

Arrow Electronics

Earnings Presentation

Fourth Quarter & Full Year 2025

February 5, 2026

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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; political instability and changes; impacts of military conflict and sanctions; 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; management transitions, including the company’s search for a permanent CEO; the incurrence of unanticipated charges or failure to realize contemplated cost savings in connection with the Operating Expense Efficiency Plan; changes in product supply, pricing, and customer demand; increased profit-margin pressure resulting from industry conditions, competition, or other factors; changes in relationships with key suppliers; other vagaries in the global components and the global ECS markets; 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 environmental, social, governance, cybersecurity, data privacy, and artificial intelligence issues; 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 the company’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.

Q4 2025 Highlights

CONSOLIDATED SALES

\$8.7 Billion
Up 20% Y/Y

OPERATING MARGIN¹

3.8 Percent

DILUTED EARNINGS PER SHARE¹

\$4.39
Up 48% Y/Y

- Consolidated revenue and earnings per share exceeded high end of guidance range
- Global Components segment revenue exceeded high end of guidance range
- Global Enterprise Computing Solutions segment revenue exceeded midpoint of guidance range
- Additional Q4 2025 financial information:
 - Record Global Enterprise Computing Solutions gross profit and operating profit
 - \$336 million operating income¹
 - \$228 million net income¹



Why Arrow

As the premier orchestrator 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

Overview

- Execute through gradual recovery with discipline
- Deliver profitable growth
- Expand value-added offerings
- Position Arrow through strategy, differentiated capabilities, and diversified business model



FY 2025 Financial Metrics

CONSOLIDATED SALES

\$30.9 Billion
Up 10% Y/Y

GLOBAL COMPONENTS SALES

\$21.5 Billion
Up 8% Y/Y

GLOBAL ECS SALES

\$9.4 Billion
Up 18% Y/Y

DILUTED EARNINGS PER SHARE¹

\$11.02
Up 4% Y/Y

- Key Takeaways:

- Growth in accretive value-added services
- Productivity initiatives driving efficiencies
- Regional and customer mix headwinds to FY 2025 results, gradually improving

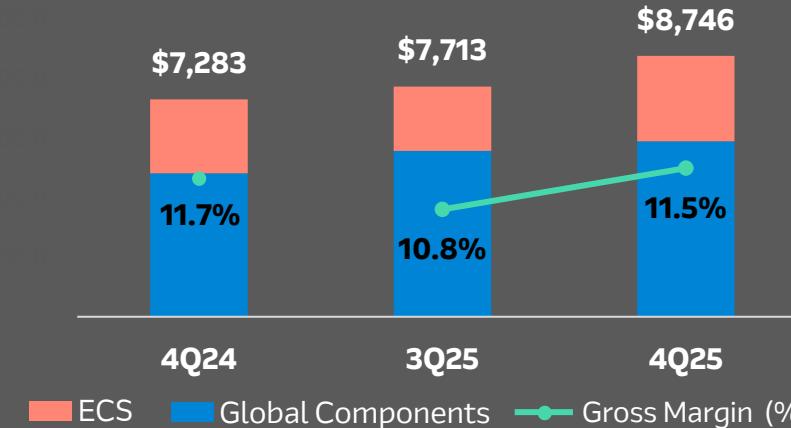
1. Figures are Non-GAAP.

