

Stock Exchange Release no. 8/2007



COLUMBUS IT

Quarterly Report

Q1 / 2007

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 small and medium-sized international companies. Columbus IT is a service organization with a headcount of more than 1,000 operating in 28 countries. Our customer base consists of more than 5,000 small and medium-sized enterprises and units of large companies.

www.columbusit.com

Growth in revenues and earnings

- strong results in the three most important markets: the Danish, the American, and the Russian

- Columbus IT's revenues for Q1/2007 amounted to DKK 190M (DKK 168M in 2006), corresponding to an increase of 13%.
- Strong, profitable results were achieved in the Group's three most important markets: Denmark, United States of America, and Russia.
- The American subsidiaries landed ten new customers in Q1/2007, amongst others in cooperation with Microsoft a contract with Dallas Cowboys, the third largest sports club in the USA. The revenue for Columbus on that contract is DKK 15M. The American subsidiaries are once again growing satisfactorily.
- Revenues of the Russian subsidiary for Q1/2007 amounted to DKK 20M and EBITDA for the period amounted to DKK 2.6M. This is a strong improvement compared Q1/2006 and a continuation of the very positive development from second half of 2006. The Russian subsidiary is clear of its earlier crises and once again growing.
- The Group's software development company, To-Increase, is growing satisfactorily and had revenues of DKK 7.1M in Q1/2007 and EBITDA for the period amounted to DKK 2.9M.
- Strong growth in the Group's Dynamics NAV-related revenues, especially in Denmark. Compared to the same period last year, the Dynamics NAV-related revenues have increased by 55%, and comprised 25% of total revenues in Q1/2007.
- Operating profit (EBITDA) for the period was DKK 3.1M (DKK -4.4m in 2006), which is in line with the management's expectations.
- The result before taxes amounted to DKK -2.5M for Q1/2007 (DKK -8.4m in 2006).
- Total equity at the end of Q1/2007 amounted to DKK 209.6M (DKK 160.3M in 2006), resulting in a solvency ratio of 42% (36% in 2006).
- Previously announced expectations for 2007 are being maintained, with total Group revenues on the level of DKK 810-830M and an EBITDA of DKK 33-37M.

Ib Kunøe
Chairman
Columbus IT Partner A/S

Michael Gaardboe
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

DKKkm	2006	Q1/2006	Q1/2007
Income Statement			
Net revenues	756.7	168.1	190.2
External project costs	-211.1	-43.1	-45.0
Gross earnings I	545.6	125.0	145.2
Staff expenses	-375.0	-88.7	-105.8
Gross earnings II	170.6	36.3	39.4
Other external costs	-153.8	-40.3	-36.2
Other operating income	15.1	0.0	0.0
Other operating costs	-0.7	-0.4	-0.1
EBITDA	31.2	-4.4	3.1
Depreciation excl. goodwill	-14.7	-3.2	-4.3
EBITA	16.5	-7.6	-1.2
Amortization and write down of goodwill	-2.4	0.0	0.0
EBIT	14.1	-7.6	-1.2
Result in associated companies	-0.1	0.0	0.1
Net financial items	-5.8	-0.8	-1.4
Pre-tax earnings	8.2	-8.4	-2.5
Tax on Q1 earnings	12.0	-0.5	-0.1
Earnings Q1	20.2	-8.9	-2.6
Allocated thus:			
Shareholders of Columbus IT Partner A/S	21.2	-8.8	-1.3
Minority interests	-1.0	-0.1	-1.3
	20.2	-8.9	-2.6
Balance Sheet			
Long-term assets	256.1	230.9	257.3
Short-term assets	287.7	211.9	240.7
Total assets	543.8	442.8	498.0
Group shareholders' equity	201.1	149.6	200.0
Minority interests	10.9	10.7	9.6
Debt	331.8	282.5	288.4
Total liabilities	543.8	442.8	498.0
Cash flow			
Cash inflow from operations	27.0	-12.0	15.1
Net cash outflow for investments	-46.4	-12.1	-18.1
of which for investment in tangible fixed assets	-6.4	-3.7	-2.8
Cash inflow from financing activities	28.7	17.6	-4.6
Total cash flow	9.3	-6.5	-7.6
Key ratios			
Gross margin II	22.5%	21.6%	20.7%
Operating profit margin	1.9%	-4.5%	-0.6%
Return on equity	13.6%	-5.9%	-0.6%
Equity ratio	40.0%	36.2%	42.1%
Net asset value per share (BV)	2.7	2.1	2.7
Earnings per share (EPS)	0.29	-0.1	-0.0
Average number of shares, in thousands	72,706	71,970	75,222
Share price, end of period	8.1	9.7	8.1
Cash flow per share	0.4	-0.2	0.2
Headcount at the end of the period	1,024	965	1,074

