FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

FOR THE QUARTERLY PERIOD ENDED JULY 1, 2000

OR

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

FOR THE TRANSITION PERIOD FROM ___________________ TO __________________

COMMISSION FILE NUMBER: 1-12203

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

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

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

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

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

The Registrant had 73,194,704 shares of Class A Common Stock, par value $.01 per share, and 72,215,836 shares of Class B Common Stock, par value $.01 per share, outstanding at July 1, 2000.

INGRAM MICRO INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INGRAM MICRO INC.

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

	JULY 1, 2000 (UNAUDITED)	JANUARY 1, 2000
ASSETS		
Current assets:		
Cash	$ 149,070	$ 128,152
Investment in available-for-sale securities	--	142,338
Accounts receivable:		
Trade receivables	1,639,518	2,853,509
Retained interest in securitized receivables	981,513	--
Total accounts receivable (less allowances of $87,717 and $100,754)	2,621,031	2,853,509
Inventories	2,553,659	3,471,565
Other current assets	364,017	373,365
Total current assets	5,687,777	6,968,929
Investment in available-for-sale securities	201,856	474,525
Property and equipment, net	328,820	316,643
Goodwill, net	441,486	455,473
Other	76,486	56,357
Total assets	$ 6,736,425	$ 8,271,927
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 3,400,474	$ 4,322,303
Accrued expenses	273,934	317,283
Current maturities of long-term debt	55,215	31,020
Total current liabilities	3,729,623	4,670,606
Convertible debentures	383,190	440,943
Other long-term debt	597,695	876,172
Deferred income taxes and other liabilities	175,736	313,561
Total liabilities	4,886,244	6,301,282
Redeemable Class B Common Stock	--	3,800
Stockholders' equity:		
Preferred Stock, $0.01 par value, 1,000,000 shares authorized; no shares issued and outstanding	--	--
Class A Common Stock, $0.01 par value, 265,000,000 shares authorized; 73,194,704 and 71,212,517 shares issued and outstanding	732	712
Class B Common Stock, $0.01 par value, 135,000,000 shares authorized; 72,215,836 and 73,280,871 shares issued and outstanding (including 542,855 redeemable shares at January 1, 2000)	722	727
Additional paid in capital	659,503	645,182
Retained earnings	1,124,411	995,035
Accumulated other comprehensive income	67,055	328,285
Unearned compensation	(2,242)	(3,096)
Total stockholders' equity	1,850,181	1,966,845
Total liabilities and stockholders' equity	$ 6,736,425	$ 8,271,927

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

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

	THIRTEEN WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	JULY 1, 2000	JULY 3, 1999	JULY 1, 2000	JULY 3, 1999
Net sales	$ 7,295,059	$ 6,804,813	$ 15,091,409	$ 13,530,088
Cost of sales	6,933,547	6,436,985	14,363,701	12,803,006
Gross profit	361,512	367,828	727,708	727,082
Expenses:				
Selling, general and administrative	285,121	258,175	580,786	525,684
Reorganization costs	--	2,050	--	8,284
	285,121	260,225	580,786	533,968
Income from operations	76,391	107,603	146,922	193,114
Other (income) expense:				
Interest income	(1,511)	(1,336)	(2,878)	(2,655)
Interest expense	22,287	25,642	49,147	50,866
Gain on sale of available-for-sale securities	--	--	(111,458)	--
Net foreign currency exchange loss	816	948	1,134	624
Other	1,240	2,731	5,438	3,514
	22,832	27,985	(58,617)	52,349
Income before income taxes and extraordinary item	53,559	79,618	205,539	140,765
Provision for income taxes	20,503	29,279	78,479	51,950
Income before extraordinary item	33,056	50,339	127,060	88,815
Extraordinary gain on repurchase of debentures, net of $113, $1,408 and $2,405 in income taxes	187	--	2,316	3,778
Net income	$ 33,243	$ 50,339	$ 129,376	$ 92,593
Basic earnings per share:				
Income before extraordinary item	$ 0.23	$ 0.35	$ 0.88	$ 0.62
Extraordinary gain on repurchase of debentures	0.00	--	0.01	0.03
Net income	$ 0.23	$ 0.35	$ 0.89	$ 0.65
Diluted earnings per share:				
Income before extraordinary item	$ 0.22	$ 0.34	$ 0.86	$ 0.60
Extraordinary gain on repurchase of debentures	0.00	--	0.01	0.03
Net income	$ 0.22	$ 0.34	$ 0.87	$ 0.63

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

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

	TWENTY-SIX WEEKS ENDED	
	JULY 1, 2000	JULY 3, 1999
CASH PROVIDED BY OPERATING ACTIVITIES:		
Net income	$ 129,376	$ 92,593
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	41,548	35,262
Amortization of goodwill	10,681	10,252
Deferred income taxes	59,684	(9,456)
Pretax gain on available-for-sale securities	(111,458)	--
Gain (net of tax) on repurchase of debentures	(2,316)	(3,778)
Noncash interest expense on debentures	11,136	12,178
Noncash compensation charge	1,959	1,018
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable	234,492	140,855
Inventories	918,618	322,125
Other current assets	(27,016)	(22,784)
Accounts payable	(942,189)	132,020
Accrued expenses	(43,204)	44,838
Cash provided by operating activities	281,311	755,123
CASH PROVIDED (USED) BY INVESTING ACTIVITIES:		
Purchase of property and equipment	(73,456)	(57,819)
Proceeds from sale of property and equipment	16,400	7,652
Acquisitions, net of cash acquired	--	(227,019)
Net proceeds from sale of available-for-sale securities	119,228	--
Other	(3,948)	(3,136)
Cash provided (used) by investing activities	58,224	(280,322)
CASH USED BY FINANCING ACTIVITIES:		
Redemption of Redeemable Class B Common Stock	--	(70)
Exercise of stock options including tax benefits	7,537	12,187
Repurchase of convertible debentures	(62,662)	(50,321)
Proceeds from (repayments of) debt	24,577	(5,821)
Net repayments under revolving credit facilities	(280,074)	(379,323)
Cash used by financing activities	(310,622)	(423,348)
Effect of exchange rate changes on cash	(7,995)	(5,635)
Increase in cash	20,918	45,818
Cash, beginning of period	128,152	96,682
Cash, end of period	$ 149,070	$ 142,500
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash payments during the period:		
Interest	$ 46,359	$ 50,782
Income taxes	15,399	42,422

