

Insight Enterprises, Inc

Company Overview

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 statements about future 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 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.

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Global Intelligent Technology Solutions™ provider that helps businesses run *smarter.*

We architect, design, implement and manage IT Solutions that enable digital readiness and drive business outcomes.

Culture and Leadership is our Foundation

Hunger

We're driven by a deep curiosity — to learn, to explore and to grow. Where others assume, we question, and where others stop, we're just getting started.

Heart

We don't think of ourselves as individuals but as teammates. We take care of each other, our clients and our communities. We believe in what we can collectively achieve.

Harmony

We're different in skill sets, perspectives and backgrounds but united by a common goal. We welcome uniqueness and all points of view as we work together to make transformation happen.

Create clarity.

Inspire people.

Demonstrate thought leadership.

Deliver results.

Track Record of Innovation

1980s through mid 2000s	Mid 2000s - 2016	2017 and Beyond
Reseller	IT services	Global Intelligent Technology Solutions Provider
Innovation Focus Areas	**Innovation Focus Areas**	**Innovation Focus Areas**
GEO Footprint Expansion	Advanced Networking Solutions	Modern Workforce Solutions
Hardware Lifecycle Services	Enterprise Software Integration Services	Data Center and Cloud Services and Solutions
Distribution and Integration Labs	GEO and Category Expansion	Digital Innovation Solutions
Software Licensing Solutions	Entry to Cloud and Digital Solutions	Expanded Delivery of Solutions and Services into Mid-Market



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Insight at a Glance *(Pre PCM)*

Profile

30+ years
Evolving in dynamic industry

190 Countries where clients are served

No. 430
2019 Fortune 500

Results

$7.1 Billion
2018 Net Sales
7% 5 YR CAGR

$237 Million
2018 Adjusted EFO*
12% 5 YR CAGR

$4.63
2018 Adjusted Diluted EPS* **20%** 5 YR CAGR

Services

15%
2018 Services Sales 5 YR CAGR

46%
2018 Services GP to Total GP

18%
2018 Cloud GP to Total GP

Talent

> 7,600
Teammates Worldwide

> 5,500
Client-facing Teammates

> 3,000
Technical Resources

All Financial Metrics through 12/31/2018 and exclude PCM

* Adjusted Non-GAAP measure excludes severance and restructuring expense and other unique items. See Non-GAAP information section in the Appendix of this presentation.

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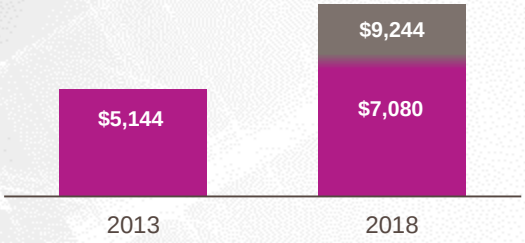
Insight + PCM | Strategic and Powerful Combination

- Expands Insight's position in the **mid-market**
- Access to a large base of **new clients**
- Extends Insight's **geographic footprint**
- Adds substantial **sales and technical resources**
- **Strengthens** our position with our key partners
- Adds more than $200M in services net sales
- Significant **earnings accretion** through cost synergies
- Expected run-rate **cost synergies of $70 million** by the end of 2021

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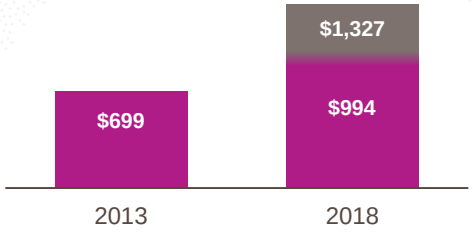
Insight + PCM | Global Scale, Skills and Solutions Drive Value*

Net Sales ($M)*



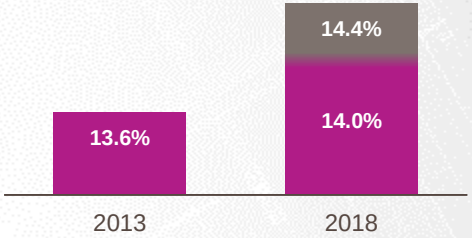
> 11,000
Teammates Worldwide

Gross Profit ($M)*



> 8,000
Client-facing Teammates

Gross Margin*



> 4,500
Technical Resources

* Proforma to includes PCM for Fiscal year ended December 31, 2018

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PCM Integration Timeline



- System integration plan
- Leadership team
- Client / partner/ teammate communications

