

Hergiswil (Switzerland), 19 February 2007

Media release

Annual results media conference of the ALSO Group

Net income in 2006 CHF 12.2 million – CHF 30 million expected in 2007

The ALSO Group, a leading wholesale and logistics supplier in the information technology and consumer electronics (ICE) sector, entered a new dimension in 2006. On 31 August 2006, ALSO acquired the Finnish GNT Group, a move that put it among the four top European ICE distributors. Including the GNT Group, which has been consolidated since the takeover (i.e. 1.9.2006 to 31.12.2006), the ALSO Group reported net sales of CHF 3'277.1 million and an operating profit of CHF 29.2 million. The Group's net income stood at CHF 12.2 million. Excluding the GNT Group, net income at CHF 23.8 million was 39% higher than in 2005. For 2007, ALSO is targeting net sales of around CHF 5 billion and a net income in the region of CHF 30 million. In the medium term, the Group expects sales to increase further and net income of CHF 35 to 40 million. At the General Meeting on 14 March 2007, the Board of Directors will propose an unchanged dividend of CHF 0.70

ALSO Group: Net sales CHF 3.3 billion, net income CHF 12.2 million

In 2006, following the takeover of the Finnish GNT Group, the ALSO Group established itself as a strong number 4 among the European ICE distributors and is now represented in nine European countries. Compared with 2005, net sales were up by 65% to CHF 3.3 billion, although it should be noted that GNT Group sales were only consolidated for the period from 1.9.2006 to 31.12.2006. At CHF 12.2 million, net income was down on 2005 (CHF 17.1 million, including non-recurring special costs of CHF 2.3 million). The decline was attributable entirely to the loss reported by the Finnish GNT Group, acquired on 31 August 2006. As a result of the acquisition of the GNT Group, the equity ratio fell to 14% (2005: 44%). On 31 December 2005, ALSO had 2'047 employees (2005: 623). Of this increase, 1'366 were accounted for by the GNT takeover.

Without GNT, ALSO increased net income by 39%

In 2006, with unit sales just slightly down, the Swiss and German PC markets lost slightly in value. In contrast to this, ALSO in its old form pushed up sales in Switzerland and Germany by an impressive 19% to CHF 2'350.8 million (2005: CHF 1'980.3 million). At CHF 33.0 million, operating profit was up by 41% compared with the previous year (2005: CHF 23.4 million, including non-recurring special costs of CHF 2.9 million). Net income stood at CHF 23.8 million, or 39% higher than the previous year (2005: CHF 17.1 million, including non-recurring special costs of CHF 2.3 million).

In Switzerland, ALSO consolidated its leading position with sales of CHF 1'000.8 million (2005: CHF 989.2 million). In home electronics, high-end storage and IT consumables, ALSO has increased its market share and acquired new customers for its logistics services. Thanks to higher productivity and strict cost management, ALSO Switzerland considerably improved its operating result compared with the previous year. ALSO Germany pushed up sales by 36% to CHF 1'350.0 million (2005: CHF 991.1 million) and published the best operating result since its foundation in 1995.

ALSO expands into new markets with GNT and is a strong number 4 in Europe

Since 1 September 2006, ALSO has held 50.1% of the stock of the Finnish GNT Group with an option to purchase the remaining 49.9% by 2010 at the latest. GNT is the largest independent ICE distributor in Northern and Eastern Europe, and is market leader in Finland, Estonia, Latvia and Lithuania as well as in the top three in Sweden and Norway. At the beginning of 2004, the company founded a subsidiary in Poland. In unit terms, the Scandinavian PC markets served by GNT showed overall growth of around 4%, while those of Eastern Europe posted more than 20% growth. For the period from 1.9.2006 to 31.12.2006, GNT reported sales of CHF 926.3 million and a loss of CHF 11.6 million. This was due largely to lower gross margins (caused among other things by selling off aged inventory), higher operating costs (partly due to projects designed to make a lasting improvement to profitability), and valuation issues. On the basis of comparable units, GNT showed 4% growth over 2005. In eastern Europe, it reported an impressive 21% growth, but in Scandinavia figures were 4% down on those for 2005. In the medium term it is expected that GNT will contribute a net income of CHF 15 to 20 million to ALSO consolidated result.

Outlook: net sales around CHF 5 billion, targeted net income approx. CHF 30 million

ALSO is well positioned for the future. In view of its strong position relative to the competition in Central and Northern Europe, it stands to benefit more than average from any market upturn. And with GNT, ALSO has opened up additional potential for growth. In the current year, ALSO's main focus will be on restoring GNT to profitability. For 2007 – excluding unforeseen circumstances – ALSO is expecting Group sales in the region of CHF 5 billion and a net income of approximately CHF 30 million. In the medium term sales should increase further while net income should rise to CHF 35 to 40 million.

Contact: Maya von Krannichfeldt, Corporate Communications, Tel. +41 41 266 18 02

Dates 2007: General Meeting 14 March; Q1 quarterly report 11 May;
Half-yearly report 10 August; Q3 quarterly report 9 November.