



2023 Full Year Results

20 March 2024



Disclaimer

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2023 Highlights

Another record year, well-positioned for the future

Market outperformance

- Exceeded £10bn of Gross invoiced income
- Driven by large customer spend, especially in H1 2023

A strong and diversified portfolio

- Revenue growth in Technology Sourcing, Managed Services and Professional Services
- Strong performances in Germany and North America outweighing softer UK

Sustained investment

- Continued investment in strategic initiatives to secure future growth in our target market

Profit growth and excellent cash generation

- 19th consecutive year of growth in EPS¹
- Record levels of adjusted net funds

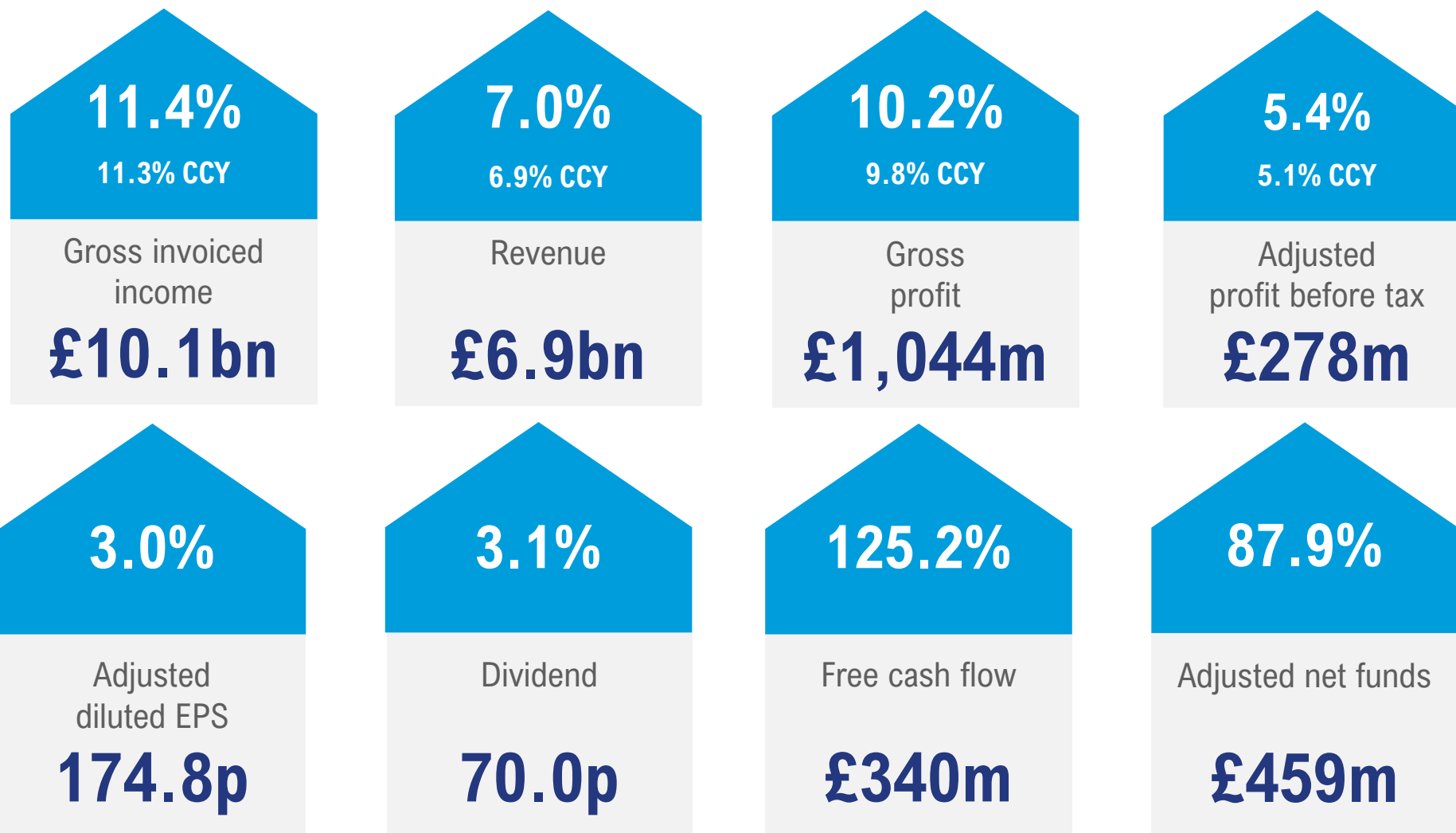


Financial Review

Chris Jehle, CFO



2023 Financial highlights



Delivering growth while continuing to invest

	2023 £m	2022 £m	Change	Change (CCY)
Gross invoiced income (GII)	10,081.4	9,052.2	11.4%	11.3%
Revenue	6,922.8	6,470.5	7.0%	6.9%
Gross profit	1,044.0	947.1	10.2%	9.8%
Gross profit as % revenue	15.1%	14.6%	+44bps	
Adjusted admin expenses	(772.5)	(678.0)	13.9%	13.5%
Adjusted operating profit	271.5	269.1	0.9%	0.6%
Adjusted operating profit %	3.9%	4.2%		
Net finance income/(expense)	6.5	(5.4)		
Adjusted profit before tax	278.0	263.7	5.4%	5.1%
Adjusted tax rate	27.6%	25.5%	+2.1pts	
Adjusted diluted EPS (p)	174.8	169.7	3.0%	
Diluted EPS (p)	173.2	159.1	8.9%	
Dividend (p)	70.0	67.9	3.1%	

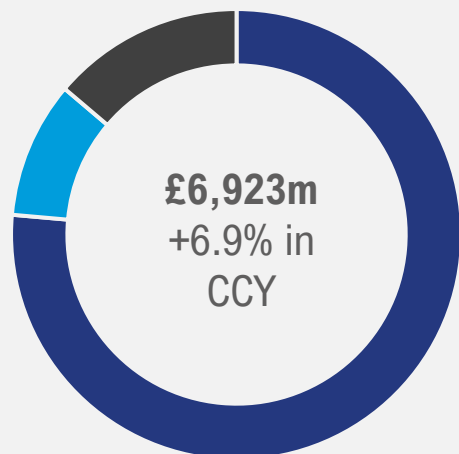
- **GII up 11.3%** in constant currency driven by Technology Sourcing outperformance; Revenue **up 6.9%**
- **Gross profit up 9.8%** in constant currency reflecting robust gross margin performance **up 44bps**
- **Adjusted operating profit up 0.6%** in constant currency despite increase in spend on strategic initiatives (£28.1m in 2023 vs £14.8m in 2022)
- **Adjusted PBT up 5.1%** in constant currency
- **Adjusted diluted EPS up 3.0%**



Growth across all Service Lines

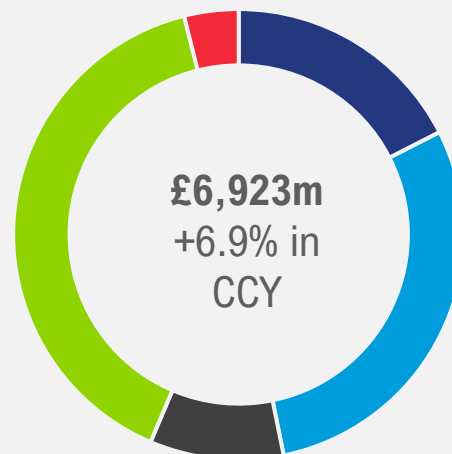
Diversified by Service Line and by geography

Revenue by Service Line



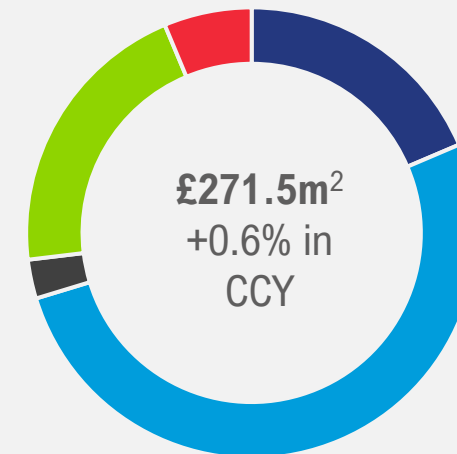
	Share of Group	Change in share	Change in CCY
Technology Sourcing	76.4%	+0.6%	+8.1%
Professional Services	9.8%	nil	+5.7%
Managed Services	13.8%	-0.6%	+1.3%

Revenue by Geography



	Share of Group	Change in share	Change in CCY
United Kingdom	17.5%	-2.1%	-4.4%
Germany	29.3%	+0.8%	+8.0%
France	9.6%	0.1%	+6.2%
North America	39.7%	+1.0%	+11.0%
International	3.9%	+0.2%	+12.0%

Adjusted operating profit¹ by Geography



	Share of Group ¹	Change in share ¹	Change in CCY ²
United Kingdom	18.6%	-8.8%	-27.0%
Germany	51.7%	+3.6%	+13.8%
France	2.8%	+0.3%	+26.3%
North America	20.6%	+2.5%	+24.0%
International	6.3%	+2.4%	+81.7%



Germany and North America strength outweighed softer UK

Diversified across markets

 **Germany**

FY23 Adj op. profit
£163.0m

UP
+14%


- Strong momentum consolidating our market-leading position
- Growth reflects depth and breadth of our portfolio and strength of relationships with large corporate and public sector customers
- Strength in networking, data center and security

 **North America**

FY23 Adj op. profit
£65.0m

UP
+24%

- Continued execution of US growth opportunity
- Significant growth with a hyperscale customer in 2023 which is expected to normalise in 2024
- Strategically important customer wins in 2023; excited by the long-term growth opportunity

