

Financial Results 2017

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Company Roadshow at ABG Sundal Collier
16 March 2018



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

- Highlights of 2017
- Income statement
- Financial Value Drivers
- Geographical & Business segments
- 2018 expectations
- Long-term guidance
- Questions

Highlights 2017

Revenue

2% growth

amounting to DKK 1,219m

EBITDA*

3% growth

amounting to DKK 149m

Service EBITDA

19% growth

amounting to DKK 109m

Columbus Software

9% decline

amounting to DKK 83m

Profit after tax

18% growth

amounting to DKK 96m

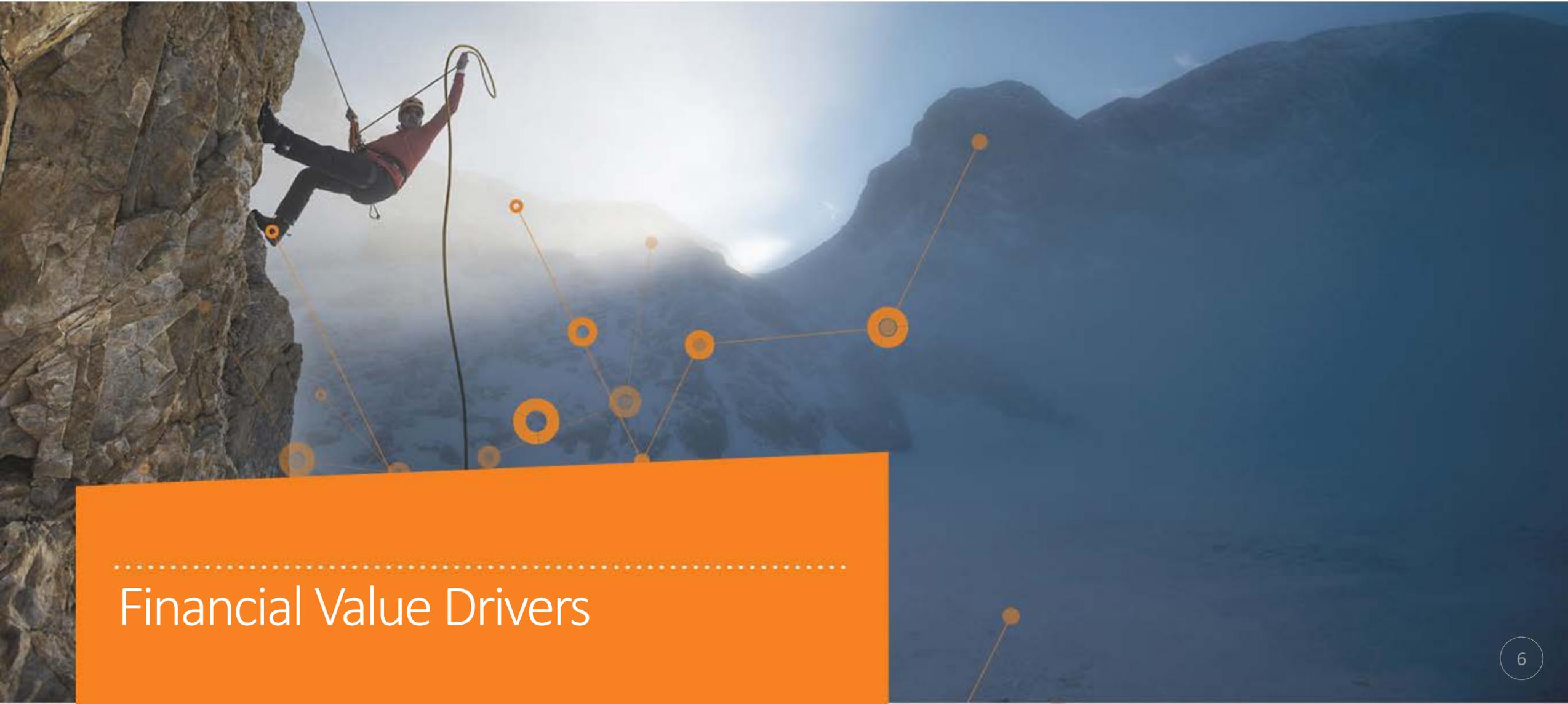
Acquisitions

Tridea Partners

Offer to buy iStone

Income Statement 2017

Income statement (mDKK)	2017	2016	Δ%
Columbus Software	83.2	91.1	-9%
External Software	294.0	281.7	4%
Service	822.6	796.4	3%
Other	19.1	23.6	-19%
Net Sales	1,218.8	1,192.7	2%
External project costs	-267.5	-264.6	1%
Gross profit	951.3	928.1	2%
Staff expenses and remuneration	-659.8	-631.7	4%
Other external costs	-143.0	-152.4	-6%
EBITDA before share-based payment	148.5	144.1	3%
Share-based payment	-2.3	-5.5	-58%
EBITDA	146.2	138.5	6%
Depreciation	-39.5	-33.3	19%
Net Financial Income	-5.1	2.0	-351%
Profit before tax	101.6	107.3	-5%
Tax	-5.5	-25.8	-79%
Profit after tax	96.1	81.5	18%

