

Disclosures

- **Safe harbor statement**

This presentation includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 related to Insight’s plans and expectations. Statements that are not historical facts, including those related to our expectations about future financial results and the assumptions related thereto, including expectations related to SADA, our expectations regarding supply constraints, our expectations regarding backlog shipments, our expectations regarding future expected trends in the IT market and our opportunities for growth, are forward-looking statements. These forward-looking statements are subject to assumptions, risks and uncertainties which could cause actual results or future events to differ materially from such statements. Insight Enterprises, Inc. (the “Company”) undertakes no obligation to update publicly or revise any of the forward-looking statements, except as otherwise required by law. More detailed information about forward-looking statements and risk factors is included in today’s press release and discussed in the Company’s most recently filed periodic reports and subsequent filings with the Securities and Exchange Commission.

- **Non-GAAP measures**

This presentation will reference certain non-GAAP financial information as ‘Adjusted’. A reconciliation of non-GAAP financial measures presented in this document to our actual GAAP results is attached to the back of this presentation and included in the press release issued today, which you may find on the Investor Relations section of our website at investor.insight.com. These non-GAAP measures are used by the Company and its management to evaluate financial performance against budgeted amounts, to calculate incentive compensation, to assist in forecasting future performance and to compare the Company’s results to those of the Company’s competitors. The Company believes that these non-GAAP financial measures are useful to investors because they allow for greater transparency, facilitate comparisons to prior periods and the Company’s competitors’ results and assist in forecasting performance for future periods. These non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures presented by other companies. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

- **Constant currency**

In some instances, the Company refers to changes in net sales, gross profit, earnings from operations and Adjusted earnings from operations on a consolidated basis and in North America, EMEA and APAC excluding the effects of fluctuating foreign currency exchange rates. In addition, the Company refers to changes in Adjusted diluted earnings per share on a consolidated basis excluding the effects of fluctuating foreign currency exchange rates. These are also considered to be non-GAAP measures. The Company believes providing this information excluding the effects of fluctuating foreign currency exchange rates provides valuable supplemental information to investors regarding its underlying business and results of operations, consistent with how the Company and its management evaluate the Company’s performance. In computing these changes and percentages, the Company compares the current year amount as translated into U.S. dollars under the applicable accounting standards to the prior year amount in local currency translated into U.S. dollars utilizing the weighted average translation rate for the current period.

Table of Contents

- Solutions Integrator Strategy
- Solutions at Work
- Awards and Recognitions
- Third Quarter 2024 Highlights and Performance
- 2027 KPIs for Success
- 2024 Outlook
- Appendix

Our strategy is to become THE leading **SOLUTIONS INTEGRATOR**

The pillars of our strategy are:

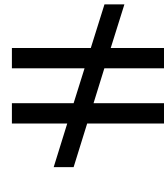
Put
Clients First

Deliver
Differentiation

Champion
our Culture

Drive
Profitable Growth

**Solutions
Integrator**



Systems Integrator

Reseller

Distributor

Our strategy is to become THE leading **SOLUTIONS INTEGRATOR**

Put clients first

We put our clients first, delivering essential value that contributes to their success and making us the partner they can't live without.

Deliver differentiation

Our combination of innovative and scalable solutions, exceptional talent and unique portfolio strategy gives us a differentiated advantage.

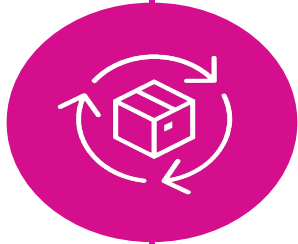
Champion our culture

Our teammates and our culture are our biggest assets. We champion them to deliver the best.

DRIVE PROFITABLE GROWTH

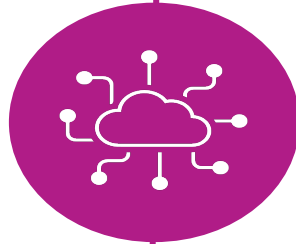
We relentlessly pursue high performance, operational excellence and profitable growth.

Modernizing Cruise Liner's IT Infrastructure



The challenge:

- As part of its ambition for economic diversification, the Royal Kingdom of Saudi Arabia announced its intent to turn the Kingdom into a tourism powerhouse, creating 50,000 new jobs and competing with well established, regional hotspots such as Dubai, alongside global favorites
- A modern, scalable and flexible private cloud enabling critical systems to provide the digital foundation for a world class guest experience, aboard its luxury cruise liner and critical shipping systems



The solution:

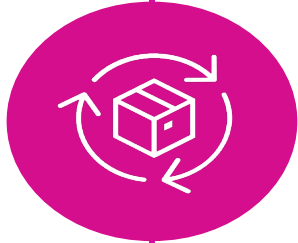
- Insight was commissioned to define and design a state of the art infrastructure, with the purpose of supporting critical ship management applications and bringing to life a best-in-class digital experience for all guests
- Deliver an integrated private cloud solution consisting of technologies from a variety of partners, coupled with Insight Professional Services and its Client Fulfilment Centers across EMEA, to design, test and deploy a purpose built datacenter on the sea
- Partnered with multiple ISVs and others to form a partner ecosystem



The results:

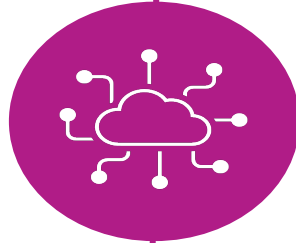
- Modern, scalable and highly flexible private cloud powering:
 - Outstanding Guest Experience
 - Increased Operational Efficiency
 - Enhanced Cybersecurity
 - Greater Data Visibility and Business Analytics

Unlocking Agility & Innovation With Cloud Infrastructure Provisioning



The challenge:

- Our client needed to promote greater agility and innovation within their healthcare organization by enabling quick deployment of new technologies, applications, and services
- They wanted to leverage HashiCorp's tool, integrated with Microsoft GitHub® repositories, to manage their Azure® and Google Cloud (GC) environments effectively
- Our client also needed guidance implementing HashiCorp® Vault™ for secure secrets management



The solution:

- Our team collaborated with the client to architect and build their approach, which included:
 - Designing team structure and workspace organization, including 750+ workspaces
 - Implementing 300+ Sentinel policies for policy-as-code
 - Developing a GitHub repository strategy with reusable workflows, branching, and change log processes
 - Creating 150+ Terraform modules with a testing framework and module creation automation
 - Defining cloud governance
 - Implementing HashiCorp Vault for secrets management



The results:

- Streamlined compliance with healthcare regulations
- Improved organizational agility
- Fortified security
- Enhanced collaboration & innovation
- Time savings & process efficiencies

Awards and Recognitions



AWS Premier Tier Service Partner



2024 Gartner Magic Quadrant for Software Asset Management Managed Services



- **Global Customer Experiences Partner of the Year**
- **Americas Enterprise Partner of the Year**
- **US Partner of the Year**



- **2024 Infrastructure Solutions Group US Partner of the Year**
- **2024 Services and Solutions Canada Partner of the Year**



2024 Acquisition Partner of the Year



2024 Keystone Partner of the Year

No. 427

FORTUNE500



FORBES

World's Best Employer

No. 38 in IT



U.S. Best Places to Work

- No. 1** | Inland Northwest
- No. 3** | Phoenix Business Journal
- No. 9** | Phoenix Healthiest Workplaces
- No. 13** | Forbes Best Employers in Ohio
- Montréal's Top Employers**

International Best Places to Work

- No. 5** | Italy Best Workplaces
- No. 16** | UK Best Workplaces for Wellbeing
- No. 17** | Spain Best Workplaces
- No. 28** | UK Best Workplaces
- No. 33** | UK Best Workplaces for Women
- UK Best Workplaces in Tech**

- No. 2** | Singapore Best Workplaces
- No. 8** | Australia Best Workplaces in Tech
- No. 15** | Australia Best Workplaces
- No. 27** | Australia Best Workplaces for Women
- Certified** | Great Place to Work in Australia, China, Hong Kong, New Zealand, Philippines, India



Q3 2024 Performance

(Changes against prior year period)

