2021 FULL-YEAR RESULTS

Full-year results to 31 December 2021 (16 March 2022)

40 YEARS

Computacenter

1981-2021

2021 FINANCIAL HIGHLIGHTS

Group revenue	Group adjusted[1] profit before tax	Adjusted[1] diluted EPS	Cash and cash equivalents	Proposed final dividend
£6.7bn	**£255.6m**	**165.6p**	**£273.2m**	**49.4p**

- Group revenue increased **23.6 per cent** to **£6.7 billion** (2020: £5.4 billion) and by **26.9 per cent** in constant currency[2]
- Group adjusted[1] profit before tax increased by **27.5 per cent** to **£255.6 million** (2020: £200.5 million) and by **31.5 per cent** in constant currency[2]
- Adjusted[1] diluted earnings per share (EPS) of **165.6 pence** (2020: 126.4 pence), an increase of **31.0 per cent**
- Proposed final dividend of **49.4 pence** (2020: 38.4 pence) for a total dividend of 66.3 pence (2020: 50.7 pence), an increase of 30.8 per cent
- Cash and cash equivalents of **£273.2 million** (2020: £309.8 million)
- Adjusted net funds[3] of **£241.4 million** (2020: £188.6 million) including the loan for the German headquarters building and the Pivot credit facility
- Net funds of **£95.3 million** (2020: net funds of £51.1 million) including £146.1 million of lease liabilities recognised as debt under IFRS 16 (2020: £137.5 million)

2021 FINANCIAL HIGHLIGHTS

	2017	2018	2019	2020	2021	2021 vs 2020
Revenue (£m)	3,793.4	4,352.6	5,052.8	5,441.3	**6,725.8**	23.6%
Adjusted[1] profit before tax (£m)	106.2	118.2	146.3	200.5	**255.6**	27.5%
Adjusted[1] diluted EPS (pence)	65.1	75.7	92.5	126.4	**165.6**	31.0%
Dividend per share (pence)	26.1	30.3	10.1	50.7	**66.3**	30.8%
Services Contract Base[2] (£m)	748.4	771.7	779.7	797.6	**820.7**	2.9%
Operating cash flow (£m)	106.1	115.2	198.3	236.9	**224.3**	(5.3%)

Four-Year Compound Annual Growth Rate

Adjusted[1] profit before tax
24.6%

Adjusted[1] diluted EPS
26.3%

Dividend per share
26.2%

Services Contract Base[2]
2.3%

Note
The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities. The results of these acquisitions are excluded where narrative discussion or information refers to 'organic' growth in this presentation.

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

2021 OPERATING HIGHLIGHTS

Short Term Success	The results for 2021 exceeded even our own challenging internal targets, as the Company delivered its 17th year of uninterrupted adjusted[1] diluted earnings per share growth. This continues to demonstrate the resilience of our business model and reinforces our position as having the largest Services business of any value-added reseller in the world and the largest value-added reseller capability of any Services business in the world.
Long Term Success	**Our strong financial and operational performance in 2021 has been facilitated by the consistent implementation of our strategy. It has also been underpinned by our focus on the long-term consequences of our decision-making across the organisation, and the actions we have taken to understand the needs, views and interests of our stakeholders.** Following 16 years of adjusted[1] diluted earnings per share growth, we increased our adjusted[1] profit before tax by over 30 per cent in constant currency[2] during 2021, and have more than doubled it over the last three years. Our adjusted[1] profit before tax result for both the first and second halves of the year are individually greater than any full-year profit we achieved prior to 2019.
Strategic Priorities	We have achieved improvement across each of the four key metrics that the Board uses to measure performance against our strategic priorities.
Sustainable	We have seen progress in the delivery of our sustainability strategy, winning together for our people and our planet. Our Scope 1 and 2 carbon emissions have fallen by 62 per cent in 2021, from 13,856 metric tonnes of CO_2e in 2020 to 5,210 metric tonnes, we were certified as a Top Employer across a number of our major operating geographies, and we were recognised at the CRN Women in Channel Awards 2021 for our community outreach programme.
Purpose	We continue to work diligently to enable the consistent delivery of value for our stakeholders, and make decisions to ensure the long-term sustainable success of our organisation and the achievement of our Purpose.

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

2021 OPERATING HIGHLIGHTS

UK	The UK saw an increase in revenues of 9.9 per cent balanced between Technology Sourcing and Services. Enterprise orders more than offset the decline in workplace as the short-term demand from Covid-19 dissipated. Professional Services revenues saw very strong growth as customers looked to their longer-term IT transformation programmes. Strong Services margins, due to increased utilisation and reduced external contractor costs and stable Technology Sourcing margins have resulted in an increase in adjusted[1] operating profit of 14.0 per cent during the year.
Germany	Germany saw overall revenues increase by 11.6 per cent on a constant currency[2] basis with growth in Managed Services supporting a very strong performance in both Technology Sourcing and Professional Services. The increase in Professional Services volumes, at higher margins, coupled with overall Services margin improvements and secure Technology Sourcing margins have resulted in an increase of 27.8 per cent in adjusted[1] operating profit on a constant currency[2] basis.
France	France had a slightly disappointing year, being impacted by the slower than anticipated return of volumes from its large industrial private sector customer base, lower than expected orders from its largest Technology Sourcing customer and the expected downturn in its Services business due to the cessation of the Group's largest Managed Services contract which impacted from the second half of 2020. This has resulted in a 6.6 per cent decrease in organic revenues on a constant currency[2] basis, decreasing gross profits and a 70.8 per cent reduction in overall adjusted[1] operating profit to €4.2 million including the results of the Computacenter NS acquisition.
North America	North America has seen strong organic revenue growth of 27.9 per cent increasing to 114.3 per cent including the Pivot acquisition, both on a constant currency[2] basis. The combined growth has meant that the North American business now has the largest Technology Sourcing revenues of any Segment within the Group with $2.5 billion of Technology Sourcing sales, up from virtually nil in the first half of 2018. The hyperscale FusionStorm customers saw a good return to growth in the year. Services revenue saw 27.5 per cent organic growth, including the first major North American Managed Services customer won by the local team, with the Pivot acquisition contributing a further $104.5 million of Services revenue in the year. Adjusted[1] operating profit, including the impact of Pivot, has increased by 131.5 per cent to $42.6 million.

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

FINANCIAL REVIEW

Tony Conophy
16 March 2022

2021 GROUP ADJUSTED[1] FINANCIAL RESULTS

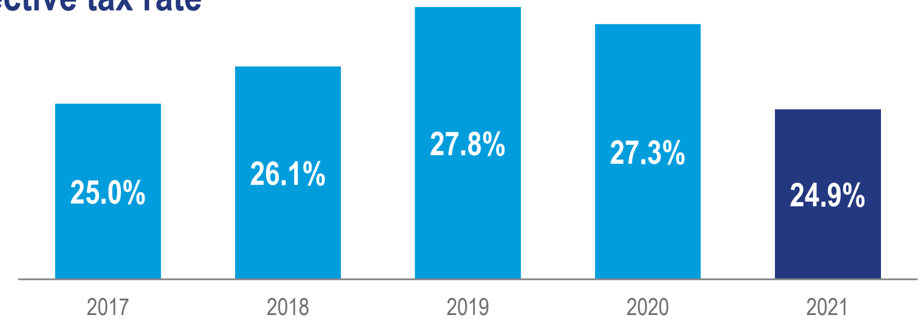
	2021 £m	2020 £m	Change	Constant currency[2]
Technology Sourcing revenue	5,274.9	4,180.1	26.2%	29.7%
Professional Services revenue	552.4	425.4	29.9%	33.1%
Managed Services revenue	898.5	835.8	7.5%	10.1%
Services revenue	1,450.9	1,261.2	15.0%	17.8%
Revenue	**6,725.8**	**5,441.3**	**23.6%**	**26.9%**
Gross profit	**867.8**	**720.5**	**20.4%**	**23.5%**
Gross profit %	12.9%	13.2%	(0.3%)	(0.4%)
Adjusted[1] admin expenses	(605.0)	(514.1)	(17.7%)	(20.5%)
Adjusted[1] operating profit	**262.8**	**206.4**	**27.3%**	**31.3%**
Adjusted[1] operating profit %	3.9%	3.8%	0.1%	0.1%
Net finance expense	(7.2)	(5.9)	(22.0%)	(24.1%)
Adjusted[1] profit before tax	**255.6**	**200.5**	**27.5%**	**31.5%**
Adjusted[1] tax expense	(63.6)	(54.8)	(16.1%)	(20.2%)
Adjusted[1] tax rate	24.9%	27.3%	(2.4%)	(2.3%)
Adjusted[1] profit after tax	**192.0**	**145.7**	**31.8%**	**35.7%**
Diluted earnings per share				
– Adjusted[1] EPS (pence)	165.6	126.4	31.0%	
– EPS (pence)	160.9	133.8	20.3%	

Performance headlines

- Revenue up 23.6 per cent and by 26.9 per cent in constant currency[2]
- Adjusted[1] operating profit up 27.3 per cent and by 31.3 per cent in constant currency[2]

Adjusted[1] effective tax rate

The adjusted[1] effective tax rate benefited from a number of one off items in 2021. See slide 15 for details.



Exchange rate impact on currency conversion

The Group reports its results in pounds sterling. The impact of restating 2020 at 2021 exchange rates would be a decrease of approximately £143 million in 2020 revenue and a decrease of approximately £6 million in 2020 adjusted[1] profit before tax.

Average daily rate

2021: £1 = €1.162, $1.376 (2020: £1 = €1.124, $1.283)

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

2021 REVENUE AND ADJUSTED[1] OPERATING PROFIT BY SEGMENT

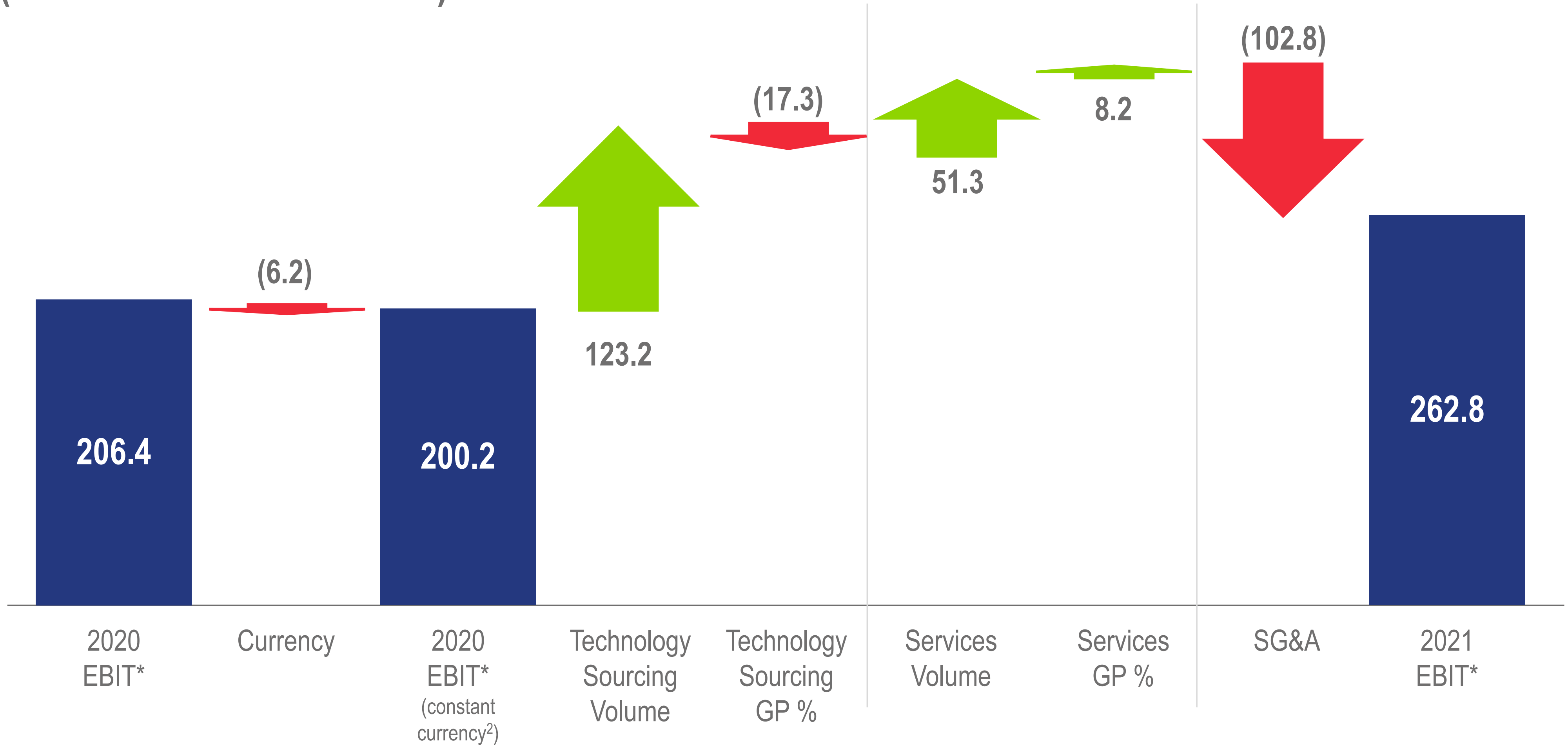
	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Revenue						
UK	1,948.6	1,773.4	9.9%	1,948.6	1,773.4	9.9%
Germany	2,021.2	1,876.3	7.7%	2,352.5	2,108.2	11.6%
France	653.4	672.8	(2.9%)	760.0	753.9	0.8%
North America	1,911.6	944.5	102.4%	2,623.1	1,223.8	114.3%
International	191.0	174.3	9.6%	191.0	168.1	13.6%
Total Group	**6,725.8**	**5,441.3**	**23.6%**	**6,725.8**	**5,298.4**	**26.9%**
Adjusted[1] operating profit						
UK	102.9	90.3	14.0%	102.9	90.3	14.0%
Germany	137.8	112.6	22.4%	160.7	125.7	27.8%
France	3.5	13.0	(73.1%)	4.2	14.4	(70.8%)
North America	31.0	14.0	121.4%	42.6	18.4	131.5%
International	11.3	3.6	213.9%	11.3	3.3	242.4%
Central corporate costs	(23.7)	(27.1)	(12.5%)	(23.7)	(27.1)	(12.5%)
Total Group	**262.8**	**206.4**	**27.3%**	**262.8**	**200.2**	**31.3%**

Note
- European and North America Segments in constant currency[2] are shown in €m or $m.
- The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities.

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

2021 GROUP ADJUSTED[1] OPERATING PROFIT WALK (£M)

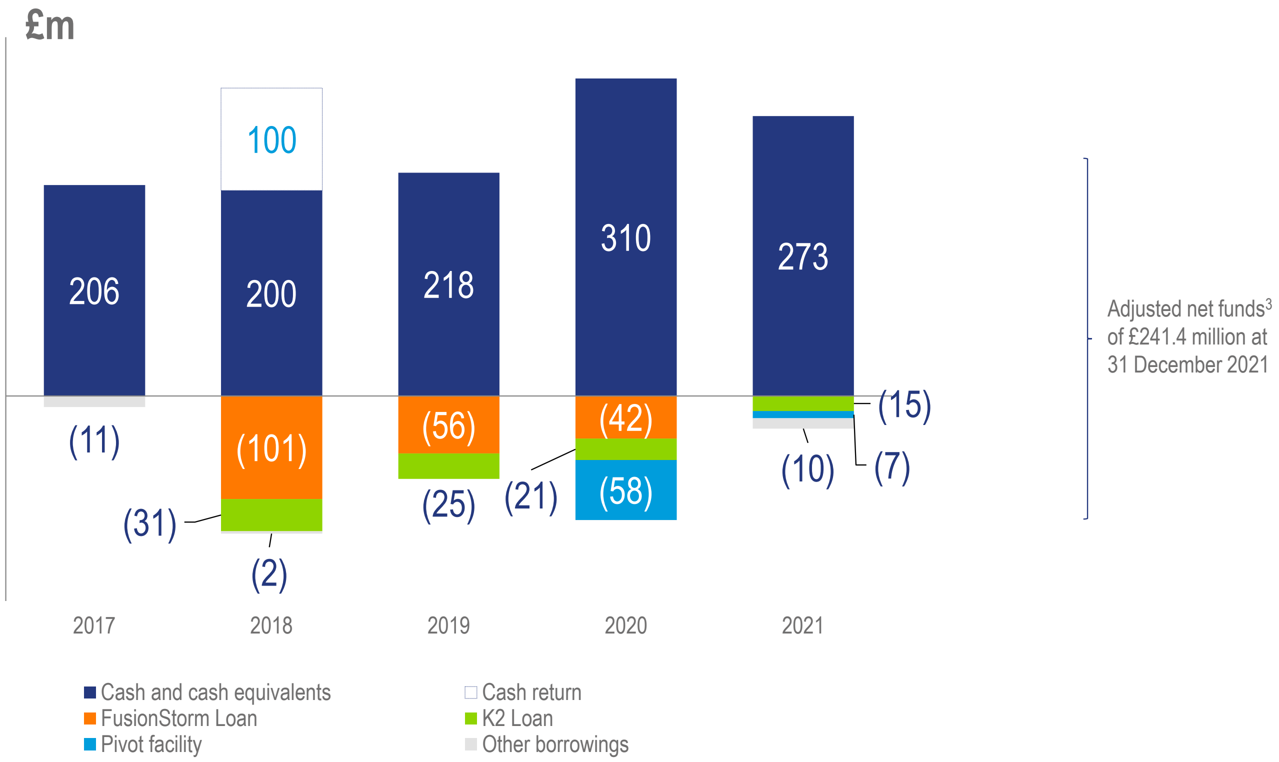
(CONSTANT CURRENCY[2])



1,2 Refer to the glossary for definitions.

