

NEWS RELEASE

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Ingram Micro Reports Third Quarter Earnings

Delivers Revenue Grows 11%; Drives Strong Operating Leverage Resulting in 19% Increase in Non-GAAP Operating Income

SANTA ANA, Calif., Oct. 23, 2014 /PRNewswire/ -- Ingram Micro Inc. (NYSE: IM) today announced financial results for the third quarter ended Sept. 27, 2014.

(US\$ in millions, except EPS and diluted shares)	Third Quarter Ended		
	September 27, 2014	September 28, 2013	Change
Net Sales	\$ 11,238	\$ 10,151	11%
Non-GAAP operating income	\$ 161	\$ 135	19%
Non-GAAP operating margin	1.43%	1.33%	10 bps
Operating income	\$ 120	\$ 138	(13)%
Operating margin	1.07%	1.36%	-29 bps
Non-GAAP earnings per diluted share	\$ 0.62	\$ 0.53	17%
Earnings per diluted share	\$ 0.45	\$ 0.50	10%
Diluted shares outstanding (millions)	159.5	157.1	

A reconciliation of GAAP financial measures to non-GAAP financial measures is presented in the Supplementary Information section in this press release.

Alain Monié, Ingram Micro CEO, commented, "We delivered strong third quarter financial results as we continue to take advantage of market opportunities to drive very solid revenue growth, improved returns and robust earnings growth and leverage. Revenue grew 11% and strong operating leverage led to a 19% increase in non-GAAP operating income. We are benefiting from new wins and strong market share and we are enhancing earnings power through disciplined cost management and execution on our global organizational effectiveness program. We also maintained our focus on optimizing the balance sheet, generating cash flow from operations for the quarter while growing the business significantly. I am very pleased with our third quarter performance, which reflects the strength of our diversified geographic reach, solutions portfolio, world class partnerships and strong execution."

Worldwide sales increased by more than \$1 billion to \$11.2 billion from \$10.2 billion in the third quarter last year.

Worldwide gross profit was \$646 million, compared with \$599 million in the 2013 third quarter. Gross profit increased by 8 percent year-over-year benefiting from strong sales across most regions. Gross margin was down versus last year as revenue growth was led by a greater mix of high volume sales, particularly in mobility and systems.

The company drove strong operating leverage, with non-GAAP operating income for the 2014 third quarter increasing 19 percent - nearly double the company's revenue growth - to \$161 million. This compares with non-GAAP operating income for the 2013 third quarter of \$135 million.

2014 third quarter non-GAAP net income also benefited from strong operating leverage, increasing 18 percent to \$98 million, or 62 cents per diluted share, compared with non-GAAP net income of \$83 million, or 53 cents per diluted share, in the 2013 third quarter.

On a GAAP basis, operating income was \$120 million and net income was \$72 million, or 45 cents per diluted share. 2013 third quarter operating income was \$138 million and net income was \$79 million, or 50 cents per diluted share. 2014 and 2013 third quarter operating income were affected by \$27 million and \$11 million, respectively, of pre-tax charges for reorganization, integration and transition costs and by \$15 million and \$12 million, respectively, of amortization of intangible assets. 2013 third quarter non-GAAP financial measures also exclude a benefit related to the receipt of \$29.5 million from a LCD flat panel class action settlement and the impact of a \$5.0 million reserve recorded for estimated charges related to indirect tax declarations in Europe.

The company generated approximately \$60 million in cash flow from operations in the 2014 third quarter compared to cash used in operations of more than \$200 million in the year-earlier period.

Key 2014 third quarter business highlights:

- The company signed a definitive share purchase agreement to acquire a majority interest in Armada, the largest value-add technology distributor in Turkey.
- Ingram Micro expanded its relationship with IBM and now offers IBM SoftLayer cloud services - the foundation for IBM's cloud portfolio.
- The company partnered with Microsoft to rollout Microsoft's Cloud Service Provider, a new cloud service delivery platform for Microsoft's cloud services.
- CloudBlue, the company's IT asset disposal business, was awarded a contract with an existing Fortune 100 financial services company to provide IT asset disposal in India.
- The company went live with Shipwire's web-based logistics platform fully integrated into Ingram Micro's Sydney warehouse.
- Ingram Micro expanded its device-recovery service operations at a key returns center in Plainfield, Ind. to help support the refurbishment or recycling of more than 40,000 mobile devices every day in North America.
- The company added Google's Chromebook to its portfolio line, reaching agreements with 65 channel partners to resell Google Chrome solutions into the K-12 student market in the U.S.
- Ingram Micro added Alcatel One Touch range of handsets to its offerings in India.

Outlook

The following statement is based on the Company's current expectations for the 2014 fourth quarter and excludes the amortization of intangible assets, charges associated with reorganization, integration and transition costs and other expense reduction programs and the impact of foreign exchange gains or losses related to the translation effect on Euro-based inventory purchases in Ingram Micro's pan-European entity. These statements are forward-looking and actual results may differ materially.

For the 2014 fourth quarter, the company currently expects worldwide revenue to increase between 8 to 12 percent over the 2013 fourth quarter, with non-GAAP earnings per diluted share of \$0.95 to \$1.02.

Non-GAAP Disclosures

In addition to GAAP results, Ingram Micro is reporting non-GAAP operating income, non-GAAP operating margin, non-GAAP net income and non-GAAP earnings per diluted share. These non-GAAP measures exclude the amortization of intangible assets, and charges associated with reorganization, integration and transition costs and other expense reduction programs, including those associated with the company's previously announced organizational effectiveness program. These non-GAAP financial measures also exclude a benefit related to the receipt of an LCD flat panel class action settlement and the impact of a reserve recorded for estimated potential charges related to indirect tax declarations in Europe in certain historical periods. Non-GAAP net income and non-GAAP earnings per diluted share also exclude the impact of foreign exchange gains or losses related to the translation effect on Euro-based inventory purchases in Ingram Micro's pan-European entity.