 **United Kingdom**

FY23 Adj op. profit
£58.8m

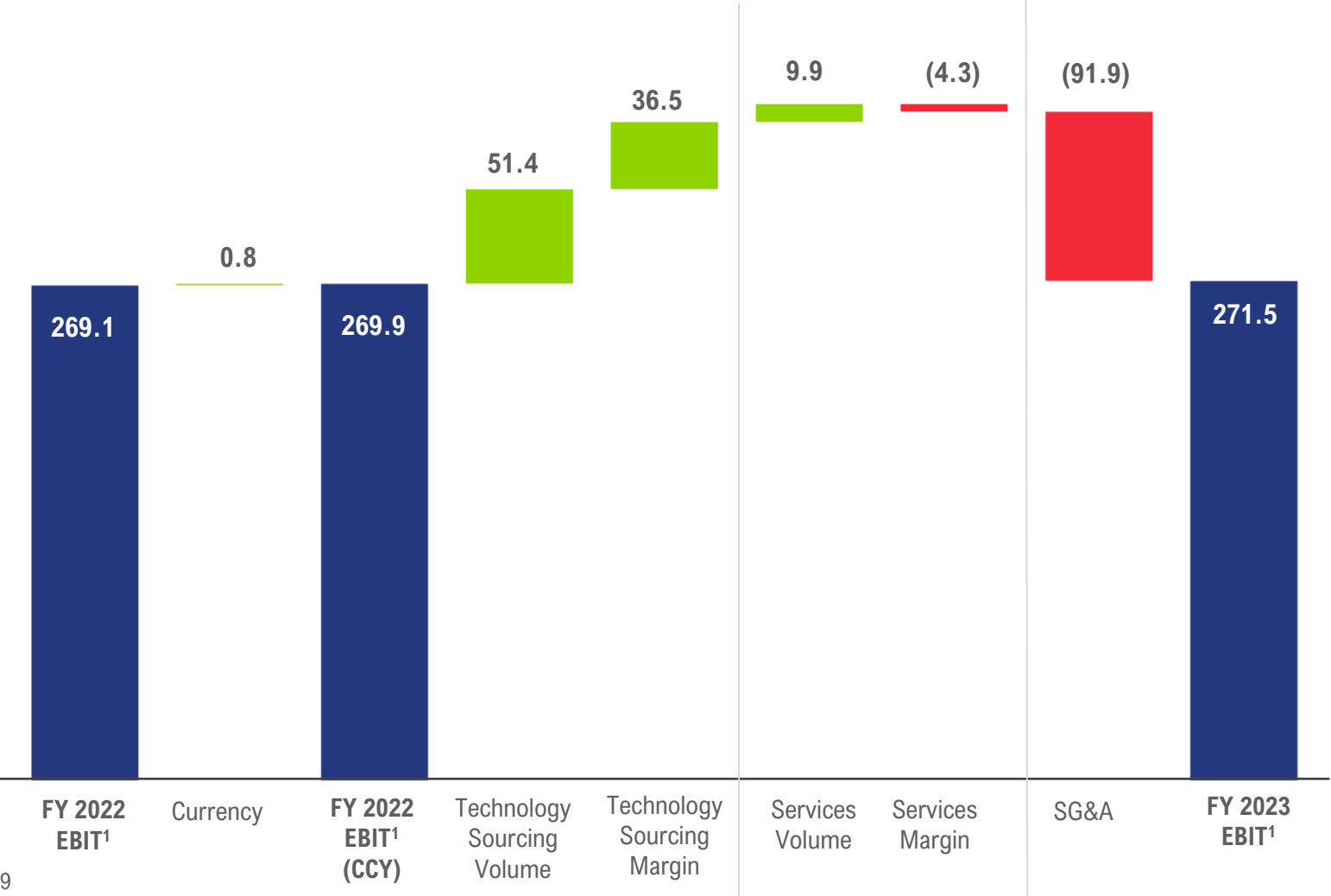
DOWN
27%

- Weaker result in softer market for workplace activity
- Implemented new leadership and structural changes
- Encouraged by Managed Services wins in Q4
- We are a key partner for UK corporate and public sector



Robust operating profit despite higher investment

£m in constant currency



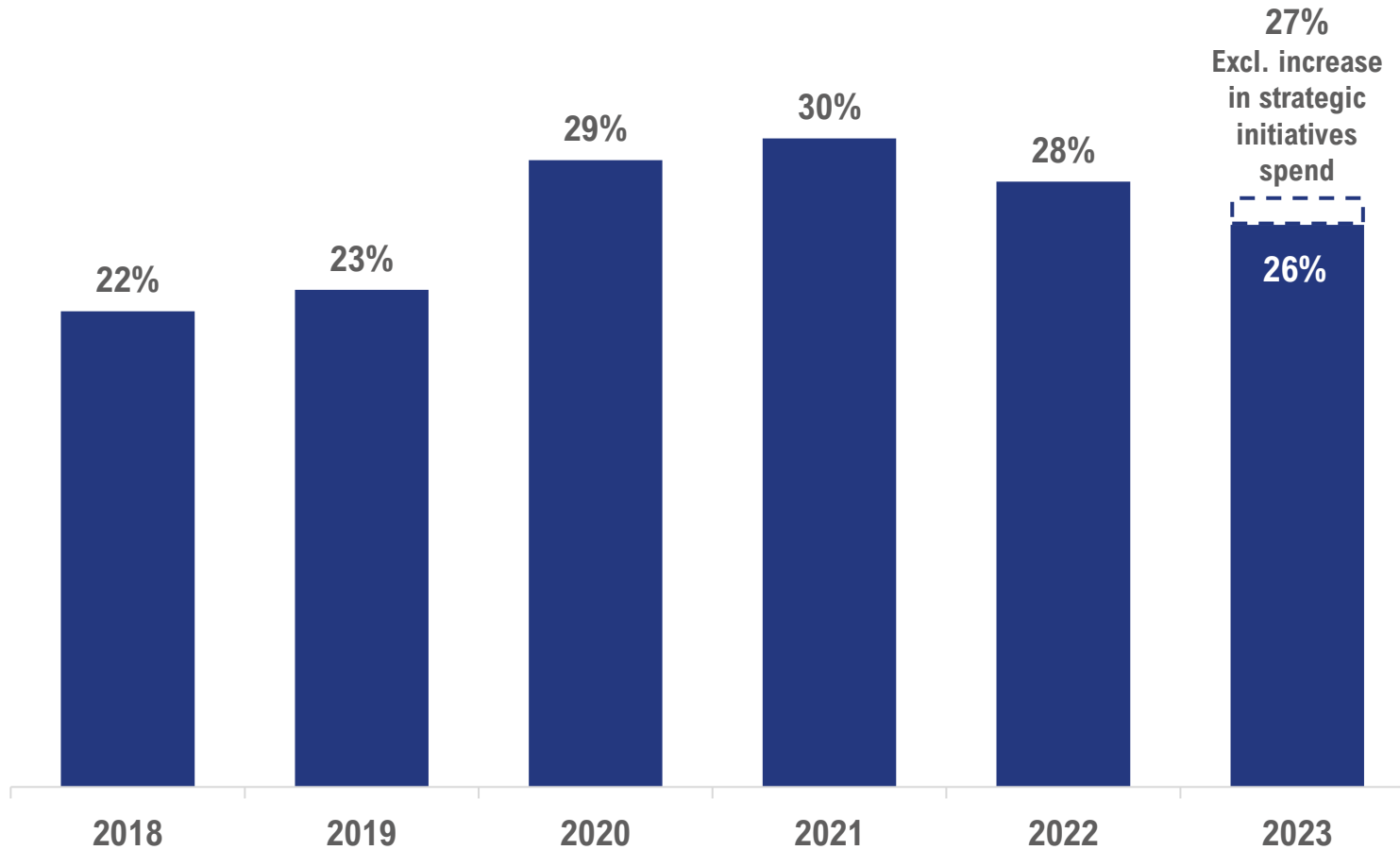
- Strong Technology Sourcing volumes and robust margin performance reflecting scale benefits and product mix
- Modest increase in Services volumes with margin performance improving across the year
- Increase in SG&A reflects increase in pay rates, higher commissions and additional strategic initiative investment