* EBIT refers to adjusted[1] operating profit

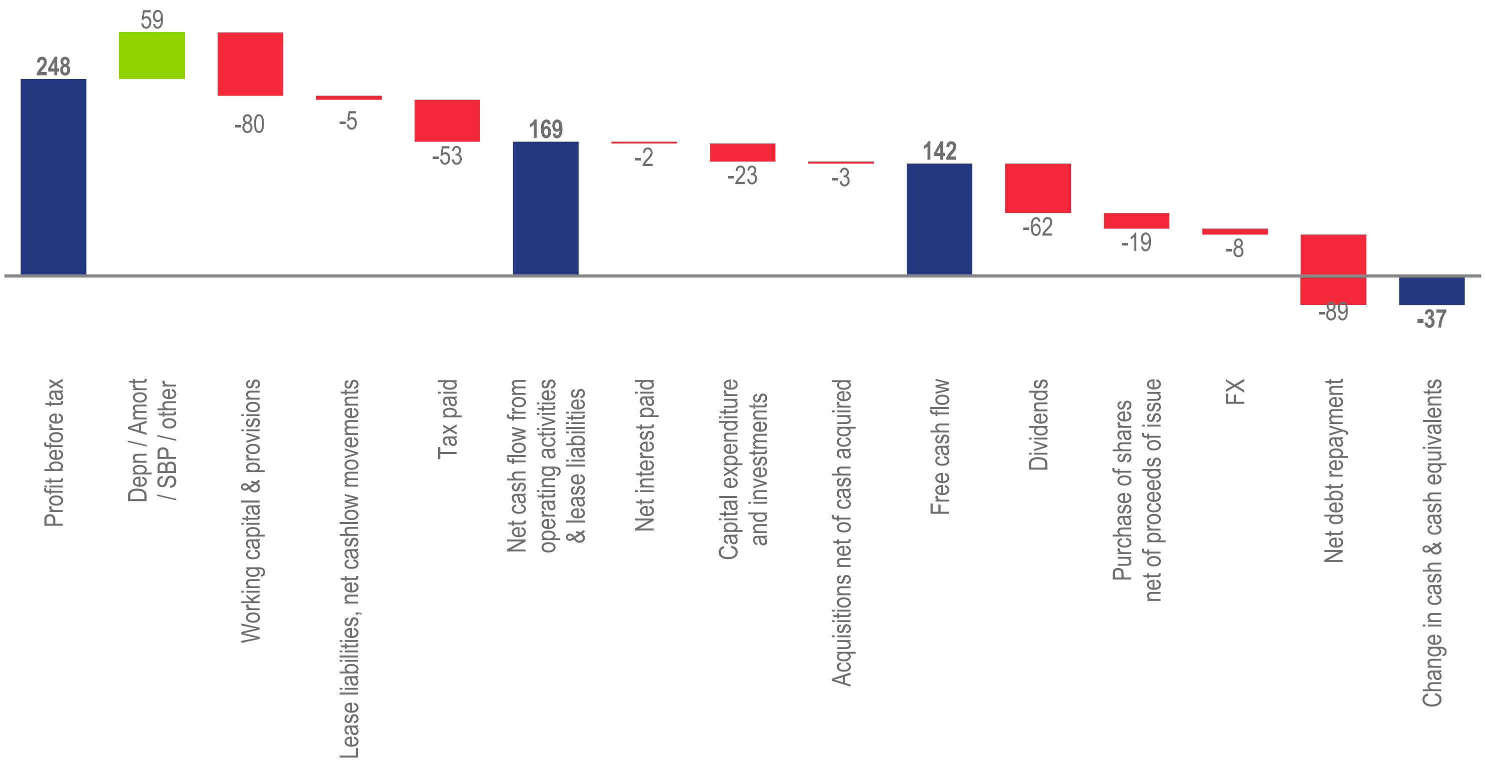
2021 CLOSING ADJUSTED NET FUNDS/ (DEBT)[3]



- Cash and cash equivalents have decreased by £36.6 million since 31 December 2020 to £273.2 million at 31 December 2021.
- Adjusted net funds[3] have increased by £52.8 million since 31 December 2020 to £241.4 million at 31 December 2021.
- FusionStorm facility repaid in full during the year (31 December 2020: £41.6 million).
- Other borrowings include utilisation of Pivot credit facility of £7.0 million (31 December 2020: £58.4 million) and a Pivot customer specific financing arrangement of £9.4 million.
- Committed facility of £60 million remains unutilised.
- IFRS 16 related lease liabilities are £146.1 million at 31 December 2021 (31 December 2020: £137.5 million) and are excluded from our adjusted net funds[3] measure.

[3]: Refer to the glossary for definitions.

2021 CASH FLOW SINCE DECEMBER 2020 (£M)

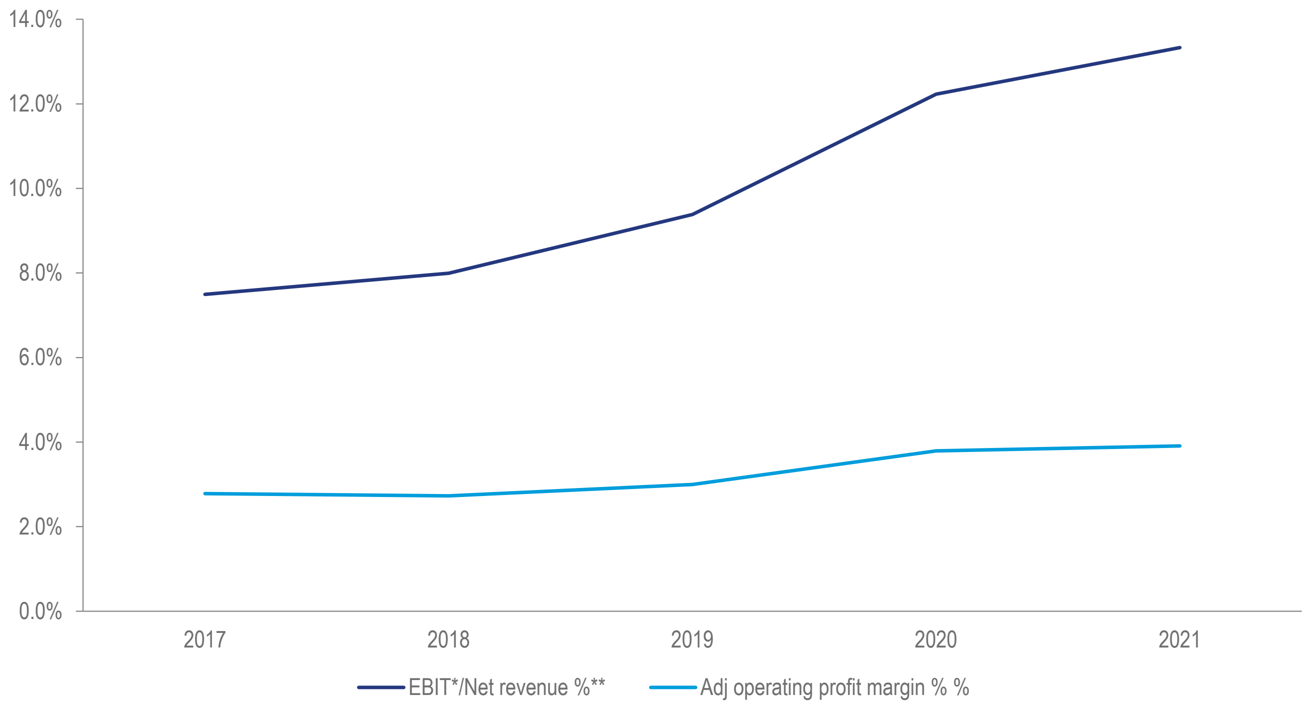


- Free cash inflow of circa £142 million (2020: £132 million inflow) including lease liabilities (see below).
- During the year, net operating cash outflows from working capital, including movement in provisions were £80.0 million (2020: £26.4 million).
- The Group repaid £99.7 million of loans and credit facilities during the year (2020: £20.0 million) as we retired the facility associated with the FusionStorm acquisition, made regular repayments towards the loan related to the construction of the German headquarters in Kerpen and significantly reduced the amount drawn under the Pivot credit facility. This was offset by new customer specific financing within Pivot of £10.7 million.
- Net IFRS 16 outflow of £4.8 million includes the depreciation of right-of-use assets for £50.6 million, the interest expense on lease liabilities of £5.2 million and the payment of lease liabilities for £50.2 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.

2021 NET REVENUE STRONG

(AS ADJUSTED)

Adjusted[1] operating profit margin - Gross v Net



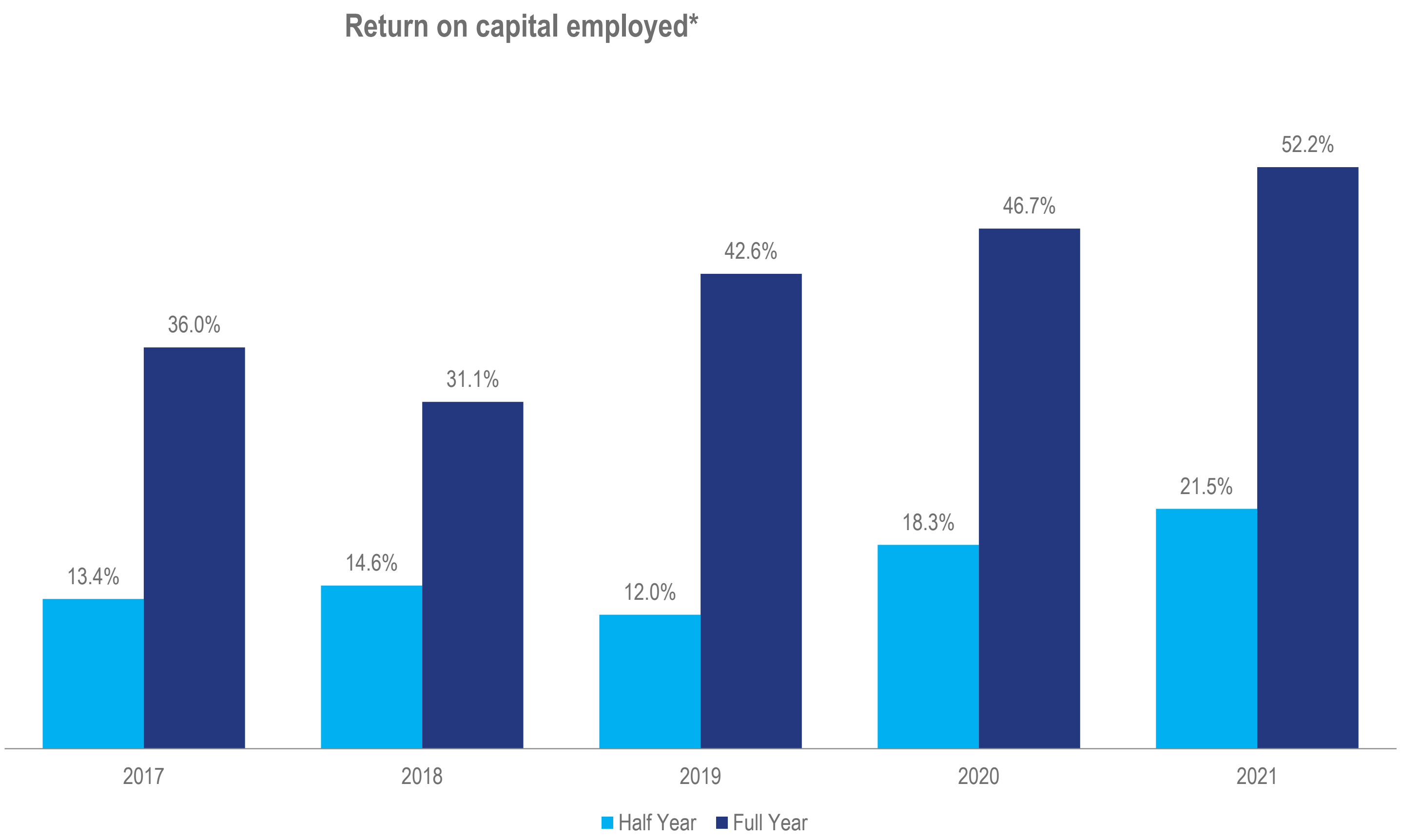
*EBIT refers to adjusted[1] operating profit

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

- Adjusted[1] operating profit increased from 3.8 per cent of revenue in 2020 to 3.9 per cent in 2021. 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 13.3 per cent in 2021 (2020: 12.2 per cent) due to higher Services and Technology Sourcing margins.

[1] Refer to the glossary for definitions.

2021 FINANCIAL RETURNS STRONG



Return on capital employed has increased as adjusted[1] operating profit increased from £206.4 million in 2020 to £262.8 million in 2021 with capital employed increasing from £442.2 million as at 31 December 2020 to £503.4 million as at 31 December 2021.

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

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

2022 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. With the strong results for the year to 31 December 2021 the Board considered it appropriate to continue to distribute cash to shareholders within the Group's normal interim and full-year dividend cycle. The Board is pleased to propose a final dividend for 2021 of 49.4 pence per share. Together with the interim dividend, this brings the total ordinary dividend for 2021 to 66.3 pence per share, representing a 30.8 per cent increase on the 2020 total dividend per share of 50.7 pence.

The Board continues to apply 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. We anticipate that this continues through 2022.

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] will continue to regenerate and remain strong 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 did in February 2018.

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).

Net interest

As the adjusted net funds[3] continue to increase then the finance income 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 was to be repaid over seven years, however the Group has fully retired this debt during the year using surplus adjusted net funds[3]. As at 31 December 2021, Pivot had a $100 million senior secured asset-based revolving credit facility, from a lending group represented by JPMorgan Chase Bank, N.A. This can be used for revolving loans, letters of credit, protective advances, over advances, and swing line loans. During the year, the Group has continued to reduce the amount drawn on the facility and only £7.0 million remained drawn as at 31 December 2021 (31 December 2020: £58.4 million).

Net interest expense, was £7.2 million in 2021 (2020: £5.9 million). The implementation of IFRS 16 has increased the interest expense by £5.2 million in 2021 (2020: £4.5 million). This increase is related to the interest charges on the lease liabilities recognised. Excluding this, the net interest expense was £2.0 million in the year (2020: £1.4 million). We expect a lower level of expense in 2022 due to the reduction of interest-bearing debt during the year.

[1] Refer to the glossary for definitions.

2022 TAX MODELLING CONSIDERATIONS

Calculated ETR

The adjusted[1] tax charge for the year was £63.6 million (2020: £54.8 million), on an adjusted[1] profit before tax for the year of £255.6 million (2020: £200.5 million). The effective tax rate (ETR) was therefore 24.9 per cent (2020: 27.3 per cent) on an adjusted[1] basis.

