

Q4

Nocom AB (publ) Year-end Report 2006

Stronger focus on Software boost operating profit from SEK 35 million to SEK 55 million

- IAR Systems exceeded its targets with growth of 22 percent and a doubling of operating profit
- Northern's sales and profit are rising with investments to increase sales resources
- Distribution is creating stability in its market mix, where Deltaco and Nocom Software have shown the strongest performance
- Sales are reported at SEK 771.5 (635.6) million for the year and SEK 229.0 (234.0) million for the fourth quarter
- Operating profit reached SEK 54.6 (34.8) million for the year and SEK 19.5 (18.7) million for the fourth quarter
- Profit after tax was SEK 53.4 (57.0) million for the year and SEK 29.7 (45.9) million for the fourth quarter
- Earnings per share were SEK 0.55 (0.57) for the year and SEK 0.31 (0.39) for the fourth quarter
- Net cash increased by SEK 50 million – The Board proposes a dividend of SEK 0.30 per share

Key ratios	January - December		October - December	
	2006	2005	2006	2005
Net sales (SEK M)	771,5	635,6	229,0	234,0
Operating profit (SEK M)	54,6	34,8	19,5	18,7
Tax (SEK M)	3,4	22,3	13,4	27,1
Profit after tax (SEK M)	53,4	57,0	29,7	45,9
Operating margin %	7,1	5,5	8,5	8,0
Profit per share (SEK M)	0,55	0,57	0,31	0,39
Cash flow from operating activities (SEK M)	44,4	7,4	8,5	15,5

nocom
◆ ◆ ◆

Nocom AB (publ) is an IT company that was founded in 1985 and listed on the stock exchange in 1999. Nocom's mission is to develop and distribute high quality 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, Northern, Network Innovation, Nocom Security, Nocom Software and Nocom Drift.

COMMENTS FROM THE CEO

"Software exceeded its targets and Distribution remained stable"

2006 was yet another successful year for Nocom. As we sum up the past year, one notable achievement was a continued increase in both sales and earnings. For the fourth consecutive year we posted a substantial improvement in operating profit, from SEK 35 million to SEK 55 million. Recent years' determined efforts to attain stable long-term profitability are continuing to yield results.

We started 2006 as a strong IT group active in three areas – Software, Distribution and Services. Although our hopes for the focus on our Software business were realized, conditions in Distribution's various markets remain difficult.

The top performer during the year was the software company IAR Systems. Thanks to its prominent position in the global chip market, IAR increased its sales and double its operating profit in 2006. The Software business was expanded through the acquisition of Northern – a company that has strengthened the Group's offering and at the same time can leverage synergies within Nocom for its own development and growth.

In the Distribution business area we achieved stability in the market mix. The top priority was to reach strong and stable profitability, and several parts of the business area showed positive development during the year. However, we still have a ways to go in meeting the financial target for Distribution as a whole.

With a sustained operating margin, Deltaco has evolved from being an efficient purchasing organization to also become a successful sales company. As a focused niche distributor, Nocom Software has built successful sales and is showing solid profitability. Both Deltaco and Nocom Software will accelerate their investments in 2007 – Deltaco in its own brand and Nocom Software in an expanded Nordic presence.

Nocom Security saw negative development in both sales and profit during 2006, particularly in the fourth quarter. In the past year we took major steps to reverse the negative trend by adapting our organization, product offering and management. In the fourth quarter Nocom Security experienced declining sales of advanced security solutions and thereby increased its share of volume-related sales, which are exposed to more aggressive competition and tight margins.

We will focus to a greater extent on near-term profitability with limited investment in both Nocom Security and all activities in the Group that we define as volume distribution.

2006 was also a year of streamlining, primarily through the sale of Nocom Networks. This also signified the wind-up of the Services business area which accounted for only a marginal share of consolidated sales and enjoyed few synergies with our other areas of operation. The subsidiary Webcontrol, active in Distribution, was also sold in 2006. In the past few years Webcontrol has increasingly shifted from pure distribution to more of a service and consulting-oriented role.

Our financial position was further strengthened during the year. Cash flow from operating activities was substantially improved by stable earnings growth in our subsidiaries. Bolstered by these strong cash flows, we will step up the pace of investment in 2007 primarily in Software, where we will gradually increase our presence with new sales offices and additional sales staff to extend our international reach.

It is a pleasure for me to look back on such a successful Nocom year. After taking the CEO post in May, the year has brought a number of challenges. In 2006 we expanded our Software business, shed non-core activities and formulated our important strategic plan for 2007. We have now entered 2007 with wind in our sails, high ambitions and the will to deliver another successful and exciting year for our subsidiaries and stockholders.

