UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

# FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 28, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______to ______

Commission file number 1-4482

# ARROW ELECTRONICS, INC.

(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **New York**<br>(State or other jurisdiction of incorporation or organization) | **11-1806155**<br>(I.R.S. Employer Identification Number) |
| **9151 East Panorama Circle**<br>**Centennial CO**<br>(Address of principal executive offices) | **80112**<br>(Zip Code) |

**(303) 824-4000**
(Registrant's telephone number, including area code)

**No Changes**
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of the exchange on which registered |
|---|---|---|
| Common Stock, $1 par value | ARW | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

There were 51,501,705 shares of Common Stock outstanding as of July 24, 2025.

**ARROW ELECTRONICS, INC.**

**Table of Contents**

**ARROW ELECTRONICS, INC.**

**Glossary of Selected Abbreviated Terms***

| Abbreviated Term | Defined Term |
|---|---|
| AFC | Arrow Electronics Funding Corporation |
| ASU | Accounting Standard Update |
| CODM | Chief Operating Decision Maker |
| ECS | Enterprise Computing Solutions |
| EMEA | Europe, the Middle East, and Africa |
| EMS | Electronics Manufacturing Services |
| FASB | Financial Accounting Standards Board |
| GAAP | Generally Accepted Accounting Principles |
| MSPs | Managed Service Providers |
| OEMs | Original Equipment Manufacturers |
| SOFR | Secured Overnight Financing Rate |
| U.S. or United States | United States of America |
| VARs | Value-Added Resellers |

* Terms used, but not defined, within the body of the Form 10-Q, including in the Consolidated Financial Statements and accompanying notes, are defined in this Glossary.

## PART I. FINANCIAL INFORMATION

**Item 1. Financial Statements**

### ARROW ELECTRONICS, INC.
### CONSOLIDATED STATEMENTS OF OPERATIONS
### (In thousands except per share data)
### (Unaudited)

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| Sales | $ 7,579,947 | $ 6,892,868 | $ 14,393,964 | $ 13,817,128 |
| Cost of sales | 6,731,290 | 6,046,424 | 12,771,315 | 12,112,858 |
| Gross profit | 848,657 | 846,444 | 1,622,649 | 1,704,270 |
| Operating expenses: | | | | |
| Selling, general, and administrative | 600,990 | 552,595 | 1,163,306 | 1,135,921 |
| Depreciation and amortization | 35,162 | 41,037 | 70,972 | 82,764 |
| Restructuring, integration, and other | 21,919 | 40,537 | 39,232 | 87,393 |
| | 658,071 | 634,169 | 1,273,510 | 1,306,078 |
| Operating income | 190,586 | 212,275 | 349,139 | 398,192 |
| Equity in (losses) earnings of affiliated companies | (659) | 1,254 | 661 | 910 |
| Gain (loss) on investments, net | 103,976 | (4,615) | 104,116 | (4,517) |
| Loss on extinguishment of debt | — | (1,657) | — | (1,657) |
| Post-retirement expense | (664) | (980) | (1,286) | (1,913) |
| Interest and other financing expense, net | (60,283) | (66,891) | (116,465) | (146,495) |
| Income before income taxes | 232,956 | 139,386 | 336,165 | 244,520 |
| Provision for income taxes | 45,934 | 29,762 | 69,279 | 51,798 |
| Consolidated net income | 187,022 | 109,624 | 266,886 | 192,722 |
| Noncontrolling interests | (727) | 926 | (583) | 423 |
| Net income attributable to shareholders | $ 187,749 | $ 108,698 | $ 267,469 | $ 192,299 |
| | | | | |
| Net income per share: | | | | |
| Basic | $ 3.62 | $ 2.03 | $ 5.14 | $ 3.56 |
| Diluted | $ 3.59 | $ 2.01 | $ 5.09 | $ 3.53 |
| Weighted-average shares outstanding: | | | | |
| Basic | 51,856 | 53,640 | 52,057 | 53,944 |
| Diluted | 52,342 | 54,181 | 52,504 | 54,496 |

See accompanying notes.

**ARROW ELECTRONICS, INC.**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(In thousands)**
**(Unaudited)**

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Consolidated net income | $ 187,022 | $ 109,624 | $ 266,886 | $ 192,722 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation adjustment and other, net of taxes | 268,554 | (24,416) | 401,262 | (123,691) |
| (Loss) gain on foreign exchange contracts designated as net investment hedges, net of taxes | (6,204) | 1,378 | (12,156) | 4,976 |
| (Loss) gain on interest rate swaps designated as cash flow hedges, net of taxes | (424) | (226) | (843) | 303 |
| Post-retirement expense items, net of taxes | (347) | (502) | (709) | (593) |
| Other comprehensive income (loss) | 261,579 | (23,766) | 387,554 | (119,005) |
| Comprehensive income | 448,601 | 85,858 | 654,440 | 73,717 |
| Less: Comprehensive income (loss) attributable to noncontrolling interests | 2,920 | 696 | 4,955 | (955) |
| Comprehensive income attributable to shareholders | $ 445,681 | $ 85,162 | $ 649,485 | $ 74,672 |

See accompanying notes.

**ARROW ELECTRONICS, INC.**
**CONSOLIDATED BALANCE SHEETS**
**(In thousands except par value)**
**(Unaudited)**

| | June 28, 2025 | December 31, 2024 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 221,970 | $ 188,807 |
| Accounts receivable, net | 15,271,349 | 13,030,991 |
| Inventories | 4,749,431 | 4,709,706 |
| Other current assets | 603,670 | 471,909 |
| Total current assets | 20,846,420 | 18,401,413 |
| Property, plant, and equipment, at cost: | | |
| Land | 5,691 | 5,691 |
| Buildings and improvements | 196,556 | 194,061 |
| Machinery and equipment | 1,691,823 | 1,623,228 |
| | 1,894,070 | 1,822,980 |
| Less: Accumulated depreciation and amortization | (1,419,472) | (1,353,720) |
| Property, plant, and equipment, net | 474,598 | 469,260 |
| Investments in affiliated companies | 57,766 | 57,299 |
| Intangible assets, net | 86,552 | 96,706 |
| Goodwill | 2,123,994 | 2,055,295 |
| Other assets | 663,248 | 677,734 |
| Total assets | $ 24,252,578 | $ 21,757,707 |
| **LIABILITIES AND EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 13,213,323 | $ 11,047,470 |
| Accrued expenses | 1,309,323 | 1,238,714 |
| Short-term borrowings, including current portion of long-term debt | 455,612 | 349,978 |
| Total current liabilities | 14,978,258 | 12,636,162 |
| Long-term debt | 2,365,812 | 2,773,783 |
| Other liabilities | 499,434 | 516,234 |
| Contingencies (Note L) | | |
| Equity: | | |
| Shareholders' equity: | | |
| Common stock, par value $1: | | |
| Authorized - 160,000 shares in both 2025 and 2024 | | |
| Issued - 55,815 and 55,592 shares in 2025 and 2024, respectively | 55,815 | 55,592 |
| Capital in excess of par value | 589,480 | 562,080 |
| Treasury stock (4,314 and 3,420 shares in 2025 and 2024, respectively), at cost | (432,447) | (328,078) |
| Retained earnings | 6,248,295 | 5,980,826 |
| Accumulated other comprehensive loss | (127,253) | (509,269) |
| Total shareholders' equity | 6,333,890 | 5,761,151 |
| Noncontrolling interests | 75,184 | 70,377 |
| Total equity | 6,409,074 | 5,831,528 |
| Total liabilities and equity | $ 24,252,578 | $ 21,757,707 |

See accompanying notes.

**ARROW ELECTRONICS, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(In thousands)**
**(Unaudited)**

| | Six Months Ended | |
|---|---|---|
| | June 28, 2025 | June 29, 2024 |
| Cash flows from operating activities: | | |
| Consolidated net income | $ 266,886 | $ 192,722 |
| Adjustments to reconcile consolidated net income to net cash provided by operations: | | |
| Depreciation and amortization | 70,972 | 82,764 |
| Amortization of stock-based compensation | 30,200 | 21,700 |
| Equity in earnings of affiliated companies | (661) | (910) |
| Deferred income taxes | 5,251 | (7,398) |
| Loss on extinguishment of debt | — | 1,657 |
| (Gain) loss on investments, net | (103,895) | 4,652 |
| Other | (302) | 4,975 |
| Change in assets and liabilities, net of effects of acquired businesses: | | |
| Accounts receivable, net | (1,896,481) | 1,213,562 |
| Inventories | 46,449 | 493,474 |
| Accounts payable | 1,949,919 | (1,237,812) |
| Accrued expenses | (81,710) | 273,043 |
| Other assets and liabilities | (140,845) | (319,038) |
| Net cash provided by operating activities | 145,783 | 723,391 |
| Cash flows from investing activities: | | |
| Acquisition of property, plant, and equipment | (43,597) | (51,636) |
| Proceeds from settlement of net investment hedges | 24,858 | — |
| Proceeds from sale of investments in equity securities | 100,000 | — |
| Other | — | 6,452 |
| Net cash provided by (used for) investing activities | 81,261 | (45,184) |
| Cash flows from financing activities: | | |
| Change in short-term and other borrowings | 454,803 | (1,144,520) |
| (Repayments of) proceeds from long-term bank borrowings, net | (413,657) | 673,607 |
| Redemption of notes | (350,000) | (500,000) |
| Net proceeds from note offering | — | 494,678 |
| Proceeds from exercise of stock options | 3,203 | 4,768 |
| Repurchases of common stock | (110,149) | (163,301) |
| Other | (148) | (141) |
| Net cash used for financing activities | (415,948) | (634,909) |
| Effect of exchange rate changes on cash | 222,067 | (48,342) |
| Net increase (decrease) in cash and cash equivalents | 33,163 | (5,044) |
| Cash and cash equivalents at beginning of period | 188,807 | 218,053 |
| Cash and cash equivalents at end of period | $ 221,970 | $ 213,009 |

See accompanying notes.

**ARROW ELECTRONICS, INC.**
**CONSOLIDATED STATEMENTS OF EQUITY**
**(In thousands)**
**(Unaudited)**

| | Common Stock at Par Value | Capital in Excess of Par Value | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive Loss | Noncontrolling Interests | Total |
|---|---|---|---|---|---|---|---|
| Balance at December 31, 2024 | $ 55,592 | $ 562,080 | $(328,078) | $5,980,826 | $ (509,269) | $ 70,377 | $5,831,528 |
| Consolidated net income | — | — | — | 79,720 | — | 144 | 79,864 |
| Other comprehensive income | — | — | — | — | 124,084 | 1,891 | 125,975 |
| Amortization of stock-based compensation | — | 18,559 | — | — | — | — | 18,559 |
| Shares issued for stock-based compensation awards | 195 | (2,849) | 3,558 | — | — | — | 904 |
| Repurchases of common stock | — | — | (59,413) | — | — | — | (59,413) |
| Balance at March 29, 2025 | $ 55,787 | $ 577,790 | $(383,933) | $6,060,546 | $ (385,185) | $ 72,412 | $5,997,417 |
| Consolidated net income (loss) | — | — | — | 187,749 | — | (727) | 187,022 |
| Other comprehensive income | — | — | — | — | 257,932 | 3,647 | 261,579 |
| Amortization of stock-based compensation | — | 11,641 | — | — | — | — | 11,641 |
| Shares issued for stock-based compensation awards | 28 | 49 | 2,222 | — | — | — | 2,299 |
| Repurchases of common stock | — | — | (50,736) | — | — | — | (50,736) |
| Distributions | — | — | — | — | — | (148) | (148) |
| Balance at June 28, 2025 | $ 55,815 | $ 589,480 | $(432,447) | $6,248,295 | $ (127,253) | $ 75,184 | $6,409,074 |

| | Common Stock at Par Value | Capital in Excess of Par Value | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive Loss | Noncontrolling Interests | Total |
|---|---|---|---|---|---|---|---|
| Balance at December 31, 2023 | $ 57,691 | $ 553,340 | $ (297,745) | $ 5,790,217 | $ (298,039) | $ 71,843 | $ 5,877,307 |
| Consolidated net income (loss) | — | — | — | 83,601 | — | (503) | 83,098 |
| Other comprehensive loss | — | — | — | — | (94,091) | (1,148) | (95,239) |
| Amortization of stock-based compensation | — | 13,447 | — | — | — | — | 13,447 |
| Shares issued for stock-based compensation awards | 264 | (1,621) | 4,286 | — | — | — | 2,929 |
| Repurchases of common stock | — | — | (112,204) | — | — | — | (112,204) |
| Balance at March 30, 2024 | $ 57,955 | $ 565,166 | $ (405,663) | $ 5,873,818 | $ (392,130) | $ 70,192 | $ 5,769,338 |
| Consolidated net income | — | — | — | 108,698 | — | 926 | 109,624 |
| Other comprehensive loss | — | — | — | — | (23,536) | (230) | (23,766) |
| Amortization of stock-based compensation | — | 8,253 | — | — | — | — | 8,253 |
| Shares issued for stock-based compensation awards | 91 | 1,111 | 637 | — | — | — | 1,839 |
| Repurchases of common stock | — | — | (51,097) | — | — | — | (51,097) |
| Distributions | — | — | — | — | — | (141) | (141) |
| Balance at June 29, 2024 | $ 58,046 | $ 574,530 | $ (456,123) | $ 5,982,516 | $ (415,666) | $ 70,747 | $ 5,814,050 |

See accompanying notes.

