Where Technology Means More®

ePlus inc.

Investor Presentation

May 2019

Safe Harbor Statement

Statements in this presentation that are not historical facts may be deemed to be "forward-looking statements." Actual and anticipated future results may vary materially due to certain risks and uncertainties, including, without limitation, possible adverse effects resulting from national and international political instability fostering uncertainty and volatility in the global economy including exposure to fluctuations in foreign currency rates, interest rates, and downward pressure on prices, increasing credit risk associated with our customers and vendors, reduction of vendor incentive programs, and restrictions on our access to capital necessary to fund our operations; significant adverse changes in, reductions in, or losses of relationships with our largest volume customers or one or more of our large volume customers or vendors; our ability to implement comprehensive plans for the integration of sales forces, cost containment, asset rationalization, systems integration and other key strategies; our ability to secure our own and our customers' electronic and other confidential information and remain secure during a cyber-security attack; changes to our senior management team and/or failure to successfully implement succession plans; disruptions or a security breach in our or our vendors' IT systems and data and audio communications networks; the possibility of additional goodwill impairment charges; the demand for and acceptance of, our products and services; our ability to adapt our services to meet changes in market developments; our ability to adapt to changes in the IT industry and/or rapid changes in product offerings, including the proliferation of the cloud, infrastructure as a service and software as a service; maintaining and increasing advanced professional services by recruiting and retaining highly skilled, competent personnel, and vendor certifications; our ability to realize our investment in leased equipment; our ability to protect our intellectual property; our ability to successfully perform due diligence and integrate acquired businesses; the creditworthiness of our customers; our ability to raise capital and obtain non-recourse financing for our transactions; our ability to reserve adequately for credit losses; the impact of competition in our markets; our failure to comply with public sector contracts or applicable laws or regulations; and other risks or uncertainties detailed in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2019 and other periodic filings with the Securities and Exchange Commission and available at the SEC's website at http://www.sec.gov.

We wish to caution you that these factors could affect our financial performance and could cause actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. All information set forth in this presentation is current as of the date of this presentation and ***e***Plus undertakes no duty or obligation to update this information.

Mark Marron

Chief Executive Officer

*e*Plus at a Glance

- Leading provider of technology solutions focused on cloud, security, and digital infrastructure
- Technology partners include Cisco, Dell EMC, HPE, NetApp, Palo Alto Networks and VMware
- FY19 adjusted gross billings: $1.9 billion
  - 7% CAGR FY15-FY19
- FY19 net sales: $1.4 billion
  - 5% CAGR FY15-FY19
- FY19 services revenue: $149 million
  - 24% CAGR FY17-FY19
- FY19 EPS: $4.65
  - 11% CAGR FY15-FY19
- Headquarters: Herndon, Virginia
- Presence in 40+ office locations in the U.S., Europe, and Asia-Pac
- 1,537 employees as of March 31, 2019

PLUS
Nasdaq Listed

Experienced Leadership Team

Mark Marron
Chief Executive Officer
Joined ePlus in 2005
30+ Years of Experience

Elaine Marion
Chief Financial Officer
Joined ePlus in 1998
25+ Years of Experience

Darren Raiguel
Chief Operating Officer, President of ePlus Technology, inc.
Joined ePlus in 1997
25+ Years of Experience

Dan Farrell
Senior Vice President, National Professional Services
Joined ePlus in 2010
30+ Years of Experience

Kley Parkhurst
Senior Vice President, Corporate Development
Joined ePlus in 1991
30+ Years of Experience

Erica Stoecker
General Counsel
Joined ePlus in 2001
20+ Years of Experience

Doug King
Chief Information Officer
Joined ePlus in 2018
20+ Years of Experience

Steve Mencarini
Senior Vice President, Business Operations
Joined ePlus in 1997
35+ Years of Experience

Ken Farber
President, ePlus Software, LLC
Joined ePlus in 2001
30+ Years of Experience

