# Arrow Electronics

## Earnings Presentation

Third Quarter 2026
November 5, 2026

ARW
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NYSE




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# Safe Harbor

This presentation 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 or changes, including those that may occur in connection with recession, inflation, tax rates, foreign currency exchange rates, or the availability of capital; impacts of military conflict and sanctions; political instability and changes; trade protection measures, tariffs, increased trade tensions, trade agreements and policies, and other restrictions, duties, and value-added taxes, and the associated macroeconomic impacts; disruptions, shortages, or inefficiencies in the supply chain; non-compliance with certain laws, regulations, or executive orders, such as trade, export, antitrust, and anti-corruption laws, or regulatory restrictions relating to the company or its subsidiaries or the permissibility of third-parties to transact therewith; the inability to realize sufficient sales to cover non-cancellable purchase obligations under certain ECS distribution agreements; changes in product supply, pricing, and customer demand; increased profit-margin pressure resulting from industry conditions, competition, or other factors; other vagaries in the Global Components and the Global ECS markets; management transitions; changes to applicable laws, regulations, executive orders, or rules relating to government contractors and the resulting legal and reputational exposure, including but not limited to those relating to artificial intelligence, environmental, social, governance, cybersecurity, and data privacy issues; changes in relationships with key suppliers; commercial disputes, patent infringement claims, product liability lawsuits, or other legal proceedings; foreign tax and other loss contingencies; failure, disruption, or compromise of the company’s information systems or those of a third-party service provider, including unauthorized use or disclosure of company, supplier, or customer information; outbreaks, epidemics, pandemics, or public health crises; the effects of natural or man-made catastrophic events; 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 Arrow’s most recent Annual Report on Form 10-K, as well as in other filings the company makes with the SEC. 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.

# Q3 2026 Highlights

CONSOLIDATED SALES

**$10.7** Billion

Up 39% Y/Y

OPERATING MARGIN[1]

**4.1** Percent

Up 130 bps Y/Y

DILUTED EARNINGS PER SHARE[1]

**$6.22**

Up 158% Y/Y

- Record quarterly revenue and EPS
- Leading indicators continue to improve
- Strong operational momentum
- Additional Q3 2026 financial information:
  - $436 million operating income[1]
  - $321 million net income[1]
  - 22.6% return on working capital[1]
  - 15.1% return on invested capital[1]



1. Figures are Non-GAAP.
See reconciliation to comparable GAAP figures in the tables at the end of this presentation

# Why Arrow

As the premier distributor of technology solutions, we guide innovation forward

## Strong Position in Large and Growing Markets

- **Superior product distribution execution in the $250B+ "indirect" DTAM[1,2]**
- **Expanding addressable market through increased mix shift toward value-added offerings**

## Differentiated Capabilities Driving Profitable Growth

- **Extending foundational product distribution capabilities into adjacent, higher-margin value-added services**
- **Increased productivity through simplifying operations**

## Diversified Business Model Provides Financial Flexibility

- **Combination of Global Components and ECS is a strategic advantage**
- **Strong balance sheet**
- **Consistent free cash flow generation**

## Focused Capital Allocation Strategy

- **Reinvest in organic growth**
- **Strategic M&A**
- **Return excess capital to shareholders**
- **Maintain investment-grade credit rating**

[1] Source: IDC, OMDIA, and Arrow analysis.
[2] DTAM: Distribution Total Addressable Market

# Overview

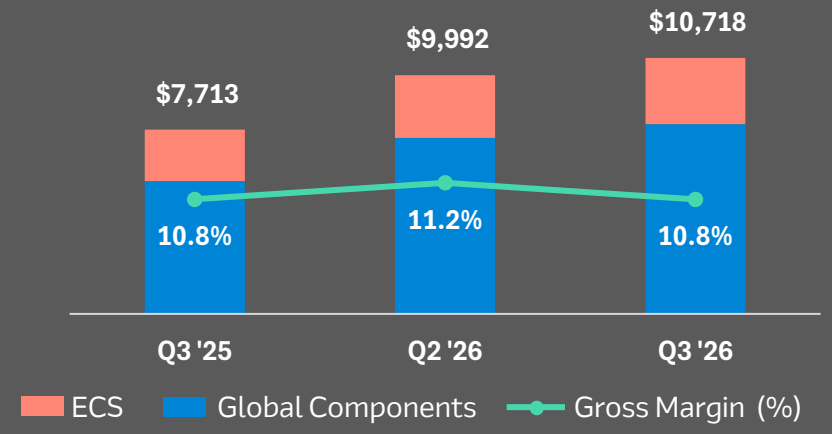
- Strong operational execution across the business
- Expand the mix of higher-value solutions and services
- Deliver high-quality, profitable growth
- Drive positive operating leverage
- Generate durable long-term shareholder returns



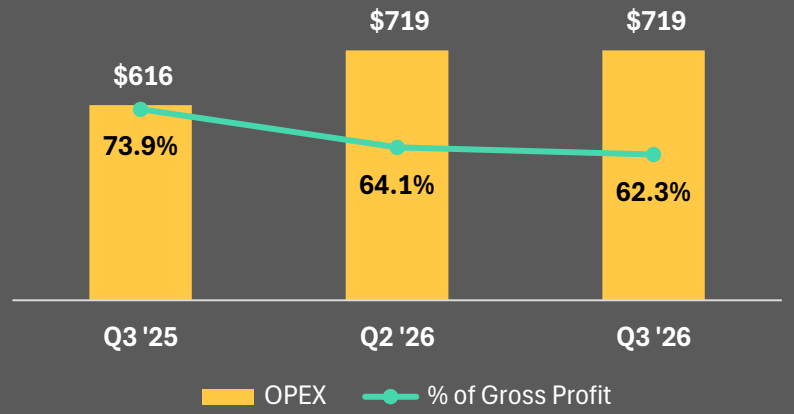
# Q3 2026 Financial Metrics

$ in millions except for EPS

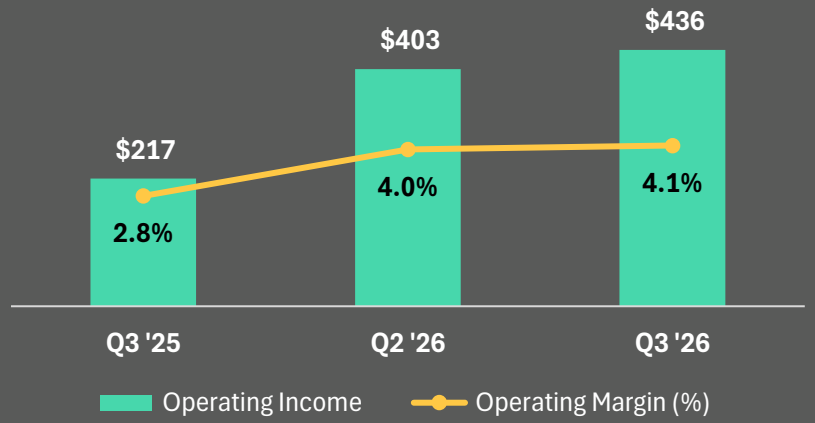
## Sales & Non-GAAP Gross Margin[1]



