Announcement

To the Copenhagen Stock Exchange and the press

Nørresundby, 12 December 2002
Announcement No. 15/2002
Number of pages: 22

Announcement of the financial statements for 2001/02

Today, the Board of Directors has adopted the consolidated financial statements and the financial statements of RTX Telecom A/S for the year ended 30 September 2002.

Summary of the financial statements for 2001/02

- The Group's net turnover was increased by 18.1% to DKK 207.6 million.
- The profit for the year before investment income and expenses (EBIT) accounts for DKK 11.2 million on last year's loss of DKK 21.9 million.
- The net profit for the year after tax amounted to DKK 13.6 million on last year's loss of DKK 4.3 million.
- RTX Telecom has entered into an agreement with Motorola Semiconductor, USA, on a strategic cooperation in the GSM/GPRS technology.
- The first agreement on supply of TD-SCDMA test terminals was made in 2001/02.
- In 2002/03, the Group expects a net turnover of approx. DKK 230-250 million and a profit before investment income and expenses (EBIT) of DKK 20-30 million.

Annual general meeting

The Company's annual general meeting will be held on 25 February 2003 at 4 pm at RTX Telecom, Strømmen 6, 9400 Nørresundby.

The printed financial statements are expected to be available in mid-February 2003.

For questions and further information, please contact

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RTX Telecom in brief

Company profile and business idea

RTX Telecom is an international-oriented Group which develops and sells advanced and high-technological wireless development projects and products, including cordless telephones, Bluetooth™-headsets and mobile phones. The Group covers several business links in the telecom industry's value chain.

The customers' preferred supplier
It is RTX Telecom's objective to be the customers' preferred supplier of advanced solutions within wireless technologies, including in particular DECT, DCT 2.4GHz, Bluetooth™, GSM/GPRS, CDMA, TD-SCDMA and WLAN. The Group seeks to create value growth for the customers' business areas by means of flexibility, short reaction time, high quality and thorough knowledge of the customers' production process and market conditions.

Resale of basic technology
The Group aims to provide the same basic technology to different customers enabling the customers to obtain competitive prices and shorter time-to-market.

Business partners
RTX Telexom constantly strives to build up strong cooperative relations with important chip suppliers of wireless technologies. In this way, RTX Telecom obtains a unique and early access to state-of-the-art technology and global sales channels.

Employees
The Group companies aim to be attractive places to work for their employees by offering competitive terms of employment, by promoting both a professional and social working environment in an efficient, flexible and knowledge-based organisation. It is a constant wish to enhance the technological skills of the organisation within the disciplines SW, HW, RF, Silicon IP, project management, and the capability of handling production and tests by goal-directed recruiting, training, efficient knowledge sharing and retention of skilful employees.

Technological and market flexibility
The Group recruits and trains the employees with special reference to obtain the greatest possible synergy and flexibility between development projects within different technologies and market areas.

Financial flexibility and financial resources
Maintaining financial strength, stability and flexibility is a key factor in RTX Telecom's strategy of being able to invest substantial resources in the Group's future growth.

Strategic acquisitions
RTX Telecom wants to maintain its position as one of the leading suppliers of advanced and high-technological wireless communication solutions. The company currently looks at the possibilities of making strategic acquisitions and investments to strengthen this position.

Financial objectives

The Group aims to create value for the shareholders through continued growth in turnover and profit.

It is the RTX Telecom Group's long-term objective to generate an annual growth in turnover of 30% and a profit ratio of approx. 20-30%.

Financial highlights and key ratios of the Group

DKKm	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Profit and loss account								
Net turnover	11.7	16.1	40.8	65.7	122.9	168.1	175.9	207.6
Cost of goods sold	0.0	0.0	0.0	0.0	30.4	45.4	49.8	35.2
Gross profit	**11.7**	**16.1**	**40.8**	**65.7**	**92.5**	**122.7**	**126.1**	**172.4**
Staff costs	2.9	7.2	17.3	26.6	39.9	57.1	95.0	103.0
Other external expenses	4.1	6.6	9.1	12.3	21.4	25.1	45.6	48.2
Depreciation	0.2	0.4	1.0	1.8	3.1	4.5	7.4	10.0
Profit before investment income and expenses	**4.5**	**1.9**	**13.4**	**25.0**	**28.1**	**36.0**	**-21.9**	**11.2**
Net investment income and expenses	0.1	0.0	0.5	-0.4	-0.4	4.9	15.8	8.9
Profit before tax and extraordinary items	**4.6**	**1.9**	**13.9**	**24.6**	**27.7**	**40.9**	**-6.1**	**20.1**
Tax	1.4	0.7	5.6	8.3	9.2	13.1	-1.8	6.5
Profit for the year [1)]	**3.2**	**1.2**	**8.3**	**16.3**	**18.5**	**27.8**	**-4.3**	**13.6**
Balance sheet								
Land and buildings	0.0	0.0	0.0	13.5	27.8	39.2	56.6	94.2
Other fixed assets	1.3	1.9	5.1	5.8	7.6	10.9	31.1	44.2
Total fixed assets	**1.3**	**1.9**	**5.1**	**19.3**	**35.4**	**50.1**	**87.7**	**138.4**
Debtors	1.2	3.7	9.4	13.8	17.3	50.4	51.2	42.7
Other current assets	0.5	1.4	1.7	4.2	3.6	15.0	24.8	27.0
Cash and securities	3.0	1.4	16.1	27.9	25.7	307.0	265.6	263.1
Total current assets	**4.7**	**6.5**	**27.2**	**45.9**	**46.6**	**372.4**	**341.6**	**332.8**
Total assets	**6.0**	**8.4**	**32.3**	**65.2**	**82.0**	**422.5**	**429.3**	**471.2**
Shareholders' equity	**3.0**	**4.3**	**17.9**	**29.2**	**42.3**	**372.4**	**369.2**	**384.4**
Provisions	0.1	0.2	0.4	1.5	1.8	2.8	0.4	2.6
Interest-bearing debt	0.0	0.0	0.0	16.2	15.6	15.1	29.5	47.6
Trade creditors	0.3	0.5	2.3	2.0	3.2	15.0	10.8	14.0
Other current liabilities	2.6	3.4	11.7	16.3	19.1	17.2	19.4	22.6
Total liabilities and provisions	**3.0**	**4.1**	**14.4**	**36.0**	**39.7**	**50.1**	**60.1**	**86.8**
Total liabilities, provisions and equity	**6.0**	**8.4**	**32.3**	**65.2**	**82.0**	**422.5**	**429.3**	**471.2**
Cash flow								
Total cash flow for the year	2.4	-1.6	14.7	11.7	-2.1	281.2	-41.4	-2.5
Cash flow from operations	3.7	-0.5	11.1	14.1	22.5	5.6	-17.6	40.0
Capital investments	1.3	1.1	4.2	15.9	19.1	19.2	44.9	60.7
Paid in by shareholders	-	-	7.8	-	-	323.8	0.7	0.7