Stockholm, Wednesday, 14 February 2007

Stefan Ström, President and CEO of Nocom AB (publ)

GROUP

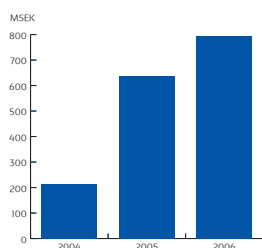
"Operating profit rose from SEK 35 million to SEK 55 million and cash flow from operating activities increased to SEK 44 million"

Sales increased by 21 percent through both organic and acquisition-driven growth. Operating profit rose from SEK 34.8 million to SEK 54.6 million, with Software accounting for the sharpest improvement. The Group strengthened its profitability and achieved an operating margin of 7.1 (5.5) percent, an increase that reflects the year's growth in Software and higher profitability in Distribution.

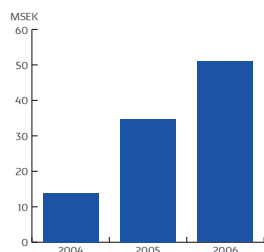
Fourth quarter profit was the best in Nocom's history. Software more than doubled its cash flow, while Distribution was down somewhat from the year-earlier level.

Cash flow from operating activities increased from SEK 7.4 million to SEK 44.4 million during the year. Nocom has a strong financial position with net cash of SEK 89.2 (39.9) million and an equity/assets ratio of 74 (63) percent.

Sales 2004-2006



Operating profit 2004-2006



SEK M	Full year		3 mths, Oct-Dec	
	2006	2005	2006	2005
SALES				
Software	154,6	93,9	43,3	29,8
Distribution	605,3	509,7	182,8	195,2
Services	11,6	32,0	2,9	9,0
Group	771,5	635,6	229,0	234,0
Operating profit				
Software	29,8	13,0	10,7	4,2
Distribution	34,8	26,1	11,9	13,8
Services	-0,3	-1,9	0,0	0,1
Central	-12,7	-10,8	-3,1	-2,8
Övriga intäkter	3,0	8,4	-	3,4
Group	54,6	34,8	19,5	18,7
Operating margin, %	7,1	5,5	8,5	8,0

SOFTWARE

“Software has grown and doubled its operating profit”

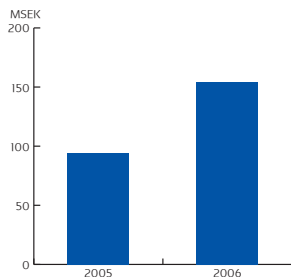
The Software business area consists of IAR Systems and, since April 6, 2006, also Northern Parklife. IAR Systems is specialized in development tools for programming of microprocessors in embedded systems, while Northern is active in Storage Resource Management (Storage Resource Management (SRM)).

Nocom focused on growth in the Software business area during the year. The software companies cater to the global market and the business area has grown in pace with IAR Systems' sales successes and the acquisition of Northern. Sales surged to SEK 154.6 (93.9) million for the full year and SEK 43.3 (29.8) million for the fourth quarter.

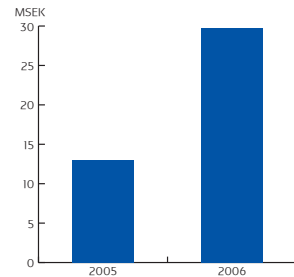
Operating profit more than doubled through an increase in software license sales for both IAR Systems and Northern. Operating profit was SEK 29.8 (13.0) million for the full year and SEK 10.7 (4.2) million for the fourth quarter. Operating margin was 19.3 (13.8) percent for the year and 24.7 (14.1) percent for the quarter.

SEK M	Full year		3 mths Oct-Dec	
	2006	2005	2006	2005
Sales	154,6	93,9	43,3	29,8
Operating expenses	-121,7	-78,7	-32,1	-24,8
Depreciation of tangible assets	-0,8	-0,9	-0,2	-0,3
Amortization of intangible assets	-2,3	-1,3	-0,3	-0,5
Operating profit	29,8	13,0	10,7	4,2
Operating margin, %	19,3	13,8	24,7	14,1

Sales 2005-2006



Operating profit 2005-2006



IAR Systems

With its strong position on the global market, IAR Systems has grown and doubled its operating profit. Organic growth for the full year exceeded 22 percent compared to pro forma 2005 (IAR Systems was acquired in March 2005). Sales for 2006 were up by 48 percent over the previous year and amounted to SEK 139.5 (93.9) million. Fourth quarter sales increased to SEK 36.2 (29.8) million.

IAR Systems' impressive sales growth was driven by increased license sales and several contracts for development of new chips. Aside from generating near-term growth and profitability, development contracts also create opportunities for license sales when the new chips are implemented by the end-manufacturers. Wireless applications are a fast-growing segment where “time to market” is a key competitive factor for all producers. This is driving fast-paced development and a growing number of potential users of IAR Systems' products.

