

Ad hoc announcement

PC-WARE AG: Preliminary financial results for 2006/7: PC-WARE continues growth with record EBT

- Revenue: EUR 692.1 million (+17% y.o.y.)
- Gross profit: EUR 95.2 million (+22% y.o.y.)
- Gross profit margin: 13.7% (+0.6 percentage point y.o.y.)
- EBITDA: EUR 11.7 million (-6% y.o.y.)
- EBT: EUR 8.7 million (+13% y.o.y.)

Leipzig, 14 June 2007 – PC-WARE AG, one of Europe's leading IT service enterprises, again succeeded in maintaining its forward momentum during the 2006/7 financial year. Operating within an IT market buoyed by both intercontinental and European economic growth, PC-WARE again managed to grow its revenue in FY 2006/7, taking the figure to around EUR 692 million (+17% y.o.y. – preliminary) and thus remaining well on track when it comes to achieving the billion euro revenue mark in fiscal 2009/10.

As in previous years, growth within the PC-WARE Group was driven by all three business segments. Despite its sizeable share of the market, the Group managed to produce additional momentum in its core segment of Software Sales and Software Management (SSL) in the period under review: at €528 million, revenue exceeded the previous year's figure by 17.6%. Against the backdrop of far-reaching investments aimed at consolidation and expansion, the Consulting & Services (PS) segment lifted its revenue to around EUR 24 million (+5.5%). Bucking the general trend witnessed within the systems market, PC-WARE's System House (ISS) segment achieved considerable revenue growth to EUR 140.0 million (+15.3%), thus benefiting from continued expansion.

The share of foreign sales in total revenue rose significantly by 7.3 percentage points to 49.4%, which is attributable on the one hand to the inclusion of the Ravenholm Group in the consolidated group for a full annual period and on the other to substantial growth rates achieved by the Group's other foreign subsidiaries, the majority of which managed to exceed the previous year's revenue figures. Revenue growth was particularly pronounced in the Czech Republic (+62%), the United Kingdom (+44%), the Benelux countries (+24%) and Italy (+24%).

This positive business trend was also reflected in a gross profit that rose by 22.3% to EUR 95.2 million, thus outpacing revenue growth.

Influenced mainly by extensive investments in profitable growth targeted by the Group in the medium term, EBITDA fell short of PC-WARE's expectations and declined to approx. EUR 11.7 million (-6%). However, this result was also attributable to a receivables default of EUR 600 thousand as well as recent sluggishness within the public sector due to a number of large-scale tenders planned within this area. Having recently secured a tender issued by the Federal Ministry of the Interior, this segment has now returned to its normal level of business. In contrast to the trend seen within the area of EBITDA, EBT grew by 13%. Achieving approx. EUR 8.7 million, PC-WARE recorded its best ever EBT result.

Against the backdrop of the positive forecasts published for the IT markets and the expansion of market share in all three business segments both domestically and abroad, the Management Board anticipates that revenue will rise by approx. 10% to EUR 770 million in FY 2007/8, while EBITDA is expected to stand at around EUR 13 to 15 million.

In line with the policy of maintaining a consistent dividend distribution, the Management Board of PC-WARE plans to propose to the Supervisory Board a dividend payment of EUR 0.50 per share (based on the current status of year-end reporting). Calculated on the basis of the closing price at the end of FY 2006/7, this corresponds to a dividend yield of 3.8%.

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Listed: Regulated Market of the Frankfurt Securities Exchange, Prime Standard of the Frankfurt Securities Exchange, Regulated Unofficial Market (Freiverkehr) of the Berlin Bremen Exchange, Regulated Unofficial Market (Freiverkehr) of the Düsseldorf Exchange, Regulated Unofficial Market (Freiverkehr) of the Stock Exchange of Lower Saxony Hanover, Regulated Unofficial Market (Freiverkehr) of the Stuttgart Exchange;

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