Well Positioned within the IT Ecosystem

Our range of complex solutions and services places us in high end of the IT market

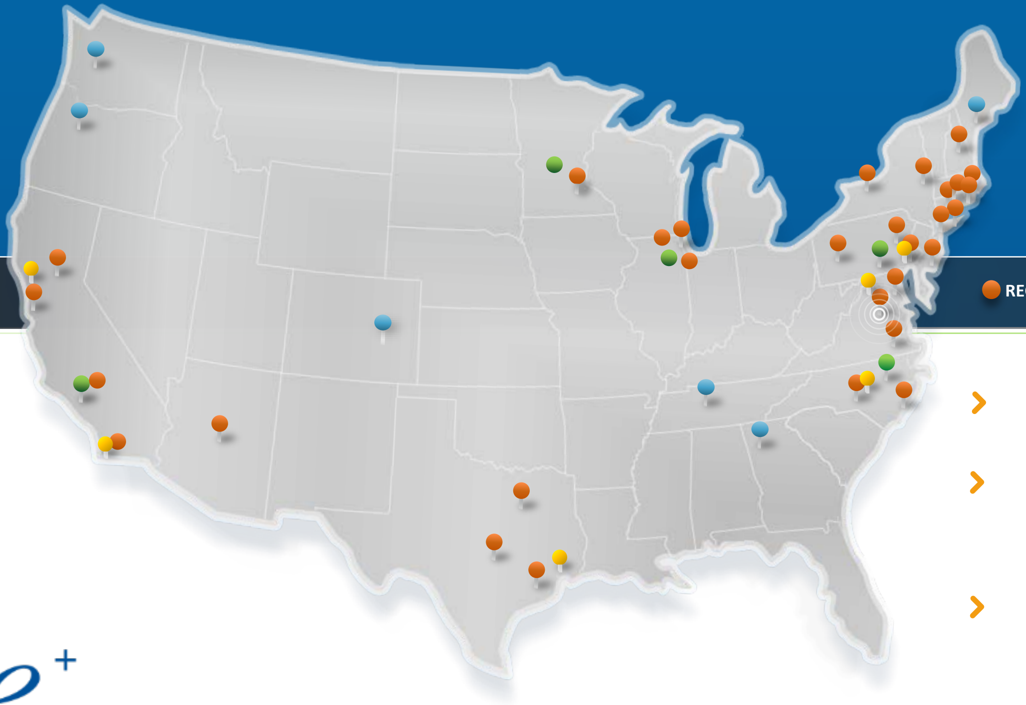
Vendors
25 – 65% GM

Distributors	VARs	IT Solutions	Services/Integrators
5 – 13% GM	13 – 16% GM	20 – 24% GM	29 – 32% GM

[1] Based on approximate LTM GAAP gross margin

Expanding Footprint

Resources to implement locally and globally



- 40+ locations serving the U.S., Europe, and Asia-Pac
- 24/7 365 managed services operations and integration centers strategically placed throughout the U.S.
- 650+ technical and support resources certified by the top IT manufacturers in the world

Targeted M&A Strategy with Track Record of Success

SLAIT Consulting

- January 2019 ($50.7 million*)
- Southern and central Virginia
- Security managed services and consulting, helpdesk, staffing; new customers

* Represents preliminary purchase price

IDS

- September 2017 ($38.4 million)
- Chicago and Indianapolis data centers
- New geography and customers

OneCloud Consulting

- May 2017 ($10.0 million)
- Cloud-based services, solutions and DevOps
- Offices in Milpitas, CA and India

Consolidated communications

- December 2016 ($13.1 million) division of CCI
- Minneapolis, MN Cisco VAR
- New geography and customers

IGXGLOBAL

- December 2015 ($16.6 million)
- UK location to serve UK and global customers
- Expand security offerings

EVOLVE TECHNOLOGY GROUP

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

ADVISTOR IT INFRASTRUCTURE

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

pbm IT Solutions

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

Note: amounts in parenthesis represent purchase price.

