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AVOCENT REPORTS RECORD SALES FOR SECOND QUARTER

HUNTSVILLE, Ala. (July 19, 2006) - Avocent Corporation (NASDAQ:AVCT) today reported that net sales for the second quarter ended June 30, 2006 were \$118.0 million, an increase of 31.8% compared with the second quarter of 2005.

"The strong results in the second quarter reflected renewed strength across our core product lines," stated John R. Cooper, chairman and chief executive officer of Avocent Corporation. "We are particularly pleased that the rapid integration of the Cyclades acquisition, which closed at the end of the first quarter 2006, enabled the serial management products to make the expected contribution to our revenue. We also are pleased with the increased sales of our digital KVM products and embedded software solutions and the strong growth in Asian sales."

Overall Results

Second quarter 2006 operational income, which is income prior to intangible amortization and stock compensation expenses, was \$18.7 million, or \$0.38 per diluted share, compared with operational income of \$15.9 million, or \$0.31 per diluted share, in the second quarter of 2005. (See "Use of Non-GAAP Financial Measures" discussion below.) Weighted average shares outstanding declined 3.4% over the prior year to 48.7 million in the second quarter of 2006 due to Avocent's repurchase of shares under its previously-announced stock repurchase programs.

GAAP net income for the second quarter of 2006 increased to \$13.6 million, or \$0.28 per diluted share. This compares with GAAP net income of \$11.1 million, or \$0.22 per diluted share, in the second quarter of 2005. Net adjustments to reconcile operational income to GAAP net income were \$5.1 million in the second quarter of 2006, including \$3.3 million in intangible amortization and \$1.8 million in stock compensation expenses. Net adjustments to reconcile to GAAP net income were \$4.3 million in intangible amortization and \$510,000 in stock compensation expenses in the second quarter of 2005.

"Second quarter earnings benefited from higher sales, growth in margins and the results of cost reductions implemented in the second half of 2005. Our earnings were particularly strong in light of the \$2.3 million in additional costs we incurred in the second quarter related to the integration of Cyclades. In addition, last year's second quarter earnings included a one-time \$5.0 million gain from the settlement of a lawsuit," noted Mr. Cooper. "We are also pleased that the Cyclades integration efforts continue to run ahead of our original internal schedule and we anticipate additional operational efficiencies to be realized during the next two quarters."

Branded sales increased 54.3% from the second quarter of 2005 and accounted for 59.9% of total second quarter 2006 sales. Sales of products acquired with Cyclades were included in Branded sales for the quarter and contributed to the large increase in sales of Branded products. OEM sales increased 8.3% from the second quarter of 2005 and accounted for 40.1% of total second quarter 2006 sales. Digital product sales accounted for 57% of total sales and embedded product revenues climbed to \$8.8 million, an increase of 79.1% compared with the second quarter of 2005. U.S. sales increased 27.6% to \$67.3 million and international sales rose 37.9% to \$50.7 million compared with the second quarter of 2005.

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Gross profit, excluding stock-based compensation, for the second quarter of 2006 increased 35.5% to a record \$71.6 million and a 60.6% gross margin, compared with \$52.8 million and a gross margin of 59.0% in the second quarter of 2005. The increase in gross profit and margin was due to higher sales and improved product mix, including increased sales of digital products and higher embedded product revenues.

Research and development expenses, excluding stock-based compensation, decreased to \$13.6 million, or 11.5% of sales, from \$14.1 million, or 15.7% of sales, in the second quarter of 2005. "Over the last year we have systematically redirected our R&D investments from mature markets to our digital products and other faster-growing markets. We also remain focused on product enhancements and redesigns to improve our product benefits and improve manufacturing efficiencies," continued Mr. Cooper. "Our ability to absorb Cyclades' engineering organization without increasing R&D expenses is a result of the actions we took during the last half of 2005 to reduce our engineering costs in several more mature areas of development."

Selling, general and administrative expenses, excluding stock-based compensation, increased 30.1% to \$30.8 million compared with \$23.6 million in the second quarter of 2005. Avocent had higher selling expenses in the second quarter of 2006 related to the increase in sales, the inclusion of Cyclades for a full quarter and additional marketing expenditures for recently introduced products.

During the second quarter of 2006, Avocent incurred \$2.3 million in severance and integration expenses related to integrating Cyclades.

Operating income, excluding stock-based compensation and intangible asset amortization, increased 65.6% to \$25.0 million in the second quarter of 2006 compared with \$15.1 million in the second quarter of 2005.

Avocent's cash flow from operations was approximately \$13.5 million for the second quarter of 2006. Avocent funded the Cyclades acquisition with over \$90 million in cash-on-hand. During the second quarter, Avocent announced the signing of a \$250 million unsecured five-year revolving bank line of credit to fund, in part, future stock repurchases and the acquisition of LANDesk Group Limited, which Avocent expects to complete in August 2006.

