

## First Quarter 1996

### Earnings Release

#### CDW COMPUTER CENTERS REPORTS RECORD FIRST QUARTER SALES First Quarter Highlights:

- Eleventh consecutive quarter of sequential sales growth as a public company
  - Net sales increases 46% to \$206,705,000
  - Net income rises 32% to \$5,534,000
- Pro forma net income, excluding the impact of the non-recurring exit charge, rises 79% to \$7,486,000
- Operating margin, excluding the impact of the exit charge, increases to 5.6% of net sales
- Announced plan to acquire 27 acres of vacant land for facility relocation and expansion

Financial Summary	Quarter Ended		% Change
	3/31/96	3/31/95	
Net Sales (000's)	\$206,705	\$141,356	46%
Income from Operations (000's)	8,291	6,596	26%
Net Income (000's)	5,534	4,184	32%
Net Income Per Share	0.38	0.30	27%
Pro-forma - Excluding Exit Charge			
Income from Operations (000's)	11,491	6,596	74%
Net Income (000's)	7,486	4,184	79%
Net Income Per Share	0.52	0.30	73%
Number of Orders Shipped	299,930	234,339	28%
Average Order Size	\$689	\$603	14%
# account managers, end of period	237	152	56%
Catalogs Mailed (000's)	12,907	7,433	74%
Pages of National Advertising Placed	150	118	27%
Customers Serviced-Quarter	146,739	118,410	24%
Customers Serviced-TTM	395,829	n/a	

*"While we recognize our first quarter results as an accomplishment, we realize that in our quest to make 1996 our best year ever, we must remain attentive to customer service and improving all facets of our business."*

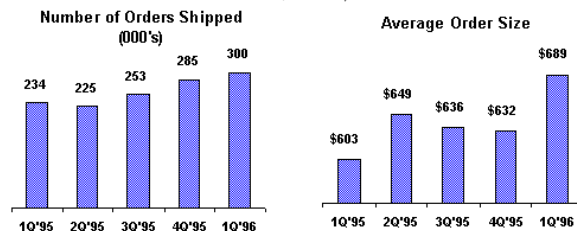
--- Michael P. Krasny, Chairman and Chief Executive Officer

**Buffalo Grove, Illinois, April 17, 1996** --- CDW Computer Centers, Inc. ("CDW") today announced record sales for the first quarter ended March 31, 1996, fueled by strong sales of notebook, laptop and desktop computers and a higher average order size. Net sales for the first quarter increased 46% to \$206,705,000 from \$141,356,000 in the same period of 1995. Pre-tax earnings for the quarter were reduced by \$3,200,000, which includes a \$4,000,000 non-recurring charge for the estimated costs of exiting the Company's current facility and a related \$800,000 reduction in the executive incentive bonus pool. Net income totaled \$5,534,000 a 32% increase over \$4,184,000 in the first quarter of 1995. Earnings per share of \$0.38 for the first quarter of 1996 increased 27% from \$0.30 in the same period of 1995. Pro forma net income and earnings per share, excluding the impact of the exit charge, were \$7,486,000 and \$0.52, representing increases of 79% and 73% respectively, over the first quarter of 1995.

"Significant productivity gains and robust sales of high-end notebook/laptop computers were among the main drivers of our first quarter performance," said Michael P. Krasny, chairman and chief executive officer. "Sales per employee increased to \$1,466,000 in the quarter, a 9% increase over \$1,346,000 in the same quarter a year ago. Sales of notebook/laptop computers increased 70% over the first quarter of 1995 and represent 26% of first quarter 1996 net sales."

The Company announced previously that it has entered into a contract to purchase land in Vernon Hills, Illinois for the purpose of constructing a combined telemarketing, warehouse, showroom and corporate office facility to meet space demands related to continued strong sales growth. In conjunction with the move to the new facility, the Company will vacate and endeavor to sublease its current facility. The non-recurring charge for exit costs of \$4,000,000 represents an estimate of the costs the Company will incur to vacate and sublease its existing leased facility. The exit charge effectively reduces the amount of the executive incentive bonus pool which is based upon a percentage of the increase in operating income over the prior year. Thus, the executive incentive bonus pool for the quarter ended March 31, 1996 was \$242,000 versus \$1,042,000, which would have been incurred on a pro-forma basis excluding the exit charge.

"We are excited about our plans for the new Vernon Hills facility. We are progressing with the required regulatory approvals and hope to break ground within the next 90 days. We look for a smooth transition to our new building which should enable us to retain our proven operating model," Krasny said.

