

Q3 Fiscal Year 2018 Financial Highlights

For the quarter ended October 31, 2017

November 27, 2017

Forward-Looking Statements

Certain statements in this communication may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, including statements regarding Tech Data’s plans, objectives, expectations and intentions, Tech Data’s financial results and estimates and/or business prospects, involve a number of risks and uncertainties and actual results could differ materially from those projected. These forward looking statements are based on current expectations, estimates, forecasts, and projections about the operating environment, economies and markets in which Tech Data operates and the beliefs and assumptions of our management. Words such as “expects,” “anticipates,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” variations of such words, and similar expressions are intended to identify such forward looking statements. In addition, any statements that refer to Tech Data’s future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances, are forward looking statements. These forward looking statements are only predictions and are subject to risks, uncertainties, and assumptions. Therefore, actual results may differ materially and adversely from those expressed in any forward looking statements.

For additional information with respect to important risks and other factors that could cause actual results to differ materially from those in the forward-looking statements, see Tech Data’s Annual Report on Form 10-K for the year ended January 31, 2017, including Part I, Item 1A, “Risk Factors” therein, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other securities filings with the Securities and Exchange Commission (the “SEC”) that are available at the SEC’s website at www.sec.gov and other securities regulators. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Many of these factors are beyond Tech Data’s control. Unless otherwise required by applicable securities laws, Tech Data disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Tech Data undertakes no duty to update any forward looking statements contained herein to reflect actual results or changes in Tech Data’s expectations.

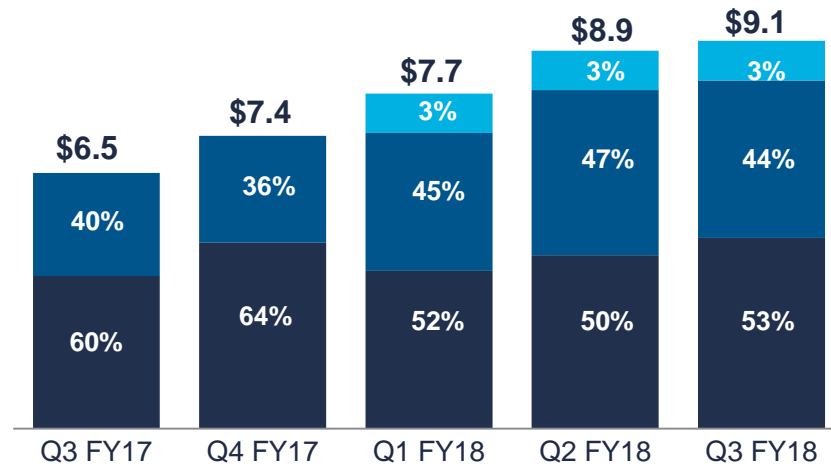
Use of Non-GAAP Financial Information

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 and outlook 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 sales, income or expense items as adjusted for the impact of changes in foreign currencies (referred to as “constant currency”), 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 Adjusted 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.

Worldwide

Net Sales

\$ in Billions



- Asia Pacific
- Americas
- Europe

Reported Y/Y Growth	1%	-1%	29%	40%	41%
Y/Y CC Growth ⁽¹⁾	4%	2%	33%	41%	37%

⁽¹⁾ CC: constant currency

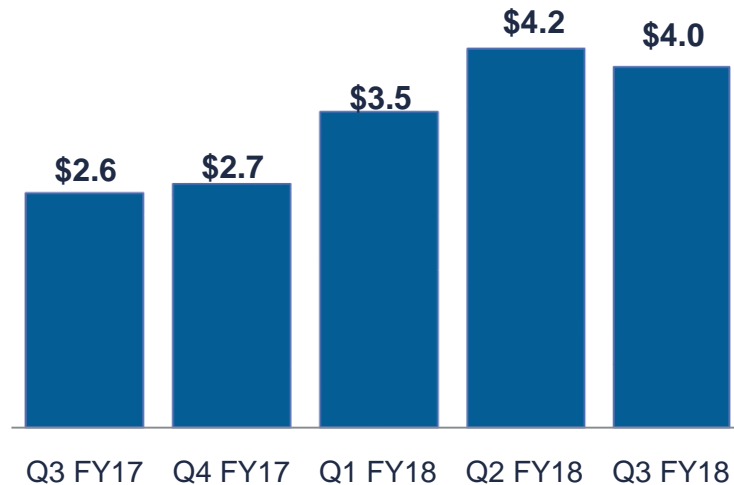
Q3 FY18:

- Worldwide reported net sales of \$9.1 billion increased 41% year-over-year and 3% sequentially. The increase in net sales year-over-year is primarily due to the Technology Solutions business acquired from Avnet, Inc. on February 27, 2017.
- On a constant currency basis, net sales increased 37% year-over-year and were relatively flat sequentially.