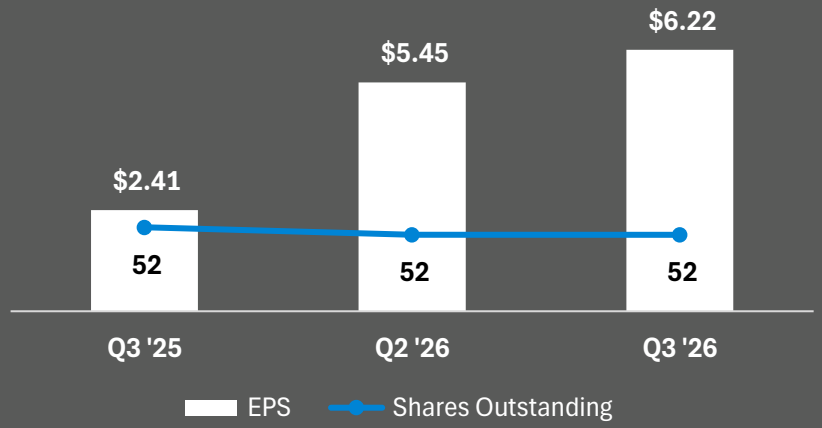

## Non-GAAP Operating Expenses[1]




## Non-GAAP Operating Income[1]




## Non-GAAP Diluted EPS[1]



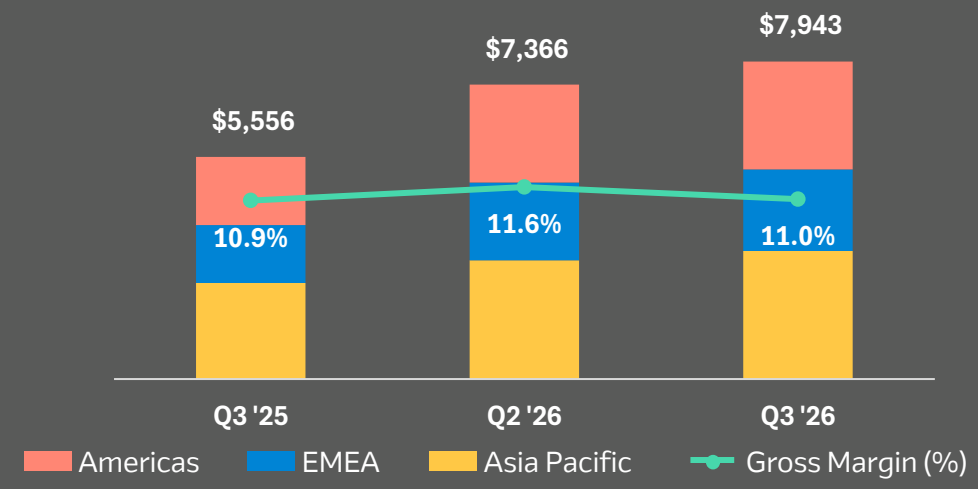

Interest and other expense, net in Q3'26 was $40 million
Non-GAAP Effective Tax Rate was 19.0%[1]

[1] See reconciliation to comparable GAAP figures in the tables at the end of this presentation

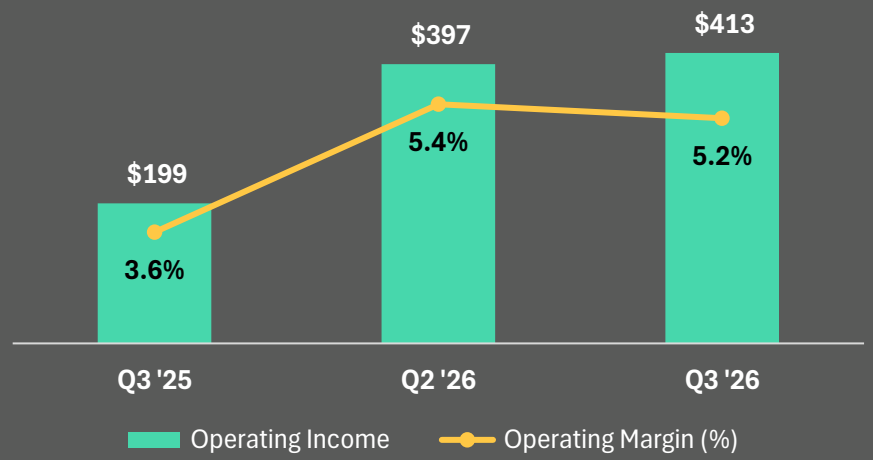
# Q3 2026 Global Components

$ in millions

## Sales & Non-GAAP Gross Margin[1]




## Non-GAAP Operating Income[1]




- Broad based growth across region, vertical, and customer type:
  - Book-to-bill well above parity in all regions
  - Lead times below shortage environment
  - Backlog providing improved visibility
- On a regional basis:
  - Americas – broad-based strength led by aerospace & defense, industrial, transportation, and computing
  - EMEA – strength in aerospace & defense and networking
  - APAC – led by industrial, networking, and transportation

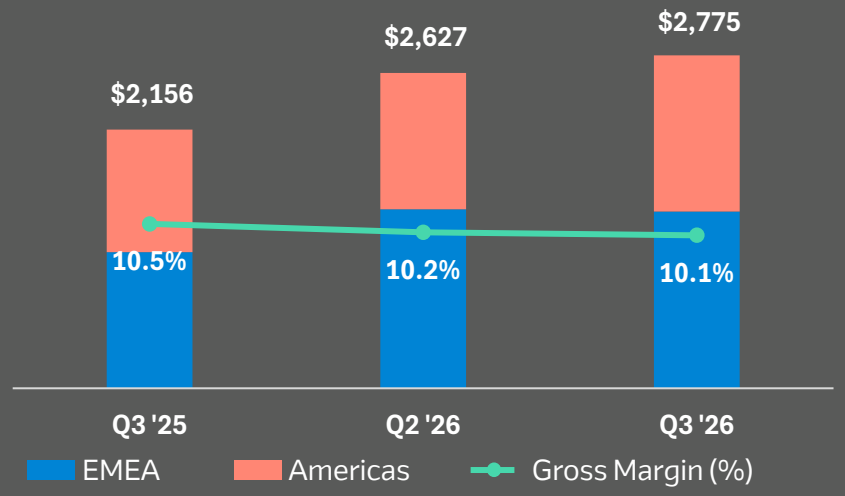
- Quality of growth continues to improve:
  - Core markets expanding, particularly in the West
  - Mass market improving with expected runway left
  - IP&E sales > $1 billion for third consecutive quarter
  - Value-added services delivering meaningful profit contribution
  - Operational productivity driving leverage in P&L
- Sustained unit volume demand combined with limited capacity driving increasing price benefit