- Brand migration
- Team alignment
- Market engagement

- IT systems onboard
- Common service delivery platforms
- Ecommerce integration
- Real Estate consolidation

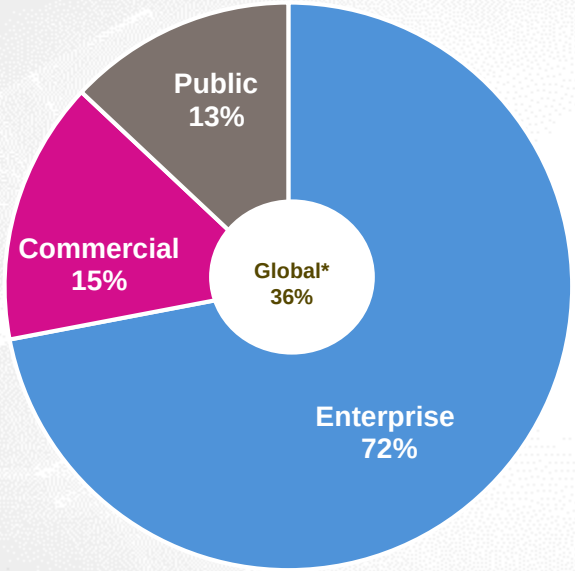
- Integration complete
- $70 million of expected run rate cost synergies by 2021

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Diverse, Loyal Base Presents Long-Term Growth Opportunity

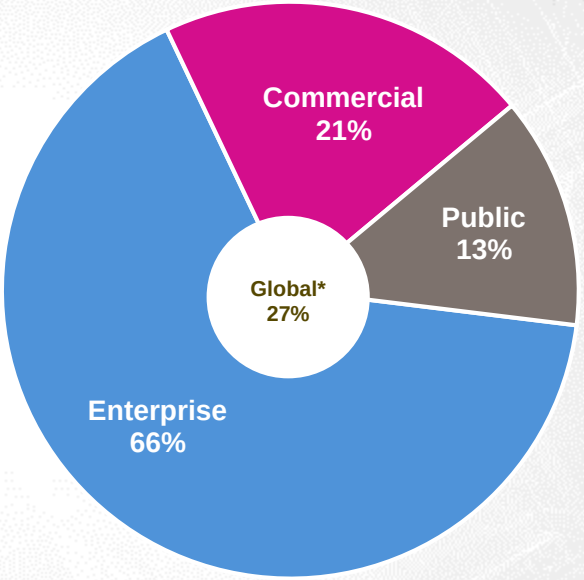
✓ **Deep, Long-standing Client Relationships**