Americas

Net Sales

\$ in Billions



Americas	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18	Q3 FY18
Reported Y/Y growth	2%	0%	45%	57%	53%
Y/Y CC growth ⁽¹⁾	2%	0%	45%	57%	52%

Q3 FY18:

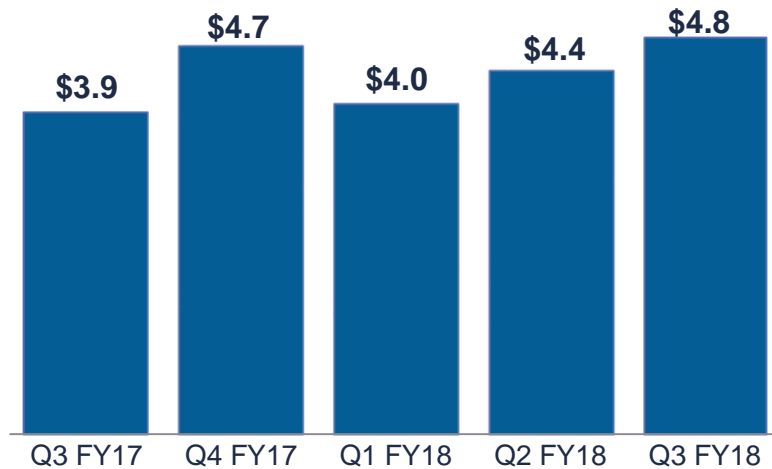
- Americas reported net sales of \$4.0 billion increased 53% year-over-year and declined 5% sequentially. The increase in net sales year-over-year is primarily attributed to the addition of Technology Solutions.
- On a constant currency basis, net sales increased 52% year-over-year and declined 5% sequentially.

⁽¹⁾ CC: constant currency

Europe

Net Sales

\$ in Billions



Europe	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18	Q3 FY18
Reported Y/Y growth	1%	-1%	12%	20%	25%
Y/Y CC growth ⁽¹⁾	5%	3%	19%	21%	19%

Q3 FY18:

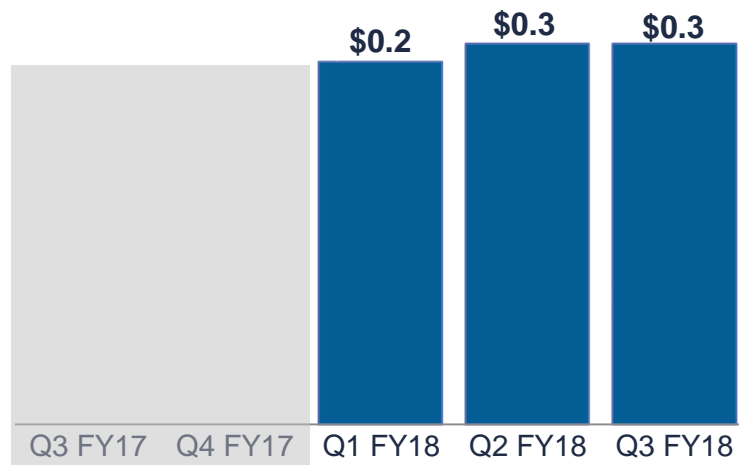
- Europe's reported net sales of \$4.8 billion increased 25% year-over-year and 10% sequentially. The increase in net sales year-over-year is primarily attributed to the addition of Technology Solutions.
- On a constant currency basis, net sales increased 19% year-over-year and 6% sequentially.

⁽¹⁾ CC: constant currency

Asia Pacific

Net Sales

\$ in Billions



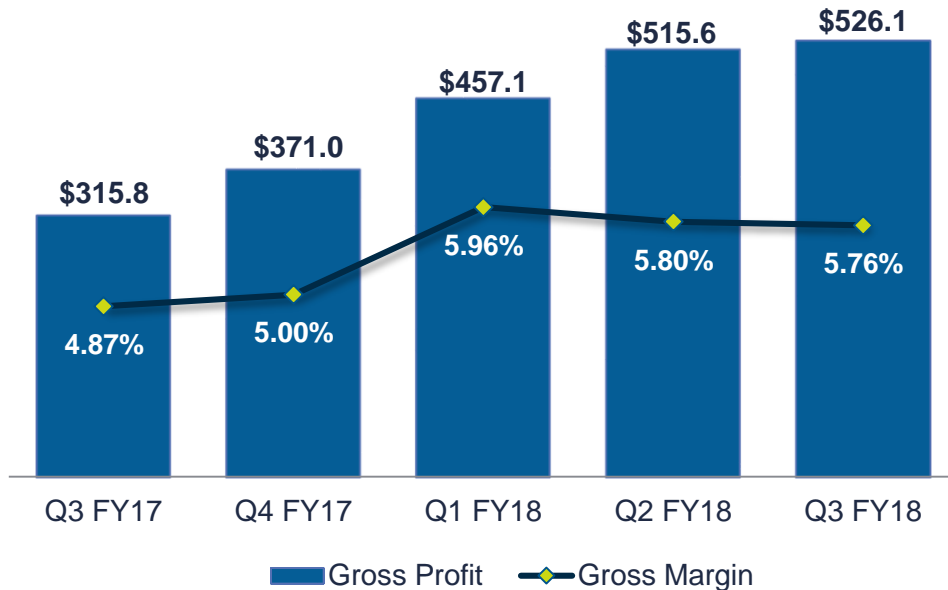
Q3 FY18:

- The Asia Pacific region's reported net sales were \$0.3 billion.
- Asia Pacific results are attributable entirely to the acquisition of the Technology Solutions business on February 27, 2017, as Tech Data had no operations in the region prior to the acquisition.