The key figures and ratios have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Key Figures 2005".

The quarterly report has not been audited

Developments in Q1/2007

Columbus IT's net revenues for Q1/2007 amounted to DKK 190M, up from DKK 168M for the same period last year.

Revenues	2007		2006		Revenues	2007		2006	
	DKKkM	%	DKKkM	%		DKKkM	%	DKKkM	%
Q1					Q1				
Hardware	3	2%	5	3%	Dynamics AX	110	58%	110	65%
Software	50	26%	46	27%	Dynamics NAV	48	25%	31	19%
Service	137	72%	117	70%	Other MBS products	11	6%	9	5%
					Other	21	11%	18	11%
Total	190	100%	168	100%	Total	190	100%	168	100%

The growth in revenues is primarily relating to consulting and services, and to the Group's Dynamics NAV-related revenues have increased by 55% compared to the same period last year, and now in Q1/2007 constitutes 25% of the total revenues.

As the table below shows, there is growth in revenues in all regions, and the majority of the Group's subsidiaries have realized an activity and earning level in line with or above expectations.

Q1	Revenues (DKKkM)		EBITDA (DKKkM)		Headcount (as of 31 March)	
	2007	2006	2007	2006	2007	2006
Nordic	70	62	3	4	272	218
Western Europe	51	45	4	2	228	209
Eastern Europe	35	28	1	-3	381	381
Rest of the world	34	33	2	3	180	140
Parent Company	0	0	-7	-10	13	17
	190	168	3	-4	1.074	965

Note: The Parent Company's figures are reported before costs being billed to subsidiaries. Thus, the subsidiaries' figures are reported exclusive of costs billed by the Parent Company.

The Group's financials show net expenses of DKK 1.4M compared to net expenses of DKK 0.8M for the same period last year.

Corporation tax in profit-making foreign subsidiaries means that the total calculated tax charge for Columbus IT for the period is DKK -0.1M. The result for the period was DKK -2.6M, which is an improvement of DKK 6.3M compared to the same period last year.

Regional developments

Nordic	2007		2006		Nordic	2007		2006	
	DKKm	%	DKKm	%		DKKm	%	DKKm	%
Revenues - Q1					Revenues - Q1				
Hardware	3	4%	4	7%	Dynamics AX	37	53%	40	65%
Software	12	17%	12	19%	Dynamics NAV	14	20%	7	11%
Service	55	79%	46	74%	Other MBS products	9	13%	6	10%
					Other	10	14%	9	14%
Total	70	100%	62	100%	Total	70	100%	62	100%

Q1/2007 revenues for the **Nordic region** increased by DKK 8.1M, corresponding to a 13% increase compared to the same period last year. The increase is due to a higher level of activity in the Danish subsidiary where revenues were increased by DKK 4.4M, corresponding to a 9% increase compared to the same period last year, and in the Norwegian subsidiaries where revenues were increased by DKK 3.1M, corresponding to a 32% increase compared to the same period last year. The Finnish subsidiary, which was acquired in Q3/2006, contributes with revenues of DKK 1.6M. The Nordic Region accounts for 37% of the Group's revenues.

