2013 Full Year Results

Mike Norris

11 March 2014

FY 2013
Financial Highlights

- Group revenues increased 5.4 per cent to £3.072 billion (2012: £2.914 billion) and up 2.5 per cent in constant currency
- Group adjusted* profit before tax increased by 3.0 per cent to £81.7 million (2012 restated: £79.3 million) and was up by 1.4 per cent in constant currency
- Adjusted* diluted earnings per share ('EPS') increased 5.8 per cent to 43.3 pence (2012 restated: 40.8 pence)
- Net funds prior to customer specific financing (CSF) was £90.3 million (2012: £147.3 million), after completing a return of value of approximately £75 million to our shareholders in July 2013
- Total dividend for 2013 of 17.5 pence per share up 12.9 per cent (2012: 15.5p)

** Adjusted measure, with 2012 restated*

FY 2013

"Another strong UK performance. Important progress in Germany with revenue and profit growth"

	2009	2010	2011	2012	2013	*2013 vs 2012*
Turnover (£m)	2,503.2	2,676.5	2,852.3	2,914.2	3,072.1	*5.4%*
*Profit before tax (£m)	54.2	66.1	74.2	79.3	81.7	*3.0%*
*Diluted EPS (pence)	27.7	33.0	37.4	40.8	43.3	*6.1%*
Dividend per share (pence)	11.0	13.2	15.0	15.5	17.5	*12.9%*
**Contract Base (£m)	485.2	530.7	562.3	623.6	634.9	*1.8%*
*Operating Cash flow (£m)	137.9	108.2	95.5	85.2	95.5	*n/a*

** Adjusted measure, with 2012 restated* *** at constant currency*

4 year CAGR

- *Profit before tax: 11%
- *Diluted EPS: 12%
- Dividend: 12%
- Contract Base: 7%

FY 2013

Exceptional items

£(28.8)m	Description	Actions
£(8.2)m	**Trading losses on 3 onerous contracts** *"to provide a clearer picture of the past performance of the business, the Group has restated its 2012 accounts where necessary to reclassify trading losses previously incurred on these contracts as exceptional items"*	Minimise quantum of the actual losses incurred on these contracts hereafter
£(7.5)m	**Provisions for future losses on 3 onerous contracts** *"the Group is required to make an exceptional one-off provision of £10.7 million representing our best estimate of the losses expected to be incurred between 1 July 2013 and the end of the three contracts" The total exceptional charge for these three contracts remains unchanged from the 2013 Interim accounts with £7.5 million residual provision on the balance sheet at 31 December 2013. Management remain comfortable with the level of provisioning.*	Apply Group governance procedures on new contracts
£(12.2)m	**Non-cash Impairment in France** *"the disappointing financial performance of our French business in 2013 has resulted in the need for a non-cash impairment to non-current assets in the French cash-generating unit"*	ERP and Operating Model implementation; Grow services mix
£(4.3)m	**Redundancy costs in Germany and France** *"Following the implementation of our Group Operating Model further overhead cost saving activities have been taken across the Group resulting in an exceptional charge"*	Continue to seek benefits from Group Operating Model
£4.0m	**One-off gain from Services contracts re-evaluation** *"As part of our normal processes, we have carried out a detailed evaluation of other long-term Services contracts across the Group. As a result of this on-going evaluation, management have calculated that a positive change in certain estimates has resulted in a one-off gain of £4.0 million"*	Monitor long-term Services contracts for changing estimates

FY 2013
Operating Highlights

- 2013 has seen our fourth year of annual revenue growth and total revenue broke through the **£3 billion barrier** for the first time in Computacenter's history
- Operating profit when expressed as a % of "net revenue" (excluding pass through product) is 7.0%
- Continued growth in **Group Services revenue**, up 3.7% to £965.9 million in constant currency, and now making up approximately 31.4% of the Group's total revenues;
- Another **excellent performance** in the **UK** driven by good momentum in Services growth and a strong Supply Chain performance;
- A year of financial and operational **stability** within our **German** business, which reported a **growth** in total revenues and profitability
- **France** continues to be **impacted** by challenging market and operating conditions although the issues arising from our **Group ERP system implementation** are now substantially behind us
- Trading performance of the **three onerous contracts** in Germany has **stabilised** since Interim Accounts
- Following successful implementation of the Group Operating Model into Germany in 2013, the rollout of the Group Operating Model commenced in France at the beginning 2014

Financial Review

Tony Conophy
11 March 2014

FY 2013

Group adjusted and restated financial results

Computacenter Services & Solutions

	As reported / restated			Constant currency
	FY 2013 £m	FY 2012 £m	Change	Constant Currency Change
Total Revenue	3,072.1	2,914.2	5.4%	2.5%
Adjusted gross profit	402.5	381.2	5.6%	3.0%
Adjusted gross profit %	*13.1%*	*13.1%*	*0.0%*	*0.1%*
Admin Expenses	(321.1)	(303.2)	5.9%	3.1%
Adjusted operating profit	81.4	78.0	4.3%	2.7%
Adjusted operating profit %	*2.6%*	*2.7%*	*(0.0%)*	*0.0%*
Adjusted net interest	0.3	1.3	(77.4%)	(77.2%)
Adjusted profit before tax	81.7	79.3	3.0%	1.4%
Adjusted tax expense	(19.3)	(17.5)	10.7%	11.0%
Adjusted tax rate	*(23.7%)*	*(22.0%)*	*(1.6%)*	*(2.0%)*
Adjusted profit after tax	62.3	61.8	0.8%	(1.2%)
Diluted earnings per share				
– Adjusted	43.3p	40.8p	6.1%	
– Statutory	23.0p	32.4p	(29.0%)	

Adjusted profit before tax, income tax expense and EPS are stated prior to amortisation of acquired intangibles and exceptional items. Adjusted operating profit and adjusted gross profit is also stated after charging finance costs on CSF

- **As adjusted / restated**

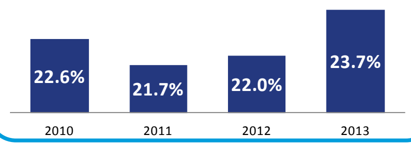
  Turnover up 5.4%, 2.5% in constant currency

  Operating profit up 4.3%, 2.7% in constant currency

  Profit before tax up 3.0%, 1.4% in constant currency

  Diluted EPS up 6.1%

- **Adjusted tax rate** higher in FY 2013, due to unrecovered losses in France.



