FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)
|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED OCTOBER 3, 1998

OR

|_| TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM ________ TO ___________

COMMISSION FILE NUMBER: 1-12203

INGRAM MICRO INC.
(Exact name of Registrant as specified in its charter)

DELAWARE	62-1644402
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1600 E. ST. ANDREW PLACE, SANTA ANA, CALIFORNIA 92799-5125
(Address, including zip code, of principal executive offices)

(714) 566-1000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

The Registrant had 41,668,652 shares of Class A Common Stock, par value $.01 per share, and 98,854,714 shares of Class B Common Stock, par value $.01 per share, outstanding at October 3, 1998.

INGRAM MICRO INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INGRAM MICRO INC.

CONSOLIDATED BALANCE SHEET
(DOLLARS IN 000s, EXCEPT PER SHARE DATA)

	OCTOBER 3, 1998 (UNAUDITED)	JANUARY 3, 1998
ASSETS		
Current assets:		
Cash	$ 94,476	$ 92,212
Trade accounts receivable (less allowances of $50,751 and $48,541 at October 3, 1998 and January 3, 1998, respectively)	2,223,463	1,635,728
Inventories	2,258,959	2,492,646
Other current assets	231,098	225,408
Total current assets	4,807,996	4,445,994
Property and equipment, net	304,259	215,148
Goodwill, net	231,309	142,478
Other	144,762	128,531
Total assets	$ 5,488,326	$ 4,932,151
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 2,690,653	$ 2,415,001
Accrued expenses	284,180	292,515
Current maturities of long-term debt	15,325	21,869
Total current liabilities	2,990,158	2,729,385
Convertible debentures	468,393	--
Other long-term debt	700,426	1,119,262
Other	32,816	23,843
Total liabilities	4,191,793	3,872,490
Minority interest	4,946	4,862
Commitments and contingencies		
Redeemable Class B Common Stock	8,024	16,593
Stockholders' equity:		
Preferred Stock, $0.01 par value, 1,000,000 shares authorized; no shares issued and outstanding	--	--
Class A Common Stock, $0.01 par value, 265,000,000 shares authorized; 41,668,652 and 37,366,389 shares issued and outstanding at October 3, 1998 and January 3, 1998, respectively	417	374
Class B Common Stock, $0.01 par value, 135,000,000 shares authorized; 98,854,714 and 99,714,672 shares issued and outstanding (including 1,146,250 and 2,370,400 redeemable shares) at October 3, 1998 and January 3, 1998, respectively	977	973
Additional paid in capital	555,069	484,912
Retained earnings	738,394	566,441
Cumulative translation adjustment	(11,163)	(14,236)
Unearned compensation	(131)	(258)
Total stockholders' equity	1,283,563	1,038,206
Total liabilities and stockholders' equity	$ 5,488,326	$ 4,932,151

See accompanying notes to these consolidated financial statements

INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF INCOME
(DOLLARS IN 000s, EXCEPT PER SHARE DATA)
(UNAUDITED)

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	OCTOBER 3, 1998	SEPTEMBER 27, 1997	OCTOBER 3, 1998	SEPTEMBER 27, 1997
Net sales	$ 5,707,974	$ 4,087,334	$ 15,814,183	$ 11,454,139
Cost of sales	5,350,176	3,823,338	14,810,993	10,713,183
Gross profit	357,798	263,996	1,003,190	740,956
Expenses:				
Selling, general and administrative	238,224	176,585	654,368	491,951
Noncash compensation charge	1,146	1,825	3,440	5,372
	239,370	178,410	657,808	497,323
Income from operations	118,428	85,586	345,382	243,633
Other (income) expense:				
Interest income	(2,339)	(658)	(5,145)	(2,710)
Interest expense	16,532	6,944	51,700	23,348
Net foreign currency exchange loss	2,975	571	6,001	852
Other	1,938	3,060	6,877	9,474
	19,106	9,917	59,433	30,964
Income before income taxes and minority interest	99,322	75,669	285,949	212,669
Provision for income taxes ...	39,530	31,073	113,996	87,101
Income before minority interest	59,792	44,596	171,953	125,568
Minority interest	--	304	--	931
Net income	$ 59,792	$ 44,292	$ 171,953	$ 124,637
Basic earnings per share	$ 0.43	$ 0.32	$ 1.24	$ 0.92
Diluted earnings per share ...	$ 0.40	$ 0.30	$ 1.15	$ 0.85

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(DOLLARS IN 000s)
(UNAUDITED)

	THIRTY-NINE WEEKS ENDED	
	OCTOBER 4, 1998	SEPTEMBER 27, 1997
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net income	$ 171,953	$ 124,637
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	47,920	34,159
Deferred income taxes	(3,429)	(1,774)
Minority interest	--	931
Noncash compensation charge	3,440	5,372
Changes in operating assets and liabilities net of effects of acquisitions:		
Trade accounts receivable	(412,652)	(168,966)
Inventories	404,300	(323,122)
Other current assets	20,875	(24,827)
Accounts payable	56,556	180,914
Accrued expenses	(24,807)	63,495
Cash provided (used) by operating activities	264,156	(109,181)
CASH PROVIDED (USED) BY INVESTING ACTIVITIES:		
Purchase of property & equipment	(105,038)	(61,774)
Proceeds from sale of property & equipment	--	10,334
Acquisitions, net of cash acquired	(85,802)	15,125
Other	(722)	681
Cash (used) by investing activities	(191,562)	(35,634)
CASH PROVIDED (USED) BY FINANCING ACTIVITIES:		
Redemption of Redeemable Class B Stock	(440)	(525)
Exercise of stock options including tax benefits	58,763	24,729
Proceeds from issuance of convertible debentures	449,604	--
Net (repayments) borrowings of other debt	(123,260)	101,238
Net (repayments) borrowings under revolving credit facilities	(456,789)	33,883
Cash provided (used) by financing activities	(72,122)	159,325
Effect of exchange rate changes on cash	1,792	(2,578)
Increase in cash	2,264	11,932
Cash, beginning of period	92,212	48,279
Cash, end of period	$ 94,476	$ 60,211
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash payments during the period:		
Interest	$ 50,106	$ 22,789
Income taxes	78,362	81,844

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(DOLLARS IN 000S, EXCEPT PER SHARE DATA)

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

Ingram Micro Inc. (the "Company" or "Ingram Micro") is primarily engaged in wholesale distribution of computer-based technology products and services worldwide. The Company conducts the majority of its operations in North America, Europe, and Latin America. In November 1996, the Company's former parent, Ingram Industries Inc. ("Ingram Industries"), consummated a split-off of the Company in a tax-free reorganization (the "Split-Off"). In connection with the Split-Off, certain stockholders of Ingram Industries exchanged all or some of their shares of Ingram Industries Common Stock for 107,251,362 shares of Class B Common Stock of the Company in specified ratios.

The consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. In the opinion of management, the accompanying unaudited consolidated financial statements contain all material adjustments, consisting of only normal recurring adjustments, necessary to present fairly the financial position of the Company and its wholly-owned and majority-owned subsidiaries as of October 3, 1998, their results of operations for the thirteen and thirty-nine weeks ended October 3, 1998 and September 27, 1997 and their cash flows for the thirty-nine weeks ended October 3, 1998 and September 27, 1997. All significant intercompany accounts and transactions have been eliminated in consolidation. The results of operations for the thirty-nine week period ended October 3, 1998 may not be indicative of the results of operations that can be expected for the full year.

NOTE 2 - EARNINGS PER SHARE

Effective in the fourth quarter of fiscal year 1997, the Company adopted Statement of Financial Accounting Standards No. 128, "Earnings per Share" ("FAS 128") and related interpretations. FAS 128 requires dual presentation of Basic Earnings per Share ("Basic EPS") and Diluted Earnings per Share ("Diluted EPS"). Basic EPS excludes dilution and is computed by dividing net income by the weighted average number of common shares outstanding during the reported period. Diluted EPS reflects the potential dilution that could occur if stock options and other commitments to issue common stock were exercised using the treasury stock method. Earnings per share for all prior periods have been restated to reflect the adoption of FAS 128.

THE COMPOSITION OF BASIC EPS AND DILUTED EPS IS AS FOLLOWS:

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	OCTOBER 3, 1998	SEPTEMBER 27, 1997	OCTOBER 3, 1998	SEPTEMBER 27, 1997
Net income	$ 59,792	$ 44,292	$ 171,953	$ 124,637
Weighted average shares	140,018,639	136,294,984	138,775,555	135,355,851
Basic earnings per share	$ 0.43	$ 0.32	$ 1.24	$ 0.92
Weighted average shares including the dilutive effect of stock options (10,641,441 and 10,532,696 for the 13 weeks ended October 3, 1998 and September 27, 1997, respectively, and 10,815,716 and 10,591,176 for the 39 weeks ended October 3, 1998 and September 27, 1997, respectively) ...	150,660,080	146,827,680	149,591,271	145,947,027
Diluted earnings per share	$ 0.40	$ 0.30	$ 1.15	$ 0.85

INGRAM MICRO INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(DOLLARS IN 000S, EXCEPT PER SHARE DATA)

NOTE 3 - COMMON STOCK

The Company has two classes of Common Stock, consisting of 265,000,000 authorized shares of $0.01 par value Class A Common Stock and 135,000,000 authorized shares of $0.01 par value Class B Common Stock, and 1,000,000 authorized shares of $0.01 par value Preferred Stock. Class A stockholders are entitled to one vote on each matter to be voted on by the stockholders whereas Class B stockholders are entitled to ten votes on each matter to be voted on by the stockholders. The two classes of stock have the same rights in all other respects. Each share of Class B Common Stock may at any time be converted to a share of Class A Common Stock; however, conversion will occur automatically on the earliest to occur of (i) November 6, 2001; (ii) the sale or transfer of such share of Class B Common Stock to any person not specifically authorized to hold such shares by the Company's Certificate of Incorporation; or (iii) the date on which the number of shares of Class B Common Stock then outstanding represents less than 25% of the aggregate number of shares of Class A Common Stock and Class B Common Stock then outstanding.

NOTE 4 - COMPREHENSIVE INCOME

Effective in the first quarter of fiscal 1998, the Company adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" ("FAS 130"). FAS 130 establishes standards for reporting and displaying comprehensive income and its components in the Company's consolidated financial statements. Comprehensive income is defined in FAS 130 as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. Total comprehensive income was $63,018 and $43,264 for the thirteen weeks ended October 3, 1998 and September 27, 1997, respectively, and $173,801 and $117,180 for the thirty-nine weeks ended October 3, 1998 and September 27, 1997, respectively. The primary difference from net income as reported is the tax effected change in the cumulative translation adjustment.

NOTE 5 - LONG-TERM DEBT

On June 9, 1998, the Company sold $1.33 billion aggregate principal amount at maturity of its Zero Coupon Convertible Senior Debentures due 2018 in a private placement. Gross proceeds from the offering were $460.4 million. The debentures were sold at an issue price of $346.18 per $1,000 principal amount at maturity (representing a yield to maturity of 5.375% per annum), and are convertible into shares of the Company's Class A Common Stock at a rate of 5.495 shares per $1,000 principal amount at maturity, subject to adjustment under certain circumstances. The debentures are currently convertible into approximately 7.3 million shares of the Company's Class A Common Stock. The debentures are redeemable at the option of the Company on or after June 9, 2003 at the issue price plus accrued original issue discount to the date of redemption. Each debenture is subject to repurchase at the option of the holder as of June 9, 2001, June 9, 2003, June 9, 2008 and June 9, 2013, or if there is a Fundamental Change (as defined), at the issue price plus accrued original issue discount to the date of redemption. In the event of a repurchase at the option of a holder (other than upon a Fundamental Change), the Company may, at its option, pay in cash or Class A Common Stock, or any combination thereof. In the case of any such repurchase as of June 9, 2001, the Company may elect, in lieu of the payment of cash or Class A Common Stock, to satisfy the redemption in new Zero Coupon Convertible Senior Debentures due 2018.

NOTE 6 - ACQUISITION

On July 28, 1998, the Company completed the acquisition of Tech Data Corporation's 99% and 91% interest in the outstanding common and preferred stock, respectively, of Munich, Germany-based Macrotron AG ("Macrotron") for approximately $100 million in cash. The acquisition was accounted for using the purchase method and the results of Macrotron's operations have been combined with those of the Company since the effective date of acquisition of July 1, 1998. The purchase price was allocated to the assets acquired and liabilities assumed based

INGRAM MICRO INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(DOLLARS IN 000S, EXCEPT PER SHARE DATA)

on their estimated fair values at the date of acquisition. The excess of the purchase price over net assets acquired is being amortized on a straight-line basis over 20 years. The final allocation of the purchase price may vary as additional information is obtained, and accordingly, the ultimate allocation may differ from those used in the unaudited consolidated financial statements included herein.

NOTE 7 - NEW ACCOUNTING STANDARDS

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 131, "Disclosure about Segments of an Enterprise and Related Information" ("FAS 131"), which will become effective for the Company's full fiscal year 1998 reporting. FAS 131 establishes standards for the way publicly-held companies report information about operating segments as well as disclosures about products and services, geographic areas and major customers. However, the Company does not expect the adoption of FAS 131 to have a material impact on its reported consolidated financial condition or results of operations.

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), which will become effective for the Company in fiscal 2000. FAS 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives), and for hedging activities. However, the Company does not expect the adoption of FAS 133 to have a material impact on its reported consolidated financial condition or results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following table sets forth the Company's net sales by geographic region (excluding intercompany sales), and the percentage of total net sales represented thereby, for each of the periods indicated.

	Thirteen Weeks Ended				Thirty-nine Weeks Ended			
	October 3, 1998		September 27, 1997		October 3, 1998		September 27, 1997	
	(dollars in millions)							
Net sales by geographic region:								
United States	$ 3,764	65.9%	$ 2,983	73.0%	$10,699	67.7%	$ 8,090	70.6%
Europe	1,453	25.5%	716	17.5%	3,639	23.0%	2,185	19.1%
Other	491	8.6%	388	9.5%	1,476	9.3%	1,179	10.3%
Total	$ 5,708	100.0%	$ 4,087	100.0%	$15,814	100.0%	$11,454	100.0%

The following table sets forth certain items from the Company's Consolidated Statement of Income as a percentage of net sales, for each of the periods indicated.

	PERCENTAGE OF NET SALES			
	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	OCTOBER 3, 1998	SEPTEMBER 27, 1997	OCTOBER 3, 1998	SEPTEMBER 27, 1997
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	93.7%	93.5%	93.7%	93.5%
Gross profit	6.3%	6.5%	6.3%	6.5%
Expenses:				
SG&A expenses	4.2%	4.4%	4.1%	4.3%
Noncash compensation charge	0.0%	0.0%	0.0%	0.1%
Income from operations	2.1%	2.1%	2.2%	2.1%
Other expense, net	0.4%	0.2%	0.4%	0.2%
Income before income taxes and minority interest	1.7%	1.9%	1.8%	1.9%
Provision for income taxes	0.7%	0.8%	0.7%	0.8%
Minority interest	0.0%	0.0%	0.0%	0.0%
Net income	1.0%	1.1%	1.1%	1.1%

THIRTEEN WEEKS ENDED OCTOBER 3, 1998 COMPARED TO THIRTEEN WEEKS ENDED SEPTEMBER 27, 1997

Consolidated net sales increased 39.7% to $5.71 billion in the third quarter of 1998 from $4.09 billion in the third quarter of 1997. The increase in worldwide net sales was primarily attributable to growth in the computer-based technology industry in general, the addition of new customers, increased sales to the existing customer base, expansion of the Company's product offerings and the July 1998 acquisition of Tech Data Corporation's majority interest in Munich, Germany-based Macrotron.

Net sales from U.S. operations increased 26.2% to $3.76 billion in the third quarter of 1998 from $2.98 billion in the third quarter of 1997. Net sales from European operations increased 102.8% to $1.45 billion in the third quarter of 1998 from $716.4 million in the third quarter of 1997 primarily due to the July 1998 acquisition of substantially all of Macrotron combined with the reasons stated in the preceding paragraph. Other net sales increased 26.6% to $490.8 million in the third quarter of 1998 from $387.8 million in the third quarter of 1997, due to growth in net sales of the Company's Latin American, Canadian and Export Division operations, partially due to the acquisition of Computacion Tecnica, S.A. ("Computek") in the fourth quarter of 1997.

Cost of sales as a percentage of net sales increased to 93.7% in the third quarter of 1998 compared to 93.5% in the third quarter of 1997. The increase was largely attributable to ongoing competitive pricing pressures experienced in all regions, especially in the U.S. and certain countries within Europe, as well as an overall weaker economy in Latin America.

Total SG&A expenses increased 34.9% to $238.2 million in the third quarter of 1998 from $176.6 million in the third quarter of 1997, but decreased as a percentage of net sales to 4.2% in the third quarter of 1998 from 4.4% in the third quarter of 1997. The increased level of spending was attributable to expenses required to support expansion of the Company's business, consisting primarily of incremental personnel and support costs, lease payments relating to new operating facilities, expenses associated with the maintenance of information systems, and the acquisition of Macrotron.

Noncash compensation charges decreased 37.2% to $1.1 million in the third quarter of 1998 from $1.8 million in the third quarter of 1997. The amount of noncash compensation charges decreases from year to year due to the impact of vesting and forfeitures related to the underlying stock options. The Company expects to record additional noncash compensation charges of $1.1 million in the fourth quarter of 1998.

