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ePlus



EXCELLENCE THROUGH EXPERIENCE

Investor Presentation

December 2014



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The logo consists of a large, blue, lowercase cursive letter 'e' followed by a blue plus sign '+'. The background features a blue-toned architectural structure with a grid of lines, possibly a dome or a modern building facade, with light filtering through the grid.

Phil Norton
Chairman, CEO and President

EXCELLENCE THROUGH EXPERIENCE

- + Leading provider of technology solutions focused on cloud, data center, security, networking 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
- + 968 employees as of 9/30/2014



Note: Fiscal year ends March 31

¹ See appendix for operating income calculation

+ 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:

19
43

8
29

15
23

6
30



Kley Parkhurst
*Senior Vice President,
Corporate Development*



Darren Raguel
EVP-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:

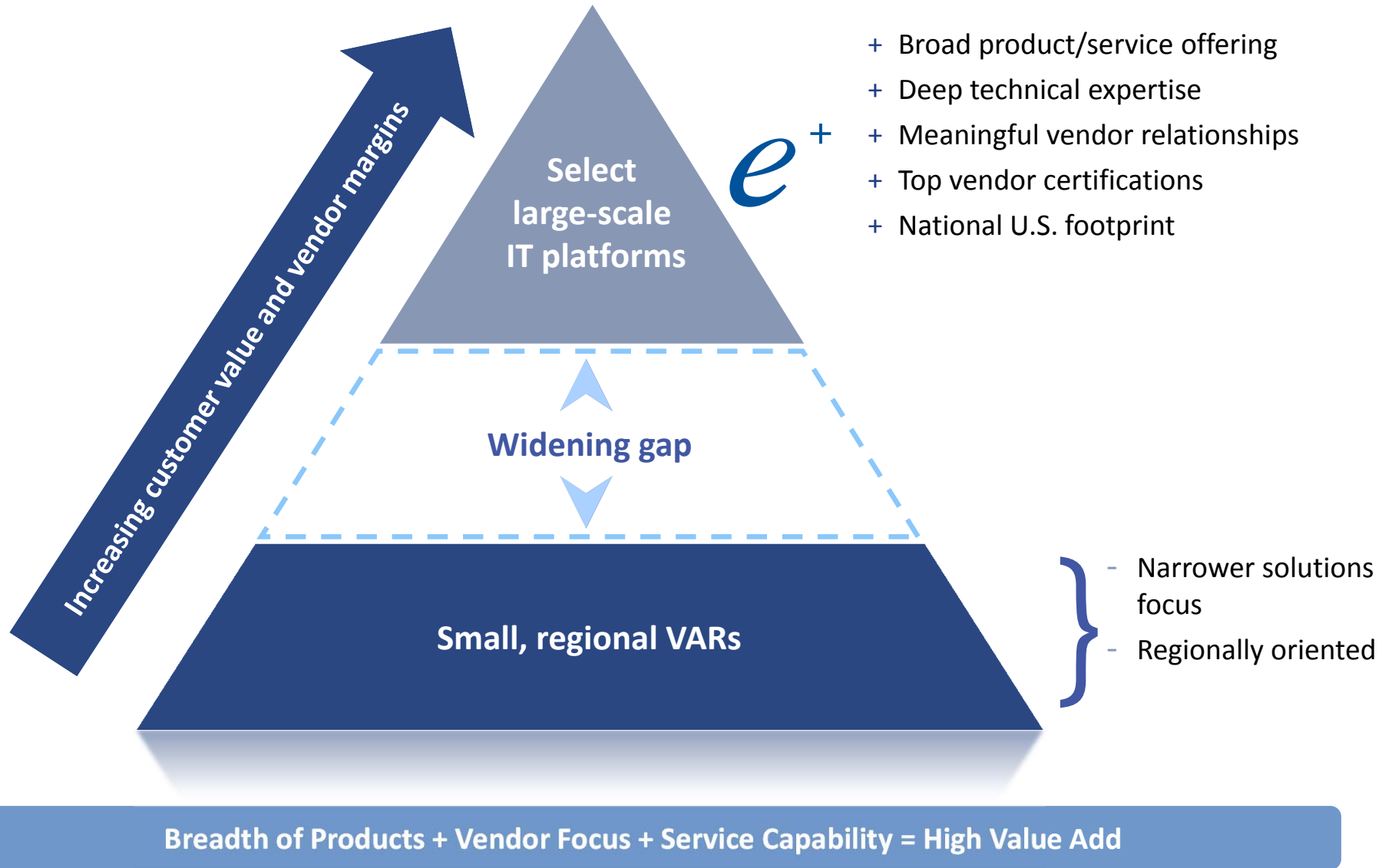
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+ Focused on growing service revenues to maintain and expand margins

+ Investments in key engineering and sales personnel to drive growth in excess of market