2018 Insight Sales Mix | Clients



✓ **Opportunity to Accelerate Growth in Commercial Market**

2018 Proforma With PCM

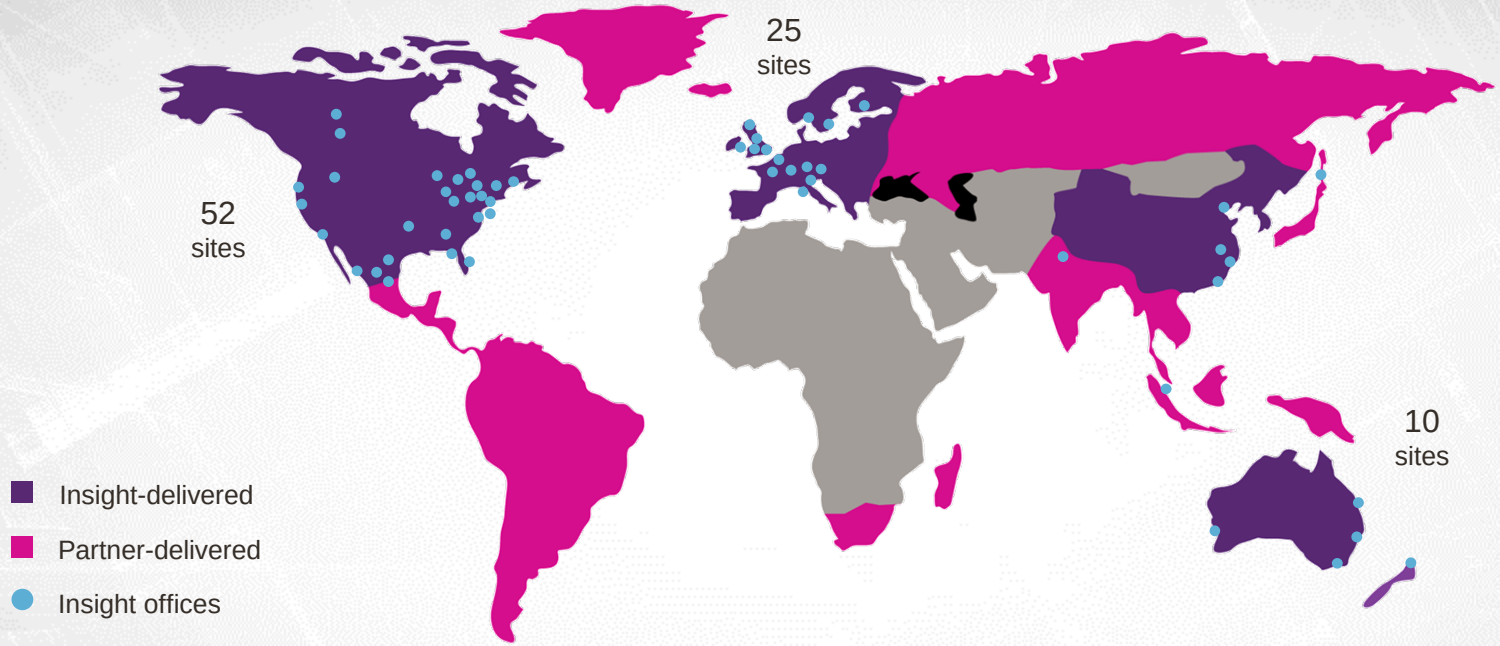


* Global represents a subset of clients, primarily Enterprise, doing business with Insight across multiple geographies

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Global Scale / Reach Sets us Apart

