2018 INTERIM RESULTS

Half year results to 30 June 2018

24 August 2018

H1 2018 FINANCIAL HIGHLIGHTS

Group revenue	Group adjusted[1] profit before tax	Adjusted[1] diluted EPS	Net funds[3]	Interim dividend of
£2.01bn	**£52.1m**	**32.7p**	**£49.7m**	**8.7p**

- Group revenue increased **18.1 per cent** to **£2.01 billion** (H1 2017: £1.70 billion) and by **16.8 per cent** in constant currency[2]
- Group adjusted[1] profit before tax increased by **24.3 per cent** to £52.1 million (H1 2017: £41.9 million) and by **23.8 per cent** in constant currency[2]
- Adjusted[1] diluted earnings per share (EPS) of **32.7 pence** (H1 2017: 25.6 pence), an increase of **27.7 per cent**
- Net funds[3] of **£49.7 million** (H1 2017: £137.3 million), a decrease of **£87.6 million** following the Return of Value Tender Offer of c£100 million completed in Q1 2018
- Interim dividend of **8.7 pence** (H1 2017: 7.4 pence), an increase of **17.6 per cent**

[1,2] Refer to the glossary for definitions.

H1 2018 FINANCIAL HIGHLIGHTS

	H1 2014	H1 2015	H1 2016	H1 2017	H1 2018	H1 2018 vs H1 2017
Revenue (£m)	1,458.3	1,441.4	1,478.2	1,700.3	**2,008.9**	18.1%
Adjusted[1] profit before tax (£m)	28.0	29.4	25.3	41.9	**52.1**	24.3%
Adjusted[1] diluted EPS (pence)	14.5	17.2	15.3	25.6	**32.7**	27.7%
Dividend per share (pence)	5.9	6.4	7.2	7.4	**8.7**	17.6%
Services Contract Base[2] (£m)	675.4	684.9	720.0	743.9	**758.8**	2.0%
Operating cash flow (£m)	10.3	1.0	(1.1)	11.4	**8.4**	(26.3%)

Four-Year Compound Annual Growth Rate

Adjusted[1] profit before tax	Adjusted[1] diluted EPS	Dividend per share	Services Contract Base[2]
16.8%	22.5%	10.2%	3.0%

Note: the 2015 results above are presented including RDC. This subsidiary was disposed during 2015 and was excluded, as an adjusted item, within the 2015 and 2016 Annual Report and Accounts.

[1,2] Refer to the glossary for definitions.

H1 2018: OPERATING HIGHLIGHTS

Group	Group revenues exceed £2 billion for the half, the first time this milestone has been reached in the first six months of a year. The Group's total revenues grew £309 million during the period, £288 million in constant currency[2];
Germany	Germany delivers another strong performance with revenue growth of 11.4 per cent during the period driven by excellent Technology Sourcing sales leading to a 53.1 per cent increase in adjusted[1] operating profit, both on a constant currency[2] basis;
UK	The UK continued positive sales momentum with growth of 29.5 per cent in revenue during the period, albeit flattered by two very large margin-dilutive Technology Sourcing deals. These Technology Sourcing margin challenges, and several challenging Professional Services engagements, resulted in an adjusted[1] operating profit of 20.6 per cent during the period; and
France	France has successfully negotiated a difficult period of contract renewals, and the expiry of a significant Managed Services contract, with a revenue decline of 1.2 per cent contrasted by a 41.2 per cent increase in adjusted[1] operating profit, both on a constant currency[2] basis.

[1,2] Refer to the glossary for definitions.

FINANCIAL REVIEW

Tony Conophy

24 August 2018

H1 2018: GROUP ADJUSTED[1] FINANCIAL RESULTS

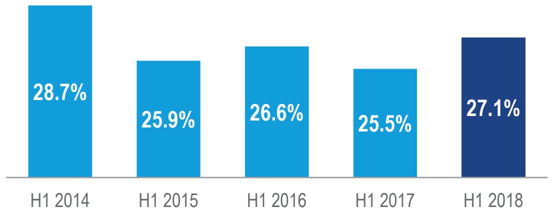
	H1 2018 £m	H1 2017 £m	Change	Constant currency[2]
Revenue	**2,008.9**	**1,700.3**	**18.1%**	**16.8%**
Adjusted[1] gross profit	**248.7**	**222.8**	**11.6%**	**10.5%**
Adjusted[1] gross profit %	*12.4%*	*13.1%*	*(0.7%)*	*(0.7%)*
Administrative expenses	(196.6)	(181.4)	(8.4%)	(7.3%)
Adjusted[1] operating profit	**52.1**	**41.4**	**25.8%**	**24.9%**
Adjusted[1] operating profit %	*2.6%*	*2.4%*	*0.2%*	*0.2%*
Adjusted[1] net finance income	-	0.5	(100.0%)	(100.0%)
Adjusted[1] profit before tax	**52.1**	**41.9**	**24.3%**	**23.8%**
Adjusted[1] tax expense	(14.1)	(10.7)	(31.8%)	(31.8%)
Adjusted[1] tax rate	*27.1%*	*25.5%*	*1.6%*	*1.7%*
Adjusted[1] profit after tax	**38.0**	**31.2**	**21.8%**	**20.6%**
Diluted earnings per share				
– Adjusted[1] (pence)	32.7	25.6	27.7%	
– Statutory (pence)	31.6	28.3	11.7%	

Performance headlines

- Revenue up 18.1 per cent, and by 16.8 per cent in constant currency[2]
- Adjusted[1] operating profit up 25.8 per cent, 24.9 per cent in constant currency[2]

Adjusted[1] effective tax rate

The adjusted[1] effective tax rate rises as the German share of profits grows and the underlying German cash tax rate increases.



Exchange rate impact on currency conversion

The Group reports its results in pounds sterling. The weakness of sterling, particularly against the euro, is expected to continue to result in a foreign exchange translation benefit to the Group. The impact of restating the first half of 2017 at 2018 exchange rates would be an increase of approximately £20.3 million in H1 2017 revenue and an increase of approximately £0.3 million in H1 2017 adjusted[1] profit before tax.

Average daily rate

H1 2018: £1 = € 1.137 (H1 2017: £1 = € 1.163)

[1,2] Refer to the glossary for definitions.

H1 2018: RECONCILIATION TO STATUTORY RESULTS

	H1 2018 Statutory results £m	CSF interest £m	Utilisation of DE deferred tax asset £m	Exceptional and other adjusting items £m	H1 2018 Adjusted[1] results £m	H1 2017 Adjusted[1] results £m	Change %
Revenue	**2,008.9**	**-**	**-**	**-**	**2,008.9**	**1,700.3**	**18.1%**
Cost of sales	(1,760.1)	(0.1)	-	-	(1,760.2)	(1,477.5)	(19.1%)
Gross profit	**248.8**	**(0.1)**	**-**	**-**	**248.7**	**222.8**	**11.6%**
Administrative expenses	(196.6)	-	-	-	(196.6)	(181.4)	(8.4%)
Amortisation of acquired intangibles	(0.1)	-	-	0.1	-	-	-
Exceptional items	-	-	-	-	-	-	-
Operating profit	**52.1**	**(0.1)**	**-**	**0.1**	**52.1**	**41.4**	**25.8%**
Finance income	0.6	-	-	-	0.6	0.7	(14.3%)
Finance costs	(0.7)	0.1	-	-	(0.6)	(0.2)	(200.0%)
Profit before tax	**52.0**	**-**	**-**	**0.1**	**52.1**	**41.9**	**24.3%**
Income tax expense - before exceptional items	(15.2)	-	1.1	(0.0)	(14.1)	(10.7)	(31.8%)
Income tax expense - exceptional items	-	-	-	-	-	-	
Profit for the year	**36.8**	**-**	**1.1**	**0.1**	**38.0**	**31.2**	**21.8%**

[1,2] Refer to the glossary for definitions.

H1 2018: EXCEPTIONAL AND OTHER ADJUSTING ITEMS

A net loss of £0.1 million was recorded, resulting from exceptional and other adjusting items (H1 2017: gain of £5.6 million).

Exceptional items

- There are no exceptional items recorded in the period.
- During the first half of 2017, the remaining provisions for the last two onerous contracts in Germany were released, for an exceptional gain of £1.4 million. These provisions were originally booked in 2013 and the contracts have now returned to profitability, so the provisions are no longer required. As these provisions were booked as exceptional items, this release has also been classified as such.
- The disposal of an investment property in Braintree, Essex, was completed on 26 May 2017 for £14.5 million. This property was associated with a former subsidiary of the Group, R.D. Trading Limited, which was itself sold in February 2015. Due to the size and non-operational nature of the transaction, the £4.3 million gain on disposal, net of disposal costs, has been classified as exceptional.

Other adjusting items

- The Group excludes amortisation of acquired intangibles, for £0.1 million, from its H1 2018 adjusted[1] results (H1 2017: £0.1 million).
- The Group presents utilisation of deferred tax assets, where initial recognition was an exceptional item, or as a fair value adjustment on acquisition, as outside its adjusted[1] results. During the period, the German deferred tax asset has been reduced by £1.1 million due to the reduction in losses recognised over the foresight period. The majority of our readily available German losses will be utilised by the end of 2018, resulting in the full utilisation of the residual asset of £2.7 million as at 31 December 2017.

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[1,2] Refer to the glossary for definitions.

H1 2018: REVENUE BY SEGMENT

	H1 2018 £m	H1 2017 £m	Change	H1 2018 £m/€m	H1 2017 £m / €m	Constant currency[2]
Technology Sourcing revenue						
UK	633.0	427.2	48.2%	633.0	427.2	48.2%
Germany	598.0	515.0	16.1%	679.5	597.9	13.6%
France	182.4	175.2	4.1%	207.4	203.4	2.0%
International	20.7	20.8	(0.5%)	20.7	21.2	(2.4%)
Total Group	**1,434.1**	**1,138.2**	**26.0%**	**1,434.1**	**1,153.5**	**24.3%**
Services revenue						
UK	225.1	235.6	(4.5%)	225.1	235.6	(4.5%)
Germany	268.0	245.3	9.3%	304.6	285.3	6.8%
France	48.3	53.4	(9.6%)	54.8	62.1	(11.8%)
International	33.4	27.8	20.1%	33.4	26.1	28.0%
Total Group	**574.8**	**562.1**	**2.3%**	**574.8**	**567.1**	**1.4%**

Note that European Segments in constant currency[2] are shown in €m

Technology Sourcing revenue

As noted in our Q1 Trading update on 27 April 2018, the UK revenue performance was flattered by a one-off software licence sale of £34.1 million, at very low margins. This deal, along with a further very similar deal of £36.7 million in Q2 2018, have lead to impressive revenue growth within the UK business but have, along with a general increase in Software volumes, diluted margins. The Technology Sourcing business in Germany saw significant growth during the period, following an already pleasing performance in the prior period. The growth continued to be dominated by the performance of both our Public Sector business and a hyper-scale data center customer. French Technology Sourcing revenues showed encouraging growth, as a result of the widening portfolio of target customers, that offset reduced activity by one of the business's largest Technology Sourcing customers. This key Public Sector account saw reduced volumes, as it went through an extensive rebid process that saw us retain the account once again.

