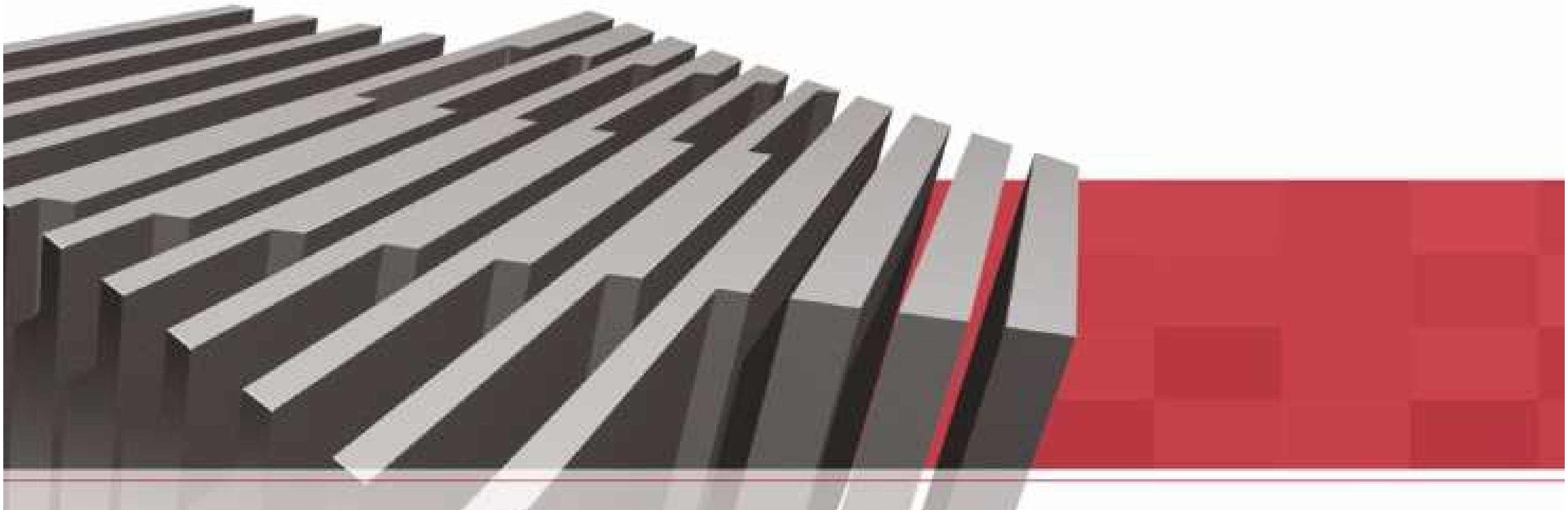
# Welcome to Avnet's Fourth Quarter and Fiscal Year 2007 Teleconference and Webcast

August 8, 2007 2:00 p.m. Eastern Time



***Please Stand By…***

***The Presentation Will Begin Momentarily***

AVNET

# Welcome

- Send questions via e-mail to **investorrelations@avnet.com**
- GAAP vs. non-GAAP Results
- Safe Harbor Statement
- Management Introduction

**Vince Keenan**
Vice President, Avnet, Inc.
Director, Investor Relations

# Non-GAAP Results and Regulation G

- In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles ("GAAP"), the Company also discloses in this presentation certain non-GAAP financial information including adjusted operating income, adjusted net income and adjusted diluted earnings per share. The non-GAAP financial information is used to reflect the Company's results of operations excluding certain items that have arisen from restructuring, integration, and other items in the periods presented. The company also discloses sales adjusted for the impact of certain acquisitions, divestitures and the change to net revenue treatment of sales of supplier services contracts (pro forma sales or organic revenue). Management believes pro forma sales is another useful measure for evaluating current period performance as compared with prior periods and understanding underlying trends.
- Management believes that operating income adjusted for restructuring, integration and other charges is useful to investors to assess and understand operating performance, especially when comparing results with previous periods or forecasting performance for future periods, primarily because management views the excluded items to be outside of Avnet's normal operating results. Management analyzes operating income without the impact of restructuring, integration and other costs as an indicator of ongoing margin performance and underlying trends in the business. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes.
- Management similarly believes net income and diluted earnings per share adjusted for the impact of the items discussed above is useful to investors because it provides a measure of the Company's net profitability on a more comparable basis to historical periods and provides a more meaningful basis for forecasting future performance. Additionally, because of management's focus on generating shareholder value, of which net profitability is a primary driver, management believes net income and diluted EPS excluding the impact of these items provides an important measure of the Company's net results of operations for the investing public.
- However, analysis of results and outlook on a non-GAAP basis should be used as a complement to, and in conjunction with, data presented in accordance with GAAP.

# Safe Harbor Statement

- This presentation contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on management's current expectations and are subject to uncertainty and changes in factual circumstances. The forward-looking statements herein include statements addressing future financial and operating results of Avnet and may include words such as "will," "anticipate," "expect," "believe," and "should" and other words and terms of similar meaning in connection with any discussions of future operating or financial performance or business prospects. Actual results may vary materially from the expectations contained in the forward-looking statements.

- The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the Company's ability to retain and grow market share, the Company's ability to generate additional cash flow, any significant and unanticipated sales decline, changes in business conditions and the economy in general, changes in market demand and pricing pressures, risks associated with acquisition activities and the successful integration of acquired companies, allocations of products by suppliers, and other competitive and/or regulatory factors affecting the businesses of Avnet generally.

