
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM 8-K/A
Amendment No. 1 to Form 8-K**

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) **April 27, 2017**

AVNET, INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction
Of incorporation)

1-4224
(Commission
File Number)

11-1890605
(IRS Employer
Identification No.)

2211 South 47th Street, Phoenix, Arizona
(Address of principal executive offices)

85034
(Zip Code)

(480) 643-2000

(Registrant's telephone number, including area code.)

N/A

(Former name and former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Explanatory Note

This amended Form 8-K corrects the language of the Form 8-K filed on April 27, 2017. There were no changes to the exhibits filed under the previous Form 8-K.

Item 2.02 Results of Operations and Financial Condition.

On April 27, 2017, Avnet, Inc. (the "Company") issued a press release announcing its third quarter results of operations for fiscal 2017. A copy of the press release is attached hereto as Exhibit 99.1. A discussion on the impact of foreign currency on the Company's results of operations, the definition of organic sales and a reconciliation of non-GAAP financial information is attached hereto as Exhibit 99.2. Each exhibit is incorporated by reference herein.

The information in this Current Report on Form 8-K and the exhibits attached hereto are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933 except as shall be expressly set forth in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following materials are attached as exhibits to this Current Report on Form 8-K:

Exhibit Number	Description
99.1	Press Release, dated April 27, 2017.
99.2	Supplemental and Non-GAAP Financial Information.

SIGNATURES

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

Date: April 27, 2017

AVNET, INC.

Registrant

By: /s/ Kevin Moriarty

Name: Kevin Moriarty

Title: Senior Vice President and
Chief Financial Officer

Avnet, Inc.
2211 South 47th Street
Phoenix, AZ 85034

PRESS RELEASE

Avnet Reports Third Quarter Fiscal Year 2017 Results Investing in New Global ERP System to Support Digital Transformation Provides Fiscal 2018 Outlook Reflecting Impact of Supplier Program Changes

Phoenix, April 27, 2017 - Avnet, Inc. (NYSE:AVT) today announced results for the third quarter fiscal year 2017 ended April 1, 2017.

- Diluted earnings per share from continuing operations of \$0.69
 - o Adjusted diluted EPS from continuing operations of \$0.88
- Premier Farnell sales exceeded expectations and contributed to margin expansion
- Completed sale of Technology Solutions for ~\$2.4 billion in cash and ~\$250 million in Tech Data Corporation shares
- Paid down ~\$1.8 billion of debt and increased share repurchase authorization by \$500 million
- Accelerating ERP depreciation charges of approximately \$18 million in FY17 and \$72 million in FY18

Avnet ⁽¹⁾	Third Quarters Ended		
	April 1, 2017	April 2, 2016	Change
	<i>\$ in millions, except per share data</i>		
Sales	\$ 4,441.9	\$ 4,082.0	8.8 %
Constant Currency ⁽²⁾			10.6 %
Operating Income	114.3	150.0	(23.8)%
Adjusted Operating Income ⁽³⁾	172.3	161.3	6.8 %
Income from continuing operations	89.9	107.8	(16.6)%
Adjusted Income from continuing operations ⁽³⁾	114.3	107.1	6.7 %
Diluted EPS	\$ 0.69	\$ 0.82	(15.9)%
Adjusted Diluted EPS ⁽³⁾	\$ 0.88	\$ 0.81	8.6 %

(1) The information excludes the Technology Solutions (TS) business as the sale of this business was completed during the quarter. See "Discontinued Operations," below.

(2) Year-over-year sales growth rate excludes the impact of changes in foreign currency exchange rates. A discussion on the impact of foreign currency on Avnet results of operations is included in Exhibit 99.2 to the Form 8-K filed with the Securities Exchange Commission on April 27, 2017 ("Exhibit 99.2").

(3) Non-GAAP measures. Refer to Exhibit 99.2 for a reconciliation of non-GAAP financial information.

