Annual Report 2006
Columbus IT Partner A/S

COLUMBUS IT

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Management's review

Highlights for 2006

- Columbus IT Partner's revenues totaled DKK 756.7M in 2006 (DKK 649.8M in 2005) corresponding to an increase of 16%, and is slightly higher than the announced expectation of 720-750M, cf. stock exchange release no. 18 of 9th November 2006.

- The operating result (EBITDA) totaled DKK 31.2M (DKK 23.6M in 2005) corresponding to an improvement of 32% compared to 2005. The result is in line with the Company's latest announced expectation of DKK 30-35M. The operating result has been achieved through a strong improvement of the first six months' EBITDA of DKK 5.3M to EBITDA of DKK 25.9M during the second half of the year.

- The year's result before taxes has been improved by DKK 6.9M to DKK 8.1M (DKK 1.2M in 2005). It is the second year in a row with a positive result before taxes. The result is slightly below the Company's latest announced expectation of DKK 10-12M.

- The year's result after taxes has been improved by DKK 26M to DKK 20.2M (DKK -6.1M in 2005) which is better than the Company's expectations.

- The Group's equity capital has increased from DKK 159.2M in 2005 to DKK 212.0M in 2006 corresponding to a solvency ratio of 37% (30% in 2005).

- The Danish subsidiary has, for the second consecutive year, experienced a strong growth of revenues and earnings and EBITDA has increased by 38% compared to 2005. The growth is partly a result of significant new sales, and partly the outcome of a continued increase in efficiency, including improved customer contracts and optimized revenue mix. New sales of Dynamics Nav (formerly Navision) have been particularly successful and in this area, the Company has experienced growth in software revenues of 87% compared to 2005.

- Sales to other vendors of proprietary software and subscriptions add up to DKK 32.2M of the revenues, an increase of 35% compared to 2005. The increase is the result of the successful integration in 2006 of two software companies, Dutch To-Increase BV and the American VerticalSoft, Inc., which were acquired by Columbus IT Partner in 2005.

- As part of Columbus IT's international growth strategy for the Company's global presence, Columbus IT has set up offices in Finland, Mexico, Brazil, and Chile. Moreover, the group's Polish subsidiary has acquired 2 Polish consulting companies in 2006. Columbus IT owns between 51% and 65% of the shares of the companies in the said countries, while the local management teams own the remaining shares.

- Columbus IT Partner is forecasting 2007 revenues of the order of DKK 810-830M and EBITDA of DKK 33-37M.

Key Figures and Ratios

DKKm	2002	2003	2004	2005	2006
Income statement					
Net revenues	607	543,2	581,3	649,8	756,7
External project costs	-150,3	-143,4	-136,7	-184,5	-211,1
Gross earnings I	456,7	399,8	444,6	465,3	545,6
Staff expenses	-317,0	-290,4	-302,0	-318,0	-375,0
Gross earnings II	139,7	109,4	142,6	147,3	170,6
Other external costs	-140,7	-112,2	-115,2	-124,1	-153,8
Other operating income	10,2	17,0	2,3	0,6	15,1
Other operating costs	-1,2	-3,2	-4,7	-0,2	-0,7
EBITDA	8,0	11,0	25,0	23,6	31,2
Depreciation excl. goodwill	-20,7	-20,0	-13,4	-12,2	-14,7
EBITA	-12,7	-9,0	11,6	11,4	16,5
Amortization and write down of goodwill	-63,1	-11,5	-14,7	-7,3	-2,4
EBIT	-75,8	-20,5	-3,1	4,1	14,1
Result in associated companies	0,0	0,0	0,0	-0,1	-0,1
Net financial items	-14,4	-10,3	-8,9	-2,8	-5,8
Pre-tax earnings	-90,2	-30,8	-12,0	1,2	8,2
Tax on earnings for the year	-9,7	-6,8	-6,2	-7,3	12,0
Earnings of the year	-99,9	-37,6	-18,2	-6,1	20,2
Allocated thus:					
Shareholders of Columbus IT Partner A/S	-99,9	-40,3	-23,8	-10,0	21,2
Minority interests	0,0	2,7	5,6	3,9	-1,0
	-99,9	-37,6	-18,2	-6,1	20,2
Balance sheet					
Long-term assets	126,4	124,7	115,1	223,8	256,1
Short-term assets	227,6	213,4	229,1	262,5	287,7
Total assets	354	338,1	344,2	486,3	543,8
Equity of the Parent Company’s shareholders	-15,3	31,9	6,5	147,3	201,1
Equity of minority interests	15,3	21,5	19,5	11,9	10,9
Debt	354,0	284,7	318,2	327,1	331,8
Total liabilities	354,0	338,1	344,2	486,3	543,8
Cash flow					
Cash inflow from operations	24	-23,9	-15,3	28,9	27,0
Net cash outflow for investments	-5,7	-13,3	-9,2	-100,3	-46,4
of which for investment in tangible fixed assets	-10,2	-5,0	-7,7	-8,4	-6,4
Cash inflow from financing activities	-29,6	31,2	36,8	70,2	28,7
Total cash flow	-11,3	-6,0	12,3	-1,2	9,3
Key ratios					
Gross margin II	23,0%	20,1%	24,5%	22,7%	22,5%
Operating profit margin	-12,5%	-3,8%	-0,5%	0,6%	1,9%
Return on equity	-282,3%	-562,4%	-140,8%	-9,6%	13,6%
Equity ratio	-4,3%	9,4%	1,9%	30,3%	37,0%
Earnings per share (EPS)	-9,8	-1,9	-0,6	-0,2	0,29
Net asset value per share (BV)	-1,9	0,9	0,2	2,1	2,7
Employees, year-end	829	865	803	943	1.024
Cash flow per share	2,4	-1,1	-2,5	0,5	0,4

The key figures and financial ratios with the exception of Return on Investment and Equity Ratio have been calculated in accordance with the Danish Society of Financial Analysts’ "Recommendations and Key Figures 2005”. Comparison figures for 2001-2003 have not been stated in accordance with IFRS. As a result of the directed rights issue at a price of DKK 3 per share in April 2005, the key figures for "Earnings per share” (EPS) and "Cash flow per share" have been calculated after applying a factor of 0.79.

Management report

Key events of the year

In 2006, Columbus IT Partner generally experienced a positive development in the operating results of the Group's subsidiaries. In particular, not only did the Danish subsidiary and the Dutch-based software development company, To-Increase, deliver good results in 2006, but also the companies in Norway, England, and Netherlands, since they have performed well and showed promising results.

However, 2006 has also been marked by an unsatisfactory result garnered by Columbus IT's Russian subsidiary which, in the first three quarters of 2006, offered significant challenges related to the clean-up of the Company. The launched improvement and restoration measures have shown to be significantly more time-consuming and comprehensive than originally expected and resulted in an EBITDA of DKK -10.6M in the 1st – 3rd quarter of 2006, in which period, significant positive earnings were expected. The restoration of the Russian subsidiary is now almost completed and the Company has realized a positive EBITDA of 2.2M in the 4th quarter.

In addition to the challenges experienced by the Russian subsidiary, the 2006 results of the Austrian and French subsidiaries have not been satisfactory. As part of Columbus IT's strategy for strengthening its market position in France, Columbus IT has, in 2006, sold 49% of the shares in Columbus IT's French subsidiary to a local partner. However, Columbus IT holds a call option as part of the agreement and can exercise its right to buy back the shares after a period of 2 years.

As part of Columbus IT's international growth strategy for the Company's global presence, Columbus IT has set up offices in Finland, Mexico, Brazil, and Chile. Columbus IT owns between 51% and 65% of the companies' shares in the said countries, while the local management teams own the remaining shares. Following these transactions, Columbus IT is represented by its own companies in five countries in South America and employs 100 Spanish-speaking employees. Moreover, the group's Polish subsidiary has acquired 2 Polish consulting companies in 2006 and is now the biggest provider of Microsoft Dynamics-based ERP systems in Poland.

In co-operation with Algosaibi Information Systems (AGIS), Columbus IT Partner A/S has established the company, Columbus IT Middle East, based in Dubai. The company figures as an associated company as its share of ownership is 22.5%. The company will take advantage of AGIS's regional presence in Abu Dhabi, Riyadh, Dammam, Jeddah, and Bahrain.

Software sales have experienced more growth compared to what was registered in 2005. In 2006, Columbus made significant investments in preparing a wide range of software products for sales via other vendors. This strategy has primarily been driven by Columbus IT's Dutch software development company, To-Increase, which, in 2006, among other things, launched a new and improved version of Retail Chain Manager for Dynamics AX. This is one of two "industry builder solutions" developed by To-Increase.

The Microsoft Industry Builder initiative has been a success and is now an official in-house program in Microsoft. Microsoft and To-Increase have, in 2006, invested significantly in the development of the channel for "Industry Builder Solutions", and Columbus is now in the unique position of having two Industry Builder contracts with 40 partners in 11 countries for one Industry Builder solution and 20 partners in 9 countries for the other solution.

The number of revenue-generating partners has increased dramatically throughout 2006, and today, more than 150 partners worldwide sell Columbus solutions developed by To-Increase. All top-5 Microsoft Dynamics partners are also To-Increase partners, and today, Columbus IT is the only Dynamics Partner with its own strategic ISV company (Independent Software Vendor).

Latest developments

Since December 31, 2006, there have been no events, which could significantly affect the evaluation of the group's financial position and revenues. Earnings in January and February 2007 were in line with the Company's expectations.

Outlook for 2007

As expected primo 2006, the market conditions are moving towards normalization, following a period of a general slowdown in the market for ERP solutions. We expect this improvement in market conditions to continue in 2007. In particular, this applies to the customers' interest in Columbus IT Partner's proprietary industry solutions. All the hard work done in the last two years to make Columbus IT Partner the world's leading consulting and development house for industry-specific business solutions will be continued in 2007.

The work to implement the group's ISV strategy continues globally in 2007 and is expected to contribute to the sales with the continued strengthening of the current consulting business. Further, Columbus IT will continue its industry-focused development in 2007, and will likewise be responsible for several global industry solutions.

Columbus expects that customers will respond with additional investments in the implementation of business solutions.

By virtue of its international presence, Columbus IT Partner is now strongly positioned for international projects, since Columbus IT Partner can provide local support for all its clients. Where major international clients are concerned, Columbus IT Partner is, thus, regarded as an alternative to the big management consultancy houses since it can offer clients one and the same internationally-recognized business solutions - a single contract and a single provider.

In 2007, the Company will continue to position itself as the largest, most competent global Microsoft Business Solutions partner. This will be achieved through its continuing focus on solutions from Microsoft Dynamics, especially including Microsoft Dynamics AX and Microsoft Dynamics NAV (formerly Navision). Similarly, the group's development of horizontal and vertical solutions will be based on these products.

The Company's management will, throughout 2007, focus specifically on restructuring and raising the efficiency of the group as a whole, while also building up a global presence via franchises, partnerships, new ventures, and acquisitions.

Where most of the companies are concerned, the focus in 2007 will also be on a continuing drive to boost the efficiency of operations.

The forecast for 2007 is for total Group revenues of the order of DKK 810-830M and EBITDA of DKK 33-37M.

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 for future events, which may turn out to be incorrect.

Factors that could mean significantly different results 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 Danish regulations and legislation and EU regulations; 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 international activities to which some political risks are attached, and investment in, and disposal of, national and international companies.

Customers

Columbus IT operates in 28 countries, has more than 1,000 employees, and services 6,000 customers every day. Our 17 years of experience with Microsoft Business solutions have resulted in more than 5,000 successful implementations spanning more than 50 countries.

International projects with large customers are becoming an increasing part of the Group's activities. In the mature markets, where Columbus IT has an attractive market share, the focus is increasingly turning to add-on sales such as complementary solutions, system upgrades, maintenance of implementations, and service to the existing customer base. Thereby, the Company is seeking to create long-term customer relations to win a larger share of the individual customer's IT investments.

Our customers have chosen Columbus IT because they need a team which speaks their language, understands their needs, and finds a solution to their critical challenges.

Columbus IT has developed a wide range of industry solutions which cover the customers' specific vertical needs. We implement technical solutions from Microsoft Business Solutions to a broad range of industries such as retail, manufacturing, commerce, distribution, financial services, construction, and the consulting business.

Industry
Columbus IT has delivered some of the largest and most complex business solutions to the industry sector by combining traditional Material and Production Management with our competencies in: Supply Chain Management, Lean Thinking, PDM, EDI, VMI, Internet technologies, and CRM.

Logistics
Columbus IT offers business solutions which cater to trading companies' special requirements such as: pick-up and distribution of goods with integration to the carrier, handling of product numbers/prices, purchasing, deliveries, replacements, contract management, course administration, bar codes, and scanners with direct integration to the financial management system, document management, E-Business, and EDI.

Service
Columbus IT has great expertise in solutions which support service companies' tasks and work processes. The solution, Columbus Service Manager, is well-suited for companies offering services which include. “blue collar” workers or Manufacturer Service Organizations (MSO). Columbus Service Manager is a profile based service system for task and contract management.

Retail
Columbus IT is a full-line supplier of hardware and software to the retail industry. Columbus IT has many years of experience and more than 2,000 stores using in-store systems delivered by Columbus IT. The solution, Columbus Retail Suite, is scalable and matches the needs of both large and small retail chains as well as voluntary, capital, and franchise chains. Among other features, Columbus Retail Suite contains: customer analysis, inventory control, purchase planning, delivery, pricing, campaigns, and POS integration.

Financial services
Columbus IT has specialized in solutions to companies in the financial services industry including funds and insurance companies. Columbus IT offers solutions within areas such as: Loan, Treasury, Casualty and Life Insurance, Factoring, and E-business.

Columbus IT has chosen a vertical industry focus and has used many resources to develop special competencies and solutions which support the typical problems and business processes of individual industries; therefore, the customer can reduce the many hours of special development which would, otherwise, be needed.

After the acquisition of the Dutch software company, To-Increase BV., Columbus IT turned over all software development activities. The acquisition was a result of both the Company's vertical focus and the desire to centralize Columbus IT's development activities.

Columbus IT's vertical focus has been further strengthened by the acquisition of the American company, Verticalsoft Inc., which has developed proprietary solutions for companies in the food and chemical industries.

Our industry-specific experience has been officially rewarded by Microsoft; thus, Columbus IT is the only MBS partner which has been awarded the responsibility for two solutions included in the Industry Builder initiative. The solutions comprise Retail Commerce and Industrial Manufacturing, and both solutions have now been certified by Microsoft and included in the standard edition of Microsoft Dynamics AX. The Industry Builder initiative was launched by Microsoft in 2005 with the intention of involving the most experienced partners in the development of Global Industry Solutions based on Microsoft Dynamics.

Microsoft wall-to-wall

Columbus IT has specialized in business solutions based on Microsoft technologies. On a global scale, Columbus IT is the MBS partner which has the highest number of Microsoft Dynamics consultants at its disposal, and it is also the worldwide leading vendor of Microsoft Dynamics AX products and competencies. Furthermore, Columbus IT has a large group of Microsoft Dynamics Nav and CAL consultants with vast experience at its disposal.

