



CDW Computer Centers, Inc.	CDW Computer Centers, Inc.
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**CDW COMPUTER CENTERS, INC. REPORTS
15 PERCENT GROWTH IN NET INCOME AND
14 PERCENT GROWTH IN SALES FOR FIRST QUARTER**

Vernon Hills, Illinois, April 18, 2001 --- CDW Computer Centers, Inc. (Nasdaq: CDWC) today announced first quarter 2001 net sales of \$987 million, up 14 percent from first quarter 2000. Earnings per share for the first quarter were \$0.45, up 15 percent from 2000.

First Quarter Highlights:

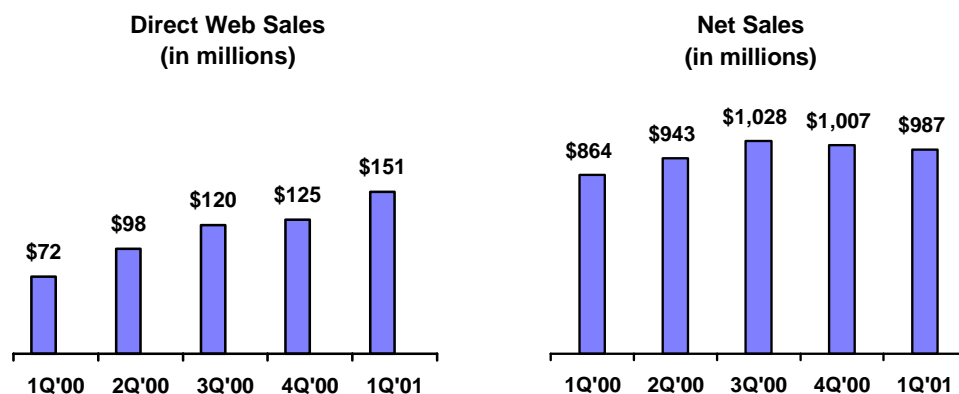
- ◆ Earnings per share increases 15 percent
- ◆ 14 percent growth in net sales
- ◆ Direct Web sales increase 108 percent to \$151 million
- ◆ Sales account managers grow 43 percent to 1,170
- ◆ Active commercial customers increase 17 percent to 164,000
- ◆ Ranked No. 435 in the Fortune 500

Financial & Operating Data	Quarter Ended		Percent Change
	3/31/01	3/31/00	
Reflects 2-for-1 stock split paid June 21, 2000			
Net Sales (000's)	\$987,245	\$863,988	14%
Income from Operations (000's)	\$ 63,463	\$ 56,848	12%
Net Income (000's)	\$ 40,476	\$ 35,291	15%
Basic Earnings Per Share	\$ 0.47	\$ 0.41	15%
Diluted Earnings Per Share	\$ 0.45	\$ 0.39	15%
<u>Operating Data</u>			
Number of Invoices Processed	1,091,790	920,082	19%
Average Invoice Size	\$ 955	\$ 987	-3%
Number of Account Managers	1,170	820	43%
Commercial Customers Served	164,184	140,869	17%
% of Sales to Commercial Customers	96%	95%	1%
Inventory Turnover	26.0	23.2	
Days Sales Outstanding	29.9	30.0	

"We are pleased that we have been able to grow both sales and earnings in a declining market environment. Fueling our growth is CDW's diverse product mix, with particular strength in the software and data storage categories. Our aggressive marketing and sales efforts are generating growth in the number of active commercial customers. The strength of our commercial customer base should enable us to accelerate growth and continue to gain market share when economic conditions improve." John A. Edwardson, CDW's president and CEO.

Net sales for the first quarter increased 14 percent to \$987.2 million from \$864.0 million in the same period of 2000. Net income for the quarter rose 15 percent to \$40.5 million from \$35.3 million in the first quarter of 2000. Diluted earnings per share increased 15 percent to \$0.45 in the first quarter of 2001 from \$0.39 in the same period of 2000. All earnings per share amounts reflect the 2-for-1 stock split effected in the form of a stock dividend, which was paid on June 21, 2000.

