



Investor Presentation

March 2015

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Kley Parkhurst
Senior Vice President

ePlus at a Glance



- + Leading provider of technology solutions focused on cloud, data center, security, infrastructure, and collaboration solutions
- + Technology partners include Cisco, EMC, HP, NetApp and VMware
- + FY14 revenue: \$1.1 billion
 - 18% CAGR FY10-FY14
- + FY 14 earnings per share: \$4.37
 - 31% CAGR FY10-FY14
- + Headquarters: Herndon, Virginia
- + Presence in 21 states
- + 981 employees as of 12/31/2014



Note: Fiscal year ends March 31

¹ See appendix for operating income calculation

Experienced Leadership Team, Strong Alignment of Interest



+ Stable senior management team; compensation aligned with growth objectives



Phil Norton
*Chairman, Chief Executive Officer
and President*



Mark Marron
*Chief Operating Officer and
President of ePlus Technology, inc.*



Elaine Marion
Chief Financial Officer



Dan Farrell
*Senior Vice President of National
Professional Services*

Years with ePlus:
Years of experience:

20

9

16

5

44

30

24

31



Kley Parkhurst
*Senior Vice President,
Corporate Development*



Darren Raiguel
*Executive Vice President,
Technology Sales*



Mark Melvin
Chief Technology Officer



Steve Mencarini
*Senior Vice President of
Business Operations*



Erica Stoecker
General Counsel

Years with ePlus:
Years of experience:

23

18

9

17

14

27

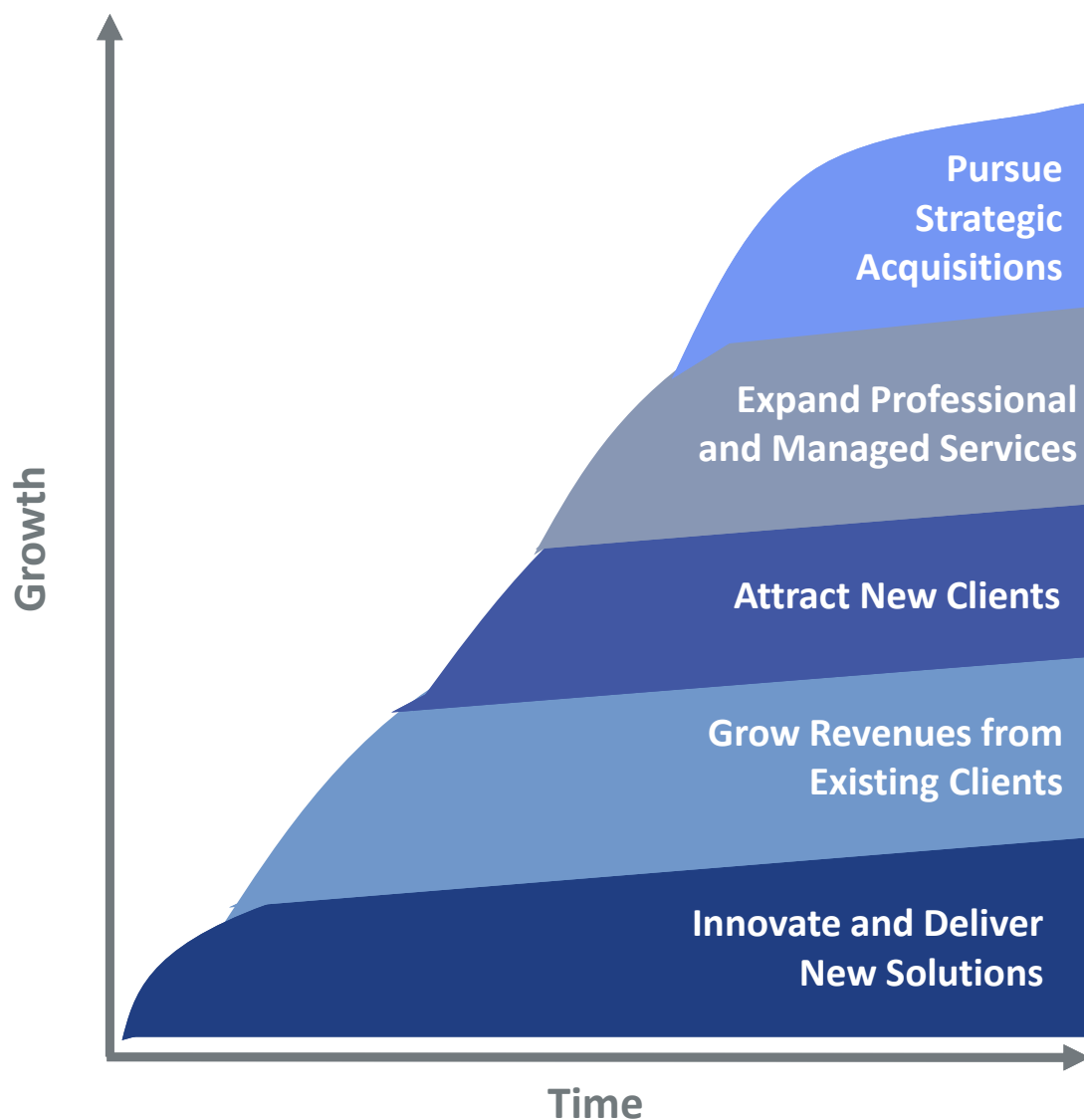
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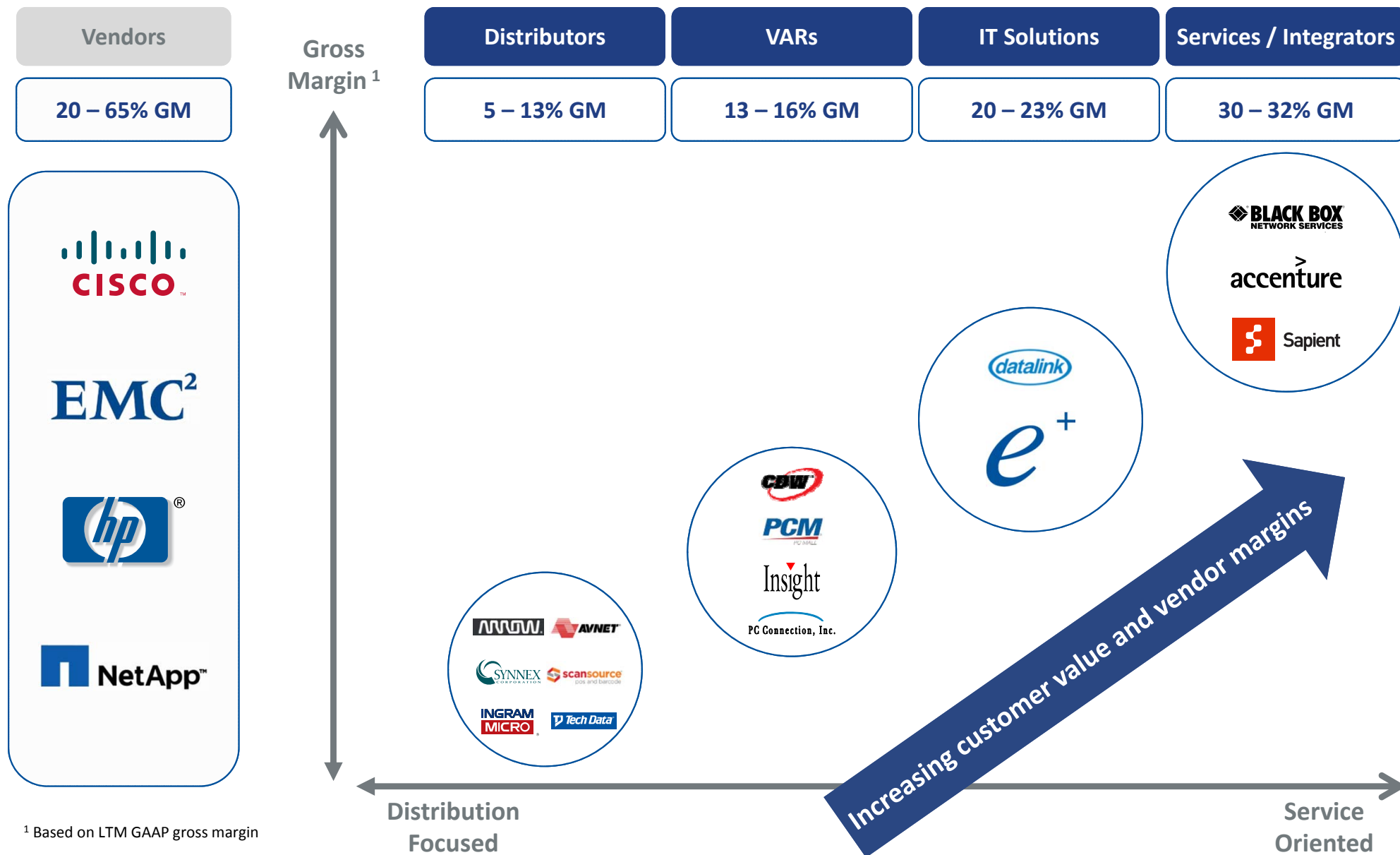
Multiple Vectors of Growth: Investment Considerations



