



Investor Presentation

July 2019

Safe Harbor Statement

Statements in this presentation regarding SYNEX Corporation which are not historical facts may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements may be identified by terms such as believe, expect, may, will, provide, could and should and the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements regarding our business strategy, our growth rates and growth opportunities, market forecasts regarding CAGR and the technology solutions worldwide market, market forecasts and opportunities for Concentrix beyond CRM BPO, our commitment to remain at or below historical leverage level of 2.5x and the associated timing, Q3 FY19 revenue, Q3 FY19 net income, Q3 FY19 non-GAAP net income, Q3 FY19 diluted EPS, Q3 FY19 non-GAAP diluted EPS, Q3 FY19 outstanding diluted weighted average shares, Q3 FY19 net total interest expense and finance charges, Q3 FY19 tax rate, Q3 FY19 after-tax amortization of intangibles, Q3 FY19 after-tax acquisition-related and integration expenses, our FY2019 priorities on returns made from major investments/integration of Convergys/growing faster than markets in which participate, and our capital allocation top priorities of shareholder returns, investments in core business, strategic mergers and acquisitions, and investments in new markets. These are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in the forward-looking statements. Please refer to the documents filed with the Securities and Exchange Commission, specifically our most recent Form 10-K, for information on risk factors that could cause actual results to differ materially from those discussed in these forward-looking statements. Statements included in this presentation are based upon information known to SYNEX Corporation as of the date of presentation and SYNEX Corporation assumes no obligation to update information contained in this presentation.

SYNNEX Facts

Proven results and recognition



Fortune
200
Company

Ranked #158
in 2019



128
Consecutive
Profitable
Quarters

4.3% Q2 FY19
Non-GAAP
Operating Margin⁽¹⁾



SYNNEX
Top 3
Americas
Distribution

CONCENTRIX
Top 2
Global CRM
Business Services



~\$21.5B
TTM
Revenue

Passionate and Committed Management Team



Dennis Polk

President & CEO

17+ years with company,
joined in 2002

Past roles at SYNEX:
COO, CFO, SVP Finance



Marshall Witt

CFO

6+ years with company,
joined in 2013

Past roles:
15-year tenure with FedEx
Corporation, held
progressive financial and
operational roles



Michael Urban

President,
Worldwide
Technology Solutions

Joined in 2019

Past roles:
19+ years of industry
experience in IT
distribution, held leadership
roles at Tech Data
and Actebis



Peter Larocque

President,
North America
Technology Solutions

36+ years with company,
joined in 1984

Past roles at SYNEX:
President of U.S.
Distribution, EVP of
Distribution, SVP Sales and
Marketing



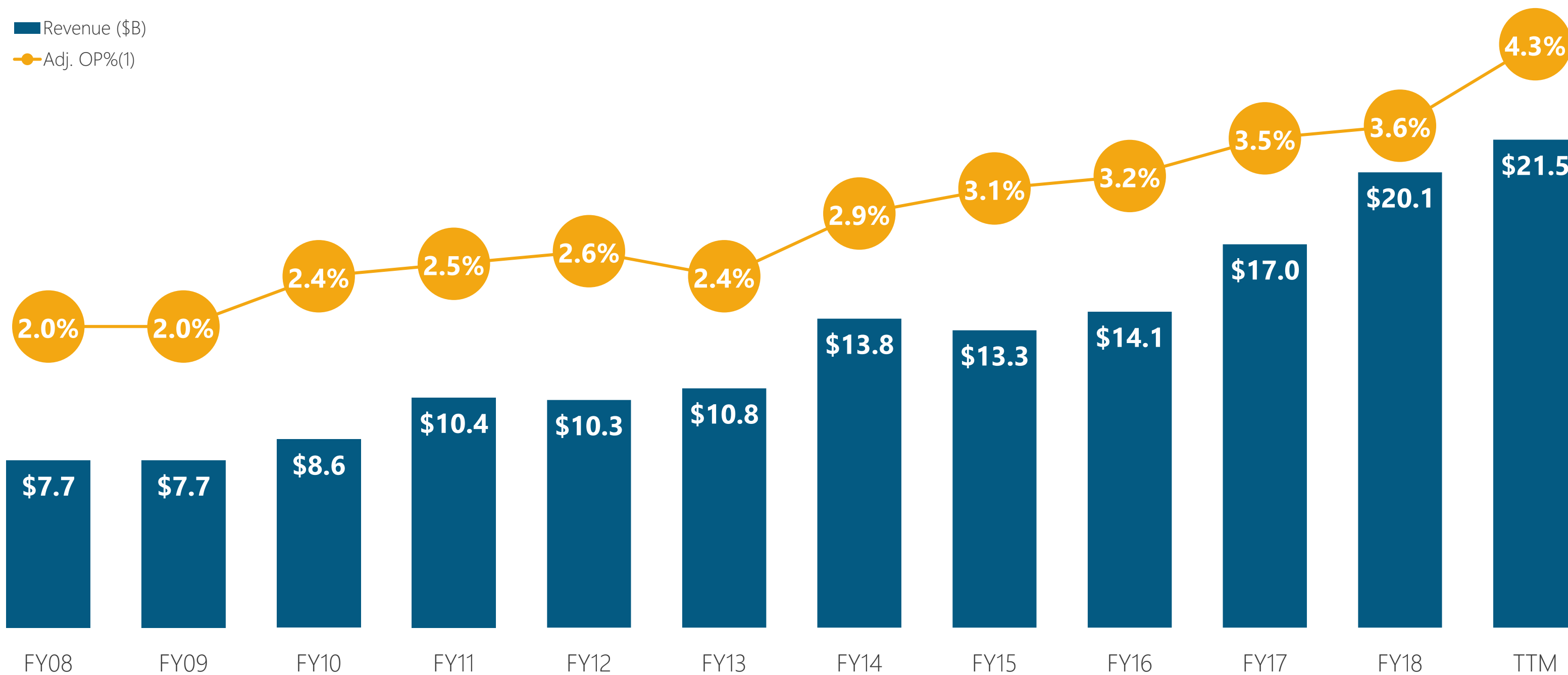
Chris Caldwell

President, Concentrix
15+ years with company,
joined in 2004

Past roles at Concentrix:
SVP & GM of Concentrix,
VP Emerging Business and
Global Business
Development

Strong Track Record of Revenue and Profit Growth

10% revenue CAGR (FY08-FY18)



A Fortune 200 Global Business Process Services Company

Technology Solutions

Distribution, logistics, and integrated solutions

~\$17.7B

TTM
revenue



Locations:

Americas, Japan



Product Categories:

IT systems, security, networking equipment, UCC, software, system components & integrated solutions, peripherals



Cloud Strategy Servicing:

SMB, mid-market, enterprise, hyperscale computing (Hyve Solutions)

400+

OEMs &
partners

30K+

tech products
distributed

25K+

resellers &
retail customers

Concentrix

Global business services company

~\$3.8B

TTM
revenue



Locations:

40+ countries in 6 continents



Strategic Verticals:

Healthcare, banking and financial, insurance, technology, automotive



Solutions:

Technology-infused, omni-channel customer experience management, marketing optimization, digital, consulting, analytics, back office solutions