[1] See reconciliation to comparable GAAP figures in the tables at the end of this presentation

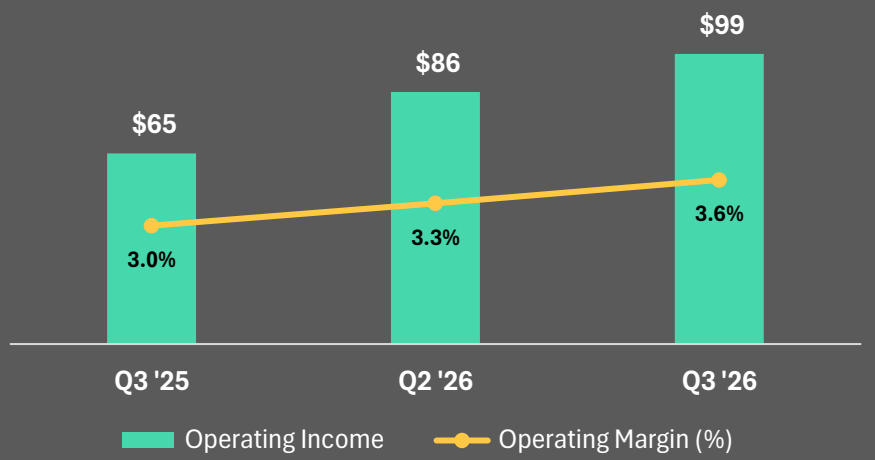
# Q3 2026 Enterprise Computing Solutions

$ in millions

## Sales & Non-GAAP Gross Margin[1]




## Non-GAAP Operating Income[1]

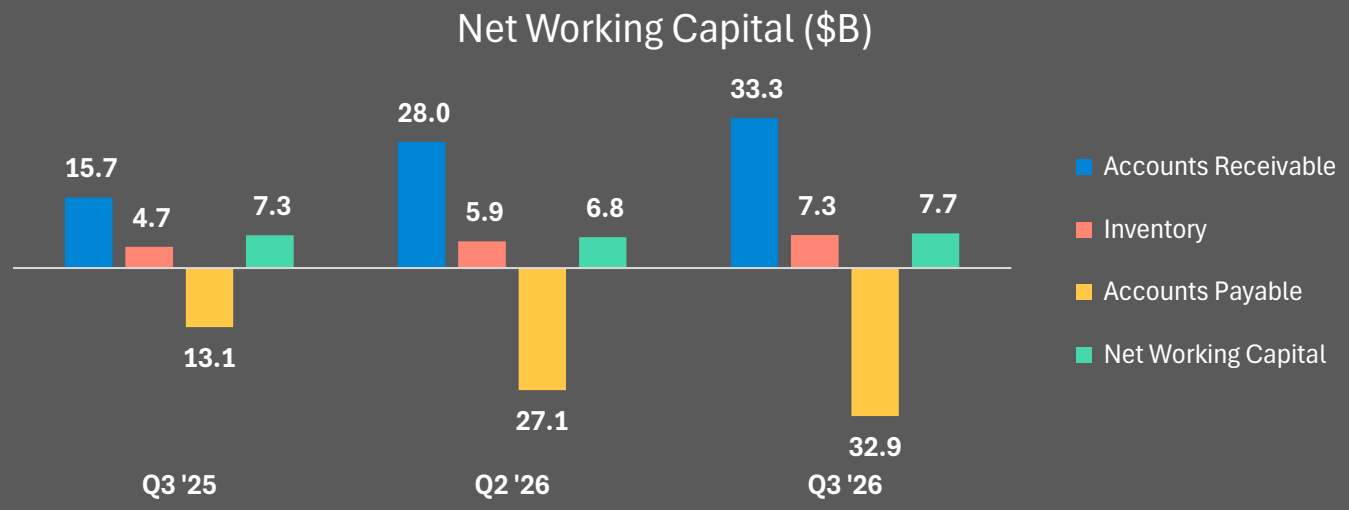


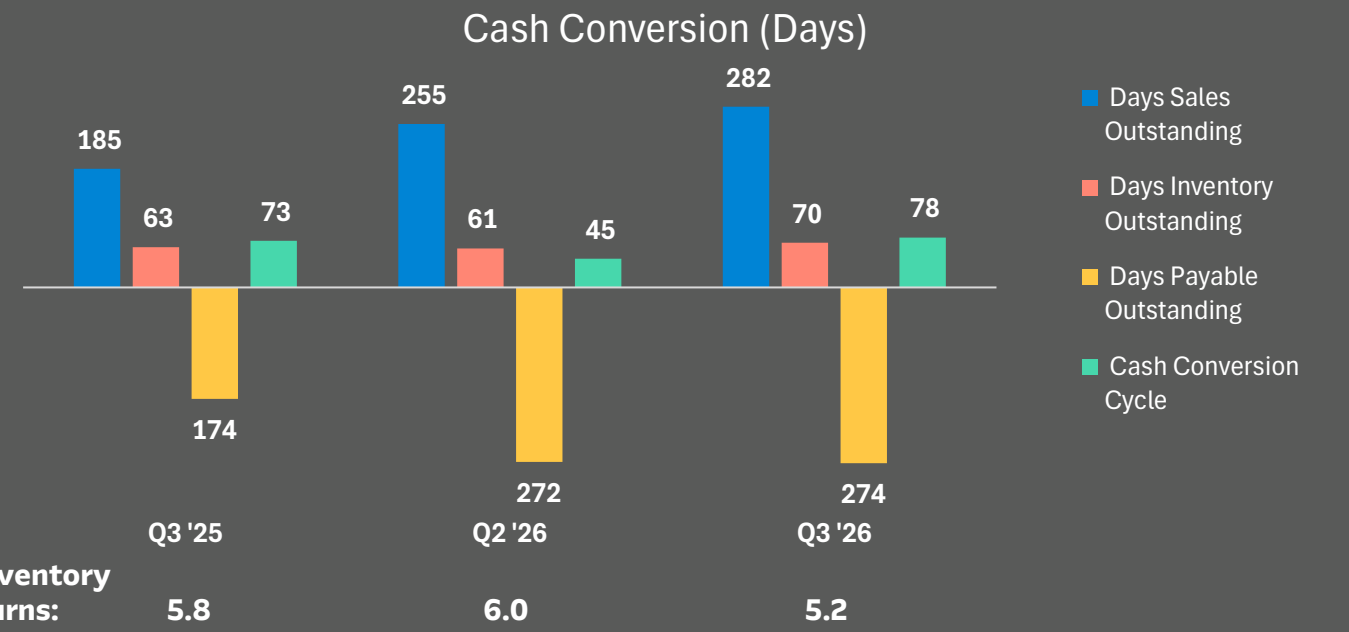

- Strong execution of backlog conversion
- Actions taken to realign beyond distribution business with strategic objectives
- AI-investment and broader infrastructure modernization driving strong demand for on-premise and hybrid environments
- Critical role in technology ecosystem