Insight Footprint represents ~ 70% of Global IT Spending

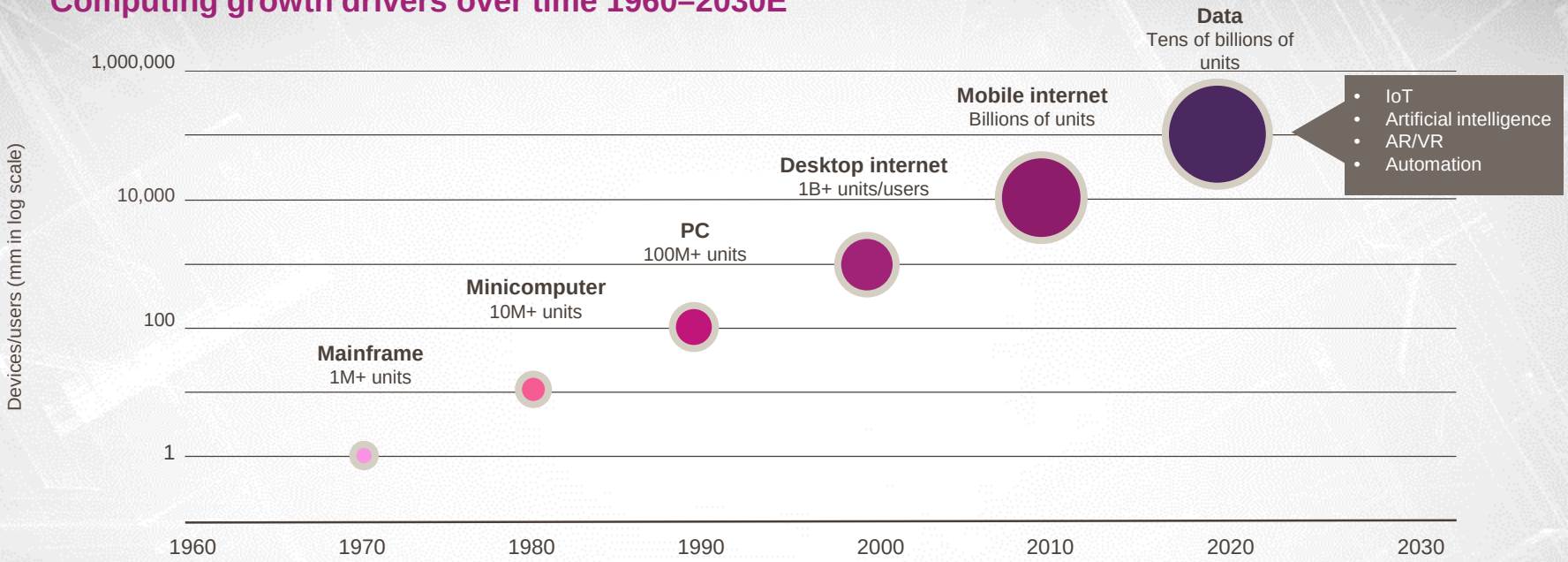


21 Countries | Multi-Currency and Multi-Lingual Support

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Entering the Next Computing Cycle; Centered on Data

Computing growth drivers over time 1960–2030E

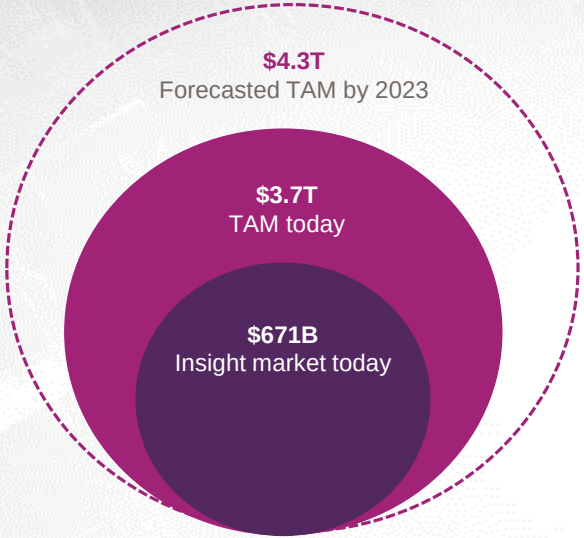


Source: 2018 Morgan Stanley Research

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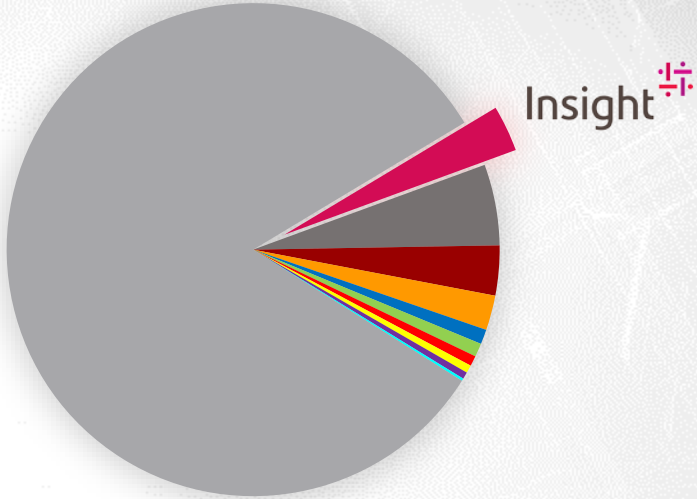
Market Backdrop Provides Opportunity for Growth

Expanding IT Market[1]



Worldwide Indirect IT Spend 2018-2023 CAGR 4.8% [2]

Insight's Market Share of Worldwide Solution Providers[3]

