



## Stock Exchange Release no. 18/2003

# Columbus IT Partner acquires Hands Danmark

- With the acquisition of Hands Danmark, Columbus IT Partner becomes the leading supplier of integrated IT solutions in the Danish market with stronger competencies and approximately 300 staff. At the global level, Columbus IT Partner will have more than 900 employees focusing on solutions from Microsoft Business Solutions.
- Hands Danmark has been acquired for 2,100,000 new shares in Columbus IT Partner and up to DKK 5m payable in 2005/2006.
- Columbus IT Partner has gained the requisite funding for the integration. Funding comprises *inter alia* a subordinated loan of DKK 4m from Gaardboe Holding. This is expected to be redeemed by 31st December 2003 at the latest as part of a limited rights issue for Gaardboe Holding.
- Enhanced business on the domestic market with a broader portfolio of vertical solutions will provide Columbus IT Partner with a solid platform for future growth in earnings and stronger opportunities to benefit commercially among other things from Microsoft's investments in product development and marketing.
- Stronger platform for participating in further sector consolidation.
- Forecast annual synergy on costs of the order of DKK 15m from the end of the first half of 2004 by merging offices and redundancy for up to 50 employees. Synergy from sales is expected to be achieved during the course of 2004-2005.
- Following the acquisition of Hands Danmark, Columbus IT Partner is maintaining its forecast for EBITDA of DKK 20-25m in 2003 although there is some uncertainty about the forecast as a result of the acquisition of Hands Danmark.

Niels Heering, Chairman of the Board, states: "We are pleased that we have succeeded in making this step forward. It is especially satisfactory for the Board that we have the backing of our two major shareholders, Nordea Bank and Gaardboe Holding, in our wish to make this move towards consolidation and that we have the full support for this from Microsoft Business Solutions".

Niels Heering  
Chairman of the Board  
Columbus IT Partner A/S

Carsten Dilling  
Chief Executive Officer  
Columbus IT Partner A/S

### For further details, please contact:

CEO Carsten Dilling or Business Development Executive Jan Bitterhoff, tel.: + 45 70 20 50 00.

### PROFILE:

Columbus IT Partner operates as an international system integrator in the market for integrated IT solutions based on Microsoft Business Solutions – primarily for small and medium-sized international enterprises. Columbus IT Partner is an international service organization with almost 900 staff with operations in 26 countries. It has an overall customer base of more than 6,000 small and mid-sized companies and units of large companies worldwide. Columbus IT Partner is listed on Copenhagen Stock Exchange.

[www.columbusitpartner.com](http://www.columbusitpartner.com).



## **Columbus IT Partner acquires Hands Danmark**

Columbus IT Partner A/S ("Columbus IT Partner") and Hands ASA today signed an agreement for Columbus IT Partner's acquisition of Hands ASA's Danish company, Hands International A/S, and associated subsidiaries ("Hands Danmark"). The acquisition will give Columbus IT Partner a significantly stronger market position as the leading supplier of Microsoft Business Solutions for small and medium-sized companies in the Danish market. The acquisition will also contribute to timely sector consolidation.

With almost 200 employees at three offices in Brøndby, Århus and Aalborg, Hands Danmark is a strong player in the market for integrated IT solutions, primarily for small and medium-sized companies in Denmark. Including restructuring activities and disposals, Hands Danmark reported revenues of approximately DKK 137m in the first eight months of 2003 and EBITDA of approximately DKK 5m.

The focus at Hands Danmark is in being able to offer in-depth knowledge of the sector. They use considerable resources in developing solutions that support industry-specific problems and business processes. This also applies to solutions for production companies, trade and wholesale, service operations, accountancy, the retail trade, electrical, plumbing and contracting services, together with securities and insurance.