+ Growing geographic footprint offers entry into new regional markets

+ Targeting new and existing client bases for revenue growth

+ Robust balance sheet provides opportunity for accretive M&A

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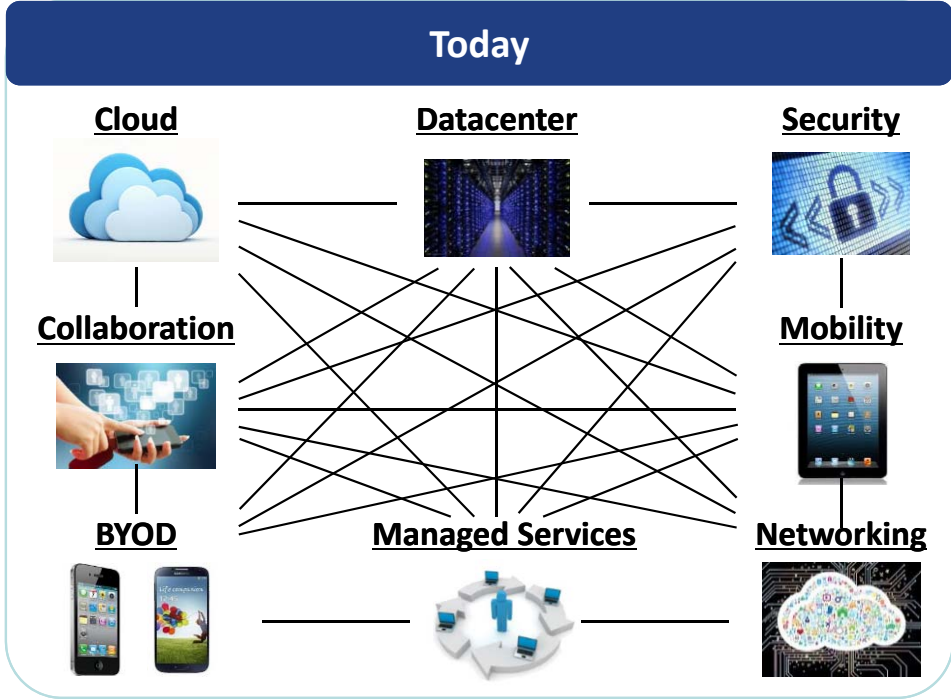
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Mark Marron
Chief Operating Officer

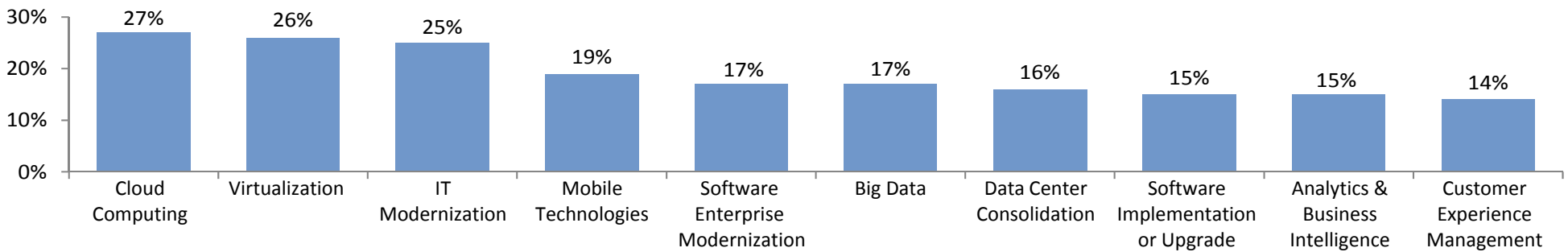
EXCELLENCE THROUGH EXPERIENCE

2000s

Software & Hardware Resale



2013 Top 10 IT Budget Priorities ¹

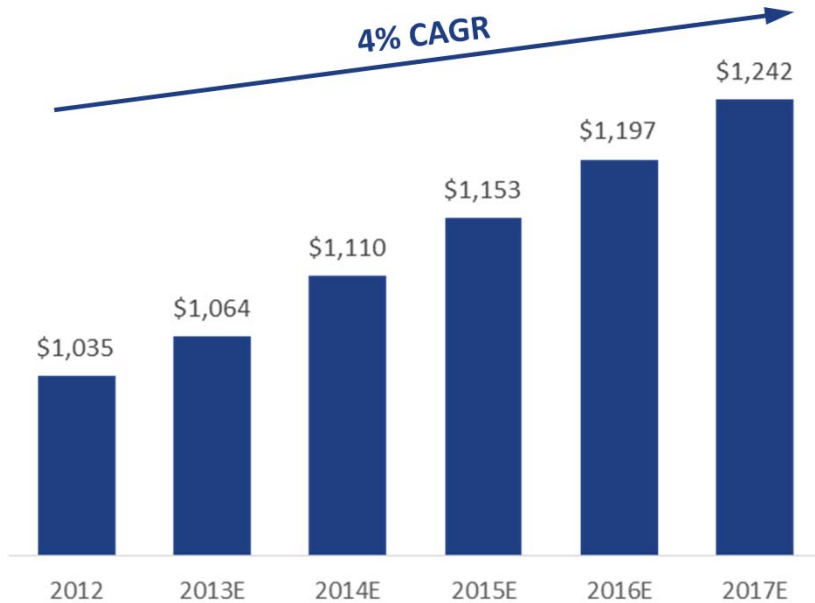


Customers increasingly seek partners capable of providing integrated hardware, software and services solutions

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

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

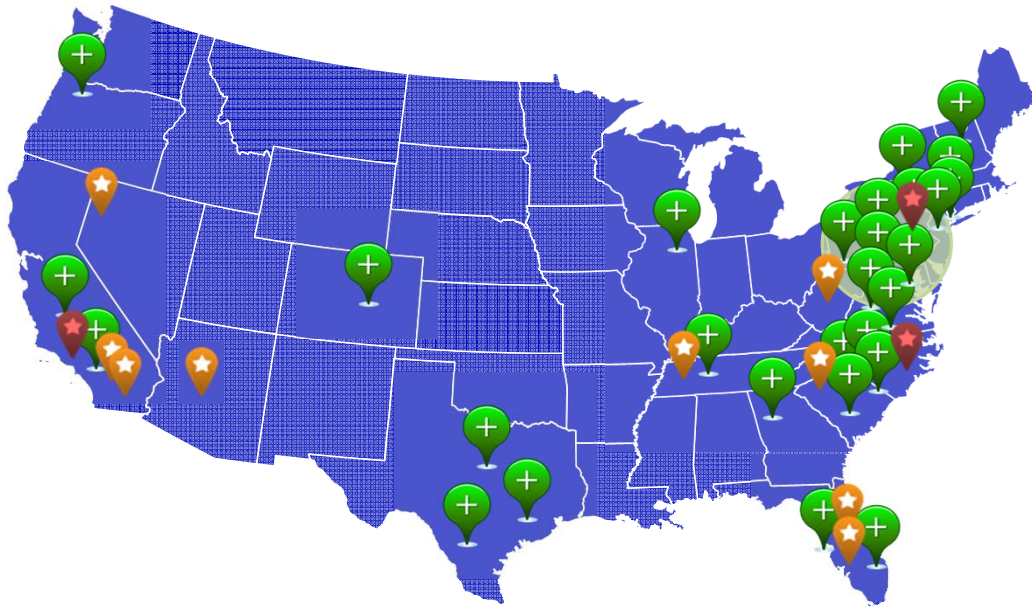
Expected Growth for Complex IT Solutions in the U.S. ²

(\$ 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.)



