



EDB BUSINESS PARTNER ASA

Interim accounts for Q2 2001 EDB Business Partner ASA





Key figures for Q2 2001

- Operating revenue: NOK 1,205 m (+ 14 % vs. proforma)
- **EBITDA** NOK 182 m (+ 37 m)
- **EBITA** NOK 135 m (+ 53 m)
- **Pre-tax profit** NOK -10 m (- 42 m)
- **Profit after tax** NOK -22 m (- 38 m)

⇒ *Special factors - see penultimate slide*





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Main features of Q2 2001

- Strong earnings performance continues, operating margin at an all time high
- Strong growth in operating revenue, also in proforma terms
- Particularly strong margin performance from Telecommunications
- Weaker margins for Computer Operating Services
- Outsourcing agreement signed with DnB
- Established a presence in Sweden by acquiring Unigrid AB
- Acquired Accept Data
- Renegotiation of the Nordea agreement, NOK 74 million of goodwill written off
- Gain of NOK 23 million from real estate



EDB - Business areas

**Consultancy Services (Consulting, project management,
e-business for all industries/sectors)**

**Bank &
Finance**

Telecoms

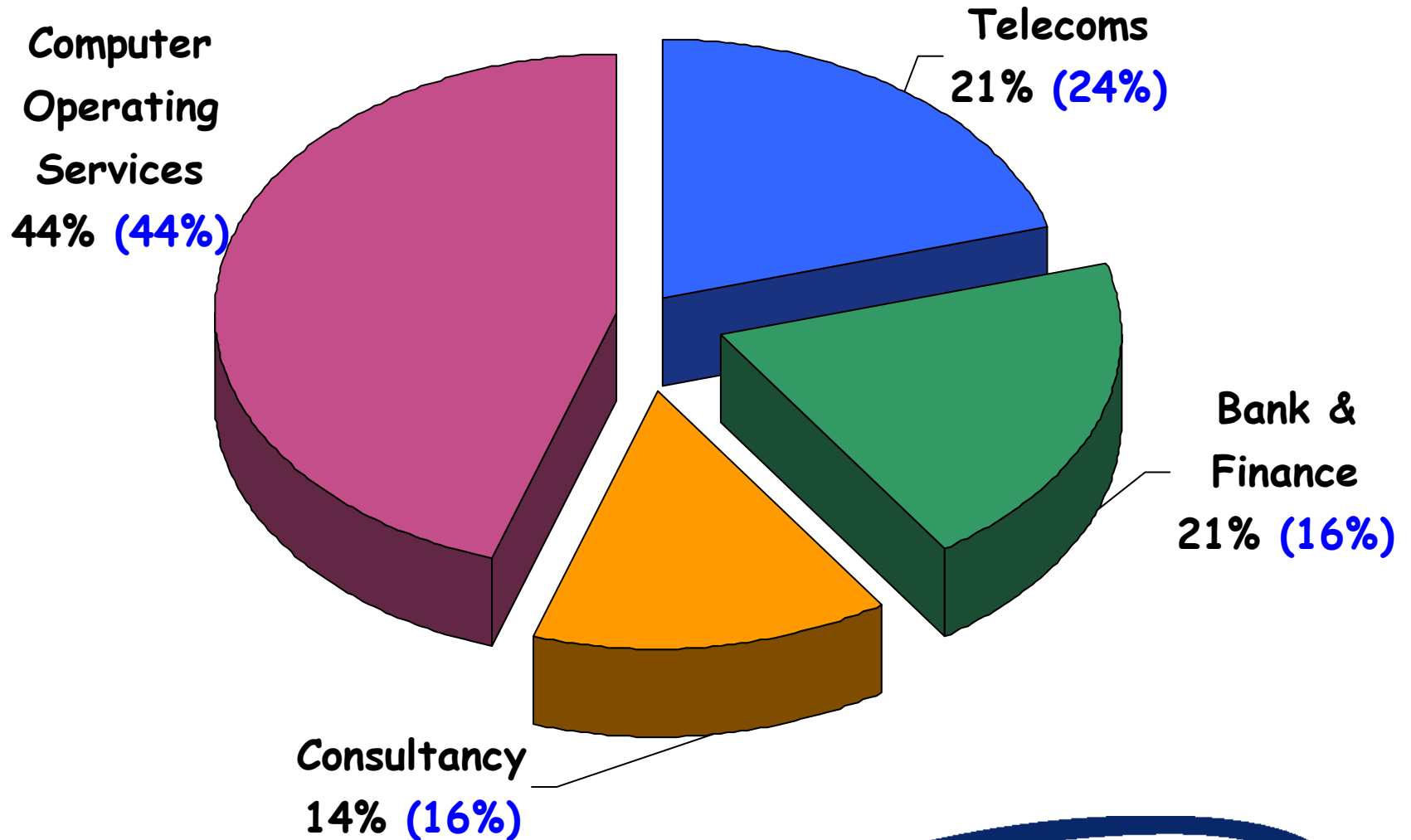
**Computer Operating Services, outsourcing,
ASP (for all industries/sectors)**





