



## Computacenter - Pre-Close Trading Statement

January 24, 2024

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Computacenter PLC

24 January 2024

### Computacenter plc

Incorporated in England

Registration number: 03110569

LEI: 549300XSXUZII19DB105

ISIN: GB00BV9FP302

## Computacenter plc

### Pre-Close Trading Update - 24 January 2024

Computacenter plc ("Computacenter" or the "Group"), a leading independent technology and services provider, today publishes a trading update, based on preliminary unaudited financial information, for the year ended 31 December 2023 ("the year").

#### **Record adjusted<sup>1</sup> profit before tax, with cash generation ahead of expectations, while continuing to invest for future growth**

We expect FY 2023 to be another record year of adjusted<sup>1</sup> profit before tax. This result has been delivered against the backdrop of uncertain macroeconomic conditions throughout the year while, as planned, increasing the level of investment in strategic initiatives. It reflects the strength of our integrated Technology Sourcing and Services model as well as our geographic diversity.

Total revenue, on a Gross Invoiced Income basis, increased by 12% on both a reported and constant currency basis driven by strong growth in Technology Sourcing and solid growth in Services. In Technology Sourcing, after a very strong performance in the first half of 2023, the second half of the year saw an anticipated normalisation of activity as certain projects were completed. Services revenue growth for the year was solid. Inflation remained a headwind, however we managed our margin recovery effectively as the year progressed.

By geography for the year, the strength of Germany and North America outweighed the impact of a weaker performance in the UK where, as previously highlighted, we have made changes to improve our performance.

#### Financial Position

As industry supply chains normalised across the year, following disruption during the pandemic, we have managed our inventory position very effectively and generated strong levels of cash. The Group's adjusted net funds<sup>2</sup>, excluding IFRS16 lease liabilities, finished the year extremely strongly at around £450m, ahead of our expectations. December is the peak month in our annual cash cycle with net outflows expected to occur through to the end of March 2024.

Given the strength of our balance sheet, we are evaluating our options. Historically, Computacenter has a track record of returning surplus capital to shareholders when suitable acquisitions are not available.

#### Group Outlook

Looking ahead to 2024, in the context of a continuing uncertain macroeconomic backdrop, the Group is well positioned to continue to compete and gain further market share.

As anticipated, we expect to see Technology Sourcing volumes normalise in 2024 as some of the high volume, low margin

projects we delivered, especially in the first half of 2023, were completed. In Services we expect continued growth while inflationary pressures are expected to moderate further.

We will continue to invest in strategic initiatives to enhance our systems and improve our competitive position to sustain our long-term performance. At the same time, we are increasingly focused on delivering productivity benefits across the Group.

Overall, we expect to make further progress in FY 2024 with a more challenging comparison in the first half of the year than in the second half.

Looking further ahead, we are excited by the pace of innovation and growth in demand for technology. With our strength in Technology Sourcing, Professional Services and Managed Services, and focus on retaining and maximising customer relationships over the long term, we believe that we are well placed to deliver profitable growth and sustained cash generation.

We look forward to publishing our final results for the year ended 31 December 2023 on Wednesday 20 March 2024.

**Footnotes:**

<sup>1</sup> *Adjusted profit before tax is stated before exceptional and other adjusting items, including gains or losses on business acquisitions and disposals and amortisation of acquired intangibles as Management does not consider these items when reviewing the underlying performance of the Segment or the Group as a whole.*

<sup>2</sup> *Adjusted net funds or adjusted net debt includes cash and cash equivalents, other short- or long-term borrowings and current asset investments. Following the adoption of IFRS 16, this measure excludes all lease liabilities.*

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About Computacenter:

Computacenter is a leading independent technology and services provider, trusted by large corporate and public sector organisations. We are a responsible business that believes in winning together for our people and our planet. We help our customers to Source, Transform and Manage their technology infrastructure to deliver digital transformation, enabling people and their business. Computacenter is a public company quoted on the London FTSE 250 (CCC.L) and employs over 20,000 people worldwide.

More information can be found at [www.computacenter.com](http://www.computacenter.com)

**DISCLAIMER - FORWARD LOOKING STATEMENTS**

*This trading update includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including without limitation the terms 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'projects', 'should' or 'will', or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this trading update and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, amongst other things, results of operations, prospects, growth, strategies and expectations of its respective businesses.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations and the development of the markets and the industry in which they operate or are likely to operate and their respective operations may differ materially from those described in, or suggested by, the forward-looking statements contained in this trading update. In addition, even if the results of operations and the development of the markets and the industry in which the Group operates either as set out in Computacenter plc's finally published 2023 Annual Report and Accounts or generally are consistent with the forward-looking statements contained in this trading update, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause*

*results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those risks subsequently set out in the risk factor section of the Computacenter plc 2023 Annual Report and Accounts, as well as general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations or advancements in research and development.*

*Forward-looking statements speak only as of the date of this trading update and may, and often do, differ materially from actual results. Any forward-looking statements in this trading update reflect the Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy.*

*Neither Computacenter plc nor any of its subsidiaries undertakes any obligation to update the forward-looking statements to reflect actual results or any change in events, conditions or assumptions or other factors save where and to the extent otherwise required by applicable law or regulation.*

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