

Group profit and loss account

For the year ended 31 December 2001

| For the year ended 31 December 2001 | Note | 2001 £'000 | 2000 £'000 |
|---|------|--------------------|---------------|
| Turnover | | | |
| Turnover: group and share of joint ventures turnover | | 2,097,224 | 1,990,620 |
| Less: share of joint venture turnover | | (3,801) | (2,173) |
| Continuing operations | | 2,030,803 | 1,913,353 |
| Discontinued operations | | 62,620 | 75,094 |
| Group turnover | 2 | 2,093,423 | 1,988,447 |
| Operating costs | 3 | (2,038,340) | (1,927,040) |
| Operating profit/(loss) | | | |
| Continuing operations | | 59,608 | 69,394 |
| Discontinued operations | | (4,525) | (7,987) |
| Group operating profit | 4 | 55,083 | 61,407 |
| Share of operating (loss)/profit in joint venture | | (2,174) | (3,551) |
| Share of operating profit in associate | | (67) | 90 |
| Total operating profit: Group and share of associate and joint venture | | 52,842 | 57,946 |
| Exceptional loss on termination of operations | 5 | (16,213) | - |
| Profit on ordinary activities before interest and taxation | | 36,629 | 57,946 |
| Interest receivable and similar income | 7 | 7,815 | 6,343 |
| Interest payable and similar charges | 8 | (9,544) | (8,718) |
| Profit on ordinary activities before taxation | | 34,900 | 55,571 |
| Tax on profit on ordinary activities | 9 | (15,799) | (16,348) |
| Profit on ordinary activities after taxation | | 19,101 | 39,223 |
| Minority interests – equity | | (43) | 14 |
| Profit attributable to members of the parent company | | 19,058 | 39,237 |
| Dividends - ordinary dividends on equity shares | 10 | (5,435) | (5,269) |
| Retained profit for the period | | 13,623 | 33,968 |
| Earnings per share | | | |
| – Basic | 11 | 10.5p | 22.0p |
| – Diluted | 11 | 9.9p | 20.8p |
| Diluted (Excluding effect of non-operating exceptional items) | 11 | 17.9p | 20.8p |
| Dividends per ordinary share | 11 | 2.9p | 2.9p |

Group statement of total recognised gains and losses

For the year ended 31 December 2001

| For the year ended 31 December 2001 | Note | 2001 £'000 | 2000 £'000 |
|---|------|---------------|---------------|
| Profit for the financial year excluding share of joint venture and associate | | 20,647 | 41,633 |
| Share of joint venture's loss for the year | | (1,522) | (2,486) |
| Share of associates (loss)/profit for the year | | (67) | 90 |
| Profit attributable to members of the parent company for the financial year | | 19,058 | 39,237 |
| Exchange differences on retranslation of net assets of associated and subsidiary undertakings | | 254 | (75) |
| Total recognised gains for the year | | 19,312 | 39,162 |

Group balance sheet

At 31 December 2001

| At 31 December 2001 | Note | 2001 £'000 | 2000 £'000 |
|--|------|------------------|---------------|
| Fixed assets | | | |
| Intangible assets | 12 | 7,957 | 6,227 |
| Tangible assets | 13 | 103,523 | 109,402 |
| Investments | 14 | 13,531 | 11,825 |
| | | 125,011 | 127,454 |
| Current assets | | | |
| Stocks | 15 | 95,385 | 119,563 |
| Debtors | 16 | 295,837 | 339,623 |
| Cash at bank and in hand | | 109,665 | 71,647 |
| | | 500,887 | 530,833 |
| Creditors: amounts falling due within one year | 17 | (395,695) | (410,095) |
| Net current assets | | 105,192 | 120,738 |
| Total assets less current liabilities | | 230,203 | 248,192 |
| Creditors: amounts falling due after more than one year | 18 | (2,006) | (39,504) |
| Provision for joint venture deficit | 20 | | |
| Share of gross assets | | 3,380 | 3,455 |
| Share of gross liabilities | | (7,370) | (5,923) |
| | | (3,990) | (2,468) |
| Provision for liabilities and charges | 20 | (2,189) | (1,983) |
| Total assets less liabilities | | 222,018 | 204,237 |
| Capital and reserves | | | |
| Called up share capital | 21 | 9,281 | 9,201 |
| Share premium account | 22 | 68,710 | 67,568 |
| Profit and loss account | 22 | 143,825 | 127,304 |
| Shareholders' funds – equity | | 221,816 | 204,073 |
| Minority interests – equity | | 202 | 164 |
| | | 222,018 | 204,237 |

Approved by the Board on 18 March 2002

FA Conophy
Chairman



MJ Norris
Chief Executive



Company balance sheet

At 31 December 2001

| At 31 December 2001 | Note | 2001 £'000 | 2000 £'000 |
|--|------|-----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 13 | 39,859 | 41,293 |
| Investments | 14 | 127,172 | 140,884 |
| | | 167,031 | 182,177 |
| Current assets | | | |
| Debtors | 16 | 24,780 | 8,837 |
| Cash at bank and in hand | | - | 106 |
| | | 24,780 | 8,943 |
| Creditors: Amounts falling due within one year | 17 | (55,583) | (7,349) |
| Net current (liabilities)/assets | | (30,803) | 1,594 |
| Total assets less current liabilities | | 136,228 | 183,771 |
| Creditors: Amounts falling due after more than one year | 18 | - | (48,089) |
| Provision for liabilities and charges | 20 | (2,189) | (1,927) |
| Total assets less liabilities | | 134,039 | 133,755 |
| Capital and reserves | | | |
| Called up share capital | 21 | 9,281 | 9,201 |
| Share premium account | 22 | 68,710 | 67,568 |
| Merger reserve | 22 | 55,990 | 55,990 |
| Profit and loss account | 22 | 58 | 996 |
| Shareholders' funds – equity | | 134,039 | 133,755 |

Approved by the Board on 18 March 2002

FA Conophy
Finance Director



MJ Norris
Chief Executive



Group statement of cash flows

For the year ended 31 December 2001

| For the year ended 31 December 2001 | Note | 2001 £'000 | 2000 £'000 |
|--|------|-----------------|---------------|
| Cash inflow from operating activities | 23 | 86,576 | 54,277 |
| Returns on investments and servicing of finance | 24 | (1,515) | (2,164) |
| Taxation | | | |
| Corporation tax paid | | (17,770) | (19,625) |
| Capital expenditure and financial investment | 24 | (18,687) | (35,983) |
| Acquisitions and disposals | 24 | (4,437) | (702) |
| Equity dividends paid | | (5,294) | (5,229) |
| Cash inflow (outflow) before financing | | 38,873 | (9,426) |
| Financing | | | |
| Issue of shares | 24 | 1,222 | 1,895 |
| Decrease in debt | 24 | (1,500) | (1,500) |
| Increase/(decrease) in cash in the year | | 38,595 | (9,031) |

