

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 7, 2025



CDW CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-35985

(Commission File Number)

26-0273989

(I.R.S. Employer
Identification No.)

200 N. Milwaukee Avenue
Vernon Hills, Illinois

(Address of principal executive offices)

60061

(Zip Code)

Registrant's telephone number, including area code: (847) 465-6000

None

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	CDW	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

CDW Corporation (the "Company") is furnishing under cover of this Current Report on Form 8-K a copy of its press release dated May 7, 2025 announcing its first quarter 2025 financial results. The press release is attached to this report as Exhibit 99.1 and incorporated herein by reference. The Company is furnishing this information in connection with its previously announced webcast conference call to be held on May 7, 2025 at 8:30 a.m. ET / 7:30 a.m. CT to discuss these results.

The information contained under Item 2.02 of this Current Report on Form 8-K (including Exhibit 99.1) is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 8.01. Other Events.**Quarterly Cash Dividend**

On May 7, 2025, the Company also announced that its Board of Directors has declared a quarterly cash dividend of \$0.625 per common share to be paid on June 10, 2025 to all stockholders of record as of the close of business on May 26, 2025. A copy of the press release announcing the declaration of the quarterly cash dividend is attached to this report as Exhibit 99.2 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated May 7, 2025, announcing first quarter 2025 financial results.
99.2	Press release dated May 7, 2025, announcing dividend declaration.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CDW CORPORATION

Date: May 7, 2025

By: /s/ Albert J. Miralles
Albert J. Miralles
Chief Financial Officer and Executive Vice President, Enterprise
Business Operations



CDW Reports First Quarter 2025 Earnings

(Dollars in millions, except per share amounts and percentage)	Three Months Ended March 31,		
	2025	2024	Percent Change
Net sales	\$ 5,199.1	\$ 4,872.7	6.7
Gross profit	\$ 1,122.3	\$ 1,063.3	5.5
<i>Gross profit margin</i>	21.6 %	21.8 %	
Operating income	\$ 361.4	\$ 328.0	10.2
<i>Operating income margin</i>	7.0 %	6.7 %	
Non-GAAP operating income ¹	\$ 444.0	\$ 403.5	10.0
<i>Non-GAAP operating income margin¹</i>	8.5 %	8.3 %	
Net income	\$ 224.9	\$ 216.1	4.1
Non-GAAP net income ¹	\$ 286.5	\$ 260.8	9.9
Net income per diluted share	\$ 1.69	\$ 1.59	6.1
Non-GAAP net income per diluted share ¹	\$ 2.15	\$ 1.92	11.9
Average daily sales ²	\$ 82.5	\$ 76.1	8.4

¹ Non-GAAP measures used in this release that are not based on accounting principles generally accepted in the United States of America ("US GAAP") are each defined and reconciled to the most directly comparable US GAAP measure in the attached schedules.

² Defined as Net sales divided by the number of selling days. There were 63 and 64 selling days for the three months ended March 31, 2025 and 2024, respectively.

VERNON HILLS, Ill., May 7, 2025 - CDW Corporation (Nasdaq: CDW), a leading multi-brand provider of information technology solutions to business, government, education and healthcare customers in the United States, the United Kingdom and Canada, today announced first quarter 2025 results. CDW also announced the approval by its Board of Directors of a quarterly cash dividend of \$0.625 per common share to be paid on June 10, 2025 to all stockholders of record as of the close of business on May 26, 2025.

"The team delivered an excellent start to 2025, as they once again helped customers navigate dynamic market conditions and accomplish mission critical outcomes," said Christine A. Leahy, chair and chief executive officer, CDW. "This quarter's performance highlights the combined power of our balanced portfolio of customer end-markets and broad product and solutions suite, when underpinned by our customer centric strategy."

"Starting the year, customers turned to CDW to address compelling technology needs - which we delivered on, leading to our robust growth and firm gross margins," said Albert J. Miralles, chief financial officer, CDW. "In 2025, we will continue to optimize cash flow generation through effective management of our working capital, enabling flexibility across our capital priorities - as seen in the first quarter by our free cash flow performance and share repurchase activity."