Services revenue

UK Professional Services faced a difficult comparative against 2017, with the prior period including one engagement that provided significant revenue. The Managed Services business continued to defend its Contract Base by renewing and extending key contracts, but struggled to win new business. A significant amount of German Professional Services resources have been deployed to assist with technical challenges on difficult Managed Services contracts. This, along with the shortage of appropriately skilled resource in the marketplace, has constrained growth. The Managed Services business saw good growth from prior period contract wins and won new customers during the first half of the year. Our French Services business had a first half made difficult by the loss of a significant Services customer and the renewal, at reduced margins, of a significant Managed Services contract. The business has redeployed resources that were engaged on this contract that it lost.

[1,2] Refer to the glossary for definitions.

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H1 2018: REVENUE & ADJUSTED[1] OPERATING PROFIT BY SEGMENT

	H1 2018 £m	H1 2017 £m	Change	H1 2018 £m/€m	H1 2017 £m/€m	Constant currency[2]
Revenue						
UK	858.1	662.8	29.5%	858.1	662.8	29.5%
Germany	866.0	760.3	13.9%	984.1	883.2	11.4%
France	230.7	228.6	0.9%	262.2	265.5	(1.2%)
International	54.1	48.6	11.3%	54.1	47.3	14.4%
Total Group	**2,008.9**	**1,700.3**	**18.1%**	**2,008.9**	**1,720.6**	**16.8%**
Adjusted[1] operating profit						
UK	25.8	21.4	20.6%	25.8	21.4	20.6%
Germany	32.2	20.7	55.6%	36.6	23.9	53.1%
France	2.1	1.5	40.0%	2.4	1.7	41.2%
International	3.4	5.0	(32.0%)	3.4	4.9	(30.6%)
Central corporate costs	(11.4)	(7.2)	58.3%	(11.4)	(7.2)	58.3%
Total Group	**52.1**	**41.4**	**25.8%**	**52.1**	**41.7**	**24.9%**

Note that European Segments in constant currency[2] are shown in €m

New Segmental Reporting is in place from the 30 June 2018 reporting period onwards. Refer to slide 11 for further details, and slide 12 for an analysis of Central Corporate Costs.

UK performance saw a decrease in Services margins driven by the end of several large projects in the Professional Services practice and significant overspend on one Public Sector contract that again impacted overall Services margins. Technology Sourcing margins fell due to an increase in the mix of very large low-margin software deals. SG&A was impacted by increasing variable remuneration and headcount.

German performance saw improved Technology Sourcing margins driven by the continuing change in product mix to items with significant Technology Sourcing value-add. Services margins remain impacted by a number of contracts, including more recent wins, that continue to disappoint, restricting an otherwise successful six months for the business. Margins have improved, in spite of the challenges, but this is against a weak comparative period. SG&A growth was less than expected and remains a Management focus as headcount was flat.

French performance saw Technology Sourcing margins higher than in the first half of last year and in line with those seen in the second half of 2017. Services margins were impacted by the expiry of a large, albeit low margin contract. Whilst French headcount has remained flat, we have transformed the structural makeup of the workforce.

[1,2] Refer to the glossary for definitions.

CHANGE IN SEGMENTAL REPORTING

During the first half of the year, Management reviewed the way it reported segmental performance to the Board and the Chief Executive Officer, who is the Group's Chief Operating Decision Maker ('CODM'), to determine whether it could improve the transparency and understandability of the trading performance of its core Group Operating Model geographies. As a result of this analysis, and as endorsed by the Audit Committee, the Board has decided to adopt a new segmental reporting structure from the period ended 30 June 2018. In accordance with IFRS 8 Operating Segments, the Group has identified four revised operating segments: UK, Germany, France, and International.

As the location of the Group's headquarters, the UK entity has also borne an increasing share of corporate costs since the rollout of the Group Operating Model from 2013. Certain expenses such as those for the Board itself, and related public company costs, Group Executive members not aligned to a specific geographic trading entity and the cost of centrally funded strategic corporate initiatives that benefit the whole Group, are not allocated to individual segments because they are not directly attributable to any single segment. Accordingly, these expenses are disclosed as a separate column, '**Central Corporate Costs**', within the segmental note.

Under the previous segmental reporting structure, the UK segment included a number of other operating entities, primarily international Global Service Desk locations. Whilst these entities have limited external revenues, and a cost recovery model that suggests better than breakeven margins to ensure compliance with transfer pricing regulations, this generated unnecessary complexity when presenting the UK results to the Board and the CODM, with the growth in the number and scale of these other operating entities blurring the underlying performance of the core geography over time.

The revised UK segment now only comprises the trading performance of Computacenter UK.

The German segment has been revised to remove the independently run Computacenter Switzerland operation, including cITius, which has been transferred to the International segment, leaving the German country trading operations standing alone.

The new International segment replaces the Belgian segment and includes the Belgium, Switzerland, USA and TeamUltra trading operations, along with the international Global Service Desk locations in South Africa, Spain, Hungary, Mexico, Poland, Malaysia, India and China. The International segment has been created to reflect the Group's ambitions to continue to expand its worldwide footprint. This includes expanding trading operations into new geographic locations, both within our Western European heartland and beyond, and the need to continue to identify talent-rich offshore locations, to ensure that we can remain both cost and resource competitive in the Services marketplace.

The French segment remains unchanged from that reported at 31 December 2017.

This new segmental reporting structure is the basis on which internal reports are provided to the Chief Executive Officer, as the CODM, for assessing performance and determining the allocation of resources within the Group. Segmental performance is measured based on external revenues, adjusted[1] gross profit, adjusted[1] operating profit and adjusted[1] profit before tax.

The change in segmental reporting has no impact on reported Group numbers.

[1,2] Refer to the glossary for definitions.

CENTRAL CORPORATE COSTS

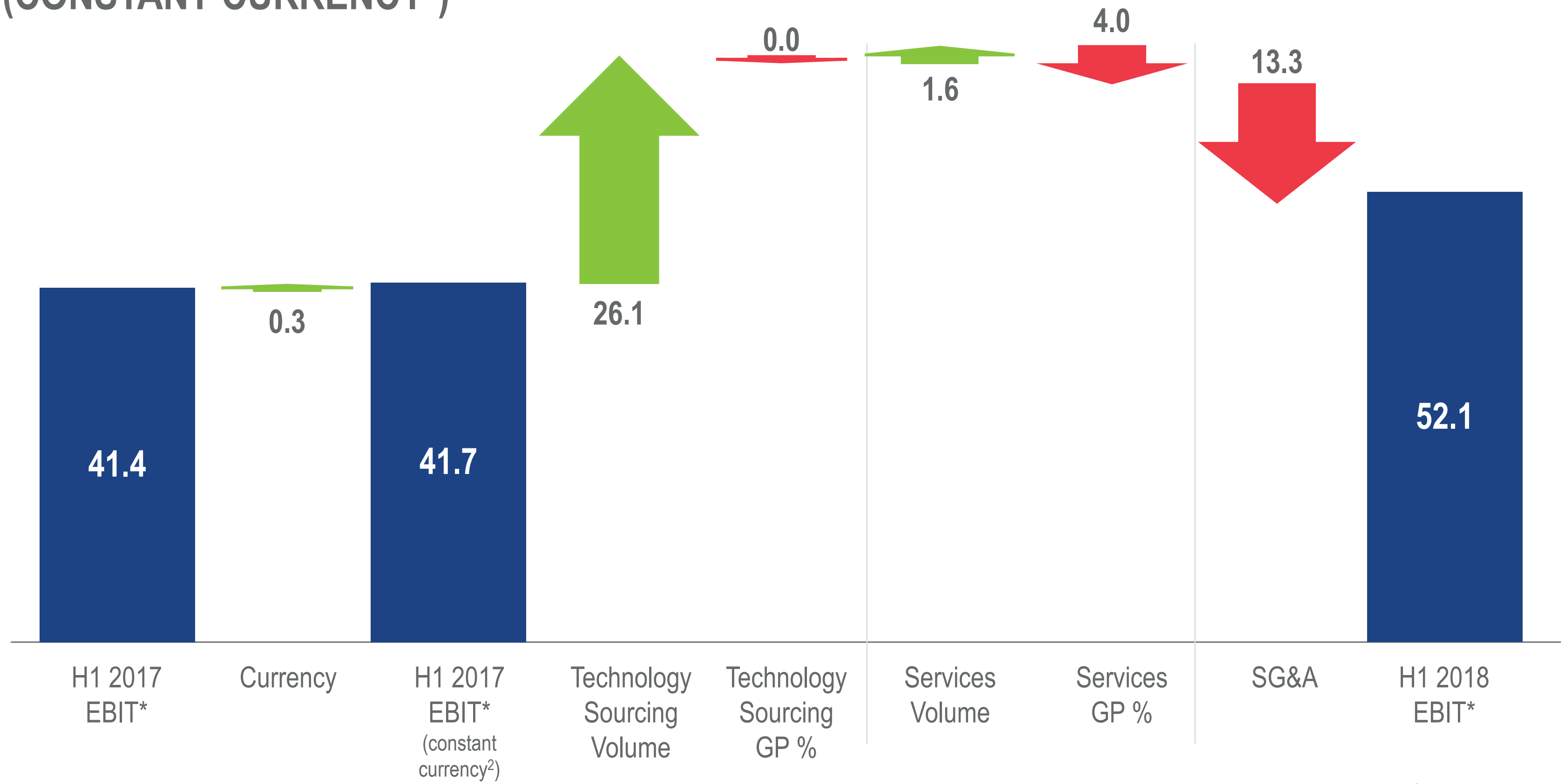
Analysis of Central Corporate Costs	Jun 2018 £m	Jun 2017 £m	Change £m	Dec 2017 £m
Cost of the plc Board and related public company costs	**1.5**	1.5	(0.0)	3.7
Group Exec cost base (segment unaligned)	**2.1**	1.9	0.1	4.3
Share-based payments (Group Exec unaligned)	**1.6**	0.6	1.0	2.6
Strategic corporate initiatives	**6.2**	3.2	3.0	8.4
Central Corporate Costs	**11.4**	7.2	4.2	19.0

As noted on the previous slide, certain expenses are disclosed as a separate column, 'Central Corporate Costs', within the segmental note. These costs are borne within the Computacenter (UK) Limited legal entity and have been removed for segmental reporting and performance analysis but form part of the overall Group administrative expenses. During the period, total Central Corporate Costs were £11.4 million, an increase of 58.3 per cent (H1 2017: £7.2 million). Within this:

- Board expenses and related public company costs were flat at £1.5 million (H1 2017: £1.5 million);
- costs associated with Group Executive members not aligned to a specific geographic trading entity were £2.1 million (H1 2017: £1.9 million);
- share-based payment charges associated with the Group Executive members identified above, including the Group Executive Directors, increased from £0.6 million in H1 2017 to £1.6 million in H1 2018, due primarily to the increasing cost of Computacenter plc ordinary shares and the increased internal forecasts for 2018 and beyond, as a result of the trading updates made on 27 April 2018 and 12 July 2018; and
- strategic corporate initiatives increased from £3.2 million in H1 2017 to £6.2 million in H1 2018, primarily due to increased spend on projects designed to increase capability, enhance productivity or strengthen systems which underpin the Group.