The region's EBITDA is down DKK 1M compared to the same period last year, to DKK 3M for Q1/2007. The fall is due to a marginal decline in EBITDA for both the Danish and Norwegian subsidiaries of DKK 0.4M and DKK 0.3M, respectively. The principal cause for the decline of the Danish company is a reduction in gross earnings from hardware sales of DKK 0.5M compared to Q1/2006, which was benefited by an order with a very significant margin. The results of the Norwegian subsidiaries for Q1/2007 are affected by extraordinary relocation costs of DKK 0.2M as a result of the ongoing merger of the two Norwegian companies. The operating result of the Finnish subsidiary was a deficit of DKK 0.3M for Q1.

Western Europe	2007		2006		Western Europe	2007		2006	
	DKKm	%	DKKm	%		DKKm	%	DKKm	%
Revenues - Q1					Revenues - Q1				
Hardware	0	0%	1	2%	Dynamics AX	28	55%	26	58%
Software	15	29%	13	29%	Dynamics NAV	20	39%	17	38%
Service	36	71%	31	69%	Other MBS products	1	2%	1	2%
					Other	2	4%	1	2%
Total	51	100%	45	100%	Total	51	100%	45	100%

In **Western Europe** revenues for Q1/2007 amounted to DKK 51M which is an improvement of DKK 6M, corresponding to a 13% increase compared to the same period last year. For Q1/2007, the Group's software development company, To-Increase, had revenues of DKK 7.1M which is an improvement of DKK 2.6M corresponding to a 58% increase compared to the same period last year. The region accounted for 27% of the Group's revenues.

The region's EBITDA is up DKK 2M compared to the same period last year, to DKK 4M for Q1/2007. The EBITDA of To-Increase grew by 38% from DKK 2.1M in Q1/2006 to DKK 2.9M in Q1/2007. The Dutch subsidiary has had a slow start in 2007, and the company's revenues have decreased by DKK 2.1M, while the company's EBITDA has decreased by DKK 0.9M compared to the same period last year. However, the Austrian subsidiary and the French company have both stabilized. The Austrian subsidiary had an EBITDA of DKK -2.2M in Q1/2006. Both companies had a positive EBITDA in Q1/2007.

Eastern Europe	2007		2006		Eastern Europe	2007		2006	
	DKKm	%	DKKm	%		DKKm	%	DKKm	%
Revenues - Q1					Revenues - Q1				
Hardware	0	0%	0	0%	Dynamics AX	25	71%	19	67%
Software	13	37%	7	25%	Dynamics NAV	2	6%	1	4%
Service	22	63%	21	75%	Other MBS products	1	3%	1	4%
Total	35	100%	28	100%	Total	35	100%	28	100%

Revenues in **Eastern Europe** amounted to DKK 35M for Q1/2007 which is an improvement of DKK 7M or 25% compared to the same period last year. Revenues of the Russian subsidiary increased from DKK 16.7M for Q1/2006 to DKK 19.9M in Q1/2007, corresponding to an increase of 19%. The Estonian subsidiary had a growth in revenues of 70% compared to the same period last year, and had revenues of DKK 5.1M in Q1/2007. Revenues of the Czech subsidiary were on the level of the same period last year, while revenues of the Lithuanian subsidiary decreased by DKK 0.6 compared to the same period last year, corresponding to a decline of 15%. Revenues of the Polish company increased from DKK 0.9M in Q1/2006 to DKK 3.0M in Q1/2007. The revenue growth in Poland is stemming from the acquired Polish company, which in Q3/2006 was merged with the Group's existing Polish company. The region accounted for 18% of the Group's revenues.

The region's EBITDA increased by DKK 4M compared to the same period last year to DKK 1M in Q1/2007. The implemented restructuring measures in the Russian company in 2006 have brought the company back on a profitable track and following seven months with positive EBITDA, the Russian company delivered an EBITDA of DKK 2.6M for Q1/2007. However, the Czech and the Polish subsidiary delivered a combined EBITDA of DKK -1.1M. Focused measures to increase the profitability of these companies have been launched.