Financial highlights and key ratios of the Group (continued)

Key ratios	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Annual growth in net turnover								
(percentage)	150.1	37.6	154.0	60.9	86.9	36.8	4.6	18.1
Profit ratio (percentage)	39.0	11.6	32.9	38.1	22.9	21.4	-12.5	5.4
Return on net assets (percentage)	230.6	37.7	116.3	93.7	60.0	41.9	-15.7	6.0
Return on equity (percentage)	213.6	33.6	59.6	69.2	51.9	18.9	-1.2	3.6
Equity ratio (percentage)	51.2	51.2	55.4	44.8	51.6	88.2	86.0	81.6
Average number of shares [2)]								
('000)	6,600	6,600	7,260	7,260	7,260	8,058	9,339	9,500
Employment								
Number of employees,								
end of period	14	24	39	65	95	158	237	246
Average number of employees	7	20	35	53	83	127	207	236
Net turnover per employee								
(DKK '000)	1,669	804	1,167	1,240	1,480	1,324	850	880
Profit before investment income								
and expenses per employee								
(DKK '000)	651	94	384	473	338	283	-106	48
Share data, DKK per share of DKK 5								
Profit for the year (EPS)	0.5	0.2	1.1	2.2	2.6	3.5	-0.5	1.4
Cash flow from operations	0.6	-0.1	1.5	1.9	3.1	0.7	-1.9	4.2
Net asset value	0.5	0.7	2.5	4.0	5.8	41.0	40.6	42.1
Dividend	0.0	0.0	0.3	0.7	0.8	0.0	0.0	0.0
Payout ratio (percentage)	0.0	0.0	30.0	30.4	29.7	0.0	0.0	0.0

Note: The Group's financial year runs from 1 October - 30 September.
The stated key ratios have been calculated in accordance with 'Recommendations and Ratios 1997' issued by the Danish Association of Financial Analysts.

1) The Group's extraordinary items amounted to DKK 0 in the stated financial statements.

2) Including all outstanding warrants, a total of 381,000 warrants of DKK 5, issued in January and December 2000 and May 2001 and January 2002 to key employees and which, upon full conversion, can be converted into 381,000 shares of DKK 5 in the period from 1 June 2003 to 4 February 2007.

Comments on the financial statements for 2001/02

RTX Telecom has succeeded to generate growth in turnover as well as in earnings despite the difficult structural conditions on the market since the spring of 2001. The Group's expectations for profit which were published together with the last financial statements as well as the interim financial statements in May 2002 have been met in all materiality.

RTX Telecom has achieved a royalty income of DKK 44.1 million in the financial year 2001/02. The income is a result of the company's cut of fixed payments of a number of selected specific projects in order to make it easier for the potential customers to make a decision on the start-up of a development project. In return for the reduction of the fixed payments, the royalty has been at such a level that a success for the customer in the market will also increase the company's royalty considerably compared with previous agreements. In the year under review, a number of customers have achieved great success on the market with products developed by RTX Telecom.

The competitive situation has been sharpened on some of the Group's main markets. Therefore, RTX Telecom has intensified sales efforts over the past year in line with its strategic decisions. According to the Management's assessment these efforts are beginning to show results, e.g. measured by improved customer relations and increased activity of customer inquiries and contract negotiations.

RTX Telecom has the potential for considerable growth. Today, the Group has an organisation which is even better prepared than before to meet future challenges. All building facilities of the Group are sufficient and up-to-date.

The Group's technological development continued in 2001/02, and considerable resources have been spent on in-house developments of new advanced technologies. Over the past couple of years, RTX Telecom has supplemented the DECT technology with considerable activities within other leading wireless communications technologies. RTX Telecom is now facing a period when efforts will be concentrated on selling solutions based on existing technology platforms.

Profit for the year

The Group's turnover was increased by 18.1% from DKK 175.9 million to DKK 207.6 million. Thus, turnover has been up to expectations which were approx. DKK 200 million.

The main reason for the increase in turnover has been the royalty income which has increased from DKK 12.1 million last year to DKK 44.1 million in 2001/02. The reason for the increase in royalty is that several significant development projects have been carried through and delivered to customers during 2001 and the spring of 2002. The increase in royalty reflects the customers' success on the market with the products developed.

As expected, the Group's other business areas have shown a flat development in net turnover as the activities in the past financial year were generally characterised by a relatively weak market development. The slowdown of the international economy and the recession of several of the Group's customers have affected the Group's income in the financial year 2001/02.