Income from operations increased 38.4% to $118.4 million in the third quarter of 1998 from $85.6 million in the third quarter of 1997, and, as a percentage of net sales, remained constant at 2.1% in the third quarters of 1998 and 1997, respectively. Income from operations in the U.S. increased as a percentage of net sales to 2.9% in the third quarter of 1998 from 2.6% in the third quarter of 1997 primarily due to a reduction of operating costs as a percentage of sales resulting from economies of scale partially offset by a slight reduction in gross profit as a percentage of sales. Income from operations in Europe decreased as a percentage of European net sales to 0.4% in the third quarter of 1998 from 0.7% in the third quarter of 1997. Although European operating costs as a percentage of European net sales have remained relatively constant in the third quarter of 1998 compared to the third quarter of 1997, ongoing competitive pricing pressures have negatively impacted gross profits as a percentage of net sales, especially within certain countries in Europe, causing a reduction in income from operations as a percentage of net sales. Income from operations for other regions declined as a percentage of net sales to 1.1% in the third quarter of 1998 from 1.6% in the third quarter of 1997. Similar to Europe, other regions experienced consistent operating costs as a percentage of net sales in the third quarter of 1998 compared to the third quarter of 1997; however, competitive pricing pressures along with weak currencies and weak overall market conditions within Latin America negatively impacted gross profit as a percentage of net sales, causing a reduction in income from operations as a percentage of net sales.

Other expense, net, which consists primarily of interest expense, foreign currency exchange losses, and miscellaneous non-operating expenses, increased 92.7% to $19.1 million in the third quarter of 1998 from $9.9 million in the third quarter of 1997, and increased as a percentage of net sales to 0.3% in the third quarter of 1998 from 0.2% in the third quarter of 1997. The increase in other expense, net, is primarily attributable to increased interest expense in the third quarter of 1998 as a result of increased borrowings to finance acquisitions, ongoing sales growth, and the expansion of the Company's business. The increase also reflected an increase in foreign currency exchange losses primarily attributable to the ongoing international economic conditions which have led to weaker currencies in Latin America as compared to the U.S. dollar.

The provision for income taxes increased 27.2% to $39.5 million in the third quarter of 1998 from $31.1 million in the third quarter of 1997, reflecting the 31.3% increase in the Company's income before income taxes and minority interest. The Company's effective tax rate was 39.8% in the third quarter of 1998 compared to 41.1%

MANAGEMENT'S DISCUSSION AND ANALYSIS CONTINUED

in the third quarter of 1997. The decrease in the effective tax rate was primarily due to the reduction in the noncash compensation charge, much of which is not deductible for tax purposes, as well as certain international taxes in 1998.

Excluding noncash compensation charges, net of tax, net income increased 32.5% to $60.7 million in the third quarter of 1998 from $45.8 million in the third quarter of 1997, and, as a percentage of net sales, remained constant at 1.1% for the third quarter of 1998 and the third quarter of 1997. Net income, including noncash compensation charges, increased 35.0% to $59.8 million in the third quarter of 1998 from $44.3 million in the third quarter of 1997. Diluted earnings per share, including the noncash compensation charge, increased 33.3% to $0.40 in the third quarter of 1998 from $0.30 in the third quarter of 1997.

THIRTY-NINE WEEKS ENDED OCTOBER 3, 1998 COMPARED TO THIRTY-NINE WEEKS ENDED SEPTEMBER 27, 1997

Consolidated net sales for the first nine months of 1998 increased 38.1% to $15.81 billion from $11.45 billion in the first nine months of 1997. The increase in worldwide net sales is largely attributable to the same factors summarized in the discussion of net sales for the thirteen weeks ended October 3, 1998 and September 27, 1997. In addition to these factors, U.S. net sales were positively impacted by the acquisition of the Intellegent Electronics Inc. ("IE") indirect distribution business, its Reseller Network Division ("RND"), which was completed on July 18, 1997.

Net sales from U.S. operations increased 32.3% to $10.70 billion in the first nine months of 1998 from $8.09 billion in the first nine months of 1997 due primarily to the same factors summarized in the discussion of net sales for the thirteen weeks ended October 3, 1998 and September 27, 1997, as well as the acquisition of RND. Net sales from European operations increased 66.5% to $3.64 billion in the first nine months of 1998 from $2.19 billion in the first nine months of 1997 due in part to the positive impact of the acquisition of Macrotron in the third quarter of 1998 and the same factors summarized in the discussion of European net sales for the thirteen weeks ended October 3, 1998 and September 27, 1997. Other net sales increased 25.2% to $1.48 billion in the first nine months of 1998 from $1.18 billion in the first nine months of 1997, due to growth in net sales of the Company's Latin American, Canadian and Export Division operations partially due to the acquisition of Computek in the fourth quarter of 1997.

Cost of sales as a percentage of net sales increased to 93.7% in the first nine months of 1998 from 93.5% in the first nine months of 1997. The increase was largely attributable to the same factors summarized in the discussion of cost of sales for the thirteen weeks ended October 3, 1998 and September 27, 1997.

Total SG&A expenses increased 33.0% to $654.4 million in the first nine months of 1998 from $492.0 million in the first nine months of 1997, but decreased as a percentage of net sales to 4.1% in the first nine months of 1998 from 4.3% in the first nine months of 1997. The increased level of spending was largely attributable to the same factors summarized in the discussion of SG&A expenses for the thirteen weeks ended October 3, 1998 and September 27, 1997.

Noncash compensation charges decreased 36.0% to $3.4 million in the first nine months of 1998 from $5.4 million in the first nine months of 1997. The amount of noncash compensation charges decreases from year to year due to the impact of vesting and forfeitures related to the underlying stock options.

Income from operations increased 41.8% to $345.4 million in the first nine months of 1998 from $243.6 million in the first nine months of 1997, and, as a percentage of net sales, increased to 2.2% in the first nine months of 1998 from 2.1% in the first nine months of 1997. Income from operations in the U.S. increased as a percentage of net sales to 2.8% in the first nine months of 1998 from 2.6% in the first nine months of 1997 due largely to the same factors summarized in the discussion of U.S. income from operations for the thirteen weeks ended October 3, 1998 and September 27, 1997. Income from operations in Europe improved as a percentage of European net sales to 1.0% in the first nine months of 1998 from 0.7% in the first nine months of 1997 primarily due to the reduction of operating costs as a percentage of European net sales, partially offset by competitive pricing pressures in the third quarter of 1998 (as discussed above). Income from operations for other regions decreased as a percentage of net sales to 1.2% in the first nine months of 1998 from 1.8% in the first nine months of 1997 due largely to the same factors summarized in the discussion of income from operations for the thirteen weeks ended October 3, 1998 and September 27, 1997.

MANAGEMENT'S DISCUSSION AND ANALYSIS CONTINUED

Other expense, net, which consists primarily of interest expense, foreign currency exchange losses, and miscellaneous non-operating expenses, increased 91.9% to $59.4 million in the first nine months of 1998 from $31.0 million in the first nine months of 1997, and increased as a percentage of net sales to 0.4% in the first nine months of 1998 from 0.3% in the first nine months of 1997. The increase in other expense, net, is primarily attributable to the same factors summarized in the discussion of other expense for the thirteen weeks ended October 3, 1998 and September 27, 1997.

The provision for income taxes increased 30.9% to $114.0 million in the first nine months of 1998 from $87.1 million in the first nine months of 1997, reflecting the 34.5% increase in the Company's income before income taxes and minority interest. The Company's effective tax rate was 39.9% in the first nine months of 1998 compared to 41.0% in the first nine months of 1997. The decrease in the effective tax rate was primarily due to the reduction in the noncash compensation charge, much of which is not deductible for tax purposes, as well as certain international taxes in 1998.

Excluding noncash compensation charges, net of tax, net income increased 35.4% to $174.7 million in the first nine months of 1998 from $129.1 million in the first nine months of 1997, and, as a percentage of net sales, remained constant at 1.1% for the first nine months of 1998 and the first nine months of 1997. Pro forma diluted earnings per share, excluding noncash compensation charges, increased 33.0% to $1.17 in the first nine months of 1998 from $0.88 in the first nine months of 1997. Net income, including noncash compensation charges, increased 38.0% to $172.0 million in the first nine months of 1998 from $124.6 million in the first nine months of 1997. Diluted earnings per share, including the noncash compensation charge, increased 35.3% to $1.15 in the first nine months of 1998 from $0.85 in the first nine months of 1997.

QUARTERLY DATA; SEASONALITY

The Company's quarterly sales and operating results have varied in the past and will likely continue to do so in the future as a result of seasonal variations in the demand for the products and services offered by the Company, the introduction of new hardware and software technologies and products offering improved features and functionality, the introduction of new products and services by the Company and its competitors, the loss or consolidation of a significant supplier or customer, changes in the level of operating expenses, inventory adjustments, product supply constraints, competitive conditions including pricing, interest rate fluctuations, the impact of acquisitions, currency fluctuations, and general economic conditions. The Company's narrow operating margins may magnify such fluctuations, particularly on a quarterly basis.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its growth and cash needs largely through income from operations, borrowings, trade and supplier credit, the public sale of 23,200,000 shares of its Class A Common Stock at $18.00 per share in the initial public offering completed in November 1996, and the issuance of zero coupon convertible senior debentures in June 1998, which yielded $449.6 million in net proceeds.

Cash provided by operating activities, net of the effect of acquisitions, was $264.2 million in the first nine months of 1998 as compared to cash used by operating activities of $109.2 million in the first nine months of 1997. The increase in cash provided by operating activities in the first nine months of 1998 compared to the first nine months of 1997 was largely attributable to an increase in net income and accounts payable and a decrease in inventory levels during the first nine months of 1998 compared to the first nine months of 1997, partially offset by an increase in accounts receivable. These changes were primarily due to the overall sales growth combined with the management of inventory levels and accounts payable. Net cash used by investing activities was $191.6 million in the first nine months of 1998 compared to $35.6 million in the first nine months of 1997. The increase was primarily due to the Company's expansion of warehouse and other facilities as well as the acquisition of Macrotron.

Net cash used by financing activities was $72.1 million in the first nine months of 1998 compared to net cash provided of $159.3 million in the first nine months of 1997. The change was primarily a result of net repayments of the Company's long-term indebtedness in the first nine months of 1998. In each of the first nine months of 1998 and the first nine months of 1997, the Company borrowed to finance the expansion of its business; however, in the first nine months of 1998, the cash provided by operating activities (as discussed above) allowed the Company to repay borrowings under the Company's revolving credit facilities. The issuance of the Zero Coupon Convertible debentures in June 1998 did not have a material impact on the cash provided (used) by financing activities, as the proceeds from the sale of the debentures were used to repay outstanding indebtedness under the Company's revolving credit facilities.

The Company has three credit facilities with bank syndicates providing an aggregate availability of $1.65 billion. Under the credit facilities, the Company is required to comply with certain financial covenants, including minimum tangible net worth, restrictions on funded debt and interest coverage. The credit facilities also restrict the Company's ability to pay dividends. Borrowings are subject to the satisfaction of customary conditions, including the absence of any material adverse change in the Company's business or financial condition. At October 3, 1998, the Company had $521.6 million in outstanding borrowings under the credit facilities.

The Company has an arrangement with a trust pursuant to which certain U.S. trade accounts receivable of the Company are transferred to the trust, which in turn has sold certificates representing undivided interests in the total pool of trade receivables without recourse. The trust has issued fixed-rate medium-term certificates and a variable rate certificate to support a commercial paper program. At October 3, 1998, the amount of medium-term certificates outstanding totaled $100 million and the amount of commercial paper outstanding totaled $150 million. The Company believes that there are sufficient trade accounts receivables to support the outstanding medium-term certificates as well as the commercial paper program.

On June 9, 1998, the Company sold $1.33 billion aggregate principal amount at maturity of its Zero Coupon Convertible Senior Debentures due 2018 in a private placement. Gross proceeds from the offering were $460.4 million. The debentures were sold at an issue price of $346.18 per $1,000 principal amount at maturity (representing a yield to maturity of 5.375% per annum), and are convertible into shares of the Company's Class A Common Stock at a rate of 5.495 shares per $1,000 principal amount at maturity, subject to adjustment under certain circumstances. The debentures are currently convertible into approximately 7.3 million shares of the Company's Class A Common Stock. The debentures are redeemable at the option of the Company on or after June 9, 2003 at the issue price plus accrued original issue discount to the date of redemption. Each debenture is subject to repurchase at the option of the holder, as of June 9, 2001, June 9, 2003, June 9, 2008, and June 9, 2013, or if there is a Fundamental Change (as defined), at the issue price plus accrued original issue discount to the date of the redemption. In the event of a repurchase at the option of the holder (other than upon a Fundamental Change), the Company may, at its option, satisfy the redemption in cash or Class A Common Stock, or any combination thereof. In the case of any such repurchase as of June 9, 2001, the Company may elect, in lieu of the payment of cash or Class A Common Stock, to satisfy the redemption in new Zero Coupon Convertible Senior Debentures due 2018.

On July 28, 1998, the Company completed the acquisition of substantially all of Macrotron for approximately $100 million in cash.

The Company announced on October 12, 1998 that it has entered into a strategic alliance with SOFTBANK Corporation ("SOFTBANK"), Japan's largest distributor of software and computer technology publications. In connection with the alliance, the Company will make a $50 million investment in SOFTBANK common stock, while SOFTBANK will take an equally valued position in Ingram Micro common stock. The Company expects to finance the purchase of SOFTBANK common stock using available working capital and borrowings under its existing credit facilities. SOFTBANK will purchase the Company's common stock from existing outstanding shares.

NEW ACCOUNTING STANDARDS

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 131, "Disclosure about Segments of an Enterprise and Related Information" ("FAS 131"), which will become effective for the Company's full fiscal year 1998 reporting. FAS 131 establishes standards for the way publicly-held companies report information about operating segments as well as disclosures about products and services, geographic areas and major customers. However, the Company does not expect the adoption of FAS 131 to have a material impact on its reported consolidated financial condition or results of operations.

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), which will become effective for the Company in fiscal year 2000. FAS 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, (collectively referred to as derivatives) and for hedging activities. However, the Company does not expect the adoption of FAS 133 to have a material impact on its reported consolidated financial condition or results of operations.

YEAR 2000 MATTERS

INTRODUCTION. The Company's Year 2000 ("Y2K") readiness issues are broad and complex. As is the case with many computer software systems, some of the Company's systems use two digit data fields which recognize dates using the assumption that the first two digits are "19" (i.e., the number "98" is recognized as the year "1998"). Therefore, the Company's date critical functions relating to Y2K and beyond, such as sales, distribution, purchasing, inventory control, facilities, and financial systems, may be severely affected unless changes are made to these systems.

STATE OF READINESS. With the assistance of an outside consultant, the Company commenced a review of the Company's internal information technology ("IT") systems to identify applications that are not Y2K ready and to assess the impact of the Y2K problem. The Company developed an overall plan to modify its internal systems to be Y2K ready. In addition, the Company formed a Y2K Global Project Team to provide global oversight to the Company's Y2K readiness activities in the IT and non-IT areas, the assessment of Y2K risks in connection with third party relationships and the development of contingency plans.

The Company's Y2K plan is divided into three major sections: IT systems, non-IT systems ("Non-IT Systems"), and Y2K interfaces with material third parties. The broad phases of the plan are generally common to all three sections. The phases consist of: (1) inventorying potential Y2K-sensitive items, (2) assigning priorities to identified items, (3) assessing the Y2K readiness of items determined to be material to the Company, (4) repairing or replacing material items that are determined not to be Y2K ready ("remediation"), (5) testing material items and/or certification of Y2K readiness, i.e., validation and written confirmation that the process, activity or component can properly process a date beyond December 31, 1999 as it does earlier dates and (6) designing and implementing contingency and business continuation plans for the Company.

INFORMATION TECHNOLOGY SYSTEMS. The Company has completed an inventory of all of its global hardware, operating systems, software (including business applications, but excluding desktop software such as office tools) and electronic interfaces ("IT Systems") for Y2K remediation. The Company anticipates that it will complete (1) technical assessment by the end of December 1998, (2) remediation and unit testing or upgrading/replacement in the second quarter of 1999, (3) system and century testing in the third quarter of 1999, and (4) certification of Y2K readiness of all of its IT Systems in the third quarter of 1999. The Company uses different test methodologies for different phases: (1) unit testing is used to verify that the individual changed components function properly at the unit level, (2) system/integration testing is used to verify that all changed components function as a complete system, (3) regression testing is used to verify that changes made for Y2K readiness do not impact any other functions within the IT system, and (4) century testing, i.e., simulating the transition to January 1, 2000, is used to validate that the entire IT system will function on or after such date. With respect to desktop software on the Company's personal computers, the Company plans to provide a list of Y2K ready versions of software to all associates by the end of 1998. Associates will be advised that if they have non-Y2K ready versions of software on their personal computers, they must request upgrades to Y2K ready versions of software and make appropriate adjustments to date-sensitive databases or programs. The Company will provide the necessary IT support to upgrade associates' personal computers and will periodically remind associates to assure that the necessary upgrades occur.

NON-INFORMATION TECHNOLOGY SYSTEMS. The Non-IT Systems consist of any device which is able to store and report date-related information, such as access control systems, elevators, escalators, conveyors and sensors; building systems; and other items containing a microprocessor or an internal clock such as hand-held computers used to assist with inventory control, electric power distribution systems and vaults. The Company's plan provides that (1) by the end of the first quarter of 1999, the global inventory and assessment of its Non-IT Systems will be completed, (2) by the end of the second quarter of 1999, all Non-IT Systems that are deemed business critical will either (a) have written certifications that they are Y2K ready (e.g., confirmations from manufacturers that the product is not impacted by the Y2K date transition or will continue to operate on and after January 1, 2000, just as it did prior to such date) or (b) have been replaced and/or modified to be Y2K ready, and (3) by the end of the second quarter of 1999, all other Non-IT Systems that are deemed non-Y2K ready will have been replaced and/or modified to be Y2K ready.