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

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

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

Ingram Micro Inc. (the "Company" or "Ingram Micro") is primarily engaged, directly and through its wholly- and majority-owned subsidiaries, in wholesale distribution of information technology products and services worldwide. The Company conducts the majority of its operations in the United States (the "U.S."), Europe, Canada, Latin America, and Asia Pacific.

The consolidated financial statements include the accounts of Ingram Micro Inc. and all wholly- and majority-owned subsidiaries. These financial statements have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. In the opinion of management, the accompanying unaudited consolidated financial statements contain all material adjustments (consisting of only normal, recurring adjustments) necessary to present fairly the financial position of the Company as of July 1, 2000, and its results of operations for the thirteen and twenty-six weeks ended July 1, 2000 and July 3, 1999 and its cash flows for the twenty-six weeks ended July 1, 2000 and July 3, 1999. All significant intercompany accounts and transactions have been eliminated in consolidation. The results of operations for the thirteen and twenty-six weeks ended July 1, 2000 may not be indicative of the results of operations that can be expected for the full year.

NOTE 2 - EARNINGS PER SHARE

The Company reports a dual presentation of Basic Earnings per Share ("Basic EPS") and Diluted Earnings per Share ("Diluted EPS"). Basic EPS excludes dilution and is computed by dividing net income by the weighted average number of common shares outstanding during the reported period. Diluted EPS reflects the potential dilution that could occur if stock options and other commitments to issue common stock (common stock equivalents) were exercised using the treasury stock method or the if-converted method, where applicable.

The composition of Basic EPS and Diluted EPS is as follows:

	THIRTEEN WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	JULY 1, 2000	JULY 3, 1999	JULY 1, 2000	JULY 3, 1999
Income before extraordinary item	$ 33,056	$ 50,339	$ 127,060	$ 88,815
Weighted average shares	145,174,800	143,120,896	144,981,627	142,938,040
Basic earnings per share before extraordinary item	$ 0.23	$ 0.35	$ 0.88	$ 0.62
Weighted average shares including the dilutive effect of common stock equivalents (4,525,925 and 4,945,912 for the 13 weeks ended July 1, 2000 and July 3, 1999, respectively, and 3,453,573 and 5,188,158 for the 26 weeks ended July 1, 2000 and July 3, 1999, respectively)	149,700,725	148,066,808	148,435,200	148,126,198
Diluted earnings per share before extraordinary item	$ 0.22	$ 0.34	$ 0.86	$ 0.60

At July 1, 2000, there were $383,190 in Zero Coupon Convertible Senior Debentures that were convertible into approximately 5,454,000 shares of Class A Common Stock. For the thirteen weeks and the twenty-six weeks ended July 1, 2000 and July 3, 1999, respectively, these potential shares were excluded from the computation of Diluted

INGRAM MICRO INC.

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

EPS because their effect would not be dilutive. Additionally, there were approximately 8,643,000 and 3,226,000 stock options for the thirteen and twenty-six weeks ended July 1, 2000 and July 3, 1999, respectively, that were not included in the computation of Diluted EPS because the exercise price was greater than the average market price of the Class A Common Stock, thereby resulting in an antidilutive effect.

NOTE 3 - COMPREHENSIVE INCOME

Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" ("FAS 130") establishes standards for reporting and displaying comprehensive income and its components in the Company's consolidated financial statements. Comprehensive income is defined in FAS 130 as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from nonowner sources and is comprised of net income and other comprehensive income (loss).

Total comprehensive (loss) income for the thirteen weeks ended July 1, 2000 and July 3, 1999 was ($115,170) and $143,958, respectively. Total comprehensive (loss) income for the twenty-six weeks ended July 1, 2000 and July 3, 1999 was ($131,854) and $231,594, respectively.

The components of accumulated other comprehensive income (loss) are as follows:

	FOREIGN CURRENCY TRANSLATION ADJUSTMENT	UNREALIZED GAIN (LOSS) ON AVAILABLE-FOR-SALE SECURITIES	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
Balance at January 2, 1999	$(11,580)	$ 6,666	$ (4,914)
Change in foreign currency translation adjustment	(16,282)	--	(16,282)
Unrealized holding gain arising during the quarter	--	61,664	61,664
Balance at April 3, 1999	(27,862)	68,330	40,468
Change in foreign currency translation adjustment	(9,099)	--	(9,099)
Unrealized holding gain arising during the quarter	--	102,718	102,718
Balance at July 3, 1999	$(36,961)	$171,048	$ 134,087

	FOREIGN CURRENCY TRANSLATION ADJUSTMENT	UNREALIZED GAIN (LOSS) ON AVAILABLE-FOR-SALE SECURITIES	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
Balance at January 1, 2000	$(28,651)	$ 356,936	$ 328,285
Change in foreign currency translation adjustment	(9,483)	--	(9,483)
Unrealized holding loss arising during the quarter	--	(34,007)	(34,007)
Realized gain included in net income	--	(69,327)	(69,327)
Balance at April 1, 2000	(38,134)	253,602	215,468
Change in foreign currency translation adjustment	(2,791)	--	(2,791)
Unrealized holding loss arising during the quarter	--	(145,622)	(145,622)
Balance at July 1, 2000	$(40,925)	$ 107,980	$ 67,055