1. EBIT refers to adjusted operating profit



Focus on driving productivity

Adjusted operating profit as a percentage of gross profit

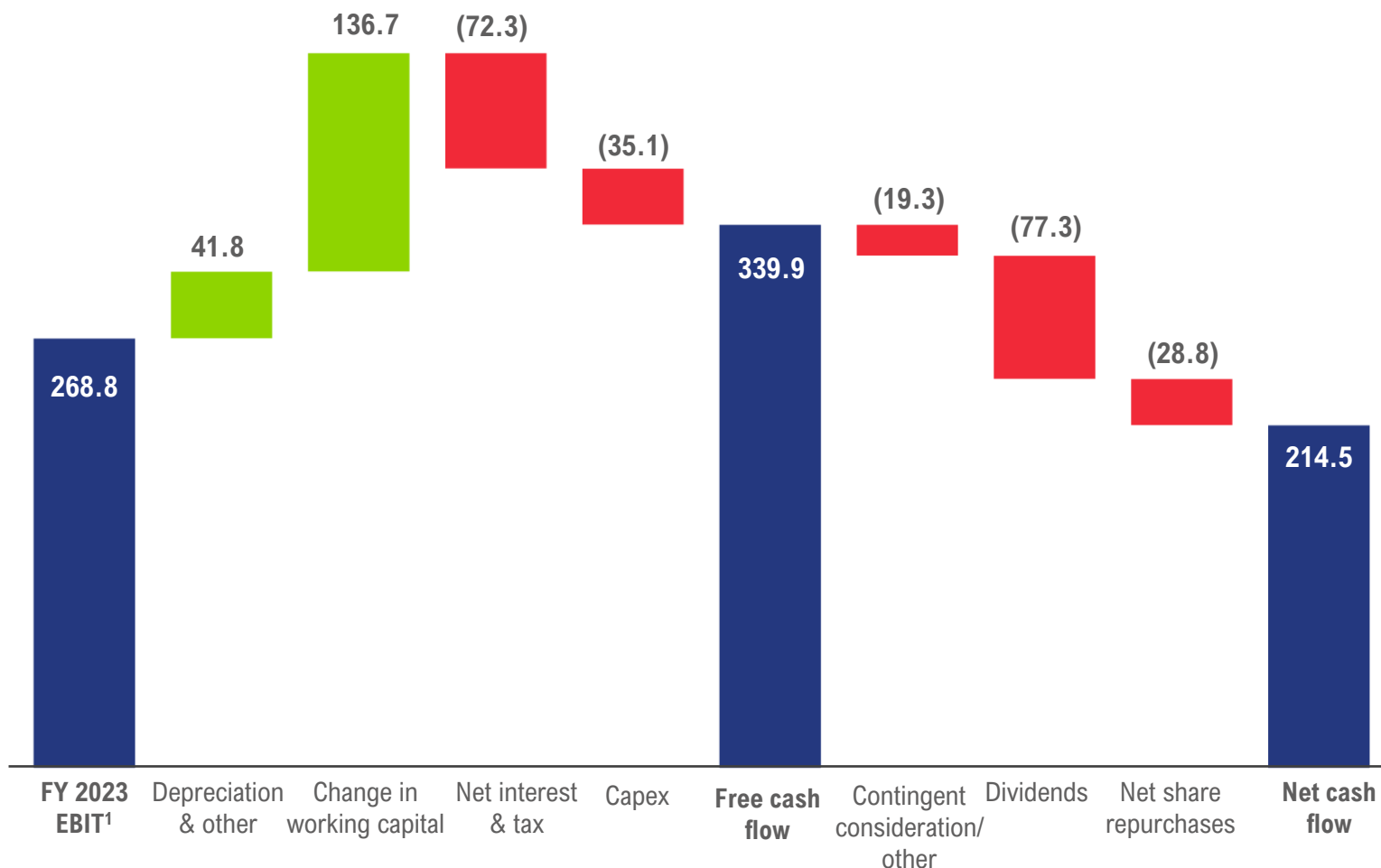


- Productivity is one of our strategic KPIs
- 4pts improvement since 2018
- 2023 impacted by increase in strategic initiatives spend
- Scope for further improvement as we enhance performance and leverage investments across the Group



Strong working capital performance driven by inventory reduction

Summary cash flows (£m)



Group inventory

- £216m at 31 December 2023
- Down £202m year-on-year
- Down £317m since peak in September 2022

Adjusted net funds

- Adjusted net funds at 31 December 2023 increased by £215m to £459m

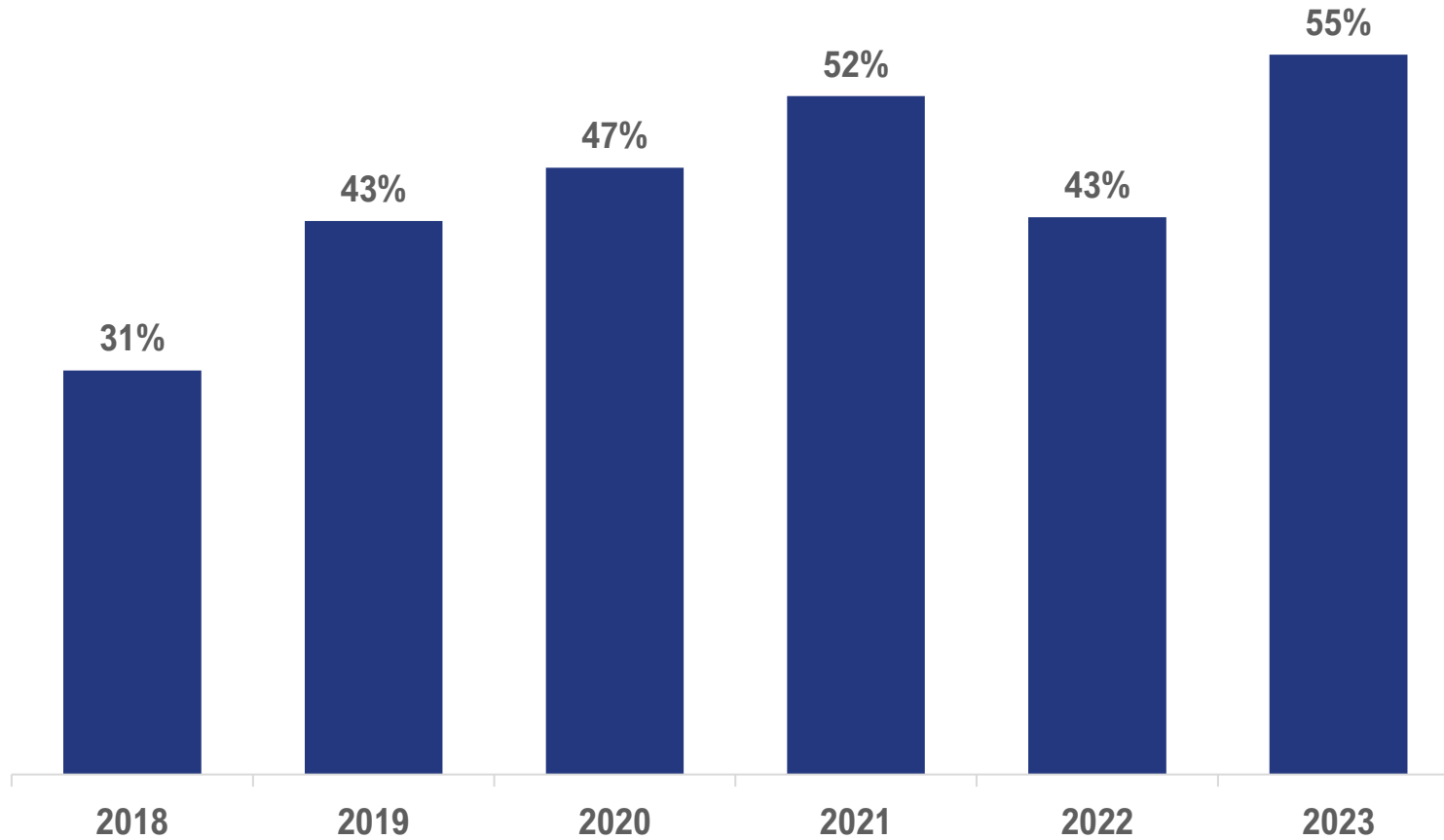
Balance sheet strength provides significant optionality

1. EBIT refers to operating profit



Growing return on capital

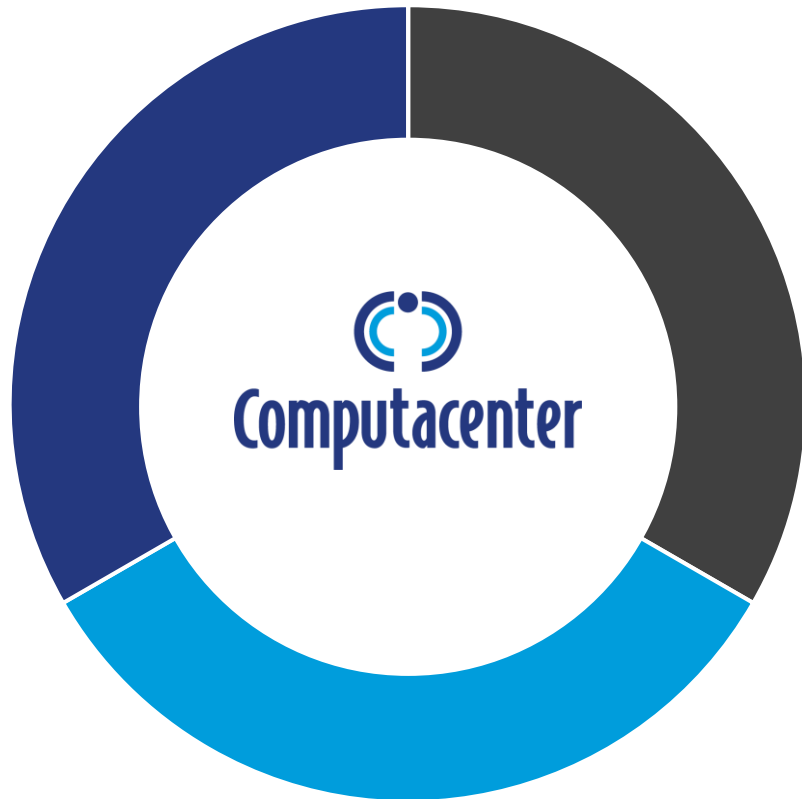
Return on capital employed¹ %



- High returns on capital
- FY 2023 12pts improvement in ROCE driven primarily by significant reduction in inventory



A clear capital allocation framework



Organic Investment

- Drive market share gains through consistent organic investment

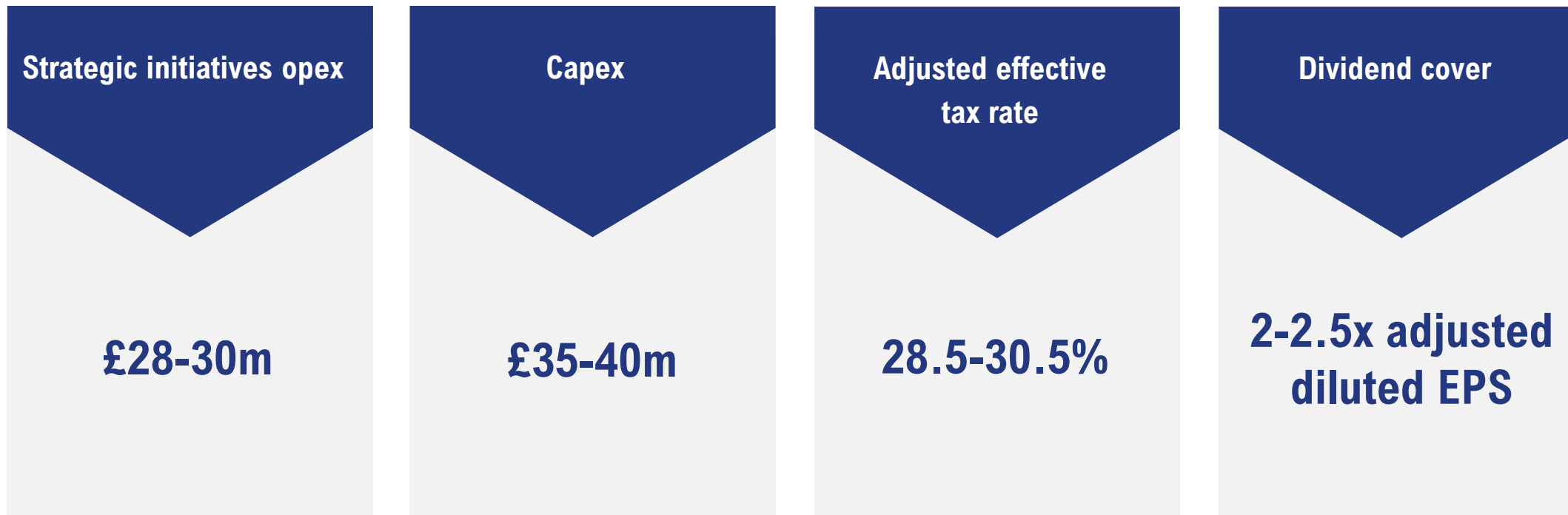
M&A

- Continue to assess acquisitions based on strategic fit
- Recent acquisitions have built geographic and business line diversity, which enhances the operational resilience of the Group