Worldwide

Gross Profit and Margin

\$ in Millions



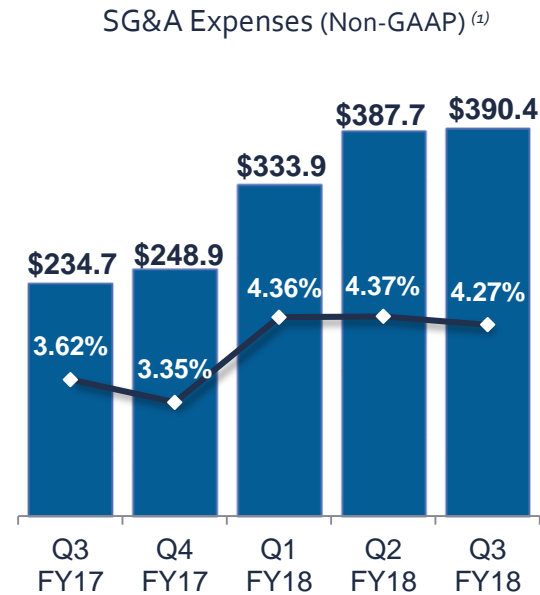
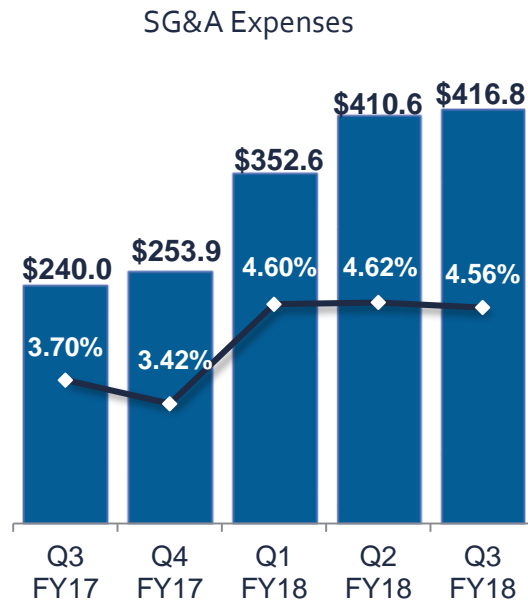
Q3 FY18:

- Gross profit of \$526.1 million increased \$210.2 million or 67% compared to the prior-year quarter.
- Gross profit margin increased 89 basis points from the prior-year quarter.
- The increase in gross profit and gross margin percentage is primarily attributable to the addition of Technology Solutions.

Worldwide

SG&A Expenses

\$ in Millions



Q3 FY18:

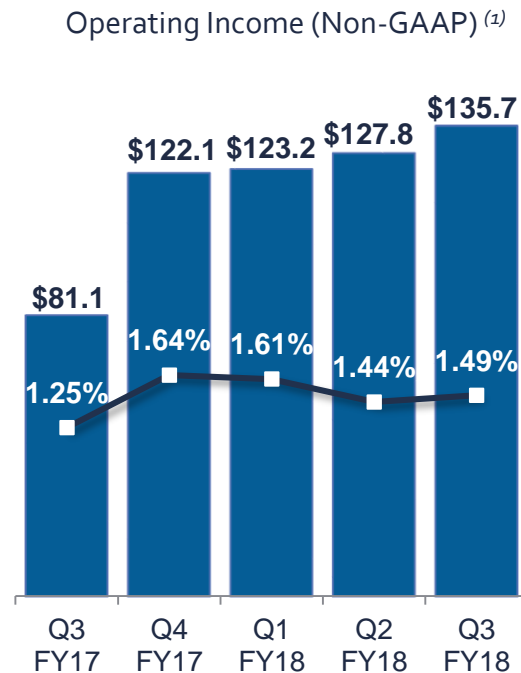
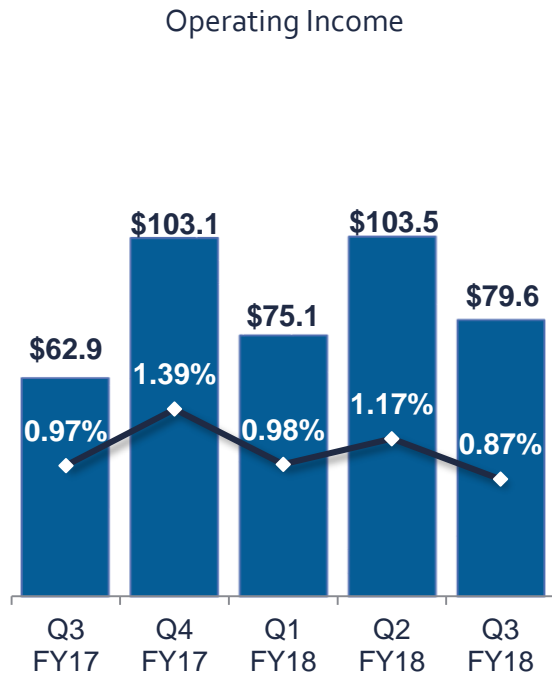
- Non-GAAP SG&A expenses of \$390.4 million increased \$155.7 million or 66% compared to the prior-year quarter.
- Non-GAAP SG&A as a percentage of net sales increased 65 basis points from the prior-year quarter.
- The increase in both dollars and percentage of net sales, on a GAAP and non-GAAP basis, is primarily attributable to the addition of Technology Solutions.
- GAAP depreciation and amortization expense was \$42.3 million compared to \$13.1 million in the prior-year quarter.

⁽¹⁾ Non-GAAP SG&A excludes acquisition-related amortization of intangibles expenses. See GAAP to Non-GAAP reconciliation in the appendix.

Worldwide

Operating Income

\$ in Millions



Q3 FY18:

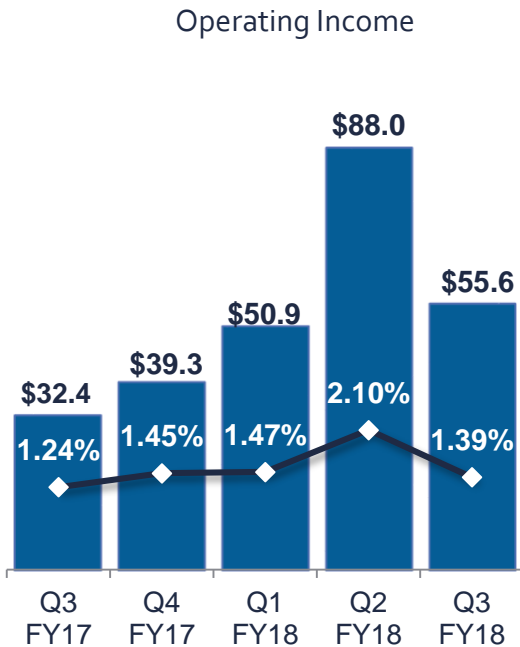
- Worldwide non-GAAP operating income of \$135.7 million increased \$54.6 million or 67% compared to the prior-year quarter.
- Worldwide non-GAAP operating margin improved 24 basis points from the prior-year quarter.
- The increase in operating income, on a GAAP and non-GAAP basis, is primarily attributable to the addition of Technology Solutions.

