

*Record earnings  
– service portfolio extended  
and strengthened through  
COMPAREX acquisition*



*9-Month Report 01.04.–31.12.*

**Q.I–III** 2007/08

<i>Revenue</i>	<b>+6.8%</b>
<i>Gross profit</i>	<b>+23.3%</b>
<i>EBITDA</i>	<b>+27.2%</b>
<i>EBT</i>	<b>+23.1%</b>
<i>Net profit</i>	<b>+35.1%</b>

\\ We have created a comprehensive service portfolio:  
 from licensing of standard software, licence management, software  
 asset management and proprietary software solutions as well as  
 professional IT consulting, IT support, and system and network  
 integration to complete system-house services, including hardware  
 procurement, IT infrastructure solutions and financial services.

Key figures in € million	Q.III 01.10.–31.12.			Q.I–III 01.04.–31.12.		
	2007/08	2006/07	Change	2007/08	2006/07	Change
Sales revenue	266.9	247.9	+7.7%	592.4	554.6	+6.8%
Gross profit	38.2	30.0	+27.4%	89.1	72.2	+23.3%
EBITDA	8.8	7.3	+20.3%	14.3	11.2	+27.2%
EBIT	7.5	6.6	+13.2%	10.7	9.1	+18.3%
EBT	7.5	6.6	+13.6%	10.7	8.7	+23.1%
Net profit for the period before minority interests	5.2	4.3	+20.6%	7.5	5.6	+33.9%
Net profit for the period after minority interests	5.1	4.1	+23.0%	7.3	5.4	+35.1%
DVFA/SG earnings	5.1	4.1	+23.0%	7.0	5.4	+30.1%
Earnings per share (basic, in €)	0.83	0.68	+22.1%	1.19	0.89	+33.7%
Earnings per share (diluted, in €)	0.83	0.68	+22.1%	1.19	0.89	+33.7%

in € million	31.12.2007	31.03.2007	Change
Balance sheet total	334.2	183.8	+81.8%
Shareholders' equity	70.7	64.8	+9.1%
Cash position	61.4	32.2	+90.7%
Number of employees	1,465	1,152	+27.2%

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Minor differences in the disclosure of individual amounts  
 within the report may occur due to rounding differences.

## Letter to Shareholders

### *Dear Shareholders,*

After the first nine months of the current financial year, we again have the pleasure of announcing record sales and earnings. As in the past, business towards the end of the calendar year, which is generally one of the most buoyant periods for the IT industry, provided fresh impetus for growth during the first nine months and propelled sales revenue by 6.8% year on year to €592.4 million.

Yet again, this forward momentum was supported by all three business segments, with Consulting & Services delivering a particularly strong performance in the form of a 50.8% increase in revenue. The System House segment (+7.8%) and our core business segment, Software (+3.8%), also progressed well in the period under review. Comparex Central Europe and Iberia\*, which has now been operating within the consolidated group for the past five months, contributed €45.5 million in sales revenue to the Consulting & Services and System House segments.

With a few minor exceptions, our non-domestic subsidiaries also achieved encouraging growth rates, as a result of which the share of foreign sales – not least due to the revenue contributions from our newly integrated Comparex enterprises – rose to 54.9%. Our enterprises in Denmark (+67.8%), the Czech Republic (+67.8%) and Finland (+56.3%) developed particularly well over the course of the first nine months.

After three successful quarters, during which we raised our profitability levels with the help of highly effective internal restructuring measures and – following the acquisition of Comparex – an enhanced service portfolio, we are confident that the fourth quarter will generate additional growth, despite being one of the weaker periods of the season. Within this context, the Software as well as the Consulting & Services segments are expected to develop well. At the same time, the System House segment is likely to generate moderate growth. Our revenue target for the financial year as a whole stands at approx. €760 million, a guidance figure influenced to a certain extent by the recent business trend towards direct Enterprise Agreements within the Microsoft segment. Having succeeded in expanding business in the more profitable areas of non-Microsoft software reselling and services, we can reaffirm our EBITDA forecast of €16 to 18 million for the annual period as a whole.

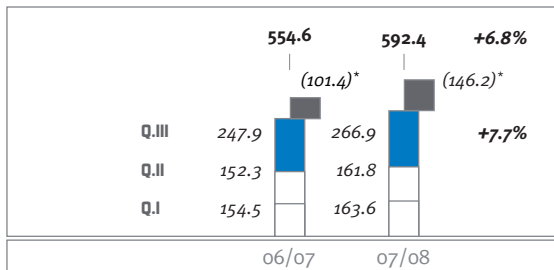
Dr. Knut Löschke and Dr. Tillmann Blaschke

*Management Board of PC-Ware Information Technologies AG*



## Performance Q.I–III

### Revenue

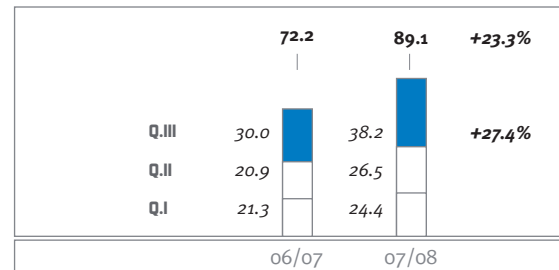


in € million

**Revenue growth** was driven by all business segments in the first nine months of the 2007/08 financial year. Within this context, the consolidation of Comparex (five months) generated significant momentum, particularly in the Consulting & Services (+50.8%) and System House (+7.8%) segments. Our core segment, Software, grew by +3.8%.

With minor exceptions, our foreign subsidiaries produced encouraging growth rates in the period under review. Alongside the recently integrated Comparex enterprises, our units in Denmark (+67.8%), the Czech Republic (+67.8%) and Finland (+56.3%) performed particularly well.

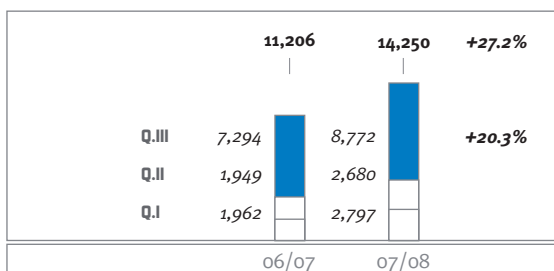
### Gross profit\*\*



in € million

**The more pronounced rise in gross profit** in relation to revenue was driven first and foremost by the larger volume of direct Enterprise Agreements (+55.2% to €157.4 million) concluded during the first nine months of 2007/08 as well as by the higher proportion of revenue generated within the more profitable area of Services – a trend that is attributable to the Comparex acquisition and our highly effective internal restructuring measures within this specific field of business.

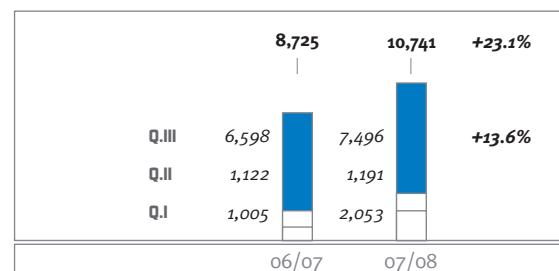
### EBITDA



in €'000

**Owing to the disproportionately high increase in gross profit** (+23.3%), we managed to propel EBITDA by 27.2% to €14.3 million in the period under review, despite having to contend with more pronounced staff costs and other operating expenses induced by the acquisition of Comparex. As a result, by the end of the period under review we had already exceeded last year's annual EBITDA figure by €2.6 million.

### EBT



in €'000

**Although bottom-line results** were impacted by higher write-downs from the accounting-related effects of amortisation associated with the Comparex acquisition, we nevertheless succeeded in raising EBT by 23.1% to €10.7 million.

