



Avnet Reports Second Quarter 2024 Financial Results

January 31, 2024

Second quarter sales of \$6.2 billion and diluted EPS of \$1.28

Adjusted diluted EPS of \$1.40

Electronic Components operating margin of 4.3%

PHOENIX--(BUSINESS WIRE)--Jan. 31, 2024-- Avnet, Inc. (Nasdaq: [AVT](#)) today announced results for its second quarter ended December 30, 2023.

Commenting on the Company's financial results, Avnet Chief Executive Officer Phil Gallagher stated, "We are pleased with the second quarter results, which were in line with our expectations. Our team continues to execute well despite the current economic environment and related challenges. We are confident that our strong competitive position and experience managing through many industry cycles will serve us well as we navigate through the next few quarters. We remain encouraged about future opportunities for growth across our end markets."

Fiscal Second Quarter Key Financial Highlights:

- Sales of \$6.2 billion, compared with \$6.7 billion in the prior year quarter.
- Diluted earnings per share of \$1.28, compared with \$2.63 in the prior year quarter.
 - Adjusted diluted earnings per share of \$1.40, compared with \$2.00 in the prior year quarter.
- Operating income margin of 3.8%, compared with 4.5% in the prior year quarter.
 - Adjusted operating income margin of 3.9%.
 - Electronic Components operating income margin of 4.3%.
 - Farnell operating income margin of 4.0%.
- Trailing twelve month cash flows from operations of \$169.2 million.
- Returned \$59.0 million to shareholders in the quarter from share repurchases.
- Returned \$27.8 million to shareholders in dividends during the quarter.

Key Financial Metrics

(\$ in millions, except per share data)

Second Quarter Results (GAAP)

	Dec – 23	Dec – 22	Change Y/Y	Sep – 23	Change Q/Q
Sales	\$ 6,204.9	\$ 6,717.5	(7.6)%	\$ 6,335.6	(2.1)%
Operating Income	\$ 236.3	\$ 299.0	(21.0)%	\$ 253.8	(6.9)%
Operating Income Margin	3.8%	4.5%	(64)bps	4.0%	(20)bps
Diluted Earnings Per Share (EPS)	\$ 1.28	\$ 2.63	(51.3)%	\$ 2.25	(43.1)%

Second Quarter Results (Non-GAAP)⁽¹⁾

	Dec – 23	Dec – 22	Change Y/Y	Sep – 23	Change Q/Q
Adjusted Operating Income	\$ 242.2	\$ 300.5	(19.4)%	\$ 261.7	(7.5)%
Adjusted Operating Income Margin	3.9%	4.5%	(57)bps	4.1%	(23)bps
Adjusted Diluted Earnings Per Share (EPS)	\$ 1.40	\$ 2.00	(30.0)%	\$ 1.61	(13.0)%

Segment and Geographical Mix

	Dec – 23	Dec – 22	Change Y/Y	Sep – 23	Change Q/Q
Electronic Components (EC) Sales	\$ 5,812.1	\$ 6,309.5	(7.9)%	\$ 5,914.4	(1.7)%
EC Operating Income Margin	4.3%	4.7%	(43)bps	4.6%	(34)bps
Farnell Sales	\$ 392.8	\$ 408.0	(3.7)%	\$ 421.2	(6.8)%
Farnell Operating Income Margin	4.0%	9.0%	(504)bps	4.2%	(20)bps
Americas Sales	\$ 1,588.5	\$ 1,681.2	(5.5)%	\$ 1,573.5	1.0%
EMEA Sales	\$ 2,113.6	\$ 2,255.9	(6.3)%	\$ 2,308.0	(8.4)%
Asia Sales	\$ 2,502.8	\$ 2,780.4	(10.0)%	\$ 2,454.1	2.0%

(1) A reconciliation of non-GAAP financial measures to GAAP financial measures is presented in the "Non-GAAP Financial Information" section of this press release.

Outlook for the Third Quarter of Fiscal 2024 Ending on March 30, 2024

	Guidance Range	Midpoint
Sales	\$5.55B – \$5.85B	\$5.70B
Diluted EPS (1)	\$1.05 – \$1.15	\$1.10

(1) A reconciliation of non-GAAP guidance to GAAP guidance is presented in the “Non-GAAP Financial Information” section of this press release.

