Ingram Micro feels the hurt on Q1 2016 in Europe, as restructuring efforts and changes to vendor contracts bring about a -13.4% Y-o-Y decline to regional revenues worth $2.66 billion.

The quarterly European results also bear a loss of $18.77bn in redundancy payoffs and other reogranisation cuts, leading to quarterly operating losses of $18.43bn. These were the result of a 2015 restructure exercise across the continent, one complete with the closure of the former Brussels regional HQ and a move to a new service centre in Sofia, Bulgaria.

In addition, as the Ingram US Securities and Exchange Commission (SEC) results filing puts it, "changes in contract terms for some of our high-volume European distribution business, which led to recognising the associated revenue on a net basis versus a gross basis."

"Revenue declines were driven by Germany, the United Kingdom and France," the filing continues as it details the declines across the three most important W. European economies. "In Germany, revenues declined due to soft consumer demand for smartphones and PCs, as well as our decision to exit certain high-volume, low-margin business. The UK revenues declined primarily due to continued weakness in demand for PCs and the loss of a large retail customer, which was partially offset by growth in smartphone, tablet, and networking sales. France experienced a decline in revenues driven by reduced demand for PCs and smartphones, which was partially offset by growth in advanced solutions."

On a global level, Ingram Q1 2016 operating profit is down by more than -60% Y-o-Y to $38.4m, while net margins come at an almost flat 0.02%, down from the 0.41% of the same period last year.

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