## PC-WARE share

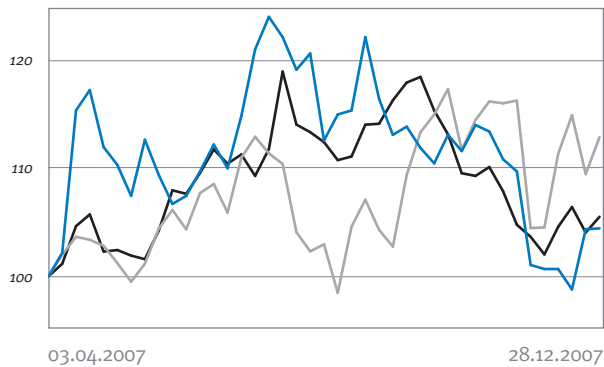
## Key figures per share Q.I-III

Xetra figures

		2007/08	2006/07
Share capital (31.12.)	€	6,124,335	6,124,335
Market capitalisation (31.12.)	€ million	84.70	99.70
Avg. number of shares (01.04.-31.12.)	shares	6,124,335	6,124,335
Share price at beginning of FY (01.04.)	€	13.26	15.80
Closing price 9-month (28.12.)	€	13.83	16.28
9-month high (01.04.-31.12.)	€	16.65	16.28
9-month low (01.04.-31.12.)	€	12.65	11.15
52-week high (01.01.-31.12.)	€	16.70	17.40
52-week low (01.01.-31.12.)	€	12.65	11.15
Avg. daily trading volume (01.04.-31.12.)	shares	6,923	6,097
Earnings per share (01.04.-31.12.)	€	1.19	0.89

## Share price

Index 03.04.2007 = 100



€ 13.11

■ PCW

€ 13.83

862.62 points

■ TecDAX

975.23 points

8,177.01 points

■ Prime Software

8,633.91 points

Designated sponsor: Close Brothers Seydler AG

Security identity number: 691 090

ISIN: DE0006910904

Reuters: PCWG.DE

Bloomberg: PCWGR

At the end of the third quarter we continued our share-repurchasing programme.

## PC-Ware Information Technologies AG Interim Management Report

### WEAKENING ECONOMIC CLIMATE

#### *Diminishing economic momentum*

According to data published by the Kiel Institute for the World Economy (Institut für Weltwirtschaft Kiel – IfW), the German economy remained stable over the course of 2007, with annualised production figures reaching approx. 2.6% (previous year: 2.5%). Against the backdrop of deteriorating economic conditions worldwide and in view of the uncertainties surrounding the capital markets in the wake of the US subprime mortgage crisis in mid-2007, the overall forecast for GDP was revised downwards from 2.4% to 1.9%.

The Winter Report published by the IfW suggests a slight weakening in the economic upturn initially witnessed in the eurozone. This was attributable to the less favourable business climate and waning private consumption, as well as to the effects of financial market turbulence. According to IfW forecasts, economic growth for 2008 and 2009 will amount to 2.0% and 2.1% respectively.

The Institute also published figures that suggest a significant deterioration in global economic conditions towards the end of the year. The main contributory factor cited within this context is the recent capital market crisis that has yet to be overcome and is likely to exert downward pressure on economic performance in the coming months, particularly among the industrialised countries. Prompted by the significant rise in production output achieved by the emerging economies, which is expected to partially offset weakening economic growth in other regions, the IfW revised its forecast upwards for 2008 – from 4.4% to 4.5%. According to market pundits, growth is likely to reach similar levels in 2009.

#### *Good prospects for ICT market*

The European Information Technology Observatory (EITO) has forecast growth of 5.3% for the global IT market in 2008.

Europe is expected to grow by 4.7%, with Spain (6.6%), the Benelux region (5.2%) and France (4.7%) recording the most significant forward momentum. Market growth in Germany has been estimated at 3.7%.

#### *Confident mood in ICT industry*

Despite a slight quarterly drop of 50 points in the BITKOM industry barometer for the winter months of 2007, companies operating in the ICT sector remained optimistic: 78% of the enterprises surveyed predicted a rise in sales for 2008. Demand emanating from both the business and the public sector is forecast to grow over the course of the year, prompted by a robust economy. Within this context, 85% of the software suppliers and IT service providers as well as 70% of the hardware manufacturers participating in the survey expected to see an increase in sales revenue during the current year.

According to the most recent BITKOM forecast, the German ICT market will grow by 1.6% to more than €150 billion in 2008. This figure is borne out by the new industry barometer. As was the case a year ago, it points to a bifurcated trend in three key ICT markets: whereas revenue generated in the telecommunications sector is likely to decline slightly, both information technology and digital entertainment electronics are expected to achieve significant growth.

### MODERATE GROWTH IN SALES REVENUE

We recorded 6.8% revenue growth in the first nine months of our financial year, a period characterised by stable market development for the European IT industry as a whole.

Against the backdrop of dynamic business towards the end of the year, which is a key characteristic of our industry and again had a significant impact on our third quarter, we managed to generate accumulated sales revenue of €266.9 million (+7.7%) between October and December.

Growth was driven by all three business segments, with Consulting & Services producing the most sizeable gains, both from a nine-month (+50.8%) and a quarterly perspective (+76.3%).

Revenues from our Comparex enterprises, which were included for the first time in a third quarter, amounted to €45.5 million in total since the initial consolidation of these entities in August.

**Software (Software Sales & Licensing, SSL):  
Revenue Q.I-III +3.8% to €442.6 million**

In the first nine months, the overall volume of direct Enterprise Agreements (EA, licence agreements concluded directly between Microsoft and the customer) rose by a further 55.2% year on year to €157.4 million (Q.I-III 2006/07: €101.4 million). Although Enterprise Agreements have no immediate bearing on revenue, they do contribute to gross profit – the result of consulting fees received by our company for services rendered as an Enterprise Software Advisor. Thus, these »unbilled revenues« represent market share that has to be taken into consideration when assessing the overall business performance of the segment. Factoring in the overall volume of business outlined above, our market share grew by 12.6% year on year in real terms.

In addition to the stimulus created by more dynamic year-end business, the third quarter benefited in particular from changes to the overall composition of our revenue – the result of a surge in direct Enterprise Agreements.

Compared with the first nine months of the preceding financial year, the proportion of revenue attributable to Microsoft products fell by 6.9%-points to 55.8% at the end of the period under review (Q.III 2007/08: 52.9%), while the share associated with other manufacturers rose by 0.8%-points to €195.5 million (Q.III 2007/08: 10%-points to €92.2 million). The impressive double-digit gains recorded within the non-Microsoft category were mainly centred around Security and Graphics, with Adobe taking a significant stride forward (+61.0%).

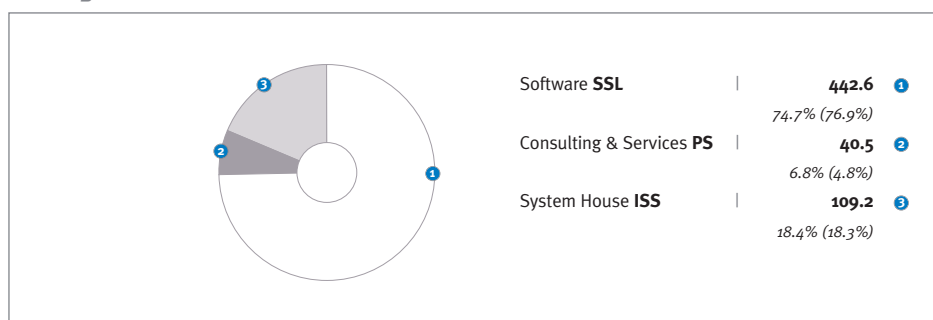
Segment EBIT rose faster than revenue in the months from April to December, up by 23.9% to €14.1 million. Growth within this area was attributable chiefly to more expansive business within the area of EAs and an increase in more profitable non-Microsoft sales. The quarterly trend was similar, resulting in EBIT growth of 8.1% to €7.2 million.

**Consulting & Services (Professional Services, PS):  
Revenue Q.I-III +50.8% to €40.5 million**

Our Consulting & Services segment generated an impressive 50.8% increase in revenue between April and December, the main impetus coming from a surge in business (+76.3%) in the third quarter. The principal growth drivers were services within the data centre environment, which were incorporated in our portfolio following the acquisition of Comparex in mid-2007. Within this context, the regions served by this business unit include the core markets of Eastern Europe as well as Austria and Spain. Alongside the favourable development of our business within the field of system and network integration, we also saw a solid contribution to revenue from Software Asset Management, Business Intelligence, Multi-Vendor HelpDesk as well as Learning Services.