Table of Contents

Index to Notes

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**Index to Notes**

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## Note A – Basis of Presentation

The accompanying consolidated financial statements of Arrow Electronics, Inc. (the "company") were prepared in accordance with GAAP and reflect all adjustments of a normal recurring nature, which are, in the opinion of management, necessary for a fair presentation of the consolidated financial position and results of operations at, and for the periods presented. The consolidated results of operations for the interim periods are not necessarily indicative of results for the full year.

These consolidated financial statements do not include all of the information or notes necessary for a complete presentation and, accordingly, should be read in conjunction with the company's audited consolidated financial statements and accompanying notes for the year ended December 31, 2024, as filed in the company's Annual Report on Form 10-K.

### Quarter End

The company operates on a quarterly calendar that closes on the Saturday closest to the end of the calendar quarter, except for the fourth quarter, which closes on December 31, 2025.

### Reclassification

Certain prior period amounts were reclassified to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

## Note B – Impact of Recently Issued Accounting Standards

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.* This ASU requires entities to disaggregate expense items in the notes to the financial statements and requires disclosure of specified information related to purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments in this ASU are effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Companies have the option to apply the guidance either on a retrospective or prospective basis, and early adoption is permitted. The company is currently evaluating the impact of the ASU on its condensed consolidated financial statements and related disclosures. In January 2025, the FASB issued ASU No. 2025-01, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. This ASU amends the effective date of ASU No. 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption of ASU No. 2024-03 is permitted. The company does not currently anticipate adopting these amendments early.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. Upon adoption of this ASU, the company will disclose specific new categories in its income tax rate reconciliation and provide additional information for reconciling items above a quantitative threshold. The company will also disclose the amount of income taxes paid disaggregated by federal, state, and foreign taxes, and also disaggregated by individual jurisdictions in which income taxes paid were above a threshold. The company expects these amendments will first be applied in the company's annual report on Form 10-K for the fiscal year ending December 31, 2025, on a prospective basis.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## Note C – Goodwill and Intangible Assets

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. The company tests goodwill and other indefinite-lived intangible assets for impairment annually as of the first day of the fourth quarter, or more frequently if indicators of potential impairment exist.

Goodwill of companies acquired, allocated to the company's reportable segments, is as follows:

| (thousands) | Global Components | Global ECS | Total |
|---|---|---|---|
| Balance as of December 31, 2024 (a) | $ 902,445 | $ 1,152,850 | $ 2,055,295 |
| Foreign currency translation adjustment | 17,189 | 51,510 | 68,699 |
| Balance as of June 28, 2025 (a) | $ 919,634 | $ 1,204,360 | $ 2,123,994 |

(a) The total carrying value of goodwill as of June 28, 2025 and December 31, 2024, in the table above is reflected net of $1.6 billion of accumulated impairment charges, of which $1.3 billion was recorded in the global components reportable segment and $301.9 million was recorded in the global ECS reportable segment.

Intangible assets, net, are comprised of the following as of June 28, 2025:

| (thousands) | Gross Carrying Amount | Accumulated Amortization | Net |
|---|---|---|---|
| Customer relationships | $ 192,715 | $ (118,891) | $ 73,824 |
| Amortizable trade name | 74,001 | (61,273) | 12,728 |
| | $ 266,716 | $ (180,164) | $ 86,552 |

Intangible assets, net, are comprised of the following as of December 31, 2024:

| (thousands) | Gross Carrying Amount | Accumulated Amortization | Net |
|---|---|---|---|
| Customer relationships | $ 215,366 | $ (133,927) | $ 81,439 |
| Amortizable trade name | 74,001 | (58,734) | 15,267 |
| | $ 289,367 | $ (192,661) | $ 96,706 |

During the second quarter of 2025 and 2024, the company recorded amortization expense related to identifiable intangible assets of $4.9 million and $7.5 million, respectively. During the first six months of 2025 and 2024, amortization expense related to identifiable intangible assets was $10.2 million and $15.0 million, respectively.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## Note D – Investments in Affiliated Companies

The company owns a 50% interest in two joint ventures with Marubun Corporation (collectively "Marubun/Arrow") and a 50% interest in one other joint venture. These investments are accounted for using the equity method.

The following table presents the company's investment in affiliated companies:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Marubun/Arrow | $ 43,300 | $ 43,851 |
| Other | 14,466 | 13,448 |
| | $ 57,766 | $ 57,299 |

The equity in (losses) earnings of affiliated companies consists of the following:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| (thousands) | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| Marubun/Arrow | $ (843) | $ 620 | $ 65 | $ 86 |
| Other | 184 | 634 | 596 | 824 |
| | $ (659) | $ 1,254 | $ 661 | $ 910 |

Under the terms of various joint venture agreements, the company is required to pay its pro-rata share of the third-party debt of the joint ventures in the event that the joint ventures are unable to meet their obligations. There were no outstanding borrowings under the third-party debt agreements of the joint ventures as of June 28, 2025 and December 31, 2024.

In the second quarter of 2025, the company sold an investment in certain equity securities for $100.0 million and recorded a gain on investments of $99.0 million. This investment was previously accounted for as equity securities without a readily determinable fair value.

## Note E – Accounts Receivable

Accounts receivable, net, consists of the following:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Accounts receivable | $ 15,393,487 | $ 13,147,436 |
| Allowance for credit losses | (122,138) | (116,445) |
| Accounts receivable, net | $ 15,271,349 | $ 13,030,991 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

The following table is a rollforward for the company's allowance for credit losses:

| | Six Months Ended | |
|---|---|---|
| **(thousands)** | **June 28, 2025** | **June 29, 2024** |
| Balance at beginning of period | $ 116,445 | $ 146,480 |
| Charged to income | 8,737 | (12,204) |
| Translation adjustments | 4,362 | (1,331) |
| Write-offs | (7,406) | (15,013) |
| Balance at end of period | $ 122,138 | $ 117,932 |

The company monitors the current credit condition of its customers in estimating the expected credit losses and has not experienced significant changes in customers' payment trends or significant deterioration in customers' credit risk as of June 28, 2025. For the six months ended June 29, 2024, the net benefit recorded to income of $12.2 million includes a $20.0 million reversal of an allowance previously recorded in the ECS reportable segment for aged receivables that were collected during the second quarter of 2024.

EMEA Asset Securitization

The company has an EMEA asset securitization program under which it continuously sells its interest in designated pools of trade accounts receivable of certain of its subsidiaries in the EMEA region at a discount to a special purpose entity, which in turn sells certain of the receivables to unaffiliated financial institutions and conduits administered by such unaffiliated financial institutions ("unaffiliated financial institutions") on a monthly basis. The company may sell up to €600.0 million under the EMEA asset securitization program, which matures in December 2027, subject to extension in accordance with its terms. The program is conducted through Arrow EMEA Funding Corp B.V., an entity structured to be bankruptcy remote. The company is deemed the primary beneficiary of Arrow EMEA Funding Corp B.V. as the company has both the power to direct the activities that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive the benefits that could potentially be significant to the entity from the transfer of the trade accounts receivable into the special purpose entity. Accordingly, Arrow EMEA Funding Corp B.V. is included in the company's consolidated financial statements.

Sales of accounts receivable to unaffiliated financial institutions under the EMEA asset securitization program:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(thousands)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| EMEA asset securitization, sales of accounts receivable | $ 416,150 | $ 477,779 | $ 788,791 | $ 1,017,659 |

Receivables sold to unaffiliated financial institutions under the program are excluded from "Accounts receivable, net" on the company's consolidated balance sheets, and cash receipts are reflected in the "Cash provided by operating activities" section of the consolidated statements of cash flows. The purchase price is paid in cash when the receivables are sold. Certain unsold receivables held by Arrow EMEA Funding Corp B.V. are pledged as collateral to unaffiliated financial institutions. These unsold receivables are included in "Accounts receivable, net" on the company's consolidated balance sheets.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

The company continues servicing the receivables which were sold and in exchange receives a servicing fee under the program. The company does not record a servicing asset or liability on the company's consolidated balance sheets as the company estimates that the fee it receives to service these receivables approximates the fair market compensation to provide the servicing activities.

Other amounts related to the EMEA asset securitization program are set forth below:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Receivables sold to unaffiliated financial institutions that were uncollected | $ 348,698 | $ 339,669 |
| Collateralized accounts receivable held by Arrow EMEA Funding Corp B.V. | 618,794 | 528,975 |

Any accounts receivable held by Arrow EMEA Funding Corp B.V. would likely not be available to other creditors of the company in the event of bankruptcy or insolvency proceedings if there are outstanding balances under the EMEA asset securitization program. The assets of the special purpose entity cannot be used by the company for general corporate purposes. Additionally, the financial obligations of Arrow EMEA Funding Corp B.V. to the unaffiliated financial institutions under the program are limited to the assets it owns and there is no recourse to Arrow Electronics, Inc. for receivables that are uncollectible as a result of an account debtor's insolvency or inability to pay.

The EMEA asset securitization program includes terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels. As of June 28, 2025, the company was in compliance with all such financial covenants.

Factoring

In the normal course of business, certain of the company's subsidiaries have factoring agreements to sell, with limited or no recourse, selected trade accounts receivable to financial institutions and accounts for these transactions as sales of the related receivables. The receivables are excluded from "Accounts receivable, net" on the company's consolidated balance sheets and cash receipts are reflected as "Cash provided by operating activities" on the consolidated statements of cash flows. The company typically does not retain financial or legal interests in these receivables. Factoring fees for the sales of accounts receivables are included in "Interest and other financing expense, net" in the consolidated statements of operations. The company continues servicing the receivables which were sold.

Sales of trade accounts receivable under the company's factoring programs:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| (thousands) | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| Sales of accounts receivable under the factoring programs | $ 389,614 | $ 239,631 | $ 552,365 | $ 447,921 |

Other amounts under the company's factoring programs:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Receivables sold under the factoring programs that were uncollected | $ 320,759 | $ 182,432 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## Note F – Supplier Finance Programs

At the request of certain of the company's suppliers, the company has entered into agreements ("supplier finance programs") with third-party finance providers, which facilitate the participating suppliers' ability to sell their receivables from the company to the third-party financial institutions, at the sole discretion of the suppliers. For agreeing to participate in these programs, the company seeks to secure improved standard payment terms with its suppliers. The company is not involved in negotiating terms of the arrangements between its suppliers and the financial institutions and has no economic interest in a supplier's decision to enter into these agreements or sell receivables from the company. The company's rights and obligations to its suppliers, including amounts due, are not impacted by suppliers' decisions to sell amounts under the arrangements. However, the company agrees to make all payments to the third-party financial institutions, and the company's right to offset balances due from suppliers against payment obligations is restricted by the agreements for those payment obligations that have been sold by suppliers. As of June 28, 2025, and December 31, 2024, the company had $797.4 million and $1.3 billion, respectively, in obligations outstanding under these programs included in "Accounts payable" on the company's consolidated balance sheets and all activity related to the obligations is presented within operating activities on the consolidated statements of cash flows.

## Note G – Debt

Short-term borrowings, including current portion of long-term debt, consist of the following:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| 4.00% notes, due April 2025 | $ — | $ 349,808 |
| Commercial paper | 407,368 | — |
| Other short-term borrowings | 48,244 | 170 |
| | $ 455,612 | $ 349,978 |

The company has $500.0 million in uncommitted lines of credit. There were no outstanding borrowings under the uncommitted lines of credit at June 28, 2025 and December 31, 2024. The maturity for borrowings is generally short term and is agreed upon with lenders at the time of each borrowing. The uncommitted lines of credit had a weighted-average effective interest rate of 4.82% and 5.18% at June 28, 2025 and December 31, 2024, respectively.

The company has a commercial paper program, and the maximum aggregate balance of commercial paper outstanding may not exceed the borrowing capacity of $1.2 billion. Amounts outstanding under the commercial paper program are backstopped by available commitments under the company's revolving credit facility. The company had $407.4 million in outstanding borrowings under this program at June 28, 2025 and no outstanding borrowings at December 31, 2024. The commercial paper program had an effective interest rate of 4.74% and 5.21% at June 28, 2025 and December 31, 2024, respectively.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

Long-term debt consists of the following:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Revolving credit facility | $ — | $ 30,000 |
| North American asset securitization program | 246,000 | 633,000 |
| 7.50% senior debentures, due 2027 | 110,307 | 110,266 |
| 3.875% notes, due 2028 | 498,124 | 497,775 |
| 5.15% notes, due 2029 | 495,669 | 495,209 |
| 2.95% notes, due 2032 | 495,851 | 495,576 |
| 5.875% notes, due 2034 | 495,205 | 494,986 |
| Other obligations with various interest rates and due dates | 24,656 | 16,971 |
| | $ 2,365,812 | $ 2,773,783 |

The 7.50% senior debentures are not redeemable prior to their maturity. All other notes may be called at the option of the company subject to “make whole” clauses.

