AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON OCTOBER 30, 1996

REGISTRATION NO. 333-08453

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 4 TO

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

INGRAM MICRO INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	5045	62-1644402
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

1600 E. ST. ANDREW PLACE
SANTA ANA, CA 92705
(714) 566-1000

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

JAMES E. ANDERSON, JR., ESQ.
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
INGRAM MICRO INC.
1600 E. ST. ANDREW PLACE
SANTA ANA, CA 92705
(714) 566-1000

(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:

WINTHROP B. CONRAD, JR., ESQ.	LARRY W. SONSINI, ESQ.
DAVIS POLK & WARDWELL	WILSON SONSINI GOODRICH & ROSATI
450 LEXINGTON AVENUE	650 PAGE MILL ROAD
NEW YORK, NEW YORK 10017	PALO ALTO, CALIFORNIA 94304
(212) 450-4000	(415) 493-9300

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE SECURITIES TO THE PUBLIC:
As soon as practicable after the Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [ ]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ] _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ] _____

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [ ]

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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EXPLANATORY NOTE

This Registration Statement contains three forms of prospectus. Two forms of prospectus will be used by the Underwriters in connection with offerings of Common Stock: (i) one to be used in connection with an offering by the U.S. Underwriters in the United States and Canada (the "U.S. Prospectus") and (ii) the other to be used in connection with a concurrent offering by the International Underwriters outside of the United States and Canada (the "International Prospectus"). The U.S. Prospectus and the International Prospectus are identical in all respects except for the front cover page of the International Prospectus, which is included herein after the final page of the U.S. Prospectus and is labeled "Alternate Page for International Prospectus." The third form of prospectus (the "Company Prospectus") will be used in connection with an offering of 200,000 shares of Common Stock directly by the Company to Mr. Jerre L. Stead, the Company's Chief Executive Officer and Chairman of the Board of Directors. The Company Prospectus is identical in all respects to the U.S. Prospectus except for (i) the front cover page of the Company Prospectus, which is included herein after the front cover page of the International Prospectus and is labeled "Alternate Page for Company Prospectus," and (ii) the fact that the information in "Underwriters" is not applicable to purchases pursuant to the Company Prospectus. Final forms of each of the Prospectuses will be filed with the Securities and Exchange Commission under Rule 424(b).

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

PROSPECTUS (Subject to Completion)

Issued October 30, 1996

20,000,000 Shares

LOGO

CLASS A COMMON STOCK

OF THE 20,000,000 SHARES OF CLASS A COMMON STOCK (THE "COMMON STOCK") OFFERED HEREBY, 16,000,000 SHARES ARE BEING OFFERED INITIALLY IN THE UNITED STATES AND CANADA BY THE U.S. UNDERWRITERS, AND 4,000,000 SHARES ARE BEING OFFERED INITIALLY OUTSIDE THE UNITED STATES AND CANADA BY THE INTERNATIONAL UNDERWRITERS. SEE "UNDERWRITERS." UP TO 2,300,000 OF THE SHARES OF COMMON STOCK OFFERED HEREBY ARE BEING RESERVED FOR SALE TO CERTAIN INDIVIDUALS AND INGRAM INDUSTRIES INC. SEE "EMPLOYEE AND PRIORITY OFFERS." ALL SUCH SHARES ARE BEING OFFERED ON THE SAME TERMS AND CONDITIONS AS THE SHARES BEING OFFERED TO THE PUBLIC GENERALLY, AND ANY PURCHASERS OF SUCH SHARES WHO ARE AFFILIATES OF THE COMPANY WILL REPRESENT THAT ANY PURCHASES ARE BEING MADE FOR INVESTMENT PURPOSES ONLY. ALL OF THE SHARES OF COMMON STOCK OFFERED HEREBY ARE BEING ISSUED AND SOLD BY THE COMPANY. PRIOR TO THIS OFFERING, THERE HAS BEEN NO PUBLIC MARKET FOR THE COMMON STOCK OF THE COMPANY. IT IS CURRENTLY ESTIMATED THAT THE INITIAL PUBLIC OFFERING PRICE WILL BE BETWEEN $17 AND $19 PER SHARE. SEE "UNDERWRITERS" FOR A DISCUSSION OF THE FACTORS TO BE CONSIDERED IN DETERMINING THE INITIAL PUBLIC OFFERING PRICE. THE COMPANY HAS TWO CLASSES OF AUTHORIZED COMMON STOCK, THE COMMON STOCK OFFERED HEREBY AND THE CLASS B COMMON STOCK (THE "CLASS B COMMON STOCK," AND COLLECTIVELY WITH THE COMMON STOCK, THE "COMMON EQUITY"). THE RIGHTS OF HOLDERS OF COMMON STOCK AND CLASS B COMMON STOCK ARE IDENTICAL EXCEPT FOR VOTING AND CONVERSION RIGHTS AND RESTRICTIONS ON TRANSFERABILITY. HOLDERS OF THE COMMON STOCK ARE ENTITLED TO ONE VOTE PER SHARE, AND HOLDERS OF THE CLASS B COMMON STOCK ARE ENTITLED TO TEN VOTES PER SHARE ON MOST MATTERS SUBJECT TO STOCKHOLDER VOTE. UPON THE CLOSING OF THIS OFFERING, THE INGRAM FAMILY STOCKHOLDERS (AS DEFINED HEREIN) WILL HAVE APPROXIMATELY 80.8% OF THE COMBINED VOTING POWER OF THE COMMON EQUITY (80.5% IF THE U.S. UNDERWRITERS EXERCISE THEIR OVER-ALLOTMENT OPTION IN FULL). THE COMMON STOCK HAS BEEN APPROVED FOR LISTING, SUBJECT TO OFFICIAL NOTICE OF ISSUANCE, ON THE NEW YORK STOCK EXCHANGE UNDER THE SYMBOL "IM."

SEE "RISK FACTORS" BEGINNING ON PAGE 5 FOR A DISCUSSION OF CERTAIN RISKS ASSOCIATED WITH THIS OFFERING.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE $ A SHARE

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS(1)	PROCEEDS TO COMPANY(2)
Per Share	$	$	$
Total(3)	$	$	$

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(1) The Company has agreed to indemnify the Underwriters against certain

liabilities, including liabilities under the Securities Act of 1933, as amended.

(2) Before deducting expenses payable by the Company estimated at $1,400,000.

(3) The Company has granted to the U.S. Underwriters an option, exercisable within 30 days of the date hereof, to purchase up to an aggregate of 3,000,000 additional Shares at the price to public less underwriting discounts and commissions, for the purpose of covering over-allotments, if any. If the U.S. Underwriters exercise such option in full, the total price to public, underwriting discounts and commissions, and proceeds to Company will be $, $ and $, respectively. See "Underwriters."

The Shares are offered, subject to prior sale, when, as and if accepted by the Underwriters named herein and subject to approval of certain legal matters by Wilson Sonsini Goodrich & Rosati, counsel for the Underwriters. It is expected that delivery of the Shares will be made on or about , 1996 at the office of Morgan Stanley & Co. Incorporated, New York, New York, against payment therefor in immediately available funds.

MORGAN STANLEY & CO.
Incorporated

THE ROBINSON-HUMPHREY COMPANY, INC.

ALEX. BROWN & SONS
INCORPORATED

HAMBRECHT & QUIST

J.C. BRADFORD & CO.

, 1996

INGRAM

MICRO
LOGO

LEADING THE WAY IN WORLDWIDE DISTRIBUTION(TM)

SUPPLYING OVER 36,000 PRODUCTS
FROM 1,100 VENDORS WORLDWIDE

[LOGOS OF VARIOUS VENDORS]

PCS, PERIPHERALS, WORKSTATIONS

[LOGOS OF VARIOUS VENDORS]

SOFTWARE

[LOGOS OF VARIOUS VENDORS]

NETWORKING

WORLDWIDE PRESENCE

CUSTOMERS IN 120 COUNTRIES

[FACILITIES MAP]

SUPERIOR EXECUTION AND
VALUE-ADDED SERVICES

LOGISTICS
- Warehousing
- Order Fulfillment
- Product Tracking
- Bullet-Proof Shipping
- Configuration
- Labeling
- Returns
- Forecasting

BANKING
- Credit
- Financing Programs

COST-EFFICIENT
SALES & SERVICES
- Telesales
- Field Sales
- Customer Service
- Marketing

PRODUCT KNOWLEDGE

- Cross-Platform
  Technical Support
- Technical Training

- Customer Information
  Systems

OVER 100,000 RESELLER
CUSTOMERS IN 3 MARKET SECTORS

- Commercial
  - Corporate Resellers
  - Dealer Affiliates
  - Direct Marketers

- VAR
  - Systems Integrators
  - Application VARs
  - OEMs
  - Government/Education Resellers

- Consumer
  - Computer Superstores
  - Office Product Superstores
  - Mass Merchants
  - Consumer Electronics Stores
  - Warehouse Clubs

IMPULSE

WORLD CLASS
INFORMATION SYSTEMS

COMPETITIVE ADVANTAGE
THROUGH REAL-TIME
WORLDWIDE INFORMATION
ACCESS AND PROCESSING

- - 12 million on-line transactions per day
- - 26,000 orders per day
- - 37,000 shipments per day

[GLOBE]

NO PERSON IS AUTHORIZED IN CONNECTION WITH ANY OFFERING MADE HEREBY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS PROSPECTUS, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR BY ANY UNDERWRITER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFERING OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCE IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

UNTIL , 1996 (25 DAYS AFTER COMMENCEMENT OF THIS OFFERING), ALL DEALERS EFFECTING TRANSACTIONS IN THE COMMON STOCK, WHETHER OR NOT PARTICIPATING IN THIS DISTRIBUTION, MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS DELIVERY REQUIREMENT IS IN ADDITION TO THE OBLIGATION OF DEALERS TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

For investors outside the United States: No action has been or will be taken in any jurisdiction by the Company or by any Underwriter that would permit a public offering of the Common Stock or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons into whose possession this Prospectus comes are required by the Company and the Underwriters to inform themselves about and to observe any restrictions as to the offering of the Common Stock and the distribution of this Prospectus.

TABLE OF CONTENTS

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK OF THE COMPANY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, IN THE OVER-THE-COUNTER MARKET OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Unless the context otherwise requires, the "Company" or "Ingram Micro" refers to Ingram Micro Inc., a Delaware corporation, and its consolidated subsidiaries. In addition, unless otherwise indicated, all information in this Prospectus assumes (i) the occurrence of the Split-Off (as defined herein) immediately prior to the closing of this offering, (ii) the purchase of 200,000 shares in the Company Offering (as defined herein), and (iii) no exercise of the U.S. Underwriters' over-allotment option. See "Underwriters." The fiscal year of the Company is a 52- or 53-week period ending on the Saturday nearest to

December 31. Unless the context otherwise requires, references in this Prospectus to "1991," "1992," "1993," "1994," and "1995" represent the fiscal years ended December 28, 1991 (52 weeks), January 2, 1993 (53 weeks), January 1, 1994 (52 weeks), December 31, 1994 (52 weeks), and December 30, 1995 (52 weeks), respectively. The Company's next 53-week fiscal year will be fiscal year 1997.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information and consolidated financial statements and the notes thereto appearing elsewhere in this Prospectus.

THE COMPANY

Ingram Micro is the leading wholesale distributor of microcomputer products worldwide. The Company markets microcomputer hardware, networking equipment, and software products to more than 100,000 reseller customers in approximately 120 countries worldwide. Ingram Micro distributes microcomputer products through warehouses in eight strategic locations in the continental United States and 22 international warehouses located in Canada, Mexico, most countries of the European Union, Norway, Malaysia, and Singapore. The Company believes that it is the market share leader in the United States, Canada, and Mexico, and the second largest full-line distributor in Europe. In 1995, approximately 31% of the Company's net sales were derived from operations outside the United States. Ingram Micro offers one-stop shopping to its reseller customers by providing a comprehensive inventory of more than 36,000 products from over 1,100 suppliers, including most of the microcomputer industry's leading hardware manufacturers, networking equipment suppliers, and software publishers. The Company's suppliers include Apple Computer, Cisco Systems, Compaq Computer, Creative Labs, Hewlett-Packard, IBM, Intel, Microsoft, NEC, Novell, Quantum, Seagate, 3Com, Toshiba, and U.S. Robotics.

The Company conducts business with most of the leading resellers of microcomputer products around the world, including, in the United States, AmeriData, CDW Computer Centers, CompuCom, CompUSA, Computer City, Electronic Data Systems, En Pointe Technologies, Entex Information Services, Micro Warehouse, Sam's Club, Staples, and Vanstar. The Company's international reseller customers include Complet Data A/S, Consultores en Diagnostico Organizacional y de Sistemas, DSG Retail Ltd., 06 Software Centre Europe, B.V., GE Capital Technologies, Jump Ordenadores, Maxima S.A., Norsk Datasenter, Owell Svenska AB, SNI Siemens Nixdorf Infosys AG, and TC Sistema SPA.

The Company has grown rapidly over the past five years, with net sales and net income increasing to $8.6 billion and $84.3 million, respectively, in 1995 from $2.0 billion and $30.2 million, respectively, in 1991, representing compound annual growth rates of 43.8% and 29.3%, respectively. The Company's growth during this period reflects substantial expansion of its existing domestic and international operations, resulting from the addition of new customers, increased sales to the existing customer base, the addition of new product categories and suppliers, and the establishment of Ingram Alliance Reseller Company ("Ingram Alliance"), the Company's master reseller business launched in late 1994, as well as the successful integration of ten acquisitions worldwide. Because of intense price competition in the microcomputer products wholesale distribution industry, the Company's margins have historically been narrow and are expected in the future to continue to be narrow. In addition, the Company is highly leveraged and has relied heavily on debt financing for its increasing working capital needs in connection with the expansion of its business.

The Company is currently a subsidiary of Ingram Industries Inc. ("Ingram Industries"). Immediately prior to the closing of this offering, Ingram Industries will consummate the Split-Off (as defined herein), and all information in this Prospectus assumes the occurrence of the Split-Off at such time. See "The Company" and "The Split-Off and the Reorganization." The consummation of the Split-Off is a non-waiveable condition to the closing of this offering.

THE OFFERING

Common Stock offered(1):	
U.S. Offering	16,000,000 Shares
International Offering	4,000,000 Shares
Company Offering(2)	200,000 Shares
Total	20,200,000 Shares
Common Equity to be outstanding after this offering(1)(3):	
Common Stock	20,200,000 Shares
Class B Common Stock(4)	109,813,762 Shares
Total	130,013,762 Shares
Voting rights:	
Common Stock	One vote per share
Class B Common Stock	Ten votes per share
Use of proceeds	To repay certain outstanding indebtedness. See "Use of Proceeds."
NYSE Symbol	IM

SUMMARY CONSOLIDATED FINANCIAL DATA
(IN MILLIONS, EXCEPT PER SHARE DATA)

	FISCAL YEAR					THIRTY-NINE WEEKS ENDED	
	1991	1992	1993	1994	1995	SEPTEMBER 30, 1995	SEPTEMBER 28, 1996
INCOME STATEMENT DATA:							
Net sales	$2,016.6	$2,731.3	$4,044.2	$5,830.2	$8,616.9	$ 6,070.7	$ 8,474.7
Gross profit	185.4	227.6	329.6	439.0	605.7	422.5	574.5
Income from operations	67.6	68.9	103.0	140.3	186.9	123.9	175.9(5)
Net income(6)	30.2	31.0	50.4	63.3	84.3	56.3	77.6(5)
Earnings per share	0.25	0.26	0.41	0.52	0.69	0.46	0.64(5)
Weighted average common shares outstanding(7)	121.4	121.4	121.4	121.4	121.4	121.4	121.7

	SEPTEMBER 28, 1996		
	ACTUAL	AS ADJUSTED(8)	AS FURTHER ADJUSTED(8)(9)
BALANCE SHEET DATA:			
Working capital	$ 828.1	$ 668.1	$ 654.6
Total assets	2,843.7	2,706.3	2,706.3
Total debt(10)	625.0	487.6	145.2
Stockholders' equity	366.0	366.0	695.0

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(1) Assumes no exercise of the U.S. Underwriters' over-allotment option.

(2) The Company is offering 200,000 shares of Common Stock to its Chief Executive Officer, Jerre L. Stead, at the initial public offering price set forth on the cover page of this Prospectus (the "Company Offering"). Such shares will be sold directly by the Company, with no underwriting discounts or commission payable thereon. As used herein, the term "Combined Offering" includes both the Company Offering and the underwritten initial public offering. See "Management -- Employment Agreements" and "Employee and Priority Offers -- Employee Directed Offer."

(3) See "Principal Stockholders." Excludes approximately 21,000,000 shares of Common Equity issuable in connection with outstanding stock options. See "Management -- 1996 Plan -- Options" and "-- Rollover Plan; Incentive Stock Units."

(4) Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Common Stock. In addition, the Class B Common Stock will be automatically converted into Common Stock upon the occurrence of certain events. See "Description of Capital Stock."

(5) Reflects a non-cash compensation charge of $8.9 million ($5.4 million, or $0.04 per share, net of tax) in connection with the granting of the Rollover Stock Options (as defined herein). See "The Split-Off and the Reorganization -- The Split-Off" and Note 11 of Notes to Consolidated Financial Statements.

(6) The 1992 results reflect the adoption of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("FAS 109").

(7) See Note 2 of Notes to Consolidated Financial Statements.

(8) As adjusted to reflect (i) the assumption by the Company of the accounts receivable securitization program of Ingram Industries in partial satisfaction of amounts due to Ingram Industries (resulting in a $160.0 million decrease in each of working capital and total debt) and (ii) approximately $22.6 million of indebtedness to be incurred by the Company in connection with the acquisition of certain facilities currently utilized by the Company, as if such transactions had occurred on September 28, 1996. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources" and "Certain Transactions."

(9) As further adjusted to give effect to the issuance of the Common Stock offered by the Company in the Combined Offering, the repayment of certain indebtedness with the estimated net proceeds therefrom, and the estimated additional $13.4 million non-cash compensation charge related to certain Rollover Stock Options (as defined herein). See "Use of Proceeds," "Capitalization," and "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview."

(10) Includes long-term debt, current maturities of long-term debt, and amounts due to Ingram Industries.

RISK FACTORS

In evaluating the Company's business, prospective investors should carefully consider the following factors in addition to the other information contained in this Prospectus.

Intense Competition. The Company operates in a highly competitive environment, both in the United States and internationally. The microcomputer products distribution industry is characterized by intense competition, based primarily on price, product availability, speed and accuracy of delivery, effectiveness of sales and marketing programs, credit availability, ability to tailor specific solutions to customer needs, quality and breadth of product lines and services, and availability of technical and product information. The Company's competitors include regional, national, and international wholesale distributors, as well as hardware manufacturers, networking equipment manufacturers, and software publishers that sell directly to resellers and large resellers who resell to other resellers. There can be no assurance that the Company will not lose market share in the United States or in international markets, or that it will not be forced in the future to reduce its prices in response to the actions of its competitors and thereby experience a further reduction in its gross margins. See "-- Narrow Margins" and "Business -- Competition."

The Company entered the "aggregator" or "master reseller" business by launching Ingram Alliance in late 1994. See "Business -- Ingram Alliance." The Company competes with other master resellers, which sell to groups of affiliated franchisees and third-party dealers. Many of the Company's competitors in the master reseller business are more experienced and have more established contacts with affiliated resellers, third-party dealers, or suppliers, which may provide them with a competitive advantage over the Company.

The Company is constantly seeking to expand its business into areas closely related to its core microcomputer products distribution business. As the Company enters new business areas, it may encounter increased competition from current competitors and/or from new competitors, some of which may be current customers of the Company. For example, the Company intends to distribute media in the new digital video disc format and may compete with traditional music and printed media distributors. In addition, certain services the Company provides may directly compete with those provided by the Company's reseller customers. There can be no assurance that increased competition and adverse reaction from customers resulting from the Company's expansion into new business areas will not have a material adverse effect on the Company's business, financial condition, or results of operations. See "Business -- The Industry" and "-- Competition."

Narrow Margins. As a result of intense price competition in the microcomputer products wholesale distribution industry, the Company's margins have historically been narrow and are expected in the future to continue to be narrow. See "-- Intense Competition." These narrow margins magnify the impact on operating results of variations in operating costs. The Company's gross margins have declined from 8.1% for 1993 to 6.8% for the thirty-nine weeks ended September 28, 1996. The Company receives purchase discounts from suppliers based on a number of factors, including sales or purchase volume and breadth of customers. These purchase discounts directly affect gross margins. Because many purchase discounts from suppliers are based on percentage increases in sales of products, it may become more difficult for the Company to achieve the percentage growth in sales required for larger discounts due to the current size of the Company's revenue base. The Company's gross margins have been further reduced by the Company's entry into the master reseller business through Ingram Alliance, which has lower gross margins than the Company's traditional wholesale distribution business. See "-- Risks Associated with Ingram Alliance" and "Business -- Ingram Alliance." The Company has taken a number of steps intended to address the challenges of declining gross margins, particularly by continually improving and enhancing its information systems and implementing procedures and systems designed to provide greater warehousing efficiencies and greater accuracy in shipping. However, there can be no assurance that these steps will prevent gross margins from continuing to decline. If the Company's gross margins continue to decline, the Company will be required to reduce operating expenses as a percentage of net sales further in order to maintain or increase its operating margins. While the Company will continue to explore ways to improve gross margins and reduce operating expenses as a percentage of net sales, there can be no assurance that the Company will be successful in such efforts or that the Company's margins will not decline in the future. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Fluctuations in Quarterly Results. The Company's quarterly net sales and operating results have varied significantly 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 margins may magnify the impact of these factors on the Company's operating results.

Specific historical seasonal variations in the Company's operating results have included a reduction of demand in Europe during the summer months, increased Canadian government purchasing in the first quarter, and pre-holiday stocking in the retail channel during the September to November period. In addition, as was the case with the introduction of Microsoft Windows 95 in August 1995, the product cycle of major products may materially impact the Company's business, financial condition, or results of operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Quarterly Data; Seasonality." Changes in supplier supported programs may also have a material impact on the Company's quarterly net sales and operating results. The Company may be unable to adjust spending sufficiently in a timely manner to compensate for any unexpected sales shortfall, which could materially adversely affect quarterly operating results. Accordingly, the Company believes that period-to-period comparisons of its operating results should not be relied upon as an indication of future performance. In addition, the results of any quarterly period are not indicative of results to be expected for a full fiscal year. In certain future quarters, the Company's operating results may be below the expectations of public market analysts or investors. In such event, the market price of the Common Stock would be materially adversely affected.

Capital Intensive Nature of Business; High Degree of Leverage. The Company's business requires significant levels of capital to finance accounts receivable and product inventory that is not financed by trade creditors. The Company is highly leveraged and has relied heavily on debt financing for its increasing working capital needs in connection with the expansion of its business. At December 30, 1995 and September 28, 1996, the Company's total debt was $850.5 million and $625.0 million, respectively, and represented 73.6% and 63.0%, respectively, of the Company's total capitalization. Pro forma for the Combined Offering, the application of the estimated net proceeds therefrom, and the incurrence of approximately $22.6 million of indebtedness in connection with the acquisition of certain facilities currently utilized by the Company, as of September 28, 1996, the Company's total debt would have been $145.2 million and would have represented 17.3% of the Company's total capitalization ($94.2 million and 11.2% assuming the U.S. Underwriters' over-allotment option is exercised in full). See "Use of Proceeds," "Capitalization," and "Management's Discussion and Analysis of Financial Condition and Results of Operations." In order to continue its expansion, the Company will need additional financing, including debt financing, which may or may not be available on terms acceptable to the Company, or at all. The Company expects that the ratio of total debt to total capitalization will likely increase over time. While a portion of the Company's historical financing needs has been satisfied through internally generated funds and trade creditors, a substantial amount has come from intercompany borrowings under debt facilities and an accounts receivable securitization facility maintained by Ingram Industries. No assurance can be given that the Company will continue to be able to borrow in adequate amounts for these or other purposes on terms acceptable to the Company, and the failure to do so could have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has a commitment from NationsBank of Texas N.A. and The Bank of Nova Scotia providing for a $1 billion credit facility (the "Credit Facility") with a syndicate of lenders, for whom such banks will act as Agents, and the Company expects to enter into a formal agreement prior to the closing of this offering. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources." Concurrently with the Split-Off, the Company intends to use borrowings under the Credit Facility to repay (i) intercompany indebtedness in partial satisfaction of amounts due to Ingram Industries (the Company is assuming Ingram Industries' accounts receivable securitization program in satisfaction of the remaining amounts due to Ingram Industries) and (ii) outstanding revolving indebtedness related to amounts drawn by certain of the Company's subsidiaries, as participants in Ingram Industries'

existing unsecured credit facility, which will terminate concurrently with the closing of this offering. The net proceeds from the Combined Offering will be used to repay a portion of the borrowings under the Credit Facility. See "Use of Proceeds." The Company's ability in the future to satisfy its debt obligations will be dependent upon its future performance, which is subject to prevailing economic conditions and financial, business, and other factors, including factors beyond the Company's control. See "-- Fluctuations in Quarterly Results," "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources," "Certain Transactions," and "The Split-Off and the Reorganization -- The Reorganization."

Management of Growth. The rapid growth of the Company's business has required the Company to make significant recent additions in personnel and has significantly increased the Company's working capital requirements. Although the Company has experienced significant sales growth in recent years, such growth should not be considered indicative of future sales growth. Such growth has resulted in new and increased responsibilities for management personnel and has placed and continues to place a significant strain upon the Company's management, operating and financial systems, and other resources. There can be no assurance that the strain placed upon the Company's management, operating and financial systems, and other resources will not have a material adverse effect on the Company's business, financial condition, and results of operations, nor can there be any assurance that the Company will be able to attract or retain sufficient personnel to continue the expansion of its operations. Also crucial to the Company's success in managing its growth will be its ability to achieve additional economies of scale. There can be no assurance that the Company will be able to achieve such economies of scale, and the failure to do so could have a material adverse effect on the Company's business, financial condition, and results of operations.

To manage the expansion of its operations, the Company must continuously evaluate the adequacy of its management structure and its existing systems and procedures, including, among others, its data processing, financial, and internal control systems. When entering new geographic markets, the Company will be required to implement the Company's centralized IMpulse information processing system on a timely and cost-effective basis, hire personnel, establish suitable distribution centers, and adapt the Company's distribution systems and procedures to these new markets. There can be no assurance that management will adequately anticipate all of the changing demands that growth could impose on the Company's systems, procedures, and structure. In addition, the Company will be required to react to changes in the microcomputer distribution industry, and there can be no assurance that it will be able to do so successfully. Any failure to adequately anticipate and respond to such changing demands may have a material adverse effect on the Company's business, financial condition, or results of operations. See "-- Dependence on Information Systems" and "Business -- Information Systems."

Dependence on Information Systems. The Company depends on a variety of information systems for its operations, particularly its centralized IMpulse information processing system which supports more than 40 operational functions including inventory management, order processing, shipping, receiving, and accounting. At the core of IMpulse is on-line, real-time distribution software which supports basic order entry and processing and customers' shipments and returns. The Company's information systems require the services of over 350 of the Company's associates with extensive knowledge of the Company's information systems and the business environment in which the Company operates. Although the Company has not in the past experienced significant failures or downtime of IMpulse or any of its other information systems, any such failure or significant downtime could prevent the Company from taking customer orders, printing product pick-lists, and/or shipping product and could prevent customers from accessing price and product availability information from the Company. In such event, the Company could be at a severe disadvantage in determining appropriate product pricing or the adequacy of inventory levels or in reacting to rapidly changing market conditions, such as a currency devaluation. A failure of the Company's information systems which impacts any of these functions could have a material adverse effect on the Company's business, financial condition, or results of operations. In addition, the inability of the Company to attract and retain the highly skilled personnel required to implement, maintain, and operate IMpulse and the Company's other information systems could have a material adverse effect on the Company's business, financial condition, or results of operations. In order to react to changing market conditions, the Company must continuously expand and

improve IMpulse and its other information systems. From time to time the Company may acquire other businesses having information systems and records which must be converted and integrated into IMpulse or other Company information systems. This can be a lengthy and expensive process that results in a significant diversion of resources from other operations. The inability of the Company to convert the information systems of any acquired businesses to the Company's information systems and to train its information systems personnel in a timely manner and on a cost-effective basis could materially adversely affect the Company's business, financial condition, or results of operations. There can be no assurance that the Company's information systems will not fail, that the Company will be able to attract and retain qualified personnel necessary for the operation of such systems, that the Company will be able to expand and improve its information systems, or that the information systems of acquired companies will be successfully converted and integrated into the Company's information systems on a timely and cost-effective basis. See "Business -- Information Systems."

Exposure to Foreign Markets; Currency Risk. The Company, through its subsidiaries, operates in a number of countries outside the United States, including Canada, Mexico, most of the countries of the European Union, Norway, Malaysia, and Singapore. In 1994, 1995, and the first three quarters of 1996, 29.3%, 30.7%, and 30.0%, respectively, of the Company's net sales were derived from operations outside of the United States, and the Company expects its international net sales to increase as a percentage of total net sales in the future. See "Business -- Geographic Tactics." The Company's international net sales are primarily denominated in currencies other than the U.S. dollar. Accordingly, the Company's international operations impose risks upon its business as a result of exchange rate fluctuations. Although the Company attempts to mitigate the effect of exchange rate fluctuations on its business, primarily by attempting to match the currencies of sales and costs, as well as through the use of foreign currency borrowings and derivative financial instruments such as forward exchange contracts, the Company does not seek to remove all risk associated with such fluctuations. Accordingly, there can be no assurance that exchange rate fluctuations will not have a material adverse effect on the Company's business, financial condition, or results of operations in the future. In certain countries outside the United States, operations are accounted for primarily on a U.S. dollar denominated basis. In the event of an unexpected devaluation of the local currency in those countries, the Company may experience significant foreign exchange losses. For example, the devaluation of the Mexican peso, which began in December 1994, significantly affected the Company's Mexican operations. The primary impact on the Company's operating results was a foreign exchange pre-tax charge of approximately $6.9 million and $7.8 million in 1994 and 1995, respectively. In addition, the Company's net sales in Mexico were adversely affected in 1995 as a result of the general economic impact of the devaluation of the Mexican peso. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Company's international operations are subject to other risks such as the imposition of governmental controls, export license requirements, restrictions on the export of certain technology, political instability, trade restrictions, tariff changes, difficulties in staffing and managing international operations, difficulties in collecting accounts receivable and longer collection periods, and the impact of local economic conditions and practices. As the Company continues to expand its international business, its success will be dependent, in part, on its ability to anticipate and effectively manage these and other risks. There can be no assurance that these and other factors will not have a material adverse effect on the Company's international operations or its business, financial condition, and results of operations as a whole.

Dependence on Key Individuals. The Company is dependent in large part on its ability to retain the services of its executive officers, especially Messrs. Jerre L. Stead (Chief Executive Officer and Chairman of the Board of Directors), Jeffrey R. Rodek (Worldwide President and Chief Operating Officer), and David R. Dukes (Vice Chairman of Ingram Micro and Chief Executive Officer of Ingram Alliance). The loss of any of the Company's executive officers could have a material adverse effect on the Company. The Company does not have employment agreements with most of its executive officers, although it does have agreements, primarily relating to severance arrangements, with certain of the Named Executive Officers (as defined herein). See "Management -- Employment Agreements." Several of the Company's executive officers currently perform functions for both the Company and Ingram Industries, including Michael J. Grainger, the Company's Executive Vice President and Worldwide Chief Financial Officer, and James E. Anderson, Jr., the

Company's Senior Vice President, Secretary, and General Counsel. Concurrently with the Split-Off, each of Messrs. Grainger and Anderson will resign from Ingram Industries. See "Management -- Executive Officers and Directors." The Company's continued success is also dependent upon its ability to retain and attract other qualified employees to meet the Company's needs. See "Business -- Employees."

Effective August 27, 1996, the Company appointed Jerre L. Stead as its Chief Executive Officer and Chairman of the Board. Linwood A. (Chip) Lacy, Jr., the Company's Chief Executive Officer since 1985, resigned effective May 31, 1996. Although the Company believes that one of its distinguishing characteristics is the strength of its senior and middle management personnel, there can be no assurance that the Company will not experience a material adverse effect on its business, financial condition, or results of operations as a result of the resignation of Mr. Lacy. See "Management -- Employment Agreements."

Product Supply; Dependence on Key Suppliers. The ability of the Company to obtain particular products or product lines in the required quantities and to fulfill customer orders on a timely basis is critical to the Company's success. In most cases, the Company has no guaranteed price or delivery agreements with its suppliers. As a result, the Company has experienced, and may in the future continue to experience, short-term inventory shortages. In addition, manufacturers who currently distribute their products through the Company may decide to distribute, or to substantially increase their existing distribution, through other distributors, their own dealer networks, or directly to resellers. Further, the personal computer industry experiences significant product supply shortages and customer order backlogs from time to time due to the inability of certain manufacturers to supply certain products on a timely basis. There can be no assurance that suppliers will be able to maintain an adequate supply of products to fulfill the Company's customer orders on a timely basis or that the Company will be able to obtain particular products or that a product line currently offered by suppliers will continue to be available. The failure of the Company to obtain particular products or product lines in the required quantities or fulfill customer orders on a timely basis could have a material adverse effect on its business, financial condition, or results of operations.

Although Ingram Micro regularly stocks products and accessories supplied by over 1,100 suppliers, approximately 36.5%, 41.4%, 53.2%, and 55.2% of the Company's net sales in 1993, 1994, 1995, and the first three quarters of 1996, respectively, were derived from products provided by its ten largest suppliers. In 1995, 32.9% of the Company's net sales were derived from sales of products from Microsoft (12.7%), Compaq Computer (10.7%), and Hewlett-Packard (9.5%). In the first three quarters of 1996, 33.2% of the Company's net sales were derived from sales of products from Compaq Computer (13.7%), Microsoft (10.4%), and Hewlett-Packard (9.1%). Certain of the Company's non-U.S. operations are even more dependent on a limited number of suppliers. In addition, many services that the Company provides to its reseller customers, such as financing and technical training, are dependent on supplier support. The loss of a major supplier, the deterioration of the Company's relationship with a major supplier, the loss or deterioration of supplier support for certain Company-provided services, the decline in demand for a particular supplier's product, or the failure of the Company to establish good relationships with major new suppliers could have a material adverse effect on the Company's business, financial condition, or results of operations. Such a loss, deterioration, decline, or failure could also have a material adverse effect on the sales by the Company of products provided by other suppliers.

The Company's ability to achieve increases in net sales or to sustain current net sales levels depends in part on the ability and willingness of the Company's suppliers to provide products in the quantities the Company requires. Although the Company has written distribution agreements with many of its suppliers, these agreements usually provide for nonexclusive distribution rights and often include territorial restrictions that limit the countries in which Ingram Micro is permitted to distribute the products. The agreements are also generally short term, subject to periodic renewal, and often contain provisions permitting termination by either party without cause upon relatively short notice. The termination of an agreement may have a material adverse impact on the Company's business, financial condition, or results of operations. See "Business -- Products and Suppliers."

Risks Associated with Ingram Alliance. Ingram Micro entered the master reseller (also known as "aggregation") business in late 1994 through the launch of Ingram Alliance. Ingram Alliance is designed to

offer resellers access to products supplied by certain of the industry's leading hardware manufacturers at competitive prices by utilizing a low-cost business model that depends upon a higher average order size, lower product returns percentage, and supplier-paid financing. The master reseller business is characterized by gross margins and operating margins that are even narrower than those of the U.S. microcomputer products wholesale distribution business and by competition based almost exclusively on price, programs, and execution. In the master reseller business, the Company has different supply arrangements and financing terms than in its traditional wholesale distribution business. There can be no assurance that the Company will be able to compete successfully in the master reseller business. A failure by Ingram Alliance to compete successfully could have a material adverse effect on the Company's business, financial condition, or results of operations.

A substantial portion of Ingram Alliance's net sales (approximately 89.9% during 1995 and 92.5% during the thirty-nine weeks ended September 28, 1996) is derived from the sale of products supplied by Compaq Computer, IBM, Toshiba, NEC, and Apple Computer. As a result, Ingram Alliance's business is dependent upon price and related terms and availability of products provided by these key suppliers. Although the Company considers Ingram Alliance's relationships with these suppliers to be good, there can be no assurance that these relationships will continue as presently in effect or that changes by one or more of such key suppliers in their volume discount schedules or other marketing programs would not adversely affect the Company's business, financial condition or results of operations. Termination or nonrenewal of Ingram Alliance's agreements with key suppliers would have a material adverse effect on the Company's business, financial condition, or results of operations.

Although the Company's wholesale distribution division sells Hewlett-Packard products, Ingram Alliance has not historically had authorization to sell Hewlett-Packard products in the master reseller market. Because of Hewlett-Packard's position as a major supplier of microcomputer hardware products, the Company believes that sales of Hewlett-Packard products likely account for a substantial portion of sales at Ingram Alliance's competitors in the master reseller business. The inability to offer Hewlett-Packard's products has placed Ingram Alliance at a competitive disadvantage to its competitors because it has been unable to provide a full range of products to its customers. In late October 1996, Ingram Alliance, along with Tech Data Elect, was authorized to sell Hewlett-Packard products in the master reseller market. The arrangement with Hewlett-Packard provides that Ingram Alliance and Tech Data Elect may commence sales of Hewlett-Packard products in January 1997. There can be no assurance that Ingram Alliance will be able to compete effectively in the sale of Hewlett-Packard products within the master reseller market. See "Business -- Ingram Alliance."

Acquisitions. As part of its growth strategy, the Company pursues the acquisition of companies that either complement or expand its existing business. As a result, the Company is continually evaluating potential acquisition opportunities, which may be material in size and scope. Acquisitions involve a number of risks and difficulties, including expansion into new geographic markets and business areas, the requirement to understand local business practices, the diversion of management's attention to the assimilation of the operations and personnel of the acquired companies, the integration of the acquired companies' management information systems with those of the Company, potential adverse short-term effects on the Company's operating results, the amortization of acquired intangible assets, and the need to present a unified corporate image.

The Company does not currently have any commitments or agreements with respect to any material acquisitions. The Company is currently in negotiations regarding potential acquisitions or joint ventures, none of which, if consummated, would be material to the Company's business. The Company anticipates that one or more potential acquisition opportunities, including some that could be material to the Company, may become available in the future. The Company may issue equity securities to consummate acquisitions, which may cause dilution to investors purchasing Common Stock in the Combined Offering. In addition, the Company may be required to utilize cash or increase its borrowings to consummate acquisitions. No assurance can be given that the Company will have adequate resources to consummate any acquisition, that any acquisition by the Company will or will not occur, that if any acquisition does occur it will not have a material adverse effect on the Company, its business, financial condition, or results of operations or that any such

acquisition will be successful in enhancing the Company's business. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Risk of Declines in Inventory Value. The Company's business, like that of other wholesale distributors, is subject to the risk that the value of its inventory will be adversely affected by price reductions by suppliers or by technological changes affecting the usefulness or desirability of the products comprising the inventory. It is the policy of most suppliers of microcomputer products to protect distributors such as the Company, who purchase directly from such suppliers, from the loss in value of inventory due to technological change or the supplier's price reductions. Under the terms of many distribution agreements, suppliers will credit the distributor for inventory losses resulting from the supplier's price reductions if the distributor complies with certain conditions. In addition, under many such agreements, the distributor has the right to return for credit or exchange for other products a portion of the inventory items purchased, within a designated period of time. A supplier who elects to terminate a distribution agreement generally will repurchase from the distributor the supplier's products carried in the distributor's inventory. The industry practices discussed above are sometimes not embodied in written agreements and do not protect the Company in all cases from declines in inventory value. No assurance can be given that such practices will continue, that unforeseen new product developments will not materially adversely affect the Company, or that the Company will be able to successfully manage its existing and future inventories. The Company's risk of declines in inventory value could be greater outside the United States where agreements with suppliers are more restrictive with regard to price protection and the Company's ability to return unsold inventory. The Company establishes reserves for estimated losses due to obsolete inventory in the normal course of business. Historically, the Company has not experienced losses due to obsolete inventory materially in excess of established inventory reserves. However, significant declines in inventory value in excess of established inventory reserves could materially adversely affect the Company's business, financial condition, or results of operations.

The Company sometimes purchases from suppliers, usually at significant discounts, quantities of products that are nearing the end of their product life cycle. In addition, the Company's purchasing staff also seeks opportunities to purchase quantities of products from suppliers at discounts larger than those usually available. When the Company negotiates these purchases, it seeks to secure favorable terms for the return to suppliers of products unwanted by resellers and end-users. Because some of these purchase agreements contain terms providing for a 60-day time limit on returns to suppliers, end-user or reseller delays in returning the product to the Company may make it difficult for the Company to meet the deadline for returns to suppliers, and the Company could be left with unwanted product. Additionally, some suppliers may be unwilling or unable to pay the Company for products returned to them under purchase agreements, and this trend may accelerate as consolidation in the industry increases. For products offered by major suppliers, each of these events, were they to occur, could materially adversely impact the Company's business, financial condition, or results of operations. See "Business -- Products and Suppliers."

Dependence on Independent Shipping Companies. The Company relies almost entirely on arrangements with independent shipping companies for the delivery of its products. Products are shipped from suppliers to the Company through Skyway Freight Systems, Yellow Freight Systems, APL Land Transport Services, and ABF Freight Systems. Currently, Federal Express Corporation ("FedEx"), United Parcel Service ("UPS"), Western Package Service, General Parcel Services, Roadway Parcel Services, and Purolator Courier deliver the substantial majority of the Company's products to its reseller customers in the United States and Canada. In other countries, the Company typically relies on one or two shipping companies prominent in local markets. The termination of the Company's arrangements with one or more of these independent shipping companies, or the failure or inability of one or more of these independent shipping companies to deliver products from suppliers to the Company or products from the Company to its reseller customers or their end-user customers could have a material adverse effect on the Company's business, financial condition, or results of operations. For instance, an employee work stoppage or slow-down at one or more of these independent shipping companies could materially impair that shipping company's ability to perform the services required by the Company. There can be no assurance that the services of any of these independent shipping companies will continue to be available to the Company on terms as favorable as those currently available or that these

companies will choose or be able to perform their required shipping services for the Company. See "Business -- Operations -- Shipping."

Rapid Technological Change; Alternate Means of Software Distribution. The microcomputer products industry is subject to rapid technological change, new and enhanced product specification requirements, and evolving industry standards. These changes may cause inventory in stock to decline substantially in value or to become obsolete. In addition, suppliers may give the Company limited or no access to new products being introduced. Although the Company believes that it has adequate price protection and other arrangements with its suppliers to avoid bearing the costs associated with these changes, no assurance can be made that future technological or other changes will not have a material adverse effect on the business, financial condition, or results of operations of the Company. Outside North America, the supplier contracts can be more restrictive and place more risks on the Company.

Net sales of software products have decreased as a percentage of total net sales in recent years due to a number of factors, including bundling of software with microcomputers; sales growth in Ingram Alliance, which is a hardware-only business; declines in software prices; and the emergence of alternative means of software distribution, such as site licenses and electronic distribution. The Company expects this trend to continue. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview" and "Business -- Products and Suppliers."

Relationship with Ingram Industries, Ingram Entertainment, and the Ingram Family Stockholders. The Company has historically depended on Ingram Industries and other subsidiaries of Ingram Industries for financing, cash management, tax and payroll administration, property/casualty insurance, employee benefits administration, and certain other administrative services. In conjunction with the Split-Off, the Company, Ingram Industries, and Ingram Entertainment Inc. ("Ingram Entertainment"), a wholly-owned subsidiary of Ingram Industries, will enter into agreements for the continued provision after the Split-Off of certain services formerly shared among such entities (collectively, the "Transitional Service Agreements"), as well as a tax sharing and tax services agreement. See "The Split-Off and the Reorganization -- The Reorganization." The Company believes that the terms of the Transitional Service Agreements will be on a basis as favorable to the Company as those that would have been obtained from third parties on an arm's length basis and that they will be adequate to allow the Company to continue its business as previously conducted on an independent basis. The Company's historical financial statements reflect an allocation of expenses in connection with the services covered by the Transitional Service Agreements. Although the Company expects the costs and fees to be paid by it in connection with the Transitional Service Agreements to be higher than its historical allocated costs, it does not believe the increase in costs will be material to its results of operations. In addition, the Transitional Service Agreements generally terminate on December 31, 1996, although payroll services under the Transitional Service Agreements will be provided through December 31, 1997. After such termination, the Company will be required to provide such services internally or find a third-party provider of such services. There can be no assurance that the Company will be able to secure the provision of such services on acceptable terms. Either the additional costs and fees associated with the Transitional Service Agreements or the failure to obtain acceptable provision of services upon termination of the Transitional Service Agreements could have a material adverse effect on the Company's business, financial condition, or results of operations. After the Split-Off, each of the Company and Ingram Industries will be controlled by the Ingram Family Stockholders (as defined herein). See "-- Control by Ingram Family Stockholders; Certain Anti-takeover Provisions." After the Split-Off, Ingram Entertainment will continue to be a wholly-owned subsidiary of Ingram Industries. Although there can be no assurance, it is contemplated that, on or after June 20, 1997, certain remaining stockholders of Ingram Industries will exchange their remaining shares of Ingram Industries common stock for shares of Ingram Entertainment common stock. See "The Split-Off and the Reorganization -- The Reorganization."

Furthermore, the Company has incurred, and anticipates incurring in the future, higher payroll costs associated with the hiring of certain additional personnel and the addition of certain officers, previously paid by Ingram Industries, to the Company's payroll. There can be no assurance that the Company's results of operations will not be materially adversely affected by such additional costs. See "-- Capital Intensive Nature of Business; High Degree of Leverage," "Management's Discussion and Analysis of Financial Condition and

Results of Operations -- Liquidity and Capital Resources," "Certain Transactions," and "The Split-Off and the Reorganization -- The Reorganization."

In connection with the Split-Off, the Company made a $20.0 million distribution to Ingram Industries in the second quarter of 1996. The Company may be obligated to Ingram Industries for certain liabilities, fees or costs incurred in connection with the Split-Off. However, the Company believes such obligations will be materially offset by amounts expected to be due from Ingram Industries. See "The Split-Off and the Reorganization."

Control by Ingram Family Stockholders; Certain Anti-takeover Provisions. Immediately after the Split-Off and the closing of this offering, 69.5% of the outstanding Common Equity (and 80.8% of the outstanding voting power) will be held by the Ingram Family Stockholders (68.0% and 80.5%, respectively, if the U.S. Underwriters' over-allotment option is exercised in full). Martha R. Ingram, her children, certain trusts created for their benefit, and two charitable trusts and a foundation created by the Ingram family (collectively, the "Ingram Family Stockholders") are expected to enter into a Board Representation Agreement (as defined herein) with the Company, which provides that certain types of corporate transactions, including transactions involving the potential sale or merger of the Company; the issuance of additional equity, warrants, or options; certain acquisitions; or the incurrence of significant indebtedness, may not be entered into without the written approval of at least a majority of the voting power held by certain of the Ingram Family Stockholders acting in their sole discretion. See "The Split-Off and the Reorganization -- The Split-Off," "Principal Stockholders," and "Description of Capital Stock." Voting control by the Ingram Family Stockholders may discourage certain types of transactions involving an actual or potential change of control of the Company, including transactions in which the holders of the Company's Common Stock might receive a premium for their shares over the prevailing market price of the Common Stock.

Section 203 of the Delaware General Corporation Law (as amended from time to time, the "DGCL"), which is applicable to the Company, prohibits certain business combinations with certain stockholders for a period of three years after they acquire 15% or more of the outstanding voting stock of a corporation. See "Description of Capital Stock -- Section 203 of the DGCL." In addition, the authorized but unissued capital stock of the Company includes 1,000,000 shares of preferred stock. The Board of Directors is authorized to provide for the issuance of such preferred stock in one or more series and to fix the designations, preferences, powers and relative, participating, optional or other rights and restrictions thereof. Accordingly, the Company may issue a series of preferred stock in the future that will have preference over the Common Equity with respect to the payment of dividends and upon liquidation, dissolution or winding-up or which could otherwise adversely affect holders of the Common Equity or discourage or make difficult any attempt to obtain control of the Company. See "Description of Capital Stock -- Preferred Stock."

Shares Eligible for Future Sale. Upon completion of the Combined Offering, the Company will have outstanding 20,200,000 shares of Common Stock (23,200,000 shares if the U.S. Underwriters' over-allotment option is exercised in full) and 109,813,762 shares of Class B Common Stock, and an additional approximately 16,200,000 shares of Common Stock and approximately 4,800,000 shares of Class B Common Stock will be reserved for issuance upon exercise of outstanding stock options held by employees and directors of the Company, Ingram Industries, and Ingram Entertainment. See "Management." The 20,000,000 shares of Common Stock to be sold by the Company in this offering will be freely tradable without restriction. The Company and its directors and executive officers, and certain stockholders of the Company, have agreed, subject to certain exceptions, not to offer, sell, contract to sell or otherwise dispose of any Common Equity for a period of 180 days after the date of this Prospectus without the prior written consent of Morgan Stanley & Co. Incorporated. Morgan Stanley & Co. Incorporated has informed the Company that it has no present intention to consent to any such transactions. Despite these limitations, the sale of a significant number of these shares could have an adverse impact on the price of the Common Stock or on any trading market that may develop. See "Shares Eligible for Future Sale."

Absence of Public Market; Possible Volatility of Stock Price. Prior to this offering, there has been no public market for the Common Stock or the Class B Common Stock. There can be no assurance that an active trading market for the Common Stock will develop, or, if one does develop, that it will be sustained following

this offering or that the market price of the Common Stock will not decline below the initial public offering price. The initial public offering price will be determined by negotiations between the Company and the Representatives of the Underwriters. See "Underwriters -- Pricing of Offering." The market price of the Common Stock could be subject to wide fluctuations in response to quarterly variations in the Company's results of operations, changes in earnings estimates by research analysts, conditions in the personal computer industry, or general market or economic conditions, among other factors. In addition, in recent years the stock market has experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on the market prices of many technology companies, often unrelated to the operating performance of the specific companies. Such market fluctuations could materially adversely affect the market price for the Common Stock.

Dilution. The initial public offering price of the shares of Common Stock offered hereby will be substantially higher than the net tangible book value per share of the Common Equity. Therefore, purchasers of Common Stock in the Combined Offering will experience an immediate and substantial dilution in net tangible book value per share. See "Dilution."

THE COMPANY

Ingram Micro is the leading wholesale distributor of microcomputer products worldwide. The Company markets microcomputer hardware, networking equipment, and software products to more than 100,000 reseller customers in approximately 120 countries worldwide in three principal market sectors: the VAR sector, consisting of value-added resellers, systems integrators, network integrators, application VARs, and original equipment manufacturers; the Commercial sector, consisting of corporate resellers, direct marketers, independent dealers, and owner-operated chains; and the Consumer sector, consisting of consumer electronics stores, computer superstores, mass merchants, office product superstores, software-only stores, and warehouse clubs. As a wholesale distributor, the Company markets its products to each of these types of resellers as opposed to marketing directly to end-user customers.

The Company conducts business with most of the leading resellers of microcomputer products around the world, including, in the United States, AmeriData, CDW Computer Centers, CompuCom, CompUSA, Computer City, Electronic Data Systems, En Pointe Technologies, Entex Information Services, Micro Warehouse, Sam's Club, Staples, and Vanstar. The Company's international reseller customers include Complet Data A/S, Consultores en Diagnostico Organizacional y de Sistemas, DSG Retail Ltd., 06 Software Centre Europe, B.V., GE Capital Technologies, Jump Ordenadores, Maxima S.A., Norsk Datasenter, Owell Svenska AB, SNI Siemens Nixdorf Infosys AG, and TC Sistema SPA.

Ingram Micro offers one-stop shopping to its reseller customers by providing a comprehensive inventory of more than 36,000 products from over 1,100 suppliers, including most of the microcomputer industry's leading hardware manufacturers, networking equipment suppliers, and software publishers. The Company's broad product offerings include: desktop and notebook personal computers ("PCs"), servers, and workstations; mass storage devices; CD-ROM drives; monitors; printers; scanners; modems; networking hubs, routers, and switches; network interface cards; business application software; entertainment software; and computer supplies. The Company's suppliers include Apple Computer, Cisco Systems, Compaq Computer, Creative Labs, Hewlett-Packard, IBM, Intel, Microsoft, NEC, Novell, Quantum, Seagate, 3Com, Toshiba, and U.S. Robotics.

Ingram Micro distributes microcomputer products worldwide through warehouses in eight strategic locations in the continental United States and 22 international warehouses located in Canada, Mexico, most countries of the European Union, Norway, Malaysia, and Singapore. The Company believes that it is the market share leader in the United States, Canada, and Mexico, and the second largest full-line distributor in Europe. In 1995, approximately 31% of the Company's net sales were derived from operations outside the United States. The Export Division fulfills orders from U.S. exporters and from foreign customers in countries where the Company does not operate a distribution subsidiary, including much of Latin America, the Middle East, Africa, Australia, and parts of Europe and Asia. The Company participates in the master reseller business in the United States through Ingram Alliance.

The Company's principal objective is to enhance its position as the preeminent wholesale distributor of microcomputer products worldwide. The Company is focused on providing a broad range of products and services, quick and efficient order fulfillment, and consistent on-time and accurate delivery to its reseller customers around the world. The Company believes that IMpulse, the Company's on-line information system, provides a competitive advantage through real-time worldwide information access and processing capabilities. This information system, coupled with the Company's exacting operating procedures in telesales, credit support, customer service, purchasing, technical support, and warehouse operations, enables the Company to provide its reseller customers with superior service in an efficient and low cost manner. In addition, to enhance sales and support its suppliers and reseller customers, the Company provides a wide range of value-added services, such as technical training, order fulfillment, tailored financing programs, systems configuration, and marketing programs.

