

Insight Enterprises, Inc.

Fourth Quarter and Full Year 2021

Earnings Conference Call and Webcast

Agenda

- Disclosures

- CEO Commentary
  - Our Expertise and Services
  - 2021 Industry Accolades and Partner Recognitions
  - Primary Business Goals

- CFO Commentary
  - Fourth Quarter and Full Year 2021 Financial Highlights
  - Cashflow and Debt Covenants
  - 2022 Outlook

- Closing Comments

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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 coronavirus strain COVID-19 ("COVID-19"), our future responses to and the impact of COVID-19 on our Company, our expectations about future financial results, our expectations regarding current supply constraints, our expectations regarding backlog shipments, 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. 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 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 and earnings from operations on a consolidated basis and in North America, EMEA and APAC excluding the effects of fluctuating foreign currency exchange rates. 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.

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Well Positioned to Help Organizations



Modern Workplace

Create a productive, flexible and secure workplace.

Intelligent Edge

Gather and utilize data in the most efficient way possible to enable real-time decision-making and affect pivotal outcomes.

Data and AI

Leverage analytics and AI to transform business operations and user experiences.

Modern Apps

Create new product experiences and transform legacy applications to drive increased business value.

Cybersecurity

Mitigate risks and secure business assets.

Modern Infrastructure

Architect and modernize multicloud and networking solutions to drive business transformation.

Our services

Consulting Services

Create competitive advantage and improve operations by aligning business goals to IT and product strategies.

Professional & Lifecycle Services

Simplify supply chain and streamline costs across the global hardware and software lifecycle.

Managed Services

Eliminate business disruption and strategically align resources.

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Unified Communications with Insight Services

Expanded cloud footprint with unified communications

Unified, cost-effective connectivity for 3,500 locations

Decommissioned data center to reduce on-site footprint

Expedited project timeline

Pioneered the first instance of cloud communications as a service

Created ongoing cost savings

Improved business agility and time to market

Deep vendor and client partnership

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Global Retailer Improves Operations with Modern Application Framework

Insight Provided:

- Roadmap for deployment
- Significant pilot test phase
- Ongoing guidance
- Asset management

Insight Services:

- Consulting Services
- Professional Services
- Support Services
- Device Lifecycle Services



Greater visibility across devices

Dedicated **asset management**





Enhanced **employee engagement**

Increased **back-end automation**





Improved **operational efficiencies**

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2021 Industry Accolades

No. 360
FORTUNE 500

FORTUNE WORLD'S MOST ADMIRED COMPANIES® 2021

THE ORG

Most Gender Diverse Executive Teams in Technology for 2021

THE BEST EMPLOYERS FOR DIVERSITY | Forbes 2021

Forbes | 2020 WORLD'S BEST EMPLOYERS
POWERED BY STATISTA

Forbes AMERICA'S BEST EMPLOYERS FOR VETERANS 2020

BEST PLACES TO WORK
CORPORATE EQUALITY INDEX | 2021

INSIGHT LEADERSHIP RECOGNITIONS

Glynis Bryan
Phoenix Business Journal
2021 Most Admired Leaders

Jeff Shumway
ArizonaCIO
Global CIO of the Year

John Dathan
GDS Group CIO Summit
Tech Leader of the Year

Samuel C. Cowley
AZ Business Magazine
General Counsel of the Year

Great Place To Work.
Certified
AUG 2021-AUG 2022
USA

U.S. Best Places to Work

- No. 1 | Inland Northwest
- No. 4 | Columbus CEO Magazine
- No. 5 | Phoenix Business Journal
- No. 7 | Triangle Business Journal
- No. 46 | Chicago Tribune
- No. 58 | Best Workplaces in Texas

International Best Places to Work

- No. 3 | UK Best Workplaces 2021
- No. 10 | UK Best Workplaces in Tech 2021
- No. 12 | UK Best Places for Women 2021
- No. 15 | Australia Best Places to Work 2021
- No. 2 | Austria Best Places to Work 2020
- No. 2 | Italy Best Places to Work 2021
- UK Excellence in Wellbeing 2020-2021
- No. 3 | Singapore Best Places in Tech 2021
- No. 6 | Singapore Best Workplaces 2021
- New Zealand: Great Place to Work certified
- Montreal Top Employers 2021
- Achievers 50 Most Engaged Workplaces: Elite 8

Great Place To Work. Europe's Best Workplaces 2021

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2021 Partner Recognitions

Migration to Azure Partner of the Year

Solution Assessments Partner of the Year

Surface & M365 Solution Selling Partner of the Year

Microsoft US Partner Award in Modernizing Applications

Microsoft Security 20/20 Partner of the Year

1. Microsoft Azure Security Deployment
2. Microsoft Security GTM (finalist)
3. Microsoft 365 Security Deployment (finalist)

