

Release no. 09/2011



COLUMBUS IT

Interim Report

H1 / 2011

The Interim Report has not been audited

PROFILE:

Columbus IT operates as an IT consultancy firm in the market for integrated business solutions based on Microsoft Business Solutions which is primarily for medium-sized international companies. Columbus IT is a service organization with a headcount of 1,000. Our customer base consists of more than 5,000 small and medium-sized enterprises and units of large companies.

www.columbusit.com.

Interim Report

CEO, Thomas Honoré: *"Columbus IT realized an increase in revenues of 3% compared to H1 last year, which is in line with expectations. EBITDA is not in line with expectations, especially due to a disappointing development in the French subsidiary, as the restructuring takes longer than expected. EBITDA was also negatively affected by the development in the American, Polish and Dutch companies as well as in the Danish NSC company. This has resulted in an adjustment of the expected EBITDA for 2011. The Russian, Norwegian, British and Baltic companies are experiencing a positive development. EBITDA for the Group amounted to DKK 8.2M. Columbus IT continues investing in the vertical strategy with focus on food, manufacturing and retail and is following the announced plan. The management has initiated a number of projects with the objective to increase earnings in the consultancy as well as the software business. Combined with the existing strategy, we believe that Columbus IT is on course".*

- Revenues for H1/2011 totaled DKK 455.4M (DKK 441.8M in H1/2010), corresponding to an increase of 3%.
- Earnings before depreciation (EBITDA) for H1/2011 totaled DKK 8.2M (DKK 16.1M in H1/2010), corresponding to a decrease of 49% compared to H1/2010. The result is not in line with the management's expectations.
- Revenues in the ISV segment totaled DKK 19.3M in H1/2011 (DKK 16.7M in H1/2010), corresponding to an increase of 16% compared to H1/2010. EBITDA for the period totaled DKK 4.8M (DKK 7.7M in H1/2010), corresponding to a decrease of 38% compared to 2010. EBITDA decreased despite the increase in revenues due to a changed product mix with lower margin. Furthermore, costs increased.
- Revenues in the *Nordic* region amounted to DKK 195.2M in H1/2011 (DKK 204.7M in H1/2010), corresponding to a decrease of 5% compared to H1/2010. EBITDA for the period totaled DKK 14.2M (DKK 15.7M in H1/2010), corresponding to a decrease of 10% compared to 2010. The decrease is mainly caused by declining market share in the Danish NAV business, which is, however, to some extent compensated for by the progress in the Norwegian company.
- Revenues in *Western Europe* amounted to DKK 89.1M in H1/2011 (DKK 80.7M in H1/2010), corresponding to an increase of 10% compared to H1/2010. All Western European companies, except the French company experience growth. EBITDA for the period totaled DKK 6.0M (DKK 2.1M in H1/2010), corresponding to an increase of 286% compared to 2010. All countries generated increased EBITDA, and the main reason for this increase is progress in the British subsidiary as well as reduced loss in the French subsidiary.
- Revenues in *Eastern Europe* amounted to DKK 90.4M in H1/2011 (DKK 80.8M in H1/2010), corresponding to an increase of 12% compared to H1/2010. EBITDA for the period totaled DKK 4.9M (DKK 1.2 in H1/2010), corresponding to an increase of 308% compared to 2010. The increase is mainly caused by a positive EBITDA in the Lithuanian company which had a significant loss in H1/2010. The Russian company also contributes considerably to the improved earnings.
- Revenues in *North America* amounted to DKK 61.2M in H1/2011 (DKK 57.7M in H1/2010), corresponding to an increase of 6% compared to H1/2010. EBITDA for the period totaled DKK 2.5M (DKK 5.7M in H1/2010), corresponding to a decrease of 56% compared to 2010. The decrease in EBITDA despite increased revenues is caused by new hired employees, increased marketing costs and an increase in provision for bad debt.
- As at 30 June 2011, total equity amounted to DKK 282.7M (DKK 245.5M as at 30 June 2010), resulting in a solvency ratio of 55% (46% in 2010). The increase is influenced by the capital increase in July 2010.
- Based on the realized EBITDA for H1 as well as the market expectations, the management of the company has reassessed the previously announced expectations of an EBITDA in the level of DKK

55M, to an EBITDA in the level of DKK 40M, while the expectations to revenues is being maintained in the level of DKK 930M.

