

# **Nordicom A/S**

CVR. no. 12 93 25 02

## **Q1-Q3 2008 interim report**

(for the period 01 January to 30 September 2008)

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## Summary of Q1-Q3 2008

- Nordicom achieved a gross profit of DKK 339.2 m for the first three quarters of 2008 compared to DKK 327.6 m for the same period in 2007. The increase of DKK 11.6 m is due to a larger value creation achieved through project development for own portfolio.
- The Group's profit before tax amounts to DKK 167.0, which is a drop of 15% compared to the profit before tax for Q1-Q3 2007. This decrease is mainly due to increased interest expenses and, in light of the current situation in the financial markets, this is a satisfactory result.
- The Group generated a positive free cash flow from primary operations of DKK 77.3 m. As at end Q3, the Group's cash holdings amount to DKK 332.7 m.
- Occupancy rates of the company's properties are still high and the relatively high inflation in 2008 has given rise to relatively high inflation linked adjustments of rental revenues for 2009. The cash flow from property leases is sufficient for Nordicom to have a healthy liquidity situation and no property sales are therefore required.
- The value of Nordicom's finished investment properties came to DKK 3,798 m at the end of the quarter, and consists mainly of high yielding properties. Over the past few years, which have seen a number of high price rises in the property market, the portfolio has been consistently marked at a conservative and high market yield. End Q3, Nordicom's portfolio continues to be valued using the same principles as end 2007, corresponding to an average yield of approx. 6.7%.
- Our areas of focus for current development projects are retail and office development, where we continue to see a positive demand in spite of the financial crisis. New projects will only be started if finance has been achieved beforehand.
- The previously expected profit before tax of DKK 300 m has been adjusted downwards to a level of around DKK 200 m before tax. It is the substantially diminished opportunities for sales of properties and the increased interest expenses that have resulted in the downwards adjustment in expectations. Our new estimate does not account for the sale of properties in Q4.

## Company details

### Company

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### Board

Torben Schøn, chairman  
Michael Vad Petersen, deputy chairman  
Ole Vagner  
Per Mellander  
Søren Pind

### Executive management

Gunnar Chr. Kristensen

### Auditors

No review or audit of the interim report for Q1-Q3 2008 has been performed by the Group's auditors.

### Contact

Please direct any inquiries or requests for more detailed information to Gunnar Chr. Kristensen, Managing Director, tel.: +45 33 33 93 03, E-mail: [gk@nordicom.dk](mailto:gk@nordicom.dk).

## Management's endorsements

We have, on the present date, addressed and approved the interim report for the period 1 January – 30 September 2008 for Nordicom A/S.

The interim report, which has not been audited or reviewed by the company's auditors, is presented in conformity with IAS 34, *Interim Financial Reporting*, which is approved by the EU, and further Danish disclosure requirements for interim reports from listed companies.

We regard the applied accounting policies as appropriate, such that the interim report gives a true and fair view of the group's assets, equities and liabilities and financial position as at 30 September 2008, as well as of the result of the group's activities and cash flows for the period 1 January – 30 September 2008.

We regard the management's statement as presenting a true and fair view of the group's activities, economic conditions, profit for the period, and the Group's financial position as a whole, as well as a true and fair view of the most important risks and uncertainties that the Group faces.

Copenhagen, November 18th 2008

### Executive management:



Gunnar Chr. Kristensen

### Board:



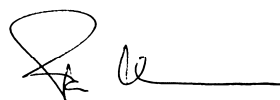
Torben Schøn, chairman



Ole Vagner



Michael Vad Petersen, deputy chairman



Per Mellander



Søren Pind

## Group key figures

| Amount in DKK thousands                               | YTD               | YTD               | Q3                | Q3                | All year          |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Income statement                                      | 2008              | 2007              | 2008              | 2007              | 2007              |
| Net turnover  | 472.824           | 260.953           | 148.805           | 64.945            | 755.051           |
| Operational expenses                                  | -312.051          | -119.503          | -97.881           | -24.967           | -536.287          |
| Value creation through project dev. For own portfolio | 90.158            | 80.932            | 68.961            | 72.156            | 80.798            |
| Regulation to current value, net                      | 69.417            | 82.433            | 16.722            | 27.391            | 70.919            |
| Realized revenues through sales of inv. Prop.         | 18.885            | 22.766            | 3.538             | 23.281            | 99.499            |
| <b>Gross profit</b>                                   | <b>339.233</b>    | <b>327.581</b>    | <b>140.145</b>    | <b>162.806</b>    | <b>469.980</b>    |
| Staff costs and other external expenses               | -42.920           | -36.477           | -11.403           | -11.185           | -53.869           |
| Profit from ass.companies and joint ventures          | -1.571            | -119              | 0                 | -30               | 1.430             |
| Depreciation  | -2.557            | -3.110            | -940              | -1.111            | -4.416            |
| <b>Profit from primary operations</b>                 | <b>292.185</b>    | <b>287.875</b>    | <b>127.802</b>    | <b>150.480</b>    | <b>413.125</b>    |
| Financial items                                       | -125.196          | -90.481           | -45.226           | -30.162           | -121.008          |
| <b>Profit before tax</b>                              | <b>166.989</b>    | <b>197.394</b>    | <b>82.576</b>     | <b>120.318</b>    | <b>292.117</b>    |
| Tax on profit   | -44.954           | -55.100           | -22.400           | -30.100           | -34.940           |
| <b>Profit for the period</b>                          | <b>122.035</b>    | <b>142.294</b>    | <b>60.176</b>     | <b>90.218</b>     | <b>257.177</b>    |
| <b>Balance sheet</b>                                  | <b>30.09.2008</b> | <b>30.09.2007</b> | <b>30.09.2008</b> | <b>30.09.2007</b> | <b>31.12.2007</b> |
| <b>Assets</b>   |                   |                   |                   |                   |                   |
| Long-term intangible assets                           | 2.700             | 431               | 2.700             | 431               | 59                |
| Long-term tangible assets                             | 5.648.364         | 4.579.023         | 5.648.364         | 4.579.023         | 4.776.370         |
| Long-term financial assets                            | 63.372            | 51.832            | 63.372            | 51.832            | 70.029            |
| Project holdings and other current assets             | 511.836           | 682.915           | 511.836           | 682.915           | 1.004.074         |
| <b>Total assets</b>                                   | <b>6.226.272</b>  | <b>5.314.201</b>  | <b>6.226.272</b>  | <b>5.314.201</b>  | <b>5.850.532</b>  |
| <b>Liabilities</b>                                    |                   |                   |                   |                   |                   |
| Equity, end of period                                 | 1.398.160         | 1.293.142         | 1.398.160         | 1.293.142         | 1.386.240         |
| Long-term liabilities                                 | 3.296.291         | 2.331.104         | 3.296.291         | 2.331.104         | 2.846.756         |
| Short-term liabilities                                | 1.531.821         | 1.689.955         | 1.531.821         | 1.689.955         | 1.617.536         |
| <b>Total liabilities</b>                              | <b>6.226.272</b>  | <b>5.314.201</b>  | <b>6.226.272</b>  | <b>5.314.201</b>  | <b>5.850.532</b>  |
| <b>Investment in long term assets</b>                 | <b>521.526</b>    | <b>700.291</b>    | <b>73.199</b>     | <b>318.299</b>    | <b>463.242</b>    |

## Group key figures

|  | YTD<br>30.09.2008 | YTD<br>30.09.2007 | Q3<br>30.09.2008 | Q3<br>30.09.2007 | All year<br>31.12.2007 |
|--|-------------------|-------------------|------------------|------------------|------------------------|
| Share capital (amounts in DKK thousands) | 312.786           | 312.786           | 312.786          | 312.786          | 312.786                |
| Pre-tax return on equity                 | 12                | 16                | 6                | 10               | 23                     |
| Taxed return on equity                   | 9                 | 11                | 4                | 7                | 20                     |
| Share price, end of period               | 320               | 925               | 320              | 925              | 820                    |
| Intrinsic value per share, end of period | 467               | 419               | 470              | 417              | 449                    |
| Earnings per share                       | 56                | 64                | 28               | 39               | 95                     |
| Earnings per share after tax             | 41                | 46                | 20               | 29               | 83                     |
| Price/intrinsic value, end of period     | 1                 | 2                 | 1                | 2                | 2                      |
| Solvency ratio                           | 22                | 24                | 22               | 24               | 24                     |

## Management's statement

### Review of the Group's activities in Q1-Q3

The Group's profit before tax amounts to DKK 167.0, which is a drop of 15% compared to the profit before tax for Q1-Q3 2007. The decrease is mainly due to increased interest expenses and, in light of the current situation in the financial markets, this is a satisfactory result.

The third quarter's dramatic developments in the financial sector mean that the international markets for buying and selling properties have come to a near standstill. Many lenders have not been able, due to the current situation, to provide financing for the property market and, for those players that are still active, the decision process is substantially longer. At the same time the criteria for self-financing have been tightened.

Out of the three geographical areas where Nordicom is active, Denmark has been hit the hardest.

Lack of liquidity has, in general terms, affected all Danish financial players, and means that the property sector has had difficulties raising capital through the traditional channels, which has increased pressure on the sector. The few trades in investment properties which were struck in Q3 have been at higher yields compared to H1, and this tendency is particularly strong when it comes to secondary locations or properties with projects to be developed.

In Sweden the developments in the property market have been slightly less dramatic than in Denmark. This is most likely due to structural differences in the financial sector. In Sweden there are fewer and larger players than in Denmark. Furthermore, the last part of the high growth period was not characterized by speculative lending from the banks in the same degree as was the case in Denmark.

In Germany the financial sector suffered great losses during the first part of the financial crisis but has quickly managed to reestablish the main part of its lost capital. At the same time, the German property market has not seen the same boom, in terms of length and intensity, as in Denmark and Sweden. What this means is that, in the current situation, the decline in the property market has been less severe than in Denmark.

For Nordicom, the developments in the market as a whole have meant that turnover and profits from the sale of properties have been lower than expected in the third quarter. At the same time, the investments in new properties that had been planned for the third quarter have not occurred. The net growth in our property portfolio from Q1 to Q3 comes to DKK 538 m, comprising property sales worth DKK 126 m and new investments and project developments worth DKK 664 m.

The value of Nordicom's finished investment properties came to DKK 3,798 m at the end of the quarter, and consists mainly of high yielding properties. Over the past few years, which have seen a number of high and short-term price rises in the property market, the portfolio has been consistently marked at a conservative and high market yield. This means that, in comparison to the peak, there needs to be a relatively big fall in prices before Nordicom's book values will suffer. End Q3, Nordicom's portfolio continues to be valued using the same principles as end 2007, corresponding to an



average yield of approx. 6.7%. We estimate that the properties can still be sold at least at the price levels the portfolio is booked at.