Reconciliation of net cash flow to movement in net funds

| For the year ended 31 December 2001 | 2001 £'000 | 2000 £'000 |
|---|---------------|---------------|
| Net funds at 1 January 2001 | 13,407 | 21,152 |
| Increase/(decrease) in cash in the year | 38,595 | (9,031) |
| Cash outflow from repayment of debt and lease finance | 1,500 | 1,500 |
| Change in net cash resulting from cash flows | 40,095 | (7,531) |
| Amortisation of debt issue costs | (214) | (214) |
| Increase in debt on acquisition of subsidiary | - | - |
| Net funds at 31 December 2001 | 53,288 | 13,407 |

Notes to the financial statements

1 Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

These Group accounts consolidate the accounts of Computacenter plc and all of its subsidiary undertakings for the period drawn up to 31 December each year. No profit and loss account is presented for Computacenter plc as permitted by section 230 of the Companies Act 1985. The profit after tax for Computacenter plc was £4,497,000 (2000: £3,172,000).

Undertakings, other than subsidiary undertakings, in which the Group holds a participating interest and over which it exerts significant influence are treated as associated undertakings. The Group accounts include the appropriate share of those undertakings' results (from the date of acquisition) and net assets based on audited accounts of those undertakings for the year. Undertakings which the Group jointly controls with other entities are accounted for as joint ventures. The Group accounts include the appropriate share of those undertaking's results, and the appropriate share of the gross assets and liabilities of those undertakings.

Depreciation of tangible fixed assets

Freehold land is not depreciated. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|--|--|
| Freehold buildings | 50 years |
| Leasehold acquisition costs | period to expiry of lease |
| Structural improvements | shorter of 7 years & period to expiry of lease |
| Fixtures and fittings | |
| – Hatfield | 5 to 15 years |
| – Other | shorter of 7 years & period to expiry of lease |
| Office machinery, computer hardware and software | 2 to 15 years |
| Motor vehicles | 3 years |

Investments

Fixed asset investments are shown at cost less provision for impairment.

Leases

Assets held under finance leases and hire purchase contracts that transfer substantially all the risks and rewards of ownership to the Group are treated as if they had been purchased and an amount equivalent to their fair value is included under tangible fixed assets. Depreciation is provided in accordance with the Group's normal depreciation policy. The capital element of the related rental obligations is included in creditors. Leasing and hire purchase payments are treated as consisting of capital and finance charge elements and the finance charge is included in interest payable in the profit and loss account.

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Stocks

Stocks are valued at the lower of average cost and net realisable value after making due allowance for any obsolete or slow moving items. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Revenue recognition and deferred product revenue

Product revenue is recognised when receivable under a contract following delivery of a product. Maintenance revenue is recognised over the maintenance period on a straight-line basis. The unrecognised maintenance revenue is included as deferred income in the balance sheet.

Taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that tax will be payable.

Goodwill

Goodwill arising on acquisitions prior to 31 December 1997 was written off against reserves in the period of acquisition. Goodwill previously eliminated against reserves has not been reinstated on implementation of FRS 10.

Goodwill arising on acquisitions since 1 January 1998 has been capitalised, classified as an intangible asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Pensions

The Group operates a defined contribution pension scheme available to all UK employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Net assets of overseas subsidiaries and associated undertakings are translated at the rate of exchange ruling at the balance sheet date. Profit and loss accounts of overseas subsidiaries are translated using average rates of exchange. Exchange differences arising from the retranslation of opening net assets and profit and loss accounts using year-end rates of exchange are taken directly to reserves.

Financial instruments

A discussion of how the Group manages its financial risks is included in the Finance Director's review on pages 18 and 19. Forward exchange contracts are used to hedge foreign exchange exposures arising on forecast receipts and payments in foreign currencies. These forward contracts are revalued to the rates of exchange at the balance sheet date and any unrealised gains and losses arising on revaluation are included in other debtors/other creditors. At maturity, gains or losses are taken to the profit and loss account.

The Group has decided not to include short-term debtors and creditors within the numerical disclosures, as permitted under FRS13.

Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying value.

Notes to the financial statements

2 Turnover and segmental analysis

The Group operates in one principal activity, that of the provision of distributed information technology and related services. Turnover represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of VAT.

An analysis of turnover by destination and origin, operating profit and net assets is given below:

| | 2001 £'000 | 2000 £'000 |
|--------------------------------|---------------|---------------|
| Turnover by destination | | |
| UK | | |
| Continuing | 1,744,226 | 1,668,536 |
| Discontinued | 54 | 395 |
| Total | 1,744,280 | 1,668,931 |
| France, Belgium & Luxembourg | 280,765 | 225,311 |
| Germany – discontinued | 62,889 | 77,639 |
| Rest of the world | 5,489 | 16,566 |
| Total | 2,093,423 | 1,988,447 |

| | 2001 £'000 | 2000 £'000 |
|------------------------------|---------------|---------------|
| Turnover by origin | | |
| UK | | |
| Continuing | 1,753,999 | 1,686,143 |
| Discontinued | 54 | 395 |
| Total | 1,754,053 | 1,686,538 |
| France, Belgium & Luxembourg | 276,804 | 227,210 |
| Germany – discontinued | 62,566 | 74,699 |
| Total | 2,093,423 | 1,988,447 |

| | 2001 £'000 | 2000 £'000 |
|---|---------------|---------------|
| Operating profit | | |
| UK | | |
| Continuing | 54,438 | 68,179 |
| Discontinued | (3,105) | (4,518) |
| Total | 51,333 | 63,661 |
| France, Belgium & Luxembourg | 5,170 | 1,215 |
| Germany – discontinued | (1,420) | (3,469) |
| Total Group excluding associate & joint venture undertakings | 55,083 | 61,407 |
| Share of operating result of associates and joint venture | (2,241) | (3,461) |
| Total operating profit | 52,842 | 57,946 |

| | 2001 £'000 | 2000 £'000 |
|---|----------------|----------------|
| Net assets employed | | |
| UK | | |
| France, Belgium & Luxembourg | 182,257 | 195,740 |
| Germany | 12,146 | 9,837 |
| Subtotal | (6,449) | 2,276 |
| Net assets of associated undertaking | 187,954 | 207,853 |
| UK | | |
| Rest of the world | 8 | 75 |
| Net assets employed | 150 | 150 |
| Net funds | 188,112 | 208,078 |
| Net operating assets | 53,288 | 13,407 |
| Net operating assets | 241,400 | 221,485 |
| Non-operating liabilities | (19,382) | (17,248) |
| Net assets | 222,018 | 204,237 |