In December 1998, the Company purchased 2,972,400 shares of common stock of SOFTBANK Corp. ("Softbank"), Japan's largest distributor of software, peripherals and networking products, for approximately $50,262. During December 1999, the Company sold 1,040,400 shares or approximately 35% of its original investment in Softbank common stock for approximately $230,109 resulting in a pre-tax gain of approximately $201,318, net of related expenses. In January 2000, the Company sold an additional 445,800 shares or approximately 15% of its original holdings in Softbank common stock for approximately $119,228, net of expenses, resulting in a pre-tax gain of approximately $111,458. During April 2000, Softbank effected a 3 for 1 stock split. The aforementioned Softbank share information has been adjusted to give retroactive effect to Softbank's stock split. At July 1, 2000 and January 1, 2000, the unrealized holding gain associated with the Softbank common stock totaled $107,980 and $356,936, respectively, net of deferred taxes of $68,746 and $227,248, respectively.

NOTE 4 - EXTRAORDINARY ITEM

In the first quarters of 2000 and 1999, the Company repurchased Zero Coupon Convertible Senior Debentures with carrying values of $46,643 and $56,504, respectively, for $43,219 and $50,321, respectively. The debenture repurchases resulted in extraordinary gains of $2,129 and $3,778 (net of taxes of $1,295 and $2,405), for the first quarters of 2000 and 1999, respectively. In June 2000, the Company repurchased additional Zero Coupon Convertible Senior Debentures with a carrying value of $19,743. The amount paid for the June 2000 debenture repurchases totaled $19,443, resulting in an extraordinary gain of $187 (net of taxes of $113).

NOTE 5 - ACCOUNTS RECEIVABLE SECURITIZATION

The Company has an arrangement pursuant to which certain U.S. trade accounts receivable of the Company are transferred to a trust, which in turn has sold certificates representing undivided interests in the total pool of trade receivables without recourse. The trust has issued fixed-rate medium-term certificates and has the ability to issue variable rate certificates to support a commercial paper program. Sales of receivables under these programs result in a reduction of accounts receivable on the Company's consolidated financial statements. In March 2000, the Company completed a new 5-year accounts receivable securitization program, which provides for the issuance of up to $700,000 in commercial paper. At July 1, 2000 and January 1, 2000, the amount of medium-term certificates outstanding totaled $50,000 and $75,000, respectively. There was no commercial paper outstanding at July 1, 2000 or January 1, 2000.

The Company also has certain other facilities relating to accounts receivable in Europe and Canada. Under these programs, the Company has sold approximately $199,213 and $187,558 of trade accounts receivable in the aggregate at July 1, 2000 and January 1, 2000, respectively, resulting in a further reduction of trade accounts receivable in the Company's Consolidated Balance Sheet.

The aggregate amount of trade accounts receivable sold as of July 1, 2000 and January 1, 2000 totaled approximately $249,213 and $262,588, respectively. Proceeds from these accounts receivable facilities are generally used to repay existing indebtedness.

NOTE 6 - SEGMENT INFORMATION

The Company operates predominantly in a single industry segment as a distributor of information technology products and services. The Company's reportable operating segments are based on geographic location, and the measure of segment profit is income from operations. Geographic areas in which the Company operates are classified into the U.S., Europe (Austria, Belgium, Denmark, Finland, France, Germany, Hungary, Italy, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, and the United Kingdom) and Other international (Argentina, Australia, Brazil, Canada, Chile, China, India, Indonesia, Malaysia, Mexico, New Zealand, Panama, Peru, Singapore, and Thailand). Inter-geographic sales primarily represent intercompany sales that are accounted for based on established sales prices between the related companies and are eliminated in consolidation.

INGRAM MICRO INC.

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

Financial information by geographic segments is as follows:

	THIRTEEN WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	JULY 1, 2000	JULY 3, 1999	JULY 1, 2000	JULY 3, 1999
NET SALES:				
United States				
Sales to unaffiliated customers	$ 4,462,313	$ 4,294,687	$ 9,050,608	$ 8,432,101
Transfers between geographic areas	43,298	37,043	85,186	74,460
Europe	1,707,935	1,600,263	3,752,467	3,347,552
Other international	1,124,811	909,863	2,288,334	1,750,435
Eliminations	(43,298)	(37,043)	(85,186)	(74,460)
Total	$ 7,295,059	$ 6,804,813	$ 15,091,409	$ 13,530,088
INCOME FROM OPERATIONS:				
United States	$ 63,169	$ 90,280	$ 112,619	$ 155,897
Europe	6,511	7,932	21,032	18,268
Other international	6,711	9,391	13,271	18,949
Total	$ 76,391	$ 107,603	$ 146,922	$ 193,114
IDENTIFIABLE ASSETS:				
United States	$ 4,460,151	$ 4,295,742	$ 4,460,151	$ 4,295,742
Europe	1,327,942	1,676,245	1,327,942	1,676,245
Other international	948,332	1,020,225	948,332	1,020,225
Total	$ 6,736,425	$ 6,992,212	$ 6,736,425	$ 6,992,212
CAPITAL EXPENDITURES:				
United States	$ 20,627	$ 21,713	$ 45,376	$ 42,235
Europe	13,546	10,996	20,445	12,156
Other international	3,072	2,112	7,635	3,428
Total	$ 37,245	$ 34,821	$ 73,456	$ 57,819
DEPRECIATION AND AMORTIZATION:				
United States	$ 15,653	$ 13,477	$ 30,879	$ 26,469
Europe	5,496	5,714	11,242	10,318
Other international	5,109	4,420	10,108	8,727
Total	$ 26,258	$ 23,611	$ 52,229	$ 45,514

INGRAM MICRO INC.