The above guidance implies a sequential sales decline of 6% to 11% and assumes sales declines for the Western regions versus typical seasonal growth, and a typical seasonal decline in Asia due to the Lunar New Year holiday.

The above guidance also excludes restructuring, integration and other expenses, foreign currency gains and losses, and certain income tax adjustments. The above guidance assumes similar interest expense to the second quarter and an effective tax rate of between 22% and 26%. The above guidance assumes 91 million average diluted shares outstanding and average currency exchange rates as shown in the table below:

	Q3 Fiscal 2024 Guidance	Q2 Fiscal 2024	Q3 Fiscal 2023
Euro to U.S. Dollar	\$1.08	\$1.08	\$1.07
GBP to U.S. Dollar	\$1.27	\$1.24	\$1.21

Today's Conference Call and Webcast Details

Avnet will host a conference call and webcast today at 8:00 a.m. PT / 11:00 a.m. ET to discuss its financial results, provide a business update and answer questions.

- Live conference call: 877-407-8112 (domestic) or 201-689-8840 (international)
- Conference call replay available through February 7, 2024: 877-660-6853 or 201-612-7415 and using Conference ID: 13743228
- Live and archived webcast can be accessed via Avnet's Investor Relations web page at: <https://ir.avnet.com>

Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to the financial condition, results of operations, and business of the Company. You can find many of these statements by looking for words like “believes,” “projected,” “plans,” “expects,” “anticipates,” “should,” “will,” “may,” “estimates,” or similar expressions. These forward-looking statements are subject to numerous assumptions, risks, and uncertainties. The following important factors, in addition to those discussed elsewhere in the Company's Annual Report on Form 10-K for the fiscal year ended July 1, 2023 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, could affect the Company's future results of operations, and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements: geopolitical events and military conflicts; pandemics and other health-related crises; competitive pressures among distributors of electronic components; an industry down-cycle in semiconductors, including supply shortages; relationships with key suppliers and allocations of products by suppliers, including increased non-cancellable/non-returnable orders; accounts receivable defaults; risks relating to the Company's international sales and operations, including risks relating to repatriating cash, foreign currency fluctuations, inflation, duties and taxes, sanctions and trade restrictions, and compliance with international and U.S. laws; risks relating to acquisitions, divestitures, and investments; adverse effects on the Company's supply chain, operations of its distribution centers, shipping costs, third-party service providers, customers, and suppliers, including as a result of issues caused by military conflicts, terrorist attacks, natural and weather-related disasters, pandemics and health related crises, warehouse modernization, and relocation efforts; risks related to cyber security attacks, other privacy and security incidents, and information systems failures, including related to current or future implementations, integrations, and upgrades; general economic and business conditions (domestic, foreign, and global) affecting the Company's operations and financial performance and, indirectly, the Company's credit ratings, debt covenant compliance, liquidity, and access to financing; constraints on employee retention and hiring; and legislative or regulatory changes.

Any forward-looking statement speaks only as of the date on which that statement is made. Except as required by law, the Company assumes no obligation to update any forward-looking statement to reflect events or circumstances that occur after the date on which the statement is made.

About Avnet

As a leading global technology distributor and solutions provider, Avnet has served customers' evolving needs for more than a century. Decade after decade, Avnet helps its customers and suppliers around the world realize the transformative possibilities of technology. Learn more about Avnet at www.avnet.com. (AVT_IR)

AVNET, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

Second Quarters Ended

Six Months Ended

	December 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
	(Thousands, except per share data)			
Sales	\$ 6,204,914	\$ 6,717,521	\$ 12,540,562	\$ 13,467,654
Cost of sales	5,498,730	5,933,421	11,086,273	11,915,381
Gross profit	706,184	784,100	1,454,289	1,552,273
Selling, general and administrative expenses	464,692	485,127	951,977	962,764
Restructuring, integration and other expenses	5,235	—	12,286	—
Operating income	236,257	298,973	490,026	589,509
Other (expense) income, net	(8,397)	1,476	(2,437)	1,800
Interest and other financing expenses, net	(74,302)	(59,020)	(145,098)	(104,118)
Gain on legal settlements and other	—	61,705	86,499	61,705
Income before taxes	153,558	303,134	428,990	548,896
Income tax expense	35,627	59,248	101,791	120,749
Net income	<u>\$ 117,931</u>	<u>\$ 243,886</u>	<u>\$ 327,199</u>	<u>\$ 428,147</u>
Earnings per share:				
Basic	<u>\$ 1.31</u>	<u>\$ 2.67</u>	<u>\$ 3.60</u>	<u>\$ 4.62</u>
Diluted	<u>\$ 1.28</u>	<u>\$ 2.63</u>	<u>\$ 3.54</u>	<u>\$ 4.55</u>
Shares used to compute earnings per share:				
Basic	<u>90,253</u>	<u>91,192</u>	<u>90,874</u>	<u>92,621</u>
Diluted	<u>91,792</u>	<u>92,755</u>	<u>92,485</u>	<u>94,195</u>
Cash dividends paid per common share	<u>\$ 0.31</u>	<u>\$ 0.29</u>	<u>\$ 0.62</u>	<u>\$ 0.58</u>

