

OPTION Q2, 2003 REVENUES EXCEED EURO 17 MILLION

First half revenue of EURO 28.1 Million already above full year 2002 sales figures

For immediate release

Leuven, Belgium - 05 AUGUST 2003 - Option N.V. (EURONEXT Brussels: OPTI, NASDAQ Europe: OPIN), the leading innovator in the wireless communications market, today reported results for its second quarter ended June 30, 2003. The results are reported in Euro and are prepared in accordance with United States generally accepted accounting principles (US GAAP).

The highlights of the quarter included:

- Revenue for the second quarter EUR 17.3 million was better than the company guidance of over EUR 14 million provided on June 17. Revenue for the second quarter of 2003 increased by 143% compared to EUR 7.1 million generated in the second quarter of 2002 and by 60% EUR 10.8 million generated in the first quarter of 2003.
- 91% of the Q2 revenues came from sales of the Globetrotter GPRS product line.
- The gross margin remained strong above 45 %.
- Operating results for the quarter showed a profit of EUR 2.6 million compared to a loss of EUR –2.7 million in the second quarter of 2002 and compared to a profit of EUR 0.7 million in the first quarter of 2003.
- The net profit for the quarter was EUR 1.5 million, representing an EPS of EUR 0.18 compared to a net loss EUR –2.2 million or EUR –0.29 per share during the second quarter of 2002 and compared to a net profit in the first quarter of 2003 of 0.3 million or an EPS of EUR 0.04.
- In the second quarter 2003 the Company generated a EUR 4 million positive cash flow from its operating activities compared to a EUR 1.9 million positive cash flow during the previous quarter and a EUR –2.5 million negative cash flow during the first half 2002.
- Revenue for the first half of 2003 EUR 28.1 million increased by 143% compared to EUR 11.6 million generated in the first half of 2002. The net profit for the first half of 2003 was EUR 1.9 million, representing an EPS of EUR 0.23 compared to a net loss EUR –3.6 million or an EPS of EUR –0.47.

In million of euros except for share and per share data	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q2/02</u>	<u>H103</u>
Revenues	17.3	10.8	7.1	28.1
Gross Profit	7.9	4.9	3.3	12.8
Operating Income (loss)	2.6	0.7	(2.7)	3.3
Net Income (loss)	1.5	0.3	(2.2)	1.9
Earnings (loss) per share (basic) Euro	0.18	0.04	(0.29)	0.23
No shares used for calculation	8,218,985	8,218,985	7,782,114	8,218,985

Commenting on the results, Mr Jan Callewaert, President and Chief Executive Officer said: "We are very pleased with the strong results of the second quarter during which we were able to achieve again a record sales of our flagship tri-band GSM/GPRS data Card, even bettering our own expectations. All key figures in our income statement –sales, gross margin, EBITDA, EBIT – are showing Option is executing extremely well, resulting in a substantial net result for the quarter.

Our tri-band GPRS data card is now available in over ten different flavors and is currently purchased by over twenty mobile phone operators in Europe and Asia Pacific, which are the basis for repeated sales orders. Our GPRS data card together with a specially developed dashboard software for constant and easy access to e-mail and the web and marketed heavily by Vodafone under the name of Vodafone Mobile Connect Card is seen as a successful initiative to stimulate the market for wireless access to critical business information.

We believe we are now in a position to market other technologies in our Globetrotter product line. With our capacity to innovate and the skill sets in house to execute on a reduced time-to-market for our customers we are convinced we are working with the key ingredients to sustained growth for our company.

In order to create more visibility and liquidity for our shareholders, we are pleased to mention that our Company is listed on the EURONEXT Brussels stock exchange as of August 5th 2003".

Financial Review

Income Statement

Revenues for the second quarter of 2003 reached EUR 17.3 million. This compares with the EUR 10.8 million generated in the previous quarter (+ 61%) and the EUR 7.1 million generated in the second quarter of 2002 (+143%). The revenues of the first half of 2003 were EUR 28.1 million, also an increase of 143% with the total revenues of the first half of 2002 (EUR 11.6 million) and bypassing the full 12 months revenues of 2002 of EUR 25.6 million.

