

# Announcement

To the OMX Nordic Exchange Copenhagen and the press

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## Interim report for the first quarter of 2007/08

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 2007/08 (covering the period 1 October 2007 to 31 December 2007).

### Summary of the interim report of the RTX Telecom Group for the first quarter of 2007/08

- Net turnover amounts to DKK 53.4 million compared to DKK 58.0 million in the same period last year.
- Operating profit/loss (EBIT) amounts to a negative DKK 12.7 million compared to a negative DKK 17.4 million in the same period last year.
- During the first quarter of 2007/08, the Group has continued to enhance sales and marketing activities in the Group's business units.
- The Group's cash and current asset investments less bank debt amounted to DKK 107.3 million at 31 December 2007 which is an increase of DKK 49.4 million compared to the same time last year.
- For the financial year 2007/08, Management expects an unchanged net turnover of DKK 240 - 300 million and an operating profit/loss (EBIT) in the range from a negative DKK 30 million to DKK 0 million.

As part of the turn-around process the Group has focused on optimising and enhancing sales and marketing activities. Moreover, several measures to enhance efficiency have been taken in the period to optimise product portfolio and to improve project management in the Group.

Group net turnover and earnings have followed the plans scheduled for the first quarter of 2007/08. Based on the initiated plans and decisions the increased sales and marketing activities are expected to result in a positive development in turnover and earnings in the remaining part of the financial year 2007/08.

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Yours sincerely

Poul Lind  
Chairman of the Board

Tage Rasmussen  
CEO

*Questions and further information:  
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### **Enclosures**

Interim report for the first quarter of 2007/08 comprising:

- Financial highlights and key ratios of the Group
- Management's review
- Profit and loss account
- Balance sheet
- Equity statement
- Cash flow statement
- Notes

## FINANCIAL HIGHLIGHTS AND KEY RATIOS OF THE GROUP (not audited)

Amounts in DKKm	Q1 2007/08	Q1 2006/07	Change in %	Financial year 2006/07
<b>Profit and loss account items</b>				
Net turnover	53.4	58.0	-8%	216.1
Gross profit	30.4	33.1	-8%	98.3
Operating profit/loss (EBIT)	-12.7	-17.4	27%	-98.7
Net financials	-0.9	-1.2	27%	68.4
Profit/loss before tax	-13.6	-18.6	27%	-30.3
Net profit/loss for the period	-13.6	-17.9	24%	-47.3
<b>Balance sheet items</b>				
Cash and current asset investments	124.1	85.0	46%	115.7
Total assets	331.1	394.5	-16%	343.2
Equity	243.4	285.4	-15%	257.0
Liabilities	87.7	109.1	-20%	86.2
<b>Other key figures</b>				
Development costs	5.2	10.8	-52%	26.5
Depreciation, amortisation and impairment	2.2	3.1	-29%	10.7
Cash flows from operations	-2.1	-26.5	92%	-55.0
Cash flows from investments	-0.6	11.4	-105%	100.5
Investments in tangible assets	0.6	0.3	130%	2.4
Increase/decrease in cash and cash equivalents	-3.2	-17.0	81%	42.1
<b>Key ratios</b>				
Growth in net turnover (percentage)	-8.0	13.8		-24.2
Profit margin (percentage)	-23.8	-30.1		-45.7
Equity ratio (percentage)	73.5	72.4		74.9
<b>Employment</b>				
Average number of full-time employees	214	273	-22%	232
Net turnover per employee <sup>2)</sup> (DKK '000)	249	212	17%	932
Operating profit/loss per employee <sup>2)</sup> (DKK '000)	-59	-64	7%	-426
<b>Shares</b>				
Average number of shares in circulation ('000)	9,289	9,289	0%	9,289
Average number of diluted shares <sup>1)</sup> ('000)	9,299	9,353	-1%	9,299
<b>Share data, DKK per share at DKK 5</b>				
Profit/loss for the period (EPS) <sup>2)</sup>	-1.5	-1.9	24%	-5.1
Profit/loss for the period, diluted (DEPS) <sup>1) 2)</sup>	-1.5	-1.9	23%	-5.1
Cash flows from operations <sup>2)</sup>	-0.2	-2.9	92%	-5.9
Equity value	26.2	30.7	-15%	27.7
Listed price	37.0	65.5	-44%	52.5

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 2005" issued by the Danish Association of Financial Analysts. Definitions of the key ratios used are stated in the annual report for 2006/07.  
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 2006/07.