Even though the backdrop is a raging financial crisis, Nordicom has been able to sustain its focus as a value-adding investor and on driving up revenue from the Group's properties. The profile of the properties in our portfolio and the employees involved in the organisation have been selected with the aim of combining a high continuous cash flow with value creation. In the first three quarters this work has meant an increase in the revenue base of the company's properties of around DKK 5 m, which, at a yield of 6.7%, means unrealized gains of approx. DKK 69.4 m.

Progress in developing Nordicom's projects has also been positive in Q3. The construction of the Lindholm project at Sluseholmen, phase two of Ro's Have in Roskilde, Middelfartvej 1 in Odense and Olgas Have in Ballerup have all been finished in Q3. Furthermore, the optimization of the leases at Loftsbrovej has been finished and the property has been transferred from investment property to operational property.

The general demand for leases is generally still strong and supports Nordicom's project development. In Q3 we have begun the construction of two new office headquarters, one in Silkeborg of 4,500 m<sup>2</sup> and one in Roskilde of 1,600 m<sup>2</sup>, both of which are fully leased.

The Group's operations have generated a positive liquidity of DKK 77.3 m in Q3, which means that the Group's cash holdings come to DKK 332.7 m as at September 30th 2008.

In October 2008 Nordicom launched its new website. The new website, [www.nordicom.dk](http://www.nordicom.dk), has been substantially extended compared with the previous one and contains a thorough presentation of the company and its activities. The website is expected to be used as an active way of communicating with shareholders and other stakeholders of the company. Furthermore, Nordicom has strengthened the functionality of the site, which is now able to show a snapshot of our property portfolio, which properties are up for sale and give potential leasees a quick overview of the geography and size of the vacant commercial, residential or office leases. Furthermore, the site makes it easy to access the relevant person, continuously follow progress of development projects, or learn about the many projects we have developed over the years.

## **Outlook**

The financial markets witnessed a substantial deterioration in Q3 and the developments have been much more severe than the outlook we used to estimate the earnings potential after H2 2008 suggested. The previously expected profit before tax of DKK 300 m has been adjusted downwards to a level of around DKK 200 m before tax. Our new estimate does not account for the sale of properties in Q4. It is the substantially diminished opportunities for sales of properties and the increased interest expenses that have resulted in the downwards adjustment in expectations.

Occupancy rates of the company's properties are still high and the relatively high inflation in 2008 has given rise to relatively high inflation linked adjustments of rental revenues for 2009. The cash flow from property leases is sufficient for Nordicom to have a healthy liquidity situation and no property sales are therefore required. A healthy rental market is hence positive both for Nordicom's daily operations and also in terms of Nordicom's project development, which is

still doing very well. Our areas of focus for current development projects are retail and office development, where we continue to see a positive demand in spite of the financial crisis. We do, however, see a potential downturn in demand for leases should the financial crisis turn into a full-blown economic crisis. Furthermore, Nordicom's opportunities for starting new construction projects will be limited if the current illiquidity in the market for investment properties continues. New projects will only be started if finance has been achieved beforehand.

In the present market conditions, with pressure on the property market due to lack of capital, high interest rates and bankruptcies, good investment opportunities will arise and Nordicom will take up these opportunities keenly. Even though interest rates are currently high in Denmark, most factors indicate a substantially lower level of interest rates in Denmark over the next 3-6 months, which suggests the option of acquiring a property at an extraordinarily high yield now, which could potentially be refinanced at lower rates in 3-6 months. At the same time, we expect a higher ratio of self-financing in new investments than previously, and Nordicom will therefore meticulously evaluate new investments in the light of current market conditions, but also with an eye to opportunities for selling finished properties from the company's existing portfolio.

Another opportunity is expected to arise from the banks' current need or wish to decrease their exposure to the property sector. Further withdrawal of liquidity will increase pressure in a market which is already dry, and will make selling even healthy properties difficult. In the short term, this means that banks will have to take over a number of badly maintained properties where the new owners will need to capture as much value as possible, which in turn means a demand for business partners who can take on the properties and can assist in finishing projects that have come to a halt. We will follow these developments keenly as well.

In our daily work the changes in the markets have meant a strengthened focus on the most basic business conditions. Amongst other things this means:

- Increased focus on continuous liquidity control and raising of capital
- The company's focus on refinancing short term debt into long term debt has shown to be valuable, and this work will continue.
- Continuous optimization of the company's portfolio of operational properties, including identification of potential improvements relating to leasing or cutting costs.
- Increased focus on the company's capacity costs, which are continuously adjusted to the conditions and level of activity in those markets where the company is active.

## Q1-Q3 2008 profit

The group's gross profit amounts to DKK 339.2 m (Q1-Q3 2007: DKK 327.6 m), which corresponds to an increase of DKK 11.7 m (3.6%). This increase is due to higher rental income from the Group's investment properties and value creation through project development for own portfolio. A decrease in the profit from projects sold and fewer finished investment properties sold have detracted from the profit.

Gross profits in Germany and Sweden of DKK 33.8 m (DKK 8.4 m in 2007) comprise 13% of group earnings, compared with 3% from foreign markets in 2007. This geographical diversification limits the risk of adverse changes in local markets.

The group's capacity costs amount to DKK 45.5 m (Q1-Q3 2007: DKK 8.4 m), a rise of DKK 5.9 m. In connection with the completion of construction projects in Q3, an adjustment of the Group's capacity costs has taken place.

Net financial items comprise DKK 125.2 m (Q1-Q3 2007: DKK 90.5 m), which is an increase of DKK 34.7 m compared to the same period last year. This is due to a higher market interest rate and a larger property portfolio. The group's average borrowing rate has risen by approx. 1% compared to same period in 2007, and the interest bearing debt has risen from DKK 3,442.7 m to DKK 4,140.9 m.

## Geographical segments – year to date

| Amounts in DKK millions        | Denmark |         | Germany |       | Sweden |       | Not distributed |        | Group total |         |
|--------------------------------|---------|---------|---------|-------|--------|-------|-----------------|--------|-------------|---------|
|                                | 2008    | 2007    | 2008    | 2007  | 2008   | 2007  | 2008            | 2007   | 2008        | 2007    |
| Gross profit                   | 305.4   | 319.1   | 12.1    | 3.9   | 21.7   | 4.5   | -               | -      | 339.2       | 327.6   |
| Profit from primary operations | 264.7   | 283.2   | 11.1    | 3.2   | 16.4   | 1.5   | -               | -      | 292.2       | 287.9   |
| Total assets                   | 5,770.2 | 5,125.5 | 233.3   | 110.8 | 368.5  | 204.8 | -145.7          | -126.9 | 6,226.3     | 5,314.2 |

## Business segments – year to date

| Amounts in DKK millions        | Property |         | Development |         | Finance |      | Not distributed |        | Group total |         |
|--------------------------------|----------|---------|-------------|---------|---------|------|-----------------|--------|-------------|---------|
|                                | 2008     | 2007    | 2008        | 2007    | 2008    | 2007 | 2008            | 2007   | 2008        | 2007    |
| Gross profit                   | 215.5    | 212.8   | 122.6       | 111.3   | 1.1     | 3.5  | 0.0             | 0.0    | 339.2       | 327.6   |
| Profit from primary operations | 189.3    | 192.0   | 104.8       | 97.5    | 0.2     | 2.6  | -2.2            | -4.2   | 292.2       | 287.9   |
| Total assets                   | 4,157.8  | 3,241.8 | 2,283.7     | 2,482.6 | 73.3    | 58.8 | -288.5          | -469.0 | 6,226.3     | 5,314.2 |

## Balance sheet as at 30 September 2008

The Group's long term assets comprise DKK 5,714.4 m as at 30 September 2008 (31.12.2007: DKK 4,846.5 m), which is an increase of DKK 867.9 m. This is primarily due to the acquisition of new properties and completion of project portfolio holdings.

Short term assets comprise DKK 511.8 m (31.12.2007: DKK 1,004.1m), which is a decrease of DKK 492.2 m. This is primarily due to the completion of Lindholm at Sluseholmen, of which approx. half of the project has been delivered, while the other half has been transferred to finished investment properties for leasing.

As at 30 September 2008, total foreign assets comprise DKK 601.8 m, corresponding to a share of the total balance sheet of 10%.

The equity share comprises DKK 1,398.2 m (31.12.2007: DKK 1,386.2 m), corresponding to an increase of DKK 12 m. The small change is due to a dividend of DKK 43.8 m and a share buy-back of DKK 65.3 m, which have been directly recognized in the value of the equity.

Debt to credit institutions amounts to DKK 4,140.9 m (31.12.2007: DKK 3,774.8 million). The process of increasing long term debt commenced at the beginning of 2007 and continued in 2008. At the end of Q3 long term debt comprised DKK 2,768.5 m, which corresponds to a long term debt share of 66.9%, compared with 62.8% at the end of 2007.

### Liquidity year to date

The Group's activities in Q1-Q3 have generated a positive cash flow of DKK 75.6 m (Q1-Q3 2007: DKK 4.7 m). Sales of investment properties have contributed with a positive cash flow of DKK 56.2 m (Q1-Q3 2007: DKK 87.8 m).

In relation to the company's project holdings, the net effect of investments in existing properties and delivery of finished properties has freed up capital of DKK 67.2 m in Q3 2008.

| Amounts in DKK thousands                                       | YTD<br>2008     | YTD<br>2007     | Q3<br>2008     | Q3<br>2007      |
|--|-----------------|-----------------|----------------|-----------------|
| Cash flow from primary activities according to IFRS            | -32.321         | -118.876        | 77.330         | -31.224         |
| Proceeds from sale of investment properties                    | 145.150         | 92.600          | 31.300         | 92.600          |
| Debt repayment in relation to sale of investment properties    | -88.969         | -4.790          | -18.380        | -4.790          |
| Activated interest expenses on inv. properties being developed | 51.703          | 35.728          | 17.483         | 14.511          |
| <b>Cash flow from primary activities</b>                       | <b>75.563</b>   | <b>4.662</b>    | <b>107.733</b> | <b>71.097</b>   |
| Cash flow from investment activities according to IFRS         | -375.763        | -595.493        | -41.899        | -225.699        |
| Activated interest expenses on inv. properties being developed | -51.703         | -35.728         | -17.483        | -14.511         |
| Proceeds from sale of investment properties                    | -145.150        | -92.600         | -31.300        | -92.600         |
| <b>Cash flow from investment activities</b>                    | <b>-572.616</b> | <b>-723.821</b> | <b>-90.682</b> | <b>-332.810</b> |
| Cash flow from financing activities according to IFRS          | 260.667         | 252.716         | 62.635         | 176.246         |
| Debt repayment in relation to sale of investment properties    | 88.969          | 4.790           | 18.380         | 4.790           |
| <b>Cash flow from financing activities</b>                     | <b>349.636</b>  | <b>257.506</b>  | <b>81.015</b>  | <b>181.036</b>  |
| <b>Total cash flow for the period</b>                          | <b>-147.417</b> | <b>-461.653</b> | <b>98.066</b>  | <b>-80.677</b>  |
| Liquid holdings as of 1 January                                | 480.229         | 586.084         | 234.675        | 205.070         |

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| Price adjustment of liquid holdings       | -90            | -25            | -19            | 13             |
| <b>Liquid holdings as at 30 September</b> | <b>332.722</b> | <b>124.406</b> | <b>332.722</b> | <b>124.406</b> |

The Group's cash holdings comprise DKK 332.7 m as at 30 September 2008.

