



OPTION REPORTS FIRST QUARTER 2008 RESULTS

Leuven, Belgium – April 24, 2008 - Option N.V. ([EURONEXT Brussels: OPTI](#); [OTC: OPNVY](#)), the wireless technology company, today announced its results for the first quarter ended March 31, 2008. The financial information reported in this release is presented in Euros and has been prepared in accordance with the recognition and measurement criteria of IFRS as adopted by the European Union (IFRS). The accounting policies and methods of computation followed in the attached financial statements are the same as those followed in the most recent annual financial statements.

Financial Highlights of the first quarter 2008:

- Total revenues for the first quarter of 2008 were EUR 76.8 million compared with EUR 69.1 realized in the first quarter of 2007.
- Gross profit during the first quarter of 2008 amounted to EUR 26.6 million or 34.6% on total revenues, compared with a gross profit of EUR 23.2 million or 33.6% on total revenues in the first quarter of 2007.
- The quarterly EBIT amounted to EUR 3.1 million or 4.0% on total revenues compared with EUR 8.3 million or 12.0% during the corresponding period in 2007.
- The financial result for the quarter was EUR -391 thousand. This result was heavily impacted by the non-cash effects of the strong Euro relative to the USD which had a positive effect on our financial gains and a negative impact on a hedging contract which is marked to fair value.
- The tax expense for the quarter was positively impacted by EUR 0.9 million resulting from the Belgian notional interest deduction.
- Net result for the first quarter of fiscal year 2008 amounted to EUR 2.8 million, or EUR 0.07 per basic and diluted share. This compares with a net profit of EUR 8.1 million, or EUR 0.20 per basic and diluted share during the first quarter of 2007.
- Cash flow from operating activities for the first quarter of fiscal year 2008 amounted to EUR 7.9 million which is in line with the corresponding period of 2007.
- Accounts Receivable and Payable for the quarter were EUR 77.9 and EUR 81.1 million respectively. Excluding net receivables and payables to key suppliers, these amounts are in line with Q4 given the increased sales revenue in the quarter.

CONSOLIDATED PERFORMANCE

For the period ended 31 March Million EUR (except per share figures)	Q1 2008	Q1 2007
Revenues.....	76.8	69.1
Gross profit	26.6	23.2
Operating expenses	(23.5)	(14.9)
EBIT.....	3.1	8.3
Net profit.....	2.8	8.1
Weighted average number of ordinary shares	41 249 296	41 249 296
Earnings per share after the stock split (EUR).....	0.07	0.20

Non financial highlights of the first quarter included

- Option announced new products at Mobile World Congress in Barcelona (Spain)
 - The iCON 401, a compact, high performance USB wireless modem which received the prestigious iF Product Design Award for its innovative and stylish design
 - The GT EXPRESS 401, the world's first quad-band HSPA ExpressCard, delivering professional performance in a slim line design
 - The GTM382, the company's new generation embedded wireless module providing uplink speeds up to 5.76Mbps, for built-in high-speed connectivity for laptop computers and other consumer electronics
 - At the trade show the company demonstrated the World's Smallest HSPA Embedded Module – the GTM501
 - The G101L notebook from ECS, incorporating Option's GTM 380, wins GSMA Mobile Broadband Notebook Competition at Mobile World Congress
- Option introduced its Unlimited Connection software to Telenor's mobile broadband service
- Option entered the Russian market with Vimpelcom
- AT&T added to its HSUPA line-up with two new LaptopConnect Cards from Option
- Option was selected by Qualcomm to collaborate on Gobi Wireless Technology
- Asus selects embedded wireless solution Option for wireless broadband connectivity

Comments on the results

"Year-on-year improvements in first quarter shipments, revenues and gross margins are encouraging signs that the refocusing of Option is beginning to deliver," said Jan Callewaert, Option's CEO.

"The wireless broadband market continues to expand. Many leading operator groups have embarked on significant marketing campaigns to unlock new revenue streams and incremental profits from mobile internet services. Simple plug-and-play USB devices and the intrinsic appeal of wireless broadband access are rapidly transforming the mobile internet into a mass-market consumer proposition.