H1 2018: GROUP ADJUSTED[1] OPERATING PROFIT WALK (£M)

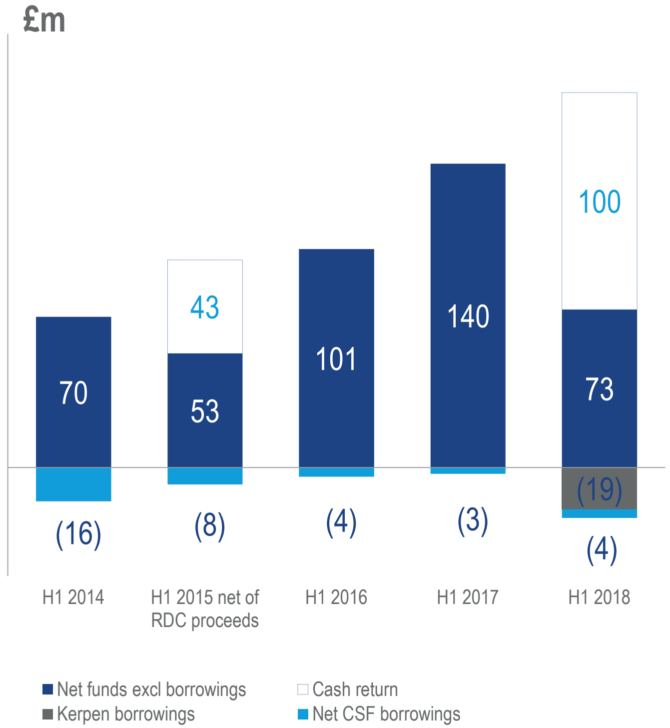
(CONSTANT CURRENCY[2])



[1,2] Refer to the glossary for definitions.

* EBIT refers to adjusted[1] operating profit

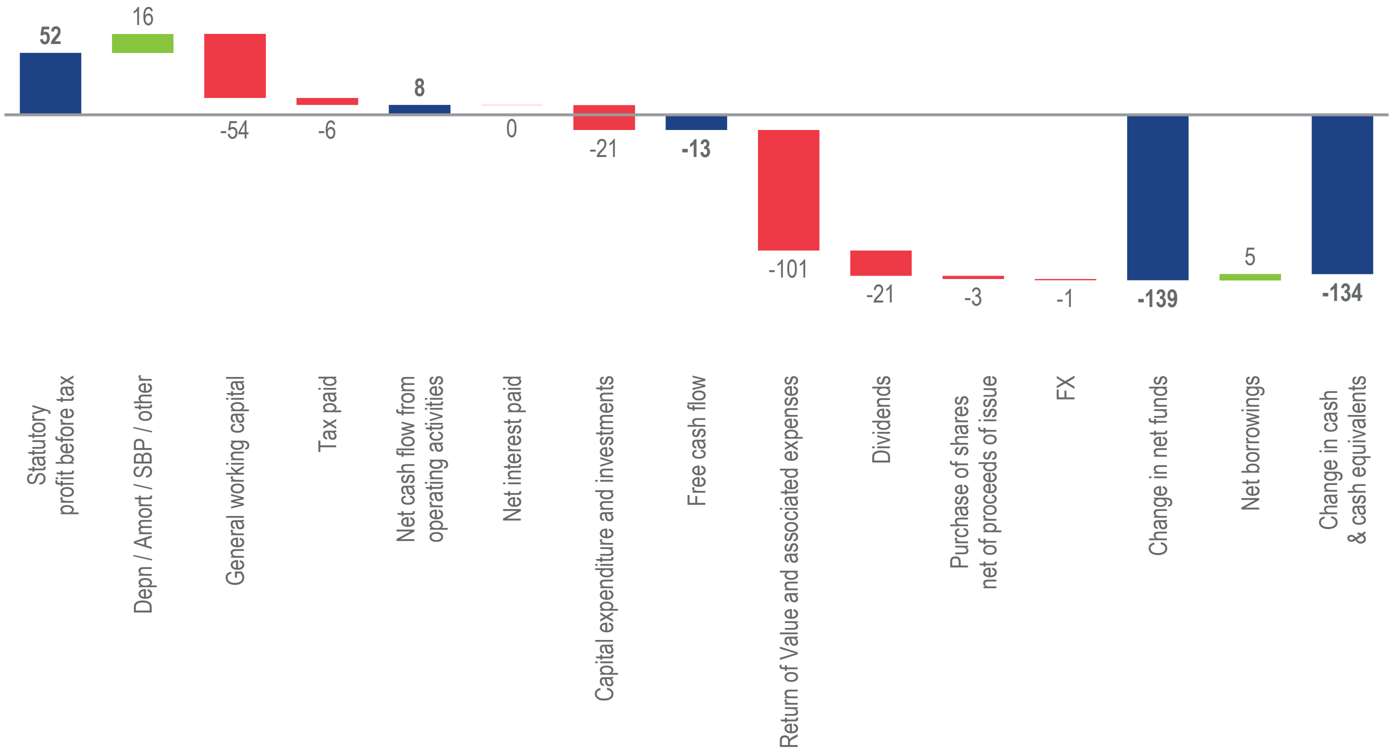
H1 2018: CLOSING NET FUNDS[3] FOR THE PERIOD



- Net funds[3] have decreased £141.5 million to £49.7 million since 31 December 2017 (H1 2017: £137.3 million). This is due to the Return of Value Tender Offer of £100 million completed in February 2018, the increase in the Kerpen facility of £8.6 million, and the payment of the final 2017 dividend of £21.1 million
- Committed facility extended in February 2018 for a further three years and increased from £40 million to £60 million and remains unutilised
- Net borrowings primarily consist of customer-specific financing (CSF) and the specific committed facility to finance the new logistics and office facility in Kerpen, Germany (£3.9 million and £19.3 million at 30 June 2018 respectively)

[3] Refer to the glossary for definitions.

H1 2018: CASH FLOW SINCE DECEMBER 2017 (£M)

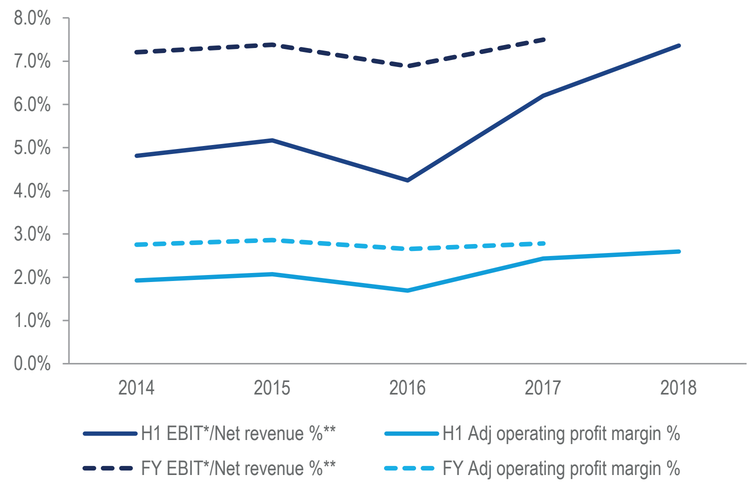


- £100 million of cash was returned to shareholders via a Tender Offer completed on 14 February 2018
- Free cash outflow of circa £13 million during the period
- Capital expenditure and investments also includes the spend on the new logistics and office facilities in Germany for circa £5.0 million that is also mirrored in the borrowings as this is a facility for the project

H1 2018: NET REVENUE STRONG

(AS ADJUSTED[1])

Adjusted[1] operating profit margin - Gross v Net



**EBIT refers to adjusted[1] operating profit*

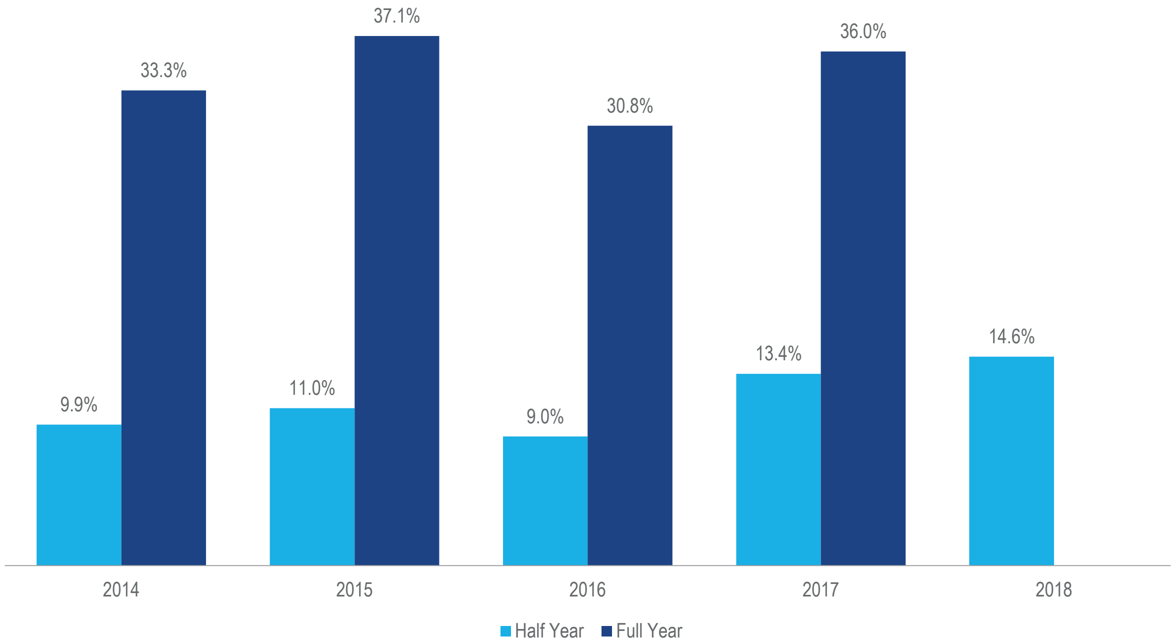
*** Net revenue is defined as total revenue less product costs included in cost of goods sold*

- Adjusted[1] operating profit increased from 2.4 per cent of revenue to 2.6 per cent. Adjusted[1] operating profit margin percentage is always diluted by Technology Sourcing revenues, which are typically 'pass-through'
- However, adjusted[1] operating profit when expressed as a percentage of 'net revenue' (excluding pass-through product) is 7.4 per cent in H1 2018 (H1 2017: 6.2 per cent)
- The Group has finalised its approach to revenue accounting under the new international standard, IFRS 15. This has no material impact on top-line revenues as product revenue continues to be accounted for on the same basis as the previous accounting standard

[1] Refer to the glossary for definitions.

H1 2018: FINANCIAL RETURNS STRONG

Return on capital employed*



* ROCE is defined as adjusted[1] operating profit divided by net assets excluding net funds[3] before customer-specific financing

Return on capital employed has increased from the level seen in H1 2017 as adjusted[1] operating profit increased from £41.4 million to £52.1 million and capital employed grew from £308.3 million as at 30 June 2017 to £355.9 million as at 30 June 2018.

