2020 FULL-YEAR RESULTS

Full-year results to 31 December 2020 (16 March 2021)

Computacenter

2020 FINANCIAL HIGHLIGHTS

Group revenue	Group adjusted[1] profit before tax	Adjusted[1] diluted EPS	Cash and cash equivalents	Final dividend of
£5.4bn	**£200.5m**	**126.4p**	**£309.8m**	**38.4p**

- Group revenue increased **7.7 per cent** to **£5.4 billion** (2019: £5.1 billion) and by **6.6 per cent** in constant currency[2]
- Group adjusted[1] profit before tax increased by **37.0 per cent** to **£200.5 million** (2019: £146.3 million) and by **35.5 per cent** in constant currency[2]
- Adjusted[1] diluted earnings per share (EPS) of **126.4 pence** (2019: 92.5 pence), an increase of **36.6 per cent**
- Proposed final dividend of **38.4 pence** (2019: 26.9 pence proposed but not paid) for a total dividend of 50.7 pence (2019: 10.1 pence total paid), an increase of **402.0 per cent**
- Cash and cash equivalents of **£309.8 million** (2019: £217.9 million)
- Adjusted net funds[3] of **£188.6 million** (2019: adjusted net funds[3] of £137.1 million) including the loans for the purchase of FusionStorm on 30 Sept 2018 and the German headquarters building and the Pivot credit facility
- Net funds of **£51.2 million** (2019: net funds of £20.3 million) including £137.5 million of lease liabilities recognised as debt under IFRS 16

2020 FINANCIAL HIGHLIGHTS

	2016	2017	2018	2019	2020	2020 vs 2019
Revenue (£m)	3,245.4	3,793.4	4,352.6	5,052.8	**5,441.3**	7.7%
Adjusted[1] profit before tax (£m)	86.4	106.2	118.2	146.3	**200.5**	37.0%
Adjusted[1] diluted EPS (pence)	54.0	65.1	75.7	92.5	**126.4**	36.6%
Dividend per share (pence)	22.2	26.1	30.3	10.1	**50.7**	402.0%
Services Contract Base[2] (£m)	752	763	787	796	**815**	2.4%
Operating cash flow (£m)	68.2	106.1	115.2	198.3	**236.8**	19.4%

Four-Year Compound Annual Growth Rate

Adjusted[1] profit before tax
23.4%

Adjusted[1] diluted EPS
23.7%

Dividend per share
22.9%

Services Contract Base[2]
2.0%

Note
The Group has experienced significant operational and financial impacts from the unprecedented effect of the COVID-19 crisis. All results in this presentation include these COVID-19 impacts and no attempt has been made to adjust for or exclude these impacts whether they be positive or negative.

The result has benefited from £261.0 million of revenue (2019: £26.0 million), and £6.5 million of adjusted[1] profit before tax (2019: £0.2 million), resulting from all acquisitions made since 1 January 2019. Of this, for the entities acquired in 2020, the result has benefited from £232.6 million of revenue and £3.2 million of adjusted[1] profit before tax. All figures reported throughout this presentation include the results of these acquired entities.

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

2020 OPERATING HIGHLIGHTS

Group	**The Group's revenues increased by 7.7 per cent and were 6.6 per cent higher in constant currency[2]. Significant reductions in expenditure from industrial customers have been offset by new business within the Public Sector and financial services. COVID-19 related cost reductions and improving Services and Technology Sourcing margins has resulted in an increase in adjusted[1] profit before tax of 37.0 per cent during the year. Whilst it took 36 years for the Group to reach £100 million of adjusted[1] profit before tax, we are very pleased that it only took another three years to reach £200 million.**
UK	The UK saw an increase in revenues of 11.0 per cent as Technology Sourcing revenues surged to cope with the demand generated by the COVID-19 crisis. Strong Services margins, due to increased utilisation and reduced external contractor costs and improving Technology Sourcing margins have resulted in an increase in adjusted[1] operating profit of 40.2 per cent for the year.
Germany	Germany saw overall revenues decline by 2.5 per cent, on a constant currency[2] basis, with falls in Managed Services and Technology Sourcing partially offset by another strong performance in Professional Services. The increase in Professional Services volumes, at higher margins, coupled with overall margin improvements and a fall in administrative expenses have resulted in an increase of 38.1 per cent in adjusted[1] operating profit, on a constant currency[2] basis.
France	France has had a difficult year, being more impacted by a slow-down of its large industrial customer base, and a switch to lower margin workplace product, and the downturn in its Services business which resulted in modest revenue growth but decreasing gross profits and a reduction in adjusted[1] operating profit of 27.3 per cent on a constant currency[2] basis.
North America	North America saw a weaker than expected year with a marked reduction in activity by its higher-margin mid-market customer base which resulted in slightly declining revenues overall in constant currency[2], excluding the impact of the Pivot acquisition. Pivot added $292.7 million of revenue and $6.8 million of adjusted[1] operating profit in the last two months of the year.

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

FINANCIAL REVIEW

Tony Conophy
16 March 2021

2020 GROUP ADJUSTED[1] FINANCIAL RESULTS

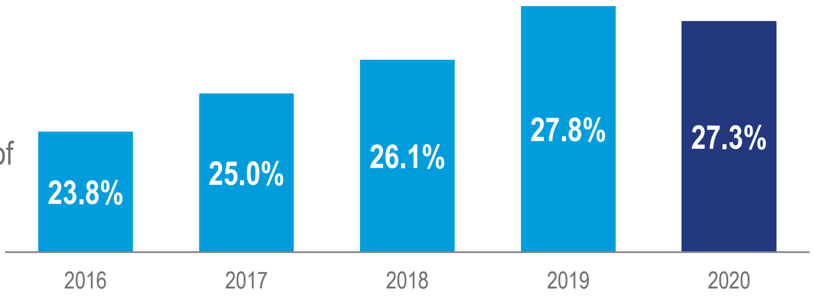
	2020 £m	2019 £m	Change	Constant currency[2]
Revenue	**5,441.3**	**5,052.8**	**7.7%**	**6.6%**
Adjusted[1] gross profit	**720.5**	**663.1**	**8.7%**	**7.6%**
Adjusted[1] gross profit %	13.2%	13.1%	0.1%	0.1%
Administrative expenses	(514.0)	(511.6)	(0.5%)	0.5%
Adjusted[1] operating profit	**206.5**	**151.5**	**36.3%**	**34.7%**
Adjusted[1] operating profit %	3.8%	3.0%	0.8%	0.8%
Adjusted[1] net finance expense	(5.9)	(5.2)	(13.5%)	(11.3%)
Adjusted[1] profit before tax	**200.5**	**146.3**	**37.0%**	**35.5%**
Adjusted[1] tax expense	(54.8)	(40.7)	(34.6%)	(32.4%)
Adjusted[1] tax rate	27.3%	27.8%	(0.5%)	(0.7%)
Adjusted[1] profit after tax	**145.7**	**105.6**	**38.0%**	**36.7%**
Diluted earnings per share				
– Adjusted[1] EPS (pence)	126.4	92.5	36.6%	
– EPS (pence)	133.8	89.0	50.3%	

Performance headlines

- Revenue up 7.7 per cent and by 6.6 per cent in constant currency[2]
- Adjusted[1] operating profit up 36.3 per cent and by 34.7 per cent in constant currency[2]

Adjusted[1] effective tax rate

The adjusted[1] effective tax rate rises as the geographical mix of profits changes towards Germany and the USA.



Exchange rate impact on currency conversion

The Group reports its results in pounds sterling. The impact of restating 2019 at 2020 exchange rates would be an increase of approximately £49.5 million in 2019 revenue and an increase of approximately £1.8 million in 2019 adjusted[1] profit before tax.

Average daily rate

2020: £1 = €1.124, $1.283 (2019: £1 = €1.144, $1.275)

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

2020 RECONCILIATION TO ADJUSTED[1] RESULTS

	2020 results £m	Amortisation of acquired intangibles £m	Exceptional and other adjusting items £m	2020 Adjusted[1] results £m	2019 Adjusted[1] results £m	Change %
Revenue	**5,441.3**	**-**	**-**	**5,441.3**	**5,052.8**	**7.7%**
Cost of sales	(4,720.8)	-	-	(4,720.8)	(4,389.7)	(7.5%)
Gross profit	**720.5**	**-**	**-**	**720.5**	**663.1**	**8.7%**
Administrative expenses	(522.0)	7.4	0.5	(514.0)	(511.6)	(0.5%)
Operating profit	**198.5**	**7.4**	**0.5**	**206.5**	**151.5**	**36.3%**
Gain on acquisition of subsidiary	14.0	-	(14.0)	-		
Finance income	0.5	-	-	0.5	1.0	(50.0%)
Finance costs	(6.4)	-	-	(6.5)	(6.2)	(4.8%)
Profit before tax	**206.6**	**7.4**	**(13.5)**	**200.5**	**146.3**	**37.0%**
Income tax expense	(52.4)	(1.7)	(0.7)	(54.8)	(40.7)	(34.6%)
Profit for the year	**154.2**	**5.7**	**(14.2)**	**145.7**	**105.6**	**38.0%**

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

2020 EXCEPTIONAL AND OTHER ADJUSTING ITEMS

The net gain from exceptional and other adjusting items in the year was £8.5 million (2019: loss of £4.0 million). Excluding the tax items, which resulted in a gain of £2.4 million (2019: gain of £1.3 million), the profit before tax impact was a net gain from exceptional and other adjusting items of £6.1 million (2019: loss of £5.3 million).

Exceptional items – gain on acquisition of a subsidiary

- The acquisition of BT Services France resulted in an exceptional gain of £14.0 million, which was recognised on consolidation of the subsidiary. The gain arose because the net assets acquired for consideration of €1 totalled £14.0 million after fair value adjustments, including £27.6 million of cash. The business acquired comprised BT's domestic French services operations which, on acquisition, was loss making on a stand-alone basis.
- The Company considers that the exceptional gain reflects the future losses that the acquired business will incur over the medium term, as it is brought onto a sustainable footing through a combination of upskilling employees, cross-selling into the Group's customers, alignment with Group processes and systems, and the general improvement of its operating activities.
- Where possible, future charges relating to this reconfiguration of the business will be disclosed separately to the Group's adjusted[1] results. This will mean that, over time, the future costs incurred can be attributed against the exceptional gain on acquisition recognised in the current year.

2020 EXCEPTIONAL AND OTHER ADJUSTING ITEMS

The net gain from exceptional and other adjusting items in the year was £8.5 million (2019: loss of £4.0 million). Excluding the tax items, which resulted in a gain of £2.4 million (2019: gain of £1.3 million), the profit before tax impact was a net gain from exceptional and other adjusting items of £6.1 million (2019: loss of £5.3 million).

Exceptional items

- An exceptional loss during the year of £0.7 million resulted from the acquisition of Pivot and primarily related to fees paid to the Company's advisors. This cost is non-operational, unlikely to recur and is consistent with our prior-year treatment of acquisition costs on material transactions as exceptional items. It has therefore been classified as outside our adjusted[1] results.
- An exceptional gain of £0.1 million related to the release of accrued costs for the French Social Plan. Whilst not material, this has been classified outside our adjusted[1] results to be consistent with where the cost was recognised in 2016, as an additional provision for the effect of winding-down the Social Plan.

2020 OTHER ADJUSTING ITEMS

The net gain from exceptional and other adjusting items in the year was £8.5 million (2019: loss of £4.0 million). Excluding the tax items, which resulted in a gain of £2.4 million (2019: gain of £1.3 million), the profit before tax impact was a net gain from exceptional and other adjusting items of £6.1 million (2019: loss of £5.3 million).

Other adjusting items

- The amortisation of acquired intangible assets was £7.4 million (2019: £4.4 million), primarily relating to the amortisation of the intangibles acquired as part of the recent North American acquisitions. The current year value includes the write-off of a number of short-term acquired intangibles relating to the valuation of Pivot order backlogs, due to the expiration of the valued assets.
- The tax credit related to the amortisation of acquired intangibles was £0.6 million (2019: £0.6 million).

Other adjusting items

- We have continued to exclude the amortisation of acquired intangible assets in calculating our adjusted[1] results. Amortisation of intangible assets is non-cash, does not relate to the operational performance of the business, and is significantly affected by the timing and size of our acquisitions, which distorts the understanding of our Group and Segmental operating results.

2020 REVENUE BY SEGMENT

	2020 £m	2019 £m	Change	2020 £m/€m/$m	2019 £m/€m/$m	Constant currency[2]
Technology Sourcing revenue						
UK	1,328.0	1,142.7	16.2%	1,328.0	1,142.7	16.2%
Germany	1,297.5	1,344.4	(3.5%)	1,457.4	1,541.3	(5.4%)
France	526.4	479.4	9.8%	590.0	549.2	7.4%
North America	917.7	732.0	25.4%	1,189.2	934.1	27.3%
International	110.5	123.7	(10.7%)	110.5	126.1	(12.4%)
Total Group	**4,180.1**	**3,822.2**	**9.4%**	**4,180.1**	**3,858.5**	**8.3%**
Services revenue						
UK	445.4	454.3	(2.0%)	445.4	454.3	(2.0%)
Germany	578.8	542.8	6.6%	650.8	620.6	4.9%
France	146.4	145.6	0.5%	163.9	166.6	(1.6%)
North America	26.8	18.6	44.1%	34.6	23.7	46.0%
International	63.8	69.3	(7.9%)	63.8	70.9	(10.0%)
Total Group	**1,261.2**	**1,230.6**	**2.5%**	**1,261.2**	**1,243.8**	**1.4%**

Note

- European and North American Segments in constant currency[2] are shown in €m or $m.
- Refer to slide 49 for further information changes to our Segmental reporting.
- The result has benefited from £261.0 million of revenue (2019: £26.0 million) resulting from all acquisitions made since 1 January 2019. Of this, for the entities acquired in 2020, the result has benefited from £232.6 million of revenue, with £212.0 million and £20.6 million of Technology Sourcing and Services revenue respectively.

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

Technology Sourcing revenue

The UK Technology Sourcing business has seen exceptional growth, continuing to build through the second half of the year driven by workplace contracts to support our customers' emergency transition to home working and Government framework contracts. In Germany, Technology Sourcing revenue declined, in particular as automotive and other industrial customers reduced spend through large framework agreements in response to COVID-19. The French Technology Sourcing revenue was stable, against an exceptional prior-period performance, with activity from the largest customers being higher than expected. The existing North American Technology Sourcing business saw revenues fall, but was boosted by the acquisition of Pivot.

Services revenue

UK Services revenue reduced slightly, primarily due to a decline in Managed Services volumes, which was attributable to contract attrition and COVID-19 impacts. Professional Services revenues were up strongly in the second half of the year. German Managed Services has declined as customer volumes have decreased due to COVID-19. The Professional Services business has seen very strong growth with further demand for our Professional Services skills emerged during the crisis. Our French Services business saw sharp falls in Professional Services, with nearly half of our deployable specialists placed on government job retention schemes. The Managed Services business performed better than expected following the loss of a large global outsourcing contract at the end of last year.

2020 REVENUE AND ADJUSTED[1] OPERATING PROFIT BY SEGMENT

	2020 £m	2019 £m	Change	2020 £m/€m/$m	2019 £m/€m/$m	Constant currency[2]
Revenue						
UK	1,773.4	1,597.0	11.0%	1,773.4	1,597.0	11.0%
Germany	1,876.3	1,887.2	(0.6%)	2,108.2	2,161.9	(2.5%)
France	672.8	625.0	7.6%	753.9	715.8	5.3%
North America	944.5	750.6	25.8%	1,223.8	957.8	27.8%
International	174.3	193.0	(9.7%)	174.3	197.0	(11.5%)
Total Group	**5,441.3**	**5,052.8**	**7.7%**	**5,441.3**	**5,102.3**	**6.6%**
Adjusted[1] operating profit						
UK	90.4	64.5	40.2%	90.4	64.5	40.2%
Germany	112.6	79.5	41.6%	125.7	91.0	38.1%
France	13.0	17.3	(24.9%)	14.4	19.8	(27.3%)
North America	14.0	9.1	53.8%	18.4	11.6	58.6%
International	3.6	8.2	(56.1%)	3.6	8.0	(55.0%)
Central corporate costs	(27.1)	(27.1)	-	(27.1)	(27.1)	0.0%
Total Group	**206.5**	**151.5**	**36.3%**	**206.5**	**153.3**	**34.7%**

Note

- European and North America Segments in constant currency[2] are shown in €m or $m.
- Refer to slide 49 for further information changes to our Segmental reporting.
- The result has benefited from £261.0 million of revenue (2019: £26.0 million) and £6.9 million of adjusting[1] operating profit (2019: £0.3 million) resulting from all acquisitions made since 1 January 2019. Of this, for the entities acquired in 2020, the result has benefited from £232.6 million of revenue and £3.6 million of adjusting[1] operating profit.

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

New Segmental Reporting is in place for 2020 reporting. Refer to slide 49 for further details, and slide 13 for an analysis of Central Corporate Costs.

UK performance saw very strong Technology Sourcing revenue growth, particularly in the financial services and Public Sectors. Margins improved to the levels seen in France and Germany. Together, this led to a near doubling of adjusted[1] operating profit. Reduced costs and improving utilisation across the Services business made up for a modest reduction in volumes within the Managed Services business, whilst Professional Services saw good growth.

German performance saw a slight reduction of revenue as a number of key industrial customers reduced spend significantly due to COVID-19 impacting Technology Sourcing and Managed Services revenues. We were pleased at the ability of the business to bring volumes from other customers to partially mitigate. Professional Services saw extraordinary growth, particularly considering the difficult 2019 comparison. Margins across both the Services and Technology Sourcing lines improved as utilisation of our engineering practices improved and an improvement in product mix both contributed.

