

ANNUAL REPORT  
2013



Columbus®  
Once you *know* how...

This English language version of the Annual Report 2013 has not been audited. This document is a translation of the Danish version and does not include notes to the accounts. In the event of any inconsistency between this document and the Danish language version, the Danish language version will be the governing version.

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# STRATEGIC FOCUS AND SUCCESSFUL EXECUTION GENERATE RECORD HIGH EARNINGS

Columbus' earnings increased by 24% to DKK 72m<sup>1</sup>, and thereby establishing 2013 with the highest earnings in the Company's history.

Today, Columbus is a strong consultancy with industry expertise. Globally, we service customers within the food, retail and manufacturing segments with consultancy and industry-specific software. Since we launched the Columbus **15** strategy we have made great progress and focused our business considerably in relation to industries and geographies.

Industry focus is essential for Columbus' competitive position and earnings as experiences, processes, tools and methods can be reused across all companies in the Group. Our investments in customers, employees, processes and products are thereby directed towards a deeper and more complete industry focus. In 2013 our industry solutions totaled 64% of revenues, and thereby we reached an important target.

In 2012 Columbus established a Global Delivery Center in India. The purpose of this establishment was to ensure access to technical and industry expertise 24 hours a day for customers worldwide. Furthermore, the purpose was to decrease Columbus' staff costs in relation to delivery of consultancy and products. Deliveries from our Global Delivery Center were tripled during 2013, and the center was involved

in approximately 100 customer projects. This means that we reached another important target.

Columbus' geographical focus over the past few years has resulted in the elimination of small and unprofitable subsidiaries, and now we have eight large operating units. This enables us to manage and optimize the financial, commercial and project related risks in the business which has led to improved earnings.

Following the recession businesses have started investing in new optimization and growth projects again. We believe that this will lead to an increasing demand in 2014, as it is Columbus' business to help customers become more efficient and create better results through a combination of business development, advanced industry solutions and specialized expertise.

The execution of Columbus **15** is successful, and Columbus is staying on track. Columbus creates more value for customers, operational risks and dependency on suppliers have been reduced, and at the same time earnings and cash flow have improved considerably. After a satisfactory year, I am convinced that Columbus stands stronger than ever before, and that the Company is heading in the right direction.



Ib Kunøe

Chairman of the Board

<sup>1</sup> EBITDA before share-based payment



# COLUMBUS' MISSION AND VISION

## **Columbus' mission**

Columbus maximizes productivity for organizations by implementing leading end-to-end industry solutions.

## **Columbus' vision**

Our best practice services and repeatable industry solutions will change the way organizations implement and use business applications.

Columbus aspires to be the leading global value provider in selected industries.

# COLUMBUS' BUSINESS AND STRATEGY

In 2011 Columbus launched the strategy Columbus<sup>15</sup> with the primary goal of improving our financial results and transforming the entire organization from an IT company into an international industry consultancy. We are in the middle of this transformation which will continue to the end of 2015.

## **Business and strategy; Columbus<sup>15</sup>**

Columbus<sup>15</sup> comprises five elements:

- Extend industry leadership
- Sell more Columbus Software
- Optimize global delivery
- Geographical focus
- Improve Services Profits (ISP)

## **Transformation and innovation**

The transformation to an industry consultancy fundamentally changes the way we perceive ourselves, the way we operate, our focus and our positioning towards our customers, shareholders and other stakeholders.

The logo for Columbus 15, featuring the word "Columbus" in a dark blue serif font and "15" in a larger, orange, stylized font with a registered trademark symbol.

We focus on innovation and development of own industry-focused software as a key differentiator in the market. We encourage and educate our consultants to become industry experts.

The primary goal of transforming Columbus from an IT company into an industry consultancy is to create an increasingly profitable and competitive business, now and in the future, to the benefit of both our customers and our employees: We strive to be a world-class business partner for our customers globally, always being able to deliver the best industry solutions and expert services within our focus industries. Likewise, we strive to provide our employees with the best working conditions and outstanding opportunities for career development.

*The transformation to an industry consultancy fundamentally changes the way we perceive ourselves, the way we operate, our focus and our positioning towards our customers, shareholders and other stakeholders.*

Becoming an increasingly profitable and competitive international business in today's globalized markets requires a strong performance and extreme focus: Focus on core industries, technologies and geographies, and equally important, a strong focus on continuously increasing income, reducing costs and managing risks. In other words, extreme focus drives profitability.



Below, the five elements in Columbus<sup>15</sup> are described.

### Extend industry leadership

Columbus primarily focuses on three industries: Customers within the food, retail and manufacturing industries. We continuously strive to develop our skills, expertise and products to serve our key customer segments. Industry focus provides great value to our customers as we have created strong industry knowledge, and thereby we can assist customers solving their specific business challenges.

**Columbus**Food<sup>®</sup>

**Columbus**Manufacturing<sup>®</sup>

**Columbus**Retail<sup>®</sup>

The industry focus also results in reduced costs of sales and delivery. We know these industries and have built knowledge resulting in an optimized sales and delivery process, and thereby the chance of closing orders is improved considerably. We are able to demonstrate the value for the customer and prove that we are best-in-class in assisting customers solving their business challenges.

The industry solutions ColumbusFood, ColumbusRetail and ColumbusManufacturing bring us closer to becoming global leaders within our industry.

Our goal is that in 2015 more than 75% of revenues comes from our focus industries.

*“ We chose Columbus because of their experience in implementation and expertise in our industry”.*

Lintera, Lithuania

### Sell more Columbus Software

Columbus develops and sells own industry-specific business applications which complement standard software in the market. The industry focus makes Columbus able to deliver more value to our customers, strengthens our competitive advantage and contributes to improved earnings from own software and in the consultancy business.

The combination of industry-specific applications and industry knowledge of Columbus' consultants contributes to a far more efficient sales and delivery process.

Columbus' most successful product is RapidValue for food, retail and manufacturing companies. RapidValue is designed to help businesses identify and optimize work flows, when they implement a new business system.

In the future we will continue focusing on innovation and increase sale of own software in order to meet the requirements, challenges and demands from our customers.



*Columbus' most successful product is RapidValue for food, retail and manufacturing companies. RapidValue is designed to help businesses identify and optimize work flows, when they implement a new business system.*

## **Columbus** *RapidValue*<sup>®</sup>

If there is one product which embodies the heart of our business, it is RapidValue: Here, 20 years of technology know how comes together with industry expertise in a world class best practice solution.

## **Columbus** *SCS*<sup>®</sup>

Columbus SCS (Supply Chain Solutions) automates and streamlines processes in the supply chain in retailers, manufacturers and distributors.

## **Columbus** *ADM*<sup>®</sup>

Columbus ADM (Advanced Discrete Manufacturing) connects, automates and streamlines internal processes in manufacturing companies, from brainstorm through production to after-sales service.

## **Columbus** *F&B*<sup>®</sup>

Columbus F&B (Food & Beverage) is tailored to companies in the food industry and helps optimize the value chain and meets needs and challenges specific to this industry which the standard business applications are not geared for.

## **Columbus** *BIS*<sup>®</sup>

Columbus BIS (Business Integration Solution) supports and optimizes companies' data migration.

## **Columbus** *eCom*<sup>®</sup>

Columbus eCom is our web store application for companies that want to use the web to better communicate, manage and support sales with consumers and b2b customers.

## **Columbus** *BaseCloud*<sup>®</sup>

Our cloud-based business solutions tailored to companies within the food and manufacturing industries. These new industry-focused solutions are branded Columbus BaseCloud.



### **Optimize global delivery**

Columbus' global delivery model provides companies with the right industry consulting services, support and development services. Currently, the global delivery model consists of the global country teams and the skilled consultants in Columbus' Global Delivery Center in India.

Columbus' Global Delivery Center helps customers make critical business applications more efficient, cost effective and risk resistant.

ColumbusCare is our global support concept which makes it possible for us to provide first-class support to our customers 24 hours a day.

ColumbusCare is customer support on several levels, from basic support to operational efficiency and proactive innovation.

## **Columbus** *Care*<sup>®</sup>

All Columbus' consultants are trained in SureStep+, which is our global standard for implementations. This ensures that all consultants, independent of location, use the same method and thereby ensure quality and efficiency to the benefit of our customers worldwide.

Our vision is that in 2015 20% of Columbus' consultants work in global teams which draw on resources from other Columbus countries.

### **Geographical focus**

Columbus strives to grow organically as well as through acquisitions. We follow an acquisition plan which focuses on acquisition of companies with a consultant profile similar to Colum-

bus' within our key industries and in selected geographical areas.

During the past few years the market for acquisition has in general been frozen due to the global financial crisis, which has resulted in decreased results and consequently a large gap between the sellers' and the buyers' value assessment of the companies. But lately we have experienced indications of increased activity in the market and an increased number of unsolicited contacts and more realistic value assessments.

### **Improve Services Profits (ISP)**

Industry expertise is one key focus in our consultancy business. So is improving our services earnings through stronger risk management, cost and project management, and resource allocation. This is why we have launched our internal program Improve Services Profits (ISP) throughout the organization.

Our ambition is to obtain considerable earnings from our consultancy business. We will ensure this by creating transparency on all data in the Group's companies in order to adjust inexpedient behavior, optimize internal processes and routines and improve risk management. The objective is to ensure increased customer satisfaction and at the same time increase earnings.

We expect that the program Improve Services Profits will have a substantial impact on Columbus' profitability. For each percentage point of hours that are moved from non-invoiceable work to invoiceable work, earnings before depreciation (EBITDA) will increase approximately DKK 10m per year, other variables being equal. In 2015 our goal is to reach a considerably improved level of delivering healthy, profitable projects and that our customers worldwide know that we are always able to deliver at the expected time and price.



“ Columbus demonstrated their expertise in both the product and the manufacturing sector which gave us the confidence that they would help deliver a successful implementation. They also had the global presence to be able to deliver a project with multiple companies in multiple countries”.

Aliaxis Group, UK

# 2013 OUTLINED

Record high earnings with an increase in EBITDA<sup>2</sup> of 24%. Cash flow from primary activities increased by 57% to DKK 85.4m. We strengthened earnings in the consultancy business, increased the sale of industry solutions and expanded the global delivery platform.

## Expectations at the beginning of 2013

- Expectation of increased IT investments in companies in order to improve efficiency.
- Continued macroeconomic uncertainty.
- Changes in Microsoft's partner program.

