



Dear Fellow Shareholders:

At SYNNEX, our mission is simple – create value for our business partners by being a meaningful part of their success. We earn our business every day by providing best-in-class services that enable growth, efficiency and outstanding customer service. That is how we create value for our shareholders and associates. And with the success we have achieved over the years, we have continued to set the bar higher on performance. Our fiscal 2016 was no exception, and I am proud of our results in both our Technology Solutions and Concentrix business segments, in which we delivered record annual revenue and solid operating and net income.

Key Highlights from 2016

- Revenue of \$14.1 billion, an increase of 5.4 percent from 2015.
- Diluted earnings per share of \$5.88, an increase of 12.2 percent from 2015.
- Operating cash flow of \$327 million.
- Trailing-four-quarters Return on Invested Capital (ROIC) of 10.3 percent compared with 9.2 percent at the end of fiscal 2015.
- Increase in quarterly cash dividends to \$0.25 per common share from \$0.20 per common share a year ago – a doubling of dividend per share since July 2015.

Our **Technology Solutions** segment delivered strong market performance with revenue of \$12.5 billion at an operating margin of 2.53 percent. Many factors contributed to our success – growth in our systems integration and design business, good performance in high-growth technologies, increased adoption of our cloud-based solutions/platforms and continued strong execution in our core business. I believe that our innovation and investments in new business models addressing the opportunities in third platform technologies have further differentiated SYNNEX as a leader in our markets.

Our **Concentrix** revenue grew 12.1 percent from the prior year to \$1.6 billion. A significant contributor to our growth was our successful acquisition and integration of Minacs in 2016, enhanced by strong organic



growth with existing and new clients. With this growth, we increased our position within the Top 10 Global customer care businesses, and more importantly, added strong capability to our portfolio of services, further strengthened our leadership team, and now have over 100,000 talented associates worldwide. I am optimistic about Concentrix' ability to grow revenue and margins faster than the market.

I am very proud of what SYNNEX accomplished in 2016, both in tangible financial results and in the progress we made to enable our businesses to gain competitive advantage. As a testament to our market leadership and strong execution, both our Concentrix and Technology Solutions segments continued to be recognized with a number of industry and partner awards.

We are committed to our business strategy of diversification and differentiation, and with a strong balance sheet, we are well-positioned to pursue new business opportunities and pools of value in our ever-changing markets. Importantly, we are fanatical about customer focus and execution, and are well-situated to continue to grow our share and leadership position.

Beyond delivering results, we operate with a high level of ethics and with our guiding principles of Visibility, Velocity and Value, which have been a vital part of our culture for the last 37 years.

- Visible and transparent actions to see progress and barriers to success. Provide accurate and timely information about challenges and opportunities, allowing us to be proactive in our actions and decision-making.
- Velocity to adapt quickly and anticipate changes in the marketplace of our business partners. Being flexible and reacting to change as quickly as possible. Moving quickly to make decisions and execute them, and managing our resources to maximize partner satisfaction and results.
- Value is upheld in all that we do. Activities that do not produce value to our associates, customers or shareholders should not be done. This focus forces all of our resources to activities that are important.

We have come a long way since our humble beginnings in 1980. The company we are today has been built by the hard work, innovation and passion demonstrated every day by our diverse team of over



100,000 associates around the world. As the leader of this talented team I feel confident in our ability to continue to create more success and shareholder value.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Murai", is positioned below the word "Sincerely,".

Kevin Murai
President, Chief Executive Officer and Director
February 23, 2017

Forward-Looking Statements

Statements in this letter to stockholders that are forward-looking, such as our business strategy of diversification and differentiation, our strong balance sheet, our positioning to pursue business opportunities and value pools, our being well-situated to grow share and leadership position, our investments in new business models addressing opportunities in third platform technologies, Concentrix' ability to grow revenue and margins faster than market, and our ability to create success and shareholder value, involve known and unknown risks and uncertainties, which may cause our actual results in future periods to be materially different from any future performance that may be suggested in this letter. Additional information concerning potential factors that could cause actual results to differ materially from those in the forward-looking statements can be found in our Form 10-K filed with the Securities and Exchange Commission. We assume no obligation to update any forward-looking statements contained in this letter.

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