- + Continue to consolidate fragmented industry
 - + Focus on expanding customer base, geographic coverage and vendor relationships
 - + Build out national footprint
-
- + Continue to hire and retain engineering talent
 - + Continue to grow Managed Service business
-
- + Capitalize on reputation as trusted advisor
 - + Continue to build relationships with OEMs to ensure customer referrals
-
- + Cross-sell full breadth of products and technologies
 - + Further penetrate with expanding Service offerings
-
- + Continue to expand next generation capabilities

Well Positioned within the IT Ecosystem

+ ePlus' range of complex solutions and services place it at the high end of the IT market



¹ Based on LTM GAAP gross margin

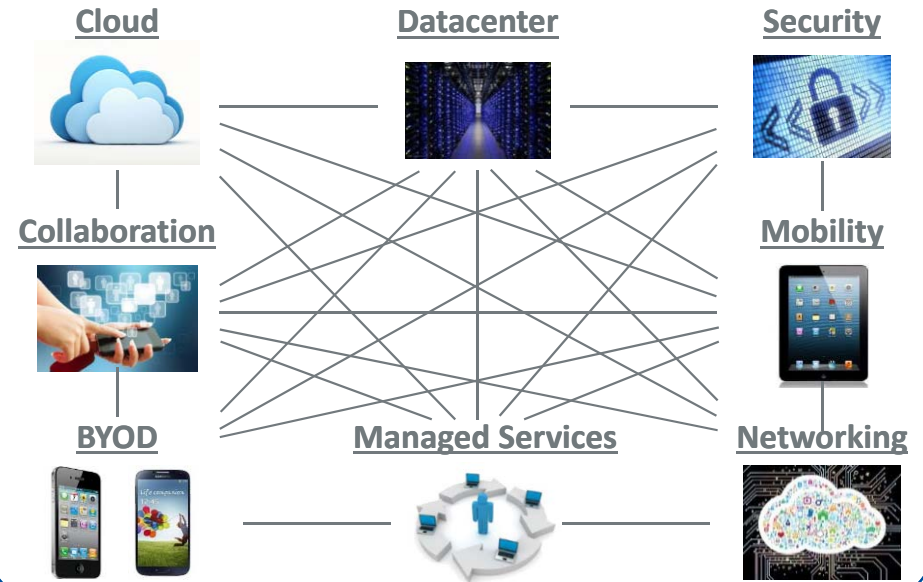
IT Market Needs Have Become Increasingly Complex

2000s

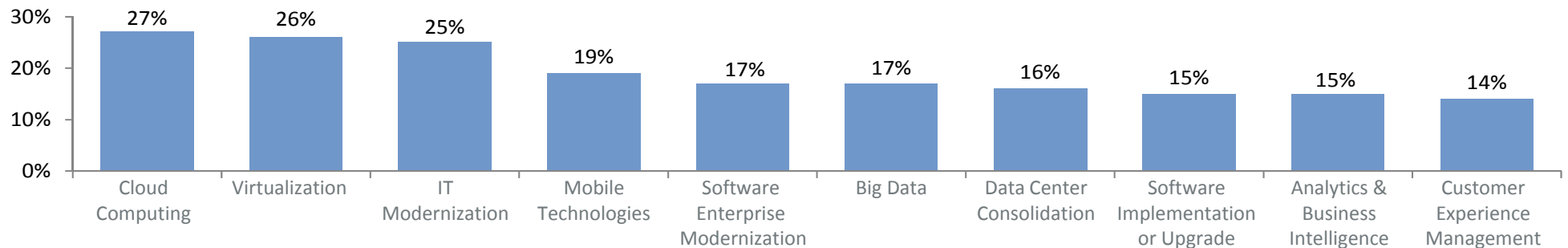
Software & Hardware Resale



Today



2013 Top 10 IT Budget Priorities ¹



Customers increasingly seek partners capable of providing integrated hardware, software and services solutions

