

ARROW ELECTRONICS INC

Form 424B2

February 12, 2013

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-184225

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated February 12, 2013

Prospectus Supplement

(To prospectus dated October 1, 2012)

\$

Arrow Electronics, Inc.

\$ % Notes due

\$ % Notes due

Interest payable and for the notes

Interest payable and for the notes

Issue price: % for the Notes

% for the Notes

We are offering \$ of our % notes due (the notes) and \$ of our % notes due (the notes and together with the notes, the notes). We will pay interest on the notes on and of each year, beginning , 2013. We will pay interest on the notes on and of each year, beginning , 2013. The notes will mature on , and the notes will mature on , . The notes will be issued only in denominations of \$2,000 and higher multiples of \$1,000.

We may redeem the notes, in whole or in part, at any time prior to their maturity at the redemption prices described in this prospectus supplement.

The notes will be unsecured and unsubordinated and will rank equally with all our other existing and future unsecured and unsubordinated indebtedness.

See Risk factors beginning on page S-9 for a discussion of certain risks that you should consider in connection with an investment in the notes.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Per Note	Price to Public (1)	Underwriting Discounts and Commissions	Proceeds, before Expenses (1)
	%	%	%
Total	\$	\$	\$
Per Note	%	%	%
Total	\$	\$	\$

(1) Plus accrued interest from _____, 2013, if settlement occurs after that date.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

The underwriters expect to deliver the notes to purchasers through the book-entry delivery system of The Depository Trust Company and its participants, including Euroclear and Clearstream, on or about _____, 2013.

Joint Book-Running Managers

BofA Merrill Lynch

February _____, 2013

J.P. Morgan

Goldman, Sachs & Co.

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We have not authorized anyone to provide any information other than that provided or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we may authorize to be delivered to you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not making an offer to sell the notes in any jurisdiction where the offer or sale of the notes is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus or the documents incorporated by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

As used in this prospectus supplement, the terms Arrow, the Company, we, us and our refer to Arrow Electronics, Inc. and its subsidiaries, unless the context indicates otherwise.

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About this prospectus supplement

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering. The second part, the base prospectus, gives more general information, some of which may not apply to the notes we are offering in this prospectus supplement. See "Description of Debt Securities" in the accompanying prospectus.

If the information in this prospectus supplement varies from the information in the accompanying base prospectus, you should rely on the information in this prospectus supplement.

Forward-looking statements

This prospectus supplement includes forward-looking statements that are subject to numerous assumptions, risks and uncertainties, which could cause actual results or facts to differ materially from such statements for a variety of reasons, including, but not limited to:

industry conditions;

our implementation of our new enterprise resource planning system;

changes in product supply, pricing, and customer demand;

competition;

other vagaries in the global components and global enterprise computing solutions (ECS) markets;

changes in relationships with key suppliers;

increased profit margin pressure;

the effects of additional actions taken to become more efficient or lower costs;

risks related to the integration of acquired businesses;

changes in legal and regulatory matters; and

our ability to generate additional cash flow.

Forward-looking statements are those statements which are not statements of historical fact. These forward-looking statements can be identified by forward-looking words such as "expects," "anticipates," "intends," "plans," "may," "will," "believes," "seeks," "estimates," and similar expressions. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update publicly or revise any of the forward-looking statements.

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For a further discussion of factors to consider in connection with these forward-looking statements, investors should refer to Item 1A Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2012 incorporated by reference in the accompanying prospectus and the section entitled "Risk factors" contained elsewhere in this prospectus supplement.

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Summary

*This summary highlights selected information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and may not contain all the information that is important to you. You should read the following summary together with the more detailed information and financial statements and notes to the financial statements contained elsewhere or incorporated by reference in this prospectus supplement or the accompanying prospectus, as described under the heading *Where You Can Find More Information* in the accompanying prospectus. To fully understand this offering, you should read all these documents.*

Company overview

We are a global provider of products, services, and solutions to industrial and commercial users of electronic components and enterprise computing solutions. Serving our industrial and commercial customers, we offer both a wide spectrum of products on behalf of leading electronic components and enterprise computing solutions suppliers, and a broad range of services and solutions that are complementary to the products we distribute, including materials planning, new product design services, programming and assembly services, inventory management, reverse logistics, electronics asset disposition, training and education, and a variety of managed services including cloud computing, security, and networking services. We also provide a comprehensive suite of online supply chain tools. We were incorporated in New York in 1946 and serve over 100,000 customers.

Our diverse worldwide customer base consists of original equipment manufacturers (OEMs), contract manufacturers (CMs), and other commercial customers. Customers include manufacturers of consumer and industrial equipment (including machine tools, factory automation, and robotic equipment), telecommunications products, automotive and transportation, aerospace and defense, scientific and medical devices, and computer and office products. Customers also include value-added resellers (VARs) of enterprise computing solutions.

We maintain over 300 sales facilities and 43 distribution and value-added centers in 55 countries, serving over 85 countries. Through this network, we provide one of the broadest product offerings in the electronic components and enterprise computing solutions distribution industries and a wide range of value-added services to help customers introduce innovative products, reduce their time to market, and enhance their overall competitiveness. Through these offerings, we guide innovation forward by helping our customers to deliver new technologies, new materials, new ideas, and new electronics that impact the business community and consumers.

We have two business segments: the global components business segment and the global ECS business segment. We distribute electronic components to OEMs and CMs through our global components business segment and provide enterprise computing solutions to VARs through our global ECS business segment.

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The offering

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the notes, see Description of the notes in this prospectus supplement and Description of Debt Securities in the accompanying prospectus. In this offering section, the terms the Company, we, us or our refer to Arrow Electronics, Inc. and not to our subsidiaries.

Issuer Arrow Electronics, Inc.

Securities \$ aggregate principal amount of the % notes due ;

\$ aggregate principal amount of the % notes due .

Maturity The notes will mature on , and
the notes will mature on .

Interest payment dates and of each year, commencing , 2013, for the notes.

and of each year, commencing , 2013, for the notes.

Optional redemption At our option, we may redeem any or all of the notes or the notes, in whole or in part, at any time, at the redemption prices described under Description of the notes Optional redemption in this prospectus supplement.