3 Operating costs

| | Continuing £'000 | Discontinued £'000 | 2001 £'000 | Continuing £'000 | Discontinued £'000 | 2000 £'000 |
|--|---------------------|-----------------------|------------------|---------------------|-----------------------|---------------|
| Decrease/(increase) in stocks of finished goods | 19,029 | 4,789 | 23,818 | (29,935) | 3,256 | (26,679) |
| Goods for resale and consumables | 1,570,346 | 45,446 | 1,615,792 | 1,529,012 | 57,011 | 1,586,023 |
| Staff costs (note 6) | 222,090 | 10,533 | 232,623 | 208,418 | 14,036 | 222,454 |
| Depreciation and other amounts written off tangible and intangible assets | 16,993 | 1,183 | 18,176 | 12,405 | 1,060 | 13,465 |
| Other operating charges | 142,737 | 5,194 | 147,931 | 124,059 | 7,718 | 131,777 |
| | 1,971,195 | 67,145 | 2,038,340 | 1,843,959 | 83,081 | 1,927,040 |

4 Operating profit

| | 2001 £'000 | 2000 £'000 |
|--|---------------|---------------|
| This is stated after charging: | | |
| Auditors' remuneration – audit services – UK | 142 | 155 |
| – audit services – overseas | 53 | 48 |
| – non-audit services – UK | 135 | 64 |
| – non-audit services – overseas | 119 | - |
| Depreciation of owned assets | 17,847 | 13,202 |
| Operating lease rentals– plant & machinery | - | - |
| – land & buildings | 7,345 | 7,855 |
| | 9,196 | 8,059 |
| Amortisation of intangible fixed assets | 329 | 263 |
| and after crediting: | | |
| Rentals received under operating leases | 204 | 102 |

5 Exceptional Items

| | 2001 £'000 | 2000 £'000 |
|---|---------------|---------------|
| Recognised below operating profit: | | |
| UK | | |
| Closure of iGroup software development activities | 3,101 | - |
| Germany | | |
| Loss on disposal | 3,080 | - |
| Other closure costs | 7,388 | - |
| Goodwill written back to reserves | 2,644 | - |
| | 16,213 | - |

Notes to the financial statements

6 Staff costs

| | 2001 £'000 | 2000 £'000 |
|-----------------------|----------------|----------------|
| Wages and salaries | 196,414 | 193,837 |
| Social security costs | 31,764 | 22,828 |
| Other pension costs | 4,445 | 5,789 |
| | 232,623 | 222,454 |

The average number of persons employed by the Group, including Directors, during the year was as follows:

| | Number of employees | |
|-----------------------------|---------------------|--------------|
| | 2001 | 2000 |
| Supply chain services | 1,534 | 1,507 |
| Managed services | 1,853 | 1,542 |
| Sales and customer services | 1,120 | 1,093 |
| Business support | 691 | 722 |
| Direct business | 132 | 145 |
| Professional services | 488 | 451 |
| Other services | 141 | 243 |
| Total | 5,959 | 5,703 |

Details of Directors' remuneration, pension entitlements and share options are disclosed in the Remuneration Report on pages 24 to 26.

7 Interest receivable and similar income

| | 2001 £'000 | 2000 £'000 |
|---------------------------|---------------|---------------|
| Bank interest | 6,375 | 6,343 |
| Other interest receivable | 1,440 | - |
| | 7,815 | 6,343 |

8 Interest payable and similar charges

| | 2001 £'000 | 2000 £'000 |
|--|---------------|---------------|
| Bank loans and overdraft | 1,456 | 433 |
| Other loans | 8,088 | 8,284 |
| Finance charges payable under finance leases and hire purchase contracts | - | 1 |
| | 9,544 | 8,718 |

9 Tax on profit on ordinary activities

The charge based on the profit for the year comprises:

| | 2001 £'000 | 2000 £'000 |
|------------------------------|---------------|---------------|
| UK corporation tax* | 15,681 | 17,118 |
| Foreign | 564 | 48 |
| | 16,245 | 17,166 |
| Share of joint venture's tax | (652) | (1,065) |
| | 15,593 | 16,101 |
| Deferred tax | 206 | 247 |
| Total tax charge | 15,799 | 16,348 |

*Includes a tax credit of £930,000 relating to the effect of non-operating exceptional items.

9 Tax on profit on ordinary activities continued

The tax charge for the year is higher than the standard rate of Corporation Tax in the UK (30%). The principal reasons for this difference are set out below:

| | 2001 £'000 | 2000 £'000 |
|---|---------------|---------------|
| Total profit before taxation | 34,900 | 55,571 |
| At 30% | 10,470 | 16,671 |
| Expenses not deductible for tax purposes | 739 | 1,117 |
| Funding to overseas entity not deductible for tax purposes | 924 | - |
| Goodwill amortised | 99 | 79 |
| Goodwill reinstated on disposal | 793 | - |
| Accounting depreciation in excess of tax depreciation | 12 | (726) |
| Effect of payment to Quest | - | (2,633) |
| Profits of overseas undertakings not taxable due to brought forward loss offset | (669) | - |
| Losses of overseas undertakings not available for relief | 3,225 | 1,593 |
| Current tax charge | 15,593 | 16,101 |

Tax losses have been surrendered by way of group relief to Computacenter (UK) Ltd, which has paid the tax value for these losses.

10 Dividends

The Directors recommend the payment of a dividend of 2.9p per share (2000: 2.9p per share), representing an aggregate charge of £5,435,000 (2000: £5,269,000). The Computacenter ESOP trust has waived the dividends payable in respect of 1,427,042 (2000: 1,427,042) ordinary shares that it owns which are not allocated to employees. The Computacenter Trustees Limited have waived dividends in respect of 461,011 (2000: 461,011) shares which it owns which are not allocated to employees and the Computacenter Quest ("Qualifying Employee Scheme Trust") has similarly waived dividends in respect of 1,109,143 (2000: 1,109,143) shares that it owns.

11 Earnings per share

The calculation of earnings per ordinary share is based on profit attributable to members of the holding Company of £19,058,000 (2000: £39,237,000) and on 181,252,000 (2000: 177,952,000) ordinary shares, being the weighted average number of ordinary shares in issue during the year after excluding the shares owned by the Computacenter Employee Share Trust, Computacenter Trustees Limited and the Computacenter Quest.

The diluted earnings per share is based on the same earnings figure of £19,058,000 (2000: £39,237,000) and on 191,928,000 (2000: 188,556,000) ordinary shares, calculated as the basic weighted average number of ordinary shares, plus 10,676,000 (2000: 10,604,000) dilutive share options.

An additional earnings per share ratio of 17.9p was presented to provide a measure of Group operating activities, excluding the exceptional item. This additional earnings per share ratio is based on earnings of £34,341,000, which comprises the profit attributable to members of the holding company of £19,058,000, excluding the exceptional loss £16,213,000 and the tax credit of £930,000, and on 191,928,000 ordinary shares.