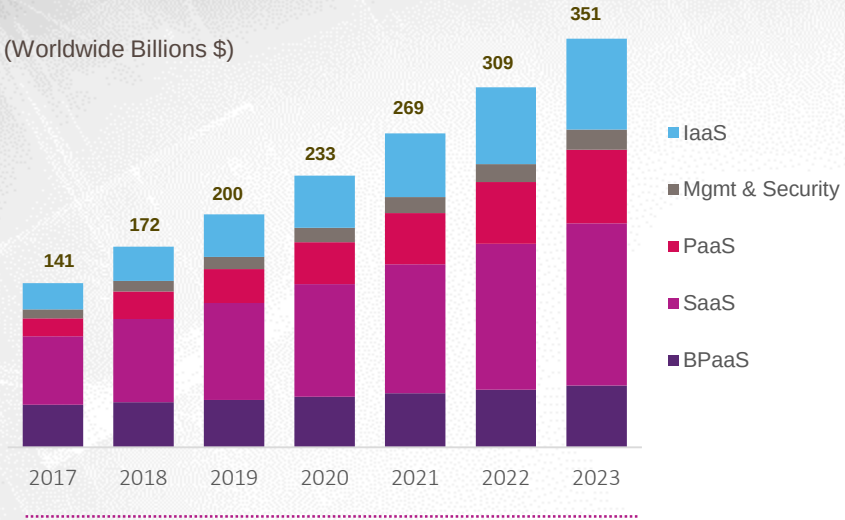


1. Gartner Market Databook, 3Q19 Update (September 2019)
2. Insight's 2019 Internal analysis of Worldwide Market-Indirect Spend
3. 2019 Solution Provider 500 List, company reports and Insight internal analysis. Includes results of NSIT, CDW, Connection, ePlus, Perficient, Presidio, SHI, Softchoice, Software One and Zones

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Gartner | Cloud Market Trends

Public Cloud Market Growth[1]

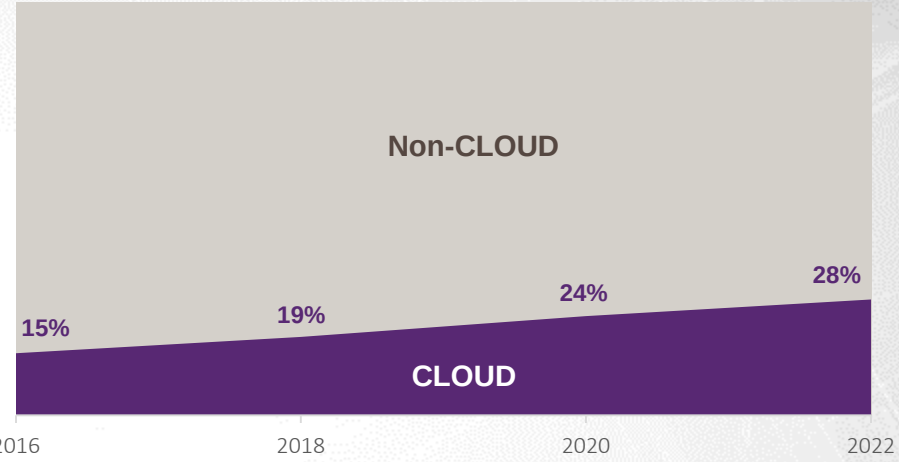


2017 – 2023 CAGR

IaaS 23% PaaS 27% SaaS 15%

Cloud Shift Proportion by Cloud Shift Category[2]

(cloud and non-cloud)



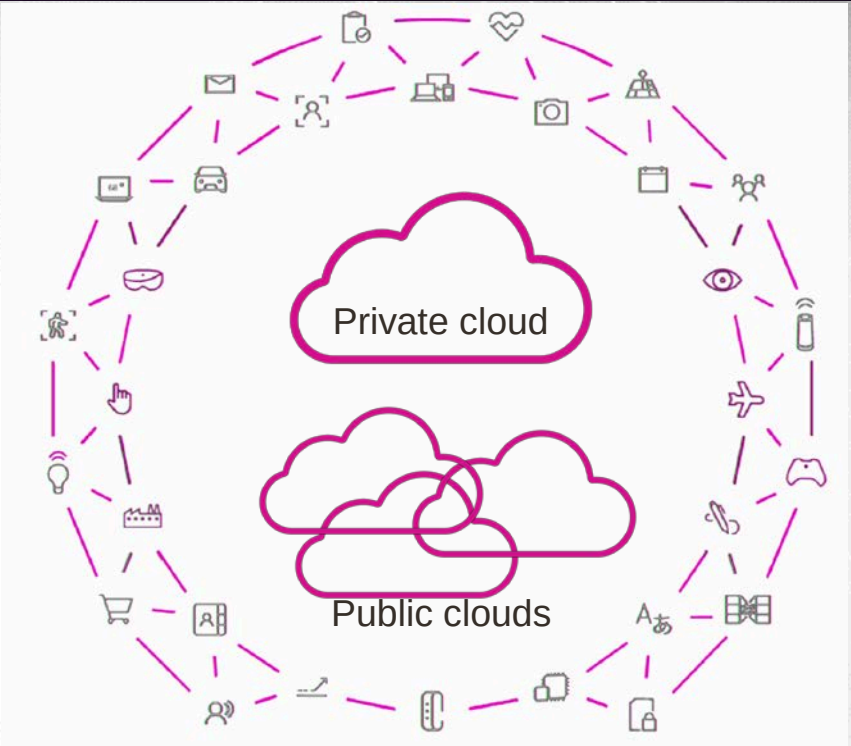
Cloud shift categories are: System Infrastructure, Infrastructure Software, Application Software and Business Process Outsourcing