Tax modelling

Dependent on mix of earnings as we utilise losses in European operations and increase profits in our North American business. The German cash tax rate has now increased due to the full utilisation of the readily available losses and North American profits, in a high tax jurisdiction, have also increased. The French business, which was profitable and utilising losses last year, has now returned to a loss-making position. These headwinds have been only partially offset by the strong profits in the UK which, currently, has a lower tax rate than the Group average. However, a number of one-off items have credited the tax expense in 2021. This has resulted in the Group adjusted[1] effective tax rate (ETR) decreasing from 27.3 per cent for 2020 to 24.9 per cent for 2021. Excluding these one-off items, the ETR for 2021 would have been approximately 27 per cent. The ETR and is expected to be in the range of 27.0 per cent – 29.0 per cent in 2022 due to the geographical share of profitability increasing in higher tax jurisdictions such as Germany and the US, and no similar benefit from one-off items crediting the tax expense as seen in 2021.

We expect that the ETR in 2022 will be subject to upwards pressure, due to an increasing reweighting of the geographic split of adjusted[1] profit before tax away from the UK to Germany and the US, where tax rates are substantially higher, and also as governments across our primary jurisdictions come under fiscal and political pressure to increase corporation tax rates. Additionally, following the departure of the UK from the European Union, dividends paid by the Group's German subsidiaries to Computacenter plc, the Parent Company, will be subject to five per cent withholding taxes levied by the German government. Whilst we remain hopeful of alignment on the treatment of dividend withholding taxes between the UK and Germany over the long-term, the short-term impact will be to increase the tax expense in those years where we pay a substantial dividend from our German operations. Looking further ahead, substantially enacted tax increases will take effect in the UK from 1 April 2023, with a rise from 19 per cent to 25 per cent.

2021 one-off items benefiting tax charge

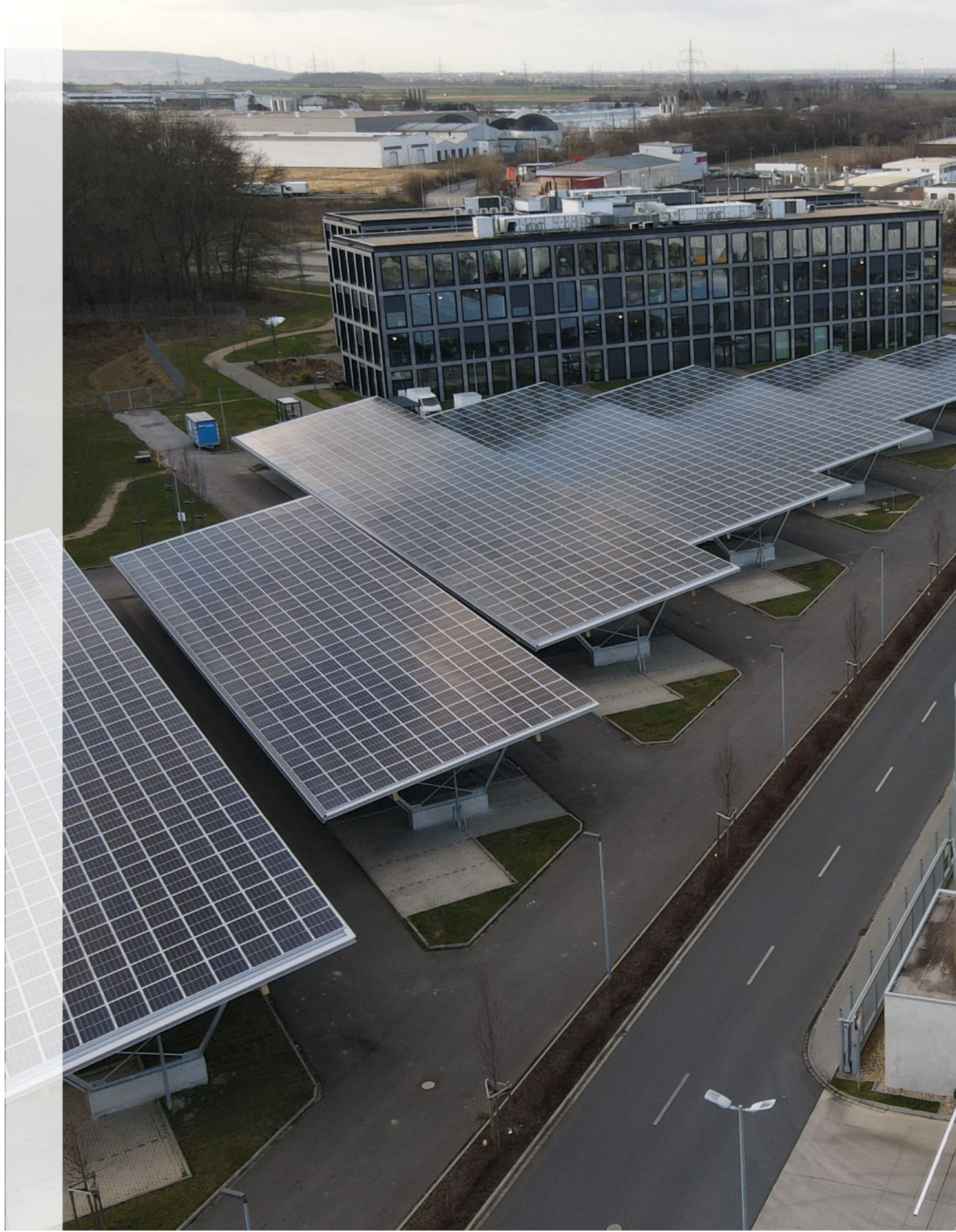
During the second half of the year a number of one-off tax items were processed that substantially reduced the tax charge, and therefore the adjusted[1] ETR, for the year as a whole. Rebasing certain deferred tax assets for the adjustment in the UK Corporate Tax rate from 19 per cent to the 25 per cent rate that was substantively enacted on 11 March 2021, with effect from 1 April 2023, has resulted in in a one-time credit to the tax expense of £3.1 million. Several other one-off items incurred in the year have reduced the tax expense by a further £2.4 million in aggregate. These include a programme of recharging the costs of our share-based payment schemes, our Sharesave and LTIP awards, to those jurisdictions outside of the UK that also benefit from these schemes which resulted in a positive tax impact for the Group in 2021 from catching up the 2020 recharging, and the closure of a number of historical tax positions in North America.

Together, these combined items have resulted in a one-time credit benefit to the tax expense of £5.5 million. Excluding these items, the underlying adjusted[1] tax expense would be £69.1 million resulting in an ETR of 27.0 per cent. Had the one-off items not impacted during the year, and the Group result reflected an adjusted[1] ETR of 27.0 per cent, the adjusted[1] diluted EPS would have been 160.9 pence per share. Assuming an unchanged dividend payment policy from that described on the previous slide, the proposed final dividend, and the total dividend for the year, would have been 47.5 pence per share and 64.4 pence per share respectively. The ETR during the year was also lower than the previous year due to the large increase in profitability in the UK, which has lower tax rates than the Group average, particularly Germany and the US. The ETR is therefore outside the full-year range that we indicated in our 2021 Interim Results, which showed an ETR of 28.6 per cent (H1 2020: 28.1 per cent), due to the unforecasted positive impacts described above.

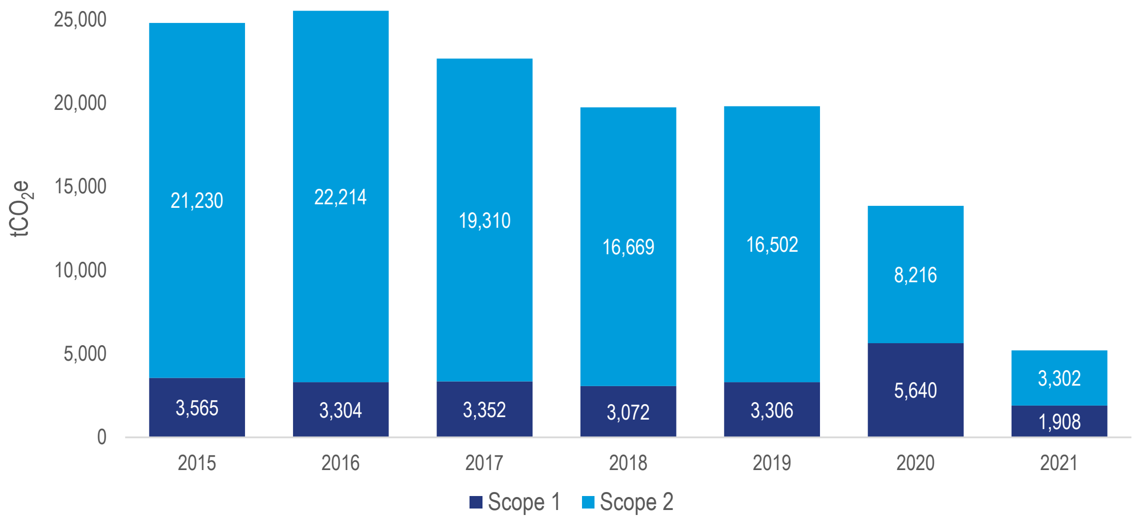
[1] Refer to the glossary for definitions.

SUSTAINABILITY

Climate change initiatives
16 March 2022



OUR IMPACT ON THE ENVIRONMENT
2015 – 2021



- We have reduced Scope 1 and 2 GHG emissions by 79 per cent from 2015 to 2021, despite multiple acquisitions.
- Scope 1 and 2 GHG emissions fell from 13,856 tCO2e in 2020 to 5,210 tCO2e in 2021. This is a reduction of 62%.

GROUP	2015	2016	2017	2018	2019	2020	2021
Total Scope 1 and 2 emissions (tCO2e)	24,795	25,518	22,662	19,741	19,808	13,856	5,210
Metric tonnes per £1m of revenue	8.11	7.86	6.20	4.53	3.91	2.55	0.78
Metric tonnes per employee	1.92	1.80	1.54	1.30	1.23	0.84	0.3

ONGOING EFFORTS TO REDUCE OUR CARBON FOOTPRINT

We generate our own renewable electricity on-site in Hatfield, UK and Kerpen, Germany, and have agreed a further project in Livermore, California:

- Hatfield - 6,308 panels installed on our Integration Center generated ~1.8 million kWh in 2021.
- Kerpen - in October 2021, 1,700 solar panels installed on our Integration Center became operational, and 500 parking spaces have been covered with carports that include solar panels. These went live in Q1 2022.
- Livermore – agreed installation of solar panels at our Integration Center.
- Collectively, our photovoltaic installations will have the potential to generate 4 million kWh of electricity per annum.

In 2021, 73 per cent of total Group electricity usage was sourced from renewables. This is a significant improvement on 30 per cent renewable electricity consumption in 2020.

Solar panel installation – Hatfield (above) and Kerpen (left)

FUTURE PLANS AND TARGETS

CARBON NEUTRALITY ambition for 2022 across Scopes 1 and 2	Computacenter will be NET ZERO across Scopes 1, 2 and 3 by 2040	We aim to reduce emissions from business travel by 35% by 2025 from 2019 levels	We will continue to increase our sourcing and generation of renewable energy across the Group

- We will work with our vendors and supply chain to identify Scope 3 emissions from upstream and downstream activities, allowing focussed reduction efforts in areas with the greatest emissions.
- Scope 3 targeting will aid with our Net Zero 2040 pledge, as well as help identify where carbon offsetting projects will have the most potential to mitigate any residual emissions.
- In March 2021, the Group joined the global movement of leading companies aligning their business with the most ambitious goal of limiting global temperature rise to 1.5ºC above pre-industrial levels. We will submit our SBTs for validation by the end of the second quarter of 2022.
- On 1 October 2021, we introduced an internal price on carbon - £10/€12/$14 extra is charged per business travel trip and hotel booking. The money raised will be used to purchase offsets for any business travel emissions across the Group. This travel levy raised around €50,000 during the fourth quarter of 2021.
- We will continue to invest in increasing the efficiency of our offices and equipment, e.g. as IT equipment in offices needs replacing, we are specifying display screens that also power users' laptops, saving 50-60% of the power of having separate chargers. Furthermore, all new offices will have enhanced energy efficiency.

2021 THE ENVIRONMENT – GENERAL BACKGROUND

- Our Climate Committee, chaired by the Group Finance Director, leads our approach to reducing our environmental impact. The Committee debates and proposes initiatives, such as potential offsetting strategies.
- We respond to the CDP Climate Change questionnaire annually. In 2021, we improved our rating from D to C. We continue to target further improvements.
- In addition to generating our own renewable electricity, in 2021 we sourced green energy for our operations in the UK, Germany, Netherlands and USA. In total we consumed 27.9 million kWh of renewable electricity in 2021.
- Reduced maximum car emission thresholds to 110g of CO_2e per vehicle, and will transition towards hybrid and electric vehicles.
- Continued our programme of LED lighting upgrades.
- Having already eliminated single-use plastic cups and bottles at Hatfield and Kerpen in 2020, we have continued to prevent similar usage at our other major sites in 2021. As a result, we are substantially eliminating the use and subsequent waste of these items across the Group.
- Minimising the environmental footprint and the cost of these services requires us to employ the Integration Center nearest to the customer’s premises. As previously noted, we have negotiated with many UK customers to fulfil deliveries to their EU operations from Kerpen rather than Hatfield. This has the additional benefit of avoiding post-Brexit challenges at the border.
- Our major, new efficient cooling system upgrade to our Manchester Data Center in 2020 led to a 14% reduction in energy consumption in 2021.

OPERATING REVIEW

Mike Norris
16 March 2022

WE HAVE INVESTED HEAVILY IN OUR BUSINESS

2021 INITIATIVES

Livermore, United States, capacity expansion (IC2)

Tech upgrades to European ICs to support Microsoft Autopilot

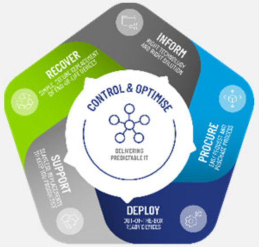
Hatfield, United Kingdom, 1.8m kWh solar installation

Cluj, Romania Professional Services Hub - 100 people, target > 500

Bangalore, India - 850 people, target > 2,000

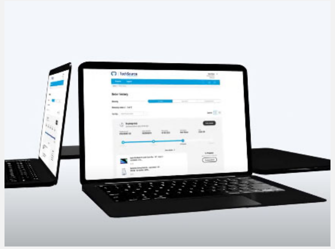
Future Talent – 403 graduates and apprentices