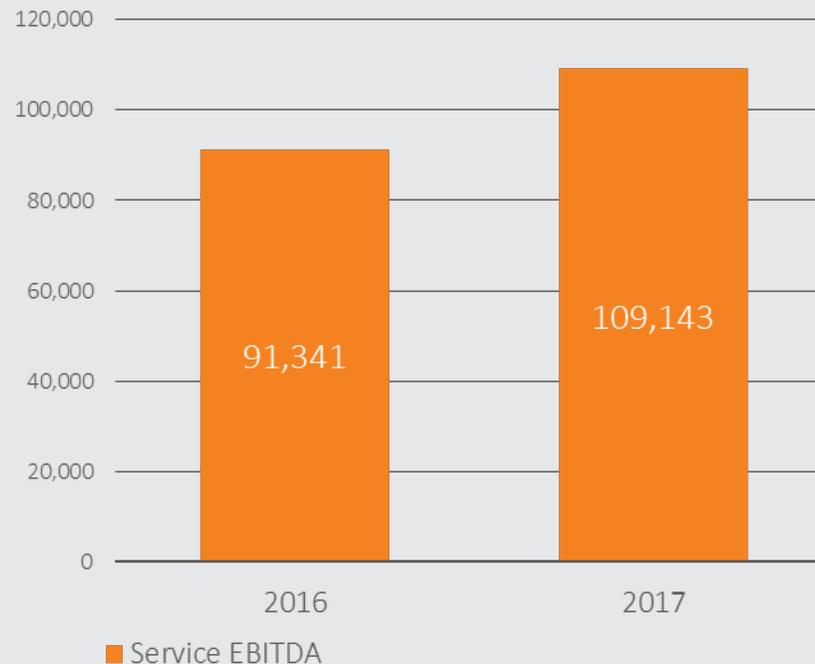


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Financial Value Drivers

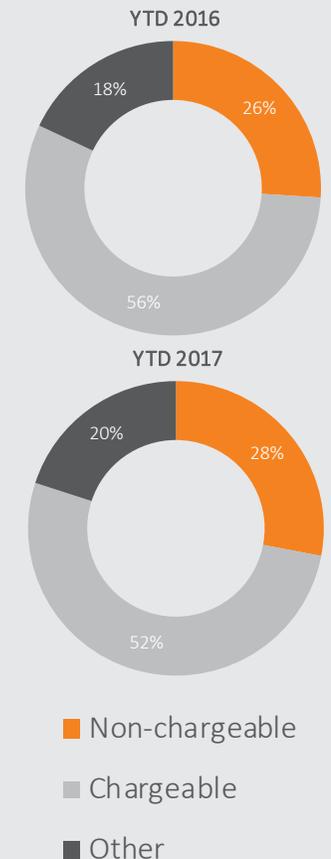
Growth in the services business

- Service revenue grew by 3% to DKK 823m
- Service EBITDA increased by 19% to DKK 109m
 - Increase in hourly rate
 - Increased use of Columbus Global Delivery Center
- Decrease in chargeable hours (56% to 52%)
 - Due to market challenges in our US business leading to lower sales