GOLD Certified Partner

Columbus IT has obtained the highest Microsoft Business Solutions partner level: GOLD Certified Partner. As a Microsoft GOLD Certified Partner, the Group has access to advantages directed towards our competencies and business areas. In return, Columbus IT guarantees to continuously maintain the highest level of training and to employ certified consultants specializing in the latest technologies. The certification is not just a recognition of the Group's results, but also strengthens the foundation of being on the cutting edge of the latest technologies.

Microsoft awards and programs

Columbus IT's focused specialization in Microsoft Business Solutions technologies has, throughout the years, resulted in several awards and distinctions from Microsoft. In 2005, Columbus IT received the prestigious "Global Partner of the Year Award" from Microsoft Business Solutions at the yearly MBS Partner Conference in Minneapolis. The award is given to one of the biggest MBS partners, who, by virtue of global presence and capacity, is capable of delivering complex ERP and CRM solutions to large international companies.

In addition to the "Global Partner of the Year" award, Columbus IT received the "AX Excellence Award" by Microsoft Worldwide in 2004, and again in Denmark in 2006.

Besides being one of the first partners to participate in Microsoft's global Industry Builder initiative, Columbus IT has, by invitation from Microsoft, participated in Microsoft's AX v.4 TAP program. Thereby Columbus IT has had a unique opportunity to influence and contribute to the development of the software. Furthermore Columbus IT is invited to participate in the AX v.5 TAP program which takes place in 2007-2008. This unique, long-standing experience with the solution has resulted in a large international reference list.

Columbus IT is the biggest Dynamics AX partner with Microsoft Business Solutions, measured on:

- revenues
- number of employees
- number of installations
- number of countries

Columbus IT is among the Microsoft partners with the greatest experience in Dynamics Nav. This applies to both the Group's consulting firms where some of the employees have been employed at Columbus IT since the release of the first version of Dynamics Nav, and the customers whose cooperation related to Dynamic Nav spans more than 13 years.

Columbus IT has also specialized in a range of classic Microsoft products, such as:

- Microsoft Windows Server
- Microsoft Exchange Server
- Microsoft Office
- Microsoft Small Business Server

Diamond

Diamond is Columbus IT's standard project method created on the basis of many years' "best practices." From theory to practice, Diamond encompasses all necessary tools to ensure a successful implementation.

The method's contents

All Diamond activities, from sales to operations, are described and divided into 5 phases. Diamond ensures that the customer receives the agreed system, in the agreed quality, and within the agreed timeframe.

A phase always starts with a kickoff activity which communicates the scope and objectives of the phase to all project participants. Next, comes a series of activities for both Columbus IT and the customer. Each phase is completed with an approval from the customer.

Each of the 5 phases contains the following elements:

- description of necessary activities;
- guidelines for both the customer's and the supplier's activities;
- document and product templates;
- procedures and check lists for each activity, and
- electronic tools to support and optimize activities from start to end

Diamond makes demands
Columbus IT perceives the customer/supplier relationship as a partnership with mutual obligations and joint responsibility. Thus, the Diamond method requires involvement in the customer's company, just as proactive risk management is performed and demands are put on all people involved in the project. In particular, Diamond calls for active participation of the project's decision makers. Project management, training, sparring, mutual trust and openness, as well as management involvement are all significant parameters for success.

Diamond is a tool for both parties to ensure a successful IT implementation.

SALES	ANALYSIS & DESIGN	BUILD	IMPLEMENTATION	LIVE
• Marketing • Qualification • Presentation • Quotation • Planning • Contract	• Project kick-off	• Build kick-off	• Implementation kick-off	• Hand over to support
• Hand over to Project	• Scoping • Product education • Analysis / Workshops • Solution Design • Technical Infrastructure • Project Design	• Preparation of test environment • Technical specifications • Development • Test • User documentation • Customer unit test	• Installation • Configuration / System set-up • Conversion test • Integration test • Education • Acceptance test • Data conversion • Roll out	• On site support • Performance optimising • Live production test
	• Acceptance of analysis and design	• Build acceptance	• Customer acceptance	• Project review

Employees

The positive development for Columbus IT during recent years has resulted in an increase in headcount to 1,024 by year-end 2006.

Distribution of employees:

	Nordic Region	Eastern Europe	Western Euro-pe	Rest of the world	Total
Sales consultants	28	31	22	18	99
Consultants	125	162	69	61	417
Project managers	22	31	19	15	87
Programmers	72	61	32	36	201
Marketing	6	11	5	7	29
Administration	36	45	15	19	115
Management	25	29	10	12	76
Total	**314**	**370**	**172**	**168**	**1,024**
Growth since 2005	*35%*	*-9%*	*-3%*	*18%*	*9%*

By investments in IT tools, methods, training, and common use of best practices, Columbus IT has achieved success in improving the efficiency of the consulting business.
Moreover, the efficiency improvements are the result of a better utilization of the Company's resources across geographical borders.

In the top 25 of Denmark's best workplaces for the second consecutive year
In 2005, Columbus IT Denmark started to measure the level of staff satisfaction. The measurements are carried out by the organization "Great Place To Work". Following an extensive examination process, Columbus IT was voted as Denmark's 22nd best workplace in 2005.

The examination process includes the development of a cultural profile where Columbus IT answers a wide range of questions about the Company's corporate culture and describes the terms and possibilities offered to the employees. Furthermore, all employees have the opportunity of providing their assessment of Columbus IT as a workplace.

The results are used both as an external reference against a selection of Denmark's most well-known and popular companies and as starting point for continued efforts to improve our workplace.

In November 2006, Columbus IT was assessed again. Among an even bigger number of Danish companies, we improved our position from 22 to 14. The good result is of great importance to us and it has, in particular, been a positive experience to find that the hard work put in maintenance and improvement of the working environment, has been recognized by the employees. A high level of staff satisfaction is not achieved without effort, but is the result of a focused effort within a wide range of areas.

The focus on improvement of efficiency in the consulting business continues. The efficiency improvements are based on an on-going implementation of best practices, an improved utilization of the Company's resources across geographical borders, and better utilization of the Company's IT infrastructure.

In 2006, we have put particular emphasis on working with the organization and identifying competencies. A new experiment with international competence centers in Columbus IT has the goal of not only making us more competitive, but also balancing the capacity requirements across the borders. We have established an off-shore development center in Russia. Currently, 11 employees are employed. They have worked on projects in 8 countries throughout 2006. In the Brazil CRM Competence Center, we have had approximately 20 employees, who have worked on projects in more than 10 countries since August 2006.

IT
Efficient IT systems are central parts of both our competitiveness and our working environment. In 2006, significant resources have been used on developing and implementing new global systems

for Columbus IT. The move from smaller decentralized systems to a larger central system gives us a wide range of advantages especially with regard to collaboration. The overall objective is to turn our own IT systems into primary competitive parameters.

Sales and Marketing now have a big, global website with a significantly higher number of visitors than the local country sites had in total. A global Microsoft CRM system, currently implemented in half of the countries, takes Columbus from efficient sales reporting to more efficient collaboration in the sales process especially with regard to international sales.

The service and finance function has commenced the implementation of a global Dynamics AX solutions. Approximately half of the countries are in operation and the rest will follow in 2007. By 2008, the solution will be used by approximately 1,000 employees.

Employee/management development

We have developed a Performance Management system to strengthen our results-oriented culture and to link employee performance to salary and bonus.

Performance Management at Columbus IT is an ongoing process where the objective is to develop our most important resource, the employees. The system is based on Management by Objectives Principles and covers: definition of clear objectives, feedback, coaching, and rewarding the employees for their performance.

At Columbus IT, the employees define individual objectives which are linked to the objectives of the nearest manager and the organization. This approach ensures that everybody works towards the same overall vision.

To support the employees in fulfilling their full potential, Columbus IT makes time available for employees and managers to work together to identify and define career plans and professional development plans.

The basis for assessment and evaluation of employee potential in Columbus IT is our five core values. The core values - »5Cs« - are:

1. Competence:
We must constantly develop our expertise and knowledge. We must strengthen our commercial understanding of our customers' markets and trading conditions on an on-going basis; only by a continuing search for knowledge can we give our customers added value.

2. Communication:
Communication is the key to building enduring relations with customers, colleagues, and business partners. Communication is absolutely essential externally for our relations with customers and partners, and internally for the active sharing of knowledge we constantly acquire as part of the consultancy with customers in many different sectors in more than 28 different countries and cultures. This is why we assess and develop our managers' and employees' communication skills with regard to due care, precision, and efficiency.

3. Collaboration & Teamwork:
In our business, an individual consultant cannot achieve success alone. Our customers' problems are complex and so solutions require a range of different skills and qualifications, which can only be made available to customers by putting together the right team. Our international standardized project implementation method is based on teamwork so the ability to collaborate and be a team player is essential.

4. Controlled Processes:
Efficiency and quality are achieved by consistent utilization of standardized, uniform processes. Synergy is achieved by centralized development of new activities. Applying uniform processes and benefiting from the advantages of scale make for efficiency, which releases resources that can then be targeted towards creating actual added value for our customers. At the same time, being process-oriented is absolutely essential for ensuring consistent, even handling of the Group's growing volume of internationally-based customers.

5. Completion:
In a complex market with increasing demand for rapid response, one essential factor is our ability to plan and carry out projects that achieve the objectives of the Company and the customer. So it is essential that the Company's objectives be broken down into targets for individual managers and employees

Group overview

Company	Country	Columbus IT Partner A/S' share of ownership	Number of employees 31/12 2006
Columbus IT Partner A/S	Denmark		12 employees
Affiliated companies			
Northern Europe			
Columbus IT Partner Denmark A/S	Denmark	100%	211 employees
Columbus IT Partner Norge AS	Norway	100%	41 employees
Columbus IT Finland AS	Finland	65%	13 employees
Western Europe			
Columbus IT Partner (UK) Ltd	England	100%	30 employees
Columbus IT Partner GmbH	Austria	100%	15 employees
Columbus IT Partner Germany GmbH	Germany	100%	6 employees
Columbus IT Partner B.V.	Netherlands	100%	42 employees
To Increase B.V.	Netherlands	100%	38 employees
Columbus IT Partner France SAS	France	51%	41 employees
Columbus IT Partner Schweiz AG	Switzerland	61%	19 employees
Columbus IT Partner España S.L.	Spain	100%	18 employees
Eastern Europe			
Columbus Polska Sp. Z.o.o	Poland	51%	43 employees
Columbus IT Partner Russia ZAO	Russia	100%	181 employees
Columbus IT Partner Eesti AS	Estonia	51%	53 employees
Columbus IT Partner SIA	Latvia	64%	32 employees
Columbus IT Czech, s.r.o.	Czech Republic	51%	10 employees
Columbus IT Partner LT	Lithuania	51%	51 employees
Rest of the world			
Columbus IT Partner USA Inc	USA	100%	76 employees
Columbus IT Brasilien S.A.	Brazil	51%	23 employees
Columbus IT Mexico S.A.	Mexico	51%	5 employees
Columbus IT Chile S.A.	Chile	51%	4 employees
Desarollos Digitales Dedisa S.A.	Costa Rica	51%	19 employees
Columbus IT Partner Andino S.A.	Colombia	51%	41 employees
Associated company			
CITP Pvte Ltd.	Singapore	50%	15 employees
Columbus IT Middle East FZ-LLC.	United Arab Emirates	22,5%	21 employees
Advicecom	Norway	50%	7 employees

Note: The overview only includes the Group's operational companies.

Shareholder information and corporate governance

Columbus IT Partner's shares have been listed on the Copenhagen Stock Exchange since May 18, 1998.

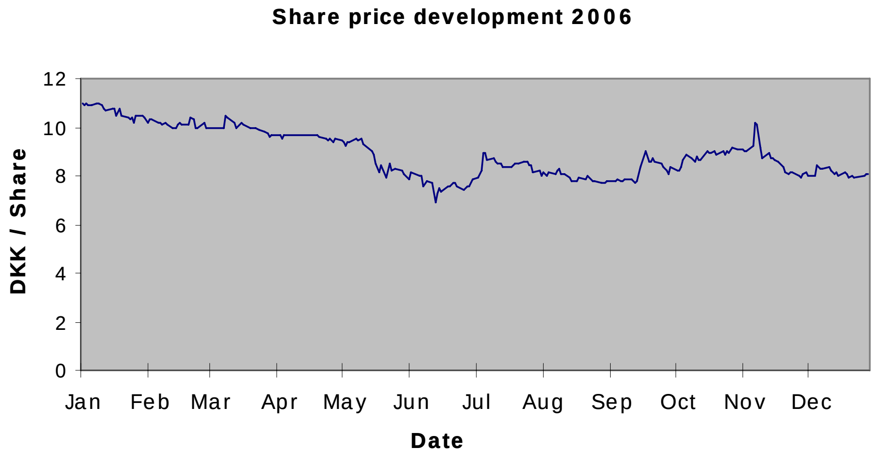
In 2006, the average turnover per trading day amounted to more than DKK 2.4M (market value) corresponding to a total turnover for the year of DKK 611M (market value). The current share capital is allocated at 75,143,362 shares of DKK 1.25, each of which carries a single vote. The shares are negotiable and there is no restriction for their transferability. Shares must be registered in the holder's name and recorded in the Company's share register.

Share price development

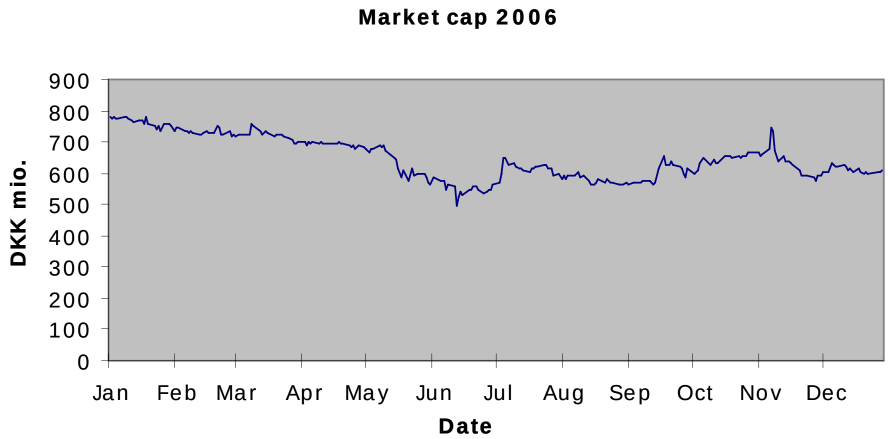
At year-end 2006, the market value of the Company was just over DKK 608M, down approximately by DKK 106M since December 31, 2005.

Development of share price and market cap 2006

The share price development for 2006 is illustrated in the figure below.



The development of market cap in 2006 is illustrated in the figure below.