The market for wireless applications is largely built on 32-bit technology. IAR Systems' license sales in this area grew by 25 percent in 2006 and accounted for nearly half of the total. ARM technology is the leading chip architecture in this segment, where IAR Systems has invested considerable resources. November saw the launch of IAR PowerPac™ for ARM, which contains a RTOS (real-time operating system) combined with a high performance file system to meet rising demand for a tightly integrated development tool for embedded systems.

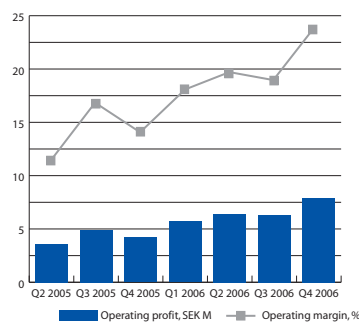
More than 90 percent of IAR Systems' sales go to the international market. The strongest growth was seen in the USA and Germany, although Asia continues to account for a large share of sales. After the end of the period, IAR Systems started to expand in the Asian market

as means for accelerating growth. A new subsidiary was opened in China and additional sales representatives are being recruited at the Japanese office.

Operating profit rose by SEK 15 million to SEK 27.8 (13.0) million in 2006 and operating margin was 19.9 (13.8) percent. The year's powerful earnings growth is mainly explained by the focus on license sales with high gross margins and greater efficiency in sales. For the fourth quarter, operating profit was SEK 8.7 (4.2) million and operating margin improved to 24.0 (14.1) percent.

At the beginning of 2006 IAR Systems had an operating margin target of 10-15 percent. However, in view of its forefront position in the fast-growing market for wireless applications together with a revenue model based on software licenses, support services and development contracts, this target was raised to 15-20 percent at mid-year.

IAR Systems profit trend by quarter



Northern

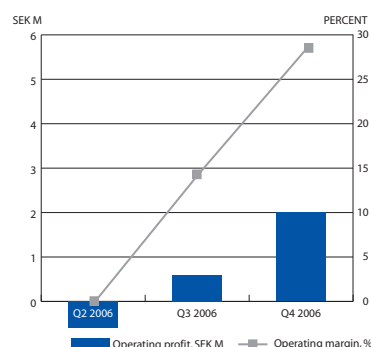
Northern's ongoing investments in sales and marketing resources during the year had a tangible impact on both sales and profit, which improved with each individual quarter. Sales from April 6 to December 31 amounted to SEK 15.1 million, and in the fourth quarter to SEK 7.1 million.

Northern was highly successful in the North American market, which accounted for nearly half of sales. In October a major contract was signed with one of the USA's largest wireless network operators covering new licenses, upgrades and a service agreement. The total contract value was SEK 1.2 million.

Northern's flagship product Northern Storage Suite is downloaded directly over the Internet, enabling organizations to immediately optimize the cost-efficiency of their IT environments. Gross margins are high and the cost of further development is low, generating rapid effects on operating profit. Operating profit for the full year reached SEK 2.0 million, equal to an operating margin of 13.2 percent. The bulk of sales took place in the fourth quarter, when operating profit was reported at SEK 2.0 million and operating margin at 28.2 percent.

In 2006 Northern signed strategic collaborative agreements with EMC and NetApps, two global suppliers of storage hardware, to widen the market opportunities for Northern Storage Suite.

Northern's profit trend by quarter



DISTRIBUTION

“The mix of different distribution markets is creating stability in sales and profit”

The Distribution business area is made up of Deltaco, Network Innovation, Nocom Security and Nocom Software, all of which are active in distribution of IT products via resellers and partners in the Nordic and Baltic countries.

Nocom's targets for Distribution in 2006 were to strengthen profitability and achieve an operating margin of at least 10 percent, depending on Nocom Security and the sales trend for volume-related products.

The business area has achieved stable sales and earnings by having subsidiaries that provide a mix of markets with diverse product portfolios and customers. These markets are computer accessories, IT products for professional graphics and software for IT security and systems integration, and are affected differently by changes in the market. In 2006 we created stability in the business area despite negative development for Nocom Security, which is active in the IT security market.

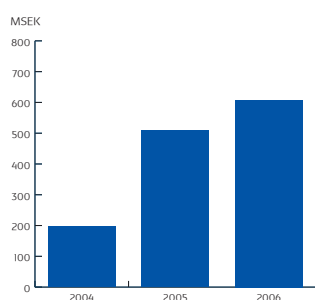
In several markets we are also seeing a trend towards increased volume-related sales, a type of distribution where they players compete through logistics and price rather than expertise and products.

The year's sales growth was primarily acquisition-driven and amounted to SEK 605.3 (509.7) million, since Deltaco and Network Innovation were acquired in March 2005. Fourth quarter sales were down to SEK 182.8 (195.2) million as a result of lower sales in the IT security area.