Y2K INTERFACES WITH MATERIAL THIRD PARTIES. The Company has commenced an inventory of third parties (including, among other things, domestic and international suppliers and vendors, financial service providers and transportation and other logistics providers) whose failure to be Y2K ready could have a material adverse effect on the Company's business, financial condition or results of operations. The Company plans on sending questionnaires to all such third parties in order to determine their current Y2K status, tracking responses to these questionnaires and using such responses towards contingency plan development. The Company anticipates that it will have completed such assessment and inquiry by the end of the second quarter of 1999.

COSTS TO ADDRESS Y2K READINESS. The Company anticipates that its total expenditures on Y2K readiness efforts (excluding compensation and benefit costs for associates who do not spend full time on the Y2K project and costs of systems upgrades that would normally have been made on a similar timetable) with respect to IT Systems will not exceed $10 million. However, such amount does not reflect costs for upgrades to servers, personal computers, communications equipment and Non-IT Systems on a global basis as the scope of this cost will not be known until the Company has completed technical assessment of all of these areas. Although there are opportunity costs and some diversion of human resources to the Company's Y2K readiness efforts, management believes that no significant IT projects have been deferred or accelerated due to this effort.

CONTINGENCY PLANNING AND RISKS. The Y2K Global Project Team is responsible for the development of a global contingency plan to address the Company's at-risk business functions as a result of Y2K issues. The Company anticipates that development of such a global contingency plan will be completed in the second quarter of 1999. In the normal course of business, the Company maintains and deploys contingency plans designed to address various other potential business interruptions. For example, the Company has the capability to automatically reroute incoming calls, such as from its Santa Ana (West Coast sales) facility to its Buffalo (East Coast sales) facility, and the ability to reroute warehouse shipping from one U.S. location to another location. Although these plans are not Y2K specific, they may be applicable to address limited Y2K failures or interruption of support provided by some third parties resulting from their failure to be Y2K ready.

The Company's global IT and Non-IT operations are highly centralized in the United States. The Company's strategy with respect to Y2K readiness is to resolve its Y2K issues from a global perspective first through its U.S. operations. For example, the Company's core enterprise system, IMpulse, is based in the U.S., but operates globally. Remediation of this system is effective across the Company's entire operations. However, the Company may continue to experience risks with respect to new acquisitions where new management may not be as familiar with the computer systems (although the Company strives to convert newly acquired operations to IMpulse as soon as possible), or the existing associates may not be familiar with the Company's Y2K plan.

The failure to correct a material Y2K problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failure could materially and adversely affect the Company's results of operations, liquidity and financial condition. In addition, the Company's operating results could be materially adversely affected if it were to be held responsible for the failure of any products sold by the Company to be Y2K ready despite the Company's disclaimer of product warranties and the limitation of liability contained in its sales terms and conditions.

EURO CONVERSION

On January 1, 1999, a single currency called the euro will be introduced in Europe. Eleven of the fifteen member countries of the European Union have agreed to adopt the euro as their common legal currency on that date. Fixed conversion rates between these participating countries' existing currencies (the "legacy currencies") and the euro will be established as of that date. The legacy currencies are scheduled to remain legal tender as denominations of the euro until at least January 1, 2002 (but not later than July 1, 2002). During this transition period, parties may settle transactions using either the euro or a participating country's legacy currency. Beginning in January 2002, new euro-denominated bills and coins will be issued and legacy currencies will be withdrawn from circulation. The Company has established plans to address the issues raised by the euro currency conversion. These issues include, among others, the need to adapt computer information systems and business processes and equipment to accommodate euro-denominated transactions; the need to analyze the legal and contractual implications on contracts; and the ability of the Company's customers and vendors to accommodate euro-denominated transactions on a timely basis. Since the Company's information systems and processes generally accommodate multiple currencies, the Company anticipates that modifications to its information systems, equipment and processes will be made on a timely basis and does not expect that the costs of such modifications will have a material effect on the Company's financial position or results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS CONTINUED

CAUTIONARY STATEMENTS FOR THE PURPOSE OF THE SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

In connection with the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company, in its Annual Report on Form 10-K for the year ended January 3, 1998, outlined cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in forward-looking statements made by, or on behalf of, the Company. Such forward-looking statements, as made within this Form 10-Q, should be considered in conjunction with the information included in the Company's Annual Report on Form 10-K for the year ended January 3, 1998, including Exhibit 99.01 attached thereto; other risks or uncertainties may be detailed from time to time in the Company's future Securities and Exchange Commission filings.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Not applicable.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

During the Company's fiscal quarter ended July 4, 1998, the Company issued certain shares of Class A Common Stock and Class B Common Stock. Of these shares, 34,456 shares of Class A Common Stock issued in the quarter ended July 4, 1998 were issued upon exercise of Rollover Stock Options, at exercise prices ranging from $0.66 to $2.85 per share, in transactions that were exempt from registration pursuant to Rule 701 under the Securities Act of 1933, because such Rollover Stock Options were originally granted by Ingram Industries prior to the Split-Off. There were no such unregistered sales during the Company's fiscal quarter ended October 3, 1998.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) Exhibits

No.	Description
10.40	Second Amendment to Credit Agreement dated as of September 25, 1998, among the Company, Ingram European Coordination Center N.V. ("IECC"), and Ingram Micro Inc. (Canada), as Borrowers and Guarantors, and certain financial institutions as the Relevant Required Lenders, amending the US $1,000,000,000 Credit Agreement dated as of October 30, 1996, also among certain financial institutions, as the Lenders, NationsBank, N.A. (successor in interest by merger with NationsBank of Texas, N.A.), as Administrative Agent for the Lenders, and The Bank of Nova Scotia, as Documentation Agent for the Lenders and certain named Co-Agents.
10.41	First Amendment to European Credit Agreement dated as of September 25, 1998, among the Company and IECC as the Primary Borrowers and Guarantors, and certain financial institutions as the Relevant Required Lenders, amending the US $500,000,000 European Credit Agreement dated as of October 28, 1997, also among the Company and IECC, as the Primary Borrowers and Guarantors, certain financial institutions as the Lenders, The Bank of Nova Scotia, as Administrative Agent for the Lenders and NationsBank, N.A. (successor in interest by merger to NationsBank of Texas, N.A.), as Documentation Agent for the Lenders, as arranged by The Bank of Nova Scotia and NationsBanc Capital Markets, Inc., as the Arrangers.
10.42	First Amendment to Canadian Credit Agreement dated as of September 25, 1998, among the Company and Ingram Micro Inc. (Canada) as the Borrowers and Guarantors, and certain financial institutions as the Relevant Required Lenders, amending the US $150,000,000 Canadian Credit Agreement dated as of October 28, 1997, also among the Company, Ingram Micro Inc. (Canada) as the Borrowers and Guarantors, certain financial institutions as the Lenders, The Bank of Nova Scotia, as Administrative Agent for the Lenders, Royal Bank of Canada, as Syndication Agent for the Lenders, and Bank of Tokyo-Mitsubishi (Canada) as the Co-Agent.
27	Financial Data Schedule

b) Reports on Form 8-K

No reports on Form 8-K were filed by the Company during the thirteen weeks ended October 3, 1998.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INGRAM MICRO INC.

By: /s/ Michael J. Grainger

Name: Michael J. Grainger
Title: Executive Vice President and Worldwide Chief
Financial Officer (Principal Financial Officer
and Principal Accounting Officer)

November 17, 1998

EXHIBIT INDEX

EXHIBIT 10.40

SECOND AMENDMENT TO CREDIT AGREEMENT

dated as of September 25, 1998,

among

INGRAM MICRO INC.,
INGRAM EUROPEAN COORDINATION CENTER N.V., and
INGRAM MICRO INC. (CANADA),
as Borrowers and Guarantors, and

CERTAIN FINANCIAL INSTITUTIONS,
as the Relevant Required Lenders

amending the US $1,000,000,000

CREDIT AGREEMENT

dated as of October 30, 1996,

also among

CERTAIN FINANCIAL INSTITUTIONS,
as the Lenders,

NATIONSBANK, N.A.
(successor in interest by merger with NationsBank of Texas, N.A.),
as Administrative Agent for the Lenders,

THE BANK OF NOVA SCOTIA,
as Documentation Agent for the Lenders,

and

THE CHASE MANHATTAN BANK,
DG BANK DEUTSCHE GENOSSENSCHAFTSBANK, CAYMAN ISLANDS BRANCH,
THE FIRST NATIONAL BANK OF CHICAGO,
THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY, and
ROYAL BANK OF CANADA,
as the Co-Agents

PREPARED BY HAYNES AND BOONE, L.L.P.

SECOND AMENDMENT TO CREDIT AGREEMENT

THIS DOCUMENT is entered into as of September 25, 1998, among:

INGRAM MICRO INC., a corporation organized and existing under the laws of the State of Delaware, United States of America ("MICRO");

INGRAM EUROPEAN COORDINATION CENTER, N.V., a company organized and existing under the laws of The Kingdom of Belgium ("COORDINATION CENTER"), and INGRAM MICRO INC., a corporation organized and existing under the laws of the Province of Ontario, Canada ("MICRO CANADA"), both of which are collectively the "SUPPLEMENTAL BORROWERS"; and

The financial institutions executing this document as Lenders (the "RELEVANT REQUIRED LENDERS").

(see PARAGRAPH 1 below regarding defined terms)

This document is being executed and delivered to amend certain provisions of the Credit Agreement (as renewed, extended, amended, or supplemented, the "CREDIT AGREEMENT") dated as of October 30, 1996, among (a) Micro; (b) the Supplemental Borrowers; (c) Ingram Micro Singapore Pte Ltd., a corporation organized and existing under the laws of Singapore ("MICRO SINGAPORE"); (d) certain Lenders (which includes the Relevant Required Lenders); (e) NationsBank, N.A. (successor in interest by merger with NationsBank of Texas, N.A., "NATIONSBANK"), as administrative agent for the Lenders (in such capacity, the "ADMINISTRATIVE AGENT"), and The Bank of Nova Scotia ("SCOTIABANK"), as documentation agent for the Lenders (in such capacity, the "DOCUMENTATION AGENT"), both of which are collectively the "AGENTS"; and (f) The Chase Manhattan Bank; DG Bank Deutsche Genossenschaftsbank, Cayman Island Branch; The First National Bank of Chicago; The Industrial Bank of Japan, Limited, Atlanta Agency; and Royal Bank of Canada, as co-agents (collectively in such capacity, the "CO-AGENTS"). Effective December 22, 1997, Micro Singapore ceased to be a Subsidiary of Micro, and effective January 15, 1998, in accordance with SECTION 11.16 of the Credit Agreement, Micro Singapore ceased to be a Supplemental Borrower and Guarantor under the Credit Agreement.

The Relevant Required Lenders have agreed, upon and subject to the terms and conditions of this document, to amend the terms of the Credit Agreement as provided below.

ACCORDINGLY, for adequate and sufficient consideration, the Borrowers and the Relevant Required Lenders agree as follows:

I. TERMS AND REFERENCES. Unless otherwise stated in this document, terms defined in the Credit Agreement have the same meanings when used in this document, and references to "ARTICLES," "SECTIONS," "Schedules," and "EXHIBITS" are to the Credit Agreement's articles, sections, schedules, and exhibits

I. AMENDMENTS. Subject to PARAGRAPH 3 below but otherwise effective as of the date of this document, the Credit Agreement is amended as follows:

A. SECTION 1.1 is amended by adding or entirely amending, as the case may be, the following defined terms in alphabetical order with all other defined terms in that section:

"ACQUIRED EXISTING DEBT AND LIENS" means, for a period of 90 days following the acquisition or merger of a Person by or into Micro or any of its Subsidiaries or the acquisition of a business unit of a Person or the assets of a

Person or business unit of a Person by Micro or any of its Subsidiaries, the Indebtedness and Liens of that Person or business unit that (a) were not incurred in connection with that acquisition or merger and do not constitute any refinancing of Indebtedness so incurred and (b) were in existence at the time of that acquisition or merger.

"ADDITIONAL PERMITTED LIENS" means, as of any date (a) Liens securing Indebtedness and not described in CLAUSES (a) through (L) of SECTION 8.2.2, but only to the extent that (i) the Amount of Additional Liens on that date does not exceed twenty percent (20%) of Consolidated Tangible Net Worth on that date and (ii) Borrowers are otherwise in compliance with SECTION 8.2.1(b), and (b) Liens constituting Acquired Existing Debt and Liens on that date.

"FOREIGN SUBSIDIARY" means any Subsidiary that is not domiciled in the United States.

"MICRO SINGAPORE" is defined in the preamble but is no longer party to any Loan Document.

"SENIOR CONSOLIDATED FUNDED DEBT" means, as of any date of determination, the total of all Consolidated Funded Debt of Micro and its Consolidated Subsidiaries outstanding on such date that ranks PARI PASSU with the Obligations.

B. The definition of "Material Asset Acquisition" in SECTION 1.1 is amended to add the words "or 8.2.9(d)" at the end of it.

C. In the definition of "Total Indebtedness of Subsidiaries" in SECTION 1.1 (i) the word "and" before CLAUSE (b) is replaced with a comma and (ii) a new CLAUSE (c) is added as follows:

, and (c) any Indebtedness under any Loan Document (as defined in this Agreement, the Canadian Credit Agreement, and the European Credit Agreement).

D. SECTION 1.1 is amended by entirely deleting the definitions of the terms "Consolidated Current Assets," "Consolidated Current Liabilities," and "Consolidated Current Ratio".

E. SECTION 6.3.3 is amended by adding the parenthetical "(OTHER THAN a Foreign Subsidiary)" after the 18th and 19th words "Material Subsidiary" in that section.

F. A new SECTION 7.18 is added as follows:

SECTION 7.18 YEAR 2000. Micro believes that its computer applications that are material to its business and operations will be able to perform properly date-sensitive functions for all dates on and after January 1, 2000, EXCEPT to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

G. SECTION 8.1.10 is amended by (i) adding the parenthetical "(OTHER THAN Foreign Subsidiaries)" after the 9th word "Subsidiaries" in CLAUSE (b) of that section, and (ii) entirely amending the third parenthetical in the second sentence of that section as follows:

(at least to the extent of the form of Additional Guaranty attached as EXHIBIT J)

H. SECTION 8.2.1(b) is entirely amended as follows:

(b) Micro will not at the end of any Fiscal Period permit (i) Total Indebtedness of Subsidiaries (OTHER THAN Indebtedness of any Guarantor and Indebtedness constituting Acquired Existing Debt and Liens) to exceed twenty percent (20%) of Consolidated Tangible Net Worth, or (ii) SECTION 8.2.2(m) to be violated.

I. SECTIONS 8.2.2(k) and (l) are entirely amended as follows:

(k) Liens of the nature referred to in CLAUSE (b) of the definition of the term "LIEN" and granted to a purchaser or any assignee of such purchaser which has financed the relevant purchase of Trade Accounts Receivable of any Borrower or any of their respective subsidiaries and Liens on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records;

(l) Liens on accounts receivable of Micro Canada with respect to any accounts receivable securitization program and on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records; and

J. SECTION 8.2.3(a) is entirely amended as follows:

(a) [INTENTIONALLY BLANK]

K. SECTION 8.2.3(c) is entirely amended as follows:

(c) (i) the ratio of (A) the average daily balances of Senior Consolidated Funded Debt during any Fiscal Period to (B) Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 3.5 to 1.0; and (ii) the ratio of (A) the average daily balances of Consolidated Funded Debt during any Fiscal Period (B) to Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 4.0 to 1.0;

PROVIDED THAT, for purposes of calculating the preceding ratios (A) Consolidated Funded Debt on any day shall be the amount otherwise determined pursuant to the definition thereof plus the amount of Consolidated Transferred Receivables on such day, and (B) the contribution of any Subsidiary of Micro acquired (to the extent the acquisition is treated for accounting purposes as a purchase) during those four Fiscal Periods to Consolidated EBITDA shall be calculated on a PRO FORMA basis as if it had been a Subsidiary of Micro during all of those four Fiscal Periods.

L. SECTION 8.2.3(d) is entirely amended as follows:

(d) the Consolidated Tangible Net Worth at the end of any Fiscal Period to be less than the SUM of (i) 90% of Consolidated Tangible Net Worth at the end of the Fiscal Year ending nearest to December 31, 1997, PLUS (ii) 50% of Consolidated Net Income (without taking into account any losses incurred in any Fiscal Year) for each Fiscal Year ended thereafter that ends on or before the last day of that Fiscal Period.

M. The proviso in SECTION 8.2.4 is entirely amended as follows:

; PROVIDED, HOWEVER, THAT, Micro may redeem, purchase or acquire (a) any of its capital stock (i) issued to employees pursuant to any Plan or other contract or arrangement relating to employment upon the termination of employment or other events or (ii) in a transaction contemplated by the Transition Agreements and (b) any of its Indebtedness that is convertible into its securities.

N. The words "such or" are deleted as the 27th and 28th words of the last sentence of Section 8.2.6.

O. SECTION 8.2.7(a) is entirely amended as follows:

(a) No Borrower may make any Material Asset Acquisition UNLESS no Event of Default exists or would exist after giving effect to the proposed Material Asset Acquisition.