The Company has grown rapidly over the past five years, with net sales and net income increasing to $8.6 billion and $84.3 million, respectively, in 1995 from $2.0 billion and $30.2 million, respectively, in 1991, representing compound annual growth rates of 43.8% and 29.3%, respectively. The Company's growth during this period reflects substantial expansion of its existing domestic and international operations, resulting from

the addition of new customers, increased sales to the existing customer base, the addition of new product categories and suppliers, and the establishment of Ingram Alliance, as well as the successful integration of ten acquisitions worldwide. Because of intense price competition in the microcomputer products wholesale distribution industry, the Company's margins have historically been narrow and are expected in the future to continue to be narrow. In addition, the Company is highly leveraged and has relied heavily on debt financing for its increasing working capital needs in connection with the expansion of its business. See "Risk Factors -- Narrow Margins" and "-- Capital Intensive Nature of Business; High Degree of Leverage."

The Company is currently a subsidiary of Ingram Industries, a company controlled by the Ingram Family Stockholders. The Company, Ingram Industries, and Ingram Entertainment will enter into certain agreements, pursuant to which the operations of the three companies will be reorganized (the "Reorganization"). In the Reorganization, the Company, Ingram Industries, and Ingram Entertainment will allocate certain liabilities and obligations among themselves. Immediately prior to the closing of this offering, Ingram Industries will consummate an exchange, pursuant to which certain existing stockholders of Ingram Industries will exchange all or a portion of their shares of Ingram Industries common stock for shares of Class B Common Stock of the Company in specified ratios. Immediately after the Split-Off and the closing of this offering, none of the Common Equity will be held by Ingram Industries, other than the approximately 250,000 shares to be purchased by Ingram Industries in the Priority Offer. See "Employee and Priority Offers -- Priority Offer." At such time, 69.6% of the outstanding Common Equity (and 80.7% of the outstanding voting power) will be held by the Ingram Family Stockholders (68.0% and 80.5%, respectively, if the U.S. Underwriters' over-allotment option is exercised in full). See "Risk Factors -- Control by Ingram Family Stockholders; Certain Anti-takeover Provisions." Such exchange of shares of Ingram Industries common stock for shares of Class B Common Stock of the Company, together with those elements of the Reorganization contemplated to occur prior to the closing of this offering, are referred to herein as the "Split-Off." The consummation of the Split-Off is a non-waiveable condition to the closing of this offering. See "Principal Stockholders" and "The Split-Off and the Reorganization." After the Split-Off, Ingram Entertainment will continue to be a wholly-owned subsidiary of Ingram Industries. Although there can be no assurance, it is contemplated that, on or after June 20, 1997, certain remaining stockholders of Ingram Industries will exchange their remaining shares of Ingram Industries common stock for shares of Ingram Entertainment common stock. See "The Split-Off and the Reorganization."

The Company's earliest predecessor began business in 1979 as a California corporation named Micro D, Inc. This company and its parent, Ingram Micro Holdings Inc. ("Holdings"), grew through a series of acquisitions, mergers and internal growth to encompass the Company's current operations. Ingram Micro Inc. was incorporated in Delaware on April 29, 1996, in order to effect the reincorporation of the Company in Delaware. The successor to Micro D, Inc. and Holdings were merged into Ingram Micro Inc. in October 1996. The Company's principal executive office is located at 1600 East St. Andrew Place, Santa Ana, California 92705, and its telephone number is (714) 566-1000.

USE OF PROCEEDS

The net proceeds to the Company from the Combined Offering, after deducting estimated underwriting discounts and commissions and estimated offering expenses, are assumed to be approximately $342.4 million ($393.4 million if the U.S. Underwriters' over-allotment option is exercised in full). At September 28, 1996, the Company had total outstanding debt of $625.0 million, of which $479.7 million was due to Ingram Industries. Concurrently with the Split-Off, the Company will assume Ingram Industries' accounts receivable securitization program (expected to aggregate $173.0 million at the closing of this offering) in partial satisfaction of amounts due to Ingram Industries. The Company intends to use borrowings under the Credit Facility to repay (i) the remaining intercompany indebtedness to Ingram Industries, which was incurred for general corporate purposes, primarily working capital needs in connection with the expansion of the Company's business and (ii) outstanding revolving indebtedness related to amounts drawn by certain of the Company's subsidiaries ($82.4 million at September 28, 1996), as participants in Ingram Industries' existing $380 million unsecured credit facility, which will terminate concurrently with the closing of this offering.

The net proceeds from the Combined Offering will be used to repay a portion of the borrowings under the Credit Facility. After giving effect to the foregoing transactions, including the application of the net proceeds from the Combined Offering, borrowings under the Credit Facility would have been approximately $69.3 million on a pro forma basis at September 28, 1996. See "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources," and Note 6 of Notes to Consolidated Financial Statements.

DIVIDEND POLICY

The Company has never declared or paid any dividends on the Common Equity other than the distribution made to Ingram Industries in connection with the Split-Off. See "Risk Factors -- Relationship with Ingram Industries, Ingram Entertainment, and the Ingram Family Stockholders." The Company currently intends to retain its future earnings to finance the growth and development of its business and therefore does not anticipate declaring or paying cash dividends on the Common Equity for the foreseeable future. Any future determination to declare or pay dividends will be at the discretion of the Board of Directors and will be dependent upon the Company's financial condition, results of operations, capital requirements, and such other factors as the Board of Directors deems relevant. In addition, the Credit Facility and the Company's other debt facilities will contain restrictions on the declaration and payment of dividends.

CAPITALIZATION

The following table sets forth, as of September 28, 1996, (i) the actual short-term debt and capitalization of the Company, (ii) such short-term debt and capitalization as adjusted to give effect to the Split-Off, and (iii) such as adjusted short-term debt and capitalization as further adjusted to reflect the sale of the shares of Common Stock offered by the Company in the Combined Offering at an assumed initial public offering price of $18.00 per share (after deducting estimated underwriting discounts and commissions and estimated offering expenses) and the application of the estimated net proceeds therefrom. See "Use of Proceeds."

	SEPTEMBER 28, 1996		
	ACTUAL	AS ADJUSTED(1)	AS FURTHER ADJUSTED(1)(2)
	(IN THOUSANDS, EXCEPT SHARE DATA)		
Short-term debt:			
Current maturities of long-term debt	$ 16,458	$ 16,458	$ 16,458
Long-term debt:			
Long-term debt	$128,855	$ 471,142	$128,742
Due to Ingram Industries	479,703	0	0
Total long-term debt	608,558	471,142	128,742
Redeemable Class B Common Stock	17,223	17,223	17,223
Stockholders' equity(3)(4):			
Preferred Stock, $0.01 par value; 1,000,000 shares authorized; 0, 0, and 0 shares issued and outstanding, respectively	0	0	0
Class A Common Stock, $0.01 par value; 265,000,000 shares authorized; 0, 0, and 20,200,000 shares issued and outstanding, respectively	0	0	202
Class B Common Stock, $0.01 par value; 135,000,000 shares authorized; 109,813,762 shares issued and outstanding (including 2,460,400 redeemable shares)	1,074	1,074	1,074
Additional paid in capital	23,140	23,140	365,338
Retained earnings	339,689	339,689	326,254
Cumulative translation adjustment	2,680	2,680	2,680
Unearned compensation	(594)	(594)	(594)
Total stockholders' equity	365,989	365,989	694,954
Total capitalization	$991,770	$ 854,354	$840,919

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(1) As adjusted to reflect (i) the assumption by the Company of the accounts receivable program of Ingram Industries in satisfaction of amounts due to Ingram Industries (resulting in an increase of $319.7 million in long-term debt, a decrease of $479.7 million in amounts due to Ingram Industries, and a decrease of $160.0 million in trade accounts receivable not reflected in this table) and (ii) approximately $22.6 million of indebtedness to be incurred by the Company in connection with the acquisition of certain facilities currently utilized by the Company (resulting in an increase of $22.6 million in long-term debt, which is reflected in this table, and a similar increase in property and equipment, which is not reflected in this table), as if such transactions had occurred on September 28, 1996. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources" and "Certain Transactions."

(2) As further adjusted to give effect to the issuance of the Common Stock offered by the Company in the Combined Offering at an assumed initial public offering price of $18.00 per share (after deducting estimated underwriting discounts and commissions and estimated offering expenses), the repayment of certain revolving indebtedness including certain amounts outstanding under the Credit Facility with the entire net proceeds therefrom, and the additional estimated $13.4 million non-cash charge related to certain Rollover Stock Options. See "Use of Proceeds" and "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview."

(3) Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one share of Common Stock. In addition, the Class B Common Stock will be automatically converted into Common Stock upon the occurrence of certain events. See "Description of Capital Stock."

(4) Excludes approximately 21,000,000 shares of Common Equity issuable in connection with outstanding stock options. See "Management -- 1996 Plan -- Options" and "-- Rollover Plans; Incentive Stock Units."

DILUTION

The net tangible book value of the Common Equity of the Company as of September 28, 1996 was $354.4 million or $3.23 per share of Common Equity. Net tangible book value represents the amount of total tangible assets less total liabilities.

Dilution per share to new investors represents the difference between the amount per share paid by purchasers of Common Stock in the Combined Offering and the pro forma net tangible book value per share of Common Equity immediately after the closing of this offering. After giving effect to the sale of 20,200,000 shares of Common Stock offered hereby by the Company at an assumed initial public offering price of $18.00 per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses and the application of the estimated net proceeds therefrom, the pro forma net tangible book value of the Company as of September 28, 1996 would have been $683.4 million or $5.26 per share of Common Equity. This represents an immediate increase in net tangible book value of $2.03 per share of Common Equity to existing stockholders and an immediate dilution of $12.74 per share of Common Equity to purchasers of Common Stock in the Combined Offering. The following table illustrates the per share dilution to new investors:

Assumed initial public offering price per share		$18.00
Net tangible book value per share of Common Equity as of September 28, 1996	$3.23	
Increase attributable to new investors	2.03	
Net tangible book value per share of Common Equity after this offering		5.26
Dilution per share of Common Equity to new investors		$12.74

The following table summarizes, as of September 28, 1996, the difference (before deducting estimated underwriting discounts and commissions and estimated offering expenses) between existing stockholders and the purchasers of shares of Common Stock in the Combined Offering (at an assumed initial public offering price of $18.00 per share) with respect to: (i) the number of shares of Common Equity purchased from the Company; (ii) the effective cash consideration paid; and (iii) the average price paid per share of Common Equity.

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE PRICE
	NUMBER	PERCENT	AMOUNT	PERCENT	PER SHARE
Existing stockholders(1)	109,813,762	84.5%	$ 83,783,800	18.7%	$ 0.76
New investors	20,200,000	15.5	363,600,000	81.3	18.00
Total	130,013,762	100.0%	$447,383,800	100.0%	

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(1) Excludes options issued under the Company's 1996 Plan and Rollover Plan, to purchase an aggregate of 21,000,000 shares of Common Equity. To the extent any of these options are exercised, there will be further dilution to new investors. See "Management -- 1996 Plan -- Options" and "-- Rollover Plan; Incentive Stock Units."

SELECTED CONSOLIDATED FINANCIAL DATA

The following table presents selected consolidated financial data of the Company. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and notes thereto included elsewhere in this Prospectus. The consolidated statement of income data set forth below for each of the three years in the period ended December 30, 1995 and the consolidated balance sheet data at December 31, 1994 and December 30, 1995 are derived from, and are qualified by reference to, the audited consolidated financial statements included elsewhere in this Prospectus, and should be read in conjunction with those financial statements and the notes thereto. The consolidated balance sheet data as of January 1, 1994 are derived from the audited consolidated balance sheet of the Company as of January 1, 1994, which is not included in this Prospectus. The consolidated statement of income data for each of the two years in the period ended January 2, 1993 and the consolidated balance sheet data as of December 28, 1991 and January 2, 1993 are derived from unaudited consolidated financial statements not included in this Prospectus. The consolidated financial data as of and for the thirty-nine weeks ended September 30, 1995, and as of and for the thirty-nine weeks ended September 28, 1996, have been derived from unaudited consolidated financial statements of the Company which are included in this Prospectus and which, in the opinion of the Company, reflect all adjustments, consisting only of adjustments of a normal and recurring nature, necessary for a fair presentation. Results for the thirty-nine weeks ended September 28, 1996 are not necessarily indicative of results for the full year. The historical consolidated financial data may not be indicative of the Company's future performance and do not necessarily reflect what the financial position and results of operations of the Company would have been had the Company operated as a separate, stand-alone entity during the periods covered. See "Consolidated Financial Statements."

	FISCAL YEAR					THIRTY-NINE WEEKS ENDED	
INCOME STATEMENT DATA:	1991	1992	1993	1994	1995	SEPTEMBER 30, 1995	SEPTEMBER 28, 1996
	(IN THOUSANDS, EXCEPT PER SHARE DATA)						
Net sales	$2,016,586	$2,731,272	$4,044,169	$5,830,199	$8,616,867	$ 6,070,722	$ 8,474,710
Cost of sales	1,831,140	2,503,702	3,714,527	5,391,224	8,011,181	5,648,210	7,900,223
Gross profit	185,446	227,570	329,642	438,975	605,686	422,512	574,487
Expenses:							
Selling, general and administrative	116,793	157,306	225,047	296,330	415,344	296,079	386,492
Charges allocated from Ingram Industries	1,030	1,330	1,567	2,355	3,461	2,561	3,259
Non-cash compensation charge	0	0	0	0	0	0	8,859(2)
	117,823	158,636	226,614	298,685	418,805	298,640	398,610(2)
Income from operations	67,623	68,934	103,028	140,290	186,881	123,872	175,877(2)
Other (income) expense:							
Interest income	(256)	(103)	(407)	(937)	(3,479)	(3,049)	(1,188)
Interest expense	3,233	5,556	5,003	8,744	13,451	8,918	10,608
Interest expense charged by Ingram Industries	11,859	12,405	16,089	24,189	32,606	22,977	30,912
Net foreign currency exchange loss	0	0	111	6,873	7,751	6,572	447
Other	324	2,574	(623)	716	1,936	405	1,689
	15,160	20,432	20,173	39,585	52,265	35,823	42,468
Income before income taxes and minority interest	52,463	48,502	82,855	100,705	134,616	88,049	133,409(2)
Provision for income taxes	22,286	17,529	31,660	39,604	53,143	34,755	55,459
Income before minority interest	30,177	30,973	51,195	61,101	81,473	53,294	77,950(2)
Minority interest	0	0	840	(2,243)	(2,834)	(2,986)	383
Net income(1)	$ 30,177	$ 30,973	$ 50,355	$ 63,344	$ 84,307	$ 56,280	$ 77,567(2)
Earnings per share	$ 0.25	$ 0.26	$ 0.41	$ 0.52	$ 0.69	$ 0.46	$ 0.64(2)
Weighted average common shares outstanding	121,407	121,407	121,407	121,407	121,407	121,407	121,687

BALANCE SHEET DATA:	DECEMBER 28, 1991	JANUARY 2, 1993	JANUARY 1, 1994	DECEMBER 31, 1994	DECEMBER 30, 1995	SEPTEMBER 28, 1996
	(IN THOUSANDS)					
Cash	$ 15,510	$ 25,276	$ 44,391	$ 58,369	$ 56,916	$ 43,196
Working capital	288,462	334,913	471,616	663,049	1,019,639	828,084
Total assets	670,649	915,590	1,296,363	1,974,289	2,940,898	2,843,712
Total debt(3)	244,785	295,389	398,929	552,283	850,548	625,016

Stockholder's equity.....	78,972	109,418	155,459	221,344	310,795	365,989

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(1) The 1992 results reflect the adoption of FAS 109.

(2) Reflects a non-cash compensation charge of $8.9 million ($5.4 million, or $0.04 per share, net of tax) in connection with the granting of Rollover Stock Options. See Note 11 of Notes to Consolidated Financial Statements.

(3) Includes long-term debt, current maturities of long-term debt, and amounts due to Ingram Industries.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Ingram Micro is the leading wholesale distributor of microcomputer products worldwide. The Company's net sales have grown to $8.6 billion in 1995 from $2.0 billion in 1991. This sales growth reflects substantial expansion of its existing domestic and international operations, resulting from the addition of new customers, increased sales to the existing customer base, the addition of new product categories and suppliers, and the establishment of Ingram Alliance, as well as the successful integration of ten acquisitions worldwide. Net income has grown to $84.3 million in 1995 from $30.2 million in 1991.

The microcomputer wholesale distribution industry in which the Company operates is characterized by narrow gross and operating margins, which have declined industry-wide in recent years, primarily due to intense price competition. The Company's gross margins declined to 7.0% in 1995 from 9.2% in 1991. To partially offset the decline in gross margins, the Company has continually instituted operational and expense controls which have reduced selling, general, and administrative ("SG&A") expenses (including charges allocated from Ingram Industries) as a percentage of net sales to 4.8% in 1995 from 5.8% in 1991. As a result, the Company's operating margins and net margins have declined less than gross margins. Operating margins declined to 2.2% in 1995 from 3.4% in 1991, and net margins declined to 1.0% in 1995 from 1.5% in 1991. There can be no assurance that the Company will be able to continue to reduce operating expenses as a percentage of net sales to mitigate further reductions in gross margins. Although the Company's international operations have historically had similar gross margins to the Company's U.S. traditional wholesale operations, the Company's international operations have historically had lower operating margins due in part to greater economies of scale in the U.S. operations. See "Risk Factors -- Narrow Margins."

Ingram Micro entered the master reseller (also known as "aggregation") business in late 1994 through the launch of Ingram Alliance. Ingram Alliance is designed to offer resellers access to certain of the industry's leading hardware manufacturers at competitive prices by utilizing a lower cost business model that depends upon a higher average order size, lower product returns percentage, and supplier-paid financing. In 1995, Ingram Alliance contributed over $700 million of net sales to the Company. Since its inception in late 1994, Ingram Alliance has operated with lower gross margins, lower SG&A expenses as a percentage of net sales, and lower financing costs than the Company's traditional wholesale distribution business. Accordingly, if Ingram Alliance's sales continue to grow as a percentage of the Company's total net sales, the Company expects such increase to cause its overall gross margins to decline.

The Company sells microcomputer hardware, networking equipment, and software products. Sales of hardware products (including networking equipment) represent a majority of total net sales and have historically generated a higher operating margin than sales of software products, although operating margins on both hardware products and software products have historically declined. Hardware products and networking equipment have comprised an increasing percentage, and software products a decreasing percentage, of the Company's net sales in recent years, and the Company expects this trend to continue. Net sales of software products have decreased as a percentage of total net sales in recent years due to a number of factors, including bundling of software with microcomputers; sales growth in Ingram Alliance, which is a hardware-only business; declines in software prices; and the emergence of alternative means of software distribution, such as site licenses and electronic distribution. See "Risk Factors -- Rapid Technological Change; Alternate Means of Software Distribution" and "Business -- Products and Suppliers."

Historically, the Company's sources of capital have primarily been borrowings from Ingram Industries through debt facilities maintained by Ingram Industries and guaranteed by the Company. The Company has a commitment providing for the $1 billion Credit Facility, and the Company expects to enter into a formal agreement prior to the closing of this offering. See "-- Liquidity and Capital Resources." Concurrently with the Split-Off, the Company intends to use borrowings under the Credit Facility to repay (i) intercompany indebtedness in partial satisfaction of amounts due to Ingram Industries (the Company is assuming Ingram Industries' accounts receivable securitization program in satisfaction of the remaining amounts due to Ingram Industries) and (ii) outstanding revolving indebtedness related to amounts drawn by certain of the Company's

subsidiaries, as participants in Ingram Industries' existing unsecured credit facility, which will terminate concurrently with the closing of this offering. The net proceeds from the Combined Offering will be used to repay a portion of the borrowings under the Credit Facility. See "Use of Proceeds." The Company has historically depended on Ingram Industries and other subsidiaries of Ingram Industries for financing, management, tax and payroll administration, property/casualty insurance, employee benefits administration, and certain other administrative services. In conjunction with the Reorganization, the Company, Ingram Industries, and Ingram Entertainment will enter into the Transitional Service Agreements, as well as a tax sharing and tax services agreement. See "The Split-Off and the Reorganization -- The Reorganization." The Company believes that the terms of the Transitional Service Agreements will be on a basis as favorable to the Company as those that would have been obtained from third parties on an arm's length basis. The Company's historical financial statements reflect an allocation of expenses in connection with the services covered by the Transitional Service Agreements. Although the Company expects the costs and fees to be paid by it in connection with the Transitional Service Agreements to be higher than its historical allocated costs, it does not believe the increase in costs will be material to its results of operations. On a long-term basis, the Company will be required to hire personnel to perform such services or contract with one or more independent third parties to provide such services. See "Risk Factors -- Relationship with Ingram Industries, Ingram Entertainment, and the Ingram Family Stockholders."

The microcomputer wholesale distribution business is capital intensive. The Company's business requires significant levels of capital to finance accounts receivable and product inventory that is not financed by trade creditors. The Company is highly leveraged and has relied heavily on debt financing for its increasing working capital needs in connection with the expansion of its business. The Company will need additional capital to finance its product inventory and accounts receivable as it expands its business. The Company's interest expense for any current or future indebtedness will be subject to fluctuations in interest rates and may cause fluctuations in the Company's net income. In connection with the Split-Off, the Company will assume Ingram Industries' accounts receivable securitization program, and financing costs associated with this program will be classified as other expense. Prior to the Split-Off, such expenses were reflected as interest expense charged by Ingram Industries. While this structure will not increase the Company's cost of financing, this change in the classification of financing costs will result in an increase in the Company's other expenses of approximately $10.5 million per year and a corresponding decrease in its interest expense.

In connection with the Split-Off, certain outstanding Ingram Industries options, incentive stock units ("ISUs"), and stock appreciation rights ("SARs") held by certain employees of Ingram Industries, Ingram Entertainment, and Ingram Micro will be exchanged or converted to options to purchase up to an aggregate of approximately 11,000,000 shares of Common Stock ("Rollover Stock Options"). See "Management -- Rollover Plan; Incentive Stock Units." The Company has recorded a pre-tax non-cash compensation charge of approximately $8.9 million ($5.4 million net of tax) in the first three quarters of 1996 related to the vested portion of certain of the Rollover Stock Options as the terms and grants of the Rollover Stock Options were established in the first quarter of 1996. This charge was based on the difference between the estimated fair value of such options in the first quarter of 1996 and the exercise price of such options or SARs. In addition, at the time of this offering, the Company will be required by applicable accounting rules to record a non-cash compensation charge with respect to the vested portion of approximately 1,300,000 formula plan Rollover Stock Options included in the 11,000,000 shares. This non-cash charge is expected to be approximately $13.4 million based on the difference between the average exercise price of $2.63 per share and $18.00 per share, the assumed initial public offering price of the Common Stock. The Company will be required by applicable accounting rules to record additional non-cash compensation charges over the remaining vesting periods of the Rollover Stock Options. The Company expects these additional charges to be $1.0 million ($0.6 million net of tax) for the fourth quarter of 1996, $7.1 million ($5.7 million net of tax) for 1997 and $4.6 million ($3.6 million net of tax) for 1998.

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.

	FISCAL YEAR						THIRTY-NINE WEEKS ENDED			
	1993		1994		1995		SEPTEMBER 30, 1995		SEPTEMBER 28, 1996	
	(DOLLARS IN MILLIONS)									
NET SALES BY GEOGRAPHIC REGION(1):										
United States	$ 3,118	77.1%	$ 4,122	70.7%	$ 5,970	69.3%	$ 4,287	70.6%	$ 5,930	70.0%
Europe	485	12.0	1,078	18.5	1,849	21.4	1,239	20.4	1,745	20.6
Other international	441	10.9	630	10.8	798	9.3	545	9.0	800	9.4
Total	$ 4,044	100.0%	$ 5,830	100.0%	$ 8,617	100.0%	$ 6,071	100.0%	$ 8,475	100.0%

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(1) Net sales are classified by location of the Company entity. For example, products sold through Ingram Alliance or the U.S. Export Division are classified as United States sales.

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				
	FISCAL YEAR			THIRTY-NINE WEEKS ENDED	
	1993	1994	1995	SEPTEMBER 30, 1995	SEPTEMBER 28, 1996
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	91.9	92.5	93.0	93.0	93.2
Gross profit	8.1	7.5	7.0	7.0	6.8
Expenses:					
SG&A expenses and charges allocated from Ingram Industries	5.6	5.1	4.8	5.0	4.6
Non-cash compensation charge	0.0	0.0	0.0	0.0	0.1
Income from operations	2.5	2.4	2.2	2.0	2.1
Other expense, net	0.5	0.7	0.6	0.5	0.5
Income before income taxes and minority interest	2.0	1.7	1.6	1.5	1.6
Provision for income taxes	0.8	0.6	0.6	0.6	0.7
Minority interest	0.0	0.0	0.0	0.0	0.0
Net income	1.2%	1.1%	1.0%	0.9%	0.9%

FIRST THREE QUARTERS 1996 COMPARED TO FIRST THREE QUARTERS 1995

Consolidated net sales increased 39.6% to $8.5 billion in the first three quarters of 1996 from $6.1 billion in the first three quarters of 1995. Microsoft Windows 95 was launched in the third quarter of 1995 and sales of Microsoft Windows 95 accounted for $289.1 million of consolidated net sales in the first three quarters of 1995. The increase in worldwide net sales was attributable to growth in the microcomputer products industry in general, the addition of new customers, increased sales to the existing customer base, and expansion of the Company's product offerings.

Net sales from U.S. operations increased 38.3% to $5.9 billion in the first three quarters of 1996 from $4.3 billion in the first three quarters of 1995. In addition to the factors above that impacted net sales worldwide, U.S. net sales were positively impacted by the strong growth in Ingram Alliance sales. Net sales from European operations increased 40.8% to $1.7 billion in the first three quarters of 1996 from $1.2 billion in the first three quarters of 1995. Other international net sales increased 46.9% to $799.8 million in the first three quarters of 1996 from $544.5 million in the first three quarters of 1995, principally due to the growth in net sales from the Company's Canadian operations. In the first three quarters of 1996, net sales from U.S. operations accounted for 70.0% of consolidated net sales, net sales from European operations accounted for 20.6% of consolidated net sales, and other international net sales accounted for 9.4% of consolidated net sales.

In the first three quarters of 1995, net sales from U.S. operations accounted for 70.6% of consolidated net sales, net sales from European operations accounted for 20.4% of consolidated net sales, and other international net sales accounted for 9.0% of consolidated net sales.

Cost of sales as a percentage of net sales increased to 93.2% in the first three quarters of 1996 from 93.0% in the first three quarters of 1995. This increase was largely attributable to competitive pricing pressures, especially in Europe, and the increase as a percentage of net sales of the lower gross margin Ingram Alliance business, which more than offset an increase in worldwide purchase discounts and rebates from the Company's suppliers.

Total SG&A expenses and charges allocated from Ingram Industries increased 30.5% to $389.8 million in the first three quarters of 1996 from $298.6 million in the first three quarters of 1995, but decreased as a percentage of net sales to 4.6% in the first three quarters of 1996 from 5.0% in the first three quarters of 1995. 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, and expenses associated with the development and maintenance of information systems. The decrease in operating expenses as a percentage of net sales was primarily attributable to the growth of Ingram Alliance, which utilizes a lower cost business model, and economies of scale from higher sales volumes.

During the first three quarters of 1996, the Company recorded a non-cash compensation charge of $8.9 million or 0.1% of net sales in connection with the Rollover Stock Options. The Company did not record any such charge during the first three quarters of 1995.

Excluding the $8.9 million non-cash compensation charge in the first three quarters of 1996, total income from operations increased as a percentage of net sales to 2.2% in the first three quarters of 1996 from 2.0% in the first three quarters of 1995. Income from operations in the United States increased as a percentage of net sales to 2.7% in the first three quarters of 1996 from 2.6% in the first three quarters of 1995. Income from operations in Europe decreased as a percentage of net sales to 0.5% in the first three quarters of 1996 from 0.7% in the first three quarters of 1995. This decrease was offset by an increase in income from operations as a percentage of net sales for geographic regions outside the United States and Europe to 2.0% in the first three quarters of 1996 from 0.7% in the first three quarters of 1995. The first three quarters of 1995 included the negative impact of an inventory valuation loss of $3.8 million related to the decline in value of the Mexican peso and the associated impact on the Mexican economy.

For the reasons set forth above, income from operations, including the $8.9 million non-cash compensation charge, increased 42.0% to $175.9 million in the first three quarters of 1996 from $123.9 million in the first three quarters of 1995, and, as a percentage of net sales, increased to 2.1% in the first three quarters of 1996 from 2.0% in the first three quarters of 1995.

Other expense, net, which consists primarily of net interest expense (including interest expense charged by Ingram Industries), foreign currency exchange losses, and miscellaneous non-operating expenses, increased 18.5% to $42.5 million in the first three quarters of 1996 from $35.8 million in the first three quarters of 1995, but remained constant as a percentage of net sales at 0.5%. The increase in other expense was largely attributable to a higher level of borrowings to finance the Company's worldwide business expansion, partially offset by a period-over-period decrease in the amount of foreign currency losses which were primarily related to the 1995 Mexican peso devaluation.

The provision for income taxes increased 59.6% to $55.5 million in the first three quarters of 1996 from $34.8 million in the first three quarters of 1995, reflecting the 51.5% increase in the Company's income before income taxes and minority interest. The Company's effective tax rate was 41.6% in the first three quarters of 1996 compared to 39.5% in the first three quarters of 1995. The increase in the effective tax rate was primarily due to the effect of certain international taxes in 1996.

Excluding the $5.4 million (net of tax) non-cash compensation charge, net income increased 47.4% to $83.0 million in the first three quarters of 1996 from $56.3 million in the first three quarters of 1995 and, as a percentage of net sales, increased to 1.0% in the first three quarters of 1996 from 0.9% in the first three quarters of 1995. Net income, including the $5.4 million (net of tax) non-cash compensation charge,

increased 37.8% to $77.6 million in the first three quarters of 1996 from $56.3 million in the first three quarters of 1995, but remained constant as a percentage of net sales at 0.9%.

1995 COMPARED TO 1994

Consolidated net sales increased 47.8% to $8.6 billion in 1995 from $5.8 billion in 1994. The increase in worldwide net sales was attributable to growth in the microcomputer products industry in general, the addition of new customers, increased sales to the existing customer base, and expansion of the Company's product offerings, as well as to the release of significant new products, including the Microsoft Windows 95 operating system in August 1995.

Net sales from U.S. operations increased 44.8% to $6.0 billion in 1995 from $4.1 billion in 1994. The increase in U.S. net sales was largely attributable to the growth of Ingram Alliance in 1995, its first full year of operations, as well as an increase in the Company's customer base and product lines. Net sales from European operations increased 71.5% to $1.8 billion in 1995 from $1.1 billion in 1994. In addition to factors affecting sales worldwide, European net sales were positively impacted by the full year contribution in 1995 of the Company's Scandinavian operations, which were acquired in September 1994. Other international net sales increased 26.7% to $798.0 million in 1995 from $629.6 million in 1994. The increase in net sales from other international operations was entirely attributable to an increase in Canadian sales, partially offset by a decrease in Mexican net sales resulting from the distressed Mexican economy and the related peso devaluation. In 1995, net sales from U.S. operations accounted for 69.3% of consolidated net sales, net sales from European operations accounted for 21.4% of consolidated net sales, and other international net sales accounted for 9.3% of consolidated net sales. In 1994, net sales from U.S. operations accounted for 70.7% of consolidated net sales, net sales from European operations accounted for 18.5% of consolidated net sales, and other international net sales accounted for 10.8% of consolidated net sales.

Cost of sales as a percentage of net sales increased to 93.0% in 1995 from 92.5% in 1994. This increase was largely attributable to competitive pricing pressures worldwide and the growth of Ingram Alliance, which is characterized by lower gross margins than the Company's traditional wholesale distribution business. Gross margin was favorably impacted by effective operational controls and an increase in worldwide purchase discounts and rebates from the Company's suppliers.

Total SG&A expenses and charges allocated from Ingram Industries increased 40.2% to $418.8 million in 1995 from $298.7 million in 1994, but decreased as a percentage of net sales to 4.8% in 1995 from 5.1% in 1994. 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 facilities, and expenses associated with the development and maintenance of information systems. The decreased level of spending as a percentage of net sales was primarily attributable to economies of scale resulting from higher sales volumes, increased operating efficiencies, and the growth of Ingram Alliance, which is characterized by lower SG&A expenses as a percentage of net sales than the Company's traditional wholesale distribution business.

For the reasons set forth above, income from operations increased 33.2% to $186.9 million in 1995 from $140.3 million in 1994, but decreased as a percentage of net sales to 2.2% in 1995 from 2.4% in 1994. Income from U.S. operations decreased as a percentage of net sales to 2.6% in 1995 from 3.0% in 1994. This decrease was partially offset by an increase in income from European operations as a percentage of net sales to 1.1% in 1995 from 0.7% in 1994.

Other expense, net increased 32.0% to $52.3 million in 1995 from $39.6 million in 1994, but decreased as a percentage of net sales to 0.6% in 1995 from 0.7% in 1994. The increase in other expense was largely attributable to a higher level of borrowings to finance the Company's worldwide business expansion. The Company was also negatively impacted by the continued effect of the distressed Mexican economy and the related peso devaluation. Primarily due to events in Mexico, the Company sustained a net foreign currency exchange loss of $7.8 million in 1995 as compared to a $6.9 million loss in 1994.

The provision for income taxes increased 34.2% to $53.1 million in 1995 from $39.6 million in 1994, reflecting the 33.7% increase in the Company's income before income taxes and minority interest. The Company's effective tax rate was 39.5% in 1995 as compared to 39.3% in 1994.

Net income increased 33.1% to $84.3 million in 1995 from $63.3 million in 1994, but decreased as a percentage of net sales to 1.0% in 1995 from 1.1% in 1994.

1994 COMPARED TO 1993

Consolidated net sales increased 44.2% to $5.8 billion in 1994 from $4.0 billion in 1993. The increase in worldwide net sales was attributable to growth in the microcomputer products industry in general, the acquisition of four international distributors, the addition of new customers, increased sales to the existing customer base, and expansion of the Company's product offerings.

Net sales from U.S. operations increased 32.2% to $4.1 billion in 1994 from $3.1 billion in 1993. The increase in U.S. net sales was primarily attributable to the same factors favorably impacting worldwide consolidated net sales. Net sales from European operations increased 122.3% to $1.1 billion in 1994 from $485.1 million in 1993. The increase in European net sales was due to improved operating performance by several of the European subsidiaries (including the addition of some of the Company's suppliers to the German operation), as well as the Company's entry through acquisitions into the Spanish market in April 1994 and the Scandinavian market in September 1994. Net sales from other international operations increased 42.9% to $629.6 million in 1994 from $440.7 million in 1993. The increase in net sales from other international operations was largely attributable to the continued development of the Company's operations in Canada and Mexico. In 1994, net sales from U.S. operations accounted for 70.7% of consolidated net sales, net sales from European operations accounted for 18.5% of consolidated net sales, and net sales from other international operations accounted for 10.8% of consolidated net sales. In 1993, net sales from U.S. operations accounted for 77.1% of consolidated net sales, net sales from European operations accounted for 12.0% of consolidated net sales, and other international net sales accounted for 10.9% of consolidated net sales.

Cost of sales as a percentage of net sales increased to 92.5% in 1994 from 91.9% in 1993. This increase was primarily attributable to competitive pricing pressures worldwide.

Total SG&A expenses and charges allocated from Ingram Industries increased 31.8% to $298.7 million in 1994 from $226.6 million in 1993 but decreased as a percentage of net sales to 5.1% in 1994 from 5.6% in 1993. 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 facilities, and expenses associated with the development and maintenance of information systems. The decreased level of spending as a percentage of net sales was primarily attributable to economies of scale resulting from higher sales volumes, as well as increased operating efficiencies.

For the reasons set forth above, income from operations increased 36.2% to $140.3 million in 1994 from $103.0 million in 1993, but decreased as a percentage of net sales to 2.4% in 1994 from 2.5% in 1993. Contributing to the increase in income from operations was income from the European operations of $8.1 million, compared to a $3.2 million loss from such operations in 1993.

Other expense, net increased 96.2% to $39.6 million in 1994 from $20.2 million in 1993, and increased as a percentage of net sales to 0.7% in 1994 from 0.5% in 1993. The increase in other expense was largely attributable to a higher level of borrowings to finance the Company's worldwide business expansion, including acquisitions, and foreign currency exchange losses of $6.9 million primarily related to Mexico in 1994.

The provision for income taxes increased 25.1% to $39.6 million in 1994 from $31.7 million in 1993, reflecting the 21.5% increase in the Company's income before income taxes and minority interest. The Company's effective tax rate was 39.3% in 1994 as compared to 38.2% in 1993.

Net income increased 25.8% to $63.3 million in 1994 from $50.4 million in 1993, but decreased as a percentage of net sales to 1.1% in 1994 from 1.2% in 1993.

QUARTERLY DATA; SEASONALITY

The Company's quarterly net sales and operating results have varied significantly 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 any such fluctuations. Specific historical seasonal variations in the Company's operating results have included a reduction of demand in Europe during the summer months, increased Canadian government purchasing in the first quarter, and pre-holiday stocking in the retail channel during the September to November period. In addition, as was the case with the introduction of Microsoft Windows 95 in August 1995, the product cycle of major products may materially impact the Company's business, financial condition, or results of operations.

The following table sets forth certain unaudited quarterly historical consolidated financial data for each of the eleven quarters up to the period ended September 28, 1996. This unaudited quarterly information has been prepared on the same basis as the annual information presented elsewhere herein and, in the Company's opinion, includes all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the selected quarterly information. This information should be read in conjunction with the consolidated financial statements and notes thereto included elsewhere in this Prospectus. The operating results for any quarter shown are not necessarily indicative of results for any future period.

	NET SALES	GROSS PROFIT	INCOME FROM OPERATIONS	INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	NET INCOME	EARNINGS PER SHARE
	(IN MILLIONS, EXCEPT PER SHARE DATA)					
FISCAL YEAR ENDED DECEMBER 31, 1994						
THIRTEEN WEEKS ENDED:						
April 2, 1994.....	$1,266.6	$ 92.4	$ 26.1	$ 19.4	$11.6	$0.10
July 2, 1994.....	1,298.9	96.8	28.3	19.5	12.1	0.10
October 1, 1994.....	1,387.0	105.1	32.9	24.3	14.6	0.12
December 31, 1994.....	1,877.7	144.7	53.0	37.5	25.0	0.21
FISCAL YEAR ENDED DECEMBER 30, 1995						
THIRTEEN WEEKS ENDED:						
April 1, 1995.....	$1,879.5	$132.4	$ 38.5	$ 24.3	$17.1	$0.14
July 1, 1995.....	1,859.6	138.9	40.2	30.0	18.4	0.15
September 30, 1995.....	2,331.6	151.2	45.2	33.8	20.8	0.17
December 30, 1995.....	2,546.2	183.2	63.0	46.5	28.0	0.23
FISCAL YEAR ENDED DECEMBER 28, 1996						
THIRTEEN WEEKS ENDED:						
March 30, 1996.....	$2,752.7	$186.6	$ 54.9(1)	$ 39.6(1)	$23.8 (1)	$0.20(1)
June 29, 1996.....	2,790.4	190.5	59.5(2)	44.9(2)	26.8 (2)	0.22(2)
September 28, 1996.....	2,931.5	197.5	61.4(3)	48.9(3)	26.9 (3)	0.22(3)

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(1) Reflects a non-cash compensation charge of $6.7 million ($4.1 million, or $0.03 per share, net of tax) in connection with the granting of the Rollover Stock Options.

(2) Reflects a non-cash compensation charge of $1.1 million ($0.7 million, or less than $0.01 per share, net of tax) in connection with the granting of the Rollover Stock Options.

(3) Reflects a non-cash compensation charge of $1.1 million ($0.6 million, or less than $0.01 per share, net of tax) in connection with the granting of the Rollover Stock Options.

As indicated in the table above, the increases in the Company's net sales in the fourth quarter of each fiscal year have generally been higher than those in the other three quarters in the same fiscal year. The trend of higher fourth quarter net sales is attributable to calendar year-end business purchases and holiday period purchases made by customers. Additionally, gross profit in the fourth quarter of each year has historically been favorably impacted by attractive year-end product buying opportunities which have often resulted in higher purchase discounts. Net sales in the third quarter of 1995 were positively impacted by the release of Microsoft Windows 95. However, gross and operating margins were lower in the third quarter of 1995 due to the significant volume of Microsoft Windows 95 sales, which had lower than average gross margins.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its growth and cash needs largely through income from operations and borrowings (primarily from Ingram Industries), as well as from trade and supplier credit.

Cash provided by operating activities increased to $273.3 million in the first three quarters of 1996 from $32.5 million in the first three quarters of 1995. The significant increase in cash provided by operating activities was partially due to higher net income and the difference between accounts receivable, inventory levels, and accounts payable in the first three quarters of 1996 as compared to the first three quarters of 1995 due to the launch of Microsoft Windows 95 in the third quarter of 1995. Net cash used by investing activities was $64.5 million and $36.1 million in the first three quarters of 1996 and 1995, respectively. This increase was due to the Company's expansion of warehouse and other facilities. Net cash used for financing activities increased to $221.6 million from $17.1 million in the first three quarters of 1996 and 1995, respectively, as a result of higher repayments on borrowings from Ingram Industries and the $20.0 million distribution to Ingram Industries, both in the first three quarters of 1996.

Net cash used by operating activities was $251.3 million, $87.1 million, and $41.7 million in 1995, 1994, and 1993, respectively. The significant increase in cash used by operating activities in 1995 over 1994 was due to the increased levels of inventory which accounted for a use of $580.1 million in 1995 as compared to $345.5 million in 1994 and an increase in accounts receivable which accounted for a use of $320.2 million in 1995 as compared to $232.3 million in 1994. Cash provided by accounts payable of $543.8 million in 1995 and $411.0 million in 1994 partially offset the use related to inventory and accounts receivable. The increase in the difference between inventory levels and accounts payable in 1995 as compared to 1994 was primarily due to the launch of Microsoft Windows 95.

Net cash used by investing activities of $48.8 million, $42.6 million, and $40.7 million in 1995, 1994, and 1993, respectively, was due to the Company's expansion of warehouse and other facilities in each year and the acquisitions of operations in four European countries in 1994 and the acquisition of operations in three countries in Europe and in Mexico in 1993.

Net cash provided by financing activities was $298.3 million, $143.3 million, and $101.4 million in 1995, 1994, and 1993, respectively. The increase in each period was primarily provided by an increase in borrowings from Ingram Industries.

The Company's sources of capital have primarily been borrowings from Ingram Industries. As of September 28, 1996, the Company had total debt outstanding of $625.0 million, including $479.7 million due to Ingram Industries. The Company has a commitment from NationsBank of Texas N.A. and The Bank of Nova Scotia with respect to the $1 billion Credit Facility, and the Company expects to enter into a formal agreement, which will contain standard provisions for agreements of its type, prior to the closing of this offering. Under the Credit Facility, the Company can borrow up to $750 million in foreign currencies through negotiated arrangements with individual lenders in the syndicate. The Company can use up to $250 million of the Credit Facility for letters of credit. The Company will be required to comply with certain financial covenants, including minimum net worth, restrictions on funded debt, current ratio and interest coverage, which will be tested as of the end of each fiscal quarter. The Credit Facility also restricts the Company's ability to pay dividends. Borrowings will be subject to the satisfaction of customary conditions, including the absence of any material adverse change in the Company's business or financial condition. Concurrently with the Split-Off, the Company will assume Ingram Industries' accounts receivable securitization program in partial satisfaction of amounts due to Ingram Industries. The Company intends to use borrowings under the Credit Facility to repay (i) the remaining intercompany indebtedness and (ii) outstanding revolving indebtedness related to amounts drawn by certain of the Company's subsidiaries, as participants in Ingram Industries' existing unsecured credit facility, which will terminate concurrently with the closing of this offering.

The net proceeds from the Combined Offering will be used to repay a portion of the borrowings under the Credit Facility. After giving effect to the foregoing transactions, including the application of the net proceeds from the Combined Offering, borrowings under the Credit Facility would have been approximately $69.3 million on a pro forma basis at September 28, 1996. See "Use of Proceeds." After giving effect to the foregoing

transactions and the application of the net proceeds from the Combined Offering, the Company would have had available approximately $930.7 million under the Credit Facility. The aggregate amount of long-term debt outstanding after the Split-Off, and before application of the proceeds from the Combined Offering, will be substantially similar to the long-term debt and debt due to Ingram Industries immediately prior to the Split-Off, except as adjusted for the accounts receivable securitization program to be assumed by the Company and the incurrence of an additional $22.6 million of indebtedness in connection with the acquisition of lease agreements related to certain facilities currently utilized by the Company. See "Certain Transactions."

Effective February 1993, the Company entered into an agreement with Ingram Industries whereby the Company sold all of its domestic trade accounts receivable to Ingram Industries on an ongoing basis. Ingram Industries transferred certain trade accounts receivable from the Company and other Ingram Industries affiliates to a trust which sold certificates representing undivided interests in the total pool of trade receivables without recourse. As of September 28, 1996, Ingram Industries had sold $160 million of fixed rate certificates and a variable rate certificate, under which $13.0 million was outstanding. Ingram Industries' arrangement with the trust extended to December 31, 1997, renewable biannually under an evergreen provision up to a maximum term of 20 years. In connection with the Split-Off, in partial satisfaction of amounts due to Ingram Industries, the Ingram Industries accounts receivable securitization program will be assumed by the Company, which will be the sole seller of receivables. Under the amended program, certain of the Company's domestic receivables will no longer be transferred to the trust. The Company believes the amended program will contain sufficient trade accounts receivable to support the outstanding fixed rate certificates and an unspecified amount of the variable rate certificates. Assumption of the securitization program results in a $160 million reduction of trade accounts receivable and due to Ingram Industries. See Note 4 of Notes to Consolidated Financial Statements.

The Company and its foreign subsidiaries have uncommitted lines of credit and short-term overdraft facilities in various currencies which aggregated $114.1 million as of September 28, 1996. These facilities are used principally for working capital and bear interest at market rates. See Note 6 of Notes to Consolidated Financial Statements.

The Company believes that the net proceeds from the Combined Offering, together with net cash provided by operating activities, supplemented as necessary with funds available under credit arrangements (including the Credit Facility), will provide sufficient resources to meet its present and future working capital requirements and other cash needs for at least the next 12 months, or earlier if the Company were to engage in any corporate transactions not currently anticipated, in which event the Company anticipates that additional debt or equity financing would be required.

The Company presently expects to spend approximately $90 million in each of 1996 and 1997 for capital expenditures due to the continued expansion of its business.

ASSET MANAGEMENT

The Company maintains sufficient quantities of product inventories to achieve high order fill rates. The Company believes that the risks associated with slow moving and obsolete inventory are substantially mitigated by protection and stock return privileges provided by suppliers. In the event of a supplier price reduction, the Company generally receives a credit for products in its inventory. In addition, the Company has the right to return a certain percentage of purchases, subject to certain limitations. Historically, price protection, stock return privileges, and inventory management procedures have helped to reduce the risk of decline in the value of inventory. The Company's risk of decline in the value of inventory could be greater outside the United States, where agreements with suppliers are more restrictive with regard to price protection and the Company's ability to return unsold inventory. The Company establishes reserves for estimated losses due to obsolete inventory in the normal course of business. Historically, the Company has not experienced losses due to obsolete inventory materially in excess of established inventory reserves. Inventory levels may vary from period to period, due in part to the addition of new suppliers or new lines with current suppliers and large cash purchases of inventory due to advantageous terms offered by suppliers. See "Risk Factors -- Risk of Inventory Losses."

The Company offers various credit terms to qualifying customers as well as prepay, credit card, and COD terms. The Company closely monitors customers' creditworthiness through its on-line computer system which contains detailed information on each customer's payment history and other relevant information. In addition, the Company participates in a national credit association which exchanges credit rating information on customers of association members. In most markets, the Company utilizes various levels of credit insurance to allow sales expansion and control credit risks. The Company establishes reserves for estimated credit losses in the normal course of business. Historically, the Company has not experienced credit losses materially in excess of established credit loss reserves.

CHANGES IN ACCOUNTING STANDARDS

The Company will adopt Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of " ("FAS 121") in 1996. The Company does not expect the adoption of FAS 121 to have a material effect on its financial condition or results of operations.

The Company will adopt Statement of Financial Accounting Standards No. 123, "Accounting for Stock Based Compensation" ("FAS 123") in 1996. As permitted by FAS 123, the Company will continue to measure compensation cost in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." Therefore, the adoption of FAS 123 will have no impact on the Company's financial condition or results of operations.

BUSINESS

OVERVIEW

Ingram Micro is the leading wholesale distributor of microcomputer products worldwide. The Company markets microcomputer hardware, networking equipment, and software products to more than 100,000 reseller customers in approximately 120 countries in three principal market sectors: the VAR sector, consisting of value-added resellers, systems integrators, network integrators, application VARs, and original equipment manufacturers; the Commercial sector, consisting of corporate resellers, direct marketers, independent dealers, and owner-operated chains; and the Consumer sector, consisting of consumer electronics stores, computer superstores, mass merchants, office product superstores, software-only stores, and warehouse clubs. As a wholesale distributor, the Company markets its products to each of these types of resellers as opposed to marketing directly to end-user customers.

The Company conducts business with most of the leading resellers of microcomputer products around the world, including, in the United States, AmeriData, CDW Computer Centers, CompuCom, CompUSA, Computer City, Electronic Data Systems, En Pointe Technologies, Entex Information Services, Micro Warehouse, Sam's Club, Staples, and Vanstar. The Company's international reseller customers include Complet Data A/S, Consultores en Diagnostico Organizacional y de Sistemas, DSG Retail Ltd., 06 Software Centre Europe, B.V., GE Capital Technologies, Jump Ordenadores, Maxima S.A., Norsk Datasenter, Owell Svenska AB, SNI Siemens Nixdorf Infosys AG, and TC Sistema SPA.

Ingram Micro offers one-stop shopping to its reseller customers by providing a comprehensive inventory of more than 36,000 products from over 1,100 suppliers, including most of the microcomputer industry's leading hardware manufacturers, networking equipment suppliers, and software publishers. The Company's broad product offerings include: desktop and notebook PCs, servers, and workstations; mass storage devices; CD-ROM drives; monitors; printers; scanners; modems; networking hubs, routers, and switches; network interface cards; business application software; entertainment software; and computer supplies. The Company's suppliers include Apple Computer, Cisco Systems, Compaq Computer, Creative Labs, Hewlett-Packard, IBM, Intel, Microsoft, NEC, Novell, Quantum, Seagate, 3Com, Toshiba, and U.S. Robotics.

Ingram Micro distributes microcomputer products through warehouses in eight strategic locations in the continental United States and 22 international warehouses located in Canada, Mexico, most countries of the European Union, Norway, Malaysia and Singapore. The Company believes that it is the market share leader in the United States, Canada, and Mexico, and the second largest full-line distributor in Europe, based on publicly available data and management's knowledge of the industry. In 1995, approximately 31% of the Company's net sales were derived from operations outside the United States. The Export Division fulfills orders from U.S. exporters and from foreign customers in countries where the Company does not operate a distribution subsidiary, including much of Latin America, the Middle East, Africa, Australia, and parts of Europe and Asia. The Company participates in the master reseller business in the United States through Ingram Alliance.

The Company's principal objective is to enhance its position as the preeminent wholesale distributor of microcomputer products worldwide. The Company's belief that it is the preeminent wholesale distributor of microcomputer products is based on publicly available data and management's knowledge of the industry. The Company is focused on providing a broad range of products and services, quick and efficient order fulfillment, and consistent on-time and accurate delivery to its reseller customers around the world. The Company believes that IMpulse provides a competitive advantage through real-time worldwide information access and processing capabilities. This on-line information system, coupled with the Company's exacting operating procedures in telesales, credit support, customer service, purchasing, technical support, and warehouse operations, enables the Company to provide its reseller customers with superior service in an efficient and low cost manner. In addition, to enhance sales and to support its suppliers and reseller customers, the Company provides a wide range of value-added services, such as technical training, order fulfillment, tailored financing programs, systems configuration, and marketing programs.

The Company has grown rapidly over the past five years, with net sales and net income increasing to $8.6 billion and $84.3 million, respectively, in 1995 from $2.0 billion and $30.2 million, respectively, in 1991, representing compound annual growth rates of 43.8% and 29.3%, respectively. For the thirty-nine weeks ended

September 28, 1996, the Company's net sales and net income increased 39.6% and 37.8%, respectively, as compared to the net sales and net income levels achieved in the thirty-nine weeks ended September 30, 1995. The Company's growth during these periods reflects substantial expansion in its existing domestic and international operations, resulting from the addition of new customers, increased sales to the existing customer base, the addition of new product categories and suppliers, the establishment of Ingram Alliance, and the successful integration of ten acquisitions worldwide. Because of intense price competition in the microcomputer products wholesale distribution industry, the Company's margins have historically been narrow and are expected in the future to continue to be narrow. In addition, the Company is highly leveraged and has relied heavily on debt financing for its increasing working capital needs in connection with the expansion of its business. See "Risk Factors -- Narrow Margins" and "-- Capital Intensive Nature of Business; High Degree of Leverage."

THE INDUSTRY

The worldwide microcomputer products distribution industry generally consists of suppliers, which sell directly to wholesalers, resellers, and end-users; wholesale distributors, which sell to resellers; and resellers, which sell to other resellers and directly to end-users. A variety of reseller categories exists, including corporate resellers, VARs, systems integrators, original equipment manufacturers, direct marketers, independent dealers, owner-operated chains, franchise chains, and computer retailers. Different types of resellers are defined and distinguished by the end-user market they serve, such as large corporate accounts, small and medium-sized businesses, or home users, and by the level of value they add to the basic products they sell. Wholesale distributors generally sell only to resellers and purchase a wide range of products in bulk directly from manufacturers. Different wholesale distribution models have evolved in particular countries and geographies depending on the characteristics of the local reseller environment, as well as other factors specific to a particular country or region. The United States, for example, is distinguished by the presence of master resellers, or aggregators, which are functionally similar to wholesale distributors, but which focus on selling relatively few product lines -- typically high volume, brand name hardware systems -- to a network of franchised dealers and affiliates.