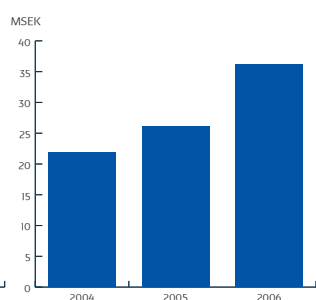
Operating profit was SEK 34.8 (26.1) million, where distribution of IT accessories and software for systems integration showed healthy profitability during the year. Operating profit for the fourth quarter fell to SEK 11.9 (13.8) million as an effect of declining sales in Nocom Security.

SEK M	Full year		3 mths, Oct-Dec	
	2006	2005	2006	2005
Sales	605,3	509,7	182,8	195,2
Operating expenses	-565,3	-478,8	-169,6	-180,1
Depreciation of tangible assets	-3,6	-3,6	-0,9	-1,0
Amortization of intangible assets	-1,6	-1,2	-0,4	-0,3
Operating profit	34,8	26,1	11,9	13,8
Operating margin, %	5,7	5,1	6,5	7,1

Sales 2004-2006



Operating profit 2004-2006



Deltaco, a distributor of computer accessories, grew by 20 percent during the year with a sustained operating margin despite initiating investments to realign its focus and offering. Deltaco has evolved from being an efficient importer of products primarily from Asia to also become a more clearly defined sales organization with a portfolio of products under its own brand name. The market is changing as customers increasingly buy large volumes and demand a more customized product range. For Deltaco, this has led to a progressive rise in the number of own-brand products, adapted packages and a higher level of service.

Deltaco has expanded its market share both among existing customers, which have continuously increased their sales volumes, and in new customer segments.



DISTRIBUTOR OF THE YEAR 2006

“Deltaco's in-depth expertise, excellent service and positive attitude have resulted in strong margins, long-term profitability and satisfied resellers, and have taken this distributor to the (Sirius-)top. Deltaco is the cement in a fast-changing channel.”

IT industry magazine IT-branschen, IDG

Through the division of Nocom Distribution at the beginning of the year, Nocom Software became a dedicated niche distributor. Its clearly defined profile and historically established customer base gave the company high and stable profitability throughout the year. Nocom Software has also diversified its offering in the Systems Management product area and started selling Northern's products during the spring. A sales manager was appointed during the year to reinforce the Nordic sales organization.

Nocom Security, with a high proportion of volume-related sales, works in a highly competitive market with narrow margins. A number of profitability enhancement measures were taken in the past year, but the effects of these have been delayed by declining sales. The products from Symantec, in particular, showed a negative sales trend and fell by 40 percent in the fourth quarter. We have reevaluated the offering and will be focusing to a greater extent on achieving near-term profitability with limited investments in volume distribution.

Webcontrol was part of the business area until the end of 2006 but was sold on January 1, 2007. The company has shifted its focus from pure distribution of a web analytics tool to a more service and consulting-oriented business that is not consistent with Nocom's offering. Webcontrol had eight employees and the sale had no effect on profit. Nocom will defer a decision regarding approval of the sale until Nocom's Annual General Meeting on May 3, 2007, in accordance with the Act on Certain Directed Placements in Stock Market Companies, etc.

SERVICES

“Service operations were wound up in the fourth quarter”

Nocom Networks and its subsidiary UNC Systems, which made up the Services business area, were sold in December. The total purchase price of SEK 9 million was paid in cash. Together the two companies had 11 employees and reported sales of SEK 20 million in 2006, with a negative operating profit. Operations in, and the sale of, Nocom Networks and UNC Systems resulted in a charge of SEK 3.9 million against profit for the year, of which SEK 3.6 million was recognized the fourth quarter, that is reported in profit from discontinued operations.

The continuing operations in Nocom Drift with annual sales of SEK 11.6 million have been transferred to the Distribution business area.

SEK M	Full year		3 mths Oct-Dec*	
	2006	2005	2006	2005
Sales	11,6	32,0	2,9	9,0
Operating expenses	-11,0	-30,5	-2,7	-8,0
Depreciation of tangible assets	-0,9	-3,1	-0,2	-0,7
Amortization of intangible assets	-	-0,3	-	-0,2
Operating profit	-0,3	-1,9	0,0	0,1
Operating margin, %	-2,6	-5,9	0,0	1,1

*Nocom Networks and UNC Systems were sold on December 4, 2006, and are reported in profit from discontinued operations in 2006.

FINANCIAL INFORMATION

Cash flow, cash and cash equivalents

SEK M	Full year		3 mths Oct-Dec	
	2006	2005	2006	2005
Cash flow from operating activities	44,4	7,4	8,5	15,5
Cash flow from investing activities	-26,9	32,9	-4,0	-2,7
Cash flow from financing activities	1,1	35,5	6,1	2,0
Total cash flow	18,6	75,8	10,6	14,8
Total available cash and cash equivalents	118,4	119,1	118,4	119,1

The Group's financial position improved during the year. Net cash at December 31 was SEK 89.2 (39.9) million.