During the second quarter of 2006, Avocent repurchased approximately 4.0 million of its common shares at a total cost of approximately \$95.3 million.

Second Quarter Division Results

Revenues from the Management Systems Division advanced 29.1% to \$103.0 million in the second quarter of 2006 from \$79.8 million in the second quarter of 2005, while operating income from this division increased to \$26.9 million in the second quarter of 2006 from \$21.2 million in the second quarter of 2005, primarily as a result of the acquisition of Cyclades and the increase in revenues from the digital product lines. Revenues from the Embedded Software and Solutions Division grew 79.1% to \$8.8 million in the second quarter of 2006 from \$4.9 million in the second quarter of 2005, while operating income increased to \$3.1 million in the second quarter of 2006 from \$484,000 in the second quarter of 2005, primarily resulting from the increased revenue contribution of our embedded KVM solutions as adoption of these platforms by our OEM customers increases and additional revenue from the acquisition of the Agilent remote management product line in March 2006. Revenues from the three emerging businesses grew 39.1% to \$5.3 million in the second quarter of 2006 compared with \$3.8 million in the second quarter of 2005, while operating losses from these divisions decreased to \$3.0 million in the second quarter of 2006 from \$3.9 million in the second quarter of 2005.

Use of Non-GAAP Financial Measures

Income prior to intangible amortization, stock compensation and in-process research and development expenses, or operational income as used in the attached financial statement schedules, is not a measure of financial performance under generally accepted accounting principles (GAAP) and should not be considered a substitute for or superior to GAAP. Avocent's management uses operational income as a financial measure to evaluate performance and allocate resources within the Company. Management believes this measure presents the Company's results on a more comparable operational basis by excluding non-cash amortization expenses, non-operational expenses associated with acquisitions, and non-cash stock-based compensation expense. Avocent believes that operational income is a measure of performance used by many investment banks, analysts, investors and others to make informed investment decisions. Other companies may calculate operational income in a different manner so this measure may not be comparable to similar measures presented by other companies. A reconciliation of Avocent's results using operational measures and GAAP is set forth in the condensed consolidated statements of operations included in this press release.

Conference Call and Additional Information

Avocent will provide an on-line, real-time webcast and rebroadcast of its second quarter results conference call to be held July 20, 2006. The live broadcast will be available on-line at www.avocent.com as well as www.investorcalendar.com beginning at 10:00 a.m. Central time. The on-line replay will follow immediately and continue for 30 days. Avocent has also furnished additional commentary on the second quarter results simultaneously with this release on a Form 8-K filed with the SEC and on its website.

About Avocent Corporation

Avocent Corporation is the leading supplier of connectivity solutions for enterprise data centers, branch offices, and small to medium size businesses worldwide. Branded and OEM products include remote and local access solutions for switching, serial console, power extension, intelligent platform management interface (IPMI), mobile and video display management solutions. Additional information is available at: www.avocent.com.

Forward-Looking Statements

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding future revenue and penetration of the serial-management market resulting from our acquisition of Cyclades, the development, introduction, features, and benefits of new products and technologies, the size and growth of the current and future markets for these products and technologies (including those for the Linux server market), engineering and design activities, and the integration and operation of Cyclades. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made, including the risks associated with general economic conditions, risks attributable to future product demand, sales, and expenses, risks associated with reliance on a limited number of customers, component suppliers, and single source components, risks associated with acquisitions and acquisition integration, risks associated with product design efforts and the introduction of new products and technologies, and risks associated with obtaining and protecting intellectual property rights. Other factors that could cause operating and financial results to differ are described in our annual report on Form 10-K filed with the Securities and Exchange Commission on March 6, 2006 and our quarterly report on Form 10-Q filed with the SEC on May 10, 2006. Other risks may be detailed from time to time in reports to be filed with the SEC. Avocent does not undertake any obligation to publicly update its forward-looking statements based on events or circumstances after the date hereof.

AVOCENT CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited, in thousands, except per share data)

	For the Quarter Ended June 30, 2006			
	Operational	Stock Compensation *	Adjustments **	GAAP
Net sales	\$ 118,005			\$ 118,005
Cost of sales	46,430	\$ 164		46,594
Gross profit	<u>71,575</u>	<u>(164)</u>	<u>-</u>	<u>71,411</u>
Research and development expenses	13,559	762	-	14,321
Selling, general and administrative expenses	30,771	1,796	151	32,718
Cyclades severance and integration expenses	2,269	-	-	2,269
Amortization of intangible assets	-	-	4,901	4,901
Operating income	<u>24,976</u>	<u>(2,722)</u>	<u>(5,052)</u>	<u>17,202</u>
Other income (expense), net	1,778	-	-	1,778
Income before income taxes	<u>26,754</u>	<u>(2,722)</u>	<u>(5,052)</u>	<u>18,980</u>
Provision for income taxes	8,051	(969)	(1,683)	5,399
Net income	<u>\$ 18,703</u>	<u>\$ (1,753)</u>	<u>\$ (3,369)</u>	<u>\$ 13,581</u>
Earnings per share:				
Basic	\$ 0.39			\$ 0.28
Diluted	\$ 0.38			\$ 0.28
Weighted average shares and common equivalents outstanding:				
Basic	47,943	-	-	47,943
Diluted	48,709	-	-	48,709