1. Forecast: Public Cloud Services Worldwide, 2017-2023, 2Q19 Update, August 2019
2. Gartner, Market Insight: Cloud Shift 2018-2022, August 2018.
   Gartner IT Infrastructure, Operations Management and Data Center Conference. Dec 2017

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Multi-Cloud World

Moving focus from data centers to centers of data



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Our Solutions Align to Industry Trends and Drive Business Outcomes for our Clients

Suppliers

Product-focused

Manage Today

Transform Tomorrow

Clients

Outcome-based

Supply Chain Optimization



Connected Workforce



Cloud + Data Center Transformation



Digital Innovation



CapEx → **OpEx**

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High-Performance Culture with Deeply Engaged Teammates

Teammate Satisfaction

+40pts

2013 V 2018

Sales Rep Tenure > 3 Years

60%

Sales per Teammate*

+33%

2013 V 2018

Gross Profit per Teammate*

+20%

2013 V 2018

* Excludes COGS resources

#23 on Fortune's
'Best Workplaces in Technology'

FORTUNE 100
'2018 Best Workplaces for Diversity'

#11
Australia's "Best Places to Work 2019"

United Kingdom "Best Places to Work in Tech 2019"

glassdoor
4.2 Stars overall rating
81% Recommend a friend
95% Approve of CEO

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Solutions Supported by Strong Partner Relationships









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Enhance Client Experience and Drive Operational Efficiency

Scalable IT Systems

ERP 5 to 2

43 web systems to 2

4 data centers to 2

2010 V 2018 IT Systems

Frictionless Client Experience

+60%

of Transactions Delivered Electronically

SG&A Discipline

76% of Gross Profit

⬇ 400 bps

Over Last 5 Years

Service Delivery Platforms

Cloud Marketplace
ServiceNow
Managed Services

ERP System Consolidation

Digital Experience

~75%

Sales touched by Digital Marketing

Cash Flow Generation

> 100%

Net Income Conversion to Adj. Free Cash Flow*

* Adjusted Non-GAAP measure excludes severance and restructuring expense and other unique items. See Non-GAAP information section in the Appendix of this presentation.

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Our Strategic Assets Support Continued Growth

Strategic Assets

- Culture, People and Leadership
- Innovation Led | Solution Area Expertise
- Global Reach and Scale
- Diverse and Loyal Client and Partner relationships
- Operational Rigor and Financial Health

Strategic Priorities

- Continue to **Innovate** to capture share in high growth areas
- **Grow** with solutions that drive business outcomes for clients
- Expand and **Scale** in strategic clients and markets
- **Optimize** client experience and execution through operational excellence

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Disciplined Capital Allocation Aligned with Shareholder Interests

1 Invest organically

- Scalable IT and service delivery platforms
- Digital Marketing and client facing tools
- Technical and sales talent