Customized Solutions

*Positioned squarely at the forefront of today's most **transformative technologies…***

Cloud

Create customized roadmaps, then design, implement, service, and support customers on their journey to adopt hybrid and multi cloud services (private and public).

Security

Deliver cybersecurity programs built upon people and culture and technology, to mitigate business risk, fortify digital transformation, and create safer environments.

Digital Infrastructure

Support the next phase of digitization with solutions that enable secure and efficient communication, improve the end user experience, lower costs, and empower data-driven decision making, beginning with the network of the platform.

Services

Apply a lifecycle approach to consult, design, architect, and implement solutions as well as monitor and manage IT environments.

Financing and Consumption Models

Enable technology acquisitions with cost predictability and contract flexibility as well as align costs with demand using custom consumption programs.

Measurable Results

ePlus helps organizations imagine, implement, and achieve more from technology.

Cloud

Enterprise Defined Data Center
Agile Infrastructure
Multi Cloud
Hybrid Cloud / Automation
ePlus Cloud Services
Converged / Hyper Converged Infrastructure

Security

Strategy and Risk Management
Architecture and Design
Managed Security Services
Firewall and Endpoints

Digital Infrastructure

IoT and Analytics
SD-WAN
Software-Defined Networking
Mobility / Connectivity
Collaboration

Services

Enhanced Maintenance Support
Monitoring Services
Managed Services
Staffing
Executive Services Portfolio
Cloud Trainings
DevOps on Nexus Platform
Application Centric Infrastructure

Financing and Consumption Models

As-a-Service Opex Payment Models
OEM Solutions

Independent Provider with Deep Strategic Relationships

SELECTED STRATEGIC PARTNERS

Cisco
+ Excellent channel partner for *e*Plus, representing 42% of technology segment net sales [1]
+ All core products plus data center, security, lifecycle services, and Cisco One/software
+ *e*Plus holds over 600 active certifications in Cisco technologies

Hewlett Packard Enterprise
+ Converged infrastructure, enterprise storage, networking and virtualization
+ Cloud, server and storage solutions

NetApp
+ NetApp Star Partner and Professional Services Partner
+ Network storage (including All Flash Data Storage arrays) and services focused applications, file server consolidation, private and public cloud

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

VMware
+ Virtual infrastructure solutions

Check Point Software Technologies Ltd. · Citrix · paloalto · Pure Storage · intel · aws · Microsoft · f5 · Microsoft Azure · Mist · Juniper Networks · splunk · Nutanix · NVIDIA · Arista · Fortinet · Gigamon

EMERGING VENDORS

SECURITY: netskope · okta · Varonis · proofpoint

CLOUD/BACKUP: Google · Veeam · rubrik

DIGITAL INFRASTRUCTURE: kubernetes · Kubeflow · TensorFlow · relayr.

AI & ANALYTICS: AppDynamics

[1] Based on the year ended March 31, 2019

Broad and Diverse Customer Base

Net Sales FY19

22%	TECHNOLOGY
17%	GOVERNMENT & EDUCATION
13%	TELECOM, ENTERTAINMENT, & MEDIA
15%	FINANCIAL SERVICES
15%	HEALTHCARE
18%	OTHER

Sampling of Our Customers

Adobe		Disney	Berkshire Hathaway Inc.	NewYork-Presbyterian	ALCOA
cisco		EA	Bloomberg	Texas Children's Hospital	HERSHEY THE HERSHEY COMPANY
NetApp		facebook	FINRA	Quest Diagnostics	jiffy lube
vmware	Columbia University IN THE CITY OF NEW YORK	verizon	GEICO	Yale NewHaven Health	NORTHROP GRUMMAN

TECHNOLOGY

GOVERNMENT & EDUCATION

TELECOM, ENTERTAINMENT, & MEDIA

FINANCIAL SERVICES

HEALTHCARE

OTHER

Why ePlus

In today's constantly changing, complex tech landscape, organizations need a partner that can solve short-term challenges with sustainable solutions that ensure long-term success.