Hands Danmark is one of Microsoft Business Solutions' largest partners in Denmark, offering consultancy, development, project management, implementation and system integration. Competencies cover the entire Microsoft Business Solutions' product line and thus range right from Axapta via Attain/Financials and XAL to C5 solutions provided to more than 3,000 Danish customers.

## **Background for the acquisition**

The acquisition will create the leading Microsoft Business Solutions partner in the Danish market with more than 300 employees and a customer-base of over 3,000 customers. Columbus IT Partner is forecasting that the acquisition of Hands Danmark will create a strong Danish business unit with:

- A larger customer portfolio and hence the possibility of offering vertical and other solutions which the companies have respectively developed for their own customers, such as Hands Danmark's Service Manager solution and Columbus IT Partner's integration solutions x2a and Galaxy;
- A broader organization with even greater competencies in Microsoft Business Solutions with a special focus on the core product, Axapta, and with well-documented implementation methods for provision of business solutions;
- A unique market position as the largest supplier of integrated business solutions for medium-sized companies in Denmark on the basis of software solutions from Microsoft Business Solutions;
- A stronger domestic business as a solid platform for future growth in earnings;
- Enhanced opportunities for benefiting commercially from Microsoft Business Solutions' increased investment in developing new generations of business solutions, and
- Some of the most skilled employees in the IT sector in system integration and Business Intelligence solutions.



Internationally, the acquisition will also be significant as Columbus IT Partner also expects that in future, the consolidated group will have:

- The opportunity to offer Hands Danmark's customers entire or partial solutions which Columbus IT Partner has specially developed for international companies and groups;
- A strong platform for providing international solutions to Hands Danmark's customers with companies outside Denmark, and
- An improved basis for participating in further, essential international sector consolidation.

It is expected that the success of the transaction will be ensured by way of rapid, fair amalgamation of overlapping organizational units so as to retain the motivation of employees of the consolidated Danish company.

It is Columbus IT Partner's view that the risks associated with integration will be limited as a result of the two companies having the same business focus and strategy, that the companies have uniform internal processes, methods and corporate cultures and that integration is restricted to their organizations in Denmark.

### **Synergy**

Columbus IT Partner's assessment is that the acquisition of Hands Danmark can lead to synergies from sales and costs.

Synergy from sales by way of a broader, stronger offering of solutions, cross sales and international spread of vertical solutions and higher visibility in the Danish market is expected to have a positive impact on Columbus IT Partner's financial results in the course of 2004-2005.

Synergy from costs is primarily expected to be achieved by amalgamating offices, administrative units and sales and marketing departments. As part of this, it has been decided that Hands Danmark's present offices in Brøndby and Århus are to form the corner stones of Columbus IT Partner's future Danish setup. The staff of Columbus IT Partner A/S (parent company) will also move to Brøndby.

Synergy from costs is expected to be achieved gradually in the course of the first half of 2004. Following integration of the two Danish companies, it is expected that annual cost savings for the Group will be of the order of DKK 15m, thus contributing to the greater financial strength of Columbus IT Partner.

### **Columbus IT Partner in Denmark**

Columbus IT Partner's vision is to be the leading system integrator in the market for integrated business solutions based on Microsoft Business Solutions in Denmark. This is to be achieved by an understanding of customers' businesses and continuing build-up of in-depth competencies in products with a full range of vertical solutions so as to become the preferred choice amongst suppliers of integrated business solutions.

The company's focus on industries will also be reflected in its future organization which will be structured by industries and will be organized with offices at Brøndby, Hørning (Århus), Aalborg, Odense and Herning.

Steen Hagengaard who is currently the Managing Director of Columbus IT Partner Danmark will continue as the Managing Director of the new consolidated unit in Denmark. Ole Wamsler, Managing Director of Hands Danmark, has resigned.



Following the merger, Columbus IT Partner will be the largest Microsoft Business Solutions partner in Denmark with more than 3,000 Danish customers and will be able to offer consultancy, development, project management, implementation and system integration for Microsoft Business Solutions' entire product range: Axapta, Attain/Financials, XAL and C5.