"In this rapidly evolving environment, our value proposition is stronger than ever as customers turn to CDW as a trusted advisor with the breadth, depth, expertise and scale across the full technology stack and lifecycle. We continue to target exceeding US IT market growth by 200 to 300 basis points on a constant currency basis. To achieve this, we will maintain our laser focus on meeting the evolving needs of our more than 250,000 customers around the globe and remaining the partner of choice for more than 1,000 leading and emerging technology brands," concluded Leahy.

First Quarter of 2025 Highlights:

Net sales in the first quarter of 2025 were \$5,199 million, compared to \$4,873 million in the first quarter of 2024, an increase of 6.7 percent. There were 63 and 64 selling days for the three months ended March 31, 2025 and 2024, respectively. Net sales on an average daily sales basis and on a constant currency basis both increased 8.4 percent and 8.7 percent, respectively, in the first quarter of 2025. The increase in Net sales was primarily due to customer demand for notebooks/mobile devices, desktops, software and services, partially offset by a decrease across various hardware categories. While economic uncertainty continues to persist, certain end-markets experienced improved customer spending during the first quarter of 2025, compared to the first quarter of 2024. The first quarter Net sales performance, on an average daily sales basis, included:

- Corporate segment Net sales of \$2,236 million, 6.3 percent higher than 2024.
- Small Business segment Net sales of \$405 million, 7.9 percent higher than 2024.
- Public segment Net sales of \$1,878 million, 10.6 percent higher than 2024. Public results were primarily driven by an increase in Net sales to Healthcare and Education customers of 19.5 percent and 11.1 percent, respectively.
- Net sales for CDW's UK and Canadian operations, combined as "Other" for financial reporting purposes, were \$680 million, 9.5 percent higher than 2024.

Gross profit in the first quarter of 2025 was \$1,122 million, compared to \$1,063 million for 2024, representing an increase of 5.5 percent. Gross profit margin was 21.6 percent in the first quarter of 2025 compared to 21.8 percent in the first quarter of 2024. The decrease in Gross profit margin was primarily driven by an increased mix into lower margin products, primarily notebooks/mobile devices, which was partially offset by a higher contribution of netted down revenue within software as a service.

Selling and administrative expenses were \$761 million in the first quarter of 2025, compared to \$735 million in the first quarter of 2024, representing an increase of 3.5 percent, primarily due to higher performance-based compensation, transformation and other related costs and amortization expense on acquisition-related intangible assets, partially offset by lower coworker-related costs.

Operating income was \$361 million in the first quarter of 2025, compared to \$328 million in the first quarter of 2024, representing an increase of 10.2 percent. Non-GAAP operating income was \$444 million in the first quarter of 2025, compared to \$404 million in the first quarter of 2024, representing an increase of 10.0 percent. Operating income margin and Non-GAAP operating income margin were 7.0 percent and 8.5 percent, respectively, in the first quarter of 2025 compared to 6.7 percent and 8.3 percent in the first quarter of 2024.

Interest expense, net includes interest expense and interest income. Interest expense, net was \$57 million for the first quarter of 2025, compared to \$51 million for the first quarter of 2024. The increase was primarily due to increased interest expense on higher debt levels and lower interest income earned.

Income tax expense was \$79 million for the first quarter of 2025 and was \$61 million for the first quarter of 2024. The effective income tax rate, expressed by calculating the income tax expense as a percentage of Income before income taxes, was 26.0% for the first quarter of 2025 and 21.9% for the first quarter of 2024. The increase in the effective income tax rate is primarily due to lower excess tax benefits on equity-based compensation.

Net income was \$225 million in the first quarter of 2025, compared to \$216 million in the first quarter of 2024, representing an increase of 4.1 percent. Non-GAAP net income was \$287 million for the first quarter of 2025, compared to \$261 million in the first quarter of 2024, representing an increase of 9.9 percent.

Weighted average diluted shares outstanding were 133 million for the first quarter of 2025, compared to 136 million for the first quarter of 2024. Net income per diluted share for the first quarter of 2025 was \$1.69, compared to \$1.59 for 2024, representing an increase of 6.1 percent. Non-GAAP net income per diluted share for the first quarter of 2025 was \$2.15, compared to \$1.92 for 2024, representing an increase of 11.9 percent.