NET SALES

\$2.1B

↓ decrease of 8%

GROSS PROFIT

\$432M

↑ increase of 6%

57% services gross profit as a % of total gross profit**

CLOUD GROSS PROFIT

\$129M

↑ increase of 33%

INSIGHT CORE SERVICES GROSS PROFIT

\$81M

↑ increase of 14%

MARGINS

GROSS MARGIN

20.7%

↑ up 270 bps

EFO MARGIN

4.4%

↑ up 30 bps

ADJUSTED EFO* MARGIN

5.8%

↑ up 50 bps

EARNINGS

EARNINGS FROM OPERATIONS

\$93M

↑ increase of 1%

ADJUSTED EARNINGS FROM OPERATIONS*

\$120M

flat YoY

SERVICE DELIVERY SCALE

HEADCOUNT

Skilled, certified consulting and service delivery professionals

6,500+

CASH FLOWS AND CASH CYCLE

CASH CONVERSION CYCLE

18 DAYS

↓ down 17 days

Days sales outstanding (DSO)
+47 days
Days inventory outstanding (DIO)
-1 days
Days purchases outstanding (DPO)
+(63) days

NET CASH FROM OPERATIONS

\$125M_{QTD}

DILUTED EARNINGS PER SHARE

\$1.52

↓ decrease of 6%

ADJUSTED DILUTED EARNINGS PER SHARE*

\$2.19

↓ decrease of 8%

NET EARNINGS

\$58M

↓ decrease of 3%

ADJUSTED EBITDA*

\$129M

flat YoY

YTD Q3 2024 Performance

(Changes against prior year period)

NET SALES

\$6.6B

↓ decrease of 4%

GROSS PROFIT

\$1.3B

↑ increase of 8%

CLOUD GROSS PROFIT

\$384M

↑ increase of 29%

INSIGHT CORE SERVICES GROSS PROFIT

\$237M

↑ increase of 16%

MARGINS

GROSS MARGIN

20.0%

↑ up 220 bps

EFO MARGIN

4.9%

↑ up 80 bps

ADJUSTED EFO* MARGIN

5.6%

↑ up 70 bps

CASH FLOWS

NET CASH FROM OPERATIONS

\$418M

EARNINGS

EARNINGS FROM OPERATIONS

\$324M

↑ increase of 12%

DILUTED EARNINGS PER SHARE

\$5.53

↑ increase of 8%

NET EARNINGS

\$213M

↑ increase of 12%

ADJUSTED EARNINGS FROM OPERATIONS*

\$373M

↑ increase of 9%

ADJUSTED DILUTED EARNINGS PER SHARE*

\$7.02

↑ increase of 4%

ADJUSTED EBITDA*

\$402M

↑ increase of 10%

* See Appendix for reconciliation of non-GAAP measures

Debt

- In May 2024, raised \$500 million aggregate principal of senior notes due 2032
- Total debt balance at September 30, 2024 - \$1.1 billion
- Total debt balance at September 30, 2023 - \$673 million
- YoY increase in total debt of \$414 million

US Dollars in millions

Description	Net payments
SADA (December 2023)	\$424
InfoCenter (May 2024)	\$265
NWT* (July 2024)	\$5
Total payments for acquisitions**	<hr/> \$694
Total share repurchases	\$200
Cash from operations used to pay down debt	<hr/> \$480
Increase in total debt	<hr/> <hr/> \$414

* Acquired entity in our EMEA segment

** Cash paid, net of cash and cash equivalents acquired (from Statement of Cash Flows)

2027 KPIs for Success

KPIs	TTM Q3 2024	2027	
Cloud GP Growth**	32%	16% - 20%	5-year CAGR***
Core services GP Growth**	14%	16% - 20%	5-year CAGR***
Adjusted EBITDA Margin*	6.3%	6.5% - 7.0%	
Adjusted DEPS* Growth**	8%	19% - 22%	5-year CAGR***
Adjusted ROIC*	16.3%	>25%	
Adjusted free cash flow as % of Adjusted net earnings*	166%	>90%	

* Adjusted non-GAAP basis excludes (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) certain third-party data center service outage related expenses and recoveries, (vii) gains and losses from revaluation of acquisition related earnout liabilities, and (viii) the tax effects of each of these items, as applicable. Due to the inherent difficulty of forecasting these adjustments, which impact net earnings margin, diluted earnings per share, earnings from operations and net cash provided by operating activities as a percentage of net earnings, the Company is unable to reasonably estimate the impact of these adjustments, if any, to such GAAP measures. Accordingly, the Company is unable to provide a reconciliation for the 2027 forecast of GAAP to non-GAAP net earnings, diluted earnings per share, adjusted free cash flow as a percentage of adjusted net earnings, ROIC and EBITDA margin. See Appendix and elsewhere in this presentation for reconciliation of historical non-GAAP measures

** Growth baseline period is TTM Q3 2023

*** CAGR baseline year is 2022

Note: Insight Core services is defined as services Insight delivers and manages. Adjusted free cash flow is defined as cash flow from operations minus capital expenditures

Full Year 2024 Outlook

Assumptions:	As of October 31, 2024	As of August 1, 2024
Gross profit growth	mid single-digit	low double-digit
Gross margin	19% - 20% range	19% - 20% range
Adjusted diluted EPS*	\$9.40 - \$9.70	\$10.60 - \$10.90
Interest expense	\$58 - \$60 million	\$60 - \$62 million
Effective tax rate	approximately 25.5%	26%
Capital expenditures	\$35 - \$40 million	\$35 - \$40 million
Average share count	35.1 million	35.1 million

Other Exclusions and Assumptions:

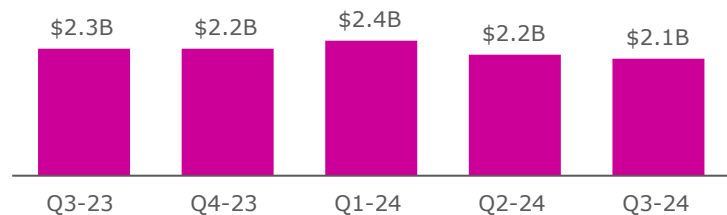
- Excludes acquisition-related intangibles amortization expense of approximately \$70 million (posted on website)
- Assumes no acquisition or integration-related, transformation or severance and restructuring expenses, net
- Assumes no significant change in our debt instruments or the macroeconomic environment

* Adjusted diluted earnings per share excludes severance and restructuring expense, net and other unique items as well as amortization expense related to acquired intangibles. Due to the inherent difficulty of forecasting some of these types of expenses, which impact net earnings, diluted earnings per share and selling and administrative expenses, the Company is unable to reasonably estimate the impact of such expenses, if any, to net earnings, diluted earnings per share and selling and administrative expenses. Accordingly, the Company is unable to provide a reconciliation of GAAP to non-GAAP diluted earnings per share for the full year 2024 forecast