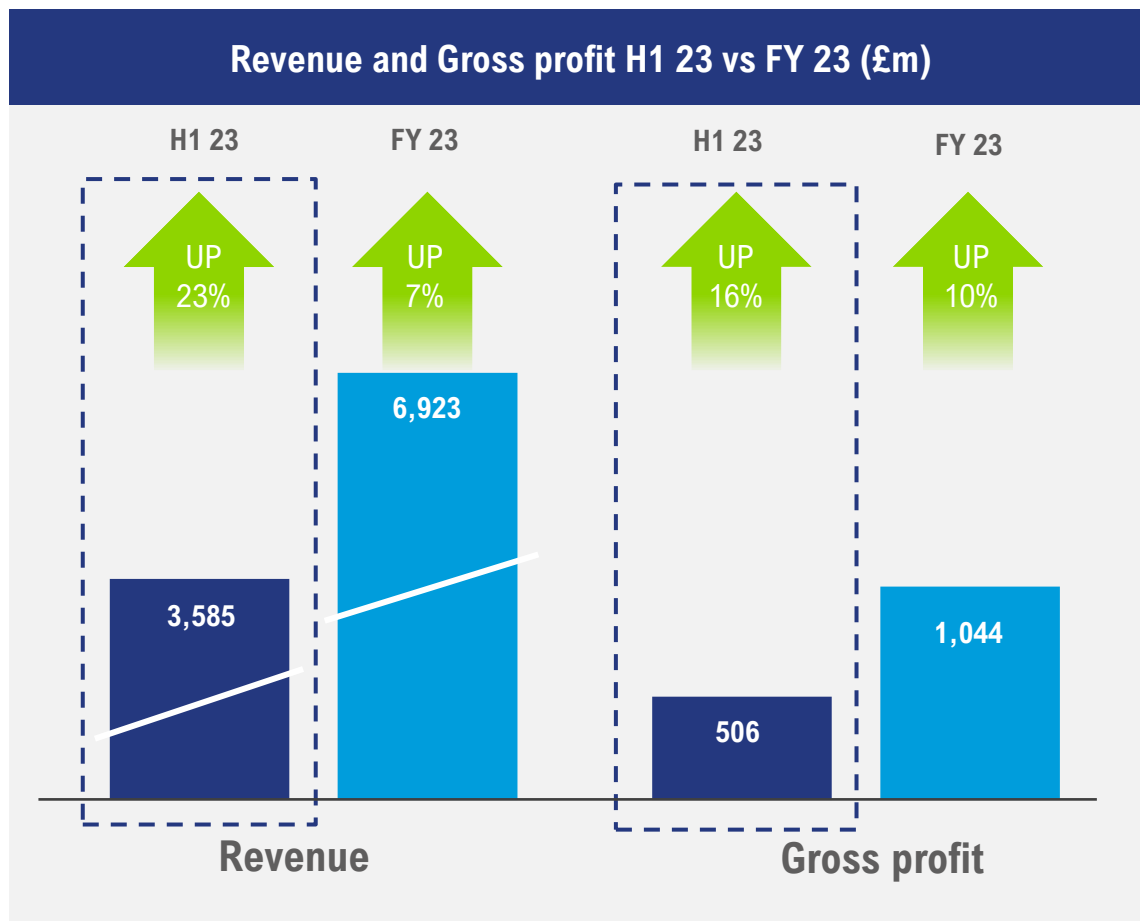
Returns to shareholders

- Long track record of paying dividends and other special one-off cash returns
- Dividend policy: dividend cover of 2 to 2.5x adjusted diluted EPS

2024 technical guidance



Growth in 2024 to be H2 weighted given strength of H1 2023



- Strong H1 2023 comparative reflecting exceptional large customer spend
- More normalised volumes expected in 2024
- Expect further progress in 2024 with growth weighted to H2, reflecting a significantly more challenging comparison in H1 than H2