## Nordicom Ejendom

Nordicom Ejendom's gross profit has increased by DKK 2.7 m compared to the same period last year, amounting to a total of DKK 215.5 m. This increase is due to higher income from lettings and larger value adjustments and an increased holding of finished investment properties and a lower vacancy rate. The total value as at 30 September 2008 amounts to DKK 3,798,0 m.

Unrealized revaluations in Q1-Q3 2008 have been recognized at DKK 69.4 m (Q1-Q3 2007: DKK 82.4 m). The adjustments relate to the work of optimizing the properties and the normal, inflation-based adjustments of the properties' rental basis. End Q3, Nordicom's portfolio continues to be valued using the same principles as end 2007, corresponding to an average yield of approx. 6.7%. We estimate that the properties can still be sold at least at the levels they are booked at. Over the past few years, which have seen a number of high and short-term price rises in the property market, the portfolio has been consistently booked at a conservative and high market yield. This means that, in comparison to the peak, there needs to be a relatively big fall in prices before Nordicom's book values will suffer.

Nordicom Ejendom's profits before tax for the period comprise DKK 90.1 m (Q1-Q3 2007: DKK 85.5 m), corresponding to an increase of DKK 4.6 m (5.1%).

For further details on Nordicom's finished investment properties please see note 9, page 30.

### Nordicom Ejendom divided into geographical segments – year to date

| Amounts in DKK millions        | Denmark |         | Germany |       | Sweden |       | Not distributed |        | Group total |         |
|--------------------------------|---------|---------|---------|-------|--------|-------|-----------------|--------|-------------|---------|
|                                | 2008    | 2007    | 2008    | 2007  | 2008   | 2007  | 2008            | 2007   | 2008        | 2007    |
| Gross profit                   | 181.7   | 204.4   | 12.1    | 3.9   | 21.7   | 4.5   | 0.0             | 0.0    | 215.5       | 212.8   |
| Profit from primary operations | 161.8   | 187.3   | 11.1    | 3.2   | 16.4   | 1.5   | 0.0             | 0.0    | 189.3       | 192.0   |
| Total assets                   | 3,843.0 | 2,801.8 | 151.1   | 110.8 | 309.4  | 204.8 | -145.7          | -126.9 | 4,157.8     | 2,990.4 |

2008 saw the following purchases of new properties:

- Finnslätten 2, Västerås, Sweden, which is a headquarters property with a total office lease of 5,945 m<sup>2</sup>.
- Fläkten 11, Växjö, Sweden, which is a headquarters property with a total lease of 13,500 m<sup>2</sup>, including 9,500 m<sup>2</sup> of offices.
- Am Sande 52, Lüneburg, a property with a total lease of 1,700 m<sup>2</sup>, featuring shops on the ground floor and residential units on the first and second floors.

Four investment properties were sold in 2008 for a total of DKK 145.9 m. Profits of DKK 18.9 m were realized on the sales, corresponding to a gross profit of 13.0%. The properties sold are the following:

- Låsbybanke 4-6 / Adelgade 16 in Kolding, Denmark
- Owner-occupied apartments in Bredgade 2-8 and Ny Vestergade 3 in Kolding, Denmark
- Stines Gård, Gerritsgade 40 A & 42, 5700 Svendborg
- Møllergade 79, 5700 Svendborg

## Nordicom Udvikling

Nordicom Udvikling's gross profit has increased by DKK 11.3 m compared with Q1-Q3 2007, totalling DKK 122.6 m. The increase is due to the completion of a few larger development properties which have been adjusted to current value as they have been transferred to finished investment properties.

The market conditions for selling residential units have changed fundamentally since 2006 and have further deteriorated in Q3 2008. Turnover in the market is generally relatively low and prices are under pressure. However, we are seeing good opportunities in the rental market. The huge uncertainty in the residential property market has shifted demand from owner-occupied housing to the rental market, which has driven up prices in this market.

Profits before tax for the period comprise DKK 84.4 m (Q1-Q3 2007: DKK 87.8 m), corresponding to a decrease of DKK 3.4 m.

### Nordicom development divided into geographical segments – year to date

| Amounts in DKK millions        | Denmark |         | Germany |      | Sweden |      | Not distributed |      | Group total |         |
|--------------------------------|---------|---------|---------|------|--------|------|-----------------|------|-------------|---------|
|                                | 2008    | 2007    | 2008    | 2007 | 2008   | 2007 | 2008            | 2007 | 2008        | 2007    |
| Gross profit                   | 122.6   | 111.3   | -       | -    | -      | -    | -               | -    | 122.6       | 111.3   |
| Profit from primary operations | 104.8   | 97.5    | -       | -    | -      | -    | -               | -    | 104.8       | 97.5    |
| Total assets                   | 2,142.4 | 2,482.6 | 82.2    | -    | 59.1   | -    | -               | -    | 2,283.7     | 2,482.6 |

In 2008 only projects in Denmark were completed.

As at 30 September 2008, 61 sold residential units out of total 146 residential units at Sluseholmen in Copenhagen were delivered as part of the Lindholm project. Letting of the remaining 85 apartments, which began late Q3, is progressing in a satisfactory manner, and we expect this to be completed early 2009.

In the Ro's Have project in Roskilde another 2 owner-occupied apartments were delivered in Q3, bringing the total number of delivered apartments to 11 out of the 18. Furthermore, two retail properties in Ro's Have were completed and transferred to the portfolio of finished investment properties. At Loftbrovej 17 in Nørresundby, Nordicom has acquired a property visible from the motorway to Frederikshavn with Kvickly and Jysk as the main tenants. Nordicom

plans to optimize the use of the existing buildings and to prepare for a potential expansion of retail business in the property. In Q3 2008 the property was transferred to the portfolio of finished investment properties, while the land is still a project property. Value creation through project development for own holdings for the period amounts to DKK 90.2 m (Q1-Q3 2007: DKK 80.9 m).

2008 saw the following acquisitions or project launches:

- At 17 Loftbrovej in Nørresundby, Nordicom has acquired a property visible from the motorway to Frederikshavn.
- At 43 Københavnsvej in Roskilde a smaller property neighbouring Nordicom's existing properties, Københavnsvej 45 and 47, has been acquired. The property is to be demolished in conjunction with wider plans for the area.
- In Næstved, Nordicom has acquired a smaller plot of land which, together with the neighbouring plot, will be used for residential construction.
- 1 Lippelstrasse, Hamburg, Germany - a 16-storey office building with a total leasing area of 8,100 m<sup>2</sup> which is located between the two neighbourhoods of Hafen City and City Süd. The property - one of the tallest buildings in the area - enjoys a fine view of the city and is in need of modernisation.
- A plot of land in Eidelstedt, Hamburg in Germany for the construction of 49 flats, with a total leasing area of 4,900 m<sup>2</sup>
- 3 Regulatorn, Norrköping, Sweden, where the construction of a new logistics property of 5,000 m<sup>2</sup> is planned, following the opening of a new motorway exit in 2010.
- Kroken 8, 9, 11, Norrköping, Sweden, are located in the centre of town. A modernization and conversion of the former industrial building into offices is planned. Furthermore, the construction of a new building of minimum 8-10,000 m<sup>2</sup> for retail, hotel, residential and office purposes will be possible.

## **Nordicom Finans**

Nordicom Finans' pre-tax profit for the period amounts to DKK 0.3 m (Q1-Q3 2007:

DKK 3.0 m), corresponding to a fall of DKK 2.7 m. The fall was caused by the writing down of a claim. Holdings of mortgage bonds have remained unaltered compared with 31 December 2007, at approximately DKK 70 m.

In 2008 no new guarantees were agreed under the property guarantee business concept EjendomsKaution.

## **Uncertainty in recognition and valuation**

Investment properties are valued at market value, calculated on the basis of the property's normal earnings, which as far as possible are based on the historically realized operating profit for each individual property, corrected for expected alterations in the following year of operations. The market value of the properties is then calculated through capitalization of the operating return, with the required rate of return determined individually for each property. The required rate of return is based on both socio-economic as well as individual factors for individual properties.

## **Events after the balance sheet date**

No events of any consequence for the interim report have occurred between the balance sheet date and the time of presentation of the report.



## Income statement

|                                     |   | YTD<br>2008    | YTD<br>2007    | Q3<br>2008     | Q3<br>2007     |
|-------------------------------------|---|----------------|----------------|----------------|----------------|
| <b>Note</b> Amount in DKK thousands |   |                |                |                |                |
|                                     | Net turnover  | 472.824        | 260.953        | 148.805        | 64.945         |
|                                     | Operational expenses                                  | -312.051       | -119.503       | -97.881        | -24.967        |
|                                     | Value creation through project dev. for own portfolio | 90.158         | 80.932         | 68.961         | 72.156         |
|                                     | Regulation to current value, net                      | 69.417         | 82.433         | 16.722         | 27.391         |
|                                     | Realized revenues through sales of inv. prop.         | 18.885         | 22.766         | 3.538          | 23.281         |
| <b>3</b>                            | <b>Gross profit</b>                                   | <b>339.233</b> | <b>327.581</b> | <b>140.145</b> | <b>162.806</b> |
|                                     | Staff costs and other external expenses               | -27.624        | -25.279        | -8.152         | -7.882         |
|                                     | Other external expenses                               | -15.296        | -11.198        | -3.251         | -3.303         |
|                                     | Result of ass.companies and joint ventures            | -1.571         | -119           | 0              | -30            |
|                                     | Depreciation  | -2.557         | -3.110         | -940           | -1.111         |
|                                     | <b>Profit from primary operations</b>                 | <b>292.185</b> | <b>287.875</b> | <b>127.802</b> | <b>150.480</b> |
|                                     | Financial revenue                                     | 9.409          | 6.646          | 5.440          | 2.285          |
|                                     | Financial costs                                       | -134.605       | -97.127        | -50.666        | -32.447        |
|                                     | <b>Profit before tax</b>                              | <b>166.989</b> | <b>197.394</b> | <b>82.576</b>  | <b>120.318</b> |
| <b>5</b>                            | <b>Tax on profit</b>                                  | <b>-44.954</b> | <b>-55.100</b> | <b>-22.400</b> | <b>-30.100</b> |
|                                     | <b>Profit for the period</b>                          | <b>122.035</b> | <b>142.294</b> | <b>60.176</b>  | <b>90.218</b>  |
|                                     | <b>Distribution of profit for the year</b>            |                |                |                |                |
|                                     | Parent company's shareholders                         | 121.796        | 142.319        | 60.028         | 90.208         |
|                                     | Minority interests                                    | 239            | -25            | 148            | 10             |
|                                     |   | <b>122.035</b> | <b>142.294</b> | <b>60.176</b>  | <b>90.218</b>  |
| <b>6</b>                            | <b>Earnings per share</b>                             | 40,65          | 46,13          | 20,17          | 29,10          |
| <b>6</b>                            | <b>Diluted earnings per share</b>                     | 40,48          | 45,77          | 20,09          | 28,87          |