225K+

associates

80+

Fortune 500
clients

70

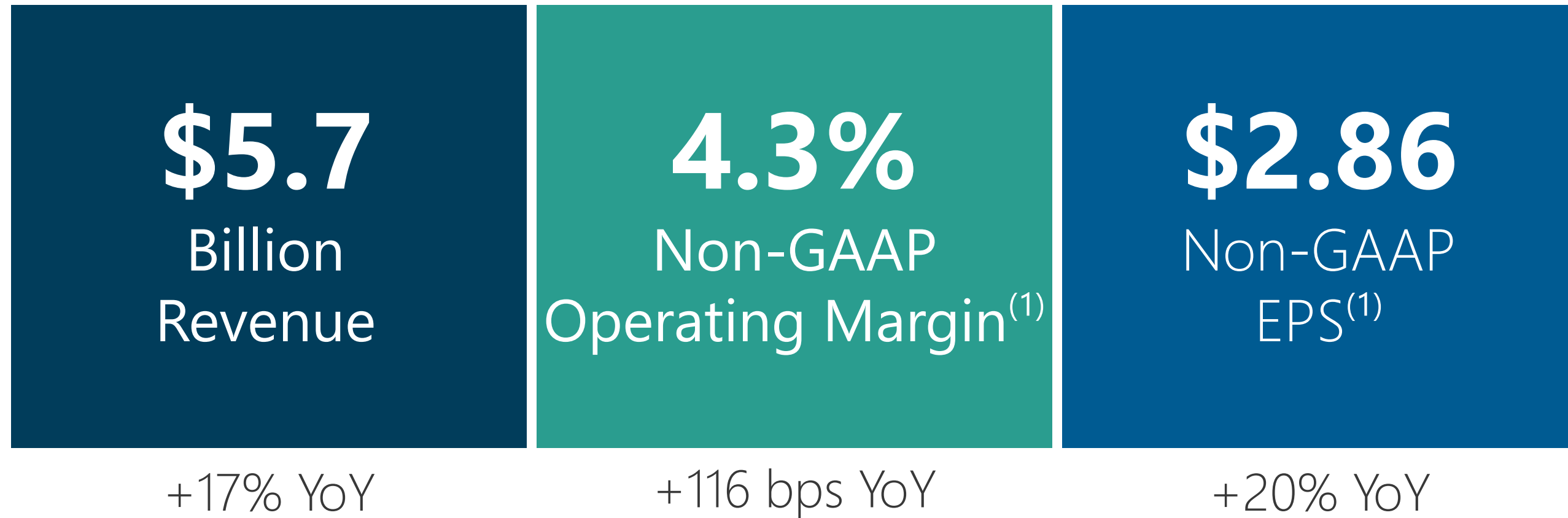
languages

Q2 FY2019 Earnings

Reported on June 25, 2019

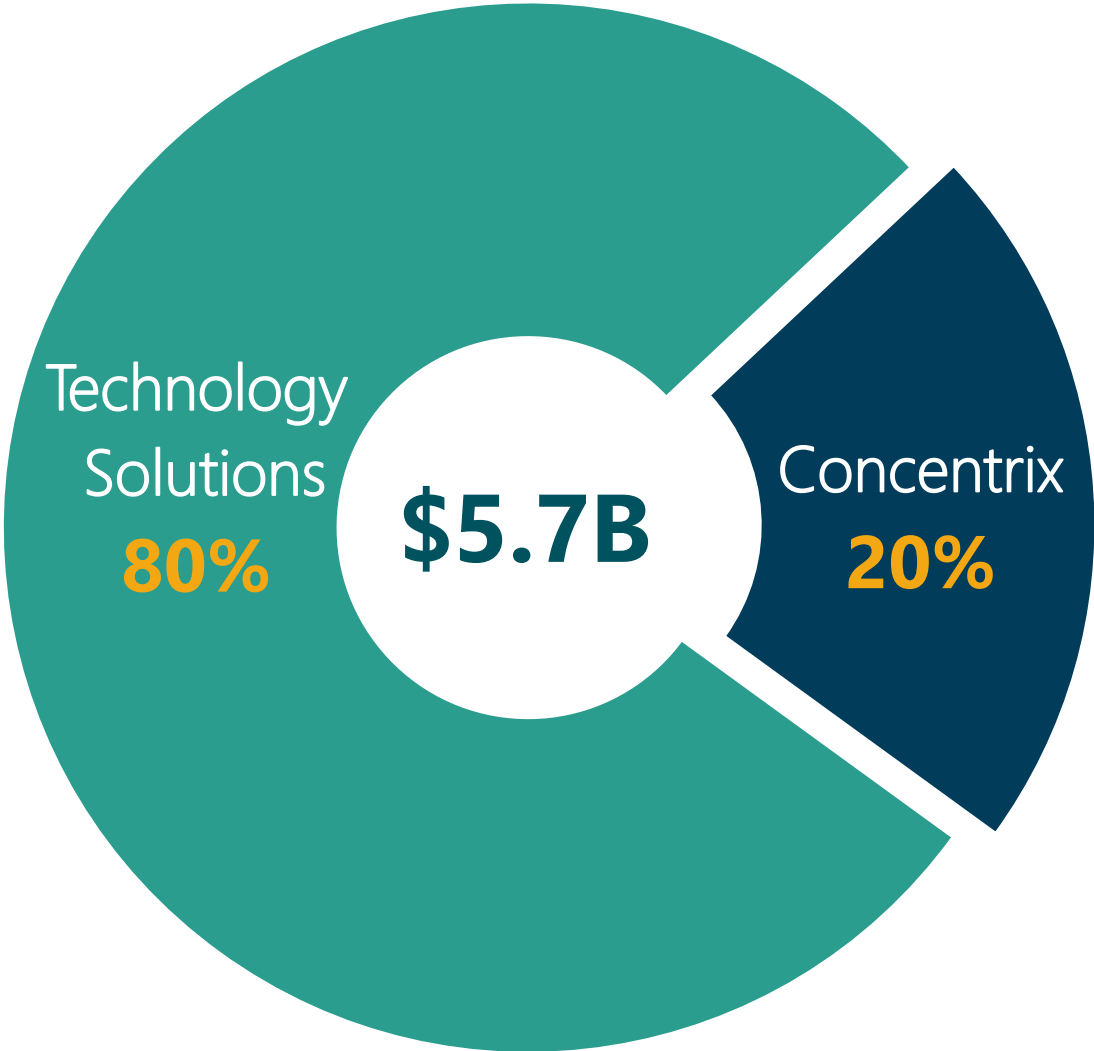


Key Highlights from Q2 FY2019 Financial Results

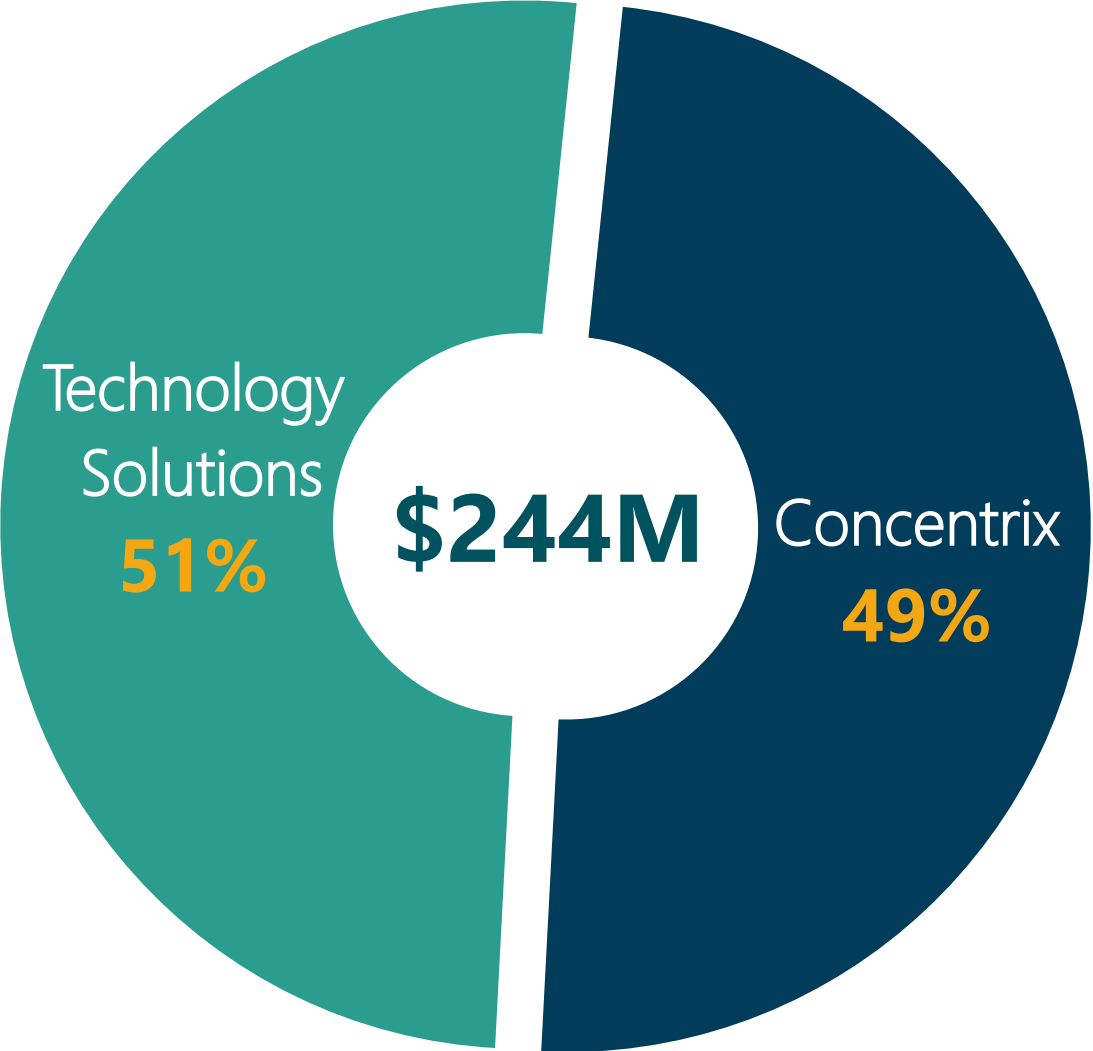


Q2 FY2019 Revenue and Profit Mix

Total
Revenue



Non-GAAP
Operating Income⁽¹⁾



(1) Non-GAAP measure. See the Appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP.

Q2 FY2019 Income Statement Highlights

	Q2 FY19	Q2 FY18 ⁽²⁾	Net change YoY
Revenue (\$M)	5,723	4,908	16.6%
Operating Income (\$M)	174.7	124.0	40.8%
Non-GAAP Operating Income (\$M) ⁽¹⁾	244.1	152.3	60.2%
Operating Margin	3.05%	2.53%	52 bps
Non-GAAP Operating Margin ⁽¹⁾	4.26%	3.10%	116 bps
Net Income (\$M)	114.5	93.7	22.1%
Non-GAAP Net Income (\$M) ⁽¹⁾	146.8	95.4	54.0%
Diluted EPS	2.23	2.34	-4.7%
Non-GAAP Diluted EPS ⁽¹⁾	2.86	2.38	20.2%

(1) Non-GAAP measure. See the Appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP.

(2) Adjusted to reflect the adoption of the new guidance on revenue recognition, on a full retrospective basis.

Q3 FY2019 Outlook

Segment Revenue Guidance

Technology Solutions and Concentrix: in-line with historical seasonality

Consolidated Guidance	Q3 FY19E
Revenue (\$B)	5.55 – 5.85
Net Income (\$M)	99.0 – 105.0
Non-GAAP Net Income (\$M) ⁽¹⁾	144.2 – 150.2
Diluted EPS	1.92 – 2.04
Non-GAAP Diluted EPS ⁽¹⁾	2.80 – 2.92
Outstanding Diluted Weighted Avg. Shares (Mil)	51.0
Net Total Interest Expense & Finance Charge (\$M)	42
Tax Rate	27%

After-tax amortization of intangibles is expected to be \$37.7 million, or \$0.73 per share.

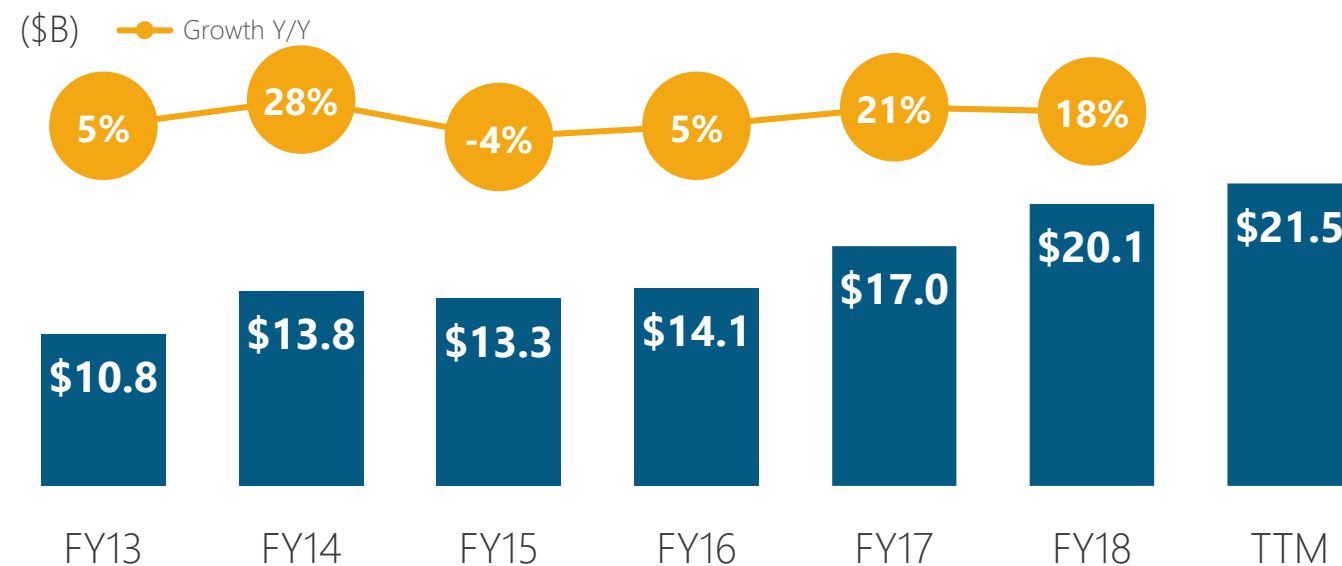
After-tax acquisition-related and integration expense is expected to be \$7.5 million, or \$0.15 per share.