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

+ Regional Offices ★ Sales Offices ★ Managed Service Center

Targeted M&A Strategy with Track Record of Success



- + 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 (\$3.5 million)¹
- + 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



- + August, 2014 (\$10.5 million)
- + Sacramento Cisco VAR, largest Cisco VAR to State
- + Grow western SLED business

¹ Excludes contingent consideration of up to \$3.2 million



DATA CENTER

- + Cloud Computing
- + Virtual Desktop Infrastructure / VDI
- + Server Consolidation / Virtualization
- + Storage & Backup
- + Data Security

COLLABORATION

- + Unified Communications
- + Video Systems / TelePresence
- + Streaming Solutions
- + Secure Mobility

INFRASTRUCTURE

- + Wireless
- + Core Networking
- + Multiple Client Devices
- + Client Security

FINANCIAL

- + Flexible Payment Solutions
- + Operating Leases
- + Capital Leases
- + Entire Asset Acquisition Process
- + Trade-In Programs

e+ SOFTWARE

- + Procurement
- + Asset Management
- + Supplier Enablement
- + Document Management

SERVICES

- + Assessments
- + Consulting
- + Project Management
- + Staging & Configuration
- + Integration

SECURITY

- + Managed Security
- + Threat Defense
- + BYOD Security
- + Content Security
- + Endpoint Security

+ 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

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

Complemented by Additional Relationships



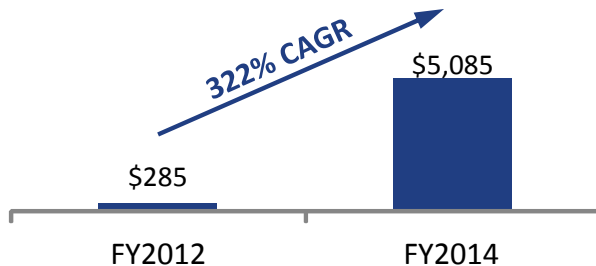
ePlus serves as an extension of vendors' internal sales force with the ability to select best-of-breed solutions

¹ Based on the year ended March 31, 2014

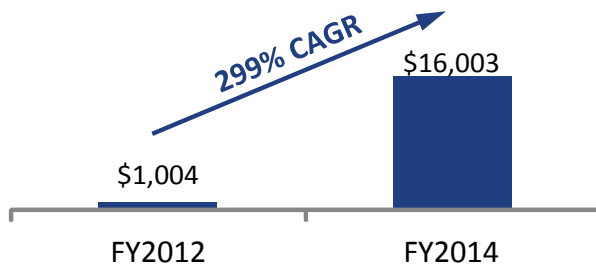
Selected Emerging Vendors

(\$ in thousands, FYE 3/31)