- Secular demand trends driving strength across technology categories:
  - Compute
  - Business applications
  - Storage
  - Security
  - Cloud & hybrid cloud

[1] See reconciliation to comparable GAAP figures in the tables at the end of this presentation

# Q3 2026 Balance Sheet and Cash Highlights




| Inventory Turns: | Q3 '25 | Q2 '26 | Q3 '26 |
|---|---|---|---|
| | 5.8 | 6.0 | 5.2 |

- **Non-GAAP Return on Working Capital (ROWC)[1]** of 22.6% in the third quarter, rose 1060 basis points year on year. The increase in ROWC related primarily to higher operating income in Global Components.
- **Non-GAAP Return on Invested Capital (ROIC)[1]** of 15.1% in the third quarter, rose 780 basis points year on year. The increase in ROIC related primarily to higher operating income in Global Components.
- **Operating Cashflow** was ($441M)
- **Gross Debt** was $2.8B
- **Adjusted Net Leverage[1]** 1.9x
- **Repurchased** $93M in shares

[1]See reconciliation to comparable GAAP figures in the tables at the end of this presentation
Amounts may not calculate precisely due to rounding

# Q4 2026 Guidance

| | |
|---|---|
| Consolidated Sales | $11.55 billion to $12.15 billion |
| Global Components | $8.15 billion to $8.55 billion |
| Global ECS | $3.40 billion to $3.60 billion |
| Diluted Earnings Per Share | $6.25 to $6.45 |
| Non-GAAP Diluted Earnings Per Share [1] | $7.00 to $7.20 |
| Interest and other expense, net | Approximately $50 million |

* Assumes an average tax rate in the range of 23% to 25%.

- Changes in foreign currencies to decrease sales by approximately $88 million, and earnings per share on a diluted basis by $0.14 compared to the fourth quarter of 2025
- Changes in foreign currencies to decrease quarter-over-quarter growth in sales by $86 million, and earnings per share on a diluted basis to decrease by $0.07 compared to the third quarter of 2026



1. See reconciliation to comparable GAAP figures in the tables at the end of this presentation

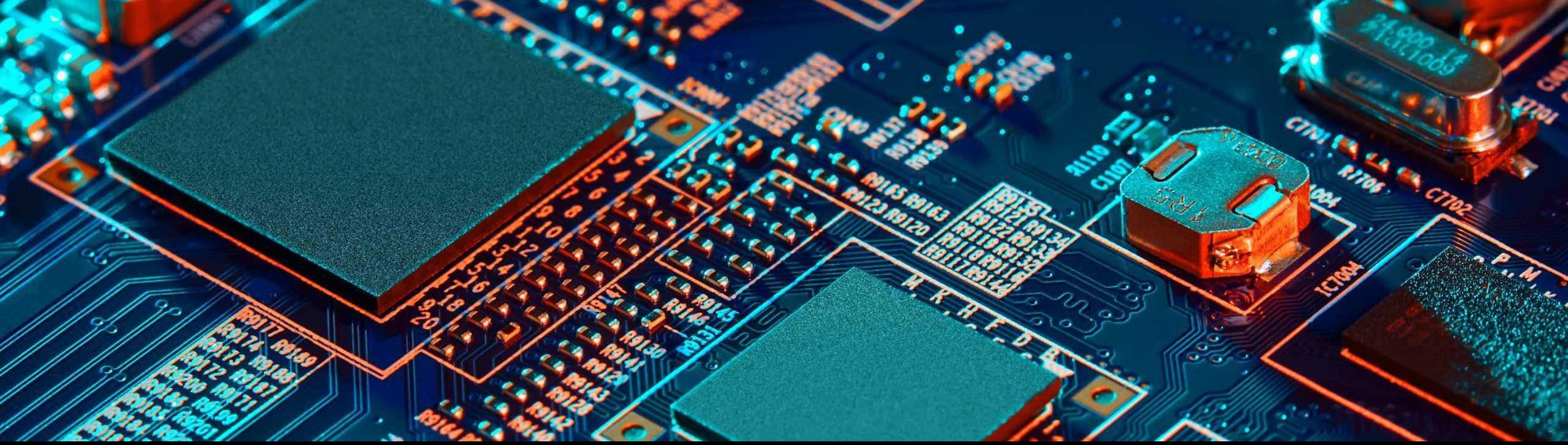
# Looking Forward

- Strong execution driving operational momentum
  - Encouraging leading indicators
  - Expanding higher margin value-added services
- Driving sustainable profitable growth
  - Improving profitability
  - Diversified business model
- Focused capital allocation
- Positioned to deliver long-term shareholder value






# Thank You
# Q&A



# Additional information and financial tables

# Consolidated third-quarter overview

($ in millions, except per share data)

| P&L Highlights* | Q3 2026 | Q3 2025 | Y/Y CHANGE | Q3 2025 IN CONSTANT CURRENCY | Y/Y CHANGE IN CONSTANT CURRENCY | Q2 2026 | Q/Q CHANGE |
|---|---|---|---|---|---|---|---|
| Sales | $10,718 | $7,713 | 39.0% | $7,702 | 39.2% | $9,992 | 7.3% |
| Gross Profit Margin | 10.8% | 10.8% | 0 bps | 10.8% | 0 bps | 11.3% | -50 bps |
| Operating Income | $430 | $179 | 140.4% | $180 | 139.5% | $377 | 14.0% |
| Operating Margin | 4.0% | 2.3% | 170 bps | 2.3% | 170 bps | 3.8% | 20 bps |
| Non-GAAP Operating Income | $436 | $217 | 100.6% | $218 | 100.1% | $403 | 8.1% |
| Non-GAAP Operating Margin | 4.1% | 2.8% | 130 bps | 2.8% | 130 bps | 4.0% | 10 bps |
| Net Income | $318 | $109 | 191.6% | $110 | 188.9% | $273 | 16.7% |
| Diluted EPS | $6.17 | $2.09 | 195.2% | $2.11 | 192.4% | $5.26 | 17.3% |
| Non-GAAP Net Income | $321 | $126 | 155.3% | $127 | 153.6% | $283 | 13.6% |
| Non-GAAP Diluted EPS | $6.22 | $2.41 | 158.1% | $2.43 | 156.0% | $5.45 | 14.1% |

| | Q3 2026 | Q3 2025 | Y/Y CHANGE | Q3 2025 IN CONSTANT CURRENCY | Y/Y CHANGE IN CONSTANT CURRENCY | Q2 2026 | Q/Q CHANGE |
|---|---|---|---|---|---|---|---|
| Operating expenses | $729 | $656 | 11.1% | $655 | 11.4% | $748 | -2.5% |
| Operating expenses margin | 6.8% | 8.5% | -170 bps | 8.5% | -170 bps | 7.5% | -70 bps |
| Non-GAAP Operating expenses | $719 | $616 | 16.8% | $615 | 17.0% | $719 | 0.0% |
| Non-GAAP Operating expenses margin | 6.7% | 8.0% | -130 bps | 8.0% | -130 bps | 7.2% | -50 bps |