"Do what it takes" dedication
Long-term view and enduring commitment extending well beyond the transaction

Industry-leading consultative expertise
Capability to help customers better understand their evolving business environment

Comprehensive offerings
Transformative technology to deliver measurable business outcomes: cloud, security, and digital infrastructure

Proven processes & methodologies
Up-front assessments, followed by design and architecture, deployment and implementation, managed services, professional services, and staffing

Highly-accessible, consumption-based solutions
Enable future success and better position our customers for tomorrow's needs

Elaine Marion

Chief Financial Officer

Strong Financial Results

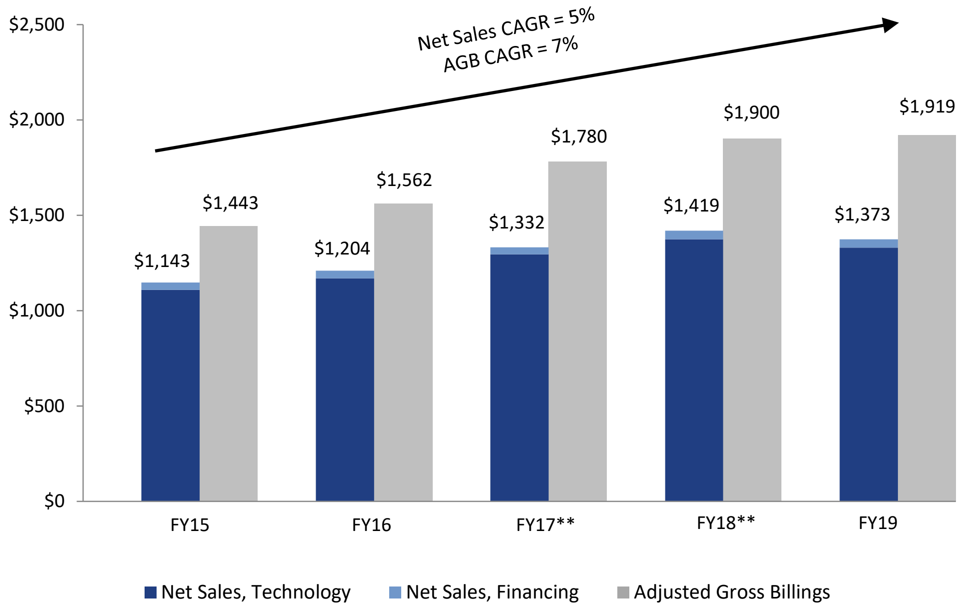
FYE March 31

+ Operations are conducted through two segments. The technology segment sells information technology products, software and services, while the financing segment provides lease and financing solutions.

+ The majority of our net sales are derived from our technology segment, representing 97% of revenues in FY19.

+ From FY15 to FY19, net sales and adjusted gross billings have increased at a compound annual rate of 5% and 7%, respectively.

Net Sales and Adjusted Gross Billings * ($mm)



