

Stockholm, Wednesday, August 23, 2006

**Nocom's interim report for the period January – June 2006:  
Improved operating profit in all units, strong finances  
and high growth for software business**

Nocom is continuing to grow – both organically and through acquisitions – with unbroken profitability. Net sales for the first half of 2006 reached SEK 390 million. Profitability increased and operating profit climbed to SEK 23.7 million, a quadrupling over the first half of 2005. Second quarter growth was concentrated in the Software business area, which has expanded both through successful sales in IAR Systems and the acquisition of Northern. All business areas improved their financial results over the preceding year – in both the first and second quarters.

“It is gratifying to note stronger operating margins in all our business areas. In the second quarter, IAR Systems delivered especially impressive performance with fantastic sales and profitability growth,” says Stefan Ström, President and CEO of Nocom. “In the autumn we will accelerate the pace of our development work, where the goal is to further expand our software business and boost profitability in the distribution area.”

The first half of the year Nocom also achieved strong financial development and reported a dramatically improved cash flow from operating activities. Nocom has strong and stable finances, and the Group's cash and cash equivalents at June 30 amounted to SEK 115.9 million.

“We see a positive outlook for the rest of the year as we tap into the considerable growth potential still available in our software business,” says Stefan Skarin, Working Chairman of Nocom. “IAR Systems has a successful business model and is showing excellent development. Furthermore, the recently acquired Northern is expected to grow throughout the remainder of the year, primarily in Europe.”

**Excerpts from the report – first half 2006:**

- Net sales amounted to SEK 389.9 (237.2) million, of which SEK 178.1 (176.7) million in the second quarter.
- Operating profit was SEK 23.7 (5.8) million, of which SEK 8.3 (8.8) million in the second quarter.
- Profit after financial items was SEK 22.4 (4.9) million, of which SEK 7.1 (8.0) million in second quarter.
  
- Operating margin was 6.1 (2.4) percent.
- Earnings per share amounted to SEK 0.14 (0.03).
- Cash flow from operating activities was SEK 22.9 (-11.8) million.
- Equity at June 30 is reported at SEK 523.4 (392.8) million.
- Equity at per share at June 30 was SEK 4.91 (3.97).

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