French performance declined against the comparative period with Technology Sourcing margins reducing from the highs of 2019 and only limited volume growth due to a significant slow down in its industrial customer base. This led to reduced Technology Sourcing contribution. A significant reduction in Professional Services volumes, primarily as a result of COVID-19 related customer site closures, further impacted the result.

North American performance Growth in North America was driven by the acquisition of Pivot, which contributed $292.7 million in revenue. Organically, North American revenue was down 2.8 per cent due to reduced spending by our mid-market customers, primarily because of the COVID-19 pandemic, partially offset by the strength of hyperscale data center customers.

CENTRAL CORPORATE COSTS

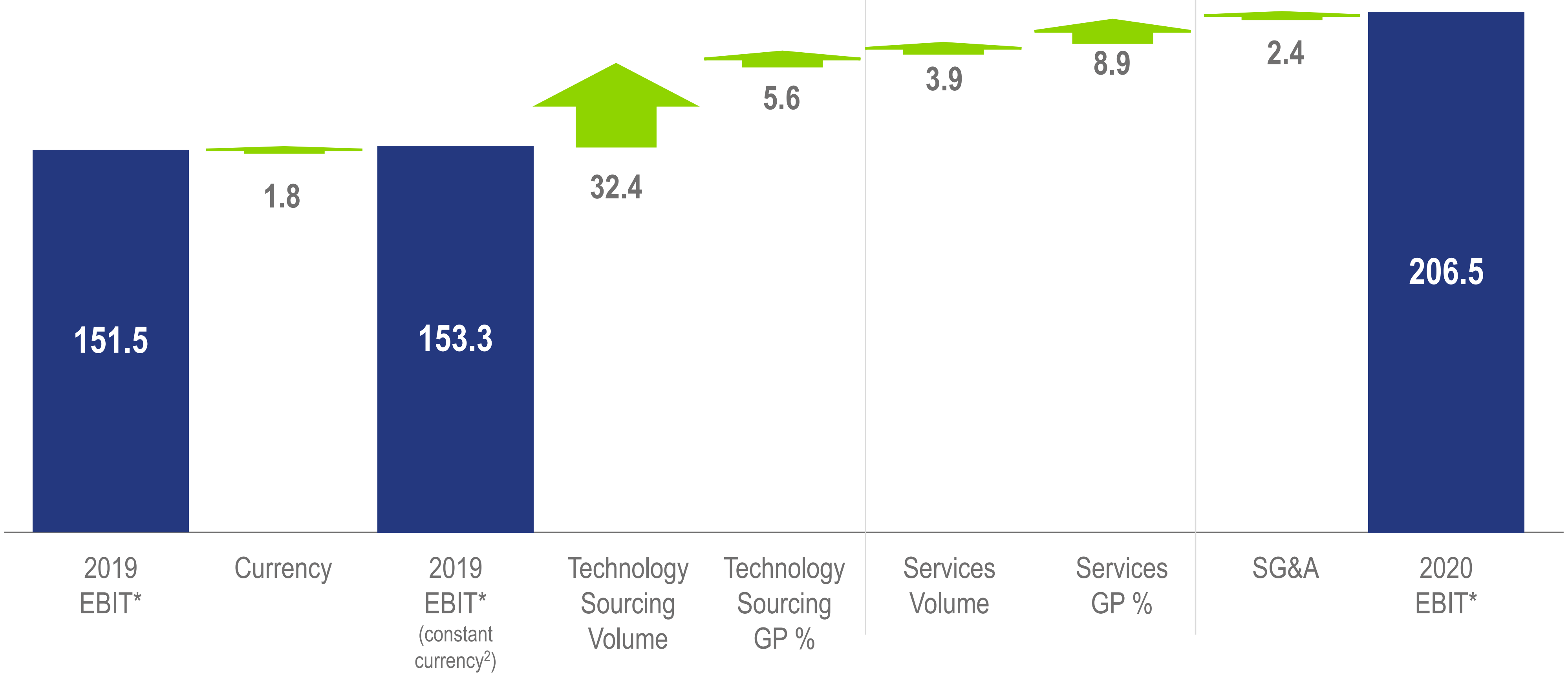
Analysis of Central Corporate Costs	2020 £m	2019 £m	Change £m
Cost of the plc Board, related public company costs and Group Exec cost base (Segment unaligned)	**6.8**	7.0	(0.2)
Shared-based payments (Group Exec Segment unaligned)	**3.2**	3.0	0.2
Strategic corporate initiatives	**17.1**	17.1	0.0
Central Corporate Costs	**27.1**	27.1	0.0

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 year, total Central Corporate Costs were £27.1 million, flat on the previous year (2019: £27.1 million). Within this:

- Board expenses, related public company costs and costs associated with Group Executive members not aligned to a specific geographic trading entity were slightly reduced at £6.8 million (2019: £7.0 million);
- share-based payment charges associated with the Group Executive members identified above, including the Group Executive Directors, increased from £3.0 million in 2019 to £3.2 million in 2020, due to the increased cost of Computacenter plc ordinary shares and the overall increased performance of the Group; and
- strategic corporate initiatives were £17.1 million in 2020, the same as 2019. These costs encompass the spend on projects designed to increase capability and therefore competitive position, enhance productivity or strengthen systems which underpin the Group.

2020 GROUP ADJUSTED[1] OPERATING PROFIT WALK (£M)

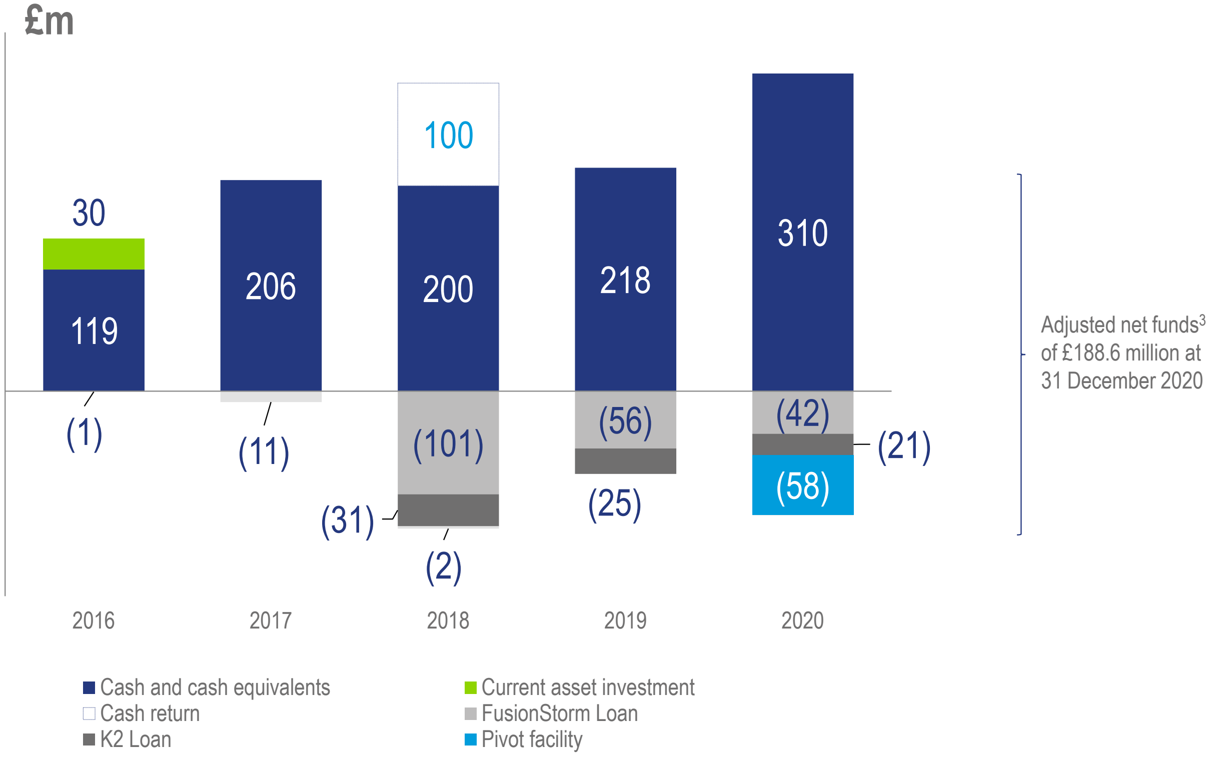
(CONSTANT CURRENCY[2])



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

* EBIT refers to adjusted[1] operating profit

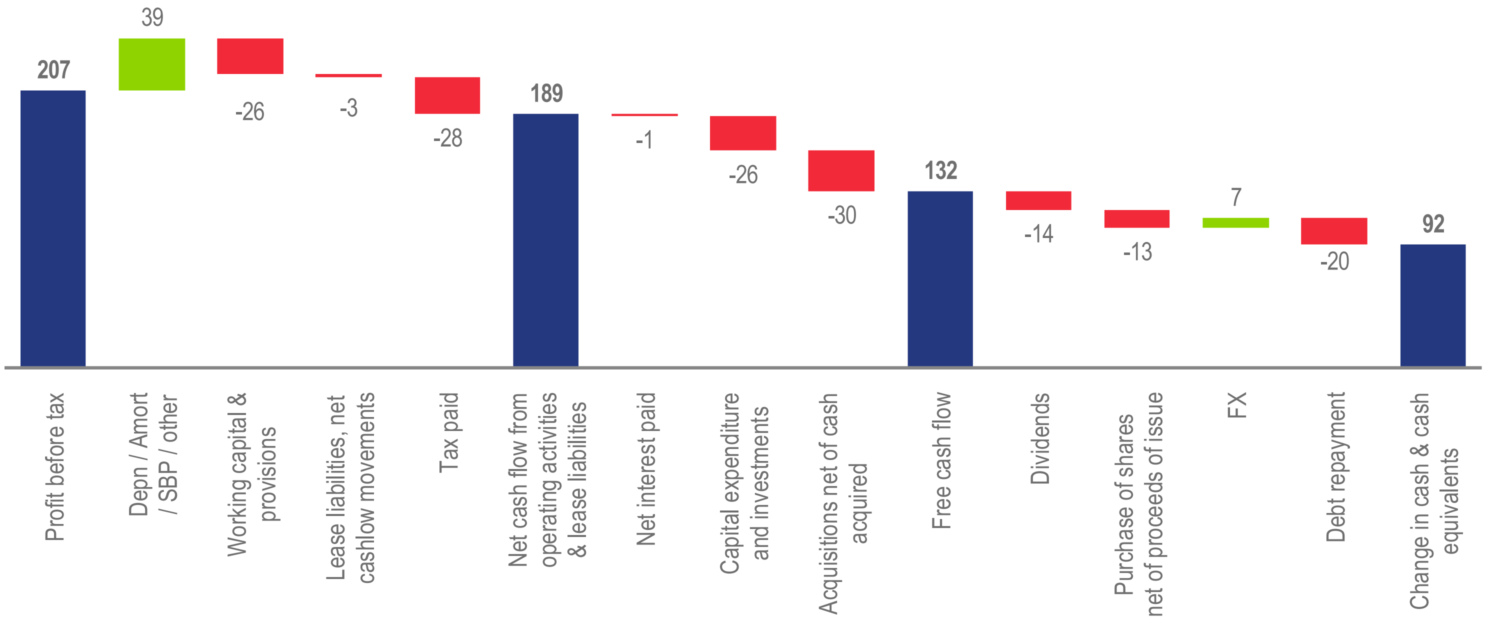
2020 CLOSING ADJUSTED NET FUNDS/ (DEBT)[3]



- Cash and cash equivalents have increased by £91.6 million since 31 December 2019 to £188.6 million at 31 December 2020.
- Cash was impacted by the £30.1 million outflow for acquisition of subsidiaries net of cash acquired and offset by the non-payment of the 2019 final dividend for circa £30.7 million.
- Adjusted net funds[3] have increased by £51.5 million since 31 December 2019 to £188.6 million at 31 December 2020.
- Utilisation of Pivot credit facility of £58.4 million at 31 December 2020.
- Committed facility of £60 million remains unutilised.
- IFRS 16 related lease liabilities are £137.5 million at 31 December 2020 and are excluded from our adjusted net funds[3] measure.

[3] Refer to the glossary for definitions.

2020 CASH FLOW SINCE DECEMBER 2019 (£M)

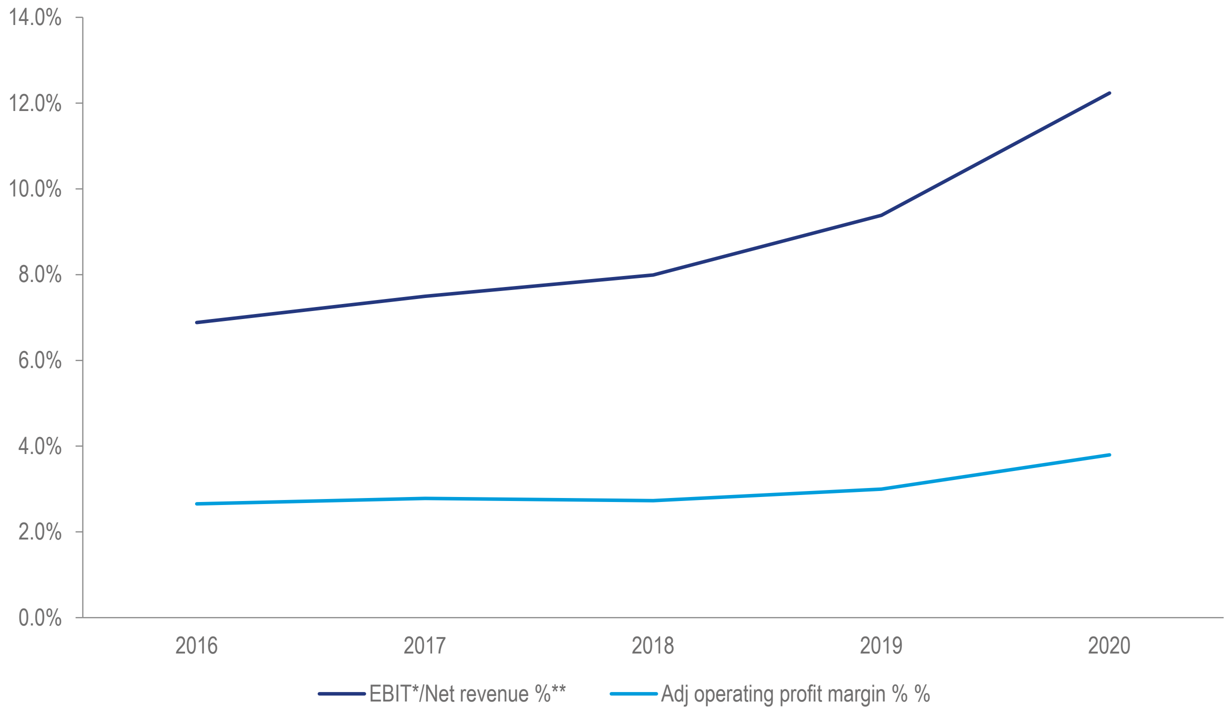


- Free cash inflow of circa £132 million including lease liabilities (see below).
- Net IFRS 16 movements include, the depreciation of right-of-use assets for £45.2 million, the interest expense on lease liabilities of £4.5 million and the payment of lease liabilities for £43.2 million. These last two items are now recorded outside net cash flow from operating activities within the statutory cash flow statement, but as an operating lease, would have been previously represented within working capital outflows forming part of net cash flows from operating activities.
- Exceptional gain on acquisition of subsidiary of £14 million included within Depn / Amort/ SBP / Other of £39 million.

