

Nordicom A/S

CVR. no. 12 93 25 02

Q1 report 2008

(for the period 01 January to 31 March 2008)

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Summary of Q1 report 2008

- The gross profit of the Nordicom group in the first quarter of 2008 comprised DKK 86.5 million, as against DKK 84.8 million in Q1 2007, corresponding to a rise of DKK 1.7 million. The rise was due to increased earnings in the letting-out of investment property, whereas group earnings declined in development activities.
- Pre-tax profit for Q1 2008 comprised DKK 28.8 million (Q1 2007: DKK 39.6 million), which corresponds to our expectations. The fall in group earnings is caused by higher interest expenditure in 2008 than in 2007.
- Five new properties were acquired in the first quarter of 2008. No properties have been sold during the period.
- For the financial year 2008 as a whole, we continue to expect a pre-tax result in the region of DKK 300 million. as higher earnings from delivery of development projects and realised profit from sale of investment properties are expected in the last three quarters of 2008. The current unrest in the financial sector, which has begun to leave its mark on the property sector, is not expected to have a major effect on Nordicom's earning potential in 2008.

Company details

Company

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Board

Torben Schøn, chairman
Aksel Andreasen
Michael Vad Petersen
Per Mellander
Søren Pind

Executive Management:

Gunnar Chr. Kristensen

Auditors

No review or audit has been performed of the interim report for Q1 2008.

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.

Management's endorsement

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

The interim report is presented in conformity with IAS 34 and Danish disclosure requirements towards 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 of 31 March 2008, as well as of the result of the group's activities and cash flows for the period 1 January – 31 March 2008.

Copenhagen, 22 May 2008

Senior management:



Gunnar Chr. Kristensen

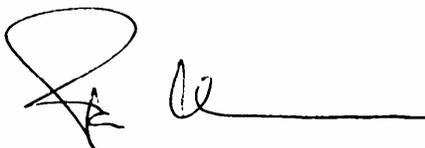
Board:



Torben Schøn, chairman



Aksel Andreasen



Per Mellander



Michael Vad Petersen



Søren Pind

Main and key figures for the group

Amounts in DKK thousands	Q1	Q1	Whole year
Profit and loss account	2008	2007	2007
Turnover	129,631	92,401	755,051
Operating expenses	-74,032	-40,367	-536,287
Value creation through business project development	5,314	8,429	80,798
Regulation to current value, net	25,629	25,006	70,919
Realised revenues through sales of investment property	0	-643	99,499
Gross result	86,542	84,826	469,980
Personnel costs and other external expenses	-16,042	-13,142	-53,869
Financial result of associated companies	0	0	1,430
Depreciation	-850	-957	-4,416
Result of primary operations	69,650	70,727	413,125
Financial items	-40,839	-31,083	-121,008
Result before tax	28,811	39,644	292,117
Tax on profit	-7,313	-11,100	-34,940
Result for the period	21,498	28,544	257,177
Balance sheet	31.03.2008	31.03.2007	31.12. 2007
Assets			
Long-term tangible assets	5,092,170	3,910,566	4,776,429
Long-term financial assets	27,784	23,613	27,784
Project portfolios and other current assets	651,997	798,442	993,513
Total assets	5,771,951	4,732,621	5,797,726
Liabilities			
Equity, end of period	1,342,893	1,211,491	1,386,240
Long-term liabilities	3,031,803	1,956,663	2,804,511
Short-term liabilities	1,397,255	1,564,467	1,606,975
Total liabilities	5,771,951	4,732,621	5,797,726
Cash flow	Q1	Q1	Whole year
	2008	2007	2007
Cash flows from operations	-65,323	79,689	303,217
Cash flows from investment activities	-285,457	-111,046	-975,833
Cash flows from financing activities	-21,277	-256,039	566,786
Total cash flow	-372,057	-287,396	-105,830

Main and key figures for the group

Key figures

	Q1 2008	Q1 2007	Whole year 2007
Share capital (amounts in DKK thousands)	312,786	312,786	312,786
Pre-tax return on owner's equity	4.3	6.5	22.7
Taxed return on owner's equity	3.2	4.7	20.0
Share price, end of period	605	710	820
Intrinsic value per share, end of period	439	396	449
Pre-tax results per share	9	13	95
Taxed result per share	7	9	83
Rate/intrinsic value, end of period	1.4	1.8	1.8
Equity ratio (%)	23.3	25.6	23.9

Management's statement

Growth in the group's activities

Nordicom enjoyed a satisfactory level of activity during the first quarter of 2008, with continued growth in its property portfolio, mainly in Germany and Sweden. Ongoing development projects have also progressed satisfactorily.