Ib Kunøe
Chairman
Columbus IT Partner A/S

Thomas Honoré
CEO
Columbus IT Partner A/S

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Translation: In the event of any inconsistency between this document and the Danish language version, the Danish language version shall be the governing version.

Key Figures and Ratios

DKKm	H1 2011	H1 2010	2010
Income statement			
Net revenues	455.4	441.8	867.4
External project costs	-121.4	-124.2	-235.3
Gross earnings H1	334.0	317.6	632.1
Staff expenses	-248.8	-231.2	-451.4
Other external costs	-76.9	-68.4	-132.2
Other operating income	1.0	1.1	2.8
Other operating costs	-1.1	-3.0	-1.1
EBITDA	8.2	16.1	50.1
Depreciation excl. goodwill	-13.0	-9.5	-22.7
EBITA	-4.8	6.6	27.4
Amortization and write down of goodwill	0.0	0.0	0.0
EBIT	-4.8	6.6	27.4
Result in associated companies	0.4	-0.9	-0.2
Net financial items	-2.2	1.4	-1.0
Pre-tax earnings	-6.4	7.1	26.2
Tax on H1 earnings	-1.7	-1.8	-12.6
Earnings H1	-8.2	5.4	13.6
Allocated thus:			
Shareholders of Columbus IT Partner A/S	-9.1	4.2	11.4
Minority interests	0.9	1.2	2.2
	-8.2	5.4	13.6
Balance sheet			
Long-term assets	236.9	251.6	239.3
Short-term assets	277.8	285.7	296.2
Total assets	514.7	537.4	535.5
Group shareholders' equity	275.5	233.7	287.8
Minority interests	7.1	11.7	12.2
Debt	231.9	291.9	235.5
Total liabilities	514.7	537.4	535.5
Cash flow			
Cash flow from operations	-5.1	6.4	9.6
Net cash flow from investments	-4.1	-2.1	-3.0
Cash flow from financing activities	-2.0	-9.8	-7.7
Total cash flow	-11.3	-5.5	-1.1
Key ratios			
Gross margin II	1.8%	3.7%	5.8%
Operating profit margin (EBIT margin)	-1.0%	1.5%	3.2%
Equity ratio	53.5%	43.5%	53.8%
Return on equity	-3.3%	1.8%	4.0%
Average number of shares, in thousands	105,739	79,305	92,385
Net asset value per share (BV)	2.61	2.95	2.72
Earnings per share (EPS)	-0.08	0.07	0.12
Cash flow per share	-0.07	0.08	0.10
Share price, end of period	2.27	2.58	2.46
Headcount at the end of the period	938	884	883

The key figures and ratios have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Key Figures 2010".

Developments in H1/2011

Columbus IT's net revenues amounted to DKK 455.4M in H1/2011 (DKK 441.8M in H1/2010), corresponding to an increase of 3%. Adjusted for foreign currency translation revenues have increased by 1%.

The Group's revenues primarily derive from sale of consultancy services, sale of software and maintenance subscriptions to Microsoft's business systems as well as sale of own software and subscriptions related to these.

Revenues Group	H1 2011 DKKm	H1 2010 DKKm	Development 2010-2011
Software	78.8	76.2	3%
Maintenance	81.2	93.6	-13%
Consultancy	286.9	264.0	9%
Other	8.5	8.0	6%
Total	455.4	441.8	3%

Revenues from sale of software licenses increased to DKK 78.8M in H1/2011 (DKK 76.2M in H1/2010), corresponding to an increase of 3%.

Revenues from sale of maintenance subscriptions decreased to DKK 81.2M in H1/2011 (DKK 93.6M in H1/2010), corresponding to a decrease of 13%. The decrease in maintenance subscriptions is caused by a global subscription campaign launched by Microsoft in 2010 towards all existing customers. Besides, the possibility for 3-year subscriptions was launched in 2010.

Revenues from sale of consultancy services increased to DKK 286.9M in H1/2011 (DKK 264.0M in H1/2010), corresponding to an increase of 9%. The development in revenues from sale of consultancy services must be seen in relation to the Group's average number of employees which increased marginally by 1%. The improvement is caused by improved efficiency compared to 2010.

Staff costs increased to DKK 248.8M in H1/2011 (DKK 231.2M in H1/2010), corresponding to an increase of 8%. Adjusted for foreign currency translation staff costs increased by 4%. The increase in staff costs is influenced by a general staff increase in high-paid countries and some decline in low-paid countries, provisions for severance pay and increase in holiday pay obligations.

