

Hergiswil (Switzerland), 11 May 2007

## **Media release**

Quarterly report of the ALSO Group

### **ALSO: Triple-digit growth compared with last year**

**In the first quarter of 2007 the ALSO Group, a leading wholesale and logistics supplier in the information technology and consumer electronics (ICE) sector, increased its net sales by 120% to CHF 1'198.4 million (Q1/2006: CHF 544.9 million). The part of the Group comparable with last year, reported organic sales growth of 12% while the remainder was attributable to the takeover of the GNT Group with effect from 1 September 2006. At CHF 3.2 million, consolidated net income was down on last year's figure of CHF 5.4 million but, if GNT is excluded, showed a 22% increase. The GNT Group – excluding the loss-making Swedish subsidiary – registered a substantial profit. Net income includes costs for financing the purchase of GNT and ordinary depreciation on related intangible assets. For the current year, excluding unforeseen circumstances, the Group is targeting consolidated sales of just CHF 5 billion and a net income of CHF 30 million.**

#### **ALSO Group: strong growth – net income of CHF 3.2 million**

During the first quarter of the current year, unit sales on the west European PC market were up by around 10%, which probably translates into zero growth in value terms. In the first quarter of 2007, and compared with the same quarter of the previous year, ALSO increased its consolidated sales by 120% to CHF 1'198.4 million (Q1/2006: CHF 544.9 million). The strong growth was the result of the increase in sales in Switzerland and Germany together with the additional sales generated by the Finnish GNT Group, acquired on 1 September 2006. Consolidated net income stood at CHF 3.2 million (Q1/2006: CHF 5.4 million). ALSO without GNT increased its income considerably. The GNT Group – excluding the loss-making Swedish subsidiary – registered a substantial profit. During the first quarter of 2007, the Group incurred costs of CHF 2.2 million for financing the purchase of GNT and ordinary depreciation on related intangible assets. Compared with 31 December 2006, net current assets were down by 22%. At the end of the quarter, total assets stood at CH 1'284 million (31.12.2006: CHF 1'417 million) and the equity ratio at 16% (31.12.2006: 14%).

#### **Without GNT, ALSO registers clear increase in sales and income**

In the first quarter of 2007, unit sales of PCs in both Switzerland and Germany rose by just a few percentage points. In the first quarter of 2007, ALSO in a comparable basis increased its consolidated sales by 12% over last year's first quarter to CHF 610.6 million (Q1/2006: CHF 544.9 million) and net income by an even more impressive 22% to CHF 6.6 million (Q1/2006: CHF 5.4 million). In both Switzerland and Germany, ALSO reported higher sales and income than in the first quarter of last year.

**GNT excluding Sweden generates substantial profit – Sweden still operating at a loss**

On 1 September 2006 ALSO acquired 50.1% of the share capital in GNT Holding, the largest distributor of information technology and consumer electronics in Scandinavia and the Baltic states. Altogether, the Nordic PC markets of interest to GNT posted around 13% growth in unit sales, while the PC market in the Baltic states and Poland grew by over 20%. Compared with the same quarter last year, GNT increased its sales by 4% to CHF 587.8 million. Sales in northern Europe were up by 2% and in eastern Europe by more than 30%. Excluding the Swedish subsidiary, which has yet to achieve the turnaround, GNT reported net income of CHF 5.9 million, which represented an improvement over both the fourth and the first quarter of the previous year. However, as a result of the substantial loss incurred in Sweden, the GNT Group as a whole registered a loss of CHF 1.2 million in the first quarter of 2007.

**Outlook for 2007: ALSO expects net income of CHF 30 million**

General conditions for business this year appear good. Most European countries are expecting positive growth figures. The introduction of Microsoft's new "Vista" operating system should help prop up average prices. During the current year, the ALSO companies are focussing on profitable growth, while the main task for the GNT companies will be to restore profitability and bring about the turnaround in Sweden. For 2007, ALSO is expecting net sales of just CHF 5 billion and – excluding unforeseen circumstances – a net income in the region of CHF 30 million. Medium-term, ALSO will be targeting further sales growth and a result from CHF 35 to 40 million.

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**Next publication dates**

Half-yearly report: 10 August 2007

Third quarter report: 9 November 2007