Gross Profit

Compared to the first quarter of 2003 and the second quarter of 2002, the gross margin remained stable above 45%.

Operating expenses

The quarterly operating expenses, excluding depreciation charges were EUR 4.7 million, compared to EUR 5.4 million in the second quarter of 2002. In order to remain at the forefront of the wireless data communication technology 12% of the revenues were spend in R&D efforts that should result in the successful launch in the course of 2003 of new products and solutions in the area of WLAN and UMTS as requested by the wireless community. The operating expenses for the first half, excluding depreciation charges were EUR 8.3 million, compared to EUR 8.6 million in the first half of 2002.

Operating Results

The earnings before interests and taxes (EBIT) for the second quarter showed a profit of EUR 2.6 million, reflecting the completed turnaround since in the second quarter of 2002 the company posted a loss of EUR -2.7 million. On a quarter to quarter basis the operational profit of EUR 0.7 million in the first quarter of 2003 rose more than 3.5 times.

The operating results for the first six-month period showed a profit of EUR 3.3 million compared with a loss of EUR -4.6 million in the first half of last year.

Net Results

The net profit for the quarter amounts to EUR 1.5 million or EUR 0.18 per share, compared to a net profit for the previous quarter amounting EUR 0.3 million or EUR 0.04 per share and compared to a net loss of EUR - 2.2 million or EUR - 0.29 per share during the second quarter of 2002. At quarter-end the Company accrued EUR 0.2 million in relation to discontinued operations of its hardware R&D branch based in Cambridge (UK), where it started in December a restructuring procedure and specially in relation to the surrender of its real estate obligations since it appeared to be difficult to find new tenants for this building lease.

Based on the profitable results of the quarter the Company reduced its deferred tax asset by EUR 0.7 million.

For the first half, the Company posted a net income of EUR 1.9 million or EUR 0.23 per basic share. This compares with a net loss of EUR - 3.6 million or EUR - 0.47 per basic share for last year equivalent period.

Balance Sheet

Cash further increased from EUR 2.6 million in the fourth quarter of 2002 to EUR 7.2 million at the end of the second quarter 2003.

Accounts Receivable has increased from EUR 5.0 million at the end of the fourth quarter 2002 to EUR 7.0 million at the end of the second quarter 2003.

Other receivables remained stable at EUR 1.3 million.

During the first half of 2003, inventories decreased with 0.3 to EUR 2.3 million.

Due to the positive results, the deferred tax assets decreased from EUR 9.2 million at the end of 2002 to EUR 8.4 million at quarter-end. The company accounts for income taxes in accordance with SFAS No 109, "Accounting for Income Taxes" which requires the use of the liability method of accounting for deferred income taxes.

Fixed assets were EUR 4.5 million as at June 30th, 2003, equal to their net book value at year-end 2002.

Total current liabilities increased during the second quarter to EUR 21.2 million at quarter-end compared to a level of EUR 11 million at year-end 2002. This increase is mainly due to the reclassification of the subordinated convertible debt of EUR 6.3 million underwritten to the main shareholders and due, as per contract, end of January 2004. The conversion price of the bonds was fixed at 5.9 USD. The company continues to have a bank debt free balance.

Provision for risk and charges decreased from EUR 0.6 million at the end of last year to EUR 0.3 million at the end of the second quarter of 2003. The decrease of EUR 0.3 million is due to severance payments in the first six months of 2003 impacting the exceptional accrual in relation to the discontinued operations of the Cambridge based R&D branch set up at the end of 2002.

On total assets of EUR 30.7 million the semi-equity, being the total equity with the subordinated long-term debt, amounted to EUR 15.5 million, which gives the company at the end of the first half a solvency ratio of more than 50%.

In the second quarter 2003 the Company generated a EUR 4 million positive cash flow from its operating activities compared to a EUR 1.9 million positive cash flow during the previous quarter and a EUR -2.5 million negative cash flow during the first half 2002. The total net cash flow of the first half was EUR 4.6 million positive.