Other external costs increased to DKK 76.9M in H1/2011 (DKK 68.4M in H1/2010), corresponding to an increase of 12%. Adjusted for foreign currency translation other external costs increased by 10%. This increase is primarily caused by costs related to previously announced strategic projects, which are necessary for the continued focus on development of verticals and improvement of efficiency.

Group	Revenues (DKKm)		EBITDA (DKKm)		Headcount (as at 30 June)		
	H1 2011	H1 2010	H1 2011	H1 2010	H1 2011	H1 2010	
ISV	19.3	16.7	4.8	7.7	49	47	
VAR	Nordic region	195.2	204.7	14.2	15.7	289	305
	Western Europe	89.1	80.7	6.0	2.1	166	147
	Eastern Europe	90.4	80.8	4.9	1.2	325	298
	North America	61.2	57.7	2.5	5.7	90	75
Parent company	0.1	1.2	-24.0	-16.3	18	12	
Total	455.4	441.8	8.2	16.1	938	884	

The Group's EBITDA decreased to DKK 8.2M in H1/2011 (DKK 16.1M in H1/2010), corresponding to a decrease of 49%. Adjusted for foreign currency translation EBITDA decreased by 48%. The development is negatively influenced by the previously announced investments in projects, lack of sales in the Danish NAV activities as well as a more complicated restructuring in France than expected, while the US subsidiary experienced less sales and increased bad debts. In Poland both revenues and EBITDA are negatively influenced by tough pressure on prices. The British, Russian, Estonian and Lithuanian companies contributed with a substantial positive development.

The Group's total balance sheet as at 30 June 2011 amounted to DKK 514.7M (DKK 537.4M as at 30 June 2010), corresponding to a decrease of 4%.

As at 30 June 2011 the Group's development projects amounted to DKK 45.5M (DKK 47.4M as at 30 June 2010), corresponding to a decrease of 4%.

As at 30 June 2011 the Group's trade receivables amounted to DKK 168.9M (DKK 166.6M as at 30 June 2010), corresponding to an increase of 1%. This increase must be seen in relation to a total increase in revenues compared to 2010 of 3% as well as a continued increased focus on reducing trade receivables.

As at 30 June 2011 the Group's contract work in progress amounted to DKK 22.7M (DKK 24.0M as at 30 June 2010), corresponding to a decrease of 5%. This is a positive development as a result of constant focus on current invoicing.

The total equity as at 30 June 2011 amounted to DKK 282.7M (DKK 245.5M as at 30 June 2010), corresponding to an increase of 15%. The solvency ratio increased to 54% (44% as at 30 June 2010). The increase is influenced by a capital increase of DKK 47.4M in July 2010.

Cash flow from the Group's operating activities amounted to DKK -5.1M in H1/2011 (DKK 6.4M in H1/2010). The cash flow is especially influenced by the considerably lower EBITDA, just as the net working capital of the company decreased from a positive contribution of DKK 1.5M in H1/2010 to DKK -4.2M in H1/2011.

In this interim report tax has been recognized as DKK 1.7M as a consequence of positive taxable income in primarily Norway and UK. In France where we are still generating a loss, losses have not been capitalized due to the uncertainty about the future utilization.

Segment developments

ISV - To-Increase Revenues	H1 2011 DKKm	H1 2010 DKKm	Development 2010-2011
Software	9.4	6.9	36%
Maintenance	6.6	5.4	22%
Consultancy	3.2	4.5	-30%
Other	0.2	-0.1	290%
Total	19.3	16.7	16%

Revenues in the Group's software company, To-Increase, increased to DKK 19.3M in H1/2011 (DKK 16.7M in H1/2010), corresponding to an increase of 16%.

EBITDA in To-Increase decreased to DKK 4.8M in H1/2011 (DKK 7.7M in H1/2010), corresponding to a decrease of 38%. EBITDA decreased despite the increase in revenues due to a changed product mix with lower margin. Besides, costs increased.

The company accounted for 4% of the Group's total revenues in H1/2011 (4% in H1/2010).