* See Non-GAAP Financial Information

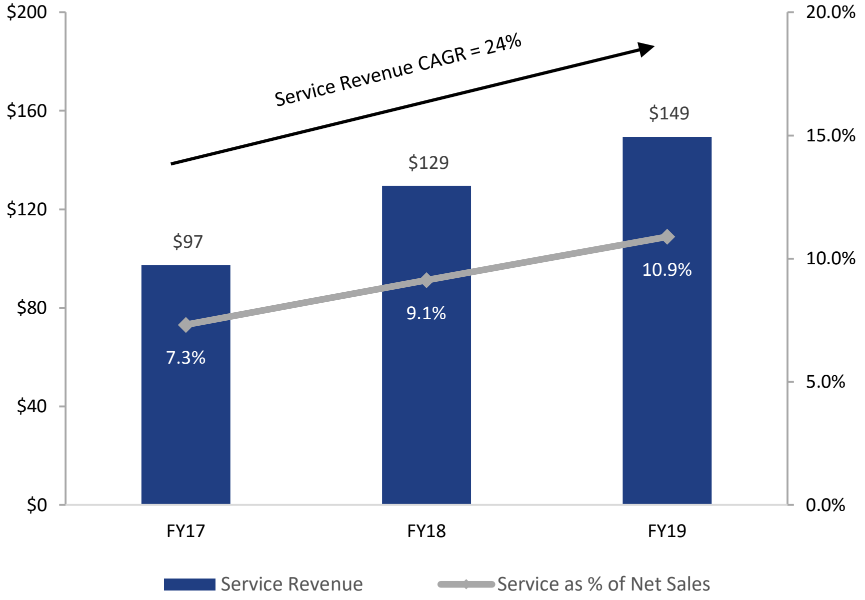
** Amounts for FY18 and FY17 have been adjusted to reflect the adoption of Topic 606.

Strong Financial Results

FYE March 31

+ Service revenue includes professional services, managed services, and staff augmentation services.
+ From FY17 to FY19, service revenue has increased at a compound annual rate of 24%.
+ Service revenue as a percentage of net sales grew from 7.3% in FY17 to 10.9% in FY19.

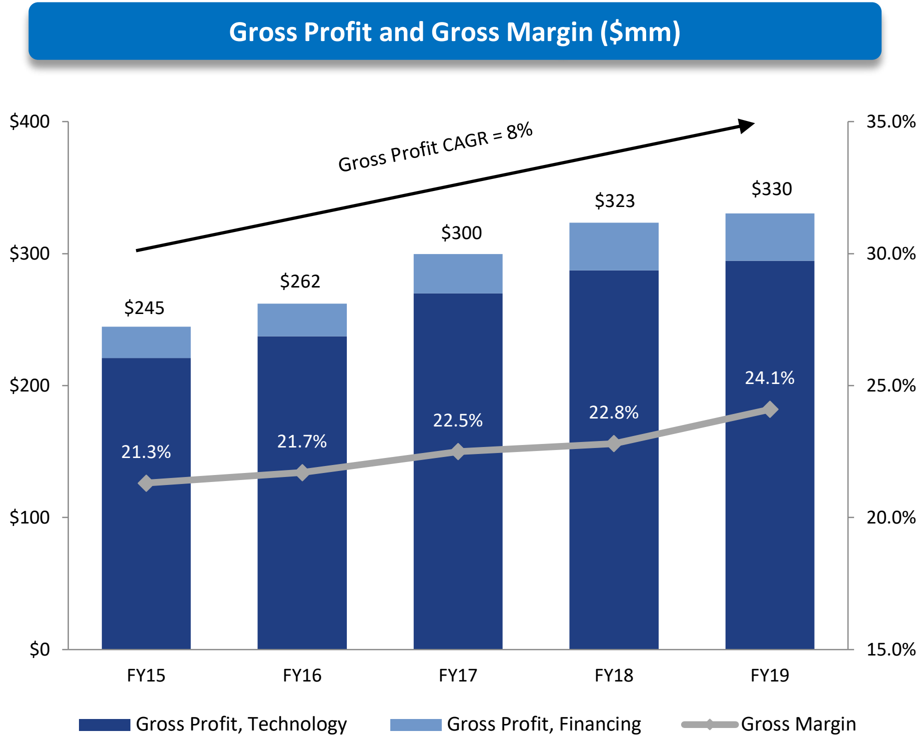
Service Revenue ($mm)



Strong Financial Results

FYE March 31

- Consolidated gross profit increased at a compounded annual rate of 8% from FY15 to FY19, driven by our technology segment, which represented 89% of our total gross profit in FY19.
- Consolidated gross margin has increased from 21.3% in FY15 to 24.1% in FY19.
- Technology segment gross margin has increased from 19.9% in FY15 to 22.2% in FY19, as services capabilities continued to expand.