Income statement rate
2013 : £1 = € 1.178
2012 : £1 = € 1.234

FY 2013

Reconciliation to statutory results

Computacenter Services & Solutions

	FY 2013 £m	FY 2012 £m	Change %
Adjusted profit before tax	**81.7**	**79.3**	**3.0%**
Amortisation of acq. intangibles	(2.4)	(2.6)	-8.9%
Onerous contracts			
- trading losses	(8.2)	(5.9)	n/a
- net provision for future losses	(7.5)	(2.1)	n/a
Onerous German contracts	(15.7)	(8.0)	n/a
Non-cash Impairment	(12.7)	0.0	n/a
Redundancy Costs	(4.3)	(1.5)	
Services contracts re-valuation	4.0	0.0	n/a
Property Relocation	0.0	(2.4)	n/a
Other Exceptional items	(13.0)	(3.9)	n/a
Exceptional items	**(28.8)**	**(11.9)**	**-141.7%**
Statutory profit before tax	**50.5**	**64.8**	**-22.0%**
Adjusted tax expense	**(19.3)**	**(17.5)**	**10.7%**
Adjusted tax %	***23.7%***	***22.0%***	*1.6%*
Tax on exceptional items	1.2	1.2	n/a
Exceptional tax items	(0.5)	0.0	n/a
Tax on impairment	1.0	0.0	n/a
Tax on amort'n of acq. intangibles	0.2	0.5	-54.7%
Income tax expense	**(17.4)**	**(15.7)**	**10.8%**
Tax %	***34.4%***	***24.2%***	*10.2%*
Statutory profit after tax	**33.2**	**49.1**	**-32.5%**

- **Exceptional items** cover

1. onerous contracts, both YTD trading losses (previously disclosed within operating profit in 2012) and the closing residual provision for future losses that was booked at £10.7m in H1 2013, based on our estimates of contract costs and revenues to come;
2. impairment of intangible assets, in France, principally those generated by the Top Info acquisition; write-down of investment in associates of £0.5m is also included in this figure
3. redundancy costs which have arisen principally in Germany and France in connection with the implementation of the Group Operating Model and senior management changes
4. re-valuation of Services contracts of £4m on a one-off basis

FY 2013

Group revenues by segment

	As reported			In constant currency		
	FY 2013 £m	FY 2012 £m	Change %	FY 2013 £m	FY 2012 £m	Change %
Supply Chain Revenue						
UK	828.1	764.2	8.4%	828.1	764.2	8.4%
Germany	859.4	801.4	7.2%	859.4	839.5	2.4%
France	389.5	405.4	(3.9%)	389.5	424.7	(8.3%)
Belgium	29.2	34.5	(15.4%)	29.2	36.1	(19.2%)
Total Group	**2,106.2**	**2,005.6**	**5.0%**	**2,106.2**	**2,064.6**	**2.0%**
Services Revenue						
UK	458.0	431.4	6.2%	458.0	431.4	6.2%
Germany	412.0	392.3	5.0%	412.0	411.0	0.3%
France	76.8	73.9	4.0%	76.8	77.4	(0.8%)
Belgium	19.0	11.0	73.0%	19.0	11.5	65.2%
Total Group	**965.9**	**908.6**	**6.3%**	**965.9**	**931.3**	**3.7%**

- **Supply chain revenues** finished strongly in the UK due to a larger customer base and demand from workplace and Windows 7 rollouts. German revenues also strong in the second half. Weak French macroeconomic conditions and the ERP implementation issues affecting service levels have impacted overall supply chain revenues, which stated to recover during Q4 2013.
- **Services revenue** growth driven by continued growth in the UK business. Germany was flat as the focus was on stabilisation of the onerous contracts. France disappointing after strong growth in the past three years. Belgium growth is aided by acquisition of IS at the end of 2012.

FY 2013

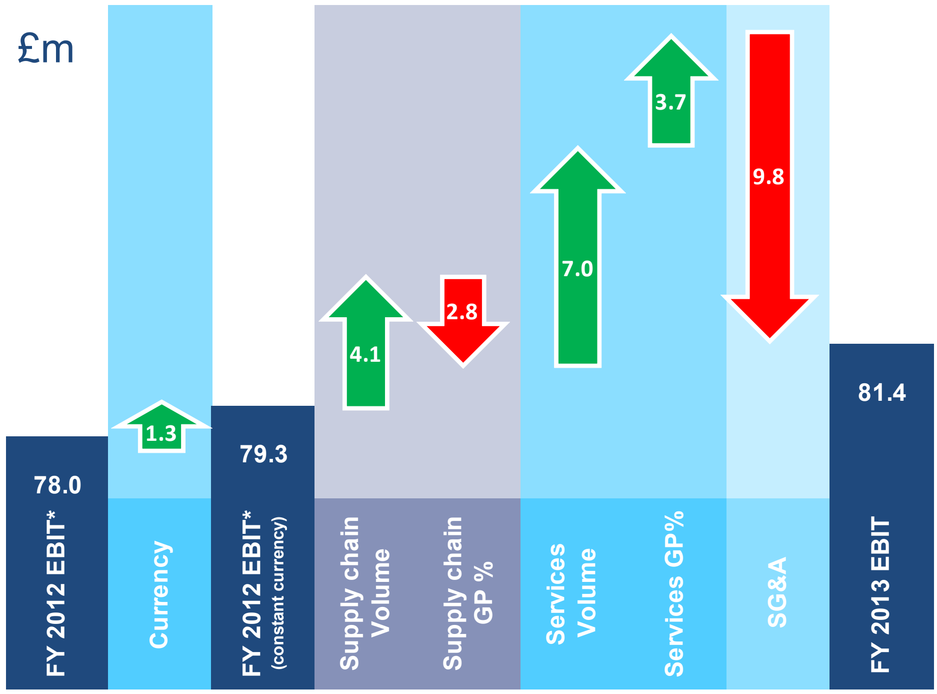
Revenue and adjusted operating profit by segment

	As reported / restated			In constant currency		
	FY 2013 £m	FY 2012 £m	Change %	FY 2013 £m	FY 2012 £m	Change %
Revenue						
UK	1,286.1	1,195.6	7.6%	1,286.1	1,195.6	7.6%
Germany	1,271.4	1,193.8	6.5%	1,271.4	1,250.5	1.7%
France	466.3	479.3	(2.7%)	466.3	502.1	(7.1%)
Belgium	48.2	45.5	6.0%	48.2	47.6	1.2%
Total Group	**3,072.1**	**2,914.2**	**5.4%**	**3,072.1**	**2,995.9**	**2.5%**
Adjusted operating profit						
UK	56.2	52.2	7.5%	56.2	52.2	7.5%
Germany	30.6	19.7	55.9%	30.6	20.6	48.8%
France	(7.3)	4.3	270.8%	(7.3)	4.5	(263.1%)
Belgium	1.8	1.9	(2.4%)	1.8	2.0	(6.8%)
Total Group	**81.4**	**78.0**	**4.3%**	**81.4**	**79.3**	**2.7%**