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

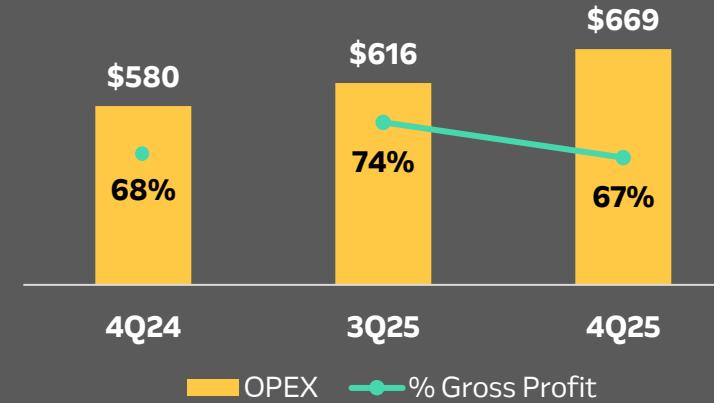
Q4 2025 Financial Metrics

\$ in millions except for EPS

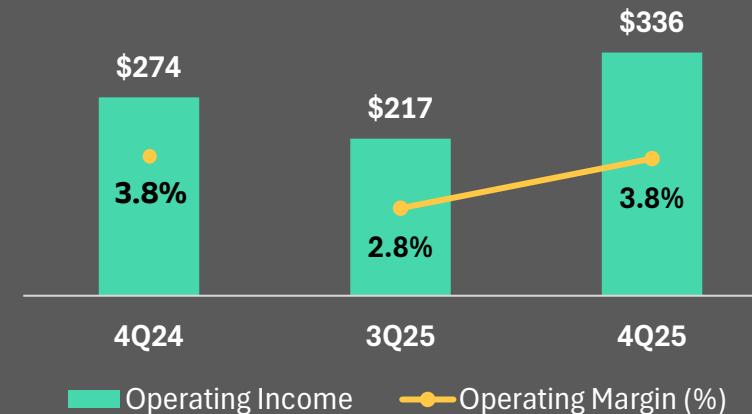
Sales & Non-GAAP Gross Margin¹



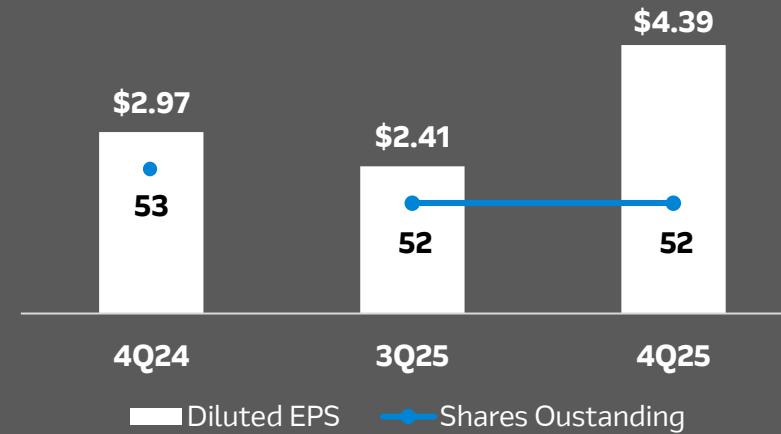
Non-GAAP Operating Expenses¹



Non-GAAP Operating Income¹



Non-GAAP Diluted EPS¹

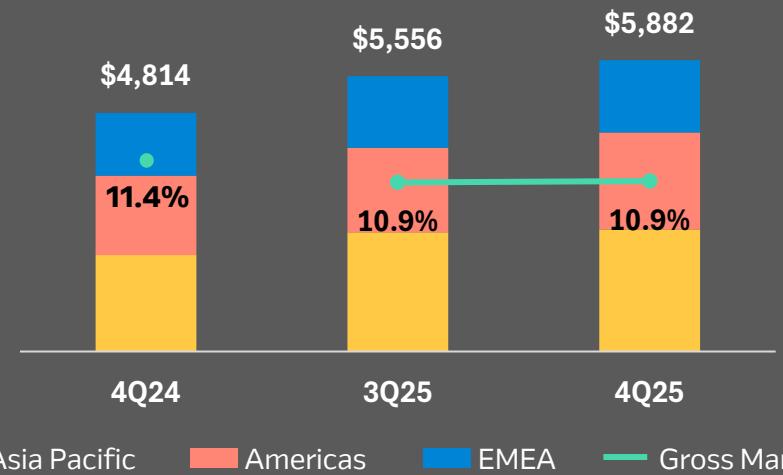


Interest and other expense, net in Q4'25 was \$44 million
Non-GAAP Effective Tax Rate was 23.0%¹

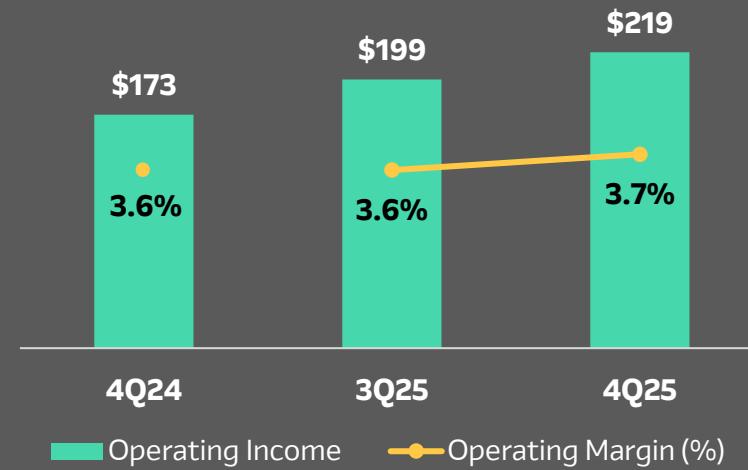
Q4 2025 Global Components

\$ in millions

Sales & Non-GAAP Gross Margin¹



Non-GAAP Operating Income¹



- Gradual cyclical upswing:

- Book-to-bill remains above parity in all regions
- Backlog grew for fourth consecutive quarter
- All three regions performed above seasonal
- Sales for semi and IP&E components grew
- Healthy demand trends across many core markets
- Inventory turns normalizing
- Lead times modestly expanded

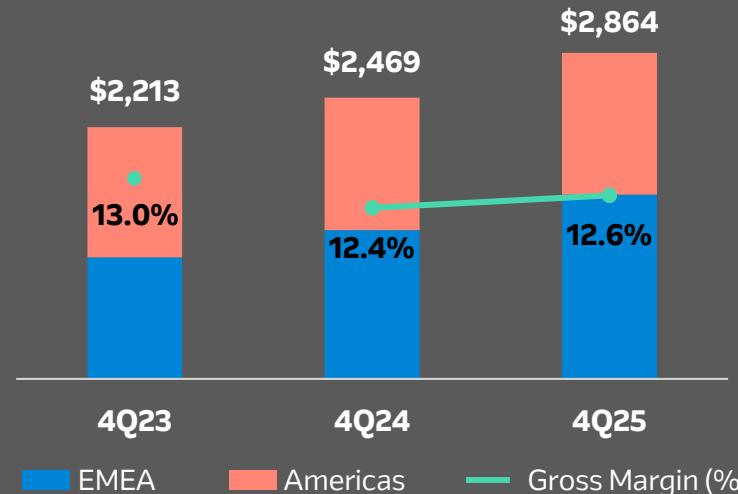
- Focus remains on profitable growth:

- Regional and customer business mix gradually improving
- Deliberate shift to higher mix of value-added offerings
- Operational productivity initiatives freeing up reinvestment capacity
- On a regional basis:
 - Americas – strength in Aerospace & Defense, Industrial, Transportation, Networking & Communications
 - EMEA – healthy backlog build across verticals
 - APAC – continued sequential growth

