

# Citi 2015 Global Technology Conference

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Bob Dutkowsky, CEO

September 8, 2015

## ***Forward-Looking Statements***

Certain statements made in this document are “Forward-Looking Statements” as described in the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties further described in Tech Data Corporation’s (the “Company”) Annual Report on Form 10-K filed March 26, 2015, a copy of which can be obtained from the Company’s Investor Relations website at [www.techdata.com/investor](http://www.techdata.com/investor). A number of important factors, some of which are beyond the Company’s control, could cause actual events and results to differ materially from those contained in or implied by the forward-looking statements. Forward-looking statements reflect management’s analysis as of the filing date of this presentation. The Company does not undertake to update or revise these statements to reflect subsequent developments.

## ***Non-GAAP Financial Information***

This document includes financial results prepared in accordance with generally accepted accounting principles (“GAAP”). In addition to GAAP results, Tech Data management believes that the presentation of non-GAAP financial measures is useful to investors because it provides investors with a more complete understanding of our operational results and a meaningful comparison of our performance between periods. The non-GAAP results should only be used in conjunction with results reported in accordance with GAAP and are not intended to be a substitute for results reported in accordance with GAAP. Non-GAAP financial measures presented in this presentation or other presentations, press releases and similar documents issued by Tech Data, include but are not limited to non-GAAP selling, general and administrative expenses (“SG&A”), non-GAAP operating income, non-GAAP operating margin, non-GAAP net income, non-GAAP earnings per diluted share and Return on Invested Capital. These non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by comparable companies. Management may also use these non-GAAP financial measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. This presentation provides a detailed reconciliation between results reported in accordance with GAAP and non-GAAP financial measures

# Tech Data Today

- **One of the world's largest distributors of technology products**
  - **Largest Distributor of Broadline, Value and Mobility\* products in Europe; One of the largest distributors of IT products in the Americas**
- **Diversified collection of product and service offerings**
  - **Strategic focus areas aligned with IT megatrends**
- **An indispensable link in the IT supply chain**
  - **150,000+ products sold through 115,000+ value added resellers (VARs), direct marketers, retailers and corporate resellers**
- **Track record of strong financial performance**
  - **Solid EPS growth, cash flow generation and ROIC**
- **Balanced capital allocation**
  - **Organic growth initiatives, selective M&A, aggressive share repurchases**

*\* By revenue*

# A Consistent Strategy

Competitive advantage focused on delivering consistent excellent execution



- 23 strategically-located distribution centers in 14 countries



- ~70% of orders received electronically



- ~ 95% of worldwide sales on SAP
- ~ \$100 million of orders processed each day
- Average order size ~ \$2,000



Broadline



Data Center Solutions



Software & Cloud Aggregation



Mobility



Consumer Electronics



Integrated Supply Chain Solutions



EXECUTION  
DIVERSIFICATION

INNOVATION

Expand product and customer portfolios to leverage infrastructure and improve profitability

IT Systems and value-added services that provide flexibility and strengthen channel partnerships

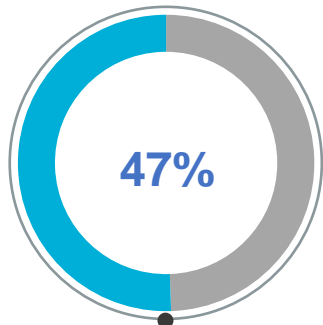




## Strategic Focus Areas Aligned with IT Megatrends



### Broadline

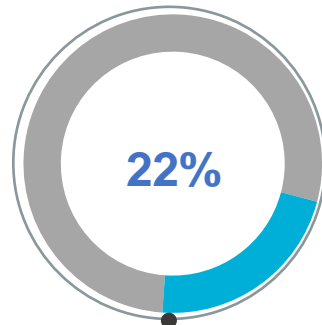


**\$12B+**

Notebooks  
Tablets  
Desktops  
Printers & Supplies  
Components



### Data Center

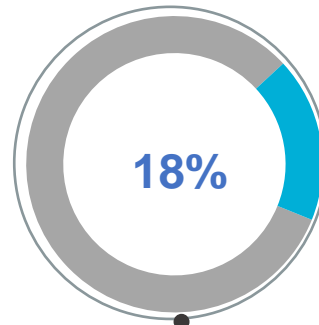


**~\$6B**

Industry Standard Servers  
Proprietary Servers  
Networking  
Storage  
Private Clouds



### Software & Cloud

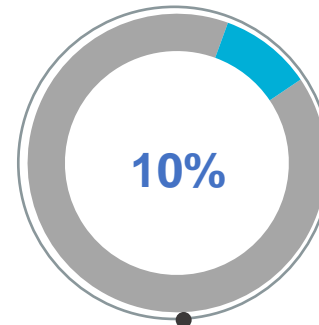


**~\$5B**

Virtualization  
Security  
Desktop Applications  
Operating Systems  
Utilities Software