Forward-Looking Statements

This release contains "forward-looking statements" within the meaning of the federal securities laws. All statements other than statements of historical fact are forward-looking statements. These statements relate to analyses and other information, which are based on forecasts of future results or events and estimates of amounts not yet determinable. These statements also relate to our future prospects, growth, developments and business strategies. We claim the protection of The Private Securities Litigation Reform Act of 1995 for all forward-looking statements in this release.

These forward-looking statements are identified by the use of terms and phrases such as "anticipate," "assume," "believe," "estimate," "expect," "goal," "intend," "plan," "potential," "predict," "project," "target" and similar terms and phrases or future or conditional verbs such as "could," "may," "should," "will," and "would." However, these words are not the exclusive means of identifying such statements. Although we believe that our plans, intentions and other expectations reflected in or suggested by such forward-looking statements are reasonable, we cannot assure you that we will achieve those plans, intentions or expectations. All forward-looking statements are subject to risks and uncertainties that may cause actual results or events to differ materially from those that we expected.

Important factors that could cause actual results or events to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled "Risk Factors" and "Trends and Key Factors Affecting our Financial Performance" included in our Annual Report on Form 10-K for the year ended December 31, 2024 and from time to time in our subsequent Quarterly Reports on Form 10-Q and our other US Securities and Exchange Commission ("SEC") filings and public communications. These factors include, among others, inflationary pressures; level of interest rates; CDW's relationships with vendor partners, wholesale distributors and terms of their agreements; continued innovations in technology by CDW's vendor partners; the use or capabilities of artificial intelligence; substantial competition that could reduce CDW's market share; the continuing development, maintenance and operation of CDW's information technology systems; potential breaches of data security and failure to protect our information technology systems from cybersecurity threats; potential failures to provide high-quality services to CDW's customers; potential losses of any key personnel, significant increases in labor costs or ineffective workforce management; potential service failures or disruptions related to outsourcing arrangements with certain of CDW's business processes; potential adverse occurrences at one of CDW's primary facilities or third-party data centers, including as a result of climate change; increases in the cost of commercial delivery services or disruptions of those services; CDW's exposure to accounts receivable and inventory risks; future acquisitions or alliances; fluctuations in CDW's operating results; fluctuations in foreign currency; global and regional economic and political conditions, including the impact of pandemics and armed conflicts; decreases, delays or changes in spending on technology products and services, including impacts of adverse changes in government spending and funding policies and federal procurement policies; potential interruptions of the flow of products from suppliers including uncertainty over global trade policies and the financial impact of related tariffs; potential failures to comply with Public segment contracts or applicable laws and regulations; current and future legal proceedings, investigations and audits, including intellectual property infringement claims; changes in laws, including regulations or interpretations thereof, and including evolving laws and regulations and regulatory overhaul during any changes in federal administration, or the potential failure to meet stakeholder expectations on environmental sustainability and corporate responsibility matters; CDW's level of indebtedness; restrictions imposed by agreements relating to CDW's indebtedness on its operations and liquidity; failure to maintain the ratings assigned to CDW's debt securities by rating agencies; changes in, or the discontinuation of, CDW's share repurchase program or dividend payments; and other risk factors or uncertainties identified from time to time in CDW's filings with the SEC. All written and oral forward-

looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by those cautionary statements as well as other cautionary statements that are made from time to time in our other SEC filings and public communications. You should evaluate all forward-looking statements made in this release in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not reflect all of the factors that could cause actual results or events to differ from our expectations. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements included in this release are made only as of the date hereof or, with respect to any documents incorporated by reference, available at the time such document was prepared or filed with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement 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 US GAAP. Non-GAAP measures used by management may differ from similar measures used by other companies, even when similar terms are used to identify such measures.

Our non-GAAP performance measures include Non-GAAP operating income, Non-GAAP operating income margin, Non-GAAP net income, Non-GAAP net income per diluted share and Net sales on a constant currency basis, and our non-GAAP financial condition measures 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."