⁽¹⁾ See the GAAP to Non-GAAP reconciliation in the appendix.

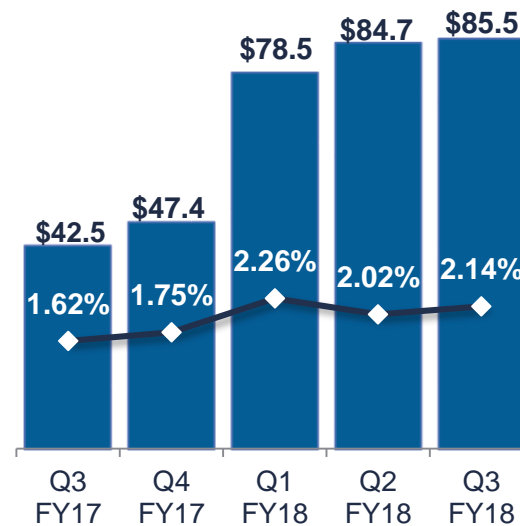
Americas

Operating Income ⁽¹⁾

\$ in Millions



Operating Income (Non-GAAP) ⁽²⁾



Q3 FY18:

- Americas' non-GAAP operating income of \$85.5 million increased \$43.1 million or 101% compared to the prior-year quarter.
- Non-GAAP operating margin improved 52 basis points over the prior-year quarter.
- The increase in operating income and operating margin percentage, on a GAAP and non-GAAP basis, is primarily attributable to the addition of Technology Solutions.

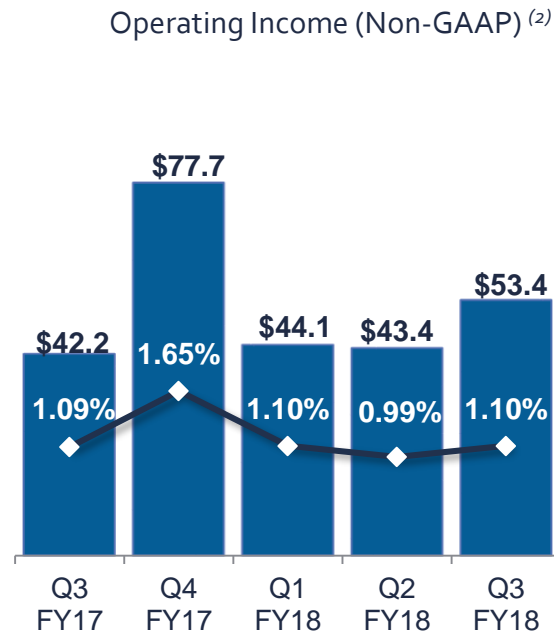
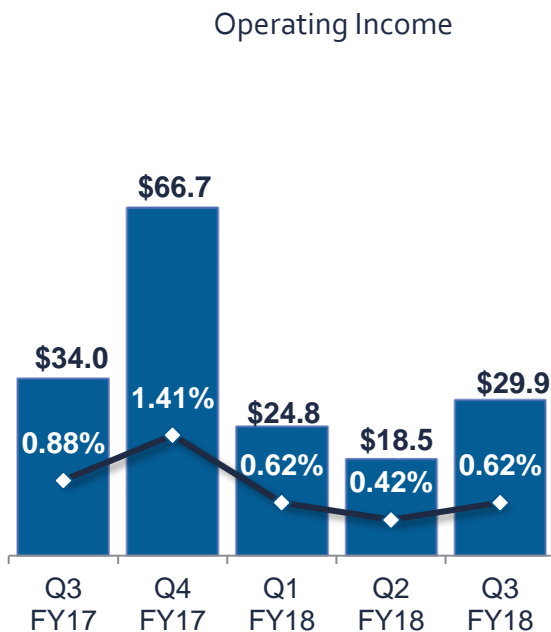
⁽¹⁾ Before stock compensation expense.

⁽²⁾ See the GAAP to non-GAAP reconciliation in the appendix.

Europe

Operating Income ⁽¹⁾

\$ in Millions



Q3 FY18:

- The decrease in GAAP operating income and operating margin percentage is primarily due to acquisition, integration and restructuring expenses.
- Europe's non-GAAP operating income of \$53.4 million increased \$11.2 million or 26% compared to the prior-year quarter.
- Non-GAAP operating margin increased 1 basis point from the prior-year quarter.
- The increase in non-GAAP operating income and non-GAAP operating margin percentage is primarily attributable to the addition of Technology Solutions.

⁽¹⁾ Before stock compensation expense.

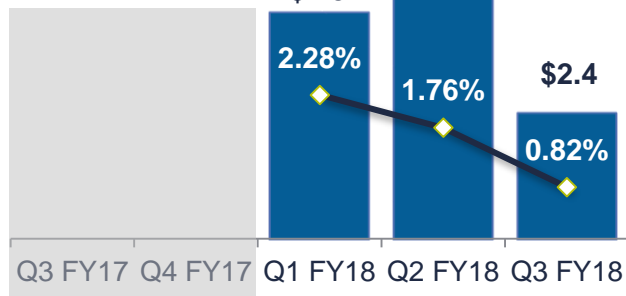
⁽²⁾ See the GAAP to non-GAAP reconciliation in the appendix.