Notes to the financial statements

12 Goodwill

| | £'000 |
|-----------------------|--------------|
| Cost | |
| At 1 January 2001 | 6,552 |
| Additions | 2,059 |
| At 31 December 2001 | 8,611 |
| Amortisation | |
| At 1 January 2001 | 325 |
| Charge in the year | 329 |
| At 31 December 2001 | 654 |
| Net Book Value | |
| At 31 December 2001 | 7,957 |
| At 31 December 2000 | 6,227 |

The Group has depreciated its acquired goodwill on a straight-line basis over a period of 20 years which is the estimated useful economic life. The Group will continue to review the estimated useful life of the goodwill acquired.

13 Tangible fixed assets

| | Freehold land and buildings £'000 | Short leasehold property and improvements £'000 | Fixtures, fittings equipment and vehicles £'000 | Total £'000 |
|--------------------------|---|--|--|----------------|
| <i>Group</i> | | | | |
| Cost | | | | |
| At 1 January 2001 | 67,509 | 6,883 | 81,081 | 155,473 |
| Exchange adjustments | - | - | (274) | (274) |
| Additions | 577 | 2,854 | 12,408 | 15,839 |
| Disposals | (39) | (312) | (2,631) | (2,982) |
| At 31 December 2001 | 68,047 | 9,425 | 90,584 | 168,056 |
| Depreciation | | | | |
| At 1 January 2001 | 1,453 | 4,718 | 39,900 | 46,071 |
| Exchange adjustments | - | - | (107) | (107) |
| Charge for year | 3,023 | 966 | 13,858 | 17,847 |
| Provision for impairment | - | - | 2,099 | 2,099 |
| Disposals | (22) | (253) | (1,102) | (1,377) |
| At 31 December 2001 | 4,454 | 5,431 | 54,648 | 64,533 |
| Net book amount | | | | |
| At 31 December 2001 | 63,593 | 3,994 | 35,936 | 103,523 |
| At 31 December 2000 | 66,056 | 2,165 | 41,181 | 109,402 |

| | Total £'000 |
|------------------------|----------------|
| <i>Company</i> | |
| Cost | |
| At 1 January 2001 | 42,175 |
| Additions | 162 |
| At 31 December 2001 | 42,337 |
| Depreciation | |
| At 1 January 2001 | (882) |
| Charge | (1,596) |
| At 31 December 2001 | (2,478) |
| Net book amount | |
| At 31 December 2001 | 39,859 |
| At 31 December 2000 | 41,293 |

The Company holds no assets under finance leases or hire purchase contracts.

The fixed assets of the Company include the Hatfield Operations Centre.

14 Investments

| | 2001 £'000 | 2000 £'000 |
|-----------------------------|---------------|---------------|
| <i>Group</i> | | |
| Loan to joint venture | 6,250 | 4,477 |
| Associated undertakings (a) | 158 | 225 |
| Own Shares (b) | 2,503 | 2,503 |
| Other listed investments | 4,620 | 4,620 |
| | 13,531 | 11,825 |

| | Share of net tangible assets 2001 £'000 |
|---|--|
| (a) Associated undertakings | |
| At 1 January 2001 | 225 |
| Share of profits of associated undertakings | (67) |
| At 31 December 2001 | 158 |

The Group's share of post acquisition accumulated profits of associated undertakings at 31 December 2001 is £39,000 (2000: £106,000). The Group has received £1,127,000 (2000: £974,245) from the associated undertakings for the provision of administrative services and the reimbursement of costs incurred.

| | 2000 £'000 |
|--|---------------|
| (b) Own shares – at cost | |
| Cost | |
| At 1 January 2001 and 31 December 2001 | 3,559 |
| Shares transferred | (475) |
| | 3,084 |
| Provided | |
| At 1 January 2001 | 1,056 |
| Released on transfer | (475) |
| At 31 December 2001 | 581 |
| Net book value | |
| At 31 December 2001 | 2,503 |
| At 31 December 2000 | 2,503 |

Notes to the financial statements

14 Investments continued

Own shares comprise the following:

i) Computacenter Employee Share Ownership Plan

1,427,042 (2000: 2,578,042) 5p ordinary shares purchased by a third party on behalf of the Computacenter Employee Share Ownership Plan ("the Plan"). All shares held by the trust are funded by a bank loan guaranteed by Computacenter (UK) Limited (see note 19). The market value of the investment in own shares at 31 December 2001 was £4,923,295 (2000: 8,636,441).

During the year, no shares were awarded (2000: Nil) to the executives of Computacenter (UK) Limited under the Computacenter Limited Cash Bonus and Share Plan. Shares previously awarded are held on behalf of employees and former employees of Computacenter Limited and their dependants, excluding Jersey residents. The distribution of these shares is dependent upon the Trustee holding them on the employee's behalf for a restrictive period of three years.

All costs incurred by the Plan are settled directly by the Group and are charged in the accounts as incurred. The Plan has waived dividends payable in respect of 1,427,042 (2000: 1,427,042) shares that it owns which are not allocated to employees. Any dividends received by the Plan in respect of shares allocated to the beneficiaries would be paid in full to them.

ii) Computacenter Qualifying Employee Share Trust ("the QUEST")

During the year, there were no subscriptions by the QUEST (2000: 1,109,143 5p ordinary shares). All of these shares will continue to be held by the QUEST until such time as the options will be exercised. The market value at 31 December 2001 was £3,826,543 (2000: £3,715,629). The QUEST has waived dividends in respect of all these shares.

iii) Computacenter Trustees Limited

During the year, there were no additional shares held by Computacenter Trustees Limited allocated to employees of the Group under the Computacenter Bonus Plus Share plan. The total shares held are 461,011 (2000: 461,011). The market value at 31 December 2001 was £1,590,488 (2000: £1,544,387).

The Company has waived dividends in respect of all of these shares.

| | Shares in subsidiary undertakings £'000 | Loans to subsidiary undertakings £'000 | Shares in associated undertaking £'000 | Other listed investments £'000 | Shares in Joint Ventures £'000 | Total £'000 |
|-------------------------|--|---|---|--------------------------------------|---|-----------------|
| Company | | | | | | |
| Cost | | | | | | |
| At 1 January 2001 | 135,529 | 3,668 | 75 | 4,617 | 25 | 143,914 |
| Additions | 922 | - | - | - | - | 922 |
| At 31 December 2001 | 136,451 | 3,668 | 75 | 4,617 | 25 | 144,836 |
| Amounts provided | | | | | | |
| At 1 January 2001 | - | (3,030) | - | - | - | (3,030) |
| During the year | (15,548) | - | - | - | - | (15,548) |
| Released | - | 914 | - | - | - | 914 |
| At 31 December 2001 | (15,548) | (2,116) | - | - | - | (17,664) |
| Net Book Value | | | | | | |
| At 31 December 2001 | 120,903 | 1,552 | 75 | 4,617 | 25 | 127,172 |
| At 31 December 2000 | 135,529 | 638 | 75 | 4,617 | 25 | 140,884 |

