

Creating profitable growth through operational excellence

Endre Rangnes, ABG Sundal Collier Technology Conference – 20.11.03



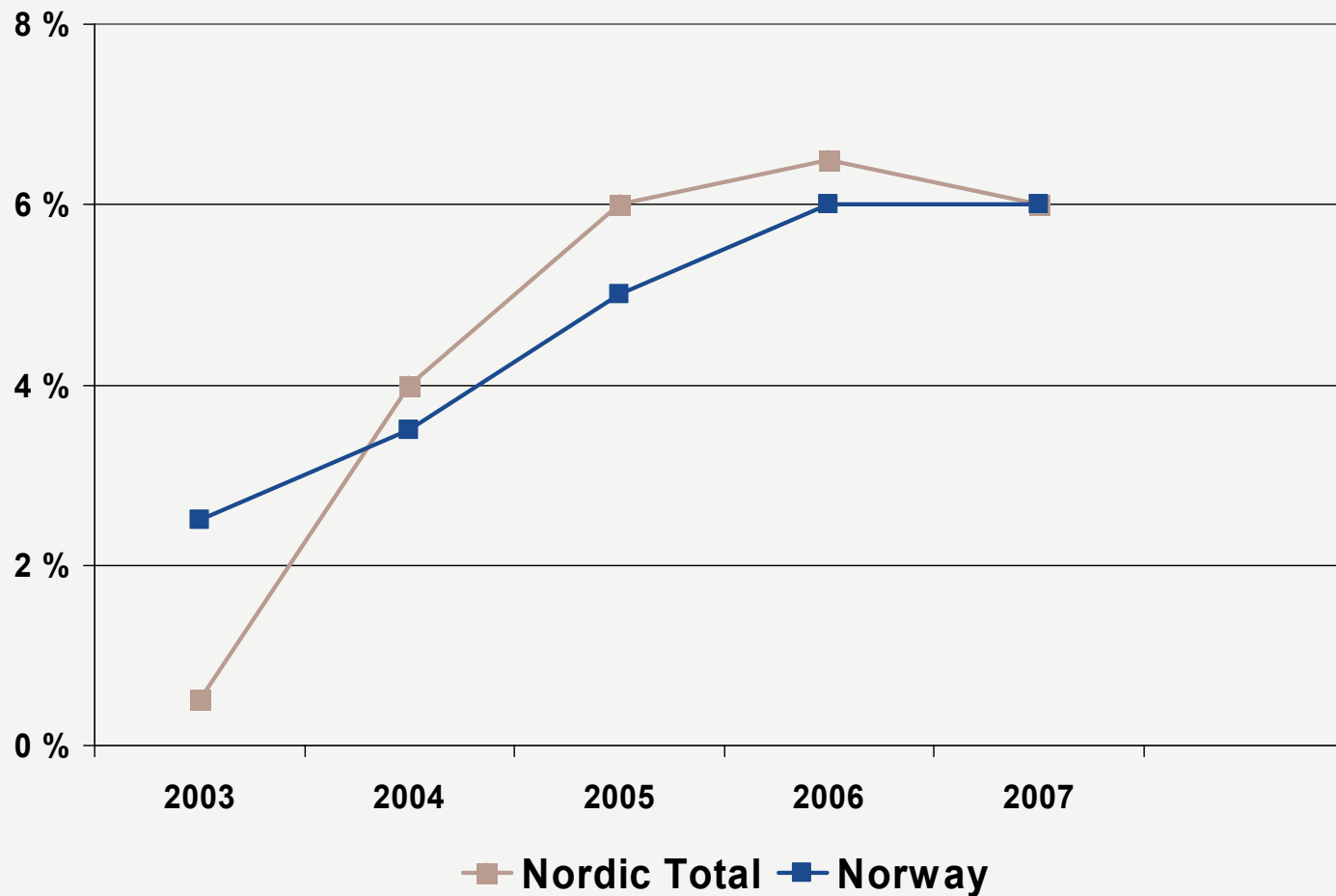
Agenda

1. Nordic IT-market - an attractive arena
2. Outsourcing – a diversified business
3. EDB – positioned for profitable growth

