

# Embracing the digital economy

IT Seminar at  
ABG Sundal Collier

24 November 2015

Columbus®  
Once you *know* how...

This presentation and related comments contain forward-looking statements. Such statements are subject to many uncertainties and risks, as various factors of which several are beyond Columbus A/S' control, may cause that the actual development and results differ materially from the expectations

## ➤ Columbus at a glance

- The ERP market
- The digital disruption
- Columbus' value proposition
- Long term value to shareholders
- Questions



# COLUMBUS AT A GLANCE

- Global **it-consultancy** with development and sale of own **industry specific business solutions**
- Established in 1989 as Dolberg Data in Aarhus
- Listed on NASDAQ Copenhagen in 1998
- Subsidiaries in 10 countries:
  - Denmark, Norway, England, USA, Latvia, Lithuania, Estonia, Russia
  - Software company, To-Increase, in Holland
  - Global Delivery Centre in India
- Globally 1,160 employees

Ownership:  
5.432 registered shareholders;  
96.68% of the total share capital  
Consolidated Holding majority  
shareholder with 50.61%



# COLUMBUS' VALUE PROPOSITION

Columbus lead our customers in the **digital transformation** through

- Industry **business software**
- **Consulting services** and **best practices**
- Global **life-time support**

Columbus *Retail*®



Columbus *Food*®



Columbus *Manufacturing*®



# HIGHLIGHTS Q3 YTD 2015

## Revenue

**28% growth**

Amounting to DKK 800.3m

## EBITDA

**12% growth**

Amounting to DKK 51.1m

## Consultancy Revenue

**18% growth**

## Columbus Software

**60% growth**

in revenue

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# THE ERP MARKET

- Worldwide ERP Software Market size 2014:
  - DKK188bn
  - Growth 6% over 2014
- Major players in the global ERP Software Market:
  - SAP
  - Oracle
  - Microsoft
- Microsoft ERP Software sale 2013: ~ DKK 12-15bn
- Columbus among Microsoft's top 10 ERP partners globally

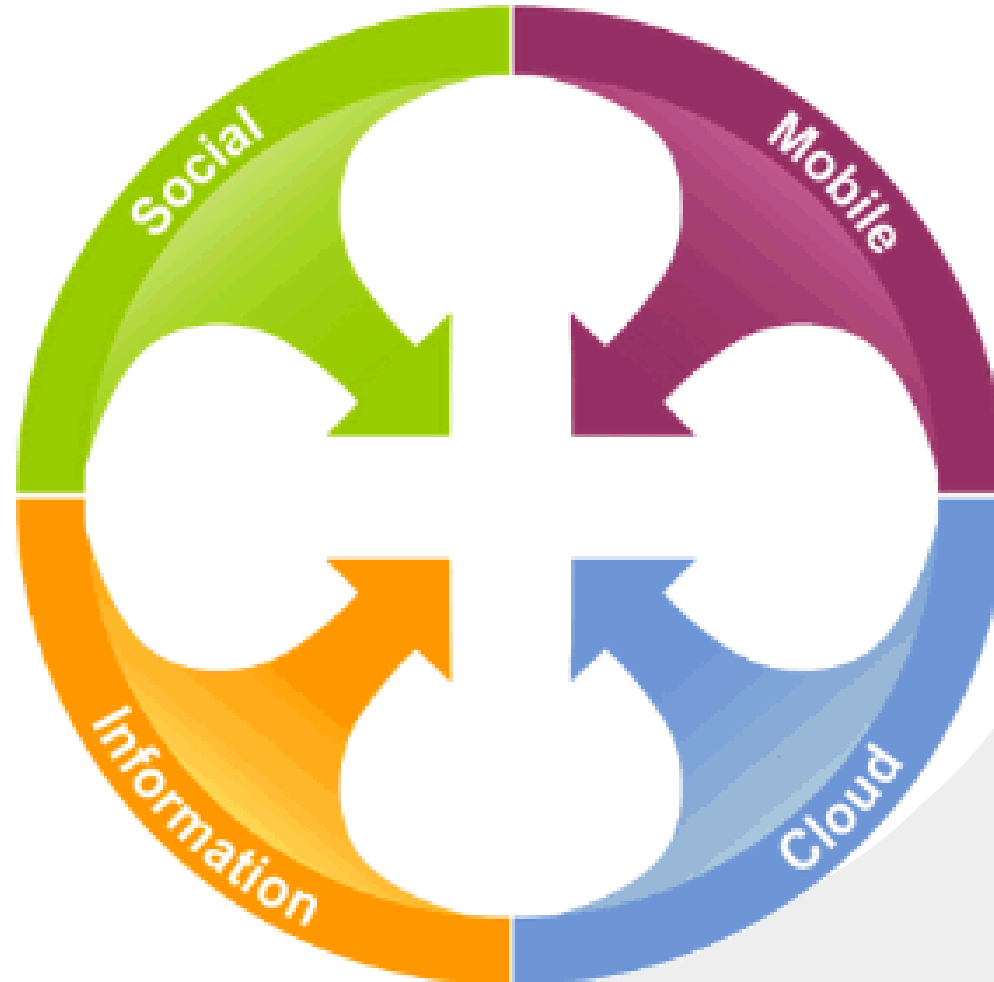
ERP is the largest category in Enterprise's business application portfolio