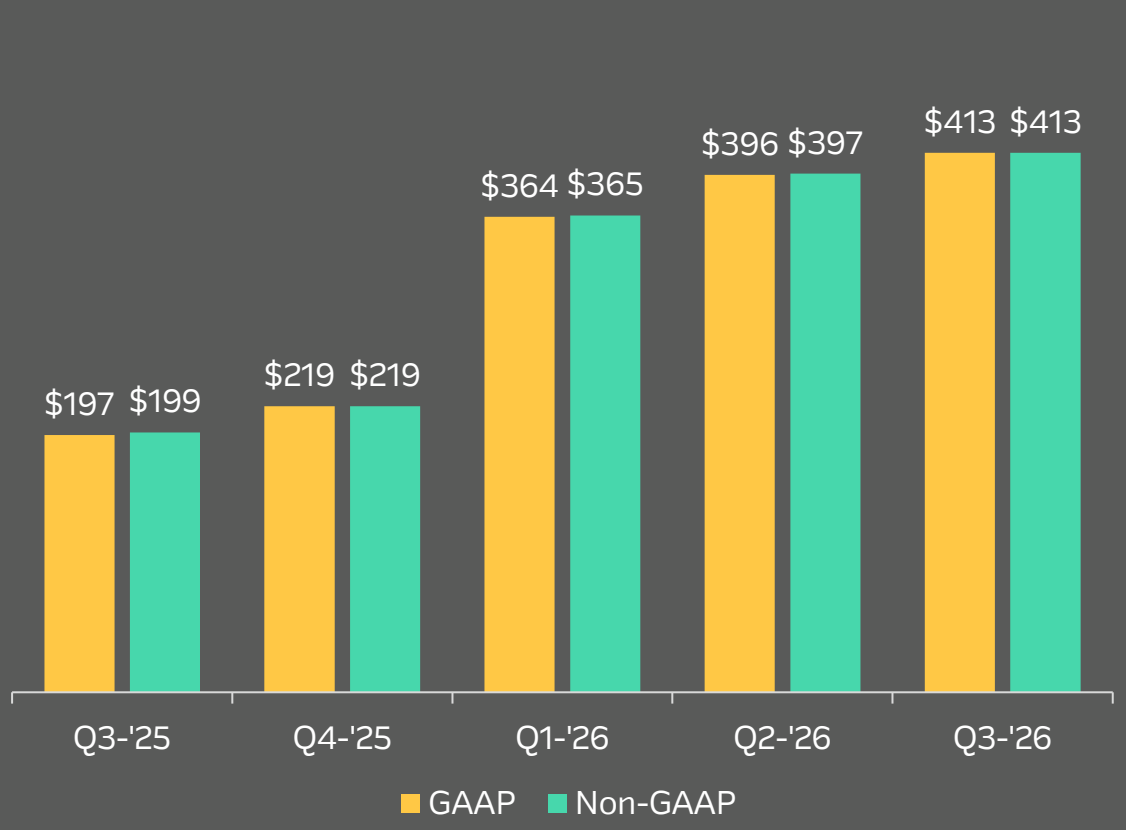
# Revenue history

($ in millions, may reflect rounding)

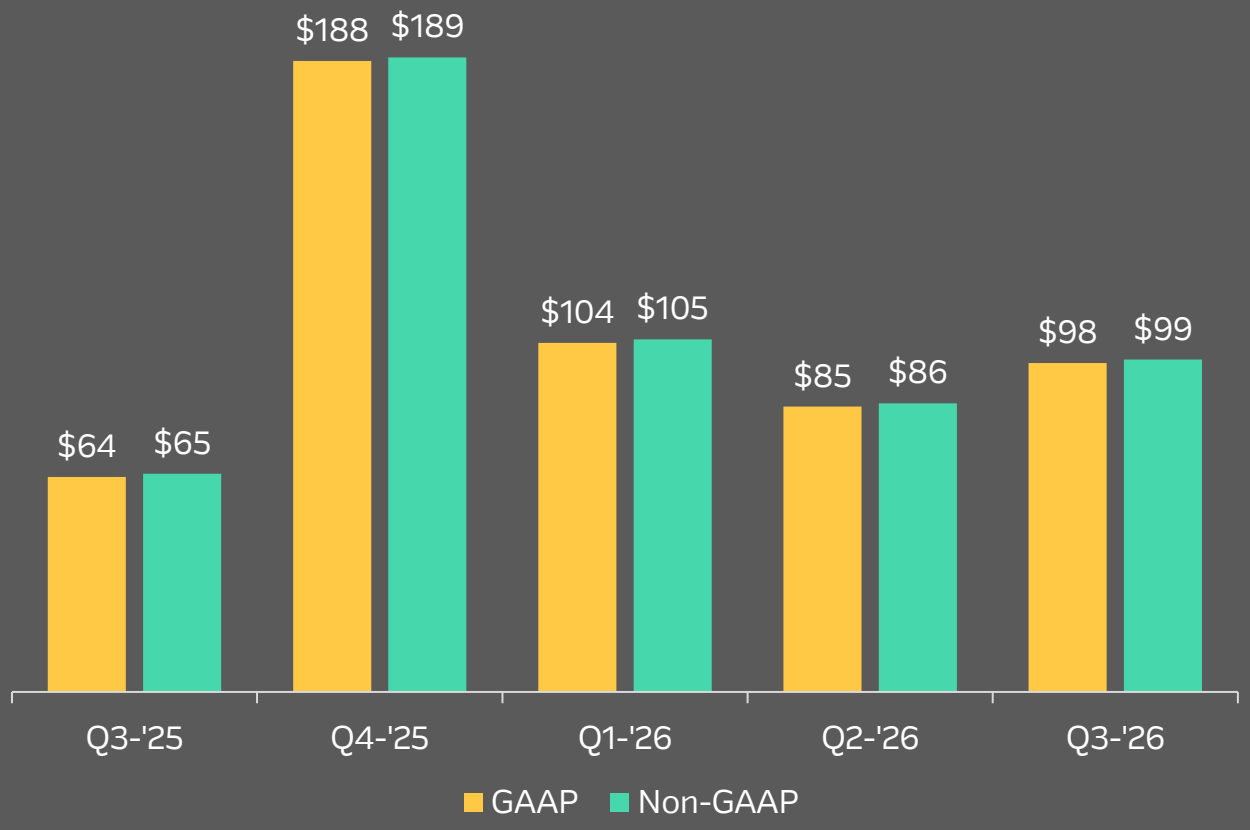
| | Q3'25 | Q4'25 | Q1'26 | Q2'26 | Q3'26 | YoY change | QoQ change |
|---|---|---|---|---|---|---|---|
| Global Components Total | 5,556 | 5,882 | 6,640 | 7,366 | 7,943 | 43% | 8% |
| Americas | 1,709 | 1,960 | 2,312 | 2,455 | 2,703 | 58% | 10% |
| Europe, Middle East & Africa | 1,444 | 1,460 | 1,765 | 1,939 | 2,037 | 41% | 5% |
| Asia Pacific | 2,404 | 2,462 | 2,563 | 2,972 | 3,202 | 33% | 8% |
| Enterprise Computing Solutions Total | 2,156 | 2,864 | 2,833 | 2,627 | 2,775 | 29% | 6% |
| Europe, Middle East & Africa | 1,134 | 1,618 | 1,648 | 1,491 | 1,474 | 30% | -1% |
| Americas | 1,022 | 1,246 | 1,185 | 1,136 | 1,301 | 27% | 15% |
| Arrow Electronics Total | 7,713 | 8,746 | 9,474 | 9,992 | 10,718 | 39% | 7% |