Nordic IT market – an attractive arena



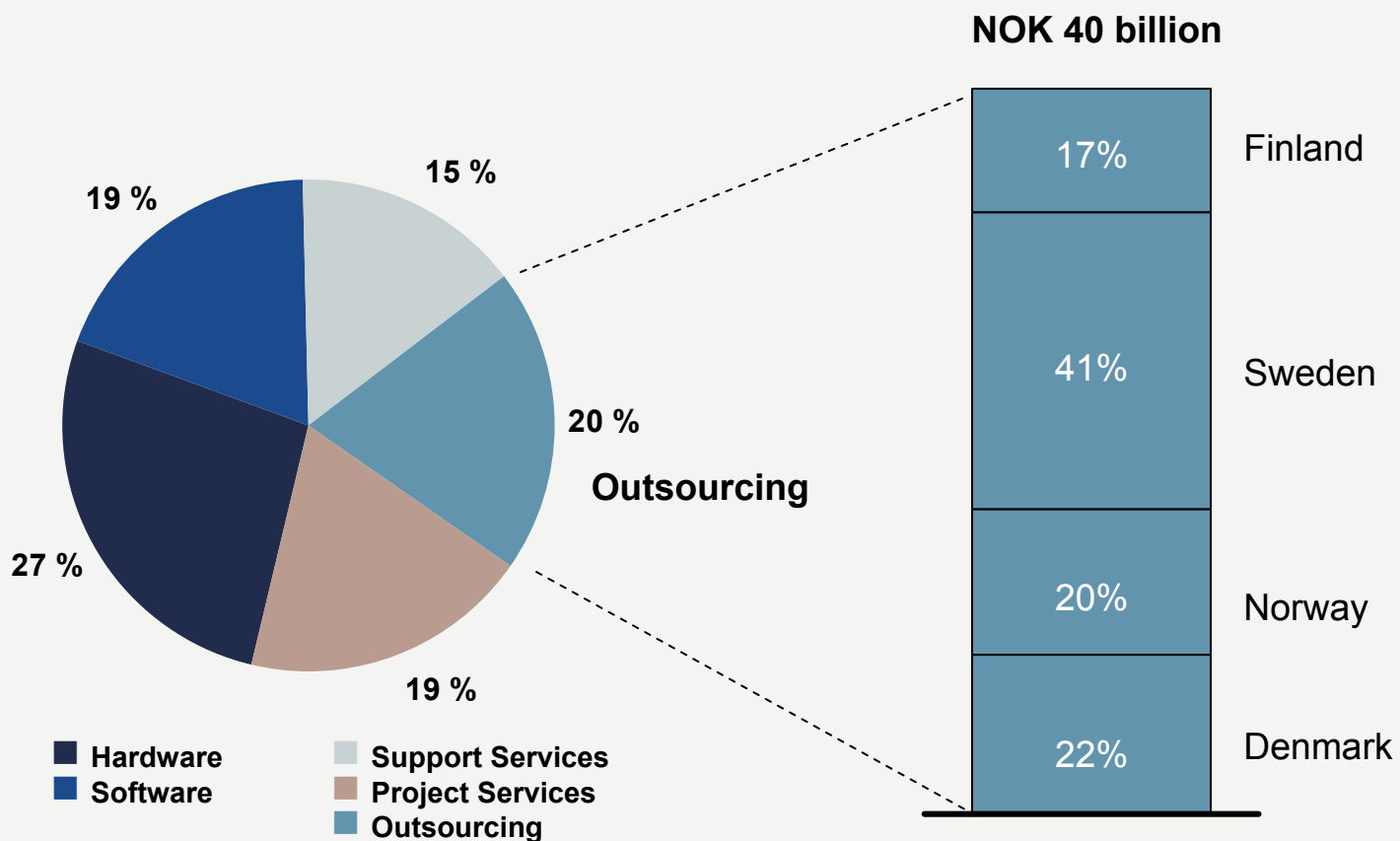
IT spending – market at a turning point



Source: IDC/EDB, 2003

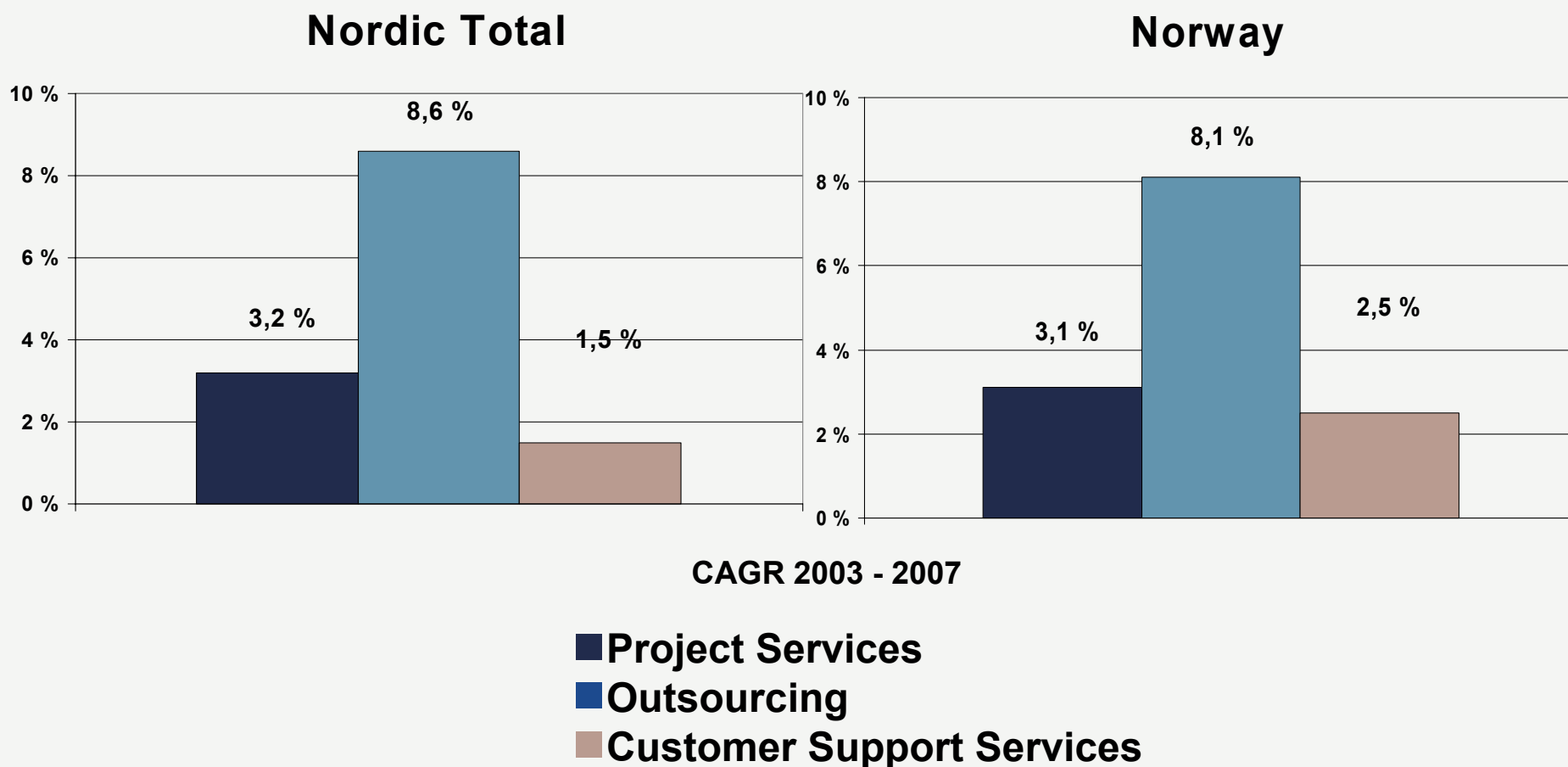