Non-GAAP operating income excludes, 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 and Non-GAAP net income per diluted share 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. 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, as 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 as 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.

Our outlook includes non-GAAP financial measures because certain reconciling items are dependent on future events that either cannot be controlled, such as currency impacts or interest rates, or reliably predicted because they are not part of our underlying performance, such as refinancing activities or acquisition and integration expenses.

The financial statement tables that accompany this press release include a reconciliation of non-GAAP financial measures to the applicable most comparable US GAAP financial measures.

About CDW

CDW Corporation (Nasdaq: CDW) is a leading multi-brand provider of information technology solutions to business, government, education and healthcare customers in the United States, the United Kingdom and Canada. A Fortune 500 company and member of the S&P 500 Index, CDW helps its customers to navigate an increasingly complex IT market and maximize return on their technology investments. For more information about CDW, please visit www.CDW.com.

Webcast

CDW Corporation will hold a conference call today, May 7, 2025 at 7:30 a.m. CT/8:30 a.m. ET to discuss its first quarter financial results. The conference call, which will be broadcast live via the Internet, and a copy of this press release along with supplemental slides used during the call, can be accessed on CDW's website at investor.cdw.com. For those unable to participate in the live call, a replay of the webcast will be available at investor.cdw.com approximately 90 minutes after the completion of the call and will be accessible on the site for approximately one year.

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CDW CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars and shares in millions, except per-share amounts)
(unaudited)

	Three Months Ended March 31,		
	2025	2024	Percent Change
Net sales	\$ 5,199.1	\$ 4,872.7	6.7 %
Cost of sales	4,076.8	3,809.4	7.0
Gross profit	1,122.3	1,063.3	5.5
Selling and administrative expenses	760.9	735.3	3.5
Operating income	361.4	328.0	10.2
Interest expense, net	(57.1)	(51.3)	11.3
Other income (expense), net	(0.3)	(0.1)	*nm
Income before income taxes	304.0	276.6	9.9
Income tax expense	(79.1)	(60.5)	30.7
Net income	\$ 224.9	\$ 216.1	4.1 %
Net income per common share:			
Basic	\$ 1.70	\$ 1.61	5.6 %
Diluted	\$ 1.69	\$ 1.59	6.1 %
Weighted-average common shares outstanding:			
Basic	132.5	134.4	
Diluted	133.5	136.0	
*nm - Not meaningful			

CDW CORPORATION AND SUBSIDIARIES
NET SALES DETAIL
(dollars in millions)
(unaudited)

	Three Months Ended March 31,			Average Daily Sales
	2025	2024	Percent Change ⁽ⁱ⁾	Percent Change ⁽ⁱ⁾
Corporate	\$ 2,236.0	\$ 2,135.9	4.7 %	6.3 %
Small Business	404.6	380.9	6.2	7.9
Public:				
Government	537.8	543.3	(1.0)	0.6
Education	652.4	596.8	9.3	11.1
Healthcare	687.9	584.6	17.7	19.5
Total Public	1,878.1	1,724.7	8.9	10.6
Other	680.4	631.2	7.8	9.5
Total Net sales	\$ 5,199.1	\$ 4,872.7	6.7 %	8.4 %

(i) There were 63 and 64 selling days for the three months ended March 31, 2025 and 2024, respectively. Average Daily Sales is defined as Net sales divided by the number of selling days.

CDW CORPORATION AND SUBSIDIARIES
TIMING OF REVENUE RECOGNITION
(dollars in millions)
(unaudited)

	Three Months Ended March 31, 2025				
	Corporate	Small Business	Public	Other	Total
Timing of Revenue Recognition					
Transferred at a point in time where CDW is principal	\$ 1,850.7	\$ 354.8	\$ 1,636.3	\$ 574.6	\$ 4,416.4
Transferred at a point in time where CDW is agent	212.8	35.0	121.3	41.1	410.2
Transferred over time where CDW is principal	172.5	14.8	120.5	64.7	372.5
Total Net sales	\$ 2,236.0	\$ 404.6	\$ 1,878.1	\$ 680.4	\$ 5,199.1