2020 NET REVENUE STRONG

(AS ADJUSTED)

Adjusted[1] operating profit margin - Gross v Net



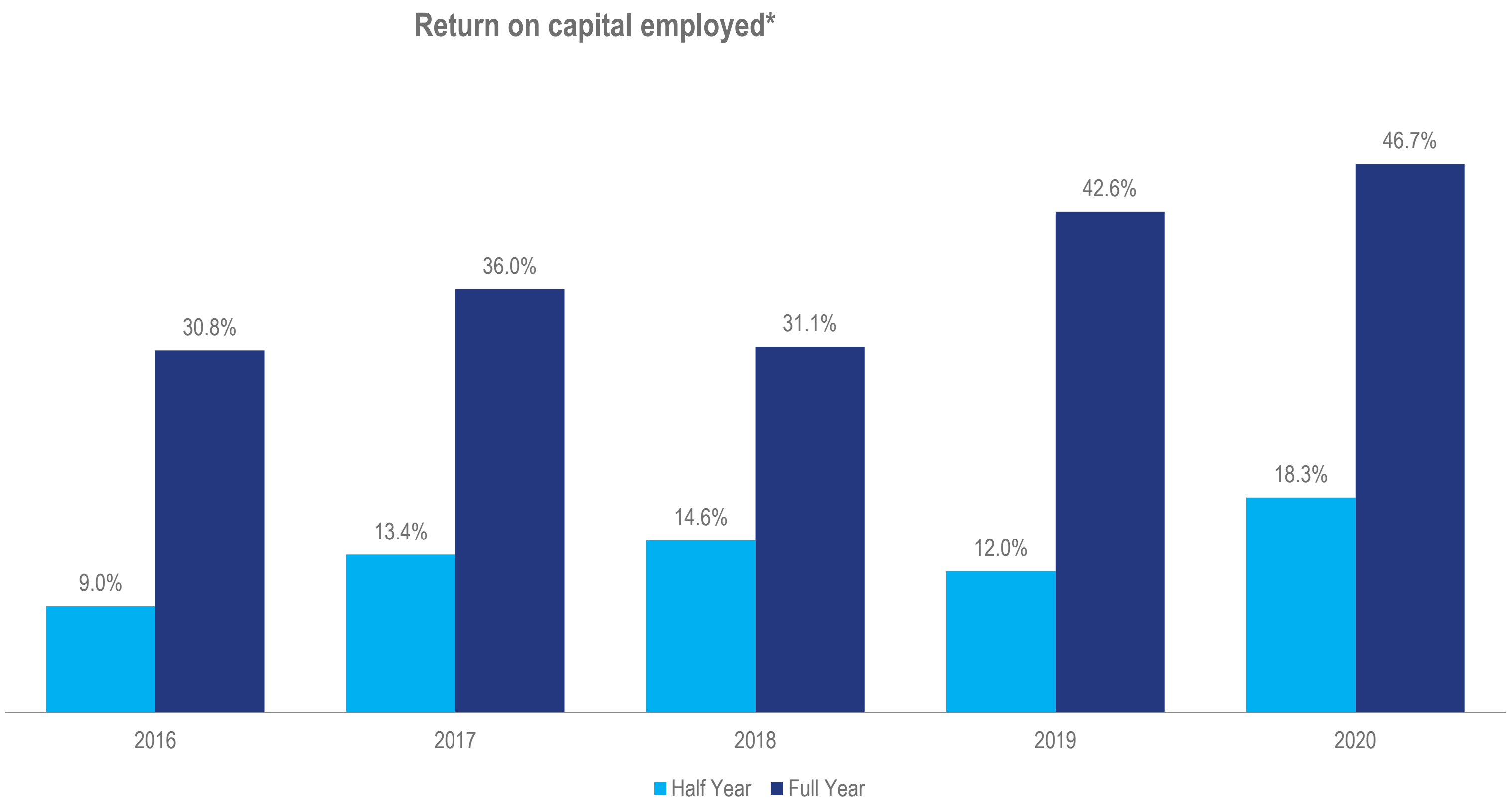
*EBIT refers to adjusted[1] operating profit

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

- Adjusted[1] operating profit increased from 3.0 per cent of revenue to 3.8 per cent. Adjusted[1] operating profit margin percentage is always diluted by Technology Sourcing revenues, which are typically ‘pass-through’.
- The Group has seen a significant increase in dilutive Technology Sourcing revenues due to recent acquisitions in North America.
- Adjusted[1] operating profit when expressed as a percentage of ‘net revenue’ (excluding pass through product) is 12.2 per cent in 2020 (2019: 9.4 per cent) due to higher Services and Technology Sourcing margins.

[1] Refer to the glossary for definitions.

2020 FINANCIAL RETURNS STRONG



Return on capital employed has increased from the level seen in 2019 as adjusted[1] operating profit increased from £151.5 million to £206.5 million with capital employed increasing from £355.4 million as at 31 December 2019 to £442.3 million as at 31 December 2020.

* ROCE is defined as adjusted[1] operating profit divided by net assets excluding adjusted net funds/(debt)[3]

OUR IMPACT ON THE ENVIRONMENT

2015 - 2020

- 44 per cent reduction in Scope 1 and Scope 2 emissions from 2015 to 2020, which on a like-for-like basis is even greater as the emissions from acquired businesses are included in current years but were not included in prior years.

- 30 per cent reduction in Scope 1 and Scope 2 emissions from 2019 to 2020, which on a like-for-like basis is even greater as the emissions from acquired businesses are included in current years but were not included in prior years.

GROUP	2015	2016	2017	2018	2019	2020
Total Scope 1 and 2 emissions.	**24,795**	**25,518**	**22,662**	**19,741**	**19,808**	**13,856**
Metric tonnes per £1m of revenue	8.11	7.86	6.20	4.53	3.91	2.55
Metric tonnes per employee	1.92	1.80	1.54	1.30	1.23	0.84

HOW HAVE WE ACHIEVED THIS

- Approx. 1.8 million kWh of electricity was self generated in 2020, this will increase to approx. 2.6 million kWh electricity in 2021, and approx. 3.3 million kWh in 2022 as our new systems in Germany come on-line.

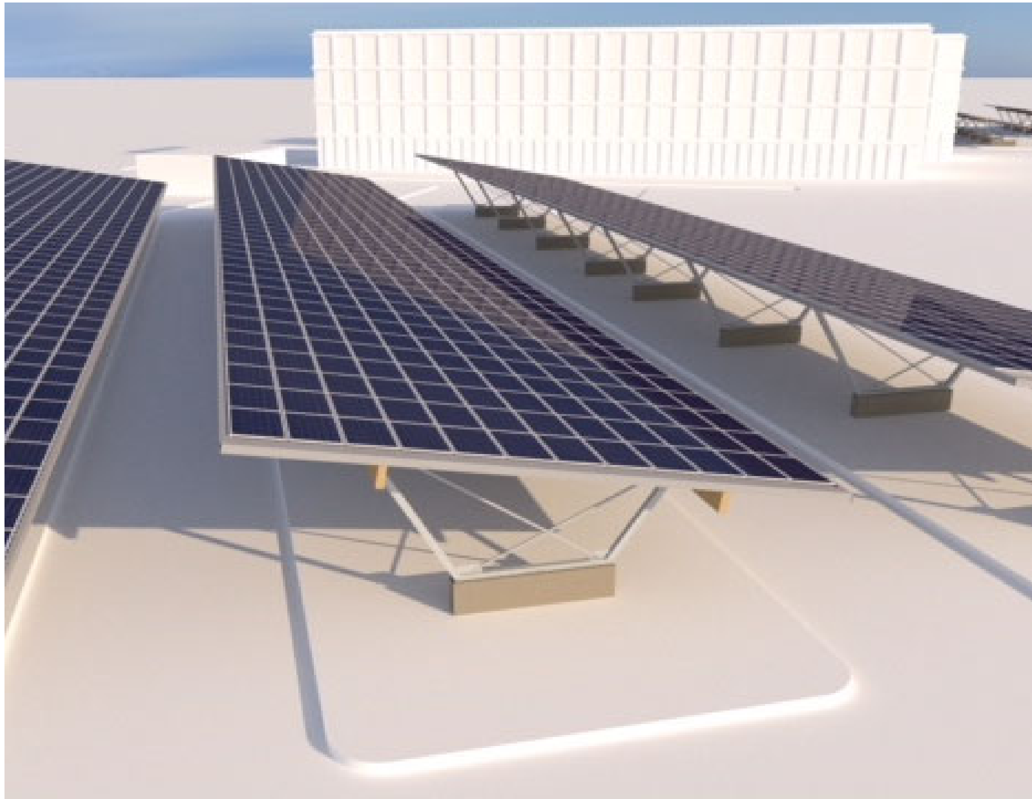
- Group electricity reduced in real terms in 2020 by 17.8 per cent (impacted COVID-19) including full year RDC and two months CCNS usage, from 2019.

- In 2020 approx. 30 per cent of total Group electricity usage was from 100 per cent green renewable sources, this will rise to approx. 75 per cent by end of 2021.

Solar panel installation – Hatfield UK
This is believed to be the largest rooftop installation in the UK in 2019.

FUTURE PLANS

- Implementation in our German headquarters of two new solar systems which will generate c.1.3m kilowatts hours of electricity per annum.
- We will work with our vendors and supply chain to identify our Scope 3 emissions from both up and down stream activities. This will allow us to identify material Scope 3 emissions and target important reductions.
- Scope 3 targeting will aid with our net zero 2050 pledge, and help identify where carbon offsetting plans could help.
- In conjunction with our Science Based Target Incentives (SBTI) commitment to keep global warming at 1.5 degrees in line with the Paris Protocol, we will have our SBTI commitment and plan independently verified.
- Build upon our green energy procurement program and review remaining contracts as they expire across group.



2020 THE ENVIRONMENT – GENERAL BACKGROUND

- Established our Climate Control Committee, chaired by our Group Finance Director.
- Purchased new 100 per cent renewable green energy contracts for our German and UK operations.
- Reduced maximum car emission thresholds to 110g of CO_2 per vehicle.
- Group travel reduction was significant due to COVID-19, we have committed to further investment in technology and enhanced processes to ensure we achieve a 35 per cent travel emissions reduction commitment from a 2019 base year to a target 2025.
- Dispatching of goods to customers has been revaluated, ensuring that correct shipping location means lower emissions, reducing delivery costs and reduced Brexit challenges.
- Completed our major, new efficient cooling system upgrade to our Manchester Data Center.
- Continued our programme of LED Lighting upgrades, including our RDC Circular Services large facility at Braintree.
- Banned single use plastics at our Hatfield and Kerpen Headquarters with an undertaking to ensure whole Group compliance in 2021.
- Undertook new tree planting and tree sponsoring programmes at our UK, French and German locations.
- Have signed up with other leading companies to SBTI.

2021 MODELLING CONSIDERATIONS

Dividends

The Board recognises the importance of dividends to shareholders and the Group prides itself on a long track record of paying dividends and other special one-off cash returns. However, the Group announced on 23 April 2020 that, as a result of the COVID-19 crisis, the previously proposed 2019 final dividend would not be paid. Whilst the Group's cash position at the time was strong and trading was in line with our expectations, we continued to explore all opportunities to maintain cash flow and preserve cash balances, in light of the heightening uncertainty about the scale and duration of the pandemic. Accordingly, the Board believed at the time of the announcement that it was prudent not to pay a final dividend in respect of 2019. Resolution 4 set out in the Notice of Annual General Meeting 2020 was therefore not put to a vote at the AGM and the 2019 final dividend was not paid. The Group continues to monitor the COVID-19 crisis and the resultant cash flow implications.

With the strong results for the period to 30 June 2020 and the corresponding cash flow performance, the Board considered it appropriate to resume distributing cash to shareholders by returning to the Group's normal interim and full-year dividend cycle. The Board is pleased to propose a final dividend for 2020 of 38.4 pence per share. Together with the interim dividend, this brings the total ordinary dividend for 2020 to 50.7 pence per share, representing a 37.0 per cent increase on the 2019 total proposed dividend per share of 37.0 pence, including the final 2019 dividend of 26.9 pence per share that was proposed but not paid as described above. The Board has consistently applied the Company's dividend policy, which states that the total dividend paid will result in a dividend cover of 2 to 2.5 times based on adjusted[1] diluted EPS. In 2020, the cover was 2.5 times (2019: 2.5 times). We anticipate that this continues through 2021.

Capital expenditure

Typically, capex is circa £25 - £35 million per annum with approximately 50 per cent run-rate capex, and 50 per cent discretionary (e.g. investments in IT tools and software to improve productivity; internal IT hardware for our staff).

Adjusted[1] net interest

As the adjusted net funds[3] continue to increase then the adjusted[1] finance revenue will continue to grow. However, continuing low interest rates will mean that this will be immaterial to overall profitability. The term loan of £100 million to purchase FusionStorm is being repaid over seven years, however the Group will look to retire this debt on an earlier time frame as adjusted net funds[3] allows. Adjusted net interest, excluding the exceptional interest cost in 2019 of £0.8 million related to the unwind of the deferred consideration on the FusionStorm acquisition was £5.2 million in 2019 and £5.9 million in 2020. The implementation of IFRS 16 has increased the interest expense by £3.7 million in 2019 and by £4.5 million in 2020. This increase is related to the interest charges on the lease liabilities recognised. Excluding this, the net interest cost was £1.5 million (2019: £1.5 million). We expect a similar level of expense in 2021.

Tax

Dependent on mix of earnings as we utilise losses in European operations and increase profits in our US business. The German cash tax rate has now increased due to the full utilisation of the readily available losses and US profits, in a high tax jurisdiction, have also increased. These have been offset by the strong profits in the UK which, currently, has a lower tax rate than the Group average. This has resulted in the Group adjusted[1] effective tax rate (ETR) decreasing from 27.8 per cent for 2019 to 27.3 per cent for 2020. The Group adjusted[1] ETR for 2021 is expected to be in the range of 28.0 per cent – 29.0 per cent due to the geographical share of profitability increasing in higher tax jurisdictions such as Germany and the US.

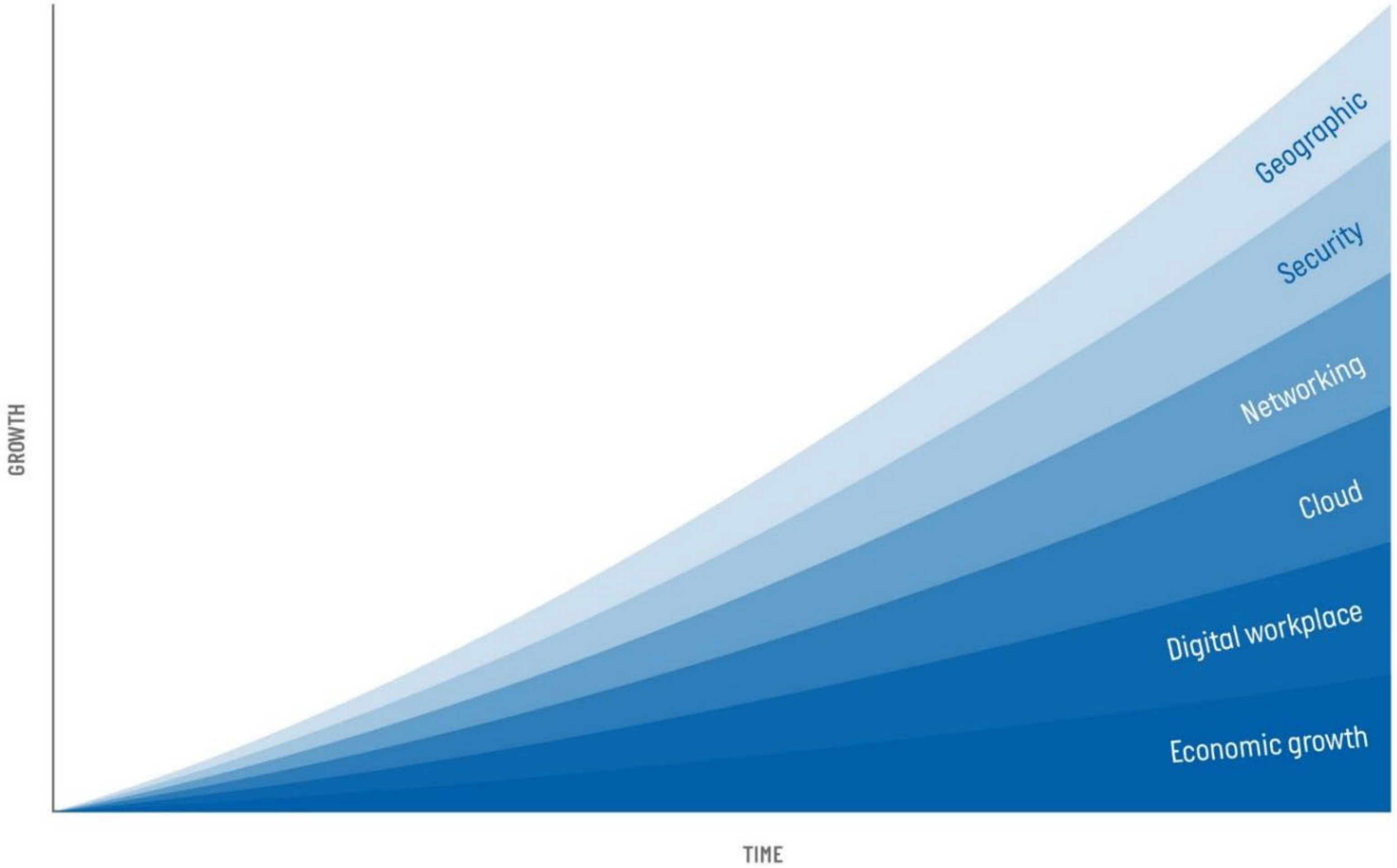
Capital structure and acquisitions

Computacenter's approach to capital management is to ensure that the Group has a robust capital base and maintains a strong credit rating, whilst aiming to maximise shareholder value. The Group remains highly cash generative and adjusted net funds[3] continue to regenerate on the Consolidated Balance Sheet, which allows acquisitions such as FusionStorm in 2018 and Pivot in 2020, alongside a number of other small acquisitions. If further funds are not required for investment within the business, either for fixed assets, working capital support or acquisitions, and the distributable reserves are available in the Parent Company, we will aim to return the additional cash to investors through one-off returns of value, as we last did in February 2018.

