

Ad hoc announcement pursuant to Section 15 WpHG

PC-WARE Q.I 2009/10: Weak market prompts downturn in business

- Revenue: €216.4 million (-6.3% y.o.y.)
- Gross profit: €30.2 million (-9.7% y.o.y.)
- EBITDA: €-4.7 million (€-8.7 million y.o.y.)
- EBIT: €-7.3 million (€-10.0 million y.o.y.)
- EBT: €-7.4 million (€-10.0 million y.o.y.)
- Profit for the period: €-6.6 million (€-8.4 million y.o.y.)

Leipzig, 24 August 2009 - The ICT solutions provider PC-WARE had to contend with a fall in revenue by 6.3% to €216.4 million in the first quarter. In parallel, however, the company recorded an increase in the volume of Enterprise Agreements (agreements concluded directly between Microsoft and the customer), as a result of which the overall volume of business rose by 4.7% to €336.4 million.

The *Volume Business* segment encompasses PC-WARE's core business centred around software licensing as well as hardware reselling. Owing to the shift within the area of software licensing towards direct Enterprise Agreements, coupled with difficult market conditions in the hardware subsegment, revenue generated in this segment declined by 6.1% to €181.5 million.

The *Value Business* segment recorded a contraction of revenue by 7.6% to €34.9 million.

Alongside the second core area, services relating to data centres as well as high-end IT consulting, this segment includes business activities such as Software Asset Management, Business Intelligence, Multi-Vendor HelpDesk and Learning Services.

Foreign sales as a proportion of total sales revenue increased to 61.3% in the first quarter (Q.I 2008/09: 56.7%), a trend that is attributable to the decline in business at the company's German-based enterprises, as well as the significant growth achieved by some of its foreign subsidiaries.

Gross profit fell by 9.7% in the first quarter, i.e. at a faster rate than revenue, and stood at €30.2 million. The year-on-year decline was driven by two factors: downward pressure on margins within the area of volume software as well as hardware business, together with a reduction in work performed by the enterprise and capitalised.

Performance in terms of *EBITDA* was adversely affected by the decline in gross profit and a further increase in staff costs (+23.1% to €27.5 million), as a result of which EBITDA fell by €8.7 million to €-4.7 million. The significant rise in staff costs was the result of higher staffing levels as well as severance payments made to the former members of the Management Board.

The factors outlined above also had a bearing on *pre-tax profit*. Impacted only marginally by the slight deterioration in net finance costs (€-71 thousand; Q.I 2008/09: €-43 thousand), it stood at €-7.4 million at the end of the first quarter.

Profit for the period (after minority interests) stood at €-6.6 million, down €8.4 million on the figure posted for the same period a year ago. The tax rate was impacted primarily by the reversal of deferred tax assets relating to the carryforward of losses. The latter was due to an assessment of the ability to use loss carryforwards given the difficult economic climate.

In view of the seasonality of PC-WARE's business, the Management Board does not anticipate any significant forward momentum in the second quarter as regards the company's overall performance for the first half. By concentrating on its core competences, the company will be looking to further strengthen its position in the area of software licensing as well as consulting. Given the prevailing economic uncertainties and imminent readjustments to several areas of our business, the company has decided against issuing an earnings forecast for the financial period as a whole. However, the Management Board is of the opinion that the company can fully exploit the opportunities presented to PC-WARE in the medium term even if the current economic challenges persist.

The full report for the first quarter is available at the company's website at www.ir.pc-ware.de ("Reports" section).

Contact:

Investor Relations
Dr. Ingmar Ackermann
PC-Ware Information Technologies AG
Blochstrasse 1 04329 Leipzig
Tel. +49 (0)341 25 68-148
ir@pc-ware.de

WKN: 691090; ISIN: DE0006910904; Index: CDAX, Prime All Share, TECH All Share, GEX; 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; <http://www.pc-ware.de>

PC-Ware
Information Technologies AG
Blochstraße 1, D-04329 Leipzig
phone: +49 (0)341 25 68-000
fax: +49 (0)341 25 68-999
email: office.leipzig@pc-ware.de
website: www.pc-ware.de

Vorstand:
Dr. Klaus Elsbacher, Dr. Thomas Reich,
Hansjörg Egger
Vorsitzender des Aufsichtsrates:
Wilfried Pruschak
Amtsgericht Leipzig: HRB 15064
Steuer-Nr.: 232/100/00704

Bankverbindung:
HypoVereinsbank
KTO: 671 92 79 • BLZ: 860 200 86
IBAN: DE 93 8602 0086 0006 7192 79 (EUR)
SWIFT/BIC: HYVEDEMM495
Sparkasse Leipzig
KTO 110 600 20 39 • BLZ 860 555 92

Deutsche Bank AG
KTO 117 496 000 • BLZ 860 700 00
IBAN: DE 75 8607 0000 0117 4960 00 (EUR u. USD)
SWIFT/BIC: DEUTDE8L
Dresdner Bank AG
KTO 124 896 000 • BLZ 860 800 00