

Release no. 15/2012

Interim Report

H1 / 2012

The Interim Report has not been audited

PROFILE:

Columbus operates as a consultancy firm in the market for integrated business solutions based on Microsoft Business Solutions which is primarily for medium-sized international companies. Columbus is a service organization with a headcount of 1,000. Our customer base consists of more than 5,000 small and medium-sized enterprises and units of large companies.

www.columbusglobal.com.

Interim Report

CEO Thomas Honoré; "Increased revenues and earnings"

"Columbus realized an increase in revenues of 9% compared to H1 last year. EBITDA is significantly increased by 34% compared to H1 2011. The development in earnings is positively affected by progress in Columbus' software company and Columbus US, as well as by a considerable cost reduction. Due to the levels of revenues and EBITDA, the previously announced expectations for 2012 are maintained".

- Revenues for H1/2012 totaled DKK 460.7M (DKK 422.4M in H1/2011), corresponding to an increase of 9%.
- Earnings before depreciation (EBITDA) for H1/2012 totaled DKK 17.2M (DKK 12.9M in H1/2011), corresponding to an increase of 34% compared to H1/2011.
- Revenues in *To-Increase* totaled DKK 18.2M in H1/2012 (DKK 19.3M in H1/2011), corresponding to a decrease of 5% compared to H1/2011. EBITDA for the period totaled DKK 7.8M (DKK 4.8M in H1/2011), corresponding to an increase of 63% compared to 2011.
- Revenues in the *Nordic region* amounted to DKK 193.5M in H1/2012 (DKK 195.2M in H1/2011), corresponding to a decrease of 1% compared to H1/2011. EBITDA for the period totaled DKK 5.8M (DKK 14.2M in H1/2011), corresponding to a decrease of 59% compared to 2011. The decrease is mainly caused by declining results in both Danish companies, which are not to the necessary extent compensated for by the increase in the Norwegian company.
- Revenues in *Western Europe* amounted to DKK 64.5M in H1/2012 (DKK 56.2M in H1/2011), corresponding to an increase of 15% compared to H1/2011. The increase in revenues is realized in the British company, while revenues in the Dutch company decreased compared to 2011. EBITDA for the period totaled DKK 8.5M (DKK 7.6M in H1/2011), corresponding to an increase of 12% compared to 2011. Both revenues and EBITDA are primarily affected by the development in the British company.
- Revenues in *Eastern Europe* amounted to DKK 98.0M in H1/2012 (DKK 90.4M in H1/2011), corresponding to an increase of 8% compared to H1/2011. The increase in revenues is primarily caused by an increase in the Russian company. EBITDA for the period totaled DKK 3.5M (DKK 3.4M in H1/2011), corresponding to an increase of 3% compared to 2011. The increase is mainly caused by growth in the Russian company, while the Polish and the Baltic companies affect the development negatively compared to 2011.

- Revenues in *North America* amounted to DKK 88.5M in H1/2012 (DKK 61.2M in H1/2011), corresponding to an increase of 45% compared to H1/2011. EBITDA for the period totaled DKK 8.8M (DKK 2.5M in H1/2011), corresponding to an increase of 252% compared to 2011. The development in the company is considerably affected by the acquisition of the Detroit based company First Tech Direct.
- The announced expectations for 2012 are being maintained, and thus Columbus expects revenues in the level of DKK 900M and an EBITDA in the level of DKK 50M.

