

Stock Exchange Release no. 3/2007



COLUMBUS IT

Annual Report and Financial Statements

2006

PROFILE:

Columbus IT Partner operates as an IT consultant in the market for integrated business solutions based on Microsoft Business Solutions primarily for small and medium-sized international companies. Columbus IT Partner is a service organization with 1,000 employees operating in 28 countries. Our customer base consists of more than 5,000 small and medium-sized enterprises and units of large companies.

www.columbusit.com

Increase in revenues, year's result, and equity capital – fulfillment of announced expectations

- 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 expectations of DKK 30-35M. The operating result is achieved through a strong improvement from first half-year EBITDA of DKK 5.3M to second half-year EBITDA of DKK 25.9M.
- 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 on Dynamics Nav (formerly Navision) have been particularly successful and in this area, the company has experienced a 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 the 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 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.

Ib Kunøe
Chairman
Columbus IT Partner A/S

Michael Gaardboe
CEO
Columbus IT Partner A/S

For further information, please contact:

CEO Michael Gaardboe or CFO Sven Madsen, T: (+45) 70 20 50 00.

Translation: In the event of any inconsistency between this document and the Danish language version, the Danish language version shall be the governing version.

The Annual Report for 2006 will be available at: www.columbusit.com/2006

Key Figures and Ratio

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	-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	354.0	338.1	344.2	486.3	543.8
Group equity	-15.3	31.9	6.5	147.3	201.1
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	24.0	-23.9	-15.3	28.9	27
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 investment III	-14.8%	-2.8%	1.3%	3.6%	4.6%
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	1024
Cash flow per share	2.4	-1.1	-2.45	0.45	0.37

The key figures and financial ratios above have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Key Figures 2005", with the exception of Return on Investment and Equity Ratio. Comparison figures for 2001-2003 have not been restated 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.

Significant events

In 2006, Columbus IT Partner generally experienced a positive development in the operating results of the group's subsidiaries. In particular, not only the Danish subsidiary and the Dutch-based software development company, To-Increase, have delivered 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 in 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 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 Algosabi 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 growth compared to what was registered in 2005. In 2006, Columbus has 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 the "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

There have been no events since 31st December 2006 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 the 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 solution - 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, whilst 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's international activities to which some political risks are attached, and investment in, and disposal of, national and international companies.

Financial Report 2006

Columbus IT Partner's net revenues totaled DKK 757M in 2006 compared to DKK 650M in the preceding year.

Revenues	2006		2005		Revenues	2006		2005	
	DKKm	%	DKKm	%		DKKm	%	DKKm	%
Hardware	21	3%	22	3%	Dynamics AX (formerly Axapta)	518	68%	488	75%
Software	265	35%	226	35%	Dynamics Nav (formerly Navision)	149	20%	81	12%
Services	471	62%	402	62%	XAL	55	7%	51	8%
					Others	35	5%	30	5%
Total	757	100%	650	100%	Total	757	100%	650	100%

The table above shows that sales of software 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 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 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 Kazakhstani 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 (DKK M)		EBITDA (DKK M)		Headcount (as of 31st December)	
	2006	2005	2006	2005	2006	2005
The Nordic region	288	247	34	20	297	216
Western Europe	202	159	16	14	172	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	17	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 DKK 41M in 2006 corresponding to 17% compared to 2005. The increase was mainly due to a higher level of activity in the Danish subsidiary where revenues are increased by DKK 21M corresponding to 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 has 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 apart from the Austrian and French subsidiaries which contributed with DKK -3M and DKK -2M respectively, which are not satisfactory. 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 with restoring 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. The company is in liquidation.

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 the 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.

Rights issue and 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 VerticalSoft as well as the entire purchase price related to the Austrian company Martin Becker GmbH. Please refer to stock exchange release no. 2 of 12th January, no. 4 of 18th January, and no. 6 of 30th January 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 22nd March 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 Ltda. Please refer to stock exchange release no. 13 of 5th July 2006, no. 14 of 14th July 2006, and no. 15 of 18th July 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 7th September 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 12th December 2006.

4,121,622 shares in all were issued in 2006, 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 31st December 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.

Explanation of shareholders' equity

Development in shareholders' equity (DKKm)	2006	2005
Equity 1 st January	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 31 st December	201.1	147.3
Minority interests	10.9	11.9
Total equity 31 st December	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, has 33.49% holdings 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 commercial 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 to the retained profits.

Investors

The following 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 report

The annual report for 2006 is expected to be available on 13th April 2007 at the latest.

Annual General Meeting

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

The following Management's review is expected to be made at the annual report:

Management's report

The Boards of Directors and Management have today approved the annual report for 2006 for Columbus IT Partner Group and the Parent Company.

The annual report has been drawn up in accordance with the provisions in International Financial Reporting Standards (IFRS) 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 picture 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 period 1 January – 31 December 2006.