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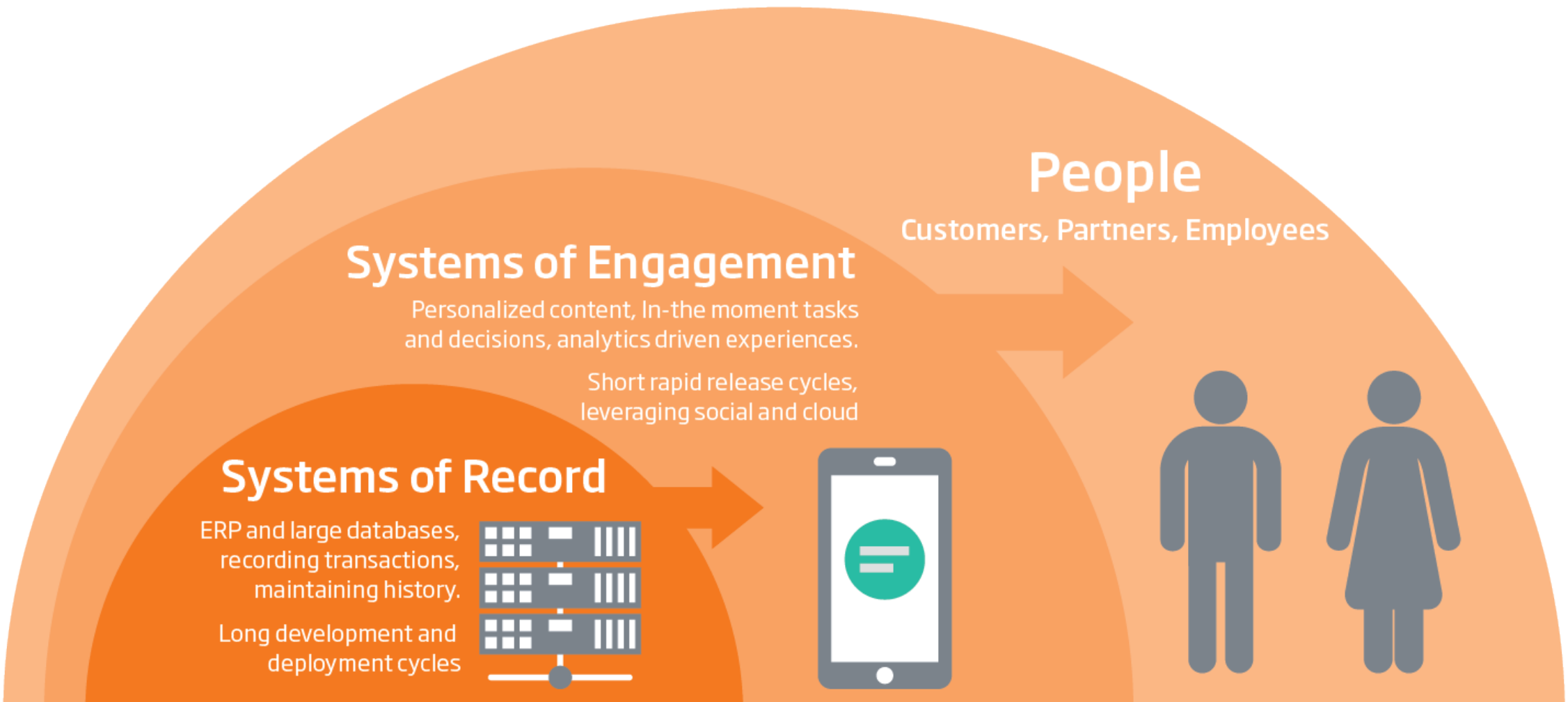