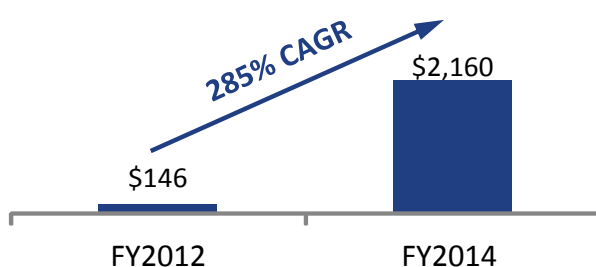
Vendor A



Vendor B



Vendor C



Featured Vendors

Storage



Security



Big Data



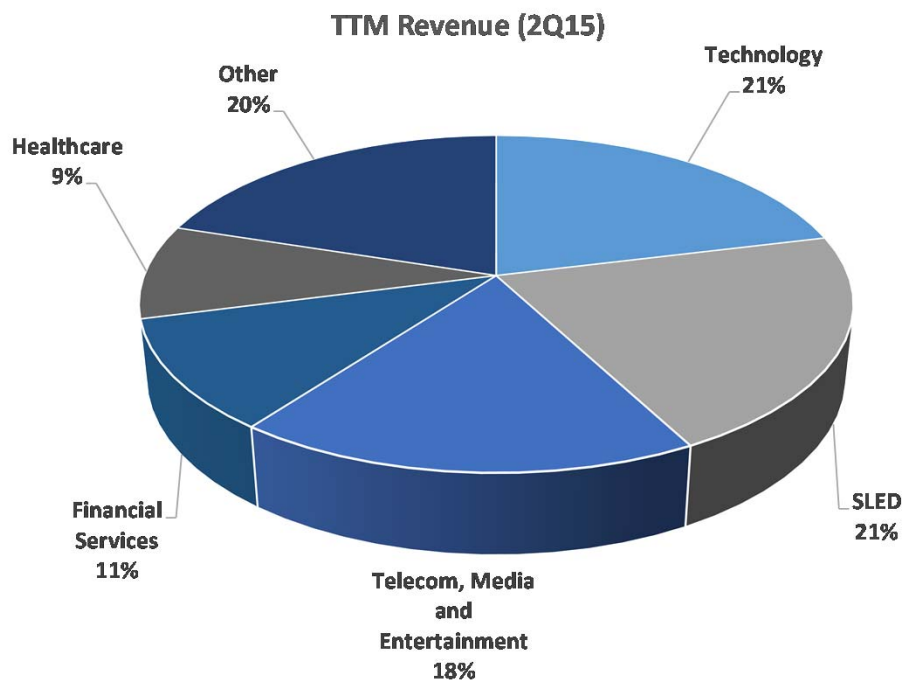
Network



Servers



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



- + 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