The profit for the year before investment income and expenses amounted to DKK 11.2 million which is an increase of DKK 33.1 million on last year's loss before investment income and expenses of DKK 21.9 million. The profit before investment income and expenses is up to the expectations which the Group management published in December 2001, cf. announcement No. 14/2001 to the Copenhagen Stock Exchange of 13 December 2001.

The increase in profit before investment income and expenses is a result of the fact that the company's technological development for its own account has been very intensive in the past financial year in connection with the development of new wireless communication solutions. The development resources have particularly been concentrated on the development of solutions within the technologies GSM/GPRS, TD-SCDMA, Bluetooth™ and Wireless LAN.

As in previous years, the Group has expensed the development costs in the financial year in which they are incurred.

Employee resources are an important factor for the company's continued expansion. Because of the slowdown in the global telecom industry, the Group has been reluctant to appoint new employees since the summer of 2001. Therefore, the total number of employees has only increased by 9 persons compared with the same time last year. Staff costs have increased to DKK 103.0 million which is 8.4% more than last year. Measured per employee, it is a decrease of 4.9% in staff costs.

Net investment income and expenses have decreased from DKK 15.8 million in 2000/01 to DKK 8.9 million in 2001/02. The decreasing investment income is mainly a result of the lower interest rate and increased investment in fixed assets. The major part of the Group's cash consists of short-term securities and bank deposits.

The net result for the year was a profit of DKK 13.6 million which is almost up to the company's expectations. This is an increase of DKK 17.9 million compared to the realised losses in 2000/01 of DKK 4.3 million.

Earnings per share (EPS) amounted to DKK 1.43 on last year's DKK –0.46.

The Management regards the realised activity as well as the earnings achieved as satisfactory considering the very difficult market conditions which have characterised the telecom industry in 2001/02.

Turnover by business areas

DKKm	1997/98	*Share*	1998/99	*Share*	1999/00	*Share*	2000/01	*Share*	2001/02	*Share*
Development tasks	46.4	*70%*	55.0	*45%*	82.1	*49%*	88.2	*50%*	101.7	*49%*
Royalty	14.3	*22%*	19.1	*16%*	22.5	*13%*	12.1	*7%*	44.1	*21%*
Own products etc.	5.0	*8%*	48.8	*39%*	63.5	*38%*	75.6	*43%*	61.8	*30%*
Total turnover	**65.7**	***100%***	**122.9**	***100%***	**168.1**	***100%***	**175.9**	***100%***	**207.6**	***100%***

Revenue recognition

The Group uses the invoice criterion as revenue recognition in its financial statements.

A significant part of RTX Telecom's revenue is attributable to development carried out for customers. A customer's payments are usually regulated by a development contract. Such contracts will typically call for progress payments during the project period. These payments are made when milestones are reached, i.e. at objectively fixed stages during the project. When a milestone has been reached, the group companies will invoice the customer in accordance with the contract, and the amount is recognised as revenue.

As a principal rule the Group's development contracts include provisions according to which RTX Telecom is entitled to progress payment when a milestone is reached, apart from cases where RTX Telecom fails to perform a contract. So far, the Group has not repaid any material progress payments. Therefore, the individual milestones in the Group's development contracts are considered completed in the financial statements.

The timing of reaching a milestone may be affected by customer's as well as RTX Telecom's circumstances.

Costs relating to development projects are charged to the profit and loss account at the time when the costs are incurred. Costs incurred relating to work in progress are not capitalised.

For further details, see the subsequent section on the implementation of new accounting policies to take effect as from the financial year 2002/03.

Balance sheet and cash flows

At 30 September 2002, the Group's balance sheet total amounted to DKK 471.2 million equivalent to an increase of DKK 41.9 million on last year. The increase in the balance sheet total comprises an increase of fixed assets of DKK 50.7 million whereas current assets have been reduced by DKK 8.8 million.

Of the Group's balance sheet total of DKK 471.2 million, shareholders' equity amounts to DKK 384.4 million equal to 81.6%.

Cash flow from operations amounted to DKK 40.0 million which is an increase of DKK 57.5 million compared with 2000/01. In addition to the increase in profit before investment income and expenses, the increase on last year is significantly affected by the changes in working capital, especially less binding of liquidity in debtors and more financing from suppliers etc. as well as reduction in corporation taxes paid.

Cash flows from investments consisting of investments in intangible and tangible fixed assets as well as fixed asset investments amounted to DKK 60.7 million compared with DKK 44.9 million in 2000/01. Besides current investments, the item also includes investment in participating interests in other companies and in the completion of the enlarged domicile in Nørresundby.

Cash flows from financing amounted to DKK 18.3 million compared with DKK 21.0 million in 2000/01. The financial year's cash flows have been strongly affected by the raising of long-term mortgage loans of DKK 20.0 million.

The net effect of cash flows in 2001/02 was a decrease in cash and cash equivalents of DKK 2.5 million. Cash and cash equivalents, including securities, amounted to DKK 263.1 million at the end of the financial year.

Accounting policies

The consolidated financial statements and the financial statements have been presented in accordance with the Danish Company Accounts Act of 1981, current Danish Accounting Standards and the requirements otherwise imposed by the Copenhagen Stock Exchange relating to the presentation of financial statements for listed companies.

The accounting policies applied are consistent with those applied in 2000/01.

Important events in the financial year

In April 2002, RTX Telecom entered into an agreement with the Korean company Imega on representation of RTX Telecom on the Korean market. The agreement was made as part of the Group's strategy to expand sales activities in order to get closer to important customers and market areas. South Korea is a very interesting market for RTX Telecom, and the partnership with Imega has been made to develop and maintain the close relationship with customers in South Korea.

