

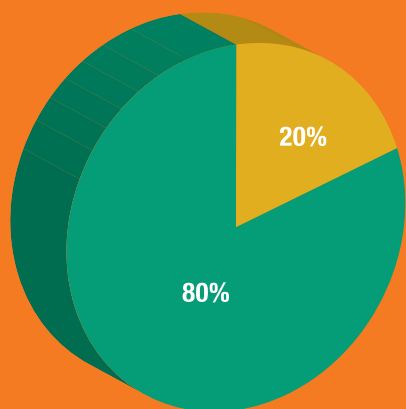
# Second Quarter 2006 Investor Fact Sheet



## ABOUT ARROW

Arrow Electronics is a major global provider of products, services, and solutions to industrial and commercial users of electronic components and computer products, with 2005 sales of \$11.2 billion. Headquartered in Melville, New York, Arrow serves as a supply channel partner for nearly 600 suppliers and more than 130,000 original equipment manufacturers, contract manufacturers, and commercial customers through a global network of over 270 locations in 53 countries and territories. A Fortune 500 company with more than 11,000 employees worldwide, Arrow brings the technology solutions of its customers and suppliers to a breadth of markets, including telecommunications, information systems, automotive and transportation, medical and life sciences, industrial equipment, and consumer electronics.

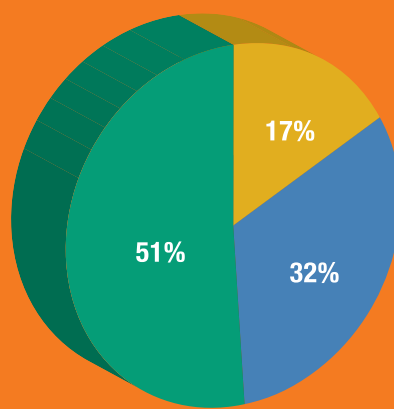
### Q2 2006 SALES BY GROUP



■ Worldwide Components ■ Worldwide Computer Products

Effective January 1, 2006, OEM Computing Solutions was transitioned from Worldwide Computer Products to Worldwide Components.

### Q2 2006 SALES BY REGION



■ Americas ■ Asia/Pacific ■ EMEASA

## INVESTMENT CONSIDERATIONS

**Our Vision:** To be the clear #1 worldwide provider of products, services and solutions to connect technology with customers, to power the supply chain, and to deliver premium investment results.

- Recognized global leader in the center of a \$300Bn components market
- Strategy focused on four key areas:
  - Grow faster than the markets we serve
  - Operational excellence – flawless execution
  - Financial stability – grow profits faster than sales
  - Shared leadership
- Acknowledged industry leader by customers and suppliers
- Unparalleled line card, extremely broad customer base and significant value-added solutions across all businesses
- Industry leading financial performance with earnings and ROIC that consistently outperform the competition
- Ample opportunities to grow in existing and new markets, geographies, capabilities and services

NYSE TICKER: ARW

RECENT STOCK PRICE\*: \$32.20 52-WEEK RANGE: \$27.16-\$36.65  
SHARES OUTSTANDING\*: 122.1MM MARKET CAP\*: \$3.9 BN

\*AS OF 06/30/06

CORPORATE HEADQUARTERS

50 MARCUS DRIVE  
MELVILLE, NY 11747  
WWW.ARROW.COM

INVESTOR RELATIONS CONTACT

IRA M. BIRNS  
VICE PRESIDENT AND TREASURER  
EMAIL: INVESTOR@ARROW.COM  
PHONE: 631-847-2799

## KEY SECOND QUARTER HIGHLIGHTS

- 14th consecutive quarter of year over year sales growth and record second quarter sales
- Continue to grow sales faster than the market; 10 consecutive quarters of components market share gain
- Further execution on efficiency initiatives led operating expenses<sup>(1)</sup> as a percentage of sales to 6-year low
- Continue to grow earnings at a faster pace than sales; operating income<sup>(1)</sup> grew 35% Y/Y
- Return on invested capital<sup>(1)(2)</sup> is well in excess of our cost of capital and at highest second quarter level in 10 years

<sup>(1)</sup> Excludes the impact of restructuring and other charges, includes option expense in 2006.

<sup>(2)</sup> ROIC=Annualized, tax effected op.inc./(Avg. debt + Avg. equity – Avg. cash over \$150MM).