# BUSINESSES GETS DIGITIZED...

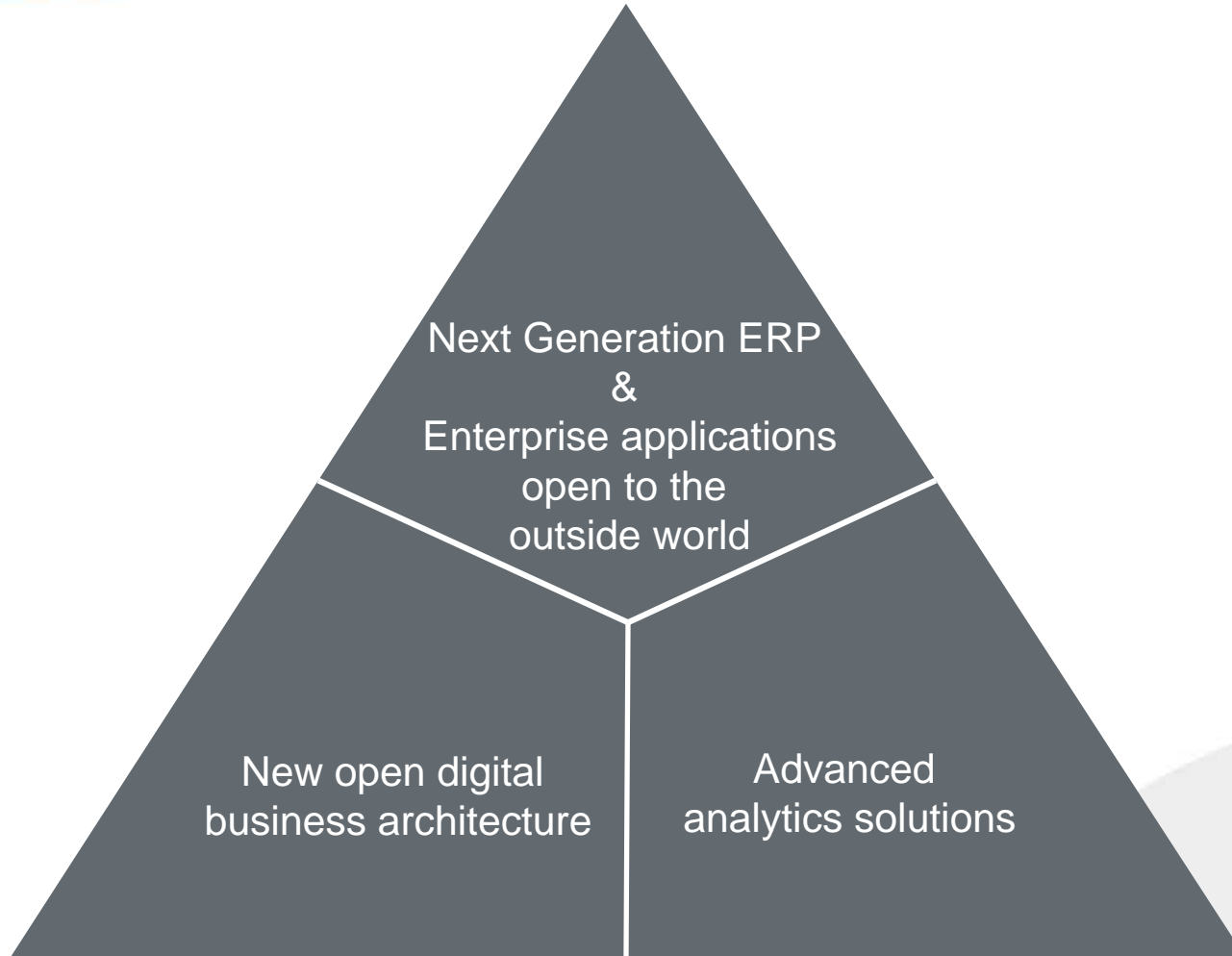


"The Nexus of Forces is the convergence of social, mobility, cloud and information patterns that drive new business scenarios".

# TRADITIONAL ERP TRANSFORM INTO SYSTEMS OF ENGAGEMENT



# ERP IS A KEY COMPONENT OF THE DIGITAL CORE



THREE COMPONENTS OF THE DIGITAL CORE

”A digital core is **mandatory** for the digital economy.

**ERP** is the **backbone** of that core.

**Columbus** helps our customers **digitally transform** their business and improve the **value realization** of their ERP investment”

Source: Gartner, A strategic Roadmap for Postmodern ERP is a Midmarket Imperative

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# COLUMBUS' "DIGITAL" OFFERINGS

Transform ERP

Mitigate Risk

Support for Life

- Columbus help our customers **digitally transform** their business and improve the value realization of their ERP investment.
- Columbus develop and implement our offerings using innovative application, social, cloud, mobile and analytical platforms to **accelerate digital adoption**.
- Columbus **mitigate** the inherent risk associated with implementing, upgrading and replacing legacy ERP systems.
- Columbus lead our customers in the digital transformation of their business by providing **lifetime support**.