Technology



State & Local Government and Education



Telecom, Media & Entertainment



Financial Services

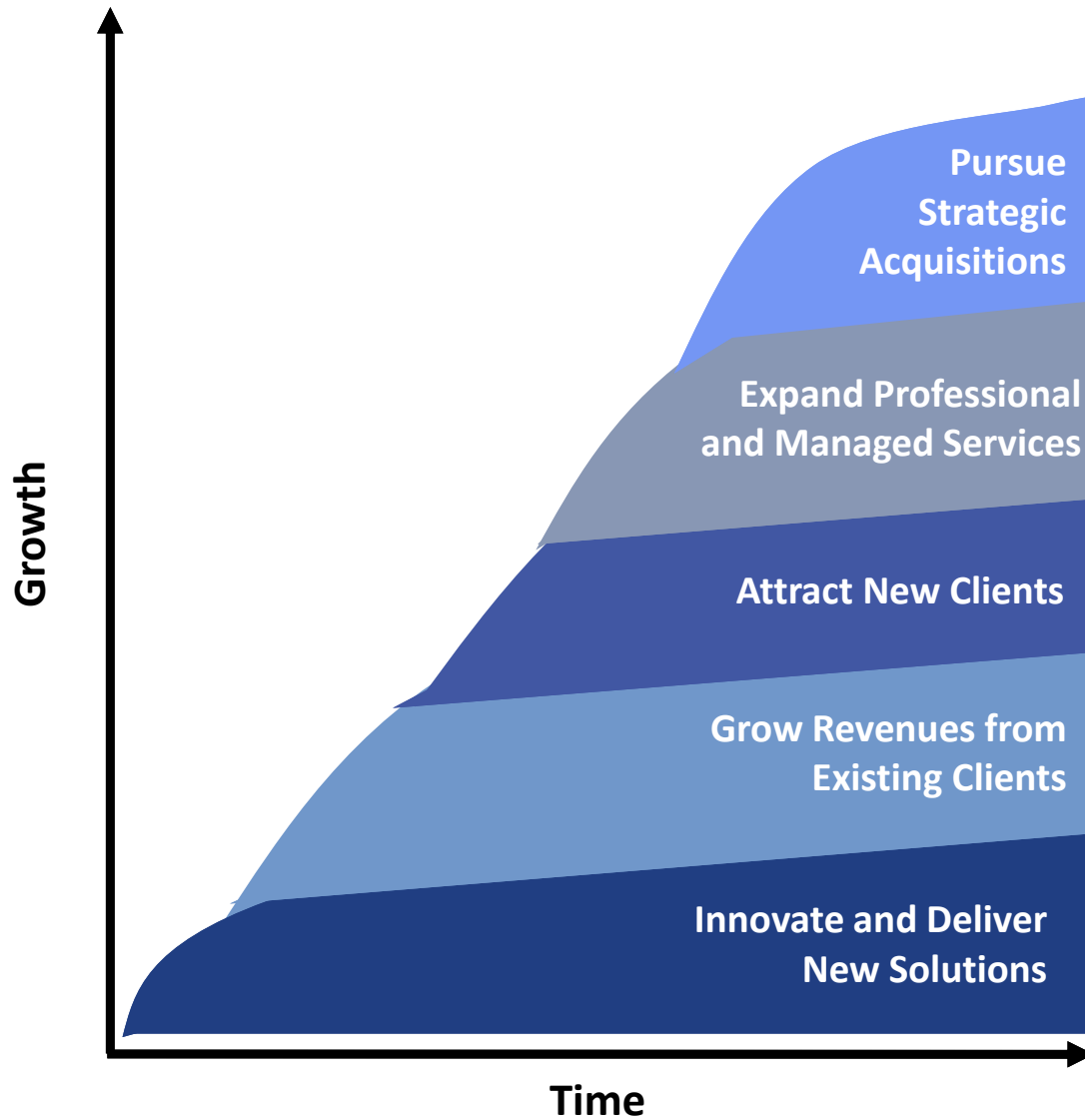


Healthcare



Other





- + 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

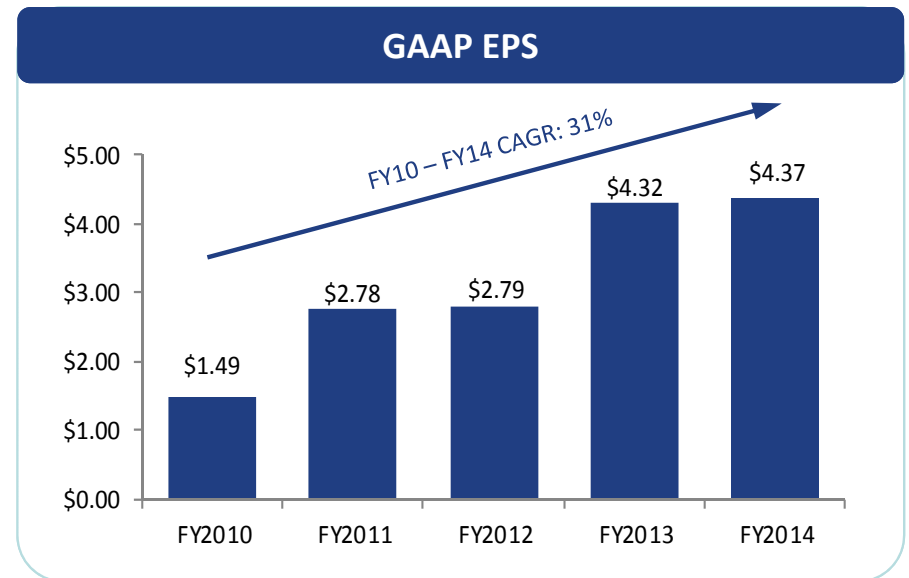
