
Plant and machinery	130	122	47
Other fixtures and fittings, tools and equipment, etc.	1,022	536	632
Leasehold improvements	<u>419</u>	<u>116</u>	<u>430</u>
Total tangible assets	<u>77,242</u>	<u>78,276</u>	<u>77,238</u>
Investments in subsidiaries	0	0	0
Deposits	361	362	345
Deferred tax assets	<u>0</u>	<u>0</u>	<u>0</u>
Other long-term assets	<u>361</u>	<u>362</u>	<u>345</u>
Total long-term assets	<u>100,681</u>	<u>92,246</u>	<u>99,620</u>
Inventories	<u>7,136</u>	<u>10,474</u>	<u>7,239</u>
Trade receivables	36,455	35,330	53,880
Contract development projects in progress	2,463	2,134	2,403
Income taxes	1,341	0	236
Other receivables	1,926	2,448	1,067
Accruals	<u>1,874</u>	<u>2,331</u>	<u>1,768</u>
Receivables	<u>44,059</u>	<u>42,243</u>	<u>59,354</u>
Short-term current asset investments	<u>46,001</u>	<u>59,934</u>	<u>45,985</u>
Cash at bank and in hand	<u>18,990</u>	<u>12,719</u>	<u>20,868</u>
Total short-term assets	<u>116,186</u>	<u>125,370</u>	<u>133,446</u>
Total assets	<u>216,867</u>	<u>217,616</u>	<u>233,066</u>

GROUP BALANCE SHEET (not audited)

Amounts in DKK '000

	<u>31 Dec. 2011</u>	<u>31 Dec. 2010</u>	<u>30 Sept. 2011</u>
Equity and liabilities			
Share capital	47,170	47,170	47,170
Share premium account	301,166	301,166	301,166
Retained earnings	<u>(192,590)</u>	<u>(203,958)</u>	<u>(195,025)</u>
Equity belonging to the Parent's shareholders	155,746	144,378	153,311
Minority interests	<u>(1,502)</u>	<u>(1,529)</u>	<u>(1,437)</u>
Equity	<u>154,244</u>	<u>142,849</u>	<u>151,874</u>
Mortgage debt	14,452	15,642	14,748
Provisions	1,373	1,344	1,373
Employee bonds	<u>1,855</u>	<u>1,855</u>	<u>1,855</u>
Long-term liabilities	<u>17,680</u>	<u>18,841</u>	<u>17,976</u>
Current portion of long-term mortgage debt	1,184	2,252	1,342
Bank debt	2,368	7,163	0
Trade payables	14,093	19,134	29,658
Contract development in progress	2,261	849	3,864
Income taxes	240	458	1,529
Provisions	6,322	6,869	7,226
Other payables	<u>18,475</u>	<u>19,201</u>	<u>19,597</u>
Short-term liabilities	<u>44,943</u>	<u>55,926</u>	<u>63,216</u>
Total liabilities	<u>62,623</u>	<u>74,767</u>	<u>81,192</u>
Total equity and liabilities	<u>216,867</u>	<u>217,616</u>	<u>233,066</u>

EQUITY STATEMENT FOR THE GROUP (not audited)

<u>Amounts in DKK '000</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Minority interest</u>	<u>Total</u>
Equity at 1 October 2010	47,170	301,166	(201,820)	(1,312)	145,204
Exchange rate adjustments of foreign subsidiaries	0	0	(129)	(65)	(194)
Fair value adjustment of short-term current asset investments	0	0	98	0	98
Income and expenses recognised directly on equity	0	0	(31)	(65)	(96)
Profit/loss for the period	0	0	(2,224)	(152)	(2,376)
Total income for the period	0	0	(2,255)	(217)	(2,472)
Share-based remuneration, incl. tax effect	0	0	117	0	117
Other transactions	0	0	117	0	117
Equity at 31 December 2010	47,170	301,166	(203,958)	(1,529)	142,849
Equity at 1 October 2011	47,170	301,166	(195,025)	(1,437)	151,874
Exchange rate adjustments of foreign subsidiaries	0	0	621	(52)	569
Fair value adjustment of short-term current asset investments	0	0	(29)	0	(29)
Income and expenses recognised directly on equity	0	0	592	(52)	540
Profit/loss for the period	0	0	1,512	(13)	1,499
Total income for the period	0	0	2,104	(65)	2,039
Share-based remuneration, incl. tax effect	0	0	331	0	331
Other transactions	0	0	331	0	331
Equity at 31 December 2011	47,170	301,166	(192,590)	(1,502)	154,244

The share capital of DKK 47,170,255 consists of 9,434,051 shares at DKK 5.

The Group holds 144,584 treasury shares at 31 December 2011 (144,584 shares at 31 December 2010).

There are no shares carrying special rights.