	Three Months Ended March 31, 2024				
	Corporate	Small Business	Public	Other	Total
Timing of Revenue Recognition					
Transferred at a point in time where CDW is principal	\$ 1,779.3	\$ 331.7	\$ 1,515.7	\$ 542.1	\$ 4,168.8
Transferred at a point in time where CDW is agent	194.8	39.1	108.2	31.2	373.3
Transferred over time where CDW is principal	161.8	10.1	100.8	57.9	330.6
Total Net sales	\$ 2,135.9	\$ 380.9	\$ 1,724.7	\$ 631.2	\$ 4,872.7

CDW CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in millions)

Assets	March 31, 2025	December 31, 2024	March 31, 2024
	(unaudited)		(unaudited)
Current assets:			
Cash and cash equivalents	\$ 471.4	\$ 503.5	\$ 803.8
Short-term investments	216.7	214.2	—
Accounts receivable, net of allowance for credit losses of \$47.5, \$43.3, and \$30.2, respectively	5,334.4	5,135.8	4,310.4
Merchandise inventory	720.2	605.3	670.8
Miscellaneous receivables	523.6	509.9	482.2
Prepaid expenses and other	385.3	404.4	366.6
Total current assets	<u>7,651.6</u>	<u>7,373.1</u>	<u>6,633.8</u>
Operating lease right-of-use assets	112.9	120.2	135.1
Property and equipment, net	188.3	192.0	190.2
Goodwill	4,636.1	4,620.4	4,409.8
Other intangible assets, net	1,314.2	1,356.6	1,331.2
Accounts receivable and other assets, noncurrent	1,115.4	1,016.1	492.7
Total assets	<u>\$ 15,018.5</u>	<u>\$ 14,678.4</u>	<u>\$ 13,192.8</u>
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable - trade	\$ 3,628.4	\$ 3,381.3	\$ 2,741.1
Accounts payable - inventory financing	343.7	355.2	384.8
Current maturities of long-term debt	230.6	235.8	604.7
Contract liabilities	520.6	491.0	469.5
Accrued expenses and other current liabilities	1,058.2	1,011.1	1,060.9
Total current liabilities	<u>5,781.5</u>	<u>5,474.4</u>	<u>5,261.0</u>
Long-term liabilities:			
Debt	5,622.4	5,607.0	5,027.6
Deferred income taxes	155.0	167.4	161.7
Operating lease liabilities	140.6	149.1	167.5
Accounts payable and other liabilities	995.9	927.8	436.3
Total long-term liabilities	<u>6,913.9</u>	<u>6,851.3</u>	<u>5,793.1</u>
Total stockholders' equity	<u>2,323.1</u>	<u>2,352.7</u>	<u>2,138.7</u>
Total liabilities and stockholders' equity	<u>\$ 15,018.5</u>	<u>\$ 14,678.4</u>	<u>\$ 13,192.8</u>

**CDW CORPORATION AND SUBSIDIARIES
DEBT AND WORKING CAPITAL INFORMATION**

(dollars in millions)
(unaudited)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Debt and Revolver Availability			
Cash and cash equivalents	\$ 471.4	\$ 503.5	\$ 803.8
Short-term investments	216.7	214.2	—
Total debt	5,853.0	5,842.8	5,632.3
Net debt ⁽ⁱ⁾	5,164.9	5,125.1	4,828.5
Revolver availability	1,265.0	1,244.1	1,251.7
Cash plus revolver availability	1,736.4	1,747.6	2,055.5
Working Capital⁽ⁱⁱ⁾			
Days of sales outstanding	86	84	75
Days of supply in inventory	13	13	14
Days of purchases outstanding	(84)	(79)	(73)
Cash conversion cycle	<u>15</u>	<u>18</u>	<u>16</u>

(i) Defined as Total debt minus Cash and cash equivalents and Short-term investments.

(ii) Based on a rolling three-month average.