- More detailed information about these and other factors is set forth in Avnet's filings with the Securities and Exchange Commission, including the Company's reports on Form 10-K, Form 10-Q and Form 8-K. Avnet is under no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

# Management Introductions

**Roy Vallee**
Chairman and
Chief Executive
Officer

**Harley Feldberg**
President, Electronics Marketing

**Rick Hamada**
Chief Operating Officer

**John Paget**
President, Technology Solutions

**Ray Sadowski**
Chief Financial Officer

# Business Highlights

Roy Vallee
Chairman & Chief Executive Officer

# Fiscal 2007 – Avnet, Inc. Highlights

- Achieved target ROCE of 12.5% in Q4
  - Op margin, working capital velocity and ROWC also in target range
- Op income[1] grew >3X pro forma revenue
- Generated $746M cash (before M+A)
  - Over 80% of cash flow from operations came from profit (including non-cash items)
- Completed acquisitions in each region

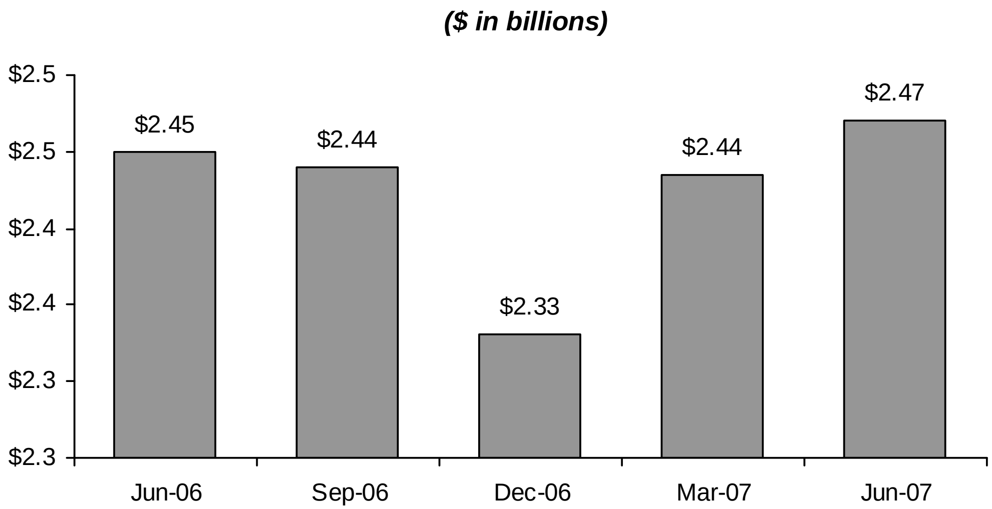
(1) Excluding restructuring and other charges in current and prior year.

# Financial Highlights – Electronics Marketing

- Annual Highlights
  - GP margin improved 33 bps (53 bps[(1)] pro forma)
  - Op income margin grew 95 bps to 5.5%; within target range for 2H
  - Working capital as a % of sales achieved a record low 20.5%
  - Op income/employee up > 30% for 2nd consecutive year
- Quarterly Highlights
  - Op income up 31 bps Y/Y to 5.8%, 7th consecutive qtr of Y/Y growth
  - Record working capital velocity
  - ROWC improved 258 bps Y/Y, nearing 30% target

(1) Adjusted for fiscal year 2006 divestitures.

# Electronics Marketing (EM) Revenue




| | *Jun-06* | *Sep-06* | *Dec-06* | *Mar-07* | *Jun-07* |
|---|---|---|---|---|---|
| Americas | $ 0.98 | $ 0.97 | $ 0.89 | $ 0.92 | $ 0.95 |
| EMEA | 0.83 | 0.79 | 0.77 | 0.91 | 0.83 |
| Asia | 0.64 | 0.68 | 0.67 | 0.61 | 0.69 |
| *Total* | $ 2.45 | $ 2.44 | $ 2.33 | $ 2.44 | $ 2.47 |

- Year over year growth rates
  - Up ~ 1%
  - Pro forma up 1.3%[1]
  - Americas (3.4%)
  - EMEA pro forma up 2.3%[1], (4.6%)[1] in constant dollars
  - Asia grew 7.3%

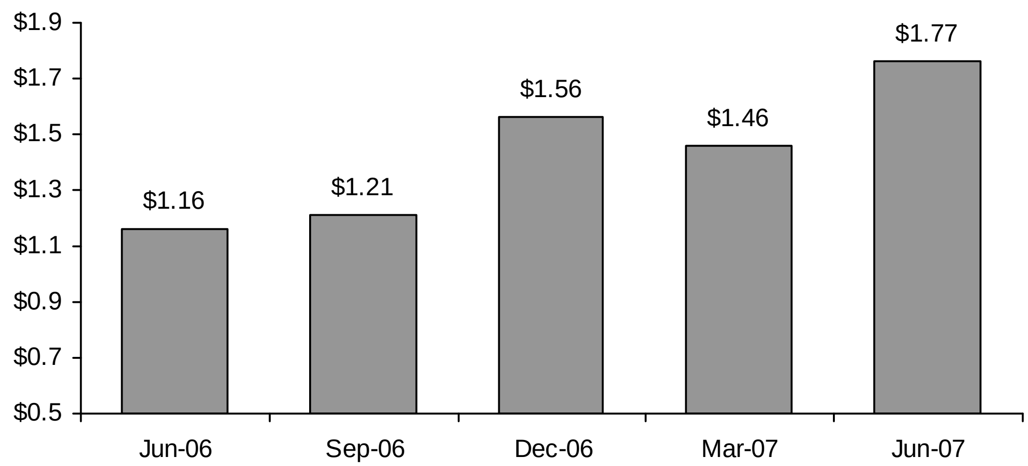
(1) Adjusted for fiscal year 2006 divestitures.