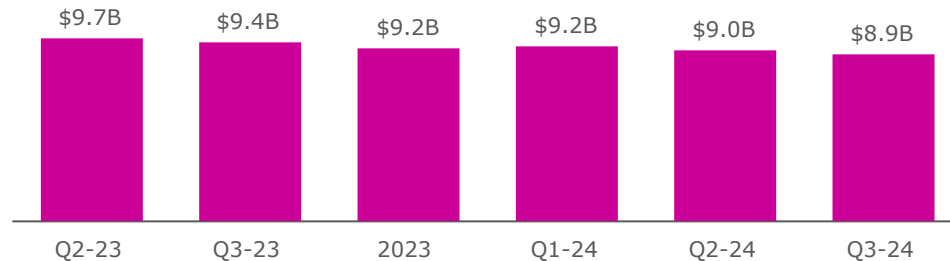
NET SALES

Trailing twelve months

\$2.1B ↓ decrease of 8% y/y



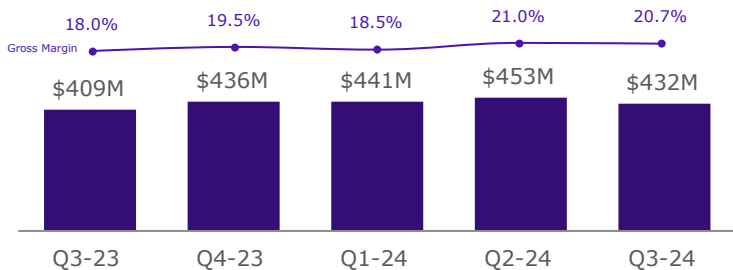
\$8.9B* ↓ decrease of 6% y/y



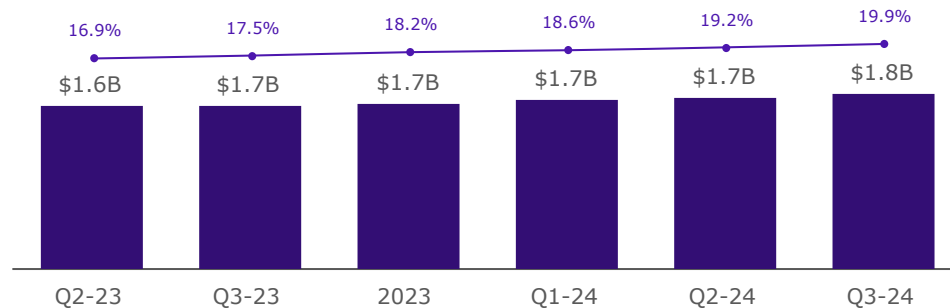
GROSS PROFIT

Trailing twelve months

\$432M ↑ increase of 6% y/y



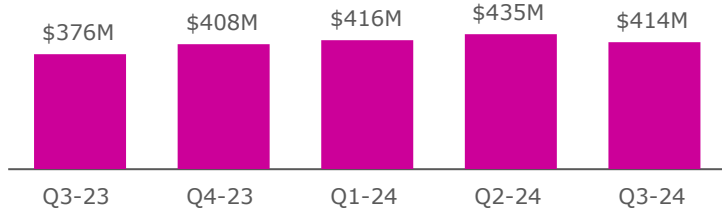
\$1.8B* ↑ increase of 7% y/y



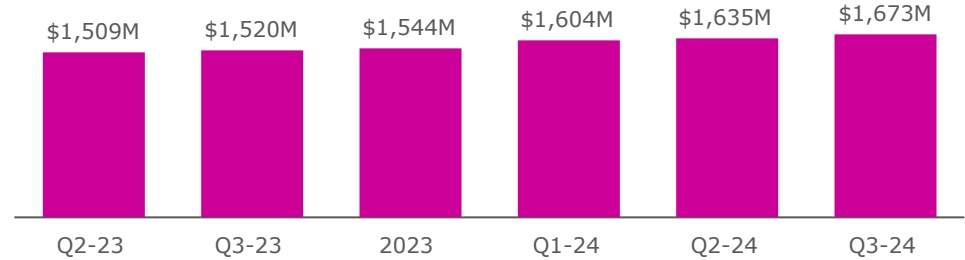
SERVICES NET SALES

Trailing twelve months

\$414M ↑ increase of 10% y/y



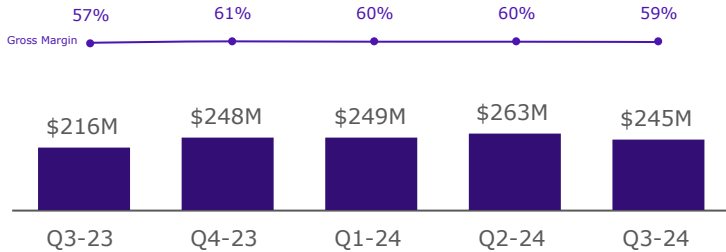
\$1.7B* ↑ increase of 10% y/y



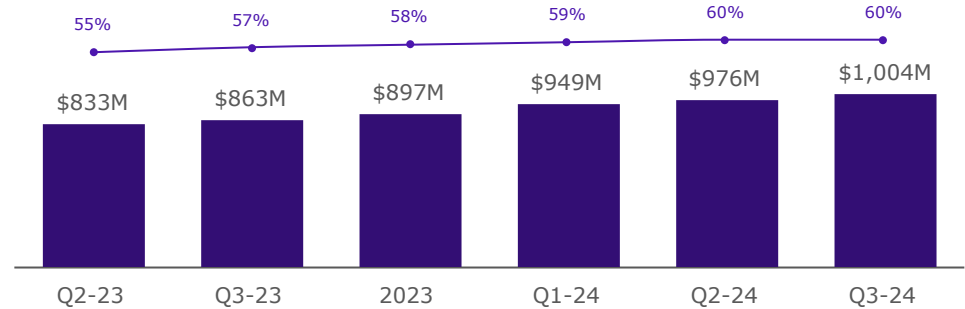
SERVICES GROSS PROFIT

Trailing twelve months

\$245M ↑ increase of 13% y/y



\$1.0B* ↑ increase of 16% y/y

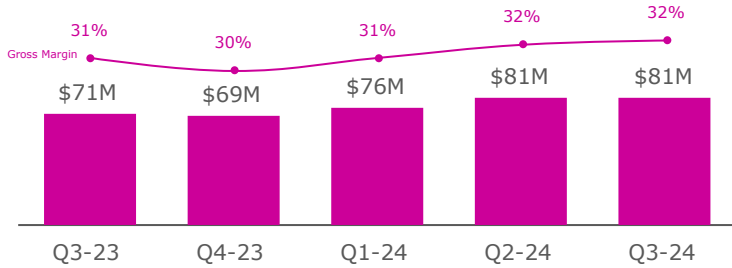


* For the twelve months ended September 30, 2024

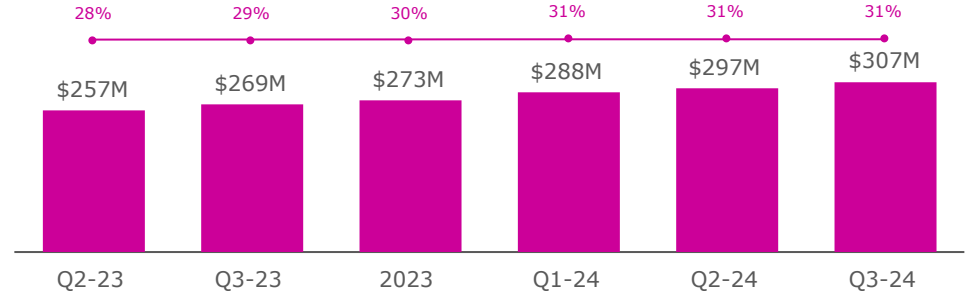
INSIGHT CORE SERVICES GROSS PROFIT

Trailing twelve months

\$81M ↑ increase of 14% y/y



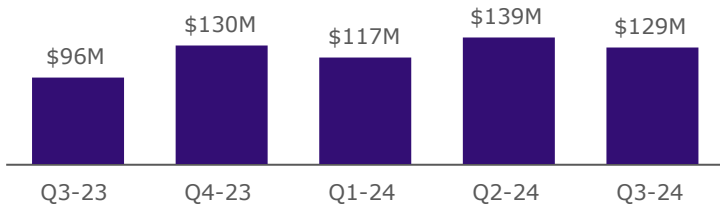
\$307M* ↑ increase of 14% y/y



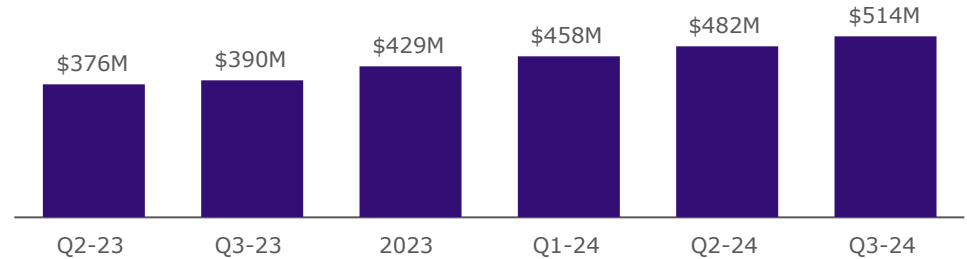
CLOUD GROSS PROFIT

Trailing twelve months

\$129M ↑ increase of 33% y/y



\$514M* ↑ increase of 32% y/y

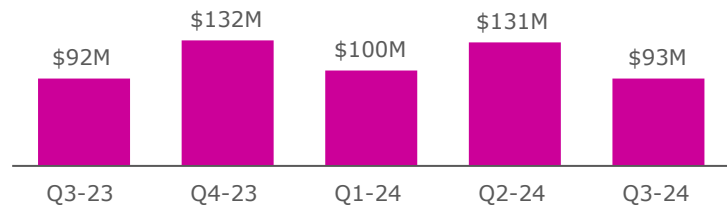


* For the twelve months ended September 30, 2024
Note: Insight Core services is defined as services Insight delivers and manages