### Mobility

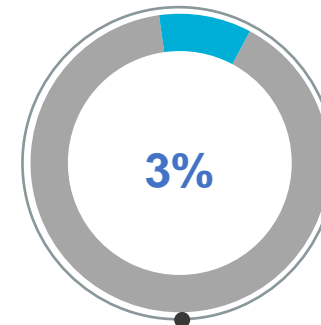


**~\$3B**

Mobile Phones  
Accessories  
Activations  
Mobile Device Management



### Consumer Electronics



**~\$1B**

TVs  
Digital Displays  
Network-Attached  
Consumer Devices

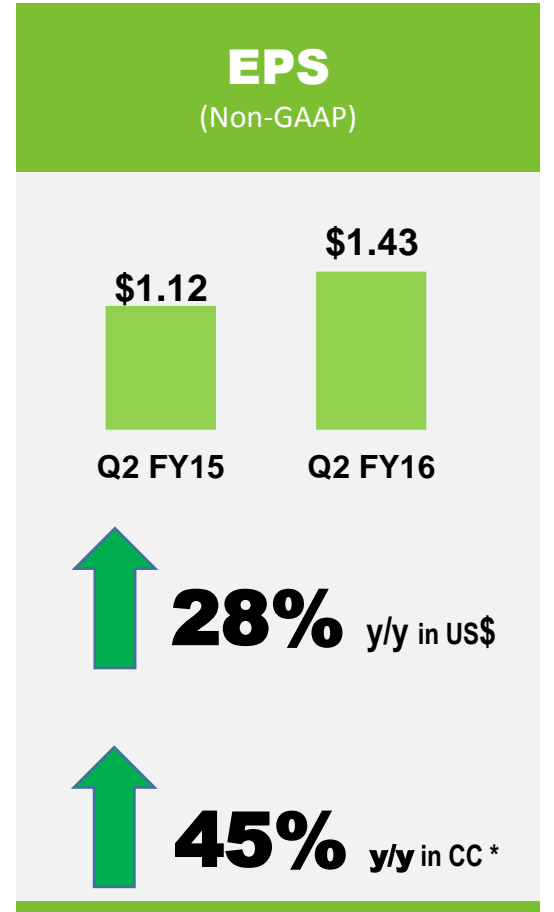
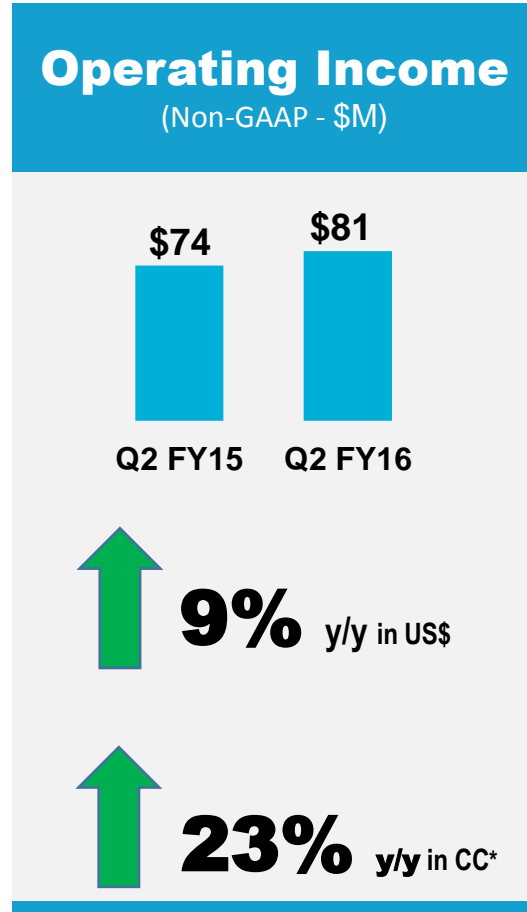
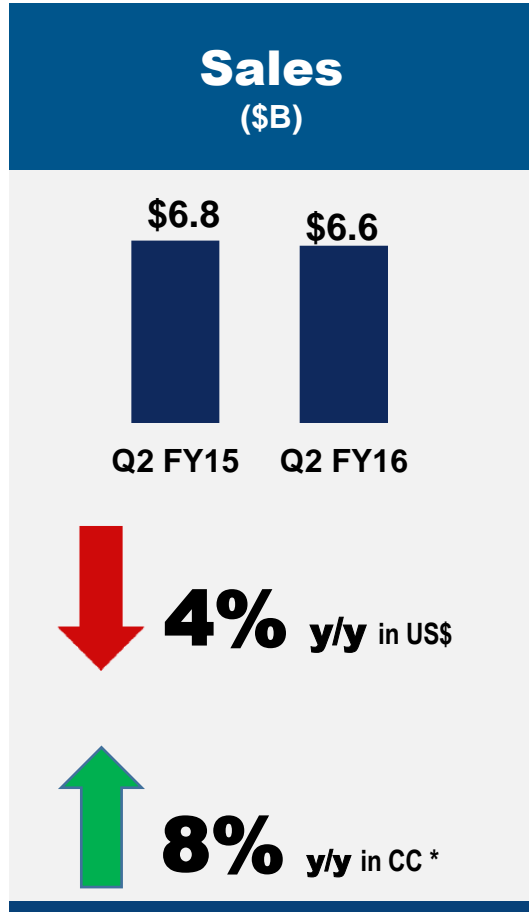
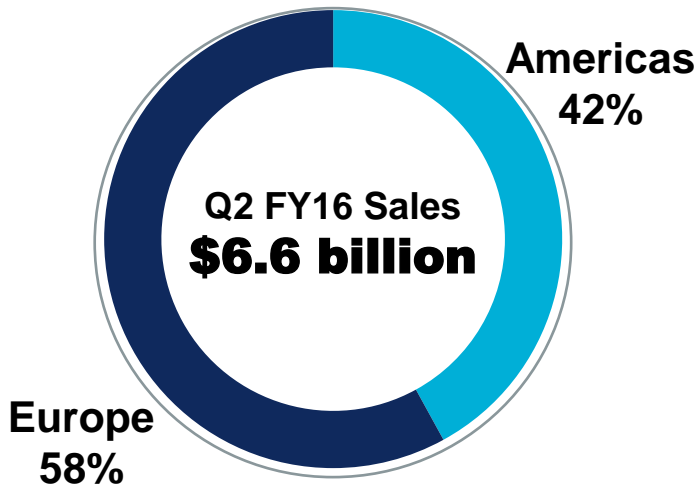
**Integrated Supply Chain Services**

