

Columbus' financial results for first half 2018

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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.

Today's presentation

AGENDA

- Short presentation of Columbus
- Highlights of H1 2018
- Income statement
- Financial Value Drivers
- Geographical & Business segments
- 2018 expectations
- Long-term guidance
- Questions

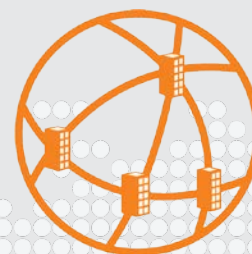
Columbus at a glance



Global IT-Services and Consultancy company with development and sale of own industry specific business solutions



6.394 Shareholders
Established in 1989 Listed on NASDAQ Copenhagen in 1998



Subsidiaries in 17 countries with **2,000 employees** in Denmark, Sweden, Norway, England, USA, Lithuania, Estonia, Russia, Holland, India, Germany, Switzerland, Czech Republic, Spain, Poland, Chile, China



Solid industry know-how
within Manufacturing, Retail, Food

What we do each and every day...

Columbus help **ambitious** companies
transform, maximize and **futureproof**
their business digitally

A peak into our customers

Food



Manufacturing



Retail



Delivering digital transformation



Who	Development, production, construction and service of offshore wind turbines
Challenge	Merger of two companies with multiple systems
Solution	<ul style="list-style-type: none"> Columbus Advanced Discrete Manufacturing Columbus Dynamic Security Management Columbus Invoice Workflow Columbus Connectivity Studio Microsoft Dynamics AX Columbus Care & ServerCare
Outcome	Solid ERP system that supports MVOW's digital transformation and strategic goals

Maximizing and enabling growth

Bolia.

NEW SCANDINAVIAN DESIGN

Who	Danish furniture retailer online in 60 countries, 38 showrooms in 6 countries, and still expanding with a new store every third week.
Challenge	Needed a solution to support growth, high customer experience as well as streamlining of the supply chain.
Solution	Columbus RapidValue Columbus Invoice Workflow Columbus Dynamics Security Management Consulting Services Microsoft Dynamics 365 Operations & CRM
Outcome	Able to deliver excellent customer service within their supply chain – which is key to their strategy



Highlights H1 2018

Highlights H1 2018

Revenue

52% growth

amounting to DKK 978m

EBITDA*

40% growth

amounting to DKK 99,6m

Integration of

iStone

High Software

according to plan

Columbus Software

37% growth

amounting to DKK 56m

Profit after tax

28% growth

amounting to DKK 51m

Acquisitions

iStone

HiGH Software

Hät Systems

Income Statement H1 2018

Income statement (mDKK)	1H 2018	1H 2017	Δ%
Columbus Software	56.0	40.7	37%
External Software	155.0	159.6	-3%
Service	751.1	431.3	74%
Other	16.1	10.7	50%
Net Sales	978.2	642.3	52%
External project costs	-208.9	-142.9	46%
Gross profit	769.2	499.5	54%
Staff expenses and remuneration	-559.9	-353.4	58%
Other external costs	-109.7	-74.9	47%
EBITDA before share-based payment	99.6	71.2	40%
Share-based payment	-4.9	-1.2	327%
EBITDA	94.7	70.0	35%
Depreciation/amortization	-39.9	-19.7	102%
Net Financial Income	9.5	-3.9	344%
Net result before tax	64.2	46.4	38%
Tax	-13.0	-6.3	106%
Net result after tax	51.2	40.1	28%

