



**Computing Solutions  
Built for Business™**

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Traded: Nasdaq: CDWC

<b>CDW Computer Centers, Inc.</b>	<b>CDW Computer Centers, Inc.</b>
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July 24, 2000

**CDW COMPUTER CENTERS, INC. REPORTS  
76 PERCENT GROWTH IN EPS,  
58 PERCENT GROWTH IN SALES**

**Second Quarter Highlights:**

- ◆ 28th consecutive quarter of sequential sales growth as a public company
- ◆ Net income increases 80 percent
- ◆ 58 percent growth in net sales
- ◆ Direct Web sales increase 172 percent to \$98 million
- ◆ Sales account managers grow 38 percent to 853
- ◆ Opened Chicago sales office; 265 account managers as of June 30, 2000
- ◆ Announced expansion of Chicago sales office in 2001

Financial & Operating Data <small>Reflects 2-for-1 stock split paid June 21, 2000</small>	Three Months Ended		%	Six Months Ended		%
	6/30/00	6/30/99		Change	6/30/00	
Net Sales (000's)	\$943,342	\$597,554	58%	\$1,807,330	\$1,136,960	59%
Income from Operations (000's)	\$ 64,314	\$ 36,068	78%	\$ 121,162	\$ 67,753	79%
Net Income (000's)	\$ 40,049	\$ 22,301	80%	\$ 75,340	\$ 41,999	79%
Basic Earnings Per Share	\$ 0.46	\$ 0.26	77%	\$ 0.87	\$ 0.49	78%
Diluted Earnings Per Share	\$ 0.44	\$ 0.25	76%	\$ 0.83	\$ 0.48	73%
<b>Operating Data</b>						
Number of Invoices Processed	925,474	679,791	36%	1,845,557	1,357,444	36%
Average Invoice Size	\$ 1,065	\$ 928	15%	\$ 1,026	\$ 884	16%
Number of Account Managers	853	617	38%			
Commercial Customers Serviced	135,309	117,546	15%	203,260	178,111	14%
Commercial Customers Serviced - Trailing 12 Months	300,226	276,311	9%			
% of Sales to Commercial Customers	96%	93%	3%	96%	92%	4%

*"The results of the second quarter reinforce our belief in our "clicks and people" business strategy. Our focus remains on providing total solutions, value and outstanding service to our customers, while bolstering our infrastructure for long term growth. Accordingly, we are forging ahead with new sales and operations facilities. This expansion includes doubling the size of our downtown Chicago sales facility in 2001 and constructing a 250,000 square foot warehouse addition at our Vernon Hills campus. We are expanding our sales force to approximately 1,100 account managers by the end of the year."* Michael P. Krasny, Chairman and CEO

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INFORMATIONWEEK

CDW has many philosophies for success, one favorite is ...  
Good luck many times comes disguised as hard work.

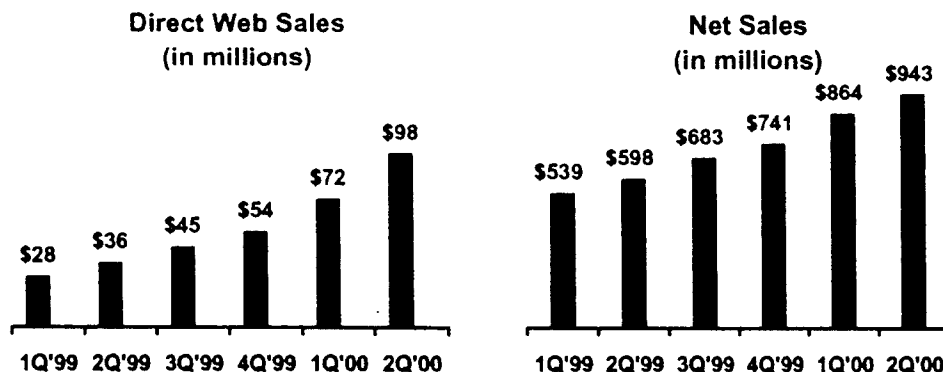
**Vernon Hills, Illinois, July 24, 2000** — CDW Computer Centers, Inc. (Nasdaq: CDWC) today announced record sales and earnings for the second quarter ended June 30, 2000.

Net sales for the second quarter increased 58 percent to \$943.3 million from \$597.6 million in the same period of 1999. Net income for the quarter rose 80 percent to \$40.0 million from \$22.3 million in the second quarter of 1999. Diluted earnings per share increased 76 percent to \$0.44 in the second quarter of 2000 from \$0.25 in the same period of 1999.

Net sales for the six months ended June 30, 2000 increased 59 percent to \$1.8 billion from \$1.1 billion in the same period of 2000. Year to date net income rose 79 percent to \$75.3 million from \$42.0 million in the same period of 1999. Diluted earnings per share increased 73 percent to \$0.83 year to date from \$0.48 in 1999.

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 market share gains reflect the success of our strategies. These strategies include building customer relationships through our account managers, utilizing e-commerce to facilitate acquisition of technology solutions by customers, and extending the brand awareness of CDW,” said Michael P. Krasny, Chairman and Chief Executive Officer. “The strength of our relationships with the small to medium business (SMB) marketplace is reflected in the fact that sales to commercial accounts are now 96% of total sales and sales per active commercial account have grown 42% from the second quarter of 1999 to \$6,712.”



Add-on boards/memory, data storage devices, networking and communication products, video and input devices were the fastest-growing product categories, all with sales growth rates exceeding 64 percent. Notebook computers, which remained the largest product category at 20 percent of net sales, increased 54 percent in net sales dollars compared to the second quarter of 1999. Desktop computers, which include servers, increased 59 percent. “Sales of mid-range to high-end notebooks were particularly strong,” said Gregory Zeman, CDW’s president. “We experienced some supply issues primarily in mid-range notebooks.”