Ranking The notes:

are unsecured;

rank equally with all our existing and future unsecured and unsubordinated debt;

rank senior to any future subordinated debt; and

rank effectively junior to any existing and future secured debt and to all existing and future debt and other liabilities of our subsidiaries.

Covenants We will issue the notes under an indenture containing covenants for your benefit. These covenants restrict our ability, with certain exceptions, to:

incur debt secured by liens;

engage in sale/leaseback transactions; or

merge or consolidate with another entity or sell substantially all of our assets to another entity.

Change of control

Upon the occurrence of a Change of Control Triggering Event (as described in Description of the notes Change of control offer), we will be required to offer to purchase some or all of your notes at 101% of their principal amount, plus accrued and unpaid interest to the date of purchase.

Use of proceeds

We expect to use the net proceeds from this offering to refinance our outstanding 6.875% notes due July 1, 2013 at or before maturity and

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for other general corporate purposes, including acquisitions. Pending the application of the proceeds, we may apply the proceeds to reduce amounts outstanding under our \$1.2 billion revolving credit facility or our \$775.0 million asset securitization program.

Further issues

We may from time to time, without notice to or the consent of the registered holders of the notes, create and issue further notes ranking pari passu with the notes or the notes which will have the same terms except for the payment of interest accruing prior to the issue date of such further notes or except, in some cases, for the first payment of interest following the issue date of such further notes) and so that such further notes may be consolidated and form a single series with the notes or the notes and have the same terms as to status, redemption or otherwise as the notes or the notes.

Form and denomination

The notes will be issued in minimum denominations of \$2,000 and higher multiples of \$1,000.

Risk factors

See Risk factors and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in the notes.

Conflicts of interest

Affiliates of certain of the underwriters act as administrative agent, syndication agent and lenders under our revolving credit facility, provide financing to us under our asset securitization program and may be holders of our 6.875% notes due 2013. We expect to use the net proceeds from this offering to refinance our outstanding 6.875% notes due 2013 at or before maturity and for other general corporate purposes, and pending the application of the proceeds we may apply the proceeds to reduce amounts outstanding under our revolving credit facility or our asset securitization program. Accordingly, affiliates of certain of the underwriters, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and Goldman, Sachs & Co., may receive more than 5% of the net proceeds of the offering, and therefore the offering will be conducted in accordance with FINRA Rule 5121.

Table of Contents**Selected historical financial data**

The following table contains our selected historical financial data as of the dates and for the periods indicated. We have derived the selected historical financial data as of December 31, 2012 and 2011 and for each of the years in the five-year period ended December 31, 2012 from our audited consolidated financial statements.

You should read the following data together with our other historical financial information and statements (including related notes) incorporated by reference in the accompanying prospectus. Please also read Management's Discussion and Analysis of Financial Condition and Results of Operations and Capitalization included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

(in millions except per share data)	Year ended December 31,				
	2012(a)	2011(b)	2010(c)	2009(d)	2008(e)
Income statement data					
Sales	\$ 20,405	\$ 21,390	\$ 18,745	\$ 14,684	\$ 16,761
Operating income (loss)	804	909	751	273	(494)
Interest and other financing expense, net	102	106	77	83	100
Net income (loss) attributable to shareholders	506	599	480	124	(614)
Net income (loss) per share - basic	4.64	5.25	4.06	1.03	(5.08)
Net income (loss) per share - diluted	4.56	5.17	4.01	1.03	(5.08)

(in millions)	At December 31,	
	2012	2011
Balance sheet data		
Cash and cash equivalents	\$ 410	\$ 397
Accounts receivable and inventory	6,977	6,446
Total assets	10,786	9,829
Long-term debt	1,587	1,928
Shareholders' equity	3,983	3,669

- (a) Operating income and net income attributable to shareholders include restructuring, integration, and other charges of \$47.4 million (\$30.7 million net of related taxes or \$.28 per share on both a basic and diluted basis) and a gain of \$79.2 million (\$48.6 million net of related taxes or \$.45 and \$.44 per share on a basic and diluted basis, respectively) related to the settlement of a legal matter.
- (b) Operating income and net income attributable to shareholders include restructuring, integration, and other charges of \$37.8 million (\$28.1 million net of related taxes or \$.25 and \$.24 per share on a basic and diluted basis, respectively) and a charge of \$5.9 million (\$3.6 million net of related taxes or \$.03 per share on both a basic and diluted basis) related to the settlement of a legal matter. Net income attributable to shareholders also includes a gain on bargain purchase of \$1.1 million (\$.7 million net of related taxes or \$.01 per share on both a basic and diluted basis), a loss on prepayment of debt of \$.9 million (\$.5 million net of related taxes), and a net reduction in the provision for income taxes of \$28.9 million (\$.25 per share on both a basic and diluted basis) principally due to a reversal of a valuation allowance on certain deferred tax assets.
- (c) Operating income and net income attributable to shareholders include restructuring, integration, and other charges of \$33.5 million (\$24.6 million net of related taxes or \$.21 per share on both a basic and diluted basis). Net income attributable to shareholders also includes a loss on prepayment of debt of \$1.6 million (\$1.0 million net of related taxes or \$.01 per share on both a basic and diluted basis), as well as a net reduction in the provision for income taxes of \$9.4 million (\$.08 per share on both a basic and diluted basis).

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- and a reduction in interest expense of \$3.8 million (\$2.3 million net of related taxes or \$.02 per share on both a basic and diluted basis) primarily related to the settlement of certain income tax matters covering multiple years.
- (d) Operating income and net income attributable to shareholders include restructuring, integration, and other charges of \$105.5 million (\$75.7 million net of related taxes or \$.63 per share on both a basic and diluted basis). Net income attributable to shareholders also includes a loss on prepayment of debt of \$5.3 million (\$3.2 million net of related taxes or \$.03 per share on both a basic and diluted basis).
- (e) Operating loss and net loss attributable to shareholders include a non-cash impairment charge associated with goodwill of \$1.02 billion (\$905.1 million net of related taxes or \$7.49 per share on both a basic and diluted basis) and restructuring, integration, and other charges of \$81.0 million (\$61.9 million net of related taxes or \$.51 per share on both a basic and diluted basis). Net loss attributable to shareholders also includes a loss of \$10.0 million (\$.08 per share on both a basic and diluted basis) on the write-down of an investment, as well as a reduction in the provision for income taxes of \$8.5 million (\$.07 per share on both a basic and diluted basis) and an increase in interest expense of \$1.0 million (\$1.0 million net of related taxes or \$.01 per share on both a basic and diluted basis) primarily related to the settlement of certain income tax matters covering multiple years.