- Following 40.2% adjusted operating profit growth in 2012, **a further 7.5% of growth in the UK in 2013** is very encouraging
- **German profitability** (outside the three onerous contracts) has seen a strong financial performance with a 48.8% increase in constant currency adjusted operating profitability driven by improving supply chain margin and a focus on SG&A
- **France performance** is driven by reduced Supply Chain revenue of 8.3% (constant currency), however significant profitability reduction is also due to a material decline in Supply Chain and Services margins, largely associated with the ERP implementation.
- **Belgium performance** had a difficult compare following one-off large Supply Chain deal in H1 2012. Revenue in Q4 2013 was broadly flat on Q4 2012. Successful integration of IS acquisition

FY 2013

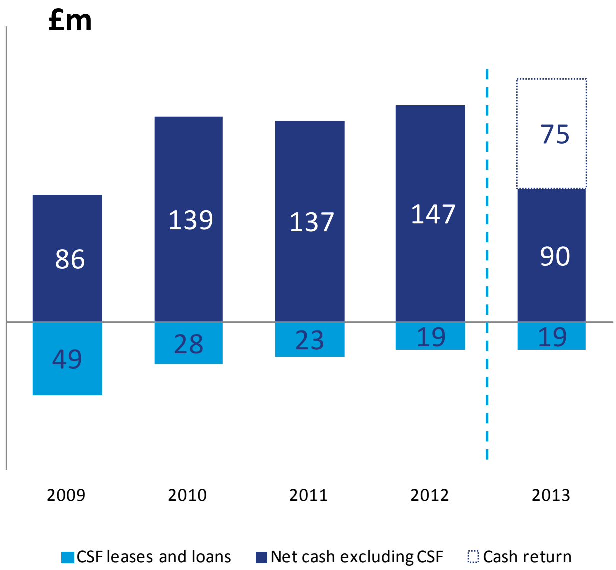
Group EBIT* Walk (in constant currency)



* Adjusted measure, and 2012 restated

Underlying cash position improved

Although masked by of return of value

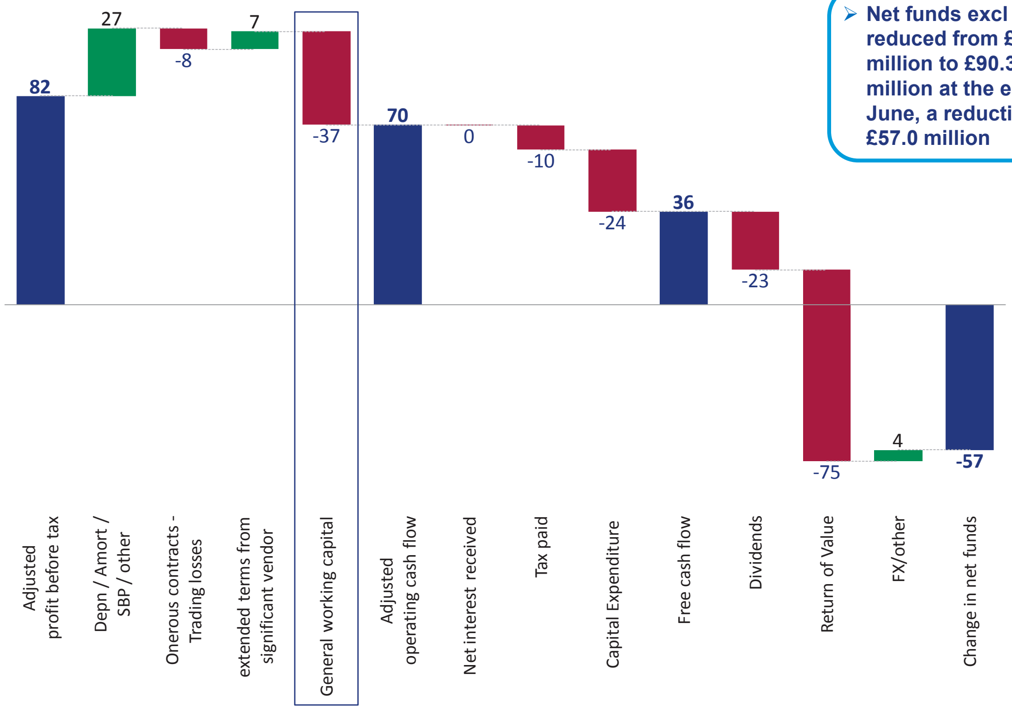


- **Underlying cash increased from £147m to £165m, despite the impact of the French ERP implementation**
- **Return of value of £75m completed during early July 2013**
- **£40m three year committed facility signed, available and currently not utilised**
- **CSF has remained stable at circa £19m**

Outflow since December

Challenges within working capital

£m



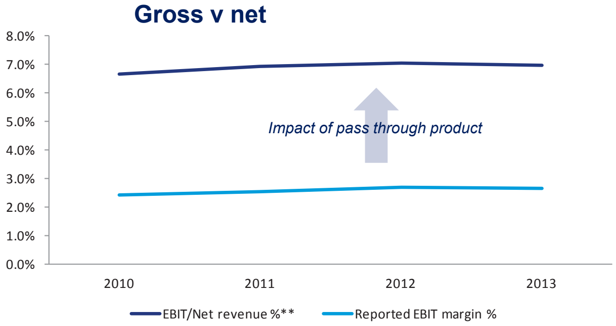
- **Net funds excl CSF reduced from £147.3 million to £90.3 million at the end of June, a reduction of £57.0 million**

 13

FY 2013

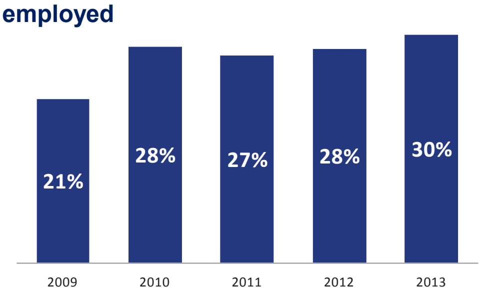
Financial returns strong (as adjusted)

EBIT margin * - Gross v net



** * Net revenue is defined as total revenue less product costs included in cost of goods sold*

Return on capital employed



** ROCE is defined as adjusted operating profit divided by net assets excluding net cash before customer-specific financing*

- **Adjusted EBIT margin flattened in 2013 v 2012, mainly due to the impact of the France result on the Group performance**
- **Operating profit reduced from 2.7% of revenue to 2.6% mainly driven by the impact of France. Operating profit margin percentage is always diluted by supply chain revenues, which are typically "pass through"**
- **However operating profit when expressed as a % of "net revenue" (excluding pass through product) is reduced from 7.1% in 2012 to 7.0%**
- **Return on capital shows a slight improvement year on year, this is not impacted by the return of value**

