

# Q1 Fiscal Year 2020 Financial Highlights

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For the quarter ended April 30, 2019

May 30, 2019

## 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, 2019, 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](http://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.

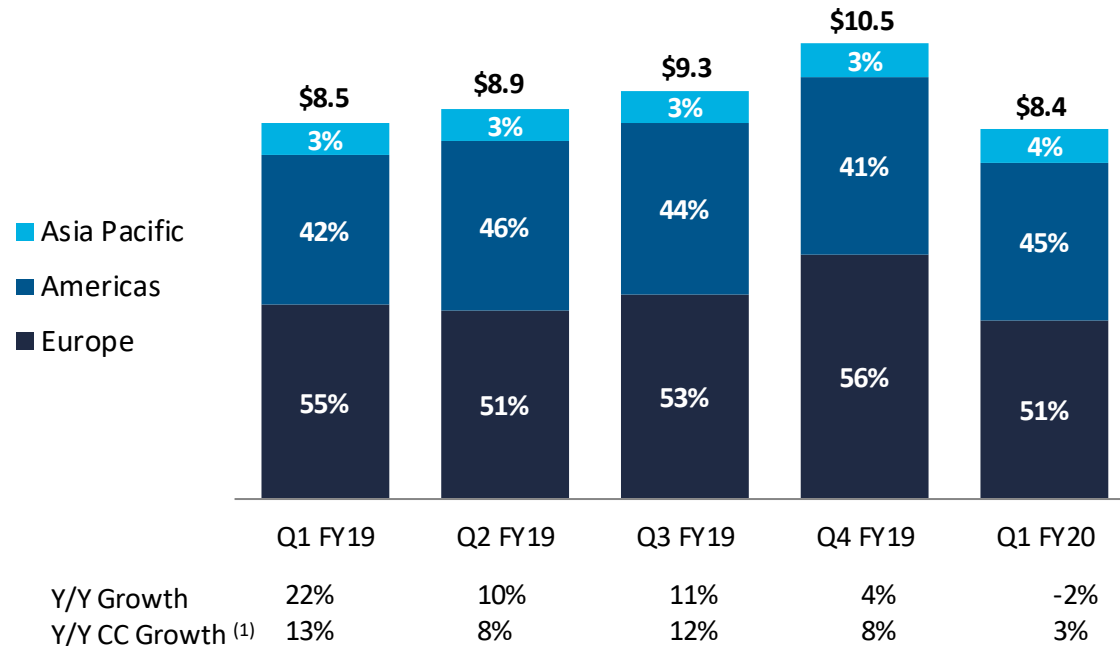
## Use of Non-GAAP Financial Information

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, Adjusted non-GAAP operating income growth, Adjusted non-GAAP EPS growth 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



<sup>(1)</sup> CC: constant currency

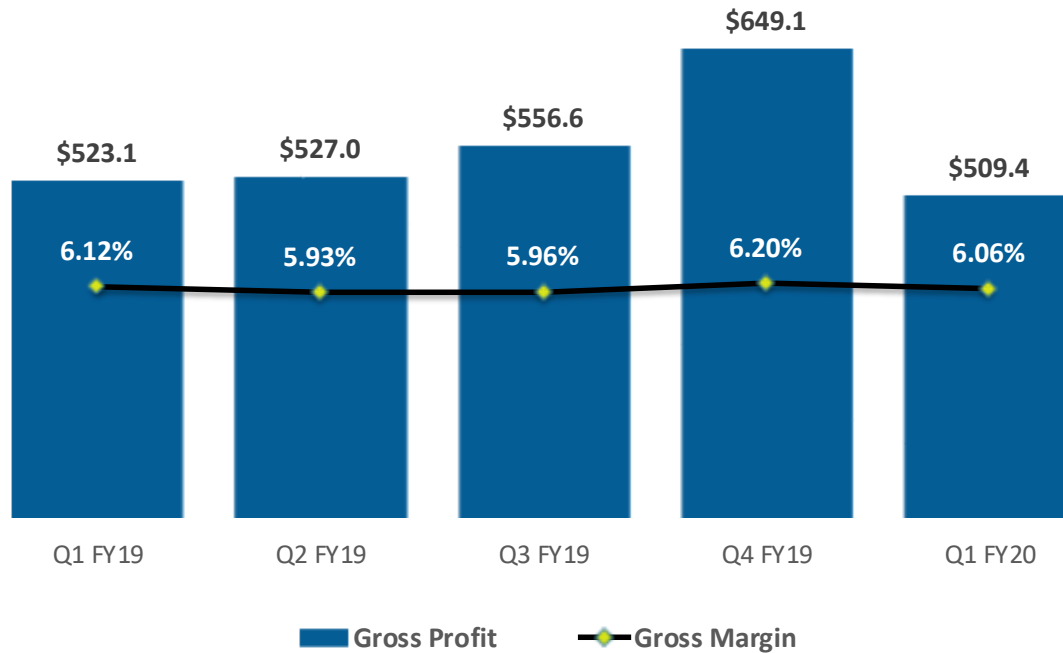
### Q1 FY20:

- Worldwide reported net sales of \$8.4 billion decreased 2% compared to the prior-year quarter.
- On a constant currency basis, net sales increased 3% compared to the prior-year quarter.
- Three of our vendor partners represented 10% or more of our net sales; Apple represented 13%, Cisco Systems represented 11% and HP Inc represented 10%.

# Worldwide

## Gross Profit and Margin

\$ in Millions



### Q1 FY20:

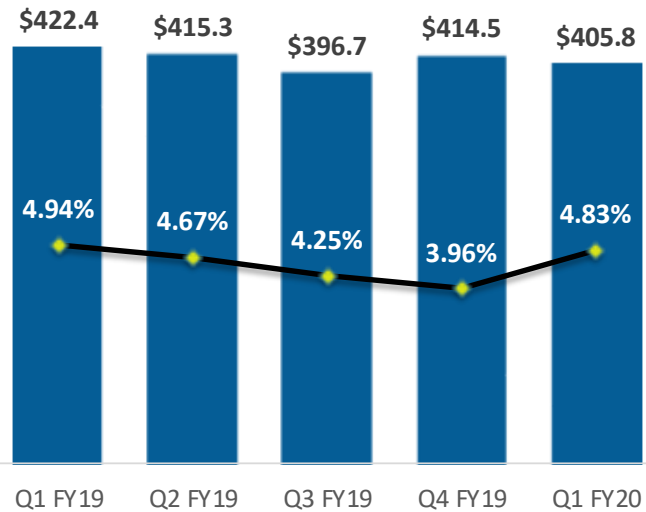
- Gross profit of \$509.4 million decreased 3% compared to the prior-year quarter and increased 2% on a constant currency basis.
- Gross margin declined 6 basis points compared to the prior-year quarter.

