

**Nordicom A/S**

CVR. no. 12 93 25 02

**H1 report  
2008**

(for the period 01 January to 30 June 2008)

## Contents

Resume for H1 2008 .....	3
Company details.....	4
Management's endorsements .....	5
Management's statement .....	6
Income statement.....	15
Balance sheet.....	16
Statement of recognized income and expenses.....	18
Cash flow statement.....	19
Notes .....	20

## Resume for H1 2008 – Increased earnings and geographical diversification

- Nordicom Group's gross profit and pre-tax profit rose 20% and 10% respectively, which constitutes a satisfying result for H1.
- The Group's gross profit amounts to DKK 199.1 m for H1 2008 against DKK 164.8 m for H1 2007, corresponding to an increase of DKK 34.3 m. This increase is due to increased revenue from lettings, higher profits from project development and higher profits from sale of properties. The foreign markets have contributed with approximately 13% of the group's earnings.
- Profits before tax for H1 are DKK 84.4 m, which is an increase of DKK 7.3 m from the previous year (H1 2007: DKK 77.1 m).
- Previous announcements indicating expected profits before tax of approx. DKK 300 m is maintained.
- The Group generated a positive cash flow of DKK 126.7 m, bringing the Group's cash holdings at the end of H1 2008 to DKK 234.7 m. This includes free reserves of DKK 142.2 m. The process of increasing long term debt commenced at the beginning of 2007 and continued in 2008. At the end of H1 long term debt comprised DKK 2,721.3 m, which corresponds to a long term debt ratio of 66.8%, compared with 62.8% at the end of 2007. The main share of the Group's short term debt is used for financing current projects which will be completed within a short period of time. Hence the short term debt share is expected to be further reduced in H2 2008.
- The turmoil in the financial markets means greater uncertainty when forecasting earnings. When focusing solely on Nordicom's internal conditions, our 2009 earnings forecast is still good. In 2009 we expect that profits from sale of properties, profits from developing projects and the more certain income from lettings will drive earnings. Assuming 2008 conditions when forecasting profits from the sale of properties in 2009, we expect to continue to see satisfactory earnings from the sale of properties. The projects under development which will contribute to 2009 earnings are looking equally satisfactory. In H2 we expect to begin new commercial property builds for more than DKK 0.5 bn, which we expect to be completed in 2009. The projects are already approximately 75% leased, even before construction has started, and are expected to have a normal contribution margin.

## Company details

### Company

Nordicom A/S  
Kongens Nytorv 26  
1050 Copenhagen K  
CVR-no.: 12 93 25 02  
Registered office: Copenhagen, Denmark

Telephone: + 45 33 33 93 03

Telefax: + 45 33 33 83 03

Internet: [www.nordicom.dk](http://www.nordicom.dk)

E-mail: [nordicom@nordicom.dk](mailto:nordicom@nordicom.dk)

### Board

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

### Executive management

Gunnar Chr. Kristensen

### Auditors

No review or audit of the interim report for H1 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 endorsement

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

The interim report is presented in conformity with IAS 34 and 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 of 30 June 2008, as well as of the result of the group's activities and cash flows for the period 1 January – 30 June 2008.

Copenhagen, 21 August 2008

### Senior management:



Gunnar Chr. Kristensen

### Board:



Torben Schøn, Chairman



Aksel Andreasen



Michael Vad Petersen, Deputy Chairman



Per Mellander



Søren Pind

## Group key figures

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007	All year 2007
<b>Profit and loss account</b>					
Turnover	324,019	196,008	194,388	103,607	755,051
Operating expenses	-214,170	-94,536	-140,138	-54,169	-536,287
Value creation through project development	21,197	8,776	15,883	347	80,798
Adjustment to current value, net	52,695	55,042	27,066	30,036	70,919
Realized revenues through sale of investment properties	15,347	-515	15,347	128	99,499
<b>Gross profit</b>	<b>199,088</b>	<b>164,775</b>	<b>112,546</b>	<b>79,949</b>	<b>469,980</b>
Staff costs and other external expenses	-31,517	-25,292	-15,475	-12,150	-53,869
Profit from associated companies	-1,571	-89	-1,571	-89	1,430
Depreciation	-1,617	-1,999	-767	-1,042	-4,416
<b>Profit from primary operations</b>	<b>164,383</b>	<b>137,395</b>	<b>94,733</b>	<b>66,668</b>	<b>413,125</b>
Financial items	-79,970	-60,319	-39,131	-29,236	-121,008
<b>Profit before tax</b>	<b>84,413</b>	<b>77,076</b>	<b>55,602</b>	<b>37,432</b>	<b>292,117</b>
Tax on profit	-22,554	-25,000	-15,242	-13,922	-34,940
<b>Profit for the period</b>	<b>61,859</b>	<b>52,076</b>	<b>40,361</b>	<b>23,510</b>	<b>257,177</b>
 <b>Balance sheet</b>					
<b>Assets</b>					
Long-term tangible assets	5,189,589	4,223,310	5,189,589	4,223,310	4,776,429
Long-term financial assets	61,032	48,717	61,032	48,717	70,029
Projects holdings and other current assets	816,164	799,629	816,164	799,629	1,004,074
<b>Total assets</b>	<b>6,066,785</b>	<b>5,071,656</b>	<b>6,066,785</b>	<b>5,071,656</b>	<b>5,850,532</b>
 <b>Liabilities</b>					
Equity, end of period	1,340,828	1,202,448	1,340,828	1,202,448	1,386,240
Long-term liabilities	3,215,615	2,202,313	3,215,615	2,202,313	2,846,756
Short-term liabilities	1,510,342	1,666,895	1,510,342	1,666,895	1,617,536
<b>Total liabilities</b>	<b>6,066,785</b>	<b>5,071,656</b>	<b>6,066,785</b>	<b>5,071,656</b>	<b>5,850,532</b>
 <b>Cash flows</b>					
<b>2008</b>					
Cash flows from operations	-94,774	-38,985	-30,848	-143,173	303,217
Cash flows from investment activities	-348,722	-418,511	-61,677	-282,964	-975,833
Cash flows from financing activities	198,032	76,470	219,309	332,509	566,786
<b>Total cash flows</b>	<b>-245,464</b>	<b>-381,026</b>	<b>126,784</b>	<b>-93,628</b>	<b>-105,830</b>

## Group key figures

	YTD 2008	YTD 2007	Q2 2008	Q2 2007	All year 2007
Share capital (amounts in DKK thousands)	312,786	312,786	312,786	312,786	312,786
Pre-tax return on equity	6.6	6.4	4.4	3.4	22.7
Taxed return on equity	4.9	4.3	3.2	2.1	20.0
Share price, end of period	414	850	414	760	820
Intrinsic value per share, end of period	445	398	451	389	449
Earnings per share	28.0	25.2	18.7	12.1	95.0
Earnings per share after tax	20.5	17.0	13.6	7.6	83
Price/intrinsic value, end of period	0.9	2.1	0.9	2.0	1.8
Solvency ratio	22.1	24.0	22.1	23.7	23.9

## Management's statement

### Review of the Group's activities in H1

Nordicom enjoyed a satisfactory level of activity during the first two quarters of 2008 and a result before tax of DKK 84.4 m, corresponding to an increase of DKK 7.3 m, or 10%, compared to 2007.

Nordicom's portfolio of properties has continued to grow, especially in Germany and Sweden. In H1 we acquired three new investment properties, three project properties and two smaller plots of land in conjunction with ongoing projects, amounting in total to DKK 461.2 m. Furthermore, two investment properties were sold in the period for a total of DKK 113.9 m, corresponding to a profit margin of 13.5%. An additional property was sold after the closing of the balance sheet.

Ongoing development projects are progressing well and the launch of development projects abroad marks the start of a new chapter for the Swedish and German markets. In Sweden we have two projects in Norrköping, the eighth largest town in Sweden with a population of 125,000. One of the projects involves the construction of a new logistics property of 5,000 m<sup>2</sup>, following the opening of a new motorway exit, while the other project involves modernisation and possible extension of a centrally located office property. In Germany the two projects are located in Hamburg. One involves modernisation of a characteristic office property comprising 16 storeys on Hamburg Harbour, while the other project involves the construction of a new residential property containing 49 apartments. The project value of the four projects is estimated at approx. DKK 500 m cf. the description of Nordicom's project portfolio at page 31.

In addition to the above, Nordicom has entered into a collaboration with The Danish Technological Institute in developing the next generation of Danish designed pre-fabricated low-energy terraced houses. These houses are expected to be completed in time to take part in the exhibition ahead of the climate summit in Copenhagen at the end of 2009. Our experiences on this project are being put to good use as a basis for another development project in Næstved, where we expect to build 11 terraced houses under Nordicom's new ZEB concept (Zero Energy Buildings).

In June, HFI-Invest A/S - a company controlled by Vagner Holding ApS - acquired all of Nicolaj Gruppen's shares in Nordicom A/S. Following these transactions, the total amount of shares controlled by Vagner Holding ApS came to 1,032,193 shares at DKK 100, corresponding to nearly 33 percent of the total share capital. Ole Vagner has accepted an invitation to join the company board. The company firmly believes that the more active role that Ole Vagner will come to play in the future will serve to strengthen the underlying equity basis and the company's strategic capacity.

## **Outlook**

For annual result for 2008 as a whole, Nordicom maintains an expected profit before tax in the level of DKK 300 m.

After a period of strong demand for almost all types of properties, the international financial crisis and the uncertainty within financial institutions have reversed this trend in 2008. The volume of transactions in the property market has fallen substantially and prices have dropped as well. These new conditions mean, amongst other things, tighter lending criteria from the financial sector in regards to equity and quality in a transaction.

This new financial backdrop has meant greater room for manoeuvre for well-consolidated players such as Nordicom, while the leveraged community has very limited options. In particular, we expect these market changes to bring new investment opportunities in the areas of unfinished properties and properties with higher vacancy rates - areas in which Nordicom has a lot of experience. The lower property prices overall affect Nordicom's margins in sales of finished properties and we expect this will lead to a higher total volume of transactions. However, the tighter lending criteria in the equity share have diminished the general growth potential in the property markets – for Nordicom as well – and we no longer expect the balance sheet to grow in H2.

In the lettings area we continue to see good demand in most segments and we expect this trend of falling vacancy rates to continue in H2. The strong demand in the lettings market also means good conditions for new commercial property project developments. In H2 we expect to commence new commercial property builds of more than DKK 0.5 bn, which we expect to be completed in 2009. The projects are already approx. 75% let, even before construction has started, and are expected to have a normal contribution margin.