 14

FY13
Modelling considerations

Adjusted net interest	•Reduction of c£1m in 2013, as result of lower deposit interest rates and the return of value
Tax	•Dependant on mix in earnings as we utilise losses in European operations. Material losses in France in 2013 was the main driver in the increased tax rate from 22.0% to 23.7%. •Full year tax rate is normally expected at around 23% for 2014, the reduction driven by lower losses in France, a reducing UK corporation tax rate and an increasing cash tax rate in Germany
Exceptional	•All onerous contract results have been disclosed as exceptional items in 2013. All future results will be offset against that provision, and not reported through adjusted operating profit •Disappointing performance in France drives intangible impairment •Expect further benefits from maturing of the Group Operating model, which will incur further exceptional costs in 2014
Capital expenditure	•Typically non CSF capex is circa £20-25m pa, approximately 50% run-rate capex, and 50% discretionary (e.g. investments in IT tools to improve productivity, internal IT hardware for our staff etc)
Depreciation & Amortisation	•Excluding amortisation on acquired intangibles, the underlying charge has increased circa £1m per annum, mainly due to ERP amortisation in France
Dividends	•Our dividend policy is to set dividends to maintain a dividend cover of 2 – 2.5 times (2.5 times in 2013)
Capital structure and acquisitions	•£75m returned, reducing net funds excl CSF in full from July 2013. •This has expect this to augment Diluted EPS by c 9% on an annualised basis from July 2013

Financial summary

- Group revenues increased 5.4 per cent to £3.072 billion (2012: £2.914 billion) and up 2.5 per cent in constant currency
- Group adjusted* profit before tax increased by 3.0 per cent to £81.7 million (2012 restated: £79.3 million) and was up by 1.4 per cent in constant currency
- Adjusted* diluted earnings per share ('EPS') increased 5.8 per cent to 43.3 pence (2012 restated: 40.8 pence)
- Net funds prior to customer specific financing (CSF) was £90.3 million (2012: £147.3 million), after completing a return of value of approximately £75 million to our shareholders in July 2013
- Total dividend for 2013 of 17.5 pence per share up 12.9 per cent (2012: 15.5p)

Computacenter
Services & Solutions

Operating Review

Mike Norris

11 March 2014

Our agenda

Computacenter
Services & Solutions

Profit Growth Agenda

- Grow services
- Service margin improvement
- Cost reduction

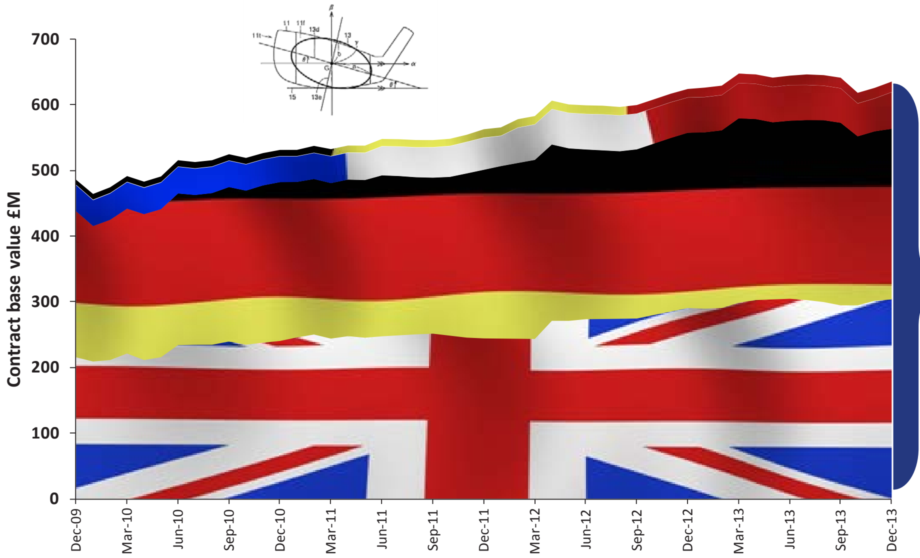
"Profit is a consequence of three things: the market, our strategy and how we execute against it.

Mike Norris, CEO

Supporting our customers on their journey

1. Grow Services

We are in a sweet spot



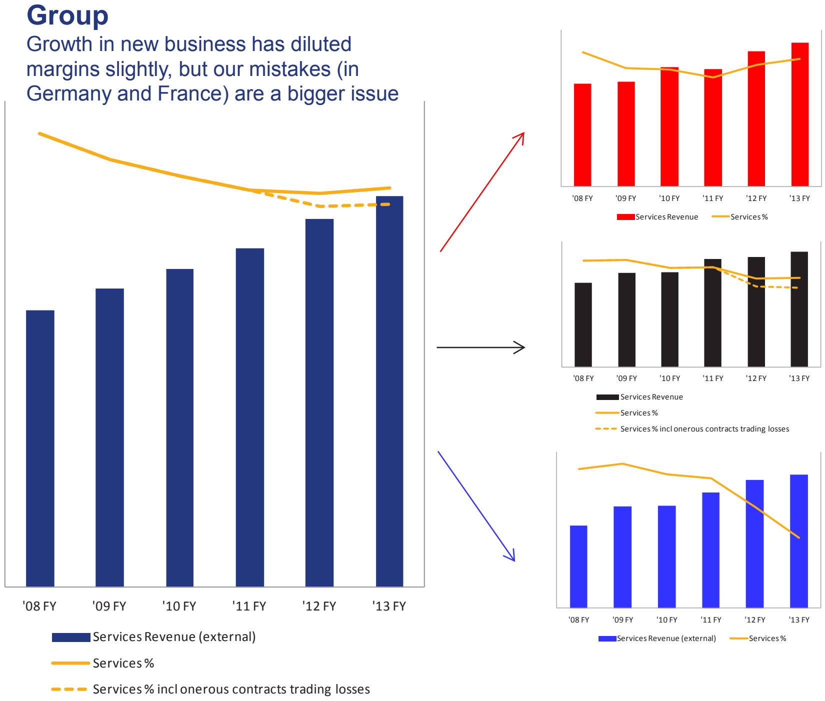
1.8% contract base growth FY13

7.0% contract base 4yr CAGR

Trend to selective outsourcing

2. Service margin improvement

Group
Growth in new business has diluted margins slightly, but our mistakes (in Germany and France) are a bigger issue



UK
Current governance model instigated in 2009 and developed further subsequently
Steady improvement in margins whilst delivering material business growth and high customer satisfaction

