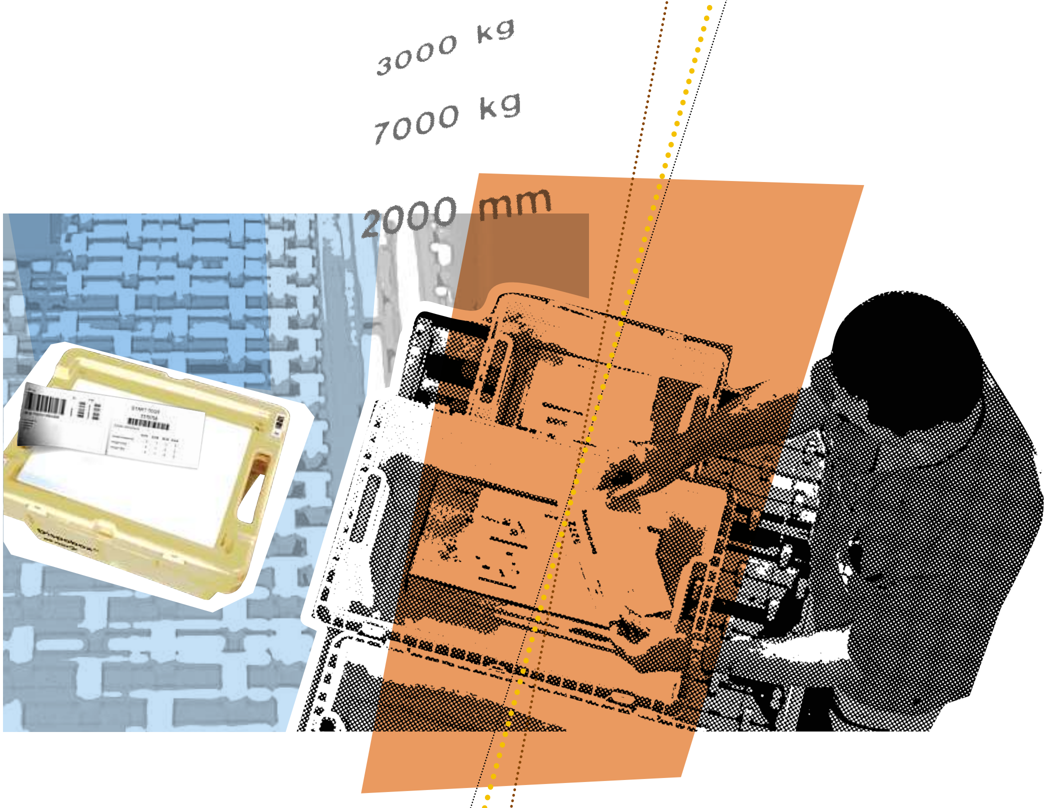
Interim Report

as at June 30, 2009



ALSO

more than distribution

ALSO Group generates CHF 8.6 million profit in first half of 2009

Despite the marked economic deterioration, better margins and lower costs enabled ALSO to generate a net profit of CHF 8.6 million in the first six months of 2009 (2008: CHF 2.1 million). Continuing operations reported consolidated sales of CHF 1 949 million, 14% less than in 2008 (CHF 2 271 million), and a net income of CHF 8.1 million (2008: CHF 8.9 million). After currency adjustments, sales would have been 9% below last year's figure. The equity ratio rose to 28%. On reference date, ALSO had 1 476 employees, 238 (-14%) less than in the previous year.

As a result of the depressed economic situation, the demand for IT products in most European PC markets was down noticeably in value terms compared with the same period last year. The ALSO Group's continuing operations (i.e. excluding Sweden & Poland) generated net sales of CHF 1 949 million in the first half of 2009, 14% less than in 2008 (CHF 2 271 million). After currency adjustments, sales were down by 9%. Despite improved margins and significantly lower operating costs, operating profit was down by 27% to CHF 21.5 million (2008: CHF 29.3 million). The drastic reduction in net current assets compared with last year meant that financial expenses were substantially lower than in 2008. As a result, the net income of continuing operations was CHF 8.1 million, only 9% lower than last year (2008: CHF 8.9 million). Including discontinued operations the Group's net profit for the first half of 2009 stood at CHF 8.6 million versus CHF 2.1 million in the first semester 2008. Compared with the end of 2008, total assets were down by 21% to CHF 697 million (31.12.2008: CHF 877 million). The equity ratio rose to 28% (31.12.2008: 21%). On reference date, ALSO had 1 476 employees, 238 (-14%) less than the previous year (2008: 1 714).