In the year's first quarter, Nordicom entered into a partnership with the Danish Technological Institute for the design of the next generation of prefabricated low-energy terraced houses, which is expected to be completed in time for the UN climate summit in Copenhagen at the end of 2009. The concept, which is based on Danish design and adapted to three-dimensional building modules, will be produced under controlled conditions in heated halls. The building modules will be at least 80% complete when they leave the factory. All of Nordicom's pre-fab houses are constructed as super low-energy buildings in accordance with the so-called passive house standard, which has the major advantage of reducing heating expenses by 90% through efficient insulation. The indoor climate is also improved via efficient, electronically-controlled ventilation.

During the period, Nordicom also started up project development activities in Germany and Sweden, which are expected to begin producing revenues in 2009. In Germany we have two projects in Hamburg, and in Sweden we have two projects in Norrköping. The total anticipated completed value of the four projects is approximately DKK 500 million.

Q1 result 2008

The group's turnover in Q1 2008 comprised DKK 129.6 million (Q1 2007: DKK 92.4 million), corresponding to a rise of DKK 37.2 million. The rise is due both to increased rental income on the group's investment properties and increased sales of project portfolios.

Revaluations on the group's investment property, etc., amounted to DKK 25.6 million (Q1 2007: DKK 25.0 million), which is on a par with last year.

In the first quarter of 2008 Nordicom achieved a gross result of DKK 86.5 million, (Q1 2007: DKK 84.8 million), which is also on a par with last year.

The group's capacity costs, amounting to DKK 16.6 million (Q1 2007: DKK 14.1 million) have risen by DKK 2.5 million as a consequence of the increased number of employees, together with leasing expenses following the sale of the company's domicile on Kongens Nytorv at the end of 2007.

Net financial items comprised DKK 40.8 million (Q1 2007: DKK 31.1 million), an increase of DKK 9.7 million compared to 2007. The rise is due to higher market interest rates and an increased level of activity. The group's average borrowing interest rate has consequently risen by

Management's statement

approximately 1% in relation to Q1 2007, and the level of interest-bearing debt has increased from DKK 2,900.3 million to DKK 3,817.3 million.

Balance as of 31 March 2008

The group's long-term assets, which comprised DKK 5,119.1 million as of 31 March 2008 (31.12.2007: DKK 4,804.2 million) have risen by DKK 314.9 million. The rise is primarily due to acquisition of new properties to the value of DKK 284.4 million. Acquisitions of new investment property corresponded to the anticipated level for 2008 of between 1 - 1.5 billion kroner, distributed as 300-500 million kroner in Denmark, Sweden and Germany, respectively.

Short-term assets comprised DKK 650.1 million (31.12.2007: DKK 993.5 million), corresponding to a fall of DKK 343.4 million. The drop is primarily due to the release of DKK 285 million of deposited funds in connection with sold properties at the end of 2007. The company's project portfolios have increased by DKK 34.6 million in connection with the development of Lindholm in Sluseholmen, Hammershøj in Helsingør and Middelfartsvej 1 in Odense.

Equity capital comprised DKK 1,342.9 million (31.12.2007: DKK 1,386.2 million), corresponding to a drop of DKK 43.3 million. The change is partly due to the profit for the period of DKK 21.5 and partly due to the purchases of own shares to the value of DKK 65.3 million, which have been directly recognised in equity.

Debt to credit institutions amounted to DKK 3,817.3 million (31.12.2007: DKK 3,774.8 million). During the first quarter of 2008, the long-term debt-to-equity ratio continued to develop positively. At the end of the first quarter, the long-term share of the group's debt amounted to DKK 2,590.5 million, or 67.9% (31.12.2007: 62.8%). This trend is expected to continue throughout the remainder of 2008.

Q1 in Nordicom Ejendom

Turnover in Nordicom Ejendom was up by DKK 15.3 million compared to the same period last year, to a total of DKK 53.6 million.