Rest of the world	2007		2006		Rest of the world	2007		2006	
	DKKm	%	DKKm	%		DKKm	%	DKKm	%
Revenues - Q1					Revenues - Q1				
Hardware	0	0%	0	0%	Dynamics AX	21	62%	25	76%
Software	11	32%	12	36%	Dynamics NAV	11	32%	6	18%
Service	23	68%	21	64%	Other MBS products	0	0%	0	0%
Total	34	100%	33	100%	Total	34	100%	33	100%

In the **Rest of the World** region in Q1/2007, total revenues amounted to DKK 34M, which was an improvement of DKK 1M corresponding to a 9% increase compared to the same period last year. In Q1/2007, revenues of the two American subsidiaries, and those of Colombia and Cost Rica were on the same level as last year. The region's increase in revenues is primarily attributed to the Mexican and the Brazilian subsidiaries, which were acquired in Q2 and Q3/2006 respectively. The region accounted for 18% of the Group's revenues.

EBITDA in the region amounted to DKK 2M, which is a decline of DKK 1M compared to the same period last year. The optimization measures undertaken by the two American subsidiaries during 2006 have shown to be quite effective and the companies delivered a combined EBITDA of DKK 3.0M in Q1/2007. The acquired Mexican subsidiary, as well as the companies in Colombia, Chile, and Cost Rica all delivered a break-even result on EBITDA in Q1/2007, while the Brazilian subsidiary, which is in a set-up phase, delivered an EBITDA of DKK -0.8M in Q1/2007.

Before billing subsidiaries for costs in Q1/2007, the EBITDA of the **Parent Company** amounted to DKK -7M, which is an improvement of DKK 3M compared to the same period last year.

Directed rights issues

In January 2007, Columbus IT issued shares in Columbus IT Partner A/S, to settle the outstanding purchase price relating to the Polish company, Creative Innovation Group Sp. Z o.o. Please refer to stock exchange release no. 1 of 8th January 2007.

Accordingly, a total of 85,818 shares were issued in Q1/2007, which had a positive net impact on equity of DKK 0.7M.

Accounting policies

This quarterly report has been drawn up in accordance with the provisions of the Interim Reporting Notice and Copenhagen Stock Exchange requirements for interim reporting

Investments

Total investments in tangible and intangible assets (except for goodwill) in Q1/2007 totalled DKK 6.0M compared to 8.0M for the same period in 2006. DKK 3.2M was attributable for investments in development projects, while the remaining DKK 2.8M was attributable for the acquisition of tangible assets.

Liquidity status

Columbus IT held cash funds of DKK 35M on 31 March 2007 compared to DKK 30M last year. Cash funds are mainly held in various foreign subsidiaries.

Forex

The Group did not enter into any hedging contracts in the preceding part of the year. In international contracts, exchange risks are limited by servicing operations from local companies so that Group income and costs in foreign currencies are matched insofar as possible.

Equity

Development in shareholders' equity (DKKm)	Q1/2007	2006
Equity 1 January 2007	201.1	147.3
Forex adjustments for foreign subsidiaries, etc.	-0.5	-3.8
Earnings for the period	-1.3	21.2
Warrant scheme exercised	0.0	0.5
Capital increases	0.7	35.9
Group shareholders' equity as of 31 March and 31 December	200.0	201.1
Minority interests' equity as of 31 March and 31 December	9.6	10.9
Total equity as of 31 March and 31 December	209.6	212.0

Safe Harbor statement

The statements about the future made in this report reflect the Management's current expectations for certain future events and financial results. By their very nature, some uncertainties attach to statements about the future, and the results finally achieved could, therefore, vary considerably from the expectations expressed. Further, some expectations are based on assumptions for future events, which may turn out to be incorrect.

Factors that could mean significantly different results from the expectations expressed include, but are not restricted to, developments in trading conditions and the financial markets, and the fiscal impact of unforeseen events: changes in Danish regulations and legislation and EU regulations; rising competition for business solutions in Denmark and abroad; trends in demand; product composition and pricing for business solutions; the development of Columbus IT Partner's international activities to which some political risks are attached, and investment in, and disposal of, national and international companies.