In terms of bottom-line results for this segment, we recorded slightly less pronounced growth in relation to sales revenue. Having said that, the overall performance remained encouraging: EBIT increased by 8.5% to €1.7 million year on year in the first nine months and by 29.3% to €1.3 million in the third quarter.

Sales by business unit Q.I-III 2007/08



in € million (revenue share of previous year in brackets)

**SSL** = Software Sales & Licensing (Software)

**PS** = Professional Services (Services)

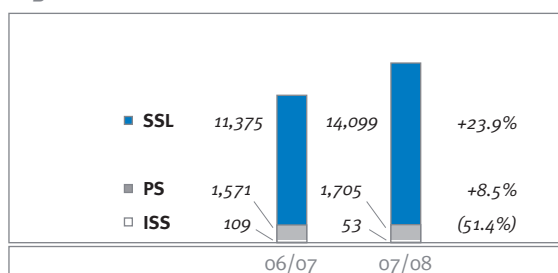
**ISS** = Integrated System Solutions & Support (System House)

### System House (Integrated System Solutions & Support, ISS): Revenue Q.I-III +7.8% to €109.2 million

Sales revenue expanded by 7.8% in the System House segment during the period under review, mainly as a result of revenue contributions from the Comparex enterprises acquired in mid-2007. Within this context, revenue development over the course of the first nine months was influenced to a large extent by the forward momentum of the third quarter (+25.0%), which is generally considered a more buoyant period for our industry as a whole.

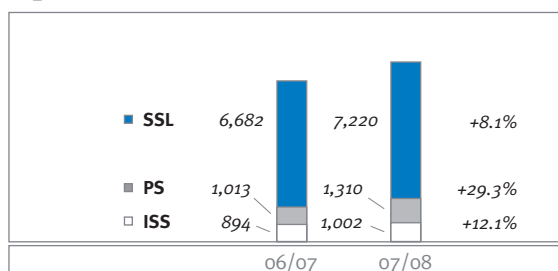
Segment EBIT for the first nine months was down on the figure posted for the same period a year ago. This was due to reclassifications associated with the transfer of hardware-related services to the Consulting & Services segment. In parallel, our units operating within the German-speaking sales region in particular had to contend with challenging market conditions and significant pressure on profit margins. In the third quarter, however, earnings improved by 12.1% compared with the same period a year ago, buoyed by more profitable hardware sales generated by the Comparex enterprises.

#### Segment results Q.I-III\*



in €'000

#### Segment results Q.III\*



in €'000

### Share of foreign sales rises to 54.9% due to acquisitions

The share of foreign sales rose to 54.9% in the first nine months of 2007/08 (Q.I-III 2006/07: 47.1%) as a result of the first-time inclusion of revenues from the recently acquired Comparex Group as well as the solid business performance of our foreign subsidiaries already existing prior to the latest acquisition.

#### Central Region

The slight decline in revenue recorded in **Germany** (€266.9 million), down 9.1%, was mainly the result of two major trends witnessed over the course of the nine-month period. Our software business saw an increase in the number of direct Enterprise Agreements (which are not recognised as sales revenue), thus resulting in a slight fall in sales but also an improvement in the gross profit margin. Additionally, the contraction of our hardware and services business had an adverse effect on revenue.

The trend became even more evident in the third quarter, albeit with slightly different characteristics: while software-related business recorded another significant rise in the proportion of Enterprise Agreements and hardware sales slumped even further, the services unit recorded tangible revenue growth.

Taking into account the direct Enterprise Agreements, which are not recognised as revenue but nevertheless represent market share, our overall business volume stood at €327.8 million for the first nine months, a moderate contraction of just 2.7%; calculated on a quarterly basis, our overall volume of business – which includes the above-mentioned Enterprise Agreements – rose by 1.4% year on year to €153.4 million.

Revenue from our **Swiss enterprises** (€39.2 million), which have been operating on the basis of a joint management structure since July 2007, declined by 8.3% in the first nine months of the financial year. Whereas revenue from hardware-related sales contracted in the third quarter, we managed to expand our IT services, solutions and software business, thus generating another double-digit percentage rise in sales revenue within this area. This trend is expected to continue in the coming quarters.

Sales by region in €'000	Q.III 01.10.-31.12.			Q.I-III 01.04.-31.12.		
	2007/08	2006/07	Change	2007/08	2006/07	Change
<b>Central Region</b>						
Germany	126,644	143,805	(11.9%)	266,925	293,574	(9.1%)
Switzerland	13,610	14,554	(6.5%)	39,154	42,703	(8.3%)
Italy	9,504	8,544	+11.2%	20,961	19,670	+6.6%
Austria	14,417	8,927	+61.5%	28,726	26,785	+7.2%
South Africa	490	129	+279.8%	777	585	+32.8%
China	121	-	-	313	-	-
<b>Western Region</b>						
Benelux	38,201	35,210	+8.5%	93,417	84,954	+10.0%
France	9,694	9,683	+0.1%	22,411	18,176	+23.3%
Spain	8,511	-	-	16,371	-	-
<b>Northern Region</b>						
Denmark	8,541	5,466	+56.3%	25,896	15,437	+67.8%
United Kingdom	6,042	7,328	(17.5%)	16,264	17,171	(5.3%)
Sweden	4,470	4,655	(4.0%)	10,502	9,918	+5.9%
Finland	3,528	1,977	+78.5%	9,958	6,370	+56.3%
Norway	2,198	2,126	+3.4%	6,008	5,826	+3.1%
<b>Eastern Region</b>						
Czech Republic	11,811	4,851	+143.5%	21,521	12,823	+67.8%
Slovakia	2,399	-	-	3,549	-	-
Hungary	2,874	-	-	4,005	-	-
Poland	2,529	-	-	3,620	-	-
Slovenia	741	-	-	861	-	-
Romania	395	606	(34.8%)	687	642	+7.0%
Russia	214	-	-	429	-	-

Supported by a solid business performance in the first half of the financial year, **Italy** (€21.0 million) was able to lift sales revenue by 6.6% over the nine-month period as a whole, which was complemented by a significant improvement in its bottom-line results. Business centred around Microsoft products again moved onwards and upwards in the third quarter, buoyed by a number of major deals. In the non-Microsoft category the main impetus came from expansion within the area of Learning Services. We also positioned ourselves as a high-end partner to public-sector operators.

The moderate development (+7.2% to €28.7 million) of our **Austrian subsidiary** was attributable to two diametrically opposed trends: while our existing subsidiary PC-WARE Austria fell short of expectations in the first nine months (-32.3% year on year), the Comparex enterprise performed very well (€10.6 million), driven in particular by buoyant year-end sales. The third quarter saw the completion of plans to relocate both companies to the same premises, and we are confident that this will deliver fresh impetus for our core business.

In **South Africa** (€777 thousand) sales revenue grew significantly year on year (32.8%), driven in particular by our strategic partnership with the South African enterprise Unishe. Thanks to our eagerly awaited entry into this market, following BEE compliance\* and a redefined approach to business strategy and marketing, we were able to secure a major tender-based contract from one of the country's ministerial bodies.

We made a solid start to our business activities in **China** (€313 thousand) by securing our first software-related contracts and positioning ourselves in line with our core competencies.

#### **Western Region**

While our large Dutch subsidiary developed within the targeted parameters in the **Benelux** region (+10.0% to €93.4 million), the smaller companies within the Group were able to draw strength from their more solid market position, benefiting in particular from projects managed on behalf of the European Commission. Having appointed a General Manager with sole responsibility for Belgium, our plan is to inject even more energy into the dynamic performance of our units in the Benelux region.

Our subsidiary in **France** (€22.4 million) emulated its solid performance of the last few quarters, thus producing an impressive growth rate of 23.3% in the first nine months of the financial year. In the third quarter we attracted several new customers both in the public sector and the industrial segment, as well as matching the strong results achieved in the first nine months of the previous financial year. The forward momentum generated by non-Microsoft business is particularly encouraging.