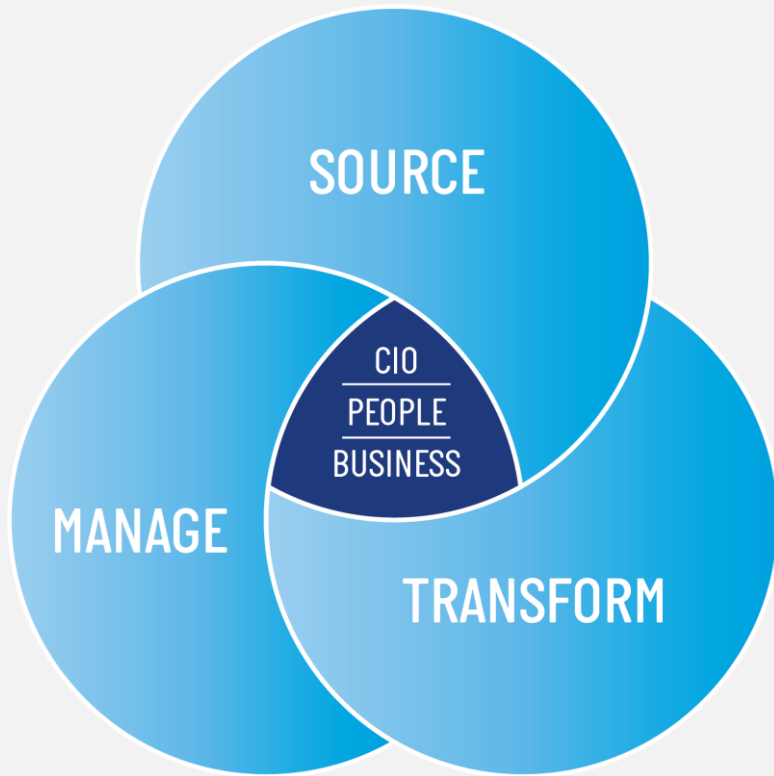


Operating review

Mike Norris, CEO



Well-positioned to deliver long-term profitable growth



Long-term relationships with diversified and high-quality customer base

Diversified across markets and technology areas

Market-leading scale infrastructure

Largest services capability of any value-added reseller in the world

Market-leading international coverage

Powerful partnerships with the world's leading technology vendors

Strong cash generation with low capex requirements

Strong balance sheet enabling investment for future growth



Consistent strategic focus

Our Purpose

Helping our customers
change the world

Our strategic focus

Target
market
customers

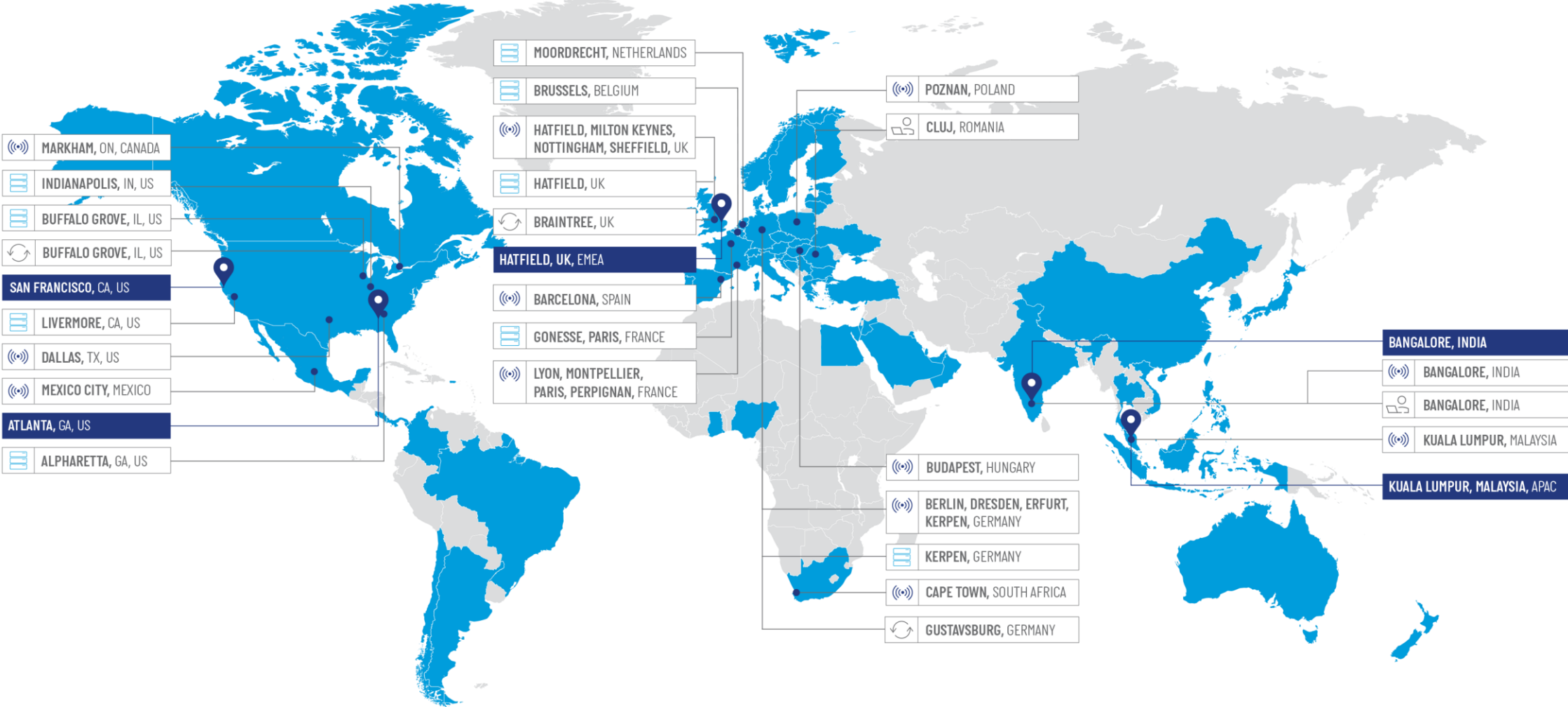
Scale our
activities

Empower our
people



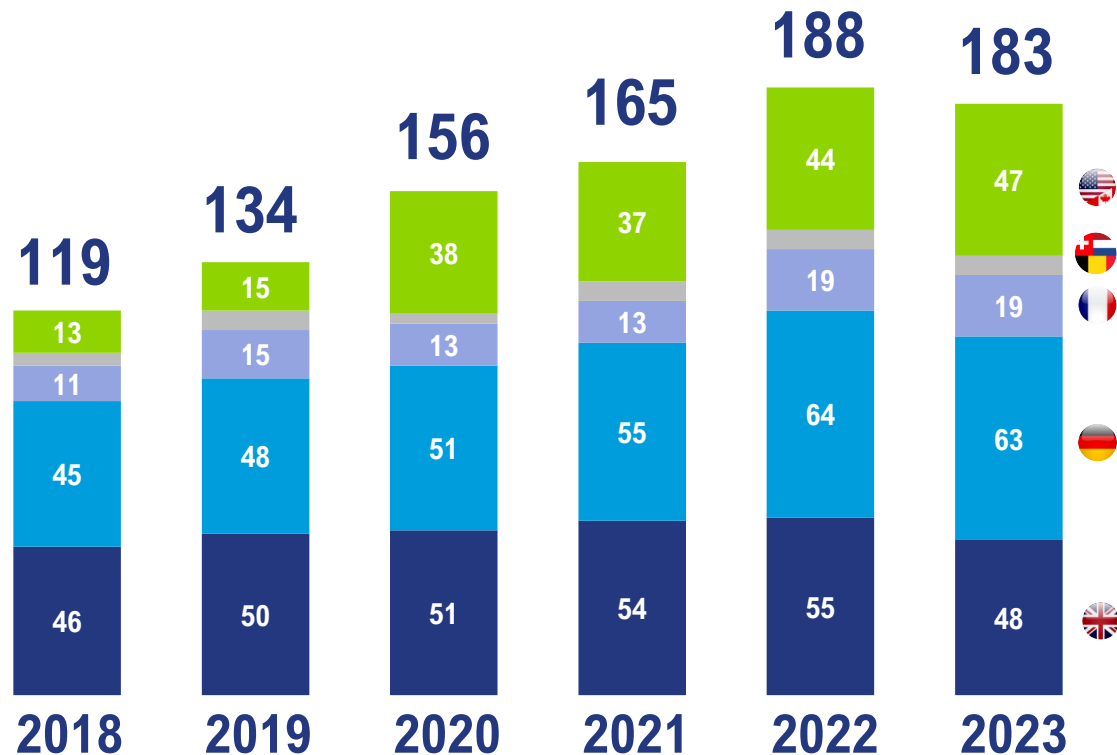
Our worldwide coverage

We Source, Transform and Manage technology for our customers in over 70 countries worldwide



Strong customer relationships

Customers generating >£1m of gross profit



- Focused on securing, maintaining and growing our relationships with large corporate and public sector customers
- We have successfully retained and maximised the relationships over the long term
- Grown number of customers generating >£1m of gross profit by 64 since 2018
- 54% have been customers for more than 5 years
- Decline in 2023 mainly reflected reduced customer spending in UK



Powerful partnerships

We're proud to have built powerful partnerships with the world's leading technology vendors

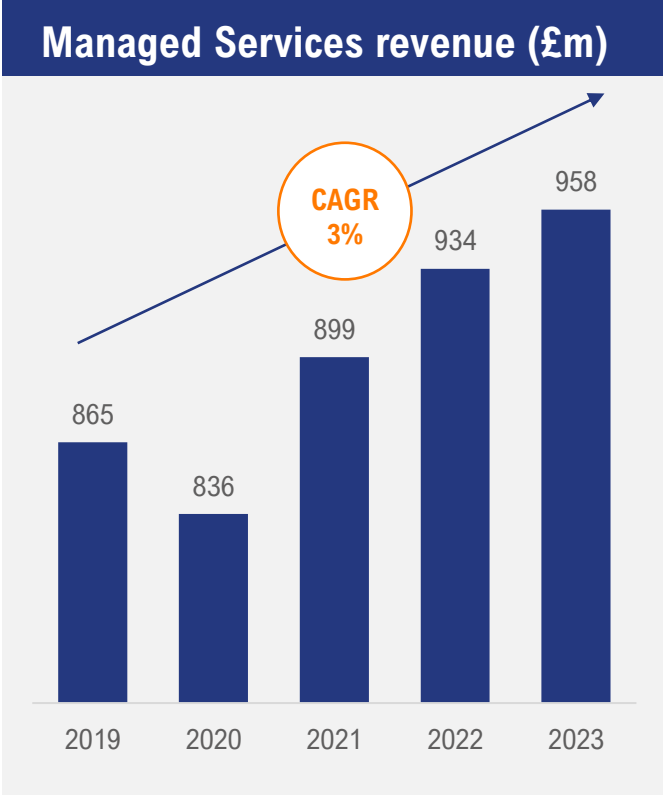
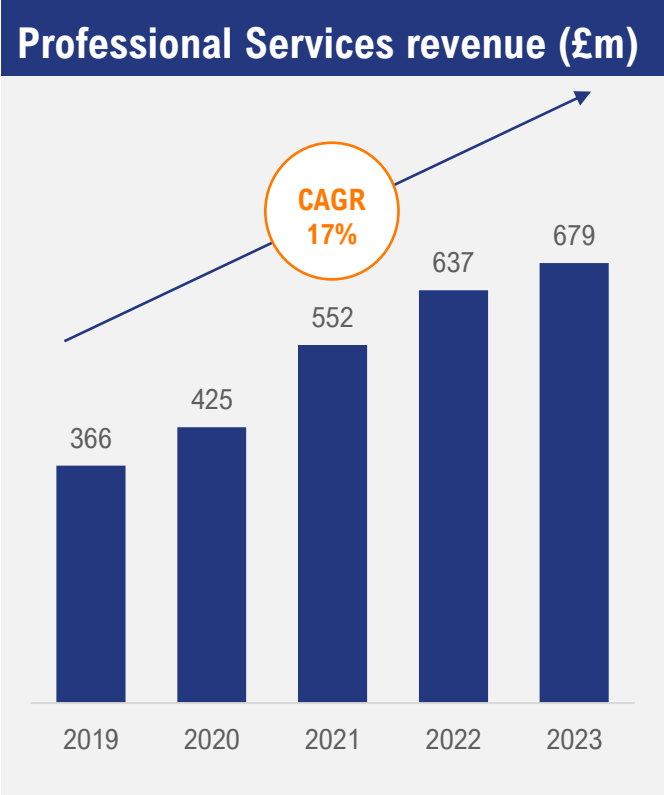
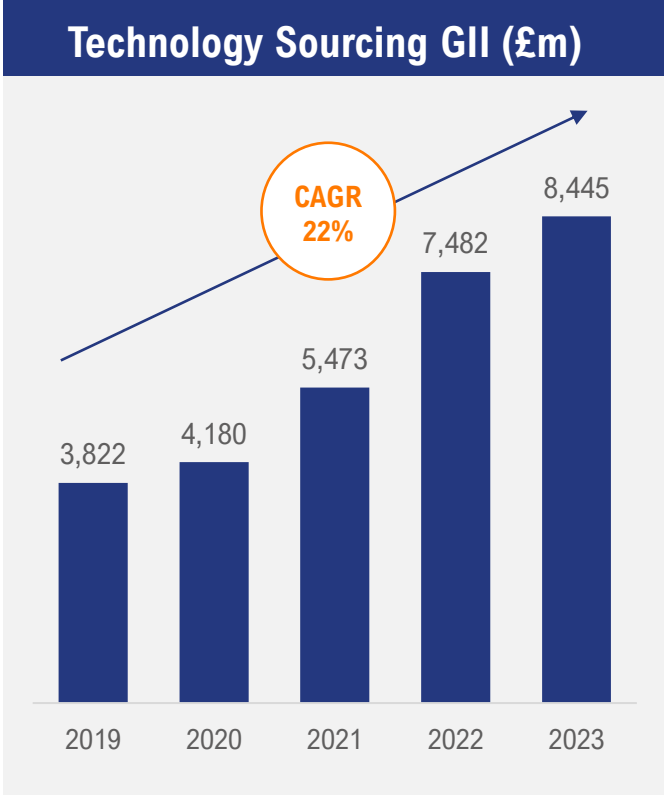


Computacenter holds over 200 technology accreditations. Our people hold over 13,000 technical certifications.