The non-GAAP measures noted above are primary indicators that Ingram Micro's management uses internally to conduct and measure its business and evaluate the performance of its consolidated operations and operating segments. Ingram Micro's management believes these non-GAAP financial measures are useful because they provide meaningful comparisons to prior periods and an alternate view of the impact of acquired businesses. These non-GAAP financial measures are used in addition to and in conjunction with results presented in accordance with GAAP. These non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the accompanying reconciliations to corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting Ingram Micro's

business. A material limitation associated with these non-GAAP measures as compared to the GAAP measures is that they may not be comparable to other companies with similar items that present related measures differently. The non-GAAP measures should be considered as a supplement to, and not as a substitute for or superior to, the corresponding measures calculated in accordance with GAAP and may not be comparable to similarly titled measures used by other companies.

Reconciliation of GAAP to non-GAAP financial measures for the periods presented are attached to the press release.

Conference Call and Webcast

Additional information about Ingram Micro's financial results will be presented in a conference call with presentation slides today at 5 p.m. ET. To listen to the conference call webcast and view the accompanying presentation slides, visit the company's website at www.ingrammicro.com (Investor Relations section). The conference call is also accessible by telephone at (877) 869-3847 (toll-free within the United States and Canada) or (201) 689-8261 (other countries).

The replay of the conference call with presentation slides will be available for one week at www.ingrammicro.com (Investor Relations section) or by calling (877) 660-6853, conference ID "13591022."

About Ingram Micro Inc.

Ingram Micro helps businesses realize the promise of technology. It delivers a full spectrum of global technology and supply chain services to businesses around the world. Deep expertise in technology solutions, mobility, cloud, and supply chain solutions enables its business partners to operate efficiently and successfully in the markets they serve. More at www.ingrammicro.com.

Cautionary Statement for the Purpose of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

The matters in this press release that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act, including statements relating to the expected benefits from new wins and market share and our ability to enhance earnings power, are based on current management expectations. Certain risks may cause such expectations to not be achieved and, in turn, may have a material adverse effect on Ingram Micro's business, financial condition and results of operations. Ingram Micro disclaims any duty to update any forward-looking statements. Important risk factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, without limitation: (1) we have made and expect to continue to make investments in new businesses and initiatives, including acquisitions, which could disrupt our business and have an adverse effect on our operating results; (2) we are dependent on a variety of information systems, which, if not properly functioning, or unavailable, or if we experience system security breaches, data protection breaches or other cyber-attacks, could adversely disrupt our business and harm our reputation and earnings; (3) changes in macro-economic conditions may negatively impact a number of risk factors which, individually or in the aggregate, could adversely affect our results of operations, financial condition and cash flows; (4) we continually experience intense competition across all markets for our products and services; (5) we operate a global business that exposes us to risks associated with conducting business in multiple jurisdictions; (6) our failure to adequately adapt to IT industry changes could negatively impact our future operating results; (7) terminations of a supply or services agreement or a significant change in supplier terms or conditions of sale could negatively affect our operating margins, revenue or the level of capital required to fund our operations; (8) substantial defaults by our customers or the loss of significant customers could have a negative impact on our business, results of operations, financial condition or liquidity; (9) changes in, or interpretations of, tax rules and regulations, changes in the mix of our business amongst different tax jurisdictions, and deterioration of the performance of our business may adversely affect our effective income tax rates or operating margins and we may be required to pay additional taxes and/or tax assessments, as well as record valuation allowances relating to our deferred tax assets; (10) changes in our credit rating or other market factors such as adverse capital and credit market conditions or reductions in cash flow from operations may affect our ability to meet liquidity needs, reduce access to capital, and/or increase our costs of borrowing; (11) failure to retain and recruit key personnel would harm our ability to meet key objectives; (12) we cannot predict with certainty what losses we may incur as a result of litigation matters and contingencies that we may be involved with from time to time; (13) we may incur material litigation, regulatory or operational costs or expenses, and may be frustrated in our marketing efforts, as a result of environmental regulations or private intellectual property enforcement disputes; (14) we face a variety of risks in our reliance on third-party service companies, including shipping companies for the delivery of our products and outsourcing arrangements; (15) changes in accounting rules could adversely affect our future operating results; and (16) our quarterly results have fluctuated significantly. We also face a variety of risks associated with our acquisitions and any other acquisitions we may make, including: management's ability to execute its plans, strategies and objectives for future operations, including the execution of integration plans and our organizational effectiveness programs, and to realize the expected benefits of our acquisitions or our organizational

effectiveness programs; growth of the mobility industry, the government contracts business, and in new and untapped markets in geographies outside the U.S.; and other uncertainties or unknown, underestimated and/or undisclosed commitments or liabilities; and our ability to achieve the expected benefits and manage the costs of the integrations of our acquisitions.

Ingram Micro has instituted in the past and continues to institute changes to its strategies, operations and processes to address these risk factors and seek to mitigate their impact on Ingram Micro's results of operations and financial condition. However, no assurances can be given that Ingram Micro will be successful in these efforts. For a further discussion of significant factors to consider in connection with forward-looking statements concerning Ingram Micro, reference is made to Item 1A Risk Factors of Ingram Micro's Annual Report on Form 10-K for the fiscal year ended Dec. 28, 2013; other risks or uncertainties may be detailed from time to time in Ingram Micro's future SEC filings.

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