New DaaS solution on ServiceNow platform



100 additional sales people in UK and Germany

TechSource eCommerce - 147 customers, target > 220

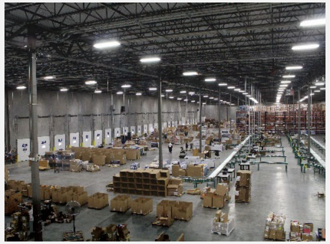


WE WILL CONTINUE TO INVEST

NEW 2022 INITIATIVES

Kerpen, Germany 1.5m kWh solar installation

Alpharetta, United States, Integration Center upgrade



Professional Services request automation system

IT Service management systems replacement

New CRM system

salesforce

New product order quotation (CPQ) system

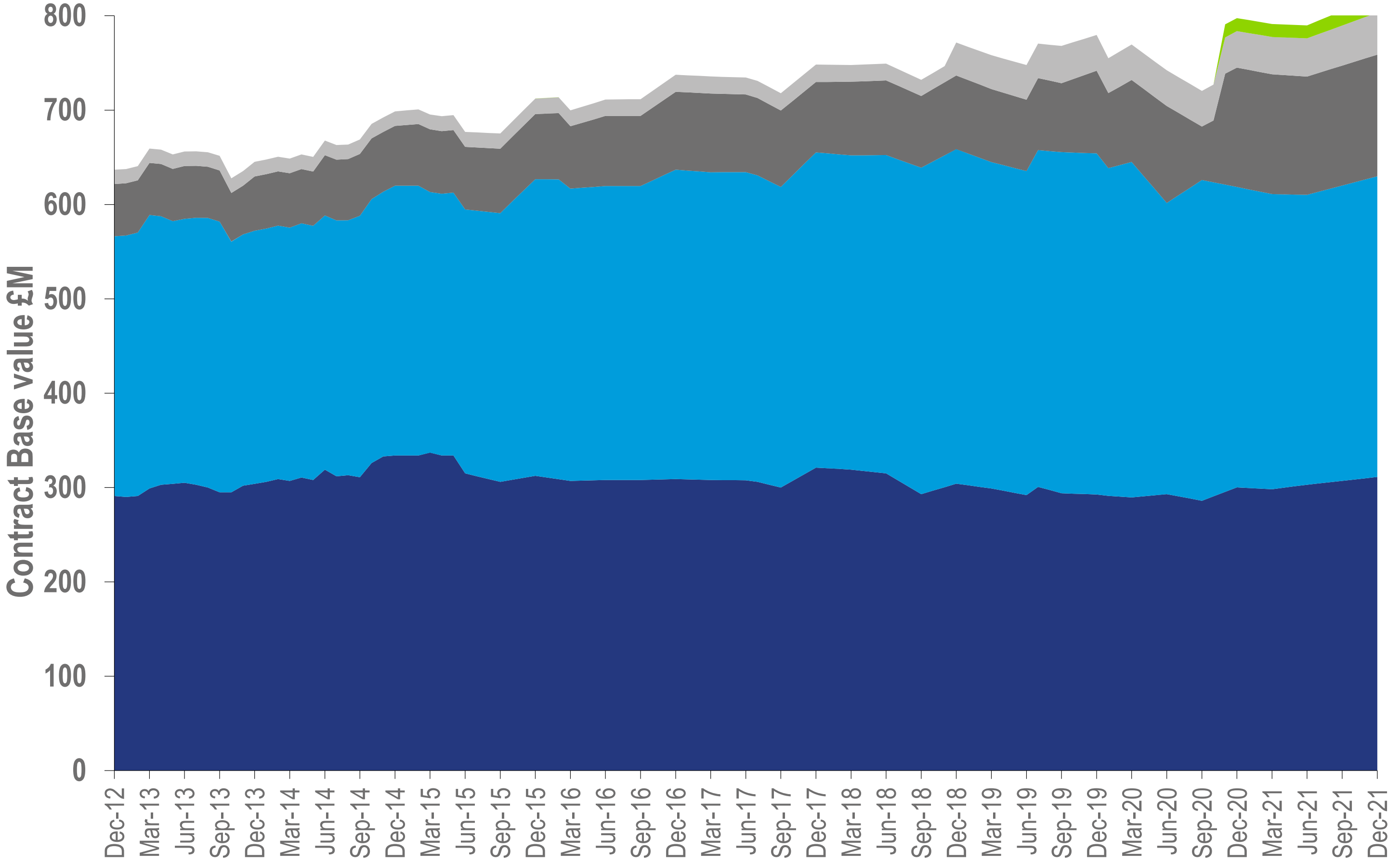
Securing ourselves
- Cyber e.g. MFA go-live across Group

New Professional Services methodology

Facilities upgrades globally to support hybrid working

LEADING THE GROWTH

TO LEAD WITH AND GROW OUR SERVICES BUSINESS



The French and German results show new wins offsetting losses or volume reductions on existing contracts. The UK and International results have benefited from a significant new contract win in each jurisdiction during 2021.

2021 vs 2020 Contract Base[2] Growth

Group: 2.9%

- UK: 3.7%
- DE: 0.1%
- FR: 1.8%
- INT: 15.1%
- NA: 26.3%

Group 2.3% Contract Base[2] 4yr CAGR

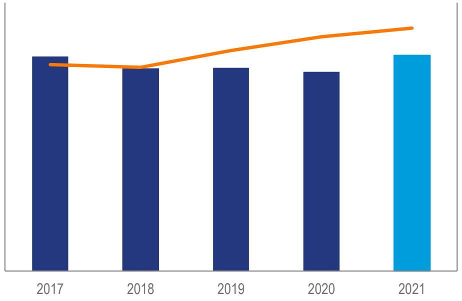
[2] Refer to the glossary for definitions.

DRIVING EFFICIENCY

TO IMPROVE OUR SERVICES PRODUCTIVITY AND ENHANCE OUR COMPETITIVENESS

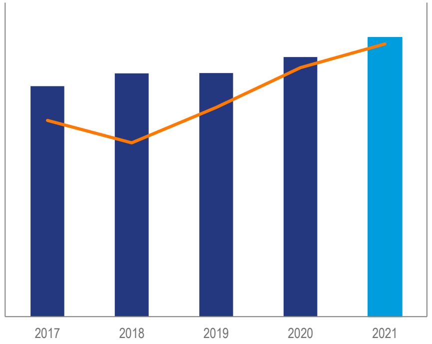
UK

UK Services revenue saw good growth, primarily due to a significant increase in Professional Services with some new Managed Services customers adding momentum during the second half of the year. Professional Services continued its strong start to the year, as customers re-engaged with our consultancy expertise to assist their post-pandemic IT requirements. Managed Services strengthened through the year, as we converted opportunities within the still-healthy pipeline into contracts and continued to realise efficiencies across the existing portfolio.



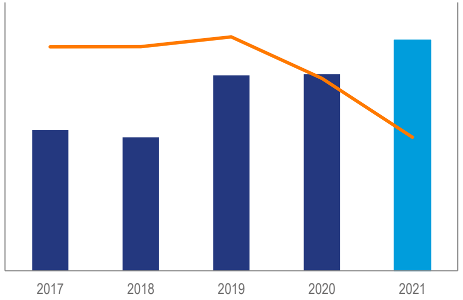
Germany

German Managed Services has grown strongly, as customer volumes have returned to pre-Covid-19 levels with further contract wins and expanded scopes within some existing contracts. The Professional Services business continues to see very strong growth year after year, with the limiting factor being the supply of appropriate resource. This has been helped by the recent investment in our near-shoring initiative in Romania.



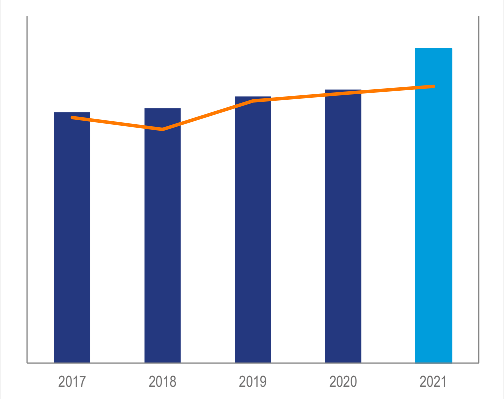
France

Our French Services business saw further sharp falls in Services revenue on an organic basis. The French Professional Services business is more reliant on on-site activity than the equivalent businesses in the UK or Germany and continues to face significant disruption from Covid-19 and the resulting government response. The Managed Services business declined, as expected, following the non-renewal of a large global outsourcing contract at the end of the contract term in 2019, which did not impact revenues until the second half of 2020.



Group

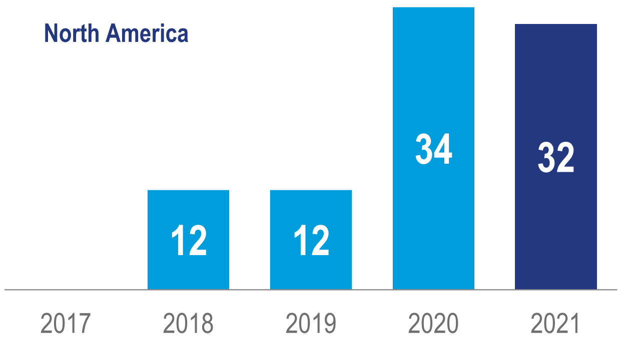
Overall Group Services margins increased by 60 basis points during the year. The continued reduction of travel costs, lower subcontractor costs and improved Professional Services utilisation, coupled with improving Managed Services volumes, have all contributed to this increase. Professional Services, with its higher profitability grew faster than Managed Services. The quality of the Managed Services Contract Base continued to improve and recently won contracts are performing well.

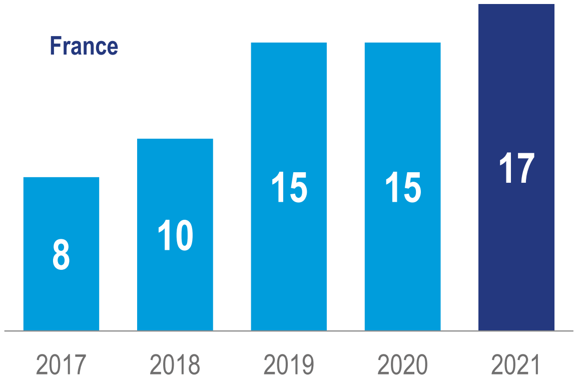


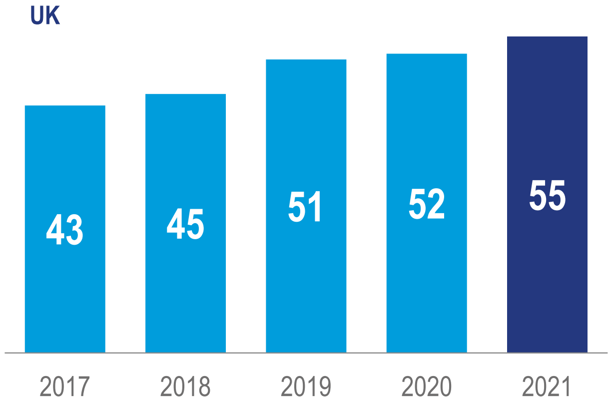
Services revenue
Services margin %

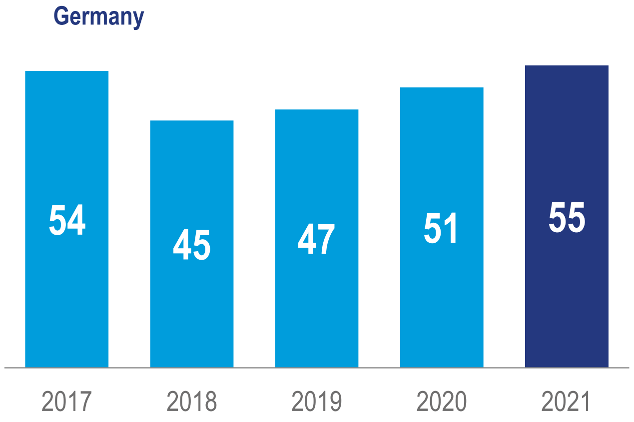
AT THE HEART OF OUR BUSINESS

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



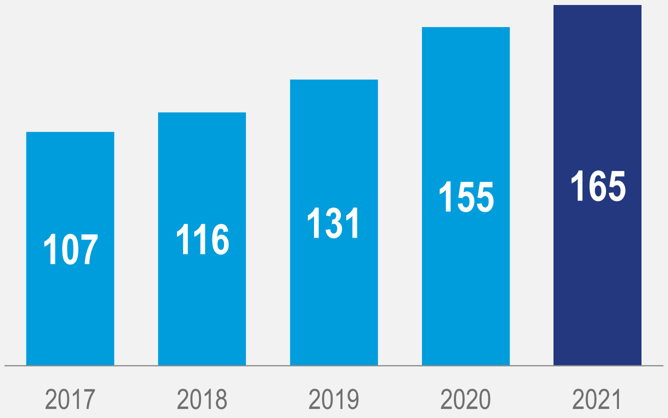






GROUP

Our customers with over £1 million of contribution are a strategic priority for Group performance.



NORTH AMERICA: saw two customers added to its list of those contributing over £1 million whilst four customers fell below £1 million of contribution and were removed from the list.

FRANCE: saw five new customers increase their level of business above £1 million of contribution. Three customers fell below £1 million of contribution and were removed from the list.

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

GERMANY: added nine customers earning over £1 million of contribution whilst five customers reduced their contribution below £1 million.

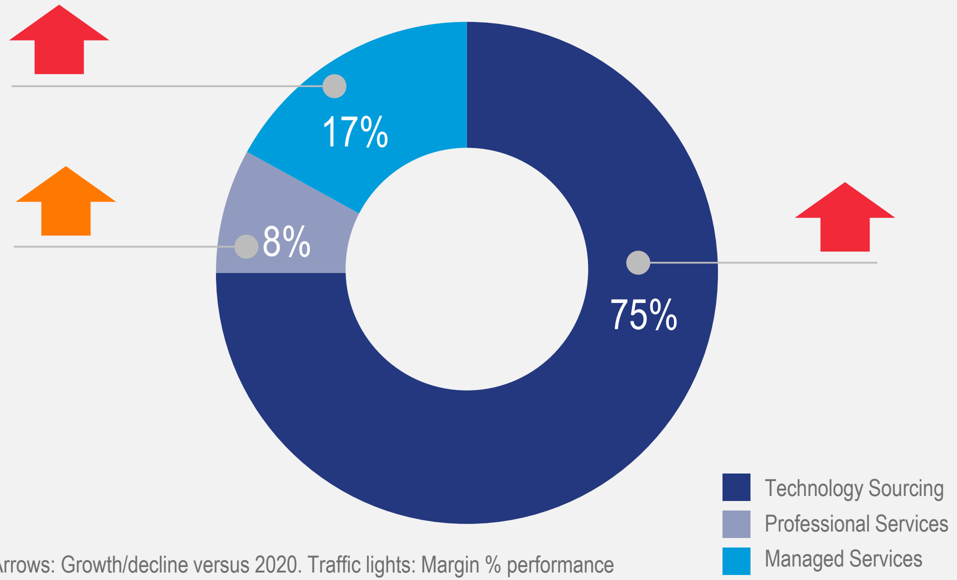
2021 UNITED KINGDOM

OPERATIONAL HIGHLIGHTS

- Technology Sourcing saw strong revenue growth supporting a number of significant private and public sector customers with their transition to homeworking requirements. Margins slipped slightly as the product mix moved towards software late in the second quarter.
- Managed Services revenues grew moderately during the year, with some significant long-term contracts secured in the Financial Services sector. We have successfully implemented the contracts awarded during 2020, giving us and our customers confidence in the long-term value of these arrangements.
- We are pleased with the increase in demand for our Professional Services skills and resources, with a notable increase in cloud advisory and transformation services, as well as networking and security project activity.