In the spring of 2002, RTX made an agreement with Motorola Semiconductor on a strategic cooperation in the 2.5G mobile phone area. This agreement allows RTX Telecom to enter into agreements on sale and development of turnkey designs based on Motorola's newly developed i.250 Innovative Convergence™ platform. The platform is very competitive by virtue of low component costs and reduced development time.

The first and a very satisfactory result of the agreement with Motorola Semiconductor occurred in August 2002 when RTX Telecom entered into a significant agreement with the Russian company Morion on supply of the first turnkey development project based on Motorola's i.250 GSM/GPRS platform. For RTX Telecom this agreement is particularly important and may help paving the way for new future agreements within the mobile phone area. According to the company's assessment, the GSM/GPRS technology, together with CDMA2000 1x and TD-SCDMA will be the company's most important stepping stone to the development of 3G mobile telephony, including EDGE and UMTS.

In the course of the year, RTX Telecom has made its first contract on development of terminal equipment for the Chinese TD-SCDMA standard. The contract is an important milestone for RTX Telecom and confirms the growing interest which RTX has met in relation to the TD-SCDMA technology. RTX Telecom expects the development project to be completed in the summer of 2003.

Since 2000, RTX has been working on the development of the basic components of the TD-SCDMA technology through which the company has acquired great knowledge within TD-SCDMA.

In the course of the year, RTX Telecom has invested in LitePoint Corporation, San José, California, and in Thomsen Bioscience A/S, Nørresundby. With total investments of DKK 14.2 million RTX Telecom has obtained shares of ownership of 15.0% and 19.4% respectively, cf. separate reference to the two investments.

Market development

Market trends

Generally, the financial year 2001/02 was a difficult year for many of RTX Telecom's customers and potential customers. Many resources have been spent defensively on cost cutting, and the development of new products has not been the customers' main focus.

Therefore, negotiations with potential customers on new projects have often been characterised by the customer's uncertainty, both when it comes to definition of the product and expectations for the market.

This uncertainty has resulted in unusually long negotiations, and only thanks to an extraordinary sales effort of the Group's total organisation, has the Group succeeded in achieving relatively reasonable sales results.

In the financial year, RTX Telecom has entered into agreements with customers within the GSM/GPRS as well as the TD-SCDMA areas. The Group now controls six income-generating technology and market areas (DECT/2.4GHz Cordless, Bluetooth™, CDMA 2000 1x, GSM/GPRS, TD-SCDMA and WLAN).

At the beginning of the new financial year, RTX is therefore able to offer its customers solutions for development projects within a considerably larger technology and market area than a year ago.

Competition

The difficult market trends have apparently forced a number of competitors to reduce prices of development services and chips considerably.

RTX Telecom tries to comply with the overall objective that all projects in total are to generate profits. However, the Group has in cooperation with its technological partners, e.g. National Semiconductor, taken initiatives to make it easier for potential customers to enter into development contracts with RTX Telecom. Despite the favourable price, the customers obtain high-quality supplies.

RTX Telecom is to continue enhancing the efficiency of its services in order to remain competitive as to quality and efficiency, also in relation to competitors from lower-paid countries.

Public regulations and decisions

The distribution of UMTS in Europe and other parts of the world has been considerably delayed. The delay is partly due to the operators' reluctance to start early infrastructure and service investments and partly due to difficulties in developing, verifying and producing the very complex UMTS/GSM terminals at a level where these terminals can compete in price and feature with existing and coming 2.5G terminals. The Group Management has been prepared for these delays which have characterised the distribution of the UMTS technology up to now.

Within the 3G technologies, RTX Telecom has continued its intensive focus on the company's development effort in relation to the Chinese operated TD-SCDMA standard. Whether this effort will be a success depends on which of the 3G technologies the Chinese authorities decide to choose for this market, the world's largest mobile phone market.

During 2002, TD-SCDMA has obtained increasing support from leading circles, and RTX Telecom is convinced that the TD-SCDMA technology will come to play a prominent part on the future Chinese market. The final decision in China on allocation of operator licences will in all probability not be made until 2003.

The general principles of TD-SCDMA and the knowledge accumulated in RTX Telecom can be used within other 3G technologies.

New market trends

The general delay in the distribution of 3G systems has resulted in WLAN technologies beginning to develop from being local data transmissions to and from computers within a company/home office to offering general wireless broadband access to the internet in public places such as cafés, rest stops, airports etc. by means of the so-called hotspots.

The interest in wireless internet access in private homes is increasing, and now also mobile phone operators are trying to gain a foothold on the market and replace small innovative companies.

There is still a great demand for wireless high-quality telephones. 2.5G mobile phones are sold as the provider of spoken communications but also applications and services using the possibility of packet data transmission are slowly gaining ground together with the occurrence of more and more complex terminals.

RTX Telecom is ready to handle projects within all these different markets/technologies.

Market prospects
In recent years, the market has been characterised by a declining growth in the sale of mobile phones in general, and in particular in infrastructure, investments have stopped.

The general uncertainty and trend towards postponing investments and dynamic initiatives have also characterised RTX Telecom's customers in recent years.

However, there are many indications of brighter prospects. RTX Telecom also expects an increase in incoming orders during the financial year 2002/03.

Technological development
Over the past couple of years, RTX Telecom has supplemented DECT with other and leading wireless communications standards and RTX Telecom is now well prepared for the expected growth wave within the industry.

The Group's Management is convinced that a new growth wave will sweep the market as wireless technology will become part of more and more products during the next decade. In the Group's opinion almost all products which communicate with other products may take advantage of wireless communications technology.

This development in competence in RTX Telecom has not only been implemented at the technological level. The Group has also spent considerable resources on developing the entire organisation into a flexible and efficient unit which is capable of handling diversified technologies and customer types.

