

Release no. 23/2016

Company announcement

First half 2016: Columbus delivers solid growth

In first half 2016 revenue increased by 8% and EBITDA¹ increased by 70%. A solid growth in the services business and acquisitions are driving the revenue and the EBITDA increase.

Columbus has today published the Interim Report for first half of 2016, cf. release no. 22/2016

Services business and acquisitions are driving growth

In the first half of 2016, revenue amounted to DKK 595m (2015: DKK 548m), an increase of 8%. EBITDA¹ amounted to DKK 66.8m (2015: DKK 39.4m), corresponding to an increase of 70%.

The revenue growth was primarily driven by a solid growth in the services business and acquisitions made in 2015 and 2016. In the first half of 2016, the services revenue increased by 10%. The progress mainly came from Columbus' US business.

The increase in EBITDA was partly driven by the effect of the acquisitions, and partly by a significant growth in profitability in the services business.

The improved profitability was primarily due to cost reductions in Norway and secondarily due to improvement in chargeable hours in both Norway and the US. The development in Norway and the US is in line with expectations.

Improved profitability in the services business

In the first half of 2016, the service EBITDA increased from DKK 11.5m to DKK 35.8m, corresponding to an increase of DKK 24.3m. The main reason for this improvement was an increase in chargeable hours from 56% to 60%. The increase came from the US and Norway and from acquisitions.

Stable growth in sale of Columbus Software

In the first half of 2016, Columbus Software increased by 9% despite a decline in Columbus license sale. The decline in license sale is due to a very strong sale in H1 2015. The strong sale of new license in 2015 has caused the growth of 28% in subscription in H1 2016.

Growth in recurring revenue

In first half of 2016, recurring revenue increased by 13%, primarily affected by acquisitions. The proportion of the total revenue was 25%. The development is in line with expectations.

DKK '000	H1 2016	H1 2015	2015
Columbus Software licenses	22,554	23,913	52,251
Columbus Software subscriptions	23,271	18,130	44,530
External licenses	47,662	49,438	107,525
Eksternal subscriptions	99,776	92,495	184,524
Services	390,778	354,712	715,545
Other	10,496	9,757	19,068
Total net revenue	594,537	548,445	1,123,443
EBITDA before share-based payment	66,754	39,353	105,225
Share-based payment	-1,091	-629	-1,362
EBITDA	65,663	38,724	103,863

"I am satisfied with the growth in first half, where we follow our new Columbus2020 strategy plan. We deliver overall growth, and especially our services business shows good progress", says CEO & President in Columbus Thomas Honoré

Columbus maintains expectations to 2016

Columbus maintains the previously announced expectations for 2016:

- Revenue in the level of DKK 1.2bn
- EBITDA¹ in the level of DKK 124m
- Columbus Software revenue of DKK 105m
- Service EBITDA of DKK 84m
- 10% dividend on nominal share capital

Latest developments

No events or transactions with a material effect on the company's financial position have occurred since the balance sheet date.

¹ EBITDA before share-based payment

Ib Kunøe
Chairman of the Board
Columbus A/S

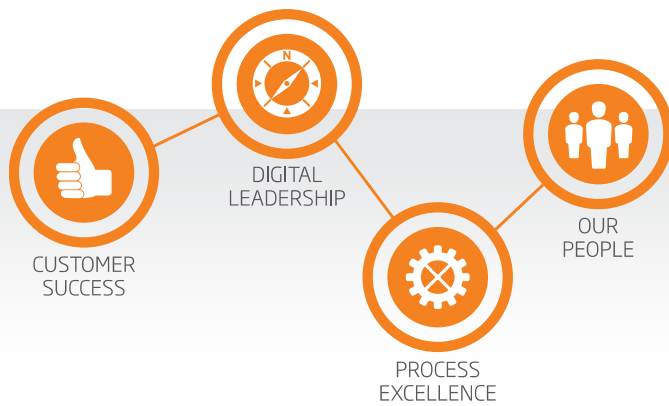
Thomas Honoré
CEO & President
Columbus A/S

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Translation

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

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Columbus' Columbus2020 strategy - towards growth

Based on Columbus' strengthened position, as a result of successful execution of the Columbus15 strategy, the company launched a growth strategy in March. The strategy is named Columbus2020 and consists of four interconnected strategic elements.



Customer Success - Taking care of our customers for life

Columbus' fundamental goal is to take care of our customers for life. Columbus aims to be widely recognized as a strategic business partner that enhances our customer's success by improving the value realization of

their ERP-investments and by leading them in the digital transformation of their business. This means that Columbus will intensify the focus on creating a unique customer experience and increase customer

satisfaction from the customer meet Columbus for the first time to delivering unique solutions, high quality services and streamlined project delivery and support 24/7.



Digital Leadership - Accelerate business innovation

Columbus helps our customers in the digital transformation of their business. With Digital Leadership Columbus has two focus areas. Firstly, Columbus will continue to strengthen our leadership position within ERP by investing in new companies, applications,

methodologies and business processes that optimizes and improves the implementation of ERP-solutions. Secondly, Columbus will establish a leadership position within Digital Transformation. Many companies are about to or in the process of transforming their

business in order to succeed in the digital economy. Columbus will develop solutions and services within cloud, mobile, social, analytics and Internet of Things that help companies take advantage of the digital opportunities.



Process Excellence - Quality in everything we do

In Columbus, we constantly strive to optimize and streamline our business operations in order to achieve strong sales excellence and deliver projects, services and support of high

quality to our customers. Our goal is to create the best customer experience in the industry. The focal point is quality in everything we do - from the initial contact with customers,

over sales and design of the business solution to the implementation process and lifetime support. This means an intense focus on optimizing and streamlining our processes globally.



Our People - Attract, develop and retain the best people

Columbus' greatest asset is our employees and therefore it is crucial that we attract and retain the best people in the industry. We want to attract highly skilled people by

providing challenging career opportunities, attractive working conditions and professional and personal growth. Columbus want to create a customer culture, where

meeting the customers' expectations sets the direction in everything we do. This means that Columbus always strives to deliver projects on time, within budget and at the highest quality.