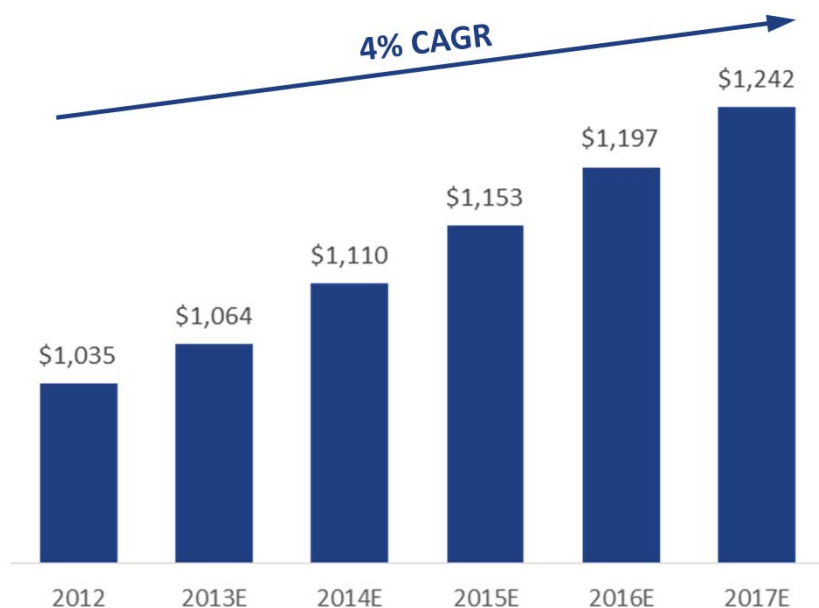
¹ Source: Gartner, "The Gartner Scenario for IT Service Providers: The Future of IT Services" (September 2013)

Large TAM with Solid Fundamentals



Expectations for U.S. IT Spending ¹

(\$ in billions)



Trends Driving IT Spending Growth

Emerging Technologies

Bring Your Own Device

Focus on User Experience

Total Cost of Ownership

Business Efficiency

Business Transformation

Expected Growth for Complex IT Solutions in the U.S. ²

(\$ in billions)

Market	2012	2017E	CAGR
Mobility	\$2.4	\$11.7	37%
Cloud	\$19.1	\$49.3	21%
Security	\$24.6	\$36.0	8%
Managed Services	\$40.8	\$53.7	6%
Virtualization	\$2.1	\$2.8	6%
Total	\$88.9	\$153.5	12%

¹Gartner, "Market Databook, 1Q14 Update," End-User Spending on IT Products and Services (U.S.)

²Gartner, "Forecast: IT Services, Worldwide, 2012-2018, 1Q14 Update," Data Center Outsourcing, Colocation, Hosting and Cloud Access (U.S.); Gartner, "Forecast: Information Security, Worldwide, 2012- 2018, 1Q14 Update," Security Spending (U.S.); Gartner, "Forecast: Enterprise Software Markets, Worldwide, 2011-2018, 1Q14 Update" Virtualization Infrastructure Software (U.S.); Gartner, "Forecast: PCs, Ultramobiles and Mobile Phones Worldwide, 2011-2018, 1Q14 Update" Ultramobiles purchased by business customers (U.S.)

Expanding Footprint and Capabilities



+ = Regional Offices

★ = Sales Offices

👤 = Managed Services Centers

- + 408 sales resources
- + 303 engineering professionals
- + Serving middle-market clients to large multinational enterprises
- + Customer-centric project management
- + Ability to deploy complex solutions globally

Targeted M&A Strategy with Track Record of Success



- + August, 2014 (\$10.7 million)
- + Sacramento Cisco VAR, largest Cisco VAR to State
- + Grow western SLED business



- + November 2013 (\$2.8 million)
- + Rochester area reseller with storage expertise
- + Strengthened position as leading US FlexPod reseller



- + February 2012 (\$7.0 million)
- + SoCal Cisco reseller
- + Acquired new customers & west coast NOC



- + January 2012 (\$2.2 million)
- + Northern New England
- + Gained state contracts and Cisco Call Center Express expertise



- + June 2011 (\$5.0 million)
- + Security expertise & Security Operations Center (SOC)
- + Acquired nationwide security sales capabilities



- + November 2010 (\$1.8 million)
- + Tandberg Platinum VAR
- + Acquired Cisco/Tandberg resale capability nationwide

End-to-End Suite of Customized Solutions



Cloud

- + Private
- + Hybrid
- + Public
- + Cloud Networking
- + Disaster Recovery as a Service

Collaboration

- + Unified Communications
- + Premise & Cloud Based Video
- + Web Collaboration

Infrastructure

- + Mobility and Wireless
- + Networking
- + Client Devices
- + Peripherals and Accessories

Data Center

- + Automation and Orchestration
- + Virtualization
- + Compute
- + Storage

Security

- + Perimeter
- + Data
- + Executive Consulting
- + Assessments
- + Managed Security



Expanding Professional and Managed Services



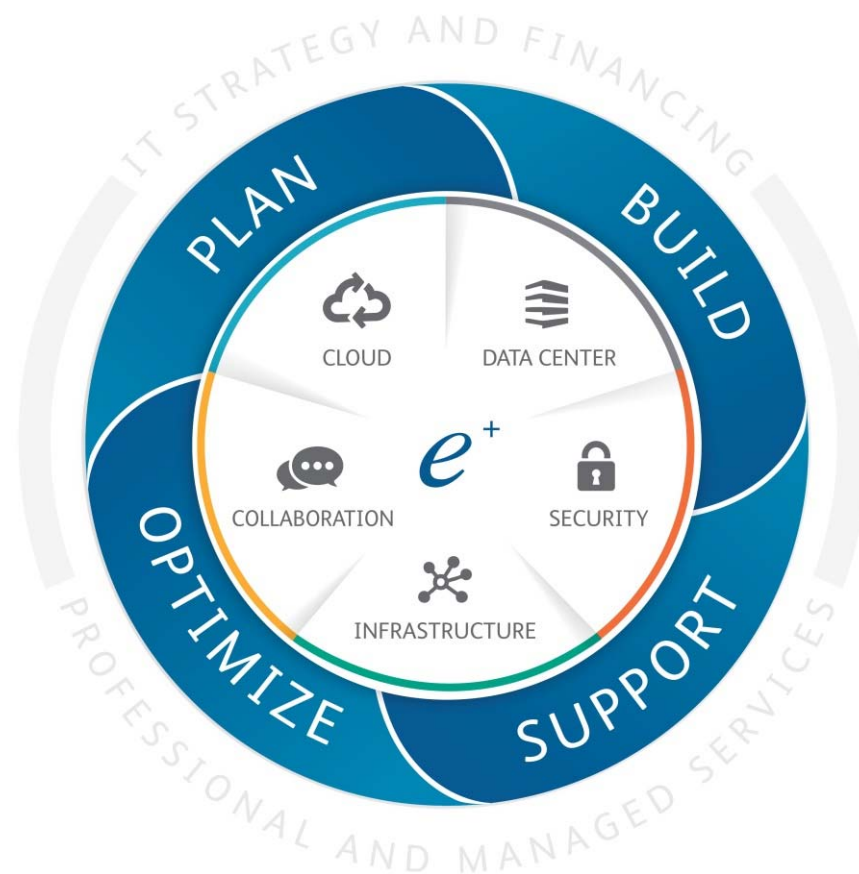
+ Hired Dan Farrell as Senior Vice President of National Professional Services in 2010

Expansion Highlights (since 2010)

- + Expanded services headcount by 93%
- + Grew managed service center locations from 1 to 3
- + Consistent growth in services revenue