H1 2018: MODELLING CONSIDERATIONS

Tax

Dependent on mix of earnings as we utilise losses in European operations. Whilst France continues to show an improvement in profitability in H1 2018, an increased German cash tax rate continues to be the main driver in the increased Group adjusted[1] effective tax rate ('ETR') from 25.0 per cent for FY 2017 to 27.1 per cent for H1 2018. The tax rate has been negatively impacted by the geographic mix as UK profits, where the corporate tax rate remains low, are reducing as a proportion of Group profits.

The Group's adjusted[1] tax rate has benefited from losses utilised on earnings in Germany. As the readily available German tax losses are utilised, the deferred tax asset, previously recognised as an exceptional tax item, is no longer replenishing. The utilisation of the asset has impacted the statutory tax rate but is considered to be outside of our adjusted[1] tax measure. From 2018 onwards, we expect an increasing adjusted[1] tax rate, as the German cash tax rate is expected to increase when we utilise the last of the readily available losses in 2018, with a direct effect on the Group adjusted[1] ETR.

The Group adjusted[1] ETR for 2018 is expected to be in the range of 26 per cent – 28 per cent due to the increase in the German cash tax rate with variability also dependent on French performance.

The statutory reported tax rate will continue to be impacted by the write-down of the deferred tax asset in Germany.

Adjusted[1] net interest

As the net funds[3] have decreased due to the £100 million Return of Value Tender Offer, the adjusted[1] finance revenue will be lower than in previous periods. Continuing low interest rates will continue to mean that this will be immaterial to overall profitability. Overall adjusted[1] net interest will be impacted through the interest charges relating to the unwind of the discount on the deferred consideration for the purchase of TeamUltra and clTius AG.

Capital expenditure

Typically capex is circa £20-£25 million per annum with approximately 50 per cent run-rate capex, and 50 per cent discretionary (e.g. investments in IT tools to improve productivity, internal IT hardware for our staff etc). For 2018 this will lift to circa £37 million as the build and fit-out of the office and logistics facility in Kerpen, Germany continues with a projected spend in 2018 of circa £22 million (2017: £10.4 million)

Depreciation and amortisation

New capital projects including SAP licence spend and the Kerpen facility noted above will increase the run rate of depreciation by circa £2 million on a full-year basis during 2018.

Dividends

Our dividend policy is to set dividends to maintain a dividend cover of 2-2.5 times.

Capital structure and acquisitions

Computacenter's approach to capital management is to ensure that the Group has a robust capital base and to maintain a strong credit rating, whilst aiming to maximise shareholder value.

Following the successful Return of Value of £100 million through the Tender Offer completed in February 2018, the Group continues to focus on replenishing its cash reserves.

Computacenter continues to review opportunities for growth through acquisition, as they arise. The Group remains committed to a measured approach in this area, to ensure that businesses considered will immediately contribute to the Group's global operations by addressing the same large private and public sector market opportunities that have driven the Group's recent growth.

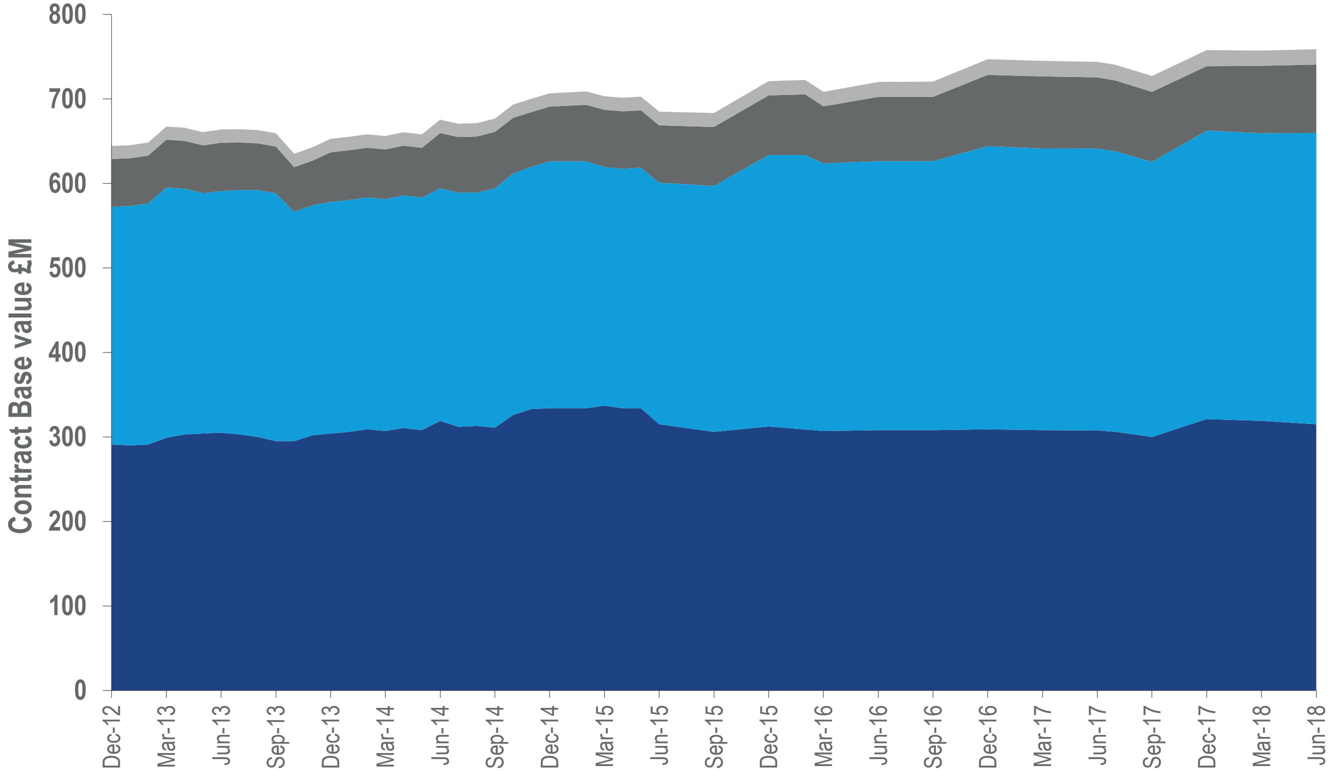
OPERATING REVIEW

Mike Norris

24 August 2018

LEADING THE GROWTH

TO LEAD WITH AND GROW OUR SERVICES BUSINESS



UK growth stems primarily from renewals and extensions, whilst Germany continues to add new customers. France suffered the loss of a significant contract with a major utility customer. Growth in 2018 is expected to be flat overall as 5% targeted growth broadly compensates for the loss of several major contracts.

H1 2018 vs H1 2017 Contract Base Growth

Group: 2.0%

- UK: 2.4%
- DE: 3.3%
- FR: -3.8%
- INT: -1.2%

Group 3.0% Contract Base 4yr CAGR

DRIVING EFFICIENCY

TO IMPROVE OUR SERVICES PRODUCTIVITY AND ENHANCE OUR COMPETITIVENESS

UK

Professional Services volumes have reduced significantly as major projects undertaken during 2017 finished successfully. Managed Services volumes and margins declined as the business continues to renew and bid for new contracts in a competitive environment focussed on cost reduction through innovation.

Germany

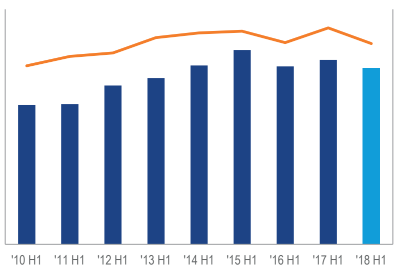
Complex implementations within Managed Services are exacerbated by the scarcity of resource within the Professional Services practices. Services margins were affected by Entry into Service and Transformation cost overruns for new deals and by a small group of underperforming contracts. We were aware that these underperforming contracts would affect Services margin in the first half and whilst, overall, we ended up with a Services margin higher than in the same period last year, the margin is still below the level we should achieve, due to the financial underperformance of these contracts.

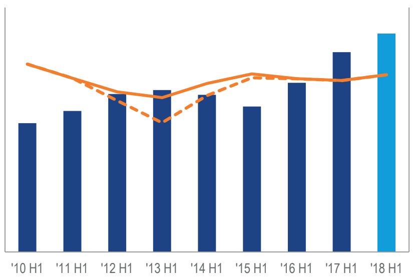
France

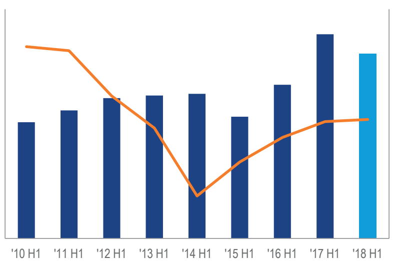
The expiry of a large Managed Services contract at the end of 2017 materially impacted the top line of the Services business. The contract itself was relatively low margin compared to the rest of the Contract Base, so the impact on overall Services gross profit was not as pronounced. Another key contract was also renewed during the period, which suppressed revenue and margins due to the reconfiguration of the renewed contract.

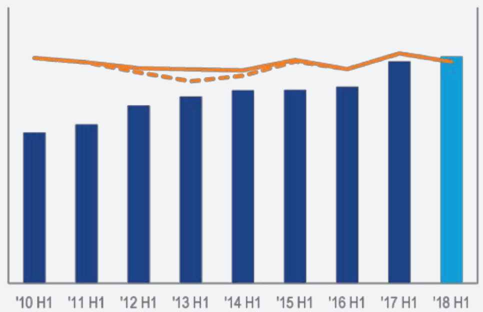
Group

Managed Services margins remain under pressure as customers expect automation and offshoring initiatives to lead to reduced operational costs for IT services.









Services revenue — Services % — Services % incl onerous contracts trading losses

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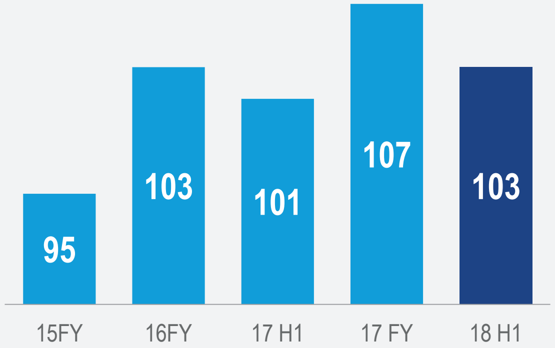
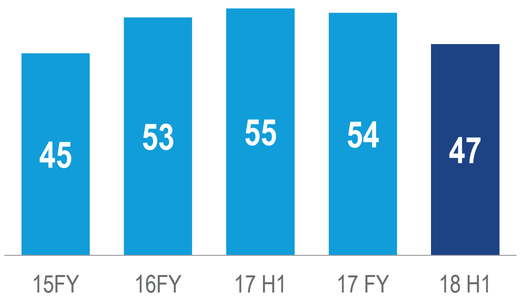
AT THE HEART OF OUR BUSINESS

TO RETAIN AND MAXIMISE THE RELATIONSHIP WITH OUR CUSTOMERS OVER THE LONG TERM

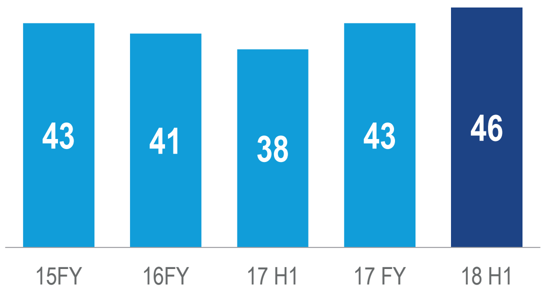
GROUP
Our customers with over £1 million of contribution are a strategic Key Performance Indicator for Group performance.