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Risk factors

In connection with an investment in our notes, you should carefully consider the risks described below and in the documents incorporated by reference in the accompanying prospectus, including the risks described in our Annual Report on Form 10-K for the year ended December 31, 2012.

Risks related to the notes

Your ability to transfer the notes may be limited by the absence of a trading market for the notes.

There is no established trading market for the notes and we have no plans to list the notes on a securities exchange. We have been advised by each underwriter that it presently intends to make a market in the notes; however, no underwriter is obligated to do so. Any market making activity, if initiated, may be discontinued at any time, for any reason, without notice. If the underwriters cease to act as market makers for the notes for any reason, we cannot assure you that another firm or person will make a market in the notes. The liquidity of any market for the notes will depend on the number of holders of the notes, our results of operations and financial condition, the market for similar securities, the interest of securities dealers in making a market in the notes and other factors. An active or liquid trading market may not develop for the notes.

We may not be able to repurchase the notes upon a change of control.

Upon a Change of Control Triggering Event (as defined herein), we will be required to offer to purchase all outstanding notes at 101% of their principal amount plus accrued and unpaid interest. The source of funds for any such purchase of notes will be our available cash or cash generated from our subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to satisfy our obligations to repurchase the notes upon a Change of Control because we may not have sufficient financial resources to purchase all of the notes that are tendered upon a Change of Control.

The market price of the notes may be volatile.

The market price of the notes will depend on many factors that may vary over time and some of which are beyond our control, including:

our financial performance;

the amount of indebtedness we and our subsidiaries have outstanding;

market interest rates;

the market for similar securities;

competition;

the size and liquidity of the market for the notes; and

general economic conditions.

As a result of these factors, you may only be able to sell your notes at prices below those you believe to be appropriate, including prices below the price you paid for them.

An increase in interest rates could result in a decrease in the relative value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value. Consequently, if you purchase these notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

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Ratings of notes may not reflect all risks of an investment in the notes.

We expect that the notes will be rated by at least one nationally recognized statistical rating organization. The ratings of the notes will primarily reflect our financial strength and will change in accordance with the rating of our financial strength. Any rating is not a recommendation to purchase, sell or hold the notes. These ratings do not correspond to market price or suitability for a particular investor. In addition, ratings at any time may be lowered or withdrawn in their entirety. As a result, the ratings of the notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, your notes.

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Table of Contents**Consolidated ratios of earnings to fixed charges**

Set forth below is information concerning our ratios of earnings to fixed charges on a consolidated basis for the periods indicated.

For purposes of computing the ratio of earnings to fixed charges, earnings consists of income (loss) before income taxes, reduced by equity in earnings of affiliated companies and capitalized interest, plus fixed charges and distributed income from equity investees. Fixed charges consist of interest and other financing expenses, plus capitalized interest and the estimated interest component of rent expense.

Since we had no preferred stock outstanding during any of the periods presented, the ratios of earnings to fixed charges and the ratios of earnings to combined fixed charges and preferred dividends are the same.

	Year ended December 31,				
	2012	2011	2010	2009	2008(a)
Ratio of earnings to fixed charges	5.79	6.33	6.84	2.53	

- (a) Earnings for 2008 were inadequate to cover fixed charges by \$608.1 million due to a non-cash impairment charge associated with goodwill of \$1.02 billion and restructuring, integration, and other charges of \$81.0 million.

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Use of proceeds

We estimate that the net proceeds we will receive from the sale of the notes we are offering will be approximately \$ million after deducting underwriting discounts and commissions and our estimated offering expenses. We expect to use the net proceeds from this offering to refinance our outstanding 6.875% notes due July 1, 2013 at or before maturity and for other general corporate purposes, including acquisitions. Pending the application of the proceeds, we may apply the proceeds to reduce amounts outstanding under our \$1.2 billion revolving credit facility or our \$775.0 million asset securitization program.

At December 31, 2012, outstanding borrowings under our revolving credit facility totaled \$123.6 million at an interest rate of LIBOR plus 1.275% on such date. Our revolving credit facility is scheduled to mature in August 2016. At December 31, 2012, outstanding borrowings under our asset securitization program totaled \$225.0 million at a commercial paper rate plus 0.40% on such date. Our asset securitization program is scheduled to mature in December 2014. As of December 31, 2012, the aggregate principal amount outstanding of our 6.875% notes due July 1, 2013 was \$332.1 million, not including accrued and unpaid interest thereon, with a carrying value of \$335.4 million. Affiliates of certain of the underwriters act as administrative agent, syndication agent and lenders under our revolving credit facility, provide financing to us under our asset securitization program and may be holders of our 6.875% notes due July 1, 2013.

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Table of Contents**Capitalization**

The following table sets forth our consolidated capitalization at December 31, 2012 and as adjusted to give effect to the issuance of the notes in this offering and the application of the net proceeds therefrom as described under "Use of proceeds." This table should be read in conjunction with "Use of proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes of Arrow appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus.

(in millions, except share amounts which are in thousands and par value)	December 31, 2012	
	Actual	As adjusted (unaudited)
Cash and cash equivalents	\$ 410	\$ (a)
Short-term borrowings, including current portion of long-term debt:		
6.875% senior notes due 2013	\$ 335	\$ 335
Short-term borrowings in various countries	29	29
Total short-term borrowings including current portion of long-term debt	364	364
Long-term debt:		
Revolving credit facility due 2016	124	124
Asset securitization program due 2014	225	225
3.375% notes due 2015	258	258
6.875% senior debentures due 2018	199	199
6.00% notes due 2020	300	300
5.125% notes due 2021	249	249
7.5% senior debentures due 2027	198	198
% notes due offered hereby		
% notes due offered hereby		
Other obligations with various interest rates and due dates	34	34
Total long-term debt	1,587	
Total debt	\$ 1,951	\$
Shareholders' equity:		
Common stock, par value \$1:		
Authorized 160,000 shares		
Issued 125,424 shares	\$ 125	\$ 125
Capital in excess of par value	1,086	1,086
Treasury stock 19,423 shares, at cost	(653)	(653)
Retained earnings	3,279	3,279
Foreign currency translation adjustment	183	183
Other	(37)	(37)
Total shareholders' equity	3,983	3,983
Total capitalization	\$ 5,934	\$

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- (a) We expect to use the net proceeds from this offering to refinance our outstanding 6.875% notes due July 1, 2013 at or before maturity and for other general corporate purposes, including acquisitions. Pending the application of the proceeds, we may apply the proceeds to reduce amounts outstanding under our \$1.2 billion revolving credit facility or our \$775.0 million asset securitization program.

