

# Financial Results Q1 2019

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Webcast & Tele Conference  
30 April 2019 at 14:00 CET

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.

# Introducing today's presenters

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Thomas Honoré, CEO & President



Hans Henrik Thrane, Corporate CFO



Columbus



It's been an amazing journey!

# Agenda

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- Highlights of Q1 2019
- Income Statement
- Financial Value Drivers
- Geographical & Business Segments
- Short & Long Term Guidance
- Questions



# Highlights Q1 2019

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## Revenue

**3% growth**

amounting to DKK 482m

## EBITDA

**19% growth**

amounting to DKK 60m

## Columbus Care

**14% growth**

amounting to DKK 34.5m

## Integration of

**iStone**

**High Software**

according to plan

## Net result before tax

**11% growth**

amounting to DKK 36m

# Income Statement Q1 2019

Income statement (mDKK)	Q1 2019	Q1 2018	Δ%
Columbus Software	22.4	26.6	-16%
External Software	70.0	65.7	7%
Service	379.7	369.6	3%
Other	10.3	7.5	38%
Net Sales	482.5	469.4	3%
External project costs	-95.8	-91.7	4%
Gross profit	386.6	377.7	2%
Staff expenses and remuneration	-283.9	-274.7	3%
Other external costs	-41.2	-51.5	-20%
EBITDA before share-based payment	61.5	51.5	19%
Share-based payment	-1.0	-0.8	19%
EBITDA	60.5	50.6	19%
Depreciation/amortization	-22.1	-28.3	-22%
Net Financial Income	-2.7	9.8	-127%
Net result before tax	35.7	32.1	11%

# Financial Value Drivers

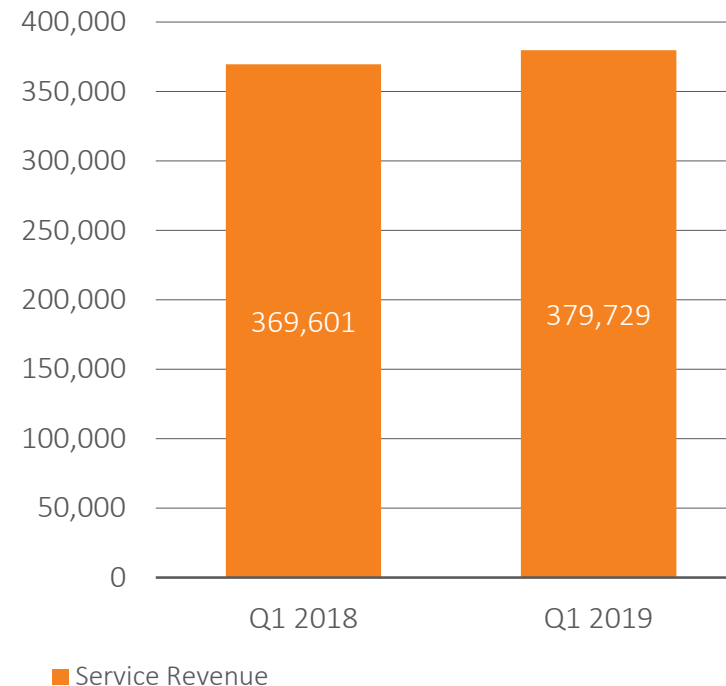
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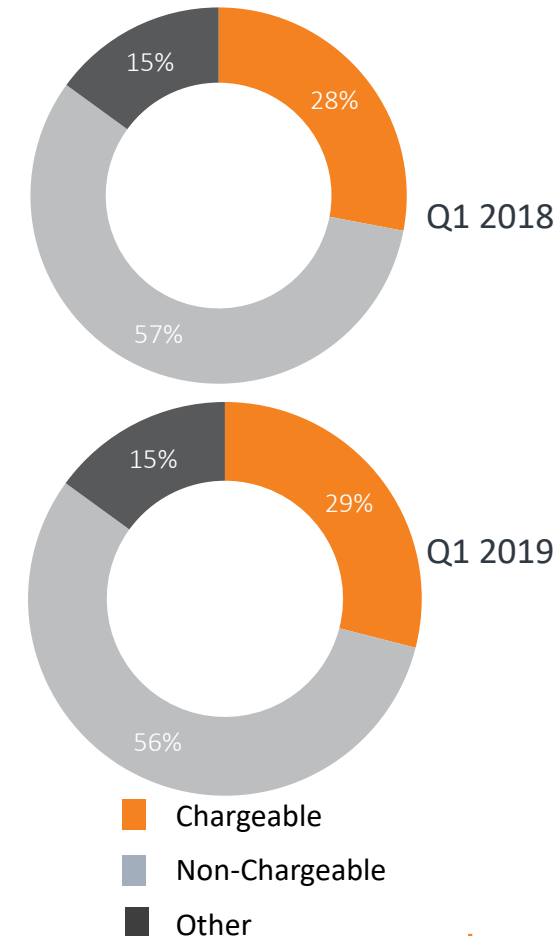
# Growth in the Services Business