2 Pay down debt

- Maintain modest leverage

3 Pursue strategic M&A

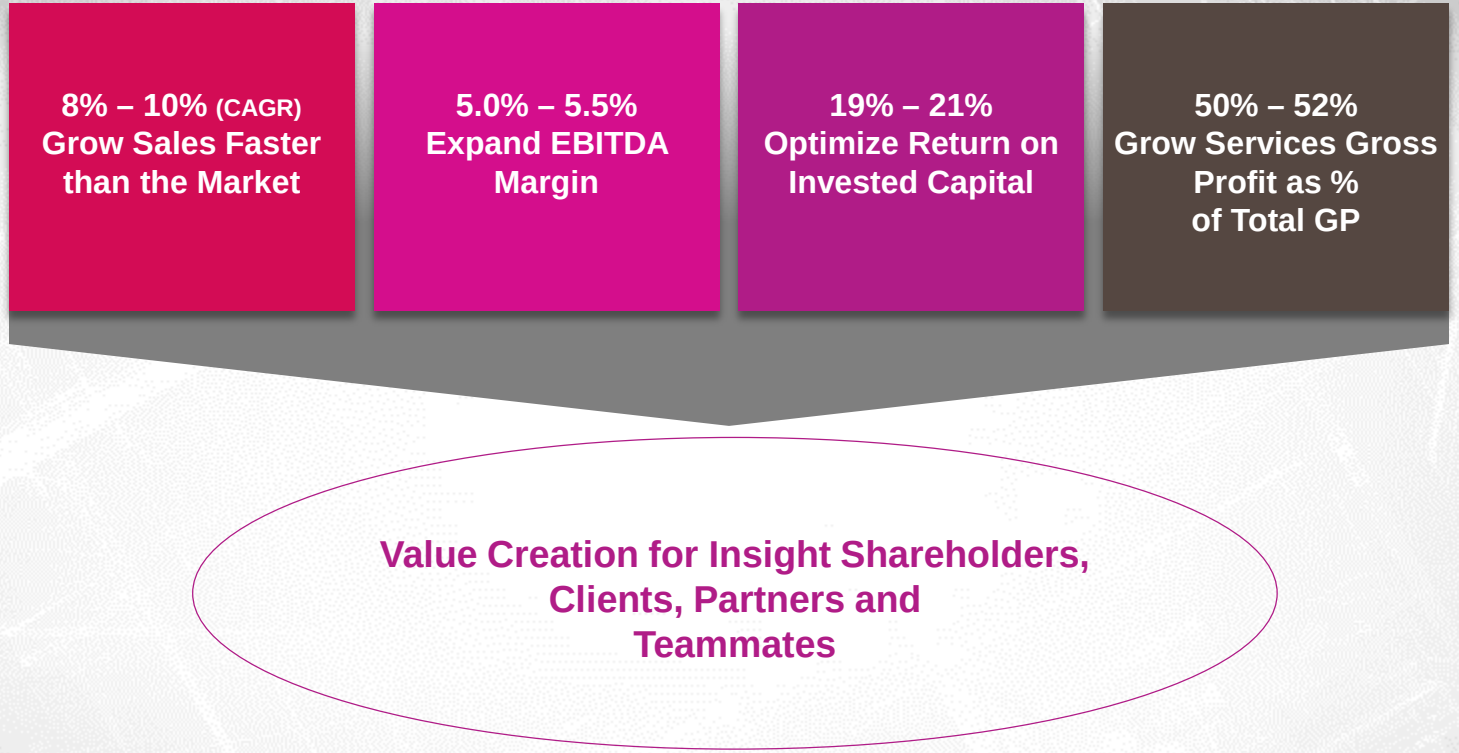
- Cultural / strategic / financial/ integration
- Accretive within the first full fiscal year following acquisition
- ROIC at 300 bps above WACC by end of year three

4 Return excess cash to shareholders

- Return some percentage of excess cash to shareholders after meeting other priorities

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Key 5-Year Imperatives to Deliver Value



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Appendix

Reconciliation of GAAP to Non-GAAP Financial Measures

US Dollar in $000s	Twelve Months Ended December 31, 2018	2013
Adjusted Consolidated Earnings from Operations:		
GAAP consolidated EFO	$ 233,483	$ 121,237
Severance and restructuring expenses	3,424	12,740
Acquisition-related expenses	282	-
Adjusted non-GAAP consolidated EFO	$ 237,189	$ 133,977
Adjusted Diluted EPS:		
GAAP diluted EPS	$ 4.55	$ 1.64
Severance and restructuring expenses	0.09	0.23
Acquisition-related expenses	0.01	-
Income taxes on non-GAAP adjustments	(0.02)	-
Adjusted non-GAAP diluted EPS	$ 4.63	$ 1.87

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Reconciliation of GAAP to Non-GAAP Financial Measures