VAR – Nordic region	H1	H1	Development
Revenues	2011	2010	2010-2011
	DKKkm	DKKkm	
Software	16.4	19.3	-15%
Maintenance	27.1	36.3	-26%
Consultancy	149.4	147.2	2%
Other	2.3	1.8	28%
Total	195.2	204.7	-5%

Revenues for the Nordic region decreased to DKK 195.2M in H1/2011 (DKK 204.7M in H1/2010), corresponding to a decrease of 5%.

The decrease in revenues is primarily caused by a total decrease of 10% in the Group's Danish companies, corresponding to DKK 15.9M.

Revenues in the Group's Norwegian company increased to DKK 56.6M in H1/2011 (DKK 50.2M in H1/2010), corresponding to an increase of 13%. Adjusted for foreign currency translation growth in revenues in the Norwegian subsidiary is 10%.

The region accounted for 43% of the Group's total revenues in H1/2011 (46% in H1/2010).

EBITDA for the region decreased to DKK 14.2M in H1/2011 (DKK 15.7M in H1/2010), corresponding to a decrease of 10%. The decrease is mainly caused by the divestment of the NAV activities in an independent company, which has not lead to the expected growth in revenues and earnings.

VAR – Western Europe	H1	H1	Development
Revenues	2011	2010	2010-2011
	DKKkm	DKKkm	
Software	17.6	18.7	-6%
Maintenance	15.4	17.9	-14%
Consultancy	54.4	42.1	29%
Other	1.7	1.9	-8%
Total	89.1	80.7	10%

In Western Europe revenues increased to DKK 89.1M in H1/2011 (DKK 80.7M in H1/2010), corresponding to an increase of 10%.

Revenues in the British subsidiary increased to DKK 41.7M in H1/2011 (DKK 37.2M in H1/2010), corresponding to an increase of 12%. Adjusted for foreign currency translation, revenues in the company increased by 13%.

Revenues in the Dutch subsidiary increased to DKK 14.5M in H1/2011 (DKK 10.9M in H1/2010), corresponding to an increase of 33%.

Likewise, revenues in the Spanish subsidiary increased to DKK 10.2M in H1/2011 (DKK 8.8M in H1/2010), corresponding to an increase of 16%.

The region accounted for 20% of the Group's total revenues in H1/2011 (18.3% in H1/2010).

EBITDA for the region increased to DKK 6.0M in H1/2011 (DKK 2.1M in H1/2010), corresponding to an increase of 286%.

EBITDA in the British subsidiary increased to DKK 7.9M in H1/2011 (DKK 7.0M in H1/2010), corresponding to an increase of 13%. Adjusted for foreign currency translation EBITDA in the British subsidiary increased by 15%.

EBITDA in the Spanish subsidiary increased to DKK 1.0M in H1/2011 (DKK 0.4M in H1/2010). The Spanish market is still difficult due to uncertainty about market conditions and financing.

EBITDA in the French subsidiary increased to DKK -2.8M in H1/2011 (DKK -4.8M in H1/2010), corresponding to an increase of 42%. As expected the restructuring process in the French subsidiary has required considerable resources. Despite the improvement, the restructuring process has taken longer than expected. The management will continuously evaluate the possibilities in the French market.

VAR – Eastern Europe Revenues	H1 2011 DKKm	H1 2010 DKKm	Development 2010-2011
Software	23.7	20.3	17%
Maintenance	17.2	17.4	-1%
Consultancy	47.6	41.8	14%
Other	1.9	1.4	36%
Total	90.4	80.8	12%

Revenues in Eastern Europe increased to DKK 90.4M in H1/2011 (DKK 80.8M in H1/2010), corresponding to an increase of 12%.

The Russian subsidiary is the primary reason for the region's increase in revenues. Revenues in the Russian subsidiary increased to DKK 52.3M in H1/2011 (DKK 41.7M in H1/2010), corresponding to an increase of 25.4%. Adjusted for foreign currency translation, revenues in the subsidiary increased by 28%.

Revenues in the Baltic countries amounted to DKK 29.4M in H1/2011 (DKK 29.5M in H1/2010) and are in line with last year.

Revenues in the Polish subsidiary decreased to DKK 8.7M in H1/2011 (DKK 9.6M in H1/2010), corresponding to a decrease of 9%. The Polish market is influenced by pressure on prices.

The region accounted for 20% of the Group's total revenues in H1/2011 (18.3% in H1/2010).

The region's EBITDA increased to DKK 4.9M in H1/2011 (DKK 1.2M in H1/2010), corresponding to an increase of 308%.