# Worldwide

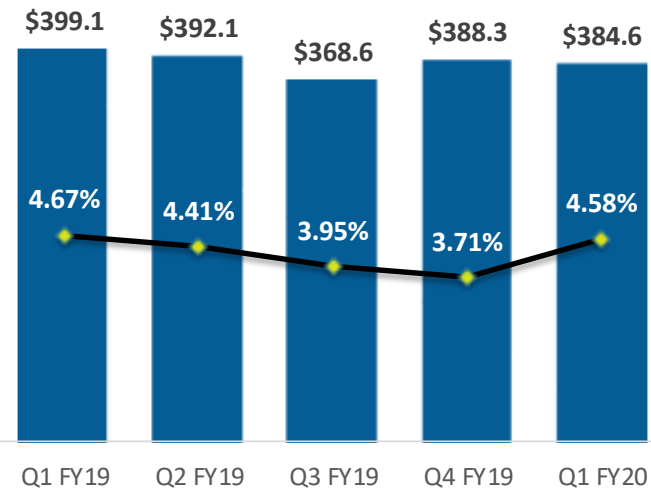
## SG&A Expenses

\$ in Millions

SG&A Expenses



SG&A Expenses (Non-GAAP) <sup>(1)</sup>



### Q1 FY20:

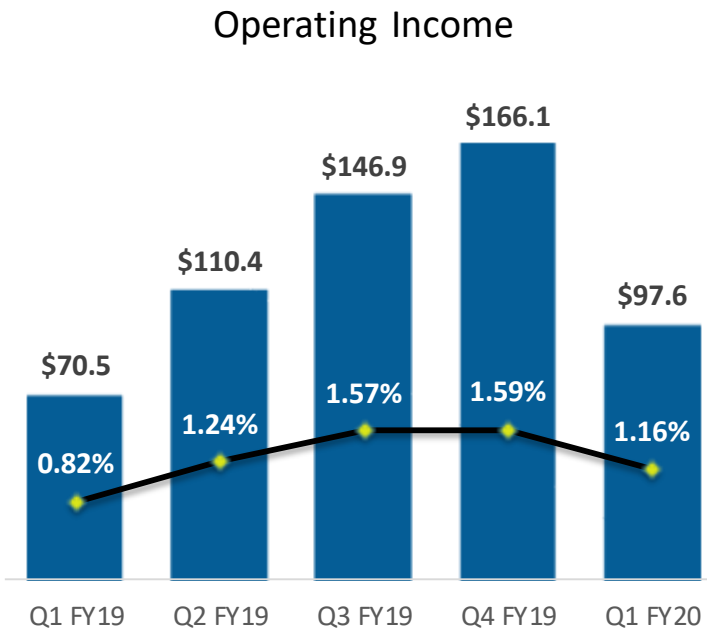
- Non-GAAP SG&A expenses of \$384.6 million decreased 4% compared to the prior-year quarter and increased 1% on a constant currency basis.
- Non-GAAP SG&A as a percentage of net sales improved 9 basis points compared to the prior-year quarter.
- GAAP depreciation and amortization expense was \$37.3 million compared to \$40.5 million in the prior-year quarter.

(1) Non-GAAP SG&A excludes acquisition-related amortization of intangibles expenses and tax indemnifications. See GAAP to Non-GAAP reconciliation in the appendix.  
Note: Q3 FY19 includes a \$25 million benefit from the collection of an accounts receivable balance previously considered uncollectible.

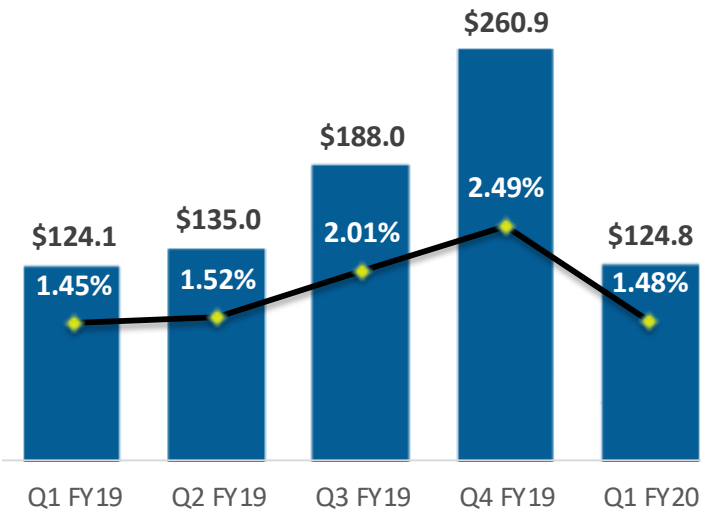
# Worldwide

## Operating Income

\$ in Millions



## Operating Income (Non-GAAP) <sup>(1)</sup>



### Q1 FY20:

- Worldwide non-GAAP operating income of \$124.8 million increased 1% compared to the prior-year quarter, and 4% on a constant currency basis.
- Worldwide non-GAAP operating margin improved 3 basis points from the prior-year quarter.

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

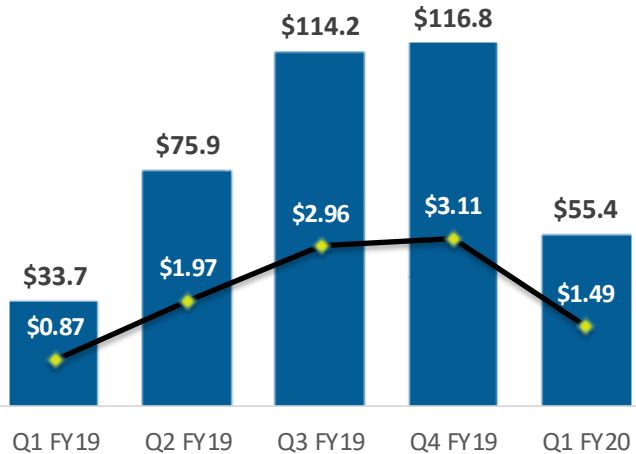
Note: Q3 FY19 includes a \$25 million benefit from the collection of an accounts receivable balance previously considered uncollectible.

# Worldwide

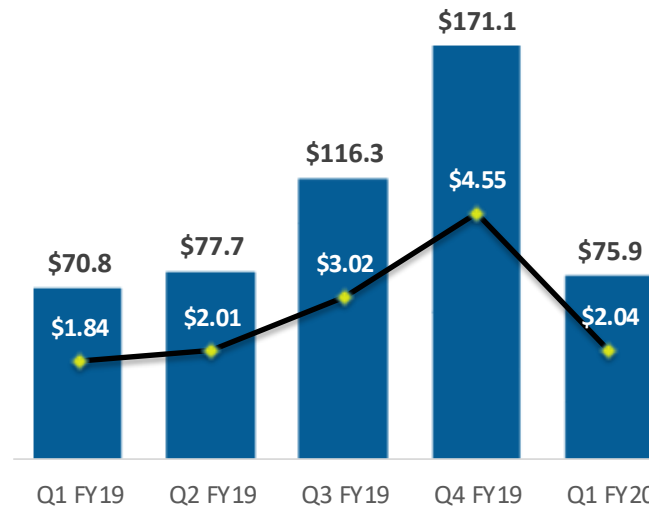
## Net Income and EPS

\$ in Millions (except EPS)

Net Income and EPS



Net Income and EPS (Non-GAAP) <sup>(1)</sup>



## Q1 FY20:

- The effective tax rate was 23%, compared to 21% in the prior-year quarter. The non-GAAP effective tax rate was 23%, compared to 26% in the prior-year quarter.
- Non-GAAP net income of \$75.9 million increased 7% compared to the prior-year quarter and 11% on a constant currency basis.
- Non-GAAP EPS of \$2.04 increased 11% compared to the prior-year quarter and 15% on a constant currency basis.

