

Profile

Founded in 1983, GTSI is the most experienced—and the leading—dedicated Business-to-Government provider of IT solutions. In addition to offering more than 250,000 products from over 1,300 manufacturers, GTSI delivers product-based solutions, including configuration support and integration services, through dedicated teams of industry certified technical professionals. GTSI also partners with globally recognized service providers to deliver a wide selection of more complex integration options. A pioneer in government-focused electronic commerce, GTSI offers simplified buying through its Website, www.gtsi.com.

Features & Highlights

- Seasoned management team and committed sales, marketing, and technology professionals.
- Strong relationships with prestigious technology partners:
 - Established global market leaders, including HP™, Xerox™, Microsoft™, Panasonic™, Compaq™, IBM™, Sun Microsystems™, and Cisco™.
 - “New demand” technology providers, such as ATG™, Veritas™, BlackBerry™, Tachyon™, and EMC²™.
- Industry database of more than 450,000 names.
- Website designed for government business growth:
 - Streamlined transaction functions, including flexible purchasing, based on customer preferences
 - Multiple contracts, which provide ease of procurement
 - Focused web subsites, which serve the needs of GTSI’s customers and vendor partners

Strategic Direction

As a turn-around company, GTSI continues to grow, improve its bottom line, and have a current net worth above its current stock price. At less than 20%, GTSI’s employee turnover is well below industry average. In a competitive government market, GTSI continues to broaden its business leadership in electronic commerce and procurement, place increased emphasis on more profitable technology solutions, and develop and strengthen strategic business alliances.

Financial Results

Unaudited Financial Results (\$000's - except per share data)	Q2		Change	Variance
	2001	2000		
Sales	\$151,090	\$136,468	\$ 14,622	10.7%
Cost of Sales	138,250	123,929	14,321	11.6%
Gross Margin	12,840	12,539	301	2.4%
Operating Expenses	15,697	11,978	3,719	31.0%
Loss from Operations	(2,857)	561	(3,418)	-609.3%
Interest and Financing Income	(733)	(379)	(354)	93.4%
Interest Expense	54	225	(171)	-76.0%
Interest Income, Net	(679)	(154)	(525)	340.9%
Loss Before Income Taxes and Cumulative Effect of SAB No. 101 Adoption	(2,178)	715	(2,893)	-404.6%
Income Tax Benefit	(839)	-	(839)	100.0%
Loss Before Cumulative Effect of SAB No. 101 Adoption	(1,339)	715	(2,054)	-287.3%
Cumulative Effect of SAB No. 101 Adoption	-	-	-	0.0%
Net Loss	\$ (1,339)	\$ 715	\$ (2,054)	-287.3%
Basic Net Loss per Share	\$ (0.16)	\$ 0.08	\$ (0.24)	-314.3%
Diluted Net Loss per Share	\$ (0.16)	\$ 0.08	\$ (0.24)	-314.7%
Basic Weighted Shares Outstanding:	8,157	9,336	(1,179)	-12.6%
Diluted Weighted Shares Outstanding:	8,157	9,351	(1,194)	-12.8%

Ticker **NASDAQ:GTSI**

Date Founded **1983**

Fiscal Year End **December**

Employees **600**

Stock Price (6/30/01) **\$5.90**

P/E Ratio (6/30/01) **6.11**

52-Week High **\$7.07/share**

52-Week Low **\$2.62/share**

Shares Outstanding
(6/30/01) **8,296,005**

Tangible Net Worth
(6/30/01) **\$7.01/share**

Officers

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