Outsourcing - a substantial segment

2004 External IT Spending (Nordic) ; 200 B NOK



Source: IDC/EDB, 2003

Outsourcing – key driver for excess demand

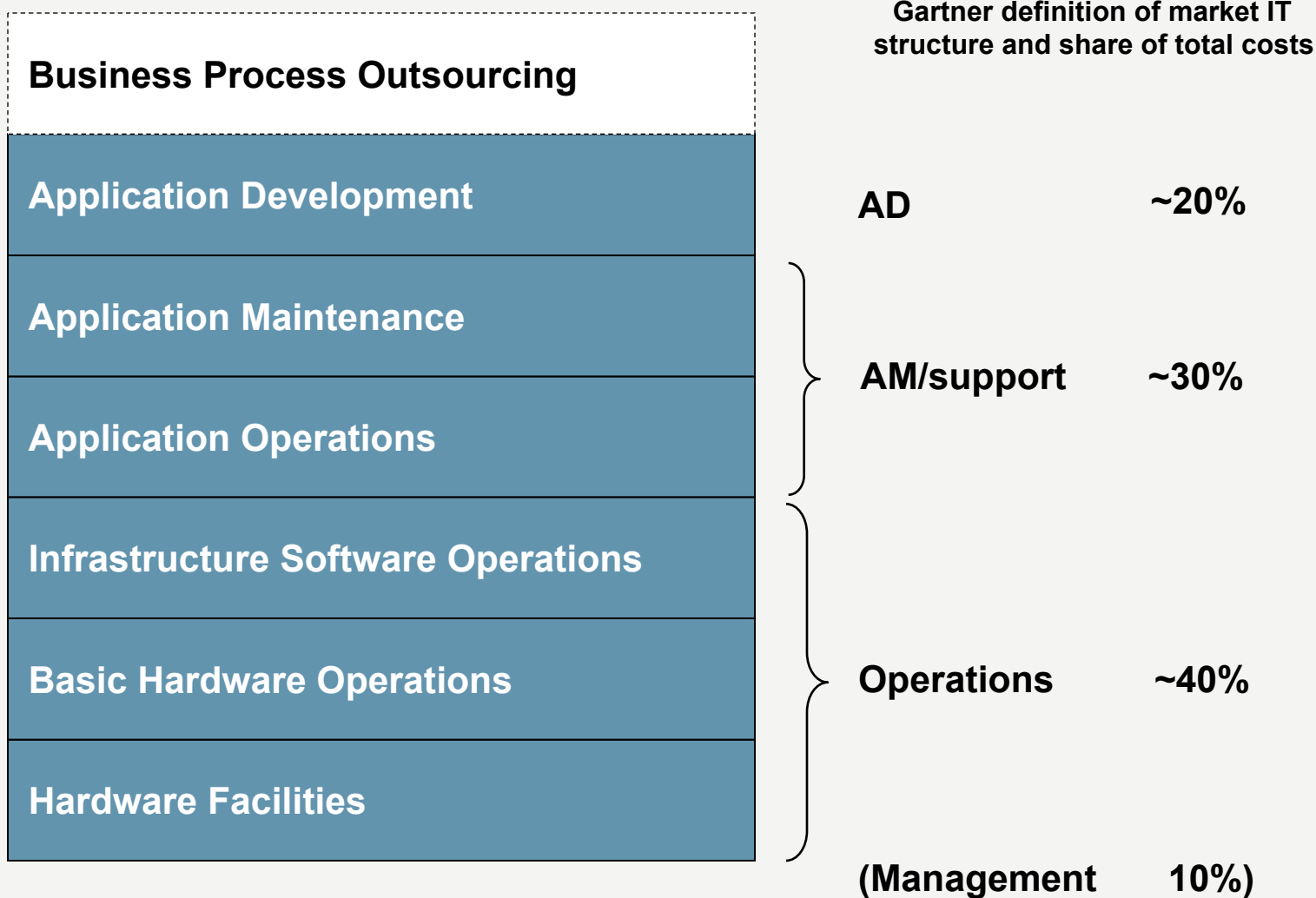


Source: IDC, 2003

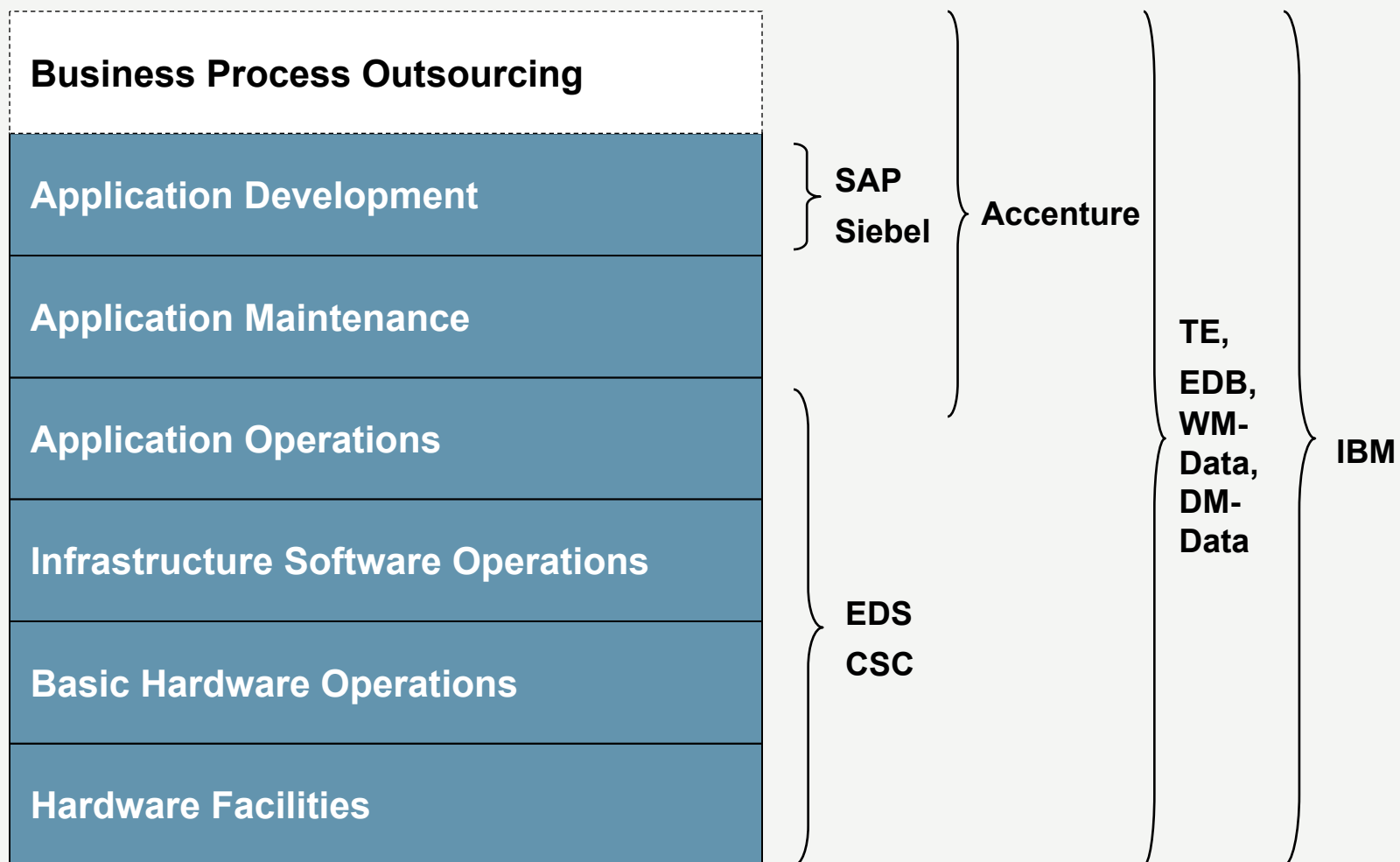
Outsourcing – a diversified business



IT outsourcing – complex and exciting