**Key figures for Hands Danmark and Columbus IT Partner**

The table below gives the key figures for Hands Danmark and Columbus IT Partner respectively, drawn up according to the two companies' individual accounting policies. Columbus IT Partner's Q3/2003 report, which is expected to be released on 14th November 2003, will also contain further financial information on Hands Danmark.

DKK m	Hands Danmark		Columbus IT Partner	
	2002	1/1 – 31/8 2003 (unaudited)	2002	1/1 – 31/8 2003 (unaudited)
Revenues	286.6	137.3	607.0	329.2
EBITDA	-10.4	5.0	8.0	11.7
Earnings before tax	-45.8	-4.2	-90.2	-15.3
Total assets	86.0	55.2	354.0	289.2
Equity	15.2	11.0	-15.3	39.8

**Outlook for 2003**

Columbus IT Partner is maintaining its forecast for EBITDA of DKK 20-25m in 2003. As a result of the acquisition of Hands Danmark, there is however some uncertainty about the forecast. Columbus IT Partner's Q3/2003 report which is expected to be released on 14th November 2003 will give a more detailed description of the outlook for 2003.

Undertaking the transaction will lead to transaction and integration costs of the order of DKK 13-15m, most of which will come in 2004.

**Acquisition of Hands Danmark - risk factors**

*The risks outlined below are by no means an exhaustive description of the risks to which Columbus IT Partner is exposed but express the risk factors which Columbus IT Partner management feel are specially relevant with respect to the acquisition of Hands Danmark. The prospectus for Columbus IT Partner dated 3rd June 2003 contains a more detailed description of the risk factors.*

Hands Danmark has been priced on the basis of an assessment of Hands Danmark's forecast results, the synergies it is expected can be achieved and the general level of prices for deals involving comparable companies. Forecasts for Hands Danmark's future results and the possible synergies are based on a series of assumptions and are accordingly subject to considerable uncertainty. In undertaking due diligence before the acquisition, Columbus IT Partner has sought to reduce the extent of unknown uncertainties. If the assumptions are not fully satisfied, the acquisition of Hands Danmark could have a significant negative impact of Columbus IT Partner's financial position.

Columbus IT Partner's future operations and earnings are to some extent dependent on the ability to integrate Hands Danmark's organization with Columbus IT Partner's Danish organization. Calculations of cost synergies have been based on estimates and assessments and are therefore subject to considerable uncertainty. If the integration does not lead to the expected synergies, it could have a considerable negative impact on Columbus IT Partner.

Future operations and earnings are also to some extent dependent on market acceptance - including trading partners and customers - of Columbus IT Partner's acquisition of Hands Danmark.

Employees are the most important resource for both Columbus IT Partner and Hands Danmark and it is therefore vital for Columbus IT Partner's future success that it manages to retain the well-



qualified staff at Hands Danmark. If Columbus IT Partner does not succeed in attracting and retaining well-qualified staff, it can have a considerable negative impact on Columbus IT Partner.

### **Acquisition of Hands Danmark**

The overall consideration for Hands ASA for the shares of Hands Danmark consists of two parts: 2,100,000 new shares in Columbus IT Partner A/S and up to DKK 5m payable on 1st January 2005 at the earliest and 8th April 2006 at the latest, following possible adjustment, cf. below.

Hands Danmark has an option to sell its 25% holding in ServiceHosting A/S to TDC Totalløsninger A/S which holds the remaining 75% of the company. TDC Totalløsninger A/S similarly has an option to acquire Hands Danmark's 25% holding in ServiceHosting A/S. The options may be exercised in the period from 1st January 2005 to 30<sup>th</sup> April 2006. If the options are exercised, Hands Danmark will receive a minimum of DKK 5m. This sum may in certain circumstances be reduced which would mean Columbus IT Partner's cash payment to Hands ASA being commensurately reduced.