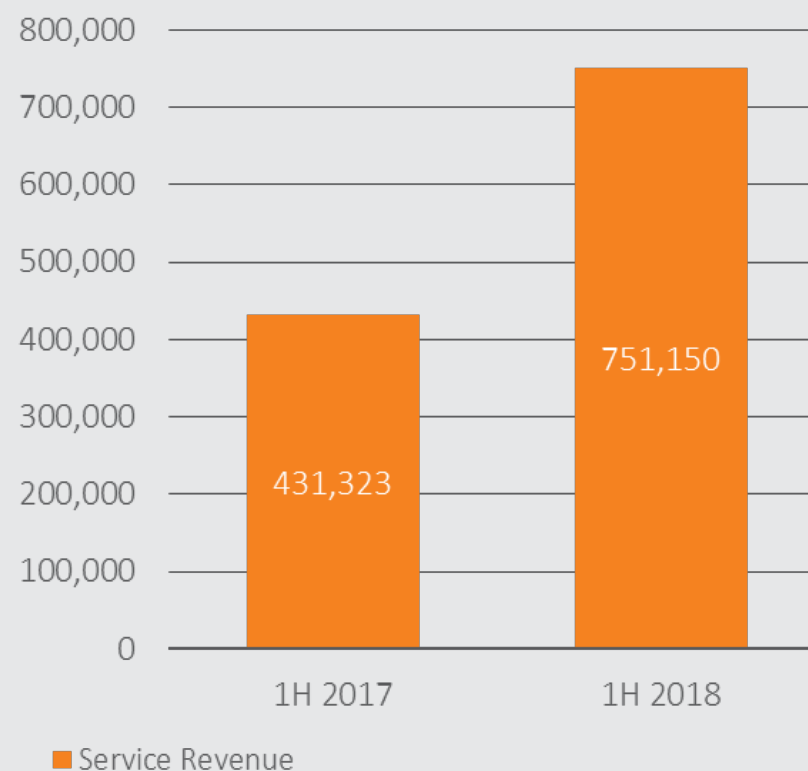


Financial Value Drivers

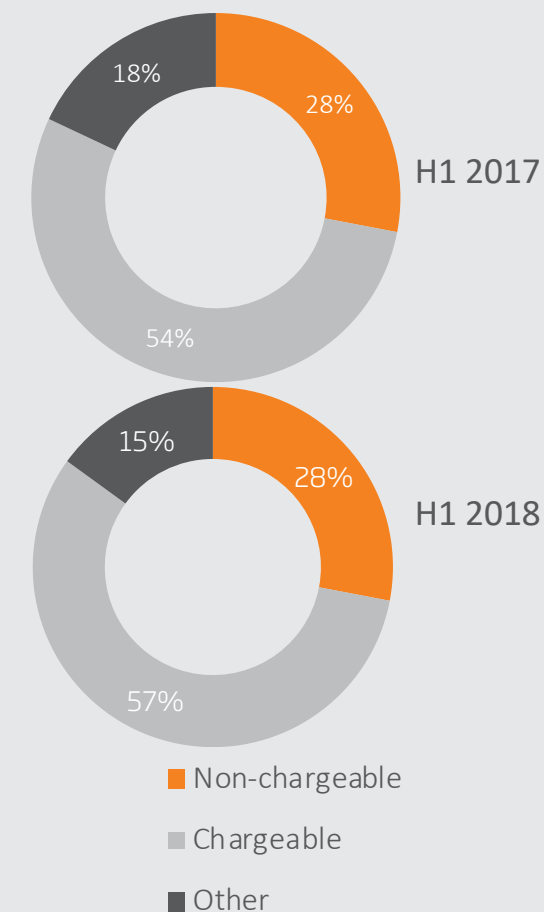
Growth in the Services Business

- Service revenue grew by 74% to DKK 751m
 - Acquisition of iStone
 - High activity in the services business
- Increase in chargeable hours (54% to 57%)
 - General progress in our services business
 - Progress within ERP, Cloud and new offerings such as Analytics & BI