14 Investments continued

Details of the principal investments at 31 December 2001 in which the Group or the Company holds more than 20% of the nominal value of ordinary share capital are as follows:

| Subsidiary and associated undertakings | Country of registration | Nature of business | Proportion held |
|--|-------------------------|--|-----------------|
| Computacenter (UK) Limited | England | IT infrastructure services | 100% |
| Computacenter France SA | France | Microcomputer systems | 98.3% |
| Computacenter GmbH | Germany | Microcomputer systems | 100% |
| Computacenter NV/SA | Belgium | Microcomputer systems | 100% |
| RD Trading Limited | England | IT asset management | 100%** |
| Computacenter NV | Luxembourg | Microcomputer systems | 100% |
| ICG International Computer Group BV | Netherlands | Non trading | 64.3%* |
| Biomni Limited | England | Software development | 50% |
| ICG Services Limited | England | International IT infrastructure services | 65.2% |

* includes indirect holdings of 32.4% via Computacenter (UK) Limited and 31.9% via Computacenter France SA.

** includes indirect holdings of 100% via Computacenter (UK) Limited.

Although the holding of ICG Services Limited has increased to 65.2%, it continues to be treated as an associate because the increase in holding is considered to be temporary.

The Company has not disclosed the details for undertakings which are dormant as disclosure would result in a statement of excessive length.

On 30 November, the Group acquired trade and assets of an element of GE Capital Information Technology Solutions Limited. Analysis of this transaction is as follows:

| | Book value £'000 | Fair value £'000 |
|--|---------------------|---------------------|
| Net liabilities: | | |
| Stock | 173 | 173 |
| Fixed Assets | 220 | 220 |
| Integration provision acquired from GE | (1,039) | (1,039) |
| Goodwill | 2,059 | 2,059 |
| | 1,413 | 1,413 |
| Discharged by: | | |
| Cash | (1,413) | (1,413) |

At the year-end, there were no trade balances outstanding between the Group, the associate and the joint venture.

At 31 December 2001, the market value of listed investments was £3,208,500 (2000: £2,208,000).

15 Stocks

| | Group 2001 £'000 | Group 2000 £'000 | Company 2001 £'000 | Company 2000 £'000 |
|-----------------------|------------------------|------------------------|--------------------------|--------------------------|
| Goods held for resale | 95,385 | 119,563 | - | - |

There is no material difference between the balance sheet value of stock and its replacement cost.

Notes to the financial statements

16 Debtors: due within one year

| | Group 2001 £'000 | Group 2000 £'000 | Company 2001 £'000 | Company 2000 £'000 |
|---|------------------------|------------------------|--------------------------|--------------------------|
| Trade debts factored without recourse | | | | |
| Gross debts | 324 | 508 | - | - |
| Less non returnable proceeds | - | (78) | - | - |
| | 324 | 430 | - | - |
| Other trade debtors | 281,047 | 317,058 | - | - |
| Amount owed by subsidiary undertaking | - | - | 24,653 | 8,710 |
| Other debtors, prepayments and accrued income | 14,466 | 22,135 | 127 | 127 |
| | 295,837 | 339,623 | 24,780 | 8,837 |

Debts factored without recourse in 2000 represented a proportion of the debts of the Group's French subsidiary, which had been factored without recourse but where the Group had retained limited risks in the event of slow payment. The Group was not obliged to support any losses in respect of these debts, nor will it do so.

17 Creditors: amounts falling due within one year

| | Group 2001 £'000 | Group 2000 £'000 | Company 2001 £'000 | Company 2000 £'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|
| Bank overdrafts | 17,935 | 18,512 | - | - |
| Loans (see note 19) | 38,117 | 1,500 | 38,117 | 1,500 |
| Trade creditors | 187,905 | 236,742 | - | - |
| Corporation tax | 9,780 | 12,006 | - | - |
| Other creditors including taxation and social security (a) | 37,586 | 46,875 | - | - |
| Amounts owed to subsidiary undertakings | - | - | 11,687 | - |
| Accruals | 67,383 | 40,744 | 396 | 607 |
| Deferred income | 31,606 | 48,474 | - | - |
| Dividend payable | 5,383 | 5,242 | 5,383 | 5,242 |
| | 395,695 | 410,095 | 55,583 | 7,349 |

(a) Included within other creditors is £37,417,950 (2000: £46,783,829) in respect of taxation and social security balances.

18 Creditors: amounts falling due after more than one year

| | Group 2001 £'000 | Group 2000 £'000 | Company 2001 £'000 | Company 2000 £'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|
| Loans (see note 19) | 326 | 38,228 | - | 37,902 |
| Amounts owed to subsidiary undertakings | - | - | - | 10,187 |
| Other creditors | 678 | 353 | - | - |
| Deferred income on maintenance contracts | 1,002 | 923 | - | - |
| | 2,006 | 39,504 | - | 48,089 |

19 Loans

| | Group 2001 £'000 | Group 2000 £'000 | Company 2001 £'000 | Company 2000 £'000 |
|---|------------------------|------------------------|--------------------------|--------------------------|
| Loans comprise amounts: | | | | |
| Wholly repayable within five years | 38,639 | 40,139 | 50,000 | 50,000 |
| Less: amounts owed to subsidiary undertakings | - | - | (11,687) | (10,187) |
| Less issue costs | (196) | (411) | (196) | (411) |
| | 38,443 | 39,728 | 38,117 | 39,402 |
| Less amounts due within one year | (38,117) | (1,500) | (38,117) | (1,500) |
| | 326 | 38,228 | - | 37,902 |
| Analysed as amounts due: | | | | |
| Within one year | 38,313 | 1,500 | 50,000 | 1,500 |
| Between one and two years | 326 | 38,313 | - | 48,500 |
| Between two and five years | - | 326 | - | - |
| | 38,639 | 40,139 | 50,000 | 50,000 |
| Less issue costs | (196) | (411) | (196) | (411) |
| | 38,443 | 39,728 | 49,804 | 49,589 |

Group and Company

Loans wholly repayable within one year include £50,000,000 bonds secured by a fixed charge over the Company's investment in the ordinary shares of Computacenter (UK) Limited. The bonds are listed on the Luxembourg Stock Exchange and are repayable in full on 24 November 2002. The rate of interest payable is 10%.

For the Group, the amount repayable is reduced by £11,687,000 (2000: £10,187,000) for the par value of bonds purchased by Computacenter (UK) Limited since the issue of the bond.

The loan due between one and two years includes an amount of £326,000 relating to the Executive Share Option Scheme.