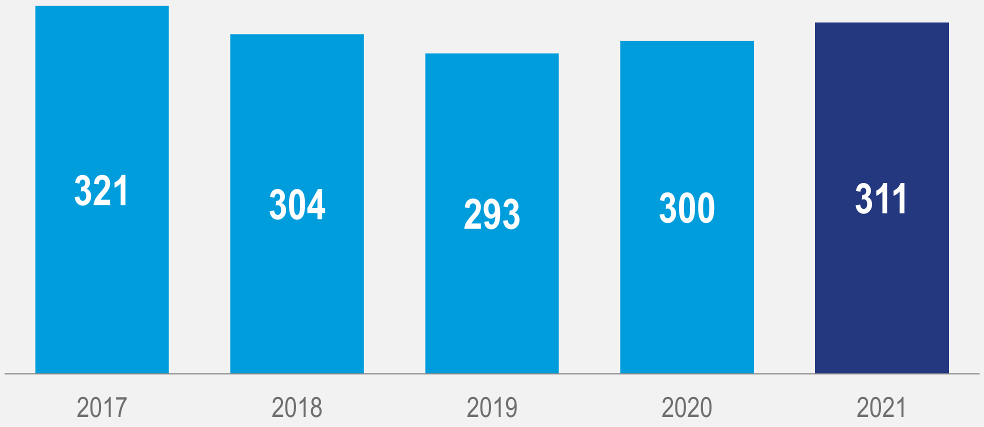
FINANCIAL HIGHLIGHTS	2021 £m	2020 £m	Change %
Technology Sourcing revenue	1,466.4	1,328.0	10.4%
Professional Services revenue	154.6	129.1	19.8%
Managed Services revenue	327.6	316.3	3.6%
Services revenue	482.2	445.4	**8.3%**
Revenue	**1,948.6**	**1,773.4**	**9.9%**
Gross profit	**268.2**	**249.2**	**7.6%**
	13.8%	14.1%	(0.3%)
Adjusted[1] admin expenses	**(165.3)**	**(158.9)**	**4.0%**
	(8.5%)	(9.0%)	0.5%
Adjusted[1] operating profit	**102.9**	**90.3**	**14.0%**
	5.3%	5.1%	0.2%

Share of 2021 Revenue Profile



Arrows: Growth/decline versus 2020. Traffic lights: Margin % performance

Contract Base (£m)



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

2021 GERMANY

OPERATIONAL HIGHLIGHTS

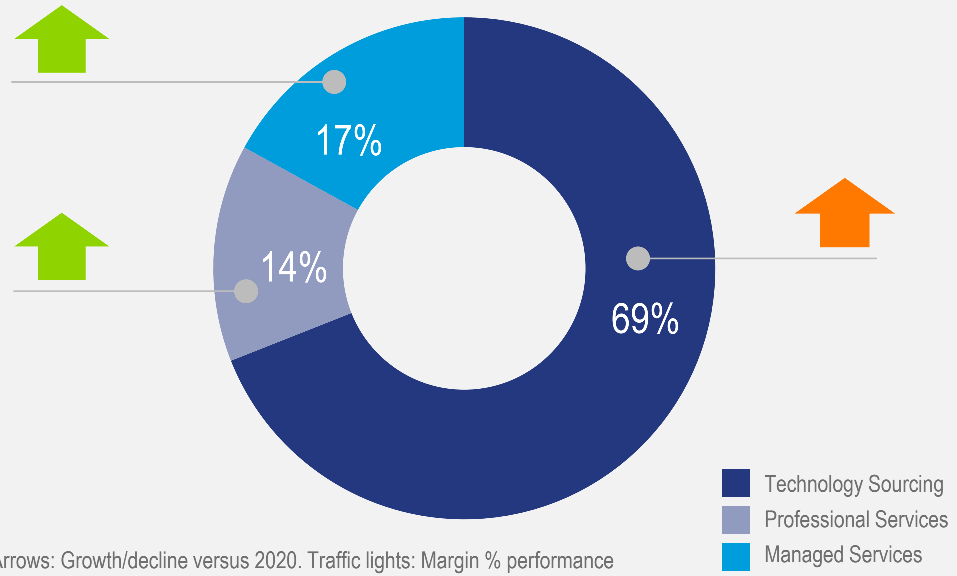
- Technology Sourcing delivered a pleasing performance, despite the worldwide supply problems for hardware products. We again benefited from good growth in the public sector and healthcare. Compared to the previous year, we saw increased demand in 2021, especially from customers in the automotive and related supplier industries.
- Professional Services continues to see ever-increasing demand for the support of international projects in field, home office and on-site services, as well as continuing high demand for the realisation of digitalisation projects.
- Our Managed Services business also developed positively over the year where we were able to hold our ground, win new contracts and expand our existing business all while increasing profitability of existing contracts.

FINANCIAL HIGHLIGHTS	2021 €m	2020 €m	Constant currency[2]
Technology Sourcing revenue	1,628.9	1,457.4	11.8%
Professional Services revenue	318.4	262.8	21.2%
Managed Services revenue	405.2	388.0	4.4%
Services revenue	723.6	650.8	11.2%
Revenue	**2,352.5**	**2,108.2**	**11.6%**
Gross profit	**363.2**	**313.8**	**15.7%**
	15.4%	**14.9%**	0.5%
Adjusted[1] admin expenses	**(202.5)**	**(188.1)**	**7.7%**
	(8.6%)	**(8.9%)**	0.3%
Adjusted[1] operating profit	**160.7**	**125.7**	**27.8%**
	6.8%	**6.0%**	0.8%

NB. All figures in constant currency[2]

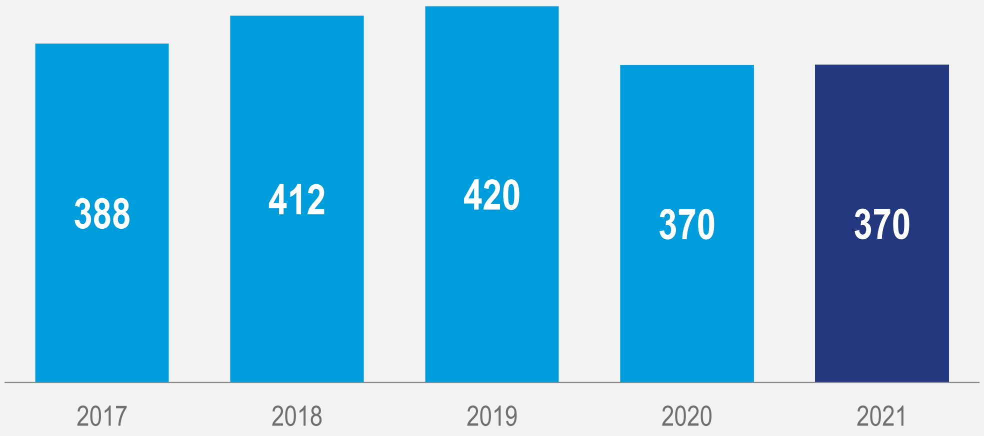
[1,2] Refer to the glossary for definitions.

Share of 2021 Revenue Profile



Arrows: Growth/decline versus 2020. Traffic lights: Margin % performance

Contract Base (€m)



2021 FRANCE

OPERATIONAL HIGHLIGHTS

- The acquired business, Computacenter NS, recorded revenues of €69.6 million with an adjusted[1] operating loss of €4.9 million, which was broadly in line with our plan for the first full year of ownership.
- Despite a decline in revenues, it was a very busy year in Technology Sourcing. The volume of outstanding Technology Sourcing orders placed with us by our customers increased significantly across the whole year, due to the worldwide component shortages.
- We have been very busy responding to tenders and won a significant number of new Managed Services contracts.

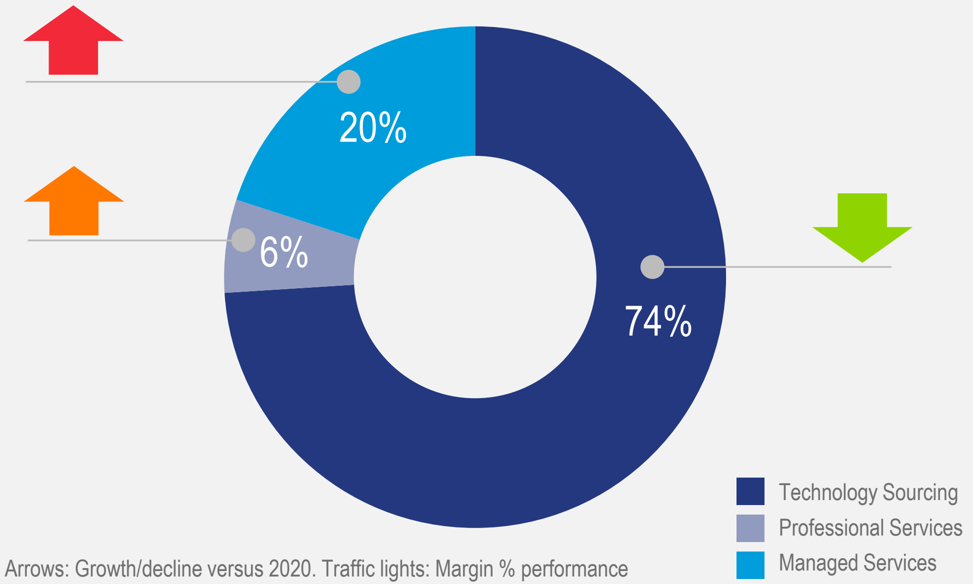
FINANCIAL HIGHLIGHTS

	2021 €m	2020 €m	Constant currency[2]
Technology Sourcing revenue	560.0	590.0	(5.1%)
Professional Services revenue	44.1	40.0	10.3%
Managed Services revenue	155.9	123.9	25.8%
Services revenue	200.0	163.9	22.0%
Revenue	**760.0**	**753.9**	**0.8%**
Gross profit	**79.2**	**83.3**	**(4.9%)**
	10.4%	**11.0%**	(0.6%)
Adjusted[1] admin expenses	**(75.0)**	**(68.9)**	**8.9%**
	(9.9%)	**(9.1%)**	(0.8%)
Adjusted[1] operating profit	**4.2**	**14.4**	**(70.8%)**
	0.6%	**1.9%**	(1.3%)

NB. All figures in constant currency[2]

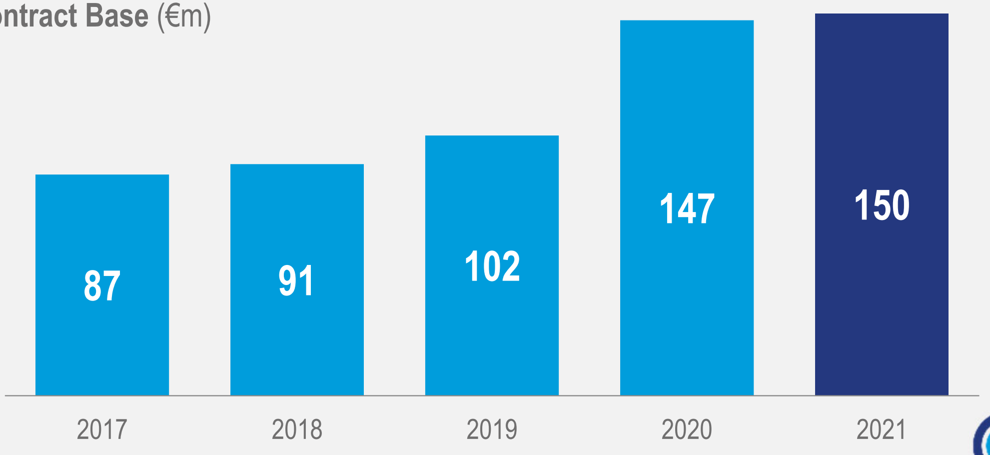
[1,2] Refer to the glossary for definitions.

Share of 2021 Revenue Profile



Arrows: Growth/decline versus 2020. Traffic lights: Margin % performance

Contract Base (€m)



2021 NORTH AMERICA

OPERATIONAL HIGHLIGHTS

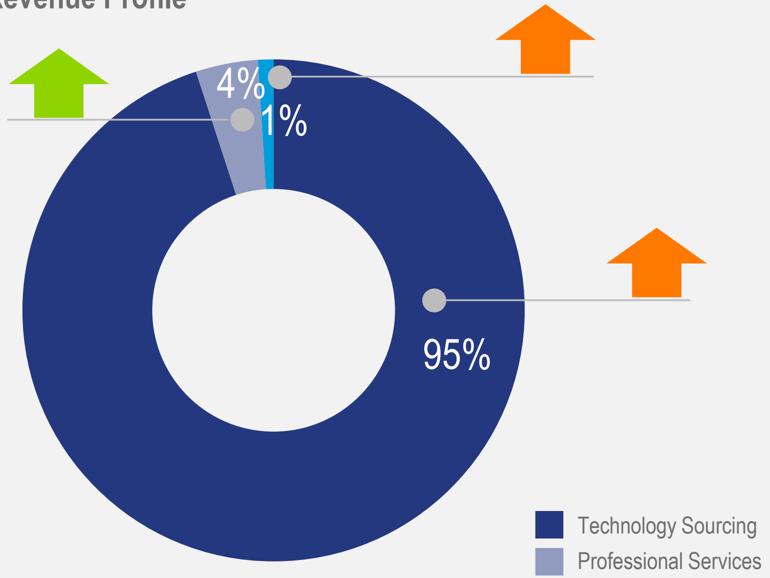
- The acquisition of Pivot contributed $1,432.4 million of revenue and an adjusted[1] operating profit of $25.2 million during 2021.
- Large technology-based customers, also known as hyperscalers, have significantly increased demand, and the mid-market core of the business has remained stable after a slowdown in 2020.
- In North America, Professional Services revenue has recovered as projects delayed by Covid-19 restarted. Mid-market customers, which generate much of the Professional Services revenue in the United States, were the weakest business area during the pandemic and experienced a recovery during 2021.

FINANCIAL HIGHLIGHTS	2021 $m	2020 $m	Constant currency[2]
Technology Sourcing revenue	2,490.8	1,189.2	109.5%
Professional Services revenue	106.5	25.6	316.0%
Managed Services revenue	25.8	9.0	186.7%
Services revenue	132.3	34.6	282.4%
Revenue	**2,623.1**	**1,223.8**	**114.3%**
Gross profit	**247.6**	**112.2**	**120.7%**
	9.4%	**9.2%**	0.2%
Adjusted[1] admin expenses	**(205.0)**	**(93.8)**	**118.6%**
	(27.0%)	**(12.4%)**	(14.6%)
Adjusted[1] operating profit	**42.6**	**18.4**	**131.5%**
	1.6%	**1.5%**	0.1%

NB. All figures in constant currency[2]

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

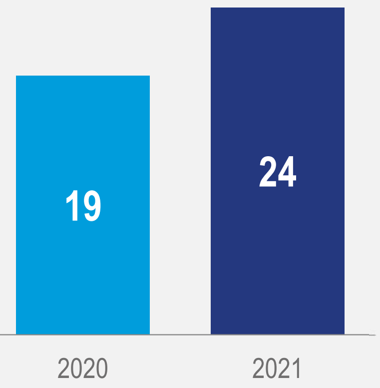
Share of 2021 Revenue Profile



Arrows: Growth/decline versus 2020. 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.



2021 INTERNATIONAL

OPERATIONAL HIGHLIGHTS

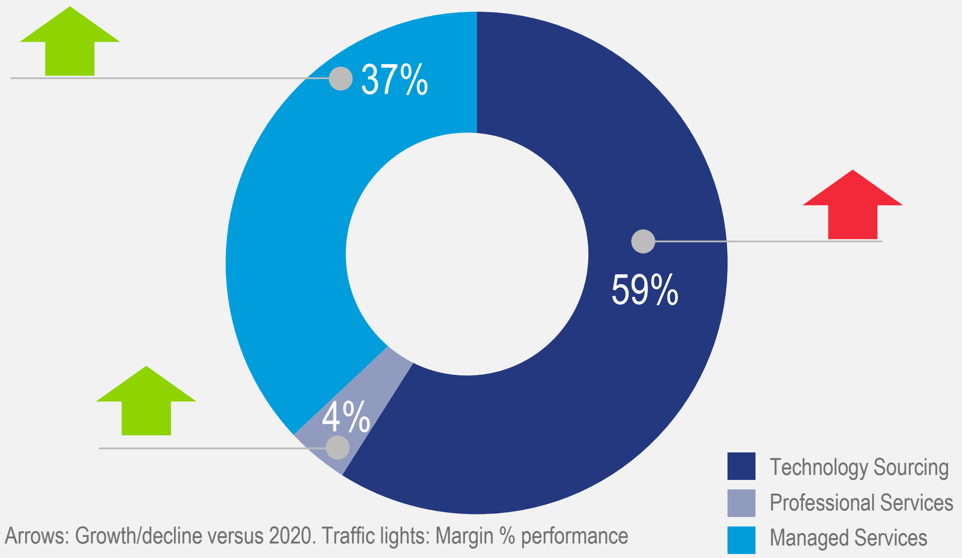
- The Belgian business saw a significant increase in profitability during 2021, thanks to a combination of good workplace and infrastructure projects and an excellent performance in the Managed Services area.
- As expected, the Swiss business had to cope with a significant scope change in our two major Managed Services contracts, but compensated for this by identifying other projects within the contracts, winning new contracts with large organisations and a continued focus on cost control.
- Netherlands saw a strong profit increase. We have a traditionally strong Dutch public sector business and we were able to extend this, with a significant win in the private sector delivering promising contributions in 2021.

