Announcement

To the Copenhagen Stock Exchange and the press

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Interim annual report for the first six months of 2004/05

Summary: Net turnover amounts to DKK 125.2 mill. compared to DKK 72.9 mill. during the same period last year. The EBIT for the period amounted to a negative DKK 21.9 mill. compared to a negative DKK 23.2 mill. during the same period last year. Supply agreement for a double-digit mill. sum in DKK was concluded with Microsoft on 25 May 2005. The Group expects unaltered to realise a net turnover of DKK 270-310 mill. and an EBIT in the interval DKK -10 mill. to DKK +10 mill. for the financial year 2004/05.

Today, the Supervisory Board of RTX Telecom A/S has considered and adopted the Group's interim annual report for the period 1 October 2004 to 31 March 2005.

Summary of the interim annual report for the first six months of 2004/05 for the RTX Telecom Group

- Net turnover amounts to DKK 125.2 million compared to DKK 72.9 million during the same period last year.
- Results before financial income and expenses (EBIT) amount to a negative DKK 21.9 million compared to a negative DKK 23.2 million during the same period last year.
- The net profit/loss after tax amounts to a negative DKK 14.2 million compared to a negative DKK 13.0 million during the first six months of 2003/04.
- RTX Telecom has on 25 May 2005 agreed on deliveries of test instruments and test equipment to Microsoft for a two-digit million sum in DKK **(News)**.
- The RTX Telecom Group has received an order from Atlas Telecom Network Romania for delivery of wireless DECT products.
- The Management expects unaltered a net turnover of DKK 270 - 310 million and a result before financial income and expenses (EBIT) in the interval a negative DKK 10 million to a positive DKK 10 million for the financial year 2004/05. Significant resources are invested in new own development and marketing which net will burden the profit and loss account during the financial year 2004/05.

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Sale of own products etc has increased significantly compared to the same period last year. The Group has launched several new products during the past six months, including the new USB/PSTN DUALphone as well as communication modules for Nesa for remote reading of Smart Read^{TM} electricity meters and monitoring of the supply voltage. Moreover, the Group has launched a version of the wireless telephone line extender which is produced and delivered to a large European telecommunications customer.

Development of wireless niche products at own account is an area which has the Group's high priority. During the first six months of 2004/05 significant resources were invested in own products which have burdened the profit and loss account during the first six months of 2004/05. The development efforts are expected to continue during the second half of 2004/05. The operation for the entire financial year 2004/05 is therefore expected to be burdened by significant expenses for development of own niche products. In return, the revenue basis from own products is expected to be strengthened in the following financial years as a result of these measurements.

Press and analyst meeting

On 25 May 2005 at 3:00 p.m. a press and analyst meeting will be held at FIH A/S, Langelinie Allé 43, 2100 Copenhagen Ø. At the meeting the Management of the company will comment on the Group's interim annual report for the first six months of 2004/05 and the expectations for the remaining part of the current financial year.

Yours sincerely,

Poul Lind Chairman of the Board	Jørgen Elbæk CEO

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 2004/05
- Profit and loss account
- Balance sheet
- Equity statement
- Cash flow statement
- Net turnover