Development in share capital

Development in Columbus IT Partner's share capital since January 1, 2006	Capital increase (DKK nom.)	Gross capital injection (DKK)	Issued share capital (DKK nom.)	Number of shares, nom. DKK 1.25
Capital increase on January 12, 2006 at the rate of DKK 10.94[1] per share (Directed issues, non-cash input of debt receivables)	221,538	1,938,896	88,998,713	71,198,970
Capital increase on January 18, 2006 at the rate of DKK 10.44[2] per share (Directed issues, non-cash input of debt receivables)	1,109,105	9,263,245	90,107,818	72,086,254
Capital increase on January 30, 2006 at the rate of DKK 10.36[3] per share (Directed issues, non-cash input of debt receivables)	117,074	970,307	90,224,891	72,179,913
Capital increase on March 22, 2006 at the rate of DKK 8.25[4] per share (Directed issues, warrant program)	142,500	940,500	90,367,391	72,293,913
Capital increase on July 5, 2006 at the rate of DKK 7.83[5] per share (Directed issues, non-cash input of debt receivables)	256,068	1,604,007	90,623,459	72,498,767
Capital increase on July 14, 2006 at the rate of DKK 8.60[6] per share (Directed issues, non-cash input of debt receivables)	59,800	411,424	90,683,259	72,546,607
Capital increase on July 18, 2006 at the rate of DKK 8.47[7] per share (Directed issues, non-cash input of debt receivables)	447,850	3,034,632	91,131,109	72,904,887
Capital increase on September 7, 2006 at the rate of DKK 7.77[8] per share (Directed issues, non-cash input of debt receivables)	110,138	684,615	91,241,246	72,992,997
Capital increase on December 1, 2006 at the rate of DKK 8.06[9] per share (Directed issues, non-cash input of debt receivables)	2,687,956	17,331,942	93,929,202	75,143,362
Capital increase on January 8, 2007 at the rate of DKK 8.14[10] per share (Directed issues, non-cash input of debt receivables)	107,272	698,559	94,036,475	75,229,180

Notes

01. Based on an average of 5 trading days (January 6, 2006 –January 12, 2006), related to NaviDat Software Produkte. U. Handels GmbH
02. Based on an average of 20 trading days (December 9, 2005 –January 5, 2006), related to VerticalSoft, Inc.
03. Based on an average of 5 trading days (January 24, 2006 – January 30, 2006), related to Martin Becker GmbH
04. Based on the incentives program
05. Based on an average of 5 trading days (June 28, 2006 –July 4, 2006), related to Finland
06. Based on an average of 5 trading days (July 7, 2006 – July 13, 2006), related to Mexico
07. Based on an average of 5 trading days (July 17, 2006 – July 11, 2006), related to Brazil
08. Based on an average of 10 trading days (August 24, 2006 – September 6, 2006), related to Poland
09. Based on an average of 5 trading days (November 24, 2006 – November 30, 2006), related to To Increase
10. Based on an average of 10 trading days (December 20, 2006 – January 5, 2007), related to Poland

Ownership

At year-end 2006, Columbus IT Partner had 6,769 registered shareholders. These shareholders represent approx. 99% of the share capital.

	Number of shares	Pct.
Consolidated Holdings	25,163,161	33.49%
Gaardboe Holding	13,012,461	17.32%
Other shareholders	36,967,740	49.19%
Total	**75,143,362**	**100.00%**

At year-end 2006, the Company held 1,749 own shares.

Dividend

The Company will not be paying a dividend for 2006.

Stock Exchange Releases in 2006 and 2007

2006

01	January 9	Columbus IT Partner acquires VerticalSoft, Inc.
02	January 12	Payment of the outstanding purchase sum for shares in NaviDat Software Produkte. U. Handels GmbH
03	January 17	Auditor's statement in connection with capital increase on 12 January 2006
04	January 18	Payment of the first installment of the purchase sum for 100% share holdings in VerticalSoft, Inc.
05	January 24	Financial calendar 2006
06	January 30	Payment of the purchase sum for the shares in Martin Becker GmbH
07	March 9	Announcement of annual results for 2005
08	March 22	Settlement of incentives program for a senior employee
09	April 4	Notice of Annual General Meeting
10	April 19	Minutes of Annual General Meeting in Columbus Partner held on 19 April 2006
11	May 11	Quarterly report, Q1/2006
12	June 15	Columbus IT acquires Finnish company and companies in Mexico and Brazil, and sets up in Chile
13	July 5	Columbus IT Partner A/S settles the purchase price for activities in the Finnish company against payment in shares
14	July 14	Columbus IT Partner A/S settles the purchase sum for 51% of the shares in Spade S.A. de C.V. in Mexico against payment in shares
15	July 18	Columbus IT Partner A/S settles the purchase sum for 51% of the shares in Capston Consultoria de Informática Ltda. in Brazil against payment in shares
16	August 10	Semi-annual report
17	September 7	Columbus IT partner A/S partly settles the purchase sum for 100% of the shares in Creative Innovation Group Sp. Z.o.o., Poland, against payment in shares
18	November 9	Quarterly report, Q3/2006
19	December 1	Columbus IT Partner A/S settles the outstanding purchase sum for 100% shares in To-Increase BV., Netherlands, against payment in shares
20	December 18	Financial calendar for 2007

2007

01	January 8	Columbus IT Partner A/S settles the outstanding purchase sum for 100% of the shares in Creative Innovation Group Sp. Z.o.o., Poland, against payments in shares
02	March 9	Incentives program for a senior employee
03	March 15	Announcement of annual results
04	April 3	Columbus IT strengthens Group management and prepares for growth

Scheduled releases of financial information

Annual General Meeting	April 23, 2007
Quarterly report Q1	May 10, 2007
Half-yearly report	August 9, 2007
Quarterly report Q1-3	November 8, 2007

Stock exchange releases will available in Columbus IT's website: www.columbusit.com immediately after release.

Investor Relations

It is the objective of Columbus IT Partner to have an open, active dialogue with investors and analysts so as to provide the broadest and best possible information to the stock market on the development of the Company within the framework of the ethical rules of the Stock Exchange. Columbus IT Partner regularly holds meetings with investors, financial analysts, media and other stakeholders so as to keep interested parties briefed about developments in the Group.

Investors can contact Sven Madsen, CFO, about investor relations activities via T: +45 70 20 50 00.

Corporate Governance

Columbus IT Partner supports the general principles of good corporate governance and seeks insofar as possible to comply with the recommendations applicable to and supportive of Columbus IT Partner in its goal of ensuring value for the Company's stakeholders.

Good corporate governance is also a matter of openness and transparency because this gives stakeholders valuable, relevant insights in assessing the Company. Management often participates in meetings with shareholders and investors, and Company procedures are aimed at making all significant information immediately available to all interested parties. The latest stock exchange and press releases and investor presentations are always available in the English and Danish sections of the Company website (www.columbusit.com).

Organizational structure

Pursuant to Danish law, Columbus IT Partner A/S is a limited liability company and, thus, has a divided management structure, comprising of a Board of Directors and a Board of Management.

On behalf of the shareholders, the Board of Directors oversees the Company's performance and results as well as its management and organization. Furthermore, the Board of Directors contributes in setting the Company's strategy. The Board of Management is responsible for the Company's daily operations. The two bodies are independent of each other.

General meeting

Within the legislative framework, shareholders are the ultimate authority of the Company and may exercise their right to make decisions relating to Columbus IT Partner at General Meetings. General meetings are called electronically with at least 8 days and at most 4 weeks notice. All shareholders are entitled to attend General Meetings and ask questions. Columbus IT Partner endeavors to respond to all questions asked. Any resolution which a party wishes to submit to the Annual General Meeting must be forwarded in writing to the Board of Directors by March 1 of the year concerned. The Annual Report and Financial Statements are approved at the Annual General Meeting. The General Meeting also elects 3–7 members of the Board, and an external auditor.

Management

The Board of Directors and the Board of Management are responsible for the management of Columbus IT. The Board of Directors is responsible for the overall management, including appointment of the Board of Management, ensures a prudent organization of the Company's business, sets the Company's strategy, and assesses the Company's financial status. The Board of Management is responsible for the daily management of the Company in compliance with the guidelines and directions set forth by the Board of Directors.

Board of Directors
The Board of Directors currently consists of 4 members appointed at the Annual General Meeting on April 19, 2006. They appoint one of their number as Chairman.

The Company has no rules for retirement on the grounds of member's age.

Endeavors are made to appoint persons who have the insight and experience to enable the Board as a whole to protect the interests of shareholders and the Company with due respect to the Company's other stakeholders.

Agenda for General Meetings are accompanied by descriptions and the qualifications of new people who are nominated for election to the Board.

According to Danish legislation, employees in Danish companies are entitled to have a number of representatives in the Board of Directors corresponding to half the number of all members appointed at the General Meeting. Columbus IT's employees have not elected Board members.

The Board of Directors holds regular meetings five times a year, including meetings in connection with publication of financial statements and the Annual General Meeting.

Board of Management
The Board of Management is responsible for the daily management of the Company. It consists of a CEO and CFO. The Board of Directors appoints the Board of Management and determines their remuneration.

Remuneration of the Board of Directors and Management
Total fees for the Company's Board Members (four persons) amounted to DKK 0.75M in 2006. The fee for the Chairman of the Board of Directors amounted to DKK 0.375M and the fee for each of the other members amounted to DKK 0.125M.

Any rights of subscription to the Company's board members have not been issued.

Columbus IT has not made loans or issued any guarantees to the benefit of any board member.

In 2006, total remuneration for the Board of Management amounted to DKK 3.2M. The management receives no fees from the Group's subsidiaries.

Columbus IT has not made loans to the Board of Management.

The contracts of employment for CEO, Michael Gaardboe, and CFO, Sven Madsen, can be terminated by the chief executives with a notice of 6 and 3 months respectively.

The Board of Management does not have an incentives program.

Audit

An independent auditing firm is appointed at the Annual General Meeting. The auditors look after the interests of shareholders and the general public and report any significant matters directly to the Board of Directors.

Board of Directors and Management

Board of Directors

Ib Kunøe
Chairman

Business address:
Consolidated Holdings A/S
Fredheimvej 9
DK-2950 Vedbæk

Born 1943

Joined Board of Directors in 2004

CEO of Consolidated Holdings A/S

Chairman
Ementor ASA
Danware Data A/S
Core:workers A/S
CDrator A/S
Kosmetolog Instituttet A/S
Insensor A/S
Supportkompagniet A/S
Gatetrade.net A/S
Ejendomsaktieselskabet af 1920 A/S
Ferroperm Piezoceramics A/S
Morsing PR ApS
Bergman Beauty Care DK ApS
Thrust IT A/S

Deputy Chairman
Consolidated Holdings A/S

Board Member
ATRIUM Partners A/S
Pierre Robert A/S
Primare Systems AB

Michael Gaardboe

Business address:
Columbus IT Partner A/S
Banemarksvej 50C
DK-2605 Brøndby

Born 1959

Joined Board of Directors in 1994

Founder of Columbus IT Partner A/S

Chairman
Gaardboe Holding ApS

Deputy Chairman
None

Board Member
None

Claus Hougesen

Business address:
Topnordic A/S
Borupvang 5 D-E
DK-2750 Ballerup

Born 1963

Joined Board of Directors in 2004

CEO of Topnordic A/S
Vice Group Chief Executive Ementor ASA

Chairman
None

Deputy Chairman
None

Board Member
Danware Date A/S
Kompetence Centeret A/S

Jørgen Cadovius

Business address:
Lind & Cadovius
Østergade 38
Po. box 2256
DK-1019 København K

Born 1945

Joined Board of Directors in 2004

Lawyer and managing partner in the law firm Lind & Cadovius

Chairman
Jørgen Schultz Holding A/S
JS af 14.11.2003 A/S
Frese A/S
Frese Metal- og Stålstøberi A/S
Inter Express Transport A/S
Frugtring A/S
A & C Catering A/S
Cavan Venture A/S
Cavan A/S
Cavan Invest A/S
Carliis Holding A/S
Carliis Trading A/S
EMRI A/S
AKJ A/S

Deputy Chairman
None

Board Member
TopNordic A/S
MAN Roland Danmark A/S
Lind & Cadovius Advokataktieselskab
Swwwing A/S

Board of Management

Michael Gaardboe
CEO

Born 1959

Sven Madsen
CFO

Born 1964

Accounting report

Columbus IT's total net revenues amounted to DKK 757M in 2006 compared to DKK 650M in 2005.

Revenues	2006		2005	
	mDKK	%	mDKK	%
Hardware	21	3%	22	3%
Software	265	35%	226	35%
Service	471	62%	402	62%
Total	**757**	**100%**	**650**	**100%**

Revenues	2006		2005	
	mDKK	%	mDKK	%
Dynamics AX (form. Axapta)	518	68%	488	75%
Dynamics Nav (form. Navision)	149	20%	81	12%
XAL	55	7%	51	8%
Others	35	5%	30	5%
Total	**757**	**100%**	**650**	**100%**

The table above shows that software sales have increased by 17% compared to 2005. Among other factors, this is due to Columbus IT's focused strategy on becoming a global software development house. Solutions based on Dynamics AX continue to constitute the largest part of the revenues, but as a result of the group's increased focus on Dynamics Nav-based solutions, the group's Navision business has experienced a strong growth of 84% compared to 2005. As a result of the conversion of XAL solutions to Dynamics AX solutions, the sales of solutions based on XAL represents a relatively decreasing part of the revenues.

The Group's EBITDA amounted to DKK 31.2M in 2006 compared to DKK 23.6M in 2005.

Other operating income totaled DKK 15.1M (DKK 0.6M in 2005) and primarily derives from net gains from sales of 49% of the shares in Columbus IT's French subsidiary. Other operating costs amounted to DKK -0.7M (DKK -0.2M in 2005) which is related to losses on conversion of debt in subsidiaries.

Amortization of goodwill was DKK 2.4M in 2006 compared to DKK 7.3M in 2005. The figure for 2006 constitutes a separate write down of goodwill of DKK 1.7M for the subsidiary in Russia related to the Russian company's Kazakhstanian activities as well as a write down of goodwill for the subsidiary in Austria of DKK 0.6M.

Group financials showed net expenses of DKK 5.8M compared to a net expense of DKK 2.8M in 2005.

The Group is not jointly taxed with foreign entities which means that tax is payable by various profitable companies without the option of setting off deficits reported by loss-making companies. Corporation tax in foreign companies reporting profits amounts to DKK -3.5M in 2006. However, adjustment for deferred tax assets in England and Norway result to a total tax charge of DKK 12M.

The result for 2006 was a profit of DKK 20.2M, which was a DKK 26.3M improvement compared to the same period last year.