Trended Financial Results

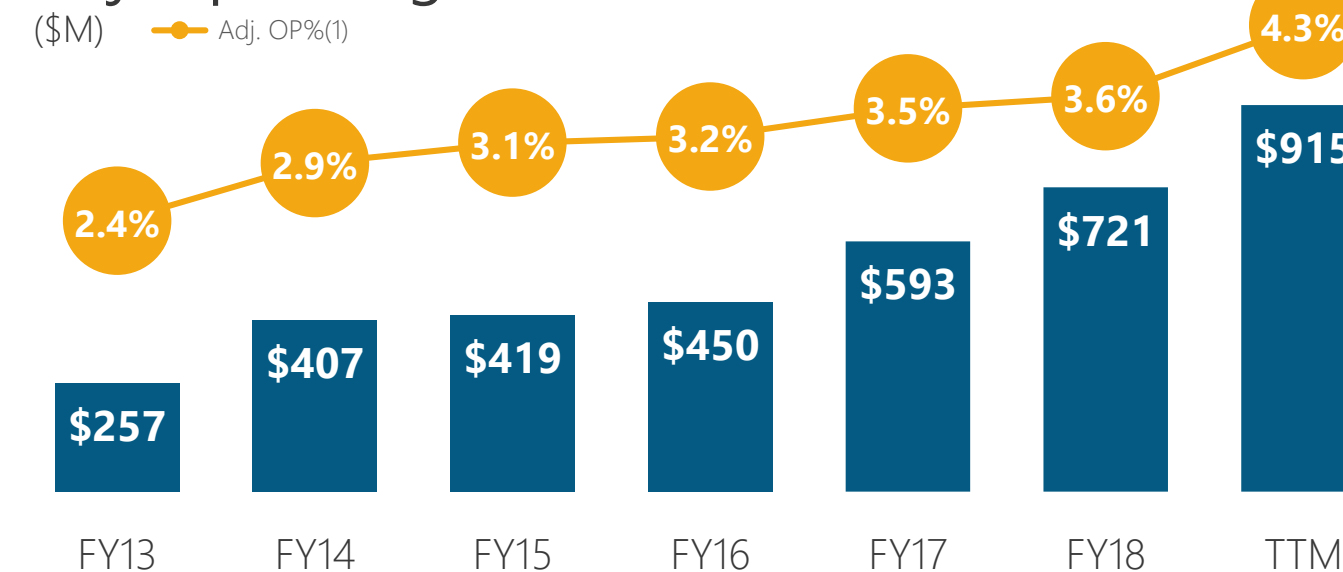


Annual Trended Financial Metrics

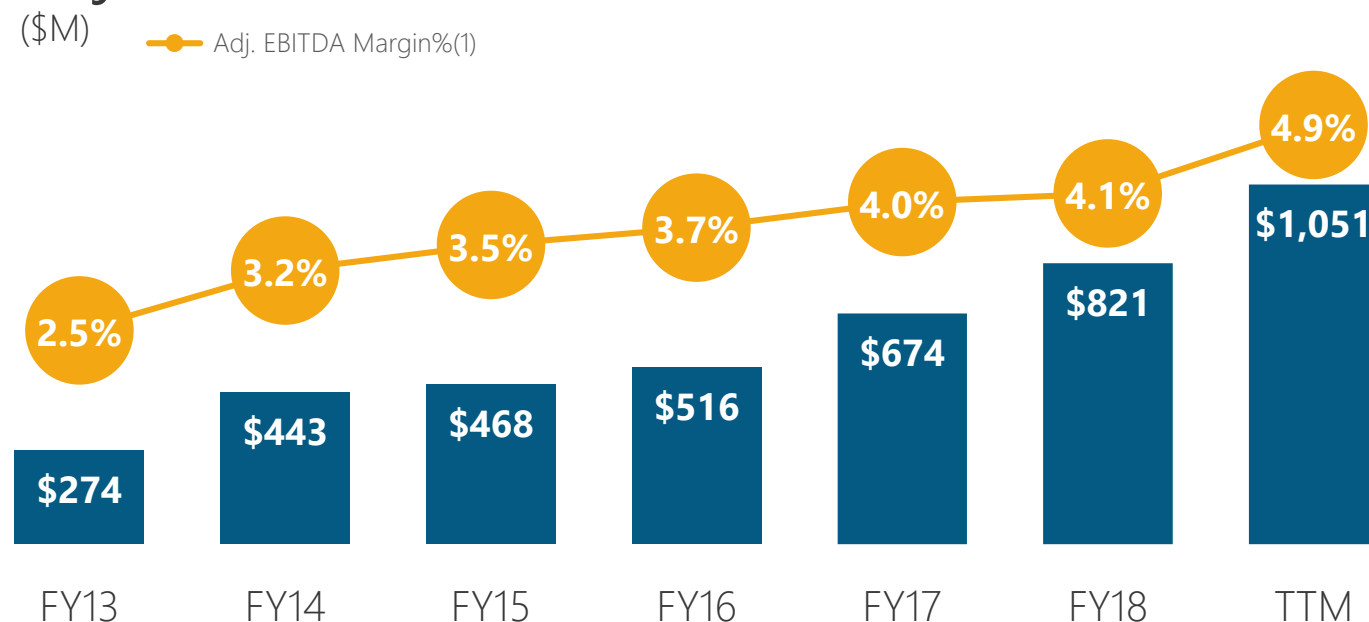
Revenue



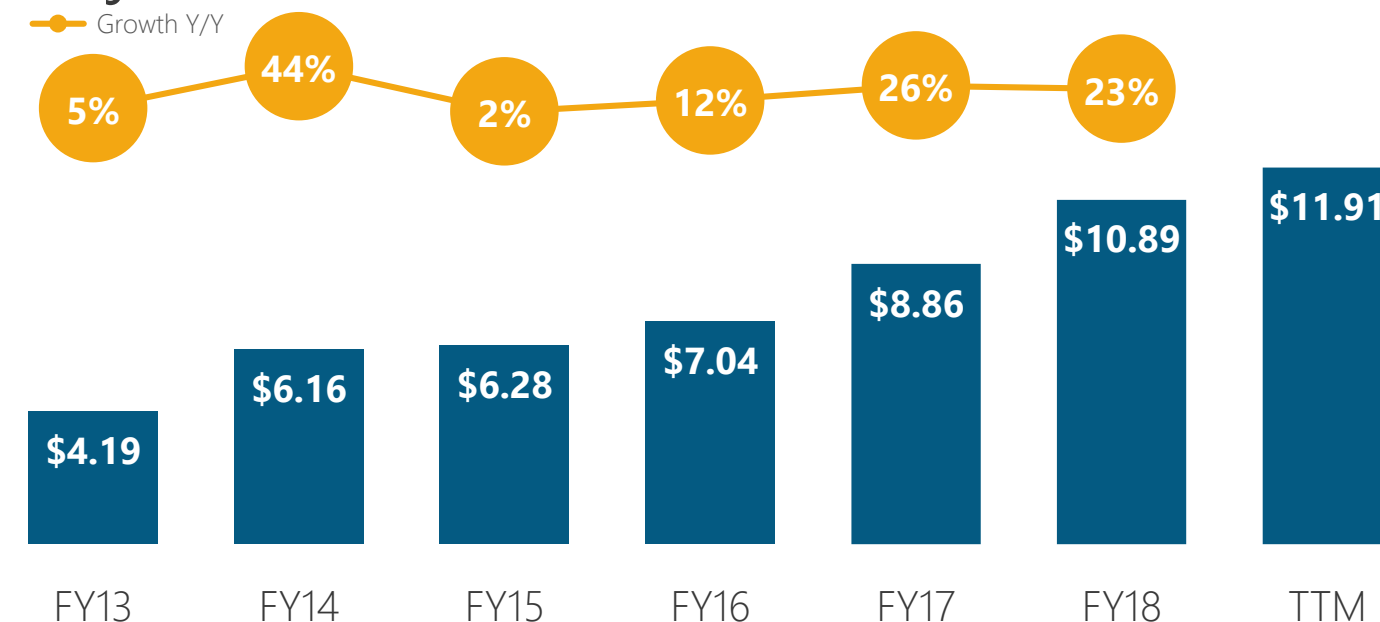
Adj. Operating Profit⁽¹⁾



Adj. EBITDA⁽¹⁾

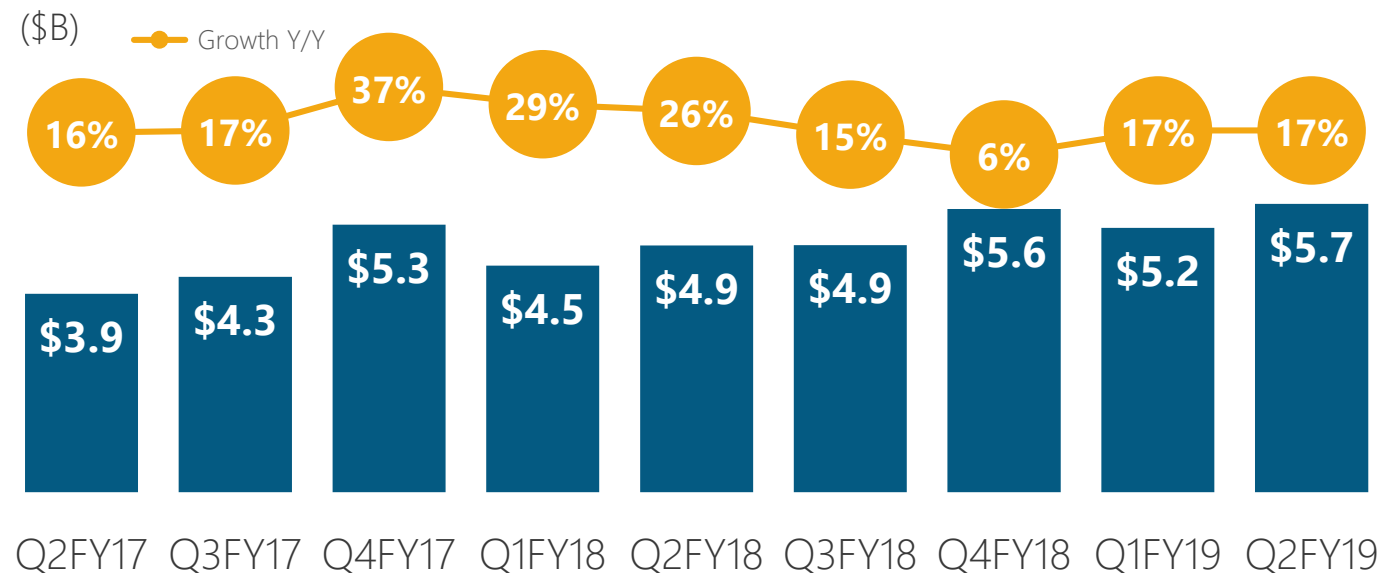


Adj. EPS⁽¹⁾

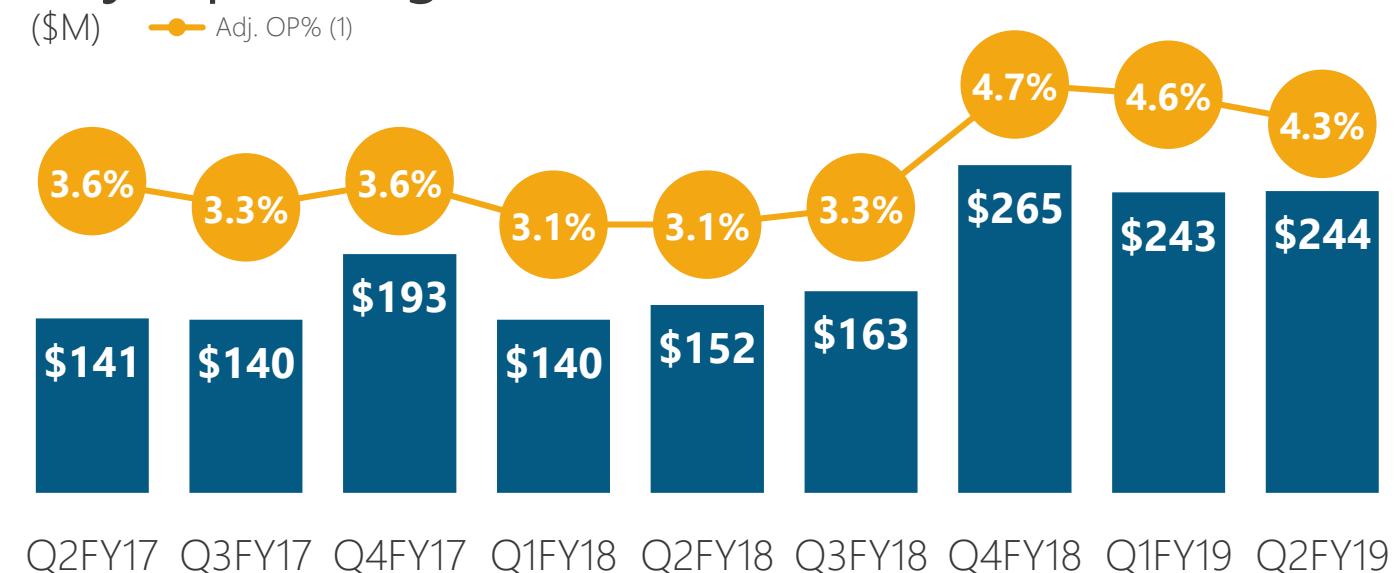


Quarterly Trended Financial Metrics

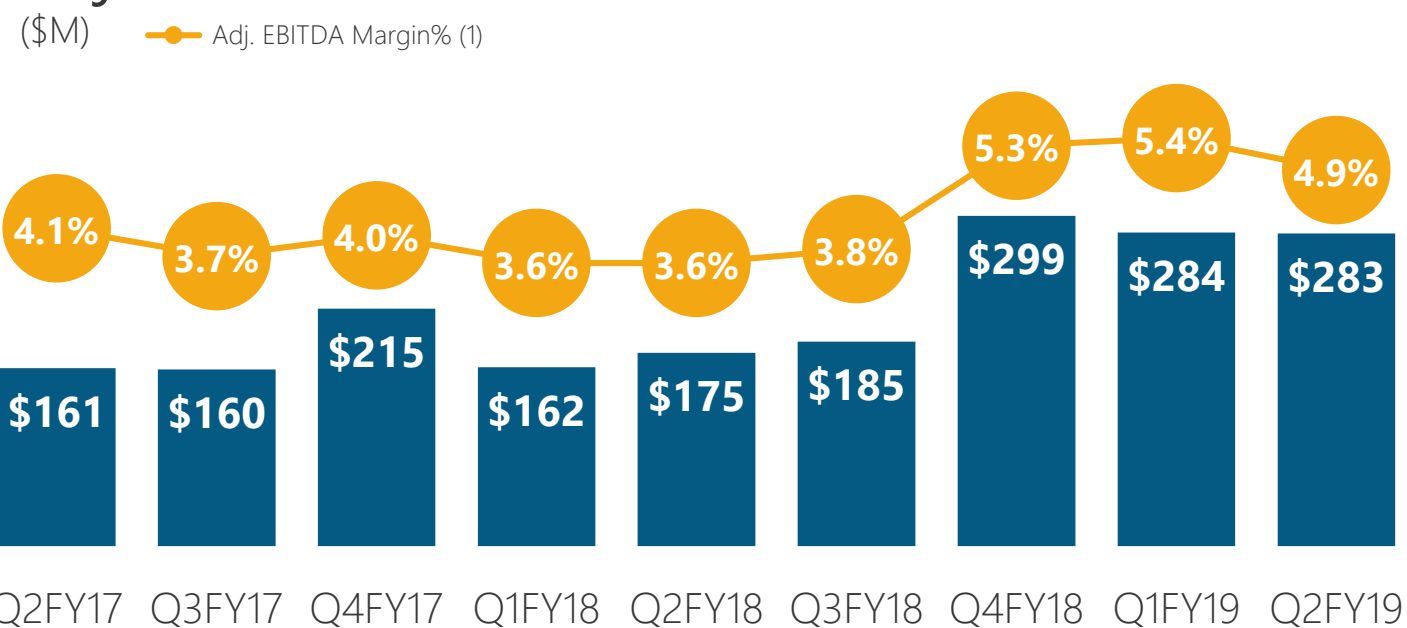
Revenue



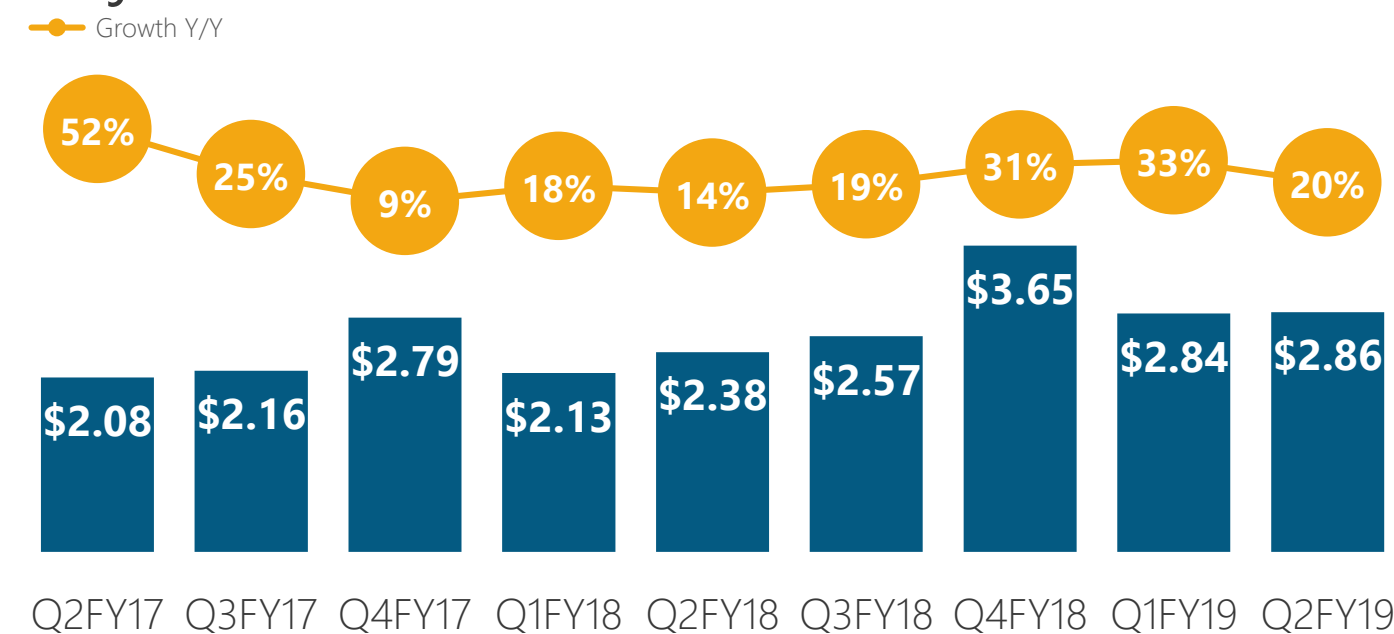
Adj. Operating Profit⁽¹⁾



Adj. EBITDA⁽¹⁾



Adj. EPS⁽¹⁾



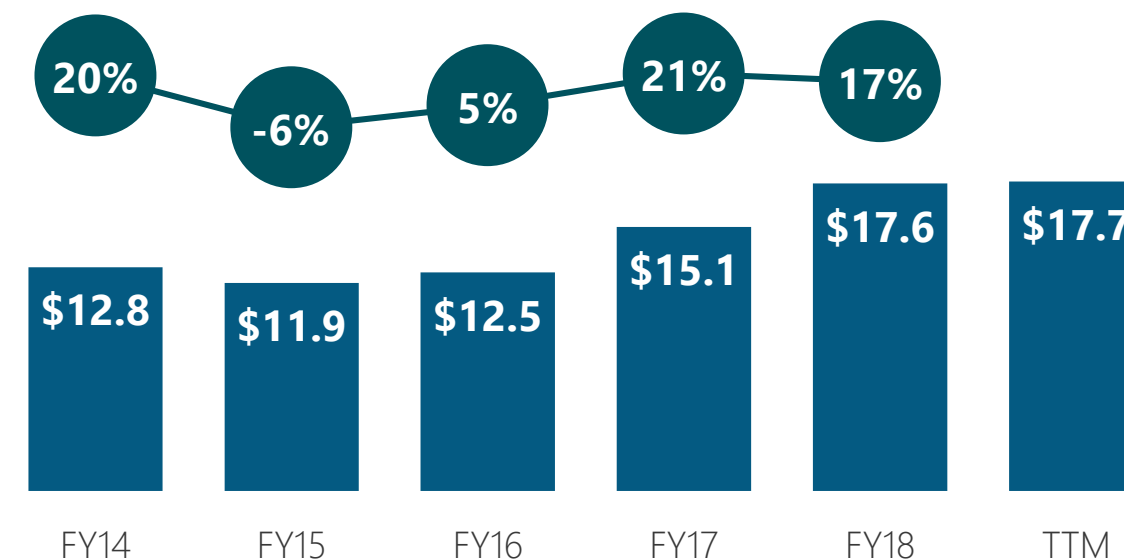
Technology Solutions Highlights

Latest Q2FY19 reflected ~7% gross revenue growth y/y in constant currency