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

DKK (million)	First six months 2001/02	First six months 2002/03	First six months 2003/04	First six months 2004/05	Financial year 2003/04
Profit and loss account					
Net turnover	**98.1**	**95.5**	**72.9**	**125.2**	**222.0**
Cost of sales	20.0	14.5	18.9	57.7	77.8
Gross profit	**78.1**	**81.0**	**54.0**	**67.5**	**144.2**
Staff costs	52.7	56.3	48.4	62.3	100.7
Other external expenses	19.0	21.1	23.8	21.2	54.3
Depreciation/amortisation and write-down	4.5	5.5	5.0	5.9	19.9
Profit/loss before financial income and expenses (EBIT)	**1.9**	**-1.9**	**-23.2**	**-21.9**	**-30.7**
Net financials	4.1	4.2	4.6	1.9	5.9
Profit/loss before tax	**6.0**	**2.3**	**-18.6**	**-20.0**	**-24.8**
Tax	2.0	1.0	-5.6	-5.8	-7.5
Profit/loss for the period [1)]	**4.0**	**1.3**	**-13.0**	**-14.2**	**-17.3**
Balance sheet					
Intangible assets	15.7	11.2	15.7	10.3	6.4
Tangible fixed assets	110.4	107.6	103.2	99.4	102.0
Fixed asset investments	0.7	14.9	15.0	19.8	15.0
Fixed assets	**126.8**	**133.7**	**133.9**	**129.5**	**123.4**
Inventories	4.0	6.7	5.0	11.8	5.3
Trade receivables	44.1	33.5	34.9	95.9	51.3
Other current receivables	24.8	20.9	29.9	30.0	35.9
Cash at bank and in hand and current asset investments	264.0	300.8	264.4	184.2	231.2
Current assets	**336.9**	**361.9**	**334.2**	**321.9**	**323.7**
Assets	**463.7**	**495.6**	**468.1**	**451.4**	**447.1**
Share capital	45.7	45.9	47.0	47.0	47.0
Reserves	325.2	342.8	332.0	313.5	327.9
Equity	**370.9**	**388.7**	**379.0**	**360.5**	**374.9**
Provisions	0.3	2.9	1.4	0.8	6.0
Long-term liabilities other than provisions	52.6	44.7	29.1	29.3	28.2
Short-term liabilities other than provisions	39.9	59.3	58.6	60.8	38.0
Provisions and liabilities	**92.8**	**106.9**	**89.1**	**90.9**	**72.2**
Equity, provisions and liabilities	**463.7**	**495.6**	**468.1**	**451.4**	**447.1**
Cash flow statement					
Cash flows from operations	22.8	38.0	-2.3	-36.1	-30.5
Cash flows from investments	-43.7	-0.9	-9.2	-12.0	-13.6
Cash flows from financing activities	19.3	0.5	-15.4	1.1	-16.0
Changes in cash and cash equivalents during the period	**-1.6**	**37.6**	**-26.9**	**-47.0**	**-60.1**

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

Key ratios	First six months 2001/02	First six months 2002/03	First six months 2003/04	First six months 2004/05	Financial year 2003/04
Growth in net turnover (percentage)	-4.2	-2.6	-23.7	71.7	24.1
Profit margin (percentage)	1.9	-2.0	-31.9	-17.5	-13.8
Equity ratio (percentage)	80.0	78.4	81.0	79.9	83.8
Average number of shares 2) ('000)	9,490	9,551	9,568	9,531	9,580
Employment					
Number of employees at the end of period	230	243	215	234	248
Average number of employees	233	243	216	249	225
Net turnover per employee 3) (DKK '000)	421	393	338	503	987
Profit/loss before financial income and expenses per employee 3) (DKK '000)	8	-8	-108	-88	-136
Share data, DKK per share at DKK 5					
Profit/loss for the period (EPS) 3)	0.4	0.1	-1.4	-1.5	-1.8
Cash from operations 3)	2.3	4.0	-0.2	-3.8	-3.2
Equity value	40.6	42.3	40.3	38.3	39.1

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 applied key ratios are mentioned in the annual report for 2003/04.

1) The Group's extraordinary items amounted to DKK 0 in the stated interim annual reports for the first six months.
2) Including all outstanding warrants. A total of 121,000 warrants at DKK 5 have been issued in the years 2000 - 2004 (including) to key employees which, upon full conversion, can be converted into 121,000 shares at DKK 5 in the period 20 January 2006 to 4 February 2009.
3) Not converted into all-year figures.

Comments on the development during the first six months of 2004/05

Results for the period
During the first six months of the financial year 2004/05 (1 October - 31 March), the Group achieved a net turnover of DKK 125.2 million compared to DKK 72.9 million during the same period last year. Thereby net turnover has increased with 71.7 percent. The positive development in net turnover can be related to a significant increase in the sale of own products.