In the Swiss/German markets, demand in the first half of 2009 was significantly lower than last year, particularly in the business segment. By contrast, the decline in demand for the consumer segment was down only slightly. In these markets, ALSO posted net sales of CHF 1 339 million (2008: CHF 1 438 million). After currency adjustments, sales stood at the same level as last year. While Switzerland reported a decline in sales, Germany succeeded in pushing them up slightly again compared with the same period last year. Thanks to selective sales, consistent margin management and lower costs, ALSO generated earnings before tax of CHF 17.5 million in these markets, substantially higher than in 2008 (CHF 12.0 million).

In northern/eastern Europe (Finland, Norway and the Baltic states), there were noticeable geographical differences in the decline in demand during the first half of the year. While the Finnish market proved relatively resilient, Norway reported a substantial tail-off in demand. The most affected were the Baltic States (Estonia, Latvia and Lithuania), where the markets compared with last year literally collapsed. In northern/eastern Europe, the ALSO Group generated net sales of CHF 609 million, 27% less than in 2008 (CHF 832 million). The cost reductions initiated at the end of 2008 only partially offset the decrease in margins. Thus, earnings before tax in these markets, which stood at CHF -0.2 million, were substantially lower than last year (CHF 4.7 million profit).

Outlook for 2009: net profit of about CHF 15 million

The noticeable downturn in the demand for IT products will probably continue into the second half of 2009. In the present, uncertain market environment, it is difficult to predict how the third quarter and, above all, the seasonally important fourth quarter, will turn out. Assuming that the situation does not deteriorate in the second half of the year – and excluding unforeseen circumstances – ALSO expects net sales of CHF 4 billion for 2009, with a net profit of about CHF 15 million.

Sincerely yours,

ALSO Holding AG

Thomas C. Weissmann	Prof. Dr. Rudolf Marty
Chairman of the Board	Member of the Board

Hergiswil (Switzerland), 28 July 2009

Interim condensed financial statements as at June 30, 2009

Consolidated profit and loss statement

CHF 1000	1st half 2009		1st half 2008 *restated		Change
Continuing operations					
Revenue from product sales	1 953 847		2 278 693		
Service revenue	13 820		15 768		
Deductions from revenue	–18 969		–23 779		
Total net sales	**1 948 698**	**100.0 %**	**2 270 682**	**100.0 %**	**–14.2 %**
Cost of goods sold and service expenses	–1 845 518		–2 154 864		–14.4 %
Gross margin	**103 180**	**5.3 %**	**115 818**	**5.1 %**	**–10.9 %**
Operating expenses	–81 668	–4.2 %	–86 535	–3.8 %	–5.6 %
Operating profit (EBIT)	**21 512**	**1.1 %**	**29 283**	**1.3 %**	**–26.5 %**
Financial result	–11 234	–0.6 %	–17 356	–0.8 %	–35.3 %
Profit before tax (EBT)	**10 278**	**0.5 %**	**11 927**	**0.5 %**	**–13.8 %**
Income tax	–2 135	–0.1 %	–2 985	–0.1 %	–28.5 %
Net profit continuing operations	**8 143**	**0.4 %**	**8 942**	**0.4 %**	**–8.9 %**
Discontinued operations					
Net profit (loss) discontinued operations	433	0.0 %	–6 837	–0.3 %	–106.3 %
Net profit Group	**8 576**	**0.4 %**	**2 105**	**0.1 %**	**307.4 %**
Undiluted per share information					
Number of shares issued (./. treasury shares)	6 038 862		6 027 295		
Net profit per share (CHF)	**1.42**		**0.35**		**305.8 %**
Diluted per share information					
Number of shares issued (./. treasury shares)	6 038 862		6 030 690		
Net profit per share (CHF)	**1.42**		**0.35**		**305.8 %**

* Previous year restated according to IFRS 5 «Non-current Assets Held for Sale and Discontinued operations». Discontinued operations consist of Sweden and Poland.