The rise in turnover is due to an increase in rental income, caused by an expansion in holdings of investment property by DKK 823.0 million compared to 31 March 2007. The total value at the end of Q1 2008 thus amounted to DKK 3,222.7 million.

Pre-tax profit in Nordicom Ejendom for the period comprised DKK 28.7 million (Q1 2007: DKK 23.0 million), corresponding to an increase of DKK 5.7 million (24.8%). The rise in income was smaller than the rise in the property portfolio, due to higher financing costs in relation to Q1 2007. If the market interest rate had remained at the same level as last year, earnings in Nordicom Ejendom would have been approximately DKK 5 million higher.

Management's statement

Activities in Denmark

The result for the period of the group's primary activities in properties in Denmark was DKK 51.8 million (Q1 2007: DKK 48.0 million).

Unrealised revaluations in Q1 2008 have been recognised at DKK 21 million. The regulations related to the work of optimising the properties and the normal, inflation-based adjustments of the properties' rental basis. No significant market-determined revaluations are expected in 2008.

Pre-tax profit, excluding revaluations, for the renting-out of completed investment properties in Denmark comprised DKK 5.5 million for the period (down by DKK 0.3 million).

Properties have not been bought or sold in Denmark during the first quarter of 2008.

Activities in Sweden

The result for the period of the group's primary activities in properties in Sweden was DKK 4.6 million (Q1 2007: DKK 0 million).

Unrealised revaluations in Q1 2008 have been recognised at DKK 2 million. The regulations relate to the work of optimising the properties and the normal, inflation-based adjustments of the properties' rental basis. No significant market-determined revaluations are expected in 2008.

During Q1 2008, the following purchases of new properties were undertaken:

Finnslätten 2, Västerås, a domicile property with a total office leasing area of 5,945 m².

Fläkten 11, Växjö, a domicile property with a total leasing area of 13,500 m², of which 9,500 m² comprises offices.

No properties have been sold in Sweden during Q1 2008.

Activities in Germany

The result for the period of the group's primary activities in properties in Germany was DKK 4.7 million (Q1 2007: DKK 0 million).

Unrealised revaluations in Q1 2008 have been recognised at DKK 2 million. The regulations relate to the work of optimising the properties and the normal, inflation-based adjustments of the properties' rental basis.

The following purchases of new properties were undertaken during Q1 2008:

Management's statement

Lippelstrasse 1, Hamburg, a 16-storey office building with a total leasing area of 8,100 m².

A site in *Eidelstedt, Hamburg*, for the construction of 49 flats, with a total leasing area of 4,900 m².

Am Sand 52, Lüneburg, a property with a total leasing area of 1,700 m², with shops on the ground floor and residences on the first and second floors.

No investment properties were sold in Germany during the first quarter of 2008.

Q1 in Nordicom Udvikling

Pre-tax profit for the period in Nordicom Udvikling was DKK 4.4 million (Q1 2007: DKK 17.8 million), corresponding to a fall of DKK 13.4 million. The fall in earnings is due to fewer development projects being delivered in the first quarter of 2008 than in the first quarter of 2007.

At Sluseholmen in Copenhagen, the first sold apartments in the Lindholm project were delivered in the course of Q1 2008. Around half of the total of 146 dwellings were sold in 2006, and the remaining sold flats will be delivered in the coming financial quarters. In the Ro's Have project in Roskilde, a property at Byageren 11 was completed and transferred to the portfolio as a completed investment property.

In the course of the first quarter, four new projects were started up: two in Hamburg, Germany, and two in Norrköping, Sweden. In one of the Hamburg projects, a 4,900 m² residential property is being constructed for lease in the Eidelstedt district, with a total of 49 flats. The other Hamburg project concerns the further development of a 16-storey, 8,100 m² office block erected by the harbour. Plans have been made to renovate the leased property internally and externally over the coming years, with a view to achieving a higher rental basis. One of the projects in Norrköping, Sweden, concerns the construction of a logistics property of up to 5,000 m² in connection with a new motorway turn-off which will be established in 2010. The other project in Norrköping is in the city centre, where a 8,500 m² building will be constructed with versatile potential uses within the categories of shopping, hotel, housing and offices.