Service EBITDA

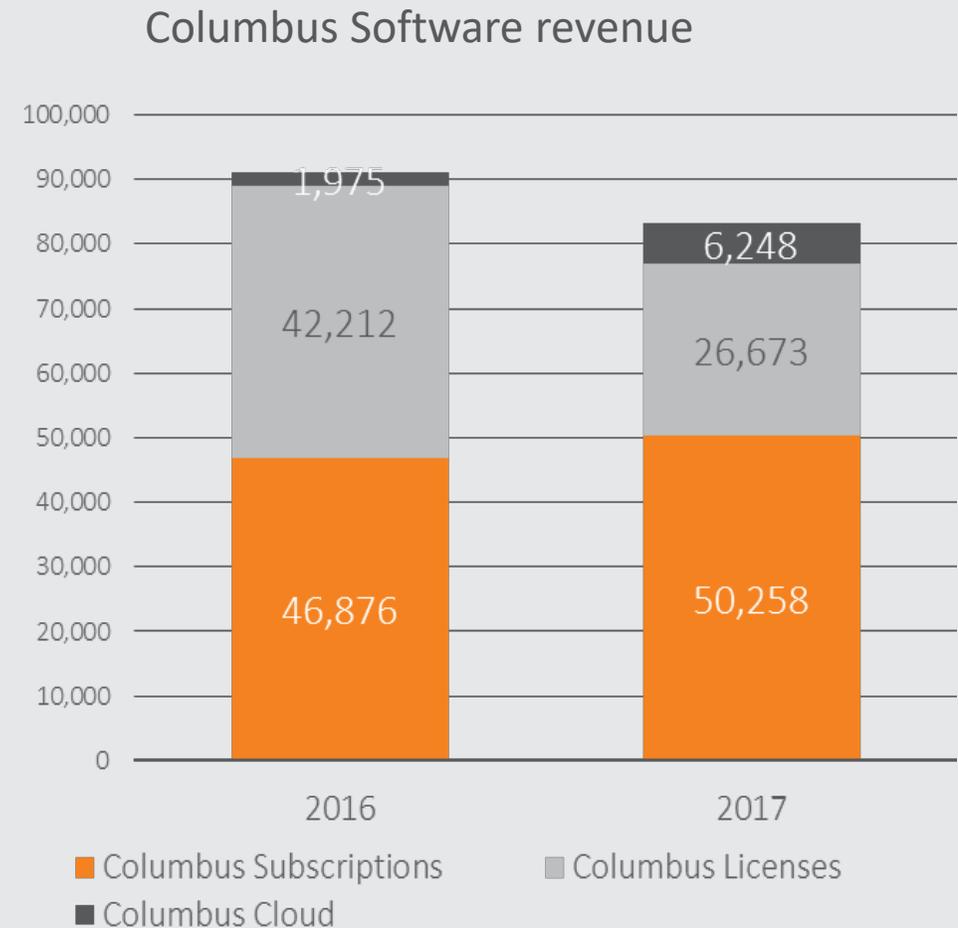


Customer Work



Columbus Software sales as expected

- Total revenue from sale of Columbus Software declined by 9%, amounting to DKK 83m
 - Subscriptions grew by 7%
 - License sales declined by 37%
- Cloud sales increased to DKK 6,2m



Growth in Recurring revenue

- Recurring revenue increased by 12%
- Recurring revenue constitutes 28% of total revenue
- Significant growth in Columbus Care, which increased by 43%





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Geographical & Business segments

Western Europe

Net Revenue

+3% (DKK 607m)

Columbus Software Revenue

-3% (DKK 28m)

Service Revenue

+1% (DKK 457m)

EBITDA

+3% (DKK 92m)

Western Europe mDKK	2017	2016	Δ	Δ%
Columbus Software	28.3	29.3	-1.0	-3%
External software	113.5	94.9	18.6	20%
Service revenue	456.8	452.4	4.4	1%
Other	8.7	10.5	-1.8	-17%
Total net revenue	607.2	587.0	20.1	3%
EBITDA	92.4	89.4	3.0	3%
Recurring revenue of total revenue	26%	22%	4%	19%

Eastern Europe

Net Revenue

+8% (DKK 144m)

Columbus Software Revenue

+9% (DKK 4m)

Service Revenue

+4% (DKK 97m)

EBITDA

+12% (DKK 13m)

Eastern Europe mDKK	2017	2016	Δ	Δ%
Columbus Software	4.2	3.9	0.4	9%
External software	40.8	35.0	5.8	17%
Service revenue	96.9	92.8	4.1	4%
Other	2.5	1.7	0.8	46%
Total net revenue	144.5	133.4	11.0	8%
EBITDA	13.0	11.6	1.4	12%
Recurring revenue of total revenue	22%	20%	2%	9%

Northern America

Net Revenue

-3% (DKK 422m)

Columbus Software Revenue

-29% (DKK 7m)

Service Revenue

+2% (DKK 267m)

EBITDA

-72% (DKK 7m)

North America mDKK	2017	2016	Δ	Δ%
Columbus Software	6.7	9.5	-2.8	-29%
External software	140.6	153.6	-13.0	-8%
Service revenue	267.1	261.6	5.5	2%
Other	7.6	10.0	-2.4	-24%
Total net revenue	422.0	434.6	-12.7	-3%
EBITDA	7.0	25.3	-18.2	-72%
Recurring revenue of total revenue	28%	27%	1%	3%

Columbus Software ISV

Columbus Software Revenue

-6% (DKK 88m)

Columbus Software Licens

-41% (DKK 21m)