The percentage growth in shipments was significantly higher than the 10 percent rise in revenues and demonstrates that we are improving our ability to secure and fulfill new business in this competitive market following the separation of sales and operations at the end of 2007. More than half of Option's shipments during the quarter were in the USB device category. Gross margin increased by 2 percent to nearly 35 percent compared with Q1 2007.

The transition from a niche market for high-end devices to a volume driven market for lower priced devices will continue to constrain EBIT. The sequential improvement in EBIT in the quarter reflected management's emphasis on bearing down on costs which will continue in the second quarter. Streamlining processes and driving efficiency throughout the organisation will remain the underlying theme at Option for the rest of the year.

With sector-leading R&D, the company remains excited by the growing demand for the new paradigm of mobile internet hardware and software solutions."

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Financial report prepared in accordance with International Financial Reporting Standards (IFRS)

CONSOLIDATED INCOME STATEMENT

For the 3 month period ended 31 March Thousands EUR (except per share figures)	Q1/2008	Q1/2007
Revenues	76 789	69 102
Cost of products sold.....	(50 183)	(45 880)
Gross profit	26 606	23 222
Gross margin/Total revenues %	34.6%	33.6%
Research and development expenses	(8 242)	(5 123)
Sales, marketing and royalties expenses	(10 219)	(6 021)
General and administrative expenses	(5 039)	(3 753)
Total operating expenses	(23 500)	(14 897)
Profit from operations (EBIT)	3 106	8 325
EBIT/Total revenues %.....	4.0%	12.0%
Depreciation and amortization	4 772	3 040
EBITDA	7 878	11 365
EBITDA/Total revenues %.....	10.3%	16.4%
Exchange gain/(loss)	1 650	142
Interest income/(expense) and other financial income/(expense)	(2 040)	0
Finance result	(390)	142
Profit before taxes	2 716	8 467
Tax income / (expense)	87	(325)
Net profit	2 803	8 142
Weighted average number of ordinary shares.....	41 249 296	41 249 296
Diluted average number of ordinary shares.....	41 249 296	41 249 296
Earnings per share (in EUR).....	0.07	0.20
Diluted earnings per share (in EUR).....	0.07	0.20

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CONSOLIDATED BALANCE SHEET

Prepared in accordance with International Financial Reporting Standards (IFRS)

Thousands EUR For the period ended	31 March 2008	31 December 2007
ASSETS		
Current assets		
Cash and cash equivalents	39 136	36 299
Trade and other receivables	77 496	55 464
Income tax receivable.....	2 973	2 958
Inventories	36 769	39 251
	156 374	133 972
Non-current assets		
Property, plant and equipment.....	19 745	20 139
Intangible assets.....	21 041	20 462
Deferred tax assets	11 820	11 333
Other receivables	315	82
	52 921	52 016
Total assets.....	209 295	185 988
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables.....	80 699	59 505
Income tax payable	1 136	1 573
Current portion of long-term debt.....	98	75
Provisions (current)	5 310	5 976
	87 243	67 129
Non-current liabilities		
Non-current portion of long-term debt.....	74	74
Deferred tax liabilities	885	691
	959	765
Equity		
Issued capital.....	6 116	6 116
Share premium	43 865	43 865
Reserves	559	363
Retained earnings	70 553	67 750
Shareholders' equity.....	121 093	118 094
Total liabilities and shareholders' equity	209 295	185 988

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CONSOLIDATED CASH FLOW STATEMENT

Prepared in accordance with International Financial Reporting Standards (IFRS)