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Operating revenue by business area H1 2001 (full year 2000)





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Analysis by business area Q2 2001

	Op. Rev.	Change %	Profit	Change MNOK	Margin	Change pp
Telecoms	247	2%	45	33	18.1 %	13.1
Bank&Finance	229	13%	27	-17	11.6 %	-9.9
Consultancy	176	19%	8	21	4.4 %	13.5
Computer Ops.	576	17%	35	-14	6.0 %	-3.7



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Analysis by business area H1 2001

	Op. Rev.	Change %	Profit	Change MNOK	Margin	Change pp
Telecoms	496	7%	74	61	14.9 %	12.2
Bank&Finance	476	76%	52	3	10.8 %	-7.1
Consultancy	348	20%	14	34	4.0 %	10.8
Computer Ops.	1,101	37%	83	-12	7.5 %	-4.2



Consultancy Services

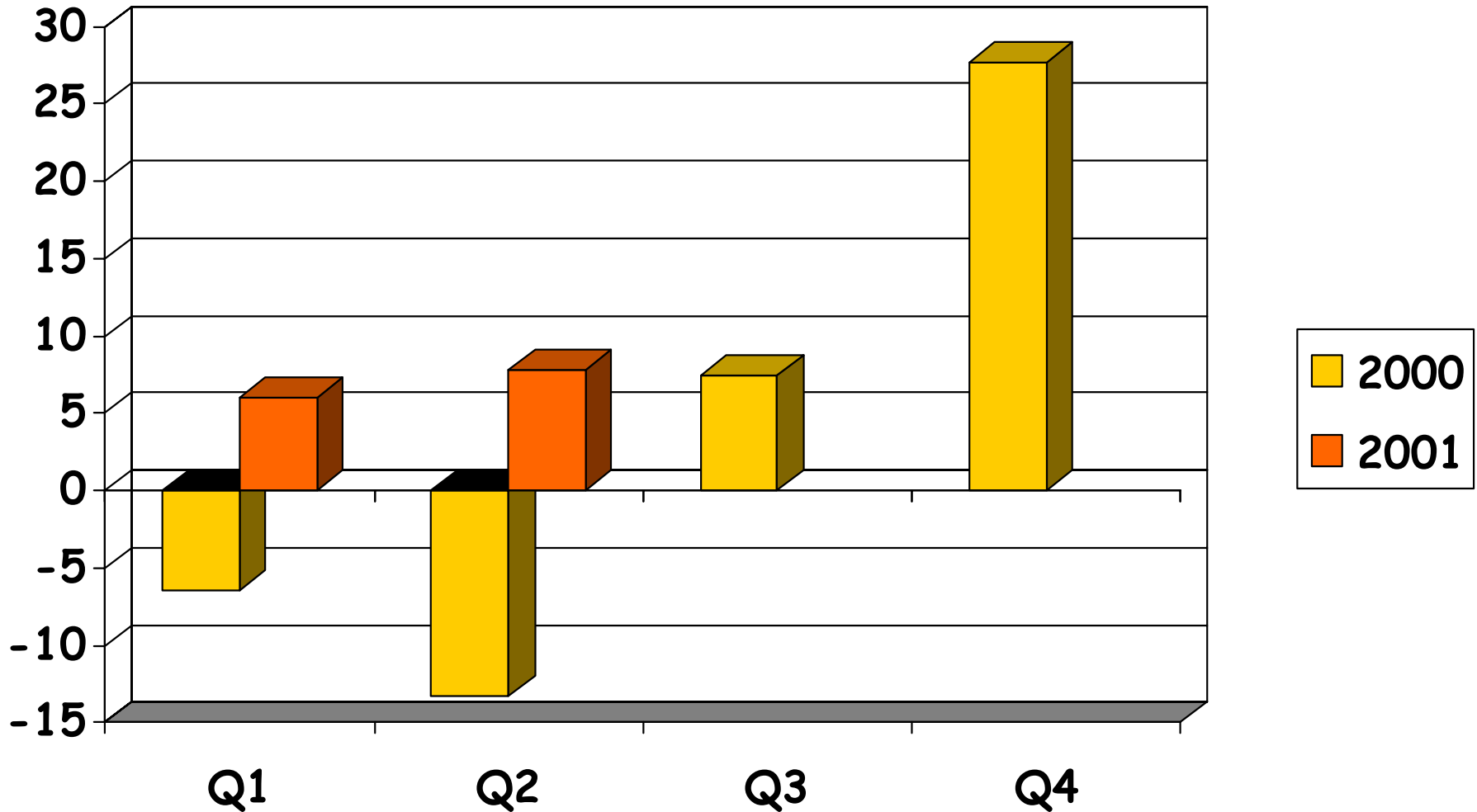
- Involved in consulting, project management, systems development and systems administration for all industries/sectors
- Sharp improvement in margin from the same period last year
- Completed restructuring is now having a positive effect on earnings
- Scope for further earnings improvement in certain sub-segments, particularly sales to the public sector
- Some signs of market weakness at the close of Q2
- Restructuring and businesses sold reflected in lower staff numbers than last year





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Consultancy Services - profits





