

CCC Computacenter PLC

Computacenter lifts 2026 profit floor to £425m as order backlog jumps to £12.6bn

Following the Q3 Trading Update – 26 October 2026 · 26 October 2026

FY2026 ADJUSTED PBT FLOOR £425m ▲ against company-compiled consensus of £387.1m (range £380.8m to £395.3m)	COMMITTED ORDER BACKLOG £12.6bn ▲ record, against £9.3bn at the end of June	PREVIOUS PBT FLOOR £380m set with the half-year results in September	H1 OPERATING CASH FLOW -£82.6m ▲ against -£166m in H1 2025
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Share price, past 12 months

Daily close; latest price as at 16:29 on 23 October 2026 · Ticker Data API



Computacenter's third-quarter trading update today raised its full-year 2026 guidance again, saying adjusted profit before tax will be no less than £425m. The new floor is up from the £380m set in September and above every estimate in the company-compiled consensus of £387.1m, whose range topped out at £395.3m. Q3 ran ahead of management's expectations, Q4 has started strongly, and the committed product order backlog (supplier orders matched to non-cancellable customer orders due for delivery within 12 months) reached a record £12.6bn, up from £9.3bn at the end of June. North American and UK hyperscale and neocloud customers drove the growth, neoclouds being newer specialist operators of AI data centres.

This is the fifth statement in 2026 to move expectations upwards, and earlier promises have been met: the July pledge that first-half profit would roughly double ended at £152.4m, up 87%. The 2026 profit figure now looks well protected. What the update leaves open is the quality of that growth. First-half gross margin fell to 9.6% from 12.6% as low-margin hardware sourcing came to dominate the mix, and operating cash flow was negative £82.6m. Managed Services is still shrinking. The shares had fallen 16.2% in the month to 23 October, amid wider questions about whether AI infrastructure spending can

last. The Capital Markets Event on 24 November and the pre-close update on 28 January 2027 are the next chances to test whether the backlog is being refilled and turned into cash.

“Following the excellent performance in Q3 and a strong start to Q4, we now expect adjusted profit before tax for FY 2026 to be no less than £425m”

Computacenter plc, Q3 Trading Update, Group outlook · Q3 Trading Update – 26 October 2026, 26 October 2026

Hyperscale orders in North America and the UK carry the quarter

Computacenter buys technology from vendors and sells it on to large companies and public bodies (Technology Sourcing). It also earns fees for installing and integrating that technology (Professional Services) and for running it over time (Managed Services). In the quarter to 30 September, Technology Sourcing revenue "continued to grow strongly", primarily driven by hyperscale and neocloud customers in North America and the UK. Group Services revenue was ahead of last year because organic growth in Professional Services, again led by North America, more than offset a decline in Managed Services.

North America was the standout region. It recorded record project completions and increased its committed backlog. That region has also grown by acquisition this year, through AgreeYa Solutions (enterprise value up to \$120m) and Government Acquisitions Inc (up to \$92m). The UK achieved excellent growth in Technology Sourcing and solid growth in Professional Services. Germany's underlying performance was described as robust, with strong sourcing growth and stable Professional Services. Management repeated that it is still acting in Germany "to improve efficiency and align our resources with demand", which usually means trimming costs where work has thinned.

No revenue, margin or cash figures are given for the quarter, so the regional picture rests on management's descriptions. The Capital Markets Event in Hatfield on 24 November will cover the North America growth opportunity and the European data-centre capability, and will include a visit to the Hatfield Integration Center and a new Liquid Cooling Facility. Liquid cooling matters because the densest AI server racks run too hot for conventional air cooling.