Microsoft Canada Impact Awards

1. Co-sell Impact Award
2. National Large Solution Provider
3. Tech Intensity Impact Award

Excellence in Growth Partner of the Year

Americas Investment Partner of the Year

Public Sector – Federal Rising Star

Global Finance Partner of the Year

U.S. Innovation Partner of the Year

Software Partner of the Year

Keystone and SLED Partner of the Year

North America Commercial Partner of the Year

Top National Business Partner of the Year

North America Partner Value Award

Positioned in Gartner Magic Quadrant for Managed Workplace Services, NA (5th year) and Gartner Magic Quadrant for SAM Managed Services, NA

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Primary Business Goals



Earn Client Loyalty

Be client obsessed and deliver exceptional client outcomes.



Drive Profitable Growth

Deliver high value solutions supported by operational excellence and integrated global systems.



Lead with Services & Solutions

Deliver differentiated client outcomes leveraging our six areas of technical expertise, solutions skills and partner relationships.



Champion People, Leadership and Culture

Create growth opportunities, invest in teammates, and live our values of Hunger, Heart and Harmony to be an employer of choice.

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CFO Commentary

- Fourth Quarter and Full Year 2021 Financial Highlights
- Cashflow and Debt Covenants
- 2022 Outlook



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Fourth Quarter 2021 Highlights

- Net Sales of $2.6 billion
- Gross profit of $385 million
- Gross margin 15.0%
- SG&A up 13% in US dollars, up 12% year over year in constant currency
  - **11.3% - *GAAP SG&A as a percent of net sales***
  - **11.0% - *Adjusted SG&A as a percent of net sales****
- GAAP EFO of $93 million
- Adjusted EFO* of $103 million
- GAAP Diluted Earnings Per share $1.69
- Adjusted Diluted Earnings Per Share* of $2.03

* See Appendix for reconciliation of non-GAAP measures

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Full Year 2021 Highlights

- Net Sales of $9.4 billion
- Gross profit of $1.4 billion
  - Services gross profit 49% of consolidated gross profit
  - Cloud gross profit up 21% from last year
    - SaaS and Infrastructure-as-a-service, combined gross profit growth of 35%
- Gross margin 15.3%
- SG&A up 10% in US dollars, up 7% year over year in constant currency
  - **11.8% - *GAAP SG&A as a percent of net sales***
  - **11.5% - *Adjusted SG&A as a percent of net sales****
- GAAP EFO of $332 million
- Adjusted EFO* of $362 million
- GAAP Diluted Earnings Per share $5.95
- Adjusted Diluted Earnings Per Share* of $7.10

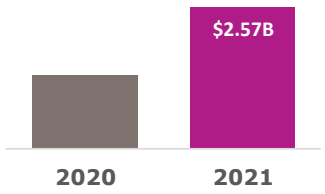
* See Appendix for reconciliation of non-GAAP measures

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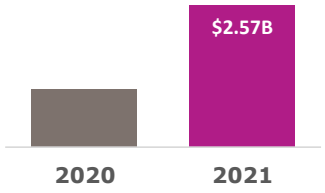
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Q4 2021 Year over Year Results

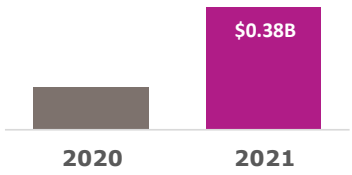
Net Sales
+12% YoY



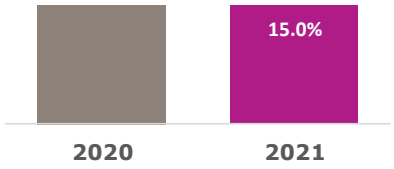
Net Sales
+12% YoY *(in constant $**)*



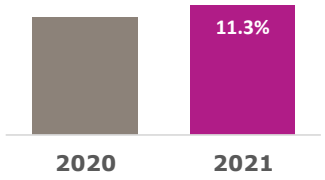
Gross Profit
+12% YoY



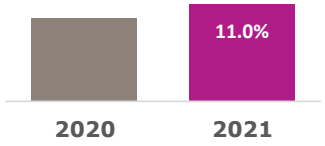
Gross Margin
Flat YoY



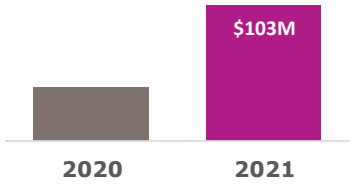
SG&A % of Net Sales
+10 bps YoY



Adj SG&A % of Net Sales*
+10 bps YoY

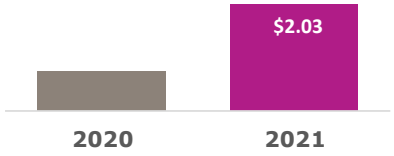


Adj EFO*
+12% YoY



GAAP Earnings from operations $93M

Adj Diluted EPS*
+15% YoY



GAAP Diluted EPS $1.69

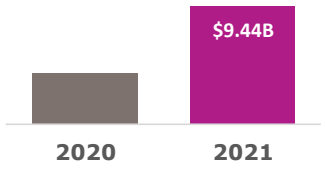
* See Appendix for reconciliation of non-GAAP measures
** Reference "Constant currency" section on slide 3 of this presentation