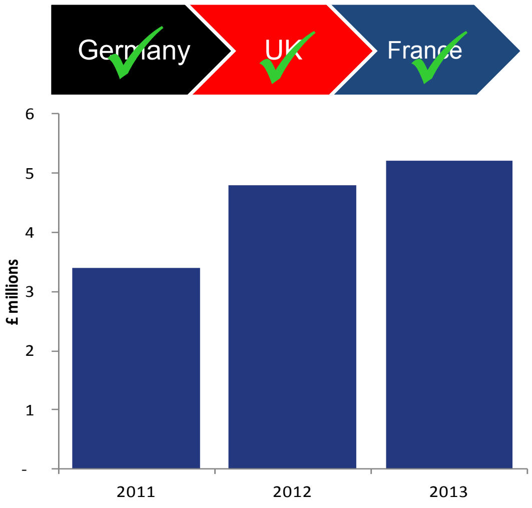
DE
Mistakes have been costly; we live with the legacy for the duration of the contracts
5% of sales potential improvement to reach the UK benchmark
Some underperforming contracts in addition to the three onerous contracts

FR
Less material to the Group, but services margin decline has been disappointing
End of old highly profitable warranty deals, new business growth has been dilutive
Poor Professional Services utilisation

3. Cost savings

Impact from our ERP implementation

Amortisation & depreciation increases as our countries go live on our new ERP system



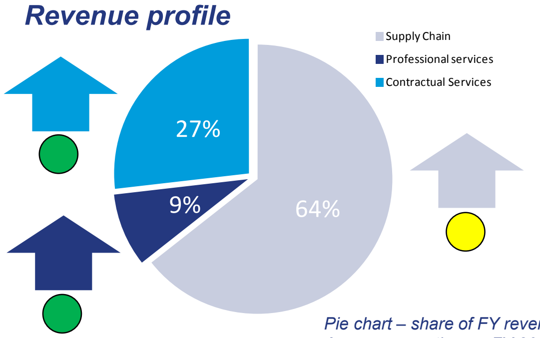
The long term benefits to the Group are significant....but why was France so painful?

- **We didn't get enough local management buy-in to the change program**
- **We built the system for the UK and Germany and fitted France to it**
- **More systems changed in France than either of the other countries**
- **While all issues are not yet resolved the majority are behind us**

UK highlights

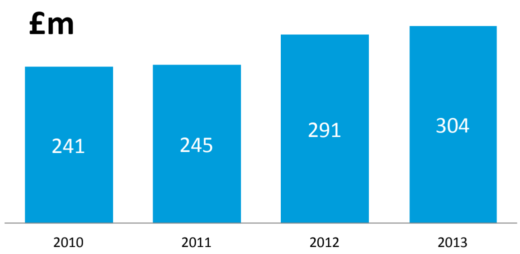
- Growth of 7.6% despite quiet market
- Strong services growth of 6.2% with a challenging compare
- Ranked No. 1 with Whitelane Research as well as KPMG
- Significant wins in Q4 starting H1 2014
- SG&A increases due to:
  - Increased bonus and commissions
  - Recruitment from a failed competitor
  - Significant investment in new bid campaigning

Revenue profile



Pie chart – share of FY revenues
Arrows – growth over FY 2012
Traffic lights – margin performance

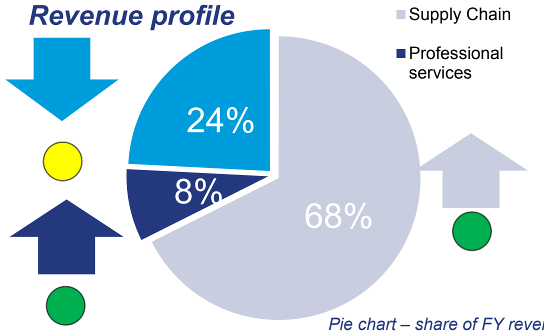
Contract base



DE highlights
(excluding three onerous contracts)

- Adjusted operating profit rebounds up 48.8% in constant currency
- Not enough improvement in services margin
- Another year of good progress for professional services
- Supply chain margin and revenue growth were both strong
- New sales structure in place with delayering
- SG&A down 3.0% in constant currency

Revenue profile



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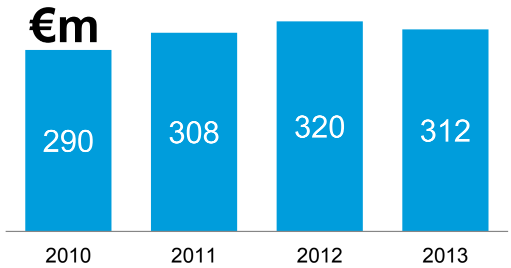
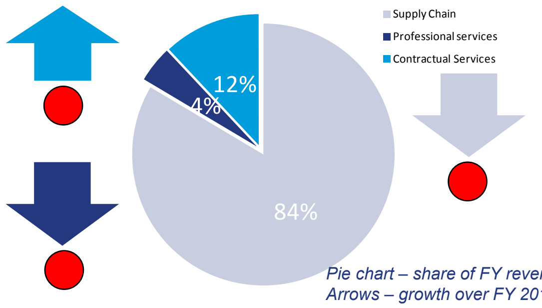


FR highlights

- Revenue decline of 7.1%
- Supply chain decline of 8.3% in revenue with margin deterioration
- Services revenue small decline of 0.8% due mainly to professional services
- Decline in maintenance business challenged the P&L
- Secured the Group's largest contractual services win ever which makes a difference from H2 2014

Revenue profile



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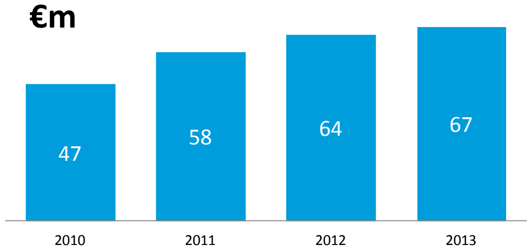
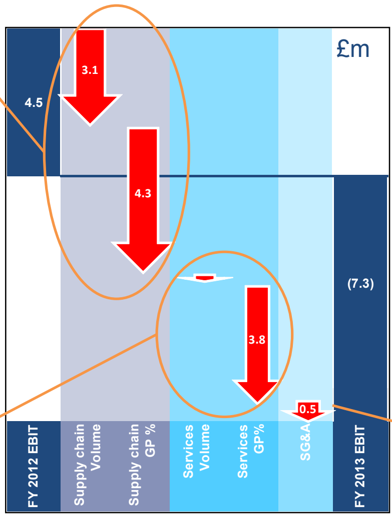