"Our organic revenue grew 3.4% sequentially in constant currency and adjusted operating income increased 4.8%. Our investments in e-commerce continue to yield results as digital sales exceeded a \$700 million annual run rate driven by better than expected revenue at Premier Farnell where operating income margin exceeded 10%," said Bill Amelio, CEO of Avnet. "Our EMEA team delivered another strong quarter as organic revenue grew 16% sequentially in constant currency and operating income margin increased 21 basis points. Despite near-term challenges in our upcoming quarters related to supplier losses and changes to supplier programs, we are confident our investments in digital tools and

our transformation initiatives that are focused on streamlining our operations and improving our ability to serve our customers and suppliers. This will position Avnet for future profitable growth in a rapidly changing technology supply chain environment.”

Avnet Regional Sales Results

	Q3 FY17 Sales	Year-over-Year Growth Rates	
		Reported Sales	Organic Sales
Avnet Total	<i>(in millions)</i> \$ 4,441.9	8.8 %	0.2 %
<i>Constant Currency</i> ⁽¹⁾		10.6 %	1.8 %
Americas	\$ 1,328.6	8.3 %	(2.8)%
EMEA	\$ 1,615.9	21.4 %	7.4 %
<i>Constant Currency</i> ⁽¹⁾		27.0 %	12.3 %
Asia	\$ 1,497.4	(1.7)%	(4.2)%
<i>Constant Currency</i> ⁽¹⁾		(1.6)%	(4.1)%

(1) Refer to Exhibit 99.2.

- Sales increased 10.6% from the year ago quarter in constant currency
 - o Organic sales increased 1.8% in constant currency
 - EMEA organic sales increased 12.3% year over year in constant currency on an organic basis, representing the 15th consecutive quarter of organic growth
 - Gross profit margin increased 142 basis points from the year ago quarter primarily due to the addition of Premier Farnell, as well as improvements in the Asia region
 - Working capital (defined as receivables plus inventories less accounts payables) increased 9.1% sequentially, primarily due to an increase in the EMEA and Asia regions
-

Cash Flow and Returns to Shareholders

- Cash flow from continuing operations was a use of \$163 million in the March quarter
- Cash and cash equivalents at the end of the quarter was \$1.13 billion; net debt (total debt less cash and cash equivalents) was \$628 million
- During the March quarter, the Company repurchased 3.1 million shares, representing an aggregate investment of \$140.1 million
- Entering the fourth quarter, the Company had \$534.8 million remaining under the current share repurchase authorization
- Avnet paid a dividend of \$0.18 per share or \$23.1 million during the quarter

“In the March quarter, we used approximately \$2.4 billion of cash from the sale of our Technology Solutions business to strengthen our balance sheet and increase the amount of funds available to return to shareholders,” said Kevin Moriarty, CFO of Avnet. “We paid down approximately \$1.8 billion of debt, which will reduce our future interest expense and result in credit statistics that solidly support our investment grade credit rating. We also increased our dividend 5.9% while allocating an additional \$500 million to our share repurchase program. In addition, we locked in the gain on our Tech Data Corporation shares to ensure that we will have another \$250 million of cash available over the next twelve months. With our strong balance sheet and improved liquidity, we are well positioned to invest in growth and our digital transformation that will drive financial performance in the future.”

ERP Update

Given the Company is now solely focused on components and has acquired significant digital resources, the Company recently performed a thorough review of both its Enterprise Resource Planning (ERP) system in the Americas (“Evolve”) and its global IT strategy going forward. The Company has decided to pursue a global ERP system that incorporates key elements of its international ERP systems that have been successfully supporting the business for many years. In addition to supporting the Company’s emerging digital business model, the global ERP system is expected to enhance the customer experience, lower operational cost and improve global analytics. While this system may take up to 24 months to complete, the Company will continue to invest necessary resources to modify and maintain the Evolve system in the Americas to continue to deliver support to customers and suppliers. As a result of this decision, the Company expects to recognize accelerated depreciation on the Evolve system, which will negatively impact results by approximately \$18 million per quarter over the next eight quarters.