Ib Kunøe
Chairman
Columbus A/S

Thomas Honoré
CEO
Columbus A/S

Key Figures and Ratios

DKKm	H1 2012	H1 2011	2011
Income statement			
Net revenues	460.7	422.4	820.6
External project costs	-132.8	-109.7	-206.6
Gross earnings H1	327.9	312.7	614.0
Staff costs	-243.8	-230.1	-452.6
Other external costs	-67.1	-70.1	-135.4
Other operating income	0.2	0.7	2.1
Other operating costs	0.0	-0.2	-1.2
EBITDA	17.2	12.9	27.0
Depreciation excl. goodwill	-12.8	-12.8	-24.2
EBITA	4.5	0.1	2.8
Amortization and write down of goodwill	0.0	0.0	0.0
EBIT	4.5	0.1	2.8
Result in associated companies	0.0	0.4	1.3
Net financial items	1.2	-1.8	-1.7
Pre-tax earnings, continuing operations	5.7	-1.4	2.5
Tax on H1 earnings, continuing operations	-1.9	-1.7	1.3
Earnings H1, continuing operations	3.8	-3.1	3.8
Earnings H1, discontinued operations	0.0	-5.1	-13.9
Earnings H1	3.8	-8.2	-10.1
Allocated thus:			
Shareholders of Columbus A/S	3.3	-9.1	-11.2
Minority interests	0.5	0.9	1.2
	3.8	-8.2	-10.1
Balance sheet			
Long-term assets	272.5	236.9	254.7
Short-term assets	256.4	277.8	235.7
Total assets	528.8	514.7	490.4
Group shareholders' equity	279.4	275.5	275.4
Minority interests	4.1	7.2	7.6
Debt	245.3	231.9	207.4
Total liabilities	528.8	514.7	490.4
Cash flow			
Cash flow from continuing operations	-8.2	5.3	29.2
Cash flow from investments	-15.1	-4.0	-11.6
Cash flow from financing investments	14.1	-2.0	-18.7
Cash flow from discontinued operations	0	-10.5	-18.9
Total cash flow	-9.2	-11.3	-19.9
Key ratios			
Gross margin II	3.7%	3.0%	3.3%
Operating profit margin (EBIT margin)	1.0%	0.0%	0.3%
Equity ratio	52.8%	53.5%	56.1%
Return on equity	1.2%	-3.3%	-4.1%
Average number of shares, in thousands	105,739	105,739	105,739
Net asset value per share (BV)	2.64	2.61	2.60
Earnings per share (EPS)	0.03	-0.09	-0.11
Cash flow per share	-0.08	0.05	0.28
Share price, end of period	1.42	2.27	1.40
Headcount at the end of the period	920	878	890
Headcount, average	900	855	880

The key figures and ratios have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Key Figures 2010".

Developments in H1/2012

Columbus' net revenues amounted to DKK 460.7M in H1/2012 (DKK 422.4M in H1/2011), corresponding to an increase of 9%. Adjusted for foreign currency translation revenues increased by 6%.

The Group's revenues primarily derive from sale of consultancy services, sale of software and maintenance subscriptions to Microsoft's business systems as well as sale of own software and subscriptions related to these.

Revenues	H1 2012	H1 2011	Development 2011-2012
DKKm			
Software	94.9	73.4	29%
Maintenance	89.2	74.0	20%
Consultancy	269.7	267.2	1%
Other	6.9	7.7	-10%
Total	460.7	422.4	9%

Revenues from sale of software licenses increased to DKK 94.9M in H1/2012 (DKK 73.4M in H1/2011), corresponding to an increase of 29%. The increase in sale of software is primarily caused by the increase in the Russian subsidiary and by increases in the subsidiaries in the US, Denmark and Norway.

Revenues from sale of maintenance subscriptions increased to DKK 89.2M in H1/2012 (DKK 74.0M in H1/2011), corresponding to an increase of 20%. The increase in maintenance subscriptions is primarily caused by increases in Columbus Denmark and Columbus US.

Revenues from sale of consultancy services increased to DKK 269.7M in H1/2012 (DKK 267.2M in H1/2011), corresponding to an increase of 1%. Revenues from sale of consultancy services are primarily affected by a considerable decrease in the Danish subsidiaries, which is, however, partly compensated for by considerable increases in Columbus US, Columbus UK and Columbus Norway.

Staff costs increased to DKK 243.8M in H1/2012 (DKK 230.1M in H1/2011), corresponding to an increase of 6%. Adjusted for foreign currency translation, staff costs increased by 4%. The increase in staff costs is primarily caused by a corresponding increase of 5% in the number of employees. The acquisition of First Tech Direct in the US on 29 February 2012 is the main reason for the increase in the average number of employees. The increases in staff costs in Columbus Norway and Columbus UK are caused by increases in consultancy services. Staff costs are reduced in Columbus Denmark due to a declining sale of consultancy services. The reduction in staff costs in Columbus Denmark is, however, less than the decline in consultancy services revenues. Staff costs in the Parent Company have also been reduced considerably compared to H1/2011 due to cost adjustments and termination of strategic projects by the end of 2011.

Other external costs were reduced to DKK 67.1M in H1/2012 (DKK 70.1M in H1/2011), corresponding to a decrease of 4%. Adjusted for foreign currency translation other external costs were reduced by 6%. The reduction of other external costs is a consequence of the termination of strategic projects by the end of 2011 as well as considerable cost reductions in the Parent Company.