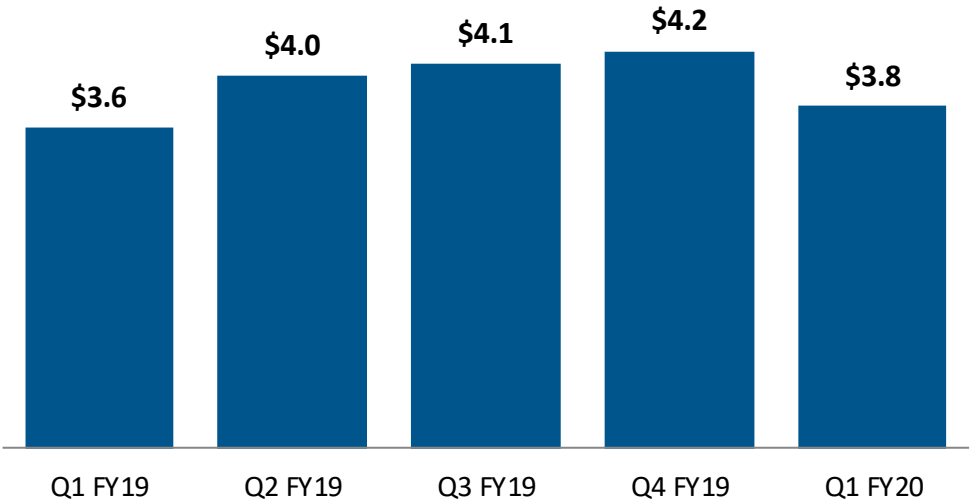
(1) See the GAAP to non-GAAP reconciliation in the appendix.

Note: Q3 FY19 includes an \$18 million net of tax benefit, \$0.47 after tax impact in EPS, from the collection of an accounts receivable balance previously considered uncollectible.

# Regional Results - Americas

## Net Sales

\$ in Billions



Americas	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20
Y/Y Growth	15%	7%	13%	10%	5%
Y/Y CC Growth <sup>(1)</sup>	15%	7%	14%	11%	6%

<sup>(1)</sup> CC: constant currency

### Q1 FY20:

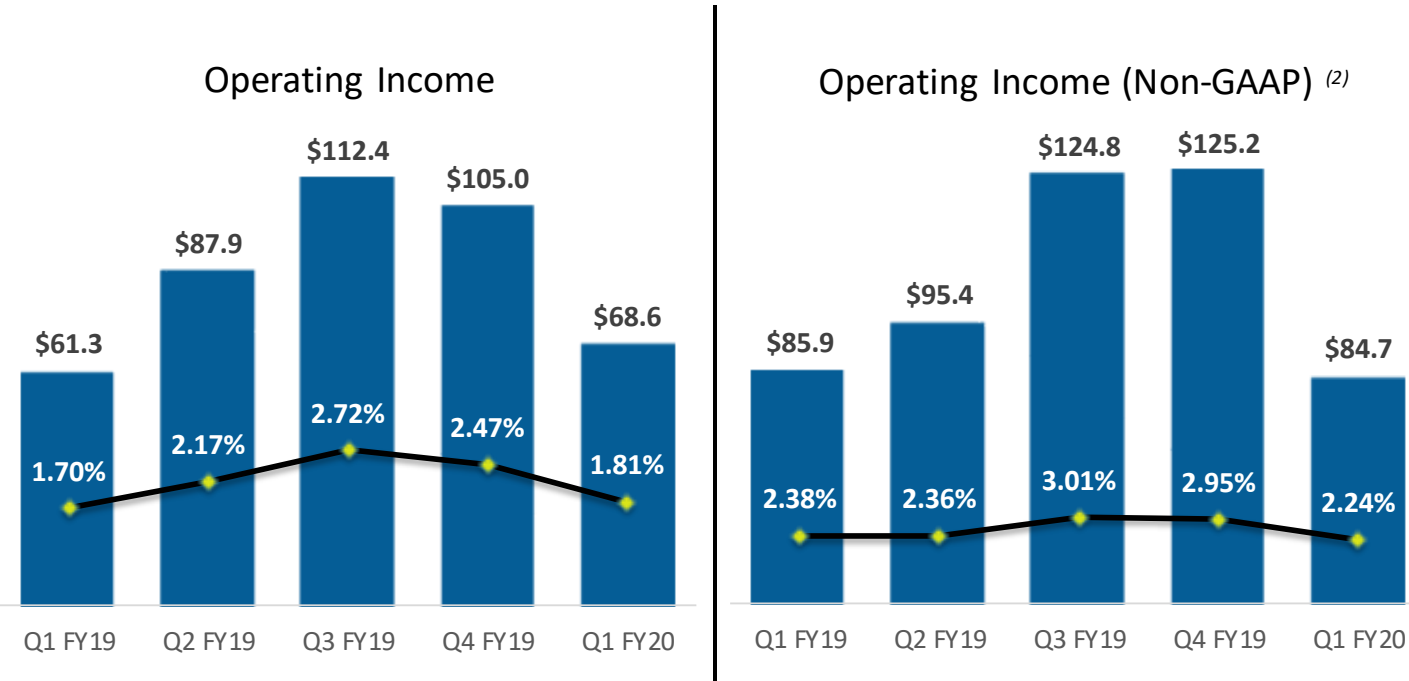
- Americas' reported net sales were \$3.8 billion, an increase of 5% compared to the prior-year quarter.
- On a constant currency basis, net sales increased 6% compared to the prior-year quarter.



# Regional Results - Americas

## Operating Income <sup>(1)</sup>

\$ in Millions



<sup>(1)</sup> Before stock compensation expense.

<sup>(2)</sup> See the GAAP to non-GAAP reconciliation in the appendix

Note: Q3 FY19 includes a \$25 million benefit from the collection of an accounts receivable balance previously considered uncollectible.

