



Fourth quarter 2002 interim report

EDB Business Partner ASA





2002 - key figures for Q4 and previous quarters

(NOK million)	Q4'02	Q3'02	Q2'02	Q1'02
Operating revenue	1,126	1,001	1,089	1,125
EBITA	15	71	22	9
<i>non-recurring items inc. in EBITA</i>	-62	-	-18	-33
EBITA exc. non-recurring items	77	71	40	42
Margin	1.3%	7.1%	2.0%	0.8%
Margin exc. non-recurring items	6.8%	7.1%	3.7%	3.7%
No. of employees	2,787	2,909	2,934	3,038





Main features of the fourth quarter (I)

- No change in market conditions from the previous quarter
- Better underlying EBITA for the group as a whole relative to earlier quarters of 2002
- Non-recurring cost of NOK 62 million in Q4 related to cut in headcount of 185 FTEs – lower headcount will have full cost-saving effect during Q1 2003
- Lower cost base paves the way for improving margins
- Q4 cash from operations of NOK 234 million
- Goodwill written down by NOK 352 million in the quarter





Main features of the fourth quarter (II)

- Underlying EBITA margin of 8.9% for Computer Operating Services - broadly in line with the previous quarter and 3.5 percentage points better than Q4 2001
- Underlying EBITA margin of 13.9% for Telecommunications is significantly better than the earlier quarters of 2002
- Underlying EBITA margin of -1% for Bank & Finance as a result of lower than expected turnover and specific higher Q4 costs
- Underlying EBITA margin of 5.1% for Consultancy Services despite difficult conditions in the consulting market





Key figures for Q4 2002 vs. Q4 2001

(NOK million)	Q4'02	Q4'01	Change
Operating revenue	1,126	1,519	-393
EBITA	15	208	-192
<i>- non-recurring items inc. in EBIT.</i>	-62	84	-145
EBITA exc. non-recurring items	77	124	-47
Margin	1.3%	13.7%	-12.3%
Margin exc. non-recurring items	6.8%	8.8%	-2.0%
Profit after tax	-312	14	-326
No. of employees	2,787	3,222	-435

• Capital gains in 2001 of NOK 104 million

• Goodwill write-down = 352 (6)
• Write-off/loss on shares = 13 (109)





Key full-year figures for 2002 vs. 2001

(NOK million)	2002	2001	Change
Operating revenue	4,341	5,061	-719
EBITA	117	361	-244
- non-recurring items inc. in EBITA	-113	-23	-90
EBITA exc. non-recurring items	229	384	-154
Margin	2.7%	7.1%	-4.4%
Margin exc. non-recurring items	5.3%	7.8%	-2.5%
Profit after tax	-432	-1,061	629
No. of employees	2,787	3,222	-435

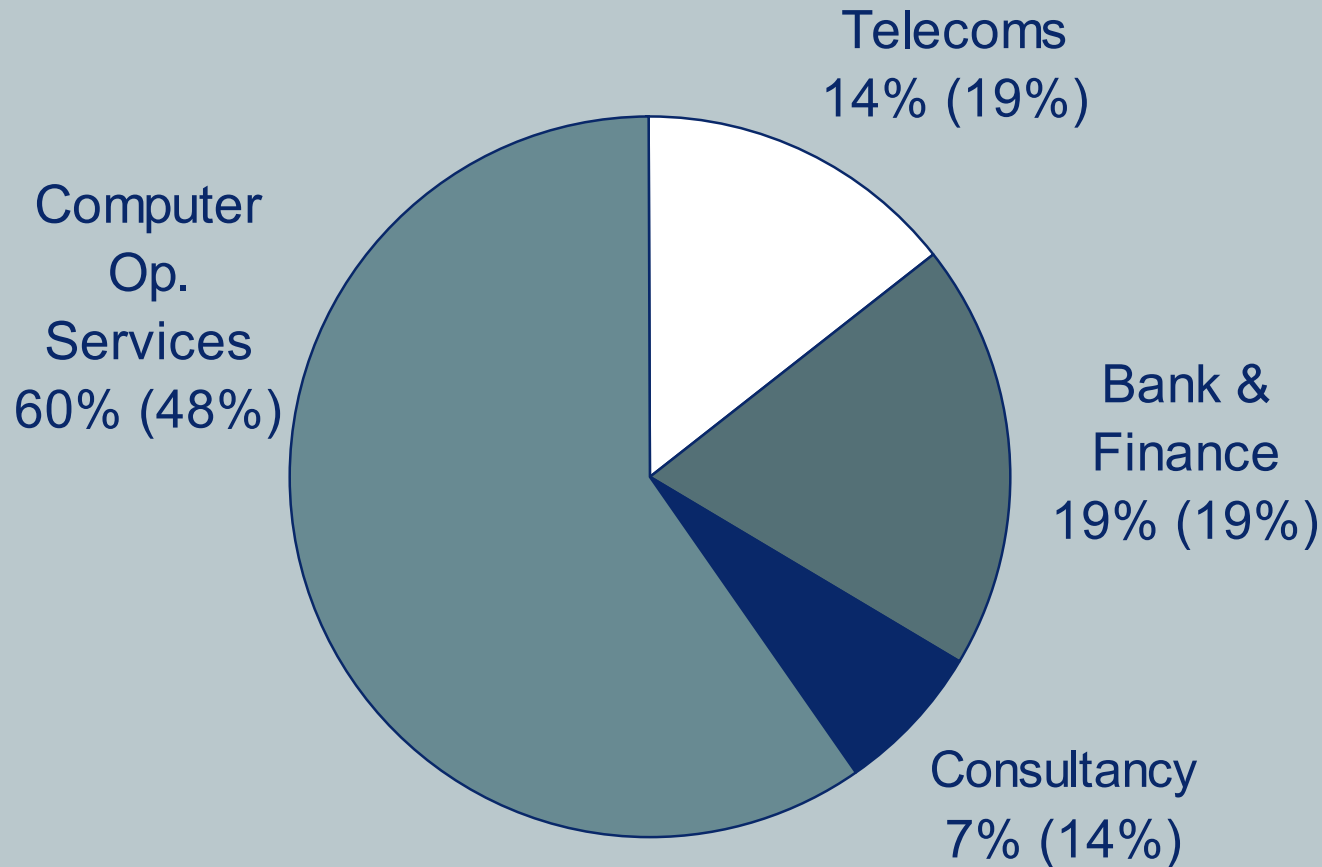
• Capital gains in 2001 of NOK 139 million