- Service revenue grew by 3% to DKK 380m
  - Organic growth of 8.5%
  - Growth in Columbus Care Services
  - High activity in the Services Business
- Decrease in chargeable hours (57% to 56%)
  - Low efficiency in RU, UK, US
  - Progress within ERP, Cloud and offerings such as Analytics & BI and Customer Experience

Development in the service revenue

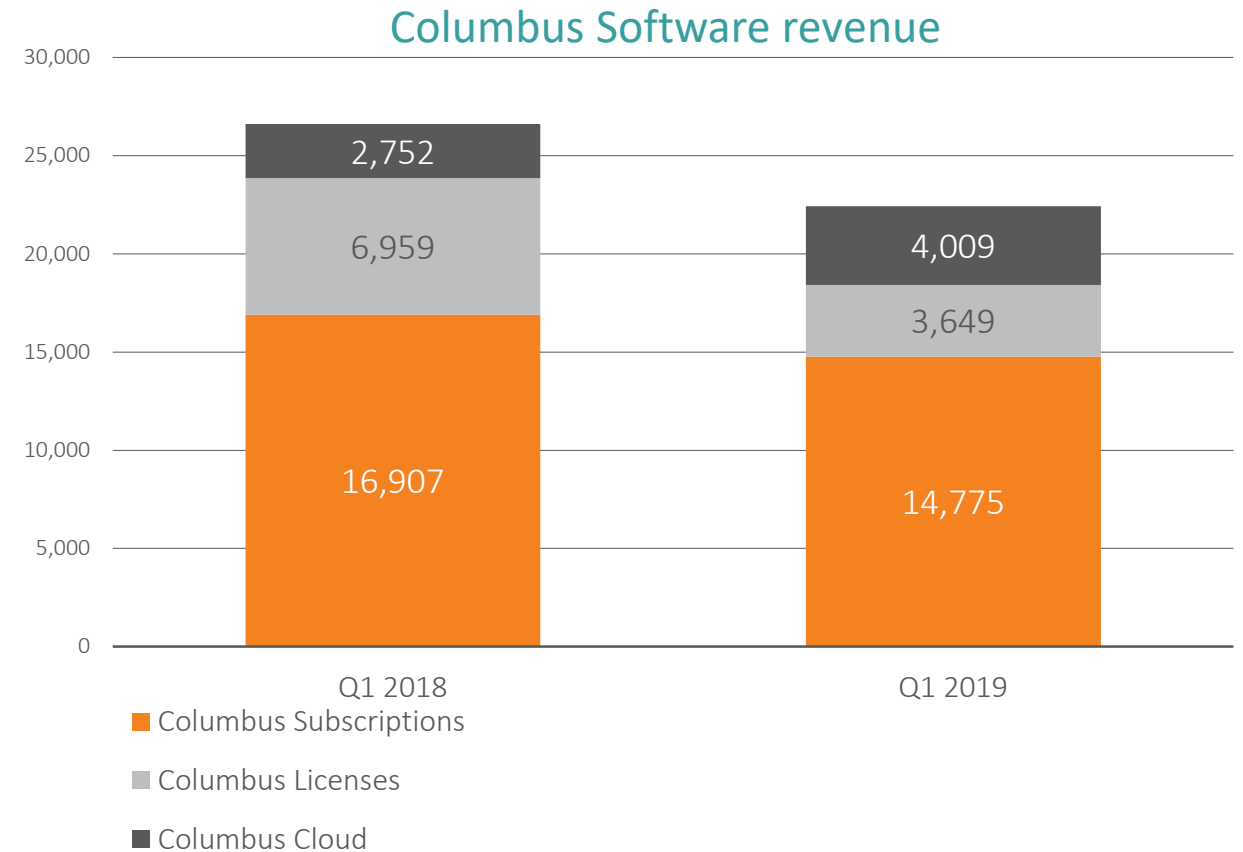


Customer Work



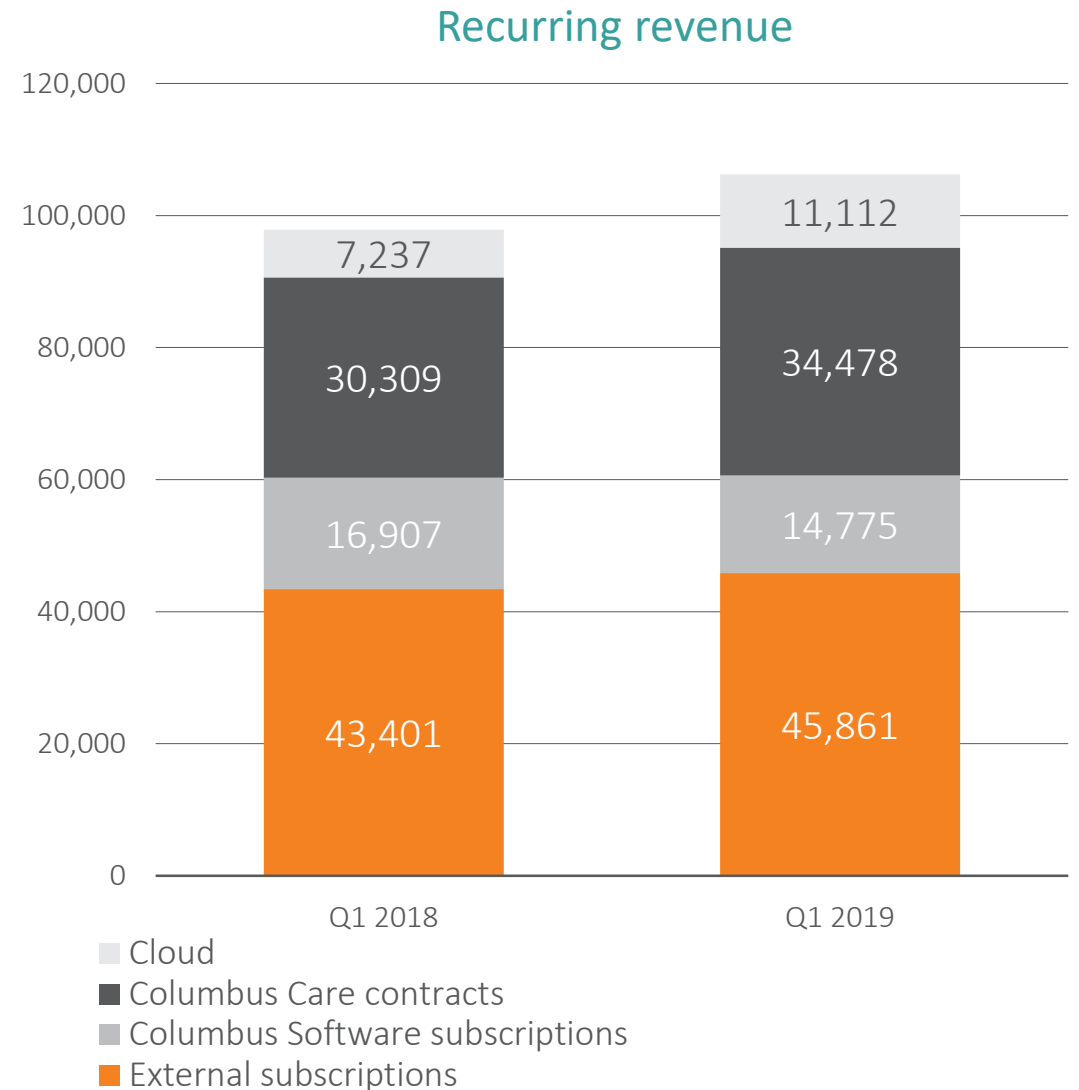
# Growth in Columbus Software Sales

- Total revenue from sale of Columbus Software decreased by 16%, amounting to DKK 22m
  - Subscriptions declined by 13%
  - License sales declined by 48%
- Columbus Cloud sales increased by 46%, from DKK 2.8m to DKK 4m