# Operating income history

## Global Components ($M)




## Enterprise Computing Solutions ($M)




See the reconciliation to comparable GAAP figures in the tables at the end of this presentation

# Certain Non-GAAP financial information

In addition to disclosing financial results that are determined in accordance with accounting principles generally accepted in the United States (“GAAP”), the company also provides certain non-GAAP financial information relating to sales, gross profit, operating income (including by business segment), operating margin, operating expense, consolidated net income, noncontrolling interest, provision for income tax, income before income taxes, net income attributable to shareholders, effective tax rate, net income per share on a diluted basis, return on working capital, and return on invested capital.

These non-GAAP measures are adjusted by certain of the following, as applicable: the impact of changes in foreign currencies (referred to as "changes in foreign currencies" or "on a constant currency basis") by re-translating prior-period results at current-period foreign exchange rates, identifiable intangible asset amortization, restructuring, integration, and other charges, net gains and losses on investments, and the impact of wind down to inventory.

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- 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, in conjunction with, and not as a substitute for, data presented in accordance with GAAP.

For a complete reconciliation between our GAAP and non-GAAP results, please refer to reconciliations found at the end of this document.



# Fourth-quarter 2026 GAAP to non-GAAP outlook reconciliation

($ in billions, except per share data)

NON-GAAP SALES RECONCILIATION

| | Quarter Ended | | | Quarter Ended | | |
|---|---|---|---|---|---|---|
| | 31-Dec-26 | 31-Dec-25 | % Change | 31-Dec-26 | 3-Oct-26 | % Change |
| Global components sales, GAAP | $ 8.15 - 8.55 | $ 5.88 | 39% - 45% | $ 8.15 - 8.55 | $ 7.94 | 3% - 8% |
| Impact of changes in foreign currencies | — | (0.02) | | — | (0.04) | |
| Global components sales, constant currency | $ 8.15 - 8.55 | $ 5.86 | 39% - 46% | $ 8.15 - 8.55 | $ 7.90 | 3% - 8% |
| Global ECS sales, GAAP | $ 3.40 - 3.60 | $ 2.86 | 19% - 26% | $ 3.40 - 3.60 | $ 2.78 | 23% - 30% |
| Impact of changes in foreign currencies | — | (0.06) | | — | (0.04) | |
| Global ECS sales, constant currency | $ 3.40 - 3.60 | $ 2.80 | 21% - 29% | $ 3.40 - 3.60 | $ 2.74 | 24% - 31% |

NON-GAAP EARNINGS RECONCILIATION

| | REPORTED GAAP MEASURE | INTANGIBLE AMORTIZATION EXPENSE | RESTRUCTURING & INTEGRATION CHARGES | NON-GAAP MEASURE |
|---|---|---|---|---|
| Net income per diluted share | $6.25 to $6.45 | $0.07 | $0.68 | $7.00 to $7.20 |

# Non-GAAP third-quarter sales reconciliation

($ in thousands)

| | Quarter Ended 3-Oct-26 | Quarter Ended 27-Sep-25 | % Change |
|---|---|---|---|
| Consolidated sales, as reported | $ 10,717,739 | $ 7,712,541 | 39.0% |
| Impact of changes in foreign currencies | - | (10,324) | |
| Consolidated sales, constant currency | $ 10,717,739 | $ 7,702,217 | 39.2% |
| Global components sales, as reported | $ 7,942,592 | $ 5,556,392 | 42.9% |
| Impact of changes in foreign currencies | - | 4,146 | |
| Global components sales, constant currency | $ 7,942,592 | $ 5,560,538 | 42.8% |
| Americas components sales, as reported | $ 2,703,157 | $ 1,708,840 | 58.2% |
| Impact of changes in foreign currencies | - | 114 | |
| Americas components sales, constant currency | $ 2,703,157 | $ 1,708,954 | 58.2% |
| EMEA components sales, as reported | $ 2,036,976 | $ 1,443,607 | 41.1% |
| Impact of changes in foreign currencies | - | (12,050) | |
| EMEA components sales, constant currency | $ 2,036,976 | $ 1,431,557 | 42.3% |
| Asia components sales, as reported | $ 3,202,459 | $ 2,403,945 | 33.2% |
| Impact of changes in foreign currencies | - | 16,082 | |
| Asia components sales, constant currency | $ 3,202,459 | $ 2,420,027 | 32.3% |
| Global ECS sales, as reported | $ 2,775,147 | $ 2,156,149 | 28.7% |
| Impact of changes in foreign currencies | - | (14,470) | |
| Global ECS sales, constant currency | $ 2,775,147 | $ 2,141,679 | 29.6% |
| Americas ECS sales, as reported | $ 1,300,944 | $ 1,021,950 | 27.3% |
| Impact of changes in foreign currencies | - | (1,104) | |
| Americas ECS sales, constant currency | $ 1,300,944 | $ 1,020,846 | 27.4% |
| EMEA ECS sales, as reported | $ 1,474,203 | $ 1,134,199 | 30.0% |
| Impact of changes in foreign currencies | - | (13,366) | |
| EMEA ECS sales, constant currency | $ 1,474,203 | $ 1,120,833 | 31.5% |

# Quarterly GAAP to non-GAAP reconciliation

($ in thousands, except per share data)