Regional developments

	Revenues (mDKK)		EBITDA (mDKK)		Headcount (as of 31 December)	
	2006	**2005**	**2006**	**2005**	**2006**	**2005**
The Nordic region	288	247	34	20	265	216
Western Europe	202	159	16	14	209	188
Eastern Europe	131	121	-6	12	370	382
Rest of the world	136	123	8	19	168	142
Parent Company	0	0	-21	-41	12	15
	757	650	31	24	1024	943

Note: The Parent Company's figures have been stated before billing costs to subsidiaries. Subsidiaries' figures are, thus, stated exclusive of costs billed by the Parent Company

Revenues in **the Nordic region** increased by 17% or DKK 41M in 2006. The increase was mainly due to a higher level of activity in the Danish subsidiary where revenues were increased by DKK 21M or 10%. Likewise, the two Norwegian subsidiaries have realized a growth in revenues, among other factors, as a continuation of the successful turnaround which the company in Oslo carried out. Additionally, the Finish subsidiary, which was acquired this year, contributes with revenues of DKK 4M. The Nordic region accounts for 38% of the Group's revenues. EBITDA was increased to DKK 34M compared to DKK 20M last year. The reason for the improvement in EBITDA in 2006 is a general improvement of revenues in the Danish subsidiary. The growth is the result of significant new sales and continued increased efficiency, including improved customer contracts and optimized revenue mix. In addition to this, the earlier-launched restructuring process concerning the Norwegian company in Oslo has significantly improved the Company's profitability.

In **Western Europe**, revenues in 2006 totaled DKK 202M, an improvement of DKK 43M or 27% compared to 2005. The region accounted for 27% of total revenues. EBITDA improved from DKK 14M in 2005 to DKK 16M, and the majority of the region's countries show a positive EBITDA with the exception of the unsatisfactory performances of the Austrian and French subsidiaries that contributed with DKK -3M and DKK -2M respectively. The Group's software development company, To-Increase, contributes with DKK 27M of the increase in revenues in Western Europe. The Company has realized an EBITDA of DKK 12M which is in accordance with expectations.

In 2006, revenues in **Eastern Europe** amounted to DKK 131M which is an improvement of DKK 10M or 8% compared to 2005. The region accounted for 17% of total revenues. In 2006, EBITDA for the region was DKK -6M, which is a reduction of DKK 18M compared to 2005. The decline is primarily related to the Russian subsidiary where EBITDA amounts to DKK -8.4M as a result of significant challenges in connection with change in management and the clean-up operation. The launched improvement and restoration measures have shown to be significantly more time-consuming and comprehensive than originally expected, and the Company has not been able to deliver the budgeted revenues, and thereby, earnings in 2006. The launched improvement measures are expected to improve the Company's profitability and, on this basis, a significantly improved result is expected. The work regarding the restoration of the Russian subsidiary has almost been completed and the Company realized a positive EBITDA of DKK 2.2M in the 4th quarter. The company in Estonia has delivered unsatisfactory results; however, focused measures to increase the profitability of the Company have been launched. The Czech subsidiary has contributed with negative results for a number of years.

In the **Rest of the World** region, total revenues amounted to DKK 136M in 2006, which was an improvement of DKK 13M, or 11% compared to 2005. The region accounted for 18% of total revenues. EBITDA for the region amounted to DKK 8M, which is a reduction of DKK 11M compared to last year. The decline is primarily attributed to the American subsidiary, which, due to three major customer cases, performed very well in the first half of 2005, a performance which could not be successfully repeated in 2006. However, in the second half of 2006, the American subsidiary delivered an EBITDA of DKK 6.8M, which is an increase of DKK 4.2M compared to 2005. Columbus IT has established an associated company in the Middle East as well as subsidiaries in Brazil, Mexico, and Chile to expand its presence in Latin America in 2006.

EBITDA in the **Parent Company** amounted to DKK -21M in 2006, before billing subsidiaries for costs. This was an improvement of DKK 20M compared to 2005. EBITDA was affected by one-off costs related to reorganization and efficiency improvements as well as earnings from sales of 49% of the French subsidiary, which alone contributed with DKK 13.4M. Several central projects to improve the IT platform and develop strategic tools have been launched, among other things. These projects have resulted in increased costs for IT operations.

Directed rights issues

In January 2006, Columbus IT has, in exchange for shares in Columbus IT Partner A/S, settled the outstanding purchase price related to the Austrian company, NaviDat, the first part of the purchase price related to the American company, Vertical-Soft, as well as the entire purchase price related to the Austrian company, Martin Becker GmbH. Please refer to stock exchange release no. 2 of January 12, no. 4 of January 18, and no. 6 of January 30, 2006.

Furthermore, the Company issued shares to a senior executive in part settlement of this individual's incentives program. Please refer to stock exchange release no. 8 of March 22, 2006.

In July 2006, Columbus IT has, in exchange for shares in Columbus IT Partner A/S, settled the entire purchase sum related to the Finnish consulting company, PBS Enterprise OY, as well as the first part of the minimum purchase sum related to the acquisition of 51% of the Mexican consulting company, Spade S.A. de C.V, and the minimum purchase sum in connection with the acquisition of 51% of the Brazilian consulting company, Capston Consultoria de Informática Ltdal. Please refer to stock exchange release no. 13 of July 5, no. 14 of July 14, and no. 15 of July 18, 2006.

In September 2006, Columbus IT has, in exchange for shares in Columbus IT Partner A/S, settled the first part of the purchase price related to the Polish company, Creative Innovation Group Sp. Z.o.o. Please refer to stock exchange message no. 17 of September 7, 2006.

In December 2006, Columbus IT has, in exchange for shares in Columbus IT Partner A/S, settled the outstanding purchase price related to the Dutch software development company, To-Increase BV. Please refer to stock exchange release no. 19 of December 12, 2006.

2006 saw the issuance of 4,121,622 shares, from which, equity benefited by approx. net DKK 36M.

Accounting policies

The annual report for Columbus IT Partner A/S has been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and other Danish reporting requirements, among others, the requirements for financial reporting adopted by OMX Copenhagen Stock Exchange for listed companies, and the IFRS-order issued pursuant to the order of the Company Accounts Act.

Investments

Total investment in tangible and intangible fixed assets, except for goodwill, amounted to DKK 26M in 2006, compared to DKK 21M in 2005.

Liquidity status

Columbus IT Partner's cash funds totaled DKK 43.6M as of December 31, 2006 compared to DKK 35.6M last year. Cash funds are mainly held at various foreign subsidiaries.

Forex

The Group did not enter into any hedging contracts in the preceding part of the year. In international contracts, exchange risks are limited by servicing operations from local companies, so that Group income and costs in foreign currencies are matched in so far as possible.

Equity

Development in shareholders' equity (mDKK)	2006	2005
Equity as of January 1	147.3	6.5
Forex adjustments for foreign subsidiaries, etc.	-3.8	2.3
Result for the period	21.2	-10.1
Adjustment of minority interests with negative equity	0.0	2.0
Utilized warrant program	0.5	0.8
Capital increases	35.9	145.8
Group equity as of December 31	201.1	147.3
Minority interests	10.9	11.9
Total equity as of December 31	212.0	159.2

Transactions with related parties

Business transactions are done on the basis of contractual agreements by the companies, unless the transactions are minor.

Consolidated Holdings A/S, Fredheimvej 9, DK-2950 Vedbæk, holds 33.49% of the shares in Columbus IT Partner. Transactions with Consolidated Holdings A/S are on regular commercial terms. The Company has granted Columbus IT Partner an interest-bearing loan of DKK 6M in connection with repayment of subordinated loan capital. The Company is included in joint taxation with Columbus IT Partner's Danish companies.

Gaardboe Holding ApS in liquidation, Julsøvej 1, DK-8240 Risskov holds 17.32% of the shares in Columbus IT Partner. Transactions with Gaardboe Holding ApS in liquidation are on regular comercial terms. The Company has granted Columbus IT Partner an interest-bearing loan of DKK 3M in connection with repayment of subordinated loan capital.

Ib Kunøe, Fredheimvej 9, DK-2950 Vedbæk, is in the Board of Atrium Partners A/S. Transactions with Atrium Partners A/S are on commercial terms. In recent years, Columbus IT Partner has regularly used Atrium Partners A/S as consultants and has acquired services for DKK 0.15M from the Company in 2006. Ib Kunøe is also the majority shareholder in Consolidated Holdings A/S.

Jørgen Cadovius who is in the Board of the Company is a Senior Partner at Attorneys Lind & Cadovius, which advises the Company on legal affairs. Lind & Cadovius provided legal advice over the year. Fees depend on the time spent and totaled DKK 0.13M. (2005: DKK 0.6M).

Apart from the above, the Group did not enter into any significant agreements with related parties in 2006.

Auditors

The majority of the Group's companies are audited by the international accountants Deloitte.

Some of the smaller subsidiaries are audited by local accountants.

Allocation of profit

At the Annual General Meeting, the Board of Directors will propose that the year's result of DKK 20.2M is carried forward as retained profits.

Investors

The following shareholders had holdings of more than 5% of the Company's shares at year-end 2006:

- Consolidated Holdings A/S (Vedbæk)
  33.49% of the shares and voting rights
- Gaardboe Holding ApS in liquidation (Risskov)
  17.32% of the shares and voting rights

Gaardboe Holding in liquidation has assigned the voting rights in their shares to Consolidated Holdings. The voting rights agreement can be terminated with 14 days notice.

Annual General Meeting

The Company's Annual General Meeting will be held on April 23, 2007 at Columbus IT Partner A/S, Banemarksvej 50C, DK-2605 Brøndby.

Statements

Management's statement

The Board of Directors and Management have reviewed and approved the Annual Report for 2006 for Columbus IT Group and Parent Company.

The Annual Report has been drawn up in accordance with the provisions in International Financial Reporting Standards as adopted by EU and additional Danish reporting requirements for the presentation of financial statements by listed companies.

We regard the accounting policies applied as appropriate and that the Annual Report gives a true and fair view of the Group's and Parent's assets and liabilities, financial position as of 31 December 2006, and the results of the Group's and Parent's activities and Group's cash flow for the financial year 2006.

The Annual Report is submitted for approval by the shareholders at the Annual General Meeting.

Brøndby, March 15, 2007

Board of Management

Michael Gaardboe
CEO

Sven Madsen
CFO

Board of Directors

Ib Kunøe
Chairman

Michael Gaardboe

Claus Hougesen

Jørgen Cadovius

Auditor's report

To the shareholders of Columbus IT
We have audited the Annual Report of Columbus IT Partner A/S for financial year 2006. It has been drawn up in accordance with the provisions in the International Financial Reporting Standards as adopted by EU and additional Danish reporting requirements for the presentation of financial statements by listed companies.

The annual report is the responsibility of the Company's Management. Our responsibility is to express an opinion on the annual report based on our audit.

Management's responsibility for the annual report
The Management is responsible for the preparation and fair presentation of this Annual Report in accordance with International Financial Reporting Standards as adopted by EU and additional Danish reporting requirements for the presentation of financial statements by listed companies. This responsibility includes designing, implementing and maintaining internal control procedures relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion
Our responsibility is to express an opinion on this Annual Report based on our audit. We conducted our audit in accordance with Danish and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Annual Report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in an annual report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive board and board of directors, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit did not result in any qualification.

Opinion
In our opinion, the Annual Report gives a true and fair view of the Group's and the Parent Company's assets, liabilities, and financial position as of 31 December 2006 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for financial year 2006 in accordance with the International Reporting Standards as adopted by EU and the financial reporting requirements for the presentation of financial statements by listed companies.

Copenhagen, March 15, 2007

DELOITTE
State Authorized Public Accounting Company

Anders O. Gjelstrup
State Authorized Public Accountant

Peter Skov Hansen
State Authorized Public Accountant

Group and Annual Report

Income statement

INCOME STATEMENT		Group		Parent Company	
DKK ´000	**Note**	**2006**	**2005**	**2006**	**2005**
Net revenues	1. 2	756.718	649.779	21.199	18.143
External project costs		-211.101	-184.538	-1.575	-850
Gross earnings		**545.617**	**465.241**	**19.624**	**17.293**
Other external costs		-153.865	-124.017	-21.446	-21.327
Staff expenses	3	-374.984	-317.994	-12.372	-19.672
Other operating income	4	15.142	566	13.483	0
Other operating costs	4	-660	-182	-6.627	-2.293
Earnings before depreciation (EBITDA)		**31.250**	**23.614**	**-7.338**	**-25.999**
Depreciation	5	-14.792	-12.230	-1.110	-2.988
Earnings before goodwill amortization (EBITA)		**16.458**	**11.384**	**-8.448**	**-28.987**
Write down of goodwill and equity interests	5. 10	-2.412	-7.244	-7.258	-14.538
Operating profit (EBIT)		**14.046**	**4.140**	**-15.706**	**-43.525**
Dividend from affiliated companies		0	0	534	90
Result in associated companies	6	-137	-131	0	0
Financial income	7	7.504	9.083	3.705	3.524
Financial expenses	7	-13.268	-11.874	-7.027	-7.075
Pre-tax earnings		**8.145**	**1.218**	**-18.494**	**-46.986**
Tax on earnings for the year	8	12.012	-7.347	10.832	9.485
Earnings for the year		**20.157**	**-6.129**	**-7.662**	**-37.501**
Allocated thus:					
Shareholders of Columbus IT Partner A/S		21.171	-10.040		
Minority interests		-1.014	3.911		
		20.157	**-6.129**		
Earnings per share (EPS) of 1.25 DKK	9	0	0		
Earnings per share diluted (EPS-D) of 1.25 DKK	9	0	0		
Proposed distribution of profit:					
Retained earnings				-7.662	-37.501
				-7.662	-37.501

Balance sheet

DKK ´000	Note	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
ASSETS					
Completed development projects		37.444	27.137	3.244	1.540
License rights		313	465	0	0
Goodwill		156.754	152.412	0	0
Development projects in progress		2.649	1.955	0	0
Intangible assets	5	197.160	181.969	3.244	1.540
Operating equipment and fixtures		12.508	12.937	411	544
Tangible assets	5	12.508	12.937	411	544
Holdings in affiliated companies	10	0	0	254.487	248.512
Holdings in associated companies	11	1.994	1.168	1.299	1.299
Other receivables		8.947	0	8.947	0
Deferred tax assets	8	35.484	27.774	6.910	17.460
Financial assets		46.425	28.942	271.643	267.271
Total long-term assets		**256.093**	**223.848**	**275.298**	**269.355**
Inventories	12	1.764	3.244	0	1.417
Accounts receivable – sales and services	13	189.154	176.669	1.128	1.216
Contract work in progress	14	22.847	9.588	0	0
Receivables from affiliated companies	13	0	0	51.381	30.538
Receivables from shareholders		982	6.207	982	6.208
Corporation tax	8	3.376	4.957	0	0
Other receivables	13	17.415	14.711	4.862	1.285
Accruals	15	8.542	11.483	738	4.187
Receivables		242.316	223.615	59.091	43.434
Cash funds		43.633	35.625	502	315
Total short-term assets		**287.713**	**262.484**	**59.593**	**45.166**
Total assets		**543.806**	**486.332**	**334.891**	**314.521**