In the residential sector selling conditions have deteriorated further in H1. Turnover is generally low and prices remain under pressure. This, on the other hand, has led to better letting conditions. Uncertainty in the property market has increased demand for lettings, pushing prices up to a relatively high level. In the remainder of the year, Nordicom only expects to begin construction of the new ZEB concept properties (terraced houses with no heating).

The turmoil in the financial markets means greater uncertainty when forecasting earnings. When focusing solely on Nordicom's internal conditions, our 2009 earnings forecast is still good. In 2009 we expect profits from sale of properties, profits from developing projects and the more certain income from lettings to drive earnings.

## H1 2008 result

The group's gross profits amount to DKK 199.1 m, which corresponds to an increase of DKK 34.3 m (21%). This increase is due to higher rental income from the group's investment properties, higher profits from sale project developments, and higher profits from the sale of investment properties.

Gross profits in Germany and Sweden of DKK 26.5 m (DKK 4.5 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 33.1 m (H1 2007: DKK 27.3 m), a rise of DKK 5.8 m, due to an increased number of staff and higher rental outgoings following the sale of Nordicom's head quarters at Kgs. Nytorv end 2007. Furthermore, a new homepage has been developed, which we expect to launch in Q4 2008.

Net financial items comprise DKK 80.0 m (H1 2007: DKK 60.3 m), which is an increase of DKK 19.7 m compared to the same period last year. This is due to a higher market interest rate and a higher level of activity. The group's average borrowing rate has risen by approx. 1% compared to H1 2007, and the interest bearing debt has risen from DKK 3,060.1 m to DKK 3,841.6 m.

### Geographical segments – year to date

Amounts in DKK million	Danmark		Germany		Sweden		Not distributed		Group total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Gross profit	172,6	160,3	10,2	2,7	16,3	1,8	-	-	199,1	164,8
Operating profit	142,5	135,3	9,6	2,2	12,3	(0,1)	-	-	164,4	137,4
Total assets	5.611,9	4.954,5	215,2	84,4	382,2	88,3	(142,5)	(55,5)	6.066,8	5.071,7

### Business segments – year to date

Amounts in DKK million	Ejendom		Udvikling		Finans		Not distributed		Group total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Gross profit	153,3	123,5	44,5	38,8	1,3	2,4	-	-	199,1	164,8
Operating profit	134,3	110,0	32,2	28,7	0,8	1,7	(2,9)	(3,0)	164,4	137,4
Total assets	3.578,1	3.043,0	2.634,8	2.272,3	77,7	62,2	(223,8)	(305,9)	6.066,8	5.071,7

### Balance sheet as at 30 June 2008

The Group's long term assets comprise DKK 5,250.6 m as at 30 June 2008 (31.12.2007: DKK 4,846.5 m) which is an increase of DKK 404.1 m. This is primarily due to the acquisition of new properties amounting to DKK 362.1 m net. The acquisition of new investment properties in H1 is in line with expectations.

Short term assets comprise DKK 816.2 m (31.12.2007: DKK 1,004.1m), which is a fall of DKK 187.9 m. This is primarily due to the freeing up of DKK 285 m deposited in connection with properties sold late 2007. In relation to the company's project holdings, the net effect of further investment in projects and deliveries has meant an increased capital commitment of DKK 27.7 m.

As at 30 June 2008, total foreign assets comprise DKK 597.4 m, corresponding to a share of the total balance sheet of 10%.

The equity share comprises DKK 1,340.8 m (31.12.2007: DKK 1,386.2 m), corresponding to a reduction of DKK 45.4 m. This 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.

The Group's activities in Q2 have generated a positive cash flow of DKK 126.7 m, which takes the Group's liquid holdings to DKK 234.7 m as at 30 June 2008. This includes free reserves of DKK 142.2 m.

Debt to credit institutions amounts to DKK 4,076.3 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 H1 long term debt comprised DKK 2,721.3 m, which corresponds to a long term debt share of 66.8%, compared with 62.8% at the end of 2007. The main share of the Group's short term debt is used for financing current projects which will be finished within a short period of time. Hence the short term debt share is expected to be further reduced in H2 2008.

## **Nordicom Ejendom**

Nordicom Ejendom's gross profit has increased by DKK 29.8 m compared to same period last year, amounting to a total of DKK 153.3 m. This increase is due to higher income from lettings and larger profits on the sale of properties. The increase in income from lettings is partly due to an increased holding of finished investment properties (+DKK 411.7 m) and partly due to a lower vacancy rate. The total value as at 30 June 2008 amounts to DKK 3,086.6 m.

Unrealized revaluations in H1 2008 have been recognized at DKK 52.7 m (H1 2007: DKK 55.8 m). The adjustments relate to the work of optimizing the properties and the normal, inflation-based adjustments of the properties' rental basis. No significant market-based revaluations are expected in 2008.

Nordicom Ejendom's profits before tax for the period comprise DKK 70.5 m (H1 2007: DKK 59.6 m), corresponding to an increase of DKK 10.9 m (18.3%).

For a further specification of Nordicom's finished investment properties, we kindly refer you to note 9 on page 29.

**Nordicom Ejendom distributed across geographical segments – year to date**

Amounts in DKK million	Danmark		Germany		Sweden		Not distributed		Group total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Gross profit	126,9	119,0	10,2	2,7	16,3	1,8	-	-	153,3	123,5
Operating profit	112,4	107,9	9,6	2,2	12,3	(0,1)	-	-	134,3	110,0
Total assets	3.258,6	2.446,8	140,8	84,4	321,1	88,3	(142,5)	(55,5)	3.578,1	2.564,0

H1 2008 saw the following purchases of new properties:

- Finnlädden 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.

Two investment properties were sold in H1 2008 for a total of DKK 113.9 m. Profits of DKK 15.3 m were realized on the sales, corresponding to a gross profit of 13.4%. 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

**Nordicom Udvikling**

Nordicom Udvikling's gross profit has increased by DKK 5.7 m compared with H1 2007, totalling DKK 44.5 m. Profits before tax for the period comprise DKK 20.9 m (H2 2007: DKK 19.5 m), corresponding to an increase of DKK 1.4 m.

**Nordicom Udvikling distributed across geographical segments – year to date**

Amounts in DKK million	Danmark		Germany		Sweden		Not distributed		Group total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Gross profit	44,5	38,8	-	-	-	-	-	-	44,5	38,8
Operating profit	32,2	28,7	-	-	-	-	-	-	32,2	28,7
Total assets	2.499,4	2.272,3	74,3	-	61,1	-	-	-	2.634,8	2.272,3

In H1 only projects in Denmark were completed.

At Sluseholmen in Copenhagen, 42 residential units were delivered on 30 June 2008 as part of the Lindholm project.

Approximately half of the 146 units were sold in 2006 and the rest will be delivered in the remainder of 2008.

Apartments still unsold will be let upon completion in H2 2008.

In the Ro's Have project in Roskilde, another retail property was completed in Q2 2008. This property has been transferred to our portfolio of completed investment properties. Value creation through project development for own holdings for Q2 amounts to DKK 15.9 m, which brings the total value creation for H1 to DKK 21.2 m (H1 2007: DKK 8.8 m). In Q2 2008, 9 apartments in Ro's Have were delivered, corresponding to half of the constructed apartments.

In H1, Nordicom entered into a collaboration with The Danish Technological Institute and Knowledge Centre for Industrial Construction in developing the next generation of Danish designed pre-fabricated low-energy terraced houses. The 12 houses will be constructed near Kolding and are expected to be completed ahead of 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. The 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 has also been improved through efficient, electronically-controlled ventilation.

H1 2008 saw the following acquisitions or projects:

- At 17 Loftbrovej 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.
- 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 Regulatoren, 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 minumum 8-10,000 m<sup>2</sup> for retail, hotel, residential and office purposes will be possible.

Of Nordicom Udvikling's total assets of DKK 2,634.8 m, approx. DKK 600 m is invested in ongoing projects which will be completed in the next 6-9 months, DKK 1,800 m is invested in properties for further development and DKK 225 m is invested in land. The total debt associated with project properties where no construction has begun amounts to approx DKK 1 bn, of which DKK 675 m is long term mortgage debt (realkredit debt). The current annual rent for the properties not being developed amounts to DKK 65 m. The potential rental income from project properties under development amounts to approx. DKK 10 m, which can be achieved should the development prospects deteriorate or be delayed.

Nordicom's project portfolio consists of 30 cases as of 30 June 2008, with an expected size of approx 500,000 m<sup>2</sup> (31.12.2007: 474,00 m<sup>2</sup>) and a total value upon completion of DKK 11.5 bn (31.12.2007: DKK 11.3 bn).

For further information on Nordicom's development projects see note 9, page 31.

## **Nordicom Finans**

Nordicom Finans' pre-tax profit for the period amounts to DKK 0.1 m (H1 2007: DKK 1.9 m), corresponding to a fall of DKK 1.1 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 72 m.

In H1 no new guarantees were agreed under the property guarantee business concept EjendomsKaution.