## Balance sheet

**Note** Amount in DKK thousands

|  | <u>30.09.2008</u>       | <u>30.09.2007</u>       | <u>31.12.2007</u>       |
|--|-------------------------|-------------------------|-------------------------|
| <b>Assets</b>  |                         |                         |                         |
| <b>Long-term assets</b>  |                         |                         |                         |
| <b>7 Intangible assets</b>   | <u>2.700</u>            | <u>431</u>              | <u>59</u>               |
| <b>Tangible assets</b>   |                         |                         |                         |
| <b>8</b> Domicile properties                                       | 62.956                  | 105.380                 | 62.372                  |
| <b>9</b> Completed investment properties                           | 3.797.970               | 2.945.771               | 3.018.891               |
| <b>9</b> Investment properties under development                   | 1.780.545               | 1.520.233               | 1.686.377               |
| <b>10</b> Fixtures and operational equipment                       | <u>6.893</u>            | <u>7.639</u>            | <u>8.730</u>            |
|  | <b><u>5.648.364</u></b> | <b><u>4.579.023</u></b> | <b><u>4.776.370</u></b> |
| <b>Financial assets</b>  |                         |                         |                         |
| Participating interests in associated companies and joint ventures | 1.713                   | 13.994                  | 3.284                   |
| Receivables  | 37.159                  | 21.338                  | 42.245                  |
| Amounts owed by associated companies and joint ventures            | <u>24.500</u>           | <u>16.500</u>           | <u>24.500</u>           |
|  | <b><u>63.372</u></b>    | <b><u>51.832</u></b>    | <b><u>70.029</u></b>    |
| <b>Total long-term assets</b>                                      | <b><u>5.714.436</u></b> | <b><u>4.631.286</u></b> | <b><u>4.846.458</u></b> |
| <b>Current assets</b>  |                         |                         |                         |
| <b>11 Project portfolios</b>                                       | <u>27.761</u>           | <u>455.553</u>          | <u>363.194</u>          |
| Receivables  | 31.313                  | 19.064                  | 47.852                  |
| Corporation tax  | 7.476                   | 4.201                   | 5.571                   |
| Amounts owed by associated companies and joint ventures            | 25.481                  | 12.813                  | 27.306                  |
| Accrued income and deferred expenses                               | <u>16.615</u>           | <u>8.078</u>            | <u>5.462</u>            |
|  | <b><u>80.885</u></b>    | <b><u>44.156</u></b>    | <b><u>86.191</u></b>    |
| <b>Mortgage deeds and debt instruments</b>                         | <u>70.468</u>           | <u>58.800</u>           | <u>74.460</u>           |
| <b>Cash holdings</b>   | <u>332.722</u>          | <u>124.406</u>          | <u>480.229</u>          |
| <b>Total current assets</b>  | <b><u>511.836</u></b>   | <b><u>682.915</u></b>   | <b><u>1.004.074</u></b> |
| <b>Total assets</b>  | <b><u>6.226.272</u></b> | <b><u>5.314.201</u></b> | <b><u>5.850.532</u></b> |

## Balance sheet, continued

**Note** Amount in DKK thousands

|  | <u>30.09.2008</u> | <u>30.09.2007</u> | <u>31.12.2007</u> |
|--|-------------------|-------------------|-------------------|
| <b>Liabilities</b>                                 |                   |                   |                   |
| <b>Owner's equity</b>                              |                   |                   |                   |
| Share capital                                      | 312.786           | 312.786           | 312.786           |
| Reserves for value adjustment                      | -5.089            | -21               | -1.402            |
| Reserves for investment property, net revaluation  | 0                 | 743.514           | 753.314           |
| Reserves for revaluation by the equity method      | 0                 | 11.236            | 526               |
| Retained earnings                                  | 1.089.761         | 225.669           | 276.763           |
| Proposed dividend                                  | 0                 | 0                 | 43.790            |
|  | <u>1.397.458</u>  | <u>1.293.184</u>  | <u>1.385.777</u>  |
| <b>Equity of the parent company's shareholders</b> |                   |                   |                   |
| Equity of minority interests                       | 702               | -42               | 463               |
| <b>12-14 Total equity</b>                          | <u>1.398.160</u>  | <u>1.293.142</u>  | <u>1.386.240</u>  |
| <b>Liabilities</b>                                 |                   |                   |                   |
| <b>Long-term liabilities</b>                       |                   |                   |                   |
| Accrued liabilities                                | 37.159            | 21.338            | 42.245            |
| Deferred tax                                       | 455.948           | 416.903           | 402.035           |
| Credit institutions                                | 2.768.535         | 1.873.725         | 2.370.703         |
| Deposits   | 34.649            | 19.138            | 31.773            |
|  | <u>3.296.291</u>  | <u>2.331.104</u>  | <u>2.846.756</u>  |
| <b>Short-term liabilities</b>                      |                   |                   |                   |
| Accrued liabilities                                | 19.262            | 5.335             | 16.061            |
| Credit institutions                                | 1.372.395         | 1.568.010         | 1.404.085         |
| Costs payable on sold projects                     | 8.895             | 0                 | 21.753            |
| Outstanding amounts, etc., properties              | 30.142            | 218               | 42.736            |
| Trade creditors                                    | 48.813            | 45.185            | 64.869            |
| Corporation tax                                    | 0                 | 0                 | 0                 |
| Deposits   | 20.128            | 32.835            | 21.874            |
| Other liabilities                                  | 32.186            | 38.372            | 46.158            |
|  | <u>1.531.821</u>  | <u>1.689.955</u>  | <u>1.617.536</u>  |
| <b>Total debt liabilities</b>                      | <u>4.828.112</u>  | <u>4.021.059</u>  | <u>4.464.292</u>  |
| <b>Total liabilities</b>                           | <u>6.226.272</u>  | <u>5.314.201</u>  | <u>5.850.532</u>  |

## Statement of recognised income and expenses

| <b>Note</b>   | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|---|---------------------|---------------------|--------------------|--------------------|
| Amount in DKK thousands                                   |                     |                     |                    |                    |
| Profit for the period                                     | 122.035             | 142.294             | 60.176             | 90.218             |
| Value adjustment of foreign companies                     | -3.687              | -7                  | -2.081             | -5                 |
| <b>Total recognised income and expence for the period</b> | <b>118.348</b>      | <b>142.287</b>      | <b>58.095</b>      | <b>90.213</b>      |
| <b>Attributable to:</b>                                   |                     |                     |                    |                    |
| Equity holders of the parent                              | 118.109             | 142.312             | 57.947             | 90.203             |
| Minority interest   | 239                 | -25                 | 148                | 10                 |
|   | <b>118.348</b>      | <b>142.287</b>      | <b>58.095</b>      | <b>90.213</b>      |

## Cash flow statement

| Note | Amount in DKK thousands   | YTD<br>2008     | YTD<br>2007     | Q3<br>2008     | Q3<br>2007      |
|------|---|-----------------|-----------------|----------------|-----------------|
|      | <b>Operating profit/loss (EBIT)</b>                                   | <b>292.185</b>  | <b>287.875</b>  | <b>127.802</b> | <b>150.480</b>  |
| 15   | Adjustment of non-liquid operating items, etc.                        | -173.388        | -181.404        | -88.777        | -121.225        |
|      | Change in projects holdings, net                                      | 49.487          | -171.239        | 67.222         | -68.898         |
| 16   | Changes in other working capital                                      | -29.873         | 70.968          | 33.792         | 54.173          |
|      | <b>Cash flow coming from primary activities</b>                       | <b>138.411</b>  | <b>6.200</b>    | <b>140.039</b> | <b>14.530</b>   |
|      | Financial income, received  | 9.409           | 6.646           | 5.440          | 2.285           |
|      | Financial expenses, paid  | -187.605        | -133.702        | -68.149        | -46.958         |
|      | Corporation tax paid/received   | 7.464           | 1.980           | 0              | -1.081          |
|      | <b>Total cash flows from operating activities</b>                     | <b>-32.321</b>  | <b>-118.876</b> | <b>77.330</b>  | <b>-31.224</b>  |
|      | <b>Cash flow from investment activities</b>                           |                 |                 |                |                 |
|      | Purchase of intangible assets   | -2.006          | 0               | -2.006         | 0               |
|      | Purchase of finished investment or domicile properties                | -212.996        | -616.761        | -19.858        | -275.069        |
|      | Sale of finished investment or domicile properties                    | 145.150         | 92.600          | 31.300         | 92.600          |
|      | Purchase of investment properties under development/development costs | -304.493        | -78.633         | -51.315        | -42.918         |
|      | Sale of trade properties  | 0               | 10.966          | 0              | 0               |
|      | Purchase of other tangible assets                                     | -2.031          | -4.897          | -20            | -312            |
|      | Sale of other tangible assets   | 613             | 1.232           | 0              | 0               |
|      | <b>Total cash flow from investment activities</b>                     | <b>-375.763</b> | <b>-595.493</b> | <b>-41.899</b> | <b>-225.699</b> |
|      | <b>Cash flow from financing activities</b>                            |                 |                 |                |                 |
|      | Proceeds from loans with credit institutions                          | 655.493         | 1.146.676       | 132.845        | 355.773         |
|      | Instalments and redemption of loans with credit institutions          | -287.862        | -860.881        | -70.210        | -179.527        |
|      | Dividend paid   | -43.790         | -40.662         | 0              | 0               |
|      | Dividend from own shares  | 2.126           | 361             | 0              | 0               |
|      | Purchase of own shares  | -65.300         | 0               | 0              | 0               |
|      | Sale of own shares  | 0               | 7.222           | 0              | 0               |
|      | <b>Total cash flow from financing activities</b>                      | <b>260.667</b>  | <b>252.716</b>  | <b>62.635</b>  | <b>176.246</b>  |
|      | <b>Cash flow for the period</b>                                       | <b>-147.417</b> | <b>-461.653</b> | <b>98.066</b>  | <b>-80.677</b>  |
|      | Liquid holdings as of 1 January                                       | 480.229         | 586.084         | 234.675        | 205.070         |
|      | Price adjustment of liquid holdings                                   | -90             | -25             | -19            | 13              |
|      | <b>Liquid holdings as at 30 September</b>                             | <b>332.722</b>  | <b>124.406</b>  | <b>332.722</b> | <b>124.406</b>  |

## Notes

### 1 Applied accounting principles

The interim report is presented in conformity with IAS 34 "Interim Financial Reporting", as approved by the EU and Danish disclosure requirements towards interim reports from listed companies. No interim report has been compiled for the parent company.