		Group		Parent Company	
DKK ´000	Note	2006	2005	2006	2005
LIABILITIES					
Share capital	16	93.929	88.777	93.929	88.777
Retained profit		107.159	58.518	112.680	89.097
Columbus IT Partner A/S' shareholders - Share of equity		201.088	147.295	206.609	177.874
Minority interests – Share of equity		10.899	11.893	0	0
Equity		**211.987**	**159.188**	**206.609**	**177.874**
Deferred tax	8	1.017	1.404	0	0
Subordinated loan capital		0	10.239	0	0
Credit institutions	17	773	934	0	0
Other debt		2.080	2.441	0	0
Long-term debt		**3.870**	**15.018**	**0**	**0**
Subordinated loan capital		0	5.000	0	0
Short-term part of long-term debt	17	653	594	0	0
Credit institutions	17	93.352	72.941	103.519	82.060
Debt to affiliated companies		6.117	3.000	13.400	15.071
Client prepayments		35.171	20.742	0	633
Trade accounts payable		68.257	65.395	2.335	2.810
Corporation tax	8	1.803	3.529	0	0
Payable purchase sum re: acquired companies		10.862	32.268	1.514	32.268
Other debt	18	102.834	93.354	7.092	3.805
Accruals	19	8.900	15.303	422	0
Short-term debt		**327.949**	**312.126**	**128.282**	**136.647**
Debt		**331.819**	**327.144**	**128.282**	**136.647**
Total liabilities		**543.806**	**486.332**	**334.891**	**314.521**
Contingent liabilities and other securities	20				
Notes without reference	21-28				

Equity statement

DKK ´000

Group 2006	Share capital	Retained earnings	Total	Minority interests	Equity capital total
Equity capital 1 January 2006	88.777	58.518	147.295	11.893	159.188
Exchange rate adjustments, foreign subsidaries	0	-3.775	-3.775	-122	-3.897
Profit/loss recognised directly on equity	0	-3.775	-3.775	-122	-3.897
Net Result of the year	0	21.171	21.171	-1.014	20.157
Total profit/loss recognized for the period	0	17.396	17.396	-1.136	16.260
The year's disposals of minorities	0	0	0	-543	-543
The year's acquisitions of minorities	0	0	0	1.198	1.198
Exercise of warrants	0	500	500	0	500
Capital increases	5.152	31.028	36.180	0	36.180
Cost in connection with capital increases	0	-283	-283	0	-283
Regulation of minority interests with negative equity	0	0	0	0	0
Dividend	0	0	0	-513	-513
Equity capital 31 December 2006	93.929	107.159	201.088	10.899	211.987

Group 2005	Share capital	Retained earnings	Total	Minority interests	Equity capital total
Equity capital 1 January 2005	47.569	-41.095	6.474	19.542	26.016
Exchange rate adjustments, foreign subsidaries	0	2.320	2.320	588	2.908
Profit/loss recognised directly on equity	0	2.320	2.320	588	2.908
Net result of the year	0	-10.040	-10.040	3.911	-6.129
Total profit/loss recognized for the period	0	-7.720	-7.720	4.499	-3.221
The year's disposals of minorities	0	0	0	-6.817	-6.817
Exercise of warrants	0	768	768	0	768
Capital increases	41.208	107.999	149.207	0	149.207
Cost in connection with capital increases	0	-3.434	-3.434	0	-3.434
Regulation of minority interests with negative equity	0	2.000	2.000	-4.275	-2.275
Dividend	0	0	0	-1.056	-1.056
Equity capital 31 December 2005	88.777	58.518	147.295	11.893	159.188

Parent Company 2006	Share capital	Retained earnings	Equity capital total
Equity capital 1 January 2006	88.777	89.097	177.874
Net Result of the year	0	-7.662	-7.930
Total profit/loss recognized for the period	0	-7.662	-7.930
Exercise of warrants	0	500	500
Capital increases	5.152	31.028	36.180
Cost in connection with capital increases	0	-283	-283
Equity capital 31 December 2006	93.929	112.680	206.609

Parent Company 2005	Share capital	Retained earnings	Equity capital total
Equity capital 1 January 2005	47.569	21.265	68.834
Net Result of the year	0	-37.501	-37.501
Total profit/loss recognized for the period	0	-37.501	-37.501
Exercise of warrants	0	768	768
Capital increases	41.208	107.999	149.207
Cost in connection with capital increases	0	-3.434	-3.434
Equity capital 31 December 2005	88.777	89.097	177.874

Cash flow statement

		Group		Parent Company	
DKK ´000	**Note**	**2006**	**2005**	**2006**	**2005**
Net result of the year		20.157	-6.129	-7.662	-37.501
Adjustments	26	11.815	30.669	2.030	12.351
Changes in working capital	27	-4.533	15.079	-16.755	-17.606
Cash flow from operating activities before financial items		**27.439**	**39.619**	**-22.387**	**-42.756**
Financial income, etc.		7.504	9.083	3.705	3.524
Financial expenses, etc.		-13.268	-11.634	-7.027	-7.075
Cash flow from ordinary activities		**21.675**	**37.068**	**-25.709**	**-46.307**
Corporation tax paid regarding previous years		9.005	-3.465	21.382	7.740
Corporation tax paid on account regarding current year		-3.652	-4.721	0	0
Cash flow from operating activities		**27.028**	**28.882**	**-4.327**	**-38.567**
Purchase of intangible fixed assets		-19.510	-5.663	-2.541	-100
Purchase of tangible fixed assets		-6.428	-8.441	-139	-152
Sale of intangible fixed assets		148	0	0	0
Sale of tangible fixed assets		464	1.517	0	0
Changes in financial receivables		-13.421	0	-13.421	0
Investments in associated companies		-963	-1.299	0	-1.299
Investments in subsidiaries	28	-6.718	-86.438	-14.439	-94.783
Cash flow from investing activities		**-46.428**	**-100.324**	**-30.540**	**-96.334**
Proceeds from capital increases		36.180	149.207	36.180	149.207
incl. conversion of debt/loans		0	-58.530	0	-51.840
Capital increase – expenses		-284	-3.434	-284	-3.434
Dividend from subsidiaries		0	0	534	90
Paid dividend to minority shareholders		-513	-1.057	-513	-1.057
Change in debt to credit institutions		20.064	-13.905	21.459	14.691
Payment of balance of purchase sum		-19.892	0	-30.754	27.268
Repayment of subordinated loan capital		-15.239	0	0	0
Loans raised		9.000	0	9.000	0
Part payments long-term liabilities		-568	-2.030	-568	0
Cash flow from financing activities		**28.748**	**70.251**	**35.054**	**134.925**
Changes in cash funds		**9.348**	**-1.191**	**187**	**24**
Cash funds, opening balance		35.625	35.483	315	291
Currency adjustments		-1.340	1.333	0	0
Cash funds, year-end		**43.633**	**35.625**	**502**	**315**

Notes, including description of applied accounting principles

APPLIED ACCOUNTING PRINCIPLES

The Annual Report for Columbus IT Partner for 2006 has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by EU and further Danish information requirements for annual reports, among others those requirements of OMX Copenhagen Stock Exchange for the presentation of financial statements by listed companies, and the IFRS-order issued pursuant to the financial statements act.

The applied accounting principles are unchanged from the previous year.

Standards and interpretations, not in effect

Provisions of standards and interpretations, which are not yet in effect at the time of publication of this Annual Report, have not been included. The Group's future implementation of these standards and interpretation methods are not expected to have significant influence on the Annual Report.

Recognition and measurement

All income is recognized in the income statement as earned based on the following criteria:

- delivery and risk transition have been made before year-end;
- a binding sales agreement exists;
- the sales price has been determined, and
- payment has been received at the time of sale or may with reasonable certainty be expected to be received.

Furthermore, all costs incurred to achieve the earnings for the year are recognized in the income statement, including depreciation and amortization, and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement. Assets are recognized in the balance sheet when it is probable that future financial benefits will flow to the Group and the assets can be measured reliably.

Liabilities are recognized in the balance sheet when they are probable and at the same time can be measured reliably. Assets and liabilities are initially measured at cost. Subsequently assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective rate over the maturity period. Amortized cost is calculated as the original cost less any deductions and with addition/deduction of accumulated amortization of any difference between cost and the nominal amount. This way, capital losses and gains are allocated over the maturity period. Recognition and measurement take into account predictable gains, losses, and risks which occur before the Annual Report is published and confirm or invalidate affairs and conditions existing at the balance sheet date.

Group accounts and consolidation policies

The Annual Report consists of Columbus IT Partner A/S, the parent company, and the companies in which the Parent Company, directly or indirectly holds more than 50% of the votes or in which the Parent Company otherwise exercises control (subsidiaries). Companies not controlled by the Group, but in which the Group has considerable interest, are considered associates. Considerable interest is usually obtained through direct or indirect ownership of control over more than 20% but less than 50% of the votes. The Annual Report for the Group has been prepared on the basis of the Annual Reports for the Parent Company and subsidiaries by combining accounting items of a uniform nature. Upon consolidation, eliminations are made regarding inter-company income and expenses, unrealized inter-company gains and losses, shareholdings, dividends, and balances.

The accounting principles applied by subsidiaries have been restated to reflect those applied by the Parent Company. The Parent Company's investments in consolidated subsidiaries are recognized at cost measured at the time the group relation was established. Newly acquired companies are included in the consolidated accounts from the acquisition date. Sold or wound-up companies are included in the income statement until the disposal date. Comparative figures are not adjusted for newly acquired, sold or wound-up companies. Acquisitions of new companies are measured as the carrying amount according to the acquisition convention in which the assets and liabilities identified in new acquisitions are measured at fair value at the acquisition date. Positive differences (goodwill) between cost and fair value of acquired, identifiable assets and liabilities are recognized as

"Intangible assets" in the balance sheet. Negative differences (negative goodwill) between cost and fair value of acquired, identifiable assets and liabilities are recognized in the income statement immediately. Positive differences from acquired companies are adjusted for up to one year after the date of acquisition as a result of changes to recognition and measurement of net assets. Gains and losses in sales or winding up subsidiaries are recognized as the difference between the sale or winding up price and the carrying amount of the net assets at sales date and the expected cost of the sale or winding up operation.

Minority interests
The subsidiaries' accounting items are 100% recognized in the "Group accounts". Initially, the minority interests are measured at fair value and their proportional share of the subsidiaries' result and equity are adjusted yearly and stated as separate items in the income statement and equity capital.

Foreign currency translation
A functional currency is determined for each of the Group's reporting companies. The functional currency is the currency used in the primary economic environment where the individual reporting company operates. Transactions in other currencies than the functional currency are transactions in foreign currency.

Transactions in foreign currencies are initially translated at the rates existing at the transaction date. Gains and losses, due to differences between the rate on transaction date and the rate on settlement date are recognized in the income statement as "Financial income and expenses". Receivables and payables in foreign currencies are translated into the official rates of exchange existing at balance sheet date. The difference between the rate on the balance sheet date and on the transaction date is recognized in the income statement as "Financial income and expenses".

When companies with other functional currencies than DKK are recognized in the Group accounts, the income statements are translated into the rate of the transaction date and the balance sheet items are translated into the exchange rates on the balance sheet date. An average rate for the individual months is used as the transaction date's rate to the extent that this does not produce a significantly different picture. Exchange rate difference arising from translation of those companies' equity capital at the beginning of the year to the exchange rates on the balance sheet date as well as from translation of income statements from the exchange rate on the transaction date to the exchange rates on the balance sheet dates are recognized in the equity directly as a particular reserve for exchange rate adjustments.

Exchange rate adjustment of balances regarded as part of the total net investment in companies with another functional currency than DKK is recognized in the "Group accounts" directly in the equity as a particular reserve for exchange rate adjustments in so far as the balance is dominant in the Parent Company's or subsidiary's functional currency. Similarly, exchange rate gains and losses on the part of loan and derived financial instruments which were part of hedging against currency exposures of the net investment in these companies and which effectively safeguard against similar exchange rate gains/losses on net investment in the company, are recognized in the "Group accounts" directly in the equity as a particular reserve for exchange rate adjustments.

When associated companies with other functional currencies than DKK are recognized in the "Group accounts," the share of the year's results is translated according to an average rate and the share of equity incl. goodwill translated into the exchange rate on the balance sheet date. Differences in exchange rates arising from translation of the share of foreign associated companies' equity at the beginning of year into the exchange rates on the balance sheet date as well as translation of the share of the year's result from average rates to the exchange rates on the balance sheet date, are recognized directly in the equity as a particular reserve for exchange rate adjustments.

Earnings per share
"Earnings per share" (EPS) are calculated by dividing the year's result with the weighed average number of outstanding shares throughout the year.

Income statement

Net revenues
Net revenues from sale of hardware and software are recognized in the income statement provided that delivery and transfer of risk have been made to the purchaser before year-end and provided that the amount can be measured reliably and is expected to be received. Income from subscription agreements under which the Company delivers a service is recognized under the straight-line convention over the terms of contracts. Income from other subscriptions (upgrades, etc.) is recog-

nized in the income statement when invoiced. Contract work in progress is recognized as work on individual project is completed so that the net revenues correspond to the sales value of the work done in the year (the production criteria). Net revenues are recognized when the total income and costs related to the individual projects and percentage completion on balance sheet date can be reliably measured and it is probable that benefits, including payments, will flow to the Group. Net revenues are recognized exclusive of VAT and fees and discounts or price reductions anticipated or granted are set off against sales in the income statement.

External project costs
External project costs comprise the costs, exclusive salaries and wages, directly incurred to achieve the net revenues for the year, which include license fees, sub-contractor costs, etc.

Other external costs
Other external costs comprise the cost of premises, sales and distribution costs, office costs, etc.

Other operating income and costs
Other operating income and costs comprise income or expenses of secondary nature compared to the core activities of the Company, including gains and losses on sales of financial fixed assets.

Dividends from affiliated companies
Dividends from affiliated companies are recognized in the Parent Company's income statement when approved.

Financial income and expenses
Financial income and expenses comprise interest income and expenses, charges, gains and losses from translations, amortization of financial assets, additions and repayments under the on-account tax scheme, etc.

Tax on result of the year
Columbus IT Partner is jointly taxed with various wholly-owned Danish subsidiaries. Current corporation tax payable is allocated to the jointly taxed Danish companies in proportion to their taxable income (full allocation with credit for tax losses). The jointly taxed companies have adopted the on-account taxation scheme. The proportion of the tax charge for the year, which comprises current tax payable and deferred tax for the year that is directly attributable to the results for the year, is recognized in the income statement and the proportion that is attributable to entries in the equity is recognized in the equity.

Balance sheet

Intangible fixed assets

Development projects and license rights
Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources, and future market potential or development opportunity in the Company can be demonstrated, and where the intention is to produce, market, or utilize the project,
are recognized as "Intangible fixed assets" if the cost price can be measured reliably and there is sufficient certainty that the future income will cover the production, sales, administrative, and R&D costs. Development costs that do not meet the criteria for recognition in the balance sheet are recognized in the income statement as they are incurred. Capitalized development costs, which include expenses and payroll costs directly or indirectly attributable to the Group's R&D activities, are measured at cost less accumulated amortization, or written down to recoverable amount, whichever is lower. On completion, development project costs are amortized on a straight-line basis over the period of its expected economic benefits. The amortization period is 5 – 7 years. Gains and losses from sale of development projects are recognized as the difference between the sales price less cost of sales and the carrying amount at sales date. Gains or losses are recognized in the income statement as "Other operating income" or "Other operating costs." License rights are measured at cost less accumulated amortization, or written down to recoverable amount, whichever is lower. License rights are amortized on a straight-line basis over the period of its expected economic benefits, usually 5 years.