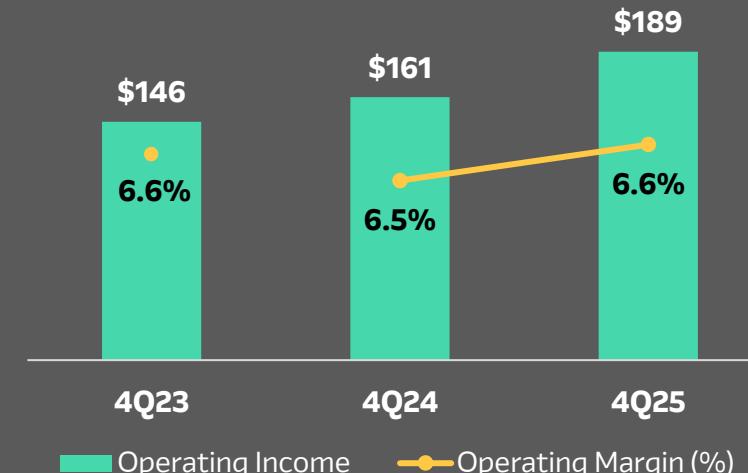
Q4 2025 Enterprise Computing Solutions

\$ in millions

Sales & Non-GAAP Gross Margin¹



Non-GAAP Operating Income¹



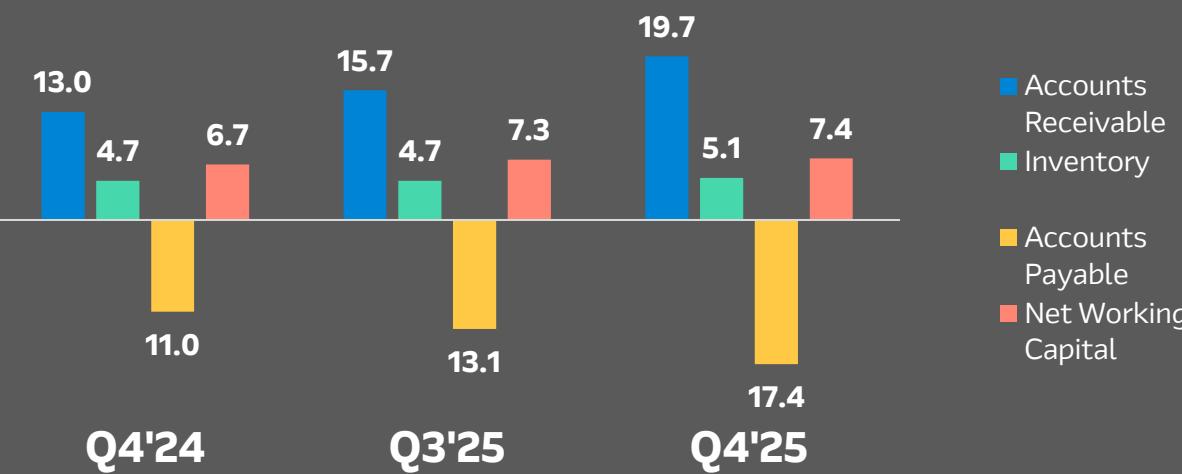
- Secular demand trends around AI driving strength across technology categories:

- Hybrid cloud
- Infrastructure hardware and software
- Cybersecurity
- Data protection
- Data intelligence

- Total billings mix:
 - Recurring revenue roughly 1/3rd
 - 75% software and services | 25% hardware
- Backlog 75%+ higher year over year
- Exclusive go-to-market partnerships taking Arrow beyond a traditional distributor

Q4 2025 Balance Sheet and Cash Highlights

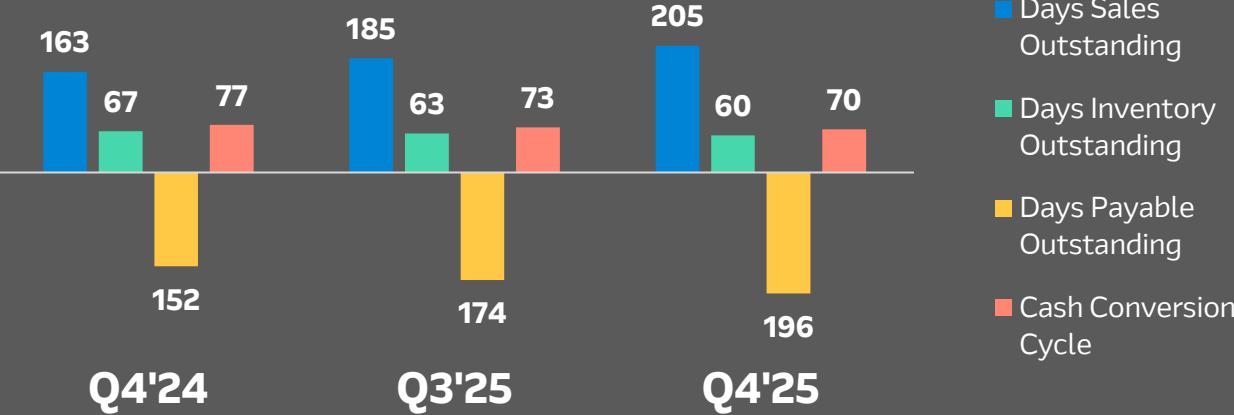
Net Working Capital (\$B)



- **Non-GAAP Return on Working Capital (ROWC)**¹ was 18.1% in the fourth quarter, rose 170 basis points year on year. The increase in ROWC related primarily to higher operating income in both segments.

- **Non-GAAP Return on Invested Capital (ROIC)**¹ was 11.1% in the fourth quarter, rose 190 basis points year on year. The increase in ROIC related primarily to higher operating income in both segments.

Cash Conversion (Days)



- **Operating Cashflow** was \$200M
- **Gross Debt** was \$3.1B
- **Repurchased** \$50M in shares

Inventory Turns: 5.5

5.8

6.1

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

Q1 2026 Guidance

Consolidated Sales	\$7.95 billion to \$8.55 billion
Global components	\$5.75 billion to \$6.15 billion
Global ECS	\$2.20 billion to \$2.40 billion
Diluted Earnings Per Share	\$2.13 to \$2.33
Non-GAAP Diluted Earnings Per Share ¹	\$2.70 to \$2.90
Interest and other expense, net	Approximately \$60 million

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

- Changes in foreign currencies to increase sales by approximately \$263 million, and earnings per share on a diluted basis by \$0.10 compared to the first quarter of 2025
- Changes in foreign currencies to increase quarter-over-quarter growth in sales by \$17 million, and earnings per share on a diluted basis will have no impact compared to the fourth quarter of 2025