The estimated fair market value of long-term debt, using quoted market prices, is as follows:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| 7.50% senior debentures, due 2027 | $ 115,000 | $ 115,000 |
| 3.875% notes, due 2028 | 490,000 | 481,500 |
| 5.15% notes, due 2029 | 507,500 | 498,000 |
| 2.95% notes, due 2032 | 438,000 | 426,000 |
| 5.875% notes, due 2034 | 514,500 | 502,500 |

The carrying amount of the company’s other short-term borrowings, North American asset securitization program, commercial paper, and other obligations approximate their fair value.

The company has a $2.0 billion revolving credit facility that may be used by the company for general corporate purposes including working capital in the ordinary course of business, letters of credit, repayment, prepayment or purchase of long-term indebtedness, acquisitions, and as support for the company’s commercial paper program, as applicable. In June 2025, the company amended its revolving credit facility and, among other things, extended its term to mature in June 2030. Interest on borrowings under the revolving credit facility is calculated using a base rate or SOFR, plus a spread (1.08% at June 28, 2025), which is based on the company’s credit ratings, or a weighted-average effective interest rate of 5.43% at June 28, 2025. The effective interest rate was 5.48% at December 31, 2024. The facility fee, which is based on the company’s credit ratings, was 0.175% of the total borrowing capacity at June 28, 2025. The company had no outstanding borrowings and $30.0 million in outstanding borrowings under the revolving credit facility at June 28, 2025 and December 31, 2024, respectively.

The company has a North American asset securitization program collateralized by accounts receivable of certain of its subsidiaries. The company may borrow up to $1.5 billion under the program which matures in September 2027. The program is conducted through AFC, a wholly-owned, bankruptcy-remote subsidiary. The North American asset securitization program does not qualify for sale treatment. Accordingly, the accounts receivable and related debt obligation remain on the company’s consolidated balance sheets. Interest on borrowings is calculated using a base rate plus a spread (0.40% at June 28, 2025) plus a credit spread adjustment of 0.10% or an effective interest rate of 4.83% at June 28, 2025 and December 31, 2024, respectively. The facility fee is 0.40% of the total borrowing capacity.

The company had $246.0 million and $633.0 million in outstanding borrowings under the North American asset securitization program at June 28, 2025 and December 31, 2024, respectively, which was included in "Long-term debt" on the company's consolidated balance sheets. Total collateralized accounts receivable of approximately $2.8 billion and $3.0 billion were held by AFC and were included in "Accounts receivable, net" on the company's consolidated balance sheets at June 28, 2025 and December 31, 2024, respectively. Any accounts receivable held by AFC would likely not be available to other creditors of the company in the event of bankruptcy or insolvency proceedings of the company before repayment of any outstanding borrowings under the North American asset securitization program.

Both the revolving credit facility and North American asset securitization program include terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels. As of June 28, 2025, the company was in compliance with all such financial covenants.

In the second quarter of 2025, the company repaid in full the $350.0 million principal amount of its 4.00% notes due April 2025.

Interest and dividend income of $8.4 million and $18.5 million for the second quarter and first six months of 2025, respectively, and $14.7 million and $34.2 million for the second quarter and first six months of 2024, respectively, were recorded in "Interest and other financing expense, net" within the company's consolidated statements of operations.

## Note H – Financial Instruments Measured at Fair Value

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The company utilizes a fair value hierarchy, which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The fair value hierarchy has three levels of inputs that may be used to measure fair value:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

The following table presents assets measured at fair value on a recurring basis at June 28, 2025:

| (thousands) | Balance Sheet Location | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| Cash equivalents (a) | Cash and cash equivalents | $ 15,831 | $ — | $ — | $ 15,831 |
| Equity investments (b) | Other assets | 41,389 | — | — | 41,389 |
| Foreign exchange contracts designated as net investment hedges | Other assets / other current assets | — | 14,943 | — | 14,943 |
| | | $ 57,220 | $ 14,943 | $ — | $ 72,163 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

The following table presents assets measured at fair value on a recurring basis at December 31, 2024:

| (thousands) | Balance Sheet Location | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| Cash equivalents (a) | Cash and cash equivalents | $ 10,751 | $ — | $ — | $ 10,751 |
| Equity investments (b) | Other assets | 42,907 | — | — | 42,907 |
| Foreign exchange contracts designated as net investment hedges | Other assets / other current assets | — | 53,679 | — | 53,679 |
| | | $ 53,658 | $ 53,679 | $ — | $ 107,337 |

(a) Cash equivalents include highly liquid investments with an original maturity of less than three months.
(b) The company has an approximately 9.0% equity ownership interest in Marubun Corporation and a portfolio of mutual funds with quoted market prices. The company recorded unrealized gains of $0.7 million and $0.5 million for the second quarter and first six months of 2025, respectively, on equity securities held at the end of the quarter. The company recorded unrealized losses of $6.7 million and $10.3 million for the second quarter and first six months of 2024, respectively, on equity securities held at the end of the quarter.

Assets and liabilities that are measured at fair value on a nonrecurring basis relate primarily to goodwill, and identifiable intangible assets (see Note C). The company tests these assets for impairment if indicators of potential impairment exist or at least annually if indefinite-lived.

**Derivative Instruments**

The company uses various financial instruments, including derivative instruments, for purposes other than trading. Certain derivative instruments are designated at inception as hedges and assessed for effectiveness both at inception and on an ongoing basis. Derivative instruments not designated as hedges are carried at fair value on the consolidated balance sheets with changes in fair value recognized in earnings.

Interest Rate Swaps

The company manages the risk of variability in interest rates of future expected debt issuances by entering into various forward-starting interest rate swaps, designated as cash flow hedges. Changes in fair value of interest rate swaps designated as cash flow hedges are recorded in the shareholders' equity section in the company's consolidated balance sheets in "Accumulated other comprehensive loss" and will be reclassified into income over the life of the anticipated debt issuance or in the period the hedged forecasted cash flows are deemed no longer probable to occur. Reclassified gains and losses are recorded within the line item "Interest and other financing expense, net" in the consolidated statements of operations.

The fair value of interest rate swaps are estimated using a discounted cash flow analysis on the expected cash flows of each derivative using observable inputs including interest rate curves and credit spreads.

The company occasionally enters into interest rate swap transactions, designated as fair value hedges, that convert certain fixed-rate debt to variable-rate debt in order to manage its targeted mix of fixed- and floating-rate debt. For qualifying interest rate fair value hedges, gains or losses on derivatives are included in "Interest and other financing expense, net" in the consolidated statements of operations. The change in fair value of the hedged item attributable to the risk being hedged is reported as an adjustment to its carrying value and is also included in "Interest and other financing expense, net."

Foreign Exchange Contracts

The company's foreign currency exposure relates primarily to international transactions where the currency collected from customers can be different from the currency used to purchase the product. The company's primary exposures to such transactions are denominated primarily in Euros and Indian Rupees. The company enters into foreign exchange forward, option, or swap contracts (collectively, the "foreign exchange contracts") to facilitate the hedging of foreign currency

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

exposures resulting from inventory purchases and sales and mitigate the impact of changes in foreign currency exchange rates related to these transactions. Foreign exchange contracts generally have terms of no more than six months. The company does not enter into foreign exchange contracts for trading purposes. The risk of loss on a foreign exchange contract is the risk of nonperformance by the counterparties, which the company minimizes by limiting its counterparties to major financial institutions. The fair value of the foreign exchange contracts is estimated using foreign currency spot rates and forward rates quotes by third-party financial institutions. The notional amount of the foreign exchange contracts inclusive of foreign exchange contracts designated as a net investment hedge at June 28, 2025 and December 31, 2024 was $1.0 billion and $1.1 billion, respectively.

Gains and losses related to non-designated foreign currency exchange contracts are recorded in “Cost of sales” on the company’s consolidated statements of operations. Gains and losses related to foreign currency exchange contracts designated as cash flow hedges are recorded in “Cost of sales,” “Selling, general, and administrative,” and “Interest and other financing expense, net” based upon the nature of the underlying hedged transaction, on the company’s consolidated statements of operations. Gains or losses on these contracts are deferred and recognized when the underlying future purchase or sale is recognized or when the corresponding asset or liability is revalued, and were not material to the financial statements for the periods presented.

The following foreign exchange contracts were designated as net investment hedges, hedging a portion of the company’s net investments in subsidiaries with Euro-denominated net assets:

| | Notional Amount (thousands) | | | |
|---|---|---|---|---|
| **Maturity Date** | **June 28, 2025** | | **December 31, 2024** | |
| April 2025 | EUR | — | EUR | 100,000 |
| January 2028 | EUR | 100,000 | EUR | 100,000 |
| Total | EUR | 100,000 | EUR | 200,000 |

The change in the fair value of derivatives designated as net investment hedges are recorded in foreign currency translation adjustments within “Accumulated other comprehensive loss” on the company’s consolidated balance sheets. Amounts excluded from the assessment of hedge effectiveness are included in “Interest and other financing expense, net” on the company’s consolidated statements of operations.

During the second quarter of 2025, two foreign exchange contracts designated as net investment hedges matured and the company received $24.9 million, which is reported in the “Cash flow from investing activities” section of the consolidated statements of cash flows.

Table of Contents

Index to Notes



The effects of derivative instruments on the company's consolidated statements of operations and other comprehensive income are as follows:

| | | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|---|
| (thousands) | Income Statement Line | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| **Gain (Loss) Recognized in Income** | | | | | |
| Foreign exchange contracts, net investment hedge (a) | Interest Expense | $ 671 | $ 1,804 | $ 2,088 | $ 3,608 |
| Interest rate swaps, cash flow hedge | Interest Expense | 557 | 297 | 1,107 | (398) |
| Interest rate swap, fair value hedge (b) | Interest Expense | — | — | — | 454 |
| Total | | $ 1,228 | $ 2,101 | $ 3,195 | $ 3,664 |
| **(Loss) Gain Recognized in Other Comprehensive Income (Loss) before reclassifications, net of tax** | | | | | |
| Foreign exchange contracts, net investment hedge (c) | | $ (5,694) | $ 2,750 | $ (10,567) | $ 7,720 |
| Total | | $ (5,694) | $ 2,750 | $ (10,567) | $ 7,720 |

(a) Represents derivative amounts excluded from the assessment of effectiveness for the net investment hedges reclassified from foreign currency translation adjustments to "Interest and other financing expense, net".

(b) The cumulative amount of fair value hedging adjustments to the carrying value of hedged debt instruments totaled a loss of $0.4 million for first quarter of 2024. During the first quarter of 2024, the fair value hedge was terminated.

(c) Includes derivative (losses) gains of ($13.0) million and ($10.8) million for the second quarter and first six months of 2025, respectively, and $1.3 million and $1.4 million for the second quarter and first six months of 2024, respectively, which were excluded from the assessment of effectiveness for the net investment hedges and recognized in other comprehensive income (loss), net of tax.

### Other

The carrying amount of "Cash and cash equivalents", "Accounts receivable, net", and "Accounts payable" approximate their fair value due to the short maturities of these financial instruments.

## Note I – Restructuring, Integration, and Other

The following table presents the components of the restructuring, integration, and other charges:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| (thousands) | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| Restructuring, integration and related costs | | | | |
| Operating Expense Efficiency Plan costs (a) | $ 19,946 | $ — | $ 28,631 | $ — |
| Other plans | 582 | 464 | 1,883 | 100 |
| Other expenses | | | | |
| Operating expense reduction costs not related to restructuring initiatives (b) | (1,821) | 32,846 | 1,928 | 75,608 |
| Early lease termination costs | 76 | 3,207 | 1,331 | 6,525 |
| Other charges | 3,136 | 4,020 | 5,459 | 5,160 |
| | $ 21,919 | $ 40,537 | $ 39,232 | $ 87,393 |

(a) See details related to the Operating Expense Efficiency Plan discussed below.

(b) These costs are primarily related to employee severance and benefit costs. As of June 28, 2025, the accrued liabilities related to these costs totaled $7.9 million and substantially all accrued amounts are expected to be spent in cash within one year.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

Operating Expense Efficiency Plan

On October 31, 2024, in response to evolving business needs and as part of an initiative to optimize operating expenses, the company announced a multi-year restructuring plan (the "Operating Expense Efficiency Plan" or "the Plan"). The Plan is designed to improve operational efficiency through the following measures: (i) reorganizing and consolidating certain areas of the company's operations to centralize functions and streamline resources, with a focus on more cost-efficient regions; (ii) enhancing warehouse and logistics operations; (iii) investing in information technology to support automation and process improvements; (iv) consolidating the company's global real estate footprint; (v) reducing third-party spending; and (vi) winding down certain non-core businesses that are not aligned with the company's strategic objectives. The company expects to substantially complete the Plan by the end of fiscal year 2026, subject to, among other things, local legal and consultation requirements.

Under the Plan, the company anticipates to incur pre-tax restructuring charges of no more than $185.0 million. While the composition of these costs will continue to evolve over time, the company currently expects to incur approximately $80.0 million of employee severance and other personnel cash expenditures; approximately $80.0 million of non-cash asset impairments, inventory write-downs and foreign currency translation adjustment write-offs related to the wind down of certain business operations; and approximately $25.0 million of other related cash expenditures. As a result of the company's philosophy of maximizing operating efficiencies through the centralization of certain functions, restructuring, integration, and related costs are included in the corporate line item for management and segment reporting as they are not attributable to the individual reportable segments.