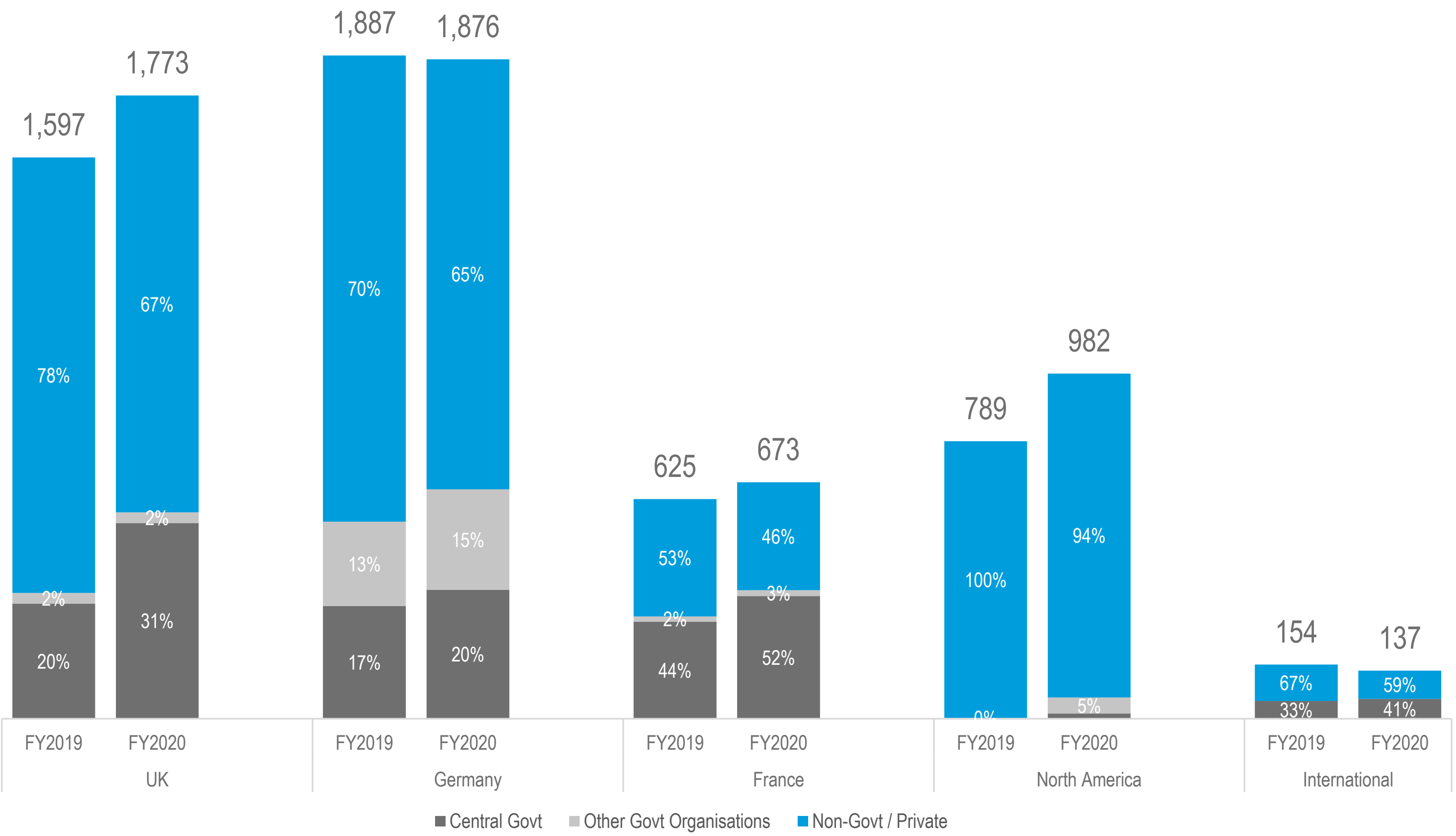
OPERATING REVIEW

Mike Norris
16 March 2021

TOP LINE GROWTH DRIVERS



PUBLIC SECTOR REVENUE MIX



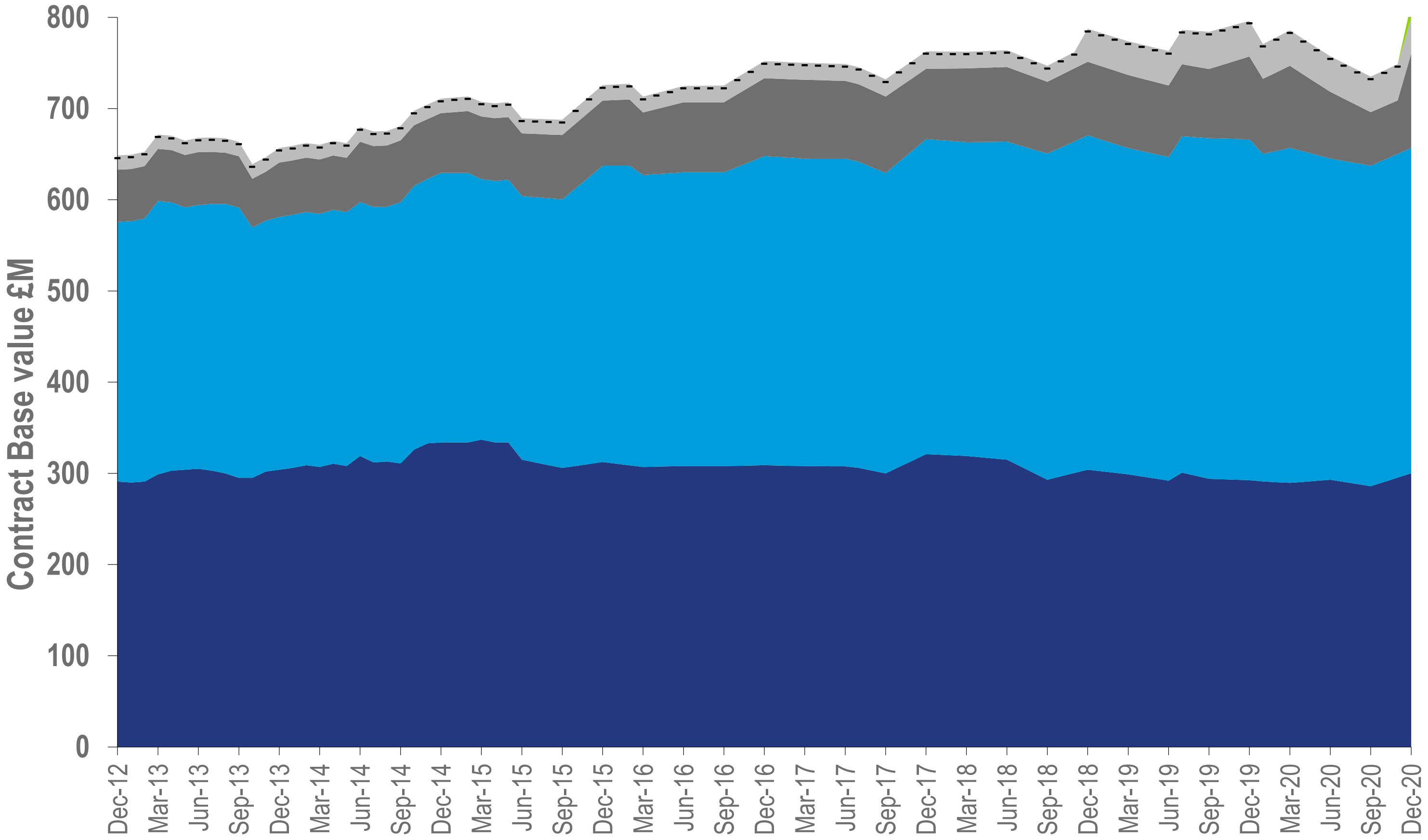
Public Sector revenue has increased to

32%

of total revenues in 2020 **(£1,723 million)** from 25 per cent in 2019 (£1,262 million).

LEADING THE GROWTH

TO LEAD WITH AND GROW OUR SERVICES BUSINESS



French decline stems primarily from the loss of the Group's largest contract and dragged the overall Group Contract Base down. UK and German renegotiations of renewals and extensions have affected the contract base slightly. International now includes the Netherlands Contract Base.

2020 vs 2019
Contract Base[2] Growth

Group: 2.4%

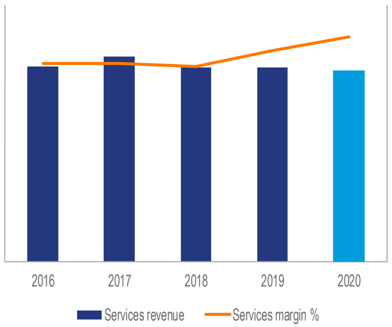
- UK: 2.6%
- DE: -4.5%
- FR: 13.9%
- INT: 2.0%
- NA: +$19.0m

Group 2.0% Contract Base[2] 4yr CAGR

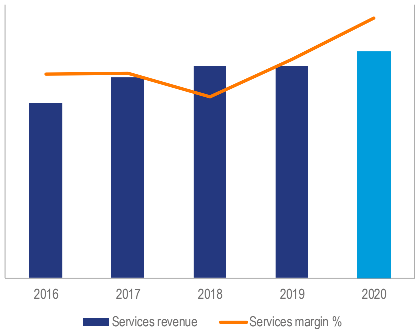
DRIVING EFFICIENCY

TO IMPROVE OUR SERVICES PRODUCTIVITY AND ENHANCE OUR COMPETITIVENESS

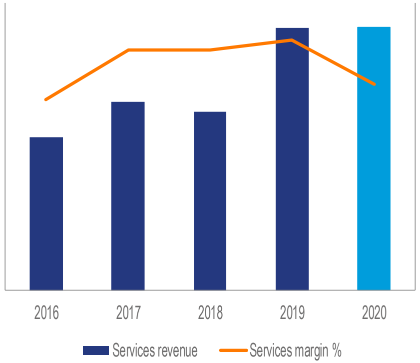
UK
Despite the challenging conditions, Professional Services volumes increased and we see this continuing in the second half of the year, as COVID-19 related restrictions continue to lift. Managed Services revenue reduced in the period, in part through anticipated attrition and as a consequence of COVID-19. The Services business has reduced external contractor usage where it was no longer necessary and the utilisation of natural attrition, through the non-replacement of leavers. Reduction in travel costs to customer sites, and the improvement in utilisation has helped to offset the cost of carrying under-utilised employees.



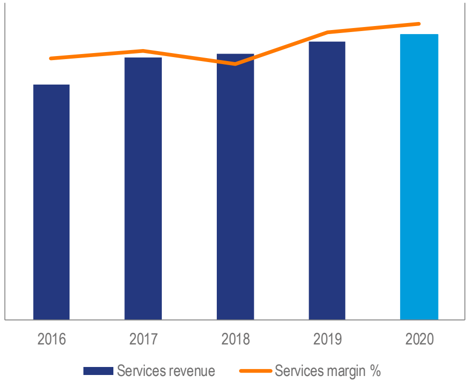
Germany
Professional Services we saw a very strong first half. Additional customer requirements, especially at the beginning of the crisis, further boosted growth. Utilisation and margins increased as availability of billable hours rose due to a reduction in travel to client sites. While we benefited from growth in Professional Services, the decline in Managed Services affected the margin position. Despite the use of government sanctioned reduced-time working, we were not able to compensate for all revenue shortfalls on the cost side.



France
As a direct consequence of the national ‘lockdown’ in response to COVID-19 and the subsequent hesitancy for companies to implement on-site return strategies, our Professional Services activities were significantly affected, particularly where resources were supplied on demand to customers in an on-site situation. Almost 50 per cent of our technical resources were involved in the chômage partiel partial unemployment programme during the second quarter, with a strong impact on the utilisation rate and revenue.



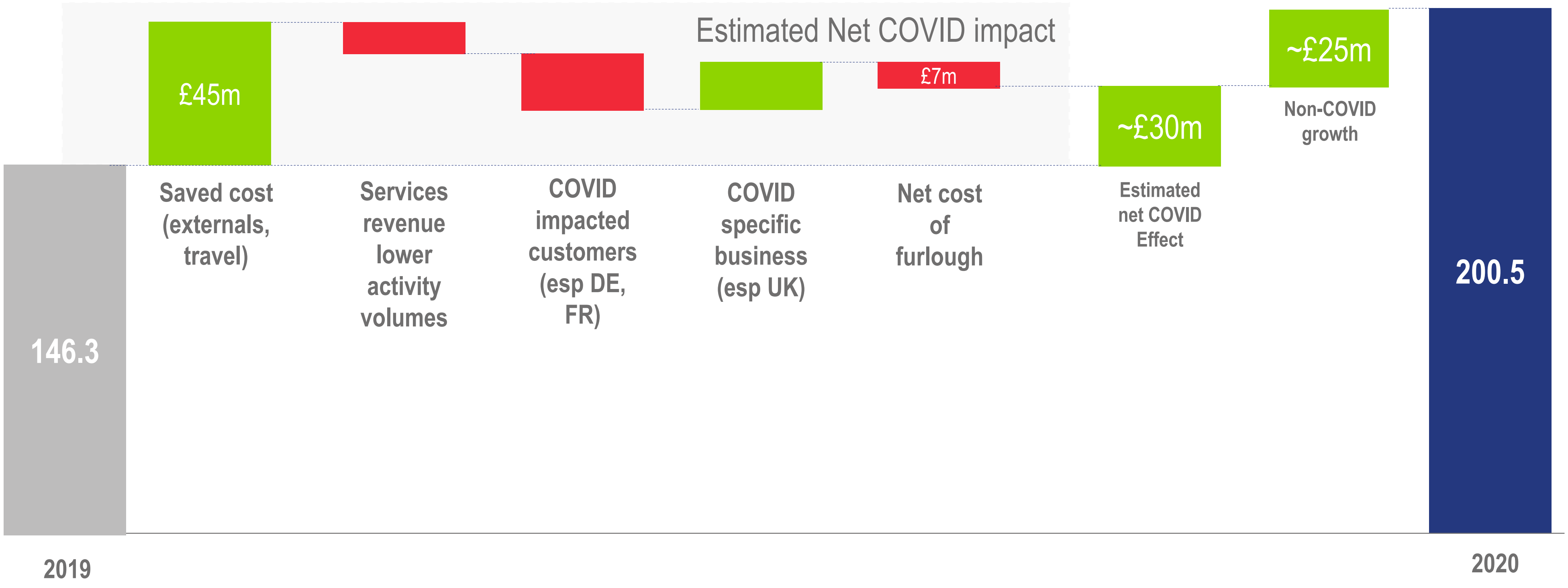
Group
Whilst overall revenues held up in the challenging environment, margins and profits increased due to a reduction in costs to serve our customers across the Services business as we moved to a remote working environment. As the business moves to a more normal operational footing we expect costs to return, but at a potentially permanently lower level than before the COVID-19 crisis.



Services revenue Services margin %

COVID-19 HAS ACCELERATED 2020

BUT EXCLUDING IT WE ARE STILL GROWING COMFORTABLY

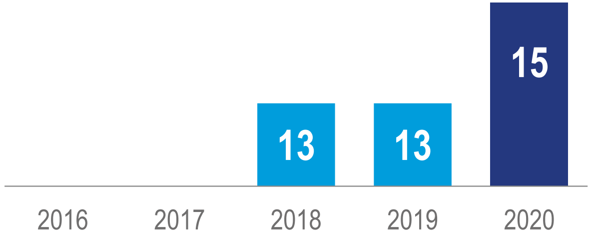


NOTE : Estimated COVID impact based on an internal assessment for major customers and territories, and is an indicative view

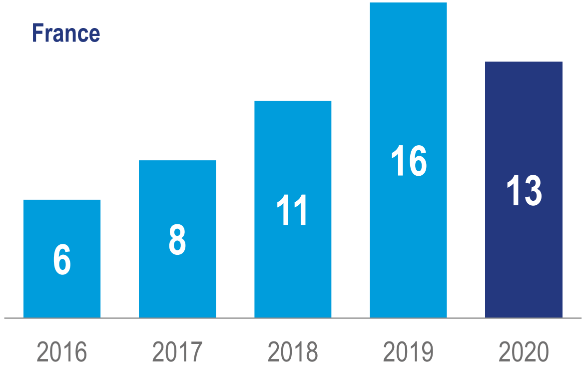
AT THE HEART OF OUR BUSINESS

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

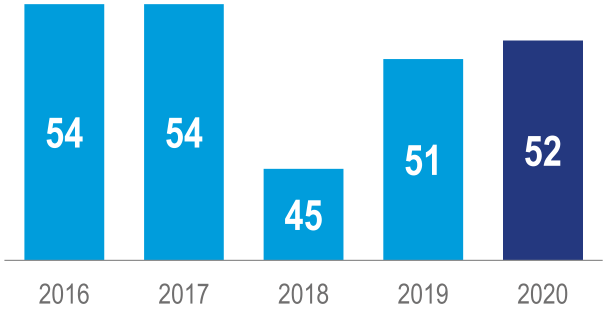
North America



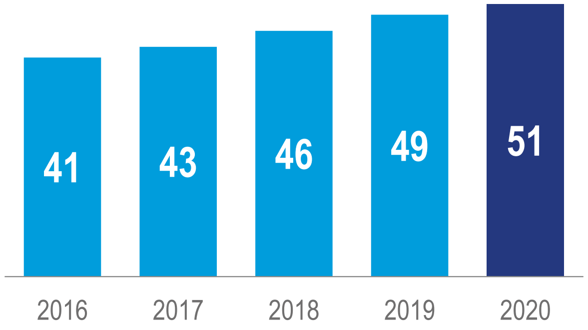
France



UK

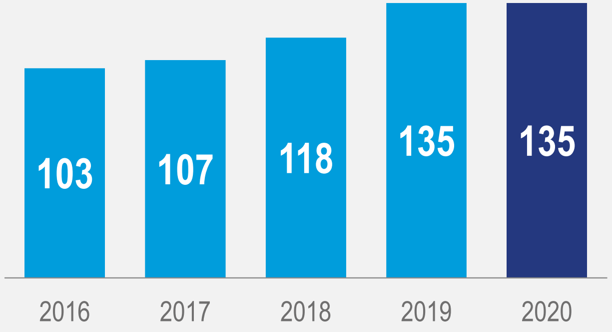


Germany



GROUP

Our customers with over £1 million of contribution are a Strategic Priority for Group performance.



NORTH AMERICA: The Pivot acquisition will add an estimated further 20 customers earning over £1 million of contribution to the existing North American total of 15 and to the Group total of 135.