Q1 in Nordicom Finans

The pre-tax result for Nordicom Finans for the period was a loss of DKK 0.1 million (Q1 2007: profit of DKK 1.1 million), corresponding to a fall of DKK 1.2 million. The fall was caused by the writing-down of a claim. Holdings of mortgage bonds have remained unaltered in relation to 31 December 2007, at approximately DKK 73 million.

Management's statement

No new guarantor agreements were entered into in the first quarter of 2008 under the property guarantee business concept, but increased activity in the area of property guarantees is expected in the near future, due amongst other things to the current situation on the financial market.

Expectations for 2008

For the year 2008, we maintain our expectations of a pre-tax result in the region of DKK 300 million. The current unrest in the financial sector, which has begun to leave its mark on the property sector, is not expected to have a major effect on Nordicom's earning potential in 2008. The higher financing costs and a greater degree of caution in the financial sector have meant that secondarily-located properties are now trading at a slightly higher initial yield than at the start of 2007. For Nordicom, the changes in the market will mean increased business opportunities.

Insecurity in recognition and valuation

In the interim report, 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-realised operating profit for each individual property, corrected for expected alterations in the coming year of operations. The market value of the properties is then calculated through capitalisation of the operating return, with the required rate of return determined individually for each property. The required rate of return is based on both social and individual factors for the 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

Amounts in DKK thousands	Q1 2008	Q1 2007	All year 2007
Net turnover	129,631	92,401	755,051
Operating expenses	-74,032	-40,367	-536,287
Value creation through business project dev.	5,314	8,429	80,798
Regulation to current value, net	25,629	25,006	70,919
Realised revenues through sales of invest. prop.	0	-643	99,499
Gross result	86,542	84,826	469,980
Staff costs	-10,222	-8,334	-34,850
Other external expenses	-5,820	-4,808	-19,019
Result of ass.companies and joint ventures	0	0	1,430
Depreciation	-850	-957	-4,416
Result of primary operations	69,650	70,727	413,125
Financial revenue	1,833	1,701	13,918
Financial costs	-42,672	-32,784	-134,926
Result before tax	28,811	39,644	292,117
Tax on profit	-7,313	-11,100	-34,940
Result for the period	21,498	28,544	257,177
Distribution of profit for the year			
Parent company's shareholders	21,358	28,556	256,879
Minority interests	140	-12	298
	21,498	28,544	257,177
Earnings per share	6.99	9.33	83.19
Diluted earnings per share	6.96	9.18	82.41

Balance sheet

Note	Amounts in DKK thousands	<u>31.03.2008</u>	<u>31.03.2007</u>	<u>31.12.2007</u>
ASSETS				
Long-term assets				
Intangible assets				
7	Rights	<u>28</u>	<u>1,150</u>	<u>59</u>
		28	1,150	59
Tangible assets				
8	Domicile properties	62,407	43,007	62,372
9	Completed investment properties	3,222,706	2,399,695	3,018,891
9	Investment properties under development	1,798,098	1,459,453	1,686,377
10	Fixtures and operational equipment	<u>8,931</u>	<u>7,261</u>	<u>8,730</u>
		5,092,142	3,909,416	4,776,370
Financial assets				
	Participating interests in associated companies and joint ventures	3,284	14,113	3,284
	Amounts owed by associated companies and joint ventures	<u>24,500</u>	<u>9,500</u>	<u>24,500</u>
		27,784	23,613	27,784
Total long-term assets		<u>5,119,954</u>	<u>3,934,179</u>	<u>4,804,213</u>
Short-term assets				
Project portfolios				
		<u>397,751</u>	<u>329,440</u>	<u>363,194</u>
Investment property for sale				
		0	10,966	0
	Receivables	25,258	64,716	37,291
	Corporation tax	7,849	0	5,571
	Amounts owed by associated companies and joint ventures	23,650	22,986	27,306
	Prepayments	<u>16,217</u>	<u>13,713</u>	<u>5,462</u>
		72,974	101,415	75,630
Mortgage deeds and debt instruments		<u>73,080</u>	<u>57,933</u>	<u>74,460</u>
Liquid holdings		<u>108,192</u>	<u>298,688</u>	<u>480,229</u>
Total current assets		<u>651,997</u>	<u>798,442</u>	<u>993,513</u>
Total assets		<u>5,771,951</u>	<u>4,732,621</u>	<u>5,797,726</u>