The growth of the microcomputer products wholesale distribution industry continues to exceed that of the microcomputer industry as a whole. Faced with the pressures of declining product prices and the increasing costs of selling direct to a large and diverse group of resellers, suppliers are increasingly relying upon wholesale distribution channels for a greater proportion of their sales. To minimize costs and focus on their core capabilities in manufacturing, product development, and marketing, many suppliers are also outsourcing an increasing portion of certain functions such as distribution, service, technical support, and final assembly to the wholesale distribution channel. Growing product complexity, shorter product life cycles, and an increasing number of microcomputer products due to the emergence of open systems architectures and the recognition of certain industry standards have led resellers to depend on wholesale distributors for more of their product, marketing, and technical support needs. In addition, resellers are relying to an increasing extent on wholesale distributors for inventory management and credit to avoid stocking large inventories and maintaining credit lines to finance their working capital needs. The Company believes that new opportunities for growth in the microcomputer products wholesale distribution industry will emerge as new product categories, such as computer telephone integration ("CTI") and the digital video disc format, arise from the ongoing convergence of computing, communications, and consumer electronics.

International markets, which represent over half of the microcomputer industry's sales, are characterized by a more fragmented wholesale distribution channel than in the United States. Increasingly, suppliers and resellers pursuing global growth are seeking wholesale distributors with international sales and support capabilities. In addition, the microcomputer products industry in international markets is less mature and growing more rapidly than in the United States, and as such, international growth opportunities for microcomputer wholesaler distributors are significant.

The evolution of open sourcing during the past several years is a phenomenon specific to the U.S. microcomputer products wholesale distribution market. Historically, branded computer systems from large suppliers such as Apple Computer, Compaq Computer, Hewlett-Packard, and IBM were sold in the United

States only through authorized master resellers. Under this single sourcing model, resellers were required to purchase these products exclusively from one master reseller. Over the past few years, competitive pressures have led some of the major computer suppliers to authorize second sourcing, in which resellers may purchase a supplier's product from a source other than their primary master reseller, subject to certain restrictive terms and conditions (such as higher prices or the elimination of floor planning subsidies). More recently, certain computer manufacturers have authorized open sourcing, a model under which resellers can purchase the supplier's product from any source on equal terms and conditions. The trend toward open sourcing has blurred the distinction between wholesale distributors and master resellers, which are increasingly able to serve the same reseller customers, whereas previously master resellers had a captive reseller customer base. The Company believes that continued movement towards second sourcing and open sourcing puts the largest and most efficient distributors of microcomputer products, which provide the highest value through superior service and pricing, in the best position to compete for reseller customers.

The dynamics of the microcomputer products wholesale distribution business favor the largest distributors which have access to financing and are able to achieve economies of scale, breadth of geographic coverage, and the strongest vendor relationships. Consequently, the distributors with these characteristics are tending to take share from smaller distributors as the industry undergoes a process of consolidation. The need for wholesale distributors to implement high volume/low cost operations on a worldwide basis is continuing to grow due to ongoing price competition, the increasing demand for value-added services, the trend toward open sourcing, and the increasing globalization of the microcomputer products industry. In summary, the microcomputer wholesale distribution industry is growing rapidly while simultaneously consolidating, creating an industry environment in which market share leadership and cost efficiency are of paramount importance.

BUSINESS STRATEGY

The Company is the preeminent worldwide wholesale distributor of microcomputer products and services and believes that it has developed the capabilities and scale of operations critical for long-term success in the microcomputer products distribution industry.

The Company's strategy of offering a full line of products and services provides reseller customers with one-stop shopping. The Company generally is able to purchase products in large quantities and to avail itself of special purchase opportunities from a broad range of suppliers. This allows the Company to take advantage of various discounts from its suppliers, which in turn enables the Company to provide competitive pricing to its reseller customers. The Company's international market presence provides suppliers with access to a broad base of geographically dispersed resellers, serviced by the Company's extensive network of distribution centers and support offices. The Company's size has permitted it to attract highly qualified associates and increase investment in personnel development and training. Also, the Company benefits from being able to make large investments in information systems, warehousing systems, and infrastructure. Further, the Company is able to spread the costs of these investments across its worldwide operations.

The Company is pursuing a number of strategies to further enhance its leadership position within the microcomputer marketplace. These include:

EXPAND WORLDWIDE MARKET COVERAGE. Ingram Micro is committed to extending its already extensive worldwide market coverage through internal growth in all domestic and international markets in which it currently participates. In addition, the Company intends to pursue acquisitions, joint ventures, and strategic relationships outside the United States in order to take advantage of growth opportunities and to leverage its strong systems, infrastructure, and international management skills.

The Company believes that its skills in warehouse operations, purchasing, sales, credit management, marketing, and technical support enable it to expand effectively and quickly into new markets. The Company integrates acquired operations by incorporating its management philosophies and exacting operating procedures, implementing its IMpulse information system, applying its functional expertise, and training personnel on the Ingram Micro business model. Based upon these capabilities, the Company believes it is in the best position to serve global resellers, which are increasingly seeking a single source for microcomputer products and services.

By providing greater worldwide market coverage, Ingram Micro also increases the scale of its business, which results in more cost economies. In addition, as it increases its global reach, the Company diversifies its business across different markets, reducing its exposure to individual market downturns. The Company has grown its international operations principally through acquisitions and currently has operations in 18 countries outside the United States: Canada, Mexico, most countries of the European Union, Norway, Malaysia, Singapore, Japan, Argentina, and Ecuador. The Company believes that it is the market share leader in the United States, Canada, and Mexico, and the second largest full-line distributor in Europe, based on publicly available data and management's knowledge of the industry. The Company's objective is to achieve the number one market share in each of the markets in which it operates.

Ingram Micro will continue to focus on expansion of its operations through acquisitions, joint ventures, and strategic relationships in order to take advantage of significant growth opportunities around the world, both in established and developing markets.

EXPLOIT INFORMATION SYSTEMS LEADERSHIP. Ingram Micro continually invests in its information systems which are crucial in supporting the Company's growth and its ability to maintain high service and performance levels. The Company has developed a scalable, full-featured information system, IMpulse, which the Company believes is critical to its ability to deliver worldwide, real-time information to both suppliers and reseller customers. IMpulse is a single, standardized information system, used across all markets worldwide, that has been customized to suit local market requirements. The Company believes that it is the only full-line wholesale distributor of microcomputer products in the world with such a centralized global system.

IMpulse allows the Company's telesales representatives to deliver real-time information on product pricing, inventory, availability, and order status to reseller customers. Telesales representatives utilize the Company's Sales Adjusted Gross Profit ("SAGP") pricing system to make informed pricing decisions for each order through access to specific product and order related costs. Considering the industry's narrow margins, the Company's ability to make thousands of informed pricing decisions daily represents a competitive advantage. In addition, the Company has a number of supporting systems, including its Decision Support System ("DSS"), a multidimensional sales and profitability analysis application. The Company continuously seeks to make system modifications to provide greater capability and flexibility to the Company's individual business units and markets.

The Company intends to continue to develop and expand the use of its Customer Information Systems ("CIS"), which packages the full range of Ingram Micro's electronic services into a single solution. CIS is designed to improve the information flow from supplier to distributor to reseller to end-user in order to conduct business in a cost-effective manner. It addresses the dynamic requirements of various customer markets by offering a core group of services through a number of different electronic media. By using CIS, resellers can place orders directly, without the assistance of a telesales representative. The Company plans further expansion in electronic links with reseller customers and suppliers to provide better access to the Company's extensive database for pricing, product availability, and technical information.

The Company will continue to invest in the enhancement and expansion of its systems to create additional applications and functionality.

PROVIDE SUPERIOR EXECUTION FOR RESELLER CUSTOMERS. Ingram Micro continually refines its systems and processes to provide superior execution and service to reseller customers. The Company believes that the level of service achieved with its systems and processes is a competitive advantage and has been a principal contributor to its success to date.

Providing superior execution involves, among other factors, rapid response to customer calls, quick access to relevant product information, high order fill rates, and on-time, accurate shipments. The Company's information systems enable telesales representatives to provide reseller customers with real-time inventory and pricing information. Ingram Micro strives to maintain high order fill rates by keeping extensive supplies of product in its 30 distribution centers worldwide. In the United States and Canada, the Company has implemented control systems and processes referred to as Bulletproof Shipping, which include stock-keeping unit ("SKU") bar coding

for all products and on-line quality assurance methods. As a result of this program, substantially all orders in the United States received by 5:00 p.m. are shipped on the same day, with highly accurate shipping performance.

Ingram Micro will continue to invest in the development of systems and processes to improve execution. In the United States, the Company is currently implementing CTI technology, which will provide automatic caller identification, onscreen call waiting, and abandoned call management capabilities to telesales and customer service associates. Also in the United States, the recently installed POWER system will improve response time to reseller customers' product returns and other customer service requests. To support future customer requirements, the Company continues to expand and upgrade its distribution network. For example, a new warehouse is under construction in Millington, Tennessee. In Canada, a new returns center will be added near Toronto, Ontario. The Company is implementing formal systems for evaluating and tracking key performance metrics such as responsiveness to customers, process accuracy, order processing cycle time, and order fulfillment efficiency. Ingram Micro will use this customer satisfaction monitoring system to identify potential areas of improvement as part of the Company's focus on providing superior service.

DELIVER WORLD-CLASS VALUE-ADDED SERVICES TO SUPPLIERS AND RESELLERS. Ingram Micro is committed to providing a diverse range of value-added wholesaling and "for fee" services to its supplier and reseller customers. Together, these services are intended to link reseller customers and suppliers to Ingram Micro as a one-stop provider of microcomputer products and related services, while meeting demand by suppliers and resellers to outsource non-core business activities and thereby lower their operating costs.

The Company's value-added wholesaling services include final assembly and configuration of products, technical education programs, pre- and post-sale technical support, order fulfillment, and product demo evaluation.

In addition to these value-added wholesaling services, the Company offers a variety of "for fee" services for its reseller customers and suppliers. These services include: contract configuration, contract fulfillment, contract warehousing, contract telesales, contract credit/accounts receivable management, contract inventory management, and contract technical support for customers. The Company is focused on identifying and developing services that directly meet reseller customer and supplier needs.

MAINTAIN LOW COST LEADERSHIP THROUGH CONTINUOUS IMPROVEMENTS IN SYSTEMS AND PROCESSES. The microcomputer products industry is characterized by intense competition and narrow margins, and as a result, achieving economies of scale and controlling operating expenses are critical to achieving and maintaining profitable growth.

Over the last five years, the Company has been successful in reducing SG&A expenses (including expenses allocated from Ingram Industries) as a percentage of net sales, from 5.8% in 1991 to 4.8% in 1995. The Company has embarked on a number of programs that are designed to continue to reduce operating expenses as a percentage of net sales.

Many U.S. developed programs continue to be adapted for implementation in the Company's international operations. These programs include: (i) the use of advanced inventory processes and techniques to reduce the number of shipments from multiple warehouses to fulfill a single order; (ii) the use of proprietary warehouse productivity programs, such as Bulletproof Shipping and Pick Assignment; (iii) the enhancement of associates' productivity through the use of technology such as CTI, and the expanded use of multimedia workstations for functions such as Telesales and Customer Service; and (iv) the electronic automation of the ordering and information delivery process through CIS to decrease the number of non-order telesales calls. See "-- Information Systems."

The Company believes that the continued development of the IMpulse system and related distribution processes represents an opportunity for the Company to leverage operating costs across additional areas of the Company's operations.

DEVELOP HUMAN RESOURCES FOR EXCELLENCE AND TO SUPPORT FUTURE GROWTH. Ingram Micro's growth to date is a result of the talent, dedication, and teamwork of its associates. Future growth and success will be

substantially dependent upon the retention and development of existing associates, as well as the recruitment of superior talent.

The Company has invested in a number of programs and systems designed to assist in the development and retention of its associates. The Company recently formed its Leadership Institute to provide training on a global basis in areas such as personal leadership and basic business fundamentals. In addition, the Company provides specific functional training for associates through Company programs such as the Sales, Purchasing, and Marketing Academies. Transferring functional skills and implementing cross-training programs across all Ingram Micro locations have proven to be important factors in the Company's growth and international expansion. In conjunction with these programs, the Company intends to expand its human resource systems to provide enhanced career planning, training support, applicant tracking, and benefits administration. Also, the Company continues to seek top quality associates worldwide through local, professional, and college recruiting programs.

CUSTOMERS

Ingram Micro sells to more than 100,000 reseller customers in approximately 120 countries worldwide. No single customer accounted for more than 3% of Ingram Micro's net sales in 1993, 1994, 1995, or the first three quarters of 1996.

The Company conducts business with most of the leading resellers of microcomputer products around the world, including, in the United States, AmeriData, CDW Computer Centers, CompuCom, CompUSA, Computer City, Electronic Data Systems, En Pointe Technologies, Entex Information Services, Micro Warehouse, Sam's Club, Staples, and Vanstar. The Company's international reseller customers include Complet Data A/S, Consultores en Diagnostico Organizacional y de Sistemas, DSG Retail Ltd., 06 Software Centre Europe, B.V., GE Capital Technologies, Jump Ordenadores, Maxima S.A., Norsk Datasenter, Owell Svenska AB, SNI Siemens Nixdorf Infosys AG, and TC Sistema SPA. The Company has certain limited contracts with its reseller customers, although most such contracts have a short term, or are terminable at will, and have no minimum purchase requirements. The Company's business is not substantially dependent on any such contracts.

Ingram Micro is firmly committed to maintaining a strong customer focus in all of the markets it serves. To best meet this key business objective, the Company is organized along the lines of the three market sectors it serves: VAR, Commercial, and Consumer. This organization permits the Company to identify and address the varying and often unique requirements of each customer group, as opposed to applying a uniform approach to distinctly different reseller channels. This organization model is most fully developed in the United States and Canada, and is described as follows:

- VAR sector. VARs develop computer solutions for their customers by adding tangible value to a microcomputer product. These computer solutions range from tailored software development to systems integration that meet specific customer needs. Systems integrators, network integrators, application VARs, and original equipment manufacturers ("OEMs") are classified in this sector. In 1995, this sector contributed over 27% of Ingram Micro's U.S. net sales (inclusive of Ingram Alliance and the Export Division).

- Commercial sector. The Commercial sector includes chain/independent dealers, corporate resellers, and direct marketers that sell a variety of computer products. This sector continues to be Ingram Micro's largest channel and contributed over 53% of the Company's 1995 U.S. net sales.

- Consumer sector. The Consumer sector includes computer superstores, office product superstores, mass merchants, consumer electronics stores, and warehouse clubs. In 1995, over 17% of the Company's U.S. net sales came from this sector.

In addition to focusing on the VAR, Commercial, and Consumer market sectors, the Company also has specialized strategic business units ("SBUs") designed to provide additional focused marketing and support for specific product categories or within specific markets. These product-focused SBUs address the needs of resellers and suppliers for in-depth support of particular product categories. These SBUs include the Technical

Products Division, the Macintosh and Apple Computer Division, the Enterprise Computing Division, and the Mass Storage Division. The Company's market-focused SBUs, which include the Consumer Markets Division, the Education Division, and the Government Division, are designed to meet the needs of resellers and VARs who have chosen to concentrate on a particular customer market.

Customer organization along the VAR, Commercial, and Consumer market sectors has been implemented to varying degrees throughout the Company's worldwide operations and may not be as well defined as in the United States and Canada. Specific market circumstances vary from country to country. In some markets, a few large resellers dominate; in others, the customer base is more diversified.

SALES AND MARKETING

Ingram Micro's telesales department is comprised of approximately 1,400 telesales representatives worldwide, of whom more than 800 representatives are located in the United States. These telesales representatives assist resellers with product specifications, system configuration, new product/service introductions, pricing, and availability. The two main United States telesales centers are located in Santa Ana, California and Buffalo, New York and are supported by an extensive national field sales organization. Currently, Ingram Micro has more than 130 field sales representatives worldwide, including more than 50 in the United States.

In addition to customer organization along the VAR, Commercial, and Consumer market sectors, the Company utilizes a variety of product-focused groups specializing in specific product types. Specialists in processors, mass storage, networks, and other product categories promote sales growth and facilitate customer contacts for their particular product group. Ingram Micro also offers a variety of marketing programs tailored to meet specific supplier and reseller customer needs. Services provided by the Company's in-house marketing services group include advertising, direct mail campaigns, market research, retail programs, sales promotions, training, and assistance with trade shows and other events.

In Canada, Ingram Micro has been organized along customer sector lines to render more specialized service to each customer sector. Additionally, a Montreal telesales center was opened in 1995 specifically to cover the French-speaking market. The Corporate Reseller Division has 13 dedicated field sales representatives to focus efforts on increasing penetration and protecting market share. The VAR accounts have received increasing coverage from field sales representatives, now one for each geographic region, along with dedicated telesales operations in Vancouver and Montreal. Retail customers served by the Consumer Markets Division benefit from usage of the electronic ordering systems and manufacturer/customer symposiums tailored specifically to the Consumer sector. The Company offers a myriad of marketing programs targeted at the respective customer markets and are similar to the United States programs that offer a graduated level of services based on monthly purchase volume.

In Europe, Ingram Micro relies more heavily on telesales to cover its customer base than in the United States and Canada. In addition, the Company maintains a relatively small field sales organization to serve larger customers in each country. Many of the country operations have Technical Products Divisions that employ dedicated technical sales representatives. The European operation is expanding the presence of other product-specific divisions such as the Mass Storage Division and the Macintosh Division. Ingram Micro employs many of the same marketing tools in Europe as in the United States and Canada, including product guides, catalogues, and showcases used to promote selected manufacturers' product lines.

In Mexico, the sales team is comprised of both field sales representatives and telesales representatives serving Mexico City, Merida, Guadalajara, Puebla, Monterrey, Leon, and Hermosillo. Complementing this sales group are marketing associates assigned to key supplier product lines. To best meet the individualized needs of its increasingly diverse customer group, the Company is in the process of realigning its sales and marketing workforce along VAR, Commercial, and Consumer sectors throughout the branch network. This is anticipated to be a strategic advantage as the trend toward greater customer focus on particular markets continues to evolve in Mexico.

Ingram Micro's Asia Pacific sales force is responsible for growing the Company's sales in Singapore, Malaysia, Indonesia, The Philippines, Thailand, India, and Hong Kong. Marketing support for this sales effort is based on product line, but will eventually be aligned along VAR, Commercial, and Consumer sectors. To provide greater focus on the Japanese market, the Company opened a sales office in Tokyo during the third quarter of 1995.

The Company's Export Division is supported by a team of sales representatives located in Miami, Florida and Santa Ana, California. The Miami office covers the Caribbean, Puerto Rico, Ecuador, Colombia, Venezuela, Peru, Chile, Argentina, Uruguay, and Brazil, while the Santa Ana Export representatives sell and market Ingram Micro products and services to Japan, the Middle East, and Australia. The Belgian Export office, which is part of the Company's European operations, serves Africa and areas of Europe where Ingram Micro does not have an in-country sales and distribution operation. In addition, the Export Division has field sales representatives based in Buenos Aires, Argentina and Quito, Ecuador.

PRODUCTS AND SUPPLIERS

Ingram Micro believes that it has the largest inventory of products in the industry, based on a review of publicly available data with respect to its major competitors. The Company distributes and markets more than 36,000 products from the industry's premier microcomputer hardware manufacturers, networking equipment suppliers, and software publishers worldwide. Product assortments vary by market, and the relative importance of manufacturers to Ingram Micro varies from country to country. On a worldwide basis, the Company's sales mix is more heavily weighted toward hardware products and networking equipment than software products. Net sales of software products have decreased as a percentage of total net sales in recent years due to a number of factors, including bundling of software with microcomputers; sales growth in Ingram Alliance, which is a hardware-only business; declines in software prices; and the emergence of alternative means of software distribution, such as site licenses and electronic distribution. The Company believes that this is a trend that applies to the microcomputer products distribution industry as a whole, and the Company expects it to continue. See "Risk Factors -- Rapid Technological Change; Alternate Means of Software Distribution" and "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Overview."

In the United States, Ingram Micro's suppliers include almost all of the leading microcomputer hardware manufacturers, networking equipment manufacturers, and software publishers such as Apple Computer, Cisco Systems, Compaq Computer, Creative Labs, Hewlett-Packard, IBM, Intel, Microsoft, NEC, Novell, Quantum, 3Com, Seagate, Toshiba, and U.S. Robotics. Internationally, Ingram Micro has secured distribution agreements with most of the leading suppliers, and products are added to the Company's mix in response to local market demands.

New products are continually evaluated and added to the Company's product mix upon meeting Ingram Micro's business and technical standards. The Company evaluates on average 160 products monthly. Each Ingram Micro entity has its own procedure for assessing new products based on local market characteristics, but all follow general guidelines utilizing certain business and technical criteria including market size, demand, perceived value, industry positioning, support required, ease of set-up, packaging quality, and error handling procedures. The Company proactively pursues products representing the leading edge of technology.

The Company's suppliers generally warrant the products distributed by the Company and allow the Company to return defective products, including those that have been returned to the Company by its customers. The Company does not independently warrant the products it distributes.

The Company's business, like that of other wholesale distributors, is subject to the risk that the value of its inventory will be affected adversely by suppliers' price reductions or by technological changes affecting the usefulness or desirability of the products comprising the inventory. It is the policy of most suppliers of microcomputer products to protect distributors, such as the Company, who purchase directly from such suppliers, from the loss in value of inventory due to technological change or the supplier's price reductions. Although the Company has written distribution agreements with many of its suppliers, these agreements usually provide for nonexclusive distribution rights and often include territorial restrictions that limit the countries in which Ingram Micro is permitted to distribute the products. The agreements are also generally

short term, subject to periodic renewal, and often contain provisions permitting termination by either party without cause upon relatively short notice. The Company does not believe that its business is substantially dependent on the terms of any such agreements. Under the terms of many distribution agreements, suppliers will credit the distributor for declines in inventory value resulting from the supplier's price reductions if the distributor complies with certain conditions. In addition, under many such agreements, the distributor has the right to return for credit or exchange for other products a portion of those inventory items purchased, within a designated period of time. A supplier who elects to terminate a distribution agreement generally will repurchase from the distributor the supplier's products carried in the distributor's inventory. While the industry practices discussed above are sometimes not embodied in written agreements and do not protect the Company in all cases from declines in inventory value, management believes that these practices provide a significant level of protection from such declines. No assurance can be given, however, that such practices will continue or that they will adequately protect the Company against declines in inventory value. The Company's risk of inventory loss could be greater outside the United States, where agreements with suppliers are more restrictive with regard to price protection and the Company's ability to return unsold inventory. The Company establishes reserves for estimated losses due to obsolete inventory in the normal course of business. Historically, the Company has not experienced losses due to obsolete inventory materially in excess of established inventory reserves. See "Risk Factors -- Product Supply; Dependence on Key Suppliers."

VALUE-ADDED SERVICES

The Company believes that there is a trend among wholesale distributors of microcomputer products to increase available services for suppliers and customers, and the Company is committed to being in the forefront of this trend. Ingram Micro offers a myriad of programs and services to its supplier and reseller customers as an integral part of its wholesaling efforts. The Company categorizes these services into value-added wholesale distribution and "for fee" services. Together, these services are intended to link reseller customers and suppliers to Ingram Micro as a one-stop provider of microcomputer products and related services, while meeting demand by suppliers and resellers to outsource non-core business activities and thereby lower their operating costs.

The Company's value-added wholesaling services are an important complement to its distribution activities and include final assembly and configuration of products, technical education programs, pre- and post-sale technical support, order fulfillment, and product demo evaluation.

Ingram Micro offers a selection of "for fee" services which reseller customers and suppliers may avail themselves of, independent of product purchase transactions. Many of the value-added wholesaling services are also included in this set of "for fee" services, which include: contract configuration, contract fulfillment, contract warehousing, contract telesales, contract inventory management, and contract technical support for reseller customers and end-users. Management remains focused on adding more value-added "for fee" services to meet reseller customer and supplier needs.

Ingram Micro's value-added services for its reseller customers and suppliers include:

- System Configuration. Final assembly and configuration of microcomputer products for suppliers and reseller customers.

- Order Fulfillment. Fulfillment of end-user orders on behalf of suppliers and reseller customers. This may include order-taking, configuration, shipping, and collection.

- Electronic Services. Various electronic ordering and information delivery media integrated under the Company's CIS program which enable suppliers and reseller customers to interface directly with the Company's database.

- Technical Support. Pre- and post-sale technical support for reseller customers.

- Tailored Marketing Services. A range of offerings including trade show and symposium development, promotional advertising, end-user briefings, and joint sales calls performed by Ingram Micro Sales and Marketing staff for the benefit of reseller customers and suppliers.

- Financial Services. Includes accounts receivable financing, a purchase order program, and credit insurance provided or arranged by Ingram Financial Services Company for reseller customers.

- Inventory Management. A variety of services conducted for reseller customers that includes contract warehousing, inventory tracking by serial number, and other services.

- Telesales. Telesales performed by the Company for suppliers and reseller customers.

- Warehousing. Leasing of warehouse space to suppliers and reseller customers.

- Technical Education. Various computer-based and self-study training programs, some leading to certification from suppliers.

- Warranty and Repair. Comprehensive warranty coverage on end-user systems. This service is sub-contracted by Ingram Micro to third-party repair businesses for reseller customers.

All of these services are currently available in the Company's U.S. operations. The degree of implementation of these value-added services in Ingram Micro's international operations varies depending on particular market circumstances. Although the Company believes that value-added services are important as a complement to its core business, such services do not, and are not in the future expected to, generate a material percentage of the Company's net sales. In addition, such value-added services do not, and are not in the future expected to, require a material portion of the Company's resources.

INGRAM ALLIANCE

Ingram Micro entered the master reseller (also known as "aggregation") business in late 1994 with the launch of Ingram Alliance. Ingram Alliance is designed to offer resellers access to the industry's leading hardware manufacturers at competitive prices by utilizing a lower cost business model that depends upon a higher average order size, lower product returns percentage, and supplier-paid financing. See "Risk Factors -- Narrow Margins" and "-- Risks Associated with Ingram Alliance."

The Company believes that it has been able to leverage its leading traditional wholesale distribution business in the United States to establish its master reseller business. Over 95% of Ingram Alliance's sales are funded by floor plan financing companies. The Company typically receives payment from these financing institutions within three business days from the date of the sale, allowing Ingram Alliance to operate at much lower relative working capital levels than the Company's wholesale distribution business. Such floor plan financing is typically subsidized for Ingram Alliance's reseller customers by its suppliers.

Since its inception, Ingram Alliance has experienced rapid growth. In 1995, Ingram Alliance achieved net sales in excess of $700 million, and it currently has 12 suppliers and more than 800 reseller customers. Ingram Alliance's success has, to a large degree, been attributable to its ability to leverage Ingram Micro's distribution infrastructure and capitalize on strong supplier relationships.

To support additional growth, Ingram Alliance remains committed to further developing relations with key suppliers. These efforts are largely driven by joint supplier/distributor sales calls, proposal and bid development programs, and tailored marketing campaigns carried out by Ingram Alliance supplier program teams.

Ingram Alliance pursues an integrated sales and marketing strategy to gain new customers and grow its business. A fully-dedicated telesales team is in place, which in conjunction with the Company's field sales representatives aims to cultivate important relationships with reseller customers. Further, Ingram Alliance provides a wide range of high quality "for fee" value-added services for its customers including technical training and certification, warranty and repair, fulfillment, technical support, contract warehousing, and configuration services. Special promotional activities and creative financing packages are additional incentives for resellers to do business with Ingram Alliance.

INFORMATION SYSTEMS

The Company's information system, IMpulse, is central to its ability to provide superior execution to its customers, and as such, the Company believes that it represents an important competitive advantage. See "Risk Factors -- Dependence on Information Systems."

Ingram Micro's systems are primarily mainframe-based in order to provide the high level of scalability and performance required to manage such a large and complex business operation. IMpulse is a single, standardized, real-time information system and operating environment, used across all of the Company's worldwide operations. It has been customized as necessary for use in every country in which the Company operates and has the capability to handle multiple languages and currencies. On a daily basis, the Company's systems typically handle 12 million on-line transactions, 26,000 orders, and 37,000 shipments. The Company has designed IMpulse as a scalable system that has the capability to support increased transaction volume. The overall on-line response time for the Company's network of over 8,000 user stations (terminals, printers, personal computers, and radio frequency hand held terminals) is less than one-half second.

Worldwide, Ingram Micro's centralized processing system supports more than 40 operational functions including receiving, order processing, shipping, inventory management, and accounting. At the core of the IMpulse system is on-line, real-time distribution software to which considerable enhancements and modifications have been made to support the Company's growth and its low cost business model. The Company makes extensive use of advanced telecommunications technologies with customer service-enhancing features, such as Automatic Call Distribution to route customer calls to the telesales representatives. The Telesales Department relies on its Sales Wizard system for on-line, real-time tracking of all customer calls and for status reports on sales statistics such as number of customer calls, customer call intentions, and total sales generated. IMpulse allows the Company's telesales representatives to deliver real-time information on product pricing, inventory, availability, and order status to reseller customers. The SAGP pricing system enables telesales representatives to make informed pricing decisions through access to specific product and order related costs for each order. Considering the industry's narrow margins, these pricing decisions are particularly important, and the Company believes that its ability to make thousands of informed pricing decisions daily represents a competitive advantage.

In the United States, the Company is in the process of implementing CTI technology, which will provide the telesales and customer service representatives with Automatic Number Identification capability and advanced telecommunications features such as on-screen call waiting and automatic call return, thereby reducing the time required to process customer orders and customer service requests.

To complement Ingram Micro's telesales, customer service, and technical support capabilities, IMpulse supports CIS, which integrates all of the Company's electronic services into a single solution. CIS offers a number of different electronic media through which customers can conduct business with the Company, such as the Customer Automated Purchasing System ("CAPS"), Electronic Data Interchange ("EDI"), the Bulletin Board Service, and the Ingram Micro Web site. The Company's latest additions to CIS are its Internet-based Electronic Catalog and Manufacturer Information Library. The Electronic Catalog provides reseller customers with real-time access to product pricing and availability, with the capability to search by product category, name, or manufacturer. The Manufacturer Information Library is a comprehensive multi-manufacturer database of timely and accurate product, sales, marketing, and technical information, which is updated nightly for new information. Ingram Micro believes it is the first microcomputer wholesale distributor to offer electronic access to real-time product pricing, availability, and information on the World Wide Web. All of Ingram Micro's CIS offerings are constantly being reviewed for enhancement. For instance, a faster local network intranet solution to access the Manufacturer Information Library is currently being tested, and ordering and configuration capabilities through the Internet are under consideration.

The Company's warehouse operations use extensive bar-coding technology and radio frequency technology for receiving and shipping, and real-time links to UPS and FedEx for freight processing and shipment tracking. The Customer Service Department uses the POWER System for on-line documentation and faster processing of customer product returns. To ensure that adequate inventory levels are maintained, the Company's buyers depend on the Purchasing system to track inventory on a continual basis. Many other

features of IMpulse help to expedite the order processing cycle and reduce operating costs for the Company as well as its reseller customers and suppliers.

To support and augment the Company's mainframe-based systems, the Company utilizes a number of client-server applications. Examples are the Marketing On-line Management System, a software application that provides management, accountability, and financial controls for over 6,000 marketing projects; APImage, an application that facilitates imaging of invoices and related documents in the Accounts Payable department, substantially reducing paper processing and improving document work flow; and DSS, a data warehousing application that enables multidimensional sales and profitability analysis. In the United States, over 330 associates across all functions have access to 75 million lines of data through DSS. DSS is used for, among other tasks, pricing decisions and analysis of profitability by customer market and product category. DSS is currently being implemented in Canada and the U.K., with plans to add other international locations thereafter. The Company has also begun to deploy other PC-based tools for both the United States and international locations, including workstations in Telesales and Purchasing to assist with product acquisition and pricing decisions.

The Company employs various security measures and backup systems designed to protect against unauthorized use or failure of its information systems. Access to the Company's information systems is controlled through the use of passwords and additional security measures are taken with respect to especially sensitive information. The Company has a five year contract with Sungard Recovery Services for disaster recovery and twice per year performs a complete systems test, including applications and database integrity. In addition, the Company has backup power sources for emergency power and also 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. The Company has not in the past experienced significant failures or downtime of IMpulse or any of its other information systems, but any such failure or significant downtime could prevent the Company from taking customer orders, printing product pick-lists, and/or shipping product and could prevent customers from accessing price and product availability information from the Company. See "Risk Factors -- Dependence on Information Systems."

Over 350 experienced information technology professionals support the daily maintenance and continuous development of the Company's systems.

OPERATIONS

ORDER ENTRY

The order entry process begins with the entry of a customer account number by a telesales representative. With this input, IMpulse automatically displays the customer's name, address, credit terms, financing arrangements, and preferred shipping method. The telesales representative assists the customer on-line with product lookups, real-time inventory availability, price inquiries, and status of previous orders. As an order is entered, key information is filled in by the system, such as product description, price, availability, and adjusted gross margin. The closest warehouse to the customer with available product is automatically determined, and the corresponding product quantity is reserved. The system totals the order and automatically checks the customer's credit status. The order is released for processing, unless credit limits are exceeded or the order falls outside acceptable profit levels. In the latter case, the order is put on hold and immediately elevated for review by credit or sales management.

Reseller customers can also conduct business electronically through the Company's CIS offerings such as CAPS, EDI, and IM On Line. By using CIS, resellers can access the Company's database and place orders directly without the assistance of a telesales representative. See "-- Information Systems."

SHIPPING

In most of Ingram Micro's operations, the Company's objective is to ship substantially all orders received by 5:00 p.m. on the same day. In Canada, France, Belgium, the U.K. and the Netherlands, the cut-off time for same day shipment is 6:00 p.m. When an order is released, it is immediately available for processing in the designated warehouse. IMpulse ensures cost efficient order processing through a system called Pick Assignment which determines pick lists based on the warehouse location of items ordered. In the distribution

centers, Ingram Micro relies on a sophisticated bar code reading system and a flexible automated package handling system for picking, packing, and shipping products accurately and cost effectively. In addition, IMpulse provides on-line shipping, manifesting, freight costing, invoicing and package tracking information.

The Company's warehouse inventories are maintained automatically by IMpulse which updates stock levels and feeds this information to the purchasing system for restocking as soon as an order is received. On-line quality assurance done during receipt of inbound product and prior to the shipment of orders ensures the integrity of warehouse stock inventory and the accuracy of shipments to customers. See "Risk Factors -- Dependence on Independent Shipping Companies."

PURCHASING

To monitor product inventory, the purchasing staff, numbering over 260 worldwide, uses the IMpulse system inventory reports, which provide product inventory levels, six months' sales history, month-to-date, and year-to-date sales statistics by SKU and by warehouse location. Buyers carefully analyze current and future inventory positions and profitability potential. Several factors, such as inventory carrying cost, payment terms, purchase rebates, volume discounts, and marketing funds are considered in negotiating deals with suppliers. Buyers enter purchase orders into the IMpulse system, indicating the SKU number, the quantity to be ordered, and the warehouse locations to which the order should be shipped. Cost information and supplier terms and conditions are automatically entered on the purchase order; and can be modified if different terms have been negotiated. The IMpulse system automatically generates purchase orders for each inventory warehouse location and transmits these orders directly to the suppliers via EDI or facsimile. See "Risk Factors -- Risk of Declines in Inventory Value."

A number of purchasing programs have been developed to exploit opportunities unique to certain of the Company's operations. In Europe, the country managers work together as a group to obtain the best available supplier terms. The European "Inventory Sharing" program, when fully implemented, will allow sales personnel in one market to order products that are out of stock or otherwise unavailable in the local country from another European Ingram Micro business unit. Benefits of this program include lower inventory costs, better inventory turnover, and improved margins. In Canada, the U.S. Direct Fulfillment Program allows the fulfillment of individual Canadian orders from the United States as necessary. See "-- Geographic Tactics -- Canada" and "-- Europe."

GEOGRAPHIC TACTICS

Ingram Micro operates worldwide with a set of common, global strategies. Recognizing the varying requirements of the Company's different geographic markets, the Company has developed specific tactics to address local market conditions. However, the Company's non-U.S. operations are subject to certain additional risks. See "Risk Factors -- Exposure to Foreign Markets; Currency Risk."

UNITED STATES

In the United States, the Company has undertaken a number of key initiatives to enhance its position in the wholesale microcomputer marketplace:

- In an effort to capture an increased share of the VAR sector, the Company will seek to convey to the market its superior ability to supply basic wholesaling services to VARs, as well as its breadth of product offerings to support vertical VAR customer sets. The Premier VAR Plus program has been developed as the prime marketing vehicle for all VAR programs and services. This program provides VARs with graduated levels of business services based on monthly purchase volume. Such services include a dedicated technical sales force, end-user leads, technology seminars, and marketing symposiums.

- As a cornerstone of the Company's VAR efforts, the Enterprise Computing Division continues to expand its penetration in markets for high-end technical products such as UNIX, Windows NT, document imaging, and networking equipment. This will be accomplished by developing programs

which institute a Company-wide commitment to the UNIX VAR market, providing a sophisticated sales force experienced in complex networking technology solutions, partnering with key suppliers of high-end technical products, and leveraging the Company's core competencies in electronic ordering and configuration.

- In order to increase its share of the Consumer sector, the Company maintains a team of sales account managers and business development specialists dedicated to the Consumer account base. The aim of the Consumer Markets Division is to provide a variety of value-added services including inventory mix management, store personnel training, marketing programs, and administration of supplier programs.

CANADA

While the Company's Canadian operation closely mirrors the U.S. operation, initiatives unique to the Canadian operating environment have been developed and are described below:

- The U.S. Direct Fulfillment Program has been instituted in Canada to take advantage of its proximity to the United States. Through this program, Canadian customers are currently able to receive products directly from the Chicago distribution center. The expanded use of the U.S. Direct Fulfillment Program will allow for greater breadth of SKUs and manufacturers represented in the Canadian marketplace.

- As part of its overall strategy to grow share in the retail market, the Canadian operation periodically employs Dealer Development Representatives who provide product education, display set-up, and other on-site assistance as a special service to retail customers.

EUROPE

One of the Company's key objectives is to become the market share leader in Europe. The Company entered Europe in 1989 with an acquisition in Belgium. See "Risk Factors -- Acquisitions." Through a series of small acquisitions, it has rapidly grown to a pan-European presence with aggregate net sales of $1.8 billion in 1995, covering 11 countries: Austria, Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Sweden, Spain, and the United Kingdom. The Company believes that it has the second largest market share position in Europe and that it has a strong base for future growth and increased profitability. Particular areas of focus in Europe include:

- The Company will seek to enhance gross margin in the European operation through increased emphasis on high-end and higher margin technical product sales and the implementation of the SAGP system.

- A program unique to Ingram Micro is Inventory Sharing. This program allows sales personnel in one European market to order products that are out of stock or otherwise unavailable in the local country from another Ingram Micro business unit. The billing is done in the local currency with all value-added taxes, tax reporting, and similar functions managed automatically by the IMpulse system. Inventory sharing allows the Company to expand its sales base without an expansion of inventory investment or individual country expansion of stock product assortment. Benefits of the program include lower inventory costs, better inventory turnover, and improved gross margin. An important initiative is to add more country operations to the inventory sharing program and to enhance the program through coordinated purchasing among several countries.

- Continued cost reduction, as a percentage of net sales, and cost control are important for boosting profitability in the European operation. The Company aims to further reduce expense ratios of the individual business units through increased sales volume, the continued development and refinement of operations and management processes, and the increasing use of selected U.S. and Canadian business programs.

MEXICO/ASIA PACIFIC

Mexico. Ingram Dicom, a 70%-owned subsidiary of Ingram Micro, is the leading wholesale distributor of microcomputer products in Mexico. Ingram Dicom offers over 6,000 products to more than 5,900 reseller customers in Mexico. In 1995, over 85% of Ingram Dicom's net sales came from 1,100 resellers who primarily service the country's major banks and businesses. Additionally, Ingram Dicom also sells to a small but growing VAR client base and to mass merchant retailers (e.g., Sam's Club, Sanborn's, Price Club).

As the local high technology market becomes more sophisticated, Ingram Dicom intends to add higher volume, more specialized technical (e.g., UNIX, networking) products to its inventory. Other important initiatives include adding a wider selection of technical education courses, extending CAPS electronic ordering throughout the entire Ingram Dicom operation, and offering a broader range of financing options for reseller customers. The Company will also continue to negotiate supplier terms and conditions aimed at limiting the Company's exposure to foreign currency fluctuations.

Asia Pacific. Ingram Micro's Asia Pacific operations, supported by its Singapore office and warehouse, focus on serving the Singapore, Malaysia, Indonesia, Philippines, Thailand, India, and Hong Kong markets. Over 800 customers are currently served from the Singapore base, with approximately 64% of these customers concentrated in the local Singapore market. The Company operates a sales office in Tokyo serving the Japanese market. In addition, the Company has recently acquired a distributor in Malaysia.

In building a solid regional Asia Pacific business, the Company intends to leverage its systems capability, financial strength, management experience, and excellent relationships with key suppliers. The initial aim of the Asia Pacific strategy is to recruit new suppliers and reseller customers while further adding experienced managers in key functional areas of the business. The Company is currently exploring the possibility of establishing additional operations through joint ventures or acquisitions. See "Risk Factors -- Acquisitions."

EXPORT MARKETS

Ingram Micro's Export Division continues to expand in international markets where the Company does not have a stand-alone, in-country presence. The Miami, Santa Ana, and Belgium offices serve more than 2,500 resellers in over 100 countries. In addition, the Export Division has field sales representatives based in Buenos Aires, Argentina and Quito, Ecuador.

Key strategic objectives for the Export Division include increasing sales and market share in each of the regions it serves primarily by providing a broad product assortment, further cultivating key supplier relationships, and expanding reseller service offerings. The Company will continue to position itself as a global distributor of microcomputer products providing resellers in all markets access to the Company's vast selection of products via its extensive network of international and U.S. warehouses.

COMPETITION

The Company operates in a highly competitive environment, both in the United States and internationally. The microcomputer products distribution industry is characterized by intense competition, based primarily on price, product availability, speed and accuracy of delivery, effectiveness of sales and marketing programs, credit availability, ability to tailor specific solutions to customer needs, quality and breadth of product lines and service, and availability of technical and product information. The Company believes it competes favorably with respect to each of these factors. As price points have declined, the Company believes that value-added services capabilities (such as configuration, innovative financing programs, order fulfillment, contract telesales, and contract warehousing) will become more important competitive factors.

The Company entered the master reseller business through Ingram Alliance in late 1994. See "-- Ingram Alliance." The Company competes with other master resellers, which sell to groups of affiliated franchisees and third-party dealers. Many of the Company's competitors in the master reseller business are more experienced and have more established contacts with affiliated resellers, third-party dealers, or suppliers, which may provide them with a competitive advantage over the Company.

The Company is constantly seeking to expand its business into areas closely related to its core microcomputer products distribution business. As the Company enters new business areas, it may encounter

increased competition from current competitors and/or from new competitors, some of which may be current customers of the Company. For example, the Company intends to distribute media in the new digital video disc format and may compete with traditional music and printed media distributors. In addition, certain services the Company provides may directly compete with those provided by the Company's reseller customers. There can be no assurance that increased competition and adverse reaction from customers resulting from the Company's expansion into new business areas will not have a material adverse effect on the Company's business, financial condition, or results of operations. See "Risk Factors -- Intense Competition."

Ingram Micro's primary competitors include large U.S.-based international distributors such as Merisel, Tech Data, and Arrow Electronics (a worldwide industrial electronics distributor), as well as national distributors such as AmeriQuest Technologies (majority owned by Computer 2000), Handleman, Navarre, and Avnet. Ingram Alliance's principal competitors include such master resellers as Intelligent Electronics, MicroAge, Datago, InaCom, and recent entrant Tech Data Elect, a division of Tech Data. Ingram Micro competes internationally with a variety of national and regional distributors. European competitors include international distributors such as Computer 2000 (owned by German conglomerate Viag AG), CHS Electronics, and Softmart/Tech Data, and several local and regional distributors, including Actebis, Scribona, and Microtech. In Canada, Ingram Micro competes with Merisel, Globelle, Beamscope, and Tech Data. Ingram Dicom is the leading distributor in Mexico, competing with such companies as MPS, CHS Electronics, Intertec, and Dataflux. In the Asia Pacific market, Ingram Micro faces both regional and local competitors, of whom the largest is Tech Pacific, a division of First Pacific Holdings, which operates in more than five Asia Pacific markets.

Ingram Micro also competes with hardware manufacturers and software publishers that sell directly to reseller customers and end-users.

FACILITIES

Ingram Micro's worldwide executive headquarters, as well as its West Coast sales and support offices, are located in Santa Ana, California. The Company also maintains an East Coast operations center in Buffalo, New York. A new United States distribution center in Millington, Tennessee is expected to be completed in April 1997, adding 600,000 square feet to the Company's warehouse capacity. This distribution center will be strategically located near several major transportation hubs and is expected to benefit from lower regional labor costs. The U.S. network of distribution centers permits Ingram Micro to keep an extensive supply of product close to its reseller customers, which enables the Company to provide substantially all of its U.S. reseller customers with one- or two-day ground delivery.

The principal properties of the Company consist of the following:

LOCATION	PRINCIPAL USE	APPROXIMATE FLOOR AREA IN SQ. FT.
UNITED STATES		
Santa Ana, CA.....	Executive offices	398,245
Buffalo, NY.....	Offices	188,341
Nashville, TN.....	Data Processing Center	11,782
Millington, TN.....	Distribution Center (under construction)	600,000
Chicago/Carol Stream, IL.....	Distribution Centers	456,139
Fullerton, CA.....	Distribution Center	401,394
Harrisburg, PA.....	Distribution Center	230,000
Memphis, TN.....	Distribution Center	160,000
Fremont, CA.....	Distribution Center	141,540
Carrollton, TX.....	Distribution Center	121,654
Atlanta, GA.....	Distribution Center	83,049
Miami, FL.....	Distribution Center, Offices	52,080

LOCATION	PRINCIPAL USE	APPROXIMATE FLOOR AREA IN SQ. FT.
Santa Ana, CA	Returns Center, Offices	219,500
Fremont, CA	Freight Consolidation Center	58,435
EUROPE		
Brussels, Belgium	Offices	33,600
Horsholm, Denmark	Offices	39,682
Ballerup, Denmark	Distribution Center	58,104
Lesquin, France	Offices	37,088
Paris, France	Offices	4,250
Roncq, France	Distribution Center	96,000
Ottobrunn, Germany	Offices	32,221
Kirchheim, Germany	Distribution Center	75,904
Milan, Italy	Offices	17,114
Milan, Italy	Distribution Center	44,669
Rome, Italy	Offices, Distribution Center	10,225
Utrecht, Netherlands	Offices	30,999
Vianen, Netherlands	Distribution Center	61,149
Oslo, Norway	Offices, Distribution Center	53,595
Madrid, Spain	Offices, Distribution Center	17,689
Barcelona, Spain	Offices, Distribution Center	74,508
Kista, Sweden	Offices	26,371
Sollentuna, Sweden	Distribution Center	43,126
Milton Keynes, U.K	Offices, Distribution Center	211,992
CANADA		
Toronto, Ontario	Offices, Distribution Center	274,376
Vancouver, B.C	Offices, Distribution Center	87,148
Montreal, Quebec	Offices	12,000
MEXICO		
Mexico City, D.F	Offices, Distribution Center	65,695
Puebla, Puebla	Offices, Distribution Center	11,679
Leon, Guanajuato	Offices, Distribution Center	11,206
Guadalajara, Jalisco	Offices, Distribution Center	9,967
Merida, Yucatan	Offices, Distribution Center	6,437
Monterrey, Nuevo Leon	Offices, Distribution Center	6,039
Hermosillo, Sonora	Offices, Distribution Center	5,156
ASIA		
Singapore	Offices, Distribution Center	20,989
Kuala Lumpur, Malaysia	Offices, Distribution Center	6,000
Tokyo, Japan	Offices	720

All of the Company's facilities, with the exception of the Brussels office and the distribution centers in Chicago and Roncq, France, are leased. These leases have varying terms. The Company does not anticipate any material difficulty in renewing any of its leases as they expire or securing replacement facilities, in each case on commercially reasonable terms. The Company has recently purchased three undeveloped properties in Santa Ana, California totaling approximately 23.27 acres.

TRADEMARKS AND SERVICE MARKS

The Company holds various trademarks and service marks, including, among others, "Ingram Micro," "IMpulse," the Ingram Micro logo, "Partnership America," and "Leading the Way in Worldwide Distribution." Certain of these marks are registered, or are in the process of being registered, in the United States and various foreign countries. Even though the Company's marks may not be registered in every country where the Company conducts business, in many cases the Company has acquired rights in those marks because of its continued use of them. Management believes that the value of the Company's marks is increasing with the development of its business but that the business of the Company as a whole is not materially dependent on such marks.

EMPLOYEES

As of September 28, 1996, the Company had approximately 8,036 associates located as follows: United States -- 4,924, Europe -- 1,840, Canada -- 797, Mexico -- 405, and Asia-Pacific -- 70. Ingram Micro believes that its success depends on the skill and dedication of its associates. The Company strives to attract, develop, and retain outstanding personnel. None of the Company's associates in the United States, Europe, Canada, Malaysia, and Singapore are represented by unions. In Mexico, Ingram Dicom has collective bargaining agreements with one of the national unions. The Company considers its employee relations to be good.

LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company is a party or to which any of its property is subject.

MANAGEMENT

EXECUTIVE OFFICERS AND DIRECTORS

The following table sets forth certain information with respect to each person who is an executive officer or director of the Company:

NAME	AGE	PRESENT AND PRIOR POSITIONS HELD(1)	YEARS POSITIONS HELD
Jerre L. Stead(2)	53	Chief Executive Officer and Chairman of the Board	Aug. 1996 - Present
		Chief Executive Officer and Chairman of the Board, Legent Corporation, a software development company	Jan. 1995 - Aug. 1995
		Executive Vice President, Chairman and Chief Executive Officer, AT&T Corp. Global Information Solutions (NCR Corp.), a computer manufacturer	May 1993 - Dec. 1994
		President and Chief Executive Officer, AT&T Corp. Global Business Communication Systems, a communications company	Sept. 1991 - Apr. 1993
		Chairman, President and Chief Executive Officer, Square D Co., an electronics manufacturer	Sept. 1988 - Aug. 1991
Jeffrey R. Rodek(3)	43	Worldwide President; Chief Operating Officer; Director	Dec. 1994 - Present
		Senior Vice President, Americas and Caribbean, Federal Express, an overnight courier firm	July 1991 - Sept. 1994
		Senior Vice President, Central Support Services, Federal Express	Dec. 1989 - July 1991
David R. Dukes(3)(4)	52	Vice Chairman	Apr. 1996 - Present
		Co-Chairman	Jan. 1992 - Apr. 1996
		Chief Executive Officer, Ingram Alliance	Jan. 1994 - Present
		Chief Operating Officer	Sept. 1989 - Dec. 1993
		Director	Sept. 1989 - Present
		President	Sept. 1989 - Dec. 1991
Sanat K. Dutta	47	Executive Vice President; President, Ingram Micro U.S.	Oct. 1996 - Present
		Executive Vice President	Aug. 1994 - Oct. 1996
		Senior Vice President, Operations	May 1988 - Aug. 1994
Michael J. Grainger	44	Executive Vice President; Worldwide Chief Financial Officer	Oct. 1996 - Present
		Chief Financial Officer	May 1996 - Oct. 1996
		Vice President and Controller, Ingram Industries	July 1990 - Present
John Wm. Winkelhaus, II	46	Executive Vice President; President, Ingram Micro Europe	Jan. 1996 - Present
		Senior Vice President, Ingram Micro Europe	Feb. 1992 - Dec. 1995
		Senior Vice President, Sales	Apr. 1989 - Jan. 1992

NAME	AGE	PRESENT AND PRIOR POSITIONS HELD(1)	YEARS POSITIONS HELD
James E. Anderson, Jr.	49	Senior Vice President, Secretary, and General Counsel	Jan. 1996 - Present
		Vice President, Secretary, and General Counsel, Ingram Industries	Sept. 1991 - Present
		Partner, Dearborn & Ewing, a law firm	Jan. 1986 - Sept. 1991
Douglas R. Antone	43	Senior Vice President; President, Ingram Alliance	June 1994 - Present
		Senior Vice President, Worldwide Sales and Marketing, Borland International, a software development company	Nov. 1993 - May 1994
		Senior Vice President, Worldwide Sales, Borland International	July 1990 - Nov. 1993
Larry L. Elchesen	46	Senior Vice President	June 1994 - Present
		President, Ingram Micro Canada	May 1989 - Present
Philip D. Ellett	42	Senior Vice President; Chief Operating Officer, Ingram Micro Europe	Oct. 1996 - Present
		Senior Vice President; General Manager, U.S. Consumer Markets Division	Jan. 1996 - Oct. 1996
		President, Gates/Arrow, an electronics distributor	Aug. 1994 - Dec. 1995
		President and Chief Executive Officer, Gates/F.A. Distributing, Inc.	Oct. 1991 - Aug. 1994
		President and Chief Operating Officer, Gates/F.A. Distributing, Inc.	Oct. 1990 - Oct. 1991
David M. Finley	56	Senior Vice President, Human Resources	July 1996 - Present
		Senior Vice President, Human Resources, Budget Rent a Car, a car rental company	May 1995 - July 1996
		Vice President, Human Resources, The Southland Corporation, a convenience retail company	Jan. 1977 - May 1995
Robert Furtado	40	Senior Vice President, Operations	Aug. 1994 - Present
		Vice President, Operations	July 1989 - Aug. 1994
Robert Grambo	32	Senior Vice President, Telesales	Oct. 1995 - Present
		Vice President, Sales	Apr. 1994 - Sept. 1995
		Vice President, Product Marketing	Apr. 1993 - Mar. 1994
		President, Bloc Publishing Corp., a software publishing firm	Apr. 1992 - Apr. 1993
		Senior Director, Purchasing, Ingram Micro	Jan. 1990 - Apr. 1992
Ronald K. Hardaway	52	Senior Vice President; Chief Financial Officer, Ingram Micro U.S.	Jan. 1992 - Present
		Senior Vice President and Controller	June 1990 - Jan. 1992
Gregory J. Hawkins	42	Senior Vice President, Sales	Oct. 1995 - Present
		Vice President, Sales	Jan. 1993 - Oct. 1995
		Vice President, Major Accounts	Aug. 1992 - Jan. 1993
		Director, Major Accounts, Consumer Markets	June 1992 - Aug. 1992
		Director, Marketing	Jan. 1991 - June 1992
James M. Kelly	60	Senior Vice President, Management Information Systems	Feb. 1991 - Present

NAME	AGE	PRESENT AND PRIOR POSITIONS HELD(1)	YEARS POSITIONS HELD
David W. Rutledge	43	Senior Vice President, Asia Pacific, Latin America and Export Markets	Jan. 1996 - Present
		Senior Vice President, Administration	Sept. 1991 - Dec. 1995
		Vice President, Secretary, and General Counsel, Ingram Industries	Jan. 1986 - Sept. 1991
Martha R. Ingram(5)(6)	61	Director	May 1996 - Present
		Chairman of the Board of Directors	May 1996 - Aug. 1996
		Chairman of the Board of Directors, Ingram Industries	June 1995 - Present
		Director, Ingram Industries	1981 - Present
		Chief Executive Officer, Ingram Industries	Apr. 1996 - Present
		Director of Public Affairs, Ingram Industries	1979 - June 1995
John R. Ingram(5)	35	Director	Dec. 1994 - Present
		Acting Chief Executive Officer	May 1996 - Aug. 1996
		Co-President, Ingram Industries	Jan. 1996 - Present
		President, Ingram Book Company	Jan. 1995 - Oct. 1996
		Vice President, Purchasing, Ingram Micro Europe	Jan. 1994 - Dec. 1994
		Vice President, Management Services, Ingram Micro Europe	July 1993 - Dec. 1993
		Director of Management Services, Ingram Micro Europe	Jan. 1993 - June 1993
		Director of Purchasing	Apr. 1991 - Dec. 1992
David B. Ingram(5)	33	Director	May 1996 - Present
		Chairman and President, Ingram Entertainment	Mar. 1996 - Present
		President and Chief Operating Officer, Ingram Entertainment	Aug. 1994 - Mar. 1996
		Vice President, Major Accounts, Ingram Entertainment	Nov. 1993 - Aug. 1994
		Assistant Vice President, Sales, Ingram Entertainment	June 1992 - Nov. 1993
		Director, Sales, Ingram Entertainment	July 1991 - June 1992
Philip M. Pfeffer	51	Director	1986 - Present
		President and Chief Operating Officer, Random House Inc., a publishing company	May 1996 - Present
		Executive Vice President, Ingram Industries	Dec. 1981 - Mar. 1996
		Chairman and Chief Executive Officer, Ingram Distribution Group Inc.	Dec. 1981 - Dec. 1995
		Chairman, Ingram Micro Holdings Inc.	Apr. 1989 - Oct. 1995

NAME	AGE	PRESENT AND PRIOR POSITIONS HELD(1)	YEARS POSITIONS HELD
Don H. Davis, Jr.(3)(7)	56	Director Nominee	Oct. 1996 - Present
		President and Chief Operating Officer, Rockwell International Corporation, a diversified high-technology company	July 1995 - Present
		Executive Vice President and Chief Operating Officer, Rockwell International Corporation	Jan. 1994 - July 1995
		Senior Vice President; President, Automation Group, Rockwell International Corporation	June 1993 - Jan. 1994
		President, Allen-Bradley Company, a wholly-owned subsidiary of Rockwell International Corporation	July 1989 - Jan. 1994
J. Phillip Samper(3)(8)	62	Director Nominee	Oct. 1996 - Present
		Chairman and Chief Executive Officer, Cray Research, Inc., a computer products company	May 1995 - Mar. 1996
		President and Chief Executive Officer, Sun Microsystems Computer Company, a division of Sun Microsystems, Inc., a computer products company	Jan. 1994 - Mar. 1995
		Managing Partner, FRN Group, a private investment and consulting firm	Feb. 1991 - Jan. 1994
		President and Chief Executive Officer, Kindercare Learning Centers, Inc., a child care and educational company	May 1990 - Feb. 1991
Joe B. Wyatt(3)(9)	61	Director Nominee	Oct. 1996 - Present
		Chancellor, Vanderbilt University	July 1982 - Present

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(1) The first position and any other positions not given a separate corporate identification are with the Company.