The interim report is presented in Danish kroner (DKK), which is the functional currency of the parent company.

The applied accounting principles are unaltered in relation to those utilized in the company's annual report for 2007, and have been compiled in conformity with the International Financial Reporting Standards (IFRS) as approved by the EU. We refer to the annual report for 2007 for a further description of the applied accounting policies.

The following new and altered standards and interpretations entered into force with effect for the financial year 2008:

- IFRIC 12 – Service Concession Arrangements
- IFRIC 14 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

Application of the new interpretations has not entailed changes in Nordicom's accounting policies.

### Reclassifications

A reclassification of the Group's recognized liabilities related to guarantee has been carried out since the 2007 annual report.

The group is liable for guarantees such as obligations to repair potential faults on project properties at the one and five year check-overs. However, the Group often has a similar guarantee from the main construction company, meaning that these faults and shortcomings will typically be covered by guarantees from the main construction company. Typically, normal conditions for turnkey contracts (ABT 93) are applied, meaning the set up of a bank guarantee of 15% of the total value of the project until delivery, 10% after delivery and 2% from the first year after delivery. The guarantee is valid for 5 years.

In the 2007 annual report the guarantee liabilities and the right to reimbursement were recorded net as the Group did not have sufficient information to produce a reliable calculation of the gross liability. As the right to reimbursement, according to *IAS 37 – Provisions, contingent liabilities and contingent assets*, cannot be offset against the liability, the Group has acquired the necessary information and recorded the right to reimbursement separately under long- and short-term assets. Figures for comparison have been adjusted according to the new classification.

The Items in the balance sheet are affected as follows:

|                       | 30.09.2007 | 31.12.2007 |
|-----------------------|------------|------------|
| Long-term receivables | 21,338     | 42,245     |

## Notes

|                                 |        |        |
|---------------------------------|--------|--------|
| Short-term receivables          | 5,335  | 16,061 |
| Total assets                    | 26,673 | 58,306 |
|                                 |        |        |
| Long-term liability provisions  | 21,338 | 42,245 |
| Short-term liability provisions | 5,335  | 16,061 |
| Total liabilities               | 26,673 | 58,306 |

## Notes

### 2 Nordicom Group segment information

#### Business segments

Within management and reporting, the group is split into three business segments which are considered the main segmental units. The business segments are as follows:

|                     |   |
|---------------------|---|
| Nordicom Ejendom:   | Investments in investment properties                            |
| Nordicom Udvikling: | Construction and development of property and parking facilities |
| Nordicom Finans:    | Property guarantees and business mortgage deeds                 |

#### Segment information by business segment - year to date 2008

| Amount in DKK thousands   | Nordicom<br>Ejendom | Nordicom<br>Udvikling | Nordicom<br>Finans | Not<br>distri buted | Group total      |
|---|---------------------|-----------------------|--------------------|---------------------|------------------|
| Turnover, external  | 157.633             | 311.279               | 3.912              | 0                   | 472.824          |
| Operating expenses  | -33.184             | -278.867              | 0                  | 0                   | -312.051         |
| Value creation through business project development             | 0                   | 90.158                | 0                  | 0                   | 90.158           |
| Adjustment to current value, net                                | 72.203              | 0                     | -2.786             | 0                   | 69.417           |
| Realised revenues through sales of inv. and domicile properties | 18.885              | 0                     | 0                  | 0                   | 18.885           |
| <b>Gross result</b>   | <b>215.537</b>      | <b>122.570</b>        | <b>1.126</b>       | <b>0</b>            | <b>339.233</b>   |
| Staff costs   | -16.490             | -7.321                | -604               | -3.209              | -27.624          |
| Other external expenses   | -8.519              | -7.624                | -248               | 1.095               | -15.296          |
| Profit/loss from associated companies and joint ventures        | 0                   | -1.571                | 0                  | 0                   | -1.571           |
| Depreciations   | -1.214              | -1.216                | -32                | -95                 | -2.557           |
| <b>Profit from primary operations</b>                           | <b>189.314</b>      | <b>104.838</b>        | <b>242</b>         | <b>-2.209</b>       | <b>292.185</b>   |
| Financial income  | 4.236               | 2.748                 | 58                 | 2.367               | 9.409            |
| Financial expenses  | -103.420            | -23.231               | 0                  | -7.954              | -134.605         |
| <b>Profits before tax</b>                                       | <b>90.130</b>       | <b>84.355</b>         | <b>300</b>         | <b>-7.796</b>       | <b>166.989</b>   |
| Tax on profit for period  | -22.533             | -21.089               | -75                | -1.258              | -44.954          |
| <b>Profits for the period</b>                                   | <b>67.598</b>       | <b>63.266</b>         | <b>225</b>         | <b>-9.054</b>       | <b>122.035</b>   |
| Long-term assets  | 3.863.647           | 1.841.196             | 0                  | 9.593               | 5.714.436        |
| Short-term assets   | 294.200             | 442.461               | 73.292             | -298.117            | 511.836          |
| <b>Segment assets</b>   | <b>4.157.847</b>    | <b>2.283.657</b>      | <b>73.292</b>      | <b>-288.524</b>     | <b>6.226.272</b> |
| <b>Segment liabilities</b>                                      | <b>3.042.006</b>    | <b>1.874.128</b>      | <b>27.558</b>      | <b>-115.580</b>     | <b>4.828.112</b> |
| <b>Capital investments</b>                                      | <b>212.996</b>      | <b>304.493</b>        | <b>0</b>           | <b>4.037</b>        | <b>521.526</b>   |



## Notes

### Segment information by business segment - year to date 2007

| Amount in DKK thousands   | Nordicom<br>Ejendom | Nordicom<br>Udvikling | Nordicom<br>Finans | Not<br>distributed | Group total      |
|---|---------------------|-----------------------|--------------------|--------------------|------------------|
| Turnover, external  | 132.765             | 124.705               | 3.483              | 0                  | 260.953          |
| Turnover, internal  | 2.990               | 0                     | 0                  | -2.990             | 0                |
| Operating expenses  | -28.151             | -94.342               | 0                  | 2.990              | -119.503         |
| Value creation through business project development             | 0                   | 80.932                | 0                  | 0                  | 80.932           |
| Adjustment to current value, net                                | 82.433              | 0                     | 0                  | 0                  | 82.433           |
| Realised revenues through sales of inv. and domicile properties | 22.766              | 0                     | 0                  | 0                  | 22.766           |
| <b>Gross profit</b>   | <b>212.803</b>      | <b>111.295</b>        | <b>3.483</b>       | <b>0</b>           | <b>327.581</b>   |
| Staff costs   | -13.792             | -6.374                | -617               | -4.496             | -25.279          |
| Other external expenses   | -7.002              | -6.142                | -309               | 2.255              | -11.198          |
| Profit/loss from associated companies and joint ventures        | 0                   | -119                  | 0                  | 0                  | -119             |
| Depreciations   | -24                 | -1.132                | 0                  | -1.954             | -3.110           |
| <b>Profit from primary operations</b>                           | <b>191.985</b>      | <b>97.528</b>         | <b>2.557</b>       | <b>-4.195</b>      | <b>287.875</b>   |
| Financial income  | 2.413               | 2.377                 | 445                | 1.411              | 6.646            |
| Financial expenses  | -80.377             | -12.135               | 0                  | -4.615             | -97.127          |
| <b>Profits before tax</b>                                       | <b>114.021</b>      | <b>87.770</b>         | <b>3.002</b>       | <b>-7.399</b>      | <b>197.394</b>   |
| Tax on profit for period  | -28.505             | -21.943               | -751               | -3.902             | -55.100          |
| <b>Profits for the period</b>                                   | <b>85.516</b>       | <b>65.828</b>         | <b>2.252</b>       | <b>-11.301</b>     | <b>142.294</b>   |
| Long-term assets  | 3.051.151           | 1.572.065             | 0                  | 8.070              | 4.631.286        |
| Short-term assets   | 190.609             | 910.568               | 58.800             | -477.062           | 682.915          |
| <b>Segment assets</b>   | <b>3.241.760</b>    | <b>2.482.633</b>      | <b>58.800</b>      | <b>-468.992</b>    | <b>5.314.201</b> |
| <b>Segment liabilities</b>                                      | <b>2.990.417</b>    | <b>1.434.518</b>      | <b>9.903</b>       | <b>-413.779</b>    | <b>4.021.059</b> |
| <b>Capital investments</b>                                      | <b>616.761</b>      | <b>78.633</b>         | <b>0</b>           | <b>4.897</b>       | <b>700.291</b>   |

Amounts not distributed relate to the holding activities of the parent company, including inter-company balances. Internal turnover relates to the collection of rent under market conditions

## Notes

### Geographical segments

In management and reporting terms, the international activities relate to Nordicom Ejendom. The following information on geographical segments is based on the location of the properties:

#### Segment information by geographical segments - year to date 2008

| Amount in DKK thousands   | Denmark          | Germany        | Sweden         | Not distributed | Group total      |
|---|------------------|----------------|----------------|-----------------|------------------|
| Turnover, external clients                                      | 440.700          | 9.146          | 22.978         | 0               | 472.824          |
| Operating expenses  | -306.252         | -1.531         | -4.268         | 0               | -312.051         |
| Value creation through project dev. for own portfolio           | 90.158           | 0              | 0              | 0               | 90.158           |
| Adjustment to current value, net                                | 61.917           | 4.500          | 3.000          | 0               | 69.417           |
| Realized revenues through sales of inv. and domicile properties | 18.885           | 0              | 0              | 0               | 18.885           |
| <b>Gross profit</b>   | <b>305.408</b>   | <b>12.115</b>  | <b>21.710</b>  | <b>0</b>        | <b>339.233</b>   |
| <b>Profit from primary operations</b>                           | <b>264.652</b>   | <b>11.094</b>  | <b>16.439</b>  | <b>0</b>        | <b>292.185</b>   |
| <b>Total assets</b>   | <b>5.770.183</b> | <b>233.265</b> | <b>368.506</b> | <b>-145.682</b> | <b>6.226.272</b> |
| <b>Investment in long-term assets</b>                           | <b>293.024</b>   | <b>91.314</b>  | <b>135.182</b> | <b>0</b>        | <b>519.520</b>   |