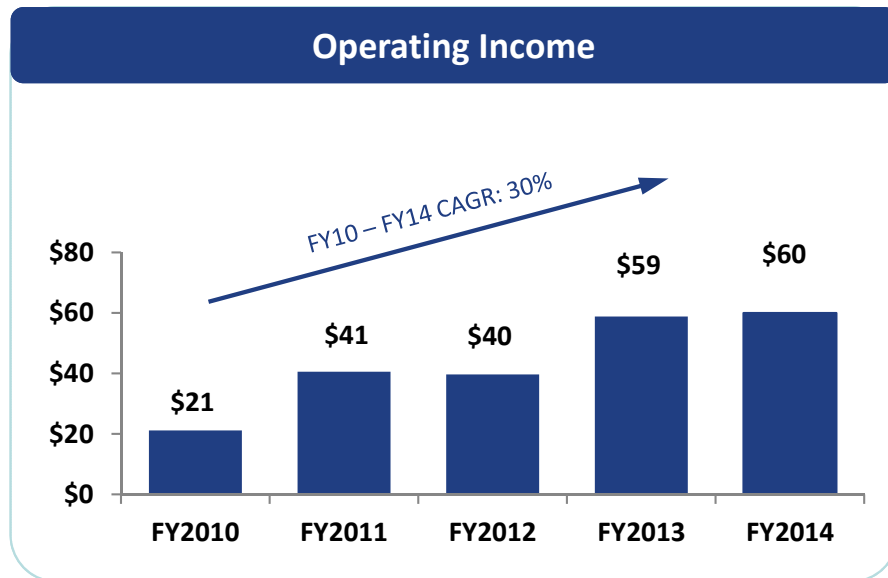
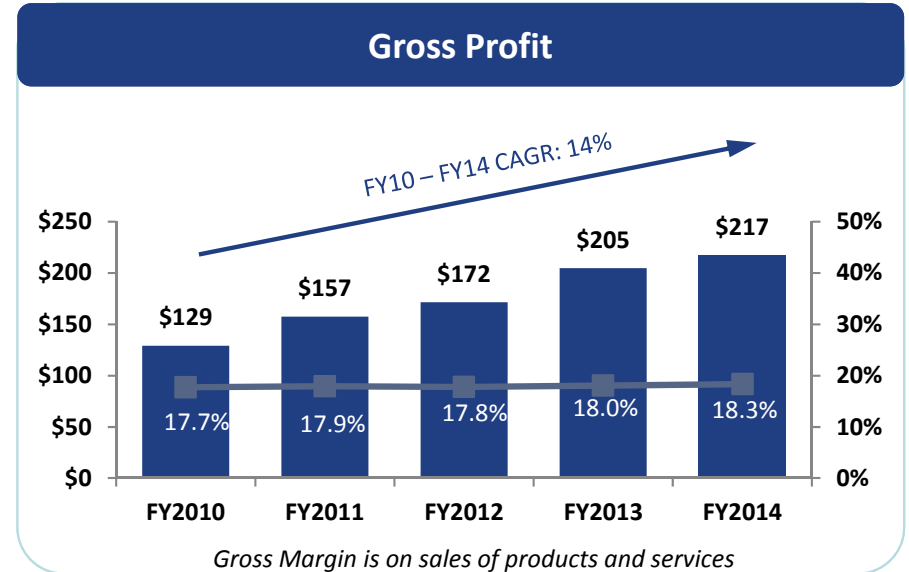
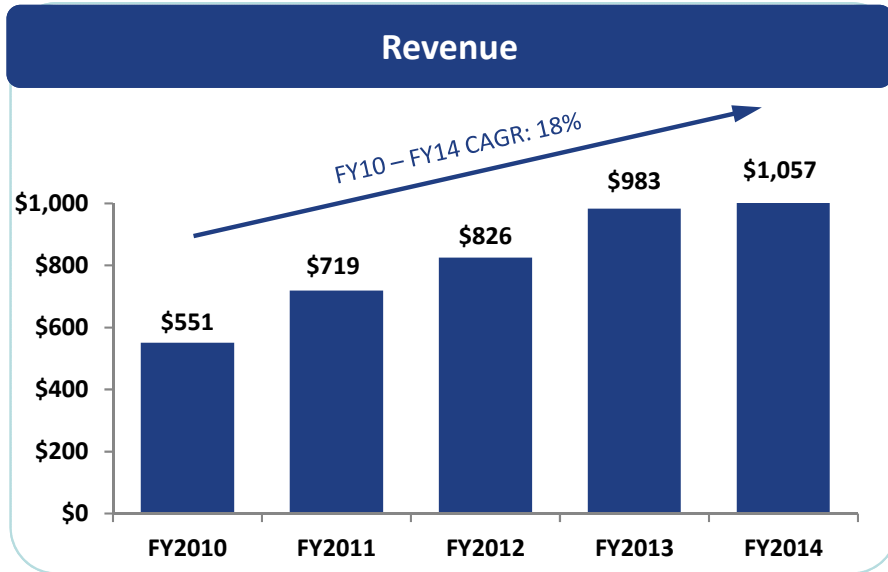
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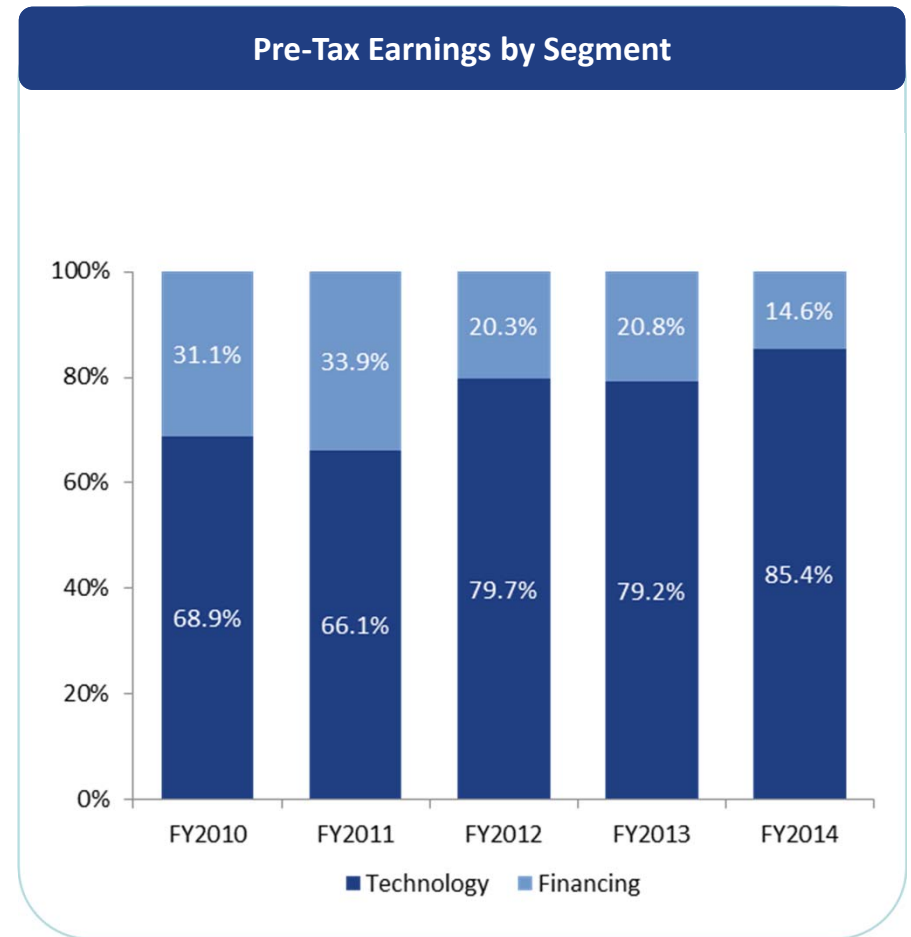
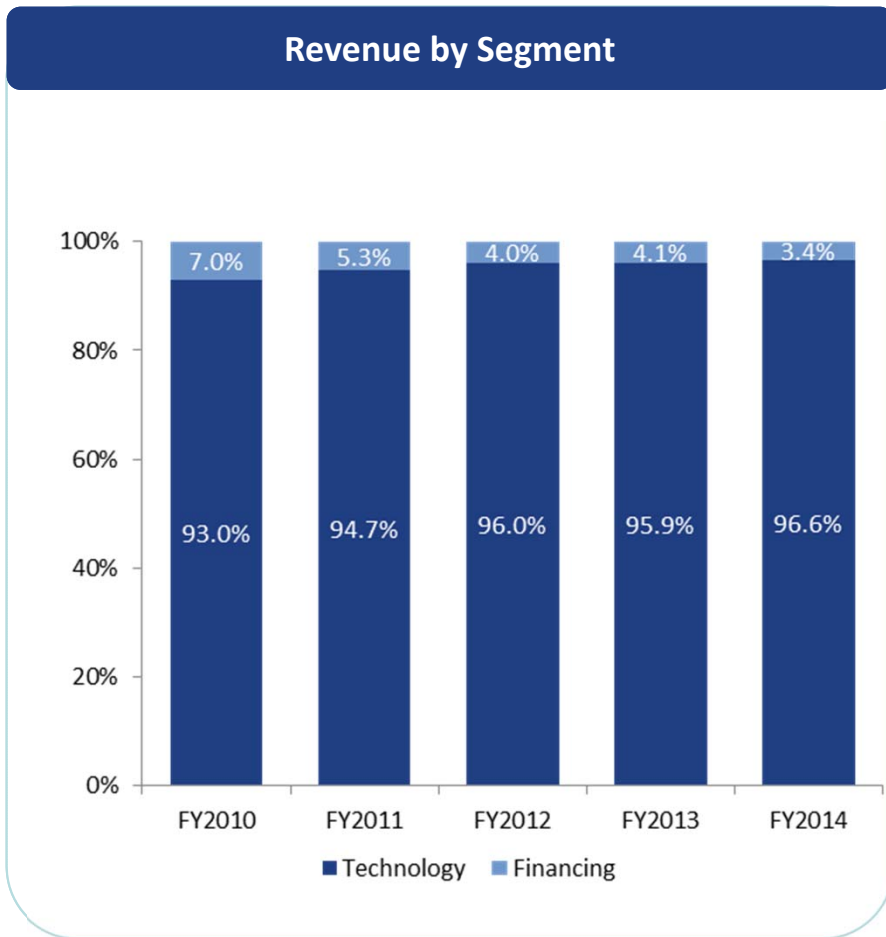
Elaine Marion
Chief Financial Officer