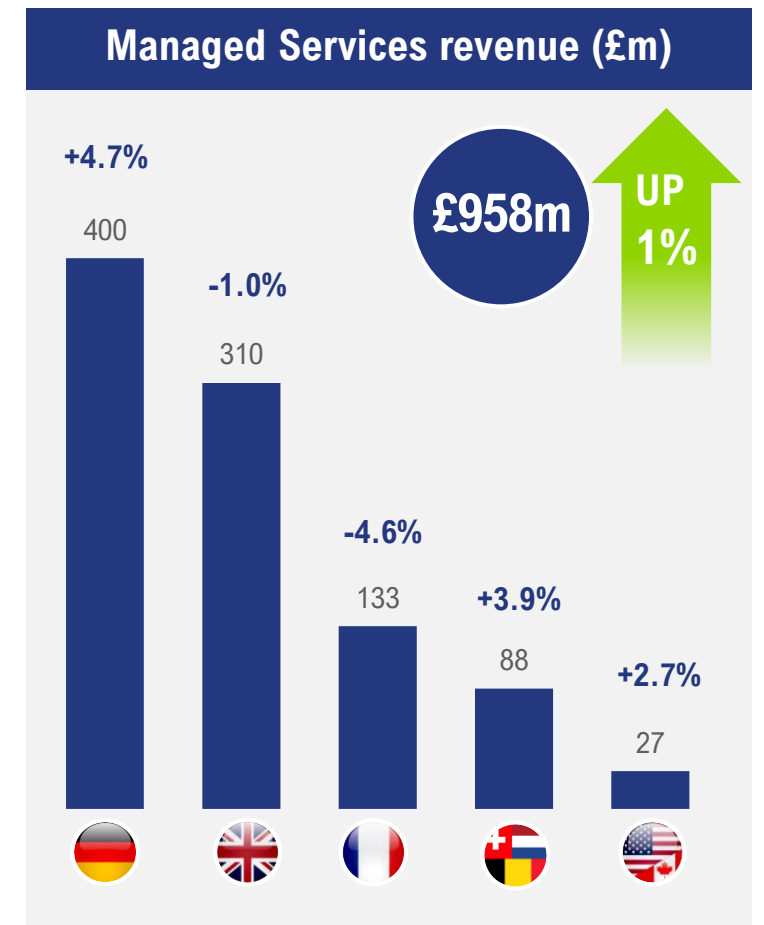
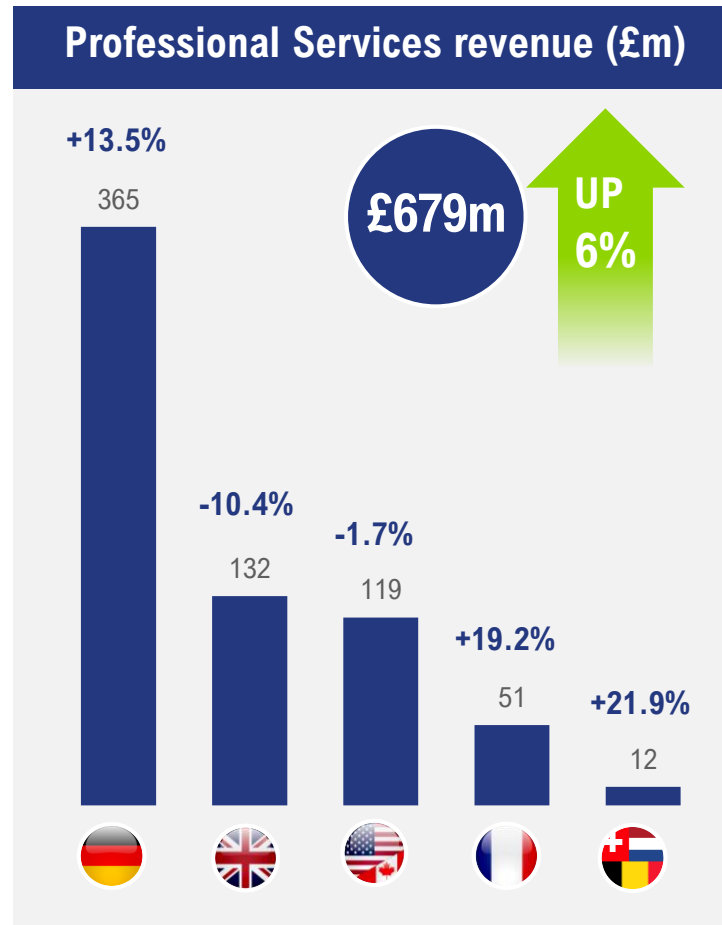
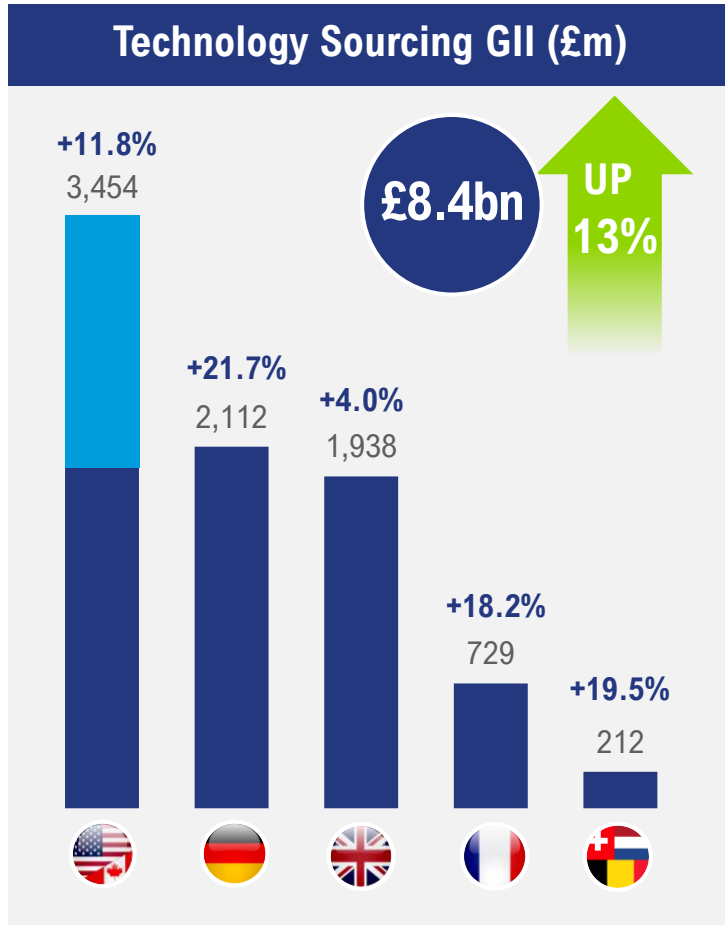


Driving long-term growth across the Group

We have grown across all Service Lines



We grew faster than the market in 2023 driven by large customer spend



 Largest customer in North America



Our investments to create value

CIRCULAR SERVICES

New **Circular Services ERP** system configured for our specific needs (Microsoft D365)

Opening of **Gustavsborg Circular Services Center** in Germany



TECHNOLOGY SOURCING

Integration Center investments:

- Kerpen
- Moordrecht

E-commerce:



NETWORK & SECURITY INFRASTRUCTURE

Significant investment in **network and security infrastructure** globally to support hybrid working and help to secure ourselves and our customers



ARTIFICIAL INTELLIGENCE

Our new **key platforms include AI capabilities**: e.g. ServiceNow, Salesforce, Genesys

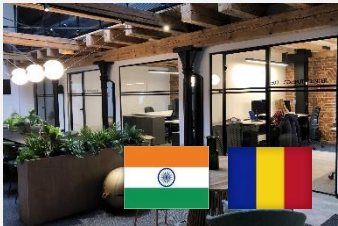
Microsoft **Copilot for Web** (GenAI) and **Copilot M365** (internal search) being deployed



PROFESSIONAL SERVICES

- **India & Romania PS** Delivery Centers

- **Professional Services Standards** framework:



IT SERVICE MANAGEMENT

Rollout of our **IT Service Management (ITSM)** systems upgrade programme, centred on ServiceNow.

Deployed Genesys **Contact Center** software globally



SALES & CUSTOMER ENGAGEMENT

New **Sales CRM and Quotation systems** being deployed globally to approximately 2,000 users



MANAGED SERVICES

India off-shore growth to **1,400 people**

New building in Bangalore with capacity to scale to **5,000 people**



ERP SYSTEMS MODERNISATION

Continued investment in our long-term **SAP ERP upgrade programme** which underpins our operations



Artificial Intelligence

It's not all new – extension of digital transformation

TECHNOLOGY SOURCING

AI will help us to grow and generate additional revenue

Some US customers already very active

MANAGED SERVICES

AI will help us to improve our user and customer experience

We are investing in new tools which already have AI functionality e.g. ServiceNow, Genesys

PROFESSIONAL SERVICES

Customers are asking us to help them make the right choices about how to leverage AI

We are providing strategy & deployment advice to customers e.g. MS Copilot

BUSINESS SERVICES

We are increasing our internal deployment of AI solutions to reduce costs and improve productivity

MS Copilot for Web (external) & Copilot M365 (internal) being deployed in addition to other tools and platforms with AI functionality e.g. Salesforce, Responsive

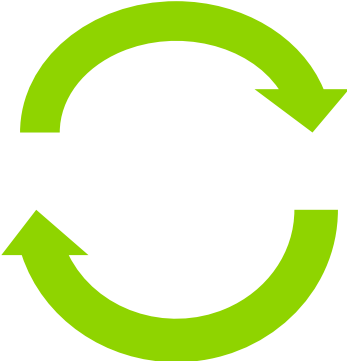


Recover a device for every device we sell

Circular Services Center – Braintree



775,000
devices recovered
(2023)



Integration Center - Hatfield



4.7m
new devices sold
(2023)



