CDW Corporation

Webcast Conference Call

November 4, 2026

Today's Agenda

Third Quarter 2026 Results

Performance Drivers

Outlook

Q&A

Forward-Looking Statements

Statements in this presentation that are not statements of historical fact are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements regarding the future financial and operational performance, 2026 outlook, expected customer demand for technology solutions and services, customer spending trends, future liquidity, capital allocation priorities, strategic investments and transformation initiatives, management of debt obligations, shareholder returns, and growth prospects of CDW. These forward-looking statements are subject to risks and uncertainties that may cause actual results or events to differ materially from those described in such statements. Although CDW believes that its plans, intentions, and other expectations reflected in or suggested by such forward-looking statements are reasonable, it can give no assurance that it will achieve those plans, intentions, or expectations. Reference is made to a more complete discussion of forward-looking statements and applicable risks contained under the captions "Forward-Looking Statements" and "Risk Factors" in CDW's Annual Report on Form 10-K for the year ended December 31, 2025, and subsequent filings with the SEC. CDW undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by law.

Non-GAAP Financial Measures

Generally, a non-GAAP financial measure is a numerical measure of a company's performance or financial condition that either excludes or includes amounts that are not normally included or excluded in the most directly comparable measure calculated and presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Non-GAAP financial measures used by management may differ from similar measures used by other companies, even when similar terms are used to identify such measures.

The non-GAAP performance measures discussed in this presentation include Non-GAAP selling and administrative expenses, Non-GAAP operating income, Non-GAAP operating income margin, Non-GAAP net income, Non-GAAP net income per diluted share, Non-GAAP effective tax rate, and Net sales on a constant currency basis, and the non-GAAP financial condition measures discussed in this presentation include Free cash flow and Adjusted free cash flow. These non-GAAP performance measures and non-GAAP financial condition measures are collectively referred to as "non-GAAP financial measures." The GAAP measures most directly comparable to Non-GAAP selling and administrative expenses, Non-GAAP operating income, Non-GAAP operating income margin, Non-GAAP net income, Non-GAAP net income per diluted share, Non-GAAP effective tax rate, and Net sales on a constant currency basis are Selling and administrative expenses, Operating income, Operating income margin, Net income, Net income per diluted share, Effective tax rate, and Net sales, respectively. The GAAP measure most directly comparable to Free cash flow and Adjusted free cash flow is Net cash provided by operating activities.

Non-GAAP operating income and Non-GAAP selling and administrative expenses exclude, among other things, charges related to the amortization of acquisition-related intangible assets, equity-based compensation and the associated payroll taxes, acquisition and integration expenses, transformation initiatives, and workplace optimization. Non-GAAP operating income margin is defined as Non-GAAP operating income as a percentage of Net sales. Non-GAAP net income, Non-GAAP net income per diluted share, and Non-GAAP effective tax rate exclude, among other things, charges related to the amortization of acquisition-related intangible assets, equity-based compensation and the associated payroll taxes, acquisition and integration expenses, transformation initiatives, workplace optimization, and their associated income tax effects. Non-GAAP net income per diluted share on a constant currency basis is defined as Non-GAAP net income per diluted share excluding the impact of foreign currency translation on Non-GAAP net income. Net sales on a constant currency basis is defined as Net sales excluding the impact of foreign currency translation on Net sales. Free cash flow is defined as Net cash provided by operating activities less capital expenditures. Adjusted free cash flow is defined as Free cash flow adjusted to include certain cash flows from financing activities incurred in the normal course of operations or as capital expenditures.

We believe our non-GAAP performance measures provide analysts, investors, and management with useful information regarding the underlying operating performance of our business, because they remove the impact of items that management believes are not reflective of underlying operating performance. Management uses these measures to evaluate period-over-period performance as management believes they provide a more comparable measure of the underlying business. We also present non-GAAP financial condition measures because we believe they provide analysts, investors, and management with more information regarding our liquidity and capital resources. Certain non-GAAP financial measures are also used to determine certain components of performance-based compensation.

Non-GAAP financial measures in this presentation are denoted with an asterisk (*) when shown. For a reconciliation of non-GAAP financial measures to the most comparable GAAP financial measures, see the CDW Investor Relations website: https://investor.cdw.com/financials/quarterly-results/default.aspx.