**CDW CORPORATION AND SUBSIDIARIES
CASH FLOW INFORMATION**

(dollars in millions)
(unaudited)

	<u>Three Months Ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Net cash provided by operating activities	\$ 287.2	\$ 440.0
Capital expenditures	(26.9)	(29.5)
Acquisition of businesses, net of cash acquired	(5.0)	(0.2)
Net cash used in investing activities	(31.9)	(29.7)
Net change in accounts payable - inventory financing	(11.5)	(46.1)
Other cash flows used in financing activities	(282.6)	(146.5)
Net cash used in financing activities	(294.1)	(192.6)
Effect of exchange rate changes on cash and cash equivalents	6.7	(2.6)
Net (decrease) increase in cash and cash equivalents	(32.1)	215.1
Cash and cash equivalents - beginning of period ⁽ⁱ⁾	507.7	588.7
Cash and cash equivalents - end of period ⁽ⁱ⁾	<u>\$ 475.6</u>	<u>\$ 803.8</u>
Supplementary disclosure of cash flow information:		
Interest paid	\$ (53.9)	\$ (22.5)
Income taxes paid, net	\$ (18.9)	\$ (16.8)

(i) Restricted cash is presented within Prepaid expenses and other on the Consolidated Balance Sheets.

CDW CORPORATION AND SUBSIDIARIES
NON-GAAP FINANCIAL MEASURE RECONCILIATIONS

CDW has included reconciliations of Non-GAAP operating income, Non-GAAP operating income margin, Non-GAAP net income, Non-GAAP net income per diluted share and Net sales on a constant currency basis for the three months ended March 31, 2025 and 2024 below. In addition, a reconciliation of Free cash flow and Adjusted free cash flow is included for the three months ended March 31, 2025 and 2024.

CDW CORPORATION AND SUBSIDIARIES
NON-GAAP OPERATING INCOME AND NON-GAAP OPERATING INCOME MARGIN

(dollars in millions)
(unaudited)

	Three Months Ended March 31,			
	2025	Percent of Net sales	2024	Percent of Net sales
Operating income, as reported	\$ 361.4	7.0 %	\$ 328.0	6.7 %
Amortization of intangibles ⁽ⁱ⁾	42.8		37.7	
Equity-based compensation	20.5		19.4	
Transformation initiatives ⁽ⁱⁱ⁾	13.7		6.1	
Acquisition and integration expenses	2.9		0.7	
Workplace optimization ⁽ⁱⁱⁱ⁾	0.1		7.3	
Other adjustments	2.6		4.3	
Non-GAAP operating income	\$ 444.0	8.5 %	\$ 403.5	8.3 %

- (i) Includes amortization expense for acquisition-related intangible assets, primarily customer relationships, customer contracts and trade names.
- (ii) Includes costs related to strategic transformation initiatives focused on optimizing various operations and systems.
- (iii) Includes costs related to workforce reductions and charges related to the reduction of our real estate lease portfolio.

CDW CORPORATION AND SUBSIDIARIES
NON-GAAP NET INCOME
AND NON-GAAP NET INCOME PER DILUTED SHARE
(dollars and shares in millions, except per-share amounts)
(unaudited)

	Three Months Ended March 31,								Net Income Percent Change
	2025		2024		2025		2024		
	Income before Income Taxes	Income Tax Expense ⁽ⁱ⁾	Net Income	Effective Tax Rate	Income before Income Taxes	Income Tax Expense ⁽ⁱ⁾	Net Income	Effective Tax Rate	
US GAAP, as reported	\$ 304.0	\$ (79.1)	\$ 224.9	26.0 %	\$ 276.6	\$ (60.5)	\$ 216.1	21.9 %	4.1 %
Amortization of intangibles ⁽ⁱⁱ⁾	42.8	(11.1)	31.7		37.7	(9.8)	27.9		
Equity-based compensation	20.5	(4.9)	15.6		19.4	(16.1)	3.3		
Transformation initiatives ⁽ⁱⁱⁱ⁾	13.7	(3.6)	10.1		6.1	(1.6)	4.5		
Acquisition and integration expenses	2.9	(0.8)	2.1		0.7	(0.2)	0.5		
Workplace optimization ^(iv)	0.1	—	0.1		7.3	(1.9)	5.4		
Other adjustments	2.6	(0.6)	2.0		4.3	(1.2)	3.1		
Non-GAAP	<u>\$ 386.6</u>	<u>\$ (100.1)</u>	<u>\$ 286.5</u>	<u>25.9 %</u>	<u>\$ 352.1</u>	<u>\$ (91.3)</u>	<u>\$ 260.8</u>	<u>25.9 %</u>	<u>9.9 %</u>
Net income per diluted share, as reported			\$ 1.69				\$ 1.59		
Non-GAAP net income per diluted share			\$ 2.15				\$ 1.92		
Shares used in computing US GAAP and Non-GAAP net income per diluted share			133.5				136.0		