Zeman added, “We maintained our high levels of account manager productivity while successfully transitioning 265 account managers to our new downtown Chicago sales office. We are pleased with the initial results of the Chicago office and recently announced plans to double its capacity in 2001. We are on target to increase our total sales force to approximately 1,100 account managers at the end of 2000.”

“Our e-commerce strategy is producing results. Second quarter direct Web sales were \$98.4 million, a 172 percent increase over the second quarter of 1999 and 36 percent over the first quarter of 2000. Our [CDW@work™](mailto:CDW@work)

customized customer Web site program is an important element of our e-commerce strategy that not only drives incremental sales, but builds stronger customer relationships," said Zeman.

Gross profit margin of 13.0 percent of net sales in the second quarter of 2000, was up 0.5 percent 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 second quarter.

Selling and administrative expenses, as a percentage of net sales, decreased to 6.1 percent in the second quarter of 2000 from 6.5 percent in the same period of 1999. The primary reasons for the decrease were a reduction of net advertising expense and reduced payroll as a percentage of net sales, as the Company leverages its cost base with accelerated sales growth. On a forward-looking basis, selling and administrative costs may increase as a percentage of net sales due to investments in new sales account managers, marketing initiatives and new facilities.

Annualized inventory turnover decreased to 23 times for the quarter from 26 in the second quarter of 1999. Working capital as of June 30, 2000 was \$474.2 million, including approximately \$144.7 million in cash, cash equivalents and marketable securities.

*The statements in this release concerning the Company's gross margin percentage and selling and administrative costs 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 and the ability of the Company to hire and retain qualified account managers.*

#### **About CDW Computer Centers, Inc.**

CDW(R) (Nasdaq: CDWC), ranked No. 560 on the FORTUNE 1000 and No. 6 on Business Week's InfoTech 100, is the country's direct solutions provider, offering complete, customized computing solutions for businesses and government and educational institutions nationwide. CDW is a leading source of technology products and services from companies such as Cisco, Compaq, Computer Associates, Hewlett-Packard, IBM, Microsoft, Toshiba and other top name brands. CDW was founded in 1984 as a home-based business and today employs more than 2,300 coworkers whose efforts generated net sales of \$3.2 billion for the trailing twelve months ended June 30, 2000. CDW's direct model offers one-on-one relationships with highly-trained account managers; telephone and online purchasing; custom configured solutions and same day shipping; flexible financing solutions; and lifetime 24x7 phone and online technical support, with more than 75 factory-trained and A+ certified technicians on staff. As a result of CDW's full integration of its e-business strategy with its existing business model and internal systems, CDW.com enjoys more than 76,000 unique users daily, with more than 55,000 businesses accessing customized CDW@work extranets. For more information about CDW's products and services, call 800-797-4239 or visit the award-winning e-commerce Web site at [www.cdw.com](http://www.cdw.com).

A live Web cast of CDW Management's discussion of the second quarter will be available on [www.vcall.com](http://www.vcall.com) and on [www.strectevents.com](http://www.strectevents.com). The Web cast will begin today at 5:00 pm EDT.

***For more information about CDW:***  
Visit CDW on the Internet at <http://www.cdw.com>  
Contact CDW Investor Relations via the Internet at [shserv@cdw.com](mailto:shserv@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 June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Net sales	\$ 943,342	\$ 597,554	\$ 1,807,330	\$ 1,136,960
Cost of sales	821,121	522,807	1,575,896	994,307
Gross profit	122,221	74,747	231,434	142,653
Selling and administrative expenses	57,907	38,679	110,272	74,900
Income from operations	64,314	36,068	121,162	67,753
Interest income	2,165	961	3,920	2,003
Other expense	(172)	(108)	(347)	(221)
Income before income taxes	66,307	36,921	124,735	69,535
Income tax provision	26,258	14,620	49,395	27,536
Net income	<u>\$ 40,049</u>	<u>\$ 22,301</u>	<u>\$ 75,340</u>	<u>\$ 41,999</u>
Earnings per share				
Basic	\$ 0.46	\$ 0.26	\$ 0.87	\$ 0.49
Diluted	<u>\$ 0.44</u>	<u>\$ 0.25</u>	<u>\$ 0.83</u>	<u>\$ 0.48</u>
Weighted average number of common shares outstanding				
Basic	86,951	86,236	86,763	86,188
Diluted	91,154	87,850	90,312	87,808

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

(in thousands)  
(unaudited)

	June 30, 2000	December 31, 1999
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Current assets :		
Cash, cash equivalents and marketable securities	\$ 144,667	\$ 82,975
Accounts receivable, net of allowance for doubtful accounts of \$5,000 and \$4,300, respectively	304,746	230,190
Merchandise inventory	152,749	126,217
Prepaid income taxes	16,386	-
Miscellaneous receivables	9,808	7,589
Deferred income taxes	6,702	6,702
Prepaid expenses	2,217	1,375
	<u>          </u>	<u>          </u>
Total current assets	637,275	455,048
Property and equipment, net	45,508	39,429
Investment in and advances to subsidiary	12,710	6,499
Deferred income taxes and other assets	3,928	4,939
	<u>          </u>	<u>          </u>
Total assets	<u>\$ 699,421</u>	<u>\$ 505,915</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities :		
Accounts payable	\$ 123,091	\$ 65,657
Accrued expenses and other current liabilities	37,857	47,055
Accrued exit costs	2,136	2,219
	<u>          </u>	<u>          </u>
Total current liabilities	163,084	114,931
Shareholders' equity	<u>536,337</u>	<u>390,984</u>
Total liabilities and shareholders' equity	<u>\$ 699,421</u>	<u>\$ 505,915</u>

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