“Our solid performance, despite the difficult environment for technology sales during the quarter, results from our core business-to-business strategy,” said John A. Edwardson, CDW’s president and chief executive officer. “Key growth drivers include our diverse commercial customer base, which grew 17 percent over the prior year to more than 164,000, and our diverse product mix.”



Software, data storage devices, printers, input devices and video products were the fastest-growing product categories, all with sales growth rates exceeding 20 percent versus the first quarter of 2000. Software was the Company’s largest product category at 16 percent of net sales, a growth rate of more than 54%. The desktop computer product line, which includes servers, increased 7 percent. Notebook sales decreased 22 percent in net sales dollars. “As overall demand for CPU product lines has lagged, we have experienced strength in the software, data storage and peripheral categories as customers seek to maximize productivity of their existing investment in IT infrastructure,” said Gregory Zeman, CDW’s vice chairman.

Zeman added, “Our sales account manager base as of March 31, 2001 was 1,170, a 43 percent increase from March 31, 2000. Currently, we plan to increase the number of account managers to 1,350-1,400 by the end of 2001; however, we will adjust our hiring as business conditions dictate.”

“Our e-business strategy coupled with our relationship-based selling, enhances the transaction process with our customers and produces impressive results. First quarter direct Web sales were \$150.6 million, a 108 percent increase over the first quarter of 2000 and a 21 percent increase over the fourth quarter of 2000. More importantly, approximately 65% of our sales were generated from the more than 91,000 active users of [CDW@work™](#), our custom-tailored Web site program,” said Zeman.

Gross profit margin was 13.2 percent of net sales in the first quarter of 2001, up 0.6 as a percent of net sales from the prior year quarter. The Company’s gross profit as a percentage of net sales may vary on a quarterly basis based upon vendor support programs, including inventory price protection policies, product mix, pricing strategies, market conditions and other factors. As a result, there is no certainty that the Company will be able to sustain the gross profit margin levels achieved in the first quarter.

Selling and administrative expenses, as a percentage of net sales, increased to 6.8 percent in the first quarter of 2001 from 6.1 percent in the same period of 2000. The primary reasons for the change were increased payroll, occupancy and, to a lesser extent, bad debt expenses, partially offset by a decrease in net advertising expense, all as a percentage of net sales. On a forward-looking basis, selling and administrative costs may increase as a percentage of net sales due to investments in new facilities, new sales account managers, marketing initiatives and potentially lower advertising expense reimbursements from vendors, coupled with a slower rate of sales growth.

Working capital as of March 31, 2001 was \$532.6 million, including approximately \$214.1 million in cash, cash equivalents and marketable securities. During the first quarter, the Company initiated its previously announced 5 million share buyback program and bought 1,895,000 shares of its common stock at an aggregate purchase price of \$71.4 million.

“On a forward looking basis, management believes that cautious assumptions as to the rate of sales and earnings growth are appropriate,” said Edwardson. “Our business customers are impacted by the economic slowdown and accordingly have reduced IT spending levels. Based upon our current level of sales per day, we project net sales for the second quarter 2001 in the range of \$970 million to \$1.009 billion, a growth rate between 3 percent and 7 percent compared to the second quarter 2000. The ability to achieve the estimated sales growth rate is clouded by uncertainties related to economic conditions and IT spending levels. Earnings per share for the second quarter 2001 are currently projected to be \$0.40 to \$0.42 per diluted share. Actual earnings per share could differ significantly from this earnings guidance if we do not meet the sales estimate or if gross margins decrease as a percentage of sales from our historical experience. Earnings are expected to grow at a slower rate than sales due to a higher expense base primarily related to occupancy and payroll costs. Although customers are spending less, our growth in active commercial accounts demonstrates that we are continuing to gain market share in a very difficult business environment. Management believes that our unwavering focus on customer service, our highly automated business processes, our strong financial position and our low-cost operating model will serve us well during these uncertain economic times.”