## SELECTED GAAP FINANCIAL INFORMATION

(\$ in Millions except per share data, may reflect rounding)

	Three months ended June 30, 2006	Three months ended July 1, 2005	FY 2005	FY 2004
<b>SALES</b>				
Components	\$2,757	\$2,170	\$8,826	\$8,477
Computer Products	680	598	2,338	2,169
Total	\$3,437	\$2,768	\$11,164	\$10,646
<b>OPERATING INCOME</b>				
Components	\$164	\$116	\$458	\$445
Computer Products	30	31	124	99
Corporate	(31)	(28)	(102)	(105)
Total	\$163	\$119	\$480	\$439
Net income	\$93	\$58	\$253	\$208
Diluted EPS	\$.76	\$.48	\$2.09	\$1.75

## ARROW'S MANAGEMENT TEAM

**Chairman, President and  
Chief Executive Officer**

William E. Mitchell

**SVP and General Counsel**

Peter S. Brown

**SVP and President AECS**

J. Edward Coleman

**SVP, President NA and  
Asia/Pacific Components**

Michael J. Long

**SVP and Chief Supply Chain Officer**

Bhawmesh Mathur

**SVP and Chief Financial Officer**

Paul J. Reilly

**VP, President Arrow EMEASA**

Germano Fanelli

**VP, President Arrow Asia/Pacific**

Peter T. Kong

**VP, President Arrow NA Components**

Brian P. McNally

**VP, EVP Arrow EMEASA**

Jan M. Salsgiver

## ANALYST COVERAGE

Bank of America: Scott Craig

CS First Boston: Michael Walker

Deutsche Bank: Carter Shoop

E.K. Riley: Robert Toomey

JP Morgan: Thomas Dinges

Lehman Brothers: Henry Naah

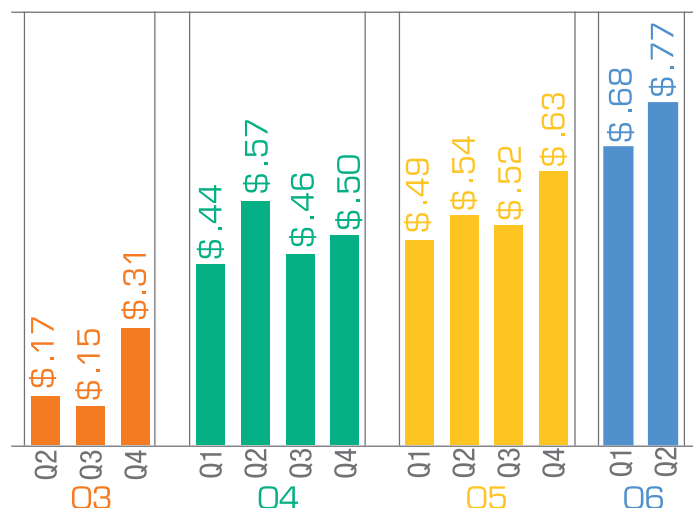
Merrill Lynch: Steven Fox

Morgan Stanley: Bernie Mahon

Raymond James: Brian Alexander

Thomas Weisel: Matt Sheerin

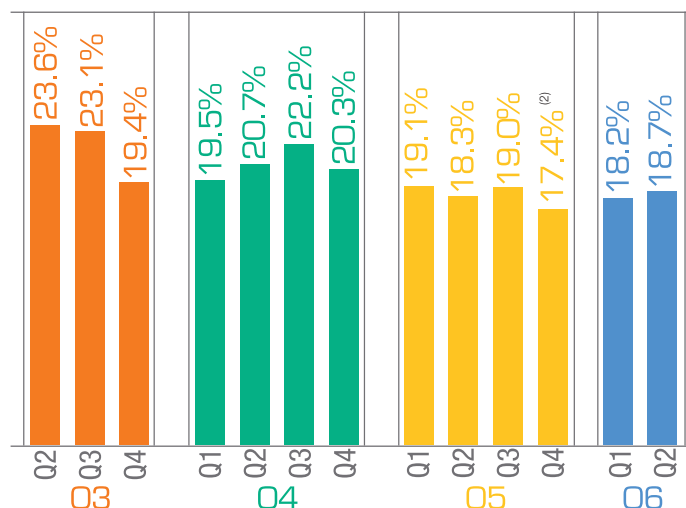
## ADJUSTED EPS HISTORY<sup>(1)</sup>



<sup>(1)</sup> Excludes the impact of restructuring and other charges. 2006 results include option expense.

## WORKING CAPITAL PERFORMANCE

(Working Capital as a Percentage of Sales<sup>(1)</sup>)



<sup>(1)</sup> Inventory + AR - AP at end of period/annualized sales.

<sup>(2)</sup> Excludes the impact of DNS and Ultra Source acquisitions