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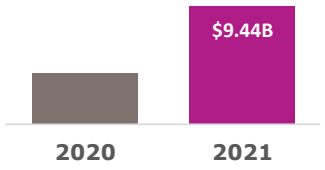
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FY 2021 Year over Year Results

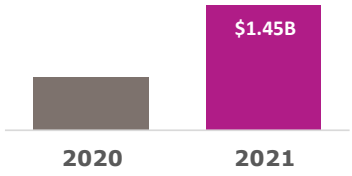
Net Sales
+13% YoY



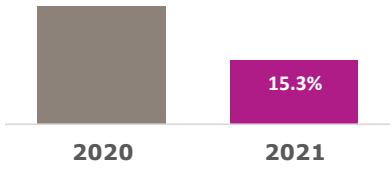
Net Sales
+13% YoY *(in constant $**)*



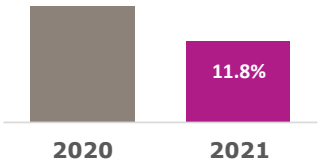
Gross Profit
+11% YoY



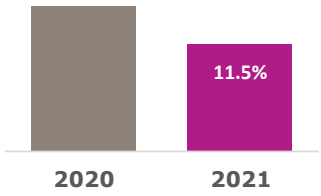
Gross Margin
-30 bps YoY



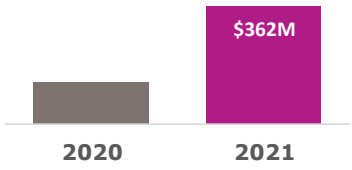
SG&A % of Net Sales
-30 bps YoY



Adj SG&A % of Net Sales*
-20 bps YoY

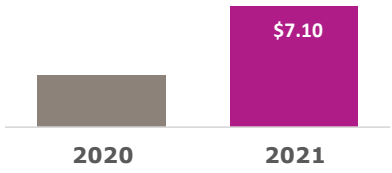


Adj EFO*
+12% YoY



GAAP Earnings from operations $332M

Adj Diluted EPS*
+15% YoY



GAAP Diluted EPS $5.95

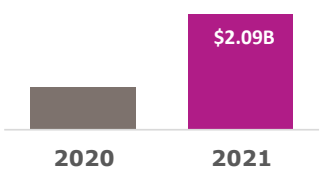
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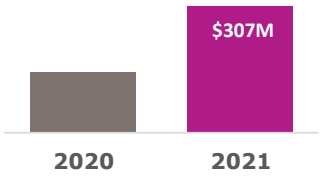
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Q4 2021 North America | Financial Results

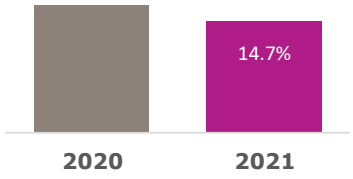
Net Sales
+13% YoY



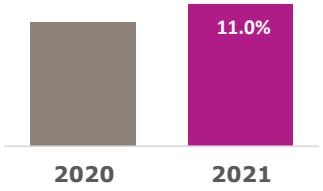
Gross Profit
+13% YoY



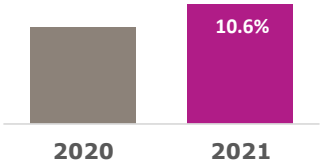
Gross Margin
-10 bps YoY



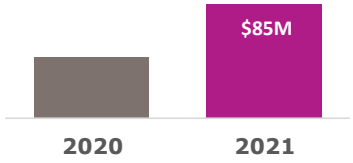
SG&A % of Net Sales
+10 bps YoY



Adj SG&A % of Net Sales*
+10 bps YoY

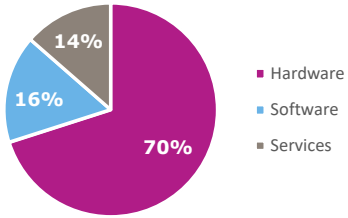


Adj EFO*
+9% YoY



GAAP Earnings from operations $77M

Sales Mix

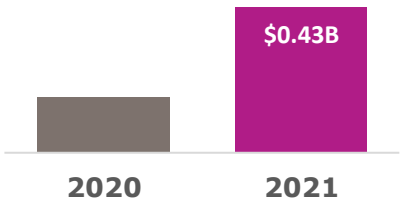


* See Appendix for reconciliation of non-GAAP measures

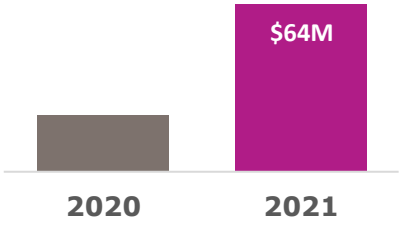
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Q4 2021 EMEA | Financial Results