Key Services

- + Enhanced Maintenance Support
- + Managed Services
- + Staffing
- + Executive Services Portfolio



Services revenue carries a higher gross margin

Independent Provider with Deep Strategic Relationships

Selected Strategic Partners



- + Top vendor for ePlus, representing 48% of technology sales ¹
- + Networking, security, converged infrastructure
- + ePlus engineers are trained in 26 different Cisco product lines



- + Represents ~10% of technology sales ¹
- + Converged infrastructure, enterprise storage, networking and virtualization



- + NetApp Star Partner and Professional Services Partner
- + Network storage and services focused applications, such as virtualization, file server consolidation, private cloud, and public cloud



- + ePlus professionals maintain a variety of EMC engineering certifications
- + Networking storage and services



- + Virtual infrastructure solutions

¹ Based on the year ended March 31, 2014

Complemented by Additional Relationships



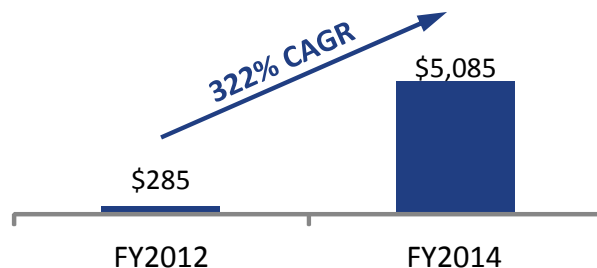
ePlus serves as an extension of vendors' internal sales force with the ability to select best-of-breed solutions

Deep Expertise and Experience with Emerging Vendors

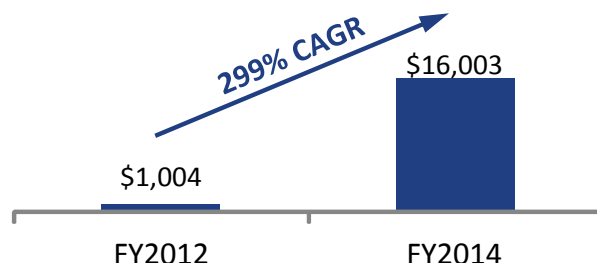
Selected Emerging Vendors

(\$ in thousands, FYE 3/31)

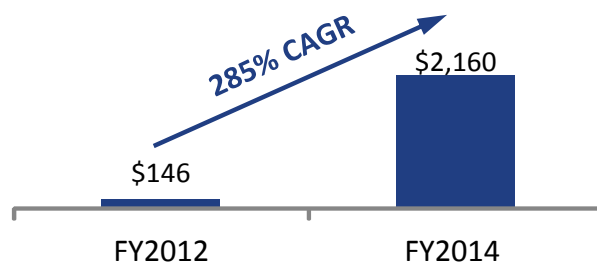
Vendor A



Vendor B



Vendor C



Featured Vendors

Storage



Security



Big Data



Network

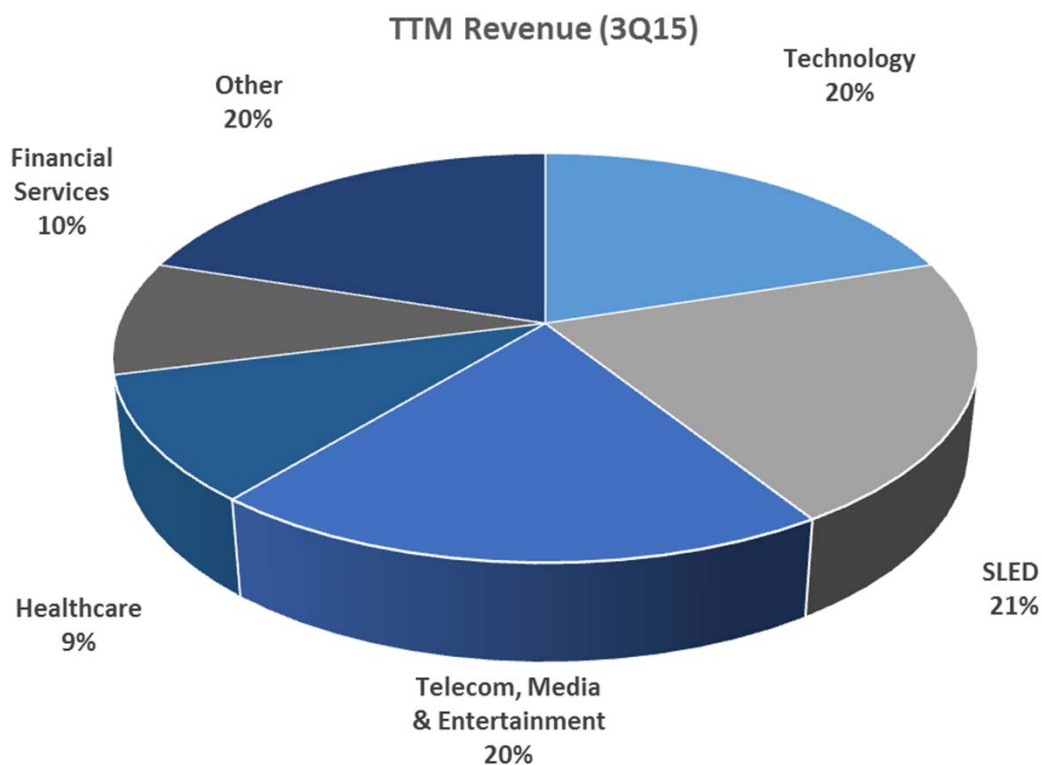


Servers



Well-positioned for continued above-market growth as disruptive vendors take market share

Broad and Diverse Customer Base



- + Focused on enterprise and middle-market customers
- + > 2,800 existing customers*
- + Only one 10% (of revenues) customer in FY2014
- + Broad-based services capabilities and multi-vendor relationships driving customer acquisition
- + Trusted IT advisor with vendor agnostic approach
- + Evolve Technology Group acquisition to further enhance SLED offering