**Value-Added Services**



# Worldwide

## Q2 FY16 Financial Results











\*On a constant currency basis.

**\$** Regional  
**Q2 FY16 Financial Results**

 **Europe**

 **The Americas**

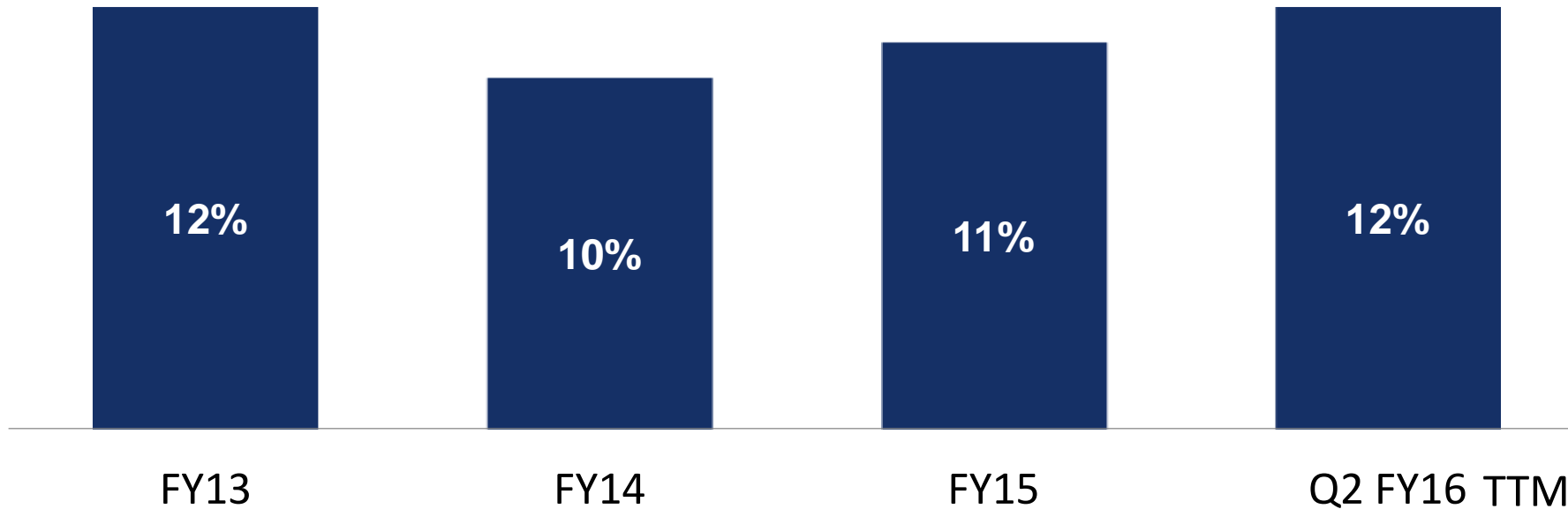
	US\$	CC*	US\$	CC*
<b>Sales</b>	 <b>7%</b>	 <b>11%</b>	 <b>1%</b>	 <b>5%</b>
<b>Operating Income**</b> (Non-GAAP)*	 <b>16%</b>	 <b>41%</b>	 <b>2%</b>	 <b>3%</b>