# Financial Highlights – Technology Solutions

- Annual Highlights
  - Access acquisition and integration completed, >$15M cost synergies
  - Revenue grew 20.2% to record $6B, pro forma growth of 5.5%(1)
  - Op income margin near high end of target range
  - Op income a record $232 million
- Quarterly Highlights
  - Grew revenue 52.1% Y/Y, pro forma growth of 8.0%(1)
  - Op income grew 70.5% to a record $68.7 million
  - Achieved 16th consecutive qtr of Y/Y growth in Op income $ and %
  - Completed Azure acquisition (value added distributor in Asia)

**(1) Adjusted for fiscal year 2006 divestitures, the addition of Access and Azure and the change to net revenue treatment.**

# Technology Solutions (TS) Revenue




| | *Jun-06* | *Sep-06* | *Dec-06* | *Mar-07* | *Jun-07* |
|---|---|---|---|---|---|
| Americas | $ 0.83 | $ 0.82 | $ 1.01 | $ 1.04 | $ 1.23 |
| EMEA | 0.29 | 0.33 | 0.49 | 0.36 | 0.41 |
| Asia | 0.04 | 0.06 | 0.06 | 0.06 | 0.13 |
| *Total* | $ 1.16 | $ 1.21 | $ 1.56 | $ 1.46 | $ 1.77 |

- Year over year growth rates
  - Up 52.1%
  - Pro forma up 8.0%(1)
  - Americas (0.9%)(1)
  - EMEA up 20.9%(1)
  - Asia up 115.0%(1)

**(1) Adjusted for fiscal year 2006 divestitures, the addition of Access and Azure and the change to net revenue treatment.**