### **Capital increase**

The increase in share capital is being made pursuant to the authorization in Art. 5.1 of the Articles of Association of Columbus IT Partner, according to which the Board of Columbus IT Partner is authorized to increase the share capital by up to DKK 6,964,005 nom. (5,571,204 shares of DKK 1.25). On 20<sup>th</sup> October 2003, the Board of Columbus IT Partner resolved to increase the share capital by DKK 2,625,000 nom. (2,100,000 shares of DKK 1.25) from DKK 43,606,077.50 nom. (34,884,862 shares of DKK 1.25) to DKK 46,231,077.50 nom. (36,984,862 shares of DKK 1.25). After the shares have been issued, authorization remains for DKK 4,339,005 nom. (3,471,204 shares of DKK 1.25 nom.).

The capital increase is being made at market price without prior rights for shareholders.

Columbus IT Partner has issued 2,100,000 new non-cash shares to Hands ASA as partial consideration for Hands Danmark. The shares were issued on 20th October 2003. Hands ASA cannot dispose of the shares before 12th January 2004, although Hands ASA may sell 850,000 shares to Peter Sander Larsen (Member of the Board of Hands ASA), who however may not either sell these shares before 12<sup>th</sup> January 2004. The lock-in period will be shorter if sales of shares by Nordea Bank, as described below, are completed before 12th January 2004.

The new non-cash shares are being issued at a price of DKK 8.06 per share of DKK 1.25 and have been set at the all-trades price on 17<sup>th</sup> October 2003.

The new shares are expected to be listed on Copenhagen Stock Exchange on 23rd October 2003.

The new shares shall have the same rights with respect to dividends and other rights as existing shares in Columbus IT Partner A/S.

### **Funding for transaction/integration costs**

In order to fund transaction costs and integration, Columbus IT Partner has ensured the requisite funding of over DKK 30m, which also comprises:

- Sale of time-limited license rights in Norway to Hands ASA for Columbus IT Partner's Galaxy product.
- A subordinated loan from Gaardboe Holding ApS of DKK 4m. Gaardboe Holding ApS has also given an undertaking to Columbus IT Partner to subscribe new shares in a limited rights issue giving cash proceeds of DKK 4m should the Board of Columbus IT Partner A/S decide thereon. This is expected to be made by 31st December 2003. The loan will be redeemed by subscription of the new shares and shall be done by 31<sup>st</sup> December 2003.



- A loan from Hands ASA based on the first part of the proceeds deriving from any disposal of shares in Columbus IT Partner by Hands ASA which it receives from the non-cash rights issue. The loan is to be redeemed on 30th June 2004.
- Release of the proceeds of the sale of Icelandic activities which have been held in escrow.

### Share capital and ownership

The non-cash rights issue represents a 6% increase in capital, as demonstrated in the table below.

<b>Increase in share capital</b>	<b>Share capital DKK nom.</b>	<b>No. shares of DKK 1.25 nom</b>
Share capital at 7th July 2003	43,606,077.50	34,884,862
Capital injection at 20th October 2003 priced at DKK 8.06 – acquisition of Hands Danmark	2,625,000.00	2,100,000
<b>New share capital</b>	<b>46,231,077.50</b>	<b>36,984,862</b>

Following the increase in share capital, Columbus IT Partner's share capital will have been reconstituted.