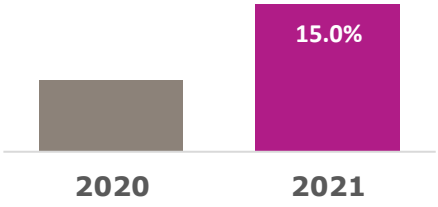
Net Sales
+7% YoY *(in constant $**)*



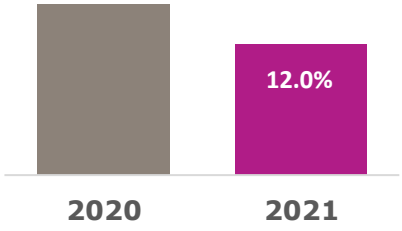
Gross Profit
+10% YoY *(in constant $**)*



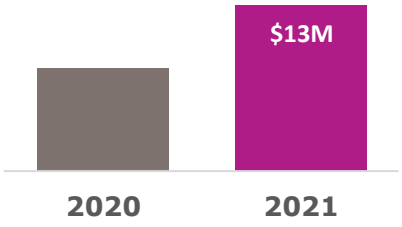
Gross Margin
+40 bps YoY



SG&A % of Net Sales
-10 bps YoY

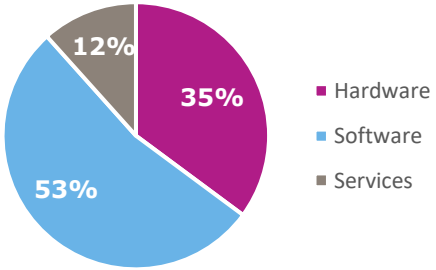


Adj EFO*
+27% YoY *(in constant $**)*



GAAP Earnings from Operations $13M

Sales Mix



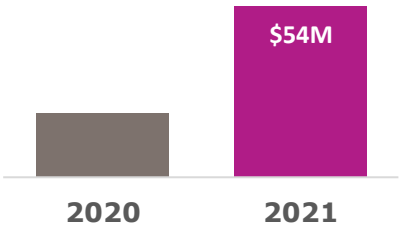
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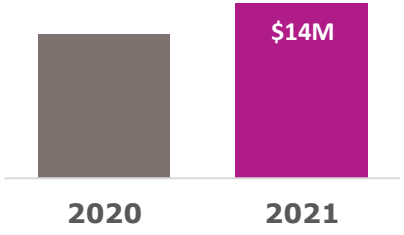
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Q4 2021 APAC | Financial Results

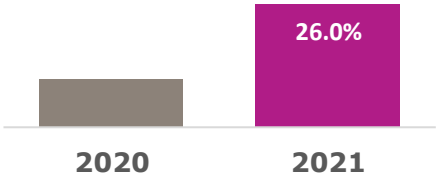
Net Sales
+19% YoY *(in constant $**)*



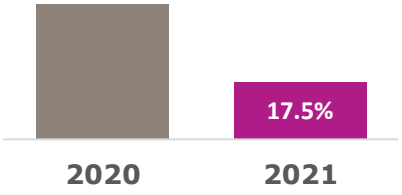
Gross Profit
+22% YoY *(in constant $**)*



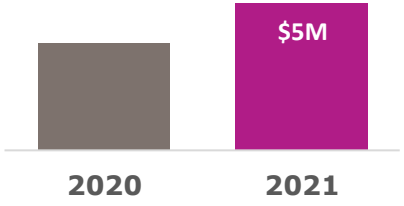
Gross Margin
+50 bps YoY



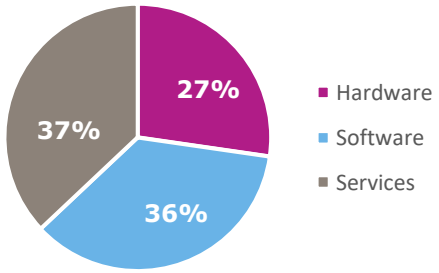
SG&A % of Net Sales
-70 bps YoY



Adj EFO*
+37% YoY *(in constant $**)*



Sales Mix



GAAP Earnings from Operations $4M

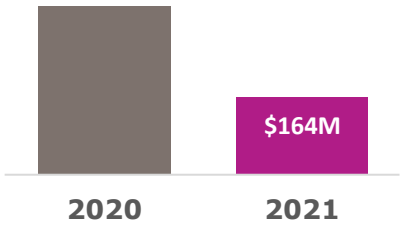
* See Appendix for reconciliation of non-GAAP measures
** Reference "Constant currency" section on slide 3 of this presentation