# Financial Overview

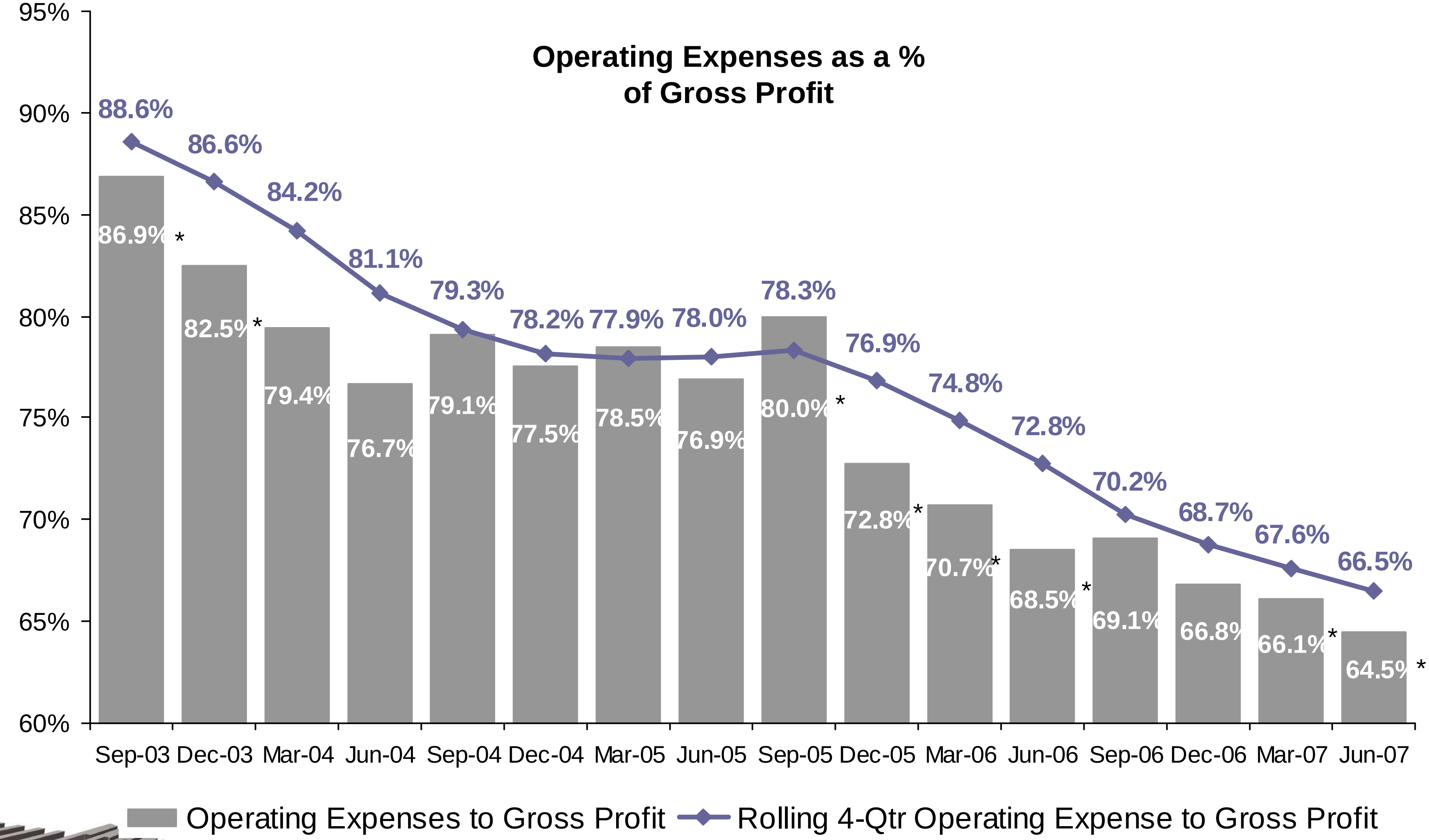
Ray Sadowski
Chief Financial Officer

# P&L Summary: Q4 Year-over-Year

($ In Millions, Except Per Share Information)

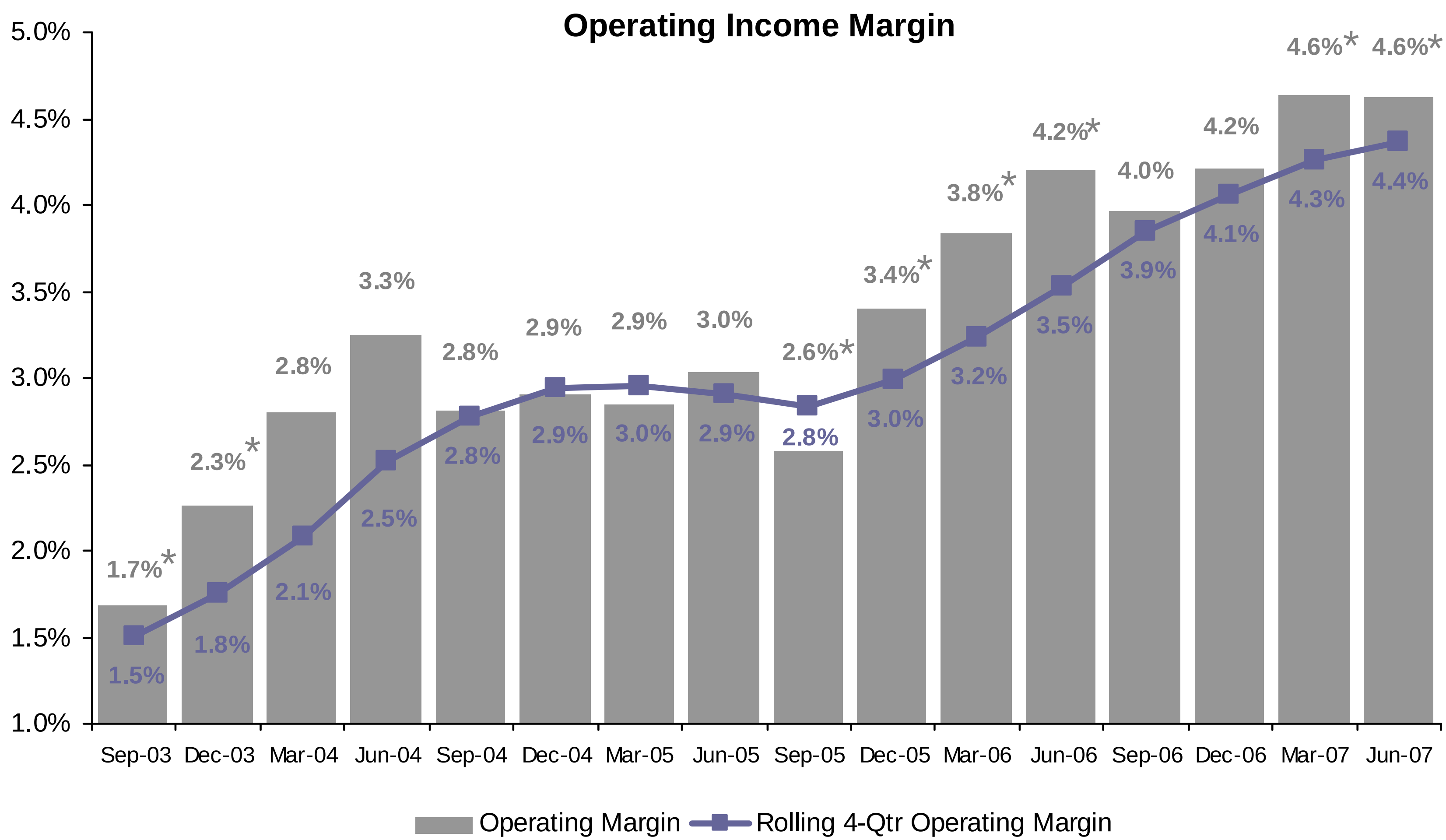
| | Q4 FY07 | Q4 FY06 | Increase / (Decrease) $ Change | Increase / (Decrease) % Change |
|---|---|---|---|---|
| **Sales** | $4,237.2 | $3,611.6 | $625.6 | 17.3% |
| **Gross profit** | 551.6 | 481.9 | 69.7 | 14.5% |
| *Gross profit margin* | *13.0%* | *13.3%* | *-0.3%* | |
| **Operating expenses** | 355.8 | 330.1 | 25.7 | 7.8% |
| **Operating income** | 195.8 | 151.8 | 44.0 | 29.0% |
| **Interest expense** | (17.3) | (24.5) | (7.2) | -29.4% |
| **Other income** | 1.1 | 0.2 | 0.9 | 450.0% |
| **Income before tax** | 179.6 | 127.5 | 52.1 | 40.9% |
| **Taxes** | 55.7 | 40.5 | 15.2 | 37.5% |
| **Net income excluding certain charges** | $123.9 | $87.0 | $36.9 | 42.4% |
| **Diluted earnings per share excluding certain charges** | $0.81 | $0.59 | $0.22 | 37.3% |
| **After tax reconciliation to GAAP** | | | | |
| **Restructuring and other items** | $0.8 | ($28.2) | (29.0) | 102.8% |
| **GAAP net income** | $124.7 | $58.8 | $65.9 | 112.1% |
| **GAAP diluted earnings per share** | $0.81 | $0.40 | $0.41 | 102.5% |