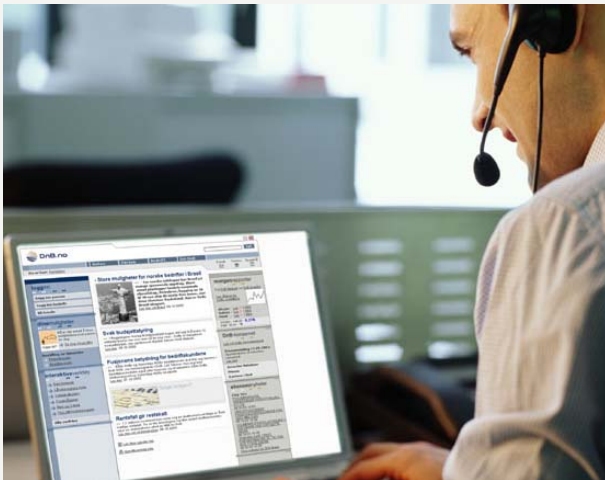


Global versus regional players

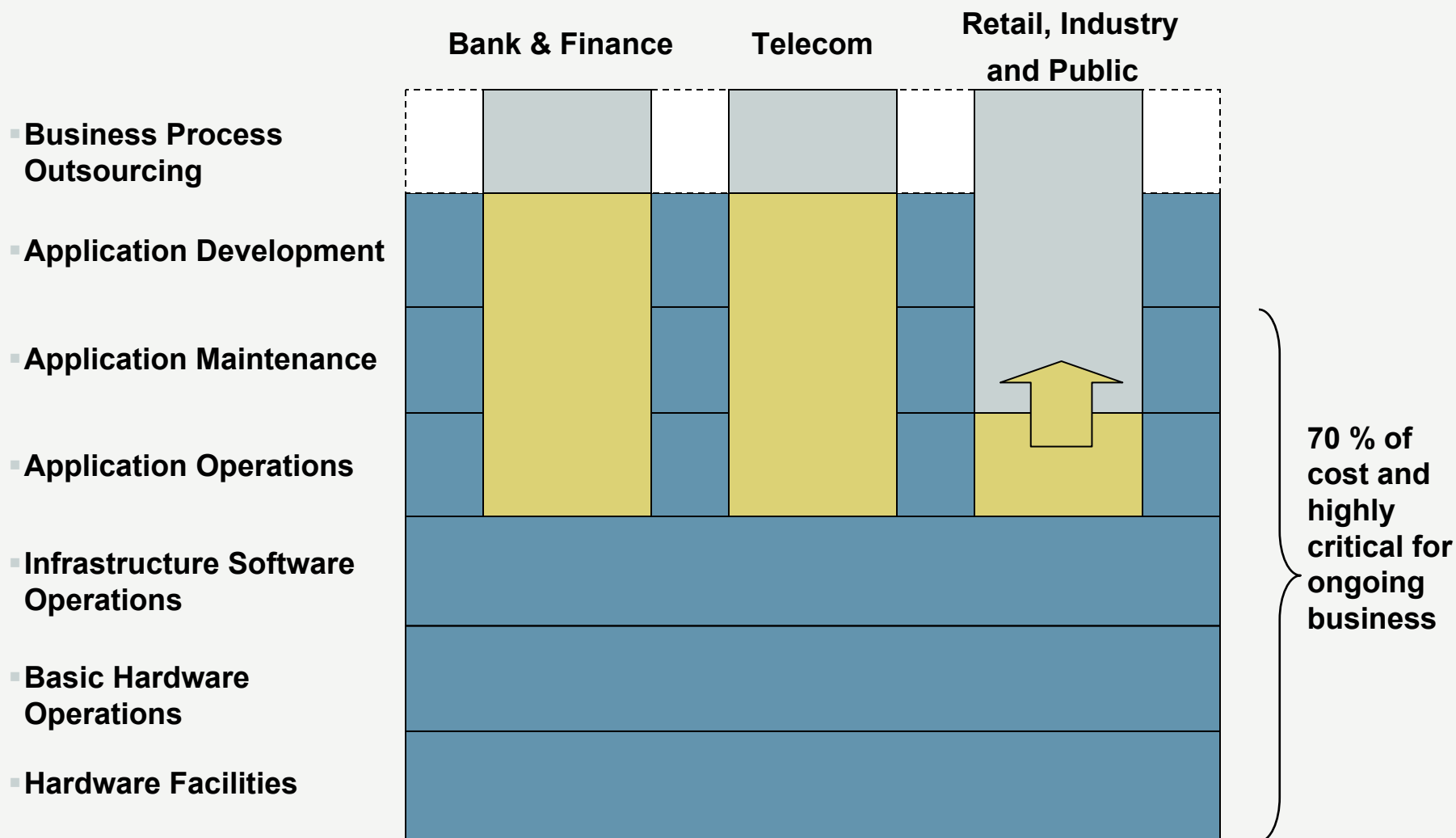


Differentiation in performance is possible

- Technology selection
- Standardization and streamlining of assets
- Procurement
- Facilities investment and management
- Call center / Help desk operations
- Cost vs quality of service trade off