Group	Revenues (DKKm)		EBITDA (DKKm)		Average headcount	
	H1 2012	H1 2011	H1 2012	H1 2011	H1 2012	H1 2011
To-Increase	18.2	19.3	7.8	4.8	43	45
Nordic region	193.5	195.2	5.8	14.2	283	292
Western Europe	64.5	56.2	8.5	7.6	113	101
Eastern Europe	98.0	90.4	3.5	3.4	321	318
North America	88.5	61.2	8.8	2.5	129	86
Parent company	-1.9	0.1	-17.1	-19.6	11	16
Total	460.7	422.4	17.2	12.9	900	855

The Group's earnings before depreciation (EBITDA) increased to DKK 17.2M in H1/2012 (DKK 12.9M in H1/2011), corresponding to an increase of 34%. Adjusted for foreign currency translation EBITDA increased by 21%. The development is positively affected by the results in To-Increase and the companies in Britain, US and Russia. Columbus Denmark, Columbus Norway and Columbus Poland experienced a negative development in EBITDA in 2012 compared to 2011.

The Group's total balance sheet as at 30 June 2012 amounted to DKK 528.8M (DKK 514.7M as at 30 June 2011), corresponding to an increase of 3%.

As at 30 June 2012 the Group's development projects amounted to DKK 54.2M (DKK 45.5M as at 30 June 2011), corresponding to an increase of 19%.

As at 30 June 2012 the Group's trade receivables amounted to DKK 167.6M (DKK 168.9M as at 30 June 2011), corresponding to a decrease of 1%. Compared to H1/2011 the development in accounts receivable is considerably affected by the acquisition of the subsidiary First Tech Direct and the sale of the subsidiaries in France and Spain. Furthermore, the average credit period has been reduced considerably due to the management's continuing focus on collection of outstanding accounts receivable.

As at 30 June 2012 the Group's contract work in progress amounted to net DKK 21.0M (DKK 22.7M as at 30 June 2011), corresponding to a decrease of 7%. This is a continuing positive development caused by a constant focus on continuous invoicing of work performed.

The total equity as at 30 June 2012 amounted to DKK 283.5M (DKK 282.7M as at 30 June 2011). The equity ratio decreased marginally to 52.8% as at 30 June 2012 (53.5% as at 30 June 2011).

Cash flow from the Group's operating activities amounted to DKK -8.2M in H1/2012 (DKK 5.3M in H1/2011). The cash flow is especially affected by the decline from a positive net working capital of DKK 1.3M in H1/2011 to DKK -14.3M in H1/2012. The increase in the net working capital is primarily caused by an increase in accounts receivable. Accounts receivable have increased due to a considerable progress in revenues in May and June 2012 compared to November and December 2011. Accounts receivable have been reduced due to a reduction in the average credit period.

In this interim report tax has been recognized as DKK 1.9M as a consequence of a positive taxable income primarily in Britain and the US.

Segment developments

To-Increase

To-Increase Revenues DKKm	H1 2012	H1 2011	Development 2011-2012
Software	9.3	9.4	-1%
Maintenance	6.3	6.6	-5%
Consultancy	2.4	3.2	-23%
Other	0.1	0.2	-22%
Total	18.2	19.3	-6%

Revenues in the Group's software company, To-Increase, decreased to DKK 18.2M in H1/2012 (DKK 19.3M in H1/2011), corresponding to a decrease of 5%. Software revenues in H1/2012 are positively affected by revenue growth in the company's existing products. The development in software revenues is negatively affected by the sale of a non-strategic product in H1/2011. The external consultancy revenues are reduced due to increased time spent on sales training in affiliated companies. This is a natural consequence of the increased focus on sale of own software.

EBITDA in To-Increase increased to DKK 7.8M in H1/2012 (DKK 4.8M in H1/2011), corresponding to an increase of 63%. EBITDA is positively affected by the increased revenues from the company's existing products as well as a general cost reduction in the company.

The company accounted for 4% of the Group's total revenues in H1/2012 (5% in H1/2011).

Nordic region

Nordic region Revenues DKKm	H1 2012	H1 2011	Development 2011-2012
Software	21.5	16.4	31%
Maintenance	34.9	27.1	29%
Consultancy	134.9	149.4	-10%
Other	2.3	2.3	0%
Total	193.5	195.2	-1%

Revenues in the Nordic region decreased to DKK 193.5M in H1/2012 (DKK 195.2M in H1/2011), corresponding to a decrease of 1%. Revenues are positively affected by a satisfactory revenue growth in Columbus Norway of 20%. However, revenues in the Danish companies decreased more than the growth in the Norwegian company. The decrease in revenues in the Danish companies are mainly caused by insufficient sales focus and challenges with a few projects. Renewed management focus on these issues has been established, and the decline in revenues in the Danish companies is expected to have been stemmed.