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Table of Contents**Description of the notes**

The notes and the notes will each be issued as a separate series of debt securities under the indenture dated as of January 15, 1997 between us and The Bank of New York Mellon, as trustee. We have summarized the material terms and provisions of the notes in this section, which supplements the terms of the debt securities contained in the accompanying prospectus. In addition to the material terms of the notes contained in this prospectus supplement, you should read the description of the indenture contained in the accompanying prospectus for additional information regarding your rights as a holder of the notes before you buy any of these notes. References in this section to us, we and our are solely to Arrow and not to our subsidiaries. References in this section to the indenture shall mean the indenture, as supplemented by the supplemental indenture relating to the notes. In the event of any inconsistency between the terms of the notes contained in this prospectus supplement and the provisions of the indenture contained in the accompanying prospectus, the terms contained in this prospectus supplement shall control with respect to the notes.

General

The notes will be our unsubordinated and unsecured obligations and will rank pari passu with all of our existing and future unsubordinated and unsecured obligations. The notes are limited to an initial aggregate principal amount of \$, and the notes are limited to an initial aggregate principal amount of \$. Claims of holders of the notes will be effectively subordinated to the claims of holders of the debt of our subsidiaries with respect to the assets of such subsidiaries. In addition, claims of holders of the notes will be effectively subordinated to the claims of holders of our secured debt with respect to the collateral securing such claims and to all outstanding liabilities of our subsidiaries. Our claims as the holder of general unsecured intercompany debt will be effectively subordinated to claims of holders of secured debt of our subsidiaries with respect to the collateral securing such claims.

The notes will be issued in the form of one or more fully registered global securities. Notes will be issued only in minimum denominations of \$2,000 and higher multiples of \$1,000.

The notes will mature on and will pay interest from , 2013 at a rate of % per annum, and the notes will mature on and will pay interest from , 2013 at a rate of % per annum. The notes will pay interest semiannually on and of each year, commencing on , 2013 to the person in whose name the note is registered at the close of business on or , as the case may be, immediately preceding such or . The notes will pay interest semiannually on and of each year, commencing on , 2013 to the person in whose name the note is registered at the close of business on or , as the case may be, immediately preceding such or . The amount of interest payable will be computed on the basis of a 360-day year of twelve 30-day months. In the event that any interest payment date is not a business day, the payment will be made on the next succeeding day that is a business day, with no additional interest.

For the purpose of the notes, business day means any calendar day that is not a Saturday, Sunday or legal holiday in New York, New York and on which commercial banks are open for business in New York, New York.

Further issues

We may from time to time, without notice to or the consent of the registered holders of the notes or the notes, create and issue further notes ranking pari passu with the notes which will have the same terms as the notes or the notes (except for the payment of interest accruing prior to the issue date of such further notes or except, in some cases, for the first payment of interest following the issue date of such further notes) and so that such further notes may be consolidated and form a single series with the notes or the notes and have the same terms as to status, redemption or otherwise as the notes or the notes, provided that if the further notes are not fungible with the notes or the notes for United States federal income tax purposes, the further notes will have a separate CUSIP number.

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Change of control offer

If a Change of Control Triggering Event (as defined below) occurs with respect to the notes of a series, unless we have exercised our right to redeem the notes as described below, we will be required to make an offer to each holder of notes of that series to purchase (at the holder's option) all or any part (equal to \$2,000 and higher multiples of \$1,000) of that holder's notes at a purchase price in cash equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided that after giving effect to the purchase, any notes that remain outstanding shall have a denomination of \$2,000 and higher multiples of \$1,000.

Within 30 days following the date upon which the Change of Control Triggering Event has occurred or, at our option, prior to any Change of Control (as defined below), but after the public announcement of the transaction that constitutes or may constitute the Change of Control, except to the extent that we have exercised our right to redeem the notes as described under Optional Redemption, we will mail a notice (a Change of Control Offer) to each holder with a copy to the trustee describing the transaction or transactions that constitute or may constitute a Change of Control Triggering Event and offering to purchase notes on the date specified in the notice, which date will be no earlier than 30 days nor later than 60 days from the date such notice is mailed (other than as may be required by law) (such date, the Change of Control Payment Date). The notice will, if mailed prior to the date of consummation of the Change of Control, state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date specified in the notice.

On each Change of Control Payment Date, we will, to the extent lawful:

accept for payment all notes or portions of the notes properly tendered pursuant to the applicable Change of Control Offer;

deposit with the paying agent an amount equal to the change of control payment in respect of all notes or portions of notes properly tendered pursuant to the applicable Change of Control Offer; and

deliver or cause to be delivered to the trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being purchased.

We will comply, to the extent applicable, with the requirements of Rule 14e-1 of the Exchange Act and any other securities laws or regulations in connection with the purchase of notes pursuant to a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the terms described in the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations by virtue thereof.

Holders of notes electing to have notes purchased pursuant to a Change of Control Offer will be required to surrender their notes, with the form entitled Option of Holder to Elect Purchase on the reverse of the note completed, to the paying agent at the address specified in the notice, or transfer their notes to the paying agent by book-entry transfer pursuant to the applicable procedures of the paying agent, prior to the close of business on the third business day prior to the Change of Control Payment Date.

We will not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer. In addition, we will not purchase any notes if there has occurred and is continuing on the Change of Control Payment Date an Event of Default under the indenture, other than a default in the payment of the change of control payment upon a Change of Control Triggering Event.

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If holders of not less than 95% in aggregate principal amount of the outstanding notes or the notes validly tender and do not withdraw such notes in a Change of Control Offer and we, or any third party making a Change of Control Offer in lieu of us, as described above, purchases all of the notes or the notes validly tendered and not withdrawn by such holders, we will have the right, upon not less than 30 nor more than 60 days prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all notes or notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of redemption (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date).