Exceeding expectations as business investments continue to enable margin expansion and market share gains

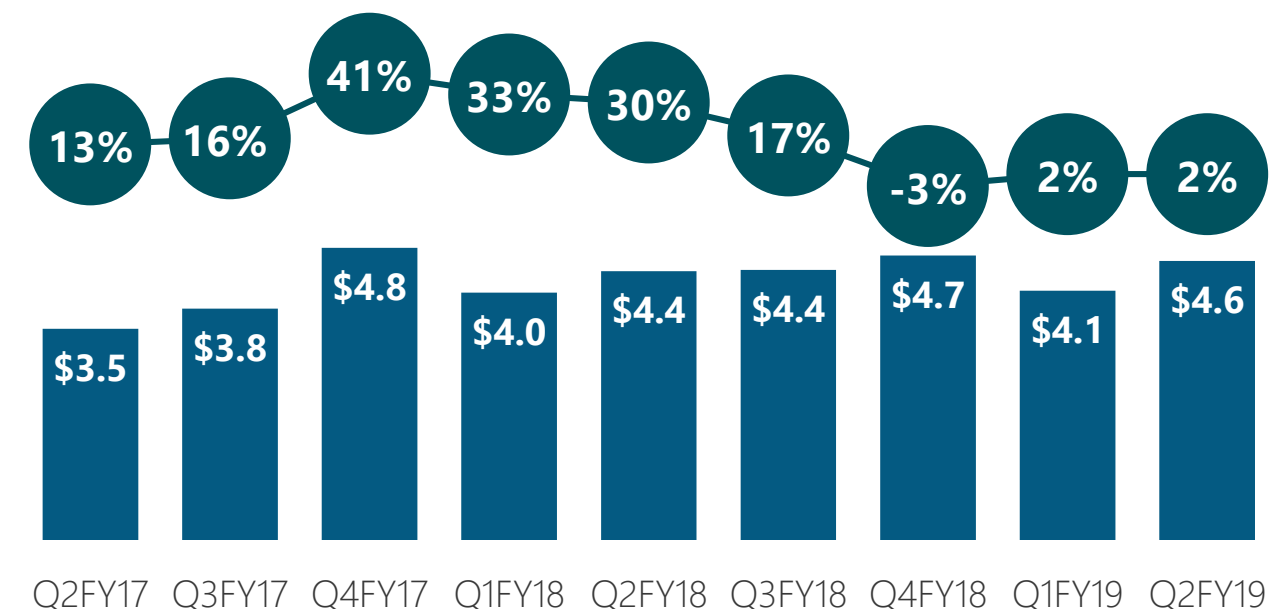
Annual Revenue

(\$B) — Growth Y/Y

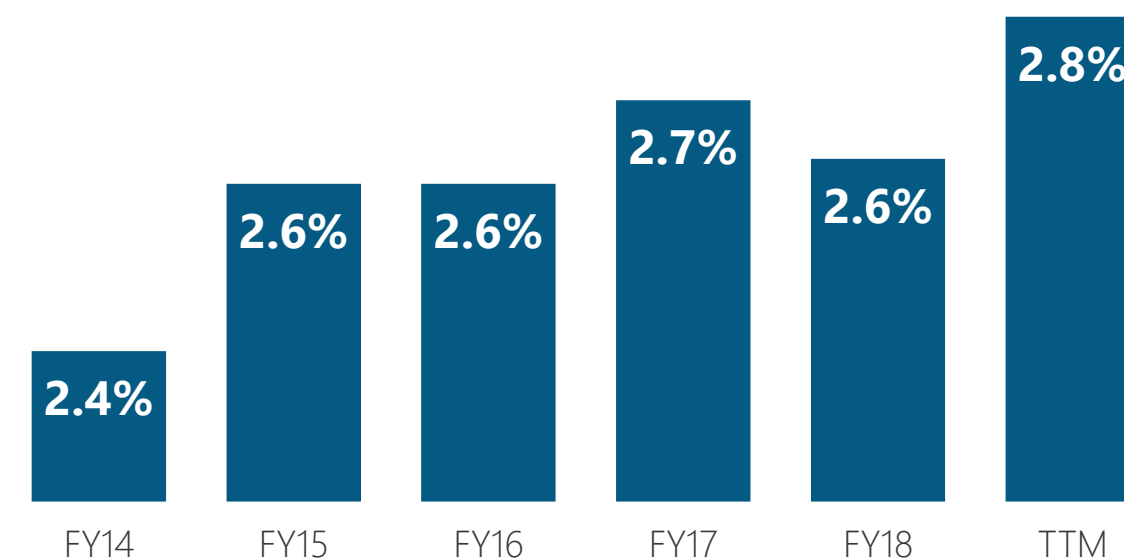


Quarterly Revenue

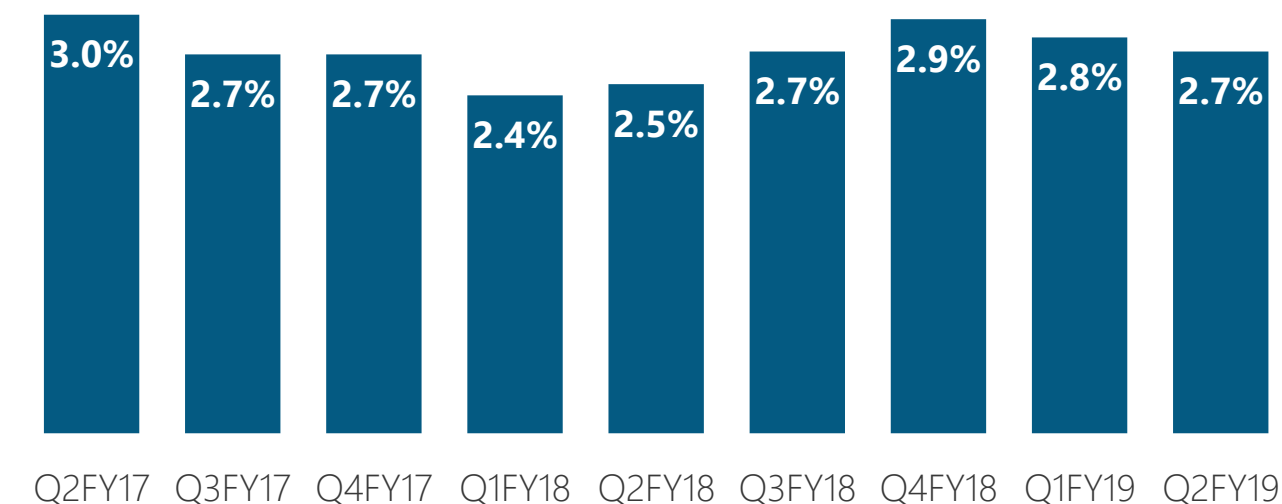
(\$B) — Growth Y/Y



Annual Adj. Operating Margin⁽¹⁾



Quarterly Adj. Operating Margin⁽¹⁾



TTM: Trailing twelve months ended May 31, 2019 (Q2 FY19).

(1) Non-GAAP measure. See the Appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP.

Concentrix Highlights

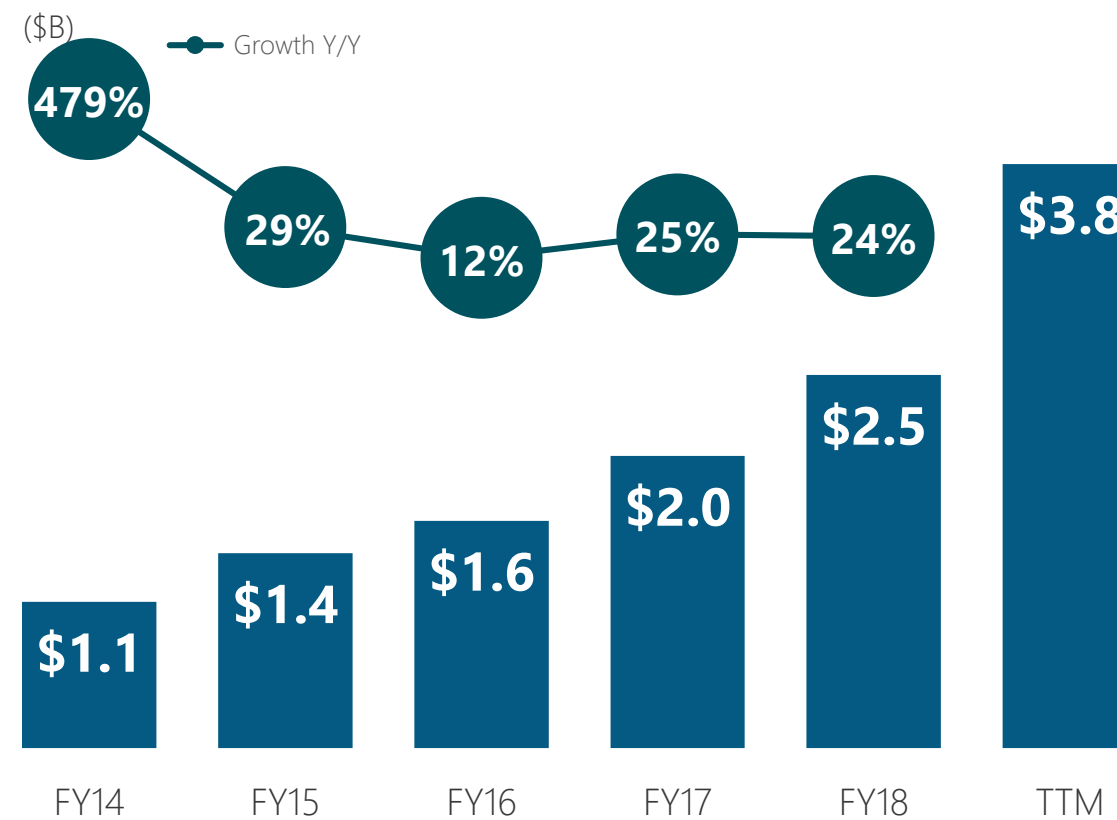
Convergys integration timing and cost synergies are ahead of plan