FINANCIAL HIGHLIGHTS

	2021 £m	2020 £m	Change
Technology Sourcing revenue	112.8	110.5	2.1%
Professional Services revenue	8.5	7.2	18.1%
Managed Services revenue	69.7	56.6	23.1%
Services revenue	78.2	63.8	22.6%
Revenue	**191.0**	**174.3**	**9.6%**
Gross profit	**39.3**	**30.7**	**28.0%**
	20.6%	**17.6%**	3.0%
Adjusted[1] admin expenses	**(28.0)**	**(27.1)**	**3.3%**
	(4.3%)	**(4.0%)**	(0.3%)
Adjusted[1] operating profit	**11.3**	**3.6**	**213.9%**
	5.9%	**2.1%**	3.8%

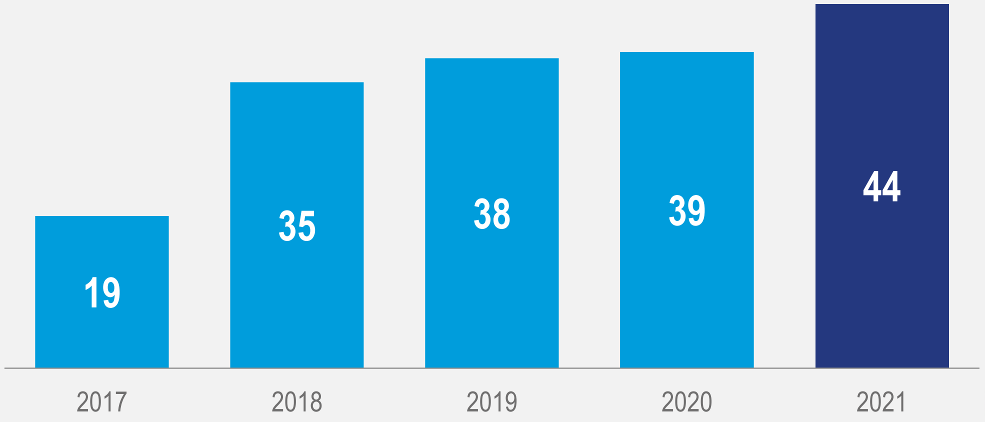
[1,2] Refer to the glossary for definitions.

Share of 2021 Revenue Profile



Arrows: Growth/decline versus 2020. Traffic lights: Margin % performance

Contract Base (£m)



OUTLOOK

'The more than doubling of profits that Computacenter has achieved over the last three years has been the result of deliberate actions that we have previously taken to enable growth. Our acquisitions in North America and Western Europe have materially increased our total addressable market. The organic investments we have made, including the expansion of our sales force, recruiting technical expertise and investing in systems to enhance our productivity, have been substantial. Collectively, these have put us in a position to take advantage of the ongoing buoyant market conditions, as our customers invest in digitalising their businesses.

While we live in uncertain times and much work remains to be done, these investments and current market conditions make us confident that 2022 will be a year of further progress.

Given the profile of our profitability in 2021, we have a more challenging comparison in the first half of 2022 compared to the second, due to the fact that an abnormally high percentage of our profits came in the first half of the year.

As a business, we feel as confident as we have ever been about our target market, competitive position and investment strategy, and we look forward to the future in 2022 and beyond with enthusiasm and excitement.'

[1,2,3,4] Refer to the glossary for definitions.

APPENDIX

RUSSIAN INVASION OF UKRAINE

We are extremely concerned and saddened by the ongoing situation in Ukraine following the invasion by Russia. We offer our deepest sympathies and support to Ukraine. Computacenter will be launching a campaign page for its employees to donate to Disaster Emergency Committee (DEC) – Ukraine Humanitarian Appeal. Computacenter will make a corporate donation and also match funds raised by our employees.

Sanctions have been widely imposed by a number of national governments and the European Union on the Russian Federation, related organisations and individuals (‘Sanctioned Parties’). We have undertaken, as a consequence, a review of our operations to ensure that we are not directly or indirectly conducting business activities with Sanctioned Parties, supplying sanctioned or restricted goods or software services, or conducting business activities with individuals and organisations who are known to be closely related to Sanctioned Parties. We have also implemented review processes to ensure that we modify our activities to adhere to any future changes in sanctions requirements.

Whilst the scope of our business in Russia and the Ukraine is extremely limited, we recognise the likely short- to medium-term impact of the situation on the global macro-economic environment, including an exacerbation of supply chain issues currently being experienced.

PRODUCT SUPPLY SHORTAGES

Throughout the year, demand-driven product shortages have materially impacted the supply of key equipment for our customers, with some orders being materially delayed or only partly fulfilled. Whilst product supply availability increased during December, the unexpected impact on working capital through the year was significant. Inventory levels have increased across the business, as a result of carrying stock for orders that we cannot deliver without a critical part or, increasingly through the year and particularly in North America, where customers have ordered early and subsequently delay delivery, as data centre facilities are not ready. We do not expect inventory to return to normal levels until there is a longer-term supply improvement.

The Group had £341.3 million of inventory as at 31 December 2021, an increase of 61.5 per cent on the balance as at 31 December 2020 of £211.3 million. Over three quarters of this increase was attributable to our North American Segment, which had closing inventory of £212.5 million (2020: £103.2 million). Whilst supply has been restricted, demand has continued to rise, with our product order backlogs across all geographies at all-time highs and considerably larger than at the end of 2020. This gives us a high degree of comfort that the Technology Sourcing business will be well placed to benefit.

Technology Sourcing saw significant demand for software and hardware across all of our main operating geographies, as customers invested in new technology to support their businesses. While supply chain shortages were an issue, these gave us an opportunity to outperform our competition through the performance of our well-developed supply chain. Many of our larger customers are highly reliant on deploying new technology and they have taken to ordering much further in advance. While this gives us greater visibility, it has also meant an increase in the inventory we are carrying. As noted above, we do expect our inventory to return to more normal levels as supply chain constraints ease. We have continued to invest in our Integration Centers to increase service quality and throughput volumes, as we expect demand to continue to grow.

COVID-19 UPDATE

The global pandemic has continued to weigh heavily on our people, customers, partners and communities around the world and we send our thoughts and best wishes to all those who have been affected. The leadership team has resolutely focused on both the human and business aspects of this crisis, and the results from our recent employee survey indicate that this difficult balance was achieved.

The Group received €0.2 million of government employment related assistance during the year, which was entirely related to the Group's Belgian operations and ceased in May 2021. A further $1.3 million was recognised as a credit to the income statement in North America during the year due to funds received relating to a payroll protection programme in Pivot that was applied for prior to acquisition that has subsequently been converted to a permanent grant by the US Federal Government. The year saw continuing, but reduced, challenges from Covid-19, with most of our major geographies experiencing lockdowns or restrictions on office-based working during the year. The vast majority of our staff worked from home for significant periods during the year, although we were generally able to perform services on customer sites as required. We thank all of our employees for the flexibility and dedication they have shown to cope with this continually changing environment and acknowledge their successes as they have driven the Company to new heights of performance. The Group has seen business with key industrial customers return to near pre-pandemic levels, after this spend was largely suppressed during 2020. Combined with strong public sector activity, this has continued to create organic revenue growth opportunities for the Group. As in 2020, we benefited from some Covid-19-related cost savings, but to a much lower extent. Additionally, there was no further pandemic related surge in spend on Technology Sourcing, compared to the prior year. Whilst demand has remained high, the driver has shifted from short-term pandemic responses to more medium-term re-engineering of IT structures, as organisations employ digital transformation to cope with the ever-evolving technology landscape and increasing cyber threats.

[1,2,3,4] Refer to the glossary for definitions.

IASB INTERPRETATION COMMITTEE – AGENT VS PRINCIPAL

Following its meeting that concluded on 1 December 2021, the IFRS Interpretation Committee (the 'Committee') published a tentative agenda decision in response to a submission from a valued added reseller to determine whether an entity should treat revenue from the resale of standard software licences on a principal or agent recognition basis under IFRS 15 Revenue from Contracts with Customers ('IFRS 15'). The Committee did not reach a definitive conclusion on the submission received, as they maintained that entities should apply judgement in making its assessment under the principles contained within IFRS 15 using the specific facts and circumstances relevant to the entity and the transactions or contracts entered into. However, the Committee did provide a number of discrete guidance points on the application of various control criteria or indicators that entities should consider under their IFRS 15 agent and principal recognition criteria processes that specifically relate to the resale of standard software and have an impact on those resellers within the industry. A finalised agenda decision is not expected until Q2 2022 following the consideration of public comments which closed on 8 February 2022.

The Group typically recognises standalone software licence revenue on a principal or gross invoiced income basis, with a small number of material transactions, where the fact pattern remains different to the standard terms and conditions, recognised as an agent. Whilst the Committee is finalising its decision the Group is working towards assessing changes to its accounting policies that will result if the final agenda decision remains broadly characteristic of the tentative decision. The resultant change in policies would reflect that standalone revenue from standard software sales ('software') would be recognised on an agency or 'net' basis where the margin earned on the contract would be recognised as revenue with zero cost of goods sold. Other software revenues, particularly where the Group has performed configuration or customisation services, as part of the software sales agreement, would most likely continue to be recognised on a principal basis. Similarly, the Group has determined that third-party services agreements resold on a standalone basis ('resold services'), such as vendor-provided maintenance support agreements would also be changed to be recognised on an agent basis due to the similar fact pattern of the transaction to that of software sales. Such a change in policy would be accompanied by a programme of system enhancements required to be able to accurately report on the new basis. These changes, as required, will be allowed sufficient time to be appropriately implemented in order that the reporting under the new basis is as accurate as possible.

The Group estimates, without doing a detailed retrospective contract by contract review, that the proposed potential changes in policy, would with our current best estimate, have the following impact on the Group's Financial Statements:

- Revenue and cost of sales would decrease by the value of revenue assessed as being recognised on an agency basis. Whilst the work is not yet complete to determine the value for 2021, the total value of the revenue categories under consideration for the change in policy is estimated to be up to £1,800 million in 2021. We estimate that the majority of that revenue in those categories will be derecognised, leaving only the margins earned on the transactions to be recognised as revenue.
- Gross profit, operating profit, and profit before / after taxes will be unchanged.

These estimates are preliminary and subject to further Management review, however, they provide an order of magnitude to assess the future impact on reported revenues. These estimates are for the total amount in these software and resold services revenue categories as measured on a principal basis and include elements that may, following Management review, continue to be recognised on a principal or gross basis. The Group will continue to report, as an alternative performance measure, all revenue recognised on a principal basis as Gross Invoiced Income[4], to allow the reader of the accounts to more accurately determine the linkage between revenue and cashflows.

[4] Refer to the glossary for definitions.

GROSS INVOICED INCOME[4]

TECHNOLOGY SOURCING REVENUE	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Gross Invoiced Income						
UK	1,581.5	1,504.4	5.1%	1,581.5	1,504.4	5.1%
Germany	1,427.7	1,316.2	8.5%	1,662.4	1,478.4	12.4%
France	481.4	526.4	(8.5%)	560.0	590.0	(5.1%)
North America	1,869.2	996.3	87.6%	2,564.5	1,291.2	98.6%
International	112.8	110.5	2.1%	112.8	106.5	5.9%
Total Group	**5,472.6**	**4,453.8**	**22.9%**	**5,472.6**	**4,340.7**	**26.1%**
Principal element on agency contracts						
UK	115.1	176.4	(34.8%)	115.1	176.4	(34.8%)
Germany	28.9	18.7	54.5%	33.5	21.0	59.5%
France	-	-	-		-	-
North America	53.7	78.6	(31.7%)	73.7	102.0	(27.7%)
International	-	-	-		-	-
Total Group	**197.7**	**273.7**	**(27.8%)**	**197.7**	**273.7**	**(27.8%)**
Technology Sourcing revenue						
UK	1,466.4	1,328.0	10.4%	1,466.4	1,328.0	10.4%
Germany	1,398.8	1,297.5	7.8%	1,628.9	1,457.4	27.4%
France	481.4	526.4	(8.5%)	560.0	590.0	(5.1%)
North America	1,815.5	917.7	97.8%	2,490.8	1,189.2	108.2%
International	112.8	110.5	2.1%	112.8	106.5	5.9%
Total Group	**5,274.9**	**4,180.1**	**26.2%**	**5,274.9**	**4,067.0**	**29.7%**

[2,4] Refer to the glossary for definitions.

INVENTORY BY SEGMENT

	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Inventory						
UK	26.2	49.1	(46.7%)	26.2	49.1	(46.7%)
Germany	75.8	36.4	108.6%	90.4	40.4	123.8%
France	21.1	19.4	8.6%	25.1	21.6	16.5%
North America	212.5	103.2	105.9%	286.4	140.9	103.3%
International	5.8	3.2	80.6%	5.8	3.2	80.6%
Total Group	**341.3**	**211.3**	**61.5%**	**341.3**	**211.3**	**61.5%**

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

2021 RECONCILIATION TO ADJUSTED[1] RESULTS

	2021 results £m	Amortisation of acquired intangibles £m	2021 Adjusted[1] results £m	2020 Adjusted[1] results £m	Change %
Revenue	**6,725.8**	**-**	**6,725.8**	**5,441.3**	**23.6%**
Cost of sales	(5,858.0)	-	(5,858.0)	(4,720.8)	(24.1%)
Gross profit	**867.8**	**-**	**867.8**	**720.5**	**20.4%**
Administrative expenses	(612.6)	7.6	(605.0)	(514.1)	(17.7%)
Operating profit	**255.2**	**7.6**	**262.8**	**206.4**	**27.3%**
Finance income	0.3	-	0.3	0.5	(40.0%)
Finance costs	(7.5)	-	(7.5)	(6.4)	(17.2%)
Profit before tax	**248.0**	**7.6**	**255.6**	**200.5**	**27.5%**
Income tax expense	(61.5)	(2.1)	(63.6)	(54.8)	(16.1%)
Profit for the period	**186.5**	**5.5**	**192.0**	**145.7**	**31.8%**

[1] Refer to the glossary for definitions.

2021 EXCEPTIONAL AND OTHER ADJUSTING ITEMS

The net loss from other adjusting items in the year was £5.5 million (2020: gain of £8.5 million). Excluding the tax items noted below, which resulted in a gain of £2.1 million (2020: gain of £2.4 million), the profit before tax impact was a net loss from exceptional and other adjusting items of £7.6 million (2020: gain of £6.1 million).

Exceptional items

- There were no exceptional items in the year to 31 December 2021 (2020: gain of £13.5 million).

Other adjusting items

- The amortisation of acquired intangible assets was £7.6 million (2020: £7.4 million), primarily relating to the amortisation of the intangibles acquired as part of the recent North American acquisitions.
- The tax credit related to the amortisation of acquired intangibles was £2.1 million (2020: £1.7 million).
- 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.

2021 REVENUE BY SEGMENT

	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Technology Sourcing revenue						
UK	1,466.4	1,328.0	10.4%	1,466.4	1,328.0	10.4%
Germany	1,398.8	1,297.5	7.8%	1,628.9	1,457.4	11.8%
France	481.4	526.4	(8.5%)	560.0	590.0	(5.1%)
North America	1,815.5	917.7	97.8%	2,490.8	1,189.2	109.5%
International	112.8	110.5	2.1%	112.8	106.5	5.9%
Total Group	**5,274.9**	**4,180.1**	**26.2%**	**5,274.9**	**4,067.0**	**29.7%**
Services revenue						
UK	482.2	445.4	8.3%	482.2	445.4	8.3%
Germany	622.4	578.8	7.5%	723.6	650.8	11.2%
France	172.0	146.4	17.5%	200.0	163.9	22.0%
North America	96.1	26.8	258.6%	132.3	34.6	282.4%
International	78.2	63.8	22.6%	78.2	61.6	26.9%
Total Group	**1,450.9**	**1,261.2**	**15.0%**	**1,450.9**	**1,231.4**	**17.8%**

Note
- European and North American Segments in constant currency[2] are shown in €m or $m.
- The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities.

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

CENTRAL CORPORATE COSTS

Analysis of Central Corporate Costs	2021 £m	2020 £m	Change £m
Cost of the plc Board, related public company costs and Group Exec cost base (Segment unaligned)	**9.1**	6.8	2.3
Shared-based payments (Group Exec Segment unaligned)	**3.8**	3.2	0.6
Strategic corporate initiatives	**10.8**	17.1	(6.3)
Central Corporate Costs	**23.7**	27.1	(3.4)

Certain expenses are not specifically allocated to individual Segments because they are not directly attributable to any single Segment. These include the costs of the Board itself, related public company costs, Group Executive members not aligned to a specific geographic trading entity and the cost of centrally funded strategic initiatives that benefit the whole Group. Accordingly, these 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 adjusted[1] administrative expenses. During the year, total Central Corporate Costs were reduced at £23.7 million (2020: £27.1 million). Within this:

- Board expenses, related public company costs, costs associated with Group Executive members not aligned to a specific geographic trading entity, and certain one-off costs in relation to the cancellation of Group-wide central meetings, increased to £9.1 million (2020: £6.8 million) partially due to the Executive Directors waiving their salaries in the second quarter of 2020 and both Founder Non-Executive Directors waiving their fees from 1 April to 31 December 2020;
- share-based payment charges associated with the Group Executive members identified above, including the Group Executive Directors, increased from £3.2 million in 2020 to £3.8 million in 2021, due primarily to the increased value of Computacenter plc ordinary shares and the overall increased performance of the Group; and
- strategic corporate initiatives are designed to increase capability and therefore competitive position, enhance productivity or strengthen systems which underpin the Group. During the year this spend was £10.8 million (2020: £17.1 million), primarily due to reduced spend on projects that completed in the second half of 2020 and lower than planned spend on certain other projects, which is expected to be incurred in the first half of 2022. In addition, during 2021 there was a significant review of certain large software implementations, which will increase spend during 2022.