The region accounted for 42% of the Group's total revenues in H1/2012 (46% in H1/2011).

EBITDA for the region decreased to DKK 5.8M in H1/2012 (DKK 14.2M in H1/2011), corresponding to a decrease of 59%.

Western Europe

Western Europe Revenues DKKm	H1 2012	H1 2011	Development 2011-2012
Software	11.1	12.2	-9%
Maintenance	9.9	8.3	19%
Consultancy	41.9	34.8	20%
Other	1.7	1.0	72%
Total	64.5	56.2	15%

Revenues in Western Europe increased to DKK 64.5M in H1/2012 (DKK 56.2M in H1/2011), corresponding to an increase of 15%. The increase is mainly driven by the British subsidiary which realizes a revenue growth of 26%. The growth is to some extent diluted by a decline in revenues in the Dutch subsidiary.

The region accounted for 14% of the Group's total revenues in H1/2012 (13% in H1/2011).

The region's EBITDA increased to DKK 8.5M in H1/2012 (DKK 7.6M in H1/2011), corresponding to an increase of 12%.

Eastern Europe

Eastern Europe Revenues DKKm	H1 2012	H1 2011	Development 2011-2012
Software	35.7	23.7	50%
Maintenance	16.2	17.2	-6%
Consultancy	44.5	47.6	-6%
Other	1.5	1.9	-20%
Total	98.0	90.4	8%

Revenues in Eastern Europe increased to DKK 98.0M in H1/2012 (DKK 90.4M in H1/2011), corresponding to an increase of 8%.

The Russian subsidiary is the main reason for the revenue growth in the region. Revenues in the Russian subsidiary increased to DKK 60.8M in H1/2012 (DKK 52.3M in H1/2011), corresponding to an increase of 16%. Adjusted for foreign currency translation, revenues in the Russian subsidiary increased by 15%.

The Baltic countries realized revenues of DKK 30.0M in H1/2012 (DKK 29.4M in H1/2011), corresponding to an increase of 2%.

The region accounted for 21% of the Group's total revenues in H1/2012 (21% in H1/2011).

The region's EBITDA increased to DKK 3.5M in H1/2012 (DKK 3.4M in H1/2011), corresponding to an increase of 3%.

EBITDA in the Russian subsidiary increased to DKK 3.0M in H1/2012 (DKK 1.9M in H1/2011), corresponding to an increase of 62%. Adjusted for foreign currency translation, EBITDA in the Russian subsidiary increased by 60%.

EBITDA in the Polish subsidiary amounted to DKK -1.4M in H1/2012 (DKK -0.5M in H1/2011), corresponding to a decrease of 185%.

North America

North America Revenues DKKm	H1 2012	H1 2011	Development 2011-2012
Software	15.3	11.8	30%
Maintenance	21.9	14.9	47%
Consultancy	48.8	32.3	51%
Other	2.6	2.3	12%
Total	88.5	61.2	45%

Revenues in North America increased to DKK 88.5M in H1/2012 (DKK 61.2M in H1/2011), corresponding to an increase of 45%. Adjusted for foreign currency translation revenues in the region increased by 30%. Revenues are considerably affected by the acquisition of First Tech Direct.

The region accounted for 19% of the Group's total revenues in H1/2012 (14% in H1/2011).

The region's EBITDA increased to DKK 8.8M in H1/2012 (DKK 2.5M in H1/2011), corresponding to an increase of 252%. Adjusted for foreign currency translation EBITDA for the region increased by 222%.

Liquidity status

Columbus held cash funds of DKK 37.8M as at 30 June 2012 (DKK 54.6M as at 30 June 2011). The cash funds are mainly placed in a number of foreign subsidiaries. Compared to last year, the Group's short-term debt to credit institutions has been reduced to DKK 17.0M as at 30 June 2012 (DKK 17.7M as at 30 June 2011). With the present credit facilities, the Group has solid cash resources in the level of DKK 100M.

Uncertainty factors and significant risks

Determining the carrying amount of some assets and liabilities requires judgments, estimates and assumptions concerning future events. The judgments, estimates and assumptions made are based on historical experience and other factors, which management assesses to be liable, but

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which by their nature are associated with uncertainty and unpredictability. The assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise.

It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to new information or subsequent events.

Estimates which are of material importance to the presentation of the accounts, are among other things applied to statement of impairment, goodwill and other long term assets as well as trade receivables, selling price of contract work in progress, valuation of deferred tax assets, deferred debt and contingent liabilities and assets, cf. detailed description in the Annual Report 2011.