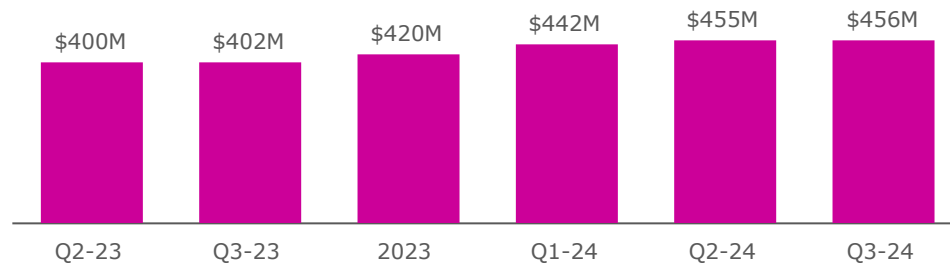
EARNINGS FROM OPERATIONS

Trailing twelve months

\$93M ↑ increase of 1% y/y



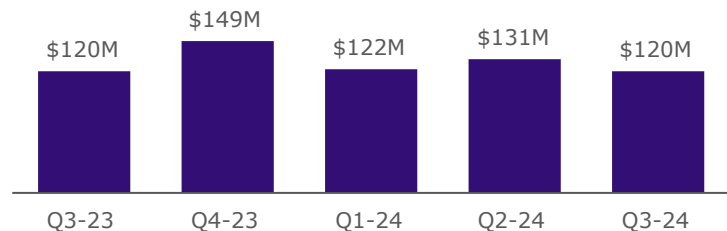
\$456M* ↑ increase of 13% y/y



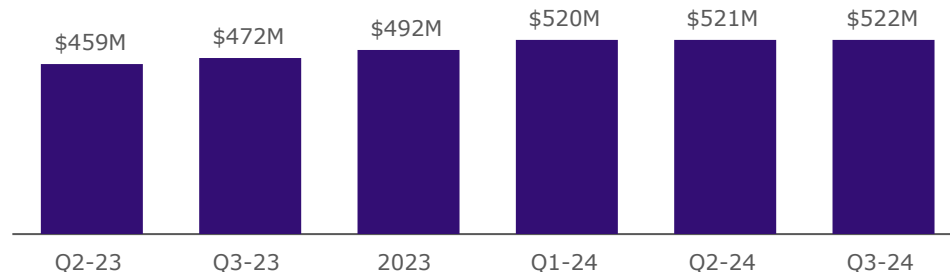
ADJUSTED EARNINGS FROM OPERATIONS**

Trailing twelve months

\$120M ▬ flat y/y



\$522M* ↑ increase of 11% y/y

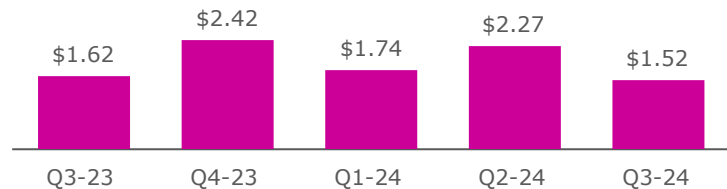


* For the twelve months ended September 30, 2024
** See Appendix for reconciliation of non-GAAP measures

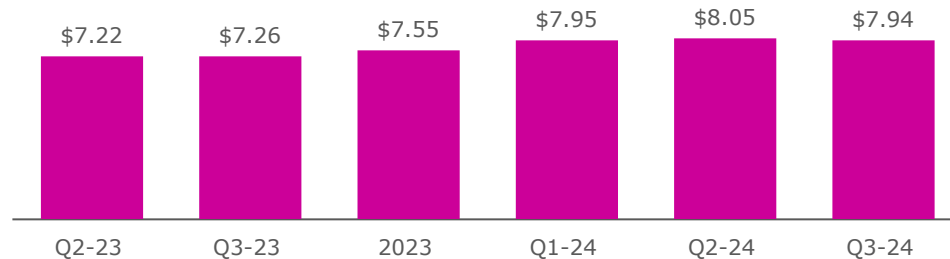
DILUTED EARNINGS PER SHARE

Trailing twelve months

\$1.52 ↓ decrease of 6% y/y



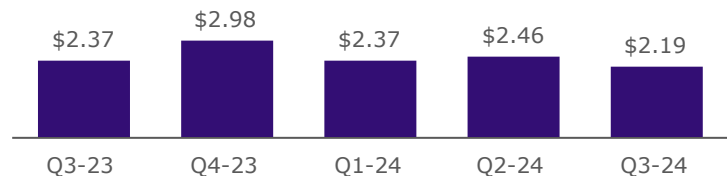
\$7.94* ↑ increase of 9% y/y



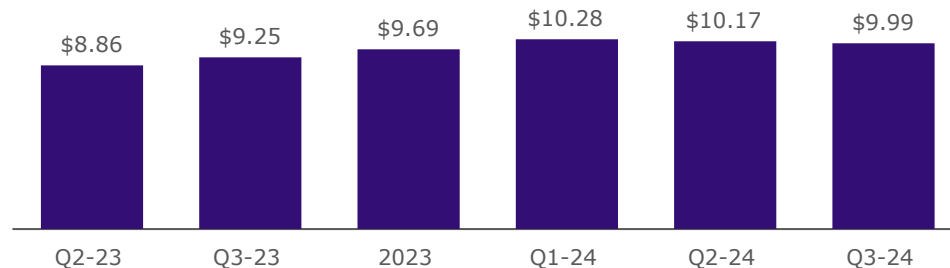
ADJUSTED DILUTED EARNINGS PER SHARE**

Trailing twelve months

\$2.19 ↓ decrease of 8% y/y



\$9.99* ↑ increase of 8% y/y



* For the twelve months ended September 30, 2024
** See Appendix for reconciliation of non-GAAP measures

Appendix



Q3 2024 YTD | Financial Performance

US Dollars in \$000s, except for per share data	Nine Months Ended September 30,		
	2024	2023	Change
Consolidated IEI			
Net sales	\$6,629,033	\$6,939,829	(4)%
Net sales, constant currency*			(5)%
Product net sales	\$5,364,169	\$5,803,408	(8)%
Services net sales	\$1,264,864	\$1,136,421	11%
Gross profit	\$1,326,378	\$1,233,375	8%
Gross margin	20.0%	17.8%	220 bps
Gross profit, constant currency*			7%
Product gross profit	\$570,044	\$583,688	(2)%
Services gross profit	\$756,334	\$649,687	16%
GAAP earnings from operations	\$323,910	\$287,934	12%
Adjusted earnings from operations**	\$372,959	\$343,455	9%
GAAP diluted earnings per share	\$5.53	\$5.13	8%
Adjusted diluted earnings per share**	\$7.02	\$6.72	4%

* Reference "Constant currency" section on slide 2 of this presentation

** See Appendix for reconciliation of non-GAAP measures

Consolidated IEI Financial Metrics

Three Months Ended	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24
Net Sales YoY	(11)%	(11)%	2%	(8)%	(8)%
Gross Margin	18.0%	19.5%	18.5%	21.0%	20.7%
GAAP EFO	\$91.9M	\$131.9M	\$100.0M	\$131.1M	\$92.9M
GAAP EFO YoY	2%	16%	29%	11%	1%
GAAP EFO Margin	4.1%	5.9%	4.2%	6.1%	4.4%
Adjusted EFO*	\$119.8M	\$148.7M	\$121.8M	\$131.1M	\$120.1M
Adjusted EFO* YoY	12%	16%	30%	1%	—%
Adjusted EFO* Margin	5.3%	6.6%	5.1%	6.1%	5.8%
GAAP Diluted EPS	\$1.62	\$2.42	\$1.74	\$2.27	\$1.52
GAAP Diluted EPS YoY	3%	14%	30%	5%	(6)%
Adjusted Diluted EPS*	\$2.37	\$2.98	\$2.37	\$2.46	\$2.19
Adjusted Diluted EPS* YoY	19%	18%	33%	(4)%	(8)%