AVNET, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	December 30, 2023	July 1, 2023
	(Thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 272,850	\$ 288,230
Receivables	4,508,742	4,763,788
Inventories	6,115,999	5,465,031
Prepaid and other current assets	241,371	233,804
Total current assets	<u>11,138,962</u>	<u>10,750,853</u>
Property, plant and equipment, net	563,758	441,557
Goodwill	787,007	780,629
Operating lease assets	227,145	221,698
Other assets	280,302	282,422
Total assets	<u>\$ 12,997,174</u>	<u>\$ 12,477,159</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 696,329	\$ 70,636
Accounts payable	3,308,060	3,373,820
Accrued expenses and other	705,745	753,130
Short-term operating lease liabilities	55,424	51,792
Total current liabilities	<u>4,765,558</u>	<u>4,249,378</u>
Long-term debt	2,753,521	2,988,029
Long-term operating lease liabilities	191,521	190,621
Other liabilities	276,191	297,462
Total liabilities	<u>7,986,791</u>	<u>7,725,490</u>

Shareholders' equity	5,010,383	4,751,669
Total liabilities and shareholders' equity	<u>\$ 12,997,174</u>	<u>\$ 12,477,159</u>

AVNET, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	<u>Six Months Ended</u>	
	<u>December 30, 2023</u>	<u>December 31, 2022</u>
	(Thousands)	
Cash flows from operating activities:		
Net income	\$ 327,199	\$ 428,147
Non-cash and other reconciling items:		
Depreciation and amortization	42,727	43,705
Amortization of operating lease assets	26,205	26,414
Deferred income taxes	12,599	(15,581)
Stock-based compensation	19,951	21,338
Other, net	27,181	7,199
Changes in (net of effects from businesses acquired and divested):		
Receivables	287,320	(469,650)
Inventories	(610,008)	(686,884)
Accounts payable	(78,082)	(341,210)
Accrued expenses and other, net	(138,667)	20,021
Net cash flows used for operating activities	<u>(83,575)</u>	<u>(966,501)</u>
Cash flows from financing activities:		
Borrowings under accounts receivable securitization, net	58,600	352,200
Borrowings under senior unsecured credit facility, net	272,747	1,132,245
Borrowings under bank credit facilities and other debt, net	30,752	47,712
Repurchases of common stock	(86,027)	(221,282)
Dividends paid on common stock	(56,138)	(53,304)
Other, net	2,665	(1,048)
Net cash flows provided by financing activities	<u>222,599</u>	<u>1,256,523</u>
Cash flows from investing activities:		
Purchases of property, plant and equipment	(158,088)	(111,436)
Other, net	373	(16,279)
Net cash flows used for investing activities	<u>(157,715)</u>	<u>(127,715)</u>
Effect of currency exchange rate changes on cash and cash equivalents	3,311	8,778
Cash and cash equivalents:		
— (decrease) increase	(15,380)	171,085
— at beginning of period	288,230	153,693
— at end of period	<u>\$ 272,850</u>	<u>\$ 324,778</u>

Non-GAAP Financial Information

In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles in the United States ("GAAP"), the Company also discloses certain non-GAAP financial information including (i) adjusted operating income, (ii) adjusted operating expenses, (iii) adjusted other income (expense), (iv) adjusted income before income taxes, (v) adjusted income tax expense (benefit), and (vi) adjusted diluted earnings per share.