The robust earnings trend, primarily in Deltaco and IAR Systems, has significantly strengthened cash flow. Cash flow from operating activities rose by SEK 37 million to SEK 44.4 (7.4) million during the year.

These strong finances also provided scope to amortize interest-bearing liabilities in an amount of SEK 30.7 million during the year. In addition, committed credits were reduced by around SEK 15 million.

Upon expiry of the warrant series TO2B on December 20, 2006, Nocom had raised additional equity of SEK 29.8 million.

Cash and cash equivalents at the end of the year totaled SEK 108.1 (89.5) million, in addition to unutilized bank overdraft facilities of SEK 15.0 (29.6) million. In connection with advance access to the shares in IAR Systems, an amount of SEK 4.7 million was deposited in a blocked bank account. The Group's total available cash and cash equivalents at December 31 thus amounted to SEK 118.4 (119.1) million.

Goodwill

Goodwill is attributable to profitability in the acquired operations and the expected synergy effects of the Group's acquisitions of TurnIT, IAR Systems and Mtrust in 2005 and Northern in 2006. The acquisition analyses are based on estimates and assumptions made at the respective acquisition dates. All acquisition analyses in respect of the past year's acquisitions have now been finalized and no future corrections will be made.

Goodwill rose by SEK 72.2 million during the year and was SEK 299.8 million at December 31, 2006. The increase in goodwill is mainly due to the acceptance of Nocom's offer by stockholders representing an additional 13.1 percent of the shares in TurnIT since year-end, as well as the acquisition of Northern. The sale of Nocom Networks and UNC Systems decreased goodwill and other intangible assets by SEK 7.2 million.

Deferred tax asset

The deferred tax asset attributable to loss carryforwards is recognized only to the extent that it is probable that these loss carryforwards can be offset against future taxable profits. At December 31, 2006, the Group had cumulative loss carryforwards of approximately SEK 459 million. In the balance sheet, the current estimated value of these losses is SEK 69.7 (61.6) million. This item consists of capitalized temporary differences and acquired loss carryforwards.

Deferred tax income was recognized in the fourth quarter following reassessment of the Group's future earning ability. The estimated value of loss carryforwards increased by SEK 17.7 million in the fourth quarter. Profit for the previous quarter was charged with a deferred tax expense of SEK 10.0 million, corresponding to 28 percent of profit after financial items. In the income statement, deferred tax income of SEK 7.7 (23.1) million is recognized for the full year.

Minority interest

In June 2006, Nocom's public offer to the stockholders in TurnIT was completed. At the end of the acceptance period Nocom's offer had been accepted by stockholders representing approximately 99.5 percent of the share capital and around 99.6 percent of the votes. Minority interest in TurnIT at December 31, 2006, thus amounted to 0.5 percent of the share capital and 0.4 percent of the votes.

Total minority interest at December 31, 2006, was SEK 1.1 million and is recognized in equity.

Investments and financing

Net expenditure on tangible assets in 2006 amounted to SEK 4.8 (44.1) million.

The equity/assets ratio improved further during the year and was 74 (63) percent at December 31, 2006.

In connection with the amortization of interest-bearing liabilities, the Group's pledged assets were adapted to its existing loans. Pledged assets thus decreased by SEK 37 million during the year and amounted to SEK 32.7 (69.7) million at December 31, 2006. No changes in reported contingent liabilities took place.

Personnel

The number of employees at the end of the year was 261 (250). The number of employees increased by 22 through the acquisition of Northern in April, and was reduced by 8 through the sale of Nocom Networks and UNC Systems.

Parent Company

The operations of the Parent Company consist of group management and PR/IR functions. The Parent Company's net sales for 2006 are reported at SEK 12.1 (7.5) million. Profit after financial items was SEK 90.7 (-2.6) million. Profit was positively affected by anticipated dividends of SEK 65.7 million from subsidiaries and by changes in the group structure.

Central reported an operating loss for 2006 of SEK -12.7 (-10.8) million, of which SEK -3.1 (-2.8) million in the fourth quarter.

Capital expenditure on tangible assets totaled SEK 3.0 (1.3) million. Cash and cash equivalents at December 31, 2006, amounted to SEK 49.8 (22.3) million and unutilized bank overdraft facilities to SEK 15.0 (15.0) million. In connection with advance access to the shares in IAR Systems, a sum of SEK 4.7 million was deposited in a blocked bank account. The Parent Company's available cash and cash equivalents thus amounted to SEK 60.1 (37.3) million. The number of employees in the Parent Company at the end of the year was 5 (4).

At the end of September Nocom relocated its head office to the Kista area of Stockholm. On January 1, 2007, Torbjörn Nilsson took up duties as the new Chief Financial Officer of Nocom AB. Torbjörn comes most recently from the subsidiary Northern, where he was Financial Director.