Twelve Months Ended	Q2-23	Q3-23	2023	Q1-24	Q2-24	Q3-24
Net Sales YoY	(7)%	(10)%	(12)%	(9)%	(7)%	(6)%
Gross Margin	16.9%	17.5%	18.2%	18.6%	19.2%	19.9%
GAAP EFO	\$400.4M	\$402.0M	\$419.8M	\$442.3M	\$454.8M	\$455.8M
GAAP EFO YoY	4%	2%	1%	8%	14%	13%
GAAP EFO Margin	4.1%	4.3%	4.6%	4.8%	5.0%	5.1%
Adjusted EFO*	\$459.0M	\$471.7M	\$492.1M	\$519.9M	\$521.3M	\$521.6M
Adjusted EFO* YoY	7%	7%	5%	10%	14%	11%
Adjusted EFO* Margin	4.7%	5.0%	5.4%	5.6%	5.8%	5.9%
GAAP Diluted EPS	\$7.22	\$7.26	\$7.55	\$7.95	\$8.05	\$7.94
GAAP Diluted EPS YoY	1%	1%	(1)%	6%	11%	9%
Adjusted Diluted EPS*	\$8.86	\$9.25	\$9.69	\$10.28	\$10.17	\$9.99
Adjusted Diluted EPS* YoY	4%	7%	6%	13%	15%	8%

* See Appendix for reconciliation of non-GAAP measures

Services Financial Metrics

Three Months Ended	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24
Services Revenue	\$376M	\$408M	\$416M	\$435M	\$414M
Services Revenue YoY	3%	6%	17%	8%	10%
Services Gross Profit	\$216M	\$248M	\$249M	\$263M	\$245M
Insight Core Services Gross Profit	\$71M	\$69M	\$76M	\$81M	\$81M
Agent Services* Gross Profit	\$145M	\$178M	\$173M	\$182M	\$164M
Services Gross Profit YoY	16%	16%	27%	11%	13%
Insight Core Services Gross Profit YoY	20%	7%	24%	12%	14%
Agent Services* Gross Profit YoY	14%	20%	28%	11%	13%
Services Gross Margin	57%	61%	60%	60%	59%
Insight Core Services Gross Margin	31%	30%	31%	32%	32%
Agent Services* Gross Margin	100%	100%	100%	100%	100%

Twelve Months Ended	Q2-23	Q3-23	2023	Q1-24	Q2-24	Q3-24
Services Revenue	\$1,509M	\$1,520M	\$1,544M	\$1,604M	\$1,635M	\$1,673M
Services Revenue YoY	7%	5%	4%	7%	8%	10%
Services Gross Profit	\$833M	\$863M	\$897M	\$949M	\$976M	\$1,004M
Insight Core Services Gross Profit	\$257M	\$269M	\$273M	\$288M	\$297M	\$307M
Agent Services* Gross Profit	\$576M	\$594M	\$624M	\$662M	\$679M	\$697M
Services Gross Profit YoY	10%	12%	12%	16%	17%	16%
Insight Core Services Gross Profit YoY	6%	9%	8%	14%	15%	14%
Agent Services* Gross Profit YoY	12%	13%	14%	16%	18%	17%
Services Gross Margin	55%	57%	58%	59%	60%	60%
Insight Core Services Gross Margin	28%	29%	30%	31%	31%	31%
Agent Services* Gross Margin	100%	100%	100%	100%	100%	100%

* Represents agent services other than those included in Insight Core services

Note 1: Insight Core services is defined as services Insight delivers and manages

Note 2: Numbers may not foot due to immaterial rounding

GEO Financial Metrics

	Three Months Ended September 30, 2024			Nine Months Ended September 30, 2024		
	North America	EMEA	APAC	North America	EMEA	APAC
Net Sales	\$1.7B	\$312.6M	\$58.7M	\$5.4B	\$1,094.3M	\$181.0M
Net Sales YoY**	(8%)	(13%)	13%	(4%)	(8%)	5%
Gross Profit	\$348.1M	\$66.4M	\$17.6M	\$1,052.0M	\$220.6M	\$53.8M
Gross Profit YoY**	4%	9%	13%	6%	13%	12%
Gross Margin	20.3%	21.2%	30.1%	19.6%	20.2%	29.7%
Gross Margin YoY	240 bps	440 bps	10 bps	190 bps	380 bps	190 bps
GAAP EFO	\$80.8M	\$6.7M	\$5.4M	\$266.7M	\$38.9M	\$18.4M
GAAP EFO YoY**	(6%)	>100%	28%	9%	35%	23%
Adjusted EFO*	\$106.6M	\$8.1M	\$5.5M	\$312.8M	\$41.3M	\$18.9M
Adjusted EFO* YoY**	(3%)	25%	28%	7%	14%	23%

* See Appendix for reconciliation of non-GAAP measures

** In constant currency for EMEA and APAC. Reference "Constant currency" section on slide 2 of this presentation

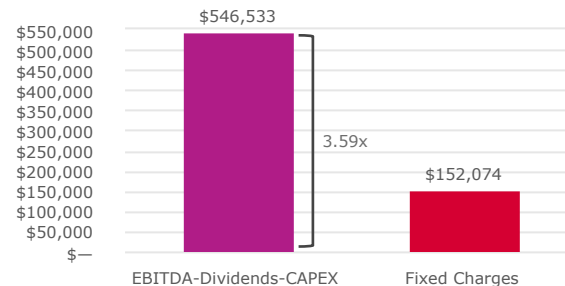
Adjusted EBITDA and Debt Covenants

US Dollars in \$000s	Twelve Months Ended September 30,	
	2024	2023
Adjusted Consolidated EBITDA:		
Net earnings	\$ 303,287	\$ 268,178
Interest expense	63,270	47,889
Taxes	99,550	90,673
Depreciation and amortization of property and equipment	28,163	25,788
Amortization of intangible assets	61,972	33,320
Gain on revaluation of earnout liabilities	(30,649)	—
Other*	34,537	36,450
Adjusted consolidated EBITDA	<u>\$ 560,130</u>	<u>\$ 502,298</u>
Net earnings as a % of net sales	3.4%	2.8%
Adjusted consolidated EBITDA margin	6.3%	5.3%
Add: Non-cash stock-based compensation	28,956	32,397
Adjusted consolidated EBITDAS	<u>589,086</u>	<u>534,695</u>
Less: Capital expenditures	(42,553)	(40,739)
Adjusted consolidated EBITDAS for FCCR Ratio	<u>\$ 546,533</u>	<u>\$ 493,956</u>
Taxes and interest**	\$ 152,074	\$ 122,445
Fixed Charge Coverage Ratio	3.6	4.0

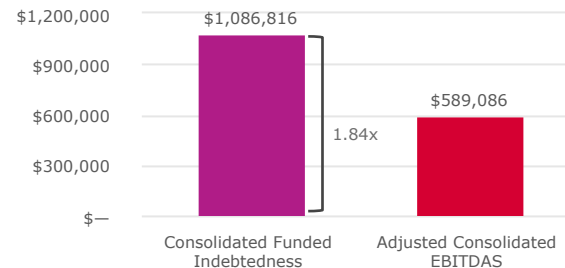
* "Other" includes (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring related expenses, (iii) transformation costs, (iv) certain acquisition and integration related expenses, and (v) certain third-party data center service outage related expenses and recoveries, as applicable

** Tax expense plus interest expense less non-cash imputed interest under the Company's inventory financing facilities

Fixed Charge Coverage



Total Leverage Ratio



Reconciliation of GAAP to Non-GAAP Financial Measures*

US Dollars in \$000s	Three Months Ended September 30,			Nine Months Ended September 30,	
	2024	2023	2022	2024	2023
Adjusted Consolidated Earnings from Operations:					
GAAP consolidated EFO	\$ 92,851	\$ 91,862	\$ 90,279	\$ 323,910	\$ 287,934
Amortization of intangible assets	18,702	8,648	8,986	50,984	25,243
Gain on revaluation of earnout liabilities	(6,442)	—	—	(30,649)	—
Other**	15,006	19,280	7,829	28,714	30,278
Adjusted non-GAAP consolidated EFO	<u>\$ 120,117</u>	<u>\$ 119,790</u>	<u>\$ 107,094</u>	<u>\$ 372,959</u>	<u>\$ 343,455</u>
GAAP EFO as a percentage of net sales	4.4%	4.1%	3.6%	4.9%	4.1%
Adjusted non-GAAP EFO as a percentage of net sales	5.8%	5.3%	4.2%	5.6%	4.9%

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

** Includes transformation costs of \$5.1 million and \$3.7 million for the three months ended September 30, 2024 and 2023, respectively, and \$13.0 million and \$14.0 million for the nine months ended September 30, 2024 and 2023, respectively. Includes certain third-party data center service outage expenses of \$8.0 million for both the three and nine months ended September 30, 2023 and related recoveries of \$3.4 million for the nine months ended September 30, 2024