EBITDA in the Russian subsidiary increased to DKK 3.4M in H1/2011 (DKK 1.9M in H1/2010), corresponding to an increase of 75%. Adjusted for foreign currency translation EBITDA in the Russian subsidiary increased by 82%.

EBITDA in the Baltic countries was improved considerably in H1/2011 compared to last year, and amounted to DKK 2.0M (DKK -1.2M in H1/2010). The development in EBITDA of the Baltic countries is mainly caused by the Estonian subsidiary, where customers' need for assistance after the conversion to EUR as at 31 December 2010 has increased the billing rate considerably. In the Lithuanian subsidiary the negative development from 2010 has been brought under control.

EBITDA in the Polish subsidiary decreased to DKK -0.5M in H1/2011 (DKK 0.5M in H1/2010). The decrease is mainly caused by lacking revenues.

VAR – North America Revenues	H1 2011 DKKm	H1 2010 DKKm	Development 2010-2011
Software	11.8	10.9	8%
Maintenance	14.9	15.4	-4%
Consultancy	32.3	29.9	8%
Other	2.3	1.6	44%
Total	61.2	57.7	6%

In North America revenues increased to DKK 61.2M in H1/2011 (DKK 57.7M in H1/2010), corresponding to an increase of 6%. Adjusted for foreign currency translation revenues in the region increased by 13%.

EBITDA in the region decreased to DKK 2.5M in H1/2011 (DKK 5.7M in H1/2010), corresponding to a decrease of 56%. Adjusted for foreign currency translation EBITDA in the region decreased by 44%.

Liquidity status

Columbus IT held cash funds of DKK 54.6M as at 30 June 2011 (DKK 65.8M as at 30 June 2010). The cash funds are mainly placed in a number of foreign subsidiaries. Compared to last year the Group's short-term debt to credit institutions has been reduced considerably to DKK 17.7M as at 30 June 2011 (DKK 53.9M as at 30 June 2010), primarily due to the received net proceeds from the capital increase performed in H2/2010. The liquidity resources of the Group are in the level of DKK 140M with the existing credit facilities.

Uncertainty factors and significant risks

Determining the carrying amount of some assets and liabilities requires judgments, estimates and assumptions concerning future events. The judgments, estimates and assumptions made are based on historical experience and other factors, which management assesses to be liable, but which by their nature are associated with uncertainty and unpredictability. The assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to new information or subsequent events.

Estimates which are of material importance to the presentation of the accounts, are among other things applied to statement of impairment, goodwill and other long term assets as well as trade receivables, selling price of contract work in progress, valuation of deferred tax assets, deferred debt and contingent liabilities and assets, cf. detailed description in the Annual Report 2010.

The Company is also subject to risks and uncertainties which may lead to actual results differing from these estimates. Columbus IT's business risks are unchanged compared to the risks described in the Annual Report 2010.

Significant events after balance date

There have been no events since 30 June 2011 which could significantly affect the evaluation of the Group's financial position and revenues.

Management Report

We have today considered and approved the interim financial report for the period 1 January 2011 – 30 June 2011 for Columbus IT Partner A/S.

The interim financial report has been prepared in accordance with IAS 34 and additional Danish interim reporting requirements for listed companies. The interim financial report is unaudited and has not been reviewed by the Company's auditor.

We consider the accounting policies applied to be appropriate to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2011, and of the results of the Group's operations and cash flows during the first half year of 2011.

We consider the management report to give a true and fair view of the development in the Group's business activities and financial situation, the financial result for the period and the Group's financial position as a whole together with a true and fair description of the significant risks and uncertainty factors which the Group faces.