20 Provisions for liabilities and charges*Provisions for joint venture deficit*

| | 2001 Provided £'000 | 2000 Provided £'000 |
|---|---------------------------|---------------------------|
| At 1 January 2001 | 2,468 | - |
| Share of loss retained by joint venture | 1,522 | 2,468 |
| At 31 December 2001 | 3,990 | 2,468 |

Deferred taxation

Deferred tax provided in the accounts is as follows:

| | 2001 Provided £'000 | 2000 Provided £'000 |
|---|---------------------------|---------------------------|
| <i>Group and Company</i> | | |
| At 1 January 2001 | 1,983 | 1,736 |
| Capital allowances in advance of depreciation | 206 | 247 |
| At 31 December 2001 | 2,189 | 1,983 |

There are no potential deferred tax liabilities that have not been provided for at 31 December 2001 (2000: nil).

Notes to the financial statements

21 Share capital

| | 2001 £'000 | 2000 £'000 |
|----------------------------|---------------|---------------|
| <i>Authorised</i> | | |
| Equity | | |
| Ordinary shares of 5p each | 25,000 | 25,000 |

| | 2001 No '000 | 2001 £'000 | 2000 No '000 | 2000 £'000 |
|---|-----------------|---------------|-----------------|---------------|
| <i>Allotted, called up and fully paid</i> | | | | |
| Equity | | | | |
| Ordinary shares of 5p each | 185,620 | 9,281 | 184,026 | 9,201 |

Options

Executive Share Option Scheme

During the year, options were exercised with respect to 1,601,273 (2000: 2,536,886) 5p ordinary shares at a nominal value of £80,000 (2000: £127,377) and at an aggregate premium of £1,142,000 (2000: £1,767,000).

Under the executive share option schemes, options remaining outstanding at the year-end comprise:

| | Exercise price | 2001 Number outstanding | 2000 Number outstanding |
|----------------------------|-------------------|-------------------------------|-------------------------------|
| <i>Exercisable between</i> | | | |
| January 2002 – April 2002 | 25.00p | 80,000 | 80,000 |
| January 2002 – May 2003 | 28.75p | 15,000 | 15,000 |
| January 2002 – July 2004 | 32.50p | 11,000 | 111,000 |
| January 2002 – April 2003 | 25.00p | 3,500,000 | 3,500,000 |
| January 2002 – April 2006 | 41.25p | 889,273 | 1,981,546 |
| January 2002 – July 2007 | 160.00p | 1,168,000 | 1,530,000 |
| March 2001 – Mar 2008 | 300.00p | 684,900 | 771,400 |
| May 2002 – May 2008 | 565.00p | 603,166 | 758,571 |
| June 2003 – June 2010 | 377.50p | 92,000 | 92,000 |
| June 2004 – June 2010 | 377.50p | 66,000 | 66,000 |
| June 2005 – June 2010 | 377.50p | 40,000 | 40,000 |
| Sept 2003 – Sept 2010 | 380.00p | 2,011,467 | 2,241,466 |
| March 2004 – March 2011 | 333.50p | 508,995 | - |
| Sept 2004 – Sept 2011 | 245.00p | 250,000 | - |
| | | 9,919,801 | 11,186,983 |

During the year options in respect of 424,904 shares lapsed, 1,601,273 were exercised and 758,995 new options were granted.

21 Share capital continued**Computacenter Sharesave Scheme**

The Company established the Computacenter Sharesave Scheme, which is available to all employees and full time Executive Directors of the Company and its subsidiaries who have worked for a qualifying period. Under the scheme the following options have been granted and are outstanding at the year-end:

| <i>Date of grant</i> | Share price | Exercise date | Number |
|----------------------|-------------|----------------|------------------|
| August 1998 | £6.70 | August 2001 | 7,122 |
| August 1998 | £6.70 | August 2003 | 8,746 |
| September 1998 | £4.25 | September 2001 | 504,236 |
| September 1998 | £4.25 | September 2003 | 266,113 |
| September 1999 | £5.65 | September 2002 | 60,920 |
| September 1999 | £5.65 | September 2004 | 18,738 |
| September 2000 | £4.35 | September 2003 | 19,169 |
| September 2000 | £4.35 | September 2005 | 7,516 |
| January 2001 | £3.50 | January 2004 | 354,712 |
| January 2001 | £3.50 | January 2006 | 135,346 |
| November 2001 | £1.85 | November 2004 | 1,517,423 |
| November 2001 | £1.85 | November 2006 | 715,328 |
| | | | 3,615,369 |

The Group has taken advantage of the SAYE exemption available under UITF 17 in accounting for options granted under the Sharesave scheme.

Computacenter Performance Related Share Option Scheme

Under the Computacenter Performance Related Share Option scheme, options can be granted and those options will be subject to certain performance conditions, designed to produce significant and sustained improvements in the Company's underlying performance. During the year 84,708 options were granted and at 31 December 2001 these were outstanding as follows:

| <i>Exercisable between</i> | Exercise price | 2001 Number outstanding | 2000 Number outstanding |
|----------------------------|----------------|-------------------------------|-------------------------------|
| May 2002 – May 2009 | 565.00p | - | 50,441 |
| April 2003 – April 2010 | 942.50p | 33,156 | 33,156 |
| March 2004 – March 2011 | 333.50p | 84,708 | - |
| | | 117,864 | 83,597 |

22 Reconciliation of shareholders' funds and movements on reserves

| | Share capital £'000 | Share premium £'000 | Merger reserve £'000 | Profit and loss account £'000 | Total shareholders' funds £'000 |
|------------------------------------|------------------------|------------------------|-------------------------|----------------------------------|------------------------------------|
| <i>Group</i> | | | | | |
| At 1 January 2000 | 9,043 | 57,055 | - | 102,194 | 168,292 |
| Shares issued | 158 | 10,513 | - | - | 10,671 |
| Gift to QUEST | - | - | - | (8,783) | (8,783) |
| Total recognised gains in the year | - | - | - | 39,162 | 39,162 |
| Equity dividends proposed | - | - | - | (5,269) | (5,269) |
| At 31 December 2000 | 9,201 | 67,568 | - | 127,304 | 204,073 |
| Shares issued | 80 | 1,142 | - | - | 1,222 |
| Total recognised gains in the year | - | - | - | 19,312 | 19,312 |
| Goodwill reinstated on disposal | - | - | - | 2,644 | 2,644 |
| Equity dividends paid/proposed | - | - | - | (5,435) | (5,435) |
| At 31 December 2001 | 9,281 | 68,710 | - | 143,825 | 221,816 |

Notes to the financial statements

22 Reconciliation of shareholders' funds and movements on reserves continued

| | Share capital £'000 | Share premium £'000 | Merger reserve £'000 | Profit and loss account £'000 | Total shareholders' funds £'000 |
|------------------------------------|------------------------|------------------------|-------------------------|----------------------------------|------------------------------------|
| <i>Company</i> | | | | | |
| At 1 January 2000 | 9,043 | 57,055 | 55,990 | 3,093 | 125,181 |
| Shares issued | 158 | 10,513 | - | - | 10,671 |
| Total recognised gains in the year | - | - | - | 3,172 | 3,172 |
| Equity dividends proposed | - | - | - | (5,269) | (5,269) |
| At 31 December 2000 | 9,201 | 67,568 | 55,990 | 996 | 133,755 |
| Shares issued | 80 | 1,142 | - | - | 1,222 |
| Total recognised gains in the year | - | - | - | 4,497 | 4,497 |
| Equity dividends proposed | - | - | - | (5,435) | (5,435) |
| At 31 December 2001 | 9,281 | 68,710 | 55,990 | 58 | 134,039 |

The cumulative amount of goodwill resulting from acquisitions which has been written off directly to reserves is £79,469,000 (2000: £82,113,000). This goodwill would be charged in the profit and loss account on subsequent disposal of the businesses to which it relates. All shareholders' funds are attributable to equity interests in the Company.