Income from development assignments carried out under third-party contracts of DKK 30.7 million showed a decline of 3.7 percent compared to the same period last year. At the beginning of the financial year the non-revenue recognised volume of orders was at the same level as the non-revenue recognised volume of orders at the same time last year.

Royalty income amounting to DKK 11.3 million is DKK 1.0 million or 8.4 percent below income at DKK 12.3 million during the same period last year. Royalty income is still influenced by the fact that in previous financial years insufficient development projects were performed with a royalty structure which could compensate for the phase out of the products previously contributing with royalty income. As a general rule, royalty payments are based on the number of units produced.

Sale of the company's own products etc amounts to DKK 83.2 million which is almost a tripling compared to the sale at DKK 28.7 million during the same period last year. The Group has launched several new products during the past six months, including the new USB/PSTN DUALphone as well as communication modules for Nesa for remote reading of Smart Read™ electricity meters and for monitoring of the supply voltage. Moreover, the Group has launched a version of the wireless telephone line extender which is produced and delivered to a large European telecommunications customer.

Development of wireless niche products at own account is an area which has the Group's high priority. During the first six months of 2004/05 significant resources were invested in own products which have burdened the profit and loss account during the first six months of 2004/05. The development efforts are expected to continue during the second half of 2004/05. The operation for the entire financial year 2004/05 is therefore expected to be burdened by significant expenses for development of own niche products. In return, the revenue basis from own products is expected to be strengthened in the following financial years as a result of these measurements.

As mentioned in the annual report for the financial year 2003/04 RTX Telecom has decided in relation to the TD-SCDMA technology to reduce the development activities within the technology and await the market interest on the Chinese market in the conclusion of contracts on development of technological solutions. All development costs in relation to the TD-SCDMA technology have currently been recognised as costs in the profit and loss account as incurred.

Other external expenses amounts to DKK 21.2 million which is a reduction of 11.0 percent compared to the same period in 2003/04. The cost reduction is among other things due to a charge-back of previously performed provisions for loss on completed customer projects and customer projects in progress.

As at 31 March 2005, the Group employed 234 employees, 181 of which are engineers and technical staff. Compared to the same time last year, the total number of employees has increased by 19 persons. The increase took place during the second half of the previous financial year 2003/04 by an organisational strengthening which entailed hiring persons with special competences of for instance purchase, logistics and markets. During the first six months of 2004/05 there was a net redundancy of 14 employees, for instance as a result of some performed organisational and cost adjustments. The cost term effect of the reduction of personnel takes full effect from the beginning of the second half of the current financial year 2004/05.

The average number of employees in the Group has increased to 249 in 2004/05 corresponding to an increase of 15.3 percent compared to the same period last year. Staff costs amounted to DKK 62.3 million which is 18.7 percent more than last year. Measured per employee this is an increase in expenditure of 3.0 percent. Upon computation of the above-mentioned percentage development in staff costs, adjustments have been made to the capitalised salaries on completed contract development projects during the first six months of 2003/04.

The half-yearly result before financial income and expenses (EBIT) was a negative DKK 21.9 million compared to a negative DKK 23.2 million during the first six months of the financial year 2003/04.

Net financials were an income of DKK 1.9 million compared to DKK 4.6 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.

The Group's profit/loss after tax during the first six months of 2004/05 was a loss of DKK 14.2 million compared to a loss of DKK 13.0 million during the first six months of 2003/04.

Balance sheet and cash flows

As at 31 March 2005, the Group's balance sheet total amounted to DKK 451.4 million equivalent to a decline of DKK 16.7 million compared to the same time last year. The decline in the balance sheet total can be divided into a reduction of the fixed assets at DKK 4.4 million whereas current assets are reduced with DKK 12.3 million.

During the first six months of 2004/05, the Group's equity was reduced by DKK 14.4 million from DKK 374.9 million to DKK 360.5 million. The result for the period has reduced equity by DKK 14.2 million and foreign exchange rate adjustment of foreign subsidiary has reduced equity by DKK 0.2 million.

The equity ratio is 79.9 percent which is a decrease of 1.1 percent compared to the same time last year.