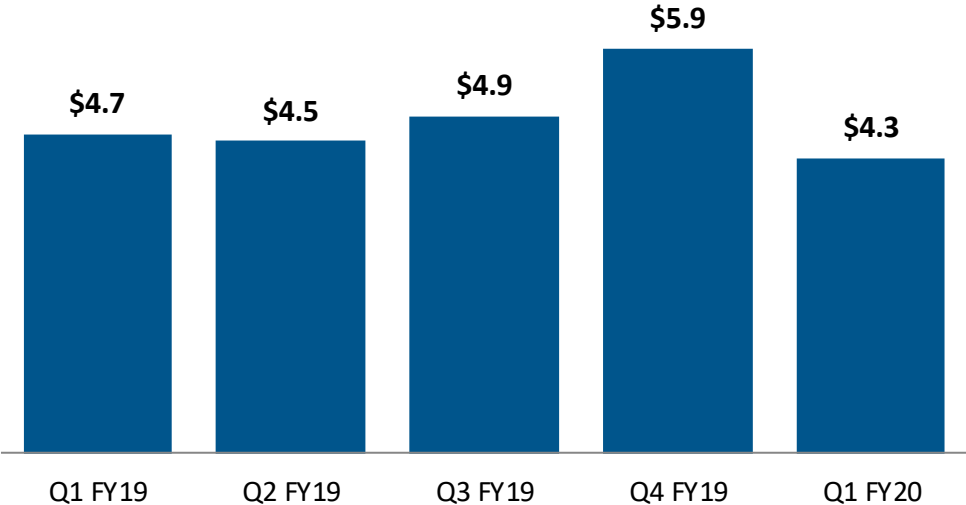
## Q1 FY20:

- Americas' non-GAAP operating income of \$84.7 million decreased 1% compared to the prior-year quarter, as well as on a constant currency basis.
- Non-GAAP operating margin declined 14 basis points over the prior-year quarter.

# Regional Results - Europe

## Net Sales

\$ in Billions



Europe	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20
Y/Y Growth	26%	13%	9%	0%	-8%
Y/Y CC Growth <sup>(1)</sup>	10%	9%	12%	5%	1%

### Q1 FY20:

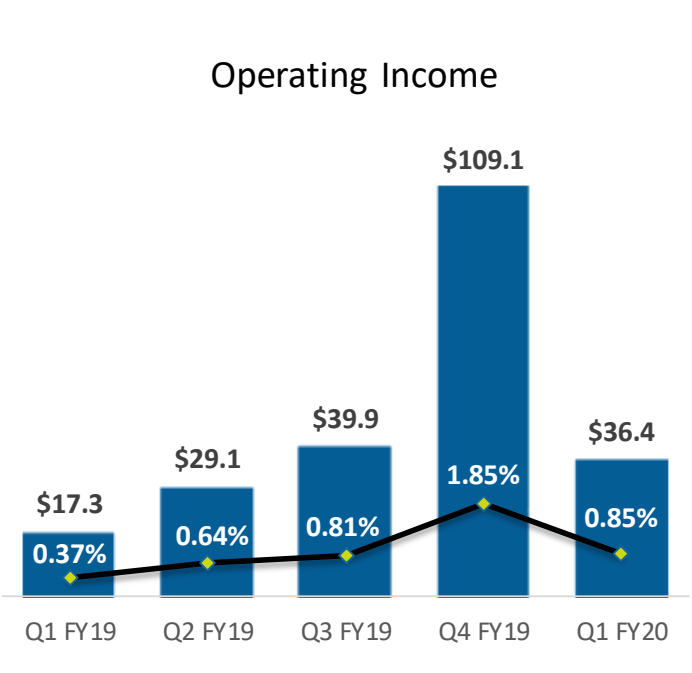
- Europe’s reported net sales were \$4.3 billion, a decline of 8% compared to the prior-year quarter.
- On a constant currency basis, net sales increased 1% compared to the prior-year quarter.

<sup>(1)</sup> CC: constant currency

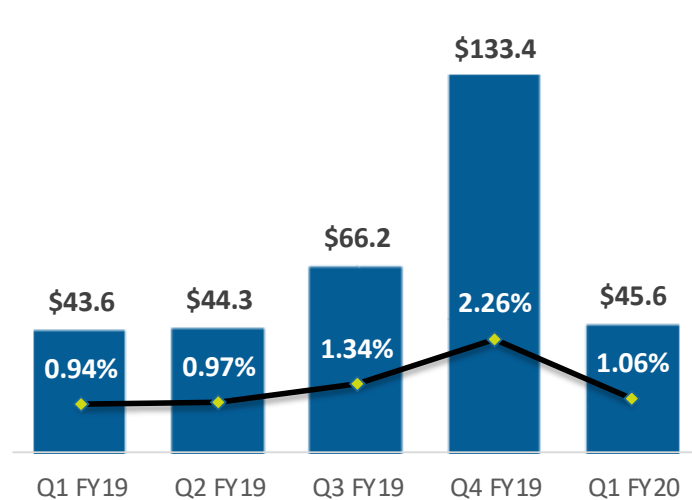
# Regional Results - Europe

## Operating Income <sup>(1)</sup>

\$ in Millions



## Operating Income (Non-GAAP) <sup>(2)</sup>



### Q1 FY20:

- Europe’s non-GAAP operating income of \$45.6 million increased 4% compared to the prior-year quarter, and 14% on a constant currency basis.
- Non-GAAP operating margin improved 12 basis points from the prior-year quarter.

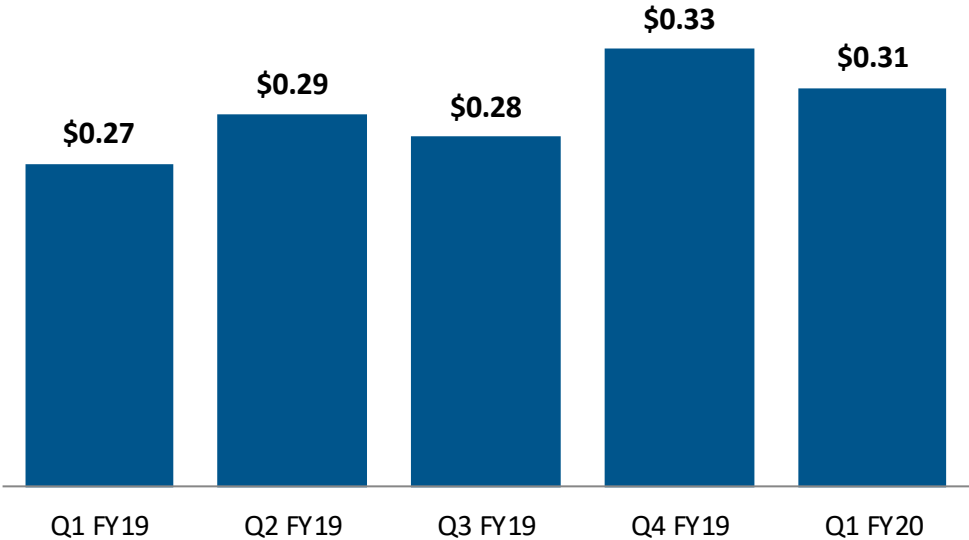
<sup>(1)</sup> Before stock compensation expense.

<sup>(2)</sup> See the GAAP to non-GAAP reconciliation in the appendix.

# Regional Results - Asia Pacific

## Net Sales

\$ in Billions



Asia Pacific

	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20
Y/Y Growth <sup>(1)</sup>	48%	5%	6%	8%	15%
Y/Y CC Growth <sup>(2)</sup>	46%	7%	12%	13%	19%

### Q1 FY20:

- Asia Pacific reported net sales were \$0.31 billion, an increase of 15% compared to the prior-year quarter.
- On a constant currency basis, net sales increased 19% compared to the prior-year quarter.