# Growth in Recurring Revenue

- Recurring revenue increased by 9%
- Recurring revenue constitutes 22% of total revenue
- Columbus Care contracts grew by 14%
- Total Cloud revenue grew by 54%



# Geographical & Business Segments

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# Western Europe

## Net Revenue

**+11%** (DKK 355m)

## Service Revenue

**+9%** (DKK 306m)

## Columbus Software Revenue

**-6%** (DKK 7m)

## EBITDA

**+65%** (DKK 51m)

Western Europe mDKK	Q1 2019	Q1 2018	Δ	Δ%
Columbus Software	7.4	7.8	-0.5	-6%
External software	32.6	28.2	4.5	16%
Service revenue	306.0	279.7	26.3	9%
Other	9.3	5.7	3.6	64%
Total net revenue	355.3	321.4	33.9	11%
EBITDA	50.8	30.8	20.1	65%
Recurring revenue of total revenue	16%	15%	1%	7%



# Eastern Europe

## Net Revenue

**+9%** (DKK 33m)

## Service Revenue

**+8%** (DKK 26m)

## Columbus Software Revenue

**-22%** (DKK 1m)

## EBITDA

**-22%** (DKK 3m)

Eastern Europe mDKK	Q1 2019	Q1 2018	Δ	Δ%
Columbus Software	0.5	0.6	-0.1	-22%
External software	6.1	5.0	1.1	22%
Service revenue	25.5	23.7	1.8	8%
Other	0.4	0.6	-0.2	-32%
Total net revenue	32.5	29.9	2.6	9%
EBITDA	2.6	3.3	-0.7	-22%
Recurring revenue of total revenue	18%	17%	1%	8%

# Northern America

## Net Revenue

**-11%** (DKK 77m)

## Service Revenue

**-17%** (DKK 45m)

## Columbus Software Revenue

**-10%** (DKK 2m)

## EBITDA

**-83%** (DKK 1m)

North America mDKK	Q1 2019	Q1 2018	Δ	Δ%
Columbus Software	1.7	1.9	-0.2	-10%
External software	30.1	30.6	-0.5	-2%
Service revenue	44.5	53.5	-9.0	-17%
Other	1.1	1.2	-0.1	-5%
Total net revenue	77.4	87.1	-9.7	-11%
EBITDA	1.2	7.0	-5.8	-83%
Recurring revenue of total revenue	37%	32%	5%	16%

# Columbus Software

## Columbus Software Subscriptions

**-24%** (DKK 12m)

## Columbus Cloud Revenue

**+34%** (DKK 3m)

## Columbus Software License

**-53%** (DKK 3m)

## EBITDA

**-14%** (DKK 16m)

Columbus Software mDKK	Q1 2019	Q1 2018	Δ	Δ%
Columbus Software licenses	2.6	5.6	-3.0	-53%
Columbus Software subscriptions	12.4	16.2	-3.8	-24%
Columbus Cloud	3.1	2.3	0.8	34%
External software	3.1	3.3	-0.2	-5%
Service revenue	13.2	14.3	-1.0	-7%
Other	0.2	0.2	0.0	20%
Total net revenue	34.7	41.9	-7.2	-17%
EBITDA	15.5	17.9	-2.4	-14%
Recurring revenue of total revenue	57%	53%	3%	6%

# Short & Long Term Guidance

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# Financial Guidance for 2019

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Revenue, in the range of  
DKK 2bn

