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Media release

ALSO successfully drives sustainable profitable growth forward

- Group sales increased over-proportionally by 3.2 percent to 9.2 billion Euro
- Adjusted EBITDA improved by 6.0 percent to 162.4 million Euro
- Board of Directors proposes dividend increase to 3.00 CHF per share (+9.1 percent)

In 2018, the ALSO Group (SIX: ALSN) increased net sales in a slightly growing market (+1.7 percent) over-proportionally by 3.2 percent from 8.9 to 9.2 billion Euro. 90 percent of this growth was organic, primarily in Germany, France, Austria and in the Baltic States. An important growth driver was the promising IT-as-a-Service business with a sales increase of 36 percent. Adjusted for restructuring costs and currency effects, the ALSO Group achieved an EBITDA of 162.4 million Euro, compared to 153.2 million Euro in the previous year (+6.0 percent). Excluding this adjustment, reported EBITDA decreased from 157.3 million Euro to 152.7 million Euro.

For ALSO, 2018 was characterized by fundamental structural optimization. This was made possible on the one hand by investments in the Enterprise Resource Planning System (ERP), Business Intelligence Tools and Customer Relationship Management Systems (CRM), and on the other, by the consistent implementation of projects to improve and optimize business processes (Performance Improvement Program, Process Optimization Program). ALSO is thus pursuing the goal of sustainably increasing operational excellence and thus better aligning itself to market requirements and customer needs. At the same time, this opens up scope for further investments in the high-margin business models Solutions (IT architecture and design) and “as-a-Service” (logistics, IT and marketing-as-a-service).

In order to further increase profitability, ALSO will work intensively on the five steering levers (business model mix, vendor mix, reseller mix, product mix, operational excellence). In the area of operational excellence, the further digitization of the transactional business will be a key success factor. ALSO plans to harmonize the operating systems for the webshop and the ACMP (ALSO Cloud Marketplace) with the aim of using the findings from Business Intelligence to further increase sales and develop tailor-made solutions for customers, thereby strengthening customer loyalty. In addition, ALSO will continue to focus intensively on expanding its high-margin business models Solutions and “as-a-Service”.

In view of the increase in efficiency achieved and the positive development in areas of strategic importance to ALSO, the Group is confident to achieve further profitability improvements in the coming years. The Board of

Directors will therefore propose to the Annual General Meeting on 29 March 2019 that the dividend be increased by CHF 0.25 to CHF 3.00 per share. The distribution will be made from reserves from capital contributions and is therefore tax-free for private investors. "Our MORE strategy, the long-term activities aimed at optimizing our traditional business and the consistent implementation of the other two business models have resulted in sustained profitable growth for ALSO in recent years, a growth which will continue," stresses CEO Gustavo Möller-Hergt.

ALSO expects revenue growth in 2019 to exceed Gartner's 0.9 percent market growth forecast. This growth will be driven by organic revenue growth through market share gains, the continued expansion of product categories and portfolio, as well as further development of the business models (Supply, Solutions and "as-a-Service"). ALSO will generate additional growth through acquisitions in its existing countries with the aim to further consolidate the market in the traditional distribution business and in companies active in the business models Solutions and "as-a-Service". New countries within Europe will be developed through acquisitions and partnerships. These countries also play an important role in the international rollout of Platform-as-a-Service beyond Europe.

Reported EBITDA in 2019 is expected to improve by 10 to 15 million Euro year-on-year thanks to the increase in gross profit and the further optimization of costs. In the medium term, the ALSO Group is aiming for revenues of 10 to 14 billion Euro and an EBITDA margin of 2.1 to 2.6 percent.

Overview financial figures

MILLION EURO	2018	2017	Change
Net Sales	9 175.7	8 890.7	+3.2 %
EBITDA	152.7	157.3	-2.9 %
EBT	117.3	124.2	-5.6 %
Net Profit	81.2	92.5	-12.2 %
Net Financial Debt	163.1	173.7	-6.1 %
Cash flow before change of Net Working Capital	104.1	97.7	+6.6 %

Adjusted results

MILLION EURO	2018	2017	Change
EBITDA as reported	152.7	157.3	-2.9%
Currency Effects	-0.9	4.1	
Extraordinary Cost for Structural Optimization	-8.8	-	
EBITDA ADJUSTED	162.4	153.2	+6.0%

Change in the Board of Directors

After 23 years on the Board of Directors of ALSO Holding, Karl Hofstetter, member of the Board of Directors, will not be standing for re-election at the next Annual General Meeting on 29 March 2019. Gustavo Möller-Hergt, Chairman of the Board of Directors, comments: "We would like to thank Karl Hofstetter for his valuable contribution and wish him all the best for his future endeavors". The Board of Directors has decided not to propose a successor for this position.

Direct link to the media release: <http://also.com/goto/20190225en>

Direct link to the annual report: <http://also.com/goto/20190225ar>

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ALSO Holding AG (ALSN.SW) (Emmen/Switzerland) brings providers and buyers of the ICT industry together. ALSO offer more than 550 vendors of hardware, software and IT-services access to over 100 000 buyers, who can call a broad spectrum of other customized services in the logistics, finance, and IT services sectors, as well as traditional distribution services. From the development of complex IT landscapes, the provision and maintenance of hardware and software, right through to the return, reconditioning and remarketing of IT hardware, ALSO offers all services as a one-stop shop. ALSO is represented in 18 European countries and generates total net sales of approximately 9.2 billion euros with around 4 000 employees in the fiscal year 2018. The majority shareholder of ALSO Holding AG is the Droege Group, Düsseldorf, Germany. Further information is available at <https://also.com>

Droege Group

Droege Group (founded in 1988) is an independent advisory and investment company under full family ownership. The company acts as a specialist for tailor-made transformation programs aiming to enhance corporate value. Droege Group combines its corporate family-run structure and capital strength into a family-equity business model. The group carries out direct investments with its own equity in corporate spin-offs and medium-sized companies in "special situations". With the guiding principle "execution - following the rules of art", the group is a pioneer in execution-oriented corporate development. Droege Group follows a focused investment strategy based on current megatrends (knowledge, connectivity, prevention, demography, specialization, future work, shopping 4.0). Enthusiasm for quality, innovation and speed determines the company's actions. In recent years Droege Group has successfully positioned itself in domestic and international markets and operates in 30 countries. More information: <https://www.droege-group.com>

Disclaimer

This press release contains forward-looking statements which are based on current assumptions and forecasts of the ALSO management. Known and unknown risks, uncertainties, and other factors could lead to material differences between the forward-looking statements made here and the actual development, in particular the results, financial situation, and performance of our Group. The Group accepts no responsibility for updating these forward-looking statements or adapting them to future events or developments.