#### Segment information by geographical segments - year to date 2007

| Amount in DKK thousands   | Denmark          | Germany        | Sweden         | Not distributed | Group total      |
|---|------------------|----------------|----------------|-----------------|------------------|
| Turnover, external clients                                      | 251.027          | 5.049          | 4.877          | 0               | 260.953          |
| Operating expenses  | -118.014         | -1.112         | -377           | 0               | -119.503         |
| Value creation through project dev. for own portfolio           | 80.932           | 0              | 0              | 0               | 80.932           |
| Adjustment to current value, net                                | 82.433           | 0              | 0              | 0               | 82.433           |
| Realized revenues through sales of inv. and domicile properties | 22.766           | 0              | 0              | 0               | 22.766           |
| <b>Gross profit</b>   | <b>319.144</b>   | <b>3.937</b>   | <b>4.500</b>   | <b>0</b>        | <b>327.581</b>   |
| <b>Profit from primary operations</b>                           | <b>283.207</b>   | <b>3.165</b>   | <b>1.503</b>   | <b>0</b>        | <b>287.875</b>   |
| <b>Total assets</b>   | <b>5.125.545</b> | <b>110.762</b> | <b>204.766</b> | <b>-126.872</b> | <b>5.314.201</b> |
| <b>Investment in long-term assets</b>                           | <b>513.459</b>   | <b>25.301</b>  | <b>161.531</b> | <b>0</b>        | <b>700.291</b>   |

## Notes

### 3 Gross profit

| Amount in DKK thousands                                      | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| Rental income  | 188.387             | 140.340             | 62.368             | 51.313             |
| Proceeds from sale of project holdings and trade properties  | 280.525             | 117.130             | 85.143             | 12.530             |
| Interest income, mortgage deeds and guarrantees              | 3.912               | 3.483               | 1.294              | 1.102              |
| <b>Total turnover</b>  | <b>472.824</b>      | <b>260.953</b>      | <b>148.805</b>     | <b>64.945</b>      |
| Operating expenses, investment properties                    | -41.962             | -30.736             | -13.715            | -12.080            |
| Operating expenses, project holdings                         | -270.089            | -88.767             | -84.166            | -12.887            |
| <b>Total operating expenses</b>                              | <b>-312.051</b>     | <b>-119.503</b>     | <b>-97.881</b>     | <b>-24.967</b>     |
| Value creation through project development for own portfolio | 90.158              | 80.932              | 68.961             | 72.156             |
| Market value adjustments, completed inv. properties          | 70.714              | 83.250              | 20.214             | 27.750             |
| Market value adjustments, debt to credit institutions        | 1.489               | -817                | -2.030             | -359               |
| Market value adjustments, mortgage bonds                     | -2.786              | 0                   | -1.462             | 0                  |
| <b>Total value adjustments</b>                               | <b>159.575</b>      | <b>163.365</b>      | <b>85.683</b>      | <b>99.547</b>      |
| Sales proceeds inv. and domicile properties                  | 145.150             | 92.600              | 31.300             | 92.600             |
| Book value of the properties at time of sale                 | -126.265            | -69.834             | -27.762            | -69.319            |
| <b>Realised profits through sales of investment property</b> | <b>18.885</b>       | <b>22.766</b>       | <b>3.538</b>       | <b>23.281</b>      |
| <b>Gross profit</b>  | <b>339.233</b>      | <b>327.581</b>      | <b>140.145</b>     | <b>162.806</b>     |

## Notes

### 4 Share-based payment

The market value of options pending at the time of allotment has been calculated on the basis of the Black-Scholes model, and is shown in the following table.

Share options allotted to the management and board of directors:

| <b>Outstanding options</b>                  | <b>Number of options</b> | <b>Avg exercise price</b> |
|---|--------------------------|---------------------------|
| Options outstanding as at 1 January 2007    | 162.000                  | 799                       |
| Granted in 2007                             | 8.000                    | 1.392                     |
| Exercised in 2007                           | -40.000                  | 178                       |
| Matured without exercise in 2007            | -4.000                   | 893                       |
| Options outstanding as at 30 September 2007 | 126.000                  | 1.015                     |
| Options outstanding as at 1 January 2008    | 126.000                  | 1.015                     |
| Granted in 2008                             | 4.000                    | 1.480                     |
| Exercised in 2008                           | 0                        | 0                         |
| Forfeited in 2008                           | -10.000                  | 1.480                     |
| Expired in 2008                             | 0                        | 0                         |
| Options outstanding as at 30 September 2008 | 120.000                  | 1.015                     |

In the calculation of the value of options allocated in 2003, a volatility of 23% is assumed on the basis of prices observed in recent years, together with a risk-free interest rate of approximately 4%, and a yield of 6.2%. The share price at the time of the allotment was DKK 148.

In the calculation of the value of options allocated in 2005, a volatility of 30% is assumed on the basis of prices observed in recent years, together with a risk-free interest rate of approximately 3% and a yield of 1.7%. The share price at the time of the allotment was DKK 650.

In the calculation of the value of options allocated in 2007, a volatility of 40% is assumed on the basis of prices observed in recent years, together with a risk-free interest rate of approximately 4% and a yield of 1.5%. The share price at the time of the allotment was DKK 704.

In the calculation of the value of options allocated in 2008, a volatility of 47% is assumed on the basis of prices observed in recent years, together with a risk-free interest rate of approximately 4% and a yield of 1.7%. The share price at the time of the allotment was DKK 550.

The calculated value of the options at the time of allotment have been included proportionately in the profit and loss accounts as staff costs over the period prior to the time of exercise. In the current financial period, DKK 715,000 has been transferred to the profit and loss account (Q1-Q3 2007: DKK 1,480,000).

## Notes

| <b>Outstanding options</b>                  | <b>Number<br/>of options</b> | <b>Avg<br/>exercise<br/>price</b> |
|---|------------------------------|-----------------------------------|
| Options outstanding as at 1 January 2007    | 162,000                      | 799                               |
| Alloted in 2007                             | 8,000                        | 1,392                             |
| Exercised in 2007                           | -40,000                      | 178                               |
| Expired without exercise in 2007            | -4,000                       | 893                               |
| Options outstanding as at 30 September 2007 | <u>126,000</u>               | 1,015                             |
| Options outstanding as at 1 January 2008    | 126,000                      | 1,015                             |
| Alloted in 2008                             | 4,000                        | 1,480                             |
| Exercised in 2008                           | 0                            | 0                                 |
| Forfaldt i 2008                             | -10,000                      | 1,480                             |
| Expired in 2008                             | <u>0</u>                     | 0                                 |
| Options outstanding as at 30 September 2008 | <u>120,000</u>               | 1,015                             |

### 5 Tax on profit for the period

| Amounts in DKK thousands               | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| Current tax on profit for period       | 0                   | 0                   | 0                  |                    |
| Current tax, previous years            | -297                | -12.863             | -407               | -748               |
| Change in deferred tax, previous years | 3.131               | 17.871              | 1.790              | 25                 |
| Change in deferred tax                 | <u>42.120</u>       | <u>50.092</u>       | <u>21.017</u>      | <u>30.823</u>      |
|  | <b>44.954</b>       | <b>55.100</b>       | <b>22.400</b>      | <b>30.100</b>      |

The tax expenses included in the profit and loss account for the financial period have been calculated on the basis of the net profit before tax and the estimated effective taxation rate for the group as a whole for Q1-Q3 2008. The estimated effective taxation rate for 2008 is 25% (Q1-Q3 2007: 28%).

In addition to the tax on the annual result, tax expenses of DKK 179,000 have been directly recognized for the period in equity capital, in connection with the period's equity capital entries relating to share-based remuneration.

## Notes

### 6 Earnings per share

Earnings per share has been calculated on the basis of the following amounts:

| Amounts in DKK thousands   | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| Profit for the period  | 121.796             | 142.319             | 60.028             | 90.208             |
| Impact on earnings after tax of conversion of subscription rights etc. | 0                   | 0                   | 0                  | 0                  |
| <b>Profit used in calculating the diluted result per share</b>         | <b>121.796</b>      | <b>142.319</b>      | <b>60.028</b>      | <b>90.208</b>      |
| Average number of shares   | 3.127.858           | 3.127.858           | 3.127.858          | 3.127.858          |
| Average number of own shares   | -131.761            | -42.914             | -151.861           | -27.803            |
| <b>Average number of shares floating</b>                               | <b>2.996.097</b>    | <b>3.084.944</b>    | <b>2.975.997</b>   | <b>3.100.055</b>   |
| Average dilution effect of outstanding share options                   | 12.774              | 24.571              | 11.784             | 24.383             |
| <b>Diluted average number of floating shares</b>                       | <b>3.008.871</b>    | <b>3.109.515</b>    | <b>2.987.781</b>   | <b>3.124.438</b>   |
| Earnings per share (DKK)   | 40,65               | 46,13               | 20,17              | 29,10              |
| Diluted earnings per share (DKK)                                       | 40,48               | 45,77               | 20,09              | 28,87              |

## Notes

### 7 Intangible assets

Amount in DKK thousands

Cost price as at 1 January 2007

Accessions

Disposals

**Cost price as at 30 September 2007**

Depreciation and write-downs as at 1 January 2007

Depreciation for the period

Reversed depreciations and writedowns at disposal

Book value as at 30 September 2007

Cost price as at 1 January 2008

Transferred from fixtures and equipment

Accessions

Disposals

**Cost price as at 30 September 2008**

Depreciation and write-downs as at 1 January 2008

Transferred from fixtures and equipment

Depreciation for the period

Reversed depreciations and writedowns at disposal

Depreciation and write-downs as at 30 September 2008

**Book value as at 30 September 2008**

| <b>Rights</b> | <b>Software</b> | <b>Total</b>  |
|---------------|-----------------|---------------|
| 5.756         | 0               | 5.756         |
| 0             | 0               | 0             |
| 0             | 0               | 0             |
| <b>5.756</b>  | <b>0</b>        | <b>5.756</b>  |
| -4.246        | 0               | -4.246        |
| -1.079        | 0               | -1.079        |
| 0             | 0               | 0             |
| <b>-5.325</b> | <b>0</b>        | <b>-5.325</b> |
| <b>431</b>    | <b>0</b>        | <b>431</b>    |
| 5.756         | 0               | 5.756         |
| 0             | 2.828           | 2.828         |
| 0             | 2.006           | 2.006         |
| 0             | 0               | 0             |
| <b>5.756</b>  | <b>4.834</b>    | <b>10.590</b> |
| -5.697        | 0               | -5.697        |
| 0             | -1.494          | -1.494        |
| -59           | -640            | -699          |
| 0             | 0               | 0             |
| <b>-5.756</b> | <b>-2.134</b>   | <b>-7.890</b> |
| <b>0</b>      | <b>2.700</b>    | <b>2.700</b>  |

## Notes

### 8 Domicile properties

| Amounts in DKK thousands                               | <u>30.09.2008</u>    | <u>30.09.2007</u>     |
|--|----------------------|-----------------------|
| Cost price as at 1 January                             | 62.372               | 43.007                |
| Accessions   | 584                  | 62.373                |
| Disposals  | <u>0</u>             | <u>0</u>              |
| <b>Cost price as at 30 September</b>                   | <b><u>62.956</u></b> | <b><u>105.380</u></b> |
| Depreciation and write-downs as at 1 January           | 0                    | 0                     |
| Depreciation for the period                            | <u>0</u>             | <u>0</u>              |
| <b>Depreciation and write-downs as at 30 September</b> | <b><u>0</u></b>      | <b><u>0</u></b>       |
| <b>Book value as at 30 September</b>                   | <b><u>62.956</u></b> | <b><u>105.380</u></b> |