*As of 3/31/2014

Select Clients

Technology



State & Local Government and Education



Telecom, Media & Entertainment



Financial Services



Healthcare



Other





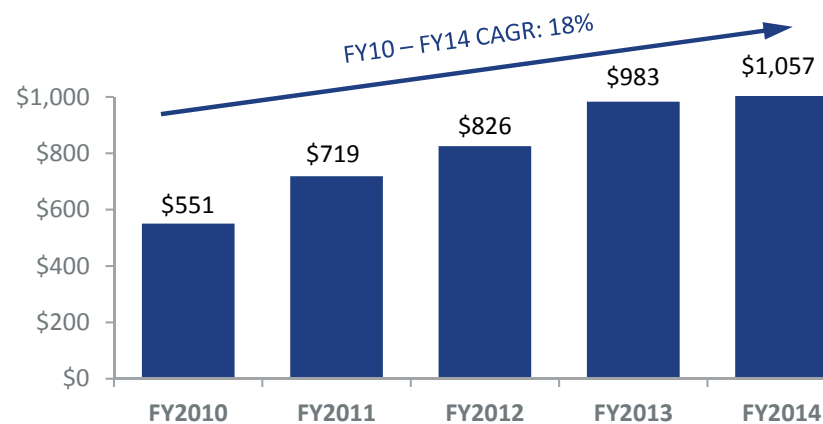
Elaine Marion
Chief Financial Officer

Impressive Financial Results

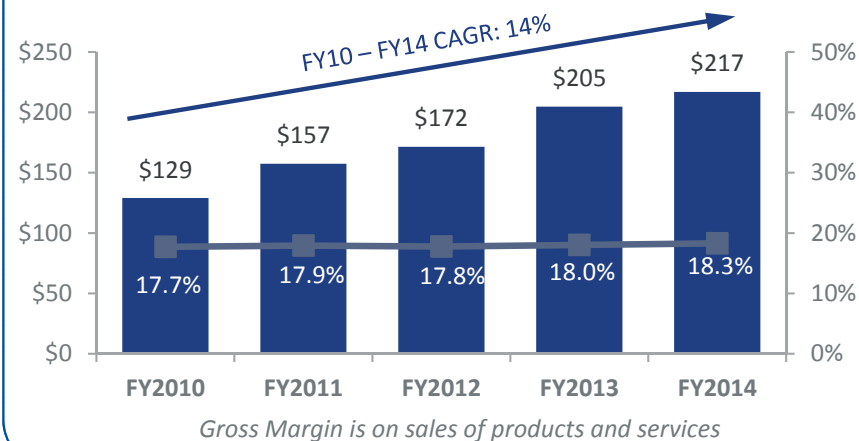


(\$ in millions, except per share data, FYE 3/31)

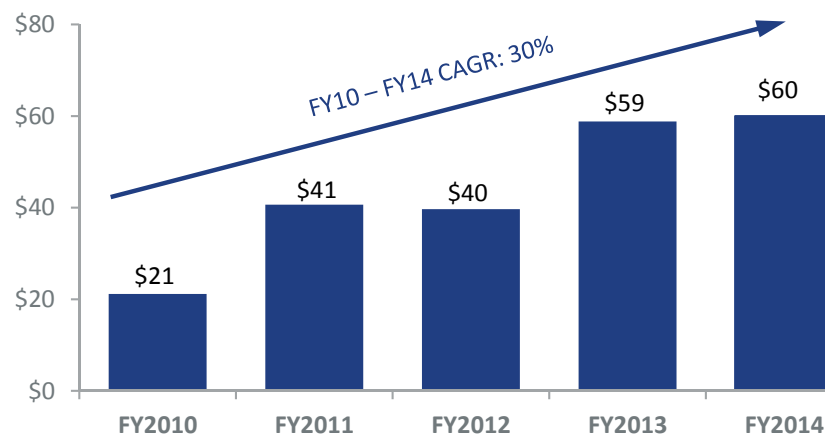
Revenue



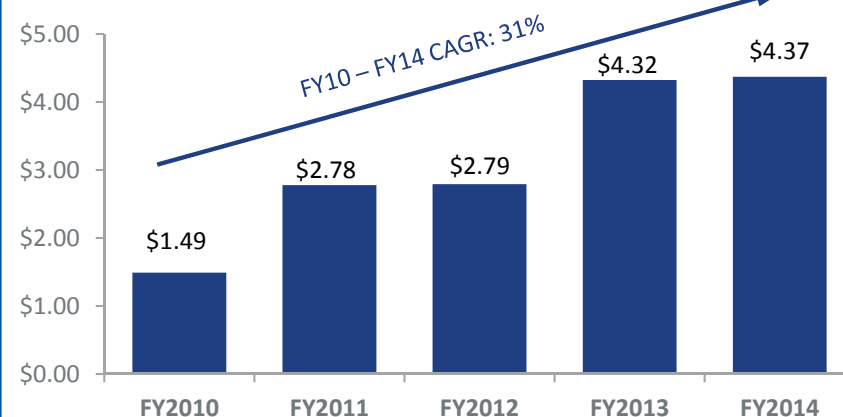
Gross Profit



Operating Income



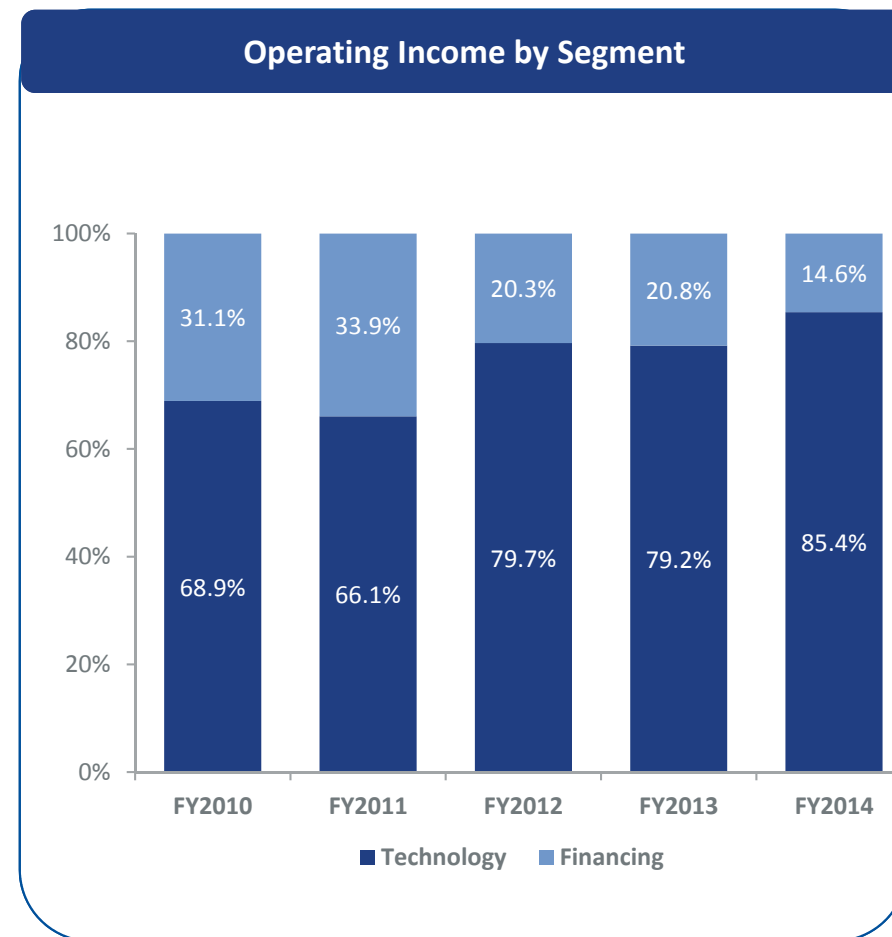
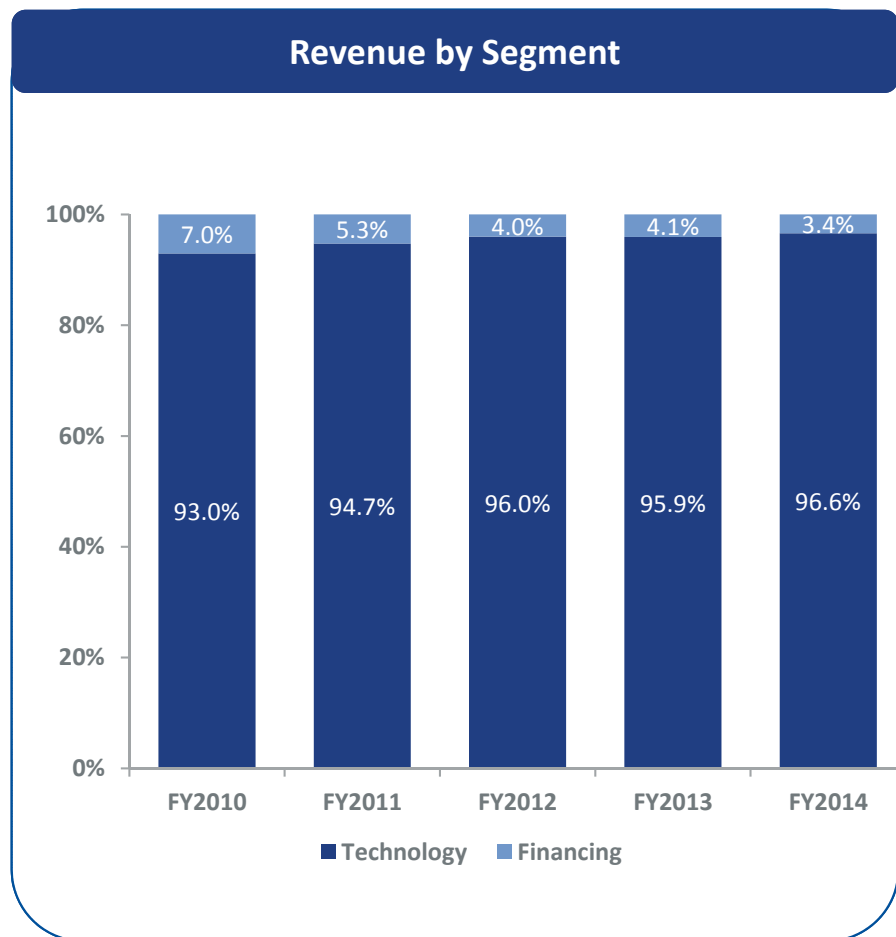
Earnings Per Share