In the year under review, the restructuring of the sales and development departments has shown its strength by early and flexible adaptation to the customers' requests for new products. This has been a substantial reason for RTX Telecom's ability to show a relatively reasonable profit on a still difficult market.

The next step in the development will be RTX Telecom’s distribution of wireless technologies on new markets and in various parts of the value chain which it is found attractive for business purposes. The investments in Penell A/S, LitePoint Corporation and Thomsen Bioscience A/S are examples of this distribution of core competence to new market areas.

Penell A/S
For Penell the financial year 2001/02 has been characterised by large market and technological changes. Penell has focused on investments in sales and marketing resources in order to profile themselves as a strategic supplier of wireless solutions for the medico industry and industry in general. In the same period, considerable resources have been invested in developing technology platforms with communications solutions supporting this focus.

Penell has specifically invested a lot in developing a dedicated communications solution which is suitable for wireless transmission of data through a safe transmission line. This solution is specifically intended for customers who make heavy demands on data safety, such as hospitals.

The development of new technology together with the company's focus on new international potential customers has been implemented under market terms which have been characterised by considerable reluctance and negative market trends. Consequently, Penell has not been able to attain the expected growth in 2001/02.

Penell generated a turnover of DKK 11.4 million in 2001/02. The results after tax amounted to a loss of DKK 1.6 million. Penell's shareholders' equity amounted to DKK 12.6 million at 30 September 2002.

Penell is a wholly-owned subsidiary with 19 employees at the end of the financial year. Today, the company is fully consolidated into the Group. The consolidation is embedded at all levels of the company.

Investments in participating interests

LitePoint Corporation, US
In 2001/02, RTX Telecom made an agreement with the shareholders of the American company LitePoint Corporation on investment of USD 1.5 million in the company. The investment was made by a new issue of shares in LitePoint Corporation, and RTX Telecom obtained a share of ownership of 15.0%.

LitePoint Corporation is a wireless chip technology company domiciled in Silicon Valley, California. The company employs engineers who all have long and wide experience in development and supply of Intellectual Property within wireless technologies, e.g. Wideband Code Division Multiple-Access (WCDMA), GSM/GPRS, IEEE802.11a/b and Bluetooth™. The company has expertise within component specifications and chip architecture. The company's activities primarily include tasks within RF architecture and RF chip design.

Thomsen Bioscience A/S
With an investment of DKK 3.0 million in the biotech company Thomsen Bioscience, RTX Telecom has taken the first step towards using the Group's competence within wireless communications technology for transfer of important biological data retrieved. The investment was made by a new issue of share capital in Thomsen Bioscience, and RTX Telecom obtained a share of ownership of 19.4%.

The objective is together with Thomsen Bioscience to develop portable sensor units which enable efficient and early discovery of different types of air-borne spores, bacteria and viruses and subsequent transmittance of the retrieved data to a centrally based data treatment.

Thomsen Bioscience is a development company with focus on integration of advanced biological methods in biochips. Certain biochemical processes and analyses are integrated into self-governing micro-labs by way of biochips, also called intelligent lab-on-chips. The technology can be used for detection of biological weapons, clinical diagnosing of infectious diseases and pharmaceutical drug development.

Special matters
On 15 January 2002, a pending lawsuit against a large French customer was settled in favour of RTX Telecom by the court of first instance, Le Tribunal de Commerce de Paris. According to the order of the court the customer was ordered to pay DKK 23.8 million to RTX Telecom. The purpose of the lawsuit was to test whether the customer's termination of a development contract was lawful in view of the existing contract. The court found that the termination was in breach of the procedure laid down in the contract.

The customer has appealed against the judgment to a higher court, and therefore the case cannot be considered closed at present.

The French customer has been ordered to pay the compensation amount to RTX Telecom although the case is not yet finally settled by the higher court. Because of the customer's failure to meet the demand for payment according to the judgement made, RTX Telecom has been compelled to take legal steps and recover the claim. At present the matter has not been settled.

Events after the balance sheet date
RTX Telecom and the Austrian company, vertical pre-production management GmbH have made an agreement on the development of a complete design for mobile phones. According to the agreement, mobile phone producers can be offered a complete solution with optional designs, colours and user interfaces as of the year 2003. The solution is primarily directed towards customers on the Asian market where there is a great demand for products which can be developed and marketed under private brand names.

The development of mobile phones will be based on Motorola’s GSM/GPRS chipset i.250 which RTX Telecom chose as development platform in the spring of 2002. As an alternative, mobile phones can also be developed on RTX Telecom’s CDMA2000 platform based on VIA Telecom’s chipset. Both platforms enable implementation of different hardware and software applications.

RTX Telecom was certified according to ISO 9001:2000 in October 2002. ISO 9001 is an international standard for quality control systems which are to ensure that the company’s management tools are maintained. The updated version 9001:2000 make heavier demands of improvements and follow-up than the former version of ISO 9001. Moreover, there is much more focus on the requirements relating to handling of quality issues, customer satisfaction and audit of the internal quality control system.

Prospects
Because of the intensive development for own account in advanced technologies pointing forward the Group is well prepared for future growth. Over the past couple of years, RTX Telecom has made considerable investments in a wide range of wireless technologies. Many of the investments have been made in periods when the telecom market was characterised by recession. In 2002/03, the Group will focus on the already developed technology platforms and activities which will contribute to the Group’s turnover and operating profit.

One of RTX Telecom’s essential objectives is to maintain its leading position as supplier of wireless turnkey designs. However, some of the Group’s markets seem quite unclear with variations from area to area, geographically as well as technologically. Some of these markets have also experienced a keener competition during the past financial year.