• Goodwill write-down = 356 (1.262)
• Write-off/loss on shares = 88 (145)





Analysis of 2002 turnover (full year 2001)





Key figures for Consultancy Services

(NOK million)	Q4'02	Q3'02	Q2'02	Q1'02	Q4'02	Q4'01	Change
Operating profit	75	59	79	85	75	256	-181
EBITA	-17	0	-5	-6	-17	104	-121
<i>-non-recurring items inc. in EBITA</i>	-21	-	-	-	-21	101	-122
EBITA exc.non-recurring items	4	0	-5	-6	4	3	1
Margin	-5.8%	0.1%	-6.8%	-7.1%	-5.8%	40.5%	-46.2%
Margin exc. non-recurring items	5.1%	0.1%	-6.8%	-7.1%	5.1%	1.9%	3.2%
No. of employees *)	299	349	369	388	299	404	-105

- Weaker market conditions since Q4 2001. Like-for-like drop in turnover of NOK 37 million
- Market conditions unchanged from Q3, but certain niche areas continue to perform very well as before
- Significantly lower cost base, cut in headcount of 50-55 FTEs in Q4 had partial effect from 15.12. Full effect during Q1 2003





Key figures for Bank & Finance

(NOK million)	Q4'02	Q3'02	Q2'02	Q1'02	Q4'02	Q4'01	Change
Operating revenue	223	189	230	225	223	297	-73
EBITA	-31	10	10	-13	-31	25	-56
<i>-non-recurring items inc. in EBITA</i>	-29	-	-7	-25	-29	-	-29
EBITA exc. non-recurring items	-2	10	17	12	-2	25	-27
Margin	-14.0%	5.1%	4.3%	-5.7%	-14.0%	8.3%	-22.3%
Margin exc. non-recurring items	-1.0%	5.1%	7.3%	5.4%	-1.0%	8.3%	-9.3%
No. of employees *)	789	841	843	868	789	953	-164

- Weaker market conditions since Q4 2001, but cost base significantly reduced
- No change in market conditions since Q3
- Earnings for Q4'02 weaker expected due to delays in new orders, also unusually high costs in Q4
- Swedish activities had a -2.4% effect on EBITA-% (NOK -20 million)
- Cut in headcount in Q4 of 90 FTEs had partial effect from 15.12. Full effect Q1 2003





Key figures for Telecommunications

(NOK million)	Q4'02	Q3'02	Q2'02	Q1'02	Q4'02	Q4'01	Change
Operating revenue	157	134	165	190	157	265	-108
EBITA	9	10	-11	20	9	47	-38
<i>-non-recurring items inc. in EBITA</i>	-12	-	-14	-3	-12	-20	8
EBITA exc. non-recurring items	22	10	3	23	22	67	-45
Margin	6.0%	7.6%	-6.8%	10.8%	6.0%	17.9%	-11.8%
Margin exc. non-recurring items	13.9%	7.6%	1.7%	12.1%	13.9%	25.4%	-11.5%
No. of employees	559	578	587	659	559	718	-159

- Major high-margin software sales in USA in Q4 2001, also much greater activity in the domestic market at that time
- Significantly lower cost base
- No change in level of activity from Q3 either in Norway or internationally
- Cut in headcount in Q4 of 30-35 FTEs will have full effect in Q1 2003





Key figures for Computer Operating Services

(NOK million)	Q4'02	Q3'02	Q2'02	Q1'02	Q4'02	Q4'01	Change
Operating revenue	724	646	647	657	724	760	-36
EBITA	64	58	35	20	64	39	24
<i>-non-recurring items inc. in EBITA</i>	-	-	-	-	-	-	-
EBITA exc. non-recurring items	64	58	35	20	64	39	24
Margin	8.9%	9.0%	5.4%	3.0%	8.9%	5.1%	3.8 %
No. of employees	1,133	1,135	1,129	1,117	1,133	1,141	-8