We are unable to reconcile certain outlook non-GAAP financial targets to the most directly comparable GAAP financial measures because we believe it would not be possible to have the required information necessary to quantitatively reconcile such measures without unreasonable efforts due to, among other things, uncertainty and variability of future items, such as currency impacts, interest rates, refinancing activities, or acquisition and integration expenses. Accordingly, we are also unable to address the probable significance of such unavailable information.

Financial Performance

- **Net sales** of $6.8 billion
  - Up 17.7% on a reported basis
  - Up 17.8% on a constant currency* basis
- **Gross profit** of $1.4 billion, up 10.3%
- **Gross profit margin** of 20.5%, down 140 basis points
- **Operating income** of $490 million, up 10.4%
- **Non-GAAP operating income*** of $620 million, up 16.8%
- **Net income** of $310 million, up 6.5%
- **Net income per diluted share** of $2.46, up 11.6%
- **Non-GAAP net income per diluted share*** of $3.26, up 20.4%

*Non-GAAP Measure

Net Sales By Channel

($ in millions)	Three Months Ended September 30, 2026	2025	Percent Change[(1)]
Commercial			
Corporate	$ 2,606.3	$ 2,231.4	16.8 %
Financial Services	571.5	330.0	73.2
Healthcare	801.6	733.2	9.3
Total Commercial	3,979.4	3,294.6	20.8
Government	912.8	830.9	9.9
Education	982.2	913.5	7.5
Other	880.1	698.4	26.0
Total Net sales	$ 6,754.5	$ 5,737.4	17.7 %

(1) There were 64 selling days for both the three months ended September 30, 2026 and 2025. Average Daily Sales is defined as Net sales divided by the number of selling days.

Financial Results

($ in millions)	Three Months Ended September 30, 2026	2025	Percent Change
Net sales	$ 6,754.5	$ 5,737.4	17.7 %
Average daily net sales [1]	*$ 105.5*	*$ 89.6*	17.7
Gross profit	$ 1,385.3	$ 1,255.5	10.3
Gross profit margin	*20.5 %*	*21.9 %*	
Selling and administrative expenses	$ 895.8	$ 812.2	10.3
Operating income	$ 489.5	$ 443.3	10.4
Operating income margin	*7.2 %*	*7.7 %*	
Non-GAAP SG&A*	$ 765.5	$ 724.9	5.6
Non-GAAP operating income*	$ 619.8	$ 530.6	16.8
Non-GAAP operating income margin*	*9.2 %*	*9.2 %*	
Interest expense, net	$ 65.9	$ 55.0	19.8
Other income, net	$ 0.3	$ 1.1	**nm
Net income	$ 309.8	$ 291.0	6.5
Non-GAAP net income*	$ 410.2	$ 357.2	14.8
Effective Tax Rate	*26.9 %*	*25.3 %*	
Non-GAAP Effective Tax Rate*	*26.0 %*	*25.1 %*	

(1) There were 64 selling days for both the three months ended September 30, 2026 and 2025. Average Daily Sales is defined as Net sales divided by the number of selling days.

* Non-GAAP measure

** Not meaningful

Earnings Per Diluted Share

($ in millions, except per-share amounts)	Three Months Ended September 30, 2026	2025	Percent Change
US GAAP Net income	$ 309.8	$ 291.0	6.5 %
Weighted-average common shares outstanding - Diluted	125.7	131.8	
Net income per diluted share	$ 2.46	$ 2.21	11.6 %
Non-GAAP net income*	$ 410.2	$ 357.2	14.8 %
Weighted-average common shares outstanding - Diluted	125.7	131.8	
Non-GAAP net income per diluted share*	$ 3.26	$ 2.71	20.4 %

* Non-GAAP measure

Debt and Revolver Availability

($ in millions)	September 30, 2026	December 31, 2025	September 30, 2025
Cash and cash equivalents	$ 1,538.7	$ 618.7	$ 452.9
Total debt	7,124.3	5,629.8	5,628.8
Net debt[(1)]	5,585.6	5,011.1	5,175.9
Revolver availability	1,869.5	1,925.8	1,304.4
Cash plus revolver availability	3,408.2	2,544.5	1,757.3

(1) Defined as total debt minus Cash and cash equivalents.