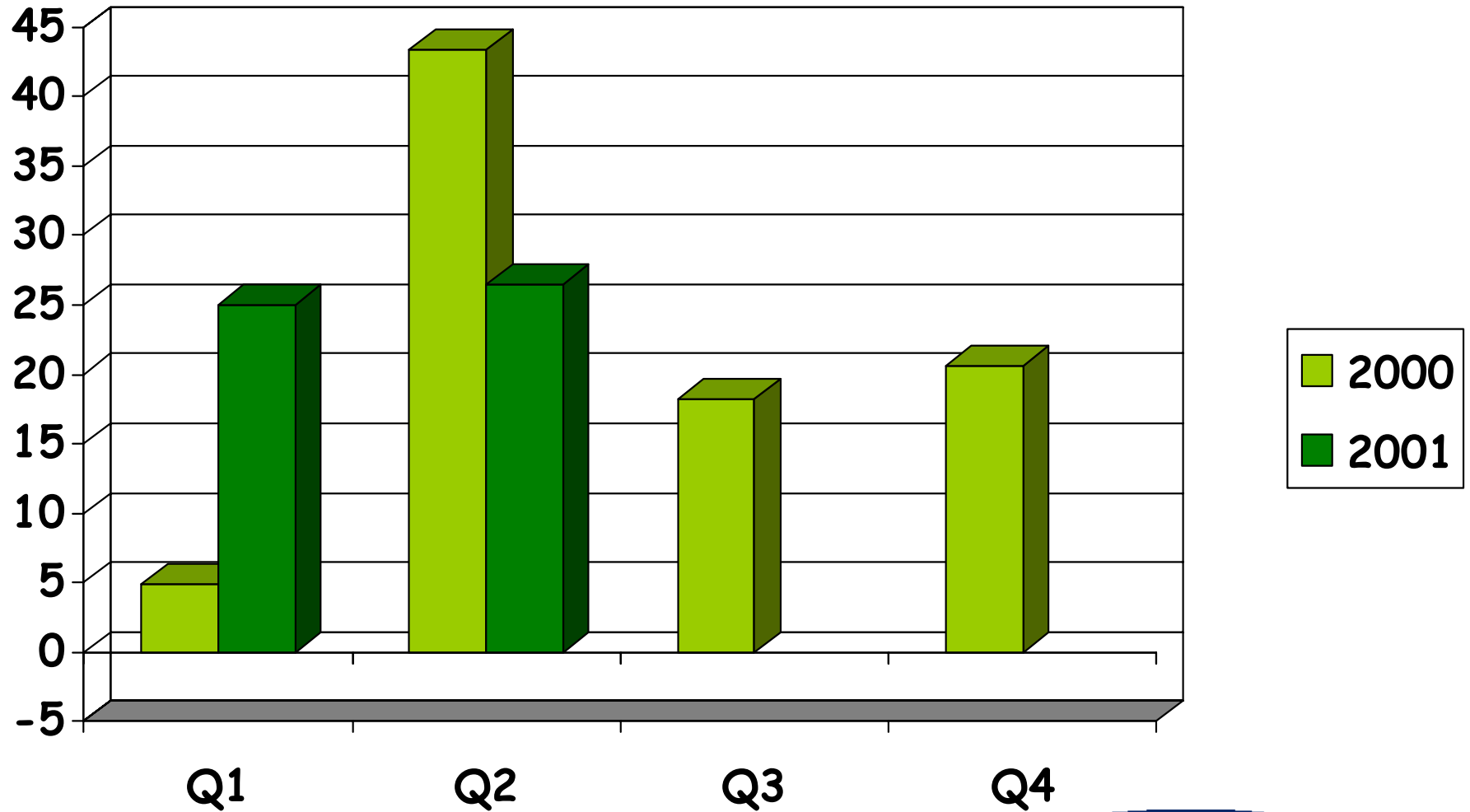
Bank & Finance

- Sales of software, solutions and consultancy services for the banking and finance sector
- High level activity and good profitability. Margins lower than in Q2 last year when profit was boosted by special factors
- Good inflow of new orders
- Acquisition of Accept Data adds products for equity trading and investment management
- Focus on international sales. Increasing number of products made ready for international markets
- High level of activity is expected to continue for the rest of 2001