The following table presents the costs related to the Operating Expense Efficiency Plan:

| (thousands) | Income Statement Line | Quarter Ended June 28, 2025 | Six Months Ended June 28, 2025 | Total Cost Incurred to Date |
|---|---|---|---|---|
| Employee severance and benefit costs | Restructuring, integration, and other | $ 12,659 | $ 19,413 | $ 20,761 |
| Inventory (recoveries) write-downs | Cost of sales | (2,172) | (4,639) | 45,705 |
| Asset impairments | Restructuring, integration, and other | - | - | 1,416 |
| Other costs (a) | Restructuring, integration, and other | 7,287 | 9,218 | 16,733 |
| | | $ 17,774 | $ 23,992 | $ 84,615 |

(a) Other costs consist primarily of consulting and other professional fees, early lease termination fees, and foreign currency translation adjustment write-offs.

The following table presents the activity in the restructuring, integration, and other accruals related to the Operating Expense Efficiency Plan:

| (thousands) | Employee Severance and Benefit Costs | Inventory Recoveries | Other Costs | Total |
|---|---|---|---|---|
| Balance at December 31, 2024 | $ 384 | $ - | $ 202 | $ 586 |
| Restructuring related charges | 19,413 | (4,639) | 9,218 | 23,992 |
| Cash (payments) receipts | (10,086) | 4,639 | (4,491) | (9,938) |
| Foreign currency translations | 157 | - | 414 | 571 |
| Balance at June 28, 2025 | $ 9,868 | $ - | $ 5,343 | $ 15,211 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

Substantially all amounts accrued at June 28, 2025 related to the Operating Expense Efficiency Plan are expected to be paid in cash within one year.

## Note J – Net Income per Share

Basic net income per share is computed by dividing net income attributable to shareholders by the weighted-average number of common shares outstanding for the period. Diluted net income per share reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted into common stock. The dilutive effect of equity awards is calculated using the treasury stock method.

The following table presents the computation of net income per share on a basic and diluted basis:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(thousands except per share data)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Net income attributable to shareholders | $ 187,749 | $ 108,698 | $ 267,469 | $ 192,299 |
| Weighted-average shares outstanding - basic | 51,856 | 53,640 | 52,057 | 53,944 |
| Net effect of various dilutive stock-based compensation awards | 486 | 541 | 447 | 552 |
| Weighted-average shares outstanding - diluted | 52,342 | 54,181 | 52,504 | 54,496 |
| Net income per share: | | | | |
| Basic | $ 3.62 | $ 2.03 | $ 5.14 | $ 3.56 |
| Diluted (a) | $ 3.59 | $ 2.01 | $ 5.09 | $ 3.53 |
| | | | | |
| (a) Equity awards excluded from diluted net income per share as their effect would have been anti-dilutive | 28 | - | 57 | - |

Table of Contents

Index to Notes

ARROW ELECTRONICS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

## Note K – Shareholders' Equity

Accumulated Other Comprehensive Income (Loss)

The following table presents the changes in Accumulated other comprehensive income (loss), excluding noncontrolling interests:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| (thousands) | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| **Foreign Currency Translation Adjustment and Other:** | | | | |
| Other comprehensive income (loss) before reclassifications (a) | $ 261,734 | $ (24,067) | $ 392,350 | $ (122,239) |
| Amounts reclassified into income | 3,173 | (119) | 3,374 | (74) |
| **(Loss) gain on Foreign Exchange Contracts Designated as Net Investment Hedges, Net:** | | | | |
| Other comprehensive (loss) income before reclassifications (b) | (5,694) | 2,750 | (10,567) | 7,720 |
| Amounts reclassified into income | (510) | (1,372) | (1,589) | (2,744) |
| **(Loss) gain on Interest Rate Swaps Designated as Cash Flow Hedges, Net:** | | | | |
| Amounts reclassified into (loss) income | (424) | (226) | (843) | 303 |
| **Post-retirement Expense Items, Net:** | | | | |
| Amounts reclassified into income | (347) | (502) | (709) | (593) |
| Net change in Accumulated other comprehensive income (loss) | $ 257,932 | $ (23,536) | $ 382,016 | $ (117,627) |

(a) Foreign currency translation adjustment includes intra-entity foreign currency transactions that are of a long-term investment nature of $21.9 million and $34.6 million for the second quarter and first six months of 2025, and ($2.2) million ($9.0) million for the second quarter and first six months of 2024, respectively.

(b) For additional information related to net investment hedges and interest rate swaps refer to Note H.

Common Stock Outstanding Activity

The following tables set forth the activity in the number of shares outstanding:

| (thousands) | Common Stock Issued | Treasury Stock | Common Stock Outstanding |
|---|---|---|---|
| Common stock outstanding at December 31, 2024 | 55,592 | 3,420 | 52,172 |
| Shares issued for stock-based compensation awards | 195 | (28) | 223 |
| Repurchases of common stock | — | 528 | (528) |
| Common stock outstanding at March 29, 2025 | 55,787 | 3,920 | 51,867 |
| Shares issued for stock-based compensation awards | 28 | (23) | 51 |
| Repurchases of common stock | — | 417 | (417) |
| Common stock outstanding at June 28, 2025 | 55,815 | 4,314 | 51,501 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

| (thousands) | Common Stock Issued | Treasury Stock | Common Stock Outstanding |
|---|---|---|---|
| Common stock outstanding at December 31, 2023 | 57,691 | 3,880 | 53,811 |
| Shares issued for stock-based compensation awards | 264 | (57) | 321 |
| Repurchases of common stock | — | 902 | (902) |
| Common stock outstanding at March 30, 2024 | 57,955 | 4,725 | 53,230 |
| Shares issued for stock-based compensation awards | 91 | (9) | 100 |
| Repurchases of common stock | — | 385 | (385) |
| Common stock outstanding at June 29, 2024 | 58,046 | 5,101 | 52,945 |

Share Repurchase Program

The following table shows the company's share repurchase program as of June 28, 2025:

| Share Repurchase Details by Month of Board Approval (thousands) | Dollar Value Approved for Repurchase | Dollar Value of Shares Repurchased | Approximate Dollar Value of Shares that May Yet be Purchased Under the Program |
|---|---|---|---|
| January 2023 | $ 1,000,000 | $ 776,653 | $ 223,347 |

The company repurchased 0.4 million shares and 0.9 million shares of its common stock for $50.0 million and $99.9 million in the second quarter and first six months of 2025, respectively, under the company's share repurchase program, excluding excise taxes. During the first six months of 2025, the company accrued $0.8 million of excise tax, which is recorded within "Treasury stock" on the company's consolidated balance sheets and reduces the share repurchase authorization, as the excise tax is a part of the overall cost of acquiring treasury shares. The company's share repurchase program does not have an expiration date.

## Note L – Contingencies

### Environmental Matters

The Company has accrued liabilities of $23.5 million for ongoing environmental remediation efforts at sites in Huntsville, Alabama (the "Huntsville site") and Norco, California (the "Norco site") at which contaminated soil and groundwater was identified. The contamination related to activities of certain subsidiaries which ended prior to 2000. Remediation efforts began in 2015 and 2003 at the Huntsville site and Norco site, respectively, and are progressing under action plans monitored by local environmental agencies.

Costs are recorded for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Environmental liabilities are included in "Accrued expenses" and "Other liabilities" on the company's consolidated balance sheets. The company has determined that there is no amount within the environmental liability ranges discussed below that is a better estimate than any other amount, and therefore has recorded the accruals at the minimum amount of the ranges. The liabilities were estimated based on current costs and are not discounted. Environmental costs related to these matters include remediation, project management, regulatory oversight, and investigative and feasibility study activities.

To date, the company has spent approximately $9.2 million and $87.6 million related to environmental costs at the Huntsville site and the Norco site, respectively. The subsequent environmental costs at the Huntsville site are estimated to be between $5.2 million and $16.9 million and at the Norco site they are estimated to be between $18.3 million and $34.4 million.

The company expects the liabilities associated with such ongoing remediation to be resolved over an extended period of time, with current estimates extending beyond 2040. The accruals for environmental liabilities are adjusted periodically as facts and circumstances change, assessment and remediation efforts progress, or as additional technical or legal information becomes available. Environmental liabilities are difficult to assess and estimate due to various unknown factors such as the timing and extent of remediation, the efficacy and long-term costs of remediation, improvements in remediation technologies, orders by administrative agencies, and the extent to which environmental laws and regulations may change in the future.

To date, the company has recovered approximately $157.4 million from certain insurance carriers and other responsible parties relating to environmental clean-up matters at these sites and continues to pursue additional recoveries from one insurer related solely to the Huntsville site. The company has not recorded a receivable for any potential future insurance recoveries.

It is reasonably possible that the company will need to adjust the liabilities noted above to reflect the effects of new or additional information, to the extent that such information impacts the costs, timing, or duration of the required actions. Future changes in estimates of the costs, timing, or duration of the required actions could have a material adverse effect on the company's consolidated financial position, results of operations, or cash flows.

**Other**

From time to time, in the normal course of business, the company may become liable with respect to other pending and threatened litigation, environmental, regulatory, labor, product, and tax matters. While such matters are subject to inherent uncertainties, it is not currently anticipated that any such matters will materially impact the company's consolidated financial position, liquidity, or results of operations.

## Note M – Segment and Geographic Information

The company is a global provider of products, services, and solutions to industrial and commercial users of electronic components and enterprise computing solutions. The company organizes its operations by geographic region and global business lines. The company's operating segments reflect the way the chief executive officer (CODM as defined in *ASC 280, Segment Reporting*) reviews financial information, makes operating decisions and assesses business performance. In identifying operating segments, the company also considers its annual budgeting and forecasting process, management reporting structure, the basis on which management compensation is determined, information presented to the Board of Directors, and similarities such as the nature of products, the level of shared products, technology and other resources, and customer base. The company concluded that identifying operating segments by major geographic region within each of the company's major businesses was consistent with the objectives of ASC 280 and it has aggregated geographic operating segments within the global components reportable segment and the global ECS reportable segment based on similar characteristics including long-term financial performance, the nature of services provided, internal process for delivering those services, and types of customers.

The global components reportable segment is enabled by a comprehensive range of value-added capabilities and services, markets, and distributes electronic components to OEMs and EMS providers. The global ECS reportable segment is a leading provider of comprehensive computing solutions and value-added services. The global ECS reportable segment brings broad market access, extensive supplier relationships, scale, and value-added solutions to help its VARs and MSPs meet the needs of their end-users through a portfolio of computing solutions including datacenter, cloud, security, and analytics solutions.

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

The CODM evaluates the performance of both reportable segments based on operating income, as well as monitoring sales, gross profit, and operating expenses. This information is used to monitor segment profitability, allocate resources, and make budgeting and forecasting decisions about the reportable segments. The CODM also uses these measures to monitor trends in year over year performance comparisons, sequential quarter performance comparisons, and to compare actual results to forecasts. More disaggregated information about operating expense is generally only reviewed by the CODM on a consolidated basis.

As a result of the company's philosophy of maximizing operating efficiencies through the centralization of certain functions, operating income for the reportable segments excludes unallocated corporate overhead costs, depreciation on corporate fixed assets, and restructuring, integration, and other costs, as they are not attributable to the individual reportable segments and are included in the corporate line item.

Sales, by reportable segment by geographic area, are as follows:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(thousands)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Sales: | | | | |
| Components: | | | | |
| Americas | $ 1,707,522 | $ 1,572,840 | $ 3,276,092 | $ 3,169,532 |
| EMEA | 1,426,944 | 1,439,494 | 2,766,945 | 3,096,001 |
| Asia/Pacific | 2,150,432 | 2,019,697 | 4,019,583 | 3,957,915 |
| Global components | $ 5,284,898 | $ 5,032,031 | $ 10,062,620 | $ 10,223,448 |
| | | | | |
| ECS: | | | | |
| Americas | $ 1,052,785 | $ 964,070 | $ 1,962,688 | $ 1,871,818 |
| EMEA | 1,242,264 | 896,767 | 2,368,656 | 1,721,862 |
| Global ECS | $ 2,295,049 | $ 1,860,837 | $ 4,331,344 | $ 3,593,680 |
| Consolidated | $ 7,579,947 | $ 6,892,868 | $ 14,393,964 | $ 13,817,128 |

Sales by country are as follows:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(thousands)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Sales: | | | | |
| China and Hong Kong | $ 1,090,699 | $ 1,030,610 | $ 2,016,591 | $ 1,994,186 |
| Germany | 793,022 | 766,087 | 1,510,354 | 1,634,515 |
| Other | 3,079,871 | 2,725,415 | 5,939,222 | 5,504,852 |
| Total foreign | $ 4,963,592 | $ 4,522,112 | $ 9,466,167 | $ 9,133,553 |
| United States | 2,616,355 | 2,370,756 | 4,927,797 | 4,683,575 |
| Total | $ 7,579,947 | $ 6,892,868 | $ 14,393,964 | $ 13,817,128 |