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of our assets and the assets of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries taken as a whole to another person may be uncertain.

For purposes of the Change of Control Offer provisions of the notes, the following definitions are applicable:

Change of Control means the occurrence of any one of the following:

(a) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries taken as a whole to any person (as that term is used in Section 13(d)(3) of the Exchange Act) other than to us or one of our subsidiaries;

(b) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our outstanding Voting Stock, measured by voting power rather than number of shares;

(c) we consolidate with, or merge with or into, any person, or any person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or the outstanding Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of our Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person immediately after giving effect to such transaction;

(d) the first day on which the majority of the members of our board of directors cease to be Continuing Directors; or

(e) the adoption of a plan relating to our liquidation or dissolution.

Change of Control Triggering Event means the occurrence of both a Change of Control and a Ratings Event.

Continuing Director means, as of any date of determination, any member of our board of directors who:

(1) was a member of such board of directors on the date of this prospectus supplement; or

(2) was nominated for election, elected or appointed to our board of directors with the approval of a majority of the continuing directors who were members of our board of directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

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A Delaware Chancery Court recently interpreted a similar definition of Continuing Directors and found that, under Delaware law, for purposes of such definition, a board of directors may approve a slate of shareholder nominated directors without endorsing them or while simultaneously recommending and endorsing its own slate instead. If a New York court were to adopt a similar interpretation under New York law, the foregoing interpretation would permit our board to approve a slate of directors that included a majority of dissident directors nominated pursuant to a proxy contest, and the ultimate election of such dissident slate would not constitute a Change of Control Triggering Event that would trigger your right to require us to repurchase your notes as described above.

Investment Grade means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's); a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P); and the equivalent investment grade rating from any replacement Rating Agency or Agencies appointed by us.

Moody's means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

Rating Agency means each of Moody's and S&P; provided, that if either of Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available, we will appoint a replacement for such Rating Agency that is a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act.

Ratings Event means, with respect to a series of notes, ratings of the notes of that series are lowered by each of the Rating Agencies and the notes of that series are rated below Investment Grade by each of the Rating Agencies in any case on any day during the period (the Trigger Period) commencing on the date 60 days prior to the first public announcement by us of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended for so long as the rating of the notes of that series is under publicly announced consideration for a possible downgrade by either of the Rating Agencies).

S&P means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

Voting Stock of any specified person as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Optional redemption

We may redeem the notes in whole at any time or in part from time to time, at our option, on any date prior to their respective maturity dates. The notes, if redeemed before , (months prior to the maturity date), and the notes, will be redeemed at a redemption price equal to the greater of (1) 100% of the principal amount of the notes to be redeemed, and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (not including any amount attributable to interest accrued as of the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate plus basis points for the notes and plus basis points for the notes, in each case plus accrued and unpaid interest on the principal amount being redeemed to the redemption date. The notes, if redeemed on or after , (months prior to the maturity date), will be redeemed at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest on the principal amount being redeemed to the redemption date. The principal amount of a note remaining outstanding after redemption in part pursuant to this paragraph shall be \$2,000 and higher multiples of \$1,000.

Treasury Rate means, with respect to any redemption date, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release

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designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield-to-maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate will be calculated by us on the third business day preceding the redemption date.

Comparable Treasury Issue means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term (Remaining Life) of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Independent Investment Banker means, at our option, Goldman, Sachs & Co., J.P. Morgan Securities LLC or Merrill Lynch, Pierce, Fenner & Smith Incorporated and their respective successors or, if such firms are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by the Trustee after consultation with us.

Comparable Treasury Price means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

Reference Treasury Dealer means (1) each of Goldman, Sachs & Co., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated and their respective successors, provided, however, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in New York City (a Primary Treasury Dealer), we will substitute for such firm another Primary Treasury Dealer, and (2) any two other Primary Treasury Dealers selected by the Independent Investment Banker after consultation with us.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Holders of notes to be redeemed as provided above will receive notice thereof by first-class mail at least 30 and not more than 60 days before the date fixed for redemption. If fewer than all of the notes of the series are to be redeemed, not more than 60 days before the redemption date, the particular notes or portions thereof for redemption from the outstanding notes not previously called shall be selected by lot, or in the case of global notes, pursuant to applicable depositary procedures.

Book entry; delivery and form

Global notes

The certificates representing the notes will be represented by global notes issued in fully registered form without coupons, except in the limited circumstances described below. The global notes will be deposited with, or on

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behalf of The Depository Trust Company (DTC) and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the trustee pursuant to the FAST Balance Certificate Agreement between DTC and the trustee.

Ownership of beneficial interests in each global note will be limited to persons who have accounts with DTC, which we refer to as DTC participants, or persons who hold interests through DTC participants. We expect that under procedures established by DTC, ownership of beneficial interests in each global note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC, with respect to interests of DTC participants, and the records of DTC participants, with respect to other owners of beneficial interests in the global notes.

All interests in the global notes will be subject to the procedures and requirements of DTC. Those interests may also be subject to the procedures and requirements of the direct and indirect participants in DTC's book entry system, including Euroclear Bank S.A./NV, as operator of the Euroclear System (Euroclear), and Clearstream Banking, société anonyme (Clearstream Luxembourg).

Certificated notes

Notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only if:

DTC notifies us that it is unwilling or unable to continue as depository for the global notes or DTC ceases to be a clearing agency registered as such under the Exchange Act if so required by applicable law or regulation, and no successor depository for the notes shall have been appointed within 90 days of such notification or of our becoming aware of DTC's ceasing to be so registered, as the case may be;

we, in our sole discretion, but subject to the procedures of DTC, execute and deliver to the trustee an order to the effect that the global notes shall be so exchangeable; or

an Event of Default under the indenture governing the notes has occurred and is continuing with respect to the notes. Upon any such exchange, we will execute and the trustee will authenticate and deliver certificated notes in exchange for interests in the global notes. We anticipate that those certificated notes will be registered in such names as DTC instructs the trustee and that those instructions will be based upon directions received by DTC from its participants with respect to ownership of beneficial interests in the global notes.

Book entry system

DTC has advised us that it is:

a limited purpose trust company organized under the New York Banking Law;

a banking organization within the meaning of the New York Banking Law;

a member of the Federal Reserve System;

a clearing corporation within the meaning of the New York Uniform Commercial Code; and

a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act.