P. SECTION 8.2.9 is amended as follows:

(1) The word "and" is deleted at the end of SECTION 8.2.9(b).

(2) SECTION 8.2.9(c) is entirely amended as follows:

(c) so long as no Event of Default has occurred and is continuing or would occur after giving effect thereto, Micro and any Subsidiary of Micro may Dispose of assets in transactions exclusively among Micro and any of its Subsidiaries or among Subsidiaries of Micro that satisfy the requirements of SECTION 8.2.6; PROVIDED THAT, notwithstanding any provision hereof to the contrary, in the event that, immediately after giving effect to any Disposition described in this CLAUSE (c) to a Subsidiary of Micro, such Subsidiary shall own assets constituting at least ten percent (10%) of Consolidated Assets determined as of the last day of the most recently completed Fiscal Period, such Subsidiary of Micro shall be deemed a Material Subsidiary for all purposes hereunder as of the date of such Disposition and Micro shall cause any such Material Subsidiary (UNLESS a Foreign Subsidiary) promptly to execute and deliver an Additional Guaranty in favor of the Lender Parties in accordance with SECTION 8.1.10; and

(3) A new SECTION 8.2.9(d) is added as follows:

(d) subject to SECTION 8.2.8, any Borrower may (and may permit any of its Subsidiaries to) sell, assign, grant a Lien in, or otherwise transfer any interest in its Trade Accounts Receivable and related property such as proceeds and records.

Q. The last parenthetical phrase in SECTION 9.1.3 that begins with the word "excluding" is entirely deleted.

R. The last parenthetical in SECTION 9.1.5 is entirely amended as follows:

(without the giving of further notice or lapse of additional time)

S. SECTION 11.16(a) is amended by adding the phrase "and the other Loan Documents" at the end thereof.

3. CONDITIONS PRECEDENT. Notwithstanding any contrary provision, PARAGRAPH 2 above is not effective unless and until (A) all principal, interest, fees, costs, and expenses due under the Credit Agreement (as amended by this document), all fees payable to either Agent in connection with this document as agreed to between such Agent and Micro, and all outstanding fees and expenses of counsel to the Agents are, in each case, paid in full to the extent due and payable (and, unless an amount is otherwise provided by the Loan Documents and without waiving the right for subsequent reimbursement in accordance with the Loan Documents, to the extent that a reasonably detailed invoice is presented to Micro by September 21, 1998) after giving effect to this document and (B) the Administrative Agent receives either (i) counterparts of this document duly executed and delivered by an Authorized Person of each Obligor and by the Required Lenders or (ii) facsimile, telegraphic, or other written confirmation of the execution of counterparts of this document.

4. REPRESENTATIONS. To induce the Relevant Required Lenders to enter into this document, the Borrowers (for themselves and each other Obligor) jointly and severally represent and warrant to the Agents, the Co-Agents, and the Lenders as follows:

A. CREDIT AGREEMENT. Each of the representations and warranties of each Obligor set forth in ARTICLE VII of the Credit Agreement (excluding those contained in SECTION 7.8) is true and correct as though made on and as of the date of this document (unless stated to relate solely to an earlier date, in which case, such representations and warranties were true and correct as of such earlier date) with each reference in those representations to "this Agreement," the "Loan Documents," "hereof," "hereunder," "thereof," "thereunder," and words of like import being, for purposes of this clause, references to the Credit Agreement and the Loan Documents, in each case as amended or waived by this document.

B. ENFORCEABILITY. Upon execution and delivery by the Obligors and the Required Lenders, this document will constitute a valid and binding agreement of each Obligor, enforceable against it in accordance with this document's terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, or other similar laws relating to or limiting creditors' rights generally or by general principles of equity.

C. OBLIGORS. As of the date of, and after giving effect to, this document, the only Obligors under the Credit Agreement and Loan Documents are Micro; Coordination Center; Micro Canada; Ingram Micro Holdings Limited, a corporation organized and existing under the laws of the United Kingdom; and Ingram Micro (UK) Limited, a corporation organized and existing under the laws of the United Kingdom.

5. RATIFICATIONS. To induce the Relevant Required Lenders to enter into this document each Borrower (and, by its execution below, each other Obligor) (A) ratifies and confirms all provisions of the Credit Agreement and other Loan Documents to which it is a party, as amended or waived by this document, and (B) ratifies and confirms that all guaranties granted in favor of any of the Agents or the Lenders under the Loan Documents (as they may have been renewed, extended, amended, or supplemented) are not released, reduced, or otherwise adversely affected by this document, or any other Loan Document, and continue to guarantee full payment and performance of the present and future Obligations.

6. MISCELLANEOUS.

A. CREDIT AGREEMENT AND LOAN DOCUMENTS. Upon the effectiveness of PARAGRAPH 2 above as provided in PARAGRAPH 3 above, all references in the Loan Documents to the "Credit Agreement" refer to the Credit Agreement as amended and waived by this document. This document is a "Loan Document" referred to in the Credit Agreement, and the provisions relating to Loan Documents in ARTICLES I and XI are incorporated in this document by reference. Except as specifically amended, modified, and waived in this document, the Credit Agreement is unchanged and continues in full force and effect, and this document is not otherwise a waiver of any right, power, or remedy of any Agent, Co-Agent, or Lender under, or waiver of any provision of, any Loan Document. No change or waiver of any provision of this document is valid unless in a writing that is signed by the party against whom it is sought to be enforced.

B. GOVERNING LAW. This document shall be deemed to be a contract made under and governed by the laws of the State of New York, United States of America.

C. COUNTERPARTS. This document may be executed in any number of counterparts with the same effect as if all signatories had signed the same document. All counterparts shall be construed together to constitute one and the same document.

[REMAINDER OF PAGE INTENTIONALLY BLANK. THIS PAGE IS FOLLOWED BY A SIGNATURE PAGE FOR THE OBLIGORS FOLLOWED BY SEPARATE SIGNATURE PAGES FOR THE RELEVANT REQUIRED LENDERS.]

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

INGRAM MICRO INC., as a Borrower	INGRAM EUROPEAN COORDINATION CENTER N.V., as a Supplemental Borrower
By /s/ James F. Ricketts	By /s/ Michael J. Grainger
James F. Ricketts, Vice President and Worldwide Treasurer	Michael J. Grainger, Authorized Representative

INGRAM MICRO INC., as a Supplemental Borrower

By /s/ Michael J. Grainger

Michael J. Grainger,
Authorized Representative

The undersigned Obligors consent and agree in all respects to PARAGRAPH 6 and all other provisions of the foregoing Second Amendment to Credit Agreement as Obligors under the Credit Agreement and all related Loan Documents.

INGRAM MICRO HOLDINGS LTD., as an Obligor	INGRAM MICRO (UK) LTD., as an Obligor
By /s/ Stephen Gill	By /s/ Stephen Gill
Name: Stephen Gill	Name: Stephen Gill
Title: VP, Finance & CFO Europe	Title: VP, Finance & CFO Europe

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

NATIONSBANK, N.A. (successor in interest by merger with NationsBank of Texas, N.A.), as the Administrative Agent and as a Lender

By /s/ Yousuf Omar

Yousuf Omar, Senior Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE BANK OF NOVA SCOTIA, as the
Documentation Agent and as a Lender

By /s/ Edward J. Kofman

Name: Edward J. Kofman
Title: Relationship Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE CHASE MANHATTAN BANK, as a Co-Agent and as a Lender

By /s/ Karen M. Sharf

Name: Karen M. Sharf
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

DG BANK DEUTSCHE GENOSSENSCHAFTSBANK,
CAYMAN ISLANDS BRANCH, as a Co-Agent and
as a Lender

By /s/ J. W. Somers

Name: J. W. Somers
Title: S.V.P. and Manager

By /s/ Bobby Ryan Oliver, Jr.

Name: Bobby Ryan Oliver, Jr.
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY, as a Co-Agent and as a Lender

By /s/ Koichi Hasegawa

Name: Koichi Hasegawa
Title: Senior Vice President and Deputy General Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

ROYAL BANK OF CANADA, as Co-Agent and as a Lender

By /s/ Robert K. Mimaki

Name: Robert K. Mimaki
Title: Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE FUJI BANK, LIMITED, LOS ANGELES AGENCY, as a Lender

By /s/ Masahito Fukuda

Name: Masahito Fukuda
Title: Joint General Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANK OF AMERICA NATIONAL TRUST & SAVINGS
ASSOCIATION, as a Lender

By /s/ Brian K. Chin

Name: Brian K. Chin
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANKERS TRUST COMPANY, as a Lender

By /s/ Robert R. Telesca

Name: Robert R. Telesca

Title: Assistant Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE DAI-ICHI KANGYO BANK, LTD., LOS ANGELES AGENCY, as a Lender

By /s/ Masatsugu Morishita

Name: Masatsugu Morishita
Title: Sr. Vice President and Joint General Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE SAKURA BANK, LIMITED, as a Lender

By /s/ Yasumasa Kikuchi

Name: Yasumasa Kikuchi
Title: Senior Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE FIRST NATIONAL BANK OF CHICAGO, as a Co-Agent and as a Lender

By /s/ Mark A. Isley

Name: Mark A. Isley
Title: First Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

COMMERZBANK AKTIENGESELLSCHAFT LOS ANGELES BRANCH, as a Lender

By /s/ Christian Jagenberg

Name: Christian Jagenberg
Title: SVP and Manager

By /s/ John Korthuis

Name: John Korthuis
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE MITSUBISHI TRUST AND BANKING CORPORATION, LOS ANGELES AGENCY, as a Lender

By /s/ Yasushi Satomi

Name: Yasushi Satomi
Title: Senior Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

ABN-AMRO BANK N.V., as a Lender

By /s/ Paul K. Stimpel
Name: Paul K. Stimpel
Title: Group Vice President

By /s/ Shikha Rehman
Name: Shikha Rehman
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANCA COMMERCIALE ITALIANA, LOS ANGELES FOREIGN BRANCH, as a Lender

By /s/ Richard E. Iwanicki

Name: Richard E. Iwanicki
Title: Vice President

By /s/ E. Bombieri

Name: E. Bombieri
Title: Vice President & Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANQUE NATIONALE DE PARIS, as a Lender

By /s/ Tjalling Terpstra

Name: Tjalling Terpstra
Title: Vice President

By /s/ Debbie Gohh

Name: Debbie Gohh
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

COMERICA BANK, as a Lender

By /s/ Emmanuel M. Skevofilax

Name: Emmanuel M. Skevofilax
Title: Assistant Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

DEN DANSKE BANK AKTIESELSKAB CAYMAN ISLANDS BRANCH, as a Lender

By /s/ Daniel F. Lenzo

Name: Daniel F. Lenzo
Title: Vice President

By /s/ Henrik Ibsen

Name: Henrik Ibsen
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN ISLANDS BRANCHES, as a Lender

By /s/ Stephan A. Wiedemann

Name: Stephan A. Wiedemann
Title: Director

By /s/ Hans-Josef Thiele

Name: Hans-Josef Thiele
Title: Director

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

FIRST AMERICAN NATIONAL BANK, as a Lender

By /s/ Stephan Arnold

Name: Stephan Arnold
Title: V.P.

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

GENERALE BANK, S.A./N.V., as a Lender

By /s/ Hans Neukomm

Name: Hans Neukomm
Title: General Manager

By /s/ Simon Del Rosario

Name: Simon Del Rosario
Title: Senior Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

KBC BANK N.V., as a Lender

By /s/ Raymond F. Murray

Name: Raymond F. Murray
Title: Vice President

By /s/ Marcel Claes

Name: Marcel Claes
Title: Deputy General Manager

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE SANWA BANK, LIMITED LOS ANGELES BRANCH, as a Lender

By_______________________________________
Name:__________________________________
Title:_________________________________

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

SUNTRUST BANK, ATLANTA, as a Lender

By /s/ Richard A. Anderson, Jr.

Name: Richard A. Anderson, Jr.
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

US BANK NATIONAL ASSOCIATION, as a Lender

By /s/ Aaron J. Gordon

Name: Aaron J. Gordon

Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANCA DI ROMA, SAN FRANCISCO FOREIGN BRANCH, as a Lender

By /s/ Richard G. Dietz

Name: Richard G. Dietz
Title: Vice President

By /s/ Thomas C. Woodruff

Name: Thomas C. Woodruff
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

BANCO CENTRAL HISPANOAMERICANO, S.A., as a Lender

By /s/ Louis Ferreira

Name: Louis Ferreira
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

ISTITUTO BANCARIO SAN PAOLO DI TORINO
S.P.A., as a Lender

By /s/ Robert Wurster

Name: Robert Wurster
Title: 1st V.P.

By /s/ Gerard McKenna

Name: Gerard McKenna
Title: V.P.

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as a Lender

By /s/ John M. Mikolay

Name: John M. Mikolay
Title: Vice President

EXECUTED as of the date first stated in this Second Amendment to Credit Agreement.

THE YASUDA TRUST AND BANKING CO. LTD., as a Lender

By /s/ Junichiro Kawamura

Name: Junichiro Kawamura
Title: Vice President

EXHIBIT 10.41

FIRST AMENDMENT TO EUROPEAN CREDIT AGREEMENT

dated as of September 25, 1998,

among

INGRAM MICRO INC., and
INGRAM EUROPEAN COORDINATION CENTER N.V.,
as the Primary Borrowers and Guarantors, and

CERTAIN FINANCIAL INSTITUTIONS,
as the Relevant Required Lenders

amending the US $500,000,000

EUROPEAN CREDIT AGREEMENT

dated as of October 28, 1997,

also among

INGRAM MICRO INC., and
INGRAM EUROPEAN COORDINATION CENTER N.V.,
as the Primary Borrowers and Guarantors,

CERTAIN FINANCIAL INSTITUTIONS,
as the Lenders,

THE BANK OF NOVA SCOTIA,
as Administrative Agent for the Lenders,

and

NATIONSBANK, N.A.
(successor in interest by merger to NationsBank of Texas, N.A.),
as Documentation Agent for the Lenders,

as arranged by

THE BANK OF NOVA SCOTIA and
NATIONSBANC CAPITAL MARKETS, INC.,
as the Arrangers

PREPARED BY HAYNES AND BOONE, L.L.P.

FIRST AMENDMENT TO EUROPEAN CREDIT AGREEMENT

THIS DOCUMENT is entered into as of September 25, 1998, among:

INGRAM MICRO INC., a corporation organized and existing under the laws of the State of Delaware, United States of America ("MICRO");

INGRAM EUROPEAN COORDINATION CENTER N.V., a company organized and existing under the laws of The Kingdom of Belgium ("COORDINATION CENTER," and collectively with Micro, the "PRIMARY BORROWERS"); and

The financial institutions executing this document as Lenders (the "RELEVANT REQUIRED LENDERS").

(see PARAGRAPH 1 below regarding defined terms)

This document is being executed and delivered to amend certain provisions of the European Credit Agreement (as renewed, extended, amended, or supplemented, the "CREDIT AGREEMENT") dated as of October 28, 1997, among (a) the Primary Borrowers; (b) certain Lenders (which includes the Relevant Required Lenders); and (c) The Bank of Nova Scotia ("SCOTIABANK"), as administrative agent for the Lenders (in such capacity, the "ADMINISTRATIVE AGENT"), and NationsBank, N.A. (successor in interest by merger to NationsBank of Texas, N.A.) ("NATIONSBANK"), as documentation agent for the Lenders (in such capacity, the "DOCUMENTATION AGENT"), both of which are collectively the "AGENTS". Effective December 22, 1997, Micro Singapore ceased to be a Subsidiary of Micro, and effective January 15, 1998, in accordance with SECTION 11.16 of the Credit Agreement, Micro Singapore ceased to be a Supplemental Borrower and a Guarantor under the Credit Agreement.

The Relevant Required Lenders have agreed, upon and subject to the terms and conditions of this document, to alter the terms of the Credit Agreement as provided below.

ACCORDINGLY, for adequate and sufficient consideration, the Borrowers and the Relevant Required Lenders agree as follows:

1. TERMS AND REFERENCES. Unless otherwise stated in this document, terms defined in the Credit Agreement have the same meanings when used in this document and references to "ARTICLES," "SECTIONS," "SCHEDULES," and "EXHIBITS" are to the Credit Agreement's articles, sections, schedules, and exhibits.

2. AMENDMENTS. Subject to PARAGRAPH 3 but otherwise effective as of the date of this document, the Credit Agreement is amended as follows:

A. SECTION 1.1 is amended by adding or entirely amending, as the case may be, the following defined terms in alphabetical order with all other defined terms in that section:

> "ACQUIRED EXISTING DEBT AND LIENS" means, for a period of 90 days following the acquisition or merger of a Person by or into Micro or any of its Subsidiaries or the acquisition of a business unit of a Person or the assets of a Person or business unit of a Person by Micro or any of its Subsidiaries, the Indebtedness and Liens of that Person or business unit that (a) were not incurred in connection with that acquisition or merger and do not constitute any refinancing of Indebtedness so incurred and (b) were in existence at the time of that acquisition or merger.

"ADDITIONAL PERMITTED LIENS" means, as of any date (a) Liens securing Indebtedness and not described in CLAUSES (a) through (l) of SECTION 8.2.2, but only to the extent that (i) the Amount of Additional Liens on that date does not exceed twenty percent (20%) of Consolidated Tangible Net Worth on that date and (ii) Borrowers are otherwise in compliance with SECTION 8.2.1(b), and (b) Liens constituting Acquired Existing Debt and Liens on that date.