## Targets for 2013

- Increase sale of Columbus Software by at least 50% compared to 2012.
- Increase the delivery capacity in our Global Delivery Center to at least 75 consultants.
- Increase the portion of revenues from our three industry solutions to a level of 60% of total revenues.
- Increase earnings from consultancy business.
- Deliver revenues in the level of DKK 900m and EBITDA<sup>2</sup> in the level of DKK 60m.

## Management initiatives

- Continued extreme focus on execution of Columbus<sup>15</sup>
- Disposal of non-profitable units in first half year: Columbus Poland and our shares in associated companies in the Middle East.
- Optimization and expansion of our global delivery model.
- Established program in order to optimize working capital.
- Launch of new support concept; ColumbusCare.
- Established a global career and competence program.
- Acquisition of shares from minority shareholders in Columbus Norway AS.

## Financial statements for 2013

Revenues amounted to DKK 879.8m in 2013 which is the same level as in 2012. Adjusted for foreign currency translation revenues increased by 3%. Earnings before depreciation

(EBITDA<sup>2</sup>) amounted to a record high level of DKK 72.1m, corresponding to a growth of 24%. Revenues and EBITDA are in line with the latest upgraded expectations.

Revenues from our industry solutions; retail, food and manufacturing increased to 64%, and thereby we reached an important target for the year. The growth is primarily driven by growth in revenues from manufacturing.

Revenues from consultancy increased by 7% and compensate for the decrease in revenues from external software. Additionally, we expanded the Global Delivery Center to 69 consultants and thus almost reached the target.

Revenues from external software decreased by 32%. The sale of external maintenance was on the same level as in 2012. The primary cause of the decline is that Microsoft is changing their sales model. The total sale of Columbus Software, maintenance and subscriptions was on the same level as in 2012. The sale of Columbus Software through own companies increased by 8% compared to 2012 and is a result of management initiatives. The sale of Columbus Software through external partners decreased by 12%. Thereby we did not reach our target.

EBITDA after share-based payment amounted to DKK 70.1m in 2013, corresponding to an increase of 23%.

The net result amounted to a profit of DKK 21.7m in 2013 (2012: DKK 0.1m). In the light of the considerable write-down of discontinued activities in the first half year of DKK 9.8m, the result for the year is considered satisfactory. Based on the net result and cash flow the Board of Directors proposes that the General Meeting adopts a dividend payment of 10% of the nominal share capital, corresponding to DKK 0.125 per share.

<sup>2</sup> EBITDA before share-based payment

# KEY FIGURES AND RATIOS

DKKm	2013	2012	2011	2010	2009
<b>Income statement</b>					
Net revenues	879.8	881.2	793.6	807.6	835.7
External project costs	-216.3	-240.3	-199.7	-211.2	-214.9
<b>Gross earnings</b>	<b>663.5</b>	<b>640.8</b>	<b>593.9</b>	<b>596.4</b>	<b>620.8</b>
Staff expenses	-476.2	-463.7	-435.0	-416.2	-440.9
Other external costs	-116.1	-120.6	-128.8	-119.8	-145.2
Other operating income	0.9	1.6	2.1	2.5	1.0
Other operating costs	0.0	0.0	-1.2	0.1	-0.4
<b>EBITDA before share-based payment</b>	<b>72.1</b>	<b>58.2</b>	<b>31.0</b>	<b>63.0</b>	<b>35.3</b>
Share-based payment	-2.0	-1.2	-0.3	0.0	0.0
<b>EBITDA</b>	<b>70.1</b>	<b>57.0</b>	<b>30.7</b>	<b>63.0</b>	<b>35.3</b>
Depreciation excl. goodwill	-25.4	-27.9	-24.0	-22.2	-23.1
<b>EBITA</b>	<b>44.8</b>	<b>29.0</b>	<b>6.7</b>	<b>40.8</b>	<b>12.2</b>
Amortization and write down of goodwill	0.0	0.0	0.0	0.0	-17.5
<b>EBIT</b>	<b>44.8</b>	<b>29.0</b>	<b>6.7</b>	<b>40.8</b>	<b>-5.3</b>
Result in associated companies	-4.1	-3.8	1.3	-0.2	0.2
Net financial items	-3.9	-2.0	-1.7	-0.8	-4.9
<b>Pre-tax earnings</b>	<b>36.7</b>	<b>23.3</b>	<b>6.3</b>	<b>39.8</b>	<b>-10.0</b>
Tax on the result for the year	-9.3	-15.8	0.6	-12.6	-7.6
<b>Result for the year, continued operations</b>	<b>27.4</b>	<b>7.5</b>	<b>6.9</b>	<b>27.2</b>	<b>-17.6</b>
Result for the year, discontinued operations	-5.7	-7.4	-17.0	-13.6	0.0
<b>Result for the year</b>	<b>21.7</b>	<b>0.1</b>	<b>-10.1</b>	<b>13.6</b>	<b>-17.6</b>
<b>Allocated thus:</b>					
Shareholders of Columbus A/S	18.6	-3.7	-11.3	11.4	-18.6
Minority interests	3.1	3.9	1.2	2.2	1.0
	<b>21.7</b>	<b>0.1</b>	<b>-10.1</b>	<b>13.6</b>	<b>-17.6</b>
<b>Balance sheet</b>					
Long-term assets	245.1	258.2	254.7	239.3	245.6
Short-term assets	238.6	241.8	235.7	290.0	269.3
<b>Total assets</b>	<b>483.7</b>	<b>500.1</b>	<b>490.4</b>	<b>529.3</b>	<b>514.9</b>
Group shareholder equity	280.3	273.0	275.4	287.8	222.1
Minority interests	3.6	7.5	7.6	12.2	10.1
Debt	199.7	219.5	207.4	229.3	282.8
<b>Total liabilities</b>	<b>483.7</b>	<b>500.1</b>	<b>490.4</b>	<b>529.3</b>	<b>515.0</b>
<b>Investments in tangible assets</b>	<b>3.8</b>	<b>7.5</b>	<b>7.0</b>	<b>2.8</b>	<b>2.9</b>
<b>Cash flow</b>					
Cash flow from continuing operations	72.7	46.5	54.4	20.1	65.0
Cash flow from discontinued operations	-3.0	-4.9	-19.3	-10.6	0.0
Net cash from investments	-29.6	-39.8	-36.4	-3.0	-8.9
Cash flow from financing activities	-0.9	-10.3	-18.6	-7.6	-46.0
<b>Total cash flow</b>	<b>39.1</b>	<b>-8.5</b>	<b>-19.9</b>	<b>-1.1</b>	<b>10.1</b>
<b>Key ratios</b>					
Gross margin II	8.0%	6.5%	3.9%	4.2%	6.1%
Operating profit margin (EBIT-margin)	5.1%	3.3%	0.8%	-0.6%	-0.6%
Equity ratio	58.0%	54.6%	57.7%	54.4%	43.1%
Return on equity	6.7%	-1.4%	-4.0%	4.5%	-8.1%
Average number of shares, in thousands	106,108	105,739	105,739	92,385	77,656
Net asset value per share (BVPS)	2.64	2.58	2.60	2.72	2.72
Earnings per share (EPS)	0.18	-0.04	-0.11	0.12	-0.23
Cash Flow per share	0.67	0.44	0.33	0.10	0.82
Share price, end of period	3.80	1.69	1.40	2.46	2.30
Headcount at the end of the period	840	845	880	893	996

The key figures and financial ratios above have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Key Figures 2010". Comparison figures for 2012 have been corrected so that discontinued operations are presented separately. Comparison figures for earlier years than 2012 have not been corrected to present earnings from discontinued operations separately. As a result of the directed rights issue at a price of DKK 1.9 per share in July 2010, the key figures for "Earnings per share" (EPS) and "Cash flow per share" have been calculated after applying a factor of 0.97.

# 2013: RECORD HIGH EARNINGS

2013 became a record year for Columbus with the best result in the Company's more than 20-year long history. EBITDA<sup>3</sup> amounted to DKK 72m, corresponding to a growth of 24%.

2013 was an execution year for Columbus. We are now half way through Columbus **15**, which has already proven to be a successful strategy. Earnings have increased considerably, competitiveness is strengthened and the ability to deliver excellent value to our customer has improved.

The expectations to the year included five focus areas: Increased revenues from industry solutions, increased earnings in our consulting business, optimization of our global delivery model, geographical focus and sale of own software.

Constant focus and strong execution of Columbus **15** has resulted in the highest EBITDA in Columbus' history.

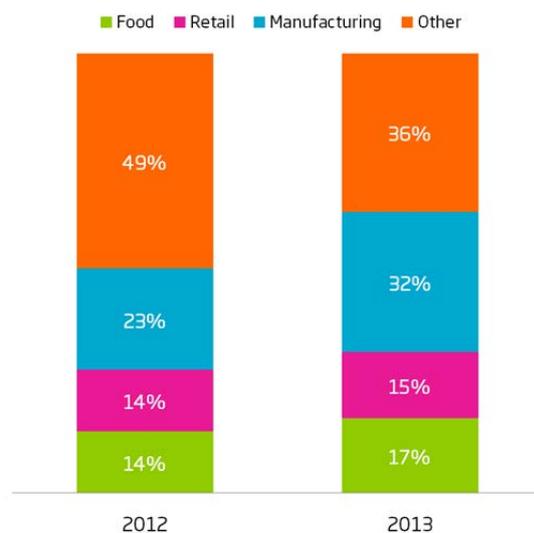
## Industry focus creates value

Industry focus strengthens Columbus' ability to deliver more value to customers, strengthens our competitive advantage and contributes to improved earnings from sale of own software and in our consultancy business.

In 2013 revenues from the three industry solutions increased by 25%. Revenues from the food, retail and manufacturing industries now constitute 64% of total revenues, and thereby we reached an important target in our strategy.

This growth is primarily driven by the industry solution for manufacturing which now constitutes 32% of total revenues (2012: 23%). The success is partly a result of the sale of Columbus RapidValue. Furthermore, we have realized a strong growth in the products Columbus ADM (Advanced Discrete

Manufacturing) and Columbus BIS (Business Integration) as a result of strengthened marketing and sales efforts.



Development in revenues from our industry solutions

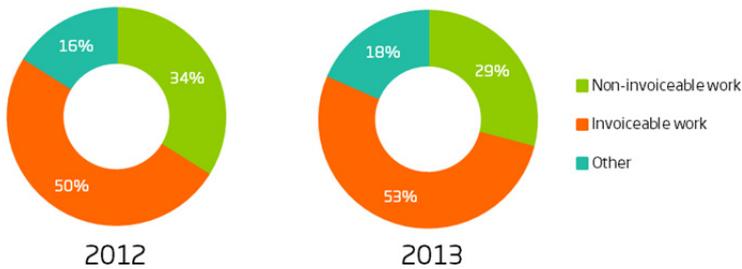
## Considerable increase in earnings in the consultancy business

In 2013 we continued the strong focus on increasing earnings in the consultancy business. We have improved risk management, project management and resource allocation.