Financial Contribution, by Segment



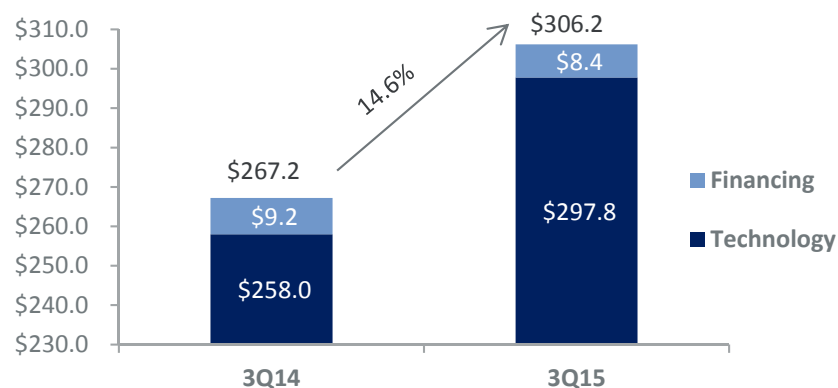
(\$ in millions, FYE 3/31)



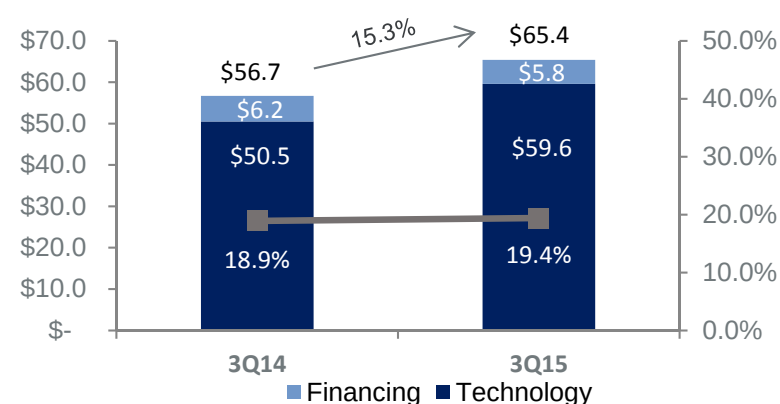
Positive Comparisons in 3Q15



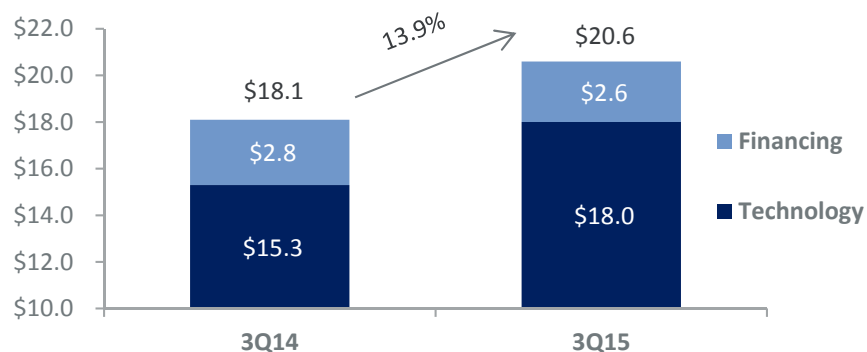
Revenue