- 1) Including all unexercised warrants. A total of 9,150 warrants at DKK 5 have been issued in the years 2002 - 2003 (including) to a limited number of key employees which, upon full conversion, can be converted into 9,150 warrants at DKK 5 in the period 20 January 2008 to 4 February 2009.  
2) Not annualised.

## MANAGEMENT'S REVIEW

### Comments on the development in the first quarter of 2007/08

#### Activities

In continuation of the focus strategy initiated at the end of 2006, Group Management has taken further measures to develop the organisation in a sales and marketing oriented direction. During the first quarter of 2007/08, the Group has, among other things, undertaken a further development of sales and marketing activities in the Group's four business units.

In the first quarter of 2007/08, the measures implemented have shown signs of improvements within sales and earnings margins, especially in the two business units RTX Technology and RTX Consumer Products.

In the first quarter of 2007/08, RTX Technology has experienced a satisfactory improvement in income from customer development projects compared to the first quarter of 2006/07. The volume of orders of the business unit is still relatively low and to be executed at short notice. In the first quarter of 2007/08 however, the business unit has received an increasing number of inquiries from potential customers.

RTX Consumer Products has experienced a satisfactory improvement in sales in the first quarter, and the business unit has seen a good and positive development in order intake. In the first quarter of 2007/08, the business unit has entered into significant agreements with large enterprises on delivery of professional telephony equipment. The sale of repeaters and TLEs has also been at a satisfactory level.

In the first quarter of 2007/08, RTX Network Systems has spent considerable resources on further development of the network system, and the sales organisation is being developed in different geographical areas and according to market segments. Deliveries and sales in the first quarter of 2007/08 have been at the expected level, but the order intake is still not satisfactory, partly due to slower roll-out of network to existing customers, partly as potential customers continue to demand long negotiation and decision times.

In the first quarter of 2007/08, RTX Healthcare has executed another share of the previously published order from American Alere Medical Inc. comprising delivery of a wireless monitoring unit, DLM112 Daylink<sup>®</sup> Monitor. In the first quarter, on the sales side RTX Healthcare has carried through a focused and systematic sales work on the newly developed and FDA approved product, RTX3370 Telehealth Monitor.

Overall, Group net turnover and earnings have followed the plans scheduled for the first quarter of 2007/08. Based on the initiated plans and decisions the increased sales and marketing activities are expected to result in a positive development in turnover and earnings in the remaining part of the financial year 2007/08.

At the end of the first quarter of 2007/08, the RTX Telecom Group has an overdue receivable of DKK 32.6 million from a Romanian customer. The Group has made provisions of DKK 30.0 million for bad debt relating to this customer in the financial year 2006/07. The Group has taken initial legal action to collect the outstanding debt.

### **Disclosure on Group financial figures for the first quarter of 2007/08**

In the first quarter of the financial year 2007/08 (1 October - 31 December), the Group achieved a net turnover of DKK 53.4 million compared to DKK 58.0 million in the same period last year. Net turnover is thus reduced by 8.0%.

Income from contract development projects as well as sale of products, etc has shown a rising trend compared to the same period last year. Royalty income, however, has decreased considerably compared to the same period last year.

Other external expenses and staff costs total DKK 41.0 million, which is 13.7% lower than in the same period in 2006/07. The savings are in all materiality obtained from the capacity adjustment made in the financial year 2006/07.

The operating profit/loss (EBIT) for the first quarter of 2007/08 was a negative DKK 12.7 million compared to a negative DKK 17.4 million in the first quarter of 2006/07.

Net financials were an expense of DKK 0.9 million compared to an expense of DKK 1.2 million in the same period last year.