Adjusted for FX and constant currency, Q2FY19 revenue grew nearly 3% y/y

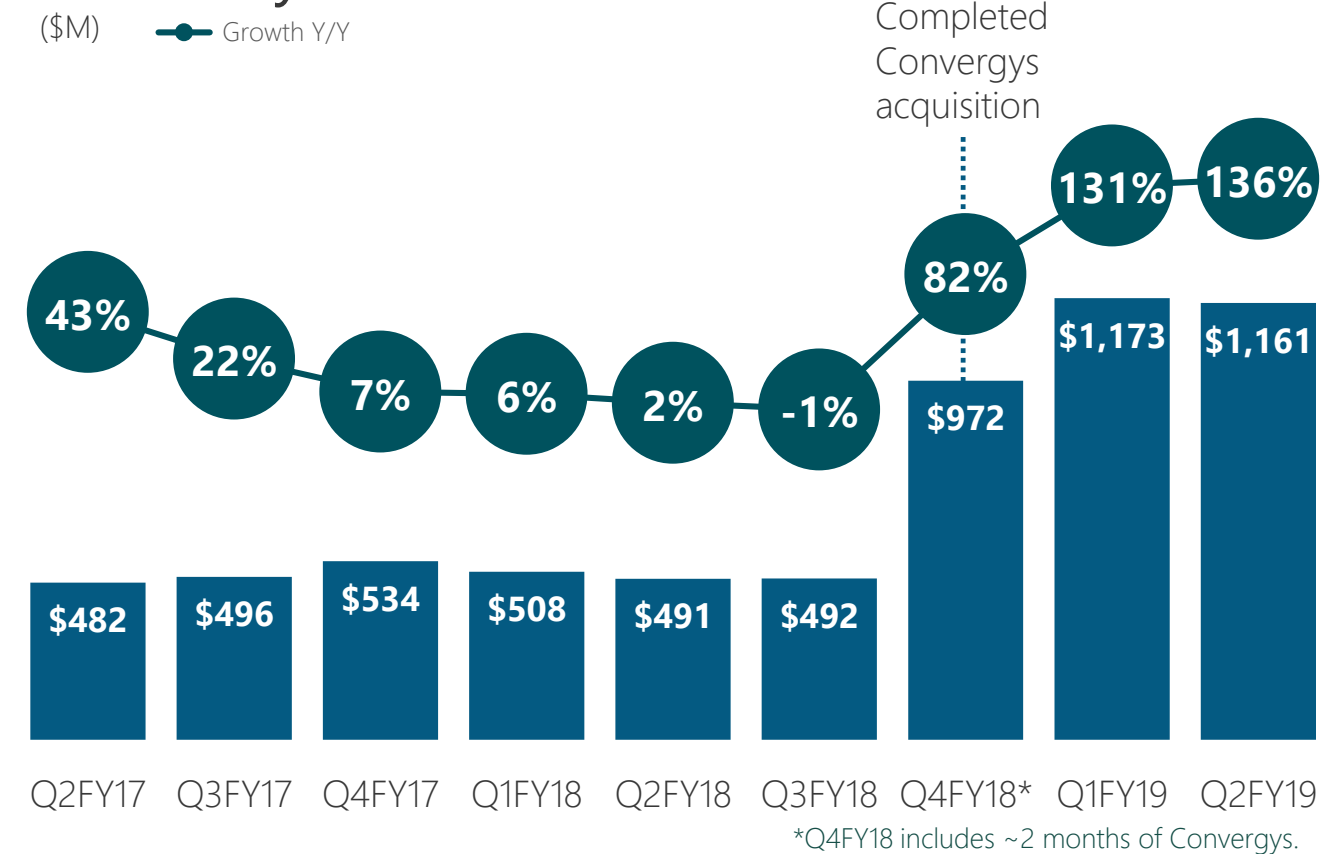
Targeting to grow revenue at market growth rates as we exit fiscal 2019

Strong Cash Flow Generation

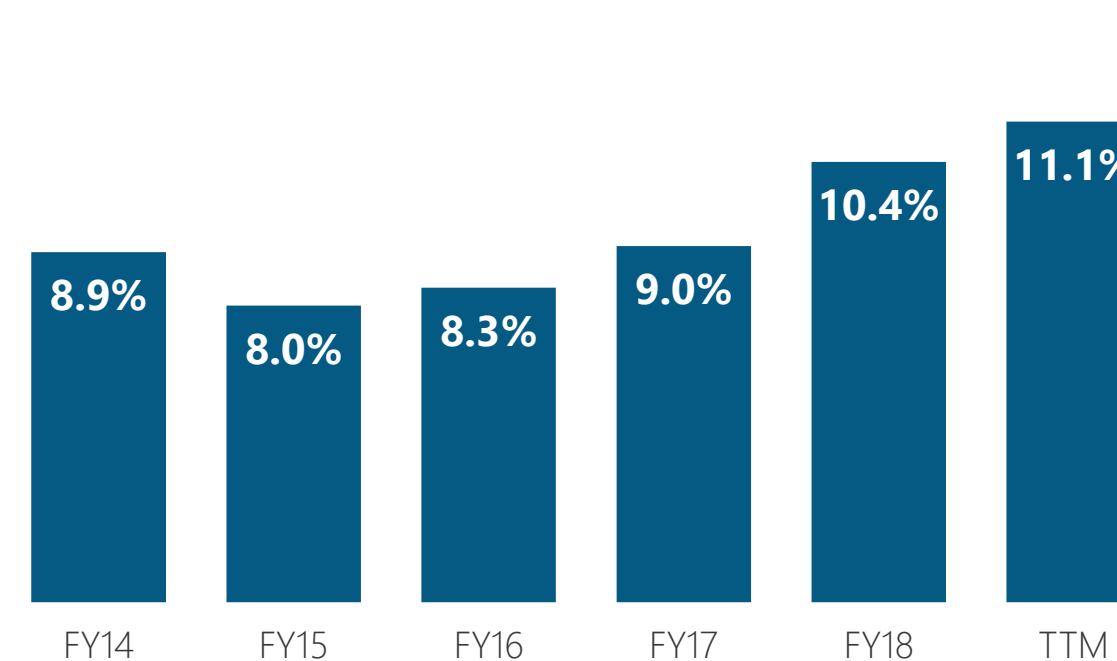
Annual Revenue



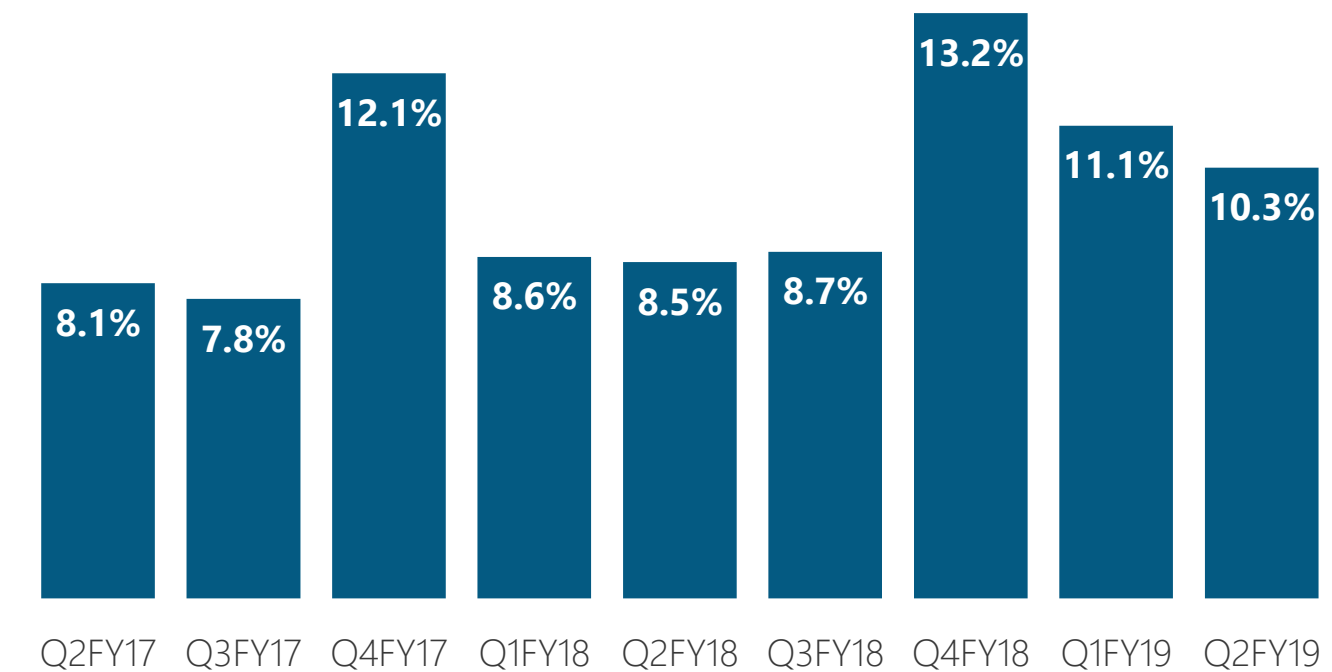
Quarterly Revenue



Annual Adj. Operating Margin⁽¹⁾



Quarterly Adj. Operating Margin⁽¹⁾



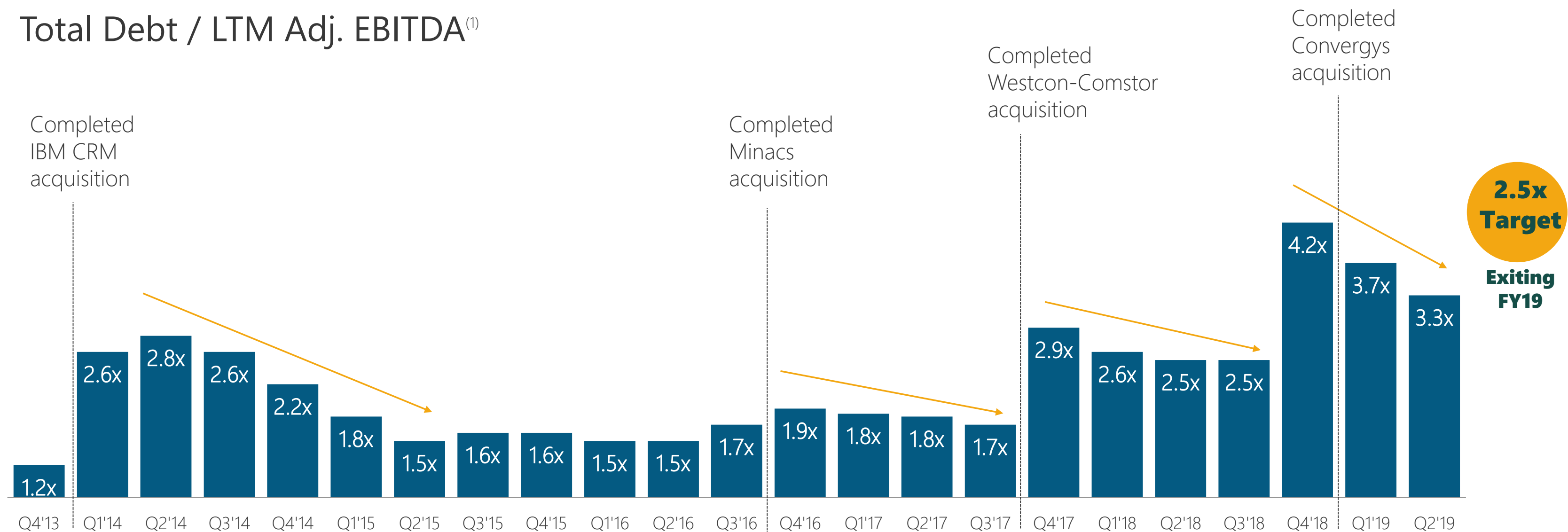
TTM: Trailing twelve months ended May 31, 2019 (Q2 FY19).

(1) Non-GAAP measure. See the Appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP.

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Consistent Track Record of Disciplined Acquisition Integration

Total Debt / LTM Adj. EBITDA⁽¹⁾



Strong track record and continued commitment to deleverage
Committed to remain at or below historical leverage level of 2.5x

(1) Non-GAAP measure. See the Appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP.
© 2018, SYNNEX Corporation

SYNNEX Technology Solutions



Technology Solutions' Hybrid Structure

Value-Add

Design Services
Assembly and Test
Professional Services
(UCC, Network, Security, Servers)

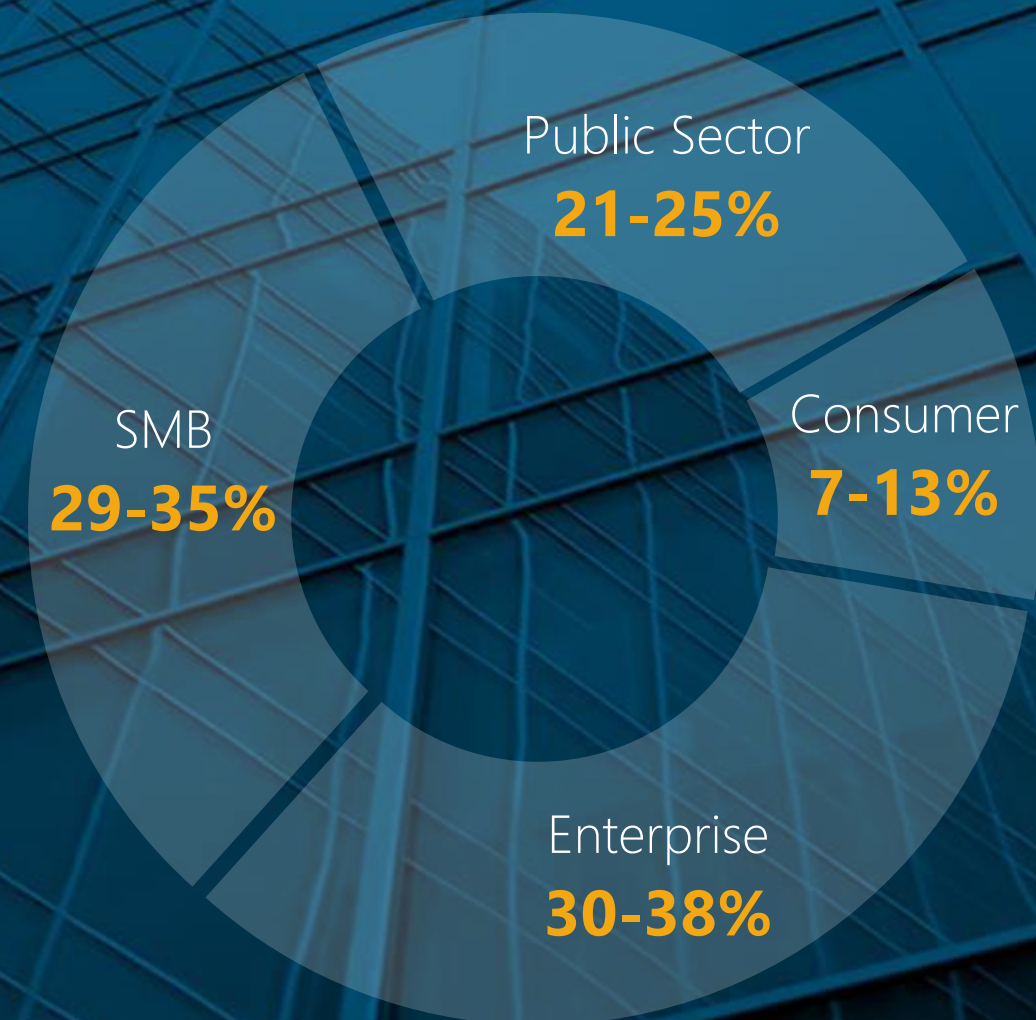
Specialty

Niche – Targeted Markets
Partner Enablement
(XaaS, SW, Wholesale, Strategic Procurement)