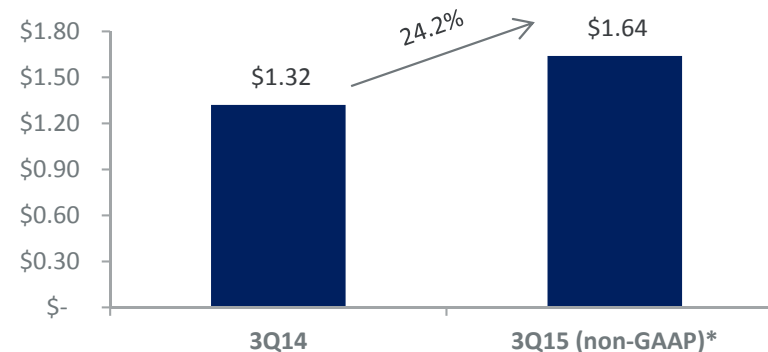
Gross Profit



Operating Income

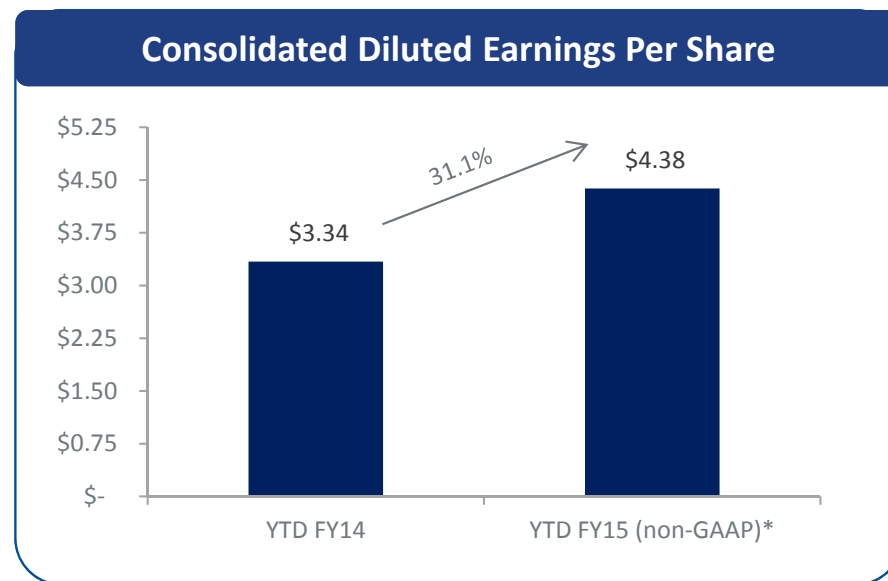
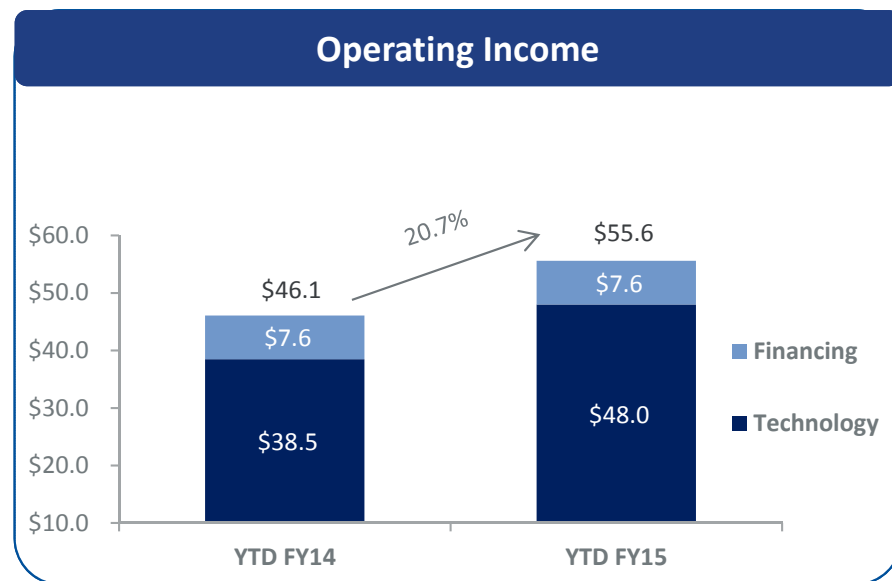
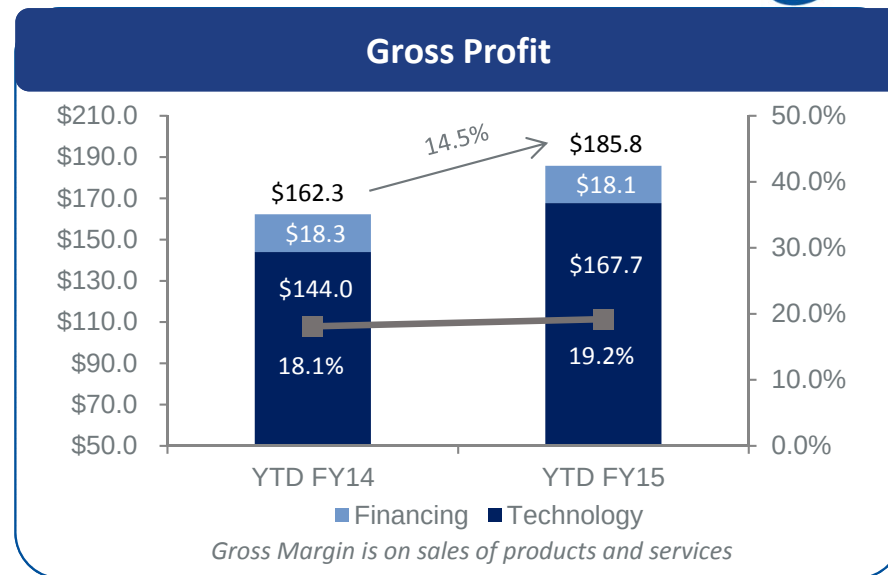
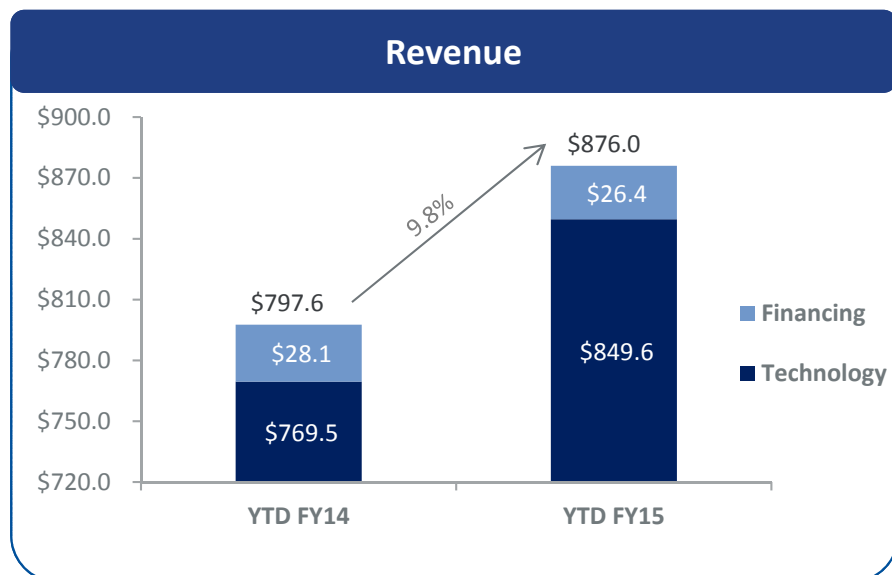


