

Record year for WStore and predictions for more growth to come

Submitted by: Clarity Public Relations

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WStore, the leading online supplier of business IT equipment, has today announced that it will record its best ever financial performance in 2004 and has set itself ambitious targets for next year.

Set against the backdrop of a flat market, with many businesses in the IT sector still struggling to recover after the 2000 downturn, WStore's 30% increase in turnover to £32 million is all the more impressive.

The company has also consistently recorded an operating profit throughout 2004, a trend which began in 2003 – in line with targets set at WStore's UK launch in 1999. Headcount is now more than 70 in the UK, having almost doubled in the last two years, and the company has a new board of directors, with Stewart Hayward and Sharon Ramsden joining as Commercial Director and Finance Director respectively, to work alongside Tony Price, Managing Director, and Kate Hembury, Sales & Marketing Director.

For 2005 WStore has set itself ambitious target of £50 million and will be looking to increase its profitable business in new market areas which can offer increased margin retention.

Tony Price, WStore Managing Director said: "This has been a fantastic year for WStore. A 30% rise in turnover in the current market climate is something for everyone at WStore to feel proud of. We have set our sights high for 2005 but I am confident we can continue to grow in this way. We've strengthened our position in areas where we are already strong and we've established new offerings, such as our Veritas storage configurator and our server configurator.

Unlike the majority of online businesses that sprouted during the late 1990s – many of which have gone under or have relied on investors and shareholders to stay afloat – WStore has diligently followed a sound business model of sustainable growth, backed by excellence in service and first class relationships with suppliers and customers alike.

Other 2004 WStore highlights have been:

- The launch of a dedicated SMB sales team
- A Computer Associates store on the WStore site
- WStore recognised by Computer Associates as its fastest growing SME reseller
- The server configurator – a software tool to make it easier to order a server that meets your exact requirements
- The launch of a dedicated HP sales team
- The first customer-ready HP TopConfig tool
- WStore opens an office in Scotland
- The Veritas storage configurator – a software tool to help Veritas customers
- WStore receives the Computer Reseller News SME Reseller of the Year award

Ends

Notes to Editors

Since its creation in 1998, WStore group has continued to display rapid growth, going from a turnover of 8 million euros in 1999 to 62 million euros in 2003. WStore Group announced a consolidated gross margin of over 14% for 2003, an increase of 2 points in comparison with the year 2002.

About WStore Group

WStore was the UK's first web-based corporate IT reseller, established in July 1999. It uses the internet to reduce costs and processes to businesses. Focus on innovation delivers simple and effective tools to allow businesses saving time when choosing and purchasing IT products. Installation, training and consultancy is delivered to companies implementing IT projects, through its regionally focused VAR network.

WStore Group is a pan European company with organizations in the UK and France.

WStore UK Ltd is a wholly owned subsidiary of WStore Europe SA.

WStore site: www.wstore.co.uk