The Company is also subject to risks and uncertainties which may lead to actual results differing from these estimates. Columbus' business risks are unchanged compared to the risks described in the Annual Report 2011.

Significant events after balance date

There have been no events since 30 June 2012 which could significantly affect the evaluation of the Group's financial position and revenues.

Management Report

We have today considered and approved the interim financial report for the period 1 January 2012 – 30 June 2012 for Columbus A/S.

The interim financial report has been prepared in accordance with IAS 34 and additional Danish interim reporting requirements for listed companies. The interim financial report is unaudited and has not been reviewed by the Company's auditor.

We consider the accounting policies applied to be appropriate to the effect that the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2012, and of the results of the Group's operations and cash flows during the first half year of 2012.

We consider the management report to give a true and fair view of the development in the Group's business activities and financial situation, the financial result for the period and the Group's financial position as a whole together with a true and fair description of the significant risks and uncertainty factors which the Group faces.

Ballerup, 16 August 2012

Executive Board



Thomas Honoré
CEO

Board of Directors



Ib Kunze
Chairman



Jørgen Cadovius
Deputy Chairman



Peter Skov Hansen



Sven Madsen



Ulla Krossteig

Total income statement

DKK '000	Note	H1 2012	H1 2011	2011
Net revenue	3	460,718	422,392	820,603
External project costs		-132,802	-109,697	-206,567
Gross earnings		327,916	312,695	614,035
Staff costs		-243,785	-230,134	-452,589
Other external costs		-67,111	-70,139	-135,359
Other operating income		193	676	2,155
Other operating expense		10	-217	-1,238
Earnings before depreciation (EBITDA)		17,223	12,881	27,004
Depreciation		-12,752	-12,816	-24,171
Earnings before write down of goodwill (EBITA)		4,472	65	2,833
Write down of goodwill		0	0	0
Operating profit (EBIT)		4,472	65	2,833
Results in associated companies		0	413	1,305
Financial income		5,579	4,139	8,179
Financial expense		-4,386	-5,987	-9,837
Pre-tax earnings, continuing operations		5,665	-1,370	2,480
Tax on H1 earnings, continuing operations		-1,882	-1,694	1,308
H1 earnings, continuing operations		3,782	-3,065	3,788
H1 earnings, discontinued operations	7	0	-5,113	-13,852
H1 earnings		3,782	-8,178	-10,064
Foreign exchange rate translation re. subsidiaries		655	-3,212	-547
Other total income		655	-3,212	-547
Total recognized income for the period		4,437	-11,390	-10,611
Allocation of the result for the period:				
Shareholders of Columbus A/S		3,247	-9,103	-11,248
Minority interests		535	925	1,185
		3,782	-8,178	-10,064
Allocation of other total income:				
Shareholders of Columbus A/S		3,796	-12,378	-12,042
Minority interests		641	988	1,431
		4,437	-11,390	-10,611
Earnings per share (EPS) of DKK 1.25		0.03	-0.09	-0.11
Earnings per share, diluted (EPS-D) of DKK 1.25		0.03	-0.09	-0.11

Assets

DKK '000	Note	H1 2012	H1 2011	2011
Goodwill		177,318	155,744	156,286
Royalties		3,444	1,998	5,035
Development projects finalized		37,982	40,852	45,824
Development projects in progress		16,261	4,662	8,537
Total intangible assets		235,005	203,257	215,683
Leasehold improvement		947	192	1,101
Plant and operating equipment		7,546	7,904	7,903
Total tangible assets		8,494	8,096	9,004
Holdings in associated companies		2,363	1,565	2,363
Total financial assets		2,363	1,565	2,363
Deferred tax assets		26,596	23,988	27,682
Total long-term assets		272,458	236,905	254,732
Inventories		942	641	2,035
Trade receivable	5	167,602	168,919	153,632
Contract work in progress	6	21,037	22,733	15,809
Corporation tax		7,098	7,140	2,579
Other receivables		10,845	14,783	10,070
Accruals		11,002	8,903	5,481
Total receivables		217,585	222,477	187,571
Cash		37,826	54,639	46,086
Total short-term assets		256,353	277,757	235,692
Total assets		528,810	514,662	490,423