After holding the non-cash rights issue, ownership of Columbus IT Partner will have changed as follows:

	<b>Ownership pre-capital increase</b>		<b>Ownership post-capital increase</b>	
	<b>No. shares</b>	<b>%</b>	<b>No. shares</b>	<b>%</b>
Nordea Bank	14,607,985	41.9%	14,607,985	39.5%
Gaardboe Holding	13,740,713	39.4%	13,740,713	37.1%
Hands ASA	-	-	2,100,000	5.7%
Other shareholders	6,536,164	18.7%	6,536,164	17.7%
<b>Total</b>	<b>34,884,862</b>	<b>100.0%</b>	<b>36,984,862</b>	<b>100.0%</b>

### Changes to the option agreement and share sales by Gaardboe Holding and Nordea Bank

As part of the rights issue in June 2003, Gaardboe Holding and Nordea Bank made an option agreement as described in the prospectus of 3rd June 2003. The agreement entailed Nordea Bank giving Gaardboe Holding the right until 30th June 2004, in connection with a correlated sale of shares to a third party in the same transaction, to acquire all the shares in Columbus IT Partner to which Nordea Bank subscribed under its underwriting guarantee for DKK 3 per share plus a surcharge for interest to Nordea Bank. If Gaardboe Holding were to exercise this entitlement at a time when the price of Columbus IT Partner's shares was in excess of DKK 6 per share, the gains would be shared between Gaardboe Holding and Nordea Bank in a ratio further specified in the agreement.

Under the underwriting guarantee associated with the rights issue in June 2003, Nordea Bank acquired 14,607,985 shares in Columbus IT Partner. These shares are covered by the option agreement.

As part of Columbus IT Partner's acquisition of Hands Danmark, Gaardboe Holding and Nordea Bank have agreed to amend the option agreement. Nordea Bank will sell 1,650,000 shares after Columbus IT Partner has issued its Q3/2003 report and the proceeds from this will be shared by Gaardboe Holding and Nordea Bank in accordance with the option agreement. The shares will be





sold on the open market on an ongoing basis and efforts will be made to complete the share disposal by 12th January 2004.

It has further been agreed that 650,000 shares will be excluded from the option agreement. Following the share disposal, the option agreement will therefore cover a minimum of 12,307,985 shares.

### **Advisers**

Nordea Securities are financial advisers to Columbus IT Partner in the acquisition of Hands Danmark and the capital increase.

### **Appendices**

- Extract of resolution on capital increase by the Board of Directors
- s. 29 (2-2) Declaration and No. 3 opinion
- s. 33 valuation report

### **Safe Harbor statement**

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

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

## Appendix

### Extract of the Board of Directors' resolution on capital increase

A Board Meeting of Columbus IT Partner A/S, CVR No. 1322 8345 was held at the Company's registered office, Krudtløbsvej 1, DK-1439 Copenhagen K on 20<sup>th</sup> October 2003.

The entire Board was present.

The agenda was as follows:

1. Increase of share capital.
2. Amendment of the Company's Articles of Association.

#### Re: 1

The Board submitted a proposal to exercise its powers under Art. 5 (1) of the Company's Articles of Association to increase the Company's share capital. Pursuant to the Share Purchase Agreement of 20th October 2003, the Company has acquired DKK 28,002,000 (nom.) shares in Hands International A/S, corresponding to 100% of the share capital. The share capital is being raised to fund the share purchase.

Art. 5 states as follows:

- "5.1 Until 14 December 2005, the Board of Directors has been authorized to increase the Company's share capital by up to DKK 6,964,005 (nominal) in one or more tranches. If the share capital is increased at market price, including as payment for the Company's acquisition of a going concern or other assets, the Board of Directors may decide that the capital increase may be done without granting prior rights to existing shareholders of the Company. The Board of Directors may also resolve that all or part of the increase shall be done otherwise than by cash payment.
- 5.2 In addition to the authorization noted in Art. 5.1 above, the Board of Directors shall be authorized until 23rd April 2008 as part of issuing new shares in favor of employees of the Company or its subsidiaries, to increase the share capital by up to DKK 1,250,000 in one or more tranches without granting prior rights to existing shareholders. The new shares shall be issued at a subscription price which may be lower than the market price as determined by the Board of Directors.
- 5.3 With respect to new shares subscribed to in accordance with Art. 5.1 or 5.2 above, the same rules shall apply as those applying to existing shares in the Company, including that the shares shall be issued electronically, that they shall be negotiable instruments registered by name in the register of shareholders, and that in the event of any future increases in the share capital, no restrictions shall apply to the pre-emptive right attaching to the shares, unless otherwise stated in these Articles of Association.
- 5.4 The new shares shall be eligible for dividends and other rights in the Company from a date decided by the Board of Directors, although no later than 12 months after registration of the capital increase.
- 5.5 The Board of Directors shall be authorized to determine the specific terms of capital increases in accordance with the above authorizations. The Board of Directors shall further be authorized to make such amendments to the Articles of Association of the Company as may be required as a result of the Board of Directors' having exercised said authorizations."