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DTC was created to hold securities of institutions that have accounts with DTC (participants) and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC s participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Indirect access to DTC s book entry system is also available to others such as banks, brokers, dealers and trust companies

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(indirect participants) that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors that are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

We expect that, upon the issuance of a global note, DTC will credit, on its book entry registration and transfer system, the respective principal amounts of the notes represented by such global note to the accounts of participants. Ownership of beneficial interests in the global notes will be limited to participants or persons that may hold interests through participants, including indirect participants. Ownership of beneficial interests in the global notes will be shown on, and the transfer of those beneficial interests will be effected only through, records maintained by DTC (with respect to participants' interests) and participants and indirect participants (with respect to the owners of beneficial interests in the global notes other than participants). Likewise, beneficial interests in global notes may only be transferred in accordance with DTC's procedures, in addition to those provided for under the indenture and, if applicable, those of the applicable participants or indirect participants, including those of Euroclear and Clearstream Luxembourg.

So long as DTC or its nominee is the registered holder of the global notes, DTC or such nominee, as the case may be, will be considered the sole owner and holder of the related notes for all purposes under the indenture. Except as described in this prospectus, owners of beneficial interests in the global notes will not be entitled to have the notes represented by such global notes registered in their names and will not receive or be entitled to receive physical delivery of certificated notes. In addition, owners of beneficial interests in the global notes will not be considered to be the owners or registered holders of the notes represented by those beneficial interests under the indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee. Accordingly, each person owning a beneficial interest in a global note must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its beneficial interest, to exercise any right of a registered holder of notes. We understand that under existing industry practice, in the event that DTC is entitled to take any action as the registered holder of a global note, DTC would authorize its participants to take such action and that the participants would authorize owners of beneficial interests owning through such participants to take such action or would otherwise act upon the instructions of owners of beneficial interests.

Payment of principal of and premium, if any, and interest on notes represented by a global note registered in the name of DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered holder of such global note. We expect that DTC or its nominee, upon receipt of any payment in respect of a global note, will credit its participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on the records of DTC or its nominee. We also expect that payments by participants and indirect participants to owners of beneficial interests in a global note will be governed by standing instructions and customary practices and will be the responsibility of such participants and indirect participants and not of DTC. We will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership of beneficial interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial interests or for any other aspect of the relationship between DTC and its participants and indirect participants or the relationship between such participants and indirect participants and the owners of beneficial interests owning through such participants and indirect participants.

Trading

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC's rules and operating procedures and will be settled in same day funds, while transfers between participants in Euroclear and Clearstream Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Any cross market transfer between participants in DTC, on the one hand, and Euroclear or Clearstream Luxembourg participants, on the other hand, will be effected through DTC in accordance with its rules on behalf

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of Euroclear or Clearstream Luxembourg, as the case may be, by its respective depository. However, such cross market transfers will require delivery of instructions to Euroclear or Clearstream Luxembourg, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream Luxembourg, as the case may be, will, if the transfer meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving the beneficial interests in the applicable global note in DTC, and making or receiving payment in accordance with normal procedures for funds settlement applicable to DTC. Participants in Euroclear or Clearstream Luxembourg may not deliver instructions directly to the depositories for Euroclear or Clearstream Luxembourg, as the case may be.

Because of time zone differences, the securities account of a Euroclear or Clearstream Luxembourg participant purchasing a beneficial interest in a global note from a DTC participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream Luxembourg, as applicable) immediately following DTC's settlement date. Credit of such transfer of a beneficial interest in a global note settled during such processing day will be reported to the applicable Euroclear or Clearstream Luxembourg participant on that day. Cash received in Euroclear or Clearstream Luxembourg as a result of a transfer of a beneficial interest in a global note by or through a Euroclear or Clearstream Luxembourg participant to a DTC participant will be received with value on DTC's settlement date but will be available in the applicable Euroclear or Clearstream Luxembourg cash account only as of the business day for Euroclear or Clearstream Luxembourg following DTC's settlement date.

Although we believe that DTC, Euroclear and Clearstream Luxembourg have agreed to the procedures described above in order to facilitate transfers of interests in the global notes among participants of DTC, Euroclear and Clearstream Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this subsection "Book entry; delivery and form" concerning DTC, Euroclear and Clearstream Luxembourg and their respective book entry systems has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

Payment and paying agents

Payments of interest and principal on the notes will be made in U.S. dollars at the office of the trustee. At our option, however, we may make payments by check mailed to the holder's registered address or, with respect to global notes, by wire transfer. We will make interest payments to the person in whose name the note is registered at the close of business on the record date for the interest payment.

The trustee initially will be designated as our paying agent for payments on the notes. We may at anytime designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts.

Subject to the requirements of any applicable abandoned property laws, the trustee and paying agent shall pay to us upon written request any money held by them for payments on the notes that remain unclaimed for two years after the date upon which that payment has become due. After payment to us, holders entitled to the money must look to us for payment. In that case, all liability of the trustee or paying agent with respect to that money will cease.

Information concerning the trustee

We have appointed The Bank of New York Mellon trustee under the indenture, and as paying agent, registrar and custodian with regard to the notes.

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Certain U.S. federal tax considerations for non-U.S. holders

The following discussion is a general summary of certain U.S. federal tax consequences of the purchase, ownership and disposition of the notes as of the date hereof. Except where noted, this summary deals only with the notes held by a non-U.S. Holder. A non-U.S. Holder means a beneficial owner of the notes (other than a partnership) that is for U.S. federal income tax purposes not any of the following: (i) a citizen or individual resident of the United States (including certain U.S. expatriates), (ii) a corporation (or other entity that is treated as a corporation for U.S. federal income tax purposes) that is created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust if (1) a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions or (2) it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person. If a partnership (including any entity that is treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the notes, the treatment of a partner in the partnership will generally depend upon the status of the partner and upon the activities of the partnership. A beneficial owner of the notes that is a partnership, and partners in such a partnership, should consult their tax advisors about the U.S. federal income tax consequences of the purchase, ownership and disposition of the notes.

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the U.S. federal tax consequences described herein. This summary does not address any U.S. federal tax consequences, such as the estate and gift tax, other than U.S. federal income tax consequences.