Volume

Supply Chain Efficiencies
Tech Support
Inventory Management
Financing Program
(Consumer, Commercial)

Enables partners to leverage our range of solutions to grow their business



Enterprise, SMB, Public Sector

- CSPs
- DMRs
- System Integrators
- Resellers
- VARs
- MSPs

Consumer

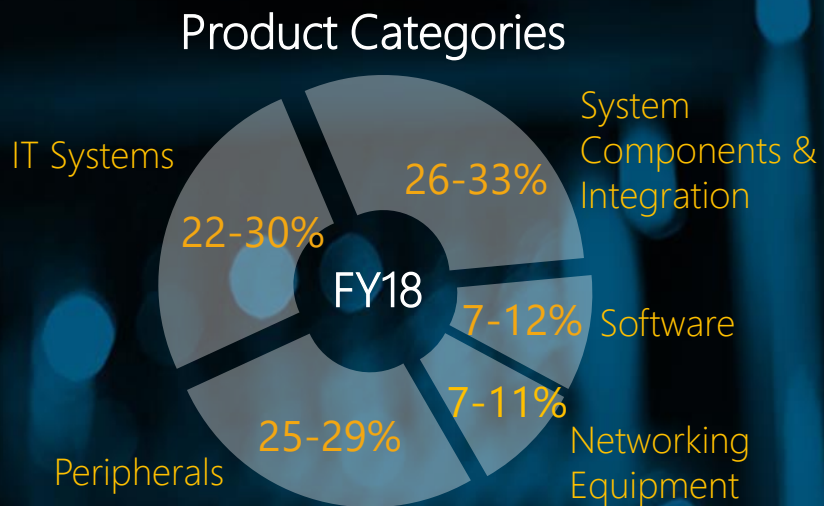
- Retailers
- Nationals
- E-Commerce
- Fashion
- Military
- Broadcast

Best-in-Class Market Expertise

Technologies



- IT Systems
- Security
- Networking Equipment
- UCC
- System Components & Integrated Solutions
- Peripherals
- Software



Vendor Relationships



- 400+ enterprise, broadline, retail distribution vendors
- Specialty linecard in security, UCC, networking

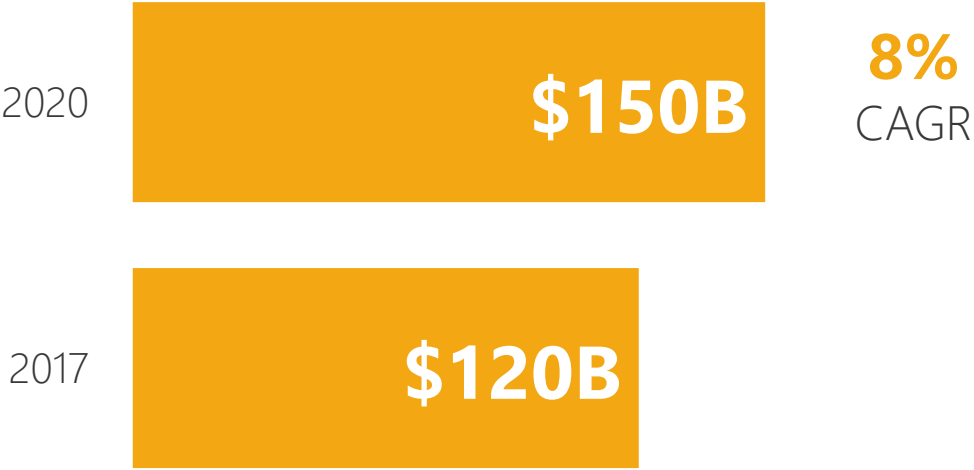


End-Markets Served



- SMBs
- Retail
- Public Sector
- Federal
- Enterprise

Technology Solutions' Worldwide Marketplace



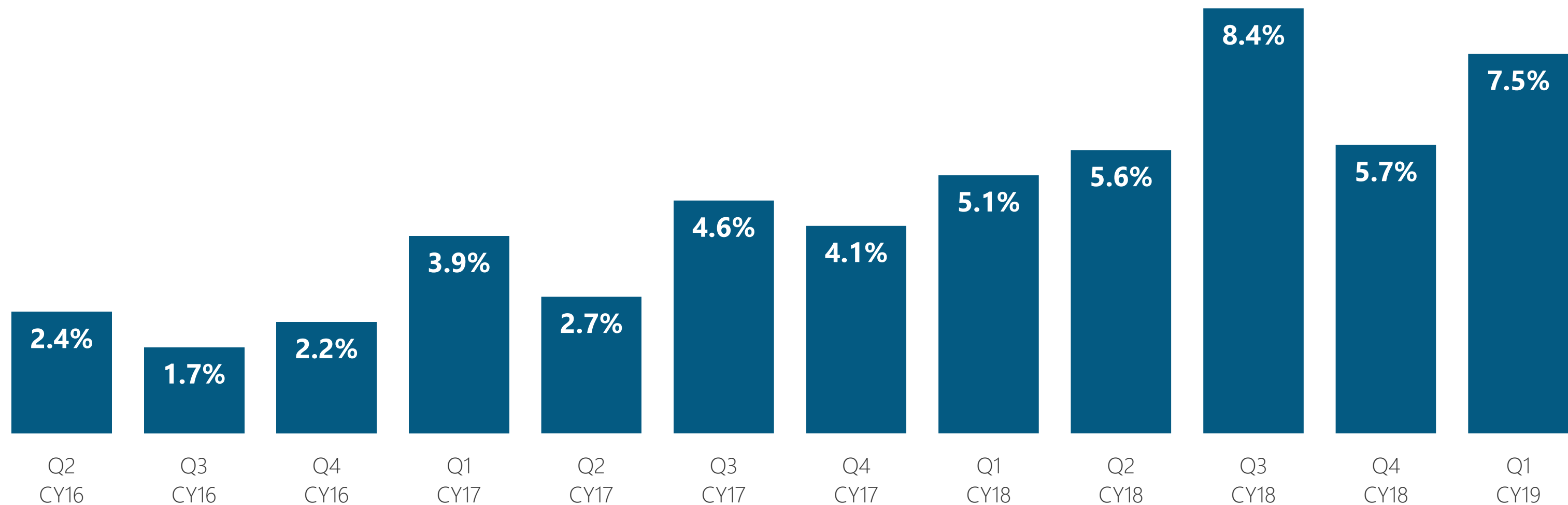
(1) IDC Worldwide Black Book: 3rd Platform Edition, June 2018.
(2) IDC Worldwide Unified Communications & Collaboration Forecast, 2018-2022.
(3) IDC, March 2017.

Strength in U.S. Distribution Market Continues

12 consecutive quarters of channel growth

Total U.S. Distribution Revenue Growth YoY

Quarterly Revenue % Change





Concentrix at a Glance

Unparalleled Ability

to deliver
high-value
services
globally

Top 2

global business
services company

Robust

global footprint

40+

countries

Presence in

6 continents

12+

years average
client tenure

225k+

staff

70

languages

80+

industry awards

50

disruptors &
unicorn clients

80+

Fortune 500
clients

6k+

credentialed
professionals

Unparalleled

Ability to deliver high-
value services globally

Deeper

industry
and domain knowledge

Exceptional

technology, digital and
analytics expertise

Marketplace Opportunity Larger Than Just CRM BPO

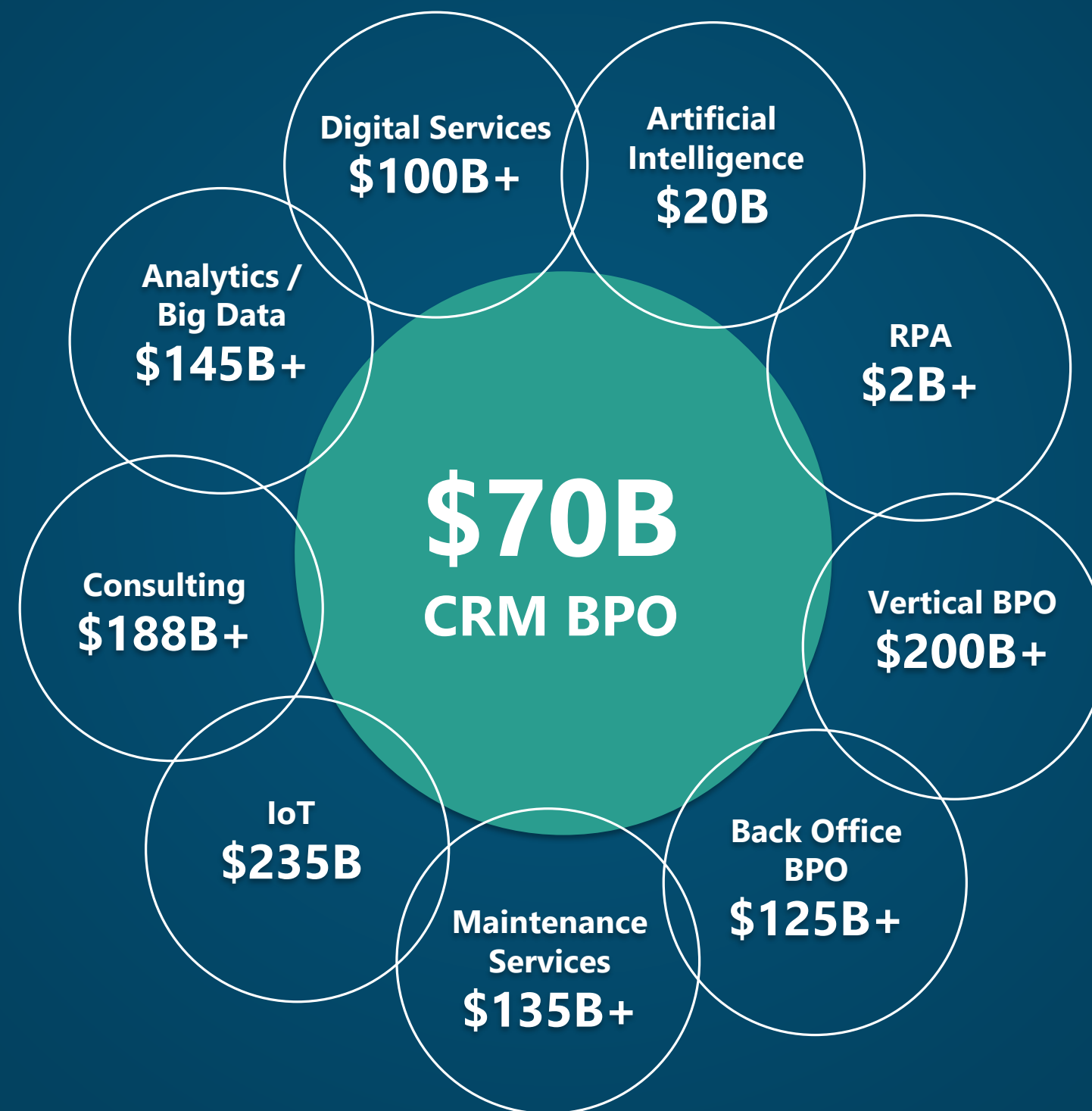
\$70B Core CRM BPO market today

- Growing at a ~3-5% CAGR over the next 5 years

Addressable market beyond CRM BPO:

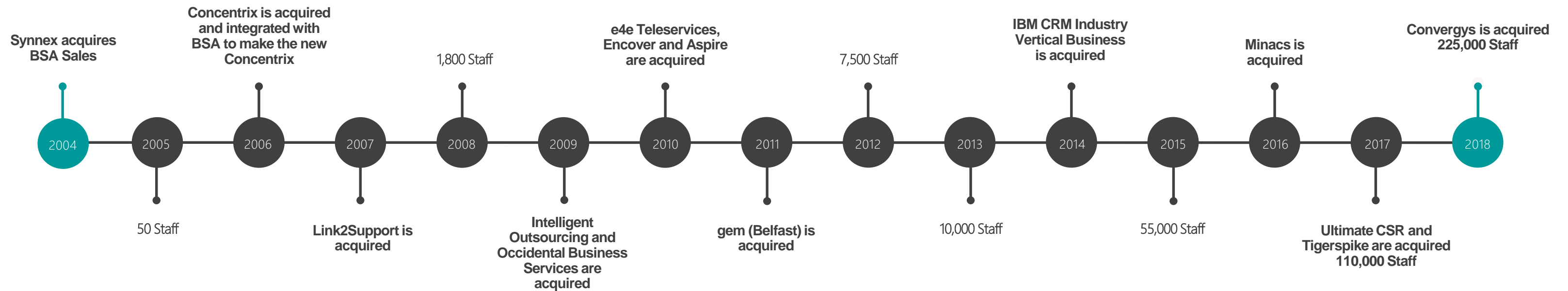
- Large market opportunity in other areas
- As our industry evolves we're investing in new relevant markets

Marketplace continues to expand beyond CRM BPO



We have a history of strong organic growth and we are a proven consolidator in a highly fragmented market

We have successfully executed on our strategic acquisitions





We stand behind the iconic brands you trust.