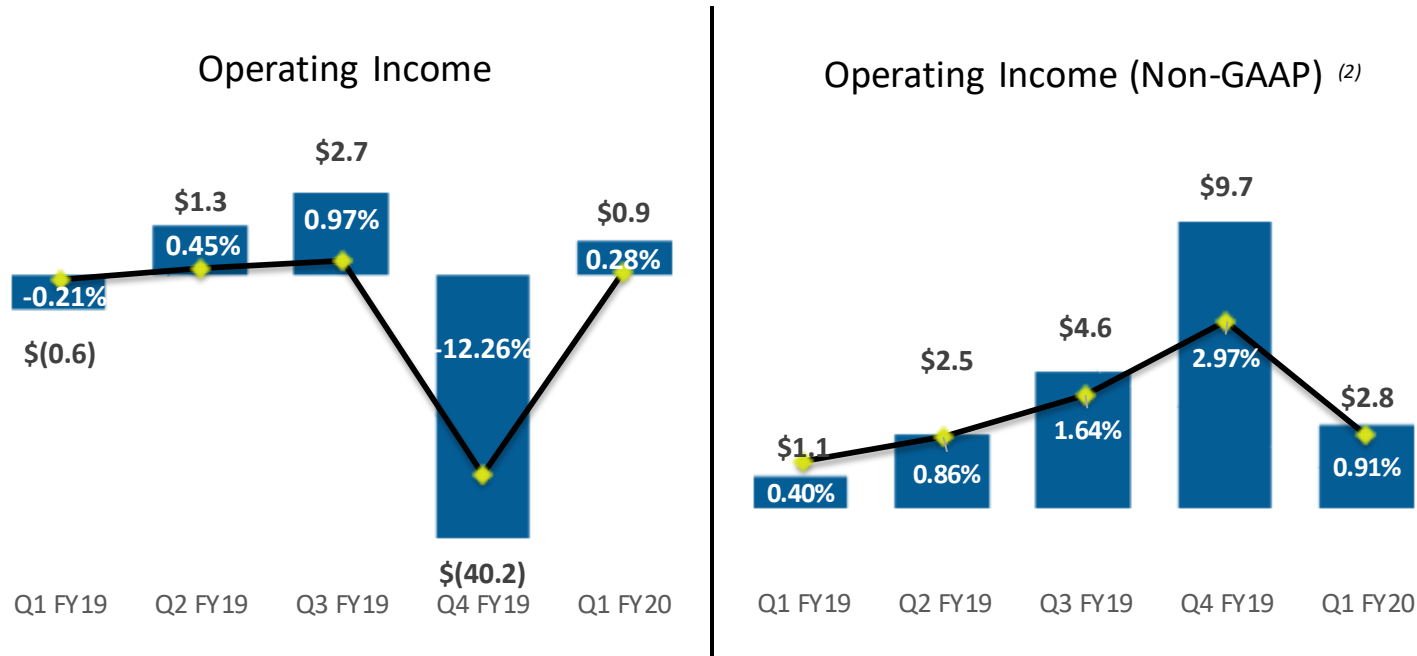
<sup>(1)</sup> Tech Data had no operations in the Asia Pacific region prior to the acquisition of Technology Solutions on February 27, 2017

<sup>(2)</sup> CC: constant currency

# Regional Results - Asia Pacific

## Operating Income <sup>(1, 3)</sup>

\$ in Millions



## Q1 FY20:

- The Asia Pacific region's non-GAAP operating income of \$2.8 million increased 161% compared to the prior-year quarter, and 163% on a constant currency basis.
- Non-GAAP operating margin improved 51 basis points from the prior-year quarter.

<sup>(1)</sup> Before stock compensation expense.

<sup>(2)</sup> See the GAAP to non-GAAP reconciliation in the appendix.

<sup>(3)</sup> GAAP Results for the fourth quarter of fiscal 2019 include a non-cash goodwill impairment charge of \$47 million.

# Worldwide

## Cash Metrics

### Cash Conversion Cycle

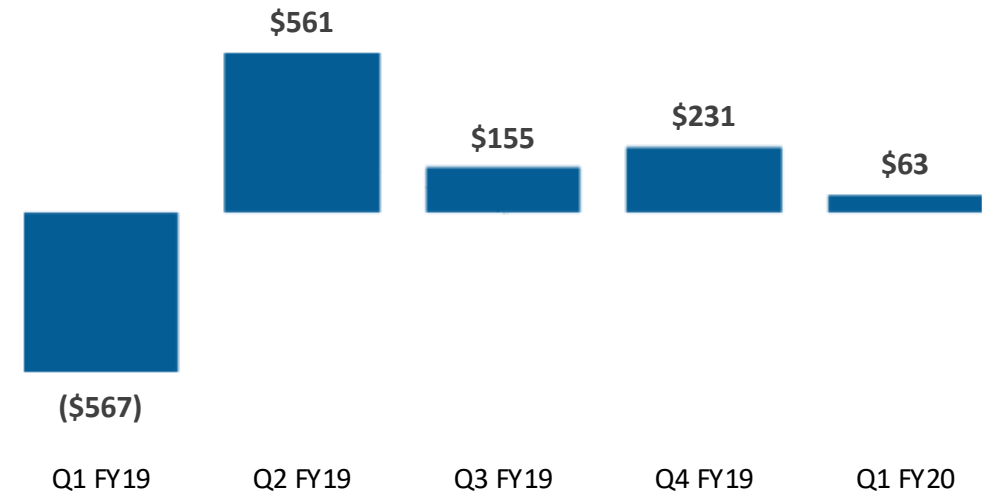
	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20
Days of Sales Outstanding	56	53	58	54	59
Days of Supply	33	33	33	31	38
Days of Purchases Outstanding	(65)	(68)	(73)	(70)	(78)
<b>Cash Conversion Cycle</b>	<b>24</b>	<b>18</b>	<b>18</b>	<b>15</b>	<b>19</b>

### Q1 FY20:

- Net cash generated by operations was \$63 million.
- The cash balance at the end of the quarter was \$798 million.