Improved project management increases customer satisfaction and job satisfaction for consultants and ensures higher earnings. We ensure our customers completion of projects at the agreed deadline, quality and price. And with improved project management, we minimize waste of time and non-invoiceable time spent on customers.

<sup>3</sup> EBITDA before share-based payment

## Improvement in the consultancy business



In 2013 we obtained a considerable improvement in the consultancy business. We have improved efficiency and increased the number of invoiceable hours from 50% of total hours to 53% in 2013.

Moreover, the entire Group had a strong focus on cost control. Among other things, we have decreased costs of delivery by establishing our Global Delivery Center in India with highly-qualified local resources at a lower cost.

In total the management initiatives in the consultancy business were the main reason for the improved earnings in the Group in 2013.

### Optimization of the global delivery model

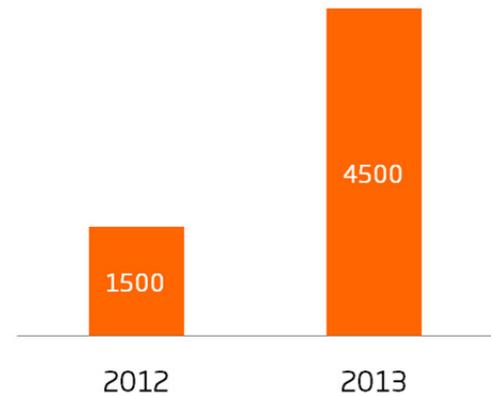
In 2012 we established our Global Delivery Center in India. While 2012 was an establishment year, we have really seen the value of the Company's global delivery model in 2013.

The Global Delivery Center in India hired 20 new employees, and by the end of 2013 the center employed 69 highly-competent people. During the year the center supported 100 projects globally. In 2013 4,500 days of customer support and implementations were delivered, which is a tripling compared to 2012.

In 2013 we intensified the training of consultants in our global implementation methods. All Columbus' consultants are now certified in RapidValue and Surestep+, which is Columbus' global standard for implementations. This improves quality and the efficiency on our projects to the benefit of customers globally.

Additionally, in 2013 we introduced a global support offering in order for us to be able to serve customers the same way regardless of where in the world the support is needed. We have standardized support agreements and introduced our

## Days of customer work from GD



global support brand, ColumbusCare, which has been well received by customers.

### Geographical focus

During 2013 Columbus had a dialogue with a number of companies which fulfill the M&A strategy about acquiring companies within our focus industries and selected geographical areas.

In 2013 we did not acquire any companies as price expectations between seller and buyer did not match. However, in the beginning of 2014 Columbus acquired the British consultancy Omnica, which specializes in multi-channel and e-commerce for the retail industry.

As part of Columbus<sup>15</sup> we have reduced the number of subsidiaries in Columbus, and thus we closed the subsidiary in Poland and discontinued our involvement in the Middle Eastern companies in 2013.

### Growth in sale of Columbus Software through own companies

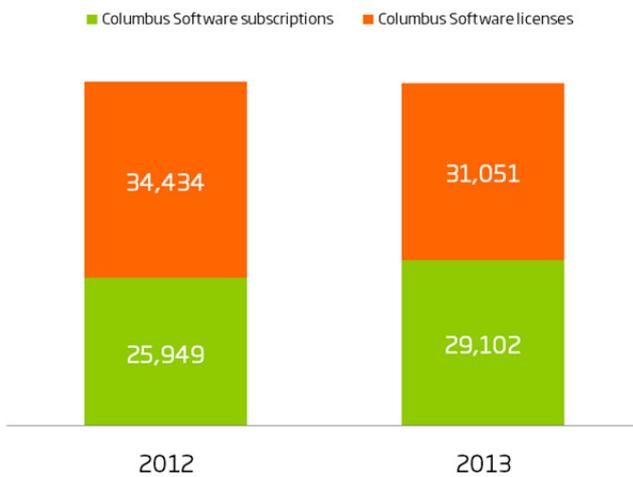
Columbus Software plays an important role in the differentiation of Columbus and is naturally an important ingredient in our business solutions.

Columbus Software is primarily sold through Columbus' companies and through the partner network via Columbus' software development company, To-Increase.

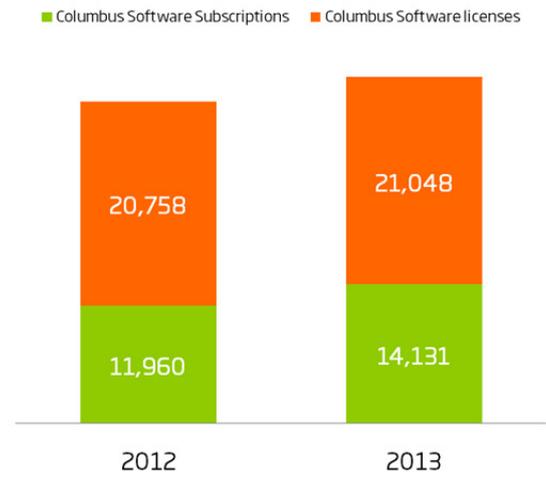
Revenues from Columbus Software consist partly of sale of software licenses and sale of software subscriptions.

In 2013 we continued a number of initiatives in order to increase the sale of Columbus Software through Columbus' own companies. These initiatives include update of software,

### Sale of Columbus Software



### Sale of Columbus Software through own companies



training in the products, sales supporting initiatives, improved marketing material and incentive schemes.

As a result of these initiatives the sale of Columbus Software through Columbus' own companies increased by 8% in 2013.

In 2013 RapidValue gained a good foothold in the market and has been a decisive competitive parameter for Columbus.

Revenues from software subscriptions increased by 12% compared to 2012. This increase in recurring revenue is satisfying.

The sale of Columbus Software to external partners decreased by 12%.

In total the development in sale of Columbus Software is on the same level as in 2012, which is less than expected.

### Decline in sale of third party software

Revenues from external software licenses decreased by 32%. The main reason for this is that our main supplier, Microsoft, is changing their sales model. The change of the sales model means that Columbus is no longer responsible for invoicing and does not carry the debtor risk. Instead Columbus receives a sales commission, which is earned over three years instead of one year.

This development is expected, but faster than first assumed. Columbus sees this development as an opportunity for increasing the sale of consultancy services and own software, as the total initial investment in business systems for customers becomes less.

Revenues from external software subscriptions are unchanged compared to 2012.

### Columbus RapidValue

RapidValue as our fastest growing solution, helps our customers optimizing their business processes. In 2013 we signed up over 30 new customers where we delivered best practices with RapidValue.

### Columbus ADM

2013 was another great year for our Manufacturing Industry. Our software solutions facilitated our customers to decrease lead times and increase profitability.

### Columbus BIS

More and more companies want to integrate their business processes into their customer and vendor business processes. Our Business Integration Software supports our customers achieving this.



## Income statement

Columbus' net revenues amounted to DKK 879.8m in 2013 (2012: DKK 881.2m), corresponding to an increase of 0%. Adjusted for foreign currency translation, revenues increased by 3%.

Revenues	2013 DKKm	2012 Development DKKm	2012-2013
Columbus Software	31.1	34.4	-10%
Columbus Maintenance	29.1	25.9	12%
External software	88.3	130.6	-32%
External maintenance	140.3	140.6	0%
Consultancy	567.6	531.7	7%
Other	23.5	18.0	31%
<b>Total</b>	<b>879.8</b>	<b>881.2</b>	<b>0%</b>

The development in revenues is affected by growth in Eastern Europe and Western Europe, whereas revenues in North America are negatively affected by the lower US dollar rate in 2013. Organically, the largest increase of 9% was in Eastern Europe.

The Columbus<sup>15</sup> strategy was executed as planned - the target of increasing the portion of revenue from selected industries to a level of 60% was exceeded in 2013. Additionally, the Improve Services Profits (ISP) program has contributed to an impressive increase of DKK 36m in consultancy revenues compared to 2012, with the same staff.

Staff costs increased to DKK 478.2m in 2013 (2012: DKK 464.9m), corresponding to an increase of 3%. Adjusted for foreign currency translation, the increase is 5%. The increase

in staff costs is affected by the increased consultancy revenues and the full year effect of the acquisition of First Tech Direct in North America. The average number of employees was 840 in 2013 which is the same level as in 2012.

In 2012 we launched a share-based incentive scheme for a number of employees. The scheme was extended during 2013 and affected staff costs for the year by DKK 2.0m (2012: DKK 1.2m).

Other external costs decreased to DKK 116.1m in 2013 (2012: DKK 120.6m), corresponding to a decrease of 4%. Columbus has reduced other external costs considerably as a result of constant focus on cost savings. The largest cost savings were realized in the parent company as a result of savings in IT and house rent.

Earnings before depreciation (EBITDA) and share-based payment increased to DKK 72.1m in 2013 (2012: DKK 58.2m), corresponding to an increase of 24%.

Earnings before depreciation (EBITDA) increased to DKK 70.1m in 2013 (2012: DKK 57.0m), corresponding to an increase of 23%. Adjusted for foreign currency translation the increase is 29%.

Tax on total income for the year and regulation of deferred tax in the Group amounted to a net cost of DKK -9.3m (2012: DKK -15.8m).

	Revenues (DKKm)		EBITDA (DKKm)		Average headcount	
	2013	2012	2013	2012	2013	2012
To-Increase	33.7	35.8	27.4	19.0	45	43
Western Europe	493.4	489.8	51.6	45.6	358	364
Eastern Europe	178.9	172.1	15.5	10.5	284	285
North America	174.0	183.3	18.1	18.6	140	138
Parent company	-0.2	0.3	-42.4	-36.8	12	15
<b>Total</b>	<b>879.8</b>	<b>881.2</b>	<b>70.1</b>	<b>57.0</b>	<b>842</b>	<b>845</b>



The tax expense was affected by impairment of DKK 1.9m of the booked tax asset in the Columbus Group's joint taxation in Denmark. The impairment is an induced consequence of the Danish Government's limitations of corporation taxes.

The result for the year for discontinued operations amounted to a deficit of DKK 5.7m in 2013 (2012: DKK -7.4m). The result for discontinued operations relates to the disposal of Columbus' subsidiary in Poland, which was closed in the first quarter.