## **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 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 socioeconomic 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

<b>Note</b> Amounts in DK K thousands	<b>YTD 2008</b>	<b>YTD 2007</b>	<b>Q 2 2008</b>	<b>Q 2 2007</b>
Net turnover	3 24,0 19	19 6,0 08	19 4,38 8	103,60 7
Operational expenses	-2 14,1 70	-9 4,5 36	-14 0,13 8	-54,16 9
Value creation through project dev. For own portfolio	21,1 97	8,7 76	15,88 3	34 7
Regulation to current value, net	52,6 95	5 5,0 42	2 7,06 6	30,03 6
Realized revenues through sales of inv. Prop.	15,3 47	-5 15	15,34 7	12 8
<b>3 Gross profit</b>	<b>199,088</b>	<b>164,775</b>	<b>112,546</b>	<b>79,949</b>
Staff costs	- 19,4 72	- 17,3 97	- 9,25 0	- 9,06 3
Other external expenses	- 12,0 45	- 7,8 95	- 6,22 5	- 3,08 7
Result of ass.companies and joint ventures	- 1,5 71	- 89	- 1,57 1	- 8 9
Depreciation	- 1,6 17	- 1,9 99	- 76 7	- 1,04 2
<b>Profit from primary operations</b>	<b>164,383</b>	<b>137,395</b>	<b>94,733</b>	<b>66,668</b>
Financial revenue	3,9 69	4,3 61	2,13 6	2,66 0
Financial costs	- 83,9 39	- 64,6 80	- 41,26 7	- 31,89 6
<b>Profit before tax</b>	<b>84,413</b>	<b>77,076</b>	<b>55,602</b>	<b>37,432</b>
<b>5 Tax on profit</b>	<b>- 22,554</b>	<b>- 25,000</b>	<b>- 15,242</b>	<b>- 13,922</b>
<b>Profit for the period</b>	<b>61,859</b>	<b>52,076</b>	<b>40,361</b>	<b>23,510</b>
<b>Dis tribution of profit for the year</b>				
Parent company's shareholders	61,5 71	52,1 11	40,21 3	23,53 3
Minority interests	2 88	- 35	148	- 23
	<b>61,859</b>	<b>52,076</b>	<b>40,361</b>	<b>23,510</b>
<b>6 Earnings per share</b>	20.42	16.93	13.51	7.60
<b>6 Diluted earnings per share</b>	20.33	16.74	13.46	7.55

## Balance sheet

**Note** Amounts in DKK thousands

30.06.2008 30.06.2007 31.12.2007

<b>As sets</b>				
<b>Long-term assets</b>				
<b>Intangible assets</b>				
7 Rights				
		0	791	59
		0	791	59
<b>Tangible assets</b>				
8 Domicile properties		62,955	92,022	62,372
9 Completed investment properties		3,086,585	2,674,915	3,018,891
9 Investment properties under development		2,031,537	1,447,504	1,686,377
10 Fixtures and operational equipment		8,512	8,078	8,730
		<b>5,189,589</b>	<b>4,222,519</b>	<b>4,776,370</b>
<b>Financial assets</b>				
Participating interests in associated companies and joint ventures		1,713	14,023	3,284
Receivables		34,819	18,194	42,245
Amounts owed by associated companies and joint ventures		24,500	16,500	24,500
		<b>61,032</b>	<b>48,717</b>	<b>70,029</b>
<b>Total long-term assets</b>		<b>5,250,621</b>	<b>4,272,027</b>	<b>4,846,458</b>
<b>Short term-sets</b>				
<b>Project portfolios</b>				
		<b>400,357</b>	<b>380,513</b>	<b>363,194</b>
Receivables		68,325	129,250	47,852
Corporation tax		7,849	8,411	5,571
Amounts owed by associated companies and joint ventures		25,321	10,955	27,306
Accrued income and deferred expenses		7,170	8,009	5,462
		<b>108,665</b>	<b>156,625</b>	<b>86,191</b>
<b>Mortgage deeds and debt instruments</b>		<b>72,467</b>	<b>57,421</b>	<b>74,460</b>
<b>Liquid holding</b>		<b>234,675</b>	<b>205,070</b>	<b>480,229</b>
<b>Total current assets</b>		<b>816,164</b>	<b>799,629</b>	<b>1,004,074</b>
<b>Total assets</b>		<b>6,066,785</b>	<b>5,071,656</b>	<b>5,850,532</b>

## Balance sheet

**Note** Amounts in DKK thousands

	<u>30.06.2008</u>	<u>30.06.2007</u>	<u>31.12.2007</u>
<b>LIABILITY</b>			
<b>Owner's equity</b>			
Share capital	312.786	312.786	312.786
Reserve for value adjustments	-2.067	-16	-1.402
Reserve for investment properties, net revaluation	807.087	672.170	753.314
Reserve for revaluation by the equity method	0	11.265	526
Retained earnings	222.271	206.295	276.763
Proposed dividends	0	0	43.790
<b>Equity of the parent company's shareholders</b>	<b>1.340.077</b>	<b>1.202.500</b>	<b>1.385.777</b>
Equity of minority interests	751	-52	463
<b>11-13 Total equity</b>	<b>1.340.828</b>	<b>1.202.448</b>	<b>1.386.240</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Provisions	34.819	18.194	42.245
Deferred tax	424.509	392.094	402.035
Credit institutions	2.721.263	1.765.720	2.370.703
Deposits	35.024	26.305	31.773
	<b>3.215.615</b>	<b>2.202.313</b>	<b>2.846.756</b>
<b>Short-term liabilities</b>			
Provisions	14.074	4.548	16.061
Credit institutions	1.355.002	1.499.410	1.404.085
Cost payable on sold projects	11.031	0	21.753
Cost payable on acquired properties	31.035	5.031	42.736
Trade creditors	43.462	50.267	64.869
Company tax	0	0	0
Deposits	20.286	21.920	21.874
Other liabilities	35.452	85.719	46.158
	<b>1.510.342</b>	<b>1.666.895</b>	<b>1.617.536</b>
<b>Total debt liabilities</b>	<b>4.725.957</b>	<b>3.869.208</b>	<b>4.464.292</b>
<b>Total liabilities</b>	<b>6.066.785</b>	<b>5.071.656</b>	<b>5.850.532</b>

## Statement of recognised income and expenses

**Note** Amounts in DKK thousands

Profit for the period  
Value adjustment of foreign companies

### Profit for the period

### Distribution of profit for the year

Parent company's shareholders  
Minority interests

	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Profit for the period	61,859	52,076	40,361	23,510
	-665	-2	-941	-50
<b>Profit for the period</b>	<b>61,194</b>	<b>52,074</b>	<b>39,420</b>	<b>23,460</b>
Distribution of profit for the year	60,906	52,109	39,272	23,483
	288	-35	148	-23
<b>Distribution of profit for the year</b>	<b>61,194</b>	<b>52,074</b>	<b>39,420</b>	<b>23,460</b>

## Cash flow statement

**Note** Amounts in DKK thousands

	YTD 2008	YTD 2007	Q2 2008	Q2 2007
<b>Operating profit/loss (EBIT)</b>	<b>164,383</b>	<b>137,395</b>	<b>94,733</b>	<b>66,668</b>
14 Adjustment of non-liquid operating items, etc.	-85,470	-60,653	-56,386	-28,796
Change in projects holdings, net	-27,664	-75,175	1,065	-58,962
15 Changes in other working capital	-63,665	16,753	-31,129	-98,745
<b>Cash flow from primary activities</b>	<b>-12,416</b>	<b>18,320</b>	<b>8,283</b>	<b>-119,835</b>
Financial income, received	3,969	4,361	2,136	2,660
Financial expenses, paid	-83,939	-64,680	-41,267	-31,896
Corporation tax paid/received	-2,388	3,014	0	5,898
<b>Total cash flows from operating activities</b>	<b>-94,774</b>	<b>-38,985</b>	<b>-30,848</b>	<b>-143,173</b>
<b>Cash flow from investment activities</b>				
Investment and domestic properties, purchase	-193,138	-341,692	-28,596	-269,302
Investment and domestic properties, sales	113,850	0	113,850	0
Purchase of investment properties under development/development costs	-268,093	-84,432	-146,611	-12,162
Sale of investment properties under dev.	0	0	0	0
Sale of trade properties	0	10,966	0	0
Purchase of other tangible assets	-2,011	-4,528	-990	-1,500
Sale of other tangible assets	670	1,175	670	0
<b>Total cash flow from investment activities</b>	<b>-348,722</b>	<b>-418,511</b>	<b>-61,677</b>	<b>-282,964</b>
<b>Cash flow from financing activities</b>				
Proceeds from loans with credit institutions	634,000	916,538	367,383	437,223
Installments and redemption of loans with credit institutions	-329,004	-806,989	-106,410	-71,635
Dividend paid	-43,790	-40,662	-43,790	-40,662
Dividend from own shares	2,126	361	2,126	361
Purchase of own shares	-65,300	0	0	0
Sale of own shares	0	7,222	0	7,222
<b>Total cash flow from financing activities</b>	<b>198,032</b>	<b>76,470</b>	<b>219,309</b>	<b>332,509</b>
<b>Cash flow for the period</b>	<b>-245,464</b>	<b>-381,026</b>	<b>126,784</b>	<b>-93,628</b>
Liquid holdings as of 1 January	480,229	586,084	108,192	298,688
Price adjustment of liquid holdings	-90	12	-301	10
<b>Liquid holdings as at 30 June</b>	<b>234,675</b>	<b>205,070</b>	<b>234,675</b>	<b>205,070</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:

	<b>30.06.2007</b>	<b>31.12.2007</b>
Long-term receivables	18,194	42,245
Short-term receivables	4,548	16,061
Total assets	22,742	58,306
Long-term liability provisions	18,194	42,245
Short-term liability provisions	4,548	16,061
Total liabilities	22,742	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

Amounts in DKK thousands	Nordicom Ejendom	Nordicom Udvikling	Nordicom Finans	Not distributed	Group total
Turnover, external	105,093	216,308	2,618	0	324,019
Operating expenses	-21,125	-193,045	0	0	-214,170
Value creation through business project development	0	21,197	0	0	21,197
Adjustment to current value, net	54,019	0	-1,324	0	52,695
Realised revenues through sales of inv. and domicile properties	15,347	0	0	0	15,347
<b>Gross profit</b>	<b>153,334</b>	<b>44,460</b>	<b>1,294</b>	<b>0</b>	<b>199,088</b>
Staff costs	-11,476	-5,399	-472	-2,125	-19,472
Other external expenses	-7,559	-5,228	-26	768	-12,045
Profit/loss from associated companies and joint ventures	0	-1,571	0	0	-1,571
Depreciations	-31	-55	0	-1,531	-1,617
<b>Profit from primary operations</b>	<b>134,268</b>	<b>32,207</b>	<b>796</b>	<b>-2,888</b>	<b>164,383</b>
Financial income	1,121	825	35	1,988	3,969
Financial expenses	-64,871	-12,110	0	-6,958	-83,939
<b>Profits before tax</b>	<b>70,518</b>	<b>20,922</b>	<b>831</b>	<b>-7,858</b>	<b>84,413</b>
Tax on profit for period	-17,630	-5,231	-208	514	-22,554
<b>Profits for the period</b>	<b>52,889</b>	<b>15,692</b>	<b>623</b>	<b>-7,344</b>	<b>61,859</b>
Long-term assets	3,225,123	2,017,223	0	8,275	5,250,621
Short-term assets	352,942	617,583	77,717	-232,078	816,164
<b>Segment assets</b>	<b>3,578,065</b>	<b>2,634,806</b>	<b>77,717</b>	<b>-223,803</b>	<b>6,066,785</b>
<b>Segment liabilities</b>	<b>2,810,154</b>	<b>2,219,905</b>	<b>103</b>	<b>-304,205</b>	<b>4,725,957</b>
<b>Capital investments</b>	<b>193,138</b>	<b>268,093</b>	<b>0</b>	<b>2,011</b>	<b>463,242</b>