In **Spain**, we supervised a number of projects within the financial sector and generated sales revenue of €16.4 million (Q.III: €8.5 million). What is more, our order backlog for the coming quarter has already reached a very impressive level. The newly established Software (SSL) team received extensive training at various regional sites within our network and officially began work in January 2008, with the express purpose of further enhancing the Comparex portfolio by incorporating our core business activities.

\* »Black Economic Empowerment«: a programme launched by the South African government with a view to creating equal opportunities for all employees, as a result of which market access for foreign investors has become more difficult.

### Northern Region

On the back of a very strong first half, our operations in **Denmark** continued to prosper in the final three months of the period under review: revenue increased by an impressive 67.8% to €25.9 million compared with the same period a year ago, propelled in particular by buoyant year-end sales.

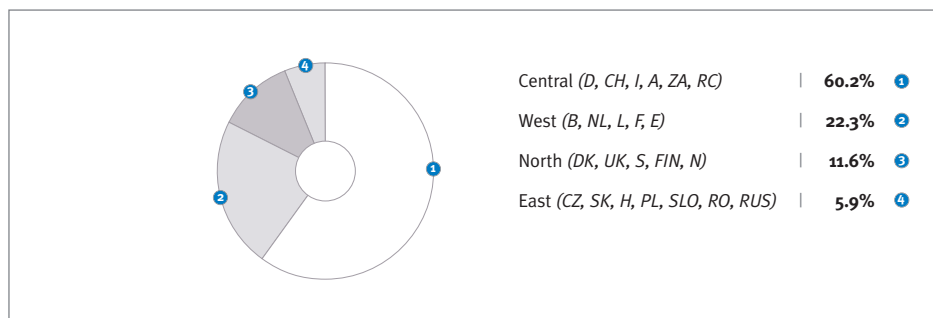
The **United Kingdom** recorded a slight year-on-year decline in sales revenue over the course of the first nine months (down 5.3% to €16.3 million), as a result of which we were unable to emulate the solid performance of the first six months. This was mainly due to the fact that several orders originally planned for December were postponed to the subsequent quarter.

After a moderate first half dominated by internal restructuring measures, we regained our footing in **Sweden** over the course of the third quarter, as a result of which revenues edged up by 5.9% to €10.5 million in the first nine months as a whole. Software-related sales developed in line with our forecasts. At the same time, services accounted for a larger share of our overall business, which contributed to improved earnings. We also opened a new office in Gothenburg.

We managed to overcome the challenges posed by an uninspired summer period in **Norway** (+3.1% to €6.0 million) and appointed a new General Manager in August. The realignment of this enterprise continued to bear fruit in the third quarter, producing solid gains in revenue and earnings. Other success stories include PC-WARE's appointment by Novell as the sole Channel Partner for products and services in Norway. We also expanded significantly in the period under review and opened a new office in Stavanger.

In **Finland** (€10.0 million) business was dominated by a strong first half and additional revenue growth of 56.3% in the third quarter. Adobe and Microsoft products proved to be the most prominent growth drivers during the winter months. We also secured several major contracts from tenders within the public sector, the positive effects of which will continue into the subsequent quarters.

### Sales by region Q.I-III 2007/08



### *Eastern Region*

The *Czech Republic* recorded a sizeable year-on-year increase in sales revenue of 67.8% in the period under review, generated by both our existing subsidiary (€14.9 million, previous year: €12.8 million) and our Comparex entity (€6.6 million), which has been part of the consolidated group since August. The latter has established a particularly strong track record in the field of maintenance and services, serving major customers within the financial sector as well as the aerospace and automobile industry. We also saw the first concerted effort by our two Czech-based companies in the third quarter, culminating in several projects secured by the joint team.

In *Slovakia* we managed to drive business forward within the public sector as well as in the banking and insurance market, generating revenue of €3.5 million in the first three quarters of the financial year. In addition, we secured a number of major contracts in the third quarter, which are expected to produce additional impetus in the coming quarter.

Our *Hungarian enterprise* was buoyed by strong year-end sales and generated revenues of €4.0 million over the period as a whole, the main stimulus coming from customers operating in the financial sector. Despite the tense political climate in Hungary, we were able to implement several public-sector projects over the course of the third quarter, thus reaffirming our position as a major player within the market.

The solid level of sales revenue generated by our subsidiary in *Poland* (€3.6 million) was attributable first and foremost to our activities as a supplier to companies within the financial market. Towards the end of the year we also put into place an action plan aimed at expanding our maintenance business and raising market awareness of our service portfolio in this area. These measures have already produced the first stream of maintenance contracts – with the chance of additional projects in the future.

In *Slovenia* we generated sales revenue of €861 thousand, while our order backlog continued to expand. We are also encouraged by the fact that our recently established unit is already operating at break-even.

In *Romania* (€687 thousand) we recorded year-on-year revenue growth of 7.0%. What is more, in November we secured our first large-scale contract within the energy utilities sector, and we have put forward a number of bids in connection with major tenders organised by public-sector bodies. On this basis, the favourable trend looks set to continue.

In *Russia* (€429 thousand) we attracted a number of new customers and completed the first of several projects – both for Russian enterprises and for subsidiaries operated by companies that are part of our European customer base. Given the volume of orders still in the pipeline, we are confident that business will continue to flourish.

<i>Earnings performance</i> in €'000	Q.III 01.10.-31.12.			Q.I-III 01.04.-31.12.		
	2007/08	2006/07	Change	2007/08	2006/07	Change
Sales revenue	266,934	247,861	+7.7%	592,355	554,634	+6.8%
Work performed by the enterprise and capitalised	792	692	+14.5%	2,162	1,584	+36.5%
<b>Total turnover and operating revenue</b>	<b>267,726</b>	<b>248,553</b>	<b>+7.7%</b>	<b>594,517</b>	<b>556,218</b>	<b>+6.9%</b>
Cost of purchased materials and services	(229,550)	(218,579)	+5.0%	(505,442)	(483,996)	+4.4%
<b>Gross profit</b>	<b>38,176</b>	<b>29,974</b>	<b>+27.4%</b>	<b>89,075</b>	<b>72,222</b>	<b>+23.3%</b>
Other operating income	1,605	996	+61.1%	4,310	3,800	+13.4%
Staff costs	(21,745)	(16,446)	+32.2%	(55,433)	(44,410)	+24.8%
Other operating expenses	(9,143)	(7,204)	+26.9%	(23,496)	(20,051)	+17.2%
Foreign exchange gains/(losses)	(120)	(26)	+361.5%	(206)	(355)	(42.0%)
<b>EBITDA</b>	<b>8,773</b>	<b>7,294</b>	<b>+20.3%</b>	<b>14,250</b>	<b>11,206</b>	<b>+27.2%</b>
Depreciation of property, plant and equipment, and amortisation of intangible assets	(1,284)	(677)	+89.7%	(3,506)	(2,126)	+64.9%
<b>EBIT</b>	<b>7,489</b>	<b>6,617</b>	<b>+13.2%</b>	<b>10,744</b>	<b>9,080</b>	<b>+18.3%</b>
Interest income/(expenses)	8	(19)	-	(3)	(355)	(99.2%)
<b>EBT</b>	<b>7,497</b>	<b>6,598</b>	<b>+13.6%</b>	<b>10,741</b>	<b>8,725</b>	<b>+23.1%</b>
Income tax	(2,281)	(2,274)	+0.3%	(3,193)	(3,089)	+3.4%
<b>Periodenüberschuss</b>	<b>5,216</b>	<b>4,324</b>	<b>+20.6%</b>	<b>7,548</b>	<b>5,636</b>	<b>+33.9%</b>
- of which attributable to minority shareholders	157	211	(25.6%)	275	253	+8.7%
- of which attributable to shareholders of PC-WARE AG (consolidated net result)	5,059	4,113	+23.0%	7,273	5,383	+35.1%

## EARNINGS PERFORMANCE

### Gross profit Q.I–III +23.3% to €89.1 million

Gross profit rose exponentially in relation to revenue (+6.8%) over the course of the first nine months. This was attributable mainly to the larger volume of direct Enterprise Agreements (€157.4 million, +55.2% year on year) as well as the higher proportion of revenue generated within the more profitable services segment. Within this context, both the Comparex acquisition and the internal restructuring measures implemented within this area proved decisive. Gross profit also rose faster than sales revenue over the course of the third quarter (+27.4% to €38.2 million), driven by the same factors outlined above.