The Group's profit/loss before tax in the first quarter of 2007/08 was a loss of DKK 13.6 million compared to a loss of DKK 18.6 million in the first quarter of 2006/07.

Tax on profit/loss for the period is recognised at DKK 0.0 million. According to an ordinary computation, tax amounts to a net income of DKK 3.4 million, but due to uncertainty as to the use of the deferred tax assets, the amount has not been taken to income in the profit and loss account.

Deferred tax assets are recognised in the Group's balance sheet at 31 December 2007 at a net value of DKK 0.0 million. According to an ordinary computation, the total tax value of deferred tax assets is calculated at a net amount of DKK 59.1 million.

Net profit/loss for the first quarter of 2007/08 was a loss of DKK 13.6 million compared to a loss of DKK 17.9 million in the first quarter of 2006/07.

In the first quarter of 2007/08, the Group's equity was reduced by DKK 13.6 million from DKK 257.0 million to DKK 243.4 million. Net loss for the period has reduced equity by DKK 13.6 million, and other equity items have affected equity by DKK 0.0 million. Compared to the same time last year, equity is reduced by DKK 42.0 million.

The equity ratio is 73.5%, which is an increase of 1.1 percentage points compared to the same time last year.

At 31 December 2007, the Group's balance sheet total amounted to DKK 331.1 million, equivalent to a decline of DKK 63.4 million compared to the same time last year. The decrease in the balance sheet total can be divided into a decrease in long-term assets of DKK 36.8 million and a decrease in short-term assets of DKK 26.6 million. The largest decreases occurred in other long-term investments, deferred tax assets, inventories as well as trade receivables. Cash at bank and in hand including short-term current asset investments has increased by DKK 39.0 million compared to the same time last year.

In the first quarter of 2007/08, the net effect of cash flows was a decrease in cash of DKK 3.2 million. Cash less bank debt amounted to DKK 40.2 million at the end of the first quarter of 2007/08 compared to a negative DKK 15.7 million at the same time last year.

The Group's cash and current asset investments less bank debt amounted to DKK 107.3 million at 31 December 2007 which is an increase of DKK 49.4 million compared to the same time last year.

### **Events after 1 January 2008**

The process of merging the subsidiary RTX Products A/S with the Parent with effect from 1 October 2007 has been initiated and proceeds as planned. The merger will be carried through on the basis of the strategy adopted in 2006, which has resulted in material changes in RTX Products A/S and in the entire basis for the Company's activities. The formal implementation of the merger is expected to be finalised in the second quarter of 2007/08.

### **Prospects for the financial year 2007/08**

The Group maintains the expected net turnover and earnings for the financial year 2007/08 ending 30 September 2008. In accordance with the latest announced expectations at the general meeting on 21 January 2008, the Group expects an unchanged net turnover of DKK 240 - 300 million and an operating profit/loss (EBIT) in the range from a negative DKK 30 million to DKK 0 million.

As part of the turn-around process the Group has focused on optimising and enhancing sales and marketing activities. Moreover, several measures to enhance efficiency have been taken in the period to optimise product portfolio and to improve project management in the Group.

The Group's increased sales activities have contributed to an increase in order intake of professional telephony products for OEM/ODM customers in the present financial year. This trend is expected to continue in the remaining part of the financial year 2007/08, and significant ODM delivery contracts are expected to be fulfilled during the financial year.

In the financial year 2007/08, the sale of DECT repeaters and wireless telephone line extenders (TLE) is expected to be maintained at a satisfactory level, whereas the sale of own distributed Skype™ and VoIP products is expected to stabilise at the expected but relatively modest level.

The Group will continue its efforts to establish new strategic sales and cooperative relations for RTX Network Systems in order to strengthen the sales efforts and sales processing on important markets. Efforts will also be made to reduce potential customers' negotiation and decision times.