Global Beverage Brand



Global Snack Company



Performance Car Company



Big Four Clearing Bank



World's Largest Ride-Share Company



Subscription Media Streaming Company



Major Healthcare Provider



Top Global Airline



Global Consumer Electronics Company



Leading Cloud Company



Global Technology Company



Largest Retail Disruptor

You already count on Concentrix every day

12+

average years of client tenure

35+

years of longest client partnership

Concentrix Industry Verticals

Healthcare

Banking

Insurance

Technology

Automotive

Consumer
Electronics

Energy & Public
Sector

Media &
Communications

Retail &
e-commerce

Travel,
Transportation
& Tourism



High
Compliance



High
Investment



Barriers to
Entry



Deeper
Engagement

Our Investment in Technology Differentiates Us

We're making bets that will drive additional margin expansion as we see scale and leverage from these investments.



Automation
& RPA



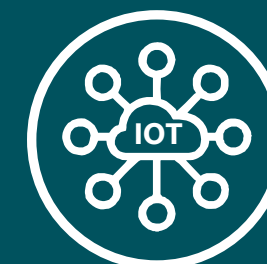
VOC &
Analytics



Platforms &
App Development



Social Care



IOT



Connected
Devices



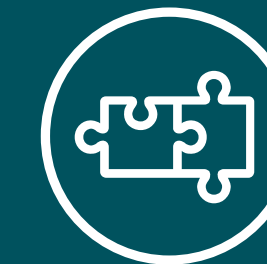
IVR



User Design



AI



System
Integration

Our Focus in Fiscal 2019



Capital Allocation

Top Priorities



Shareholder
Returns



Investments in
Core Business



Strategic
M&As



Investments in
New Markets

As of Q2 FY19

Dividends	\$0.375/share paid July 26, 2019	<ul style="list-style-type: none">• 5 consecutive years of increasing dividends
Share Repurchase	3-Year Program 2017-2020, \$300M Authorized	<ul style="list-style-type: none">• FY19 YTD repurchased \$15M of stock, \$218M remaining in the program
CapEx	FY19 YTD \$61M, FY18 \$125M	<ul style="list-style-type: none">• Disciplined capex spend
M&As	ROIC well above our WACC	<ul style="list-style-type: none">• Westcon-Comstor North America acquisition in 2017• Convergys acquisition in 2018
Leverage	\$2.0B+ in liquidity between cash and credit facilities	<ul style="list-style-type: none">• Debt / Adj. EBITDA was ~4.0x at close of Convergys acquisition• Currently at ~3.3x, expect return to ~2.5x exiting FY19
Shareholder Return	Returned over \$262M total in last 3.5 fiscal years (FY16 to Q2 FY19)	<ul style="list-style-type: none">• Returned ~\$88M in share repurchases• Returned ~\$174M in dividends

Fiscal 2019 Priorities

- Success in fiscal 2019 underpinned by three key areas:
 - Focus on generating solid financial returns from investments in our core business and targeted new markets.
 - Integration of Convergys while achieving cost synergy targets.
 - Continuing our ongoing goal to grow faster than the markets we participate in.

Thank You

Mary Lai

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Appendix



Non-GAAP Financial Measures

Use of Non-GAAP Financial Measures

To supplement the financial results presented in accordance with GAAP, SYNEX uses Revenue in constant currency, adjusted selling, general and administrative expenses, adjusted operating income, adjusted operating margin, adjusted earnings before interest, taxes, depreciation and amortization, non-GAAP net income attributable to SYNEX Corporation, non-GAAP diluted earnings per share ("EPS"), and adjusted return on invested capital, which are non-GAAP financial measures that exclude the amortization of intangible assets, restructuring costs, acquisition-related and integration expenses and the related tax effects thereon. In fiscal year 2019, non-GAAP net income and non-GAAP diluted earnings per share also exclude a gain upon the settlement of contingent consideration related to the Westcon-Comstor Americas acquisition. In the fiscal year 2018, non-GAAP net income and non-GAAP diluted earnings per share also exclude the impact of an adjustment relating to the enactment of the Tax Cuts and Jobs Act of 2017. This adjustment includes a transition tax on accumulated overseas profits and the remeasurement of deferred tax assets and liabilities to the new U.S. tax rate.

SYNEX management uses non-GAAP financial measures internally to understand, manage and evaluate the business, to establish operational goals, and in some cases for measuring performance for compensation purposes. These non-GAAP measures are intended to provide investors with an understanding of SYNEX' operational results and trends that more readily enable investors to analyze SYNEX' base financial and operating performance and to facilitate period-to-period comparisons and analysis of operational trends, as well as for planning and forecasting in future periods. Management believes these non-GAAP financial measures are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its financial and operational decision-making. As these non-GAAP measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures, and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP. A reconciliation of SYNEX' non-GAAP financial information to GAAP is set forth in the following slides.

Definition of Non-GAAP Financial Measures

Non-GAAP financial measures included in this presentation are:

- Adjusted operating income, which is operating income as adjusted to exclude acquisition-related and integration expenses, restructuring costs and the amortization of intangible assets.
- Adjusted operating margin, which is Adjusted operating income as defined above, divided by Revenue.
- Adjusted EBITDA, which is Adjusted operating income as defined above, plus depreciation.
- Adjusted EBITDA margin, which is Adjusted EBITDA as defined above, divided by Revenue.
- Non-GAAP net income, which is net income as adjusted to exclude the tax effected impact of (i) acquisition-related and integration expenses, (ii) restructuring costs, and (iii) amortization of intangible assets, (iv) contingent consideration and the net impact of the adjustments related to the Tax Cuts and Jobs Act of 2017.
- Non-GAAP diluted EPS, which is diluted EPS excluding the per share, tax effected impact of (i) acquisition-related and integration expenses, (ii) restructuring costs, and (iii) amortization of intangible assets (iv) contingent consideration and the per share amount of the net impact of the adjustments related to the Tax Cuts and Jobs Act of 2017.

Reconciliation of GAAP to Non-GAAP Financial Measures

(Currency in thousands, except per share amounts)

(Amounts may not add due to rounding)

	Fiscal year ended November 30,						LTM Q2
	2013	2014	2015	2016	2017	2018	2019*
Consolidated							
Revenue	\$ 10,845,164	\$ 13,839,590	\$ 13,338,397	\$ 14,061,837	\$ 17,045,700	\$ 20,053,764	\$ 21,501,153
Operating income	240,828	308,507	354,552	379,596	508,965	551,036	651,784
Acquisition-related and integration expenses	8,394	43,036	10,109	10,393	4,781	45,132	85,663
Restructuring costs	-	-	-	4,255	-	-	-
Amortization of intangibles	7,953	55,161	54,756	55,490	79,181	124,332	177,067
Adjusted operating income	\$ 257,175	\$ 406,704	\$ 419,417	\$ 449,734	\$ 592,927	\$ 720,500	\$ 914,514
Depreciation ⁽⁵⁾	16,509	36,538	48,754	65,803	80,705	100,955	136,842
Adjusted EBITDA	\$ 273,684	\$ 443,242	\$ 468,171	\$ 515,537	\$ 673,632	\$ 821,455	\$ 1,051,356
Operating margin	2.22%	2.23%	2.66%	2.70%	2.99%	2.75%	3.03%
Adjusted operating margin	2.37%	2.94%	3.14%	3.20%	3.48%	3.59%	4.25%
Adjusted EBITDA margin	2.52%	3.20%	3.51%	3.67%	3.95%	4.10%	4.89%
Technology Solutions							
Revenue	\$ 10,666,215	\$ 12,755,514	\$ 11,936,660	\$ 12,490,718	\$ 15,071,185	\$ 17,608,982	\$ 17,721,513
External revenue	10,665,886	12,755,264	11,936,282	12,490,427	15,070,871	17,608,897	17,721,495
Operating income	237,290	305,499	302,950	315,485	394,320	406,274	441,517
Acquisition-related and integration expenses	-	-	-	-	3,724	7,642	4,772
Restructuring costs	-	-	-	-	-	-	-
Amortization of intangibles	3,912	3,538	2,630	2,657	14,929	50,007	46,698
Adjusted operating income	\$ 241,202	\$ 309,037	\$ 305,580	\$ 318,142	\$ 412,973	\$ 463,923	\$ 492,987
Depreciation	10,798	10,817	12,475	13,935	15,111	20,681	21,681
Adjusted EBITDA	\$ 252,000	\$ 319,854	\$ 318,055	\$ 332,077	\$ 428,084	\$ 484,604	\$ 514,668
Operating margin	2.22%	2.40%	2.54%	2.53%	2.62%	2.31%	2.49%
Adjusted operating margin	2.26%	2.42%	2.56%	2.55%	2.74%	2.63%	2.78%
Concentrix							
Revenue	\$ 189,463	\$ 1,096,214	\$ 1,416,670	\$ 1,587,736	\$ 1,990,180	\$ 2,463,151	\$ 3,798,316
External revenue	179,278	1,084,326	1,402,115	1,571,410	1,974,829	2,444,867	3,779,657
Operating income	3,249	2,455	51,127	63,877	114,623	144,761	210,268
Acquisition-related and integration expenses	8,394	43,036	10,109	10,393	1,057	37,490	80,891
Restructuring costs	-	-	-	4,255	-	-	-
Amortization of intangibles	4,041	51,623	52,126	52,833	64,252	74,325	130,369
Adjusted operating income	\$ 15,684	\$ 97,114	\$ 113,362	\$ 131,358	\$ 179,932	\$ 256,576	\$ 421,528
Depreciation ⁽⁵⁾	6,073	25,953	36,755	52,102	65,617	80,274	115,161
Adjusted EBITDA	\$ 21,757	\$ 123,067	\$ 150,117	\$ 183,460	\$ 245,549	\$ 336,850	\$ 536,689
Operating margin	1.71%	0.22%	3.61%	4.02%	5.76%	5.88%	5.54%
Adjusted operating margin	8.28%	8.86%	8.00%	8.27%	9.04%	10.42%	11.10%
Diluted EPS							
Diluted EPS ⁽¹⁾	\$ 3.02	\$ 4.57	\$ 5.24	\$ 5.88	\$ 7.51	\$ 7.19	\$ 8.07
Acquisition-related and other integration expenses	0.22	1.09	0.25	0.26	0.12	1.02	1.81
Restructuring charges	-	-	-	0.11	-	-	-
Amortization of intangibles	0.21	1.40	1.38	1.39	1.97	2.97	3.68
Impact of conversion premium ⁽²⁾	0.97	-	-	-	-	-	-
Income taxes related to the above ⁽³⁾	(0.14)	(0.91)	(0.59)	(0.60)	(0.74)	(1.08)	(1.46)
U.S. tax reform adjustment	-	-	-	-	-	0.79	0.18
Non-GAAP Diluted EPS ⁽⁴⁾	\$ 4.28	\$ 6.16	\$ 6.28	\$ 7.04	\$ 8.86	\$ 10.89	\$ 11.92

(1) Diluted EPS for LTM represents the sum of the Diluted EPS of each of the last four quarters ended with the latest fiscal quarter.

(2) For fiscal year 2013, net income attributable to SYNnex Corporation for the purpose of computation of diluted EPS was adjusted for the change in the estimated value of the conversion premium of convertible notes from April 2013 through the final settlement date. The convertible notes were settled in the third quarter of fiscal year 2013.

(3) The tax effect of taxable and deductible non-GAAP adjustments was calculated using the effective year-to-date tax rate during the respective fiscal periods, except for the acquisition-related and other integration expenses for fiscal year 2013, which was calculated using the tax deductible portion of the expenses and applying the entity-specific, U.S. Federal and blended state tax rates. The effective tax rate for fiscal year 2018 excludes the impact of the transition tax on accumulated overseas profits and the remeasurement of deferred tax assets and liabilities to the new U.S. tax rate related to the enactment of the Tax Cuts and Jobs Act of 2017.

(4) The sum of the components of Non-GAAP Diluted EPS may not agree to totals, as presented, due to rounding.

(5) For Q2 2019, depreciation excludes accelerated depreciation included in acquisition-related and integration expenses above.

Reconciliation of GAAP to Non-GAAP Financial Measures

(Currency in thousands)

(Amounts may not add due to rounding)

	Fiscal year ended November 30,				
	2008	2009	2010	2011	2012
<u>Consolidated</u>					
Revenue	\$ 7,736,726	\$ 7,719,197	\$ 8,614,141	\$ 10,409,840	\$ 10,285,507
Operating income	146,366	149,649	199,150	256,228	255,012
Amortization of intangibles	7,754	7,925	5,096	7,584	8,289
Adjusted operating income	\$ 154,120	\$ 157,574	\$ 204,246	\$ 263,812	\$ 263,301
Operating margin	1.9%	1.9%	2.3%	2.5%	2.5%
Adjusted operating margin	2.0%	2.0%	2.4%	2.5%	2.6%

Note: All amounts are as previously reported.