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

NOTE 7 - REORGANIZATION COSTS

During 1999, the Company initiated a reorganization plan primarily in the U.S., but also in Europe. In connection with this reorganization plan, the Company recorded a charge of $20,305 for the fiscal year ended January 1, 2000 ($8,284 for the twenty-six weeks ended July 3, 1999). The 1999 reorganization charge included $12,322 in employee termination benefits for approximately 597 employees, $6,381 for the write-off of software used in the production of unbranded systems, $1,284 for closing and consolidation of redundant facilities relating primarily to excess lease costs net of estimated sublease income, net of adjustments, and $318 for other costs associated with the reorganization, net of adjustments. These initiatives were substantially completed at January 1, 2000.

At January 1, 2000, the outstanding liability under this reorganization plan was approximately $2,320. The payment activities for the twenty-six weeks ended July 1, 2000 are summarized as follows:

	OUTSTANDING LIABILITY AT JANUARY 1 , 2000	AMOUNTS PAID AND CHARGED AGAINST THE LIABILITY	ADJUSTMENTS	REMAINING LIABILITY AT JULY 1, 2000
Employee termination benefits	$1,708	$ 904	$ --	$ 804
Facility costs	612	141	--	471
Total	$2,320	$1,045	$ --	$1,275

NOTE 8 - NEW ACCOUNTING STANDARDS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"). FAS 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives), and for hedging activities. FAS 133 was updated by the issuance of Statement of Financial Accounting Standards No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FAS No. 133" and is effective for the Company in fiscal 2001. The Company does not expect the adoption of FAS 133 to have a material impact on its reported consolidated financial condition or results of operations.

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

In evaluating the business of Ingram Micro, readers should carefully consider the important factors discussed in Exhibit 99.01 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 2000. Also see discussion of "Cautionary Statements for the Purpose of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995" below.

RESULTS OF OPERATIONS

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

	THIRTEEN WEEKS ENDED				TWENTY-SIX WEEKS ENDED			
	JULY 1, 2000		JULY 3, 1999		JULY 1, 2000		JULY 3, 1999	
	(DOLLARS IN MILLIONS)							
Net sales by geographic region:								
United States	$4,462	61.2%	$4,295	63.1%	$ 9,051	60.0%	$ 8,432	62.3%
Europe	1,708	23.4	1,600	23.5	3,752	24.9	3,348	24.7
Other international	1,125	15.4	910	13.4	2,288	15.1	1,750	13.0
Total	$7,295	100.0%	$6,805	100.0%	$15,091	100.0%	$13,530	100.0%

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

	PERCENTAGE OF NET SALES			
	THIRTEEN WEEKS ENDED		TWENTY-SIX WEEKS ENDED	
	JULY 1, 2000	JULY 3, 1999	JULY 1, 2000	JULY 3, 1999
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	95.0	94.6	95.2	94.6
Gross profit	5.0	5.4	4.8	5.4
Expenses:				
SG&A expenses	3.9	3.8	3.8	3.9
Reorganization costs	--	0.0	--	0.1
Income from operations	1.1	1.6	1.0	1.4
Other (income) expense, net	0.3	0.4	(0.4)	0.4
Income before income taxes and extraordinary item	0.8	1.2	1.4	1.0
Provision for income taxes	0.3	0.5	0.5	0.4
Income before extraordinary item	0.5	0.7	0.9	0.6
Extraordinary gain on repurchase of debentures, net of income taxes	0.0	--	0.0	0.0
Net Income	0.5%	0.7%	0.9%	0.6%

THIRTEEN WEEKS ENDED JULY 1, 2000 COMPARED TO THIRTEEN WEEKS ENDED JULY 3, 1999

Consolidated net sales increased 7.2% to $7.30 billion for the thirteen weeks ended July 1, 2000 (or "second quarter of 2000") from $6.80 billion for the thirteen weeks ended July 3, 1999 (or "second quarter of 1999"). The increase in worldwide net sales was primarily attributable to the addition of new customers, increased sales to the existing customer base, and expansion of the Company's product and service offerings.

Net sales from U.S. operations increased 3.9% to $4.46 billion in the second quarter of 2000 from $4.29 billion in the second quarter of 1999. Sales growth in the U.S. operations was moderated in the second quarter of 2000 compared to historical sales growth primarily due to pricing policy changes implemented during the second quarter of 2000 and the Company's decision to eliminate certain vendor programs, both decisions geared towards the

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

improvement of gross margin. As the Company continues to seek profitable growth through its pricing policy changes made to date, and through future pricing policy changes, if any, it may experience moderated sales growth in the near term. Net sales from European operations increased 6.7% (approximately 19% in local currencies) to $1.71 billion in the second quarter of 2000 from $1.60 billion in the second quarter of 1999 due to the overall growth in the Company's existing European operations. This growth was negatively affected by a softness in demand for technology products and services during the second quarter of 2000 and the continued weakening of European currencies as compared to the U.S. dollar. For geographic regions outside the U.S. and Europe, net sales increased 23.6% to $1.12 billion in the second quarter of 2000 from $909.9 million in the second quarter of 1999 primarily due to growth in the Company's Latin American and Asia Pacific operations. The Company's Canadian operations, however, experienced relatively flat sales in the second quarter of 2000 as compared to the prior year primarily due to a softness in demand for technology products and services.

Gross profit, as a percentage of net sales, decreased to 5.0% in the second quarter of 2000 from 5.4% in the second quarter of 1999. The decline in the gross profit percentage was primarily due to changes in vendor terms and conditions largely related to reductions in vendor rebates and incentives and to a lesser extent, tighter restrictions on the Company's ability to return inventory to vendors and reduced time periods qualifying for price protection. The Company expects these restrictive terms and conditions to continue for the foreseeable future. The Company is implementing and continually refining changes to its pricing strategies, inventory management processes and administration of vendor subsidized programs. In addition, the Company continues to change certain of the terms and conditions offered to its customers to reflect those being imposed by its vendors. The Company believes that these plans will help mitigate the impact of these changes in vendor terms and conditions. For example, as a result of the Company's actions taken to date in this regard, the Company's gross profit as a percentage of net sales for the second quarter of 2000 increased to 5.0% from 4.7% in the first quarter of 2000. However, there can be no assurance that the Company will not continue to be impacted by the changes in vendor terms and conditions.