There are also references to the impact of foreign currency in the discussion of the Company's results of operations. When the U.S. Dollar strengthens and the stronger exchange rates of the current year are used to translate the results of operations of Avnet's subsidiaries denominated in foreign currencies, the resulting impact is a decrease in U.S. Dollars of reported results. Conversely, when the U.S. Dollar weakens and the weaker exchange rates of the current year are used to translate the results of operations of Avnet's subsidiaries denominated in foreign currencies, the resulting impact is an increase in U.S. Dollars of reported results. In the discussion of the Company's results of operations, results excluding this impact are referred to as "constant currency." Management believes sales in constant currency is a useful measure for evaluating current period performance as compared

with prior periods and for understanding underlying trends. In order to determine the translation impact of changes in foreign currency exchange rates on sales, income or expense items for subsidiaries reporting in currencies other than the U.S. Dollar, the Company adjusts the average exchange rates used in current periods to be consistent with the average exchange rates in effect during the comparative period.

Management believes that operating income and operating expenses adjusted for restructuring, integration and other expenses, and amortization of acquired intangible assets, are useful measures to help investors better assess and understand the Company's operating performance. This is especially the case 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 or non-cash in nature. Management analyzes operating income and operating expenses without the impact of these items 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 most cases, for measuring performance for compensation purposes. Management measures operating income for its reportable segments excluding restructuring, integration and other expenses, and amortization of acquired intangible assets and other.

Additional non-GAAP metrics management uses is adjusted operating income margin, which is defined as adjusted operating income (as defined above) divided by sales.

Management also believes income tax expense (benefit), net income and diluted earnings per share adjusted for the impact of the items described above, gain on legal settlements and other, foreign currency gains and losses and certain items impacting income tax expense (benefit) are useful to investors because they provide a measure of the Company's net profitability on a more comparable basis to historical periods and provide a more meaningful basis for forecasting future performance. Adjustments to income tax expense (benefit) and the effective income tax rate include the effect of changes in tax laws, certain changes in valuation allowances and unrecognized tax benefits, income tax audit settlements and adjustments to effective tax rate based upon the expected long-term adjusted effective tax rate. Additionally, because of management's focus on generating shareholder value, of which net profitability is a primary driver, management believes net income and diluted earnings per share excluding the impact of these items provides an important measure of the Company's net profitability for the investing public.

Any analysis of results and outlook on a non-GAAP basis should be used as a complement to, and in conjunction with, results presented in accordance with GAAP.

	Quarters Ended		
	Fiscal Year	December 30,	September 30,
	2024*	2023*	2023
	<i>(\$ in thousands, except per share amounts)</i>		
GAAP selling, general and administrative expenses	\$ 951,977	\$ 464,692	\$ 487,286
Amortization of intangible assets	(1,590)	(712)	(878)
Adjusted operating expenses	950,387	463,980	486,408
GAAP operating income	\$ 490,026	\$ 236,257	\$ 253,769
Restructuring, integration and other expenses	12,286	5,235	7,051
Amortization of intangible assets	1,590	712	878
Adjusted operating income	503,902	242,204	261,698
GAAP other (expense) income, net	\$ (2,437)	\$ (8,397)	\$ 5,960
Foreign currency loss (gain), net	9,200	9,200	—
Adjusted other (expense) income, net	6,763	803	5,960
GAAP income before income taxes	\$ 428,990	\$ 153,558	\$ 275,432
Restructuring, integration and other expenses	12,286	5,235	7,051
Amortization of intangible assets	1,590	712	878
Foreign currency loss (gain), net	9,200	9,200	—
Gain on legal settlements and other	(86,499)	—	(86,499)
Adjusted income before income taxes	365,567	168,705	196,862
GAAP income tax expense	\$ 101,791	\$ 35,627	\$ 66,164
Restructuring, integration and other expenses	2,977	1,274	1,703
Amortization of intangible assets	359	156	203
Foreign currency loss (gain), net	2,034	2,034	—
Gain on legal settlements and other	(20,434)	—	(20,434)
Income tax expense items, net	1,009	1,399	(390)
Adjusted income tax expense	87,736	40,490	47,246
GAAP net income	\$ 327,199	\$ 117,931	\$ 209,268
Restructuring, integration and other expenses (net of tax)	9,309	3,961	5,348
Amortization of intangible assets (net of tax)	1,231	556	675
Foreign currency loss (gain), net (net of tax)	7,166	7,166	—

