

## Frequently Asked Questions – General

### **Q. What did Ingram Micro announce?**

On Feb. 2, 2016, Ingram Micro announced that it entered into an agreement to acquire Connector Systems, a value-added distributor in Australia and New Zealand. The transaction closed on March 1, 2016.

### **Q: What does Connector Systems do?**

- Connector Systems is a value-added distributor in Australia and New Zealand, with specialist skills in cabling, networking and software.
- Connector Systems works with more than 30 vendors that it helps develop and bring to market.
- Connector Systems focuses on working with resellers to build solutions in vertical markets such as aged care, education and property development. Additionally, Ingram Micro will be able to add other categories such as server and storage technologies into these vertical solutions.

### **Q. How does this acquisition fit into Ingram Micro's global strategy?**

- Cabling is an extension of Ingram Micro's existing business and creates an opportunity for us to enter the sales cycle earlier.
- Connector Systems has been strong at recruiting emerging value vendors.
- Ingram Micro's Australia and New Zealand's strategy calls for growth into higher value-added areas, including professional services. Connector Systems' professional services capability would quickly provide a base for us to grow from, especially with some of our existing vendors.
- Training is a key strategic growth area for Ingram Micro, and Connector Systems' training business will complement and strengthen Ingram Micro's existing training business.

### **Q. Will Connector Systems integrate into Ingram Micro's current business?**

Connector Systems will operate as a separate Ingram Micro division under Ingram Micro New Zealand/Ingram Micro Australia with sufficient autonomy to maintain its model, including embracing further rapid recruitment of cutting-edge emerging vendors, offering cabling solutions and targeting complete integrated solutions for specific vertical markets.

**Q. How do Ingram Micro's and Connector Systems' current products/services/reach complement each other?**

Cabling is often required well before Ingram Micro or our traditional competitors would ordinarily be asked to quote on a potential opportunity. This will bring the new combined organization into the opportunity at a much earlier point, creating yet another competitive advantage for us.

**Q. How much of Connector Systems existing business overlaps with that of Ingram Micro?**

Connector Systems works with more than 30 vendors that do not overlap with Ingram Micro's vendor portfolio.

**Q. What integration costs are you anticipating and over what period of time?**

We are not providing guidance on specific expectations.

**Q. How do Ingram Micro customers and vendors benefit from the acquisition?**

- Cabling is a high-margin value-added category in which Ingram Micro has no significant footprint today.
- Ingram Micro gains access to 30-plus new niche vendors, specializing in networking, Wi-Fi, cloud and software licensing. In turn, those vendors will gain exposure to potential growth opportunities, with access to our much larger customer base.

**Q. How do Connector Systems customers and vendors benefit from the acquisition?**

Ingram Micro offers:

- *Product & services portfolio.* We bring to market the largest breadth of products and services for IT, mobility and cloud. Connector Systems customers will now have a broader range of products to resell.
- *Value-added lifecycle services.* We can tailor specific solutions for our customers.
- *World-class supply chain.* We offer a scalable forward, reverse and logistics services platform.
- *Relationships & communities.* We are a comprehensive market resource for small and medium businesses, retail and others.

Ingram Micro also offers Connector Systems the opportunity to reduce its cost base and to cross-sell their products to the larger Ingram Micro New Zealand and Ingram Micro Australia databases, to tap into opportunities for greater growth and profitability. Filling in missing categories of Connector Systems' business (e.g. servers, storage and physical security equipment) will also drive additional opportunities for potential growth.

**Q. Will there be more acquisitions in the near future?**

Ingram Micro is focused on profitable growth, and we are always considering acquisitions that align with our business goals and that have potential to provide attractive returns for our shareholders.

**Q. How will leadership and staffing change at both companies?**

The Connector Systems businesses will become part of our overall Australia and New Zealand operations and report into the respective core distribution managing directors' organizations—Matthew Sanderson in Australia and Gary Bigwood in New Zealand.

**Q. What should I do if the media contacts me?**

Do not make any comments or statements and refer all media calls to [Bill Casey](#) (1-630-995-6384) at Ingram Micro's corporate headquarters.

**Q. What should I do if an investor contacts me?**

Do not make any comments or statements and refer all investors to [Damon Wright](#) (1-714-382-5013) at Ingram Micro's corporate headquarters.

**Q. How do I respond if customers or vendors ask me questions?**

- Only authorized spokespersons of Ingram Micro and Connector Systems should discuss the specific terms of the transaction. If you receive a question from a customer or vendor partner about the transaction, do not make any comments or statements and refer them to the investor relations section of Ingram Micro's website.
- Please do not try to answer a question if you're unsure of the answer. Let the customer or vendor partner know you will forward the question to the appropriate person and that someone will get back to them. Then reach out to your manager for guidance and ensure a response is provided.

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