Summary and outlook

1

19th year of consecutive adjusted EPS growth in 2023
Excellent cash performance

2

Continuing to invest in strategic initiatives to secure future growth

3

Expect to make further progress in 2024 with growth weighted to H2

4

Well-positioned to continue to deliver long-term profitable growth





Computacenter

CAPITAL MARKETS DAY

5 June 2024 (pm)

London

SAVE THE DATE

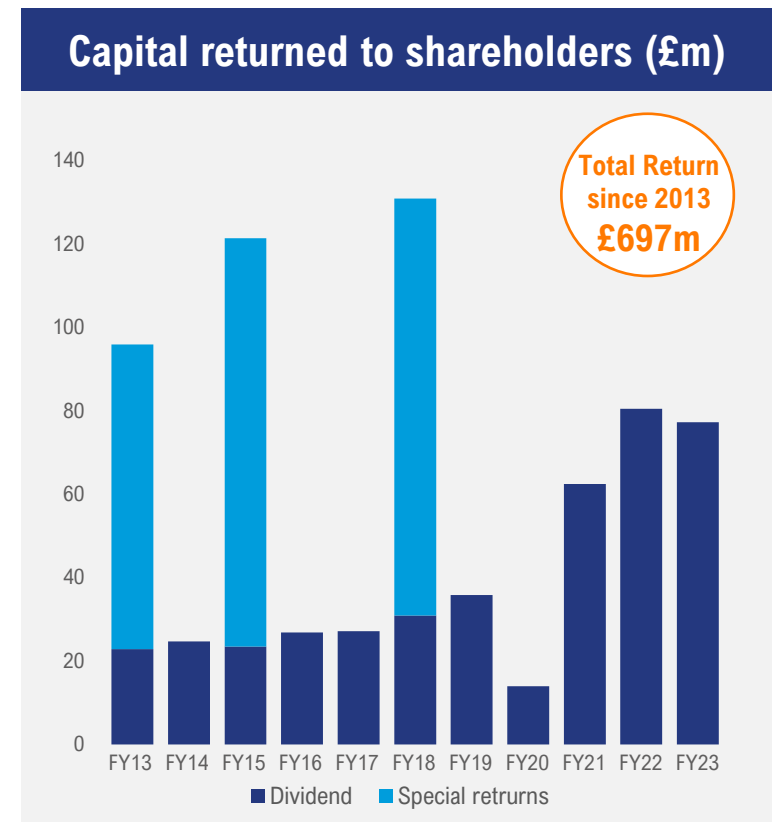
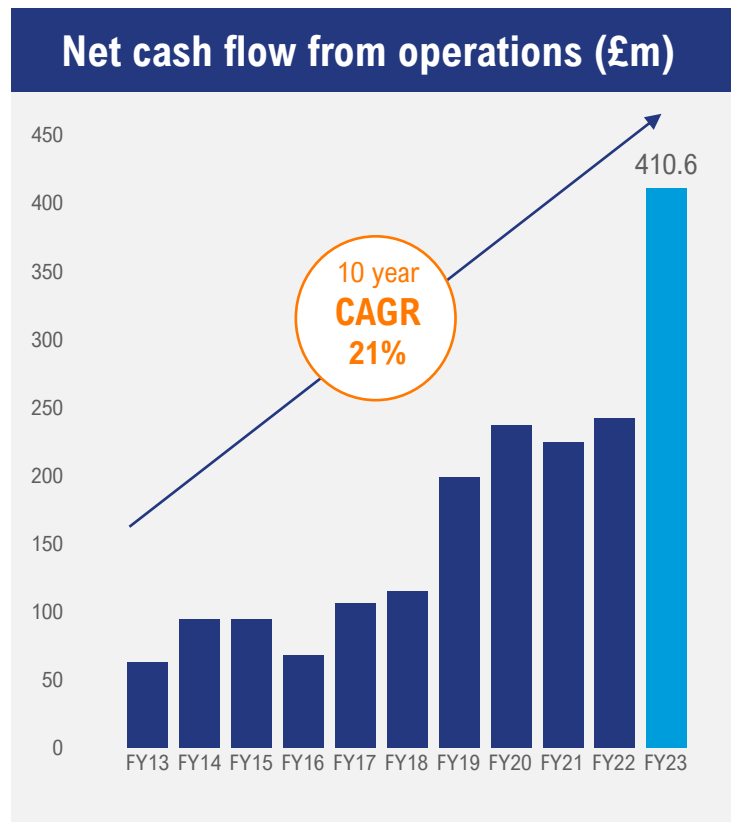
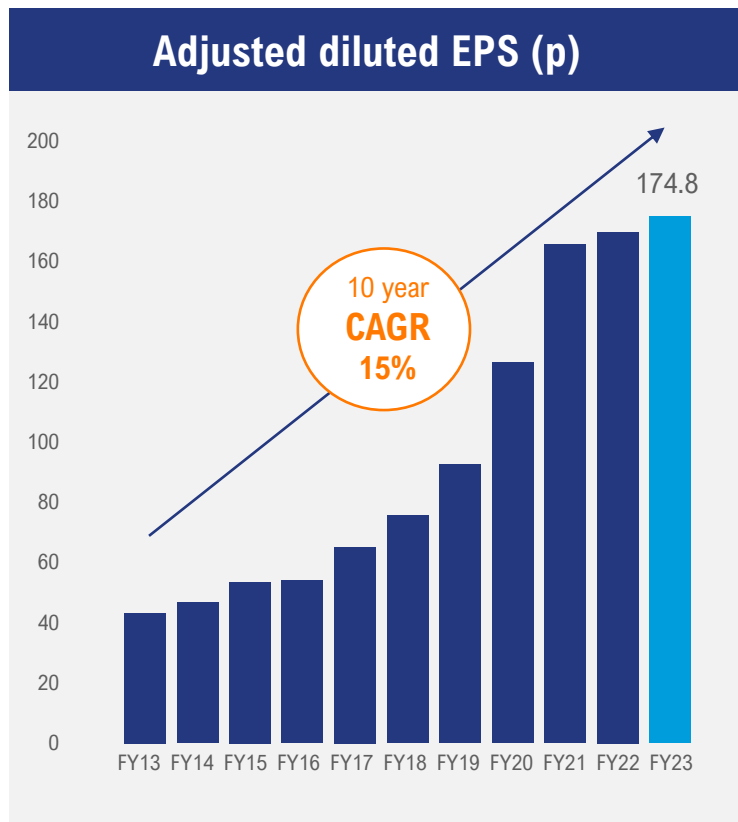
Q&A