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

Brøndby, 15th March 2007

Board of Management

Michael Gaardboe
CEO

Sven Madsen
CFO

Board of Directors

Ib Kunøe
Chairman

Michael Gaardboe

Claus Hougesen

Jørgen Cadovius

Income statement

DKK 1,000	2006	2005
Net revenues	756,718	649,779
External project costs	-211,101	-184,538
Gross earnings	545,617	465,241
Other external costs	-153,865	-124,017
Staff expenses	-374,984	-317,994
Other operating income	15,142	566
Other operating costs	-660	-182
Earnings before depreciation (EBITDA)	31,250	23,614
Depreciation	-14,792	-12,230
Earnings before goodwill amortization (EBITA)	16,458	11,384
Write down of goodwill	-2,412	-7,244
Operating profit (EBIT)	14,046	4,140
Result in associated companies	-137	-131
Financial income	7,504	9,083
Financial expenses	-13,268	-11,874
Pre-tax earnings	8,145	1,218
Tax on earnings for the year	12,012	-7,347
Earnings for the year	20,157	-6,129
Allocated thus:		
Shareholders of Columbus IT Partner A/S	21,171	-10,040
Minority interests	-1,014	3,911
	20,157	-6,129

Balance sheet

DKK 1,000	2006	2005
Assets		
Development projects completed	37,444	27,137
Royalties	313	465
Goodwill	156,754	152,412
Development projects in progress	2,649	1,955
Intangible assets	197,160	181,969
Plan and operating equipment	12,508	12,937
Tangible assets	12,508	12,937
Holdings in associated companies	1,994	1,168
Other receivables	8,947	0
Deferred tax assets	35,484	27,774
Financial assets	46,425	28,942
Total long-term assets	256,093	223,848
Inventories	1,764	3,244
Accounts receivable – sales and services	189,154	176,669
Contract work in progress	22,847	9,588
Receivables from shareholders	982	6,207
Corporation tax	3,376	4,957
Other receivables	17,415	14,711
Accruals	8,542	11,483
Receivables	242,316	223,615
Cash funds	43,633	35,625
Total short-term assets	287,713	262,484
Total assets	543,806	486,332

Balance sheet

DKK 1,000	2006	2005
Liabilities		
Share capital	93,929	88,777
Retained profit	107,159	58,518
Columbus IT Partner A/S' shareholders - Share of Equity	201,088	147,295
Minority interests – Share of Equity	10,899	11,893
Equity	211,987	159,188
Deferred tax	1,017	1,404
Subordinated loan capital	0	10,239
Mortgage lenders	773	934
Other debt	2,080	2,441
Long-term debt	3,870	15,018
Subordinated loan capital	0	5,000
Short-term part of long-term debt	653	594
Kreditinstitutter	93,352	72,941
Debt to affiliated companies	6,117	3,000
Client prepayments	35,171	20,742
Trade accounts payable	68,257	65,395
Corporation tax	1,803	3,529
Payable purchase sum re. acquired companies	10,862	32,268
Other debt	102,834	93,354
Accruals	8,900	15,303
Short-term debt	327,949	312,126
Debt	331,819	327,144
Total liabilities	543,806	486,332

CASH FLOW STATEMENT

DKK 1,000	Group	
	2006	2005
Earnings for the year	20,157	-6,129
Adjustments	11,815	30,669
Changes in working capital	-4,533	15,079
Cash flow from operations before financials	-27,439	39,619
Interest received, etc.	7,504	9,083
Interest paid, etc.	-13,268	-11,634
Cash flow from operations	-21,675	37,068
Corporation tax paid regarding prior year	9,000	-3,465
Corporation tax paid regarding current year	-3,652	-4,721
Cash flow from operations	27,028	28,882
Acquisition of intangible assets	-19,510	-5,663
Acquisition of tangible assets	-6,428	-8,441
Disposal of intangible assets	148	0
Disposal of tangible assets	464	1,517
Changes in financial receivables	-13,421	0
Investment in associated company	-963	-1,299
Investment in subsidiaries	-6,718	-86,438
Cash flow from investments	-46,428	-100,324
Capital increase – rights issue	36,180	149,207
of which conversion of debts and loans	0	-58,530
Expenses – capital increase	-284	-3,434
Dividends paid to minority shareholders	-513	-1,057
Overdraft facilities	20,064	-13,905
Settlement of payable purchase sum	-19,892	0
Prepayment of subordinated loan capital	-15,239	0
Raising of debt	9,000	0
Redemption of long-term debt	-568	-2,030
Cash flow from financing activities	28,748	70,251
Changes in cash funds	9,348	-1,191
Cash funds, opening balance	35,625	35,483
Exchange rate adjustments	-1,340	1,333
Cash funds, year-end	43,633	35,625