Balance sheet

Note	Amounts in DKK thousands	31.03.2008	31.03.2007	31.12.2007
LIABILITIES				
Owner's equity				
	Share capital	312,786	312,786	312,786
	Provisions for value adjustment	-1,126	34	-1,402
	Reserves for investment property, net revaluation	768,314	650,860	753,314
	Provisions for revaluation by the equity method	526	11,355	526
	Retained earnings	218,000	195,823	276,763
	Proposed dividend	43,790	40,662	43,790
	Equity of the parent company's shareholders	1,342,290	1,211,520	1,385,777
	Equity of minority interests	603	-29	463
11-13	Total equity	1,342,893	1,211,491	1,386,240
Liabilities				
Long-term liabilities				
	Credit institutions	2,590,473	1,572,827	2,370,703
	Deferred tax	409,235	360,040	402,035
	Deposits	32,095	23,796	31,773
		3,031,803	1,956,663	2,804,511
Short-term liabilities				
	Credit institutions	1,226,790	1,327,501	1,404,085
	Costs payable on sold projects	27,581	17,758	27,253
	Outstanding amounts, etc., properties	28,968	27,429	42,736
	Trade creditors	52,117	78,598	64,869
	Corporation tax	0	3,798	0
	Deposits	21,478	22,017	21,874
	Other liabilities	40,321	87,366	46,158
		1,397,255	1,564,467	1,606,975
	Total debt liabilities	4,429,058	3,521,130	4,411,486
	Total liabilities	5,771,951	4,732,621	5,797,726

Statement of recognised income and expense

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>	<u>All year 2007</u>
Result for the period	21,498	28,544	257,177
Value adjustment of foreign companies	<u>276</u>	<u>48</u>	<u>-1,388</u>
Total revenues for the period	<u>21,774</u>	<u>28,592</u>	<u>255,789</u>
Distribution of total revenues for the period			
Parent company's shareholders	21,634	28,604	255,491
Minority interests	<u>140</u>	<u>-12</u>	<u>298</u>
	<u>21,774</u>	<u>28,592</u>	<u>255,789</u>

Cash flow statement

Note	Q1 2008	Q1 2007
Amounts in DKK thousands		
Operating profit/loss (EBIT)	69,650	70,727
14 Adjustment of non-liquid operating items, etc.	-30,591	-31,342
15 Changes in working capital	-61,265	74,271
Cash flow from primary activities	-22,206	113,656
Financial income, received	1,833	1,701
Financial expenses, paid	-42,672	-32,784
Corporation tax paid/received	-2,278	-2,884
Total cash flows from operating activities	-65,323	79,689
Cash flow from investment activities		
Investment and domicile properties, purchase	-284,436	-109,193
Investment and domicile properties, sales	0	0
Purchase of other tangible assets	-1,021	-3,028
Sale of other tangible assets	0	1,175
Returns from associated companies, received	0	0
Total cash flow from investment activities	-285,457	-111,046
Cash flow from financing activities		
Proceeds from instalments on loans with credit institutions	193,807	471,477
Instalments and redemption of loans with credit institutions	-149,784	-727,516
Purchase of own shares	-65,300	0
Sales of own shares	0	0
Total cash flow from financing activities	-21,277	-256,039
Cash flow for the period	-372,057	-287,396
Liquid holdings as of 1 January	480,229	586,084
Value adjustment of cash funds	20	0
Liquid holdings as of 31 December	108,192	298,688

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.

This is the first time that the group has presented an interim report in conformity with IAS 34. In relation to previous interim reports, this has entailed a more detailed presentation of the profit and loss account, balance sheet and cash flow statement, as well as the inclusion of information in notes in a number of areas. Comparative figures in the interim report have been adapted.

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 utilised 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.