France - EBIT Walk

Management View of Deterioration in the French Business

Supply chain	**(-7.4)**
Major customer	*-2.0*
ERP impact	*-2.0 ?*
Market	*-1.5 ?*
Product mix	*-1.9 ?*



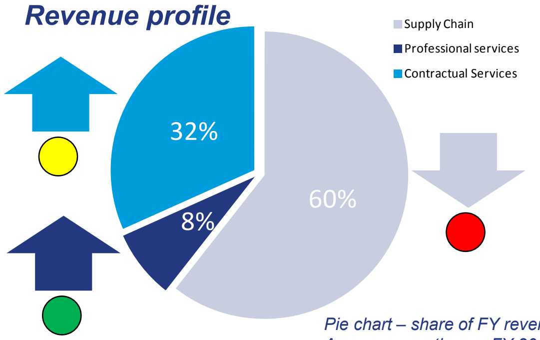
Services	**(-4)**
ERP	*-1*
Margin erosion/ lost business	*-3*

SG&A	**(-0.5)**
ERP backfill	*-1*
Depreciation	*-0.5*
Group Management re-charges	*-1*
Other cost savings	*+2*

BE highlights

- Supply Chain revenue declined by 19.2 % due to one customer situation
- Services revenue growth of 65.2% including acquisition
- Excluding acquisition, services growth 18.4%

Revenue profile



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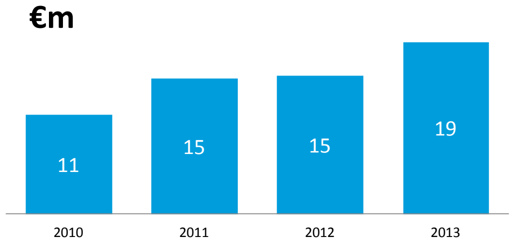


Outlook

- The Board expects Computacenter to make further progress in 2014.
- We believe all of our major geographies will move in the right direction :
  - In the UK, recent business wins and improving margins in our Services business combined with positive momentum in the Supply Chain business gives us scope for further improvement.
  - In Germany, we do not expect a significant improvement in Services revenues until the second half of the year at the earliest but nevertheless there is some progress to be gained through Services margin improvement.
  - After a highly disappointing 2013, we expect the French loss to reduce but for the French business to remain loss making as we take steps to position business for its longer term success.
- In 2014 we will continue to build on Computacenter's strong platform by increasing the number of customers, broadening our customer relationships, increasing our service productivity and innovating our offerings.

This should enable us to continue our track record of cash generation and earnings per share growth.

Appendix

A glossary

Adjusted results

- PBT and EPS are adjusted for exceptional items and amortisation on acquired intangibles.
- Operating results from 2012 have been restated to reclassify the results of three onerous German contracts to exceptional items for which a further exceptional provision has been made at June 2013.
- Operating profit is stated after charging finance costs on CSF

Customer-specific financing (“CSF”)

- Finance costs for CSF are charged after operating profit for statutory purposes
- These costs are considered to be contract specific costs, and operating profit is adjusted to charge for these costs
- Net finance costs are also adjusted in this presentation

Net funds

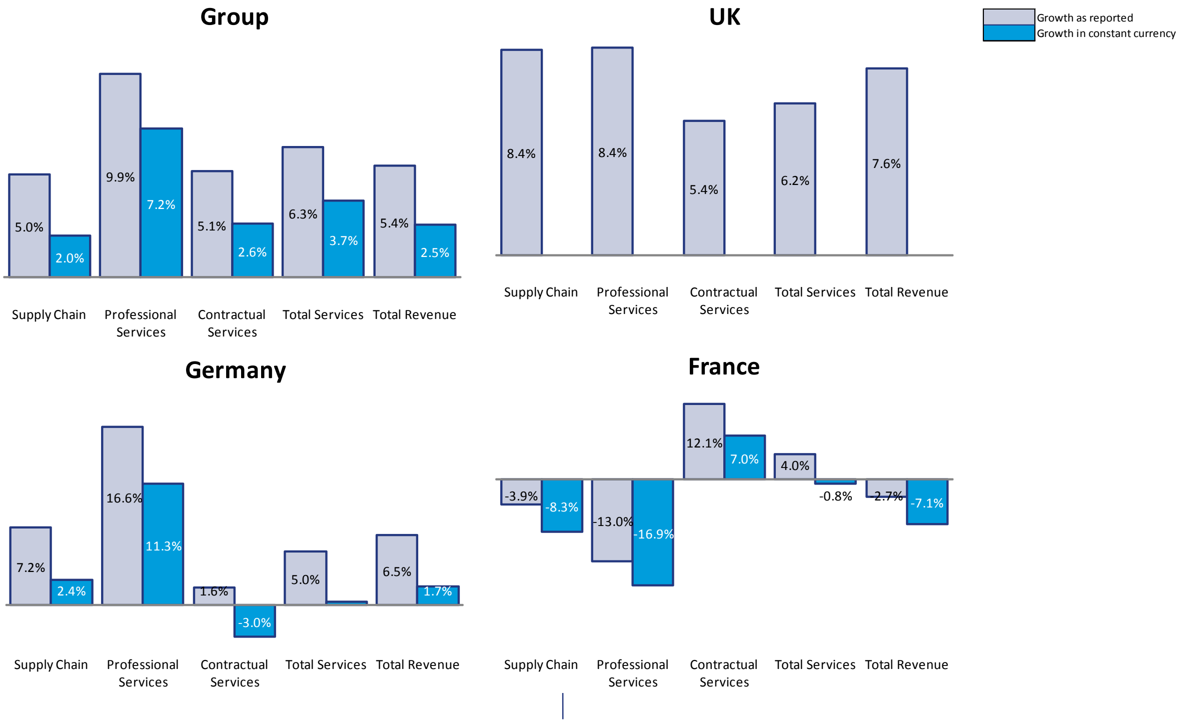
- Net funds prior to CSF is monitored internally by the Group
- Included in this measure are current asset investments, where the group deposits cash, access to which is subject to a notice period
- Statutory net funds includes future obligations for CSF, that are covered by future income streams
- All CSF facilities are committed

Constant Currency

- The Group has calculated constant currency comparative information by re-translating 2012 results into the group’s functional currency (GBP) at the exchange rates prevailing in the H1 2013 reporting period