In the financial year 2006/07, the business unit RTX Healthcare launched its new main product, RTX 3370 Telehealth Monitor. A considerable number of potential customers have tested the product, and it is expected that commercial orders will be received in the first half of the financial year 2007/08. RTX Healthcare's other product DLM112 Daylink® Monitor, which is an OEM product developed for and delivered to American Alere Medical Inc., is also expected according to plans and expectations to contribute to net turnover and earnings in 2007/08.

## **Risks and uncertainties for the remaining part of the financial year 2007/08**

### *Statements about the future*

The above statements on the Group's future conditions, including in particular future net turnover 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, etc.

### **Financial Calendar**

Expected dates for publication of financial information until 31 January 2009:

<b>22 May 2008</b>	Interim report for the first six months of 2007/08
<b>26 August 2008</b>	Interim report for the third quarter of 2007/08
<b>December 2008</b>	Annual report for 2007/08
<b>January 2009</b>	Annual General Meeting

## STATEMENT BY MANAGEMENT ON THE INTERIM REPORT

The Supervisory Board and the Executive Board have today considered and approved the interim report of RTX Telecom A/S for the first quarter of the financial year 2007/08 (covering the period 1 October 2007 to 31 December 2007).

The interim report has been prepared in accordance with IAS 34 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 a true and fair view of the Group's assets, liabilities and financial position at 31 December 2007 and of its financial performance and cash flows for the first quarter of 2007/08.

Nørresundby, 27 February 2008

### Executive Board

Tage Rasmussen  
Chief Executive Officer

### Supervisory Board

Poul Lind  
Chairman of the Board

Per Møller  
Deputy Chairman

Jørgen Dalby-Jakobsen  
Employee Representative

Jørgen Elbæk

Jens Hansen

Christian Jørgensen

Else Baldvinsson Larsen  
Employee Representative

Jens Toftgaard Petersen

**PROFIT AND LOSS ACCOUNT**  
(not audited)

<u>Amounts in DKK '000</u>	<u>Note</u>	<u>Group</u>		
		<u>Q1</u> <u>2007/08</u>	<u>Q1</u> <u>2006/07</u>	<u>Financial</u> <u>year</u> <u>2006/07</u>
<b>Net turnover</b>	3	<b>53,368</b>	<b>57,981</b>	<b>216,112</b>
Cost of sales, etc		(22,930)	(24,894)	(117,785)
Other external expenses		(13,149)	(16,132)	(76,223)
Staff costs		(27,816)	(31,322)	(110,111)
Depreciation, amortisation and impairment		<u>(2,190)</u>	<u>(3,079)</u>	<u>(10,736)</u>
<b>Operating profit/loss (EBIT)</b>		<b>(12,717)</b>	<b>(17,446)</b>	<b>(98,743)</b>
Financial income		1,250	819	76,945
Financial expenses		<u>(2,122)</u>	<u>(2,017)</u>	<u>(8,478)</u>
<b>Profit/loss before tax</b>		<b>(13,589)</b>	<b>(18,644)</b>	<b>(30,276)</b>
Tax on profit/loss for the period		<u>0</u>	<u>792</u>	<u>(16,981)</u>
<b>Net profit/loss for the period</b>		<b><u>(13,589)</u></b>	<b><u>(17,852)</u></b>	<b><u>(47,257)</u></b>
Earnings per share (EPS), DKK		(1.5)	(1.9)	(5.1)
Diluted earnings per share (DEPS), DKK		(1.5)	(1.9)	(5.1)