**ARROW ELECTRONICS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

Results of operations by reportable segment are as follows:

| | Quarter Ended June 28, 2025 | | | |
|---|---|---|---|---|
| (thousands) | Global Components | Global ECS | Corporate | Consolidated |
| Sales | $ 5,284,898 | $ 2,295,049 | $ - | $ 7,579,947 |
| Cost of sales | 4,693,444 | 2,037,846 | - | 6,731,290 |
| Gross profit | 591,454 | 257,203 | - | 848,657 |
| Gross profit margin | 11.2 % | 11.2 % | - | 11.2 % |
| Operating expenses (a) | 404,646 | 160,234 | 93,191 | 658,071 |
| Operating income (loss) (b) (d) | $ 186,808 | $ 96,969 | $ (93,191) | $ 190,586 |
| Operating income margin | 3.5 % | 4.2 % | - | 2.5 % |

| | Quarter Ended June 29, 2024 | | | |
|---|---|---|---|---|
| (thousands) | Global Components | Global ECS | Corporate | Consolidated |
| Sales | $ 5,032,031 | $ 1,860,837 | $ - | $ 6,892,868 |
| Cost of sales | 4,407,171 | 1,639,253 | - | 6,046,424 |
| Gross profit | 624,860 | 221,584 | - | 846,444 |
| Gross profit margin | 12.4 % | 11.9 % | - | 12.3 % |
| Operating expenses (a) | 414,659 | 119,003 | 100,507 | 634,169 |
| Operating income (loss) (b) (c) (d) | $ 210,201 | $ 102,581 | $ (100,507) | $ 212,275 |
| Operating income margin | 4.2 % | 5.5 % | - | 3.1 % |

| | Six Months Ended June 28, 2025 | | | |
|---|---|---|---|---|
| (thousands) | Global Components | Global ECS | Corporate | Consolidated |
| Sales | $ 10,062,620 | $ 4,331,344 | $ - | $ 14,393,964 |
| Cost of sales | 8,916,221 | 3,855,094 | - | 12,771,315 |
| Gross profit | 1,146,399 | 476,250 | - | 1,622,649 |
| Gross profit margin | 11.4 % | 11.0 % | - | 11.3 % |
| Operating expenses (a) | 788,206 | 301,967 | 183,337 | 1,273,510 |
| Operating income (loss) (b) (d) | $ 358,193 | $ 174,283 | $ (183,337) | $ 349,139 |
| Operating income margin | 3.6 % | 4.0 % | - | 2.4 % |

| | Six Months Ended June 29, 2024 | | | |
|---|---|---|---|---|
| (thousands) | Global Components | Global ECS | Corporate | Consolidated |
| Sales | $ 10,223,448 | $ 3,593,680 | $ - | $ 13,817,128 |
| Cost of sales | 8,952,874 | 3,159,984 | - | 12,112,858 |
| Gross profit | 1,270,574 | 433,696 | - | 1,704,270 |
| Gross profit margin | 12.4 % | 12.1 % | - | 12.3 % |
| Operating expenses (a) | 834,811 | 259,656 | 211,611 | 1,306,078 |
| Operating income (loss) (b) (c) (d) | $ 435,763 | $ 174,040 | $ (211,611) | $ 398,192 |
| Operating income margin | 4.3 % | 4.8 % | - | 2.9 % |

(a) Segment operating expenses primarily include employee-related expenses, depreciation and amortization, and allowance for credit losses.

(b) Global components operating income includes recoveries of $2.2 million and $4.6 million in inventory write-downs related to the wind down of a business for the second quarter and first six months of 2025, respectively, and charges of $1.6 million and $12.1 million in inventory write-downs related to the wind down of a business for the second quarter and first six months of 2024, respectively.

(c) Global ECS operating income includes a $20.0 million benefit related to the reversal of an allowance for credit losses for the second quarter and first six months of 2024.

(d) Corporate operating loss includes restructuring, integration, and other charges of $21.9 million and $39.2 million for the second quarter and first six months of 2025, respectively, and $40.5 million and $87.4 million for the second quarter and first six months of 2024, respectively. Refer to Note I.

Total assets, by reportable segment, are as follows:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Total assets: | | |
| Global components | $ 17,918,136 | $ 14,765,931 |
| Global ECS | 5,829,562 | 6,518,723 |
| Corporate | 504,880 | 473,053 |
| Consolidated | $ 24,252,578 | $ 21,757,707 |

Long-lived assets by country are as follows:

| (thousands) | June 28, 2025 | December 31, 2024 |
|---|---|---|
| Long-lived assets: | | |
| France | $ 98,176 | $ 86,268 |
| Netherlands | 83,229 | 78,120 |
| Germany | 73,892 | 61,914 |
| Other | 157,640 | 161,989 |
| Total foreign | $ 412,937 | $ 388,291 |
| United States | 318,244 | 332,098 |
| Total | $ 731,181 | $ 720,389 |

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### Information Relating to Forward-Looking Statements

This report includes "forward-looking statements," as the term is defined under the federal securities laws. Forward-looking statements are those statements which are not statements of historical or current fact. These forward-looking statements can be identified by forward-looking words such as "expects," "anticipates," "intends," "plans," "may," "will," "would," "could," "believes," "seeks," "projected," "potential," "estimates," and similar expressions. These forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which could cause actual results or facts to differ materially from such statements for a variety of reasons, including, but not limited to: unfavorable economic conditions; disruptions, shortages, or inefficiencies in the supply chain; trade protection measures, tariffs, increased trade tensions, trade agreements and policies, and other restrictions, duties, and value-added taxes, and the associated macroeconomic impacts; the incurrence of additional charges not currently contemplated and failure to realize contemplated cost savings due to unanticipated events that may occur in connection with the implementation of Arrow Electronics, Inc.'s (the "company") Operating Expense Efficiency Plan; political instability and changes; impacts of military conflict and sanctions; industry conditions; changes in product supply, pricing and customer demand; competition; other vagaries in the global components and the global ECS markets; deteriorating economic conditions, including economic recession, inflation, tax rates, foreign currency exchange rates, or the availability of capital; the effects of natural or man-made catastrophic events; changes in relationships with key suppliers; increased profit margin pressure; changes in legal and regulatory matters; non-compliance with certain regulations, such as trade, export, antitrust, and anti-corruption laws; foreign tax and other loss contingencies; breaches of security or privacy of business information and information system failures, including related to current or future implementations, integrations and upgrades; outbreaks, epidemics, pandemics, or public health crises; executive orders and regulatory trends and the resulting legal and reputational exposure, including but not limited to those relating to environmental, social, governance, cybersecurity, data privacy, and artificial intelligence issues; and the company's ability to generate positive cash flow. For a further discussion of these and other factors that could cause the company's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in this Quarterly Report on Form 10-Q and the company's most recent Annual Report on Form 10-K, as well as in other filings the company makes with the Securities and Exchange Commission. Shareholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The company undertakes no obligation to update publicly or revise any of the forward-looking statements.

### Certain Non-GAAP Financial Information

In addition to disclosing financial results that are determined in accordance with GAAP, the company also discloses certain non-GAAP financial information in the sections below captioned "Sales", "Gross Profit", "Operating Expenses", "Operating Income", "Income Tax", and "Net Income Attributable to Shareholders". Refer to these sections below for reconciliations of non-GAAP financial measures to the most directly comparable reported GAAP financial measures. Non-GAAP financial information includes the following:

- Non-GAAP sales exclude the impact of changes in foreign currencies by retranslating prior period results at current period foreign exchange rates.
- Non-GAAP gross profit excludes inventory (recoveries) write-downs related to the wind down of businesses within the global components reportable segment ("impact of wind down to inventory") and impact of changes in foreign currencies.
- Non-GAAP operating expenses exclude identifiable intangible asset amortization, restructuring, integration, and other, and the impact of changes in foreign currencies.
- Non-GAAP operating income excludes identifiable intangible asset amortization, restructuring, integration, and other, and impact of wind down to inventory.
- Non-GAAP effective tax rate and non-GAAP net income attributable to shareholders exclude identifiable intangible asset amortization, restructuring, integration, and other, impact of wind down to inventory, and gain (loss) on investments, net.

Management believes that providing this additional information is useful to the reader to better assess and understand the company's operating performance and future prospects in the same manner as management, especially when comparing results with previous periods. Management typically monitors the business as adjusted for these items, in addition to GAAP results, to understand and compare operating results across accounting periods, for internal budgeting purposes, for short-term and long-term operating plans, and to evaluate the company's financial performance. However, analysis of results on a non-GAAP basis should be used as a complement to, and in conjunction with, data presented in accordance with GAAP. For a discussion of what is included within "Restructuring, integration, and other" refer to the similarly captioned section of this item below.

**Key Business Metrics**

Management uses gross billings as an operational metric to monitor operating performance of its global ECS reportable segment, including performance by geographic region, as it provides meaningful supplemental information in evaluating the overall performance of the global ECS business. The company uses this key metric to develop financial forecasts, make strategic decisions, and prepare and approve annual budgets. Gross billings represent amounts invoiced to customers for goods and services during a specified period and does not include the impact of recording sales on a net basis or sales adjustments, such as trade discounts and other allowances. Refer to Note 1 "Summary of Significant Accounting Policies" in the company's Annual Report on Form 10-K for the year ended December 31, 2024, for further discussion of the company's revenue recognition policies. The use of gross billings has certain limitations as an analytical tool and should not be considered in isolation or as a substitute for revenue.

**Overview**

The company sources and engineers technology for thousands of leading manufacturers, services providers, and users of enterprise computing solutions. The company has one of the world's broadest portfolios of product offerings available from leading electronic components and enterprise computing solutions suppliers. The company's revenues originate primarily from the sales of semiconductor, interconnect, passive & electromechanical components ("IP&E"), and IT hardware and software products. Coupled with a range of services, solutions, and tools, the company enables its suppliers to distribute their technologies and helps its industrial and commercial customers source, build, and leverage these technologies, reduce their time to market, grow their businesses, and enhance their overall competitiveness. The company is a trusted partner in a complex value chain and is uniquely positioned through its electronics components and IT content portfolios to increase value for stakeholders.

The company has two reportable segments, the global components reportable segment and the global ECS reportable segment. The global components reportable segment, enabled by a comprehensive range of value-added capabilities and services, markets and distributes electronic components primarily to OEMs and EMS providers. The global ECS reportable segment is a leading value-added provider of comprehensive computing solutions and services. Its portfolio includes datacenter, cloud, security, and analytics solutions. The global ECS reportable segment brings broad market access, extensive supplier relationships, scale, and value-added solutions to help its VARs and MSPs meet the needs of their end-users. For the second quarter of 2025, approximately 70% and 30% of the company's sales were from the global components reportable segment and the global ECS reportable segment, respectively.

Strategic initiatives within each reportable segment include the following:

Global components reportable segment:

- Offering a variety of value-added services, including demand creation, design, engineering, global marketing, and integration services to promote the future sale of suppliers' products, which generally lead to longer and more profitable relationships with the company's suppliers and customers.
- Focusing on further penetrating the market for IP&E, as it tends to be a margin accretive segment of the broader available market.
- Providing global supply chain services offerings such as procurement, logistics, warehousing, and insights from data analytics.

Global ECS reportable segment:

- Enabling customer cloud solutions through the company's cloud marketplace and management platform, ArrowSphere, which helps VARs and MSPs to manage, differentiate, and scale their cloud businesses while providing the business intelligence and tools that IT solution providers need to drive growth. ArrowSphere was enhanced to include an AI-enabled digital go-to-market platform aimed at helping the company's channel partners sell and support a variety of cloud offerings at higher rates.
- Providing value-added distribution services including sales and marketing, demand generation, support and managed services, digital platforms and other services on behalf of certain suppliers.

The company's long-term financial objectives are to grow sales faster than the market, increase the markets served, grow profits faster than sales, generate earnings per share growth in excess of competitors' earnings per share growth and market expectations, allocate and deploy capital effectively so that return on invested capital exceeds the company's cost of capital, and increase return on invested capital. To achieve its objectives, the company seeks to capture significant opportunities to grow across products, markets, and geographies. To supplement its organic growth strategy, the company continually evaluates strategic acquisitions to broaden its product and value-added service offerings, increase its market penetration, and expand its geographic reach. The company is also committed to improving operational efficiency.

**Executive Summary**

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| **(millions except per share data)** | **June 28, 2025** | **June 29, 2024** | **Change** | **June 28, 2025** | **June 29, 2024** | **Change** |
| Consolidated sales | $ 7,580 | $ 6,893 | 10.0 % | $ 14,394 | $ 13,817 | 4.2 % |
| Global components sales | $ 5,285 | $ 5,032 | 5.0 % | $ 10,063 | $ 10,223 | (1.6)% |
| Global ECS sales | $ 2,295 | $ 1,861 | 23.3 % | $ 4,331 | $ 3,594 | 20.5 % |
| Gross profit margin | 11.2 % | 12.3 % | (110)bps | 11.3 % | 12.3 % | (100)bps |
| Non-GAAP gross profit margin | 11.2 % | 12.3 % | (110)bps | 11.2 % | 12.4 % | (120)bps |
| Operating income | $ 191 | $ 212 | (10.2)% | $ 349 | $ 398 | (12.3)% |
| Operating income margin | 2.5 % | 3.1 % | (60)bps | 2.4 % | 2.9 % | (50)bps |
| Non-GAAP operating income | $ 215 | $ 262 | (17.8)% | $ 394 | $ 513 | (23.1)% |
| Non-GAAP operating income margin | 2.8 % | 3.8 % | (100)bps | 2.7 % | 3.7 % | (100)bps |
| Net income attributable to shareholders | $ 188 | $ 109 | 72.7 % | $ 267 | $ 192 | 39.1 % |
| Earnings per share attributable to shareholders - diluted | $ 3.59 | $ 2.01 | 78.6 % | $ 5.09 | $ 3.53 | 44.2 % |
| Non-GAAP net income attributable to shareholders | $ 127 | $ 150 | (15.3)% | $ 222 | $ 282 | (21.3)% |
| Non-GAAP earnings per share attributable to shareholders - diluted | $ 2.43 | $ 2.78 | (12.6)% | $ 4.23 | $ 5.18 | (18.3)% |

During the second quarter and the first six months of 2025, changes in foreign currencies increased sales by approximately $123.3 million and $39.0 million, respectively, operating income by $5.8 million and $1.1 million, respectively, compared to the year-earlier periods. During the second quarter, changes in foreign currencies increased earnings per share on a diluted basis by $0.07 with no impact for the six months of 2025, compared to the year-earlier periods.