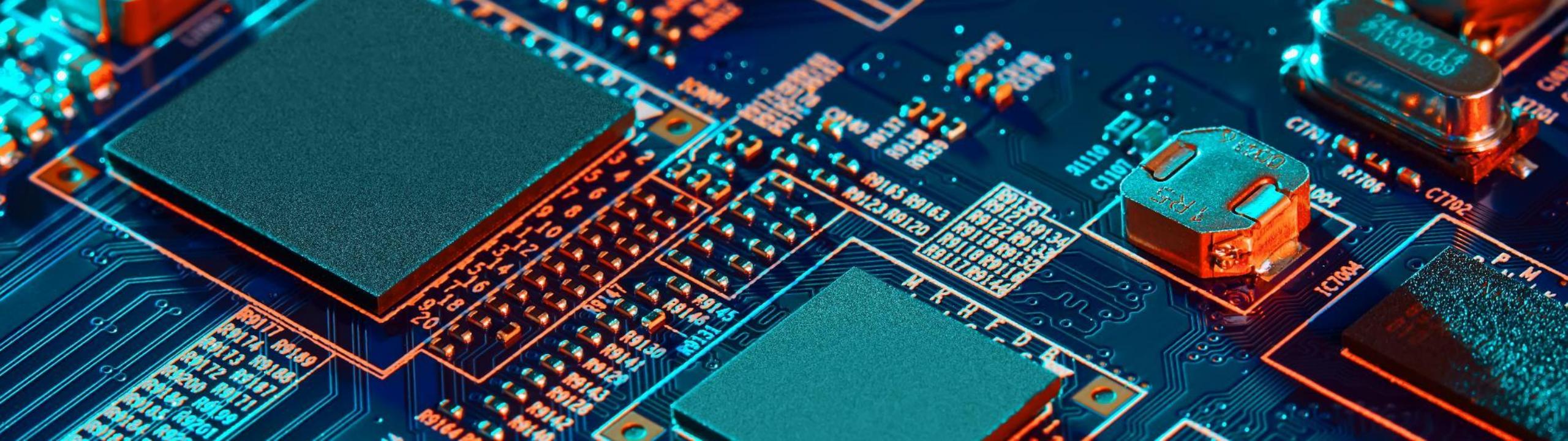
Looking Forward

- Strong execution as gradual recovery progresses
 - Encouraging leading indicators
 - Expanding value-added offerings
- Drive profitable growth
- Better align go to market organization to drive growth initiatives
- Diversified business model, improving profitability, and focused capital allocation
- Focus on shareholder value
- Ongoing CEO search





Thank You Q&A



Additional information and financial tables

Consolidated fourth-quarter overview

(\$ in millions, except per share data)

	Q4 2025	Q4 2024	Y/Y CHANGE	Q4 2024 IN CONSTANT CURRENCY	Y/Y CHANGE IN CONSTANT CURRENCY	Q3 2025	Q/Q CHANGE
P&L Highlights							
Sales	\$8,746	\$7,283	20.1%	\$7,514	16.4%	\$7,713	13.4%
Gross Profit Margin	11.5%	11.0%	50 bps	11.1%	40 bps	10.8%	70 bps
Operating Income	\$294	\$195	50.7%	\$211	39.4%	\$179	64.3%
Operating Margin	3.4%	2.7%	70 bps	2.8%	60 bps	2.3%	110 bps
Non-GAAP Operating Income	\$336	\$274	22.9%	\$290	16.2%	\$217	54.7%
Non-GAAP Operating Margin	3.8%	3.8%	0 bps	3.9%	-10 bps	2.8%	100 bps
Net Income	\$195	\$99	96.2%	\$111	75.1%	\$109	78.2%
Diluted EPS	\$3.75	\$1.86	101.6%	\$2.09	79.4%	\$2.09	79.4%
Non-GAAP Net Income	\$228	\$158	44.1%	\$170	33.9%	\$126	81.1%
Non-GAAP Diluted EPS	\$4.39	\$2.97	47.8%	\$3.20	37.2%	\$2.41	82.2%

	Q4 2025	Q4 2024	Y/Y CHANGE	Q4 2024 IN CONSTANT CURRENCY	Y/Y CHANGE IN CONSTANT CURRENCY	Q3 2025	Q/Q CHANGE
Operating expenses							
Operating expenses	\$715	\$608	17.5%	\$626	14.1%	\$656	8.9%
Operating expenses margin	8.2%	8.4%	-20 bps	8.3%	-10 bps	8.5%	-30 bps
Non-GAAP Operating expenses	\$669	\$580	15.3%	\$597	12.0%	\$616	8.6%
Non-GAAP Operating expenses margin	7.6%	8.0%	-40 bps	7.9%	-30 bps	8.0%	-40 bps