Earnings per basic share for the second quarter 2003 were EUR 0.18 or USD 0.21 compared with the negative result per share in the second quarter 2002 of EUR - 0.29 or USD - 0.29. For the first six months of the year the earnings per basic share were EUR 0.23 or USD 0.26 compared with the negative result per share in the first half 2002 of EUR - 0.47 or USD - 0.47.

Frederic Convent, Option's CFO and General Counsel concluded: "On top of Option's robust sales' growth and its operational profitability of 15%, the growing interest of the international investment community will sustain the start of our listing on the first market of Euronext Brussel. Furthermore, it is Option's ambition to be included in sector indices such as the Next Economy index as from September 2003".

EURONEXT, the European exchange created by the merger between Amsterdam Exchanges (AEX) Brussels Exchanges (BXS) and ParisBourse, will provide Option' shares with a higher visibility to the investor community. Frederic Convent added "A harmless transfer of our stock-listing to EURONEXT, the second highest market capitalization in Europe, will further enhance both liquidity and Option's profile in countries where the company already benefits from a significant commercial presence."

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. 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.

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OPTION N.V.
US GAAP Consolidated Balance Sheet at June 30, 2003 and December 31, 2002

In 000 EUR	June 30, 2003 000 EUR	December 31, 2002 000 EUR
	LIMITED REVIEW	LIMITED REVIEW
Assets		
Cash & Cash Equivalents	7,180.8	2,558.6
Accounts receivable	6,963.6	4,994.2
Other receivables	1,343.4	1,316.2
Inventories	2,332.2	2,601.3
Total current assets	17,820.0	11,470.3
Deferred taxes	8,414.4	9,214.4
Property & equipment	2,343.0	2,750.3
Intangible assets	2,141.7	1,774.7
Total fixed assets	4,484.7	4,525.0
Total Assets	30,719.1	25,209.7
Liabilities & shareholders' equity		
Accounts payable	9,794.7	7,400.8
Salaries and payroll related liabilities	1,233.1	1,946.0
Short-term debt	0.0	11.8
Subordinated short-term debt	6,330.8	0.0
Accrued expenses & Deferred Income	3,885.4	1,617.0
Total current liabilities	21,244.0	10,975.6
Subordinated long-term debt	0.0	6,330.9
Provision for Risk & Charges	346.7	634.5
Common Stock (no par value)	4,848.7	4,848.7
Share premium	29,478.9	29,478.9
Translation and exchange rate differences	-0.7	0.0
Retained earnings	-25,198.5	-27,058.9
Total Equity	9,128.4	7,268.7
Total liabilities + Equity	30,719.1	25,209.7

OPTION N.V.
**USGAAP Consolidated Income Statement for Q2/2003 and Q2/2002 and for the period
ending June 30, 2003 and June 30,2002**

In 000 EUR	Q2/2003 000 EUR	Q2/2002 000 EUR	June 30,2003 000 EUR	June 30, 2002 000 EUR
	LIMITED REVIEW	LIMITED REVIEW	LIMITED REVIEW	LIMITED REVIEW
Net Sales	17,325.9	7,140.2	28,099.2	11,576.0
Cost of sales	-9,408.8	-3,805.4	-15,325.2	-6,213.0
Gross Profit	7,917.1	3,334.8	12,774.0	5,363.0
Gross Margin %	45.7%	46.7%	45.5%	46.3%
Research & Development	-2,038.6	-1,789.5	-3,664.1	-3,714.6
Sales & Marketing	-1,612.6	-2,281.1	-2,660.3	-2,649.5
General & Administrative	-1,096.3	-1,307.9	-1,939.5	-2,214.0
EBITDA	3,169.6	-2,043.6	4,510.1	-3,215.2
EBITDA / Turnover %	18.3%	-28.6%	16.1%	-27.8%
Depreciation Expenses	-553.3	-656.4	-1,164.3	-1,398.6
Income/(Loss) from Operations	2,616.3	-2,700.0	3,345.8	-4,613.8
Oper Profit / Turnover %	15.1%	-37.8%	11.9%	-39.9%
Exchange gain/(Loss)	22.3	-80.6	74.1	-1.6
Extraordinary Item	-223.6	0.0	-223.4	0.0
Finance Income/(Expense)	-247.4	-197.5	-527.5	-191.2
Income/Loss before Taxes	2,167.6	-2,978.1	2,669.0	-4,806.6
Income tax	-655.3	741.9	-809.2	1,212.4
Net Result	1,512.3	-2,236.2	1,859.8	-3,594.2
Average # Shares Outstanding	8,218,985	7,782,114	8,218,985	7,695,222
Average # diluted Shares Outstanding	9,387,014	9,434,403	9,387,014	9,347,511
Net Result per Share in EUR	0.18	-0.29	0.23	-0.47
Net Result per diluted Share in EUR	0.16	-0.24	0.20	-0.38