### 9 Investment properties

| Amounts in DKK thousands                                  | <b>Completed<br/>investment<br/>properties</b> | <b>Investment<br/>property<br/>under<br/>development</b> | <b>Total</b>            |
|---|--|--|-------------------------|
| Book value as at 1 January 2007                           | 2.088.909                                      | 1.651.519  | 3.740.428               |
| Foreign exchange adjustments                              | 10   | 0  | 10                      |
| Transfers to/from project portfolios                      | 0  | -25.154  | -25.154                 |
| Transfers to/from investment property under development   | 289.056  | -289.056   | 0                       |
| Accessions, including activated salary and interest costs | 552.378  | 101.992  | 654.370                 |
| Market value adjustments/value creation for the period    | 83.250   | 80.932   | 164.182                 |
| Disposals through sales                                   | <u>-67.832</u>                                 | <u>0</u>   | <u>-67.832</u>          |
| <b>Book value as at 30 September 2007</b>                 | <b><u>2.945.771</u></b>                        | <b><u>1.520.233</u></b>                                  | <b><u>4.466.004</u></b> |
| Book value as at 1 January 2008                           | 3.018.890                                      | 1.686.377  | 4.705.267               |
| Foreign exchange adjustments                              | -8.136   | 0  | -8.136                  |
| Transfers to/from project portfolios                      | 333.969  | -39.658  | 294.311                 |
| Transfers to/from investment property under development   | 292.961  | -292.961   | 0                       |
| Accessions, including activated salary and interest costs | 212.412  | 336.629  | 549.041                 |
| Market value adjustments/value creation for the period    | 70.714   | 90.158   | 160.872                 |
| Disposals through sales                                   | <u>-122.840</u>                                | <u>0</u>   | <u>-122.840</u>         |
| <b>Book value as at 30 September 2008</b>                 | <b><u>3.797.970</u></b>                        | <b><u>1.780.545</u></b>                                  | <b><u>5.578.515</u></b> |



## Notes

### FINISHED INVESTMENT PROPERTIES AS AT 30 SEPTEMBER 2008

| Property                               | Post code | City          | Size m2 | Property type |
|--|-----------|---------------|---------|---------------|
| <b>Denmark</b>                         |           |               |         |               |
| Langebrogade 5                         | 1411      | Copenhagen K  | 4,990   | Office        |
| Tåsingegade 29                         | 2100      | Copenhagen Ø  | 10,643  | Residential   |
| Rantzausgade 22-24                     | 2200      | Copenhagen N  | 3,541   | Residential   |
| Amagerbanen 15 /Amager Strandvej 20-26 | 2300      | Copenhagen S  | 3,980   | Office        |
| Englandsvej 51 m,fl,                   | 2300      | Copenhagen S  | 2,818   | Retail        |
| Hejrevej 26-28, Ørnevej 33-35          | 2400      | Copenhagen NV | 3,792   | Office        |
| Hejrevej 30                            | 2400      | Copenhagen NV | 10,760  | Office        |
| Hejrevej 8-10                          | 2400      | Copenhagen NV | 3,910   | Office        |
| Ørnevej 18, Svanevej 12                | 2400      | Copenhagen NV | 8,251   | Office        |
| Sluseholmen (Lindholm)                 | 2450      | Copenhagen SV | 7,714   | Residential   |
| Tåstrup Stationscenter                 | 2630      | Taastrup      | 26,024  | Retail        |
| Rebæk Søpark Retailcenter              | 2650      | Hvidovre      | 11,364  | Retail        |
| Mosedet Centret                        | 2670      | Greve         | 1,705   | Retail        |
| Ballerup Idrætsby Residentialer        | 2750      | Ballerup      | 448     | Residential   |
| Ballerup Idrætsby Hotel                | 2750      | Ballerup      | 3,400   | Other         |
| Høje Gladsaxe Centret                  | 2860      | Søborg        | 11,776  | Retail        |
| Vandtårnsvej 68                        | 2860      | Søborg        | 359     | Retail        |
| Rungsted Bytorv 2-9, Rungsted Ejl,     | 2960      | Rungsted Kyst | 2,018   | Residential   |
| Murergade 5                            | 3000      | Helsingør     | 938     | Residential   |
| Prøvestensvej 20                       | 3000      | Helsingør     | 830     | Retail        |
| Slangerupgade 48 D, ejerl, 2           | 3400      | Hillerød      | 1,182   | Retail        |
| Allerød Vestcenter                     | 3450      | Allerød       | 1,626   | Other         |
| Banetorvet 3 - Ejl, Nr, 2              | 3450      | Allerød       | 1,404   | Other         |
| Zahrtmannsvej 78                       | 3700      | Rønne         | 928     | Retail        |
| Åkirkebyvej 50                         | 3700      | Rønne         | 5,000   | Retail        |
| Aakirkebyvej 58-60                     | 3700      | Rønne         | 723     | Retail        |
| Jernbanegade 8                         | 3720      | Aakirkeby     | -       | Retail        |
| Torvet 1                               | 3720      | Aakirkeby     | 2,290   | Retail        |
| Algade 13, Roskilde htl Prindsen       | 4000      | Roskilde      | 5,938   | Other         |
| Hersegade 23, Jernbaneg, 6 A + B Ejl,  | 4000      | Roskilde      | 1,044   | Retail        |
| Møllehusene 1-3, Roskilde Ejl,         | 4000      | Roskilde      | 462     | Residential   |
| Ro's Have 11                           | 4000      | Roskilde      | 3,011   | Retail        |
| Ro's Have 13                           | 4000      | Roskilde      | 160     | Retail        |
| Ro's Have 14 og 16                     | 4000      | Roskilde      | 1,100   | Retail        |
| Ro's Have 8, 10, 12, 18                | 4000      | Roskilde      | 1,100   | Retail        |
| Nørregade 27 A Ejl,                    | 4100      | Ringsted      | 344     | Retail        |
| Sct, Bendtsgade 10                     | 4100      | Ringsted      | 1,425   | Residential   |
| Ringsted Centret                       | 4100      | Ringsted      | 9,476   | Retail        |
| Nørregade 21                           | 4100      | Ringsted      | 632     | Retail        |
| Nørregade 31-33                        | 4100      | Ringsted      | 410     | Retail        |

## Notes

| Property                            | Post code | City        | Size m2 | Property type |
|-------------------------------------|-----------|-------------|---------|---------------|
| Schweizerpladsen 5, Ejl,            | 4200      | Slagelse    | 540     | Retail        |
| Schweizerpladsen 1 A                | 4200      | Slagelse    | 977     | Office        |
| Schweizerpladsen 1B, - Ejl, 1       | 4200      | Slagelse    | 419     | Retail        |
| Løvegade 6                          | 4200      | Slagelse    | 908     | Residential   |
| Schweizerpladsen 1B, 2,tv, - Ejl, 6 | 4200      | Slagelse    | 819     | Residential   |
| Schweizerpladsen 3                  | 4200      | Slagelse    | 175     | Residential   |
| Frederiksgade 1                     | 4200      | Slagelse    | 130     | Retail        |
| L,C, Worsøesvej 2                   | 4300      | Holbæk      | 3,063   | Retail        |
| Dyssegårdscentret                   | 4700      | Næstved     | 2,391   | Retail        |
| Vadestedet 6                        | 4700      | Næstved     | 460     | Office        |
| Hotel Vinhuset                      | 4700      | Næstved     | 3,400   | Other         |
| Toldbuen 6, 4700 Næstved            | 4700      | Næstved     | 1,950   | Office        |
| Middelfartvej 1, 5000 Odense C      | 5000      | Odense C    | 3,259   | Residential   |
| Dannebrogsgade 2                    | 5000      | Odense C    | 37,861  | Office        |
| Svendborgvej 275                    | 5260      | Odense S    | 2,000   | Retail        |
| Møllergade 1                        | 5700      | Svendborg   | 1,051   | Retail        |
| Vilhelmskildevvej 1 C               | 5700      | Svendborg   | 2,573   | Office        |
| Jernbanegade 33-35                  | 6000      | Kolding     | 2,590   | Residential   |
| Helligkorsgade 1, Naverstræde 3     | 6000      | Kolding     | 1,304   | Retail        |
| Birkemose Allé 23-35                | 6000      | Kolding     | 6,522   | Office        |
| Birkemosevej 9                      | 6000      | Kolding     | 743     | Office        |
| Albuen 19                           | 6000      | Kolding     | 3,062   | Retail        |
| Fuglsang Allé 4                     | 7000      | Fredericia  | 1,000   | Retail        |
| Dæmningen 34                        | 7100      | Vejle       | 3,993   | Office        |
| Sjællandsgade 12,16,18              | 7100      | Vejle       | 10,817  | Retail        |
| Silkeborgvej 102                    | 7400      | Herning     | 4,841   | Retail        |
| Engdahlsvej 2 A-B, ejl, 1+2         | 7400      | Herning     | 1,917   | Retail        |
| Østergade 30 / Søndergade 2B        | 7600      | Struer      | 978     | Office        |
| Axel Kiers Vej 13                   | 8270      | Højbjerg    | 9,188   | L&P           |
| Århusvej 119-121, Ulrikkasvej 1     | 8900      | Randers     | 907     | Retail        |
| Center Syd                          | 9200      | Aalborg SV  | 2,887   | Retail        |
| Loftbrovej 17, Nørresundby          | 9400      | Nørresundby | 13,092  | Retail        |
| Denmark total                       |           |             | 283,331 |               |
| <b>Sweden</b>                       |           |             |         |               |
| Finnslätten 2                       | 72136     | Västerås    | 5,945   | Office        |
| Fläkten 11                          | 35241     | Växjö       | 13,500  | Office        |
| Galgen 3                            | 58273     | Linköping   | 4,080   | Retail        |
| Glasblåsaren 7                      | 58273     | Linköping   | 10,759  | Office        |
| Kopparn 10                          | 60223     | Norrköping  | 6,825   | Retail        |
| Magnetjärnet 6                      | 58278     | Linköping   | 2,268   | Office        |
| Sweden total                        |           |             | 43,377  |               |

## Notes

| Property                                     | Post code | City     | Size m2 | Property type |
|--|-----------|----------|---------|---------------|
| <b>Germany</b>                               |           |          |         |               |
| Vogteistrasse 3, 5, 7                        | 21079     | Hamburg  | 1,089   | Residential   |
| In de Krümm 36                               | 21147     | Hamburg  | 1,819   | Residential   |
| Apothekenstrasse 5-7                         | 21335     | Lüneburg | 1,488   | Residential   |
| Grapengiessarstasse 2                        | 21335     | Lüneburg | 1,841   | Retail        |
| Grapengiesserstrasse 16                      | 21335     | Lüneburg | 1,235   | Office        |
| Am Sande 12                                  | 21335     | Lüneburg | 1,195   | Residential   |
| Dithmarshcerstrasse 1-13 / Krausesstr, 77,79 | 22049     | Hamburg  | 4,229   | Residential   |
| Germany total                                |           |          | 12,896  |               |
| Group total                                  |           |          | 339,604 |               |