Business environment and other trends:

- During 2024, the global components reportable segment experienced a cyclical downturn characterized by elevated customer inventory levels, and a challenging global macroeconomic environment, contributing to lower demand for the company's products. In the second quarter and first six months of 2025, the company noted positive meaningful demand trends, indicative of a modest recovery. On a sequential quarter basis, customers are replenishing inventory, and all three regions are performing ahead of management's initial expectations, after adjusting for typical second quarter seasonal trends. Consistent with historical trends from past cyclical downturns, the company expects the Asia/Pacific region to return to growth ahead of the Americas and EMEA regions.

- In 2025, the U.S. Federal Government announced universal tariffs on most U.S. imports, plus additional country tariffs on goods imported from certain countries, including China. In response, many countries are considering and implementing retaliatory tariffs on U.S. exports. U.S. tariff policies as well as the corresponding impacts on global trade policies are continuing to evolve. The company's global business is facing uncertainty around ongoing developments related to these tariffs, which may increase the prices of products that the company purchases from its suppliers and passes to its customers, which in turn may decrease demand for the company's products. Tariffs and other trade restrictions may also lead to an uncertain and volatile economic environment, including rising inflation, decreasing value of the U.S. dollar, elevated interest rates, declining consumer confidence, acceleration of customer orders in the near term, and increased price-based competition. The company is continuing to evaluate and further implement mitigating actions, including potential supply chain optimization and improved solutions around processing tariffs. These tariffs and the potential associated macroeconomic effects may have an impact on the company's results of operations and cash flows as well as inflating the value of the company's inventory balances and increasing the risks related to tariff drawbacks. Refer to Part I, Item 1A - Risk Factors in the company's Annual Report on Form 10-K for the year ended December 31, 2024, for further discussion related to tariffs and tariff drawbacks. The global components reportable segment is seeing a marginal increase in revenue due to price increases and accelerated purchases by customers in anticipation of potential future tariffs. However, given the uncertain and evolving nature of U.S. tariff policies, the company cannot currently predict whether this trend will continue or how it may impact future quarters.

**Results of Operations**

Sales by reportable segment

The following is an analysis of the company's sales by reportable segment:

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **Change** | **June 28, 2025** | **June 29, 2024** | **Change** |
| Consolidated sales, as reported | $ 7,580 | $ 6,893 | 10.0 % | $ 14,394 | $ 13,817 | 4.2 % |
| Impact of changes in foreign currencies | — | 123 | | — | 39 | |
| Non-GAAP consolidated sales | $ 7,580 | $ 7,016 | 8.0 % | $ 14,394 | $ 13,856 | 3.9 % |
| | | | | | | |
| Global components sales, as reported | $ 5,285 | $ 5,032 | 5.0 % | $ 10,063 | $ 10,223 | (1.6)% |
| Impact of changes in foreign currencies | — | 75 | | — | 19 | |
| Non-GAAP global components sales | $ 5,285 | $ 5,107 | 3.5 % | $ 10,063 | $ 10,242 | (1.8)% |
| | | | | | | |
| Global ECS sales, as reported | $ 2,295 | $ 1,861 | 23.3 % | $ 4,331 | $ 3,594 | 20.5 % |
| Impact of changes in foreign currencies | — | 48 | | — | 20 | |
| Non-GAAP global ECS sales | $ 2,295 | $ 1,909 | 20.2 % | $ 4,331 | $ 3,614 | 19.9 % |

The sum of the components for sales, as reported, and sales on a non-GAAP basis may not agree to totals, as presented, due to rounding.

Reportable segment sales by geographic region

The following is an analysis of the company's reportable segment sales by geographic region:

| | Quarter Ended | | | | | Six Months Ended | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | June 28, 2025 | | June 29, 2024 | | | June 28, 2025 | | June 29, 2024 | | |
| (millions) | Sales | % of Sales | Sales | % of Sales | Change | Sales | % of Sales | Sales | % of Sales | Change |
| Americas components sales | $ 1,708 | 22.5 % | $ 1,573 | 22.8 % | 8.6 % | $ 3,276 | 22.8 % | $ 3,170 | 22.9 % | 3.4 % |
| EMEA components sales | 1,427 | 18.8 % | 1,439 | 20.9 % | (0.9)% | 2,767 | 19.3 % | 3,096 | 22.4 % | (10.6)% |
| Asia/Pacific components sales | 2,150 | 28.4 % | 2,020 | 29.3 % | 6.5 % | 4,020 | 27.8 % | 3,958 | 28.7 % | 1.6 % |
| Global components sales | $ 5,285 | 69.7 % | $ 5,032 | 73.0 % | 5.0 % | $ 10,063 | 69.9 % | $ 10,223 | 74.0 % | (1.6)% |
| | | | | | | | | | | |
| Americas ECS sales | $ 1,053 | 13.9 % | $ 964 | 14.0 % | 9.2 % | $ 1,963 | 13.6 % | $ 1,872 | 13.5 % | 4.9 % |
| EMEA ECS sales | 1,242 | 16.4 % | 897 | 13.0 % | 38.5 % | 2,369 | 16.5 % | 1,722 | 12.4 % | 37.6 % |
| Global ECS sales | $ 2,295 | 30.3 % | $ 1,861 | 27.0 % | 23.3 % | $ 4,331 | 30.1 % | $ 3,594 | 26.0 % | 20.5 % |
| Consolidated sales | $ 7,580 | 100.0 % | $ 6,893 | 100.0 % | 10.0 % | $ 14,394 | 100.0 % | $ 13,817 | 100.0 % | 4.2 % |

The sum of the components for sales by geographic region and consolidated sales may not agree to totals, as presented, due to rounding.

During the second quarter of 2025, the global components reportable segment sales increased compared to the year-earlier period primarily due to the following:

- increase in sales in the Americas region primarily due to higher demand for the networking & communications verticals and
- increase in sales in the Asia/Pacific region primarily due to higher demand for computing, industrial, and transportation verticals.

These impacts were partially offset by a decrease in sales in the EMEA region primarily due to lower demand for industrial and transportation verticals.

During the first six months of 2025, the global components reportable segment sales decreased compared to the year-earlier period primarily due to a decline in sales in the EMEA region primarily due to decreased demand for industrial and transportation verticals which was partially offset by an increase in sales in the Americas and Asia/Pacific regions.

Within the global ECS reportable segment, growth was primarily due to an increase in sales in the EMEA region for the second quarter and first six months of 2025, relative to the year-earlier periods, primarily due to growth across most major technologies, most notably, cloud-based solutions and infrastructure software, and a shift in sales mix towards more sales recognized on a gross basis. Refer to Note 1 "Summary of Significant Accounting Policies" in the company's Annual Report on Form 10-K for the year ended December 31, 2024.

Substantially all of the company's sales are made on an order-by-order basis, rather than through long-term sales contracts. As such, the nature of the company's business does not provide for the visibility of material forward-looking information from its customers and suppliers beyond a few months.

Gross Billings

The following table summarizes gross billings by geographic region for the global ECS reportable segment:

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| (millions) | June 28, 2025 | June 29, 2024 | Change | June 28, 2025 | June 29, 2024 | Change |
| Americas ECS gross billings | $ 2,544 | $ 2,441 | 4.2 % | $ 4,851 | $ 4,805 | 1.0 % |
| EMEA ECS gross billings | 2,596 | 2,032 | 27.8 % | 4,927 | 4,077 | 20.9 % |
| Global ECS gross billings | $ 5,140 | $ 4,473 | 14.9 % | $ 9,778 | $ 8,881 | 10.1 % |

The sum of the components for global ECS gross billings may not agree to totals, as presented, due to rounding.

Gross Profit

The following is an analysis of the company's consolidated gross profit:

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| (millions) | June 28, 2025 | June 29, 2024 | Change | June 28, 2025 | June 29, 2024 | Change |
| Consolidated gross profit, as reported | $ 849 | $ 846 | flat | $ 1,623 | $ 1,704 | (4.8)% |
| Impact of wind down to inventory | (2) | 2 | | (5) | 12 | |
| Impact of changes in foreign currencies | — | 17 | | — | 5 | |
| Non-GAAP consolidated gross profit | $ 847 | $ 865 | (2.1)% | $ 1,618 | $ 1,721 | (6.0)% |
| Consolidated gross profit as a percentage of sales, as reported | 11.2 % | 12.3 % | (110) bps | 11.3 % | 12.3 % | (100) bps |
| Non-GAAP consolidated gross profit as a percentage of sales | 11.2 % | 12.3 % | (110) bps | 11.2 % | 12.4 % | (120) bps |
| | | | | | | |
| Global components gross profit, as reported | $ 591 | $ 625 | (5.4)% | $ 1,146 | $ 1,271 | (9.8)% |
| Impact of wind down to inventory | (2) | 2 | | (5) | 12 | |
| Impact of changes in foreign currencies | — | 9 | | — | 1 | |
| Non-GAAP global components gross profit | $ 589 | $ 635 | (7.2)% | $ 1,142 | $ 1,284 | (11.0)% |
| Global components gross profit as a percentage of sales, as reported | 11.2 % | 12.4 % | (120) bps | 11.4 % | 12.4 % | (100) bps |
| Non-GAAP global components gross profit as a percentage of sales | 11.2 % | 12.4 % | (120) bps | 11.4 % | 12.5 % | (120) bps |
| | | | | | | |
| Global ECS gross profit, as reported | $ 257 | $ 222 | 16.1 % | $ 476 | $ 434 | 9.8 % |
| Impact of changes in foreign currencies | — | 8 | | — | 4 | |
| Non-GAAP global ECS gross profit | $ 257 | $ 229 | 12.2 % | $ 476 | $ 437 | 8.9 % |
| Global ECS gross profit as a percentage of sales, as reported | 11.2 % | 11.9 % | (70) bps | 11.0 % | 12.1 % | (110) bps |
| Non-GAAP global ECS gross profit as a percentage of sales | 11.2 % | 12.0 % | (80) bps | 11.0 % | 12.1 % | (110) bps |

The sum of the components for non-GAAP gross profit may not agree to totals, as presented, due to rounding.

Global components gross profit margins decreased during the second quarter and first six months of 2025 compared with the year-earlier periods due to regional mix shifting towards the Asia/Pacific region. Global components supply chain services offerings continued to have a positive impact on gross profit margins.

Global ECS gross profit margins decreased during the second quarter and first six months of 2025 compared with the year-earlier periods primarily due to a shift in sales mix towards more sales recognized on a gross basis in the EMEA region.

Refer to Note 1 "Summary of Significant Accounting Policies" in the company's Annual Report on Form 10-K for the year ended December 31, 2024.

Operating Expenses

The following is an analysis of the company's consolidated operating expenses as of:

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| (millions) | June 28, 2025 | June 29, 2024 | Change | June 28, 2025 | June 29, 2024 | Change |
| Consolidated operating expenses, as reported | $ 658 | $ 634 | 3.8 % | $ 1,274 | $ 1,306 | (2.5)% |
| Identifiable intangible asset amortization | (5) | (7) | | (10) | (15) | |
| Restructuring, integration, and other | (22) | (41) | | (39) | (87) | |
| Impact of changes in foreign currencies | — | 11 | | — | 3 | |
| Non-GAAP consolidated operating expenses | $ 631 | $ 597 | 5.8 % | $ 1,224 | $ 1,207 | 1.4 % |
| Consolidated operating expenses as a percentage of sales | 8.7 % | 9.2 % | (50) bps | 8.8 % | 9.5 % | (70) bps |
| Non-GAAP consolidated operating expenses as a percentage of non-GAAP sales | 8.3 % | 8.5 % | (20) bps | 8.5 % | 8.7 % | (20) bps |
| | | | | | | |
| Global components operating expenses, as reported | $ 405 | $ 415 | (2.4)% | $ 788 | $ 835 | (5.6)% |
| Identifiable intangible asset amortization | (4) | (6) | | (8) | (13) | |
| Impact of changes in foreign currencies | — | 6 | | — | 2 | |
| Non-GAAP global components operating expenses | $ 401 | $ 414 | (3.3)% | $ 780 | $ 823 | (5.3)% |
| Global components operating expenses as a percentage of sales | 7.7 % | 8.2 % | (50) bps | 7.8 % | 8.2 % | (40) bps |
| Non-GAAP global components operating expenses as a percentage of non-GAAP sales | 7.6 % | 8.1 % | (50) bps | 7.8 % | 8.0 % | (30) bps |
| | | | | | | |
| Global ECS operating expenses, as reported | $ 160 | $ 119 | 34.7 % | $ 302 | $ 260 | 16.3 % |
| Identifiable intangible asset amortization | (1) | (1) | | (2) | (2) | |
| Impact of changes in foreign currencies | — | 4 | | — | 2 | |
| Non-GAAP global ECS operating expenses | $ 159 | $ 123 | 30.0 % | $ 300 | $ 259 | 15.7 % |
| Global ECS operating expenses as a percentage of sales | 7.0 % | 6.4 % | 60 bps | 7.0 % | 7.2 % | (20) bps |
| Non-GAAP global ECS operating expenses as a percentage of non-GAAP sales | 6.9 % | 6.4 % | 50 bps | 7.0 % | 7.2 % | (30) bps |
| | | | | | | |
| Corporate operating expenses, as reported | $ 93 | $ 101 | (7.3)% | $ 183 | $ 212 | (13.4)% |
| Restructuring, integration, and other | (22) | (41) | | (39) | (87) | |
| Non-GAAP corporate operating expenses | $ 71 | $ 60 | 18.8 % | $ 144 | $ 124 | 16.0 % |

The sum of the components for non-GAAP operating expenses may not agree to totals, as presented, due to rounding.