GROUP CASH FLOW STATEMENT (not audited)

<u>Amount in DKK '000</u>	<u>Q1 2011/12</u>	<u>Q1 2010/11</u>	<u>Financial year 2010/11</u>
Operating profit/loss (EBIT)	1,452	(1,096)	9,044
<i>Reversal of items with no effect on cash flow</i>			
Depreciation, amortisation and impairment	1,461	632	3,291
Other items with no effect on cash flow	68	(172)	(567)
<i>Working capital changes</i>			
Change in inventories	133	2,178	16,263
Change in receivables	15,132	14,984	(8,435)
Change in trade payable etc.	(20,127)	(13,798)	138
Cash flows from operating activities	(1,881)	2,728	19,734
Financial income received	443	1,156	983
Financial expenses paid	(358)	(317)	(2,285)
Income taxes paid	(38)	0	(1,481)
Cash flows from operations	(1,834)	3,567	16,951
Acquisition of development projects	(1,927)	(2,991)	(12,306)
Acquisition of enterprises and activities	0	0	0
Acquisition of property, plant and equipment	(30)	(128)	(846)
Sales of property, plant and equipment	0	0	0
Acquisition of other long-term assets	0	(18)	0
Sales of other long-term assets	0	0	0
Acquisition of short-term assets	0	(12,040)	0
Proceeds from sale of short-term current asset investments (over 3 months)	0	0	1,908
Cash flows from investments	(1,957)	(15,177)	(11,244)
Raising of long-term liabilities	0	0	0
Instalment on/repayment of long-term liabilities	(455)	(589)	(2,393)
Cash flows from financing activities	(455)	(589)	(2,393)
Cash flows from discontinued operations	0	(2,119)	(2,320)
Increase/decrease in cash and cash equivalents	(4,246)	(14,318)	994
Cash and cash equivalents at the beginning of the period, net	20,868	19,874	19,874
Cash and cash equivalents at the end of the period, net	16,622	5,556	20,868

Cash and cash equivalents at the end of the period, net,
are composed as follows:

Cash at bank and in hand	18,990	12,719	20,868
Bank debt	<u>(2,368)</u>	<u>(7,163)</u>	<u>0</u>
Cash and cash equivalents at the end of the period, net	<u>16,622</u>	<u>5,556</u>	<u>20,868</u>

NOTES

1. Accounting policies

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, and further Danish disclosure requirements for interim reporting for listed companies. An interim report has not been prepared for the Parent.

The accounting policies applied in this interim report are consistent with those applied in the Company's annual report for 2010/11, which was presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We refer to the annual report for 2010/11 for a more detailed description of the accounting policies.

The applied accounting policy is unchanged compared to the annual report for 2010/11. New or amended standards and interpretations becoming effective for the financial year 2011/12 have no material impact on the interim report.

2. Estimates and assumptions

The preparation of interim reports requires Management to make financial estimates and assumptions that affect the application of accounting policy and recognised assets, obligations, income and expenses. Actual results might be different from these estimates.

The material estimates that Management makes when applying the accounting principles of the Group, and the material uncertainty connected with these estimates and assumptions are unchanged in the preparation of the interim report compared to the preparation of the annual report as per 30 September 2011.

3. Group revenue

<u>Amounts in DKK '000</u>	<u>RTX Technology</u>	<u>RTX Products</u>	<u>Other items</u>	<u>Total</u>
Q1 2011/12				
Revenue	20,819	23,048	423	44,290
Internal revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net external revenue	<u>20,819</u>	<u>23,048</u>	<u>423</u>	<u>44,290</u>
Q1 2010/11				
Revenue	16,140	22,289	1,147	39,576
Internal revenue	<u>0</u>	<u>(233)</u>	<u>0</u>	<u>(233)</u>
Net external revenue	<u>16,140</u>	<u>22,056</u>	<u>1,147</u>	<u>39,343</u>
Full financial year 2010/11				
Revenue	73,145	134,888	4,387	212,420
Internal revenue	<u>(174)</u>	<u>(7,359)</u>	<u>0</u>	<u>(7,533)</u>
Net external revenue	<u>72,971</u>	<u>127,529</u>	<u>4,387</u>	<u>204,887</u>
Geographical segments				
	<u>Q1 2011/12</u>	<u>Q1 2010/11</u>	<u>Full FY 2010/11</u>	
Denmark	4,308	1,959	12,330	
Other Europe	22,715	22,943	122,046	
Asia and Australia	4,214	5,694	25,229	
North and South America	12,355	8,736	43,833	
Africa	<u>698</u>	<u>11</u>	<u>1,449</u>	
Total	<u>44,290</u>	<u>39,343</u>	<u>204,887</u>	

Revenue is broken down by geographical area according to the customers' geographical location.

4. Group development costs

Amounts in DKK '000

	<u>Q1 2011/12</u>	<u>Q1 2010/11</u>	<u>Full FY 2010/11</u>
Development costs before capitalisation	7,132	5,720	25,731
Capitalised costs	(1,927)	(2,991)	(12,306)
Amortisation and impairment losses on development projects	<u>886</u>	<u>0</u>	<u>886</u>
Development costs recognised in the profit and loss account	<u>6,091</u>	<u>2,729</u>	<u>14,311</u>

5. Group financial items

Amounts in DKK '000

	<u>Q1 2011/12</u>	<u>Q1 2010/11</u>	<u>Full FY 2010/11</u>
Interest income	260	236	774
Exchange rate gains, (net)	183	873	0
Other financial income	<u>0</u>	<u>47</u>	<u>209</u>
Financial income	<u>443</u>	<u>1,156</u>	<u>983</u>
Interest cost	(129)	(174)	(571)
Exchange rate loss, (net)	0	0	(1,051)
Other financial costs	<u>(229)</u>	<u>(143)</u>	<u>(663)</u>
Financial expenses	<u>(358)</u>	<u>(317)</u>	<u>(2,285)</u>