The Internal Revenue Service (the IRS) may disagree with all or a part of the discussion below. Accordingly, non-U.S. persons considering the purchase of the notes should consult their own tax advisors concerning the application of U.S. federal tax laws to their particular situations as well as any consequences of the purchase, beneficial ownership and disposition of the notes arising under the laws of any other taxing jurisdiction.

Payments of interest

A non-U.S. Holder will not be subject to U.S. federal income or withholding tax in respect of interest income on the notes if each of the following requirements is satisfied:

The interest is not U.S. trade or business income (as described below);

The non-U.S. Holder provides to the Withholding Agent (as defined below) a properly completed IRS Form W-8BEN (or suitable substitute form), signed under penalties of perjury, certifying that the non U.S. Holder is not a United States person and providing its name and address. If a note is held through a securities clearing organization, bank or another financial institution that holds customers' securities in the ordinary course of its trade or business, this requirement is satisfied if (i) the non-U.S. Holder provides such a form to the organization or institution, and (ii) the organization or institution, under penalties of perjury, certifies to the Withholding Agent that it has received such a form from the beneficial owner or another intermediary and furnishes the Withholding Agent with a copy of such form. Generally, if the information provided in such IRS Form W-8BEN (or suitable substitute form) changes, the non-U.S. Holder must report that change within thirty days of such change. Generally, the non-U.S. Holder must confirm to the Withholding Agent the continuing validity of the IRS Form W-8BEN (or suitable substitute form) within the period beginning ninety days prior to the first day of the third calendar year following the provision of such form and during the same period every three years thereafter while such non-U.S. holder is still the beneficial owner of the notes;

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The non-U.S. Holder does not actually or constructively own 10% or more of the voting power of our stock;

The non-U.S. Holder is not a controlled foreign corporation that is actually or constructively related to us; and

The non-U.S. Holder is not a bank receiving interest on the notes in the manner described in section 881 (c)(3)(A) of the Code. For purposes of this discussion, any interest income and any gain realized on the sale, exchange, retirement or other taxable disposition of the notes will be considered U.S. trade or business income if such interest income or gain is (i) effectively connected with the conduct of a trade or business in the United States, and (ii) if an applicable income tax treaty so provides, is attributable to a permanent establishment in the United States.

A Withholding Agent is the last U.S. payor (or a non-U.S. payor who is a qualified intermediary, U.S. branch of a foreign person, withholding foreign trust or withholding foreign partnership) in the chain of payment prior to payment to a non-U.S. person (which itself is not a Withholding Agent).

To the extent these conditions are not met, a 30% withholding tax will apply to interest income on the notes, unless one of the following two exceptions is satisfied. The first exception is that an applicable income tax treaty reduces or eliminates such tax, and a non-U.S. Holder claiming the benefit of that treaty provides to the Withholding Agent a properly executed IRS Form W-8BEN (or substitute form). The second exception is that the interest is U.S. trade or business income and the non-U.S. Holder provides a statement to that effect on an IRS Form W-8ECI (or substitute form). A non-U.S. Holder that provides a Form W-8ECI generally will be subject to U.S. federal income tax on a net income basis with respect to all income from the notes. Additionally, any such non-U.S. Holder that is a corporation for U.S. tax purposes could be subject to a branch profits tax on its effectively connected earnings and profits. Special procedures contained in Treasury regulations may apply to payments through intermediaries. We urge prospective non-U.S. Holders to consult their own tax advisors for information on the impact of these withholding regulations.

Dispositions of the notes

Generally, a non-U.S. Holder will not be subject to U.S. federal income tax on gain realized upon the sale, exchange, retirement or other taxable disposition of a note unless:

such holder is an individual present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other taxable disposition and certain other conditions are met, or

the gain is U.S. trade or business income.

Legislation Involving Payments to Certain Foreign Entities

Legislation enacted in 2010, referred to as FATCA, generally imposes a withholding tax of 30% on interest paid on, and the gross proceeds of a disposition of, debt obligations that produce U.S. source interest to (i) a foreign financial institution (FFI), whether as a beneficial owner or intermediary, unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), or qualifies for an exemption from these rules, or (ii) a foreign entity that is not a financial institution (whether as a beneficial owner or intermediary for another foreign entity that is not a financial institution) unless such entity provides the withholding agent with a certification identifying the substantial United States owners of the entity, which generally includes any U.S. person who directly or indirectly owns more than 10% of the entity, or qualifies for an exemption from these rules. A person that receives payments through one or more FFIs may receive reduced payments as a result of FATCA withholding taxes if (i) one or more such FFIs do not enter into such an agreement with the IRS and do not otherwise establish an exemption, or (ii) such person is a recalcitrant

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account holder or itself an FFI that fails to establish an exemption. The Internal Revenue Service has released regulations indicating that with respect to debt instruments such as the notes that are issued before January 1, 2014, it will apply this new withholding tax (i) to interest that is paid after December 31, 2013 and (ii) to gross proceeds from the disposition of debt instruments paid after December 31, 2016, only if the notes are materially modified after December 31, 2013. Investors are encouraged to consult with their own tax advisors regarding the implications of this legislation on their investment in the notes.

Information reporting requirements and backup withholding

Payments of interest made on or with respect to the notes to a non-U.S. Holder, and any taxes withheld from such payments, will generally be reported to the IRS. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which the non-U.S. Holder resides under the provisions of an applicable income tax treaty.

A non-U.S. Holder that provides a properly completed IRS Form W-8BEN (or substitute form) or otherwise establishes an exemption will not be subject to additional information reporting requirements or backup withholding with respect to payments on the notes, provided that the Withholding Agent has no actual knowledge or reason to know that the holder is a United States person or otherwise does not satisfy the requirements for an exemption.

Information reporting and backup withholding will not apply if the proceeds of a note are paid to or through a foreign office of a broker that is not a United States person or a U.S. related person, as defined below. Information reporting (but not backup withholding) will apply if the proceeds of a note are paid to or through a foreign office of a broker that is either a United States person or a U.S. related person. However, no such reporting is required if (i) the holder certifies as to its status as a non-U.S. Holder under penalties of perjury or the broker has certain documentary evidence in its files as to the non-U.S. Holder's foreign status, and (ii) the broker has no actual knowledge or reason to know to the contrary. Backup withholding will not apply to payments made through foreign offices of a United States person or U.S. related person absent actual knowledge that the payee is a United States person.

