

Hergiswil (Switzerland), 24 October, 2006

Media release

The ALSO Group quarterly report

Substantial increases in third-quarter sales and income

The ALSO Group is active in wholesale and logistics services for information and communication technology products (ICT) as well as consumer electronics. In a market that was downbeat, ALSO pushed up third-quarter net sales for 2006 by 17% to CHF 540.8 million compared with the same period last year (Q3/2005: CHF 463.5 million), while net income was significantly higher at CHF 4.3 million (Q3/2005: CHF 3.3 million). Total net sales for the first nine months amounted to CHF 1'571.3 million, 14% higher than the previous year (2005: CHF 1'372.9 million), with a consolidated net income of CHF 11.1 million, which was likewise higher than the previous year (2005: CHF 9.7 million, including CHF 2.3 million non-recurring costs). The figures for the Finnish GNT Group, which was taken over with effect from 31 August, are not included in this report. For 2006 – excluding the effect of the GNT acquisition – ALSO is expecting consolidated net sales to pass the CHF 2 billion mark for the first time and a consolidated net income of CHF 15-17 million. In addition, ALSO is expecting GNT to contribute a profit for the period following the closing (1 September to 31 December 2006) in the low single-digit million region.

Demand for IT products both in Switzerland and Germany remained largely restrained during the third quarter and the market picked up slightly only in the second half of September. In this discouraging scenario, ALSO still managed to push up sales by 17% to CHF 540.8 million (Q3/2005: CHF 463.5 million) and, at CHF 4.3 million, reported a considerably higher quarterly net income than last year (Q3/2005: CHF 3.3 million). In the first nine months of the year, net sales were up by 14% compared with the same period last year to CHF 1'571.3 million (2005: CHF 1'372.9 million). At CHF 11.1 million, net income was also higher than last year (2005: CHF 9.7 million, including CHF 2.3 million non-recurring costs). The figures for the GNT Group, which was acquired with effect from 31 August 2006, are not included in this quarterly report.

ALSO Switzerland: In the third quarter, the Swiss subsidiary generated higher net sales than the same quarter last year and also showed a considerably higher operating profit. For the first nine months of the year, sales and operating profit – the latter in view of increased sales and a slightly improved gross margin – were both up slightly on the figures for last year.

ALSO Germany: The German subsidiary won further market shares. Compared with the same period last year, it increased third-quarter sales yet again by a double-digit percentage figure and also generated a higher operating profit than in the same quarter last year. After nine months, both sales and operating profit were higher than last year's.

GNT Group: Since 1 September 2006, ALSO has held 50.1% of the stock in the Finnish GNT Group, which operates in Scandinavia, the Baltic States and Poland. In the first eight months of 2006, GNT grew by more than 80% compared with the same period last year. However, this is due mainly to the fact that the company took over SMG's operations in Sweden and Norway at the beginning of this year. On the basis of comparable figures, the Group has posted single-digit growth since the start of the year. While the companies taken over by SMG in Sweden and Norway are still operating at a loss, GNT succeeded in substantially boosting income from its core operations during the first eight months of the year compared with 2005.

Outlook for 2006: net income of CHF 15-17 million

For the current year – and excluding the effect of the GNT acquisition – ALSO is targeting net sales of more than CHF 2 billion for the first time in its history. Moreover, assuming that business proceeds as usual for this time of the year, and excluding unforeseen events, ALSO expects net income this year of CHF 15-17 million. The ALSO Group's financial statements for this year will include the GNT Group's figures from the time of closing (i.e. from 1 September 2006) for the remaining four months of the year. In addition to the result mentioned above, ALSO is expecting a contribution towards profit from the GNT Group in the low, single-digit million region.

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Upcoming events

Media conference: Monday, 19 February 2007, Hotel Park Hyatt Zurich

Annual General Meeting: Wednesday, 14 March 2007, Hotel Palace Lucerne