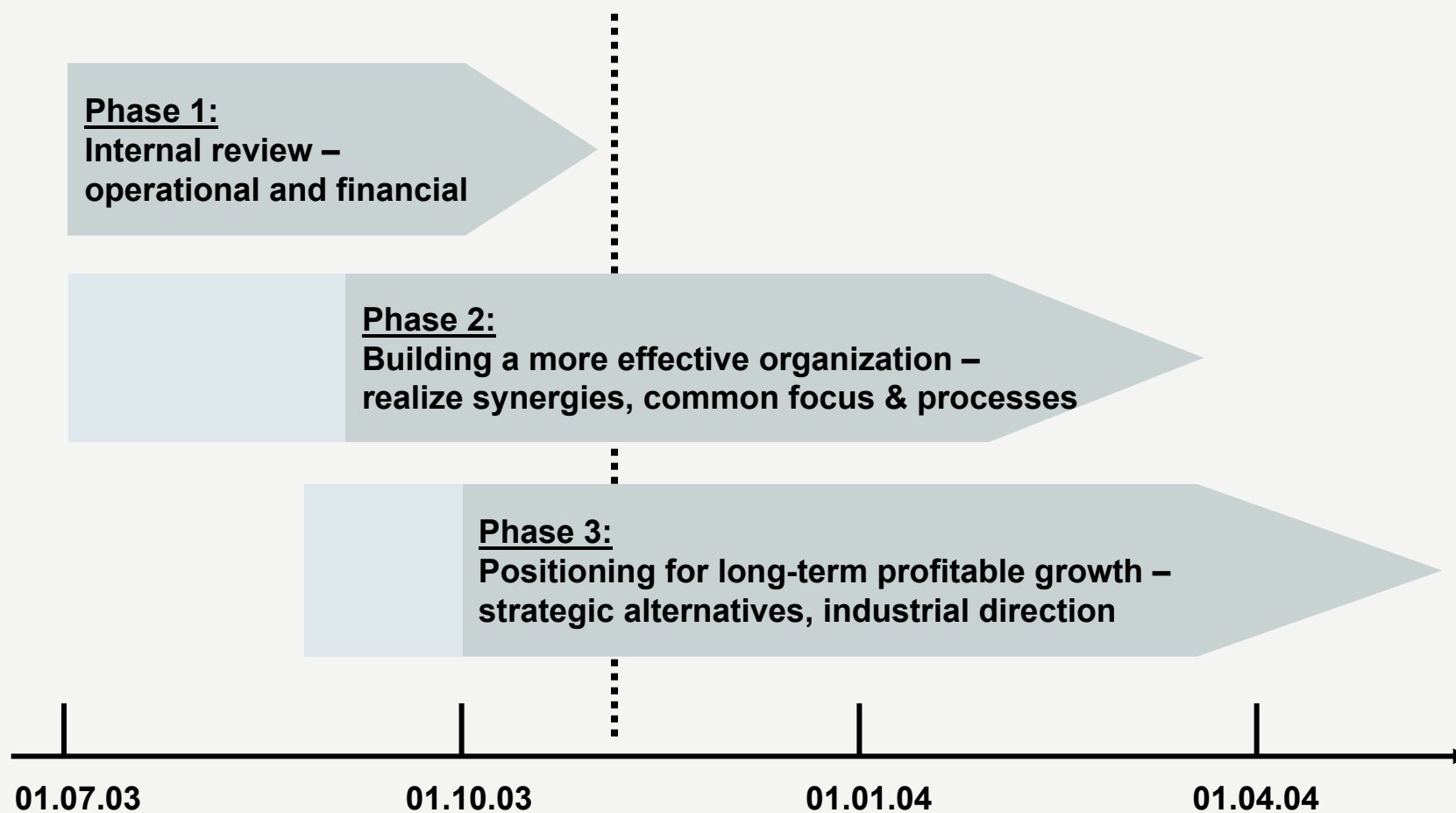
Vertical strength – critical for success