## 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	82,696	110,931	2,381	0	196,008
Turnover, internal	1,280	0	0	-1,280	0
Operating expenses	-14,955	-80,861	0	1,280	-94,536
Value creation through business project development	0	8,776	0	0	8,776
Adjustment to current value, net	55,042	0	0	0	55,042
Realised revenues through sales of inv. and domicile properties	-515	0	0	0	-515
<b>Gross profit</b>	<b>123,548</b>	<b>38,846</b>	<b>2,381</b>	<b>0</b>	<b>164,775</b>
Staff costs	-8,957	-4,688	-430	-3,322	-17,397
Other external expenses	-4,614	-4,631	-221	1,571	-7,895
Profit/loss from associated companies and joint ventures	0	-89	0	0	-89
Depreciations	-23	-748	0	-1,228	-1,999
<b>Profit from primary operations</b>	<b>109,954</b>	<b>28,690</b>	<b>1,730</b>	<b>-2,979</b>	<b>137,395</b>
Financial income	2,288	622	197	1,254	4,361
Financial expenses	-52,598	-9,766	0	-2,316	-64,680
<b>Profits before tax</b>	<b>59,644</b>	<b>19,546</b>	<b>1,927</b>	<b>-4,041</b>	<b>77,076</b>
Tax on profit for period	-17,893	-5,864	-578	-665	-25,000
<b>Profits for the period</b>	<b>41,751</b>	<b>13,682</b>	<b>1,349</b>	<b>-4,706</b>	<b>52,076</b>
Long-term assets	2,780,693	1,483,443	0	7,891	4,272,027
Short-term assets	262,348	788,837	62,201	-313,757	799,629
<b>Segment assets</b>	<b>3,043,041</b>	<b>2,272,280</b>	<b>62,201</b>	<b>-305,866</b>	<b>5,071,656</b>
<b>Segment liabilities</b>	<b>2,563,969</b>	<b>1,523,213</b>	<b>135</b>	<b>-218,109</b>	<b>3,869,208</b>
<b>Capital investments</b>	<b>341,692</b>	<b>84,432</b>	<b>0</b>	<b>4,528</b>	<b>430,652</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

Amounts in DKK thousands	Denmark	Germany	Sweden	Not distributed	Group total
Turnover, external clients	301,854	6,824	15,341	0	324,019
Operating expenses	-209,956	-1,160	-3,054	0	-214,170
Value creation through business project development	21,197	0	0	0	21,197
Adjustment to current value, net	44,195	4,500	4,000	0	52,695
Realised revenues through sales of inv. and domicile properties	15,347	0	0	0	15,347
<b>Gross profit</b>	<b>172,637</b>	<b>10,164</b>	<b>16,287</b>	<b>0</b>	<b>199,088</b>
<b>Profit from primary operations</b>	<b>142,515</b>	<b>9,576</b>	<b>12,292</b>	<b>0</b>	<b>164,383</b>
<b>Total assets</b>	<b>5,611,909</b>	<b>215,176</b>	<b>382,160</b>	<b>-142,460</b>	<b>6,066,785</b>
<b>Capital investments</b>	<b>241,160</b>	<b>83,131</b>	<b>138,951</b>	<b>0</b>	<b>463,242</b>

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

Amounts in DKK thousands	Denmark	Germany	Sweden	Not distributed	Group total
Turnover, external clients	190,789	3,298	1,921	0	196,008
Operating expenses	-93,828	-555	-153	0	-94,536
Value creation through business project development	8,776	0	0	0	8,776
Adjustment to current value, net	55,042	0	0	0	55,042
Realised revenues through sales of inv. and domicile properties	-515	0	0	0	-515
<b>Gross profit</b>	<b>160,264</b>	<b>2,743</b>	<b>1,768</b>	<b>0</b>	<b>164,775</b>
<b>Profit from primary operations</b>	<b>135,328</b>	<b>2,194</b>	<b>-127</b>	<b>0</b>	<b>137,395</b>
<b>Total assets</b>	<b>4,954,493</b>	<b>84,434</b>	<b>88,250</b>	<b>-55,521</b>	<b>5,071,656</b>
<b>Capital investments</b>	<b>344,398</b>	<b>930</b>	<b>85,324</b>	<b>0</b>	<b>430,652</b>

## Notes

### 3 Gross profit

	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Amounts in DKK thousands				
Rental income	126,019	89,027	63,394	48,549
Sales sums, project portfolios and investment property for sale	195,382	104,600	129,693	53,949
Interest income, mortgage debts, debt and guarantee s	2,618	2,381	1,301	1,109
<b>Total turnover</b>	<b>324,019</b>	<b>196,008</b>	<b>194,388</b>	<b>103,607</b>
Operating costs, investment property	-28,247	-18,656	-16,606	-9,728
Operating costs, project portfolios	-185,923	-75,880	-123,532	-44,441
<b>Total operating costs</b>	<b>-214,170</b>	<b>-94,536</b>	<b>-140,138</b>	<b>-54,169</b>
Value creation through project development for own portfolio	21,197	8,776	15,883	347
Market value adjustments, completed in v. properties	50,500	55,500	25,500	29,250
Market value adjustments, debt to credit institutions	3,519	-458	1,971	786
Market value adjustments, mortgage bonds	-1,324	0	-405	0
<b>Revaluations, total</b>	<b>73,892</b>	<b>63,818</b>	<b>42,949</b>	<b>30,383</b>
Purchase prices, investment and domicile properties	113,850	0	113,850	0
Property book value marked at bid prices, etc.	-98,503	-515	-98,503	128
<b>Realised revenues through sales of investment property</b>	<b>15,347</b>	<b>-515</b>	<b>15,347</b>	<b>128</b>
<b>Gross profit</b>	<b>199,088</b>	<b>164,775</b>	<b>112,546</b>	<b>79,949</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 shown in the following table.

Share options allotted to the management and board of directors:

	Number	Exercise price	Maturity period as at 30.06.2008	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	Matured	204	10
Options allotted in 2005:					
Exercise 1 April 2007	34,000	698	Matured	2,330	69
Exercise 1 April 2008	34,000	1,304	Matured	2,112	62
Exercise 1 April 2009	34,000	1,480	9 mths	2,040	60
Options allotted in 2007:					
Exercise 1 April 2008	4,000	1,304	Matured	48	12
Exercise 1 April 2009	4,000	1,480	9 mths	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 477,000 have been transferred to the profit and loss account (H1 2007: DKK 987,000).

## Notes

	Number of options	Avg exercise price
<b>Outstanding options:</b>		
Options outstanding as at 1 January 2007	162,000	799
Allotted 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 June 2007	<u>126,000</u>	1,015
Options outstanding as at 1 January 2008	<u>126,000</u>	1,015
Options outstanding as at 30 June 2008	<u>126,000</u>	1,015

### 5 Tax on profit for the period

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Current tax on profit for period	0	0	0	
Current tax, previous years	110	-12,115	0	-12,115
Change in deferred tax, previous years	1,341	17,846	1,341	17,846
Change in deferred tax	<u>21,103</u>	<u>19,269</u>	<u>13,901</u>	<u>8,191</u>
	<b>22,554</b>	<b>25,000</b>	<b>15,242</b>	<b>13,922</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 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 119,000 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 have been calculated on the basis of the following amounts:

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Profit for the period	61,571	52,111	40,213	23,533
Impact on earnings after tax of conversion of subscription rights etc.	0	0	0	0
<b>Result used in calculating the diluted result per share</b>	<b>61,571</b>	<b>52,111</b>	<b>40,213</b>	<b>23,533</b>
Average number of shares	3,127,858	3,127,858	3,127,858	3,127,858
Average number of own shares	-112,438	-50,344	-151,861	-33,078
<b>Average number of shares floating</b>	<b>3,015,420</b>	<b>3,077,514</b>	<b>2,975,997</b>	<b>3,094,780</b>
Average dilution effect of outstanding share options	13,254	34,817	11,827	21,596
<b>Diluted average number of floating shares</b>	<b>3,028,674</b>	<b>3,112,331</b>	<b>2,987,824</b>	<b>3,116,376</b>
Earnings per share (DKK)	20.42	16.93	13.51	7.60
Diluted earnings per share (DKK)	20.33	16.74	13.46	7.55

### 7 Rights

Amounts in DKK thousands	30.06.2008	30.06.2007
Cost price as at 1 January	5,756	5,756
Acquisitions	0	0
<b>Cost price as at 30 June</b>	<b>5,756</b>	<b>5,756</b>
Depreciation and write-downs as at 1 January	-5,697	-4,246
Depreciation for the period	-59	-719
<b>Depreciation and write-downs as at 30 June</b>	<b>-5,756</b>	<b>-4,965</b>
<b>Accounting value as at 30 June</b>	<b>0</b>	<b>791</b>

The acquired rights relate to parking projects

## Notes

### 8 Domicile properties

Amounts in DKK thousands

	<u>30.06.2008</u>	<u>30.06.2007</u>
Cost price as at 1 January	62,372	43,007
Accessions	583	49,015
Disposals	0	0
<b>Cost price as at 30 June</b>	<b>62,955</b>	<b>92,022</b>
Depreciation and write-downs as at 1 January	0	0
Depreciation for the period	0	0
<b>Depreciation and write-downs as at 30 June</b>	<b>0</b>	<b>0</b>
<b>Accounting value as at 30 June</b>	<b>62,955</b>	<b>92,022</b>

### 9 Investment properties

Amounts in DKK thousands

	Completed investment properties	Investment property under development	Total
Balance as at 1 January 2007	2,088,909	1,651,519	3,740,428
Foreign exchange adjustments	0	0	0
Transfers to/from project portfolios	0	-59,394	-59,394
Transfers to/from investment property under development	237,829	-237,829	0
Additions, including activated salary and interest costs	292,677	84,432	377,109
Market value adjustments/value creation for the period	55,500	8,776	64,276
Disposals through sales	0	0	0

#### Balance as at 30 June 2007

	Completed investment properties	Investment property under development	Total
Balance as at 1 January 2008	3,018,890	1,686,377	4,705,267
Foreign exchange adjustments	-766	0	-766
Transfers to/from project portfolios	0	-20,222	-20,222
Transfers to/from investment property under development	-76,092	76,092	0
Additions, including activated salary and interest costs	192,556	268,093	460,649
Market value adjustments/value creation for the period	50,500	21,197	71,697
Disposals through sales	-98,503	0	-98,503