Bank & Finance - profits





Telecommunications

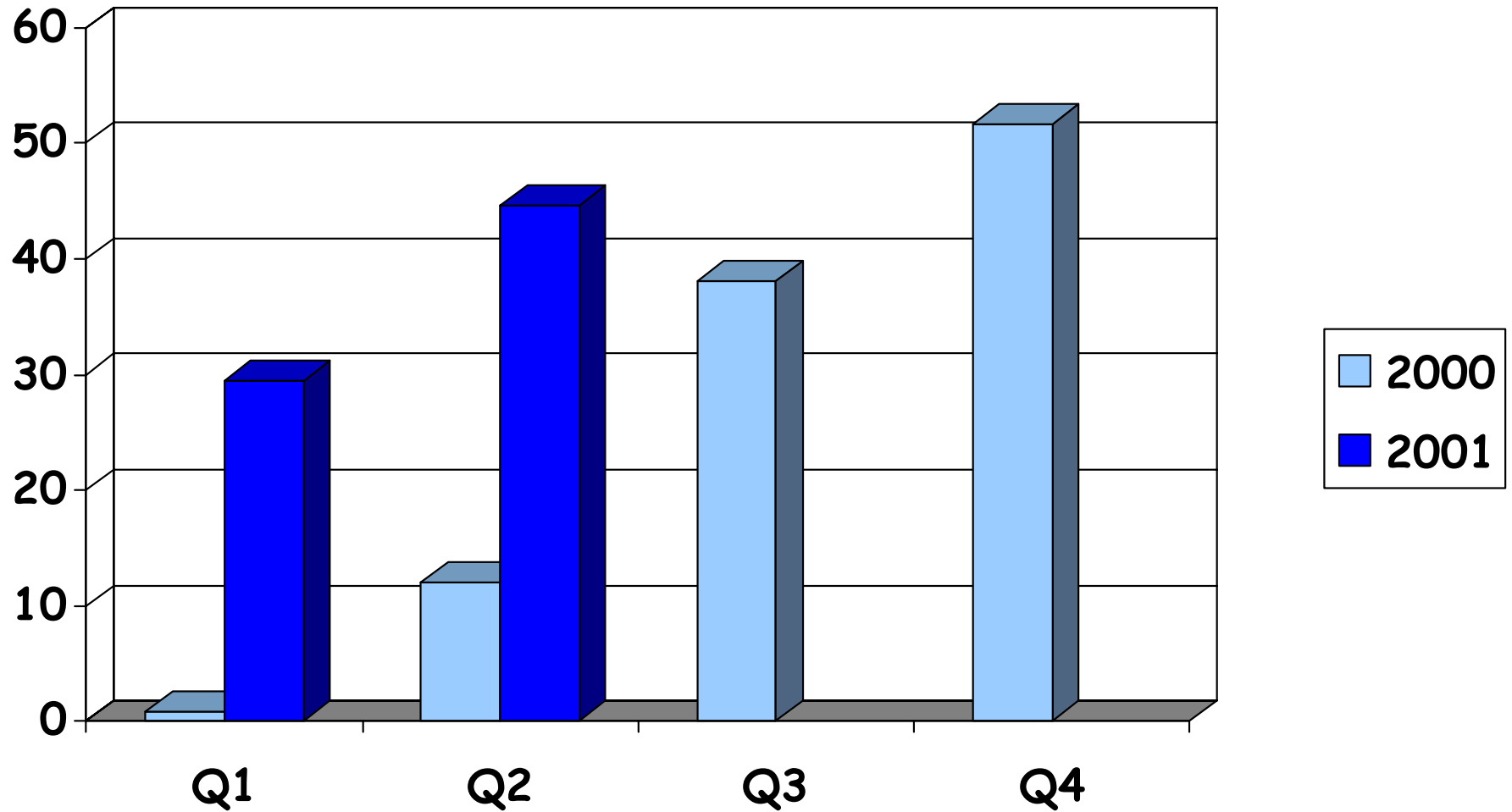
- Involved in sales of CCB and Mediation solutions, as well as consultancy services for telecommunications operators
- Strong margins in Q2 - significantly higher than last year
- Higher proportion of Mediation sales boosts margins
- A major development project depressed margins this period last year
- Cost control measures implemented in response to levelling-off seen for domestic market growth
- Good performance in the USA
- A number of new Mediation orders won, including orders by customers preparing for GPRS and UMTS





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Telecommunications - profits





Computer Operating Services

- Comprises both centralised and remote operation of computer systems, ASP and data communications as well as services for security and publishing
- Unit prices continue to fall and pull down margins
- Further fall in margins in Q2 as result of shift in volume towards lower margin services, high project costs, sales costs for new orders won, premises sale/leaseback
- Nordea outsourcing contract renegotiated
- Contract signed with DnB
- Established a presence in Sweden by acquiring Unigrig AB