(2) Jerre L. Stead is a director of Armstrong World Industries, Inc., Autodesk, Inc., and TJ International, Inc.

(3) Messrs. Davis, Samper, and Wyatt have agreed to serve as directors, with their service to begin as of the date of this Prospectus. Messrs. Rodek and Dukes will resign from the Board of Directors at such time.

(4) David R. Dukes is a director of National Education Corporation.

(5) Martha R. Ingram is the mother of David B. Ingram and John R. Ingram. There are no other family relationships among the above individuals.

(6) Martha R. Ingram is a director of Baxter International Inc., First American Corporation, and Weyerhaeuser Co.

(7) Don H. Davis, Jr is a director of Sybron International Corporation.

(8) J. Phillip Samper is a director of Armstrong World Industries, Inc., The Interpublic Group of Companies, Inc., Sylvan Learning Systems, Inc., Network Storage Corp., and Scitex Corporation, Ltd.

(9) Joe B. Wyatt is a director of Sonat, Inc. and Reynolds Metals Company.

BOARD OF DIRECTORS

The Board of Directors currently consists of Mr. Stead, Mrs. Ingram and Messrs. John R. Ingram, Rodek, Dukes, David B. Ingram, and Pfeffer. Messrs. Davis, Samper, and Wyatt have agreed to serve as directors, with their service to begin as of the date of this Prospectus. Messrs. Rodek and Dukes will resign from the Board of Directors at such time. So long as the Ingram Family Stockholders and their permitted transferees (as defined in the Board Representation Agreement) own in excess of 25,000,000 shares of the outstanding Common Equity, the Board Representation Agreement will provide for the designation of (i) not more than three directors designated by the Ingram Family Stockholders, (ii) one director designated by the Chief Executive Officer of the Company, and (iii) four or five additional directors ("Independent Directors")

who are not members of the Ingram family or executive officers or employees of the Company. Directors designated by the Ingram Family Stockholders may include Martha R. Ingram, any of her legal descendants, or any of their respective spouses. See "The Split-Off and the Reorganization -- The Split-Off." Mr. Pfeffer is

an Independent Director, and Messrs. Davis, Samper, and Wyatt will be Independent Directors. One additional Independent Director may be designated after the closing of this offering.

COMMITTEES. The Board Representation Agreement provides for the formation of certain committees of the Board of Directors. The Bylaws of the Company specifically provide for four committees: an Executive Committee, a Nominating Committee, an Audit Committee, and a Compensation Committee.

The Executive Committee will consist of three directors, one of whom will be a director designated by the Ingram Family Stockholders, one of whom will be the director designated by the Chief Executive Officer of the Company, and one of whom will be an Independent Director. The Executive Committee may approve management decisions requiring the immediate attention of the Board of Directors during the period of time between each regularly scheduled meeting of the Board. The Executive Committee will not have authority to approve any of the following items, all of which require the approval of the Board: (i) any action that would require the approval of the holders of a majority of the stock held by certain of the Ingram Family Stockholders or that would require approval of the holders of a majority of the Common Equity under applicable law or under the Certificate of Incorporation or Bylaws of the Company; (ii) any acquisition with a total aggregate consideration in excess of 2% of the Company's stockholders' equity; (iii) any action outside the ordinary course of business of the Company; or (iv) any other action involving a material shift in policy or business strategy for the Board.

The Nominating Committee will consist of three directors, two of whom will be directors designated by the Ingram Family Stockholders, and one of whom will be the director designated by the Chief Executive Officer of the Company. The function of the Nominating Committee will be to recommend to the full Board of Directors nominees for election as directors of the Company and to elect members of committees of the Board of Directors. The Nominating Committee will name the respective members of an Audit Committee and a Compensation Committee.

The Audit Committee will consist of at least three directors, and a majority of the members of the Audit Committee will be Independent Directors. The functions of the Audit Committee will be to recommend annually to the Board of Directors the appointment of the independent auditors of the Company, discuss and review in advance the scope and the fees of the annual audit and review the results thereof with the independent auditors, review and approve non-audit services of the independent auditors, review compliance with existing major accounting and financial reporting policies of the Company, review the adequacy of the financial organization of the Company, and review management's procedures and policies relating to the adequacy of the Company's internal accounting controls and compliance with applicable laws relating to accounting practices.

The Compensation Committee will consist of three directors, one of whom will be a director designated by the Ingram Family Stockholders and two of whom will be Independent Directors. The functions of the Compensation Committee will be to review and approve annual salaries, bonuses, and grants of stock options pursuant to the 1996 Plan for all executive officers and key members of the Company's management staff and to review and approve the terms and conditions of all employee benefit plans or changes thereto.

COMPENSATION OF DIRECTORS. Directors who are not Independent Directors will not receive any additional compensation for serving on the Board of Directors, but will be reimbursed for expenses incurred in attending meetings of the Board of Directors and committees thereof. Each Independent Director will be granted, on the later of (i) the date his or her service as a director begins and (ii) the date of this Prospectus, options to purchase 45,000 shares of Common Stock. These options will have an exercise price per share equal to the market price of the Common Stock on the date of grant and will vest in equal installments on the first, second, and third anniversaries of the date of grant. Independent Directors will not receive any other compensation for their service, but will be reimbursed for expenses incurred in attending meetings of the Board of Directors and committees thereof.

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE. The following table provides information relating to compensation for the year ended December 30, 1995 for the Company's former Chief Executive Officer and the other four most highly compensated executive officers of the Company (collectively, the "Named Executive Officers") for services rendered by each Named Executive Officer during the year ended December 30, 1995. A portion of this compensation was paid by Ingram Industries and was included as a factor in the determination of intercompany charges paid by the Company to Ingram Industries.

				LONG-TERM COMPENSATION	
		ANNUAL COMPENSATION		AWARDS	
NAME AND PRINCIPAL POSITION(S)	YEAR(1)	SALARY($)(2)	BONUS($)(3)	SECURITIES UNDERLYING OPTIONS/SARS(#)	ALL OTHER COMPENSATION ($)(4)
Linwood A. (Chip) Lacy, Jr.(5)..... Former Chief Executive Officer and Former Chairman of the Board of Directors	1995	$558,000	$ 414,057	--	$ 28,617
Jeffrey R. Rodek..... Worldwide President, Chief Operating Officer, and Director	1995	392,820	267,089	240,258(6)	163,649
David R. Dukes..... Vice Chairman of the Company, Chief Executive Officer of Ingram Alliance, and Director	1995	260,130	205,611	--	10,607
Sanat K. Dutta..... Executive Vice President and President, Ingram Micro U.S.	1995	263,500	213,593	--	12,365
John Wm. Winkelhaus, II..... Executive Vice President and President, Ingram Micro Europe	1995	250,000	130,441	--	124,287

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(1) Under rules promulgated by the Securities and Exchange Commission, since the Company was not a reporting company during the three immediately preceding fiscal years, only the information with respect to the most recent completed fiscal year is reported in the Summary Compensation Table.

(2) Includes amounts deferred under qualified and nonqualified defined contribution compensation plans and pretax insurance premium amounts.

(3) Reflects amounts paid in 1996 in respect of the fiscal year ended December 30, 1995.

(4) Includes the following amounts: Mr. Lacy (group term life insurance, $3,600; employer thrift plan contributions, $20,625; relocation, $4,392); Mr. Rodek (group term life insurance, $1,632; employer thrift plan contributions, $11,631; relocation, $150,386); Mr. Dukes (group term life insurance, $1,152; employer thrift plan contributions, $9,455); Mr. Dutta (group term life insurance, $2,784; employer thrift plan contributions, $9,581); and Mr. Winkelhaus (group term life insurance, $1,006; employer thrift plan contributions, $6,211; and expatriate compensatory payments, $117,070).

(5) Mr. Lacy was an employee of Ingram Industries at all times during 1995. All amounts shown for Mr. Lacy were paid by Ingram Industries, and a portion of such amounts is reflected in the Company's consolidated statement of income under charges allocated from Ingram Industries.

(6) Represents options exercisable for 175,000 shares of Ingram Industries common stock, which will be converted into options exercisable for 240,258 shares of Common Stock in connection with the Split-Off.

STOCK OPTION/SAR GRANTS IN LAST FISCAL YEAR. The following table provides information relating to stock options granted to the Named Executive Officers for the year ended December 30, 1995.

	INDIVIDUAL GRANTS(1)				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM	
NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS/ SARS GRANTED	% OF TOTAL OPTIONS/SARS GRANTED TO EMPLOYEES OF THE COMPANY IN FISCAL YEAR	EXERCISE OR BASE PRICE ($/SH)	EXPIRATION DATE	5%($)	10%($)
Linwood A. (Chip) Lacy, Jr.	--	--	--	--	--	--
Jeffrey R. Rodek(2).....	240,258	22.95%	$ 2.85	1/1/03	$326,532	$782,100
David R. Dukes.....	--	--	--	--	--	--
Sanat K. Dutta.....	--	--	--	--	--	--
John Wm. Winkelhaus, II.....	--	--	--	--	--	--

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(1) The Company has, since December 30, 1995, granted certain options to purchase Class B Common Stock, including options to purchase 150,000, 35,000, 40,000, and 40,000 shares, respectively, to Messrs. Rodek, Dukes, Dutta, and Winkelhaus. Additionally, options to purchase Common Stock are expected to be granted to certain officers of the Company, including options to purchase 200,000, 150,000, 125,000, and 75,000 shares, respectively, to Messrs. Rodek, Dukes, Dutta, and Winkelhaus, concurrently with this offering at the initial public offering price set forth on the cover page of this Prospectus. See "-- 1996 Plan -- Options."

(2) Represents options exercisable for 175,000 shares of Ingram Industries common stock, which will be converted into options exercisable for 240,258 shares of Common Stock in connection with the Split-Off. Mr. Rodek's options vest according to the following schedule: 34,324 shares on January 1, 1997, 60,064 shares on January 1, 1998, 60,064 shares on January 1, 1999, 60,064 shares on January 1, 2000, and 25,742 shares on January 1, 2001.

STOCK OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION/SAR VALUES. The following table provides information relating to stock options and ISUs exercised by the Named Executive Officers during the year ended December 30, 1995, as well as the number and value of securities underlying unexercised stock options held by the Named Executive Officers as of December 30, 1995.

			NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS/SARS AT YEAR END	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS/SARS AT YEAR END
NAME	SHARES ACQUIRED ON EXERCISE DURING 1995(1)(2)	VALUE REALIZED ($)(3)	EXERCISABLE/ UNEXERCISABLE(2)	EXERCISABLE/ UNEXERCISABLE
Linwood A. (Chip) Lacy, Jr.	1,613,158(4)	$2,917,808	46,875/372,315(5)	$119,844/$810,153(5)
Jeffrey R. Rodek.....	--	--	0/274,580	0/214,400
David R. Dukes.....	--	518,063	30,032/243,861	71,921/540,609
Sanat K. Dutta.....	--	--	0/258,105	0/455,656
John Wm. Winkelhaus, II.....	--	278,600	0/244,376	0/450,216

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(1) Excludes Ingram Industries ISUs held by Messrs. Lacy, Dukes, and Winkelhaus that matured in 1995 and were settled in cash.

(2) Reflects the conversion of shares of Ingram Industries common stock, or options exercisable for shares of Ingram Industries common stock, into shares of Class B Common Stock, or options exercisable for shares of Common Stock, in connection with the Split-Off.

(3) Includes $830,408, $518,063, and $278,600 paid to Messrs. Lacy, Dukes, and Winkelhaus, respectively, in connection with the settlement of ISUs.

(4) 1,544,513 of such shares were acquired from the E. Bronson Ingram Charitable 8% Remainder Unitrust and were deemed to be acquired from the Company.

(5) Excludes options exercisable for 12,731/101,121 shares of Ingram Industries common stock with a value of $44,687/$302,084.

PENSION PLAN

None of the Named Executive Officers other than Mr. Lacy participates in the tax-qualified Ingram Retirement Plan and the non-qualified Ingram Supplemental Executive Retirement Plan (the "Retirement Plans") sponsored by Ingram Industries. At the time he left the Company, Mr. Lacy had earned one year of credited service under the Retirement Plans.

Mr. Lacy's benefit from the Retirement Plans will be in the form of a deferred annuity. At age 65, his life only annuities would be $178.70 per month from the Ingram Retirement Plan and $539.70 per month from the Ingram Supplemental Executive Retirement Plan. It is anticipated that the Company will establish a qualified plan similar to the Ingram Industries qualified plan. None of the Named Executive Officers will participate in the Company's qualified retirement plan.

EMPLOYMENT AGREEMENTS

In August 1996, the Company entered into an agreement with Mr. Stead pursuant to which he agreed to serve as Chief Executive Officer and Chairman of the Board of the Company. The agreement provides for the grant to Mr. Stead of options at the initial public offering price set forth on the cover page of this Prospectus exercisable for 3,600,000 shares of Common Stock. Such options will vest over an extended period, as described below. In lieu of receipt of 200,000 of such options, Mr. Stead may purchase 200,000 shares of Common Stock directly from the Company at the initial public offering price set forth on the cover page of this Prospectus. See "-- 1996 Plan -- Options" and "Employee and Priority Offers -- Employee Directed Offer." Mr. Stead will not receive any salary, bonus, or other cash compensation during the vesting period of such options; however, the Company has agreed to compensate Mr. Stead in a mutually agreeable manner in the event that the initial public offering price set forth on the cover page of this Prospectus exceeds $14.00. The Company has also agreed to provide Mr. Stead and his spouse with lifetime healthcare coverage, with a lifetime cap of $2.0 million, as well as certain other perquisites.

In December 1994, the Company entered into an agreement with Mr. Rodek pursuant to which he agreed to serve as President and Chief Operating Officer of the Company and as a member of the Company's Board of Directors. The agreement provides for a base salary, participation in the Company's Executive Incentive Bonus Plan, and participation in the Company's health and benefit programs. Mr. Rodek will receive a severance benefit equal to his annual base salary if the Company terminates his employment without cause prior to January 1, 1998. Mr. Rodek currently serves as Worldwide President and Chief Operating Officer.

In April 1988, the Company entered into an agreement with Mr. Dutta pursuant to which he agreed to serve as Senior Vice President, Operations. The agreement provides for a base salary, participation in the Company's Executive Incentive Bonus Plan, and participation in the Company's health and benefit programs. Mr. Dutta will receive a severance benefit of nine months' base salary if he is terminated without cause or 12 months' base salary if he is involuntarily terminated or has a substantial change in title or reduction of salary within 12 months of a change in control (as defined in the agreement). Mr. Dutta currently serves as Executive Vice President and President, Ingram Micro U.S.

In June 1991, the Company entered into an agreement with Mr. Winkelhaus pursuant to which he agreed to serve as Senior Vice President, Ingram Micro Europe. The agreement provides for a base salary, a housing cost and goods and services differential, participation in the Company's Executive Incentive Bonus Plan, and participation in the Company's health and benefit programs. Mr. Winkelhaus currently serves as Executive Vice President and President, Ingram Micro Europe.

Mr. Lacy resigned as Chairman and Chief Executive Officer of the Company effective May 31, 1996. Pursuant to an agreement (the "Severance Agreement"), Mr. Lacy resigned from all positions with the Company, and resigned from all positions with Ingram Industries and its other subsidiaries, except that Mr. Lacy will remain a director of Ingram Industries until December 31, 1997, unless earlier removed in accordance with the bylaws of Ingram Industries. In addition, Mr. Lacy has agreed to serve as a director of the Company, if so requested by Ingram Industries, until December 31, 1997.

Pursuant to the Severance Agreement, Mr. Lacy has agreed to cooperate with the Company and Ingram Industries in connection with the consummation of the Split-Off and this offering. Mr. Lacy has also agreed not to use or disclose confidential information relating to the Company. Furthermore, Mr. Lacy has agreed that until November 30, 1998, he will not compete with the Company or solicit for hire any person who was or becomes an employee of the Company between December 1, 1995 and June 1, 1998. Mr. Lacy has also agreed to similar restrictions with respect to the businesses of Ingram Industries and its other subsidiaries.

The Company has agreed to pay Mr. Lacy one year's salary at the level in effect as of the date of his resignation, and has paid Mr. Lacy $272,000, his earned bonus for the first five months of 1996. In addition, the Severance Agreement provides for the continuation of certain health and life insurance benefits for a period of 12 months from the date thereof. Mr. Lacy will also receive certain payments from Ingram Industries.

The shares of Ingram Industries common stock owned by Mr. Lacy will be converted into shares of Class B Common Stock in connection with the Split-Off. These shares have been placed in an escrow account, although Mr. Lacy will be permitted to sell such shares, subject to applicable tax and securities laws, provided that the after-tax proceeds of such sales remain in the escrow account. If at any time prior to December 1, 1998, Mr. Lacy breaches the terms and conditions of the Severance Agreement, the Company shall have the right to be reimbursed for its damages from this escrow account. Furthermore, Ingram Industries and the Company may suspend any payments or obligations otherwise owed to Mr. Lacy. If not earlier released due to the death of Mr. Lacy or a Change of Control (as defined therein), fifty percent of the escrow account will be released on June 1, 1998 and the remainder on December 1, 1998.

KEY EMPLOYEE STOCK PURCHASE PLAN

As of April 30, 1996, the Board of Directors of the Company adopted, and Ingram Industries, as the sole stockholder of the Company, approved, the Key Employee Stock Purchase Plan (the "Stock Purchase Plan"). The Company has reserved 4,000,000 shares of Class B Common Stock to cover awards under the Stock Purchase Plan.

Employee Offering. In the second quarter of 1996, the Company offered (the "Employee Offering") 2,775,000 shares of its Class B Common Stock, of which 2,510,400 shares were purchased, in reliance upon Regulation D and Regulation S under the Securities Act of 1933, as amended (the "Securities Act"), for $17,572,800, to certain of its officers. Such shares are subject to vesting, certain restrictions on transfer, and repurchase by the Company upon termination of the holder's employment. As of the date of this Prospectus, 50,000 of such shares have been repurchased by the Company. In order to allow bank loan financing of the shares purchased in the Employee Offering, the Company entered into repurchase agreements with the bank, pursuant to which it agreed to repurchase (i) unvested shares at the lower of fair market value and $7.00 and (ii) vested shares at fair market value, in the event of an employee's default on his or her loan.

Restricted Stock Grants. The Company also made grants pursuant to the Stock Purchase Plan of an aggregate of 107,000 restricted shares of Class B Common Stock to certain officers and employees of the Company, which shares will vest 25% on April 1, 1998 and each year thereafter through 2001. Prior to vesting, such shares are subject to forfeiture to the Company, with no consideration paid to the holder thereof, upon termination of the holder's employment. As of the date of this Prospectus, 5,000 of such shares have been forfeited to the Company.

1996 PLAN

As of April 30, 1996, the Board of Directors of the Company adopted, and Ingram Industries, as the sole stockholder of the Company, approved, the 1996 Equity Incentive Plan (the "1996 Plan"). The Company has amended the 1996 Plan, effective as of the date of this Prospectus, primarily to increase the number of shares available for grant from 10,000,000 shares to 12,000,000 shares, as well as to change the allowable vesting schedule for options granted under the 1996 Plan and to permit options to be granted to purchase shares of Common Stock in addition to Class B Common Stock. Options granted prior to the date of this Prospectus will continue to be governed by the 1996 Plan as in effect prior to the amendment of the 1996 Plan.

The purpose of the 1996 Plan is to attract and retain key personnel and to enhance their interest in the Company's continued success.

The 1996 Plan is administered by the Board of Directors of the Company or a committee appointed thereby (the "Committee"). The Committee has broad discretion, subject to contractual restrictions affecting the Company, as to the specific terms and conditions of each award and any rules applicable thereto, including but not limited to the effect thereon of the death, retirement, or other termination of employment of the participant.

The 1996 Plan permits the granting of (i) stock options that qualify as "Incentive Stock Options" under the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) options other than Incentive Stock Options ("Nonqualified Stock Options"), (iii) SARs granted either alone or in tandem with other awards under the 1996 Plan, (iv) restricted stock and restricted stock units, (v) performance awards, and (vi) other stock-based awards. The Company has reserved 12,000,000 shares of Common Equity (which may be either Common Stock or Class B Common Stock) to cover awards under the 1996 Plan.

The Board of Directors may amend, alter, or terminate the 1996 Plan at any time, provided that stockholder approval generally must be obtained for any change that would require stockholder approval under Rule 16b-3 under the Exchange Act or any other regulatory or tax requirement that the Board deems desirable to comply with or obtain relief under and subject to the requirement that no rights under an outstanding award may be impaired by such action without the consent of the holder thereof. The Committee may amend or modify the terms of any outstanding award but only with the consent of the participant if such amendment would impair his rights. In the event of certain corporate transactions or events affecting the shares or the structure of the Company, the Committee may make certain adjustments as set forth in the 1996 Plan.

The 1996 Plan is not subject to any provision of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and is not qualified under Section 401(a) of the Code.

Options. On June 25, 1996, the Company granted options to purchase an aggregate of approximately 4,800,000 shares of Class B Common Stock under the 1996 Plan to all full-time employees of the Company who had at such time been continuously employed by the Company since January 1, 1996, as well as to certain employees of the Company, at the director level and above, who began employment with the Company at a later date. The exercise price of these options is $7.00 per share. These options, which are Incentive Stock Options to the extent permitted under the terms of the 1996 Plan and the Code, will vest as follows: (i) for officers of the Company, in four equal annual installments commencing on April 1, 1998, and (ii) for non-officers, in five equal annual installments commencing on April 1, 1997, in each case subject to continued employment with the Company.

Concurrently with the closing of this offering, it is expected that the Board of Directors will grant options under the 1996 Plan to purchase approximately 5,200,000 shares of Common Stock to certain executive officers, employees, and Independent Directors of the Company. The exercise price of these options will be equal to the initial public offering price set forth on the cover page of this Prospectus. Of such options, options to purchase 3,400,000 shares will be granted to Mr. Stead pursuant to the employment agreement described above. See "-- Employment Agreements." Of the total options being granted to Mr. Stead, options to purchase 200,000 shares will vest immediately, and options to purchase an additional 1,600,000 shares will vest in four equal installments beginning April 1, 1998. The remaining options to purchase an additional 1,600,000 shares granted to Mr. Stead, as well as the options to purchase approximately 1,000,000 shares to be granted to other executive officers and employees of the Company, will vest over a fixed term, subject to continued employment with the Company; however, such options will vest earlier if the Company achieves certain performance criteria. The Company also intends to grant to the Independent Directors, concurrently with this offering, options to purchase an aggregate of 180,000 shares of Common Stock at the initial public offering price set forth on the cover page of this Prospectus. See "-- Board of Directors -- Compensation of Directors." The Company has also granted options to purchase an aggregate of approximately 635,000 shares of Common Stock to certain officers of the Company, in connection with the hiring or promotion of such officers. All of such options have or will have an exercise price equal to the initial public offering price set forth on the cover page of this Prospectus and otherwise have terms similar to those of the options granted in June 1996.

1996 EMPLOYEE STOCK PURCHASE PLAN

The Company intends to make available to its employees the opportunity to purchase shares of Common Stock under its 1996 Employee Stock Purchase Plan (the "ESPP"). The ESPP was adopted by the Board of Directors and stockholders in October 1996. The ESPP is intended to qualify under Section 423 of the Code and permits eligible employees of the Company to purchase Common Stock through payroll deductions, provided that no employee may accrue the right to purchase more than $25,000 worth of stock under all employee stock purchase plans of the Company in any calendar year. Up to 1,000,000 shares of Common Stock will be initially available for sale under the ESPP. The amount of additional shares of Common Stock that will be made available for sale under the ESPP, if any, has not been determined. The initial offering period will commence on or about the date of this Prospectus and will end on the last market trading day on or before December 31, 1998, and the right to purchase shares of Common Stock will accrue in an amount not to exceed $13,000 per employee during the offering period. The price of Common Stock offered under the initial offer under the ESPP will be 100% of the lower of the fair market value of the Common Stock on the first or last day of the offering period. The price of Common Stock offered under subsequent ESPP offerings, the duration of which will be determined by the Committee, will be from 85% to 100% of the lower of the fair market value of the Common Stock on the first or last day of each offering period, as determined by the Committee. Employees may end their participation in the ESPP at any time during an offering period, and they will be paid their payroll deductions accumulated to date. Participation ends automatically on termination of employment with the Company.

Rights granted under the ESPP are not transferable by a participant other than by will, the laws of descent and distribution, or as otherwise provided under the ESPP.

The Board may amend or terminate the ESPP at any time. The ESPP will terminate in all events on the last business day in October 2006.

EXECUTIVE INCENTIVE BONUS PLAN

All officers of the Company are eligible to participate in the Company's Executive Incentive Bonus Plan (the "Bonus Plan"). Pursuant to the Bonus Plan, officers receive bonus payments based on the Company's meeting or exceeding budgeted results, as well as individual achievement of previously agreed upon goals.

ROLLOVER PLAN; INCENTIVE STOCK UNITS

In connection with the Split-Off, Ingram Industries options held by the Company's employees and certain other Ingram Industries options and SARs will be converted to Ingram Micro options ("Rollover Stock Options") to purchase shares of Common Stock. In addition, holders of approximately 300,000 Ingram Industries ISUs will have the option to exchange a portion of their ISUs for Rollover Stock Options. See "The Split-Off and the Reorganization -- The Split-Off." Upon conversion, assuming all eligible ISUs are exchanged, approximately 11,000,000 Rollover Stock Options will be outstanding, with exercise prices ranging from $0.66 to $3.32 per share. See "The Split-Off and the Reorganization -- The Split-Off." The majority of these options will be fully vested by the year 2000 and expire no later than ten years from the date of grant. These vested options generally become exercisable, if otherwise vested, upon the earlier of (i) nine months after the Split-Off or (ii) a public offering of the shares, in each case subject to the optionee's continued employment with any of the Company, Ingram Industries, or Ingram Entertainment.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Board of Directors of the Company does not currently maintain a separate compensation committee. Historically, base compensation of officers of the Company, and Mr. Lacy's compensation under the Bonus Plan, has been determined by the Executive Compensation Committee of the Ingram Industries board of directors, which in 1995 consisted of E. Bronson Ingram, until his resignation from the Board in May, and Messrs. Lacy and Pfeffer. Mr. Lacy did not participate in the determination of his compensation. Compensation under the Bonus Plan for all officers of the Company other than Mr. Lacy was determined by the entire Board of Directors of the Company.

EMPLOYEE AND PRIORITY OFFERS

EMPLOYEE DIRECTED OFFER

Up to 535,000 shares of Common Stock offered in this offering (the "Employee Shares") have been reserved for certain employees of the Company (the "Employee Directed Offer"). Each such employee may apply to purchase a number of shares of Common Stock within a specified range at the initial public offering price set forth on the cover page of this Prospectus and on the same terms and conditions as the shares being offered to the general public. To the extent any shares are not sold in the Priority Offer (as defined below), such shares may be included in the Employee Directed Offer. In addition, Mr. Stead may purchase 200,000 shares of Common Stock directly from the Company in the Company Offering, with no underwriting discounts or commissions payable thereon. Mr. Stead intends to borrow the funds necessary to purchase such shares, and the Company may enter into a repurchase agreement with respect thereto. The repurchase agreement would provide that, in the event of a default, the Company would repurchase such shares at fair market value if they are not eligible for sale in the public market. Any purchasers who are affiliates of the Company will represent that any purchases are being made for investment purposes only.

Any shares of Common Stock to be sold in Canada pursuant to the Employee Directed Offer will be sold by the Company directly to its employees in Canada at the initial public offering price set forth on the cover page of this Prospectus. The Company will pay the Underwriters an advisory fee which will be equal to the underwriting discounts and commissions which would have been payable to the Underwriters had such shares been sold by the Underwriters instead of directly by the Company.

In the event that the demand for Employee Shares exceeds the number of shares of Common Stock available under the Employee Directed Offer, the maximum number of Employee Shares available to each individual will be reduced to the extent necessary so that the total subscriptions equal the number of available Employee Shares. Any application for a number of shares that is less than the employee's new maximum individual application size will be unaffected thereby.

PRIORITY OFFER

Up to 1,765,000 of the shares of Common Stock offered in this offering (the "Priority Shares") have been reserved pursuant to a priority allocation offer (the "Priority Offer"). The Priority Offer is being made to certain customers and vendors of the Company, to certain other individuals, including certain employees of Ingram Industries and Ingram Entertainment, and to Ingram Industries. Ingram Industries may purchase approximately 300,000 shares of Common Stock in connection with its obligations under certain deferred compensation plans which relate to the performance of the Common Stock. Each other such person may apply to purchase a number of shares of Common Stock within a range based on certain individual factors relating to such person at the initial public offering price set forth on the cover page of this Prospectus and on the same terms and conditions as the shares being offered to the general public. Any purchasers who are affiliates of the Company will represent that any purchases are being made for investment purposes only.

In the event that the demand for Priority Shares exceeds the number of shares of Common Stock available under the Priority Offer, the maximum number of Priority Shares available to each purchaser other than Ingram Industries will be reduced to the extent necessary so that the total subscriptions equal the number of available Priority Shares. Any application for a number of shares that is less than the applicant's new maximum individual application size will be unaffected thereby.

CERTAIN TRANSACTIONS

Historically, Ingram Industries has provided certain administrative services to the Company. The Company is allocated a portion of the costs of these administrative services. This allocation totaled $1.6 million, $2.4 million, $3.5 million, and $3.3 million in 1993, 1994, 1995, and the first three quarters of 1996, respectively. In connection with the Split-Off, the Company will enter into the Transitional Service Agreements with Ingram Industries relating to the continued provision of certain administrative services. The Company believes that the terms of the Transitional Service Agreements will be on a basis as favorable as those that would be obtained from third parties on an arm's length basis. The Transitional Service Agreements generally terminate on December 31, 1996, although payroll services under the Transitional Service Agreements will be provided through December 31, 1997. After such termination, the Company will be required to provide such services internally or find a third-party provider of such services.

Additionally, Ingram Industries has provided a large portion of the debt financing required by the Company in connection with its expansion. As of December 31, 1994, December 30, 1995, and September 28, 1996, $449.4 million, $673.8 million, and $479.7 million, respectively, was outstanding to Ingram Industries. Interest on such debt has been charged based on Ingram Industries' domestic weighted average cost of funds. See Note 6 of Notes to Consolidated Financial Statements. In connection with the Split-Off, the Company will assume Ingram Industries' accounts receivable securitization program in partial satisfaction of amounts due to Ingram Industries. The Company intends to use borrowings under the Credit Facility to repay the remaining intercompany indebtedness to Ingram Industries, which was incurred for general corporate purposes, primarily working capital needs in connection with the expansion of the Company's business. The Company will also use borrowings under the Credit Facility to repay outstanding revolving indebtedness related to amounts drawn by certain of the Company's subsidiaries, as participants in Ingram Industries' existing $380 million credit facility, which will terminate concurrently with the closing of this offering. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources."

The Company leases certain office space near Buffalo, New York from a partnership owned by certain members of the Ingram family. The lease agreement expires January 31, 2013 and requires annual rental payments of approximately $1.6 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources." The Company currently subleases its facilities in Santa Ana, California and Harrisburg, Pennsylvania from Ingram Industries pursuant to a sublease which expires March 1, 2007. The sublease agreement requires annual rental payments of approximately $2.1 million. In connection with the Reorganization, the Company intends to acquire ownership of these facilities for an aggregate amount of approximately $22.6 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources." The Company's lease for its distribution center in Millington, Tennessee is guaranteed by Ingram Industries. This guarantee provides for the release of Ingram Industries' guarantee upon satisfaction by the Company of certain financial requirements specified in the guarantee including consummation of an initial public offering of at least $300 million. Certain of the Company's other leases are guaranteed by Ingram Industries. The Company anticipates that such guarantees will be released in connection with the Split-Off.

The Company extended a loan during 1995 to one of its senior executive officers. This loan has been repaid in full. The largest aggregate amount outstanding at any time during 1995 was $450,000. This loan bore interest at the intercompany rate of interest paid by the Company to Ingram Industries.

In connection with the Split-Off, it is expected that agreements relating to board representation and registration rights with respect to Common Stock held by the Ingram Family Stockholders (including shares of Common Stock issued upon conversion of Class B Common Stock) will be entered into by the Company and the Ingram Family Stockholders. See "The Split-Off and the Reorganization."

THE SPLIT-OFF AND THE REORGANIZATION

Immediately prior to the closing of this offering, Ingram Industries will consummate the Split-Off. The consummation of the Split-Off is a non-waiveable condition to the closing of this offering. The Company, Ingram Industries, and Ingram Entertainment have also entered into certain agreements to effect the Reorganization. The following is a summary of certain of the material terms of the Split-Off.

THE SPLIT-OFF

Immediately prior to the closing of this offering, Ingram Industries will consummate an exchange under an Exchange Agreement (the "Exchange Agreement"), pursuant to which certain existing stockholders of Ingram Industries may exchange a specified number of their shares of Ingram Industries common stock for shares of Class B Common Stock of the Company of equivalent value to the shares of Ingram Industries so exchanged. The exchange of shares of Ingram Industries common stock for shares of Class B Common Stock of the Company, together with those elements of the Reorganization contemplated to occur prior to the closing of this offering, are referred to herein as the "Split-Off." See "Principal Stockholders." If all eligible stockholders were to exchange all of their shares of Ingram Industries common stock eligible to be exchanged, they would receive 107,251,362 shares of Class B Common Stock. The exchange values were determined by the board of directors of Ingram Industries, which relied in part on an opinion of a financial advisor to the effect that the Split-Off was fair to all involved parties. In the Exchange Agreement, the Company covenants that, during the two-year period following the Split-Off, it will not (i) liquidate, merge, or consolidate with any other person, or sell, exchange, distribute, or dispose of any material asset other than in the ordinary course of business, (ii) with certain limited exceptions, redeem or reacquire any of its capital stock transferred in the Split-Off, (iii) cease to conduct the principal active trade or business conducted by it during the five years immediately preceding the Split-Off, or (iv) otherwise take any actions inconsistent with the facts and representations set forth in the private letter ruling from the U.S. Internal Revenue Service (the "IRS") regarding certain federal income tax consequences of the Reorganization and the Split-Off, in each case unless it first obtains an opinion from recognized tax counsel or a ruling from the IRS that such action will not affect the qualification of the transactions contemplated by the Exchange Agreement for tax-free treatment. All such covenants were necessary to obtain the private letter ruling from the IRS. After the Exchange, Ingram Entertainment will continue to be a wholly-owned subsidiary of Ingram Industries. Although there can be no assurance, it is contemplated that, pursuant to the Exchange Agreement, on or after June 20, 1997, certain remaining stockholders of Ingram Industries will exchange their remaining shares of Ingram Industries common stock for shares of Ingram Entertainment common stock.

Certain outstanding Ingram Industries options and SARs will be converted to, and certain Ingram Industries ISUs may be exchanged for, Rollover Stock Options. The exchange values for these options, SARs, and ISUs are primarily based on the exchange value for the underlying common stock. The option, SAR, and ISU exchange values were determined by the board of directors of Ingram Industries in accordance with the respective plans under which they were issued. If all eligible ISUs are exchanged, the total number of Rollover Stock Options outstanding would be exercisable for approximately 11,000,000 shares of Common Stock. See "Management -- Rollover Plan; Incentive Stock Units."

The Company and the Ingram Family Stockholders are expected to enter into the Board Representation Agreement. So long as the Ingram Family Stockholders and their permitted transferees (as defined in the Board Representation Agreement) own in excess of 25,000,000 shares of the outstanding Common Equity, the Board Representation Agreement will provide for the designation of (i) not more than three directors designated by the Ingram Family Stockholders, (ii) one director designated by the Chief Executive Officer of the Company, and (iii) four or five additional Independent Directors (collectively, the "Designated Nominees").

The Ingram Family Stockholders will be required to vote their shares of Common Equity for the election of the Designated Nominees. In addition, certain types of corporate transactions, including transactions involving the potential sale or merger of the Company; the issuance of additional equity, warrants, or options; acquisitions involving aggregate consideration in excess of 10% of the Company's stockholders' equity; any

guarantee of indebtedness of an entity other than a subsidiary of the Company exceeding 5% of the Company's stockholders' equity; and the incurrence of indebtedness in a transaction which could reasonably be expected to reduce the Company's investment rating (i) lower than one grade below the rating in effect immediately following this offering or (ii) below investment grade, may not be entered into without the written approval of at least a majority of the voting power deemed to be held (for purposes of the Board Representation Agreement) by certain of the Ingram Family Stockholders, acting in their sole discretion.

The Board Representation Agreement will terminate on the date on which the Ingram Family Stockholders and their permitted transferees collectively cease to beneficially own at least 25,000,000 shares of the Common Equity of the Company (as such number may be equitably adjusted to reflect stock splits, stock dividends, recapitalization, and other transactions in the capital stock of the Company). All decisions for the Ingram Family Stockholders that are trusts or foundations will be made by the trustees thereof, who in some cases are members of the Ingram family.

The Ingram Family Stockholders and the other stockholders of Ingram Industries who will receive shares of Class B Common Stock in the Split-Off will enter into a registration rights agreement (the "Registration Rights Agreement") which grants the E. Bronson Ingram QTIP Marital Trust (the "QTIP Trust") demand registration rights following the closing of this offering. Such demand registration rights may be exercised with respect to all or any portion (subject to certain minimum thresholds) of the shares of Class B Common Stock owned by the QTIP Trust, one or more of the other Ingram Family Stockholders and certain of their permitted transferees on up to three occasions during the 84-month period following the closing of this offering; provided that the Company shall not be obligated to effect (i) any registration requested by the QTIP Trust unless the QTIP Trust has furnished the Company with an opinion of counsel to the effect that such registration and any subsequent sale will not affect the tax-free nature of the Split-Off or (ii) more than one demand registration during any 12-month period.

The Registration Rights Agreement also grants one demand registration right (subject to certain minimum thresholds) to members of the Ingram family (which may only be exercised during the 84-month period following the closing of this offering) and one demand registration right to certain minority stockholders of the Company if a change of control of the Company occurs following the closing of this offering but prior to the second anniversary of the Split-Off Date. The minority stockholders will not be entitled to this registration right if they were offered the opportunity to participate in the change of control transaction.

The Registration Rights Agreement restricts the exercise by any party thereto of a demand registration right, and provides that the Company will not grant any registration rights to any other person that are more favorable than those granted pursuant to the Registration Rights Agreement or that provide for the exercise of demand registration rights sooner than three months following a public offering in which such person was entitled to include its shares, unless the number of shares requested to be included in such public offering exceeded 125% of the number of shares actually included.

In addition, the Registration Rights Agreement provides that the parties thereto shall be entitled to unlimited "piggyback" registration rights in connection with any proposed registration of equity securities by the Company (with certain specified exceptions) during the 84-month period following the completion of this offering. Employees who received shares in the Employee Offering, and persons who have exercised Rollover Stock Options, are bound by the provisions of the Registration Rights Agreement as if such employees were parties thereto, and are entitled to the "piggyback" registration rights provided therein, with respect to the portion of their shares of Class B Common Stock that is no longer subject to restrictions.

The Registration Rights Agreement contains provisions regarding reduction of the size of an offering that has been determined by the underwriters to have exceeded its maximum potential size and contains certain customary provisions, including those relating to holdback arrangements, registration procedures, indemnification, contribution and payment of fees and expenses.

Pursuant to an agreement (the "Thrift Plan Liquidity Agreement") with the Ingram Thrift Plan (the "Thrift Plan"), which will receive 10,007,000 shares of Class B Common Stock in the Split-Off, during the

90-day period following each of (i) the closing of this offering and (ii) the first anniversary of the closing of this offering, the Company may elect to file a registration statement under the Securities Act covering such number of shares as are required to be sold by the Thrift Plan in order to comply with the requirements of ERISA or are necessary to fund distributions to Thrift Plan participants ("Registrable Securities"). If a registration statement covering the Registrable Securities has not become effective during either such 90-day period, the Thrift Plan may elect to sell any of such Registrable Securities to the Company during the 90-day period thereafter at the then-current fair market value of the Common Stock; provided that the Company's obligation in any fiscal year to purchase shares not required to fund distributions by the Thrift Plan will be limited to the lesser of $10,000,000 or 3% of the Company's stockholders' equity as of the beginning of such fiscal year. In addition, the Thrift Plan may elect to sell to the Company one time each calendar month, such number of shares as are necessary to fund distributions to Thrift Plan participants, except during such periods when the Company has notified the Thrift Plan of the filing of a registration statement covering Registrable Securities or when such a registration statement is effective. The Company will not be obligated to make any repurchase pursuant to the Thrift Plan Liquidity Agreement if it determines that to do so would adversely affect the tax-free nature of the Split-Off or if such repurchase would be prohibited by a credit facility of the Company. Of the 10,007,000 shares of Class B Common Stock to be received by the Thrift Plan, 9,207,000 shares will be subject to a lock-up agreement in connection with this offering. See "Shares Eligible for Future Sale" and "Underwriters."

THE REORGANIZATION

The Company is currently a subsidiary of Ingram Industries, a company controlled by the Ingram Family Stockholders. Ingram Industries is engaged in various businesses in addition to that of the Company, including inland marine transportation; the production and transport of specification commercial sand; insurance; and the distribution of books, prerecorded video cassettes, laser discs, video games, and spoken-word audio cassettes. The businesses of the Company, Ingram Industries, and Ingram Entertainment (each, an "Ingram Company") and their respective subsidiaries will be reorganized as described below. In conjunction with the Split-Off, the Company will assume Ingram Industries' accounts receivable securitization program in partial satisfaction of amounts due to Ingram Industries. The Company will repay the remaining intercompany indebtedness with borrowings under the Credit Facility. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources."

Pursuant to a reorganization agreement (the "Reorganization Agreement"), each Ingram Company has agreed to retain or assume, at the time of the Reorganization, certain liabilities and obligations, including the following: (i) liabilities and obligations incurred by such Ingram Company (other than certain general corporate level liabilities of Ingram Industries) with respect to periods ending on or prior to the closing of the Split-Off, other than liabilities or obligations arising as a result of any intentional act which is tortious or as a result of any illegal act (each, a "Designated Action") committed by (x) a corporate officer of Ingram Industries (except for actions that are believed by such person to be in furtherance of his duties as an officer or employee of the Company, Ingram Entertainment, or their respective subsidiaries, or the other subsidiaries or business operating units of Ingram Industries), (y) any other employee of Ingram Industries whose responsibilities are not primarily associated with the Company, Ingram Entertainment, or their respective subsidiaries, or the other subsidiaries or business operating units of Ingram Industries or (z) an employee (other than general corporate level employees of Ingram Industries) of any other Ingram Company; (ii) liabilities and obligations (other than general corporate level liabilities of Ingram Industries) incurred by any other Ingram Company with respect to periods ending on or prior to the closing of the Split-Off as a result of any Designated Action committed by an employee of any such Ingram Company or certain subsidiaries or business operating units of such Ingram Company; (iii) in the case of Ingram Industries, certain general corporate level liabilities and obligations up to an aggregate of $100,000 incurred by Ingram Industries with respect to certain periods ending on or prior to the closing of the Split-Off and recorded under Ingram Industries' internal accounting system as "home office" liabilities, to the extent that such liabilities and obligations are extraordinary in nature and arise out of the ordinary course of business and were not accrued on Ingram Industries' year end 1995 balance sheet; (iv) specified liabilities and obligations related to certain asset dispositions and the settlement of certain claims; and (v) liabilities and obligations incurred by such

Ingram Company with respect to periods beginning after the closing of the Split-Off. In addition, certain contingent assets or liabilities, as well as fees and costs incurred in connection with the Split-Off, will be shared 23.01% by Ingram Industries, 72.84% by the Company, and 4.15% by Ingram Entertainment. These contingent liabilities include (i) liabilities and obligations arising as a result of any Designated Action committed by a corporate officer of Ingram Industries (except for actions that are believed by such person to be in furtherance of his duties as an officer or employee of the Company, Ingram Entertainment, or their respective subsidiaries or other designated affiliates, or the other subsidiaries or designated affiliates of Ingram Industries), or any other employee of Ingram Industries whose responsibilities are not primarily associated with the Company, Ingram Entertainment, or their respective subsidiaries, or the other subsidiaries or business operating units of Ingram Industries; (ii) certain general corporate level liabilities and obligations, if the aggregate of such liabilities and obligations incurred by Ingram Industries exceeds $100,000, incurred by Ingram Industries with respect to periods ending on or prior to the closing of the Split-Off and recorded under Ingram Industries' internal accounting system as "home office" liabilities, to the extent that such liabilities and obligations are extraordinary and non-recurring in nature and arise out of the ordinary course of business and were not accrued on Ingram Industries' 1995 balance sheet; (iii) certain liabilities and obligations incurred by Ingram Industries in respect of specified individuals pursuant to certain deferred compensation plans of Ingram Industries; and (iv) assets, liabilities, and obligations arising in connection with certain specified asset dispositions. The Company will not be responsible for any liabilities except to the extent that the Company's share of such liabilities, fees or costs and certain other amounts (net of any contingent assets) exceeds, in the aggregate, $20,778,000. The Company currently believes that any such liabilities, fees or costs will be materially offset by amounts expected to be due from Ingram Industries. However, there can be no assurance that further payments, which could be material, will not be required in the future.

Pursuant to the Reorganization Agreement, each Ingram Company will agree to conduct its business, from the date of the Reorganization Agreement until the closing of the Split-Off in the ordinary course of business consistent with past practice. The Reorganization Agreement provides that at or prior to the closing of the Split-Off, the Company will enter into bank repurchase agreements with respect to securities of the Company received in connection with the Exchange Agreement in exchange for shares of Ingram Industries common stock currently held as collateral for certain loans made to stockholders of Ingram Industries. If securities of Ingram Industries are exchanged for securities of Ingram Entertainment, as contemplated in "-- The Split-Off " above, Ingram Entertainment has agreed to enter into similar agreements with respect to such securities.

Pursuant to the Reorganization Agreement, each Ingram Company has agreed to indemnify each other Ingram Company from any and all damage, loss, liability, and expense incurred as a result of any breach by such party of any covenant or agreement pursuant to the Reorganization Agreement or the failure by such party to perform its obligations with respect to any liability retained or assumed by such party pursuant to the Reorganization Agreement.

The Ingram Companies will also enter into an employee benefits transfer and assumption agreement (the "Employee Benefits Agreement"). The Employee Benefits Agreement provides for the allocation of employee benefit assets and liabilities generally on a pro rata basis in respect of each Ingram Company's current and former employees. Each Ingram Company will indemnify the other parties with respect to such party's benefit-related assumed or retained assets and liabilities.

In connection with the Reorganization, the Ingram Companies will enter into a tax sharing and tax services agreement (the "Tax Sharing Agreement"). Under the Tax Sharing Agreement, the Company agrees that it will be liable for (i) its allocable share of the consolidated federal income tax liability and any consolidated state income tax liability for the year that includes the Split-Off and (ii) generally, 72.84% of any adjustment in excess of reserves already established by Ingram Industries for federal or state income tax liabilities of Ingram Industries, Ingram Entertainment, or the Company (x) relating to tax periods ending on or prior to the Split-Off or (y) resulting from a failure (other than due to a breach of certain representations or covenants) of either the Split-Off or the subsequent exchange of securities of Ingram Industries for securities of Ingram Entertainment to qualify for tax-free treatment. However, no liability with respect to the subsequent exchange involving Ingram Entertainment will be allocated to the Company if such exchange is not completed

in accordance with the provisions of the Exchange Agreement or if the facts and circumstances of such exchange are materially different from those on which the private letter ruling received by Ingram Industries (see "The Split-Off and the Reorganization -- Conditions to the Split-Off") is based, unless a supplemental private letter ruling reasonably satisfactory to the Company addressing such differences is obtained prior to such exchange. Subject to certain consultation rights and certain limited rights on the part of the Company to consent to a settlement, Ingram Industries will have the right to control any audit or proceeding relating to the Company for periods ending prior to the Split-Off. The Company will share in any refunds received in respect of the carryback of any future tax losses or credits it may suffer or receive. In addition, Ingram Industries and Ingram Entertainment have each agreed that, upon the exercise by one of its employees of an option granted in connection with the Split-Off, it will pay the Company an amount equal to the tax benefit, if any, received from any compensation deduction in respect of such exercise. Furthermore, if the Split-Off or the contemplated exchange of Ingram Entertainment common stock fails to qualify for tax-free treatment as a result of a breach by one of the Ingram Companies of specified representations or covenants contained in the Exchange Agreement, any resulting deficiency will be borne by such breaching Ingram Company.

In addition, until 1999, the Company will provide data processing services to Ingram Industries and Ingram Entertainment for a fee to be determined. The Ingram Companies have also entered into the Transitional Service Agreements relating to the continued provision of certain administrative services (including cash management, insurance, employee benefits, and payroll administration). The Transitional Service Agreements are expected to be on terms as favorable as those that would be obtained from third parties on an arm's length basis.

CONDITIONS TO THE SPLIT-OFF

The Split-Off is subject to the satisfaction or waiver of certain conditions including, without limitation, (i) receipt of a private letter ruling from the IRS satisfactory to Ingram Industries and certain of the Ingram Family Stockholders as to the tax-free nature of the Split-Off and a determination by the board of directors of Ingram Industries and each of the Ingram Family Stockholders that nothing has come to their attention that causes them to conclude that significant questions exist as to the validity of the ruling as applied to the Reorganization or the Split-Off; (ii) the absence of any law, judgment, injunction, order or decree which prohibits consummation of the Split-Off; (iii) the effectiveness of certain ancillary agreements; (iv) receipt of required regulatory approvals and third-party consents; (v) consummation of the scheduled refinancing and assumption of debt; and (vi) settlement of intercompany receivables and payables. On October 16, 1996, Ingram Industries received from the IRS a private letter ruling as to the tax-free nature of the Split-Off. The Exchange Agreement may be terminated by the board of directors of Ingram Industries or the holders of a majority of the outstanding shares of Ingram Industries common stock at any time prior to the closing of the Split-Off.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information, as of September 28, 1996, as adjusted for (i) the Split-Off and (ii) the issuance of the Common Stock in the Combined Offering as if such transactions had occurred on September 28, 1996, with respect to the beneficial ownership of each class of the Common Equity by (a) each person known by the Company to own beneficially more than five percent of the outstanding shares of either class of the Common Equity; (b) each director; (c) each of the Named Executive Officers; and (d) all executive officers and directors of the Company as a group. See "Management," "Certain Transactions," and "The Split-Off and the Reorganization."