Operating expenses increased during the second quarter of 2025 compared to the year-earlier period, due to the following:

- an increase in expenses for the global ECS reportable segment primarily due to a $20.0 million benefit related to the reversal of an allowance for credit losses due to the collection of certain aged receivables in 2024 with no similar items recorded in 2025 and an increase in employee-related costs due to higher sales incentives, in line with the increase in sales discussed above; partially offset by

- decrease in expenses for the global components reportable segment primarily due to a decrease in allowance for credit losses; and

- decrease in corporate operating expenses primarily due to lower restructuring, integration and other charges (see discussion below) offset by an increase in professional fees.

Operating expenses decreased during the first six months of 2025 compared to the year-earlier period, primarily due to the following:

- decrease in expenses in the global components reportable segment primarily due to cost savings resulting from the Operating Expense Efficiency Plan, defined below, and other cost reduction initiatives and a decrease in allowance for credit losses, partially offset by higher sales incentives, in line with the increase in sales in the Americas and Asia/Pacific regions discussed above; and

- decrease in corporate operating expenses primarily due to a decrease in restructuring, integration and other charges (see discussion below) partially offset by an increase in professional fees; offset by

- increase in expenses for the global ECS reportable segment primarily due to an increase in employee-related costs due to higher sales incentives, in line with the increase in sales discussed above and a $20.0 million benefit related to the reversal of an allowance for credit losses due to the collection of certain aged receivables related to one customer in 2024 with no similar items recorded in 2025.

Restructuring, Integration, and Other

Restructuring initiatives and integration costs are due to the company's continued efforts to lower costs, drive operational efficiency, integrate acquired businesses, and consolidate certain operations, as necessary. The company recorded restructuring, integration, and other charges as follows:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Restructuring, integration and related costs | | | | |
| Operating Expense Efficiency Plan costs (a) | $ 20 | $ — | $ 29 | $ — |
| Other plans | 1 | — | 2 | — |
| Other expenses | | | | |
| Operating expense reduction costs not related to restructuring initiatives (b) | (2) | 33 | 2 | 76 |
| Early lease termination costs | — | 3 | 1 | 7 |
| Other charges | 3 | 4 | 5 | 5 |
| Total | $ 22 | $ 41 | $ 39 | $ 87 |

The sum of the components for restructuring, integration, and other may not agree to totals, as presented, due to rounding.

(a) See details related to the Operating Expense Efficiency Plan discussed below.

(b) These costs are primarily related to employee severance and benefit costs. As of June 28, 2025, the accrued liabilities related to these costs totaled $7.9 million and substantially all accrued amounts are expected to be spent in cash within one year.

Operating Expense Efficiency Plan

On October 31, 2024, in response to evolving business needs and as part of an initiative to optimize operating expenses, the company announced a multi-year restructuring plan (the "Operating Expense Efficiency Plan" or "the Plan"). The Plan is designed to improve operational efficiency through the following measures: (i) reorganizing and consolidating certain areas of the company's operations to centralize functions and streamline resources, with a focus on more cost-efficient regions; (ii) enhancing warehouse and logistics operations; (iii) investing in information technology to support automation and process improvements; (iv) consolidating the company's global real estate footprint; (v) reducing third-party spending; and (vi) winding down certain non-core businesses that are not aligned with the company's strategic objectives. The company expects to substantially complete the Plan by the end of fiscal year 2026, subject to, among other things, local legal and consultation requirements.

Under the Plan, the company anticipates to incur pre-tax restructuring charges of no more than $185.0 million. While the composition of these costs will continue to evolve over time, the company currently expects to incur approximately $80.0 million of employee severance and other personnel cash expenditures; approximately $80.0 million of non-cash asset impairments, inventory write-downs and foreign currency translation adjustment write-offs related to the wind-down of certain business operations; and approximately $25.0 million of other related cash expenditures.

As a result of the Plan, the company expects to reduce annual operating expenses by approximately $90.0 million to $100.0 million by the end of fiscal year 2026. The estimates of charges or savings related to the Plan could differ materially from actual charges or savings recognized.

Refer to Note I, "Restructuring, Integration, and Other" of the Notes to the Consolidated Financial Statements for further discussion of the company's restructuring and integration activities.

Operating Income

The following is an analysis of the company's consolidated operating income, and operating income for the company's two reportable segments:

| | Quarter Ended | | | Six Months Ended | | |
|---|---|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **Change** | **June 28, 2025** | **June 29, 2024** | **Change** |
| Consolidated operating income, as reported | $ 191 | $ 212 | (10.2)% | $ 349 | $ 398 | (12.3)% |
| Identifiable intangible asset amortization | 5 | 7 | | 10 | 15 | |
| Restructuring, integration, and other | 22 | 41 | | 39 | 87 | |
| Impact of wind down to inventory | (2) | 2 | | (5) | 12 | |
| Non-GAAP consolidated operating income | $ 215 | $ 262 | (17.8)% | $ 394 | $ 513 | (23.1)% |
| Consolidated operating income as a percentage of sales | 2.5 % | 3.1 % | (60) bps | 2.4 % | 2.9 % | (50) bps |
| Non-GAAP consolidated operating income as a percentage of sales | 2.8 % | 3.8 % | (100) bps | 2.7 % | 3.7 % | (100) bps |
| | | | | | | |
| Global components operating income, as reported | $ 187 | $ 210 | (11.1)% | $ 358 | $ 436 | (17.8)% |
| Identifiable intangible asset amortization | 4 | 6 | | 8 | 13 | |
| Impact of wind down to inventory | (2) | 2 | | (5) | 12 | |
| Non-GAAP global components operating income | $ 189 | $ 218 | (13.5)% | $ 362 | $ 461 | (21.4)% |
| Global components operating income as a percentage of sales | 3.5 % | 4.2 % | (70) bps | 3.6 % | 4.3 % | (70) bps |
| Non-GAAP global components operating income as a percentage of sales | 3.6 % | 4.3 % | (70) bps | 3.6 % | 4.5 % | (90) bps |
| | | | | | | |
| Global ECS operating income, as reported | $ 97 | $ 103 | (5.5)% | $ 174 | $ 174 | flat |
| Identifiable intangible asset amortization | 1 | 1 | | 2 | 2 | |
| Non-GAAP global ECS operating income | $ 98 | $ 104 | (5.5)% | $ 176 | $ 176 | flat |
| Global ECS operating income as a percentage of sales | 4.2 % | 5.5 % | (130) bps | 4.0 % | 4.8 % | (80) bps |
| Non-GAAP global ECS operating income as a percentage of sales | 4.3 % | 5.6 % | (130) bps | 4.1 % | 4.9 % | (80) bps |

The sum of the components of consolidated operating income do not agree to totals, as presented, because unallocated corporate amounts are not included in the table above. Refer to Note M "Segment and Geographic Information" of the Notes to the Consolidated Financial Statements for further discussion.

The decrease in consolidated operating income as a percentage of sales for the second quarter and first six months of 2025 relates primarily to the changes in sales, gross profit margins and operating expenses discussed above.

Gain (Loss) on Investments, Net

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Gain (loss) on investments, net | $ 104 | $ (5) | $ 104 | $ (5) |

The gain on investments during the second quarter and first six months of 2025, is primarily related to a $99.0 million gain on the sale of an investment in certain equity securities. Refer to Note D "Investments in Affiliated Companies" of the Notes to the Consolidated Financial Statements.

Interest and Other Financing Expense, Net

The company recorded net interest and other financing expense as follows:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Interest and other financing expense, net | $ (60) | $ (67) | $ (116) | $ (146) |

The decrease in interest and other financing expense, net for the second quarter compared to the year-earlier period was primarily related to lower interest rates. The decrease for the first six months of 2025 compared to the year-earlier period was primarily related to lower interest rates and lower average daily borrowings on floating rate credit facilities. Refer to the section below titled "Liquidity and Capital Resources" for more information on changes in borrowings.

Income Tax

Income taxes for the interim periods presented have been included in the accompanying consolidated financial statements on the basis of an estimated annual effective tax rate. The determination of the consolidated provision for income taxes requires management to make certain judgments and estimates. Changes in the estimated level of annual pre-tax earnings, tax laws, and changes resulting from tax audits can affect the overall effective income tax rate, which impacts the level of income tax expense and net income. Judgments and estimates related to the company's projections and assumptions are inherently uncertain, therefore, actual results could differ from projections.

The following is an analysis of the company's consolidated effective income tax rate:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Effective income tax rate | 19.7 % | 21.4 % | 20.6 % | 21.2 % |
| Identifiable intangible asset amortization | 0.1 % | 0.1 % | 0.1 % | 0.2 % |
| Restructuring, integration, and other | 0.6 % | 0.8 % | 0.5 % | 1.0 % |
| Gain (loss) on investments, net | (2.8)% | 0.1 % | (1.2)% | — % |
| Impact of wind down to inventory | (0.1)% | — % | (0.1)% | 0.1 % |
| Non-GAAP effective income tax rate | 17.6 % | 22.4 % | 20.0 % | 22.5 % |

The sum of the components for non-GAAP effective income tax rate may not agree to totals, as presented, due to rounding.

The year-over-year decrease in the effective tax rate for the second quarter and first six months of 2025 was primarily driven by a favorable shift in jurisdictional mix of earnings, the positive effect of foreign currency exchange rate fluctuations in certain locations, the tax treatment of stock-based compensation, and adjustments to reserves for uncertain tax positions.

On July 4, 2025, after the end of the quarter, the One Big Beautiful Bill Act ("OBBBA") was enacted, significantly amending U.S. federal tax law, including changes to international tax provisions, expensing of research and experimental expenditures, depreciation, and interest deduction rules. The company expects the OBBBA to have an immaterial impact on its financial results going forward, however, due to the broad scope and complexity of the new law, it is not practicable to reasonably estimate the full effects of the new legislation.

Net Income Attributable to Shareholders

The following is an analysis of the company's consolidated net income attributable to shareholders:

| | Quarter Ended | | Six Months Ended | |
|---|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| Net income attributable to shareholders, as reported | $ 188 | $ 109 | $ 267 | $ 192 |
| Identifiable intangible asset amortization* | 5 | 7 | 10 | 15 |
| Restructuring, integration, and other | 22 | 41 | 39 | 87 |
| (Gain) loss on investments, net | (104) | 5 | (104) | 5 |
| Impact of wind down to inventory | (2) | 2 | (5) | 12 |
| Loss on extinguishment of debt | — | 2 | — | 2 |
| Tax effect of adjustments above | 19 | (14) | 14 | (30) |
| Non-GAAP net income attributable to shareholders | $ 127 | $ 150 | $ 222 | $ 282 |

The sum of the components for non-GAAP net income attributable to shareholders may not agree to totals, as presented, due to rounding.

* Identifiable intangible asset amortization excludes amortization attributable to the noncontrolling interest.

The increase in net income attributable to shareholders in the second quarter and first six months of 2025 compared to the year-earlier period relates primarily to (gain) loss on investments, net, as discussed above.

**Liquidity and Capital Resources**

Management believes that the company's current cash availability, its current borrowing capacity under its revolving credit facility and asset securitization programs, and its expected ability to generate future operating cash flows are sufficient to meet its projected cash flow needs for the next 12 months and the foreseeable future. The company's current committed and undrawn liquidity stands at approximately $2.8 billion in addition to $222.0 million of cash on hand at June 28, 2025. The company also may issue debt or equity securities in the future, and management believes the company will have adequate access to the capital markets, if needed. The company continually evaluates its liquidity requirements and may seek to amend its existing borrowing capacity or access the financial markets as deemed necessary.

The company's principal sources of liquidity are existing cash and cash equivalents, cash generated from operations and cash provided by its revolving credit facilities and debt. The company's principal uses of liquidity include cash used in operations, investments to grow working capital, scheduled interest and principal payments on its borrowings, and the return of cash to shareholders through share repurchases.