Ballerup, 18 August 2011

Executive Board



Thomas Honoré
CEO

Board of Directors



Ib Kunøe
Chairman



Jørgen Cadovius
Deputy Chairman



Claus Hougesen



Sven Madsen



Ulla Krossteig

Total Income Statement

DKK '000	H1 2011	H1 2010	2010
Net revenue	455,387	441,832	867,362
External project costs	-121,397	-124,191	-235,260
Gross earnings	333,990	317,641	632,102
Staff expenses	-248,778	-231,187	-451,385
Other external costs	-76,892	-68,388	-132,245
Other operating income	1,019	1,061	2,761
Other operating expense	-1,122	-2,985	-1,113
Earnings before depreciation (EBITDA)	8,218	16,143	50,120
Depreciation	-12,980	-9,498	-22,689
Earnings before write down of goodwill (EBITA)	-4,762	6,645	27,431
Write down of goodwill	0	0	0
Operating profit (EBIT)	-4,762	6,645	27,431
Results in associated companies	413	-932	-241
Financial income	4,480	6,628	9,961
Financial expense	-6,575	-5,217	-10,968
Pre-tax earnings	-6,444	7,123	26,184
Tax on the result of the period	-1,735	-1,760	-12,591
Result for the period	-8,179	5,363	13,593
Foreign exchange rate translation re. subsidiaries	-3,211	7,917	7,187
Other total income	-3,211	7,917	7,187
Total recognized income for the period	-11,390	13,280	20,780
Allocation of the result of the period:			
Shareholders of Columbus IT Partner A/S	-9,104	4,213	11,381
Minority interests	925	1,150	2,212
	-8,179	5,363	13,593
Allocation of other total income:			
Shareholders of Columbus IT Partner A/S	-12,378	7,383	18,080
Minority interests	988	534	2,700
	-11,390	7,917	20,780
Earnings per share (EPS) of DKK 1.25	-0.08	0.05	0.12
Earnings per share, diluted (EPS-D) of DKK 1.25	-0.08	0.07	0.12

Assets

DKK '000	H1 2011	H1 2010	2010
Goodwill	155,744	157,908	157,312
Royalties	1,998	4,153	3,285
Development projects finalized	40,852	43,334	44,915
Development projects in progress	4,662	4,038	1,785
Total intangible assets	203,257	209,433	207,298
Leasehold improvement	192	403	297
Plant and operating equipment	7,904	8,468	7,016
Total tangible assets	8,096	8,872	7,313
Holdings in associated companies	1,565	423	1,152
Financial assets	1,565	423	1,152
Deferred tax assets	23,988	32,912	23,552
Total long-term assets	236,905	251,641	239,315
Inventories	641	1,185	913
Trade receivable	168,919	166,577	173,790
Contract work in progress	22,733	24,035	21,356
Corporation tax	7,140	1,228	9,246
Other receivables	14,783	14,944	13,278
Accruals	8,903	11,918	9,155
Total receivables	224,212	218,702	226,825
Cash	54,639	65,838	68,447
Total short-term assets	277,757	285,725	296,184
Total assets	514,662	537,366	535,500

Liabilities

DKK '000	H1 2011	H1 2010	2010
Equity			
Share capital	132,174	99,131	132,174
Reserves on foreign currency translation	-10,733	-6,519	-7,458
Retained profit	154,105	141,096	163,131
Parent Company shareholders' equity	275,546	233,708	287,847
Minority interests' equity	7,185	11,743	12,176
Total equity	282,732	245,451	300,023
Deferred tax	433	836	439
Credit institutions	0	1,849	0
Financial leasing obligations	47	0	110
Other debt	1,270	1,299	1,270
Total long-term debt	1,750	3,984	1,819
Credit institutions	17,670	53,886	11,855
Financial leasing obligations	1,436	4,992	4,026
Client prepayments	22,669	26,103	24,467
Trade accounts payable	53,678	69,402	63,782
Corporation tax	14,102	1,680	12,830
Other debt	116,869	123,295	110,942
Accruals	3,757	8,573	5,755
Total short-term debt	230,181	287,930	233,657
Total debt	231,930	291,915	235,477
Total liabilities	514,662	537,366	535,500