Holdings in associated companies amounted to a deficit of DKK 4.1m which is caused by write-down of the Group's remaining receivables from the Middle Eastern companies.

The net result amounted to a profit of DKK 21.7m (2012: DKK 0.1m). In the light of the deficit in the Middle Eastern companies and the result of discontinued operations, the result for the year is considered satisfactory.

### Balance sheet

Goodwill amounted to DKK 167.7m as of 31 December 2013 (2012: DKK 171.2m). In relation to the discontinuing of the Polish subsidiary a disposal of DKK 1.3m was realized.

Trade receivables amounted to 2013 DKK 138.9m as at 31 December 2013 (2012: DKK 153.5m), corresponding to a decline of 9.5%.

Contract work in progress amounted to DKK 9.5m as of 31 December 2013 (2012: DKK 28.1m), corresponding to a decline of 66%.

The development in both areas is a result of strengthened focus on risk management and cash management in the entire Group, in particular contract work in progress in Russia has contributed positively in 2013.

The total equity amounted to DKK 284.0m at year-end 2013 (2012: DKK 280.5m). The equity ratio increased to 58.7% as of 31 December 2013 compared to 56.1% at year-end 2012.

### Latest developments

There have been no events since 31 December 2013 which could significantly affect the evaluation of the Group's financial position and revenues. Earnings in January and February 2014 are in line with the Company's expectations.

As of 31 January 2014 Columbus has acquired the consultancy Omnica Ltd., which is located in Manchester near the existing subsidiary in the UK. The acquisition strengthens the Groups focus on industry solutions and geographies.

# EXPECTATIONS FOR 2014

With record high earnings in 2013 and continued execution of the Columbus<sup>15</sup> strategy, Columbus has good prospects of increasing earnings even more in 2014. The Group expects revenues in the level of DKK 900m and EBITDA<sup>4</sup> in the level of DKK 80m in 2014.

## Global growth - technology will have great impact

According to an analysis prepared by PricewaterhouseCoopers the number of CEO's who believe that the global economy will improve over the next 12 months has doubled to 44% compared to previous year<sup>5</sup>. At the same time CEO's think three big trends will transform their businesses over the coming five years; technological advantages, demographic shifts and shift in global economic power. Not surprising 81% of the CEO's believe that the technology will transform their businesses the most over the next five years.

Based on the macroeconomic situation and Columbus' expectations to the market development, we expect growth in 2014.

## We want the best employees within the industry

Columbus is a "people business". Our employees are our most important asset. We want Columbus to be the best place to work, and we want the best employees within the industry. Therefore, we invest a large amount in education and training of our people each year, and in 2014 we will continue training people in RapidValue and SureStep+, among other things.

In 2014 all employees will be enrolled in our global "Competence and Career Framework" (CCF), which we launched in 2013. CCF will frame the career plans of all employees in Columbus.

In order to ensure transparency and uniform bonus levels globally, we launched the internal programs CSC (Common Sales Compensation) and CSI (Common Services Incentive) in

2013. Both programs will be developed and implemented in all countries in 2014.

## Continue strong execution of Columbus<sup>15</sup>

We are half way towards the goal of transforming our business from being independent of earnings from third party software to focus on developing and selling own software to selected industries and on optimizing the consultancy business to become more profitable.

Specific targets for 2014:

- Increase revenues from selected industries to the level of 70% of total revenues. We continue investing in developing Columbus' software to our industry solutions and educating employees to become the best industry experts.
- Increase sale of Columbus Software by 17% by investing in innovation and development of our software portfolio and by strengthening the global marketing of Columbus Software.
- Increase delivery capacity in our Global Deliver Center to 95 consultants in 2014. Our target is to have 15% of our consultants work in global teams. We will continue developing ColumbusCare, remote consulting, infrastructure management and testing of applications.
- Increase the number of invoiceable hours to 55% by optimizing resource allocation and project management, and focusing on risk management. This will enable us to deliver better projects to our customers and at the same time increase earnings.

<sup>4</sup> EBITDA before share-based payment

<sup>5</sup> Fit for the future, Capitalising on global trends, PWC, 17th Annual Global CEO Survey



“ Columbus consultants have gone into our business and really helped us. It's more of a partnership than a customer-supplier relationship. There is a good chemistry between us”.

R82, Denmark

# RISK ISSUES

Columbus attaches the utmost significance to conducting ongoing risk monitoring and management. The overall goal of risk management is to ensure that the Company is run with a level of risk, which is in a sensible ratio to the activity level, the nature of the business, and the Company's expected earnings and equity

Columbus' potential to realize the Company's strategic and operational objectives is subject to a number of commercial and financial risks. Columbus is constantly working on identifying risks that can negatively impact the Company's future growth, activities, financial position and results. To the largest extent possible, Columbus tries to accommodate and limit the risks which the Company can affect through its own actions.

Below, some of the risk factors management considers as being of special importance to the Group are described in no specific order.

Columbus attaches the utmost significance to conducting ongoing risk monitoring and management. The overall goal of risk management is to ensure that the Company is run with a level of risk, which is in a sensible ratio to the activity level, the nature of the business, and the Company's expected earnings and equity.

## **Strategic and operational risks**

All companies in the Columbus Group report financial and operational data to the head office on a monthly basis. The reporting includes comments to the financial and business development. Based on this reporting the Group's financial statements are consolidated and reported to the Group management. As part of this process, monthly business reviews and controlling meetings are held, and control visits to all operational companies in the Group are performed on an ongoing basis in order to ensure that considerable errors in the financial reporting are discouraged, discovered and corrected.

Responsibilities, authorities and procedures relating to essential areas are defined in a Group policy which is approved by the Executive Board. The responsibility for maintaining efficient internal controls and a risk management system in connection with the financial reporting lies with the Executive Board which in cooperation with the Board of Directors evaluate the control system of the Group annually.

## **Financial risks**

Columbus' international activities entail that the Company's earnings and equity are affected by a number of financial risks and it is the Company's policy to identify and cover these risks pursuant to the guidelines set by the Board of Directors and the Executive Board.

The finance policy sets up guidelines for the Group's currency, investments, financing and credit risks in relation to financial counterparts. The overall goal with risk management is to reduce the sensitivity of earnings to fluctuations in economic trends. The overall guidelines for the management of the financial and commercial risks are outlined by the Board of Directors annually with the basis in a low risk profile so that currency and interest risks only emerge in commercial conditions.

As a result of its operation, investments and financing, the Group is exposed to changes in currency rates and interest level. The parent company controls the financial risks in the Group centrally and coordinates the Group's liquidity management, including provision of capital and placement of excess liquidity.

## Risk issues and actions

<b>Access to Microsoft's products</b>	Columbus' business foundation is to a wide extent based on the development and implementation of customer solutions based on Microsoft Dynamics. Access to the onward sale of Microsoft Dynamics is therefore of crucial importance to the implementation of Columbus' business strategy and Columbus works with focus on retaining the good relation and the high partner status with Microsoft.
<b>Software development and product innovation</b>	<p>The company's future success, including the opportunities to ensure growth, depends on the ability to continue improving existing solutions, as well as developing new solutions and products adapted to the latest technology and the clients' needs.</p> <p>Columbus has many years of experience developing industry-related solutions and has chosen to separate development activities into a separate company, To-Increase. This will focus resources and make a broader sale of these products possible.</p>
<b>Project and contract risks</b>	<p>It is crucial to Columbus' consulting projects to be able to execute high quality at the agreed time and price. Risks are attached to the Sale, Analysis and Design, Development, Implementation and Commissioning phases. Columbus has carefully defined the individual phases, activities, and tools contained therein, with a view to active risk management and effective implementation. By focusing on the sales phase, we are striving towards a majority of repetition in solving the customer problems and the procedures by which these problems are managed.</p> <p>Through project reviews and ongoing analyses before, during, and after initiation, Columbus tries to ensure that fixed price contracts are entered into with the correct pricing.</p>
<b>Insurance</b>	<p>The company's insurance policy sets the overall guidelines for the scope and management of the company's risks in terms of insurance.</p> <p>Columbus has taken policies for the compulsory and relevant insurance, which arise ordinarily purchased by comparable companies. Included is insurance for operating material and inventory. Management assessments indicate that the necessary and relevant precautions have been taken to thoroughly cover insurance issues. Columbus' insurance policy is revised annually in consultation with the Board of Directors.</p>
<b>Employee dependency</b>	Columbus is a knowledge-intensive company and in order to continuously offer optimal solutions, develop innovative products, and ensure satisfactory financial results, it is necessary to attract and develop the right employees. Columbus has the goal of being an attractive workplace and achieves this through incentive programs, attractive working conditions, employee and manager development, and placing great importance on the company culture.
<b>Foreign exchange rate risk</b>	<p>A considerable part of Columbus' revenue is invoiced in currencies other than DKK. Other currencies are mainly GBP, RUB, NOK and USD.</p> <p>In relation to currency risk, Columbus strives to match expenses against income and liabilities against assets. Furthermore, as many expenses and liabilities as possible are denominated in DKK and EUR. The actual currency risk is therefore limited to the cash flow that is not in DKK and EUR. In connection with international contracts, foreign currency risks are limited primarily through servicing from the local companies so that the Group's income and costs in foreign currency correspond as much as possible.</p> <p>Despite this, greater fluctuations in the most important currencies will have an influence on the financial position as well as the competitive ability.</p> <p>The financial instruments in foreign currencies are all essentially composed of receivables and debt, as well as bank deposits.</p> <p>The Group has not entered into any forward exchange transactions.</p>
<b>Credit risk</b>	<p>The credit risk is the risk of a counterpart neglecting to fulfill its contractual obligations and in so doing imposing a loss on Columbus. The credit risk is monitored centrally.</p> <p>The Group's credit risk originates mainly from receivables from the sale of products and services as well as deposits in financial institutions. Receivables from the sale of products and services are split between many customers and geographic areas. A systematic credit rating of all customers in the individual companies is conducted as well as considering the Group's internal guidelines in this area. Likewise, the rating forms the basis for the payment terms offered to the individual customer.</p>
<b>Cash flow risk</b>	Columbus ensures the necessary cash flow through cash management and tight local monitoring of cash flow in subsidiaries.

# CORPORATE GOVERNANCE

## Corporate Governance

Columbus' management model and organization are adapted on an ongoing basis to ensure we are equipped to manage to our utmost all obligations to shareholders, clients, employees, authorities, as well as other interested parties. In this process, Columbus uses the corporate governance recommendations from NASDAQ OMX Copenhagen as an important source of inspiration. The recommendations can be found at [www.corporategovernance.dk](http://www.corporategovernance.dk).