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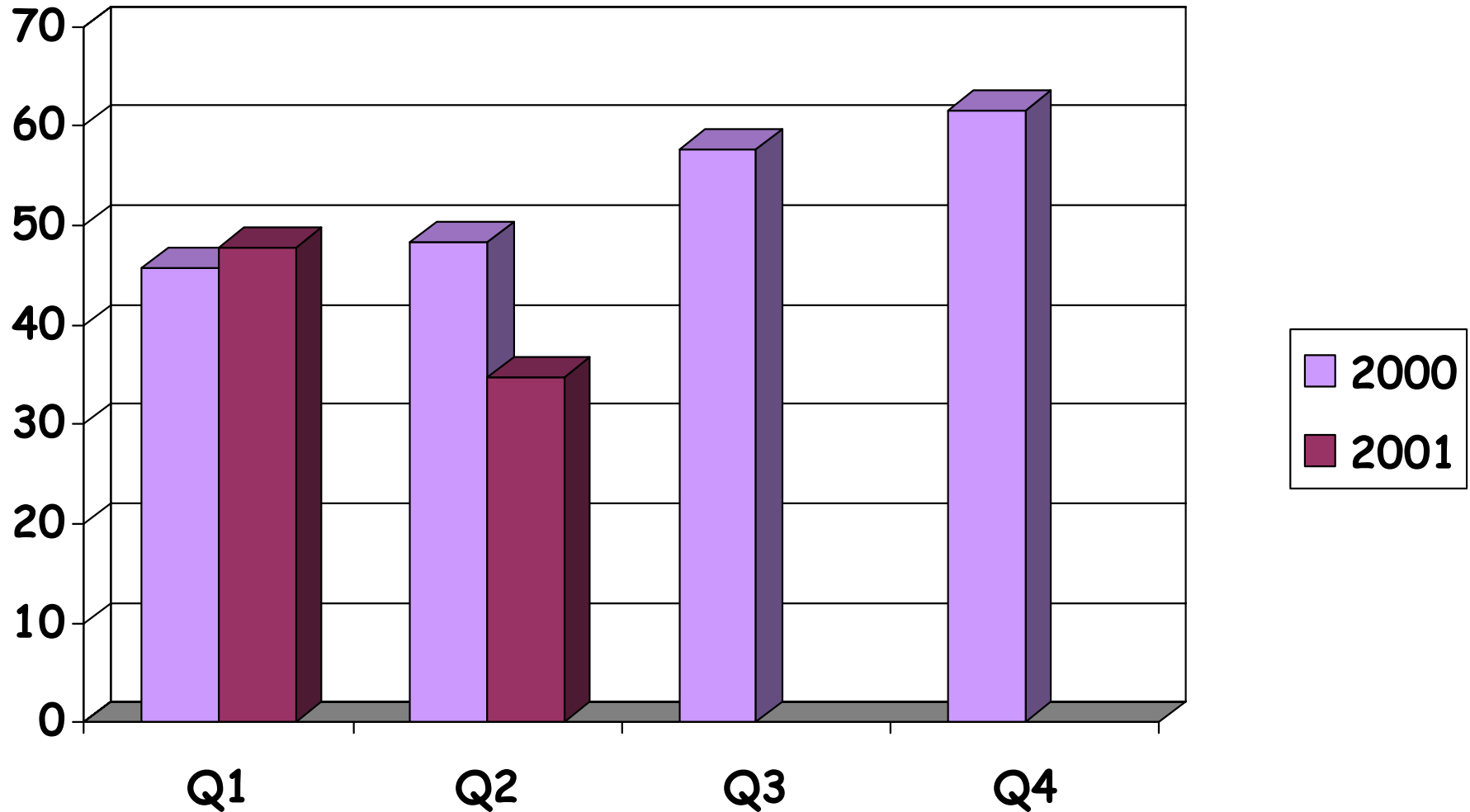
Computer Operating Services new contracts

- Contract with DnB and acquisition of Unigridd are both strategically important
- New contracts represent NOK 550 million of additional annual turnover from 1 July 2001
- Profitability from synergy benefits to be realised after 12-18 months
- Will reduce the business area's margin by 2-3 percentage points in the first year
- Goodwill created of NOK 384 million will give annual goodwill depreciation of NOK 48 million



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Computer Operating Services - profits