FRANCE: The French saw three customers reduce their level of business below £1 million of contribution.

UK: The UK moved saw seven customers added to its list of those contributing over £1 million whilst six customers fell below £1 million of contribution and were removed from the list.

GERMANY: The business added ten customers earning over £1 million of contribution whilst eight customers reduced their contribution below £1 million reflecting the volatility in the customer base due to COVID-19.

2020 UNITED KINGDOM

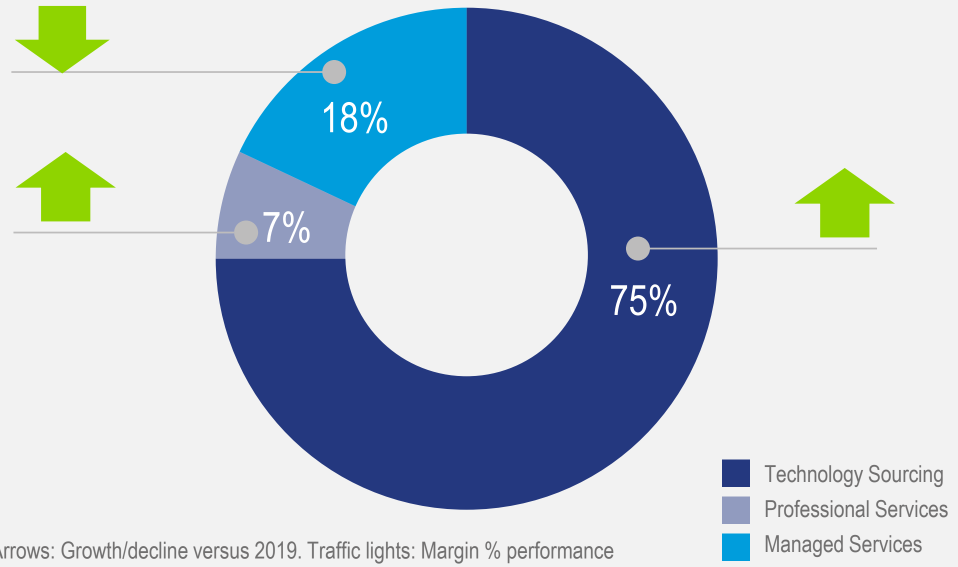
FINANCIAL HIGHLIGHTS

- Revenue up by 11.0%
- Adjusted[1] operating profit up by 40.2%
- Technology Sourcing revenue up by 16.2%
- Services revenue down by 2.0%

OPERATIONAL HIGHLIGHTS

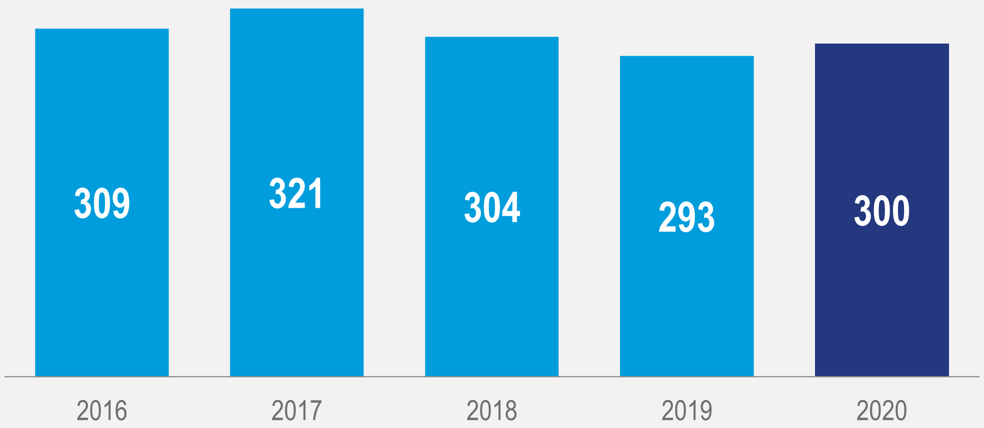
- Technology Sourcing saw strong revenue growth supporting a number of significant private and Public Sector customers with their transition to homeworking requirements. The UK also saw improving margins that took it back to, and slightly above, the Group average and more in-line with the Technology Sourcing margins achieved in France and Germany.
- Managed Services saw improving margins, but reducing revenues as contracts mature or are extended.
- Professional Services saw good growth during the second half of the year.

Share of 2020 Revenue Profile



Arrows: Growth/decline versus 2019. Traffic lights: Margin % performance

Contract Base (£m)



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

2020 GERMANY

FINANCIAL HIGHLIGHTS

- Revenue decline of 2.5%
- Adjusted[1] operating profit up by 38.1%
- Technology Sourcing revenue down by 5.4%
- Services revenue growth of 4.9%

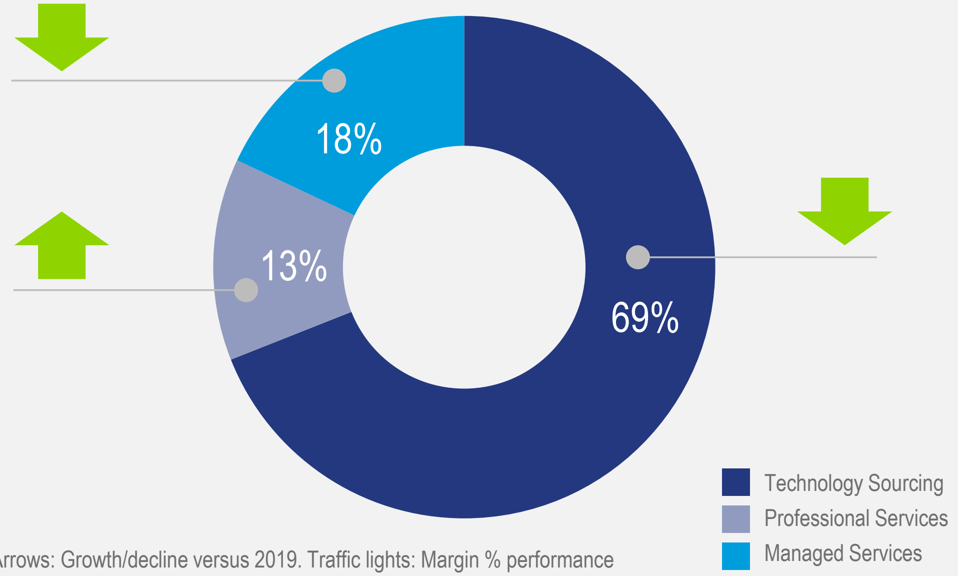
OPERATIONAL HIGHLIGHTS

- The German Technology Sourcing business saw reduced revenues off a very difficult comparison period. A number of industrial customers have drastically reduced spend and the business has done well to cover most of the reduction with other customers in the portfolio, particularly in the public sector. Margins have remained strong and increased over the prior year.
- Continuing very strong Professional Services growth continues as the business continues to lead the Group with customers accelerating their pace of technological change.
- Managed Services revenues were affected by COVID-19 as customers materially reduced their own activity levels.

NB. All figures in constant currency[2]

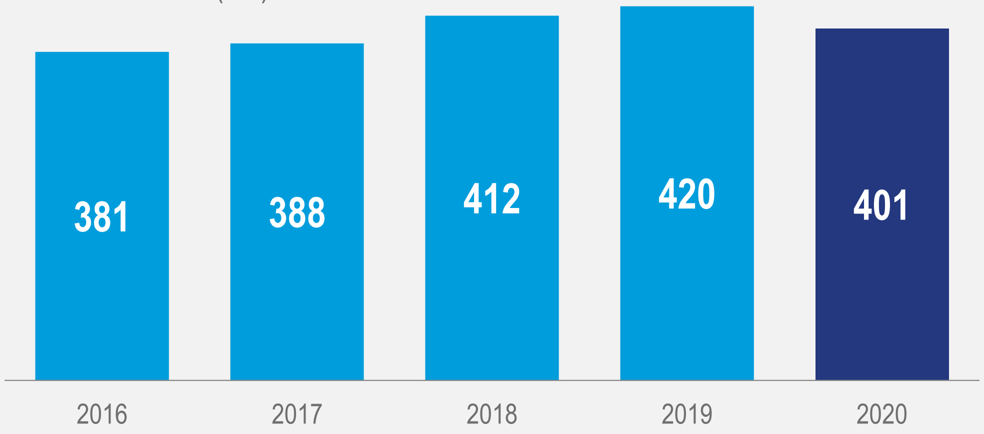
[1,2] Refer to the glossary for definitions.

Share of 2020 Revenue Profile



Arrows: Growth/decline versus 2019. Traffic lights: Margin % performance

Contract Base (€m)



2020 FRANCE

FINANCIAL HIGHLIGHTS

- Revenue up by 5.3%
- Adjusted[1] operating profit down by 27.3%
- Technology Sourcing revenue up by 7.4%
- Services revenue down by 1.6%

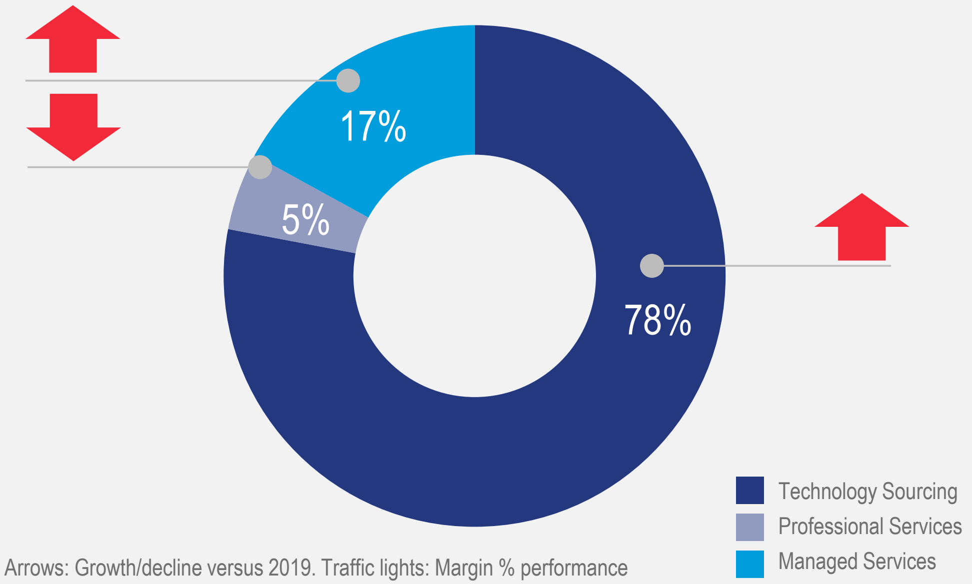
OPERATIONAL HIGHLIGHTS

- The acquisition of Computacenter NS has added €15 million of revenue and an adjusted[1] operating loss of €1.6 million in 2020.
- The French business has suffered the most across our key markets from the COVID-19 crisis.
- Technology Sourcing revenues grew strongly although the margins fell due to a change in product mix towards workplace.
- Professional Services volumes were significantly impacted as customers reduced activity and access to customer sites was restricted.
- Several new Managed Services contracts have provided some growth in 2020, however this will be affected by the loss of the Group's largest Managed Services customer beginning to impact from mid-2020.

NB. All figures in constant currency[2]

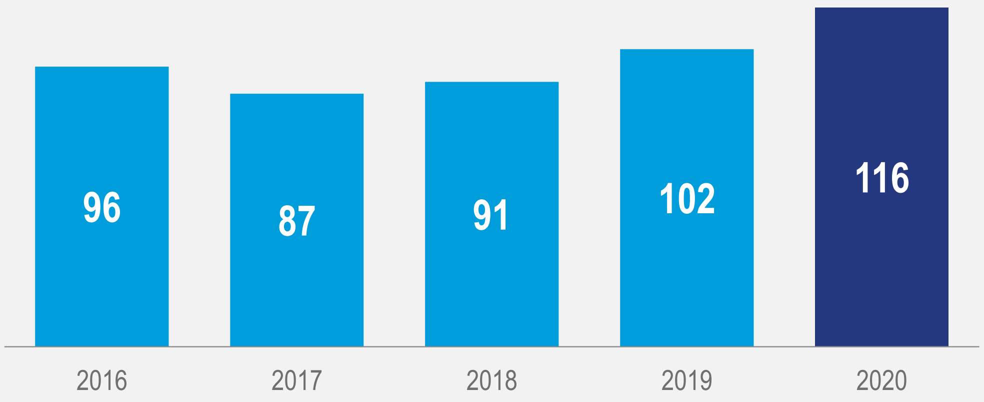
[1,2] Refer to the glossary for definitions.

Share of 2020 Revenue Profile



Arrows: Growth/decline versus 2019. Traffic lights: Margin % performance

Contract Base (€m)



2020 NORTH AMERICA

FINANCIAL HIGHLIGHTS

- Revenue increased by 27.8%
- Adjusted[1] operating profit increased by 58.6% to $18.4 million
- Technology Sourcing revenue up by 27.3%
- Services revenue down by 46.0%

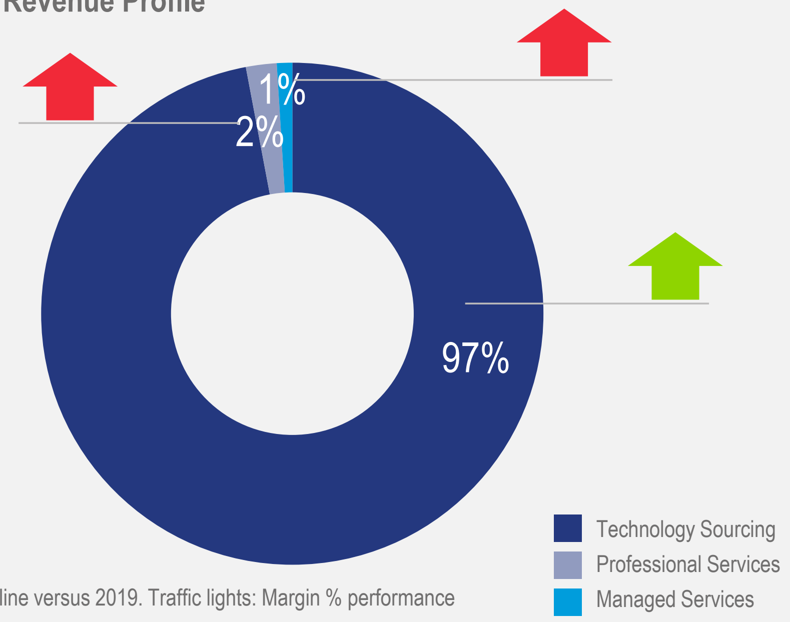
OPERATIONAL HIGHLIGHTS

- The acquisition of Pivot on 2 November 2020 added $280 million of Technology Sourcing revenue, $12.8 million of Services revenue and $6.8 million of adjusted operating profit in the two months to 31 December 2020.
- Technology Sourcing revenue growth improved in the second half after a poor first half with margins significantly improved on the prior year although still below the Group average.
- Particular challenges in the Professional Services business which saw a significant contraction in volumes relating to COVID-19.

NB. All figures in constant currency[2]

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

Share of 2020 Revenue Profile



Arrows: Growth/decline versus 2019. Traffic lights: Margin % performance

Contract Base $m

- The Pivot acquisition added $11 million of contract base to the nascent local Services business.
- The Group has ambitions to continue to increase the share of Services business in North America as we continue to evolve the operations to match our core European geographies.

2020 INTERNATIONAL

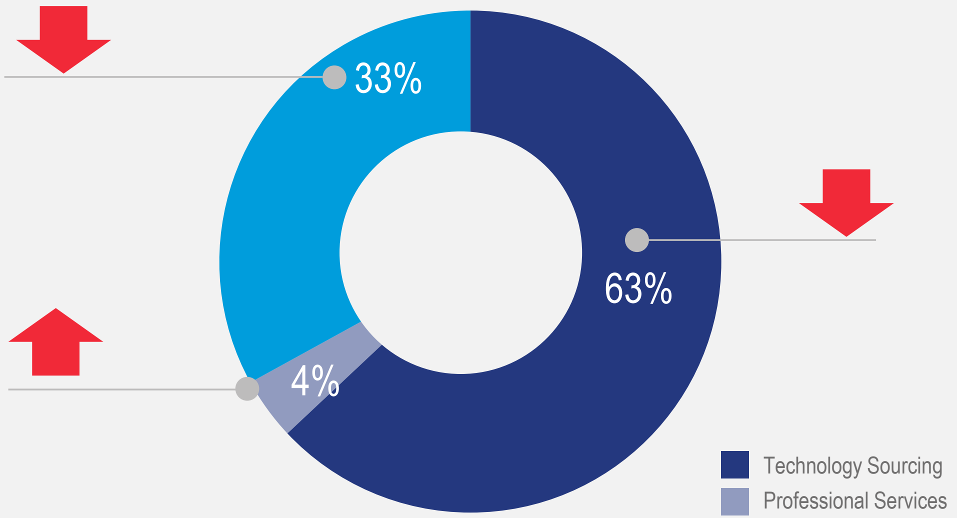
FINANCIAL HIGHLIGHTS

- Revenue down by 9.7%
- Adjusted[1] operating profit down by 56.1%
- Technology Sourcing revenue down by 10.7%
- Services revenue down by 7.9%

OPERATIONAL HIGHLIGHTS

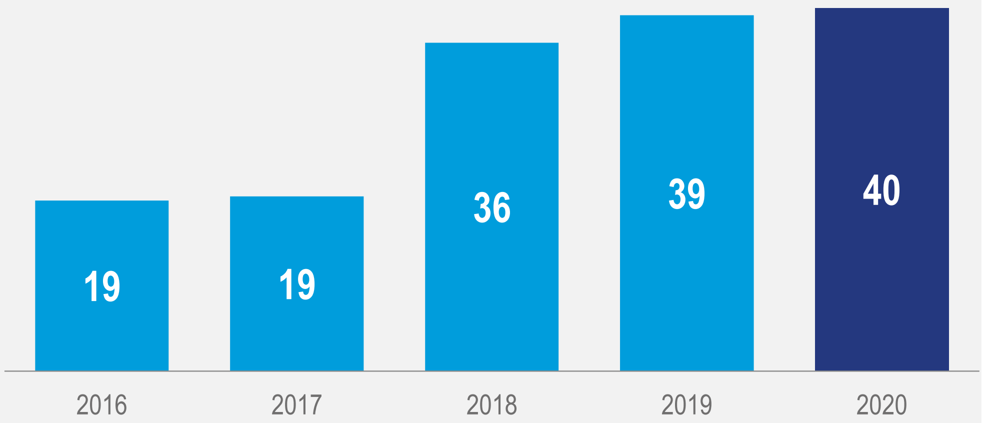
- The International business has been unable to maintain volumes through the COVID-19 crisis due to operations in Belgium and the Netherlands being smaller in scale and more towards the mid-market when compared to the UK and Germany.
- A lack of Public Sector presence has also impacted the ability of the businesses to trade through the pandemic.
- Additional costs have been incurred as we have invested in developing an organic Spanish sales capability during the year.