Sources of revenue

% change by revenue type

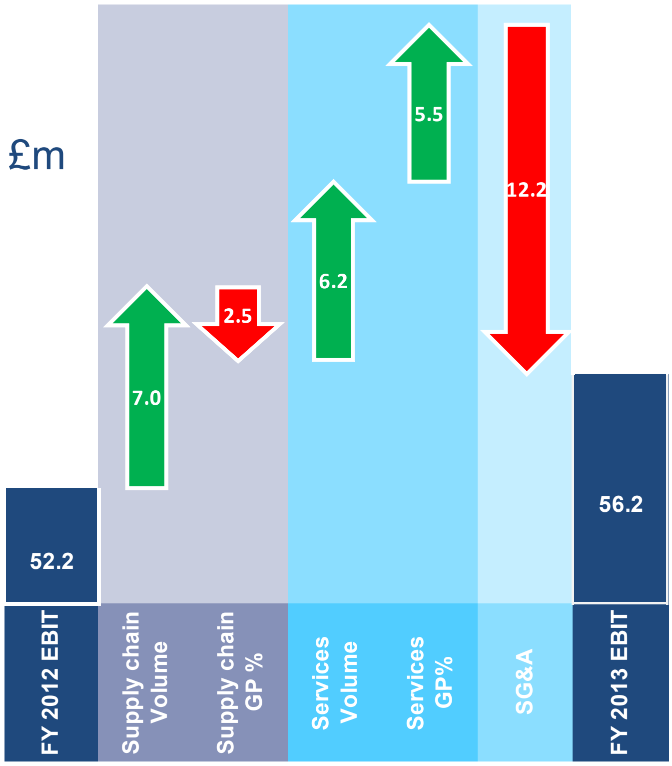


UK – income statement

	FY 2013 £m	FY 2012 £m	Change %
Revenue	1,286.1	1,195.6	7.6%
Adjusted gross profit	200.1	183.9	8.8%
	15.6%	*15.4%*	*0.2%*
Admin Expenses	(143.9)	(131.7)	9.3%
	(11.2%)	*(11.0%)*	*(0.2%)*
Adjusted operating profit	56.2	52.2	7.5%
	4.4%	*4.4%*	*(0.0%)*
Headcount: *			
Direct	4,071	4,059	0.3%
Indirect	1,385	1,335	3.7%

* period end headcount

UK - EBIT Walk



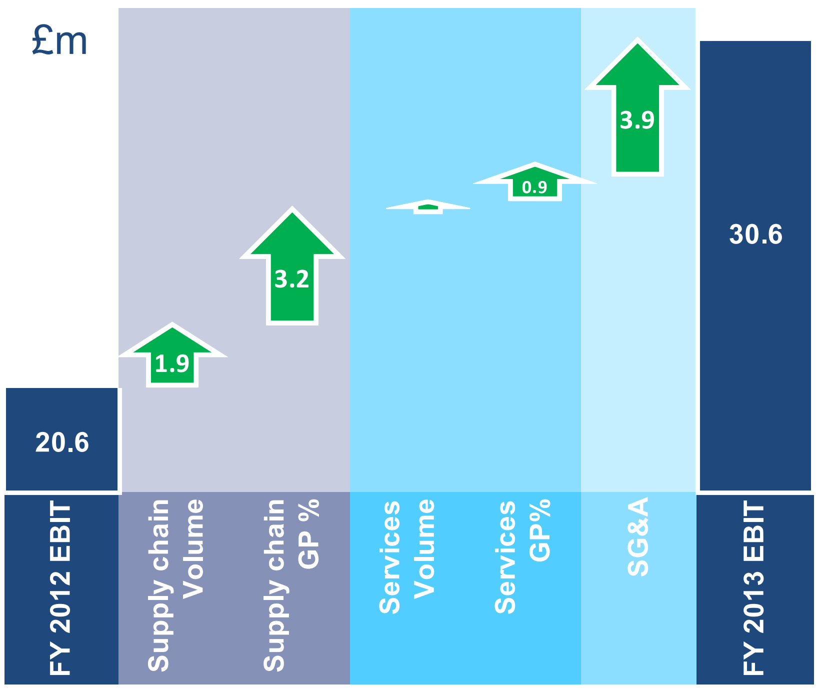
Germany – income statement

	Reported / Restated			In local currency		
	FY 2013 £m	FY 2012 £m	Change %	FY 2013 €m	FY 2012 €m	Change %
Revenue	1,271.4	1,193.8	6.5%	1,497.8	1,473.1	1.7%
Adjusted gross profit	158.1	145.0	9.0%	186.2	179.0	4.0%
	12.4%	*12.1%*	*0.3%*	*12.4%*	*12.1%*	*0.3%*
Admin Expenses	(127.4)	(125.4)	1.6%	(150.1)	(154.7)	(3.0%)
	(10.0%)	*(10.5%)*	*0.5%*	*-10.0%*	*-10.5%*	*0.5%*
Adjusted operating profit	30.6	19.7	55.9%	36.1	24.3	48.8%
	2.4%	*1.6%*	*0.8%*	*2.4%*	*1.6%*	*0.8%*

	FY 2013 £m	FY 2012 £m	Change %
Headcount: *			
Direct	3,768	3,880	(2.9%)
Indirect	1,316	1,344	(2.1%)

* period end headcount

Germany - EBIT Walk



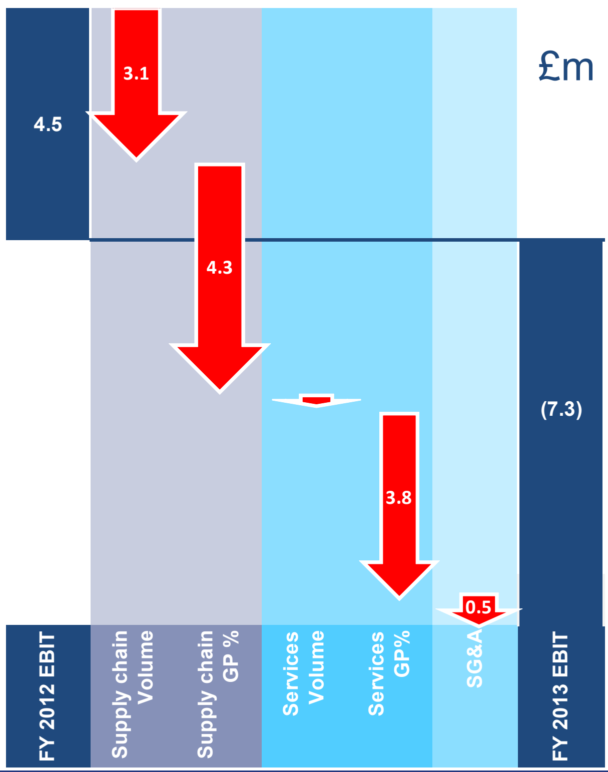
France – income statement

	Reported			In local currency		
	FY 2013 £m	FY 2012 £m	Change %	FY 2013 €m	FY 2012 €m	Change %
Revenue	466.3	479.3	(2.7%)	549.3	591.5	(7.1%)
Adjusted gross profit	38.3	47.3	(19.0%)	45.1	58.4	(22.7%)
	8.2%	*9.9%*	*(1.7%)*	*8.2%*	*9.9%*	*(1.7%)*
Admin Expenses	(45.6)	(43.0)	6.0%	(53.7)	(53.1)	1.2%
	(9.8%)	*(9.0%)*	*(0.8%)*	*-9.8%*	*-9.0%*	*(0.8%)*
Adjusted operating profit	(7.3)	4.3	(270.8%)	(8.6)	5.3	(263.1%)
	(1.6%)	*0.9%*	*(2.5%)*	*-1.6%*	*0.9%*	*(2.5%)*