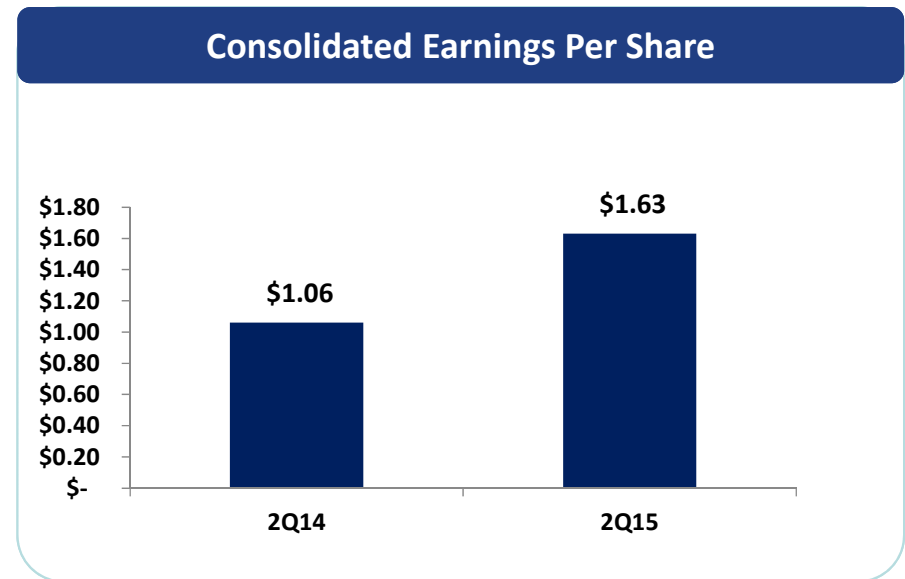
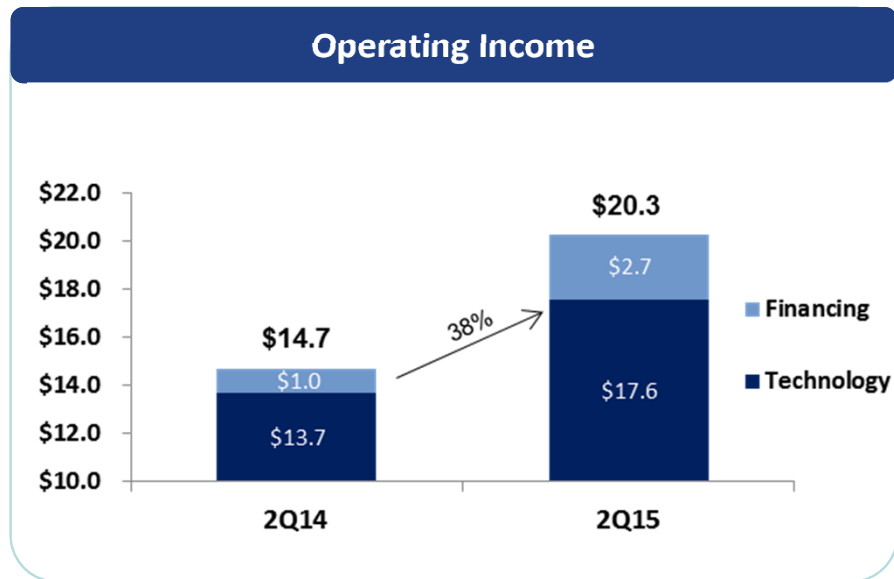
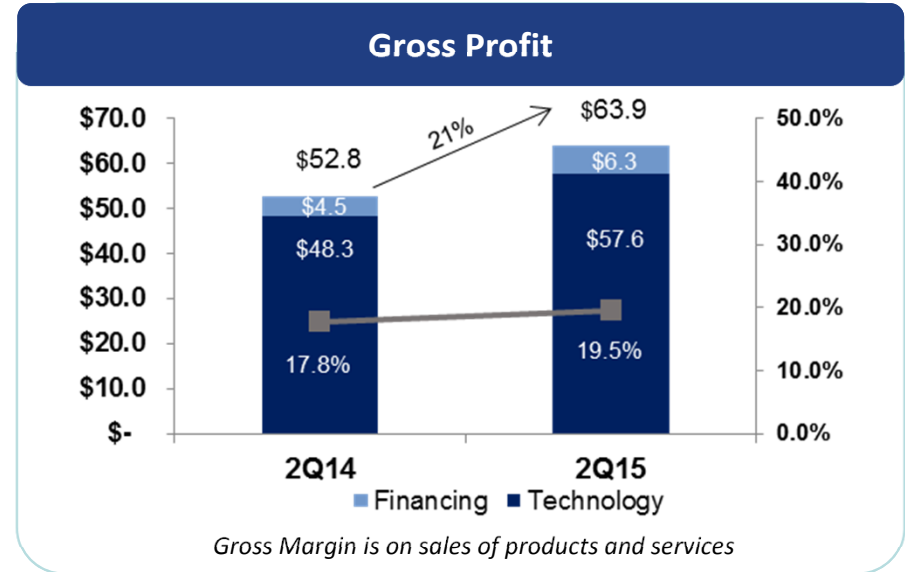
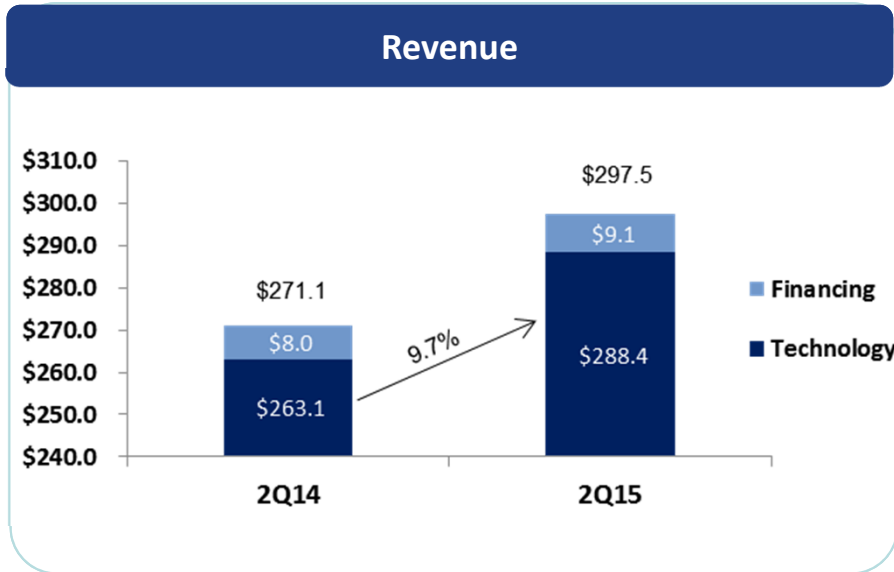
EXCELLENCE THROUGH EXPERIENCE