Net Result per Share in USD	0.21	-0.29	0.26	-0,47
Net Result per diluted Share in USD	0.18	-0.24	0.23	-0.38
USD:EUR rate per June 30, 2002: 0.9964				
USD:EUR rate per June 30, 2003: 1,1436				

OPTION N.V.
USGAAP Consolidated Statement of Cash Flow at June 30, 2003
and June 30, 2002

In 000 EUR	June 30, 2003 000 EUR	June 30, 2002 000 EUR
Cash Flows from Operating Activities	LIMITED REVIEW	LIMITED REVIEW
Net earnings (A)	1,859.8	-3,594.2
Non Cash adjustments		
Depreciation & amort.	1,348.7	1,632.0
Translation differences	-0.1	-0.2
Deferred taxes	800.0	-1,217.5
Other non-cash adjustm.	689.6	974.8
Total non cash adjustments (B)	2,838.2	1,389.1
Change in assets and liabilities		
Accounts receivable	-2,786.9	521.8
Inventories	269.2	1,478.7
Restricted Assets	0.0	-503.6
Other assets	-27.2	-862.3
Accounts payable	2,393.8	-898.7
Sal. and payroll rel. liabil.	-712.8	523.8
Provision for Risk & charges	-160.1	-1,360.7
Accrued expenses & Deferred Income	2,268.4	834.2
Total change in assets & liabilities (C)	1,244.4	-266.8
Cash Flows from Operating Activities	5,942.4	-2,471.9
Cash Flows from Investing Activities		
Intangible fixed assets	-882.5	-910.1
Purchases of plant equipment	-425.9	-759.3
Total cash flow from investing activities (D)	-1,308.4	-1,669.4
Cash Flows from Financing Activities		
Repayments from long and short term debt	-11.8	-133.8
Capital Increase /IPO	0.0	2,106.5
Net cash provided by financing activities (E)	-11.8	1,972.7

Net Cash Flow (A)+(B)+(C)+(D)+(E)	4,622.2	-2,168.6
Net Increase / Decrease in Cash and Cash Equivalents		
Cash at beginning of period	2,558.6	4,609.9
Cash at end of period	7,180.8	2,441.3
Difference	4,622.2	-2,168.6

Company Profile : Option N.V.

August 5, 2003

Actual Market Capitalization: USD 37.8 million

Share Price: USD 4.6 (Mid Price August 01, 2003)

Nasdaq Europe Market Makers: Fortis Bank NV, KBC Securities NV

About Option - "Wireless Technology"- NASDAQ Europe: OPIN

Option is the leading innovator in wireless communications. The company specializes in the design, development and manufacture of GSM, GPRS, WLAN, and 3G UMTS technology products for wireless connectivity solutions. Option has built up an enviable reputation for creating exciting new products that enhance the performance and functionality of wireless communications. Option's headquarters are in Leuven, Belgium. The company has a Research & Development centre in Leuven, a Software and Applications development centre in Adelsried (Germany) and an ISO9002 production engineering and logistics facility in Cork, Ireland.

More information can be found at www.option.com