# Operational Excellence



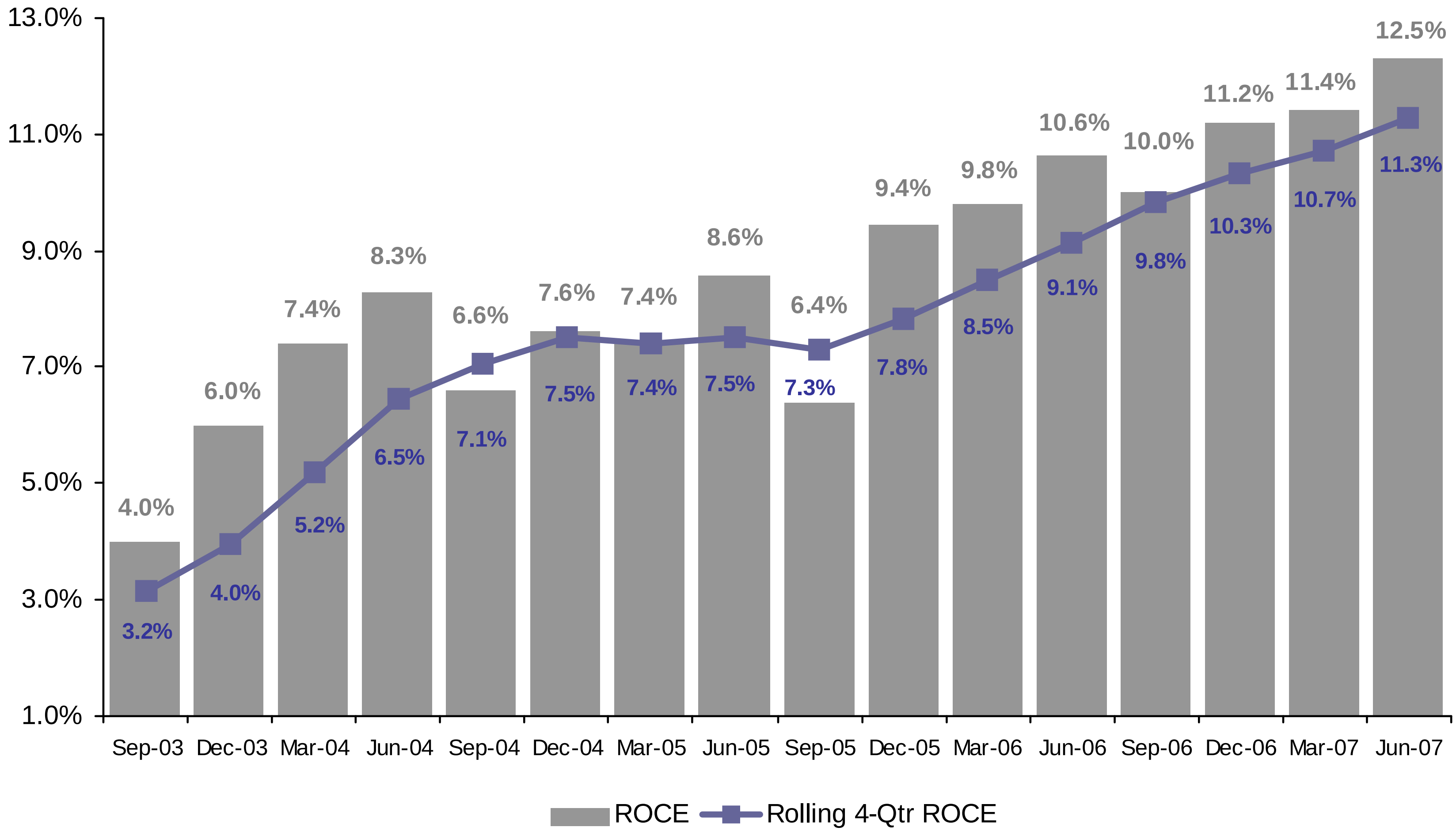

*** Including restructuring and other charges operating expenses as a percentage of gross profit dollar were 97.3%, 89.6%, 83.3%, 79.3%, 74.2%, 69.9%, 67.7% and 64.3% in the September 2003, December 2003, September 2005, December 2005, March 2006, June 2006, March 2007 and June 2007 quarters, respectively.**