Share of 2020 Revenue Profile



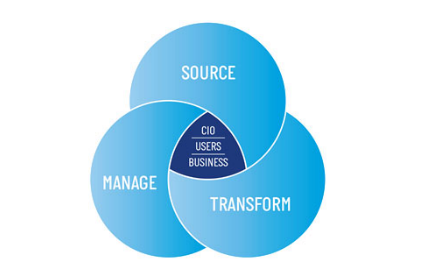
Arrows: Growth/decline versus 2019. Traffic lights: Margin % performance

Contract Base (£m)



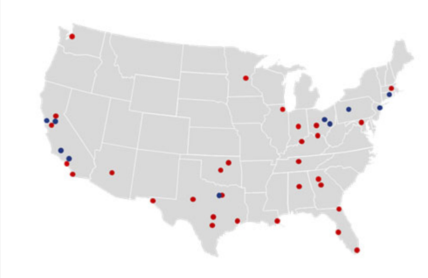
[1,2] Refer to the glossary for definitions.

PIVOT IS CONSISTENT WITH OUR US STRATEGY



Establish a 'CC-like' capability in US for our international customers

- US is the most important geography for us outside Germany, UK & France
- Our European headquartered international customers want to see the same offerings from us in US as they receive in Europe



US Growth Opportunity

- Huge market, quite fragmented, will consolidate
- US will be our #3 market in profit contribution after Germany & UK in the short term

Vendor Positioning opportunity

- Vendors are US-centric and we believe we are currently missing some leverage compared to US resellers

Computacenter's Group model: control, scalability & leverage

- We know how to grow profitably and generate cash
- Computacenter has the largest service capability of any reseller globally
- Computacenter has the strongest international capability of any reseller globally

WHAT DOES MERGING WITH PIVOT BRING FOR CC US

Computacenter US & Pivot combined

Doubles our revenue **>US$2bn**

Own-provided services **US$160m**

Employees **1,300**

Significantly increased Services scale:

>350 Pivot Technical Resources

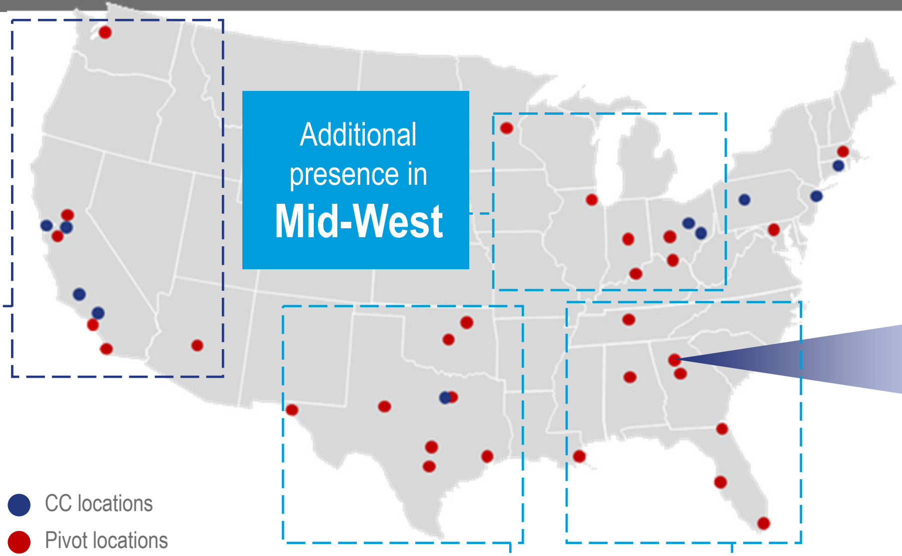
West Coast reseller **Leader**
with strong Pivot presence in California & Seattle, WA

Workplace volume & experience

Strong US position with Hewlett Packard Enterprise

Improved US position with DELL Technologies

Additional presence in **Mid-West**



Additional Networking skills — CISCO Partner Gold Certified

Strong new regions in **Central (TX) & South East (GA, FL)**

Enterprise customer references

Canada Sales & Operations — CISCO Partner Gold Certified

Integration Center in Alpharetta, GA

WHAT DOES MERGING WITH CC US BRING FOR PIVOT

Computacenter US & Pivot combined

Doubles our revenue **>US$2bn**

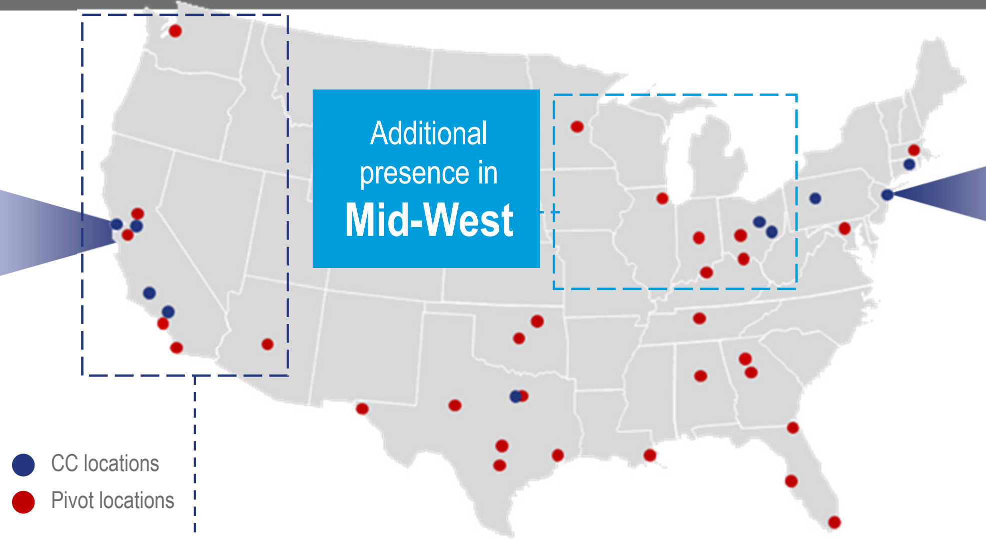
Own-provided services **US$160m**

Employees **1,300**

Integration Center in Livermore CA, nr. Silicon Valley

350 On-site Engineering

CC Engineers & Service (Program) Managers



West Coast reseller **Leader** with strong CC presence in California

Hyperscale leadership

on West Coast with strong CC US customer base & reputation

New York office & strong customer base

US Managed Services References

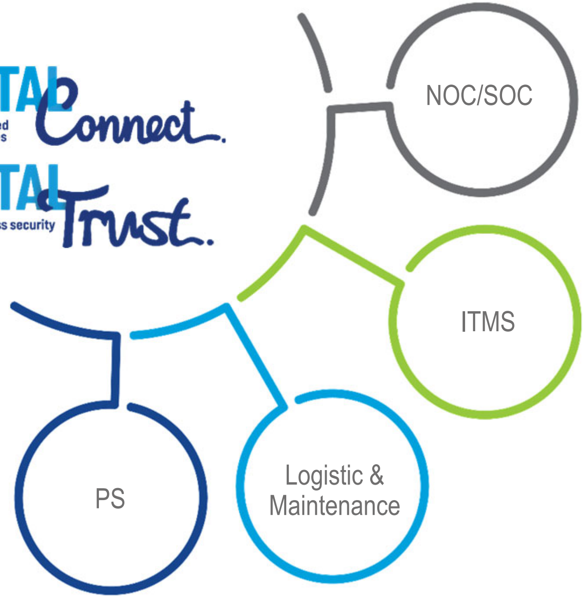
Leading US position	Leading US position
Cisco Partner Gold Certified	Dell Technologies

Service Center in Mexico City for North American customers

ACQUISITION OF BT SERVICES FRANCE SUMMARY

Completion date	2 November 2020
Employees/Offices	550 FTEs in 10 locations (all in France)
‘CCNS’	• BT Services France becomes Computacenter NS (CCNS). • For at least 18 months, CCNS remains a separate legal entity and cannot implement any social plan
Transaction value	1 € + one off € 30.7 million contribution from BT Group to support expected initial losses and investments to turn business into profitability
Activity	Networking and Security focus • Engineering & consultancy • Maintenance and related logistics • NOC/SOC (network and security operations center) • ITMS (data center hosting and management)
Acquisition logic	Complete our offering and capabilities in France (Connect and Trust) Interesting customer portfolio
Good to know	We need to leave BT’s ERP systems by end of 2021 We need to move out of the offices at La Defense (Paris) by mid 2021

DIGITAL Connect
Enabling connected business outcomes
DIGITAL Trust
Mastering business security



OUTLOOK

‘At the start of last year, our performance in 2019 set us a high bar for 2020. The COVID related lockdowns towards the end of the first quarter made improving on 2019 feel even more challenging.

After multiple upgrades during the year and today’s excellent results it is clear that the 2020 performance has exceeded all expectations and 2020 has seen the fastest profit growth Computacenter has achieved in its 22 years as a public company. Clearly, the challenge it gives us is to grow again in 2021.

While Computacenter will always focus on the long term and resist the temptation of short-term actions to maintain growth, we feel the opportunity for progression this year, while not certain, is real. We have come into 2021 with solid momentum and have experienced a very positive start to the year. As always, we will give an update to shareholders in our April statement once we have completed our first quarter at the end of March.

Growth rates are obviously difficult to predict as our geographies will come out of lockdown at different times, but our experiences of the last 12 months has convinced us more than ever that our customers will continue to invest in Information Technology and will require the services of Computacenter to enable them to do so. This, combined with the fact that we are growing in more geographies and across more technology platforms than we have ever done before, makes us even more excited about our long-term growth potential.’

APPENDIX

COVID-19 IMPACT (INTRODUCTION)

We are a technology company supporting customers worldwide, at a time when technology has proven critical to mitigating COVID-19's disruption of normal business practices. We have also executed our own business continuity plans to great effect and remained sufficiently agile to deal with issues as they arose.

As we stepped into 2020, we could never have planned for the impact of COVID-19. By mid-March our internal crisis response team, including the Chief Executive Officer (CEO), was meeting daily to implement plans to protect our people and enable them to continue to deliver for our customers, whilst acting for the Company's long-term success.

Looking forward

Today, the long-term impact of the COVID-19 crisis remains unknown. However, we are more certain that the ongoing volatility within our markets and worldwide locations will begin to settle, with vaccination programmes begun globally and the continued application of science and technology to meet the medical and societal challenges that the crisis has brought.

Continued customer investment in technology has provided short-term growth opportunities and proven the strength of our business model. Longer term, the crisis has accelerated the drive to digital across industries, customers and governments worldwide. We continue to monitor the impact on the Group and maintain our focus on controlling costs, in order to position the Company for long-term success.

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

COVID-19 IMPACT – THE FINANCIAL IMPACT OF COVID-19

The financial impact of COVID-19

The Group has experienced significant operational and financial impacts from the unprecedented effect of the COVID-19 crisis. All results in this Annual Report and Accounts include these COVID-19 impacts and no adjustments have been made to exclude these impacts, whether they be positive or negative.

Overall, we estimate that the COVID-19 crisis has had a net positive impact in the year of approximately £30 million of adjusted[1] profit before tax, primarily comprised of the key components highlighted below.

During 2020, the cost to the Group of furloughed employees' remuneration was approximately £19.5 million. Against this, the Group has received approximately £6.4 million in direct grants from European governments, excluding the UK. The Group also benefited from £3.9 million in indirect savings, such as reduced social charges, and a reduction of £2.1 million in furloughed employee remuneration. Against a normal year, this has had a net negative impact of approximately £7.1 million of adjusted[1] profit before tax. All of these grants and costs are included in our adjusted[1] results within administrative expenses.

The Company received £1.1 million from the UK Government, for the April 2020 claim for furloughed employee costs on the Job Retention Scheme. However, we repaid this during the second half of 2020, once the Board was assured of the Company's ongoing resilience in the face of the pandemic. We have committed to making no claims under the Job Retention Bonus scheme. As at 31 December 2020 a very small number of UK employees remain furloughed at enhanced rates and entirely at the Group's expense, and a minority of Belgian employees were on part-time working arrangements. All other employees across the Group have fully returned to work regardless of the availability of local government employment support schemes. Offsetting the cost of furloughed staff, we have had significant COVID-19 related cost savings, resulting from less travel and using fewer contractors, although some of this was due to lower Services activity, as a result of being unable to work on some customer sites. We estimate these savings to be approximately £45 million of adjusted[1] profit before tax. We have also seen benefits in utilisation, with previously on-site or mobile employees able to use time they would have spent travelling to solve issues remotely for our customers, increasing their billable hours. This has had a material impact on our Services margins. Whilst difficult to measure, we estimate that the loss of business from COVID-impacted customers materially outweighed incremental COVID-specific business in the year, with a net decrease in adjusted[1] profit before tax of £15 million.

Cash flow and adjusted net funds[3]

There have been certain COVID-19 related one-off benefits included in the 2020 full year cash flow and end of year cash positions. This includes extended free-of charge supplier credit with a major vendor of approximately £15 million as at 31 December 2020. Temporary tax payment timing benefits from various governments that were utilised during the year were fully repaid as at 31 December 2020.

Adjusted net funds[3] of £188.6 million as at 31 December 2020, including £309.8 million of cash and cash equivalents, give us a robust platform to manage the business in support of our customers through challenging market conditions.

[1,2,3] Refer to the glossary for definitions.

COVID-19 IMPACT – LOOKING AFTER OUR PEOPLE

Looking after our people

The safety and wellbeing of our staff remains our highest priority. As the COVID-19 crisis intensified, we followed all available government and scientific guidance and implemented remote working for all employees where possible, amounting to nearly 90 per cent of our workforce. We used leading technology solutions that we were implementing for our customers to ensure the continued integrity of our working environment, whilst ensuring that our people's health and safety was paramount in our decision-making, including setting up response teams to support their physical and mental wellbeing.

Throughout 2020, we provided extensive communication and support to all employees, including working from home assistance, mental health support and training and global employee assistance programmes. In addition, we ran seven separate 'spotlight surveys' across the Group, to gain insight into how supported employees were feeling and to check their engagement. The feedback suggested very high levels of satisfaction amongst participants. Remote working has been an unqualified success but we believe that, when the time is right, employees will return to our offices part-time.

Approximately 10 per cent of our staff remained working at customer locations, providing critical on-site support services, and also at our key Integration Centers, in line with applicable guidelines. This ensured that we could provide laptops and other essential technology to enable our customers, including key parts of government, to respond to COVID-19. We implemented enhanced cleaning and safety procedures for these key locations and expressly thank all those who provided this vital service for our customers. The challenge was immense and we were pleased to accomplish it with minimal disruption. Additionally, we have redeployed field engineers to support our Hatfield Integration Center, which have seen a surge in activity and moved, for a period, to 24/7 shift working to meet demand.

Protecting employment

At the start of the pandemic, the Group decided to participate in various national employee retention schemes. The schemes primarily supported our operations in the UK, Germany and France, with minor participation in smaller markets including Spain, Belgium, Switzerland and the Netherlands. We are clear that this allowed us to avoid otherwise necessary redundancies in late March and early April, in the face of an unfolding and unpredictable crisis. Approximately 1,300 employees across the Group were initially supported by wage-subsidy programmes, utilising various government initiatives and Company schemes, although this reduced to an average of circa 150 staff on any scheme over the second half of the year. We enhanced the government supported schemes, for which the rate was different in each country, as a result of works councils, employee forums and local legislation. At the same time Computacenter's CEO, Mike Norris, and FD, Tony Conophy, volunteered to forego their base salary for the second quarter, alongside the Founder Non-Executive Directors, Peter Ogden and Philip Hulme, who waived their Directors' fees for the remainder of the year.

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

COVID-19 IMPACT – SUPPORTING OUR CUSTOMERS (1)

Supporting our customers

The resilience of our Services and infrastructure was demonstrated during 2020 as never before. Within four weeks of the start of the pandemic we were able to move 95 per cent of our 12,600 service delivery team members to homeworking. We achieved this without any impact on customer service, despite an increase of 40 per cent in incident volumes. Our people showed enormous resilience and commitment in responding to customer challenges, often supporting critical government pandemic response initiatives and helping customers to Source, Transform and support new digital initiatives in weeks, rather than the months that may normally have been planned for such projects.