### EBITDA Q.I–III +27.2% to €14.3 million

The disproportionately high increase in earnings before interest, taxes, depreciation and amortisation (EBITDA) over the course of the first nine months was attributable to the significant rise in gross profit (+23.3%). It was influenced to a large extent by a rise in staff costs (+24.8%) induced by the recent acquisition as well as the expansion of other operating expenses (+17.2%), which grew at a slower pace in relation to gross profit.

In the third quarter, EBITDA (+20.3% to €8.8 million) was only influenced in part by the significant increase in gross profit – a result of the more pronounced rise in staff costs (32.2%) as well as the sizeable increase in other operating expenses (26.9%).

### EBIT Q.I–III +18.3% to €10.7 million

Earnings before interest and taxes (EBIT) rose by 18.3% to €10.7 million in the first nine months, thus remaining below the growth rate achieved within the area of EBITDA. This was attributable to a surge in depreciation and amortisation expense (+€1.38 million), which in turn was the result of the partial amortisation (€784 thousand) of recognised order backlog acquired within the context of the Comparex takeover and capitalised as part of initial consolidation, thereby reducing goodwill. In parallel, write-downs associated with the ordinary operations of the Comparex Group resulted in higher depreciation expense. We also recorded additional depreciation and amortisation expense in connection with prior-period work performed by the enterprise and capitalised.

Adjusted for these accounting-related effects associated with initial consolidation, EBIT amounted to €11.5 million, which corresponds to an increase of 27.0% compared with the same period a year ago.

The effect of amortisation expense (€313 thousand) as well as other factors also becomes apparent in the third quarter: compared with the same period a year ago, depreciation and amortisation rose by €607 thousand. On this basis, earnings before interest and taxes increased by 13.2% to €7.5 million. Adjusted for the above-mentioned effects, EBIT growth would have reached 17.9% in the third quarter.

### EBT Q.I–III +23.1% to €10.7 million

Earnings before taxes (EBT) were also impacted by the accounting-related factors outlined above. Having said that, EBT benefited from improved net interest expense and rose to €10.7 million (+23.1%) for the nine-month period from April to December. In the third quarter, net interest income edged just beyond the break-even point, as a result of which EBT rose to €7.5 million (+13.6%) in this period.

### Net profit for the period Q.I–III +35.1% to €7.3 million

Net profit for the period (after minority interests) stood at €7.3 million at the end of the first nine months, which was not only 35.1% higher than for the same period a year ago but also in excess of the figure posted for the full 2006/07 financial year. The situation for the third quarter was similar: net profit for this period rose by 23.0% year on year to €5.1 million – the highest ever achieved in a third quarter. In addition to benefiting from the above-mentioned improvement in consolidated EBT, consolidated net profit also drew strength from the reduction in our effective Group tax rate by approx. 5%-points to roughly 30% (mainly as a result of the corporate tax reform in Germany).

### Significant events during the third quarter

There were no significant events during the third quarter that are deemed to be of material importance to the financial position, financial performance and cash flows of PC-Ware Information Technologies AG.

## EMPLOYEES

### *Increase in staff*

The number of people employed at PC-WARE increased from 1,152 at the beginning of the financial year to 1,465, driven mainly by the Comparex acquisition. On average, a total of 1,353 members of staff were employed by the PC-WARE Group.

## RISK REPORT

The risk management system outlined in our annual report for the 2006/07 financial year remained unchanged in the third quarter, as did the assessment of overall risk for PC-WARE.

## EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date that are deemed to be of material importance to the financial position, financial performance and cash flows of PC-Ware Information Technologies AG.

## OUTLOOK: THE FUTURE REMAINS BRIGHT

On the back of three successful quarters, during which we made significant progress in expanding and strengthening our service portfolio with the help of our newly acquired Comparex entities, we are confident that the final quarter, generally considered to be less buoyant, will produce additional growth.

The Software segment (SSL) – our core business – is expected to generate solid growth both in the Microsoft and non-Microsoft category, the latter of which has developed very well over recent months. Within the Microsoft category, we anticipate a further shift in our revenue structure towards direct Enterprise Agreements.

We have also targeted additional growth for the Services segment (PS): first, we are looking to accelerate our existing business streams such as Software Asset Management and Business Intelligence by positioning ourselves as a prominent player within this market segment. And secondly, we intend to leverage additional cross-selling potential within the area of network and system integration, which we added to our portfolio as of the Comparex acquisition.

Our System House activities (ISS) are likely to produce moderate growth, driven mainly by hardware demand within the data centre market. All signs point to solid business within this area.

Owing to the fact that the recent shift towards direct Enterprise Agreements within the Microsoft category has been more pronounced than originally anticipated, sales revenue is likely to be in the region of €760 million for the annual period as a whole. Our EBITDA forecast of €16 to 18 million remains unchanged.

PC-Ware Information Technologies AG  
**Consolidated Balance Sheet** in accordance with IFRS  
 as of 31 December 2007

**Assets**

in €'000

	31.12.2007	31.03.2007
<b>A. Non-current assets</b>		
I. Goodwill	54,515	30,493
II. Other intangible assets	8,912	6,590
III. Property, plant and equipment	11,891	10,970
IV. Financial assets	86	24
V. Other non-current assets	384	315
VI. Deferred tax assets	2,545	2,464
<b>Total non-current assets</b>	<b>78,333</b>	<b>50,856</b>
<b>B. Current assets</b>		
I. Cash and cash equivalents	60,605	31,346
II. Marketable securities	836	804
III. Trade receivables and other receivables	163,304	81,144
IV. Inventories	12,365	7,230
V. Work in progress	763	1,069
VI. Other current assets	14,137	7,625
VII. Tax receivables	3,841	3,736
<b>Total current assets</b>	<b>255,851</b>	<b>132,954</b>
<b>Total assets</b>	<b>334,184</b>	<b>183,810</b>

*Equity and liabilities*

in €'000

	31.12.2007	31.03.2007
<b>A. Equity</b>		
I. Issued capital	6,124	6,124
II. Capital reserves	44,622	44,608
III. Revenue reserves	953	953
IV. Treasury shares	(47)	(1,212)
V. Unappropriated surplus	17,283	13,072
VI. Currency translation reserve	(265)	(348)
VII. Minority interests	2,004	1,559
<b>Total equity</b>	<b>70,674</b>	<b>64,756</b>
<b>B. Non-current liabilities</b>		
I. Provisions for post-employment benefits	334	326
II. Long-term borrowings and finance lease obligations	8,986	8,171
III. Other non-current liabilities	210	184
IV. Deferred tax liabilities	3,360	3,238
<b>Total non-current liabilities</b>	<b>12,890</b>	<b>11,919</b>
<b>C. Current liabilities</b>		
I. Current provisions	35,459	11,963
II. Income tax payable	2,755	1,054
III. Short-term borrowings and current portion of long-term borrowings as well as finance lease obligation	6,495	5,566
IV. Trade payables and other payables	168,710	75,814
V. Advance payments received	2,531	1,909
VI. Deferred revenue	5,901	1,079
VII. Other current liabilities	28,769	9,750
<b>Total current liabilities</b>	<b>250,620</b>	<b>107,135</b>
<b>Total equity and liabilities</b>	<b>334,184</b>	<b>183,810</b>