Development in the service revenue

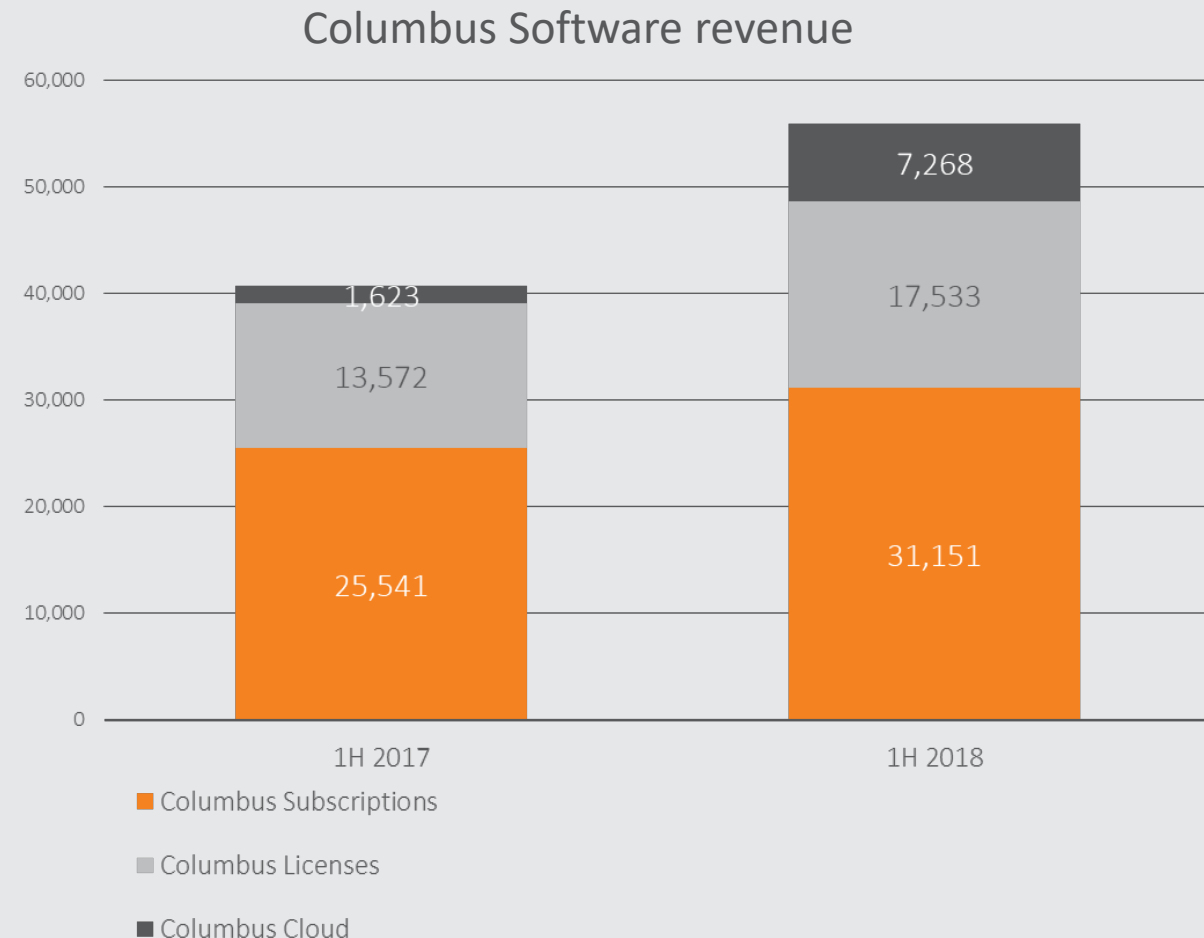


Customer Work



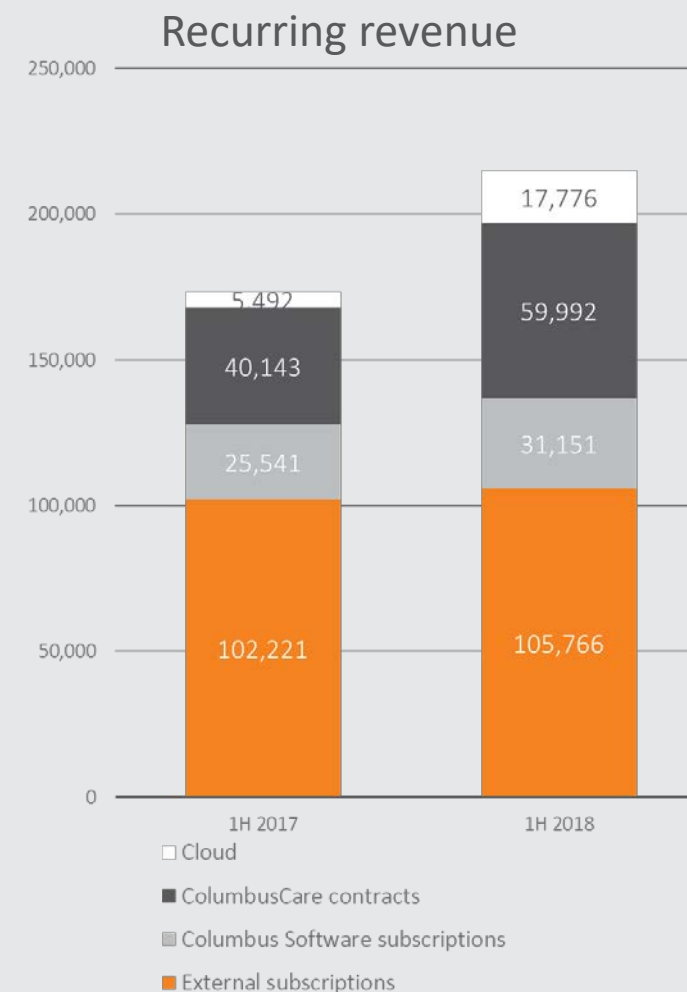
Growth in Columbus Software sales

- Total revenue from sale of Columbus Software increased by 37%, amounting to DKK 56m
 - Subscriptions grew by 22%
 - License sales grew by 29%
- Cloud sales increased from 1.6m to 7.3m Danish kroner



Growth in Recurring Revenue

- Recurring revenue increased by 24%
- Recurring revenue constitutes 22% of total revenue
- Columbus Care contracts grew by 49%
- Total Cloud revenue grew by 224%





Geographical & Business segments

Western Europe

Net Revenue

+116% (DKK 670m)

Columbus Software Revenue

+14% (DKK 18m)

Service Revenue

+147% (DKK 573m)

EBITDA

+41% (DKK 63m)

Western Europe mDKK	1H 2018	1H 2017	Δ	Δ%
Columbus Software	17.9	15.8	2.1	14%
External software	66.6	58.0	8.6	15%
Service revenue	573.1	231.8	341.3	147%
Other	12.5	4.8	7.7	160%
Total net revenue	670.0	310.3	359.7	116%
EBITDA	62.7	44.6	18.1	41%
Recurring revenue of total revenue	16%	25%	-9%	-35%