Consolidated Statement of Changes in Equity

DKK '000					
	Share capital	Reserves on foreign currency translation	Retained profit	Minority interest	Equity
H1/2011					
Balance at 1 January 2011	132,174	-7,458	163,131	12,176	300,023
Result for the period	0	0	-9,104	952	-8,179
Other total income (foreign exchange rate adjustment – foreign companies)	0	-3,274	0	62	-3,212
Total recognized income for the period	0	-3,274	-9,104	988	-11,391
Incentive scheme	0	0	79	0	79
Disposal of minority interests	0	0	0	-768	-768
Payment of dividends	0	0	0	-5,210	-5,210
Balance at 30 June 2011	132,174	-10,733	154,105	7,185	282,732
H1/2010					
Balance at 1 January 2010	99,131	-14,157	137,140	10,060	232,173
Result for the period	0	0	4,213	1,150	5,363
Other total income (foreign exchange rate adjustment – foreign companies)	0	7,383	0	534	7,918
Total recognized income for the period	0	7,383	4,213	1,684	13,280
Incentive scheme	0	0	0	0	0
Disposal of minority interests	0	0	0	0	0
Payment of dividends	0	0	0	0	0
Balance at 30 June 2010	99,131	-6,774	141,353	11,744	245,451
2010					
Balance at 1 January 2010	99,131	-14,157	137,140	10,060	232,173
Result for the period	0	0	11,381	2,212	13,593
Other total income (foreign exchange rate adjustment – foreign companies)	0	6,699	0	488	7,187
Total recognized income for the period	0	6,699	11,381	2,700	20,780
Capital increase	33,043	0	17,183	0	50,226
Costs related to capital increase	0	0	-2,807	0	-2,807
Incentive scheme	0	0	234	0	234
Payment of dividends	0	0	0	-584	-584
Balance at 31 December 2010	132,174	-7,458	163,131	12,176	300,023

Consolidated Cash Flow Statement

DKK '000	H1 2011	H1 2010	2010
Result for the period (EBIT)	-4,762	6,645	27,431
Depreciations and write downs	12,980	9,498	22,689
Transferred share based payment	79	0	234
Net adjustments of development projects	-8,366	-9,214	-18,488
Changes in working capital	-4,177	1,522	-22,456
Cash flow from primary activities	-4,246	8,450	9,410
Interest received, etc.	4,195	278	9,961
Interest paid, etc.	-6,290	-1,375	-10,968
Corporation tax paid	1201	-922	1,231
Cash flow from operating activities	-5,140	6,431	9,634
Acquisition of tangible assets	-3,010	-1,877	-2,876
Acquisition of intangible assets	-340	-121	-112
Disposal of tangible assets	35	32	104
Acquisition of minority interests	-768	0	0
Acquisition of associated companies	0	-123	-160
Cash flow from investing activities	-4,083	-2,089	-3,044
Proceeds from capital increase	0	0	47,419
Overdraft facilities	3,162	-9,809	-54,544
Dividends paid to minority shareholders	-5,210	0	-584
Cash flow from financing activities	-2,048	-9,809	-7,709
Cash flow	-11,271	-5,467	-1,118
Cash funds at the beginning of the year	68,447	66,346	66,346
Exchange rate adjustments	-2,542	4,959	3,218
Cash funds at the end of the period	54,639	65,838	68,447

Note 1: Accounting policies

The consolidated interim financial report is prepared in accordance with IAS 34, Presentation of Interim Financial Reporting, as approved by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies. No interim report has been prepared for the Parent Company. The interim financial report is presented in Danish kroner (DKK), which is the Parent Company's functional currency.

The accounting policies applied in the interim financial report are prepared in accordance with International Financial Reporting Standards, as approved by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies. For more information on the accounting policies, we refer to our Annual Report for 2010.

Note 2: Segment data

The Group presents segment data according to IFRS 8, Operating Segments.

In order to support decisions about allocation of resources and assessment of performance of the segments, the Group's internal reporting to the Board of Directors of the parent company is based on the following grouping of operating segments:

Strategic business areas	Description	Geographical segment
ISV (Independent Software Vendor)	Development and sale of own ERP software products to resellers and strategic partners	No specific area
VAR (Value Added Resellers)	Sale and implementation of standard ERP software products to end users	The Nordic region Western Europe Eastern Europe North America

H1/2011	ISV	VAR	Parent Company	Total
Gross revenue	25,181	449,164	373	474,719
Intercompany revenue	-5,859	-13,212	-261	-19,332
Net revenue	19,323	435,952	112	455,387
Gross earnings	18,424	315,292	275	333,990
Earnings before depreciation (EBITDA)	4,764	27,503	-24,049	8,218
Operating result (EBIT)	-2,288	21,929	-24,403	-4,762
Results in associated companies	0	0	413	413
Pre-tax earnings	-3,424	8,806	-11,826	-6,444
Result for the period	-3,413	7,061	-11,826	-8,179
Segment assets	86,464	314,590	113,609	514,662
Segment liabilities	41,237	221,936	-27,642	235,531
Capital investments	250	2,760	0	3,010
Depreciations	-7,052	-5,574	-354	-12,980
Holdings in associated companies	0	0	1,565	1,565
Average number of employees	47	856	16	918