Liabilities

DKK '000	H1 2012	H1 2011	2011
Equity			
Share capital	132,174	132,174	132,174
Reserves on foreign currency translation	-7,704	-10,733	-8,252
Retained profit	154,899	154,105	151,430
Parent Company shareholders' equity	279,369	275,546	275,352
Minority interests' equity	4,123	7,186	7,642
Total equity	283,492	282,732	282,993
Long-term debt			
Deferred tax	434	433	432
Provisions	5,417	0	1,415
Credit institutions	0	47	0
Financial leasing obligations	58	0	60
Other debt	1,270	1,270	1,270
Total long-term debt	7,180	1,750	3,177
Short-term debt			
Credit institutions	17,048	17,670	2,828
Financial leasing obligations	174	1,436	155
Client prepayments	22,659	22,669	22,853
Trade accounts payable	68,348	53,678	71,315
Corporation tax	7,758	14,102	4,587
Other debt	104,548	116,869	99,205
Accruals	17,602	3,757	3,310
Total short-term debt	238,137	230,181	204,253
Total debt	245,317	231,930	207,430
Total liabilities	528,810	514,662	490,423

Consolidated Statement of Changes in Equity

DKK '000					
	Share capital	Reserves on foreign currency translation	Retained profit	Minority interests	Equity
H1 2012					
Balance at 1 January 2012	132,174	-8,252	151,430	7,642	282,993
Result for the period	0	0	3,247	535	3,782
Other total income (foreign exchange rate adjustment – foreign companies)	0	548	0	106	655
Total recognized income for the period	0	548	3,247	641	4,437
Incentive scheme	0	0	221	0	221
Payment of dividends	0	0	0	-4,160	-4,160
Balance at 30 June 2012	132,174	-7,704	154,899	4,123	283,492
H1 2011					
Balance at 1 January 2011	132,174	-7,458	163,131	12,176	300,023
Result for the period	0	0	-9,103	925	-8,178
Other total income (foreign exchange rate adjustment – foreign companies)	0	-3,274	0	62	-3,212
Total recognized income for the period	0	-3,274	-9,104	988	-11,390
Incentive scheme	0	0	79	0	79
Disposal of minority interests	0	0	0	-768	-768
Payment of dividends	0	0	0	-5,210	-5,210
Balance at 30 June 2011	132,174	-10,733	154,105	7,186	282,732
2011					
Balance at 1 January 2011	132,174	-7,458	163,131	12,176	300,023
Result for the period	0	0	-11,248	1,185	-10,064
Other total income (foreign exchange rate adjustment – foreign companies)	0	-794	0	247	-547
Total recognized income for the period	0	-794	-11,248	1,431	-10,611
Incentive scheme	0	0	314	0	314
Acquisition of minority interests	0	0	-767	-260	-1,027
Payment of dividends	0	0	0	-5,706	-5,706
Balance at 31 December 2011	132,174	-8,252	151,430	7,642	282,993

Consolidated Cash Flow Statement

DKK '000	H1 2012	H1 2011	2011
Result for the period (EBIT)	4,472	65	2,833
Depreciations and write downs	12,752	12,816	24,171
Transferred share based payment	221	79	314
Net adjustments of development projects	-10,285	-8,366	-24,972
Changes in net working capital	-14,334	1,301	32,933
Cash flow from primary activities	-7,174	5,895	35,278
Interest received, etc.	5,579	4,139	8,179
Interest paid, etc.	-4,386	-5,987	-9,837
Corporation tax paid	-2,210	1,207	-4,399
Cash flow from operating activities	-8,191	5,254	29,222
Acquisition of tangible assets	-1,515	-2,930	-7144
Acquisition of intangible assets	0	-340	-3,588
Disposal of tangible assets	35	35	113
Acquisition of associated companies	-13,603	0	0
Disposal of associated companies	0	0	-196
Acquisition of minority interests	0	-768	-767
Cash flow from investing activities	-15,083	-4,003	-11,582
Overdraft facilities and financial leasing	14,237	3,210	-12,949
Dividends paid to minority shareholders	-136	-5,210	-5,706
Cash flow from financing activities	14,101	-2,001	-18,655
Cash flow from continuing operations	-9,173	-750	-1,016
Cash flow from discontinued operations	0	-10,521	-18,913
Cash funds at the beginning of the year	46,086	68,447	68,447
Exchange rate adjustments	913	-2,537	-2,434
Cash funds at the end of the period	37,826	54,639	46,086

Note 1: Accounting policies

The consolidated interim financial report is prepared in accordance with IAS 34, Presentation of Interim Financial Reporting, as approved by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies. No interim report has been prepared for the Parent Company. The interim financial report is presented in Danish kroner (DKK), which is the Parent Company's functional currency.

The accounting policies applied in the interim financial report are prepared in accordance with International Financial Reporting Standards, as approved by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies. For more information on the accounting policies, we refer to our Annual Report for 2011.