Cash flows from operations amounted to a negative amount of DKK 36.1 million which is a reduction of DKK 33.8 million compared to the first six months of 2003/04. Compared to last year, the decline is affected by significant changes in working capital etc.

Cash flows from investments, consisting of investments in intangible assets, tangible fixed assets and fixed asset investments amounted to DKK 12.0 million compared to DKK 9.2 million during the first six months of 2003/04. The largest change concerns fixed asset investments.

Cash flows from financing activities amounted DKK 1.1 million compared to a negative DKK 15.4 million during the first six months of 2003/04. Cash flows for the first six months of 2003/04 include repayment of a long-term mortgage loans of DKK 14.1 million.

During the first six months of 2004/05, the net effect of cash flows was a decrease in cash at an amount of DKK 47.0 million. At the end of the first six months of 2004/05, cash funds, including listed securities, amounted to DKK 184.2 million.

Accounting policies

The accounting policies are the same as were applied in the financial year 2003/04. The interim annual report for the first six months of 2004/05 has not been audited.

The 100 percent owned subsidiary, RTX Products A/S, was established on 23 September 2004 as the parent company with retroactive effect as at 1 October 2003 has transferred the activities comprising own products to the subsidiary. Comparative figures for the first six months of 2003/04 in the parent company's interim annual report 2003/04 have therefore been changed based on a pro-forma distribution of amounts in the profit and loss account and the balance sheet as well as in the equity statement and the cash flow statement.

RTX Products A/S

RTX Products A/S is a wholly-owned subsidiary which employed 34 employees at the end of the half-year, 31 March 2005.

RTX Products A/S was established on 23 September 2004 with the purpose of achieving increased focus within development, production and sale of the Group's own products, including ODM deliveries (finished brand products) within the individual technology areas. The major part of the products is produced by sub-suppliers in Denmark and the Far East.

During the first six months of 2004/05 the company's activities for instance comprised production and delivery of DECT repeaters, wireless USB/PSTN DUALphones, wireless telephone line extenders (TLE), GSM/GPRS communication modules as well as test equipment.

During the first six months of 2004/05, the subsidiary has completed development of a wireless DUALphone which connected to a computer's USB port establishes a telephone connection via the Internet or uses the standard wired telephone network (PSTN). Sale of the product commenced at the end of November 2004 under the name Olympia DUALphone. So far, sale has met the Management's expectations.

During the first six months of 2004/05, the subsidiary has also entered an ODM supply agreement with Atlas Telecom Network Romania on wireless DECT products. Production and delivery has commenced during the first six months of 2004/05. Deliveries are expected to be ongoing for several years in line with the customer's extension of the DECT system.

RTX Products A/S uses significant expenses on enlarging the programme for own products. Both the wireless telephone line extender (TLE) as well as the wireless USB/PSTN DUALphone are developed in adapted versions for introduction on new markets. Moreover, significant expenses are used on the development of new innovative VoIP products.

Development of the above-mentioned products has burdened the subsidiary's profit and loss account with significant amounts during the first six months of 2004/05 as all development costs are recognised in the profit and loss account. The development efforts will continue during the second half of the financial year and more of the new products will not be able to contribute significantly to turnover and earnings in the financial year 2004/05.

At corporate level RTX Products A/S realised a turnover of DKK 81.2 million during the first six months of 2004/05. The result before financial income and expenses (EBIT) was a loss of DKK 9.9 million and result after tax was a loss of DKK 6.9 million. At 31 March 2005, equity in RTX Products A/S amounted to DKK 17.6 million.

RTX Healthcare A/S
RTX Healthcare A/S is a wholly-owned subsidiary which employed 8 employees at the end of the half-year, 31 March 2005.

During the first six months of 2004/05, RTX Healthcare A/S has focused development resources on customer contracts primarily within the medical area which has resulted in a stabilisation of the revenue base in general. During the same period the sales and marketing work continued in order to enlarge the customer base for sale of the company's own OEM products.