The capital increase is to be made by a non-cash rights issue, with the shares being subscribed by Hands ASA. It is proposed that the capital increase be made on condition:

- That 2,100,000 shares shall be issued at a nominal value of DKK 1.25 equivalent to DKK 2,625,000 (nom.) thus increasing the share capital from DKK 43,606,077.50 (nom.) to DKK 46,231,077.50 (nom.);
- That the share capital be increased without prior rights for the company's existing shareholders;
- That the new shares be subscribed by signature of a subscription list drawn up and signed by the Board;
- That the new shares be issued in shares of DKK 1.25 (nom.);
- That the closing date for subscription be 20th October 2003;
- That payment of the 2,100,000 new shares equivalent to DKK 2,625,000 (nom) be made on 20<sup>th</sup> October 2003 by way of pledging DKK 28,002,000 (nom.) shares in Hands International A/S which is 100% of the share capital of said company. These shares shall be subscribed by Hands ASA, Norway at a rate of 644.8 (DKK 8.06 per share of DKK 1.25, that is the average all-trades price at the end of business at Copenhagen Stock Exchange on Friday 17<sup>th</sup> October 2003) giving a value of non-cash capital injection of at least DKK 16,926,000,
- That special rights shall not attach to any shares;
- That the new shares shall be fully negotiable;
- That the new shares shall be nominative shares and shall be registered in the company's register of shareholders;





That there shall be no restrictions in the Articles of Association on the negotiability of the new shares and that there shall be no requirement for redemption;

That the new shares shall carry the right to dividend for fiscal 2003 and shall otherwise from the date of payment of the subscription price have the same rights as shares issued hitherto, and

That the new shares shall be registered with the Danish Securities Center.

The total cost of acquisition and the rights issue are estimated at approx. DKK 1,000,000.

The Board further stated that the valuation report of 20th October 2003 prepared by Deloitte & Touche pursuant to s. 6a Companies Act on non-cash rights issues had been submitted to the Board.

In accordance with s. 33 (1-2) Companies Act cf. s. 6 (3), the Board declared:

That in the best estimate of the Board, the commercial value of the non-cash contribution was as stated in the valuation report and accordingly would correspond to the face value of the shares to be issued plus a surcharge for share premium;

That the non-cash contribution would not entail any special rights or benefits for the payees or other parties, and

That no agreement with the payees or other parties was involved which would place the Company under significant financial obligations, and it was further noted that the acquisition of shares in Hands International A/S was otherwise in accordance with the agreed terms of the Share Purchase Agreement of 20th October 2003 and that *inter alia* as part of the Share Purchase Agreement, agreement had been reached on (i) a loan from Hands ASA to the Company of DKK 2.3m and (ii) licenses for software programs.

Extracts of the most recent annual financial statements and consolidated accounts with endorsement by way of the Annual General Meeting's resolution on application of the available profit in accordance with s. 29 (2-1) Companies Act, a separate report by the Board pursuant to s. 29 (2-2) Companies Act and an Auditor's report thereon in accordance with s. 29 (2-3) Companies Act had been submitted to the Board.

The resolution to increase the capital and acquisition of shares in Hands International A/S noted in the valuation report and the Share Purchase Agreement were unanimously and fully approved by the Board.