Future prospects

- Consultancy Services
 - Further restructuring of public sector activities will have an effect in the second half of the year
 - No material change in margins expected over the second half of the year despite market slowdown
- Bank & Finance
 - Expect to see a continuing high level of activity
 - Internationalisation of the product portfolio is expected to give results
- Telecommunications
 - Increasing international software sales in a weaker market
 - Domestic market stagnating
- Computer Operating Services
 - Major inflow of new business creates a need to consolidate activities in order to manage new and existing business in an optimal manner
 - Focus on realising synergy benefits to offset long-term effect of falling unit prices





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Prospects for 2001

- Organic growth in turnover of 12 – 13%
- EBITA higher in both absolute and relative terms
- Long-term growth targets unchanged
- Focus on international growth
- Restructuring of the Nordic and European IT sector is set to continue





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Balance sheet

	30.06.01	30.06.00	31.12.00
Goodwill	2,743	2,888	3,094
Other fixed assets	791	1,176	1,186
Total fixed assets	3,534	4,063	4,280
Current assets	1,631	1,544	1,547
TOTAL ASSETS	5,165	5,608	5,827
Equity	3,219	3,129	3,128
Non-interest bearing liabilities	143	140	206
Interest bearing liabilities	746	1,222	1,291
Total long term liabilities	889	1,363	1,497
Non-interest bearing liabilities	985	1,015	1,124
Interest bearing liabilities	73	102	78
Total current liabilities	1,058	1,116	1,202



Cash flow analysis

	30.06.01	30.06.00	31.12.00
Cash flow from operations	16.4	117.5	424.5
Cash flow from investments	435.3	-2,702.2	-3,040.9
Cash flow from financing	-528.7	2,627.4	2,626.0
Net change in liquid assets	-77.0	42.7	9.6
Liquid assets at 01.01.	421.8	410.5	410.5
Currency translation on liquid assets	-	-	1.7
Liquid assets at end of period	344.8	453.2	421.8





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Key figures

	30.06.01	30.06.00	31.12.00
EPS (post-tax, before gw. deprec.)	1.90	0.97	2.62
EBITDA per share	3.74	2.39	6.33
Cash flow per share	0.18	1.51	5.10
Equity ratio %	62%	56%	54%
Book equity per share	36.1	40.3	37.6
Current ratio	1.5	1.4	1.3
Op. margin before gw. deprec.	10.2 %	3.8 %	7.1 %
Average number of shares (million)	89.1	77.7	83.3



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Main shareholders

(75.3 % of 90.6 million shares)

Telenor	51.8 %	Aksjefondet Gambak	0.8 %
Folketrygdfondet	5.4 %	K-Avkastning	0.7 %
Morgan Stanley and Clients	3.3 %	Gjensidige NOR Sparebank	0.7 %
Storebrand Livsforsikring	2.4 %	State Street Bank & Client	0.7 %
Dexia Banque International	1.3 %	Rusten Invest	0.6 %
Erste Bank der Oeste Spark.	1.0 %	Sparebankenes Sikringsfond	0.6 %
Bank of New York Europe	1.0 %	Bank of New York Europe	0.6 %
Fidelity Funds	1.0 %	KLP Forsikring	0.6 %
Vital Forsikring	0.9 %	Ing Ferri SA	0.5 %
Arendals Fossekompani	0.9 %	Verdipapirfondet Avanse	0.5 %



Main figures for Q2 2001

Special factors which had a significant accounting effect :

	Q2 2001	Q2 2000	Change
Employer's tax etc (options)	6	-	6
Gain on sale of real estate	23	-	23
Goodwill depreciation	-53	-47	-6
Goodwill write-off	-74	-	-74
Interest on FD borrowing	-14	-	-14
<u>Effect on pre-tax profit</u>			<u>-65</u>



Main figures for H1 2001

Special factors which had a significant accounting effect :

	H1 2001	H1 2000	Change
Employer's tax etc (options)	2	-41	43
Gain on sale of real estate	31	-	31
Goodwill depreciation	-103	-68	-35
Goodwill write-off	-74	-	-74
Gain on sale of shares	-	28	-28
Interest on FD borrowing	-28	-	-28
<u>Effect on pre-tax profit</u>			<u>-91</u>