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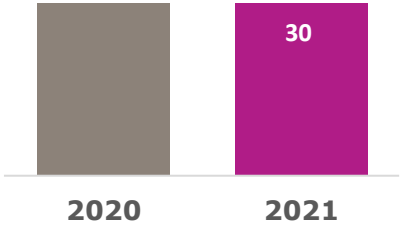
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Q4 2021 | Cash Flows and Cash Cycle

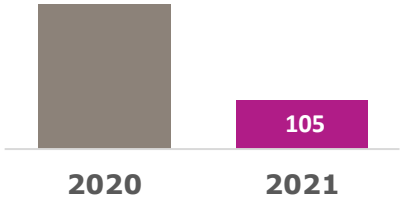
Net cash from operations



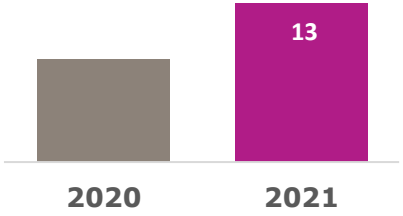
Cash Conversion Cycle
0 days YoY



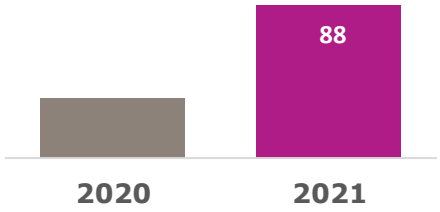
Days sales outstanding
-3 days YoY



Days inventory outstanding
+5 days YoY



Days purchases outstanding
+2 days YoY



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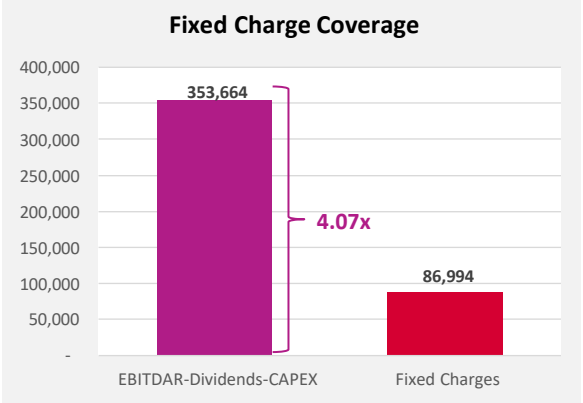
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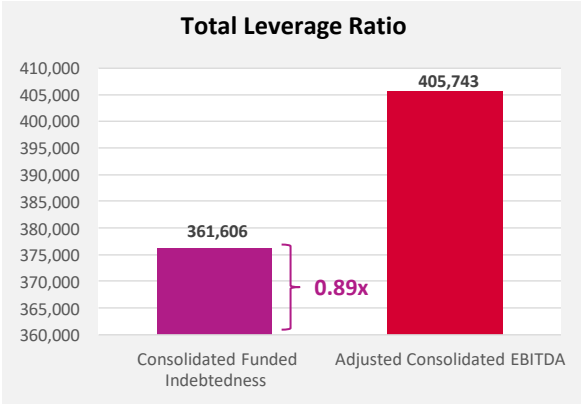
Liquidity and Debt Covenants

US Dollar in $000s	Twelve Months Ended Dec 31, 2021	2020
Adjusted Consolidated EBITDA:		
Net Income	$ 219,345	$ 172,640
Interest Expense	41,198	41,913
Taxes	73,212	55,812
Depreciation and amortization of property and equipment	23,376	28,025
Amortization of intangible assets	32,045	37,535
Non-cash stock-based compensation	18,201	17,727
Other*	(1,634)	13,278
Adjusted Consolidated EBITDA	$ 405,743	$ 366,930
Less Capital Expenditures	(52,079)	$ (24,184)
Adjusted Consolidated EBITDA for FCCR Ratio	$ 353,664	$ 342,746
Taxes and interest **	$ 86,994	$ 73,065
Fixed Charge Coverage Ratio	4.1	4.7

* "Other" includes (i) severance and restructuring expenses, net, (ii) acquisition and integration related expenses, and (iii) impairment of property and equipment, as applicable.

** Tax Expense plus Interest Expense less non-cash imputed interest under the Company's inventory financing facilities and the Company's convertible notes.