PC-Ware Information Technologies AG  
**Consolidated Income Statement** in accordance with IFRS  
 for the period from 1 April to 31 December 2007

in €'000	Q.III 01.10.-31.12.		Q.I-III 01.04.-31.12.	
	2007/08	2006/07	2007/08	2006/07
Revenue	266,934	247,861	592,355	554,634
Work performed by the enterprise and capitalised	792	692	2,162	1,584
<b>Total turnover and operating revenue</b>	<b>267,726</b>	<b>248,553</b>	<b>594,517</b>	<b>556,218</b>
Cost of purchased materials and services	(229,550)	(218,579)	(505,442)	(483,996)
<b>Gross profit</b>	<b>38,176</b>	<b>29,974</b>	<b>89,075</b>	<b>72,222</b>
Other operating income	1,605	996	4,310	3,800
Staff costs	(21,745)	(16,446)	(55,433)	(44,410)
Other operating expenses	(9,143)	(7,204)	(23,496)	(20,051)
Foreign exchange gains/(losses)	(120)	(26)	(206)	(355)
<b>EBITDA</b>	<b>8,773</b>	<b>7,294</b>	<b>14,250</b>	<b>11,206</b>
Depreciation of property, plant and equipment, and amortisation of intangible assets	(1,284)	(677)	(3,506)	(2,126)
<b>EBIT</b>	<b>7,489</b>	<b>6,617</b>	<b>10,744</b>	<b>9,080</b>
Interest income/(expense)	8	(19)	(3)	(355)
<b>EBT</b>	<b>7,497</b>	<b>6,598</b>	<b>10,741</b>	<b>8,725</b>
Taxes on income	(2,281)	(2,274)	(3,193)	(3,089)
<b>Consolidated net profit</b>	<b>5,216</b>	<b>4,324</b>	<b>7,548</b>	<b>5,636</b>
– of which attributable to minority shareholders	157	211	275	253
– of which attributable to shareholders of PC-WARE AG (consolidated net result)	5,059	4,113	7,273	5,383
Average number of shares outstanding, basic (shares)	6,124,335	6,038,992	6,105,370	6,041,781
Average number of shares outstanding, diluted (shares)	6,124,335	6,038,992	6,105,370	6,041,781
Earnings per share, basic (€)	0.83	0.68	1.19	0.89
Earnings per share, diluted (€)	0.83	0.68	1.19	0.89
DVFA/SG earnings	5,058	4,113	7,004	5,383
DVFA/SG earnings per share, basic (€)	0.83	0.68	1.15	0.89
DVFA/SG earnings per share, diluted (€)	0.83	0.68	1.15	0.89

PC-Ware Information Technologies AG

**Statement of Recognised Income and Expense** in accordance with IFRS  
for the period from 1 April to 31 December 2007

in €'000	Q.I-III	
	2007/08	01.04.-31.12. 2006/07
Change in currency translation difference attributable to foreign subsidiaries	83	(199)
Gains from disposal of treasury shares recognised in equity	21	7
Deferred taxes on changes in value offset directly in equity	(7)	(2)
Income and expense recognised directly in equity	97	(194)
Consolidated net profit	7,548	5,636
<b>Aggregate of consolidated net profit and income and expense for the period not recognised in profit or loss</b>	<b>7,645</b>	<b>5,442</b>
– of which attributable to minority shareholders *	243	224
– of which attributable to shareholders of PC-WARE AG	7,402	5,218

\* incl. equity differences from currency translation

PC-Ware Information Technologies AG  
**Consolidated Statement of Cash Flows** in accordance with IFRS  
 for the period from 1 April to 31 December 2007

in €'000	<b>Q.I-III</b>	<i>01.04.-31.12.</i>
	<b>2007/08</b>	<b>2006/07</b>
<b>Cash flows from operating activities</b>		
<b>Net profit before taxes and minority interests</b>	<b>10,740</b>	<b>8,725</b>
<i>Adjustments</i>		
+ Depreciation of property, plant and equipment and amortisation of intangible assets	3,506	2,126
+ Change in long-term provisions	8	19
+ Change in short-term provisions	7,710	7,295
+ Interest expense	742	781
+ Change in inventories	427	(223)
- Change in trade receivables and other receivables	(61,776)	(56,742)
+ Change in trade payables and other liabilities	93,667	77,403
- Interest paid	(346)	(371)
- Income tax paid	(1,412)	(2,136)
<b>Net cash from/(used in) operating activities</b>	<b>53,266</b>	<b>36,877</b>
<b>Cash flows from investing activities</b>		
- Acquisition of subsidiaries less net cash assets acquired	(14,927)	(414)
- Payments for additions to intangible assets as well as property, plant and equipment	(5,069)	(4,510)
- Payments for additions to financial assets	(15)	(46)
+ Proceeds from disposal of property, plant and equipment as well as financial assets	263	94
<b>Net cash used in investing activities</b>	<b>(19,748)</b>	<b>(4,876)</b>
<b>Cash flows from financing activities</b>		
-/+ Proceeds/payments from loans taken out by the enterprise	(2,377)	(8,161)
+ Proceeds from issuing treasury shares	1,180	0
- Interest paid	(263)	(267)
- Dividends paid	(3,062)	(3,014)
- Purchase of treasury shares	0	(599)
<b>Net cash from/(used in) financing activities</b>	<b>(4,522)</b>	<b>(12,041)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>28,996</b>	<b>19,960</b>
- Effects of exchange rate changes	295	(30)
+ Cash and cash equivalents at beginning of period	32,150	44,915
<b>Cash and cash equivalents at end of period</b>	<b>61,441</b>	<b>64,845</b>
Cash and cash equivalents	60,605	63,960
Marketable securities held as current assets	836	886

PC-Ware Information Technologies AG  
**Segment Reporting Q.1-III** in accordance with IFRS  
 for the period from 1 April to 31 December 2007  
 by business segment (Primary Segment Reporting Format)

**Q.1-III** 01.04.-31.12.

	Software Sales & Licensing (SSL)		Professional Services (PS)		Integrated System Solutions & Support (ISS)		Total
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	
<b>Revenue</b>							
Sales revenue	442,640	426,376	40,501	26,863	109,197	101,262	592,338
Unallocated revenue							17
<b>Total segment revenue</b>							<b>592,355</b>
Work performed by the enterprise and capitalised – general area							2,162
Other operating income	2,554	2,014	991	476	545	711	4,090
Other unallocated operating income							220
<b>Total revenue</b>	<b>445,194</b>	<b>428,390</b>	<b>41,492</b>	<b>27,339</b>	<b>109,742</b>	<b>101,973</b>	<b>598,827</b>
<b>Segment EBIT</b>	<b>14,099</b>	<b>11,375</b>	<b>1,705</b>	<b>1,571</b>	<b>53</b>	<b>109</b>	<b>15,857</b>
Unallocated income							2,399
Unallocated expense							(7,511)
Unallocated foreign exchange gains/(losses)							(1)
<b>Total EBIT</b>							<b>10,744</b>
Other interest and similar income							741
Finance cost							(744)
<b>EBT</b>							<b>10,741</b>
Taxes on income							(3,193)
<b>Profit before minority interests</b>							<b>7,548</b>
Minority interests							(275)
<b>Net profit for the period</b>							<b>7,273</b>

in €'000

PC-Ware Information Technologies AG  
**Segment Reporting Q.III** in accordance with IFRS  
 for the period from 1 October to 31 December 2007  
 by business segment (Primary Segment Reporting Format)

**Q.III** 01.10.-31.12.

	Software Sales & Licensing (SSL)		Professional Services (PS)		Integrated System Solutions & Support (ISS)		Total	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
<b>Revenue</b>								
Sales revenue	197,313	196,462	18,504	10,497	51,110	46,883	266,927	247,842
Unallocated revenue							7	19
<b>Total segment revenue</b>							<b>266,934</b>	<b>247,861</b>
Work performed by the enterprise and capitalised – general area							792	692
Other operating income	1,150	530	308	211	147	181	1,605	922
Other unallocated operating income							0	73
<b>Total revenue</b>	<b>198,463</b>	<b>196,992</b>	<b>18,812</b>	<b>10,708</b>	<b>51,257</b>	<b>41,064</b>	<b>269,331</b>	<b>249,548</b>
<b>Segment EBIT</b>	<b>7,220</b>	<b>6,682</b>	<b>1,310</b>	<b>1,013</b>	<b>1,002</b>	<b>894</b>	<b>9,532</b>	<b>8,589</b>
Unallocated income							799	784
Unallocated expense							(2,841)	(2,655)
Unallocated foreign exchange gains/(losses)							(1)	(101)
<b>Total EBIT</b>							<b>7,489</b>	<b>6,617</b>
Other interest and similar income							245	167
Finance cost							(237)	(186)
<b>EBT</b>							<b>7,497</b>	<b>6,598</b>
Taxes on income							(2,281)	(2,274)
<b>Profit before minority interests</b>							<b>5,216</b>	<b>4,324</b>
Minority interests							(157)	(211)
<b>Net profit for the period</b>							<b>5,059</b>	<b>4,113</b>