Mandatory redemption of IAR Systems and TurnIT

Nocom called for mandatory redemption of the outstanding shares in IAR Systems on March 29, 2005. The redemption process was completed at the end of 2006 and payment of the redemption price is expected to take place in the first quarter of 2007. The redemption price was set at SEK 4.45 per share.

The request for mandatory redemption of the outstanding shares in TurnIT was made on June 20, 2006. The arbitration procedure was recently started and is expected to be completed in the spring of 2007 at the earliest.

Subsequent events

At the end of January, Deltaco finalized a major deal with one of the leading suppliers in the Swedish IT market. The total contract value was SEK 3.2 million. The call-off contract was split into several deliveries, where half was recognized in profit for the fourth quarter of 2006 and the remainder will be recognized in 2007.

In January 2007, IAR Systems signed a contract with a leading Japanese electronics company covering a large number of software licenses. The order is valued at a total of SEK 1.1 million. The contract is a follow-up order from an existing customer and is expected to generate additional sales during the year. IAR Systems is also expanding in Asia through the opening of a subsidiary in China and the recruitment of additional sales staff at the Japanese office.

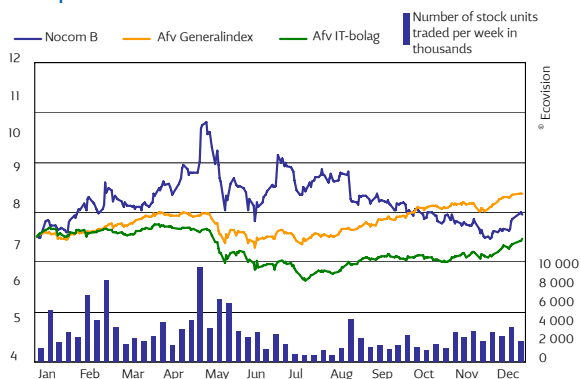
The Nocom share

Nocom's class B share is quoted on the Stockholm Stock Exchange. In 2006 the share price varied from a low of SEK 6.95 (3.73) to a high of SEK 11.60 (7.55). The share price on December 31, 2006, was SEK 7.90 (7.25). Nocom's market capitalization was SEK 923 (723) million, including the 9,930,487 paid-up subscribed shares (BTA) issued in connection with the redemption of warrant series 2B. Conversion of these paid-up subscribed shares took place in January 2007.

The number of stockholders in Nocom at December 31, 2006, was 17,646 (18,613), of whom 1,105 (1,151) held more than 10,000 shares each. Foreign stockholders held around 12 (13) percent of the share capital and 11 (11) percent of the votes.

Nocom's issued share capital consists of 1,000,000 class A shares and 115,855,614 class B shares. Upon full exercise of the warrants subscribed to so far in series TO3B, the number of class B shares in Nocom will amount to 116,779,114.

Stock price trend, 2006



Subscription warrants TO2B and TO3B

The warrant series TO2B was originally issued in conjunction with the acquisition of TurnIT in the spring of 2005 and the final exercise date was December 20, 2006. The total number of warrants issued under TO2B was 10,985,522, of which 10,885,865 were exercised. This provided Nocom with additional capital of SEK 32.7 million during the year, of which SEK 29.8 million in the fourth quarter.

The Annual General Meeting on May 3, 2006, authorized the implementation of a share-based incentive scheme. The offer to acquire subscription warrants at a market premium was directed to all employees in the Nocom Group. The warrant series Nocom TO3B was listed on the Stockholm Stock Exchange in July. A total of 1,750,000 subscription warrants were issued, of which 923,500 were exercised

Financial calendar

Annual Report 2006	April 2007
Interim report January-March 2007	May 3, 2007
Interim report January-June 2007	August 21, 2007
Interim report January-September 2007	November 7, 2007
Year-end report 2007	February 2008

Annual General Meeting

Annual General meeting **May 3, 2007**

Nocom AB (publ)

Corporate registration number 556400-7200
Kista Science Tower, SE-164 51 Kista, Sweden
Telephone +46 8-410 920 00
www.nocom.se

Stefan Ström, President and CEO **Tel. +46 (0)708 65 10 68**
Stefan Skarin, Chairman **Tel. +46 (0)708 65 10 05**

in June 2006. The number of warrants outstanding was unchanged at December 31, 2006.

Dividend policy

The Board intends to propose a yearly dividend, or other corresponding distribution, equal to 30-50 percent of profit after tax. Furthermore, the Board may propose an additional reallocation of capital to the stockholders provided that the Board deems this justifiable with consideration to anticipated future cash flows and the company's investment plans.

Proposed dividend in 2007

The Board proposes an ordinary dividend of SEK 0.20 per share and an extra dividend of SEK 0.10 per share. No dividend was paid in 2006.

Share buyback

In order to optimize the company's capital structure, the Board will seek authorization from the 2007 AGM to decide on the repurchase of class A and B shares on one or several occasions before the 2008 AGM up to a maximum 10 percent of the company's total issued share capital at any given time.