	For the Quarter Ended July 1, 2005			
	Operational	Stock Compensation *	Adjustments **	GAAP
Net sales	\$ 89,538			\$ 89,538
Cost of sales	36,711			36,711
Gross profit	<u>52,827</u>	<u>-</u>	<u>-</u>	<u>52,827</u>
Research and development expenses	14,097	\$ 291	-	14,388
Selling, general and administrative expenses	23,649	219	157	24,025
Amortization of intangible assets	-	-	6,623	6,623
Operating income	<u>15,081</u>	<u>(510)</u>	<u>(6,780)</u>	<u>7,791</u>
Income from settlement of lawsuit	5,000			5,000
Other income (expense), net	1,954	-	(15)	1,939
Income before income taxes	<u>22,035</u>	<u>(510)</u>	<u>(6,795)</u>	<u>14,730</u>
Provision for income taxes	6,148	-	(2,517)	3,631
Net income	<u>\$ 15,887</u>	<u>\$ (510)</u>	<u>\$ (4,278)</u>	<u>\$ 11,099</u>
Earnings per share:				
Basic	\$ 0.32			\$ 0.22
Diluted	\$ 0.31			\$ 0.22
Weighted average shares and common equivalents outstanding:				
Basic	49,475		-	49,475
Diluted	50,460		(43)	50,417

* Stock Compensation relates to expensing of stock options, restricted stock units and performance shares and amortization of deferred compensation (from the capitalization of the value of stock options assumed in acquisitions). Avocent adopted SFAS 123R effective January 1, 2006 and began recording expense related to outstanding unvested stock options on that date as well as on subsequent equity compensation grants.

** Adjustments relate to intangibles recorded as the result of acquisitions. The calculation of weighted average shares and common equivalents outstanding differs due to excluding the average unamortized deferred compensation expense in calculating the operational diluted shares outstanding in 2005.

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	For the Six Months Ended June 30, 2006			
	Operational	Stock Compensation *	Adjustments **	GAAP
Net sales	\$ 212,517			\$ 212,517
Cost of sales	84,936	\$ 214		85,150
Gross profit	<u>127,581</u>	<u>(214)</u>	<u>-</u>	<u>127,367</u>
Research and development expenses	26,467	1,063	-	27,530
Acquired in-process research and development expenses	-		2,100	2,100
Selling, general and administrative expenses	53,514	2,286	302	56,102
Cyclades severance and integration expenses	2,269		-	2,269
Amortization of intangible assets	-	-	7,252	7,252
Operating income	<u>45,331</u>	<u>(3,563)</u>	<u>(9,654)</u>	<u>32,114</u>
Other income (expense), net	4,795	-	-	4,795
Income before income taxes	<u>50,126</u>	<u>(3,563)</u>	<u>(9,654)</u>	<u>36,909</u>
Provision for income taxes	14,002	(1,231)	(2,376)	10,395
Net income	<u>\$ 36,124</u>	<u>\$ (2,332)</u>	<u>\$ (7,278)</u>	<u>\$ 26,514</u>
Earnings per share:				
Basic	\$ 0.74			\$ 0.55
Diluted	\$ 0.73			\$ 0.54
Weighted average shares and common equivalents outstanding:				
Basic	48,515	-	-	48,515
Diluted	49,336	-	-	49,336

	For the Six Months Ended July 1, 2005			
	Operational	Stock Compensation *	Adjustments **	GAAP
Net sales	\$ 166,343			\$ 166,343
Cost of sales	69,934			69,934
Gross profit	<u>96,409</u>	<u>-</u>	<u>-</u>	<u>96,409</u>
Research and development expenses	28,274	581	-	28,855
Selling, general and administrative expenses	45,552	438	315	46,305
Amortization of intangible assets	-	-	13,245	13,245
Operating income	<u>22,583</u>	<u>(1,019)</u>	<u>(13,560)</u>	<u>8,004</u>
Income from settlement of lawsuit	5,000			5,000
Other income (expense), net	3,909	-	(30)	3,879
Income before income taxes	<u>31,492</u>	<u>(1,019)</u>	<u>(13,590)</u>	<u>16,883</u>
Provision for income taxes	8,285	-	(4,335)	3,950
Net income	<u>\$ 23,207</u>	<u>\$ (1,019)</u>	<u>\$ (9,255)</u>	<u>\$ 12,933</u>
Earnings per share:				
Basic	\$ 0.47			\$ 0.26
Diluted	\$ 0.46			\$ 0.25
Weighted average shares and common equivalents outstanding:				
Basic	49,859		-	49,859
Diluted	50,870		(51)	50,819

* Stock Compensation relates to expensing of stock options, restricted stock units and performance shares and amortization of deferred compensation (from the capitalization of the value of stock options assumed in acquisitions). Avocent adopted SFAS 123R effective January 1, 2006 and began recording expense related to outstanding unvested stock options on that date as well as on subsequent equity compensation grants.