Cash Conversion Cycle

(Based on a rolling three-month average)	September 30, 2026	December 31, 2025	September 30, 2025
Days of sales outstanding	100	95	92
Days of supply in inventory	18	11	12
Days of purchases outstanding	(98)	(90)	(93)
Cash conversion cycle	20	16	11

Free Cash Flow and Adjusted Free Cash Flow

($ in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net cash provided by operating activities	$ 398.8	$ 328.3	$ 618.5	$ 771.4
Capital expenditures	(26.8)	(29.8)	(80.7)	(79.2)
Free cash flow*	372.0	298.5	537.8	692.2
Net change in accounts payable - inventory financing-supplier financing	(26.2)	(89.4)	24.4	(24.2)
Proceeds from accounts payable-inventory financing-product financing	178.3	—	240.8	—
Repayments on accounts payable-inventory financing-product financing	(17.9)	—	(18.4)	—
Adjusted free cash flow*(1)	$ 506.2	$ 209.1	$ 784.6	$ 668.0

(1) Defined as Net cash provided by operating activities less capital expenditures, adjusted to include cash flows from financing activities that relate to the purchase of inventory.

* Non-GAAP measure

2026 Capital Allocation Priorities

PRIORITIES	OBJECTIVES	ACTIONS
Increase Dividend annually	Target ~25% payout of Non-GAAP net income*; grow in-line with earnings	~8% increase in November 2026 to $2.72/share annually
Maintain Net Leverage Ratio [1]	Target ~2.0 to 3.0 times Net Leverage Ratio; consistent with our commitment to an investment grade capital structure	Currently at 2.5x[2]
Supplement organic growth with M&A	Expand CDW's strategic capabilities	Thirteen acquisitions over the last eight years
Return excess Adjusted Free Cash Flow* after Dividends and M&A through share repurchases	Target, in aggregate with Dividend, returning 50% to 75% of Adjusted Free Cash Flow* to shareholders	Returned $892M YTD[2] to shareholders in the form of share repurchases and Dividends

(1) Defined as the ratio of total debt at period-end excluding any unamortized discount and/or premium and deferred financing costs, less cash and cash equivalents and short-term investments, to trailing twelve-month Non-GAAP operating income* plus depreciation and amortization primarily in SG&A (excluding amortization expenses for acquisition-related intangible assets).

(2) As of September 30, 2026.

* Non-GAAP measure

2026[(1),(2)] Outlook

CUSTOMER SPEND

U.S. IT growth plus a premium target of ~300 to 400 bps[(3)]

GROSS PROFIT

Mid-to-high single-digit growth

NON-GAAP NET INCOME PER DILUTED SHARE*

Low double-digit growth

(1) We are unable to reconcile certain outlook non-GAAP financial targets because we believe it would not be possible to have the required information necessary to quantitatively reconcile such measures without unreasonable efforts due to, among other things, uncertainty and variability of future items, such as currency impacts, interest rates, refinancing activities, or acquisition and integration expenses. Accordingly, we are also unable to address the probable significance of such unavailable information.

(2) As of November 4, 2026; all growth rates are on a year-over-year constant currency* basis.

(3) CDW current addressable IT market

* Non-GAAP measure

Questions and Answers

Modeling Thoughts

Metric	Expectations[(1)]
Gross profit	• Down low-to-mid single digits sequentially into Q4, relatively in line with historical levels; leads to mid single-digit year-over-year growth • 1H and 2H splits relatively aligned to historical levels • Currency expected to be relatively neutral to growth for the year
Annual depreciation and amortization expense	• Approximately $300 million • Includes ~$170 million of amortization expense for acquisition-related intangible assets • Excluding acquisition-related intangibles, expected to be ~$130 million
Annual interest expense	• In range of $255 million to $260 million
Non-GAAP effective tax rate*	• In range of 25.5% to 26.5%
Annual adjusted free cash flow*	• In range of 80% to 90% on Non-GAAP net income* for the full year
Capital expenditures	• In range of $105 million to $115 million
Cash conversion cycle	• In range of high teens to low 20s

(1) We are unable to reconcile certain outlook non-GAAP financial targets because we believe it would not be possible to have the required information necessary to quantitatively reconcile such measures without unreasonable efforts due to, among other things, uncertainty and variability of future items, such as currency impacts, interest rates, refinancing activities, or acquisition and integration expenses. Accordingly, we are also unable to address the probable significance of such unavailable information.

* Non-GAAP measure