Annual General Meeting

The Annual General Meeting will be held at 6:00 p.m. on Thursday, May 3, 2007, at Scandic Anglais Conference, Humlegårdsgatan 23, in Stockholm.

Starting in early April, Nocom's complete annual report will be available at the company's office in Kista Science Tower, Kista, Sweden.

Future outlook

We expect a continued positive climate for IT investments in 2007 to give the Group a strong market position and provide momentum for sustained positive development.

Nocom's long-term goal is to grow faster than the overall IT market by stepping up its investments in sales resources, product development and global presence.

Our robust earnings, strategic focus and market development are creating new scope to enhance the Group's business and portfolio.

Our financial priorities for the Group are to maintain stable long-term profitability, increase growth in Software and boost profitability in Distribution.

Stockholm, February 14, 2007

Stefan Ström, President and CEO

Nocom AB (publ)



INCOME STATEMENTS, GROUP SEK M	Full year		3 months, October-December	
	2006	2005	2006	2005
Continuing operations				
Net sales	771,5	635,6	229,0	234,0
Operating expenses	-710,7	-598,8	-207,6	-215,7
Depreciation of tangible assets	-5,3	-7,6	-1,2	-2,0
Amortization of intangible assets	-3,9	-2,8	-0,7	-1,0
Other income	3,0	8,4	-	3,4
Operating profit	54,6	34,8	19,5	18,7
Result from financial investments	-0,7	-0,8	0,4	0,1
Profit after financial items	53,9	34,0	19,9	18,8
Taxes	3,4	22,3	13,4	27,1
Profit for the period from continuing operations	57,3	56,3	33,3	45,9
Profit for the period from discontinued operations	-3,9	0,7	-3,6	-
Profit for the period	53,4	57,0	29,7	45,9
Profit for the period attributable to:				
Equity holders in the Parent Company	53,2	51,4	29,6	42,8
Minority interest	0,2	5,6	0,1	3,1
Earnings per share based on profit from continuing operations attributable to equity holders in the Parent Company during the period, SEK				
- before dilution	0,55	0,63	0,31	0,43
- after dilution	0,55	0,57	0,31	0,39
Earnings per share based on profit from discontinued operations attributable to equity holders in the Parent Company during the period, SEK				
- before dilution	-0,04	0,01	-0,03	-
- after dilution	-0,04	0,01	-0,03	-

SALES BY SEGMENT, GROUP SEK M	Full year		3 months, October-December	
	2006	2005	2006	2005
Software	154,6	93,9	43,3	29,8
Distribution	605,3	509,7	182,8	195,2
Services	11,6	32,0	2,9	9,0
Total	771,5	635,6	229,0	234,0

BALANCE SHEETS, GROUP SEK M			061231	051231
	ASSETS			
Fixed assets				
Goodwill			299,8	227,6
Other intangible assets			37,9	38,3
Tangible assets			43,6	46,3
Financial assets			74,3	63,3
Total fixed assets			455,6	375,5
Current assets				
Inventories			72,2	66,7
Other current assets			31,7	27,3
Accounts receivable			137,1	150,4
Cash and bank balances			108,1	89,5
Total current assets			349,1	333,9
TOTAL ASSETS			804,7	709,4
EQUITY AND LIABILITIES				
Total equity			592,3	448,9
Long-term liabilities				
Long-term interest-bearing liabilities			16,8	32,2
Provisions			12,6	16,6
Total long-term liabilities			29,4	48,8
Total long-term liabilities				
Current liabilities				
Accounts payable			84,9	81,1
Interest-bearing liabilities			2,1	17,4
Provisions			5,4	2,4
Other current liabilities			90,6	110,8
Total current liabilities			183,0	211,7
TOTAL EQUITY AND LIABILITIES			804,7	709,4
Pledged assets			32,7	69,7
Contingent liabilities			-	-
Equity per share, SEK			5,07	4,50
Equity per share adjusted for full exercise of warrants, SEK			5,07	4,50

CHANGES IN EQUITY, GROUP SEK M	Full year		3 months, October - December	
	2006	2005	2006	2005
Equity at beginning of period	448,9	65,7	532,6	399,8
New stock issues	90,4	326,0	29,5	3,1
Exchange rate differences	-0,4	0,2	0,5	0,1
Profit for the period	53,4	57,0	29,7	45,9
Equity at end of period	592,3	448,9	592,3	448,9
- of which, minority interest in equity	1,1	14,0	1,1	14,0