An important element of this product line is RTX3320 PSTN Wireless Telehealth Gateway which has been developed for wireless patient monitoring at the patient's home. The Gateway makes the health control more simple and comfortable for the patient and at the same time the professional health monitoring becomes more effective and safe. The Management expects that the market for wireless patient monitoring systems is growing and that this will have a positive influence on the company's activities and results in the years ahead.

At corporate level RTX Healthcare A/S realised a turnover of DKK 4.1 million during the first six months of 2004/05. Result after tax was a profit of DKK 0.2 million. At 31 March 2005, equity in RTX Healthcare A/S amounted to DKK 4.6 million.

RTX America, Inc.
RTX America, Inc. is a wholly-owned subsidiary which employed 5 employees at the end of the half-year, 31 March 2005.

RTX America Inc. was established during the financial year 2003/04 as part of the Group's extension of the sales and marketing efforts in North America. During the past six months, the subsidiary has performed an intense sales effort and customer cultivation with the view to entering development tasks paid by the customers and sale of the Group's OEM products. Upon the established customer contacts the company has contributed to strengthening the Group's sales and marketing activities on the American market.

At corporate level RTX America, Inc. realised a turnover of DKK 3.9 million during the first six months of 2004/05. Result after tax was a negative DKK 0.5 million. At 31 March 2005, equity in RTX America, Inc. amounted to DKK 2.5 million.

Important events during the first six months of 2004/05
In October 2004, the RTX Telecom Group entered an agreement with Nesa in relation to delivery of 20,000 communication modules for remote reading of Smart Read^{TM} electricity meters and monitoring of the supply voltage. With this module, Nesa can perform continuous and precise remote readings of electricity meters as well as compute and charge the customers for their exact power consumption. The communication module transfers the meter readings to Nesa via a GSM/GPRS unit. The modules are to be delivered in the spring of 2005.

As at 1 October 2004, RTX Telecom's subsidiary, RTX Products, has acquired the activities of Knuisgaard Teknik ApS, Bredsten, Denmark. Knuisgaard Teknik ApS' activities primarily comprise ongoing development of a special radio communications system which is, for instance, used for communication and navigation between airplanes.

In the biotech company Thomsen Bioscience A/S, new and existing shareholders performed a capital increase in November 2004 at DKK 11.0 million in order to strengthen the financial basis in the company. Proceeds will be used for development and production maturity of the first products which are expected to be launched during 2005. Subsequent to this capital increase, RTX Telecom has in total subscribed for shares in Thomsen Bioscience at a quoted value of DKK 5.3 million corresponding to an ownership share of 19.9 percentage.

The RTX Telecom Group has entered agreements with Atlas Telecom Network Romania on development, production and delivery of several different wireless DECT products which are to be included in Atlas Telecom Network's DECT system. This system will result in an inexpensive and effective telephone service for customers in Romania and in the long term for other Central European countries based on wireless connections for the individual subscribers. The agreements represent a double-digit multi-million sum in Danish kroner and are based on ODM supply agreements. According to the agreements, the RTX Telecom Group has been assigned the responsibility for development and production whereas the customer handles sales, distribution and after sales services. The RTX Telecom Group's production will be handled via sub-suppliers. Deliveries are expected to be ongoing for several years in line with the customer's extension of the DECT system.

In March 2005, RTX Telecom entered an agreement with a large international group on development of a wireless telephone system for use in small and medium-sized companies. The system will be launched on the market via the customer's existing distribution network on the North American market.

Events after 1 April 2005

On 25 May 2005, RTX Telecom has agreed on terms for a considerable delivery of test instruments and test equipment to Microsoft. The test equipment is to be used for production test of among other things a wireless product, developed by RTX Telecom for Xbox 360™. It concerns extension of an existing co-operation with Microsoft, as RTX Telecom has developed the wireless part of the product, which was announced rather more than a year ago, in Announcement No. 04/2004 of 29 April 2004. At the time for the announcement it was not possible to inform about customer name and type of product. The product is to be produced in China and the RTX Telecom Group's task is to develop, produce and deliver a measuring instrument which is able to test the wireless part of the product. RTX Telecom is also to deliver total test racks, including all software for control and logging of production data. The total test solutions are to be delivered to Microsoft's sub-supplier in China during the second half of the financial year 2004/05.