Interim consolidated statement of comprehensive income

CHF 1000	1st half 2009	1st half 2008
Net profit Group	**8 576**	**2 105**
Foreign exchange differences	3 083	–3 993
Fair value adjustments on cash flow hedges	–1	33
Total comprehensive income for the period	**11 658**	**–1 855**

Consolidated balance sheet

CHF 1000	30.06.2009		31.12.2008		30.06.2008	
Cash	53 832	7.7 %	164 333	18.7 %	58 512	6.1 %
Other current assets	482 656	69.3 %	556 569	63.5 %	737 376	76.3 %
Non-current assets	160 334	23.0 %	156 389	17.8 %	170 550	17.6 %
Total assets	**696 822**	**100.0 %**	**877 291**	**100.0 %**	**966 438**	**100.0 %**
Current liabilities	376 587	54.1 %	568 857	64.9 %	691 958	71.6 %
Non-current liabilities	128 457	18.4 %	128 314	14.6 %	64 555	6.7 %
Shareholders' equity	191 778	27.5 %	180 120	20.5 %	209 925	21.7 %
Total liabilities and shareholders' equity	**696 822**	**100.0 %**	**877 291**	**100.0 %**	**966 438**	**100.0 %**

Interim condensed financial statements as at June 30, 2009

Consolidated cash flow statement

CHF 1000	1st half 2009	1st half 2008
Net profit continuing operations	8 143	8 942
Net profit (loss) discontinued operations	433	–6 837
Net profit Group	**8 576**	**2 105**
Depreciation and amortization	7 085	6 186
Change of provisions	–7 893	–200
Other non-cash items	–144	–449
Change of net working capital	–6 387	72 635
Cash flow from operating activities	**1 237**	**80 277**
Acquisition of subsidiary	0	–80 920 *
Net investments in property, plant & equipment	–6 067	1 155
Net investments in intangible assets	–2 034	–414
Cash flow from investing activities	**–8 101**	**–80 179**
Free cash flow	**–6 864**	**98**
Disposals of treasury shares	0	414
Decrease in financial liabilities	–105 514	–20 402
Dividend paid by ALSO Holding AG	0	–4 217
Cash flow from financing activities	**–105 514**	**–24 205**
Foreign exchange differences	**1 877**	**–1 405**
Change in cash	**–110 501**	**–25 512**
Thereof cash flow from discontinued operations		
Operating activities	–9 449	22 466
Investing activities	0	0
Financing activities	–1 349	–30 787
Cash at January 1	164 333	84 024
Cash at June 30	53 832	58 512

* Includes CHF 5.4 Mio. payment deferred from the first tranche acquisition of GNT

Consolidated statement of changes in equity

CHF 1000	Share Capital	Legal reserves	Treasury shares	Cash flow hedge reserve	Foreign exchange differences	Retained earnings	Total
1 January 2008	**6 038**	**43 747**	**–15**	**–69**	**6 241**	**159 227**	**215 169**
Total comprehensive income	0	0	0	33	–3 993	2 105	–1 855
Treasury shares	0	399	15	0	0	0	414
Employee shares/options	1	0	0	0	0	413	414
Dividends	0	0	0	0	0	–4 217	–4 217
30 June 2008	**6 039**	**44 146**	**0**	**–36**	**2 248**	**157 528**	**209 925**
1 January 2009	**6 039**	**44 146**	**0**	**–801**	**–13 531**	**144 267**	**180 120**
Total comprehensive income	0	0	0	–1	3 083	8 576	11 658
30 June 2009	**6 039**	**44 146**	**0**	**–802**	**–10 448**	**152 843**	**191 778**

Notes to the consolidated interim financial statements as at June 30, 2009

General principles
These unaudited condensed interim financial statements for the six months ended June 30, 2009, have been prepared in accordance with International Accounting Standard 34 «Interim Financial Reporting» and accounting policies set out in the 2008 Annual Report.

These interim condensed financial statements were approved for publication by the Board of Directors of ALSO Holding AG on July 17, 2009.

Selected critical accounting policies
The principal accounting policies of ALSO Group are set out in note 2 to the consolidated financial statements in the 2008 annual report.

As of January 1, 2009, the Group applies the revised IAS 1 «Presentation of financial statements», IFRS 8 «Operating segments» and IAS 23 «Borrowing costs» as well as other changes to existing standards as described in the 2008 Annual Report. These new accounting standards have no significant impact on the consolidated interim financial statements of ALSO Group.