The deep relationships we have developed with customers enabled us to connect quickly with them and respond to their requests. Understanding how they operated and how we could best assist them made the difference, as we positioned ourselves as an extension of their own IT teams. During the early months, we quickly developed new Services to enable our customers to serve their businesses effectively, such as our 'Home Swap Service' and 'Virtual Tech Bar'. This demonstrated both our agility and our innovative approach to meeting the needs of customers during the pandemic.

We have also offered our customers a variety of bespoke support during the crisis, including the flexibility in enabling them to scale their services consumption up or down, as their own business demands shifted. This flexibility has enabled us to secure new business, build relationships for the future and encourage customers to commit to contract renewals.

The 'near-shore' location strategy for our internal service providers and Service Centers has proven successful, with regional workforces able to support customers in the correct time zone with the right capacity. Locating these Centers in areas with pervasive internet connectivity, both in our offices and at home, has meant little to no disruption to our Services. Further, our Service Centers' single worldwide telecommunications system and unified software toolsets have allowed seamless capacity flows between Service Centers, enabling us to rapidly adapt to short-term spikes in utilisation from our customer base.

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

COVID-19 IMPACT – SUPPORTING OUR CUSTOMERS (2)

Supporting our customers (continued)

In addition, our scale and breadth of service meant that we were a natural choice as an aggregator of technology, which positioned us as a strong contender for mass rollouts for large customers. Our ability to quickly scale up volumes through our vendor partnerships and our flexibility in creating solutions for mass rollout to multiple locations helped us to secure significant new business. Customer surveys conducted during the year, and feedback from business leaders across our portfolio, demonstrated that we have strengthened relationships and built credibility through our agility and speed to serve.

The Chief Information Officers (CIOs) of our customers have had an incredibly busy year, leading their organisations through the challenges presented by COVID-19 to transform quickly their IT architecture and ways of working. In partnership with these leaders, Computacenter has provided the solutions to these challenges. The performance in the year, with growing revenues, improving margins and a reduced cost base, reflects both the demand seen by the IT sector and the quality of our support for our customers.

As the crisis intensified, we became a critical partner for governments across Europe and the UK in particular. Computacenter responded at short notice to significant requests for tender from the UK Government on a range of projects. We proved that we were the only reseller with the scalable infrastructure in the country that could deliver large projects in a timely and low-cost manner, and have been added to the UK Government's list of 36 Strategic Suppliers across local and central government. We supported the UK Government in standing up the infrastructure for a variety of emergency NHS projects, including the NHS Nightingale hospital sites, as well as delivering over a million laptops to disadvantaged children for home schooling.

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

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 net finance income or expense, adjusted profit or loss before tax**, **adjusted tax**, **adjusted profit or loss**, **adjusted earnings per share** and **adjusted diluted earnings per share** are, as appropriate, each stated before: exceptional and other adjusting items including gains or losses on business acquisitions and disposals, 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.

A reconciliation to adjusted measures is provided on slide 7 of this presentation. which details the impact of exceptional and other adjusted items when compared to the non-Generally Accepted Accounting Practice financial measures in addition to those reported in accordance with IFRS.

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 Priorities 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-period local currency financial results using the current period average exchange rates and comparing these recalculated amounts to our current period 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-period measure is also presented in the reported pound sterling equivalent using the exchange rates prevailing at the time. Financial Highlights, as shown on slide 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

Adjusted net funds or adjusted net debt includes cash and cash equivalents, other short or other long-term borrowings and current asset investments. Following the adoption of IFRS 16 this measure excludes all lease liabilities. A table reconciling this measure, including the impact of lease liabilities, is provided on slide 62.

CHANGE IN SEGMENTAL REPORTING

During the first half of the year, Management reviewed the way it reported Segmental performance to the Board and the CEO, who is the Group's Chief Operating Decision Maker ('CODM'). Subsequently, from 1 January 2020 the Group has revised where the results of certain Managed Services contracts are reported within its operating Segments. The operating Segments remain unchanged in all other respects from those reported at 31 December 2019. The change in Segmental reporting has no impact on reported Group results.

Operational responsibility for a significant European customer was transferred from the German to the French business from 1 January 2020. The French Senior Management targets now include the results from this customer. We have therefore restated the results for the French and German Segments for the year ended 31 December 2019, to assist with understanding the growth in each business and to ensure year-on-year results are comparable.

Computacenter USA performs Managed Services work for other Computacenter entities, on behalf of several key European contracts. These revenues were originally recorded in the USA Segment, where the associated underlying subsidiary recognises the revenues in its statutory accounts. However, to be consistent with practices across the Group, Management has reallocated these revenues to the UK, German, French and International Segments which have responsibility for the customer contracts. This reflects better where the portfolio coordination and operational responsibility lies and, therefore, where the benefits should accrue on a Segmental basis. This treatment also means that for the Segmental analysis, Computacenter USA, within the USA Segment, is now treated similarly to the remainder of our offshore internal service provider entities that are grouped within the International Segment. We have, therefore, restated the Managed Services revenues for the year ended 31 December 2019 to assist with understanding the growth in each business and to ensure year-on-year comparisons reflect true underlying growth.

This has no impact on Segmental profitability, as the margins were previously shared on the same basis that the revenue now reflects. Further, with the acquisition of Pivot on 2 November 2020, which includes a material business in Canada, the USA Segment has been renamed as the North American Segment and is referred to as such throughout this Annual Report and Accounts.

This new Segmental reporting structure is the basis on which internal reports are provided to the CEO, as the CODM, for assessing performance and determining the allocation of resources within the Group, in accordance with IFRS 8.25. Segmental performance is measured based on external revenues, adjusted[1] gross profit, adjusted[1] operating profit and adjusted[1] profit before tax.

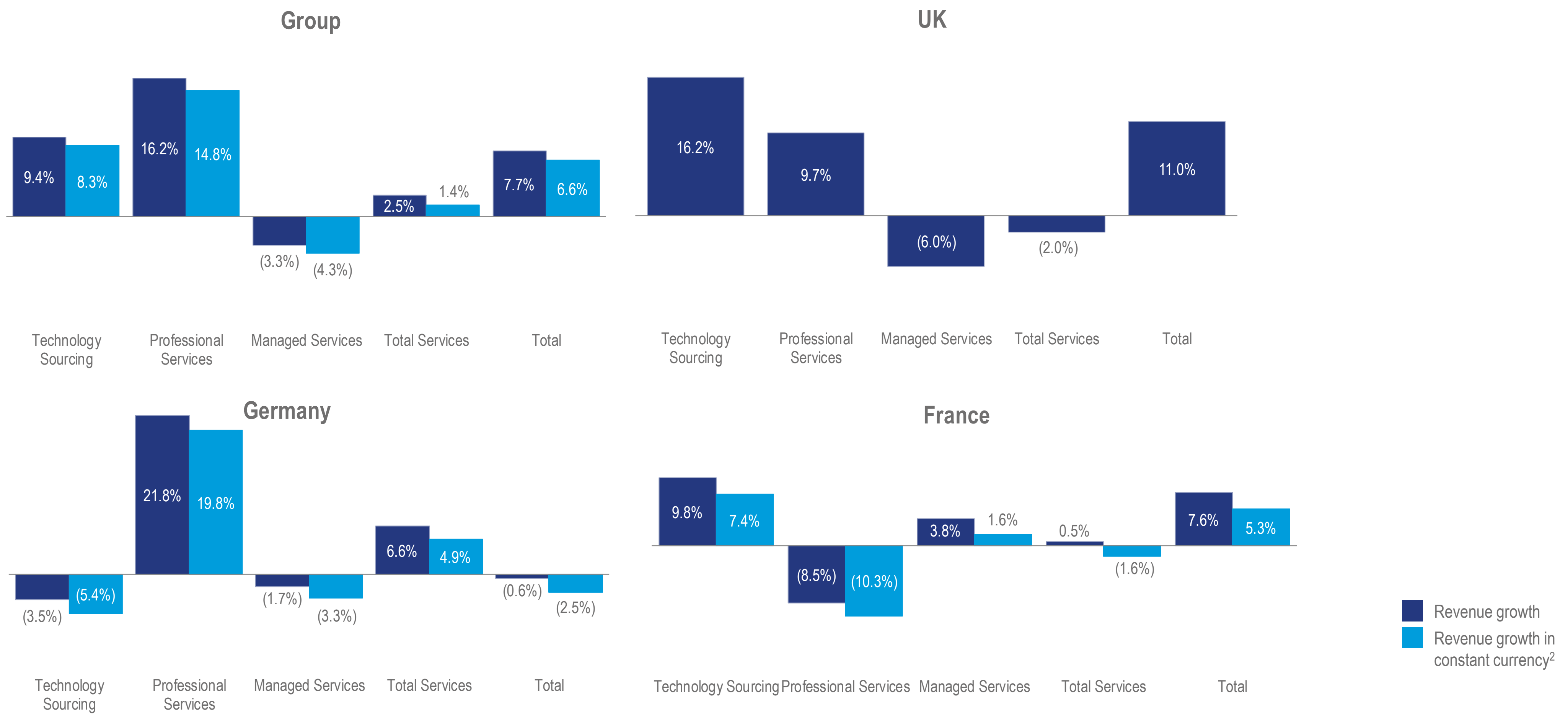
Central Corporate Costs continue to be disclosed as a separate column within the Segmental note.

All discussion within this presentation on Segmental results reflects this revised structure and the resultant prior-year and prior-period restatements.

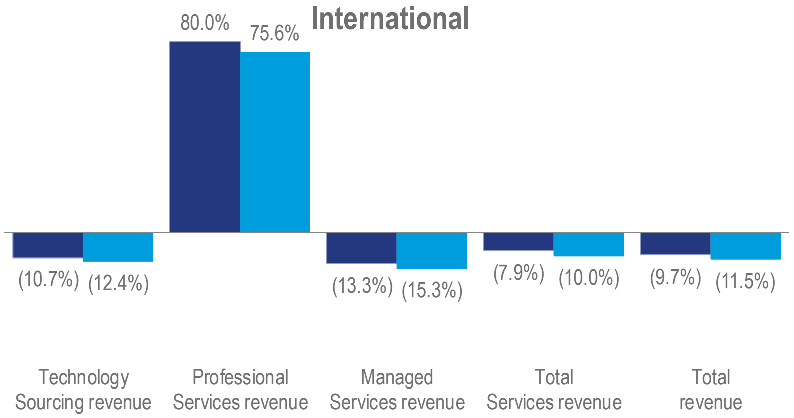
The change in Segment reporting has no impact on reported Group numbers.

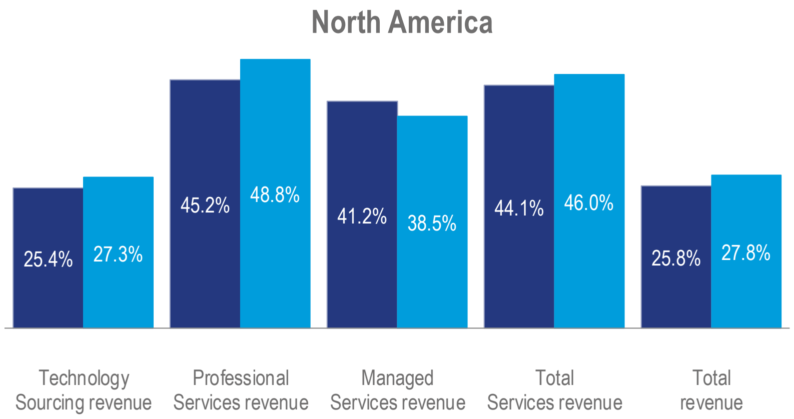
[1,2] Refer to the glossary for definitions.

SOURCES OF REVENUE: PERCENTAGE CHANGE BY REVENUE TYPE



SOURCES OF REVENUE: PERCENTAGE CHANGE BY REVENUE TYPE





Revenue growth
Revenue growth in constant currency[2]

UK ADJUSTED[1] INCOME STATEMENT

	2020 £m	2019 £m	Change %
Revenue	1,773.4	1,597.0	11.0%
Adjusted[1] gross profit	249.2	221.2	12.7%
	14.1%	13.9%	0.2%
Administrative expenses	(158.8)	(156.7)	1.3%
	(9.0%)	(9.8%)	0.8%
Adjusted[1] operating profit	90.4	64.5	40.2%
	5.1%	4.0%	1.1%

[1] Refer to the glossary for definitions.

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

* EBIT refers to adjusted[1] operating profit

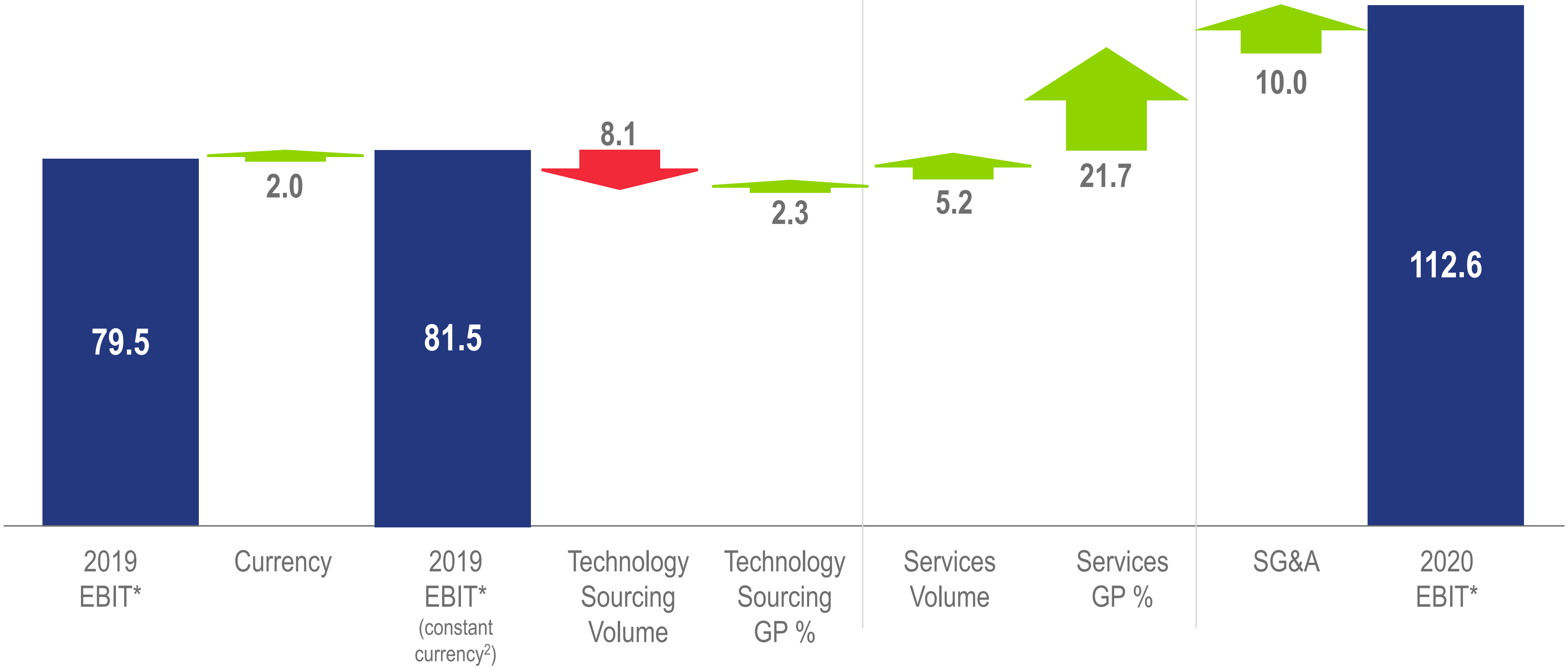
GERMANY ADJUSTED[1] INCOME STATEMENT

	2020 £m	2019 £m	Change	2020 €m	2019 €m	Constant currency[2]
Revenue	1,876.3	1,887.2	(0.6%)	2,108.2	2,161.9	(2.5%)
Adjusted[1] gross profit	279.9	253.2	10.5%	313.8	290.1	8.2%
	14.9%	13.4%	1.5%	14.9%	13.4%	1.5%
Administrative expenses	(167.3)	(173.7)	(3.7%)	(188.1)	(199.1)	(5.5%)
	(8.9%)	(9.2%)	0.3%	(8.9%)	(9.2%)	0.3%
Adjusted[1] operating profit	112.6	79.5	41.6%	125.7	91.0	38.1%
	6.0%	4.2%	1.8%	6.0%	4.2%	1.8%

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

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

CONSTANT CURRENCY[2]