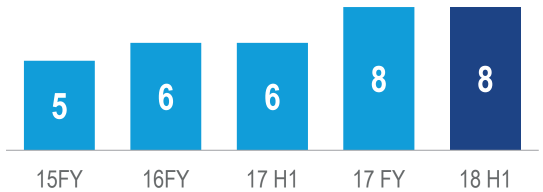
UK: The UK saw a number of customers slip just below £1 million as key Transformation projects came to a conclusion.



GERMANY: The business has started to convert a strong bench with a number of customers that were just below the £1 million contribution level being brought into the KPI.



FRANCE: Whilst we have seen an improvement in Services margin in France there is still scope for further gains and we remain over-reliant on a small number of very important customers.



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H1 2018: UK

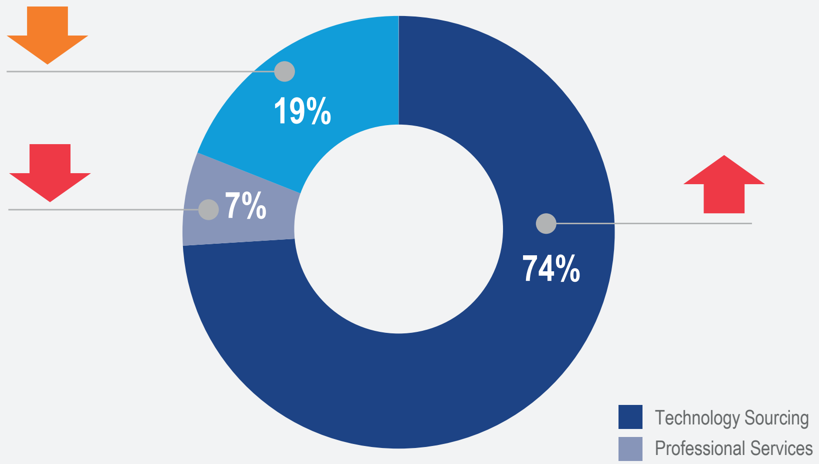
FINANCIAL HIGHLIGHTS

- Revenue up by 29.5%
- Adjusted[1] operating profit up 20.6%
- Technology Sourcing revenue up by 48.2%
- Services revenue down by 4.5%

OPERATIONAL HIGHLIGHTS

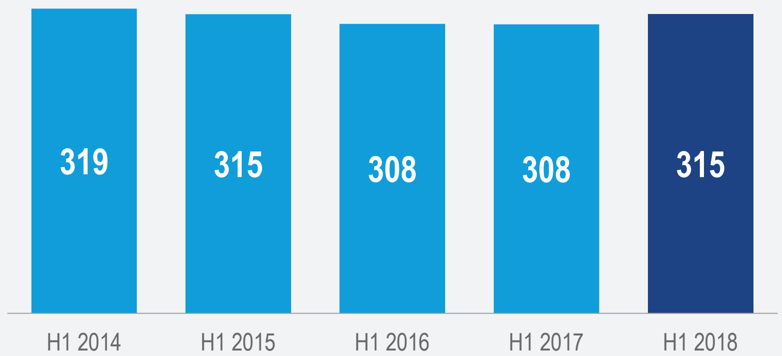
- Technology Sourcing margins remain depressed with a significant drop on H1 2017 due to an increasing number of very large low-margin software deals in during H1 2018, partly as a result of increasing utilisation of our financing solutions.
- Managed Services has seen declining revenues and margins in H1 2018. The renewal of a number of key contracts, some with an extension of scope has been pleasing, but new customer wins are essential to stabilise the Contract Base going forward.
- Professional Services has seen volumes slip back from the record levels seen throughout 2017 as key projects successfully concluded.

Share of H1 2018 Revenue Profile



Arrows: Growth/decline versus H1 2017. Traffic lights: Margin % performance

Contract Base (£m)



[1,2] Refer to the glossary for definitions.

H1 2018: GERMANY

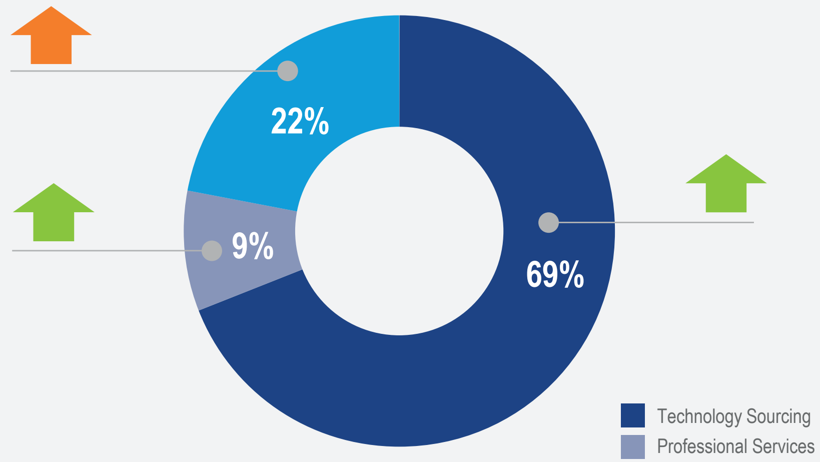
FINANCIAL HIGHLIGHTS

- Revenue growth of 11.4%
- Adjusted[1] operating profit up by 53.1%
- Technology Sourcing revenue up by 13.6%
- Services revenue growth of 6.8%

OPERATIONAL HIGHLIGHTS

- The German Technology Sourcing business continues to power the growth for the Group. Margins have improved as the product mix continues to shift to towards high value-added business.
- Strong Professional Services business at full utilisation, with resource scarcity constraining activity, made worse through resources dedicated to assisting on difficult Managed Services implementations.
- Difficulties continue on several existing Managed Services contracts, and have arisen on several new contracts, that dampen overall margins and continues to be the only disappointment for the German business over the period.

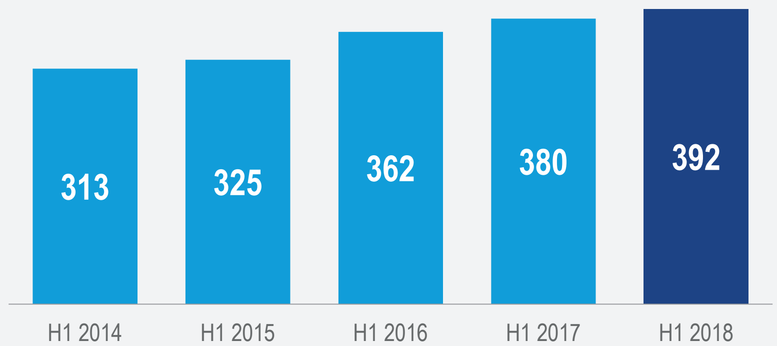
Share of H1 2018 Revenue Profile



Arrows: Growth/decline versus H1 2017. Traffic lights: Margin % performance

Contract Base (€m)

NB. All figures in constant currency[2]



[1,2] Refer to the glossary for definitions.

H1 2018: FRANCE

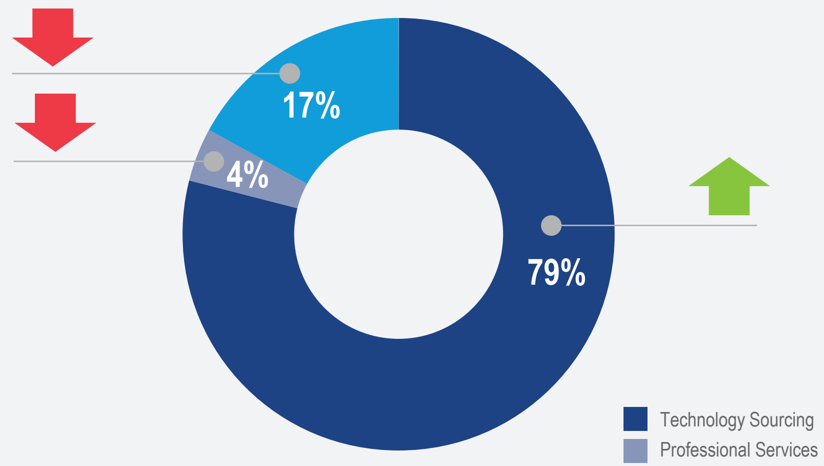
FINANCIAL HIGHLIGHTS

- Revenue down by 1.2%
- Adjusted[1] operating profit up 41.2% to €2.4 million
- Technology Sourcing revenue up by 2.0%
- Services revenue down by 11.8%

OPERATIONAL HIGHLIGHTS

- With the French business having exceeded our expectations in 2017, we were pleased that the first half of 2018 matched the comparative period from the prior year.
- The business had a challenging set of expectations for the first half, with slowdowns in several key contracts during their renewals, including the largest Technology Sourcing framework contract in France.
- Technology Sourcing margins were higher than in the first half of last year and in line with those seen in the second half of 2017, compensating for a large Services contract expiry and allowing the business to both stabilise and add further new Services and Technology Sourcing customers.

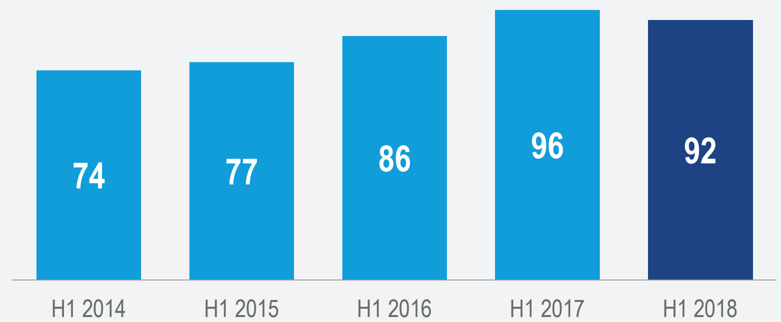
Share of H1 2018 Revenue Profile



Arrows: Growth/decline versus H1 2017. Traffic lights: Margin % performance

Contract Base (€m)

NB. All figures in constant currency[2]



[1,2] Refer to the glossary for definitions.