Asia Pacific

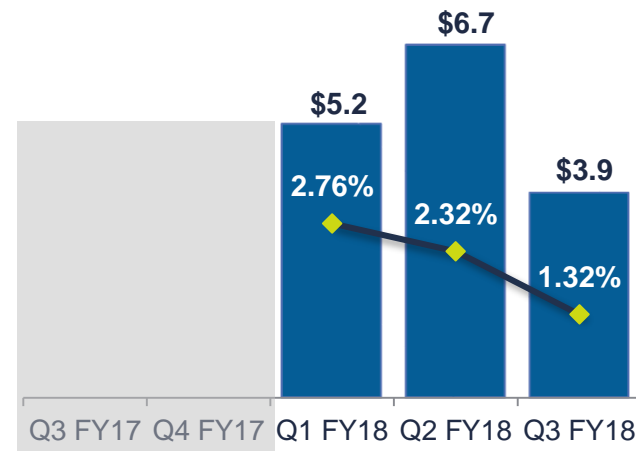
Operating Income ⁽¹⁾

\$ in Millions

Operating Income



Operating Income (Non-GAAP) ⁽²⁾



Q3 FY18:

- The Asia Pacific region's non-GAAP operating income was \$3.9 million or 1.32% of net sales.
- Asia Pacific results are attributable entirely to the acquisition of the Technology Solutions business on February 27, 2017, as Tech Data had no operations in the region prior to the acquisition.

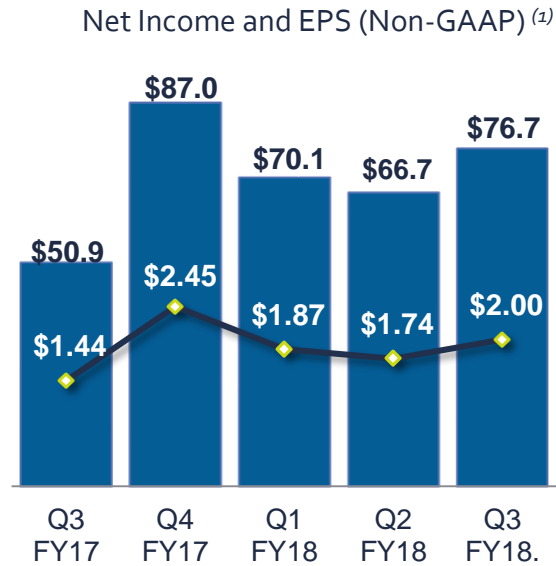
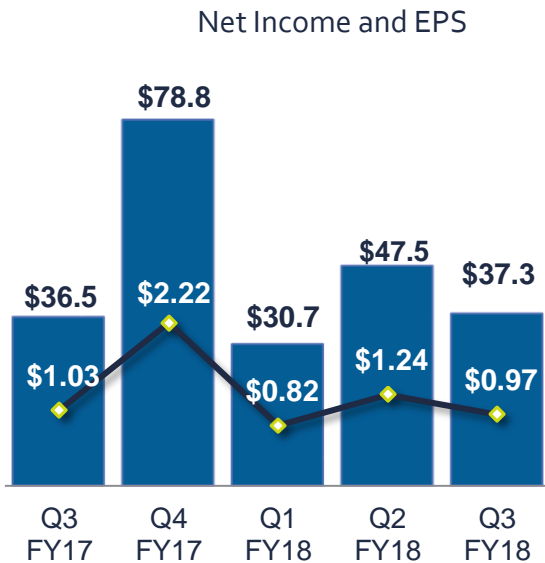
⁽¹⁾ Before stock compensation expense.

⁽²⁾ See the GAAP to non-GAAP reconciliation in the appendix.

Worldwide

Net Income and EPS

\$ in Millions



Q3 FY18:

- The effective tax rate was 32.1%, compared to 29.3% in the prior-year quarter. Excluding non-GAAP adjustments, the effective tax rate was 30.9%, compared to 30.6% in the prior-year quarter.
- Non-GAAP net income of \$76.7 million increased \$25.8 million or 51% compared to the prior-year quarter.
- Non-GAAP Earnings per diluted share of \$2.00 increased \$0.56 or 39% compared to the prior-year quarter.

⁽¹⁾See the GAAP to non-GAAP reconciliation in the appendix.

Worldwide

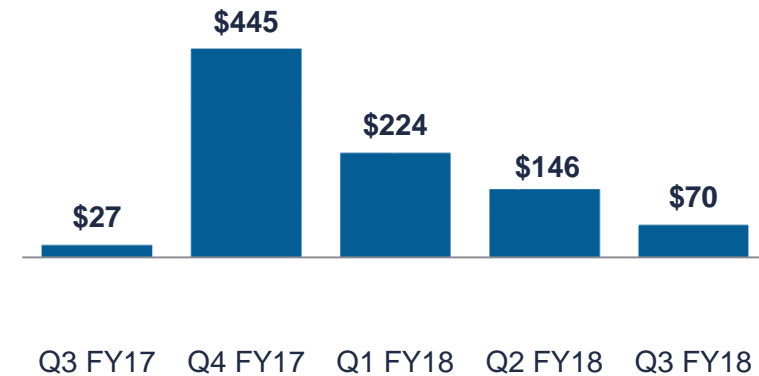
Cash Metrics

Cash Conversion Cycle

	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18	Q3 FY18
Days of Sales Outstanding	40	37	49	51	48
Days of Supply	33	27	30	29	31
Days of Purchases Outstanding	(51)	(49)	(57)	(59)	(58)
Cash Conversion Cycle	22	15	22	21	21