## BALANCE SHEET (not audited)

### Amounts in DKK '000

	<u>Group</u>		
	<u>31 Dec. 2007</u>	<u>31 Dec. 2006</u>	<u>30 Sept. 2007</u>
<b>Assets</b>			
Completed development projects at the Group's own account	0	641	0
Licences	1,704	2,324	1,859
Goodwill	7,797	7,884	7,884
<b>Intangible assets</b>	<b><u>9,501</u></b>	<b><u>10,849</u></b>	<b><u>9,743</u></b>
Land and buildings	84,582	86,500	85,040
Plant and machinery	5,634	9,344	6,887
Other fixtures and fittings, tools and equipment, etc	3,807	4,607	3,678
Leasehold improvements	183	295	208
<b>Tangible assets</b>	<b><u>94,206</u></b>	<b><u>100,746</u></b>	<b><u>95,813</u></b>
Other investments	7,014	18,186	7,014
Subordinated convertible loan	4,117	3,511	4,117
Deposits	400	1,234	195
Deferred tax assets	689	18,240	689
<b>Other long-term assets</b>	<b><u>12,220</u></b>	<b><u>41,171</u></b>	<b><u>12,015</u></b>
<b>Total long-term assets</b>	<b><u>115,927</u></b>	<b><u>152,766</u></b>	<b><u>117,571</u></b>
<b>Inventories</b>	<b><u>37,541</u></b>	<b><u>46,522</u></b>	<b><u>41,574</u></b>
Trade receivables	47,640	97,671	61,342
Contract development projects in progress	611	2,879	443
Income taxes	108	201	113
Other receivables	3,126	6,639	4,407
Accruals	2,061	2,757	2,033
<b>Receivables</b>	<b><u>53,546</u></b>	<b><u>110,147</u></b>	<b><u>68,338</u></b>
<b>Short-term current asset investments</b>	<b><u>67,153</u></b>	<b><u>73,628</u></b>	<b><u>67,369</u></b>
<b>Cash at bank and in hand</b>	<b><u>56,919</u></b>	<b><u>11,409</u></b>	<b><u>48,359</u></b>
<b>Total short-term assets</b>	<b><u>215,159</u></b>	<b><u>241,706</u></b>	<b><u>225,640</u></b>
<b>Total assets</b>	<b><u>331,086</u></b>	<b><u>394,472</u></b>	<b><u>343,211</u></b>

## BALANCE SHEET (not audited)

### Amounts in DKK '000

	<u>Group</u>		
	<u>31 Dec. 2007</u>	<u>31 Dec. 2006</u>	<u>30 Sept. 2007</u>
<b>Equity and liabilities</b>			
Share capital	47,170	47,170	47,170
Share premium account	301,166	301,166	301,166
Retained earnings	(104,972)	(62,909)	(91,362)
<b>Equity</b>	<b><u>243,364</u></b>	<b><u>285,427</u></b>	<b><u>256,974</u></b>
Mortgage debt	22,266	24,193	22,738
Deferred tax liabilities	722	900	723
Provisions	849	800	849
<b>Long-term liabilities</b>	<b><u>23,837</u></b>	<b><u>25,893</u></b>	<b><u>24,310</u></b>
Current portion of long-term liabilities	1,928	1,875	1,927
Bank debt	16,744	27,112	4,994
Prepayments received from customers	6,411	1,350	3,691
Trade payables	13,812	16,021	24,839
Contract development projects in progress	501	1,756	1,370
Income taxes	29	0	225
Provisions	3,620	5,640	3,068
Other payables	20,840	29,398	21,773
Accruals	0	0	40
<b>Short-term liabilities</b>	<b><u>63,885</u></b>	<b><u>83,152</u></b>	<b><u>61,927</u></b>
<b>Total liabilities</b>	<b><u>87,722</u></b>	<b><u>109,045</u></b>	<b><u>86,237</u></b>
<b>Total equity and liabilities</b>	<b><u>331,086</u></b>	<b><u>394,472</u></b>	<b><u>343,211</u></b>