Appendix

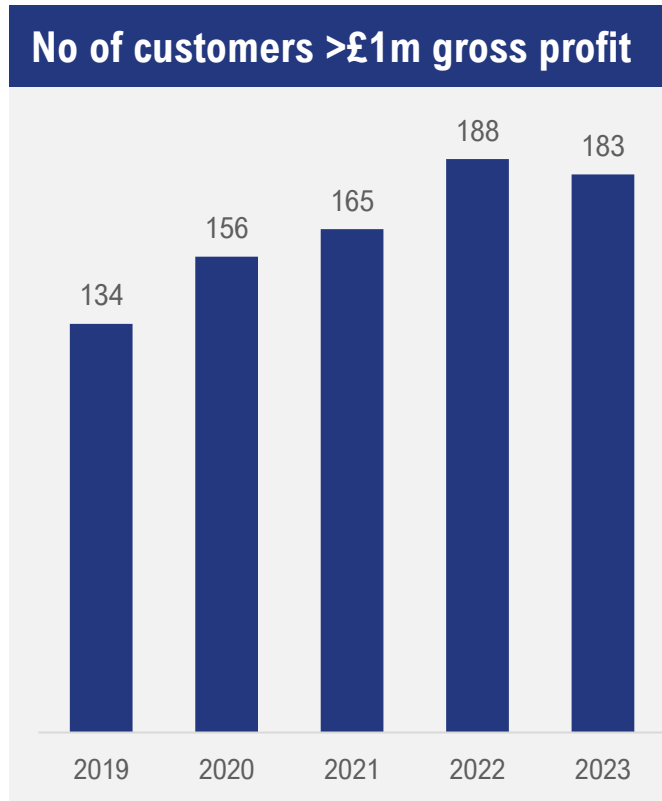


Continued growth in profit, cash and shareholder returns

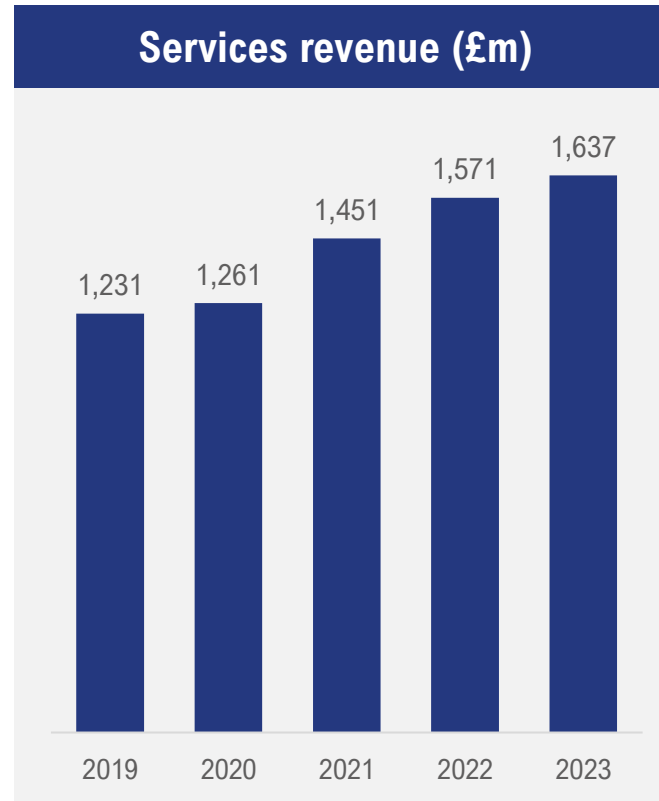


Strategic KPIs

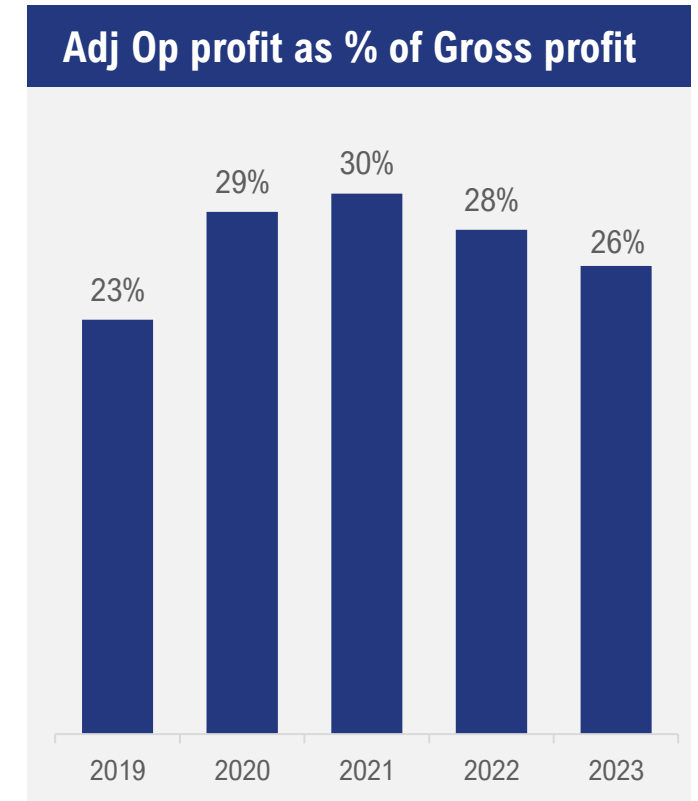
Customer growth



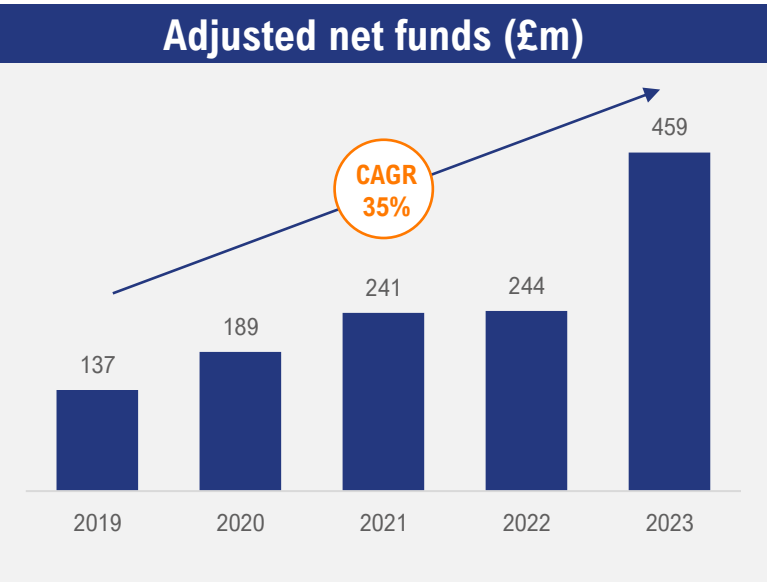
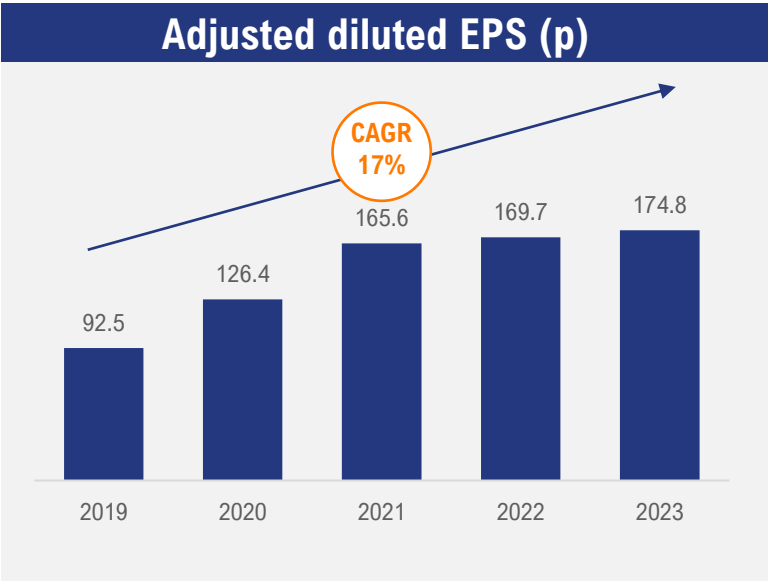
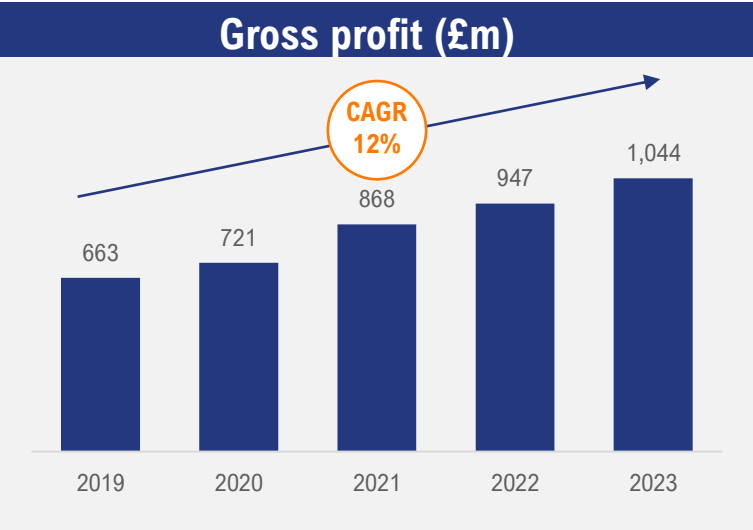
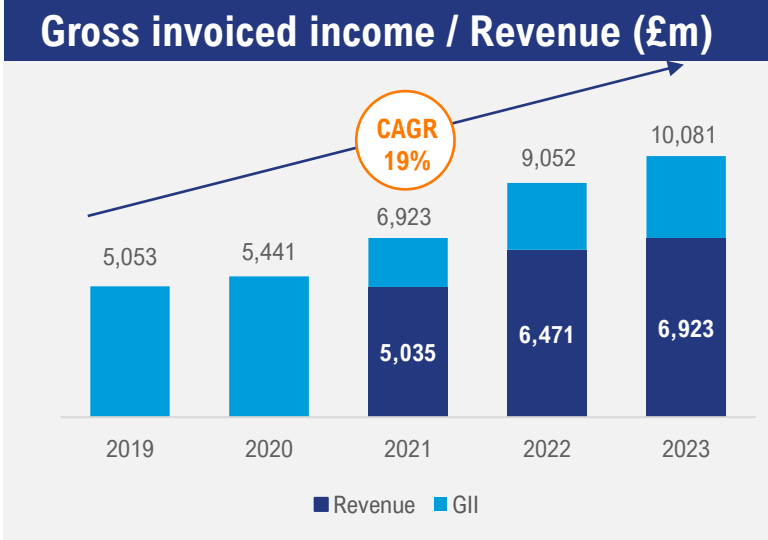
Lead with Services



Productivity



Financial KPIs



Summary Income Statement

	2023 £m	2022 £m	Change	Constant currency
Technology Sourcing	8,444.9	7,481.6	12.9%	13.1%
Professional Services	678.8	636.6	6.6%	5.7%
Managed Services	957.7	934.0	2.5%	1.3%
Services	1,636.5	1,570.6	4.2%	3.1%
Gross invoiced income	10,081.4	9,052.2	11.4%	11.3%
Technology Sourcing	5,286.3	4,899.9	7.9%	8.1%
Services	1,636.5	1,570.6	4.2%	3.1%
Revenue	6,922.8	6,470.5	7.0%	6.9%
Gross profit	1,044.0	947.1	10.2%	9.8%
Gross profit %	15.1%	14.6%		
Adjusted admin expenses	(772.5)	(678.0)	(13.9%)	(13.5%)
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Adjusted operating profit %	3.9%	4.2%		
Net finance income/(expense)	6.5	(5.4)		
Adjusted profit before tax	278.0	263.7	5.4%	5.1%
Adjusted tax expense	(76.7)	(67.3)	(14.0%)	(14.6%)
Adjusted tax rate	27.6%	25.5%		
Adjusted profit after tax	201.3	196.4	2.5%	1.8%
Diluted earnings per share				
– Adjusted EPS (pence)	174.8	169.7	3.0%	
– EPS (pence)	173.2	159.1	8.9%	



Summary by geography

	2023 £m	2022 £m	Change	Constant currency
Revenue				
UK	1,213.7	1,269.4	(4.4%)	(4.4%)
Germany	2,027.5	1,843.5	10.0%	8.0%
France	663.5	613.9	8.1%	6.2%
North America	2,748.7	2,507.3	9.6%	11.0%
International	269.4	236.4	14.0%	12.0%
Total Group	6,922.8	6,470.5	7.0%	6.9%
Adjusted operating profit				
UK	58.8	80.5	(27.0%)	(27.0%)
Germany	163.0	140.9	15.7%	13.8%
France	8.7	7.1	22.5%	26.3%
North America	65.0	53.0	22.6%	24.0%
International	19.8	11.3	75.2%	81.7%
Central corporate costs	(43.8)	(23.7)	84.8%	84.8%
Total Group	271.5	269.1	0.9%	0.6%



Significant reduction in inventory

Inventory reduction of £317m since peak in September 2022

	31 December 2023 £m	31 December 2022 £m	Change	Change in constant currency
United Kingdom	15.4	20.1	(23.4%)	(23.2%)
Germany	76.3	107.5	(29.0%)	(27.8%)
France	19.5	26.4	(26.1%)	(24.9%)
North America	98.1	248.1	(60.5%)	(58.3%)
International	6.8	15.7	(56.7%)	(56.2%)
Total Group	216.0	417.7	(48.3%)	(46.3%)

- Industry supply chain conditions returned to more normal pre-Covid patterns
- We managed our inventory highly effectively

Balance sheet strength

Record adjusted net funds

	31 December 2023 £m	31 December 2022 £m	Change £m
Cash and cash equivalents	471.2	264.4	206.8
Bank loans	(7.7)	(10.4)	2.7
Other loans	(4.5)	(9.7)	5.2
Adjusted net funds	459.0	244.3	214.7
Lease liabilities	(115.4)	(127.1)	11.7
Net funds	343.6	117.2	226.4

- Adjusted net funds at 31 December 2023 increased by £214.7m to £459.0m
- Balance sheet strength provides significant optionality