The Group will continue to expand and strengthen the sales organisation and is currently trying to enhance the efficiency of business procedures and handling of customer relations.

At 30 September 2002, RTX Telecom had signed, contracts in progress for development projects amounting to DKK 40.7 million corresponding to an increase by approx. 56% compared to 30 September 2001. The amount had not yet been recognised as turnover at 30 September 2002. Since the expiry of the financial year 2001/02 and until 1 December 2002, RTX Telecom has entered into development contracts for a further DKK 14.7 million.

At present, it is uncertain whether the royalty income for 2002/03 can maintain the same high level as in 2001/02 as revenue from some of the large development projects will probably gradually decline during the financial year. Royalty payments are usually based on the number of produced units.

The company's turnover on selected OEM products etc. within niches is expected to remain unchanged. Sales mainly include DECT repeaters and Bluetooth™ RF testers.

The expected general change in the market conditions has not manifested itself unambiguously. However, there are indications that improvement in the market will occur during the financial year 2002/03.

The RTX Telecom Group is ready to take advantage of both existing market conditions as well as improved market conditions. Based on this, the Management expects that in the financial year 2002/03 the RTX Telecom Group will realise a net turnover of approx. DKK 230-250 million and a profit before investment income and expenses of approx. DKK 20-30 million. The net turnover and the profit before investment income and expenses are not expected to be equally divided between the first and second half years ending 30 September 2003.

These estimates for 2002/03 are not based on consistent accounting policies in the Group as in 2002/03 the Group will adapt its accounting policies to the requirements of the new Danish Financial Statements Act from 2001. The Management does not expect the changes in accounting policies to have material impact on the accounting profit for 2002/03.

Shareholders
At 30 September 2002, there were approx. 5,000 registered shareholders holding registered shares equivalent to approx. 81% of the share capital.

At 30 September 2002, members of the Group's Management and Board of Directors had the following personal share holding and warrants in RTX Telecom:

	Number of shares at 30 September		**Number of warrants at 30 September**	
	2001/02	**2000/01**	**2001/02**	**2000/01**
Management	681,000	680,725	0	0
Board of Directors	2,134,529	2,043,879	9,000	3,000
Total	**2,815,529**	**2,724,604**	**9,000**	**3,000**

Corporate Governance
The Nørby Committee presented in a report dated 6 December 2001 a number of recommendations for good corporate governance in Denmark.

On this basis the Board of Directors of RTX Telecom have discussed the overall principles described in the report. RTX Telecom's Board of Directors have a positive attitude towards the recommendations made by the Nørby Committee. Further, the Board of Directors have noted that RTX Telecom's Articles of Association and management principles are largely identical with the key recommendations in the report.

RTX Telecom will aim at following the concept of most of the important recommendations on good corporate governance, and in the following the Board of Directors take the opportunity to account for some of the key elements.

The Nørby Committee recommends that the Board of Directors consists of no more than six directors elected by the general meeting and that the majority of directors are elected by the general meeting and are independent of the company. Furthermore, the chairman and the directors ought not to be elected or re-elected for a period of more than nine years.

This recommendation is followed in respect of the number of directors elected by the general meeting. In the RTX Telecom Board of Directors, three of the six members elected by the general meeting are independent of the Group. In addition, three of the board members are founders of the company. It is the historical background of RTX Telecom that is the reason for the present composition of the Board of Directors as the founders of the company continue to hold significant competences in respect of the business activities carried out by the company and they also own approx. 43% of the company´s share capital.

The members of the Board of Directors elected by the general meeting are elected for a period of one year whereas employee representatives are elected for a period of four years. There is no limit to the period of time during which a person can sit on the Board of Directors. A member can be re-elected until and including the year in which he turns 70.

Five board meetings were held in the financial year 2001/02. The overall strategies of the Group were discussed at a long meeting where members of the executive leader team took part.

RTX Telecom does not make use of board committees, nor does the company carry out systematic evaluations of the Board of Directors and Management or of the cooperation between the two bodies.

The Nørby Committee recommends that the number of shares, options and warrants that the board members own in the company and affiliated companies is stated in the annual report and that information is equally provided on changes in the member´s portfolio of the mentioned securities during the financial year.

So far, the remuneration of members of the Boards of Directors and Management of RTX Telecom has not been incentive remuneration based on shares. As a consequence of this, the Board of Directors consider it sufficient to specify warrants at group level.

The Board of Directors have agreed that the portfolio of shares in the company held by the individual board member should also be stated at group level.

Finally, the Nørby Committee recommends the company to use quarterly reporting. At present, the Board of Directors of RTX Telecom has chosen not to publish quarterly reports. The Board of Directors is of the opinion that a period-to-period comparison of the quarterly results of the Group may fluctuate significantly and that this will not contribute to a better understanding of the Group's activities or provide an adequate picture of the assets and liabilities, financial position and results of the Group.

New Danish Financial Statements Act to be implemented in 2002/03

On 22 May 2001, Danish parliament adopted a new financial statements act to take effect for financial years beginning on 1 January 2002 or later. Danish companies may choose to meet the requirements of the act earlier if they prefer.

RTX Telecom has decided to present the financial statements for 2001/02 according to the present Danish Company Accounts Act and implement the new rules as of 1 October 2002. The following areas are examples of matters which will be affected by the changes in accounting policies as a consequence of the new Danish Financial Statements Act.

Revenue recognition
As revenue recognition in the future the Group will use the production method for development projects in progress for the account of customers.

Development projects in progress for the account of customers are measured at the market value of the work carried out. The market value is measured on the basis of the rate of completion at the balance sheet date and the total expected income generated from the individual development project.

Each development project in progress is recognised in the balance sheet under receivables or payables depending on the net value of the market price deducting invoiced milestones and prepayments.

