

Stockholm, Tuesday, August 21, 2007

Upward earnings trend in second quarter – effects of sales and marketing investments starting to emerge

Nocom's operations showed continued positive development and an increase in consolidated profit compared to the second quarter of 2006. The strategic focus on proprietary products has been successful and the subsidiaries in this sector accounted for the period's earnings growth:

- **Northern** reported powerful sales growth and strong earnings. Sales of *Northern Storage Suite* software for the new NetApp and EMC storage platforms increased during the quarter.
- **IAR Systems** is expanding in the USA and posted its highest ever quarterly sales of software in the ARM segment.
- **Deltaco's** strategy to successively increase sales of products under its own brand is progressing according to plan – the goal is to launch 1,000 own-branded products before the end of 2007.

Distribution operations, which have undergone a major realignment during the year, accounted for a declining share of group sales. This process of change, which has included a dramatic decrease in the less profitable volume distribution, will continue throughout the year as a means for boosting profitability.

In the first half of 2007 Nocom made sizeable investments in sales and marketing resources and increased global presence, resulting in a charge against profit of approximately SEK 10 million.

"Our investments in proprietary products are starting to have visible effect. It is highly satisfying that we have been able to deliver improved earnings at the same time that we are making ambitious investments," says Stefan Ström, President and CEO of Nocom.

"The rest of the year will also be marked by a high level of activity and investment in own-branded products, an enhanced offering in Distribution and a sustained focus on long-term profitability.

"Our strategy to own the products and come closer to the customers demands investments, and it is a valuable strength that we are able to implement this strategy with stable and strong profitability," says Stefan Skarin, Working Chairman of Nocom.

Excerpts from the report – first half of 2007:

- Net sales amounted to SEK 378.4 million (378.9) for the first half of the year and SEK 175.1 million (173.1) for the second quarter.
- Operating profit was SEK 21.8 million (24.0) for the first half of the year and SEK 9.8 million (9.1) for the second quarter.
- Profit after financial items was SEK 22.4 million (22.7) for the first half of the year and SEK 10.1 million (7.9) for the second quarter.
- Operating margin was 5.8 percent (6.3) for the first half of the year and 5.6 percent (5.3) for the second quarter.
- Earnings per share were SEK 0.13 (0.16) for the first half of the year and SEK 0.06 (0.06) for the second quarter.
- Equity per share was SEK 4.89 (4.91) at June 30, 2007.

For additional information contact:

Stefan Ström President and CEO, Nocom
mobile: +46 708 65 10 68
e-mail: stefan.strom@nocom.se

Stefan Skarin Chairman, Nocom
mobile: +46 708 65 10 05
e-mail: stefan.skarin@nocom.se

Press Release



Nocom AB (publ), Kista Science Tower SE-164 51 Kista, Tel: +46 8 410 920 00, Fax: +46 8 410 920 01 www.nocom.se

Nocom AB (publ) *Nocom AB (publ) is an IT group that was founded in 1985 and listed on the stock exchange in 1999. The Nocom share is traded on the Small Cap List of the OMX Nordic Stock Exchange. Nocom's mission is to develop and distribute IT products and services through independent, profitable and growth-oriented subsidiaries. Business is conducted in subsidiaries operating under their own names and business concepts - Deltaco, IAR Systems, Network Innovation, Northern, Nocom Security, Nocom Software and Nocom Drift. Read more at www.nocom.se*