The statements in this release concerning the Company's sales growth, gross margin percentage and selling and administrative costs, projected earnings per share and other statements of a non-historical basis (including statements regarding implementing strategies for future growth, the ability of the Company to sustain its model of profitable growth and the expected benefits of the Company's e-Business strategy) are forward-looking statements that involve certain risks and uncertainties. Such risks and uncertainties include the continued acceptance of the Company's distribution channel by vendors and customers, the timely availability and acceptance of new products, continuation of key vendor relationships and support programs, changes and uncertainties in economic conditions that could affect the rate of IT spending by our customers, changes in pricing by our vendors, and the ability of the Company to hire and retain qualified account managers. Additional discussion regarding these and other factors affecting the Company's business and prospects is contained in the Company's periodic filings with the Securities and Exchange Commission.

About CDW Computer Centers, Inc.

CDW® (Nasdaq: CDWC), ranked No. 435 on the FORTUNE 500, offers complete, customized technology solutions for businesses, government agencies and educational institutions nationwide. CDW is a leading source of technology products and services from companies such as Cisco, Compaq, Hewlett-Packard, IBM, Microsoft, Sony, Toshiba and other top name brands. CDW was founded in 1984 as a home-based business and today employs more than 2,700 coworkers whose efforts generated net sales of \$3.8 billion in 2000. CDW's direct model offers one-on-one relationships with highly trained account managers; purchasing via telephone, the award-winning www.cdw.com Web site, and customized CDW@work™ extranets; custom configured solutions and same day shipping; flexible financing solutions; and, telephone and online technical support with its factory-trained and A+ certified technicians. Additional information can be found by visiting www.cdw.com.

A live Web cast of CDW's management discussion of the first quarter will be available on www.streetevents.com. The Web cast will begin today, April 18, 2001 at 5:00 pm EDT. An audio replay of the call will be available on www.streetevents.com until April 26, 2001.

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 847-419-8234.

-TABLES FOLLOW-

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

	Three Months Ended March 31,	
	2001	2000
Net sales	\$ 987,245	\$ 863,988
Cost of sales	857,126	754,775
Gross profit	130,119	109,213
Selling and administrative expenses	63,843	48,213
Net advertising expenses	2,813	4,152
Income from operations	63,463	56,848
Interest income	3,824	1,755
Other expense	(106)	(175)
Income before income taxes	67,181	58,428
Income tax provision	26,705	23,137
Net income	\$ 40,476	\$ 35,291
Earnings per share		
Basic	\$ 0.47	\$ 0.41
Diluted	\$ 0.45	\$ 0.39
Weighted average number of common shares outstanding		
Basic	86,194	86,574
Diluted	89,089	89,452

CDW COMPUTER CENTERS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)
(unaudited)

	March 31, 2001	December 31, 2000
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ASSETS		
Current assets :		
Cash, cash equivalents and marketable securities	\$ 214,109	\$ 202,621
Accounts receivable, net of allowance for doubtful accounts of \$8,000 and \$7,000, respectively	328,276	337,424
Merchandise inventory	153,297	110,202
Miscellaneous receivables	11,371	13,442
Deferred income taxes	6,736	6,736
Prepaid expenses and other assets	<u>3,396</u>	<u>3,458</u>
Total current assets	717,185	673,883
Property and equipment, net	65,030	61,966
Investment in and advances to joint venture	6,743	5,804
Deferred income taxes and other assets	<u>6,438</u>	<u>6,784</u>
Total assets	<u>\$ 795,396</u>	<u>\$ 748,437</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities :		
Accounts payable	\$ 121,931	\$ 56,081
Accrued expenses and other current liabilities	60,884	54,243
Accrued exit costs	<u>1,736</u>	<u>1,862</u>
Total current liabilities	184,551	112,186
Shareholders' equity	<u>610,845</u>	<u>636,251</u>
Total liabilities and shareholders' equity	<u>\$ 795,396</u>	<u>\$ 748,437</u>

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