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

US Dollars in \$000s, except per share data	Three Months Ended September 30,			Nine Months Ended September 30,	
	2024	2023	2022	2024	2023
Adjusted Consolidated Net Earnings:					
GAAP consolidated net earnings	\$ 58,208	\$ 60,247	\$ 57,316	\$ 212,679	\$ 190,701
Amortization of intangible assets	18,702	8,648	8,986	50,984	25,243
Gain on revaluation of earnout liabilities	(6,442)	—	—	(30,649)	—
Other**	15,006	19,280	7,829	28,714	30,278
Income taxes on non-GAAP adjustments	(8,505)	(6,496)	(4,295)	(14,678)	(13,729)
Adjusted non-GAAP consolidated net earnings	<u>\$ 76,969</u>	<u>\$ 81,679</u>	<u>\$ 69,836</u>	<u>\$ 247,050</u>	<u>\$ 232,493</u>
Adjusted Diluted Earnings Per Share:					
GAAP diluted EPS	\$ 1.52	\$ 1.62	\$ 1.58	\$ 5.53	\$ 5.13
Amortization of intangible assets	0.49	0.23	0.25	1.33	0.68
Gain on revaluation of earnout liabilities	(0.17)	—	—	(0.80)	—
Other	0.39	0.52	0.22	0.75	0.82
Income taxes on non-GAAP adjustments	(0.22)	(0.17)	(0.12)	(0.38)	(0.37)
Impact of benefit from note hedge	0.18	0.17	0.06	0.59	0.46
Adjusted non-GAAP diluted EPS	<u>\$ 2.19</u>	<u>\$ 2.37</u>	<u>\$ 1.99</u>	<u>\$ 7.02</u>	<u>\$ 6.72</u>
Shares used in diluted EPS calculation	38,331	37,203	36,340	38,445	37,149
Impact of benefit from note hedge	(3,258)	(2,774)	(1,187)	(3,269)	(2,533)
Shares used in Adjusted non-GAAP diluted EPS calculation	<u>35,073</u>	<u>34,429</u>	<u>35,153</u>	<u>35,176</u>	<u>34,616</u>

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

** Includes transformation costs of \$5.1 million and \$3.7 million for the three months ended September 30, 2024 and 2023, respectively, and \$13.0 million and \$14.0 million for the nine months ended September 30, 2024 and 2023, respectively. Includes certain third-party data center service outage expenses of \$8.0 million for both the three and nine months ended September 30, 2023 and related recoveries of \$3.4 million for the nine months ended September 30, 2024

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

US Dollars in \$000s	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Adjusted North America Earnings from Operations:				
GAAP EFO from North America segment	\$ 80,836	\$ 86,083	\$ 266,672	\$ 244,705
Amortization of intangible assets	16,823	7,718	45,557	23,269
Gain on revaluation of earnout liabilities	(4,000)	—	(24,219)	—
Other**	12,891	15,547	24,753	24,641
Adjusted non-GAAP EFO from North America segment	<u>\$ 106,550</u>	<u>\$ 109,348</u>	<u>\$ 312,763</u>	<u>\$ 292,615</u>
Adjusted EMEA Earnings from Operations:				
GAAP EFO from EMEA segment	\$ 6,665	\$ 1,681	\$ 38,862	\$ 28,229
Amortization of intangible assets	1,805	822	5,135	1,642
Gain on revaluation of earnout liabilities	(2,442)	—	(6,430)	—
Other	2,052	3,731	3,743	5,574
Adjusted non-GAAP EFO from EMEA segment	<u>\$ 8,080</u>	<u>\$ 6,234</u>	<u>\$ 41,310</u>	<u>\$ 35,445</u>
Adjusted APAC Earnings from Operations:				
GAAP EFO from APAC segment	\$ 5,350	\$ 4,098	\$ 18,376	\$ 15,000
Amortization of intangible assets	74	108	292	332
Other	63	2	218	63
Adjusted non-GAAP EFO from APAC segment	<u>\$ 5,487</u>	<u>\$ 4,208</u>	<u>\$ 18,886</u>	<u>\$ 15,395</u>

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

** Includes transformation costs of \$5.1 million and \$3.7 million for the three months ended September 30, 2024 and 2023, respectively, and \$13.0 million and \$14.0 million for the nine months ended September 30, 2024 and 2023, respectively. Includes certain third-party data center service outage expenses of \$8.0 million for both the three and nine months ended September 30, 2023 and related recoveries of \$3.4 million for the nine months ended September 30, 2024

Reconciliation of GAAP to Non-GAAP Financial Measures (continued)

US Dollars in \$000s	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Adjusted Consolidated EBITDA:				
GAAP consolidated net earnings	\$ 58,208	\$ 60,247	\$ 212,679	\$ 190,701
Interest expense	19,184	13,874	51,312	36,618
Income tax expense	16,910	19,805	67,983	64,978
Depreciation and amortization of property and equipment	7,204	6,902	21,373	19,455
Amortization of intangible assets	18,702	8,648	50,984	25,243
Gain on revaluation of earnout liabilities	(6,442)	—	(30,649)	—
Other*	15,006	19,280	28,714	30,278
Adjusted non-GAAP EBITDA	<u>\$ 128,772</u>	<u>\$ 128,756</u>	<u>\$ 402,396</u>	<u>\$ 367,273</u>
Net earnings as a % of net sales	2.8%	2.7%	3.2%	2.7%
Adjusted non-GAAP EBITDA margin	6.2%	5.7%	6.1%	5.3%

* Includes transformation costs of \$5.1 million and \$3.7 million for the three months ended September 30, 2024 and 2023, respectively, and \$13.0 million and \$14.0 million for the nine months ended September 30, 2024 and 2023, respectively. Includes certain third-party data center service outage expenses of \$8.0 million for both the three and nine months ended September 30, 2023 and related recoveries of \$3.4 million for the nine months ended September 30, 2024

Reconciliation of GAAP to Non-GAAP Financial Measures (continued)

US Dollars in \$000s	Twelve Months Ended September 30,	
	2024	2023
Adjusted Return on Invested Capital:		
GAAP consolidated EFO	\$ 455,771	\$ 401,950
Amortization of intangible assets	61,972	33,320
Gain on revaluation of earnout liabilities	(30,649)	—
Other ⁵	34,537	36,450
Adjusted non-GAAP consolidated EFO	\$ 521,631	\$ 471,720
Income tax expense ¹	135,624	122,647
Adjusted non-GAAP consolidated EFO, net of tax	\$ 386,007	\$ 349,073
Average stockholders' equity ²	\$ 1,746,223	\$ 1,605,492
Average debt ²	915,391	659,161
Average cash ²	(293,184)	(183,259)
Invested Capital	\$ 2,368,430	\$ 2,081,394
Adjusted non-GAAP ROIC (from GAAP consolidated EFO) ³	14.2%	14.3%
Adjusted non-GAAP ROIC (from non-GAAP consolidated EFO) ⁴	16.3%	16.8%

¹ Assumed tax rate of 26.0%

² Average of previous five quarters

³ Computed as GAAP consolidated EFO, net of tax of \$118,500 and \$104,507 for the twelve months ended September 30, 2024 and 2023, respectively, divided by invested capital

⁴ Computed as Adjusted non-GAAP consolidated EFO, net of tax, divided by invested capital

⁵ Includes transformation costs of \$15.6 million and \$18.1 million for the twelve months ended September 30, 2024 and 2023, respectively. Includes certain third-party data center service outage related expenses of \$8.0 million for the twelve months ended September 30, 2023 and related recoveries of \$6.4 million for the twelve months ended September 30, 2024. Includes severance and restructuring costs of \$18.8 million and \$4.4 million for the twelve months ended September 30, 2024 and 2023, respectively

Reconciliation of GAAP to Non-GAAP Financial Measures (continued)

US Dollars in \$000s	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Adjusted Consolidated Selling and Administrative Expenses:				
GAAP selling and administrative expenses	\$ 329,996	\$ 309,793	\$ 984,664	\$ 938,037
Less: Gain on revaluation of earnout liabilities	(6,442)	—	(30,649)	—
Less: Other*	24,471	20,713	61,896	48,117
Adjusted non-GAAP selling and administrative expenses	<u>\$ 311,967</u>	<u>\$ 289,080</u>	<u>\$ 953,417</u>	<u>\$ 889,920</u>
GAAP selling and administrative expenses**	15.9%	13.7%	14.9%	13.5%
Adjusted non-GAAP selling and administrative expenses**	14.9%	12.8%	14.4%	12.8%