Total SG&A expenses, excluding reorganization costs, increased 10.4% to $285.1 million in the second quarter of 2000 from $258.2 million in the second quarter of 1999 and slightly increased as a percentage of net sales to 3.9% in the second quarter of 2000 from 3.8% in the second quarter of 1999. The increase in SG&A spending was attributable to increased expenses required to support the expansion of the Company's business. Expenses related to expansion consist of incremental personnel and support costs, lease expenses related to new operating facilities, and the expenses associated with the development and maintenance of information systems. The increase in SG&A as a percentage of net sales is primarily due to the overall reduction in sales growth during the second quarter of 2000.

In the second quarter of 1999, the Company recorded a charge of $2.1 million related primarily to reorganization efforts in the Company's European operations. The Company did not incur any reorganization charges in the second quarter of 2000.

Income from operations, excluding reorganization costs, decreased as a percentage of net sales to 1.1% in the second quarter of 2000 from 1.6% in the second quarter of 1999. The decrease in income from operations, excluding reorganization costs, as a percentage of net sales is primarily due to the decrease in gross profit as a percentage of net sales as described above. U.S. income from operations, excluding reorganization costs, as a percentage of net sales decreased to 1.4% in the second quarter of 2000 from 2.1% in the second quarter of 1999. European income from operations, excluding reorganization costs, as a percentage of net sales decreased to 0.4% in the second quarter of 2000 compared to income from operations of 0.6% in the second quarter of 1999. For geographic regions outside the U.S. and Europe, income from operations, excluding reorganization costs, as a percentage of net sales decreased to 0.6% in the second quarter of 2000 as compared to 1.0% in the second quarter of 1999. Income from operations, including reorganization costs, decreased as a percentage of net sales to 1.1% in the second quarter of 2000 from 1.6% in the second quarter of 1999.

Other expense consisted primarily of interest, foreign currency exchange losses, and miscellaneous non-operating expenses. For the second quarter of 2000, the Company recorded net other expense of $22.8 million, or 0.3% as a percentage of net sales, as compared to net other expense of $28.0 million for the second quarter of 1999, or 0.4% as a percentage of net sales in 1999. The decrease in net other expenses compared to the second quarter of 1999 is primarily attributable to a decrease in interest and other expenses. The decrease in interest expense is due to the decrease in the average borrowings outstanding during the second quarter of 2000 compared to the second quarter of 1999, partially offset by an increase in interest rates for the same period. The decrease in other expenses

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

is attributable primarily to a decrease in the amount of accounts receivable securitization fees due to a decrease in the average off-balance sheet debt, as well as to other miscellaneous non-operating expenses.

The provision for income taxes, excluding extraordinary items, decreased 30.0% to $20.5 million in the second quarter of 2000 from $29.3 million in the second quarter of 1999, reflecting the 32.7% decrease in the Company's income before income taxes. The Company's effective tax rate was 38.3% in the second quarter of 2000 compared to 36.8% in the second quarter of 1999. The increase in the current quarter effective tax rate is primarily attributable to the proportion of income earned within the various taxing jurisdictions and/or tax rates applicable to such taxing jurisdictions.

In the second quarter of 2000, the Company repurchased Zero Coupon Convertible Senior Debentures with a carrying value of $19.7 million for approximately $19.4 million in cash. The debenture repurchases resulted in an extraordinary gain of $0.2 million, net of taxes of $0.1 million, for the second quarter of 2000. No debenture repurchases were made in the second quarter of 1999.

TWENTY-SIX WEEKS ENDED JULY 1, 2000 COMPARED TO TWENTY-SIX WEEKS ENDED JULY 3, 1999

Consolidated net sales increased 11.5% to $15.09 billion for the twenty-six weeks ended July 1, 2000 (or "first six months of 2000") from $13.53 billion for the twenty-six weeks ended July 3, 1999 (or "first six months of 1999"). The increase in worldwide net sales was primarily attributable to the same factors summarized in the discussion of net sales for the second quarter of 2000 and 1999.

Net sales from U.S. operations increased 7.3% to $9.05 billion in the first six months of 2000 from $8.43 billion in the first six months of 1999. Net sales from European operations increased 12.1% (approximately 24% in local currencies) to $3.75 billion in the first six months of 2000 from $3.35 billion in the first six months of 1999. The increase in the U.S. and European net sales was primarily attributable to the same factors summarized in the discussion of net sales for the second quarters of 2000 and 1999. For geographic regions outside the U.S. and Europe, net sales increased 30.7% to $2.29 billion in the first six months of 2000 from $1.75 billion in the first six months of 1999 primarily due to growth in the Company's Latin American and Asia Pacific operations. The Company's Canadian operations, however, experienced relatively flat sales as compared to the prior year primarily due to a softness in demand for technology products and services in the Canadian market for the first six months of 2000, and lower than anticipated purchases by the Canadian government during the first quarter of 2000. Canadian government purchases are generally strong in the first quarter of each year as this coincides with the Canadian government's fiscal year-end.

Gross profit, as a percentage of net sales, decreased to 4.8% in the first six months of 2000 from 5.4% in the first six months of 1999. The decrease was attributable to the same factors summarized in the discussion of gross profit for the second quarters of 2000 and 1999.