FIGURE	VALUE	CHANGE
AgreeYa Solutions acquisition, enterprise value completed 5 Jan 2026	up to \$120m	
Government Acquisitions Inc acquisition, enterprise value announced 28 May 2026	up to \$92m	
GAI 2025 gross invoiced income 2025	c. \$390m	
Employees	over 21,000	

Sources: 2025 Annual Report and Accounts, post-balance-sheet events; Acquisition of Government Acquisitions Inc RNS, 28 May 2026; Q3 Trading Update RNS, 26 Oct 2026

Revenue is racing ahead of gross profit

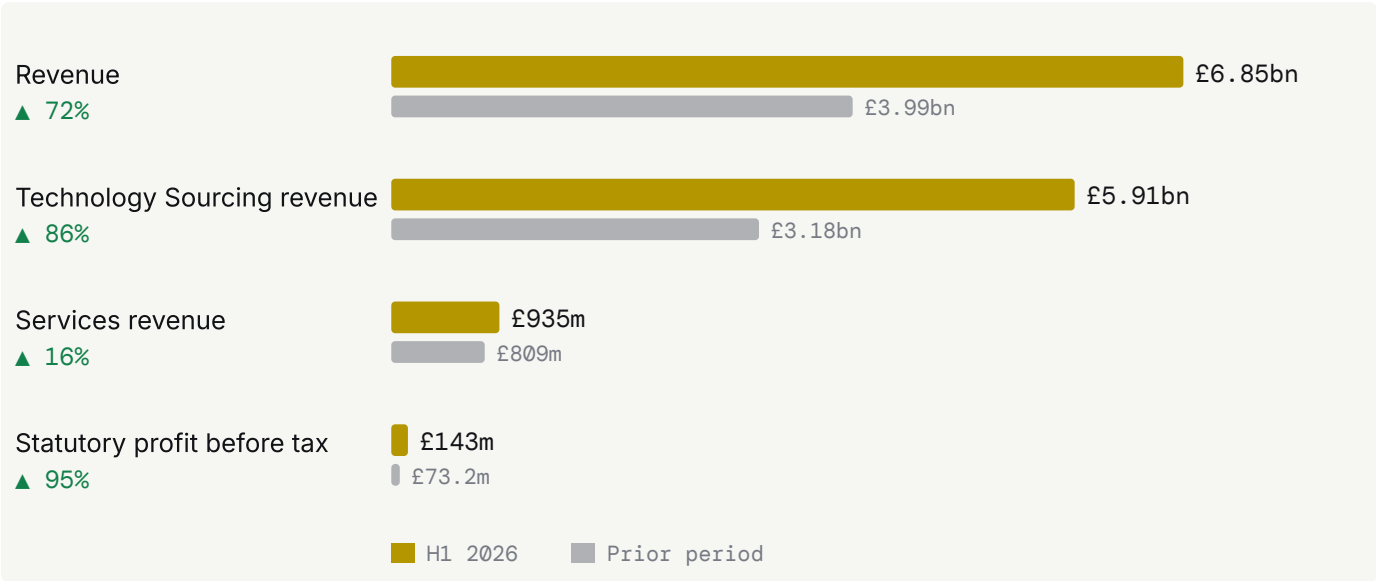
BEFORE → NOW · GROSS MARGIN
~~12.6%~~ 9.6%

The latest hard numbers are the first-half results published on 8 September. Revenue rose to £6.85bn from £3.99bn and adjusted profit before tax rose 87% to £152.4m. Technology Sourcing revenue almost doubled to £5.91bn. Services revenue grew more slowly, to £935m from £809m.

Gross profit rose to £658m from £504m, a much smaller increase than revenue's, and gross margin fell to 9.6% from 12.6%. The fall is consistent with the shift towards high-volume hardware sourcing for data-centre customers, which carries thinner margins than services work. Without project-level margin disclosure, the figures cannot show whether pricing itself has worsened. Even so, adjusted operating profit still nearly doubled to £153m, so the extra volume more than covered the lower margin.

The gap between adjusted and statutory figures is modest so far: statutory pre-tax profit was £143m against the adjusted £152.4m. Shareholders received an interim dividend of 27.1p, up from 23.6p. The Q3 update adds no quarterly profit or margin figure, so the second-half trajectory can only be inferred from the new guidance.