H1 2018: INTERNATIONAL

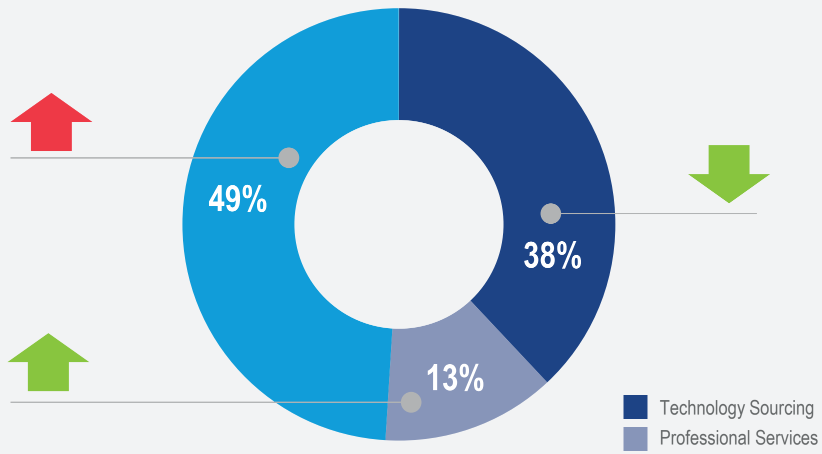
FINANCIAL HIGHLIGHTS

- Revenue up by 14.4%
- Adjusted[1] operating profit down by 30.6% to £4.9 million
- Technology Sourcing revenue down by 2.4%
- Services revenue up by 28.0%

OPERATIONAL HIGHLIGHTS

- Strong Professional Services growth, which more than doubled against the previous period, was led by Switzerland.
- Managed Services growth was strong as Computacenter USA expanded the Managed Services contracts of two significant Group customers into a global scope.
- Technology Sourcing revenues, primarily driven out of Belgium, declined during the period, but overall were more profitable due to a greater focus on delivering value to customers.

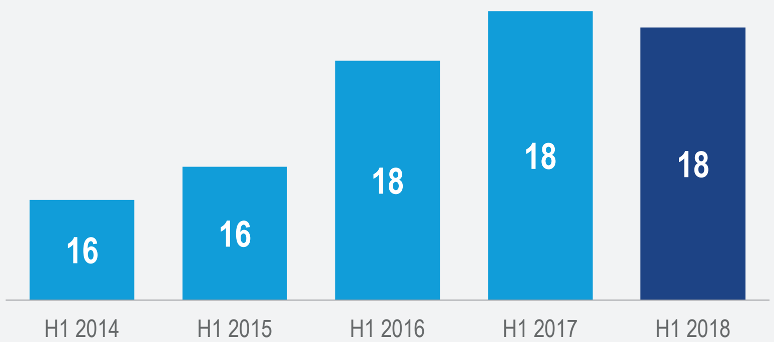
Share of H1 2018 Revenue Profile



Arrows: Growth/decline versus H1 2017. Traffic lights: Margin % performance

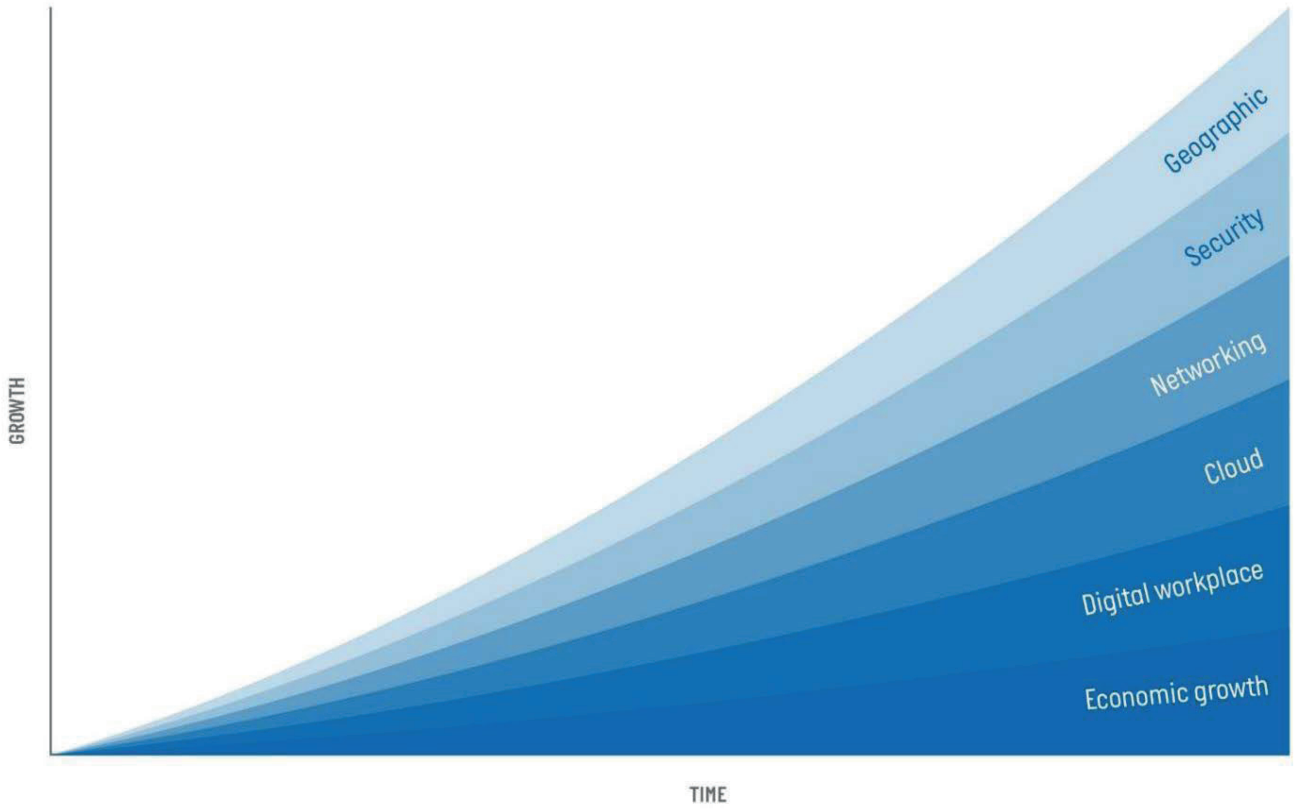
NB. All figures in constant currency[2]

Contract Base (£m)

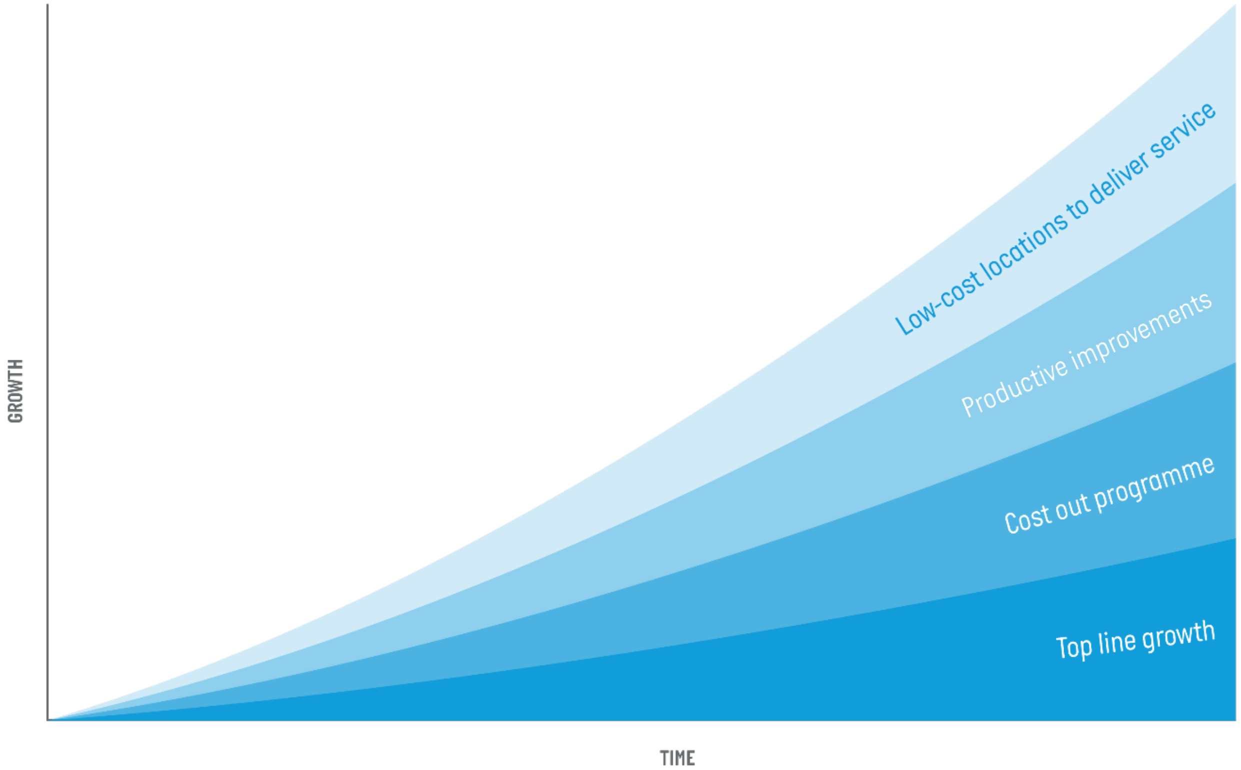


[1,2] Refer to the glossary for definitions.

TOP LINE GROWTH DRIVERS



PROFIT GROWTH DRIVERS



OUTLOOK

The Board's outlook remains in line with its expectation which was upgraded on 12 July 2018. While the second half of the year is a more difficult comparison to the first half, due to the outstanding performance in H2 2017, 2018 is proving to be a year of significant progress particularly for our Technology Sourcing business.

The buoyant market conditions are being driven by a number of factors specifically, but not limited to, the need to increase network capacity, the constant need for enhanced cyber security, workplace upgrades and a move to the cloud. While it is impossible to predict how long these buoyant market conditions will continue most of these drivers have significant momentum.

As always Computacenter will continue to focus on the long term, investing in our business, innovating our offerings and enhancing our customer service. It is through delivering increased value and competitive offerings to new and existing customers which enables us to deliver shareholder value over the long term.

APPENDIX

GLOSSARY

1. Adjusted measures

The Group uses a number of non-Generally Accepted Accounting Practice (non-GAAP) financial measures in addition to those reported in accordance with IFRS.

Adjusted operating profit or loss, **adjusted profit or loss before tax**, **adjusted tax**, **adjusted profit or loss for the year**, **adjusted earnings per share** and **adjusted diluted earnings per share** are, as appropriate, each stated before: exceptional and other adjusting items including gain or loss on business disposals, gain or loss on disposal of investment properties, amortisation of acquired intangibles, utilisation of deferred tax assets (where initial recognition was as an exceptional item or a fair value adjustment on acquisition), and the related tax effect of these exceptional and other adjusting items, as Management do not consider these items when reviewing the underlying performance of the segment or the Group as a whole.

Additionally, **adjusted gross profit or loss** and **adjusted operating profit or loss** includes the interest paid on customer-specific financing (CSF) which Management considers to be a cost of sale.

A reconciliation between key adjusted and statutory measures is provided on slide 7 of this presentation.

We believe that these non-GAAP measures are important when assessing the underlying financial and operating performance of the Group.

2. Constant currency

We evaluate the long-term performance and trends within our strategic key performance indicators (KPIs) on a constant currency basis. Further, the performance of the Group and its overseas segments are shown, where indicated, in constant currency.

The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency information gives valuable supplemental detail regarding our results of operations, consistent with how we evaluate our performance.