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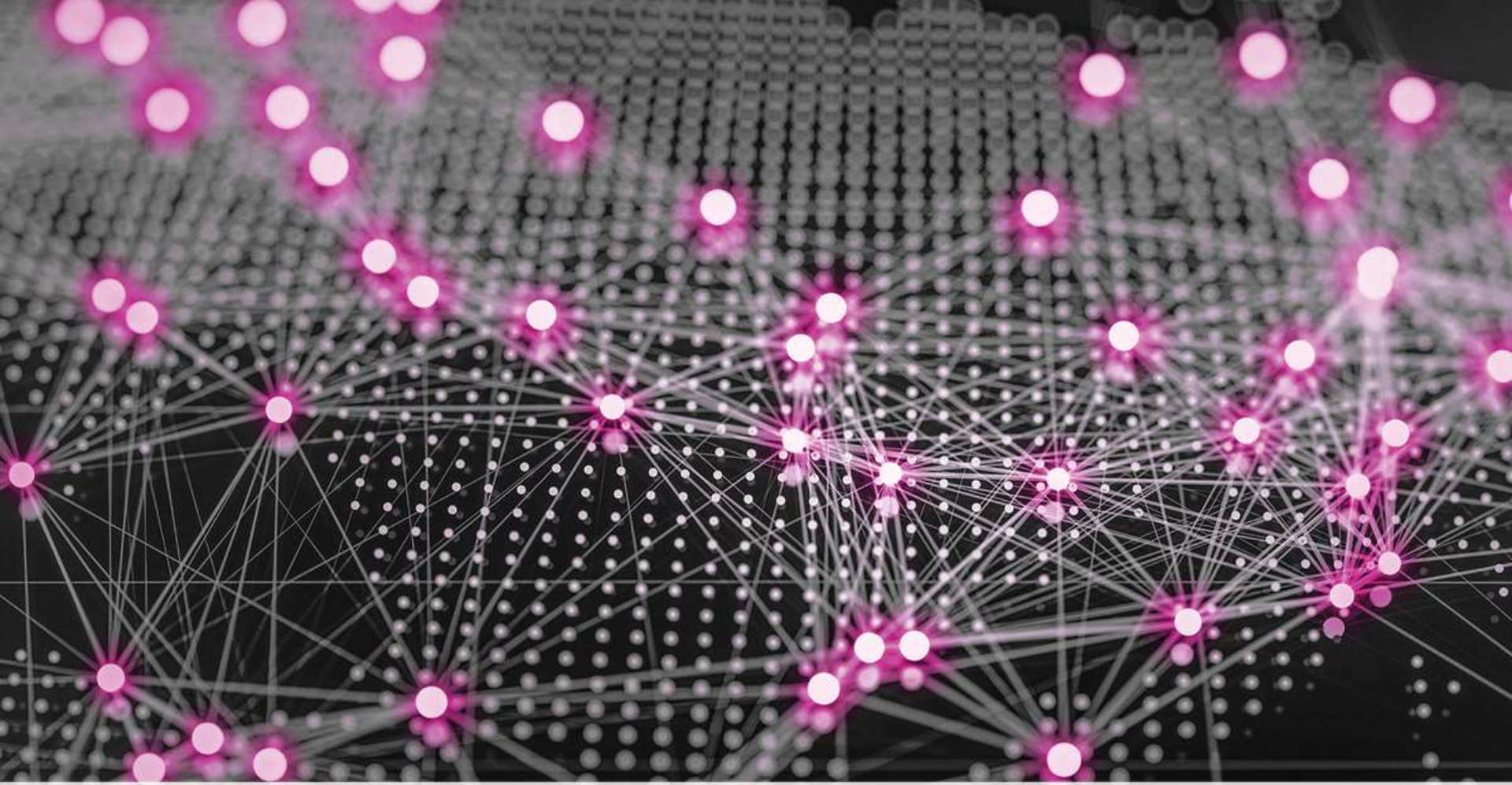
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Full Year 2022 Outlook

- Adjusted diluted earnings per share* is expected to be between $7.65 and $7.85 per share for the full year 2022
- 2022 net sales expected to grow mid-single digits over prior year
- Assumptions:
  - Interest expense between $30 and $35 million
  - Effective tax rate of 25% to 26% for the full year 2022
  - Capital expenditures of $75 to $80 million, including final completion of our new corporate headquarters
  - Average share count for the full year of 35.6 million shares
- Exclusions:
  - Acquisition related intangibles amortization expense of approximately $31 million (posted on website)
  - Acquisition-related or severance and restructuring expenses

* Adjusted diluted earnings per share excludes severance and restructuring expense 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 and diluted earnings per share, the Company is unable to reasonably estimate the impact of such expenses, if any, to net earnings and diluted earnings per share. Accordingly, the Company is unable to provide a reconciliation of GAAP to non-GAAP diluted earnings per share for the full year 2022 forecast.