H1 2026 against the prior period



H1 2026	VALUE	CHANGE
Revenue	£6.85bn	+72% from £3.99bn
Technology Sourcing revenue	£5.91bn	+86% from £3.18bn
Services revenue	£935m	+16% from £809m
Adjusted profit before tax	£152.4m	+87%
Statutory profit before tax	£143m	+95% from £73.2m
Adjusted EPS	101.9p	+94% from 52.5p
Interim dividend	27.1p	+15% from 23.6p

Sources: 2026 Half Year Results RNS, 8 Sep 2026

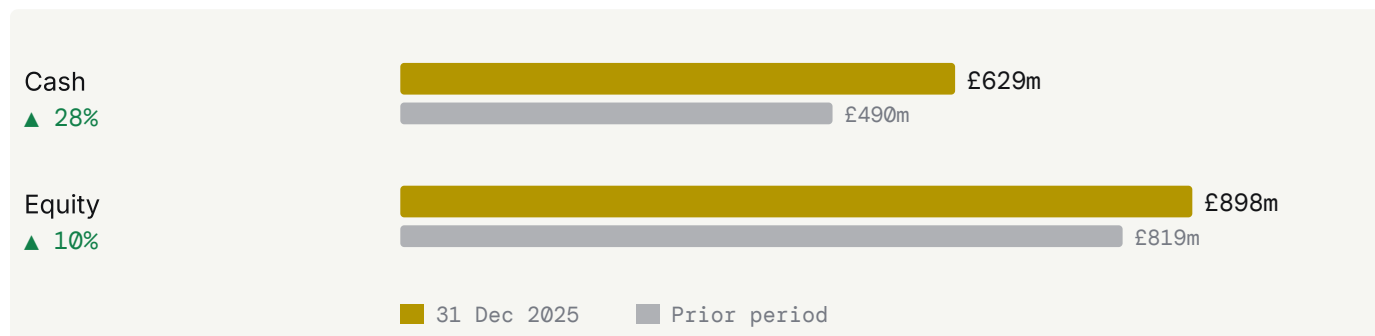
Plenty of cash, but growth is absorbing it

Solvency is not the issue. At 31 December 2025 the group held £629m of cash against £22.5m of borrowings and £272m of lease liabilities, and it has no defined-benefit pension scheme. Adjusted net cash at 30 June 2026 was £309m, up from £278m a year earlier, after paying for the two US acquisitions.

Cash conversion is the weaker point. In 2025, operating cash flow of £294m comfortably exceeded net profit of £157m, but it fell from £417m in 2024 even though profit dipped only modestly. In the first half of 2026 operating cash flow was negative £82.6m, despite £143m of statutory pre-tax profit. That was an improvement on the £166m outflow a year earlier, which points to a seasonal pattern, but it does not prove the cash will return by year-end.

The published figures do not break the outflow down into customer receivables, inventory and supplier payments, so its cause cannot be pinned down. The cost of the backlog in cash depends on when Computacenter pays vendors relative to when customers pay it, and on how much stock it holds before delivery. Those balances, and how concentrated receivables are among neocloud customers, are the items to look for in the full-year accounts.

31 Dec 2025 against the prior period



FIGURE

VALUE CHANGE

Cash	£629m		+28% from £490m
31 Dec 2025			
Borrowings	£22.5m		
31 Dec 2025			
Lease liabilities	£272m		
31 Dec 2025			
Equity	£898m		+9.6% from £819m
31 Dec 2025			
Operating cash flow	£294m		-30% from £417m
FY2025			
Net cash from operating activities	-£82.6m		-50% from -£166m
H1 2026			
Adjusted net cash	£309m		+11% from £278m
30 Jun 2026			

Sources: Balance sheet (tagged accounts), 2025-12-31; 2025 Annual Report, debt and maturities; Cash flow (tagged accounts), 2025-12-31; 2026 Half Year Results RNS, 8 Sep 2026

“Following a very strong first half performance we continued to execute well, delivering an excellent Q3 performance ahead of our expectations.”