23 Reconciliation of operating profit to operating cash flows

| | 2001 £'000 | 2000 £'000 |
|---|-----------------|---------------|
| Operating profit | 55,083 | 61,407 |
| Depreciation | 17,847 | 13,202 |
| Impairment provision | 2,099 | - |
| Amortisation | 329 | 263 |
| Own shares allocated | - | 176 |
| Loss on disposal of fixed assets | 836 | 87 |
| Termination of UK operation – iGroup | (2,531) | - |
| Decrease/(increase) in debtors | 42,983 | (95,130) |
| Decrease/(increase) in stocks | 24,059 | (26,679) |
| (Decrease)/Increase in creditors | (54,755) | 101,053 |
| Currency and other adjustments | 626 | (102) |
| Net cash inflow from operating activities | 86,576 | 54,277 |

24 Analysis of gross cash flows

| | 2001 £'000 | 2000 £'000 |
|--|-----------------|---------------|
| Returns on investments and servicing of finance | | |
| Interest received | 7,815 | 6,328 |
| Interest paid | (9,330) | (8,490) |
| Interest element of finance lease rental payments | - | (2) |
| Net cash outflow for returns on investments and servicing of finance | (1,515) | (2,164) |
| Capital expenditure and financial investment | | |
| Payments to acquire tangible fixed assets | (17,706) | (27,467) |
| Receipts from sales of tangible fixed assets | 769 | 579 |
| Payments to acquire intangible fixed assets | - | (4,620) |
| Investment in joint venture | (1,750) | (4,475) |
| Net cash outflow for capital expenditure and financial investment | (18,687) | (35,983) |

24 Analysis of gross cash flows continued

| | 2001 £'000 | 2000 £'000 |
|---|----------------|---------------|
| Acquisitions and disposals | | |
| Payments to acquire interest in subsidiary undertakings | - | (2,728) |
| Net cash acquired with subsidiary undertakings | - | 2,026 |
| Payment to acquire business | (1,357) | - |
| Termination of German operation | (3,080) | - |
| Net cash outflow for acquisitions and disposals | (4,437) | (702) |

Cash flows relating to termination of operations have been classified under the appropriate headings in the cash flow statement.

| | 2001 £'000 | 2000 £'000 |
|--|----------------|---------------|
| Financing | | |
| Issue of ordinary share capital | 1,222 | 1,895 |
| Repayment of term bank loans | - | - |
| Net repayment of capital element of finance leases | - | - |
| Less bonds repurchased | (1,500) | (1,500) |
| Net cash (outflow)/inflow from financing | (278) | 395 |

25 Analysis of changes in net funds

| | At 1 January 2001 £'000 | Cash flows in year £'000 | Other non-cash changes £'000 | At 31 December 2001 £'000 |
|--------------------------|-------------------------------|--------------------------------|------------------------------------|---------------------------------|
| Cash at bank and in hand | 71,647 | 38,018 | - | 109,665 |
| Bank overdrafts | (18,512) | 577 | - | (17,935) |
| Debt due within one year | (1,500) | 1,500 | (38,117) | (38,117) |
| Debt due after one year | (38,228) | - | 37,902 | (326) |
| Total | 13,407 | 40,095 | (214) | 53,287 |

26 Other financial commitments

Annual commitments under non-cancellable operating leases are as follows:

| | 2001 Land/buildings £'000 | 2001 Other £'000 | 2000 Land/buildings £'000 | 2000 Other £'000 |
|--------------------------------|---------------------------------|------------------------|---------------------------------|------------------------|
| <i>Group</i> | | | | |
| Operating leases which expire: | | | | |
| Within one year | 557 | 2,326 | 1,280 | 2,169 |
| Between two and five years | 829 | 2,934 | 2,141 | 4,161 |
| Over five years | 3,782 | - | 4,066 | - |
| | 5,168 | 5,260 | 7,487 | 6,330 |

27 Capital commitments

At 31 December 2001 all future contracted Group capital expenditure had been provided for (2000: all future contracted Group capital expenditure had been provided for).

Notes to the financial statements

28 Contingent liabilities

The Group has given a VAT deferred import duty guarantee of £250,000 (2000: £250,000).

Computacenter (UK) Limited has given a guarantee in the normal course of business to a supplier of a subsidiary undertaking for an amount not exceeding £1,137,160 (2000: £958,000).

Computacenter plc has provided cross guarantees in respect of certain bank loans and overdrafts of its subsidiary undertakings. The amount outstanding at 31 December 2001 is £22,117,000 (2000: £14,814,805).

29 Related party transactions

Group

Biomni, the joint venture between Computacenter and Dealogic Limited, (formerly known as Computasoft Limited), provides the Computacenter e-procurement system used by many of Computacenter's major customers. An annual fee has been agreed on a commercial basis for use of the software for each installation. Total fees paid in the year to Biomni amounted to £3,758,500 (2000: £3,531,087). Both PJ Ogden and PW Hulme are Directors of and have a material interest in Dealogic Limited.

During the year, the Group supplied goods to Dealogic in the normal course of business totalling £376,480 (2000: £883,537). At 31 December 2001 Dealogic owed the Group £25,793 (2000: £9,180 owed by Dealogic).

30 Financial instruments

The Group's approach to managing financial risk is described in the Finance Director's review on pages 18 and 19.

a) Interest rate risk

2001

| | At fixed interest rates £'000 | At floating interest rates £'000 | Interest free £'000 | Total £'000 |
|------------------------------|-------------------------------------|--|---------------------------|----------------|
| <i>Financial liabilities</i> | | | | |
| Sterling | 38,117 | 326 | - | 38,443 |
| Euro | - | 17,935 | 678 | 18,613 |
| | 38,117 | 18,261 | 678 | 57,056 |

2000

| | At fixed interest rates £'000 | At floating interest rates £'000 | Interest free £'000 | Total £'000 |
|------------------------------|-------------------------------------|--|---------------------------|----------------|
| <i>Financial liabilities</i> | | | | |
| Sterling | 39,402 | 326 | - | 39,728 |
| Euro | - | 18,512 | 1,085 | 19,597 |
| | 39,402 | 18,838 | 1,085 | 59,325 |

The fixed rate debt has an interest rate of 10% and the weighted average period for which the rate is fixed is one year. The weighted average period for maturity of financial liabilities at 31 December 2001 is one year (2000: two years).

