



Computacenter - Pre-Close Trading Statement

January 22, 2018
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Computacenter PLC
22 January 2018

Computacenter plc

Incorporated in England
Registration number: 03110569
LEI: 549300XSXUZ1I19DB105
ISIN: GB00BV9FP302

Computacenter plc

Pre-Close Trading Update - 22 January 2018

Computacenter plc (the "**Group**"), the independent provider of IT infrastructure services that enables users and their business, is today providing an update on trading based on preliminary unaudited financial information for the year ended 31 December 2017 ("**the year**").

Group Financial Performance

The adjusted pre-tax results for the year are anticipated to be ahead of the Board's expectations as at the time of our trading update on 14 November 2017 and which have been upgraded a number of times throughout 2017.

Group revenue for the year increased by £408 million or 12% in constant currency, and by £548 million or 17% on an as reported basis. Group Services revenue increased by 7% in constant currency and by 11% on an as reported basis. Group Supply Chain revenue increased by 14% in constant currency and by 19% on an as reported basis.

UK revenue increased by 9% for the year, with Services revenue increasing by 6% and Supply Chain revenue increasing by 10%. The fourth quarter was particularly strong with Services revenue up 9%, Supply Chain up 18% with an overall revenue growth of 16%, the best fourth quarter growth we have seen in the UK for a number of years.

German revenue increased by 15% for the year overall with Services revenue increasing by 7% and Supply Chain revenue increasing by 19%, all in constant

currency.

French revenue increased by 13% for the year overall with Services revenue increasing by 15% and Supply Chain revenue increasing by 12%, all in constant currency.

Group Financial Position

At the end of 2017, Group net funds, which are usually at their highest at the end of the financial year, were £191.2 million, an increase on last year of £44.6 million in constant currency.

As reported in the Company's 2016 annual report and accounts, the Group's net funds benefit from extended credit terms with a major supplier and have done so for approximately 9 years. The estimated benefit of these extended terms to the Group's net funds was £54.9 million at the end of the year (2016: £69.1 million). These extended terms will be returning closer to standard terms during the first half of 2018 resulting in a subsequent reduction in the Group's net funds of circa £27.5 million.

Group Outlook

2017 was clearly a year of great progress for the Group as customers continue to invest in new IT infrastructure, including digitalisation, to enhance their businesses and deliver enhanced user and customer experiences. While we believe the positive momentum in the market is set to continue, there will be a number of one-off costs and investments within the Group in 2018 that will not repeat in 2019, which will hold back the enhancement of profitability in 2018. While it is still very early in 2018, the Board expect the year to be one of stable profitability.

In line with our announcement on 14 November 2017, the company will tomorrow launch a tender offer to return value of approximately £100 million, details of which will be released tomorrow morning Tuesday 23 January 2018.

We look forward to publishing our final results for the year ended 31 December 2017 on Tuesday 13 March 2018.

Enquiries:

Computacenter plc

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Conference Call:

There will be a conference call for analysts and investors this morning at 09:00. For

dial-in details, please contact Charlotte Horner at Tulchan Communications at Computacenter@tulchangroup.com

Appendix:

Change vs 2016	Q4 Change As Reported*	Q4 Change Constant Currency**	FY Change As Reported *	FY Change Constant Currency **
<i>Supply Chain Revenue</i>				
UK	18%	18%	10%	10%
Germany	22%	11%	29%	19%
France	28%	17%	21%	12%
Group	21%	14%	19%	14%
<i>Services Revenue</i>				
UK	9%	9%	6%	6%
Germany	16%	6%	14%	7%
France	15%	6%	23%	15%
Group	12%	7%	11%	7%
<i>Total Revenue</i>				
UK	15%	16%	9%	9%
Germany	20%	10%	24%	15%
France	26%	15%	21%	13%
Group	18%	12%	17%	12%

* Change vs 2016 Q4/FY revenues reported at 2016 exchange rates

** Change vs 2016 Q4/FY revenues reported at 2017 exchange rates

This information is provided by RNS
The company news service from the London Stock Exchange

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