Computacenter plc, Q3 Trading Update, Overview · Q3 Trading Update – 26 October 2026, 26 October 2026

The new floor needs £272.6m from the second half

Guidance has risen at every turn this year. In April management expected to be "comfortably ahead" of market expectations, and it said so again in July, when consensus stood at £313.7m. In September it set a floor of £380m. It now says no less than £425m, 11.8% above that floor and 9.8% above the £387.1m consensus. The July promise that first-half profit would be "approximately double" the prior year's £81.5m ended at £152.4m, close enough to give the latest wording weight.

The arithmetic is demanding but supported. With £152.4m already booked, the floor requires at least £272.6m of adjusted pre-tax profit in the second half, about 79% more than the first. The backlog of £12.6bn is the main support. It is measured as gross invoiced income, the full value billed to customers before costs, and it covers only orders for delivery within 12 months. It describes the volume of work to be delivered, not its profit, and it says nothing about whether customers will place the next round of orders in 2027.

The next scheduled update is the pre-close statement on 28 January 2027, preceded by the 24 November Capital Markets Event. UK conditions are less helpful: CPIH inflation was 3.6% in September, the 10-year gilt yield was 5.64% on 21 October and Brent crude was \$111.7 on 23 October. The Budget on 28 October and the Bank of England decision on 5 November come first.

FIGURE	VALUE	CHANGE
FY2026 adjusted PBT guidance FY2026	no less than £425m	 +12% from no less than £380m in September
Company-compiled consensus, FY2026 adjusted PBT FY2026	£387.1m	range £380.8m to £395.3m
Consensus cited in July FY2026	£313.7m	
Committed product order backlog 30 Sep 2026	£12.6bn	 +36% from £9.3bn at 30 Jun 2026
Committed product order backlog 31 Dec 2025	£7.1bn	
10-year gilt yield 21 Oct 2026	5.64%	+0.08 points over three months
CPIH inflation Sep 2026	3.60%	+0.80 points over three months

Sources: Q3 Trading Update RNS, 26 Oct 2026; Trading Statement RNS, 9 Jul 2026; Guidance record, 12 Mar 2026; UK economy and markets data

The market is discounting 2027 doubts

The research database puts Computacenter's market value at £4.90bn. The shares are up only 0.8% for the year on its latest data, despite a 52-week range running from 2,694p to 6,022.27p. Sources disagree on the share count, with 106m on the market data and 117,687,970 shares in issue recorded in May, so any per-share sum carries a margin of error.

One working estimate starts from the new £425m floor, applies the tax rate implied by first-half adjusted figures and uses roughly 106 to 107 million shares. On that basis, adjusted earnings come to about 285p a

share, which at a price of 4,616p is around 16 times earnings before counting the £309m of half-year net cash. The calculation is indicative and sensitive to the share count, and should be read as such.

At those levels the market is not paying for 2026, which looks secure. It is weighing whether hyperscale and neocloud spending will continue into 2027. Disclosed short positions totalled 7.61% of the shares across ten holders at 15 October, so a meaningful group of investors is positioned for the cycle to turn.

FIGURE	VALUE	CHANGE
Market capitalisation	£4.9bn	
52-week range	2,694p to 6,022.27p	
Shares in issue 19 May 2026	117,687,970	
Disclosed short positions latest 15 Oct 2026	7.61%	

Sources: Ticker market data; Shares in issue record, 2026-05-19; Disclosed short positions record

A volume-backed slide ran into the update

52-week high 6,022.27p	52-week low 2,694p	Day range 4,544p to 4,828p
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The shares arrived at today's news weak. They closed at 4,590p on 23 October, 16.2% lower over the month and well below the 52-week high of 6,022.27p set on 8 September. The final session before the update fell 240p, or 4.97%, on volume 1.26 times the 20-day average. That followed five sessions in which every day closed lower except one. The longer trend is intact, with the price still above a rising 200-day average near 4,136p. The shorter averages (20-day and 50-day, near 5,290p) now sit about 15% above the price.

Momentum readings are stretched without showing a turn. The relative strength index, a 0 to 100 gauge of recent buying versus selling, was 30.2, close to the conventional oversold line. No divergence suggested the selling was tiring. A strong update landing on an oversold chart can spark a sharp bounce, but a bounce alone would not show that buyers have returned.