We calculate constant currency percentages by converting our prior-year local currency financial results using the current year average exchange rates and comparing these recalculated amounts to our current year results or by presenting the results in the equivalent local currency amounts.

Wherever the performance of the Group, or its overseas Segments, are presented in constant currency, or equivalent local currency amounts, the equivalent prior-year measure is also presented in the reported pound sterling equivalent using the exchange rates prevailing at the time. Financial highlights, as shown on slides 2-3 of this presentation, and statutory measures, are provided in the reported pound sterling equivalent.

We believe providing constant currency information provides valuable supplemental information regarding our results of operations, consistent with how we evaluate our performance.

GLOSSARY (CONTINUED)

3. Net funds

Net funds includes cash and cash equivalents, CSF, other short or long-term borrowings and current asset investments.

Net funds are monitored internally by the Group as a key measure.

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.

H1 2018: IFRS 15 REVENUE WITH CUSTOMERS FURTHER DETAIL

Background
The accounting policies adopted for the period are consistent with those of the previous financial year as disclosed in the 2017 Annual Report and Accounts except that the Group has had to change its accounting policies and make material retrospective adjustments as a result of adopting IFRS 15 'Revenue from Contracts with Customers' ('IFRS 15'). The impacts of the adoption of IFRS 15 are disclosed below and on the next slide.

Adjustments
The Group has adopted IFRS 15 from 1 January 2018 which has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in IFRS 15, the Group has adopted the new rules using the modified retrospective approach, meaning that the cumulative effect of applying the new accounting policies has been recognised as an adjustment in equity as at 1 January 2018. The overall net impact of all adjustments was a credit to retained earnings of £6.6 million as at 1 January 2018.

Adjustments were required in relation to:

- Certain costs, such as win fees (a form of commission) and fulfilment cost are capitalised and spread over the life of the contract, as opposed to being expensed as incurred as was the case under the previous policy. This resulted in an increase to retained earnings of £7.6 million as at 1 January 2018, with the corresponding entry to Prepayment. The tax impact of this adjustment is a debit to equity of £1.4 million and a corresponding increase in deferred tax liabilities as at 1 January 2018. The net impact on retained earnings as at 1 January 2018 is £6.2 million.

- Certain elements of Managed Services contracts, for example those relating to Entry into Service, are not treated as separate performance obligations under the new policy. Under the new policy, these services are treated as part of the ongoing performance obligations in the contract. This means the revenues and costs associated with Entry into Service are recognised over the life of the contracts with customers rather than being recognised as incurred as was the case historically. This resulted in an increase to retained earnings of £0.5 million as at 1 January 2018, with the corresponding entry to Prepayment. The tax impact of this adjustment is a debit to equity of £0.1 million and a corresponding increase in deferred tax liabilities as at 1 January 2018. The net impact on retained earnings as at 1 January 2018 is £0.4 million.

H1 2018: IFRS 15 REVENUE WITH CUSTOMERS FURTHER DETAIL

Impact of Adoption

IFRS 15 has been adopted using the modified retrospective approach, therefore comparative amounts have not been restated. For comparability purposes, the following table gives the impact of the adoption of the new standard on the Consolidated Balance Sheet and Consolidated Income Statement for the period ended 30 June 2018 by showing what the results would have been had they been prepared under the previous accounting policies.

	Under existing GAAP (IFRS 15) £'000	Under previous GAAP (IAS 18 / IAS 11) £'000
Revenue	2,008,904	2,012,400
Cost of sales	1,760,094	1,756,755
Administrative expenses	196,586	196,277
Income tax expense	15,190	15,273
Prepayments: non-current	3,806	-
Prepayments: current	72,849	65,548
Deferred tax liabilities	3,267	1,766

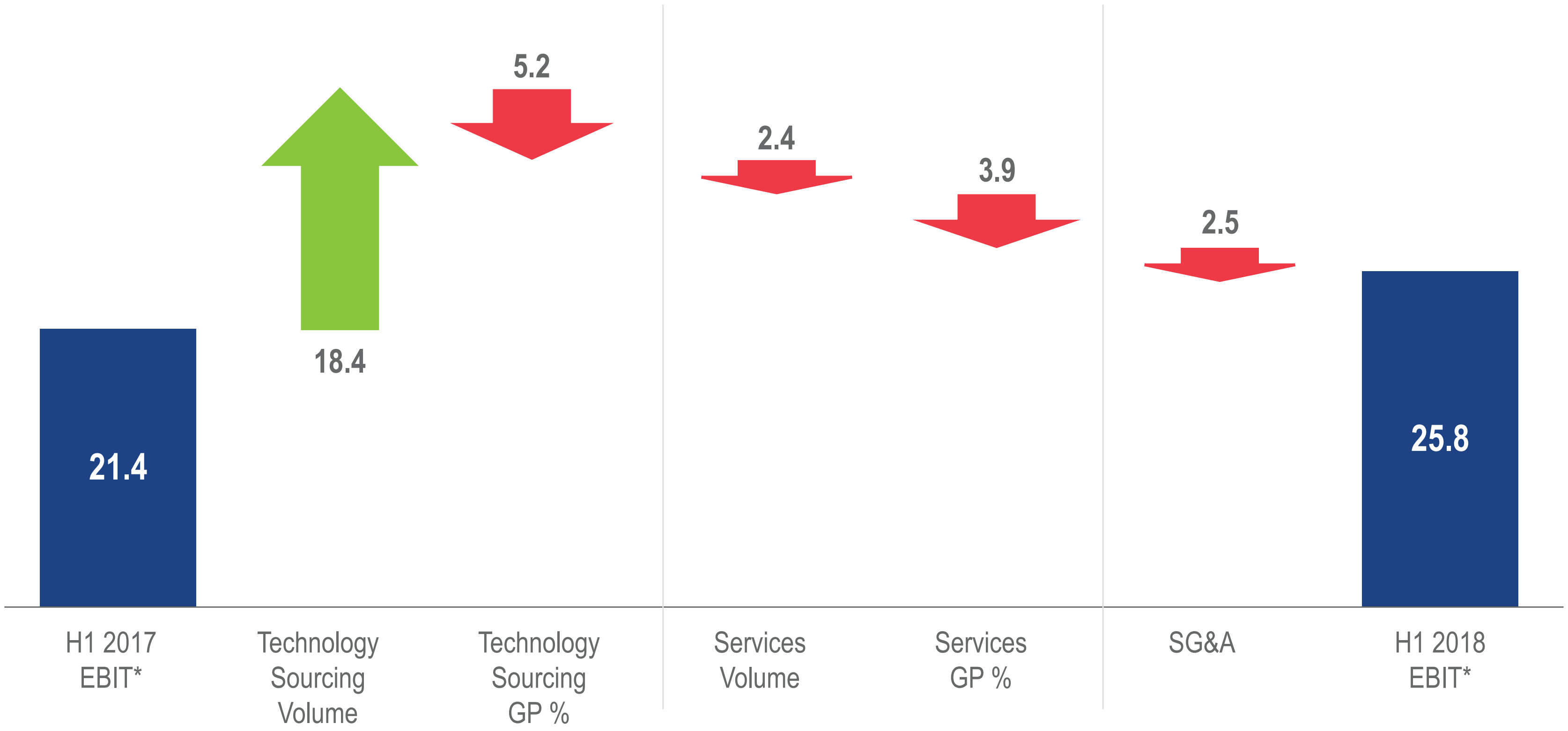
SOURCES OF REVENUE: % CHANGE BY REVENUE TYPE

UK: ADJUSTED[1] INCOME STATEMENT

	H1 2018 £m	H1 2017 £m	Change %
Revenue	858.1	662.8	29.5%
Adjusted[1] gross profit	99.4	92.5	7.5%
	11.6%	*14.0%*	*(2.4%)*
Administrative expenses	(73.6)	(71.1)	3.5%
	(8.6%)	*(10.7%)*	*2.1%*
Adjusted[1] operating profit	25.8	21.4	20.6%
	3.0%	*3.2%*	*(0.2%)*

[1] Refer to the glossary for definitions.

UK: ADJUSTED[1] OPERATING PROFIT WALK (£M)



* EBIT refers to adjusted[1] operating profit

[1,2] Refer to the glossary for definitions.

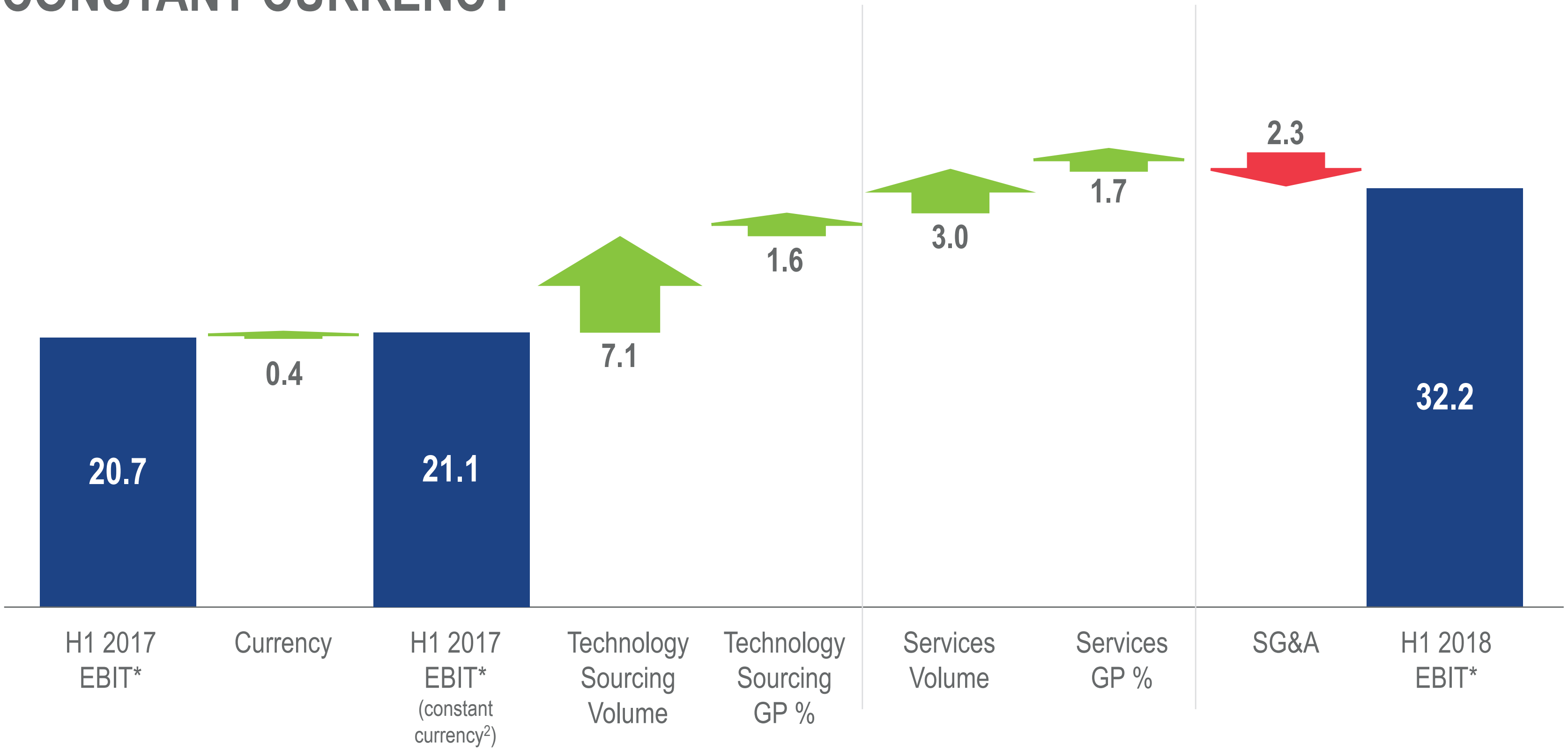
GERMANY: ADJUSTED[1] INCOME STATEMENT

	H1 2018 £m	H1 2017 £m	Change	H1 2018 €m	H1 2017 €m	Constant currency[2]
Revenue	866.0	760.3	13.9%	984.1	883.2	11.4%
Adjusted[1] gross profit	109.7	94.2	16.5%	124.7	109.4	14.0%
	12.7%	*12.4%*	*0.3%*	*12.7%*	*12.4%*	*0.3%*
Administrative expenses	(77.5)	(73.5)	5.4%	(88.1)	(85.5)	3.0%
	(8.9%)	*(9.7%)*	*0.8%*	*(9.0%)*	*(9.7%)*	*0.7%*
Adjusted[1] operating profit	32.2	20.7	55.6%	36.6	23.9	53.1%
	3.7%	*2.7%*	*1.0%*	*3.7%*	*2.7%*	*1.0%*

[1] Refer to the glossary for definitions.