in €'000

PC-Ware Information Technologies AG  
**Segment Reporting Q.I-III** in accordance with IFRS  
 for the period from 1 April to 31 December 2007  
 by geographical region (Secondary Segment Reporting Format)

in €'000			Sales revenue	Work performed by the enterprise and capitalised	Other operating income	Total revenue
<b>Central Region</b>	Germany	<b>2007/08</b>	<b>266,925</b>	<b>2,162</b>	<b>2,558</b>	<b>271,645</b>
		2006/07	293,574	1,584	2,280	297,438
	Switzerland	<b>2007/08</b>	<b>39,154</b>	<b>0</b>	<b>294</b>	<b>39,448</b>
		2006/07	42,703	0	220	42,923
	Italy	<b>2007/08</b>	<b>20,961</b>	<b>0</b>	<b>219</b>	<b>21,180</b>
		2006/07	19,670	0	203	19,873
	Austria	<b>2007/08</b>	<b>28,726</b>	<b>0</b>	<b>126</b>	<b>28,852</b>
		2006/07	26,785	0	130	26,915
	South Africa	<b>2007/08</b>	<b>777</b>	<b>0</b>	<b>16</b>	<b>793</b>
		2006/07	585	0	62	647
	China	<b>2007/08</b>	<b>313</b>	<b>0</b>	<b>27</b>	<b>340</b>
		2006/07	0	0	0	0
<b>Western Region</b>	Benelux	<b>2007/08</b>	<b>93,417</b>	<b>0</b>	<b>261</b>	<b>93,678</b>
		2006/07	84,954	0	213	85,167
	France	<b>2007/08</b>	<b>22,411</b>	<b>0</b>	<b>97</b>	<b>22,508</b>
		2006/07	18,176	0	93	18,269
	Spain	<b>2007/08</b>	<b>16,371</b>	<b>0</b>	<b>0</b>	<b>16,371</b>
		2006/07	0	0	0	0
<b>Northern Region</b>	Denmark	<b>2007/08</b>	<b>25,896</b>	<b>0</b>	<b>76</b>	<b>25,972</b>
		2006/07	15,437	0	124	15,561
	United Kingdom	<b>2007/08</b>	<b>16,264</b>	<b>0</b>	<b>303</b>	<b>16,567</b>
		2006/07	17,171	0	163	17,334
	Sweden	<b>2007/08</b>	<b>10,502</b>	<b>0</b>	<b>31</b>	<b>10,533</b>
		2006/07	9,918	0	107	10,025
	Finland	<b>2007/08</b>	<b>9,958</b>	<b>0</b>	<b>87</b>	<b>10,045</b>
		2006/07	6,370	0	78	6,448
	Norway	<b>2007/08</b>	<b>6,008</b>	<b>0</b>	<b>58</b>	<b>6,066</b>
		2006/07	5,826	0	97	5,923

<i>in €'000</i>			<i>Sales revenue</i>	<i>Work performed by the enterprise and capitalised</i>	<i>Other operating income</i>	<i>Total revenue</i>
<b>Eastern Region</b>	Czech Republic	<b>2007/08</b>	<b>21,521</b>	<b>0</b>	<b>140</b>	<b>21,661</b>
		2006/07	12,823	0	30	12,853
	Slovakia	<b>2007/08</b>	<b>3,549</b>	<b>0</b>	<b>1</b>	<b>3,550</b>
		2006/07	0	0	0	0
	Hungary	<b>2007/08</b>	<b>4,005</b>	<b>0</b>	<b>0</b>	<b>4,005</b>
		2006/07	0	0	0	0
	Poland	<b>2007/08</b>	<b>3,620</b>	<b>0</b>	<b>16</b>	<b>3,636</b>
		2006/07	0	0	0	0
	Slovenia	<b>2007/08</b>	<b>861</b>	<b>0</b>	<b>0</b>	<b>861</b>
		2006/07	0	0	0	0
	Romania	<b>2007/08</b>	<b>687</b>	<b>0</b>	<b>0</b>	<b>687</b>
		2006/07	642	0	0	642
	Russia	<b>2007/08</b>	<b>429</b>	<b>0</b>	<b>0</b>	<b>429</b>
		2006/07	0	0	0	0
<b>Total</b>		<b>2007/08</b>	<b>592,355</b>	<b>2,162</b>	<b>4,310</b>	<b>598,827</b>
		2006/07	554,634	1,584	3,800	560,018

PC-Ware Information Technologies AG  
**Segment Reporting Q.III** in accordance with IFRS  
 for the period from 1 October to 31 December 2007  
 by geographical region (Secondary Segment Reporting Format)

in €'000			Sales revenue	Work performed by the enterprise and capitalised	Other operating income	Total revenue
<b>Central Region</b>	Germany	<b>2007/08</b>	<b>126,644</b>	<b>792</b>	<b>1,015</b>	<b>128,451</b>
		2006/07	143,805	692	638	145,135
	Switzerland	<b>2007/08</b>	<b>13,610</b>	<b>0</b>	<b>100</b>	<b>13,710</b>
		2006/07	14,554	0	65	14,619
	Italy	<b>2007/08</b>	<b>9,504</b>	<b>0</b>	<b>121</b>	<b>9,625</b>
		2006/07	8,544	0	69	8,613
	Austria	<b>2007/08</b>	<b>14,417</b>	<b>0</b>	<b>15</b>	<b>14,432</b>
		2006/07	8,927	0	23	8,950
	South Africa	<b>2007/08</b>	<b>490</b>	<b>0</b>	<b>16</b>	<b>506</b>
		2006/07	129	0	13	142
	China	<b>2007/08</b>	<b>121</b>	<b>0</b>	<b>1</b>	<b>122</b>
		2006/07	0	0	0	0
<b>Western Region</b>	Benelux	<b>2007/08</b>	<b>38,201</b>	<b>0</b>	<b>78</b>	<b>38,279</b>
		2006/07	35,210	0	43	35,253
	France	<b>2007/08</b>	<b>9,694</b>	<b>0</b>	<b>45</b>	<b>9,739</b>
		2006/07	9,683	0	29	9,712
	Spain	<b>2007/08</b>	<b>8,511</b>	<b>0</b>	<b>0</b>	<b>8,511</b>
		2006/07	0	0	0	0
<b>Northern Region</b>	Denmark	<b>2007/08</b>	<b>8,541</b>	<b>0</b>	<b>43</b>	<b>8,584</b>
		2006/07	5,466	0	(11)	5,455
	United Kingdom	<b>2007/08</b>	<b>6,042</b>	<b>0</b>	<b>67</b>	<b>6,109</b>
		2006/07	7,328	0	(32)	7,296
	Sweden	<b>2007/08</b>	<b>4,470</b>	<b>0</b>	<b>14</b>	<b>4,484</b>
		2006/07	4,655	0	72	4,727
	Finland	<b>2007/08</b>	<b>3,528</b>	<b>0</b>	<b>35</b>	<b>3,563</b>
		2006/07	1,977	0	20	1,997
	Norway	<b>2007/08</b>	<b>2,198</b>	<b>0</b>	<b>30</b>	<b>2,228</b>
		2006/07	2,126	0	51	2,177