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Appendix

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Appendix – Reconciliation of GAAP to Non-GAAP Financial Measures*

US Dollar in $000s, except per share data	Three Months Ended Dec 31, 2021	Three Months Ended Dec 31, 2020	Twelve Months Ended Dec 31, 2021	Twelve Months Ended Dec 31, 2020
Adjusted Consolidated Earnings from Operations:				
GAAP consolidated EFO	$ 93,417	$ 83,042	$ 332,061	$ 271,575
Amortization of intangible assets	7,948	7,980	32,045	37,535
Other	1,583	1,121	(1,634)	13,278
Adjusted non-GAAP consolidated EFO	$ 102,948	$ 92,143	$ 362,472	$ 322,388
Adjusted Consolidated Net Earnings:				
GAAP consolidated net earnings	$ 62,133	$ 53,388	$ 219,345	$ 172,640
Amortization of intangible assets	7,948	7,980	32,045	37,535
Amortization of debt discount and issuance costs	3,079	2,949	12,124	11,585
Other	1,583	1,121	(1,634)	13,278
Income taxes on non-GAAP adjustments	(3,209)	(3,021)	(10,325)	(15,583)
Adjusted non-GAAP consolidated net earnings	$ 71,534	$ 62,417	$ 251,555	$ 219,455
Adjusted Diluted EPS:				
GAAP diluted EPS	$1.69	$ 1.50	$ 5.95	$ 4.87
Amortization of intangible assets	0.22	0.23	0.87	1.06
Amortization of debt discount and issuance costs	0.08	0.08	0.33	0.33
Other	0.04	0.03	(0.04)	0.37
Income taxes on non-GAAP adjustments	(0.09)	(0.08)	(0.28)	(0.44)
Impact of benefit from note hedge	0.09	—	0.27	—
Adjusted non-GAAP diluted EPS	$ 2.03	$ 1.76	$ 7.10	$ 6.19
Shares used in diluted EPS calculation	36,871	35,523	36,863	35,444
Impact of benefit from note hedge	(1,604)	—	(1,453)	—
Shares used in Adjusted non-GAAP diluted EPS calculation	35,267	35,523	35,410	35,444

* Adjusted consolidated earnings from operations, Adjusted consolidated net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, (ii) certain acquisition and integration related expenses, (iii) amortization of intangible assets, and (iv) the tax effects of each of these items, as applicable. Adjusted consolidated net earnings and Adjusted diluted earnings per share also exclude amortization of debt discount and issuance costs associated with the issuance of the Company's convertible senior notes due 2025.

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Appendix – Reconciliation of GAAP to Non-GAAP Financial Measures* (continued)

US Dollar in $000s	Three Months Ended Dec 31, 2021	Three Months Ended Dec 31, 2020	Twelve Months Ended Dec 31, 2021	Twelve Months Ended Dec 31, 2020
Adjusted North America Earnings from Operations:				
GAAP EFO from North America segment	$ 76,504	$ 70,545	$ 268,813	$ 219,198
Amortization of intangible assets	7,347	7,396	29,576	34,990
Other	1,232	163	(3,129)	9,953
Adjusted non-GAAP EFO from North America segment	$ 85,083	$ 78,104	$ 295,260	$ 264,141
Adjusted EMEA Earnings from Operations:				
GAAP EFO from EMEA segment	$ 12,508	$ 9,295	$ 46,918	$ 40,368
Amortization of intangible assets	480	463	1,971	2,088
Other	193	871	1,328	3,193
Adjusted non-GAAP EFO from EMEA segment	$ 13,181	$ 10,629	$ 50,217	$ 45,649
Adjusted APAC Earnings from Operations:				
GAAP EFO from APAC segment	$ 4,405	$ 3,202	$ 16,330	$ 12,009
Amortization of intangible assets	121	121	498	457
Other	158	87	167	132
Adjusted non-GAAP EFO from APAC segment	$ 4,684	$ 3,410	$ 16,995	$ 12,598

* Adjusted consolidated earnings from operations, Adjusted consolidated net earnings and Adjusted diluted earnings per share exclude (i) severance and restructuring expenses, (ii) certain acquisition and integration related expenses, (iii) amortization of intangible assets, and (iv) the tax effects of each of these items, as applicable.

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

US Dollar in $000s	Twelve Months Ended Dec 31, 2021	2020
Return on invested capital:		
GAAP consolidated EFO	$ 332,061	$ 271,575
Other	(1,634)	13,278
Adjusted non-GAAP consolidated EFO*	330,427	284,853
Income tax expense**	85,911	74,062
Adjusted non-GAAP consolidated EFO, net of tax	$ 244,516	$ 210,791
Average stockholders' equity***	$ 1,417,114	$ 1,224,713
Average debt***	445,792	556,581
Average cash***	(117,214)	(106,949)
Invested Capital	$ 1,745,692	$ 1,674,345
ROIC (from GAAP consolidated EFO)****	14.08%	12.00%
ROIC (from Adjusted non-GAAP consolidated EFO)*****	14.01%	12.59%

* The adjusted non-GAAP consolidated EFO amount used for the Adjusted non-GAAP ROIC calculation does not exclude amortization of intangible assets. This calculation remains consistent with the metric utilized in management's compensation plan.
** Assumed tax rate of 26.0%.
*** Average of previous five quarters.
**** Computed as GAAP consolidated EFO, net of tax of $86,336 and $70,610 for the twelve months ended December 31, 2021, and 2020, respectively, divided by invested capital.
***** Computed as Adjusted non-GAAP consolidated EFO, net of tax, divided by invested capital.