Outlook for Fourth Quarter of Fiscal 2017 Ending on July 1, 2017

- Sales are expected to be in the range of \$4.35 billion to \$4.65 billion
- Adjusted diluted earnings per share from continuing operations is expected to be in the range of \$0.72 to \$0.82 per share
- The guidance assumes 127 million average diluted shares outstanding and an adjusted tax rate of 22% to 26%

Preliminary Outlook for Fiscal 2018 Ending on June 30, 2018

- Sales are expected to be in the range of \$17.3 billion to \$17.7 billion
 - Adjusted diluted earnings per share from continuing operations is expected to be in the range of \$3.00 to \$3.50 per share
 - The guidance assumes 126 million average diluted shares outstanding and an adjusted tax rate of 22% to 26%
-

The above guidance excludes any additional acquisitions, the amortization of intangibles, Evolve accelerated depreciation, any potential restructuring, integration, and other expenses and certain income tax adjustments. In addition, the above guidance assumes that the average U.S. Dollar to Euro currency exchange rate for the fourth quarter of fiscal 2017 is \$1.08 to €1.00. This compares with an average exchange rate of \$1.13 to the Euro in the fourth quarter of fiscal 2016.

Refer to Exhibit 99.2 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on April 27, 2017, for a reconciliation of non-GAAP guidance.

Discontinued Operations

In February 2017, Avnet completed the sale of its Technology Solutions business to Tech Data Corporation. As a result, the TS business is considered a discontinued operation.

Forward-Looking Statements

This document contains certain “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. These statements are based on management’s current expectations and are subject to uncertainty and changes in facts and circumstances. The forward-looking statements herein include statements addressing future financial and operating results of Avnet and may include words such as “will,” “anticipate,” “intend,” “estimate,” “forecast,” “expect,” “feel,” “believe,” “should,” and other words and terms of similar meaning in connection with any discussions of future operating or financial performance, business prospects or market conditions. Actual results may differ 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: Avnet’s ability to retain and grow market share and to generate additional cash flow, risks associated with any acquisition activities and the successful integration of acquired companies, implementing and maintaining ERP systems and transitioning to a global ERP system, supplier losses and changes to supplier programs, the sale of the TS business, an industry down-cycle in semiconductors, declines in sales, changes in business conditions and the economy in general, changes in market demand and pricing pressures, any material changes in the allocation of product or product rebates 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 Avnet’s reports on Form 10-K, Form 10-Q and Form 8-K. Except as required by law, Avnet is under no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Teleconference and Upcoming Events

Avnet will host a quarterly teleconference today at 11:00 a.m. Eastern Time. Financial information including financial statement reconciliations of GAAP to non-GAAP financial measures, will be available through www.ir.avnet.com. Please log onto the site 15 minutes prior to the start of the event to register or download any necessary software. An archive copy of the teleconference will also be available after the call.

For a listing of Avnet’s upcoming events and other information, please visit Avnet’s investor relations website at www.ir.avnet.com.

About Avnet

From idea to design and from prototype to production, Avnet supports customers at each stage of a product's lifecycle. A comprehensive portfolio of design and supply chain services makes Avnet the go-to guide for innovators who set the pace for technological change. For nearly a century, Avnet has helped its customers and suppliers around the world realize the transformative possibilities of technology. Learn more about Avnet at www.avnet.com.

Visit the Avnet Investor Relations website at www.ir.avnet.com or contact us at investorrelations@avnet.com.

Investor Relations Contact

Avnet, Inc.
Vincent Keenan
Investor Relations
(480) 643-7053
investorrelations@avnet.com