**Re: 2**

As a result of the decision made in item 1 above, the Board resolved in accordance with s. 38 (1) Companies Act and Art. 5 (5) of the Articles of Association to amend the Articles of Association as follows:

- a. Art. 4 (1) to be amended as follows:  
*"The Company's share capital shall be DKK 46,231,077.50 in 36,984,862 shares of DKK 1.25."*
- b. Art. 5 (1) shall be amended as follows:

*"5.1 Until 14 December 2005, the Board of Directors has been authorized to increase the Company's share capital by up to DKK 4,339,005 (nominal) in one or more tranches. If the share capital is increased at market price, including as payment for the Company's acquisition of a going concern or other assets, the Board of Directors may decide that the capital increase may be done without granting prior rights to existing shareholders of the Company. The Board of Directors may also resolve that all or part of the increase shall be done otherwise than by cash payment."*

The Board authorized attorney Jakob Skaadstrup Andersen to make such amendments to such documents submitted to the Danish Commerce and Companies Agency as they might require in registering the capital increase and the amended Articles of Association.

Copenhagen 20th October 2003

On the Board:

\_\_\_\_\_  
Niels Heering

\_\_\_\_\_  
Birgit Aagaard-Svendsen

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Michael Gaardboe

Appendix

**Report by the Board pursuant to s. 29 (2-2) Companies Act**

Pursuant to s. 29 (2-2) Companies Act, the Board of Directors of Columbus IT Partner A/S, declare that nothing has occurred since publication of the Annual Report which could be significant for the company except as a result of notices issued to Copenhagen Stock Exchange cf. attached schedule of Stock Exchange releases made since publication of the latest Annual Report. Special reference is made to attached Stock Exchange releases nos. 6, 9, 13, 14, 15 and 18 from 2003.

The Company's share capital had been lost but would be reconstituted by undertaking the proposed capital increase. As stated in Stock Exchange releases nos. 6, 9, 15 and 18 from 2003, there continues, however, to be some uncertainty about the outlook for the future and thus the Company's capital resources.

Pursuant to s. 29 (2-3) Companies Act, the auditors' report had been submitted to the Board.

Copenhagen 20th October 2003

On the Board:

\_\_\_\_\_  
Niels Heering

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Birgit Aagaard-Svendsen

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Michael Gaardboe

**Schedule of Stock Exchange releases since the latest Annual Report:**

15th April 2003:	Notice of Annual General meeting (4/2003)
24th April 2003:	Articles of Association at 24th April 2003
24th April 2003:	Proceedings of Annual General Meeting on 24th April 2003 (5/2003)
29th April 2003:	Reduction of share capital by reducing the face value of shares from 5th May 2003 (Notice from Copenhagen Stock Exchange)
15th May 2003	Q1/2003 report (6/2003)
19th May 2003	Quarterly statement of share holdings from 19th May 2003 (7/2003)
26th May 2003	New Chief Executive at Danish subsidiary (8/2003)
4th June 2003	Notice of Prospectus (9/2003)
6th June 2003	Prospectus – Rights Issue
6th June 2003	Investor presentation and correction of Prospectus (10/2003)
13th June 2003	Regular statement of shareholdings (11/2003)
19th June 2003	Postponement of investor presentation (12/2003)
4th July 2003	Result of capital increase (13/2003)
11th August 2003	Sale of Icelandic subsidiary (14/2003)
15th August 2003	Interim report (15/2003)
25th September 2003	Management changes (16 /2003)
16th October 2003	Transaction statement (17/2003)
20th October 2003	Transaction statement re. Hands (18/2003)



Appendix

### **Auditors' statement on capital increase**

To shareholders of Columbus IT Partner A/S, CVR No. 13 22 83 45

In accordance with s. 29 (2) Companies Act, we have reviewed the report of the Board in the light of the proposed increase in share capital by DKK 2,625,000 (nom.) dated 20th October 2003, and the Stock Exchange releases attached hereto associated with the proposed increase in the share capital of Columbus IT Partner A/S.