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



(\$ in millions, FYE 3/31)



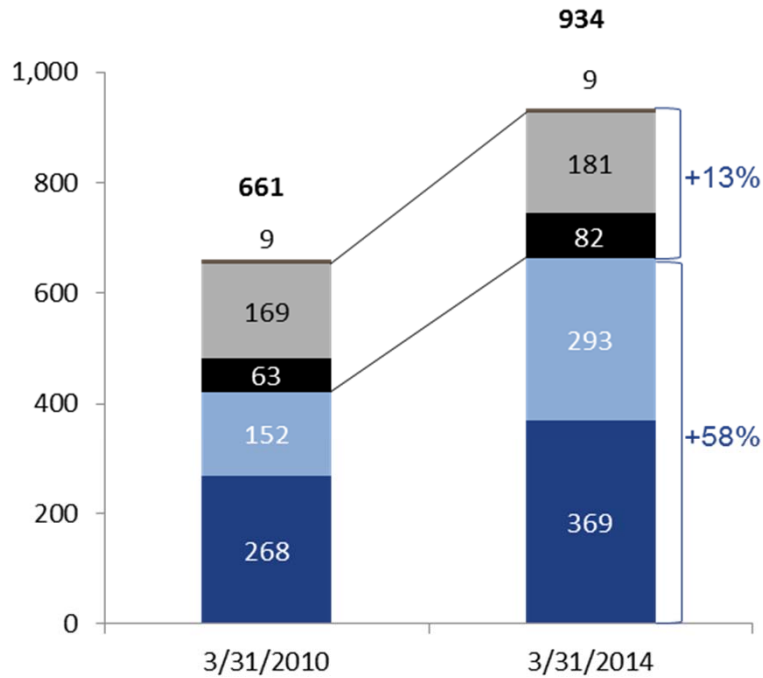


(\$ in millions, except per share data FYE 3/31)

* See Reconciliation of Non-GAAP Information

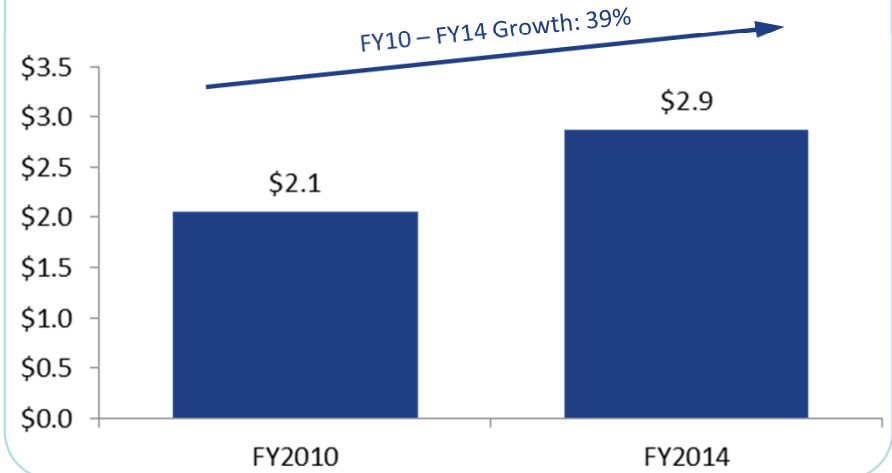
(\$ in millions, FYE 3/31)

Employee Headcount Growth by Function

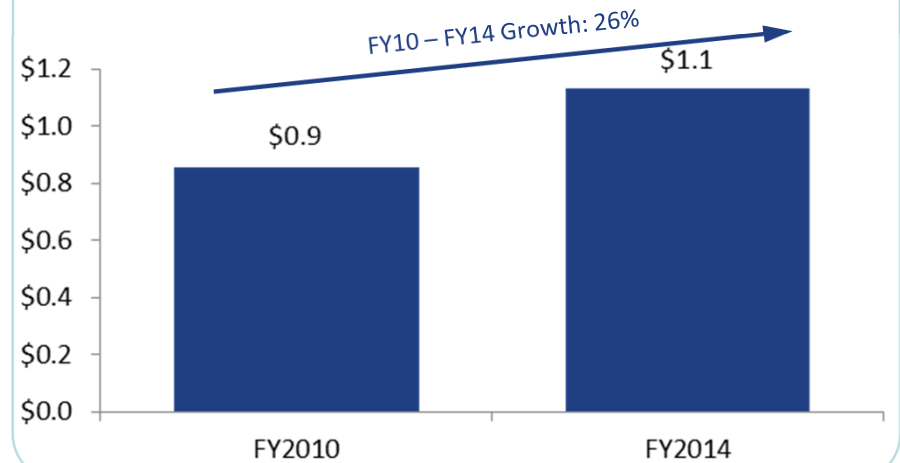


- Executive
- Administration
- Software Develop. & Internal IT
- Professional Services

Revenue per Sales & Marketing Employee



Revenue per Employee



Note: Excludes part time employees

- + \$63 million in cash and equivalents
- + \$225 million financing facility with GE Commercial Distribution Finance
- + Financing portfolio of \$159 million as of 9/30/14, 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 3Q15

(\$ in millions)

Assets	9/30/2014	3/31/2014
Cash and equivalents	\$63	\$80
Accounts receivable	239	243
Inventory	31	23
Financing investments	159	144
Goodwill & other intangibles	42	35
Property & equipment and other	30	29
Total assets	\$564	\$554
Liabilities		
Accounts payable	176	162
Recourse notes payable	3	4
Non-recourse notes payable	65	65
Other liabilities	64	57
Total liabilities	\$308	\$288
Shareholders' Equity		
Equity	256	266
Total liabilities & equity	\$564	\$554

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Appendix

EXCELLENCE THROUGH EXPERIENCE

ePlus inc. AND SUBSIDIARIES**RECONCILIATION OF NON-GAAP INFORMATION**

	<u>Six Months Ended September 30,</u>	
	<u>2014</u>	<u>2013 [1]</u>
GAAP earnings before provision for income taxes as reported	\$36,502	\$28,048
Less: Other income [2]	1,434	-
Non-GAAP earnings before provision for income taxes	35,068	28,048
Non-GAAP provision for income taxes [3]	14,481	11,607
Non-GAAP net earnings	\$20,587	\$16,441
GAAP net earnings per common share – diluted	\$2.86	\$2.03
Non-GAAP net earnings per common share – diluted	\$2.75	\$2.03

[1] Amounts for the six months ended September 30, 2013 are GAAP and provided for comparative purposes.

[2] Gain on retirement of a liability.

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



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