The Board of Directors is fundamentally in total agreement with NASDAQ OMX Copenhagen's recommendations about good company management. Columbus endeavors to follow the relevant recommendations for the Company, which support the business and ensure value for the Company's interested parties. The statutory report on Corporate Governance, cf. section 107b of the Danish Financial Statements Act, is available on the Company's website: [www.columbusglobal.com/Investor/Corporate\\_Governance/Statutory\\_report](http://www.columbusglobal.com/Investor/Corporate_Governance/Statutory_report)

## Shareholders

The communication between Columbus and shareholders primarily takes place via company announcements and at the company's annual General Meeting. From 2014 Columbus will host a conference call after publication of financial statements. The Company's website is constantly updated with published information. Columbus' shareholders may subscribe to Columbus' e-mail service and receive company announcements, interim management statements, interim reports and annual reports as well as other news via e-mail.

The General Meeting has the final authority over the Company. The Board of Directors emphasize that the shareholders are given detailed information and an adequate basis for the decisions to be made by the General Meeting. The date for the General Meeting is announced in the Company's financial

calendar. Notice of the General Meeting occurs electronically with at least three weeks' and at the most, five weeks' notice. All shareholders have the right to participate and vote at the General Meeting, cf. the Articles of Association. Shareholders have the opportunity to vote by proxy. Votes by proxy allow shareholders to consider each individual item on the agenda. The Board of Directors encourages shareholders to ask questions at the General Meeting, and shareholders may submit proposals that are requested to be handled at the General Meeting before a given deadline.

Resolutions to amend the Articles of Association requires that at least half of the share capital is represented at the General Meeting, and the resolutions must be approved by at least 2/3 of the votes cast and 2/3 of the registered voting share capital. Proposals presented or recommended by the Board of Directors may, however, always be passed with at least 2/3 of both the votes cast and the voting share capital represented, regardless of the amount of the share capital represented. If less than 50% of the share capital is represented at the General Meeting but the resolution has been passed with 2/3 of both the votes cast and the registered voting share capital represented, a new General Meeting must be called within three weeks, where the resolution may be passed with 2/3 of both the votes cast and the registered voting share capital represented, irrespective of whether 50% of the share capital is represented.

## Board of Directors, responsibilities and authorizations

Columbus has a unified management structure consisting of a Board of Directors and an Executive Board. The two bodies are separate and no one serves as members of both.

The Board of Directors in Columbus A/S consists of five members: Ib Kunøe, Jørgen Cadovius, Sven Madsen, Peter Skov Hansen and Ulla Krossteig. The board members are elected



Tomas Jankovski, Columbus Lithuania



Mandy Vanhaaren, Columbus US

for one year at a time with the option for re-election. The number of board members is considered adequate by the Board of Directors, and likewise the composition of the Board is considered appropriate in terms of professional experience and relevant special competences to perform the tasks of the Board of Directors. At least half of the members elected by the General Meeting are independent members, and none of the Board members participates in the day-to-day operation of the Company. For more details about the members of the Board of Directors and the members of the Audit Committee, please see "Board of Directors and Executive Board" on page 28.

The Board of Directors holds at least eight meetings a year according to a meeting schedule planned one year in advance on the Board meeting in December. Extraordinary Board meetings are held according to need. In 2013 10 Board meetings were held. Group management participates in Board meetings in order to ensure a direct dialogue and that the Board of Directors is well informed about the operation of the Company.

The Board of Directors is responsible for the overall management of the Company on behalf of the shareholders and supervises the Company and ensures adequate management of the Company in compliance with legislation and Articles of Association. Together with the Group management the Board of Directors determines goals and strategies, and approves budgets and action plans.

The Board of Directors makes decisions about acquisitions, large investments and divestments, size and composition of capital base, long-term debt, controlling, auditing and considerable operational circumstances.

The general guidelines for the Board of Director's work are specified in the Rules of Procedure, which are reviewed at least once annually and are adapted to Columbus' needs.

At the time of submission of the Annual Report 2013, the Board of Directors is authorized to increase the share capital by up to 16,000,000 shares of DKK 1.25 in one or more tranches. In addition to this authorization, the Board of Directors is authorized to increase the share capital by up to DKK 607,500 in one or more tranches as part of issuing new shares in favor of employees of the Company and subsidiaries. With respect to any new shares subscribed in accordance with this authorization, the same rules apply as those applying to existing shares in the Company.

The Board of Directors is authorized to acquire up to 10% of the Company's share capital against payment which must not vary more than +/- 10% of the price quoted at NASDAQ OMX Copenhagen A/S for the shares immediately prior to the acquisition.

### **Executive Board**

The Board of Directors appoints the Executive Board and determines the terms of employment. The Executive Board is responsible for the day-to-day operation of Columbus, including strategy, budgets and targets for the Company. The Executive Board consists of one person, CEO, Thomas Honoré.

The Board of Directors has adopted Rules of Procedure for the Executive Board which describes the overall tasks and responsibilities of the Executive Board, reporting to the Board of Directors and authorities of the Executive Board. The Rules of Procedure for the Executive Board are reviewed and approved annually.

Information from the Executive Board occurs systematically as well as at meetings and in written and verbal ongoing reporting. The reporting contains information about the financial development as well as profitability.



Ronny Hatlemark, Columbus Norway



Carsten Petry, Columbus NSC

### **Audit Committee**

In April 2009 the Company appointed an Audit Committee, the purpose of which is to consider accounting, audit, risk and controlling issues. The Audit Committee consists of Peter Skov Hansen (Chairman), Sven Madsen and Ulla Krossteig.

The tasks of the Audit Committee have been determined in a Terms of Reference which has been approved by the Board of Directors. The Terms of Reference are available on the Company's website. The Committee determines the meeting frequency. In 2013 four meetings were held.

### **Diversity**

The Board of Directors wants equal opportunities for both genders in the Company's executive management level and believes that diversity provides business value.

In 2013 the Board of Directors adopted targets in order to increase the proportion of women in the Board of Directors and at management level. The targets and action plans are reviewed and updated once a year.

In connection with nomination of new Board members, a careful assessment is made of the knowledge and professional experience required to ensure the presence of the necessary competencies in the Board of Directors. At the same time, the Board of Directors is working to ensure that the members supplement each other in the best possible way in terms of background, gender, etc.

In connection with appointment of executives, a careful assessment is conducted of which knowledge and professional experience are needed with a view to ensuring the presence of the necessary competencies at all executive management levels. It is important that the greatest management talents, irrespective of gender, achieve the highest executive positions.

When the Board of Directors determined the targets, women constituted 20% of the Board of Directors and 12% at management level.

The Board of Directors has determined the following targets for the gender distribution in Columbus:

- Obtain a distribution of both genders in the Board of Directors in Columbus of minimum 40% in 2017
- Obtain a distribution of both genders at management level of minimum 20% in 2015 in Columbus globally

In 2013 no replacements were made in the Board of Directors, and therefore we are not yet closer to our target for 2017. Diversity is discussed in connection with assessments of new board candidates. However, this goal must not compromise other recruitment criteria.

On country management level only one replacement has been made in 2013, and in this relation female candidates were on the short list in the recruiting process. In total we have not come closer to our target for 2015 during 2013. In 2013 we have focused on establishing processes and systems, and we have hired a Career and Compensation Manager who will help us ensuring that we reach our target. Thus, 2013 was an establishment year. In relation to Columbus' subsidiaries, the Board of Directors has defined the overall objectives for the program and is following up on execution. The subsidiaries are responsible for launching initiatives which are adjusted to local challenges and requirements.

Columbus' targets and action plan for more female managers are available on the Company's website:

[www.columbusglobal.com/Investor/Corporate\\_Governance/Targets\\_and\\_action\\_plan](http://www.columbusglobal.com/Investor/Corporate_Governance/Targets_and_action_plan)

# CORPORATE SOCIAL RESPONSIBILITY

Columbus' Corporate Social Responsibility report is prepared in accordance with the Danish Financial Statements Act, section 99 a.

## Code of conduct

Columbus Code of Conduct is our general ethical guideline for business conduct to ensure that we in Columbus on a global level are dedicated to promote ethical business practices.

## Transparency and credibility

In Columbus we are committed to show complete openness towards customers, employees, shareholders, suppliers and other stakeholders. It is essential that their understanding of our services and products is accurate, updated and truthful. Therefore there is no incongruence between what we communicate within the Company and what we communicate externally. Among other things we show this by putting our internal news letters to employees on our website, where they are publicly available.

## Anti-corruption

We will not tolerate corruption, money laundering, bribery or other illegal or unethical business activity. Our performance and competitiveness are strengthened solely through lawful conduct. The Group's anti-corruption position has been clearly communicated to all subsidiaries. Furthermore, we have implemented Columbus Authorization and Risk Management Rules (CARMR), which encompass rules on the authorization hierarchy and ensure the senior management's and/or the Board's involvement in major contracts and investments.

## Multiplicity and non-discrimination

All employees in Columbus are carefully selected on the basis of professional competencies without regard to religion, race,

skin color, disability, gender, age or sexual or political orientation. We regard multiplicity as a strength and we will not tolerate discrimination or harassment.

## Taking care of employees

In Columbus we attract the most competent employees and we wish to retain them. Therefore, we strive to create a healthy and safe work environment. In addition we aim to create high quality and stimulating working conditions for all employees globally. This is ensured through policies in our employee well-being handbooks as well as our competence development program, Columbus Competence and Career Framework and our monthly employee satisfaction survey, Heartbeat. As a fundamental aspect of our operation all employees are encouraged to teamwork and share knowledge across borders. Among other things, this is recognized in our annual Columbus Award program, where projects with extraordinary team performance are awarded.

*"We like working in Columbus because..."*

**//** Every day is different, unpredictable and full of challenges".

Giedrius Dudonis, Project Manager, Columbus Lithuania

**//** Every employee gets an opportunity to improve".

Rishi Khurana, Product Manager, Columbus To-Increase

**//** It is challenging and satisfying".

Martin Clothier, Technical Manager, Columbus UK



Dmitry Kanakov, Columbus Russia



Martin Haastrup Ishøi, Columbus Denmark

### **Our CSR focus in 2013**

In 2013 employees' working conditions were the main focus of our CSR efforts. The employee handbooks in our subsidiaries cover local policies on working conditions, employee well-being and employee development. In our CSR efforts, we have focused on current initiatives, which apply to all employees globally.