CASH FLOWS, GROUP SEK M	Full year		3 months, October - December	
	2006	2005	2006	2005
Payments from customers	808,5	639,2	198,7	205,8
Payments to suppliers and employees	-767,4	-631,0	-196,9	-193,8
Interest received	1,8	0,9	0,7	0,2
Interest paid	-2,5	-1,8	-1,3	-0,2
Income tax paid	4,0	0,1	7,3	3,5
Cash flow from operating activities	44,4	7,4	8,5	15,5
Cash flow from investing activities	-26,9	32,9	-4,0	-2,7
Cash flow from financing activities	1,1	35,5	6,1	2,0
Cash flow for the period	18,6	75,8	10,6	14,8
Liquid assets at beginning of period	89,5	13,7	97,5	74,7
Liquid assets at end of period	108,1	89,5	108,1	89,5
Blocked bank accounts	-4,7	-	-4,7	-
Unused overdraft facilities	15,0	29,6	15,0	29,6
Total available cash and cash equivalents	118,4	119,1	118,4	119,1

KEY RATIOS, GROUP	Full year		3 months, October - December	
	2006	2005	2006	2005
Gross margin, %	7,9	5,8	9,3	7,9
Operating margin, %	7,1	5,5	8,5	8,0
Profit margin, %	7,0	5,3	8,7	8,0
Cash flow, %	5,8	1,2	3,7	6,6
Equity/assets ratio, %	73,6	63,3		
Return on equity, %	10,3	22,2	5,3	10,8
Return on capital employed, %	10,2	12,6	3,4	4,0
Interest coverage ratio	22,6	20,0	67,3	123,8
Capital employed, SEK million	611,0	498,5		
Net interest-bearing liabilities, SEK million	-89,2	-39,9		
Net debt/equity ratio	-0,15	-0,09		
Number of employees at year-end	261	250		
Average number of employees	264	212	262	249
Sales per employee, SEK million	2,9	3,0	0,9	0,9

SHARE DATA	Full year		3 months, October - December	
	2006	2005	2006	2005
Equity per share, SEK	5,07	4,50		
Equity per share adjusted for outstanding warrants, SEK	5,07	4,35		
Equity per share adjusted for full exercise of outstanding offers and warrants, SEK	5,06	4,41		
Number of shares at end of period, millions	116,9	99,8		
Number of shares at end of period adjusted for outstanding warrants, millions	117,8	110,5		
Number of shares at end of period adjusted for full exercise of outstanding offers and warrants, millions	118,7	117,4		
Average number of shares, millions	103,4	80,6	106,9	99,6
Average number of shares adjusted for outstanding warrants, millions	114,4	89,0	117,8	110,3
Average number of shares adjusted for full exercise of outstanding offers and warrants, millions	118,2	94,3	118,7	117,2
Cash flow from operating activities per share, SEK	0,43	0,09	0,08	0,16
Cash flow from operating activities per share adjusted for full exercise of outstanding offers and warrants, SEK	0,38	0,08	0,07	0,13
Earnings per share, SEK	0,55	0,63	0,31	0,43
Earnings per share adjusted for outstanding warrants, SEK	0,55	0,57	0,31	0,39
Earnings per share adjusted for full exercise of outstanding offers and warrants, SEK	0,49	0,60	0,28	0,39

GROUP SEK M	Sales by quarter					Operating profit by quarter				
	Q I	Q II	Q III	Q IV	Full year	Q I	Q II	Q III	Q IV	Full year
2004	51,5	49,8	40,8	72,1	214,2	4,7	3,1	1,9	4,2	13,9
2005	60,5	176,7	164,4	234,0	635,6	-3,0	8,8	10,3	18,7	34,8
2006	205,8	173,1	163,6	229,0	771,5	14,9	9,1	11,1	19,5	54,6

Accounting principles

This consolidated year-end report has been prepared according to IAS 34, Interim Financial Reporting, which is consistent with the requirements in the Swedish Financial Accounting Standards Council's (FASC) recommendation RR 31, Interim Reporting for Groups. The consolidated accounts are presented in accordance with the accounting standards endorsed by the European Commission for application in the EU.

The accounts of the Parent Company are presented in accordance with RR 32. The applied accounting policies are consistent with those in the most recent annual report.

The following should be taken into account when making a comparison between years. The figures for 2005 do not include the TurnIT companies Arete and Arete Datastöd or operations in Arete Affärssystem, all of which were sold in the second quarter of 2005. The sales and profits of other acquired companies are consolidated from their respective acquisition dates - TurnIT and IAR Systems as of March 22, 2005, UNC Systems as of July 1, 2005, Mtrust Solutions as of August 23, 2005, and Northern as of April 6, 2006. Nocom Networks and UNC Systems are reported as discontinued operations in 2006 and are therefore not included in net sales and operating profit.

Review report

We have reviewed the year-end report for Nocom AB (publ) for the period from January 1 to December 31, 2006. The Board of Directors and CEO are responsible for the preparation and presentation of

this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all material aspects, prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

Stockholm, Wednesday, February 14, 2007

Öhrlings PricewaterhouseCoopers

Leonard Daun

Lars Kylberg

Authorized Public Accountant Authorized Public Accountant