## EQUITY STATEMENT FOR THE GROUP (not audited)

<u>Amounts in DKK '000</u>	<u>Share capital</u>	<u>Share premium account</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Equity at 1 October 2006</b>	<b>47,170</b>	<b>301,166</b>	<b>(43,731)</b>	<b>304,605</b>
Foreign exchange rate adjustment of foreign subsidiaries	0	0	10	10
Income and expenses recognised directly on equity	0	0	10	10
Net profit/loss for the period	0	0	(17,852)	(17,852)
<b>Total income and expenses recognised</b>	<b>0</b>	<b>0</b>	<b>(17,842)</b>	<b>(17,842)</b>
Share-based remuneration including tax effect	0	0	143	143
Acquisition of treasury shares	0	0	(1,830)	(1,830)
Sale of treasury shares	0	0	351	351
<b>Other transactions</b>	<b>0</b>	<b>0</b>	<b>(1,336)</b>	<b>(1,336)</b>
<b>Equity at 31 December 2006</b>	<b>47,170</b>	<b>301,166</b>	<b>(62,909)</b>	<b>285,427</b>
<b>Equity at 1 October 2007</b>	<b>47,170</b>	<b>301,166</b>	<b>(91,362)</b>	<b>256,974</b>
Foreign exchange rate adjustment of foreign subsidiaries	0	0	(125)	(125)
Fair value adjustment of short-term current asset investments	0	0	(21)	(21)
Income and expenses recognised directly on equity	0	0	(146)	(146)
Net profit/loss for the period	0	0	(13,589)	(13,589)
<b>Total income and expenses recognised</b>	<b>0</b>	<b>0</b>	<b>(13,735)</b>	<b>(13,735)</b>
Share-based remuneration including tax effect	0	0	125	125
<b>Other transactions</b>	<b>0</b>	<b>0</b>	<b>125</b>	<b>125</b>
<b>Equity at 31 December 2007</b>	<b>47,170</b>	<b>301,166</b>	<b>(104,972)</b>	<b>243,364</b>

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 2007 (144,584 shares at 31 December 2006).

There are no shares carrying special rights.

## CASH FLOW STATEMENT (not audited)

<b>Amounts in DKK '000</b>	<b>Group</b>		
	<b>Q1 2007/08</b>	<b>Q1 2006/07</b>	<b>Financial year 2006/07</b>
Operating profit/loss (EBIT)	(12,717)	(17,446)	(98,743)
<i>Reversal of items with no effects on cash flow</i>			
Depreciation, amortisation and impairment	2,190	3,079	10,736
Other items with no effects on cash flow	1,639	2,450	39,764
<i>Working capital changes</i>			
Change in inventories	3,699	(4,364)	(7,688)
Change in receivables	14,285	(4,877)	6,988
Change in trade payables, etc	<u>(10,149)</u>	<u>(3,871)</u>	<u>(683)</u>
<b>Cash flows from operating activities</b>	<b>(1,053)</b>	<b>(25,029)</b>	<b>(49,626)</b>
Financial income received	1,250	819	3,604
Financial expenses paid	(2,122)	(2,017)	(8,478)
Income taxes paid	<u>(196)</u>	<u>(273)</u>	<u>(544)</u>
<b>Cash flows from operations</b>	<b><u>(2,121)</u></b>	<b><u>(26,500)</u></b>	<b><u>(55,044)</u></b>
Acquisition of enterprises and activities (adjustment of acquisition price)	87	0	0
Acquisition of tangible assets	(635)	(276)	(2,399)
Sale of tangible assets	0	0	55
Sale of other long-term investments	158	0	83,727
Acquisition of other long-term assets	(205)	(270)	(36)
Sale of other long-term assets	0	0	795
Proceeds from sale of short-term current asset investments (over 3 months)	<u>0</u>	<u>11,992</u>	<u>18,320</u>
<b>Cash flows from investments</b>	<b><u>(595)</u></b>	<b><u>11,446</u></b>	<b><u>100,462</u></b>
Instalment on and repayment of long-term liabilities	(474)	(477)	(1,881)
Acquisition of treasury shares	0	(1,830)	(1,830)
Sale of treasury shares	<u>0</u>	<u>351</u>	<u>351</u>
<b>Cash flows from financing activities</b>	<b><u>(474)</u></b>	<b><u>(1,956)</u></b>	<b><u>(3,360)</u></b>
<b>Increase/decrease in cash and cash equivalents</b>	<b>(3,190)</b>	<b>(17,010)</b>	<b>42,058</b>
Cash and cash equivalents at 1 October, net	<u>43,365</u>	<u>1,307</u>	<u>1,307</u>
<b>Cash and cash equivalents at 31 December, net</b>	<b><u>40,175</u></b>	<b><u>(15,703)</u></b>	<b><u>43,365</u></b>
Cash and cash equivalents at 31 December, net, are composed as follows:			
Cash at bank and in hand	56,919	11,409	48,359
Bank debt	<u>(16,744)</u>	<u>(27,112)</u>	<u>(4,994)</u>
<b>Cash and cash equivalents at 31 December, net</b>	<b><u>40,175</u></b>	<b><u>(15,703)</u></b>	<b><u>43,365</u></b>