For purposes of this paragraph, a U.S. related person is:

a controlled foreign corporation for U.S. federal income tax purposes;

a foreign person 50% or more of whose gross income during a specified three-year period is effectively connected with the conduct of a U.S. trade or business; or

a foreign partnership if one or more of its partners are United States persons who, in the aggregate, hold more than 50% of the income or capital interest of the partnership or if the partnership is engaged in the conduct of a U.S. trade or business.

Information reporting and backup withholding will generally apply to a non-U.S. Holder if the proceeds of a note are paid to or through a U.S. office of a broker, unless the holder certifies as to its status as a non-U.S. Holder under penalties of perjury or otherwise establishes an exemption, provided that the broker has no actual knowledge or reason to know to the contrary.

Backup withholding is not an additional tax and may be refunded or credited against the holder's U.S. federal income tax liability, provided that certain required information is timely furnished to the IRS.

The federal tax discussion set forth above is included for general information only and may not be applicable depending upon a holder's particular situation. Holders of the notes should consult their own tax advisors with respect to the tax consequences to them of the beneficial ownership and disposition of the notes, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in federal or other tax laws.

Table of Contents**Underwriting**

Subject to the terms and conditions in the underwriting agreement between us and J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representatives of the underwriters named below, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us the principal amount of notes set forth opposite the names of the underwriters below:

Underwriter	Principal amount of notes	Principal amount of notes
J.P. Morgan Securities LLC	\$	\$
Merrill Lynch, Pierce, Fenner & Smith Incorporated		
Goldman, Sachs & Co.		

Total	\$	\$
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The underwriting agreement provides that the underwriters will purchase all of the notes if any of them are purchased.

The underwriters initially propose to offer the notes to the public at the applicable public offering price that appears on the cover page of this prospectus supplement. The underwriters may offer the notes to selected dealers at the public offering price minus a concession of up to % of the principal amount of the notes and % of the principal amount of the notes. In addition, the underwriters may allow, and those selected dealers may reallow, a concession of up to % of the principal amount of the notes and % of the principal amount of the notes to certain other dealers. After the initial offering, the underwriters may change the public offering price and any other selling terms. The underwriters may offer and sell notes through certain of their affiliates. The offering of the notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

In the underwriting agreement, we have agreed that:

We will pay our expenses related to the offering, which we estimate will be \$.

We will indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or contribute to payments that the underwriters may be required to make in respect of those liabilities.

The notes are a new issue of securities, and there is currently no established trading market for the notes. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for the notes to be quoted on any quotation system. The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so. The underwriters may discontinue any market making in the notes at any time in their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the notes.

In connection with the offering of the notes, the underwriters may engage in over-allotment, stabilizing transactions and syndicate covering transactions. Over-allotment involves sales in excess of the offering size, which creates a short position for the underwriters. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate-covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate-covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may discontinue them at any time. However, there is no assurance that the underwriters will undertake any stabilization action.

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The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives of the underwriters have repurchased notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

Conflicts of interest

In the ordinary course of their respective businesses, the underwriters or their affiliates have engaged, or may in the future engage, in commercial banking or investment banking transactions with Arrow and its affiliates. In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Affiliates of certain of the underwriters act as administrative agent, syndication agent and lenders under our revolving credit facility, provide financing to us under our asset securitization program and may be holders of our 6.875% notes due 2013. We expect to use the net proceeds from this offering to refinance our outstanding 6.875% notes due 2013 at or before maturity and for other general corporate purposes, and pending the application of the proceeds we may apply the proceeds to reduce amounts outstanding under our revolving credit facility or our asset securitization program. Accordingly, affiliates of certain of the underwriters, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and Goldman, Sachs & Co., may receive more than 5% of the net proceeds of the offering, and therefore the offering will be conducted in accordance with FINRA Rule 5121.

Selling restrictions

European economic area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a Relevant Member State), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date), it has not made and will not make an offer of notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

to any legal entity which is a qualified investor as defined in the Prospectus Directive;

to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 Prospectus Directive Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior written consent of the underwriters for any such offer; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes shall require us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

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For the purposes of this provision, the expression an offer of notes to the public in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 Prospectus Directive Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 Prospectus Directive Amending Directive means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA), received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Hong Kong

The notes have not been offered or sold and may not be offered or sold other than (i) to professional investors within the meaning of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and any rules made thereunder, or (ii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Chapter 32, Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that ordinance, and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The notes have not been registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each underwriter has agreed that it has not offered or sold and it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (i) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (ii) where no consideration is given for the transfer; or (iii) by operation of law.

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Validity of the notes

The validity of the notes offered and sold in this offering will be passed upon for us by Milbank, Tweed, Hadley & McCloy LLP, New York, New York, and for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

Experts

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements and schedule included in our Annual Report on Form 10-K for the year ended December 31, 2012, and the effectiveness of internal control over financial reporting as of December 31, 2012, as set forth in their reports, which are incorporated by reference in the accompanying prospectus. Our financial statements and schedule are incorporated by reference in reliance on Ernst & Young LLP's reports, given on their authority as experts in accounting and auditing.

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Prospectus

Arrow Electronics, Inc.

Debt Securities

Preferred Stock

Common Stock

Warrants

We or selling security holders may offer and sell the securities from time to time in one or more offerings at prices and on terms to be determined at the time of offering. This prospectus provides you with a general description of the securities we or selling security holders may offer.

Each time we or selling security holders sell securities, we will provide a supplement to this prospectus that contains specific information about the offering and the terms of the securities. The supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and any supplement before you invest in any of our securities.

We or selling security holders may offer and sell the following securities:

debt securities, in one or more series, consisting of notes, debentures or other evidences of indebtedness;

preferred stock;

common stock; and

warrants.

Our common stock is traded on the New York Stock Exchange under the symbol ARW. Any common stock sold pursuant to this prospectus or any prospectus supplement will be listed on that exchange, subject to official notice of issuance. The prospectus supplement will state whether any other securities offered thereby will be listed on a securities exchange.

Investing in our securities involves risk. See Risk Factors beginning on page 9 of our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference herein.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is October 1, 2012.

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