



Q1 2016 Trading Update

April 21, 2016
RNS Number : 8503V
Computacenter PLC
21 April 2016

Computacenter plc

Q1 2016 Trading Update 21 April 2016

Computacenter plc ("**Computacenter**" or the "**Group**"), the provider of IT infrastructure services that enables users, today publishes a trading update for the first quarter to 31 March 2016. Figures below are based on unaudited financial information for that period.

The revenue results in the text below exclude the impact of our subsidiary R.D. Trading Limited ("**RDC**") in 2016 and 2015, following the Group's disposal of RDC on 2 February 2015. For comparison purposes, results including RDC are shown within the table included in the Appendix to this trading update.

Financial Performance

Revenue for the first quarter, on an as reported basis, increased by 2% to £730.2 million (2015: £715.8 million). In constant currency, this was flat on the prior year, with Group Services revenue down by 1% and Group Supply Chain revenue growing by 1%.

UK

Overall revenue in the UK was down 4% in the first quarter to £348.5 million (2015: £361.3 million). Supply Chain revenue reduced by 2% and Services revenue reduced by 5%. The Services revenue decline was broadly in-line with our expectations and is due to two factors. Firstly, the end of a large contract at the end of Q1 last year, which has been highlighted previously, and secondly, the large volume of new business take-on activity in the first half of 2015. We expect our comparative performance against 2015 to improve as we go through 2016.

Germany

Total revenue in our German business increased by 7% in constant currency to £281.2 million (2015: £261.8 million), with Services revenue growing by 7% and Supply Chain revenue growing by 8%. As indicated previously we are expecting growth in our Services business in Germany due to major contract wins in 2015 starting up in the first half of 2016. We are also enthusiastic about potential further wins in 2016 which would contribute to growth in the future.

France

Revenue in France declined by 6% in constant currency to £88.7 million (2015: £94.2 million), with Supply Chain revenue declining by 5% and Services revenue declining by 9%. Our French business has continued the improved pre-tax profit performance seen last year and while much work remains to be done, significant progress is being achieved.

Financial Position

At the end of Q1 2016, Group net funds were £102.5 million compared to £26.0 million at the end of Q1 2015. The £97.9 million return of value to shareholders was carried out prior to the end of Q1 2015, therefore these figures are directly comparable. This represents a cash out-flow of £18.3 million since the 2015 year end (Q1 2015: Cash out-flow of £50 million) which is lower than expected, partly due to foreign exchange revaluation benefit for net funds denominated in € Euro, and partly due to strong performance of our debtor collections which were aided by the quarter end timing.

Group Outlook

As we highlighted in our 2015 final results we expect 2016 to be a year of progress and we also expect to end the year with record levels of net funds.

Our momentum in Germany and pleasing performance compared to the past in France, looks set to continue. While the UK will have a more challenging year particularly in the first half as previously indicated, the new business pipeline is beginning to build.

Our next scheduled trading update will be the announcement of the Group's Interim Results on 26 August 2016.

Enquiries

Computacenter plc

Mike Norris, Chief Executive	01707 631601
Tony Conophy, Finance Director	01707 631515

Tulchan Communications

James Macey White

Matt Low

020 7353 4200

APPENDIX

Change vs 2015	Q1 Change As Reported * (incl RDC)	Q1 Change Constant Currency ** (incl RDC)	Q1 Change As Reported * (excl RDC)	Q1 Change Constant Currency ** (excl RDC)
<i>Supply Chain Revenue</i>				
UK	(4%)	(4%)	(2%)	(2%)
Germany	12%	8%	12%	8%
France	(2%)	(5%)	(2%)	(5%)
Group	2%	(0%)	3%	1%
<i>Services Revenue</i>				
UK	(6%)	(6%)	(5%)	(5%)
Germany	11%	7%	11%	7%
France	(6%)	(9%)	(6%)	(9%)
Group	1%	(1%)	1%	(1%)
<i>Total Revenue</i>				
UK	(4%)	(4%)	(4%)	(4%)
Germany	11%	7%	11%	7%
France	(2%)	(6%)	(2%)	(6%)
Group	2%	(0%)	2%	0%

* Change vs Q1 revenues reported at 2015
exchange rates

** Change vs Q1 revenues reported at 2016 exchange
rates

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

END

TSTDBLFLQZFEBBZ