Media Relations Contact

Maureen O'Leary
Corporate Communications
480-643-7499
maureen.o'leary@avnet.com

AVNET, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Third Quarters Ended		Nine Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
	(Thousands, except per share data)			
Sales	\$ 4,441,896	\$ 4,081,961	\$ 12,833,559	\$ 12,771,628
Cost of sales	<u>3,811,910</u>	<u>3,561,019</u>	<u>11,094,733</u>	<u>11,189,459</u>
Gross profit	629,986	520,942	1,738,826	1,582,169
Selling, general and administrative expenses	480,190	362,064	1,275,417	1,093,982
Restructuring, integration and other expenses	<u>35,513</u>	<u>8,854</u>	<u>95,382</u>	<u>35,455</u>
Operating income	114,283	150,024	368,027	452,732
Other income (expense), net	19,439	1,453	(30,809)	284
Interest expense	<u>(27,534)</u>	<u>(21,388)</u>	<u>(81,518)</u>	<u>(64,385)</u>
Income from continuing operations before taxes	106,188	130,089	255,700	388,631
Income tax expense	<u>16,268</u>	<u>22,297</u>	<u>65,627</u>	<u>69,774</u>
Income from continuing operations, net of tax	89,920	107,792	190,073	318,857
Income (loss) from discontinued operations, net of tax	(35,237)	15,667	36,671	90,868
Gain on sale of discontinued operations, net of tax	<u>217,088</u>	<u>—</u>	<u>217,088</u>	<u>—</u>
Income from discontinued operations, net of tax	<u>181,851</u>	<u>15,667</u>	<u>253,759</u>	<u>90,868</u>
Net income	<u>\$ 271,771</u>	<u>\$ 123,459</u>	<u>\$ 443,832</u>	<u>\$ 409,725</u>
Earnings per share - basic:				
Continuing operations	\$ 0.70	\$ 0.83	\$ 1.48	\$ 2.42
Discontinued operations	<u>1.42</u>	<u>0.12</u>	<u>1.98</u>	<u>0.69</u>
Net income per share - basic	<u>\$ 2.12</u>	<u>\$ 0.95</u>	<u>\$ 3.46</u>	<u>\$ 3.11</u>
Earnings per share - diluted:				
Continuing operations	\$ 0.69	\$ 0.82	\$ 1.46	\$ 2.37
Discontinued operations	<u>1.41</u>	<u>0.12</u>	<u>1.95</u>	<u>0.68</u>
Net income per share - diluted	<u>\$ 2.10</u>	<u>\$ 0.94</u>	<u>\$ 3.41</u>	<u>\$ 3.05</u>
Shares used to compute earnings per share:				
Basic	<u>128,487</u>	<u>129,811</u>	<u>127,973</u>	<u>131,834</u>
Diluted	<u>129,432</u>	<u>131,650</u>	<u>129,847</u>	<u>134,298</u>
Cash dividends paid per common share	<u>\$ 0.18</u>	<u>\$ 0.17</u>	<u>\$ 0.52</u>	<u>\$ 0.51</u>

AVNET, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>April 1,</u> <u>2017</u>	<u>July 2,</u> <u>2016</u>
<u>(Thousands)</u>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,129,233	\$ 1,031,478
Marketable securities	261,549	—
Receivables, net	3,237,440	2,769,906
Inventories	2,771,236	2,559,921
Prepaid and other current assets	273,534	81,197
Current assets held for sale	—	2,561,471
Total current assets	<u>7,672,992</u>	<u>9,003,973</u>
Property, plant and equipment, net	526,025	453,209
Goodwill	1,140,978	621,852
Intangible assets, net	285,390	22,571
Other assets	220,393	239,133
Non-current assets held for sale	—	899,067
Total assets	<u>\$ 9,845,778</u>	<u>\$ 11,239,805</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 32,574	\$ 1,152,599
Accounts payable	1,731,275	1,590,777
Accrued expenses and other	880,794	394,888
Current liabilities held for sale	—	1,804,229
Total current liabilities	<u>2,644,643</u>	<u>4,942,493</u>
Long-term debt	1,724,234	1,339,204
Other liabilities	377,328	223,053
Non-current liabilities held for sale	—	43,769
Total liabilities	<u>4,746,205</u>	<u>6,548,519</u>
Shareholders' equity	<u>5,099,573</u>	<u>4,691,286</u>
Total liabilities and shareholders' equity	<u>\$ 9,845,778</u>	<u>\$ 11,239,805</u>