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 property
 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

Amounts in DKK thousands	Nordicom Ejendom	Nordicom Udvikling	Nordicom Finans distributed	Not	Group total
Turnover, external	53,563	74,751	1,317	0	129,631
Operating expenses	-8,920	-65,112	0	0	-74,032
Value creation through business project development	0	5,314	0	0	5,314
Regulation to current value, net	26,548	0	-919	0	25,629
Realised revenues through sales of investment and domicile properties	0	0	0	0	0
Gross result	71,191	14,953	398	0	86,542
Result of primary operations	61,069	10,351	-92	-1,678	69,650
Share of result of associated companies and joint ventures	0	0	0	0	0
Result before tax	28,652	4,364	-92	-4,113	28,811
Result for the period	21,489	3,273	-69	-3,195	21,498
Long-term assets	3,226,448	1,884,783	0	8,723	5,119,954
Short-term assets	427,743	405,102	78,720	-259,568	651,997
Segment assets	3,654,191	2,289,885	78,720	-250,845	5,771,951
Segment liabilities	2,987,804	1,469,690	30,837	-59,273	4,429,058
Capital investments	242,919	41,577	0	961	285,457
Depreciation	16	41	0	793	850

Notes

Segment information by business segment - year to date 2007

Amounts in DKK thousands	Nordicom Ejendom	Nordicom Udvikling	Nordicom Finans	Not distributed	Group total
Turnover, external	38,294	52,835	1,272	0	92,401
Turnover, internal	630	0	0	-630	0
Operating expenses	-8,580	-32,417	0	630	-40,367
Value creation through business project development	0	8,429	0	0	8,429
Regulation to current value, net	25,006	0	0	0	25,006
Realised revenues through sales of investment and domicile properties	-643	0	0	0	-643
Gross result	54,707	28,847	1,272	0	84,826
Result of primary operations	48,052	23,558	913	-1,796	70,727
Share of result of associated companies and joint ventures	0	0	0	0	0
Result before tax	22,992	17,870	1,053	-2,271	39,644
Result for the period	16,554	12,866	758	-1,634	28,544
Long-term assets	2,401,789	1,525,341	0	7,049	3,934,179
Short-term assets	616,186	880,792	74,684	-773,220	798,442
Segment assets	3,017,975	2,406,133	74,684	-766,171	4,732,621
Segment liabilities	2,395,628	1,876,991	21,731	-773,220	3,521,130
Capital investments	35,923	73,384	0	2,914	112,221
Depreciation	11	373	0	573	957

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.

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 divided up by geographical segment – year to date 2008

Amounts in DKK thousands	Denmark	Germany	Sweden	Not distributed	Group total
Turnover, external clients	119,102	3,318	7,211	0	129,631
Result of primary operations	60,420	4,551	4,679	0	69,650
Total assets	5,178,050	209,832	384,069	0	5,771,951
Capital investments	65,199	81,022	139,236	0	285,457

Notes

Segment information by geographical segment – year to date 2007

Amounts in DKK thousands	Denmark	Germany	Sweden	Not distributed	Group total
Turnover, external clients	91,890	511	0	0	92,401
Result of primary operations	70,688	79	-40	0	70,727
Total assets	4,649,363	83,258	0	0	4,732,621
Capital investments	31,166	81,055	0	0	112,221

3 Gross result

Amounts in DKK thousands	Q1 2008	Q1 2007
Rental income	62,625	40,478
Sales sums, project portfolios and investment property for sale	65,689	50,651
Interest income, mortgage deeds, debt and guarantees	1,317	1,272
Total turnover	129,631	92,401
Operating costs, investment property	-11,641	-8,928
Operating costs, project portfolios	-62,391	-31,439
Total operating costs	-74,032	-40,367
Value creation through business project development	5,314	8,429
Market value adjustments, completed investment properties	25,000	26,250
Market value adjustments, debt to credit institutions	1,548	-1,244
Market value adjustments, mortgage bonds	-919	0
Revaluations, total	30,943	33,435
Purchase prices, investment and domicile properties	0	0
Property book value by sales, etc.	0	-643
Realised revenues through sales of investment property	0	-643
Gross result	86,542	84,826

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-Schole model, and shown in the following table.

Share options allotted to the management board and board of directors:

	Number	Exercise price	Maturity period as of 31.03.2008	Market value at time of allotment (t.DKK)	Value of option at time of allotment (each).
Options allotted in 2003:					
Exercised 1 April 2008	20,000	198	0 months	204	10
Options allotted in 2005:					
Exercised 1 April 2007	34,000	698	Earned	2,330	69
Exercised 1 April 2008	34,000	1,304	0 months	2,112	62
Exercised 1 April 2009	34,000	1,480	12 months	2,040	60
Options allotted in 2007:					
Exercised 1 April 2008	4,000	1,304	0 months	48	12
Exercised 1 April 2009	4,000	1,480	12 months	117	29
	130,000			6,851	

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.