* EBIT refers to adjusted[1] operating profit

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

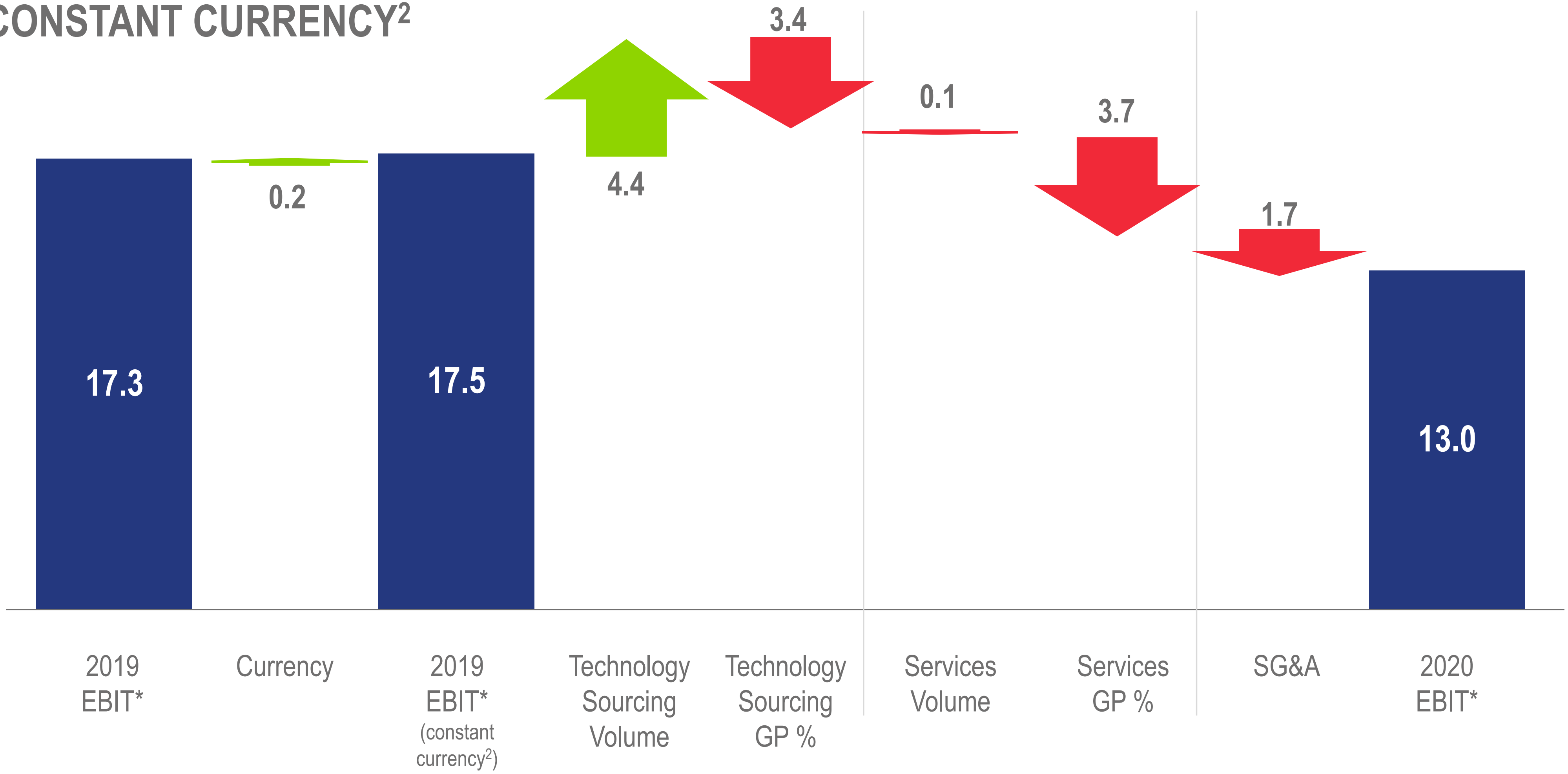
FRANCE ADJUSTED[1] INCOME STATEMENT

	2020 £m	2019 £m	Change	2020 €m	2019 €m	Constant currency[2]
Revenue	672.8	625.0	7.6%	753.9	715.8	5.3%
Adjusted[1] gross profit	74.4	75.7	(1.7%)	83.3	86.7	(3.9%)
	11.1%	12.1%	(1.0%)	11.0%	12.1%	(1.1%)
Administrative expenses	(61.4)	(58.4)	5.1%	(68.9)	(66.9)	3.0%
	(9.1%)	(9.3%)	0.2%	(9.1%)	(9.3%)	0.2%
Adjusted[1] operating profit	13.0	17.3	(24.9%)	14.4	19.8	(27.3%)
	1.9%	2.8%	(0.9%)	1.9%	2.8%	(0.9%)

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

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

CONSTANT CURRENCY[2]



* EBIT refers to adjusted[1] operating profit

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

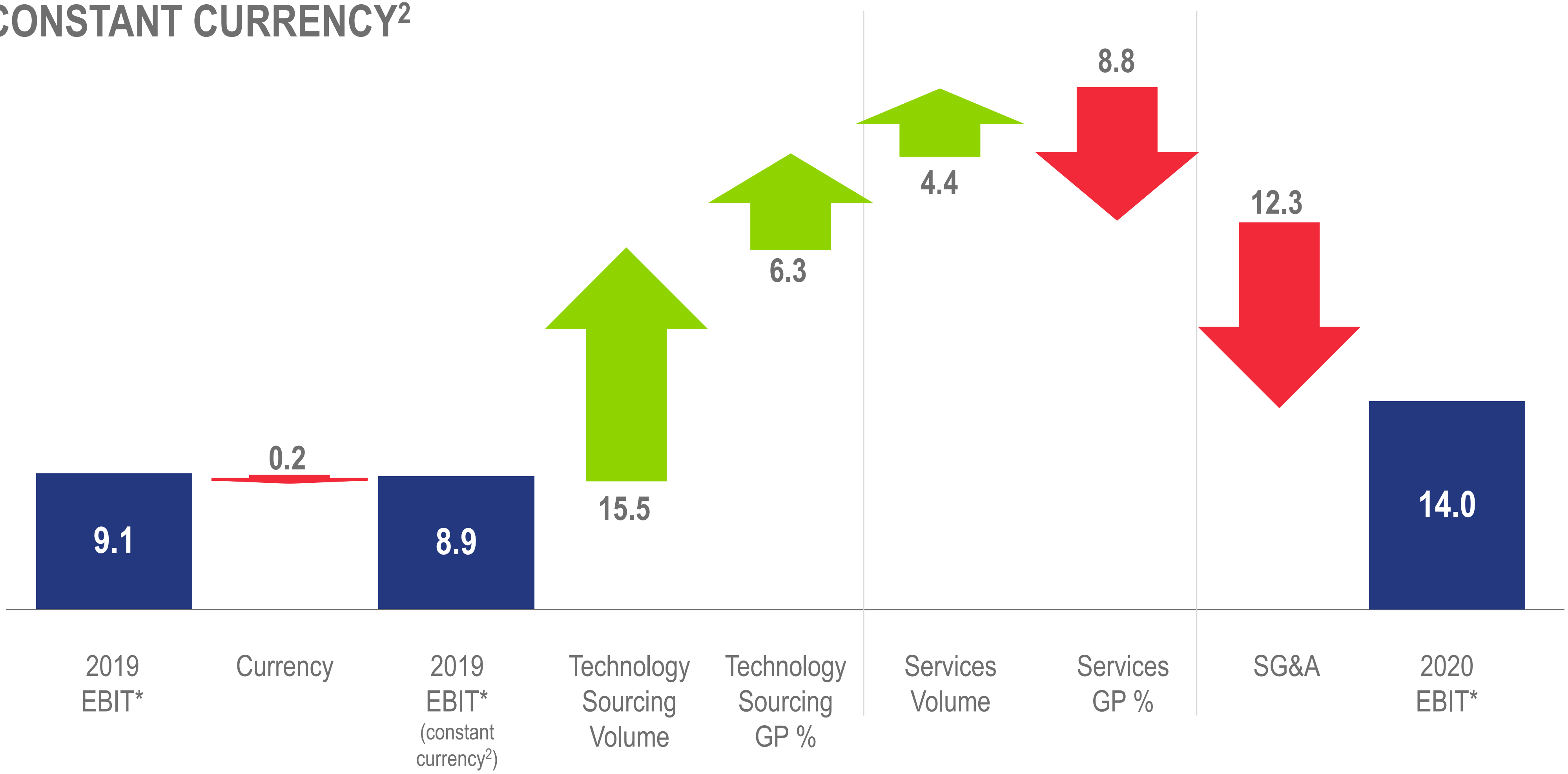
NORTH AMERICA ADJUSTED[1] INCOME STATEMENT

	2020 £m	2019 £m	Change	2020 $m	2019 $m	Constant currency[2]
Revenue	944.5	750.6	25.8%	1,223.8	957.8	27.8%
Adjusted[1] gross profit	86.3	69.5	24.2%	112.2	88.6	26.6%
	9.1%	9.3%	(0.2%)	9.2%	9.3%	(0.1%)
Administrative expenses	(72.3)	(60.4)	19.7%	(93.8)	(77.0)	21.8%
	(10.7%)	(9.7%)	(1.0%)	(12.4%)	(10.8%)	(1.6%)
Adjusted[1] operating profit	14.0	9.1	53.8%	18.4	11.6	58.6%
	1.5%	1.2%	0.3%	1.5%	1.2%	0.3%

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

NORTH AMERICA ADJUSTED[1] OPERATING PROFIT WALK (£M)

CONSTANT CURRENCY[2]



* EBIT refers to adjusted[1] operating profit

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

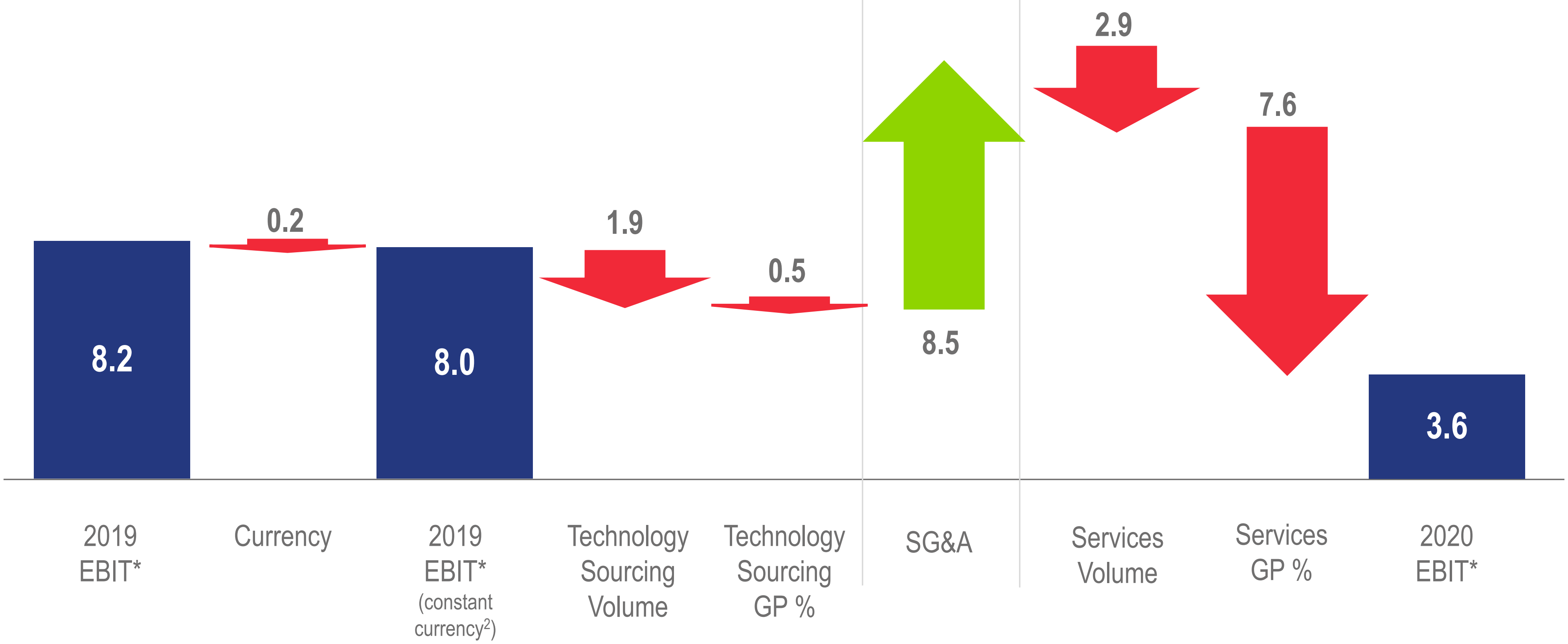
INTERNATIONAL ADJUSTED[1] INCOME STATEMENT

	2020 £m	2019 £m	Change
Revenue	174.3	193.0	(9.7%)
Adjusted[1] gross profit	30.7	43.5	(29.4%)
	17.6%	22.5%	(4.9%)
Administrative expenses	(27.1)	(35.3)	(23.2%)
	(4.0%)	(5.6%)	1.6%
Adjusted[1] operating profit	3.6	8.2	(56.1%)
	2.1%	4.2%	(2.1%)

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

INTERNATIONAL ADJUSTED[1] OPERATING PROFIT WALK (£M)

CONSTANT CURRENCY[2]



* EBIT refers to adjusted[1] operating profit

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

NET FUNDS

Adjusted net funds[3]	Dec 20 £m	Dec 19 £m	Change £m
Cash and Cash Equivalents	**309.8**	**217.9**	**92.0**
Bank loans - K2	(20.9)	(24.8)	3.9
Bank loans - FusionStorm	(41.6)	(56.0)	14.4
Credit facility - Pivot	(58.4)	-	(58.4)
Other loans and overdrafts	(0.3)	-	(0.3)
Adjusted net funds[3]	**188.6**	**137.1**	**51.5**
Lease liabilities	(137.5)	(116.8)	(20.7)
Net funds[3]	**51.2**	**20.3**	**30.8**

- One of the Group's primary measures when managing the business is adjusted net funds[3].
- Adjusted net funds[3] have increased £51.5 million since 31 December 2019.
- Operating cashflow inflow for 2020 of £236.8 million (2019: inflow of £198.3 million).
- Bank loans at the year end relate to specific arrangements for the acquisition of FusionStorm and the build and fit out of our German headquarters and Integration Center in Kerpen.
- Pivot credit facility, taken on as part of the acquisition, was £58.4 million as at 31 December 2020.
- IFRS 16 lease liabilities have increased to £137.5 million (2019: £116.8 million).

[3] Refer to the glossary for definitions.

GROUP CASH FLOW

- Operating net cash inflow of £236.8 million (2019: inflow of £198.3 million).
- Working capital outflow, excluding provisions, of £28.3 million during the year (2019: inflow of £0.5 million).

	2020 £m	2019 £m
Profit before tax	**206.6**	**141.0**
Net finance cost/(income)	5.9	6.1
Depreciation and amortisation	38.7	33.0
Depreciation of right of use assets	45.2	40.3
Share-based payments	8.0	6.8
Loss on disposal of non-current assets	0.5	0.5
Working capital and other movements	(28.3)	0.5
Exceptional gain on acquisition of a subsidiary	(14.0)	-
Net cash flow from provisions	1.9	10.7
Other adjustments	0.1	(6.1)
Cash generated from operations	**264.4**	**232.5**
Income taxes paid	(27.6)	(34.2)
Net cash flow from operating activities	**236.8**	**198.3**
Interest received	0.5	1.0
Acquisition of subsidiaries, net of cash acquired	(30.1)	6.1
Capital expenditure and other investments	(27.5)	(38.9)
Proceeds from disposal of assets	1.7	1.0
Net cash flow from investing activities	**(55.5)**	**(30.8)**
Interest paid	(1.9)	(3.3)
Interest expense on lease liabilities	(4.5)	(3.7)
Dividends paid to equity shareholders of the parent	(13.9)	(35.8)
Proceeds from share issues and asset reunification	5.7	5.9
Purchase of own shares	(19.0)	(15.9)
Payment of lease liabilities	(43.2)	(38.6)
Net borrowings	(19.7)	(51.8)
Net cash flow from financing activities	**(96.6)**	**(143.1)**
Increase/(decrease) in cash and cash equivalents	**84.8**	**24.4**
Effect of exchange rates on cash and cash equivalents	7.2	(6.9)
Cash and cash equivalents at the beginning of the year	217.9	200.4
Cash and cash equivalents at the end of the period	**309.8**	**217.9**

GROUP BALANCE SHEET

	2020 £m	2019 £m	Change £m
Non-current assets			
Property, plant and equipment	107.0	101.4	5.5
Right-of-use assets	129.6	110.9	18.7
Goodwill and intangibles	274.7	175.7	99.1
Investment in associates	0.1	0.1	0.0
Deferred income tax assets	10.1	9.2	0.9
Prepayments	23.6	3.5	20.1
	545.1	**400.8**	**144.3**
Current assets			
Inventories	211.3	122.2	89.1
Trade and other receivables	1,105.9	991.2	114.6
Prepayments and accrued income	228.2	179.3	48.9
Forward currency contracts	1.6	3.2	(1.6)
Cash and short-term deposits	309.8	217.9	92.0
	1,856.8	**1,513.8**	**343.0**
Current liabilities			
Trade and other payables	1,116.7	975.9	140.8
Deferred income	273.9	174.3	99.7
Financial liabilities	105.5	20.0	85.4
Lease liabilities	41.7	36.6	5.1
Forward currency contracts	5.1	1.7	3.4
Income tax payable	39.2	39.3	(0.1)
Other liabilities & provisions	4.1	7.7	(3.6)
	1,586.2	**1,255.5**	**330.7**
Non-current liabilities			
Financial liabilities	15.7	60.7	(45.0)
Lease liabilities	95.8	80.2	15.6
Deferred income	18.6	-	18.6
Provisions	35.7	14.0	21.7
Deferred income tax liabilities	18.9	11.7	7.2
	184.7	**166.6**	**18.1**
Net assets	**630.9**	**492.5**	**138.4**

Balance sheet rate

2020: £1 = €1.111, $1.365

2019: £1 = €1.170, $1.311

2020 FULL-YEAR RESULTS

Full-year results to 31 December 2020 (16 March 2021)

Computacenter