Management Report

The Board of Directors and Management has reviewed and approved the quarterly report for the period 1 January – 31 March 2007 for the Columbus IT Partner Group.

The quarterly report, which has not been audited, was drawn up in accordance with the provisions in International Financial Reporting Standards (IFRS) for recognition and measurement, and in accordance with additional Danish reporting requirements for the presentation of quarterly reports laid down in the Company Accounts Act with associated statutory instruments and Copenhagen Stock Exchange. We regard the accounting policies applied as appropriate and that the Quarterly Report gives a true and fair picture of the Group's assets, liabilities, and financial position as of 31 March 2007, and the results of the Group's activities and cash flow for the period, 1 January – 31 March 2007.

Brøndby, 10 May 2007

Board of Management

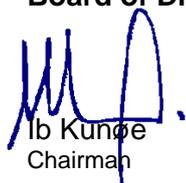


Michael Gaardboe
CEO



Sven Madsen
CFO

Board of Directors



Ib Kungø
Chairman



Sven Madsen



Claus Hougesen



Jørgen Cadovius

Income statement

DKK 1000	1/1 – 31/3 2007	1/1 – 31/3 2006
Net revenues	190,232	168,057
External project costs	-45,059	-43,067
Gross earnings	145,173	124,990
Other external costs	-36,215	-40,313
Staff expenses	-105,856	-88,715
Other operating income	0	0
Other operating costs	-50	-382
Earnings before depreciation/amortization (EBITDA)	3,052	-4,420
Depreciation	-4,319	-3,218
Earnings before write down of goodwill (EBITA)	-1,267	-7,638
Write down of goodwill	0	0
Operating profit (EBIT)	-1,267	-7,638
Results of associated companies	118	-87
Financial income	1,210	1,990
Financial expenses	-2,592	-2,625
Pre-tax earnings	-2,531	-8,360
Tax on the result for the period	-94	-501
Result for the period	-2,625	-8,861
Allocated thus:		
Shareholders of Columbus IT Partner A/S	-1,275	-8,813
Minority interests	-1,349	-48
	-2,624	-8,861

Balance Sheet

DKK 1,000	1/1 – 31/3 2007	1/1- 31/03 2006
Assets		
Completed development projects	37,858	28,189
Royalties	282	363
Goodwill	156,518	154,905
Development projects in progress	3,019	3,538
Intangible assets	197,677	186,995
Plant and operating equipment	13,365	15,091
Tangible assets	13,365	15,091
Holdings in associated companies	2,071	1,153
Other receivables	8,953	0
Deferred tax assets	35,267	27,628
Financial assets	46,291	28,781
Total long-term assets	257,333	230,867
Inventories	1,795	4,907
Accounts receivable – sales and services	148,147	128,968
Contract work in progress	26,486	17,342
Receivables from shareholders	0	6,207
Corporation tax	3,700	5,364
Other receivables	15,699	11,277
Accruals	9,936	7,795
Receivables	203,968	176,953
Cash funds	34,901	30,081
Total short-term assets	240,664	211,941
Total assets	497,997	442,808

Balance Sheet

DKK 1,000	1/1 – 31/3 2007	1/1- 31/03 2006
Liabilities		
Share capital	94,037	90,367
Retained profit	105,922	59,243
Parent Company shareholders' equity	199,959	149,610
Minority interests' equity	9,648	10,668
Equity	209,607	160,278
Deferred tax	1,015	1,400
Subordinated loan capital	0	7,500
Credit institutions	1,205	1,051
Other debt	2,120	2,431
Long-term debt	4,340	12,382
Subordinated loan capital	0	7,739
Short-term part of long-term debt	2,621	580
Credit institutions	85,610	77,549
Debt to affiliated companies	6,209	0
Client prepayments	28,300	18,217
Trade accounts payable	46,001	38,743
Corporation tax	759	3,445
Payable purchase sum re: acquired companies	11,327	20,510
Other debt	96,382	91,390
Accruals	6,841	11,975
Short-term debt	284,050	270,148
Debt	288,390	282,530
Total liabilities	497,997	442,808