Total SG&A expenses, excluding reorganization costs, increased 10.5% to $580.8 million in the first six months of 2000 from $525.7 million in the first six months of 1999, but decreased as a percentage of net sales to 3.8% in the first six months of 2000 from 3.9% in the first six months of 1999. The change in SG&A expenses in dollar terms was largely attributable to the same factors summarized in the discussion of SG&A expenses for the second quarters of 2000 and 1999. The overall decrease in SG&A expenses as a percentage of net sales is attributable to economies of scale from greater sales volume, continued cost-control measures and the Company's reorganization efforts in 1999.

In the first six months of 1999, the Company recorded a charge of $8.3 million related primarily to reorganization efforts in the Company's U.S. and European operations. The Company did not incur any reorganization charges in the first six months of 2000.

Income from operations, excluding reorganization costs, decreased as a percentage of net sales to 1.0% in the first six months of 2000 from 1.5% in the first six months of 1999. The decrease in income from operations, excluding reorganization costs, as a percentage of net sales is primarily due to the significant decrease in gross profit as a percentage of net sales as described above. U.S. income from operations, excluding reorganization costs, as a percentage of net sales decreased to 1.2% in the first six months of 2000 from 1.9% in the first six months of 1999.

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

European income from operations, excluding reorganization costs, as a percentage of net sales remained the same at 0.6% in the first six months of 2000 and 1999. For geographic regions outside the United States and Europe, income from operations, excluding reorganization costs, as a percentage of net sales decreased to 0.6% in the first six months of 2000 from 1.1% in the first six months of 1999. Income from operations, including reorganization costs, as a percentage of net sales decreased to 1.0% in the first six months of 2000 from 1.4% in the first six months of 1999.

Other (income) expense consisted primarily of interest expense, foreign currency exchange losses, gain on sale of available-for-sale securities and miscellaneous non-operating expenses. For the first six months of 2000, the Company recorded net other income of $58.6 million, or 0.4% as a percentage of net sales, as compared to net other expense of $52.3 million for the first six months of 1999, or 0.4% as a percentage of net sales in 1999. The increase in net other income in the first six months of 2000 is primarily attributable to the gain realized on the sale of Softbank common stock, partially offset by an increase in foreign currency exchange losses and other miscellaneous non-operating expenses. In January 2000, the Company sold 445,800 shares or approximately 15% of its original holdings in Softbank common stock for a pre-tax gain of approximately $111.5 million, net of related costs.

The provision for income taxes increased 51.1% to $78.5 million in the first six months of 2000 from $52.0 million in the first six months of 1999, reflecting the 46.0% increase in the Company's income before income taxes. The Company's effective tax rate was 38.2% in the first six months of 2000 compared to 36.9% in the first six months of 1999. The increase in the current period effective tax rate is primarily attributable to the proportion of income earned within the various taxing jurisdictions and/or tax rates applicable to such taxing jurisdictions.

In the first six months of 2000 and 1999, the Company repurchased Zero Coupon Convertible Senior Debentures with carrying values of $66.4 million and $56.5 million, respectively, for approximately $62.7 million and $50.3 million in cash, respectively. The debenture repurchases resulted in an extraordinary gain of $2.3 million and $3.8 million (net of taxes of $1.4 million and $2.4 million) for the first six months of 2000 and 1999, respectively.

QUARTERLY DATA; SEASONALITY

The Company's quarterly operating results have fluctuated 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; competitive conditions including pricing; variation in the amount of provisions for excess and obsolete inventory, vendor sponsored programs and doubtful accounts; changes in the level of operating expenses; the impact of acquisitions; the introduction of new hardware and software technologies and products and services offering improved features and functionality by the Company and its competitors; the loss or consolidation of a significant supplier or customer; product supply constraints; interest rate fluctuations; currency fluctuations; and general economic conditions. The Company's narrow operating 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 (except in the first quarter of 2000, as explained above), and worldwide pre-holiday stocking in the retail channel during the September-to-November period. In addition, the product cycle of major products may materially impact the Company's business, financial condition, or results of operations.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The Company has financed its growth and cash needs largely through income from operations, borrowings, trade and supplier credit, its initial public stock offering in November 1996, the issuance of its Zero Coupon Convertible Senior Debentures in June 1998, and the sale of Softbank common stock in December 1999 and January 2000.

Net cash provided by operating activities was $281.3 million in the first six months of 2000 as compared to $755.1 million in the first six months of 1999. The decrease in cash provided by operating activities was primarily attributable to less trade creditor financing of product inventory used as compared to the first six months of 1999

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

partially offset by reductions in accounts receivable and inventory levels carried.

Net cash provided by investing activities was $58.2 million in the first six months of 2000 compared to cash used by investing activities of $280.3 million in the first six months of 1999. The net cash provided by investing activities in the first six months of 2000 primarily resulted from the sale of Softbank common stock, which provided cash proceeds of approximately $119.2 million, partially offset by capital expenditures. The net cash used by investing activities in the first six months of 1999 was primarily due to the acquisition of Electronic Resources, Ltd. in the Asia Pacific region and capital expenditures.

Net cash used by financing activities was $310.6 million in the first six months of 2000 compared to $423.3 million in the first six months of 1999. Net cash used by financing activities in the first six months of 2000 was primarily due to the repurchase of the convertible debentures of $62.7 million, the net decrease in borrowings under the revolving credit facilities and other debt primarily resulting from the use of the proceeds received from the sale of Softbank common stock to repay indebtedness, as well as to the continued focus on working capital management. The net cash used by financing activities in the first six months of 1999 was primarily due to the repurchase of the convertible debentures of $50.3 million and the net decrease in borrowings under the revolving credit facilities and other debt. The repayments in the first quarter of 1999 were made possible through the Company's management of trade debtors and trade creditors.