Goodwill
Initially, goodwill is measured on first recognition at the amount with which the calculated cost of the company acquisition is in excess of the market value of the acquired, identifiable assets and liabilities. Following the initial recognition, goodwill is regularly assessed at least once a year and written down to the recoverable amount in the income statement if the carrying amount exceeds the estimated net earnings from the business or activity to which the goodwill relates. Goodwill arising from company acquisitions before 1st January 2004 is maintained at the values calculated according to the previous accounting practice less any depreciation after completion of a loss of value test according to IAS 36.

Tangible fixed assets

Operating equipment and fixtures etc.

Operating equipment, fixtures, cars, and leasehold improvements are measured at cost less accumulated depreciation, or written down to recoverable amount, whichever is lower. Cost comprises the cost of acquisition until the time the asset is ready for use. Tangible fixed assets financed by leases are capitalized in the balance sheet provided that the lease transfers all significant risks and benefits relating to ownership (financial leasing). The fixed assets on lease are measured in the balance sheet at the fair value of the lease, if available. Alternatively, and if it is lower, the current value of future leasing commitments at acquisition date is used. In calculating the current value, the internal interest rate under the lease is used as a discounting factor or an approximate value thereof. Leased tangible fixed assets are depreciated, as are the Group's other tangible fixed assets. Operating equipment, cars, and fixtures are depreciated on a straight-line basis over 3 - 5 years in line with the asset's economic life. Leasehold improvements are depreciated over the term of the lease to a maximum of five years. Depreciations are recognized in the income statement under "Other external costs". Gains and losses from disposal of tangible fixed assets are calculated as the difference between the sales price less sales expenses and the financial value at the time of sales. Gains or losses are recognized in the income statement under "Other external costs."

Write-down of fixed assets

Intangible and tangible fixed assets are written down to recoverable amount if this is lower than the carrying amount, which is reviewed annually to determine whether there is an indication of lower value in addition to that expressed by depreciation and amortization. If so, the asset is written down to the lowest of these values. The recoverable amount of the asset is calculated as the higher amount between the net selling price and value in use. Losses due to lower value are recognized in the income statement.

Holdings in affiliated companies

Holdings in subsidiaries are recognized in the Parent Company's Annual Report at cost less any write-down to the recoverable value, if this is lower. If the Parent Company has a legal or actual obligation to cover a subsidiary's negative balance, this is recognized as a provision, insofar as this exceeds the Parent Company's receivables from the subsidiary. Gains and losses from sales or winding up subsidiaries are measured as the difference between the price of the company on sale or being wound up, and its net assets' carrying amount when sold, less non-amortized goodwill, and the expected cost of the sale or winding up operation. Gains and losses are recognized in the income statement as "Other operating income" and "Other operating costs" respectively. In connection with the transition to IFRS, holdings in subsidiaries are recognized in the opening balance on 1st January 2004 at the original cost including goodwill based on the exchange rate of the transaction date and less distribution/dividend of reserves from prior to the acquisition and capital reductions to after the acquisition. Any write-downs after completion of a loss of value test according to IAS 36 are deducted from this amount.

Holdings in associated companies in the Group report

Holdings in associated companies are measured under the intrinsic value method.

Holdings in associated companies are recognized in the balance sheet at the proportional share of the companies' intrinsic value measured according to the Group's accounting principle including deduction or addition of the proportional share of unrealized inter-group gains and losses including addition of the financial value of goodwill.

Associated companies with a negative financial intrinsic value are recognized at DKK 0. If the Group has a legal or actual obligation to cover the associated company's negative balance, this is recognized under "Liabilities".

Any receivables in associated companies are written down to the extent that the receivable is assessed as irrecoverable.

Holdings in associated companies in the Parent Company's Annual Report

Holdings in associated companies are recognized at cost. If the cost exceeds the recoverable value, it is written down to this lower value.

The cost price is reduced by received dividend exceeding the accumulated earnings after the time of acquisition.

Inventories

Stock of goods for resale, primarily software, is measured at the lowest amount of cost under the FIFO method. In case the net realization value is lower than the cost price, it is written down to this lower value. The cost of goods for resale includes purchase price with the addition of transport costs. The recoverable amount of inventories is measured as the expected sales price less the cost of completion and expected cost of sales.

Receivables
Receivables are measured at amortized cost. Receivables are amortized to provide for expected losses on the basis of an evaluation of the individual receivables.

Contract work in progress
Contract work in progress is recognized at the sales value of the completed work. The sales value is measured on the basis of the level of completion on the balance sheet date and the total expected income from the individual work in progress. When it is probable that the total costs will exceed the total income from a contract, the expected loss is recognized in the income statement. When a project's sales value cannot be measured reliably, the sales value is measured as the incurred cost or the net realization value, if this is lower. The individual work in progress is recognized in the balance sheet under "Receivables" or "Liabilities" depending on whether the net value of the sales value including deduction of on-account invoices and pre-payments is positive or negative. Costs related to sales and winning contracts are recognized in the income statement as they are incurred.

Securities and holdings
Securities and holdings stated under current assets relate to assets valued at current market value at balance sheet date. Changes in the current market value are recognized continuously in the income statement under financial items.

Corporation tax and deferred tax
Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the year's taxable income, adjusted for tax on previous years' income together with tax paid on account. Deferred tax is measured under the balance sheet liability method with respect to all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognized with respect to temporary differences concerning goodwill not deductible for tax purposes or other items – apart from business acquisitions – where temporary differences have arisen at the time of acquisition without affecting the result for the year or the taxable income. Deferred tax assets, including the tax base of tax losses carried forward, are measured at the value at which the asset is expected to be realized, either by setting off tax on future earnings or by setting off deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax is measured on the basis of the tax rules and tax rates in the respective countries that will be effective under the legislation at the balance sheet date when deferred tax is expected to be due. Changes in deferred tax due to changed tax rates are recognized in the income statement.

Accruals
Accruals are recognized as current assets and comprise cost attributable to the following financial year. Accruals are measured at amortized cost price.

Equity, own holdings
Own shares acquired by the Parent Company or subsidiaries are measured at cost and recognized within the equity under retained earnings. The price realized on subsequent sale is similarly recognized as retained earnings under equity.

Pensions
Payments to contribution-based pension plans are recognized in the income statement in the respective period and any payment is recognized in the balance sheet under other debt.

A yearly actuary calculation of the capital value of the future benefits payable according to the arrangement is carried out for benefit-based arrangements. The capital value is calculated on the basis of assumptions about the future development in factors such as salary level, interest rate, inflation, and mortality rate. The capital value is only calculated for those benefits which the employee has earned during his current employment in the Group. The actuary-calculated capital value including deductions of the market value of any assets associated with the arrangement is recognized in the balance sheet under pension liabilities, cf. stated below.

Differences between the expected development of pension assets and liabilities and the realized values are described as actuary gains or losses. If the accumulated actuary gains or losses exceed the highest numeric value of 10% of the pension liabilities or 10% of the market value of the pension assets, the excess amount is recognized in the income statement for the involved employees' expected remaining working period in the Company. Actuary gains/losses, which do not exceed the abovementioned limit, are not recognized in the income statement.

If a change in benefits related to the employees' current employment in the Company results in a change in the actuary calculated capital value, this is described as a historic cost. Historic costs are recognized as expenses immediately when the employees have already obtained a right to the changed benefit. Otherwise, the historic costs are recognized in the income statement for the period where the employees will obtain a right to the changed benefit.

Incentive programs

The Group has applied the provisions in IFRS 2, equity-based remuneration. In compliance with the transition provisions, IFRS 2 has been applied for equity arrangements awarded after 7 November 2002, if a right to the shares has not been obtained as of 1 January 2005.

Equity arrangements are measured at the current market value of the allotted equity instruments at the time of allocation. The current market value is recognized as a cost on a straight-line basis across the entitlement period on the basis of the Group's assessment of the number of instruments which will be exercised.

The current market value is calculated according to the Black-Scholes model. The expected duration used in the model is adjusted by the effect of lack of transfer opportunity, exercise restrictions, and behavioral considerations, on the basis of the management's assessment.

For debt arrangements, a liability at current value is calculated as the benefits are delivered by the management or the employees. The liability associated with the unutilized instruments is remeasured as of the balance sheet date at current value and the change in current value is recognized in the income statement.

Provisions

Provisions are made when, as a result of an event occurring by balance sheet date, the Group has legal or actual commitments and it is probable that funds will be required to meet such commitments.

Financial debts

The capitalized residual debt regarding financial leasing contracts is recognized in the balance sheet as debt to credit institutions. Other debt and liabilities are measured at amortized cost, which by and large, corresponds to nominal value.

Accruals

Accruals recognized as liabilities primarily comprise prepayments relating to revenue attributable to the following financial year.

Cash flow statement

The cash flow statement, which is presented under the indirect method, shows the Group's cash flows for the year divided into operating activities, investing activities, and financing activities, and the Company's opening and closing balances for cash funds and changes at the beginning and end of the year. It is only outlined for the Group since the Parent Company does not have any operating activity and it is the opinion of the Company that it does not contribute any further information.

Cash flow from operating activities

Cash flows from operating activities are calculated as the Group's share of the result adjusted for non-cash operating items, changes in operating capital, and corporate tax payments.

Cash flow from investing activities

Cash flows from investing activities comprise payments related to acquisition and sale of companies and activities together with the purchase and sale of intangible, tangible, and financial fixed assets.

Cash flow from financing activities

Cash flows from financing activities relates to changes in the size of or make-up of the Group's share capital and costs related therewith, and raising loans and repayment of interest bearing debt.

Cash funds

Cash funds include cash funds and short-term bonds with a term of less than 3 months. These can be freely converted to cash funds, when there is insignificant risk of changes in value.

Segment reporting

Segment data are only given for geographic markets, which comprise the Group's only segmentation format. Identification of segments conforms to the Group's accounting principles and internal financial control and risk management. The geographical location of customers does not vary from the location of the assets. Fixed assets in the segment relate to those fixed assets that are directly involved in segment operations, including intangible and tangible fixed assets. Current assets in the segment relate to current assets used directly in segment operations, including inventories, trade receivables, other receivables, accruals, and cash funds. Segment liabilities are those arising from segment operations, including trade payables and other payables.

The Group's accounting practice, internal financial control, and risk management entail that it does not make sense to or is possible to identify or make up a secondary segment which is why information is only provided for the Group's primary segment.

Key figures and ratio
The key figures are prepared in conformity with the "Recommendations and Key Figures 2005" issued by the Danish Association of Financial Analysts.

The key figures given in the main text and the summary are calculated as follows:

Gross margin II

$$\frac{\text{Gross profit II x 100}}{\text{Net revenues}}$$

Operating margin

$$\frac{\text{Operating income (EBIT) x 100}}{\text{Net revenues}}$$

Return on equity

$$\frac{\text{Result after tax and minorities x 100}}{\text{Average equity less minorities}}$$

Equity ratio

$$\frac{\text{Equity less minorities year-end x 100}}{\text{Liabilities year-end}}$$

Earnings per share (EPS)

$$\frac{\text{Result after tax and minorities}}{\text{Average number of shares}} \text{ x f}$$

Net asset value per share (NAV)

$$\frac{\text{Equity less minorities, year-end x 100}}{\text{Number of shares year-end}}$$

Cash flow per share

$$\frac{\text{Cash flow from operating activities}}{\text{Average number of shares}}$$

Adjustment factor (f)

$$\frac{\text{Theoretical rate}}{\text{Stock exchange rate the day before retrieving subscription rights}}$$

Note 1 – Net revenues

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Hardware	20.521	21.678	0	0
Software	265.302	225.651	1.009	34
Sale value of completed consulting projects (Services)	519.467	367.747	20.190	18.109
Contract work in progress, at beginning of year	-75.291	-40.588	0	0
Contract work in progress, year-end	26.720	75.291	0	0
	756.718	**649.779**	**21.199**	**18.143**

Note 2 – Segment data

Group

DKK ´000

Primary segment - geographical

Group management and reporting is separated into four geographical regions which constitute the Group's primary and only segmentation.

2006	Nordic	Western Europe	Eastern Europe	Rest of the World	Group total
Gross revenues	294.504	218.623	136.962	137.037	787.126
Revenues among segments	6.499	16.841	6.040	1.028	30.407
Net revenues	288.005	201.782	130.922	136.009	756.718
Gross earnings	205.260	146.663	98.431	95.263	545.617
Earnings before depreciation (EBITDA)	27.834	10.753	-10.732	3.394	31.250
Operating profit (EBIT)	25.188	1.647	-15.066	2.277	14.046
Pre-tax earnings	22.504	506	-15.037	172	8.145
Columbus IT Partner's share of the year's earnings	31.464	5.148	-15.019	-424	21.169
Segment assets	459.375	58.610	6.860	18.960	543.806
Segment liabilities	123.941	124.909	39.285	43.684	331.819
Capital investments	2.479	1.691	1.734	524	6.428
Depreciation	2.550	8.510	2.615	1.118	14.792
Amortization	41	825	1.539	7	2.412
Average number of employees	288	174	362	151	975

2005	Nordic	Western Europe	Eastern Europe	Rest of the World	Group total
Gross revenues	254.765	162.192	123.079	123.419	663.455
Revenues among segments	-7.339	-3.125	-2.670	-542	-13.676
Net revenues	247.426	159.067	120.409	122.877	649.779
Gross earnings	171.482	109.369	96.443	87.947	465.241
Earnings before depreciation (EBITDA)	-10.264	11.754	8.255	13.869	23.614
Operating profit (EBIT)	-24.018	9.239	6.009	12.910	4.140
Pre-tax earnings	-26.847	8.508	5.752	13.805	1.218
Columbus IT Partner's share of the year's earnings	-28.687	9.079	1.825	7.743	-10.040
Segment assets	236.585	114.631	56.941	78.175	486.332
Segment liabilities	165.004	82.067	28.691	51.382	327.144
Capital investments	1.589	2.036	3.248	1.411	8.284
Depreciation	6.511	2.514	2.246	959	12.230
Amortization	7.244	0	0	0	7.244
Average number of employees	236	146	358	113	853

Note 3 – Staff costs and remuneration

Staff costs

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Fees to Board of Directors	750	844	750	844
Salaries and wages	320.708	276.037	11.264	18.459
Pensions	890	1.727	0	0
Other social security costs	32.072	25.467	-58	83
Other staff costs	20.564	13.919	415	286
	374.984	317.994	12.372	19.672
Average number of employees	975	853	13	18

Employment costs include remuneration to Parent Company Management of DKK 3,248,000. (2005: DKK 4,314,000) and pensions of DKK 0. (2005: DKK 0.). The staff costs include provision for the minimum value of the management incentive scheme of DKK 0. (2005: DKK 768,000).