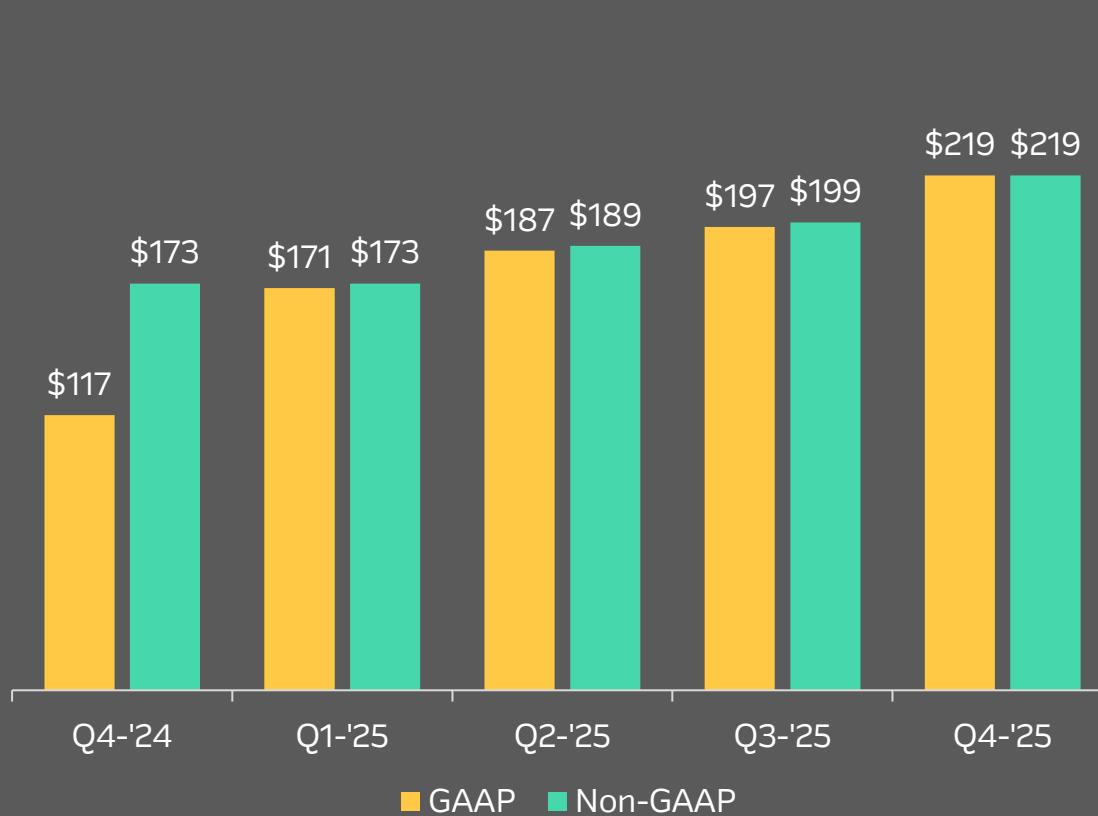
Revenue history

(\$ in millions, may reflect rounding)

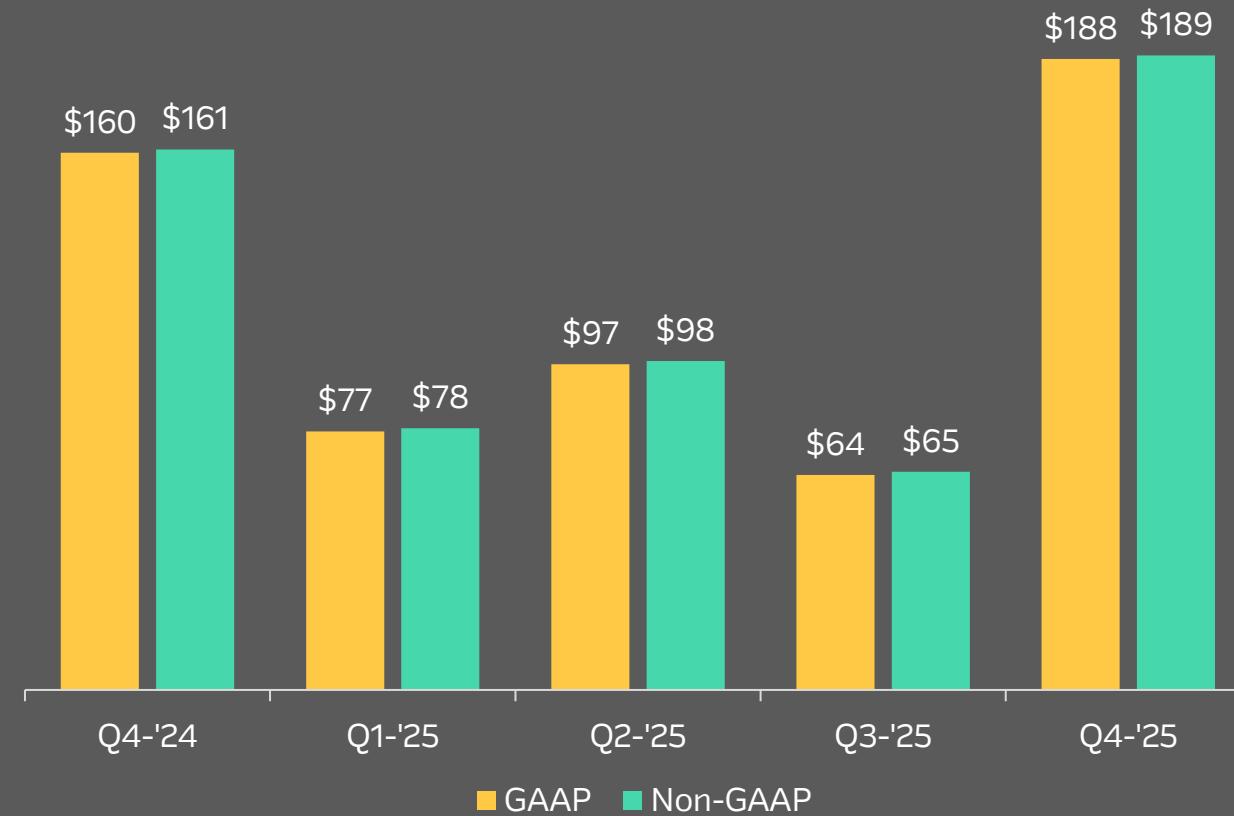
	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	YoY change	QoQ change
Global Components Total	4,814	4,778	5,285	5,556	5,882	22%	6%
Americas	1,604	1,569	1,708	1,709	1,960	22%	15%
Europe, Middle East & Africa	1,262	1,340	1,427	1,444	1,460	16%	1%
Asia Pacific	1,948	1,869	2,150	2,404	2,462	26%	2%
Enterprise Computing Solutions Total	2,469	2,036	2,295	2,156	2,864	16%	33%
Europe, Middle East & Africa	1,307	1,126	1,242	1,134	1,618	24%	43%
Americas	1,162	910	1,053	1,022	1,246	7%	22%
Arrow Electronics Total	7,283	6,814	7,580	7,713	8,746	20%	13%

Operating income history

Global Components (\$M)



Enterprise Computing Solutions (\$M)



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.