- Performance in line with plans communicated with Q3'01 interims. Significantly lower cost base.
- Turnover in Q4'01 included NOK 40 million from contracts that have since ended, also late invoicing of a single customer for NOK 38 million (no profit effect)
- Decentralised operations for DnB included from 1.10.02
- Nordic outsourcing market continues to show a rising trend
- Swedish activities developing well





Future prospects (I)

Consultancy Services:

- Assuming no further deterioration in market conditions, cost savings now in place pave the way for operating profits

Bank & Finance:

- Banks are deferring their investment decisions in response to current conditions in their markets. We do not expect any change to this picture in the near term
- Continued intensive marketing in Sweden is strategically important
- Gjensidige NOR Sparebank intends to negotiate with an alternative supplier for its new core system. EDB will maintain or increase its sales to GNOR over the next 2-3 years. Even after this period GNOR will remain an important customer for EDB for IT operating services and sales of other applications.





Future prospects (II)

Telecommunications:

- No improvement is expected in the current level of market activity, either domestically or internationally
- Cost cutting measures implemented provide the foundation for satisfactory margins (assuming no further deterioration in the level of market activity)

Computer Operating Services:

- Nordic outsourcing market is on a rising trend
- We will continue to focus on the Swedish market
- Focus on stable operations and sound profitability
- Expect to report EBITA margin of 7-9% for full-year 2003





Goodwill

NOK million	Write-down	Book value at 31.12.02 after write-down
Telecoms	-	46
Bank & Finance	-259	566
Consultancy	-93	13
Computer Op.	-	902
Total	-352	1,528





Balance sheet (I) – assets

(NOK million)	31.12.02	31.12.01
Goodwill	1,528	1,991
Tangible fixed assets	398	547
Financial fixed assets	501	443
TOTAL FIXED ASSETS	2,427	2,980
Accounts receivable	683	816
Other current receivables	439	353
Liquid assets	380	515
TOTAL CURRENT ASSETS	1,502	1,684
TOTAL ASSETS	3,929	4,664





Balance sheet (II) – equity and liabilities

(NOK million)	31.12.02	31.12.01
TOTAL EQUITY	1,679	2,152
Non-interest bearing liabilities	191	166
Subordinated loan	450	450
Interest bearing liabilities	270	398
TOTAL LONG-TERM LIABILITIES	911	1,014
Non-interest bearing liabilities	1,339	1,429
Interest bearing liabilities	-	68
TOTAL CURRENT LIABILITIES	1,339	1,498
TOTAL EQUITY AND LIABILITIES	3,929	4,664





Cash flow (I)

NOK million	Q4'02	Q4'01	31.12.02	31.12.01
From operations	234	400	198	542
Operational investments	-28	-58	-167	-156
Acquisition of businesses	-77	-23	-116	-786
Sale of businesses	0	220	5	419
Purchase/sale of real estate	-1	0	116	491
From investment	-105	139	-163	-32





Cash flow (II)

NOK million	Q4'02	Q4'01	31.12.02	31.12.01
Debt repayment	-40	-386	-227	-865
New borrowing	74	12	74	343
Share issues	0	0	0	68
Loan paid in	0	17	0	17
Purchase/sale of own shares	0	0	0	20
From financing	33	-357	-154	-417
Net change in liquid assets	162	182	-118	93
Opening liquid assets	219	331	515	422
Currency translation	-2	1	-17	0
Closing liquid assets	380	515	380	515





Key figures

	Q4'02	Q4'01	31.12.02	31.12.01
Key figures per share:				
Earnings (post-tax, before gw. deprec.)	0.96	0.69	1.03	4.46
EBITDA	0.86	2.97	3.81	6.24
Cash from operations	2.59	4.45	2.19	6.04
Book equity			18.58	23.98
Average number of shares (million)			90.37	89.74
Other key figures:				
Equity as % of total assets			43%	46%
Gearing			0.20	0.19
Undrawn credit facilities			650	500





MAIN SHAREHOLDERS at 27.01.2003

Telenor	51.8 %	Delphi Norge	0.7 %
Folketrygdfondet	9.6 %	Postbanken aksjespar	0.6 %
Vital Forsikring	2.4 %	Verdipapirfondet Fondsfin.	0.5 %
Sparebankenes Sikringsfond	2.0 %	Verdipapirfondet Fondsfin.	0.5 %
DnB Norge	1.4 %	Storebrand Liv P980	0.5 %
Arendals Fossekompani	1.0 %	Forretn.bank. Sikringsfond	0.5 %
Verdipapirfondet Avanse	0.9 %	JPMorgan Chase Bank	0.5%
KLP Forsikring	0.8 %	Verdipapirfondet Avanse	0.5 %
Wilhelmsen ASA	0.8 %	DnB Horisont Tekn.	0.4 %
Rusten Invest AS	0.7 %	Aksjefondet Gambak	0.4 %