### Cash Flow from Operations

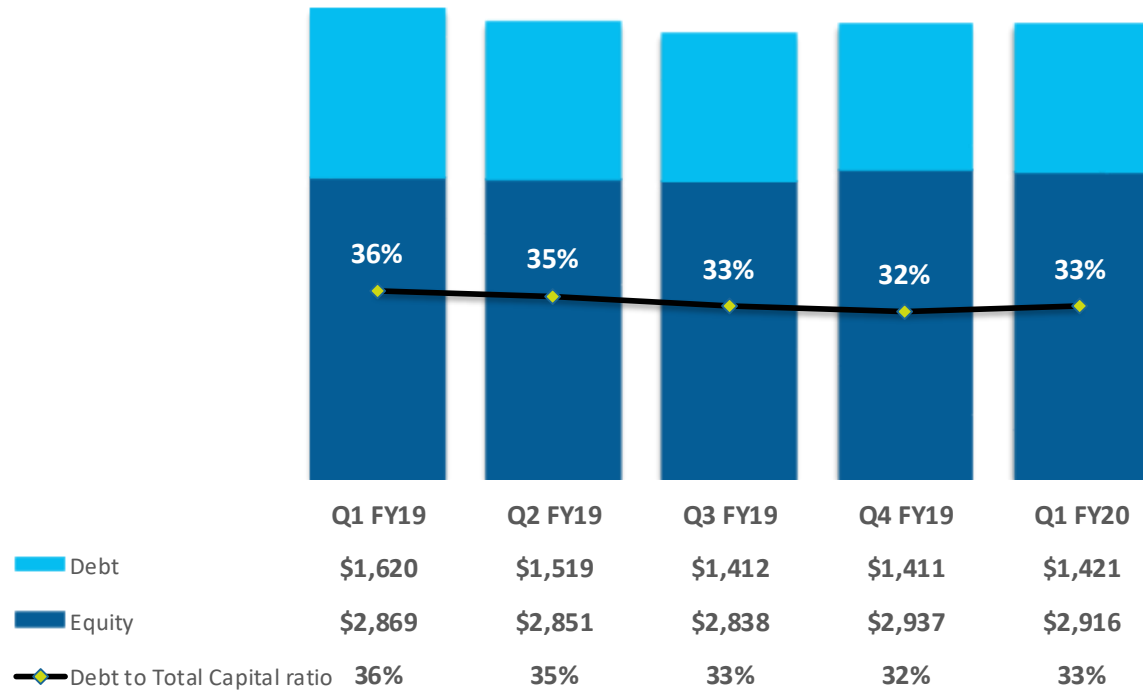
\$ in Millions



# Worldwide

## Balance Sheet Highlights

Debt to Total Capital

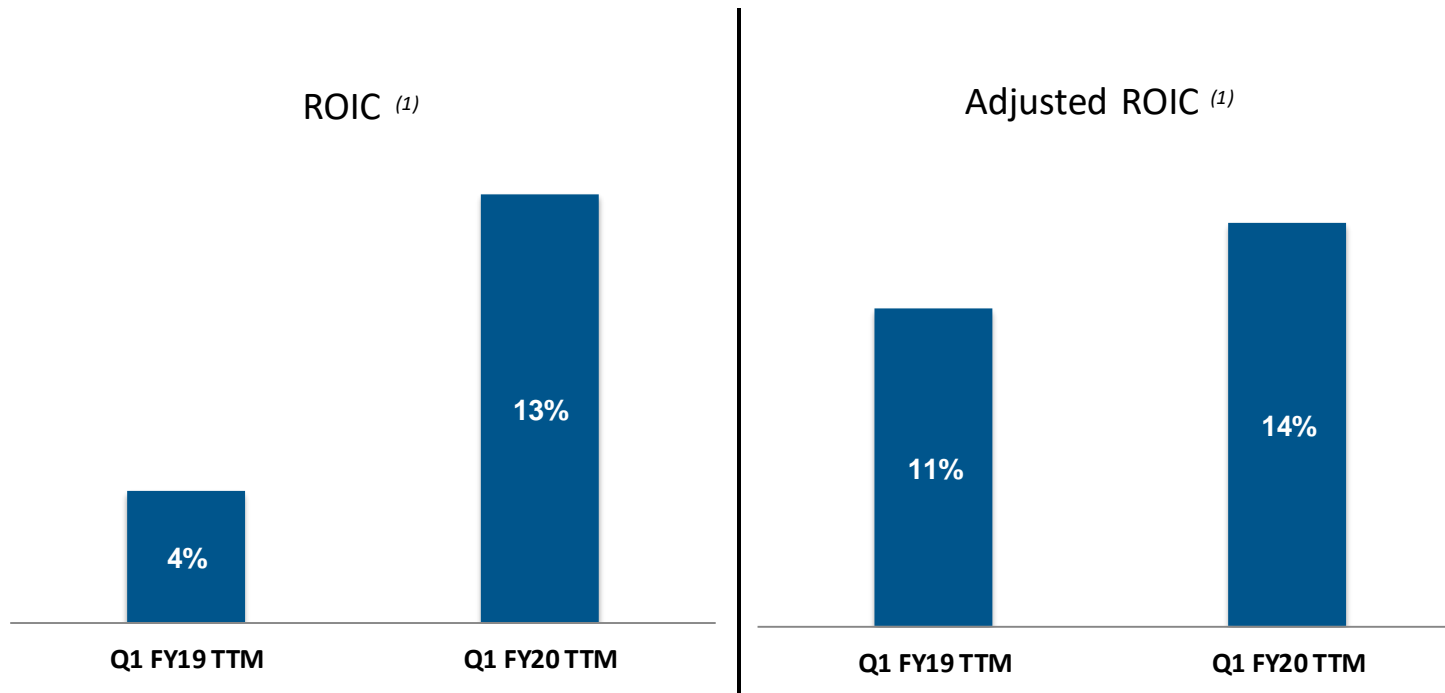


### Q1 FY20:

- Accumulated other comprehensive income was \$3 million.
- Capital expenditures were \$15 million.
- At April 30, 2019, the company had \$2.9 billion of equity, and 36.76 million shares outstanding resulting in book value of \$79.32 per share.
- At April 30, 2019, the company had approximately \$1.7 billion of goodwill and acquired intangibles.

# Worldwide

## Return on Invested Capital



- Company's Weighted Average Cost of Capital is approximately 9%.
- Adjusted return on invested capital in Q1 FY20 TTM (trailing twelve months) was 14% compared to 11% in the prior-year quarter.

(1) See reconciliation of ROIC to adjusted ROIC calculation in appendix.



# Worldwide

## *Share Repurchase Activity*

	Amount Repurchased (\$ millions)	Number of Shares Repurchased (millions)	Average Price Per Share
Q1 FY20 Share Repurchases	\$36	0.346	\$103.15
Amount remaining on current authorization	\$157 million		

# Business Outlook

*For the quarter ending July 31, 2019*

Net Sales Range	\$8.6 billion to \$8.9 billion
EPS Range	\$1.53 to \$1.83
Non-GAAP EPS Range <sup>(1)</sup>	\$2.15 to \$2.45

**Q2 FY20 business outlook assumes the following:**

- U.S. dollar to euro exchange rate of \$1.12 to €1.00 compared with \$1.17 to €1.00 in the prior-year quarter.
- For the quarter ending July 31, 2019, the Company anticipates its effective tax rate will be in the range of 24 percent to 26 percent.

*(1) See reconciliation in appendix.*

## ***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 for the year ended January 31, 2019, 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.