2021 REVENUE BY SEGMENT – ORGANIC BASIS

ORGANIC BASIS	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Technology Sourcing revenue						
UK	1,466.4	1,328.0	10.4%	1,466.4	1,328.0	10.4%
Germany	1,398.8	1,297.5	7.8%	1,628.9	1,457.4	11.8%
France	471.6	523.9	(10.0%)	548.7	587.3	(6.6%)
North America	847.8	708.2	19.7%	1,162.9	909.2	27.9%
International	112.8	110.5	2.1%	112.8	106.5	5.9%
Total Group	**4,297.4**	**3,968.1**	**8.3%**	**4,297.4**	**3,854.9**	**11.5%**
Services revenue						
UK	482.2	445.4	8.3%	482.2	445.4	8.3%
Germany	621.1	578.8	7.3%	723.6	650.8	11.2%
France	121.7	135.3	(10.1%)	141.7	151.6	(6.5%)
North America	20.1	17.2	16.9%	27.8	21.8	27.5%
International	78.2	63.8	22.6%	78.2	61.6	26.9%
Total Group	**1,323.3**	**1,240.6**	**6.7%**	**1,323.3**	**1,211.4**	**9.2%**
Total revenue						
UK	1,948.6	1,773.4	9.9%	1,948.6	1,773.4	9.9%
Germany	2,019.9	1,876.3	7.7%	2,351.0	2,108.2	11.5%
France	593.3	659.3	(10.0%)	690.4	738.9	(6.6%)
North America	867.9	725.4	19.6%	1,190.7	931.1	27.9%
International	191.0	174.3	9.6%	191.0	168.1	13.6%
Total Group	**5,620.7**	**5,208.7**	**7.9%**	**5,620.7**	**5,066.4**	**10.9%**

Note
The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities. The results of these acquisitions are excluded where narrative discussion or information refers to 'organic' growth in this presentation.

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

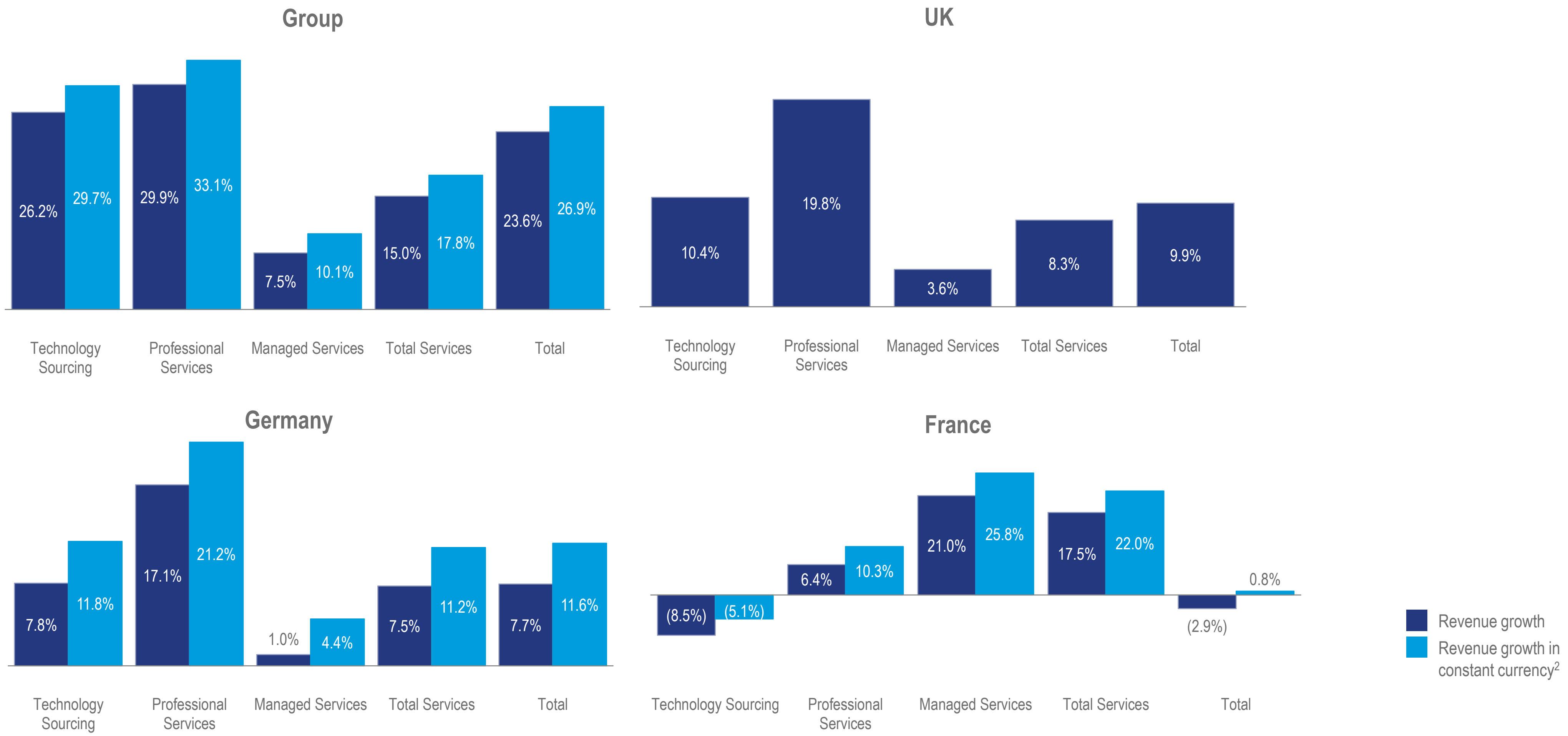
2021 ADJUSTED[1] OPERATING PROFIT - ORGANIC BASIS

ORGANIC BASIS	2021 £m	2020 £m	Change	2021 £m/€m/$m	2020 £m/€m/$m	Constant currency[2]
Adjusted[1] operating profit						
UK	102.9	90.3	14.0%	102.9	90.3	14.0%
Germany	137.4	112.6	22.0%	160.2	125.7	27.4%
France	7.3	14.5	(49.7%)	9.1	16.0	(43.1%)
North America	12.7	8.9	42.7%	17.4	11.6	50.0%
International	11.3	3.6	213.9%	11.3	3.3	242.4%
Central corporate costs	(23.7)	(27.1)	(12.5%)	(23.7)	(27.1)	(12.5%)
Total Group	**247.8**	**202.7**	**22.2%**	**247.8**	**196.5**	**26.1%**

Note
The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities. The results of these acquisitions are excluded where narrative discussion or information refers to 'organic' growth in this presentation.

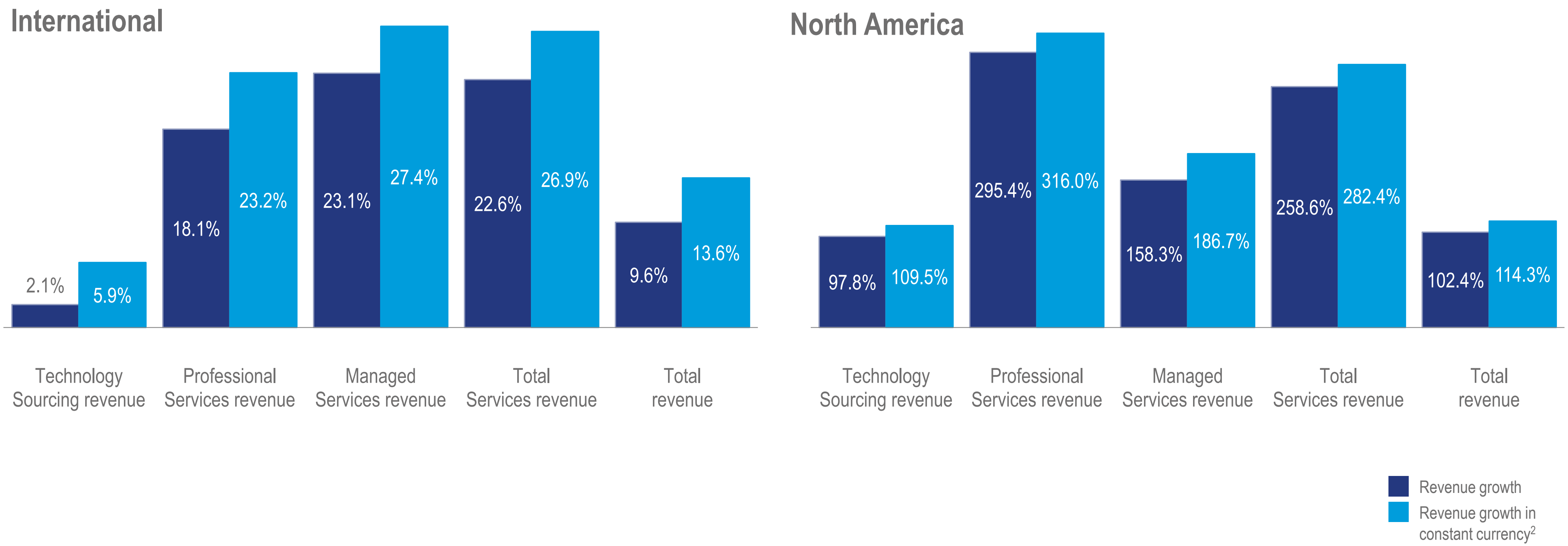
[1,2] Refer to the glossary for definitions.

SOURCES OF REVENUE: PERCENTAGE CHANGE BY REVENUE TYPE



[2] Refer to the glossary for definitions.

SOURCES OF REVENUE: PERCENTAGE CHANGE BY REVENUE TYPE



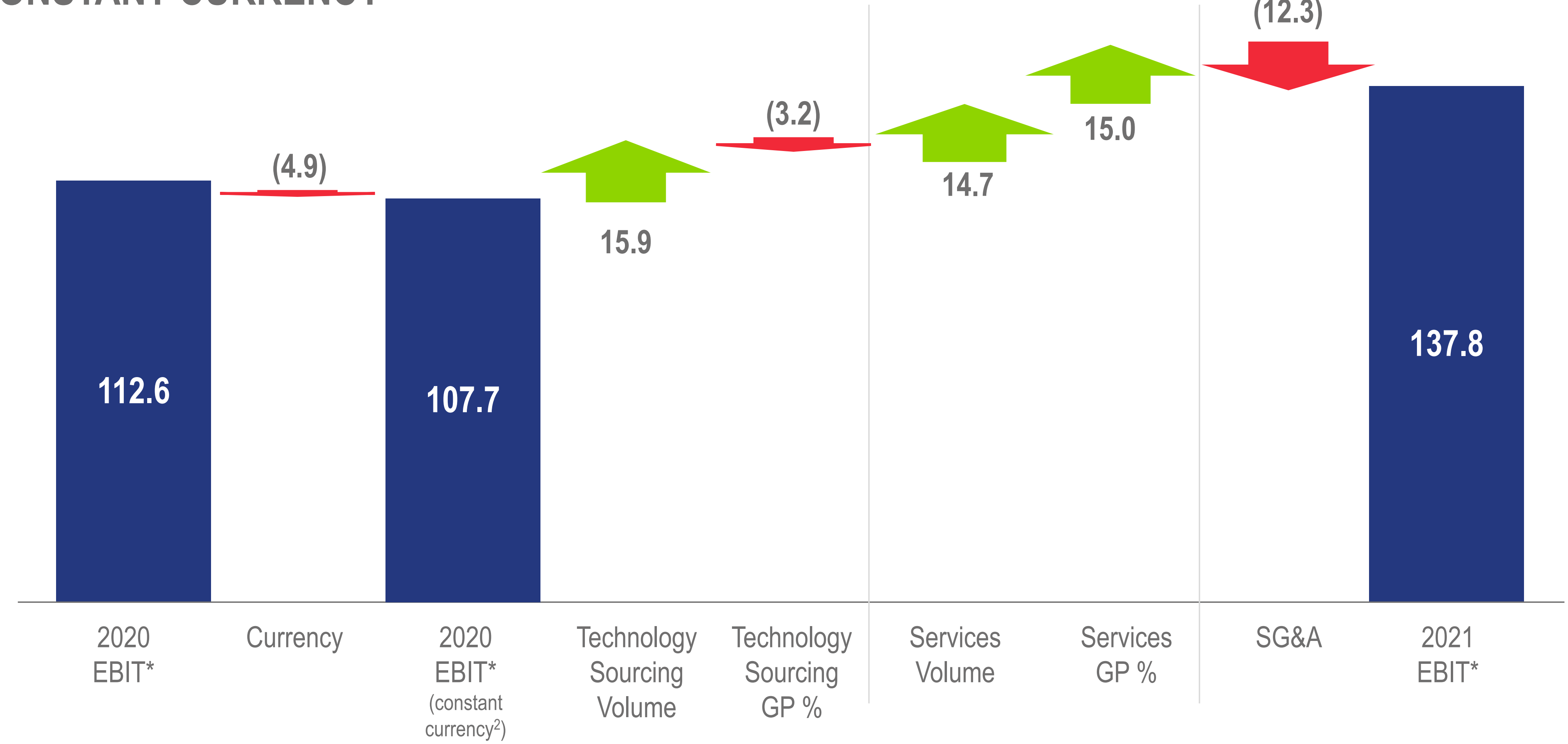
[2] Refer to the glossary for definitions.