Eastern Europe

Net Revenue

-14% (DKK 67m)

Service Revenue

-3% (DKK 49m)

Columbus Software Revenue

-15% (DKK 2m)

EBITDA

-16% (DKK 7m)

Eastern Europe mDKK	1H 2018	1H 2017	Δ	Δ%
Columbus Software	2.1	2.5	-0.4	-15%
External software	15.0	23.6	-8.7	-37%
Service revenue	48.6	50.3	-1.8	-3%
Other	1.1	1.0	0.1	8%
Total net revenue	66.7	77.4	-10.7	-14%
EBITDA	7.1	8.5	-1.4	-16%
Recurring revenue of total revenue	22%	23%	-1%	-6%

Northern America

Net Revenue

-22% (DKK 183m)

Service Revenue

-28% (DKK 108m)

Columbus Software Revenue

+10% (DKK 3m)

EBITDA

+161% (DKK 15m)

North America mDKK	1H 2018	1H 2017	Δ	Δ%
Columbus Software	3.3	3.0	0.3	10%
External software	69.3	78.2	-8.9	-11%
Service revenue	108.0	149.0	-41.1	-28%
Other	2.4	5.1	-2.6	-52%
Total net revenue	182.9	235.3	-52.3	-22%
EBITDA	15.0	5.8	9.2	161%
Recurring revenue of total revenue	35%	28%	7%	25%

Columbus Software ISV

Columbus Software Revenue

+30% (DKK 41m)

Columbus Software License

+31% (DKK 13m)

Columbus software Subscriptions

+30% (DKK 28m)

EBITDA

+70% (DKK 36m)