In May 2005, the RTX Telecom Group received additional orders from Atlas Telecom Network Romania concerning delivery of wireless DECT products for use in the so-called Wireless Local Loop system (WLL). This telephone system will result in an inexpensive and effective telephone service for customers in Romania based on wireless connections for the individual subscribers. The RTX Telecom Group will outsource the production to sub-suppliers. Delivery of the first products is expected to take place in the first half of the next financial year 2005/06.

Special circumstances

RTX Telecom has been part of a previously mentioned lawsuit against a French customer. The lawsuit has now been finally settled to the advantage of RTX Telecom as the French customer has chosen not to appeal the delivered ruling to the third court instance. As a consequence of this, RTX Telecom has in the first six months of 2004/05 reversed the previously performed provisions made in relation to the lawsuit.

Prospects for the financial year 2004/05

The Group is maintaining the same net turnover and earnings expectations for the financial year 2004/05, which ends on 30 September 2005. In accordance with the expectations expressed at the annual general meeting on 24 January 2005, the Group continues to expect a net turnover of DKK 270 - 310 million and a result before financial income and expenses (EBIT) at the level of a negative DKK 10 million to a positive 10 million for the financial year 2004/05.

The Group's turnover from selected OEM and ODM products etc within niche areas is expected to generate an increase in turnover and earnings during the second half of 2004/05. The major part of net turnover within this business area is expected to comprise DECT repeaters, wireless telephone line extenders (TLE), USB/PSTN wireless DUALphones, GSM/GPRS communication modules as well as test equipment. Production and sale of an important test solution for Microsoft is expected to be delivered before the expiry of the current financial year 2004/05.

During the last months of the financial year 2004/05, the Group expects to launch other new own developed ODM products, including some of the mentioned Wireless Local Loop DECT products for Atlas Telecom Network Romania. However, the products are primarily expected to generate significant turnover and earnings in the following financial years.

As at 31 March 2005, the non-revenue recognised volume of orders for customer-commissioned development projects amounted to DKK 37.8 million which is an increase of DKK 19.5 million compared to the same time last year. Since the end of the first six months on 31 March 2005 and up until 10 May 2005, development contracts for an additional DKK 5.7 million have been signed.

As at 31 March 2005, the non-revenue recognised volume of orders has increased with DKK 5.7 million compared to the non-revenue volume of orders at the end of the financial year 2003/04.

Resolutions by the Supervisory Board

Issuance of share options

On 25 May 2005 the Supervisory Board decided to allocate share options to a limited number of leading employees within the Group at nominal DKK 712,500 corresponding to 142,500 shares at DKK 5. The exercise price for the share options is fixed as the average rate for a period of five trading days immediately before the time of allocation on 25 May 2005 plus 5 percent per started year subsequent to the time of allocation.

Acquisition of own shares

In order to cover for the issued share options, RTX Telecom has decided to implement a programme for acquisition of own shares at the level 1½ percent of the share capital. The acquisition of own shares is to be performed via a stockbroker or a bank in the period up until the expiry of the calendar year 2005.

PROFIT AND LOSS ACCOUNT
(not audited)

(DKK '000)	Group first six months 2004/05	Group first six months 2003/04	Parent company first six months 2004/05	Parent company first six months 2003/04
Net turnover	125,197	72,926	68,211	62,740
Cost of sales	(57,744)	(18,918)	(7,965)	(8,329)
Other external expenses	(21,193)	(23,802)	(20,557)	(22,003)
Staff costs	(62,315)	(48,417)	(48,451)	(41,383)
Depreciation/amortisation	(5,890)	(5,048)	(3,324)	(4,009)
Profit/loss before financial income and expenses (EBIT)	**(21,945)**	**(23,259)**	**(12,086)**	**(12,984)**
Profit/loss before tax in subsidiaries	0	0	(9,773)	(10,030)
Financial income	4,161	6,809	4,519	6,750
Financial expenses	(2,217)	(2,167)	(2,661)	(2,353)
Profit/loss before tax	**(20,001)**	**(18,617)**	**(20,001)**	**(18,617)**
Tax on profit/loss for the period	5,834	5,575	5,834	5,575
Net profit/loss for the period	**(14,167)**	**(13,042)**	**(14,167)**	**(13,042)**

