Third-Quarter 2022 Earnings Conference Call

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Fourth-Quarter 2022 GAAP to non-GAAP Outlook Reconciliation

($ in billions, except per share data)

NON-GAAP SALES RECONCILIATION

	Quarter Ended			Quarter Ended		
	December 31, 2022	December 31, 2021	% Change	December 31, 2022	October 1, 2022	% Change
Global components sales, GAAP	$6.80 – $7.10	$ 6.68	2% - 6%	$6.80 – $7.10	$ 7.30	(7%) - (3%)
Impact of changes in foreign currencies	—	(0.28)		—	(0.07)	
Global components sales, constant currency	$6.80 – $7.10	$ 6.40	6% - 11%	$6.80 – $7.10	$ 7.23	(6%) - (2%)
Global ECS sales, GAAP	$2.15 – $2.45	$ 2.34	(8%) - 5%	$2.15 – $2.45	$ 1.97	9% - 24%
Impact of changes in foreign currencies	—	(0.14)		—	(0.03)	
Global ECS sales, constant currency	$2.15 – $2.45	$ 2.20	(2%) - 11%	$2.15 – $2.45	$ 1.94	11% - 26%

NON-GAAP EARNINGS RECONCILIATION

	REPORTED GAAP MEASURE	INTANGIBLE AMORTIZATION EXPENSE	RESTRUCTURING & INTEGRATION CHARGES	NON-GAAP MEASURE
Net income per diluted share	$5.44 to $5.64	$0.10	$0.06	$5.60 to $5.80

Earnings Reconciliation

($ in thousands, except per share data)

Three months ended October 1, 2022

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Sales	$ 9,266,432	$ —	$ —	$ —	$ 9,266,432
Gross Profit	1,186,912	—	—	—	1,186,912
Operating income	502,694	8,674	3,635	—	515,003
Income before income taxes	449,106	8,674	3,635	3,480	464,895
Provision for income taxes	105,500	2,219	892	841	109,452
Consolidated net income	343,606	6,455	2,743	2,639	355,443
Noncontrolling interests	1,207	125	—	—	1,332
Net income attributable to shareholders	$ 342,399	$ 6,330	$ 2,743	$ 2,639	$ 354,111
Net income per diluted share[2]	$ 5.27	$ 0.10	$ 0.04	$ 0.04	$ 5.45
Effective tax rate [3]	23.5 %				23.5 %

Three months ended October 2, 2021

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Sales	$ 8,512,391	$ —	$ —	$ —	$ 8,512,391
Gross Profit	1,075,772	—	—	—	1,075,772
Operating income	404,865	9,202	(3,030)	—	411,037
Income before income taxes	373,479	9,202	(3,030)	(1,386)	378,265
Provision for income taxes	82,929	2,353	(689)	(334)	84,259
Consolidated net income	290,550	6,849	(2,341)	(1,052)	294,006
Noncontrolling interests	523	147	—	—	670
Net income attributable to shareholders	$ 290,027	$ 6,702	$ (2,341)	$ (1,052)	$ 293,336
Net income per diluted share[2]	$ 4.00	$ 0.09	$ (0.03)	$ (0.01)	$ 4.04
Effective tax rate [3]	22.2 %				22.3 %

Three months ended July 2, 2022

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Sales	$ 9,460,842	$ —	$ —	$ —	$ 9,460,842
Gross Profit	1,236,214	—	—	—	1,236,214
Operating income	532,828	8,830	2,494	—	544,152
Income before income taxes	485,908	8,830	2,494	9,744	506,976
Provision for income taxes	114,413	2,263	362	2,356	119,394
Consolidated net income	371,495	6,567	2,132	7,388	387,582
Noncontrolling interests	1,161	133	—	—	1,294
Net income attributable to shareholders	$ 370,334	$ 6,434	$ 2,132	$ 7,388	$ 386,288
Net income per diluted share[2]	$ 5.54	$ 0.10	$ 0.03	$ 0.11	$ 5.78
Effective tax rate [3]	23.5 %				23.6 %

(1) Other includes (gain) loss on investments, net.

(2) The sum of the components for non-GAAP diluted EPS may not agree to totals, as presented, due to rounding.

(3) The items as shown in this table, represent the reconciling items for the tax rate as reported by GAAP measure and as a non-GAAP measure.

Return on Working Capital Reconciliation

($ in thousands)

	QUARTER ENDED	
	October 1, 2022	October 2, 2021
Numerator:	(unaudited)	(unaudited)
Consolidated operating income, as reported	$ 502,694	$ 404,865
	x4	x4
Annualized consolidated operating income	$ 2,010,776	$ 1,619,460
Non-GAAP consolidated operating income	$ 515,003	$ 411,037
	x4	x4
Annualized non-GAAP consolidated operating income	$ 2,060,012	$ 1,644,148
Denominator:		
Accounts receivable, net	11,218,611	9,329,427
Inventories	5,083,378	3,834,988
Less: Accounts payable	9,540,449	8,005,207
Working capital	6,761,540	5,159,208
Return on working capital	29.7 %	31.4 %
Return on working capital (non-GAAP)	30.5 %	31.9 %

Return on Invested Capital Reconciliation

($ in thousands)

	QUARTER ENDED	
	October 1, 2022	October 2, 2021
Numerator:	(unaudited)	(unaudited)
Consolidated operating income, as reported	$ 502,694	$ 404,865
Equity in earnings of affiliated companies[1]	1,718	1,151
Less: Noncontrolling interests [1]	1,207	523
Consolidated operating income, as adjusted	503,205	405,493
Less: Tax effect[2]	118,497	90,152
After-tax consolidated operating income, as adjusted	384,708	315,341
	x4	x4
Annualized after-tax consolidated operating income, as adjusted	$ 1,538,832	$ 1,261,364
Non-GAAP consolidated operating income	$ 515,003	$ 411,037
Equity in earnings of affiliated companies[1]	1,718	1,151
Less: Noncontrolling interests [1]	1,332	523
Non-GAAP consolidated operating income, as adjusted	515,389	411,665
Less: Tax effect[3]	121,631	91,824
After-tax non-GAAP consolidated operating income, as adjusted	393,758	319,841
	x4	x4
Annualized after-tax non-GAAP consolidated operating income, as adjusted	$ 1,575,032	$ 1,279,364
Denominator:		
Average short-term borrowings, including current portion of long-term debt[4]	$ 615,285	$ 355,450
Average long-term debt[4]	3,021,758	1,962,077
Average total equity[4]	5,350,485	5,231,045
Less: Average cash and cash equivalents	279,790	230,001
Invested capital	$ 8,707,738	$ 7,318,571
Return on invested capital	17.7 %	17.2 %
Return on invested capital (non-GAAP)	18.1 %	17.5 %

(1) Operating income, as reported, and non-GAAP operating income is adjusted for noncontrolling interest and equity in losses of affiliated companies to include the pro-rata ownership of non-wholly owned subsidiaries.

(2) The tax effect is calculated by applying the effective tax rate for the three months ended October 1, 2022 and October 2, 2021 to consolidated operating income, as adjusted less interest expense.

(3) The tax effect is calculated by applying the non-GAAP effective tax rate for the three months ended October 1, 2022 and October 2, 2021 to non-GAAP consolidated operating income, as adjusted less interest expense.

(4) The quarter ended average is based on the addition of the account balance at the end of the most recently-ended quarter to the account balance at the end of the prior quarter and dividing by two.