"FOREIGN SUBSIDIARY" means any Subsidiary that is not domiciled in the United States.

"MICRO SINGAPORE" is defined in the preamble but is no longer party to any Loan Document.

"SENIOR CONSOLIDATED FUNDED DEBT" means, as of any date of determination, the total of all Consolidated Funded Debt of Micro and its Consolidated Subsidiaries outstanding on such date that ranks PARI PASSU with the Obligations.

B. The definition of "Material Asset Acquisition" in SECTION 1.1 is amended to add the words "or 8.2.9(d)" at the end of it.

C. In the definition of "Total Indebtedness of Subsidiaries" in SECTION 1.1 (i) the word "and" before CLAUSE (b) is replaced with a comma and (ii) a new CLAUSE (c) is added as follows:

, and (c) any Indebtedness under any Loan Document (as defined in this Agreement, the Canadian Credit Agreement, and the U.S. Credit Agreement).

D. SECTION 1.1 is amended by entirely deleting the definitions of the terms "Consolidated Current Assets," "Consolidated Current Liabilities," and "Consolidated Current Ratio".

E. SECTION 6.3.3 is amended by adding the parenthetical "(OTHER THAN a Foreign Subsidiary)" after the 18th and 19th words "Material Subsidiary" in that section.

F. A new SECTION 7.18 is added as follows:

SECTION 7.18 YEAR 2000. Micro believes that its computer applications that are material to its business and operations will be able to perform properly date-sensitive functions for all dates on and after January 1, 2000, EXCEPT to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

G. SECTION 8.1.10 is amended by adding the parenthetical "(OTHER THAN Foreign Subsidiaries)" after the 9th word "Subsidiaries" in CLAUSE (c) of that section.

H. SECTION 8.2.1(b) is entirely amended as follows:

(b) Micro will not at the end of any Fiscal Period permit (i) Total Indebtedness of Subsidiaries (OTHER THAN Indebtedness of any Guarantor and Indebtedness constituting Acquired Existing Debt and Liens) to exceed twenty percent (20%) of Consolidated Tangible Net Worth, or (ii) SECTION 8.2.2(m) to be violated.

I. SECTIONS 8.2.2(k) and (l) are entirely amended as follows:

(k) Liens of the nature referred to in CLAUSE (b) of the definition of the term "LIEN" and granted to a purchaser or any assignee of such purchaser which has financed the relevant purchase of Trade Accounts Receivable of any Borrower or any of their respective subsidiaries and Liens on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records;

(l) Liens on accounts receivable of Micro Canada with respect to any accounts receivable securitization program and on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records; and

J. SECTION 8.2.3(a) is entirely amended as follows:

(a) [INTENTIONALLY BLANK]

K. SECTION 8.2.3(c) is entirely amended as follows:

(c) (i) the ratio of (A) the average daily balances of Senior Consolidated Funded Debt during any Fiscal Period to (B) Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 3.5 to 1.0; and (ii) the ratio of (A) the average daily balances of Consolidated Funded Debt during any Fiscal Period (B) to Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 4.0 to 1.0;

PROVIDED THAT, for purposes of calculating the preceding ratios (A) Consolidated Funded Debt on any day shall be the amount otherwise determined pursuant to the definition thereof plus the amount of Consolidated Transferred Receivables on such day, and (B) the contribution of any Subsidiary of Micro acquired (to the extent the acquisition is treated for accounting purposes as a purchase) during those four Fiscal Periods to Consolidated EBITDA shall be calculated on a PRO FORMA basis as if it had been a Subsidiary of Micro during all of those four Fiscal Periods.

L. SECTION 8.2.3(d) is entirely amended as follows:

(d) the Consolidated Tangible Net Worth at the end of any Fiscal Period to be less than the SUM of (i) 90% of Consolidated Tangible Net Worth at the end of the Fiscal Year ending nearest to December 31, 1997, PLUS (ii) 50% of Consolidated Net Income (without taking into account any losses incurred in any Fiscal Year) for each Fiscal Year ended thereafter that ends on or before the last day of that Fiscal Period.

M. The proviso in SECTION 8.2.4 is entirely amended as follows:

; PROVIDED, HOWEVER, THAT, Micro may redeem, purchase or acquire (a) any of its capital stock (i) issued to employees pursuant to any Plan or other contract or arrangement relating to employment upon the termination of employment or other events or (ii) in a transaction contemplated by the Transition Agreements and (b) any of its Indebtedness that is convertible into its securities.

N. The words "such or" are deleted as the 27th and 28th words of the last sentence of Section 8.2.6.

O. SECTION 8.2.7(a) is entirely amended as follows:

(a) No Borrower may make any Material Asset Acquisition UNLESS no Event of Default exists or would exist after giving effect to the proposed Material Asset Acquisition.

P. SECTION 8.2.9 is amended as follows:

(1) The word "and" is deleted at the end of SECTION 8.2.9(b).

(2) SECTION 8.2.9(c) is entirely amended as follows:

(c) so long as no Event of Default has occurred and is continuing or would occur after giving effect thereto, Micro and any Subsidiary of Micro may Dispose of assets in transactions exclusively among Micro and any of its Subsidiaries or among Subsidiaries of Micro that satisfy the requirements of SECTION 8.2.6; PROVIDED THAT, notwithstanding any provision hereof to the contrary, in the event that, immediately after giving effect to any Disposition described in this CLAUSE (c) to a Subsidiary of Micro, such Subsidiary shall own assets constituting at least ten percent (10%) of Consolidated Assets determined as of the last day of the most recently completed Fiscal Period, such Subsidiary of Micro shall be deemed a Material Subsidiary for all purposes hereunder as of the date of such Disposition and Micro shall cause any such Material Subsidiary (UNLESS a Foreign Subsidiary) promptly to execute and deliver an Additional Guaranty in favor of the Lender Parties in accordance with SECTION 8.1.10; and

(3) A new SECTION 8.2.9(d) is added as follows:

(d) subject to SECTION 8.2.8, any Borrower may (and may permit any of its Subsidiaries to) sell, assign, grant a Lien in, or otherwise transfer any interest in its Trade Accounts Receivable and related property such as proceeds and records.

Q. The last parenthetical phrase in SECTION 9.1.3 that begins with the word "excluding" is entirely deleted.

R. The last parenthetical in SECTION 9.1.5 is entirely amended as follows:

(without the giving of further notice or lapse of additional time)

S. SECTION 11.16(a) is amended by adding the phrase "and the other Loan Documents" at the end thereof.

I. CONDITIONS PRECEDENT. Notwithstanding any contrary provision, PARAGRAPH 2 above is not effective unless and until (A) all principal, interest, fees, costs, and expenses due under the Credit Agreement (as amended by this document), all fees payable to either Agent in connection with this document as agreed to between such Agent and Micro, and all outstanding fees and expenses of counsel to the Agents are, in each case, paid in full to the extent due and payable (and, unless an amount is otherwise provided by the Loan Documents and without waiving the right for subsequent reimbursement in accordance with the Loan Documents, to the extent that a reasonably detailed invoice is presented to Micro by September 21, 1998) after giving effect to this document and (B) the Administrative Agent receives either (i) counterparts of this document duly executed and delivered by an Authorized Person of each Obligor and by the Required Lenders or (ii) facsimile, telegraphic, or other written confirmation of the execution of counterparts of this document.

I. REPRESENTATIONS. To induce the Relevant Required Lenders to enter into this document, the Borrowers (for themselves and each other Obligor) jointly and severally represent and warrant to the Agents and the Lenders as follows:

A. CREDIT AGREEMENT. Each of the representations and warranties of each Obligor set forth in ARTICLE VII of the Credit Agreement (excluding those contained in SECTION 7.8) is true and correct as though made on and as of the date of this document (unless stated to relate solely to an earlier date, in which case, such representations and warranties were true and correct as of such earlier date) with each reference in those representations to "this Agreement," the "Loan Documents," "hereof," "hereunder," "thereof," "thereunder," and words of like import being, for purposes of this clause, references to the Credit Agreement and the Loan Documents, in each case as amended or waived by this document.

B. ENFORCEABILITY. Upon execution and delivery by the Obligors and the Required Lenders, this document will constitute a valid and binding agreement of each Obligor, enforceable against it in accordance with this document's terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, or other similar laws relating to or limiting creditors' rights generally or by general principles of equity.

C. OBLIGORS. As of the date of, and after giving effect to, this document, the only Obligors under the Credit Agreement and Loan Documents are Micro; Coordination Center; Ingram Micro, Inc., a corporation organized and existing under the laws of the Province of Ontario, Canada; Ingram Micro Holdings Limited, a corporation organized and existing under the laws of the United Kingdom; and Ingram Micro (UK) Limited, a corporation organized and existing under the laws of the United Kingdom.

I. RATIFICATIONS. To induce the Relevant Required Lenders to enter into this document each Borrower (and, by its execution below, each other Obligor) (A) ratifies and confirms all provisions of the Credit Agreement and other Loan Documents to which it is a party, as amended or waived by this document, and (B) ratifies and confirms that all guaranties granted in favor of any of the Agents or the Lenders under the Loan Documents (as they may have been renewed, extended, amended, or supplemented) are not released, reduced, or otherwise adversely affected by this document, or any other Loan Document, and continue to guarantee full payment and performance of the present and future Obligations.

I. MISCELLANEOUS.

A. CREDIT AGREEMENT AND LOAN DOCUMENTS. Upon the effectiveness of PARAGRAPH 2 above as provided in PARAGRAPH 3 above, all references in the Loan Documents to the "Credit Agreement" refer to the Credit Agreement as amended by this document. This document is a "Loan Document" referred to in the Credit Agreement, and the provisions relating to Loan Documents in ARTICLES I and IX are incorporated in this document by reference. Except as specifically amended and modified in this document, the Credit Agreement is unchanged and continues in full force and effect. No change or waiver of any provision of this document is valid unless in a writing that is signed by the party against whom it is sought to be enforced.

B. GOVERNING LAW. This document shall be deemed to be a contract made under and governed by English laws.

C. COUNTERPARTS. This document may be executed in any number of counterparts with the same effect as if all signatories had signed the same document. All counterparts shall be construed together to constitute one and the same document.

REMAINDER OF PAGE INTENTIONALLY BLANK. THIS PAGE IS FOLLOWED BY A SIGNATURE PAGE FOR THE OBLIGORS, FOLLOWED BY SEPARATE SIGNATURE PAGES FOR THE RELEVANT REQUIRED LENDERS.

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

INGRAM MICRO INC., as a Primary Borrower and a Guarantor	INGRAM EUROPEAN COORDINATION CENTER N.V., as a Primary Borrower and a Guarantor
By /s/ James F. Ricketts ------------------------------ James F. Ricketts, Vice President & Worldwide Treasurer	By /s/ Michael J. Grainger ------------------------------ Michael J. Grainger, Authorized Representative
ADDRESS: 1600 E. St. Andrew Place Santa Ana, CA 92705	ADDRESS: Luchthavenlaan 25A B-1800 Vilvoorde Belgium
FACSIMILE NO.: 714-566-7873	FACSIMILE NO.: 011-32-2-254-9290
ATTENTION: James F. Ricketts	ATTENTION: Stephen Gill

The undersigned Obligors consent and agree in all respects to PARAGRAPH 5 and all other provisions of the foregoing First Amendment to European Credit Agreement as Obligors under the European Credit Agreement and all related Loan Documents.

INGRAM MICRO HOLDINGS LTD., as an Obligor	INGRAM MICRO INC., an Ontario, Canada corporation, as an Obligor
By /s/ Stephen Gill ------------------------------ Name: Stephen Gill Title: VP, Finance & CFO Europe	By /s/ Michael J. Grainer ------------------------------ Michael J. Grainger, Attorney
ADDRESS: Ingram House Garamonde Drive Wymbush Milton Keynes Bucks MK8 8DF	ADDRESS: 230 Barmac Drive Weston, Ontario Canada, M9L 2Z3
FACSIMILE NO.: 011-32-2-254-9290	FACSIMILE NO.: 416-740-8623
ATTENTION: Stephen Gill	ATTENTION: Robert E. Carbrey

INGRAM MICRO (UK) LTD.,
as an Obligor

By /s/ Stephen Gill

Name: Stephen Gill
Title: VP, Finance & CFO Europe

ADDRESS: Ingram House
Garamonde Drive
Wymbush
Milton Keynes
Bucks MK8 8DF

FACSIMILE NO.: 011-32-2-254-9290

ATTENTION: Stephen Gill

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

THE BANK OF NOVA SCOTIA, as the Administrative Agent

By /s/ O.M. McMahon

O.M. McMahon, Manager

ADDRESS FOR NOTICES:
Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5857

ATTENTION: Marian Staples

ADDRESS FOR PAYMENT OF FEES:

Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5857

ATTENTION: Marian Staples

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
8.5%	$42,500,000	SCOTIABANK EUROPE PLC, (formerly named in the Credit Agreement as The Bank of Nova Scotia) as a Lender

By /s/ Yousuf Omar
Name: Yousuf Omar
Title: Senior Vice President

LENDING OFFICE FOR OTHER LOANS:
Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5617

ATTENTION: David Sparks

ADDRESS FOR NOTICES:

Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5617

ATTENTION: Managing Director

LENDING OFFICE FOR LOANS TO MICRO:

Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5617

ATTENTION: David Sparks

ADDRESS FOR PAYMENT OF FEES:

Scotia House
33 Finsbury Square
London, England EC2A 1BB

FACSIMILE NO.: 011-44-171-826-5617

ATTENTION: David Sparks

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
8.5%	$42,500,000

NATIONSBANK OF TEXAS, N.A., as the
Documentation Agent and as a Lender

By______________________________________
Name:__________________________________
Title:_________________________________

LENDING OFFICE FOR LOANS TO MICRO:

901 Main Street
13th Floor
Dallas, TX 75202

FACSIMILE NO.: 214-508-2515

ATTENTION: Agency Services

ADDRESS FOR NOTICES:

New Broad Street House
35 New Broad Street
London, England EC2M 1NH

FACSIMILE NO.: 011-44-171-282-6831

ATTENTION: 011-44-171-282-6831

LENDING OFFICE FOR OTHER LOANS:

New Broad Street House
35 New Broad Street
London, England EC2M 1NH

FACSIMILE NO.: 011-44-171-282-6831

ATTENTION: Melanie Harries

ADDRESS FOR PAYMENT OF FEES:

New Broad Street House
35 New Broad Street
London, England EC2M 1NH

FACSIMILE NO.: 011-44-171-282-6831

ATTENTION: Melanie Harries

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
5.0%	$25,000,000	BANCO SANTANDER, as a Lender

By____
Name:__________________________________
Title:_________________________________

By____
Name:__________________________________
Title:_________________________________

LENDING OFFICE FOR LOANS TO MICRO:

Banco Santander, New York Branch
45 East 53rd Street
New York, NY 10022

FACSIMILE NO.: 212-350-3690

ATTENTION: Ligia Castro

ADDRESS FOR NOTICES:

Banco Santander, New York Branch
45 East 53rd Street
New York, NY 10022

FACSIMILE NO.: 212-350-3647 212-350-3690

ATTENTION: Ligia Castro/Dom Rodriguez

LENDING OFFICE FOR OTHER LOANS:

Banco Santander, New York Branch
45 East 53rd Street
New York, NY 10022

FACSIMILE NO.: 212-350-3690

ATTENTION: Ligia Castro

ADDRESS FOR PAYMENT OF FEES:

Banco Santander, New York Branch
45 East 53rd Street
New York, NY 10022

FACSIMILE NO.: 212-350-3690

ATTENTION: Ligia Castro

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
5.0%	$25,000,000	BANK OF AMERICA NT & SA, as a Lender

By /s/ Brian K. Chin

Name: Brian K. Chin
Title: Vice President

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
1850 Gateway Blvd. Concord, CA 94520	Henrijean House Uitbreidingstraat 180, B-6 2600 Antwerp Belgium
FACSIMILE NO.: 510-675-7531	
ATTENTION: Ms. Shareen Watson	FACSIMILE NO.: 011-323-280-4296
	ATTENTION: Jos Sprenghers

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
Henrijean House Uitbreidingstraat 180, B-6 2600 Antwerp Belgium	Henrijean House Uitbreidingstraat 180, B-6 2600 Antwerp Belgium
FACSIMILE NO.: 011-323-280-4296	FACSIMILE NO.: 011-323-280-4296
ATTENTION: Jos Sprenghers	ATTENTION: Jos Sprenghers

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
5.0%	$25,000,000

COMMERZBANK AKTIENGESELLSCHAFT,
BRUSSELS BRANCH, as a Lender

By______________________________________
Name:_________________________________
Title:________________________________

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
Commerzbank Aktiengesellschaft, Brussels Branch Boulevard Louis Schmidt 87 B-1040, Brussels	Commerzbank Aktiengesellschaft, Brussels Branch Boulevard Louis Schmidt 87 B-1040, Brussels
FACSIMILE NO.: 32-0-27-43-1911	FACSIMILE NO.: 32-0-27-43-1911
ATTENTION: Erik Kennis	ATTENTION: Erik Kennis

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
Commerzbank Aktiengesellschaft, Brussels Branch Boulevard Louis Schmidt 87 B-1040, Brussels	Commerzbank Aktiengesellschaft, Brussels Branch Boulevard Louis Schmidt 87 B-1040, Brussels
FACSIMILE NO.: 32-0-27-43-1911	FACSIMILE NO.: 32-0-27-43-1911
ATTENTION: Erik Kennis	ATTENTION: Erik Kennis

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
5%	$25,000,000

DEUTSCHE BANK AG, MUNICH BRANCH, as a Lender

By /s/ Thomas H. Hierholzer

Name: Thomas H. Hierholzer
Title: Vice President

By /s/ Joachim Mehlert

Name: Joachim Mehlert
Title: Assistant Vice President

LENDING OFFICE FOR LOANS TO MICRO:

Foreign Department
Riesstr. 25
80992 Munich
Germany

FACSIMILE NO.: 0049-89-2390-2039

ATTENTION: Mr. Bernhard Kieninger

ADDRESS FOR NOTICES:

Corporations and Institutions
Riesstr. 25
80992 Munich
Germany

FACSIMILE NO.: 0049-89-2390-1383

ATTENTION: Mr. Kieninger
Ms. Schaubeck

LENDING OFFICE FOR OTHER LOANS:

Corporations and Institutions
Riesstr. 25
80992 Munich
Germany

FACSIMILE NO.: 0049-89-2390-1383

ATTENTION: Mr. Keininger
Ms. Schaubeck

ADDRESS FOR PAYMENT OF FEES:

Deutsche Bank AG, Munich Branch
Account-No.: 0052902
Bank-Code: 70070010
Swift: DEUT DE MM
Purpose: Kostenstelle 22 484 000,
Ingram Micro Inc.