	CLASS B COMMON STOCK		COMMON STOCK(1)		COMMON EQUITY
NAME	SHARES BENEFICIALLY OWNED	PERCENTAGE OF CLASS	SHARES BENEFICIALLY OWNED	PERCENTAGE OF CLASS	PERCENTAGE OF TOTAL VOTING POWER
E. Bronson Ingram QTIP Marital Trust(2)(3)....	69,099,259	62.9%	--	--	61.8%
Ingram Thrift Plan(2).....	10,007,000	9.1	--	--	8.9
David B. Ingram(2)(3).....	72,377,210(4)(5)	65.9	16,080(6)(7)	*	64.7
Robin Ingram Patton(2)(3).....	71,646,916(4)(5)	65.2	--(7)	--	64.1
Orrin H. Ingram(2)(3).....	73,157,670(4)(5)	66.6	68,644(6)(7)	*	65.4
Roy E. Claverie(2).....	10,859,083(4)(8)	9.9	150,000(6)(7)	*	9.7
SunTrust Bank, Atlanta(9).....	12,115,391	11.0	--	--	10.8
Jerre L. Stead.....	--	--	400,000(10)	2.0%	*
Jeffrey R. Rodek.....	285,000	*	--	--	*
David R. Dukes.....	65,000	*	73,277(6)	*	*
Sanat K. Dutta.....	85,000	*	37,410(6)	*	*
John Wm. Winkelhaus, II.....	85,000	*	42,559(6)	*	*
Martha R. Ingram(3).....	83,740,788(4)(5)	76.3	--(7)	--	74.9
John R. Ingram(3).....	71,875,978(4)(5)	65.5	38,633(6)(7)	*	64.3
Philip M. Pfeffer.....	1,972,476(5)	1.8	27,020(6)	*	1.8
J. Phillip Samper.....	--	--	--	--	--
Joe B. Wyatt.....	--	--	193,065(6)	*	*
Don H. Davis, Jr.....	--	--	--	--	--
All executive officers and directors as a group (24 persons)(3)(11).....	91,067,943(4)(5)	82.9	1,166,807(6)(7)	5.5	81.5
Linwood A. (Chip) Lacy, Jr.....	1,390,062	1.3	110,500(6)	*	1.3

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* Less than one percent.

(1) Excludes each stockholder's beneficial ownership of Class B Common Stock, which may be converted into Class A Common Stock at any time, at the option of the holder. See "Description of Capital Stock."

(2) The address for the indicated parties is: c/o Ingram Industries Inc., One Belle Meade Place, 4400 Harding Road, Nashville, Tennessee 37205.

(3) David B. Ingram, Robin Ingram Patton, Orrin H. Ingram, John R. Ingram, and Martha R. Ingram are trustees of the QTIP Trust, and accordingly could each be deemed to be the beneficial owner of the shares held by the QTIP Trust.

(4) Includes 71,286,290; 71,266,588; 71,286,290; 10,387,004; 71,286,290; 81,702,786; and 83,870,115 shares, for David B. Ingram, Robin Ingram Patton, Orrin H. Ingram, Roy E. Claverie, John R. Ingram, Martha R. Ingram, and all executive officers and directors as a group, respectively, which shares are held by various trusts or foundations of which these individuals are trustees. Such individuals could each be deemed to be the beneficial owner of the shares held by such trusts of which he or she is a trustee.

(5) Excludes for David B. Ingram 5,132,080 shares held by one or more trusts of which he and/or his children are beneficiaries; for Robin Ingram Patton 2,932,917 shares held by one or more trusts of which she is a beneficiary; for Orrin H. Ingram 1,441,856 shares held by one or more trusts of which he and/or his children are beneficiaries; for John R. Ingram 2,732,815 shares held by one or more trusts of which he and/or his children are beneficiaries; for Mr. Lacy 223,097 shares held by a trust of which his children are beneficiaries; for Mr. Pfeffer 234,348 shares held by his children or one or more trusts of which his children are beneficiaries; and for Mr. Claverie 244,912 shares held by his children or one or more trusts of which he and/or his children are beneficiaries. Each such individual disclaims beneficial ownership as to such shares.

(6) Represents Rollover Stock Options exercisable within 60 days of the date of the table for shares of Common Stock.

(7) Excludes approximately 250,000 shares of Common Stock that may be purchased by Ingram Industries in this offering. As principal stockholders of Ingram Industries, the indicated stockholders may be deemed to be beneficial owners of the shares held by Ingram Industries.

(8) Includes 10,007,000 shares held by the Ingram Thrift Plan. Mr. Claverie may be deemed to be the beneficial owner of such shares, because he is a trustee of the Ingram Thrift Plan.

(9) The address for SunTrust Bank, Atlanta ("SunTrust") is 25 Park Place, NE, Atlanta, Georgia 30303. All shares are held by SunTrust, as trustee for certain individuals. SunTrust and certain of its affiliates may be deemed beneficial owners of such shares; however, SunTrust and such affiliates disclaim any beneficial interest in such shares.

(10) Includes options to purchase 200,000 shares of Common Stock, which represent the immediately exercisable portion of the options to be granted to Mr. Stead effective upon the closing of this offering. See "Management -- 1996 Plan -- Options."

(11) Excludes shares beneficially owned by Mr. Lacy, the Company's former Chief Executive Officer and former Chairman of the Board of Directors.

DESCRIPTION OF CAPITAL STOCK

The authorized capital stock of the Company consists of 265,000,000 shares of Class A Common Stock, par value $0.01 per share, of which 20,200,000 shares will be issued and outstanding upon the closing of the Combined Offering (assuming no exercise of the U.S. Underwriters' over-allotment option), and 135,000,000 shares of Class B Common Stock, par value $0.01 per share, of which 109,813,762 shares will be issued and outstanding upon the closing of the Combined Offering. In addition, the Company's Certificate of Incorporation (the "Certificate of Incorporation") authorizes the issuance by the Company of up to 1,000,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"), on terms determined by the Company's Board of Directors. The following description is a summary of the capital stock of the Company and is subject to and qualified in its entirety by reference to the provisions of the Certificate of Incorporation and the Amended and Restated Bylaws (the "Bylaws") of the Company, which are included as exhibits to the Registration Statement of which this Prospectus forms a part.

COMMON EQUITY

The shares of Common Stock and Class B Common Stock are identical in all respects, except for voting rights and certain conversion rights, as described below.

VOTING RIGHTS. Each share of Common Stock entitles the holder to one vote on each matter submitted to a vote of the Company's stockholders, including the election of directors, and each share of Class B Common Stock entitles the holder to ten votes on each such matter. Except as required by applicable law, holders of the Common Stock and Class B Common Stock vote together as a single class on all matters submitted to a vote of the stockholders of the Company. There is no cumulative voting. See "Risk Factors -- Control by Ingram Family Stockholders."

Subject to New York Stock Exchange requirements, for so long as there are any shares of Class B Common Stock outstanding, any action that may be taken at a meeting of the stockholders may be taken by written consent in lieu of a meeting if the Company receives consents signed by stockholders having the minimum number of votes that would be necessary to approve the action at a meeting at which all shares entitled to vote on the matter were present and voted. This could permit certain holders of Class B Common Stock to take action regarding certain matters without providing other stockholders the opportunity to voice dissenting views or raise other matters. The right to take such action by written consent of stockholders will expire at such time as all outstanding shares of Class B Common Stock cease to be outstanding.

DIVIDENDS, DISTRIBUTIONS, AND STOCK SPLITS. Holders of Common Stock and Class B Common Stock are entitled to receive dividends at the same rate if, as, and when such dividends are declared by the Board of Directors out of assets legally available therefor after payment of dividends required to be paid on shares of Preferred Stock, if any.

In the case of dividends or distributions payable in Common Stock or Class B Common Stock, only shares of Common Stock will be distributed with respect to the Common Stock and only shares of Class B Common Stock will be distributed with respect to the Class B Common Stock. In the case of dividends or other distributions consisting of other voting shares of the Company, the Company will declare and pay such dividends in two separate classes of such voting securities, identical in all respects, except that the voting rights of each such security paid to the holders of the Common Stock shall be one-tenth of the voting rights of each such security paid to the holders of Class B Common Stock, and such security paid to the holders of Class B Common Stock shall convert into the security paid to the holders of the Common Stock upon the same terms and conditions applicable to the Class B Common Stock. In the case of dividends or other distributions consisting of securities convertible into, or exchangeable for, voting securities of the Company, the Company will provide that such convertible or exchangeable securities and the underlying securities be identical in all respects, except that the voting rights of each security underlying the convertible or exchangeable security paid to the holders of the Common Stock shall be one-tenth of the voting rights of each security underlying the convertible or exchangeable security paid to the holders of Class B Common Stock, and such underlying securities paid to the holders of Class B Common Stock shall convert into the security paid to the holders of the Common Stock upon the same terms and conditions applicable to the Class B Common Stock.

Neither the Common Stock nor the Class B Common Stock may be subdivided or combined in any manner unless the other class is subdivided or combined in the same proportion.

CONVERSION. The Common Stock has no conversion rights.

The Class B Common Stock is convertible into Common Stock, in whole or in part, at any time and from time to time at the option of the holder, on the basis of one share of Common Stock for each share of Class B Common Stock converted. Each share of Class B Common Stock will also automatically convert into one share of Common Stock upon the earliest to occur of (i) the fifth anniversary of the closing of the Split-Off; (ii) the sale or transfer of such share of Class B Common Stock (a) by a holder that is a party to the Board Representation Agreement to any person that is not an affiliate, spouse or descendant of such holder, their estates or trusts for their benefit or any other party to the Exchange Agreement or (b) by any other holder, to a holder that is not the spouse or descendant of such holder or their estates or trusts for the benefit thereof; and (iii) the date on which the number of shares of Class B Common Stock then outstanding is less than 25% of the aggregate number of shares of Common Equity then outstanding.

LIQUIDATION. In the event of any dissolution, liquidation, or winding up of the affairs of the Company, whether voluntary or involuntary, after payment of the debts and other liabilities of the Company and making provision for the holders of Preferred Stock, if any, the remaining assets of the Company will be distributed ratably among the holders of the Common Stock and the Class B Common Stock, treated as a single class.

MERGERS AND OTHER BUSINESS COMBINATIONS. Upon a merger, combination, or other similar transaction of the Company in which shares of Common Equity are exchanged for or changed into other stock or securities, cash and/or any other property, holders of each class of Common Equity will be entitled to receive an equal per share amount of stock, securities, cash, and/or any other property, as the case may be, into which or for which each share of any other class of Common Equity is exchanged or changed; provided that in any transaction in which shares of capital stock are distributed, such shares so exchanged for or changed into may differ as to voting rights and certain conversion rights to the extent and only to the extent that the voting rights and certain conversion rights of Common Stock and Class B Common Stock differ at that time.

OTHER PROVISIONS. The holders of the Common Stock and Class B Common Stock are not entitled to preemptive rights. There are no redemption provisions or sinking fund provisions applicable to the Common Stock or the Class B Common Stock.

PREFERRED STOCK

The Board of Directors is authorized, subject to any limitations prescribed by the DGCL, or the rules of any quotation system or national securities exchange on which stock of the Company may be quoted or listed, to provide for the issuance of shares of Preferred Stock in one or more series; to establish from time to time the number of shares to be included in each such series; to fix the rights, powers, preferences, and privileges of the shares of each series and any qualifications and restrictions thereon; and, to the extent permitted by the DGCL, to increase or decrease the number of shares of such series, without any further vote or action by the stockholders. Depending upon the terms of the Preferred Stock established by the Board of Directors, any or all series of Preferred Stock could have preference over the Common Stock with respect to dividends and other distributions and upon liquidation of the Company or could have voting or conversion rights that could adversely affect the holders of the outstanding Common Stock. The Company has no present plans to issue any shares of Preferred Stock.

LIMITATION OF LIABILITY; INDEMNIFICATION

As permitted by the DGCL, the Certificate of Incorporation provides that directors of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by the DGCL (which currently provides that such liability may be so limited, except for liability (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (iii) under Section 174 of the DGCL, relating to prohibited dividends or distributions or

the repurchase or redemption of stock, or (iv) for any transaction from which the director derives an improper personal benefit).

Each person who is or was a party to any action by reason of the fact that such person is or was a director or officer of the Company shall be indemnified and held harmless by the Company to the fullest extent permitted by the DGCL. This right to indemnification also includes the right to have paid by the Company the expenses incurred in connection with any such proceeding in advance of its final disposition, to the fullest extent permitted by the DGCL. In addition, the Company may, by action of the Board of Directors, provide indemnification to such other employees and agents of the Company to such extent as the Board of Directors determines to be appropriate under the DGCL.

As a result of this provision, the Company and its stockholders may be unable to obtain monetary damages from a director for breach of his duty of care. Although stockholders may continue to seek injunctive or other equitable relief for an alleged breach of fiduciary duty by a director, stockholders may not have any effective remedy against the challenged conduct if equitable remedies are unavailable. The Company also reserves the right to purchase and maintain directors' and officers' liability insurance.

OTHER CERTIFICATE OF INCORPORATION AND BYLAW PROVISIONS

The Bylaws provide that a majority of the total number of directors shall constitute a quorum for the transaction of business. The Board of Directors may act by unanimous written consent. The Board Representation Agreement contains additional provisions relating to corporate governance. See "The Split-Off and the Reorganization -- The Split-Off."

Annual meetings of stockholders shall be held to elect the Board of Directors and transact such other business as may be properly brought before the meeting. Special meetings of stockholders may be called by the chairman and shall be called by the secretary on the written request of stockholders having 10% of the voting power of the Company. The stockholders may act by written consent in lieu of a meeting of stockholders until such time as all shares of Class B Common Stock cease to be outstanding.

The Certificate of Incorporation may be amended with the approval of the Board of Directors (by the vote required as described above), and for so long as any shares of Class B Common Stock remain outstanding, in addition to any vote required by law, any such amendment also requires the approval of the holders of a majority of the Company's outstanding voting power and a majority of the members of the Board of Directors. However, any amendment to the provisions of the Certificate of Incorporation relating to the Common Equity also requires the consent of a majority of the outstanding voting power held by the Ingram Family Stockholders. The Bylaws may be amended with the approval of three-quarters of the entire Board of Directors or by the holders of 75% of the Company's voting power present and entitled to vote at any annual or special meeting of stockholders at which a quorum is present.

The number of directors which shall constitute the whole Board of Directors shall be fixed by resolution of the Board of Directors. The number of directors shall in no event be less than seven nor more than nine; provided, however, that when the Board of Directors is expanded to eight directors, it may not be subsequently reduced in size. The size of the initial Board is fixed at eight members, but may be increased to nine in accordance with the Board Representation Agreement. The vote of a majority of the entire Board is required for all actions of the Board. The directors shall be elected at the annual meeting of the stockholders, except for filling vacancies. Directors may be removed with the approval of the holders of a majority of the Company's voting power present and entitled to vote at a meeting of stockholders. Vacancies and newly created directorships on the Board of Directors resulting from any increase in the number of directors may be filled by a majority of the directors then in office, although less than a quorum, a sole remaining director, or the holders of a majority of the voting power present and entitled to vote at a meeting of stockholders. So long as the Ingram Family Stockholders and their permitted transferees own at least 25,000,000 shares of the Common Equity, the Bylaws will provide for the appointment of the Designated Nominees.

The presence, in person or by proxy, of the holders of a majority of the votes entitled to be cast by the stockholders entitled to vote generally, shall constitute a quorum for stockholder action at any meeting.

SECTION 203 OF THE DGCL

After this offering, the Company will be subject to Section 203 of the DGCL which, subject to certain exceptions, prohibits a Delaware corporation from engaging in a business combination (as defined therein) with an "interested stockholder" (defined generally as any person who beneficially owns 15% or more of the outstanding voting stock of the Company or any person affiliated with such person) for a period of three years following the date that such stockholder became an interested stockholder, unless (i) prior to such date the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (ii) upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation at the time the transaction commenced (excluding for purposes of determining the number of shares outstanding those shares owned (a) by directors who are also officers of the corporation and (b) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer); or (iii) on or subsequent to such date the business combination is approved by the board of directors of the corporation and authorized at a meeting of stockholders by the affirmative vote of at least 66 2/3% of the outstanding voting stock of the corporation not owned by the interested stockholder.

TRANSFER AGENT

The transfer agent and registrar for the Common Stock is First Chicago Trust Company of New York.

SHARES ELIGIBLE FOR FUTURE SALE

Upon the closing of the Combined Offering, the Company will have outstanding an aggregate of 20,200,000 shares of Common Stock (23,200,000 shares if the U.S. Underwriters' over-allotment option is exercised in full), and 109,813,762 shares of Class B Common Stock. Of the total outstanding shares of Common Equity, only the shares of Common Stock sold in the Combined Offering will be freely tradable without restriction or further registration under the Securities Act, unless purchased by "affiliates" of the Company, as that term is defined in Rule 144 under the Securities Act (which sales would be subject to certain volume limitations and other restrictions described below).

The remaining shares of Common Equity held by existing stockholders upon completion of this offering will be "restricted securities" as that term is defined in Rule 144 under the Securities Act. In general, under Rule 144 as currently in effect, a person (or persons whose shares are aggregated), including an affiliate, who has beneficially owned shares for at least two years (including, if the shares are transferred, the holding period of any prior owner except an affiliate) is entitled to sell in "broker's transactions" or to market makers, within any three-month period commencing 90 days after the date of this Prospectus, a number of shares that does not exceed the greater of (i) 1% of the then outstanding shares of such class of the Common Equity (approximately 1,098,138 shares immediately after this offering) or (ii) generally, the average weekly trading volume in such class of the Common Stock during the four calendar weeks preceding the filing of a Form 144 with respect to such sale, and subject to certain other limitations and restrictions. In addition, a person who is not deemed to have been an affiliate of the Company at any time during the three months preceding a sale, and who has beneficially owned the shares proposed to be sold for at least three years, would be entitled to sell such shares under Rule 144(k) without regard to the volume and other requirements described above. Shares of Common Equity that would otherwise be deemed "restricted securities" could be sold at any time through an effective registration statement relating to such shares of Common Equity.

Of the 109,813,762 shares of Class B Common Stock outstanding as of the closing of the Combined Offering, 2,562,400 shares were acquired in July 1996 pursuant to the Employee Offering and the concurrent grant of restricted stock awards, and 107,251,362 shares will have been acquired pursuant to the Split-Off. Under current law, absent registration or an exemption from registration other than Rule 144, (a) no shares of Class B Common Stock will be eligible for sale as of the date of this Prospectus; (b) 107,251,362 shares of Class B Common Stock will be eligible for sale two years from the effective date of the Split-Off, and (c) the 2,562,400 shares of Class B Common Stock sold in the Employee Offering in July 1996 (or granted concurrently therewith), and not repurchased or forfeited, will be eligible for sale upon the later of (i) July 1998 and (ii) for those shares pledged to secure purchase money loans for such shares, two years after the release of such pledge. In addition, the 2,562,400 shares of Class B Common Stock issued in July 1996 are subject to contractual vesting restrictions, which restrictions begin to lapse in April 1998.

Pursuant to the Registration Rights Agreement, the QTIP Trust, which after the Split-Off will hold 69,099,259 shares of Class B Common Stock, has certain demand registration rights with respect to all or any portion (subject to certain minimum thresholds) of the shares of Class B Common Stock owned by the QTIP Trust, one or more of the other Ingram Family Stockholders and certain of their permitted transferees on up to three occasions during the 84-month period following the closing of this offering; provided that the Company shall not be obligated to effect (i) any registration requested by the QTIP Trust unless the QTIP Trust has furnished the Company with an opinion of counsel to the effect that such registration and any subsequent sale will not affect the tax-free nature of the Split-Off or (ii) more than one demand registration during any 12-month period. The Registration Rights Agreement also grants one demand registration right (subject to certain minimum thresholds) to members of the Ingram family holding, at the time of the Split-Off, approximately 18,210,000 shares of Class B Common Stock (which may only be exercised within the 84-month period following the closing of this offering). All holders of such demand registration rights are subject to the lock-up agreements described below, and therefore are restricted from selling any shares during the 180-day period following the date of this Prospectus. In addition, the Registration Rights Agreement grants one demand registration right to certain minority stockholders of the Company, if a change of control of the Company occurs following the closing of this offering but prior to the second anniversary of the Split-Off Date. The minority stockholders will not be entitled to this registration right if they were offered the opportunity to participate in the change of control transaction.

In addition, the Registration Rights Agreement provides that the recipients of Class B Common Stock received in the Split-Off will be entitled to unlimited "piggyback" registration rights in connection with any proposed registration of equity securities by the Company (with certain specified exceptions) during the 84-month period following the closing of this offering. Employees who received shares in the Employee Offering, holders of restricted stock granted at the time of the Employee Offering, and persons who have exercised Rollover Stock Options, are bound by the provisions of the Registration Rights Agreement as if such employees were parties thereto, and are entitled to the "piggyback" registration rights provided therein, with respect to the portion of their shares of Common Equity that is no longer subject to restrictions.

Pursuant to the Thrift Plan Liquidity Agreement, the Thrift Plan has certain rights to require the Company to purchase such shares of Class B Common Stock as are required to be sold by the Thrift Plan in order to comply with the requirements of ERISA or are necessary to fund distributions to Thrift Plan participants, if the Company does not arrange for the registration of such shares. Of the 10,007,000 shares of Class B Common Stock held by the Thrift Plan, 9,207,000 shares will be subject to the lock-up agreements described below.

Immediately following the closing of the Combined Offering, there will be outstanding options exercisable for approximately 21,000,000 shares of Common Equity. Of such options, approximately 2,600,000 Rollover Stock Options and 200,000 options granted to Mr. Stead will be exercisable immediately after the closing of the Combined Offering for shares of Common Stock, although shares issuable upon exercise of approximately 1,000,000 of such options will be subject to the lock-up agreements described below. In addition, approximately 1,350,000 Rollover Stock Options will become exercisable on or prior to May 1, 1997, although the shares issuable upon exercise of approximately 600,000 of such Rollover Stock Options will be subject to the lock-up agreements described below. In addition, on April 1, 1997, options granted to non-officers of the Company pursuant to the 1996 Plan will become exercisable for approximately 700,000 shares of Class B Common Stock, none of which will be subject to the lock-up agreements described below. The Company has filed a registration statement on Form S-1 under the Securities Act covering shares issuable upon exercise of Rollover Stock Options exercisable on or prior to January 1, 1997. The Company also intends to file a registration statement on Form S-8 covering all Rollover Stock Options held by employees of the Company, as well as a registration statement on Form S-8 covering all options granted under the 1996 Plan. Shares registered under such registration statements will, subject to Rule 144 volume limitations applicable to affiliates, be available for sale in the open market, unless such shares are subject to vesting restrictions with the Company or the lock-up agreements described below. See "Management -- 1996 Plan" and "-- Rollover Plan; Incentive Stock Units."

The Company and its directors and executive officers, and certain stockholders of the Company, have agreed, subject to certain exceptions, not to offer, sell, contract to sell or otherwise dispose of any Common Stock for a period of 180 days after the date of this Prospectus without the prior written consent of Morgan Stanley & Co. Incorporated. Morgan Stanley & Co. Incorporated has informed the Company that it has no present intention to consent to any such transactions. Of the 107,251,362 shares of Class B Common Stock to be received in the Split-Off, all but 3,855,892 shares are subject to such lock-up agreements. Each holder of shares received in the Split-Off, in order to obtain the private letter ruling from the IRS, has represented in the Exchange Agreement that there is no plan or intention by such holder to sell, exchange, transfer by gift or otherwise dispose of any of such holder's Class B Common Stock subsequent to the Split-Off. As described above, all such shares are subject to restrictions on resale under Rule 144, including a two-year holding period. However, 800,000 of such 3,855,892 shares are held by the Thrift Plan, which has the registration rights described above, and therefore such shares may be registered and be eligible for immediate resale under certain limited circumstances. In addition, certain minority stockholders may have demand registration rights under the Registration Rights Agreement upon a change of control, as described above.

Prior to this offering, there has not been any public market for either class of the Common Equity. No prediction can be made as to the effect, if any, that market sales of shares or the availability of shares for sale will have on the market price prevailing from time to time. Sales of substantial additional amounts of Common Equity in the public market, or the perception that such sales could occur, could adversely affect the prevailing market price of the Common Stock.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a discussion of the material U.S. federal income and estate tax consequences of the ownership and disposition of Common Stock by a "Non-U.S. Holder." A "Non-U.S. Holder" is a person or entity that, for U.S. federal income tax purposes, is a non-resident alien individual, a foreign corporation, a foreign partnership, or a non-resident fiduciary of a foreign estate or trust.

This discussion is based on the Code, and administrative interpretations as of the date hereof, all of which are subject to change, including changes with retroactive effect. This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to Non-U.S. Holders in light of their particular circumstances and does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction.

Proposed United States Treasury Regulations were issued on April 15, 1996 (the "Proposed Regulations") which, if adopted, would affect the United States taxation of dividends paid to a Non-U.S. Holder on Common Stock. The Proposed Regulations are generally proposed to be effective with respect to dividends paid after December 31, 1997, subject to certain transition rules. The discussion below is not intended to be a complete discussion of the provisions of the Proposed Regulations, and prospective investors are urged to consult their tax advisors with respect to the effect the Proposed Regulations would have if adopted.

Prospective holders should consult their tax advisors with respect to the particular tax consequences to them of owning and disposing of Common Stock, including the consequences under U.S. federal law as well as under the laws of any state, local or foreign jurisdiction.

DIVIDENDS

Subject to the discussion below, dividends paid to a Non-U.S. Holder of Common Stock generally will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. For purposes of determining whether tax is to be withheld at a 30% rate or at a reduced rate as specified by an income tax treaty, the Company ordinarily will presume that dividends paid to an address in a foreign country are paid to a resident of such country absent knowledge that such presumption is not warranted.

Under the Proposed Regulations, to obtain a reduced rate of withholding under a treaty, a Non-U.S. Holder would generally be required to provide a Form W-8 certifying such Non-U.S. Holder's entitlement to benefits under a treaty. The Proposed Regulations would also provide special rules to determine whether, for purposes of determining the applicability of a tax treaty, dividends paid to a Non-U.S. Holder that is an entity should be treated as paid to the entity or those holding an interest in that entity.

There will be no withholding tax on dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States if the Non-U.S. Holder files a valid Form 4224 (or, if and when the Proposed Regulations become effective, a Form W-8) stating that the dividends are so connected. Instead, the effectively connected dividends will be subject to regular U.S. income tax in the same manner as if the Non-U.S. Holder were a U.S. resident. A non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits tax" which is imposed, under certain circumstances, at a rate of 30% (or such lower rate as may be specified by an applicable treaty) of the non-U.S. corporation's effectively connected earnings and profits, subject to certain adjustments.

Generally, the Company must report to the IRS the amount of dividends paid, the name and address of the recipient, and the amount, if any, of tax withheld. A similar report is sent to the holder. Pursuant to tax treaties or certain other agreements, the IRS may make its reports available to tax authorities in the recipient's country of residence.

Dividends paid to a Non-U.S. Holder at an address within the United States may be subject to backup withholding imposed at a rate of 31% if the Non-U.S. Holder fails to establish that it is entitled to an exemption or to provide a correct taxpayer identification number and certain other information. The Proposed Regulations would, if adopted, alter the foregoing rules in certain respects, including by providing certain

presumptions under which a Non-U.S. Holder would be subject to backup withholding in the absence of the certification from the holder as to non-U.S. status, regardless of whether dividends are paid to a U.S. or non-U.S. address.

GAIN ON DISPOSITION OF COMMON STOCK

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to gain realized on a sale or other disposition of Common Stock unless (i) the gain is effectively connected with a trade or business of such holder in the United States, (ii) in the case of certain Non-U.S. Holders who are non-resident alien individuals and hold the Common Stock as a capital asset, such individual is present in the United States for 183 or more days in the taxable year of the disposition, (iii) the Non-U.S. Holder is subject to tax pursuant to the provisions of the Code regarding the taxation of U.S. expatriates, or (iv) the Company is or has been a "U.S. real property holding corporation" within the meaning of Section 897(c)(2) of the Code at any time within the shorter of the five-year period preceding such disposition or such holder's holding period. The Company is not, and does not anticipate becoming, a U.S. real property holding corporation.

INFORMATION REPORTING REQUIREMENTS AND BACKUP WITHHOLDING ON DISPOSITION OF COMMON STOCK

Under current United States federal income tax law, information reporting and backup withholding imposed at a rate of 31% will apply to the proceeds of a disposition of Common Stock paid to or through a U.S. office of a broker unless the disposing holder certifies as to its non-U.S. status or otherwise establishes an exemption. Generally, U.S. information reporting and backup withholding will not apply to a payment of disposition proceeds if the payment is made outside the United States through a non-U.S. office of a non-U.S. broker. However, U.S. information reporting requirements (but not backup withholding) will apply to a payment of disposition proceeds outside the United States if (A) the payment is made through an office outside the United States of a broker that is either (i) a U.S. person, (ii) a foreign person which derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States or (iii) a "controlled foreign corporation" for U.S. federal income tax purposes and (B) the broker fails to maintain documentary evidence that the holder is a Non-U.S. Holder and that certain conditions are met, or that the holder otherwise is entitled to an exemption.

The Proposed Regulations would, if adopted, alter the foregoing rules in certain respects. Among other things, the Proposed Regulations would provide certain presumptions under which a Non-U.S. Holder would be subject to backup withholding in the absence of certification from the holder as to non-U.S. status.

Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is furnished to the IRS.

FEDERAL ESTATE TAX

An individual Non-U.S. Holder who is treated as the owner of, or has made certain lifetime transfers of, an interest in the Common Stock will be required to include the value thereof in his gross estate for U.S. federal estate tax purposes, and may be subject to U.S. federal estate tax unless an applicable estate tax treaty provides otherwise.

UNDERWRITERS

Under the terms and subject to the conditions in an Underwriting Agreement dated the date hereof (the "Underwriting Agreement"), the U.S. Underwriters named below, for whom Morgan Stanley & Co. Incorporated, The Robinson-Humphrey Company, Inc., Alex. Brown & Sons Incorporated, Hambrecht & Quist LLC, and J.C. Bradford & Co. are serving as U.S. Representatives, and the International Underwriters named below, for whom Morgan Stanley & Co. International Limited, The Robinson-Humphrey Company, Inc., Alex. Brown & Sons Incorporated, and Hambrecht & Quist LLC are serving as International Representatives, have severally agreed to purchase, and the Company has agreed to sell to them severally, the respective number of shares of Common Stock set forth opposite the name of each Underwriter below:

NAME	NUMBER OF SHARES
U.S. Underwriters:	
Morgan Stanley & Co. Incorporated	
The Robinson-Humphrey Company, Inc	
Alex. Brown & Sons Incorporated	
Hambrecht & Quist LLC	
J.C. Bradford & Co	
Subtotal	16,000,000
International Underwriters:	
Morgan Stanley & Co. International Limited	
The Robinson-Humphrey Company, Inc	
Alex. Brown & Sons Incorporated	
Hambrecht & Quist LLC	
Subtotal	4,000,000
Total	20,000,000

The U.S. Underwriters and the International Underwriters are collectively referred to as the "Underwriters." The U.S. Representatives and the International Representatives are collectively referred to as the "Representatives." The Underwriting Agreement provides that the obligations of the several Underwriters to pay for and accept delivery of the shares of Common Stock offered hereby are subject to the approval of certain legal matters by their counsel and to certain other conditions. The Underwriters are obligated to take and pay for all the shares of Common Stock offered hereby (other than those covered by the over-allotment option described below) if any such shares are taken.

Pursuant to the Agreement Between U.S. and International Underwriters, each U.S. Underwriter has represented and agreed that, with certain exceptions set forth below, (a) it is not purchasing any U.S. Shares (as defined below) for the account of anyone other than a United States or Canadian Person (as defined

below) and (b) it has not offered or sold, and will not offer or sell, directly or indirectly, any U.S. Shares or distribute any prospectus outside the United States and Canada or to anyone other than a United States or Canadian Person. Pursuant to the Agreement Between U.S. and International Underwriters, each International Underwriter has represented and agreed that, with certain exceptions set forth below, (a) it is not purchasing any International Shares (as defined below) for the account of any United States or Canadian Person and (b) it has not offered or sold, and will not offer or sell, directly or indirectly, any International Shares or distribute any prospectus relating to the International Shares within the United States or Canada or to any United States or Canadian Person. With respect to any of The Robinson-Humphrey Company, Inc., Alex. Brown & Sons Incorporated, and Hambrecht & Quist LLC, the foregoing representations or agreements (i) made by it in its capacity as a U.S. Underwriter shall apply only to shares of Common Stock purchased by it in its capacity as a U.S. Underwriter, (ii) made by it in its capacity as an International Underwriter shall apply only to shares of Common Stock purchased by it in its capacity as an International Underwriter, and (iii) shall not restrict its ability to distribute any prospectus relating to the shares of Common Stock to any person. The foregoing limitations do not apply to stabilization transactions or to certain transactions specified in the Agreement Between U.S. and International Underwriters. As used herein, "United States or Canadian Person" means any national or resident of the United States or Canada, or any corporation, pension, profit-sharing or other trust or other entity organized under the laws of the United States or Canada or of any political subdivision thereof (other than a branch located outside the United States and Canada of any United States or Canadian Person) and includes any United States or Canadian branch of a person who is otherwise not a United States or Canadian Person. All shares of Common Stock to be purchased by the U.S. Underwriters and the International Underwriters are referred to herein as the "U.S. Shares" and the "International Shares," respectively.

Pursuant to the Agreement Between U.S. and International Underwriters, sales may be made between the U.S. Underwriters and International Underwriters of any number of shares of Common Stock to be purchased pursuant to the Underwriting Agreement as may be mutually agreed. The per share price of any shares so sold shall be the Price to Public set forth on the cover page hereof, in United States dollars, less an amount not greater than the per share amount of the concession to dealers set forth below.

Pursuant to the Agreement Between U.S. and International Underwriters, each U.S. Underwriter has represented that it has not offered or sold, and has agreed not to offer or sell, any shares of Common Stock, directly or indirectly, in Canada in contravention of the securities laws of Canada or any province or territory thereof and has represented that any offer of shares of Common Stock in Canada will be made only pursuant to an exemption from the requirement to file a prospectus in the province or territory of Canada in which such offer is made. Each U.S. Underwriter has further agreed to send to any dealer who purchases from it any shares of Common Stock a notice stating in substance that, by purchasing such shares of Common Stock, such dealer represents and agrees that it has not offered or sold, and will not offer or sell, directly or indirectly, any of such shares of Common Stock in Canada or to, or for the benefit of, any resident of Canada in contravention of the securities laws of Canada or any province or territory thereof and that any offer of shares of Common Stock in Canada will be made only pursuant to an exemption from the requirement to file a prospectus in the province or territory of Canada in which such offer is made, and that such dealer will deliver to any other dealer to whom it sells any of such shares of Common Stock a notice to the foregoing effect.

Pursuant to the Agreement Between U.S. and International Underwriters, each International Underwriter has represented and agreed that (i) it has not offered or sold and during the period of six months after the date hereof will not offer or sell any shares of Common Stock to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of Public Offers of Securities Regulations 1995 (the "Regulations"); (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 and the Regulations with respect to anything done by it in relation to the shares of Common Stock offered hereby in, from or otherwise involving the United Kingdom; and (iii) it has only issued or passed on and will only issue or pass on to any person in the United Kingdom any document received by it in connection with the offer of the shares of Common Stock, other than any

document which consists of, or is part of, listing particulars, supplementary listing particulars, or any other document required or permitted to be published by listing rules under Article IV of the Financial Services Act 1986, if that person is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1995, or is a person to whom such document may otherwise lawfully be issued or passed on.

Pursuant to the Agreement Between U.S. and International Underwriters, each International Underwriter has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, in Japan or to or for the account of any resident thereof, any of the shares of Common Stock acquired in connection with this offering, except for offers or sales to Japanese International Underwriters or dealers and except pursuant to any exemption from the registration requirements of the Securities and Exchange Law of Japan. Each International Underwriter has further agreed to send to any dealer who purchases from it any of the shares of Common Stock a notice stating in substance that such dealer may not offer or sell any of such shares, directly or indirectly, in Japan or to or for the account of any resident thereof except pursuant to any exemption from the registration requirements of the Securities and Exchange Law of Japan, and that such dealer must send to any other dealer to whom it sells any of such shares of Common Stock a notice to the foregoing effect.

The Underwriters initially propose to offer part of the shares of Common Stock directly to the public at the price to public set forth on the cover page hereof and part to certain dealers at a price that represents a concession not in excess of $ per share under the price to public. The Underwriters may allow, and such dealers may reallow, a concession not in excess of $ per share to other Underwriters or to certain dealers. After the initial offering of the shares of Common Stock, the offering price and other selling terms may from time to time be varied by the Representatives.

Pursuant to the Underwriting Agreement, the Company has granted to the U.S. Underwriters an option, exercisable for 30 days from the date hereof, to purchase up to 3,000,000 additional shares of Common Stock at the price to public set forth on the cover page of this Prospectus, less underwriting discounts and commissions. The U.S. Underwriters may exercise such option solely for the purpose of covering over-allotments, if any, incurred in the sale of the shares of Common Stock offered hereby. To the extent that such option is exercised, each U.S. Underwriter will become obligated, subject to certain conditions, to purchase approximately the same percentage of such additional shares as the number of shares to be purchased and offered by such U.S. Underwriter in the above table bears to the total number of initial shares to be purchased by the U.S. Underwriters.

The Common Stock has been approved for listing, subject to official notice of issuance, on the New York Stock Exchange under the symbol "IM." The Underwriters intend to sell shares of the Common Stock to a minimum of 2,000 beneficial owners in lots of 100 or more so as to meet the distribution requirements of such listing.

At the Company's request, the Underwriters have reserved for sale, at the price to public set forth on the cover page hereof, up to 2,300,000 shares offered hereby (including approximately shares that will be sold directly by the Company to certain of its Company's Canadian employees, pursuant to which the Underwriters will receive an advisory fee as part of such placement by the Company) for directors, officers, employees, business associates, related persons of the Company and its subsidiaries, and Ingram Industries. The number of shares of Common Stock available for sale to the general public will be reduced to the extent such persons purchase such reserved shares. Any reserved shares which are not so purchased will be offered by the Underwriters to the general public on the same basis as the other shares offered hereby. See "Employee and Priority Offers."

The Company and its directors and executive officers, and certain stockholders of the Company, have agreed that they will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other

securities, in cash or otherwise, for a period of 180 days after the date of this Prospectus, without the prior written consent of Morgan Stanley & Co. Incorporated, other than (i) the sale to the Underwriters of any shares of Common Stock pursuant to the Underwriting Agreement, (ii) the grant of options or issuance of stock upon the exercise of outstanding stock options pursuant to the Company's stock option plans or (iii) an exception for the Thrift Plan allowing for the sale of up to 800,000 shares. See "Shares Eligible for Future Sale." Morgan Stanley & Co. Incorporated has informed the Company that it has no present intention to provide a waiver from the 180-day lock-up period for the Company and its directors, executive officers and stockholders who have agreed to such lock-ups.

The Representatives have informed the Company that the Underwriters do not intend sales to discretionary accounts to exceed five percent of the total number of shares of Common Stock offered by them.

The Company and the Underwriters have agreed in the Underwriting Agreement to indemnify each other against certain liabilities, including liabilities under the Securities Act.

From time to time each of Morgan Stanley & Co. Incorporated, The Robinson-Humphrey Company, Inc., and J.C. Bradford & Co. has provided, and continues to provide, investment banking services to Ingram Industries and the Company.

PRICING OF OFFERING

Prior to this offering, there has been no public market for the shares of Common Stock of the Company. Consequently, the initial public offering price will be determined by negotiations between the Company and the Representatives. Among the factors considered in determining the initial public offering price will be the Company's record of operations, the Company's current financial condition and future prospects, the experience of its management, the economics of the industry in general, the general condition of the equity securities market, and the market prices of similar securities of companies considered comparable to the Company. There can be no assurance that a regular trading market for the shares of Common Stock will develop after this offering or, if developed, that a public trading market can be sustained. There can be no assurance that the prices at which the Common Stock will sell in the public market after this offering will not be lower than the price at which it is issued by the Underwriters in this offering.

LEGAL MATTERS

Certain legal matters with respect to the Common Stock offered hereby will be passed upon for the Company by Davis Polk & Wardwell, New York, New York and for the Underwriters by Wilson Sonsini Goodrich & Rosati, Palo Alto, California.

EXPERTS

The consolidated financial statements as of December 31, 1994 and December 30, 1995 and for each of the three fiscal years in the period ended December 30, 1995 included in this Prospectus have been so included in reliance on the report of Price Waterhouse LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

ADDITIONAL INFORMATION

Prior to this offering, the Company has not been subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-1 (together with any amendments thereto, the "Registration Statement") under the Securities Act of 1933, as amended, with respect to the shares of Common Stock being offered hereby. This Prospectus, which is part of the Registration Statement, does not contain all of the information set forth in the Registration Statement and the exhibits and schedules thereto, certain items of which are omitted as permitted by the Rules and Regulations of the Commission. Statements contained in this Prospectus as to the contents of any contract or other document referred to herein are not necessarily complete, and in each instance in which a copy of such contract or other document has been filed as an exhibit to the Registration Statement, reference is made to such copy and each such statement is qualified in all respects by such reference.

As a result of this offering, the Company will be subject to the informational requirements of the Exchange Act, and, in accordance therewith, will file reports and other information with the Commission. A copy of the Registration Statement, the exhibits and schedules forming a part thereof and the reports and other information filed by the Company in accordance with the Exchange Act may be inspected without charge at the offices of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 and at certain regional offices of the Commission located at Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661 and 7 World Trade Center, 13th Floor, New York, New York 10048. Copies of such material may also be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, upon payment of the fees prescribed by the Commission. Such material may also be accessed electronically by means of the Commission's home page on the Internet at http://www.sec.gov.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and
Stockholder of Ingram Micro Inc.

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of stockholder's equity and of cash flows present fairly, in all material respects, the financial position of Ingram Micro Inc. (a wholly-owned subsidiary of Ingram Industries Inc.) and its subsidiaries at December 31, 1994 and December 30, 1995, and the results of their operations and their cash flows for each of the three years in the period ended December 30, 1995, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

PRICE WATERHOUSE LLP

Nashville, Tennessee
February 29, 1996, except
Note 12 as to which the date is September 9, 1996

and Note 2 as to which the date is October 29, 1996

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

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

	FISCAL PERIOD END		
	1994	1995	SEPTEMBER 28, 1996 (UNAUDITED)
ASSETS			
Current assets:			
Cash	$ 58,369	$ 56,916	$ 43,196
Trade accounts receivable (less allowances of $25,668 in 1994, $30,791 in 1995 and $38,069 in 1996)	745,910	1,071,275	1,127,937
Inventories	995,880	1,582,922	1,382,122
Other current assets	68,717	88,503	115,243
Total current assets	1,868,876	2,799,616	2,668,498
Property and equipment, net	58,285	89,126	127,984
Goodwill, net	33,481	29,871	27,785
Other	13,647	22,285	19,445
Total assets	$1,974,289	$2,940,898	$ 2,843,712
LIABILITIES AND STOCKHOLDER'S EQUITY			
Current liabilities:			
Accounts payable	$1,100,598	$1,652,073	$ 1,670,358
Accrued expenses	94,505	121,572	153,598
Current maturities of long-term debt	10,724	6,332	16,458
Total current liabilities	1,205,827	1,779,977	1,840,414
Long-term debt	92,204	170,424	128,855
Due to Ingram Industries	449,355	673,792	479,703
Other	3,434	5,697	8,572
Total liabilities	1,750,820	2,629,890	2,457,544
Minority interest	2,125	213	2,956
Commitments and contingencies (Note 8)			
Redeemable Class B Common Stock	--	--	17,223
Stockholder's 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; no shares issued and outstanding	--	--	--
Class B Common Stock, $0.01 par value, 135,000,000 shares authorized; 109,813,762 shares issued and outstanding (including 2,460,400 redeemable shares)	1,073	1,073	1,074
Additional paid in capital	22,427	22,427	23,140
Retained earnings	197,815	282,122	339,689
Cumulative translation adjustment	29	5,173	2,680
Unearned compensation	--	--	(594)
Total stockholder's equity	221,344	310,795	365,989
Total liabilities and stockholder's equity	$1,974,289	$2,940,898	$ 2,843,712

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

CONSOLIDATED STATEMENT OF INCOME
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	FISCAL YEAR			THIRTY-NINE WEEKS ENDED	
	1993	1994	1995	SEPTEMBER 30, 1995	SEPTEMBER 28, 1996
				(UNAUDITED)	
Net sales	$4,044,169	$5,830,199	$8,616,867	$6,070,722	$8,474,710
Cost of sales	3,714,527	5,391,224	8,011,181	5,648,210	7,900,223
Gross profit	329,642	438,975	605,686	422,512	574,487
Expenses:					
Selling, general and administrative	225,047	296,330	415,344	296,079	386,492
Charges allocated from Ingram Industries	1,567	2,355	3,461	2,561	3,259
Non-cash compensation charge					8,859
	226,614	298,685	418,805	298,640	398,610
Income from operations	103,028	140,290	186,881	123,872	175,877
Other (income) expense:					
Interest income	(407)	(937)	(3,479)	(3,049)	(1,188)
Interest expense	5,003	8,744	13,451	8,918	10,608
Interest expense charged by Ingram Industries	16,089	24,189	32,606	22,977	30,912
Net foreign currency exchange loss	111	6,873	7,751	6,572	447
Other	(623)	716	1,936	405	1,689
	20,173	39,585	52,265	35,823	42,468
Income before income taxes and minority interest	82,855	100,705	134,616	88,049	133,409
Provision for income taxes	31,660	39,604	53,143	34,755	55,459
Income before minority interest	51,195	61,101	81,473	53,294	77,950
Minority interest	840	(2,243)	(2,834)	(2,986)	383
Net income	$ 50,355	$ 63,344	$ 84,307	$ 56,280	$ 77,567
Earnings per share	$ 0.41	$ 0.52	$ 0.69	$ 0.46	$ 0.64

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

CONSOLIDATED STATEMENT OF STOCKHOLDER'S EQUITY
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	CLASS A COMMON STOCK		CLASS B COMMON STOCK		ADDITIONAL PAID IN	RETAINED	CUMULATIVE TRANSLATION	UNEARNED	
	SHARES	AMOUNT	SHARES	AMOUNT	CAPITAL	EARNINGS	ADJUSTMENT	COMPENSATION	TOTAL
JANUARY 2, 1993.....			107,251,362	$1,073	$ 22,427	$84,116	$ 1,802		$109,418
Translation adjustment.....							(4,314)		(4,314)
Net income.....						50,355			50,355
JANUARY 1, 1994.....			107,251,362	1,073	22,427	134,471	(2,512)		155,459
Translation adjustment.....							2,541		2,541
Net income.....						63,344			63,344
DECEMBER 31, 1994....			107,251,362	1,073	22,427	197,815	29		221,344
Translation adjustment.....							5,144		5,144
Net income.....						84,307			84,307
DECEMBER 30, 1995....			107,251,362	1,073	22,427	282,122	5,173		310,795
Distribution to Ingram Industries (unaudited).....						(20,000)			(20,000)
Grant of restricted Class B Common Stock (unaudited).....			102,000	1	713			(714)	
Amortization of unearned compensation (unaudited).....								120	120
Translation adjustment (unaudited).....							(2,493)		(2,493)
Net income (unaudited).....						77,567			77,567
SEPTEMBER 28, 1996 (UNAUDITED).....			107,353,362	$1,074	$ 23,140	$339,689	$ 2,680	$ (594)	$365,989

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

CONSOLIDATED STATEMENT OF CASH FLOWS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	FISCAL YEAR			THIRTY-NINE WEEKS ENDED	
	1993	1994	1995	SEPTEMBER 30, 1995	SEPTEMBER 28, 1996
				(UNAUDITED)	
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Net income	$ 50,355	$ 63,344	$ 84,307	$ 56,280	$ 77,567
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation and amortization	12,918	18,675	25,394	17,829	25,253
Deferred income taxes	(5,719)	(4,668)	(8,632)	(8,475)	(3,144)
Minority interest	840	(2,243)	(2,834)	(2,986)	383
Non-cash compensation charge					8,859
Changes in operating assets and liabilities, net of effects of acquisitions:					
Trade accounts receivable	(161,097)	(232,268)	(320,177)	(151,854)	(63,799)
Inventories	(143,738)	(345,511)	(580,116)	(481,072)	194,288
Other current assets	(2,881)	(12,846)	(15,877)	(20,929)	(16,280)
Accounts payable	184,787	411,012	543,822	612,038	25,890
Accrued expenses	22,830	17,452	22,828	11,651	24,235
Cash provided (used) by operating activities	(41,705)	(87,053)	(251,285)	32,482	273,252
CASH PROVIDED (USED) BY INVESTING ACTIVITIES:					
Purchase of property and equipment	(21,311)	(31,286)	(52,985)	(37,219)	(62,503)
Acquisitions, net of cash acquired	(21,447)	(15,088)			
Other	2,062	3,765	4,188	1,124	(2,034)
Cash used by investing activities	(40,696)	(42,609)	(48,797)	(36,095)	(64,537)
CASH PROVIDED (USED) BY FINANCING ACTIVITIES:					
Proceeds from sale of Class B Common Stock					17,223
Increase (decrease) in borrowings from Ingram Industries	83,635	103,580	224,437	(36,196)	(194,090)
Proceeds (repayment) of debt	1,410	(4,930)	(838)	97	2,481
Net borrowings under revolving credit facility	16,388	44,636	74,666	19,039	(29,612)
Distribution to Ingram Industries					(20,000)
Minority interest investment					2,400
Cash provided (used) by financing activities	101,433	143,286	298,265	(17,060)	(221,598)
Effect of exchange rate changes on cash	84	354	364	399	(837)
Increase (decrease) in cash	19,116	13,978	(1,453)	(20,274)	(13,720)
Cash, beginning of year	25,275	44,391	58,369	58,369	56,916
Cash, end of period or year	$ 44,391	$ 58,369	$ 56,916	$ 38,095	$ 43,196
Supplementary disclosure of cash flow information:					
CASH PAYMENTS DURING THE PERIOD:					
Interest	$ 20,738	$ 32,528	$ 45,164	$ 31,066	$ 41,814
Income taxes	34,906	47,152	54,506	38,843	60,090

Cash payments include payments made to Ingram Industries for interest and U.S. income taxes

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

NOTE 1 -- ORGANIZATION AND BASIS OF PRESENTATION

Ingram Micro Inc. (the "Company" or "Ingram Micro"), formerly Ingram Micro Holdings Inc. (refer to Note 12), is primarily engaged in wholesale distribution and marketing of microcomputer hardware and software products. The Company conducts the majority of its operations in North America and Europe. The Company is a wholly-owned subsidiary of Ingram Industries Inc. ("Ingram Industries"). In September 1995, Ingram Industries announced its intention to reorganize into three separate companies in a tax-free reorganization. As part of the reorganization (the "Reorganization"), Ingram Industries will split-off the Company. The plan of reorganization is subject to, among other things, receipt of a satisfactory tax ruling from the Internal Revenue Service. The plan contemplates that certain of the Ingram Industries stockholders will exchange (the "Exchange") all or some of their shares of Ingram Industries for the outstanding shares of the Company held by Ingram Industries. The Exchange and those elements of the Reorganization contemplated to occur prior to the closing of the Company's initial public offering are referred to herein as the "Split-Off."

The accompanying consolidated financial statements have been prepared as if the Company had operated as an independent stand alone entity for all periods presented except the Company generally has not had significant borrowings in North America other than amounts due Ingram Industries. Refer to Notes 6 and 10 regarding related party transactions.

NOTE 2 -- SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies which conform to generally accepted accounting principles applied on a consistent basis between years, are described below:

Basis of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned and majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Fiscal Year

The fiscal year of the Company is a 52 or 53 week period ending on the Saturday nearest to December 31. All references herein to "1993," "1994" and "1995" represent the 52 week fiscal years ended January 1, 1994, December 31, 1994 and December 30, 1995, respectively.

Accounting Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, disclosure of contingent liabilities at financial statement date and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Outstanding checks of $119,627 in 1994 and $72,868 in 1995 are included in accounts payable.

Revenue Recognition

Revenue is recognized at the time of product shipment. The Company, under specified conditions, permits its customers to return or exchange products. The provision for estimated sales returns is recorded concurrently with the recognition of revenue.

Vendor Programs

Funds received from vendors for price protection, product rebates, marketing or training programs are recorded net of direct costs as adjustments to product costs, reduction of selling, general and administrative expenses or revenue according to the nature of the program.

The Company does not provide warranty coverage of its product sales. However, to maintain customer relations, the Company facilitates domestic vendor warranty policies by accepting for exchange, with the Company's prior approval, most defective products within 90 days of invoicing. Defective products received by the Company are subsequently returned to the vendor for credit or replacement.

The Company generated approximately 17% of its sales in fiscal 1993, 18% in 1994 and 23% in 1995 from products purchased from two vendors.

Inventories

Inventories are stated at the lower of average cost or market.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the following estimated useful lives. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life:

Leasehold improvements	3-12 years
Distribution equipment	5-7 years
Computer equipment	2-5 years

Maintenance, repairs and minor renewals are charged to expense as incurred. Additions, major renewals and betterments to property and equipment are capitalized. Realization of carrying value is assessed periodically.