**Three months ended October 3, 2026**

| | Reported GAAP measure | Intangible Amortization Expense | Restructuring & Integration charges | Impact of Wind Down [1] | Non-Recurring Tax Items | Other [2] | Non-GAAP measure |
|---|---|---|---|---|---|---|---|
| Operating income | $ 430,257 | $ 4,745 | $ 5,034 | $ (3,939) | $ - | $ - | $ 436,097 |
| Income before income taxes | 393,706 | 4,745 | 5,034 | (3,939) | - | (2,893) | 396,653 |
| Provision for income taxes | 75,175 | 1,160 | 1,083 | (1,246) | - | (695) | 75,477 |
| Consolidated net income | 318,531 | 3,585 | 3,951 | (2,693) | - | (2,198) | 321,176 |
| Net income attributable to shareholders | $ 318,375 | $ 3,585 | $ 3,951 | $ (2,693) | $ - | $ (2,198) | $ 321,020 |
| Net income per diluted share [4] | $ 6.17 | $ 0.07 | $ 0.08 | $ (0.05) | $ - | $ (0.04) | $ 6.22 |
| Effective tax rate [5] | 19.1% | | | | | | 19.0% |

**Three months ended September 27, 2025**

| | Reported GAAP measure | Intangible Amortization Expense | Restructuring & Integration charges | Impact of Wind Down [1] | Non-Recurring Tax Items [3] | Other [2] | Non-GAAP measure |
|---|---|---|---|---|---|---|---|
| Operating income | $ 179,007 | $ 4,766 | $ 35,648 | $ (1,989) | $ - | $ - | $ 217,432 |
| Income before income taxes | 128,790 | 4,766 | 35,648 | (1,989) | - | (4,859) | 162,356 |
| Provision for income taxes | 19,528 | 1,162 | 9,302 | (629) | 8,359 | (1,166) | 36,556 |
| Consolidated net income | 109,262 | 3,604 | 26,346 | (1,360) | (8,359) | (3,693) | 125,800 |
| Net income attributable to shareholders | $ 109,193 | $ 3,604 | $ 26,346 | $ (1,360) | $ (8,359) | $ (3,693) | $ 125,731 |
| Net income per diluted share [4] | $ 2.09 | $ 0.07 | $ 0.51 | $ (0.03) | $ (0.16) | $ (0.07) | $ 2.41 |
| Effective tax rate [5] | 15.2% | | | | | | 22.5% |

**Three months ended July 4, 2026**

| | Reported GAAP measure | Intangible Amortization Expense | Restructuring & Integration charges | Impact of Wind Down [1] | Non-Recurring Tax Items [3] | Other [2] | Non-GAAP measure |
|---|---|---|---|---|---|---|---|
| Operating income | $ 377,333 | $ 4,753 | $ 24,139 | $ (2,970) | $ - | $ - | $ 403,255 |
| Income before income taxes | 353,146 | 4,753 | 24,139 | (2,970) | - | (12,044) | 367,024 |
| Provision for income taxes | 80,311 | 1,162 | 6,752 | (944) | - | (2,892) | 84,389 |
| Consolidated net income | 272,835 | 3,591 | 17,387 | (2,026) | - | (9,152) | 282,635 |
| Net income attributable to shareholders | $ 272,711 | $ 3,591 | $ 17,387 | $ (2,026) | $ - | $ (9,152) | $ 282,511 |
| Net income per diluted share [4] | $ 5.26 | $ 0.07 | $ 0.34 | $ (0.04) | $ - | $ (0.18) | $ 5.45 |
| Effective tax rate [5] | 22.7% | | | | | | 23.0% |

(1) Includes recoveries of inventory related to the wind down of businesses.

(2) Other includes gain on investments, net.

(3) Includes impacts from tax settlements related to U.S. federal tax law changes enacted as part of the 2017 Tax Cuts and Jobs Act.

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

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

# Gross profit and operating expense reconciliation

($ in thousands)

| | 9/27/2025 | 12/31/2025 | 4/4/2026 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|---|---|
| Consolidated Gross Profit | $ 835,314 | $ 1,008,756 | $ 1,090,460 | $ 1,125,209 | $ 1,159,332 |
| Impact of wind down to inventory | (1,989) | (3,638) | (2,248) | (2,970) | (3,939) |
| Consolidated non-GAAP gross profit | $ 833,325 | $ 1,005,118 | $ 1,088,212 | $ 1,122,239 | $ 1,155,393 |
| Consolidated gross profit, as a percentage of sales | 10.8% | 11.5% | 11.5% | 11.3% | 10.8% |
| Consolidated non-GAAP gross profit, as a percentage of sales | 10.8% | 11.5% | 11.5% | 11.2% | 10.8% |

| | 9/27/2025 | 12/31/2025 | 4/4/2026 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|---|---|
| Consolidated Operating Expense | $ 656,307 | $ 714,678 | $ 728,858 | $ 747,876 | $ 729,075 |
| Intangible Amortization Expense | (4,766) | (4,764) | (4,765) | (4,753) | (4,745) |
| Restructuring & Integration charges | (35,648) | (41,239) | (36,664) | (24,139) | (5,034) |
| Consolidated non-GAAP Operating Expense | $ 615,893 | $ 668,675 | $ 687,429 | $ 718,984 | $ 719,296 |
| Consolidated operating expense, as a percentage of gross profit | 78.6% | 70.8% | 66.8% | 66.5% | 62.9% |
| Consolidated non-GAAP operating expense, as a percentage of non-GAAP gross profit | 73.9% | 66.5% | 63.2% | 64.1% | 62.3% |

| | 9/27/2025 | 12/31/2025 | 4/4/2026 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|---|---|
| Americas ECS gross billings | $ 2,713,373 | $ 3,041,843 | $ 2,959,611 | $ 2,693,364 | $ 2,907,324 |
| EMEA ECS gross billings | 2,476,599 | 4,039,437 | 3,473,712 | 3,162,931 | 3,028,245 |
| Global ECS gross billings | $ 5,189,972 | $ 7,081,280 | $ 6,433,323 | $ 5,856,295 | $ 5,935,569 |

# Operating income margin reconciliation

($ in thousands)

| | 9/27/2025 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|
| Operating Income | $ 179,007 | $ 377,333 | $ 430,257 |
| Intangible Amortization | 4,766 | 4,753 | 4,745 |
| Restructuring and Integration Charges | 35,648 | 24,139 | 5,034 |
| Inventory Adjustment | $ (1,989) | $ (2,970) | $ (3,939) |
| Consolidated non-GAAP operating income | $ 217,432 | $ 403,255 | $ 436,097 |
| Consolidated operating margin | 2.3% | 3.8% | 4.0% |
| Consolidated non-GAAP operating margin | 2.8% | 4.0% | 4.1% |

# Return on working capital reconciliation

($ in thousands)

| | Quarter Ended | |
|---|---|---|
| | October 3, 2026 | September 27, 2025 |
| **Numerator:** | | |
| Consolidated operating income, as reported | $ 430,257 | $ 179,007 |
| | x4 | x4 |
| Annualized consolidated operating income | $ 1,721,028 | $ 716,028 |
| Non-GAAP consolidated operating income | $ 436,097 | $ 217,432 |
| | x4 | x4 |
| Annualized non-GAAP consolidated operating income | $ 1,744,388 | $ 869,728 |
| **Denominator:** | | |
| Accounts receivable, net | 33,259,191 | 15,656,815 |
| Inventories | 7,305,982 | 4,728,011 |
| Less: Accounts payable | 32,862,316 | 13,126,538 |
| Working capital | 7,702,857 | 7,258,288 |
| Return on working capital | 22.3% | 9.9% |
| Return on working capital (Non-GAAP) | 22.6% | 12.0% |