### **Employee development**

In 2013 we rolled out Columbus Competence and Career Framework, which is a program designed to ensure a targeted and structured effort on our employees' competence and career development. In addition, all our consultants globally are being certified in our unique business concepts such as SureStep+, Rapid Value and other technologies.

### **Employee well-being**

At the beginning of 2013 we launched Heartbeat, our global employee satisfaction survey, which is conducted on a monthly basis. The purpose of Heartbeat is continuously to improve the employee satisfaction in Columbus. In 2013 the target was a response rate of 75% each month. We obtained this target in December with a response rate of 77%.

### **Employee recognition**

In Columbus, we are proud of our many talented employees, and therefore we launched the portal Faces of Columbus in 2012, where all employees are encouraged to share portraits of themselves. This is of course entirely voluntary. We use the pictures in both our internal and external communications.

We have launched our annual awards Columbus Awards on a global level. The purpose is to recognize and celebrate the individuals and teams, who have made a special effort and delivered extraordinary performances, in particular towards

our customers. The winners of Columbus Awards are individual employees, teams and subsidiaries.

### **Employee dialogue**

We strive to grow dialogue with our employees and dialogue between employees in Columbus across borders in order to strengthen our community. The aim is that everyone feels as part of a global team, and that everyone's voice counts and is listened to. Therefore, we have launched Yammer, our social, digital forum where all employees have the opportunity to debate with each other, ask questions, post inspirational messages and follow each other's achievements. We also publish a global newsletter, which is aimed to be inspirational and motivational to work towards our common goals as well as the voice of the people of Columbus.

### **Social commitment in subsidiaries**

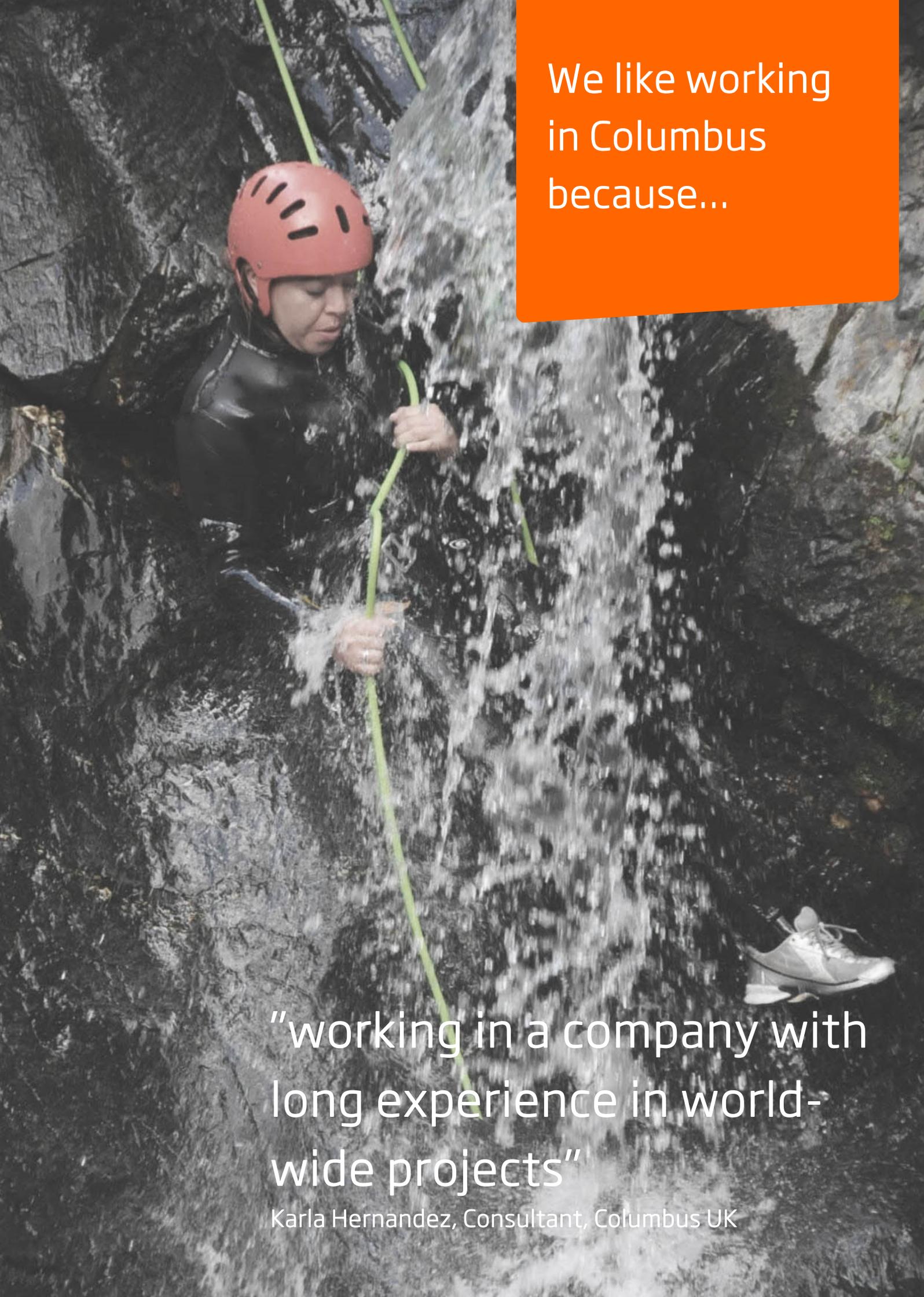
It is important for Columbus to be involved in charity work. In 2013 Columbus supported several charity organizations and some of our subsidiaries have started own local initiatives to collect money for charity.

### **United Nations Global Compact**

In 2012 we joined the United Nations Global Compact to show internally and externally, that we support and enact ten general principles of corporate social responsibility. These principles are based on internationally recognized conventions on human rights, labor standards, environment and anti-corruption. Each year we will evaluate our CSR efforts and report this to United Nations Global Compact.

The United Nations Global Compact report for 2013 is available here:

[www.columbusglobal.com/Investor/Corporate\\_Governance/Global\\_Compact\\_report\\_2013](http://www.columbusglobal.com/Investor/Corporate_Governance/Global_Compact_report_2013)

A woman wearing a red helmet and a black wetsuit is rappelling down a dark, wet rock face. She is holding a bright green rope. To her right, a waterfall cascades down the rock. In the bottom right corner, a white sneaker is shown as if it has just been thrown or is about to be thrown.

We like working  
in Columbus  
because...

“working in a company with  
long experience in world-  
wide projects”

Karla Hernandez, Consultant, Columbus UK

# THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

## Board of Directors

### Ib Kunøe

Born 1943

Chairman of the Board

Joined the Board in 2004

Does not fulfill the Committee of Corporate Governance definition of independency

#### *Chairman of the Board for:*

Atea ASA, CDRator A/S, Consolidated Holdings A/S, DAN-Palletiser A/S, DAN-Palletiser Holding A/S, Netop Solutions A/S, Iteo Consulting AS, X-Yacht A/S, X-Yacht Holding A/S, Sparresholm Jagtselskab ApS and Freemantle Ltd.

#### *Member of the Board for:*

Atrium Partner A/S

#### *Special competencies:*

Company management, including management of IT companies, development of and dealing with companies

Ownership in Columbus A/S	Number	Changes in fiscal year
Shares	56,538,055	5,241,634
Options	0	0
Warrants	120,000	60,000

### Jørgen Cadovius

Born 1945

Deputy Chairman of the Board

Joined the Board in 2004

Solicitor

Fulfills the Committee of Corporate Governance definition of independency

#### *Chairman of the Board for:*

A&C Catering A/S, Frese A/S, Frese Metal- og Stålstøberi A/S, Frugtring A/S, Inter Express Transport A/S, Objective A/S and Europa Frugt Økologi A/S

#### *Member of the Board for:*

Jørgen Schultz Holding A/S and Theodor Lund & Petersen Holding A/S

#### *Special competencies:*

General management, legal and company law

Ownership in Columbus A/S	Number	Changes in Fiscal year
Shares	206,000	182,000
Options	0	0
Warrants	120,000	60,000

### Peter Skov Hansen

Born 1951

Joined the Board in 2012

Completed State Authorized Public Accountant education in 1980, registered as non-practicing

Chairman of the Audit Committee

Fulfills the Committee of Corporate Governance definition of independency

#### *Member of the Board for:*

X-Yachts Holding ApS, X-Yachts A/S, Netop Solutions A/S and Robotek Gruppen A/S

#### *Special competencies:*

Business development and financial, accounting and tax related issues

Ownership in Columbus A/S	Number	Changes in fiscal year
Shares	40,000	0
Options	0	0
Warrants	120,000	60,000



Ib Kunæ  
Chairman of the Board



Jørgen Cadovius  
Deputy Chairman of the Board



Peter Skov Hansen  
Member of the Board



Sven Madsen  
Member of the Board



Ulla Krossteig  
Member of the Board



Thomas Honoré  
CEO and member of the Executive Board

### Sven Madsen

Born 1964

Joined the Board in 2007

CFO in Consolidated Holdings A/S

Member of the Audit Committee

Does not fulfill the Committee of Corporate Governance definition of independency

#### *Chairman of the Board for:*

CHV IV A/S and CHV III A/S

#### *Member of the Board for:*

Atea ASA, Consolidated Holdings A/S, core:workers AB, core:workers Holding A/S, core:workers A/S, Ejendomsaktieselskabet af 1920 A/S, Primare AB, DAN-Palletiser Holding A/S, DAN-Palletiser A/S, DAN-Palletiser Finans A/S, PokerOffice AB, Northern Link PR ApS, Columbus Danmark A/S and Columbus NSC A/S.

#### *Special competencies:*

General management, economic and financial issues

Ownership in Columbus A/S	Number	Changes in fiscal year
Shares	408,529	0
Options	0	0
Warrants	120,000	60,000

### Ulla Krossteig

Born 1950

Joined the Board in 2011

Completed State Authorized Public Accountant education in 1980, registered as non-practicing

Member of the Audit Committee

Fulfills the Committee of Corporate Governance definition of independency

#### *Member of the Board for:*

Svendborg Importfirma A/S, AT af 1. juni 2010 A/S, Danika Holdings (Pty) Ltd., Danika Management (Pty) Ltd., Jaul Safaris (Pty) Ltd. and Limpopo Beach Lodge (SA) LDA

#### *Special competencies:*

Economic and financial issues

Ownership in Columbus A/S	Number	Changes in fiscal year
Shares	113,333	60,000
Options	0	0
Warrants	60,000	60,000

## Executive Board

### Thomas Honoré

Born 1969

Joined as CEO in May 2011

Ownership in Columbus A/S	Number	Changes in fiscal year
Shares	255,998	91,157
Options	0	0
Warrants	866,666	0

# SHAREHOLDER INFORMATION

## Shareholder information

Columbus A/S's shares have been listed on NASDAQ OMX Copenhagen since May 1998 and have ID code DK0010268366 and abbreviated name COLUM. Columbus A/S is included in the Small Cap index.