Goodwill

Goodwill is amortized on a straight-line basis over periods ranging from five to twenty years. Accumulated amortization was $9,846 at December 31, 1994 and $13,576 at December 30, 1995. The Company evaluates the recoverability of goodwill and reviews the amortization periods on an annual basis. Recoverability is measured on the basis of anticipated undiscounted cash flows from operations. At December 31, 1994 and December 30, 1995, no impairment was indicated.

Income Taxes

The temporary differences between the financial reporting basis and the income tax basis of the Company's assets and liabilities are provided in accordance with Statement of Financial Accounting Standards No. 109.

Foreign Currency Translation

Financial statements of foreign subsidiaries are translated into U.S. dollars using the exchange rate at each balance sheet date for assets and liabilities and a weighted average exchange rate for each period for results of foreign operations. Translation adjustments are recorded as a separate component of stockholder's equity when the local currency is the functional currency. Translation adjustments are recorded in income when the U.S. dollar is the functional currency. The U.S. dollar is the functional currency for the Company's subsidiaries in Mexico and Singapore.

Financial Instruments

The carrying amounts of cash, accounts receivable, accounts payable and other accrued expenses approximate fair value because of the short maturity of these items.

The carrying amounts of intercompany payables and debt issued pursuant to bank credit agreements approximate fair value because interest rates on these instruments approximate current market interest rates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of trade accounts receivable and derivative financial instruments. Credit risk with respect to trade accounts receivable is limited due to the large number of customers and their dispersion across geographic areas. The Company sells its products primarily in the United States, Europe, Canada and Mexico. The Company performs ongoing credit evaluations of its customers' financial condition, utilizes flooring arrangements with third party financing companies, obtains credit insurance in certain locations and requires collateral in certain circumstances. The Company maintains an allowance for potential credit losses.

Derivative Financial Instruments

The Company operates internationally with distribution facilities in various locations around the world. The Company uses derivative financial instruments to reduce its exposure to fluctuations in interest rates and foreign exchange rates by creating offsetting positions through the use of derivative financial instruments. The market risk related to the foreign exchange agreements is offset by changes in the valuation of the underlying items being hedged. The majority of the Company's derivative financial instruments have terms of 90 days or less. The Company currently does not use derivative financial instruments for trading or speculative purposes, nor is the Company a party to leveraged derivatives.

Derivative financial instruments are accounted for on an accrual basis. Income and expense are recorded in the same category as that arising from the related asset or liability being hedged. Gains and losses resulting from effective hedges of existing assets, liabilities or firm commitments are deferred and recognized when the offsetting gain and losses are recognized on the related hedged items. Written foreign currency options are used to mitigate currency risk in conjunction with purchased options. Gains or losses on written foreign currency options are adjusted to market value at the end of each accounting period and have not been material to date.

The notional amount of forward exchange contracts and options is the amount of foreign currency bought or sold at maturity. The notional amount of currency interest rate swaps is the underlying principal and currency amounts used in determining the interest payments exchanged over the life of the swap. Notional amounts are indicative of the extent of the Company's involvement in the various types and uses of derivative financial instruments and are not a measure of the Company's exposure to credit or market risks through its

use of derivatives. The estimated fair value of derivative financial instruments represents the amount required to enter into like off-setting contracts with similar remaining maturities based on quoted market prices.

Credit exposure is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the obligations of the Company to the counterparties. Potential credit losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions and other contract provisions.

Derivative financial instruments comprise the following:

	1994		1995	
	NOTIONAL AMOUNTS	ESTIMATED FAIR VALUE	NOTIONAL AMOUNTS	ESTIMATED FAIR VALUE
Foreign exchange forward contracts.....	$ 44,586	$ (384)	$109,218	$ (1,971)
Purchased foreign currency options.....	55,979	699	75,928	485
Written foreign currency options	77,298	(25)	121,183	(615)
Currency interest rate swaps.....	9,823	(543)	25,655	(1,056)

Employee Benefits

The Company participates in Ingram Industries' defined contribution plan covering substantially all U.S. employees. The plan permits eligible employees to make contributions up to certain limits and receive employer matching at stipulated percentages. The Company's contributions charged to expense were $716 in fiscal 1993, $764 in 1994 and $1,399 in 1995.

As a result of the Split-Off described in Note 1, the Company will establish its own employee benefit plans.

Earnings Per Share

Historical earnings per share data reflects the Company's capital structure as a result of the formation of the Delaware corporation in preparation for the Split-Off described in Notes 1 and 12. Earnings per share is determined based on the number of shares the Company is expected to have after the Split-Off (107,251,362) in addition to all dilutive common stock and common stock equivalent shares issued within 12 months of the public offering. Pursuant to the Securities and Exchange Commission Staff Accounting Bulletins and Staff policy, such shares are treated as if they were outstanding for all periods presented using the treasury stock method (14,155,229). The number of common shares used to compute the earnings per share amounts for each of the three fiscal years in the period ended December 30, 1995 and the thirty-nine weeks ended September 30, 1995 and September 28, 1996 was 121,406,591, 121,406,591, and 121,687,287, respectively.

Supplementary Earnings Per Share

Supplementary per share data (unaudited) is presented to give effect to the repayment of certain indebtedness assumed by the Company in satisfaction of amounts due to Ingram Industries. Net income is adjusted by $16,078 and $11,203 for 1995 and the thirty-nine weeks ended September 28, 1996, respectively, to reflect the reduction in interest expense (net of tax) related to the indebtedness assumed by the Company.

The weighted average shares outstanding used to calculate supplementary pro forma earnings per share are based on weighted average shares outstanding at December 30, 1995 and September 28, 1996, respectively, as adjusted for 20,200,000 shares of Class A Common Stock being sold in the Company's initial public offering to repay certain indebtedness of the Company.

Unaudited supplementary pro forma earnings per share for the fiscal periods ended December 30, 1995 and September 28, 1996 is $0.70 and $0.62, respectively.

Interim Financial Information

The accompanying interim financial statements have been prepared without audit, and certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted, although the Company believes that the disclosures herein are adequate to make information presented not misleading. These statements should be read in conjunction with the Company's financial statements for the year ended December 30, 1995. The results of operations for the thirty-nine week period is not necessarily indicative of results for the full year.

In the opinion of management, the accompanying interim financial statements contain all adjustments of a normal and recurring nature necessary for a fair presentation of the Company's financial position as of September 28, 1996, its results of operations for the thirty-nine weeks ended September 30, 1995 and September 28, 1996, and its cash flows for the thirty-nine weeks ended September 30, 1995 and September 28, 1996.

NOTE 3 -- ACQUISITIONS

The Company acquired 70% of the stock of Distribuidora de Computo, S.A. de C.V. ("Dicom"), in January 1993, for $9,327 cash and amounts payable to the sellers of $2,475. Dicom is located in Mexico and is engaged in wholesale distribution. The assets acquired were $32,383 and liabilities assumed were $21,468.

The Company also acquired four separate wholesale distributors in Germany, the United Kingdom, Belgium and the Netherlands in 1993. The combined consideration for the assets or common stock purchased was $12,120 cash and $2,364 of notes payable to sellers. The acquired companies had assets of $10,810 and liabilities of $80.

In April and August 1994, the Company acquired two separate wholesale distributors (Keylan S.A. and Datateam Sverige AB) with operations in Spain, Sweden, Denmark and Norway. The combined consideration paid was $15,088 cash and $5,279 of notes payable to the sellers. The acquired companies had assets of $48,748 and liabilities of $35,034.

The acquisitions described above have been accounted for using the purchase method of accounting. The purchase price has been allocated to the assets purchased and liabilities assumed based on fair values at the date of acquisition. The excess of the purchase price over fair value of net assets acquired in 1993 was $7,916 and in 1994 was $6,653 and was recorded as goodwill.

The operating results of these acquired businesses have been included in the consolidated statement of income from the date of acquisition. Pro forma results of operations have not been presented because the effects of these acquisitions were not significant.

NOTE 4 -- ACCOUNTS RECEIVABLE

Effective February 1993, the Company entered into an arrangement with Ingram Industries whereby the Company sells all of its domestic trade accounts receivable to Ingram Industries on an ongoing basis ($665,325 at December 30, 1995). Ingram Industries transfers certain trade accounts receivable from the Company and other Ingram Industries affiliates to a trust which sells certificates representing undivided interests in the total pool of trade receivables without recourse. Ingram Industries' arrangement with the trust extends to December 31, 1997 and renews biannually under an evergreen provision up to a maximum term of

twenty years. At December 31, 1994 and December 30, 1995, the accounts receivable and due to Ingram Industries amounts in the Company's consolidated balance sheet have not been reduced to reflect the sale of such receivables. As a result of the Split-Off described in Note 1, it is anticipated that Ingram Industries' accounts receivable securitization agreement will be assumed by the Company.

NOTE 5 -- PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	FISCAL PERIOD END		SEPTEMBER 28,
	1994	1995	1996
			(UNAUDITED)
Land	$ 2,274	$ 2,359	$ 11,431
Leasehold improvements	17,448	26,381	47,588
Distribution equipment	39,814	62,462	76,173
Computer equipment	40,579	59,161	76,922
	100,115	150,363	212,114
Accumulated depreciation	(41,830)	(61,237)	(84,130)
	$ 58,285	$ 89,126	$127,984

Depreciation expense was $10,927 in fiscal 1993, $15,756 in 1994 and $21,785 in 1995.

NOTE 6 -- LONG-TERM DEBT AND DUE TO INGRAM INDUSTRIES

Ingram Industries manages most treasury activities, including the arrangement of short-term and long-term financing on a centralized, consolidated basis. Using a centralized cash management system, the Company's domestic cash receipts are remitted to Ingram Industries and domestic cash disbursements are funded by Ingram Industries on a daily basis. The Company's historical financial statements reflect funding provided by Ingram Industries to the Company, and net cash used by the Company, as amounts due to Ingram Industries. At December 31, 1994 and December 30, 1995, amounts due to Ingram Industries are classified as long-term due to the terms of the underlying debt at Ingram Industries.

Ingram Industries charges the Company interest expense on the outstanding intercompany balance based on Ingram Industries' domestic weighted average cost of funds. The average rate was 6.93% in fiscal 1993, 6.99% in 1994 and 7.38% in 1995.

The Company and other Ingram Industries affiliates participate in Ingram Industries' unsecured revolving credit agreement with a syndicate of banks. Under this agreement, Ingram Industries and its affiliates may borrow in various currencies up to $380,000 at various money market and bid rates. The weighted average borrowing rate was 6.84% at December 31, 1994 and 7.00% at December 30, 1995. The agreement extends to December 31, 1999, and is renewable for an additional two year period during the year prior to expiration. The agreement is guaranteed by certain subsidiaries of the Company and other Ingram Industries affiliates. At December 30, 1995, outstanding aggregate borrowings were $229,716, of which $167,176 is specifically related to amounts drawn by the Company's subsidiaries.

The Company's subsidiaries outside the United States have lines of credit and short-term overdraft facilities aggregating $93,527 various banks worldwide. Most of these arrangements are reviewed periodically for renewal. At December 30, 1995, the Company had $5,782 outstanding under these facilities.

In addition to the guarantee described above, the Company has guaranteed certain other borrowings of Ingram Industries totaling $328,572. Included within this amount are (i) amounts outstanding on an unsecured temporary revolving credit facility that provides for borrowings up to $200,000 at specified variable rates and expires on the earlier of December 31, 1996 or five days after the successful completion of an initial public offering and (ii) $192,900 of fixed maturity, privately placed debt with maturities from November 1, 1996 to November 1, 2002. As a result of the Split-Off described in Notes 1 and 12, it is anticipated that certain of the debt facilities guaranteed will be assumed by the Company in satisfaction of the amounts payable to Ingram Industries.

Under the most restrictive provisions of the loan agreements, Ingram Industries is required to maintain certain levels of stockholders' equity, a certain current ratio and a certain debt to capital ratio and is subject to certain dividend restrictions. During 1994 and 1995, Ingram Industries was in compliance with the provisions of these agreements.

Long-term debt consists of the following:

	FISCAL PERIOD END		
	1994	1995	SEPTEMBER 28, 1996
			(UNAUDITED)
Revolving credit facility	$ 61,913	$141,521	$ 100,195
Overdraft facilities	10,724	5,782	13,184
Other	30,291	29,453	31,934
	102,928	176,756	145,313
Less current maturities of long-term debt	(10,724)	(6,332)	(16,458)
	$ 92,204	$170,424	$ 128,855

Annual maturities of long-term debt as of December 30, 1995 are as follows:

1996	$ 6,332
1997	10,187
1998	388
1999	157,743
2000 and thereafter	2,106
	$176,756

NOTE 7 -- INCOME TAXES

The components of income before taxes and minority interest consist of the following:

	FISCAL YEAR		
	1993	1994	1995
United States	$85,044	$ 99,701	$124,277
Foreign	(2,189)	1,004	10,339
Total	$82,855	$100,705	$134,616

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

The provision for income taxes consists of the following:

	FISCAL YEAR		
	1993	1994	1995
Current:			
Federal	$30,268	$35,989	$44,615
State	4,721	4,060	9,544
Foreign	2,390	4,223	7,616
	37,379	44,272	61,775
Deferred:			
Federal	(1,929)	(2,472)	(4,082)
State	(198)	136	(949)
Foreign	(3,592)	(2,332)	(3,601)
	(5,719)	(4,668)	(8,632)
Total income tax provision	$31,660	$39,604	$53,143

Deferred income taxes reflect the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	FISCAL PERIOD END		
	1993	1994	1995
Deferred tax assets:			
Tax in excess of book basis of foreign operations	$ 9,837	$13,816	$19,511
Accruals not currently deductible	7,840	9,275	12,734
Inventories	2,724	3,538	5,876
Other	293	263	492
Total	$20,694	$26,892	$38,613
Deferred tax liabilities:			
Depreciation	$ 1,324	$ 958	$ 1,564

Current deferred tax assets of $15,130 and $19,307 are included in other current assets at December 31, 1994 and December 30, 1995, respectively. Non-current deferred tax assets of $11,762 and $19,306 are included in other assets at December 31, 1994 and December 30, 1995, respectively.

Reconciliation of the statutory U.S. federal income tax rate to the Company's effective rate is as follows:

	FISCAL YEAR		
	1993	1994	1995
U.S. statutory rate	35.0%	35.0%	35.0%
State income taxes, net of federal income tax benefit	3.3	2.8	3.9
Other	(.1)	1.5	.6
Effective tax rate	38.2%	39.3%	39.5%

The Company is included in the consolidated federal income tax return filed by Ingram Industries. Taxes related to the Company are determined on a separate entity basis and taxes payable are remitted to Ingram Industries every two months. Taxes payable to Ingram Industries of $4,089 at December 31, 1994 and $14,303 at December 30, 1995 are included in accrued expenses in the consolidated balance sheet.

At December 30, 1995, the Company had foreign net operating tax loss carryforwards of $49,264 of which approximately one third have no expiration date.

The Company does not provide for U.S. federal income taxes on undistributed earnings of foreign subsidiaries as such earnings are intended to be permanently reinvested in those operations.

NOTE 8 -- COMMITMENTS AND CONTINGENCIES

There are various claims, lawsuits and pending actions against the Company incident to the Company's operations. It is the opinion of management that the ultimate resolution of these matters will not have a material effect on the Company's financial position or results of operations.

The Company has arrangements with certain finance companies which provide accounts receivable and inventory financing facilities for its customers. The Company assesses the financial stability of the finance companies and payment terms are within 3 to 30 days of product shipment. In conjunction with certain of these arrangements, the Company has inventory repurchase agreements with the finance companies that would require it to repurchase certain inventory which might be repossessed from the customers by the finance companies. Such repurchases have been insignificant to date.

The Company leases the majority of its facilities and certain equipment under noncancelable operating leases. Renewal and purchase options at fair values exist for a substantial portion of the leases. Rental expense for the years ended January 1, 1994, December 31, 1994 and December 30, 1995 was $11,939, $16,574 and $28,367, respectively. Future minimum rental commitments on operating leases that have remaining noncancelable lease terms in excess of one year as of December 30, 1995 are as follows:

1996	$21,507
1997	18,614
1998	16,693
1999	14,912
2000	9,912
Later years	54,104

INGRAM MICRO INC.
(A WHOLLY-OWNED SUBSIDIARY OF INGRAM INDUSTRIES INC.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

NOTE 9 -- SEGMENT INFORMATION

The Company operates predominantly in a single industry segment as a wholesale distributor of microcomputer hardware and software. Geographic areas in which the Company operates include the United States (United States and the majority of the Company's exports), Europe (Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Spain, Sweden and the United Kingdom) and Other (Canada, Mexico and Singapore). Transfers between geographic areas primarily represent intercompany sales and are accounted for based on established sales prices between the related companies. Net sales, income (loss) from operations and identifiable assets by geographic area are as follows:

	FISCAL YEAR		
	1993	1994	1995
NET SALES:			
United States:			
Sales to unaffiliated customers	$3,118,316	$4,122,338	$5,969,749
Transfers between geographic areas	60,358	76,696	86,961
Europe	485,126	1,078,250	1,849,129
Other	440,727	629,611	797,989
Eliminations	(60,358)	(76,696)	(86,961)
Total	$4,044,169	$5,830,199	$8,616,867
INCOME (LOSS) FROM OPERATIONS:			
United States	$ 98,669	$ 123,796	$ 156,749
Europe	(3,246)	8,079	19,576
Other	7,605	8,415	10,556
Total	$ 103,028	$ 140,290	$ 186,881
IDENTIFIABLE ASSETS:			
United States	$ 945,699	$1,381,798	$1,996,642
Europe	190,892	393,346	669,309
Other	159,772	199,145	274,947
Total	$1,296,363	$1,974,289	$2,940,898

No single customer accounts for 10% or more of the Company's net sales.

NOTE 10 -- TRANSACTIONS WITH RELATED PARTIES

Ingram Industries provides certain corporate, general and administrative services to the Company in addition to treasury activities described in Note 6 (including, but not limited to, legal, tax, employee benefits and electronic data processing services). Charges for these services are based upon utilization and at amounts which management believes are less than the amounts which the Company would incur as a stand-alone entity. Such amounts are reflected as charges allocated from Ingram Industries on the consolidated statement of income.

Ingram Industries also provides guarantees to certain of the Company's vendors and for certain of the Company's leases; no charges from Ingram Industries have been reflected in the Company's financial statements for such guarantees.

The Company leases warehouse and office space from certain stockholders of Ingram Industries. Total rental payments were $729 in fiscal 1993, $784 in 1994 and $1,645 in 1995.

Other transactions with Ingram Industries affiliates includes sales of $1,664 in fiscal 1993, $3,056 in 1994 and $5,281 in 1995.

NOTE 11 -- STOCK OPTIONS AND INCENTIVE PLANS

Certain of the Company's employees participate in Ingram Industries' qualified and non-qualified stock option and SAR plans. Ingram Industries' plans provide for the grant of options and SARs at fair value. In conjunction with the Split-Off, Ingram Industries options held by the Company's employees and certain other Ingram Industries options and SARs will be converted to Ingram Micro options ("Rollover Stock Options") to purchase Class A Common Stock. Upon conversion, approximately 11,000,000 Rollover Stock Options will be outstanding. The Rollover Stock Options have exercise prices ranging from $0.66 to $3.32 per share, the majority will be fully vested by the year 2000 and no such options expire later than 10 years from the date of grant. The Company recorded a non-cash compensation charge of approximately $8,859 or $5,404 net of tax, in the first three quarters of 1996 related to the vested portion of certain Rollover Stock Options. This charge was based on the difference between the estimated fair value of such options in the first quarter of 1996 and the exercise price of such options.

The Company will adopt Statement of Financial Accounting Standards No. 123, "Accounting for Stock Based Compensation" ("FAS 123") in 1996. As permitted by FAS 123, the Company will continue to measure compensation cost in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." Therefore, the adoption of FAS 123 will have no impact on the Company's financial condition or results of operations.

The Company has two Incentive Stock Unit ("ISU") plans available to grant up to 1,575,000 ISUs to certain key employees. Subject to continued employment, these stock appreciation awards vest over five years and actual cash payout is based on the increase in book value from date of award grant. Outstanding ISUs at January 1, 1994, December 31, 1994 and December 30, 1995 were 748,200, 221,000 and 25,100, respectively. The amounts charged to expense related to these incentive stock unit plans totaled $3,354 in fiscal 1993, $2,163 in 1994 and $695 in 1995. There were no grants made under the ISU plans in 1995.

The Company will establish its separate stock option and incentive plans in conjunction with the Split-Off. Refer to Note 12.

NOTE 12 -- SUBSEQUENT EVENTS

Formation of Ingram Micro Inc.

On April 29, 1996, a Delaware corporation, Ingram Micro Inc., was formed to hold all of the outstanding stock of Ingram Micro Holdings Inc. ("Holdings"). It is the Company's plan to merge with and into such Delaware corporation prior to the effective date of a registration statement on Form S-1 filed with the Securities and Exchange Commission. The proposed merger will not impact the Company's financial statements, as the Company's historical financial statements reflect the capital structure described herein.

Ingram Micro Inc., a Delaware corporation, has two classes of common stock, consisting of 265,000,000 shares of $0.01 par value Class A Common Stock and 135,000,000 shares of $0.01 par value Class B Common Stock, and 1,000,000 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 the Class B stockholders are entitled to ten votes on each matter to be voted on by the stockholders. The two classes of stock have similar

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) the fifth anniversary of the consummation of the Split-Off pursuant to the Exchange Agreement; (ii) the sale of such share of Class B Common Stock to any person not provided for under the provisions of the Board Representation Agreement; 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. The capital structure resulting from the formation of the Delaware corporation was finalized on September 9, 1996 and the Company has 107,251,362 shares of Class B Common Stock outstanding.

Key Employee Stock Purchase Plan

As of April 30, 1996, the Company adopted the Key Employee Stock Purchase Plan (the "Plan") which provides for the issuance of up to 4,000,000 shares of Class B Common Stock to certain employees. In June 1996, the Company offered 2,775,000 shares of its Class B Common Stock to certain employees pursuant to the Plan, and subsequently sold 2,510,400 shares with proceeds of approximately $17,573. The shares sold thereby are subject to vesting and certain restrictions on transfer, may be redeemable prior to vesting and are subject to repurchase by the Company upon termination of employment. The Company has repurchased 50,000 of such shares. In addition, the Company granted, pursuant to this Plan, 107,000 restricted shares of Class B Common Stock to certain officers and employees of the Company. These shares are subject to vesting. Prior to vesting, these restricted grant shares are subject to forfeiture to the Company without consideration, upon termination of employment. 5,000 of such shares have been forfeited to the Company.

1996 Equity Incentive Plan

As of April 30, 1996, the Company adopted the 1996 Equity Incentive Plan and Ingram Industries approved the grant of options under this plan. In June 1996, the Company issued options at $7.00 per share to purchase an aggregate of approximately 4,800,000 shares of Class B Common Stock under its Equity Incentive Plan to all eligible employees of the Company. These options vest and generally become exercisable over five years from the issue date and expire eight years after the issue date.

Split-Off, Reorganization and Exchange

The Company plans to engage in a Split-Off, consisting of a Reorganization and an Exchange, from Ingram Industries and Ingram Entertainment. Pursuant to the Reorganization Agreement it is contemplated that the Company will retain all of the assets and liabilities associated with the Company's business and will indemnify Ingram Industries and Ingram Entertainment for all liabilities related to the Company's business and operations or otherwise assigned to the Company. In addition, the Reorganization Agreement provides for the sharing by the Company of approximately 73% of certain contingent assets and liabilities not allocated to one of the parties. The Company will assume a portion of Ingram Industries' debt in return for the extinguishment of intercompany indebtedness. The debt to be assumed by the Company includes an accounts receivable securitization program which will be transferred to the Company subsequent to the Split-Off. The Company will also enter into a $1 billion Credit Facility.

In connection with the Reorganization Agreement, the Company is expected to enter into an employee benefits transfer and assumption agreement with Ingram Industries and Ingram Entertainment which will provide for the allocation of employee benefit assets and liabilities on a pro rata basis to each of the parties of the Split-Off. It is also contemplated that the Company will enter into a Tax Sharing Agreement. This Agreement will hold the Company liable for its allocable share of the consolidated federal and state income

tax liability for the year that includes the Split-Off and approximately 73% of any adjustment in excess of reserves already established by Ingram Industries for past federal or state tax liabilities of the Company, Ingram Industries or Ingram Entertainment. In addition, the Company will share in any refunds received. The Company will also enter into Transitional Service Agreements related to certain administration services including data processing.

In conjunction with the Reorganization, the Company will consummate an exchange pursuant to which certain existing stockholders of Ingram Industries may exchange all or a portion of their shares of Ingram Industries common stock for shares of Class B Common Stock of the Company of equivalent value. If all stockholders were to exchange all eligible shares, they would receive 107,251,362 shares of Class B Common Stock. Pursuant to a Transfer Restrictions Agreement, the shares of Class B Common Stock received by employees of the Company, Ingram Industries or Ingram Entertainment in the Exchange are expected to be subject to repurchase by the Company upon termination of employment. The repurchase feature lapses upon consummation of an initial public offering. Although there can be no assurance, it is also contemplated that, on or after June 20, 1997, certain remaining stockholders of Ingram Industries will exchange their remaining shares of Ingram Industries common stock for shares of Ingram Entertainment common stock.

LOGO

[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

PROSPECTUS (Subject to Completion)

Issued October 30, 1996

20,000,000 Shares

LOGO

CLASS A COMMON STOCK

OF THE 20,000,000 SHARES OF CLASS A COMMON STOCK (THE "COMMON STOCK") OFFERED HEREBY, 4,000,000 SHARES ARE BEING OFFERED INITIALLY OUTSIDE THE UNITED STATES AND CANADA BY THE INTERNATIONAL UNDERWRITERS, AND 16,000,000 SHARES ARE BEING OFFERED INITIALLY IN THE UNITED STATES AND CANADA BY THE U.S. UNDERWRITERS. SEE "UNDERWRITERS." UP TO 2,300,000 OF THE SHARES OF COMMON STOCK OFFERED HEREBY ARE BEING RESERVED FOR SALE TO CERTAIN INDIVIDUALS AND INGRAM INDUSTRIES INC. SEE "EMPLOYEE AND PRIORITY OFFERS." ALL SUCH SHARES ARE BEING OFFERED ON THE SAME TERMS AND CONDITIONS AS THE SHARES BEING OFFERED TO THE PUBLIC GENERALLY, AND ANY PURCHASERS OF SUCH SHARES WHO ARE AFFILIATES OF THE COMPANY WILL REPRESENT THAT ANY PURCHASES ARE BEING MADE FOR INVESTMENT PURPOSES ONLY. ALL OF THE SHARES OF COMMON STOCK OFFERED HEREBY ARE BEING ISSUED AND SOLD BY THE COMPANY. PRIOR TO THIS OFFERING, THERE HAS BEEN NO PUBLIC MARKET FOR THE COMMON STOCK OF THE COMPANY. IT IS CURRENTLY ESTIMATED THAT THE INITIAL PUBLIC OFFERING PRICE WILL BE BETWEEN $17 AND $19 PER SHARE. SEE "UNDERWRITERS" FOR A DISCUSSION OF THE FACTORS TO BE CONSIDERED IN DETERMINING THE INITIAL PUBLIC OFFERING PRICE. THE COMPANY HAS TWO CLASSES OF AUTHORIZED COMMON STOCK, THE COMMON STOCK OFFERED HEREBY AND THE CLASS B COMMON STOCK (THE "CLASS B COMMON STOCK," AND COLLECTIVELY WITH THE COMMON STOCK, THE "COMMON EQUITY"). THE RIGHTS OF HOLDERS OF COMMON STOCK AND CLASS B COMMON STOCK ARE IDENTICAL EXCEPT FOR VOTING AND CONVERSION RIGHTS AND RESTRICTIONS ON TRANSFERABILITY. HOLDERS OF THE COMMON STOCK ARE ENTITLED TO ONE VOTE PER SHARE, AND HOLDERS OF THE CLASS B COMMON STOCK ARE ENTITLED TO TEN VOTES PER SHARE ON MOST MATTERS SUBJECT TO STOCKHOLDER VOTE. UPON THE CLOSING OF THIS OFFERING, THE INGRAM FAMILY STOCKHOLDERS (AS DEFINED HEREIN) WILL HAVE APPROXIMATELY 80.8% OF THE COMBINED VOTING POWER OF THE COMMON EQUITY (80.5% IF THE U.S. UNDERWRITERS EXERCISE THEIR OVER-ALLOTMENT OPTION IN FULL). THE COMMON STOCK HAS BEEN APPROVED FOR LISTING, SUBJECT TO OFFICIAL NOTICE OF ISSUANCE, ON THE NEW YORK STOCK EXCHANGE UNDER THE SYMBOL "IM."

SEE "RISK FACTORS" BEGINNING ON PAGE 5 FOR A DISCUSSION OF CERTAIN RISKS ASSOCIATED WITH THIS OFFERING.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE $ A SHARE

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS(1)	PROCEEDS TO COMPANY(2)
Per Share	$	$	$
Total(3)	$	$	$

- ------------

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

(2) Before deducting expenses payable by the Company estimated at $1,400,000.

(3) The Company has granted to the U.S. Underwriters an option, exercisable within 30 days of the date hereof, to purchase up to an aggregate of 3,000,000 additional Shares at the price to public less underwriting discounts and commissions, for the purpose of covering over-allotments, if any. If the U.S. Underwriters exercise such option in full, the total price to public, underwriting discounts and commissions, and proceeds to Company will be $, $ and $, respectively. See "Underwriters."

The Shares are offered, subject to prior sale, when, as and if accepted by the Underwriters named herein and subject to approval of certain legal matters by Wilson Sonsini Goodrich & Rosati, counsel for the Underwriters. It is expected that delivery of the Shares will be made on or about , 1996 at the office of Morgan Stanley & Co. Incorporated, New York, New York, against payment therefor in immediately available funds.

MORGAN STANLEY & CO.
International

THE ROBINSON-HUMPHREY COMPANY, INC.

ALEX. BROWN & SONS
INTERNATIONAL

HAMBRECHT & QUIST

, 1996

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

[ALTERNATE PAGE FOR COMPANY PROSPECTUS]

PROSPECTUS (Subject to Completion)

Issued October 30, 1996

200,000 Shares

LOGO

CLASS A COMMON STOCK

OFFERING TO THE COMPANY'S
CHIEF EXECUTIVE OFFICER AND
CHAIRMAN OF THE BOARD OF DIRECTORS

THE SHARES ARE BEING OFFERED DIRECTLY BY THE COMPANY. COMMON STOCK SOLD PURSUANT TO THIS OFFERING WILL BE ISSUED BY THE COMPANY AND WILL NOT BE UNDERWRITTEN OR SUBJECT TO THE ARRANGEMENTS DESCRIBED HEREIN UNDER "UNDERWRITERS." ACCORDINGLY, THE INFORMATION IN THE PUBLIC PROSPECTUS ON THE COVER PAGE AND IN THE CAPTION "UNDERWRITERS" IS NOT APPLICABLE. ALL PROCEEDS FROM THIS OFFERING WILL BE PAYABLE TO THE COMPANY AND WILL BE USED FOR GENERAL CORPORATE PURPOSES. THIS OFFERING IS CONDITIONED UPON THE COMPLETION OF THE COMPANY'S INITIAL PUBLIC OFFERING AND IS EXPECTED TO BE CONSUMMATED CONCURRENTLY WITH SUCH INITIAL PUBLIC OFFERING.

SEE "RISK FACTORS" BEGINNING ON PAGE 5 FOR A DISCUSSION OF CERTAIN RISKS ASSOCIATED WITH THIS OFFERING.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE $ A SHARE

, 1996

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

An itemized statement of the estimated amount of the expenses, other than underwriting discounts and commissions, incurred and to be incurred in connection with the issuance and distribution of the securities registered pursuant to this Registration Statement is as follows:

Securities and Exchange Commission registration fee	$ 112,139
NYSE listing fee	151,100
NASD filing fee	30,500
Printing and engraving expenses	250,000
Accounting fees and expenses	130,000
Legal fees and expenses	600,000
Transfer Agent fees and expenses	20,000
Blue Sky fees and expenses and legal fees	70,000
Miscellaneous	36,261
Total	$1,400,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law (the "DGCL") provides, in effect, that any person made a party to any action by reason of the fact that he is or was a director, officer, employee or agent of the Company may and, in certain cases, must be indemnified by the Company against, in the case of a non-derivative action, judgments, fines, amounts paid in settlement and reasonable expenses (including attorneys' fees) incurred by him as a result of such action, and in the case of a derivative action, against expenses (including attorneys' fees), if in either type of action he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. This indemnification does not apply, in a derivative action, to matters as to which it is adjudged that the director, officer, employee or agent is liable to the Company, unless upon court order it is determined that, despite such adjudication of liability, but in view of all the circumstances of the case, he is fairly and reasonably entitled to indemnity for expenses, and, in a non-derivative action, to any criminal proceeding in which such person had reasonable cause to believe his conduct was unlawful.

Section 102 of the DGCL allows the Company to eliminate or limit the personal liability of a director to the Company or to any of its stockholders for monetary damage for a breach of fiduciary duty as a director, except in the case where the director (i) breaches such person's duty of loyalty to the Company or its stockholders, (ii) fails to act in good faith, engages in intentional misconduct or knowingly violates a law, (iii) authorizes the payment of a dividend or approves a stock purchase or redemption in violation of Section 174 of the DGCL or (iv) obtains an improper personal benefit. Article Tenth of the Company's Certificate of Incorporation includes a provision which eliminates directors' personal liability to the fullest extent permitted under the Delaware General Corporation Law.

Article Tenth of the Company's Certificate of Incorporation provides that the Company shall indemnify any person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Company or is or was serving at the request of the Company as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by Delaware Law. Each such indemnified party shall have the right to be paid by the Company for any expenses incurred in

connection with any such proceeding in advance of its final disposition to the fullest extent authorized by Delaware Law. Article Tenth of the Company's Certificate of Incorporation also provides that the Company may, by action of its Board of Directors, provide indemnification to such of the employees and agents of the Company to such extent and to such effect as the Board of Directors shall determine to be appropriate and authorized by Delaware Law.

Reference is made to the underwriting agreement filed as an Exhibit hereto, pursuant to which the Underwriters will agree to indemnify officers and directors of the Company against certain liabilities under the Securities Act.

As permitted by Delaware Law and the Company's Certificate of Incorporation, the Company maintains insurance covering its directors and officers against certain liabilities incurred by them in their capacities as such, including among other things, certain liabilities under the Securities Act of 1933, as amended.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

In the second quarter of 1996, the Company offered 2,775,000 shares of its Class B Common Stock to certain of its employees, of which 2,510,400 shares were purchased for $17.6 million. The shares were issued without registration under the Securities Act in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act, and Regulation D and Regulation S promulgated under the Securities Act. All such shares were issued pursuant to the Company's Key Employee Stock Purchase Plan and are subject to certain restrictions.

Reference is made to "Management -- Rollover Plan; Incentive Stock Units" and "The Split-Off and the Reorganization -- The Split-Off " regarding shares, and options exercisable for shares, of the Company's Common Equity, to be issued in connection with the Split-Off, the purchasers thereof and the consideration therefor. Such issuances will occur without registration under the Securities Act in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act and Regulation D promulgated under the Securities Act.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) LIST OF EXHIBITS.

1.01	--	Form of Underwriting Agreement
3.01	--	Form of Certificate of Incorporation of the Registrant
3.02	--	Form of Bylaws of the Registrant+
3.03	--	Form of Amended and Restated Bylaws of the Registrant+
4.01	--	Specimen Certificate for the Class A Common Stock, par value $0.01 per share, of the Registrant+
5.01	--	Opinion of Davis Polk & Wardwell+
10.01	--	Ingram Micro Inc. Executive Incentive Bonus Plan+
10.02	--	Ingram Micro Inc. Management Incentive Bonus Plan+
10.03	--	Ingram Micro Inc. General Employee Incentive Bonus Plan+
10.04	--	Agreement dated as of December 21, 1994 between the Company and Jeffrey R. Rodek+
10.05	--	Agreement dated as of April 25, 1988 between the Company and Sanat K. Dutta+
10.06	--	Agreement dated as of June 21, 1991 between the Company and John Wm. Winkelhaus, II+
10.07	--	Ingram Micro Inc. Rollover Stock Option Plan+
10.08	--	Ingram Micro Inc. Key Employee Stock Purchase Plan+
10.09	--	Ingram Micro Inc. 1996 Equity Incentive Plan+
10.10	--	Ingram Micro Inc. Amended and Restated 1996 Equity Incentive Plan+

10.11	--	Severance Agreement dated as of June 1, 1996 among the Company, Ingram Industries, Linwood A. Lacy, Jr., and NationsBank, N.A., as trustee of the Linwood A. Lacy, Jr. 1996 Irrevocable Trust dated February 1996+
10.12	--	Form of Credit Agreement dated as of October , 1996 among the Company and Ingram European Coordination Center N.V., Ingram Micro Singapore Pte Ltd., and Ingram Micro Inc., as Borrowers and Guarantors, certain financial institutions, as the Lenders, NationsBank of Texas, N.A., as Administrative Agent for the Lenders and The Bank of Nova Scotia as Documentation Agent for the Lenders+
10.13	--	Form of Amended and Restated Reorganization Agreement dated as of October 17, 1996 among the Company, Ingram Industries, and Ingram Entertainment+
10.14	--	Form of Registration Rights Agreement to be dated as of the closing date of the Split-Off among the Company and the persons listed on the signature pages thereof+
10.15	--	Form of Board Representation Agreement to be dated as of the closing date of the Split-Off among the Company and the persons listed on the signature pages thereof+
10.16	--	Form of Thrift Plan Liquidity Agreement to be dated as of the closing date of the Split-Off among the Company and the Ingram Thrift Plan+
10.17	--	Form of Tax Sharing and Tax Services Agreement to be dated as of the closing date of the Split-Off among the Company, Ingram Industries, and Ingram Entertainment+
10.18	--	Form of Master Services Agreement, to be dated as of the closing date of the Split-Off between the Company and Ingram Industries+
10.19	--	Form of Employee Benefits Transfer and Assumption Agreement to be dated as of the closing date of the Split-Off among the Company, Ingram Industries, and Ingram Entertainment+
10.20	--	Form of Data Center Services Agreement to be dated as of the closing date of the Split-Off among the Company, Ingram Book Company, and Ingram Entertainment+
10.21	--	Form of Amended and Restated Exchange Agreement dated as of October 17, 1996 among the Company, Ingram Industries, Ingram Entertainment and the other parties thereto+
10.22	--	Agreement dated as of August 26, 1996 between the Company and Jerre L. Stead+
10.23	--	Definitions for Ingram Funding Master Trust Agreements+
10.24	--	Asset Purchase and Sale Agreement dated as of February 10, 1993 between Ingram Industries and Ingram Funding+
10.25	--	Pooling and Servicing Agreement dated as of February 10, 1993 among Ingram Funding, Ingram Industries and Chemical Bank+
10.26	--	Amendment No. 1 to the Pooling and Servicing Agreement dated as of February 12, 1993, the Asset Purchase and Sale Agreement dated as of February 12, 1993, and the Liquidity Agreement dated as of February 12, 1993+
10.27	--	Certificate Purchase Agreement dated as of July 23, 1993+
10.28	--	Schedule of Certificate Purchase Agreements+
10.29	--	Series 1993-1 Supplement to Ingram Funding Master Trust Pooling and Servicing Agreement dated as of July 23, 1993+
10.30	--	Schedule of Supplements to Ingram Funding Master Trust Pooling and Servicing Agreement dated as of July 23, 1993+
10.31	--	Letter of Credit Reimbursement Agreement dated as of February 10, 1993+
10.32	--	Liquidity Agreement dated as of February 10, 1993+
10.33	--	Amendment No. 2 to the Pooling and Servicing Agreement dated as of February 12, 1993, the Asset Purchase and Sale Agreement dated as of February 12, 1993, and the Liquidity Agreement dated as of February 12, 1993

10.34	--	Agreement dated as of October 10, 1996 between the Company and Michael J. Grainger+
10.35	--	Form of Repurchase Agreement
21.01	--	Subsidiaries of the Registrant+
23.01	--	Consent of Price Waterhouse LLP
23.02	--	Consent of Davis Polk & Wardwell (included in their opinion filed as Exhibit 5.01)+
24.01	--	Powers of Attorney of certain officers and directors of the Registrant+
24.02	--	Power of Attorney of Jerre L. Stead+
27.01	--	Financial Data Schedule (EDGAR version only)+
99.01	--	Consent of J. Phillip Samper+
99.02	--	Consent of Joe B. Wyatt+
99.03	--	Consent of Don H. Davis, Jr.

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+ Previously filed.

(b) FINANCIAL STATEMENT SCHEDULES

See Schedule II on page S-1. All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable or the information is contained in the Consolidated Financial Statements and related notes and therefore have been omitted.

ITEM 17. UNDERTAKINGS.

The undersigned registrant hereby undertakes that:

(1) It will provide to the underwriters at the closing specified in the underwriting agreements certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(2) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(3) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(4) For the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Ingram Micro Inc. has duly caused this Amendment No. 4 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Santa Ana, State of California, on this 30th day of October, 1996.

INGRAM MICRO INC.

By: /s/ MICHAEL J. GRAINGER

Name: Michael J. Grainger
Title: Chief Financial Officer

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS AMENDMENT NO. 4 TO THE REGISTRATION STATEMENT HAS BEEN SIGNED BY THE FOLLOWING PERSONS IN THE CAPACITIES AND ON THE DATES INDICATED.

SIGNATURE	TITLE	DATE
*	Chief Executive Officer (Principal Executive Officer); Chairman of the Board of Directors	October 30, 1996
Jerre L. Stead		
/s/ MICHAEL J. GRAINGER	Executive Vice President; Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	October 30, 1996
Michael J. Grainger		
*	President and Chief Operating Officer; Director	October 30, 1996
Jeffrey R. Rodek		
*	Vice Chairman; Director	October 30, 1996
David R. Dukes		
*	Director	October 30, 1996
Martha R. Ingram		
*	Director	October 30, 1996
John R. Ingram		
*	Director	October 30, 1996
David B. Ingram		
*	Director	October 30, 1996
Philip M. Pfeffer		
* Pursuant to Power of Attorney previously filed with the Commission.		
/s/ MICHAEL J. GRAINGER	Attorney-in-Fact	October 30, 1996
Michael J. Grainger		

INGRAM MICRO INC.

SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS
(IN THOUSANDS)

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	CHARGED TO COSTS AND EXPENSES	OTHER(*)	DEDUCTIONS	BALANCE AT END OF YEAR
Allowance for doubtful accounts receivable and sales returns:					
1995	$ 25,668	$ 24,168	$ 673	$(19,718)	$ 30,791
1994	18,594	20,931	(4)	(13,853)	25,668
1993	12,928	17,492	2,343	(14,169)	18,594
Inventory obsolescence:					
1995	$ 10,706	$ 13,199	$ 207	$(11,867)	$ 12,245
1994	9,431	9,410	257	(8,392)	10,706
1993	6,076	6,587	121	(3,353)	9,431

* Other includes recoveries, acquisitions and the effect of fluctuations in foreign currency.

EXHIBIT INDEX

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+ Previously filed.

EXHIBIT 1.01

WSGR DRAFT
10/29/96

20,000,000 Shares

INGRAM MICRO INC.

Class A Common Stock, par value $0.01 per share

UNDERWRITING AGREEMENT

_____, 1996

_____, 1996

Morgan Stanley & Co. Incorporated
The Robinson-Humphrey Company, Inc.
Alex. Brown & Sons Incorporated
Hambrecht & Quist LLC
J.C. Bradford & Co.
c/o Morgan Stanley & Co. Incorporated
1585 Broadway
New York, New York 10036

Morgan Stanley & Co. International Limited
The Robinson-Humphrey Company, Inc.
Alex. Brown & Sons Incorporated
Hambrecht & Quist LLC
c/o Morgan Stanley & Co. International Limited
25 Cabot Square
Canary Wharf
London E14 4QA
England, United Kingdom

Dear Sirs and Mesdames:

Ingram Micro Inc., a Delaware corporation (the "Company") and a subsidiary of Ingram Industries Inc., a Tennessee corporation ("Ingram Industries"), proposes to issue and sell to the several Underwriters named in Schedules I and II hereto (the "Underwriters") 20,000,000 shares (the "Firm Shares") of its Class A Common Stock, par value $0.01 per share ("Class A Common Stock"). Ingram Industries is executing this Agreement for the sole purpose of giving the representations and warranties included in Section 2 hereof.

It is understood that, subject to the conditions hereinafter stated, 16,000,000 Firm Shares (the "U.S. Firm Shares") will be sold to the several U.S. Underwriters named in Schedule I hereto (the "U.S. Underwriters") in connection with the offering and sale of such U.S. Firm Shares in the United States and Canada to United States and Canadian Persons (as such terms are defined in the Agreement Between U.S. and International Underwriters of even date herewith), and 4,000,000 Firm Shares (the "International Shares") will be sold to the several International Underwriters named in Schedule II hereto (the "International Underwriters") in connection with the offering and sale of such International Shares outside the United States and Canada to persons other than United States and Canadian Persons. Morgan Stanley & Co. Incorporated, The Robinson-Humphrey Company, Inc., Alex. Brown & Sons Incorporated, Hambrecht & Quist LLC and J.C. Bradford & Co. shall act as representatives (the "U.S. Representatives") of the several U.S. Underwriters, and Morgan Stanley & Co. International Limited, The Robinson-Humphrey Company, Inc., Alex. Brown & Sons Incorporated and Hambrecht & Quist LLC shall act as representatives (the "International Representatives") of the several International Underwriters.

The Company also proposes to issue and sell to the several U.S. Underwriters not more than an additional 3,000,000 shares of its Class A Common Stock (the "Additional Shares") if and to the extent that the U.S.

Representatives shall have determined to exercise, on behalf of the U.S. Underwriters, the right to purchase such shares of Class A Common Stock granted to the U.S. Underwriters in Section 3 hereof. The Firm Shares and the Additional Shares are hereinafter collectively referred to as the "Shares." The shares of Class A Common Stock and Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Company to be outstanding after giving effect to the sales contemplated hereby are hereinafter referred to as the "Common Stock."

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement relating to the Shares. The registration statement contains two prospectuses to be used in connection with the offering and sale of the Shares: the U.S. prospectus, to be used in connection with the offering and sale of Shares in the United States and Canada to United States and Canadian Persons, and the international prospectus, to be used in connection with the offering and sale of Shares outside the United States and Canada to persons other than United States and Canadian Persons. The international prospectus is identical to the U.S. prospectus except for the outside front cover page. The registration statement as amended at the time it becomes effective, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A under the Securities Act of 1933, as amended (the "Securities Act"), is hereinafter referred to as the "Registration Statement;" the U.S. prospectus and the international prospectus in the respective forms first used to confirm sales of Shares are hereinafter collectively referred to as the "Prospectus." If the Company has filed an abbreviated registration statement to register additional shares of Class A Common Stock pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the "Registration Statement" shall be deemed to include such Rule 462 Registration Statement.

Immediately prior to the closing of the sale of the Firm Shares to the Underwriters, the Company, Ingram Industries, the Ingram Stockholders (as defined in the Registration Statement), and certain subsidiaries of the foregoing entities will enter into a series of transactions described in the Prospectus under the caption "The Split-Off and the Reorganization," whereby the Company will cease to be a subsidiary of Ingram Industries. As part of these transactions, Ingram Industries will consummate an exchange (the "Exchange"), pursuant to which existing stockholders of Ingram Industries will exchange all or a portion of their shares of Ingram Industries common stock for shares of the Company's Class B Common Stock. The Company, Ingram Industries and the Ingram Family Stockholders have entered into certain agreements pursuant to which the operations of the three companies will be reorganized (the "Reorganization"). In the Reorganization, the Company, Ingram Industries and Ingram Entertainment (as defined in the Registration Statement) ("Ingram Entertainment") will allocate certain liabilities and obligations among themselves. The Exchange, together with those elements of the Reorganization contemplated to occur prior to the closing of the sale of the Firm Shares, are referred to herein as the "Split-Off." Immediately after the Exchange, none of the Common Stock will be held by Ingram Industries; however, as described in the Prospectus, Ingram Industries will purchase approximately 300,000 shares of Class A Common Stock as part of the public offering contemplated hereby. The term "Split-Off Agreements" means the Reorganization Agreement, the Master Services Agreement, the Tax Sharing and Tax Services Agreement, the Employee Benefits Transfer and Assumption Agreement, the Exchange Agreement (each such agreement, as defined in the Registration Statement) and any other agreements required to be delivered on or before the closing of the Split-Off pursuant to any of the foregoing.

The use herein of the words "knowledge" or "know" with respect to a person, unless otherwise stated, refers only to that information within the actual knowledge of the person.

1. REPRESENTATIONS AND WARRANTIES. The Company represents and warrants to and agrees with each of the Underwriters that:

(a) The Registration Statement has become effective under the Securities Act; no stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose are pending before or, to the Company's knowledge, threatened by the Commission.

(b) (i) The Registration Statement, when it became effective, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder and (iii) the Prospectus does not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph (b) do not apply to statements or omissions in the Registration Statement or the Prospectus based upon information relating to any Underwriter furnished to the Company in writing by such Underwriter expressly for use therein.

(c) The Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the State of Delaware, has the corporate power and authority to own its property and to conduct its business as described in the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(d) The Company does not have any significant subsidiaries (as such term is defined in paragraph (w) of Rule 1-02 of Regulation S-X promulgated by the Commission).

(e) The Company and its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them, in each case that is material to the business of the Company and its subsidiaries, taken as a whole, in each case free and clear of any security interest, lien, encumbrance, claim, defect or adverse interest of any nature except such as are described in the Prospectus or such as do not materially affect the value of such property and do not interfere in any material respect with the use made and proposed to be made of such property by the Company and its subsidiaries, taken as a whole; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere in any material respect with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries, taken as a whole, in each case except as described in or contemplated by the Prospectus.

(f) The authorized capital stock of the Company conforms, in all material respects, as to legal matters to the description thereof contained in the Prospectus.

(g) The shares of Common Stock outstanding prior to the issuance of the Shares have been duly authorized and are validly issued, fully paid and non-assessable; except as set forth in the Prospectus, neither the Company nor any subsidiary has outstanding any options to purchase, or any preemptive rights or other rights to subscribe for or to purchase, any securities or obligations convertible into, or any contracts or commitments to issue or sell, shares of its capital stock or any such options, rights, convertible securities or obligations; and all outstanding shares of capital stock and options and other rights to acquire capital stock were not issued in violation of any preemptive rights, rights of first refusal or other similar rights.

(h) The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares will not be subject to any preemptive rights, rights of first refusal or other similar rights.

(i) This Agreement has been duly authorized, executed and delivered by the Company.

(j) The execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or bylaws of the Company, or any agreement or other instrument binding upon the Company that is material to the Company and its subsidiaries, taken as a whole, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, except for any such contravention that would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not conflict with or materially impair the performance by the Company of its obligations under this Agreement, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by the Company of its obligations under this Agreement, except (i) such as may be required by the securities or Blue Sky laws of the various states and other jurisdictions in connection with the offer and sale of the Shares by the Underwriters and (ii) such consents, approvals, authorizations, orders or qualifications which if not obtained would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not materially impair the performance by the Company of its obligations under this Agreement.

(k) There has not occurred any material adverse change, or any development involving a prospective material adverse change, in the financial condition, earnings, business or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement).

(l) Except as described in or contemplated by the Prospectus, subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, (i) the Company and its subsidiaries have not incurred any material liability or obligation, direct or contingent, nor entered into any material transaction, in each case not in the ordinary course of business; (ii) other than repurchases of shares pursuant to the Company's Key Employee Stock Purchase Plan, the Company has not purchased any of its outstanding capital stock, nor declared, paid or otherwise made any dividend or distribution of any kind on its capital stock other than ordinary and customary dividends; and (iii) there has not been any material change in the capital stock, short-term debt or long-term debt of the Company and its consolidated subsidiaries.

(m) There are no legal, regulatory or governmental proceedings pending or, to the knowledge of any of the Company's officers, threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not so described or any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(n) The Company has all necessary consents, authorizations, approvals, orders, certificates and permits of and from, and has made all declarations and filings with, all foreign, federal, state, local and other governmental authorities, all self-regulatory organizations and all courts and other tribunals, to own, lease, license and use its properties and assets and to conduct its business in the manner described in the

Prospectus, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(o) Each preliminary prospectus filed as part of the registration statement as originally filed or as part of any amendment thereto, or filed pursuant to Rule 424 under the Securities Act, complied when so filed in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder.

(p) The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Prospectus, will not be an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(q) There is no legal or beneficial owner of any securities of the Company who has any rights, not effectively satisfied or waived, to require registration of any shares of capital stock of the Company in connection with the filing of the Registration Statement.

(r) The Company and its subsidiaries, taken as a whole, are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for, except for any such insurance coverage which was not necessary for the Company and its subsidiaries, taken as a whole, to have prudent and customary coverage, or which was adequately replaced; and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not materially and adversely affect the financial condition, earnings, business or operations of the Company and its subsidiaries, taken as a whole, except as described in or contemplated by the Prospectus.