<i>in €'000</i>			<i>Sales revenue</i>	<i>Work performed by the enterprise and capitalised</i>	<i>Other operating income</i>	<i>Total revenue</i>
<b>Eastern Region</b>	Czech Republic	<b>2007/08</b>	<b>11,811</b>	<b>0</b>	<b>28</b>	<b>11,839</b>
		2006/07	4,851	0	16	4,867
	Slovakia	<b>2007/08</b>	<b>2,399</b>	<b>0</b>	<b>0</b>	<b>2,399</b>
		2006/07	0	0	0	0
	Hungary	<b>2007/08</b>	<b>2,874</b>	<b>0</b>	<b>(11)</b>	<b>2,863</b>
		2006/07	0	0	0	0
	Poland	<b>2007/08</b>	<b>2,529</b>	<b>0</b>	<b>8</b>	<b>2,537</b>
		2006/07	0	0	0	0
	Slovenia	<b>2007/08</b>	<b>741</b>	<b>0</b>	<b>0</b>	<b>741</b>
		2006/07	0	0	0	0
	Romania	<b>2007/08</b>	<b>395</b>	<b>0</b>	<b>0</b>	<b>395</b>
		2006/07	606	0	0	606
	Russia	<b>2007/08</b>	<b>214</b>	<b>0</b>	<b>0</b>	<b>214</b>
		2006/07	0	0	0	0
<b>Total</b>		<b>2007/08</b>	<b>266,934</b>	<b>792</b>	<b>1,605</b>	<b>269,331</b>
		2006/07	247,861	692	996	249,549

## Notes to the Interim Report

### *Summary of significant accounting policies*

The consolidated interim financial statements for the period ended 31 December 2007, have been prepared in accordance with International Accounting Standard (IAS) 34. In compliance with the provisions set out in the aforementioned standard, a condensed format of reporting has been chosen for the interim period, as opposed to the complete consolidated financial statements prepared for the annual period ended 31 March 2007.

The consolidated interim financial statements take into account the provisions set out in the International Financial Reporting Standards (IFRS/AS) promulgated by the International Accounting Standards Boards (IASB) as well as the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), to the extent that the former had been adopted by the European Commission for application in the EU at the time of preparation.

As regards the basis of presentation and accounting policies applicable to the consolidated interim financial statements, please refer to the notes to the consolidated financial statements for the annual period ended 31 March 2007.

### *Changes to classifications in segment reporting*

At the beginning of the current financial year the Company implemented changes to segment allocation relating to structural realignments between the ISS and PS segments to reflect adjustments to management structures. IT consulting services formerly provided within the ISS segment were amalgamated with comparable services within PS and are now accounted for in this segment. By contrast, services relating to Hardware Infrastructure & Support and previously attributable to the PS segment were transferred to the ISS segment.

Additionally, for the purpose of further enhancing segment reporting the categorisation of financial data in relation to the respective segments was extended by allocating to the various segments any significant cost items previously recorded as a general item.

Increasingly, in the case of cross-segment assets work is performed within the Group itself; it is not possible to allocate these activities to a specific segment. Correspondingly, in the current financial year the PS segment underwent reclassification as regards the general area outlined above.

The relevant prior-year amounts were adjusted accordingly. There were no material changes to other segment data. For further details about the above-mentioned adjustments, please refer to the interim management report.

### *Changes to the consolidated Group*

In the period under review PC-WARE Information Technologies AG acquired all interests in Comparex Central Europe and Iberia. The transaction was closed effective from 3 August 2007. Thus, the following entities were included fully within the consolidated group in August for the time:

- Comparex Austria GmbH, Vienna
- Comparex España, S.A., Madrid
- Comparex Poland Sp. z.o.o., Warsaw
- Comparex Magyarország Kft., Budapest
- Comparex Slovakia spol. S.r.o., Bratislava
- Comparex d.o.o., Ljubljana
- Comparex Romania S.R.L., Bucharest
- Comparex CZ s.r.o., Prague.

The acquired enterprises of the Comparex Group specialise in the supply and provision of high-end IT services within the data centre market.

The process of determining the cost of purchase and allocating the purchase price has yet to be completed. Therefore, the business combination has been accounted for provisionally in accordance with IFRS 3.62. The provisional effective purchase price has been calculated as follows:

### Presentation of effective purchase price

in € million

Fixed purchase price	24.0
Variable proportion of purchase price (provisional)	10.2
Ancillary costs of purchase (provisional)	1.0
less cash and cash equivalents not required for operating activities	(5.0)
<b>Effective purchase price (provisional)</b>	<b>30.2</b>

As part of the provisional purchase price allocation, the acquired assets and liabilities of the newly purchased Comparex Group were carried at the following fair values:

<i>in € million</i>	<i>Carrying amounts immediately prior to business combination</i>	<i>Adjustments</i>	<i>Fair values at date of purchase</i>
Intangible assets	42	25,086	25,128
Property, plant and equipment	1,051		1,051
Financial assets	51		51
Inventories	5,607		5,607
Receivables	23,787	(190)	23,597
Other current assets	2,888		2,888
Deferred tax assets	577	525	1,102
Cash and cash equivalents	10,127		10,127
<b>Total assets</b>	<b>44,130</b>	<b>25,421</b>	<b>69,551</b>
Non-current liabilities	287		287
Current liabilities	33,449	549	33,998
Equity	10,394	24,872	35,266
<b>Total liabilities and equity</b>	<b>44,130</b>	<b>25,421</b>	<b>69,551</b>

A projection of the final purchase price and the final fair values is likely to be possible to a material extent by the time the consolidated financial statements are prepared as at 31 March 2008; the earn-out agreement is applicable beyond this date until 31 March 2009.

The provisional goodwill (€24.1 million) reported under intangible assets contains non-separable values such as competencies within the area of system and network integration that are considered by the Company as key technologies within a rapidly growing IT market and complement the existing service portfolio in strategic terms.

The Comparex entities have been included in the consolidated financial statements of PC-WARE as from 1 August 2007. Therefore, the Comparex entities have only contributed to the financial results of the PC-WARE Group as at 31 December 2007, for the period from August to December 2007. Within this context, the Comparex Group accounts for a revenue share of €45.7 million and EBT of €2.3 million (both non-consolidated). Due to the recognition of the order backlog acquired within the framework of the Comparex takeover, the net result of the Comparex enterprises contains amortisation expense (after taxes) in the amount of €0.5 million.

If the Comparex Group had been part of the PC-WARE Group since 1 April 2007, the revenue contribution from the Comparex enterprises would have been approx. €69.8 million and EBT approx. €2.6 million (both non-consolidated).

In the cash flow statement the acquisition has been accounted for as follows with regard to investing activities:

*in € million*

Payments of purchase price (incl. ancillary costs of purchase)	25.0
less cash and cash equivalents	10.1
Outflow of cash	14.9

### *Selected notes to Group balance sheet and Group income statement*

#### *Seasonal influences*

Traditionally, PC-WARE generates a disproportionately large amount of sales revenues in the month of December. For the third quarter, the increase compared to the previous three months was 65%. This seasonal trend is typical of the Company's business and results in a rise in trade receivables and trade payables as well as material-related expenses.

#### *Taxes*

Both current taxes and deferred tax items have been calculated in observance of the changes arising from Germany's 2008 corporate tax reform, which will reduce the tax burden of PC-WARE's German entities by an average of approx. 9% to approx. 31% for tax assessment periods from 2008 onwards.

#### *Dividend payments*

The General Meeting of Shareholders convened on 24 August 2007, passed a resolution for the payment of a dividend of €0.50 per dividend-entitled share (»Stückaktie« governed by German law) for the 2006/07 financial year (total dividend payment: €3,062,167.50).

#### *Contingent liabilities*

The changes to PC-WARE's contingent liabilities were insignificant when assessed in relation to those presented in the notes to the consolidated financial statements for the annual period ended 31 March 2007. Contingent liabilities attributable to the Comparex Group acquired in the current financial year have been accounted for as part of the purchase price allocation in the consolidated interim financial statements as at 31 December 2007.

*Leipzig, 14 February 2008*

PC-Ware Information Technologies AG

The Management Board

## *Financial Calendar\* 2007/08*

<i>26.06.2008</i>	<i>Announcement of results for 2007/08 financial year</i>
<i>30.06.2008</i>	<i>Press conference/analyst conference, Frankfurt/M.</i>
<i>28.08.2008</i>	<i>Annual General Meeting, Leipzig</i>
<i>10. – 12.11.2008</i>	<i>Germany Equity Forum, Frankfurt/M.</i>
<i>09. – 10.12.2008</i>	<i>6th MKK Munich Capital Markets Conference</i>

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*\* preliminary dates*

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