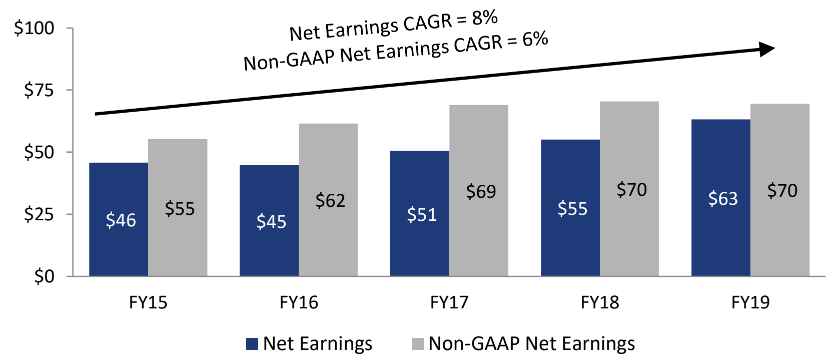


Strong Financial Results

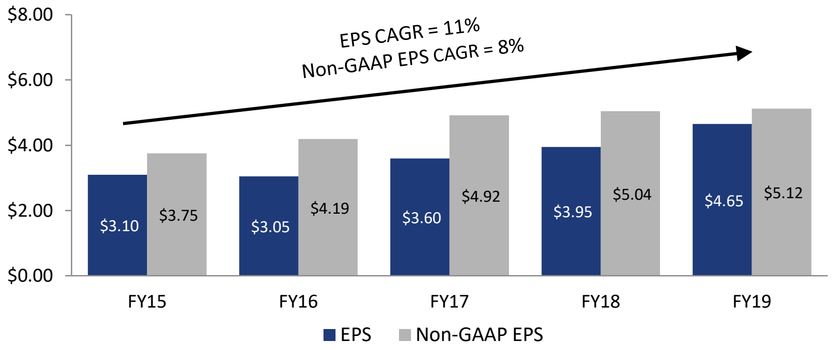
- From FY15 to FY19, net earnings increased at a compounded annual rate of 8% as a result of focusing on revenue growth and controlling overhead expenses.
- EPS and non-GAAP EPS CAGR are 11% and 8%, respectively, from FY15 to FY19.
- Non-GAAP EPS excluded other income (expense), share based compensation, and acquisition and integration expenses, and the related tax effects; and the tax (benefit) expense due to the re-measurement of our deferred tax assets and liabilities at the new U.S. tax rate, and an adjustment to our tax expense in the prior year assuming a 21% U.S. federal statutory income tax rate for U.S. operations.

FYE March 31

Net Earnings and Non-GAAP Net Earnings * ($mm)