FACSIMILE NO.: 0049-89-2390-1383

ATTENTION: Mr. Kieninger
Ms. Schaubeck

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
5.0%	$25,000,000	THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY, as a Lender

By /s/ Koichi Hasegawa

Name: Koichi Hasegawa
Title: Deputy General Manager

LENDING OFFICE FOR LOANS TO MICRO:

The Industrial Bank of Japan, Limited
Atlanta Agency
One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street N.E.
Atlanta, GA 30303-1757

FACSIMILE NO.: 404-577-6818/
404-524-8509

ATTENTION: Minami Miura/
James Masters

ADDRESS FOR NOTICES:

The Industrial Bank of Japan, Limited
Atlanta Agency
One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street N.E.
Atlanta, GA 30303-1757
FACSIMILE NO.: 404-577-6818/
404-524-8509

ATTENTION: Minami Miura/
James Masters

The Industrial Bank of Japan, Limited
London Branch
Bracken House
One Friday Street
London EC4M 9JA
FACSIMILE NO.: 0171-248-1114
ATTENTION: Ms. Mary Roe/Maurice
Fitzgerald

LENDING OFFICE FOR OTHER LOANS:

The Industrial Bank of Japan, Limited
London Branch
Bracken House
One Friday Street
London EC4M 9JA

FACSIMILE NO.: 0171-248-1114

ATTENTION: Ms. Mary Roe

ADDRESS FOR PAYMENT OF FEES:

The Industrial Bank of Japan, Limited
Atlanta Agency
One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street N.E.
Atlanta, GA 30303-1757

FACSIMILE NO.: 404-577-6818

ATTENTION: Minami Miura

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
5.0%	$25,000,000	KBC BANK N.V. (formerly Kredietbank N.V.), as a Lender

By /s/ Guido Segers
Name: Guido Segers
Title: Deputy Regional Manager

By /s/ Hilde Tahon
Name: Hilde Tahon
Title: Deputy Credit Manager

LENDING OFFICE FOR LOANS TO MICRO:
KBC Bank N.V.
with principal office:
Arenbergstraat 7
B-1000 Brussel
FACSIMILE NO.: 32-2-546-4920
TELEPHONE NO.: 32-2-546-4186
ATTENTION: 8244 Accounting and Reporting
Carine Wuestenberg, Rita Wolfs

ADDRESS FOR NOTICES:
KBC Bank N.V.
Diegem Corporate Branch
Oude Haachtsesteenweg 105
B-1831 Diegem
FACSIMILE NO.: 32-2-725-72-02
TELEPHONE NO.: 32-2-716-51-76
ATTENTION: Mr. P. Van den Poel

LENDING OFFICE FOR OTHER LOANS:
KBC Bank N.V.
with principal office:
Arenbergstraat 7
B-1000 Brussel
FACSIMILE NO.: 32-2-546-4920
TELEPHONE NO.: 32-2-546-4186
ATTENTION: 8244 Accounting and Reporting
Carine Wuestenberg, Rita Wolfs

ADDRESS FOR PAYMENT OF FEES:
KBC Bank N.V.
with principal office:
Arenbergstraat 7
B-1000 Brussel
FACSIMILE NO.: 32-2-546-4920
TELEPHONE NO.: 32-2-546-4186
ATTENTION: 8244 Accounting and Reporting
Carine Wuestenberg, Rita Wolfs

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
5.0%	$25,000,000

LANDESBANK RHEINLAND-PFALZ - GIORZENTRALE, as a Lender

By /s/ Ulrich Voepel
Name: Ulrich Voepel
Title: Vice President

By /s/ Robert Wagner
Name: Robert Wagner
Title: Manager

LENDING OFFICE FOR LOANS TO MICRO:

Landesbank Rheinland Pfalz - Girozentrale
Grobe Bleiche 54-56
D 55098 Mainz
Germany

FACSIMILE NO.: 0049-6131-13-2684 (Voepel)
0049-6131-13-2599 (Wagner)

ATTENTION: Mr. Voepel or Mr. Wagner

ADDRESS FOR NOTICES:

Landesbank Rheinland Pfalz - Girozentrale
Grobe Bleiche 54-56
D 55098 Mainz
Germany

FACSIMILE NO.: 0049-6131-13-2684 (Voepel)
0049-6131-13-2599 (Wagner)

ATTENTION: Mr. Voepel or Mr. Wagner

LENDING OFFICE FOR OTHER LOANS:

Landesbank Rheinland Pfalz - Girozentrale
Grobe Bleiche 54-56
D 55098 Mainz
Germany

FACSIMILE NO.: 0049-6131-13-2684 (Voepel)
0049-6131-13-2599 (Wagner)

ATTENTION: Mr. Voepel or Mr. Wagner

ADDRESS FOR PAYMENT OF FEES:

Bankers Trust, New York
N.Y. 1006
Account-Number: 24-101-861
Swift code: BKTR US 33

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
3.0%	$15,000,000	BANCA MONTE DEI PASCHI DE SIENA, SPA, LONDON BRANCH, as a Lender

By /s/ Duncan Fouse

Name: Duncan Fouse
Title: Deputy General Manager

By /s/ Colin Harbour

Name: Colin Harbour
Title: Senior Manager

LENDING OFFICE FOR LOANS TO MICRO:

9th Floor
55 East 59th Street
New York, NY
10022-1112

FACSIMILE NO.: 212-891-3661

ATTENTION: Daniele Bastianelli

ADDRESS FOR NOTICES:

122 Leadenhall Street
London EC3V 4RH

FACSIMILE NO.: 0171-621-9407

ATTENTION: Howard Kemp

LENDING OFFICE FOR OTHER LOANS:

122 Leadenhall Street
London EC3V 4RH

FACSIMILE NO.: 0171-621-9407

ATTENTION: Howard Kemp

ADDRESS FOR PAYMENT OF FEES:

122 Leadenhall Street
London EC3V 4RH

FACSIMILE NO.: 0171-621-9407

ATTENTION: Howard Kemp

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
3.0%	$15,000,000	BANK AUSTRIA AKTIENGESELLSCHAFT, as a Lender

By /s/ Robert TenHave
Name: Robert TenHave
Title: S.V.P.

By /s/ Christopher Miller
Name: Christopher Miller
Title: A.V.P.

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
565 Fifth Avenue New York, New York 10017	565 Fifth Avenue New York, New York 10017
FACSIMILE NO.: 212-880-1080	FACSIMILE NO.: 212-880-1180
ATTENTION: Mark Nolan	ATTENTION: Lynn Perri
LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
565 Fifth Avenue New York, New York 10017	565 Fifth Avenue New York, New York 10017
FACSIMILE NO.: 212-880-1080	FACSIMILE NO.: 212-880-1180
ATTENTION: Mark Nolan	ATTENTION: Lynn Perri

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
3.0%	$15,000,000	CREDIT COMMUNAL DE BELQIQUE, as a Lender

By____
Name:__________________________________
Title:_________________________________

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
___________________________________	____
___________________________________	____
___________________________________	____
FACSIMILE NO.:____________________	FACSIMILE NO.:___________________________
ATTENTION:________________________	ATTENTION:_______________________________

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
___________________________________	____
___________________________________	____
___________________________________	____
FACSIMILE NO.:____________________	FACSIMILE NO.:___________________________
ATTENTION:________________________	ATTENTION:_______________________________

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
5.0%	$25,000,000	DEN DANSKE BANK, as a Lender

By /S/ Roger Lippold
Name: Roger Lippold
Title: Mnaager Legal Department

By /s/ Kieran P. Reyan
Name: Kieran P. Reyan
Title: Manager, Syndications

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
Den Danske Bank, London Branch 75 King William Street London EC4N 7DT ENGLAND	Den Danske Bank, London Branch 75 King William Street London EC4N 7DT ENGLAND
FACSIMILE NO.: 44-171-410-8001	FACSIMILE NO.: 44-171-410-8001
ATTENTION: Loan Administration	ATTENTION: Loan Administration

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
Den Danske Bank, London Branch 75 King William Street London EC4N 7DT ENGLAND	Den Danske Bank, London Branch 75 King William Street London EC4N 7DT ENGLAND
FACSIMILE NO.: 44-171-410-8001	FACSIMILE NO.: 44-171-410-8001
ATTENTION: Loan Administration	

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
3.0%	$15,000,000	THE NIKKO BANK (UK) PLC, as a Lender

By____
Name:___________________________________
Title:__________________________________

By____
Name:___________________________________
Title:__________________________________

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
Nikko Bank (U.K.) plc 17-21 Godliman Street EC4V 5NB	Nikko Bank (U.K.) plc 17-21 Godliman Street EC4V 5NB
FACSIMILE NO.: 0171-815-0058	FACSIMILE NO.: 0171-815-0058
ATTENTION: Mayumi Bhalla	ATTENTION: Mayumi Bhalla

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
Nikko Bank (U.K.) plc 17-21 Godliman Street EC4V 5NB	Nikko Bank (U.K.) plc 17-21 Godliman Street EC4V 5NB
FACSIMILE NO.: 0171-815-0058	FACSIMILE NO.: 0171-815-0058
ATTENTION: Mayumi Bhalla	ATTENTION: Mayumi Bhalla

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
3.0%	$15,000,000

STANDARD CHARTERED BANK, as a Lender

By____
Name:___________________________________
Title:__________________________________

By____
Name:___________________________________
Title:__________________________________

LENDING OFFICE FOR LOANS TO MICRO:

707 Wilshire Blvd.
Los Angeles, CA

FACSIMILE NO.: 213-614-4270

ATTENTION: Qustandi Shiber

ADDRESS FOR NOTICES:

707 Wilshire Blvd.
Los Angeles, CA

FACSIMILE NO.: 213-614-4270

ATTENTION: Qustandi Shiber

LENDING OFFICE FOR OTHER LOANS:

7 World Trade Center, 26th Floor
New York, NY 10048

FACSIMILE NO.: 212-667-0568

ATTENTION: Yolanda Rodriguez

ADDRESS FOR PAYMENT OF FEES:

7 World Trade Center, 26th Floor
New York, NY 10048

FACSIMILE NO.: 212-667-0568

ATTENTION: Yolanda Rodriguez

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	ABN AMRO BANK N.V., BELGIAN BRANCH, as a Lender

By /s/ Joen Provoost

Name: Joen Provoost
Title: Accounts Manager

By /s/ Jacques Straetmans

Name: Jacques Straetmans
Title: Manager Securitization

LENDING OFFICE FOR LOANS TO MICRO:

ABN AMRO Bank N.V., Belgian Branch
Regentlaan 53
B-1000 Brussels

FACSIMILE NO.: 32-2-546-0400

ATTENTION: AGI-J. Van Den Eynde

ADDRESS FOR NOTICES:

ABN AMRO Bank N.V., Belgian Branch
Regentlaan 53
B-1000 Brussels

FACSIMILE NO.: 32-2-546-0400

ATTENTION: AGI-M. Hoomans

LENDING OFFICE FOR OTHER LOANS:

ABN AMRO Bank N.V., Belgian Branch
Regentlaan 53
B-1000 Brussels

FACSIMILE NO.: 32-2-546-0400

ATTENTION: AGI-J. Van Den Eynde

ADDRESS FOR PAYMENT OF FEES:

ABN AMRO Bank N.V., Belgian Branch
Regentlaan 53
B-1000 Brussels

FACSIMILE NO.: 32-2-546-0400

ATTENTION: AGI-J. Van Den Eynde

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	BANCI DI ROMA, LONDON BRANCH, as a Lender

By /s/ Peter Scharf
Name: Peter Scharf
Title: Deputy Chief Manager Business

By /s/ Vincent Wright
Name: Vincent Wright
Title: Business Development Officer

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
81/87 Gresham Street London EC2V 7NQ	81/87 Gresham Street London EC2V 7NQ
FACSIMILE NO.: 0171-454-7292	FACSIMILE NO.: 0171-454-7292
ATTENTION: S. Siracusa	ATTENTION: S. Siracusa
LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
81/87 Gresham Street London EC2V 7NQ	81/87 Gresham Street London EC2V 7NQ
FACSIMILE NO.: 0171-454-7292	FACSIMILE NO.: 0171-454-7292
ATTENTION: S. Siracusa	ATTENTION: S. Siracusa

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	BANCO BILBAO VIZCAYA, S.A., as a Lender

By /s/ Tereja Tejedor
Name: Tereja Tejedor
Title: Capital Market

By /s/ Alfonso Vallejo
Name: Alfonso Vallejo
Title: Capital Market

LENDING OFFICE FOR LOANS TO MICRO:

Banco Bilbao Vizcaya, S.A.
Clara del Rey 26, 3 th. floor
28.002 Madrid

FACSIMILE: 34-1-374-41-40
TELEPHONE: 34-1-374-41-74
ATTENTION: Juan Ramon Arcos

ADDRESS FOR NOTICES:

Banco Bilbao Vizcaya, S.A.
Clara del Rey 26, 3 th. floor
28.002 Madrid

FACSIMILE: 34-1-374-41-40
TELEPHONE: 34-1-374-41-74
ATTENTION: Juan Ramon Arcos

LENDING OFFICE FOR OTHER LOANS:

Banco Bilbao Vizcaya, S.A.
Clara del Rey 26, 3 th. floor
28.002 Madrid

FACSIMILE: 34-1-374-41-40
TELEPHONE: 34-1-374-41-74
ATTENTION: Juan Ramon Arcos

ADDRESS FOR PAYMENT OF FEES:

Banco Bilbao Vizcaya, S.A.
Clara del Rey 26, 3 th. floor
28.002 Madrid

FACSIMILE: 34-1-374-41-40
TELEPHONE: 34-1-374-41-74
ATTENTION: Juan Ramon Arcos

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	BANQUE PARIBAS BELGIQUE S.A., as a Lender

By____
Name:___________________________________
Title:__________________________________

By____
Name:___________________________________
Title:__________________________________

LENDING OFFICE FOR LOANS TO MICRO:

Banque Paribas Belgique S.A.
Em. Jacqmainlaan 162
1000 Brussels, BELGIUM

FACSIMILE NO.: 00-32-2-204-41-16

ATTENTION: P. Vermeiren
J. Van Helleputte

ADDRESS FOR NOTICES:

Banque Paribas Belgique S.A.
Em. Jacqmainlaan 162
1000 Brussels, BELGIUM

FACSIMILE NO.: 00-32-2-204-41-16

ATTENTION: P. Vermeiren
J. Van Helleputte

LENDING OFFICE FOR OTHER LOANS:

Banque Paribas Belgique S.A.
Em. Jacqmainlaan 162
1000 Brussels, BELGIUM

FACSIMILE NO.: 00-32-2-204-40-92

ATTENTION: Peter Rabaey

ADDRESS FOR PAYMENT OF FEES:

Banque Paribas Belgique S.A.
Em. Jacqmainlaan 162
1000 Brussels, BELGIUM

FACSIMILE NO.: 00-32-2-204-40-92

ATTENTION: Peter Rabaey

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
2.0%	$10,000,000

CARIPLO, CASSA DI RISPARMIO DELLE PROVINCIE LOMBARDE S.P.A., as a Lender

By /s/ Renato Bassi
Name: Renato Bassi
Title: Dir. Gen.