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 238,000 has been transferred to the profit and loss account (Q1 2007: DKK 493,000).

Notes

Pending options:	<u>Number of options</u>	<u>Average exercise price</u>
Options pending as of 1 January 2007	<u>162,000</u>	799
Options pending as of 31 March 2007	<u>162,000</u>	799
Options pending as of 1 January 2008	<u>126,000</u>	1,015
Options pending as of 31 March 2008	<u>126,000</u>	1,015

5 Tax on profit for period

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>
Current tax on profit for period	0	0
Current tax, previous years	110	0
Adjustment of deferred tax from previous years	0	0
Adjustment of deferred tax	<u>7,203</u>	<u>11,100</u>
	<u>7,313</u>	<u>11,100</u>

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 2008. The estimated effective taxation rate for 2008 is 25% (Q1 2007: 28%).

In addition to the tax on the annual result, tax expenses of DKK 59,000 have been directly recognised 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

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

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>
Result for the period	21,358	28,556
Impact on earnings after tax of conversion of subscription rights, etc.	<u>0</u>	<u>0</u>
Result used in calculating the diluted result per share	<u>21,358</u>	<u>28,556</u>
Average number of shares	3,127,858	3,127,858
Average number of own shares	<u>-72,345</u>	<u>-67,803</u>
Average number of shares floating	3,055,513	3,060,055
Average dilution effect of pending share options	<u>14,256</u>	<u>49,168</u>
Diluted average number of floating shares	<u>3,069,769</u>	<u>3,109,223</u>
Earnings per share (DKK)	6.99	9.33
Diluted earnings per share (DKK)	6.96	9.18

7 Rights

Amounts in DKK thousands	<u>31.03.2008</u>	<u>31.03.2007</u>
Cost price as of 1 January	5,756	5,756
Accessions	<u>0</u>	<u>0</u>
Cost price as of 31 December	<u>5,756</u>	<u>5,756</u>
Depreciation and write-downs as of 1 January	-5,697	-4,246
Depreciation for the period	<u>-31</u>	<u>-360</u>
Depreciation and write-downs as of 31 December	<u>-5,728</u>	<u>-4,606</u>
Accounting value as of 31 December	<u>28</u>	<u>1,150</u>

Notes

8 Domicile properties

Amounts in DKK thousands	<u>31.03.2008</u>	<u>31.03.2007</u>
Cost price as of 1 January	62,372	43,007
Accessions	35	0
Disposals	<u>0</u>	<u>0</u>
Cost price as of 31 December	<u>62,407</u>	<u>43,007</u>
Depreciation as of 1 January	0	0
Depreciation for the period	<u>0</u>	<u>0</u>
Depreciation as of 31 December	<u>0</u>	<u>0</u>
Accounting value as of 31 December	<u>62,407</u>	<u>43,007</u>

The scrap value of the group domicile has an estimated accounting value of DKK 62,407,000, which entails that no depreciation has been calculated on the property.

Notes

9 Investment property

Amounts in DKK thousands	Completed investment property	Investment property under development	Total
Balance as of 1 January 2007	2,088,909	1,651,519	3,740,428
Foreign exchange adjustments	0	0	0
Transfers to/from project portfolios	0	-25,152	-25,152
Transfers to/from investment property under development	248,613	-248,613	0
Additions, including activated salary and interest costs	35,923	73,270	109,193
Market value adjustments/value creation for the period	26,250	8,429	34,679
Disposals through sales	0	0	0
Balance as of 31 March 2007	2,399,695	1,459,453	3,859,148
Balance as of 1 January 2008	3,018,890	1,686,377	4,705,267
Foreign exchange adjustments	822	0	822
Transfers to/from project portfolios	0	0	0
Transfers to/from investment property under development	-64,925	64,925	0
Additions, including activated salary and interest costs	242,919	41,482	284,401
Market value adjustments/value creation for the period	25,000	5,314	30,314
Disposals through sales	0	0	0
Balance as of 31 March 2008	3,222,706	1,798,098	5,020,804