These interim condensed financial statements contain assumptions and estimates that have an influence on the figures stated in this report. Actual results may vary from these estimates. As mentioned in Note 2.19 in the 2008 Annual Report, ALSO regularly reviews the intrinsic values of intangible and tangible assets. In addition to the regular reviews, the intrinsic values are reviewed whenever there is a change in circumstances or events have occurred that require an assessment. The values of goodwill and intangible assets (mainly resulting from the acquisition of GNT) on the balance sheet are significant. Impairment testing under IFRS may lead to potentially considerable impairment charges in the future that could have a materially adverse impact on the Group's financial results.

Scope of consolidation
The scope of consolidation remains unchanged compared to June 30, 2008, and December 31, 2008.

Currency translation
The exchange rates for the most important foreign currencies of the ALSO Group are as follows:

		Average exchange rate		Closing date exchange rate		
		1st half 2009	1st half 2008	30.06.09	30.06.08	31.12.08
EUR	1	1.50	1.61	1.52	1.60	1.49
USD	1	1.12	1.05	1.08	1.02	1.06
NOK	100	16.69	20.20	16.84	20.10	15.13

Income tax
Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year 2009.

Dividends
In accordance with the resolution made by the General Meeting of ALSO Holding Ltd on March 11, 2009, no dividends for the financial year 2008 were paid (previous year CHF 0.70 per registered share).

Contingent liabilities
There are no material changes in contingent liabilities after December 31, 2008.

Events after balance sheet date
No relevant events have occurred after balance sheet date.

Notes to the consolidated interim financial statements as at June 30, 2009

Segment information

CHF 1000	Switzerland/ Germany		North/ East Europe		Adjustments and eliminations		Total	
1st half	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Net sales	1 339 478	1 438 356	609 288	832 326	–68	0	1 948 698	2 270 682
Segment profit (loss) before tax	**17 537**	**12 031**	**–181**	**4 740**	**–7 078**	**–4 844**	**10 278**	**11 927**
Assets	336 815	472 021	201 513	371 077	158 494	123 340	696 822	966 438
Headcount on balance sheet date	678	719	766	967	32	28	1 476	1 714

The ALSO Group is active in the field of IT logistics. It distributes the products of leading hardware and software manufacturers and IT consumables to the IT trade and retailers.

The organization structure of the Group is based on geographic regions. The operative core business, which consists exclusively of wholesale and distribution, is separated from certain central activities, which are not allocated to the segments. These central activities consist mainly of group financing and taxes. In addition, the positions related to GNT acquisition and the respective purchase price allocation are not assigned to operative segments. The two geographic regions consist of the operational units in Switzerland/Germany and North/East Europe.

Earnings before tax per segment contain all operational revenue and expense which can be directly allocated to the corresponding segments. Additionally the central expenses, which can be directly (at arm’s length) allocated to the operational regions of the core business, are included in the segment results. A reconciliation between management reporting and financial reporting is not necessary since the same valuation principles apply for both. Discontinued operations are disclosed on the line «Net profit (loss) discontinued operations» in the profit and loss statement and are not included in the segment information above.

Notes to the consolidated interim financial statements as at June 30, 2009

Related party transactions

CHF 1000	1st half 2009	1st half 2008
Transactions with Schindler Group (main shareholder)		
Net sales	0	191
Management fees	–1 500	–1 739
Interest income	0	10
Interest expense	–1 333	–607
Current receivables and cash deposits	42 342	9 445
Current liabilities	–2 227	–32 575
Private placement (long term)	–38 000	0
Transactions with ALSO pension fund		
Other liabilities (outstanding contributions)	–291	–305
ALSO Holding	–26	–28
ALSO Switzerland	–265	–277

Discontinued operations

CHF 1000	1st half 2009	1st half 2008
Revenue from product and service sales	**699**	**222 517**
Cost of goods sold and service expenses	–637	–216 443
Gross margin	**62**	**6 074**
Operating expenses	389	–11 211
Operating profit (loss) (EBIT)	**451**	**–5 137**
Financial result	–17	–1 665
Profit (loss) before tax (EBT)	**434**	**–6 802**
Income tax	–1	–35
Net profit (loss) discontinued operations	**433**	**–6 837**

The subsidiaries in Poland and Sweden closed their operations on December 31, 2008. Both companies are included in the consolidated profit and loss statement as discontinued operations.

ALSO Holding AG
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