## NOTES

### 1. Accounting policies

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

As it is the first time the Group presents an interim report for a first quarter according to IAS 34, there are comparative figures included in this interim report which have not previously been published.

The accounting policies applied in this interim report are consistent with those applied in the Company's annual report for 2006/07, which was presented in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We refer to the annual report for 2006/07 for a more detailed description of the accounting policies, including definitions of the disclosed key ratios which have been calculated in accordance with "Recommendations and Ratios 2005" issued by the Danish Association of Financial Analysts, unless otherwise indicated.

Certain new or amended Standards and Interpretations have become effective for the financial year 2007/08. Management believes that these Standards and Interpretations will not have a significant effect on the annual report.

### 2. Unusual circumstances and changes in material accounting estimates

Several financial statement items cannot be measured with certainty, but only be estimated. Such estimates comprise assessments made on the basis of the latest information available at the time of the financial reporting. It may be necessary to change previous estimates due to changes in the matters on which the estimate was based or due to new information, further experience or subsequent events.

#### Changes in accounting estimates

The Group used to classify and treat its investments in short-term current asset investments as "Financial assets measured at fair value in the profit and loss account". The Group's Management has revalued the accounting treatment of the short-term current asset investments and concluded that they no longer meet the requirements of being measured at fair value in the profit and loss account. With effect from 1 October 2007 the investments are classified as "Financial assets available for sale" after which the current fair value adjustments are recognised on equity until the time of divestment.

The effect of the above change in the accounting estimate in terms of amount is a positive effect on the financial items of DKK 21k which results in an increase of DKK 21k in pre-tax profit/loss for the period. The effect on equity amounts to DKK 0k. Comparative figures for previous years have not been restated due to the change made in the accounting estimates.

## NOTES

### 3. Net turnover of the Group

<u>Amounts in DKK '000</u>	<u>Q1</u> <u>2007/08</u>	<u>Q1</u> <u>2006/07</u>	<u>Financial</u> <u>year</u> <u>2006/07</u>
<b>Geographical segment information</b>			
Denmark	7,726	8,459	42,626
Other European countries	32,072	30,428	99,307
Asia and Australia	3,365	11,837	22,070
North and South America	9,804	7,257	52,109
Africa	401	0	0
<b>Total</b>	<b><u>53,368</u></b>	<b><u>57,981</u></b>	<b><u>216,112</u></b>

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

#### Net turnover by technology, etc

Cordless	47,218	52,367	171,565
Cellular	2,419	1,822	26,648
Bluetooth	3,731	3,550	17,036
Other income	0	242	863
<b>Total</b>	<b><u>53,368</u></b>	<b><u>57,981</u></b>	<b><u>216,112</u></b>

#### Net turnover by type of income

Development projects	14,363	11,179	38,234
Royalty	4,389	14,137	27,483
Sale of goods, etc	34,616	32,665	150,395
<b>Total</b>	<b><u>53,368</u></b>	<b><u>57,981</u></b>	<b><u>216,112</u></b>

This interim report includes statements about the future. These statements include expectations or prognoses for events, such as introduction of new products, product approvals and financial results. These statements might be influenced by risks, uncertainty factors and inaccurate assumptions, and consequently the actual development might be different from the expectations indicated. These risk 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 as well as exchange rate and interest rate fluctuations, etc. Risks and uncertainty factors are further described in the annual report for 2006/07. RTX Telecom is not obliged to update the statements about the future or to adjust such statements to the actual results unless required by law.

The Stock Exchange Announcement for the interim report for the first quarter of 2007/08 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 English version, the Danish version shall prevail.