* "Other" includes (i) amortization of intangible assets, (ii) certain executive recruitment and hiring-related expenses, (iii) transformation costs, and (v) certain third-party data center service outage related expenses and recoveries

** As a percentage of IEI net sales

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

	Twelve Months Ended September 30, 2024	
US Dollars in \$000s		
Adjusted Free Cash Flow:		
Net cash provided by operating activities	\$	623,520
Less: Purchases of property and equipment		42,553
Adjusted non-GAAP free cash flow	\$	580,967
Net cash used in investing activities	\$	(697,639)
Net cash provided by financing activities	\$	136,393
Adjusted Consolidated Net Earnings:		
GAAP consolidated net earnings	\$	303,287
Amortization of intangible assets		61,972
Gain on revaluation of earnout liabilities		(30,649)
Other		34,537
Income taxes on non-GAAP adjustments		(18,965)
Adjusted non-GAAP consolidated net earnings	\$	350,182
Net cash provided by operating activities as % net earnings		206%
Adjusted free cash flow as % of adjusted net earnings		166%

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

US Dollars in \$000s, except per share data	Three Months Ended December 31,		Three Months Ended March 31,		Three Months Ended June 30,	
	2023	2022	2024	2023	2024	2023
Adjusted Consolidated Earnings from Operations:						
GAAP consolidated EFO	\$ 131,861	\$ 114,016	\$ 99,986	\$ 77,461	\$ 131,073	\$ 118,611
Amortization of intangible assets	10,988	8,077	14,925	8,310	17,357	8,285
Change in fair value of earnout liabilities	—	—	941	—	(25,148)	—
Other	5,823	6,172	5,898	8,186	7,810	2,812
Adjusted non-GAAP consolidated EFO	<u>\$ 148,672</u>	<u>\$ 128,265</u>	<u>\$ 121,750</u>	<u>\$ 93,957</u>	<u>\$ 131,092</u>	<u>\$ 129,708</u>
GAAP EFO as a percentage of net sales	5.9%	4.6%	4.2%	3.3%	6.1%	5.0%
Adjusted non-GAAP EFO as a percentage of net sales	6.6%	5.1%	5.1%	4.0%	6.1%	5.5%
Adjusted Consolidated Net Earnings:						
GAAP consolidated net earnings	\$ 90,608	\$ 77,477	\$ 67,027	\$ 49,972	\$ 87,444	\$ 80,482
Amortization of intangible assets	10,988	8,077	14,925	8,310	17,357	8,285
Change in fair value of earnout liabilities	—	—	941	—	(25,148)	—
Other	5,823	6,172	5,898	8,186	7,810	2,812
Income taxes on non-GAAP adjustments	(4,287)	(3,533)	(5,439)	(4,201)	(734)	(3,032)
Adjusted non-GAAP consolidated net earnings	<u>\$ 103,132</u>	<u>\$ 88,193</u>	<u>\$ 83,352</u>	<u>\$ 62,267</u>	<u>\$ 86,729</u>	<u>\$ 88,547</u>
Adjusted Diluted Earnings Per Share:						
GAAP diluted EPS	\$ 2.42	\$ 2.13	\$ 1.74	\$ 1.34	\$ 2.27	\$ 2.17
Amortization of intangible assets	0.29	0.22	0.39	0.22	0.45	0.22
Change in fair value of earnout liabilities	—	—	0.02	—	(0.65)	—
Other	0.16	0.17	0.16	0.22	0.20	0.08
Income taxes on non-GAAP adjustments	(0.11)	(0.10)	(0.14)	(0.11)	(0.02)	(0.08)
Impact of benefit from note hedge	0.22	0.11	0.20	0.11	0.21	0.17
Adjusted non-GAAP diluted EPS	<u>\$ 2.98</u>	<u>\$ 2.53</u>	<u>\$ 2.37</u>	<u>\$ 1.78</u>	<u>\$ 2.46</u>	<u>\$ 2.56</u>
Shares used in diluted EPS calculation	37,513	36,336	38,435	37,207	38,567	37,039
Impact of benefit from note hedge	(2,874)	(1,459)	(3,228)	(2,310)	(3,322)	(2,516)
Shares used in Adjusted non-GAAP diluted EPS calculation	<u>34,639</u>	<u>34,877</u>	<u>35,207</u>	<u>34,897</u>	<u>35,245</u>	<u>34,523</u>

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

Insight Proprietary & Confidential. Do Not Copy or Distribute. © 2024 Insight Direct USA, Inc. All Rights Reserved.

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

US Dollars in \$000s	TTM Q2-22	TTM Q3-22	2022	TTM Q1-23	TTM Q2-23	TTM Q3-23	2023	TTM Q1-24	TTM Q2-24	TTM Q3-24
Adjusted Consolidated Earnings from Operations:										
GAAP consolidated EFO	\$ 385,973	\$ 393,101	\$ 413,700	\$ 411,312	\$ 400,367	\$ 401,950	\$ 419,795	\$ 442,320	\$ 454,782	\$ 455,771
Amortization of intangible assets	31,765	32,763	32,892	33,277	33,658	33,320	36,231	42,846	51,918	61,972
Change in fair value of earnout liabilities	—	—	—	—	—	—	—	941	(24,207)	(30,649)
Other	9,996	15,429	20,018	26,421	24,999	36,450	36,101	33,813	38,811	34,537
Adjusted non-GAAP consolidated EFO	<u>\$ 427,734</u>	<u>\$ 441,293</u>	<u>\$ 466,610</u>	<u>\$ 471,010</u>	<u>\$ 459,024</u>	<u>\$ 471,720</u>	<u>\$ 492,127</u>	<u>\$ 519,920</u>	<u>\$ 521,304</u>	<u>\$ 521,631</u>
GAAP EFO as a percentage of net sales	3.7%	3.7%	4.0%	4.1%	4.1%	4.3%	4.6%	4.8%	5.0%	5.1%
Adjusted non-GAAP EFO as a percentage of net sales	4.1%	4.2%	4.5%	4.7%	4.7%	5.0%	5.4%	5.6%	5.8%	5.9%

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

Reconciliation of GAAP to Non-GAAP Financial Measures*

(continued)

US Dollars in \$000s, except per share data	TTM Q2-22	TTM Q3-22	2022	TTM Q1-23	TTM Q2-23	TTM Q3-23	2023	TTM Q1-24	TTM Q2-24	TTM Q3-24
Adjusted Consolidated Net Earnings:										
GAAP consolidated net earnings	\$ 263,431	\$ 265,264	\$ 280,608	\$ 273,949	\$ 265,247	\$ 268,178	\$ 281,309	\$ 298,364	\$ 305,326	\$ 303,287
Amortization of intangible assets	31,765	32,763	32,892	33,277	33,658	33,320	36,231	42,846	51,918	61,972
Amortization of debt discount and issuance costs	6,128	3,079	—	—	—	—	—	—	—	—
Change in fair value of earnout liabilities	—	—	—	—	—	—	—	941	(24,207)	(30,649)
Other	9,996	15,429	20,018	26,421	24,999	36,450	36,101	33,813	38,811	34,537
Income taxes on non-GAAP adjustments	(11,843)	(12,966)	(13,306)	(15,107)	(15,061)	(17,262)	(18,016)	(19,254)	(16,956)	(18,965)
Adjusted non-GAAP consolidated net earnings	\$ 299,477	\$ 303,569	\$ 320,212	\$ 318,540	\$ 308,843	\$ 320,686	\$ 335,625	\$ 356,710	\$ 354,892	\$ 350,182
Adjusted Diluted Earnings Per Share:										
GAAP diluted EPS	\$ 7.15	\$ 7.22	\$ 7.66	\$ 7.47	\$ 7.22	\$ 7.26	\$ 7.55	\$ 7.95	\$ 8.05	\$ 7.94
Amortization of intangible assets	0.86	0.89	0.90	0.91	0.92	0.90	0.97	1.14	1.37	1.62
Amortization of debt discount and issuance costs	0.17	0.08	—	—	—	—	—	—	—	—
Change in fair value of earnout liabilities	—	—	—	—	—	—	—	0.03	(0.64)	(0.80)
Other	0.27	0.42	0.55	0.72	0.68	0.99	0.97	0.90	1.02	0.90
Income taxes on non-GAAP adjustments	(0.32)	(0.35)	(0.36)	(0.41)	(0.41)	(0.47)	(0.48)	(0.51)	(0.45)	(0.50)
Impact of benefit from note hedge	0.36	0.35	0.36	0.40	0.45	0.57	0.68	0.77	0.82	0.83
Adjusted non-GAAP diluted EPS	\$ 8.49	\$ 8.61	\$ 9.11	\$ 9.09	\$ 8.86	\$ 9.25	\$ 9.69	\$ 10.28	\$ 10.17	\$ 9.99
Shares used in diluted EPS calculation	36,855	36,753	36,620	36,676	36,731	36,946	37,241	37,548	37,930	38,212
Impact of benefit from note hedge	(1,583)	(1,501)	(1,466)	(1,624)	(1,868)	(2,264)	(2,619)	(2,848)	(3,050)	(3,171)
Shares used in Adjusted non-GAAP diluted EPS calculation	35,272	35,252	35,154	35,052	34,863	34,682	34,622	34,700	34,880	35,041