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

	Nine Months Ended	
	April 1, 2017	April 2, 2016
	(Thousands)	
Cash flows from operating activities:		
Net income	\$ 443,832	\$ 409,725
Less: Income from discontinued operations, net of tax	<u>253,759</u>	<u>90,868</u>
Income from continuing operations	190,073	318,857
Non-cash and other reconciling items:		
Depreciation	63,800	50,789
Amortization	34,185	5,900
Deferred income taxes	(15,562)	3,963
Stock-based compensation	41,778	47,724
Other, net	10,563	28,687
Changes in (net of effects from businesses acquired and divested):		
Receivables	(335,617)	254,305
Inventories	86,103	(351,731)
Accounts payable	86,120	(103,236)
Accrued expenses and other, net	(20,977)	(73,147)
Net cash flows provided by operating activities - continuing operations	<u>140,466</u>	<u>182,111</u>
Net cash flows (used) provided by operating activities - discontinued operations	<u>(325,096)</u>	<u>115,016</u>
Net cash flows (used) provided by operating activities	<u>(184,630)</u>	<u>297,127</u>
Cash flows from financing activities:		
Issuance of notes, net of issuance costs	296,374	542,043
Repayment of notes	(530,800)	(250,000)
Borrowings (repayments) under accounts receivable securitization, net	(492,000)	(400,012)
Borrowings (repayments) of bank and revolving debt, net	(168,386)	412,253
Borrowings of term loans	530,756	—
Repayments of term loans	(511,358)	—
Repurchases of common stock	(124,598)	(334,177)
Dividends paid on common stock	(66,477)	(66,944)
Other, net	15,838	(12,028)
Net cash flows used for financing activities - continuing operations	<u>(1,050,651)</u>	<u>(108,865)</u>
Net cash flows provided by financing activities - discontinued operations	<u>3,447</u>	<u>36,227</u>
Net cash flows used for financing activities	<u>(1,047,204)</u>	<u>(72,638)</u>
Cash flows from investing activities:		
Purchases of property, plant and equipment	(107,960)	(106,776)
Acquisitions of businesses, net of cash acquired	(801,164)	—
Other, net	18,404	9,559
Net cash flows used for investing activities - continuing operations	<u>(890,720)</u>	<u>(97,217)</u>
Net cash flows provided (used) for investing activities - discontinued operations	<u>2,235,384</u>	<u>(25,092)</u>
Net cash flows provided (used) for investing activities	<u>1,344,664</u>	<u>(122,309)</u>
Effect of currency exchange rate changes on cash and cash equivalents	(15,075)	1,752
Net change in cash and cash equivalents	97,755	103,932
Cash and cash equivalents at beginning of period	<u>1,031,478</u>	<u>932,553</u>
Cash and cash equivalents at end of period	<u>\$ 1,129,233</u>	<u>\$ 1,036,485</u>

Supplemental and 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 tax expense, (v) adjusted income from continuing operations, (vi) adjusted diluted earnings per share, and (vii) sales adjusted for the impact of acquisitions and other items (as defined in the Organic Sales section of this document). 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 "excluding the impact of changes in foreign currency exchange rates" or "constant currency." Management believes organic sales and sales in constant currency are useful measures 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, operating expenses and other income (expense) adjusted for restructuring, integration and other expenses, including acquisition or divestiture related costs and amortization of acquired intangible assets and other, 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, operating expenses and other income (expense) 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 many cases, for measuring performance for compensation purposes.

Additional non-GAAP metrics management uses are adjusted operating income margin, which is defined as adjusted operating income (as defined above) divided by sales and adjusted operating expense to gross profit ratio, which is defined as adjusted operating expenses (as defined above) divided by gross profit.

Management also believes income tax expense, income from continuing operations and diluted EPS from continuing operations adjusted for the impact of the items described above and certain items impacting income tax expense 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. Additionally, because of management's focus on generating shareholder value, of which net profitability is a primary driver, management believes income from continuing operations and diluted EPS from continuing operations excluding the

impact of these items provides an important measure of the Company's net profitability for the investing public.

Other metrics management monitors in its assessment of business performance include return on working capital (ROWC), return on capital employed (ROCE) and working capital velocity (WC velocity).

·ROWC is defined as annualized adjusted operating income (as defined above) divided by the sum of the monthly average balances of receivables and inventories less accounts payable from both continuing and discontinued operations.

·ROCE is defined as annualized, tax effected adjusted operating income (as defined above) divided by the monthly average balances of interest-bearing debt and equity (including the impact of adjustments to operating income discussed above) less cash and cash equivalents from both continuing and discontinued operations.

·WC velocity is defined as annualized adjusted sales divided by the sum of the monthly average balances of receivables and inventories less accounts payable from both continuing and discontinued operations.