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

US Dollar in $000s	Three Months Ended Dec 31, 2021	2020
Adjusted Consolidated Selling and Administrative Expenses:		
GAAP selling and administrative expenses	$ 289,855	$ 257,167
Less: Amorization of intangible assets	(7,948)	(7,980)
Adjusted non-GAAP selling and administrative expenses	281,907	249,187
GAAP selling and administrative expenses	11.3%	11.2%
Adjusted non-GAAP selling and administrative expenses	11.0%	10.9%

US Dollar in $000s	Twelve Months Ended Dec 31, 2021	2020
Adjusted Consolidated Selling and Administrative Expenses:		
GAAP selling and administrative expenses	$ 1,117,130	$ 1,013,765
Less: Amorization of intangible assets	(32,045)	(37,535)
Adjusted non-GAAP selling and administrative expenses	1,085,085	976,230
GAAP selling and administrative expenses	11.8%	12.1%
Adjusted non-GAAP selling and administrative expenses	11.5%	11.7%

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

US Dollar in $000s	Three Months Ended Dec 31, 2021	2020
Adjusted North America Selling and Administrative Expenses:		
GAAP selling and administrative expenses	$ 229,346	$ 200,364
Less: Amorization of intangible assets	(7,347)	(7,396)
Adjusted non-GAAP selling and administrative expenses	221,999	192,968
GAAP selling and administrative expenses	11.0%	10.9%
Adjusted non-GAAP selling and administrative expenses	10.6%	10.5%

US Dollar in $000s	Twelve Months Ended Dec 31, 2021	2020
Adjusted North America Selling and Administrative Expenses:		
GAAP selling and administrative expenses	$ 869,766	$ 790,913
Less: Amorization of intangible assets	(29,576)	(34,990)
Adjusted non-GAAP selling and administrative expenses	840,190	755,923
GAAP selling and administrative expenses	11.6%	12.0%
Adjusted non-GAAP selling and administrative expenses	11.2%	11.4%

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Appendix - Convertible Senior Notes

Insight's policy elected for settlement of the convertible notes is principal/par value in cash with the excess being settled in shares resulting in dilution in GAAP reported Diluted Earnings Per Share ("DEPS"). The 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 note and call spread from $68.32 up to $103.12, as illustrated below:

Diluted Earnings Per Share (DEPS) incremental number of shares* for various NSIT stock price examples:

NSIT 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	-	-	-	-	-
$ 68.32	-	-	-	-	-
$ 80.00	747,951	(747,951)	-	747,951	-
$ 85.70	1,038,835	(1,038,835)	-	1,038,835	-
$ 103.12	1,728,847	(1,728,847)	-	1,728,847	-
$ 110.00	1,941,133	(1,941,133)	212,286	2,153,418	212,286
$ 115.00	2,079,473	(2,079,473)	350,626	2,430,098	350,626

Balance sheet classification impacts of Sales price conversion trigger being met**:

NSIT Stock price *	Non current debt	Equity (APIC)	Current debt	Temporary equity
$ 51.56	308,500	46,431	-	-
$ 68.32	308,500	46,431	-	-
$ 80.00	308,500	46,431	-	-
$ 88.82	-	-	308,500	46,431
$ 110.00	-	-	308,500	46,431
$ 115.00	-	-	308,500	46,431

* NSIT assumed stock price for 20 out of last 30 trading days in the period
** The Balance Sheet impacts only apply post adoption of ASU 2020-06 on January 1, 2022.

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Appendix - Convertible Senior Notes

Insight Convertible Senior Notes - $350 Million

Relevant NSIT stock prices:

- Price at issuance - $51.56
- Conversion ratio price equivalent - $68.32 ← Triggered potential additional shares in GAAP DEPS*
- Sales price conversion trigger - $88.82
- Bond hedge strike price - $68.32
- Warrants strike price - $103.12 ← Potential dilution to existing shareholders**
- Assumed accreted value - $308.5 Million

* No automatic redemption trigger, expect convertible notes will remain outstanding for foreseeable future. GAAP diluted earnings per share (DEPS) are for reporting purposes only, no incremental shares were actually issued.

** Principal amount would be settled in cash and only premium above $103.12 would result in actual shares being issues

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