Cash Flow from Operations

\$ in Millions

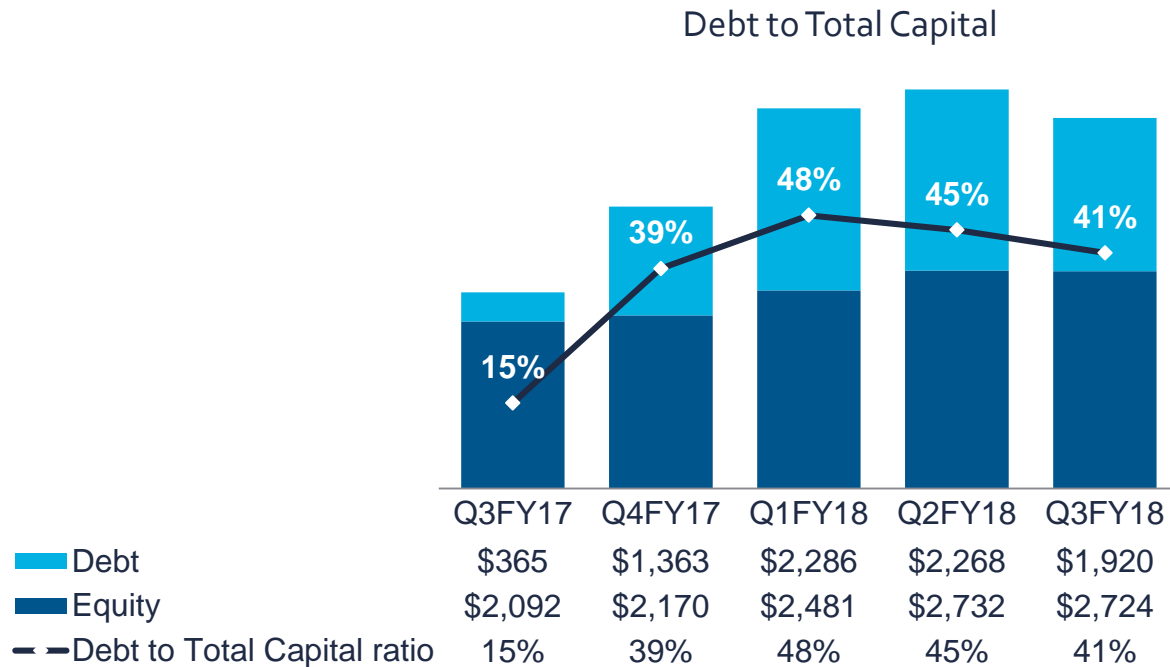


Q3 FY18:

- Net cash generated by operations was \$70 million.
- The cash balance at the end of the quarter was \$563 million.

Worldwide

Balance Sheet Highlights

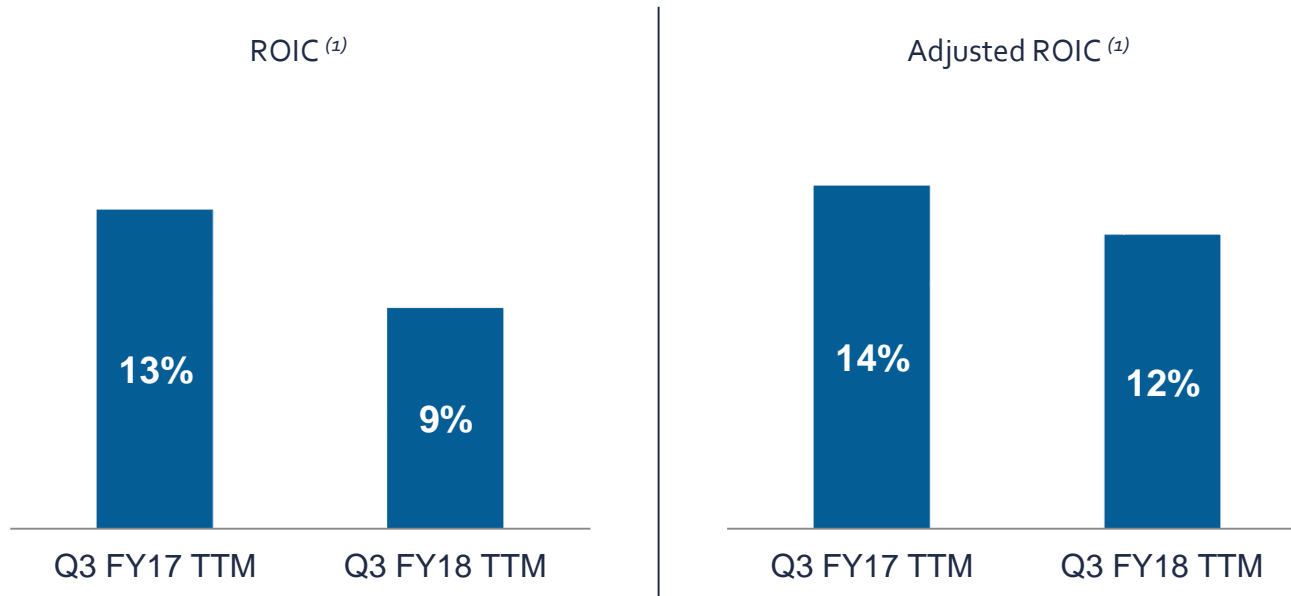


Q3 FY18:

- Accumulated other comprehensive income, which consists of currency translation, net of applicable taxes, was \$100.4 million
- Capital expenditures were \$172 million, which includes \$156 million related to the purchase of facilities in the U.S. previously leased under our synthetic lease arrangement.
- At October 31, 2017, the company had \$2.7 billion of equity, and 38.15 million shares outstanding resulting in book value of \$71.39 per share.
- At October 31, 2017, the company had approximately \$1.8 billion of goodwill and acquired intangibles.