#### Balance as at 30 June 2008

	<u>2,674,915</u>	<u>1,447,504</u>	<u>4,122,419</u>
Balance as at 1 January 2008	3,018,890	1,686,377	4,705,267
Foreign exchange adjustments	-766	0	-766
Transfers to/from project portfolios	0	-20,222	-20,222
Transfers to/from investment property under development	-76,092	76,092	0
Additions, including activated salary and interest costs	192,556	268,093	460,649
Market value adjustments/value creation for the period	50,500	21,197	71,697
Disposals through sales	-98,503	0	-98,503

## Notes

### COMPLETED INVESTMENT PROPERTIES PR. 30 JUNE 2008

Property	Post code	City	m2.	Type
<b>Denmark</b>				
Langebrogade 5	1411	København K	4.990	Office
Tåsingegade 29	2100	København Ø	10.643	Dwelling
Rantzausgade 22-24	2200	København N	3.541	Dwelling
Amagerbanen 15/Amager Strandvej 20-26	2300	København S	3.980	Office
Englandsvej 51 m.fl.	2300	København S	2.818	Retail
Hejrevej 26-28, Ørnevej 33-35	2400	København NV	3.792	Office
Hejrevej 30	2400	København NV	10.760	Office
Hejrevej 8-10	2400	København NV	3.910	Office
Ørnevej 18, Svanevej 12	2400	København NV	8.251	Office
Tåstrup Stationscenter	2630	Taastrup	26.024	Retail
Rebæk Søpark Retailcenter	2650	Hvidovre	11.364	Retail
Mosede Centret	2670	Greve	1.705	Retail
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	Dwelling
Hammershøj Murergade 5	3000	Helsingør	938	Dwelling
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 Prinsen	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	Dwelling
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 21	4100	Ringsted	632	Retail
Nørregade 27 A Ejl.	4100	Ringsted	344	Retail
Nørregade 31-33	4100	Ringsted	410	Retail
Ringsted Centret	4100	Ringsted	9.476	Retail
Sct. Bendtsgade 10	4100	Ringsted	1.425	Dwelling
Frederiksgade 1	4200	Slagelse	130	Retail
Løvegade 6	4200	Slagelse	908	Dwelling

## Notes

Property	Post code	City	m2.	Type
Schweizerpladsen 1 A	4200	Slagelse	977	Office
Schweizerpladsen 1B, - Ejl. 1	4200	Slagelse	419	Retail
Schweizerpladsen 1B, 2.tv. - Ejl. 6	4200	Slagelse	819	Dwelling
Schweizerpladsen 3	4200	Slagelse	175	Dwelling
Schweizerpladsen 5, Ejl.	4200	Slagelse	540	Retail
L.C. Worsøesvej 2	4300	Holbæk	3.063	Retail
Dyssegårdscentret	4700	Næstved	2.391	Retail
Hotel Vinhuset	4700	Næstved	3.400	Other
Toldbuen 6, 4700 Næstved	4700	Næstved	1.950	Office
Vadestedet 6	4700	Næstved	460	Office
Dannebrogsgade 2	5000	Odense C	37.861	Office
Svendborgvej 275	5260	Odense S	2.000	Retail
Møllergade 1	5700	Svendborg	1.051	Retail
Møllergade 79	5700	Svendborg	431	Dwelling
Stines Gård	5700	Svendborg	1.527	Retail
Vilhelmskildevej 1 C	5700	Svendborg	2.573	Office
Albuen 19	6000	Kolding	3.062	Retail
Birkemose Allé 23-35	6000	Kolding	6.522	Office
Birkemosevej 9	6000	Kolding	743	Office
Helligkorsgade 1, Naverstræde 3	6000	Kolding	1.304	Retail
Jernbanegade 33-35	6000	Kolding	2.590	Dwelling
Kolding Midtpunkt (før Cityarkaden)	6000	Kolding	7.587	Retail
Låsbybanke 4-6, Adelgade 16	6000	Kolding	1.997	Office
Fuglsang Allé 4	7000	Fredericia	1.000	Retail
Dæmningen 34	7100	Vejle	3.993	Office
Sjællandsgade 12,16,18	7100	Vejle	10.817	Retail
Engdahlsvej 2 A-B, ejl. 1+2	7400	Herning	1.917	Retail
Silkeborgvej 102	7400	Herning	4.841	Retail
Østergade 30 / Søndergade 2B	7600	Struer	978	Office
Axel Kiers Vej 13	8270	Højbjerg	9.188	Logistic
Århusvej 119-121, Ulrikasvej 1	8900	Randers	907	Retail
Center Syd	9200	Aalborg SV	2.887	Retail
Total Denmark			270.360	
<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
Total Sweden			43.377	

## Notes

Property	Post code	City	m2.	Type
<b>Germany</b>				
Vogteistrasse 3, 5, 7	21079	Hamburg	1.089	Dwelling
In de Krümm 36	21147	Hamburg	1.819	Dwelling
Apothekenstrasse 5-7	21335	Lüneburg	1.488	Dwelling
Grapengiesserstrasse 2	21335	Lüneburg	1.841	Retail
Grapengiesserstrasse 16	21335	Lüneburg	1.235	Office
Am Sande 12	21335	Lüneburg	1.195	Dwelling
Dithmarscherstrasse 1-13 / Krausesstr. 77,79	22049	Hamburg	4.229	Dwelling
Total Germany			12.896	
Total Group			326.633	

### PROJECT PORTFOLIO IN NORDICOM UDVIKLING

At the moment, Nordicom is developing circa 30 small and large projects in a very diversified and attractive project portfolio. The finished projects hold a floorage of circa 500,000 square metres, valued at a total scrap value of circa DKK 11 billion. Of the 500,000 square metres, the building of 23,700 square metres has been initiated as of 30 June 2008. Furthermore, we expect to initiate the building of a further circa 33.000 square metres within circa 6 months. In the coming years we expect the activity level to be fairly unchanged in order to finish projects at circa 25,000-30,000 square metres a year.

At the end of Q2, DKK 2,431.9 mill have been invested in investment property under development and project portfolios. Out of the ongoing projects, of which circa DKK 600 million have been invested in ongoing building, circa DKK 1,800 million have been invested in buildings which are to be developed further, and DKK 225 million have been invested in building sites.

We have raised a loan of circa DKK 1 billion to finance the project properties where building has not been initiated. DKK 675 million of the loan is long-term mortgage credit debt. The current annual rent of the project properties where building has not been initiated amounts to DKK 65 million. The rental value of empty rooms in the project properties amounts to circa DKK 10 million and can be rented out, provided that the development possibilities deteriorate or are delayed.

The following description of the individual projects is divided up according to expected initiation of building:

## Notes

### ONGOING BUILDING

At the moment Nordicom has 6 different building projects with a total floorage of just under 32,000 square metres, and development projects of a floorage of circa 75,000 square metres which will be parcelled out. The ongoing building has an estimated scrap value of circa DKK 835 million, and is divided in approx 70 % dwellings, approx. 14 % offices and approx 16 % retail.

	District plan approved	Existing building area (square metres)	Current rental	Project floorage in total (square metres)	Of this, handed-over (square metres)	Remaining area (square metres)	Building initiated (square metres)	Dwelling (square metres)	Retail (square metres)	Office (square metres)	Other (square metres)	Rented out/sold (square metres)
Lindholm, Copenhagen	Yes	-		14,600	3,600	11,000	11,000	11,000	-	-	-	2,600
RO's Have, Roskilde	Yes	-		16,000	11,365	4,635	-	-	3,000	1.635	-	1,635
Gedebjergparken, Næstved,	Yes	-		<i>Land area of 75,000 square metres and owned building of circa 2,400 square metres</i>				-	-	-	-	
Port of Næstved, Næstved	Yes	15,000	Yes	44,000	-	44,000	4,500	-	9,900	30.900	3,200	11,100
Eidelstedter Brook, Hamburg	Yes	-		4,900	-	4,900	4,900	4,900	-	-	-	-
Middelfartvej 1, Odense	Yes	-		3,300	-	3,300	3,300	3,300	-	-	-	-
Olgas Have, Ballerup,	Yes	-		11,400	11,400	-	-	-	-	-	-	-
In total		15,000		94,200	26,365	67,835	23,700	19,200	12,900	32,535	3,200	15,335

### Lindholm, Copenhagen

Lindholm is island number two in Nordicom's Kanalbys-projekt. The building holds a total floorage of 14,600 square metres, and contains 144 dwellings which will be finished successively in 2008. Circa 25 % of them were finished in the initial half-year, and we expect the others to be finished in the second half-year. 64 of the dwellings have been sold, while the other 80 dwellings will be rented out in the second half-year. The project has a total scrap value of circa DKK 500 million.

Ongoing building	New building	Area 11,000 square metres	Scrap value circa DKK 375 million	Dwelling 100 %	Office 0%	Retail 0%
------------------	--------------	---------------------------	-----------------------------------	----------------	-----------	-----------

## Notes

### Ro's Have, Roskilde

Ro's Have in Roskilde holds a total project area of circa 16,000 square metres, but a total project value of circa DKK 300 million. Circa 2/3 of the project are finished and handed over, hereof stage one with 5,794 square metres in 2007, and stage two with 5,571 square metres in June 2008. Stage three, which consists of a fully rented out office domicile of 1,570 square metres, is expected to be initiated in the second half-year of 2008. Stage four, which holds circa 3,000 square metres of Retails, is expected to be initiated by the end of 2008 or at the beginning of 2009.

Ongoing building	Phased building	Area 5,571 square metres	Scrap value circa DKK 120 million	Dwelling 0%	Office 25%	Retail 75%
------------------	-----------------	--------------------------	-----------------------------------	-------------	------------	------------

### Gedebjergparken, Næstved

Nordicom owns a large plot in Næstved, where it is our intention to make a division of circa 60 parcels to single-family houses, which will be put on sale in August, and a division in further three large plots. We will try to sell off two plots to other developers, while the third will be used for the building of 24 terraced houses within Nordicom's ZEP concept. Within ZEP the goal is that Nordicom must be a central capacity within development, building and sale of environmentally correct dwellings in one or two storeys. To begin with we have focused on super-low-energy houses, or so-called 'passive-houses', with a very low energy consumption and, not least, a heat consumption of only 10-20 % of the normal heat consumption for new houses. The idea is furthermore to gradually develop ZEP's concepts in an increasingly environmentally friendly direction, and the next undertaking, which we have already begun to work into the projects, is the use of allergy and degassing free building material, which will secure a healthy indoor climate. In the long term it is moreover our intention to implement the experience we get from using ZEP in the terraced house area, in the building of blocks of flats, of offices and of Retails. Today ZEP takes its starting point in the PREFAB concept where the production of the dwellings is arranged in super-low-energy room sized units. Nordicom expects to erect the first 10 terraced houses under the ZEP concept in the initial half-year of 2009. At the moment development of the areas is in progress.