By /s/ J. Ignacio de la Vega
Name: J. Ignacio de la Vega
Title: Jefe Creditos

LENDING OFFICE FOR LOANS TO MICRO:

10 East 53rd Street
New York, NY 10022

FACSIMILE NO.: 212-527-8277

ATTENTION: Anthony Giobbi

ADDRESS FOR NOTICES:

Succusal de Madrid
Calle Alcala 44
28014 Madrid

FACSIMILE NO.: 00-34-1523-39-81

ATTENTION: Mr. R. Bassi/
Mr. J. Ignacio de la Vega

LENDING OFFICE FOR OTHER LOANS:

Filiale de Madrid
Calle Alcala 44
28014 Madrid

FACSIMILE NO.: 00-34-1523-39-81

ATTENTION: Mr. R. Bassi/
Mr. J. Ignacio de la Vega

ADDRESS FOR PAYMENT OF FEES:

Succusal de Madrid
Calle Alcala 44
28014 Madrid

FACSIMILE NO.: 00-34-1523-39-81

ATTENTION: Mr. R. Bassi/
Mr. J. Ignacio de la Vega

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	CREDIT LYONNAIS BELGIUM S.A., as a Lender

By_______________________________________
Name:___________________________________
Title:__________________________________

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
Credit Lyonnais Los Angeles Branch 515 South Flower Street, Suite 2000 Los Angeles, CA 90071	Mamix Avenue, 17 1000 Brussels BELGIUM
FACSIMILE NO.: 213-623-3437	FACSIMILE NO.: 00-32-2-516-09-40
ATTENTION: Mrs. Penny Chu	ATTENTION: Mrs. Valerie Solinhac

LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
Mamix Avenue, 17 1000 Brussels BELGIUM	Mamix Avenue, 17 1000 Brussels BELGIUM
FACSIMILE NO.: 00-32-2-516-09-40	FACSIMILE NO.: 00-32-2-516-09-40
ATTENTION: Mrs. Valerie Solinhac	ATTENTION: Mrs. Valerie Solinhac

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
2.0%	$10,000,000

DAI-ICHI KANGYO BANK NEDERLAND N.V.,
as a Lender

By /s/ K. Fukuda
Name: K. Fukuda
Title: Managing Director & Deputy General Manager

LENDING OFFICE FOR LOANS TO MICRO:

Dai-Ichi Kangyo Bank Nederland N.V.
Apollolaan 171
1077 A5 Amsterdam
The Netherlands

FACSIMILE NO.: 00-31-20-676-0301

ATTENTION: Marilyn L. Blancaflor

ADDRESS FOR NOTICES:

Dai-Ichi Kangyo Bank Nederland N.V.
Apollolaan 171
1077 A5 Amsterdam
The Netherlands

FACSIMILE NO.: 00-31-20-676-0301

ATTENTION: Marilyn L. Blancaflor

LENDING OFFICE FOR OTHER LOANS:

Dai-Ichi Kangyo Bank Nederland N.V.
Apollolaan 171
1077 A5 Amsterdam
The Netherlands

FACSIMILE NO.: 00-31-20-676-0301

ATTENTION: Marilyn L. Blancaflor

ADDRESS FOR PAYMENT OF FEES:

Dai-Ichi Kangyo Bank Nederland N.V.
Apollolaan 171
1077 A5 Amsterdam
The Netherlands

FACSIMILE NO.: 00-31-20-676-0301

ATTENTION: Marilyn L. Blancaflor

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	DG BANK, as a Lender

By /s/ K.-P. Brauer
Name: K.-P. Brauer
Title: Associate Director

By /s/ Marc Roemke
Name: Marc Roemke
Title: Manager

LENDING OFFICE FOR LOANS TO MICRO:

DG Bank Luxembourg S.A.
4, rue Thomas Edison
L 1445 Luxembourg-Strassen
Luxembourg

FACSIMILE NO.: 00352-457393

ATTENTION: Marc Roemke, Manager

ADDRESS FOR NOTICES:

DG Bank Luxembourg S.A.
4, rue Thomas Edison
L 1445 Luxembourg-Strassen
Luxembourg

FACSIMILE NO.: 00352-457393

ATTENTION: Marc Roemke, Manager

LENDING OFFICE FOR OTHER LOANS:

DG Bank Luxembourg S.A.
4, rue Thomas Edison
L 1445 Luxembourg-Strassen
Luxembourg

FACSIMILE NO.: 00352-457393

ATTENTION: Marc Roemke, Manager

ADDRESS FOR PAYMENT OF FEES:

DG Bank Luxembourg S.A.
4, rue Thomas Edison
L 1445 Luxembourg-Strassen
Luxembourg

FACSIMILE NO.: 00352-457393

ATTENTION: Marc Roemke, Manager

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
4.0%	$20,000,000

FRANKFURTER SPARKASSE, as a Lender

By /s/ Kittscher

Name: Kittscher
Title: Deputy Chairman of the Board Management

By /s/ Kuhn

Name: Kuhn
Title: Head of the Loan Department

LENDING OFFICE FOR LOANS TO MICRO:

Frankfurter Sparkasse
Neue Mainzer Str. 47-53
60255 Frankfurt

FACSIMILE NO.: 0049-69-2641-3225

ATTENTION: Mr. Gattano

ADDRESS FOR NOTICES:

Frankfurter Sparkasse
Neue Mainzer Str. 47-53
60255 Frankfurt

FACSIMILE NO.: 0049-69-2641-3225

ATTENTION: Mr. Gattano

LENDING OFFICE FOR OTHER LOANS:

Frankfurter Sparkasse
Neue Mainzer Str. 47-53
60255 Frankfurt

FACSIMILE NO.: 0049-69-2641-3225

ATTENTION: Mr. Gattano

ADDRESS FOR PAYMENT OF FEES:

Frankfurter Sparkasse
Neue Mainzer Str. 47-53
60255 Frankfurt

FACSIMILE NO.: 0049-69-2641-3225

ATTENTION: Mr. Gattano

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
2.0%	$10,000,000

GENERALE BANK, as a Lender

By /s/ Hans Neukomm
Name: Hans Neukomm
Title: General Manager

By /s/ Simon Del Rosario
Name: Simon Del Rosario
Title: Senior Vice President

LENDING OFFICE FOR LOANS TO MICRO:

520 Madison Avenue, 41st Floor
New York, NY 10022
FACSIMILE NO.: 212-838-7492
ATTENTION: E. Matthews

ADDRESS FOR NOTICES:

520 Madison Avenue, 41st Floor
New York, NY 10022
FACSIMILE NO.: 212-838-7492
ATTENTION: E. Matthews

Corporate Credit Department
3, Montagne du Parc
1000 Brussels
FACSIMILE NO.: 32-2-565-6344
ATTENTION: Chantal De Mol

LENDING OFFICE FOR OTHER LOANS:

Corporate Credit Department
3, Montagne du Parc
1000 Brussels
FACSIMILE NO.: 32-2-565-6344
ATTENTION: Chantal De Mol

520 Madison Avenue, 41st Floor
New York, NY 10022
FACSIMILE NO.: 212-838-7492
ATTENTION: E. Matthews

ADDRESS FOR PAYMENT OF FEES:

520 Madison Avenue, 41st Floor
New York, NY 10022
FACSIMILE NO.: 32-2-565-6344
ATTENTION: Chantal De Mol

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	MORGAN GUARANTY TRUST CO. OF NEW YORK, as a Lender

By /s/ John M. Mikolay

Name: John M. Mikolay
Title: Vice President

LENDING OFFICE FOR LOANS TO MICRO:

Morgan Guranty Trust Company of New York
60 Wall Street
New York, NY 10260

FACSIMILE NO.: 212-648-5918

ATTENTION: Kathryn Sayko-Yanes

ADDRESS FOR NOTICES:

500 Stanton Christiana Road
Newark, DE 19713

FACSIMILE NO.: 302/634-1094

ATTENTION: Allison Hollis

LENDING OFFICE FOR OTHER LOANS:

500 Stanton Christiana Road
Newark, DE 19713

FACSIMILE NO.: 302/634-1094

ATTENTION: Cindy Bedford

ADDRESS FOR PAYMENT OF FEES:

500 Stanton Christiana Road
Newark, DE 19713

FACSIMILE NO.: 302/634-1094

ATTENTION: Cindy Bedford

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
2.0%	$10,000,000	THE SANWA BANK LTD. BRUSSELS, as a Lender

By /s/ Masahiko Wakahara
Name: Masahiko Wakahara
Title: Deputy General Manager

LENDING OFFICE FOR LOANS TO MICRO:

Sanwa Bank Ltd
Los Angeles Branch
601 South Figueroa Street
Los Angeles, CA 90017

FACSIMILE NO.: 213-623-4912

ATTENTION: Loan Administration Dept.

ADDRESS FOR NOTICES:

Sanwa Bank Ltd
Los Angeles Branch
601 South Figueroa Street
Los Angeles, CA 90017

FACSIMILE NO.: 213-623-4912

ATTENTION: Loan Administration Dept.

LENDING OFFICE FOR OTHER LOANS:

Sanwa Bank Brussels Branch
Kunstlaan 53/54
1000 Brussels
Belgium

FACSIMILE NO.: 32-2-514-43-81

ATTENTION: Lilliane Smets-Van Brabant

ADDRESS FOR PAYMENT OF FEES:

Sanwa Bank Brussels Branch
Kunstlaan 53/54
1000 Brussels
Belgium

Sanwa New York
Account Number: ABA 982 UID 144780
Swift Code: SANW US33
Facsimile No.: 32-2-513-43-81
ATTENTION: Mrs. Lilian Smets-Van Brabant

EXECUTED as of the date first stated in this First Amendment to European Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
2.0%	$10,000,000

SKANDINAVISKA ENSKILDA BANKEN AB (PUBL).,
as a Lender

By /s/ Michael Dioks

Name: Michael Dioks
Title: Head Debt Capital Markets

LENDING OFFICE FOR LOANS TO MICRO:	ADDRESS FOR NOTICES:
2 Cannon Street London EC4M 6XX	2 Cannon Street London EC4M 6XX
FACSIMILE NO.: 0171-236-4178	FACSIMILE NO.: 0171-236-4178
ATTENTION: Lesley Makins	ATTENTION: Lesley Makins
LENDING OFFICE FOR OTHER LOANS:	ADDRESS FOR PAYMENT OF FEES:
2 Cannon Street London EC4M 6XX	2 Cannon Street London EC4M 6XX
FACSIMILE NO.: 0171-236-4178	FACSIMILE NO.: 0171-236-4178
ATTENTION: Lesley Makins	ATTENTION: Lesley Makins

EXHIBIT 10.42

FIRST AMENDMENT TO CANADIAN CREDIT AGREEMENT

dated as of September 25, 1998,

among

INGRAM MICRO INC., and
INGRAM MICRO INC. (CANADA),as the Borrowers and Guarantors, and

CERTAIN FINANCIAL INSTITUTIONS,
as the Relevant Required Lenders

amending the US $150,000,000

CANADIAN CREDIT AGREEMENT

dated as of October 28, 1997,

also among

INGRAM MICRO INC. and
INGRAM MICRO INC. (CANADA),
as the Borrowers and Guarantors,

CERTAIN FINANCIAL INSTITUTIONS,
as the Lenders,

THE BANK OF NOVA SCOTIA,
as Administrative Agent for the Lenders,

ROYAL BANK OF CANADA,
as Syndication Agent for the Lenders,

and

BANK OF TOKYO-MITSUBISHI (CANADA),
as the Co-Agent

PREPARED BY HAYNES AND BOONE, L.L.P.

FIRST AMENDMENT TO CANADIAN CREDIT AGREEMENT

THIS DOCUMENT is entered into as of September 25, 1998, among:

INGRAM MICRO INC., a corporation organized and existing under the laws of the State of Delaware, United States of America ("MICRO");

INGRAM MICRO INC., a corporation organized and existing under the laws of the Province of Ontario, Canada ("MICRO CANADA," and collectively with Micro, the "BORROWERS"); and

The financial institutions executing this document as Lenders (the "RELEVANT REQUIRED LENDERS").

(see PARAGRAPH 1 below regarding defined terms)

This document is being executed and delivered to amend certain provisions of the Canadian Credit Agreement (as renewed, extended, amended, or supplemented, the "CREDIT AGREEMENT") dated as of October 28, 1997, among (a) the Borrowers; (b) certain Lenders (which includes the Relevant Required Lenders); and (c) The Bank of Nova Scotia ("SCOTIABANK"), as administrative agent for the Lenders (in such capacity, the "ADMINISTRATIVE AGENT"), Royal Bank of Canada ("ROYAL BANK"), as syndication agent for the Lenders (in such capacity, the "SYNDICATION AGENT"), and Bank of Tokyo-Mitsubishi (Canada), as the co-agent (in such capacity, the "CO-AGENT"), all of which are collectively the "AGENTS". Effective December 22, 1997, Micro Singapore ceased to be a Subsidiary of Micro, and effective January 15, 1998, in accordance with SECTION 11.15 of the Credit Agreement, Micro Singapore ceased to be a Guarantor under the Credit Agreement.

The Relevant Required Lenders have agreed, upon and subject to the terms and conditions of this document, to alter the terms of the Credit Agreement as provided below.

ACCORDINGLY, for adequate and sufficient consideration, the Borrowers and the Relevant Required Lenders agree as follows:

1. TERMS AND REFERENCES. Unless otherwise stated in this document, terms defined in the Credit Agreement have the same meanings when used in this document and references to "ARTICLES," "SECTIONS," "SCHEDULES," and "EXHIBITS" are to the Credit Agreement's articles, sections, schedules, and exhibits.

2. AMENDMENTS. Subject to PARAGRAPH 3 below but otherwise effective as of the date of this document, the Credit Agreement is amended as follows:

A. SECTION 1.1 is amended by adding or entirely amending, as the case may be, the following defined terms in alphabetical order with all other defined terms in that section:

> "ACQUIRED EXISTING DEBT AND LIENS" means, for a period of 90 days following the acquisition or merger of a Person by or into Micro or any of its Subsidiaries or the acquisition of a business unit of a Person or the assets of a Person or business unit of a Person by Micro or any of its Subsidiaries, the Indebtedness and Liens of that Person or business unit that (a) were not incurred in connection with that acquisition or merger and do not constitute any refinancing of Indebtedness so incurred and (b) were in existence at the time of that acquisition or merger.

"ADDITIONAL PERMITTED LIENS" means, as of any date (a) Liens securing Indebtedness and not described in CLAUSES (A) through (L) of SECTION 8.2.2, but only to the extent that (i) the Amount of Additional Liens on that date does not exceed twenty percent (20%) of Consolidated Tangible Net Worth on that date and (ii) Borrowers are otherwise in compliance with SECTION 8.2.1(b), and (b) Liens constituting Acquired Existing Debt and Liens on that date.

"BANKERS' ACCEPTANCE" means (a) a non-interest bearing bill of exchange in Canadian Dollars having a term of not less than 30 nor more than 180 days and maturing on a Business Day, drawn by a Borrower, and accepted by a Lender, as evidenced by such Lender's endorsement thereon at the direction of such Borrower, or (b) a depository bill, within the meaning of the Depository Bills and Notes Act (Canada).

"FOREIGN SUBSIDIARY" means any Subsidiary that is not domiciled in the United States.

"MICRO SINGAPORE" means Ingram Micro Singapore Pte Ltd., a corporation organized and existing under the laws of Singapore, but it is no longer party to any Loan Document.

"SENIOR CONSOLIDATED FUNDED DEBT" means, as of any date of determination, the total of all Consolidated Funded Debt of Micro and its Consolidated Subsidiaries outstanding on such date that ranks PARI PASSU with the Obligations.

B. The definition of "Material Asset Acquisition" in SECTION 1.1 is amended to add the words "or 8.2.9(d)" at the end of it.

C. In the definition of "Total Indebtedness of Subsidiaries" in SECTION 1.1 (i) the word "and" before CLAUSE (b) is replaced with a comma and (ii) a new CLAUSE (c) is added as follows:

, and (c) any Indebtedness under any Loan Document (as defined in this Agreement, the U.S. Credit Agreement, and the European Credit Agreement).

D. SECTION 1.1 is amended by entirely deleting the definitions of the terms "Consolidated Current Assets," "Consolidated Current Liabilities," and "Consolidated Current Ratio".

E. A new SECTION 7.18 is added as follows:

SECTION 7.18 YEAR 2000. Micro believes that its computer applications that are material to its business and operations will be able to perform properly date-sensitive functions for all dates on and after January 1, 2000, EXCEPT to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

F. SECTION 8.1.10 is amended by adding the parenthetical "(OTHER THAN Foreign Subsidiaries)" after the 9th word "Subsidiaries" in CLAUSE (c) of that section.

G. SECTION 8.2.1(b) is entirely amended as follows:

(b) Micro will not at the end of any Fiscal Period permit (i) Total Indebtedness of Subsidiaries (OTHER THAN Indebtedness of any Guarantor and Indebtedness constituting Acquired Existing Debt and Liens) to exceed twenty percent (20%) of Consolidated Tangible Net Worth, or (ii) SECTION 8.2.2(m) to be violated.

H. SECTIONS 8.2.2(k) and (l) are entirely amended as follows:

(k) Liens of the nature referred to in CLAUSE (b) of the definition of the term "LIEN" and granted to a purchaser or any assignee of such purchaser which has financed the relevant purchase of Trade Accounts Receivable of any Borrower or any of their respective subsidiaries and Liens on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records;

(l) Liens on accounts receivable of Micro Canada with respect to any accounts receivable securitization program and on any related property that would ordinarily be subject to a Lien in connection therewith such as proceeds and records; and

I. SECTION 8.2.3(a) is entirely amended as follows:

(a) [INTENTIONALLY BLANK]

J. SECTION 8.2.3(c) is entirely amended as follows:

(c) (i) the ratio of (A) the average daily balances of Senior Consolidated Funded Debt during any Fiscal Period to (B) Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 3.5 to 1.0; and (ii) the ratio of (A) the average daily balances of Consolidated Funded Debt during any Fiscal Period (B) to Consolidated EBITDA for the period of four Fiscal Periods ending on the last day of such Fiscal Period to exceed 4.0 to 1.0;

PROVIDED THAT, for purposes of calculating the preceding ratios (A) Consolidated Funded Debt on any day shall be the amount otherwise determined pursuant to the definition thereof plus the amount of Consolidated Transferred Receivables on such day, and (B) the contribution of any Subsidiary of Micro acquired (to the extent the acquisition is treated for accounting purposes as a purchase) during those four Fiscal Periods to Consolidated EBITDA shall be calculated on a PRO FORMA basis as if it had been a Subsidiary of Micro during all of those four Fiscal Periods.