Capital Resources

The Company has three credit facilities with bank syndicates providing an aggregate availability of $1.65 billion net of outstanding borrowings. Under these credit facilities, the Company is required to comply with certain financial covenants, including minimum tangible net worth, restrictions on funded debt and interest coverage. The credit facilities also restrict the amount of dividends the Company can pay as well as the amount of common stock that the Company can repurchase annually. Borrowings are subject to the satisfaction of customary conditions, including the absence of any material adverse change in the Company's business or financial condition. At July 1, 2000, the Company had $223.5 million in outstanding borrowings under these credit facilities.

The Company has an arrangement pursuant to which certain U.S. trade accounts receivable of the Company are transferred to a trust, which in turn has sold certificates representing undivided interests in the total pool of trade receivables without recourse. The trust has issued fixed-rate medium-term certificates and has the ability to issue variable rate certificates to support a commercial paper program. Sales of receivables under these programs result in a reduction of accounts receivable on the Company's consolidated financial statements. In March 2000, the Company completed a new 5-year accounts receivable securitization program, which provides for the issuance of up to $700 million in commercial paper. At July 1, 2000 and January 1, 2000, the amount of medium-term certificates outstanding totaled $50.0 million and $75.0 million, respectively. There was no commercial paper outstanding at July 1, 2000 or January 1, 2000.

The Company also has certain other facilities relating to accounts receivable in Europe and Canada. Under these programs, the Company has sold approximately $199.2 million and $187.6 million of trade accounts receivable in the aggregate at July 1, 2000 and January 1, 2000, respectively, resulting in a further reduction of trade accounts receivable in the Company's Consolidated Balance Sheet.

The aggregate amount of trade accounts receivable sold as of July 1, 2000 and January 1, 2000 totaled approximately $249.2 million and $262.6 million, respectively. Proceeds from these accounts receivable facilities are generally used to repay existing indebtedness. The Company believes that there are sufficient trade accounts receivable to support the outstanding medium-term certificates, the new U.S. commercial paper program and the European and Canadian facilities.

On June 9, 1998, the Company sold $1.33 billion aggregate principal amount at maturity of its Zero Coupon Convertible Senior Debentures due 2018 in a private placement. The Company has subsequently registered the resale of these debentures under the Securities Act of 1933, as amended. Gross proceeds from the offering were $460.4 million. The debentures were sold at an issue price of $346.18 per $1,000 principal amount at maturity (representing a yield to maturity of 5.375% per annum), and are convertible into shares of the Company's Class A Common Stock at a rate of 5.495 shares per $1,000 principal amount at maturity, subject to adjustment under certain circumstances. During the first six months of 2000 and 1999, the Company repurchased Zero Coupon

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

Convertible Senior Debentures with carrying values of $66.4 million and $56.5 million, respectively, for approximately $62.7 million and $50.3 million, respectively. The debenture repurchases resulted in extraordinary gains of $2.3 million and $3.8 million (net of taxes of $1.4 million and $2.4 million) for the twenty-six weeks ended July 1, 2000 and July 3, 1999, respectively.

As of July 1, 2000, the debentures were convertible into approximately 5.5 million shares of the Company's Class A Common Stock. The debentures are redeemable at the option of the Company on or after June 9, 2003 at the issue price plus accrued original issue discount to the date of redemption. Each debenture is subject to repurchase at the option of the holder, as of June 9, 2001, June 9, 2003, June 9, 2008, and June 9, 2013, or if there is a Fundamental Change (as defined), at the issue price plus accrued original issue discount to the date of the redemption. In the event of a repurchase at the option of the holder (other than upon a Fundamental Change), the Company may, at its option, satisfy the redemption in cash or Class A Common Stock, or any combination thereof. In the case of any such repurchase as of June 9, 2001, the Company may elect, in lieu of the payment of cash or Class A Common Stock, to satisfy the redemption by the issuance of new Zero Coupon Convertible Senior Debentures due 2018.

The Company and its foreign subsidiaries have additional lines of credit, commercial paper, and short-term overdraft facilities with various banks worldwide, which provide for borrowings aggregating $792.9 million at July 1, 2000. Most of these arrangements are on an uncommitted basis and are reviewed periodically for renewal. At July 1, 2000, the Company had $429.4 million outstanding under these facilities.

The Company believes that cash provided by operating activities, supplemented as necessary with funds available under credit arrangements (including the $1.65 billion in credit facilities, the June 1998 sale of the Company's convertible debentures and the Company's facilities relating to accounts receivable), will provide sufficient resources to meet its present and future working capital and cash requirements for at least the next 12 months.

EURO CONVERSION

On January 1, 1999, a single currency called the euro was introduced in Europe. Eleven of the 15 member countries of the European Union adopted the euro as their common legal currency on that date. Fixed conversion rates between these participating countries' existing currencies (the "legacy currencies") and the euro were established as of that date. The legacy currencies are scheduled to remain legal tender as denominations of the euro until at least January 1, 2002 (but not later than July 1, 2002). During this transition period, parties may settle transactions using either the euro or a participating country's legacy currency. Beginning in January 2002, new euro-denominated bills and coins will be issued and legacy currencies will be withdrawn from circulation. The Company has implemented plans to address the issues raised by the euro currency conversion. These plans include, among others, the need to adapt computer information systems and business processes and equipment to accommodate euro-denominated transactions; the need to analyze the legal and contractual implications on contracts; and the ability of the Company's customers and vendors to accommodate euro-denominated transactions on a timely basis. Since the implementation of the euro on January 1, 1999, the Company has experienced improved efficiencies in its cash management program in Europe as all intracompany transactions within participating countries are conducted in euros. In addition, the Company has reduced hedging activities in Europe for transactions conducted between euro participating countries. Since the Company's information systems and processes generally accommodate multiple currencies, the Company anticipates that modifications to its information systems, equipment and processes will be made on a timely basis and does not expect any failures which would have a material adverse effect on the Company's financial position or results of operations or that the costs of such modifications will have a material effect on the Company's financial position or results of operations. The Company has not experienced any material adverse effects on its financial position or results of operations in connection with the January 1, 1999 first stage conversion.

