

QSC Posts Strong Revenue and Profitability Growth in 2006

- Revenues up by 35% in 2006 to € 262.5 million
- EBITDA rises in 2006 from € 5.8 million to € 21.0 million
- First net income in the fourth quarter of 2006
- Revenue growth to more than € 350 million planned for 2007
- EBITDA expected to rise to between € 50 and € 60 million in 2007

Cologne, February 28, 2007. According to preliminary results, QSC grew its revenues by 35 percent during the past fiscal year to € 262.5 million, as opposed to € 194.4 million the year before. The company posted its strongest growth in business with wholesale partners and resellers. Here, revenues grew by a strong 115 percent to € 65.4 million, boosted also by the successful marketing launch of DSL lines through wholesale partners like HanseNet and freenet.

QSC aims at merging Broadnet into QSC

Cologne, January 30, 2007. Today, the Management Board and the Supervisory Board of QSC AG have decided to initiate the formal procedure for a statutory merger of Broadnet AG (ISIN DE0005490866) into QSC AG (ISIN DE0005137004).

Latest Financial Report:

- Quarterly Report Q3/2006

Preliminary numbers for the 2006 fiscal year:

Preliminary results in € million	Q4 2006	Q4 2005	2006	2005
Net revenues	83.1	53.1	262.5	194.4
Network expenses*	59.3	37.8	180.4	143.7
Gross profit	23.8	15.3	82.1	50.7
EBITDA	9.3	0.8	21.0	5.8
Net income (loss)	+1.4	-4.4	-6.7	-18.2
Capital expenditures	16.3	6.2	42.7	20.1
Net liquid assets on December 31	-	-	108.0	52.1
Workforce on December 31	-	-	675	450

**exclusive of depreciation and non-cash compensation*

Queries to:

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