The levels to watch are close resistance at about 4,626p, the 38.2% retracement of the year's advance at about 4,753p, and the 20- and 50-day averages near 5,290p. A close above the averages on heavy volume would signal the correction is over. On the downside, support does not arrive until about 3,965.5p, around 14% below the 23 October close. A close beneath that would point to a change of trend.

Sources: Ticker market data

The case for and against

FOR

The case for starts with delivery. Five upward moves in guidance this year have been matched by results, and the new £425m floor already sits above the top of the analysts' range. The £12.6bn backlog is tied to non-cancellable customer orders due within 12 months, which makes 2026 and much of early 2027 unusually visible for a business of this kind. Professional Services growth and record project completions in North America show Computacenter earns fees for complex installation work as well as reselling hardware. The new Liquid Cooling Facility puts it close to one of the harder engineering problems in AI data centres. The balance sheet carries net cash, so the group can fund growth without borrowing. On the indicative estimate, the shares trade at around 16 times this year's floor earnings, which already prices in a good deal of cycle risk after the 16.2% fall in the month to 23 October.

AGAINST

The case against starts with concentration. The fastest growth comes from hyperscale and neocloud customers in the part of the AI cycle drawing the most scrutiny, including a Gartner warning, reported by Fierce Network on 15 October, that the spending is unsustainable. Non-cancellable orders protect the current backlog, but they cannot oblige customers to place the next round, and a contract is only as good as the buyer's ability to pay. Margin has fallen three points to 9.6%, Managed Services is shrinking and Germany is cutting costs, so the mix is moving towards lower-quality revenue. Cash has not kept pace with profit: operating cash flow fell in 2025 and was negative in the first half of 2026. Higher UK gilt yields and inflation make investors less willing to pay up for earnings linked to AI.

WHAT TO WATCH

The evidence will come in a clear order. At the Capital Markets Event on 24 November, the test is whether management discloses customer concentration within the backlog and says anything concrete about 2027 orders. The pre-close update on 28 January 2027 will show whether the backlog has held or grown from £12.6bn as orders convert. The full-year accounts then need to show a second-half operating cash inflow, stable receivable and inventory days, and gross margin at or above 9.6%. If profit reaches £425m while cash stays weak and overdue debts rise, the case against gains ground. If cash recovers and the backlog refills, the case for does.

Risks

- ⚠ A slowdown in hyperscale or neocloud capital spending would hit 2027 orders even if the current backlog is delivered, reversing the operating gains that have driven this year's profit growth.
 - ⚠ Neocloud customers under financial strain could delay payment or default, leaving Computacenter with receivables or inventory against gross-invoiced volumes many times its £898m of equity.
 - ⚠ Cash conversion may not recover: operating cash flow fell to £294m in 2025 from £417m and was negative £82.6m in the first half of 2026.
 - ⚠ Continued mix shift towards hardware sourcing could keep gross margin falling from the 9.6% reported for the first half.
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- ! Higher UK gilt yields, 3.6% CPIH inflation and a possible Bank of England rate rise could lower the price investors pay for technology earnings even if guidance is met.
- ! Managed Services decline and restructuring in Germany could weigh on the recurring part of the business while attention is on North America.

THE OTHER VIEW

The strongest alternative reading treats the £12.6bn backlog as a funding commitment more than a store of value. The backlog is measured as gross invoiced income, with gross margins below 10%, so most of that sum passes straight through to vendors. Computacenter must still finance the gap between paying suppliers and collecting from customers. The first-half cash outflow of £82.6m came while profit nearly doubled, and 2025 cash flow fell sharply while profit barely moved. On this view, each new tranche of hyperscale and neocloud orders lifts reported profit but ties up more working capital with a narrow group of buyers whose own financing is under question. The 16.2% fall into the update then looks like a sensible repricing of that exposure, not a mispricing waiting to be corrected. Until the full-year accounts show cash catching up with profit, the guidance raise says more about volume than about the value created for shareholders.

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