



Investor Relations

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CDW Achieves Record First Quarter Results

First quarter of 2005 highlights:

- Average daily sales: \$23.048 million, up 10.4% year-over-year
- Sales: \$1.475 billion, up 10.4% year-over-year
- Net income: \$61.4 million, up 11.0% year-over-year
- Diluted earnings per share: \$0.72, up 14.3% year-over-year

VERNON HILLS, Ill. – April 19, 2005 – CDW Corporation (NASDAQ: CDWC) achieved record first quarter sales, net income and earnings per share in the first quarter of 2005.

First quarter sales totaled \$1.475 billion, an increase of 10.4 percent versus the prior year quarter. First quarter net income was \$61.4 million, an increase of 11.0 percent versus the first quarter of 2004. Diluted earnings per share were \$0.72 in the first quarter of 2005, an increase of 14.3 percent compared to earnings per share of \$0.63 in the first quarter of 2004.

“First quarter of 2005 was another solid quarter for CDW. We continued to outpace market growth, take market share profitably, and maintain our track record of consistent performance,” said John A. Edwardson, chairman and chief executive officer. “Our results were driven by our unique business model that offers customers diversified product selection and solutions, speed of delivery, and the highest level of responsive service.”

Average daily sales for the first quarter of 2005 were \$23.048 million compared to \$20.886 million in the first quarter of 2004, representing a 10.4 percent increase. Total sales in the first quarter of 2005 were \$1.475 billion compared to \$1.337 billion in the prior period, representing more than \$100 million of growth. The first quarter of 2005 and the first quarter of 2004 both had 64 billing days.

- First quarter of 2005 average daily sales for the corporate sector were \$18.376 million compared to \$17.018 million, representing an 8.0 percent increase over last year. Total corporate sector sales in the first quarter of 2005 were \$1.176 billion compared to \$1.089 billion in the first quarter of 2004.
- First quarter of 2005 average daily sales for the public sector were \$4.672 million compared to \$3.868 million, representing a 20.8 percent increase over last year. Total public sector sales in the first quarter of 2005 were \$299.0 million compared to \$247.6 million in the first quarter of 2004.

- In the first quarter of 2005, double-digit growth was achieved in total unit volume. Notebook CPUs, desktop CPUs, server CPUs, software, data storage and video unit volume growth increased more than 20 percent.
- Direct web sales were \$436 million in the first quarter of 2005, representing a 21 percent increase compared to the same period a year ago, and comprised 30 percent of total sales.
- March 2005 average daily sales were \$23.556 million, compared to \$21.419 million in March 2004, representing a 10.0 percent increase. Total March 2005 sales were \$541.8 million compared to \$492.6 million in the prior period. March 2005 and March 2004 both had 23 billing days. Both the corporate and public sector segments generated growth in March 2005.

Gross profit margin was 15.35 percent in the first quarter of 2005 compared to 15.30 percent in the same period of 2004. The increase was primarily due to a larger amount of cooperative advertising funds classified as a reduction of cost of sales, as an increase in cooperative advertising funds were received to support an increase in marketing spending. This impact was partially offset by a lower level of vendor incentives and a restructuring of customer delivery, insurance and handling charges.

Selling and administrative expenses as a percentage of sales were 6.9 percent in the first quarter of 2005 compared to 7.2 percent in the first quarter of 2004. The decrease in selling and administrative expenses as a percentage of sales in the first quarter of 2005 is primarily the result of \$2.6 million of Micro Warehouse transition expenses in the first quarter of 2004 that did not repeat in 2005.

During the first quarter of 2005, CDW repurchased 2.257 million shares of common stock at an average price of \$57.69 per share for an aggregate purchase price of \$130 million. Under the current share repurchase program approved in July 2004 for the repurchase of 4.0 million shares, 2.5 million shares were repurchased from July 2004 through March 31, 2005, at a total cost of \$142 million and an average price of \$57.77 per share.

Revised operating segment reporting

CDW continues to have two reportable operating segments: corporate, which is primarily comprised of business customers, but also includes consumers, and public sector, which is comprised of federal, state and local government entities, and educational institutions. Beginning in the first quarter of 2005, CDW management revised the operating segments which reflect the basis for making operating decisions and assessing performance.