First-quarter 2026 GAAP to non-GAAP outlook reconciliation

(\$ in billions, except per share data)

NON-GAAP SALES RECONCILIATION								
	Quarter Ended			% Change	Quarter Ended			% Change
	4-Apr-26	29-Mar-25			4-Apr-26	31-Dec-25		
Global components sales, GAAP	\$ 5.75 - 6.15	\$ 4.78		20% - 29%	\$ 5.75 - 6.15	\$ 5.88		(2)% - 5%
Impact of changes in foreign currencies	—	0.15			—	0.01		
Global components sales, constant currency	\$ 5.75 - 6.15	\$ 4.93		17% - 25%	\$ 5.75 - 6.15	\$ 5.89		(2)% - 4%
Global ECS sales, GAAP	\$ 2.20 - 2.40	\$ 2.04		8% - 18%	\$ 2.20 - 2.40	\$ 2.86		(23)% - (16)%
Impact of changes in foreign currencies	—	0.12			—	0.01		
Global ECS sales, constant currency	\$ 2.20 - 2.40	\$ 2.16		2% - 12%	\$ 2.20 - 2.40	\$ 2.87		(23)% - (16)%

NON-GAAP EARNINGS RECONCILIATION				
REPORTED GAAP MEASURE	INTANGIBLE AMORTIZATION EXPENSE	RESTRUCTURING & INTEGRATION CHARGES	NON-GAAP MEASURE	
Net income per diluted share	\$2.13 to \$2.33	\$0.07	\$0.50	\$2.70 to \$2.90

Non-GAAP fourth-quarter sales reconciliation

(\$ in thousands)

	Quarter Ended		% Change
	31-Dec-25	31-Dec-24	
Consolidated sales, as reported	\$ 8,746,430	\$ 7,282,877	20.1%
Impact of changes in foreign currencies	-	231,615	
Consolidated sales, constant currency	\$ 8,746,430	\$ 7,514,492	16.4%
Global components sales, as reported	\$ 5,882,277	\$ 4,813,760	22.2%
Impact of changes in foreign currencies	-	108,900	
Global components sales, constant currency	\$ 5,882,277	\$ 4,922,660	19.5%
Americas components sales, as reported	\$ 1,959,548	\$ 1,603,710	22.2%
Impact of changes in foreign currencies	-	808	
Americas components sales, constant currency	\$ 1,959,548	\$ 1,604,518	22.1%
EMEA components sales, as reported	\$ 1,460,298	\$ 1,262,320	15.7%
Impact of changes in foreign currencies	-	105,656	
EMEA components sales, constant currency	\$ 1,460,298	\$ 1,367,976	6.7%
Asia components sales, as reported	\$ 2,462,431	\$ 1,947,730	26.4%
Impact of changes in foreign currencies	-	2,436	
Asia components sales, constant currency	\$ 2,462,431	\$ 1,950,166	26.3%
Global ECS sales, as reported	\$ 2,864,153	\$ 2,469,117	16.0%
Impact of changes in foreign currencies	-	122,715	
Global ECS sales, constant currency	\$ 2,864,153	\$ 2,591,832	10.5%
Americas ECS sales, as reported	\$ 1,246,108	\$ 1,162,227	7.2%
Impact of changes in foreign currencies	-	825	
Americas ECS sales, constant currency	\$ 1,246,108	\$ 1,163,052	7.1%
EMEA ECS sales, as reported	\$ 1,618,045	\$ 1,306,890	23.8%
Impact of changes in foreign currencies	-	121,890	
EMEA ECS sales, constant currency	\$ 1,618,045	\$ 1,428,780	13.2%

Full Year GAAP to non-GAAP reconciliation

(\$ in thousands, except per share data)

	Year ended December 31, 2025										
	Reported GAAP measure	Intangible Amortization Expense	Restructuring & Integration charges	Impact of Wind Down ⁽¹⁾	Non- recurring tax items ⁽²⁾	Other ⁽³⁾	Non-GAAP measure				
Operating income	\$ 822,223	\$ 19,760	\$ 116,119	\$ (10,266)	\$ -	\$ 172	\$ 948,008				
Income before income taxes	\$ 717,928	19,760	116,119	(10,266)	-	(109,716)	733,825				
Provision for income taxes	148,234	4,849	27,923	(3,199)	8,143	(26,321)	159,629				
Consolidated net income	569,694	14,911	88,196	(7,067)	(8,143)	(83,395)	574,196				
Noncontrolling interests	(1,572)	156	-	-	-	-	(1,416)				
Net income attributable to shareholders	\$ 571,266	\$ 14,755	\$ 88,196	\$ (7,067)	\$ (8,143)	\$ (83,395)	\$ 575,612				
Net income per diluted share ⁽⁵⁾	\$ 10.93	\$ 0.28	\$ 1.69	\$ (0.14)	\$ (0.16)	\$ (1.60)	\$ 11.02				
Effective tax rate ⁽⁶⁾		20.6%						21.8%			
	Year ended December 31, 2024										
	Reported GAAP measure	Intangible Amortization Expense	Restructuring & Integration charges	Impact of Wind Down ⁽¹⁾	Non- recurring tax items	Other ⁽⁴⁾	Non-GAAP measure				
Operating income	\$ 768,557	\$ 29,529	\$ 142,917	\$ 60,573	\$ -	\$ -	\$ 1,001,576				
Income before income taxes	489,319	29,529	142,917	60,573	-	6,487	728,825				
Provision for income taxes	95,812	7,348	35,138	19,139	-	1,557	158,994				
Consolidated net income	393,507	22,181	107,779	41,434	-	4,930	569,831				
Noncontrolling interests	1,433	541	-	-	-	-	1,974				
Net income attributable to shareholders	\$ 392,074	\$ 21,640	\$ 107,779	\$ 41,434	\$ -	\$ 4,930	\$ 567,857				
Net income per diluted share ⁽⁵⁾	\$ 7.29	\$ 0.40	\$ 2.00	\$ 0.77	\$ -	\$ 0.09	\$ 10.56				
Effective tax rate ⁽⁶⁾		19.6%					21.8%				

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

(2) Includes gains from settlements related to 2017 U.S. federal tax law changes.

(3) Other includes gain on investments, net, and employee severance and benefits costs not related to restructuring initiatives presented in cost of sales.