Ongoing development	Parcelling out	Area 2,400 square metres	Scrap value circa DKK 110 million	Dwelling 100%	Office 0%	Retail 0%
---------------------	----------------	--------------------------	-----------------------------------	---------------	-----------	-----------

### Port of Næstved

The project at the Port of Næstved consists of a series of different properties, with a total floorage of circa 15,000 square metres, which are run as normal rental properties. The

## Notes

district plan makes it possible to develop a series of new buildings within the office and Retail segment, which to some degree requires demolition of existing properties. The building of a new fully rented out headquarters for Maxbank is well under way. The property has an area of circa 4,500 square metres, an expected scrap value at just under DKK 100 million and is expected finished by the end of 2008. In the second half-year we also expect to initiate the building of a new Føtex of 3,700 square metres, which is fully rented out, and a new cinema centre of 2,4000 square metres, which likewise is fully rented out. The expected finishing value of these two buildings amounts to circa DKK 130 million. In the other existing properties, where building has not yet been initiated, the rooms have been rented out. However, here it is possible to construct circa 33,500 square metres of offices and Retails. The total expected scrap value for the entire project amounts to circa DKK 800 million.

Ongoing building	Phased building	Area 4,500 square metres	Scrap value circa DKK 100 million	Dwelling 0%	Office 100%	Retail 0%
------------------	-----------------	--------------------------	-----------------------------------	-------------	-------------	-----------

### **Eidelstedter Brook, Hamburg**

Nordicom's first developing project in Germany is a housing estate in Hamburg with a total area of 4,900 square metres. The building, which is well under way, will be holding 49 rental dwellings, which are expected finished in the beginning of 2009. The project has been developed with a view to, at a later point, being sold individually as owner-occupied flats.

Ongoing building	New building	Area 4,900 square metres	Scrap value circa DKK 65 million	Dwelling 100%	Office 0%	Retail 0%
------------------	--------------	--------------------------	----------------------------------	---------------	-----------	-----------

### **Middelfartvej, Odense**

Ongoing building of 40 dwellings for rental in the centre of Odense which are expected finished in 2008. The building is the last part of a great project, which also concerns Retails and a fitness centre finished in 2007. The expected scrap value amounts to DKK 65 million. The project has been developed in preparation for renting, but at a later point the dwellings can also be sold individually as owner-occupied flats. The project is expected finished by the end of 2008.

Ongoing building	Phased building	Area 3,300 square metres	Scrap value circa DKK 65 million	Dwelling 100%	Office 0%	Retail 0%
------------------	-----------------	--------------------------	----------------------------------	---------------	-----------	-----------

## Notes

### Olgas Have, Ballerup

In 2005 Nordicom won the by Ballerup Kommune arranged competition about the development of Ballerup Idrætsby, with hotel, terraced houses and flats with a total area of 11,400 square metres. The project is finished by now, and except for four dwellings, the entire area has been sold. The last four dwellings will be rented out in the second half-year of 2008.

Finished building	Phased building	Area 0 square metres	Scrap value circa DKK 0 million	Dwelling 100%	Office 0%	Retail 0%
-------------------	-----------------	----------------------	---------------------------------	---------------	-----------	-----------

### BUILDING WHICH WE EXPECT TO INITIATE IN THE SECOND HALF-YEAR OF 2008 OR IN THE FIRST QUARTER OF 2009

In the second half-year of 2008 and in the beginning of 2009 Nordicom plans – at the moment – to initiate building in 12 different cases, with a total building area of just under 33,000 square metres, and an expected scrap value of circa DKK 735 million. Dwellings constitute circa 10 %, offices circa 25 % and Retails circa 65 %. Four of these cases have been described in the previous chapter, but the eight others will be described below.

	District plan approved	Existing building area	Current rental	Project in total (square metres)	Of this, handed-over (square metres)	Remaining area (square metres)	Initiation of building (square metres)	Dwelling (square metres)	Retail (square metres)	Office (square metres)	Other (square metres)	Project area Rented out/sold (square metres)
Kroken, Norrköping	Yes	22,000	Yes	10,000	-	10,000	1,000	-	-	10,000	-	-
Stagehøjvej Trevira, Silkeborg	Yes			3,100	-	3,100	3,100	-	-	3,100	-	3,100
Hammershøj Længehus, Helsingør	Yes	2,300	No	12,500	10,200	2,300	2,300	2,300	-	-	-	-
Tåstrup Bycenter, Tåstrup	Yes			7,000	-	7,000	7,000	-	7,000	-	-	4,400
Ejlersvej 73-77, Næstved	2008	3,100	No	3,100	-	3,100	3,100	200	1,000	1,000	900	-
Slagelse Storcenter, Slagelse	Yes			34,700	-	34,700	3,000	-	31,100	3,600	-	-
Lippelstrasse, Hamburg	Yes	8,100	Yes	8,100	-	8,100	1,000	-	8,100	-	-	-
The Port of Svendborg, Svendborg	2008			3,300	-	3,300	3,300	2,300	1,000	-	-	900
In total		35,500		81,800	10,200	71,600	23,800	4,800	48,200	17,700	900	8,400

## Notes

### **Kroken, Norrköping**

Nordicom acquired the property Kroken in the second half-year of 2007. The property is situated at a central spot in Norrköping, in a splendid old industrial area with direct access to the channel, Motala Ström. The buildings, which were erected 1909-1945, were originally used for the production of beer, but during the past 20 years they have gradually been converted to a more modern use and today they house, among other things, the restaurant school of the municipality, a museum and a fitness centre. It is Nordicom's plan to further develop offices and Retail of a high standard and a modern quality in the property. Today Kroken is rented out, and consequently the development will happen gradually and in cooperation with the lease-holders. Nordicom is furthermore working on a new basis of authority, which is supposed to make it possible to erect a new building next to the existing ones with a storey area of circa 10,000 square metres.

Initiation of building in 2008 at the earliest	Renovation	Area 22,000 square metres	Scrap value circa DKK 200 million	Dwelling 0%	Office 80%	Retail 20%
------------------------------------------------	------------	---------------------------	-----------------------------------	-------------	------------	------------

### **Stagehøjvej, Silkeborg**

On Stagehøjvej in Silkeborg, we will be erecting a new domicile for the company Trevira, with a total area of 3,120 square metres. The building, which we expect to initiate in the third quarter of 2008, will be holding administration, development department and storeroom. The expected scrap value amounts to circa DKK 70 million. The project is fully rented out.

Initiation of building in 2008 at the earliest	New building	Area 3,100 square metres	Scrap value circa DKK 70 million	Dwelling 0%	Office 100%	Retail 0%
------------------------------------------------	--------------	--------------------------	----------------------------------	-------------	-------------	-----------

### **Hammershøj Længehus, Helsingør**

Housing project with originally 139 flats to be built and rebuilt. By the end of 2007 77 flats had been sold and handed-over. In the first half-year of 2008 the part of the property which is supposed to be used for the building of 29 common dwellings has been sold, and so has, furthermore, the part of the property which holds 20 rental dwellings. The remaining part of the project consists of a building of 2,300 square metres, which are supposed to be turned into 13 rental dwellings. Momentarily, the project awaits the case handling of the municipality. We expect the renovation to start at the end of 2008. Expected scrap value is circa DKK 30 million.

Initiation of building in	Renovation	Area 2,300 square metres	Scrap value circa DKK 30 m	Dwelling 100%	Office 0%	Retail 0%
---------------------------	------------	--------------------------	----------------------------	---------------	-----------	-----------

## Notes

2008 at the earliest

### Taastrup Bycenter

Project of building a new Retailping centre in Tåstrup Bymidte with a total area of circa 7,000 square metres. Apart from two convenience Retails, of 3.000 square metres and 800 square metres respectively, the new Retailping centre will be holding a series of sale goods Retails and an attractive café environment. Situated at the one end of Tåstrup Hovedgade, in connection with the station, optimal visibility and easy access for customers will be secured. We expect to initiate the building in 2008/2009. The expected scrap value is circa DKK 175 million. 65 % of the project has been rented out.

Initiation of building in 2008 at the earliest	New building	Area 7,000 square metres	Scrap value circa DKK 175 million	Dwelling 0%	Office 0%	Retail 100%
---------------------------------------------------	--------------	--------------------------	--------------------------------------	-------------	-----------	-------------

### Ejlersvej, Næstved

Existing buildings which have been used for office, Retail and display with an area of 3,100 square metres. Our idea is to change the use of the buildings, renovate and extend. Momentarily the frame work for the use of the buildings is being negotiated with the municipality. Renovation and renting will be initiated in the first quarter of 2009. Expected scrap value amounts to circa DKK 50 million.

Initiation of building in 2009 at the earliest	Renovation	Area 3,100 square metres	Scrap value circa DKK 50 million	Dwelling 0%	Office 50%	Retail 50%
---------------------------------------------------	------------	-----------------------------	-------------------------------------	-------------	------------	------------

### Slagelse Storcenter

Nordicom owns a plot by Kinavej and Japanvej in Slagelse. It is possible to erect circa 35,000 square metres of large-scale sale Retailping centre on the plot. In the initial half-year of 2008 there was some work on using a very large part of the plot for a general building materials Retail, but this plan has been abandoned. Instead the plan is to develop the area in stages of 2-4,000 square metres each, with a view to making Retailping units in the size 600-1,500 square metres. In fully developed state, we expect the area to hold 20-25 large Retails. We expect to initiate the building of the first stage by the end of 2008 or at the beginning of 2009. Total expected scrap value amounts to circa DKK 500 million.

Initiation of building in	Phased building	Area 34,700 square	Scrap value circa DKK 500	Dwelling 0%	Office 0%	Retail 100%
---------------------------	-----------------	--------------------	---------------------------	-------------	-----------	-------------

## Notes

2008 at the earliest	metres	million
----------------------	--------	---------

### **Lippelstrasse, Hamburg**

In the initial half-year of 2008 Nordicom has acquired a characteristic office building of 15 storeys situated at the Port of Hamburg. The building, which was erected in the mid-1970s, is one of the highest in the area and has an amazing view over the Port and the city. Nordicom plans to make a phased renovation of the building in order to give it a high standard and a modern quality. The building is rented out today, and consequently the renovation will happen in cooperation with the lease-holders. Apart from the currently built-up areas, we work on creating possibilities of building more.