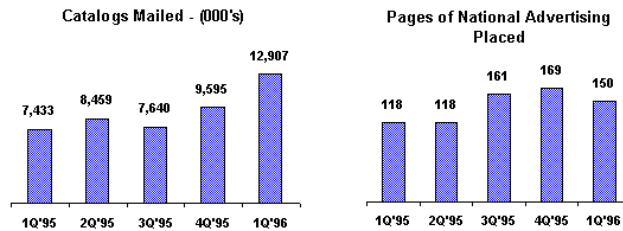


"In addition to notebook/laptop computers, we experienced solid gains in communication products, desktop computers and software which increased 89%, 59% and 49% respectively," said Gregory C. Zeman, president. "Demand for high end notebooks was strong, with limited supplies throughout the quarter. Notebook/laptop demand, as well as continuing increases in sales of desktops, contributed to our higher average order size in the quarter."

Gross profit margin of 12.9% improved slightly over recent periods. Operating profit margin, excluding the impact of the exit charge, improved to 5.6% versus 4.7% in the year-ago quarter. The improved operating margin is attributable to reduced selling and administrative costs as a percentage of net sales resulting from continued improvements in employee productivity, re-negotiated telephone rates, improved collections of cooperative advertising reimbursements from vendors and the leveraging of certain fixed costs over a higher sales volume.

"We continue to increase our catalog circulation. Total PC catalog circulation grew 86% to over 11 million catalogs and Mac catalog circulation

grew 11% to 1.7 million catalogs. We completed the quarter with 237 account managers, an increase of 20 from December 31, 1995," Zeman added.



Annualized inventory turnover improved to approximately 26 for the three months ended March 31, 1996 versus 21 in the year-ago period. The improvement was due, in part, to limited availability of certain products from manufacturers and a lower level of inventory in transit as of March 31, 1996. Working capital was approximately \$105 million with approximately \$55 million in cash, cash equivalents and marketable securities.

CDW had no long-term debt as of March 31, 1996.

"We are optimistic about the remainder of 1996," said Krasny. "We are confident that we are taking all the necessary steps to continue our strong growth. Continuous refinements to customer service, marketing, operations and asset management should help keep us on track toward our 1996 goals. Our expansion should provide the capacity necessary to reach our goals beyond 1996."

CDW Computer Centers, Inc. is a leading direct marketer of brand name microcomputer products. Inbound and outbound telemarketers are dedicated to providing superior customer service at the best price. CDW offers a broad range of over 20,000 MS-DOS/Microsoft Windows and Apple/Macintosh-based microcomputer products, including hardware, peripherals, accessories, networking and software. Customers can place orders and obtain product information by calling a CDW account manager at 1-800-884-4CDW, or by visiting CDW on the Internet at <http://www.cdw.com>. The Company's common stock is traded on the Nasdaq National Market under the symbol CDWC.

**For more information about CDW:**  
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**CDW COMPUTER CENTERS, INC. AND SUBSIDIARY**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
*(in thousands, except per share data)*  
*(unaudited)*

	Three Months Ended March 31,	
	1996	1995
Net sales	\$206,705	\$141,356
Cost of sales	180,058	123,042
Gross profit	26,647	18,314
Selling and administrative expenses	14,356	11,718
Exit Charge	4,000	-
Income from operations	8,291	6,596
Interest income (expense), net	835	308
Other income (expense)	(54)	12
Income before income taxes	9,072	6,916
Income tax provision	3,538	2,732
Net income	\$5,534	\$4,184
Net income per share	\$0.38	\$0.30
Weighted average number of common and common equivalent shares outstanding	14,432	13,807

**CDW COMPUTER CENTERS, INC. AND SUBSIDIARY**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(in thousands, except share data)*  
*(unaudited)*

	March 31, 1996	December 31, 1995
<b>ASSETS</b>		
Current assets:		
Cash, cash equivalents and Marketable Securities	\$54,781	\$57,169
Accounts receivable, net of allowance for doubtful accounts of \$700 and \$625, respectively	45,097	38,527
Merchandise inventory	28,050	27,422
Other current assets	2,923	2,568
Deferred income taxes	1,502	1,175
Total current assets	132,353	126,861
Property and equipment, net	3,393	3,474
Deferred taxes and other assets	3,885	3,560
Total assets	\$139,631	\$133,895

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$13,421	\$19,436
Accrued expenses and other liabilities	10,394	8,298
Accrued exit costs	4,000	-
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Total current liabilities	27,815	27,734
Stockholders' equity	111,816	106,161
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Total liabilities and stockholders' equity	\$139,631	\$133,895
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At The Company FINANCIAL RELATIONS BOARD - CHICAGO

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