EPS and Non-GAAP EPS *

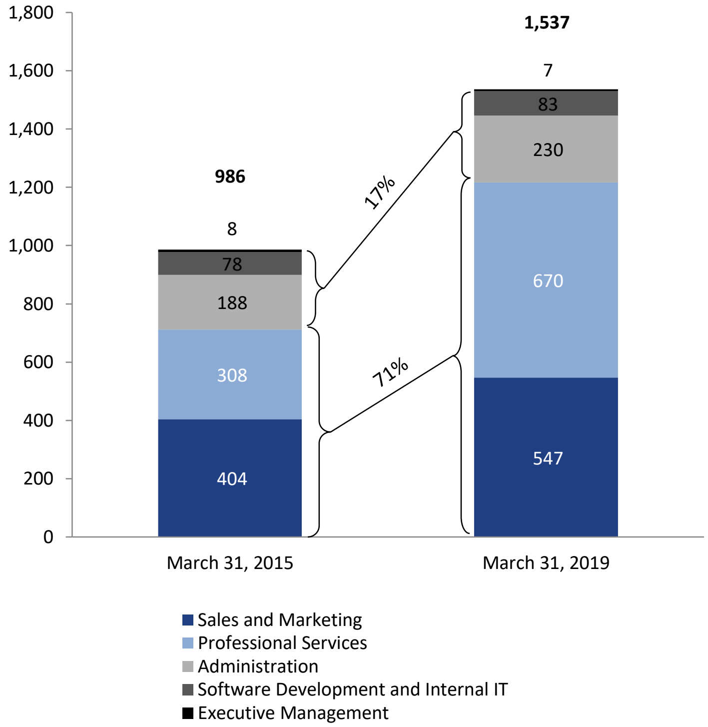


* See Non-GAAP Financial Information

Growing Customer Facing Personnel

- Acquiring consultative sales professionals to bring successful business outcomes to our customers.
- Focused on growing engineering talent in cloud, security, and digital infrastructure.
- Leveraging our operational infrastructure as we expand.

Employee Headcount Growth by Function



Strong Balance Sheet

$ in millions

- $80 million in cash and equivalents
- $250 million financing facility with Wells Fargo Commercial Distribution Finance, LLC
- Financing portfolio of $123 million, representing investments in leases and notes
- Portfolio monetization can be utilized to raise additional cash
- ROIC 12.3% for the fiscal year ended March 31, 2019 [1]

[1] ROIC = Operating Income x (1 – 26.7%) / (BV of debt + equity)

Assets	March 31, 2019	March 31, 2018
Cash and equivalents	$ 80	$ 118
Accounts receivable	342	297
Inventory	50	40
Financing investments	123	138
Goodwill & other intangibles	150	103
Property & equipment , deferred costs and other	41	59
Total assets	$ 786	$ 755
Liabilities		
Accounts payable	$ 203	$ 219
Recourse notes payable	-	1
Non-recourse notes payable	49	51
Other liabilities	110	111
Total liabilities	$ 362	$ 382
Shareholders' Equity		
Equity	424	373
Total liabilities & equity	$ 786	$ 755

Customized Solutions.
Measurable Results.

Positioned squarely at the forefront of today's most transformative technologies, ePlus' solutions, services, and financing expertise help organizations imagine, implement, and achieve more from technology.

Q & A

Cloud

Data Center

Security

Networking

Collaboration

Emerging

Services

Financial and Consumption Models

Appendix

Non-GAAP Financial Information

$ in thousands

	Year Ended March 31,				
	2019	2018	2017	2016	2015
Technology segment net sales [1]	$ 1,329,520	$ 1,372,765	$ 1,294,937	$ 1,169,065	$ 1,108,449
Costs incurred related to sales of third-party maintenance, software assurance and subscirption/SaaS licenses, and services	589,475	526,920	485,480	393,126	334,155
Adjusted gross billings	$ 1,918,995	$ 1,899,685	$ 1,780,417	$ 1,562,191	$ 1,442,604
Net earnings	$ 63,192	$ 55,122	$ 50,556	$ 44,747	$ 45,840
Provision for income taxes	23,038	28,769	35,556	31,004	32,473
Depreciation and amortization [2]	11,824	9,921	7,252	5,548	4,333
Share based compensation	7,244	6,464	6,025	5,711	4,585
Acquisition and integration expense	1,813	2,150	278	681	(114)
Other (income) expense [3]	(6,696)	348	(380)	-	(7,603)
Adjusted EBITDA	$ 100,415	$ 102,774	$ 99,287	$ 87,691	$ 79,514
Adjusted EBITDA margin	7.3%	7.2%	7.5%	7.3%	6.9%

[1] Amounts for 2018 and 2017 have been adjusted to reflect the adoption of Accounting Standards Codification Topic 606, Revenue from Contracts with Customers.

[2] Amount consists of depreciation and amortization for assets used internally.

[3] Other income, interest income, and foreign currency transaction gains and losses.