The financial liabilities of the Group comprise:

| | 2001 £'000 | 2000 £'000 |
|------------------------------------|---------------|---------------|
| Fixed rate bonds | 38,117 | 39,402 |
| Other borrowings | 18,261 | 18,838 |
| Other creditors due after one year | 678 | 1,085 |
| | 57,056 | 59,325 |

29 Financial instruments continued

2001

| | At floating Interest rates £'000 | Interest free £'000 | Total £'000 |
|-------------------------|--|---------------------------|----------------|
| <i>Financial assets</i> | | | |
| Sterling | 103,388 | - | 103,388 |
| Euro | 6,277 | - | 6,277 |
| | 109,665 | - | 109,665 |

2000

| | At floating Interest rates £'000 | Interest free £'000 | Total £'000 |
|-------------------------|--|---------------------------|----------------|
| <i>Financial Assets</i> | | | |
| Sterling | 69,347 | - | 69,347 |
| Euro | 1,771 | 529 | 2,300 |
| | 71,118 | 529 | 71,647 |

The financial assets of the Group comprise cash and deposits totalling £109,665,000 (2000: £71,647,000). The sterling floating rate assets and liabilities are based on the three month LIBOR rate. The Euro floating rate liabilities are based on the overnight Euribor rate.

b) Currency exposure

The Group does not have any significant currency exposures on monetary assets and liabilities. No Group company holds significant monetary assets or monetary liabilities that are not denominated in the functional currency of the company involved. At 31 December 2001, no forward contracts or swaps of foreign currency were outstanding (2000: nil).

c) Maturity of financial liabilities

| | 2001 £'000 | 2000 £'000 |
|---|---------------|---------------|
| In one year or less, or on demand | 56,730 | 20,012 |
| In more than one year but not more than two years | - | 38,987 |
| In more than two years but not more than five years | 326 | 326 |
| | 57,056 | 59,325 |

d) Undrawn committed borrowing facilities

The Group has various available borrowing facilities. The undrawn committed facilities available at 31 December 2001 in respect of which all conditions precedent had been met were £28,723,786 (2000: £30,084,388). All of these facilities are subject to annual review.

e) Fair value of financial instruments

| | 2001 Book value £'000 | 2001 Fair value £'000 | 2000 Book value £'000 | 2000 Fair value £'000 |
|------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Interests in equities | 4,620 | 3,209 | 4,620 | 2,208 |
| Cash and deposits | 109,665 | 109,665 | 71,647 | 71,647 |
| | 114,285 | 112,874 | 76,267 | 73,855 |
| Fixed rate bonds | (38,117) | (39,343) | (39,402) | (41,863) |
| Other borrowings | (18,261) | (18,261) | (18,838) | (18,838) |
| Other creditors due after one year | (678) | (678) | (1,085) | (1,085) |
| | (57,056) | (58,282) | (59,325) | (61,786) |

The fair value of the fixed rate bonds is calculated with reference to the market price of the bonds which at 31 December 2001 were £103.20 per £100 bond (2000: £105.15). The fair value of fixed rate bonds is based on the net amount payable of £38,313,000 (being the full amount payable of £50,000,000 excluding the par value of bonds of £11,687,000) restated using the market price of £103.20 per £100 bond, and excluding the unamortised debt issue costs of £196,000.

31 Post balance sheet event

On 15 February 2002, Computacenter plc completed the purchase of the service business of GE Capital Information Technology Solutions SA for consideration of £738,657.

Five year financial review

| | Year ended 31 December | | | | |
|---|------------------------|-------------|-------------|-------------|----------------|
| | 1997 £'m | 1998 £'m | 1999 £'m | 2000 £'m | 2001 £'m |
| Turnover | 1,133.5 | 1,586.2 | 1,760.6 | 1,988.4 | 2,093.4 |
| Operating profit ¹ | 52.5 | 66.3 | 75.6 | 61.4 | 55.1 |
| Profit on ordinary activities before taxation | 47.1 | 64.6 | 75.1 | 55.6 | 34.9 |
| Profit on ordinary activities after taxation | 31.1 | 43.4 | 53.0 | 39.2 | 19.7 |
| Diluted earnings per share ² | 17.5p | 23.5p | 28.1p | 20.8p | 17.9p |
| Year-end headcount | 3,245 | 4,582 | 5,618 | 5,788 | 5,894 |

¹ Excluding results of overseas associated undertakings

² Amended in accordance with FRS redefinition

Summary balance sheet

| | Year ended 31 December | | | | |
|-----------------------------|------------------------|-------------|-------------|-------------|----------------|
| | 1997 £'m | 1998 £'m | 1999 £'m | 2000 £'m | 2001 £'m |
| Intangible assets | - | - | 3.8 | 6.2 | 8.0 |
| Tangible assets | 30.6 | 59.8 | 96.6 | 109.4 | 103.5 |
| Investments | 3.0 | 1.4 | 2.8 | 11.8 | 13.5 |
| Stocks | 108.2 | 109.8 | 92.9 | 119.6 | 95.4 |
| Debtors | 165.8 | 236.6 | 244.2 | 339.6 | 295.8 |
| Cash | 13.8 | 63.6 | 63.7 | 71.6 | 109.7 |
| Creditors due within 1 year | (246.6) | (307.4) | (292.8) | (410.0) | (395.7) |
| Creditors due after 1 year | (43.5) | (42.0) | (41.0) | (39.5) | (2.0) |
| Provisions | - | (1.0) | (1.7) | (4.5) | (6.2) |
| Net Assets | 31.3 | 120.8 | 168.5 | 204.2 | 222.0 |

Financial Calendar

| | |
|---|----------------|
| Record date: | 3 May 2002 |
| Annual General Meeting: | 10 May 2002 |
| Dividend payment date: | 30 May 2002 |
| Interim Report 2002 mailed to shareholders: | September 2002 |
| Annual Report 2002 mailed to shareholders: | April 2003 |
| Annual General Meeting: | May 2003 |

Corporate information

Board of Directors:

Ron Sandler (Executive Chairman)
Mike Norris (Chief Executive)
Tony Conophy (Finance Director)
Nick Cosh (Non-Executive Director)
Phillip Hulme (Non-Executive Director)
Peter Ogden (Non-Executive Director)
Cliff Preddy (Non-Executive Director)

Company Secretary:

Alan Pottinger FCIS

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Principal Bankers:

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