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	
	April 1, 2017*	April 2, 2016*
	<i>\$ in thousands, except per share amounts</i>	
GAAP selling, general and administrative expenses - continuing operations	\$ 480,190	\$ 362,064
Amortization of intangible assets and other - continuing operations	22,497	2,442
Adjusted operating expenses - continuing operations	<u>457,693</u>	<u>359,622</u>
GAAP operating income - continuing operations	\$ 114,283	\$ 150,024
Restructuring, integration and other expenses- continuing operations	35,513	8,854
Amortization of intangible assets and other - continuing operations	22,497	2,442
Adjusted operating income - continuing operations	<u>172,293</u>	<u>161,320</u>
GAAP other income (expense), net - continuing operations	\$ 19,439	\$ 1,453
Unrealized gain on marketable securities and other	(13,859)	-
Adjusted other income (expense), net - continuing operations	<u>5,580</u>	<u>1,453</u>
GAAP income before income taxes- continuing operations	106,188	130,089
Restructuring, integration and other expenses- continuing operations	35,513	8,854
Amortization of intangible assets and other - continuing operations	22,497	2,442
Unrealized gain on marketable securities and other -continuing operations	(13,859)	-
Adjusted income before income taxes- continuing operations	<u>150,339</u>	<u>141,385</u>
GAAP income tax expense - continuing operations	\$ 16,268	\$ 22,297
Restructuring, integration and other expenses - continuing operations	12,455	3,057
Amortization of intangible assets and other - continuing operations	5,077	468
Unrealized gain on marketable securities and other - continuing operations	(5,431)	-
Discrete income tax expense items - continuing operations	7,712	8,463
Adjusted income tax expense - continuing operations	<u>36,081</u>	<u>34,285</u>
GAAP income - continuing operations	\$ 89,920	\$ 107,792
Restructuring, integration and other expenses (net of tax) - continuing operations	23,058	5,797
Amortization of intangible assets and other (net of tax) - continuing operations	17,420	1,974

Unrealized gain on marketable securities and other (net of tax) - continuing operations	(8,428)	-
Discrete income tax expense items - continuing operations	(7,712)	(8,463)
Adjusted income - continuing operations	114,258	107,100
GAAP diluted EPS - continuing operations	\$ 0.69	\$ 0.82
Restructuring, integration and other expenses (net of tax) - continuing operations	0.18	0.04
Amortization of intangible assets and other (net of tax) - continuing operations	0.14	0.01
Unrealized gain on marketable securities and other	(0.07)	-
Discrete income tax expense items - continuing operations	(0.06)	(0.06)
Adjusted diluted EPS - continuing operations	0.88	0.81

* May not foot due to rounding

Organic Sales

Organic sales is defined as sales adjusted for the impact of significant acquisitions, divestitures and other items by adjusting Avnet's prior and current (if necessary) periods to include the sales of acquired businesses and exclude the sales of divested businesses as if the acquisitions and divestitures had occurred at the beginning of the earliest period presented. Organic sales in constant currency is defined as organic sales (as defined above) excluding the impact of changes in foreign currency exchange rates.

The following tables present the reconciliation of reported sales to organic sales for the third quarters and first nine months of fiscal 2016 and fiscal 2017.

	Third Quarter Ended			Nine Months Ended		
	As Reported	Acquisitions	Organic Sales	As Reported	Acquisitions ⁽¹⁾ & Estimated Extra	Organic Sales
	Fiscal 2016		Fiscal 2016	Fiscal 2016	Week of Sales	Fiscal 2016
	<i>(in millions)</i>					
Avnet	\$ 4,082.0	\$ 353.3	\$ 4,435.2	\$ 12,771.6	\$ 715.9	\$ 13,487.5
Avnet by region						
Americas	\$ 1,227.2	\$ 139.9	\$ 1,367.1	\$ 3,696.3	\$ 340.2	\$ 4,036.5
EMEA	1,330.8	174.3	1,505.1	3,810.0	396.2	4,206.2
Asia	1,524.0	39.0	1,563.0	5,265.4	(20.5)	5,244.8

(1) Includes Premier Farnell acquired on October 17, 2016, which has operations in each Avnet region.

	Third Quarter Ended			Nine Months Ended		
	As Reported	Acquisitions ⁽¹⁾	Organic Sales	As Reported	Acquisitions ⁽¹⁾	Organic Sales
	Fiscal 2017		Fiscal 2017	Fiscal 2017		Fiscal 2017
	<i>(in millions)</i>					
Avnet	\$ 4,441.9	\$ —	\$ 4,441.9	\$ 12,833.6	\$ 378.4	\$ 13,211.9
Avnet by region						
Americas	\$ 1,328.6	\$ —	\$ 1,328.6	\$ 3,831.7	\$ 154.4	\$ 3,986.1
EMEA	1,615.9	—	1,615.9	4,261.9	178.9	4,440.8
Asia	1,497.4	—	1,497.4	4,740.0	45.0	4,785.0

(1) Includes Premier Farnell acquired on October 17, 2016, which has operations in each Avnet region.