(i) Income tax on non-GAAP adjustments includes excess tax benefits associated with equity-based compensation.

(ii) Includes amortization expense for acquisition-related intangible assets, primarily customer relationships, customer contracts and trade names.

(iii) Includes costs related to strategic transformation initiatives focused on optimizing various operations and systems.

(iv) Includes costs related to workforce reductions and charges related to the reduction of our real estate lease portfolio.

CDW CORPORATION AND SUBSIDIARIES
NET SALES ON A CONSTANT CURRENCY BASIS
(dollars in millions)
(unaudited)

	Three Months Ended March 31,			
	2025	2024	Percent Change⁽ⁱ⁾	Average Daily Sales Percent Change⁽ⁱ⁾
Net sales, as reported	\$ 5,199.1	\$ 4,872.7	6.7 %	8.4 %
Foreign currency translation ⁽ⁱⁱ⁾	—	(14.8)		
Net sales, on a constant currency basis	\$ 5,199.1	\$ 4,857.9	7.0 %	8.7 %

(i) There were 63 and 64 selling days for the three months ended March 31, 2025 and 2024, respectively. Average Daily Sales is defined as Net sales divided by the number of selling days.

(ii) Represents the effect of translating the prior year results of CDW UK and CDW Canada at the average exchange rates applicable in the current year.

CDW CORPORATION AND SUBSIDIARIES
FREE CASH FLOW AND ADJUSTED FREE CASH FLOW
(dollars in millions)
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Net cash provided by operating activities	\$ 287.2	\$ 440.0
Capital expenditures	(26.9)	(29.5)
Free cash flow	260.3	410.5
Net change in accounts payable - inventory financing	(11.5)	(46.1)
Adjusted free cash flow ⁽ⁱ⁾	\$ 248.8	\$ 364.4

(i) 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.

CDW Declares Quarterly Cash Dividend of \$0.625 Per Share

Reinforces Ongoing Commitment to Delivering Value to Stockholders

VERNON HILLS, Ill., May 7, 2025 -- CDW Corporation (Nasdaq: CDW), a leading multi-brand provider of information technology solutions to business, government, education and healthcare customers in the United States, the United Kingdom and Canada, today announced that its Board of Directors has declared a quarterly cash dividend of \$0.625 per common share to be paid on June 10, 2025 to all stockholders of record as of the close of business on May 26, 2025. Future dividends will be subject to approval by CDW's Board of Directors.

"Dividends represent an important component of our capital allocation priorities, along with share repurchases, strategic M&A and managing our capital structure." said Albert J. Miralles, chief financial officer, CDW. "Since our IPO in June 2013, our dividend has increased nearly fifteen-fold, with eleven consecutive years of increases, and we have returned approximately \$7.4 billion to stockholders through share repurchases and dividends. Our capital allocation strategy has enabled us to deliver value to our stockholders, just as we have delivered value to our customers and partners for 40 years."

About CDW

CDW Corporation is a leading multi-brand provider of information technology solutions to business, government, education and healthcare customers in the United States, the United Kingdom and Canada. A Fortune 500 company and member of the S&P 500 Index, CDW helps its customers to navigate an increasingly complex IT market and maximize return on their technology investments. For more information about CDW, please visit www.CDW.com.

Forward-Looking Statements

Statements in this release 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 dividends, earnings growth, capital allocation and other strategic plans 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, 2024 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.

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