Under the revised structure, centralized logistics and headquarters functions that were formerly provided by the corporate segment to the public sector segment were separated from the corporate segment. The logistics functions include purchasing, distribution, and fulfillment services to support both the corporate and public sector segments, and costs and intercompany charges associated with the logistics function are fully allocated to both of the operating segments based on a percent of sales. The centralized headquarters functions provide services in areas such as accounting, information technology, marketing, legal, and coworker services. Certain of the headquarters functions are allocated to the operating segments based on a percent of sales. Those headquarters function costs that are not allocated to the operating segments are included under the heading of "Headquarters/Other" in the segment information.

The segment reporting information included in the attached financial information reflects the revised segment reporting structure for the first quarter of 2005. The first quarter of 2004 segment information has been restated to reflect the revised segment reporting structure. The attached addendum to the financial information provides segment reporting information in both the revised and previously reported structures for each quarter in 2004.

Recognition:

- As previously announced, CDW was named No. 347 on *FORTUNE* Magazine's "FORTUNE 500" list. In addition, the company scored within the top ten percent of all FORTUNE 500 companies in several categories measuring profitability and performance:
 - No. 8 in profit growth over the past ten years
 - No. 15 in revenues per dollar of assets
 - No. 28 in total return to shareholders for the past ten years
 - No. 45 in revenues per employee

- As previously announced, CDW earned the top ranking in its industry in *FORTUNE* magazine's "America's Most Admired Companies." In the Wholesalers: Electronics and Office Equipment industry, CDW ranked first in seven of the eight attributes measured, including Innovation, Employee Talent, Use of Corporate Assets, Social Responsibility, Quality of Management, Financial Soundness, and Long-Term Investment Value.

The company plans to release April sales on Tuesday, May 10, 2005. April 2004 had 22 billing days and April 2005 will have 21 billing days.

Forward Looking Statement

Any forward-looking statements contained in this release are based on the Company's beliefs and expectations as of the date of this release and are subject to certain risks and uncertainties which may have a significant impact on the Company's business, operating results or financial condition. Should any risk or uncertainty materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in forward-looking statements. Factors affecting the Company's business and prospects are discussed in the Company's filings with the Securities and Exchange Commission.

About CDW

CDW® (NASDAQ: CDWC), ranked No. 347 on the FORTUNE 500, is a leading provider of technology products and services for business, government and education. CDW is a principal source of technology from top name brands such as Adobe, APC, Apple, Cisco, HP, IBM, Microsoft, Sony, Symantec, Toshiba and ViewSonic.

CDW was founded in 1984 and today employs approximately 4,000 coworkers. In 2004, the company generated sales of \$5.7 billion. CDW's direct model offers one-on-one relationships with knowledgeable account managers; purchasing by telephone, fax, the company's award-winning CDW.com web site, customized CDW@work™ extranets, CDWG.com web site and macwarehouse.com web site; custom configured solutions and same day shipping; and pre- and post-sales technical support, with approximately 120 factory-trained and A+ certified technicians on staff.

A live web cast of CDW's management discussion of the first quarter of 2005 results will be available at www.cdw.com/investor. The web cast will begin today, April 19, 2005, at 8:30 a.m. ET / 7:30 a.m. CT. An audio replay of the call will also be available at www.cdw.com/investor for approximately two weeks. Additional financial and operational data is provided in a series of supplemental slides available at www.cdw.com/investor.

For more information about CDW:

Visit CDW on the Internet at <http://www.cdw.com>. Contact CDW Investor Relations via the Internet at investorrelations@cdw.com or by telephone at 847-419-6328.

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CDW CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	Three Months Ended March 31,	
	2005	2004
Net sales	\$ 1,475,082	\$ 1,336,689
Cost of sales	<u>1,248,653</u>	<u>1,132,226</u>
Gross profit	226,429	204,463
Selling and administrative expenses	102,238	96,066
Net advertising expense	<u>26,461</u>	<u>18,217</u>
Income from operations	97,730	90,180
Interest income	3,179	1,837
Other expense, net	<u>(370)</u>	<u>(411)</u>
Income before income taxes	100,539	91,606
Income tax provision	<u>39,142</u>	<u>36,313</u>
Net income	<u>\$ 61,397</u>	<u>\$ 55,293</u>
Earnings per share:		
Basic	<u>\$ 0.74</u>	<u>\$ 0.66</u>
Diluted	<u>\$ 0.72</u>	<u>\$ 0.63</u>
Weighted-average number of common shares outstanding:		
Basic	<u>82,621</u>	<u>83,819</u>
Diluted	<u>85,309</u>	<u>87,275</u>