(s) The Company and its subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(t) The costs and liabilities, if any, associated with the effect of Environmental Laws on the business, operations and properties of the Company (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties) would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(u) The Company and its subsidiaries own or possess, or can acquire on reasonable terms, all material patents, patent rights, licenses, inventions, trade secrets, copyrights, trademarks, service marks, trade names, technology and know-how necessary to conduct its business in the manner described in the Prospectus and, except as disclosed in the Prospectus, neither the Company nor any of its subsidiaries has

received any notice of infringement or conflict with (and neither the Company nor any of its subsidiaries knows of any infringement or conflict with) asserted rights of others with respect to any patents, patent rights, inventions, trade secrets, copyrights, trademarks, service marks, trade names, technology or know-how which could result in a material adverse effect upon the Company and its subsidiaries, taken as a whole; and, except as disclosed in the Prospectus, the discoveries, inventions, products or processes of the Company and its subsidiaries referred to in the Prospectus do not, to the knowledge of any of the Company's officers, infringe or conflict with any right or patent of any third party, or any discovery, invention, product or process which is the subject of a patent application filed by any third party, known to any of the Company's officers which could have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(v) The Company and its subsidiaries possess all certificates, authorizations and permits issued by the appropriate foreign, federal, state or local regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such certificates, authorizations or permits would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole, and neither the Company nor any such subsidiary has received any notice of proceedings related to the revocation or modification of any such certificate, authorization or permit with respect to which there is a reasonable likelihood of an unfavorable decision, ruling or finding that would, singly or in the aggregate, result in a material adverse change in the financial condition, earnings, business or operations of the Company and its subsidiaries, taken as a whole, except as described in or contemplated by the Prospectus.

(w) The Company and its subsidiaries, taken as a whole, maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(x) Except as described in or contemplated by the Prospectus, no material labor dispute with the employees of the Company or any of its subsidiaries exists, or, to the knowledge of the Company, is imminent, and, without any investigation, the Company's executive officers have no knowledge of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors that is reasonably likely to result in a material adverse change in the financial condition or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole.

(y) Price Waterhouse LLP are, and during the periods covered by their report included in the Registration Statement were, independent certified public accountants with respect to the Company and its subsidiaries within the meaning of the Securities Act.

(z) The financial statements, together with the related schedules and notes thereto, included in the Registration Statement and the Prospectus (and any amendment or supplement thereto), fairly present the consolidated financial position, results of operations and changes in financial position of the Company and its subsidiaries on the basis stated in the Registration Statement at the respective dates or for the respective periods to which they apply; such statements and the related schedules and notes thereto have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved, and are in accordance with the books and records of the Company and its subsidiaries; the other financial and statistical information and data set forth in the Registration Statement and the Prospectus (and any amendment or supplement thereto) is, in all material respects, accurately presented and prepared on

a basis consistent with such financial statements and the books and records of the Company; and no other financial statements are required by the Securities Act to be included in the Registration Statement or the Prospectus.

(aa) The New York Stock Exchange ("NYSE") has approved the Class A Common Stock for listing, subject only to official notice of issuance.

(bb) The Company has complied with all provisions of Section 517.075, Florida Statutes, relating to doing business with the Government of Cuba or with any person or affiliate located in Cuba.

(cc) The Split-Off Agreements to which the Company is a party have been duly authorized, executed and delivered by the Company and each such agreement constitutes a valid and binding agreement of the Company.

(dd) Except as described in the Prospectus, all applicable consents, authorizations, approvals, orders, certificates and permits of and from, and all applicable declarations and filings with, all foreign, federal, state, local and other governmental authorities, all self-regulatory organizations and all courts and other tribunals having jurisdiction over the Company required in connection with the Split-Off have been obtained or filed, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; and the execution and delivery by the Company of, and the performance by the Company of its obligations under, the Split-Off Agreements does not contravene any provision of applicable law or the certificate of incorporation or bylaws of the Company or any agreement or other instrument binding upon the Company that is material to the Company and its subsidiaries, taken as a whole, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, except for any such contravention that would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not conflict with or materially impair the performance by the Company of its obligations under the Split-Off Agreements.

(ee) The Split-Off shall have been consummated, in all material respects, in accordance with the terms of the Split-Off Agreements prior to the closing of the sale of the Firm Shares to the Underwriters.

2. Representations and Warranties of Ingram Industries. Ingram Industries represents and warrants to and agrees with each of the Underwriters that:

(a) Ingram Industries has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Tennessee.

(b) This Agreement has been duly authorized, executed and delivered by Ingram Industries.

(c) The execution and delivery by Ingram Industries of, and the performance by Ingram Industries of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or bylaws of Ingram Industries or Ingram Entertainment or any agreement or other instrument binding upon Ingram Industries or Ingram Entertainment that is material to Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over Ingram Industries or Ingram Entertainment, except for any such contravention that would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not conflict with or materially impair the performance by Ingram Industries of its obligations under

this Agreement, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by Ingram Industries of any of its obligations under this Agreement, except (i) such as may be required by the securities or Blue Sky laws of the various states and jurisdictions in connection with the offer and sale of the Shares by the Underwriters and (ii) such consents, approvals, authorizations, orders or qualifications which if not obtained would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not materially impair the performance by Ingram Industries of its obligations under this Agreement.

(d) The Split-Off Agreements to which Ingram Industries is a party have been duly authorized, executed and delivered by Ingram Industries and each such agreement constitutes a valid and binding agreement of Ingram Industries.

(e) Except as described in the Prospectus, all applicable consents, authorizations, approvals, orders, certificates and permits of and from, and all applicable declarations and filings with, all foreign, federal, state, local and other governmental authorities, all self-regulatory organizations and all courts and other tribunals having jurisdiction over Ingram Industries or Ingram Entertainment required in connection with the Split-Off have been obtained or filed, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not prevent the consummation of the Split-Off; and the execution and delivery by Ingram Industries of, and the performance by Ingram Industries of its obligations under, the Split-Off Agreements does not contravene any provision of applicable law or the certificate of incorporation or bylaws of Ingram Industries or Ingram Entertainment or any agreement or other instrument binding upon Ingram Industries or Ingram Entertainment that is material to Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over Ingram Industries or Ingram Entertainment, except for any such contravention that would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not conflict with or materially impair the performance by Ingram Industries of its obligations under the Split-Off Agreements.

(f) The Split-Off shall have been consummated, in all material respects, in accordance with the terms of the Split-Off Agreements prior to the closing of the sale of the Firm Shares to the Underwriters.

(g) Ingram Industries is familiar with the statements relating to Ingram Industries under the captions "Certain Transactions" and "The Split-Off and the Reorganization" in the Prospectus and the statements relating to Ingram Industries in other parts of the Registration Statement, and such statements do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

3. AGREEMENTS TO SELL AND PURCHASE. The Company hereby agrees to sell to the several Underwriters, and each Underwriter, upon the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agrees, severally and not jointly, to purchase from the Company at $_____ a share (the "Purchase Price") the respective number of Firm Shares set forth in Schedule I and II hereto opposite the name of such Underwriter. Notwithstanding the foregoing, it is understood that if any employees of the Company or any of its subsidiaries are purchasing Shares in Canada in the Employee Directed Offer (as defined in the Registration Statement), such Shares (the "Canadian Employee Shares") will be sold directly by the Company to such employees at a price per share (the "Canadian Employee Purchase Price") equal to the Public

Offering Price (as defined below). In consideration for acting as agents of the Company, the Underwriters will receive an advisory fee equal to the difference between the Public Offering Price and the Purchase Price multiplied by the aggregate number of Canadian Employee Shares sold in the Employee Directed Offer.

On the basis of the representations and warranties contained in this Agreement, and subject to its terms and conditions, the Company agrees to issue and sell to the U. S. Underwriters the Additional Shares, and the U.S. Underwriters shall have a one-time right to purchase, severally and not jointly, up to 3,000,000 Additional Shares at the Purchase Price. If the U.S. Representatives, on behalf of the U.S. Underwriters, elect to exercise such option, the U.S. Representatives shall so notify the Company in writing not later than 30 days after the date of this Agreement, which notice shall specify the number of Additional Shares to be purchased by the U.S. Underwriters and the date on which such shares are to be purchased. Such date may be the same as the Closing Date (as defined below) but not earlier than the Closing Date nor later than ten business days after the date of such notice. Additional Shares may be purchased as provided in Section 5 hereof solely for the purpose of covering over-allotments made in connection with the offering of the Firm Shares. If any Additional Shares are to be purchased, each U.S. Underwriter agrees, severally and not jointly, to purchase the number of Additional Shares (subject to such adjustments to eliminate fractional shares as the U.S. Representatives may determine) that bears the same proportion to the total number of Additional Shares to be purchased as the number of U.S. Firm Shares set forth in Schedule I hereto opposite the name of such U.S. Underwriter bears to the total number of U.S. Firm Shares. The Additional Shares to be purchased by the U.S. Underwriters hereunder and the U.S. Firm Shares are hereinafter collectively referred to as the "U.S. Shares."

The Company hereby agrees that, without the prior written consent of Morgan Stanley & Co. Incorporated on behalf of the Underwriters, it will not, during the period ending 180 days after the date of the Prospectus, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the sale of any Shares to the Underwriters to be sold hereunder, (B) the issuance by the Company of any shares of Common Stock upon the exercise of an option or warrant or the conversion of a security described in the Prospectus, (C) the grant of the Rollover Stock Options (as defined in the Registration Statement), (D) the grant of options to purchase Common Stock under the Company's 1996 Equity Incentive Plan and (E) the issuance by the Company of any shares of Common Stock pursuant to the Company's 1996 Employee Stock Purchase Plan.

4. TERMS OF PUBLIC OFFERING. The Company is advised by you that the Underwriters propose to make a public offering of their respective portions of the Shares as soon after the Registration Statement and this Agreement have become effective as in your judgment is advisable. The Company is further advised by you that the Shares are to be offered to the public initially at $_____ a share (the "Public Offering Price") and to certain dealers selected by you at a price that represents a concession not in excess of $_____ a share under the Public Offering Price, and that any Underwriter may allow, and such dealers may reallow, a concession, not in excess of $_____ a share, to any Underwriter or to certain other dealers.

Each U.S. Underwriter hereby makes to and with the Company the representations and agreements of such U.S. Underwriter contained in the fifth and sixth paragraphs of Article III of the Agreement Between U.S. and International Underwriters of even date herewith. Each International Underwriter hereby makes to and with the Company the representations and agreements of such International Underwriter contained in the seventh, eighth, ninth and tenth paragraphs of Article III of such Agreement Between U.S. and International Underwriters.

5. PAYMENT AND DELIVERY. Payment for the Firm Shares shall be made to the Company in federal or other funds immediately available in New York City against delivery of such Firm Shares for the respective accounts of the several Underwriters at _____ at 10:00 A.M., New York City time, on _____, 1996, or at such other time on the same or such other date, not later than _____, 1996, as shall be designated in writing by you. The time and date of such payment are hereinafter referred to as the "Closing Date."

Payment for any Additional Shares shall be made to the Company in federal or other funds immediately available in New York City against delivery of such Additional Shares for the respective accounts of the several U.S. Underwriters at _____ at 10:00 A.M., New York City time, on the date specified in the notice described in Section 3 or at such other time on the same or such other date, in any event not later than _____, 1996, as shall be designated in writing by the U.S. Representatives. The time and date of such payment are hereinafter referred to as the "Option Closing Date."

Certificates for the Firm Shares and Additional Shares shall be in definitive form and registered in such names and in such denominations as you shall request in writing not later than one full business day prior to the Closing Date or the Option Closing Date, as the case may be. The certificates evidencing the Firm Shares and Additional Shares shall be delivered to you on the Closing Date or the Option Closing Date, as the case may be, for the respective accounts of the several Underwriters, with any transfer taxes payable in connection with the transfer of the Shares to the Underwriters duly paid, against payment of the Purchase Price therefor.

6. CONDITIONS TO THE UNDERWRITERS' OBLIGATIONS. The obligations of the Company to sell the Shares to the Underwriters and the several obligations of the Underwriters to purchase and pay for the Shares on the Closing Date are subject to the condition that the Registration Statement shall have become effective not later than _____ (New York City time) on the date hereof.

The several obligations of the Underwriters hereunder are subject to the following further conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date:

(i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the Company's securities by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) under the Securities Act, and

(ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations, of the Company and its subsidiaries, taken as a whole, from that set forth in the Prospectus that, in your

judgment, is material and adverse and that makes it, in your judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

(b) The Underwriters shall have received on the Closing Date a certificate, dated the Closing Date and signed by the chief executive officer or president and the chief financial officer of the Company, to the effect set forth in clause (a) (i) above, and to the effect that the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date and that the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officers signing and delivering such certificate may rely upon their knowledge as to proceedings threatened.

(c) The Underwriters shall have received on the Closing Date a certificate, dated the Closing Date and signed by the chief executive officer or a co-president of Ingram Industries, to the effect that the representations and warranties of Ingram Industries contained in this Agreement are true and correct as of the Closing Date and that Ingram Industries has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officers signing and delivering such certificate may rely upon their knowledge as to proceedings threatened.

(d) The Underwriters shall have received on the Closing Date an opinion of Davis Polk & Wardwell, outside counsel for the Company, dated the Closing Date, to the effect that:

(i) the Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the State of Delaware and has the corporate power and authority to own its property and to conduct its business as described in the Prospectus;

(ii) the authorized capital stock of the Company conforms, in all material respects, as to legal matters to the description thereof contained in the Prospectus;

(iii) the Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares will not be subject to any preemptive rights, or, to the knowledge of such counsel, rights of first refusal or other similar rights;

(iv) this Agreement has been duly authorized, executed and delivered by the Company;

(v) the statements (A) in the Prospectus under the captions "Risk Factors -- Relationship with Ingram Industries, Ingram Entertainment, and the Ingram Stockholders," "Risk Factors -- Control by Ingram Stockholders," "Risk Factors -- Shares Eligible for Future Sale," "Dividend Policy," "Management," "Certain Transactions," "The Split-Off and the Reorganization," "Description of Capital Stock," "Shares Eligible for Future Sale" and "Underwriters" and (B) in the Registration Statement in Items 14 and 15, in each case insofar as such statements constitute summaries of the legal matters, documents or proceedings referred to

therein, fairly present the information called for with respect to such legal matters, documents and proceedings and fairly summarize the matters referred to therein;

(vi) after due inquiry, such counsel does not know of any legal, regulatory or governmental proceeding pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not so described or of any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required;

(vii) the Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Prospectus, will not be an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(viii) to the knowledge of such counsel, there is no legal or beneficial owner of any securities of the Company who has any rights, not effectively satisfied or waived, to require registration of any shares of capital stock of the Company in connection with the filing of the Registration Statement;

(ix) to such counsel's knowledge: (A) the Registration Statement has become effective under the Securities Act, no stop order proceedings with respect thereto have been instituted or are pending or threatened under the Securities Act and nothing has come to such counsel's attention to lead it to believe that such proceedings are contemplated; and (B) any required filing of the Prospectus and any supplement thereto pursuant to Rule 424(b) under the Securities Act has been made in the manner and within the time period required by such Rule 424(b);

(x) the Shares to be sold under this Agreement to the Underwriters have been duly authorized for listing on the NYSE, subject to official notice of issuance;

(xi) the Split-Off Agreements to which the Company is a party have been duly authorized, executed and delivered by the Company;

(xii) except as described in the Prospectus, all applicable consents, authorizations, approvals, orders, certificates and permits of and from, and all applicable declarations and filings with, all federal and New York state authorities required in connection with the Split-Off have been obtained or filed, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; and the execution and delivery by the Company of, and the performance by the Company of its obligations under, the Split-Off Agreements does not contravene any provision of applicable federal or New York state law or the General Corporation Law of the State of Delaware or the certificate of incorporation or bylaws of the Company or, to such counsel's knowledge, any agreement or other instrument binding upon the Company that is material to the Company and its subsidiaries, taken as a whole, or, to such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, except for any such contravention that would not have a material adverse effect on the Company

and its subsidiaries, taken as a whole, and would not conflict with or materially impair the performance by the Company of its obligations under the Split-Off Agreements;

(xiii) such counsel (A) is of the opinion that the Registration Statement and Prospectus (except for financial statements and schedules and other financial and statistical data included therein as to which such counsel need not express any opinion) comply as to form in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (B) has no reason to believe that (except for financial statements and schedules and other financial and statistical data as to which such counsel need not express any belief) the Registration Statement and the prospectus included therein at the time the Registration Statement became effective contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (C) has no reason to believe that (except for financial statements and schedules and other financial and statistical data included therein as to which such counsel need not express any belief) the Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

In rendering such opinion, such counsel may state that their opinion is limited to the federal laws of the United States, the laws of the State of New York and the General Corporation Law of the State of Delaware.

(e) The underwriters shall have received on the Closing Date an opinion of James E. Anderson, Jr., Esq., Senior Vice President, Secretary and General Counsel of the Company, dated the Closing Date, to the effect that:

(i) the Company is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company and its subsidiaries, taken as a whole;

(ii) the shares of Common Stock outstanding prior to the issuance of the Shares have been duly authorized and are validly issued, fully paid and non-assessable; except as set forth in the Prospectus, to the knowledge of such counsel, neither the Company nor any subsidiary has outstanding any options to purchase, or any preemptive rights or other rights to subscribe for or to purchase, any securities or obligations convertible into, or any contracts or commitments to issue or sell, shares of its capital stock or any such options, rights, convertible securities or obligations; and all outstanding shares of capital stock and options and other rights to acquire capital stock were not issued in violation of any preemptive rights, or, to the knowledge of such counsel, rights of first refusal or other similar rights;

(iii) the execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or bylaws of the Company or, to such counsel's knowledge, any agreement or other instrument binding upon the Company that is material to the Company and its subsidiaries, taken as a whole, or, to such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company,

except for any such contravention that would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not conflict with or materially impair the performance by the Company of its obligations under this Agreement, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by the Company of its obligations under this Agreement, except (i) such as may be required by the securities or Blue Sky laws of the various states and jurisdictions in connection with the offer and sale of the Shares by the Underwriters and (ii) such consents, approvals, authorizations, orders or qualifications which if not obtained would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not materially impair the performance by the Company of its obligations under this Agreement;

(iv) after due inquiry, such counsel does not know of any legal, regulatory or governmental proceeding pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject that are required to be described in the Registration Statement or the Prospectus and are not so described or of any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required;

(v) to the knowledge of such counsel, there is no legal or beneficial owner of any securities of the Company who has any rights, not effectively satisfied or waived, to require registration of any shares of capital stock of the Company in connection with the filing of the Registration Statement;

(vi) except as described in the Prospectus, all applicable consents, authorizations, approvals, orders, certificates and permits of and from, and all applicable declarations and filings with, all federal and Tennessee state authorities required in connection with the Split-Off have been obtained or filed, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; and the execution and delivery by the Company of, and the performance by the Company of its obligations under, the Split-Off Agreements does not contravene any provision of applicable federal law or Tennessee state law or the certificate of incorporation or bylaws of the Company or, to such counsel's knowledge, any agreement or other instrument binding upon the Company that is material to the Company and its subsidiaries, taken as a whole, or, to such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, except for any such contravention that would not have a material adverse effect on the Company and its subsidiaries, taken as a whole, and would not conflict with or materially impair the performance by the Company of its obligations under the Split-Off Agreements;

(vii) the Exchange has been consummated, in all material respects, in accordance with the terms of the Split-Off Agreements;

(viii) such counsel (A) has no reason to believe that (except for financial statements and schedules and other financial and statistical data as to which such counsel need not express any belief) the Registration Statement and the prospectus included therein at the time the Registration Statement became effective contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements

therein not misleading and (B) has no reason to believe that (except for financial statements and schedules and other financial and statistical data included therein as to which such counsel need not express any belief) the Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

In rendering such opinion, such counsel may state that his opinion is limited to the federal laws of the United States and the laws of the State of Tennessee.

(f) The Underwriters shall have received on the Closing Date an opinion of James E. Anderson, Jr., Esq., Vice President, Secretary and General Counsel for Ingram Industries, dated the Closing Date, to the effect that:

(i) Ingram Industries has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Tennessee;

(ii) this Agreement has been duly authorized, executed and delivered by Ingram Industries;

(iii) the execution and delivery by Ingram Industries of, and the performance by Ingram Industries of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or bylaws of Ingram Industries or Ingram Entertainment or, to such counsel's knowledge, any agreement or other instrument binding upon Ingram Industries or Ingram Entertainment that is material to Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, or, to such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over Ingram Industries or Ingram Entertainment, except for any such contravention that would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not conflict with or materially impair the performance by Ingram Industries of its obligations under this Agreement, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by Ingram Industries of any of its obligations under this Agreement, except (i) such as may be required by the securities or Blue Sky laws of the various states and jurisdictions in connection with the offer and sale of the Shares by the Underwriters and (ii) such consents, approvals, authorizations, orders or qualifications which if not obtained would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and are would not materially impair the performance by Ingram Industries of its obligations under this Agreement;

(iv) the Split-Off Agreements to which Ingram Industries is a party have been duly authorized, executed and delivered by Ingram Industries; and

(v) except as described in the Prospectus, all applicable consents, authorizations, approvals, orders, certificates and permits of and from, and all applicable declarations and filings with, all federal and Tennessee state authorities required in connection with the Split-Off have been obtained or filed, except to the extent that the failure to obtain or file would not, singly or in the aggregate, have a material adverse effect on Ingram Industries and its subsidiaries (including,

without limitation, Ingram Entertainment), taken as a whole and would not prevent the consummation of the Exchange; and the execution and delivery by Ingram Industries of, and the performance by Ingram Industries of its obligations under, the Split-Off Agreements does not contravene any provision of applicable federal law or Tennessee state law or the certificate of incorporation or bylaws of Ingram Industries or Ingram Entertainment or, to such counsel's knowledge, any agreement or other instrument binding upon Ingram Industries or Ingram Entertainment that is material to Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, or, to such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over Ingram Industries or Ingram Entertainment, except for any such contravention that would not have a material adverse effect on Ingram Industries and its subsidiaries (including, without limitation, Ingram Entertainment), taken as a whole, and would not conflict with or materially impair the performance by Ingram Industries of its obligations under the Split-Off Agreements.

(g) The Underwriters shall have received on the Closing Date an opinion of Wilson Sonsini Goodrich & Rosati, counsel for the Underwriters, dated the Closing Date, covering the matters referred to in subparagraphs (iii), (iv), (v) (but only as to the statements in the Prospectus under "Description of Capital Stock" and "Underwriters") and (xiii) of paragraph (d) above.

With respect to (A) subparagraph (xiii) of paragraph (d) above, Davis Polk & Wardwell and Wilson Sonsini Goodrich & Rosati, and with respect to (B) subparagraph (viii) of paragraph (e) above, James E. Anderson, Jr., Esq., may state that their opinion and belief are based upon their participation in the preparation of the Registration Statement and Prospectus and any amendments or supplements thereto and review and discussion of the contents thereof, but are without independent check or verification, except as specified.

The opinions of Davis Polk & Wardwell and James E. Anderson, Jr., Esq. described in paragraphs (d), (e) and (f), respectively, above shall be rendered to you at the request of the Company or Ingram Industries, as the case may be, and shall so state therein.

(h) The Underwriters shall have received, on each of the date hereof and the Closing Date, a letter dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Underwriters, from Price Waterhouse LLP, independent public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus; provided, however, that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than the date hereof.

(i) The "lock-up" agreements, each substantially in the form attached hereto as Exhibit A, between you and certain stockholders, officers and directors of the Company relating to sales and certain other dispositions of shares of Common Stock or certain other securities, delivered to you on or before the date hereof, shall be in full force and effect on the Closing Date.

(j) The Company shall have complied with the provisions of paragraph (a) of Section 7 hereof with respect to the furnishing of Prospectuses on the business day following the date of this Agreement.

(k) All documents, opinions or certificates required to be delivered on or prior to the Closing Date pursuant to the Split-Off Agreements shall have been delivered, and all transactions contemplated to be consummated on or prior to the Closing Date pursuant to the Split-Off Agreements as described under the caption "The Split-Off and the Reorganization" in the Prospectus shall have been consummated.

All the agreements, opinions, certificates and letters mentioned above or elsewhere in this Agreement shall be deemed in compliance with the provisions hereof only if Morgan Stanley & Co. Incorporated as a representative of the several Underwriters, shall be reasonably satisfied that they comply in form and scope.

The several obligations of the U.S. Underwriters to purchase Additional Shares hereunder are subject to the delivery to the U.S. Representatives on the Option Closing Date of such documents and legal opinions as you may reasonably request with respect to the good standing of the Company, the due authorization and issuance of the Additional Shares and other matters related to the issuance of the Additional Shares.

7. COVENANTS OF THE COMPANY. In further consideration of the agreements of the Underwriters herein contained, the Company covenants as follows:

(a) To furnish to you, without charge, six (6) signed copies of the Registration Statement (including exhibits thereto) and for delivery to each other Underwriter a conformed copy of the Registration Statement (without exhibits thereto) and to furnish to you in New York City, without charge, prior to 10:00 A.M. New York City time on the business day following the date of this Agreement and during the period mentioned in paragraph (c) below, as many copies of the Prospectus and any supplements and amendments thereto or to the Registration Statement as you may reasonably request.

(b) Before amending or supplementing the Registration Statement or the Prospectus, to furnish to you a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which you reasonably object, and to file with the Commission within the applicable period specified in Rule 424(b) under the Securities Act any prospectus required to be filed pursuant to such Rule.

(c) If, during such period after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters the Prospectus is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Prospectus to comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to the dealers (whose names and addresses you will furnish to the Company) to which Shares may have been sold by you on behalf of the Underwriters and to any other dealers upon request, either amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus, as amended or supplemented, will comply with law.

(d) To endeavor to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as you shall reasonably request.

(e) To make generally available to the Company's security holders and to you as soon as practicable an earnings statement covering the twelve-month period ending January 3, 1998 that satisfies the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(f) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any preliminary prospectus, the Prospectus and amendments and supplements to any of the foregoing, including all printing costs associated therewith, and the mailing and delivering of copies thereof to the Underwriters and dealers, in the quantities hereinabove specified, (ii) all costs and expenses related to the transfer and delivery of the Shares to the Underwriters, including any transfer or other taxes payable thereon, (iii) the cost of printing or producing any Blue Sky memorandum in connection with the offer and sale of the Shares under securities laws of various states and other jurisdictions and all expenses in connection with the qualification of the Shares for offer and sale under state or foreign securities laws as provided in paragraph (d) of Section 7 hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky memorandum, (iv) all filing fees and disbursements of counsel to the Underwriters incurred in connection with the review and qualification of the offering of the Shares by the National Association of Securities Dealers, Inc. (the "NASD"), (v) all fees and expenses in connection with the preparation and filing of the registration statement on Form 8-A relating to the Class A Common Stock and all costs and expenses incident to listing the Shares on the NYSE, (vi) the cost of printing certificates representing the Shares, (vii) the costs and charges of any transfer agent, registrar or depositary, (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and, if the Company shall agree in advance, for a portion of the cost associated with the chartering of aircraft in connection with the road show based on the number of (A) officers and representatives of the Company and (B) consultants utilizing such aircraft compared to the total number of passengers using such aircraft and (ix) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section 7. It is understood, however, that except as provided in this paragraph (f) of Section 7, Section 8 and the last paragraph of Section 10 below, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, stock transfer taxes payable on resale of any of the Shares by them and any advertising expenses connected with any offers they may make.

(g) During a period of three years from the effective date of the Registration Statement, the Company will furnish to you copies of (i) all reports to its stockholders and (ii) all reports, financial statements and proxy or information statements filed by the Company with the Commission or any national securities exchange.

(h) The Company will apply the proceeds from the sale of the Shares as set forth under "Use of Proceeds" in the Prospectus.

(i) Prior to the Closing Date or any Additional Closing Date, as the case may be, the Company will not, directly or indirectly, issue any press release or other communication, other than any press release or other communication made in the ordinary course of business, and not material to the business of the Company and its subsidiaries, taken as a whole, and will not hold any press conference with respect to the Company, or its financial condition, results of operations, business, properties, assets, or prospects or this offering, without your prior written consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, the Company may take any such action without your prior written consent, if advised by counsel that such action is required in order to comply with applicable law, provided that you are given notice of such action at the earliest practicable date and that you and your counsel are provided an opportunity, to the extent practicable, to consult with the Company with respect to such action.

8. INDEMNITY AND CONTRIBUTION.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, any preliminary prospectus or the Prospectus (as amended or supplemented if the Company shall have furnished any amendments or supplements thereto), or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to any Underwriter furnished to the Company in writing by such Underwriter through you expressly for use therein; provided, however, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Underwriter from whom the person asserting any such losses, claims, damages or liabilities purchased Shares, or any person controlling such Underwriter, if a copy of the Prospectus (as then amended or supplemented if the Company shall have furnished any amendments or supplements thereto) was not sent or given by or on behalf of such Underwriter to such person, if required by law so to have been delivered, at or prior to the written confirmation of the sale of the Shares to such person, and if the Prospectus (as so amended or supplemented) would have cured the defect giving rise to such losses, claims, damages or liabilities, unless such failure is the result of noncompliance by the Company with paragraph (a) of Section 7.

(b) Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to such Underwriter, but only with reference to information relating to such Underwriter furnished to the Company in writing by such Underwriter through you expressly for use in the Registration Statement, any preliminary prospectus, the Prospectus or any amendments or supplements thereto.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to paragraph (a) or (b) of this Section 8, such person (the "Indemnified Party") shall promptly notify the person against whom such indemnity may be sought (the "Indemnifying Party") in writing and the Indemnifying Party, upon

request of the Indemnified Party, shall retain counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party and any others the Indemnifying Party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the Indemnifying Party shall not, in respect of the legal expenses of any Indemnified Party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by Morgan Stanley & Co. Incorporated, in the case of parties indemnified pursuant to paragraph (a) of this Section 8, and by the Company, in the case of parties indemnified pursuant to paragraph (b) of this Section 8. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Party agrees to indemnify the Indemnified Party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Party shall have requested an Indemnifying Party to reimburse the Indemnified Party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Indemnifying Party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such Indemnifying Party of the aforesaid request and (ii) such Indemnifying Party shall not have reimbursed the Indemnified Party in accordance with such request prior to the date of such settlement. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such proceeding.

(d) To the extent the indemnification provided for in paragraph (a) or (b) of this Section 8 is unavailable to an Indemnified Party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Party under such paragraph, in lieu of indemnifying such Indemnified Party thereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Shares (before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate Public Offering Price of the Shares. The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other

things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Underwriters' respective obligations to contribute pursuant to this Section 8 are several in proportion to the respective number of Shares they have purchased hereunder, and not joint.

(e) The Company and the Underwriters agree that it would not be just or equitable if contribution pursuant to this Section 8 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) of this Section 8. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 8 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 8 and the representations, warranties and other statements of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter, or the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

9. TERMINATION. This Agreement shall be subject to termination by notice given by you to the Company, if (a) after the execution and delivery of this Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the NYSE, the American Stock Exchange, the NASD, the Chicago Board of Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade, (ii) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either federal or New York State authorities, or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in your judgment, is material and adverse and (b) in the case of any of the events specified in clauses (a)(i) through (iv), such event singly or together with any other such event, makes it, in your judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

10. EFFECTIVENESS; DEFAULTING UNDERWRITERS. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If, on the Closing Date or the Option Closing Date, as the case may be, any one or more of the Underwriters shall fail or refuse to purchase Shares that it has or they have agreed to purchase hereunder on such

date, and the aggregate number of Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate number of the Shares to be purchased on such date, the other Underwriters shall be obligated severally in the proportions that the number of Firm Shares set forth opposite their respective names in Schedule I or Schedule II bears to the aggregate number of Firm Shares set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as you may specify, to purchase the Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date; provided, however, that in no event shall the number of Shares that any Underwriter has agreed to purchase pursuant to this Agreement be increased pursuant to this Section 10 by an amount in excess of one-ninth of such number of Shares without the written consent of such Underwriter. If, on the Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Firm Shares and the aggregate number of Firm Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Firm Shares to be purchased, and arrangements satisfactory to you and the Company for the purchase of such Firm Shares are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter or the Company. In any such case either you or the Company shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement and in the Prospectus or in any other documents or arrangements may be effected. If, on the Option Closing Date, any U.S. Underwriter or U.S. Underwriters shall fail or refuse to purchase Additional Shares and the aggregate number of Additional Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Additional Shares to be purchased, the non-defaulting U.S. Underwriters shall have the option to (i) terminate their obligation hereunder to purchase Additional Shares or (ii) purchase not less than the number of Additional Shares that such non-defaulting U.S. Underwriters would have been obligated to purchase in the absence of such default. Any action taken under this paragraph shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

If this Agreement shall be terminated by the Underwriters, or any of them, because of any failure or refusal on the part of the Company to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company shall be unable to perform its obligations under this Agreement, the Company will reimburse the Underwriters or such Underwriters as have so terminated this Agreement with respect to themselves, severally, for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by such Underwriters in connection with this Agreement or the offering contemplated hereunder.

11. COUNTERPARTS. This Agreement may be signed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

12. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

13. HEADINGS. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

Very truly yours,

INGRAM MICRO INC.

By: _____

INGRAM INDUSTRIES INC.

By: _____

Accepted, _____, 1996

Morgan Stanley & Co. Incorporated
The Robinson-Humphrey Company, Inc.
Alex. Brown & Sons Incorporated
Hambrecht & Quist LLC
J.C. Bradford & Co.

Acting severally on behalf of themselves and the
several U.S. Underwriters named in Schedule I hereto.

By: Morgan Stanley & Co. Incorporated

By: _____

Morgan Stanley & Co. International Limited
The Robinson-Humphrey Company, Inc.
Alex. Brown & Sons Incorporated
Hambrecht & Quist LLC

Acting severally on behalf of themselves and the
several International Underwriters named in Schedule
II hereto.

By Morgan Stanley & Co. International Limited

By: _____

SCHEDULE I

U.S. UNDERWRITERS

UNDERWRITER	NUMBER OF FIRM SHARES TO BE PURCHASED
Morgan Stanley & Co. Incorporated.....	
The Robinson-Humphrey Company, Inc.	
Alex. Brown & Sons Incorporated	
Hambrecht & Quist LLC	
J.C. Bradford & Co.....	
Total.....	16,000,000

SCHEDULE II

INTERNATIONAL UNDERWRITERS

UNDERWRITER	NUMBER OF FIRM SHARES TO BE PURCHASED
Morgan Stanley & Co. International Limited.....	
The Robinson-Humphrey Company, Inc.	
Alex. Brown & Sons Incorporated	
Hambrecht & Quist LLC	
Total.....	4,000,000

EXHIBIT A

LOCK-UP AGREEMENT

_____, 1996

Morgan Stanley & Co. Incorporated
The Robinson-Humphrey Company, Inc.
Alex. Brown & Sons Incorporated
Hambrecht & Quist LLC
J.C. Bradford & Co.
as Representatives of the Several Underwriters

Re: Initial Public Offering of Ingram Micro Inc.

Ladies and Gentlemen:

The undersigned understands that you, as representatives (the "Representatives") of the several underwriters (the "Underwriters"), propose to enter into an underwriting agreement with Ingram Micro Inc. (the "Company") providing for the initial public offering (the "Public Offering") by the Underwriters of shares of Class A Common Stock, par value $.01 per share, of the Company (together with the Company's Class B Common Stock, par value $.01 per share, the "Common Stock") pursuant to a Registration Statement (the "Registration Statement") to be filed by the Company with the Securities and Exchange Commission (the "Commission").

To induce the Underwriters that may participate in the Public Offering, subject to the terms of the Underwriting Agreement, to continue their efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of Morgan Stanley & Co. Incorporated on behalf of the Underwriters, it will not, during the period commencing on the date hereof and ending one hundred eighty (180) days after the date of the final prospectus (the "Prospectus") relating to the Public Offering: (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for shares of Common Stock (collectively, the "Shares") (whether such Shares are now owned by the undersigned or are hereafter acquired) or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, whether or not any such transaction described in clause (1) or (2) above is to be settled by delivery of such Shares, in cash or otherwise. In addition, the undersigned agrees that, without the prior written consent of Morgan Stanley & Co. Incorporated on behalf of the Underwriters, it will not, during the period commencing on the date hereof and ending one hundred eighty (180) days after the date of the Prospectus, make any demand for or exercise any right with respect to, the registration of any Shares.

Notwithstanding the foregoing, if the undersigned is an individual, he or she may transfer any or all of the Shares either during his or her lifetime or on death by gift, will or intestacy to his or her immediate family or to a trust, partnership or other entity, the beneficiaries, partners or equity holders of which are exclusively the undersigned and/or a member or members of his or her immediate family; provided, however, that in any such case, it shall be a condition to the transfer that the transferee execute an agreement stating that the transferee is receiving and holding the Shares subject to the provisions of this Agreement, and there shall be no further transfer

of such Shares except in accordance with this Agreement. For purposes of this and the following paragraph, "immediate family" shall mean lineal descendant, spouse, adopted child, father, mother, brother or sister of the transferor and the spouses, adopted children and lineal descendants of any of the foregoing.

In addition, notwithstanding the foregoing, if the undersigned is a partnership, the partnership may transfer any Shares to a partner of such partnership or a retired partner of such partnership who retires after the date hereof, or to the estate of any such partner or retired partner, and any partner who is an individual may transfer any such Shares by gift, will or intestate succession to his or her immediately family; if the undersigned is a trust, the trust may transfer any Shares to any beneficiary of such trust or to the estate of any such beneficiary, and any beneficiary who is an individual may transfer any such Shares by gift, will or intestate succession to a member or members of his or her immediate family; and if the undersigned is a corporation, the corporation may transfer any Shares to any shareholder of such corporation, and any shareholder who is an individual may transfer any such Shares by gift, will or intestate succession to his or her immediate family; provided, however, that in any such case, it shall be a condition to the transfer that the transferee execute an agreement stating that the transferee is receiving and holding the Shares subject to the provisions of this Agreement, and there shall be no further transfer of such Shares except in accordance with this Agreement.

In addition, notwithstanding the foregoing, any Shares that were purchased pursuant to the Company's Key Employee Stock Purchase Plan may be sold or otherwise transferred to the Company in accordance with the terms thereof.

The undersigned hereby acknowledges that this agreement is valid and binding notwithstanding any prior agreements relating to this matter and further agrees and consents to the entry of stop-transfer instructions with the Company's transfer agent against the transfer of shares of Common Stock held by the undersigned except in compliance with the terms and conditions of this agreement. The undersigned also understands that the Company and the Underwriters will proceed with the Public Offering in reliance on this Lock-Up Agreement. Whether or not the Public Offering occurs as planned depends on a number of factors, including market conditions. A final decision as to the Public Offering will be made by the Underwriters and the Company. This Lock-Up Agreement shall terminate if the pricing of the Public Offering shall not have occurred prior to or on January 1, 1997.

Very truly yours,

_____
Name of Stockholder

_____
Signature of Authorized Signatory

_____
Print Name and Title, if applicable

_____
Additional Signature(s), if stock jointly held

Exhibit 3.01

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

INGRAM MICRO INC. (A CALIFORNIA CORPORATION)

INTO

INGRAM MICRO INC. (A DELAWARE CORPORATION)

PURSUANT TO SECTION 253 OF THE GENERAL CORPORATION

LAW OF THE STATE OF DELAWARE

INGRAM MICRO INC. ("Micro Delaware"), a corporation organized and existing under the General Corporation Law of the State of Delaware, does hereby certify that:

FIRST: INGRAM MICRO INC. ("Micro California") is a corporation organized and existing under the California General Corporation Law.

SECOND: Micro Delaware owns of record 100% of the outstanding shares of Class A common stock (the "Common Stock"), par value $0.25 per share, of Micro California, the Common Stock being the only class of stock of Micro California outstanding.

THIRD: At a meeting of the Board of Directors of Micro Delaware held on August 20, 1996, the Board of Directors of Micro Delaware adopted the following resolutions providing for the merger of Micro California into Micro Delaware, which resolutions have not been amended or rescinded and are in full force and effect:

RESOLVED, That, pursuant to Section 253 of the General Corporation Law of the State of Delaware, Ingram Micro Inc. ("Micro California") shall be merged (the "Merger") into Ingram Micro Inc. ("Micro Delaware"), whereupon the separate existence of Micro California

shall cease, and Micro Delaware shall be the surviving corporation (the "Surviving Corporation") and shall assume all of the obligations of Micro California.

RESOLVED, That the Merger shall be effective at the time a Certificate of Ownership and Merger for the Merger is filed with the Secretary of State of the State of Delaware (the "Effective Time").

RESOLVED, That the Certificate of Incorporation of Micro Delaware as in effect at the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation until amended in accordance with applicable law.

RESOLVED, That the bylaws of Micro Delaware as in effect at the Effective Time shall be the bylaws of the Surviving Corporation until amended in accordance with applicable law.

RESOLVED, That the Chairman of the Board and Chief Executive Officer and the President and Chief Operating Officer of Micro Delaware be, and each of them hereby is, authorized and directed to (i) make and execute a Certificate of Ownership and Merger ("Certificate of Ownership and Merger"), which shall set forth a copy of these resolutions and the date of adoption thereof, and to cause the same to be filed with the Secretary of State of Delaware, (ii) execute and file with the Secretary of State of California all required documents, including without limitation an executed counterpart of the Certificate of Ownership and Merger and (iii) take all actions and to execute and file all other documents whether within or without the State of Delaware or California as such officers may deem appropriate to effectuate the foregoing resolutions and to carry out the purposes thereof, the taking of any such action and any execution and delivery of any such document conclusively to evidence the due authorization thereof by Micro Delaware.

IN WITNESS WHEREOF, INGRAM MICRO INC. has caused this Certificate of Ownership and Merger to be executed in its corporate name by its Chief Executive Officer and attested to by its Secretary, this 23rd day of October, 1996.

By: /s/ JERRE L. STEAD

Name: Jerre L. Stead
Title: Chairman of the Board and Chief Executive Officer

ATTEST:

/s/ JAMES E. ANDERSON, JR.
- ------------------------------
Name: James E. Anderson, Jr.
Title: Secretary

CERTIFICATE OF OWNERSHIP AND MERGER

merging

INGRAM MICRO HOLDINGS INC.

into

INGRAM MICRO INC.

Pursuant to Section 253 of the General Corporation

Law of the State of Delaware

INGRAM MICRO INC. ("Micro Delaware"), a corporation organized and existing under the General Corporation law of the State of Delaware, does hereby certify that:

FIRST: INGRAM MICRO HOLDINGS INC. ("Holdings") is a corporation organized and existing under the California General Corporation Law.

SECOND: Micro Delaware owns of record 100% of the outstanding shares of common stock (the "Common Stock"), par value $0.20 per share, of Holdings, the Common Stock being the only class of stock of Holdings outstanding.

THIRD: At a meeting of the Board of Directors of Micro Delaware held on August 20, 1996, the Board of Directors of Micro Delaware adopted the following resolutions providing for the merger of Holdings into Micro Delaware, which resolutions have not been amended or rescinded and are in full force and effect:

> RESOLVED, That, pursuant to Section 253 of the General Corporation Law of the State of Delaware, Ingram Micro Holdings Inc. ("Holdings") shall be merged (the "Merger") into Ingram Micro Inc. ("Micro Delaware"), whereupon the separate existence of Holdings shall cease, and Micro Delaware shall be the surviving corporation (the "Surviving

Corporation") and shall assume all of the obligations of Holdings.

RESOLVED, That the Merger shall be effective at the time a Certificate of Ownership and Merger for the Merger is filed with the Secretary of State of the State of Delaware (the "Effective Time").

RESOLVED, That the Certificate of Incorporation of Micro Delaware as in effect at the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation until amended in accordance with applicable law.

RESOLVED, That the bylaws of Micro Delaware as in effect at the Effective Time shall be the bylaws of the Surviving Corporation until amended in accordance with applicable law.

RESOLVED, That the Chairman of the Board and Chief Executive officer and the President and Chief Operating Officer of Micro Delaware be, and each of them hereby is, authorized and directed to (i) make and execute a Certificate of Ownership and Merger ("Certificate of Ownership and Merger"), which shall set forth a copy of these resolutions and the date of adoption thereof, and to cause the same to be filed with the Secretary of State of Delaware, (ii) execute and file with the Secretary of State of California all required documents, including without limitation an executed counterpart of the Certificate of Ownership and Merger and (iii) take all actions and to execute and file all other documents whether within or without the State of Delaware or California as such officers may deem appropriate to effectuate the foregoing resolutions and to carry out the purposes thereof, the taking of any such action and any execution and delivery of any such document conclusively to evidence the due authorization thereof by Micro Delaware.

IN WITNESS WHEREOF, INGRAM MICRO INC. has caused this Certificate of Ownership and Merger to be executed in its

corporate name by its Chief Executive Officer and attested to by its Secretary, this 23rd day of October, 1996.

By: /s/ JERRE L. STEAD

Name: Jerre L. Stead
Title: Chairman of the Board and
Chief Executive Officer

ATTEST:

/s/ JAMES E. ANDERSON, JR.
- ---
Name: James E. Anderson, Jr.
Title: Secretary

CERTIFICATE OF INCORPORATION

OF

INGRAM MICRO INC.

* * * * *

FIRST: The name of the Corporation is Ingram Micro Inc.

SECOND: The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended ("DELAWARE LAW").

FOURTH: (a) SHARES AUTHORIZED. The total number of shares of stock which the Corporation shall have authority to issue is (i) a total of 400,000,000 shares of Common Stock, par value $0.01 per share (the "COMMON STOCK"), in two classes consisting of 265,000,000 shares of Class A Common Stock (the "CLASS A COMMON STOCK") and 135,000,000 shares of Class B Common Stock (the "CLASS B COMMON STOCK") and (ii) 1,000,000 shares of Preferred Stock, par value $0.01 per share (the "PREFERRED STOCK"). The number of authorized shares of any class or classes of capital stock of the Corporation may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the Corporation entitled to vote generally in the election of directors, irrespective of the provisions of Section 242(b)(2) of the Delaware Law or any corresponding provision hereinafter enacted.

(b) COMMON STOCK. All shares of Class A Common Stock and Class B Common Stock will be identical and will entitle the holders thereof to the same rights and privileges, except as otherwise provided herein.

(1) VOTING RIGHTS. The holders of the Class A Common Stock shall be entitled to one vote on each matter to be voted on by the stockholders of the Corporation for each share of such stock held. The holders of the Class B Common Stock shall be entitled to 10 votes on each matter to be voted on by the stockholders of the Corporation for each share of such stock held. Except as otherwise required by applicable law, the holders of shares of Class A Common Stock and the holders of shares of Class B Common Stock shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(2) DIVIDENDS AND DISTRIBUTIONS. Subject to the preferences applicable to Preferred Stock outstanding at any time, the holders of shares of Class A Common Stock and the holders of shares of Class B Common Stock shall be entitled to receive, from time to time, when and as declared by the Board of Directors, out of assets or funds of the Corporation legally available therefor, dividends and other distributions in cash, property or securities of the Corporation; provided that, subject to the provisions of this subparagraph, the Corporation shall pay dividends or other distributions to the holders of each class of Common Stock that are equal on a per share basis. In the case of dividends or other distributions payable in Class A Common Stock or Class B Common Stock, including distributions pursuant to stock splits or divisions of Class A Common Stock or Class B Common Stock, only shares of Class A Common Stock shall be distributed with respect to Class A Common Stock and only shares of Class B Common Stock shall be distributed with respect to Class B Common Stock. In the case of dividends or other distributions consisting of other voting securities of the Corporation, the Corporation shall declare and pay such dividends in two separate classes of such voting securities, identical in all respects, except that the voting rights of each such security paid to the holders of Class A Common Stock shall be one-tenth of the voting rights of each such security paid to the holders of Class B Common Stock, and such security paid to the holders of Class B Common Stock shall convert into the security paid to the holders of Class A Common Stock upon the same terms and conditions applicable to the Class B Common Stock. In the case of dividends or other distributions consisting of non-voting securities convertible into, or exchangeable for, voting securities of the Corporation, the Corporation shall provide that such convertible or exchangeable securities and the underlying securities

be identical in all respects (including, without limitation, the conversion or exchange rate), except that the voting rights of each security underlying the convertible or exchangeable security paid to the holders of Class A Common Stock shall be one-tenth of the voting rights of each security underlying the convertible or exchangeable security paid to the holders of the Class B Common Stock, and such underlying securities paid to the holders of Class B Common Stock shall convert into the underlying securities paid to the holders of Class A Common Stock upon the same terms and conditions applicable to the Class B Common Stock.

(3) STOCK SPLITS. The Corporation shall not in any manner subdivide or combine (by stock split, stock dividend, reclassification, recapitalization or otherwise) the outstanding shares of one class of Common Stock unless the outstanding shares of all classes of Common Stock shall be proportionately subdivided or combined.

(4) CONVERSION OF CLASS B COMMON STOCK. (A) OPTIONAL. Subject to the provisions of this subparagraph (4),the holder of each share of Class B Common Stock shall have the right, at any time, at such holder's option, to convert each outstanding share of Class B Common Stock into one fully paid and nonassessable share of Class A Common Stock. Such right of conversion shall be exercised by the holder thereof by giving written notice to the Corporation that the holder elects to convert a stated number of shares of Class B Common Stock into Class A Common Stock and by surrender of a certificate or certificates for the shares to be converted as provided in subparagraph (4)(C) below.

(B) AUTOMATIC. Each outstanding share of Class B Common Stock will be automatically converted into one fully paid and nonassessable share of Class A Common Stock without any action (including without limitation the surrender of certificates therefor) on the part of the holder thereof upon the earliest to occur of:

(I) the fifth anniversary of the consummation of the split-off pursuant to the Exchange Agreement (the "EXCHANGE AGREEMENT") to be entered into among Ingram Industries Inc., Ingram Entertainment Inc., the Corporation and the persons listed on the signature pages thereof;

(II) the sale or transfer of such share of Class B Common Stock (A) by a holder that is a party to the Board Representation Agreement (as defined in the Exchange Agreement) to any person that is not (i) an affiliate of such holder, (ii) the spouse or a descendant (including adopted persons and their descendants) of such holder, their estates or trusts or other entities for the benefit of such holder or its affiliates, spouse or descendants (including adopted persons and their descendants) or (iii) any other party to the Exchange Agreement or (B) by any other holder, to a holder that is not the spouse or a descendant (including adopted persons and their descendants) of such holder, their estates or trusts for the benefit thereof; and

(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, as determined by the Board of Directors of the Corporation.

As soon as practicable following the occurrence of an event referred to in clause (I) or (III) above, written notice of such automatic conversion shall be given by the Corporation to all holders of Class B Common Stock. Upon receipt of such written notice, or immediately prior to the consummation of any sale or transfer referred to in clause (II) above, each holder of Class B Common Stock shall, pursuant to subparagraph (4)(C) below, surrender the certificate or certificates representing the shares of Class B Common Stock that have been or will be converted.

(C) Each certificate for shares of Class B Common Stock to be surrendered to the Corporation in connection with a conversion shall be surrendered at the principal office of the Corporation (or such other office or agency of the Corporation as the Corporation may designate by notice in writing to the holder or holders of the Class B Common Stock) at any time during its usual business hours, together with a statement of the name or names (with address) in which the certificate or certificates for shares of Class A Common Stock shall be issued. Unless the shares issuable on conversion are to be issued in the same name as the name in which such shares of Class B Common Stock are registered, each share surrendered for conversion shall be accompanied by instruments of

transfer, in form satisfactory to the Corporation, duly executed by the holder or the holder's duly authorized attorney and by transfer tax stamps or funds therefor, if required pursuant to subparagraph (4)(G) below.

(D) Promptly following the receipt by the Corporation of the certificate for the share or shares of Class B Common Stock surrendered for conversion, together with the other documents referred to in subparagraph (4)(C) above, and the payment in cash of any amount required pursuant to subparagraph (4)(G) below, the Corporation shall issue and deliver, or cause to be issued and delivered, to the holder, registered in such name or names as such holder may direct, a certificate or certificates for the number of shares of Class A Common Stock issuable upon conversion of such share or shares of Class B Common Stock. Such conversion shall be deemed to have been effected immediately prior to the close of business on (x) the date on which the certificate or certificates for such share or shares, together with the other documents referred to in subparagraph (4)(C) above, shall have been surrendered and the payment of the amount required pursuant to subparagraph (4)(G) below shall have been made, in the case of a conversion pursuant to subparagraph (4)(A) above or (y) upon consummation of the sale or the happening of an event in the case of a conversion pursuant to subparagraph (4)(B) above, and at such time the rights of the holder of such share or shares of Class B Common Stock shall cease, and the person or persons in whose name or names any certificate or certificates for shares of Class A Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares represented thereby.

(E) If the number of shares of Class B Common Stock represented by the certificate or certificates surrendered for conversion exceeds the number of shares converted, the Corporation shall, upon such conversion, execute and deliver to the holder thereof, at the expense of the Corporation, a new certificate or certificates for the number of shares of Class B Common Stock represented by the certificate or certificates surrendered which are not to be converted.

(F) The Corporation covenants that it will at all times reserve and keep available, free from preemptive rights, such number of its authorized but unissued shares of Class A Common Stock as shall be required for

the purpose of effecting conversions of the Class B Common Stock.

(G) The Corporation will pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Class A Common Stock on conversion of the Class B Common Stock pursuant hereto; provided that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of shares of Class A Common Stock in a name other than that of the holder of the Class B Common Stock to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

(H)(I) In the event that the Corporation shall enter into any consolidation, merger, combination or other transaction in which shares of any class of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then, and in such event, the shares of each class of Common Stock shall be exchanged for or changed into an amount per share equal to the amount of stock, securities, cash and/or any other property, as the case may be, into which or for which each share of the other class of Common Stock is exchanged or changed; provided that if shares of Class A Common Stock and Class B Common Stock are exchanged for or changed into shares of capital stock, such shares so exchanged for or changed into may differ to the extent and only to the extent that the Class A Common Stock and Class B Common Stock differ as provided herein.

(II) In the event of a reclassification, change of outstanding shares (other than a change in par value or as a result of any subdivision or combination) or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then a holder of Class B Common Stock shall be entitled to receive upon conversion the amount of such security that such holder would have received if such conversion had occurred immediately prior to the record date of such reclassification or other similar transaction.

(III) If a share of Class B Common Stock shall be converted subsequent to the record date for the payment of a dividend or other distribution on shares of Class B Common Stock but prior to such payment, then the registered holder of such share at the close of business on such record date shall be entitled to receive the dividend or other distribution payable on such share on such date notwithstanding the conversion thereof.

(5) LIQUIDATION RIGHTS. In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for the payment of the debts and other liabilities of the Corporation and after making provision for the holders of each series of Preferred Stock, if any, the remaining assets and funds of the Corporation, if any, shall be divided among and paid ratably to the holders of the Class A Common Stock and the Class B Common Stock treated as a single class.