Gain on legal settlements and other (net of tax)	(66,065)	—	(66,065)
Income tax expense items, net	(1,009)	(1,399)	390
Adjusted net income	277,831	128,215	149,616
GAAP diluted earnings per share	\$ 3.54	\$ 1.28	\$ 2.25
Restructuring, integration and other expenses (net of tax)	0.09	0.04	0.06
Amortization of intangible assets (net of tax)	0.01	0.01	0.01
Foreign currency loss (gain), net (net of tax)	0.08	0.08	—
Gain on legal settlements and other (net of tax)	(0.71)	—	(0.71)
Income tax expense items, net	(0.01)	(0.01)	0.00
Adjusted diluted EPS	3.00	1.40	1.61

* May not foot/cross foot due to rounding.

Fiscal Year	Quarters Ended				
	July 1, 2023*	April 1, 2023	December 31, 2022	October 1, 2022	
	<i>(\$ in thousands, except per share amounts)</i>				
GAAP selling, general and administrative expenses	\$ 1,967,305	\$ 506,322	\$ 498,219	\$ 485,127	\$ 477,636
Amortization of intangible assets	(6,053)	(878)	(876)	(1,541)	(2,759)
Adjusted operating expenses	1,961,252	505,444	497,343	483,586	474,877
GAAP operating income	\$ 1,186,800	\$ 283,662	\$ 313,629	\$ 298,973	\$ 290,537
Restructuring, integration and other expenses	28,038	28,038	—	—	—
Amortization of intangible assets	6,053	878	876	1,541	2,759
Adjusted operating income	1,220,891	312,578	314,505	300,514	293,296
GAAP income before income taxes	\$ 982,876	\$ 190,393	\$ 243,587	\$ 303,134	\$ 245,762
Restructuring, integration and other expenses	28,038	28,038	—	—	—
Amortization of intangible assets	6,053	878	876	1,541	2,759
Gain on legal settlements and other	(37,037)	24,669	—	(61,705)	—
Adjusted income before income taxes	979,931	243,978	244,463	242,970	248,521
GAAP income tax expense	\$ 212,048	\$ 35,138	\$ 56,161	\$ 59,248	\$ 61,501
Restructuring, integration and other expenses	6,007	6,007	—	—	—
Amortization of intangible assets	1,360	207	203	345	605
Gain on legal settlements and other	(8,711)	5,828	—	(14,539)	—
Income tax expense items, net	16,453	5,583	3,529	12,287	(4,946)
Adjusted income tax expense	227,157	52,763	59,893	57,341	57,160
GAAP net income	\$ 770,828	\$ 155,255	\$ 187,426	\$ 243,886	\$ 184,261
Restructuring, integration and other expenses (net of tax)	22,031	22,031	—	—	—
Amortization of intangible assets (net of tax)	4,693	671	673	1,196	2,154
Gain on legal settlements and other (net of tax)	(28,326)	18,841	—	(47,166)	—
Income tax expense items, net	(16,453)	(5,583)	(3,529)	(12,287)	4,946
Adjusted net income	752,774	191,215	184,570	185,629	191,361
GAAP diluted earnings per share	\$ 8.26	\$ 1.68	\$ 2.03	\$ 2.63	\$ 1.93
Restructuring, integration and other expenses (net of tax)	0.24	0.24	—	—	—
Amortization of intangible assets (net of tax)	0.05	0.01	0.01	0.01	0.02
Gain on legal settlements and other (net of tax)	(0.31)	0.20	—	(0.51)	—
Income tax expense items, net	(0.18)	(0.06)	(0.04)	(0.13)	0.05
Adjusted diluted EPS	8.06	2.06	2.00	2.00	2.00

* May not foot/cross foot due to rounding.

Sales in Constant Currency

The following table presents reported sales growth rates and sales growth rates in constant currency for the second quarter and first six months of fiscal 2024 compared to the second quarter and first six months of fiscal 2023.