# APPENDIX

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## GAAP to Non-GAAP Reconciliations

# SG&A

\$ in thousands

	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20
<b>Net Sales</b>	<b>\$ 8,548,319</b>	<b>\$ 8,886,101</b>	<b>\$ 9,340,029</b>	<b>\$ 10,464,501</b>	<b>\$ 8,406,424</b>
SG&A Expenses (GAAP)	\$ 422,361	\$ 415,319	\$ 396,675	\$ 414,540	\$ 405,816
Tax indemnifications	-	(554)	(5,541)	(3,539)	(320)
Acquisition-related intangible assets amortization expense	(23,304)	(22,715)	(22,523)	(22,706)	(20,879)
<b>SG&amp;A Expenses (non-GAAP)</b>	<b>\$ 399,057</b>	<b>\$ 392,050</b>	<b>\$ 368,611</b>	<b>\$ 388,295</b>	<b>\$ 384,617</b>
<b>SG&amp;A Expenses (GAAP) %</b>	<b>4.94%</b>	<b>4.67%</b>	<b>4.25%</b>	<b>3.96%</b>	<b>4.83%</b>
<b>SG&amp;A Expenses (non-GAAP) %</b>	<b>4.67%</b>	<b>4.41%</b>	<b>3.95%</b>	<b>3.71%</b>	<b>4.58%</b>

# Operating Income Q1 FY20

(In thousands)

	Q1 FY20				
	Americas <sup>(1)</sup>	Europe <sup>(1)</sup>	Asia Pacific <sup>(1)</sup>	Stock Compensation Expense	Consolidated
<b>Net Sales</b>	<b>\$ 3,789,198</b>	<b>\$ 4,309,500</b>	<b>\$ 307,726</b>		<b>\$ 8,406,424</b>
Operating income (GAAP) <sup>(1)</sup>	\$ 68,633	\$ 36,420	\$ 876	\$ (8,305)	\$ 97,624
Acquisition, integration and restructuring expenses	2,911	3,024	286	-	6,221
Legal settlements and other, net	(282)	-	-		(282)
Tax indemnifications	-	-	320		320
Acquisition-related intangible assets amortization expense	13,440	6,115	1,324		20,879
Total non-GAAP operating income adjustments	\$ 16,069	\$ 9,139	\$ 1,930	\$ -	\$ 27,138
<b>Operating income (non-GAAP)</b>	<b>\$ 84,702</b>	<b>\$ 45,559</b>	<b>\$ 2,806</b>	<b>\$ (8,305)</b>	<b>\$ 124,762</b>
<b>Operating margin (GAAP)</b>	<b>1.81%</b>	<b>0.85%</b>	<b>0.28%</b>		<b>1.16%</b>
<b>Operating margin (non-GAAP)</b>	<b>2.24%</b>	<b>1.06%</b>	<b>0.91%</b>		<b>1.48%</b>

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

# Operating Income Q4 FY19

(In thousands)

	Q4 FY19				
	Americas <sup>(1)</sup>	Europe <sup>(1)</sup>	Asia Pacific <sup>(1)</sup>	Stock Compensation Expense	Consolidated
<b>Net Sales</b>	<b>\$ 4,241,714</b>	<b>\$ 5,895,072</b>	<b>\$ 327,715</b>		<b>\$ 10,464,501</b>
Operating income (GAAP) <sup>(1)</sup>	\$ 104,966	\$ 109,083	\$ (40,177)	\$ (7,819)	\$ 166,053
Acquisition, integration and restructuring expenses	6,145	13,293	1,348	335	21,121
Goodwill impairment	-	-	47,434	-	47,434
Tax indemnifications	708	3,033	(202)		3,539
Acquisition-related intangible assets amortization expense	13,414	7,977	1,315		22,706
Total non-GAAP operating income adjustments	\$ 20,267	\$ 24,303	\$ 49,895	\$ 335	\$ 94,800
<b>Operating income (non-GAAP)</b>	<b>\$ 125,233</b>	<b>\$ 133,386</b>	<b>\$ 9,718</b>	<b>\$ (7,484)</b>	<b>\$ 260,853</b>
<b>Operating margin (GAAP)</b>	<b>2.47%</b>	<b>1.85%</b>	<b>-12.26%</b>		<b>1.59%</b>
<b>Operating margin (non-GAAP)</b>	<b>2.95%</b>	<b>2.26%</b>	<b>2.97%</b>		<b>2.49%</b>

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

# Operating Income Q3 FY19

(In thousands)

	Q3 FY19				
	Americas <sup>(1)</sup>	Europe <sup>(1)</sup>	Asia Pacific <sup>(1)</sup>	Stock Compensation Expense	Consolidated
<b>Net Sales</b>	<b>\$ 4,137,852</b>	<b>\$ 4,920,156</b>	<b>\$ 282,021</b>		<b>\$ 9,340,029</b>
Operating income (GAAP) <sup>(1)</sup>	\$ 112,399	\$ 39,889	\$ 2,739	\$ (8,139)	\$ 146,888
Acquisition, integration and restructuring expenses	5,989	13,132	578	578	20,277
Legal settlements and other, net	(7,207)	-	-		(7,207)
Gain on disposal of subsidiary	-	(29)	-		(29)
Tax indemnifications	-	5,541	-		5,541
Acquisition-related intangible assets amortization expense	13,569	7,640	1,314		22,523
Total non-GAAP operating income adjustments	\$ 12,351	\$ 26,284	\$ 1,892	\$ 578	\$ 41,105
<b>Operating income (non-GAAP)</b>	<b>\$ 124,750</b>	<b>\$ 66,173</b>	<b>\$ 4,631</b>	<b>\$ (7,561)</b>	<b>\$ 187,993</b>
<b>Operating margin (GAAP)</b>	<b>2.72%</b>	<b>0.81%</b>	<b>0.97%</b>		<b>1.57%</b>
<b>Operating margin (non-GAAP)</b>	<b>3.01%</b>	<b>1.34%</b>	<b>1.64%</b>		<b>2.01%</b>

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

# Operating Income Q2 FY19

(In thousands)

	Q2 FY19				
	Americas <sup>(1)</sup>	Europe <sup>(1)</sup>	Asia Pacific <sup>(1)</sup>	Stock Compensation Expense	Consolidated
<b>Net Sales</b>	<b>\$ 4,043,331</b>	<b>\$ 4,549,127</b>	<b>\$ 293,643</b>		<b>\$ 8,886,101</b>
Operating income (GAAP) <sup>(1)</sup>	\$ 87,930	\$ 29,085	\$ 1,318	\$ (7,968)	\$ 110,365
Acquisition, integration and restructuring expenses	(844)	13,342	131	668	13,297
Legal settlements and other, net	(5,234)	-	-		(5,234)
Gain on disposal of subsidiary	-	(6,717)	-		(6,717)
Tax indemnifications	-	910	(356)		554
Acquisition-related intangible assets amortization expense	13,570	7,727	1,418		22,715
Total non-GAAP operating income adjustments	\$ 7,492	\$ 15,262	\$ 1,193	\$ 668	\$ 24,615
<b>Operating income (non-GAAP)</b>	<b>\$ 95,422</b>	<b>\$ 44,347</b>	<b>\$ 2,511</b>	<b>\$ (7,300)</b>	<b>\$ 134,980</b>
<b>Operating margin (GAAP)</b>	<b>2.17%</b>	<b>0.64%</b>	<b>0.45%</b>		<b>1.24%</b>
<b>Operating margin (non-GAAP)</b>	<b>2.36%</b>	<b>0.97%</b>	<b>0.86%</b>		<b>1.52%</b>

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



# Operating Income Q1 FY19

(In thousands)