The following table presents selected financial information related to liquidity:

| **(millions)** | **June 28, 2025** | **December 31, 2024** | **Change** |
|---|---|---|---|
| Working capital | $ 6,807 | $ 6,693 | $ 114 |
| Cash and cash equivalents | 222 | 189 | 33 |
| Short-term debt | 456 | 350 | 106 |
| Long-term debt | 2,366 | 2,774 | (408) |

Working Capital

The company maintains a significant investment in working capital which the company defines as accounts receivable, net, plus inventories less accounts payable. The change in working capital during the first six months of 2025 was primarily attributable to changes in foreign currencies.

Working capital as a percentage of sales, which is defined as working capital divided by annualized quarterly sales, decreased to 22.5% for the second quarter of 2025, compared to 24.6% in the year-earlier period, primarily due to an increase in sales.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments, which are readily convertible into cash, with original maturities of three months or less. At June 28, 2025 and December 31, 2024, the company had cash and cash equivalents of $222.0 million and $188.8 million, respectively, of which $209.8 million and $164.0 million, respectively, were held outside the United States.

The company has $5.3 billion of undistributed earnings of its foreign subsidiaries which it deems indefinitely reinvested, and recognizes that it may be subject to additional foreign taxes and U.S. state income taxes if it reverses its indefinite reinvestment assertion on these foreign earnings. The company also has $2.3 billion of foreign earnings that are not deemed permanently reinvested and are available for distribution in future periods as of June 28, 2025.

Revolving Credit Facilities and Debt

The following tables summarize the company's credit facilities:

| | | Outstanding Borrowings | |
|---|---|---|---|
| **(millions)** | **Borrowing Capacity** | **June 28, 2025** | **December 31, 2024** |
| North American asset securitization program | $ 1,500 | $ 246 | $ 633 |
| Revolving credit facility | 2,000 | — | 30 |
| Commercial paper program (a) | 1,200 | 407 | — |
| Uncommitted lines of credit | 500 | — | — |

(a) Amounts outstanding under the commercial paper program are backstopped by available commitments under the company's revolving credit facility.

| | Average Daily Balance Outstanding | | | |
|---|---|---|---|---|
| | Six Months Ended | | Effective Interest Rate | |
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **June 28, 2025** | **June 29, 2024** |
| North American asset securitization program | $ 701 | $ 658 | 4.83 % | 5.84 % |
| Revolving credit facility | 1 | 4 | 5.43 % | 6.43 % |
| Commercial paper program | 390 | 610 | 4.74 % | 5.83 % |
| Uncommitted lines of credit | 273 | 282 | 4.82 % | 5.82 % |

The company also has an EMEA asset securitization program under which it continuously sells its interest in designated pools of trade accounts receivable of certain of its subsidiaries in the EMEA region. Receivables sold under the program are excluded from "Accounts receivable, net" and no corresponding liability is recorded on the company's consolidated balance sheets. During the first six months of 2025 and 2024, the average daily balance outstanding under the EMEA asset securitization program was $321.7 million and $428.2 million, respectively. Refer to Note E "Accounts Receivable" of the Notes to the Consolidated Financial Statements for further discussion.

The following table summarizes recent events impacting the company's capital resources:

| **(millions)** | **Activity** | **Date** | **Notional Amount** |
|---|---|---|---|
| 4.00% notes, due April 2025 | Repaid | April 2025 | $ 350 |
| 3.25% notes, due September 2024 | Repaid | September 2024 | $ 500 |
| 5.15% notes, due August 2029 | Issued | August 2024 | $ 500 |
| 5.875% notes, due April 2034 | Issued | April 2024 | $ 500 |
| 6.125% notes, due March 2026 | Repaid | April 2024 | $ 500 |

Refer to Note G "Debt" of the Notes to the Consolidated Financial Statements for further discussion of the company's short-term and long-term debt and available financing.

Cash Flows

The following table summarizes the company's cash flows by category for the periods presented:

| | **Six Months Ended** | | |
|---|---|---|---|
| **(millions)** | **June 28, 2025** | **June 29, 2024** | **Change** |
| Net cash provided by operating activities | $ 146 | $ 723 | $ (577) |
| Net cash provided by (used for) investing activities | 81 | (45) | 126 |
| Net cash used for financing activities | (416) | (635) | 219 |

Cash Flows from Operating Activities

The net amount of cash provided by the company's operating activities during the first six months of 2025 and 2024 was $145.8 million and $723.4 million, respectively. The change in cash provided by operating activities during 2025, compared to the year-earlier period, relates primarily to changes in working capital accounts.

Cash Flows from Investing Activities

The net amount of cash provided by investing activities was $81.3 million during the first six months of 2025 compared to a use of $45.2 million in the year-earlier period. The change in cash provided by investing activities related primarily to proceeds from the sale of an investment in certain equity securities (Refer to Note D "Investments in Affiliated Companies" of the Notes to the Consolidated Financial Statements) and proceeds for the settlement of net investment hedges (Refer to Note H "Financial Instruments Measured at Fair Value" of the Notes to the Consolidated Financial Statements).

Cash Flows from Financing Activities

The net amount of cash used for financing activities during the first six months of 2025 and 2024 was $415.9 million and $634.9 million, respectively. The change in cash used for financing activities relates primarily to an increase in repayments of long-term bank borrowings offset by an increase in short-term borrowings in 2025.

Capital Expenditures

Capital expenditures for the second quarter of 2025 and 2024 were $43.6 million and $51.6 million, respectively. The company expects capital expenditures to be approximately $100.0 million for the fiscal year 2025.

Share Repurchase Program

The company repurchased 0.9 million shares of its common stock for $99.9 million and 1.2 million shares of its common stock for $150.0 million in the first six months of 2025 and 2024, respectively, under its share repurchase program, excluding excise taxes. As of June 28, 2025, approximately $223.3 million remained available for repurchase under the share repurchase program. The share repurchase authorization does not have an expiration date and the pace of the repurchase activity will depend on factors such as the company's working capital needs, cash requirements for acquisitions, debt repayment obligations or repurchases of debt, share price, and economic and market conditions. The share repurchase program may be accelerated, suspended, delayed, or discontinued at any time subject to the approval of the company's Board of Directors.

Contractual Obligations

The company has contractual obligations for short-term and long-term debt, interest on short-term and long-term debt, purchase obligations, operating leases, and other sources and uses of capital that are summarized in the sections titled "Contractual Obligations" and "Additional Capital Requirements and Sources" in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in the company's Annual Report on Form 10-K for the year ended December 31, 2024.

Refer to the section above titled "Revolving Credit Facilities and Debt" for updates to the company's short-term and long-term debt obligations. Refer to the section above titled "Restructuring, Integration, and Other" for updates related to discussion of planned restructuring costs. Refer to Note H "Financial Instruments Measured at Fair Value" of the Notes to Consolidated Financial Statements for further discussion on hedging activities. Refer to Note D "Investments in Affiliated Companies" of the Notes to Consolidated Financial Statements for discussion of proceeds from the sale of investments in certain equity securities which occurred in the second quarter of 2025. As of June 28, 2025, there were no other material changes to the capital requirements and sources of the company.

**Critical Accounting Estimates**

The company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of these consolidated financial statements requires the company to make significant estimates and judgments that have had or are reasonably likely to have a material impact on the reported amounts of assets, liabilities, revenues, and expenses and related disclosure of contingent assets and liabilities. The company has established detailed policies and control procedures intended to ensure the appropriateness of such estimates and assumptions and their consistent application from period to period. The company bases its estimates on historical experience and on various other assumptions that are believed reasonable under the circumstances; the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes to the company's critical accounting estimates during the six months ended June 28, 2025. Refer to the section titled "Critical Accounting Estimates" in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in the company's Annual Report on Form 10-K for the year ended December 31, 2024.

**Impact of Recently Issued Accounting Standards**

See Note B "Impact of Recently Issued Accounting Standards" of the Notes to Consolidated Financial Statements for a full description of recent accounting pronouncements, including the anticipated dates of adoption and the effects on the company's consolidated financial position and results of operations.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk

During the six months ended June 28, 2025, there were no material changes in market risk for changes in foreign currency exchange rates and interest rates from the information provided in Part II, Item 7A – Quantitative and Qualitative Disclosures About Market Risk in the company's Annual Report on Form 10-K for the year ended December 31, 2024.

## Item 4. Controls and Procedures

### Evaluation of Disclosure Controls and Procedures

The company's management, under the supervision and with the participation of the company's Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the company's disclosure controls and procedures as of June 28, 2025 (the "Evaluation"). Based upon the Evaluation, the company's Chief Executive Officer and Chief Financial Officer concluded that the company's disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended) were effective as of June 28, 2025.

### Changes in Internal Control over Financial Reporting

There were no changes in the company's internal control over financial reporting during the company's most recent fiscal quarter that materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

The information set forth under the heading “Environmental Matters” and “Other” in Note L “Contingencies” in the Notes to Consolidated Financial Statements in Item 1 Part I of this Report, is incorporated herein by reference.

### Item 1A. Risk Factors

There have been no material changes to the company’s risk factors from those discussed in Part I, Item 1A - Risk Factors in the company’s Annual Report on Form 10-K for the year ended December 31, 2024.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table shows the share repurchase activity for the quarter ended June 28, 2025:

| (thousands except share and per share data) | Total Number of Shares Purchased | Average Price Paid per Share (a) | Total Number of Shares Purchased as Part of Publicly Announced Program | Approximate Dollar Value of Shares that May Yet be Purchased Under the Programs (b) |
|---|---|---|---|---|
| March 29 through April 26, 2025 | — | $ — | — | $ 273,790 |
| April 27 through May 24, 2025 | 414,404 | 120.65 | 414,404 | 223,347 |
| May 25 through June 28, 2025 | — | — | — | 223,347 |
| Total | 414,404 | | 414,404 | |

(a) Average price paid per share excludes 1% excise tax on stock repurchases.
(b) The company’s share repurchase program does not have an expiration date. As of June 28, 2025, the total authorized dollar value of shares available for repurchase was $1.0 billion of which $776.7 million has been utilized, and the $223.3 million in the table represents the remaining amount available for repurchase under the program.

### Item 5. Other Information

Trading Arrangements

During the quarter ended June 28, 2025, none of the company’s directors or officers adopted, amended, or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

## Item 6. Exhibits

| Exhibit Number | Exhibit |
|---|---|
| 3(a) | Arrow Electronics, Inc. Amended and Restated Bylaws, dated May 6, 2025 (incorporated by reference to Exhibit 3.1 to the company's Current Report on Form 8-K filed on May 8, 2025). |
| 10(a) | Fifth Amended and Restated Credit Agreement, dated as of June 27, 2025, among Arrow Electronics, Inc. and certain of its subsidiaries, as borrowers; the lenders from time to time parties thereto; JPMorgan Chase Bank, N.A. as administrative agent; and Bank of America, N.A., BNP Paribas, ING Bank N.V., Dublin Branch, and Mizuho Bank, Ltd. as syndication agents (incorporated by reference to Exhibit 10.1 to the company's Current Report on Form 8-K filed on June 27, 2025). |
| 31(i)(A)* | Certification of Chief Executive Officer pursuant to Rule 13A-14(a)/15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31(i)(B)* | Certification of Chief Financial Officer pursuant to Rule 13A-14(a)/15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32(i)** | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32(ii)** | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101* | Inline XBRL Document Set for the consolidated financial statements and accompanying notes in Part I, Item 1, "Financial Statements" of this Quarterly Report on Form 10-Q. |
| 104* | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

* : Filed herewith.
** : Furnished herewith.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ARROW ELECTRONICS, INC.

Date: July 31, 2025

By: /s/ Rajesh K. Agrawal
Rajesh K. Agrawal
Senior Vice President, Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

/s/ Yun Cho
Yun Cho
Vice President, Corporate Controller, and Chief Accounting Officer
(Principal Accounting Officer)

**Exhibit 31(i)(A)**

**Arrow Electronics, Inc.**
**Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Sean J. Kerins, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arrow Electronics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

By: /s/ Sean J. Kerins
Sean J. Kerins
President and Chief Executive Officer

**Exhibit 31(i)(B)**

**Arrow Electronics, Inc.**
**Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Rajesh K. Agrawal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arrow Electronics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

By: /s/ Rajesh K. Agrawal
Rajesh K. Agrawal
Senior Vice President, Chief Financial Officer

**Exhibit 32(i)**

**Arrow Electronics, Inc.**
**Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (“Section 906”)**

In connection with the Quarterly Report on Form 10-Q of Arrow Electronics, Inc. (the "company") for the quarter ended June 28, 2025 (the "Report"), I, Sean J. Kerins, President and Chief Executive Officer of the company, certify, pursuant to the requirements of Section 906, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: July 31, 2025

By: /s/ Sean J. Kerins
Sean J. Kerins
President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the company and will be retained by the company and furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 32(ii)**

**Arrow Electronics, Inc.**
**Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (“Section 906”)**

In connection with the Quarterly Report on Form 10-Q of Arrow Electronics, Inc. (the "company") for the quarter ended June 28, 2025 (the "Report"), I, Rajesh K. Agrawal, Senior Vice President, Chief Financial Officer of the company, certify, pursuant to the requirements of Section 906, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: July 31, 2025

By: /s/ Rajesh K. Agrawal
Rajesh K. Agrawal
Senior Vice President, Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the company and will be retained by the company and furnished to the Securities and Exchange Commission or its staff upon request.