Initiation of building in 2008 at the earliest	Renovation	Area 8,100 square metres	Scrap value circa DKK 150 million	Dwelling 0%	Office 100%	Retail 0%
---------------------------------------------------	------------	-----------------------------	--------------------------------------	-------------	-------------	-----------

### **The Port of Svendborg**

Plot at the Port of Svendborg, where we expect to be able to erect a Retail for Fakta and 15 dwellings. The purchase of the property depends on the passing of a new district plan. We do not expect to be able to initiate the building until the end of 2008 or the beginning of 2009 at the earliest. The framework district plan for the area gives permission to a Fakta of maximum 1,000 square metres and offices, dwellings or other Retails of maximum 2,300 square metres. In total, buildings of 3,300 square metres. Expected scrap value amounts to circa DKK 60 million. The industrial part of the project has been rented out.

Initiation of building in 2009 at the earliest	New building	Area 3,300 square metres	Scrap value circa DKK 60 million	Dwelling 65%	Office 0%	Retail 35%
---------------------------------------------------	--------------	-----------------------------	-------------------------------------	--------------	-----------	------------

### **BUILDING WHICH WE EXPECT TO INITIATE IN 2009 AT THE EARLIEST**

At the moment Nordicom is working on 10 different projects with a total possible area of 94,000 square metres. We expect to initiate the building in 2009 at the earliest. As regards most of the projects, a full or partial rental is a precondition for initiating the building. At the moment we expect a level for initiation of new building of 25-35,000 square metres in 2009.

## Notes

	District plan approved	Existing building area (square metres)	Current rental	Project area in total (square metres)	Of this, handed over (square metres)	Remaining area (square metres)	Initiation of building (square metres)	Dwelling (square metres)	Retail (square metres)	Office (square metres)	Other (square metres)	Rented out/sold (square metres)
Schweizerakaden, Slagelse	2009			9,300	-	9,300	9,300	-	3,900	5,400	-	-
Amager Strandvej, Copenhagen	2008	19,000	Yes	55,000	-	55,000	4,300	44,600	2,000	8,400	-	-
Helsingør Stationspladsen, Helsingør	2008			7,500	-	7,500	7,500	-	5,500	1,500	500	-
Sunshine House, Kolding	2009			1,320	-	1,320	1,320	1,320	-	-	-	-
Regulatorn, Norrköping	Yes		Yes	5,000	-	5,000	-	-	-	-	5,000	-
Randlevvej, Odder	2008			<i>Plot to be parcelled out</i>				-	-	-	-	-
Astersvej, Rønde	Yes			400	-	400	-	400	-	-	-	-
Skråningshusene, Snekkerten	Yes			1,300	-	1,300	-	1,300	-	-	-	-
Laguneparken, Næstved	Yes			7,600	-	7,600	-	7,600	-	-	-	-
Kongensgade 67 and others Odense	Yes			5,800	-	5,800	5,800	4,000	1,800		-	-
In total		19,000		93,220	0	93,220	28,220	59,220	13,200	15,300	5,500	0

### Schweizerarkaden, Slagelse

The project by the Schweizerarkaden i Slagelse was originally thought to have Retails on the ground floor and dwellings on the upper floors, but owing to recession on the housing market, the project has been redesigned in the initial half-year of 2008. We now plan to combine the Retails on the ground floor with offices on the upper floors. We expect the entire project to eventually contain an area of circa 9,300 square metres. We expect to initiate the building in 2009 at the earliest. The total expected scrap value amounts to circa DKK 200 million.

Initiation of building in 2009 at the earliest	New building	Area 9,300 square metres	Scrap value circa DKK 200 million	Dwelling 0%	Office 50%	Retail 50%
------------------------------------------------	--------------	--------------------------	-----------------------------------	-------------	------------	------------

### Amager Strandvej, Copenhagen

In the project area across from Amager Strandpark, between Øresundsvej, Kirmsvej og Amager Strandvej, Københavns Kommune has principally approved the new district plan for the area, which hereafter has been submitted to consultation. We are dealing with a total project area which fully extended will contain circa 160,000 square metres of dwellings,

## Notes

offices, Retails as well as cultural and educational institutions. The buildings in the new area will be a mix of new and old, and will hold both two-storeyed terraced houses and high-rise blocks of a maximum of circa 20 storeys. The variety and quality of the spaces between the houses have been some of the leading elements of the development of the new district. Nordicom's properties in the area cover an existing building area of just under 19,000 square metres, which have been rented out. The new district plan makes it possible for Nordicom to erect a storey area of circa 55,000 square metres by means of a combination of renovation of the existing buildings and new building. Nordicom's project, the development of which is phased, will be containing dwellings, offices and Retails. First stage, which we expect to initiate by the middle of 2009, consists of circa 50 terraced houses following Nordicom's ZEP concept. The buildings, which have been prefabricated without external heat supply and with an indoor climate marking, will come in two storeys of circa 110 square metres, with roof terrace, sea view and 50 meters to the beach.

Initiation of building in 2009 at the earliest	Phased building	Area 55,000 square metres	Scrap value circa DKK 1,600 million	Dwelling 80%	Office 10%	Retail 10%
------------------------------------------------	-----------------	---------------------------	-------------------------------------	--------------	------------	------------

### **Stationspladsen, Helsingør**

The station, the end of the walking district, and the ring road constitute the physical setting of the new city centre of circa 7,500 square metres in Helsingør. As part of the project, it has been decided that considerable changes of the infrastructure of the city centre were needed. At the moment the project awaits decision about the design of this city centre. We expect to initiate the project in 2009 at the earliest. Expected scrap value is circa DKK 150 million.

Initiation of building in 2009 at the earliest	New building	Area 7,500 square metres	Scrap value circa DKK 150 million	Dwelling 0%	Office 30%	Retail 70%
------------------------------------------------	--------------	--------------------------	-----------------------------------	-------------	------------	------------

### **Sunshine House, Kolding**

In the initial half-year of 2008 Nordicom has initiated cooperation with Teknologisk Institut og Videnscenter for Industrielt Byggeri about the development of the next generation of Danish designed prefabricated low-energy terraced houses. The project contains 12 terraced houses, which are to be erected near Kolding and are expected to be finished before the Climate Change Conference in Copenhagen at the end of 2009. The concept, which is based on Danish design and adjusted to three-dimensional building-modules, is manufactured under supervised conditions in heated halls. The building-modules have a degree of completion of 80 % when they leave the factory. The houses are executed as super-low-energy houses after the so-called 'passive-house standard' which has the great advantage that the heating expense comes down to 10 % owing to the effective

## Notes

isolation of the house. The indoor climate is also improved through an effective electronically controlled ventilation of the house. The experience and knowledge which we gather from the cooperation will be made available for everyone, for instance via planned workshops.

Initiation of building in 2009 at the earliest	New building	Area 1,320 square metres	Scrap value circa DKK 20 million	Dwelling 100%	Office 0%	Retail 0%
------------------------------------------------	--------------	--------------------------	----------------------------------	---------------	-----------	-----------

### **Regulatorn, Norrköping**

At the end of 2009 Nordicom acquired the property, Regulatorn 3 in Himmelstalund in Norrköping – which is situated in an industrial area with storeroom and logistics properties in direct connection with a newly planned motorway exit. Apart from the already existing buildings on the property, there is an adjoining empty plot, where it is possible to develop a new building for logistics purposes. Nordicom is working on finding users for this project opportunity, and plans to initiate the building when the user is in place.

Initiation of building in 2009 at the earliest	New building	Area 5,000 square metres	Scrap value circa DKK 60 million	Dwelling 0%	Logistics 100%	Retail 0%
------------------------------------------------	--------------	--------------------------	----------------------------------	-------------	----------------	-----------

### **Randlevvej, Odder**

In Odder Nordicom owns a plot with a scenic situation close to the centre of the town. The work with changing the status of the area from country to city zone is in progress, and when the plan foundation is in place, the idea is to develop the area and sell the circa 90 plots for single-family houses which the area is expected to be holding. We expect the changes of the plan foundation to be approved by the beginning of 2009. The total expected scrap value for the project amounts to circa DKK 90 million.

Initiation of building in 2009 at the earliest	Parcelling out	Scrap value circa DKK 90 million	Plot 100%	Office 0%	Retail 0%
------------------------------------------------	----------------	----------------------------------	-----------	-----------	-----------

### **Astersvej, Rønde**

A small plot of 1,000 square metres for the erection of 4 terraced houses within Nordicom's ZEP concept. Initiation of the building awaits the result of a test construction of similar houses in the project in Gedebjergparken.

## Notes

Initiation of building in 2009 at the earliest	ZEB	Area 400 square metres	Scrap value circa DKK 8 million	Dwelling 100%	Office 0%	Retail 0%
------------------------------------------------	-----	------------------------	---------------------------------	---------------	-----------	-----------

### **Skråningshusene, Snekkersten**

A plot in an existing housing area with the possibility of erecting 10 terraced houses in two storeys with a total area of 1,300 square metres. The houses can be manufactured within Nordicom's ZEP concept. Initiation of the project awaits results of the test construction of similar houses in Gedebjergparken.

Initiation of building in 2009 at the earliest	ZEB	Area 1,300 square metres	Scrap value circa DKK 30 million	Dwelling 100%	Office 0%	Retail 0%
------------------------------------------------	-----	--------------------------	----------------------------------	---------------	-----------	-----------

### **Lagunaparken, Næstvej**

On a hilly plot, sloping down towards Susåen in Næstved, Nordicom owns a plot where 70 terraced houses in two storeys can be erected, with a total area of 7,600 square metres. The houses can be manufactured within Nordicom's ZEP concept. Initiation of the project awaits the result of the test construction of similar houses in the project in Gedebjergparken.

Initiation of building in 2009 at the earliest	ZEB	Area 7,600 square metres	Scrap value circa DKK 150 million	Dwelling 100%	Office 0%	Retail 0%
------------------------------------------------	-----	--------------------------	-----------------------------------	---------------	-----------	-----------

### **Kongensgade 67 m.fl., Odense**

Project to the erection of a new building in Kongensgade i Odense (walking district) with Retails on the ground floor and dwellings on the upper floors. In addition to this, an old building situated in Vindegade will be renovated. This building can be used for retail trade, office and dwelling. The work includes new building and renovation. Expected scrap value is DKK 150 million.