# STRATEGIC PRIORITIES NEXT 5 YEARS

## The Market

Key initiatives focused on the capitalizing the digital economy

Develop new cloud revenue streams

Develop more ColumbusCare offerings

## The Business

Key initiatives for optimizing and improving our business

Improve productivity in the Services Business

Attract, retain & develop top talents



## New revenue streams & business optimization

- Increase in software subscriptions
- More - but smaller projects
- Streamlining of processes
- Increase in ColumbusCare revenue
- Business Process Outsourcing (BPO)

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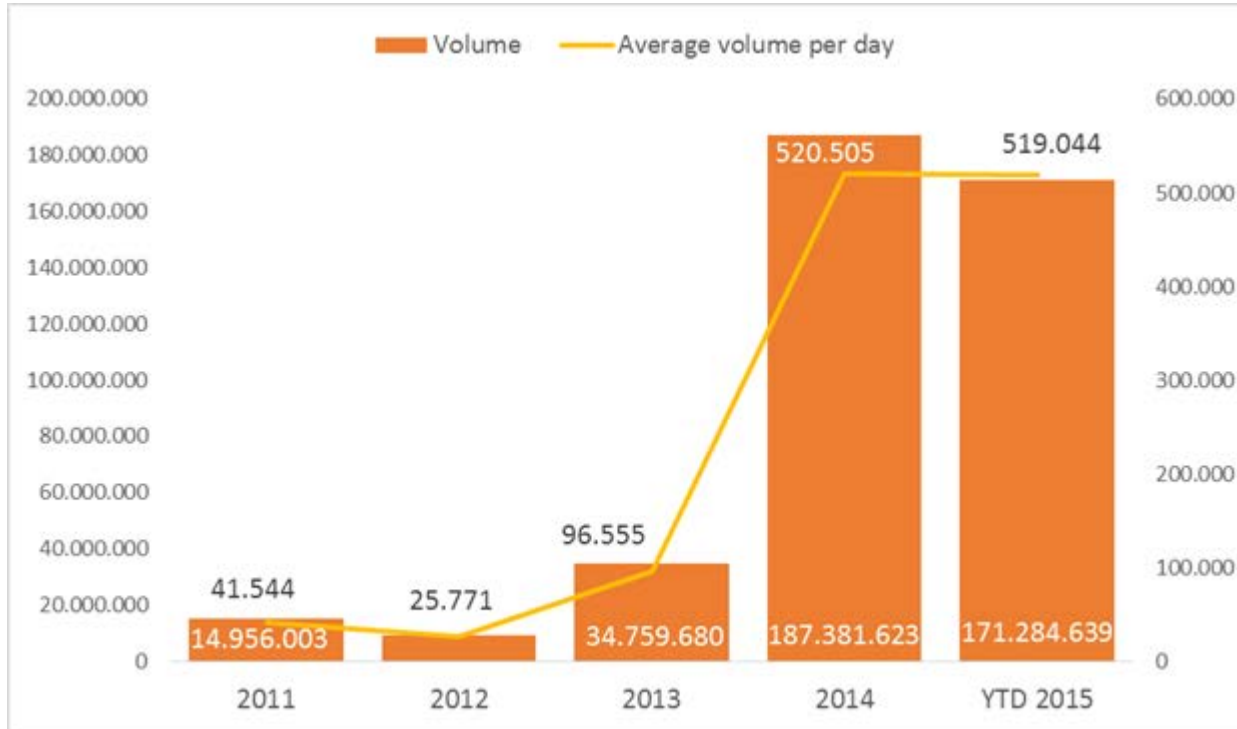




# STRATEGIC VALUE DRIVERS

- 1 High productivity in the **Consultancy Business** ➤ High **earnings potential** in the consulting business by continuing to optimize deliveries, minimize risk and control costs
- 2 Scaling of own **software sales** ➤ High **margin** on sales of own software which opens opportunities for additional sales and creates value for customers
- 3 **Recurring service revenue** and **cloud revenue** ➤ Support agreements and cloud revenue are **recurring revenue**, which also establish long and strong customer relationships

# VALUE TO SHAREHOLDERS



## Columbus, 17/11 2015

- Market Cap DKK 642m
- Shareholders 5.432
- Shares 113.7m
- Index Small Cap
- Dividend: 10%

Share value (DKK per share)



# QUESTIONS

## THANK YOU

Read more at [www.columbusglobal.com](http://www.columbusglobal.com)

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