CDW CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	<u>March 31,</u> <u>2005</u>	<u>December 31,</u> <u>2004</u>	<u>March 31,</u> <u>2004</u>
Assets			
Current assets:			
Cash, cash equivalents and marketable securities	\$ 590,247	\$ 478,197	\$ 489,229
Accounts receivable, net of allowance for doubtful accounts of \$9,887, \$9,890 and \$10,025 respectively	571,052	580,035	472,000
Merchandise inventory	205,413	213,222	172,563
Miscellaneous receivables	27,214	24,364	25,340
Deferred income taxes	13,718	13,718	12,147
Prepaid expenses	<u>5,660</u>	<u>6,901</u>	<u>3,061</u>
Total current assets	1,413,304	1,316,437	1,174,340
Marketable securities	86,142	125,426	172,799
Property and equipment, net	77,818	68,595	61,574
Other assets	<u>10,715</u>	<u>10,477</u>	<u>15,876</u>
Total assets	<u>\$ 1,587,979</u>	<u>\$ 1,520,935</u>	<u>\$ 1,424,589</u>
 Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	\$ 262,296	\$ 168,061	\$ 178,951
Accrued expenses and other current liabilities	<u>139,384</u>	<u>111,457</u>	<u>104,811</u>
Total current liabilities	401,680	279,518	283,762
Minority interest	-	-	2,156
Shareholders' equity:			
Total shareholders' equity	<u>1,186,299</u>	<u>1,241,417</u>	<u>1,138,671</u>
Total liabilities and shareholders' equity	<u>\$ 1,587,979</u>	<u>\$ 1,520,935</u>	<u>\$ 1,424,589</u>

Note: Certain prior period amounts have been reclassified to conform with the current period's presentation.

CDW CORPORATION AND SUBSIDIARIES
SEGMENT REPORTING INFORMATION
(in thousands)

	Three Months Ended March 31, 2005			
	Corporate Sector	Public Sector	Headquarters / Other	Consolidated
Net sales	\$ 1,176,094	\$ 298,988	\$ -	\$ 1,475,082
Income from operations	\$ 90,578	\$ 15,133	\$ (7,981)	\$ 97,730
Net interest income and other expense				2,809
Income before income taxes				\$ 100,539
Total assets	\$ 474,398	\$ 202,641	\$ 910,940	\$ 1,587,979

	Three Months Ended March 31, 2004			
	Corporate Sector	Public Sector	Headquarters / Other	Consolidated
Net sales	\$ 1,089,122	\$ 247,567	\$ -	\$ 1,336,689
Income from operations	\$ 88,453	\$ 10,542	\$ (8,815)	\$ 90,180
Net interest income and other expense				1,426
Income before income taxes				\$ 91,606
Total assets	\$ 415,858	\$ 180,544	\$ 828,187	\$ 1,424,589

NOTE: The first quarter of 2004 segment information has been restated to reflect the revised segment reporting structure for the first quarter of 2005.

CDW CORPORATION AND SUBSIDIARIES

OPERATING DATA

	Three Months Ended March 31,	
	2005	2004
% of sales to commercial customers (1)	98.5%	97.6%
Number of invoices processed	1,641,328	1,650,008
Average invoice size	\$961	\$877
Direct web sales (000's)	\$436,477	\$361,787
Sales force, end of period	1,985	1,809
Annualized inventory turnover (2)	23	24
Accounts receivable - days sales outstanding	35	32

- (1) Commercial customers are defined as public sector and corporate customers excluding consumers.
- (2) Starting in the third quarter of 2004, annualized inventory turnover is computed on an average daily basis. Prior periods have been restated using the new method.

ADDENDUM

CDW CORPORATION AND SUBSIDIARIES SEGMENT REPORTING INFORMATION (in thousands)

RESTATED:

	Three Months Ended March 31, 2004			Consolidated
	Corporate Sector	Public Sector	Headquarters / Other	
Net sales	\$ 1,089,122	\$ 247,567	\$ -	\$ 1,336,689
Income from operations	\$ 88,453	\$ 10,542	\$ (8,815)	\$ 90,180
Net interest income and other expense				1,426
Income before income taxes				\$ 91,606
Total assets	\$ 415,858	\$ 180,544	\$ 828,187	\$ 1,424,589

AS PREVIOUSLY REPORTED:

	Three Months Ended March 31, 2004			Consolidated
	Corporate	Public Sector	Eliminations	
External customer sales	\$ 1,089,122	\$ 247,567	\$ -	\$ 1,336,689
Transfers between segments	229,625	-	(229,625)	-
Total net sales	\$ 1,318,747	\$ 247,567	\$ (229,625)	\$ 1,336,689
Income from operations	\$ 85,232	\$ 4,948	\$ -	\$ 90,180
Net interest income and other expense				1,426
Income before income taxes				\$ 91,606
Total assets	\$ 1,422,857	\$ 180,544	\$ (178,812)	\$ 1,424,589

CDW CORPORATION AND SUBSIDIARIES
SEGMENT REPORTING INFORMATION
(in thousands)

RESTATED:

	Three Months Ended June 30, 2004			Consolidated
	Corporate Sector	Public Sector	Headquarters / Other	
Net sales	\$ 1,067,783	\$ 315,121	\$ -	\$ 1,382,904
Income from operations	\$ 85,481	\$ 15,617	\$ (5,951)	\$ 95,147
Net interest income and other expense				1,450
Income before income taxes				\$ 96,597
Total assets	\$ 424,852	\$ 185,750	\$ 820,454	\$ 1,431,056

AS PREVIOUSLY REPORTED:

	Three Months Ended June 30, 2004			Consolidated
	Corporate	Public Sector	Eliminations	
External customer sales	\$ 1,067,783	\$ 315,121	\$ -	\$ 1,382,904
Transfers between segments	302,461	-	(302,461)	-
Total net sales	\$ 1,370,244	\$ 315,121	\$ (302,461)	\$ 1,382,904
Income from operations	\$ 86,237	\$ 8,910	\$ -	\$ 95,147
Net interest income and other expense				1,450
Income before income taxes				\$ 96,597
Total assets	\$ 1,393,151	\$ 185,750	\$ (147,845)	\$ 1,431,056

CDW CORPORATION AND SUBSIDIARIES
SEGMENT REPORTING INFORMATION
(in thousands)

RESTATED:

	Three Months Ended September 30, 2004			Consolidated
	Corporate Sector	Public Sector	Headquarters / Other	
Net sales	\$ 1,096,222	\$ 414,832	\$ -	\$ 1,511,054
Income from operations	\$ 87,955	\$ 24,846	\$ (6,737)	\$ 106,064
Net interest income and other expense				1,911
Income before income taxes				\$ 107,975
Total assets	\$ 433,703	\$ 193,329	\$ 892,300	\$ 1,519,332

AS PREVIOUSLY REPORTED:

	Three Months Ended September 30, 2004			Consolidated
	Corporate	Public Sector	Eliminations	
External customer sales	\$ 1,096,222	\$ 414,832	\$ -	\$ 1,511,054
Transfers between segments	403,922	-	(403,922)	-
Total net sales	\$ 1,500,144	\$ 414,832	\$ (403,922)	\$ 1,511,054
Income from operations	\$ 90,579	\$ 15,485	\$ -	\$ 106,064
Net interest income and other expense				1,911
Income before income taxes				\$ 107,975
Total assets	\$ 1,450,106	\$ 193,329	\$ (124,103)	\$ 1,519,332

CDW CORPORATION AND SUBSIDIARIES
SEGMENT REPORTING INFORMATION
(in thousands)

RESTATED:

	Three Months Ended December 31, 2004			
	Corporate Sector	Public Sector	Headquarters / Other	Consolidated
Net sales	\$ 1,154,211	\$ 352,916	\$ -	\$ 1,507,127
Income from operations	\$ 91,324	\$ 16,713	\$ (6,669)	\$ 101,368
Net interest income and other expense				2,314
Income before income taxes				\$ 103,682
Total assets	\$ 454,367	\$ 194,700	\$ 871,868	\$ 1,520,935

AS PREVIOUSLY REPORTED:

	Three Months Ended December 31, 2004			
	Corporate	Public Sector	Eliminations	Consolidated
External customer sales	\$ 1,154,211	\$ 352,916	\$ -	\$ 1,507,127
Transfers between segments	323,804	-	(323,804)	-
Total net sales	\$ 1,478,015	\$ 352,916	\$ (323,804)	\$ 1,507,127
Income from operations	\$ 92,071	\$ 9,297	\$ -	\$ 101,368
Net interest income and other expense				2,314
Income before income taxes				\$ 103,682
Total assets	\$ 1,454,141	\$ 194,700	\$ (127,906)	\$ 1,520,935