



Computacenter - Pre-Close Trading Update

January 28, 2025

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Computacenter PLC
28 January 2025

Computacenter plc

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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 2024 ("the year").

FY 2024 - record H2 performance and number of major customers; continuing strong cash generation

In the context of a more challenging market backdrop in 2024 and against a strong comparative in 2023, total revenue in 2024 for the Group, on a gross invoiced income basis, increased by 0.5% in constant currency and decreased by 2% on a reported basis. In constant currency, Technology Sourcing gross invoiced income was marginally ahead and Services revenue increased by 2%. This reflected a stronger performance in the second half of the year with Technology Sourcing gross invoiced income increasing by 13% and Services revenue up 5%. In Services for 2024 as a whole, Professional Services delivered strong revenue growth which was partly offset by a softer performance in Managed Services.

While we are pleased with overall execution towards the end of the year, with Germany and North America delivering strong performances, parts of our larger current Technology Sourcing projects in the US and the UK have slipped into the early part of 2025. For the second half of 2024 adjusted operating profit is expected to be ahead of the equivalent period in 2023 in both constant currency and on a reported basis. This represents Computacenter's most profitable half year in its history and we ended the year with a record number of customers generating over £1m of gross profit per annum.

For the full year in 2024, also taking into account our ongoing group-wide strategic investments, lower interest income receipts following the earlier completion of the share buyback, and a £7m adverse translation impact from stronger sterling, we now expect adjusted¹ profit before tax for 2024 to be at the low end of the range of analysts' forecasts².

Financial Position

The £200m share buyback programme announced on 26 July 2024, was completed earlier than expected on 30 October 2024. The Group's adjusted net funds³, excluding IFRS 16 lease liabilities, finished the year extremely strongly at around £480m benefiting from strong collections and some material early customer payments. December is the peak month in our annual cash cycle with net outflows expected to occur through to the end of March 2025.

Group Outlook

Order intake during the second half, notably in North America, has been strong and we exited 2024 in a robust position with a committed product order backlog at the end of December which is significantly ahead of our position in December 2023, as well as at the end of June 2024. The size of the projects we are currently delivering gives us good momentum as we enter 2025.

Looking to 2025 as a whole, we are mindful of the uncertain macroeconomic and political environments in some of the European countries in which we operate. In the UK, rises in employer taxes (National Insurance) from April are expected to have an adverse impact of c.£5m in 2025. In North America, following a strong performance in 2024, we continue to be excited by the growth opportunities we see ahead. Overall, we expect to make progress in FY 2025 with earnings per share benefiting further from the impact of the share buyback.

We will publish our final results for the year ended 31 December 2024 on Tuesday 18 March 2025.

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.

² Company compiled consensus for 2024 adjusted PBT is £261.3m with a range of £253.6m to £266.5m

³ 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.

Enquiries:**Computacenter plc**

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

Teneo

James Macey White / Matt Low +44 (0) 2073 534 200

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 finally published 2024 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 2024 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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