Pensions and similar obligations

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Contribution-based arrangements				
Costs for current accounting year	890	1.727	0	0

Contribution-based arrangements
The Group is committed to arrangements which encompass certain groups of employees in Denmark and abroad. As a main rule, pension plans are contribution-based arrangements. The Group finances the arrangements through continuous payments of premiums to independent pension and insurance companies which are responsible for the pension liabilities. The Group has no further pension commitments to current or resigned employees when pension contributions for contribution-based arrangements have been paid.

Pension contributions in connection with contribution-based arrangements are recognized in the yearly accounts at the time of payment.

Other arrangements
The Group has no additional pension commitments or similar commitments to the employees.

Share-based remuneration
Columbus IT Partner established an Incentive Program for a senior employee in 2005 as part of the Employment Agreement.

The incentive Program for the senior employee was terminated when the employee resigned in August 2006 and the outstanding warrants were cancelled.

Specification of outstanding warrants

	Senior employee	Total number	Average exercise price per warrant	Average market value per warrant *)	Market value
	units	units	DKK	DKK	DKK '000
Outstanding as of January 1, 2006	114.000	114.000	8	4	485
Allocated in 2006	0	0	0	0	0
Exercised	-114.000	-114.000	8	2	200
Cancelled in 2006	0	0	0	0	0
Outstanding by year-end 2006	0	0	0	0	0

*) The calculated market values of stock options and warrants are based on the Black-Scholes Model. The assumption is that stock options and warrants are exercised at the end of the subscription period. A volatility of 100 based on the historical development within the last 3 years is used as an assumption for the calculation. The dividend is set to DKK 0 and the risk-free interest rate is set to 2.5%.

The staff costs include the total costs of Warrant Programs of DKK 0. (2005: DKK 1,525,000)

Note 4 – Other operating income and costs

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Other operating income				
Gains on sale of subsidiaries	14.088	0	13.483	0
Gains on discontinuance of subsidiaries	0	566	0	0
Profit on sale of IT operating activities	1.054	0	0	0
	15.142	566	13.483	0
Other operating costs				
Loss on debt conversion	285	182	284	182
Loss on disposal of holdings, etc.	361	0	361	0
Loss on discontinuance of subsidiaries	14	0	5.982	2.111
	660	182	6.627	2.293

Note 5 – Intangible and tangible assets

DKK ´000

Group 2006

	Completed development projects	Royalties	Goodwill	Development projects in progress	Operating equipment and fixtures
Cost price as of January 1, 2006	41.024	8.914	211.211	1.956	78.214
Exchange rate adjustment as of January 1, 2006	-109	64	-2.277	-1	-884
	40.915	8.978	208.933	1.955	77.330
Transfers	539	0	0	-539	0
Additions during the year - Internal purchases	17.967	0	0	1.233	0
Additions during the year - External purchases	0	300	8.722	0	6.455
Additions from acquisitions	0	9	0	0	548
The year's disposals	-3.578	-67	0	0	19.300
Cost price December 31, 2006	55.842	9.220	217.655	2.649	65.033
Accumulated depreciation January 1, 2006	13.887	8.446	58.799	0	65.277
Exchange rate adjustments and adjustment primo	-63	63	-310	0	-639
	13.824	8.509	58.489	0	64.638
Transfers		0	0	0	0
Depreciations 2006	8.050	420	0	0	6.322
Write-downs 2006	0	0	2.412	0	6
Additions from acquisitions	0	-22	0	0	173
Depreciation on asset disposals incl. fully amortized goodwill	-3.475	0	0	0	-18.614
Accumulated depreciation December 31, 2006	18.399	8.907	60.901	0	52.525
Net book value December 31, 2006	37.444	313	156.754	2.649	12.508
Net year-end book value of assets under financial leases amounts to					1.350

Goodwill

As of December 31, 2006, Management has performed a test of value diminution of the financial value of goodwill, development projects, and other long-term assets. The write-down related to Austria is a result of the "technical" goodwill which came out of a conversion of debt, while the write-down related to Russia is a result of the discontinuance of activity in Kazakhstan.

The recovery value is founded on the capital value, which is established on the expected net cash flow that is based on the latest Management-approved budget for 2007 projected with 2% growth for the years 2008-2011 as well as a terminal value based on an assumption of future growth of 1% (2005: 1%) with a pre-tax WACC of 11.5% (2005: 12.5%). The most significant parameter in the calculation of capital value is sales. The financial value of goodwill of DKK 157M primarily relates to the acquisitions of To-Increase BV. in The Netherlands (DKK 34M), Vertical Soft in USA (DKK 17M), Hands in Denmark (DKK 21M) as well as acquisitions of minority interests in Russia (DKK 31M) and USA (DKK 6M).

DKK ´000

Group 2005

	Completed development projects	Royalties	Goodwill	Development projects in progress	Operating equipment and fixtures
Cost price as of January 1, 2005	10.073	8.804	74.145	0	80.628
Exchange rate adjustment as of January 1, 2005	99	330	381	0	1.596
	10.172	9.134	74.526	0	82.224
Transfers	10.304	0	0	-1.979	-8.325
Additions during the year - Internal purchases	8.477	0	0	3.934	0
Additions during the year - External purchases	0	229	92.755	0	8.284
Additions from acquisitions	12.109	10	6.694	0	1.396
The year's additions, incl. disposals Fully amortized goodwill	-7	-106	80	0	-5.365
Cost price as of December 31, 2005	41.055	9.267	174.055	1.955	78.214
Accumulated depreciation January 1, 2005	2.111	8.191	14.026	0	65.977
Exchange rate adjustments and adjustment primo	13	289	356	0	1.124
	2.124	8.480	14.382	0	67.101
Transfers	5.118	0	0		-5.118
Depreciations 2005	5.058	428	0	0	6.744
Write-downs 2005	0	0	7.244	0	0
Additions from acquisitions	1.625	0	0	0	240
Depreciation on asset disposals incl. fully amortized goodwill	-7	-106	17	0	-3.690
Accumulated depreciation December 31, 2005	13.918	8.802	21.643	0	65.277
Net book value as of December 31, 2005	27.137	465	152.412	1.955	12.937
Net year-end book value of assets under financial leases amounts to					2.280

DKK ´000

Parent Company 2006

	Completed development projects	Operating equipment and fixtures
Purchase sum as of January 1 ,2006	8.425	6.313
Transfers	0	0
Additions during the year	2.541	139
Disposals during the year	0	-3.972
Purchase sum as of December 31, 2006	10.966	2.480
Accumulated depreciation as of January 1, 2006	6.885	5.769
Transfers	0	0
The year's depreciations	837	273
Depreciation on asset disposals	0	-3.972
Accumulated depreciation December 31, 2006	7.722	2.070
Net book value as of December 31, 2006	3.244	411
Net year-end book value of assets under financial leases amounts to		1.350

Parent Company 2005

	Completed development projects	Operating equipment and fixtures
Purchase sum as of January 1, 2005	0	14.786
Transfers	8.325	-8.325
Additions during the year	100	152
Disposals during the year	0	-300
Purchase sum as of December 31, 2005	8.425	6.313
Accumulated depreciation as of January 1, 2005	0	9.959
Transfers	5.118	-5.118
The year's depreciations	1.767	1.221
Depreciation on asset disposals	0	-293
Accumulated depreciation December 31, 2005	6.885	5.769
Net book value as of December 31, 2005	1.540	544
Net year-end book value of assets under financial leases amounts to		0

Note 6 – Income from holdings in associated companies

DKK ´000	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
Other operating income				
Share of earnings before tax	-137	-106	-137	0
Tax of earnings in associated companies	0	-25	0	0
	-137	-131	-137	0

Note 7 – Financial income and expenses

DKK ´000	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
Finacial income				
Interest income from affiliated companies	0	0	1.356	657
Gains on foreign exchange	5.879	8.356	558	1.623
Other interest income	1.625	727	1.790	1.244
	7.504	**9.083**	**3.705**	**3.524**
Financial expenses				
Interest expenses for affiliated companies	0	0	179	397
Losses on foreign exchange	7.205	6.888	236	2.441
Other interest expenses	6.063	4.986	6.612	4.237
	13.268	**11.874**	**7.027**	**7.075**

Note 8 – Corporation tax

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Tax on earnings for the year				
Current tax	2.700	2.840	-13.734	-8.145
Change in deffered tax	-7.832	4.138	10.550	-1.745
Adjustments relating to previous years	-6.880	369	-7.648	405
	-12.012	7.347	-10.832	-9.485
Tax on operating income is attributable, thus:				
Tax at 28% of result before tax	2.281	378	-1.506	-13.156
Effect of changed tax rate	0	1.937	0	0
Tax effect of:				
Adjustments relating to previous years	0	369	0	405
Adjustment of tax calculated for foreign affiliates in relation to 28% tax rate	603	1.147	0	0
Non-deductible amortization of group goodwill	0	2.028	0	-4.071
Non-capitalized value of tax losses	8.467	2.205	0	7.972
Use of non-capitalized losses from previous years	-10.709	-3.080	-8.480	0
Adjustment of value of tax assets	-9.618	4.037	2.773	478
Other permanent differences	-3.036	-1.674	-3.619	-1.113
	-12.012	7.347	-10.832	-9.485

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Net corporation tax				
Balance as of January 1, 2006	-1.491	2.821	0	-145
Exchange rate adjustments	201	718	0	0
Adjustments relating to previous years	940	334	0	405
Current tax for the year	2.700	2.735	-13.734	-8.145
Prepaid tax for the year	-3.723	-3.465	0	2.085
Corporation tax paid	-200	-4.721	0	5.800
Additions from acquisitions of affiliated companies	0	150	0	0
Balance as of December 31, 2006	-1.573	-1.428	-13.734	0
Corporation tax receivable	-3.376	-4.957	0	0
Corporation tax payable	1.803	3.529	0	0
	-1.573	-1.428	0	0

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Deferred tax asset:				
Balance as of January 1, 2006	-27.774	-31.645	-17.460	-15.715
Change of tax rate	0	1.937	0	1.048
Adjusted deferred tax as of January 1, 2006	-27.774	-29.708	-17.460	-14.667
Exchange rate adjustments	56	137	0	0
Adjustment relating to previous years	0	215	0	0
Changes in deferred tax for the year	-7.766	1.582	10.550	-2.793
Balance as of December 31, 2006	-35.484	-27.774	-6.910	-17.460
Deferred tax attributable to:				
Intangible fixed assets	-6.482	-7.040	73	65
Tangible fixed assets	-2.536	-3.359	-650	-1.336
Current assets	-999	6.205	0	0
Liabilities	-332	-2.362	0	-187
Deductible tax losses	-25.135	-21.218	-6.333	-16.002
	-35.484	-27.774	-6.910	-17.460

Based on Management's planned initiatives to adjust the cost structure of the Parent Company, it is expected that the tax assets can be utilized within the next 5 years.

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Deferred tax:				
Balance as of January 1	1.404	1.003	0	0
Adjusted deferred tax as of January 1, 2006	1.404	1.003	0	0
Exchange rate adjustments	-150	-40	0	0
Adjustment relating to previous years	-171	-178	0	0
Changes in deferred tax for the year	-66	619	0	0
Balance as of December 31, 2006	1.017	1.404	0	0
Deferred tax attributable to:				
Intangible fixed assets	443	580	0	0
Tangible fixed assets	104	105	0	0
Current assets	105	241	0	0
Liabilities	350	463	0	0
Deductible tax losses	15	15	0	0
	1.017	1.404	0	0

The Group has uncapitalized tax assets of DKK 12M (2005: DKK 30M) related to the companies in Denmark, England, and Norway.

Note 9 – Earnings per share

DKK ´000	Group 2006	Group 2005
Earnings for the year	20.157	-6.129
Minority interests' shares of earnings for the year	-1.014	3.911
Columbus IT Partner's share of earnings for the year	21.171	-10.040
Average number of shares listed on the Copenhagen Stock Exchange	72.726.208	64.824.576
Average number of own shares	-1.749	-1.749
Average number of shares in circulation	72.724.459	64.822.827
Outstanding warrants average dilution effect	0	108.971
Diluted average number of shares in circulation	72.724.459	64.931.798
Result per share (EPS) of DKK 1.25	0,29	-0,15

Note 10 – Holdings in affiliated companies

DKK ´000	Parent Company 2006	Parent Company 2005
Cost price as of January 1, 2006	355.190	271.063
Additions during the year	14.439	94.783
Disposals during the year	-51.784	-10.656
Cost price as of December 31, 2006	317.845	355.190
Amortizations as of January 1, 2006	-106.678	-102.715
Amortizations for the year	-7.258	-14.538
The year's write-back of amortizations	50.578	10.575
Depreciation and amortization as of December 31, 2006	-63.358	-106.678
Book value as of December 31, 2006	254.487	248.512

Equity interests in affiliated companies are recognized at cost price in the Parent Company's balance with deduction of each amortization. In the consolidated accounts for the Group, the equity interests are recognized according to the intrinsic value method.

As of 31st December 2006, Management has performed a test of value diminution of the book value. The write-down relates to Austria and Russia.

The recovery value is founded on the capital value, which is established on the expected net cash flow that is based on the latest Management-approved budget for 2007 projected with 2% growth for the years 2008-2011 as well as a terminal value based on an assumption of future growth of 1% (2005: 1%) with a pre-tax WACC of 11.5% (2005: 12.5%). The most significant parameter in the calculation of capital value is sales.

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Note 11 – Holdings in associated companies

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Cost price as of January 1, 2006	1.299	0	1.299	0
Addition upon acquisition of equity interests for the year	963	1.299	0	1.299
Cost price as of December 31, 2006	2.262	1.299	1.299	1.299
Depreciation and amortization as of January 1, 2006	-131	0	0	0
Exchange rate adjustments	0	0	0	0
Share of earnings for the year after tax	-137	-131	0	0
Received dividend	0	0	0	0
Amortizations for the year	0	0	0	0
The year's write-back of amortizations	0	0	0	0
Depreciation and amortization as of December 31, 2006	-268	-131	0	0
Book value as of December 31, 2006	1.994	1.168	1.299	1.299
In the book value of December 31, 2006 goodwill is included with	3.313	1.387	1.387	1.387

Equity interests in associated companies are recognized at cost price in the Parent Company's balance with deduction of each amortization. In the consolidated accounts for the Group, the equity interests are recognized according to the intrinsic value method.

As of December 31, 2006, Management has performed a test of value diminution of the book value which have not resulted in any write downs.

The recovery value is founded on the capital value, which is established on the expected net cash flow that is based on the latest Management-approved budget for 2007 projected with 2% growth for the years 2008-2011 as well as a terminal value based on an assumption of future growth of 1% (2005: 1%) with a pre-tax WACC of 11.5% (2005: 12.5%). The most significant parameter in the calculation of capital value is sales.