At the end of 2013, the price of the Columbus A/S share was DKK 3.80, while at the end of 2012 it was DKK 1.69 - an increase of 124.85% (2012: 20.7%).

## Share price development



In 2013, a total of 35.1m shares were sold corresponding to 33% of the total number of shares at the end of 2013 (2012: 12%). The average revenue per business day in 2013 was DKK 0.38m (2012: DKK 0.08m).

The Company's market value amounted to DKK 403.7m at the end of 2013 against DKK 178.7m at the end of 2012.

## Share capital

At the end of 2013 the share capital in Columbus A/S comprised of 106,234,493 shares at DKK 1.25 corresponding to

nominal share capital of DKK 132,793,116 (2012: 105,739,493 shares at DKK 1.25, corresponding to nominal share capital of DKK 132,174,366).

Each share provides one vote. The shares are marketable securities and no restrictions have been set for the shares' negotiability. The shares must be named and noted in the Company's share register.

## Ownership

At the end of 2013 Columbus A/S had 5,360 registered shareholders, which together owned 98.07% of the total share capital.

The following shareholders have informed Columbus A/S of possession of 5% or above of the share capital:

	No. of shares	%
Consolidated Holdings A/S	56,538,055	53.22

Members of Columbus A/S's Board of Directors and Executive Board owned in total 54.18% of the share capital at the end of 2013.

## Dividends

Columbus A/S has not yet paid dividends to shareholders.

The Board of Director proposes that the Annual General Meeting adopts ordinary dividends to shareholders of 10% of the nominal value. The Board of Directors states that the reason for the proposed dividends is improved earnings and positive cash flow. The Board of Directors strives to establish distribution of dividends in the future.



### Investor Relations

Columbus endeavors to provide a high and consistent level of information to our shareholders and other interested parties. A company goal is to have an open and active dialogue with shareholders, share analysts, the press and the public in order to ensure the necessary insight and thereby the best possibility to evaluate the Company. This will be obtained in accordance with rules and legislation for companies listed on NASDAQ OMX Copenhagen and in accordance with Columbus' Investor Relations and Information policy. Communication with interested parties takes place via the ongoing publication of notifications, investor presentations and individual meetings.

The website [www.columbusglobal.com](http://www.columbusglobal.com) is the primary source of information for interested parties. It is updated constantly with new information about Columbus' results, activities and strategy.

From 2014 Columbus will host a conference call after publication of financial statements. The call and presentations can be followed directly via the Company's website.

### Analysts

The Danish share analyst, Aktieinfo, covers Columbus and four times a year they publish a share analysis with recommendations about the Columbus share based on the Compa-

ny's results and factors that may influence the Company's business and future share price development.

### Contact

Shareholders, analysts, investors, securities companies and other interested parties with questions about Columbus are requested to inquire at:

Columbus  
Lautrupvang 6  
2750 Ballerup  
Tel: +45 7020 5000  
Contact person: CFO, Hans Henrik Thrane  
Email: [hht@columbusglobal.com](mailto:hht@columbusglobal.com)

### General Meeting

The Company's Annual General Meeting will be held on 25 April 2014 at 10.00 a.m. on the Company's address at: Lautrupvang 6, 2750 Ballerup.

### Shareholder services

Via the Company's website all registered shareholders have access to the shareholder portal. At the portal it is possible to request admission card for the General Meeting, appoint a proxy, complete postal voting etc.

## Development in share capital

Development in share capital in Columbus A/S since 1 January 2013	Capital increase (DKK nom.)	Total share capital (DKK nom.)	No. of shares of DKK 1.25 (nom)
Capital increase 4 April*	618,750	132,793,116	106,234,493

\* Capital increase as a consequence of the exercise of warrants by a member of the Board of Directors and a number of senior executives. The warrants were granted as part of the Company's warrant program. The subscription price for the new shares is DKK 1.43 for 180,000 shares and DKK 1.48 for 315,000 shares.

# NOTIFICATIONS TO NASDAQ OMX COPENHAGEN

## 2013

1	19 March	Annual Report 2012
2	19 March	Columbus delivered turnaround and increased earnings
3	20 March	Trading in Columbus A/S shares by insiders
4	20 March	Trading in Columbus A/S shares by insiders
5	20 March	Report pursuant to the Danish Securities Trading Act Section 29
6	20 March	Trading in Columbus A/S shares by insiders
7	21 March	Notice to convene Annual General Meeting
8	22 March	Trading in Columbus A/S shares by insiders
9	25 March	Trading in Columbus A/S shares by insiders
10	3 April	Columbus discontinues own activities in Poland and enters into strategic partnership
11	4 April	Columbus issues new shares as a result of warrant exercise
12	4 April	Subscription for shares by exercising of warrants
13	4 April	Capital increase registered - new articles of association
14	8 April	Trading in Columbus A/S shares by insiders
15	17 April	Trading in Columbus A/S shares by insiders
16	25 April	Interim management statement Q1 1013
17	25 April	Passing of Annual General Meeting and subsequent constitution of the Board of directors
18	6 May	Trading in Columbus A/S shares by insiders
19	17 May	Trading in Columbus A/S shares by insiders
20	21 May	Trading in Columbus A/S shares by insiders
21	13 May	Incentive scheme
22	14 May	Amendment of Articles of Association
23	13 August	Columbus is negotiating about acquisition of foreign consultancy
24	16 August	Columbus A/S interim report H1 2013
25	16 August	Growth in earnings driven by service business in H1 2013
26	23 August	Trading in Columbus AS shares by insiders
27	28 August	Negotiations about acquisition of foreign consultancy ended without agreement
28	12 September	Trading in Columbus AS shares by insiders
29	27 September	Columbus acquires shares from minority shareholders in Columbus Norway
30	5 November	Interim management statement Q3 2013
31	5 November	Strategic status report and targets
32	3 December	Financial calendar 2014
33	19 December	Incentive scheme
34	20 December	Amendment of Articles of Association

## Expected publication of financial information

Interim Management Statement Q1	25 April 2014
Interim Report 2014	15 August 2014
Interim Management Statement Q3	4 November 2014

Immediately following the publication, the notifications will be available on Columbus' website: [www.columbusglobal.com](http://www.columbusglobal.com).

# GROUP OVERVIEW

Company	Country	Ownership by Columbus A/S, %	Columbus A/S's share of voting right, %	Average No. of employees
Columbus A/S	Denmark			12
<b>Affiliated companies</b>				
<b>Western Europe</b>				
Columbus Danmark A/S	Denmark	100	100	157
Columbus NSC A/S	Denmark	100	100	29
Columbus Norway AS	Norway	100	100	88
Columbus Global (UK) Ltd	England	100	100	84
To-Increase B.V.	Netherlands	100	100	45
To-Increase Holding	Netherlands	100	100	0
<b>Eastern Europe</b>				
ZAO Columbus IT Partner	Russia	100	100	145
Columbus IT Partner Ukraine	Ukraine	100	100	1
Columbus IT Partner Kazakhstan	Kazakhstan	100	100	2
Columbus IT Partner (Russia) Limited	Cyprus	100	100	0
UAB Columbus Lietuva	Lithuania	100	100	59
Columbus Eesti AS	Estonia	51	51	55
Columbus IT Partner SIA *	Latvia	33	33	23
<b>North America</b>				
Columbus US Inc.	USA	100	100	140

Note: The overview only contains the Group's operative companies.

\* Columbus Eesti AS owns 63% of Columbus IT Partner SIA. Columbus A/S is controlling shareholder in Columbus IT Partner SIA by indirect disposal of the voting right through control of the majority in the ownership of Columbus Eesti AS.



# Financial Statements

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# TOTAL INCOME STATEMENT

DKK '000	Note	Group		Parent Company	
		2013	2012	2013	2012
Net revenues	4	879,805	881,185	26,312	33,764
External project costs		-216,278	-240,337	-211	2
<b>Gross earnings</b>		<b>663,527</b>	<b>640,848</b>	<b>26,101</b>	<b>33,766</b>
Staff expenses	5	-476,207	-463,684	-14,456	-14,959
Other external costs		-116,145	-120,608	-11,671	-14,405
Other operating income		914	1,596	0	818
Other operating costs		-5	0	-17,117	-1,681
<b>EBITDA before share-based payment</b>		<b>72,084</b>	<b>58,152</b>	<b>-17,143</b>	<b>3,539</b>
Share-based payment	5	-1,960	-1,200	-1,960	-1,200
<b>EBITDA</b>		<b>70,124</b>	<b>56,952</b>	<b>-19,103</b>	<b>2,339</b>
Depreciation	9, 10	-25,352	-27,924	-1,699	-1,914
<b>Earnings before write down of goodwill (EBITA)</b>		<b>44,772</b>	<b>29,028</b>	<b>-20,802</b>	<b>425</b>
Write down of goodwill	9, 11	0	0	0	0
<b>Operating profit (EBIT)</b>		<b>44,772</b>	<b>29,028</b>	<b>-20,802</b>	<b>425</b>
Results in affiliated companies		0	0	43,765	29,056
Results in associated companies	13	-4,109	-3,781	0	0
Financial income	6	190	360	2,498	2,371
Financial expense	6	-4,123	-2,349	-2,912	-2,060
<b>Pre-tax earnings, continuing operations</b>		<b>36,730</b>	<b>23,258</b>	<b>22,549</b>	<b>29,792</b>
Tax on result for the year, continuing operations	7	-9,334	-15,750	-1,748	-6,662
<b>Result for the year, continuing operations</b>		<b>27,396</b>	<b>7,508</b>	<b>20,801</b>	<b>23,130</b>
<b>Result for the year, discontinued operations</b>	12	<b>-5,662</b>	<b>-7,363</b>	<b>0</b>	<b>0</b>
<b>Result for the year</b>		<b>21,734</b>	<b>145</b>	<b>20,801</b>	<b>23,130</b>
Foreign exchange rate re. affiliated companies		-3,525	1,418	0	0
<b>Other total income</b>		<b>-3,525</b>	<b>1,418</b>	<b>0</b>	<b>0</b>
<b>Total income for the year</b>		<b>18,209</b>	<b>1,563</b>	<b>20,801</b>	<b>23,130</b>
Allocated thus:					
Shareholders in Columbus A/S		18,597	-3,739		
Minority interests		3,137	3,884		
		<b>21,734</b>	<b>145</b>		
Other total income allocated thus:					
Shareholders Columbus A/S		1,793	-2,004		
Minority interests		3,137	3,567		
		<b>4,930</b>	<b>1,563</b>		
Earnings per share of DKK 1.25 (EPS)	8	0.18	-0.04		
Earnings per share of DKK 1.25, diluted (EPS-D)	8	0.17	-0.04		
Result of continuing operations per share of DKK 1.25 (EPS)	8	0.26	0.03		
Result of continuing operations per share of DKK 1.25, diluted (EPS)	8	0.25	0.03		

