



Computacenter - Trading Update and Return of Value – 26 July 2024

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Computacenter PLC

26 July 2024

Computacenter plc

Incorporated in England

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Computacenter plc

Trading Update and Return of Value - 26 July 2024

Computacenter plc ("Computacenter" or the "Group"), a leading independent technology and services provider, today provides a trading update for the half year ended 30 June 2024 ("the half"), based on preliminary unaudited financial information, ahead of announcing and commencing a return of value by way of a share buyback.

Trading update

As anticipated, Technology Sourcing volumes normalised during the first half versus an exceptionally strong H1 2023. We delivered a solid underlying performance in Germany and North America whereas in the UK, demand for hardware has been weaker than expected, with customers exercising greater caution and purchasing decisions taking longer to conclude. Encouragingly, our committed product order backlog has grown significantly since the start of the year driven by notable Technology Sourcing wins in North America.

As previously guided, given the exceptionally strong comparatives, H1 2024 is lower than the prior year equivalent and we now expect H1 2024 adjusted profit before tax¹ to be approximately £87m (H1 2023: £121.8m) including c.£2m of negative currency translation. This result has been impacted by the timing of fulfilment of certain large orders in North America which have now moved into H2, as well as the phasing of our strategic initiatives investments where we spent an additional c.£6m versus the same period in 2023, with our expectation for full year investment unchanged at £28m to £30m.

Looking to the full year, we expect stronger momentum in the second half underpinned by the size of our committed product order backlog and wider pipeline of opportunities. While we are mindful of the backdrop of continuing geopolitical and macro uncertainty across our markets we continue to expect to make progress in FY 2024 as a whole at constant currency. At current exchange rates we expect a negative c.£7m translation impact on adjusted profit before tax in the full year.

We will publish our half year results for the year ended 30 June 2024 on Monday 9 September 2024.

Share buyback programme

Given the Group's strong positive adjusted net funds position and currently anticipated capital needs, Computacenter also announces that it will return up to £200m to shareholders via a share buyback programme, details of which will be released today in a separate announcement. This is in line with our capital allocation policy to invest organically, make targeted acquisitions and distribute surplus capital while retaining a strong balance sheet. Following the completion of the buyback we expect to maintain a strong balance sheet with positive adjusted net funds.

Footnotes:

¹ 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.

Enquiries:

Computacenter plc

Mike Norris, CEO	+44 (0) 1707 631 601
Chris Jehle, CFO	+44 (0) 1707 631 346
Christian Cowley, Investor Relations	+44 (0) 1707 631 132

Teneo

James Macey White / Matt Low	+44 (0) 207 353 4200
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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

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 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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