GERMANY: ADJUSTED[1] OPERATING PROFIT WALK (£M)

CONSTANT CURRENCY[2]



[1] Refer to the glossary for definitions.

* EBIT refers to adjusted[1] operating profit

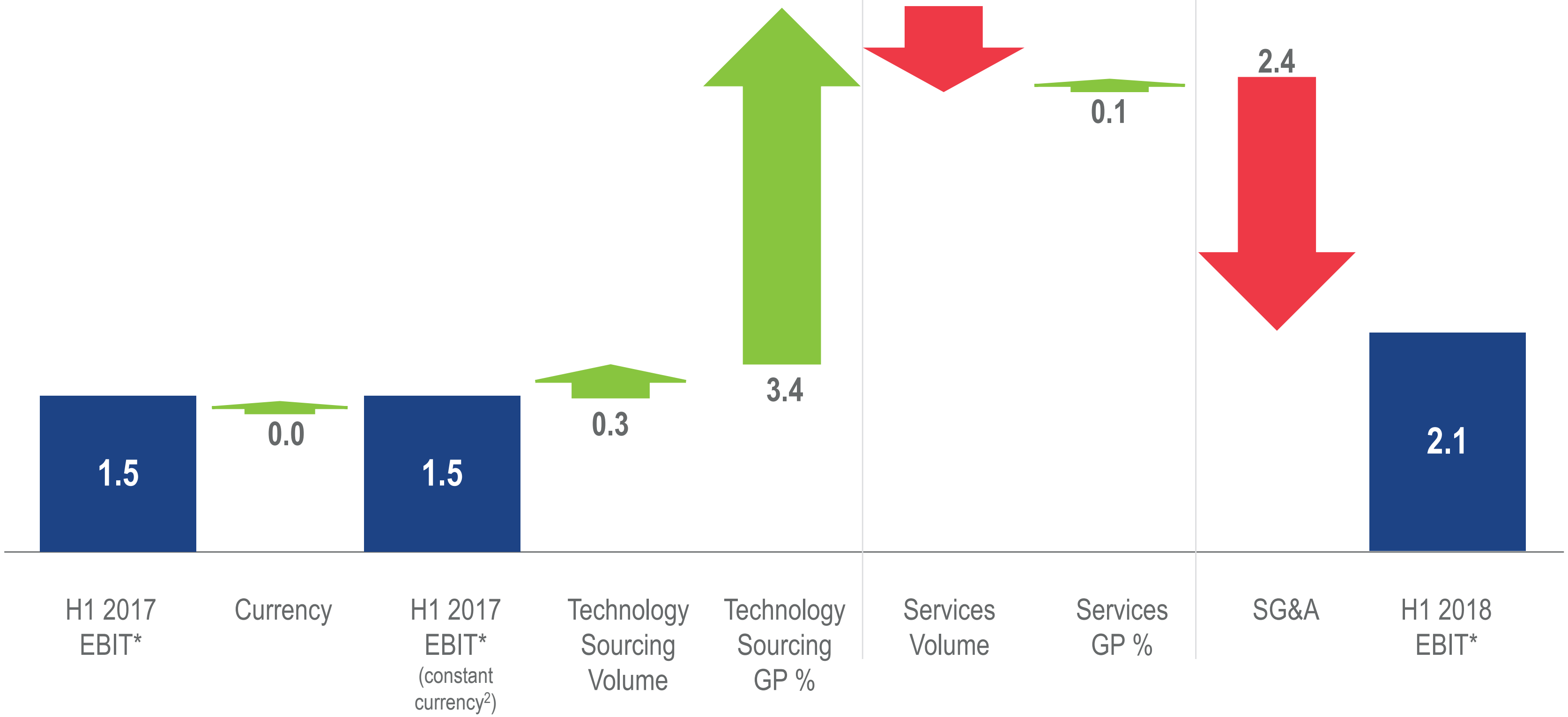
FRANCE: ADJUSTED[1] INCOME STATEMENT

	H1 2018 £m	H1 2017 £m	Change	H1 2018 €m	H1 2017 €m	Constant currency[2]
Revenue	230.7	228.6	0.9%	262.2	265.5	(1.2%)
Adjusted[1] gross profit	24.1	20.7	16.4%	27.4	24.0	14.2%
	10.4%	*9.1%*	*1.3%*	*10.5%*	*9.0%*	*1.5%*
Administrative expenses	(22.0)	(19.2)	14.6%	(25.0)	(22.3)	12.1%
	(9.5%)	*(8.4%)*	*(1.1%)*	*(9.5%)*	*(8.4%)*	*(1.1%)*
Adjusted[1] operating profit	2.1	1.5	40.0%	2.4	1.7	41.2%
	0.9%	*0.7%*	*0.2%*	*0.9%*	*0.6%*	*0.3%*

[1,2] Refer to the glossary for definitions.

FRANCE: ADJUSTED[1] OPERATING PROFIT WALK (£M)

CONSTANT CURRENCY[2]



[1] Refer to the glossary for definitions.

* EBIT refers to adjusted[1] operating profit

NET FUNDS

Analysis of Net funds[3]	Jun 18 £m	Jun 17 £m	Change £m
Cash and cash equivalents	72.9	140.1	(67.2)
Current asset investment	-	-	-
Bank loans	(19.3)	-	(19.3)
Customer specific finance	(3.9)	(2.4)	(1.6)
Other loans and overdrafts	-	(0.5)	0.5
Net Borrowings	(23.2)	(2.8)	(20.3)
Net funds[3]	49.7	137.3	(87.6)

- One of the Group's primary measures when managing the business is Net funds[3]
- Net funds[3] have decreased £141.5 million since 31 December 2017
- Operating cashflow for H1 2018 was an inflow of £8.4 million (H1 2017: £11.4 million)
- Note that £100 million of cash was returned to shareholders via a Tender Offer completed on 14 February 2018
- Bank loans at the period end relate to a specific facility for the build and fit out of our new German office and logistics complex in Kerpen

[3] Refer to the glossary for definitions.

GROUP CASH FLOW

- Operating net cash inflow of £8.4 million (H1 2017: £11.4 million)
- Working capital outflow increased by £10.1 million to £47.8 million during the period (H1 2017: £37.7 million)
- Note that £100 million of cash was returned to shareholders via a Tender Offer completed on 14 February 2018
- Borrowings on the committed Kerpen build increased to £19.3 million at 30 June 2018

	H1 2018 £m	H1 2017 £m
Profit before tax	**52.0**	**47.5**
Net finance income	0.1	(0.3)
Depreciation and amortisation	13.5	14.9
Share-based payments	3.1	1.9
(Gain)/loss on disposal of non-current assets	0.0	(1.2)
Exceptional gain on disposal of an investment property	-	(4.3)
Working capital and other movements	(53.3)	(37.7)
Net cash flow from provisions	(0.5)	(1.0)
Other adjustments	(0.9)	(0.5)
Cash generated from operations	**14.1**	**19.2**
Income taxes paid	(5.7)	(7.8)
Net cash flow from operating activities	**8.4**	**11.4**
Interest received	0.6	0.7
Decrease in current asset investment	-	30.0
Acquisition of subsidiaries, net of cash acquired/disposed	-	(7.7)
Proceeds from disposal of an investment property	-	14.5
Capital expenditure and other investments	(21.0)	(7.7)
Net cash flow from investing activities	**(20.3)**	**29.8**
Interest paid	(0.7)	(0.4)
Dividends paid to equity shareholders of the parent	(21.1)	(18.2)
Return of Value and associated expenses	(101.2)	-
Proceeds from share issues	0.9	0.9
Purchase of own shares	(3.6)	(1.9)
Net borrowings	5.1	(1.4)
Net cash flow from financing activities	**(120.6)**	**(20.9)**
Increase/(decrease) in cash and cash equivalents	**(132.6)**	**20.3**
Effect of exchange rates on cash and cash equivalents	(1.1)	1.1
Cash and cash equivalents at the beginning of the year	206.6	118.7
Cash and cash equivalents at the end of the period	**72.9**	**140.1**

GROUP BALANCE SHEET

Note that £100 million of cash was returned to shareholders via a Tender Offer completed on 14 February 2018.

Balance sheet rate

H1 2018: £1 = € 1.130
H1 2017: £1 = € 1.138

	H1 2018 £m	H1 2017 £m	Change £m
Non-current assets			
Property, plant and equipment	88.6	62.1	26.5
Prepayments	3.8	-	3.8
Goodwill & Intangibles	76.7	80.0	(3.3)
Investments in associates	0.1	0.1	0.0
Deferred income tax asset	8.8	8.4	0.3
	178.0	**150.6**	**27.4**
Current assets			
Inventories	62.0	50.1	11.9
Trade & other receivables	695.9	666.5	29.4
Prepayments & accrued income	191.0	188.0	3.0
Forward currency contracts	4.8	6.2	(1.4)
Cash and short-term deposits	72.9	140.1	(67.2)
	1,026.6	**1,051.0**	**(24.4)**
Current liabilities			
Trade & other payables	613.6	606.6	7.0
Deferred income	114.2	114.1	0.1
Financial liabilities	4.4	1.4	3.0
Forward currency contracts	0.5	1.5	(1.0)
Income tax payable	33.4	19.8	13.6
Other liabilities & provisions	1.7	1.7	0.0
	767.7	**745.0**	**22.7**
Non-current liabilities			
Financial liabilities	18.8	1.4	17.4
Other liabilities & provisions	8.1	6.7	1.4
Deferred income tax liabilities	0.4	-	0.4
	27.3	**8.1**	**19.2**
Net assets	**409.6**	**448.4**	**(38.8)**

THANK YOU