* The non-GAAP financial measures are referred to as "Adjusted". Adjusted earnings from operations, Adjusted net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, net, (ii) certain executive recruitment and hiring-related expenses, (iii) amortization of intangible assets, (iv) transformation costs, (v) certain acquisition and integration-related expenses, (vi) gains and losses from revaluation of acquisition related earnout liabilities, (vii) certain third-party data center service outage related expenses and recoveries, and (viii) the tax effects of each of these items, as applicable

Financial Results by Offering Category

US Dollars in \$000s	Q3-22	Q4-22	FY 2022	Q1-23	Q2-23	Q3-23	Q4-23	FY 2023	Q1-24	Q2-24	Q3-24
Consolidated IEI by Offering Category:											
Hardware	\$ 1,572,275	\$ 1,473,916	\$ 6,450,895	\$ 1,328,845	\$ 1,310,273	\$ 1,301,155	\$ 1,148,664	\$ 5,088,937	\$ 1,134,727	\$ 1,172,641	\$ 1,137,518
Software	596,922	645,145	2,496,892	638,800	635,336	588,999	679,316	2,542,451	829,228	553,794	536,261
Total Products	2,169,197	2,119,061	8,947,787	1,967,645	1,945,609	1,890,154	1,827,980	7,631,388	1,963,955	1,726,435	1,673,779
Agent Services	138,617	159,546	592,585	143,543	178,948	154,168	188,305	664,964	183,634	197,798	175,605
Insight Delivered Services	226,540	224,003	890,819	212,759	225,039	221,964	219,726	879,488	231,896	237,429	238,502
Total Services	365,157	383,549	1,483,404	356,302	403,987	376,132	408,031	1,544,452	415,530	435,227	414,107
Total Net Sales	\$ 2,534,354	\$ 2,502,610	\$ 10,431,191	\$ 2,323,947	\$ 2,349,596	\$ 2,266,286	\$ 2,236,011	\$ 9,175,840	\$ 2,379,485	\$ 2,161,662	\$ 2,087,886
Product Cost	\$ 1,956,679	\$ 1,911,469	\$ 8,111,252	\$ 1,772,729	\$ 1,749,448	\$ 1,697,543	\$ 1,639,458	\$ 6,859,178	\$ 1,771,584	\$ 1,536,270	\$ 1,486,271
Services Cost	178,417	170,582	683,372	159,903	166,958	159,873	160,403	647,137	166,973	172,027	169,530
Total Cost of Goods Sold	\$ 2,135,096	\$ 2,082,051	\$ 8,794,624	\$ 1,932,632	\$ 1,916,406	\$ 1,857,416	\$ 1,799,861	\$ 7,506,315	\$ 1,938,557	\$ 1,708,297	\$ 1,655,801
Product Gross Profit	\$ 212,518	\$ 207,592	\$ 836,535	\$ 194,916	\$ 196,161	\$ 192,611	\$ 188,522	\$ 772,210	\$ 192,371	\$ 190,165	\$ 187,508
Services Gross Profit	186,740	212,967	800,032	196,399	237,029	216,259	247,628	897,315	248,557	263,200	244,577
Total Gross Profit	\$ 399,258	\$ 420,559	\$ 1,636,567	\$ 391,315	\$ 433,190	\$ 408,870	\$ 436,150	\$ 1,669,525	\$ 440,928	\$ 453,365	\$ 432,085

% of Total Net Sales:											
Hardware	62%	59%	62%	57%	56%	57%	51%	55%	48%	54%	54%
Software	24%	26%	24%	27%	27%	26%	30%	28%	35%	26%	26%
Total Products	86%	85%	86%	85%	83%	83%	82%	83%	83%	80%	80%
Agent Services	5%	6%	6%	6%	8%	7%	8%	7%	8%	9%	8%
Insight Delivered Services	9%	9%	9%	9%	10%	10%	10%	10%	10%	11%	11%
Total Services	14%	15%	14%	15%	17%	17%	18%	17%	17%	20%	20%

% of Total Services Net Sales:											
Agent Services	38%	42%	40%	40%	44%	41%	46%	43%	44%	45%	42%
Insight Delivered Services	62%	58%	60%	60%	56%	59%	54%	57%	56%	55%	58%



Note: Numbers may not foot or cross foot due to immaterial rounding

Cloud Gross Profit Reconciliation

US Dollars in \$000s	Q3-22	Q4-22	FY 2022	Q1-23	Q2-23	Q3-23	Q4-23	FY 2023	Q1-24	Q2-24	Q3-24
Cloud Gross Profit Reconciliation:											
Agency Cloud Gross Profit*	\$ 75,611	\$ 85,651	\$ 315,528	\$ 84,132	\$ 105,210	\$ 89,005	\$ 121,478	\$ 399,825	\$ 106,993	\$ 129,933	\$ 122,310
Cloud Services Gross Profit**	6,827	5,238	24,465	3,639	9,536	7,392	8,412	28,979	9,703	9,013	6,218
Total Cloud Gross Profit***	<u>\$ 82,438</u>	<u>\$ 90,889</u>	<u>\$ 339,993</u>	<u>\$ 87,771</u>	<u>\$ 114,746</u>	<u>\$ 96,397</u>	<u>\$ 129,890</u>	<u>\$ 428,804</u>	<u>\$ 116,696</u>	<u>\$ 138,946</u>	<u>\$ 128,528</u>

* Reported in agent services gross profit - includes SaaS, IaaS and partner program fees

** Includes managed cloud services and certain partner cloud incentive fees and reported in Insight Core services gross profit

*** Reported in services gross profit

Convertible Senior Notes *(Illustrative example)*

- Insight Convertible Senior Notes - \$350 million principal
- Required to settle the convertible notes principal/par value in cash
- Excess required to be settled in shares resulting in dilution in GAAP reported Diluted Earnings Per Share ("DEPS")
- DEPS incremental shares for GAAP reporting purposes are not issued at the time of reporting and are a non-GAAP exclusion for the Company (up to the strike price of the warrants of \$103.12)
- The bond hedge effectively raises the potential dilution point of the convertible notes and call spread from \$68.32 up to \$103.12, as illustrated below:

NSIT stock price	Relevance of stock price	Net shares owed on Convertible Notes	Net shares received from bond hedge	Net shares owed on Warrants	GAAP additional dilution*	Non-GAAP additional dilution*
\$ 51.56	Price at issuance of Notes	—	—	—	—	—
\$ 68.32	Conversion price of Notes	—	—	—	—	—
\$ 88.82	Market trigger price	1,182,606	(1,182,606)	—	1,182,606	—
\$ 103.12	Warrants strike price	1,729,056	(1,729,056)	—	1,729,056	—
\$ 120.00	Example average quarterly stock price	2,206,493	(2,206,493)	720,658	2,927,151	720,658
\$ 140.00	Example average quarterly stock price	2,623,160	(2,623,160)	1,349,587	3,972,747	1,349,587
\$ 150.00	Example average quarterly stock price	2,789,827	(2,789,827)	1,601,158	4,390,985	1,601,158

Example calculation - net shares owed on Warrants

	Warrants issued [a]	Excess ave. share price [b]	Value of excess [c = a x b]	Dilutive shares [d = c / \$120]
\$120 average share price for quarter	5,123,160	\$ 16.88	\$ 86,478,941	720,658

*Additional shares to be included in our weighted average shares outstanding calculation for each quarter