BALANCE SHEET AT 31 MARCH
(not audited)

Assets (DKK '000)	Group 2005	Group 2004	Parent company 2005	Parent company 2004
Completed development projects	5,128	6,113	0	0
Licences	0	50	0	50
Goodwill	5,223	9,533	0	0
Intangible assets	**10,351**	**15,696**	**0**	**50**
Land and buildings	89,635	91,466	89,635	91,466
Fixtures and fittings, tools and equipment	9,732	11,776	6,013	9,710
Tangible fixed assets	**99,367**	**103,242**	**95,648**	**101,176**
Investments in subsidiaries	0	0	23,258	43,213
Other investments	16,440	14,172	16,440	14,172
Subordinated convertible loan	2,506	0	2,506	0
Deposits	831	807	765	737
Fixed asset investments	**19,777**	**14,979**	**42,969**	**58,122**
Fixed assets	**129,495**	**133,917**	**138,617**	**159,348**
Raw materials and consumables	1,051	955	1,051	955
Manufactured goods and goods for resale	10,734	4,063	0	0
Inventories	**11,785**	**5,018**	**1,051**	**955**
Deferred tax (tax asset)	20,396	9,005	9,281	8,619
Trade receivables	95,890	34,896	32,533	26,040
Contract development projects in progress	0	7,209	0	7,396
Receivables from subsidiaries	0	0	48,070	0
Corporation tax	4,062	3,911	4,062	988
Other receivables	2,921	7,197	1,941	7,197
Prepayments and accrued expenses	2,645	2,537	2,554	2,426
Receivables	**125,914**	**64,755**	**98,441**	**52,666**
Current asset investments	**160,998**	**238,056**	**160,998**	**238,056**
Cash at bank and in hand	**23,242**	**26,334**	**18,599**	**20,312**
Current assets	**321,939**	**334,163**	**279,089**	**311,989**
Assets	**451,434**	**468,080**	**417,706**	**471,337**

BALANCE SHEET AT 31 MARCH
(not audited)

Equity and liabilities (DKK '000)	Group 2005	Group 2004	Parent company 2005	Parent company 2004
Share capital	47,048	47,048	47,048	47,048
Share premium account	298,703	298,703	298,703	298,703
Retained earnings	14,806	33,257	14,806	33,257
Equity	**360,557**	**379,008**	**360,557**	**379,008**
Other provisions	820	1,425	200	1,150
Provisions	**820**	**1,425**	**200**	**1,150**
Mortgage debt	27,262	29,086	27,262	29,086
Other long-term payables	2,000	0	0	0
Long-term liabilities other than provisions	**29,262**	**29,086**	**27,262**	**29,086**
Current portion of long-term liabilities	1,828	1,752	1,828	1,752
Trade payables	21,224	10,355	2,531	4,569
Contract development projects in progress	4,228	0	4,364	0
Payables to subsidiaries	0	0	595	12,130
Other payables	33,515	22,633	20,369	19,821
Accruals	0	23,821	0	23,821
Short-term liabilities other than provisions	**60,795**	**58,561**	**29,687**	**62,093**
Liabilities other than provisions	**90,057**	**87,647**	**56,949**	**91,179**
Equity, provisions and liabilities	**451,434**	**468,080**	**417,706**	**471,337**

EQUITY STATEMENT
(not audited)