Worldwide

Return on Invested Capital



- Company's Weighted Average Cost of Capital is approximately 9%⁽²⁾

(1) See reconciliation of ROIC calculation in appendix.

(2) Source: Bloomberg, November 5, 2017.

APPENDIX

GAAP to Non-GAAP Reconciliations

SG&A

Selling, general and administrative ("SG&A")	Three months ended				Three months ended
	October 31, 2016	January 31, 2017	April 30, 2017	July 31, 2017	October 31, 2017
(In thousands)					
Net Sales	\$ 6,490,265	\$ 7,427,510	\$ 7,664,063	\$ 8,882,691	\$ 9,135,728
GAAP SG&A expenses	\$ 239,952	\$ 253,941	\$ 352,632	\$ 410,598	\$ 416,766
Acquisition-related intangible assets amortization expense	(5,243)	(5,063)	(18,749)	(22,855)	(26,385)
Non-GAAP SG&A expenses	\$ 234,709	\$ 248,878	\$ 333,883	\$ 387,743	\$ 390,381
GAAP SG&A percentage of net sales	3.70%	3.42%	4.60%	4.62%	4.56%
Non-GAAP SG&A percentage of net sales	3.62%	3.35%	4.36%	4.37%	4.27%

Operating Income Q3 FY18

(In thousands)	Three months ended October 31, 2017				
	Americas ⁽¹⁾	Europe ⁽¹⁾	APAC ⁽¹⁾	Stock Compensation Expense	Consolidated
Net Sales	\$ 3,997,159	\$ 4,841,961	\$ 296,608		\$ 9,135,728
GAAP operating income ⁽¹⁾	\$ 55,551	\$ 29,909	\$ 2,432	\$ (8,325)	\$ 79,567
Acquisition, integration and restructuring expenses	14,149	14,128	287	1,184	29,748
Acquisition-related intangible assets amortization expense	15,816	9,362	1,207		26,385
Total non-GAAP operating income adjustments	\$ 29,965	\$ 23,490	\$ 1,494	\$ 1,184	\$ 56,133
Non-GAAP operating income	\$ 85,516	\$ 53,399	\$ 3,926	\$ (7,141)	\$ 135,700
GAAP operating margin	1.39%	0.62%	0.82%		0.87%
Non-GAAP operating margin	2.14%	1.10%	1.32%		1.49%

⁽¹⁾ GAAP operating income does not include stock compensation expense at the regional level.

Operating Income Q2 FY18

(In thousands)	Three months ended July 31, 2017				
	Americas ⁽¹⁾	Europe ⁽¹⁾	APAC ⁽¹⁾	Stock Compensation Expense	Consolidated
Net Sales	\$4,192,475	\$4,402,054	\$288,162		\$ 8,882,691
GAAP operating income ⁽¹⁾	\$ 87,975	\$ 18,464	\$ 5,066	\$ (7,974)	\$ 103,531
LCD settlements and other, net	(29,971)	1,316	-		(28,655)
Acquisition, integration and restructuring expenses	14,242	14,685	145	1,045	30,117
Acquisition-related intangible assets amortization expense	12,413	8,965	1,477		22,855
Total non-GAAP operating income adjustments	\$ (3,316)	\$ 24,966	\$ 1,622	\$ 1,045	\$ 24,317
Non-GAAP operating income	\$ 84,659	\$ 43,430	\$ 6,688	\$ (6,929)	\$ 127,848
GAAP operating margin	2.10%	0.42%	1.76%		1.17%
Non-GAAP operating margin	2.02%	0.99%	2.32%		1.44%

⁽¹⁾ GAAP operating income does not include stock compensation expense at the regional level.

Operating Income Q1 FY18

(In thousands)	Three months ended April 30, 2017				
	Americas ⁽¹⁾	Europe ⁽¹⁾	APAC ⁽¹⁾	Stock Compensation Expense	Consolidated
Net Sales	\$ 3,468,837	\$ 4,006,920	\$ 188,306		\$ 7,664,063
GAAP operating income ⁽¹⁾	\$ 50,900	\$ 24,799	\$ 4,297	\$ (4,918)	\$ 75,078
LCD settlements and other, net	(12,688)	-	-		(12,688)
Acquisition, integration and restructuring expenses	30,182	11,572	-	312	42,066
Acquisition-related intangible assets amortization expense	10,101	7,748	900		18,749
Total non-GAAP operating income adjustments	\$ 27,595	\$ 19,320	\$ 900	\$ 312	\$ 48,127
Non-GAAP operating income	\$ 78,495	\$ 44,119	\$ 5,197	\$ (4,606)	\$ 123,205
GAAP operating margin	1.47%	0.62%	2.28%		0.98%
Non-GAAP operating margin	2.26%	1.10%	2.76%		1.61%

⁽¹⁾ GAAP operating income does not include stock compensation expense at the regional level.