Columbus Software mDKK	1H 2018	1H 2017	Δ	Δ%
Columbus Software licenses	13.4	10.2	3.2	31%
Columbus Software subscriptions	27.6	21.3	6.3	30%
Columbus Cloud	6.8	1.5	5.2	342%
External software	7.3	0.0	7.3	100%
Service revenue	29.1	8.9	20.2	227%
Other	0.3	0.4	0.0	-3%
Total net revenue	84.4	42.2	42.2	100%
EBITDA	36.1	21.3	14.9	70%
Recurring revenue of total revenue	51%	58%	-7%	-12%

Stronger Together on track

Stronger Together integration program progress as planned:

- Revenue and EBITDA according to plan
- Strategic partnership with itelligence including divesting of the SAP Business Unit
- Combined solution portfolio
- Strong cultural fit and common values



Business Growth synergies:

- Sell more Columbus Software & Columbus Care to Dynamics customers
- Expand commerce to Columbus markets
- Expand M3 business globally

Business Efficiency synergies:

- Leverage Columbus GDC setup
- Headquarter simplification & shared services
- Synchronize methods and tools (PE)



Short- and long-term Guidance

Financial guidance for 2018

Revenue, in the range of
DKK 2bn

EBITDA*, in the range of
DKK 200m

Software revenue, in the range of
DKK 90m

Dividend
10% dividend
on nominal share capital



Long-term guidance for 2020

Revenue

3-5% growth

average per year organically

EBITDA*

11%

EBITDA margin

Recurring revenue

25%

of total revenue in 2020

Dividend

10% pay-out

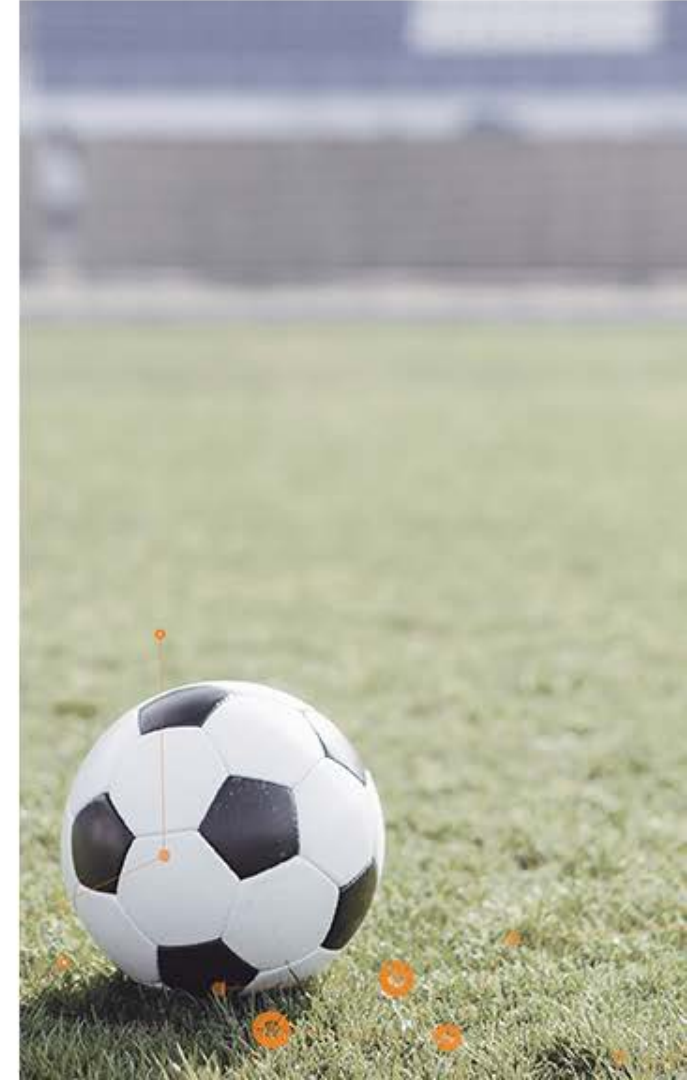
of nominal value each year

* EBITDA before share-based payment



Thank you!

Questions



Upcoming events

- Small & Mid Cap seminar, ABG Sundal Collier
 - 26 September, 2018
- Interim Management Statement Q3 2018
 - 7 November, 2018





Columbus[®] | Once you
know how...