	Quarter Ended December 30, 2023				Six Months Ended December 30, 2023	
	Sales Year-Year % Change	Sales Year-Year % Change in Constant Currency	Sales Sequential % Change	Sales Sequential % Change in Constant Currency	Sales Year-Year % Change	Sales Year-Year % Change in Constant Currency
Avnet	(7.6)%	(8.7)%	(2.1)%	(1.5)%	(6.9)%	(8.3)%
Avnet by region						
Americas	(5.5)%	(5.5)%	1.0%	1.0%	(5.9)%	(5.9)%
EMEA	(6.3)	(10.2)	(8.4)	(7.3)	0.8	(4.3)
Asia	(10.0)	(9.4)	2.0	2.3	(13.4)	(12.7)
Avnet by segment						
EC	(7.9)%	(8.9)%	(1.7)%	(1.2)%	(7.2)%	(8.5)%
Farnell	(3.7)	(6.0)	(6.8)	(5.9)	(2.4)	(4.9)

Historical Segment Financial Information

	Fiscal Year 2024*	Quarters Ended	
		Second Quarter December 30, 2023	First Quarter September 30, 2023
		(\$ in millions)	
Sales:			
Electronic Components	\$ 11,726.5	\$ 5,812.1	\$ 5,914.4
Farnell	814.1	392.8	421.2
Avnet sales	<u>\$ 12,540.6</u>	<u>\$ 6,204.9</u>	<u>\$ 6,335.6</u>
Operating income:			
Electronic Components	\$ 520.7	\$ 247.9	\$ 272.8
Farnell	33.4	15.7	17.7
	554.1	263.6	290.5
Corporate expenses	(50.2)	(21.4)	(28.7)
Restructuring, integration and other expenses	(12.3)	(5.2)	(7.1)
Amortization of acquired intangible assets	(1.6)	(0.7)	(0.9)
Avnet operating income	<u>\$ 490.0</u>	<u>\$ 236.3</u>	<u>\$ 253.8</u>
Sales by geographic area:			
Americas	\$ 3,162.0	\$ 1,588.5	\$ 1,573.5
EMEA	4,421.6	2,113.6	2,308.0
Asia	4,957.0	2,502.8	2,454.1
Avnet sales	<u>\$ 12,540.6</u>	<u>\$ 6,204.9</u>	<u>\$ 6,335.6</u>

*May not foot/cross foot due to rounding.

	Fiscal Year 2023*	Quarters Ended			
		Fourth Quarter July 1, 2023*	Third Quarter April 1, 2023	Second Quarter December 31, 2022	First Quarter October 1, 2022
		(\$ in millions)			
Sales:					
Electronic Components	\$ 24,802.6	\$ 6,109.2	\$ 6,059.6	\$ 6,309.5	\$ 6,324.2
Farnell	1,734.3	445.4	455.0	408.0	425.9

Avnet sales	\$ 26,536.9	\$ 6,554.6	\$ 6,514.6	\$ 6,717.5	\$ 6,750.1
Operating income:					
Electronic Components	\$ 1,179.6	\$ 310.4	\$ 305.2	\$ 296.7	\$ 267.3
Farnell	165.5	36.1	40.9	36.9	51.6
	1,345.1	346.5	346.1	333.6	318.9
Corporate expenses	(124.2)	(33.9)	(31.6)	(33.1)	(25.6)
Restructuring, integration and other expenses	(28.0)	(28.0)	—	—	—
Amortization of acquired intangible assets	(6.1)	(0.9)	(0.9)	(1.5)	(2.8)
Avnet operating income	\$ 1,186.8	\$ 283.7	\$ 313.6	\$ 299.0	\$ 290.5
Sales by geographic area:					
Americas	\$ 6,807.7	\$ 1,732.7	\$ 1,714.9	\$ 1,681.2	\$ 1,678.9
EMEA	9,229.4	2,450.6	2,393.4	2,255.9	2,129.5
Asia	10,499.8	2,371.3	2,406.3	2,780.4	2,941.7
Avnet sales	\$ 26,536.9	\$ 6,554.6	\$ 6,514.6	\$ 6,717.5	\$ 6,750.1

*May not foot/cross foot due to rounding.

Guidance Reconciliation

The following table presents the reconciliation of non-GAAP adjusted diluted earnings per share guidance to the expected GAAP diluted earnings per share guidance for the third quarter of fiscal 2024.

	<u>Low End of Guidance Range</u>	<u>High End of Guidance Range</u>
Adjusted diluted earnings per share guidance	\$ 1.05	\$ 1.15
Restructuring, integration and other expenses (net of tax)	(0.20)	(0.10)
GAAP diluted earnings per share guidance	<u>\$ 0.85</u>	<u>\$ 1.05</u>

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