\* Year-over-year on a constant currency basis in Europe; The Americas, year-over-year on a constant currency basis and excluding Chile, Peru and Uruguay.  
 \*\* Regional operating income and margin exclude stock compensation expense. See reconciliation of GAAP to non-GAAP financial measures at [www.techdata.com/investor](http://www.techdata.com/investor)

Worldwide



**Return on Invested Capital Consistently Above WACC\***

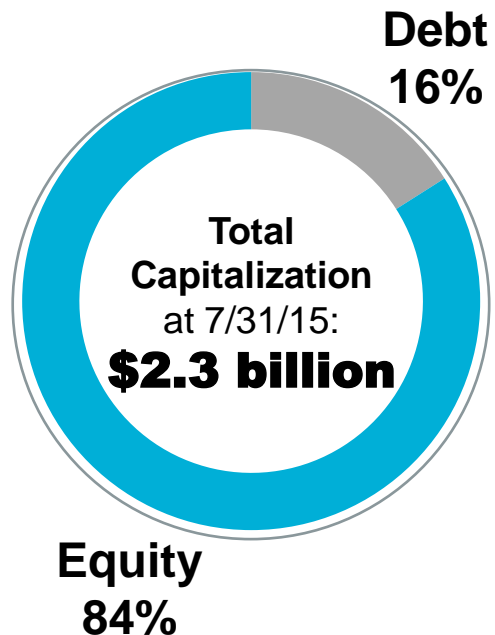


\* Company's estimated Weighted Average Cost of Capital ~9.7% per Bloomberg, August 17, 2015. For ROIC calculation, see reconciliation of GAAP to non-GAAP financial measures at [www.techdata.com/investor](http://www.techdata.com/investor)





## Financial Flexibility / Balanced Capital Allocation



### Return of Capital to Shareholders

- **~\$1.3 billion** in share repurchases since FY06
- Returned nearly **half of FCF** to shareholders through share buybacks since FY06

### Selective M&A

- Invested **~\$900 million** in 18 acquisitions since FY08

### Organic Growth Initiatives

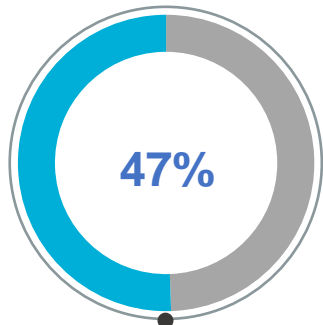
- *Investments in:*
  - Worldwide SAP platform
  - Data Center
  - Mobility
  - ISCS
  - Software & Cloud Solutions



## Strategic Focus Areas Aligned with IT Megatrends



### Broadline

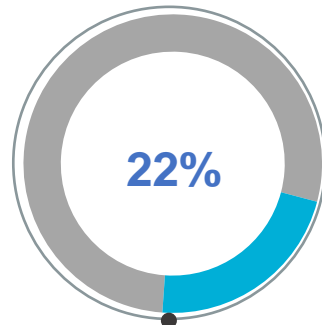


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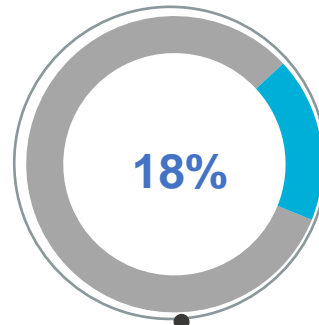


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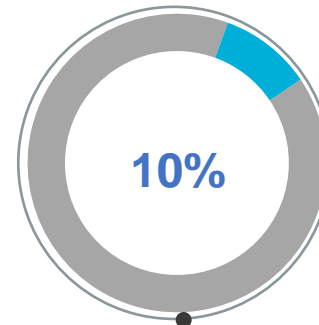


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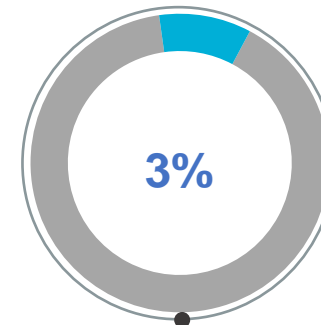


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