### 10 Fixtures and operational equipment

Amount in DKK thousands

|  | <b>30.09.2008</b> | <b>30.09.2007</b> |
|--|-------------------|-------------------|
| Cost price as at 1 January                             | 16.959            | 11.425            |
| Currency rate adjustments                              | -4                | -59               |
| Transferred to software                                | -2.828            |                   |
| Accessions   | 2.031             | 4.897             |
| Disposals  | -943              | -1.672            |
| <b>Cost price as at 30 September</b>                   | <b>15.215</b>     | <b>14.591</b>     |
| Depreciation and write-downs as at 1 January           | -8.229            | -5.420            |
| Currency rate adjustments                              | 0                 | 3                 |
| Transferred to software                                | 1.494             |                   |
| Depreciation for the period                            | -1.982            | -2.032            |
| Reversed depreciation and write-downs at disposal      | 395               | 497               |
| <b>Depreciation and write-downs as at 30 September</b> | <b>-8.322</b>     | <b>-6.952</b>     |
| <b>Book value as at 30 September</b>                   | <b>6.893</b>      | <b>7.639</b>      |

## Notes

### 11 Equity statement

Amounts in DKK thousands

|  | Share<br>capital | reserves<br>for<br>exchange<br>rate<br>adjustment<br>s | reserves<br>for<br>investment<br>property<br>net<br>revaluation | Reserve for<br>revaluation<br>by the<br>equity<br>method | Retained<br>earnings | Proposed<br>dividend | Equity,<br>parent<br>company's<br>shareholder<br>s | Equity,<br>minority<br>interests | Total equity     |
|--|------------------|--|---|--|----------------------|----------------------|--|----------------------------------|------------------|
| <b>Equity as at 1 January 2007</b>                                   | <b>312.786</b>   | <b>-14</b>   | <b>625.891</b>  | <b>11.355</b>  | <b>191.791</b>       | <b>40.662</b>        | <b>1.182.471</b>                                   | <b>-17</b>                       | <b>1.182.454</b> |
| <b>Equity movements for the period</b>                               |                  |  |   |  |                      |                      |  |                                  |                  |
| Total revenues for the period  |                  | -7   | 117.623   | -119   | 24.815               | 0                    | 142.312  | -25                              | 142.287          |
| Inclusion of share-based remuneration                                |                  |  |   |  | 1.480                |                      | 1.480  |                                  | 1.480            |
| Dividend paid  |                  |  |   |  |                      | -40.301              | -40.301  |                                  | -40.301          |
| Dividend of own shares   |                  |  |   |  | 361                  | -361                 | 0  |                                  | 0                |
| Sale of own shares   |                  |  |   |  | 7.222                |                      | 7.222  |                                  | 7.222            |
| Other adjustments  |                  |  |   |  | 0                    |                      | 0  |                                  | 0                |
| <b>Equity movements 2007, total</b>                                  | <b>0</b>         | <b>-7</b>  | <b>117.623</b>  | <b>-119</b>  | <b>33.878</b>        | <b>-40.662</b>       | <b>110.713</b>                                     | <b>-25</b>                       | <b>110.688</b>   |
| <b>Equity as at 30 September 2007</b>                                | <b>312.786</b>   | <b>-21</b>   | <b>743.514</b>  | <b>11.236</b>  | <b>225.669</b>       | <b>0</b>             | <b>1.293.184</b>                                   | <b>-42</b>                       | <b>1.293.142</b> |
| <b>Equity as at 1 January 2008</b>                                   | <b>312.786</b>   | <b>-1.402</b>  | <b>753.314</b>  | <b>526</b>   | <b>276.763</b>       | <b>43.790</b>        | <b>1.385.777</b>                                   | <b>463</b>                       | <b>1.386.240</b> |
| <b>Equity movements for the period</b>                               |                  |  |   |  |                      |                      |  |                                  |                  |
| Total revenues for the period  |                  | -3.687   | 0   | -526   | 122.322              | 0                    | 118.109  | 239                              | 118.348          |
| Transfer to free reserves following a change in the accounting rules |                  |  | -753.314  |  | 753.314              |                      |  |                                  | 0                |
| Inclusion of share-based remuneration                                |                  |  |   |  | 715                  |                      | 715  |                                  | 715              |
| Tax effect of share-based remuneration                               |                  |  |   |  | -179                 |                      | -179   |                                  | -179             |
| Dividend paid  |                  |  |   |  |                      | -41.664              | -41.664  |                                  | -41.664          |
| Dividend of own shares   |                  |  |   |  | 2.126                | -2.126               | 0  |                                  | 0                |
| Purchase of own shares   |                  |  |   |  | -65.300              |                      | -65.300  |                                  | -65.300          |
| <b>Equity movements in 2008, total</b>                               | <b>0</b>         | <b>-3.687</b>  | <b>-753.314</b>   | <b>-526</b>  | <b>812.998</b>       | <b>-43.790</b>       | <b>11.681</b>                                      | <b>239</b>                       | <b>11.920</b>    |
| <b>Equity as at 30 September 2008</b>                                | <b>312.786</b>   | <b>-5.089</b>  | <b>0</b>  | <b>0</b>   | <b>1.089.761</b>     | <b>0</b>             | <b>1.397.458</b>                                   | <b>702</b>                       | <b>1.398.160</b> |

## Notes

### 11 Equity statement, continued

#### Provisions for value adjustment

Provisions for value adjustment cover exchange rate differences arising through the conversion of accounts for companies with a functional currency other than Danish kroner.

#### Provisions for net revaluation of investment properties

Provisions for net revaluation of investment properties relate to the difference between cost price and market value for the group's investment properties.

#### Provisions for revaluation by the equity method

Provisions for revaluation by the equity method relate to the difference between cost price and intrinsic value for investments in associated companies and joint ventures.

#### Dividend

The dividend of DKK 40.662 m paid in 2007 corresponds to DKK 13.00 per share. The dividend of DKK 43.790 m paid in 2008 corresponds to DKK 14.00 per share.

Nordicom's dividend policy is that the dividend should rise by at least DKK 1.00 per share, per year.

The distribution of dividends to the shareholders of Nordicom A/S will have no taxation consequences for Nordicom A/S.

### 12 Share capital

Amounts in DKK thousands

Share capital as at 1 January

#### Share capital as at 30 September

The share capital consists of 3,127,858 shares at DKK 100

No shares have special rights.

| <u>30.09.2008</u> | <u>30.09.2007</u> |
|-------------------|-------------------|
| <u>312.786</u>    | <u>312.786</u>    |
| <u>312.786</u>    | <u>312.786</u>    |

## Notes

### 13 Own shares

|  | <b>Number</b>  | <b>Nominal value</b> | <b>% of share capital</b> |
|--|----------------|----------------------|---------------------------|
| 1. January 2007                                | 67.803         | 6.780                | 2,2%                      |
| Utilised through the exercise of share options | -40.000        | -4.000               | -1,3%                     |
| Sold in the period                             | 0              | 0                    | 0,0%                      |
| Acquired in the period                         | 0              | 0                    | 0,0%                      |
| <b>30. September 2007</b>                      | <b>27.803</b>  | <b>2.780</b>         | <b>0,9%</b>               |
| 1. January 2008                                | 51.361         | 5.136                | 1,6%                      |
| Utilised through the exercise of share options | 0              | 0                    | 0,0%                      |
| Sold in the period                             | 0              | 0                    | 0,0%                      |
| Acquired in the period                         | 100.500        | 10.050               | 3,2%                      |
| <b>30. September 2008</b>                      | <b>151.861</b> | <b>15.186</b>        | <b>4,9%</b>               |

The acquisitions during the period have occurred with a view to being used in the company's share option programme.

All of the company's own shares are held by Nordicom A/S. With the authorization of the general meeting, the board is entitled, until 17 June 2009, to acquire a maximum of 10% of the company's shares at the market price at the time of acquisition, subject to a deviation of up to 10.0%.

### 14 Illiquid operational items etc.

|  | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| Amounts in DKK thousands                       |                     |                     |                    |                    |
| Depreciation and write-downs                   | 2.557               | 3.110               | 940                | 1.111              |
| Revaluations of investment property, etc.      | -159.575            | -163.365            | -85.683            | -99.547            |
| Profits on sales of properties                 | -18.885             | -22.766             | -3.538             | -23.281            |
| Profits from ass companies and joint ventures  | 1.571               | 119                 | 0                  | 30                 |
| Share-based remun., transf. to profit and loss | 715                 | 1.480               | 239                | 493                |
| Other adjustments                              | 229                 | 18                  | -735               | -31                |
| <b>Total adjustments</b>                       | <b>-173.388</b>     | <b>-181.404</b>     | <b>-88.777</b>     | <b>-121.225</b>    |

## Notes

### 15 Change in operating capital

| Amounts in DKK thousands                                       | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| Changes in receivables   | 12.270              | 63.417              | 25.040             | 105.115            |
| Changes in trading book of mortgage deeds and debt instruments | 1.206               | 32.342              | 537                | -1.379             |
| Change in provisions   | -1.885              | 26.673              | 7.528              | 3.931              |
| Changes in deposits  | 1.150               | 6.579               | -513               | 3.748              |
| Changes in other debt  | -42.614             | -58.043             | 1.200              | -57.242            |
| <b>Changes in operating capital, total</b>                     | <b>-29.873</b>      | <b>70.968</b>       | <b>33.792</b>      | <b>54.173</b>      |

### 16 Closely related parties

Closely-related parties are defined as the Nordicom group, the Nordicom board, and the CEO of Nordicom, including other external companies, who are signing members of Nordicom's management.

The companies in the Nordicom group comprise subsidiaries, associated companies and joint ventures in which Nordicom A/S has a controlling or significant influence.

During the financial period, the following transactions have taken place between Nordicom and its closely-related parties:

| Amount in DKK thousands  | <b>YTD<br/>2008</b> | <b>YTD<br/>2007</b> | <b>Q3<br/>2008</b> | <b>Q3<br/>2007</b> |
|--|---------------------|---------------------|--------------------|--------------------|
| <b>Senior management</b>   |                     |                     |                    |                    |
| Nordicom's sales of services to senior management, including fee for the administration of one property. | 30                  | 30                  | 10                 | 10                 |
| Nordicom's sale of car to the management   | 575                 | 0                   | 0                  | 0                  |
| Nordicom's purchase of services from legal firm in which the chairman of the board is a partner.         | 181                 | 450                 | 102                | 179                |

All transactions are based on market conditions.

No closely-related parties exert a controlling influence in Nordicom A/S.