# Improved Operating Income



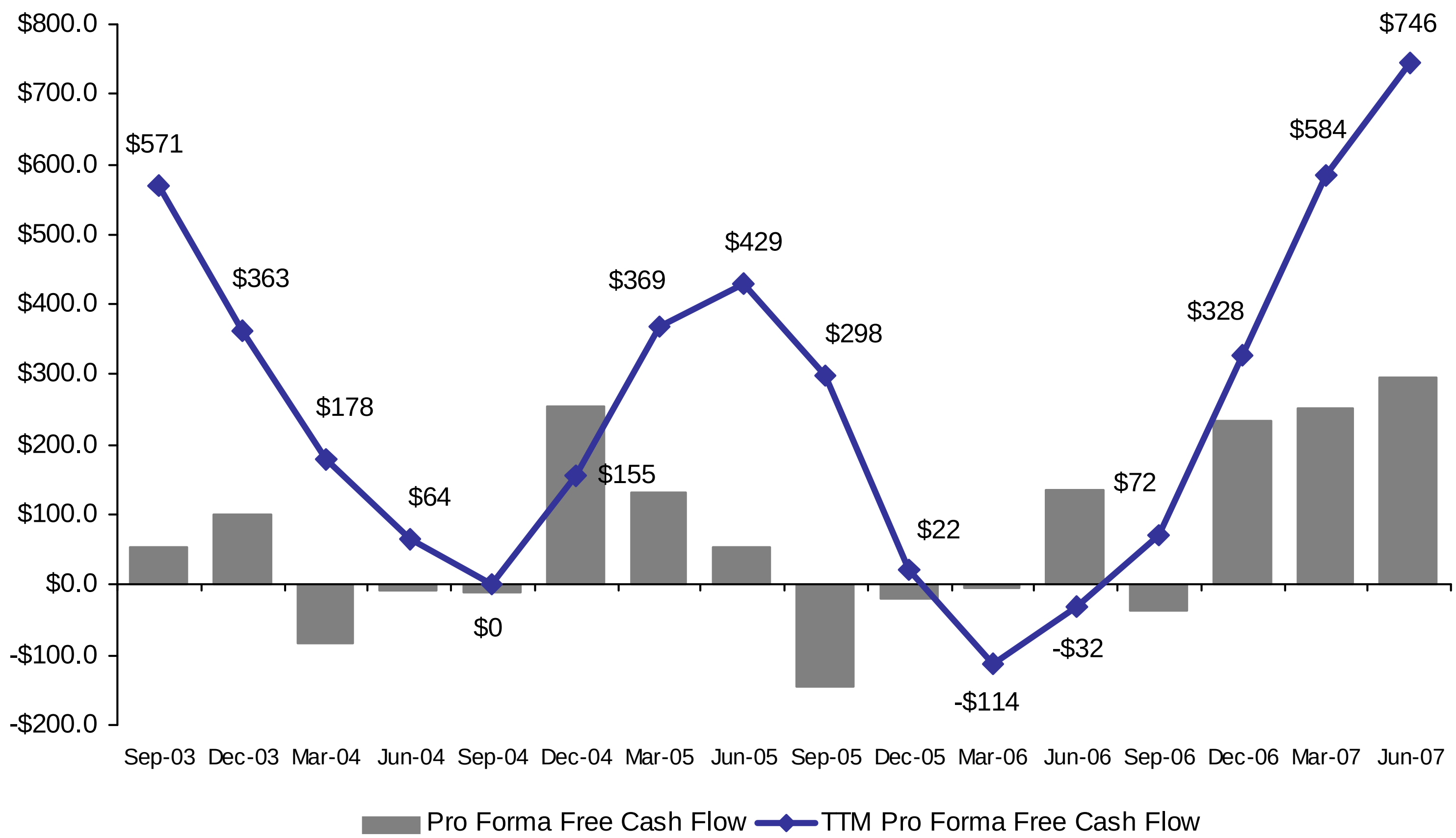

*** Including restructuring and other charges operating income margin was 0.4%, 1.3%, 2.2%, 2.5%, 3.4%, 4.0%, 4.4%, and 4.7% in the September 2003, December 2003, September 2005, December 2005, March 2006, June 2006, March 2007 and June 2007 quarters, respectively.**

# Creating Shareholder Value - ROCE




**Note: ROCE does not include restructuring and other charges.**

# Generating Solid Cash Flow




Note: Free Cash Flow excluding cash used for acquisitions.

# September 2007 Quarter (Q1 FY08)

- Enterprise Revenue: $4.0 to $4.2 billion
- Group Revenues
  - EM: $2.4 to $2.5 billion
  - TS: $1.6 to $1.7 billion
- Non-GAAP EPS: $0.65 to $0.69; up 18-25% over prior year first quarter
- Fiscal year 2008 Non-GAAP EPS up 15% to 20%[1] over $2.76 in fiscal year 2007

(1) Excludes certain items and the impact of acquisitions not yet completed.