Note 2: Segment data

The Group presents segment data according to IFRS 8, Operating Segments.

In order to support decisions about allocation of resources and assessment of performance of the segments, the Group's internal reporting to the Board of Directors of the Parent Company is based on the following grouping of operating segments:

Strategic business areas	Description	Geographical segment
ISV (Independent Software Vendor)	Development and sale of own ERP software products to resellers and strategic partners	No specific area
		Nordic region
		Western Europe
VAR (Value Added Resellers)	Sale and implementation of standard ERP software products to end users	Eastern Europe
		North America

H1 2012	ISV	VAR	Parent company	Total
Gross revenue	26,860	454,794	-504	481,150
Intercompany revenue	-8,686	-10,381	-1,364	-20,432
Net revenue	18,174	444,413	-1,868	460,718
Gross earnings	22,479	307,998	-2,561	327,916
Earnings before depreciation (EBITDA)	7,777	26,537	-17,091	17,223
Operating result (EBIT)	506	21,844	-17,878	4,472
Results in associated companies	0	0	0	0
Pre-tax earnings	-574	9,811	-3,573	5,665
Result for the period	-793	8,148	-3,573	3,782
Segment assets	101,948	336,860	90,003	528,810
Segment liabilities	57,760	233,303	-45,745	245,317
Capital investments	8,256	1,224	399	9,879
Depreciation	-7,271	-4,693	-788	-12,752
Amortization	0	0	0	0
Holdings in associated companies	0	0	2,363	2,363
Average number of employees	43	846	11	900

Note 2: Segment data, continued

H1 2011	ISV	VAR	Parent company	Total
Gross revenue	25,181	415,887	373	441,441
Intercompany revenue	-5,859	-12,929	-261	-19,049
Net revenue	19,323	402,957	112	422,392
Gross earnings	18,424	293,996	275	312,695
Earnings before depreciation (EBITDA)	4,764	27,679	-19,561	12,881
Operating profit (EBIT)	-2,288	22,268	-19,915	65
Results in associated companies	0	0	413	413
Pre-tax earnings	-3,424	10,583	-8,530	-1,370
Result for the period, continuing operations	-3,413	10,561	-10,214	-3,065
Segment assets	86,464	314,590	113,609	514,662
Segment liabilities	41,237	218,335	-27,642	231,930
Capital investments	9,989	3,481	0	13,471
Depreciation	-7,052	-5,411	-354	-12,816
Amortization	0	0	0	0
Holdings in associated companies	0	0	1,565	1,565
Average number of employees	45	796	16	855

2011	ISV	VAR	Parent company	Total
Gross revenue	43,986	820,601	1,160	865,747
Intercompany revenue	-12,282	-32,862	0	-45,144
Net revenue	31,704	787,739	1,160	820,603
Gross earnings	26,861	584,496	2,678	614,035
Earnings before depreciation (EBITDA)	11,260	54,151	-38,407	27,004
Operating profit (EBIT)	-1,373	43,370	-39,163	2,833
Results in associated companies	0	94	1,211	1,305
Pre-tax earnings	-2,130	44,598	-39,988	2,480
Result for the period	-1,063	43,447	-38,596	3,788
Segment assets	89,831	300,420	100,172	490,423
Segment liabilities	29,209	152,509	25,712	207,430
Capital investments	25,404	6,002	4,299	35,705
Depreciation	-12,633	-10,780	-757	-24,171
Holdings in associated companies	0	0	2,363	2,363
Average number of employees	47	817	16	880

Note 3: Net revenue

DKK '000	H1 2012	H1 2011	2011
Sale of products:			
Software licenses	94,934	73,425	139,470
Software subscriptions	89,173	74,012	149,997
Other	271	457	918
Total sale of products	184,378	147,894	290,384
Sale of services:			
Support	9,704	6,386	11,272
Sales value of finished projects	244,747	257,387	511,609
Change in contract work in progress	21,889	10,726	7,338
Total sale of services	276,340	274,499	530,219
Total net sales	460,718	422,392	820,603
Contract work in progress at beginning of the period	-72,930	-65,592	-65,592
Contract work in progress at end of the period	94,819	76,318	72,930
Total change in contract work in progress	21,889	10,726	7,338

Note 4: Incentive Scheme

The CEO of the company, the Board of Directors, Senior Executives and other employees have been granted an incentive scheme containing a share warrant scheme. The share warrant scheme is granted at the market share price. The share warrant scheme is conditional on the employment period. The share warrant schemes will not be adjusted for subsequent capital increases.