The Company's Board of Directors is responsible for ensuring that the report contains details of significant events for the Company's position that have occurred since publication of the Annual Report. Our responsibility is to express an opinion on the Board's report on the basis of our review.

### **Process**

We have based our report on a review of the Stock Exchange notices released by the Company and attached to the Board's report, on a review of the Company's internal accounts at 31st August 2003 and discussion with the Company's management to elucidate the Company's financial status.

We have not conducted an audit or review and can accordingly not give an auditor's opinion on the Board's report.

In accordance with standard practice, our statement does not cover management's assessment of the outlook for the future.

### **Opinion**

We refer to the Board's report including the attached Stock Exchange releases in which management note the considerable uncertainty attaching to the outlook for 2003 and hence the Company's capital resources. Further, our review of the above documentation and statements made to us do not give us cause to make further statements or additions to events of significance to the Company's position occurring after publication of the Annual Report for 2002.

Copenhagen 20th October 2003

### **PricewaterhouseCoopers**

Allan Vestergaard Andersen  
State Authorized Accountant

Leif Ulbæk Jensen  
State Authorized Accountant

### **Deloitte & Touche**

Statsautoriseret Revisionsaktieselskab

Jesper Jørgensen    Anders O. Gjelstrup  
State Authorized Accountant    State Authorized Accountant



## Appendix

### Valuation report

#### To the shareholders of Columbus IT Partner A/S, CVR No. 13 22 83 45

### Introduction

As valuers appointed in accordance with s. 6b, Companies Act, cf. s. 33 Companies Act, we have valued the shares noted below that are being pledged to the company as part of the projected capital increase:

- DKK 28,002,000 (nom.) in Hands International A/S, CVR No. 21 59 89 92

Company management is responsible for determining the value of the pledged assets. Our responsibility is to express an opinion on the value of the pledged assets on the basis of our valuation.

### Valuation procedure

Assets are valued at the commercial value for a buyer and seller who are independent parties. Our valuation has been based on a review of the:

- "Share Purchase Agreement regarding Hands International A/S"
- "Presentation to Nordea Bank, current transaction outline, Copenhagen 23 September 2003 from Nordea Securities"
- Stock Exchange release on the acquisition of the company. (Release no. 18 of 20th October 2003)

Our assessment has further been based on discussions with company management. It is our view that valuation of the pledged assets has been made by independent parties knowledgeable of the sector.

The total sum for Hands International consists of:

- 2,100,000 new shares of DKK 1.25 equivalent to DKK 2,625,000 (nom.) in Columbus IT Partner A/S. The official price for these shares is DKK 16,926,000.
- DKK 5.0m payable not before 1st January 2005 and at the latest by 8<sup>th</sup> April 2006, with possible adjustments as below.

Hands Danmark has an option to sell its 25% holding in ServiceHosting A/S to TDC Totalløsninger A/S which holds the remaining 75% of the company. TDC Totalløsninger A/S similarly has an option to acquire Hands Danmark's 25% holding in ServiceHosting A/S. The options may be exercised in the period from 1st January 2005 to 30th April 2006. If the options are exercised, Hands Danmark will receive a minimum of DKK 5m. This sum may in certain circumstances be reduced which would mean Columbus IT Partner's cash payment to Hands ASA being commensurately reduced.

### Opinion

On the basis of the above, we declare that the value of the assets acquired is at least equivalent to the agreed sum, including the face value of the shares with a supplement for the share premium that are to be issued as consideration for the capital increase.

Copenhagen 20th October 2003

### Deloitte & Touche

Statsautoriseret Revisionsaktieselskab

Jesper Jørgensen  
State Authorized Accountant

Anders O. Gjelstrup  
State Authorized Accountant