Reconciliation of GAAP to Non-GAAP Financial Measures

(Currency in thousands, except per share amounts)

(Amounts may not add due to rounding)

	31-May-17	31-Aug-17	30-Nov-17	28-Feb-18	31-May-18	31-Aug-18	30-Nov-18	28-Feb-19	31-May-19
Consolidated									
Revenue	\$ 3,936,268	\$ 4,276,686	\$ 5,311,877	\$ 4,493,350	\$ 4,908,281	\$ 4,906,610	\$ 5,622,201	\$ 5,249,453	\$ 5,722,889
Operating income	125,130	122,216	159,860	111,496	124,002	116,896	198,270	161,963	174,655
Acquisition-related and integration expenses	-	1,026	3,144	1,805	2,046	19,568	21,713	27,849	16,533
Restructuring costs	-	-	-	-	-	-	-	-	-
Amortization of intangibles	16,069	16,688	29,937	26,710	26,276	26,197	45,149	52,857	52,864
Adjusted operating income	\$ 141,199	\$ 139,930	\$ 192,941	\$ 140,011	\$ 152,324	\$ 162,661	\$ 265,132	\$ 242,669	\$ 244,052
Depreciation ⁽³⁾	19,413	20,185	21,647	21,924	22,596	22,511	33,924	41,517	38,890
Adjusted EBITDA	\$ 160,612	\$ 160,115	\$ 214,588	\$ 161,935	\$ 174,920	\$ 185,172	\$ 299,056	\$ 284,186	\$ 282,942
Operating margin	3.18%	2.86%	3.01%	2.48%	2.53%	2.38%	3.53%	3.09%	3.05%
Adjusted operating margin	3.59%	3.27%	3.63%	3.12%	3.10%	3.32%	4.72%	4.62%	4.26%
Adjusted EBITDA margin	4.08%	3.74%	4.04%	3.60%	3.56%	3.77%	5.32%	5.41%	4.94%
Technology Solutions									
Revenue	\$ 3,458,320	\$ 3,784,678	\$ 4,781,491	\$ 3,989,799	\$ 4,422,106	\$ 4,419,109	\$ 4,654,646	\$ 4,080,684	\$ 4,567,074
External revenue	3,458,243	3,784,599	4,781,408	3,989,743	4,422,093	4,419,097	4,654,642	4,080,684	4,567,072
Operating income	101,705	99,968	112,226	81,833	96,318	104,828	122,924	101,372	112,393
Acquisition-related and integration expenses	-	705	3,019	1,805	2,046	2,498	1,293	332	649
Restructuring costs	-	-	-	-	-	-	-	-	-
Amortization of intangibles	651	656	12,968	12,816	12,462	12,524	12,205	10,994	10,975
Adjusted operating income	\$ 102,356	\$ 101,329	\$ 128,213	\$ 96,454	\$ 110,826	\$ 119,850	\$ 136,422	\$ 112,698	\$ 124,017
Depreciation	3,402	3,530	4,703	4,834	5,010	5,212	5,625	5,369	5,475
Adjusted EBITDA	\$ 105,758	\$ 104,859	\$ 132,916	\$ 101,288	\$ 115,836	\$ 125,062	\$ 142,047	\$ 118,067	\$ 129,492
Operating margin	2.94%	2.64%	2.35%	2.05%	2.18%	2.37%	2.64%	2.48%	2.46%
Adjusted operating margin	2.96%	2.68%	2.68%	2.42%	2.51%	2.71%	2.93%	2.76%	2.72%
Concentrix									
Revenue	\$ 481,679	\$ 495,974	\$ 534,363	\$ 507,737	\$ 491,246	\$ 491,882	\$ 972,286	\$ 1,173,271	\$ 1,160,877
External revenue	478,025	492,087	530,469	503,607	486,188	487,513	967,559	1,168,769	1,155,816
Operating income	23,425	22,248	47,634	29,663	27,684	12,068	75,346	60,591	62,263
Acquisition-related and integration expenses	-	321	125	-	-	17,070	20,420	27,517	15,884
Restructuring costs	-	-	-	-	-	-	-	-	-
Amortization of intangibles	15,418	16,032	16,969	13,894	13,814	13,673	32,944	41,863	41,889
Adjusted operating income	\$ 38,843	\$ 38,601	\$ 64,728	\$ 43,557	\$ 41,498	\$ 42,811	\$ 128,710	\$ 129,971	\$ 120,036
Depreciation ⁽³⁾	16,011	16,655	16,944	17,090	17,586	17,299	28,299	36,148	33,415
Adjusted EBITDA	\$ 54,854	\$ 55,256	\$ 81,672	\$ 60,647	\$ 59,084	\$ 60,110	\$ 157,009	\$ 166,119	\$ 153,451
Operating margin	4.86%	4.49%	8.91%	5.84%	5.64%	2.45%	7.75%	5.16%	5.36%
Adjusted operating margin	8.06%	7.78%	12.11%	8.58%	8.45%	8.70%	13.24%	11.08%	10.34%
Diluted EPS									
Diluted EPS	\$ 1.83	\$ 1.87	\$ 2.26	\$ 0.60	\$ 2.34	\$ 1.74	\$ 2.41	\$ 1.69	\$ 2.23
Acquisition-related and other integration expenses	-	0.03	0.08	0.04	(0.01)	0.49	0.46	0.54	0.32
Restructuring charges	-	-	-	-	-	-	-	-	-
Amortization of intangibles	0.40	0.42	0.74	0.66	0.66	0.66	0.96	1.03	1.03
Impact of conversion premium	-	-	-	-	-	-	-	-	-
Income taxes related to the above ⁽¹⁾	(0.15)	(0.15)	(0.29)	(0.21)	(0.18)	(0.32)	(0.36)	(0.43)	(0.35)
U.S. tax reform adjustment	-	-	-	1.03	(0.42)	-	0.18	-	-
Non-GAAP Diluted EPS ⁽²⁾	\$ 2.08	\$ 2.16	\$ 2.79	\$ 2.13	\$ 2.38	\$ 2.57	\$ 3.65	\$ 2.84	\$ 2.86

(1) The tax effect of taxable and deductible non-GAAP adjustments was calculated using the effective year-to date tax rate during the respective fiscal periods. The effective tax rate for fiscal year 2018 excludes the impact of the transition tax on accumulated overseas profits and the remeasurement of deferred tax assets and liabilities to the new U.S. tax rate related to the enactment of the Tax Cuts and Jobs Act of 2017.

(2) The sum of the components of Non-GAAP Diluted EPS may not agree to totals, as presented, due to rounding.

(3) For Q2 2019, depreciation excludes accelerated depreciation included in acquisition-related and integration expenses above.

Reconciliation of GAAP to Non-GAAP Financial Measures

(Currency in thousands, except per share amounts)

(Amounts may not add due to rounding)

	Three Months Ended	
	May 31, 2019	May 31, 2018
Revenue in constant currency		
Consolidated		
Revenue	\$ 5,722,889	\$ 4,908,281
Foreign currency translation	56,850	
Revenue in constant currency	\$ 5,779,739	\$ 4,908,281
Technology Solutions		
Revenue	\$ 4,567,074	\$ 4,422,106
Foreign currency translation	42,381	
Revenue in constant currency	\$ 4,609,455	\$ 4,422,106
⁽¹⁾ Approximate value of transactions offset, in accordance with revenue recognition guidance on Principal versus Agent considerations, in circumstances where SYNEX assumed an agency relationship, against cost of sales to present the margin earned on these transactions in revenue, with no associated cost of revenue.		
	\$ 870,000	\$ 711,000
	\$ 5,479,455	\$ 5,133,106
Concentrix		
Revenue	\$ 1,160,877	\$ 491,246
Foreign currency translation	14,469	
Revenue in constant currency	\$ 1,175,346	\$ 491,246

Reconciliation of GAAP to Non-GAAP Financial Measures

(Continued)

(Currency in millions, except per share amounts)

(Amounts may not add due to rounding)

	Three months ended		Forecast	
	31-May-19	31-May-18	Three months ending 31-Aug-19	
			High	Low
Net income				
Net income	114.5	93.7	99.0	105.0
Acquisition-related and integration expenses	16.4	(0.6)	10.3	10.3
Amortization of intangibles	52.9	26.3	51.6	51.6
Contingent consideration	(19.0)	-	-	-
Income taxes related to the above ⁽¹⁾	(17.8)	(7.1)	(16.7)	(16.7)
U.S. tax reform adjustment	-	(17.0)	-	-
Non-GAAP Net income	<u>146.8</u>	<u>95.4</u>	<u>144.2</u>	<u>150.2</u>
Diluted EPS				
Diluted EPS	\$ 2.23	\$ 2.34	\$ 1.92	\$ 2.04
Acquisition-related and integration expenses	0.32	(0.01)	0.20	0.20
Amortization of intangibles	1.03	0.66	1.00	1.00
Contingent consideration	(0.37)	-	-	-
Income taxes related to the above ⁽¹⁾	(0.35)	(0.18)	(0.32)	(0.32)
U.S. tax reform adjustment	-	(0.42)	-	-
Non-GAAP Diluted EPS	<u>\$ 2.86</u>	<u>\$ 2.38</u>	<u>\$ 2.80</u>	<u>\$ 2.92</u>

⁽¹⁾The tax effect of taxable and deductible non-GAAP adjustments was calculated using the effective year-to-date tax rate during the respective periods. The effective tax rate for fiscal year 2018 excludes the impact of the transition tax on accumulated overseas profits and the remeasurement of deferred tax assets and liabilities to the new U.S. tax rate related to the enactment

Calculation of Financial Metrics

Currency in thousands)

(Amounts may not add due to rounding)

	LTM Q4 2016*	LTM Q1 2017*	LTM Q2 2017*	LTM Q3 2017*	LTM Q4 2017*	LTM Q1 2018*	LTM Q2 2018*	LTM Q3 2018*	LTM Q4 2018*	LTM Q1 2019*	LTM Q2 2019*	
Consolidated												
Revenue	\$ 14,061,837	\$ 14,457,084	\$ 15,013,853	\$ 15,620,725	\$ 17,045,700	\$ 18,018,181	\$ 18,990,194	\$ 19,620,118	19,994,744	20,750,847	21,501,153	
Operating income	379,596	405,729	455,553	479,747	508,965	518,702	517,574	512,254	550,664	601,131	651,784	
Acquisition-related and integration expenses	10,393	10,002	9,434	8,102	4,781	5,975	8,021	26,563	45,132	71,176	85,663	
Restructuring costs	4,255	4,255	258	-	-	-	-	-	-	-	-	
Amortization of intangibles	55,490	60,273	64,548	68,225	79,181	89,404	99,611	109,120	124,332	150,479	177,067	
Adjusted operating income	\$ 449,734	\$ 480,259	\$ 529,793	\$ 556,074	\$ 592,927	\$ 614,081	\$ 625,206	\$ 647,937	\$ 720,128	\$ 822,786	\$ 914,514	
Depreciation	65,803	70,789	73,502	78,312	80,705	83,169	86,352	88,678	100,955	120,548	136,842	
Adjusted EBITDA	\$ 515,537	\$ 551,048	\$ 603,295	\$ 634,386	\$ 673,632	\$ 697,250	\$ 711,558	\$ 736,615	\$ 821,083	\$ 943,334	\$ 1,051,356	
Total Borrow ings, excluding book over	\$ 963,584	\$ 1,006,485	\$ 1,087,703	\$ 1,049,605	\$ 1,937,253	\$ 1,802,666	\$ 1,810,926	\$ 1,821,617	\$ 3,451,006	\$ 3,518,332	\$ 3,517,322	
Total Debt/LTM EBITDA	1.9x	1.8x	1.8x	1.7x	2.9x	2.6x	2.5x	2.5x	4.2x	3.7x	3.3x	
	LTM Q4 2013*	LTM Q1 2014*	LTM Q2 2014*	LTM Q3 2014*	LTM Q4 2014*	LTM Q1 2015*	LTM Q2 2015*	LTM Q3 2015*	LTM Q4 2015*	LTM Q1 2016*	LTM Q2 2016*	LTM Q3 2016*
Consolidated												
Revenue	\$ 10,845,164	\$ 11,411,309	\$ 12,273,483	\$ 13,074,772	\$ 13,839,590	\$ 14,015,064	\$ 13,815,314	\$ 13,612,649	\$ 13,338,397	\$ 13,261,561	13,387,275	13,724,552
Operating income	240,828	246,838	262,957	278,260	308,507	325,504	346,782	349,259	354,552	351,231	337,176	353,919
Acquisition-related and integration expenses	8,394	17,302	33,043	40,379	43,036	38,122	24,419	16,526	10,109	7,118	5,647	5,966
Restructuring costs	-	-	-	-	-	-	-	-	-	-	3,997	4,255
Amortization of intangibles	7,952	11,696	24,890	40,458	55,161	64,057	62,353	58,505	54,756	51,867	50,199	49,494
Adjusted operating income	\$ 257,174	\$ 275,836	\$ 320,891	\$ 359,098	\$ 406,705	\$ 427,683	\$ 433,554	\$ 424,290	\$ 419,417	\$ 410,216	\$ 397,019	\$ 413,634
Depreciation	16,509	17,891	23,096	29,349	36,538	42,052	43,962	46,673	48,754	52,057	57,648	59,998
Adjusted EBITDA	\$ 273,683	\$ 293,727	\$ 343,987	\$ 388,447	\$ 443,243	\$ 469,735	\$ 477,516	\$ 470,963	\$ 468,171	\$ 462,273	\$ 454,667	\$ 473,632
Total Borrow ings, excluding book overdraft	\$ 317,928	\$ 762,707	\$ 976,349	\$ 1,000,802	\$ 980,503	\$ 839,897	\$ 735,728	\$ 737,511	\$ 730,891	\$ 704,727	\$ 715,971	\$ 806,025
Total Debt/LTM EBITDA	1.2x	2.6x	2.8x	2.6x	2.2x	1.8x	1.5x	1.6x	1.6x	1.5x	1.5x	1.7x

*LTM is last twelve months ended the respective fiscal period. Adjusted EBITDA included in the trailing fiscal four quarters calculation reflects the adoption of ASC Topic 606 for the fiscal quarters ended May 31, 2019 and 2018. Adjusted EBITDA for other quarters included in the trailing fiscal four quarters calculation is based on amounts as previously reported.