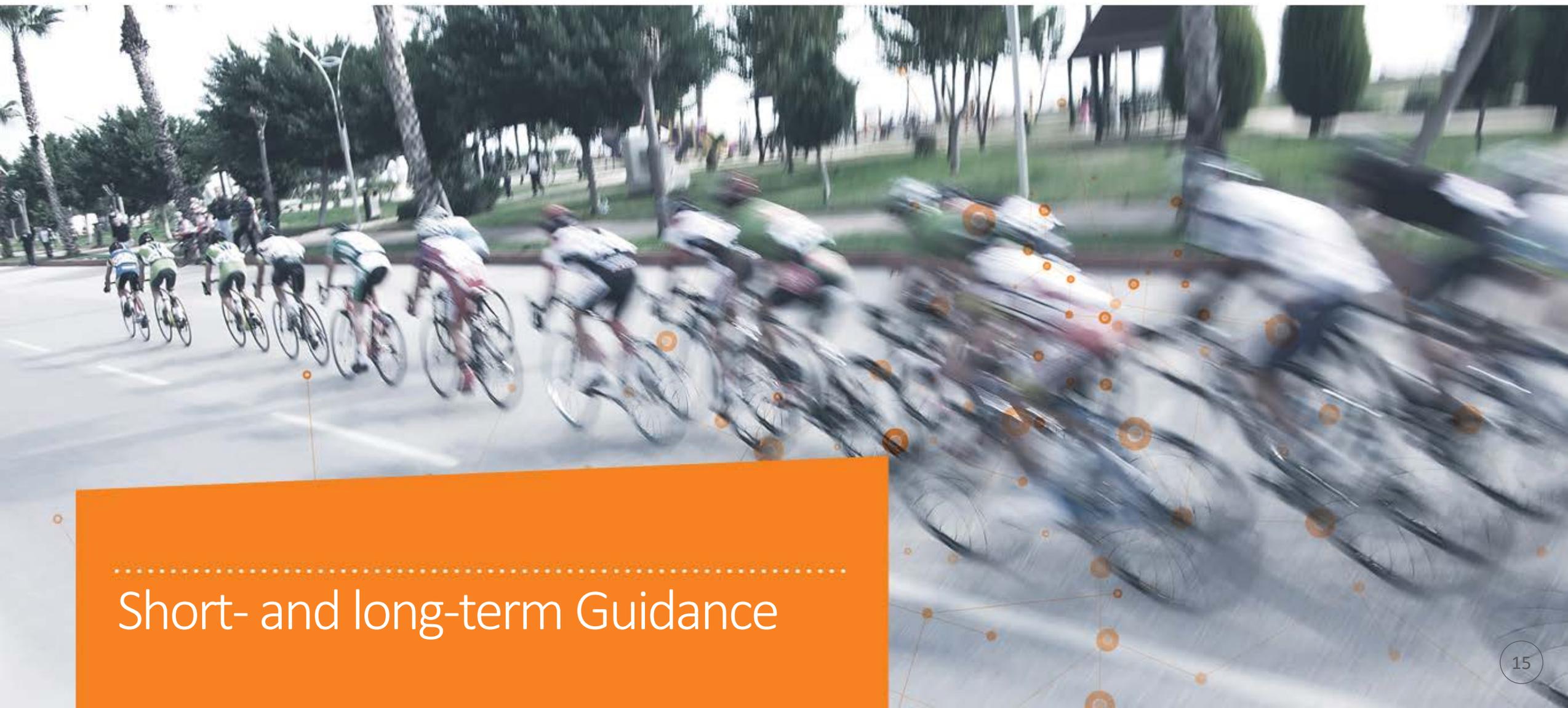
Columbus software Subscriptions

+6% (DKK 44m)

EBITDA

-11% (DKK 44m)

Columbus Software mDKK	2017	2016	Δ	Δ%
Columbus Software licenses	20.7	34.9	-14.2	-41%
Columbus Software subscriptions	43.6	41.0	2.7	6%
Columbus Cloud	5.7	2.2	3.5	158%
Service revenue	16.8	14.2	2.5	18%
Other	1.3	1.2	0.1	11%
Total net revenue	88.1	93.5	-5.4	-6%
EBITDA	44.2	49.6	-5.4	-11%
Recurring revenue of total revenue	60%	49%	11%	22%



Short- and long-term Guidance

Financial guidance for 2018

Revenue, in the range of

DKK 2bn

Korrespondens to a growth of 64%

EBITDA*, in the range of

DKK 200m

Corresponding to a growth of 35%

Software revenue, in the range of

DKK 90m

Dividend

10% dividend

on nominal share capital

Short-term guidance



Long-term guidance for 2020

Revenue

3-5% growth

average per year organically

Recurring revenue

25%

of total revenue in 2020

EBITDA*

11%

EBITDA margin

Dividend

10% pay-out

of nominal value each year



Long-term guidance



Thank You!

Questions

Upcoming events

- Capital Market Day: Acquisition of iStone
 - Thursday, 22 March at 14:00 – 16:00 CET at ABG Sundal Collier
 - Sign up at E: Nicole.Dahl@abgsc.dk
- Q1 2018 Interim Management Statement
 - 24 April 2018
- Annual General Meeting
 - 24 April 2018
- Small & Midcap seminar
 - 25 April 2018 at ABG Sundal Collier





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know how...