Initiation of building in 2009 at the earliest	New building	Area 5,800 square metres	Scrap value circa DKK 150 million	Dwelling 80%	Office 0%	Retail 20%
------------------------------------------------	--------------	--------------------------	-----------------------------------	--------------	-----------	------------

## Notes

### BUILDING WHICH WE EXPECT TO INITIATE IN 2010 AT THE EARLIEST

	District plan approved	Existing building area (square metres)	Current rental	Project area in total (square metres)	Of this, handed over (square metres)	Remaining area (square metres)	Initiation of building (square metres)	Dwelling (square metres)	Retail (square metres)	Office (square metres)	Other (square metres)	Rented out/sold (square metres)
Enghave Brygge, Copenhagen	2009	10,000	Yes	70,000	-	70,000	15,000	60,000	-	10,000	-	-
Ved Stigbordene, Copenhagen	2009	15,000	Yes	55,600	-	55,600	10,000	36,200	2,000	17,400	-	-
Loftbrovej, COOP Ålborg	2009	13,000	Yes	24,000	-	24,000	-	-	24,000	-	-	-
Herlev Hovedgade 17, Herlev	2010	45,000	Yes	50,800	-	50,800	-	-	44,400	3,100	3,300	5,000
Kejstrupvej 84, 8600 Silkeborg	2010	55,000	Yes	49,700	-	49,700	-	-	49,700	-	-	-
In total		138,000		250,100	0	250,100	25,000	96,200	120,100	30,500	3,300	5,000

### Enghave Brygge, Copenhagen

Between Tømmergraven and Frederikshomsløbet at the Port of Copenhagen Nordicom is the driving force behind the development of a new city district of more than 200,000 square metres in storeys. Of the total area we expect 1/3 to be industrial while we plan to use the rest for housing purposes. The buildings will be terraced houses in storeys and blocks of flats with a maximum of 12 storeys. In the initial half-year of 2008 the plans for the new city district have been worked on in workRetails with Københavns Kommune, Københavns Havn and the different plot owners. We have reached a fundamental agreement about the main part of the area. We now try to integrate the plan in the new municipal plan which will be approved by the middle of 2009. We expect our project to be containing circa 70,000 square metres of new building. The project will be erected in stages of circa 15,000 square metres, and will be containing circa 1/3 industry and 2/3 dwelling. Expected possible initiation of building in 2010.

Initiation of building in 2010 at the earliest	Area 70,000 square metres	Scrap value circa DKK 2,000 million	Dwelling 65%	Office 30%	Retail 5%
------------------------------------------------	---------------------------	-------------------------------------	--------------	------------	-----------

### Ved Stigborderne, Copenhagen SV

'Ved Stigbordene' is the designation of a property with a building area of circa 15,000 square metres, which is situated in the southern part of Sluseholmen at the Port of Copenhagen, and can be used for the further development of Nordicom's Kanalbys-projekt, where the two first islands with the designations Fyrholm and Lindholm (33,000

## Notes

square metres) already have been developed. The plan foundation makes it possible to erect new buildings of a total area of 55,600 square metres, which will be divided into circa 25 % industry and 75 % dwelling. The already existing buildings are rented out. The building will happen in stages, and we expect it to be initiated in 2010. The total expected scrap value amounts to circa DKK 2,000 million.

Initiation of building in 2010 at the earliest	Phased erection	Area 55,600 square metres	Scrap value circa DKK 2,000 million	Dwelling 100%	Office 0%	Retail 0%
------------------------------------------------	-----------------	---------------------------	-------------------------------------	---------------	-----------	-----------

### **Loftbrovej 17, Nørresundby**

On Loftbrovej 17 in Nørresundby has acquired a property with an area of 13,000 square metres and a very visible situation near the motorway to Frederikshavn. The property is fully rented out, with Kvickly and Jysk Sengetøj as the most important lease-holders. It is the idea to optimise the use of the existing buildings, as well as create possibility of developing the retail trade on the property.

Initiation of building in 2010 at the earliest	Phased erection	Area 13,000 square metres	Scrap value circa DKK 200 million	Dwelling 0%	Office 0%	Retail 100%
------------------------------------------------	-----------------	---------------------------	-----------------------------------	-------------	-----------	-------------

### **Herlev Hovedgade 17**

The property which has an existing area of 45,000 square metres, is situated in the heart of Herlev by exit 21 at Motorring 3 and directly facing Frederikssundvejen. The buildings are presently rented out to office, production and storeroom purposes. In cooperation with Herlev Kommune, Nordicom has initiated the development of a new plan foundation which will make it possible to change the property into a Retailping centre with an area of circa 50,000 square metres. The conversion requires a new plan foundation which cannot be initiated until 2011 at the earliest. The part of a future centre which will be used for convenience goods has been rented out, conditioned by the establishment of the centre.

Initiation of building in 2011 at the earliest	New building	Area 50,000 square metres	Scrap value circa DKK 1,000 million	Dwelling 0%	Office 10%	Retail 90%
------------------------------------------------	--------------	---------------------------	-------------------------------------	-------------	------------	------------

## Notes

### **Kejstrupvej 84, Silkeborg**

The property, which has a plot area of 100,000 square metres, is situated by the approach road which will be constructed in connection with the new motorway to Silkeborg. Nordicom is working on creating possibilities of developing a new city district on the property, with a building area of about 80,000 square metres, of which circa 35,000 square metres will be used for a Retailping centre, so we expect. The existing buildings on the property are fully rented out today, but will be vacated in connection with the lease-holder's moving out of the production to foreign countries in 2010. We expect the building to be initiated in 2011 at the earliest, when the lease-holder has moved out. The total scrap value of the project amounts to DKK 2,000 million.

Initiation of building in 2011 at the earliest	Phased erection	Area 80,000 square metres	Scrap value circa DKK 2,000 million	Dwelling 20%	Office 40%	Retail 40%
------------------------------------------------	-----------------	---------------------------	-------------------------------------	--------------	------------	------------

## Notes

### 10 Firtures and operational equipment

Amounts in DKK thousands	<u>30.06.2008</u>	<u>30.06.2007</u>
Cost price as at 1 January	16,959	11,425
Currency rate adjustments	-2	0
Acquisitions	2,011	4,528
Disposals	-920	-1,672
<b>Cost price as at 30 June</b>	<b><u>18,048</u></b>	<b><u>14,281</u></b>
Depreciation and write-downs as at 1 January	-8,229	-5,420
Currency rate adjustments	0	0
Depreciation for the period	-1,684	-1,280
Reversed depreciation and write-downs at disposal	377	497
<b>Depreciation and write-downs as at 30 June</b>	<b><u>-9,536</u></b>	<b><u>-6,203</u></b>
<b>Accounting value as at 30 June</b>	<b><u>8,512</u></b>	<b><u>8,078</u></b>

**11 Equity statement**

	Share capital	Reserves for exchange rate adjustments	Reserves for investment property net revaluation	Reserve for revaluation by the equity method	Retained earnings	Proposed dividend	Equity, parent company's shareholders		Equity, minority interests	Total equity
Amounts in DKK thousands										
<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		-2	46,279	-90	5,922	0	52,109	-35	52,074	
Inclusion of share-based remuneration					987		987		987	
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					12		12		12	
<b>Equity movements 2007, total</b>	<b>0</b>	<b>-2</b>	<b>46,279</b>	<b>-90</b>	<b>14,504</b>	<b>-40,662</b>	<b>20,029</b>	<b>-35</b>	<b>19,994</b>	
<b>Equity as at 30 June 2007</b>	<b>312,786</b>	<b>-16</b>	<b>672,170</b>	<b>11,265</b>	<b>206,295</b>	<b>0</b>	<b>1,202,500</b>	<b>-52</b>	<b>1,202,448</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		-665	53,773	-526	8,324	0	60,906	288	61,194	
Inclusion of share-based remuneration					477		477		477	
Tax effect of share-based remuneration						-119	-119		-119	
Dividend paid						-41,664	-41,664		-41,664	
Dividend on 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>-665</b>	<b>53,773</b>	<b>-526</b>	<b>-54,492</b>	<b>-43,790</b>	<b>-45,700</b>	<b>288</b>	<b>-45,412</b>	
<b>Equity as at 30 June 2008</b>	<b>312,786</b>	<b>-2,067</b>	<b>807,087</b>	<b>0</b>	<b>222,271</b>	<b>0</b>	<b>1,340,077</b>	<b>751</b>	<b>1,340,828</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 40.662m paid in 2007 corresponds to DKK 13.00 per share. The dividend of DKK 44.790m 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	<u>30.06.2008</u>	<u>30.06.2007</u>
Share capital as at 1 January	<u>312,786</u>	<u>312,786</u>
<b>Share capital as at 30 June</b>	<b><u>312,786</u></b>	<b><u>312,786</u></b>

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

No shares have special rights.

## Notes

### 13 Own shares

	Number	Nominal value	% of share capital
As at 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>As at 30 June 2007</b>	<b>27,803</b>	<b>2,780</b>	<b>0.9%</b>
<b>As at 1 January 2008</b>	<b>51,361</b>	<b>5,136</b>	<b>1.6%</b>
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>As at 30 June 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 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 Illiquid operating items etc.

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Depreciation and write-downs	1,617	1,999	767	1,042
Revaluations of investment property, etc.	-73,892	-63,818	-42,949	-30,383
Profits on sales of properties	-15,347	515	-15,347	-128
Profits from associates and joint ventures	1,571	89	1,571	89
Share-based remun., trans. to profit and loss	477	987	239	494
Other adjustments	104	-425	-667	90
<b>Total adjustments</b>	<b>-85,470</b>	<b>-60,653</b>	<b>-56,386</b>	<b>-28,796</b>

## Notes

### 15 Change in operating capital

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007
Changes in receivables	- 12,769	- 54,520	- 28,264	- 49,251
Changes in trading book of mortgage deeds and debt instruments	669	33,721	208	512
Change in provisions	- 9,413	35,564	1,279	0
Changes in deposits	1,663	2,831	1,737	2,412
Changes in other debt	- 43,815	- 843	- 6,089	- 52,418
<b>Changes in operating capital, total</b>	<b>- 63,665</b>	<b>16,753</b>	<b>- 31,129</b>	<b>- 98,745</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:

Amounts in DKK thousands	YTD 2008	YTD 2007	Q2 2008	Q2 2007
<b>Senior management</b>				
Nordicom's sales of services to senior management, including fee for the administration of one property.	20	20	10	10
Nordicom's sale of car to management	575	0	575	0
Nordicom's purchase of services from legal firm in which the chairman of the board is a partner.	79	271	21	259

All transactions are based on market conditions.

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