The associated companies comprise of:

	Domicile	Ownership	Share of voting rights
CITP Pvte Ltd., Singapore	Singapore	50%	50%
Advisecom AS	Norway	50%	50%

Key figures for associated companies:

	Group	
DKK ´000	**2006**	**2005**
Total assets	1.557	1.622
Total liabilities	-2.228	-2.064
Net assets	-671	-442
The Group's share of the net assets	-336	-221
Total net revenues	4.417	1.593
Total earnings for the year	-275	-262
The Group's share of the year's earnings	-137	-131

Note 12 – Inventories

The Group's income statement includes amortizations of inventories of DKK 0M (2005: DKK 0.7M).

Note 13 – Receivables

The Group's receivables from sales and services include write-downs to cover probable losses of DKK 13M (2005: DKK 14M), recognized under "Other External Costs".

The Group's receivables from sales and services include DKK 0M (2005: DKK 0M) due for payment after more than 1 year following the end of the accounting year.

For receivables due for payment within one year following the end of the accounting year, the book value (amortized cost price) is considered to correspond to the market value.

Note 14 – Contract work in progress

	Group		Parent Company	
DKK ´000	2006	2005	2006	2005
Contract work in progress	26.720	75.291	0	0
Prepayments and invoices on account	-25.766	-79.203	0	0
	954	-3.912	0	0
Stated thus:				
Contract work in progress (assets)	22.847	9.588	0	0
Prepayments received from customers (liabilities)	-21.893	-13.500	0	0
	954	-3.912	0	0

Note 15 – Accruals

	Group		Parent Company	
DKK ´000	2006	2005	2006	2005
Prepaid insurance premiums	1.178	1.471	382	753
Prepaid rent and other office expenses	2.046	1.287	0	0
Prepiad leasing services	121	211	0	0
Other accruals	5.197	8.514	355	3.434
	8.542	11.483	738	4.187

Note 16 – Share capital

Share capital consists of 75,143,362 shares with a face value of DKK 1.25 corresponding to DKK 93,929,000. All shares have the same rights.

At year-end 2006, the Company held 1,749 own DKK 1.25 nom. shares with a value of DKK 2,000.

The Company has not acquired or sold own shares during the year.

The Board of Directors is authorized to issue warrants of nom. value DKK 4,750,000. As of December 31, 2006, there are no outstanding warrants.

Please see note 3 for further information about the Warrant Program.

Note 17 – Credit institutions

Group

Long-term liabilities to credit institutions include other long-term debt.

DKK ´000	2006	2005
Long-term liabilities to credit institutions shall be paid before the following periods from the balance sheet date:		
Under 1 year	653	594
Between 2 and 5 years	773	934
After 5 years	0	0
	1.426	1.528
Interest levels for long-term liabilities (4% - 10%) can be stated as follows:		
Effective interest of 4-6%	1.079	1.398
Effective interest of 6-10%	347	130
	1.426	1.528
Interest levels for short-term liabilities (4% - 10%) can be stated as follows:		
Effective interest of 2-4%	89.429	66.582
Effective interest of 4-6%	3.909	6.359
Effective interest of 6-10%	14	0
	93.352	72.941

Note 18 – Other liabilities

DKK ´000	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
Accrued salaries, pensions, bonuses, etc.	13.356	10.170	2.312	1.637
Payroll tax and other salary-related liabilities	9.842	7.537	7	11
Holiday allowance, holiday pay due, etc.	25.789	20.469	774	726
VAT due	24.276	19.081	59	0
Accrued expenses, etc.	29.570	36.097	3.940	1.431
	102.834	93.354	7.092	3.805

Note 19 – Accruals

DKK ´000	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
Software and hotline subscriptions	8.478	9.840	0	0
Other accruals	422	5.463	422	0
	8.900	15.303	422	0

Note 20 – Contingent liabilities and securities

Parent Company

Contractual obligations
The Company has entered into Leasing Contracts (operational leasing) with a total obligation of DKK 0.2M.

Additionally the Company has entered into a 5-year IT Outsourcing Agreement with TDC Hosting with a total obligation of DKK 9.7M.

Contingent liabilities
The Company has made Statements of Support to certain companies to ensure sufficient cash funds for continued operations in 2006.

The Company is jointly VAT-registered with Columbus IT Partner Denmark A/S and is jointly and severally liable for VAT.

The jointly-taxed Danish companies are jointly and severally liable for tax of the jointly-taxed income.

Securities
The Company has issued guarantees and bank guarantees to cover subsidiaries' bank facilities etc.
As of December 31, 2006 the obligation totals a maximum of DKK 65M.

The Company has issued guarantees to cover affiliated companies' outstanding debt to Columbus IT Partner's biggest supplier. As of December 31, 2006 the obligation amounts to approx. DKK 41M.

Additionally, guarantees have been issued to cover affiliated companies' lease commitments. As of December 31, 2006 the obligation amounts to DKK 0.3M.

The Company's shares in and loans to affiliated companies have been issued as guarantee for the Parent Company's arrangement with the primary banker.

Group

Contractual obligations
The Group's companies have entered into various lease agreements with a total lease obligation of DKK 11M for the non-terminable part of the lease period.

Leasing contracts (operational leasing) have been entered into with a total obligation of DKK 18.5M.

Contingent liabilities
Columbus IT Partner companies are involved in certain pending disputes, arbitration cases, and legal cases in Denmark and abroad. It is the Management's opinion that sufficient write-down and provision have been made in connection herewith, and that the settlement of these cases will not have significant negative effect on the financial position of Columbus IT Partner.

Securities
Certain affiliated companies have mortgaged cash flow, inventories, and debtors as guarantee for debt to Columbus IT Partner's primary banker.

Rent and lease obligations
The future rent and lease obligations can be stated thus:

Group

DKK ´000	2006			2005		
	Buildings	Operating equipment & fixtures	Total	Buildings	Operating equipment & fixtures	Total
Under 1 year	4.259	8.252	12.511	5.575	7.465	13.040
Between 1 and 5 years	5.400	11.589	16.989	6.543	8.253	14.796
Over 5 years	892	0	892	0	373	373
	10.551	19.841	30.392	12.118	16.091	28.209

Parent Company

DKK ´000	2006			2005		
	Buildings	Operating equipment & fixtures	Total	Buildings	Operating equipment & fixtures	Total
Under 1 year	0	3.657	3.657	0	74	74
Between 1 and 5 years	0	6.298	6.298	0	61	61
	0	9.955	9.955	0	135	135

Note 21 – Acquisition of companies and activities in 2006

Names of acquired companies

	Country	Date of recognition	Proportion of acquired shares	Purchase sum
Spade S.A. de C.V.	Mexico	01.05.2006	51%	200,000 USD
PBS Enterprise OY	Finland	01.06.2006	Aktivitetskøb	215,000 EUR
Capston Consultoria de Informática Ltda.	Brazil	01.07.2006	51%	540,000 USD
Creative Innovation Group Sp. Z o.o.	Poland	01.08.2006	100%	1,700,000 DKK

DKK ´000

Acquisition of companies and activities in 2006

	Book value after IFRS before handover day	Adjustment at market value	Market value at time of takeover
Intangible assets	17	0	17
Tangible assets	370	0	370
Financial assets	0	0	0
Deferred tax	33	0	33
Inventories	259	0	259
Receivables	3.593	0	3.593
Cash funds	333	0	333
Total assets	**4.606**	**0**	**4.606**
Provisions for long-term liabilities	136	0	136
Bank debt	171	0	171
Trade payables	1.595	0	1.595
Other short-term liabilities	1.737	0	1.737
Total liabilities	**3.639**	**0**	**3.639**
Net assets	**966**	**0**	**966**
Net assets in acquired minorities			**-41**
Total net assets			**925**
Godwill			**7.027**
Cash funds			**333**
Cash purchase sum incl. purchasing expenses			**7.620**

After recognition of identifiable assets, liabilities, and contingent liabilities at market value, goodwill in connection with the acquisitions has been calculated as DKK 7M. The difference value represents the value of assets whose market value cannot be calculated reliably, the value of the acquired staff and know-how, expected synergies from the integration of the Acquired Companies with the existing activities in Columbus IT, as well as the value of access in new markets.

DKK ´000	
Disposal of companies and activities in 2006	
	Book value at the time of sale
Intangible assets	929
Tangible assets	305
Financial assets	0
Receivables	15.216
Cash funds	465
Total assets	**16.916**
Minority interests	0
Provisions for long-term liabilities	0
Bank debt	107
Trade payables	5.224
Other short-term liabilities	11.685
Total liabilities	**17.015**
Total net assets	**-99**
Profit from sales	**13.462**
Cash sales price	**13.362**

DKK ´000	
Effect on earnings of acquisitions	**2.006**
Amounts originating from acquired companies, from the time of takeover to December 31, 2006	
Spade S.A. de C.V.	
Net revenues	1.265
Earnings	-234
PBS Enterprise OY	
Net revenues	3.951
Earnings	-718
Capston Consultoria de Informática Ltda.	
Net revenues	4.775
Earnings	-462
Creative Innovation Group Sp. Z.o.o.	
Net revenues	809
Earnings	-419
Amounts from acquired companies had they been owned throughout the entire accounting period	
Net revenues	20.163
Earnings	-3.512

Note 22 – Related parties

The Group's related parties encompass:
- The Group's principal shareholders, Consolidated Holdings A/S, Gaardboe Holding ApS in liquidation
- The Group's primary bank, Nordea AB
- The Parent Company's subsidiaries
- The Company's Board and Management

Consolidated Holdings A/S
Consolidated Holdings A/S, Fredheimvej 9, DK-2950 Vedbæk, holds 33.49% of the shares in Columbus IT Partner. Transactions with Consolidated Holdings A/S are on regular commercial terms. The Company has granted Columbus IT Partner an interest-bearing loan of DKK 6M.

Gaardboe Holding ApS in liquidation
Gaardboe Holding ApS i likvidation, Julsøvej 1, 8240 Risskov, holds 17.32% of the shares in Columbus IT Partner. Transactions with Gaardboe Holding ApS in liquidation are on regular commercial terms. The Company has granted Columbus IT Partner an interest-bearing loan of DKK 3M.

Subsidiaries
Payments for trade among the Group's companies are on regular commercial terms or on a cost-covering basis. Trade takes place according to legal agreements among the Companies unless the transactions are insignificant. Transactions among the Companies have been eliminated in connection with the consolidation.

Transactions between Parent Company and subsidiaries include delivery of administrative services of DKK 20M (2005: DKK 18M) from the Parent Company as well as lending between Parent Company and subsidiaries.

Board and Management
Remuneration of board and management is stated in note 3.
Board member, Jørgen Cadovius is a senior partner at Attorneys Lind & Cadovius, which advises the company on legal affairs. Lind & Cadovius provided legal advice over the year. Fees depend on the time spent and totaled DKK 0.13M. (2005: DKK 0.6M). As of December 31, 2006, the Company has a debt to the Board Member's law firm of DKK 0.0M (2005: DKK 0.5M).

Note 23 – Fees for auditors elected at the Annual General Meeting

	Group		Parent Company	
DKK ´000	**2006**	**2005**	**2006**	**2005**
Deloitte				
Audit fee	2.565	2.158	520	1.200
Other services	525	1.567	420	1.231
	3.090	3.725	940	2.431

Note 24 – Leasing liabilities

Financial Leasing

Non-terminable financial leasing obligations are as follows:

Group

DKK'000	**2006**			**2005**		
	Leasing service	Interest	Book value	Leasing service	Interest	Book value
Under 1 year	738	37	701	1.278	52	1.226
Between 1 and 5 years	666	17	649	1.101	47	1.054
Over 5 years	0	0	0	0	0	0
	1.404	54	1.350	2.379	99	2.280

According to the Leasing Contract, no payable conditional leasing services exist.

Parent Company

The Parent Company has not entered into financial lease contracts.

Note 25 – Financial instruments

Primary financial instruments

DKK ´000	Under 1 year	Between 1 and 5 years	Over 5 years	Total	Effective interest
Financial assets					
Holdings in associated companies	1.994	0	0	1.994	0
Receivables from sales of goods and services	189.154	0	0	189.154	0
Other receivables	17.415	0	0	17.415	0
Accruals	8.538	0	0	8.538	0
Cash funds	43.634	0	0	43.634	1,0% - 2,0%
Financial liabilities					
Subordinated loan capital	0	0	0	0	0
Debt to credit institutions	89.726	4.399	0	94.125	4,0% - 6,0%
Prepayments from customers	35.171	0	0	35.171	0
Trade payables	68.137	120	0	68.257	0
Payable balance of purchase sum related to acquisition of companies	10.862	0	0	10.862	0
Other debt	102.834	0	0	102.834	0
Accruals	8.900	0	0	8.900	0

The effective interest rates are calculated based on the current level of interest rates as of December 31, 006. Majority of the Group's debt to credit institutions are on a fixed interest basis.

Currency, interest, and credit risks and use of financial instruments
As a result of the Group's operations, investments, and financing, the Group is exposed to changes in exchange rates and level of interest rates. The Parent Company manages the financial risk centrally and coordinates the Group's cash flow management, incl. raising of capital and investment of excess liquidity. The Group adheres to a financial policy approved by the Board of Directors. Such policy is based on a low risk profile, thus currency, interest, and credit risks only arise on the basis of commercial matters.

The Group has not entered into significant derivative financial instruments.

Notes for cash flow statement

NOTE 26: Adjustments

DKK ´000	Group 2006	Group 2005
Loss/gain (-) from sale of intangible and tangible fixed assets, etc.	221	158
Exercise of warrants	500	768
Amortization of goodwill	2.413	7.244
Depreciation and amortization of other fixed assets	14.792	12.230
Earnings in associated companies	137	131
Interest income and similar income	-7.504	-9.083
Interest expenses and similar expenses	13.268	11.874
Tax of the earnings for the year	-12.012	7.347
Total adjustments	**11.815**	**30.669**

NOTE 27: Change in working capital

DKK ´000	Group 2006	Group 2005
Change in receivables	-11.758	-23.585
Change in inventories	1.523	-147
Change in trade payables etc.	5.693	38.662
Change in provisions	9	149
Total change in working capital	**-4.533**	**15.079**

NOTE 28: Investments in subsidiaries

DKK ´000	Group 2006	Group 2005
Intangible fixed assets	0	17.472
Tangible fixed assets	403	1.000
Inventories and projects in progress	43	0
Equity interests	0	-19
Receivables, etc.	4.198	7.757
Deferred tax asset	0	0
Cash funds	39	805
Provisioned liability	0	149
Long-term debt	-272	-3.732
Short-term debt	-4.209	-10.250
Net assets	202	13.182
Group goodwill	8.722	99.512
Share of minority interests	0	0
Purchase sum	8.923	112.694
Hereof cash funds	-39	-805
Acquisition of minorities	-653	6.817
Profit from transfer of assets to TDC	0	0
Payable balance of purchase price, etc.	-1.514	-32.268
Cash invested	**6.718**	**86.438**