

Computer Warehouse Group Profit Warning – 2014 Financial Year (FY)

Following the preliminary review of its consolidated draft management accounts, the Board of Directors of Computer Warehouse Group Plc (“the Group”) wishes to inform the shareholders and potential investors that the audited 2014 full year results of the Group are expected to record significant earnings shortfalls as compared to 2013 FY. The earnings shortfalls were principally driven by one-off provision for currency depreciation of not less than ₦380 million, following the exemption of the Group’s participation from the official foreign exchange market (where it hitherto sourced Dollars for its imports) pursuant to a directive of the Central Bank of Nigeria (which affected information technology businesses generally), as well as a subsequent devaluation of the Naira during the period under review.

Shareholders and potential investors are advised to note that exchange rate fluctuations are expected to persist in 2015. In addition, the ongoing electoral processes scheduled to be completed by Q2 2015, are also expected to take significant toll on macroeconomic indices, with resulting impact on business operations for the remaining part of the year. However, Management anticipates improved performance on the back of its current CWG2.0 initiatives. These initiatives are expected to significantly reduce the Company’s exposure to foreign components for its services.