First-Quarter 2023
Earnings Conference Call

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Second-Quarter 2023 GAAP to non-GAAP Outlook Reconciliation

($ in billions, except per share data)

NON-GAAP SALES RECONCILIATION

	Quarter Ended			Quarter Ended		
	July 1, 2023	July 2, 2022	% Change	July 1, 2023	April 1, 2023	% Change
Global components sales, GAAP	$6.64 - 7.04	$ 7.46	(11%) - (6%)	$6.64 - 7.04	$ 6.86	(3%) - 3%
Impact of changes in foreign currencies	—	0.01		—	0.04	
Global components sales, constant currency	$6.64 - 7.04	$ 7.47	(11%) - (6%)	$6.64 - 7.04	$ 6.90	(4%) - 2%
Global ECS sales, GAAP	$1.78 - 1.98	$ 2.00	(11%) - (1%)	$1.78 - 1.98	$ 1.88	(5%) - 5%
Impact of changes in foreign currencies	—	0.01		—	0.02	
Global ECS sales, constant currency	$1.78 - 1.98	$ 2.01	(11%) - (1%)	$1.78 - 1.98	$ 1.90	(6%) - 4%

NON-GAAP EARNINGS RECONCILIATION

	REPORTED GAAP MEASURE	INTANGIBLE AMORTIZATION EXPENSE	RESTRUCTURING & INTEGRATION CHARGES	NON-GAAP MEASURE
Net income per diluted share	$4.10 to $4.30	$0.10	$0.05	$4.25 to $4.45

Earnings Reconciliation

($ in thousands, except per share data)

Three months ended April 1, 2023

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Operating income	$ 422,152	$ 7,980	$ 2,560	$ —	$ 432,692
Income before income taxes	351,872	7,980	2,560	(10,311)	352,101
Provision for income taxes	76,547	2,010	720	(2,471)	76,806
Consolidated net income	275,325	5,970	1,840	(7,840)	275,295
Noncontrolling interests	1,575	134	—	—	1,709
Net income attributable to shareholders	$ 273,750	$ 5,836	$ 1,840	$ (7,840)	$ 273,586
Net income per diluted share[2]	$ 4.60	$ 0.10	$ 0.03	$ (0.13)	$ 4.60
Effective tax rate [3]	21.8 %				21.8 %

Three months ended April 2, 2022

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Operating income	$ 510,376	$ 9,018	$ 4,898	$ —	$ 524,292
Income before income taxes	478,356	9,018	4,898	(2,011)	490,261
Provision for income taxes	112,360	2,310	1,205	(486)	115,389
Consolidated net income	365,996	6,708	3,693	(1,525)	374,872
Noncontrolling interests	1,247	140	—	—	1,387
Net income attributable to shareholders	$ 364,749	$ 6,568	$ 3,693	$ (1,525)	$ 373,485
Net income per diluted share[2]	$ 5.31	$ 0.10	$ 0.05	$ (0.02)	$ 5.43
Effective tax rate [3]	23.5 %				23.5 %

Three months ended December 31, 2022

	Reported GAAP measure	Intangible amortization expense	Restructuring & Integration charges	Other[1]	Non-GAAP measure
Operating income	$ 522,596	$ 8,170	$ 2,714	$ —	$ 533,480
Income before income taxes	470,780	8,170	2,714	(8,356)	473,308
Provision for income taxes	116,719	2,056	472	(2,003)	117,244
Consolidated net income	354,061	6,114	2,242	(6,353)	356,064
Noncontrolling interests	4,659	127	—	—	4,786
Net income attributable to shareholders	$ 349,402	$ 5,987	$ 2,242	$ (6,353)	$ 351,278
Net income per diluted share[2]	$ 5.66	$ 0.10	$ 0.04	$ (0.10)	$ 5.69
Effective tax rate [3]	24.8 %				24.8 %

(1) Other includes gain 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.

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Return on Working Capital Reconciliation

($ in thousands)

	QUARTER ENDED			
	April 1, 2023		April 2, 2022	
Numerator:		(unaudited)		(unaudited)
Consolidated operating income, as reported	$	422,152	$	510,376
		x4		x4
Annualized consolidated operating income	$	1,688,608	$	2,041,504
Non-GAAP consolidated operating income	$	432,692	$	524,292
		x4		x4
Annualized non-GAAP consolidated operating income	$	1,730,768	$	2,097,168
Denominator:				
Accounts receivable, net		10,655,863		10,621,942
Inventories		5,525,782		4,645,116
Less: Accounts payable		8,976,296		9,110,391
Working capital		7,205,349		6,156,667
Return on working capital		23.4 %		33.2 %
Return on working capital (non-GAAP)		24.0 %		34.1 %

Return on Invested Capital Reconciliation

($ in thousands)

	QUARTER ENDED	
	April 1, 2023	April 2, 2022
Numerator:	(unaudited)	(unaudited)
Consolidated operating income, as reported	$ 422,152	$ 510,376
Equity in earnings (losses) of affiliated companies[1]	(80)	843
Less: Noncontrolling interests [1]	1,575	1,247
Consolidated operating income, as adjusted	420,497	509,972
Less: Tax effect[2]	91,851	120,083
After-tax consolidated operating income, as adjusted	328,646	389,889
	x4	x4
Annualized after-tax consolidated operating income, as adjusted	$ 1,314,584	$ 1,559,556
Non-GAAP consolidated operating income	$ 432,692	$ 524,292
Equity in earnings (losses) of affiliated companies[1]	(80)	843
Less: Noncontrolling interests [1]	1,709	1,247
Non-GAAP consolidated operating income, as adjusted	430,903	523,888
Less: Tax effect[3]	94,357	123,584
After-tax non-GAAP consolidated operating income, as adjusted	336,546	400,304
	x4	x4
Annualized after-tax non-GAAP consolidated operating income, as adjusted	$ 1,346,184	$ 1,601,216
Denominator:		
Average short-term borrowings, including current portion of long-term debt[4]	$ 367,073	$ 350,009
Average long-term debt[4]	3,451,010	2,517,631
Average total equity[4]	5,605,766	5,384,865
Less: Average cash and cash equivalents	191,235	232,493
Invested capital	$ 9,232,614	$ 8,020,012
Return on invested capital	14.2 %	19.4 %
Return on invested capital (non-GAAP)	14.6 %	20.0 %

(1) Operating income, as reported, and non-GAAP operating income is adjusted for noncontrolling interest and equity in earnings (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 April 1, 2023 and April 2, 2022 to consolidated operating income, as adjusted. The tax rate is adjusted to exclude the impacts of interest expense, gain on investments, net, and employee benefit plan expense, net.

(3) The tax effect is calculated by applying the non-GAAP effective tax rate for the three months ended April 1, 2023 and April 2, 2022 to non-GAAP consolidated operating income, as adjusted. The tax rate is adjusted to exclude the impacts of interest expense, gain on investments, net, and employee benefit plan expense, net.

(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.