	Q1 FY19				
	Americas <sup>(1)</sup>	Europe <sup>(1)</sup>	Asia Pacific <sup>(1)</sup>	Stock Compensation Expense	Consolidated
<b>Net Sales</b>	<b>\$ 3,618,206</b>	<b>\$ 4,661,702</b>	<b>\$ 268,411</b>		<b>\$ 8,548,319</b>
Operating income (GAAP) <sup>(1)</sup>	\$ 61,342	\$ 17,318	\$ (577)	\$ (7,587)	\$ 70,496
Acquisition, integration and restructuring expenses	13,916	17,988	321	1,000	33,225
Legal settlements and other, net	(2,965)	-	-		(2,965)
Acquisition-related intangible assets amortization expense	13,643	8,329	1,332		23,304
Total non-GAAP operating income adjustments	\$ 24,594	\$ 26,317	\$ 1,653	\$ 1,000	\$ 53,564
<b>Operating income (non-GAAP)</b>	<b>\$ 85,936</b>	<b>\$ 43,635</b>	<b>\$ 1,076</b>	<b>\$ (6,587)</b>	<b>\$ 124,060</b>
<b>Operating margin (GAAP)</b>	<b>1.70%</b>	<b>0.37%</b>	<b>-0.21%</b>		<b>0.82%</b>
<b>Operating margin (non-GAAP)</b>	<b>2.38%</b>	<b>0.94%</b>	<b>0.40%</b>		<b>1.45%</b>

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

# Net Income and EPS

(In thousands, except per share data)

	Q1 FY19		Q2 FY19		Q3 FY19		Q4 FY19		Q1 FY20	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
<b>GAAP Results</b>	<b>\$33,699</b>	<b>\$0.87</b>	<b>\$75,866</b>	<b>\$1.97</b>	<b>\$114,216</b>	<b>\$2.96</b>	<b>\$116,799</b>	<b>\$3.11</b>	<b>\$55,400</b>	<b>\$1.49</b>
Acquisition, integration and restructuring expenses	33,225	0.86	13,297	0.34	20,277	0.53	21,121	0.56	6,221	0.17
Goodwill impairment	-	-	-	-	-	-	47,434	1.26	-	-
Legal settlements and other, net	(2,965)	(0.08)	(5,234)	(0.13)	(7,207)	(0.19)	-	-	(282)	(0.01)
Gain on disposal of subsidiary	-	-	(6,717)	(0.17)	(29)	-	-	-	-	-
Value added tax assessments and related interest expense	(928)	(0.02)	-	-	-	-	-	-	-	-
Tax indemnifications	-	-	554	0.01	5,541	0.14	3,539	0.09	320	0.01
Acquisition-related intangible assets amortization expense	23,304	0.61	22,715	0.59	22,523	0.58	22,706	0.60	20,879	0.56
Income tax effect of tax indemnifications	-	-	(554)	(0.01)	(5,541)	(0.14)	(3,539)	(0.09)	(320)	(0.01)
Income tax effect of other adjustments above	(12,908)	(0.33)	(9,404)	(0.25)	(8,798)	(0.23)	(8,815)	(0.23)	(6,321)	(0.17)
Income tax benefit from acquisition settlement	-	-	(12,839)	(0.34)	(207)	-	-	-	-	-
Change in deferred tax valuation allowances	(2,600)	(0.07)	-	-	(473)	(0.01)	(2,914)	(0.08)	-	-
Impact of US tax reform	-	-	-	-	(24,000)	(0.62)	(25,234)	(0.67)	-	-
<b>Non-GAAP Results</b>	<b>\$70,827</b>	<b>\$1.84</b>	<b>\$77,684</b>	<b>\$2.01</b>	<b>\$116,302</b>	<b>\$3.02</b>	<b>\$171,097</b>	<b>\$4.55</b>	<b>\$75,897</b>	<b>\$2.04</b>
Weighted average shares outstanding - diluted	38,561		38,566		38,526		37,577		37,247	

# Return on Invested Capital

\$ in thousands

**TTM Net Operating Profit After Tax (NOPAT)\*:**

Operating income

Income taxes on operating income <sup>(1)</sup>

NOPAT

<b>Twelve months ended April 30,</b>	
<b>2018</b>	<b>2019</b>
\$ 405,497	\$ 520,930
(242,229)	(52,272)
<u>\$ 163,268</u>	<u>\$ 468,658</u>

**Average Invested Capital:**

Short-term debt (5-qtr end average)

Long-term debt (5-qtr end average)

Shareholders' Equity (5-qtr end average)

Total average capital

Less: Cash (5-qtr end average)

Average invested capital less average cash

**ROIC**

\$ 262,413	\$ 115,018
1,683,828	1,361,506
2,745,501	2,881,968
<u>4,691,742</u>	<u>4,358,492</u>
<u>(751,732)</u>	<u>(676,308)</u>
<u>\$ 3,940,010</u>	<u>\$ 3,682,184</u>
<b>4%</b>	<b>13%</b>

\* Trailing Twelve Months is abbreviated as TTM.

<sup>(1)</sup> Income taxes on operating income was calculated using the trailing twelve months effective tax rate.

# Adjusted Return on Invested Capital

\$ in thousands

	Twelve months ended April 30,	
	2018	2019
<b>TTM Net Operating Profit After Tax (NOPAT), as adjusted*:</b>		
Non-GAAP operating income <sup>(1)</sup>	\$ 603,559	\$ 708,588
Income taxes on non-GAAP operating income <sup>(2)</sup>	(178,518)	(179,283)
NOPAT, as adjusted	<u>\$ 425,041</u>	<u>\$ 529,305</u>
<b>Average Invested Capital, as adjusted:</b>		
Short-term debt (5-qtr end average)	\$ 262,413	\$ 115,018
Long-term debt (5-qtr end average)	1,683,828	1,361,506
Shareholders' Equity (5-qtr end average)	2,745,501	2,881,968
Tax effected impact of non-GAAP adjustments <sup>(3)</sup>	95,713	44,860
Total average capital, as adjusted	<u>4,787,455</u>	<u>4,403,352</u>
Less: Cash (5-qtr end average)	<u>(751,732)</u>	<u>(676,308)</u>
Average invested capital less average cash	<u>\$ 4,035,723</u>	<u>\$ 3,727,044</u>
<b>Adjusted ROIC</b>	<b>11%</b>	<b>14%</b>

\* Trailing Twelve Months is abbreviated as TTM.

<sup>(1)</sup> Represents operating income as adjusted to exclude acquisition, integration and restructuring expenses, legal settlements and other, net, gain on disposal of subsidiary, value added tax assessments, acquisition-related intangible assets amortization expense, goodwill impairment and tax indemnifications.

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

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

# Guidance Reconciliation

	Three months ending July 31, 2019	
	Low end of guidance range	High end of guidance range
<b>Earnings per share - diluted</b>	<b>\$1.53</b>	<b>\$1.83</b>
Acquisition, integration and restructuring expenses	0.59	0.59
Acquisition-related amortization of intangibles	0.24	0.24
Income tax effect of the above adjustments	(0.21)	(0.21)
<b>Non-GAAP earnings per share - diluted</b>	<b>\$2.15</b>	<b>\$2.45</b>