EDB – positioned for profitable growth

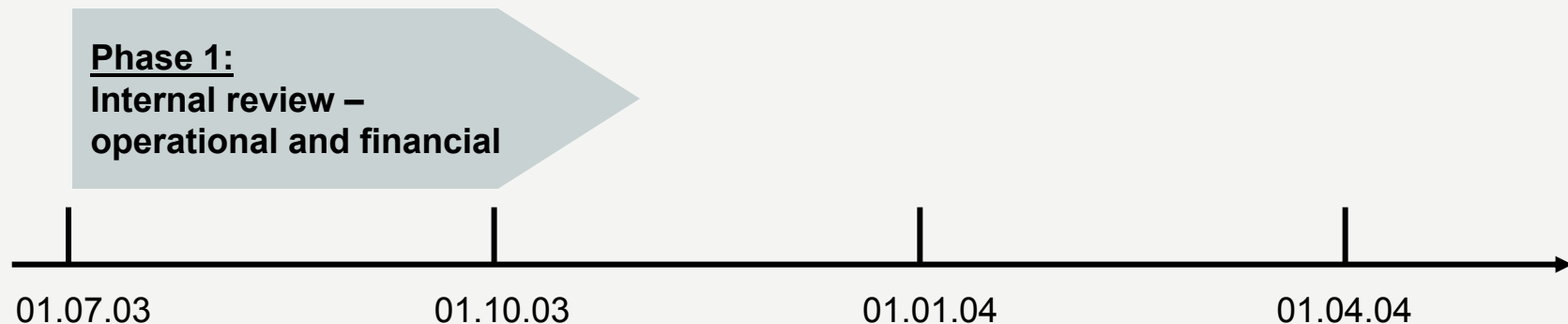


Process for growth and profitability



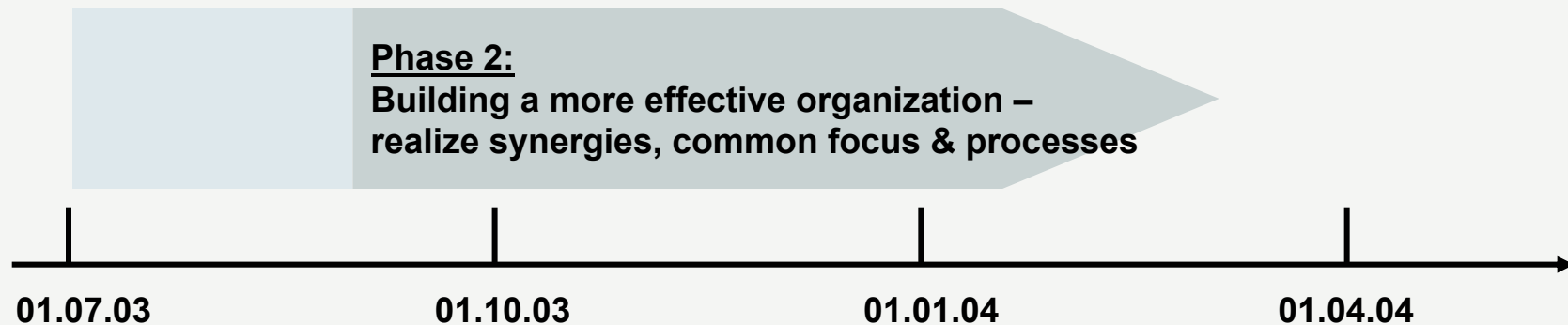
Phase 1 – operational and financial review

- Divest non-core and low-margin businesses
 - Business Consulting, Dolphin, Tibe, MaXware, Ster, Stradec
- Restructure the non-profitable units
 - Bank & Finance – delivery model and organizational structure
- Focus the group under a single brand
 - Common objectives, integrated operations, cost reduction efforts



Phase 2 – improving operational excellence

- Customer focus and customer satisfaction
- Reorganizing staff and support functions
- Continued procurement and standardization initiatives



Phase 3 – creating new, profitable growth

- Strengthening and improving focus in sales and marketing
- Accelerate Pan-Nordic growth
- Sharpening value proposition and product portfolio
- Entering new and attractive verticals
- Improved proactive partnering