(6) ISSUANCE. Shares of Class B Common Stock which have been issued and reacquired in any manner, including shares purchased, redeemed, converted or exchanged, shall (upon compliance with any applicable provisions of the laws of the State of Delaware) be canceled and shall not be available for reissue or redesignation.

(c) PREFERRED STOCK. The Board of Directors is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more classes or series of Preferred Stock and to fix the voting powers, full or limited, or no voting powers and the designations, preferences and relative, participating, optional or other special rights, if any, and the qualifications or restrictions thereof, if any, with respect to each such class or series of Preferred Stock and the number of shares constituting each such class or series, and to increase or decrease the number of shares of any such class or series to the extent permitted by Delaware Law.

FIFTH: The name and mailing address of the incorporator are:

NAME	MAILING ADDRESS
Carole Schiffman	450 Lexington Avenue New York, New York 10017

The power of the incorporator as such shall terminate upon the filing of this Certificate of Incorporation.

SIXTH: The names and mailing addresses of the persons who are to serve as directors until the first annual meeting of stockholders or until their successors are elected and qualified are:

NAME	MAILING ADDRESS
Linwood A. Lacy, Jr.	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705
Philip M. Pfeffer	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705
Jeffrey R. Rodek	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705
David R. Dukes	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705
John R. Ingram	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705
David B. Ingram	c/o Ingram Micro Inc. 1600 East St. Andrew Place Santa Ana, CA 92705

SEVENTH: The Board of Directors shall have the power to adopt, amend or repeal the bylaws of the Corporation.

EIGHTH: (a) Election of directors need not be by written ballot unless the bylaws of the Corporation so provide.

(b) There shall be no cumulative voting in the election of directors.

NINTH: For so long as any shares of Class B Common Stock are outstanding, any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, by written consent setting forth the action to be taken signed by the holders of outstanding capital stock entitled to vote thereon having not less than the minimum number of votes that would be necessary to authorize or take such action at a stockholders' meeting at which all shares entitled to vote thereon were present and voted. Commencing at such time as there are no shares of Class B Common Stock outstanding, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken only upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with Delaware Law and may not be taken by written consent of stockholders without a meeting.

TENTH: (a) A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by Delaware Law.

(b)(i) Each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by Delaware Law. The right to indemnification conferred in this ARTICLE TENTH shall also include the right to be paid by the Corporation the expenses incurred in connection with any such proceeding in advance of its final disposition to the fullest extent authorized by Delaware Law. The right to indemnification conferred in this ARTICLE TENTH shall be a contract right.

(ii) The Corporation may, by action of its Board of Directors, provide indemnification to such of the employees and agents of the Corporation to such extent and to such effect as the Board of Directors shall determine to be appropriate and authorized by Delaware Law.

(c) The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss incurred by such person in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under Delaware Law.

(d) The rights and authority conferred in this ARTICLE TENTH shall not be exclusive of any other right which any person may otherwise have or hereafter acquire.

(e) Neither the amendment nor repeal of this ARTICLE TENTH, nor the adoption of any provision of this Certificate of Incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall eliminate or reduce the effect of this ARTICLE TENTH in respect of any acts or omissions occurring prior to such amendment, repeal, adoption or modification.

ELEVENTH: The Corporation reserves the right to amend this Certificate of Incorporation in any manner permitted by Delaware Law and, except as otherwise provided in ARTICLE TENTH, all rights and powers conferred herein on stockholders, directors and officers, if any, are subject to this reserved power. For so long as any shares of Class B Common Stock are outstanding, in addition to any vote otherwise required by law, any such amendment shall require approval of both (a) a majority of the members of the Board of Directors and (b) the holders of a majority of the voting power of all the shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

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IN WITNESS WHEREOF, I have hereunto signed my name this 29th day of April, 1996.

/s/ Carole Schiffman

Carole Schiffman

EXHIBIT 10.33

AMENDMENT NO. 2

This AMENDMENT NO. 2 amends each of

(i) the Pooling and Servicing Agreement dated as of February 10, 1993 as amended by Amendment No. 1, dated January 31, 1994 (the "Pooling and Servicing Agreement"), including Annex X thereto, and as supplemented by the Variable Funding Supplement dated as of February 12, 1993, the Series 1993-1 Supplement dated as of July 23, 1993 (the "Series 1993-1 Supplement"), the Series 1993-2 Supplement dated as of July 23, 1993 (the "Series 1993-2 Supplement"), the Series 1994-1 Supplement dated as of March 24, 1994 (the "Series 1994-1 Supplement"), the Series 1994-2 Supplement dated as of March 24, 1994 (the "Series 1994-2 Supplement") and the Series 1994-3 Supplement dated as of March 24, 1994 (the "1994-3 Supplement") each among Ingram Funding Inc. ("Funding"), Ingram Industries Inc. ("Ingram") and The Chase Manhattan Bank (formerly known as Chemical Bank), as Trustee (the "Trustee"),

(ii) the Asset Purchase and Sale Agreement dated as of February 10, 1993 (the "Purchase Agreement") as amended by Amendment No. 1, dated January 31, 1994 between Funding and Ingram,

(iii) the Asset Purchase and Sale Agreement dated as of February 10, 1993 (the "Micro Purchase Agreement") as amended by Amendment No. 1, dated January 31, 1994 between Ingram Micro Inc. ("Micro") and Ingram,

(iv) the Asset Purchase and Sale Agreement dated as of February 10, 1993 (the "Commtron Purchase Agreement") as amended by Amendment No. 1, dated January 31, 1994 between Ingram Entertainment Inc., ("Entertainment") (as successor to Commtron) and Ingram,

(v) the Subservicing Agreement dated as of February 12, 1993 (the "Micro Subservicing Agreement") between Ingram and Micro,

(vi) the Subservicing Agreement dated as of February 12, 1993 (the "Commtron Subservicing Agreement") between Ingram and Commtron,

(vii) the Letter of Credit Reimbursement Agreement dated as of February 10, 1993, as amended on October 15, 1994, (the "LOC Agreement") among Distribution Funding Corporation (the "CP Issuer"), Funding, Chemical Bank ("Chemical"), and the LOC Issuers named therein, and

(viii) the Liquidity Agreement dated as of February 10, 1993, as amended on October 15, 1994, (the "Liquidity Agreement") as amended by Amendment No. 1, dated January 31, 1994 among the CP Issuer, Funding, Ingram, Chemical, NationsBank of North Carolina, N.A. ("NationsBank"), The Bank of Nova Scotia ("BNS" and, together with Chemical and NationsBank, the "Banks"), Chemical, as agent for the Banks, with BNS, NationsBank and the Industrial Bank of Japan, Limited, Atlanta Agency, as Lead Managers,

and is entered into as of September 13, 1996 (the "Amendment Effective Date") by and among each of the above-named parties to the several agreements listed above.

WHEREAS, the parties to each of the Agreements desire to enter into certain amendments thereto and to consent to all such amendments to all such Agreements,

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, the parties hereto agree as follows:

I. Defined Terms. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in, or for purposes of, the Agreement(s) in which such term is used.

II. Amendments to Pooling and Servicing Agreement. The Pooling and Servicing Agreement shall be amended as follows:

A. Assumption and Release of Duties

From and after the date of consummation and settlement of the stock transfers contemplated in the Exchange Agreement described in the registration statement (SEC Registration No. 333-08453)filed with the Securities and Exchange Commission (the "SEC") with respect to the common stock of Ingram Micro Inc., a Delaware corporation ("New Micro") (such date the "Reorganization Date"), Micro will assume all of the duties and obligations of Ingram under the Pooling and Servicing Agreement and as of such date Ingram shall be released from all of its duties and obligations under or in connection with such Agreement except as expressly provided herein.

B. Conveyance of Receivables

It is recognized and agreed that in light of the various changes being accomplished under this Amendment, from and after the Amendment Effective Date, Entertainment, as successor to Commtron, and Micro will be removed as Designated Subsidiaries and it is further agreed that accounts receivable created by the Ingram Book Company division of Ingram shall no longer be

Receivables for purposes of Section 2.01 of the Pooling and Servicing Agreement. Micro shall assume all of the duties and obligations of Ingram under the Purchase Agreement; provided, however, that Micro shall have no obligation to sell accounts receivable generated by its "CMD" (as defined in Exhibit B hereto) operations. Therefore, for the avoidance of doubt, Ingram, Micro and Entertainment hereby agree as follows:

Each of Ingram, Micro and Entertainment represents and warrants that all of the conditions necessary for the removal of Micro and Entertainment as Designated Subsidiaries in accordance with Section 2.2 of the Purchase Agreement have been fulfilled; and

As of the Amendment Effective Date, any and all Receivables purchased by Funding and conveyed to the Trust pursuant to Section 2.01 of the Pooling and Servicing Agreement by Funding shall be limited to Receivables created by and purchased from Micro (exclusive of Receivables created by CMD).

C. Continuing Obligations of Ingram

It is agreed that Ingram shall not be released from any of its duties and obligations with respect to any Receivables transferred under the Pooling and Servicing Agreement prior to the Amendment Effective Date, including the requirements with respect to the preparation and submission of reports on such Receivables. Further, the obligations of Ingram under Sections 8.04, 8.06 and 8.08 of the Pooling and Servicing Agreement shall remain in effect with respect to liabilities that may arise with respect to the activities Ingram has conducted as Servicer and with respect to the application of such provisions to Receivables transferred prior to the Amendment Effective Date.

Ingram shall continue to maintain the books and accounts required under Section 3.03(t), and shall continue to be responsible for the performance of its obligations under Sections 3.03 (1),(q) and (o), of the Pooling and Servicing Agreement, but only until the Reorganization Date. On and after the Reorganization Date, such duties shall be the responsibility solely of Micro.

It is further understood and agreed that on and after the Reorganization Date, Ingram shall have the right to repurchase all Receivables with any unpaid balance held under the Pooling and Servicing Agreement which were created by either Ingram or Entertainment at a price equal to the Purchase Price thereof, increased by an amount appropriate to recover the amount determined under the Seller's Discount provisions with respect to such Receivables, less any amounts actually collected by the Trust with respect to such Receivables. Ingram agrees to use its best efforts to repurchase such Receivables on the Reorganization Date or as

soon thereafter as practicable; provided, however, that no such repurchase shall be made if as of the result of any such repurchase of a Receivable an Event of Termination with respect to any Series would occur.

D. Amendments with Respect to Allocations and Payments.

Section 4.03(b)(i)(B) is revised to be as follows:

(B) Allocate and pay to the holder of the Transferor Certificate an amount equal to the product of (1) the Invested Percentage for such Series and (2) the Principal Collections for such Business Day; provided that no such allocation or payment shall be made if on such Business Day there shall be in existence a Suspension Event or an Event of Termination.

The last paragraph of Section 9.01 is revised to be as follows:

then, (a) in the case of any event described in subparagraph (i) (other than clause (B) thereof), (ii) and (vi) after any applicable grace period set forth in such subparagraphs, either the Trustee or the Holders of Investor Certificates of the related Series evidencing Undivided Interests aggregating more than 65% of the related Invested Amount of such Series by notice then given in writing to the Transferor and the Servicer (and to the Trustee if given by the Certificateholders) may declare that an Event of Termination has occurred (A) with respect to all Series of Certificates (in the case of notice given by the Trustee) or (B) such Series (in the case of notice given by Investor Certificateholders) as of the date of such notice, or

(b) in the case of any event described in clause (B) of subparagraph (i) or in subparagraphs (iii), (iv), (v), (vii), or (ix) an Event of Termination with respect to all Series shall occur without any notice or other action on the part of the Trustee or any Certificateholder immediately upon the occurrence of such event, or

(c) in the case notice is provided to the Trustee that any event described in subparagraph (viii) has occurred, the Trustee by notice then given in writing to the Transferor and the Servicer will declare that an Event of Termination has occurred with respect to all Series of Certificates as of the date of such notice; provided, however, that in the event that within ten days of such notice by the Trustee, the Holders of Investor Certificates of a Series evidencing Undivided Interests aggregating at least 65% of the related Invested Amount of such Series shall provide written notice to the Trustee, the Transferor and the Servicer that they

waive such Event of Termination, then no Event of Termination shall result with respect to such Series.

E. Amendments with Respect to Allocations and Distributions After Amortization Period Commencement Date.

It is agreed that the modifications addressed with respect to the allocation and payment provisions of Section 4.04 with respect to each of the Supplements other than the Variable Funding Supplement shall become effective on the Amendment Effective Date; provided, however, that the effectiveness of such modifications to Section 4.04 shall be suspended and the provisions of Section 4.04 as in effect prior to the Amendment Effective Date shall be reinstated beginning on the later of June 30, 1997 and such date as Micro's independent accountants shall have confirmed in writing that the accounting treatment of the sale of the Receivables under generally accepted accounting principles ("GAAP") shall not be changed by such suspension and reinstatement (any such adverse change, an "Adverse Balance Sheet Event"). Micro agrees to use its best efforts to obtain from its independent accountants on or before the 10th Business Day immediately preceding June 30, 1997 either (i) such confirmation or (ii) a written statement that such confirmation cannot be made, identifying the pronouncements or other applicable accounting standards that formed the basis of such conclusion and shall promptly furnish a copy of any such document it receives to the Trustee and to each Certificateholder.

Such suspension shall continue in effect until and unless such provisions are further amended; provided however, if, on or prior to July 1, 1998, (x) there shall be in effect a published interpretation or similar determination by the SEC that has the effect of an Adverse Balance Sheet Event (which would for this purpose include any written communication with respect to FASB 125 from the SEC to Micro with respect to a potential SEC enforcement action should Micro not restate its balance sheets) and (y) Micro shall receive written advice from its independent accountants that, based upon its review of the SEC publication or determination described in (x) above, if the suspension of the modifications to Section 4.04 provided in this Amendment No. 2 were revoked and such modifications were in effect, there would be no on-going Adverse Balance Sheet Event, then the suspension of such modification shall be revoked upon notice by Micro to the Trustee and the Certificateholders of such circumstances, such notice to be accompanied by a copy of such written advice from Micro's independent accountants identifying the pronouncements, including such SEC publication or determination, or other applicable accounting statements that formed the basis of such conclusion. Notwithstanding the above sentence, if the publication or determination referred to in (x) above is based upon either (a) modifications to FAS 125 that occur subsequent to June 30, 1997 or (b) other accounting pronouncements that are adopted subsequent to

June 30, 1997, then no such revocation of the suspension of the modification shall occur.

Prior to this amendment, subparagraphs (h), (k), (l), (m) and (n) of such Section have contained an exception as to allocation and payment after the Amortization Period Commencement Date that operates to characterize certain amounts as Principal and direct the payment of such amounts to the Class A Certificates until such Certificates have received full payment of principal. The substance of this portion of Amendment No. 2 is to revise such provisions so that these amounts will not be paid as Principal on the Class A Certificates, but will be retained in a new account, the "Class B Certificate Collection Account", which will be maintained until the respective Class A Certificates have received full payment of principal. On each Settlement Date until such time, amounts on deposit in the Class B Certificate Collection Account will be applied to (1) the Class A Default Deficiency Amount and (2) the reimbursement of Class A Charge-Offs under subparagraphs (i) and (j), respectively, of Section 4.04, to the extent that such Deficiencies or Charge-Offs exist. After the Class A Certificates have been fully paid, all amounts on deposit in the Class B Certificate Collection Account shall be released and applied to the other purposes described in Section 4.04.

The revisions to Section 4.04 for each of such Supplements are contained in Exhibit A attached hereto.

F. Annex X

Subparagraph (iv) of the definition of "Eligible Receivable" shall be amended to be as follows:

(iv) which does not constitute an obligation of the United States, or any state or any city or other political subdivision thereof, or any agency, instrumentality or subdivision of any of the foregoing;

A new definition shall be inserted as follows:

"Suspension Event" shall mean that at the close of business on the date of determination either of the following conditions shall exist:

a. the Adjusted Eligible Principal Receivables shall be less than the Minimum Adjusted Eligible Principal Receivables; or

b. The Transferor Eligible Amount shall be less than the Transferor Minimum Amount.

G. Miscellaneous

On and after the Amendment Effective Date, the Servicing Fee shall be payable to Micro. Ingram and Micro may allocate the Servicing Fee for periods prior to the Reorganization Date as they shall agree.

III. Amendments to the Purchase Agreement. The Purchase Agreement shall be amended as follows:

A. Assumption and Release of Duties

From and after the Amendment Effective Date Micro will assume all of the duties and obligations of Ingram under the Purchase Agreement with respect to Receivables delivered from and after the Amendment Effective Date. Ingram shall continue to perform its duties and obligations with respect to Receivables delivered prior to the Amendment Effective Date until the Ingram Release Date which shall be the later to occur of (i) the date on which the Trustee provides notification to Ingram and Entertainment that it no longer holds any interest in Receivables created by Entertainment or Ingram (the "Entertainment Notification Date") and (ii) the Reorganization Date. After the Ingram Release Date, Ingram shall be released from all of its duties and obligations under or in connection with the Purchase Agreement except as expressly provided herein.

B. Conveyance of Receivables

It is agreed that from and after the Amendment Effective Date, Micro will become the Seller under the Purchase Agreement and that Micro will not own or have any right to convey Receivables created by either Ingram or Entertainment. Therefore, from and after the Amendment Effective Date, the Purchase Agreement will relate to Receivables created by Micro only. As earlier indicated, Micro shall not have an obligation to sell CMD Receivables under the Purchase Agreement.

C. Continuing Obligations of Ingram

It is agreed that Ingram shall not be released from any of its duties and obligations with respect to any Receivables sold pursuant to the Purchase Agreement prior to the Amendment Effective Date. Further, the obligation of Ingram under Section 9.13 of the Purchase Agreement shall remain in effect after the Ingram Release Date. All other duties and obligations of Ingram under the Purchase Agreement shall terminate on the Ingram Release Date.

D. Security Interests

Micro shall take all actions necessary to create in favor of the Buyer the security interest contemplated by Section 2.1(f) of the Purchase Agreement in all Receivables transferred on and after the Amendment Effective Date. The Buyer and the Trustee shall cooperate with Ingram to release any security interest held by them in receivables created by Ingram to the extent such receivables were created after the Amendment Effective Date.

E. Term and Termination

Section 8.1 of the Purchase Agreement is revised so that the existing clause (v) shall become clause (vi) and a new clause (v) shall be inserted to be as follows:

> (v) an officer of the Seller receives notice or becomes aware that notice of a lien has been filed by the Pension Benefit Guaranty Corporation against the Seller, the Transferor or the Trust under Section 412 of the Code or Section 302(f) of ERISA for a failure to make a required installment or other payment to a plan to which Section 412(n) of the Code or Section 302(f) of ERISA applies;

F. Miscellaneous

To the extent that any explicit provision of the Purchase Agreement shall be inconsistent with the intent of the shifting of duties and obligations addressed in this Section III, such provision shall be interpreted to apply in a manner consistent with the intention of the shift of such duties and obligations from Ingram to Micro.

IV. Amendments to the Micro Purchase Agreement. The Micro Purchase Agreement shall be amended as follows:

From and after the Amendment Effective Date, Micro shall have no obligation to sell and Ingram shall have no obligation to buy any receivables under the Micro Purchase Agreement. During the period commencing on the Amendment Effective Date and ending on the date the Trustee provides notification to Ingram and Micro that it no longer holds any interest in Receivables created by Micro prior to the Amendment Effective Date (the "Micro Notification Date"), both Micro and Ingram shall continue to perform all of their duties and obligations with respect to Receivables sold prior to the Amendment Effective Date. After the Micro Notification Date, neither Micro nor Ingram shall have any continuing duties under the Micro Purchase Agreement and such agreement shall terminate for all purposes.

V. Amendments to the Commtron Purchase Agreement. The Commtron Purchase Agreement shall be amended as follows:

From and after the Amendment Effective Date, Entertainment shall have no obligation to sell and neither Ingram nor Micro shall have any obligation to buy any receivables under the Commtron Purchase Agreement. During the period commencing on the Amendment Effective Date and ending on the Entertainment Notification Date, both Entertainment and Ingram shall continue to perform all of their duties and obligations with respect to Receivables sold prior to the Amendment Effective Date. After the Entertainment Notification Date, neither Entertainment nor Ingram shall have any continuing duties under the Entertainment Purchase Agreement and such agreement shall terminate for all purposes.

VI. Amendments to the Micro Subservicing Agreement. The Micro Subservicing Agreement shall be amended as follows:

Micro shall continue to perform all of its duties and obligations under the Micro Subservicing Agreement until the Micro Notification Date at which time the Micro Subservicing Agreement shall terminate and Micro shall have no continuing duties or obligations thereunder.

VII. Amendments to the Commtron Subservicing Agreement. The Commtron Subservicing Agreement shall be amended as follows:

Entertainment shall continue to perform all of its duties and obligations under the Commtron Subservicing Agreement until the Entertainment Notification Date at which time the Commtron Subservicing Agreement shall terminate and Entertainment shall have no continuing duties or obligations thereunder.

VIII. Amendments to the LOC Agreement. The LOC Agreement shall be amended as follows:

A. Assumption and Release of Duties

From and after the Reorganization Date, Micro shall become the Servicer under the Pooling and Servicing Agreement and shall assume all of the duties and obligations of Ingram in its capacity as Servicer under the LOC Agreement, except that Ingram shall have the continuing responsibilities provided for under Section 5.03(b) of the LOC Agreement.

Micro hereby makes the representations and warranties contained in: (i) Section 3.03, as of the Effective Date, and (ii) Section 3.04 as of the Reorganization Date, in each case, substituting Micro for Ingram in each of such provisions. Micro assumes all of the duties and obligations of Ingram under the LOC Agreement in addition to those in its capacity as Servicer as

of the Reorganization Date and as of such date Ingram shall be released from all of such duties and obligations.

B. Extension of Term

By execution of this Amendment No. 2, each of the LOC Issuers agrees that the LOC Commitment and its respective Percentage of the LOC Commitment is hereby extended until December 31, 1999.

IX. Amendments to the Liquidity Agreement. The Liquidity Agreement shall be amended as follows:

A. Assumption and Release of Duties

From and after the Reorganization Date, Micro shall become the Servicer under the Pooling and Servicing Agreement and shall assume all of the duties of Ingram in its capacity as Servicer in connection with the Liquidity Agreement and Ingram shall be released from all such duties and obligations except as otherwise provided in this Amendment No. 2.

Further, in connection with the changes effected by this Amendment No. 2, Micro will assume the duties of Ingram under the Purchase Agreement and Micro will acquire all of the outstanding capital stock of Funding. It is therefore agreed that from and after the Reorganization Date, Micro shall assume all of the duties and obligations of Ingram in connection with the Liquidity Agreement that do not relate to Ingram in its role of servicer and that as of such date Ingram shall be released from all of such duties and obligations.

B. Covenants of Micro

Micro hereby makes the covenants contained in Sections 7.02(a), (b), (c), (d), (e) and (f) of the Liquidity Agreement, substituting Micro for Ingram in each of such provisions. The Financial Covenants contained in Section 7.02(g) shall be amended and become effective from and after the date on which Micro acquires Funding from Ingram (the "Acquisition Date") to be as follows:

Section 7.02(g) Financial Covenants. Micro will not permit:

(i) its consolidated current ratio at the end of any Fiscal Period to be less than 1.0:1.0;

(ii) the ratio of (i) Consolidated EBITDA for any period of four consecutive Fiscal Periods to

(ii) Consolidated Interest Charges for such period to be less than 3.5 to 1.0;

(iii) the ratio of (i) the average daily balances of Consolidated Funded Debt during any Fiscal Period to (ii) 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;

(iv) the Consolidated Tangible Net Worth as at the end of any Fiscal Period to be less than the sum of (i) the greater of (A) $500,000,000 and (B) an amount equal to 90% of Consolidated Tangible Net Worth as at the end of the Fiscal Year ending nearest to December 31, 1996, plus (ii) as of the end of each Fiscal Year commencing with the Fiscal Year ending closest to December 31, 1997, 67% of Consolidated Net Income (without taking into account any losses incurred in any Fiscal Year) since the beginning of the Fiscal Year which began closest to December 31, 1996; and

(v) except for dividends paid, or redemptions made, in any Fiscal Year that do not exceed fifty percent (50%) of Consolidated Net Income for the immediately preceding Fiscal Year, Micro will not declare or pay any dividends (in cash, property or obligations) or any other payments or distributions on account of, or set apart money for a sinking or analogous fund for, or purchase, redeem, retire or otherwise acquire for value any of its shares of capital stock now or hereafter outstanding or any warrants, options or other rights to acquire the same; return any capital to its stockholders as such; or make any distribution of assets to its stockholders as such; provided, however, that Micro may redeem, purchase or acquire 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.

Capitalized terms contained in this Section 7.02(g) and not otherwise defined herein shall have the respective meanings ascribed to such terms in that certain Credit Agreement in the amount of $1,000,000,000 among Micro, Ingram European Coordination Center N.V., Ingram Micro Singapore PTE LTD., Ingram

Micro Inc. (Canada) and certain financial institutions as named therein or any successor agreement thereto (the "Credit Agreement").

C. Miscellaneous

Micro shall be substituted for Ingram in Section 8.01(f) and the release of Ingram from responsibilities as provided in this Amendment No. 2 shall not constitute an Event of Default under such provision.

D. Extension of Term

By execution of this Amendment No. 2, each of the Liquidity Agent and the Lead Managers agrees that the Liquidity Commitment and its Percentage of the Liquidity Commitment is hereby extended until December 31, 1999.

X. Notices. The notice provisions of each of the documents being amended are hereby revised such that all notices previously directed to Ingram, the Transferor, or Servicer shall be directed to Ingram Micro, Inc., 1600 E. St. Andrew Place, Santa Ana, California 92705, Attn: Treasurer, with a copy to Ingram Micro Inc., 1600 E. St. Andrew Place, Santa Ana, California 92705, Attn: General Counsel.

XI. Collateral Matters. The parties to this Amendment No. 2 understand that in connection with the changes effected by this Amendment No. 2, on or about the Reorganization Date Micro will acquire all of the outstanding capital stock of Funding, and that Micro will acquire each of the Subordinated Note, dated February 10, 1993 issued by Funding and the Revolving Note dated as of February 10, 1993 issued by Funding and the right to all payments made under each of such notes. For purposes of Section 7.01(h)(iv) of the Liquidity Agreement and to the extent otherwise required by any of the documents being amended by this Amendment No. 2 or by any other document or agreement, by execution of this Amendment No. 2 each of the undersigned consent to such transfers.

It is further understood and agreed that prior to the Reorganization Date, Micro's parent, Ingram Micro Holdings Inc., and Micro will each be merged into New Micro and, as a result thereof, New Micro shall succeed to all of the rights and obligations of Micro under each of the Agreements amended by this Amendment No. 2.

XII. Consent to Amendments. Each party hereto hereby consents to each amendment to each Agreement provided for in this Amendment No. 2.

XIII. Ratification of Agreements. As amended by this Amendment No. 2, each Agreement is in all respects ratified and confirmed. To the extent of any conflict or inconsistency between the Agreements and this Amendment No. 2, it is agreed that the provisions of this Amendment No. 2 shall control.

XIV. Counterparts. This Amendment No. 2 may be executed in any number of counterparts, which may include facsimile counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument.

XV. Governing Law. THIS AMENDMENT NO. 2 SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

XVI. Confirmation of Ratings. This Amendment No. 2 shall not become effective unless and until the Trustee shall have received written confirmation from each Rating Agency that the effectiveness hereof will not result in either the reduction or withdrawal of the ratings currently assigned by such Rating Agency to both the Commercial Paper and the Class A Certificates of each of the Series 1993-1, Series 1993-2, Series 1994-1, Series 1994-2 and Series 1994-3.

XVII. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Amendment No. 2 or for or in respect of the recitals contained herein, all of which recitals are made solely by Funding, Ingram and Micro.

IN WITNESS WHEREOF, each of the parties to the Agreements has caused this Amendment No. 2 to be executed by its duly authorized officer as of the date set forth above and, as applicable, consents to each of the changes effected thereby.

INGRAM FUNDING INC.

By:

Name: Robert W. Mitchell
Title: Asst. Treasurer

INGRAM INDUSTRIES INC.

By:

Name: Robert W. Mitchell
Title: V.P. and Treasurer

THE CHASE MANHATTAN BANK, as Trustee

By:

Name:
Title:

INGRAM MICRO INC.

By:

Name: Robert W. Mitchell
Title: Asst. Treasurer

INGRAM ENTERTAINMENT INC.,
as successor to COMMTRON CORP.

By:

Title: Vice Chairman and
Treasurer

DISTRIBUTION FUNDING CORPORATION

By:

Name:
Title: Vice President

THE CHASE MANHATTAN BANK, as the Liquidity
Agent and as a Bank

By:

Name:
Title: Vice President

NATIONSBANK OF NORTH CAROLINA, N.A.

By:

Name:
Title: Senior Vice President

THE BANK OF NOVA SCOTIA

By:

Name:
Title:

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
Atlanta Agency

By:

Name:
Title:

The undersigned Certificateholders acknowledge and consent to all of the foregoing amendments by execution below:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By:

Name:
Title:

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

By:

Name:
Title:

PACIFIC MUTUAL LIFE INSURANCE COMPANY

By:

Name:
Title:

PACIFIC CORINTHIAN LIFE INSURANCE COMPANY

By:

Name:
Title:

Exhibit A

Each of the Series 1993-1 Supplement, the Series 1993-2 Supplement, the Series 1994-1 Supplement, the Series 1994-2 Supplement and the Series 1994-3 Supplement are hereby amended as follows (blanks in a Series designation will be completed with the applicable Series designation for each Supplement)

New subparagraphs 4.04(q), (r), (s) and (t) shall be added as follows:

Section 4.04(q)

The Series Class B Certificate Collection Account. The Trustee, for the benefit of the Certificateholders holding the Series _____ Certificates (the "Series _____ Certificateholders"), shall establish or shall cause to be established and maintained with an Eligible Institution (which may be the Trustee) in the name of the Trustee, on behalf of the Trust, a segregated trust account (the "Series _____ Class B Certificate Collection Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Series _____ Certificateholders. The Series _____ Class B Certificate Collection Account shall be under the sole dominion and control of the Trustee for the benefit of the Series _____ Certificateholders. If, at any time, the institution holding the Series _____ Class B Certificate Collection Account ceases to be an Eligible Institution, the Trustee shall within 30 days of a Responsible Officer learning of such event establish a new Series _____ Class B Certificate Collection Account meeting the conditions specified above with an Eligible Institution, transfer any cash and/or any investments to such new Series _____ Class B Certificate Collection Account and from the date such new Series _____ Class B Certificate Collection Account is established, it shall be the "Series _____ Class B Certificate Collection Account". Neither the Transferor nor the Servicer, nor any person or entity claiming by, through or under the Transferor or Servicer, shall have any right, title or interest in, or any right to withdraw any amount from, the Series _____ Class B Certificate Collection Account except to the extent provided in the Agreement as modified by this Supplement.

(r) Administration of the Series Class B Certificate Collection Account. Funds on deposit in the Series _____ Class B Certificate Collection Account shall at the direction of the Servicer be invested by the Trustee in Permitted Investments that will mature so that such funds will be available prior to the Payment Date following such investment. Any funds on deposit in the Series _____ Class B Certificate Collection Account to be so invested shall be invested solely in Permitted Investments. Any request by the Servicer to invest funds on deposit in the Series _____ Class B Certificate Collection Account shall be in writing and shall be deemed a certification by the Servicer to the Trustee that the requested investment is a Permitted Investment which

matures at or prior to the time required hereby. The Trustee shall maintain possession of the negotiable instruments or securities, if any, evidencing the Permitted Investments described in clause (a) of the definition thereof from the time of purchase thereof until maturity. All interest and earnings (net of losses and investment expenses) on funds on deposit in the Series _____ Class B Certificate Collection Account _____ shall be paid by the Trustee to the Transferor on each Payment Date.

(s) Identification of Series Class B Certificate Collection Account. Schedule A, which is hereby incorporated into and made a part of this Supplement, identifies the Series ___ Class B Certificate Collection Account by setting forth the account number of such account, the account designation of such account and the name and location of the institution with which such account has been established.

(t) Application of Funds in the Series Class B Certificate Collection Account. On each Payment Date funds available in the Series _____ Class B Certificate Collection Account shall be applied for the purposes provided in this Section 4.04; provided, however, if on any Payment Date there shall be no Receivables held in the Trust, then any amounts held in the Series ____ Class B Certificate Collection Account shall be applied (i) first, to the payment of any amounts due on the Series ____ Class A Certificates, and (ii) second, to the payment of any amounts due on the Series ____ Class B Certificates.

_____

Section 4.04(h) of each Supplement shall be amended as follows:

The last sentence of such subparagraph shall be deleted and replaced with the following:

> Notwithstanding the preceding sentence, from and after the Amortization Period Commencement Date, all excess Series _____Imputed Yield Collections shall first be allocated to the payment of the unpaid Make-Whole Amount, if any, owing to the Class A Certificateholders pursuant to Section 19 of the Series _____ Supplement and, if sufficient funds have been allocated to fully satisfy such unpaid Make-Whole Amount, remaining excess Series _____ Imputed Yield Collections shall be characterized as restricted funds ("Restricted Funds") in respect of the Series _____ Certificates and deposited into the Series _____ Class B Certificate Collection Account.

_____

Section 4.04(i) of each Supplement shall be amended to be as follows:

(i) Class A Certificate Defaults. On each Settlement Date, after giving effect to the payments required pursuant to Sections 4.04(a), (b) and (c) (including any payments from Undistributed Class B Interest and Subordinated Series _____ Principal Collections with respect thereto), the Trustee, acting in accordance with instructions from the Servicer, shall pay, (i) from available Series _____ Imputed Yield Collections and, (ii) from and after the Amortization Period Commencement Date, from any amounts on deposit in the Series _____ Class B Certificate Collection Account, an amount equal to the excess, if any, of (i) the product of (x) the Defaulted Amount for the preceding Settlement Period as determined on the preceding Determination Date and (y) the average Class A Invested Percentage during such preceding Settlement Period over (ii) the aggregate Class A Default Amounts for each Business Day in the preceding Settlement Period (in each case, without regard to the aggregate amount of Class A Charge-Offs outstanding from previous days) the "Class A Default Deficiency Amount"), (i) to the Holder of the Transferor Certificate, during the Non-Amortization Period, but only to the extent of available Series _____ Imputed Yield Collections (and, if required, from Undistributed Class B Interest and Subordinated Series _____ Principal Collections) and (ii) to the Principal Funding Account, during the Amortization Period to the extent of available Series _____ Imputed Yield Collections (and, if required, from Undistributed Class B Interest, and Subordinated Series _____ Principal Collections and amounts available in the Series _____ Class B Certificate Collection Account). If available Series _____ Imputed Yield Collections are less than the Class A Default Deficiency Amount, the Trustee, acting in accordance with instructions from the Servicer, shall determine the aggregate amount paid to the Holder of the Transferor Certificate during the preceding Settlement Period pursuant to Section 4.04(h) and shall deem such payments to have been made in satisfaction of such Class A Default Deficiency Amount, up to the amount thereof. Any amounts recharacterized as payments of the Class A Default Deficiency Amount and any amounts from the Series _____ Class B Certificate Collection Account applied under this Section 4.04(i) shall be treated, for all purposes hereunder, as payments in respect of Principal Receivables.

_____

Section 4.04(j) of each Supplement shall be amended to be as follows:

(j) Settlement Date Adjustment and Reimbursement of Class A Charge-Offs. On each Settlement Date, the Trustee, acting

in accordance with instructions from the Servicer, shall reduce the aggregate amount of Class A Charge-Offs, if any, and correspondingly increase the Class A Invested Amount, to the extent of the excess, if any, of (i) the aggregate Class A Default Amounts for each Business Day in the preceding Settlement Period over (ii) the product of (x) the Defaulted Amount for the preceding Settlement Period as determined on the preceding Determination Date and (y) the average Class A Invested Percentage during such preceding Settlement Period. On each Settlement Date, after giving effect to such reduction and to the payments required pursuant to Sections 4.04(a), (b), (c) and (i) (including any payments from Undistributed Class B Interest, Subordinated Series _____ Principal Collections with respect thereto and funds from the Series _____ Class B Certificate Collection Account), the Trustee, acting in accordance with instructions from the Servicer, shall pay, (i) from available Series _____ Imputed Yield Collections and, (ii) from and after the Amortization Period Commencement Date from any amounts on deposit in the Series _____ Class B Certificate Collection Account, an amount equal to the sum of (x) the aggregate amount of Class A Charge-Offs, if any, which have not theretofore been reimbursed pursuant to Section 4.04(d) and this Section 4.04(j) and (y) the excess of the amount determined in accordance with Section 4.04(i) over the amount paid or characterized as having been paid with respect thereto pursuant to the first and second sentences of Section 4.04(i) ("Unreimbursed Class A Charge-Offs"), (i) to the Holder of the Transferor Certificate, during the Non-Amortization Period, but only to the extent of available Series _____ Imputed Yield Collections (and, if required, from Undistributed Class B Interest and Subordinated Series _____ Principal Collections), and (ii) to the Principal Funding Account, during the Amortization Period to the extent of Series _____ Imputed Yield Collections (and, if required, from Undistributed Class B Interest, Subordinated Series _____ Principal Collections and funds from the Series _____ Class B Certificate Collection Account), and the Class A Invested Amount shall be increased by the amount so paid or deposited. Any such amounts paid under this Section 4.04(j) shall be treated, for all purposes hereunder, as payments in respect of Principal Receivables.

_____

Section 4.04(k) of each Supplement shall be amended to be as follows:

(k) Class B Certificate Defaults. On each Settlement Date, after giving effect to the payments required pursuant to Sections 4.04(a), (b), (c), (i), (j), (e) and (f), the Trustee, acting in accordance with instructions from the Servicer, shall pay, solely from available Series _____ Imputed Yield Collections, but if there shall then no longer be any Class A Certificates outstanding and unpaid, then also from any amounts on deposit in the Series _____ Class B Certificate Collection Account, an amount

equal to the excess, if any, of (i) the product of (x) the Defaulted Amount for the preceding Settlement Period as determined on the preceding Determination Date and (y) the average Class B Invested Percentage during such preceding Settlement Period over (ii) the aggregate Class B Default Amounts for each Business Day in the preceding Settlement Period (in each case, without regard to the aggregate amount of Class B Charge-Offs outstanding from previous days) (the "Class B Default Deficiency Amount"), (i) to the Holder of the Transferor Certificate, during the Non-Amortization Period, but only to the extent of available Series _____ Imputed Yield Collections, and (ii) to the Principal Funding Account, during the Amortization Period to the extent of available Series _____ Imputed Yield Collections, but if there shall no longer be any Class A Certificates outstanding and unpaid, then also from any amounts on deposit in the Series _____ Class B Certificate Collection Account. If available Series _____ Imputed Yield Collections are less than the Class B Default Deficiency Amount, the Trustee, acting in accordance with instructions from the Servicer, shall determine the aggregate amount paid to the Holder of the Transferor Certificate during the preceding Settlement Period pursuant to Section 4.04(h) and shall deem such payments to have been made in satisfaction of such Class B Default Deficiency Amount, up to the amount thereof. Any amounts recharacterized as payments of the Class B Default Deficiency Amount shall be treated, for all purposes hereunder, as payments in respect of Principal Receivables. Notwithstanding anything to the contrary in this Section 4.04(k), from and after the Amortization Period Commencement Date, until the Class A Invested Amount and all accrued interest thereon has been paid to, or deposited for the benefit of, the Class A Certificateholders, no allocation of available Series _____ Imputed Yield Collections to the Class B Default Deficiency Amount shall be made under this Section 4.04(k).

_____

Section 4.04(l) of each Supplement shall be amended to be as follows:

(l) Settlement Date Adjustment and Reimbursement of Class B Charge-Offs. On each Settlement Date, the Trustee, acting in accordance with instructions from the Servicer, shall reduce the aggregate amount of Class B Charge-Offs, if any, and correspondingly increase the Class B Invested Amount, to the extent of the excess, if any, of (i) the aggregate Class B Default Amounts for each Business Day in the preceding Settlement Period over (ii) the product of (x) the Defaulted Amount for the preceding Settlement Period as determined on the preceding Determination Date and (y) the average Class B Invested Percentage during such preceding Settlement Period. On each Settlement Date, after giving effect to such reduction and to the payments required pursuant to Sections 4.04(a), (b), (c), (i), (j), (e), (f) and (k), the

Trustee, acting in accordance with instructions from the Servicer, shall pay, solely from available Series _____ Imputed Yield Collections but if there shall no longer be any Class A Certificates outstanding and unpaid, then also from any amounts on deposit in the Series _____ Class B Certificate Collection Account, an amount equal to the sum of (x) the aggregate amount of Class B Charge-Offs, if any, which have not theretofore been reimbursed pursuant to Section 4.04(g) and this Section 4.04(l) and (y) the excess, if any, of the amount determined pursuant to the first sentence of Section 4.04(k) over the amount paid or characterized as having been paid with respect thereto pursuant to the first and second sentences of Section 4.04(k) ("Unreimbursed Class B Charge-Offs"), (i) to the Holder of the Transferor Certificate, during the Non-Amortization Period, but only to the extent of available Series _____ Imputed Yield Collections, and (ii) to the Principal Funding Account, during the Amortization Period to the extent of Series _____ Imputed Yield Collections, but if there shall no longer be any Class A Certificates outstanding and unpaid, then also from any amounts on deposit in the Series _____ Class B Certificate Collection Account, and the Class B Invested Amount shall be increased by the amount so paid or deposited. Any amounts paid under this Section 4.04(l) shall be treated, for all purposes hereunder, as payments in respect of Principal Receivables. Notwithstanding anything to the contrary in this Section 4.04(l), from and after the Amortization Period Commencement Date, until the Class A Invested Amount and all accrued interest thereon has been paid to, or deposited for the benefit of, the Class A Certificateholders, no allocation of available Series _____ Imputed Yield Collections to Unreimbursed Class B Charge-Offs shall be made under this Section 4.04(l).

_____

Section 4.04(m) of each Supplement shall be amended to be as follows:

(m) Settlement Date Payments and Deposits of Excess Series Imputed Yield Collections. On each Settlement Date, after giving effect to the payments required pursuant to Sections 4.04(a), (b), (c), (i), (j), (e), (f), (k) and (l), the Trustee, acting in accordance with instructions from the Servicer, shall pay or deposit, as applicable, all remaining Series _____ Imputed Yield Collections, and, if there shall no longer remain any Class A Certificates outstanding and unpaid, then also all amounts remaining in the Series _____ Class B Certificate Collection Account, (i) if the Transferor Eligible Amount as of the end of the preceding Business Day is greater than or equal to the Transferor Minimum Amount, to the Holder of the Transferor Certificate and (ii) if the Transferor Eligible Amount as of the end of the preceding Business Day is less than the Transferor Minimum Amount, first, to the Transferor Account to the extent required to cause the Transferor Eligible Amount to be not less than the Transferor

Minimum Amount, and second, any remaining Series _____ Imputed Yield Collection, to the Holder of the Transferor Certificate. Notwithstanding the preceding sentence, from and after the Amortization Period Commencement Date until there shall no longer be any Class A Certificates remaining outstanding and unpaid, all excess Series _____ Imputed Yield Collections shall be deposited into the Series _____ Class B Certificate Collection Account.

_____

Section 4.04(n) of each Supplement shall be amended to be as follows:

(n) Undistributed Series Imputed Yield Collections. If, as of the end of any day on which Series _____ Imputed Yield Collections are to be distributed pursuant to Sections 4.04(c), (d), (f), (g), (h), (i), (j), (k), (l) or (m), such payments would cause the Transferor Eligible Amount, after taking into account payments to the Transferor pursuant to Section 4.03 and Sections 4.04(c), (d), (f), (g), (h), (i), (j), (k), (l) and (m) and the increase in the Transferor Eligible Amount resulting from the transfer of any new Receivables to the Trust as of such day, to be less than the Transferor Minimum Amount (any such Series _____ Imputed Yield Collections to the extent applied to reduce the Transferor Eligible Amount to the Transferor Minimum Amount being referred to as "Distributed Series Imputed Yield Collections"), then the Trustee, acting in accordance with instructions from the Servicer, shall pay or deposit, as applicable, any Series _____ Imputed Yield Collections allocated to the Holder of the Transferor Certificate in excess of Distributed Series _____ Imputed Yield Collections ("Undistributed Series Imputed Yield Collections"), first, to the Transferor Account to the extent required to cause the Transferor Eligible Amount to be not less than the Transferor Minimum Amount, and second, any remaining Series _____ Imputed Yield Collections to the Holder of the Transferor Certificate. Notwithstanding the preceding sentence, from and after the Amortization Period Commencement Date until there shall no longer be any Class A Certificates remaining outstanding and unpaid, all Undistributed Series _____ Imputed Yield Collections shall be deposited into the Series _____ Class B Certificate Collection Account.

EXHIBIT B

"CMD" shall refer to the operations categorized as the Consumer Markets Division from time to time on the internal records of Micro, which operations generally include the marketing of products to certain retailers engaged in mass marketing. It is understood and agreed that the activities so categorized and the specific obligors included therein may change from time to time in the good faith determination of Micro.

EXHIBIT 10.35

REPURCHASE AGREEMENT

This Repurchase Agreement, effective as of [ ] _____, 1996, is by and among INGRAM MICRO INC., a Delaware corporation ("Ingram"), _____ ("Stockholder") and NATIONSBANK OF TENNESSEE, N.A. ("Bank");

W I T N E S S E T H:

WHEREAS, Stockholder owns certain shares of the Class __ common stock of Ingram ("the "Common Stock") as set forth on Exhibit A attached hereto (collectively, the "Shares") which he acquired through one or more stock purchase agreements (collectively, the "Stock Purchase Agreements") with Ingram;

WHEREAS, Stockholder desires to pledge the Shares to Bank as collateral for repayment of a promissory note (the "Note") which evidences a loan from Bank to Stockholder;

WHEREAS, the parties hereto desire to enter into this Agreement in order to set forth the terms and conditions under which Ingram will consent to Stockholder's pledge of the Shares and be required to purchase the Shares or the Note;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Ingram hereby consents to Stockholder's pledge of the Shares to Bank solely as security for payment of the Note, and any and all extensions, renewals, modifications and increases thereof, pursuant to a Stock Pledge Agreement of even date herewith which shall be in form acceptable to Ingram and which may not be modified or amended without the consent of Ingram. Stockholder and Bank each agree that the Shares may be sold pursuant to such pledge only in conformity with the provisions of this Agreement.

2. In the event that Bank elects to exercise its right to foreclose upon and dispose of the Shares in order to satisfy Stockholder's obligations to Bank under the Note, or any extension, renewal or modification thereof, Stockholder or Bank shall promptly notify Ingram thereof.

3.(a) Upon receipt of a notice delivered pursuant to Section 2, provided that Stockholder would have the right under the Stock Purchase Agreements to require Ingram to repurchase the Shares, but subject to the exceptions hereinafter set forth, Bank shall be required to sell to Ingram, and Ingram shall be required to purchase from Bank, the Shares at the price calculated in accordance with the formula set forth in the Stock Purchase Agreements.

(b) At Ingram's option, upon receipt of a notice pursuant to Section 2 hereof, Ingram may elect, in lieu of purchasing the Shares, to purchase the Note and the rights of Bank in the documents referred to in the Note (the "Loan Documents") by payment to Bank of the outstanding principal and all accrued interest and late charges on the Note through the date of purchase.

(c) In the event that (i) the purchase price for the Shares would be less than the outstanding principal and all accrued interest and late charges on the Note, (ii) Stockholder would not have the right under the Stock Purchase Agreement to require Ingram to repurchase the Shares and Ingram does not otherwise elect to do so, of (iii) Stockholder is not a resident of the United States of America, then, provided Bank has not

released its pledge on any of the Shares initially pledged as collateral for repayment of the Note except in conformance with the provisions of that certain Addendum to Promissory Note and to Pledge Agreement between Stockholder and Bank of even date herewith, Bank may elect, at its option, to require Ingram to purchase the Note and the rights of Bank in the Loan Documents at a purchase price equal to the outstanding principal and all accrued interest and late charges on the Note through the date of purchase, provided that the outstanding principal included therein shall not exceed $7.00 per Share.

(d) Any purchase pursuant to paragraphs (a), (b) or (c) above shall take place on a date (the "Closing Date") specified in writing by Ingram to Stockholder and Bank, which shall be not less than 10 nor more than 20 days from the date Ingram receives the notice pursuant to Section 2 hereof. The purchase price for the Shares or the Note and Loan Documents shall be payable by cashier's check, wire transfer or other readily available funds on the Closing Date. Concurrently with such payment, Bank shall deliver the certificates representing the Shares, duly endorsed for transfer, or, as the case may be, the Note and the Loan Documents, assigned without recourse, to Ingram.

(e) Notwithstanding any other provision in this Agreement, except in accordance with the provisions of Section 3(c)(iii) hereof, Ingram shall not be required to purchase either the Shares or the Note and the Loan Documents at any time that either (i) the Shares are included in an effective registration statement filed with the United States Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Securities Act"), or (ii) the Shares are eligible for sale pursuant to Rule 144 under the Securities Act or any successor rule which would permit sales of the Shares in the public market without registration.

(f) Stockholder stipulates and agrees that any disposition of the Shares by Bank in accordance with this Agreement will be a "commercially reasonable" disposition within the meaning of T.C.A. Section 47-9-504.

4. In the event that Stockholder satisfies the obligations to Bank which are secured by the Shares or Bank otherwise elects to rescind its election to foreclose upon and dispose of the Shares at any time prior to the closing of a purchase by Ingram pursuant to Section 3 hereof, Ingram shall not be either obligated or permitted to complete such purchase unless otherwise permitted by the Stock Purchase Agreements; provided, however, that, upon a subsequent election by Bank to exercise its rights to foreclose upon and dispose of the Shares in order to satisfy Stockholder's obligations to Bank under the Note, or any extension, renewal or modification thereof, the rights and obligations of the parties hereto again shall be subject to the provisions of Sections 2 and 3 hereof.

5. The parties hereto acknowledge that, in the event Ingram purchases the Shares pursuant to Section 3(a) hereof, Ingram shall be liable to pay only the purchase price for the Shares as set forth in such paragraph and Bank shall look solely to Stockholder for the satisfaction of debt to the extent that such debt exceeds the purchase price for the Shares. To the extent that the purchase price exceeds such debt, the difference shall be payable solely to Stockholder. In the event that Ingram defaults in its obligations under Section 3 of this Agreement, then Bank shall have all rights and remedies otherwise available to it, legal or equitable, to enforce this Agreement against Ingram, including one or more actions for specific performance or damages or both, the right to foreclose on the Shares, purchase the Shares itself or sell the Shares to a third party in mitigation of its damages.

6. Nothing in this Agreement shall prevent Ingram from exercising its rights under the Stock Purchase Agreements to purchase the Shares at the times and for the prices set forth therein. In the event of any such exercise by Ingram at a time when Bank holds a pledge on the Shares as security for payment of the Note, Ingram shall deliver the purchase price for the Shares to Bank which shall apply the amount received first to payment of outstanding principal and accrued interest and late charges on the Note and deliver the balance, if any, to Stockholder. Concurrently with its receipt of such payment, Bank shall deliver the certificates representing the Shares, duly endorsed for transfer, to Ingram. Notwithstanding the foregoing, if the purchase price for the Shares would be less than the outstanding principal and all accrued interest and late charges on the Note, Bank may, by notice delivered to Ingram within 10 days of its receipt of Ingram's election, require Ingram, in lieu of purchasing the Shares, to purchase the Note and the rights of Bank in the Loan Documents at a purchase price calculated in accordance with the provisions of Section 3(c) of this Agreement. In any such event, the purchase shall be completed in accordance with the provisions of Section 3(d) hereof and Ingram shall be able thereafter to complete the purchase of the Shares if it so elects.

7. In order to assist the parties with the administration of this Agreement, Ingram's Treasurer shall deliver to Bank, within 45 days of the end of each calendar quarter, a statement certifying the Fair Market value per share of Common Stock as determined in accordance with the provisions of the Stock Purchase Agreements.

8. All notices required or otherwise given hereunder shall be made in writing and personally delivered or sent by certified mail, return receipt requested, addressed as follows:

If to Ingram:

Ingram Micro Inc.
1600 East St. Andrew Place
Santa Ana, CA 92705
Attention: President

with a copy to:

Ingram Micro Inc.
1600 East St. Andrew Place
Santa Ana, CA 92705
Attention: General Counsel

If to Stockholder:

If to Bank:

NationsBank of Tennessee, N.A.
One NationsBank Plaza
Nashville, TN 37239
Attention: Ronnie L. Boling, Vice President

9. This Agreement may not be altered, amended or terminated except in writing and executed by all parties hereto.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

INGRAM MICRO INC.

By: ----------

Title: ----------

STOCKHOLDER:

NATIONSBANK OF TENNESSEE, N.A.

By: ----------

Title: ----------

EXHIBIT 23.01

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the use in the Prospectus constituting part of this Registration Statement on Form S-1 (333-08453) of our report dated February 29, 1996, except as to Note 12 which is dated as of September 9, 1996 and Note 2 which is dated as of October 29, 1996, relating to the financial statements of Ingram Micro Inc., which appears in such Prospectus. We also consent to the application of such report to the Financial Statement Schedules for the three years ended December 30, 1995 listed under Item 16(b) of this Registration Statement when such schedules are read in conjunction with the financial statements referred to in our report. The audits referred to in such report also included these schedules. We also consent to the reference to us under the heading "Experts" in such Prospectus.

Price Waterhouse LLP

Nashville, Tennessee

October 29, 1996

EXHIBIT 99.03

CONSENT

The undersigned, Don H. Davis, Jr., hereby consents, pursuant to Rule 438 under the Securities Act of 1933, as amended, to being named in the Registration Statement on Form S-1 (File No. 333-08453) (the "Registration Statement") of Ingram Micro Inc. (the "Registrant") as a person about to become a director of the Registrant, and to the filing of this Consent as an exhibit to the Registration Statement.

Don H. Davis, Jr.

October 28, 1996