Own development projects
Development costs include costs, salaries and depreciation which directly or indirectly relate to the Group's development activities.

Development projects which are clearly defined and can easily be identified and for which the technical utilisation rate, sufficient resources and potential future market can be demonstrated and which intend to produce, market or use the project are recognised as intangible fixed assets if the cost price is calculated reliably and if there is sufficient assurance that future earnings will cover production and sales cost, administrative expenses as well as development costs. Other development costs are recognised in the profit and loss account as incurred.

Capitalised development costs are measured at cost less accumulated depreciation or recoverable amount if lower.

After completion of the development work, development costs are amortised by the straight-line method over the estimated useful life.

Accounting implications
The accounting implications on the transition to changed accounting policies as of 1 October 2002 are not expected to significantly affect the profit for the year, balance sheet total and shareholders' equity at the effective date.

It is not possible to say which impact the transition to the new accounting policies may have on the profit for the year in the coming financial years. For instance, the correlation on the balance sheet date between the market price of the performed work in progress for the account of customers and invoiced milestones and prepayments is not known at present. As to development costs relating to own development projects it is expected to be more the exception rather than the rule that the Group is able to meet the requirements made to be able to capitalise development costs relating to own development projects in the balance sheet. Thus, development costs are not expected to be recognised in the Group's balance sheet to a material extent.

Decisions of the Board of Directors and proposals for the general meeting

Own shares
It is recommended to the general meeting that until the next ordinary general meeting the Board of Directors shall be authorised to allow the company to buy its own shares within 10% of the share capital at the listed price "all transactions" in effect at the date of purchase with a deviation of up to 10%.

Employee shares
In pursuance of paragraphs 6.3 and 6.2 of the Articles of Association, the Board of Directors decided on 12 December 2002 to issue employee shares at a nominal value of up to DKK 300,000, equal to 60,000 shares of DKK 5. The employee shares shall be allotted among all employees of the Group according to seniority on the date of allotment on 6 January 2003. Subscription for employee shares is made at a favourable price fixed at 20% of the listed price "all transactions" at 6 January 2003.

Issue of warrants
In pursuance of paragraphs 7.5 to 7.8 of the Articles of Association, the Board of Directors decided on 12 December 2002 to issue warrants to the employees in the Group for a nominal value of up to DKK 105,000, equal to 21,000 shares of DKK 5. The warrants issued total approx. 0.2% of the company's share capital. The price of exercising the warrants will be the listed price "all transactions" at 19 December 2002. The warrants have been issued for employees in the Group without a pre-emption right to the other shareholders of the company. In addition, the Board of Directors have adopted the related share capital increase.

Articles of Association
It is recommended to the general meeting to adopt adjustments in the Company's Articles of Association. The proposed amendments are mainly on a point of form in consequence of carried through legislation and as outcome of decisions taken by the Board of Directors on issuing employee shares and warrants. In additions to this it is recommended to register new subsidiary names.

Dividend and appropriation of profit
For the previous financial year 2000/01 no dividend was distributed to the Company's shareholders.

The Board of Directors proposes that no dividend is paid out for the financial year 2001/02. This decision is in accordance with what was informed in connection with the Company's application for listing in June 2000.

The Board of Directors proposes the profit for the year be appropriated as follows:

	DKK '000
Brought forward from revaluation reserves	-1,423
Carried forward to retained profits	15,000
	13,577

Yours sincerely

Poul Lind	Jørgen Elbæk
Chairman of the Board	Managing Director

ENCLOSURE

- Profit and loss account
- Changes in shareholders' equity
- Balance sheet
- Cash flow statement
- Distribution of turnover

PROFIT AND LOSS ACCOUNT FOR 2001/02

DKK '000	Group 2001/02	Group 2000/01	Parent 2001/02	Parent 2000/01
Net turnover	**207,645**	**175,888**	**197,099**	**171,884**
Cost of goods sold	(35,178)	(49,821)	(35,178)	(49,821)
Other external expenses	(48,210)	(45,608)	(44,937)	(44,247)
Staff costs	(103,035)	(95,028)	(95,281)	(91,911)
Depreciation/amortisation	(10,002)	(7,340)	(8,026)	(6,517)
Results before investment income/expenses	**11,220**	**(21,909)**	**13,677**	**(20,612)**
Results before tax in subsidiary	0	0	(2,346)	(1,264)
Investment income	16,933	19,384	16,814	19,326
Investment expenses	(8,058)	(3,563)	(8,050)	(3,538)
Results before taxation	**20,095**	**(6,088)**	**20,095**	**(6,088)**
Tax on results for the year	(6,518)	1,802	(6,518)	1,802
RESULTS FOR THE YEAR	**13,577**	**(4,286)**	**13,577**	**(4,286)**

CHANGES IN SHAREHOLDERS' EQUITY

DKK '000

Shareholders' equity at the beginning of the year	369,211	372,389	369,211	372,389
Capital increase	670	234	670	234
Tax on equity entries	917	874	917	874
Results for the year	13,577	(4,286)	13,577	(4,286)
Shareholders' equity at the end of the year	**384,375**	**369,211**	**384,375**	**369,211**

