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**CDW Achieves Record Fourth Quarter Sales Exceeding \$1.05 Billion  
Sets Fourth Quarter Earnings Per Share Record of \$0.52**

**Vernon Hills, Illinois, January 22, 2003** - CDW Computer Centers, Inc. (Nasdaq:CDWC) today announced its highest fourth quarter sales and earnings per share in the company's history. Fourth quarter sales totaled \$1.054 billion, an increase of 6.7 percent versus the fourth quarter of 2001. Earnings per diluted share were \$0.52, a 10.6 percent increase compared with the prior year quarter.

CDW also achieved record sales and earnings per share for the full year. Sales totaled \$4.265 billion for full year 2002, an increase of 7.6 percent versus 2001. Earnings per diluted share were \$2.10 for full year 2002, an 11.1 percent increase over 2001.

"Our record-setting financial performance is the result of our coworkers' commitment to understanding and meeting customer needs, as well as a continuing focus on operational excellence," said chairman and chief executive officer John A. Edwardson. "I'm particularly pleased by our ability to maintain strong gross profit and operating margins in this difficult economic environment."

Fourth quarter highlights include:

- Named No. 13 on FORTUNE Magazine's "100 Best Companies to Work for in America," achieving the highest ranking for a Fortune 500 company.
- 17.2 percent year-over-year increase in public sector sales to \$208.2 million.
- 4.3 percent year-over-year increase in corporate sector sales to \$845.8 million.
- Solid revenue growth for nearly all product categories, and growth rates exceeding 12 percent for input devices, video, memory, network/communications, and printers.

The gross profit margin was 13.2 percent of sales in the fourth quarter of 2002, equal to the gross profit margin achieved in the same period of 2001. Compared with prior year, the gross profit margin was positively impacted by improvements in product mix and selling margins, offset by the elimination of the Microsoft Upgrade Advantage product and lower vendor rebates.

Selling and administrative expenses as a percentage of sales decreased to 6.3 percent in the fourth quarter of 2002 from 6.4 percent in the same period of 2001.

"With regard to first quarter projections, we continue to be cautious regarding the economy," said Edwardson. "We project total sales for the first quarter of 2003 in the range of \$1.040 billion to \$1.070 billion. Earnings for the first quarter of 2003 are projected to be \$0.48 to \$0.50 per diluted share.

"CDW's strong business model and large, diversified customer base position us well for continued success," said Edwardson.

## **About CDW**

CDW® (Nasdaq: CDWC), ranked No. 414 on the Fortune 500, is a leading provider of technology solutions for businesses, government agencies and educational institutions nationwide. CDW is a principal source of technology products and services including top name brands such as Cisco, Compaq, Computer Associates, Hewlett-Packard, IBM, Intel, Microsoft, and Toshiba. CDW distributes contracts to end users for customized and standardized on-site services supplied directly by providers such as H-P Services and Unisys and for training programs provided by firms such as KnowledgeNet and Productivity Point International.

CDW was founded in 1984 as a home-based business and today employs 2,800 coworkers whose efforts generated net sales greater than \$4 billion in 2002. CDW's direct model offers one-on-one relationships with knowledgeable account managers; purchasing by telephone, fax, the company's award-winning [www.cdw.com](http://www.cdw.com) Web site or customized [CDW@work](mailto:CDW@work)<sup>™</sup> extranets; custom configured solutions and same day shipping; flexible financing solutions; and pre- and post-sales technical support, with more than 100 factory-trained and A+ certified technicians on staff. Additional information can be found by visiting [www.cdw.com](http://www.cdw.com).

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(in thousands, except per share data)

	Three Months		Years	
	Ended December 31,		Ended December 31,	
	2002	2001	2002	2001
Net sales	\$ 1,053,953	\$ 988,190	\$ 4,264,579	\$ 3,961,545
Cost of sales	<u>914,569</u>	<u>857,871</u>	<u>3,700,744</u>	<u>3,434,510</u>
Gross profit	139,384	130,319	563,835	527,035
Selling and administrative expenses	65,215	62,478	261,611	253,328
Net advertising expenses	<u>802</u>	<u>455</u>	<u>4,046</u>	<u>5,509</u>
Income from operations	73,367	67,386	298,178	268,198
Interest income	2,309	2,556	9,548	12,637
Other expense, net	<u>(393)</u>	<u>(325)</u>	<u>(1,529)</u>	<u>(859)</u>
Income before income taxes	75,283	69,617	306,197	279,976
Income tax provision	<u>29,737</u>	<u>27,672</u>	<u>120,948</u>	<u>111,290</u>
Net income	<u>\$ 45,546</u>	<u>\$ 41,945</u>	<u>\$ 185,249</u>	<u>\$ 168,686</u>
Earnings per share				
Basic	<u>\$ 0.54</u>	<u>\$ 0.49</u>	<u>\$ 2.18</u>	<u>\$ 1.97</u>
Diluted	<u>\$ 0.52</u>	<u>\$ 0.47</u>	<u>\$ 2.10</u>	<u>\$ 1.89</u>
Weighted average number of common shares outstanding				
Basic	<u>83,822</u>	<u>85,442</u>	<u>84,862</u>	<u>85,803</u>
Diluted	<u>86,960</u>	<u>89,355</u>	<u>88,296</u>	<u>89,136</u>

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands)