EBITDA, in the range of  
DKK 240m

Software revenue, in the range of  
DKK 110m

Dividend  
10% dividend  
on nominal share capital





# Long Term Guidance for 2021

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## Revenue

**3-5% growth**

Compounded average growth  
each year organically

## Recurring revenue

**25%**

of total revenue in 2021

## EBITDA

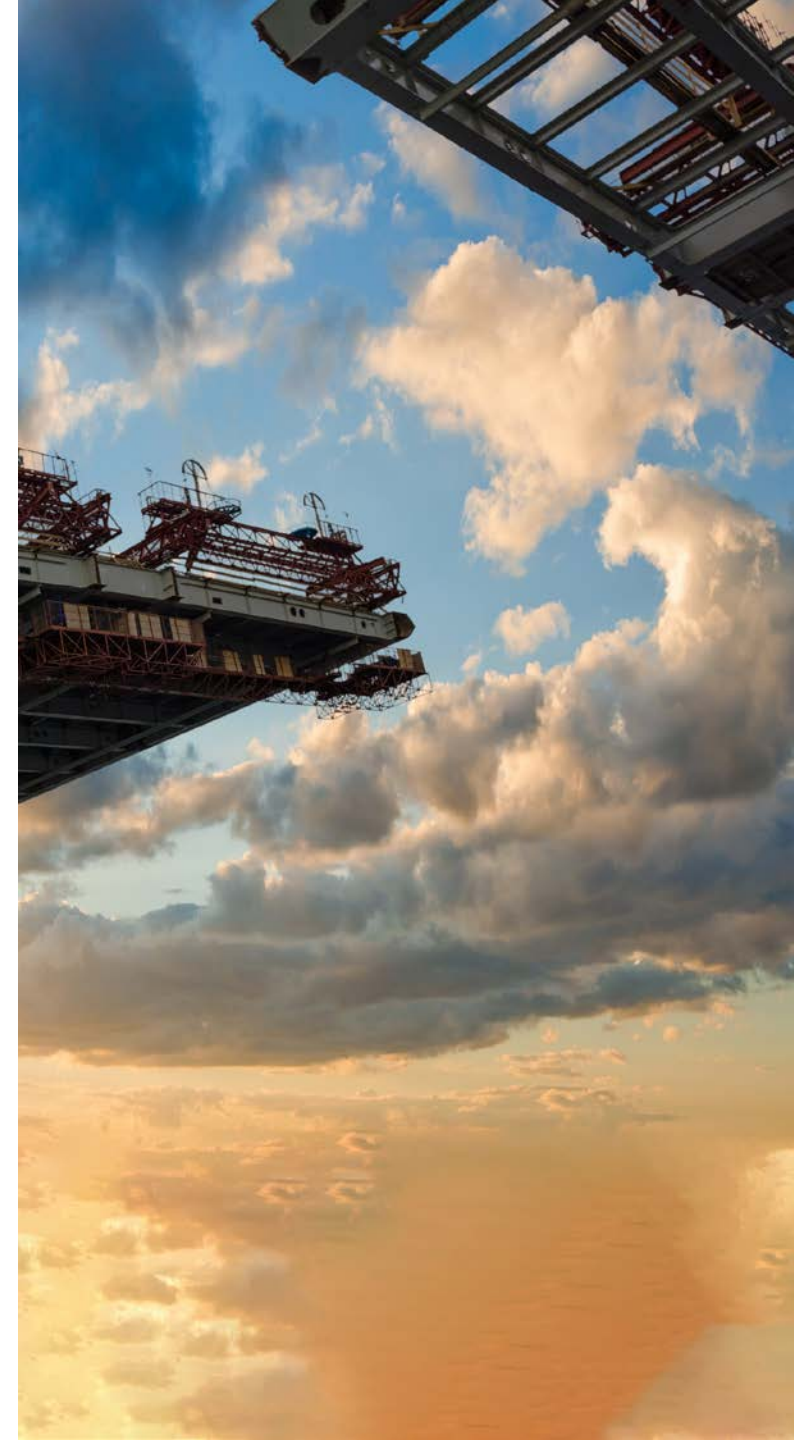
**13%**

EBITDA margin

## Dividend

**10% pay-out**

of nominal value each year





# Columbus celebrates 30 years anniversary

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- Founded in 1989 as Dolberg Data
- Starts its global expansion in 1992
- Listed on Copenhagen Stock Exchange in 1998
- Has acquired more than 15 companies over time
- Establishes Global Delivery Center in 2012
- Columbus<sup>15</sup> strategy in 2012
- Columbus20<sup>20</sup> strategy in 2016
- The 9 Doors to Digital Leadership in 2018
- 2019: Columbus is 2,000 people across 17 countries in 2019



# Questions?

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# Upcoming events

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- Interim Report H1
  - 22 August 2019
- Interim Management Statement Q3
  - 6 November 2019