Notes

10 Fixtures and operational equipment

Amounts in DKK thousands	<u>31.03.2008</u>	<u>31.03.2007</u>
Cost price as of 1 January	16,959	11,425
Exchange rates adjustment	-1	0
Accessions	1,021	3,028
Disposals	<u>0</u>	<u>-1,672</u>
Cost price as of 31 December	<u>17,979</u>	<u>12,781</u>
Depreciation and write-downs as of 1 January	-8,229	-5,420
Exchange rates adjustment	0	0
Depreciation for the period	-819	-597
Reversed depreciation and write-downs at disposal	<u>0</u>	<u>497</u>
Depreciation and write-downs as of 31 December	<u>-9,048</u>	<u>-5,520</u>
Accounting value as of 31 December	<u>8,931</u>	<u>7,261</u>

Notes

11 Equity statement

Amounts in DKK thousands	Share capital	Reserves for exchange rate adjustments	Reserves for investment property net revaluation	Provisions for revaluation by the equity method	Retained earnings	Proposed dividend	Equity, parent company's shareholders	Equity, minority interests	Total equity
Equity as of 1 January 2007	312,786	-14	625,891	11,355	191,791	40,662	1,182,471	-17	1,182,454
Equity movements for the period									
Total revenues for the period		48	24,969	0	3,587	0	28,604	-12	28,592
Inclusion of share-based remuneration					493		493		493
Other adjustments					-48		-48		-48
Equity movements 2007, total			24,969		4,032		29,049	-12	29,037
Equity as of 31 March 2007	312,786		650,860	11,355	195,823	40,662	1,211,520	-29	1,211,491
Equity as of 1 January 2008	312,786	-1,402	753,314		276,763	43,790	1,385,777		1,386,240
Equity movements for the period									
Total revenues for the period		276	18,750	0	2,608	0	21,634	140	21,774
Inclusion of share-based remuneration					238		238		238
Tax effect of share-based remuneration					-59		-59		-59
Purchase of own shares					-65,300		-65,300		-65,300
Other adjustments					0		0		0
Equity movements 2008, total	0	276	15,000	0	-58,763	0	-43,487	140	-43,347

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 property

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

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.

12 Share capital

Amounts in DKK thousands	<u>31.03.2008</u>	<u>31.03.2007</u>
Share capital as of 1 January	<u>312,786</u>	<u>312,786</u>
Share capital as of 31 December	<u><u>312,786</u></u>	<u><u>312,786</u></u>

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

No shares have special rights.

13 Own shares

	<u>Number</u>	<u>Nominal value</u>	<u>% of share capital</u>
1 January	67,803	6,780	2.2%
Utilised through the exercise of share options	0	0	0.0%
Sold in the period	0	0	0.0%
Acquired in the period	0	0	0.0%
31 March 2007	<u><u>67,803</u></u>	<u><u>6,780</u></u>	<u><u>2.2%</u></u>
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%
31 March 2008	<u><u>151,861</u></u>	<u><u>15,186</u></u>	<u><u>4.9%</u></u>

Notes

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

All of the company's own shares are held by Nordicom A/S. With the authorisation of the general meeting, the board is entitled, until 17 June 2007, 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 Non-liquid operating items, etc.

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>
Depreciation and write-downs	850	957
Revaluations of investment property, etc.	-30,943	-33,435
Profits on sales of properties	0	643
Share-based remun., trans. to profit and loss	238	493
Other adjustments	<u>-736</u>	<u>0</u>
Total adjustments	<u><u>-30,591</u></u>	<u><u>-31,342</u></u>

15 Changes in working capital

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>
Changes in receivables	5,299	30,295
Changes in ongoing projects	-34,229	-18,685
Changes in trading book of mortgage deeds and debt instruments	461	33,209
Changes in deposits	-74	419
Changes in other debt	<u>-32,722</u>	<u>29,033</u>
Changes in operating capital, total	<u><u>-61,265</u></u>	<u><u>74,271</u></u>

Notes

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 the Nordicom 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:

Amounts in DKK thousands	<u>Q1 2008</u>	<u>Q1 2007</u>
Senior management		
Nordicom's sales of services to senior management, including fee for the administration of one property.	10	10
Nordicom's purchase of services from legal firm in which the chairman of the board is a partner.	58	55

All transactions are based on market conditions.

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