(DKK '000)	Group first six months 2004/05	Group first six months 2003/04	Parent company first six months 2004/05	Parent company first six months 2003/04
Share capital at 1 October	47,048	47,048	47,048	47,048
Employee share issue	0	0	0	0
Share capital at 31 March	**47,048**	**47,048**	**47,048**	**47,048**
Share premium account at 1 October	298,703	298,721	298,703	298,721
Costs relating to share issue	0	(26)	0	(26)
Tax value of costs incurred	0	8	0	8
Share premium account at 31 March	**298,703**	**298,703**	**298,703**	**298,703**
Retained earnings at 1 October	29,117	46,663	29,117	46,663
Profit/loss for the period	(14,167)	(13,042)	(14,167)	(13,042)
Exchange rate adjustment of foreign subsidiary	(144)	0	(144)	0
Net adjustment of hedging instruments	0	(520)	0	(520)
Tax value of net adjustment of hedging instruments	0	156	0	156
Retained earnings at 31 March	**14,806**	**33,257**	**14,806**	**33,257**
Total equity at 31 March	**360,557**	**379,008**	**360,557**	**379,008**

The share capital of DKK 47,048,005 consists of 9,409,601 shares of DKK 5.

No shares confer any special rights.

CASH FLOW STATEMENT
(not audited)

(DKK '000)	Group: first six months 2004/05	Group: first six months 2003/04	Parent company: first six months 2004/05	Parent company: first six months 2003/04
Profit/loss before financial income and expenses	(21,945)	(23,259)	(12,086)	(12,984)
Depreciation/amortisation	5,890	5,048	3,324	4,009
Other items with no effects on cash flow	(5,318)	1,150	(5,216)	875
Working capital changes	(12,857)	11,304	(28,139)	31,128
Cash flows from operating activities before net financials	**(34,230)**	**(5,757)**	**(42,117)**	**23,028**
Financial income	4,161	6,809	4,519	6,750
Financial expenses	(2,217)	(2,167)	(2,661)	(2,353)
Corporation taxes paid	(3,854)	(1,201)	(2,897)	(1,402)
Cash flows from operations	**(36,140)**	**(2,316)**	**(43,156)**	**26,023**
Intangible assets, net	(5,803)	(6,113)	0	0
Tangible fixed assets, net	(1,359)	(2,971)	(451)	(988)
Fixed asset investments	(4,786)	(83)	(4,786)	(42,331)
Cash flows from investments	**(11,948)**	**(9,167)**	**(5,237)**	**(43,319)**
Proceeds from capital increase, net	0	(26)	0	(26)
Net adjustment of hedging instruments	0	(520)	0	(520)
Raising of long-term liabilities	2,000	0	0	0
Instalment and repayment on long-term liabilities	(876)	(14,918)	(876)	(14,918)
Cash flows from financing activities	**1,124**	**(15,464)**	**(876)**	**(15,464)**
Increase/decrease in cash and cash equivalents during the period	**(46,964)**	**(26,947)**	**(49,269)**	**(32,760)**
Cash and cash equivalents at the beginning of the period	231,204	291,337	228,866	291,128
Cash and cash equivalents at the end of the period	**184,240**	**264,390**	**179,597**	**258,368**

NET TURNOVER
(not audited)

(DKK '000)	Group first six months 2004/05	Group first six months 2003/04	Parent company first six months 2004/05	Parent company first six months 2003/04
By technologies etc.				
Cordless including WLAN	102,868	49,005	53,014	35,462
Cellular	10,002	10,770	3,375	14,457
Bluetooth	10,970	13,151	8,964	11,294
Other income	1,357	0	2,858	1,527
Total	**125,197**	**72,926**	**68,211**	**62,740**
By geographical areas				
Denmark	41,495	15,111	33,314	19,314
Other European countries	58,307	31,249	14,782	24,318
Asia and Australia	13,411	17,507	9,896	11,762
North America	11,984	9,059	10,219	7,346
Total	**125,197**	**72,926**	**68,211**	**62,740**

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

Net turnover of the Group by types of income

(DKK '000)	first six months 2004/05	Share	first six months 2003/04	Share
Development projects	30,703	25%	31,878	44%
Royalty	11,292	9%	12,327	17%
Own products etc.	83,202	66%	28,721	39%
Total net turnover of the Group	**125,197**	**100%**	**72,926**	**100%**

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 annual report for 2003/04.

The announcement of the interim annual report for the first six months of 2004/05 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.