** Adjustments relate to acquired in-process research and development expense from the Cyclades acquisition and intangibles recorded as the result of acquisitions. The calculation of weighted average shares and common equivalents outstanding differs due to excluding the average unamortized deferred compensation expense in calculating the operational diluted shares outstanding in 2005.

AVOCENT CORPORATION
Condensed Consolidated Balance Sheets
(Unaudited, in thousands)

	June 30, 2006	December 31, 2005
Cash, cash equivalents and short-term investments	\$ 163,454	\$ 293,903
Accounts receivable, net	78,399	68,712
Inventories, net	31,849	21,178
Other current assets	10,902	10,524
Deferred income tax	6,532	4,054
Total current assets	291,136	398,371
Investments	30,335	51,939
Property and equipment, net	37,954	36,801
Goodwill	332,946	269,992
Other intangible assets, net	53,761	15,763
Other assets	13,030	885
Total assets	\$ 759,162	\$ 773,751
Accounts payable and other accrued expenses	\$ 32,269	\$ 23,569
Income tax payable	10,188	11,270
Other current liabilities	27,779	18,908
Total current liabilities	70,236	53,747
Line of credit	12,005	-
Other non-current liabilities	28,933	4,682
Total liabilities	111,174	58,429
Total stockholders' equity	647,988	715,322
Total liabilities and stockholders' equity	\$ 759,162	\$ 773,751

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AVOCENT CORPORATION
Additional Financial Information
(Unaudited, in thousands)

<i>Revenue by Product Line</i>	Quarter Ended		Six Months Ended	
	June 30, 2006	July 1, 2005	June 30, 2006	July 1, 2005
KVM	\$ 83,806	\$ 75,486	\$ 161,797	\$ 141,144
Serial Management	13,817	732	14,810	1,857
Other	20,382	13,320	35,910	23,342
Total	<u>\$ 118,005</u>	<u>\$ 89,538</u>	<u>\$ 212,517</u>	<u>\$ 166,343</u>

<i>Revenue by Distribution Channel</i>	Quarter Ended		Six Months Ended	
	June 30, 2006	July 1, 2005	June 30, 2006	July 1, 2005
Branded	\$ 70,642	\$ 45,796	\$ 118,597	\$ 82,523
OEM	47,363	43,742	93,920	83,820
Total	<u>\$ 118,005</u>	<u>\$ 89,538</u>	<u>\$ 212,517</u>	<u>\$ 166,343</u>

<i>Revenue by Division</i>	Quarter Ended		Six Months Ended	
	June 30, 2006	July 1, 2005	June 30, 2006	July 1, 2005
Management Systems	\$ 102,995	\$ 79,804	\$ 187,360	\$ 149,644
Embedded Software and Solutions	8,828	4,928	14,961	8,708
Other business units	5,251	3,775	8,272	6,960
Corporate and unallocated	931	1,031	1,924	1,031
Total	<u>\$ 118,005</u>	<u>\$ 89,538</u>	<u>\$ 212,517</u>	<u>\$ 166,343</u>

<i>Operating Profit by Division</i>	Quarter Ended		Six Months Ended	
	June 30, 2006	July 1, 2005	June 30, 2006	July 1, 2005
Management Systems	\$ 26,920	\$ 21,181	\$ 51,636	\$ 37,104
Embedded Software and Solutions	3,090	484	4,493	(95)
Other business units	(3,019)	(3,858)	(6,779)	(8,973)
Corporate and unallocated	(4,737)	(3,237)	(7,578)	(6,472)
Total	<u>\$ 22,254</u>	<u>\$ 14,570</u>	<u>\$ 41,772</u>	<u>\$ 21,564</u>

<i>Cash Flow Highlights</i>	Quarter Ended		Six Months Ended	
	June 30, 2006	July 1, 2005	June 30, 2006	July 1, 2005
Cash provided by operations	\$ 13,527	\$ 21,153	\$ 30,091	\$ 31,307
Depreciation expense	2,200	1,702	3,974	3,278
Capital expenditures	1,468	1,595	3,157	2,603
Purchase of treasury shares	95,303	28,408	122,255	50,271

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