BALANCE SHEET AT 30 SEPTEMBER 2002

	Group		Parent	
DKK '000	**2001/02**	**2000/01**	**2001/02**	**2000/01**
Licences	200	300	200	300
Goodwill	14,601	16,301	0	0
Deposits	698	867	698	867
Intangible fixed assets	**15,499**	**17,468**	**898**	**1,167**
Land and buildings	94,212	43,108	94,212	43,108
Machinery and equipment	14,508	13,588	14,034	12,820
Assets under construction	0	13,517	0	13,517
Tangible fixed assets	**108,720**	**70,213**	**108,246**	**69,445**
Participating interest in subsidiary	0	0	12,593	14,239
Other securities and participating interests	14,172	0	14,172	0
Fixed asset investments	**14,172**	**0**	**26,765**	**14,239**
FIXED ASSETS	**138,391**	**87,681**	**135,909**	**84,851**
Raw materials and consumables	1,021	677	1,021	677
Finished goods and goods for resale	4,239	3,109	4,239	3,109
Stocks	**5,260**	**3,786**	**5,260**	**3,786**
Deferred tax assets	0	160	0	0
Debtors	42,668	51,180	41,005	49,300
Amount owed by subsidiary	0	0	0	85
Corporation tax	10,530	10,004	10,530	10,004
Other debtors	9,902	10,205	9,902	10,205
Prepayments and accrued income	1,330	737	1,310	723
Debtors	**64,430**	**72,286**	**62,747**	**70,317**
Securities	**170,586**	**210,300**	**170,586**	**210,300**
Cash at bank and in hand	**92,533**	**55,270**	**89,705**	**52,042**
CURRENT ASSETS	**332,809**	**341,642**	**328,298**	**336,445**
ASSETS	**471,200**	**429,323**	**464,207**	**421,296**

BALANCE SHEET AT 30 SEPTEMBER 2002

DKK '000	Group 2001/02	Group 2000/01	Parent 2001/02	Parent 2000/01
Share capital	45,677	45,482	45,677	45,482
Share premium account	294,176	293,701	294,176	293,701
Revaluation reserves	1,028	2,451	1,028	2,451
Retained profit	43,494	27,577	43,494	27,577
SHAREHOLDERS' EQUITY	**384,375**	**369,211**	**384,375**	**369,211**
Deferred tax	2,279	0	2,325	218
Other provisions	350	400	350	400
PROVISIONS	**2,629**	**400**	**2,675**	**618**
Mortgage debt	45,460	28,584	45,460	28,584
Trade creditors	0	6,000	0	0
Long-term creditors	**45,460**	**34,584**	**45,460**	**28,584**
Current portion of long-term creditors	8,165	917	2,165	917
Trade creditors	8,012	4,821	7,812	4,687
Amount owed to subsidiary	0	0	863	0
Other creditors	22,559	19,390	20,857	17,279
Short-term creditors	**38,736**	**25,128**	**31,697**	**22,883**
LIABILITIES	**84,196**	**59,712**	**77,157**	**51,467**
LIABILITIES, PROVISIONS AND EQUITY	**471,200**	**429,323**	**464,207**	**421,296**

CASH FLOW STATEMENT FOR 2001/02

DKK '000	Group 2001/02	Group 2000/01	Parent 2001/02	Parent 2000/01
Results before investment income/expenses	11,220	(21,909)	13,677	(20,612)
Depreciation	10,002	7,340	8,026	6,517
Change in working capital	13,457	(2,703)	13,505	(3,139)
Cash flow from ordinary operations	**34,679**	**(17,272)**	**35,208**	**(17,234)**
Net interest and exchange gains	8,875	15,821	8,764	15,788
Corporation tax paid	(3,564)	(16,102)	(3,564)	(16,102)
Cash flow from operations	**39,990**	**(17,553)**	**40,408**	**(17,548)**
Net payments to acquire intangible fixed assets	169	(17,736)	169	(732)
Net payments to acquire tangible fixed assets	(46,709)	(27,157)	(46,727)	(26,269)
Fixed asset investments	(14,172)	0	(14,172)	(15,125)
Cash flow from investments	**(60,712)**	**(44,893)**	**(60,730)**	**(42,126)**
Raising of long-term loans	19,962	21,000	19,962	15,000
Instalments on long-term liabilities	(1,838)	(598)	(1,838)	(598)
Proceeds from capital increase	147	634	147	634
Cash flow from financing	**18,271**	**21,036**	**18,271**	**15,036**
DECREASE IN CASH AND CASH EQUIVALENTS	**(2,451)**	**(41,410)**	**(2,051)**	**(44,638)**
Cash and cash equivalents at 1 October	265,570	306,980	262,342	306,980
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	**263,119**	**265,570**	**260,291**	**262,342**

NET TURNOVER

Net turnover by business areas

DKK '000	2001/02	Share	2000/01	Share
Development tasks	101,678	49%	88,157	50%
Royalty	44,139	21%	12,101	7%
Own products etc.	61,828	30%	75,630	43%
Total	**207,645**	**100%**	**175,888**	**100%**

Net turnover by geographical areas

	Group		Parent	
DKK '000	**2001/02**	**2000/01**	**2001/02**	**2000/01**
Denmark	41,457	47,352	31,656	43,348
Other European countries	134,877	95,154	134,877	95,154
Asia	12,783	27,155	12,783	27,155
North America	18,528	6,227	17,783	6,227
Total	**207,645**	**175,888**	**197,099**	**171,884**

Order book

The rest order book at 30 September 2002 amounts to	**40,680**	**26,123**	**38,589**	**25,146**

The amount has not been recognised as revenue
in the profit and loss account at 30 September 2002.

This announcement includes statements on expectations for the Group's future financial position. These statements might be influenced by risk and uncertainty factors, and consequently the actual development might be different from the expectations indicated. These risk factors include a number of factors such as general business and financial conditions, dependence on cooperators and exchange rate and interest rate fluctuations, etc. Risk and uncertainty factors are further described in the financial statements for 2000/01 and will be described in more detail in the financial statements for 2001/02.

This announcement of the financial statements for 2001/02 has been prepared in a Danish-language and an English-language version. The English-language version is a translation of the Danish-language version. In the event of any inconsistency between the Danish version and this announcement, the Danish version shall prevail.