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

* EBIT refers to adjusted[1] operating profit

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

CONSTANT CURRENCY[2]

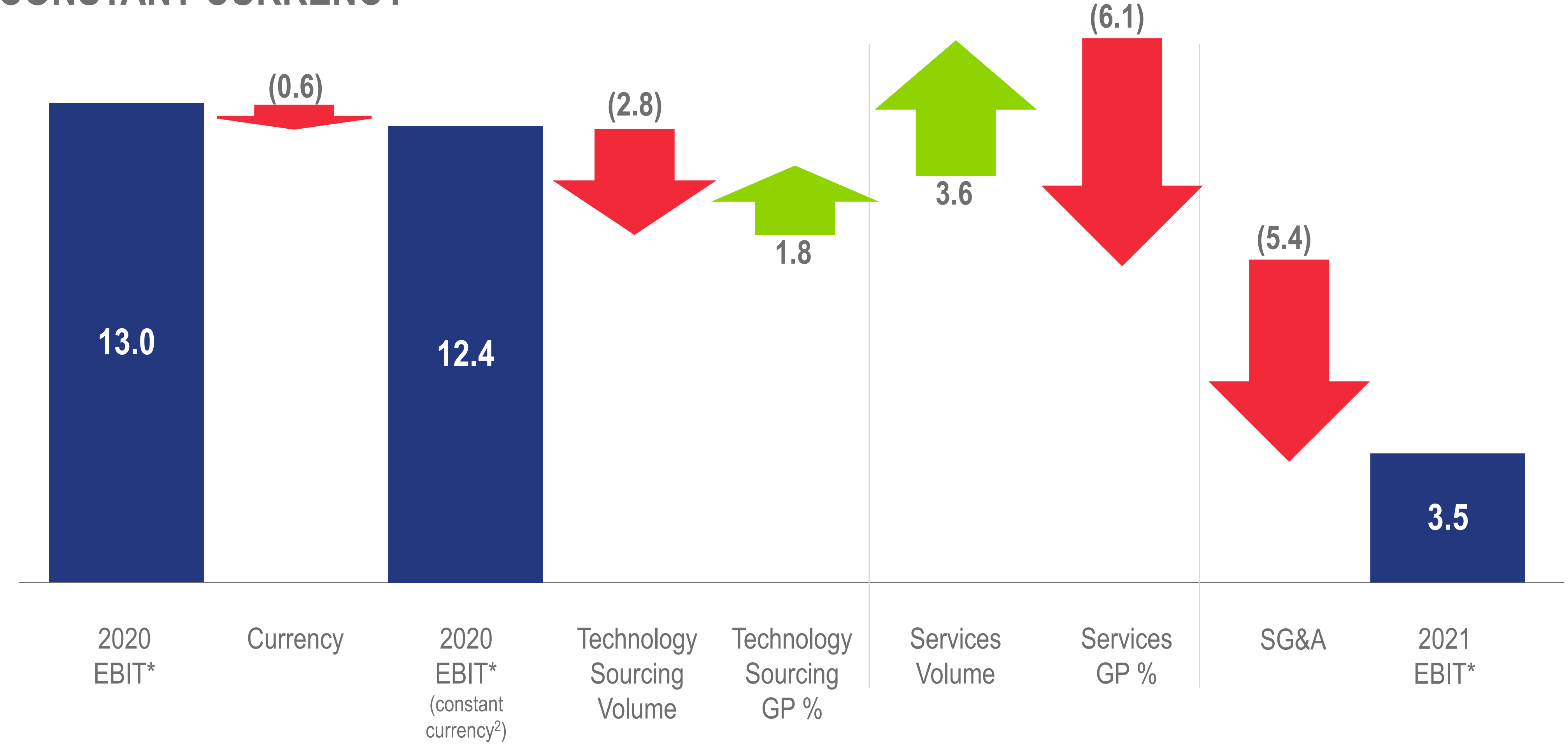


* EBIT refers to adjusted[1] operating profit

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

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

CONSTANT CURRENCY[2]

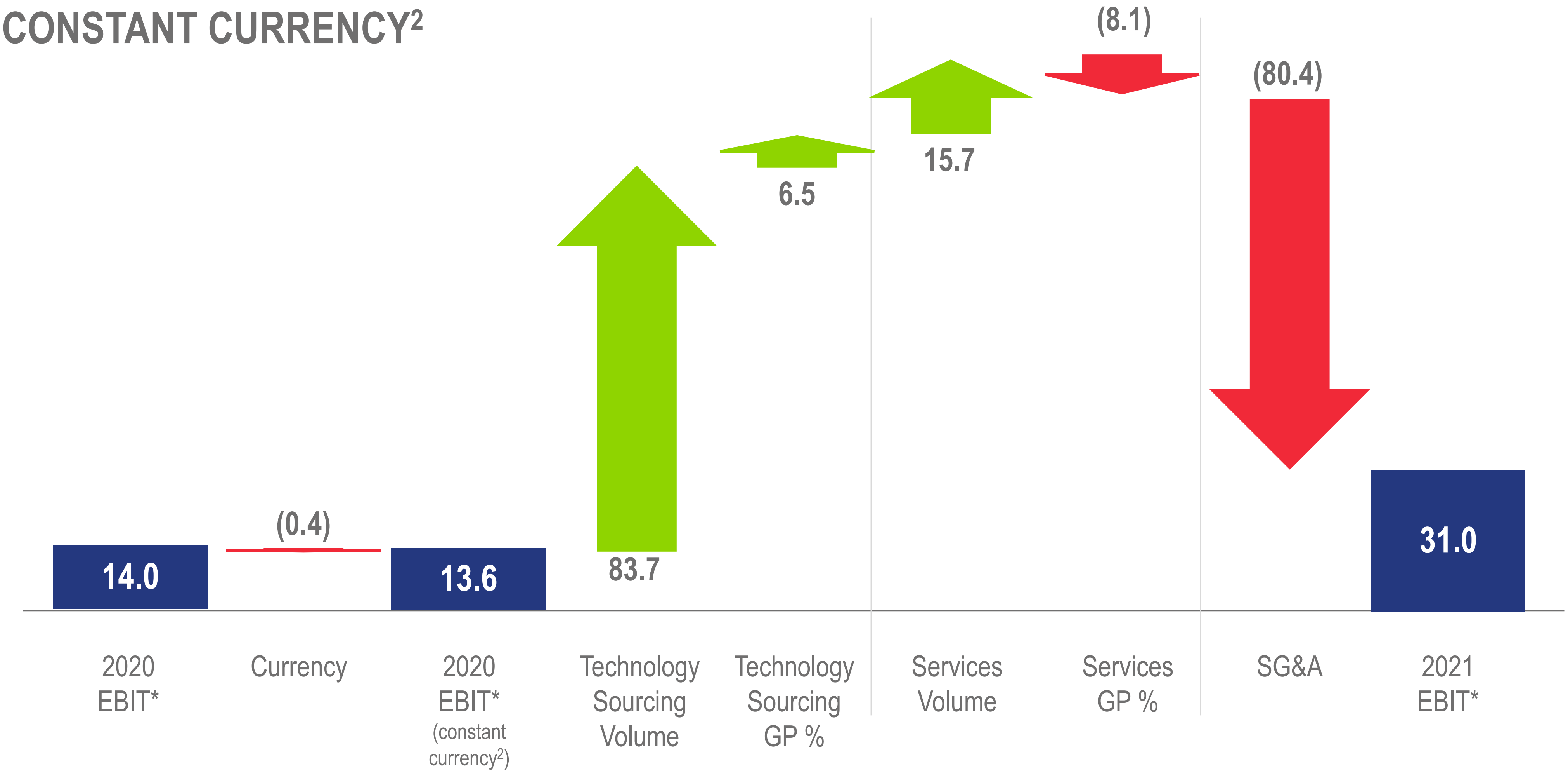


* EBIT refers to adjusted[1] operating profit

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

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

CONSTANT CURRENCY[2]

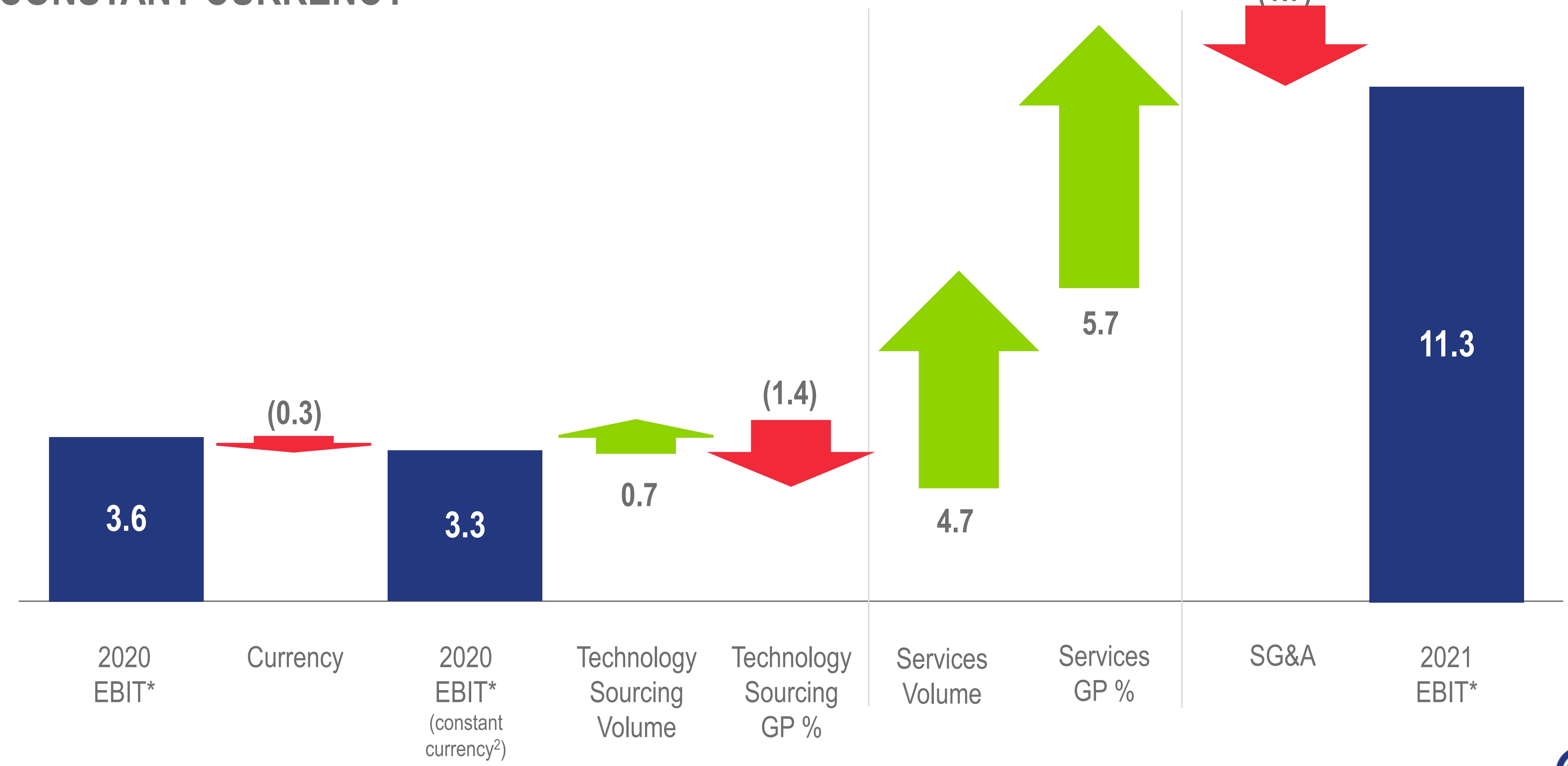


* EBIT refers to adjusted[1] operating profit

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

INTERNATIONAL ADJUSTED[1] 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 21 £m	Dec 20 £m	Change £m
Cash and Cash Equivalents	**273.2**	**309.8**	**(36.6)**
Bank loans - K2	(14.7)	(20.9)	6.2
Bank loans - FusionStorm	-	(41.6)	41.6
Credit facility - Pivot	(7.0)	(58.4)	51.4
Other loans	(10.1)	(0.3)	(9.8)
Adjusted net funds[3]	**241.4**	**188.6**	**52.8**
Lease liabilities	(146.1)	(137.5)	(8.6)
Net (debt)/funds[3]	**95.3**	**51.1**	**44.2**

- One of the Group's primary measures when managing the business is adjusted net funds[3].
- Adjusted net funds[3] have increased by £44.2 million since 31 December 2020.
- Operating cashflow inflow for 2021 of £224.3 million (2020: inflow of £236.9 million).
- Bank loans at the year end relate to specific arrangements for the build and fit out of our German headquarters and Integration Center in Kerpen, a revolving credit facility within Pivot and £9.5 million of customer-specific financing within Pivot.
- The FusionStorm facility was fully repaid during the year, (£41.6 million as at 31 December 2020).
- The Pivot credit facility of £7.0 million, taken on as part of the acquisition, was down from £58.4 million as at 31 December 2020.
- IFRS 16 lease liabilities have increased to £146.1 million (31 December 2020: £137.5 million).

[3] Refer to the glossary for definitions.

GROUP CASH FLOW

- Operating net cash inflow of £224.3 million during the year (2020: inflow of £236.9 million).
- Working capital outflow, excluding provisions, of £77.1 million during the year (2020: outflow of £28.3 million).

	2021 £m	2020 £m
Profit before tax	**248.0**	**206.6**
Net finance cost/(income)	7.2	5.9
Depreciation and amortisation	40.1	38.6
Depreciation of right-of-use assets	50.6	45.2
Share-based payments	10.6	8.0
Gain/(loss)on disposal of non-current assets	(0.8)	0.5
Working capital and other movements	(77.1)	(28.3)
Exceptional gain on acquisition of a subsidiary	-	(14.0)
Net cash flow from provisions	(2.9)	1.9
Other adjustments	1.8	0.1
Cash generated from operations	**277.5**	**264.5**
Income taxes paid	(53.2)	(27.6)
Net cash flow from operating activities	**224.3**	**236.9**
Interest received	0.3	0.5
Acquisition of subsidiaries, net of cash acquired	(2.5)	(30.1)
Capital expenditure and other investments	(30.3)	(27.5)
Proceeds from disposal of assets	7.5	1.6
Net cash flow from investing activities	**(25.0)**	**(55.5)**
Interest paid	(2.3)	(1.9)
Interest expense on lease liabilities	(5.2)	(4.5)
Dividends paid to equity shareholders of the parent	(62.4)	(13.9)
Proceeds from exercise of share options	6.2	5.7
Purchase of own shares	(25.5)	(19.0)
Payment of lease liabilities	(50.2)	(43.2)
Net borrowings	(89.0)	(19.7)
Net cash flow from financing activities	**(228.4)**	**(96.5)**
(Decrease)/increase in cash and cash equivalents	**(29.1)**	**84.9**
Effect of exchange rates on cash and cash equivalents	(7.5)	7.1
Cash and cash equivalents at the beginning of the year	309.8	217.8
Cash and cash equivalents at the year end	**273.2**	**309.8**

GROUP BALANCE SHEET

	2021 £m	2020 £m	Change £m
Non-current assets			
Property, plant and equipment	90.0	107.0	(17.0)
Right-of-use assets	138.1	129.6	8.5
Goodwill and intangibles	273.7	274.7	(1.0)
Investment in associates	0.1	0.1	-
Deferred income tax assets	30.2	10.1	20.1
Prepayments	16.6	23.6	(7.0)
	548.7	**545.1**	**3.6**
Current assets			
Inventories	341.3	211.3	130.0
Trade and other receivables	1,275.2	1,095.9	179.3
Income tax receivable	8.8	10.0	(1.2)
Prepayments and accrued income	251.1	228.2	22.9
Forward currency contracts	3.6	1.6	2.0
Cash and short-term deposits	285.2	309.8	(24.6)
	2,165.2	**1,856.8**	**308.4**
Current liabilities			
Bank overdraft	12.0	-	12.0
Trade and other payables	1,410.4	1,116.7	293.7
Deferred income	249.3	273.9	(24.6)
Financial liabilities	15.1	105.5	(90.4)
Lease liabilities	43.0	41.7	1.3
Forward currency contracts	2.5	5.1	(2.6)
Income tax payable	47.9	39.2	8.7
Provisions	3.5	4.1	(0.6)
	1,783.7	**1,586.2**	**197.5**
Non-current liabilities			
Financial liabilities	16.7	15.7	1.0
Lease liabilities	103.1	95.8	7.3
Deferred income	8.3	18.6	(10.3)
Retirement benefit obligation	21.8	23.3	(1.5)
Provisions	9.7	12.5	(2.8)
Deferred income tax liabilities	25.8	18.9	6.9
	185.4	**184.8**	**0.6**
Net assets	**744.8**	**630.9**	**113.9**

Balance sheet rate

31 December 2021: £1 = €1.192, $1.348

31 December 2020: £1 = €1.111, $1.365

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 administration expenses, adjusted operating profit or loss, 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 40 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-year local currency financial results using the current period 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 slide 3 of this presentation 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 53.

4. Gross invoiced income

Gross invoiced income is based on the value of invoices raised to customers, net of the impact of credit notes. This reflects the cash movements from revenue, to assist Management and the users of the Annual Report and Accounts in understanding revenue growth on a 'Principal' basis and to assist in their assessment of working capital movements in the Consolidated Balance Sheet and Consolidated Cash flow Statement. This measure allows an alternative view of growth in gross profit, based on the product mix differences and the accounting treatment thereon. Gross invoiced income includes all items recognised on an 'Agency' basis within revenue, on a gross income billed to customers basis, as adjusted for deferred and accrued revenue. A reconciliation of revenue to gross invoiced income is provided on slide 38 of this presentation.

5. Organic growth

The result for the year benefited from £1,105.1 million of revenue (2020: £232.6 million), and £13.9 million of adjusted[1] profit before tax (2020: £3.3 million), resulting from all acquisitions made since 1 January 2020. All figures reported throughout this presentation include the results of these acquired entities.

The results of these acquisitions are assumed to be excluded where narrative discussion refers to 'organic' growth in this presentation.

2021 FULL-YEAR RESULTS

Full-year results to 31 December 2021 (16 March 2022)

40 YEARS

Computacenter

1981-2021