K. SECTION 8.2.3(d) is entirely amended as follows:

(d) the Consolidated Tangible Net Worth at the end of any Fiscal Period to be less than the SUM of (i) 90% of Consolidated Tangible Net Worth at the end of the Fiscal Year ending nearest to December 31, 1997, PLUS (ii) 50% of Consolidated Net Income (without taking into account any losses incurred in any Fiscal Year) for each Fiscal Year ended thereafter that ends on or before the last day of that Fiscal Period.

L. The proviso in SECTION 8.2.4 is entirely amended as follows:

; PROVIDED, HOWEVER, THAT, Micro may redeem, purchase or acquire (a) any of its capital stock (i) issued to employees pursuant to any Plan or other contract or arrangement relating to employment upon the termination of employment or other events or (ii) in a transaction contemplated by the Transition Agreements and (b) any of its Indebtedness that is convertible into its securities.

M. The words "such or" are deleted as the 27th and 28th words of the last sentence of SECTION 8.2.6.

N. SECTION 8.2.7(a) is entirely amended as follows:

(a) No Borrower may make any Material Asset Acquisition UNLESS no Event of Default exists or would exist after giving effect to the proposed Material Asset Acquisition.

O. SECTION 8.2.9 is amended as follows:

(1) The word "and" is deleted at the end of SECTION 8.2.9(b).

(2) SECTION 8.2.9(c) is entirely amended as follows:

(c) so long as no Event of Default has occurred and is continuing or would occur after giving effect thereto, Micro and any Subsidiary of Micro may Dispose of assets in transactions exclusively among Micro and any of its Subsidiaries or among Subsidiaries of Micro that satisfy the requirements of SECTION 8.2.6; PROVIDED THAT, notwithstanding any provision hereof to the contrary, in the event that, immediately after giving effect to any Disposition described in this CLAUSE (c) to a Subsidiary of Micro, such Subsidiary shall own assets constituting at least ten percent (10%) of Consolidated Assets determined as of the last day of the most recently completed Fiscal Period, such Subsidiary of Micro shall be deemed a Material Subsidiary for all purposes hereunder as of the date of such Disposition and Micro shall cause any such Material Subsidiary (UNLESS a Foreign Subsidiary) promptly to execute and deliver an Additional Guaranty in favor of the Lender Parties in accordance with SECTION 8.1.10.

(3) A new SECTION 8.2.9(d) is added as follows:

(d) subject to SECTION 8.2.8, any Borrower may (and may permit any of its Subsidiaries to) sell, assign, grant a Lien in, or otherwise transfer any interest in its Trade Accounts Receivable and related property such as proceeds and records.

P. The last parenthetical phrase in SECTION 9.1.3 that begins with the word "excluding" is entirely deleted.

Q. The last parenthetical in SECTION 9.1.5 is entirely amended as follows:

(without the giving of further notice or lapse of additional time)

3. CONDITIONS PRECEDENT. Notwithstanding any contrary provision, PARAGRAPH 2 above is not effective unless and until (A) all principal, interest, fees, costs, and expenses due under the Credit Agreement (as amended by this document), all fees payable to either Agent in connection with this document as agreed to between such Agent and Micro, and all outstanding fees and expenses of counsel to the Agents are, in each case, paid in full to the extent due and payable (and, unless an amount is otherwise provided by the Loan Documents and without waiving the right for subsequent reimbursement in accordance with the Loan Documents, to the extent that a reasonably detailed invoice is presented to Micro by September 21, 1998) after giving effect to this document and (B) the Administrative Agent receives either (i) counterparts of this document duly executed and delivered by an Authorized Person of each Obligor and by the Required Lenders or (ii) facsimile, telegraphic, or other written confirmation of the execution of counterparts of this document.

4. REPRESENTATIONS. To induce the Relevant Required Lenders to enter into this document, the Borrowers (for themselves and each other Obligor) jointly and severally represent and warrant to the Agents, Co-Agent, and the Lenders as follows:

A. CREDIT AGREEMENT. Each of the representations and warranties of each Obligor set forth in ARTICLE VII of the Credit Agreement (excluding those contained in SECTION 7.8) is true and correct as though made on and as of the date of this document (unless stated to relate solely to an earlier date, in which case, such representations and warranties were true and correct as of such earlier date) with each reference in those representations to "this Agreement," the "Loan Documents," "hereof," "hereunder," "thereof," "thereunder," and words of like import being, for purposes of this clause, references to the Credit Agreement and the Loan Documents, in each case as amended or waived by this document.

B. ENFORCEABILITY. Upon execution and delivery by the Obligors and the Required Lenders, this document will constitute a valid and binding agreement of each Obligor, enforceable against it in accordance with this document's terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, or other similar laws relating to or limiting creditors' rights generally or by general principles of equity.

C. OBLIGORS. As of the date of, and after giving effect to, this document, the only Obligors under the Credit Agreement and Loan Documents are Micro; Micro Canada; Ingram European Coordination Center N.V., a company organized and existing under the laws of The Kingdom of Belgium; Ingram Micro Holdings Limited, a corporation organized and existing under the laws of the United Kingdom; and Ingram Micro (UK) Limited, a corporation organized and existing under the laws of the United Kingdom.

5. RATIFICATIONS. To induce the Relevant Required Lenders to enter into this document each Borrower (and, by its execution below, each other Obligor) (A) ratifies and confirms all provisions of the Credit Agreement and other Loan Documents to which it is a party, as amended or waived by this document, and (B) ratifies and confirms that all guaranties granted in favor of any of the Agents or the Lenders under the Loan Documents (as they may have been renewed, extended, amended, or supplemented) are not released, reduced, or otherwise adversely affected by this document, or any other Loan Document, and continue to guarantee full payment and performance of the present and future Obligations.

6. MISCELLANEOUS.

A. CREDIT AGREEMENT AND LOAN DOCUMENTS. Upon the effectiveness of PARAGRAPH 2 above as provided in PARAGRAPH 3 above, all references in the Loan Documents to the "Credit Agreement" refer to the Credit Agreement as amended by this document. This document is a "Loan Document" referred to in the Credit Agreement, and the provisions relating to Loan Documents in ARTICLES I and XI are incorporated in this document by reference. Except as specifically amended and modified in this document, the Credit Agreement is unchanged and continues in full force and effect. No change or waiver of any provision of this document is valid unless in a writing that is signed by the party against whom it is sought to be enforced.

B. GOVERNING LAW. This document shall be deemed to be a contract made under and governed by the laws of the Province of Ontario, Canada.

C. COUNTERPARTS. This document may be executed in any number of counterparts with the same effect as if all signatories had signed the same document. All counterparts shall be construed together to constitute one and the same document.

REMAINDER OF PAGE INTENTIONALLY BLANK. THIS PAGE IS FOLLOWED BY A SIGNATURE PAGE FOR THE OBLIGORS, FOLLOWED BY SEPARATE SIGNATURE PAGES FOR THE RELEVANT REQUIRED LENDERS.

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

INGRAM MICRO INC., a corporation organized and existing under the laws of the State of Delaware, United States, as a Borrower and a Guarantor	INGRAM MICRO INC., a corporation organized and existing under the laws of the Province of Ontario, Canada, as a Borrower and a Guarantor
By /s/ James F. Ricketts	By /s/ Michael J. Grainger
Name: James F. Ricketts Title: Vice President & Worldwide Treasurer	Name: Michael J. Grainger Title: Authorized Representative
ADDRESS: 1600 E. St. Andrew Place Santa Ana, CA 92705	ADDRESS: 230 Barmac Drive Weston, Ontario Canada M9L 2Z3
FACSIMILE NO.: 714-566-9447	FACSIMILE NO.: 4161-740-8623
ATTENTION: James F. Ricketts	ATTENTION: Robert E. Carbrey

The undersigned Obligors consent and agree in all respects to PARAGRAPH 5 and all other provisions of the foregoing First Amendment to Credit Agreement as Obligors under the Credit Agreement and all related Loan Documents as those terms are defined in the Credit Agreement.

INGRAM MICRO HOLDINGS LTD., as an Obligor	INGRAM MICRO (UK) LTD., as an Obligor
By /s/ Stephen Gill	By /s/ Stephen Gill
Name: Stephen Gill Title: Vice President Finance and CFO Europe	Name: Stephen Gill Title: VP, Finance and CFO Europe
ADDRESS: Ingram House Garamonde Drive Wymbush Milton Keynes Bucks MK8 8DF	ADDRESS: Ingram House Garamonde Drive Wymbush Milton Keynes Bucks MK8 8DF
FACSIMILE NO.: 011-32-2-254-9290	FACSIMILE NO.: 011-32-2-254-9290
ATTENTION: Stephen Gill	ATTENTION: Stephen Gill

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
30%	$45,000,000	THE BANK OF NOVA SCOTIA, as the Administrative Agent

By /s/ R. J. Boomhour
Name: R. J. Boomhour
Title: Senior Product Manager

THE BANK OF NOVA SCOTIA

By /s/ Jean Hopkins
Name: Jean Hopkins
Title: Relationship Manager

THE BANK OF NOVA SCOTIA

By /s/ Michael House
Name: Michael House
Title: Account Officer

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

The Bank of Nova Scotia
44 King Street West
16th Floor
TORONTO, ON M5H 1H1

Facsimile No.: 416-866-2009

Attention: Jean Hopkins
Relationship Manager

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

The Bank of Nova Scotia
580 California Street
Suite 2100
San Francisco, CA 94104

Facsimile No.: 415-397-0791

Attention: Ed Kofman
Relationship Manager

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

The Bank of Nova Scotia
44 King Street West
16th Floor
Toronto, ON M5H 1H1

Facsimile No.: 416-866-2009

Attention: Jean Hopkins
Relationship Manager

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:

The Bank of Nova Scotia
Suite 2700
600 Peachtree Street N.E.
Atlanta, GA 30308

Facsimile No.: 404-888-8998

Attention: George Wong
Manager

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
30%	$45,000,000	ROYAL BANK OF CANADA

ROYAL BANK OF CANADA

By /s/ Karen L. Condon
Name: Karen L. Condon
Title: Senior Account Manager

ROYAL BANK OF CANADA

By /s/ Brian J. Smith
Name: Brian J. Smith
Title: Senior Manager

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

Royal Bank of Canada
13th Floor, South Tower
200 Bay Street
Toronto, ON M5J 2J5

Facsimile No.: 416-974-2249

Attention: Karen Condon
Senior Account Manager
Corporate Banking

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

Royal Bank of Canada
600 Wilshire Boulevard
Suite 800
Los Angeles, CA 90017

Facsimile No.: 213-955-5350

Attention: Michael A. Cole
Manager

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

Royal Bank of Canada
13th Floor, South Tower
200 Bay Street
Toronto, ON M5J 2J5

Facsimile No.: 416-974-2249

Attention: Karen Condon
Senior Account Manager
Corporate Banking

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:

Royal Bank of Canada
600 Wilshire Boulevard
Suite 800
Los Angeles, CA 90017

Facsimile No.: 213-955-5350

Attention: Michael A. Cole
Manager

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
10%	$15,000,000

BANK OF TOKYO-MITSUBISHI (CANADA)

By /s/ T. Vanderlaan
Name: T. Vanderlaan
Title: Vice President

THE BANK OF TOKYO-MITSUBISHI LTD.

By /s/ Richard L. Van de Berghe, Jr.
Name: Richard L. Van de Berghe, Jr.
Title: Attorney-in-Fact

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

Bank of Tokyo-Mitsubishi (Canada)
Royal Bank Plaza
South Tower, Suite 2100
Toronto, ON M5J 2J1

Facsimile No.: 416-865-9511

Attention: Ted Vanderlaan
Vice President
Corporate Banking Group

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

The Bank of Tokyo-Mitsubishi Ltd.
1251 Avenue of the Americas
New York, NY 10020-1104

Facsimile No.: 212-782-6445

Attention: Richard Van de Berghe
Attorney-in-Fact

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

Bank of Tokyo-Mitsubishi (Canada)
Royal Bank Plaza
South Tower, Suite 2100
Toronto, ON M5J 2J1

Facsimile No.: 416-865-9511

Attention: Ted Vanderlaan
Vice President
Corporate Banking Group

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The Bank of Tokyo-Mitsubishi Ltd.
1251 Avenue of the Americas
New York, NY 10020-1104

Facsimile No.: 212-782-6445

Attention: Richard Van de Berghe
Attorney-in-Fact

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT
10%	$15,000,000

CANADIAN IMPERIAL BANK OF COMMERCE

By /s/ Howard Palmer

Name: Howard Palmer
Title: Executive Director

CIBC INC.

By /s/ Eric Burton

Name: Eric Burton
Title: Commercial Specialist Banking

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

Canadian Imperial Bank of Commerce
Commercial Sales & Service Centre
595 Bay Street, 5th Floor
Toronto, Ontario M5G 2C2

Facsimile No.: 416-980-8582
Attention: Joan Lasley

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

Canadian Imperial Bank of Commerce
Two Paces West, 2727 Paces Ferry Road
Suite 1200
Atlanta, GA 30339

Facsimile No.: 770-319-4827
Attention: Kim Perrone

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

Canadian Imperial Bank of Commerce
Commercial Sales & Service Centre
595 Bay Street, 5th Floor
Toronto, Ontario M5G 2C2

Facsimile No.: 416-980-8582
Attention: Joan Lasley

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:

Canadian Imperial Bank of Commerce
Two Paces West, 2727 Paces Ferry Road
Suite 1200
Atlanta, GA 30339

Facsimile No.: 770-319-4827
Attention: Kim Perrone

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
6.7%	$10,000,000	BANK OF MONTREAL

By /s/ Kanu Modi

Name: Kanu Modi
Title: Director

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:	LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:
Bank of Montreal First Canadian Place 24th Floor Toronto, ON M5X 1A1	Bank of Montreal Suite 4900 601 South Figureroa Street Los Angeles, CA 90017
Facsimile No.: 416-867-5818	Facsimile No.: 213-239-0680
Attention: Stuart Brannan Director	Attention: Craig Ingram
FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:	FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:
Bank of Montreal First Canadian Place 24th Floor Toronto, ON M5X 1A1	Bank of Montreal Suite 4900 601 South Figureroa Street Los Angeles, CA 90017
Facsimile No.: 416-867-5818	Facsimile No.: 213-239-0680
Attention: Stuart Brannan Director	Attention: Craig Ingram

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
6.7%	$10,000,000	CREDIT LYONNAIS CANADA

By_______________________________________
Name:____________________________________
Title:___________________________________

By_______________________________________
Name:____________________________________
Title:___________________________________

CREDIT LYONNAIS LOS ANGELES BRANCH

By_______________________________________
Name:____________________________________
Title:___________________________________

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

Credit Lyonnais Canada
One Financial Place, Suite 2505
One Adelaide Street East
Toronto, ON M5C 2V9

Facsimile No.: 416-202-6525

Attention: Helen Thomas
Vice President
Corporate Banking

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

Credit Lyonnais Los Angeles Branch
515 South Flower Street
Suite 2200
Los Angeles, CA 90071-2201

Facsimile No.: 213-623-3437

Attention: Diane Scott

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

Credit Lyonnais Canada
One Financial Place, Suite 2505
One Adelaide Street East
Toronto, ON M5C 2V9

Facsimile No.: 416-202-6525

Attention: Helen Thomas
Vice President
Corporate Banking

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:

Credit Lyonnais Los Angeles Branch
515 South Flower Street
Suite 2200
Los Angeles, CA 90071-2201

Facsimile No.: 213-623-3437

Attention: Diane Scott

EXECUTED as of the date first stated in this First Amendment to Canadian Credit Agreement.

PERCENTAGE	INITIAL COMMITMENT AMOUNT	
6.7%	$10,000,000	THE INDUSTRIAL BANK OF JAPAN (CANADA)

By /s/ Campbell McLeigh
Name: Campbell McLeigh
Title: Senior Vice President

THE INDUSTRIAL BANK OF JAPAN, LIMITED
ATLANTA AGENCY

By /s/ Koichi Hasegawa
Name: Koichi Hasegawa
Title: Senior Vice President and Deputy General Manager

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO CANADA:

The Industrial Bank of Japan (Canada)
Box 29, Suite 1102
100 Yonge Street
Toronto, ON M5C 2W1

Facsimile No.: 416-367-3452

Attention: Campbell McLeish
Vice President

LENDING OFFICE FOR CREDIT EXTENSIONS TO MICRO:

The Industrial Bank of Japan, Limited
Atlanta Agency
One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street, N.E.
Atlanta, GA 30303-1757

Facsimile No.: 404-524-8509

Attention: James Masters
Vice President

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO CANADA:

The Industrial Bank of Japan (Canada)
Box 29, Suite 1102
100 Yonge Street
Toronto, ON M5C 2W1

Facsimile No.: 416-367-3452

Attention: Campbell McLeish
Vice President

FEE PAYMENT LOCATION FOR CREDIT EXTENSIONS TO MICRO:

The Industrial Bank of Japan, Limited
Atlanta Agency
One Ninety One Peachtree Tower
Suite 3600
191 Peachtree Street, N.E.
Atlanta, GA 30303-1757

Facsimile No.: 404-524-8509

Attention: James Masters
Vice President

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9-MOS
JAN-02-1999
JAN-04-1998
OCT-03-1998
94,476
0
2,274,214
50,751
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1.15