# Return on invested capital reconciliation

($ in thousands)

| | Quarter Ended | |
|---|---|---|
| | October 3, 2026 | September 27, 2025 |
| **Numerator:** | | |
| Consolidated operating income, as reported | $ 430,257 | $ 179,007 |
| Equity in earnings of affiliated companies [1] | 1,693 | 463 |
| Less: Noncontrolling interests [1] | 156 | 69 |
| Consolidated operating income, as adjusted | 431,794 | 179,401 |
| Less: Tax effect [2] | 82,480 | 27,231 |
| After-tax consolidated operating income, as adjusted | 349,314 | 152,170 |
| | x4 | x4 |
| Annualized after-tax consolidated operating income, as adjusted | $ 1,397,256 | $ 608,680 |
| Non-GAAP consolidated operating income | $ 436,097 | $ 217,432 |
| Equity in earnings of affiliated companies [1] | 1,693 | 463 |
| Less: Noncontrolling interests [1] | 156 | 69 |
| Non-GAAP consolidated operating income, as adjusted | 437,634 | 217,826 |
| Less: Tax effect [3] | 83,293 | 49,052 |
| After-tax non-GAAP consolidated operating income, as adjusted | 354,341 | 168,774 |
| | x4 | x4 |
| Annualized after-tax non-GAAP operating income, as adjusted | $ 1,417,364 | $ 675,096 |
| **Denominator:** | | |
| Average short-term borrowings, including current portion of long-term debt [4] | $ 114,018 | $ 233,215 |
| Average long-term debt [4] | 2,347,262 | 2,742,240 |
| Average total equity [4] | 7,170,293 | 6,442,346 |
| Less: Average cash and cash equivalents [4] | 230,119 | 217,791 |
| Invested capital | $ 9,401,454 | $ 9,200,010 |
| Return on invested capital | 14.9% | 6.6% |
| Return on invested capital (Non-GAAP) | 15.1% | 7.3% |

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

(2) The tax effect is calculated by applying the effective tax rate for the three months ended October 3, 2026 and September 27, 2025 to consolidated operating income, as adjusted. The tax rate is adjusted to exclude the impacts of interest expense, gain on investments, net, and employee benefit plan expense, net.

(3) The tax effect is calculated by applying the non-GAAP effective tax rate for the three months ended October 3, 2026 and September 27, 2025 to non-GAAP consolidated operating income, as adjusted. The tax rate is adjusted to exclude the impacts of interest expense and employee benefit plan expense, net.

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

# Non-GAAP segment reconciliation

($ in thousands)

| | 9/27/2025 | 12/31/2025 | 4/4/2026 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|---|---|
| Global components operating income, as reported | $ 197,355 | $ 219,158 | $ 363,520 | $ 396,275 | $ 413,032 |
| Intangible assets amortization expense | 3,838 | 3,837 | 3,837 | 3,824 | 3,817 |
| Impact of wind down to inventory | (1,989) | (3,638) | (2,248) | (2,970) | (3,939) |
| Global components non-GAAP operating income | $ 199,204 | $ 219,357 | $ 365,109 | $ 397,129 | $ 412,910 |
| Global components operating Margin | 3.6% | 5.5% | 5.5% | 5.4% | 5.2% |
| Global components non-GAAP Operating Margin | 3.6% | 5.5% | 5.5% | 5.4% | 5.2% |
| | | | | | |
| Global ECS operating income, as reported | $ 63,744 | $ 187,884 | $ 103,738 | $ 85,375 | $ 98,218 |
| Intangible assets amortization expense | 928 | 927 | 928 | 929 | 928 |
| Global ECS non-GAAP operating income | $ 64,672 | $ 188,811 | $ 104,666 | $ 86,304 | $ 99,146 |
| Global ECS Operating Margin | 3.0% | 6.6% | 3.7% | 3.3% | 3.5% |
| Global ECS non-GAAP Operating Margin | 3.0% | 6.6% | 3.7% | 3.3% | 3.6% |

# Non-GAAP segment reconciliation (continued)

($ in thousands)

| | 9/27/2025 | 12/31/2025 | 4/4/2026 | 7/4/2026 | 10/3/2026 |
|---|---|---|---|---|---|
| Global components gross profit, as reported | $ 609,101 | $ 647,154 | $ 806,748 | $ 856,503 | $ 878,761 |
| Impact of wind down to inventory | (1,989) | (3,638) | (2,248) | (2,970) | (3,939) |
| Global components non-GAAP gross profit | $ 607,112 | $ 643,514 | $ 804,500 | $ 853,533 | $ 874,822 |
| Global components gross profit, as a percentage of sales | 11.0% | 11.0% | 12.1% | 11.6% | 11.1% |
| Global components non-GAAP gross profit, as a percentage of sales | 10.9% | 10.9% | 12.1% | 11.6% | 11.0% |
| | | | | | |
| Global ECS gross profit, as reported | $ 226,213 | $ 361,602 | $ 283,712 | $ 268,706 | $ 280,571 |
| Global ECS gross profit as a percentage of sales, as reported | 10.5% | 12.6% | 10.0% | 10.2% | 10.1% |

# Net Leverage Reconciliation

($ in thousands)

| | Trailing Twelve Months | |
|---|---|---|
| | 9/27/2025 | 10/3/2026 |
| Income before income taxes | $ 593,659 | $ 1,307,085 |
| Interest and other financing expense, net | 231,732 | 169,683 |
| Depreciation and amortization | 143,403 | 142,121 |
| Restructuring, integration, and other | 95,938 | 107,076 |
| Earnings before interest, taxes, depreciation and amortization ("EBITDA") | $ 1,062,839 | $ 1,725,965 |

| | As of | |
|---|---|---|
| | 9/27/2025 | 10/3/2026 |
| Short-term borrowings, including current portion of long-term debt | $ 10,818 | $ 110,497 |
| Long-term debt | 3,118,668 | 2,641,483 |
| Amounts related to the EMEA asset securitization program: Receivables sold to Unaffiliated Financial Institutions that were uncollected | 331,071 | 519,328 |
| Receivables sold under the factoring programs that were uncollected | 236,648 | 216,221 |
| Less: Cash | (213,612) | (215,607) |
| Total Debt | $ 3,483,593 | $ 3,271,922 |

| | 9/27/2025 | 10/3/2026 |
|---|---|---|
| Adjusted Leverage Ratio | 3.27 | 1.90 |