	FY 2013	FY 2012	Change %
Headcount *:			
Direct	1,400	1,352	3.5%
Indirect	472	478	(1.2%)

* period end headcount

France - EBIT Walk



Net funds

And impact of return of value

	Dec 13 £m	Dec 12 £m	Change £m
Cash and cash equivalents	90.3	137.5	(47.1)
Current asset investment	0.0	10.0	(10.0)
Bank loans	(0.1)	(0.1)	(0.1)
Net funds pre CSF	**90.3**	**147.3**	**(57.1)**
Finance leases	(11.6)	(18.0)	6.4
Other loans	(7.3)	(0.7)	(6.6)
Total CSF	**(18.9)**	**(18.7)**	**(0.2)**
Net cash / (debt)	**71.4**	**128.6**	**(57.2)**

- The Group's primary measure when managing the business is net funds pre CSF.
- Net cash pre CSF has reduced by £57.1 million, after £75.0 million of return of value was remitted mid-year.
- On an underlying basis, therefore cash improved by £17.9 million compared to December 2012.
- Working capital outlflows of circa £30m, primarily in France, are expected to begin to reverse through 2014

Adjusted cash flow

	FY 2013 £m	FY 2012 £m
Adjusted profit before taxation	**81.7**	**79.3**
Adjustments to reconcile Group adjusted operating profit to net cash inflows from operating activities		
Depreciation and amortisation	25.8	24.4
Share-based payment	1.1	2.2
Onerous contracts - trading losses	(8.2)	(5.9)
Working capital movements	(29.5)	(13.8)
Other adjustments	(0.3)	(0.9)
Adjusted operating cashflow	**70.5**	**85.2**
Net interest received	(0.1)	1.1
Income taxes paid	(9.6)	(13.1)
Capital expenditure and investments	(24.2)	(30.8)
Acquisitions	-	(1.9)
Equity dividends paid	(22.8)	(23.2)
Cash out flow before financing	**13.7**	**17.4**
Financing		
Proceeds from issue of shares	1.2	0.1
Return of value	(73.7)	-
Purchase of own shares	-	(4.8)
Change in net funds pre CSF in the period	**(58.8)**	**12.6**
Net funds pre CSF at beginning of period	**147.3**	136.8
Change in net funds pre CSF in the period	**(58.8)**	12.6
Effect of exchange rates on net funds pre CSF	1.8	(2.1)
Net funds pre CSF at end of period	**90.3**	**147.3**

- Working capital outflow of £30m in FY 2013 includes an £7m inflow in relation to the increase in the impact of extended credit terms with a significant vendor from £34 million to £41 million.

Group – balance sheet

Computacenter Services & Solutions

	FY 2013 £m	FY 2012 £m	Var £m
Non-current assets			
Property, plant and equipment	89.0	100.7	(11.7)
Goodwill & Intangibles	98.9	104.6	(5.7)
Investments in associates	0.0	0.6	(0.5)
Deferred income tax asset	15.2	14.4	0.8
	203.1	**220.3**	**(17.1)**
Current assets			
Inventories	58.6	67.8	(9.2)
Trade & other receivables	667.7	573.7	94.1
Prepayments & accrued income	114.7	104.3	10.4
Forward currency contracts	0.0	0.0	0.0
Current asset investment	0.0	10.0	(10.0)
Cash and short-term deposits	91.1	138.1	(47.1)
	932.2	**893.9**	**38.3**
Current liabilities			
Trade & other payables	604.9	527.5	77.4
Deferred income	116.0	128.5	(12.6)
Financial liabilities	8.1	9.1	(1.0)
Forward currency contracts	2.4	0.6	0.0
Income tax payable	10.2	3.8	6.5
Other liabilities & provisions	6.0	4.4	1.6
	747.7	**673.9**	**73.8**
Non-current liabilities			
Financial liabilities	11.5	10.4	1.1
Other liabilities & provisions	11.4	7.5	3.9
	22.9	**17.9**	**5.0**
Net assets	**364.7**	**422.3**	**(57.6)**

- **PP&E DOWN :** depreciation exceeding capex by a ratio of 2.1:1
- **Intangibles DOWN**: impairment in France partially offset by the net movement in software
- **Working capital balances UP** :

  outflow of c£30m in the year, primarily in France due to ERP issues around payable and receivables
- **Cash DOWN**

  £31.4m included in other financial assets related to the first part of the return of value. Underlying cash up by £13m.
- **Provisions UP:**

  Increase in provisions for three onerous German contracts

 39

FY 2013

Re-classification and results restatement

Computacenter Services & Solutions

Update to our glossary

"Adjusted results

- *PBT and EPS are adjusted for exceptional items and amortisation on acquired intangibles.*
- *Operating results from 2012 have been restated to reclassify the results of three onerous German contracts to exceptional items for which a further exceptional provision has been made at June 2013.*
- *Operating profit is stated after charging finance costs on CSF"*

Impact

- Trading losses for FY 2012 of £5.9m (H1 2012 : £1.7m) and provisions of £2.1m (H1 2012: nil) have been restated as exceptional items in 2013 accounts.
- This has increased adjusted operating profit, adjusted profit before tax and exceptional items in the prior year comparative results, as the table opposite shows

Rationale

- to provide a clearer picture of the past performance of the business

Results restatement

	H1 2012 £m	FY 2012 £m
Adjusted Operating Profit		
As reported in income statement	*23.8*	*71.1*
Interest on CSF	*(0.6)*	*(1.1)*
As reported in segment note 3	23.2	70.0
Onerous contracts		
- trading losses	1.7	5.9
- provision for future losses	0.0	2.1
As restated 2013	**25.0**	**78.0**
Adjusted Profit before tax		
As Reported 2012	24.0	71.3
Onerous contracts		
- trading losses	1.7	5.9
- provision for future losses	0.0	2.1
As restated 2013	**25.8**	**79.3**
Exceptional items		
As Reported 2012	(1.9)	(3.9)
Onerous contracts		
- trading losses	(1.7)	(5.9)
- provision for future losses	0.0	(2.1)
As restated 2013	**(3.6)**	**(11.9)**

 40