	Sales As Reported Q3-Fiscal 2017	Organic Sales Q3-Fiscal 2017	Sales As Reported Year-Year % Change	Sales As Reported Year-Year % Change in Constant Currency	Organic Sales Year-Year % Change	Organic Sales Year-Year % Change	Organic Sales Year-Year % Change in Constant Currency
(Dollars in thousands)							
Avnet	\$ 4,441.9	\$ 4,441.9	8.8 %	10.6 %	0.2 %		1.8 %
Avnet by region							
Americas	\$ 1,328.6	\$ 1,328.6	8.3 %	—	(2.8)%		—
EMEA	1,615.9	1,615.9	21.4	27.0 %	7.4		12.3 %
Asia	1,497.4	1,497.4	(1.7)	(1.6)	(4.2)		(4.1)

ROWC, ROCE and WC Velocity

The following table (in thousands) presents the calculations for ROWC, ROCE and WC velocity.

		Q3 FY17	Q3 FY16
Sales		4,441,896	4,081,961
Sales, annualized	(a)	\$ 17,767,584	16,327,844
Adjusted operating income ⁽¹⁾		172,293	161,320
Adjusted annualized operating income	(b)	689,172	645,280
Adjusted effective tax rate ⁽²⁾		25.10 %	24.30 %
Adjusted annualized operating income, after tax	(c)	516,397	488,800
Average monthly working capital			
Accounts receivable		3,137,494	2,679,366
Inventories		2,842,388	2,463,775
Accounts payable		(1,770,934)	(1,780,407)
Average working capital	(d)	\$ 4,208,948	\$ 3,362,734
Average monthly capital employed	(e)	\$ 5,624,510	\$ 4,074,858
ROWC = (b) / (d)		16.4 %	19.2 %
WC Velocity = (a) / (d)		4.2	4.9
ROCE = (c) / (e)		9.2 %	12.0 %

(1) See reconciliation to GAAP amounts in the preceding tables in this supplemental and Non-GAAP Financial Information section.

(2) Adjusted effective tax rate for each quarterly period in a fiscal year is based upon the currently anticipated annual effective tax rate, excluding the tax effect of the income tax adjustments above in the reconciliation to GAAP amounts in this Non-GAAP Financial Information section.

Guidance Reconciliation

The following table presents the reconciliation of non-GAAP adjusted diluted earnings per share from continuing operations guidance to the expected GAAP diluted earnings per share from continuing operations guidance for the fourth quarter of fiscal 2017.

	<u>Low End of Guidance Range</u>	<u>High End of Guidance Range</u>
Adjusted diluted earnings per share guidance - Continuing operations	\$ 0.72	\$ 0.82
Restructuring, integration and other expense (net of tax)	(0.14)	(0.08)
Accelerated depreciation (net of tax)	(0.09)	(0.08)
Amortization of intangibles and other (net of tax)	(0.12)	(0.10)
Unrealized loss on Marketable Securities	(0.07)	(0.06)
Income tax expense adjustments	(0.02)	0.02
GAAP diluted earnings per share guidance - Continuing operations	<u>\$ 0.28</u>	<u>\$ 0.51</u>

The following table presents the reconciliation of non-GAAP adjusted diluted earnings per share from continuing operations guidance to the expected GAAP diluted earnings per share from continuing operations guidance for fiscal 2018.

	<u>Low End of Guidance Range</u>	<u>High End of Guidance Range</u>
Adjusted diluted earnings per share guidance - Continuing operations	\$ 3.00	\$ 3.50
Restructuring, integration and other expense (net of tax)	(0.33)	(0.22)
Accelerated depreciation (net of tax)	(0.37)	(0.33)
Amortization of intangibles and other (net of tax)	(0.48)	(0.41)
Income tax expense adjustments	(0.08)	0.08
GAAP diluted earnings per share guidance - Continuing operations	<u>\$ 1.74</u>	<u>\$ 2.63</u>