Non-GAAP Financial Information

$ in thousands, except per share information

	Year Ended March 31,				
	2019	2018	2017	2016	2015
GAAP: Earnings before tax	$ 86,230	$ 83,891	$ 86,112	$ 75,751	$ 78,313
Share based compensation	7,244	6,464	6,025	5,711	4,585
Acquisition and integration expense	1,813	2,150	278	681	(114)
Acquisition related amortization expense [1]	7,423	5,978	4,000	2,917	1,888
Other (income) expense [2]	(6,696)	348	(380)	-	(7,603)
Non-GAAP: Earnings before taxes	96,014	98,831	96,035	85,060	77,069
GAAP: Provision for income taxes	23,038	28,769	35,556	31,004	32,473
Share based compensation	1,988	1,866	1,709	1,581	1,290
Acquisition and integration expense	522	621	79	188	(32)
Acquisition related amortization expense [1]	1,916	1,598	938	807	531
Other (income) expense [2]	(1,702)	101	(108)	-	(2,140)
Re-measurement of deferred taxes [3]	-	1,654	-	-	-
Adjustment to U.S. federal income tax rate to 21%	-	(7,635)	(11,650)	(10,040)	(10,431)
Tax benefit on restricted stock	672	1,444	514	-	-
Non-GAAP: Provision for income taxes	26,434	28,418	27,038	23,540	21,691
Non-GAAP: Net earnings	$ 69,580	$ 70,413	$ 68,997	$ 61,520	$ 55,378
GAAP: Net earnings per common share – diluted	$ 4.65	$ 3.95	$ 3.60	$ 3.05	$ 3.10
Share based compensation	0.38	0.33	0.31	0.28	0.22
Acquisition and integration expense	0.09	0.11	0.01	0.03	(0.01)
Acquisition related amortization expense [1]	0.40	0.32	0.22	0.14	0.09
Other (income) expense [2]	(0.35)	0.01	(0.02)	-	(0.37)
Re-measurement of deferred taxes [3]	-	(0.12)	-	-	-
Adjustment to U.S. federal income tax rate to 21%	-	0.54	0.84	0.69	0.72
Tax benefit on restricted stock	(0.05)	(0.10)	(0.04)	-	-
Total non-GAAP adjustments – net of tax	$ 0.47	$ 1.09	$ 1.32	$ 1.14	$ 0.65
Non-GAAP: Net earnings per common share – diluted	$ 5.12	$ 5.04	$ 4.92	$ 4.19	$ 3.75

[1] Amount consists of amortization of intangible assets from acquired businesses.
[2] Other income, interest income, and foreign currency transaction gains and losses.
[3] Tax expense for the re-measurement of U.S. deferred income tax assets and liabilities at 21% federal income tax rate for U.S. operations.

Return on Invested Capital

$ in thousands

	Year Ended March 31,				
	2019	2018	2017	2016	2015
Numerator					
Operating income	$ 79,534	$ 84,239	$ 85,732	$ 75,751	$ 70,710
Less: Taxes [1]	(21,236)	(28,894)	(35,407)	(30,982)	(29,345)
Net operating profit after taxes	$ 58,298	$ 55,345	$ 50,325	$ 44,769	$ 41,365
Denominator					
Recourse notes payable	$ 28	$ 1,343	$ 908	$ 3,342	$ 3,690
Non-recourse notes payable	48,619	50,935	36,516	44,080	52,874
Total stockholders' equity	424,253	372,603	345,918	318,878	279,262
Total invested capital	$ 472,900	$ 424,881	$ 383,342	$ 366,300	$ 335,826
Return on invested capital	12.3%	13.0%	13.1%	12.2%	12.3%

[1] The effective income tax rates were 26.7% in FY2019, 34.3% in FY2018, 41.3% in FY2017, 40.9% in FY2016, and 41.5% in FY2015.

Where Technology Means More®

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