(4) Other includes (gain) loss on investments, net and loss on extinguishment of debt.

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

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

Quarterly GAAP to non-GAAP reconciliation

(\$ in thousands, except per share data)

	Three months ended December 31, 2025									
	Reported GAAP measure	Intangible Amortization Expense	Restructuring & Integration charges	Impact of Wind Down ⁽¹⁾	Non-recurring tax items ⁽²⁾	Other ⁽³⁾	Non-GAAP measure			
Operating income	\$ 294,077	\$ 4,764	\$ 41,239	\$ (3,638)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,442
Income before income taxes	252,973	4,764	41,239	(3,638)	-	-	(913)	-	-	294,425
Provision for income taxes	59,427	1,163	8,523	(1,100)	-	-	(219)	-	-	67,794
Consolidated net income	193,546	3,601	32,716	(2,538)	-	-	(694)	-	-	226,631
Noncontrolling interests	(1,058)	-	-	-	-	-	-	-	-	(1,058)
Net income attributable to shareholders	\$ 194,604	\$ 3,601	\$ 32,716	\$ (2,538)	\$ -	\$ -	\$ (694)	\$ -	\$ -	\$ 227,689
Net income per diluted share ⁽⁴⁾	\$ 3.75	\$ 0.07	\$ 0.63	\$ (0.05)	\$ -	\$ -	\$ (0.01)	\$ -	\$ -	\$ 4.39
Effective tax rate ⁽⁵⁾	23.5%									23.0%

	Three months ended December 31, 2024									
	Reported GAAP measure	Intangible Amortization Expense	Restructuring & Integration charges	Impact of Wind Down ⁽¹⁾	Non-recurring tax items	Other ⁽³⁾	Non-GAAP measure			
Operating income	\$ 195,103	\$ 7,219	\$ 21,058	\$ 50,344	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 273,724
Income before income taxes	128,704	7,219	21,058	50,344	-	-	4,070	-	-	211,395
Provision for income taxes	28,816	1,786	4,318	16,692	-	-	977	-	-	52,589
Consolidated net income	99,888	5,433	16,740	33,652	-	-	3,093	-	-	158,806
Noncontrolling interests	680	135	-	-	-	-	-	-	-	815
Net income attributable to shareholders	\$ 99,208	\$ 5,298	\$ 16,740	\$ 33,652	\$ -	\$ -	\$ 3,093	\$ -	\$ -	\$ 157,991
Net income per diluted share ⁽⁴⁾	\$ 1.86	\$ 0.10	\$ 0.31	\$ 0.63	\$ -	\$ -	\$ 0.06	\$ -	\$ -	\$ 2.97
Effective tax rate ⁽⁵⁾	22.4%									24.9%

	Three months ended September 27, 2025									
	Reported GAAP measure	Intangible Amortization Expense	Restructuring & Integration charges	Impact of Wind Down ⁽¹⁾	Non-recurring tax items ⁽²⁾	Other ⁽³⁾	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
Noncontrolling interests	69	-	-	-	-	-	-	-	-	69
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%

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

(2) Includes gains from settlements related to 2017 U.S. federal tax law changes.

(3) Other includes gain on investments, net.

(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)

	12/31/2024	3/29/2025	6/28/2025	9/27/2025	12/31/2025
Consolidated Gross Profit	\$ 803,310	\$ 773,992	\$ 848,657	\$ 835,314	\$ 1,008,756
Impact of wind down to inventory	50,344	(2,467)	(2,172)	(1,989)	(3,638)
Other	-	-	172	-	-
Consolidated non-GAAP gross profit	\$ 853,654	\$ 771,525	\$ 846,657	\$ 833,325	\$ 1,005,118

(\$ in thousands)	12/31/2024	3/29/2025	6/28/2025	9/27/2025	12/31/2025
Consolidated Operating Expense	\$ 608,207	\$ 615,439	\$ 658,071	\$ 656,307	\$ 714,678
Intangible Amortization Expense	(7,219)	(5,360)	(4,870)	(4,766)	(4,764)
Restructuring & Integration charges	(21,058)	(17,313)	(21,919)	(35,648)	(41,239)
Consolidated non-GAAP Operating Expense	\$ 579,930	\$ 592,766	\$ 631,282	\$ 615,893	\$ 668,675

(\$ in thousands)	12/31/2024	3/29/2025	6/28/2025	9/27/2025	12/31/2025
Americas ECS gross billings	\$ 2,942,118	\$ 2,307,737	\$ 2,543,759	\$ 2,713,373	\$ 3,041,843
EMEA ECS gross billings	3,144,823	2,331,216	2,596,209	2,476,599	4,039,437
Global ECS gross billings	\$ 6,086,941	\$ 4,638,954	\$ 5,139,968	\$ 5,189,972	\$ 7,081,280

Return on working capital reconciliation

(\$ in thousands)

	Quarter Ended		Year Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Numerator:				
Consolidated operating income, as reported	\$ 294,077	\$ 195,103	\$ 822,223	\$ 768,557
	x4	x4	x1	x1
Annualized consolidated operating income	\$ 1,176,308	\$ 780,412	\$ 822,223	\$ 768,557
Non-GAAP consolidated operating income	\$ 336,442	\$ 273,724	\$ 948,008	\$ 1,001,576
	x4	x4	x1	x1
Annualized non-GAAP consolidated operating income	\$ 1,345,768	\$ 1,094,896	\$ 948,008	\$ 1,001,576
Denominator:				
Accounts receivable, net	19,744,499	13,030,991	15,225,458	11,788,955
Inventories	5,081,863	4,709,706	4,813,515	4,775,686
Less: Accounts payable	17,383,796	11,047,470	13,128,372	9,644,210
Working capital	7,442,566	6,693,227	6,910,601	6,920,431
Return on working capital	15.8%	11.7%	11.9%	11.1%
Return on working capital (Non-GAAP)	18.1%	16.4%	13.7%	14.5%

Return on invested capital reconciliation

(\$ in thousands)

Numerator:

Consolidated operating income, as reported

Equity in earnings of affiliated companies ⁽¹⁾

Less: Noncontrolling interests ⁽¹⁾

Consolidated operating income, as adjusted

Less: Tax effect ⁽²⁾

After-tax consolidated operating income, as adjusted

Annualized after-tax consolidated operating income, as adjusted

Non-GAAP consolidated operating income

Equity in earnings of affiliated companies ⁽¹⁾

Less: Noncontrolling interests ⁽¹⁾

Non-GAAP consolidated operating income, as adjusted

Less: Tax effect ⁽³⁾

After-tax non-GAAP consolidated operating income, as adjusted

Annualized after-tax non-GAAP operating income, as adjusted

Denominator:

Average short-term borrowings, including current portion of long-term debt ⁽⁴⁾

Average long-term debt ⁽⁴⁾

Average total equity ⁽⁴⁾

Average cash and cash equivalents ⁽⁴⁾

Invested capital

Return on invested capital

Return on invested capital (Non-GAAP)

	Quarter Ended		Year Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Consolidated operating income, as reported	\$ 294,077	\$ 195,103	\$ 822,223	\$ 768,557
Equity in earnings of affiliated companies ⁽¹⁾	2,074	(544)	3,198	1,368
Less: Noncontrolling interests ⁽¹⁾	(1,058)	680	(1,572)	1,433
Consolidated operating income, as adjusted	297,209	193,879	826,993	768,492
Less: Tax effect ⁽²⁾	69,574	43,568	170,378	150,486
After-tax consolidated operating income, as adjusted	227,635	150,311	656,615	618,006
Annualized after-tax consolidated operating income, as adjusted	\$ 910,540	\$ 601,244	\$ 656,615	\$ 618,006
Non-GAAP consolidated operating income	\$ 336,442	\$ 273,724	\$ 948,008	\$ 1,001,576
Equity in earnings of affiliated companies ⁽¹⁾	2,074	(544)	3,198	1,368
Less: Noncontrolling interests ⁽¹⁾	(1,058)	815	(1,416)	1,974
Non-GAAP consolidated operating income, as adjusted	339,574	272,365	952,622	1,000,970
Less: Tax effect ⁽³⁾	77,935	67,973	207,018	218,391
After-tax non-GAAP consolidated operating income, as adjusted	261,639	204,392	745,604	782,579
Annualized after-tax non-GAAP operating income, as adjusted	\$ 1,046,556	\$ 817,568	\$ 745,604	\$ 782,579
Average short-term borrowings, including current portion of long-term debt ⁽⁴⁾	\$ 5,580	\$ 629,902	\$ 269,543	\$ 943,999
Average long-term debt ⁽⁴⁾	3,101,691	2,568,512	2,731,100	2,480,428
Average total equity ⁽⁴⁾	6,566,651	5,933,803	6,274,264	5,865,660
Average cash and cash equivalents ⁽⁴⁾	260,040	218,404	232,548	222,136
Invested capital	\$ 9,413,882	\$ 8,913,813	\$ 9,042,360	\$ 9,067,951
Return on invested capital	9.7%	6.7%	7.3%	6.8%
Return on invested capital (Non-GAAP)	11.1%	9.2%	8.2%	8.6%

(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 December 31, 2025 and December 31, 2024 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 December 31, 2025 and December 31, 2024 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)

	<u>12/31/2023</u>	<u>12/31/2024</u>	<u>3/29/2025</u>	<u>6/28/2025</u>	<u>9/27/2025</u>	<u>12/31/2025</u>
Global components operating income, as reported	\$ 281,260	\$ 116,910	\$ 171,385	\$ 186,808	\$ 197,355	\$ 219,158
Intangible assets amortization expense	6,436	6,162	4,438	3,945	3,838	3,837
Impact of wind down to inventory	-	50,344	(2,467)	(2,172)	(1,989)	(3,638)
Other	-	-	-	172	-	-
Global components non-GAAP operating income	<u>\$ 287,696</u>	<u>\$ 173,416</u>	<u>\$ 173,356</u>	<u>\$ 188,753</u>	<u>\$ 199,204</u>	<u>\$ 219,357</u>
Global ECS operating income, as reported	\$ 145,053	\$ 160,421	\$ 77,314	\$ 96,969	\$ 63,744	\$ 187,884
Intangible assets amortization expense	1,055	1,057	922	925	928	927
Global ECS non-GAAP operating income	<u>\$ 146,108</u>	<u>\$ 161,478</u>	<u>\$ 78,236</u>	<u>\$ 97,894</u>	<u>\$ 64,672</u>	<u>\$ 188,811</u>
Operating Margin	6.6%	6.5%	3.8%	4.3%	3.0%	6.6%

Non-GAAP segment reconciliation (continued)

(\$ in thousands)

	Quarter Ended						
	12/31/2023	9/28/2024	12/31/2024	3/29/2025	6/28/2025	9/27/2025	12/31/2025
Global components gross profit, as reported	\$ 702,412	\$ 564,460	\$ 497,324	\$ 554,945	\$ 591,454	\$ 609,101	\$ 647,154
Impact of wind down to inventory	-	(1,857)	50,344	(2,467)	(2,172)	(1,989)	(3,638)
Other	-	-	-	-	172	-	-
Global components non-GAAP gross profit	\$ 702,412	\$ 562,603	\$ 547,668	\$ 552,478	\$ 589,454	\$ 607,112	\$ 643,514
Global components gross profit, as a percentage of sales	12.5%	11.4%	10.3%	11.6%	11.2%	11.0%	11.0%
Global components non-GAAP gross profit, as a percentage of sales	12.5%	11.4%	11.4%	11.6%	11.2%	10.9%	10.9%
Global ECS gross profit, as reported	\$ 287,138	\$ 220,368	\$ 305,986	\$ 219,047	\$ 257,203	\$ 226,213	\$ 361,602
Global ECS gross profit as a percentage of sales, as reported	13.0%	11.7%	12.4%	10.8%	11.2%	10.5%	12.6%