NEW ACCOUNTING STANDARDS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"). FAS 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives), and for hedging activities. FAS 133 was updated by the

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

issuance of Statement of Financial Accounting Standards No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FAS No. 133" and is effective for the Company in fiscal 2001. The Company does not expect the adoption of FAS 133 to have a material impact on its reported consolidated financial condition or results of operations.

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

The matters in this Form 10-Q that are forward-looking statements are based on current management expectations that involve certain risks, including without limitation: intense competition; continued pricing and margin pressures; the potential for continued restrictive vendor terms and conditions; the potential decline as well as seasonal variations in demand for the Company's products; unavailability of adequate capital; management of growth; reliability of information systems; foreign currency fluctuations; dependency on key individuals; product supply shortages; the potential termination of a supply agreement with a major supplier; acquisitions; rapid product improvement and technological change, and resulting obsolescence risks; risk of credit loss; dependency on independent shipping companies; and the termination of subsidized floor plan financing.

The Company has and continues to institute changes to its strategies, operations and processes to address these risk factors and to mitigate their impact on the Company's results of operations and financial condition. However, no assurances can be given that the Company will be successful in these efforts. For a further discussion of these and other significant factors to consider in connection with forward-looking statements concerning the Company, reference is made to Exhibit 99.01 of the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 2000; other risks or uncertainties may be detailed from time to time in the Company's future SEC filings.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Not applicable.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

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

(a) The Annual Meeting of the Shareowners was held on May 17, 2000.

(b) One matter submitted for a vote at the Annual Meeting was the election of eight directors (constituting the entire Board of Directors). The following table lists the individuals and the number of votes cast for, against or withheld, as well as the number of abstentions and broker non-votes for each such individual elected to the Board of Directors for a term to expire at the 2001 Annual Meeting of Shareowners.

NOMINEE		NUMBER OF VOTES
Don H. Davis, Jr.	For	779,641,881
	Withheld/Against	4,421,227
	Abstentions	0
	Broker Non-Votes	0
Kent B. Foster	For	782,131,413
	Withheld/Against	1,931,695
	Abstentions	0
	Broker Non-Votes	0
John R. Ingram	For	782,142,169
	Withheld/Against	1,920,939
	Abstentions	0
	Broker Non-Votes	0
Martha R. Ingram	For	780,757,382
	Withheld/Against	3,305,726
	Abstentions	0
	Broker Non-Votes	0
Orrin H. Ingram II	For	780,137,999
	Withheld/Against	1,925,109
	Abstentions	0
	Broker Non-Votes	0
Philip M. Pfeffer	For	781,228,156
	Withheld/Against	2,834,952
	Abstentions	0
	Broker Non-Votes	0
Gerhard Schulmeyer	For	779,671,236
	Withheld/Against	4,391,872
	Abstentions	0
	Broker Non-Votes	0

NOMINEE		NUMBER OF VOTES
Joe B. Wyatt	For	782,418,203
	Withheld/Against	1,644,905
	Abstentions	0
	Broker Non-Votes	0

Also, at the 2000 Annual Meeting of Shareowners, shareowners approved the adoption of the Ingram Micro Inc. 2000 Equity Incentive Plan. The following table lists the number of votes cast for, against or withheld, as well as the number of abstentions and broker non-votes.

ITEM		NUMBER OF VOTES
Ingram Micro Inc. 2000 Equity Incentive Plan	For	752,083,838
	Withheld/Against	10,717,362
	Abstentions	320,560,000
	Broker Non-Votes	20,941,348

ITEM 5. OTHER INFORMATION

Not Applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

No.	Description
10.64	Advisory Services Agreement with Jerre Stead, dated May 17, 2000
27	Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed by the Company during the thirteen weeks ended July 1, 2000.

SIGNATURES

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

INGRAM MICRO INC.

By: /s/ Michael J. Grainger

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

August 15, 2000

EXHIBIT 10.64

May 17, 2000

Jerre L. Stead
[address]

Dear Jerre,

You have indicated your willingness to serve as an advisor to Kent Foster, the Company's chief executive officer, after your retirement as Chairman of the Company and a member of its Board of Directors at the 2000 Annual Meeting of Shareowners held this date. On behalf of the Board of Directors, the Human Resources Committee of the Board would like to provide certain benefits to you in recognition of the many valuable contributions you have made to the success of the Company during your tenure as chief executive officer and in consideration of your willingness to serve as an advisor for Mr. Foster. Accordingly, the Committee is pleased to offer you the following:

1. Effective with your retirement from the Company, all of your remaining outstanding options to purchase Class A Common Stock, par value $.01 per share, of the Company (including the options that you have transferred to your grandchildren's trusts) will vest. You will be permitted to exercise these options, as well as all of your other vested and unexercised options that were not identified at the time of grant as performance or "cliff vesting" options, through and including March 31, 2004, the scheduled expiration date for these options. In addition, you will be permitted to exercise your currently vested and unexercised performance or "cliff vesting" options through and including May 17, 2004, the fourth anniversary of your retirement from the Company.

2. The Company will pay you a fee of $500,000 in exchange for your services as an advisor to Mr. Foster for a period of one year after your retirement. Such advisory services may include telephone conversations, correspondence, attendance and participation in meetings and transfer of knowledge and information regarding operational or other issues. In addition, the Company will reimburse you for any out of pocket expenses you may incur in connection with such services in accordance with its reimbursement policies.

Jerre, please accept my thanks on behalf of all of the Board for your contributions to the Company. We all hope that you enjoy a long and productive retirement.

Sincerely yours,

/s/ Don H. Davis, Jr.

Don H. Davis, Jr.
Chairman, Human Resources Committee
of the Board of Directors

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JAN-02-2000
JUL-01-2000
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2,553,659
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(254,463)
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383,190
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0
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0.87