US Dollar in $000s	Twelve Months Ended December 31, 2018	2013
Adjusted return on invested capital:		
GAAP consolidated EFO	$ 233,483	$ 121,237
Severance and restructuring expenses	3,424	12,740
Acquisition-related expenses	282	-
Adjusted non-GAAP consolidated EFO	237,189	133,977
Income tax expense*	66,413	49,571
Adjusted non-GAAP consolidated EFO, net of tax	$ 170,776	$ 84,406
Average stockholders' equity**	$ 912,111	$ 700,787
2008 goodwill impairment charge, net of tax	-	276,707
Average debt**	240,504	70,184
Average cash**	(141,580)	(141,692)
Invested Capital	$ 1,011,035	$ 905,986
Adjusted non-GAAP ROIC (from non-GAAP consolidated EFO)****	16.9%	9.3%

* Assumed tax rate of 28% for 2018 and 37% for 2013.
** Average of previous five quarters.
*** Computed as Adjusted non-GAAP consolidated EFO, net of tax divided by invested capital

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Reconciliation of GAAP to Non-GAAP Financial Measures

US Dollar in $000s	Twelve Months Ended December 31, 2018	2013
Adjusted free cash flow:		
Net cash provided by (used in) operating activities	$ 292,647	$ 76,066
Purchases of property and equipment	(17,251)	(19,024)
Net (repayments) borrowings under inventory financing facility	(15,338)	(1,581)
Adjusted non-GAAP free cash flow	$ 260,058	$ 55,461

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Reconciliation of GAAP to Non-GAAP Financial Measures

US Dollar in $000s	Twelve Months Ended December 31, 2018	Trailing Twelve Months June 30, 2019
Adjusted EBITDAS:		
GAAP Net Earnings	$ 163,677	$ 168,520
Depreciation and amortization of property and equipment	21,721	20,991
Amortization of intangible assets	15,737	16,167
Interest expense	22,812	21,119
Income tax expense	48,225	48,279
Non-GAAP EBITDA	272,172	275,076
Adjustments:		
Other non-operating (income) expense	$ (1,231)	$ (155)
Severance and restructuring expenses	3,424	2,448
Acquisition-related expenses	282	3,351
Non-GAAP Adjusted EBITDA	$ 274,647	$ 280,720
Non-cash stock based compensation	15,355	16,105
Non-GAAP Adjusted EBITDAS	$ 290,002	$ 296,825
PCM TTM June 30, 2019 EBITDAS*		64,607
Pro-Forma Insight + PCM TTM EBITDAS		$ 361,432

*See PCM Adjusted EBITDAS reconciliation

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Reconciliation of GAAP to Non-GAAP Financial Measures

PCM Adjusted EBITDA

US Dollar in $000s	Trailing Twelve Months June 30, 2019
EBITDAS (a)	
Consolidated operating profit	$ 42,605
Add: Consolidated depreciation expense	10,192
Consolidated amortization expense	2,428
Equity income from unconsolidated affiliate (b)	1,164
EBITDAS	56,389
EBITDAS Adjustments	
Contingent consideration adjustment (c)	(1,075)
Stock-based compensation	3,197
M&A and related litigation costs and fees (d)	4,244
Severance and restructuring related costs (e)	1,739
Legal settlement gain (f)	(516)
Foreign exchange loss (gain)	629
Total EBITDAS Adjustments	8,218
Adjusted EBITDAS	
EBITDAS	56,389
Add: EBITDAS Adjustments	8,218
Adjusted EBITDAS, as reported by PCM	64,607
Adjusted EBITDAS	64,607
Less: Stock-based-compensation	3,197
Adjusted EBITDA	$ 61,410

(a) EBITDAS - earnings from continuing operations before interest, taxes, depreciation, amortization and stock-based compensation.
(b) Represents PCM's equity income resulting from 49% ownership interest in the NCE.
(c) Represents adjustment to contingent consideration related to the Provista Technology acquisition by PCM.
(d) Includes PCM acquisition-related costs and fees, including litigation.
(e) Includes PCM employee severance related costs related to cost reduction initiatives, lease vacancy costs and other restructuring related costs.
(f) Relates to a gain resulting from a Canadian LCD class action settlement by PCM.

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