On the basis of a Black & Scholes' calculation, the scheme has a total forecast market value of up to DKK 2.0M, that will be expended in 2012, 2013 and 2014.

Specification of outstanding warrants	Number of warrants		Exercise rate per warrant	
	H1 2012	H1 2011	H1 2012	H1 2011
DKK '000				
Outstanding at the beginning of the period	1,300,000	666,666	0	0
Granted during the period, 1 May 2011	0	1,300,000	2.45	2.45
Granted during the period, 20 January 2012	999,000	0	1.43	0
Granted during the period, 23 May 2012	3,870,000	0	1.48	0
Lost due to termination of employment	0	666,666	0	0
Used during the period	0	0	0	0
Expired during the period	0	0	0	0
Annulled during the period	0	0	0	0
Outstanding at the end of the period	6,160,000	1,300,000	1.68	2.45

Note 5: Trade Receivable

DKK '000	H1 2012	H1 2011	2011
Receivables (gross) at 30 June	173,283	186,196	161,400
Allowance for doubtful debts at 1 January	7,769	15,306	15,306
Change in allowance for doubtful debts during the period	3,023	4,500	1,154
Loss realized during the period	-5,111	-2,529	-8,691
Allowance for doubtful debts at 30 June	5,681	17,277	7,769
Balance at 30 June	167,602	168,919	153,632

Direct depreciation of receivables is performed if the value, based on an individual estimate of the individual accounts receivable's ability to pay, is reduced, e.g. in the event of suspension of payments, bankruptcy or the like.

Note 6: Contract Work in Progress

DKK '000	H1 2012	H1 2011	2011
Contract work in progress	94,819	96,189	72,930
On account billing and prepayments	-78,550	-78,294	-61,588
	16,269	17,896	11,342
The net value is included in the balance as follows:			
Contract work in progress (assets)	21,037	22,733	15,809
Client prepayments (liabilities)	-4,768	-4,837	-4,466
	16,269	17,896	11,342

Note 7: Discontinued Operations

On 15 December 2011 Columbus entered into an agreement with Prodware SA about sale of the subsidiaries Columbus IT Partner France SAS and Columbus IT Partner España S.L. The sale was performed with effect from 10 November 2011, and subsequently control of the companies was transferred to Prodware SA. The sales price amounted to DKK 1.9M.

DKK '000	H1 2012	H1 2011	2011
Operating profit for the period up until transfer of control	0	-5,074	-23,773
Tax on earnings for the period	0	-40	-62
Net profit from sale of discontinued operations	0	0	9,983
Net impact on the result for the period	0	-5,113	-13,852
Operating profit for the period up until transfer of control can be specified as follows:			
Net revenue	0	33,278	39,637
External project costs	0	-11,982	-16,720
Gross earnings	0	21,295	22,917
Staff costs	0	-18,643	-33,467
Other external costs	0	-6,753	-12,141
Other operating income	0	343	311
Other operating expense	0	-905	-1,001
Earnings before depreciation (EBITDA)	0	-4,664	-23,381
Depreciation	0	-164	-263
Earnings before write down of goodwill (EBITA)	0	-4,828	-23,644
Operating profit (EBIT)	0	-4,828	-23,644
Financial income	0	56	86
Financial expense	0	-302	-214
Pre-tax earnings	0	-5,074	-23,773
Tax on earnings for the period	0	-40	-62
Discontinued operations	0	-5,113	-23,835

Note 7: Discontinued Operations, continued

DKK '000	H1 2012	H1 2011	2011
Impact of discontinued operations on the cash flow statement for the period:			
Cash flow from operating activities	0	-10,394	-18,366
Cash flow from investing activities	0	-80	-503
Cash flow from financing activities	0	-48	-44
Cash flow from discontinued operations	0	-10,521	-18,913
The sale of the discontinued operations can be specified as follows:			
Net asset value	0	0	-11,250
Goodwill allocated to discontinued operations	0	0	1,267
			-9,983
Profit from sale	0	0	-9,983
Adjusted sales price	0	0	0

Note 8: Acquisition of associated companies

During H1 the Group acquired First Tech Direct, Detroit, US, a leading manufacturing consultancy.

DKK '000	First Tech Direct
Development projects in progress	666
Operating equipment and inventories	325
Total long-term assets	991
Trade receivable	3,732
Corporation tax	3
Other receivables	40
Cash	1,036
Total short-term assets	4,810
Client prepayments	1,429
Trade accounts payable	1,200
Other debt	1,085
Total short-term debt	3,714
Net assets acquired	2,087
Goodwill	21,032
Cash acquired, cf. above	1,036
Cash payment	22,083