	<u>December 31,</u> <u>2002</u>	<u>December 31,</u> <u>2001</u>
<b>ASSETS</b>		
Current assets :		
Cash, cash equivalents and marketable securities	\$ 504,614	\$ 394,381
Accounts receivable, net of allowance for doubtful accounts of \$10,500 and \$9,500, respectively	333,084	318,405
Merchandise inventory	150,785	119,117
Miscellaneous receivables	14,084	9,760
Deferred income taxes	11,757	9,040
Prepaid expenses and other assets	<u>4,212</u>	<u>3,455</u>
Total current assets	1,018,536	854,158
Property and equipment, net	64,088	69,073
Investment in and advances to joint venture	5,176	5,382
Deferred income taxes and other assets	<u>7,864</u>	<u>8,416</u>
Total assets	<u><u>\$ 1,095,664</u></u>	<u><u>\$ 937,029</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities :		
Accounts payable	\$ 102,786	\$ 106,808
Accrued expenses and other current liabilities	<u>68,808</u>	<u>51,564</u>
Total current liabilities	171,594	158,372
Shareholders' equity	<u>924,070</u>	<u>778,657</u>
Total liabilities and shareholders' equity	<u><u>\$ 1,095,664</u></u>	<u><u>\$ 937,029</u></u>

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES**  
**SEGMENT REPORTING INFORMATION**  
(in thousands)

	Three Months Ended December 31, 2002 (in 000's)			
	Corporate	Public Sector	Eliminations	Consolidated
External customer sales	\$ 845,798	\$ 208,155	\$ -	\$ 1,053,953
Transfers between segments	<u>185,669</u>	<u>-</u>	<u>(185,669)</u>	<u>-</u>
Total net sales	<u>\$ 1,031,467</u>	<u>\$ 208,155</u>	<u>\$ (185,669)</u>	<u>\$ 1,053,953</u>
Income from operations	<u>\$ 69,227</u>	<u>\$ 4,140</u>	<u>\$ -</u>	\$ 73,367
Net interest income and other				<u>1,916</u>
Income before income taxes				<u>\$ 75,283</u>
Total assets	<u>\$ 1,034,795</u>	<u>\$ 64,348</u>	<u>\$ (3,479)</u>	<u>\$ 1,095,664</u>

	Three Months Ended December 31, 2001 (in 000's)			
	Corporate	Public Sector	Eliminations	Consolidated
External customer sales	\$ 810,560	\$ 177,630	\$ -	\$ 988,190
Transfers between segments	<u>152,878</u>	<u>-</u>	<u>(152,878)</u>	<u>-</u>
Total net sales	<u>\$ 963,438</u>	<u>\$ 177,630</u>	<u>\$ (152,878)</u>	<u>\$ 988,190</u>
Income from operations	<u>\$ 61,840</u>	<u>\$ 5,546</u>	<u>\$ -</u>	\$ 67,386
Net interest income and other				<u>2,231</u>
Income before income taxes				<u>\$ 69,617</u>
Total assets	<u>\$ 891,857</u>	<u>\$ 74,753</u>	<u>\$ (29,581)</u>	<u>\$ 937,029</u>

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES**  
**SEGMENT REPORTING INFORMATION**  
(in thousands)

	Year Ended December 31, 2002 (in 000's)			
	Corporate	Public Sector	Eliminations	Consolidated
External customer sales	\$ 3,399,118	\$ 865,461	\$ -	\$ 4,264,579
Transfers between segments	<u>823,086</u>	<u>-</u>	<u>(823,086)</u>	<u>-</u>
Total net sales	<u>\$ 4,222,204</u>	<u>\$ 865,461</u>	<u>\$ (823,086)</u>	<u>\$ 4,264,579</u>
Income from operations	<u>\$ 281,911</u>	<u>\$ 16,267</u>	<u>\$ -</u>	\$ 298,178
Net interest income and other				<u>8,019</u>
Income before income taxes				<u>\$ 306,197</u>
Total assets	<u>\$ 1,034,795</u>	<u>\$ 64,348</u>	<u>\$ (3,479)</u>	<u>\$ 1,095,664</u>

	Year Ended December 31, 2001 (in 000's)			
	Corporate	Public Sector	Eliminations	Consolidated
External customer sales	\$ 3,280,632	\$ 680,913	\$ -	\$ 3,961,545
Transfers between segments	<u>619,819</u>	<u>-</u>	<u>(619,819)</u>	<u>-</u>
Total net sales	<u>\$ 3,900,451</u>	<u>\$ 680,913</u>	<u>\$ (619,819)</u>	<u>\$ 3,961,545</u>
Income from operations	<u>\$ 245,539</u>	<u>\$ 22,659</u>	<u>\$ -</u>	\$ 268,198
Net interest income and other				<u>11,778</u>
Income before income taxes				<u>\$ 279,976</u>
Total assets	<u>\$ 891,857</u>	<u>\$ 74,753</u>	<u>\$ (29,581)</u>	<u>\$ 937,029</u>

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES**  
**OPERATING DATA**

	Three Months Ended		Years Ended	
	December 31, 2002	December 31, 2001	December 31, 2002	December 31, 2001
Commerical Customers Served:				
Current Quarter	173,386	171,417	361,052	356,769
Trailing 12 Months	361,052	356,769	361,052	356,769
% of Sales to Commercial Customers	97.7%	96.3%	97.4%	96.7%
Number of Invoices Processed	1,257,633	1,149,560	4,995,459	4,394,157
Average Invoice Size	\$ 893	\$ 928	\$ 935	\$ 964
Direct Web Sales (000's)	\$ 214,574	\$ 160,913	\$ 829,233	\$ 615,316
Daily Average Web Users	93,881	99,918	91,419	91,617
Sales Force, End of Period	1,320	1,301	1,320	1,301
Annualized Inventory Turnover	26	27	27	30
Accounts Receivable Days Sales Outstanding	29	30	29	29

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