Thousands EUR For the period ended	31 March 2008	31 March 2007
OPERATING ACTIVITIES		
Net profit (A)	2 803	8 142
Depreciation and amortization	4 772	3 040
Write-offs on inventories	743	-
Write-offs on trade debtors	150	400
Increase in provisions	33	-
Unrealized foreign exchange losses/(gains)	(1 131)	300
Interest income	(203)	(236)
Interest expense	16	28
Loss/(gains) on reevaluation of fair value through profit or loss financial assets	2 212	-
Tax expense	(87)	325
Total (B)	6 505	3 857
Cash flow from operating activities before changes in working capital		
(C)=(A)+(B)	9 308	11 999
Decrease/(increase) in trade and other receivables	(21 629)	(8 364)
Decrease/(increase) in inventories	2 482	4 411
Increase/(decrease) in trade and other payables	18 822	1 707
Increase/(decrease) in provisions	(699)	-
Total changes in working capital (D)	(1 024)	(2 246)
Cash generated from operations (E)=(C)+(D)		
	8 284	9 753
Interests (paid) (F)	(3)	(65)
Interests received (G)	224	230
Income tax (paid)/received (H)	(627)	(1 986)
CASH FLOW FROM OPERATING ACTIVITIES (I)=(E)+(F)+(G)+(H)	7 878	7 932
INVESTING ACTIVITIES		
Proceeds from sale of plant & equipment	4	-
Acquisition of property, plant and equipment	(1 286)	(1 615)
Acquisition of intangible assets	(315)	(444)
Development expenditures	(3 429)	(4 514)
CASH FLOW FROM INVESTING ACTIVITIES (J)	(5 026)	(6 573)
FINANCING ACTIVITIES		
Proceeds from borrowings	42	-
Repayment of borrowings	(20)	(18)
CASH FLOW FROM FINANCING ACTIVITIES (K)	22	(18)
Net increase in cash and cash equivalents (I)+(J)+(K)	2 874	1 341
Cash and cash equivalents at beginning of period	36 299	36 062
Effect of exchange rate fluctuations on cash held	(37)	(9)
Cash and cash equivalents at end of period	39 136	37 394
Difference	2 874	1 341

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Thousands EUR For the period ended 31 March 2008	Shareholders' equity					Total equity
	Issued capital	Share premium	Share- based payment reserves	Translation reserves	Retained earnings	
As per 1 January 2007.....	6 116	43 865	360	3	67 750	118 094
Net profit	-	-	-	-	2 803	2 803
Conversion Translation adjustment	-	-	-	196	-	196
As per 31 March 2008.....	6 116	43 865	360	199	70 553	121 093

This press release contains forward-looking information that involves risks and uncertainties, including statements about the company's plans, objectives, expectations and intentions. Such statements include, without limitation, discussions concerning the company's strategic direction and new product introductions and developments. Readers are cautioned that such forward-looking statements involve known and unknown risks and uncertainties that may cause actual results to differ materially than those set forth in the forward looking statements. The risks and uncertainties include, without limitation, the early stage of the market for connectivity and integrated wireless products and solutions for portable and handheld computers and mobile telephones, the management of growth, the ability of the company to develop and successfully market new products, rapid technological change and competition. Some of these risk factors were highlighted in the Consolidated and Statutory Report 2006 of the Board of Directors which can be found in the Annual Report 2006 page 51-52. The forward-looking statements contained herein speak only as of the date of this press release. The company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statement to reflect any change in the company's expectations or any change in events, conditions or circumstance on which any such statement is based.

For further information please contact:

Jan Callewaert, Founder & CEO

JP Ziegler, CFO

Gaston Geenslaan 14

B-3001 Leuven, Belgium

TEL: +32 (0) 16 31 74 11

FAX: +32 (0) 16 31 74 90

E-mail: investor@option.com

About Option

Option, the wireless technology company, is a leading innovator in the design, development and manufacture of 3G HSUPA, HSDPA, UMTS, EDGE, and WLAN technology products for wireless connectivity solutions. Option has built up an enviable reputation for creating exciting products that enhance the performance and functionality of wireless communications. Option's headquarters are in Belgium (Leuven). The company has Research & Development in Belgium (Leuven) and Germany (Düsseldorf and Adelsried), and an ISO 9001 production engineering and logistics facility in Ireland (Cork). Option also has offices in Europe, US, Asia, Japan and Australia. For more information please visit www.option.com.