# September 2007 Quarter (Q1 FY08)

- Sequential change in Non-GAAP EPS impacted by the following items:
  - Year end effective tax rate true up that positively affected the quarter (~$0.02)
  - Greater than expected profitability at EM EMEA including supplier year end bonuses (~$0.02)
  - Historical seasonality amplified by the Access acquisition which has a strong June quarter coinciding with Sun Micro's year end (~$0.02-$0.03)
  - Higher stock based compensation expense negatively impacting the quarter (~$0.02)

# Question and Answer Session

*Please feel free to contact*
*Avnet's Investor Relations Personnel at:*

**480-643-7394**
**investorrelations@avnet.com**
**www.ir.avnet.com**

# Non-GAAP Results and Regulation G

- Restructuring and other charges, including integration costs, impacted prior and current fiscal quarters. Reconciliations of the Company's reported results to the results adjusted for these items are included in the following tables:

| | Fourth Quarter Ended Fiscal 2007 | | | Fiscal Year Ended 2007 | | |
|---|---|---|---|---|---|---|
| | Op Income | Net Income | Diluted EPS | Op Income | Net Income | Diluted EPS |
| | *$ in thousands, except per share data* | | | | | |
| **GAAP results……** | **$ 196,927** | **$ 124,657** | **$ 0.81** | **$ 678,273** | **$ 393,067** | **$ 2.63** |
| Restructuring, integration and other items …… | (1,168) | (722) | - | 7,353 | 5,289 | 0.03 |
| Gain on sale of business lines…… | - | - | - | - | (1,814) | (0.01) |
| Debt extinguishment costs…… | - | - | - | - | 16,538 | 0.11 |
| Total adjustments…… | (1,168) | (722) | - | 7,353 | 20,013 | 0.13 |
| **Adjusted results……** | **$ 195,759** | **$ 123,935** | **$ 0.81** | **$ 685,626** | **$ 413,080** | **$ 2.76** |

| | Fourth Quarter Ended Fiscal 2006 | | | Fiscal Year Ended 2006 | | |
|---|---|---|---|---|---|---|
| | Op Income | Net Income | Diluted EPS | Op Income | Net Income | Diluted EPS |
| | *$ in thousands, except per share data* | | | | | |
| **GAAP results……** | **$ 145,025** | **$ 58,847** | **$ 0.40** | **$ 433,078** | **$ 204,547** | **$ 1.39** |
| Restructuring, integration and other charges …… | 6,781 | 7,262 | 0.05 | 69,960 | 49,870 | 0.34 |
| Loss on sale of business lines…… | - | 14,328 | 0.10 | - | 7,074 | 0.05 |
| Debt extinguishment costs…… | - | 6,601 | 0.04 | - | 13,653 | 0.09 |
| Total adjustments…… | 6,781 | 28,191 | 0.19 | 69,960 | 70,597 | 0.48 |
| **Adjusted results……** | **$ 151,806** | **$ 87,038** | **$ 0.59** | **$ 503,038** | **$ 275,144** | **$ 1.87** |

# Non-GAAP Results and Regulation G

- Pro forma sales adjusted to include the impact of the classification of sales of supplier service contracts on an agency (net) basis, the impact of divestitures affecting both EM and TS and sales of Access Distribution (acquired on December 31, 2006) and Azure (acquired April 16, 2007) are reflected in the table below.

| | Sales as Reported | Gross to Net Impact | Divested Sales | Acquisition Sales | Pro forma Sales |
|---|---|---|---|---|---|
| | | | *(in thousands)* | | |
| Q1 Fiscal 2007 | $ 3,648,400 | $ (95,810) | $ - | $ 450,248 | $ 4,002,838 |
| Q2 Fiscal 2007 | 3,891,180 | (118,607) | - | 519,276 | 4,291,849 |
| Q3 Fiscal 2007 | 3,904,262 | - | - | 16,155 | 3,920,417 |
| Q4 Fiscal 2007 | 4,237,245 | - | - | 9,198 | 4,246,443 |
| Fiscal year 2007 | $ 15,681,087 | $ (214,417) | $ - | $ 994,877 | $ 16,461,547 |
| Q1 Fiscal 2006 | $ 3,268,265 | $ (87,299) | $ (74,695) | $ 432,444 | $ 3,538,715 |
| Q2 Fiscal 2006 | 3,759,112 | (112,811) | (87,527) | 492,578 | 4,051,352 |
| Q3 Fiscal 2006 | 3,614,642 | (93,355) | (59,273) | 435,483 | 3,897,497 |
| Q4 Fiscal 2006 | 3,611,611 | (93,861) | (13,657) | 578,683 | 4,082,776 |
| Fiscal year 2006 | $ 14,253,630 | $ (387,326) | $ (235,152) | $ 1,939,188 | $ 15,570,340 |

# Non-GAAP Results and Regulation G

References to restructuring and other charges, debt extinguishment costs and other items and/or the exclusion thereof refer to the following charges taken in the quarters indicated (with reference to the appropriate SEC filing in which further disclosure of these charges first appeared). All other quarters had no such charges recorded:

- Q4 FY07 – Restructuring, integration and other items amounted to a pre-tax benefit in the fourth quarter of $1.2 million, which consisted of (i) a prior year acquisition-related benefit of $12.5 million, net of (ii) restructuring, integration and other charges of $11.3 million related to further cost-reduction initiatives across the Company as well as Access integration-related costs. Pre-tax restructuring, integration and other items for the fiscal year ended 2007 amounted to $7.4 million and consisted of $19.9 million of restructuring, integration and other charges, net of the acquisition-related benefit of $12.5 million.
- Q3 FY07 – (1) Restructuring and other charges, including integration cost relating to the acquisition of Access as well as other cost reduction initiatives amounting to $8.5 million pre-tax, $6.0 million after tax and $0.04 per share on a diluted basis, and (2) an additional gain on sales of business in the amount of $3.0 million pre-tax, $1.8 million after tax and $0.01 per share on a diluted basis due the receipt of contingent purchase price proceeds related to the sale of TS' single tier businesses in the Americas. (Form 8-K filed April 26, 2007 and Form 10-Q filed May 9, 2007)
- Q1FY07 – Debt extinguishment costs of $27.4 million pre-tax, $16.5 million after tax and $0.11 per share on a diluted basis associated with the redemption of its outstanding 9¾% Notes due February 15, 2008; (2) other income of $2.8 million pre-tax, $1.9 million after tax and $0.01 per share on a diluted basis associated with the recovery of a previously written off non-trade receivable; and (3) income tax provision of $3.4 million and $0.02 per share on a diluted basis associated with transfer pricing matters in Europe. (Form 8-K filed October 26, 2006 and Form 10-Q filed November 8, 2006)
- Q4 FY06 - (1) Restructuring and other charges, including integration costs, relating to the Memec acquisition, divestitures, and other actions amounting to $6.8 million pre-tax, $7.3 million after tax and $0.05 per share on a diluted basis; (2) a one-time loss of $13.6 million pre-tax, $14.3 million after tax and $0.10 per share on a diluted basis associated with the sale of two small, non-core businesses; and (3) debt extinguishment costs of $10.9 million pre-tax, $6.6 million after tax and $0.04 per share on a diluted basis associated with the early repayment of $113.6 million of the 9 ¾% Notes due February 15, 2008. (Form 8-K filed August 9, 2006 and Form 10-K filed August 30, 2006)
- Q3 FY06 – (1) Restructuring and other charges, including integration costs, relating to the Memec acquisition and other actions amounting to $17.0 million pre-tax ($1.4 million of which is included in cost of sales), $11.2 million after tax and $0.08 per share on a diluted basis; and (2) a one-time gain of $10.9 million pre-tax, $7.3 million after tax and $0.05 per share on a diluted basis associated with the divestiture of two TS businesses (Form 8-K filed April 27, 2006 and Form 10-Q filed May 8, 2006)

# Non-GAAP Results and Regulation G

References to restructuring and other charges and debt extinguishment costs and/or the exclusion thereof refer to the following charges taken in the quarters indicated (with reference to the appropriate SEC filing in which further disclosure of these charges first appeared). All other quarters had no such charges recorded:

- Q2 FY06 – (1) Restructuring and other charges and integration costs, substantially all related to the Memec acquisition, totaling $32.4 million pre-tax ($7.5 million of which is included in cost of sales), $21.4 million after tax, and $0.14 per share on a diluted basis. (Form 8-K filed January 25, 2006 and Form 10-Q filed February 3, 2006)
- Q1 FY06 – (1) Restructuring and integration costs substantially all related to the acquisition of Memec, totaling $13.8 million pre-tax, $10.0 million after tax and $0.07 per diluted share; (2) Debt extinguishment costs associated with the repurchase of $254.1 million of the 8.00% Notes due November 15, 2006 totaling $11.7 million pre-tax, $7.1 million after tax and $0.05 per diluted share. (Form 8-K filed October 27, 2005 and Form 10-Q filed November 9, 2005)
- Q3 FY04 – Debt extinguishment costs associated with the cash tender offer completed during the quarter for $273.4 million of the 7 7/8% notes due February 15, 2005 totaling $16.4 million pre-tax, $14.2 million after-tax and $0.12 per diluted share (Form 8-K filed April 29, 2004 and Form 10-Q filed May 18, 2004)
- Q2 FY04 – Charges related to cost cutting initiatives and the previously announced combination of the Computer Marketing and Applied Computing operating groups into one operating group now called Technology Solutions. These charges include severance costs, charges for consolidation of certain owned and leased facilities, write-offs of certain capitalized IT-related initiatives and the impairment of certain owned assets in the Company's European operations totaling $23.5 million pre-tax, $16.4 million after-tax and $0.14 per diluted share (Form 8-K filed January 29, 2004 and Form 10-Q filed February 13, 2004)
- Q1 FY04 – Charges recorded in connection with cost cutting initiatives and the previously announced combination of Computer Marketing and Applied Computing into one operating group now called Technology Solutions. These charges include severance costs, charges for consolidation of certain facilities, write-offs of certain capitalized IT-related initiatives and the write-off of remaining unamortized deferred loan costs associated with the Company's multi-year credit facility terminated in September 2003 totaling $32.1 million pre-tax, $22.2 million after tax and $0.18 per diluted share (Form 8-K filed October 30, 2003, and Form 10-Q filed November 14, 2003)
- The Company occasionally refers to comparative results in both delivered dollars and constant dollars. Delivered dollars reflect the reported results while constant dollars reflect the adjustment for fluctuations in foreign currency exchange rates between the two comparative periods.

# Closing Remarks

*Thank you for attending.*

*We look forward to hosting you next quarter!*