Consolidated Diluted Earnings Per Share



* See Reconciliation of Non-GAAP Information in Appendix

Positive Comparisons YTD FY15

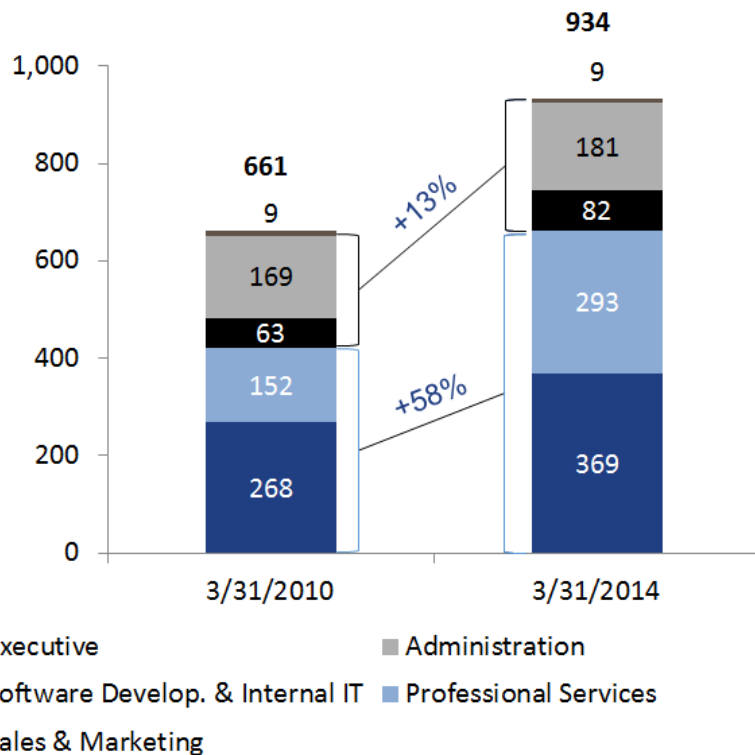


* See Reconciliation of Non-GAAP Information in Appendix

Growing Productivity While Strategically Expanding Workforce *e*⁺

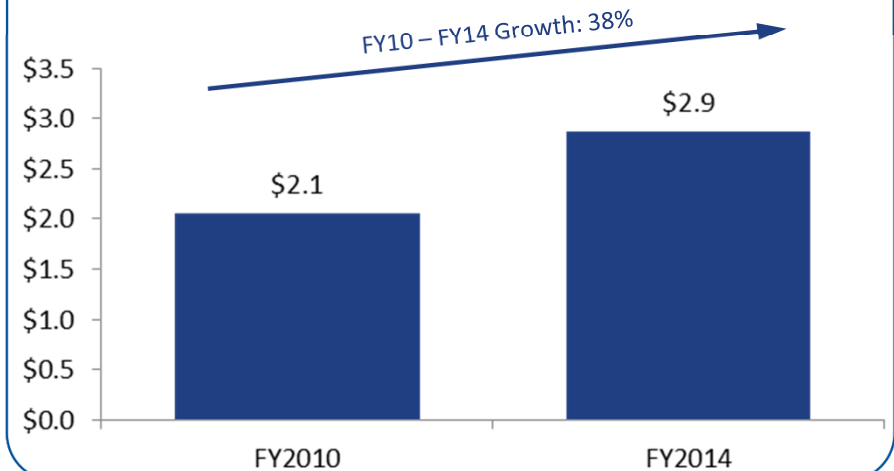
(\$ in millions, FYE 3/31)

Employee Headcount Growth by Function

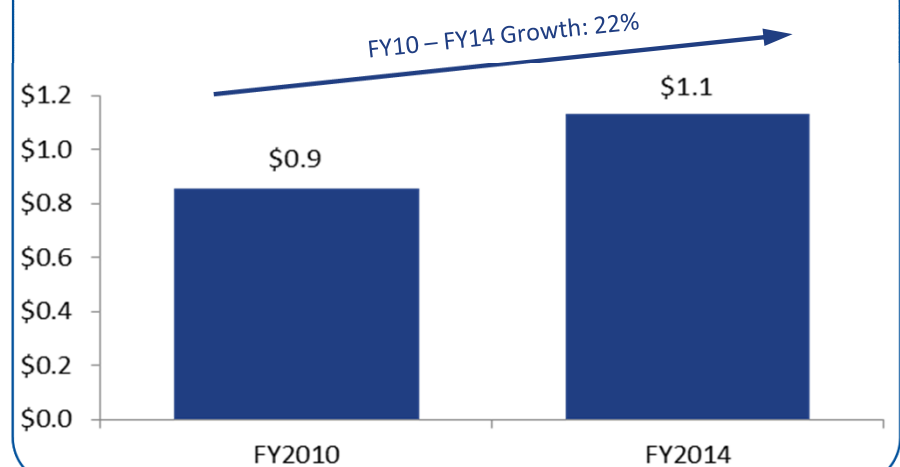


Note: Excludes part time employees

Revenue per Sales & Marketing Employee



Revenue per Employee



Strong Balance Sheet



- + \$52 million in cash and equivalents
- + \$225 million financing facility with GE Commercial Distribution Finance
- + Financing portfolio of \$165 million as of 12/31/14, representing investments in leases and notes
- + Portfolio monetization can be utilized to raise additional cash
- + Minimal capex
- + 400,000 share repurchase in connection with secondary offering, May 2014
- + Evolve Technology Group acquired in August 2014

(\$ in millions)

Assets	12/31/2014	3/31/2014
Cash and equivalents	\$52	\$80
Accounts receivable	273	243
Inventory	24	23
Financing investments	165	144
Goodwill & other intangibles	41	35
Property & equipment and other	36	29
Total assets	\$591	\$554
Liabilities		
Accounts payable	176	162
Recourse notes payable	4	4
Non-recourse notes payable	69	65
Other liabilities	72	57
Total liabilities	\$321	\$288
Shareholders' Equity		
Equity	270	266
Total liabilities & equity	\$591	\$554



Appendix



ePlus inc. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP INFORMATION

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2014	2013 [4]	2014	2013 [4]
	(in thousands, except per share amount)			
GAAP earnings before provision for income taxes as reported	\$26,731	\$18,053	\$63,233	\$46,101
Less: Other income [1], [2]	6,169	-	7,603	-
Non-GAAP earnings before provision for income taxes	20,562	18,053	55,630	46,101
Non-GAAP provision for income taxes [3]	8,638	7,443	23,140	19,050
Non-GAAP net earnings	<u>\$11,924</u>	<u>\$10,610</u>	<u>\$32,490</u>	<u>\$27,051</u>
GAAP net earnings per common share – diluted	<u>\$2.13</u>	<u>\$1.32</u>	<u>\$4.97</u>	<u>\$3.34</u>
Non-GAAP net earnings per common share – diluted	<u>\$1.64</u>	<u>\$1.32</u>	<u>\$4.38</u>	<u>\$3.34</u>

[1] Includes a gain on a class action claim for the three months ended December 31, 2014.

[2] Includes a gain on a class action claim and a retirement of a liability for the nine months ended December 31, 2014.

[3] Non-GAAP tax rate is calculated at the same tax rate as GAAP earnings.

[4] Amounts for the three and nine months ended December 31, 2013 are GAAP and provided for comparative purposes.

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