# BALANCE SHEET

DKK '000	Note	Group		Parent Company	
		2013	2012	2013	2012
<b>ASSETS</b>					
Goodwill		167,705	171,196	0	0
Other intangible assets		1,446	3,111	892	1,991
Development projects finalized		43,288	43,684	0	86
Development projects in progress		3,593	6,738	0	0
<b>Intangible assets</b>	9	<b>216,032</b>	<b>224,729</b>	<b>892</b>	<b>2,077</b>
Leasehold improvement		781	933	0	0
Plant and operating equipment		8,873	10,511	485	999
<b>Tangible assets</b>	10	<b>9,654</b>	<b>11,444</b>	<b>485</b>	<b>999</b>
Holdings in affiliated companies	11	0	0	238,505	264,336
Holdings in associated companies	13	0	971	0	527
<b>Financial assets</b>		<b>0</b>	<b>971</b>	<b>238,505</b>	<b>264,863</b>
Deferred tax assets	7	19,418	21,077	5,780	7,568
<b>Total long-term assets</b>		<b>245,104</b>	<b>258,221</b>	<b>245,662</b>	<b>275,507</b>
Inventories		40	927	0	0
Trade receivables	14	138,929	153,523	0	26
Contract work in progress	15	9,471	28,132	0	0
Receivables from affiliated companies	16	0	0	65,046	28,886
Corporation tax	7	40	540	0	0
Other receivables		5,232	11,515	15	5,309
Prepayments		9,478	8,388	555	361
<b>Receivables</b>		<b>163,150</b>	<b>202,098</b>	<b>65,616</b>	<b>34,582</b>
Cash		75,410	38,812	17,440	2,702
<b>Total short-term assets</b>		<b>238,600</b>	<b>241,837</b>	<b>83,056</b>	<b>37,284</b>
<b>TOTAL ASSETS</b>		<b>483,704</b>	<b>500,058</b>	<b>328,718</b>	<b>312,791</b>

# BALANCE SHEET

DKK '000	Note	Group		Parent Company	
		2013	2012	2013	2012
<b>LIABILITIES</b>					
Share capital	17	132,793	132,174	132,793	132,174
Reserves on foreign currency translation		-10,680	-7,300	0	0
Retained profit		144,940	148,152	173,884	164,402
Proposed dividends		13,279	0	13,279	0
<b>Group shareholders equity</b>		<b>280,332</b>	<b>273,026</b>	<b>319,956</b>	<b>296,576</b>
Minority interests		3,646	7,507	0	0
<b>Equity</b>		<b>283,978</b>	<b>280,533</b>	<b>319,956</b>	<b>296,576</b>
Deferred tax	7	74	312	0	0
Provisions		121	1,037	0	0
Debt to credit institutions		6	58	0	0
Other debt	18	1,270	1,270	0	0
<b>Long-term debt</b>		<b>1,471</b>	<b>2,677</b>	<b>0</b>	<b>0</b>
Credit institutions		2,385	7	0	0
Debt to affiliated companies		0	0	2,284	11,304
Client prepayments		14,946	17,612	0	0
Trade accounts payable		52,694	64,272	2,173	1,979
Corporation tax	7	5,235	6,434	0	0
Other debt	18	103,704	113,301	4,305	2,932
Accruals		19,291	15,222	0	0
<b>Short-term debt</b>		<b>198,255</b>	<b>216,848</b>	<b>8,762</b>	<b>16,215</b>
<b>Total debt</b>		<b>199,726</b>	<b>219,525</b>	<b>8,762</b>	<b>16,215</b>
<b>TOTAL LIABILITIES</b>		<b>483,704</b>	<b>500,058</b>	<b>328,718</b>	<b>312,791</b>

# STATEMENT OF CHANGES IN EQUITY - GROUP

DKK '000	Shareholders in Columbus A/S					Equity
	Share capital	Reserves on foreign currency translation	Retained profits	Proposed dividends	Minority interests	
<b>Group 2013</b>						
<b>Balance at 1 January 2013</b>	<b>132,174</b>	<b>-7,300</b>	<b>148,152</b>	<b>0</b>	<b>7,507</b>	<b>280,533</b>
Result for the year	0	0	5,318	13,279	3,137	21,734
Other comprehensive income (foreign currency translation re. foreign enterprises)	0	-3,380	-145	0	0	-3,525
<b>Total income for the year</b>	<b>0</b>	<b>-3,380</b>	<b>5,173</b>	<b>13,279</b>	<b>3,137</b>	<b>18,209</b>
Capital increase	619	0	105	0	0	724
Share-based payment	0	0	1,960	0	0	1,960
Acquisition of minority interests	0	0	-10,450	0	-5,444	-15,894
Payment of dividend	0	0	0	0	-1,554	-1,554
<b>Balance at 31 December 2013</b>	<b>132,793</b>	<b>-10,680</b>	<b>144,940</b>	<b>13,279</b>	<b>3,646</b>	<b>283,978</b>
<b>Group 2012</b>						
<b>Balance at 1 January 2012</b>	<b>132,174</b>	<b>-8,252</b>	<b>151,430</b>	<b>0</b>	<b>7,642</b>	<b>282,994</b>
Result for the year	0	0	-3,739	0	3,884	145
Other comprehensive income (foreign currency translation re. foreign enterprises)	0	952	783	0	-317	1,418
<b>Total income for the year</b>	<b>0</b>	<b>952</b>	<b>-2,956</b>	<b>0</b>	<b>3,567</b>	<b>1,563</b>
Share-based payment	0	0	1,200	0	0	1,200
Acquisition of minority interests	0	0	-1,522	0	1,327	-195
Payment of dividend	0	0	0	0	-5,029	-5,029
<b>Balance at 31 December 2012</b>	<b>132,174</b>	<b>-7,300</b>	<b>148,152</b>	<b>0</b>	<b>7,507</b>	<b>280,533</b>

# STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

DKK '000	Share capital	Reserves on foreign currency translation	Retained profit	Proposed dividend	Equity
<b>Parent Company 2013</b>					
<b>Balance at 1 January 2013</b>	<b>132,174</b>	<b>0</b>	<b>164,402</b>	<b>0</b>	<b>296,576</b>
Total income for the year	0	0	7,522	13,279	20,801
Capital increase	619	0	0	0	619
Share-based payment	0	0	1,960	0	1,960
<b>Balance at 31 December 2013</b>	<b>132,793</b>	<b>0</b>	<b>173,884</b>	<b>13,279</b>	<b>319,956</b>
<b>Parent Company 2012</b>					
<b>Balance at 1 January 2012</b>	<b>132,174</b>	<b>0</b>	<b>140,919</b>	<b>0</b>	<b>273,093</b>
Total income for the year	0	0	23,130	0	23,130
Opening adjustment	0	0	-652	0	-652
Share-based payment	0	0	1,200	0	1,200
Acquisition of minority interests	0	0	-195	0	-195
<b>Balance at 31 December 2012</b>	<b>132,174</b>	<b>0</b>	<b>164,402</b>	<b>0</b>	<b>296,576</b>

# CASH FLOW STATEMENT

DKK '000	Note	Group		Parent Company	
		2013	2012	2013	2012
Operating profit (EBIT)		44,772	29,028	-20,802	425
Depreciations and amortizations	9, 10	25,352	27,924	1,699	1,914
Cost of incentive scheme	5	1,960	1,200	1,960	1,200
Changes in net working capital	24	13,265	-3,829	-66	-21,565
<b>Cash flow from primary activities</b>		<b>85,349</b>	<b>54,323</b>	<b>-17,209</b>	<b>-18,026</b>
Interest received, etc.	6	190	360	2,498	2,371
Interest paid, etc.	6	-4,123	-2,349	-2,912	-2,060
Corporation tax paid	7	-8,751	-5,838	0	0
<b>Cash flow from operating activities</b>		<b>72,665</b>	<b>46,496</b>	<b>-17,623</b>	<b>-17,715</b>
Net increase in development projects		-15,089	-16,548	0	0
Acquisition of tangible assets	10	-3,817	-7,485	0	-492
Acquisition of intangible assets	9	0	0	0	0
Disposal of tangible assets		23	24	0	44
Capital increase in affiliated companies		0	0	0	-11,780
Acquisition of affiliated companies	20	0	-17,342	0	0
Disposal of associated companies	20	3,766	1,770	3,766	2,235
Acquisition of minority interests		1,432	0	0	0
Dividends received from affiliated companies		-15,894	-195	-15,894	-195
Net increase in development projects		0	0	43,765	29,056
<b>Cash flow from investing activities</b>		<b>-29,579</b>	<b>-39,776</b>	<b>31,637</b>	<b>18,868</b>
Proceeds from capital increase		724	0	724	0
Overdraft facilities		2,326	-2,929	0	0
Dividends paid to minority shareholders		-1,554	-5,029	0	0
Loan to affiliated companies		-2,401	-2,388	0	-2,388
<b>Cash flow from financing activities</b>		<b>-905</b>	<b>-10,346</b>	<b>724</b>	<b>-2,388</b>
<b>Cash flow from continuing operations</b>		<b>42,181</b>	<b>-3,626</b>	<b>14,738</b>	<b>-1,235</b>
<b>Cash flow from discontinued operations</b>		<b>-3,047</b>	<b>-4,874</b>	<b>0</b>	<b>0</b>
Cash funds at the beginning of the year		38,812	46,086	2,702	3,937
Exchange rate adjustments		-2,536	1,226	0	0
<b>Cash funds at the end of the year</b>		<b>75,410</b>	<b>38,812</b>	<b>17,440</b>	<b>2,702</b>

**ABOUT COLUMBUS:**

Columbus is the preferred business partner for ambitious companies worldwide within the food, retail and manufacturing industries. We exceed 20 years of experience and 6,000 successful business cases, and we're proud to offer our customers solid industry know-how, high performance solutions and global reach.

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