Note 2: Segment data, continued

H1/2010	ISV	VAR	Parent Company	Total
Gross revenue	22,415	429,308	1,160	452,883
Intercompany revenue	-5,710	-5,341	0	-11,051
Net revenue	16,705	423,967	1,160	441,832
Gross earnings	20,667	295,814	1,160	317,641
Earnings before depreciation (EBITDA)	7,728	24,692	-16,276	16,143
Operating profit (EBIT)	3,040	20,354	-16,750	6,645
Results in associated companies	0	0	-932	-932
Pre-tax earnings	2,282	9,148	-4,306	7,123
Result for the period	2,279	7,390	-4,306	5,363
Segment assets	63,727	352,270	121,370	537,366
Segment liabilities	22,618	250,239	19,058	291,915
Capital investments	595	1,282	0	1,877
Depreciations	-4,687	-4,338	-473	-9,498
Holdings in associated companies	0	0	423	423
Average number of employees	47	849	11	906

2010	ISV	VAR	Parent Company	Total
Gross revenue	57,642	840,162	1,963	899,766
Intercompany revenue	-21,202	-11,202	0	-32,405
Net revenue	36,440	828,959	1,963	867,362
Gross earnings	33,251	596,888	1,963	632,102
Earnings before depreciation (EBITDA)	18,395	66,071	-34,346	50,120
Operating profit (EBIT)	7,714	55,146	-35,429	27,431
Results in associated companies	0	0	-241	-241
Pre-tax earnings	6,154	28,279	-8,250	26,183
Result for the period	4,664	21,312	-12,383	13,593
Segment assets	118,488	337,200	79,813	535,500
Segment liabilities	21,278	216,238	-2,039	235,477
Capital investments	17,627	3,850	0	21,476
Depreciations	-10,681	-10,925	-1,083	-22,689
Amortizations	0	0	0	0
Holdings in associated companies	0	0	1,152	1,152
Average number of employees	48	833	12	893

Note 3: Net Revenue

DKK '000	H1 2011	H1 2010	2010
Sale of products:			
Software licenses and IP rights	78,848	76,202	141,680
Software subscriptions	81,173	91,941	167,428
Other	0	916	1,383
Total sale of products	160,021	169,059	310,491
Sale of services:			
Support	7,118	14,393	27,765
Sales value of finished projects	271,444	270,786	534,870
Change in contract work in progress	16,804	-12,405	-5,764
Total sale of services	295,366	272,774	556,871
Total net sales	455,387	441,832	867,362
Contract work in progress at beginning of the period	79,385	85,149	-85,149
Contract work in progress at end of the period	96,189	72,744	79,385
Total change in contract work in progress	16,804	-12,405	-5,764

Note 4: Incentive Scheme

The CEO of the company has been granted an incentive scheme containing a share warrant scheme. The share warrant scheme is granted at the market share price. The share warrant scheme is based on the employment period. The share warrant schemes will not be adjusted for subsequent capital increases.

On the basis of a Black & Scholes' calculation, the scheme has a total forecast market value of up to DKK 0.7M that will be expended in 2011, 2012 and 2013.

Specification of outstanding warrants DKK '000	Number of warrants		Exercise rate per warrant	
	H1/2011	H1/2010	H1/2011	H1/2010
Outstanding at the beginning of the period	666,666	1,150,000	0	2.51
Granted during the period	1,300,000	0	2.45	0
Lost due to termination of employment	666,666	100,000	0	0
Used during the period	0	0	0	0
Expired during the period	0	383,334	0	0
Annulled during the period	0	0	0	0
Outstanding at the end of the period	1,300,000	666,666	2.45	2.51

Note 5: Trade Receivable

DKK '000	H1 2011	H1 2010	2010
Receivables (gross) at 30 June	186,196	187,591	189,096
Allowance for doubtful debts at 1 January	15,306	18,648	18,648
Change in allowance for doubtful debts during the period	4,500	6,870	3,416
Loss realized during the period	-2,529	-4,505	-6,758
Allowance for doubtful debts at 30 June	17,277	21,014	15,306
Balance at 30 June	168,919	166,577	173,790

Direct depreciation of receivables is performed if the value, based on an individual estimate of the individual accounts receivable's ability to pay, is reduced, e.g. in the event of suspension of payments, bankruptcy or the like. The book value of depreciation is based on an individual estimate.