Operating Income Q4 FY17

(In thousands)

	Three months ended January 31, 2017			Consolidated
	Americas ⁽¹⁾	Europe ⁽¹⁾	Stock Compensation Expense	
Net Sales	\$ 2,707,286	\$ 4,720,224		\$ 7,427,510
GAAP operating income ⁽¹⁾	\$ 39,316	\$ 66,728	\$ (2,927)	\$ 103,117
Acquisition, integration and restructuring expenses	7,496	6,473		13,969
Acquisition-related intangible assets amortization expense	580	4,483		5,063
Total non-GAAP operating income adjustments	\$ 8,076	\$ 10,956		\$ 19,032
Non-GAAP operating income	\$ 47,392	\$ 77,684	\$ (2,927)	\$ 122,149
GAAP operating margin	1.45%	1.41%		1.39%
Non-GAAP operating margin	1.75%	1.65%		1.64%

⁽¹⁾ GAAP operating income does not include stock compensation expense at the regional level.

Operating Income Q3 FY17

(In thousands)

	Three months ended October 31, 2016			
	Americas ⁽¹⁾	Europe ⁽¹⁾	Stock Compensation Expense	Consolidated
Net Sales	\$ 2,614,347	\$ 3,875,918		\$ 6,490,265
GAAP operating income ⁽¹⁾	\$ 32,414	\$ 34,008	\$ (3,550)	\$ 62,872
Acquisition, integration and restructuring expenses	9,456	3,559		13,015
Acquisition-related intangible assets amortization expense	580	4,663		5,243
Total non-GAAP operating income adjustments	\$ 10,036	\$ 8,222		\$ 18,258
Non-GAAP operating income	\$ 42,450	\$ 42,230	\$ (3,550)	\$ 81,130
GAAP operating margin	1.24%	0.88%		0.97%
Non-GAAP operating margin	1.62%	1.09%		1.25%

⁽¹⁾ GAAP operating income does not include stock compensation expense at the regional level.

Net Income and EPS

(In thousands, except per share data)

	October 31, 2016		January 31, 2017		Three months ended, April 30, 2017		July 31, 2017		October 31, 2017	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
GAAP Results	\$36,506	\$1.03	\$78,822	\$2.22	\$30,654	\$0.82	\$47,459	\$1.24	\$37,268	\$0.97
LCD settlements and other, net	-	-	-	-	(12,688)	(0.34)	(28,332)	(0.74)	-	-
Acquisition, integration and restructuring expenses	13,015	0.37	13,969	0.39	42,066	1.12	30,117	0.78	29,748	0.77
Acquisition-related intangible assets amortization expense	5,243	0.15	5,063	0.14	18,749	0.50	22,855	0.60	26,385	0.69
Acquisition-related financing expenses	3,414	0.10	8,476	0.24	8,807	0.24	-	-	-	-
Income tax effect of the above adjustments	(7,277)	(0.21)	(6,864)	(0.19)	(17,529)	(0.47)	(5,367)	(0.14)	(16,652)	(0.43)
Reversal of deferred tax valuation allowances	-	-	(12,455)	(0.35)	-	-	-	-	-	-
Non-GAAP results	\$50,901	\$1.44	\$87,011	\$2.45	\$70,059	\$1.87	\$66,732	\$1.74	\$76,749	\$2.00
Weighted average shares outstanding - diluted	35,449		35,512		37,468		38,388		38,433	

Return on Invested Capital

\$ in thousands

TTM Net Operating Profit After Tax (NOPAT)*:

Operating income

Income taxes on operating income⁽¹⁾

NOPAT

Twelve months ended October 31,	
2017	2016
\$ 361,293	\$ 333,987
(94,679)	(100,045)
<u>\$ 266,614</u>	<u>\$ 233,942</u>

Average Invested Capital:

Short-term debt (5-qtr average)

Long-term debt (5-qtr average)

Shareholders' Equity (5-qtr average)

Total average capital

Less: Cash (5-qtr average)

Average invested capital less average cash

\$ 360,705	\$ 86,220
1,279,729	278,970
2,439,925	2,061,796
<u>4,080,359</u>	<u>2,426,986</u>
(1,054,922)	(666,295)
<u>\$ 3,025,437</u>	<u>\$ 1,760,691</u>
9%	13%

ROIC

* Trailing Twelve Months is abbreviated as TTM.

⁽¹⁾ Income taxes on operating income was calculated using the trailing 12 months effective tax rate

Adjusted Return on Invested Capital

\$ in thousands

TTM Net Operating Profit After Tax (NOPAT), as adjusted *:

Non-GAAP operating income⁽¹⁾

Income taxes on non-GAAP operating income⁽²⁾

NOPAT, as adjusted

	Twelve months ended October 31,	
	2017	2016
\$	508,902	\$ 333,593
	(151,859)	(95,174)
\$	<u>357,043</u>	<u>\$ 238,419</u>

Average Invested Capital, as adjusted:

Short-term debt (5-qtr average)

Long-term debt (5-qtr average)

Shareholders' Equity (5-qtr average)

Tax effected impact of non-GAAP adjustments⁽³⁾

Total average capital, as adjusted

Less: Cash (5-qtr average)

Average invested capital less average cash

\$	360,705	\$ 86,220
	1,279,729	278,970
	2,439,925	2,061,796
	50,441	(13,338)
	<u>4,130,800</u>	<u>2,413,648</u>
	(1,054,922)	(666,295)
\$	<u>3,075,878</u>	<u>\$ 1,747,353</u>
	12%	14%

⁽¹⁾ Represents operating income as adjusted to exclude acquisition, integration and restructuring expenses, LCD settlements and other, net, value added tax assessments and acquisition-related intangible assets amortization expense.

⁽²⁾ Income taxes on non-GAAP operating income was calculated using the trailing 12 months effective tax rate adjusted for the impact of non-GAAP adjustments during the respective periods.

⁽³⁾ Represents the 5 quarter average of the year-to-date impact of non-GAAP adjustments.